CERVUS LP

Management's Discussion and Analysis
For the period from January 1, 2009 to March 31, 2009

The following Management's Discussion & Analysis ("MD&A") was prepared as of May 12, 2009 and is provided to assist readers in understanding Cervus LP's financial performance for the three month period ended March 31, 2009 and significant trends that may affect future performance of Cervus LP. This MD&A should be read in conjunction with the accompanying interim unaudited consolidated financial statements for the period ended March 31, 2009 and the notes contained therein. The accompanying interim unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and Cervus LP's reporting currency is the Canadian dollar. Cervus LP is a reporting issuer in the provinces of Alberta and British Columbia, Canada. Cervus LP's units trade on the TSX Venture Exchange under the symbol "CVL.UN"

Additional information relating to Cervus LP is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") web site at www.sedar.com.

This MD&A contains forward-looking statements. Please see the section "Note Regarding Forward-Looking Statements" for a discussion of the risks, uncertainties and assumptions relating to those statements. This MD&A also makes reference to certain non-GAAP financial measures to assist users in assessing Cervus LP's performance. Non-GAAP financial measures do not have any standard meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures are identified and described under the section "Non-GAAP Financial Measures".

Note Regarding Forward Looking Statements

Certain statements contained in this MD&A constitute "forward-looking statements." All statements, other than statements of historical fact, that address activities, events, or developments that Cervus LP or a third party expects or anticipates will or may occur in the future, including our future growth, results of operations, performance and business prospects and opportunities, and the assumptions underlying any of the foregoing, are forward-looking statements. These forward-looking statements reflect our current beliefs and are based on information currently available to us and on assumptions we believe are reasonable. Actual results and developments may differ materially from the results and developments discussed in the forward-looking statements as they are subject to a number of significant risks and uncertainties, including those discussed under "Business Risks" and elsewhere in this MD&A. Certain of these risks and uncertainties are beyond our control. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Cervus LP. These forward-looking statements are made as of the date of this MD&A, and we assume no obligation to update or revise them to reflect subsequent information, events, or circumstances unless otherwise required by applicable securities legislation.

Market Outlook

Agricultural equipment

As discussed in the 2008 annual MD&A, the Association of Equipment Manufacturers ("AEM") forecasted machinery sales and component sales to remain strong on higher commodity prices relative to the last 5 year average and reduction in input costs for 2009 resulting in stronger farm income as well as increasing demand for alternative energy supplies such as ethanol production. Based on the first quarter results for the period ended March 31, 2009, there is no reason to believe that this will not be the case for the balance of 2009.

Construction equipment

As discussed in our 2008 annual MD&A, Canada Housing and Mortgage Corporation, for the second year in succession, predicted housing starts across the Prairie Provinces were expected to fall by nearly one-third. According to their "Housing Market Outlook" released for the first quarter of 2009, the forecasted drop in the single-detached and multiple unit dwellings is expected to be 34.2% with a moderate increase forecasted in 2010 of 14.6%. In addition, AEM is reporting a reduction of between 62% and 73% for sales of our construction equipment lines in the first three months of 2009 when compared to the first three months of 2008.

These forecasts indicate that in these uncertain and volatile conditions affecting global financial markets, it is quite difficult to forecast market conditions for the construction equipment market in 2009 as well as the corresponding impact this will have on our business. We are therefore focusing our energies in this sector on cost containment, inventory control and efficiencies.

Highlights of the Quarter

- Revenues have increased 13.1% to $66.3 million for the first three months of 2009 when compared to $58.7 million for 2008.
- Same store agricultural equipment segment sales increased $6.4 million or 18.4%.
- The construction equipment segment revenue decreased by $9.9 million or 41.7%
- Overall gross margin has increased to a record 19.8%, up 0.8% over the gross margin of 19.0% reported in the same period of 2008.
- Basic earnings per unit for the first three months of 2009 have decreased to $0.18 per unit, a decrease of $0.10 from $0.28 per unit in the first three months of 2008.
- Cash and cash equivalents have decreased $13.0 million to $22.2 million at March 31, 2009 when compared to $35.3 million at December 31, 2008 primarily due to a decision by management to purchase inventories with excess cash rather than through the use of floor plan financing to reduce overall interest expense.

Overall Performance

During the first three months of 2009, revenue grew by $7.6 million to $66.3 million compared to $58.7 million for the first three months of 2008, an increase of 13.1%. Same store sales in our agricultural equipment segment remained strong and contributed $6.4 million (18.4% internal growth) of the increase. Our construction equipment segment reported a decline of $9.9 million (41.7%) in gross revenues primarily due to decreased equipment sales caused by a reduction in the demand for equipment in the construction sector.

In addition, during the three month period ended March 31, 2009, the LP used $10.5 million of cash flows from operating activities ($1.13 per basic unit) when compared to $1.3 million ($0.16 per basic unit) and EBITDA (see "Non-GAAP Financial Measures") decreased to $3.1 million ($0.33 per basic unit) when compared to $3.7 million ($0.45 per basic unit) for the same period of 2008. Cash flows from operating activities decreased primarily due to management's decision to utilize excess cash and cash equivalents to reduce interest expense by purchasing equipment inventories and thereby reducing overall floor plan payables in comparison to inventory balances. EBITDA (see "Non-GAAP Financial Measures") decreased due primarily to a reduction in earnings for the first three months of 2009 when compared to the first three months of 2008.

Net earnings for the three months ended March 31, 2009 decreased by $566 thousand to $1.7 million with the agricultural equipment segment contributing $2.3 million (an increase of 171% over 2008) and the construction equipment segment reporting a loss of $592 thousand (compared to earnings of $1.4 million in 2008). Revenues and earnings for the agriculture equipment segment are continuing to outperform the construction equipment segment, which had been anticipated due to stronger global grain commodity prices and farm income in contrast to the decreased housing and construction sectors of the Alberta economy.

Selected Quarterly Information

$ thousands, except per unit amounts	March 31, 2009	March 31, 2008	% change
Revenues	66,340	58,664	13.1
Gross profit	13,130	11,146	17.8
Gross margin	19.8%	18.9%	4.8
Net earnings	1,675	2,241	(25.3)
Per unit - Basic	0.18	0.28	(35.7)
Per unit - Diluted	0.18	0.27	(33.3)
Cash used in operating activities	(10,571)	(1,271)	(731.7)
Per unit – Basic	(1.09)	(0.16)	(581.3)
EBITDA[1]	3,071	3,697	(16.9)
EBITDA margin[1]	4.6%	6.3%	(27.0)
Per Unit – basic	0.33	0.45	(26.7)
Distributions to general partner	64	-	100.0
Distributions declared to limited partners	2,529	2,192	15.4
Per unit	0.27	0.27	-
Weighted average units outstanding			
Basic	9,360	8,068	16.0
Diluted	9,460	8,223	15.0
Actual units outstanding	9,376	8,142	15.2
Closing market price per unit	10.92	19.25	(43.3)
Total assets	155,750	118,258	31.7
Long-term liabilities	3,213	8,347	(61.5)
Total debt	66,109	68,589	(3.6)
Unitholders' equity	89,641	49,669	80.5
Net book value per unit - diluted	9.48	6.04	57.0

Notes: (1) These financial measures are identified and defined under the section "Non-GAAP Financial Measures".

Results of Operations

Revenues

$ thousands	March 31, 2009	March 31, 2008	% change
Revenues by segment:			
Equipment:	43,012	27,810	54.7
New	*28,718*	*19,621*	*46.3*
Used	*14,294*	*8,189*	*74.6*
Parts	5,737	4,004	43.3
Service	3,699	3,034	21.9
Rental and other	16	16	-
Agricultural equipment	**52,464**	**34,864**	**50.5**
Equipment	8,216	17,765	(53.8)
New	*6,519*	*16,218*	*(59.8)*
Used	*1,697*	*1,547*	*9.7*
Parts	3,062	3,014	1.6
Service	1,683	1,807	(6.9)
Rental and other	915	1,214	(24.6)
Construction equipment	**13,876**	**23,800**	**(41.7)**
Total	**66,340**	**58,664**	**13.1**

Agricultural equipment

Revenue for our agricultural equipment segment increased by $17.6 million for the three month period ended March 31, 2009 when compared to the same period of 2008. Same store sales, which excludes the John Deere dealership purchased in 2008, increased by $6.4 million realizing internal growth of approximately 18%. Sales remain strong in the agriculture equipment segment due to strong balance sheet liquidity and revenue growth being experienced by our customers due to relatively strong commodity prices and reduced input costs.

New and other equipment sales increased $9.1 million (same store $751 thousand or 4%) during the three month period ended March 31, 2009 when compared to the same period of 2008. Used equipment sales have increased $6.1 million (same store $4.7 million or 60%) primarily due to increased demand caused by increased farmer cash flow and the increased availability of equipment for sale when compared to the first quarter of 2008.

Our parts and service revenue has increased by $2.4 million (same store $882 thousand or 13%) during the three month period ended March 31, 2009 when compared to the same period of 2008. The increase in parts and service revenue is primarily related to the increased customer demand for parts and the increase in our new equipment and used equipment sales which requires pre-delivery and set up work to be performed as well as work to prepare used equipment for sale.

Construction equipment

Revenue from our construction equipment segment decreased by $9.9 million for the three month period ended March 31, 2009 when compared to the same period of 2008. The decrease in our revenues has been primarily caused by a reduction in our new equipment sales which accounted for a $9.7 million of the decrease. This reduction is a direct result of reduced housing starts in Alberta and a slow down being experienced in the oil & gas industry. As described above in the market outlook, construction equipment sales are down 62% to 73% for the Alberta market as a whole when comparing the first three months of 2009 with the same period of 2008.

Parts and service revenues have decreased $77 thousand or 2.0% for the first three months of 2009 when compared to the same period of 2008. The relatively low decline of parts and service revenue compared to the decrease of 53.8% of equipment sales are a direct result of strong unit sales in prior years which have increased the machine population for our aftermarket sales and support as well as the tightening economy that has seen customers extend the life of the equipment which has proportionately increased the demand for parts and service.

Rental income has decreased by $299 thousand during the first three months of 2009 when compared to the same period of 2008. The decrease in rental equipment revenue is due primarily to the reduction in overall construction starts during 2009 whereas customers have required less additional equipment to complete ongoing construction contracts.

Gross Profit

	March 31, 2009	March 31, 2008	% change
Gross profit margin by segment:			
Agricultural equipment	19.2%	17.9%	7.3
Construction equipment	22.0%	20.6%	6.8
Total	**19.8%**	**19.0%**	**4.2**

Agricultural equipment

Gross profit dollars increased $4.2 million (same store $2.3 million) during the first three months of 2009 when compared to the first three months of 2008. Gross profit margin also increased 1.3% overall from 17.9% in 2008 to 19.2% in 2009.

Gross profit margin increased in all departments. Increases in our parts department caused primarily due to the higher selling prices being experienced as a result of the strengthening U.S. dollar. It is possible that we will see a reduction in this margin as our current inventories are sold and replaced with higher priced items (see "Note Regarding Forward Looking Statements"). Our service department gross profit margin has increased due to a greater management focus being placed on efficiencies.

Construction equipment

Gross profit margins have increased by 1.4% in the first three months of 2009 when compared to the first three months of 2008, however gross profit dollars decreased by $1.9 million. The increase in our overall margin is primarily a result of the change in gross revenue contributions from each of our departments. The increase was primarily caused by a reduction in gross revenue provided by our new and used equipment sales which historically have lower gross margin contribution than our parts and service departments.
The segment is experiencing tighter margins on new and used equipment sales from competitive market share pressures which have resulted in a decrease in gross margins. Margins have increased in our parts department as described above under the agricultural equipment and the service department has experienced a decrease in gross profit margin as slowing markets has placed pressure on the efficiencies of the service department.

Selling, General and Administrative Expenses

$ thousands	March 31, 2009	March 31, 2008	% change
Selling, general and administrative expenses by segment:			
Agricultural equipment	7,855	5,634	39.4
Construction equipment	3,541	3,443	2.8
Total	11,396	9,077	25.5
% of revenue			
Agricultural equipment	15.0	16.2	(7.4)
Construction equipment	25.6	14.5	76.6
Total	17.2	15.5	11.0

Agricultural equipment

The agricultural equipment segment reported an increase in selling, general and administrative expenses of $2.2 million for the three month period ended March 31, 2009 when compared to the same period during 2008. Contributing to the increase in selling, general and administrative expenses are the expenses associated with the new dealership purchased in September 2008. Same store selling, general and administrative expenses increased by $1.0 million, or 18% which was primarily a result of personnel costs which increased 21.5% (75% of total $1.0 million increase in same store selling, general and administrative expenses) and occupancy costs of $252 thousand in the first three months of 2009 when compared to the same period of 2008. Contributing to the increase in personnel costs was a 12.7% increase in commissions due to higher sales volumes, an increase in full time equivalent staff due to shortages in certain departments identified, increased employee benefit costs and increased training initiative costs. On a same store basis, for the three month period ended March 31, 2009, occupancy costs have increased due to repair and maintenance expense and increased rental costs due to a new facility in Rosthern, SK and general rent increases being experienced on a year over year basis.

Construction equipment

The construction equipment segment's selling, general and administrative expenses increased $98 thousand for the three month period ended March 31, 2009 when compared to the same period of 2008. The primary reason for the increase in selling general and administrative expenses during the period was due to an increase in general operating expenses, an increase in occupancy costs, an increase in marketing expenses and offset by reductions in bad debts and personnel costs. General and operating expenses increased primarily due to the general increase in most operating expenses and inter-segment allocation of shared expenses, bad debts decreased due to collection efforts on older accounts and reduction of aged receivables, marketing increased due to an increased effort in advertising and promotion to combat declining sales as noted above and personnel costs decreased due primarily to a reduction in commission expense due to decreased sales revenue as noted above.

Depreciation and amortization

$ thousands	March 31, 2009	March 31, 2008	$ change
Depreciation and amortization by segment:			
Agricultural equipment	431	285	146
Construction equipment	706	737	(31)
Total	**1,137**	**1,022**	**115**

Agricultural equipment

The agricultural equipment segment depreciation and amortization increased by $146 thousand (same store $72 thousand) during the three month period ended March 31, 2009 when compared to the same period of 2007. The primary factor for the increased depreciation and amortization was the amortization of other assets from business acquisitions made in 2008 which accounted for $96 thousand of the $146 thousand increase. Same store depreciation and amortization increased due to capital asset replacements made during 2008 and the first quarter of 2009.

Construction equipment

The construction equipment segment reported a decrease of $31 thousand for the first three months of 2009 compared to the first three months of 2008. The reduction in depreciation and amortization expense is a direct result of management's efforts to reduce the rental equipment inventories over the past number of months, thereby reducing the depreciation and amortization charges recorded in cost of sales.

Interest

$ thousands	March 31, 2009	March 31, 2008	$ change
Interest by segment:			
Agricultural equipment	131	195	(64)
Construction equipment	127	239	(112)
Total	259	434	(176)
% of revenue	0.4	0.7	

Interest expense is comprised primarily of the LP's financing of its short-term debt for floor-plan financing arrangements for equipment inventories and long-term debt related, primarily to short-term rental equipment. The LP has determined that excess cash resources should be used to reduce overall interest expense on the aforementioned financing and has primarily used the excess cash for the purchasing of certain equipment inventories. Floor plan financing as a percentage of inventory has decreased to approximately 49% of inventories at March 31, 2009 when compared to 53% at December 31, 2008. In addition, the LP has further reduced the overall rental equipment financed to 41% of rental equipment cost at March 31, 2009 from 44.9% at December 31, 2008. Also, the LP is benefiting from a further reduction in the prime lending rate during the first quarter of 2009 resulting in an annualized average interest expense of 2.2% at March 31, 2009 when compared to 3.6% at March 31, 2008.

Income Taxes

On June 22, 2007, the legislation implementing the new tax on publicly traded income trusts and limited partnerships (the "Specified Investment Flow-Through Entities" or "SIFT" tax) received Royal Assent.

Under the SIFT tax, distributions will not be deductible for income tax purposes by SIFT's in 2011 and thereafter and any limited partnership taxable income will be taxed at an approximate rate of 28.0 percent, being the estimated corporate income tax rate. The resultant distributions will be considered taxable to the Unitholders. Distributions representing return of capital for income tax purposes will continue to be an adjustment to a Unitholders adjusted cost base of the partnership units.

For accounting purposes, the LP assessed its temporary differences between book and tax basis of assets and liabilities and determined that no additional future income tax liability or future income tax expense was required at this time. It is the intention of the LP to manage the difference between its book value of its assets and liabilities so that the tax basis of the assets and liabilities are substantially the same at December 31, 2010.

The LP is currently reviewing organizational structures and alternatives to minimize the impact of the SIFT tax on our Unitholders. While there can be no assurance that the negative effect of the tax can be minimized or eliminated, we continue to work diligently on these issues.

Net Earnings and Comprehensive Income

The LP has no changes in net assets or equity from non-owner sources that would be considered as comprehensive income and therefore, net earnings and comprehensive income are reportedly the same results.

	March 31, 2009	March 31, 2008	% change
Net earnings ($ thousands):			
Agricultural equipment	2,267	837	170.8
Construction equipment	(592)	1,404	-
Total	1,675	2,241	(25.3)
% of revenue			
Agricultural equipment	4.3	2.4	79.2
Construction equipment	(4.3)	5.9	-
Total	2.5	3.8	(34.2)
Net Earnings Per Unit: Units outstanding – basic ($ thousands except per unit amounts)	9,360	8,068	16.0
Agricultural equipment	0.24	0.10	140.0
Construction equipment	(0.06)	0.18	-
Total	0.18	0.28	(35.7)

The most significant contributing factor to our $566 thousand decrease in earnings during the three month period ended March 31, 2009 was due to the loss sustained by our construction equipment segment. This was offset somewhat by an increase in earnings from our third quarter acquisition in our agriculture equipment segment and stronger performance from same store agriculture segment.

Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA")

$ thousands	**March 31, 2009**	**March 31, 2008**	**% change**
EBITDA by segment:			
Agricultural equipment	2,830	1,320	114.4
Construction equipment	242	2,377	(89.8)
Total	**3,071**	**3,697**	**(16.9)**
% of revenue	4.6	6.3	

EBITDA (see "Non-GAAP Financial Measures) is used by management to monitor its results and compare its profitability between itself and other entities in its industries. It is primarily used to evaluate potential business acquisitions.

For the three month period ended March 31, 2009, our EBITDA decreased by $626 thousand or 1.0% of gross revenue when compared to the same period during 2008. The decrease in EBITDA can primarily be attributed to the reduction in net earnings for the period ended March 31, 2009 when compared to the same period in 2008.

Summary of Quarterly Results

$ thousands, except per unit amounts	**March 31, 2009**	**December 31, 2008**	**September 30, 2008**	**June 30, 2008**
Revenues	66,340	69,790	107,595	112,626
Net earnings	1,675	2,635	8,888	8,444
Basic earnings per unit	0.18	0.28	0.96	1.03
Diluted earnings per unit	0.18	0.28	0.95	1.02
Weighted average units				
outstanding - Basic	9,360	9,390	9,255	8,211
Fully diluted	9,460	9,431	9,335	8,305

$ thousands, except per unit amounts	**March 31, 2008**	**December 31, 2007**	**September 30, 2007**	**June 30, 2007**
Revenues	58,664	59,790	98,002	86,953
Net earnings	2,241	755	5,641	4,833
Basic earnings (loss) per unit	0.28	0.10	0.74	0.68
Diluted earnings (loss) per unit	0.27	0.09	0.71	0.64
Weighted average units				
outstanding - Basic	8,068	7,516	7,652	7,117
Fully diluted	8,223	8,090	7,940	7,507

The financial data shown above has been prepared in accordance with Canadian Generally Accepted Accounting Principles.

Sales activity for the agriculture segment is normally highest between April and September during growing seasons in Canada. The construction sector is not as volatile but does see slower sales activity in the winter months. As a result, earnings or losses may not accrue uniformly from quarter to quarter. During the two quarters commencing April through September 2008, the LP reported 63% of its revenues and recognized 78% of its net earnings for the year. This compares to 61% of its revenues and 92% of its net earnings in the previous four quarters presented. These trends are supported by the seasonality of our business operations which consists of our agriculture and construction segments. Most of the activity surrounding agriculture in Western Canada is performed during the April to September periods and a majority of our construction business is also performed during the same period. Changes in our construction revenues can fluctuate based on the amount of snowfall that is received during the periods October through March and the need for snow removal equipment and services are required.

Liquidity

$ thousands, except ratio amounts	March 31, 2009	December 31, 2008
Current assets	125,902	113,918
Total assets	155,750	144,333
Current liabilities	62,896	49,440
Long-term liabilities	3,213	4,874
Unitholders' equity	89,641	90,019
Working capital	63,006	64,478
Working capital ratio (see "Non-GAAP Financial Measures")	2.01	2.31

Working capital

Our working capital (see "Non-GAAP Financial Measures" and "Note Regarding Forward Looking Information") decreased to $63.0 million at March 31, 2009 when compared to $64.5 million at December 31, 2007, a decrease of $1.5 million. In accordance with outstanding debt agreements, the LP is required to maintain a working capital ratio of no less than 1.25 to 1.

The LP's ability to generate sufficient cash and cash equivalents is determined by continued strong gross revenue performance, maintaining existing gross margins and controlling its costs. At this time, there are no known factors that management is aware of that would affect its short and long-term objectives of meeting the LP's obligations as they come due. Working capital may fluctuate from time to time based primarily on the use of cash and cash equivalents to fund future business acquisitions as well as due to the seasonal nature of our business. As discussed below, the LP's percentage of floor plan to inventory has continued to reduce during the three month period ended March 31, 2009 when compared to December 31, 2008. As discussed in our 2008 annual MD&A, management decided to utilize excess cash resources to reduce floor plan payables and reduce interest expense. Cash resources can normally be restored by accessing floor plan monies available for unencumbered used equipment inventories. Also, the seasonality of our business requires greater use of cash resources in the first and fourth quarter of each year as explained above to fund general operations caused by a reduction in sales activity during these quarters.

Liquidity risk

The LP's exposure to liquidity risk is dependent on the collection of accounts receivable and the ability to raise funds to meet purchase commitments and financial obligations and to sustain operations. The LP controls its liquidity risk by managing its working capital, cash flows, and the availability of borrowing facilities. At March 31, 2009, the LP's contractual obligations are described below. At March 31, 2009, the LP has an operating bank line of credit available to a maximum amount of $15 million. The operating line of credit bears interest at rates ranging from prime plus 0.25% to prime plus 0.75% based on certain financial covenants and is secured by a general security agreement, a priority agreement; trade accounts receivable, unencumbered inventories, assignment of fire insurance and guarantees from the LP's subsidiaries and the general partner. At March 31, 2009 and December 31, 2008, the LP had not drawn on this operating line. In addition, the LP has a committed reducing term facility in the amount of $1.5 million to finance capital asset additions of which no amounts have been advanced.

The LP has approximately $22.2 million in cash and cash equivalents on hand at March 31, 2009 which consists of $2.4 million of cash on hand and in bank and $19.8 million in money market funds. The money market funds are invested through the LP's primary financial institution and the funds are available immediately upon request.

Significant challenges are currently being experienced in both the domestic and international financial markets. These challenges are having an impact on the ability of certain borrowers to finance existing operations and to fund capital programs. To date, these issues in the financial markets have not had a direct impact on the operations of the LP. While the current financial situation has not directly impacted the LP's ability to fund capital projects and ongoing operations, future borrowing may be impacted by these financial markets through increased carrying costs and the ability to raise debt and capital. The LP is unable to determine the outcome of these issues or how they may affect future operations (see Note Regarding Forward Looking Statements).

At March 31, 2009, inventories have increased by $26.2 million to $88.2 million. The most significant increases were in new equipment inventories (increased $10.8 million) and used equipment inventories (increased $12.9 million). Inventories generally increase during our first quarter to meet the demand of our second and third quarter customer delivery requirements. New inventories are being delivered to our dealerships by our key manufacturers prior to the sales revenue being generated to our customers. Aged used equipment over a year old totals $7.1 million ($2.9 million in our agricultural equipment segment and $4.2 million in our construction equipment segment) at March 31, 2009 compared to $3.4 million at December 31, 2008.

The nature of the business has a significant impact on the amount of equipment that is owned by our various dealerships. The majority of our John Deere equipment sales come with a trade-in while our Bobcat sales, and to a lesser extent our JCB and JLG sales, usually do not have trade-ins. This is why we have a higher amount of used agriculture equipment than used construction equipment. In addition, the majority of our new John Deere equipment is on consignment from John Deere whereas we purchase the new equipment from our other manufacturers. These factors directly impact the amount of used and new equipment carried on our books. Our John Deere, Bobcat, JCB and JLG product lines are manufactured in the U.S. with pricing based in U.S. dollars but invoiced in Canadian dollars.

The market value of used equipment in the agricultural equipment segment has been affected by the strength of the Canadian dollar throughout the primary selling season of the 2nd and 3rd quarters of 2008 which averaged approximately 1.02 Canadian dollar per U.S. dollar. This provided for less expensive new equipment during the primary selling season causing downward pressure on used equipment pricing. This, combined with the strengthening U.S. dollar in the latter part of 2008 through the first quarter of 2009(average U.S. exchange to the Canadian dollar has increased to 1.26 in March 2009 from 1.05 in September 2008), has left current used inventories with recoverable carrying amounts and little indication of impairment issues.

Market risk

Market risk is the risk that the fair value of financial instruments will fluctuate due to changes in market factors and adverse economic conditions which may impact the timing of collection and ultimate realization of equipment sales, parts, service and rental revenue. The LP derives substantially all of its operating revenue from agricultural and construction based clients. The agriculture segment is primarily impacted by commodity prices and the construction segment is primarily impacted by both housing and infrastructure starts. A 5% to 10% change in the market conditions affecting these segments would result in an increase or decrease to revenue of between $17.8 and $35.6 million on a rolling 12 month basis. Based on the return on sales experienced for the rolling 12 months ended March 31, 2009, this would result in an increase or decrease in net earnings of between $1.1 and $2.2 million.

Credit risk

By granting credit sales to customers, it is possible these entities, to which the LP provides services, may experience financial difficulty and be unable to fulfill their obligations. A substantial amount of the LP's revenue is generated from customers in the farming and construction industries. This results in a concentration of credit risk from customers in these industries. A significant decline in economic conditions within these industries would increase the risk that customers will experience financial difficulty and be unable to fulfill their obligations to the LP. The LP's exposure to credit risk arises from granting credit sales and is limited to the carrying value of accounts receivable. The LP's revenues are normally invoiced with payment terms of net, 30 days. The average time to collect LP's outstanding accounts receivable was approximately 14 days for the period ended March 31, 2009 (December 31, 2008 - 13 days) and no single outstanding customer balance represented more than 10% of total accounts receivable. The LP mitigates its credit risk by assessing the credit worthiness of its customers on an ongoing basis. The LP closely monitors the amount and age of balances outstanding and establishes a provision for bad debts based on specific customers' credit risk, historical trends, and other economic information. For the three month periods ended March 31, 2009 and 2008, all customer balances provided as bad debts were calculated based on 25% of accounts between 90 to 120 days outstanding and 85% on amounts over 120 days outstanding unless allowance for certain specified accounts requires a greater amount to be allowed for.

Of the $12,145,270 of trade accounts receivable outstanding, $4,361,706 is represented by sales contract financing receivables in transit and $7,783,564 is represented by customer accounts receivable and other accounts receivable. The following is a summary of our aged accounts receivable and activity in our allowance for doubtful accounts as at March 31, 2009 and for the three months then ended:

Accounts receivable		
Current	$	10,474,998
30 – 60		742,201
Over 90 days		928,071
Total	$	12,145,270

Allowance for doubtful accounts		
Balance, December 31, 2008	$	878,297
Bad debts additions		181,537
Amounts written-off as uncollectible or recovered		(194,476)
Balance, March 31, 2009	$	878,297

Interest rate risk

The LP's cash flow is exposed to changes in interest rates on its floor plan arrangements and certain term debt which bear interest at variable rates. The cash flows required to service these financial liabilities will fluctuate as a result of changes in market interest rates. Based on LP's outstanding long-term debt and obligations under capital lease at March 31, 2009, a one percent increase or decrease in market interest rates would impact LP's annual interest expense by approximately $200,000. LP's other financial instruments are not exposed to interest rate risk.

Foreign currency exposure

The LP is not exposed to fluctuations in foreign currency in that all sales and expenditures are incurred in Canadian dollars. However, many of our products, including equipment and parts are based on a U.S. dollar price structure as they are supplied primarily by U.S. manufacturers. This may cause fluctuations in future sale amounts primarily related to equipment and parts sales as it is the intent of the LP to maintain a consistent gross margin return where possible. Certain of the LP's manufacturers also have programs in place to facilitate and/or reduce the effect of foreign currency fluctuations, primarily on new equipment inventory purchases.

Cash

Net cash used in operating activities was $10.6 million for the three month period ended March 31, 2009 versus $1.3 million for the same period of 2008, an increase of $9.3.

The primary cause for the increase in the use of operating cash flow was due to the purchase of inventories without increasing our floor plan financing which used $16.0 million. This was offset by earnings and non-cash adjustments for depreciation and amortization as well as increases in accounts payable balances and receipt of customer deposits for future sales activities. Management uses its discretion to utilize operating cash flow to either pre-pay or buy down certain floor plans and reduce the related interest costs associated with the debt. As noted earlier, a greater percentage of inventories have been purchased with cash to improve the return on the excess cash. As the facilities are available at any time, management is prepared to increase its floor plan payables if it is deemed necessary.

During the three month period ended March 31, 2009, financing activities used $3.6 million of net cash flow compared to $2.0 million for the same period of 2008. The primary uses of cash were for the $2.6 million of distributions made to limited partners and $1.2 million repayment of term-debt.

Investing activities provided $1.2 million of cash flows for the three month period ended March 31, 2009 when compared to use of cash of $3.1 million for the same three months of 2008. The primary source of cash from investing activities arose from the $662 thousand repayment of a short-term loan outstanding at December 31, 2008 and $544 thousand from the repayment of advances made to a related party, Proventure Income Fund.

Contractual obligations

The LP has certain contractual obligations including payments under long-term debt agreements and operating lease commitments. A summary of the LP's obligations is as follows:

$ in thousands	Total	Due 2010	Due 2011 through 2013	Due 2014 through 2015	Due thereafter
Long-term debt	7,350	4,711	2,519	120	-
Notes payable	1,025	600	425	-	-
Operating leases	14,049	3,234	6,290	2,456	2,069
Total contractual obligations	22,424	8,545	9,234	2,576	2,069

Capital Resources

We use our capital to finance our current operations and growth strategies. Our capital consists of both debt and equity and we believe the best way to maximize our Unitholder value is to use a combination of equity and debt financing to leverage our operations.

We invested $55 thousand, net of capital disposals in operational capital expenditures for the three month period ended March 31, 2009. We originally budgeted 2009 capital needs to be approximately $4.6 million (see "Note Regarding Forward Looking Statements), $2.2 million of which is for the further expansion of our construction equipment rental fleet through floor plan financing of terms up to 4 years and $2.4 million for equipment and leasehold improvements primarily funded by cash flows from operating activities. However, due to the reduction in our construction equipment segment revenues, we have put on hold, certain of our capital expenditure programs including the further expansion of our rental equipment fleet. We have revised our budget for capital expenditures to be approximately $1.7 million for all other capital expenditures, excluding the rental equipment fleet.

Bank Indebtedness

At March 31, 2009 and December 31, 2008 the LP has a non-committed operating bank line of credit to a maximum amount of $15 million. The operating line of credit bears interest at rates ranging from bank prime to prime plus 0.5% based on certain financial covenants and is secured by a general security agreement representing a first charge on all of the LP's assets and undertakings, a priority agreement between the bank, John Deere Limited and the LP, postponement and subordination of security interest between the bank, the LP, Cervus Corporation and Farm Credit Canada, unlimited guarantee of advances from the LP and priority agreement between the bank and GE Canada Equipment Financing G.P., CIT Financial Ltd. and JCB Excavators Limited. As at March 31, 2009 and December 31, 2008, the LP had not drawn on this operating line. The bank indebtedness is also subject to certain financial and negative covenants in which we are in compliance with at March 31, 2009 and to the date of this report.

Floor Plan Payables

Floor plan payables consist of financing arrangements for the LP's inventories. At March 31, 2009, floor plan payables are $43.0 million, an increase of $10.0 million from the December 31, 2008 balance of $33.0 million. Floor plan payables represent approximately 49% of our inventories at March 31, 2009 compared to 53% at December 31, 2008. Floor plan payables fluctuate significantly from quarter to quarter based on the timing between the receipt of equipment inventories and their actual repayment so that the LP may take advantage of any programs made available to the LP by its key suppliers.

Our floor plan facilities are provided by our equipment manufacturers directly or through partnering arrangements that they have with third party lenders. We currently have an aggregate facility with John Deere Credit, GE Canada Equipment Financing G.P. and CIT Financial Ltd ("CIT") of approximately $80 million available for equipment inventory financing, which we believe is sufficient to meet our market share targets for 2009. We have been advised that CIT, which primarily finances our JCB product line, will be suspending their partner arrangement with JCB and that JCB is currently seeking an alternative arrangement with another financer. At March 31, 2009, CIT floor plan liabilities total approximately $10.9 million. Management believes that an alternative financer will be arranged and does not believe that this will have a material effect on the business operations of our construction segment.

Term debt and Note Payable

Term debt consists primarily of financing arrangements for our short term rental equipment fleet, financing of our automotive and truck purchases, and a term loan from business acquisitions. The term debt carries interest at rates ranging from prime plus 0.25% to prime plus 0.75% and also fixed rate facilities with interest ranging from 0% to 7.25%. Term debt decreased by $1.2 million during the three month period ended March 31, 2009 when compared to December 31, 2008 as a result of normal principal repayments and the reduction of rental equipment financing.

Outstanding Share Data

As of the date of this report, there are 9,387,853 limited partnership units, 34,479 unit options, 99,977 deferred units and 612,480 unit purchase warrants outstanding.

As at March 31, 2009 and 2008, the LP had the following weighted average shares outstanding:

In thousands	**2009**	**2008**
Basic weighted average number of units outstanding	9,360	8,068
Dilutive impact of deferred unit plan	100	18
Dilutive impact of unit options	-	-
Dilutive effect of outstanding warrants	-	137
Diluted weighted average number of units outstanding	9,460	8,223

Distribution policy

Cervus LP, in accordance with its Limited Partnership Agreement, is entitled, at the discretion of the Board of Directors, to make cash distributions to its Limited Partnership Unit Holders. The following table summarizes our distributions during the first three months of 2009 ($ thousands, except per unit amounts):

Record Date	Distribution per Unit	Distribution Payable	Distributions Reinvested	Net Distributions Paid
January 31, 2009	0.09	842	95	747
February 28, 2009	0.09	843	101	742
March 31, 2009	0.09	844	103	741
	0.27	2,529	299	2,230
General Partner		64	-	64
Total Distributions		2,593	299	2,294

Cash distributions are normally paid by Cervus LP on a monthly basis to Unitholders of record on the last business day of each month. Distributions are payable on or about the 15th day of the month following the record date.

Distribution reinvestment plan ("DRIP")

The DRIP was implemented in 2004 and allows Unitholders to reinvest monthly distributions into additional Cervus LP units. Unitholders who elect to participate will see their periodic cash distributions automatically reinvested in Cervus LP units at a price equal to 95% of the volume-weighted average price of all units traded on the TSX Venture Exchange for the ten trading days preceding the applicable record date. Eligible Unitholders may participate in the DRIP by directing their broker, dealer, or investment advisor holding their Fund units to notify the plan administrator, Computershare Trust Company of Canada Ltd., through the Clearing and Depository Services Inc. ("CDS"), or directly where they hold the certificates personally.

Taxation

Our distributions are not taxable and are considered a return on capital. The LP's taxable income is calculated and allocated to the Unitholders of record on December 31 of each calendar year.

Cautionary note regarding distributions
Although we intend to continue making monthly distributions to our Unitholders, cash distributions are not assured and may be reduced or suspended. Our ability to continue making cash distributions and the actual amount distributed will depend on our financial performance, debt covenant obligations and our ability to meet our debt obligations and capital requirements. In addition, the market value of the units may decline if we were unable to meet our cash distribution targets in the future, and that decline may be significant. We have continued to distribute $0.09 per unit through April 2009 (see Note Regarding Forward Looking Statements).

As terms under our credit facilities, we are restricted from declaring distributions or distributing cash if the LP is in breach of its debt covenants. As at the date of this report, the LP is not in violation of any of its covenants.

Distributable cash calculated:

$ thousands, except per unit amounts	March 31, 2009	December 31, 2008
Cash flow from operating activities	(10,571)	26,433
Add (deduct):		
Maintenance capital expenditures[1]	(1,700)	(1,345)
Cash available for distribution and growth (a)		25,088
Per unit – diluted	(12,271)	2.85
Gross distributions declared to all equity holders (b)	2,593	9,690
Payout ratio (b)/(a)	-	39%
Net distributions declared, net of DRIP (c)	2,294	7,301
Payout ratio (c)/(a)	-	29%

Notes: 1. these terms are identified and defined under the section "Non-GAAP Financial Measures and are discussed in Capital Resources section above.

It is common for the LP to have negative cash for distribution and growth in the first quarter of each calendar year. Though cash is in a negative position, the LP considers its monthly distribution to be a share of annual amounts and distributes the cash evenly throughout the year.

Cash available for distribution and growth in excess of distributions declared reflects reserves we believe are necessary for such things as future working capital requirements, future capital expenditures and acquisitions. In addition, cash retained through the participation of Unitholders in our DRIP is also used to fund future capital expenditures.

Cash available for distribution and growth reported for the period ended March 31, 2009 and the year ended December 31, 2008 are net of maintenance capital expenditures. Maintenance capital expenditures are the capital expenditures incurred during the period to maintain our existing levels of service. This includes capital expenditures used to replace buildings and equipment and enhance the operational life of existing equipment. These capital expenditures can fluctuate significantly, year-to-year depending on our identified needs. If maintenance capital expenditures increase in future periods, our cash available for distribution and growth would be negatively impacted.

We estimate our unfunded maintenance capital expenditures for the year ended December 31, 2009 to be approximately $1.7 million (see "Note Regarding Forward-Looking Statements). We based this estimate on our preliminary replacement expectations for equipment, net of funding resources received. The actual timing of the replacements is subject to a number of variables that cannot necessarily be predicted and though we believe these estimates to be appropriate, our actual maintenance capital expenditures may differ materially from our original estimates.

Business Risks and Uncertainties

Reliance on our key manufacturers and dealership arrangements

Cervus LP's primary source of income is from the sale of farm and construction equipment and products and services pursuant to agreements to act as an authorized dealer. The agreement with John Deere Limited provides a framework under which John Deere Limited can terminate a John Deere dealership if such dealership fails to maintain certain performance and equity covenants. Each contract also provides a one-year remedy period whereby Cervus LP has one year to restore any deficiencies.

Cervus also has dealership agreements in place with Bobcat and JCB. These agreements are one year agreements; however the agreements are normally renewed on a year by year basis.

The success of our dealership depends on the timely supply of equipment and parts from our manufacturers to ensure the timely delivery of products and series to our customers. We also depend on our suppliers to provide competitive prices and quality products. Currently all of our dealership contracts are in good standing with our suppliers. There can be no guarantee that circumstances will not arise which gives these equipment manufacturers the right to terminate their dealership agreements.

Dependence on Industry Sectors

Authorized John Deere agricultural dealerships sell John Deere agricultural and lawn and garden products and equipment. The majority of sales are derived from the agricultural sector. Consequently, grain and livestock prices, weather conditions, Canadian vs. U.S. currency exchange rates, interest rates, disease, Canadian and U.S. government trade policies and customer confidence have an impact on demand for equipment, parts and service.

The retail farm equipment industry is very competitive. Cervus LP faces a number of competitors, including other "in-line" John Deere dealerships and other competitors including authorized Agco, Case, Kubota and New Holland dealerships that may be located in and around communities that the LP's dealerships are located. Presently, Deere & Company has a reputation for the manufacture and delivery of high quality, competitively priced products. John Deere has the largest market share of manufacturing and sales of farm equipment in North America. There can be no assurance that John Deere will continue to manufacture high quality, competitively priced products or maintain its market share in the future.

We have mitigated these risks by geographical diversification in Western Canada within the agricultural sector and industry diversification into the construction sector in Alberta.

The construction segment sells light and medium construction equipment and is comprised of several companies manufacturing and selling various lines of equipment. The major competitors are Caterpillar, Komatsu, CNH (Case), John Deere, Volvo, Hitachi and Liebherr. The light and medium construction equipment market is very much dependent upon residential construction of new housing. Over the past few years the residential construction markets in Alberta have been very strong, however we believe that there will be a significant decline in 2009 which appears to be occurring based on the LP's reduction in construction equipment segment revenues.

Presently the majority of the construction equipment division's revenue is derived from the sale of Bobcat equipment and products. Bobcat has established itself as an industry leader in the Alberta market for the manufacture and delivery of light construction equipment. Bobcat has the largest market share in this niche in the Alberta market. There can be no assurance however that Bobcat will continue to manufacture high quality, competitively priced products or maintain its market share in the future.

Off-Balance Sheet Arrangements

In the normal course of business, we enter into agreements that include indemnities in favor of third parties, such as engagement letters with advisors and consultants, and service agreements. We have also agreed to indemnify our general partner's directors, officers, and employees in accordance with our limited partnership agreement and other agreements. Certain agreements do not contain any limits on our liability and, therefore, it is not possible to estimate our potential liability under these indemnities. In certain cases, we have recourse against third parties with respect to these indemnities. Further, we also maintain insurance policies that may provide coverage against certain claims under these indemnities.

John Deere Credit Inc. ("Deere Credit") provides financing to certain of the LP's customers. A portion of this financing is with recourse to the LP if the amounts are uncollectible. At March 31, 2009, payments in arrears by such customers aggregated $183 thousand (December 31, 2008 - $188 thousand). In addition, the LP is responsible for assuming all lease obligations held by its customers with Deere Credit, Agrifinance and Roynat Lease Finance for the net residual value of the lease outstanding at the maturity of the contract. At March 31, 2009, the net residual value of such leases aggregated $47 million (December 31, 2008 - $50 million).

The LP is liable for a portion of the deficiency in the event that the customer defaults on their lease obligation. Deere Credit retains 1% of the face amount of the finance or lease contract for amounts that the LP owes Deere Credit under this obligation. The deposits are capped at between 1% and 3% of the total dollar amount of the lease and finance contracts outstanding. The maximum liability that may arise related to these arrangements is limited to the deposits of $1.4 million at March 31, 2009 and December 31, 2008. Deere Credit reviews the deposit account balances quarterly and if the balances exceed the minimum requirements, Deere Credit refunds the difference to the LP.

Transactions with Related Parties

The CEO of the LP is the CEO of Proventure Income Fund ("Proventure" or "Fund"). In addition, the CEO is the single largest equity holder of the LP and the Fund and the LP and the Fund share common directors. The Fund is a public income trust that was originally formed in 2003 by transferring into a separate entity, the real property interests of John Deere dealerships operating at the time. Since that date, the Fund has continued to purchase the real property interests of the LP's John Deere dealerships and two of the LP's Bobcat/JCB dealerships. Other than disclosed above, the LP had the following transactions with the Fund:

In thousands		March 31, 2009		March 31, 2008
Expenses:				
Real estate leases	$	628	$	383
Guarantee fees	$	21	$	21
Revenue:				
Management fees for administration	$	8	$	8
Interest on advances	$	19	$	-

The LP receives $2.5 thousand per month to carry out all administrative and management tasks related to Proventure's operations. The amount charged is the amount agreed to between the related parties.

The LP pays a guarantee fee to Proventure equal to 3% of the guaranteed amounts that Proventure has provided to John Deere. This guarantee is a result of guarantees provided to John Deere prior to the establishment of Proventure and for which John Deere has not yet released Proventure from the contractual obligation. At March 31, 2009 and 2008, the Fund has outstanding guarantees with John Deere aggregating $2, 75 million.

During 2008, the LP provided a $2.75 million revolving credit facility to the Fund expiring on November 30, 2013. The facility is due on demand and bears interest at the rate of prime plus 0.25%. The facility can be used for operations, capital acquisitions, and investments and is secured by a general security agreement.

Certain officers and dealer managers of the LP have provided guarantees to John Deere aggregating $6.4 million (March 31, 2008 - $7,150,000). During the three month period ended March 31, 2009, the LP paid these individuals $48 thousand (March 31, 2008 -$54 thousand) for providing these guarantees. These transactions were recorded at the amount agreed to by the parties. These guarantees are required by the LP's most significant dealership arrangement with John Deere Limited and the LP believes that the 3% per annum charge provided to the guarantors is a reasonable expense to providing these guarantees.

The general partner of the LP is Cervus GP Ltd. ("GP"), a private company in which the CEO of the LP is President. Under the amended and restated limited partnership agreement, the GP is entitled to reimbursement of all reasonable direct and indirect costs incurred on behalf of the LP and to 1% of the net earnings. For the three month period ended March 31, 2009, this amounted to $17 thousand (December 31, 2008 - $222 thousand) and has been recorded as a distribution of earnings on the statement of accumulated earnings. In addition, distributions of $64 thousand (December 31, 2008 - $200 thousand) have been made to the general partner. Also, a portion of the CEO's salary is paid by the GP from the allocation of earnings made.

The LP has advanced $365 thousand to a senior management employee to facilitate relocation to Calgary, AB. The advance is non-interest bearing and is due on December 31, 2009 with no terms of repayment and is secured by the real property associated with the housing loan.

During 2008, the LP transacted in the normal course of business, $2 thousand (March 31, 2008 - $13 thousand) of equipment, parts and service sales with companies in which the Board of Directors are Directors of or Control those companies.

Future Accounting Changes

The CICA has issued new accounting standards, "Section 1582, Business Combinations", "Section 1601 Consolidated Financial Statements" and "Section 1602, Non-Controlling Interests".

Section 1582, Business Combinations clarifies how an entity is to account for business combinations. The Section applies prospectively to business combinations for which the acquisition date is on or after January 1, 2011, however earlier adoption is permitted.

Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interest establishes standards for the preparation of consolidated financial statements and for the accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. This Section applies to interim and annual financial statements related to fiscal years beginning on or after January 1, 2011, however earlier adoption is permitted as of the beginning of a fiscal year.

The LP has not yet adopted these new accounting standards. These standards will be applied prospectively and will impact how the LP accounts for business combinations entered into after the date of adoption.

Conversion to International Financial Reporting Standards in Fiscal 2011

The CICA Accounting Standards Board requires all Canadian publicly accountable enterprises to adopt International Financial Reporting Standards (IFRS) for years beginning on or after January 1, 2011. The LP will adopt IFRS for the fiscal year 2011 starting January 1, 2011. The fiscal 2011 Consolidated Financial Statements will include comparative 2010 financial results under IFRS.

Although much of Canadian GAAP is similar to IFRS, there are some GAAP differences that may significantly impact the LP's processes and financial results. The LP is currently in the planning phase of the conversion. This includes identifying the differences between existing Canadian GAAP and IFRS, identifying potential business impacts, developing the project plan, assessing resource requirements and training staff. Currently, it is not possible to fully determine the impact to the financial statements and any potential business impacts, as accounting standards and the interpretations of those standards are changing.

Internal Controls over Financial Reporting and Disclosure Controls and Procedures

There has been no material change in internal controls over financial reporting and disclosure controls and procedures during the three month period ended March 31, 2009.

Non-GAAP Financial Measures

This MD&A contains certain financial measures that do not have any standardized meaning prescribed by Canadian generally accepted accounting principles ("GAAP"). Therefore, these financial measures may not be comparable to similar measures presented by other issuers. Investors are cautioned that these measures should not be construed as an alternative to net earnings or to cash flow from operating, investing, and financing activities determined in accordance with Canadian GAAP as indicators of our performance. These measures are provided to assist investors in determining our ability to generate earnings and cash flow from operations and to provide additional information on how these cash resources are used. These financial measures are identified and defined below:

EBITDA; is defined as earnings before interest, taxes, depreciation, and amortization. We believe, in addition to net earnings, EBITDA is a useful supplemental earnings measure as it provides an indication of the financial results generated by our principal business activities prior to consideration of how these activities are financed or how the results are taxed in various jurisdictions and before non-cash amortization expense.

The following is a reconciliation of EBITDA to net earnings for each of the three years ended December 31:

$ thousands, except per unit amounts	March 31, 2009	March 31, 2008
Net earnings	1,675	2,241
Add:		
Interest	259	434
Amortization	1,137	1,022
EBITDA	3,071	3,697
Per Unit - diluted	$0.33	$0.45

EBITDA margin; EBITDA margin is calculated as EBITDA divided by revenue.

Working capital; working capital is calculated as current assets less current liabilities. Working capital ratio is calculated as current assets divided by current liabilities.

Maintenance capital expenditures; maintenance capital expenditures are the capital expenditures incurred during the period to maintain our existing levels of service. This includes capital expenditures used to replace buildings and equipment and enhance the operational life of existing equipment. Please refer to Capital Resources discussion above.

$ thousands	March 31, 2009	December 31, 2008
Purchase of property and equipment during the year, net of disposals	1,900	4,437
Purchases funded by term debt	(200)	(3,091)
Maintenance capital expenditures	1,700	1,346

Subsequent events

We have been advised that the joint venture partners of Greenway Sprayers are dissolving the joint venture and that the operations will be continued by the individual partners. As a result of the dissolution of the joint venture, the joint venturers have agreed to separate the net assets of the joint venture and it is anticipated that the LP will receive its proportionate share at least equal to the net book value of its equity interest. Future operations of the joint venture will be continued by the LP through its agricultural equipment segment.