GREAT CANADIAN GAMING CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Month and Nine Month Periods Ended September 30, 2015 and 2014

(Expressed in millions of Canadian dollars, except for per share information)

GREAT CANADIAN GAMING CORPORATION
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in millions of Canadian dollars)

			September 30, 2015		December 31, 2014
Assets					
Current					
Cash and cash equivalents	Note 4	**$**	**291.3**	$	324.4
Accounts receivable			**6.7**		6.3
Income taxes receivable			**0.6**		-
Prepaids, deposits and other assets			**13.4**		7.4
			312.0		338.1
Property, plant and equipment	Note 6		**564.2**		574.0
Intangible assets	Note 7		**63.2**		69.8
Goodwill	Note 8		**22.3**		21.1
Deferred tax assets			**9.1**		8.9
Other assets	Note 9, 14		**23.0**		2.2
		$	**993.8**	$	1,014.1
Liabilities					
Current					
Accounts payable and accrued liabilities	Note 11, 18	**$**	**51.4**	$	60.3
Income taxes payable			**-**		7.2
Other liabilities			**3.5**		2.6
			54.9		70.1
Long-term debt	Note 9		**442.8**		442.0
Deferred credits, provisions and other liabilities	Note 11, 18		**25.9**		27.4
Deferred tax liabilities			**77.8**		74.3
			601.4		613.8
Equity					
Share capital and reserves	Note 11		**316.3**		318.8
Accumulated other comprehensive income			**2.7**		1.1
Retained earnings			**70.9**		80.4
Equity attributable to shareholders of the company			**389.9**		400.3
Non-controlling interests			**2.5**		-
Total equity			**392.4**		400.3
		$	**993.8**	$	1,014.1

Commitments (Note 6)

These financial statements were approved and authorized by the Company's Board of Directors for issue on November 2, 2015.

GREAT CANADIAN GAMING CORPORATION
Condensed Interim Consolidated Statements of Earnings
(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

		Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Revenues	Note 12	**$ 113.8**	$ 112.3	**$ 332.7**	$ 330.8
Expenses					
Human resources	Note 18	**40.4**	41.3	**121.7**	122.5
Property, marketing and administration		**25.9**	25.5	**75.5**	75.2
Amortization		**9.8**	10.7	**28.9**	35.0
Share-based compensation	Note 11, 18	**(0.1)**	1.2	**3.7**	3.4
Impairment reversal of long-lived assets	Note 5	**-**	-	**-**	(5.2)
Interest and financing costs, net		**8.1**	7.9	**23.8**	23.9
Restructuring and other	Note 13	**2.0**	0.4	**4.8**	0.6
Foreign exchange gain and other		**(2.1)**	(0.7)	**(3.9)**	(0.9)
		84.0	86.3	**254.5**	254.5
Earnings before income taxes		**29.8**	26.0	**78.2**	76.3
Income taxes	Note 14	**8.0**	6.1	**21.2**	19.5
Net earnings		**$ 21.8**	$ 19.9	**$ 57.0**	$ 56.8
Net earnings attributable to:					
Shareholders of the company		**$ 21.8**	$ 19.9	**$ 57.0**	$ 56.8
Non-controlling interests		**-**	-	**-**	-
		$ 21.8	$ 19.9	**$ 57.0**	$ 56.8
Net earnings per common share	Note 15				
Basic		**$ 0.33**	$ 0.29	**$ 0.83**	$ 0.84
Diluted		**$ 0.32**	$ 0.28	**$ 0.81**	$ 0.82
Weighted average number of common shares					
Basic		**66,395,952**	67,885,633	**68,375,214**	67,675,706
Diluted		**67,771,813**	70,022,100	**70,017,219**	69,515,520

GREAT CANADIAN GAMING CORPORATION
Condensed Interim Consolidated Statements of Comprehensive Income
(Unaudited - Expressed in millions of Canadian dollars)

	Three months ended September 30,				Nine months ended September 30,			
		2015		2014		**2015**		2014
Net earnings	**$**	**21.8**	$	19.9	**$**	**57.0**	$	56.8
Other comprehensive income								
Unrealized effect of foreign currency translation of foreign operations		**0.8**		1.1		**1.6**		1.1
Total comprehensive income	**$**	**22.6**	$	21.0	**$**	**58.6**	$	57.9
Total Comprehensive income attributable to:								
Shareholders of the company	**$**	**22.6**	$	21.0	**$**	**58.6**	$	57.9
Non-controlling interests		**-**		-		**-**		-
	$	**22.6**	$	21.0	**$**	**58.6**	$	57.9

GREAT CANADIAN GAMING CORPORATION
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited - Expressed in millions of Canadian dollars)

		Share Capital			Share Capital and	Accumulated Other Comprehensive	Retained		Non-Controlling	Total
		Number [(1)]	Amount	Reserves	Reserves	Income	Earnings	Total	Interests	Equity
At January 1, 2014		67,333	$ 262.7	$ 42.4	$ 305.1	$ 0.4	$ 2.0	$ 307.5	$ -	$ 307.5
Share-based compensation	Note 11	-	-	1.7	1.7	-	-	1.7	-	1.7
Exercise of incentive stock options		671	6.5	(1.4)	5.1	-	-	5.1	-	5.1
Common shares purchased	Note 11	(1)	-	-	-	-	-	-	-	-
Net earnings		-	-	-	-	-	56.8	56.8	-	56.8
Other comprehensive income		-	-	-	-	1.1	-	1.1	-	1.1
At September 30, 2014		68,003	$ 269.2	$ 42.7	$ 311.9	$ 1.5	$ 58.8	$ 372.2	$ -	$ 372.2
At January 1, 2015		68,814	$ 277.4	$ 41.4	$ 318.8	$ 1.1	$ 80.4	$ 400.3	$ -	$ 400.3
Share-based compensation	Note 11	-	-	3.7	3.7	-	-	3.7	-	3.7
Exercise of incentive stock options	Note 11	1,056	11.1	(2.2)	8.9	-	-	8.9	-	8.9
Common shares purchased	Note 11	(3,608)	(15.1)	-	(15.1)	-	(66.5)	(81.6)	-	(81.6)
Net earnings		-	-	-	-	-	57.0	57.0	-	57.0
Other comprehensive income		-	-	-	-	1.6	-	1.6	-	1.6
Non-controlling interests		-	-	-	-	-	-	-	2.5	2.5
At September 30, 2015		**66,262**	**$ 273.4**	**$ 42.9**	**$ 316.3**	**$ 2.7**	**$ 70.9**	**$ 389.9**	**$ 2.5**	**$ 392.4**

[(1)] Share information is presented in thousands.

GREAT CANADIAN GAMING CORPORATION
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in millions of Canadian dollars)

		Nine months ended September 30, 2015	2014
Cash Flows from Operating Activities			
Earnings before income taxes		**$ 78.2**	$ 76.3
Adjustments to reconcile earnings before income taxes to cash generated by operating activities:			
Amortization		**28.9**	35.0
Impairment reversal of long-lived assets	Note 5	**-**	(5.2)
Share-based compensation	Note 11, 18	**3.7**	3.4
Interest and financing cost, net		**23.8**	23.9
Foreign exchange gain and other		**(3.9)**	(0.9)
Other		**0.1**	(1.2)
Changes in non-cash operating working capital	Note 16	**(3.7)**	(8.4)
Canada Revenue Agency reassessment payments, net	Note 14	**(20.2)**	-
Income taxes paid		**(25.9)**	(8.7)
Cash generated by operating activities		**81.0**	114.2
Cash Flows from Investing Activities			
Purchase of property, plant and equipment, net of related accounts payable of $0.4 (2014 - $3.3)		**(11.0)**	(11.7)
Casino New Brunswick acquistion deposit	Note 21	**(2.5)**	-
Interest income received		**2.2**	1.5
Other		**(0.1)**	0.5
Cash used in investing activities		**(11.4)**	(9.7)
Cash Flows from Financing Activities			
Debt refinancing transaction costs	Note 9	**(1.0)**	-
Proceeds from exercise of incentive share options, net of issuance costs		**8.9**	5.1
Purchase of common shares	Note 11	**(81.6)**	-
Contributions from non-controlling interests		**0.5**	-
Interest paid		**(32.1)**	(31.7)
Cash used in financing activities		**(105.3)**	(26.6)
Effect of foreign exchange on cash and cash equivalents		**2.6**	1.1
Cash (outflow) inflow		**(33.1)**	79.0
Cash and cash equivalents, beginning of period		**324.4**	192.6
Cash and cash equivalents, end of period	Note 4	**$ 291.3**	$ 271.6

1. NATURE OF BUSINESS

Great Canadian Gaming Corporation (the "Company") operates gaming, entertainment, and hospitality facilities in British Columbia, Ontario, Nova Scotia, and Washington State. The Company's 16 gaming properties consist of three community gaming centres, four racetracks (two with casinos operated by the Company and two with casinos operated by the Ontario Lottery and Gaming Corporation), and nine casinos, including one with a Four Diamond resort hotel. On October 1, 2015, the Company acquired the assets and operations of Casino New Brunswick, located in Moncton, New Brunswick, as described in Note 21.

Great Canadian Gaming Corporation is a publicly listed company incorporated in Canada under the Company Act (British Columbia). The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under TSX symbol: "GC". The principal offices are located at 95 Schooner Street, Coquitlam, BC, V3K 7A8 and 2159 Great Canadian Way, Richmond, BC, V6X 0E7. The registered and records office is located at 1500-1055 West Georgia Street, Vancouver, BC, V6E 4N7.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. Certain information and note disclosures normally included in the audited annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. As a result, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2014 ("Annual Financial Statements").

These condensed interim consolidated financial statements were prepared using the same accounting policies as set out in the Company's Annual Financial Statements, except as described below. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements are disclosed in Note 3 of the Company's Annual Financial Statements.

3. CHANGES IN ACCOUNTING POLICIES

Standards, amendments and interpretations effective and applied

Effective January 1, 2015, the Company adopted the following revised IASs and IFRSs issued by the IASB. These revised standards and interpretation did not have a material impact on the Company's condensed interim consolidated financial statements.

- *IFRS 8, Operating Segments* – amended to require the disclosure of the judgements made by management in applying the aggregation criteria to operating segments and to clarify that the reconciliation of the segment assets is required if they are regularly provided to the chief operating decision-maker. It is effective for annual periods beginning on or after July 1, 2014.

- *IFRS 13, Fair Value Measurement ("IFRS 13")* – the Basis of Conclusions was amended to clarify that issuing IFRS 13 and amending IFRS 9, *Financial Instruments* ("IFRS 9") and IAS 39, *Financial Instruments: Recognition and measurement* ("IAS 39") did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis. IFRS 13 was also amended to clarify the scope of the portfolio exception. It is effective for annual periods beginning on or after July 1, 2014.

3. CHANGES IN ACCOUNTING POLICIES (Continued)

Standards, amendments and interpretations effective and applied (Continued)

- *IAS 16, Property, Plant and Equipment ("IAS 16") and IAS 38, Intangible assets ("IAS 38")* – amended to clarify that, under the revaluation method, the gross amount of property, plant and equipment and intangible asset is adjusted in a manner consistent with the revaluation of the carrying amount of the asset. Accumulated amortization is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses as a result of the revaluation. It is effective for annual periods beginning on or after July 1, 2014.

- *IAS 24, Related Party Disclosures ("IAS 24")* – amended to clarify how payments to entities providing management services to the Company are to be disclosed. It is effective for annual periods beginning on or after July 1, 2014.

Standards, amendments and interpretations not yet effective and not applied

The IASB issued the following new and revised accounting pronouncements. The Company does not anticipate early adoption of these standards at this time and they are not expected to have a material impact on the Company's condensed interim consolidated financial statements.

- *IFRS 10, Consolidated Financial Statements ("IFRS 10") and IAS 28, Investment in Associates and Joint Ventures ("IAS 28")* – amended to require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business and to require partial recognition of gains and losses where the assets do not constitute a business. It is effective for annual periods beginning on or after January 1, 2016.

- *IFRS 10, IFRS 12, Disclosure of Interests in Other Entities, and IAS 28* – amended to address issues that have arisen in the context of applying the consolidation exception for investment entities. It is effective for annual periods beginning on or after January 1, 2016.

- *IAS 1, Presentation of Financial Statements ("IAS 1")* – amended to clarify IAS 1 to address perceived impediments to preparers exercising their judgment in presenting their financial reports. It is effective for annual periods beginning on or after January 1, 2016.

- *IFRS 5, Non-current Assets Held for Sale and Discontinued Operations* – amended to add specific guidance for cases in which an entity reclassifies an asset from held for sale to held for distribution to its owners, or vice versa, and cases in which held-for-distribution accounting is discontinued. It is effective for annual periods beginning on or after July 1, 2016.

- *IFRS 7, Financial Instruments - Disclosure* – amended to clarify whether a servicing contract is continuing involvement in a transferred asset and to clarify offsetting disclosure requirements in condensed interim financial statements. It is effective for annual periods beginning on or after July 1, 2016.

- *IAS 19, Employee Benefits* – amended to clarify that the high quality corporate bonds used to estimate the discount rate for post-employment benefits should be issued in the same currency as the benefits to be paid. It is effective for annual periods beginning on or after July 1, 2016.

- *IAS 34, Interim Financial Reporting* – amended to clarify the meaning of "elsewhere in the interim report" and require a cross-reference. It is effective for annual periods beginning on or after July 1, 2016.

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

3. CHANGES IN ACCOUNTING POLICIES (Continued)

Standards, amendments and interpretations not yet effective and not applied (Continued)

- *IFRS 15, Revenue from Contracts with Customers* – provides a single, principles based five-step model to be applied to all contracts with customers. Guidance is provided on the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various other matters. New disclosures about revenue are also introduced. It is effective for annual periods beginning on or after January 1, 2018.

- *IFRS 9* – replaces IAS 39. IFRS 9 introduces limited amendments to classification and measurement for financial assets, a new expected loss impairment model and a new hedge accounting model. It is effective for annual periods beginning on or after January 1, 2018.

4. CASH AND CASH EQUIVALENTS

	September 30, 2015	December 31, 2014
Cash in banks	**$ 284.7**	$ 243.7
Cash floats	**6.6**	10.1
Cash equivalents	**-**	70.6
	$ 291.3	$ 324.4

As at September 30, 2015, cash and cash equivalents included $2.3 for settling jackpot liabilities (December 31, 2014 - $3.4) and $5.0 of restricted cash used to secure an outstanding letter of credit (December 31, 2014 - $nil).

5. IMPAIRMENT REVERSAL OF LONG-LIVED ASSETS

In April 2014, as a result of signing the Standardbred Alliance agreements with five other Ontario racetrack operators and the Ontario Racing Commission, the Company secured racing funding for its Georgian Downs and Flamboro Downs racetracks for up to five years and is working with the Standardbred Alliance to realize racing operating cost efficiencies. As a result, at March 31, 2014, Flamboro Downs reversed $5.2 of impairment of long-lived assets previously recorded at March 31, 2012.

The following table summarizes the impairment reversal during 2014 by property and by asset class:

	Georgian Downs			**Flamboro Downs**		
	Property, plant and equipment	**Intangible assets**	**Total**	**Property, plant and equipment**	**Intangible assets**	**Total**
Carrying amount at January 1, 2014	$ 19.4	$ 22.5	$ 41.9	$ 8.1	$ 15.1	$ 23.2
Net additions and amortization	(0.1)	(0.3)	(0.4)	(0.1)	(0.9)	(1.0)
Impairment reversal	-	-	-	1.0	4.2	5.2
Carrying amount at March 31, 2014	$ 19.3	$ 22.2	$ 41.5	$ 9.0	$ 18.4	$ 27.4
Net additions and amortization	**(0.2)**	**(0.8)**	**(1.0)**	**(0.7)**	**(3.4)**	**(4.1)**
Carrying amount at December 31, 2014	**$ 19.1**	**$ 21.4**	**$ 40.5**	**$ 8.3**	**$ 15.0**	**$ 23.3**

There were no indicators of impairment or reversal of impairment at September 30, 2015.

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

6. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings, Building Improvements and Leasehold Improvements	Equipment	Properties Under Development	Total
Cost					
Balance at January 1, 2014	$ 82.6	$ 755.8	$ 117.8	$ 3.6	959.8
Additions	(0.2)	0.2	3.0	8.1	11.1
Disposals	-	-	(0.4)	-	(0.4)
Reclassifications	-	2.0	1.3	(3.3)	-
Translation and other	0.2	1.4	0.5	-	2.1
Balance at December 31, 2014	$ 82.6	$ 759.4	$ 122.2	$ 8.4	$ 972.6
Additions	**0.1**	**0.2**	**3.1**	**7.2**	**10.6**
Disposals	**-**	**(3.3)**	**(3.4)**	**-**	**(6.7)**
Reclassifications	**-**	**5.3**	**1.8**	**(7.1)**	**-**
Translation and other	**0.4**	**2.4**	**0.9**	**-**	**3.7**
Balance at September 30, 2015	**$ 83.1**	**$ 764.0**	**$ 124.6**	**$ 8.5**	**$ 980.2**
Accumulated amortization					
Balance at January 1, 2014	$ (11.2)	$ (252.3)	$ (100.0)	$ -	(363.5)
Amortization	-	(27.2)	(7.9)	-	(35.1)
Disposals	-	-	0.4	-	0.4
Impairment reversal [1]	-	0.9	0.1	-	1.0
Impairment [2]	-	(0.2)	(0.2)	-	(0.4)
Translation and other	-	(0.5)	(0.5)	-	(1.0)
Balance at December 31, 2014	$ (11.2)	$ (279.3)	$ (108.1)	$ -	$ (398.6)
Amortization	**-**	**(17.4)**	**(4.9)**	**-**	**(22.3)**
Disposals	**-**	**3.3**	**3.4**	**-**	**6.7**
Translation and other	**-**	**(1.0)**	**(0.8)**	**-**	**(1.8)**
Balance at September 30, 2015	**$ (11.2)**	**$ (294.4)**	**$ (110.4)**	**$ -**	**$ (416.0)**
Carrying amount					
At December 31, 2014	$ 71.4	$ 480.1	$ 14.1	$ 8.4	$ 574.0
At September 30, 2015	**$ 71.9**	**$ 469.6**	**$ 14.2**	**$ 8.5**	**$ 564.2**

[1] The impairment reversal relates to Flamboro Downs (see Note 5).

[2] The impairment relates to the closure of Great American Casino Kent (see Note 13).

In June 2014, the Company exercised its renewal option with the Nova Scotia Provincial Lotteries & Casinos Corporation ("NSPLCC") to extend the term of the Amended and Restated Operating Contract ("AROC"), effective July 1, 2015. Consequently, the Company revised the estimated remaining useful lives of the property, plant and equipment associated with its Nova Scotia casino properties. The net effect of this change in estimate is a $4.6 decrease in the annual non-cash amortization expense related to these assets on a prospective basis, when compared to the year ended December 31, 2014. Under the terms of the contract option extension with NSPLCC, the Company has committed to make capital investments totalling $10.0 in the Nova Scotia casino business, subject to a revitalization and schedule approved by NSPLCC. This capital commitment is not eligible for reimbursement from the Capital Reserve Account.

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

7. INTANGIBLE ASSETS

	BC Gaming Operating Agreements	Nova Scotia Gaming Operating Agreement	Ontario Siteholder/ Lease Agreements	Other	Total
Cost					
Balance at January 1, 2014, December 31, 2014 and September 30, 2015	**$ 81.4**	**$ 34.6**	**$ 106.0**	**$ 2.5**	**$ 224.5**
Accumulated amortization					
Balance at January 1, 2014	$ (50.5)	$ (28.2)	$ (68.4)	$ (1.6)	$ (148.7)
Amortization	(2.6)	(2.0)	(5.4)	(0.2)	(10.2)
Impairment reversal [(1)]	-	-	4.2	-	4.2
Balance at December 31, 2014	$ (53.1)	$ (30.2)	$ (69.6)	$ (1.8)	$ (154.7)
Amortization	**(1.9)**	**(0.4)**	**(4.2)**	**(0.1)**	**(6.6)**
Balance at September 30, 2015	**$ (55.0)**	**$ (30.6)**	**$ (73.8)**	**$ (1.9)**	**$ (161.3)**
Carrying amount					
At December 31, 2014	$ 28.3	$ 4.4	$ 36.4	$ 0.7	$ 69.8
At September 30, 2015	**$ 26.4**	**$ 4.0**	**$ 32.2**	**$ 0.6**	**$ 63.2**

[(1)] The impairment reversal relates to Flamboro Downs (see Note 5).

As a result of the June 2014 renewal of the AROC with NSPLCC, the Company revised the estimated remaining useful lives of the intangible assets associated with its Nova Scotia casino business. The net effect of this change in estimate is a $1.6 decrease in the annual non-cash amortization expense related to these intangible assets on a prospective basis, when compared to the year ended December 31, 2014.

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

8. GOODWILL

		Total
Cost		
Balance at January 1, 2014	$	47.9
Foreign exchange movements		0.6
Balance at December 31, 2014	$	48.5
Foreign exchange movements		**1.2**
Balance at September 30, 2015	**$**	**49.7**
Impairments		
Balance at January 1, 2014	$	(27.3)
Impairment [1]		(0.1)
Balance at December 31, 2014	$	(27.4)
Impairment		**-**
Balance at September 30, 2015	**$**	**(27.4)**

Carrying amount		**GCCI[2]**		**GCEC[3]**		**ORL[4]**		**GAGC[5]**		**Total**
At December 31, 2014	$	1.6	$	3.8	$	8.1	$	7.6	$	21.1
At September 30, 2015	**$**	**1.6**	**$**	**3.8**	**$**	**8.1**	**$**	**8.8**	**$**	**22.3**

[1] The impairment relates to the closure of Great American Casino Kent (see Note 13).

[2] "GCCI" means Great Canadian Casinos Inc., a wholly-owned subsidiary of the Company and its goodwill primarily relates to the acquistion of the food and beverage operations in View Royal and Coquitlam.

[3] "GCEC" means Great Canadian Entertainment Centres Ltd., a wholly-owned subsidiary of the Company and its goodwill relates to the acquisition of the operations in Dawson Creek and Maple Ridge.

[4] "ORL" means Orangeville Raceway Limited, a wholly-owned subsidiary of the Company and its goodwill relates to the acquisition of the operations in Surrey.

[5] "GAGC" means Great American Gaming Corporation, a wholly-owned subsidiary of the Company and its goodwill relates to the acquisition of the operations in Washington.

9. LONG-TERM DEBT

		September 30, 2015		December 31, 2014
Senior Unsecured Notes, net of unamortized transaction costs of $7.2 (2014 - $8.0)	**$**	**442.8**	$	442.0

As at September 30, 2015 and December 31, 2014, the Company's long-term debt facilities consisted of $450.0 Senior Unsecured Notes ("Senior Unsecured Notes") and a $350.0 Senior Secured Revolving Credit Facility (the "Revolving Credit Facility").

a) *Senior Unsecured Notes*

On July 24, 2012, the Company completed a long-term debt refinancing and issued $450.0 of 6.625% Senior Unsecured Notes due on July 25, 2022. The net proceeds were $439.5 after transaction costs of $10.5. The use of proceeds included repayment of the US$161.1 Senior Secured Term Loan B ("Term Loan B"), repurchase or redemption of the US$170.0 Senior Subordinated Notes ("Subordinated Notes"), settlement of the derivative liabilities associated with the related cross-currency interest rate and principal swaps, and the remainder was retained for general corporate purposes.

9. LONG-TERM DEBT (Continued)

a) Senior Unsecured Notes (Continued)

The Senior Unsecured Notes are guaranteed by the Company's material restricted subsidiaries as defined in the long-term debt agreement covering the Trust Indenture. Interest on the Senior Unsecured Notes is payable semi-annually in arrears on January 25 and July 25 of each year. There are customary provisions for early redemptions of the Senior Unsecured Notes during defined periods prior to maturity with payment of defined premiums.

Transaction costs of approximately $10.5 associated with the issuance of the Senior Unsecured Notes were primarily related to underwriting fees, legal fees, and other expenses, and are amortized through the "interest and financing costs, net" line of the condensed interim consolidated statements of earnings over the term of the Senior Unsecured Notes using the effective interest method.

b) Revolving Credit Facility

As at September 30, 2015, subject to compliance with the related financial covenants, the Company has $322.0 (December 31, 2014 - $322.0) of available undrawn credit on its Revolving Credit Facility after deducting outstanding letters of credit of $28.0 (December 31, 2014 - $28.0). The counterparties to this facility are major financial institutions with minimum "A" credit ratings.

On July 24, 2012, the Company extended the maturity of its Credit and Guarantee Agreement ("Credit Agreement"), which covers the terms of its $350.0 Revolving Credit Facility by one year to July 21, 2017. On May 25, 2015, the Company further extended the maturity of its $350.0 Revolving Credit Facility by five years to May 25, 2020. The interest rate on advanced amounts and the commitment fee on the unused facility are based on the Company's Total Debt to Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") ratio (as defined in the underlying Credit Agreement), which is calculated quarterly on a trailing twelve month basis (see Note 10).

Transaction costs associated with the extensions of the Revolving Credit Facility totalling $0.5 during 2012 and $1.0 during 2015 are included in the "other assets" line of the condensed interim consolidated statements of financial position and are amortized through the "interest and financing costs, net" line of the condensed interim consolidated statements of earnings over the term of the Revolving Credit Facility using the straight-line method.

The Revolving Credit Facility is guaranteed and secured by substantially all of the assets of the Company and its subsidiaries. The Revolving Credit Facility requires the Company to comply with certain operational and financial covenants (which are defined in the underlying agreement). The financial covenants which are calculated quarterly on a trailing twelve month basis are: Total Debt to Adjusted EBITDA ratio of 5.00 or less, Senior Secured Debt to Adjusted EBITDA ratio of 3.50 or less, and Interest Coverage ratio of 2.25 or more (see Note 10).

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

10. CAPITAL DISCLOSURES

The Company's capital structure comprises:

- Shareholders' equity;
- Long-term debt;
- Cash and cash equivalents; and
- Outstanding letters of credit.

The Company's objectives are to maintain a flexible capital structure that optimizes the cost of capital at acceptable risk levels and to manage capital in a manner that balances the interests of equity and debt holders. The Company manages its capital structure in light of changes in economic conditions and the risk characteristics of the Company's operations. The Company's major capital allocation decisions include a comparison of the expected financial returns from those investments to its estimated weighted-average cost of capital. The Company currently plans to use its cash and cash equivalents, cash flows from operations, and established debt facilities to finance its business development plans.

The Company monitors its capital structure and must comply with certain financial covenants related to its long-term debt. The Company intends to manage its capital by operating at a level that provides a conservative margin compared to the limits of its covenants.

As at September 30, 2015, the Company was in compliance with its financial covenants as shown below:

Covenant test	**Required ratio**	**Actual ratio**
Total Debt to Adjusted EBITDA ratio (1)	≤ 5.00	2.16
Senior Secured Debt to Adjusted EBITDA ratio (1)	≤ 3.50	0.00
Interest Coverage ratio (1)	≥ 2.25	5.87
Fixed Charge Coverage ratio (2)	≥ 2.00	5.89

(1) Calculated on a trailing twelve month basis and defined in the Credit Agreement, as amended on May 25, 2015.

(2) Calculated on a trailing twelve month basis and tested on specified events as defined in the long-term debt agreement covering the Trust Indenture dated July 24, 2012.

As part of its capital structure monitoring process, the Company's independent credit ratings as at September 30, 2015 were as follows:

	Moody's	**Standard & Poor's**
Corporate	Ba3 Stable	BB+ Stable
Revolving Credit Facility	Baa3	BBB
Senior Unsecured Notes	B1	BB+

11. SHARE CAPITAL AND RESERVES

The Company is authorized to issue an unlimited number of common shares with no par value.

a) Share repurchases

During the nine months ended September 30, 2015, the Company purchased for cancellation 208,160 common shares at a weighted-average price per share of $18.58 under its normal course issuer bid. This bid allows the Company to purchase up to 5,033,078 of its common shares, commenced on February 26, 2015, and expires on February 25, 2016, or earlier if the number of shares sought in the issuer bid have been obtained.

During the nine months ended September 30, 2014, the Company purchased 800 common shares at a volume weighted-average price per share of $14.02 under its normal course issuer bid which expired on January 29, 2015. All shares purchased by the Company were subsequently cancelled.

On June 29, 2015, after receiving the required gaming regulatory approvals and an order from the Canadian securities regulators exempting the purchase from the issuer bid requirements of Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids (“MI 62-104”), the Company purchased 3,400,000 common shares of the Company (the “Estate Shares”) from a company controlled by the Estate of Ross J. McLeod, a former director and officer of the Company who passed away in 2011. MI 62-104 contains an exemption, section 4.7, from the issuer bid requirements to permit the purchase of shares from a former employee, executive officer or director of the issuer. The purchase price for the Estate Shares was at a discount to the market price of the shares calculated in compliance with the requirements of section 4.7 (a 20 day average) and the number of Estate Shares was below the maximum number of shares that may be purchased under that section. The purchase price was $77.7 or $22.8545 dollars per share. The purchased Estate Shares represented approximately 4.87% of the number of outstanding common shares at that date and were subsequently cancelled.

b) Share option plan

The changes in the number of share options and their weighted-average exercise price during the nine months ended September 30, 2015 and the year ended December 31, 2014 were as follows:

	September 30, 2015		December 31, 2014	
	Options [(1)]	**Weighted-Average Exercise Price**	Options [(1)]	Weighted-Average Exercise Price
Outstanding, beginning of period	**4,123**	**$ 10.17**	4,155	$ 8.02
Granted	**1,534**	**20.13**	1,511	13.64
Forfeited	**(286)**	**16.97**	(61)	12.14
Exercised	**(1,056)**	**8.44**	(1,482)	7.62
Outstanding, end of period	**4,315**	**$ 13.68**	4,123	$ 10.17

(1) Option information is presented in thousands.

11. SHARE CAPITAL AND RESERVES (Continued)

b) Share option plan (Continued)

The fair values of share options granted to employees at the time of the grant and the weighted-average assumptions used in applying the Black-Scholes option pricing model were as follows:

	Nine months ended September 30,	
	2015	2014
Option award fair value	**$ 4.17**	$ 2.62
Risk-free interest rate	**1.2%**	1.3%
Expected lives [2]	**3.5 years**	3.5 years
Expected volatility [3]	**25.8%**	23.3%
Dividend yield	**0.0%**	0.0%

[2] Estimated based on the Company's vesting policy and historical exercise pattern.

[3] Based on the historical volatility of the Company's share price over the most recent period commensurate with the expected lives of the option.

The Company recorded equity-settled share-based compensation expense of $1.1 associated with share options for the three months ended September 30, 2015 (2014 - $0.6) and $3.7 for the nine months ended September 30, 2015 (2014 - $1.7).

c) Deferred Share Units ("DSUs")

The changes in DSUs provided to non-employee directors of the Company during the nine months ended September 30, 2015 and the year ended December 31, 2014 were as follows:

Number of Units (in thousands)	**September 30, 2015**	December 31, 2014
Outstanding, beginning of period	**212**	278
Issued	**7**	13
Settled in cash	**-**	(79)
Outstanding, end of period	**219**	212

Related to these DSUs, the Company recorded a liability of $4.1 in "deferred credits, provisions and other liabilities" at September 30, 2015 (December 31, 2014 - $4.4) and recoveries of cash-settled share-based compensation of $1.1 for the three months ended September 30, 2015 (2014 - expense of $0.4) and $0.3 for the nine months ended September 30, 2015 (2014 - expense of $1.1).

11. SHARE CAPITAL AND RESERVES (Continued)

d) Restricted Share Units ("RSUs")

Effective January 1, 2014, the Company introduced an employee incentive program that contains the opportunity for eligible employees to be awarded cash-settled RSUs if they exceed certain business targets for a prior fiscal year. RSUs granted vest in two equal tranches, one on each of the two anniversary dates following the date of grant. Assuming both a constant market price for the Company's common shares and no award forfeitures, these RSUs would result in cash settlement payments of $0.8 to employees in both March 2016 and March 2017.

The changes in RSUs provided to employees of the Company during the nine months ended September 30, 2015 and the year ended December 31, 2014 were as follows:

Number of Units (in thousands)	**September 30, 2015**	December 31, 2014
Outstanding, beginning of period	**-**	-
Issued	**99**	-
Forfeited	**(12)**	-
Settled in cash	**-**	-
Outstanding, end of period	**87**	-

Related to these RSUs, the Company recorded a liability of $0.5 in "deferred credits, provisions and other liabilities" at September 30, 2015 (December 31, 2014 - $0.9), $0.7 in "accounts payable and accrued liabilities" at September 30, 2015 (December 31, 2014 - $nil), and a recovery of cash-settled share-based compensation expense of $0.1 for the three months ended September 30, 2015 (2014 - expense of $0.2) and an expense of $0.3 for the nine months ended September 30, 2015 (2014 - $0.6).

12. REVENUES

	Three months ended September 30,		**Nine months ended September 30,**	
	2015	2014	**2015**	2014
Gaming revenues	**$ 78.4**	$ 77.5	**$ 228.2**	$ 228.4
Facility Development Commission	**9.4**	9.5	**28.0**	28.1
Hospitality, lease and other revenues	**29.4**	27.1	**84.7**	79.8
Racetrack revenues	**3.8**	3.9	**11.0**	11.1
	121.0	118.0	**351.9**	347.4
Less: Promotional allowances	**(7.2)**	(5.7)	**(19.2)**	(16.6)
	$ 113.8	$ 112.3	**$ 332.7**	$ 330.8

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

13. RESTRUCTURING AND OTHER

	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
Business closure costs	**$ -**	$ -	**$ 0.8**	$ -
Severance	**1.4**	0.2	**3.1**	0.4
Business development and other	**0.6**	0.2	**0.9**	0.2
	$ 2.0	$ 0.4	**$ 4.8**	$ 0.6

During the nine months ended September 30, 2015, severance costs incurred related to the elimination of certain positions to improve operating efficiency. Business development and other costs included $0.3 associated with the relocation of the Company's corporate office resources to its property locations.

On March 14, 2015, the Company closed its Great American Casino located in Kent, Washington. In connection with the closure, the Company incurred during the nine months ended September 30, 2015 restructuring costs of $1.0, which are primarily attributed to $0.8 of costs associated with an uneconomic lease agreement and $0.2 of employee severance costs. During the year ended December 31, 2014, the Company recorded impairments of long-lived assets and goodwill of $0.4 and $0.1, respectively, related to the closure.

14. INCOME TAXES

The Company's income tax expense is as follows:

	Three Months Ended Sept 30, 2015	2014	Nine Months Ended Sept 30, 2015	2014
Current tax expense	**$ 6.0**	$ 5.7	**$ 17.9**	$ 16.2
Deferred tax expense	**2.0**	0.4	**3.3**	3.3
Total tax expense	**8.0**	$ 6.1	**21.2**	$ 19.5

The Company's income tax expense for the three and nine month periods ended September 30, 2015 can be reconciled to net earnings as follows:

	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
Applicable federal and provincial statutory income tax rates (1)	**26%**	26%	26%	26%
Earnings before income taxes	**$ 29.8**	$ 26.0	**$ 78.2**	$ 76.3
Expected income tax expense for the period	**7.7**	6.7	**20.3**	19.8
Effect of:				
Non-deductible share-based compensation	**0.2**	0.1	**0.9**	0.4
Impact of different jurisdictional statutory tax rates on earnings of subsidiaries	**0.2**	0.1	**0.5**	0.3
Other items	**(0.1)**	(0.8)	**(0.5)**	(1.0)
	$ 8.0	$ 6.1	**$ 21.2**	$ 19.5

(1) The applicable federal and provincial statutory income tax rates used for the 2015 and 2014 reconciliations above is the income tax rate payable by corporate entities in the province of British Columbia on taxable profits under tax law in that jurisdiction.

14. INCOME TAXES (Continued)

In British Columbia, through the Facility Development Commission ("FDC") program, the British Columbia Lottery Corporation ("BCLC") pre-approves and subsequently approves and reimburses "Approved Amounts" (a defined term in the Company's and its subsidiaries' Casino Operation Services Agreements and Community Gaming Centre Operational Services Agreements) of qualified, gaming-related expenditures, primarily capital in nature, that have been incurred by the Company and its subsidiaries. The Canada Revenue Agency ("CRA") has conducted audits of the Company's and its subsidiaries' FDC filing positions of its B.C. operations for the 2009 and 2010 years, and is conducting audits of subsequent years.

For accounting purposes, FDC is recorded as part of revenues on the condensed interim consolidated statements of earnings when received, subject to having sufficient BCLC Approved Amounts remaining to be reimbursed. For income tax purposes, based on the underlying operating agreements with BCLC and the BCLC FDC policy, management believes that FDC received from BCLC is appropriately characterized under the relevant income tax laws as a reimbursement and a reduction of the cost of either the related long-lived asset (primarily buildings) or the operating expenses being reimbursed. The BCLC FDC Policy requires the Company and its subsidiaries to a) submit to BCLC a business plan for a proposed gaming-related investment; b) receive from BCLC approval of such plan; c) incur the related expenditures from the BCLC-approved business plan; d) submit to BCLC a request for reimbursement of such expenditures including evidence, such as invoices and quantity surveyor reports, verifying the investments were completed; and e) receive approval for reimbursement from BCLC.

As part of their audit, CRA has taken the view that FDC was received as service fee income and should be included in taxable income when received, instead of being a reimbursement of the BCLC-approved gaming related property, plant and equipment costs as filed by the Company and its subsidiaries. That position is inconsistent with the results of CRA's findings in their previous audits of the Company's GCCI subsidiary for the 2000 and 2001 taxation years.

If CRA's more recent view prevails, it would accelerate the timing of when the Company and its subsidiaries recognize taxable income, but would also increase the tax depreciation deduction (capital cost allowance) that they could recognize in prior and future years. On a net basis, an increase in current income taxes that may arise from CRA notices of reassessment would be mostly offset by decreases in deferred income tax liabilities associated with the increased undepreciated capital cost of the related property, plant and equipment for income tax purposes. As a result, the current effect on the Company's consolidated net earnings would be largely mitigated, with the exception of any non-deductible interest and penalties that CRA may levy as part of their reassessments.

From January 1, 2009 to the end of the Company's most recent quarter ended September 30, 2015, the Company and its B.C. subsidiaries have received from BCLC reimbursements of FDC Approved Amounts totaling $226.5, of which approximately $212.7 related to long-lived assets and the remaining amount related to operating expenses. During this period, the combined B.C. and federal income tax rates applicable to the Company's operations ranged from a high of 30% in 2009 to a low of 25% in 2012, as compared to the current 26% rate that has been applicable since 2014. Based on the FDC received from BCLC between January 1, 2009 to September 30, 2015, if CRA's most recent view of FDC prevailed, preliminary estimates indicate the Company's consolidated current tax expense would increase $49.8, deferred tax expense would decrease $47.2, and interest and financing costs would increase $7.8, resulting in a one-time $10.4 decrease in net earnings and a corresponding decrease to basic net earnings per share of approximately $0.16/share. If CRA's most recent view of FDC prevails, the Company expects that the effect of the increase in current income taxes that would arise from applying the combined federal and provincial income tax rate on future FDC reimbursements would be substantially offset by a decrease in deferred income taxes and would consequently have no material effect on net earnings or net earnings per common share going forward.

14. INCOME TAXES (Continued)

Prior to and during to the third quarter of 2015, the Company received notices of reassessment for itself and three of its subsidiaries from CRA related to the income tax treatment of FDC received from BCLC in 2009 and 2010. The Company strongly disagrees with the CRA's current view of FDC and CRA's adjustments to the taxable income of it and its subsidiaries in respect of FDC.

The Company and its subsidiaries intend to vigorously defend their tax filing positions and the three subsidiaries that have received notices of reassessment from CRA have filed notices of objection with CRA's Appeals Division. Should the Company or its subsidiaries receive additional notices of reassessment from CRA, the Company and its subsidiaries plan to file notices of objection to CRA's Appeals Division to each notice of reassessment received, as appropriate. In order to file a notice of objection, the Company and its subsidiaries are required to pay at least 50% of the amounts reassessed and will record a corresponding income tax receivable from CRA until the dispute is resolved. These payments, plus interest, will be refunded if the Company and its subsidiaries are successful in challenging the reassessments. If the Company and its subsidiaries are unsuccessful, any remaining taxes payable plus interest will have to be remitted to CRA. The Company and its subsidiaries have paid a net amount of $20.2 to CRA, which represents 100% of the amounts reassessed from all notices of reassessment received to date. This amount is reflected in "other assets" on the condensed interim consolidated statements of financial position as at September 30, 2015 (December 31, 2014 - $nil). The Company and/or its subsidiaries also have the right to appeal directly to the Tax Court of Canada 91 days after the date of filing of the notice of objection. The Company is unable to determine how long the appeal process and court process (if necessary) would take at this time.

15. NET EARNINGS PER COMMON SHARE

The following table sets forth the computation of basic and diluted net earnings per common share attributable to the shareholders of the Company:

		Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Net earnings	(A)	**$ 21.8**	$ 19.9	**$ 57.0**	$ 56.8
Weighted-average number of common shares outstanding [1]	(B)	**66,396**	67,886	**68,375**	67,676
Dilutive adjustment for share options [1]		**1,376**	2,136	**1,642**	1,840
Diluted weighted-average number of common shares [1]	(C)	**67,772**	70,022	**70,017**	69,516
Net earnings per common share					
Basic	(A/B)	**$ 0.33**	$ 0.29	**$ 0.83**	$ 0.84
Diluted	(A/C)	**$ 0.32**	$ 0.28	**$ 0.81**	$ 0.82

[1] Share information is presented in thousands.

The following table summarizes the outstanding share options that are anti-dilutive and are not included in the above calculation:

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Options [1]	**1,386**	-	**1,386**	1,511

[1] Option information is presented in thousands.

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

16. CHANGES IN NON-CASH OPERATING WORKING CAPITAL

	Nine months ended September 30, 2015	2014
Accounts receivable	**$ (0.6)**	$ (0.1)
Prepaids, deposits and other assets	**(1.2)**	(0.8)
Accounts payable and accrued liabilities	**(1.9)**	(7.5)
	$ (3.7)	$ (8.4)

17. SEGMENT INFORMATION

The Company's management considers each of its gaming properties to be an operating segment since it reviews their operating results, assesses their performance, and makes resource allocations decisions on a property-by-property basis. The Company has aggregated these operations as one reportable segment based on their similar overall economic characteristics, types of customers, types of services and products provided, the regulatory environment in which they operate and their management and reporting structure. In coming to the determination that the overall economic characteristics are similar, management considered long-term average measures such as gaming revenue as a percentage of revenues, average slot win percentage, average table hold percentage, revenue growth and EBITDA as a percentage of revenues.

The Company also conducts its business in two geographic areas: Canada and the United States ("U.S."). Revenues, EBITDA and additions to long-lived assets and goodwill attributable to these geographic locations are as follows:

	Three months ended September 30, 2015			Three months ended September 30, 2014		
	Revenues	**EBITDA**	**Additions to long-lived assets and goodwill**	Revenues	EBITDA	Additions to long-lived assets and goodwill
Canada	**$ 105.6**	**$ 45.6**	**$ 3.7**	$ 105.6	$ 44.6	$ 4.0
U.S.	**8.2**	**1.9**	**0.1**	6.7	0.9	-
	$ 113.8	**$ 47.5**	**$ 3.8**	$ 112.3	$ 45.5	$ 4.0

	Nine months ended September 30, 2015			Nine months ended September 30, 2014		
	Revenues	**EBITDA**	**Additions to long-lived assets and goodwill**	Revenues	EBITDA	Additions to long-lived assets and goodwill
Canada	**$ 308.3**	**$ 129.3**	**$ 10.2**	$ 310.1	$ 129.6	$ 8.3
U.S.	**24.4**	**6.2**	**0.4**	20.7	3.5	0.1
	$ 332.7	**$ 135.5**	**$ 10.6**	$ 330.8	$ 133.1	$ 8.4

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

17. SEGMENT INFORMATION (Continued)

The following table is a reconciliation of EBITDA, as presented in the above tables, to earnings before income taxes as presented in the Company's condensed interim consolidated statements of earnings:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	**2015**	2014
EBITDA	**$ 47.5**	$ 45.5	**$ 135.5**	$ 133.1
Less:				
Amortization	**9.8**	10.7	**28.9**	35.0
Share-based compensation	**(0.1)**	1.2	**3.7**	3.4
Impairment reversal of long-lived assets	**-**	-	**-**	(5.2)
Interest and financing costs, net	**8.1**	7.9	**23.8**	23.9
Restructuring and other	**2.0**	0.4	**4.8**	0.6
Foreign exchange gain and other	**(2.1)**	(0.7)	**(3.9)**	(0.9)
Earnings before income taxes	**$ 29.8**	$ 26.0	**$ 78.2**	$ 76.3

Property, plant and equipment, goodwill, and total assets attributable to each geographic location are as follows:

	As at September 30, 2015			As at December 31, 2014		
	Property, plant and equipment	**Goodwill**	**Total assets**	Property, plant and equipment	Goodwill	Total assets
Canada	**$ 549.9**	**$ 13.5**	**$ 958.6**	$ 561.3	$ 13.5	$ 984.4
U.S.	**14.3**	**8.8**	**35.2**	12.7	7.6	29.7
	$ 564.2	**$ 22.3**	**$ 993.8**	$ 574.0	$ 21.1	$ 1,014.1

18. RELATED PARTY TRANSACTIONS

As defined under IAS 24, key management personnel comprise the Company's Board of Directors and executive officers. Key management compensation was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	**2015**	2014
Human resources [(1)]	**$ 0.6**	$ 0.6	**$ 1.8**	$ 1.7
Share-based compensation [(2)]	**(0.7)**	0.6	**1.2**	1.8
Total	**$ (0.1)**	$ 1.2	**$ 3.0**	$ 3.5

[(1)] Human resources includes salaries and other short-term employee benefits.

[(2)] Share-based compensation includes equity and cash-settled share-based compensation described in Note 11.

As at September 30, 2015, the liabilities of the Company include amounts due to key management personnel of $0.9 (December 31, 2014 - $0.9) in "accounts payable and accrued liabilities" and $4.3 (December 31, 2014 - $4.7) in "deferred credits, provisions and other liabilities" of the condensed interim consolidated statements of financial position.

(Unaudited - Expressed in millions of Canadian dollars, except for per share information)

19. FACILITY DEVELOPMENT COMMISSION APPROVED AMOUNTS

The following table summarizes the changes in the Company's Approved Amounts, a term defined in the Company's operating services agreements with BCLC, to be recovered by future FDC receipts from BCLC:

	Nine months ended September 30,			
		2015		2014
Opening Approved Amounts	**$**	**346.5**	$	380.9
Additional Approved Amounts		**18.2**		2.6
FDC receipts		**(28.0)**		(28.1)
Closing Approved Amounts	**$**	**336.7**	$	355.4

FDC is a reimbursement by BCLC of Approved Amounts of qualified gaming-related expenditures, primarily capital in nature, that have been incurred by the Company and its subsidiaries and is calculated as a fixed percentage of gross gaming revenues generated by the properties. Reimbursement of the Approved Amounts under the terms of BCLC's FDC policy requires that the Company's and its subsidiaries' operating agreements with BCLC remain in good standing and that sufficient gross gaming win is generated. As a result, Approved Amounts have not been recorded in the condensed interim consolidated statements of financial position.

20. FAIR VALUE MEASUREMENTS

The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short term nature.

The Company does not hold any Level 1 financial assets or liabilities that are based on unadjusted quoted prices trading in active markets.

The Company's long-term debt instruments are Level 2 financial instruments as they are estimated based on quoted prices that are observable for similar instruments or on the current rates offered to the Company for debt of the same maturity. As at September 30, 2015, the fair value and carrying value of the Company's cash equivalents was $nil (December 31, 2014 - $70.6). As at September 30, 2015, the Company's long-term debt instruments had a fair value of $461.8 (December 31, 2014 - $470.3) and a carrying value of $442.8 (December 31, 2014 - $442.0).

The Company's contingent future trailing payments are recurring Level 3 financial instruments as they require management to make assumptions regarding the measurement of fair value using significant inputs that are not based on observable market data. As at September 30, 2015, the fair value and carrying value of the Company's contingent future trailing payments was $3.4 (December 31, 2014 - $3.5). The following table reconciles the opening to the ending balances of the trailing payments:

	Trailing payments	
Balance at January 1, 2015	$	3.5
Net charge to earnings(1)		0.2
Settlement		(0.3)
Balance at September 30, 2015	**$**	**3.4**

(1) The net charge to earnings represents accretion recorded in "interest and financing costs, net" on the condensed interim consolidated statements of earnings.

20. FAIR VALUE MEASUREMENTS (Continued)

The valuation technique used in the determination of the fair value measurement of contingent future trailing payments is the discounted cash flow approach. The valuation model considers the present value of the cash flows expected to be paid as trailing payments. The key unobservable inputs are the estimated future slot revenues at Chances Chilliwack and the discount rate. The estimated fair value of this liability increases with higher estimated future slot revenues and lower discount rates. The calculation of the fair value of the contingent future trailing payments is performed by the Company at the end of each reporting period.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 2 and Level 3 financial instruments during the period.

21. CASINO NEW BRUNSWICK

On October 1, 2015, the Company, through a wholly owned subsidiary, completed the acquisition of 100% of the assets and operations of Casino New Brunswick ("CNB"), which was previously announced by the Company on May 12, 2015. CNB is located in Moncton, New Brunswick, and operates a casino with a hotel and a multi-use theatre and convention space under a Casino Service Provider Agreement with the New Brunswick Lotteries and Gaming Corporation which expires on December 31, 2030. During the nine month period ended September 30, 2015, the Company paid $2.5 for the CNB acquisition deposit. On October 1, 2015, the Company paid a further $93.8 on the closing of the acquisition and is expected to pay an additional customary working capital adjustment of approximately $0.5 during the fourth quarter of 2015. Excluding the $1.3 of cash acquired that was in excess of that which is estimated to be needed for the casino floats and current liabilities, the net purchase price for CNB is expected to be approximately $95.5. The Company is in the process of determining the fair values of each major class of assets acquired and liabilities assumed on October 1, 2015, and is consequently not yet able to disclose either these values or the pro-forma revenues and earnings of the assets and operations acquired as if they had been purchased on January 1, 2015.

22. ONTARIO EAST GAMING BUNDLE

On September 9, 2015, the Company announced that Ontario Gaming East Limited Partnership ("Ontario Gaming East LP" or "the Partnership"), a partnership in which the Company owns a 50.1% share, was selected as the successful proponent by the Ontario Lottery and Gaming Corporation ("OLG") to operate gaming facilities in OLG's Gaming Bundle 2 (East) (the "East Gaming Bundle"). Ontario Gaming East LP signed a business transition and asset purchase agreement with OLG on September 8, 2015 and, subject to customary closing conditions, is committed to signing a 20-year casino operating and services agreement when this acquisition closes, which is expected to occur on January 11, 2016. Under this agreement, Ontario Gaming East LP will acquire certain of OLG's gaming assets in the East Gaming Bundle, including OLG Casino Thousand Islands, the slot operations within leased space at Kawartha Downs and a new build opportunity to service the City of Belleville and the municipality of Quinte West. The purchase price for such assets is $37.4 plus an estimated $13.0 on account of working capital, to be paid in cash on closing, subject to customary post-closing adjustments. As at September 30, 2015, the Partnership has arranged for a letter of credit in the amount of $5.0 in favour of OLG to assure the Partnership's performance of transition activities relating to the business and the eventual closing of the transaction.

22. ONTARIO EAST GAMING BUNDLE (Continued)

The closing date for the acquisition of the assets and operations contained within the East Gaming Bundle and assumption of certain liabilities from OLG, including the signing of a casino operating and services agreement with OLG, is expected to be completed in the first quarter of 2016 and is subject to both regulatory approvals and the satisfaction of certain other customary closing conditions. The Company also intends to enter into an operations management contract and a facility development contract with Ontario Gaming East LP under which the Company will earn associated fees for the provision of such services.

These financial statements have consolidated the financial position and operating results of Ontario Gaming East LP in accordance with IFRS 10.