

Armtec Infrastructure Income Fund

INTERIM CONSOLIDATED BALANCE SHEETS

(in thousands of Canadian dollars)

	March 31, 2008 (unaudited)	March 31, 2007 (unaudited)	December 31, 2007
Assets			
Current assets			
Cash	\$ 71	\$ 15	\$ 12,628
Accounts receivable	47,170	17,299	49,313
Inventories (Note 5)	30,702	24,666	22,111
Prepaid expenses and other assets	902	1,041	1,644
Future income tax assets	185	101	126
	79,030	43,122	85,822
Property, plant and equipment	83,323	31,929	77,216
Notes receivable	121	383	139
Goodwill	71,028	39,548	71,028
Intangible assets	90,834	43,490	92,422
	\$ 324,336	\$ 158,472	\$ 326,627
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	\$ 26,191	\$ 13,939	\$ 32,539
Distributions payable	2,275	1,340	4,674
Income taxes payable	133	-	163
Deferred contract revenue	1,214	-	1,495
Current portion of long-term debt	346	-	341
Future income tax liabilities	4,510	-	4,594
	34,669	15,279	43,806
Long-term debt	80,541	25,708	65,549
Post-employment obligations	6,725	6,607	6,701
Future income tax liabilities	30,892	14,385	31,466
	152,827	61,979	147,522
Unitholders' equity	171,509	96,493	179,105
	\$ 324,336	\$ 158,472	\$ 326,627

Signed on behalf of the Trustees:

/s/ Robert J. Wright
Robert J. Wright
Chairman

/s/ Brian W. Jamieson
Brian W. Jamieson
Trustee

The accompanying notes are an integral part of these consolidated financial statements.

Armtec Infrastructure Income Fund

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

(in thousands of Canadian dollars except unit and per unit amounts)

(unaudited)

	Three Months Ended	
	March 31, 2008	March 31, 2007
Revenue	\$ 46,427	\$ 21,848
Cost of sales	34,224	15,871
Amortization of property, plant and equipment	1,454	870
Gross margin	10,749	5,107
Distribution and warehousing	1,229	1,138
Selling, general and administrative	9,173	5,449
Amortization of intangible assets	2,779	657
Loss from operations	(2,432)	(2,137)
Interest	1,018	288
Interest related to debt transaction costs	58	47
Interest and financing expenses	1,076	335
Loss before taxes	(3,508)	(2,472)
Recovery of future income taxes	717	160
Net loss for the period	\$ (2,791)	\$ (2,312)
Basic and diluted loss per unit (Note 9)	\$ (0.18)	\$ (0.22)
Basic and diluted weighted average number of units outstanding (Note 9)	15,087,656	10,304,000

The accompanying notes are an integral part of these consolidated financial statements.

Armtec Infrastructure Income Fund

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands of Canadian dollars)

(unaudited)

	Three Months Ended	
	March 31, 2008	March 31, 2007
Net loss for the period	\$ (2,791)	\$ (2,312)
Other comprehensive loss, net of taxes:		
Unrealized losses on translating financial statements of self-sustaining foreign operations	(2)	-
Comprehensive income for the period	\$ (2,793)	\$ (2,312)

Armtec Infrastructure Income Fund

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN UNITHOLDERS' EQUITY

(in thousands of Canadian dollars)

(unaudited)

	Unitholders' Capital	Accumulated Other Comprehensive Loss	Cumulative Earnings	Cumulative Distributions	Total
Balance – December 31, 2006	\$ 105,773	\$ -	\$ 34,220	\$ (37,169)	\$ 102,824
Loss for the period	-	-	(2,312)	-	(2,312)
Other comprehensive loss for the period	-	-	-	-	-
Distributions for the period (Note 7)	-	-	-	(4,019)	(4,019)
Balance – March 31, 2007	\$ 105,773	\$ -	\$ 31,908	\$ (41,188)	\$ 96,493
Balance – December 31, 2007	\$ 180,139	\$ (23)	\$ 57,109	\$ (58,120)	\$ 179,105
Exchangeable partnership units issued for cash consideration (Note 6)	2,000	-	-	-	2,000
Issuance costs related to unit offering (Note 6)	(6)	-	-	-	(6)
Loss for the period	-	-	(2,791)	-	(2,791)
Other comprehensive loss for the period	-	(2)	-	-	(2)
Distributions for the period (Note 7)	-	-	-	(6,797)	(6,797)
Balance – March 31, 2008	\$ 182,133	\$ (25)	\$ 54,318	\$ (64,917)	\$ 171,509

Total cumulative earnings, cumulative distributions, and accumulated other comprehensive loss as at March 31, 2008 is \$(10,624) and March 31, 2007 is \$(9,280).

The accompanying notes are an integral part of these consolidated financial statements.

Armtec Infrastructure Income Fund
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of Canadian dollars)
(unaudited)

	Three Months Ended	
	March 31, 2008	March 31, 2007
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (2,791)	\$ (2,312)
Items not affecting cash:		
Amortization of property, plant and equipment	1,454	870
Amortization of intangible assets	2,779	657
Interest related to debt transaction costs	58	47
Recovery of future income taxes	(717)	(160)
Non-cash post-employment benefits expense	24	11
Loss on sale of property, plant and equipment	24	7
	831	(880)
Net increase in non-cash working capital (Note 10)	(4,181)	(2,849)
Cash used in operating activities	(3,350)	(3,729)
Investing activities		
Purchase of property, plant and equipment	(793)	(249)
Proceeds from sale of property, plant and equipment	8	18
Decrease in notes receivable	18	59
Purchase of intangible assets	(75)	(97)
Business acquisitions (Note 13)	(14,100)	(263)
Cash used in investing activities	(14,942)	(532)
Financing activities		
Payment of equity issuance costs	(6)	-
Net borrowings under credit facilities	14,939	10,020
Distributions to unitholders	(9,196)	(5,770)
Cash provided by financing activities	5,737	4,250
Effect of translation adjustment	(2)	-
Net decrease in cash	(12,557)	(11)
Cash – Beginning of period	12,628	26
Cash – End of period	\$ 71	\$ 15
Supplemental cash flow information:		
Interest paid	\$ 968	\$ 323
Income taxes paid	\$ 20	\$ -
Non-cash transactions:		
Acquisition – Issuance of exchangeable partnership units (Note 6)	\$ 2,000	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

Armtec Infrastructure Income Fund

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(in thousands of Canadian dollars except unit and per unit amounts)
(unaudited)

Note 1. Organization and Nature of Business

Armtec Infrastructure Income Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated June 15, 2004, as amended and restated on July 27, 2004. In these unaudited interim consolidated financial statements, the terms "the Fund", "Armtec" or "the Company" mean Armtec Infrastructure Income Fund, together with the Fund's portion of its joint venture, Fixon-Armtec Ltd., and its subsidiaries: Armtec Operating Trust, Armtec Exchangeable Partnership, Armtec AEP GP Limited, Armtec Holdings Limited, Armtec Limited Partnership Corp. and Armtec Limited Partnership.

Armtec is a leading manufacturer and marketer of drainage products and engineered bridging solutions for infrastructure applications in a diverse cross-section of industries. These include the public infrastructure market and private sector markets such as natural resources, commercial building, residential construction and agricultural drainage in Canada. The Fund's Armtec division is Canada's only national multi-material manufacturer specializing in corrugated high density polyethylene pipe, corrugated steel pipe for drainage applications and highly engineered solutions including bridging products and water management systems. The Fund's Con-Force division designs and manufactures a wide range of bridging and construction products including the advanced "NU" bridge girder system that allows for some of the longest spans available in precast concrete technology.

Note 2. Basis of Presentation

The unaudited interim consolidated financial statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). The unaudited interim consolidated financial statements reflect the results of operations of the Fund, its wholly owned subsidiaries and the Fund's portion of its joint venture for the three months ended March 31, 2008 and March 31, 2007. All intercompany transactions have been eliminated upon consolidation. The preparation of financial data is based on accounting policies and practices consistent with those used in the preparation of the audited annual consolidated financial statements, except as described in note 3.

These unaudited interim consolidated financial statements do not contain all the disclosures required in annual audited consolidated financial statements required by Canadian GAAP, and accordingly should be read together with the Fund's 2007 audited annual consolidated financial statements and accompanying notes included therein.

Recently issued accounting pronouncements

a) Goodwill and intangible assets

The Canadian Institute of Chartered Accountants ("CICA") issued Section 3064, "Goodwill and Intangible Assets", which establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. The standard is effective and the Fund will adopt it for interim and annual periods commencing in the Fund's 2009 fiscal year. The Fund has not yet determined the impact of the adoption of this standard on its consolidated financial condition.

b) International financial reporting standards

The Canadian Accounting Standards Board confirmed in February 2008 plans to converge Canadian GAAP with International Financial Reporting Standards ("IFRS") over a transition period expected to be effective for interim and annual periods commencing January 1, 2011. The Fund is monitoring and reviewing CICA plans to make the transition to IFRS. The Fund has not yet determined the impact on its consolidated financial condition.

Note 3. Changes in Accounting Policies

Effective January 1, 2008, the Fund adopted CICA Section 1535, "Capital disclosures", Section 3862, "Financial Instruments – Disclosures", Section 3863, "Financial Instruments – Presentation"; and Section 3031, "Inventories". The principal changes due to the adoption of these accounting standards are described below.

a) Capital disclosures

This section requires the disclosure of both qualitative and quantitative information regarding the entity's objectives, policies and processes for managing capital, and what the entity regards as capital. Other than

Armtec Infrastructure Income Fund
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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disclosure, the adoption of CICA Section 1535 had no effect on the Fund's consolidated financial condition on the date of adoption.

b) Financial instruments – disclosures and presentation

These sections revise and enhance certain disclosure requirements including the significance of financial instruments on the entity's financial condition, the nature and extent of risks arising from financial instruments and how these risks are managed. Other than disclosure, the adoption of CICA Sections 3862 and 3863 had no effect on the Fund's consolidated financial condition on the date of adoption.

c) Inventories

This section requires inventory to be measured at the lower of cost and net realizable value. The standard provides guidance on the types of costs that can be included and requires the reversal of previous inventory write-downs if economic circumstances change. Other than disclosure, the adoption of CICA Section 3031 had no effect on the Fund's consolidated financial condition on the date of adoption.

Note 4. Seasonal Nature of the Business

The Fund's results for the three month period ended March 31, 2008 and March 31, 2007 are not necessarily indicative of the results that may be expected for the full year due to seasonal variations in revenue levels. Since many of the Fund's products require outdoor installation, the Fund historically experiences higher levels of revenue during the summer months in the second and third quarters, while the first and fourth quarters experience lower revenue during the late fall and winter months. Occupancy related expenses, general and administration costs, depreciation and amortization and interest expenses remain relatively steady throughout the year.

Note 5. Inventories

The amount of inventory recognized as an expense through cost of sales during the three months ended March 31, 2008 was \$17,429 (2007 - \$15,877).

Note 6. Unitholders' Capital

Units issued and outstanding	Number of exchangeable partnership units	Number of units	Total number of units as issued	Amount
Balance – December 31, 2006 and March 31, 2007	-	10,304,000	10,304,000	\$ 105,773
Balance – December 31, 2007	1,067,073	14,009,000	15,076,073	180,139
Exchangeable partnership unit issuance	87,834	-	87,834	2,000
Issuance costs	-	-	-	(6)
Balance – March 31, 2008	1,154,907	14,009,000	15,163,907	\$ 182,133

During the quarter, the Fund completed an issuance of 87,834 exchangeable partnership units of the Fund at a unit price of \$22.77 representing gross non-cash consideration of \$2,000. Proceeds from this issuance were used to fund the acquisition of certain tangible and intangible assets and liabilities of Bruce Tile on March 20, 2008 (Note 13).

Armtec Infrastructure Income Fund

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(in thousands of Canadian dollars except unit and per unit amounts)

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Note 7. Distributions

The Fund made regular monthly distributions to unitholders of record as of the last business day of each month. Distributions to unitholders were calculated and recorded when declared. Distributions declared for the three month period ended March 31, 2008 were as follows:

Period	Record date	Payment date	Per unit	Amount (Whole Dollars)
January 2008	January 31, 2008	February 15, 2008	\$ 0.15	\$ 2,261,411
February 2008	February 29, 2008	March 14, 2008	0.15	2,261,411
March 2008	March 31, 2008	April 15, 2008	0.15	2,274,586
			\$ 0.45	\$ 6,797,408

For the three month period ended March 31, 2007, total distributions of \$4,019 were declared.

Note 8. Incentive Plans

Long-term incentive plan ("LTIP")

Armtec maintains a LTIP to enhance the ability of the Fund to attract, retain and motivate key personnel and reward senior management for superior performance. Bonuses, in the form of units of the Fund, may be provided to eligible employees annually where certain conditions are met.

When the conditions of the LTIP are met, the Fund will set aside a pool of funds with Computershare Trust Company of Canada acting as plan administrator of the LTIP. The funds in this pool are used to purchase units of the Fund in the open market which are to be provided to eligible employees as bonus compensation. The units vest evenly over a three-year period and once vested are transferred to the eligible employee. An LTIP entitlement of \$366 was approved in respect of the 2007 year with the acquisition of 15,786 units completed in April of 2008.

Purchased units available in the LTIP vest as follows:

Year awarded	Award amount	Year units purchased	Number of units	Vesting year – December 31,				
				Pre 2007	2007	2008	2009	2010
2004	\$ 271	2005	20,015	13,343	6,672	-	-	
2005	541	2006	28,995	9,665	9,665	9,665	-	
2006	410	2007	21,999	-	7,348	7,646	7,005	
2007	366	2008	15,786			5,262	5,262	5,262
Total	\$ 1,588		86,795	23,008	23,685	22,573	12,267	5,262

The associated expense is recognized over a term consisting of the current and three vesting periods. Once the LTIP is funded, the amount to be recognized as an expense in future periods is classified as a prepaid expense on the consolidated balance sheet. Included in selling, general and administrative expenses for the three months ended March 31, 2008 are compensation costs of \$127 (2007 - \$94). Prepaid expense and associated liability recognized as at March 31, 2008 and December 31, 2007 are as follows:

	March 31, 2008	December 31, 2007
Prepaid expenses and other assets	\$ 95	\$ 159
Accounts payable and accrued liabilities	(196)	(133)
	\$ (101)	\$ 26

Armtec Infrastructure Income Fund

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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Trustees' phantom unit plan

The Phantom Unit Plan, established in June 2006, provides the trustees of the Fund with the opportunity to receive authorized but unissued phantom units in lieu of cash consideration for their quarterly retainer and meeting attendance fees. Each phantom unit awarded is equivalent in value to an actual unit of the Fund. The phantom units vest immediately and are reflected as a liability in the consolidated balance sheet and compensation expense in the consolidated income statement. During the three month period ended March 31, 2008, 3,022 phantom units (2007 - 3,312) were issued under the plan for total units outstanding of 23,874 (2007 - 10,699). The Fund recorded a compensation expense of \$83 in selling, general and administrative with regard to the phantom units issued and outstanding in the three month period ended March 31, 2008 (2007 - \$54).

Note 9. Loss per Unit

	Three Months Ended	
	March 31, 2008	March 31, 2007
Net loss for the period	\$ (2,791)	\$ (2,312)
Weighted average number of units outstanding	15,087,656	10,304,000
Loss per unit from net earnings		
Basic	\$ (0.18)	\$ (0.22)
Diluted	\$ (0.18)	\$ (0.22)

For the purposes of weighted average number of units outstanding, the exchangeable partnership units issued March 20, 2008, due to the acquisition of certain tangible and intangible assets and liabilities of Bruce Tile (Note 13), were treated as if the units were converted to equivalent units of the Fund at the time of issuance. Loss per unit was calculated using the weighted daily average number of units outstanding during the period.

Note 10. Changes in Non-Cash Working Capital

	Three Months Ended	
	March 31, 2008	March 31, 2007
Cash provided by (used in):		
Accounts receivable	\$ 2,143	\$ 1,147
Inventories	(5,886)	(4,888)
Prepaid expenses and other assets	742	(16)
Accounts payable and accrued liabilities	(869)	908
Income taxes payable	(30)	-
Deferred contract revenue	(281)	-
	\$ (4,181)	\$ (2,849)

Armtec Infrastructure Income Fund

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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Note 11. Capital Management

In the context of managing its capital, the objective of the Fund is to maintain a capital structure that allows multiple options to finance its development and growth along with providing unitholders' with an acceptable return on their investment. The Fund's total capitalization is defined as (i) net debt, which is long-term debt less cash and cash equivalents, and (ii) unitholders' equity less accumulated other comprehensive loss.

	March 31, 2008	December 31, 2007
Long-term debt	\$ 80,887	\$ 65,890
Less: Cash and cash equivalents	(71)	(12,628)
Net debt	80,816	53,262
Unitholders' equity	171,509	179,105
Accumulated comprehensive loss, net of taxes	25	23
Total capitalization	\$ 252,350	\$ 232,390
Net debt as a percentage of total capitalization	32.0%	22.9%

Net debt to total capitalization increased between the period ended March 31, 2008 and December 31, 2007 due to the final payments related to the acquisition of Con-Force in October 2007 and the purchase of certain tangible and intangible assets and liabilities of Bruce Tile in March 2008. The equity issued in October 2007 was the maximum available under normal growth guidelines, as explained below, with the remainder a combination of cash and debt.

The Fund's objective for managing capital is to maximize long-term unitholder value by:

- Ensuring that capital is available for the continuing management of regional productive capacity by investing in capital expenditures that maintain the Fund's manufacturing ability.
- Ensuring that capital is available to expand productive capacity by making investments in capital expenditures and business acquisitions that add to manufacturing capacity and further diversify the Fund's product offerings.
- Maximizing distributions to unitholders of any cash that is not required for financing operations or capital investment growth opportunities that may offer unitholders better value.

The Fund, upon approval from its Board of Trustees, will balance its overall capital structure through unit issuances, the payment of distributions, the issuance of debt, or by undertaking other activities as deemed appropriate under the specific circumstances. The Fund periodically monitors its capital structure. The Fund's objectives, policies and processes with respect to capital management remains unchanged during the three months ended March 31, 2008.

The Fund regularly monitors current and forecasted debt levels to ensure debt covenants are not violated. Generally, the most significant financing restrictions relate to permitted investments and distributions, as well as the maintenance of certain financial ratios. These financial ratios are primarily linked to trailing operating earnings before interest, taxes, depreciation and amortization adjusted for certain inclusions and exclusions. The Fund must maintain a ratio below 2.75:1 of debt over adjusted earnings as referred above from January 1 through September 30 or 2.25:1 from October 1 to December 31 in any fiscal year. The Fund must also maintain a ratio above 4:1 of adjusted earnings as referred to above over interest paid. The Fund meets all financial covenants for the three months ended March 31, 2008.

On June 12, 2007, previously announced tax proposals pertaining to the taxation of income distributed by publicly listed income trusts and the tax treatment of trust distributions to their unitholders were substantively enacted. Currently, the Fund does not pay tax on income it distributes to its unitholders. Management anticipates that the Fund will not be subject to tax until January 1, 2011. As a result of the Canadian trust taxation legislation passed in June 2007, the Fund is subject to certain capital growth restrictions referred to as normal growth guidelines. These guidelines limit the amount of unitholders' capital that can be issued by the Fund in each of the next three years and is limited to the greater of 20% of the market capitalization of the Fund on October 31, 2006 or \$50.0 million per year.

Armtec Infrastructure Income Fund

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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The Fund's limit is \$50.0 million per year for the next three years. Any unused balance up to the 20% yearly limit may be carried forward for use in future periods. If the maximum normal growth limit is exceeded at any time, the Fund may be subject to tax prior to 2011. During the first quarter of 2008, the balance of normal growth capital was reduced by \$2.0 million related to exchangeable partnership units issued for the acquisition of certain tangible and intangible assets and liabilities of Bruce Tile (Note 13). For the rest of 2008 the maximum allowable balance of normal growth capital is \$48.0 million.

In addition to capital growth restrictions, the Fund also monitors its foreign ownership levels. In order to maintain its status as a mutual fund trust under the Tax Act, the Fund must not be established or maintained primarily for the benefit of non-residents of Canada within the meaning of the Tax Act. Accordingly, the Declaration of Trust provides that at no time may non-residents of Canada be the beneficial owners of more than 49% of the units then outstanding. The Fund is in compliance with this requirement as at March 31, 2008.

Note 12. Financial Instruments

Fair value

The carrying values of cash and cash equivalents, accounts receivable, other assets, and accounts payable and accrued liabilities approximate their fair values due to the immediate or short-term maturity of these financial instruments. The fair value of the Fund's long-term debt approximates its carrying value as it bears interest at a floating rate. During the applicable period, the fair value of the interest rate swap was estimated based on the amount that would need to be paid or would be received to terminate the agreement as of the consolidated balance sheet date.

Currency risk

The Fund is exposed to currency risk comprised primarily of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. There is a risk to the Fund's earnings that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. The Fund's financial results are reported in Canadian dollars. The Fund's exposure to foreign currency risk is primarily related to fluctuations in the value of the Canadian dollar relative to that of the United States dollar, as a portion of the Fund's transactions occur with customers or suppliers in United States dollars. For the three months ended March 31, 2008, selling, general and administrative expenses included a foreign exchange gain of \$24 (2007 – foreign exchange loss of \$18).

Credit risk

The Fund's financial assets that are exposed to credit risk consist primarily of cash and cash equivalents, accounts receivable and notes receivable. The Fund's credit risk for cash and cash equivalents is reduced as balances are held with major financial institutions. Exposure to credit risk with respect to its accounts and notes receivables are minimized by the Fund's large customer base, which covers a diverse range of business sectors primarily in Canada. The Fund follows a program of credit evaluations of customers and limits the amount of credit extended when deemed necessary. The Fund maintains provisions for potential credit losses, and any such losses to date have been within management's expectations.

Interest rate risk

The Fund has exposure to movements in interest rates. Prior to March 31, 2008, but effective April 3, 2008, the Fund entered into an interest rate swap on \$32.5 million of its term credit facility converting the interest expense from a floating interest rate to a fixed interest rate of 3.85% plus pricing margin. As this swap qualifies for accounting as a cash flow hedge the fair value of unrealized gains and losses are included in other comprehensive loss, net of taxes. As at March 31, 2007 the Fund applied mark-to-market accounting for its interest rate swap as it did not apply hedge accounting to this instrument. The swap in place as at March 31, 2007 was outstanding for \$11.5 million and the contract was revalued to market value resulting in an unrealized loss of \$13 for the period.

Armtec Infrastructure Income Fund
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Note 13. Business Acquisitions

Bruce Tile

In March 2008, the Fund completed the acquisition of certain tangible and intangible assets and liabilities of Bruce Tile for total consideration of \$10.2 million. The purchase price is subject to adjustment and is expected to be finalized in 2008.

Net assets acquired:

Inventories	\$	2,705
Property, plant and equipment		6,800
Customer lists		1,116

Assets acquired		10,621
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Liabilities assumed:		
Current liabilities		408

Consideration	\$	10,213
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Consideration comprising:

Cash	\$	8,213
Exchangeable partnership units		2,000

Consideration	\$	10,213
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In October 2007, the Fund completed the acquisition of Con-Force for total consideration of \$122.1 million of which \$5.9 million was paid in the first quarter of 2008.

These acquisitions have been accounted for using the purchase price method and accordingly, the consolidated financial statements include the results of operations for the businesses from the date of acquisition. The purchase price, including transaction costs, has been allocated to the net assets acquired based on management's best estimate of fair values.

Note 14. Segmented Information

The Fund operates in two segments. The Armtec division manufactures drainage products and engineered solutions for infrastructure applications. The Con-Force division manufactures and installs precast and pre-stressed concrete components for a variety of applications including bridges, parkades, stadiums, office and residential buildings. The corporate headquarters and other small operating entities are included within the Armtec division operating segment.

The Con-Force division recognizes revenue for construction contracts using the percentage-of-completion method. The Fund ensures that accounting policies are consistently followed among the Fund's operating segments for earnings from operations, net earnings and assets.

Armtec Infrastructure Income Fund

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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Geographic sales

	Three Months Ended	
	March 31, 2008	March 31, 2007
Canada	\$ 42,771	\$ 20,638
International	3,656	1,210
Revenues to external customers	\$ 46,427	\$ 21,848

Operating segments

	Three Months Ended March 31, 2008		
	Armtec division	Con-Force division	Total
Revenues to external customers	\$ 17,774	\$ 28,653	\$ 46,427
Earnings (loss) from operations	(4,732)	2,300	(2,432)
Net earnings (loss)	(5,157)	2,366	(2,791)
Assets	163,093	161,243	324,336

	Three Months Ended March 31, 2007		
	Armtec division	Con-Force division	Total
Revenues to external customers	\$ 21,848	\$ -	\$ 21,848
Loss from operations	(2,137)	-	(2,137)
Net loss	(2,312)	-	(2,312)
Assets	158,472	-	158,472

Note 15. Comparative Figures

Certain comparative figures have been reclassified in accordance with the current period's presentation.

Note 16. Subsequent Event

Distributions

On April 15, 2008, a distribution of \$0.15 per unit, or a total of \$2,275 (including distributions attributed to exchangeable partnership units), was declared in respect of April 2008. The record date of the distribution was April 30, 2008, with a payment date of May 15, 2008.