

Sigma Ventures Inc.

Interim Consolidated Financial Statements
(Unaudited)
October 27, 2007

Notice from management:

The interim consolidated financial statements which are included in this report have not been subject to a review by the company's external auditors. Moreover, all amounts are expressed in Canadian dollars unless otherwise indicated.

Sigma Ventures Inc.

Interim Consolidated Balance Sheet (unaudited)

	As at October 27, 2007 \$	As at April 30, 2007 \$
Assets		
Current assets		
Cash	296,883	636,449
Short-term investments	63,860	77,234
Accounts receivable	16,664,442	16,793,450
Inventories	8,344,056	11,657,464
Derivative foreign currency forward contracts	93,166	160,141
Prepaid expenses	323,417	367,462
	<u>25,785,824</u>	<u>29,692,200</u>
Property, plant and equipment	17,650,279	16,385,057
Deferred charges	71,693	95,190
Intangible assets	8,060,869	8,838,863
Future income tax assets	2,390,128	1,517,266
Goodwill	2,486,389	2,486,389
	<u>56,445,182</u>	<u>59,014,965</u>
Liabilities		
Current liabilities		
Bank loans (notes 5 and 12)	6,245,029	5,186,302
Accounts payable and accrued liabilities	9,640,616	10,756,910
Deferred revenues	203,461	387,535
Income taxes	3,178,086	2,668,172
Future income tax liabilities	831,984	831,324
Current portion of long-term debt (note 12)	2,463,690	2,525,425
	<u>22,562,866</u>	<u>22,355,668</u>
Long-term debt (notes 6 and 12)	10,537,464	11,647,162
Future income tax liabilities	4,010,908	4,248,346
	<u>37,111,238</u>	<u>38,251,176</u>
Shareholders' Equity		
Share capital (note 7)	13,125,309	13,126,424
Stock options (note 7)	469,668	398,382
Warrants (note 7)	2,528,435	2,486,728
Contributed surplus (note 7)	8,103	8,103
Retained earnings	3,245,154	4,744,152
Accumulated other comprehensive income	(42,725)	-
	<u>19,333,944</u>	<u>20,763,789</u>
	<u>56,445,182</u>	<u>59,014,965</u>

Subsequent event (note 12)

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

(1)

Approved by the Board of Directors

(signed) DENIS BERTRAND

Director

(signed) BRUNO DOYON

Director

Sigma Ventures Inc.

Interim Consolidated Statements of Retained Earnings, Comprehensive Income and Accumulated Other Comprehensive Income (unaudited)

	<u>Six Months Ended</u>	
	<u>October 27, 2007</u>	<u>October 31, 2006</u>
	\$	\$
Retained Earnings		
Balance – Beginning of period	4,744,152	1,092,839
Adjustment related to the implementation of a new accounting standard (note 4)	60,430	-
Deferment of the expiry date of warrants issued as part of the private placement completed in May 2006 (note 7)	(41,707)	-
Net earnings (net loss) for the period	<u>(1,517,721)</u>	<u>2,085,817</u>
Balance – End of period	<u>3,245,154</u>	<u>3,178,656</u>

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>October 27, 2007</u>	<u>October 31, 2006</u>	<u>October 27, 2007</u>	<u>October 31, 2006</u>
	\$	\$	\$	\$
Comprehensive Income				
Net earnings (net loss) for the period	(583,192)	1,649,679	(1,517,721)	2,085,817
Unrealized losses on available-for-sale financial assets arising during the period, net of income taxes	<u>(20,312)</u>	<u>-</u>	<u>(42,725)</u>	<u>-</u>
Comprehensive income for the period	<u>(603,504)</u>	<u>1,649,679</u>	<u>(1,560,446)</u>	<u>2,085,817</u>

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>October 27, 2007</u>	<u>October 31, 2006</u>	<u>October 27, 2007</u>	<u>October 31, 2006</u>
	\$	\$	\$	\$
Accumulated Other Comprehensive Income				
Balance – Beginning of period	-	-	-	-
Unrealized losses on available-for-sale financial assets arising during the period, net of income taxes	<u>(20,312)</u>	<u>-</u>	<u>(42,725)</u>	<u>-</u>
Balance – End of period	<u>(20,312)</u>	<u>-</u>	<u>(42,725)</u>	<u>-</u>

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

Sigma Ventures Inc.

Interim Consolidated Statements of Earnings (unaudited)

	Three Months Ended		Six Months Ended	
	October 27, 2007 \$	October 31, 2006 \$	October 27, 2007 \$	October 31, 2006 \$
Sales	19,034,272	26,303,878	37,814,738	37,868,253
Cost of sales and operating expenses before the following items	18,464,287	22,707,774	37,261,624	33,070,188
	569,985	3,596,104	553,114	4,798,065
Interest on long-term debt	251,986	376,997	516,596	567,786
Other interest and bank charges	122,513	114,520	243,498	191,793
Depreciation of property, plant and equipment	447,607	397,923	826,104	641,548
Amortization of intangible assets	383,413	144,840	793,148	204,159
Amortization of financing expenses	38,084	36,910	66,692	55,597
Amortization of deferred charges	11,749	11,748	23,497	23,496
Foreign exchange loss (gain)	133,256	(57,227)	234,249	(149,549)
	1,388,608	1,025,711	2,703,784	1,534,830
Earnings (loss) before income taxes	(818,623)	2,570,393	(2,150,670)	3,263,235
Income tax expense (recovery)				
Current	80,745	315,373	484,500	423,020
Future	(316,176)	605,341	(1,117,449)	754,398
	(235,431)	920,714	(632,949)	1,177,418
Net earnings (net loss) for the period	(583,192)	1,649,679	(1,517,721)	2,085,817
Net earnings (net loss) per share (note 9)				
Basic	(0.014)	0.048	(0.035)	0.063
Diluted	(0.014)	0.046	(0.035)	0.060

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

Sigma Ventures Inc.

Interim Consolidated Statements of Cash Flows (unaudited)

	Three Months Ended		Six Months Ended	
	October 27, 2007 \$	October 31, 2006 \$	October 27, 2007 \$	October 31, 2006 \$
Cash flows from operating activities				
Net earnings (net loss) for the period	(583,192)	1,649,679	(1,517,721)	2,085,817
Items not affecting cash				
Depreciation of property, plant and equipment	447,607	397,923	826,104	641,548
Amortization of intangible assets	383,413	144,840	793,148	204,159
Amortization of financing expenses	38,084	36,910	66,692	55,597
Amortization of deferred charges	11,749	11,748	23,497	23,496
Stock-based compensation	31,894	91,036	71,287	176,493
Loss (gain) on disposal of property, plant and equipment	4,211	-	10,706	(1,200)
Unrealized assets on foreign currency forward contracts	32,946	-	66,975	-
Interest capitalized on long-term debt	21,681	-	46,043	-
Future income taxes	(316,176)	605,341	(1,117,449)	754,398
	72,217	2,937,477	(730,718)	3,940,308
Net change in non-cash working capital items (note 8a)	1,418,511	1,104,832	2,696,007	(1,024,559)
	1,490,728	4,042,309	1,965,289	2,915,749
Cash flows from financing activities				
Variation in bank loans	(300,000)	(1,471,080)	1,058,727	5,254,334
Long-term debt contracted	-	-	-	19,700,000
Payments on long-term debt	(620,292)	(528,296)	(1,260,190)	(9,190,968)
Variation in deferred charges	-	(67,461)	-	(328,318)
Issuance of equity components (note 8b)	-	103,838	-	6,143,838
Equity component issue expenses	-	(6,732)	(1,640)	(701,601)
	(920,292)	(1,969,731)	(203,103)	20,877,285
Cash flows from investing activities				
Addition in short-term investments	-	(200)	-	(200)
Decrease in short-term investments	15,434	-	15,434	-
Additions to property, plant and equipment	(1,327,677)	(538,704)	(2,118,838)	(1,093,974)
Increase in intangible assets	(12,519)	(13,422)	(15,154)	(18,148)
Proceeds from disposal of property, plant and equipment	7,806	-	16,806	-
Business acquisition, net of cash acquired	-	(26,717)	-	(21,911,892)
	(1,316,956)	(579,043)	(2,101,752)	(23,024,214)
Net change in cash	(746,520)	1,493,535	(339,566)	768,820
Cash (excess of outstanding cheques over bank balance) – Beginning of period	1,043,403	(509,690)	636,449	215,025
Cash – End of period	296,883	983,845	296,883	983,845

Additional information (note 8c)

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

Sigma Ventures Inc.

Notes to Interim Consolidated Financial Statements (unaudited)

October 27, 2007

1 Statutes and nature of activities

Sigma Ventures Inc. (the "company"), incorporated under the Alberta Business Corporations Act, is a composite and metal products manufacturer. The company is active in the growing heavy duty truck, coach, transit and bus, train and subway, machinery, agriculture, light forestry and alternative energy market segments.

2 Interim financial information

The financial information as at October 27, 2007 and for the three-month and six-month periods ended October 27, 2007 and October 31, 2006 is unaudited. However, in the opinion of management, all adjustments necessary to present fairly the results of these periods have been included. The adjustments made were of a normal recurring nature. Interim results may not necessarily be indicative of results anticipated for the year.

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and use the same accounting policies and methods used in the preparation of the company's most recent audited annual consolidated financial statements, except for the new accounting standards as disclosed in note 4. However, all disclosures required for annual financial statements have not been included in these financial statements. These unaudited interim consolidated financial statements should therefore be read in conjunction with the company's most recent audited annual consolidated financial statements.

3 Basis of presentation and consolidation

These interim consolidated financial statements include the accounts of the company and all of its wholly-owned subsidiaries. Intercompany transactions and related balances have been eliminated. As at October 27, 2007, the company's main operating subsidiaries are as follows:

- René Matériaux Composites Ltée and its subsidiary Groupe Synergy Composites Inc.
- Transcam Composites Inc. (previously 3547141 Canada Inc.)
- Faroex Ltd.
- PNS-Tech Inc. (company resulting from the merger of Remorques JMS Inc. and PNS Cast Iron Ltd.)

Sigma Ventures Inc.

Notes to Interim Consolidated Financial Statements (unaudited)

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4 New accounting standards

In January 2005, the Canadian Institute of Chartered Accountants (“CICA”) issued four new accounting standards with respect to financial instruments: Section 3855 “*Financial Instruments – Recognition and Measurement*”, Section 3865 “*Hedges*”, Section 1530 “*Comprehensive Income*” and Section 3251 “*Equity*”.

Section 3855 expands on Section 3860 “*Financial Instruments – Disclosure and Presentation*” by prescribing when a financial instrument is to be recognized on the balance sheet and in what amount. It also specifies how financial instrument gains and losses are to be presented.

Section 3865 provides alternative treatments to Section 3855 for entities that choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline AcG-13 “*Hedging Relationships*” and the hedging guidance in Section 1650 “*Foreign Currency Translation*” by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

Section 1530 “*Comprehensive Income*” introduces a new requirement to temporarily exclude certain gains and losses from net income.

Consequently, Section 3250 “*Surplus*” has been revised as Section 3251 “*Equity*”.

Effective May 1, 2007, the company adopted sections 1530, 3251, 3855, 3865.

Recognition of financial assets and liabilities

Short-term investments

Short-term investments, valued at the market value as at October 27, 2007, are made up mainly of shares of a business listed on the TSX Venture Exchange, which do not meet the company’s definition of cash and cash equivalents.

The impact of the use of the market value method in the amount of \$142,124 versus a cost of \$77,234 has been recognized as an adjustment to the opening balance of retained earnings.

Effective interest rate method

Premiums and discounts on long-term debt are accounted for using the effective interest rate method.

The impact of the use of the effective interest method in the amount of \$23,978 has been recognized as an adjustment to the opening balance of retained earnings.

Sigma Ventures Inc.

Notes to Interim Consolidated Financial Statements (unaudited)

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Impact of the adoption of these standards

The adjustments related to the classification of short-term investments as financial instruments held for trading have been included in the opening balance of retained earnings as at May 1, 2007. Adjustments resulting from the reclassification of deferred charges as of May 1, 2007, in the amount of \$365,785, and related to financing expenses have been applied against the long-term debt.

The impact of these new accounting standards is summarized as follows:

	As at April 30, 2007 \$	Adjustments \$	As at May 1, 2007 \$
Assets			
Short-term investments	77,234	64,890	142,124
Deferred charges	460,975	(365,785)	95,190
Liabilities and Shareholders' Equity			
Future income tax liabilities – Current portion	831,324	20,765	852,089
Long-term debt	12,012,947	(389,763)	11,623,184
Future income tax liabilities – Long-term portion	4,248,346	7,673	4,256,019
Retained earnings	4,744,152	60,430	4,804,582

Transition

The recognition, derecognition and measurement methods used on the effective date of the new standards were unchanged and therefore, those financial statements have not been restated.

Future accounting changes

The CICA has published the following new sections that will apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007, and to fiscal years beginning on or after January 1, 2008 as regards Section 3031:

Section 3862, "*Financial Instruments – Disclosures*" describes the required disclosures to evaluate the significance of financial instruments for the entity's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks.

Section 3863, "*Financial Instruments – Presentation*" establishes standards for presentation of financial instruments and non-financial derivatives. It details the presentation of standards described in Section 3861, "*Financial Instruments – Disclosure and Presentation*".

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Section 1535, “*Capital Disclosures*” establishes standards for disclosing information about an entity’s capital and how it is managed. It describes the disclosure of the entity’s objectives, policies and processes for managing capital as well as summary quantitative data on the elements included in the management of capital. The section seeks to determine if the entity has complied with capital requirements and if not, the consequences of such non-compliance.

Section 3031, “*Inventories*” prescribes the accounting treatment for inventories. It provides guidance on the determination of cost and its subsequent recognition as an expense including any writedown to net realizable value. It also provides guidance on the cost formulas that are used to assign costs to inventories.

The company has not yet completed its assessment of the effect of these new standards on its consolidated financial statements, which will apply to the fiscal year beginning on May 1, 2008.

5 Credit facilities

The company has an available line of credit of an authorized amount of \$10,000,000 in Canadian dollars, bearing interest at prime rate plus 0.5%. It also has an available credit facility of \$2,500,000 to hedge against foreign exchange risks and a credit of \$250,000 for the risk related to the settlement of electronic funds transfers. A moveable hypothec over accounts receivable, inventories and all present and future tangible and intangible assets has been given as security. These credit facilities are renewable annually.

6 Long-term debt

	As at October 27, 2007 \$	As at April 30, 2007 \$
Decreasing revolving bank loan, bearing interest at prime rate plus 0.60%, payable in monthly principal instalments of \$175,000, from June 2009 to June 2011. A moveable hypothec over the universality of the company's present and future tangible and intangible assets has been given as security for this loan (note 12)	8,575,000	8,575,000
Bank loan, bearing interest at prime rate plus 0.60%, payable in monthly principal instalments of \$11,905, maturing in February 2012. A moveable hypothec over the universality of the company's present and future tangible and intangible assets has been given as security for this loan	904,762	976,190
Decreasing bank loan, bearing interest at prime rate plus 4%, payable in monthly principal instalments of \$138,889 plus interest, maturing in December 2009. A moveable hypothec over the universality of the company's present and future tangible and intangible assets has been given as security for this loan	2,461,110	3,294,444
	<hr/>	<hr/>
(forward)	11,940,872	12,845,634

Sigma Ventures Inc.

Notes to Interim Consolidated Financial Statements (unaudited)

October 27, 2007

	As at October 27, 2007 \$	As at April 30, 2007 \$
(brought forward)	11,940,872	12,845,634
Balance of purchase price payable of a total amount \$1,200,000, discounted at 6.5%, payable in monthly instalments of \$50,000, maturing in February 2009	763,802	1,027,851
Term loans, bearing interest at prime rate plus 1.5% and 8%, payable in monthly principal instalments of \$3,540 and monthly principal instalments including interest of \$1,617 from June 2011, maturing in June 2016 and October 2016. Immoveable and moveable hypothecs have been given as security for these loans	462,320	483,560
Term loans, bearing interest from nil to prime rate plus 1.75%, maturing from May 2007 to July 2008, payable in monthly, half-yearly instalments or on demand	16,298	43,097
Bank loans for which moveable hypothecs over automotive equipment have been given as security, 6.98% and nil, payable in monthly instalments of \$488, including principal and interest, maturing in February 2010	12,589	15,030
Loan granted by Canada Economic Development under the Innovation, Development of Entrepreneurship and Access Program for SME, non-interest bearing, payable in five annual instalments of \$30,800, maturing in January 2011 *	104,366	123,200
Deferred financing expenses	(299,093)	(365,785)
	<u>13,001,154</u>	<u>14,172,587</u>
Less: Current portion	<u>2,463,690</u>	<u>2,525,425</u>
	<u>10,537,464</u>	<u>11,647,162</u>

* As a result of the application of the new accounting standard on financial instruments (see note 4), the balance of that debt has been decreased by \$23,978 so as to consider an effective interest rate of 10.25%.

The annual principal instalments due on long-term debt over the next five twelve-month periods are as follows: (see note 12)

	\$
2008	2,463,690
2009	2,083,180
2010	2,302,866
2011	2,321,308
2012	4,119,204

Sigma Ventures Inc.

Notes to Interim Consolidated Financial Statements (unaudited)

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7 Shareholders' equity

Share capital

Authorized

Unlimited number of common shares, without par value, voting and participating

Unlimited number of preferred shares with rights and restrictions fixed by the Board of Directors upon issuance

The following table presents the share capital activity since May 1, 2006:

Issued

	Six Months Ended October 27, 2007		Twelve Months Ended April 30, 2007	
	Number	Amount \$	Number	Amount \$
Balance – Beginning of period	42,899,095	13,126,424	21,969,017	1,790,195
Issuance of common shares:				
For cash consideration	-	-	15,556,282	8,718,297
For the acquisition of assets	-	-	1,625,000	1,074,000
Following the conversion of debentures	-	-	2,745,046	1,760,233
Following the exercise of stock options	-	-	540,000	274,719
Following the exercise of warrants	-	-	463,750	347,812
Share issue expenses, net of related income taxes of \$525	-	(1,115)	-	(838,832)
Balance – End of period	42,899,095	13,125,309	42,899,095	13,126,424

Sigma Ventures Inc.

Notes to Interim Consolidated Financial Statements (unaudited)

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Warrants

The following tables present information about warrants outstanding since May 1, 2006 and summarize certain information about warrants outstanding and exercisable as at October 27, 2007:

	Six Months Ended October 27, 2007			Twelve Months Ended April 30, 2007		
	Number	Carrying value \$	Weighted average exercise price \$	Number	Carrying value \$	Weighted average exercise price \$
Outstanding and exercisable –						
Beginning of period	9,227,438	2,486,728	0.91	818,750	-	0.71
Granted	-	-	-	9,127,438	2,707,212	0.92
Exercised	-	-	-	(463,750)	-	0.75
Matured	-	-	-	(255,000)	-	0.75
Deferment of the expiry date *	-	41,707	-	-	-	-
Issue expenses, net of related income taxes	-	-	-	-	(220,484)	-
Outstanding and exercisable – End of period	<u>9,227,438</u>	<u>2,528,435</u>	<u>0.91</u>	<u>9,227,438</u>	<u>2,486,728</u>	<u>0.91</u>

Warrants outstanding and exercisable as at October 27, 2007

Exercise price	Number	Weighted average remaining contractual life (years)
\$0.40	100,000	2.95
\$0.60	797,332	0.05
\$0.85	5,416,658	1.27
\$0.90	135,289	0.93
\$1.15	2,778,159	4.38
	<u>9,227,438</u>	

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- * On September 26, 2007, the company received conditional approval by the TSX Venture Exchange to defer the expiry date of warrants granted as part of its private placement completed in May 2006. The 4,991,991 warrants, as well as 416,667 additional warrants granted to a former holder of a convertible debenture as part of this private placement, entitle their holders to purchase one common share at a price of \$0.85 per share at all times during the 18-month period following the closing date. Expiry dates of these warrants had originally been set at November 3 and November 14, 2007. The conditional approval aims to defer and standardize the expiry date of these warrants to January 31, 2009. With the exception of this extended exercise period, all exercise terms and conditions of these warrants are unchanged. No warrant has been exercised to the deferment date.

For the six-month period ended October 27, 2007, the fair value of warrants following the deferment of the expiry date of warrants granted in May 2006 was estimated using the Black-Scholes model with the following assumptions:

Risk-free interest rate	4.08%
Expected volatility	60%
Dividend yield	0%
Expected weighted average life of each warrant following the deferment of the expiry date of warrants granted in May 2006	15 months
Weighted average fair value of each warrant following the deferment of the expiry date of warrants granted in May 2006	\$0.0077

Stock option plan

The company has a stock option plan for its officers, directors, employees and consultants providing ongoing services to the company. Under the plan, which is managed by the Board of Directors, stock options, except for those granted to the agent which are fully exercisable on the date of grant, vest over a three-year period and expire after a period of 18 months to 60 months. The maximum number of common shares issuable under the plan is limited to 10% of the issued and outstanding common shares.

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The following tables present information about stock options outstanding since May 1, 2006 and summarize certain information about stock options outstanding and exercisable as at October 27, 2007:

	Six Months Ended October 27, 2007			Twelve Months Ended April 30, 2007		
	Number	Carrying value \$	Weighted average exercise price \$	Number	Carrying value \$	Weighted average exercise price \$
Outstanding - Beginning of period	1,835,000	398,382	0.53	1,825,000	176,285	0.40
Granted	-	-	-	600,000	-	0.81
Exercised	-	-	-	(540,000)	(58,719)	0.40
Forfeited	-	-	-	(50,000)	(8,103)*	0.40
Compensation costs for the period	-	71,286	-	-	288,919	-
Outstanding – End of period	1,835,000	469,668	0.53	1,835,000	398,382	0.53

* During the twelve-month period ended April 30, 2007, an amount of \$8,103 has been reflected in the contributed surplus following the reversal of stock options granted as director's compensation following the latter's departure.

Exercise price	Options outstanding as at October 27, 2007		Options exercisable as at October 27, 2007	
	Number	Weighted average remaining contractual life (years)	Number	Weighted average remaining contractual life (years)
\$0.40	1,235,000	2.62	1,235,000	2.62
\$0.60	150,000	1.51	100,000	1.51
\$0.80	150,000	4.10	50,000	4.10
\$0.92	300,000	3.93	200,000	3.93
	<u>1,835,000</u>		<u>1,585,000</u>	

Sigma Ventures Inc.

Notes to Interim Consolidated Financial Statements (unaudited)

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8 Additional disclosures on the statements of cash flows

(a) Net change in non-cash working capital items

	Three Months Ended		Six Months Ended	
	October 27, 2007	October 31, 2006	October 27, 2007	October 31, 2006
	\$	\$	\$	\$
Accounts receivable	(492,125)	(2,112,119)	129,008	(2,237,109)
Inventories	1,629,293	(302,745)	3,313,408	(453,450)
Prepaid expenses	167,042	46,273	44,045	186,120
Accounts payable and accrued liabilities	112,015	3,045,964	(1,116,294)	1,147,015
Deferred revenues	(37,138)	149,317	(184,074)	181,177
Income taxes	39,424	278,142	509,914	151,688
	1,418,511	1,104,832	2,696,007	(1,024,559)

(b) Items not affecting cash related to operating, financing and investing activities

	Three Months Ended		Six Months Ended	
	October 27, 2007	October 31, 2006	October 27, 2007	October 31, 2006
	\$	\$	\$	\$
Conversion of a debenture into shareholders' equity	-	150,000	-	1,150,000
Issuance of warrants in settlement of issue expenses	-	-	-	292,107
Issuance of common shares in settlement of accounts payable	-	-	-	10,233

(c) Additional information

	Three Months Ended		Six Months Ended	
	October 27, 2007	October 31, 2006	October 27, 2007	October 31, 2006
	\$	\$	\$	\$
Interest paid	291,421	520,056	663,446	742,213
Income taxes paid (recovered)	41,321	207,502	(25,415)	332,172

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Notes to Interim Consolidated Financial Statements (unaudited)

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9 Earnings per share

The following table summarizes the basic and potentially dilutive weighted average number of common shares outstanding used in the basic and diluted net earnings per share calculations:

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	October 27, 2007	October 31, 2006	October 27, 2007	October 31, 2006
Basic weighted average number of shares outstanding	42,899,095	34,059,387	42,899,095	33,073,694
Dilutive effect of stock options and warrants	114,697	2,068,716	328,964	1,984,891
Diluted weighted average number of shares outstanding	<u>43,013,792</u>	<u>36,128,103</u>	<u>43,228,059</u>	<u>35,058,585</u>

Furthermore, the following table presents the items excluded from the calculation of diluted earnings per share for the three-month and six-month periods ended October 27, 2007 and October 31, 2006 because the exercise price was greater than the average market price of the common shares or due to their anti-dilutive effect:

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	October 27, 2007	October 31, 2006	October 27, 2007	October 31, 2006
Weighted average number of stock options at exercise prices varying from \$0.40 to \$0.92	149,589	300,000	295,891	300,000
Weighted average number of warrants at exercise prices varying from \$0.85 to \$1.15	2,076,821	-	2,787,223	-

Sigma Ventures Inc.

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10 Segment information

The company is organized under one single operating segment, being the manufacturing of composite and metal products. All of the long-lived assets, which consist of property, plant and equipment, intangible assets and goodwill, are located in Canada.

The following sales have been allocated to geographic regions based on the country of residence of the related customers.

	Three Months Ended		Six Months Ended	
	October 27, 2007 \$	October 31, 2006 \$	October 27, 2007 \$	October 31, 2006 \$
Sales by geographic region				
United States	13,030,541	19,078,622	27,371,222	26,442,812
Canada	5,754,973	6,509,784	9,713,980	10,016,164
South America	38,971	349,046	272,420	534,054
Asia	42,846	253,141	218,296	539,070
Europe	123,579	69,371	181,652	171,623
Australia	43,362	24,095	57,168	144,711
Others	-	19,819	-	19,819
	<u>19,034,272</u>	<u>26,303,878</u>	<u>37,814,738</u>	<u>37,868,253</u>

For the six-month period ended October 27, 2007, one customer represents 38% of the company's total sales compared to 49.2% for the six-month period ended October 31, 2006 and 18% of the latter's total accounts receivable compared to 32.9% as at October 31, 2006.

Supplementary information

	Three Months Ended		Six Months Ended	
	October 27, 2007 \$	October 31, 2006 \$	October 27, 2007 \$	October 31, 2006 \$
Sales by family of product				
Transportation	11,967,622	19,142,662	25,914,527	26,324,719
Snow removal	2,852,436	3,877,186	3,767,337	5,821,965
Agriculture	1,416,081	1,814,627	3,329,025	3,423,921
Wind energy	1,110,056	-	1,847,230	-
Industrial	1,007,363	935,556	1,705,910	1,070,731
Forestry	116,206	415,321	355,256	823,814
Other	564,508	118,526	895,453	403,103
	<u>19,034,272</u>	<u>26,303,878</u>	<u>37,814,738</u>	<u>37,868,253</u>

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11 Comparative figures

Certain comparative figures have been reclassified to conform with the current period presentation.

12 Subsequent event

On December 10, 2007, the company used the available balance of \$3,325,000 of its decreasing revolving bank loan for a total loan of \$11,900,000, thus decreasing its line of credit by the same amount. This bank loan will still be subject to the attainment of certain financial ratios which have been met as at December 10, 2007. Monthly principal instalments will begin in May 2008 until June 2011 and will increase from \$175,000 to \$191,935.

The annual principal instalments due on long-term debt over the next five twelve-month periods will now be as follows:

	\$
2008	3,615,300
2009	3,511,400
2010	2,516,086
2011	2,524,528
2012	4,227,468