



INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

For the periods ended March 31, 2009 and March 31, 2008

These interim consolidated financial statements have not been subject to a review by Armtec Infrastructure Income Fund's external auditor.

Armtec Infrastructure Income Fund

INTERIM CONSOLIDATED BALANCE SHEETS

(in thousands of Canadian dollars)

	March 31, 2009 (unaudited)	March 31, 2008 (unaudited)	December 31, 2008
Assets			
Current assets			
Cash (Note 6)	\$ 50,042	\$ 71	\$ 8,883
Accounts receivable	73,468	47,170	94,400
Inventories	47,820	30,702	43,132
Prepaid expenses and other assets	2,369	1,023	2,293
Future income tax assets	305	185	305
	174,004	79,151	149,013
Property, plant and equipment	143,777	83,323	143,636
Intangible assets	127,817	90,834	130,239
Goodwill	113,709	71,028	113,709
	\$ 559,307	\$ 324,336	\$ 536,597
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	\$ 36,914	\$ 26,324	\$ 46,790
Distributions payable	3,638	2,275	3,942
Deferred contract revenue	3,710	1,214	4,581
Current portion of long-term debt (Note 6)	51,606	346	51,538
Future income tax liabilities	2,601	4,510	2,601
	98,469	34,669	109,452
Deferred contract revenue	2,962	-	3,500
Long-term debt	148,276	80,541	146,700
Post-employment obligations	6,783	6,725	6,833
Future income tax liabilities	46,035	30,892	46,654
	302,525	152,827	313,139
Unitholders' equity	256,782	171,509	223,458
	\$ 559,307	\$ 324,336	\$ 536,597

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, 2009	March 31, 2008
Revenue	\$ 63,747	\$ 46,427
Cost of sales	49,049	34,224
Amortization of property, plant and equipment	2,794	1,454
Gross margin	11,904	10,749
Distribution and warehousing	2,844	1,229
Selling, general and administrative	11,510	9,173
Amortization of intangible assets	2,480	2,779
Loss from operations	(4,930)	(2,432)
Interest	2,681	1,018
Interest related to debt transaction costs	201	58
Interest and financing expenses	2,882	1,076
Loss before taxes	(7,812)	(3,508)
Recovery of future income taxes	619	717
Net loss for the period	\$ (7,193)	\$ (2,791)
Basic and diluted loss per unit	\$ (0.39)	\$ (0.18)
Basic and diluted weighted average number of units outstanding	18,408,877	15,087,656

Armtec Infrastructure Income Fund

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands of Canadian dollars)

(unaudited)

	Three Months Ended	
	March 31, 2009	March 31, 2008
Net loss for the period	\$ (7,193)	\$ (2,791)
Other comprehensive loss, net of taxes:		
Change in unrealized loss of derivative financial instruments designated as cash flow hedges (net of income taxes of \$Nil)	(393)	-
Other	(11)	(2)
	(404)	(2)
Comprehensive loss for the period	\$ (7,597)	\$ (2,793)

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

Armtec Infrastructure Income Fund

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN UNITHOLDERS' EQUITY

(in thousands of Canadian dollars)
(unaudited)

	Unitholders' Capital	Accumulated Other Comprehensive Income	Cumulative Earnings	Cumulative Distributions	Total
Balance – December 31, 2007	\$ 180,139	\$ (23)	\$ 57,109	\$ (58,120)	\$ 179,105
Exchangeable partnership units issued for consideration	2,000	-	-	-	2,000
Issuance costs related to unit offering	(6)	-	-	-	(6)
Loss for the period	-	-	(2,791)	-	(2,791)
Other comprehensive income 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
Balance – December 31, 2008	\$ 228,395	\$ (3,786)	\$ 90,413	\$ (91,564)	\$ 223,458
Units issued for cash consideration	55,025	-	-	-	55,025
Issuance costs related to unit offering	(3,155)	-	-	-	(3,155)
Cancellation of exchangeable partnership units	(582)	-	-	-	(582)
Loss for the period	-	-	(7,193)	-	(7,193)
Other comprehensive income for the period	-	(404)	-	-	(404)
Distributions for the period (Note 7)	-	-	-	(10,367)	(10,367)
Balance – March 31, 2009	\$ 279,683	\$ (4,190)	\$ 83,220	\$ (101,931)	\$ 256,782

Total cumulative earnings, cumulative distributions, and accumulated other comprehensive income as at March 31, 2009 is \$(22,901) and March 31, 2008 is \$(10,624).

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,	March 31,
	2009	2008
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (7,193)	\$ (2,791)
Items not affecting cash:		
Amortization of property, plant and equipment	2,794	1,454
Amortization of intangible assets	2,480	2,779
Interest related to debt transaction costs	201	58
Recovery of future income taxes	(619)	(717)
Other	(50)	48
	(2,387)	831
Net decrease (increase) in non-cash working capital (Note 8)	8,156	(4,165)
Cash provided by (used in) operating activities	5,769	(3,334)
Investing activities		
Purchase of property, plant and equipment	(2,993)	(793)
Purchase of intangible assets	(58)	(75)
Proceeds from sale of property, plant and equipment	56	8
Business acquisitions	(3,282)	(14,100)
Cash used in investing activities	(6,277)	(14,960)
Financing activities		
Net proceeds from offering of Fund units (Note 6)	51,288	(6)
Proceeds from credit facilities	1,050	14,939
Distributions to unitholders	(10,671)	(9,196)
Cash provided by financing activities	41,667	5,737
Net increase (decrease) in cash	41,159	(12,557)
Cash – Beginning of period	8,883	12,628
Cash – End of period	\$ 50,042	\$ 71
Supplemental cash flow information:		
Interest paid	\$ 1,987	\$ 968
Non-cash transactions:		
Acquisition – Issuance of exchangeable partnership units	\$ -	\$ 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 term "the Fund" means 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., Armtec Limited Partnership and Durisol Consulting Services Inc.

The Fund is a leading manufacturer and marketer of a comprehensive range of infrastructure products and engineered construction solutions for customers in a diverse cross-section of industries that are located in every region of Canada, as well as in selected markets in North America and worldwide. These markets include Canada's national and regional public infrastructure markets and private sector markets in agricultural drainage, commercial building, residential construction and natural resources. Operating through its three divisions and with a network of offices and production facilities across the country, the Fund is Canada's only national multi-material manufacturer. The Armtec division specializes in high density polyethylene and corrugated steel pipe products for drainage and bridge applications, and water management systems. The Con-Force division offers a wide variety of precast and pre-stressed concrete products, that includes advanced construction components and high-value engineered solutions to large project customers. The Durisol division provides a full suite of highway noise barriers and related infrastructure products to the transportation sector.

Note 2. Basis of Presentation

The Fund prepares its unaudited interim consolidated financial statements 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, 2009 and March 31, 2008. All significant intercompany transactions and balances 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 2008 audited annual consolidated financial statements and accompanying notes included therein.

Note 3. Changes in Accounting Policies

Effective for the first quarter of 2009, the Fund adopted the Canadian Institute of Chartered Accountants ("CICA") Section 3064, "Goodwill and Intangible Assets", which establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This standard provides the Canadian equivalent to International Accounting Standard 38, "Intangible Assets". The adoption of CICA Section 3064 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 periods ended March 31, 2009 and March 31, 2008 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 administrative costs, depreciation and amortization and interest expenses remain relatively steady throughout the year.

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 5. Inventories

The amount of inventory recognized as an expense through cost of sales during the three months ended March 31, 2009 was \$33,088 (2008 – \$17,429).

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, 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
Balance – December 31, 2008	1,578,333	15,561,800	17,140,133	\$ 228,395
Unit issuance	-	3,100,000	3,100,000	55,025
Issuance costs	-	-	-	(3,155)
Exchange of exchangeable partnership units for units of the Fund	(710,025)	710,025	-	-
Cancellation of exchangeable partnership units	(27,000)	-	(27,000)	(582)
Balance – March 31, 2009	841,308	19,371,825	20,213,133	\$ 279,683

During the first quarter of 2009, the Fund completed an issuance of 3,100,000 additional units of the Fund at a unit price of \$17.75 representing gross proceeds of \$55,025. Proceeds, net of transaction costs, were held in escrow and were subsequently used to repay the Fund's bridge term facility. The bridge term facility was held in the form of a bankers' acceptance which matured April 1, 2009.

During the first quarter of 2009, exchangeable partnership units representing \$582 were cancelled in a non-cash settlement of an amount due from Clearford Industries Inc.

Note 7. Distributions

During the year, the Fund makes 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 months ended March 31, 2009 were as follows:

Period	Record date	Payment date	Per unit	Amount (Whole Dollars)
January 2009	January 30, 2009	February 13, 2009	\$ 0.18	\$ 3,085,224
February 2009	February 27, 2009	March 13, 2009	0.18	3,643,224
March 2009	March 31, 2009	April 15, 2009	0.18	3,638,364
			\$ 0.54	\$ 10,366,812

For the three months ended March 31, 2008, total distributions of \$6,797 were declared.

Armtec Infrastructure Income Fund

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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Note 8. Changes in Non-Cash Working Capital

	Three Months Ended	
	March 31, 2009	March 31, 2008
Cash provided by (used in):		
Accounts receivable	\$ 20,932	\$ 2,143
Inventories	(4,688)	(5,886)
Prepaid expenses and other assets	(76)	760
Accounts payable and accrued liabilities	(6,603)	(901)
Deferred contract revenue – short-term	(871)	(281)
Deferred contract revenue – long-term	(538)	-
	\$ 8,156	\$ (4,165)

Note 9. Segmented Information

The Fund operates in three 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 Durisol division designs and manufactures highway noise barriers and related infrastructure products. The corporate headquarters and other small operating entities are included within the Armtec division operating segment.

The Con-Force and Durisol divisions recognize 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.

Geographic sales

	Three Months Ended	
	March 31, 2009	March 31, 2008
Canada	\$ 56,316	\$ 42,771
International	7,431	3,656
Revenues to external customers	\$ 63,747	\$ 46,427

Operating segments

	Three Months Ended March 31, 2009			
	Armtec division	Con-Force division	Durisol division	Total
Revenues to external customers	\$ 17,829	\$ 38,684	\$ 7,234	\$ 63,747
Amortization of property, plant and equipment	1,071	1,652	71	2,794
Amortization of intangible assets	736	1,451	293	2,480
Earnings (loss) from operations	(6,426)	1,025	471	(4,930)
Net earnings (loss)	(7,050)	(402)	259	(7,193)
Assets	177,632	343,139	38,536	559,307

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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	Three Months Ended March 31, 2008			
	Armtec division	Con-Force division	Durisol division	Total
Revenues to external customers	\$ 17,774	\$ 28,653	\$ -	\$ 46,427
Amortization of property, plant and equipment	898	556	-	1,454
Amortization of intangible assets	686	2,093	-	2,779
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

Note 10. Comparative Figures

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

Note 11. Subsequent Events

a) Business Acquisition

On May 7, 2009, the Fund acquired for approximately \$45,000, not including transaction costs and subject to working capital adjustments, certain assets and liabilities of Groupe Tremca Inc. ("Groupe Tremca"). The acquisition was financed with committed credit facilities and existing cash balances.

Concurrent with the Groupe Tremca acquisition, the Fund completed amendments to its existing term and revolving Credit Facilities. The principal amendments to the Credit Facilities include increased financing of \$33.0 million.

Consideration in the form of warrants, not to exceed \$4.0 million, may be payable to the vendor at any time before 2013 provided that the Fund's unit value exceeds a set threshold.

b) Distributions

On April 15, 2009, distributions were announced for the second quarter of 2009. The distributions will be paid in cash to unitholders of record on the following dates:

Period	Record date	Payment date	Per unit
April 2009	April 30, 2009	May 15, 2009	\$ 0.18
May 2009	May 29, 2009	June 15, 2009	0.18
June 2009	June 30, 2009	July 15, 2009	0.18

c) Bridge Loan Repayment

On April 1, 2009, the Fund repaid the \$50.0 million bridge term facility which was due to mature in June 2009.