ENTERPRISE GROUP, INC.

Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2013 and 2012

National Instrument 51-102
Continuous Disclosure Obligations
Notice

Pursuant to Part 4.3 (3) of National Instrument 51-102, these unaudited condensed interim consolidated financial statements of Enterprise Group, Inc. for the three month period ended March 31, 2013 have not been reviewed by the Company's external auditors.

Condensed Consolidated Interim Statements of Financial Position

	March 31, 2013 (Unaudited)	December 31, 2012 (Audited)
Assets		
Cash and cash equivalents	**$ 1,178,991**	$ 1,151,616
Trade and other receivables	**6,365,564**	6,076,583
Unbilled revenue	**1,928,228**	414,498
Inventories	**520,649**	591,206
Deposits and prepaid expenses	**627,227**	659,417
	10,620,659	8,893,320
Property, plant and equipment (note 4)	**16,968,796**	15,899,329
Goodwill	**1,558,530**	1,558,530
Intangible assets	**1,152,294**	1,213,785
Marketable securities	**16,000**	16,000
Deferred tax assets	**869,468**	869,468
	20,565,088	19,557,112
Total assets	**$ 31,185,747**	$ 28,450,432
Liabilities		
Trade and other payables	**$ 2,569,465**	$ 1,528,819
Current portion of loans and borrowings (note 6)	**922,670**	924,801
	3,492,135	2,453,620
Long-term portion of loans and borrowings (note 6)	**9,727,071**	12,371,887
Deferred tax liabilities	**1,599,212**	1,599,212
Total liabilities	**14,818,418**	16,424,719
Equity		
Share capital	**26,658,236**	25,921,249
Warrants (note 7)	**759,044**	310,797
Contributed surplus	**2,096,422**	2,106,922
Deficit	**(13,130,373)**	(16,297,255)
Accumulated other comprehensive loss	**(16,000)**	(16,000)
Total equity	**16,367,329**	12,025,713
Total equity and liabilities	**$ 31,185,747**	$ 28,450,432

Approved on behalf of the Board:

(Signed) "Leonard D. Jaroszuk" Director

(Signed) "John Pinsent, FCA, ICD.D." Director

ENTERPRISE GROUP, INC.

Condensed Consolidated Interim Statements of Income and Comprehensive Income

(Unaudited)

Three months ended March 31		2013		2012
Revenue	$	**8,904,381**	$	3,631,355
Direct expenses		**(3,702,411)**		(2,405,223)
General and administrative expenses		**(1,303,760)**		(697,771)
Depreciation of property, plant and equipment		**(476,262)**		(267,884)
Amortization of intangible assets		**(61,490)**		(36,375)
(Loss) gain on sale of property, plant and equipment		**(12,287)**		5,000
Other income		**2,279**		210
Income from operations		**3,350,450**		229,312
Finance expense		**(183,568)**		(60,605)
Income before income tax		**3,166,882**		168,707
Income tax				
Income tax (note 5)		**-**		-
Net income	$	**3,166,882**	$	168,707
Other comprehensive income				
Unrealized gain on marketable securities	$	**-**	$	36,000
Other comprehensive income		**-**		36,000
Net income and comprehensive income	$	**3,166,882**	$	204,707
Earnings per share (note 8)				
Basic earnings per share	$	**0.05**	$	-
Diluted earnings per share	$	**0.05**	$	-

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

ENTERPRISE GROUP, INC.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited)

Three months ended March 31	2013	2012
Cash flows from operating activities:		
Income before income tax	**$ 3,166,882**	$ 168,707
Adjustments for:		
Depreciation of property, plant and equipment	**476,262**	267,884
Amortization of intangible assets	**61,490**	36,375
Gain (loss) on sale of property, plant and equipment	**12,287**	(5,000)
Share-based payments	**17,400**	52,651
Finance expense	**183,568**	60,605
Change in non-cash working capital (note 10)	**(659,318)**	340,590
Net cash provided by operating activities	**3,258,571**	921,812
Cash flows from financing activities:		
Decrease in bank indebtedness	**-**	(67,317)
Interest and borrowing costs paid on loans and borrowings	**(181,257)**	(65,406)
Repayment of term loan facility	**(59,529)**	(75,657)
Repayment of other loans payable	**-**	(23,320)
Repayment of bank loan facility	**(2,558,876)**	(90,000)
Repayment of finance lease liabilities	**(23,798)**	(67,052)
Repayment of mortgage facility	**(7,054)**	-
Private placement of issuance of common shares	**1,050,000**	-
Stock options exercised	**54,000**	-
Warrants exercised	**53,334**	-
Net cash used in financing activities	**(1,673,180)**	(388,752)
Cash flows from investing activities:		
Purchase of property, plant and equipment	**(1,558,016)**	(139,441)
Proceeds on sale of property, plant and equipment	**-**	5,000
Net cash used in investing activities	**(1,558,016)**	(134,441)
Change in cash and cash equivalents	**27,375**	398,619
Cash and cash equivalents, beginning of period	**1,151,616**	357,203
Cash and cash equivalents, end of period	**$1,178,991**	$755,822

Cash and cash equivalent consists of:		
Cash	**$1,133,991**	$755,822
Cash equivalents	**$ 45,000**	$ -

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

ENTERPRISE GROUP, INC.

Consolidated Statements of Changes in Equity

(Unaudited)

For the three months ended March 31, 2013 and 2012

	Number of Common shares	Share capital	Warrants	Contributed surplus	Accumulated other comprehensive income (loss)	Deficit	Total
Balance at December 31, 2011	54,766,697	$25,577,893	$313,710	$1,803,096	$ (4,000)	$(18,785,843)	$8,904,856
Unrealized gain on marketable securities	-	-	-	-	36,000	-	36,000
Share-based payments	-	-	-	52,651	-	-	52,651
Net income	-	-	-	-	-	168,707	168,707
Balance as at March 31, 2012	54,766,697	$25,577,893	$313,710	$1,855,747	$32,000	$(18,617,136)	$9,162,214
Balance as at December 31, 2012	56,833,363	$25,899,539	$310,797	$2,113,632	$(16,000)	$(16,297,255)	$12,010,713
Private placement (note 7 (b))	4,200,000	590,100	459,900	-	-	-	1,050,000
Stock options exercised	300,000	81,900	-	(27,900)	-	-	54,000
Warrants exercised	266,667	64,987	(11,653)	-	-	-	53,334
Share-based payments	-	-	-	17,400	-	-	17,400
Net income	-	-	-	-	-	3,166,882	3,166,882
Balance as at March 31, 2013	61,600,030	$26,636,526	$ 759,044	$ 2,103,132	$(16,000)	$(13,130,373)	$16,352,329

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

1. Reporting entity

Enterprise Group, Inc. (“Enterprise” or the “Company”) is a public company incorporated under the Alberta Business Corporations Act and its shares are listed on the Toronto Stock Exchange under the symbol “E”. Enterprise is a consolidator of businesses providing services to the utility, energy and construction industries. The Company has a fleet of trucks and heavy equipment to install underground utilities and pipelines. Additionally, the Company rents heavy equipment and flameless heating units throughout Western Canada. On July 24, 2012, the Company changed its name to Enterprise Group, Inc. from Enterprise Oilfield Group, Inc. Enterprise’s head office is located at #2, 64 Riel Drive, St. Albert, Alberta, T8N 4A4.

The financial statements of the Company as at March 31, 2013, and December 31, 2012, are comprised of the Company and its wholly owned subsidiaries. The unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on May 7, 2013.

2. Significant accounting policies

The unaudited condensed interim consolidated financial statements are prepared by management and reported in Canadian dollars, in accordance with *International Accounting Standard "IAS" 34, "Interim Financial Reporting*" as issued by the *International Accounting Standards Board (“IASB”)*. These unaudited condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's 2012 Consolidated Financial Statements and the notes thereto.

The unaudited condensed interim consolidated financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in the Company's Consolidated Financial Statements for the fiscal year ended December 31, 2012.

3. Financial instruments and risk management

(a) Fair value of financial instruments

The estimated fair value of the Company’s financial instruments approximates the amount for which the financial instrument could currently be exchanged in an arm’s length transaction between willing parties who are under no compulsion to act. The carrying value of trade and other receivables, trade and other payables, and loans and borrowings approximate fair value because of the near term to maturity of these instruments. The carrying value of the new bank facility approximates their fair value because the near term maturity of the instrument.

The carrying amounts presented in the balance sheet relate to the following categories of assets and liabilities.

		March 31, 2013		December 31, 2012
Financial assets				
Loans and receivables				
Cash and cash equivalents	**$**	**1,178,991**	$	1,151,616
Trade and other receivables		**6,365,564**		6,076,583
Available for sale				
Marketable securities		**16,000**		16,000
Financial liabilities				
Trade and other payables	**$**	**2,569,465**	$	1,528,819
Loans and borrowings		**10,649,741**		13,296,688

Financial risk management

The Company’s activities expose it to a variety of financial risks such as credit risk, liquidity risk and market risk. The Board of Directors oversees management’s establishment and execution of the Company’s risk management framework.

3. Financial instruments and risk management continued:

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk through cash and cash equivalents and trade and other receivables. The Company manages the credit risk associated with its cash and cash equivalents by holding its funds in financial institutions with high credit ratings. Credit risk for trade and other receivables are managed through established credit monitoring activities.

The Company has trade receivables from customers in the utilities/infrastructure construction industry, as well as customers in the oil and gas industry. Credit risk is mitigated due to significant customers being large industry leaders, following a program of credit evaluation and limiting the amount of customer credit where deemed necessary. The Company monitors trade receivables monthly to identify any amounts which are past due and considers if they are impaired. This assessment is done on an invoice by invoice basis.

At March 31, 2013, $1,308,503 or 21% of trade receivables were from two customers compared to as at December 31, 2012, $982,746 or 16% of trade receivables from one customer. The Company's maximum exposure to credit risk from trade and other receivables at March 31, 2013, and December 31, 2012, is as follows:

	March 31, 2013	December 31, 2012
Current (less than 90 days)	**$ 5,673,530**	$ 5,395,626
Past due (more than 90 days)	**692,034**	680,957
Total	**$ 6,365,564**	$ 6,076,583

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations. On an ongoing basis the Company manages liquidity risk by maintaining adequate cash and cash equivalents balances and appropriately utilizing available lines of credit. Management believes that forecasted cash flows from operating activities, along with available lines of credit, will provide sufficient cash requirements to cover the Company's forecasted normal operating activities, commitments and capital expenditures.

The following are undiscounted contractual maturities of financial liabilities, including estimated interest and excluding the impact of netting agreements at March 31, 2013, and December 31, 2012:

March 31, 2013	**Carrying amount**	**Contractual cash flows**	**Due within one year**	**Two-five years**	**More than five years**
Trade and other payables	$ 2,569,465	$ 2,569,465	$ 2,569,465	$ -	$ -
Long term loans and borrowings including current portion	10,649,741	12,234,924	1,561,922	10,673,002	-
Operating lease commitments	-	958,449	325,363	633,086	-
	$ 13,219,206	$ 15,762,838	$ 4,456,750	$ 11,306,088	$ -

December 31, 2012	**Carrying amount**	**Contractual cash flows**	**Due within one year**	**Two-five years**	**More than five years**
Trade and other payables	$ 1,528,819	$ 1,528,819	$ 1,528,819	$ -	$ -
Long term loans and borrowings including current portion	13,296,688	15,111,567	1,066,505	14,045,062	-
Operating lease commitments	-	671,952	386,322	285,630	-
	$ 14,825,507	$ 17,312,338	$ 2,981,646	$ 14,330,692	$ -

3. Financial instruments and risk management continued:

(d) Market risk

Market risk is the risk of changes in market prices, such as interest rates, will affect the Company's income or the value of the financial instruments. Management has assessed the effect of a 1% interest rate increase or decrease in the prime lending rate at March 31, 2013, to impact the Company's annual interest expense by approximately $80,000. The Company has not entered into any derivative agreements to mitigate this risk.

Capital management

The primary objective of capital management is to ensure the Company has sufficient capital to support its business and maximize shareholder value. The Company manages its capital in proportion to risk of the underlying assets and makes adjustments in light of changes in economic conditions and risks. The Company's strategy remains unchanged from prior periods. Management considers its capital structure to include net debt and adjusted capital of the Company. Adjusted capital comprises all components of equity (share capital, contributed surplus, warrants and deficit), other than amounts in accumulated other comprehensive income relating to the marketable securities. The Company's objectives when managing capital are to finance its operations and growth strategies and to provide an adequate return to shareholders. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to reduce debt.

The new bank loan facility is subject to the following three financial covenants which are tested quarterly beginning in the fourth quarter of 2012:

"Unfinanced Capital Expenditures"- 20% of capital expenditures that increase equipment pledged under the new bank loan, and 100% of capital expenditures that increase equipment not pledged under the new bank loan less debt incurred on the equipment.

"Fixed Charges"- the total of all cash used to make interest payments and charges under the new bank loan, capital lease payments and any other debt payments incurred by the Company.

"Senior Funded Debt"- the total of outstanding debt under the new bank loan, including capital leases and all other senior debt incurred by the Company.

There has been no change in the covenants since December 31, 2012. The Company is in compliance with the required covenants at March 31, 2013 and expects to be in compliance with the required covenants at a minimum for the next twelve months.

Fair value determination

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

4. Property, plant and equipment

Cost or deemed cost	Balance at December 31, 2012	Additions	Disposals	Balance at March 31, 2013
Land	$ 375,000	$ -	$ -	$ 375,000
Buildings	472,524	-	-	472,524
Leasehold improvements	126,930	11,103	-	138,033
Computers and communication equipment	147,174	17,138	-	164,312
Small equipment	1,991,104	41,202	-	2,032,306
Light automotive equipment	1,449,187	24,310	(2,565)	1,470,932
Heavy automotive, construction and portable rental equipment	18,135,248	1,464,263	(9,792)	19,589,719
	$ 22,697,167	**$ 1,558,016**	**$ (12,357)**	**$ 24,242,826**

	Accumulated depreciation				Carrying amounts	
	Balance at December 31, 2012	Depreciation for the period	Disposals	Balance at March 31, 2013	Balance at December 31, 2012	Balance at March 31, 2013
Land	$ -	$ -	$ -	$ -	$ 375,000	$ 375,000
Buildings	14,975	1,315	-	16,290	457,549	456,234
Leasehold improvements	124,055	1,201	-	125,256	2,875	12,777
Computers and communication equipment	96,290	4,709	-	100,999	50,884	63,313
Small equipment	834,652	47,377	-	882,029	1,156,452	1,150,277
Light automotive equipment	724,557	38,987	-	763,544	724,630	707,388
Heavy automotive, construction and portable rental equipment	5,003,309	382,673	(70)	5,385,912	13,131,939	14,203,807
	$ 6,797,838	**$ 476,262**	**$ (70)**	**$ 7,274,030**	**$ 15,899,329**	**$ 16,968,796**

5. Income tax expense

As at March 31, 2013, the Company has non-capital losses carried forward of $4,846,978 (December 31, 2012 - $8,013,860) available to reduce future taxable income which expire between 2028 and 2033.

6. Loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortized cost.

	March 31, 2013	December 31, 2012
Current loans and borrowings		
Current portion of vendor take-back loans	**$ 509,231**	$ 502,918
Term loan facilities	**218,470**	297,241
Current portion of finance lease liabilities	**173,503**	97,177
Current portion of mortgage facilities	**21,466**	27,465
Total current loans and borrowings	**922,670**	924,801
Non-current portion of loans and borrowings		
New bank loan facility	**7,850,169**	10,383,452
Vendor take-back loans	**503,078**	496,842
Term loan facilities	**945,424**	944,393
Finance lease liabilities	**139,022**	239,146
Mortgage facilities	**289,378**	308,054
Total non-current portion loans and borrowings	**9,727,071**	12,371,887
Total loans and borrowings	**$ 10,649,741**	$ 13,296,688

7. Share-based payments

(a) Stock option program

The Company has a stock option plan to purchase common shares over a period ranging from two to five years from the date the option is granted at prices approximating market prices on the day prior to the date of grant. The Company recorded share-based compensation expense of $17,400 for the three months ended March 31, 2013, stock options issued and vested immediately during the period. The weighted average fair value of options granted during the three months ended March 31, 2013, was $0.12 estimated using the Black-Scholes Option Pricing Model, under the following assumptions:

	2013
Expected term	**2 years**
Risk-free interest	**1.2%**
Expected dividends	**nil**
Expected volatility	**93%**

(b) Share purchase warrants

On February 12, 2013, the Company closed a non-brokered private placement of 4,200,000 units of the Company at a price of $0.25 per unit for aggregate gross proceeds of $1,050,000. Each unit is comprised of one common share in the capital of the Company and one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at an exercise price of $0.35 per warrant. The common share purchase warrants expire on August 12, 2013, subject to accelerated expiry in certain circumstances. The private placement includes 310,000 units issued to related parties of the Company. The warrants were valued at $459,900 using the Black-Scholes Option Pricing Model.

The fair value of the warrants was estimated using Black-Scholes Option Pricing Model with the following weighted average inputs. No warrants were issued for the three months ended March 31, 2013.

	2013
Share price	$0.43
Exercise price	0.35
Expected term	6 months
Risk-free interest	1.13%
Expected dividends	nil
Volatility	55%

8. Earnings per share

The income available to common shareholders and weighted average number of common shares outstanding for comparative basic and diluted earnings per share at March 31 are:

	2013	2012
Weighted average common shares outstanding – basic	**59,538,178**	54,766,697
Effect of stock options and warrants	**2,336,438**	731,865
Weighted average common shares – diluted	**61,874,616**	55,498,562
Net income	**$ 3,166,882**	$ 168,707

In calculating diluted earnings per common share for the three months ended March 31, 2013, the Company did not exclude any stock options or warrants (three months ended March 31, 2012 – 3,395,000 stock options and 7,284,997 respectively, as their impact was anti-dilutive).

9. Related party transactions

The Company has entered into various transactions in the normal course of business with corporations controlled by officers and directors of the Company and corporations that have common ownership. These transactions were recorded at the exchange amount established and agreed to by the parties.

Three months ended March 31		2013		2012
Rental of premises	$	-	$	21,000
Rental/ purchase of equipment		114,500		75,750
Management and consulting fees		180,500		105,000
	$	295,000	$	201,750

During the quarter the Company advanced $100,000 to a corporation controlled by two officers and three directors of the Company in which the Company owns 400,000 shares. The secured note bears interest at 12% per annum and is due in the current year. The balance outstanding at March 31, 2013, is $100,000 and the Company accrued $1,797 of interest income in the quarter. The Company expects this loan to be repaid in the second quarter of 2013.

10. Supplemental cash flow information

Three months ended March 31		2013		2012
a) Changes in non-cash working capital:				
Trade and other receivables	$	(288,981)	$	1,016,924
Unbilled revenue		(1,513,730)		490,084
Inventories		70,557		(33,532)
Deposits and prepaid expenses		32,190		67,396
Trade and other payables		1,040,646		(1,200,282)
	$	(659,318)	$	340,590
b) Other non-cash transactions:				
Inventories reclassified to property, plant and equipment	$	-	$	433,941
Equipment purchased under finance leases		-		62,321
	$	-	$	496,262

11. Segmented information

The Company operates in two main business segments in Western Canada, utilities/infrastructure construction and equipment rental. The business segments presented reflect the management structure of the Company and the way the Company's management reviews business performance.

The accounting policies and practices of the reportable segments are the same as those described in the Company's Consolidated Financial Statements for the fiscal year ended December 31, 2012.

Three months ended March 31, 2013		Utilities/ infrastructure construction	Equipment rental	Corporate	March 31, 2013
Revenues	$	3,849,209 $	5,055,172 $	- $	8,904,381
EBITDAS (i)		1,091,287	3,524,497	(714,484)	3,901,300
Depreciation and amortization		159,656	364,959	13,137	537,752
Interest and bank charges		51,837	109,448	5,694	166,979
Loss on sale of property, plant and equipment		10,838	1,449	-	12,287
Share-based payments		-	-	17,400	17,400
Income (loss) before taxes	$	868,956 $	3,048,641 $	(750,715)$	3,166,882
Total identifiable assets	$	9,663,558 $	18,305,450 $	3,216,739 $	31,185,747

For the three months ended March 31, 2013, the Company generated 47% of revenue from three customers (23% from one customer in the utilities/infrastructure construction and 24% from two customers in the equipment rental division). No other customers comprise more than 10% of revenues.

Three months ended March 31, 2012		Utilities/ infrastructure construction	Equipment rental	Corporate	March 31, 2012
Revenues	$	2,987,727 $	643,628 $	- $	3,631,355
EBITDAS (i)		893,089	80,813	(378,961)	594,941
Depreciation and amortization		137,984	157,771	8,504	304,259
Fair market value adjustment		-	-	(7,128)	(7,128)
Interest and bank charges		37,252	27,646	16,554	81,452
Gain on sale of property, plant and equipment		-	-	(5,000)	(5,000)
Share-based payments		-	-	52,651	52,651
Income (loss) before taxes	$	717,853 $	(104,604)$	(444,542)$	168,707
Total identifiable assets	$	8,349,026 $	6,109,514 $	1,006,726 $	15,465,266

For the three months ended March 31, 2012, the Company generated 41% of revenue from two customers in the utilities/infrastructure construction division. No other customers comprise more than 10% of revenues.

(i) EBITDAS represents earnings or loss before interest, income taxes, depreciation and amortization, and share-based payments. EBITDAS is not a standard measure that has any standardized meaning prescribed by *IFRS* and is considered to be a non-IFRS measure. Therefore, this measure may not be comparable to similar measures presented by other companies. This measure has been described and presented in the same manner in which the chief operating decision-maker makes operating decisions and assesses performance.

12. Post-reporting date events

On May 2, 2013, the Company accepted a term sheet presented by PNC Bank Canada Branch (PNC) to increase its current senior secured finance facility from $12.5 million to a maximum of $20 million, subject to certain borrowing base restrictions, at the existing interest rate of prime plus 2%. The term sheet, which is an expansion of the Company's existing loan with PNC, also allows for the Company's 2013 capital expenditure program to grow from $3.0 million to $11.0 million. The Company also incurs a fee of 0.375% per annum on any unused portion of the facility. The facility is due on September 11, 2015. There are no principal payments required until the due date. The facility is secured by a general security agreement with a first charge on all the Company’s assets. The facility is subject to certain financial covenants which will be tested quarterly on a quarterly basis. The Company expects to be in compliance with the required covenants at a minimum for the next twelve months. Proceeds will be used to assist in facilitating the close of the acquisition of the specialized underground infrastructure company announced on February 28, 2013.