



BECAUSE INVESTMENT MANAGEMENT IS AN EXPANDING UNIVERSE

SEMI-ANNUAL FINANCIAL STATEMENTS (AMENDED)

JUNE 30, 2009 (UNAUDITED)

Fiera High Income Trust

FIERA
CAPITAL

Interim Management Report of Trust Performance

This interim management report of trust performance for Fiera High Income Trust (the "Trust") contains financial highlights, but does not contain either interim or annual financial statements of the Trust. The unaudited interim financial statements follow this report.

You can obtain a copy of the Trust's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure at your request, and at no cost, by calling 1-800-361-3499, by writing to us at Fiera Capital Inc. (the "Manager"), 1501 McGill College, suite 800, Montreal, QC, H3A 3M8 or by visiting our website at www.fieracapital.com

Investment Objective and Strategies

The Trust's investment objective is to achieve a high level of income and modest capital appreciation through direct investments in a diversified portfolio of investment vehicles in various industries and geographic regions. To achieve this objective, investments in the Trust primarily comprise units of real estate investment trusts ("REITs"), oil and gas royalty trusts and income fund trusts. The Trust may also from time to time hold high-yield fixed income securities or high yielding common stocks. The Trust may also engage in covered option writing.

Fiscal Modification

Changes to the Tax Act have been enacted which affect the way certain publicly-listed income trusts and limited partnerships will be taxed. Generally, under the new rules certain publicly-listed income trusts (excluding certain real estate investment trusts) and limited partnerships will pay tax with respect to certain distributions or income allocations, as the case may be, made to unitholders. The tax will be levied at a rate that is equivalent to the federal general corporate tax rate, plus 13% on account of provincial tax. Generally, the amount of such distribution or allocation to a unitholder will be taxed in the hands of the unitholder as though it were a taxable dividend from a taxable Canadian corporation, which will be eligible for the enhanced dividend tax credit if paid or allocated to a resident of Canada. Generally, these new rules will apply beginning with the 2011 taxation year for income trusts and limited partnerships that were publicly-listed before November 1, 2006; and beginning with the 2007 taxation year for trusts and limited partnerships that begin to be publicly-listed after October 31, 2006, or that exceed certain growth guidelines. These new rules will reduce the tax effectiveness of affected income trusts and limited partnerships.

Detailed rules were announced December 15, 2006 regarding the amount of equity trusts could issue over the four year period and not become immediately subject to the new tax. In the opinion of the Manager, these equity issuance guidelines will not for the most part inhibit trusts from taking advantage of growth opportunities. The Manager expects that over the next one and a half years, there will be many changes in the trust market, including privatizations by entities such as corporations, private equity pools and pension funds.

Risk

The Trust's primary risk is market risk, which is the exposure to changes in the market price of the securities owned by the Trust. In addition, general economic and political events and factors that affect interest and currency exchange rates and stock markets globally affect the value of the Trust's investments. The Manager attempts to mitigate these risks by maintaining a diversified portfolio.

The Trust's units generally trade on the Toronto Stock Exchange (TSX) at a discount to the net asset value per unit (NAV). As a result, the return experienced by a unitholder will likely differ from the underlying performance of the Trust. The market price per unit is established by competitive markets.

Interim Management Report of Trust Performance

Results of Operations

The net asset value per unit of the Trust at June 30, 2009 was \$10.37, compared to \$9.58 at December 31, 2008, an increase of 8.2% for the six (6) months ended June 30, 2009. During that same period, the Trust distributed \$0.96 per unit. The total return for the period ended June 30, 2009, based on NAV plus distributions was 19.5% compared with the S&P/TSX Composite Index return of 17.6% and the Scotia Capital Income Trust Index return of 14.3%.

The primary reason for the year to date outperformance compared to the Scotia Capital Income Trust Index (SCITI) was security selection. While security selection was positive for all five sectors in which the Trust was invested, security selection was strongest in the Industrial Sector. Industrial sector holdings Trinidad Drilling and K-Bro Linen performed particularly well. Strong security selection was also in the Consumer and Energy sectors. The Consumer sector was lead by holding Keystone and the Energy sector was aided by holding Crescent Point and Baytex. Sector allocation only added a modest amount to the relative outperformance.

As shown in the table below, there was no change in the investment portfolio asset mix. Holdings in the Energy sector accounted for the majority of the Trust's portfolio.

	Asset Mix (*)	
	June 30, 2009	June 30, 2008
Royalty and Income Trusts	90.8%	91.6%
Equities	5.2%	7.7%
Cash & Cash Equivalents	4.0%	0.7%
Total	100.0%	100.0%

(*) Percentages relate market value to total portfolio market value (including cash).

Distributions

During the six (6) months ended June 30, 2009, the Trust maintained a monthly distribution of \$0.16 per unit. The Trust's distributions since its inception in November 1997 now total \$27.47 per unit. The Manager expects the Trust will continue to pay a unit distribution of \$0.16 per month in 2009.

Issuer Bid

During the six (6) months ended June 30, 2009, the Trust did not purchase any Trust units pursuant to its normal course issuer bid (the "Bid"), which was renewed as of November 3, 2008. Under the Bid, the Trust may purchase units for cancellation when the market price represents more than a 10% discount to the net asset value, up to a maximum amount in any thirty day period of 2% of the number of units outstanding at the beginning of the renewed Bid, and will not purchase more than 55,283 units (being 5% of the total number of units outstanding) over the twelve month period commencing November 3, 2008. A copy of the notice of intention may be obtained free of charge by contacting Fiera Capital Inc.

Loan Payable

The Trust has a term credit facility agreement with its bank. During the six (6) months ended June 30, 2009, \$2,310,000 was advanced and \$1,088,732 (including principal of \$1,070,000 and interest of \$18,732) was repaid. The advance outstanding as of June 30, 2009 carried an effective interest rate of 2.25%. The amount owing as at June 30, 2009 was \$1,240,638 (2008 – \$5,978,610) including accrued interest.

Redemption Feature

During the six (6) months ended June 30, 2009, 55,650 units were submitted for quarterly redemption, amounting to 5.6% of the units outstanding at the beginning of the year. The deadline to redeem the June 2009 quarterly redemption expired on May 29, 2009. The cut-off time for the next optional quarterly redemption will be noon on August 31, 2009. Unitholders interested in redeeming all or part of their unit

Interim Management Report of Trust Performance

holdings should contact their financial advisor before August 31, 2009. Unitholders will receive the NAV as of September 30, 2009. The proceeds will be paid no later than October 22, 2009.

Recent Developments

On May 1, 2007 the Manager appointed the members of the Independent Review Committee (IRC) for the Trust as required by National Instrument 81-107 – Independent Review Committee for Investment Funds (NI 81-107). In accordance with the mandate established pursuant to NI 81-107, the IRC reviews all conflict of interest matters referred to it by the Manager. The initial members of the IRC were Robert Trépanier (Chair of the Committee), Merri Jones and Dennis Pellarin. Robert Trépanier, the Chair of the Independent Review Committee (IRC) for the Trust joined the Manager as Vice President, Operations and Information Technology in May 2008. As a result, he ceased to be eligible to be a member of the IRC and resigned accordingly. The members then appointed Dennis Pellarin as Chair of the Independent Review Committee (IRC) for the Trust on August 26, 2008 replacing Mr. Trepanier. Subsequently, the other members of the Committee, Merri Jones and Dennis Pellarin, have nominated Alan Hutton on August 26, 2008, to fill the vacancy left by the departure of Mr. Trépanier. Mr. Hutton is a former President of FundSERV Inc, which is a leading provider of electronic business services to the Canadian investment fund industry.

On August 26, 2008 Mrs Jones resigned as a member of the IRC. The other members of the Committee, Alan Hutton and Dennis Pellarin, have nominated Mr. Albert H. Oosterhoff on October 16, 2008 to fill this vacancy. Mr. Albert H. Oosterhoff is a Professor Emeritus - Faculty of Law, University of Western Ontario.

Management Fees

The Trust pays to the Manager an annual fee equal to 1.25% of the net asset value of the Trust, accrued weekly and paid monthly in arrears. During the six (6) months ended June 30, 2009, the Trust paid management fees for portfolio management of \$61,032 including goods and services taxes (2008 – \$149,305).

Forward-looking statements

This report may contain forward-looking statements about the Trust, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Trust action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Trust and economic factors. Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made about the Trust. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions, and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware that the Trust has no specific intention of updating any forward-looking statements, whether as a result of new information, future events or otherwise.

Any forward-looking information presented in this MRTP is solely the view of the portfolio manager of the Trust, and is subject to change at any time and without notice as markets and events warrant.

Interim Management Report of Trust Performance

Financial Highlights

The following tables show selected key financial information about the Trust and are intended to help you understand the Trust's financial performance for the past five years.

Net Assets per Unit (\$) ⁽¹⁾	Six Months Ended		Year ended December 31				
	June 30, 2009	2008	2007	2006	2005	2004	
Net Assets per unit, beginning of period	\$ 9.52	\$ 19.72	\$ 18.19	\$ 25.69	\$ 22.58	\$ 19.63	
Increase (decrease) from operations:							
Total revenue	0.69	2.02	2.37	2.27	1.76	1.30	
Total expenses	(0.22)	(0.70)	(0.75)	(0.66)	(0.58)	(0.50)	
Realized gains (losses) for the period	(1.90)	0.13	0.97	4.74	3.05	2.34	
Unrealized gains (losses) for the period	3.16	(9.38)	1.09	(7.89)	1.64	2.20	
Total increase (decrease) from operations ⁽²⁾	1.73	(7.93)	3.68	(1.54)	5.87	5.33	
Distributions:							
From income (excluding dividends)	0.62	1.24	1.29	1.43	1.21	0.66	
From dividends	0.05	0.10	0.03	0.15	0.16	0.15	
From capital gains	0.19	0.38	-	3.92	1.45	1.52	
Return of capital	0.10	0.20	0.60	0.26	0.00	0.14	
Total distributions ⁽³⁾	0.96	1.92	1.92	5.76	2.82	2.47	
Net assets, end of period	\$ 10.32	\$ 9.52	\$ 19.72	\$ 18.19	\$ 25.69	\$ 22.58	

⁽¹⁾ This information is derived from Trust's unaudited Financial statements. The net assets per unit presented in the Financial statements differs from the net asset value calculated for Trust pricing purpose.

⁽²⁾ Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the period.

⁽³⁾ Distributions were paid in cash

Ratios and Supplemental Data

	Six Months Ended		Year ended December 31				
	June 30, 2009	2008	2007	2006	2005	2004	
Net asset value (\$) (000's) ⁽¹⁾	9,659	9,460	24,180	30,047	49,798	51,638	
Number of units outstanding ⁽¹⁾	931,701	987,351	1,216,356	1,651,556	1,938,769	2,287,159	
Management expense ratio ⁽²⁾	4.01%	3.91%	3.58%	2.63%	2.42%	2.44%	
Portfolio turnover rate ⁽³⁾	34.34%	36.73%	25.00%	22.89%	65.64%	66.87%	
Trading expense ratio ⁽⁴⁾	0.60%	0.26%	0.24%	0.15%	0.17%	0.21%	
Closing Net Asset Value per Unit (\$)	\$ 10.37	\$ 9.59	\$ 19.88	\$ 18.19	\$ 25.69	\$ 22.58	
Closing Market Price	\$ 10.50	\$ 8.26	\$ 18.90	\$ 17.76	\$ 25.00	\$ 22.25	

⁽¹⁾ This information provided as at June 30, 2009 and December 31st of years shown.

⁽²⁾ Management expense ratio is based on total expenses (excluding commissions & other portfolio transaction cost) for the stated period and is expressed as an annualized percentage of the average net assets value during the period.

⁽³⁾ The Trust's portfolio turnover rate indicates how actively the Manager of the Trust manages its portfolio investments. Generally, the higher the Trust's turnover rate in a period, the greater the trading costs payable by the Trust in the period. There is not necessarily a relationship between a high turnover rate and the performance of the Trust.

⁽⁴⁾ The trading expense ratio represents total brokerage commissions and other transaction costs as an annualized percentage of the average net assets during the period.

Past Performance

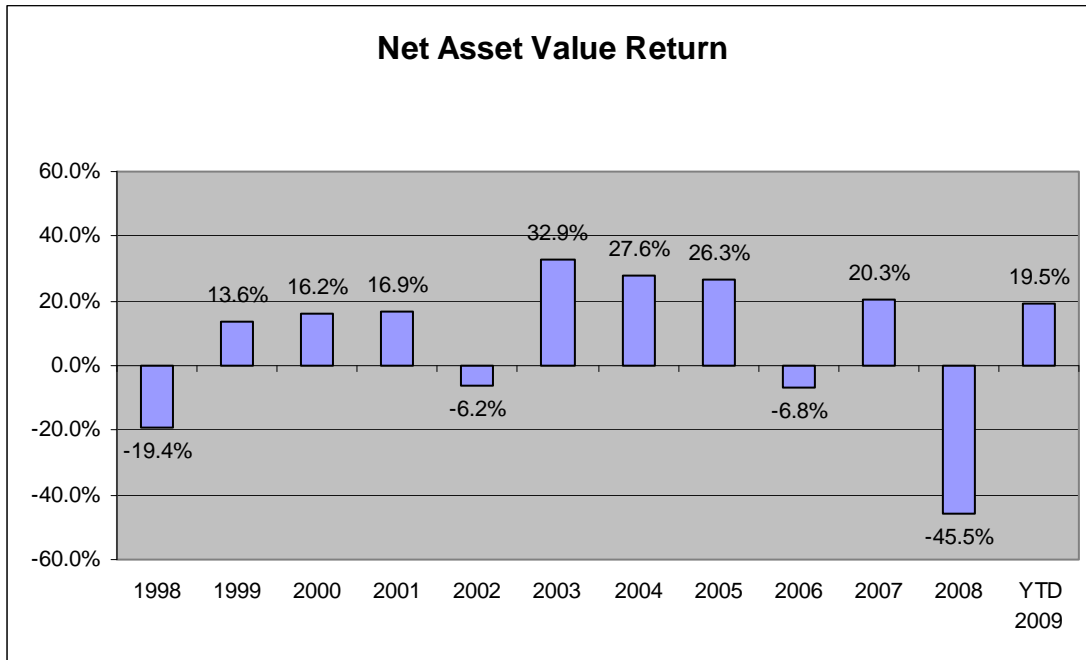
The performance information shown in the charts that follow assumes that all distributions made by the Trust were reinvested in additional units of the Trust. The performance information does not take into account broker commissions or other fees that would have reduced returns or performance. How the Trust has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

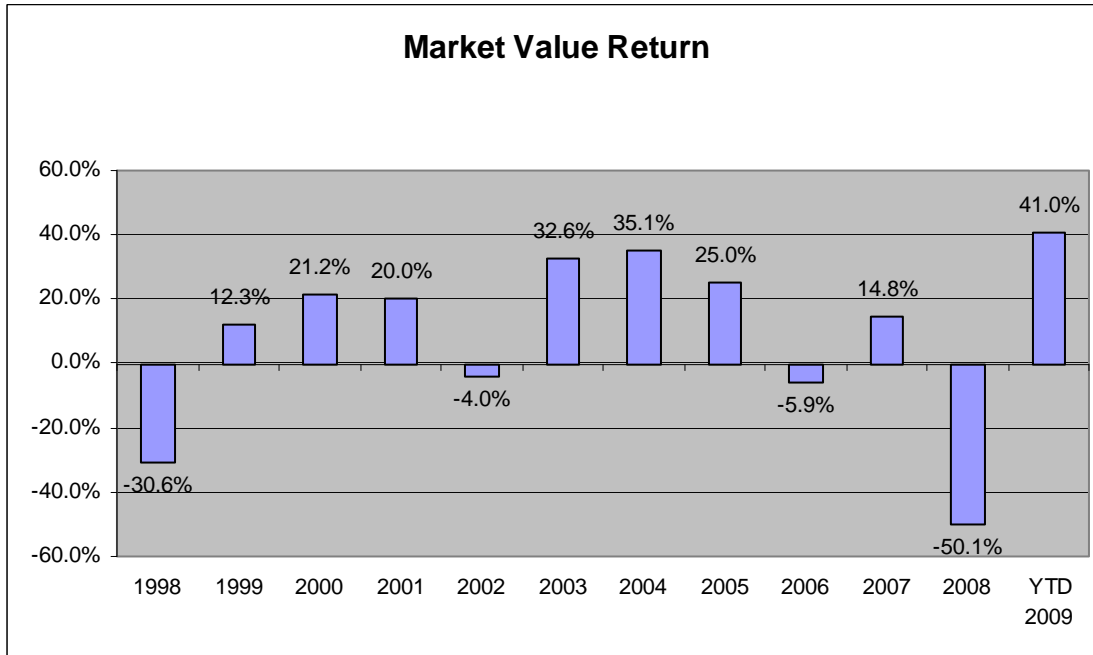
The bar charts below provide the Trust's performance for each of the years shown, and illustrate how the Trust performance has changed from year to year.

The following bar chart shows, in percentage terms, how much an investment made on the first day of each year with all distributions reinvested at net asset value would have grown or decreased in value by the last day of each year.

Interim Management Report of Trust Performance



The following bar chart shows, in percentage terms, the market return with all distributions reinvested at the market price.



Interim Management Report of Trust Performance

Annual Compound Returns

The following table shows the Trust's historical annual compound total returns for the periods indicated, compared to various market indices.

	YTD	1 Year	3 Years	5 Years	10 Years
Based on NAV	19.5%	-37.4%	-11.6%	2.1%	7.2%
Based on Market Price	41.0%	-33.3%	-8.5%	3.9%	9.5%
S&P/TSX Composite	17.6%	-25.7%	-0.9%	6.6%	6.2%
Scotia Capital Income Trust Index	14.3%	-31.4%	-6.5%	6.9%	13.2%

Sector Allocation

	Fair Value	% of Net Assets (r)	% of Portfolio
Industrials	\$ 1,260,350	13.1%	11.4%
Equities	572,917	6.0%	5.2%
Energy	5,439,388	56.6%	49.0%
Consumer	941,474	9.8%	8.5%
Real Estate	1,358,988	14.1%	12.2%
Utilities & Infrastructure	1,071,528	11.2%	9.7%
Cash & Cash Equivalents	449,837	4.7%	4.0%

Asset Allocation

	Fair Value	% of Net Assets (r)	% of Portfolio
Royalty and Income Trusts	\$ 10,071,728	104.8%	90.8%
Equities	572,917	6.0%	5.2%
Cash & Cash Equivalents	449,837	4.7%	4.0%

Interim Management Report of Trust Performance

Twenty five largest security holdings at market value as at June 30, 2009

Issuer	Sector	% of Net Assets (*)	% of Portfolio
Cdn Oil Sands Trust Unit	Energy	11.16%	9.67%
Crescent Point Enrgy Trust Unit	Energy	9.98%	8.65%
Vermilion Enrgy Trust Trust Unit	Energy	8.91%	7.72%
Arc Energy Trust Trust Unit	Energy	7.82%	6.77%
Baytex Energy Trust	Energy	7.51%	6.51%
Enerplus Res Fund Trust Unit Ser G	Energy	6.38%	5.53%
Inter Pipeline Fund CI A Lp Trust Units	Utilities and Infrastructure	5.69%	4.93%
Canada T/b Apr. 02 09	Treasury Bills	4.68%	4.05%
Riocan Real Estate Trust Unit	Real Estate	4.07%	3.53%
Bell Aliant Regional Communications Income Trust	Utilities and Infrastructure	3.92%	3.39%
Keystone North America Common	Equities	3.79%	3.29%
IBI Income Fund Trust Unit	Industrials	3.71%	3.21%
Bonavista Energy Trust	Energy	3.46%	3.00%
Yellow Pages Trust Unit	Industrials	3.32%	2.88%
Futuremed Healthcare Income Fund	Consumer	3.11%	2.69%
Allied Propties Reit Trust Unit	Real Estate	2.24%	1.94%
Northern Property Trust Unit	Real Estate	2.22%	1.92%
Altus Group Income Fund	Industrials	2.13%	1.85%
K-Bro Linen Incom Fd Units	Industrials	2.08%	1.80%
Just Energy Income Fund	Consumer	1.95%	1.69%
Morneau Sobeco Income Fund	Industrials	1.87%	1.62%
Brookfield RI Est Sr Units	Consumer	1.79%	1.55%
Trinidad Drilling Common	Equities	1.77%	1.54%
Cineplex Galaxy Income Trust	Consumer	1.75%	1.52%
Cominar Real Estate Investment Trust	Real Estate	1.67%	1.45%
Total Net Assets (*)		\$	9,613,131
Total Portfolio		\$	11,094,482

(*) Total Net Assets represents Total Portfolio adjusted for leverage in the form of debt, other assets and other liabilities.

Fiera High Income Trust
STATEMENT OF INVESTMENTS
As at June 30, 2009 (unaudited)

Number of Shares, Units, Warrants or Par Value	Maturity	Yield	Average Cost	Fair Value
SHORT TERM INVESTMENTS (4.7%)				
Treasury Bills (4.7%)				
450,000	Canada Treasury Bills	03-Sep-09	0.201% \$ 449,825	\$ 449,837
EQUITIES (6.0%)				
Energy (2.2%)				
8,700	Total Energy Service Inc.		67,994	37,584
34,800	Trinidad Drilling Ltd.		99,612	170,520
			<u>167,606</u>	<u>208,104</u>
Consumer Discretionary (3.8%)				
74,300	Keystone North America Inc.		845,806	364,813
			<u>1,013,412</u>	<u>572,917</u>
ROYALTY AND INCOME TRUST UNITS (104.8%)				
14,600	Allied Properties Real Estate Investment Trust		291,330	215,350
3,300	AltaGas Income Trust		55,577	52,932
26,900	Altus Group Income Fund		281,036	204,709
42,200	ARC Energy Trust		443,884	751,582
37,000	Baytex Energy Trust		507,837	722,240
14,300	Bell Aliant Regional Communications Income Fund		348,671	376,376
2,500	Boardwalk Real Estate Investment Trust		79,287	80,825
18,500	Bonavista Energy Trust		319,285	332,630
21,500	Brookfield Real Estate Services Fund		195,639	172,215
38,600	Canadian Oil Sands Trust		904,106	1,072,694
6,500	Canadian Real Estate Investment Trust		141,307	159,900
10,700	Cineplex Galaxy Income Fund		160,826	168,311
600	CML Healthcare Income Fund		9,917	7,578
10,700	Colabor Income Fund		88,971	107,428
10,500	Cominar Real Estate Investment Trust		153,750	160,965
28,000	Crescent Point Energy Trust		693,172	959,840
24,400	Enerplus Resources Fund		539,139	613,172
42,400	Futuremed Healthcare Income Fund		409,765	298,920
12,600	H&R Real Estate Investment Trust		132,035	137,340
27,400	IBI Income Fund		294,119	356,200
62,800	Inter Pipeline Fund		500,001	546,988
16,580	Just Energy Income Fund		123,497	187,022
16,800	K-Bro Linen Income Fund		188,287	199,752
4,800	Keyera Facilities Income Fund		86,116	95,232
20,700	Morneau Sobeco Income Fund		247,538	180,090
11,500	Northern Property Real Estate Investment		247,720	213,440
25,600	RioCan Real Estate Investment Trust		514,919	391,168
29,500	Vermilion Energy Trust		442,065	856,090
59,850	Yellow Pages Income Fund		499,116	319,599
8,300	Zargon Energy Trust		211,411	131,140
			<u>9,110,323</u>	<u>10,071,728</u>
			10,573,560	11,094,482
	Transaction Costs (note 2)		(14,081)	
	Total Cost and Fair Value of Investments		<u>\$ 10,559,479</u>	11,094,482
	Other Liabilities (net) (-15.5%)			(1,481,351)
	Net Assets (100%)			<u>\$ 9,613,131</u>

Percentages relate investments at fair value to total net assets of the Fund
See accompanying notes

Fiera High Income Trust
STATEMENTS OF NET ASSETS
As at June 30, 2009 (unaudited) and December 31, 2008 (audited)

	2009	2008
Assets		
Investments, at fair value (cost \$10,559,479; 2008 - \$14,239,133)	\$ 11,094,482	\$ 11,699,104
Cash	152,777	17,144
Dividends and accrued interest receivable	72,161	119,307
Receivable for investment securities sold	63,355	40,449
Prepaid and other assets	9,881	6,149
	<u>11,392,656</u>	<u>11,882,153</u>
Liabilities		
Loan payable (note 5)	1,240,000	1,310,000
Payable for investment securities purchased	248,890	7,709
Accrued liabilities	31,614	16,634
Management fees payable	11,651	11,873
Interest payable	638	979
Amount payable for units redeemed	246,732	1,134,080
	<u>1,779,525</u>	<u>2,481,275</u>
Net assets and unitholders' equity	<u>\$ 9,613,131</u>	<u>\$ 9,400,878</u>
Number of units outstanding (note 6)	<u>931,701</u>	<u>987,351</u>
Net Assets per unit (note 4)	<u>\$ 10.32</u>	<u>\$ 9.52</u>

On behalf of the Manager, **Fiera Capital Inc.**



Sylvain Brosseau, Director



Jean-Guy Desjardins, Director

Fiera High Income Trust
STATEMENTS OF OPERATIONS
For the six months ended June 30 (unaudited)

	2009	2008
Income		
Dividends	\$ 42,479	44,925
Interest	143,294	4,620
Income from royalty and income trust units	484,568	1,231,197
	<u>670,341</u>	<u>1,280,742</u>
Expenses (note 8)		
Management Fees	61,032	149,305
Loan Interest Expenses	24,316	183,039
Filing Fees	17,510	-
Financial Reporting Fees	15,546	-
Transfer Agent Fees	14,526	27,185
Independent Review Committee Expense	12,645	47,019
Valuation Fees	8,800	10,307
Administrative Fees	8,692	12,976
Audit Fees	7,935	9,646
Accounting Fees	5,384	4,051
Transaction Fees	4,061	2,036
Listing Fees	3,828	3,245
Trustee Fees	1,562	1,585
Custody Fees	492	1,626
Interest Expenses	132	1,337
	<u>186,461</u>	<u>453,357</u>
Net investment income	<u>483,880</u>	<u>827,385</u>
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain (loss) on sale of investments, including foreign exchange	(1,849,623)	2,369,418
Transaction costs (notes 2 & 10)	(28,077)	(32,352)
Change in unrealized appreciation (depreciation) in value of investments	3,075,032	(2,276,686)
Change in unrealized depreciation in value of foreign currency	(511)	-
Net gain on investments	<u>1,196,821</u>	<u>60,380</u>
Increase in net assets from operations for the period	<u>\$ 1,680,701</u>	<u>\$ 887,765</u>
Increase in net assets from operations per unit	<u>\$ 1.73</u>	<u>\$ 0.74</u>

See accompanying notes

Fiera High Income Trust
STATEMENTS OF CHANGES IN NET ASSETS
For the six months ended June 30 (unaudited)

	2009	2008
Net assets, beginning of period	\$ 9,400,878	\$ 23,987,880
Increase in net assets from operations for the period	1,680,701	887,765
Capital unit transactions (note 6)		
Amounts paid for units redeemed or purchased for cancellation	(535,879)	(1,583,642)
	(535,879)	(1,583,642)
Distributions to investors		
From net investment income	(932,569)	(1,150,980)
	(932,569)	(1,150,980)
Increase (decrease) in net assets for the period	212,253	(1,846,857)
Net assets, end of period	\$ 9,613,131	\$ 22,141,023

See accompanying notes

Fiera High Income Trust
STATEMENTS OF CASH FLOW
For the six months ended June 30 (unaudited)

	2009	2008
Cash flows from operating activities		
Net investment income	\$ 483,880	\$ 827,385
<i>Cash provided by (used in) operating activities</i>		
Realized loss on foreign exchange	(115)	-
Change in unrealized depreciation in the value of foreign currency	(511)	-
Changes in non-cash balances related to operations:		
Dividends and accrued interest receivable	47,146	57,793
Management fees recoverable	-	14,747
Prepaid and other assets	(3,732)	(7,561)
Accrued liabilities	14,980	(18,855)
Management fees payable	(222)	25,129
Interest payable	(341)	(49,908)
Investments purchased	(6,227,532)	(8,254,508)
Investments sold	8,247,876	11,070,313
Net cash provided by operating activities	<u>2,561,429</u>	<u>3,664,535</u>
Cash provided by (used in) financing activities		
Amounts paid for units redeemed or purchased for cancellation	(1,423,227)	(1,099,333)
Cash paid for distributions	(932,569)	(1,150,980)
Decrease in loan payable	(70,000)	(1,220,849)
Net cash used in financing activities	<u>(2,425,796)</u>	<u>(3,471,162)</u>
Net change in cash for the period	135,633	193,373
Cash (bank Indebtness), beginning of period	\$ 17,144	\$ (196,173)
Cash (bank Indebtness), end of period	<u>\$ 152,777</u>	<u>\$ (2,800)</u>

See accompanying notes

Fiera High Income Trust
NOTES TO FINANCIAL STATEMENTS
For the six months ended June 30, 2009 and 2008 (unaudited)

1. Operations

Fiera High Income Trust (the "Trust") (formerly Yield Management Group High Income Trust) is a closed-end mutual fund trust established under the laws of Ontario by a trust agreement dated September 4, 1997. Fiera Capital Inc. is the Manager and RBC Dexia Investor Services Trust is the Trustee of the Trust. On February 3, 2006, YMG Capital Management became a wholly owned subsidiary of Fiera Capital Inc. The Trust commenced operations on November 13, 1997 and was renamed Fiera High Income Trust on January 22, 2008. On December 1, 1998 the trust agreement was amended to permit redemption of units on a quarterly basis.

On June 7, 2007, the board of directors of the Manager approved the extension of the term of the Trust until November 9, 2012. The extension was approved in accordance with the provisions of an extraordinary resolution of the unitholders of the Trust passed on November 30, 2006, which authorized the board of directors of the Manager to, in its discretion, authorize certain alternatives of the Trust, which was otherwise due to terminate on November 13, 2007. Unitholders not wishing to continue their participation in the Trust were entitled to redeem their units for cash proceeds at to the Net Asset Value per unit on November 13, 2007.

2. Summary of Significant Accounting Policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The following is a summary of significant accounting policies consistently followed by the Trust:

- a) Basis of determining fair value – Securities listed upon a recognized public stock exchange are valued at their bid prices on the valuation date. Securities with no available bid prices and securities that are not listed on an exchange are valued at their estimated fair value as determined by the Manager. Short-term notes, treasury bills and bonds are valued at the bid quotations from recognized investment dealers. Investments in other pooled funds are valued at the closing net asset value per unit reported by each pooled fund.
- b) Investment transactions and income – Investment transactions are accounted for on the date the order to buy or sell is executed. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments are determined on an average cost basis. Distributions received from income and royalty trust investments are classified as income, capital gains or return of capital based on amounts reported by the management of these trusts, or if such specific information is not available, at management's best estimate using available information.
- c) Valuation of the Trust – The Trust is valued on the last business day of each week and on the last business day of each month.
- d) Distributions to unitholders – Distributions are expected to be monthly until termination of the Trust. Distributions from net income are recorded by the Trust on the record date. Capital gains are distributed to unitholders on the last business day of the calendar year.
- e) Foreign currencies – Foreign currency amounts are translated into Canadian dollars on the following bases:
 - i) Fair value of investment securities, assets and liabilities at the closing rate of exchange.
 - ii) Purchases and sales of investment securities, income and expense at the rate of exchange prevailing on the respective dates of such transactions.
- f) Use of estimates - The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that could affect the reported value of the Trust's assets and liabilities and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Fiera High Income Trust
NOTES TO FINANCIAL STATEMENTS
For the six months ended June 30, 2009 and 2008 (unaudited)

2. Summary of Significant Accounting Policies (Continued)

- g) Increase (decrease) in net assets from operations per unit –The increase (decrease) in net assets from operations per unit in the Statement of Operations represents the increase (decrease) in net assets from operations for the period divided by the weighted average number of units outstanding during the period.
- h) Fair values of financial instruments – Investments are classified as held for trading and are stated at fair values in accordance with the policies outlined in note 2 (a). Other financial instruments, comprising cash, accrued interest and dividends receivable, amounts receivable for investment sales and payable for investment purchases, account payable and accrued expenses and interest and the loan payable, are classified as loans and receivables or financial liabilities as applicable, and are carried at amortized cost which approximates fair value given their short term nature.
- i) Transaction costs on the purchase and sale of investments are reported as a separate charge in the statement of operations.
- j) The Canadian Institute of Chartered Accountants (“CICA”) issued Section 3855, “Financial Instruments – recognition and Measurement” (“Section 3855”), which requires the fair value of financial instruments traded in active markets to be measured based on a security’s bid price. The new accounting standard applies to fiscal years beginning on or after October 1, 2006. Prior to January 1, 2007, fair value of a security was most commonly based on the last traded price for the day. For financial reporting purposes, on January 1, 2007, the Fund adopted Section 3855 on a retrospective basis without restatement of the prior period’s financial statements.

National Instrument 81-106 (“NI 81-106”), Investment Fund Continuous Disclosure, previously required the daily net asset value of an investment fund to be calculated in accordance with GAAP. The Canadian Securities Administrators (CSA) have issued amendments to NI81-106 to replace the previous requirements to calculate the daily net asset value of the purpose of processing unitholder transactions (“Net Asset Value”) in accordance with GAAP and allow investment fund to value their investments using fair value measures as defined in NI 81-106.

The interim relief granted by the CSA to investment fund from complying with Section 3855 remained in place until amendments to NI 81-106 became effective on September 8, 2008.

The net asset value calculated in accordance with Section 3855 is referred to as “Net Assets”. Refer to note 4 for a comparison of the Net Assets to Net Asset Value.

3. Adoption of New Accounting Standards

On January 1, 2008, the Trust adopted CICA Handbook Sections 1535, 3862 and 3863. These new standards are applicable to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. Adoption of these new standards impacts the Trust’s disclosures provided but does not affect its results or financial position.

Section 3862, “Financial Instruments - Disclosures” and Section 3863, “Financial Instruments – Presentation”, enhance the disclosure requirements for financial instruments that were included in Section 3861, “Financial Instruments - Disclosure and Presentation”. These new standards require the Trust to provide disclosures in its financial statements that enable users to evaluate the significance of financial instruments for the Trust’s financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Trust is exposed during the period and at the statement of net assets date and how the Trust manages those risks. Refer to Note 11 for further details.

Fiera High Income Trust
NOTES TO FINANCIAL STATEMENTS
For the six months ended June 30, 2009 and 2008 (unaudited)

3. Adoption of New Accounting Standards (continued)

Section 1535, "Capital Disclosures" of the CICA Handbook-Accounting establishes standards for disclosing information about an entity's capital and how it is managed. Refer to Note 7 for a discussion on the Trust's capital and how it is being managed.

4. Comparison of Net Asset Value and Net Assets

The primary reason for the difference between the Net Asset Value per unit and the Net Assets per unit is described in note 2 above:

June 30, 2009		December 31, 2008	
Net Assets per Unit (\$)	Net Asset Value per Unit (\$)	Net Assets per Unit (\$)	Net Asset Value per Unit (\$)
10.32	10.37	9.52	9.58

5. Loan Payable

The Trust has a term credit facility agreement with its bank. During the six (6) months ended June 30, 2009, \$2,310,000 was advanced and \$1,088,732 (including principal of \$1,070,000 and interest of \$18,732) was repaid. The advance outstanding as of June 30, 2009 carried an effective interest rate of 2.25%. The amount owing as at June 30, 2009 was \$1,240,638 (2008 – \$5,978,610) including accrued interest.

6. Unitholders' Equity

No further units are issuable by the Trust. During the six months period ended June 30, 2009 and 2008 the following units were issued and redeemed at net asset value:

	2009	2008
Outstanding, beginning of period	987,351	1,216,356
Redeemed	(55,650)	(82,338)
Outstanding, end of period	931,701	1,134,018

7. Capital Disclosure

The capital of the Trust is represented by issued redeemable units with no par value. The Trust has no restrictions or specific capital requirements with respect to subscriptions and redemptions of units, other than minimum initial subscription requirements. The relevant changes in the capital employed are shown on the Statement of Changes in Net Assets. The Trust endeavor to invest the subscriptions received in appropriate investments in conjunction with its investment objectives while remaining in compliance with regulatory requirements. The Trust maintains sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

Fiera High Income Trust
NOTES TO FINANCIAL STATEMENTS
For the six months ended June 30, 2009 and 2008 (unaudited)

8. Management Fees and Fund Expenses

Management fee

The Trust pays to the Manager an annual fee equal to 1.25% of the Net Asset Value of the Trust, accrued weekly and paid monthly in arrears.

Other fees

The Trust is also responsible for all expenses relating to the operation and administration of the Trust including professional fees, investor information costs, custodian and transfer agent fees, administration costs, trustee fees and registration fees and expenses.

9. Income Taxes

The Trust complies with the Income Tax Act (Canada) as a mutual fund trust. A mutual fund trust is subject to tax in each taxation year on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amounts paid or payable to the unitholders for the year. The Trust intends to distribute all of its income and net realized capital gains so that the Trust will not generally be liable for income tax thereon.

No provision for income taxes has been made in these financial statements as substantially all of the net income and realized gains of the trusts were distributed (or deemed to have been distributed) to its unitholders during the year and are taxable in their hands.

As of December 31, 2008, there were no capital or non-capital losses to be carried forward.

10. Brokerage Commissions Paid on Securities Transactions

Total commissions paid to dealers in connection with portfolio transactions were \$28,077 (2008 - \$32,352). Brokerage commissions paid to certain brokers may also cover research services provided to the investment manager. The value of the research services included in the commissions paid to brokers was \$3,286 during the period (2008 - \$2,680).

11. Financial Instrument Risk

A Trust may be exposed to a variety of financial risks. A Trust's exposure to financial risks are concentrated in its investment holdings, including derivative instruments, as applicable. The Statement of Investments groups securities by asset type, geographic region and/or market segment, as applicable.

The Trust's risk management practice includes the monitoring of compliance to investment guidelines. The Manager manages the potential effects of these financial risks on the Trust's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor the Trust's positions, market events and diversify investment portfolio within the constraints of the investment guidelines.

a) *Currency risk*

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of the Trust, will fluctuate due to changes in foreign exchange rates. The Statement of Investments identifies all bonds and derivative instruments, denominated in foreign currencies. Bond from foreign countries are exposed in that country's currency unless otherwise noted. Equities in foreign markets and foreign bonds are exposed to currency risk as the prices denominated in foreign currencies are converted to the Trust's functional currency in determining fair value. The Trust may enter into forward currency contracts for hedging purposes to reduce foreign currency exposure or to establish exposure to foreign currencies. The Trust's exposure to currency risk, if any is further discussed in the Trust Specific Information section of this note.

Fiera High Income Trust
NOTES TO FINANCIAL STATEMENTS
For the six months ended June 30, 2009 and 2008 (unaudited)

11. Financial Instrument Risk (continued)

b) Interest rate risk

Interest rate risk is the risk that fair value of the Trust's interest-bearing investments will fluctuate due to changes in market interest rates. The Trust's exposure to interest rate risk is concentrated in its investment in debt securities (such as bonds, money market instruments and debentures) and interest rate sensitive derivative instruments, if any. Other assets and liabilities are short-term in nature and/or non-interest bearing. The Trust's exposure to interest rate risk, if any, is further discussed in the Trust Specific Information section of this note.

c) Other market risk

Other market risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Other assets and liabilities are monetary items that are short term in nature and are not subject to other market risk. The Trust's exposure to other market risk, if any, is further discussed in the Trust Specific Information section of this note.

d) Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. Credit risk exposure for over-the-counter derivative instruments is based on the Trust's unrealized gain of the contractual obligations with the counterparty as at the reporting date. The credit exposure of other assets is represented by its carrying amount. The Trust's exposure to credit risk, if any, is further discussed in the Trust Specific Information section of this note.

All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

e) Liquidity risk

The Trust's exposure to liquidity risk is concentrated in the cash redemptions of units. The Trust primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Trust retains sufficient cash and cash equivalent positions to maintain liquidity. The Trust may, from time to time, enter into over-the-counter derivative contracts or invest in unlisted securities, which are not traded in an organized market and may be illiquid.

Trust Specific Information

Investment objective

The Trust's investment objective is to achieve a high level of income and modest capital appreciation through direct investments in a diversified portfolio of investment vehicles in various industries and geographic regions. To achieve this objective, investments in the Trust primarily comprise units of real estate investment trusts ("REITs"), oil and gas royalty trusts and income fund trusts. The Trust may also from time to time hold high-yield fixed income securities or high yielding common stocks. The Trust may also engage in covered option writing.

Currency risk

The Trust invested primarily in Canadian securities. As at June 30, 2009 and December 31, 2008, the Trust did not have significant exposure to currency risk.

Fiera High Income Trust
NOTES TO FINANCIAL STATEMENTS
For the six months ended June 30, 2009 and 2008 (unaudited)

11. Financial Instrument Risk (continued)

Interest rate risk

As at June 30, 2009 and December 31, 2008 the majority of the Trust's financial assets and liabilities are non-interest bearing. As a result, the Trust is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Nevertheless, the Trust has an outstanding balance of \$1,240,000 (2008 - \$1,310,000) on prime loan exposed to fluctuations in interest rates.

Other market risk

As at June 30, 2009 and December 31, 2008, the majority of the Trust's investments were traded on global stock exchanges. If equity prices on the global stock exchanges had increased or decreased by 10% as at the period end, with all other factors remaining constant, Net Assets could possibly have increased or decreased by approximately \$1,064,464 (2008 - \$1,140,935), respectively.

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

As at June 30, 2009 and December 31, 2008, the Trust had neither significant investments in fixed-income securities nor in derivative financial instruments. As a result, the Trust is not significantly exposed to credit risk.

12. Changeover to International Financial Reporting Standards ("IFRS")

The Manager is in process of developing a changeover plan to meet the timetable published by the CICA for changeover to IFRS. The key elements of the plan include disclosures of the qualitative impact in the December 31, 2008, 2009 and 2010 financial statements and the preparation of the December 31, 2011 financial statements in accordance with IFRS.

Based on the Manager's current evaluation of the differences between Canadian GAAP and IFRS, the Manager does not expect that net assets attributable to unitholders or net asset value per unit will be impacted by the changeover to IFRS. Currently, the Manager expects that the impact of IFRS on the Trust's financial statements will result in additional disclosures and potentially different presentation of unitholder interests and certain other items.



OFFICES

Montreal

1501 McGill College Avenue, Suite 800
Montreal, Quebec H3A 3M8
T: 514-954-3300 | F: 514-954-3325

Toronto

One Queen Street East, Suite 2020
Toronto, Ontario M5C 2W5
T: 416-364-3711 | F: 416-955-4877

www.fieracapital.com