GREAT CANADIAN GAMING CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended
December 31, 2019

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

TABLE OF CONTENTS

INTRODUCTION

Basis of Discussion and Analysis

This management's discussion and analysis ("MD&A") of the financial highlights, major developments, labour relations, consolidated results of operations, consolidated quarterly results trend, liquidity and capital resources, and other information of Great Canadian Gaming Corporation ("Great Canadian", "GCGC", the "Company", "we", "our") is dated as of March 2, 2020.

This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019 ("Annual Financial Statements"). The Annual Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless expressly stated otherwise, all financial information is expressed in Canadian dollars.

This MD&A is presented on a regional and/or consolidated basis as described (and defined) in the "Business Description" and "Consolidated Results of Operations" section of this document. Capitalized terms are defined when they first appear.

Non-IFRS Measures

The following non-IFRS definitions are used in this MD&A because management believes that they provide useful information regarding our ongoing operations. Readers are cautioned that the definitions are not recognized measures under IFRS, do not have standardized meanings prescribed by IFRS, and should not be construed to be alternatives to revenues and net earnings determined in accordance with IFRS or as indicators of performance, liquidity or cash flows. Our method of calculating these measures may differ from the method used by other entities and accordingly our measures may not be comparable to similarly titled measures used by other entities or in other jurisdictions.

Except as otherwise noted in this MD&A, Adjusted EBITDA as defined by the Company means Earnings Before Interest and financing costs (net of interest income), Income Taxes, Depreciation and Amortization, share-based compensation, impairment reversal of long-lived assets, business acquisition, restructuring and other, gain on sale of land, and foreign exchange gain. Adjusted EBITDA is derived from the Consolidated Statements of Earnings and Other Comprehensive Income, and can be computed as revenues less human resources expenses and property, marketing and administration expenses plus the share of profit of equity investments relating to principal operating entities. Unless otherwise noted, Adjusted EBITDA for the current and comparative periods exclude the results of discontinued operations. We believe Adjusted EBITDA is a useful measure because it provides information to management about the ongoing operating and financial performance of the Company and its ability to generate operating cash flow to fund future working capital needs, service outstanding debt and fund future capital expenditures. Adjusted EBITDA is also used by the investors and analysts for the purpose of valuing the Company. A reconciliation of Adjusted EBITDA to net earnings under IFRS is shown in the "Financial Highlights" section of this MD&A.

In order to view its operations on a more stand-alone basis based on its shareholders' proportionate interests in its Ontario partnerships, the Company has presented its Adjusted EBITDA attributable to the shareholders of the Company for the Ontario region. Adjusted EBITDA attributable to shareholders of the Company is Adjusted EBITDA, as defined above, less the non-controlling interest portion of Adjusted EBITDA.

Performance Metrics

The following performance metrics have common definitions in the gaming industry and provide both investors and management with indications of its business' operating volumes and the volatility inherent in the Company's casino games. Our method of calculating these metrics may differ from the method used by other entities and accordingly may not be comparable to similarly titled metrics used by other entities.

- Gross Gaming Revenues are the amounts wagered on gaming activities, less the payout or prizes won by customers, and comprises table hold, slot win and poker rake.
- Table drop means the collective amount of money customers pay to purchase casino chips to wager on table games, and is commonly computed as the aggregate amount of money counted in the table games' drop boxes.
- Table hold is calculated as the table drop plus or minus the net change in casino chip inventory.
- Table hold percentage is the ratio of table hold divided by table drop. Table hold percentage fluctuates with the statistical variations or volatility inherent in casino games, as well as with changes in customer behaviour around buying, retaining and cashing-in of casino chips.
- Slot coin-in is the aggregate amount of money customers have wagered on slots and other electronic gaming machines.
- Slot win is the slot coin-in less amounts cashed out and prizes won by customers.
- Slot win per machine per day ("Slot Win/Slot/Day") is the average daily slot win earned per slot machine, and is calculated as the slot win divided by the number of days in the period, divided by the weighted-average number of slot machines that operated during the period.
- Slot win percentage is the ratio of slot win divided by slot coin-in.

Forward-Looking Information

This MD&A contains certain "forward-looking information" or statements within the meaning of applicable securities legislation. Forward-looking information is based on the Company's current expectations, estimates, projections and assumptions that were made by the Company in light of historical trends and other factors. Forward-looking statements are frequently but not always identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "targeted", "planned", "possible" or similar expressions or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. All information or statements, other than statements of historical fact, are forward-looking information, including statements that address expectations, estimates or projections about the future, the Company's strategy for growth and objectives, expected future expenditures, costs, operating and financial results, expected impact of future commitments, the impact of conditions imposed on certain high limit players, the impact of unionization activities and labour organization, the Company's beliefs about the outcome of its notices of objection and subsequent appeals challenging the Canada Revenue Agency's reassessments and its tax position on its facility development commission prevailing, the determination and calculation of the Company's expected facility investment commission amounts in respect of its British Columbia facilities and the Company's projected future investments to obtain facility investment commission, the terms and expected benefits of the normal course issuer bid, the Company's expected share of B.C. horse racing industry revenue in future years, the Company and its affiliates meeting threshold revenue growth amounts in the Ontario gaming industry in future years, the Company's projected timeline for future development, and expectations and implications of changes in legislation and government policies, volatile gaming holds, the effects of competition in the market and potential difficulties in employee retention and recruitment. Such forward-looking information is not a guarantee of future performance and may involve a number of risks and uncertainties.

Although forward-looking information is based on information and assumptions that the Company believes are current, reasonable and complete, they are subject to unknown risks, uncertainties, and a number of factors that could cause actual results to vary materially from those expressed or implied by such forward-looking information. Such factors may include, but are not limited to: compliance with the terms of operating agreements with lottery corporations; changes to gaming laws and regulations that may impact the operating agreements; pending, proposed or unanticipated regulatory or policy changes (including those related to anti-money laundering legislation or policy that may impact high limit play), volatile gaming holds, the effects of competition in the market; the development of properties in Ontario; the Company's ability to obtain and renew required business licenses, leases, and operating agreements; unanticipated fines, sanctions and suspensions imposed on the Company by its regulators; impact of global liquidity and credit availability; actual and possible reassessments of the Company's prior tax filings by tax authorities; the results of the Company's notices of objection and subsequent appeals challenging reassessments received by the Canada Revenue Agency; the Company's tax position on its facility development commission prevailing; adverse tourism trends and further decreases in levels of travel, leisure and consumer spending; adverse changes in public opinion and acceptance of gambling; competition from established competitors and new entrants in the gaming business; dependence on key personnel; the Company's ability to successfully integrate new key personnel; the timing and results of collective bargaining negotiations and potential labour disruption; adverse changes in the Company's labour relations; the Company's ability to manage its capital projects and its expanding operations in jurisdictions where it operates; the risk that systems, procedures and controls may not be adequate to meet regulatory requirements or to support current and expanding operations; potential undisclosed liabilities and capital expenditures associated with acquisitions; negative connotations linked to the gaming industry; the risk associated with partnership relationships; First Nations rights with respect to some land on which the Company conducts operations; future or current legal proceedings; construction disruptions; financial covenants associated with credit facilities and long-term debt; credit, liquidity and market risks associated with our financial instruments; interest and exchange rate fluctuations; demand for new products and services; fluctuations in operating results; economic uncertainty and financial market volatility; technology dependence; privacy breaches or data theft; integration of acquired properties in Ontario; changes to anti-money laundering procedures and protocols including additional requirements for determining source of funds; unusual weather or natural disasters could adversely affect the Company's operations and financial results; and disease outbreaks. The Company cautions that this list of factors is not exhaustive. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. These factors and other risks and uncertainties are discussed in the Company's continuous disclosure documents filed with the Canadian securities regulatory authorities from time to time, including in the "Risk Factors" section of the Company's Annual Information Form for fiscal 2019, and as identified in the Company's disclosure record on SEDAR at www.sedar.com.

The forward-looking information in documents incorporated by reference speaks only as of the date of those documents. The Company believes that the expectations reflected in forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct. Readers are cautioned not to place undue reliance on the forward-looking information. The Company undertakes no obligation to revise forward-looking information to reflect subsequent events or circumstances except as required by law. The forward-looking information contained herein is made as of the date hereof, is subject to change after such date, and is expressly qualified in its entirety by cautionary statements in this MD&A.

Presentation of Financial Information

IFRS 16, Leases ("IFRS 16")

The Company adopted IFRS 16 on January 1, 2019 using the modified retrospective approach. Comparative information has not been adjusted for IFRS 16.

In the "Supplemental Financial Information" section of this MD&A, the accounting impact of IFRS 16 on the 2019 results is shown for the following financial information:

- Financial Highlights
- Adjusted EBITDA and Total Assets by Region
- Financial Position
- Cash Flows

Under IFRS 16, the Company recognizes right-of-use assets and lease liabilities for most of its leases. Certain lease payments, which were previously recognized in "property, marketing and administration" expense, are now recorded against the lease liability as the payment occurs. Expenses for short-term leases, leases of low value assets, and variable lease payments based on performance or usage continue to be expensed in "property, marketing and administration" expense. At each reporting period, the Company recognizes amortization expense related to its right-of-use assets and interest accretion on lease liabilities.

The details of the changes in accounting policies are disclosed in the "Other Financial Information" section of this MD&A.

Discontinued Operations of United States Region

On June 27, 2019, the Company sold all the shares of its wholly-owned subsidiary, Great American Gaming Corporation ("GAGC"), which represented the Company's U.S. region, a segment that was previously reported in the Company's Annual Financial Statements.

Financial results of the U.S. region, including comparative information, have been presented as discontinued operations in accordance with IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*.

Refer to the "Supplemental Financial Information" section of this MD&A for financial information on the discontinued operations.

FINANCIAL HIGHLIGHTS

	Three months ended December 31,			Twelve months ended December 31,				
	2019[(1)]	2018[(2)]	% Chg	**2019[(1)]**	2018[(2)]	% Chg	2017[(2)]	% Chg
Gaming revenues	**$ 311.9**	$ 288.2	8%	**$ 1,182.8**	$ 1,020.2	16%	$ 435.0	135%
Hospitality revenues	**29.0**	28.8	1%	**110.5**	103.0	7%	88.8	16%
Racetrack, lease and other revenues	**16.5**	14.4	15%	**62.3**	56.6	10%	49.3	15%
Revenues	**357.4**	331.4	8%	**1,355.6**	1,179.8	15%	573.1	106%
Human resources	**109.8**	106.7	3%	**430.8**	357.0	21%	199.4	79%
Property, marketing and administration	**96.3**	107.6	(11%)	**370.2**	359.5	3%	161.2	123%
Share of profit of equity investment[(3)]	**(0.7)**	(0.7)	0%	**(2.7)**	(2.7)	0%	(2.8)	4%
	205.4	213.6	(4%)	**798.3**	713.8	12%	357.8	99%
Adjusted EBITDA [(4)]	**$ 152.0**	$ 117.8	29%	**$ 557.3**	$ 466.0	20%	$ 215.3	116%
Human resources as a % of Revenues	**30.7%**	32.2%		**31.8%**	30.3%		34.8%	
Adjusted EBITDA as a % of Revenues	**42.5%**	35.5%		**41.1%**	39.5%		37.6%	
Less:								
Amortization	**41.0**	23.8		**152.8**	83.0		57.4	
Share-based compensation	**4.2**	3.1		**12.2**	13.0		8.1	
Impairment reversal of long-lived assets	**-**	-		**-**	-		(1.4)	
Interest and financing costs, net	**22.6**	28.6		**87.3**	62.7		33.4	
Business acquisition, restructuring and other[(3)]	**3.8**	3.5		**3.6**	17.8		3.2	
Gain on sale of land	**-**	-		**(6.6)**	-		-	
Foreign exchange gain	**(0.4)**	0.3		**(2.3)**	(1.0)		-	
Income taxes	**18.4**	10.4		**65.4**	55.8		33.3	
Net earnings from continuing operations	**$ 62.4**	$ 48.1	30%	**$ 244.9**	$ 234.7	4%	$ 81.3	189%
Net earnings attributable to discontinued operations[(2)]	**$ -**	$ 1.1		**$ 52.1**	$ 5.1		$ 4.4	
Net earnings	**$ 62.4**	$ 49.2	27%	**$ 297.0**	$ 239.8	24%	$ 85.7	180%
Net earnings from continuing operations attributable to:								
Shareholders of the company	**$ 45.8**	$ 26.3	74%	**$ 174.4**	$ 146.1	19%	$ 79.9	83%
Non-controlling interests	**16.6**	21.8		**70.5**	88.6		1.4	
	$ 62.4	$ 48.1	30%	**$ 244.9**	$ 234.7	4%	$ 81.3	189%
Net earnings attributable to:								
Shareholders of the company	**$ 45.8**	$ 27.4		**$ 226.5**	$ 151.2		$ 84.3	
Non-controlling interests	**16.6**	21.8		**70.5**	88.6		1.4	
	$ 62.4	$ 49.2	27%	**$ 297.0**	$ 239.8	24%	$ 85.7	180%
Shareholders' net earnings per common share from continuing operations								
Basic	**$ 0.81**	$ 0.44		**$ 3.00**	$ 2.40		$ 1.31	
Diluted	**$ 0.79**	$ 0.42		**$ 2.91**	$ 2.31		$ 1.28	
Shareholders' net earnings per common share								
Basic	**$ 0.81**	$ 0.46		**$ 3.89**	$ 2.49		$ 1.38	
Diluted	**$ 0.79**	$ 0.44		**$ 3.78**	$ 2.39		$ 1.35	
Weighted average number of common shares (in thousands)								
Basic	**56,267**	59,858		**58,171**	60,805		61,157	
Diluted	**57,615**	62,450		**59,836**	63,217		62,356	
				December 31, 2019	December 31, 2018	% Chg	December 31, 2017	% Chg
Cash				**$ 329.7**	$ 336.8	(2%)	$ 322.3	4%
Total assets				**$ 2,851.9**	$ 1,601.8	78%	$ 1,171.4	37%
Long-term debt				**$ 869.8**	$ 631.6	38%	$ 482.6	31%

(1) 2019 financial results reflect the adoption of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A.

(2) The results of the U.S. region have been presented as discontinued operations, as discussed in the "Presentation of Financial Information" section of this MD&A. Comparative information has been re-presented to show the discontinued operations separately from continuing operations.

(3) In calculating Adjusted EBITDA for the twelve months ended December 31, 2018, "share of profit of equity investment" does not include the loss of $1.1 relating to the Company's share of Ontario Gaming West GTA Limited Partnership's ("OGWGLP") transition costs incurred for the West GTA Gaming Bundle prior to the acquisition on May 1, 2018, in which OGWGLP was accounted for as an equity method investee. The loss of $1.1 has been classified under "business acquisition, restructuring and other".

In calculating Adjusted EBITDA for the twelve months ended December 31, 2017, "share of profit of equity investment" does not include the loss of $1.8 relating to the Company's share of Ontario Gaming GTA Limited Partnership's ("OTG") transition costs incurred for the GTA Gaming Bundle prior to the acquisition on January 23, 2018, in which OTG was accounted for as an equity method investee. The loss of $1.8 has been classified under "business acquisition, restructuring and other".

(4) Adjusted EBITDA is a non-IFRS measure, as defined in the "Non-IFRS Measures" section of this MD&A, and excludes discontinued operations.

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

Revenues
For the fourth quarter of 2019, the Company recorded revenues of $357.4, a $26.0 or 8% increase from the three months ended December 31, 2018. For the twelve months of 2019, the Company recorded revenues of $1,355.6, a $175.8 or 15% increase from the twelve months ended December 31, 2018. The increases for the three and twelve months ended December 31, 2019, when compared to the same periods in the prior year, were attributable to the expansion of gaming and non-gaming amenities at the Ontario properties.

Revenues for the twelve months ended December 31, 2019 included an additional 22 and 120 days of operations from the Greater Toronto Area Gaming Bundle ("GTA Gaming Bundle") and the West Greater Toronto Area Gaming Bundle ("West GTA Gaming Bundle") since their acquisitions on January 23, 2018 and May 1, 2018, respectively. The increase in revenues for the twelve months ended December 31, 2019 was partially offset by extreme winter conditions in the first quarter of 2019, which had a negative impact on guest attendance at the Ontario gaming facilities.

For the twelve months of 2018, the Company recorded revenues of $1,179.8, a $606.7 or 106% increase from the twelve months ended December 31, 2017. The increases were primarily attributable to revenues from the GTA and West GTA gaming bundles since their acquisitions on January 23, 2018 and May 1, 2018, respectively. The increase in revenues for the twelve months ended December 31, 2018 was partially offset by a decline in revenues in British Columbia ("B.C.") due to the effects from the labour disruption at Hard Rock Casino Vancouver ("HRCV").

The following table summarizes the Company's consolidated revenues for the years ended December 31, 2019, 2018, and 2017, and excludes revenues from discontinued operations:

	Twelve months ended December 31,		
	2019	2018	2017
Gross Gaming Revenues [1]	**$ 3,034.0**	$ 2,648.8	$ 1,130.6
Less: amounts retained by Provincial Crown corporations and other	**(1,851.2)**	(1,628.6)	(695.6)
Gaming Revenues	**1,182.8**	1,020.2	435.0
Hospitality revenues	**110.5**	103.0	88.8
Racetrack, lease and other revenues	**62.3**	56.6	49.3
Revenues	**$ 1,355.6**	$ 1,179.8	$ 573.1

[1] Net of gaming promotional allowances

Adjusted EBITDA
Adjusted EBITDA of $152.0 and $557.3 for the three and twelve months ended December 31, 2019 increased by 29% and 20%, respectively, when compared to the same periods in 2018. The increases were primarily due to a $21.1 and $83.7 accounting impact from the adoption of IFRS 16 for the three and twelve months ended December 31, 2019, respectively, and increased revenues in Ontario, partially offset by increased operating costs related to expanded operations in Ontario.

Adjusted EBITDA of $466.0 for the twelve months ended December 31, 2018 increased by 116%, when compared to the same period in 2017, primarily due to the contributions from the GTA Gaming Bundle and the West GTA Gaming Bundle.

Shareholders' net earnings from continuing operations

Shareholders' net earnings from continuing operations of $45.8 for the three months ended December 31, 2019 increased by $19.5, when compared to the same period in the prior year, primarily due to increased Adjusted EBITDA in Ontario, and lower interest and financing costs on the Senior Secured Credit Facilities of GCGC after the redemption of the 6.625% $450.0 Senior Unsecured Notes and the associated early redemption premium of $9.9 incurred in the fourth quarter of 2018, partially offset by increased amortization related to capital investments for the Ontario developments, increased income taxes, and the net effect of adopting IFRS 16.

Shareholders' net earnings from continuing operations of $174.4 for the twelve months ended December 31, 2019 increased by $28.3, when compared to the same period in the prior year, primarily due to increased Adjusted EBITDA in Ontario, the net proceeds from the marketing trust lawsuit recorded in business acquisition, restructuring and other (as discussed in the "Litigation and Disputes" section of this MD&A), and the gain on sale of land, partially offset by increased amortization related to capital investments for the Ontario developments, increased income taxes, and the net effect of adopting IFRS 16.

Shareholders' net earnings of $146.1 for the twelve months ended December 31, 2018, when compared to the same period in 2017, increased by 83%, as a result of increased Adjusted EBITDA primarily from Ontario, partially offset by increases in amortization, interest and financing cost, net, business acquisition, restructuring and other, and income taxes, primarily due to the acquisitions of the GTA and West GTA gaming bundles.

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

BUSINESS DESCRIPTION

General

As at December 31, 2019, the Company's principal operating entities which the Company consolidates were:

Entity	Abbreviation	Location of operations	Ownership interest at December 31, 2019	2018
Flamboro Downs Limited	FDL	Ontario	100%	100%
Georgian Downs Limited	GDL	Ontario	100%	100%
Ontario Gaming East Limited Partnership	OGELP	Ontario	90.5%	90.5%
Ontario Gaming GTA Limited Partnership [2] *(doing business as One Toronto Gaming)*	OTG	Ontario	50%[1]	49%
Ontario Gaming West GTA Limited Partnership[3]	OGWGLP	Ontario	100%[1]	55%
Chilliwack Gaming Ltd.	CGL	British Columbia	100%	100%
Great Canadian Casinos Inc.	GCCI	British Columbia	100%	100%
Great Canadian Entertainment Centres Ltd.	GCEC	British Columbia	100%	100%
Hastings Entertainment Inc.	HEI	British Columbia	100%	100%
Orangeville Raceway Limited	ORL	British Columbia	100%	100%
Great Canadian Gaming (New Brunswick) Ltd.	GCGNB	New Brunswick	100%	100%
Metropolitan Entertainment Group	MEG	Nova Scotia	100%	100%

(1) On November 4, 2019, the Company completed the acquisition of certain non-controlling interests in its Ontario partnerships. As a result, the Company now owns 100% of OGWGLP and 50% of OTG. See Note 26(a) of the Annual Financial Statements.

(2) OTG became a principal operating entity of the Company after acquiring certain gaming assets of the GTA Gaming Bundle on January 23, 2018. For the year ended December 31, 2018, OTG was a principal operating entity of the Company for 343 days.

(3) OGWGLP became a principal operating entity of the Company after acquiring certain gaming assets and leased real property of the West GTA Gaming Bundle on May 1, 2018. For the year ended December 31, 2018, OGWGLP was a principal operating entity of the Company for 245 days.

Under these principal operating entities, the Company operated 25 gaming, entertainment and hospitality facilities in the Ontario, B.C. and Atlantic regions:

Ontario

OTG
Casino Woodbine
Casino Ajax
Great Blue Heron Casino

OGWGLP
Elements Casino Mohawk
Elements Casino Brantford
Elements Casino Flamboro[4]
Elements Casino Grand River

OGELP
Shorelines Casino Peterborough
Shorelines Casino Belleville
Shorelines Casino Thousand Islands
Shorelines Slots at Kawartha Downs

FDL
Flamboro Downs Racetrack[4]

GDL
Georgian Downs Racetrack

British Columbia

GCCI
River Rock Casino Resort
Hard Rock Casino Vancouver
Elements Casino Victoria
Casino Nanaimo
Bingo Esquimalt

ORL
Elements Casino Surrey

CGL
Elements Casino Chilliwack[5]

GCEC
Chances Dawson Creek
Chances Maple Ridge

HEI
Hastings Racecourse & Casino

Atlantic

GCGNB
Casino New Brunswick

MEG
Casino Nova Scotia Halifax
Casino Nova Scotia Sydney

(4) Elements Casino Flamboro and Flamboro Downs Racetrack operate in the same location, and together, they are considered one gaming facility.
(5) Formerly Chances Chilliwack.

On June 27, 2019, the Company sold all the shares of its wholly-owned subsidiary, GAGC, which represented the Company's U.S. region. As at December 31, 2019, GAGC is not a principal operating entity of the Company and as a result, the U.S. region is no longer an operating segment.

Information on the Canadian gaming industry, regulatory environment and the Company's operating agreements in these jurisdictions are included in the Annual Information Form located on the SEDAR website at www.sedar.com or on the Company's website at www.gcgaming.com.

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

Operations

The following table summarizes the key attributes of each of the Company's properties as at December 31, 2019:

Facility and Location	Slot Machines[1]	Table Games	Key Attributes	Operating Agreements Initial / Renewal Term Expiry Dates
Ontario				
GTA Gaming Bundle				
Casino Woodbine, Toronto, Ontario	3,460	112	4 food and beverage options (operated by a third party)	January 22, 2039
Casino Ajax, Ajax, Ontario	1,000	-	1 food and beverage option	January 22, 2039
Great Blue Heron Casino Port Perry, Ontario	670	60	3 food and beverage options	January 22, 2039
West GTA Gaming Bundle				
Elements Casino Mohawk, Milton, Ontario	1,460	60	4 food and beverage options (2 operated by a third party)	March 31, 2038
Elements Casino Brantford, Brantford, Ontario	600	57	2 food and beverage options	March 31, 2038
Elements Casino Flamboro, Hamilton, Ontario	1,030	20	5 food and beverage options[2]	March 31, 2038
Elements Casino Grand River, Elora, Ontario	530	-	1 food and beverage option	March 31, 2038
East Gaming Bundle				
Shorelines Casino Peterborough, Peterborough, Ontario	500	22	2 food and beverage options, entertainment space	March 31, 2040
Shorelines Casino Belleville, Belleville, Ontario	480	18	2 food and beverage options, entertainment space, Racebook	March 31, 2040
Shorelines Casino Thousand Islands, Gananoque, Ontario	490	21	1 food and beverage option	March 31, 2040
Shorelines Slots at Kawartha Downs, Fraserville, Ontario	150	-	1 food and beverage option (operated by a third party)	March 31, 2021
Racetracks				
Flamboro Downs (Standardbred Racing), Hamilton, Ontario	-	-	5 food and beverage options[2], Racebook, approximately 1,030 slot machines operated by a partnership controlled by the Company	March 31, 2023[3]
Georgian Downs (Standardbred Racing), Innisfil, Ontario	-	-	2 food and beverage options (operated by a third party), 2 banquet rooms, Racebook, approximately 950 slot machines operated by third party	March 31, 2023[4]
British Columbia				
River Rock Casino Resort, Richmond, BC	1,250	87	2 hotels with 396 rooms, 1,000 seat show theatre, 9 food and beverage options (1 operated by a third party), conference facilities, pool/spa, Racebook[5], marina, 40 touch bet roulette terminals, 30 stadium baccarat terminals	June 2, 2038
Hard Rock Casino Vancouver, Coquitlam, BC	960	43	1,051 seat show theatre convertible to 729 seat cabaret with dance floor, 6 food and beverage options (1 operated by a third party), Racebook[5], 28 touch bet roulette terminals	June 2, 2038
Elements Casino Surrey, Surrey, BC	540	23	4 food and beverage options, 12 touch bet roulette terminals, 2 banquet rooms, Racebook[5]	June 2, 2038
Elements Casino Victoria, Victoria, BC	770	21	3 food and beverage options, 10 touch bet roulette terminals, 600 seat capacity multi-purpose entertainment venue	June 2, 2038

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

Facility and Location	Slot Machines[(1)]	Table Games	Key Attributes	Operating Agreements Initial / Renewal Term Expiry Dates
Casino Nanaimo, Nanaimo, BC	430	6	1 food and beverage option, Racebook[(5)]	June 2, 2038
Elements Casino Chilliwack, Chilliwack, BC	300	6	Bingo, 1 food and beverage option, banquet room, entertainment space, Racebook[(5)]	June 2, 2038
Chances Maple Ridge, Maple Ridge, BC	250	-	Bingo, 1 food and beverage option, 2 banquet rooms, entertainment space, outdoor patio, Racebook[(5)]	June 2, 2038
Chances Dawson Creek, Dawson Creek, BC	150	-	Bingo, 1 food and beverage option	June 2, 2038
Hastings Racecourse & Casino (Thoroughbred Racing), Vancouver, BC	540	-	5 food and beverage options (2 opened on race days only), Racebook[(5)]	June 2, 2038
Bingo Esquimalt, Victoria, BC	-	-	Bingo, 1 food and beverage option	May 31, 2021
TBC Teletheatre BC[(5)]	-	-	16 Racebooks[(5)]	-
Atlantic				
Casino New Brunswick, Moncton, New Brunswick	650	24	1 hotel with 126 rooms, 2,500 seat show theatre/conference centre, 2 food and beverage options, pool/spa, gift shop	December 31, 2030
Casino Nova Scotia Halifax, Halifax, Nova Scotia	610	27	3 food and beverage options (1 operated by a third party), show theatre, meeting facilities	July 1, 2025
Casino Nova Scotia Sydney, Sydney, Nova Scotia	280	6	1 food and beverage option	July 1, 2025
	17,100	613		

(1) These are the approximate number of slot machines at each gaming facility.

(2) Elements Casino Flamboro and Flamboro Downs operate in the same location, which collectively offers 5 food and beverage options on-site.

(3) FDL earns lease revenues for leasing the space for slot machines operated by a partnership controlled by the Company. The lease agreement secures lease revenues at FDL until March 31, 2023.

(4) GDL earns lease revenues for leasing the space for slot machines operated by a third party. The lease agreement secures lease revenues at GDL until March 31, 2023.

(5) The Company owns or holds an interest in 18 Racebooks in B.C. as at December 31, 2019. The Company owns and operates two Racebooks; one at each of Elements Casino Surrey and Hastings Racecourse & Casino. The remaining 16 Racebooks, including those at River Rock Casino Resort ("River Rock"), Hard Rock, Casino Nanaimo, Elements Casino Chilliwack and Chances Maple Ridge, are operated by TBC. TBC also offers internet and phone racetrack wagering. The Company owns a 50% interest in TBC and the remaining 50% interest is held by two horsemen's associations, the Harness Racing B.C. Society and the Horsemen's Benevolent and Protective Association. TBC contributes any surplus revenues in excess of its operating expenses to the consolidated B.C. horse racing industry revenue fund as described in the "Regulatory Environment and Seasonality" section of this MD&A.

Business Strategy

The Company's vision is to be the leading gaming, entertainment and hospitality company in its chosen markets by providing superior entertainment value and exceptional experiences. To achieve this goal, the Company has adopted the strategies as outlined below.

1. **Continuously Improve the Company's Operating Efficiency and Effectiveness.** Great Canadian's ongoing success can be attributed to the Company's commitment to operating efficiency, proactive labour management and disciplined purchasing. This efficiency has been supported by an integrated corporate structure that centralizes major functions such as accounting, purchasing, and human resources. The Company continually seeks new ways to realize operational synergies, business process improvements and optimal labour utilization.

2. **Drive Incremental Growth at the Company's Recently Acquired and Existing Facilities.** The majority of Great Canadian's existing properties operate within mature, highly regulated markets. As a result of this regulation, these markets offer advantages and protection for incumbent operators. This regulatory regime also requires that the Company work alongside its Crown corporation partners when expanding or introducing gaming offerings. These partners also oversee certain loyalty programs within the Company's existing markets. In order to increase market share, penetrate new demographics, and drive incremental growth within this environment, the Company seeks to provide its patrons with a superior entertainment experience. In pursuit of this goal, the Company actively reinvests in its properties, supports its gaming offerings with premium non-gaming entertainment and hospitality options, and strives to maintain the highest standards of guest service.

3. **Continually Improve Guest Experiences.** Great Canadian believes guest satisfaction to be the primary driver of patron loyalty, particularly within mature markets. As a result, the Company constantly strives to provide exceptional guest service across its entire property portfolio. The Company pursues this service vision through staff training, performance recognition, and communication, all of which emphasizes the importance of each employee taking personal responsibility to exceed our guests' expectations.

4. **Pursue New Growth Opportunities.** Great Canadian is actively seeking opportunities to grow. These opportunities may be located within both the Company's existing markets and new jurisdictions, and include property expansions, the implementation of new offerings, the development of new properties or projects, and strategic acquisitions. Depending upon the size, scope, and regulatory requirements associated with these opportunities, the Company may elect to align itself with strategic business partners. As a result, the Company may hold majority or minority positions in new investment vehicles that align with the Company's core business.

5. **Pursue and Promote Exceptional Corporate Culture.** Great Canadian annually invests in the development of our people and in our communities. The Company is committed to its team members and a culture that recognizes and rewards exceptional service and teamwork. Additionally, since its founding, Great Canadian has placed great emphasis on the importance of social responsibility and corporate citizenship. These core values are best reflected in the Company's commitment to supporting and assisting the communities in which it operates. Great Canadian is proud of its culture and the many contributions it has been able to make to those in need. "PROUD of our people, our business, our community" is Great Canadian's brand that unifies the company and its social responsibility efforts. Under the PROUD program, Great Canadian supports hundreds of charitable organizations in the various communities in which it does business. Great Canadian is also dedicated to operating its business in a responsible and ethical manner. Through a comprehensive policies and standards framework, Great Canadian ensures its work environments are free from discrimination, bullying or harassment, equips its site operations with responsible gaming resources, and its environmental footprint is guided by the Company's work with key environmental authorities.

Regulatory Environment and Seasonality

Ontario

Regulatory

In Ontario, gaming is conducted and managed by the Ontario Lottery and Gaming Corporation ("OLG") and regulated by the Alcohol and Gaming Commission of Ontario ("AGCO"). OLG in turn engages service providers, such as the Company, to administer the day-to-day operations of the gaming activities pursuant to the Casino Operating and Services Agreements ("COSAs").

AGCO is a provincial agency established under the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996* and is responsible for the administration of the Horse Racing Licence Act, 2015, the Liquor License Act and the Gaming Control Act, 1992 and complementary legislative amendments. The AGCO is responsible for regulating the alcohol, gaming and horse racing sectors in accordance with the principles of honesty and integrity, and in the public interest.

Under each COSA that OLG has entered with each service provider, OLG has specified the gaming zones that are within the gaming bundle that is operated by the service provider. Potential relocation of existing gaming sites in these gaming zones to other locations within the gaming zone are subject to municipal, OLG and Ontario Government approvals.

The Company operates two racetracks, Georgian Downs and Flamboro Downs, which are members of Ontario Racing, a not-for-profit industry organization created on April 30, 2018 that represents the majority of Ontario racetrack operators and horse racing associations. Ontario Racing administers the funding for Ontario racing programs, which are governed by a 19-year funding agreement ("Funding Agreement") among OLG, Ontario Racing, Ontario Racing Management ("ORM") and Woodbine Entertainment Group ("WEG"). The 19-year funding agreement consists of an initial term of seven years with two six-year extensions. Starting April 1, 2019, OLG will provide up to $117 million per year to Ontario Racing, which will be allotted to horse racing industry stakeholders under the Funding Agreement. ORM, a wholly-owned subsidiary of WEG, operates under an agreement to provide management and operating services at the direction of and on behalf of Ontario Racing.

Seasonality

Ontario experiences extreme weather conditions in the winter, which can result in a negative impact on short-term guest attendance.

Georgian Downs operates live racing from June to August, and Flamboro Downs operates from September to May.

British Columbia

Regulatory

In B.C., gaming activities are conducted and managed by the B.C. Lottery Corporation ("BCLC") and regulated by the Gaming Policy and Enforcement Branch ("GPEB"). BCLC in turn engages service providers, such as the Company, to administer the day-to-day operations of the gaming activities pursuant to Operational Services Agreements ("OSAs").

GPEB is a provincial agency established under the *Gaming Control Act* and is responsible for regulating all gaming in B.C., ensuring the integrity of the gambling industry companies, licensing charitable gaming events, overseeing the horse racing industry, and investigating allegations of wrongdoing under the *Act*. GPEB also registers gaming service providers and gaming workers, and approves and certifies gaming equipment and lottery schemes.

In B.C., the strategic direction and business leadership of the provincial horse racing industry is provided by the B.C. Horse Racing Industry Management Committee ("BCHRIMC"), which also provides a forum for industry participants to work collectively in the development of the industry. The BCHRIMC provides for mandatory representation on the Committee of a representative of both the major racetracks in the province that are owned by the Company.

Seasonality

B.C. casinos may experience higher attendance during certain times of the year, particularly on key holidays such as Christmas, New Year's Eve and Chinese New Year.

While the Company's B.C. casinos operate year-round, its racetracks are subject to seasonal variations due to the timing of their respective live racing seasons. Live racing generally operates from April to October at Hastings Racecourse, and from October to April at Elements Casino (Surrey). Gaming offerings and Racebooks at both locations operate year-round.

Atlantic

New Brunswick

Regulatory

In New Brunswick, gaming activities are conducted and managed by the New Brunswick Lotteries and Gaming Corporation ("NBLGC") and regulated by the Gaming, Liquor and Security Licensing Branch ("GLSB"). NBLGC in turn engaged the Company as the service provider to operate gaming activities at Casino New Brunswick, located in Moncton, New Brunswick, pursuant to a Casino Service Provider Agreement.

GLSB is a provincial agency established under the *Gaming Control Act* and is a branch of the Department of Justice and Public Safety. GLSB is responsible for the regulation and control of provincial gaming as well as the regulation, control and licensing of charitable gaming in in New Brunswick.

Seasonality

Moncton, where Casino New Brunswick is located, experiences extreme winter weather conditions, which can result in a negative impact on short-term attendance. The gaming industry in New Brunswick has also historically witnessed a modest increase in business volumes during the summer months, primarily as a result of both tourism and favourable weather conditions.

Nova Scotia

Regulatory

In Nova Scotia, gaming activities are conducted and managed by the Nova Scotia Gaming Corporation ("NSGC") and regulated by Service Nova Scotia. NSGC, in turn engaged the Company as the service provider to operate the only two commercials casinos within the province pursuant to a casino operating contract.

The Alcohol, Gaming, Fuel and Tobacco Division ("AGFTD") is a provincial agency of Service Nova Scotia established under the *Gaming Control Act*, Chapter 4 of the Acts of 1994-95, and is responsible for the administration of the *Gaming Control Act*, the *Liquor Act* and the *Theatres and Amusements Act*. The AGFTD is responsible for licensing and regulating liquor, gaming, and amusement activities, and ensuring these activities are conducted with honesty and integrity and in the best interest of the general public.

Seasonality

Halifax and Sydney, where the Nova Scotia casinos are located, occasionally experience extreme winter weather conditions, which can result in a negative impact on short-term guest attendance. The gaming industry in Nova Scotia has also historically witnessed a slight increase in business volumes during the summer months, primarily as a result of both tourism and favourable weather conditions.

Anti-Money Laundering in the Canadian Gaming Sector

Certain industries in Canada, like the gaming sector, are subject to the federal *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* ("PCMLTFA"). Other sectors regulated under the PCMLTFA include banks, credit unions, securities dealers, accountants, real estate brokers, dealers in precious metals and stones, and money service businesses. The PCMLTFA provides for the creation of Financial Transactions and Reports Analysis Centre of Canada ("FinTRAC"), which fulfills the role of Canada's financial intelligence unit. FinTRAC is given responsibility for regulating those sectors of the economy subject to the PCMLTFA and in particular for making sure regulated entities have appropriate and effective anti-money laundering regimes in place.

Similar to banks and other regulated entities, casinos in Canada operate under and are required to comply with strict anti-money laundering, customer identification and reporting requirements set out within the PCMLTFA. FinTRAC has designated provincial lottery corporations as the gaming reporting entity and the Company assists provincial lottery corporations with their FinTRAC reporting obligations.

Pursuant to the PCMLTFA, cash transactions of $10,000 (ten thousand dollars) or more, casino disbursements of $10,000 (ten thousand dollars) or more and electronic funds transfers of $10,000 (ten thousand dollars) or more occurring within a 24-hour timeframe or within a gaming day must be reported to FinTRAC. Additionally, casinos must report suspicious transactions, conducted or attempted, of any amount to FinTRAC. Moreover, suspicious transactions are reported to provincial Gaming Regulators and police agencies which have the authority and responsibility for the investigation of money laundering and other related criminal offences.

The Company's anti-money laundering efforts are subject to independent external review through audits completed by FinTRAC, provincial Gaming Regulators and the Crown Agents responsible for the conduct and management of gaming in a province. The combination of a strong anti-money laundering program and verification of compliance with anti-money laundering laws through independent auditing help to ensure the Company's operations are protected from being used to launder illicit funds and help to protect the communities in which the Company operates.

For more information on Canadian anti-money laundering requirements, the PCMLTFA and FinTRAC visit: http://www.fintrac-canafe.gc.ca

Recent Developments to Enhance Anti-Money Laundering Efforts

On June 27, 2018, the British Columbia (B.C.) provincial government publicly released Dr. Peter German's report (the "Report") on his independent review of B.C.'s AML policies and practices in B.C.'s Lower Mainland casinos. The Report was commissioned by the Attorney General of B.C. The Company participated in the review by Dr. German, and welcomed his contributions and recommendations to enhance the provincial AML system.

The Company continues to support the significant work being dedicated by casino service providers, BCLC, GPEB, and the Ministry of the Attorney General, on the implementation of the recommendations to effectively enhance measures to prevent money laundering and prevent other crimes.

Following the release of the Report, the B.C Government commissioned two additional reviews in September 2018. The reports were received by the Government in April 2019. The first report from the Expert Panel on Money Laundering recommended changes that would improve anti-money laundering efforts in the real estate market. The second report was Dr. Peter German's second review into money laundering, focusing on real estate, luxury cars and horseracing.

On May 15, 2019, the B.C. Government announced a public inquiry into money laundering (the "Inquiry").

B.C. Supreme Court Justice Austin F. Cullen has been appointed to head the Inquiry, which will look at money laundering in British Columbia, including real estate, gaming, financial institutions and the corporate and professional sectors.

The Cullen Commission will also examine regulatory authorities and barriers to effective law enforcement of money laundering activities. Together with 17 other organizations (including other gaming service providers), the Company has been granted official standing as a participant in the Inquiry. The Company is currently focused on proactively supporting the Inquiry's work.

The Company looks forward to working collaboratively with other gaming service providers, BCLC, GPEB, and the Ministry of the Attorney General, to address any opportunities to further enhance robust anti-money laundering policies and practices within the gaming sector.

For more information on Cullen Commission Inquiry, please visit: https://cullencommission.ca.

MAJOR DEVELOPMENTS

Ontario

GTA Gaming Bundle

Key development initiatives of the GTA Gaming Bundle include the transformation of Casino Woodbine into an international destination casino resort, the development of a world-class casino resort in the Durham region located in Pickering, Ontario, and the expansion of Great Blue Heron Casino. The developments will also see expanded gaming offerings, renovations to the existing gaming floors, and integration of the gaming facilities with horse racing operations. In addition to expanded gaming, the Company intends to add a mix of premium hospitality and entertainment amenities at these properties to create resort destinations that will serve as hubs for locals and tourists.

Development of the casino building, including related food and beverage amenities, at the new Pickering Casino Resort is expected to complete by the end of the first quarter of 2020. The hotel and entertainment venue are expected to open by the end of 2020. During the year ended December 31, 2019, Great Blue Heron Casino opened its new building addition, which expanded the gaming floor, and completed various new food and beverage offerings. Further developments to the Great Blue Heron Casino to introduce new amenities and the expansion of Casino Woodbine continue to progress.

On April 24, 2019, the Company announced that it had completed agreements with OLG and the owners of Ajax Downs allowing for the continued operation of Casino Ajax in the GTA Gaming Bundle, effective upon the opening of the new Pickering Casino Resort. Under the agreement, the Company reached terms with OLG to establish a new gaming zone for Casino Ajax and to provide typical allowances for the on-going operating costs and capital requirements. No changes were made to the pre-established threshold amounts for the GTA Gaming Bundle, and a prescribed mechanism was established to adjust for potential delays in property development plans and associated growth of gaming revenues. The agreement also provides for an additional 10 years to be added to the existing extension in the Casino Operating and Services Agreement, based on certain conditions being met. The ability for a new gaming facility to be developed and operated within the GTA remains unchanged.

The Company also completed a lease agreement with the owners of Ajax Downs with an initial term ending March 31, 2026, plus an extension at the Company's option for an additional 12 years. As part of the new lease, the owners of Ajax Downs have been granted the ability to reconfigure certain areas of the property for any future development opportunities they would like to pursue.

West GTA Gaming Bundle

Key development initiatives of the West GTA Gaming Bundle include the development of full service casinos integrated with horse racing operations, renovations to the existing gaming floors, and expanded gaming offerings. The Company also intends to add an appropriate mix of gaming, hospitality and entertainment at these properties to deliver exceptional guest experiences within its respective markets.

Several projects completed during the year ended December 31, 2019, including gaming floor expansion and new food and beverage offerings. Additional enhancements to improve guest experiences are ongoing at each property and will continue into 2020.

British Columbia

On November 1, 2019, Chances Chilliwack opened as Elements Casino Chilliwack, following the municipal approval to introduce live dealer table games to its gaming mix for the first time at this gaming facility.

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

LABOUR RELATIONS

The Company employs unionized employees at 16 of its properties. As at December 31, 2019, the Company had approximately 5,200 unionized employees at certain of its facilities out of a total of approximately 9,700 employees Company-wide. Below is a summary of the collective bargaining units in place and the status of negotiations as at December 31, 2019:

Facility	Employee Group	Union	Term of Collective Agreement	Status
Ontario				
GTA Gaming Bundle				
Casino Woodbine	Hourly non-supervisory employees, excluding security and surveillance, office and clerical staff	Public Service Alliance of Canada ("PSAC")	April 1, 2019 - March 31, 2023	A new collective agreement was ratified on August 15, 2019.
	Security employees	Unifor - Local 252	June 1, 2018 - May 31, 2022	No current activity
	Surveillance Operators	Teamsters, local 938	October 1, 2019 - September 30, 2023	A new collective agreement was ratified on February 5, 2020.
	Auditors & Audit Clerks	Public Service Alliance of Canada ("PSAC")	To be determined	Certified on January 21, 2020. Notice to bargain has not been received yet.
Casino Ajax	Hourly non-supervisory employees, excluding security and surveillance, office and clerical staff	Unifor - Local 1090	July 24, 2018 - July 23, 2022	No current activity
Great Blue Heron Casino	Hourly non-supervisory employees, excluding security and surveillance, office and clerical staff	Unifor - Local 1090	July 24, 2018 - July 23, 2022	No current activity
	Security employees	United Steelworkers ("USW")	April 22, 2019 - April 21, 2022	A new collective agreement was ratified on August 7, 2019.
West GTA Gaming Bundle				
Elements Casino Mohawk	Hourly security employees	Unifor - Local 252	June 1, 2018 - May 31, 2022	A new collective agreement was ratified on July 28, 2018.
	Hourly non-supervisory employees, excluding security and surveillance, office and clerical staff	Unifor - Local 504	October 22, 2018 - October 21, 2022	A new collective agreement was ratified on October 21, 2018.
Elements Casino Brantford	Hourly non-supervisory employees, excluding security and surveillance, office and clerical staff	Unifor - Local 504	June 1, 2018 - May 31, 2022	No current activity
Elements Casino Flamboro	Hourly non-supervisory employees, excluding security and surveillance, office and clerical staff	Unifor - Local 504	March 11, 2019 - March 10, 2023.	A new collective agreement was ratified March 11, 2019.
	Security employees	USW		Bargaining commenced in September 2019 and is ongoing.
East Gaming Bundle				
Shorelines Casino Bellville	Hourly Security Officers	Teamsters, local 91	To be determined	Certified on December 11, 2019. Notice to bargain was received on January 3, 2020. Bargaining will commence in April 2020.
Shorelines Casino Thousand Islands	Hourly Security Officers	Teamsters, local 91	November 1, 2017 - October 31, 2020	No current activity
Shorelines Slots at Kawartha Downs	Hourly non-supervisory employees, excluding security and surveillance, office and clerical staff	Service Employees International Union ("SEIU"), Local 2	May 16, 2019 - May 15, 2022	A new collective agreement was ratified on July 25, 2019.
Racetracks				
Flamboro Downs Racetrack	Mutuels, housekeeping/facilities, food and beverage and security employees	SEIU, Local 2	January 1, 2020 - December 31, 2022	A new collective agreement was ratified on February 19, 2020.
Georgian Downs Racetrack	Mutuels, housekeeping, facilities (maintenance and track), money room and food and beverage employees	PSAC, Local 00500	January 1, 2018 - December 31, 2020	No current activity
British Columbia				
River Rock Casino Resort	Two units of employees: Gaming and some hospitality; security employees	BCGEU	September 25, 2017 - September 24, 2021	No current activity
Hard Rock Casino Vancouver	Two units of employees: Gaming and culinary; security employees	BCGEU	July 22, 2018 - January 31, 2022	No current activity
Hastings Racecourse & Casino	Employees, excluding food and beverage employees	Canadian Office and Professional Employees Union, Local 378 (doing business as	January 1, 2015 - December 31, 2020	A new collective agreement was ratified on March 31, 2018.
	Food and beverage employees	Unite Here, Local 40	July 1, 2016 - May 1, 2022	A new collective agreement was ratified on January 31, 2020.
Elements Casino Victoria	Gaming employees	BCGEU	February 27, 2020 - February 26, 2024	A new collective agreement was ratified on February 27, 2020.
Nova Scotia				
Casino Nova Scotia Halifax	The "main unit" consisting of all full-time and regular part-time employees	SEIU, Local 902	February 1, 2018 - January 31, 2021	No current activity
	Security employees	SEIU, Local 902	February 1, 2018 - January 31, 2021	A new collective agreement was ratified on March 1, 2019.

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

CONSOLIDATED RESULTS OF OPERATIONS

The Company's operating results are discussed on a regional basis as follows:

	Three months ended December 31,			Twelve months ended December 31,		
	2019(1)	2018(2)	% Chg	**2019(1)**	2018(2)	% Chg
REVENUES						
Ontario	**$ 243.8**	$ 217.0	12%	**$ 905.7**	$ 731.0	24%
British Columbia	**88.9**	90.6	(2%)	**353.7**	354.8	0%
Atlantic	**24.7**	23.8	4%	**96.2**	94.0	2%
Total Revenues	**$ 357.4**	$ 331.4	8%	**$ 1,355.6**	$ 1,179.8	15%
ADJUSTED EBITDA(3)						
Ontario	**$ 110.7**	$ 78.5	41%	**$ 404.3**	$ 300.6	34%
British Columbia	**40.8**	39.1	4%	**152.5**	159.1	(4%)
Atlantic	**8.0**	7.3	10%	**31.7**	30.7	3%
Corporate & Other	**(7.5)**	(7.1)	(6%)	**(31.2)**	(24.4)	(28%)
Total Adjusted EBITDA	**$ 152.0**	$ 117.8	29%	**$ 557.3**	$ 466.0	20%

(1) 2019 financial results reflect the adoption of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A.

(2) The results of the U.S. region have been presented as discontinued operations, as discussed in the "Presentation of Financial Information" section of this MD&A. Revenues and Adjusted EBITDA have been re-presented to exclude discontinued operations.

(3) Adjusted EBITDA is a non-IFRS measure, as defined in the "Non-IFRS Measures" section of this MD&A, and excludes discontinued operations.

Refer to the "Business Description" section of this MD&A for a list of properties under each of the regions.

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

Ontario

	Three months ended December 31,			Twelve months ended December 31,		
	2019[1]	2018	% Chg	**2019[1]**	2018	% Chg
Gaming revenues	**$ 227.2**	$ 202.6	12%	**$ 843.2**	$ 680.5	24%
Hospitality revenues	**6.9**	6.2	11%	**26.1**	19.4	35%
Racetrack, lease and other revenues	**9.7**	8.2	18%	**36.4**	31.1	17%
Revenues	**243.8**	217.0	12%	**905.7**	731.0	24%
Human resources	**67.0**	62.3	8%	**255.4**	190.3	34%
Property, marketing and administration	**66.1**	76.2	(13%)	**246.0**	240.1	2%
Adjusted EBITDA	**$ 110.7**	$ 78.5	41%	**$ 404.3**	$ 300.6	34%
Human resources as a % of Revenues	**27.5%**	28.7%		**28.2%**	26.0%	
Adjusted EBITDA as a % of Revenues	**45.4%**	36.2%		**44.6%**	41.1%	

(1) 2019 financial results reflect the adoption of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A.

	Q4 2019	**Q3 2019**	**Q2 2019**	**Q1 2019**	**Q4 2018**	**Q3 2018**	**Q2 2018**	**Q1 2018**	**Average**
Table Drop	$ 552.2	$ 542.0	$ 512.2	$ 486.7	$ 475.2	$ 282.1	$ 178.6	$ 90.5	
Table Hold	$ 111.9	$ 106.6	$ 98.8	$ 99.6	$ 89.7	$ 54.9	$ 35.5	$ 19.9	
Table Hold %	20.3%	19.7%	19.3%	20.5%	18.9%	19.5%	19.9%	22.0%	19.8%
Slot Coin-In	$ 6,431.8	$ 6,541.9	$ 6,317.4	$ 5,808.7	$ 6,324.5	$ 6,657.3	$ 5,923.4	$ 3,692.8	
Slot Win	$ 429.8	$ 442.1	$ 434.5	$ 395.2	$ 434.2	$ 451.4	$ 402.4	$ 245.7	
Slot Win/Slot/Day[1]	$ 449	$ 460	$ 466	$ 442	$ 498	$ 556	$ 576	$ 577	
Slot Win %	6.7%	6.8%	6.9%	6.8%	6.9%	6.8%	6.8%	6.7%	6.8%

(1) Slot Win/Slot/Day is an average, presented in dollars.

Recent Developments
Certain developments to expand gaming and add new food and beverage offerings in the Ontario properties were completed during 2019, as discussed in the "Major Developments" section of this MD&A.

Financial results for the twelve months ended December 31, 2019 included an additional 22 and 120 days of operations from the GTA and West GTA gaming bundles, respectively, when compared to the same period in the prior year.

Revenues
Revenues increased by $26.8 and $174.7 for the three and twelve months ended December 31, 2019, respectively, primarily due to the expansion of gaming and non-gaming amenities in the Ontario properties.

The increase in revenues for the twelve months ended December 31, 2019 was partially offset by extreme winter conditions in the first quarter of 2019, which had a negative impact on guest attendance at the Ontario gaming facilities.

Expenses
Human resource expenses increased in the three and twelve months ended December 31, 2019, when compared to the same periods in 2018, due to the addition of live table games at Casino Woodbine, Elements Casino Mohawk, and Elements Casino Flamboro, new operations at Shorelines Casino Peterborough which opened on October 15, 2018, and new food and beverage offerings at several properties.

Property, marketing and administration expenses for the three and twelve months ended December 31, 2019 excluded lease expenses of $20.6 and $82.5, respectively, due to the adoption of IFRS 16. Adjusted accordingly on a comparative basis, property, marketing and administration expenses for the three and twelve months ended December 31, 2019 increased, when compared to the same periods in the prior year, due to increased marketing costs and food and beverage expenses related to the introduction of new food and beverage amenities from expansions of the gaming facilities.

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

Adjusted EBITDA

Adjusted EBITDA increased by $32.2 and $103.7 for the three and twelve months ended December 31, 2019, respectively, when compared to the same periods in 2018, primarily due to increased revenues and the accounting impact of IFRS 16, partially offset by increased human resource, marketing and food and beverage expenses.

Adjusted EBITDA attributable to the shareholders of the Company for the Ontario region, as defined in the "Non-IFRS Measures" section of this MD&A, is presented below:

	Three months ended December 31,			Twelve months ended December 31,		
	2019	2018	% Chg	**2019**	2018	% Chg
Adjusted EBITDA	**$ 110.7**	$ 78.5	41%	**$ 404.3**	$ 300.6	34%
Less: non-controlling interests' portion of Adjusted EBITDA	**(35.1)**	(32.9)	7%	**(156.8)**	(123.7)	27%
Adjusted EBITDA attributable to the shareholders of the Company	**$ 75.6**	$ 45.6	66%	**$ 247.5**	$ 176.9	40%

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

British Columbia

	Three months ended December 31,			Twelve months ended December 31,		
	2019[1]	2018	% Chg	**2019[1]**	2018	% Chg
Gaming revenues	**$ 66.3**	$ 68.3	(3%)	**$ 265.4**	$ 268.3	(1%)
Hospitality revenues	**16.9**	17.0	(1%)	**66.2**	64.6	2%
Racetrack and other revenues	**5.7**	5.3	8%	**22.1**	21.9	1%
Revenues	**88.9**	90.6	(2%)	**353.7**	354.8	0%
Human resources	**30.3**	31.7	(4%)	**123.5**	120.8	2%
Property, marketing and administration	**18.5**	20.5	(10%)	**80.4**	77.6	4%
Share of profit of equity investment	**(0.7)**	(0.7)	0%	**(2.7)**	(2.7)	0%
Adjusted EBITDA	**$ 40.8**	$ 39.1	4%	**$ 152.5**	$ 159.1	(4%)
Human resources as a % of Revenues	**34.1%**	35.0%		**34.9%**	34.0%	
Adjusted EBITDA as a % of Revenues	**45.9%**	43.2%		**43.1%**	44.8%	

(1) 2019 financial results reflect the adoption of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A.

	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Average
Table Drop	$ 257.2	$ 273.4	$ 256.7	$ 282.8	$ 297.9	$ 299.6	$ 276.3	$ 322.9	
Table Hold	$ 47.1	$ 50.4	$ 50.1	$ 53.8	$ 55.0	$ 53.3	$ 52.9	$ 55.0	
Table Hold %	18.3%	18.4%	19.5%	19.0%	18.5%	17.8%	19.1%	17.0%	18.4%
Slot Coin-In	$ 2,266.3	$ 2,297.5	$ 2,261.5	$ 2,129.4	$ 2,159.7	$ 2,163.4	$ 2,180.9	$ 2,131.1	
Slot Win	$ 156.4	$ 158.9	$ 154.3	$ 148.3	$ 150.3	$ 151.3	$ 150.4	$ 145.3	
Slot Win/Slot/Day[1]	$ 330	$ 337	$ 332	$ 322	$ 320	$ 325	$ 328	$ 336	
Slot Win %	6.9%	6.9%	6.8%	7.0%	7.0%	7.0%	6.9%	6.8%	6.9%

(1) Slot Win/Slot/Day is an average, presented in dollars.

Revenues

Gaming revenues for the three and twelve months ended December 31, 2019 decreased, when compared to the same periods in 2018, primarily due to decreased table revenue at River Rock, partially offset by improvements in gaming revenues at HRCV due to the prior year labour disruption that resulted in limited gaming and hospitality offerings for a portion of 2018.

Hospitality revenues for the three months ended December 31, 2019 remained relatively consistent when compared to the same period in the prior year. Hospitality revenues for the twelve months ended December 31, 2019 increased, when compared to the same period in 2018, primarily due to increased food and beverage revenues at HRCV as a result of the prior year labour disruption and increased food and beverage revenues at Elements Casino Victoria after the rebranding in May 2018.

Racetrack and other revenues for the three months ended December 31, 2019 increased, when compared to the same period in the prior year, due to increased ATM revenues. Racetrack and other revenues for the twelve months ended December 31, 2019 remained relatively consistent when compared to the same period in 2018.

Expenses

Human resource expenses for the three months ended December 31, 2019 decreased, when compared to the same period in 2018, primarily due to reduced hours, partially offset by hourly wage increases across all BC sites. Human resource expenses for the twelve months ended December 31, 2019 increased, when compared to the same period in 2018, primarily due to increased wages, contributions and benefit costs during the year. In addition, during the twelve months ended December 31, 2018, HRCV had limited gaming offerings due to the labour disruption, which resulted in lower human resource expenses for that period.

Property, marketing and administration expenses for the three months ended December 31, 2019 decreased, when compared to the same period in the prior year, primarily due to lower marketing costs incurred at Elements Casino Victoria since the strategic marketing program that started in the fourth quarter 2018 ended in September 2019. Property, marketing and administration expenses for the twelve months ended December 31, 2019 increased, when compared to the same period in the prior year, as a result of a strategic marketing program offered at Elements Casino Surrey and Elements Casino Victoria during 2019, a full twelve months of expanded offerings at Elements Casino Victoria, partially offset by reduced marketing costs incurred at River Rock.

Adjusted EBITDA

Adjusted EBITDA for the three months ended December 31, 2019 increased, when compared to the same period in the prior year, due to decreases in human resources and property, marketing and administration expenses.

Adjusted EBITDA for the twelve months ended December 31, 2019 decreased, when compared to the same period in the prior year, due to an increase in human resource and property, marketing and administration expenses.

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

Atlantic

	Three months ended December 31, 2019[1]	2018	% Chg	Twelve months ended December 31, 2019[1]	2018	% Chg
Gaming revenues	**$ 18.4**	$ 17.2	7%	**$ 74.2**	$ 71.4	4%
Hospitality revenues	**5.2**	5.6	(7%)	**18.2**	19.0	(4%)
Other revenues	**1.1**	1.0	10%	**3.8**	3.6	6%
Revenues	**24.7**	23.8	4%	**96.2**	94.0	2%
Human resources	**7.5**	7.3	3%	**29.4**	28.7	2%
Property, marketing and administration	**9.2**	9.2	0%	**35.1**	34.6	1%
Adjusted EBITDA	**$ 8.0**	$ 7.3	10%	**$ 31.7**	$ 30.7	3%
Human resources as a % of Revenues	**30.4%**	30.7%		**30.6%**	30.5%	
Adjusted EBITDA as a % of Revenues	**32.4%**	30.7%		**33.0%**	32.7%	

(1) 2019 financial results reflect the adoption of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A.

	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Average
Table Drop	$ 29.0	$ 27.2	$ 26.1	$ 23.7	$ 24.5	$ 25.1	$ 23.2	$ 21.6	
Table Hold	$ 5.7	$ 5.4	$ 4.9	$ 4.6	$ 5.4	$ 5.0	$ 4.6	$ 4.5	
Table Hold %	19.7%	19.9%	18.8%	19.4%	22.0%	19.9%	19.8%	20.8%	20.0%
Slot Coin-In	$ 358.6	$ 402.9	$ 373.6	$ 321.7	$ 331.7	$ 392.0	$ 352.0	$ 310.1	
Slot Win	$ 30.1	$ 34.0	$ 31.6	$ 28.1	$ 27.9	$ 34.0	$ 30.4	$ 27.2	
Slot Win/Slot/Day[1]	$ 217	$ 246	$ 231	$ 206	$ 204	$ 248	$ 228	$ 207	
Slot Win %	8.4%	8.4%	8.5%	8.7%	8.4%	8.7%	8.6%	8.8%	8.6%

(1) Slot Win/Slot/Day is an average, presented in dollars

Revenues

Gaming revenues increased for the three and twelve months ended December 31, 2019, when compared to the same periods in 2018, primarily due to increased Slot Coin-In and increased Table Drop at Casino New Brunswick and the Casino Nova Scotia properties, partially offset by temporary closures at the Casino Nova Scotia properties due to Hurricane Dorian in September 2019.

Hospitality revenues decreased for the three and twelve months ended December 31, 2019, when compared to the same period in the prior year, primarily due to lower entertainment revenues from fewer events at Casino New Brunswick, partially offset by increased food and beverage revenues at all Atlantic properties.

Other revenues for the three and twelve months ended December 31, 2019 remained relatively consistent when compared to the same periods in 2018.

Expenses

Human resource expenses for the three months ended December 31, 2019 remained relatively consistent when compared to the same period in the prior year. Human resource expenses for the twelve months ended December 31, 2019 increased, when compared to the same period in 2018, primarily due to statutory wage increases in New Brunswick.

Property, marketing and administration expenses for the three months ended December 31, 2019 was consistent when compared to the same period in 2018. Property, marketing and administration expenses for the twelve months ended December 31, 2019 increased, when compared to the same period in 2018, due to higher food and beverage costs and higher marketing costs at Casino New Brunswick, partially offset by lower entertainment costs at Casino Nova Scotia.

Adjusted EBITDA

Adjusted EBITDA increased for the three and twelve months ended December 31, 2019, when compared to the same periods in 2018, due to increased revenues.

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

Corporate & Other

	Three months ended December 31,			Twelve months ended December 31,		
	2019	2018	% Chg	**2019**	2018	% Chg
Human resources	**$ 5.0**	$ 5.3	(6%)	**$ 22.5**	$ 17.3	30%
Property, marketing and administration	**2.5**	1.8	39%	**8.7**	7.1	23%
Adjusted EBITDA	**$ (7.5)**	$ (7.1)	(6%)	**$ (31.2)**	$ (24.4)	(28%)

<u>*Adjusted EBITDA*</u>

Human resource expenses decreased for the three months ended December 31, 2019, when compared to the same period in 2018, due to compensation adjustments in the fourth quarter of 2019.

Human resource expenses increased for the twelve months ended December 31, 2019, when compared to the same period in 2018, primarily due to additional resources required to support the Company's expanding operations.

Property, marketing and administration expenses for the three and twelve months ended December 31, 2019 increased, when compared to the same periods in 2018, due to higher licenses and subscriptions and additional professional services incurred.

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

DISCUSSION OF ITEMS EXCLUDED FROM ADJUSTED EBITDA

	Three months ended December 31,			Twelve months ended December 31,		
	2019[1]	2018[2]	% Chg	**2019[1]**	2018[2]	% Chg
Adjusted EBITDA	**$ 152.0**	$ 117.8	29%	**$ 557.3**	$ 466.0	20%
Less:						
Amortization	**41.0**	23.8		**152.8**	83.0	
Share-based compensation	**4.2**	3.1		**12.2**	13.0	
Interest and financing costs, net	**22.6**	28.6		**87.3**	62.7	
Business acquisition, restructuring and other	**3.8**	3.5		**3.6**	17.8	
Gain on sale of land	**-**	-		**(6.6)**	-	
Foreign exchange gain	**(0.4)**	0.3		**(2.3)**	(1.0)	
Income taxes	**18.4**	10.4		**65.4**	55.8	
Net earnings from continuing operations	**$ 62.4**	$ 48.1	30%	**$ 244.9**	$ 234.7	4%

(1) 2019 financial results reflect the adoption of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A.

(2) The results of the U.S. region have been presented as discontinued operations, as discussed in the "Presentation of Financial Information" section of this MD&A. Comparative information has been re-presented to show the discontinued operations separately from continuing operations.

Amortization

Amortization increased for the three and twelve months ended December 31, 2019, when compared to the same periods in 2018, primarily due to $13.5 and $53.3 additional amortization from right-of-use assets recognized at January 1, 2019 as a result of adopting IFRS 16. Amortization also increased due to higher property, plant and equipment in 2019 primarily due to capital investments to expand the Ontario properties.

Share-based compensation

Share-based compensation expense of $4.2 and $12.2 for the three and twelve months ended December 31, 2019, respectively, comprised of equity-settled share-based compensation expense of $2.7 and $9.3 (2018 - $1.5 and $6.2) and cash-settled share-based compensation expense of $1.5 and $2.9 (2018 – $1.6 and $6.9). Equity-settled share-based compensation for the three and twelve months ended December 31, 2019 increased, when compared to the same periods in 2018, due to higher grant date valuation of options and a higher number of options granted. Cash-settled share-based compensation expense decreased for the three and twelve months ended December 31, 2019, when compared to the same periods in 2018, primarily due to a lower underlying share price, partially offset by a higher number of Restricted Share Units outstanding.

Interest and financing costs, net

Interest and financing costs, net of interest income for the three months ended December 31, 2019, decreased by $6.0, when compared to the same period in 2018, primarily due to lower borrowing costs on the Senior Secured Credit Facilities of GCGC after the redemption of the 6.625% $450.0 Senior Unsecured Notes and the associated early redemption premium of $9.9 and write-off of remaining unamortized transaction costs of $4.0 in the fourth quarter of 2018, partially offset by $13.1 of interest accretion on lease liabilities recognized at January 1, 2019 as a result of adopting IFRS 16.

Interest and financing costs, net of interest income, for the twelve months ended December 31, 2019, increased by $24.6, when compared to the same period in 2018, primarily due to $50.9 of interest accretion on lease liabilities recognized at January 1, 2019 as a result of adopting IFRS 16, an increase in amounts drawn on non-recourse revolving facilities of OTG and OGWGLP in 2019, partially offset by lower borrowing costs on the Senior Secured Credit Facilities of GCGC.

Business acquisition, restructuring and other

Business acquisition, restructuring and other for the three months ended December 31, 2019 consisted primarily of pre-opening costs related to the Pickering Casino Resort.

Business acquisition, restructuring and other for the twelve months ended December 31, 2019 consisted primarily of pre-opening costs related to the Pickering Casino Resort, severance payments for redundant positions in OTG and OGWGLP and was partially offset by proceeds received for the marketing trust lawsuit (as discussed in the "Litigation and Disputes" section of this MD&A).

Business acquisition, restructuring and other of $3.5 and $17.8 for three and twelve months ended December 31, 2018 consisted primarily of development and restructuring costs related to the acquisitions of the GTA and West GTA gaming bundles. For the twelve months ended December 31, 2018, business acquisition, restructuring and other also included $1.1 equity loss from OGWGLP, related to transition costs prior to the acquisition of the West GTA Gaming Bundle on May 1, 2018.

Gain on sale of land
Gain on sale of land for the twelve months ended December 31, 2019 includes the sale of a parcel of vacant land in B.C. that was sold for proceeds of $15.9 during the first quarter of 2019, resulting in a gain of $6.6, net of associated disposal costs.

Foreign exchange gain
Changes in foreign exchange gain were primarily due to unrealized foreign exchange on revaluation of U.S. dollar denominated monetary balances.

Income taxes
Income taxes increased by $8.0 and $9.6 for the three and twelve months ended December 31, 2019, when compared to the same periods in 2018, primarily due to a corresponding increase in shareholders' net earnings from continuing operations before income taxes.

Income tax expense for OTG, OGWGLP, and OGELP only includes the Company's share of corporate income tax based on its respective ownership interests in OTG, OGWGLP, and OGELP.

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

CONSOLIDATED QUARTERLY RESULTS TREND

The results of the U.S. region, including comparative information, have been presented as discontinued operations, as discussed in the "Presentation of Financial Information" section of this MD&A. All quarters in the table below exclude results from discontinued operations.

	Q4 2019[(1)]	Q3 2019[(1)]	Q2 2019[(1)]	Q1 2019[(1)]	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Revenues	$ 357.4	$ 341.1	$ 354.4	$ 302.8	$ 331.4	$ 332.7	$ 295.2	$ 220.5
Adjusted EBITDA	$ 152.0	$ 142.3	$ 153.7	$ 109.3	$ 117.8	$ 137.9	$ 122.7	$ 87.5
Adjusted EBITDA as a % of Revenues	42.5%	41.7%	43.4%	36.1%	35.5%	41.4%	41.6%	39.7%
Shareholders' net earnings from continuing operations	$ 45.8	$ 49.7	$ 48.0	$ 30.9	$ 26.3	$ 50.8	$ 40.6	$ 28.4
Shareholders' net earnings per common share from continuing operations								
Basic	$ 0.81	$ 0.85	$ 0.81	$ 0.53	$ 0.44	$ 0.83	$ 0.66	$ 0.47
Diluted	$ 0.79	$ 0.82	$ 0.79	$ 0.51	$ 0.42	$ 0.79	$ 0.64	$ 0.45

(1) The 2019 quarters reflect the accounting impact of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A. Previous quarters were not restated for the adoption of IFRS 16.

Revenues
Revenues in the fourth quarter of 2019 were higher relative to the other quarters in 2019 and 2018, primarily due to increased revenues at the Ontario properties. Revenues in the third quarter of 2019 were lower than the second quarter of 2019 primarily due to the recognition of substantially all of the annual entitlement of permitted capital expenditures ("PCE") for the Ontario gaming bundles in the second quarter of 2019.

The second and third quarters typically generate higher revenues than the first and fourth quarters due to peak tourist seasons and improved weather conditions impacting player attendance. The second quarter of 2019 generated higher revenues than the first quarter of 2019, as a result of this seasonal trend and the recognition of substantially all of the annual entitlement of PCE. Higher patron attendance is also observed on key holidays such as Christmas, New Year's Eve and Chinese New Year.

Revenues generally increased in each quarter of 2019, when compared to the same quarter in 2018, primarily due to the expansion of gaming and non-gaming amenities at the Ontario properties. Revenues decreased in the first quarter of 2019, when compared to the fourth quarter of 2018, primarily due to extreme winter conditions experienced in Ontario, which negatively impacted guest attendance at the Ontario gaming facilities.

Adjusted EBITDA
Adjusted EBITDA generally changes as a result of changes in revenues. Adjusted EBITDA for each quarter of 2019 includes the positive accounting impact from adopting IFRS 16, which decreased property, marketing and administration expenses. Adjusted EBITDA decreased in the first quarter of 2019, when compared to the fourth quarter of 2018, due to extreme winter conditions as noted above.

Shareholders' net earnings from continuing operations
Shareholders' net earnings from continuing operations generally reflects trends in revenues and Adjusted EBITDA, with fluctuations due to various items excluded from Adjusted EBITDA. Increases in shareholders' net earnings from continuing operations in each quarter of 2019 were partially offset by the net impact of adopting IFRS 16.

LIQUIDITY AND CAPITAL RESOURCES

The Company manages liquidity risks by closely monitoring its capital structure and operating costs, regularly monitoring forecast and actual cash flows, taking a conservative approach to capital investment, managing the maturity profiles of financial assets and financial liabilities and maintaining credit capacity within its credit facilities. Details of the Company's long-term debt are disclosed in Note 11 of the Annual Financial Statements.

As at December 31, 2019, the Company had:

- Cash of $329.7 a decrease of $7.1 since December 31, 2018, as further discussed in the "Cash Flows" section of this MD&A.
- Accounts receivable of $79.6, of which the majority were due from the Provincial Crown corporations, federal government, and racetrack operators.
- Low exposure to foreign currency exchange rate movements since it has relatively low levels of foreign denominated assets and liabilities.
- $347.6 available credit on the Senior Secured Credit Facilities of GCGC, subject to compliance with the related financial covenants.
- $703.0 available credit under OTG's Non-recourse Revolving and Capital Expenditures Credit Facilities, subject to verified construction draws under the credit agreement and equity commitments as applicable.
- $87.4 available credit under OGWGLP's Non-recourse Revolving Credit Facility, subject to compliance with the related financial covenants, verified construction draws under the credit agreement and equity commitments as applicable.
- $18.1 available credit under OGELP's Non-recourse Revolving Credit Facility, subject to compliance with the related financial covenants.

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

Financial Position

	December 31, 2019[1]	December 31, 2018	% Chg
Cash	**$ 329.7**	$ 336.8	(2%)
Accounts receivable	**79.6**	67.5	18%
Land held for sale	**-**	8.1	(100%)
Other current assets	**25.0**	26.5	(6%)
Property, plant and equipment	**1,275.3**	989.1	29%
Right-of-use assets	**985.7**	-	
Cash on deposit with Canada Revenue Agency	**38.9**	38.9	0%
Other long-term assets	**117.7**	134.9	(13%)
Total Assets	**$ 2,851.9**	$ 1,601.8	78%
Current liabilities	**$ 282.0**	$ 231.3	22%
Long-term debt	**869.8**	631.6	38%
Long-term lease liabilities	**925.8**	-	
Other long-term liabilities	**113.1**	116.2	(3%)
Total Liabilities	**2,190.7**	979.1	124%
Equity attributable to shareholders of the company	**527.4**	469.4	12%
Non-controlling interests	**133.8**	153.3	(13%)
Total Equity	**661.2**	622.7	6%
Total Liabilities and Equity	**$ 2,851.9**	$ 1,601.8	78%

[1] The financial position as at December 31, 2019 reflects the adoption of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A.

Total Assets
Total assets as at December 31, 2019 increased by 78% when compared to the balance as at December 31, 2018. The increase was primarily due to the recognition of right-of-use assets on January 1, 2019 as a result of adopting IFRS 16 and additions to property, plant, and equipment related to the developments in Ontario.

Total Liabilities
Total liabilities as at December 31, 2019 increased by 124% when compared to the balance as at December 31, 2018. The increase was primarily due to the recognition of lease liabilities on January 1, 2019 as a result of adopting IFRS 16, and an increase in borrowings under the credit facilities of OTG, OGWGLP and OGELP, partially offset by the repayment of the outstanding debt balance on the revolving credit facility under the Senior Secured Credit Facilities of GCGC.

Equity
Total equity as at December 31, 2019 increased by 6% when compared to the total equity as at December 31, 2018. This increase was primarily due to net earnings of $297.0 and the exercise of incentive share options of $29.5, partially offset by $185.4 related to the repurchase of common shares under the normal course issuer bid, distributions of $55.9 to non-controlling interests, and $51.8 in consideration paid for the acquisition of certain non-controlling interests.

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

Cash Flows

	Three months ended December 31,			Twelve months ended December		
	2019(1)	2018	% Chg	**2019(1)**	2018	% Chg
Cash generated by operating activities	**$ 157.3**	$ 115.5	36%	**$ 460.9**	$ 422.3	9%
Cash used in investing activities	**(153.9)**	(101.6)	51%	**(315.8)**	(391.7)	(19%)
Cash generated by (used in) financing activities	**16.0**	(257.0)	-	**(154.0)**	(18.1)	751%
Effect of foreign exchange on cash	**0.5**	0.4	25%	**1.8**	2.0	(10%)
Cash inflow (outflow)	**$ 19.9**	$ (242.7)		**$ (7.1)**	$ 14.5	

(1) Cash flows for the three and twelve months ended December 31, 2019 reflect the accounting impact of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A. The comparative period was not restated for the adoption of IFRS 16.

Cash generated by operating activities for the three and twelve months ended December 31, 2019 increased, when compared to the same periods in 2018, primarily due to an increase in earnings from the Ontario properties, reclass of lease payments to financing activities due to the adoption of IFRS 16 in 2019, partially offset by higher income taxes paid.

Cash used in investing activities for the three months ended December 31, 2019 was higher, when compared to the same period in 2018, mainly due to purchases of property, plant and equipment related to the expansion of the Ontario properties. Cash used in investing activities for the twelve months ended December 31, 2019 was lower, when compared to the same period in 2018, primarily due to cash used in 2018 to fund the acquisitions of the GTA and West GTA gaming bundles, proceeds received from the sale of GAGC in 2019, partially offset by increased property, plant and equipment in 2019.

Cash generated by financing activities for the three months ended December 31, 2019 primarily consisted of borrowings on the credit facilities of OTG and OGELP and was partially offset by repurchase of common shares under the normal course issuer bid, the acquisition of certain non-controlling interests, and reclass of lease payments to financing activities due to the adoption of IFRS 16 in 2019.

Cash used in financing activities for the three months ended December 31, 2018 primarily consisted of the redemption of the Senior Unsecured Notes on December 11, 2018, repurchase of common shares under the normal course issuer bid, partially offset by debt draws on the Senior Secured Credit Facilities.

Cash used in financing activities for the twelve months ended December 31, 2019 increased, when compared to the same period in the prior year, primarily due to reclass of lease payments to financing activities due to the adoption of IFRS 16 in 2019, $55.9 of distributions made to non-controlling interests during 2019, the acquisition of certain non-controlling interests, and higher number of shares repurchased under the normal course issuer bid.

Capital Resources

Normal Course Issuer Bid

On June 27, 2018, the Company received approval from the Toronto Stock Exchange ("TSX") to renew a normal course issuer bid for up to 4,108,074 of its common shares. The bid commenced on July 3, 2018 and ended on July 2, 2019. During 2019, the Company purchased for cancellation 609,710 common shares at a weighted-average price per share of $43.55 under this issuer bid.

On June 27, 2019, the Company received approval from the TSX to renew a normal course issuer bid for up to 3,971,976 of its common shares, representing approximately 10% of the Company's common shares in the public float. The bid commenced on July 3, 2019 and will end on July 2, 2020, or earlier if the number of shares sought in the issuer bid has been obtained. The Company will not purchase shares during its self-imposed blackout periods and reserves the right to terminate the bid earlier. Pursuant to TSX policies, daily purchases made by the Company will not exceed 64,439 common shares or 25% of the prior six-month average trading volume of 257,759 common shares on the TSX, subject to certain prescribed exceptions. Purchases will be made by way of open market purchases through the facilities of the TSX, and other Canadian market places, and payment for the shares will be in accordance with the TSX's rules. No purchases will be made other than by means of open market transactions during the term of the normal course issuer bid and conducted at the market price at the time of acquisition. All shares purchased by the Company will be subsequently cancelled. Under the current issuer bid, the Company purchased for cancellation 3,799,252 common shares during the year ended December 31, 2019 at a weighted-average price per share of $41.75.

Subsequent to December 31, 2019, the Company purchased 172,724 common shares at a weighted-average price per share of $42.29, which completed the remaining balance available under the current issuer bid.

Outstanding Share Data

As at December 31, 2019, there were 55,367,493 common shares issued and outstanding compared to 58,143,556 as at December 31, 2018. This decrease was due to the repurchase of common shares by the Company, partially offset by the exercise of employee stock options during the twelve months ended December 31, 2019.

As at December 31, 2019, there were 4,707,116 share options outstanding at a weighted-average exercise price of $30.20.

As at March 2, 2020, there were 55,295,386 common shares outstanding and 4,605,130 share options outstanding.

Capital Spending and Development

The Company is eligible to receive additional remuneration from the provincial authorities for capital and certain non-capital expenditures made for its gaming operations, as described below for each province.

The Company's capital expenditures, net of accounts payable, for the three and twelve months ended December 31, 2019 were $156.6 (2018 - $103.6) and $403.0 (2018 – $197.2), respectively.

Capital expenditures during the three and twelve months ended December 31, 2019 were primarily related to the development of the gaming facilities in the GTA Gaming Bundle and West GTA Gaming Bundle. For the upcoming twelve months of 2020, the Company estimates that capital expenditures will total approximately $555.1, of which $230.6 are contractual commitments as at December 31, 2019, largely due to the construction costs associated with the GTA development programs.

Ontario
In Ontario, the Company is entitled to additional consideration from OLG up to a predefined annual amount per gaming property in each operating year for Permitted Capital Expenditures ("PCE"), a term defined in the Company's COSA with OLG. This amount does not represent a material portion of the expected investment by the Company into Ontario operations. The Company becomes entitled to payment at the beginning of each operating year, which commences on April 1st, subject to expenditures being incurred. PCE approved by OLG can be carried forward for up to four years.

British Columbia
Effective June 3, 2018, the Company receives Facility Investment Commission ("FIC") under new OSAs with BCLC, calculated as 5% of Gross Gaming Revenues generated by its B.C. properties for qualified expenditures that the Company is committed to make for its Minimum Investment Required ("MIR"), a term defined in the OSA. Certain non-capital expenditures, such as marketing and maintenance costs, are considered to be qualified costs eligible for FIC. FIC is earned when Gross Gaming Revenues are generated and subject to meeting MIR requirements. The closing approved amounts under the previous Facility Development Commission ("FDC") program prior to the effective date of the OSAs was $277.7, which will reduce the minimum spend requirements for each property under the MIR program.

Prior to June 3, 2018, the Company received FDC from BCLC, calculated as a fixed percentage of Gross Gaming Revenues generated by the B.C. properties, for incurring qualified, primarily capital, gaming-related expenditures.

Nova Scotia
In Nova Scotia, under the terms of the casino operating agreement with the NSGC, $4.5 annually (adjusted for inflation) is deposited to a Capital Reserve Account. When the Company undertakes qualifying capital expenditures, refurbishments, maintenance, upgrades and enhancements to the Casino Nova Scotia Halifax and Casino Nova Scotia Sydney, the provincial gaming authority approves the Company's reimbursement of such expenditures from the Capital Reserve Account. For accounting purposes, the purchases made using funds from the Capital Reserve Account are considered to be on behalf of the NSGC since on the eventual termination of the casino operating agreement, the NSGC has the right to repurchase for nominal consideration all of the equipment, land and buildings that were purchased using funds from the Capital Reserve Account. If there are insufficient funds in the Capital Reserve Account to reimburse the Company for qualifying expenditures, the Company records a receivable from NSGC and earns interest income on that balance at the Canadian bank prime lending rate less 0.5% per annum until it is reimbursed.

Litigation and Disputes

The Company is subject to legal proceedings, claims and investigations in the ordinary course of business. Liabilities related to such matters are recorded when it is both probable that a liability has been incurred and the amount of the liability can be reasonably estimated. All legal costs associated with litigation are expensed as incurred.

Marketing Trust Lawsuit

On March 26, 2015, the Company commenced a legal action against the British Columbia Lottery Corporation ("BCLC") in relation to a dispute over the collection of marketing contributions by BCLC from the Company since 2009. An agreement was reached on August 19, 2019 with the net proceeds recorded in "business acquisition, restructuring and other".

CRA Disputes and Audit

The Canada Revenue Agency ("CRA") has conducted audits of the Company's and its subsidiaries' Facility Development Commission ("FDC") filing positions of its B.C. operations for the 2009 to 2014 years. CRA has taken the position that FDC was received by the Company and its subsidiaries during 2009 and subsequent years as service fee income and should be included in taxable income when received. For income tax purposes, the Company and its subsidiaries treat the reimbursement by BCLC of the approved gaming related property, plant and equipment costs as a reduction in the capital cost of the asset. CRA's current position is inconsistent with the results of CRA's findings in their previous audits of the Company's Great Canadian Casinos Inc. subsidiary for the 2000 and 2001 taxation years.

If CRA's current position prevails, it would accelerate the timing of the Company's and its subsidiaries' recognition of taxable income, but would also increase the tax depreciation deduction (capital cost allowance) that they could recognize in prior and future years.

Based on the FDC received from BCLC between January 1, 2009 and June 2, 2018, if CRA's current position on FDC prevails, preliminary estimates indicate the Company's consolidated current tax expense would increase $59.2, deferred tax expense would decrease $58.1, and interest and financing costs would increase $16.1, resulting in a one-time $17.2 decrease in net earnings and a corresponding decrease to basic net earnings attributable to the shareholders of the Company per share of approximately $0.31 per share, based on the number of shares outstanding as at December 31, 2019.

During 2015, the Company received notices of reassessment from CRA for itself and three of its subsidiaries related to the income tax treatment of FDC received from BCLC in 2009 and 2010. During 2016, the Company and five of its subsidiaries received notices of reassessment related to the income tax treatment of FDC received from BCLC in 2011, and 2012, and in some cases 2013. As a part of the notices of reassessment received during 2016, the CRA waived $1.1 of interest relating to the 2011 and 2012 taxation years. During 2017, the Company and five of its subsidiaries received notices of reassessment related to the income tax treatment of FDC received from BCLC in 2013 and 2014.

The Company strongly disagrees with the CRA's current position on FDC and CRA's adjustments to the taxable income of it and its subsidiaries in respect of FDC. Management believes that it is probable that the Company's and its subsidiaries' tax filing positions with respect to FDC will prevail and consequently the Company and its subsidiaries have not accrued for additional income tax liabilities, income tax expenses, and interest as a result of the reassessments received from CRA.

The Company and its subsidiaries intend to vigorously defend their tax filing positions and the five subsidiaries that have received notices of reassessment from CRA for 2009 to 2014 have filed notices of objection with CRA's Appeals Division. 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. As at December 31, 2019, the Company and its subsidiaries have deposited a net amount of $38.9 (2018 - $38.9) to CRA and is reflected in "cash on deposit with Canada Revenue Agency" on the Consolidated Statements of Financial Position.

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

During 2018, five of the Company's subsidiaries received notices of confirmation for the taxation years under audit. The five subsidiaries filed notices of appeal to the Tax Court of Canada to each notice of confirmation received. During the first quarter of 2019, the Company and its subsidiaries received the Respondent's Replies to the notices of appeal. The Company and the Respondent agreed on a revised litigation timeline with an expected deadline of December 2020 to communicate with the Tax Court of Canada if a hearing date should be set.

The Company and its subsidiaries plan to file notices of objection to CRA's Appeals Division to each notice of reassessment received for any subsequent years, where appropriate.

Effective June 3, 2018, the Company no longer receives FDC from BCLC due to new OSAs signed for its B.C. properties, which introduced Facility Investment Commission ("FIC") and eliminates FDC. The Company concluded that the tax treatment of FIC should be treated as income in the year earned, because the FIC is not directly tied to qualified amounts spent under the Minimum Investment Required ("MIR") program. Management is of the opinion that the appropriate income tax treatment of FDC under CRA audit is unaffected by the introduction of the MIR program.

Commitments

The Company expects the following maturities of its financial liabilities (including interest), lease liabilities, and other contractual commitments:

	Expected payments by period as at December 31, 2019				
	Within 1 year	2 - 3 years	4 - 5 years	More than 5 years	**Total**
Accounts payable and accrued liabilities	$ 241.8	$ -	$ -	$ -	**$ 241.8**
Income taxes payable	0.7	-	-	-	**0.7**
Senior Secured Credit Facilities	16.6	33.1	364.0	-	**413.7**
Non-recourse credit facilities	29.7	59.3	558.6	-	**647.6**
Provisions	4.3	1.5	1.6	8.2	**15.6**
Lease liabilities	84.2	166.1	163.1	1,094.9	**1,508.3**
Other contractual commitments[1][2]	238.7	11.4	6.9	2.1	**259.1**
Total	**$ 616.0**	**$ 271.4**	**$ 1,094.2**	**$ 1,105.2**	**$ 3,086.8**

(1) Other contractual commitments primarily consist of committed capital expenditures of $232.1.

(2) OTG, OGWGLP, and OGELP have each covenanted to OLG that OLG shall realize gaming revenue in each year that is equal to or greater than an agreed upon threshold in respect of each operating year, or to otherwise pay to OLG the amount by which the gaming revenue realized in year is less than the applicable threshold in respect of such year (each such payment, a "Threshold Top-Up Amount"). Based on each of the partnerships' operating results, the likelihood that these partnerships will fail to generate sufficient gaming revenue for OLG for any year is expected to be remote, and as such, no provision has been made for Threshold Top-Up Amounts.

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

Future Cash Requirements

The Company's current cash requirements are primarily for the comprehensive development plans for the gaming facilities in the GTA Gaming Bundle and the West GTA Gaming Bundle. The Company intends to make additional capital investments to its gaming facilities in B.C.

The operational requirements and major developments of the Ontario partnerships' gaming facilities can be funded by the partnerships' existing cash, cash generated from operations, and existing capacity in the partnerships' credit facilities. In certain circumstances, the Company may be required to make additional capital injections into the partnership in order to satisfy the terms of the partnerships' equity agreements or financial covenants, as applicable.

Management believes that the Company's current operational requirements, major development and business acquisition plans, and required partnership contributions, if any, can be funded from existing cash, cash generated from operations, and existing capacity on our Senior Secured Credit Facilities agreement.

If future circumstances dictate an increased cash requirement and we elect not to delay, limit, or eliminate some of our plans, we may raise additional funds through the refinancing of existing debt, the issuance of additional debt that fits within the limitations established by the covenants on our existing credit and debt facilities, the issuance of hybrid debt-equity securities, or additional equity securities. If the Company needs to access the capital markets for additional financial resources, we believe we will be able to do so at prevailing market rates.

OTHER INFORMATION

Key Management Compensation

Key management personnel comprise the Company's Board of Directors and executive officers. Key management compensation was as follows:

	Year ended December 31,	
	2019	2018
Human resources (1)	**$ 4.6**	$ 3.8
Share-based compensation (2)	**9.3**	8.9
Total	**$ 13.9**	$ 12.7

(1) Human resources includes salaries and other short-term employee benefits.
(2) Share-based compensation includes equity and cash-settled share-based compensation.

As at December 31, 2019, the liabilities of the Company include amounts due to key management personnel of $0.6 (2018 - $2.1) in "accounts payable and accrued liabilities" and $8.5 (2018 - $8.4) in "deferred credits, provisions and other liabilities" of the Consolidated Statements of Financial Position.

Changes in Significant Accounting Policies

Effective January 1, 2019, the Company adopted the following new and revised IASs and IFRSs issued by the IASB:

a) *IFRS 16, Leases ("IFRS 16")*

IFRS 16 specifies how to recognize, measure, present and disclose leases for lessees and lessors. For lessors, the accounting remains largely unchanged from the previous standard under IAS 17, *Leases* ("IAS 17") in which lessors continue to classify leases as finance or operating leases. For lessees, the new standard provides a single lessee accounting model, requiring lessees to recognize right-of-use assets and lease liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. As a lessee, the Company previously classified leases as operating or finance leases under IAS 17 based on its assessment of whether the lease transferred significantly all the risks and rewards incidental to ownership of the underlying asset to the Company.

The Company adopted IFRS 16 on January 1, 2019 using the modified retrospective approach. Comparative information has not been restated.

The Company had operating lease commitments as at December 31, 2018. The presentation of the majority of these operating leases, which were recorded as "property, marketing and administration" expense under IAS 17, has changed under IFRS 16 by recognizing right-of-use assets and lease liabilities for these leases, resulting in an increase in total assets and total liabilities in the Consolidated Statement of Financial Position as at January 1, 2019. The presentation of certain lease expenses on the Consolidated Statement of Earnings and Other Comprehensive Income as a component of "property, marketing and administration" expense has changed to "amortization" and "interest and financing costs, net". On the Consolidated Statement of Cash Flows, lease payments are presented as "cash used in financing activities", and is offset by an increase in "cash generated by operating activities" of the same amount.

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at January 1, 2019. Right-of-use assets were measured at an amount equal to the lease liability adjusted by any prepaid or accrued lease payments and lease incentives received. For leases previously classified as finance leases under IAS 17, right-of-use assets were measured at the carrying amount of the assets immediately before the date of adoption.

The Company elected to apply the following practical expedients and exemptions when applying IFRS 16 to leases:

- Elect to rely on the assessment on whether leases are onerous by applying IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* immediately before the date of initial application, as an alternative to an impairment review.
- Exclude initial direct costs from measuring the right-of-use asset at the date of initial application.
- Exclude intangibles assets from the application of IFRS 16.
- Apply the exemptions not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low-value assets.
- Elect, by class of underlying asset, not to separate non-lease components from lease components.

The Company's lease accounting policy in accordance with IFRS 16 is provided below.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

Right-of-use assets

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment, which are intended to reduce the carrying value to the estimated residual value, if any. In addition, the right-of-use asset is subject to impairment assessment and adjusted for certain remeasurements of its associated lease liability.

Lease Liabilities

The lease liability is initially measured at the present value of future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate specific to the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in net earnings if the carrying amount of the right-of-use asset is nil.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments;
- lease payments that depend on an index or a rate (such as inflation), initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

A lease modification is accounted for as a separate lease if there is an increase in the scope of a lease and a corresponding increase in consideration, such as adding the right to use one or more underlying assets in a contract. Otherwise, a lease modification is considered a remeasurement of the lease liability, as discussed above.

Lease payments that depend on performance measures or usage of the underlying asset are considered variable lease payments, which are recognized in "property, marketing and administration" expense in the period in which they occur. Lease payments that are initially structured based on a variable event, but for which the event will be resolved after the commencement date, will become in-substance fixed payments when the variability is resolved.

Recognition Exemptions

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes short-term leases and leases of low-value assets in "property, marketing and administration" expense on a straight-line basis over the lease term.

Business Impact

IFRS 16 will not affect the Company's compliance with its financial covenants under the terms of its long-term debt agreements. The Company's financial covenants continue to be determined without the accounting impact of IFRS 16.

IFRS 16 has not initiated any material changes to the Company's business practices.

b) IFRIC 23, Uncertainty Over Income Tax Treatments ("IFRIC 23")

IFRIC 23 provides guidance that adds to the requirements in IAS 12, Income Taxes by specifying how to reflect the effects of uncertainty in accounting for income taxes. The Interpretation requires an entity to:

- Determine whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;
- Reflect an uncertainty in the amount of income tax payable (recoverable) if it is probable that it will pay (or recover) an amount for the uncertainty; and
- Measure a tax uncertainty based on the most likely amount or expected value depending on whichever method better predicts the amount payable (recoverable).

Management completed its assessment of the new interpretation and concluded that it does not have a material impact on the Company's Consolidated Financial Statements.

Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

The estimates and judgments used in determining the recorded amounts and applying the Company's significant accounting policies and disclosures in the Annual Financial Statements include the following:

- *Control of Subsidiaries*

  The Company consolidates the balances, operations and cash flows of the entities which it controls. In determining control, management assesses whether the Company has power over the entity, exposure, or rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee.

  In determining if the Company has power over its Ontario partnerships, management makes judgments when identifying which activities of these partnerships are relevant in significantly affecting returns and the extent of the existing rights that give the Company the current ability to direct the relevant activities.

  The operations and development of the Ontario partnerships are the key relevant activities and through the management service agreement and development service agreement, the Company has the ability to contractually direct the relevant activities of these partnerships. Other parties with protective rights do not have power that prevents the Company's exercise of power over these partnerships. Based on management's evaluation of the key criteria, it was determined the Company controls its Ontario partnerships.

- *Revenue Recognition*

  The application of IFRS 15 requires the Company to make a number of estimates and judgments, including the determination of the nature of its performance obligations under its contracts, the assessment of the amount it expects to be entitled for variable consideration in determining the transaction price, and the timing of recognition and allocation of the transaction price to loyalty programs based on the estimated relative selling price method.

  In analyzing its contracts with the Provincial Crown corporations, the Company first evaluates whether its various promises to provide goods or services represents that of the principal in the transactions with casino patrons or as the provincial body's agent in providing such services. In Canada, the Company has concluded its services are as an agent since the legal party in the wagering transaction with customers rests with the Provincial Crown corporations and the Company is engaged to provide services under their authority. As a result, revenue is recognized net of the amounts belonging to the Provincial Crown corporations.

- *Estimated useful lives of long-lived assets*

  Judgment is used to estimate each component of an asset's useful life and is based on an analysis of all pertinent factors including, but not limited to, the expected use of the asset and in the case of an intangible asset, contractual provisions that enable renewal or extension of the asset's legal or contractual life without substantial cost, and renewal history. If the estimated useful lives were incorrect, it could result in an increase or decrease in the annual amortization expense, and future impairment charges or recoveries.

- *Residual values of property, plant and equipment*

  Judgment is used to estimate the residual values of property, plant and equipment, if the residual values were incorrect, it could result in an increase or decrease in the annual amortization expense and future impairment charges.

- *Fair value of net assets acquired in business combinations*

  The consideration transferred for an acquired business ("purchase price") is assigned to the identifiable tangible and intangible assets purchased and liabilities assumed on the basis of their fair values at the date of acquisition. The identification of assets purchased and liabilities assumed and the valuation thereof is specialized and judgmental. Where appropriate, the Company engages external business valuators to assist in the valuation of tangible and intangible assets acquired. Any excess of purchase price over the fair value of the identifiable tangible and intangible assets purchased and liabilities assumed is allocated to goodwill.

  When a business combination involves contingent consideration, an amount equal to the fair value of the contingent consideration is recorded as a liability at the time of acquisition. The key assumptions utilized in determining fair value may include probabilities associated with the occurrence of specified future events, financial projections of the acquired business, the timing of future cash flows, and the appropriate discount rate.

- *Equity-settled share-based compensation*

  The Company estimates the cost of equity-settled share-based compensation using the Black-Scholes option pricing model. The model takes into account an estimate of the expected life of the option, the current price of the underlying common share, the expected volatility, an estimate of future dividends on the underlying common share, the risk-free rate of return expected for an instrument with a term equal to the expected life of the option, and the expected forfeiture rate.

- *Cash-settled share-based compensation*

  The cost of cash-settled share-based compensation provided to employees incorporates an expected forfeiture rate based on historic employee retention to estimate the expected number of cash-settled securities that will vest. If the actual employee retention rate over the vesting period differs from the estimated rate, the amount of cash required to settle the liability could be higher or lower than the accrued liability and the change would be reflected in share-based compensation expense.

- *Income taxes*

  Deferred tax assets and liabilities are due to temporary differences between the carrying amount for accounting purposes and the tax basis of certain assets and liabilities, as well as undeducted tax losses. Estimation is required for the timing of the reversal of these temporary differences and the tax rate applied. The carrying amounts of assets and liabilities are based on amounts recorded on the Consolidated Statements of Financial Position and are subject to the accounting estimates inherent in those balances. The tax basis of assets and liabilities and the amount of undeducted tax losses are based on the applicable income tax legislation, regulations and interpretations. The timing of the reversal of the temporary differences and the timing of deduction of tax losses are based on estimations of the Company's future financial results.

  Changes in the expected operating results, enacted tax rates, legislation or regulations, and the Company's interpretations of income tax legislation will result in adjustments to the expectations of future timing difference reversals and may require material deferred tax adjustments.

  The Company's operations are conducted in countries with complex tax laws and regulations that can require significant interpretation. As such, the Company and the tax authorities could disagree on tax filing positions and any reassessment of the Company's tax filings could result in material adjustments to tax expense, taxes payable and deferred income taxes.

- *Contingencies*

  Provisions are accrued for liabilities with uncertain timing or amounts, if, in the opinion of management, it is both likely that a future event will confirm that a liability had been incurred at the date of the consolidated financial statements of financial position and the amount can be reasonably estimated. In cases where it is not possible to determine whether such a liability has occurred, or to reasonably estimate the amount of loss until the performance of some future event, no accrual is made until that time. In the ordinary course of business, the Company may be party to legal proceedings which include claims for monetary damages asserted against the Company and its subsidiaries. The adequacy of provisions is regularly assessed as new information becomes available

  The Company does not record contingent assets.

- *Determination of CGUs*

  The Company's assets are grouped into cash-generating units ("CGUs") based on their ability to generate separate identifiable cash flows. The determination of CGUs involves an assessment regarding the interdependency of cash inflows, and the Company's organizational structure.

- *Segment Reporting*

  The preparation of financial statements requires management to make judgments that affect the financial statement disclosure of information regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") used to make resource allocation decisions and to assess performance.

  Significant judgments were made in determining operating segments to reflect the manner in which the CODM now reviews the operations and business performance of the Company. Management has considered the regular process used by the CODM to assess performance, the budgeting process, and public statements about how an entity operates its business. As the CODM monitors the Company's operating results on a regional basis, management has determined each region to be an operating segment.

Financial Instruments and Other Instruments

The Company's risk management strategy is to minimize exposure to currencies other than the Canadian dollar and, with the exception of revolving lines of credit, evaluate market conditions to fix its floating interest rate debt when appropriate. The financial instruments that give rise or may give rise to the most significant exposure to floating interest rate risk are the Senior Secured Credit Facilities, OTG's Non-recourse Revolving and Capital Expenditures Credit Facilities, OGWGLP's Non-recourse Revolving Credit Facility, and OGELP's Non-recourse Revolving Credit Facility.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

The Chief Executive Officer and Chief Financial Officer (or appointed designate) are responsible for establishing and maintaining the Company's disclosure controls and procedures and internal controls over financial reporting to provide reasonable assurance a) that material information about the Company and its subsidiaries would have been made known to them and b) regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

The Chief Executive Officer and Chief Financial Officer (or appointed designate) have evaluated and concluded that the Company's disclosure controls and procedures are adequately designed and effective for providing reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would have been made known to them as of the end of the fiscal year ended December 31, 2019.

As well, as of the end of the fiscal year ended December 31, 2019, the Chief Executive Officer and Chief Financial Officer (or appointed designate) have evaluated and concluded that the Company's internal controls over financial reporting, designed under the Committee of Sponsoring Organizations of the Treadway Commission's 2013 Internal Control Integrated Framework, are adequately designed and effective for providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

During 2019, there was no change in the Company's internal controls over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Additional Information

Additional information relating to the Company, including the Company's latest Annual Financial Statements and Annual Information Form, can be located on the SEDAR website at www.sedar.com or on the Company's website at www.gcgaming.com.

Shareholders of the Company may obtain a copy of the Company's TSX Form 12 Notice of Intention to Make a Normal Course Issuer Bid as filed with and as accepted by the TSX, at no charge, by contacting the Company.

SUPPLEMENTAL FINANCIAL INFORMATION

Financial Highlights – IFRS 16 Adjustments

The following table shows the accounting impact of IFRS 16 on the Company's financial highlights for the three and twelve months ended December 31, 2019:

	Three months ended December 31, 2019			**Twelve months ended December 31, 2019**		
	Pre-IFRS 16 Results	IFRS 16 Adjustment[1]	**As Reported**	Pre-IFRS 16 Results	IFRS 16 Adjustment[1]	**As Reported**
Gaming revenues	$ 311.9		**$ 311.9**	$ 1,182.8		**$ 1,182.8**
Hospitality revenues	29.0		**29.0**	110.5		**110.5**
Racetrack, lease and other revenues	16.5		**16.5**	62.3		**62.3**
Revenues	357.4		**357.4**	1,355.6		**1,355.6**
Human resources	109.8		**109.8**	430.8		**430.8**
Property, marketing and administration	117.4	(21.1)	**96.3**	453.9	(83.7)	**370.2**
Share of profit of equity investment	(0.7)		**(0.7)**	(2.7)		**(2.7)**
	226.5	(21.1)	**205.4**	882.0	(83.7)	**798.3**
Adjusted EBITDA	$ 130.9	$ 21.1	**$ 152.0**	$ 473.6	$ 83.7	**$ 557.3**
Human resources as a % of Revenues	30.7%		**30.7%**	31.8%		**31.8%**
Adjusted EBITDA as a % of Revenues	36.6%		**42.5%**	34.9%		**41.1%**
Less:						
Amortization	27.5	13.5	**41.0**	99.5	53.3	**152.8**
Share-based compensation	4.2		**4.2**	12.2		**12.2**
Interest and financing costs, net	9.5	13.1	**22.6**	36.4	50.9	**87.3**
Business acquisition, restructuring and other	3.8		**3.8**	3.6		**3.6**
Gain on sale of land	-		**-**	(6.6)		**(6.6)**
Foreign exchange gain	(0.4)		**(0.4)**	(2.3)		**(2.3)**
Income taxes	19.3	(0.9)	**18.4**	68.4	(3.0)	**65.4**
Net earnings from continuing operations	$ 67.0	$ (4.6)	**$ 62.4**	$ 262.4	$ (17.5)	**$ 244.9**
Net earnings attributable to discontinued operations	$ -		**$ -**	$ 52.1		**$ 52.1**
Net earnings	$ 67.0	$ (4.6)	**$ 62.4**	$ 314.5	$ (17.5)	**$ 297.0**
Net earnings from continuing operations attributable to:						
Shareholders of the company	$ 48.3	$ (2.5)	**$ 45.8**	$ 182.3	$ (7.9)	**$ 174.4**
Non-controlling interests	18.7	(2.1)	**16.6**	80.1	(9.6)	**70.5**
	$ 67.0	$ (4.6)	**$ 62.4**	$ 262.4	$ (17.5)	**$ 244.9**
Net earnings attributable to:						
Shareholders of the company	$ 48.3	$ (2.5)	**$ 45.8**	$ 234.4	$ (7.9)	**$ 226.5**
Non-controlling interests	18.7	(2.1)	**16.6**	80.1	(9.6)	**70.5**
	$ 67.0	$ (4.6)	**$ 62.4**	$ 314.5	$ (17.5)	**$ 297.0**
Shareholders' net earnings per common share from continuing operations						
Basic	$ 0.85	$ (0.04)	**$ 0.81**	$ 3.13	$ (0.13)	**$ 3.00**
Diluted	$ 0.83	$ (0.04)	**$ 0.79**	$ 3.04	$ (0.13)	**$ 2.91**
Shareholders' net earnings per common share						
Basic	$ 0.85	$ (0.04)	**$ 0.81**	$ 4.02	$ (0.13)	**$ 3.89**
Diluted	$ 0.83	$ (0.04)	**$ 0.79**	$ 3.92	$ (0.13)	**$ 3.79**
Weighted average number of common shares (in thousands)						
Basic	56,267		**56,267**	58,171		**58,171**
Diluted	57,615		**57,615**	59,836		**59,836**

	As at December 31, 2019		
	Pre-IFRS 16 Results	IFRS 16 Adjustment	**As Reported**
Cash	$ 329.7		**$ 329.7**
Total assets	$ 1,912.4	$ 939.5	**$ 2,851.9**
Long-term debt	$ 869.8		**$ 869.8**

[1] The IFRS 16 adjustment excludes the amortization impact of assets previously classified as finance leases under IAS 17. Under IFRS 16 and the previous standard, IAS 17, amortization expense continues to be recognized on these assets.

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

Adjusted EBITDA and Total Assets by Region – IFRS 16 Adjustments

The following table shows the accounting impact of IFRS 16 on Adjusted EBITDA and Total Assets by region:

	Three months ended December 31, 2019			Twelve months ended December 31, 2019		
	Pre-IFRS 16 Results	IFRS 16 Adjustment	**As Reported**	Pre-IFRS 16 Results	IFRS 16 Adjustment	**As Reported**
ADJUSTED EBITDA						
Ontario	$ 90.1	$ 20.6	**$ 110.7**	$ 321.8	$ 82.5	**$ 404.3**
British Columbia	40.4	0.4	**40.8**	151.7	0.8	**152.5**
Atlantic	7.9	0.1	**8.0**	31.3	0.4	**31.7**
Corporate & Other	(7.5)	-	**(7.5)**	(31.2)	-	**(31.2)**
Total Adjusted EBITDA	$ 130.9	$ 21.1	**$ 152.0**	$ 473.6	$ 83.7	**$ 557.3**

	As at December 31, 2019		
	Pre-IFRS 16 Results	IFRS 16 Adjustment	**As Reported**
TOTAL ASSETS			
Ontario	$ 1,152.1	$ 927.2	**$ 2,079.3**
British Columbia	642.8	10.8	**653.6**
Atlantic	101.8	1.5	**103.3**
Corporate & Other	15.7	-	**15.7**
Total Assets	$ 1,912.4	$ 939.5	**$ 2,851.9**

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

Financial Position – IFRS 16 Adjustments

The following table shows the accounting impact of IFRS 16 on the Company's Consolidated Statement of Financial Position as at December 31, 2019:

	Pre-IFRS 16 Results	IFRS 16 Adjustment	**As Reported**
Assets			
Current			
Cash	$ 329.7		**$ 329.7**
Accounts receivable	79.6		**79.6**
Prepaids, deposits and other assets	26.5	(1.5)	**25.0**
	435.8	(1.5)	**434.3**
Property, plant and equipment	1,323.0	(47.7)	**1,275.3**
Right-of-use assets	-	985.7	**985.7**
Intangible assets	91.1		**91.1**
Goodwill	13.5		**13.5**
Deferred tax assets	9.4	3.0	**12.4**
Cash on deposit with Canada Revenue Agency	38.9		**38.9**
Other assets	0.7		**0.7**
	$ 1,912.4	$ 939.5	**$ 2,851.9**
Liabilities			
Current			
Accounts payable and accrued liabilities	$ 245.0	(3.2)	**$ 241.8**
Lease liabilities	-	34.4	**34.4**
Income taxes payable	0.7		**0.7**
Other liabilities	5.1		**5.1**
	250.8	31.2	**282.0**
Long-term debt	869.8		**869.8**
Lease liabilities	-	925.8	**925.8**
Deferred credits, provisions and other liabilities	30.1		**30.1**
Deferred tax liabilities	83.0		**83.0**
	1,233.7	957.0	**2,190.7**
Equity			
Share capital and reserves	337.0		**337.0**
Retained earnings	198.3	(7.9)	**190.4**
Equity attributable to shareholders of the Company	535.3	(7.9)	**527.4**
Non-controlling interests	143.4	(9.6)	**133.8**
Total equity	678.7	(17.5)	**661.2**
	$ 1,912.4	$ 939.5	**$ 2,851.9**

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

Cash Flows – IFRS 16 Adjustments

The following table shows the accounting impact of IFRS 16 on the Company's Consolidated Statements of Cash Flows for the twelve months ended December 31, 2019:

	Pre-IFRS 16 Results	IFRS 16 Adjustment	**As Reported**
Cash Flows from Operating Activities			
Earnings before income taxes from continuing operations	$ 330.8	$ (20.5)	**$ 310.3**
Adjustments to reconcile earnings before income taxes to cash generated by operating activities:			
Amortization	99.5	53.3	**152.8**
Share-based compensation	12.2		**12.2**
Interest and financing cost, net	36.4	50.9	**87.3**
Gain on sale of land	(6.6)		**(6.6)**
Foreign exchange gain	(2.3)		**(2.3)**
Other	(5.6)		**(5.6)**
Changes in non-cash operating working capital	10.6	(0.9)	**9.7**
Income taxes paid	(101.3)		**(101.3)**
Cash generated by operating activities from continuing operations	373.7	82.8	**456.5**
Cash generated by operating activities from discontinued operations	4.4		**4.4**
Cash generated by operating activities	378.1	82.8	**460.9**
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	(403.0)		**(403.0)**
Proceeds from sale of land	15.9		**15.9**
Interest income received	5.3		**5.3**
Other	0.8		**0.8**
Cash used in investing activities from continuing operations	(381.0)		**(381.0)**
Cash generated by investing activities from discontinued operations	65.2		**65.2**
Cash used in investing activities	(315.8)		**(315.8)**
Cash Flows from Financing Activities			
Payment of lease liabilities	-	(82.8)	**(82.8)**
Increase in borrowings under credit facilities	390.4		**390.4**
Repayment of debt	(155.0)		**(155.0)**
Debt financing transaction costs	(2.8)		**(2.8)**
Proceeds from exercise of incentive share options, net of issuance costs	29.5		**29.5**
Repurchase of common shares, net of related accounts payable	(191.2)		**(191.2)**
Amount of distributions to non-controlling interests	(55.9)		**(55.9)**
Acquisition of non-controlling interest	(51.8)		**(51.8)**
Interest paid	(34.4)		**(34.4)**
Cash used in financing activities from continuing operations	(19.4)	(82.8)	**(154.0)**
Cash used in financing activities from discontinued operations	-		**-**
Cash used in financing activities	(71.2)	(82.8)	**(154.0)**
Effect of foreign exchange on cash	1.8		**1.8**
Cash outflow	(7.1)		**(7.1)**
Cash, beginning of year	336.8		**336.8**
Cash, end of year	$ 329.7	-	**$ 329.7**

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

Discontinued Operations

The following table shows the financial information of the Company's U.S. region, which have been presented as discontinued operations, as discussed in the "Presentation of Financial Information" section of this MD&A.

(in Canadian dollars)	Three months ended December 31, 2019	Three months ended December 31, 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Revenues	$ -	$ 10.6	**$ 19.3**	$ 41.2
Human resources	-	(4.8)	**(8.9)**	(19.8)
Property, marketing and administration	-	(3.3)	**(5.6)**	(13.0)
Other expenses[(1)]	-	(1.4)	**(1.4)**	(3.3)
Net earnings from operating activities	**$ -**	$ 1.1	**$ 3.4**	$ 5.1
Gain on sale of discontinued operations	**-**	-	**53.6**	-
Income tax on gain on sale of discontinued operations	**-**	-	**(4.9)**	-
Net earnings attributable to discontinued operations	**$ -**	$ 1.1	**$ 52.1**	$ 5.1
Shareholders' net earnings per common share				
Basic	**$ -**	$ 0.02	**$ 0.89**	$ 0.09
Diluted	**$ -**	$ 0.02	**$ 0.87**	$ 0.08

(1) Other expenses consist of amortization expense and income taxes from operations.

Net earnings attributable to discontinued operations of $nil for the three months ended December 31, 2019 (2018 – $1.1) and $52.1 for the twelve months ended December 31, 2019 (2018 – $5.1) are attributable entirely to the shareholders of the Company.

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

Consolidated Quarterly Results Trend By Region

The following table shows the Company's quarterly results trend on a regional basis. Revenues and Adjusted EBITDA for all quarters have been re-presented to exclude discontinued operations, as discussed in the "Presentation of Financial Information" section of this MD&A.

	Q4 2019(1)	Q3 2019(1)	Q2 2019(1)	Q1 2019(1)	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Gaming Revenues								
Ontario	$ 227.2	$ 208.6	$ 226.5	$ 181.0	$ 202.6	$ 201.9	$ 173.6	$ 102.5
British Columbia	66.3	66.7	66.0	66.5	68.3	69.1	64.6	66.2
Atlantic	18.4	20.2	18.7	16.9	17.2	19.9	18.0	16.3
	311.9	**295.5**	**311.2**	**264.4**	**288.1**	**290.9**	**256.2**	**185.0**
Hospitality Revenues								
Ontario	6.9	7.2	6.1	5.9	6.2	4.9	4.5	3.9
British Columbia	16.9	18.1	17.3	13.9	17.0	17.9	16.4	13.1
Atlantic	5.2	4.6	4.3	4.1	5.6	4.6	5.0	3.9
	29.0	**29.9**	**27.7**	**23.9**	**28.8**	**27.4**	**25.9**	**20.9**
Racetrack, Lease and Other Revenues								
Ontario	9.7	9.4	8.7	8.6	8.2	8.2	6.5	8.0
British Columbia	5.7	5.4	5.9	5.1	5.3	5.4	5.6	5.7
Atlantic	1.1	0.9	0.9	0.8	1.0	0.8	1.0	0.9
	16.5	**15.7**	**15.5**	**14.5**	**14.5**	**14.4**	**13.1**	**14.6**
Revenues	**$ 357.4**	**$ 341.1**	**$ 354.4**	**$ 302.8**	**$ 331.4**	**$ 332.7**	**$ 295.2**	**$ 220.5**
Adjusted EBITDA								
Ontario	$ 110.7	$ 99.0	$ 117.2	$ 77.3	$ 78.5	$ 90.0	$ 81.3	$ 50.6
British Columbia	40.8	40.7	36.2	35.0	39.1	44.7	39.6	35.5
Atlantic	8.0	9.4	7.9	6.3	7.3	9.6	8.3	5.9
Corporate & Other	(7.5)	(6.8)	(7.6)	(9.3)	(7.1)	(6.4)	(6.5)	(4.5)
	$ 152.0	**$ 142.3**	**$ 153.7**	**$ 109.3**	**$ 117.8**	**$ 137.9**	**$ 122.7**	**$ 87.5**
Reconciliation of Adjusted EBITDA to previously reported Adjusted EBITDA								
Adjusted EBITDA				$ 109.3	$ 117.8	$ 137.9	$ 122.7	$ 87.5
Adjusted EBITDA from discontinued operations				2.3	2.5	2.6	1.9	1.4
				$ 111.6	**$ 120.3**	**$ 140.5**	**$ 124.6**	**$ 88.9**

(1) The 2019 quarters reflect the accounting impact of IFRS 16, as discussed in the "Presentation of Financial Information" section of this MD&A. Previous quarters were not restated for the adoption of IFRS 16.