SAVARIA CORPORATION
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT JUNE 30, 2010
(Unaudited)

SAVARIA CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)

	Periods of Three months ended June 30		Periods of Six months ended June 30	
	2010	2009	**2010**	2009
SALES	**$ 16,939,611**	$ 15,093,642	**$ 30,182,267**	$ 26,279,354
OPERATING EXPENSES				
Cost of goods sold	**11,983,086**	10,982,863	**21,561,016**	19,447,641
Selling and administrative expenses	**3,220,655**	2,769,307	**6,061,902**	5,428,481
Amortization of fixed assets	**116,711**	90,213	**227,482**	182,333
Amortization of intangible assets	**185,251**	111,291	**318,220**	218,161
	15,505,703	13,953,674	**28,168,620**	25,276,616
OPERATING EARNINGS	**1,433,908**	1,139,968	**2,013,647**	1,002,738
OTHER REVENUES AND EXPENSES (note 5)	**311,612**	(146,432)	**28,468**	811,127
EARNINGS BEFORE INCOME TAXES	**1,745,520**	993,536	**2,042,115**	1,813,865
INCOME TAXES	**491,822**	331,029	**609,010**	596,373
NET EARNINGS	**$ 1,253,698**	$ 662,507	**$ 1,433,105**	$ 1,217,492
Net earnings per common share				
Basic	**$ 0.057**	$ 0.025	**$ 0.065**	$ 0.045
Diluted	**$ 0.053**	$ 0.025	**$ 0.061**	$ 0.045
Average number of common shares outstanding (note 7B)				
Issued	**22,046,719**	26,929,431	**22,073,011**	27,104,306
Diluted	**23,516,663**	26,937,764	**23,452,904**	27,110,735

SAVARIA CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (Unaudited)

	Periods of Three months ended June 30		Periods of Six months ended June 30	
	2010	2009	**2010**	2009
NET EARNINGS	**$ 1,253,698**	$ 662,507	**$ 1,433,105**	$ 1,217,492
OTHER COMPREHENSIVE INCOME				
Change in the fair value of foreign exchange contracts designated as cash flow hedges	**522,668**	3,861,011	**1,032,179**	1,821,291
Future income taxes	**(146,195)**	(1,158,585)	**(294,616)**	(548,072)
	376,473	2,702,426	**737,563**	1,273,219
(Gains) losses on foreign exchange contracts transferred to net income in the current period	**(530,539)**	1,122,089	**(826,204)**	2,123,369
Future income taxes	**154,546**	(347,623)	**240,673**	(657,819)
	(375,993)	774,466	**(585,531)**	1,465,550
Net change in fair value of derivatives designated as cash flow hedges	**480**	3,476,892	**152,032**	2,738,769
Unrealized net gains on translation of financial statements of self-sustaining foreign operations	**44,733**	-	**22,540**	-
OTHER COMPREHENSIVE EARNINGS	**44,733**	3,476,892	**174,572**	2,738,769
COMPREHENSIVE EARNINGS	**$ 1,298,431**	$ 4,139,399	**$ 1,607,677**	$ 3,956,261

SAVARIA CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (Unaudited)
PERIOD OF SIX MONTHS ENDED JUNE 30, 2010 AND 2009

	2010						
	Capital stock		**Capital stock to be issued**	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive income**	**Total**
	Number	**Amount**					
BALANCE as at December 31, 2009, before the reversal of an exercice of stock options following the issuance of an employee loan	**22,358,219**	**$ 12,883,431**	**$ -**	**$ 1,856,091**	**$ 4,287,498**	**$ 2,011,534**	**$ 21,038,554**
Reversal of an exercice of stock options following the issuance of an employee loan	**(200,000)**	**(250,000)**	**-**	**-**	**-**	**-**	**(250,000)**
BALANCE as at December 31, 2009	**22,158,219**	**12,633,431**	**-**	**1,856,091**	**4,287,498**	**2,011,534**	**20,788,554**
Cancelled shares following issuer bid	**(111,500)**	**(63,570)**	**-**	**-**	**(37,750)**	**-**	**(101,320)**
Shares to be issued in relation to a business acquisition	**-**	**-**	**1,200,000**	**-**	**-**	**-**	**1,200,000**
Remuneration expense on options granted	**-**	**-**	**-**	**84,823**	**-**	**-**	**84,823**
Net earnings	**-**	**-**	**-**	**-**	**1,433,105**	**-**	**1,433,105**
Dividends on common shares	**-**	**-**	**-**	**-**	**(1,868,724)**	**-**	**(1,868,724)**
Changes in gains (losses) on foreign exchange contracts designated as cash flow hedges, net of income taxes of $53,943	**-**	**-**	**-**	**-**	**-**	**152,032**	**152,032**
Change in foreign currency translation adjustment	**-**	**-**	**-**	**-**	**-**	**22,540**	**22,540**
BALANCE as at June 30, 2010	**22,046,719**	**$ 12,569,861**	**$ 1,200,000**	**$ 1,940,914**	**$ 3,814,129**	**$ 2,186,106**	**$ 21,711,010**

	2009						
	Capital stock		Capital stock to be issued	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total
	Number	Amount					
BALANCE as at December 31, 2008, before the reversal of an exercice of stock options following the issuance of an employee loan	27,490,514	$ 15,815,977	$ -	$ 1,745,891	$ 4,596,187	$ (4,069,107)	$ 18,088,948
Reversal of an exercice of stock options following the issuance of an employee loan	(200,000)	(250,000)	-	-	-	-	(250,000)
BALANCE as at December 31, 2008	27,290,514	15,565,977	-	1,745,891	4,596,187	(4,069,107)	17,838,948
Cancelled shares following issuer bid	(429,500)	(245,245)	-	-	(59,530)	-	(304,775)
Remuneration expense on options granted	-	-	-	93,198	-	-	93,198
Net earnings	-	-	-	-	1,217,492	-	1,217,492
Dividends on common shares	-	-	-	-	(824,055)	-	(824,055)
Changes in gains (losses) on foreign exchange contracts designated as cash flow hedges, net of income taxes of $1,205,891	-	-	-	-	-	2,738,769	2,738,769
BALANCE as at June 30, 2009	26,861,014	$ 15,320,732	$ -	$ 1,839,089	$ 4,930,094	$ (1,330,338)	$ 20,759,577

SAVARIA CORPORATION
CONSOLIDATED BALANCE SHEETS

	As at June 30 (Unaudited) 2010	As at December 31 2009
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**$ 4,228,194**	$ 4,823,164
Cash and cash equivalents reserved	**400,000**	400,000
Accounts receivable	**9,201,681**	7,455,189
Foreign exchange forward contracts	**-**	555,484
Research and development credits receivable	**325,526**	365,988
Current portion of long-term loans	**81,292**	26,518
Inventories	**12,423,946**	12,599,651
Prepaid expenses	**1,205,135**	813,613
Future income taxes	**153,620**	602,059
	28,019,394	27,641,666
CASH AND CASH EQUIVALENTS RESERVED	**1,300,000**	1,500,000
RESEARCH AND DEVELOPMENT CREDITS RECEIVABLE	**464,457**	557,981
OTHER ASSETS	**-**	61,910
LONG-TERM INVESTMENTS (note 6)	**4,121,221**	5,757,785
LONG-TERM LOANS	**344,548**	105,100
FIXED ASSETS	**1,674,256**	1,565,784
INTANGIBLE ASSETS	**2,440,980**	1,390,361
GOODWILL (note 3)	**3,913,980**	506,230
FUTURE INCOME TAXES	**310,806**	801,130
	$ 42,589,642	$ 39,887,947
LIABILITIES		
CURRENT LIABILITIES		
Bank loans	**$ 400,000**	$ 1,080,000
Accounts payable	**6,060,449**	6,248,985
Deferred revenues	**1,274,404**	415,025
Income taxes payable	**69,981**	-
Current portion of a note payable relating to a business acquisition (note 3)	**542,474**	-
Warranty provision	**242,083**	263,970
Foreign exchange forward contracts	**316,695**	-
Current portion of long-term debt	**1,841,483**	1,844,859
	10,747,569	9,852,839
WARRANTY PROVISION	**391,612**	394,494
FOREIGN EXCHANGE FORWARD CONTRACTS	**290,845**	-
LONG-TERM DEBT	**7,956,507**	8,852,060
NOTE PAYABLE RELATING TO A BUSINESS ACQUISITION (note 3)	**1,492,099**	-
	20,878,632	19,099,393
SHAREHOLDERS' EQUITY		
Capital stock	**12,569,861**	12,633,431
Capital stock to be issued	**1,200,000**	-
Contributed surplus	**1,940,914**	1,856,091
Retained earnings	**3,814,129**	4,287,498
Accumulated other comprehensive income	**2,186,106**	2,011,534
	6,000,235	6,299,032
	21,711,010	20,788,554
	$ 42,589,642	$ 39,887,947

ON BEHALF OF THE BOARD OF DIRECTORS

______________________, Director
Marcel Bourassa

______________________, Director
Jean-Marie Bourassa C.A.

SAVARIA CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

	Periods of Three months ended June 30		Periods of Six months ended June 30	
	2010	2009	**2010**	2009
OPERATING ACTIVITIES				
Net earnings	**$ 1,253,698**	$ 662,507	**$ 1,433,105**	$ 1,217,492
Adjustments for :				
Amortization of fixed assets	**116,711**	90,213	**227,482**	182,333
Amortization of intangible assets	**185,251**	111,291	**318,220**	218,161
Put option (note 6)	**(16,734)**	41,858	**79,644**	(859,918)
Change in the fair value of restructured notes (note 6)	**(65,148)**	87,271	**(139,209)**	23,987
Future income taxes	**427,532**	207,534	**557,341**	530,130
Capitalized interest on long-term debt	**27,271**	34,375	**56,239**	70,649
Remuneration expense on stock options granted	**36,042**	50,989	**84,823**	93,198
Foreign exchange contracts cashed-in in advance	**830,474**	1,045,000	**1,368,999**	1,045,000
(Gain) loss on disposal of fixed assets	**-**	(7,660)	**500**	(7,660)
Non-materialized (gain) loss on foreign currency exchange on long-term monetary items	**128,706**	(346,170)	**44,230**	(229,404)
	2,923,803	1,977,208	**4,031,374**	2,283,968
Net changes in non-cash items related to operations (note 4)	**(579,830)**	828,105	**(1,179,952)**	349,774
Cash flows from operating activities	**2,343,973**	2,805,313	**2,851,422**	2,633,742
INVESTING ACTIVITIES				
Business acquisition (note 3)	**-**	-	**(892,701)**	-
Change in long-term investments	**155,391**	825,595	**1,696,129**	825,595
Change in cash and cash equivalents reserved	**100,000**	-	**200,000**	-
Proceeds from disposal of fixed assets	**29,160**	11,108	**32,160**	11,108
Additions to fixed assets	**(84,237)**	(43,479)	**(150,656)**	(72,459)
Increase in amortizable intangible assets	**(365,593)**	(71,168)	**(455,619)**	(223,112)
Increase in long-term loans	**(233,655)**	-	**(233,655)**	-
Proceeds from long-term loans	**21,292**	40,796	**26,886**	59,722
Cash flows from (used in) investing activities	**(377,642)**	762,852	**222,544**	600,854
FINANCING ACTIVITIES				
Changes in bank loans	**(560,000)**	(300,000)	**(680,000)**	(310,000)
Increase in long-term debt	**40,605**	-	**40,605**	3,700,095
Repayment of long-term debt	**(507,075)**	(1,128,432)	**(1,059,497)**	(4,524,415)
Dividends paid on common shares	**(1,868,724)**	(824,055)	**(1,868,724)**	(824,055)
Shares repurchased for cancellation	**-**	(288,285)	**(101,320)**	(304,775)
Cash flows used in financing activities	**(2,895,194)**	(2,540,772)	**(3,668,936)**	(2,263,150)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(928,863)**	1,027,393	**(594,970)**	971,446
CASH AND CASH EQUIVALENTS at the beginning of the period	**5,157,057**	5,146,833	**4,823,164**	5,202,780
CASH AND CASH EQUIVALENTS at the end of the period	**$ 4,228,194**	$ 6,174,226	**$ 4,228,194**	$ 6,174,226

Cash and cash equivalents include bank balances and temporary investments with an initial maturity of three months or less.

1. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The unaudited consolidated interim financial statements were prepared by the Corporation in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") applicable to interim financial statements and follow the same accounting policies and methods of their application as the most recent annual financial statements, except for the new accounting policy mentioned below. In the opinion of Management, all adjustments necessary for a fair presentation are reflected in the interim financial statements. Such adjustments are of a normal and recurring nature. The unaudited consolidated interim financial statements have not been reviewed by the Corporation's external auditor and should be read in conjunction with the audited annual consolidated financial statements and notes thereto for the year ended December 31, 2009.

Change in functional currency of a self-sustaining foreign operation

Effective January 1, 2010, the Corporation adopted the Chinese Renminbi as the functional currency of its Chinese subsidiary as a result of the continued decentralization of its management, of the development of a local market for its products and services and of its cash flows no longer being dependent upon its parent company's activities. Prior to that date, the subsidiary was considered to be an integrated foreign operation with the Canadian dollar as its functional currency.

2. CHANGES IN ACCOUNTING POLICIES

Future Accounting Changes

Section 1582: Business Combinations, Section 1601: Consolidated Financial Statements, and Section 1602 : Non-Controlling Interests

In 2009, the CICA issued three new accounting standards: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-Controlling Interests. These new standards will apply to the Corporation's financial statements for the fiscal year beginning on January 1, 2011. The Corporation is in the process of evaluating the requirements of the new standards.

Section 1582 replaces Section 1581, and establishes standards for the recognition of a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3, Business Combinations. The Section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

Sections 1601 and 1602 replace Section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. It applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for the recognition of a non-controlling interest in a subsidiary. It is equivalent to the corresponding provisions of International Accounting Standard IAS 27, Consolidated and Separate Financial Statements, and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

International Financial Reporting Standards ("IFRS")

In February 2008, Canada's Accounting Standards Board confirmed that Canadian GAAP, as used by public Corporations, will be superseded by IFRS for fiscal years beginning on or after January 1, 2011. The Corporation will be required to report under IFRS for its interim and annual financial statements for the fiscal year ending December 31, 2011.

3. BUSINESS ACQUISITION

On February 1, 2010, the Corporation acquired 100% of the outstanding common shares of Concord Elevator (London) Ltd, a retailer specialized in the installation and maintenance of elevators and platform lifts in the province of Ontario. The agreement provides for an initial payment of $1,500,000 on the date of acquisition and four annual payments of $600,000 on the anniversary date of the acquisition. This note payable bears no interest and was recorded at its estimated fair value based on the net present value of the future cash flows calculated a rate of 6.5%. The transaction includes a potential 1 million common shares to be issued one year after the signing of the agreement if certain conditions are met.

In the second quarter, given the certainty that the said conditions will be met, the shares to be issued have been booked in the amount of $1,200,000 under the heading of capital stock to be issued. In addition, an intangible asset in the amount of $700,000, represented by maintenance contracts, has been recognized causing an increase in current future income taxes of $20,300 and long-term future income taxes of $157,500. Conversely, goodwill has increased by $677,800.

This acquisition has been accounted for using the purchase method, and the operating results have been included in the consolidated financial statements from the date of acquisition. Since certain information is not yet available, the breakdown of the purchase price presented below is preliminary and is based on the Corporation's estimates.

Assets	
Cash	$ 727,217
Current asset items	1,497,478
Fixed assets	221,377
Amortizable intangible assets	913,000
Goodwill (non-deductible for income tax purposes)	3,407,750
	6,766,822
Liability assumed	
Current liability items	1,619,636
Future income taxes	240,325
Long-term debt	35,855
	1,895,816
Fair value of net assets acquired	4,871,006
Less: Transaction costs paid in 2009	16,515
Cash in acquired operations	727,217
Capital stock to be issued	1,200,000
Note payable, current portion	542,474
Note payable, long-term portion	1,492,099
Cash flows related to the acquisition	$ 892,701

4. NET CHANGES IN NON-CASH ITEMS RELATED TO OPERATIONS

	Three months ended June 30		Six months ended June 30	
	2010	2009	**2010**	2009
Accounts receivable	**$ (1,407,061)**	$ (580,652)	**$ (864,694)**	$ 792,823
Research and development credits receivable	**50,697**	194,571	**148,897**	131,405
Inventories	**1,073,722**	(134,456)	**621,461**	(1,739,962)
Prepaid expenses	**(75,297)**	(12,597)	**(314,584)**	(330,743)
Accounts payable	**(8,538)**	1,267,147	**(754,266)**	1,306,435
Deferred revenues	**(265,832)**	128,503	**(61,978)**	270,719
Income taxes payable	**57,602**	-	**69,981**	-
Warranty reserve	**(5,123)**	(34,411)	**(24,769)**	(80,903)
	$ (579,830)	$ 828,105	**$ (1,179,952)**	$ 349,774

5. OTHER REVENUES AND EXPENSES

	Three months ended June 30		Six months ended June 30	
	2010	2009	**2010**	2009
Interest and dividend income	**$ 6,506**	$ 369	**$ 36,091**	$ 29,776
Gain on foreign currency exchange	**338,767**	88,516	**152,613**	154,759
Interest on long-term debt	**(88,048)**	(75,067)	**(178,124)**	(152,204)
Interest expense and bank charges	**(26,911)**	(39,306)	**(67,327)**	(69,205)
Put option (note 6)	**16,733**	(41,858)	**(79,645)**	859,918
Change in the fair value of restructured notes (note 6)	**65,149**	(87,271)	**139,210**	(23,987)
(Loss) gain on disposal of fixed assets	**(1,407)**	7,660	**(1,907)**	7,660
Other revenues	**823**	525	**27,557**	4,410
	$ 311,612	$ (146,432)	**$ 28,468**	$ 811,127

6. LONG-TERM INVESTMENTS

	As at June 30	As at December 31
	2010	2009
Restructured notes (face value of $2,155,420, $2,185,039 in 2009)	**$ 1,388,648**	$ 1,309,568
Put option	**268,573**	348,217
	1,657,221	1,657,785
Guaranteed investment certificate (fair value of $2,464,000, $4,100,000 in 2009)	**2,464,000**	4,100,000
	$ 4,121,221	$ 5,757,785

The Corporation holds restructured notes ("Restructured Notes") with a face value of $2,155,420 (US $2,024,629). These notes were issued in replacement of Asset Backed Commercial Paper ("ABCP") formerly held by the Corporation. Pursuant to the terms of a restructuring plan, holders of ABCP had their short-term commercial paper exchanged for longer term notes whose maturities match those of the assets previously contained in the underlying conduits.

The Restructured Notes are classified as held-for-trading financial instruments.

Evaluation

The fair value estimate of the Restructured Notes has been calculated based on information provided by the Pan-Canadian Investor Committee, Ernst & Young Inc., the Monitor of the restructuring, and BlackRock Canada Ltd., the asset administrator.

6. LONG-TERM INVESTMENTS (Cont'd)

Using this information, the Corporation was able to determine the key characteristics of each class of Restructured Notes received: face value, credit rating, interest rate, projected interest payments and maturity date. It then estimated the return that a prospective investor would require for each class of notes ("Required Yield"). Lastly, it calculated the net present value of the future cash flows for each class using the Required Yield as the discount factor.

During the first half, the fair value of the Restructured Notes was affected by a number of positive factors.

In spite of some volatility in credit spreads as the markets reacted to the debt crisis in Greece, there was a steady improvement in general corporate credit conditions during the six-month period. This reduction in credit risk had a positive impact on the intrinsic value of the Restructured Notes due to a general lowering of default risk and a decrease in the likelihood that credit risk limits built into the notes will be exceeded. Accordingly, the Required Yield on the notes has been reduced to reflect this easing in credit markets.

It is anticipated that the MAV 2 Class A1 notes will continue to miss interest payments as long as interest rates remain at the currently very low levels. Given Bank of Canada's statements and the movement in interest rate markets, the Corporation projects that no interest payments will be made until the second half of the current fiscal year, although this represents an improvement comared with previous assumptions. This improvement had a positive impact on the valuation of those notes.

Another influencing factor is the simple passage of time. As with all debt instruments, the value of the notes will approach par as the maturity date approaches providing that they do not default.

The most influencing factor during the first half was the increase in the value of certain assets-tracking notes. Thus, the MAV 2 Class 13 and MAV 3 Class 25 asset-tracking notes benefited from an increase in their value during the six-month period, which had a positive impact on the value of those notes.

The impact of these factors was an increase in the fair value of the Restructured Notes during the first half. As a result of this analysis, the Corporation estimated the fair value of these notes to be $1,388,648 (US $1,304,385) as at June 30, 2010. Accordingly, the Corporation recorded a $139,210 gain during the first half as partial reversal of losses recorded in prior periods. Following this gain in value, there remains a balance of the reserve for impairment of $766,772 (US $720,244). It is to be pointed out that these notes are subject to uncertainty as to their eventual cash value. Although management believes that its valuation technique is appropriate under the circumstances, changes in significant assumptions could materially affect the value of the Restructured Notes in upcoming quarters. The resolution of these uncertainties could result in the ultimate value of these investments varying significantly from management's current best estimates. These investments are presented on a long-term basis.

During the first half, the Corporation received a total of $60,129 (US $55,623) in repayment of certain Restructured Notes. The amounts received were used as a partial reimbursement on loans secured by the Restructured Notes. As at June 30, 2010, the fair value of the Restructured Notes is estimated at $1.4 million (US $1.3 million) broken down as follows:

6. LONG-TERM INVESTMENTS (Cont'd)

Restructured Categories	Thousands US $ Face Value	Thousands US $ Estimated Fair Value	Expected Maturity Date
MAV 2 Notes			
A1 (rated A)	**835.4**	**677.9**	**July 15, 2056**
C	**25.9**	**0.3**	**July 15, 2056**
Traditional asset-tracking notes			
MAV 3 - Class 14	**51.1**	**46.5**	**January 1, 2021**
Ineligible asset-tracking notes			
MAV 2 - Class 13	**131.5**	**23.3**	**March 20, 2014**
MAV 3 - Class 25	**980.7**	**556.4**	**December 25, 2036**
Total investments	**2,024.6**	**1,304.4**	

On March 16, 2009, the Corporation signed two long-term financing agreements with its financial institution. The first agreement, having a balance of US $912,372 as at June 30, 2010, matures in March 2012 and is renewable for one-year periods up to a maximum of four renewal periods. The second agreement, having a balance of US $1,112,257 as at June 30, 2010, matures in March 2011 and is renewable for one-year periods up to a maximum of five renewal periods. Any renewal of these two agreements is subject to the financial institution's approval.

The Corporation holds an option to assign to the bank the ownership of its ineligible asset-tracking notes as well as any proceeds therefrom as payment of 75% of the principal on the related debt. As at June 30, 2010, the Corporation estimated the fair value of this option at $268,573 (US$252,276).

The Corporation also holds an option to assign to the bank the ownership of its MAV 2 notes and traditional asset-tracking notes as well as any proceeds therefrom as payment of 45% of the principal on the related debt. As at June 30, 2010, the Corporation estimated the fair value of this option to be nil.

7. CAPITAL STOCK

A) Authorized :

Unlimited number of common shares with voting rights, participating and without par value
Unlimited number of first preferred shares without par value and issuable in series
Unlimited number of second preferred shares without par value and issuable in series

B) The following table reconciles the average number of shares outstanding with the calculation of the basic and diluted net earnings per share :

	Three months ended June 30		Six months ended June 30	
	2010	2009	**2010**	2009
Weighted average number of shares outstanding	**22,046,719**	26,929,431	**22,073,011**	27,104,306
Capital stock to be issued	**1,200,000**	-	**1,200,000**	-
Effect of potential dilutive securities due to stock options	**269,944**	8,333	**179,893**	6,429
Weighted average number of shares outstanding for use in determining diluted earnings per share	**23,516,663**	26,937,764	**23,452,904**	27,110,735

8. SEGMENTED INFORMATION

The Corporation's business structure is divided into two sectors: the first consists of manufacturing and distributing residential and commercial accessibility equipment for people with mobility challenges (accessibility), and the second consists of converting and adapting vehicles for persons with a physical disability (adapted transport).

The business sectors are detailed as follows :

Three months ended June 30

	2010			2009		
	Accessibility	**Adapted transport**	**Total**	Accessibility	Adapted transport	Total
Sales	$ 13,772,780	$ 3,166,831	**$ 16,939,611**	$ 11,760,240	$ 3,333,402	$ 15,093,642
Operating earnings (loss)	1,474,620	(40,712)	**1,433,908**	873,055	266,913	1,139,968
Net earnings (loss)	1,272,749	(19,051)	**1,253,698**	313,270	349,237	662,507
Amortization	262,074	39,888	**301,962**	177,602	23,902	201,504
Additions to fixed assets	84,237	-	**84,237**	29,716	13,763	43,479

Six months ended June 30

	2010			2009		
	Accessibility	**Adapted transport**	**Total**	Accessibility	Adapted transport	Total
Sales	$ 24,699,085	$ 5,483,182	**$ 30,182,267**	$ 20,582,064	$ 5,697,290	$ 26,279,354
Operating earnings	2,086,039	(72,392)	**2,013,647**	774,767	227,971	1,002,738
Net earnings	1,501,502	(68,397)	**1,433,105**	943,599	273,893	1,217,492
Amortization	467,551	78,151	**545,702**	353,601	46,893	400,494
Additions to fixed assets	150,656	-	**150,656**	56,276	16,183	72,459

As at June 30

	2010			2009		
	Accessibility	**Adapted transport**	**Total**	Accessibility	Adapted transport	Total
Assets	$ 38,061,075	$ 4,528,567	**$ 42,589,642**	$ 36,894,890	$ 4,003,891	$ 40,898,781
Goodwill	3,913,980	-	**3,913,980**	506,230	-	506,230

Information by geographic region is as follows:

	Three months ended June 30		Six months ended June 30	
	Sales			
	2010	2009	**2010**	2009
United States	**$ 7,088,510**	$ 6,793,672	**$ 13,245,416**	$ 13,876,312
Canada	**7,958,309**	6,998,465	**13,934,868**	10,480,740
Europe and elsewhere	**1,892,792**	1,301,505	**3,001,983**	1,922,302
	$ 16,939,611	$ 15,093,642	**$ 30,182,267**	$ 26,279,354

	As at June 30	As at December 31
	Fixed assets and goodwill	
	2010	2009
United States	**$ 448,627**	$ 448,627
Canada	**4,987,694**	1,475,150
Europe and elsewhere	**151,915**	148,237
	$ 5,588,236	$ 2,072,014

9. SUBSEQUENT EVENTS

On July 19, 2010, the Corporation completed the acquisition of the assets of Concord Elevator (Alberta) Ltd., a retailer specialized in the installation and maintenance of elevators in the province of Alberta. The acquisition cost of $340,000 includes an initial payment of $240,000 as well as an amount of $100,000 payable on the first anniversary date of the acquisition.

On August 3, 2010, the Corporation announced the acquisition of two companies, Freedom Motors Inc. ("Feedom") and Liberty Motor Co. Inc. ("Liberty"), both specializing in the conversion of mini-vans for the Canadian and American markets. The combined acquisition cost for the two companies includes the issuance of 100,000 common shares as well as a total cash consideration in the amount of $3.6 million with an initial payment of $2.8 million and $750,000 paid over a two year period following the date of the transaction. Financing of the transactions will be provided by the cashing-in of long-term investments in the amount of $2.5 million as well as a $2 million long term debt for which the Corporation has received a letter of intent from its financial institution.

10. COMPARATIVE FIGURES

Certain figures have been reclassified to conform to the presentation adopted in 2010.