

Futuremed Healthcare Income Fund
Interim Consolidated Balance Sheets
(Unaudited)

(expressed in thousands of Canadian dollars)

	September 30, 2009 \$	December 31, 2008 \$
Assets		
Current assets		
Cash and cash equivalents	3,404	3,558
Accounts receivable	26,868	26,057
Inventories	15,165	12,402
Prepaid expenses and other receivables	680	1,649
	<u>46,117</u>	<u>43,666</u>
Property and equipment	6,493	6,023
Intangible assets	74,667	78,721
Goodwill	<u>72,145</u>	<u>72,145</u>
	<u>199,422</u>	<u>200,555</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	25,514	22,923
Distributions payable	1,178	1,178
Current portion of obligation under capital lease (note 5)	32	-
	<u>26,724</u>	<u>24,101</u>
Long-term debt (note 4)	40,569	40,755
Long-term portion of obligation under capital lease (note 5)	43	-
Future income taxes	<u>10,019</u>	<u>10,064</u>
	<u>77,355</u>	<u>74,920</u>
Unitholders' Equity		
Unitholders' capital	<u>140,076</u>	<u>140,076</u>
Deficit	(17,816)	(13,704)
Accumulated other comprehensive loss	<u>(193)</u>	<u>(737)</u>
Accumulated comprehensive loss	<u>(18,009)</u>	<u>(14,441)</u>
	<u>122,067</u>	<u>125,635</u>
	<u>199,422</u>	<u>200,555</u>

Commitments and contingencies (note 8)

See accompanying notes to the interim consolidated financial statements.

Approved by the Board of Trustees

Trustee

Trustee

Futuremed Healthcare Income Fund

Interim Consolidated Statements of Operations and Comprehensive Income

(Unaudited)

(expressed in thousands of Canadian dollars, except per unit amounts)

	Three months ended September 30, 2009 \$	Nine months ended September 30, 2009 \$	Three months ended September 30, 2008 \$	Nine months ended September 30, 2008 \$
Sales	51,468	147,855	47,240	101,633
Cost of sales	39,481	113,493	35,932	75,301
	<u>11,987</u>	<u>34,362</u>	<u>11,308</u>	<u>26,332</u>
Selling, general and administrative expenses	6,542	19,651	6,509	14,709
Amortization of property and equipment	193	566	144	206
Amortization of intangible assets	1,367	4,054	1,363	3,717
Net interest expense (note 4)	813	2,020	653	1,524
Foreign exchange loss (gain)	659	1,626	(170)	(487)
	<u>9,574</u>	<u>27,917</u>	<u>8,499</u>	<u>19,669</u>
Earnings before income taxes	2,413	6,445	2,809	6,663
Future income tax expense (recovery)	70	(45)	(105)	(275)
Net earnings for the period	<u>2,343</u>	<u>6,490</u>	<u>2,914</u>	<u>6,938</u>
Other comprehensive income (loss)				
Change in fair value of swap contract (note 9)	-	(5)	(170)	(355)
Reclassification of losses on swap contract to consolidated statements of earnings	193	549	56	72
	<u>193</u>	<u>544</u>	<u>(114)</u>	<u>(283)</u>
Comprehensive income	<u>2,536</u>	<u>7,034</u>	<u>2,800</u>	<u>6,655</u>
Basic and diluted earnings per unit (note 6)	<u>0.15</u>	<u>0.42</u>	<u>0.19</u>	<u>0.49</u>

See accompanying notes to the interim consolidated financial statements.

Futuremed Healthcare Income Fund
Interim Consolidated Statements of Cash Flows
(Unaudited)

(expressed in thousands of Canadian dollars)

	Three months ended September 30, 2009 \$	Nine months ended September 30, 2009 \$	Three months ended September 30, 2008 \$	Nine months ended September 30, 2008 \$
Cash provided by (used in)				
Operating activities				
Net earnings for the period	2,343	6,490	2,914	6,938
Items not affecting cash				
Amortization of property and equipment	193	566	144	206
Amortization of intangible assets	1,367	4,054	1,363	3,717
Future income tax expense (recovery)	70	(45)	(105)	(275)
Non-cash interest on hedging arrangements	193	549	95	95
Notional interest on amortization of financing costs	52	134	-	-
	<u>4,218</u>	<u>11,748</u>	<u>4,411</u>	<u>10,681</u>
Net change in working capital	2,055	(14)	(996)	(3,320)
Unrealized gain (loss) on swap contract included in accounts payable and accrued liabilities	-	(5)	(114)	(283)
	<u>6,273</u>	<u>11,729</u>	<u>3,301</u>	<u>7,078</u>
Investing activities				
Purchase of property and equipment	(179)	(1,036)	(89)	(306)
Acquisition of Dismed Inc.	-	-	(2,887)	(18,886)
	<u>(179)</u>	<u>(1,036)</u>	<u>(2,976)</u>	<u>(19,192)</u>
Financing activities				
Financing costs and modification of long- term debt	-	(320)	-	-
Payment of obligation under capital lease	(7)	(23)	-	-
Issuance of Class A units	-	-	(86)	15,788
Issuance of long-term debt	-	-	(3)	10,125
Financing under capital lease	-	98	-	-
Settlement of long-term debt	-	-	-	(7,068)
Distributions to unitholders	(3,534)	(10,602)	(3,534)	(9,736)
	<u>(3,541)</u>	<u>(10,847)</u>	<u>(3,623)</u>	<u>9,109</u>
Increase (decrease) in cash and cash equivalents during the period	2,553	(154)	(3,298)	(3,005)
Cash and cash equivalents - Beginning of period	851	3,558	4,865	4,572
Cash and cash equivalents - End of period	<u>3,404</u>	<u>3,404</u>	<u>1,567</u>	<u>1,567</u>
Supplemental cash flow information				
Interest paid during the period	813	2,020	865	1,735

See accompanying notes to the interim consolidated financial statements.