CENTRIC HEALTH
CORPORATION
Your Care, Our Focus

(formerly Alegro Health Corp.)

Interim Consolidated Financial Statements (unaudited)
Three and Nine Months Ended September 30, 2009

Centric Health Corporation (formerly Alegro Health Corp.)
Consolidated Balance Sheets
(in thousands of dollars)

	September 30, 2009	December 31, 2008
	(unaudited)	
Assets		
Current Assets		
Cash	**$ 1,925**	$ 4,002
Accounts receivable	**6,791**	2,102
Accrued receivables	**1,236**	873
Prepaid expenses	**205**	47
	10,157	7,024
Property and equipment (note 8)	**2,245**	331
Goodwill (note 4)	**18,206**	47
Intangible asset (note 9)	**1,147**	1,147
Future income taxes	**55**	55
Deferred acquisition costs (note 4)	–	370
	$ 31,810	$ 8,974
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (note 6)	**$ 5,564**	$ 1,822
Income taxes payable	**203**	66
Future income taxes - current	**17**	17
Current portion of long-term loan (note 10)	**2,200**	–
	7,984	1,905
Long-term loan (note 10)	**7,583**	–
Future income tax liability	**300**	–
Deferred lease inducement	**98**	–
Non-Controlling Interest (note 11)	–	613
	7,981	613
Shareholders' Equity		
Share capital (note 12)	**8,921**	3,928
Warrants (note 12)	**2,957**	–
Contributed surplus (note 12)	**1,116**	1,268
Accumulated other comprehensive loss (note 13)	**(154)**	–
Retained earnings	**3,005**	1,260
	15,845	6,456
	$ 31,810	$ 8,974

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

Centric Health Corporation
Consolidated Statements of Operations

(unaudited)
(in thousands of dollars, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	**2009**	2008
Revenue	**$ 12,431**	$ 3,635	**$ 23,727**	$ 11,200
Expenses				
Direct costs	**9,314**	2,492	**16,824**	7,422
General and administrative expenses (note 6)	**1,477**	795	**3,816**	2,589
Amortization	**126**	40	**233**	131
	10,917	3,327	**20,873**	10,142
Income before interest expense	**1,514**	308	**2,854**	1,058
Interest expense (note 10)	**190**	–	**250**	–
Income before income taxes	**1,324**	308	**2,604**	1,058
Income taxes - current	**136**	83	**559**	370
Income taxes - future	**300**	–	**300**	–
	436	83	**859**	370
Net income for the period	**$ 888**	$ 225	**$ 1,745**	$ 688
Basic earnings per common share (note 12)	**$ 0.015**	$ 0.006	**$ 0.037**	$ 0.019
Diluted earnings per common share (note 12)	**$ 0.013**	$ 0.006	**$ 0.033**	$ 0.017
Weighted Average Number of Common Shares Outstanding (in thousands) (note 12)				
Basic	**60,817**	36,582	**47,543**	36,582
Diluted	**68,716**	40,151	**52,128**	40,151

Centric Health Corporation
Consolidated Statements of Comprehensive Income

(unaudited)
(in thousands of dollars)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	**2009**	2008
Net income for the period	**$ 888**	$ 225	**$ 1,745**	$ 688
Other comprehensive loss for the period	**(154)**	–	**(154)**	–
Comprehensive income for the period	**$ 734**	$ 225	**$ 1,591**	$ 688

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

Centric Health Corporation
Consolidated Statements of Shareholders' Equity
(unaudited)
(in thousands of dollars)

	Share Capital						
	Number of Shares	Amount	Warrants	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
Balance at December 31, 2007	**36,524,762**	**$ 3,914**	**$ –**	**$ 1,144**	**$ –**	**$ 308**	**$ 5,366**
Shares issued as bonus compensation	57,000	14	–	–	–	–	14
Options granted and vesting	–	–	–	124	–	–	124
Net income for the year	–	–	–	–	–	952	952
Balance at December 31, 2008	**36,581,762**	**3,928**	–	**1,268**	–	**1,260**	**6,456**
Issued on acquisition of Active Health (note 4)	3,333,333	1,000	–	–	–	–	1,000
Private placement (note 12)	20,500,000	3,754	–	–	–	–	3,754
Issuance of warrants (note 12)	–	–	2,957	–	–	–	2,957
Options granted and vesting (note 12)	–	–	–	12	–	–	12
Deferred compensation expensed in the period (note 12)	–	–	–	78	–	–	78
Decrease in non-controlling interest	–	–	–	(158)	–	–	(158)
Options exercised (note 12)	600,000	239	–	(84)	–	–	155
Other comprehensive (loss)	–	–	–	–	(154)	–	(154)
Net income for the period	–	–	–	–	–	1,745	1,745
Balance at September 30, 2009	**61,015,095**	**$ 8,921**	**$ 2,957**	**$ 1,116**	**$ (154)**	**$ 3,005**	**$ 15,845**

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

Centric Health Corporation
Consolidated Statements of Cash Flows
(unaudited)
(in thousands of dollars)

	Three Months Ended September 30, **2009**	Three Months Ended September 30, 2008	Nine Months Ended September 30, **2009**	Nine Months Ended September 30, 2008
Cash provided by:				
Operating activities				
Net income for the period	**$ 888**	$ 225	**$ 1,745**	688
Items not affecting cash:				
Amortization of property and equipment	**126**	40	**233**	131
Accretion and amortization of financing costs	**35**	–	**47**	–
Leasehold inducement	**(17)**	–	**(17)**	–
Future income taxes	**300**	–	**300**	–
Stock-based compensation	**31**	22	**109**	35
Changes in non-cash working capital items (note 7)	**359**	495	**(177)**	(796)
Cash provided by operating activities	**1,722**	782	**2,240**	58
Investing activities				
Acquisition of business (note 4)	**(272)**	–	**(19,900)**	–
Acquisition of non-controlling interest (note 11)	–	–	**(750)**	–
Lease inducement	**115**	–	**115**	–
Purchase of property and equipment	**(146)**	(6)	**(362)**	(21)
Cash used in investing activities	**(303)**	(6)	**(20,897)**	(21)
Financing activities				
Proceeds of long-term loan, net of financing costs (note 10)	–	–	**10,285**	–
Repayment of long-term loan (note 10)	**(550)**	–	**(550)**	–
Increase in deferred financing costs	–	(34)	–	(51)
Issuance of common shares and warrants, net of issue costs (note 12)	**156**	–	**6,866**	–
Decrease in non-controlling interest (note 11)	–	(13)	**(21)**	(39)
Cash provided by (used in) financing activities	**(394)**	(47)	**16,580**	(90)
Increase (decrease) in cash	**1,025**	729	**(2,077)**	(53)
Cash, beginning of period	**900**	3,247	**4,002**	4,029
Cash, end of period	**$ 1,925**	$ 3,976	**$ 1,925**	$ 3,976

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

1. Business of the Company

Centric Health Corporation (formerly Alegro Health Corp.) (the "Company") is incorporated under the *Canada Business Corporations Act*. The Company migrated from the TSX Venture Exchange to the main board of the Toronto Stock Exchange as of September 1, 2009. The Company's principal business is providing healthcare services to its customers.

The results of operations presented in these financial statements include four months of operations for the Active Health business acquired on May 29, 2009 (see Note 4).

2. Basis of Presentation

Basis of presentation

These unaudited interim consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for interim financial statements and accordingly do not include all disclosures required for annual financial statements. With the exception of the new accounting policies set out in Note 3 below, these interim consolidated financial statements follow the same significant accounting policies as the Company's audited annual consolidated financial statements for the year ended December 31, 2008 and accordingly, should be read in conjunction with those annual financial statements and the notes thereto. All amounts disclosed are in thousands of Canadian dollars, unless otherwise stated.

The accompanying unaudited interim consolidated financial statements include all adjustments that are, in the opinion of management, necessary for fair presentation. The results of operations and cash flows for the current periods as presented are not necessarily indicative of the results to be expected for the full year.

3. Significant Accounting Policies

Lease inducements

The Company recognizes rental expense on leased premises on a straight-line basis over the initial term of the lease. Lease inducements received by the Company as reimbursement of leasehold improvement costs undertaken are deferred and amortized on a straight-line basis over the term of the lease as a reduction in rental expense.

Impairment of long-lived assets

In accordance with CICA Handbook Section 3063, "Impairment of Long-lived Assets", the Company reviews its long-lived assets, being its property and equipment and private hospital license held by its subsidiary Don Mills Surgical Unit Limited, for impairment on an annual basis or when circumstances arise that may indicate the carrying value of the asset may not be recoverable through undiscounted future cash flows. A loss arising from impairment would be measured as the extent the carrying value exceeds the fair value.

3. Significant Accounting Policies - Continued

Goodwill

Goodwill represents the excess of the cost of businesses acquired over the fair value of identifiable assets acquired and liabilities assumed. In accordance with the recommendations of the CICA Handbook pertaining to goodwill and other intangible assets, goodwill is not amortized but is tested for impairment annually, or when an event or circumstance occurs that more likely than not reduces the fair value of a reporting unit below its carrying amount. Any impairment in the value of goodwill is written off against income.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The accounting elements which require management to make subjective estimates and assumptions include revenue recognition, estimated useful lives of property and equipment, valuation of goodwill and intangible assets and valuation of options and warrants. Actual results could differ from those estimates.

Reclassifications

Certain 2008 amounts have been reclassified to conform to the current period's presentation.

Recently Adopted Accounting Policies

The Company adopted the following new accounting policies effective January 1, 2009.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Canadian Institute of Chartered Accountants ("CICA") Emerging Issues Committee ("EIC") issued Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". The EIC abstract requires the Company to consider its own credit risk and the credit risk of the counterparty when determining the fair value of financial assets and financial liabilities. The application of the new EIC abstract during the current fiscal year did not have any material impact on the Company's interim consolidated financial statements.

Goodwill and Intangible Assets

Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs", establish revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of these standards, the CICA withdrew EIC 27, "Revenues and expenses during the pre-operating period". As a result of the withdrawal of EIC 27, the Company will no longer be able to defer costs and revenues incurred prior to commercial production for new operations. The new standards were effective for the Company on January 1, 2009. The application of these standards did not have a material impact on the Company's interim consolidated financial statements.

3. Significant Accounting Policies - Continued

Hedging

In April 2005, the CICA issued Section 3865 "Hedges". The section provides guidance in the adoption of hedging treatment of an instrument based on its effectiveness as a hedge and its alignment with corporate policy. The Company has assessed its financial instruments and adopted hedge accounting for a cash-flow hedge on the interest rate applied to its bank loan (see Note 14). Previously, the Company did not have any hedging instruments.

Financial Instruments

Section 3855, "Financial Instruments" requires that the entity adopt a policy to either expense costs directly attributable with the transaction or add these costs to the asset or liability. The Company has elected to recognize the directly attributable costs as a reduction of the liability. These costs will be accreted over the term of the liability.

Future Accounting Changes

Business Combinations

In January 2009, the CICA issued Handbook Section 1582, "Business Combinations", which replaces Section 1581 and establishes new standards for accounting for business combinations. This standard is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Should the Company engage in a future business combination, it would consider early adoption to facilitate the adoption of International Financial Reporting Standards ("IFRS"). In the event of an acquisition after mandatory adoption of this standard, management expects negative impact on results of operations from the adoption of this policy as it requires all costs related to an acquisition to be expensed as incurred.

Non-controlling Interests

In January 2009, the CICA issued Handbook Section 1602, "Non-controlling Interests", to provide guidance on accounting for non-controlling interests subsequent to a business combination. This standard is effective for fiscal years beginning on or after January 2011. At this time, the impact on future consolidated financial position and results of operations is not known.

International Financial Reporting Standards

The CICA plans to transition Canadian GAAP for publicly accountable profit oriented enterprises to IFRS. The effective changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company is continuing to assess the financial reporting impact of the adoption of IFRS. At this time the impact on future consolidated financial position and results of operations is not readily estimable.

(in thousands of dollars)

4. Acquisition

On May 29, 2009, the Company acquired substantially all of the non-cash operating assets (net of assumed liabilities) of The Brenda Rusnak Clinics Inc. and ACTIVE Health Management Inc., both, privately held companies that specialize in the provision of physiotherapy and other rehabilitation services ("Active Health Management").

The transaction has been accounted for using the purchase method of accounting. This method requires that the assets and liabilities purchased be recorded at their fair value as at their date of acquisition.

Purchase Price	
Cash consideration	$ 19,665
Issuance of 3,333,333 common shares of the Company	1,000
Transaction and integration costs	1,192
	$ 21,857
Fair Value of Net Assets Acquired	
Current assets	$ 5,329
Property and equipment	1,785
Goodwill	18,159
	25,273
Current liabilities	(3,416)
	$ 21,857

The common shares issued were valued at $0.30 per share representing the closing share price on May 4, 2009, the date the purchase and sale agreement was executed.

The transaction costs include amounts totalling $370 which were incurred prior to December 31, 2008 and which were presented on the balance sheet as deferred acquisition costs at December 31, 2008. As at May 29, 2009, these costs were fully allocated to the purchase price.

(in thousands of dollars)

5. Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the continuation and expansion of its operations. The Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include share capital, warrants and the stock option component of its shareholders' equity as well as its long-term loan and operating facility (see Note 10). In order to maintain or adjust its capital structure, the Company may seek additional financing through the issuance of new equity securities, the exercise of outstanding stock options and warrants or the issuance of debt instruments such as operating or term loans.

The Company is not subject to any externally imposed capital requirements and has adequate capital on hand to meet the future obligations.

Management reviews its capital management requirements on an ongoing basis and believes this approach, given the relative size of the Company, is reasonable. There were no changes to the Company's approach to capital management during the nine months ended September 30, 2009.

6. Related Party Transactions and Balances

In the normal course of operations, the Company has entered into certain related party transactions which have been measured at the respective exchange amounts, being the consideration established and agreed to by the related parties.

A summary of the transactions with related parties for the three and nine months ended September 30, 2009 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	**2009**	2008
General and administrative expenses:				
Brenras	**$ 90**	$ 90	**$ 270**	$ 255
Disability Management	**$ –**	$ –	**$ –**	$ 30
GHIS	**$ 152**	$ 45	**$ 247**	$ 135
Interest incurred on the GHIS Capital debenture:	**$ –**	$ 13	**$ 22**	$ 39

Included in accounts payable and accrued liabilities at September 30, 2009 and December 31, 2008, are $112 and $15, respectively, due to Global Healthcare Investments & Solutions, Inc. ("GHIS").

Brenras Holdings Inc. ("Brenras") and The Disability Management Group Inc. ("Disability Management") are wholly-owned by a significant shareholder and director of the Company. Brenras and Disability Management provided management services to the Company.

(in thousands of dollars)

6. Related Party Transactions and Balances - Continued

GHIS and entities controlled by the shareholders of GHIS own approximately 53% of the issued and outstanding common shares of the Company as at September 30, 2009. GHIS provided strategic and business development consulting services to the Company. The existing consulting agreement with GHIS was amended in May, 2009. Under the terms of the amended consulting agreement which has an initial term of three years renewable annually thereafter, the monthly consulting fee was increased from $15 to $20. In addition, a performance fee component has been added whereby GHIS will be entitled to an annual fee of 1% of the Company's market capitalization (computed on a trailing twelve month weighted average basis) provided the market capitalization exceeds a minimum threshold amount of $20,000. The performance fee payable in the period ended September 30, 2009, totalled $92.

GHIS Capital Inc. ("GHIS Capital") is related to GHIS by common control. GHIS was the holder of a convertible debenture issued by the Company in 2007. Concurrent with the closing of the acquisition of the acquired businesses referred to in Note 4, the Company redeemed the convertible debenture at its face amount of $750 and also agreed to issue to GHIS Capital a warrant, expiring on May 29, 2012, entitling it to subscribe for and purchase 25% of the issued and outstanding common shares, as calculated immediately following the exercise, of Alegro Health Partners Inc. ("AHP") upon the payment of $33. Other aspects of the contractual arrangements between the Company, GHIS and GHIS Capital remained essentially unchanged including the agreement that AHP will be the entity that would pursue and conduct all new business opportunities in the healthcare sector distinct from the Company's current rehabilitation, medical assessment and related activities.

7. Supplementary Disclosure of Cash Flow Information

(a) The net changes in non-cash working capital are comprised of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	**2009**	2008
Accounts receivable	**$ (21)**	$ 439	**$ 29**	$ 286
Accrued receivables	**466**	116	**210**	(168)
Prepaid expenses	**(17)**	13	**(100)**	(38)
Accounts payable and accrued liabilities	**(29)**	(26)	**(453)**	(369)
Income taxes payable	**(40)**	(47)	**137**	(507)
	$ 359	$ 495	**$ (177)**	$ (796)

Cash used in investing activities relating to the acquisition of Active Health Management excludes $300 representing accruals for transaction costs that have not been paid as at September 30, 2009. Proceeds of long-term debt have not been reduced by $300 of accruals for loan arrangement costs not yet paid as at September 30, 2009. These amounts have also been eliminated from the net change in accounts payable and accrued liabilities in the above schedule.

(in thousands of dollars)

7. Supplementary Disclosure of Cash Flow Information - Continued

Included in accounts payable and accrued liabilities as at September 30, 2009 is $154 (nil as of December 30, 2008) related to the fair value of the interest rate swap reflected in accumulated other comprehensive income ("AOCI") (see Note 13).

(b) Other supplementary cash flow information:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	**2009**	2008
Income taxes paid	**$ 178**	$ 126	**$ 423**	$ 873
Interest paid	**$ 155**	$ 13	**$ 203**	$ 26

8. Property and Equipment

At September 30, 2009

	Cost	**Accumulated Amortization**	**Net Book Value**
Office furniture, fixtures and equipment	**$ 621**	**$ 455**	**$ 166**
Work simulation and facility equipment	**1,496**	**1,287**	**209**
Computer equipment and software	**2,550**	**819**	**1,731**
Medical equipment	**78**	**70**	**8**
Leasehold improvements	**140**	**17**	**123**
Automobile	**18**	**10**	**8**
	$ 4,903	**$ 2,658**	**$ 2,245**

At December 31, 2008

	Cost	Accumulated Amortization	Net Book Value
Office furniture, fixtures and equipment	$ 529	$ 432	$ 97
Work simulation and facility equipment	1,268	1,268	–
Computer equipment and software	881	712	169
Medical equipment	398	344	54
Automobile	18	7	11
	$ 3,094	$ 2,763	$ 331

(in thousands of dollars)

9. Intangible Asset

The intangible asset represents the private hospital licence held by the Company's wholly-owned subsidiary, Don Mills Surgical Unit Limited. This licence has an indefinite useful life.

10. Long-Term Loan and Operating Facility

Long-term loan

On May 29, 2009, the Company obtained a long-term loan of $11,000 from a major Canadian bank in conjunction with the acquisition of the Active Health Management business. The loan is repayable over a five-year period, with quarterly principal payments of $550. Interest on the loan is payable monthly. All of the assets of the Company have been pledged as collateral for this loan. The annual rate of interest is 5.65% fixed by an interest swap over the term of the loan.

The long-term loan is presented net of loan arrangement costs. These costs are amortized over the term of the loan through accretion resulting in increasing interest expense recorded on the consolidated balance sheets over time. At September 30, 2009, the net long-term loan (including the current portion) is $9,783 (face value of $10,450 less $667 of unamortized loan arrangement costs).

Interest expense on the long-term loan comprises the following:

	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
Interest expense on long-term loan	$ 155	$ 203
Accretion and amortization of financing costs	35	47
	$ 190	$ 250

The Company is in compliance with the financial covenants of the long-term loan as at September 30, 2009.

The Company uses derivative financial instruments to manage current and future risks related to interest rate fluctuations associated with its loan.

As at September 30, 2009, the Company used an interest rate swap as part of its program for managing the combination of fixed and variable interest rates of its debt and the corresponding aggregate cost of borrowing. The interest rate swap expires concurrently with the maturity of the loan. The interest rate swap involves an exchange of interest payments without an exchange of principal underlying the interest payments, and is accounted for as an asset or liability depending on the position with respect to the variable portion of the swap and the corresponding gain or loss is recorded in other comprehensive income.

The Company formally documents and designates its derivative financial instrument as a cash-flow hedge on its bank loan. The Company evaluated the effectiveness of its hedging transaction at the time of the establishment of the instrument.

(in thousands of dollars)

10. Long-Term Loan and Operating Facility - Continued

Operating facility

The Company maintains a revolving operating credit facility to a maximum of $4,000 (December 31, 2008 - $1,000), including letters of guarantee to a maximum of $250. Interest on the borrowing options available is at prime plus 0.5% and 2% per annum, respectively, with interest paid monthly.

As at September 30, 2009 and December 31, 2008, the Company had not drawn on these credit facilities.

11. Non-Controlling Interest

Non-controlling interest represented a $750 convertible debenture issued to GHIS Capital by AHP bearing interest at 7% per annum and due December 31, 2011. The debenture carried the right to be converted by GHIS Capital within three months before the maturity date and by AHP at the maturity date into such number of common shares of AHP, a wholly owned subsidiary, as would give GHIS Capital 25% of the issued and outstanding shares of AHP. As a result, the debenture was accounted for as equity by AHP which resulted in a non-controlling interest upon consolidation. Interest incurred on the convertible debenture has been treated as a distribution of equity by AHP which resulted in a reduction of the non-controlling interest upon consolidation of AHP.

On May 29, 2009, the Company entered into various agreements whereby the Company and GHIS Capital accepted repayment of the $750 convertible debentures issued to GHIS Capital, resulting in the elimination of the non-controlling interest and a charge to contributed surplus of $158 being the excess of the amount paid over the carrying value of the non-controlling interest.

12. Shareholders' Equity and Earnings per Share

Common shares

Authorized share capital consists of an unlimited number of common shares. The number of common shares issued and outstanding is as follows:

	Number of Shares	Amount
Issued and outstanding, December 31, 2008	36,581,762	$ 3,928
Issued pursuant to private placement with GHIS (net of transaction costs of $54)	20,500,000	3,754
Issued as part of the acquisition of Active Health	3,333,333	1,000
Issued upon exercise of options	600,000	239
Issued and outstanding, September 30, 2009	61,015,095	$ 8,921

During the three months ended September 30, 2009, 600,000 shares were issued upon exercise of options at a weighted average price of $0.26.

(in thousands of dollars)

12. Shareholders' Equity and Earnings per Share - Continued

Issuance of Common Shares and Warrants

On May 29, 2009, the Company issued a private placement of 20,500,000 common shares and an equal number of warrants to GHIS for a total consideration of $6,765. Each warrant entitles the holder to acquire one common share for a period of 5 years from this date, at a price of $0.33 per share. The warrants have been fair valued at $2,981 (less transaction costs of $24) using the Black-Scholes pricing model with the following assumptions:

Dividend yield	Nil
Expected volatility	115%
Risk-free interest rate	2.5%
Expected life in years	5
Share price at date of issue	$0.260
Fair value of warrant	$0.145

There were no warrants outstanding as at December 31, 2008.

Issuance of Stock Options and Deferred Stock-Based Compensation

There were no options granted in the three months ended September 30, 2009.

On May 14, 2009, pursuant to the Company's 2008 Stock Option Plan, 500,000 stock options were issued to a newly appointed officer. These options were issued at an exercise price of $0.39 and expire on May 14, 2014. In addition, on May 7, 2009, 100,000 stock options were issued to a senior employee. These options were issued at an exercise price of $0.40 and expire on May 7, 2014. On June 25, 2009, pursuant to the Company's policy of awarding 25,000 stock options to continuing members and 100,000 stock options to new members of the Board of Directors, the Company issued a total of 225,000 stock options at an exercise price of $0.31. These options expire on June 25, 2014. Vesting of options is determined at the date of grant by the Board of Directors. Options generally vest over a four to five year period.

The weighted average fair value of options granted during the nine months ended September 30, 2009 was $197. For the three and nine months ended September 30, 2009, $11 of this amount has been recognized as employee stock-based compensation expense while the remaining balance of $186 represents deferred stock-based compensation not yet recognized.

In addition, $30 and $78 of previously deferred stock-based compensation was recognized as compensation expense during the three and nine months ended September 30, 2009, respectively.

(in thousands of dollars)

12. Shareholders' Equity and Earnings per Share - Continued

Deferred stock-based compensation not yet charged to income is as follows:

	Amount
Deferred stock compensation, December 31, 2008	$ 133
Options granted in the period as deferred compensation	186
Expensed in the period	(78)
Deferred stock compensation, September 30, 2009	$ 241

The value assigned to options was calculated using the Black-Scholes option-pricing model with the following assumptions:

Dividend yield	Nil
Expected volatility	119%
Risk-free interest rate	2.5%
Expected option term	5 years

The outstanding and exercisable stock options are as follows:

	Number of Options	Weighted-Average Exercise Price
Outstanding as at December 31, 2007	2,050,000	$ 0.29
Granted during 2008	1,400,000	$ 0.28
Cancelled during 2008	(400,000)	$ 0.34
Outstanding as at December 31, 2008	3,050,000	$ 0.28
Granted during the period ended September 30, 2009	825,000	$ 0.37
Exercised during the period ended September 30, 2009	(600,000)	$ 0.26
Cancelled during the period ended September 30, 2009	(100,000)	$ 0.34
Outstanding as at September 30, 2009	3,175,000	$ 0.31
Exercisable at September 30, 2009	1,568,750	$ 0.26

(in thousands of dollars)

12. Shareholders' Equity and Earnings per Share - Continued

Earnings per share

Earnings per share for the three and nine months ended September 30, 2009 and 2008 have been calculated on the basis of net income for each period divided by the weighted average number of common shares outstanding during each period. Diluted earnings per share, for all periods presented, were calculated based on the weighted average number of common shares outstanding and stock options and warrants outstanding during the period. The weighted average calculation was based on the treasury stock method and included all options and warrants that were issued at prices lower than the market price of the Company's common shares on September 30, 2009.

The following table illustrates the dilutive effect of the outstanding options and warrants at September 30, 2009:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	**2009**	2008
Basic weighted average shares outstanding	**60,817**	36,582	**47,543**	36,582
Dilutive effect of options	**1,199**	3,569	**810**	3,569
Dilutive effect of warrants	**6,700**	–	**3,775**	–
Diluted shares outstanding	**68,716**	40,151	**52,128**	40,151

13. Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income (loss) ("AOCI") is comprised of the fair value of the interest rate swap on the long-term loan. The fair value is calculated as the difference in the net present value of the future cash flows to and from the counterparty. Unrealized gains and losses will accumulate in the AOCI until the maturity of the loan.

Changes in the components of AOCI are as follows:

	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008
AOCI at beginning of period	$ –	$ –
OCI for the period due to fair value of interest rate swap	(154)	–
AOCI at end of period	$ (154)	$ –

14. Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, accrued receivables, accounts payable, accrued liabilities and long-term loan. In addition, the Company has an interest rate swap.

Fair value

Due to their short-term maturities, the fair value of financial instruments other than the long-term loan approximates their carrying value. The long-term loan is the subject of an interest rate swap which is discussed in interest rate risk, below. The interest rate swap is recorded at its fair value at September 30, 2009. The aggregate of the face value of the long-term loan plus the recorded amount of the interest rate swap approximates the fair value of the loan.

Credit risk

The Company is exposed to credit risk to the extent that its clients become unable to meet their payment obligations. The Company's exposure to concentrations of credit risk is limited. Accounts receivable and accrued receivables are from the Workplace Safety and Insurance Board, government agencies, employers and insurance companies.

The Company's cash is held through a large Canadian bank. The Company is not exposed to significant credit risk arising from its financial instruments and it has had minimal bad debt expense.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity by assuring that there is sufficient working capital to meet short and long-term business requirements after taking into account cash flows from operations and the Company's holding of cash and net working capital. The Company also strives to maintain sufficient financial liquidity at all times in order to participate in investment opportunities as they arise, as well as to withstand sudden adverse changes in economic circumstances.

Management forecasts cash flows for its current and subsequent fiscal years to protect future financial requirements. At September 30, 2009, the Company had $1,925 (December 31, 2008 - $4,002) of cash and a current portion of its long-term loan of $2,200 (December 31, 2008 – nil) with a long-term portion of $8,250 (December 31, 2008 – nil). In accordance with the CICA Handbook Section 3855, the long-term debt is presented net of loan arrangement costs of $667, which are being amortized over the term of the loan. The Company anticipates that it will generate sufficient cash flow from operations over the next year to meet the repayment of the current portion of its long-term loan and current liabilities.

14. Financial Instruments - Continued

Interest Rate Risk

Interest rate risk is the risk borne by an interest-bearing asset or liability as a result of fluctuations in interest rates. The Company has a revolving operating facility of $4,000 (December 31, 2008 - $1,000) which has a variable interest rate based on prime. As at September 30, 2009 and December 31, 2008, the Company had not drawn on the facility.

The Company also has a five-year loan of $10,450 which carries a floating interest rate plus 3.25%, which has, through the swap (see Note 13), resulted in a fixed interest rate of 5.65%. The Company has entered into an interest rate swap on its loan to mitigate interest rate risk on its loan.

The fair value of the swap effective as at September 30, 2009, recorded as a derivative financial instrument amounts to $154 in favour of the counterparty. This amount is recorded as a liability in accounts payable and accrued liabilities and is accumulated in other comprehensive loss.

Currency Risk

Virtually all of the Company’s transactions are denominated in Canadian dollars. At September 30, 2009, the Company held no financial instruments that were denominated in other than Canadian currency.

(in thousands of dollars)

15. Segmented Reporting

The operations of the Company and its consolidated subsidiaries are comprised of two reportable operating segments referred to as (i) Rehabilitation and Disability Management and (ii) Don Mills Surgical Unit Limited ("DMSU"). The Rehabilitation and Disability segment includes the businesses of Work Able Centres Inc., Direct Health Solutions Inc. and Active Health Services Inc., which provide medical assessment and rehabilitation services to the insurance industry and employers and physiotherapy services to long-term care and retirement homes. DMSU is an accredited, Toronto-based hospital specializing in a mix of ambulatory and surgical services. The general and administrative costs included in the "Corporate" column have not been allocated to the two segments and generally represent the costs associated with a publicly listed entity.

Three months ended September 30, 2009

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 12,093	$ 338	$ –	$ 12,431
Amortization	$ 91	$ –	$ 35	$ 126
Interest	$ –	$ –	$ 190	$ 190
Income (loss) before interest and income taxes	$ 2,241	$ 65	$ (792)	$ 1,514
Capital expenditures	$ 111	$ 1	$ 34	$ 146
Total assets	$ 31,394	$ 94	$ 322	$ 31,810

Three months ended September 30, 2008

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 3,297	$ 337	$ 1	$ 3,635
Amortization	$ 24	$ –	$ 16	$ 40
Interest	$ –	$ –	$ –	$ –
Income (loss) before interest and income taxes	$ 936	$ 36	$ (664)	$ 308
Capital expenditures	$ 6	$ –	$ –	$ 6
Total assets	$ 5,015	$ 183	$ 3,200	$ 8,398

Nine months ended September 30, 2009

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 22,725	$ 1,002	$ –	$ 23,727
Amortization	$ 159	$ –	$ 74	$ 233
Interest	$ –	$ –	$ 250	$ 250
Income (loss) before interest and income taxes	$ 5,219	$ 159	$ (2,524)	$ 2,854
Capital expenditures	$ 284	$ 4	$ 74	$ 362
Goodwill	$ 18,159	$ -	$ –	$ 18,159
Total assets	$ 31,394	$ 94	$ 322	$ 31,810

Nine months ended September 30, 2008

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 10,154	$ 1,033	$ 13	$ 11,200
Amortization	$ 82	$ –	$ 49	$ 131
Interest	$ –	$ –	$ –	$ –
Income (loss) before interest and income taxes	$ 3,167	$ (22)	$ (2,087)	$ 1,058
Capital expenditures	$ 21	$ -	$ -	$ 21
Total assets	$ 5,015	$ 183	$ 3,200	$ 8,398

16. Subsequent Event

On October 8, 2009, the Company signed a letter of intent to form a strategic alliance with PrevCan Inc. ("INTERxVENT Canada"). The transaction represents Centric Health's Strategic Investment in Wellness and Preventative Healthcare. Centric Health, through Alegro Health Partners, will make a mandatorily convertible loan of $2 million to INTERxVENT Canada during 2010 and 2011 subject to certain terms and milestones. Absent an event of default, conversion will result in Centric Health owning between a minimum of 20% and a maximum of 32% of the fully diluted shares of INTERxVENT Canada linked to it achieving an EBITDA of $2 million for the financial year ending December 31, 2011. As a condition of this alliance, key INTERxVENT Canada management and existing shareholders will invest a further $500,000 on the same terms and conditions. In addition, current INTERxVENT Canada shareholders will be granted a total of one million Centric Health warrants exercisable over a five year period subject to certain performance criteria. The effective date of the transaction will be January 4, 2010, subject to certain conditions precedent and milestones being achieved.

CENTRIC HEALTH

CORPORATION

Your Care. Our Focus

Management's Discussion and Analysis

For the Three and Nine Months Ended September 30, 2009

Management's Discussion and Analysis

For the three and nine months ended September 30, 2009

The following is a discussion of the consolidated financial position and the results of operations of Centric Health Corporation, formerly Alegro Health Corp. ("Company") for the three and nine months ended September 30, 2009 and of certain factors that the Company believes may affect its prospective financial condition, cash flows and results of operation. The MD&A should be read in conjunction with the unaudited interim consolidated financial statements and notes thereto for the three and nine month period ended September 30, 2009 and the Company's audited financial statements as at and for the year ended December 2008.

The interim consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") for financial statements and all amounts are presented in Canadian dollars. The following MD&A is presented as of November 5, 2009. Further information is available on www.sedar.com.

Caution regarding forward looking statements

Certain statements in this MD&A constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include, but are not limited to, statements made under the headings "*Business Outlook and Subsequent Events*" and "*Risks and Uncertainties*" and other statements concerning the Company's 2009 objectives, strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. Factors that could cause such differences include the highly competitive nature of the Company's industry, government regulation and funding and other such risk factors described from time to time in the reports and disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. This list is not exhaustive of the factors that may impact the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward looking statements. The factors underlying current expectations are dynamic and subject to change. Although the forward-looking information contained in this MD&A is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this MD&A may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this MD&A. All forward-looking statements in this MD&A are qualified by these cautionary statements. Except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Highlights for the Quarter Ended September 30, 2009

The financial highlights were as follows:

- On August 25, 2009, the Company changed its name from Alegro Health Corp. to Centric Health Corporation to better reflect its strategic focus of being Patient, Healthcare Professional and People Centric.
- The Company migrated to the main board of the Toronto Stock Exchange ("TSX").
- Revenue increased by 242% or $8.8 million over the quarter ended September 2008, driven largely by the acquisition of the Active Health Management business and inclusion of its revenue.
- EBITDA[1] increased to $1.6 million compared with $0.3 million for the comparable quarter in 2008.
- Fully diluted earnings per share increased 117% to $0.013 per share from $0.006 per share.
- At September 30, 2009, the Company had cash on hand of $1.9 million and an unused line of credit of $4.0 million.
- On October 8, 2009, the Company made a strategic investment in Wellness and Preventative Healthcare by concluding a letter of intent with PrevCan Inc. ("Intervent Canada").

Recent Developments

On August 25, 2009, after receiving shareholder approval, the Company changed its name from Alegro Health Corp. to Centric Health Corporation, to better reflect the strategic direction of the Company for the future. During the quarter, the Company also migrated from the TSX Venture Exchange to the TSX main board and as of September 1, 2009 began trading under the symbol "CHH".

Business Overview

Centric Health Corporation (formerly Alegro Health Corp.) is a Canadian healthcare investment company. Through the Company's subsidiaries, Don Mills Surgical Unit ("DMSU"), Work Able Centres, Direct Health Solutions and Active Health Services, Centric provides a variety of surgical procedures, disability management, third-party medical assessments and long-term care. Centric is pursuing a diversified approach and an aggressive acquisition strategy to become Canada's premier healthcare company that provides innovative solutions centered around patients and healthcare professionals.

[1] The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization. EBITDA is not a recognized measure under Canadian GAAP. Management believes that in addition to net earnings, EBITDA is a useful supplemental measure, as it provides investors with an indication of the Company's performance. EBITDA is used by the Company to analyze performance and compare profitability between periods. Investors should be cautioned, however, that EBITDA should not be construed as an alternative to net earnings determined in accordance with GAAP. The Company's method of calculating EBITDA may differ from other companies and accordingly, EBITDA may not be comparable to measures used by other companies.

Subsidiary Overview

Work Able and Direct Health

Work Able provides specialized medical assessment and rehabilitation services to individuals disabled as a result of work-related or motor vehicle injuries, as well as those suffering short and long term disabilities that affect their ability to function and work.

Work Able has positioned itself as a premier provider of disability management services. Work Able pioneered the use of work-simulated facilities in Canada to support functional recovery and promote return to work and over the past three years has created a formidable catastrophic injury assessment division. Work Able presently has four facilities currently occupying a total of 28,795 square feet of leased space in Toronto, Barrie and Mississauga, Ontario as well as Halifax, Nova Scotia. These facilities are equipped with state of the art assessment, rehabilitation and work simulation tools and systems.

Direct Health provides medical assessment and rehabilitation services to the insurance industry and employers primarily in Ontario and Eastern Canada. It maintains leased offices in Halifax, Nova Scotia, Fredericton, New Brunswick and Toronto, Ontario. Direct Health will continue to provide vocational assessment and rehabilitation services and expand its client base of insurance, corporate and government entities in its current localities.

Work Able and Direct Health employ approximately 300 full-time staff and consultants including physicians from across a number of speciality practice areas, psychologists, occupational health nurses, physiotherapists, occupational therapists, cognitive behavioural therapists, kinesiologists and vocational evaluators.

Active Health

On May 29, 2009, the Company acquired the assets and businesses of Active Health Management Inc. and Brenda Rusnak Clinics Inc. and operates these as part of the rehabilitation and disability management business segment in its subsidiary, Active Health Services Ltd. and herein referred to as "Active Health".

Active Health specializes in high quality rehabilitation services that focus on physiotherapy, assessment services, physiotherapy network management and elder care. The elder care business provides physiotherapy services to over 200 retirement, assisted-living and long-term care homes, operating in the province of Ontario, through its network of independent consultants. The majority of these services are paid for by the Ontario Ministry of Health and Long Term Care ("MOH").

Active Health also operates a health clinic in Toronto that provides rehabilitation treatment services including assessments, educational programs, on-going functional testing and treatments for pain management, movement and exercise.

The acquisition of Active Health included the operating business of Just Assessments. This division provides independent medical examinations across Canada to insurance companies and employers.

DMSU

DMSU is an accredited, Toronto-based hospital operating since 1966 under Ontario's Private Hospitals Act and licensed by the MOH. DMSU specializes in a mix of ambulatory surgical services.

Affiliated surgeons maintain active practices within their specialty areas and are members of the Royal College of Physicians and Surgeons. DMSU provides services from a 7,381 square foot Toronto-based facility that includes two fully equipped operating theatres, 1 procedure room, 20 overnight stay beds, a central nursing station and physicians` offices. DMSU retains full-time, part-time and casual nursing and administrative staff of 21 people.

(in thousands of dollars, except share amounts)

Selected Financial Information

The following selected financial information for the three and nine months ended September 30, 2009 has been derived from the interim consolidated financial statements and should be read in conjunction with those financial statements and related notes.

	Three months ended September 30			Nine months ended September 30		
			Change			Change
	2009	2008	%	2009	2008	%
Revenue	12,431	3,635	242%	$ 23,727	$ 11,200	112%
Expenses						
Direct costs	9,314	2,492	274%	16,824	7,422	127%
General and administrative expenses	1,477	795	86%	3,816	2,589	47%
Amortization	126	40	215%	233	131	78%
	10,917	3,327	228%	20,873	10,142	106%
Income before interest expense	1,514	308	392%	2,854	1,058	170%
Interest expense	190	-		250	-	
Income before income taxes	1,324	308	330%	$ 2,604	$ 1,058	146%
EBITDA	1,640	348	371%	$ 3,087	$ 1,189	160%

Results of Operations

Revenues

Revenue for the quarter ended September 30, 2009 increased by $8,796 over the comparable quarter last year and includes operations for the newly acquired Active Health business which generated revenue of $8,531 for the quarter. The combined revenue in the third quarter for the disability management divisions of Work Able and Direct Health was $3,562, which was $268 higher than the prior year period. This growth was attributable to customer service strategies that promoted newer and higher repeat business with existing clients. DMSU revenue for the third quarter was consistent with last year.

Revenue for the nine month period increased by $12,527, of which $11,350 was generated by Active Health and the balance of the increase of $1,177 was generated in the disability management division.

Expenses

Direct costs include third party consultant fees associated with the assessment and physiotherapy businesses and salaries and wages of employees working directly in each business segment.

Direct costs for the quarter ended September 30, 2009 were $9,314, which was an increase of $6,822 over the comparable quarter in prior year primarily accounted for by Active Health. For the quarter, direct costs expressed as a percentage of revenue were 75% versus 69% the prior year. Direct costs are higher for the Active Health business than for the other business segments.

Direct costs as a percentage of revenue for the nine month period ended September 30, 2009 are lower than the third quarter percentage which reflects that the Active Health business was owned for only four out of the nine months this year.

General and administrative expenses for the quarter were $1,477 which was $682 higher than the comparable period in prior year. Active Health accounted for $236 of this increase, the remainder was driven by higher consulting, professional fees and bonus incentives.

Amortization was higher during three and the nine month periods ended September 30, 2009 due to the amortization of the assets acquired in the Active Health acquisition.

Interest expense for the current quarter and the nine month period, relates to the long-term loan that was arranged at the end of May, for the purchase of the Active Health and includes $35 of amortization of financing costs ($47 year to date).

Liquidity and Capital Resources

The main working capital requirement relates to the financing of accounts receivable which are primarily from the MOH, other government agencies, employers and insurance companies. Such receivables totaled $8,027 at September 30, 2009. These receivables are, to a large extent, financed by accounts payable to third party service providers who typically are paid when payment for the related services is received from the Company's customers. The Company also has a $4 million revolving operating credit facility. The Company consistently generates positive operating cash flows which are not subject to significant seasonal fluctuations.

The Company believes that its cash on hand along with its revolving operating facility (which currently is undrawn) and the expected cash flow from operations over the next year will be sufficient to meet its short-term business requirements including the repayment of the current portion of its long-term loan amounting to $2.2 million. Longer term capital requirements will depend on many factors including the number and size of acquisitions completed, the rate of growth of the Company's client base and the cost of expanding in its new markets for existing and new healthcare services. In order to meet such capital requirements, the Company may require additional public or private financing in the capital markets for debt or equity financing. In addition, it may seek strategic partners to finance new business opportunities.

At September 30, 2009, the Company had total cash on hand of $1,925, an increase of $1,025 during the quarter ended September 30, 2009.

Operating Activities

For the quarter ended September 30, 2009, cash provided by operating activities was $1,722 compared to $782 for the same period in 2008. As discussed in the above sections, operating results were stronger due primarily to the acquisition of Active Management. Non-cash working capital decreased by $359 during the third quarter. This change is primarily due to a decrease in accrued receivables. The Company placed a strong focus on invoice billings and collections during the quarter which provided positive results. The Company is benefiting from a deferral in the requirement to make income tax installments on the Active Health business.

Non-cash working capital increased by $177 during the nine months ended September 30, 2009 versus an increase of $796 in the comparable nine month period in the prior year.

Investing Activities

Spending on property and equipment amounted to $146 during the third quarter ended September 30, 2009, of which the Company received a lease inducement for much of this spending. During the quarter ended September 30, 2009 the Company paid $272 for transaction costs relating to the Active Health acquisition that had previously not been included in cash used in the acquisition of the Active Health business, in the prior quarter.

For the nine-month period ended September 30, 2009, investing activities reflect the acquisition of Active Health. As part of an overall financing package for Active Health, the Company agreed to repay the outstanding debenture owing to GHIS Capital Inc. ("GHIS Capital") of $750. This amount had been presented as non-controlling interest in the Company's financial statements as explained in Note 11 to the Company's unaudited interim consolidated financial statements.

(in thousands of dollars, except share amounts)

Financing Activities

Earlier in the year, to complete the acquisition of Active Health, the Company obtained two sources of funding which included an $11,000 loan from a major Canadian bank and issued of units comprising shares and warrants through a private placement to an existing shareholder in the amount of $6,765. In addition, the vendor of Active Health accepted 3,333,333 of the Company's shares valued at $1,000 as partial consideration of the purchase price. The long-term loan is repayable over a five year term, with quarterly payments of $550. During the third quarter, the Company made a payment of $550 against this loan. Interest was fixed on this loan by way of an interest rate swap. Interest is payable monthly at an annual rate of 5.65%.

At September 30, 2009, the Company was in compliance with all of the covenants on its long-term and operating loan facilities.

Equity

Share Capital

During the third quarter option holders exercised 600,000 options to purchase a similar number of shares for a weighted average exercise price per share of $0.26, for total proceeds of $156.

During the year, the Company completed a private placement with Global Healthcare Investments and Solutions, Inc. ("GHIS") for 20,500,000 units comprising of 20,500,000 shares and a corresponding number of common share purchase warrants, exercisable for 5 years at $0.33 per unit, for cash consideration of $6,765. The warrants have been fair valued at $2,981 (less transaction costs of $24) using the Black-Scholes pricing model using the following assumptions:

Dividend yield	Nil
Expected volatility	115%
Risk-free interest rate	2.5%
Expected life in years	5
Fair value at issue date	$0.145

As part of the purchase price for the acquisition of the Active Health business, the seller received 3,333,333 shares having a value of $1,000.

As at September 30, 2009, the Company had total shares outstanding of 61,015,095 compared to 36,581,762 at December 31, 2008. There were also 20,500,000 warrants outstanding as at September 30, 2009 entitling the holder to acquire 20,500,000 common shares at an exercise price of $0.33 per share.

As at September 30, 2009, there were a total of 3,175,000 options outstanding to purchase an equivalent number of common shares, with a weighted average exercise price of $0.31, expiring at various dates until 2014. The number of exercisable options at September 30, 2009 was 1,568,750 with a weighted average price of $0.26.

Retained Earnings

Prior to the third quarter ended September 30, 2009, the convertible debenture issued to GHIS Capital was redeemed. Previously this debenture was accounted for as equity by one of the subsidiary companies. This being classified as non-controlling interest upon consolidation and interest incurred on this debenture was treated as a distribution of equity, which resulted in a reduction of the non-controlling interest upon consolidation. Upon redemption of the debenture, the excess of the amount paid over the carrying value of the non-controlling interest (resulting from the cumulative interest paid on the debenture) has been treated as a charge to contributed surplus.

(in thousands of dollars, except share amounts)

Summary of Quarterly Results

The following is a summary of the quarterly results for the last eleven fiscal quarters.

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Fiscal year 2009				
Revenue and other income		$ 12,431	$ 7,027	$ 4,269
Net income		$ 888	$ 518	$ 339
Income per share – basic		$ 0.015	$ 0.011	$ 0.009
– diluted		$ 0.013	$ 0.011	$ 0.009
Fiscal year 2008				
Revenue and other income	$ 4,595	$ 3,635	$ 3,836	$ 3,729
Net income	$ 264	$ 225	$ 259	$ 204
Income per share – basic and diluted	$ 0.007	$ 0.006	$ 0.007	$ 0.005
Fiscal year 2007				
Revenue and other income	$ 4,196	$ 3,219	$ 3,308	$ 3,528
Net income	$ 142	$ 99	$ 250	$ 265
Income per share – basic and diluted	$ 0.005	$ 0.003	$ 0.02	$ 0.010

Business Outlook

The integration of the Active Health business acquired earlier this year is progressing as planned. The Active Health business is performing extremely well and we expect that, on an annual basis, this business unit will contribute significantly to revenue and EBITDA.

The Company continues to search for other business opportunities as part of its strategic review process primarily aimed at enhancing the current business units, diversifying income streams within the healthcare industry and proceeding with merger and acquisition related capital raises and security offerings to healthcare professionals in Canada in order to fund strategic expansion opportunities.

Transactions with Related Parties

The Company's related party transactions in 2009 are as follows:

For the three months ended September 30, 2009, the Company incurred management fees of $90 (2008 – $90). The management services were provided by corporations controlled by Ms. Rasmussen, a shareholder, officer and director of the Company. For the nine months ended September 30, 2009, the Company incurred management fees of $270 (2008 – $255) payable to the same corporation.

For the three months ended September 30, 2009, the Company incurred $152 in consulting fees paid to GHIS (2008 – $45). The terms of the consulting agreement include a monthly fee of $20 and a performance fee paid annually, in the amount of 1% of the Company's market capitalization (computed on a trailing twelve month weighted average basis) provided the market capitalization exceeds a minimum threshold amount of $20 million. During the quarter ended September 30, 2009, $92 was accrued with respect to the payment of this fee. For the nine months ended September 30, 2009, the Company incurred $247 in consulting fees and $22 of interest paid to GHIS and GHIS Capital, respectively (2008 – $135 and $39). The balance either owing or accrued towards GHIS was $112 at September 30, 2009 (2008 - $15)

As described in Note 11 to the unaudited interim consolidated financial statements, concurrent with the closing of the acquisition of the Active Health business, the Company redeemed the convertible debenture held by GHIS Capital Inc. at its face amount of $750 and also agreed to issue to GHIS Capital Inc. a warrant entitling it to acquire

25% of the wholly-owned subsidiary, Alegro Health Partners Inc. ("AHP") upon payment of $33. Other aspects of the contractual arrangements between the Company, GHIS and GHIS Capital remained essentially unchanged including the agreement that AHP will be the entity that would pursue and conduct all new business opportunities in the healthcare sector distinct from the Company's current rehabilitation, medical assessment and related activities.

Critical Accounting Estimates

The preparation of financial statements requires the Company to estimate the effect of various matters that are inherently uncertain as of the date of the financial statements. Each of these required estimates varies in regard to the level of judgment involved and its potential impact on the Company's reported financial results. Estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Company's financial condition, changes in financial condition or results of operations.

Significant critical accounting estimates include the assessment of impairment of goodwill and intangible assets.

Goodwill and Intangible Assets Valuation

The Company performs an impairment assessment of goodwill and intangible assets on an annual basis and at any other time if events or circumstances make it possible that impairment may have occurred. Determining whether impairment has occurred requires a valuation of the respective business unit, based on its fair value, which is based on a number of factors, including discounted cash flows, future business plans, economic projections and market data. There were no triggering events for an impairment review in the quarter and management routinely undertakes a scheduled review for impairment in the fourth quarter of the year.

New Accounting Policies

Business Combinations

In January 2009, the CICA issued Handbook Section 1582, "Business Combinations", which replaces Sections 1581 and 1601, "Consolidated Financial Statements", and establishes new standards for accounting for business combinations. This standard is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA issued EIC 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. This guidance is applicable to fiscal periods ending on or after January 20, 2009. The Company does not expect that this guidance will have any material impact on its consolidated financial statements.

Goodwill and Intangible Assets

Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs", establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of this standard, the CICA withdrew EIC 27, "Revenues and Expenses" during the pre-operating period. As a result of the withdrawal of EIC 27, the Company will no longer be able to defer costs and revenues incurred prior to commercial production for new operations. The new standard is effective for the Company on January 1, 2009. The Company does not expect that this standard will have any material impact on its consolidated financial statements.

Future Accounting Changes

International Financial Reporting Standards ("IFRS")

In March 2009, the Accounting Standards Board ("AcSB") confirmed that effective January 1, 2011, IFRS will become Canadian GAAP for publicly accountable enterprises such as Centric Health Corporation. At this time the impact on the Company's consolidated financial statements are not reasonably determinable or estimable. The Company does expect anticipate a significant increase in disclosure resulting from the adoption of IFRS.

The Company recently commenced its IFRS project and has hired an experienced financial executive to lead this initiative. A formal project governance structure is being designed with a target implementation date of January 1, 2011.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Under the supervision of and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the design of the Company's disclosure controls and procedures ("DC&P"), as well as internal controls over financial reporting ("ICFR") as at September 30, 2009. The scope of our design of DC&P and ICFR was limited to exclude controls, policies and procedures of Active Health due to the fact that the Active Health business was acquired on May 29, 2009 and the Company has not had sufficient time to fully review and document controls for this segment. The Company has engaged a professional accountant to assist in this effort and anticipates having this review and design of controls to be completed by year end for this business. With respect to all other business segments, we have concluded that those disclosure controls and procedures over financial reporting were effective in ensuring that information required to be disclosed by the Company in its corporate filings is recorded, processed, summarized and reported within the required time period and that internal controls over financial reporting were effective as at September 30, 2009 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian generally accepted accounting principles.

Other than the changes resulting from the acquisition of Active Health, there were no changes to the Company's disclosure controls or procedures or its internal controls over financial reporting that occurred during the quarter ended September 30, 2009 that materially affected, or are reasonably likely to affect the Company's disclosure controls and procedures or its internal control over financial reporting.

Off-Balance Sheet Arrangements

As at September 30, 2009, the Company had no off-balance sheet arrangements.

Risks and Uncertainties

A potential investor should carefully consider the risk factors set forth in deciding whether to invest in the securities of the Company. An investment in the securities of the Company is suitable only to those investors who are willing to risk the loss of their entire investment. The following discussion of certain risk factors relating to the business of the Company is qualified in its entirety by reference to, and must be read in conjunction with, information appearing elsewhere in the financial statements for the quarter ended September 30, 2009.

(i) Competition

The markets for Work Able and Direct Health's products are intensely competitive, subject to rapid change and significantly affected by market activities of other industry participants.

There is little, other than the relationships with the insurance companies, to prevent the entrance into the disability management sector for those wishing to provide similar services to those provided by Work Able and Direct Health. Work Able and Direct Health also compete for the provision of consulting services from independent healthcare professionals. Competitors with greater capital and/or experience may enter the market or compete for referrals from insurance companies and the services of available health care professionals. There can be no assurance that Work Able and Direct Health will be able to compete effectively for these referrals and healthcare professionals, that additional competitors will not enter the market, that such competition will not make it more difficult or expensive to provide disability management services or that competitive pressures in the provision of these services in a geographic region will not otherwise adversely affect the Company.

(ii) Government Regulation and Funding

Work Able and Direct Health’s businesses operate in an environment in which insurance regulation, policy and funding decisions play a key role. Regulatory and insurance policy related to medical and rehabilitation benefits are largely beyond Work Able and Direct Health’s control. Changes in regulation and funding structures related to third party disability management services, or their interpretation and application, could adversely affect the business, financial condition and results of operation of the Company.

Healthcare service providers in Canada are subject to various governmental regulation and licensing requirements and, as a result, both the Active Health and the DMSU businesses operate in an environment in which government regulations and funding play a key role. The level of government funding directly reflects government policy related to healthcare spending, and decisions can be made regarding such funding that are largely beyond the businesses control. Any change in governmental regulation and licensing requirements relating to healthcare services, or their interpretation and application, could adversely affect the business, financial condition and results of operations of these two business units.

(iii) Acquisition and Integration

The Company hopes to make acquisitions of various sizes that fit particular niches within the overall corporate strategy. There is no assurance that it will be able to acquire businesses on satisfactory terms or at all. These acquisitions will involve the commitment of capital and other resources, and these acquisitions could have a major financial impact in the year of acquisition and beyond. The speed and effectiveness with which the Company integrates these acquired companies into its existing businesses can have a significant short-term impact on the Company’s ability to achieve its growth and profitability targets.

The successful integration and management of acquired businesses involves numerous risks that could adversely affect the Company’s growth and profitability, including that:

(a) Management may not be able to manage successfully the acquired operations and the integration may place significant demands on management, thereby diverting its attention from existing operations;

(b) Operational, financial and management systems may be incompatible with or inadequate to integrate effectively and to manage acquired systems;

(c) Acquisitions may require substantial financial resources that could otherwise be used in the development of other aspects of the business;

(d) Acquisitions may result in liabilities and contingencies which could be significant to the operations; and

(e) Personnel from acquisitions and its existing businesses may not be integrated as efficiently or at the rate foreseen.

The acquisition of healthcare-related companies or assets involves a long cost recovery cycle. The sales processes for the products that these companies offer are often subject to lengthy customer approval processes that typically accompany significant capital expenditures. Failures by the Company in achieving signed contracts after the investment of significant time and effort in the sales process could have an adverse impact on the Company’s operating results.

(iv) Referrals

The success of the Work Able, Direct Health and Just Assessments businesses is currently dependent upon insurance company referrals of patients for assessment and rehabilitation procedures. These referrals come through preferred provider and other service agreements established through competitive tendering processes. If a sufficiently large number of service agreements were discontinued, the business, financial condition and results of operations of the Company could be adversely affected.

In addition, at DMSU the patient referrals are dependent on the surgical practitioners affiliated thereto. Surgical practitioners have no contractual obligation or economic incentive to refer patients to the hospital. Should surgical practitioners discontinue referring patients or performing operations at DMSU, the business, financial condition and results of operations of the Company could be adversely affected.

(v) Shortage of Physicians and Nurses

As DMSU expands its operations, it may encounter difficulty in securing the necessary professional medical and support staff to support its expanding operations. There is currently a shortage of certain medical specialty physicians and nurses in Canada and this may affect DMSU's ability to hire physicians and nurses in adequate numbers to support its growth plans, which may adversely affect the business, financial condition and results of operations of the Company.

(vi) Confidentiality of Personal and Health Information

The Company and its subsidiary employees have access, in the course of their duties, to personal information on clients of the Company and specifically their medical histories. There can be no assurance that the Group's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future clients. If a client's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines or penalties.

(vii) Information Technology Systems

The Company's business depends, in part, on the continued and uninterrupted performance of its information technology systems. Sustained system failures or interruptions could disrupt the Group's ability to operate effectively, which in turn could adversely affect the business, results of operations and financial condition.

The Company's computer systems may be vulnerable to damage from a variety of sources, including physical or electronic break-ins, computer viruses and similar disruptive problems. Despite precautions taken, unanticipated problems affecting the information technology systems could cause interruptions for which the Company's insurance policies may not provide adequate compensation.

(viii) Key Personnel

The Company believes that its future success will depend significantly upon its ability to attract, motivate and retain highly skilled executive management. In addition, the success of each business unit depends on employing or contracting, as the case may be, qualified healthcare professionals. Currently, there is a shortage of such qualified personnel in Canada. The loss of healthcare professionals or the inability to recruit these individuals in markets that the Company operates in and could adversely affect the Company's ability to operate its business efficiently and profitably.

(ix) Litigation and Insurance

In recent years, liability insurance coverage has become considerably more expensive and the availability of coverage has been reduced in certain cases. There is no assurance that the existing coverage will continue to be sufficient or that, in the future, policies will be available at adequate levels of insurance or at acceptable costs. The Company maintains professional malpractice liability insurance, directors' and officers' and general liability insurance in amounts it believes are sufficient to cover potential claims arising out of its operations. Some claims, however, could exceed the scope of its coverage or the coverage of particular claims could be denied.

Due to the nature of the services provided by the Company, general liability and error and omissions claims may be asserted against Work Able and Direct Health with respect to disability management services and malpractice claims against Active Health and DMSU with respect to healthcare services. Although the Company carries insurance in amounts that management believes to be standard in Canada for the operation of healthcare facilities, there can be no assurance that the Company will have obtained coverage of sufficient scope to satisfy any particular liability claim. The Company believes that it will be able to obtain adequate insurance coverage in the future at acceptable costs, but there can be no assurance that it will be able to do so or that it will not incur significant liabilities in excess of policy limits. Any such claims that exceed the scope of coverage or applicable policy limits, or an inability to obtain adequate coverage, could have a material adverse effect on the Company's business, financial condition and results of operations.

(x) Uncertainty of Liquidity and Capital Requirements

The future capital requirements of the Company will depend on many factors, including the number and size of acquisitions consummated, rate of growth of its client base, the costs of expanding into new markets, the growth of the market for healthcare services and the costs of administering the Group. In order to meet such capital requirements, the Company may consider additional public or private financing (including the incurrence of debt and the issuance of additional common shares) to fund all or a part of a particular venture, which could entail dilution of current investors' interest in the Company. There can be no assurance that additional funding will be available or, if available, that it will be available on acceptable terms. If adequate funds are not available, the Company may have to reduce substantially or otherwise eliminate certain expenditures. There can be no assurance that the Company will be able to raise additional capital if its capital resources are depleted or exhausted. Further, due to regulatory impediments and lack of investor appetite, the ability of the Company to issue additional common shares or other securities exchangeable for or convertible into common shares to finance acquisitions may be restricted.

(xi) Internal Control over Financial Reporting and Disclosure Controls and Procedures

The Company may face risks if there are deficiencies in its internal control over financial reporting and disclosure controls and procedures. The Board of Directors of the Company, in coordination with its audit committee, is responsible for assessing the progress and sufficiency of internal controls over financial reporting and disclosure controls and procedures and will make adjustments as necessary. However, these initiatives may not be effective at remedying any deficiencies in internal control over financial reporting and disclosure controls and procedures. Any deficiencies, if uncorrected, could result in the Company's financial statements being inaccurate and in future adjustments or restatements of its financial statements, which could adversely affect the price of the common shares and its business, financial condition and the results of operations.

(xii) Unpredictability and Volatility of Share Price

Market prices for securities of healthcare services companies may be volatile. Factors such as announcements of new contracts, innovations, new commercial and medical products, patents, the development of proprietary rights by the Company or others, regulatory actions, publications, quarterly financial results of the Group or of competitors of the Company, public concerns over health, future sales of securities by the Company or by current shareholders and other factors could have a significant effect on the market price and volatility of the common shares of the Company.

The securities markets have experienced significant price and volume fluctuations from time to time in recent years that often have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the Company's shares.

(xiii) Capital Investment

The timing and amount of capital expenditures by the Company will be dependent upon the Company's ability to utilize credit facilities, cash generated from operations, working capital requirements and sell additional common shares in order to accommodate these items. There can be no assurance that sufficient capital will be available on acceptable terms to the Company for necessary or desirable capital expenditures or that the amount required will be the same as currently estimated. Lack of these funds could limit the future growth of the Company and its subsidiaries and their respective cash flow.

(xiv) Tax Related Risks

The income of the Company and its subsidiaries must be computed and will be taxed in accordance with Canadian tax laws, all of which may be changed in a manner that could adversely affect the amount of earnings after tax and ultimately the value at which the Company's common shares trade.

Holding company and subsidiary company structures generally involve a significant amount of intercompany transactions, which serve to reduce earnings in one company and increase earnings in another and therefore income tax payable can increase and decrease. There can be no assurance that taxation authorities will not seek to challenge the amount and nature of these transactions. If such a challenge were to succeed against any of the group companies, it could materially adversely affect the value at which the Company's common shares trade.

Management of the Company believes that these transactions are supportable and reasonable in light of the commercial relationships between the group companies.

Although the Company is of the view that all expenses to be claimed by the Company and its subsidiaries will be reasonable and deductible and that the cost amount and capital cost allowance claims of such entities' depreciable assets will have been correctly determined, there can be no assurance that the Canada Revenue Agency ("CRA") will agree. If CRA successfully challenges the deductibility of such expenses or the correctness of such cost amounts or capital cost allowance claims, the return to shareholders may be adversely affected.

(xv) Dilution

The By Laws authorize the Company, in certain circumstances, to issue an unlimited number of common shares for the consideration and on those terms and conditions as are established by the directors without the approval of any shareholders. Any further issuance of common shares may dilute the interests of existing shareholders.

(xvi) Significant Shareholders

There are significant shareholders of the Company that may be long-term holders of the common shares in the Company. As such, the trading volumes in the common shares of the Company and liquidity may be low. In addition, relatively low liquidity may adversely affect the price at which the common shares of the Company trade on the listed market.

Subsequent Event

On October 8, 2009, the Company signed a letter of intent to form a strategic alliance with PrevCan Inc. ("INTERxVENT Canada"). The transaction represents Centric Health's Strategic Investment in Wellness and Preventative Healthcare. Centric Health, through Alegro Health Partners, will make a mandatorily convertible loan of $2 million to INTERxVENT Canada during 2010 and 2011 subject to certain terms and milestones. Absent an event of default, conversion will result in Centric Health owning between a minimum of 20% and a maximum of 32% of the fully diluted shares of INTERxVENT Canada linked to it achieving an EBITDA of $2 million for the financial year ending December 31, 2011. As a condition of this alliance, key INTERxVENT Canada management and existing shareholders will invest a further $500,000 on the same terms and conditions. In addition, current INTERxVENT Canada shareholders will be granted a total of one million Centric Health warrants exercisable over a five year period subject to certain performance criteria. The effective date of the transaction will be January 4, 2010, subject to certain conditions precedent and milestones being achieved.