LIQUOR STORES N.A. LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three and six months ended June 30, 2016 and 2015

(Unaudited, expressed in thousands of Canadian dollars)

Liquor Stores N.A. Ltd.

Condensed Interim Consolidated Statements of Financial Position

(in thousands of Canadian dollars)

	Note	June 30, 2016 $	December 31, 2015 $
Assets			
Current assets:			
Cash		6,206	3,790
Accounts receivable		4,299	6,020
Inventory		171,049	157,102
Prepaid expenses and deposits		10,871	11,088
		192,425	178,000
Deferred tax assets		9,555	10,474
Purchase option	3	2,104	-
Property and equipment		63,718	64,781
Intangible assets		49,463	43,312
Goodwill		170,218	158,987
		487,483	455,554
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities		55,253	61,628
Income taxes payable		1,495	-
Dividends payable	7	1,002	2,470
Derivative instrument		795	583
Current portion of long-term debt		221	114
		58,766	64,795
Long-term debt		179,207	129,566
Deferred tax liabilities		1,920	5,457
Non-controlling interest put option	3	13,590	-
		253,483	199,818
Shareholders' Equity			
Equity attributable to shareholders		229,732	255,659
Equity attributable to non-controlling interest		4,268	77
		234,000	255,736
		487,483	455,554

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

Liquor Stores N.A. Ltd.

Condensed Interim Consolidated Statements of Changes in Equity

(in thousands of Canadian dollars)

	Attributable to Shareholders of the Company							
	Share capital $	Equity component of convertible debentures $	Contributed surplus $	Accumulated other comprehensive income $	Deficit $	Total $	Non-controlling interest $	Total equity $
Opening balance – January 1, 2015	246,826	3,328	174,927	7,653	(68,082)	364,652	106	364,758
Net earnings for the period	-	-	-	-	2,168	2,168	79	2,247
Foreign currency translation adjustment	-	-	-	6,628	-	6,628	-	6,628
Comprehensive income for the period	-	-	-	6,628	2,168	8,796	79	8,875
Share-based payments	-	-	252	-	-	252	-	252
Adjustment to net proceeds on share issuance	(34)	-	-	-	-	(34)	-	(34)
Dividends declared (note 7)	-	-	-	-	(14,735)	(14,735)	-	(14,735)
Dividend reinvestment plan issuance (note 7)	1,136	-	-	-	-	1,136	-	1,136
Dividends declared by subsidiaries	-	-	-	-	-	-	(125)	(125)
Transactions with owners	1,102	-	252	-	(14,735)	(13,381)	(125)	(13,506)
Balance – June 30, 2015	247,928	3,328	175,179	14,281	(80,649)	360,067	60	360,127
Opening balance – January 1, 2016	249,303	3,328	175,761	24,460	(197,193)	255,659	77	255,736
Net earnings for the period	-	-	-	-	2,378	2,378	816	3,194
Foreign currency translation adjustment	-	-	-	(7,176)	-	(7,176)	(360)	(7,536)
Comprehensive income for the period	-	-	-	(7,176)	2,378	(4,798)	456	(4,342)
Share-based payments	-	-	542	-	-	542	-	542
Reclass to share capital on settlement of equity-based payments	279	-	(279)	-	-	-	-	-
Dividends declared (note 7)	-	-	-	-	(8,262)	(8,262)	-	(8,262)
Dividend reinvestment plan issuance (note 7)	1,065	-	-	-	-	1,065	-	1,065
Initial recognition of non-controlling interest put liability (note 3)	-	-	-	-	(14,474)	(14,474)	-	(14,474)
Acquisition of Birchfield Ventures LLC (note 3)	-	-	-	-	-	-	4,854	4,854
Dividends declared by subsidiaries	-	-	-	-	-	-	(1,119)	(1,119)
Transactions with owners	1,344	-	263	-	(22,736)	(21,129)	3,735	(17,394)
Balance – June 30 , 2016	250,647	3,328	176,024	17,284	(217,551)	229,732	4,268	234,000

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

Liquor Stores N.A. Ltd.
Condensed Interim Consolidated Statements of Earnings and Comprehensive Income
Three and Six Months Ended June 30, 2016 and 2015
(in thousands of Canadian dollars)

		Three months ended		**Six months ended**	
	Note	**June 30, 2016 $**	**June 30, 2015 $**	**June 30, 2016 $**	**June 30, 2015 $**
Sales		209,273	190,606	381,307	338,032
Cost of sales		156,783	141,715	285,203	251,118
Gross margin		52,490	48,891	96,104	86,914
Operating and administrative expenses	11	40,086	36,277	81,614	72,819
		12,404	12,614	14,490	14,095
Amortization					
Property and equipment		3,082	2,866	6,163	5,115
Intangible assets		110	55	240	133
		9,212	9,693	8,087	8,847
Finance costs	4	2,631	1,897	5,152	3,819
Net loss (gain) on foreign exchange from financing activities		(84)	82	(2,047)	231
Fair value adjustments	5	515	(85)	870	104
Earnings before income taxes		6,150	7,799	4,112	4,693
Income tax expense	8	1,484	3,239	918	2,446
Net earnings		4,666	4,560	3,194	2,247
Other comprehensive income (loss)					
Items that may be reclassified subsequently to net earnings:					
Currency translation difference on foreign subsidiaries		(75)	(1,269)	(9,072)	6,628
Net investment hedge	6	105	-	1,536	-
Comprehensive income (loss)		**4,696**	**3,291**	**(4,342)**	**8,875**
Net earnings attributable to					
Owners of the parent		4,121	4,490	2,378	2,168
Non-controlling interest		545	70	816	79
		4,666	4,560	3,194	2,247
Comprehensive income attributable to					
Owners of the parent		3,872	3,221	(4,798)	8,796
Non-controlling interest		824	70	456	79
		4,696	3,291	(4,342)	8,875
Earnings per share					
Basic	10	0.15	0.16	0.09	0.08
Diluted	10	0.15	0.16	0.09	0.08

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

Liquor Stores N.A. Ltd.
Condensed Interim Consolidated Statements of Cash Flow
Three and Six Months Ended June 30, 2016 and 2015
(in thousands of Canadian dollars)

		Three months ended		Six months ended	
	Note	**June 30, 2016 $**	**June 30, 2015 $**	**June 30, 2016 $**	**June 30, 2015 $**
Cash provided by (used in)					
Operating activities:					
Net earnings for the period		4,666	4,560	3,194	2,247
Adjustments to reconcile net income to net cash flows from operating activities:					
Amortization of property and equipment		3,082	2,866	6,163	5,115
Amortization of intangible assets		110	55	240	133
Amortization of financing charges	4	104	-	208	109
Non-cash interest on convertible debentures	4	347	318	674	613
Unrealized foreign exchange gain		(71)	-	(2,279)	-
Fair value adjustments	5	515	(85)	870	104
Deferred income tax		1,452	2,771	(3,298)	(1,629)
Equity-settled share-based payments		320	254	542	252
Cash provided by operating activities before changes in non-cash working capital		10,525	10,739	6,314	6,944
Net change in non-cash working capital items	12	45	(5,074)	(13,552)	(13,348)
		10,570	5,665	(7,238)	(6,404)
Investing activities:					
Purchase of property and equipment		(2,886)	(7,457)	(7,099)	(14,330)
Purchase of intangible assets		(167)	(593)	(668)	(2,057)
Acquisition, net of cash acquired	3	-	-	(20,912)	-
		(3,053)	(8,050)	(28,679)	(16,387)
Financing activities:					
Proceeds (repayment) of long-term debt		(3,016)	2,538	48,374	32,341
Proceeds from sale and leaseback of assets		-	-	-	5,664
Deferred financing fees paid on loans and borrowings		-	(429)	-	(429)
Dividends paid	7	(2,222)	(6,798)	(8,839)	(13,592)
Dividends paid to non-controlling interest by subsidiaries		(391)	(8)	(730)	(125)
		(5,629)	(4,697)	38,805	23,859
Foreign exchange gain (loss) on cash held in foreign currency		42	(221)	(472)	(14)
Increase (decrease) in cash		1,930	(7,303)	2,416	1,054
Cash – Beginning of period		4,276	11,360	3,790	3,003
Cash - End of period		6,206	4,057	6,206	4,057

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

1 Nature of the business

Liquor Stores N.A. Ltd. (the "Company") was incorporated under the Canada Business Corporations Act. The address of the Company's registered office is 300, 10508 – 82 Avenue, Edmonton, Alberta. The Company's common shares and convertible unsecured subordinated debentures trade on the Toronto Stock Exchange (the "TSX") under the symbols "LIQ" and "LIQ.DB.A".

The Company's principal activity is the retailing of wines, beers and spirits. As at June 30, 2016, the Company operated 253 (2015 - 247) retail liquor stores, of which 179 (2015 - 176) were in Alberta, 35 (2015 - 35) were in British Columbia, 22 (2015 - 23) were in Alaska, 15 (2015 - 13) were in Kentucky and two (2015 - none) were in New Jersey. Of the stores operated, 197 (2015 - 199) were acquired and 56 (2015 - 48) were developed by the Company.

These condensed interim consolidated financial statements (the "financial statements") were approved and authorized for issuance by the Board of Directors on August 4, 2016.

2 Basis of preparation and significant accounting policies

These financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, and do not include all of the information required for full annual financial statements. Accordingly, these financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto, for the year ended December 31, 2015.

The preparation of condensed interim consolidated financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2015, with the exception of the following significant estimates and judgements that were made in the current period:

i) Liability related to non-controlling interest put option

Estimates and assumptions used to calculate the value of the liability related to the non-controlling put option include the discount rate used to measure the present value of the exercise price of the option, the expected timing of exercise of the put option, and the forecasted gross settlement amount of the put option, which will vary depending on the trailing earnings of Birchfield Ventures LLC ("Birchfield") at the time of exercise.

The put option is classified as a financial liability. Non-controlling interest continues to be recognized because the non-controlling shareholders have access to the returns associated with their underlying ownership interests. As such, the impact of recognizing the financial liability has been included in the Deficit of the Company at the acquisition date and had no impact on the measurement of non-controlling interest. The liability will be remeasured each period with gains and losses recorded in fair value adjustments in the Consolidated Statement of Earnings.

ii) Purchase option asset

Estimates and assumptions were used to calculate the value of the asset related to the Company's purchase option to acquire the remaining 49% of Birchfield for a fixed price in the first 18 months subsequent to January 4, 2016. Fair value was determined using a Black-Scholes option pricing model, and estimates and assumptions were made with respect to the strike price compared to current price of the option, and expected volatility of Birchfield's earnings.

iii) Consolidation of Birchfield (note 3)

Based on the Company's current proportion of ownership and voting rights, and considering substantive potential voting rights available through exercise of the purchase option, the Company has determined that it controls Birchfield and as such, has consolidated Birchfield in the financial statements.

The Company's operations are seasonal in nature. Accordingly, sales will vary by quarter based on consumer spending behaviour. The Company is able to adjust certain variable costs in response to seasonal revenue patterns; however, costs such as occupancy are fixed, causing the Company to report a higher level of earnings in the third and fourth quarters. This business seasonality results in quarterly performance that is not necessarily indicative of the year's performance.

The accounting policies applied by the Company in these interim financial statements are the same as those applied by the Company and there have been no changes to critical accounting estimates or judgements made from those as described in its consolidated financial statements as at and for the year ended December 31, 2015.

3 Business Combination

Effective January 4, 2016, the Company acquired a 51% ownership interest in Birchfield Ventures LLC and the right to acquire the remaining 49% interest at pre-negotiated terms. Birchfield operates two stores in New Jersey under the banner "Joe Canal's Discount Liquor Outlets". The aggregate consideration paid to the sellers in consideration of the transfer of the purchased units and other undertakings was an aggregate amount in cash equal to USD $15 million plus or minus a closing net working capital adjustment. The acquisition was funded by the Company's existing credit facilities, and was accounted for using the acquisition method. The Company is using USD borrowings to manage its exposure to foreign currency fluctuations associated with the net assets of the acquired business. The purchase of this business is consistent with the Company's U.S. growth strategy. The acquisition costs associated with the business combination were $539, which were recognised in the Statement of Earnings and Comprehensive Income. Included in the Consolidated Statement of Earnings and Comprehensive Income for the six months ended June 30, 2016 is $25,190 of sales and $1,665 of net earnings of Birchfield since acquisition, of which $816 of the net earnings are attributable to the non-controlling interest for the six months ended June 30, 2016.

The following table summarizes the preliminary purchase consideration and estimated preliminary purchase price allocation for the acquisition, subject to completion of a closing working capital audit and finalization of a third party valuation report to assist with the estimation of the fair values of assets acquired and liabilities at the date of acquisition:

(in thousands of Canadian dollars)

	Preliminary Fair Value As at January 4, 2016
Fair value of consideration transferred ($15,000 USD)	20,912
Fair value of purchase option	(2,782)
Non-controlling interest	4,854
	22,984
Net identifiable asset or liability:	
Current assets net of current liabilities	774
Property and equipment	1,177
Intangible asset – non compete agreement	971
Intangible asset – liquor licenses	6,986
Fair value of net identifiable assets acquired and liabilities assumed	9,908
Goodwill	13,076

The goodwill recognized is attributable mainly to the synergies expected to be achieved through integrating Birchfield into the Company's US operations. The entire amount of goodwill is deductible for U.S. tax purposes.

Non-controlling interest of $4,854 has been recognized on the basis of a 49% interest in the fair value of the net identifiable assets acquired and liabilities assumed.

The terms of the purchase option to acquire the remaining 49% are as follows:

i) If the Company exercises the purchase option within the first 18 months subsequent to the acquisition date, the purchase price will be a fixed USD$12.5 million;

ii) If the Company exercises the purchase option between 18 and 36 months subsequent to the acquisition date, the purchase price will be calculated at 4.5 times store level earnings before interest, tax, depreciation and amortization ("EBITDA") for the trailing twelve months;

iii) If the Company exercises the purchase option more than 36 months subsequent to the acquisition date, the purchase price will be calculated at 4.5 times average annual store level EBITDA for the trailing 36 months with a floor price of 4.5 times 10% of gross sales for the trailing twelve months.

In addition, the Company has provided the non-controlling interest shareholders a put option whereby if the Company has not exercised the above call option in the first 36 months subsequent to the acquisition date, the non-controlling interest can, at their option, require the Company to purchase the remaining 49% interest in Birchfield at a price of 4.5 times average annual store level EBITDA for the trailing 36 months. This put option has been presented as a liability related to non-controlling interest put option in the Statement of Financial Position.

(in thousands of Canadian dollars)

4 Finance costs

Finance costs comprise the following:

	Three months ended June 30,		Six months ended June 30,	
	2016 $	**2015 $**	**2016 $**	**2015 $**
Interest expense				
Long-term debt[i]	1,297	592	2,503	1,232
Convertible debenture[ii]	1,334	1,305	2,649	2,587
	2,631	1,897	5,152	3,819

i) Included in interest expense on long-term debt for the three and six months ended June 30, 2016 was amortization of deferred financing costs of $104 and $208 (2015 - $nil and $109).

ii) Interest expense on the convertible debentures for the three and six months ended June 30, 2016, respectively, of $1,334 and $2,649 (2015 - $1,305 and $2,587) represents coupon interest of $987 and $1,975 (2015 – $987 and $1,974) and $347 and $674 (2015 – $318 and $613) pertaining to the impact of capitalized transaction costs and the accretion of the debt using the effective interest rate method.

5 Fair value adjustments

Fair value adjustments comprise the following:

		Three months ended June 30,		Six months ended June 30,	
	Fair Value Hierarchy	**2016 $**	**2015 $**	**2016 $**	**2015 $**
Interest rate swap	Level 2	(48)	(85)	212	104
Non-controlling interest put option	Level 3	90	-	185	-
Purchase option	Level 2	473	-	473	-
		515	(85)	870	104

6 Hedge of a net investment in foreign operation

The Company is applying hedge accounting to foreign currency differences arising between the $USD functional currency of Birchfield (note 3) and the $CAD functional currency of the Company. The Company has therefore designated a portion of the principal amount outstanding of the $USD borrowings made by the Company as a net investment hedge of the net assets of Birchfield. The Company's investments in other subsidiaries are not hedged.

No ineffectiveness was recognized in the current period from the net investment hedge.

(in thousands of Canadian dollars)

7 Dividends

	Three months ended	June 30,	Six months ended	June 30,
	2016 $	2015 $	2016 $	2015 $
Dividends declared	2,484	7,373	8,262	14,735
Dividends paid				
Dividends paid in cash	2,222	6,798	8,839	13,592
Dividends paid in shares	261	572	1,065	1,136

Dividends were declared on July 15, 2016 in the amount of $0.03 per common share (previously $0.09 per month up to and including the dividend declared on February 12, 2016) and will be paid on August 15, 2016 to the holders of common shares as at the close of the record date of July 29, 2016. Dividends are paid mid-month following the month of declaration.

8 Income tax

Income tax is recognized based on management's estimate of the weighted average annual effective tax rate expected for the full financial year. The estimated average annual effective tax rate for 2016 is 24% (2015 - 31%).

Income tax expense for the three and six months ended June 30, 2015 was impacted by the Alberta government enacting a two percent increase in the corporate income tax rate on June 29, 2015. The rate increase was effective July 1, 2015. As a result, the Company's deferred tax liability increased by $1,301 as at June 30, 2015, which increased the income tax expense by this same amount in the three and six months ended June 30, 2015.

9 Share capital

a) Authorized:

An unlimited number of voting common shares are authorized to be issued.

b) Issued and outstanding:

	#	$
Balance – January 1, 2015	27,240,760	246,826
Shares issued under dividend reinvestment plan	78,641	1,136
Adjustment to net proceeds on share issuance	-	(34)
Balance – June 30, 2015	27,319,401	247,928
Balance – January 1, 2016	27,449,891	249,303
Shares issued under dividend reinvestment plan	141,121	1,065
Shares issued on settlement of equity based compensation awards	19,742	279
Balance – June 30, 2016	27,610,754	250,647

(in thousands of Canadian dollars)

10 Earnings per share

	Three months ended June 30,		Six months ended June 30,	
	2016 **$**	**2015** **$**	**2016** **$**	**2015** **$**
Net earnings attributable to owners of the parent	4,121	4,490	2,378	2,168
	2016 **#**	**2015** **#**	**2016** **#**	**2015** **#**
Weighted average number of common shares outstanding – Basic	27,595,667	27,299,433	27,551,091	27,280,078
Effect of dilutive securities				
Equity-settled share-based payment awards	48,492	20,956	35,262	21,222
Weighted average number of common shares outstanding – Diluted	27,644,159	27,320,389	27,586,353	27,301,300
	2016 **$**	**2015** **$**	**2016** **$**	**2015** **$**
Basic earnings per share	0.15	0.16	0.09	0.08
Diluted earnings per share	0.15	0.16	0.09	0.08

Due to their anti-dilutive effect, the potential shares issuable in exchange for convertible debentures were not included in the diluted earnings per share calculation for the three and six months ended June 30, 2016 and 2015.

11 Related party transactions

The following transactions were carried out with related parties:

a) Operating and administrative expenses:

	Three months ended June 30,		Six months ended June 30,	
	2016 **$**	**2015** **$**	**2016** **$**	**2015** **$**
Professional fees[(i)]				
Recognized in operating and administrative expenses	15	25	25	53
Included in the initial carrying value of long-term debt	-	85	-	85
	15	110	25	138

(i) A Director of the Company is a partner in a law firm to which the Company incurred professional fees for legal services.

(in thousands of Canadian dollars)

11 Related party transactions (continued)

b) Included in operating and administrative expenses for the six months ended June 30, 2015 are payments of $675 related to the departure of the Company's former Executive Vice President, Business Development, General Counsel and Corporate Secretary. These expenses have been included in the corporate operating segment (note 13).

12 Supplementary disclosure of cash flow information

Changes in non-cash working capital items comprise the following:

	Three months ended June 30,		Six months ended June 30,	
	2016 **$**	**2015** **$**	**2016** **$**	**2015** **$**
Accounts receivable	(734)	(823)	4,536	(96)
Inventory	(75)	(1,660)	(7,054)	(5,456)
Prepaid expenses and deposits	(347)	(2,313)	320	(1,742)
Accounts payable and accrued liabilities	629	812	(12,849)	(6,595)
Income tax payable	572	(1,090)	1,495	541
	45	(5,074)	(13,552)	(13,348)

Interest and income taxes paid (received) are included in cash provided by operating activities in the Statements of Cash Flows.

	Three months ended June 30,		Six months ended June 30,	
	2016 **$**	**2015** **$**	**2016** **$**	**2015** **$**
Interest paid	3,151	2,550	4,253	3,081
Income taxes paid (received)	(479)	1,557	(214)	3,374

13 Operating segments

The Company has three reportable segments: Canadian Operations, US Operations, and Corporate. Segmentation is based on differences in the regulatory environments of Canada and the US and reflects the basis on which management measures performance and makes decisions regarding the allocation of resources. The Canada and US segments operate retail liquor stores in their respective jurisdictions.

Financial information regarding the results of each reportable segment is included below. Performance is measured based on operating margin, which is defined as earnings before amortization, finance costs, net loss (gain) on foreign exchange activities, fair value adjustments, and income tax expense (recovery), as included in the internal management reports that are reviewed regularly by the Company's President and Chief Executive Officer (the Company's chief operating decision maker, or "CODM") and follow the organization, management and reporting structure of the Company. Operating margin is one of the primary benchmarks used by management to evaluate the performance of its operating segments. A reconciliation of operating margin to earnings before income taxes, an earnings measure used in the Company's consolidated Statement of Earnings and Comprehensive Income, has been included in the table below.

Operating margin is not an earnings measure recognized by IFRS and does not have a standardized meaning prescribed by IFRS. Therefore, operating margin may not be comparable to similar measures presented by other issuers. Users are cautioned that operating margin should not be construed as an alternative to earnings before income tax as determined in accordance with IFRS, as an indicator of performance or as an alternative to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows.

(in thousands of Canadian dollars)

13 Operating segments (continued)

	Three months ended June 30, 2016			
	Canadian Operations $	**US Operations $**	**Corporate $**	**Consolidated $**
Sales to external customers	138,505	70,768	-	209,273
Operating margin	14,066	5,115	(6,777)	12,404
Property and equipment amortization				3,082
Intangible asset amortization				110
Finance costs				2,631
Net loss (gain) on foreign exchange from financing activities				(84)
Fair value adjustments				515
Earnings before income taxes				6,150
Other information				
Expenditures for additions to				
Property and equipment[(i)]	1,492	2,862	-	4,354
Intangible assets[(i)]	25	142	-	167
Total assets at June 30, 2016[(i)]	336,220	151,263	-	487,483

	Three months ended June 30, 2015			
	Canadian Operations $	**US Operations $**	**Corporate $**	**Consolidated $**
Sales to external customers	139,218	51,388	-	190,606
Operating margin	16,045	3,327	(6,758)	12,614
Property and equipment amortization				2,866
Intangible asset amortization				55
Finance costs				1,897
Net loss (gain) on foreign exchange from financing activities				82
Fair value adjustments				(85)
Earnings before income taxes				7,799
Other information				
Expenditures for additions to				
Property and equipment[(i)]	2,171	4,428	-	6,599
Intangible assets[(i)]	593	-	-	593
Total assets at June 30, 2015[(i)]	433,200	113,151	-	546,351

(i) Total corporate assets are not regularly reported to the CODM but rather, a split between US and Canadian assets is provided. The disclosure above reflects what is regularly provided to the CODM.

(in thousands of Canadian dollars)

13 Operating segments (continued)

Six months ended June 30, 2016	Canadian Operations $	US Operations $	Corporate $	Consolidated $
Sales to external customers	248,933	132,374	-	381,307
Operating margin	20,947	7,630	(14,087)	14,490
Property and equipment amortization				6,163
Intangible asset amortization				240
Finance costs				5,152
Net loss (gain) on foreign exchange from financing activities				(2,047)
Fair value adjustments				870
Earnings before income taxes				4,112
Other information				
Expenditures for additions to				
Property and equipment[(i)]	2,146	3,303	-	5,449
Intangible assets[(i)]	81	143	-	224
Total assets at June 30, 2016[(i)]	336,220	151,263	-	487,483

Six months ended June 30, 2015	Canadian Operations $	US Operations $	Corporate $	Consolidated $
Sales to external customers	244,008	94,024	-	338,032
Operating margin	23,549	4,777	(14,231)	14,095
Property and equipment amortization				5,115
Intangible asset amortization				133
Finance costs				3,819
Net loss (gain) on foreign exchange from financing activities				231
Fair value adjustments				104
Earnings before income taxes				4,693
Other information				
Expenditures for additions to				
Property and equipment[(i)]	6,053	6,306	-	12,359
Intangible assets[(i)]	2,057	-	-	2,057
Total assets at June 30, 2015[(i)]	433,200	113,151	-	546,351

(i) Total corporate assets are not regularly reported to the CODM but rather, a split between US and Canadian assets is provided. The disclosure above reflects what is regularly provided to the CODM.