Gibson Energy Inc.

Condensed Consolidated Financial Statements

September 30, 2017 and 2016

Gibson Energy Inc.

Condensed Consolidated Balance Sheet

(tabular amounts in thousands of Canadian dollars)

	September 30, 2017	December 31, 2016
Assets		
Current assets		
Cash and cash equivalents	$ 39,290	$ 60,159
Trade and other receivables (note 5)	386,815	428,248
Inventories (note 6)	165,000	144,595
Income taxes receivable	-	8,057
Prepaid and other assets	20,370	17,976
Net investment in finance leases	1,919	2,325
Assets held for sale (note 4)	-	266,359
Total current assets	613,394	927,719
Non-current assets		
Property, plant and equipment (note 7)	1,604,323	1,643,294
Long-term prepaid and other assets	2,594	4,350
Net investment in finance leases	116,964	118,244
Deferred income tax assets	72,585	47,165
Intangible assets	43,230	66,086
Goodwill	449,362	454,489
Total non-current assets	2,289,058	2,333,628
Total assets	$ 2,902,452	$ 3,261,347
Liabilities		
Current liabilities		
Trade payables and accrued charges (note 8)	399,101	468,834
Dividends payable	47,080	46,772
Deferred revenue	7,874	9,833
Income taxes payable	3,146	-
Long-term debt – current portion (note 9)	264,211	-
Liabilities related to assets held for sale (note 4)	-	39,767
Total current liabilities	721,412	565,206
Non-current liabilities		
Long-term debt (note 9)	782,214	1,271,839
Convertible debentures	89,316	87,312
Provisions (note 10)	167,186	171,038
Other long-term liabilities	6,602	6,506
Deferred income tax liabilities	102,846	102,350
Total non-current liabilities	1,148,164	1,639,045
Total liabilities	1,869,576	2,204,251
Equity		
Share capital (note 11)	1,924,888	1,909,032
Contributed surplus	45,028	46,899
Accumulated other comprehensive income	173,483	201,089
Convertible debentures	7,023	7,151
Deficit	(1,117,546)	(1,107,075)
Total equity	1,032,876	1,057,096
Total liabilities and equity	$ 2,902,452	$ 3,261,347

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.

Condensed Consolidated Statement of Operations

(tabular amounts in thousands of Canadian dollars, except per share amounts)

	Three months ended September 30, 2017	Three months ended September 30, (Restated – note 4) 2016	Nine months ended September 30, 2017	Nine months ended September 30, (Restated - note 4) 2016
Revenue (note 13)	$ 1,404,194	$ 1,178,741	$ 4,333,952	$ 3,179,994
Cost of sales (note 12 and 15)	1,393,250	1,184,672	4,257,729	3,181,333
Gross profit (loss)	10,944	(5,931)	76,223	(1,339)
General and administrative expenses (note 12 and 15)	16,712	15,912	50,600	51,446
Impairment of goodwill	-	-	-	101,405
Other operating (income) loss	(728)	(928)	(3,423)	(171)
(Loss) income from operating activities	(5,040)	(20,915)	29,046	(154,019)
Interest expense	17,702	21,416	61,232	63,158
Interest income	(320)	(384)	(1,284)	(949)
Debt extinguishment costs (note 9)	11,785	-	63,122	-
Foreign exchange (gain) loss on long-term debt (note 9)	(9,979)	5,940	(22,077)	(39,765)
Loss before income taxes	(24,228)	(47,887)	(71,947)	(176,463)
Income tax recovery (note 14)	(15,731)	(17,110)	(48,019)	(48,893)
Net loss from continuing operations	(8,497)	(30,777)	(23,928)	(127,570)
Net (loss) income from discontinued operations, after tax (note 4 and 14)	(3,146)	(2,093)	154,610	4,663
Net (loss) income	$ (11,643)	$ (32,870)	$ 130,682	$ (122,907)
(Loss) earnings per share				
Basic loss per share from continuing operations	$ (0.06)	$ (0.22)	$ (0.17)	$ (0.95)
Basic (loss) earnings per share from discontinued operations	(0.02)	$ (0.01)	1.09	0.05
Basic (loss) earnings per share	$ (0.08)	$ (0.23)	$ 0.92	$ (0.90)
Diluted loss per share from continuing operations	$ (0.06)	$ (0.22)	$ (0.17)	$ (0.95)
Diluted (loss) earnings per share from discontinued operations	(0.02)	(0.01)	1.07	$ 0.04
Diluted (loss) earnings per share	$ (0.08)	$ (0.23)	$ 0.90	$ (0.91)

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.

Condensed Consolidated Statement of Comprehensive Income (loss)

(tabular amounts in thousands of Canadian dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Net (loss) income	$ (11,643)	$ (32,870)	$ 130,682	$ (122,907)
Other comprehensive (loss) income				
Items that may be reclassified subsequently to consolidated statement of operations				
Exchange differences of translating foreign operations	(14,320)	3,274	(27,606)	(32,519)
Items that will not be reclassified subsequently to consolidated statement of operations				
Remeasurements of post-employment benefit obligations, net of tax	-	-	59	-
Other comprehensive (loss) income , net of tax	(14,320)	3,274	(27,547)	(32,519)
Comprehensive (loss) income	$ (25,963)	$ (29,596)	$ 103,135	$ (155,426)

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.

Condensed Consolidated Statement of Changes in Equity

(tabular amounts in thousands of Canadian dollars)

	Share capital (note 11)	Contributed surplus	Accumulated other comprehensive income (loss)	Convertible debentures	Deficit	Total Equity
Balance – January 1, 2016	$ 1,672,323	$ 34,959	$ 224,866	$ -	$ (765,147)	$1,167,001
Net loss	-		-	-	(122,907)	(122,907)
Other comprehensive loss, net of tax	-	-	(32,519)	-	-	(32,519)
Comprehensive loss	-	-	(32,519)	-	(122,907)	(155,426)
Stock based compensation	-	17,704	-	-	-	17,704
Proceeds from exercise of stock options	1,000	-	-	-	-	1,000
Reclassification of contributed surplus on issuance of awards under equity incentive plan	12,790	(12,790)	-	-	-	-
Issuance of common shares for cash, net of issue costs and deferred tax	222,772	-	-	-	-	222,772
Issuance of convertible debentures, net of issuance costs and deferred taxes	-	-	-	7,151	-	7,151
Dividends on common shares ($0.33 per common share)	-	-	-	-	(135,222)	(135,222)
Balance – September 30, 2016	$1,908,885	$ 39,873	$ 192,347	$ 7,151	$(1,023,276)	$ 1,124,980
Balance – January 1, 2017	$ 1,909,032	$ 46,899	$ 201,089	$ 7,151	$(1,107,075)	$1,057,096
Net Income	-	-	-	-	130,682	130,682
Other comprehensive loss, net of tax	-	-	(27,606)	-	59	(27,547)
Comprehensive (loss) income	-	-	(27,606)	-	130,741	103,135
Stock based compensation	-	12,905	-	-	-	12,905
Convertible debentures - tax	-		-	(128)		(128)
Proceeds from exercise of stock options	1,080		-	-	-	1,080
Reclassification of contributed surplus on issuance of awards under equity incentive plan	14,776	(14,776)	-	-	-	-
Dividends on common shares ($0.33 per common share)	-	-	-	-	(141,212)	(141,212)
Balance – September 30, 2017	$ 1,924,888	$ 45,028	$ 173,483	$ 7,023	$ (1,117,546)	$1,032,876

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.

Condensed Consolidated Statement of Cash Flows

(tabular amounts in thousands of Canadian dollars)

	Three months ended September 30, 2017	Three months ended September 30, (Restated – note 4) 2016	Nine months ended September 30, 2017	Nine months ended September 30, (Restated – note 4) 2016
Cash provided by (used in)				
Operating activities				
(Loss) income from operating activities	$ (5,040)	$ (20,915)	$ 29,046	$ (154,019)
Items not affecting cash				
Depreciation of property, plant and equipment (note 7)	41,010	41,401	125,986	121,161
Amortization of intangible assets	13,559	30,650	26,777	61,242
Impairment of goodwill	-	-	-	101,405
Stock based compensation	7,223	6,858	12,905	17,704
Gain on sale of assets	(1,731)	(706)	(5,094)	(2,874)
Other	(247)	(3,218)	620	(4,576)
Net loss (gain) on financial instruments (note 15)	(1,364)	2,313	(1,634)	5,675
Changes in items of working capital:				
Trade and other receivables	2,807	16,217	42,692	33,801
Inventories	(18,374)	(3,967)	(22,072)	(12,454)
Other current assets	(7,796)	(7,976)	(3,525)	(5,360)
Trade payables and accrued charges	(21,519)	(35,653)	(45,178)	(2,351)
Deferred revenue	(4,660)	(6,835)	(1,909)	(248)
Income taxes	1,377	(3,479)	1,042	(15,087)
Net cash provided by operating activities from continuing operations	5,245	14,690	159,656	144,019
Net cash (used in) provided by operating activities from discontinued operations (note 4)	-	(10,354)	(7,589)	8,659
Net cash provided by operating activities	5,245	4,336	152,067	152,678
Investing activities				
Purchase of property, plant and equipment	(38,373)	(64,230)	(109,041)	(194,942)
Purchase of intangible assets	(1,374)	(1,526)	(4,991)	(12,173)
Proceeds from sale of assets	1,745	1,517	6,618	5,405
Net cash used in investing activities from continuing operations	(38,002)	(64,239)	(107,414)	(201,710)
Net cash (used in) provided by investing activities from discontinued operations (note 4)	(3,675)	(513)	424,140	(2,854)
Net cash (used in) provided by investing activities	(41,677)	(64,752)	316,726	(204,564)
Financing activities				
Payment of shareholder dividends	(47,075)	(46,710)	(140,904)	(128,816)
Interest paid, net	(28,428)	(41,302)	(83,559)	(87,981)
Proceeds from exercise of stock options	-	1,000	1,080	1,000
Issuance of common shares	-	-	-	230,090
Share issue costs	-	(313)	-	(10,060)
Issuance of convertible debentures, net of costs	-	(55)	-	96,331
Proceeds from issuance of long-term debt, net of issuance costs	-	-	344,895	-
Repayment of debt	(38,948)	-	(706,971)	-
Debt extinguishment costs paid	(1,792)	-	(37,253)	-
Proceeds from credit facilities	343,457	23,407	568,443	415,047
Repayment of credit facilities	(203,457)	(23,425)	(428,443)	(450,051)
Settlement of financial instruments not affecting operating activities (note 9)	-	-	(5,079)	-
Cash (used in) provided by financing activities	23,757	(87,398)	(487,791)	65,560
Effect of exchange rate on cash and cash equivalents	(1,164)	197	(1,871)	(1,635)
Net (decrease) increase in cash and cash equivalents	(13,839)	147,617	(20,869)	12,039
Cash and cash equivalents – beginning of period	53,129	242,431	60,159	82,775
Cash and cash equivalents – end of period	$ 39,290	$ 94,814	$ 39,290	$ 94,814

See accompanying notes to the condensed consolidated financial statements

1 General Information

Gibson Energy Inc. ("Gibsons" or the "Company") was incorporated pursuant to the Business Corporations Act (Alberta). The Company's common shares are traded on the Toronto Stock Exchange under the symbol "GEI".

Gibsons is engaged in the movement, storage, blending, processing and marketing and distribution of crude oil, condensate, natural gas liquids, water, oilfield waste and refined products. The Company also provides emulsion treating, water disposal, oil-field waste management services and propane distribution. The Company is incorporated in Alberta and domiciled in Canada. The address of the Company's principal place of business is 1700, 440 Second Avenue S.W., Calgary, Alberta, Canada.

2 Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, as set out in IAS 34, "Interim Financial Reporting". The condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2016, which have been prepared in accordance with IFRS as issued by the IASB. These condensed consolidated financial statements were approved for issuance by the Company's board of directors ("Board") on November 8, 2017. These condensed consolidated financial statements are presented in Canadian dollars, the Company's functional currency, and all values are rounded to the nearest thousands of dollars, except where indicated otherwise. All references to $ are to Canadian dollars and references to U.S.$ are to United States dollars.

3 Changes in accounting policies and disclosures

New and amended standards adopted by the Company

The Company adopted the following new and revised standards, along with any consequential amendments. These changes were made in accordance with applicable transitional provisions.

- The annual improvements process addresses issues in the 2014-2016 reporting cycles include changes to IFRS 12 - *Disclosure of interests in other entities*. This improvement is effective for periods beginning on or after January 1, 2017. The adoption of these improvements did not have a material impact on the condensed consolidated financial statements.
- IAS 12 – *Income taxes* ("IAS 12"), has been amended to clarify (i) the requirements for recognizing deferred tax assets on unrealized losses; (ii) deferred tax where an asset is measured at a fair value below the asset's tax base, and (iii) certain other aspects of accounting for deferred tax assets. The amendment to IAS 12 is effective for years beginning on or after January 1, 2017. The adoption of this amendment did not have a material impact on the condensed consolidated financial statements.
- IAS 7 – *Statement of cash flows* ("IAS 7"), has been amended to require disclosures about changes in liabilities arising from financing activities, including both changes arising from cash-flows and non-cash changes. The amendment to IAS 7 is effective for years beginning on or after January 1, 2017. The adoption of this amendment did not have a material impact on the condensed consolidated financial statements, however additional disclosures will be included in the Company's 2017 annual financial statements.

New standards and interpretations issued but not yet adopted

The following accounting interpretations and standards were issued during the period:

- IFRIC 23 – *Uncertainty over income tax treatments* ("IFRIC 23"), has been amended to clarify how the recognition and measurement requirements of IAS 12, Income Taxes, are applied where there is uncertainty over income tax treatments. The amendment to IFRIC 23 is effective for years beginning on or after January 1, 2019. The Company has determined that the adoption of this interpretation will not have a material impact on its consolidated financial statements.
- IFRS 17 – *Insurance contracts* ("IFRS 17"), has been issued to clarify recognition and measurement accounting principles with respect to insurance contracts. The issuance of IFRS 17 is effective for years beginning on or after January 1, 2021. The Company has not currently assessed the impact of adopting this interpretation on its consolidated financial statements.

As disclosed in the 2016 year-end Financial Statements, the Company is currently evaluating the impact of IFRS 16, "Leases" ("IFRS 16"), IFRS 15, *"Revenue From Contracts With Customers*" ("IFRS 15"), and IFRS 9, *"Financial Instruments*" ("IFRS 9").

IFRS 15 and 16

IFRS 16 is effective for years beginning on or after January 1, 2019, however the early adoption of IFRS 16 is permitted if IFRS 15 has been adopted. The Company has chosen to early adopt IFRS 16 effective January 1, 2018, concurrent with the adoption date of IFRS 15.

The standard may be applied retrospectively or using a modified retrospective approach. The modified retrospective approach does not require restatement of prior period financial information as it recognizes the cumulative effect as an adjustment to opening retained earnings and applies the standard prospectively. The Company has opted to use the modified retrospective approach in its adoption of IFRS 15 and 16. It is anticipated that the adoption of IFRS 16 will have a material impact on the Company's Consolidated Balance Sheet due to material lease arrangements as a lessee. For Lessor accounting, the Company anticipates that the accounting treatment remains materially the same.

For IFRS 15 and IFRS 16, the Company is in the process of formalizing its technical position papers related to all contracts and arrangements which will cause an impact as a result of the adoption of IFRS 15 and 16. Once these position papers are formally approved, the Company will quantify the impacts of IFRS 15 and 16 on its financial statements. These changes include, but are not limited to (i) recognition and measurement of revenue and expenses on the Company's consolidated financial statements; (ii) company policies and business practices; (iii) information technology systems; (iv) key operating metrics; (v) internal controls; (vi) financial covenants; and (vii) significant judgments and estimations required.

Progress towards the final determination of the impacts of these standard remains consistent with the plan and has included the completion of the following: 1) scoping and review of lease and revenue contracts; 2) identification of changes required; 3) initial assessment of quantitative impacts; 4) review and initial scoping of process changes; and 5) development of technical position papers. The Company is in the process of assessing the full impact of IFRS 15 and 16. Based on the work performed to date, the Company has noted the following items:

IFRS 15

(i) Certain contracts may be recognized over time instead at a point in time which could result in recording a contract liability (deferred revenue).

(ii) Under the previous revenue standard, disclosure requirements were specific to the significant categories of revenue arising from the sale of goods, rendering of services, interest, royalties, and dividends. Under IFRS 15, the Company will be required to disclose requirements on the disaggregation of revenue, contract balances, performance obligations, assets recognized to obtain or fulfil a contract, as well as significant judgments in the application of IFRS 15. The Company anticipates providing more robust revenue disclosure under IFRS 15 with respect to the disaggregation of revenue and anticipates the inclusion of disclosure related to the nature, amount, timing, of revenues related to each segment.

IFRS 16

Upon adoption, the Company will be required to recognise lease liabilities in relation to leases under the principles of the new standard which, as discussed previously will have a material impact on our financial results. The lease liabilities will be measured at the present value of the remaining lease payments, and will be discounted using the Company's incremental borrowing rate as of the date of the adoption. The associated rights-of-use assets will be measured at the amount equal to the lease liability on the date of the adoption. The Company anticipates that a significant amount of arrangements within our Wholesale segment, Logistics segment, and Corporate groups which are currently classified as operating leases and charged through the statement of operations will be recorded on the statement of financial position as a lease liability with an offsetting right-of-use asset under IFRS 16. The Company is still assessing the impact of IFRS 16 on its owner-operator agreements (OOA's) within its Logistics segment.

IFRS 9

For IFRS 9, the Company is in the process of formalizing its technical position papers, and updating processes related to the new requirements of this standard which, is primarily related to the implementation of the expected credit loss model. Specifically, the Company has concluded that it will have two types of financial assets subject to the requirements of the expected credit losses model which are trade receivables and net investments in finance leases. The Company is reviewing its impairment methodology under IFRS 9 for each of these classes of assets and plans to apply a simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. In addition, the Company is also assessing the impact of any debt modification and its related impact upon the adoption of IFRS 9.

(tabular amounts in thousands of Canadian dollars, except where noted)

4 Assets and liabilities held for sale, and discontinued operations

On March 1, 2017, Gibsons granted an Option Right to Superior Plus LP ("Superior") to purchase Gibsons' Industrial Propane segment pursuant to the Option Agreement in exchange for an adjusted cash consideration of $434.8 million, at which time Superior exercised such Option Right. Gibsons continued to operate the business based on the terms and covenants of the Option Agreement under the direction of the current management team, until 100% of the partnership units and shares (the "Securities") of the Canwest and Stittco businesses were transferred to Superior. Judgment was applied in accordance with IFRS 10 - *Consolidated Financial Statements ("IFRS 10")* and it was concluded that effective March 1, 2017, the Company did not have the rights and exposure to variable returns and the ability to affect the amount of returns. Accordingly, the Industrial Propane segment was derecognized as at March 1, 2017.

On September 26, 2017, the Company completed the final closing of the sale of its Industrial Propane Business to Superior and transferred the Securities to Superior, pursuant to the option granted by Gibsons to Superior on March 1, 2017. The final purchase price after adjusting for customary working capital adjustments was $433.1 million and the Company recognized a gain on sale of $145.4 million, net of tax, as noted below.

Operating results related to the segment have been included in net income from discontinued operations in the condensed consolidated statement of operations. Comparative period balances of the condensed consolidated statement of operations and cash flows have been restated.

Purchase price	$ 412,000
Purchase price adjustments	21,089
Total cash consideration	433,089
Cash	(10,504)
Accounts receivable	(48,076)
Inventories	(7,240)
Prepaid expenses and other assets	(467)
Property, plant, and equipment	(137,673)
Intangible assets	(10,305)
Goodwill	(77,579)
Other long-term assets	(156)
Accounts payable and accrued liabilities	24,374
Other current liabilities	180
Deferred tax liability	13,860
Other non-current liabilities	989
Decommissioning liability	965
Net assets disposed	(251,632)
Costs to sell	(9,871)
Gain on sale	171,586
Income tax provision on gain on sale	(26,177)
After-tax gain on sale	$ 145,409

(tabular amounts in thousands of Canadian dollars, except where noted)

The results of the discontinued operations are presented below:

	Three months ended September 30		Nine months ended September 30	
	2017 [1]	**2016**	**2017** [1]	**2016**
Revenue	$ -	$ 27,188	$ 58,296	$ 107,477
Cost of sales	-	30,124	44,678	101,594
Gross profit	-	(2,936)	13,618	5,883
Other operating loss (income)	-	(83)	(19)	(403)
Segment profit	-	(2,853)	13,637	6,286
Gain on sale	(3,778)	-	171,586	-
(Loss) income before taxes	(3,778)	(2,853)	185,223	6,286
Income tax (recovery) provision - current	(632)	(216)	30,338	3,245
Income tax (recovery) provision - deferred	-	(544)	275	(1,622)
Net (loss) income from discontinued operations, after tax	$ (3,146)	$ (2,093)	$ 154,610	$ 4,663

Supplemental cash flow information:

	Three months ended September 30,		Nine months ended September 30,	
	2017 [1]	**2016**	**2017** [1]	**2016**
		(in thousands)		
Cash (used in) provided by investing activities from discontinued operations				
Purchase of property, plant and equipment	$ -	$ (1,378)	$ (106)	$ (3,842)
Purchase of intangible assets	-	(9)	-	(398)
Proceeds from sale of assets	-	874	-	1,386
Proceeds on sale of discontinued operations	(1,717)	-	433,089	-
Transaction costs paid on sale of discontinued operations	(1,958)	-	(8,843)	-
Net cash (used in) provided by investing activities	$ (3,675)	$ (513)	$ 424,140	$ (2,854)

1. *The Company derecognized the Industrial Propane segment effective March 1, 2017, accordingly, results for nine months ending September 30, 2017 represent the activity for the period January 1, 2017 to February 28, 2017.*

5 Trade and other receivables

	September 30, 2017	December 31, 2016
Trade receivables	$ 370,446	$ 410,325
Allowance for doubtful accounts	(890)	(1,124)
Trade receivables - net	369,556	409,201
Risk management assets (note 15)	7,085	6,218
Broker accounts receivable	1,962	5,329
Indirect taxes receivable	6,302	4,375
Other	1,910	3,125
	$ 386,815	$ 428,248

(tabular amounts in thousands of Canadian dollars, except where noted)

6 Inventories

	September 30, 2017	December 31, 2016
Crude oil	$ 70,654	$ 71,627
Diluent	2,300	1,371
Asphalt	12,358	16,546
Natural gas liquids	53,195	31,994
Wellsite fluids and distillate	12,848	8,556
Spare parts and other	13,645	14,501
	$ 165,000	$ 144,595

7 Property, plant and equipment

	Land & Buildings	Pipelines and Connections	Tanks	Rolling Stock	Plant, Equipment & Disposal wells	Work in Progress	Total
Cost:							
At January 1, 2017	$188,380	$209,454	$608,344	$457,871	$920,843	$104,868	$2,489,760
Additions	807	4,038	3,205	2,260	11,758	88,317	110,385
Disposals	(4,598)	-	(1,398)	(25,502)	(8,821)	-	(40,319)
Reclassifications	4,952	8,500	19,152	-	19,614	(52,218)	-
Change in decommissioning provision (note 10)	-	(191)	(1,831)	-	(1,086)	-	(3,108)
Effect of movements in exchange rates	(1,950)	-	(1,028)	(16,126)	(16,691)	(163)	(35,958)
At September 30, 2017	$187,591	$221,801	$626,444	$418,503	$ 925,617	$140,804	$2,520,760
Accumulated depreciation:							
At January 1, 2017	$31,778	$73,052	$96,609	$275,002	$370,025	-	$846,466
Depreciation	4,992	6,792	20,392	33,436	60,374	-	125,986
Disposals	(254)	-	(1,354)	(24,345)	(8,701)	-	(34,654)
Effect of movements in exchange rates	(287)	-	(456)	(10,925)	(9,693)	-	(21,361)
At September 30, 2017	$36,229	$79,844	$115,191	$273,168	$412,005	-	$916,437
Carrying amounts:							
At January 1, 2017	$ 156,602	$ 136,402	$511,735	$ 182,869	$ 550,818	$ 104,868	$1,643,294
At September 30, 2017	$ 151,362	$ 141,957	$511,253	$ 145,335	$ 513,612	$ 140,805	$1,604,323

Additions to property, plant and equipment includes capitalization of interest of $1.3 million and $4.0 million for the three months ended September 30, 2017 and 2016, respectively, and includes capitalization of interest of $2.8 million and $10.8 million for the nine months ended September 30, 2017 and 2016, respectively.

(tabular amounts in thousands of Canadian dollars, except where noted)

8 Trade payables and accrued charges

Trade payables and accrued charges include the following items:

	September 30, 2017	December 31, 2016
Trade payables	$ 327,811	$ 376,767
Accrued compensation charges	19,721	18,566
Indirect taxes payable	2,443	4,403
Risk management liabilities (note 15)	11,040	11,901
Defined benefit plan obligations	510	510
Interest payable	12,450	41,623
Insurance payable	7,463	7,638
Other	17,663	7,426
	$ 399,101	$ 468,834

9 Loans and Borrowings

Revolving Credit Facility

The Company has established an unsecured revolving credit facility of up to $500.0 million (the "Revolving Credit Facility"), with a maturity date of March 7, 2022, the proceeds of which are available to provide financing for working capital, fund capital expenditures and other general corporate purposes. In addition, the Company has three demand letter of credit facilities totaling $150.0 million.

The Revolving Credit Facility permits letters of credit, swingline loans and borrowings in Canadian dollars and U.S. dollars. Borrowings under the Revolving Credit Facility bear interest at a rate equal to Canadian Prime Rate or U.S. Base Rate or LIBOR or Canadian Bankers Acceptance Rate as the case may be plus an applicable margin. The applicable margin for borrowings under the Revolving Credit Facility is subject to step up and step down based on the Company's total debt leverage ratio. In addition, the Company must pay standby fees on the unused portion of the Revolving Credit Facility and customary letter of credit fees equal to the applicable margins based on the Company's total debt leverage ratio.

Under the terms of Revolving Credit Facility, the Company is required to adhere to certain financial and maintenance covenants including maintaining maximum consolidated senior and the maximum consolidated total debt leverage ratios to 4.85 to 1.0 for the 2017 fiscal year, 4.25 to 1.0 for 2018 fiscal year and 4.0 to 1.0 thereafter. In addition, the Company is also required to maintain a minimum interest coverage ratio of no less than 2.5 to 1.0. As at September 30, 2017, the Company was in compliance with all covenants under the Revolving Credit Facility.

As at September 30, 2017, the Company was in compliance with all covenants under the Revolving Credit Facility. The Company had $140.0 million and $nil million drawn against the Revolving Credit Facility as at September 30, 2017 and December 31, 2016, respectively. The Company had issued letters of credit totalling $69.1 million and $48.4 million as at September 30, 2017 and December 31, 2016, respectively.

(tabular amounts in thousands of Canadian dollars, except where noted)

Long-term debt

	September 30, 2017	December 31, 2016
Revolving credit facility	$ 140,000	$ -
U.S. $550 million (December 31, 2016) 6.75% Notes due July 15, 2021	-	738,485
$250 million (December 31, 2016) 7.0% Notes due July 15, 2020	-	250,000
$300.0 million 5.375% Notes due July 15, 2022	300,000	300,000
$350.0 million 5.25% Notes due July 15, 2024	350,000	-
Unamortized issue discount and debt issue costs	(7,786)	(16,646)
Long-term debt: non-current portion	$ 782,214	$ 1,271,839
U.S.$211.2 million 6.75% Notes due July 15, 2021	264,211	-
Unamortized issue discount and debt issue costs	-	-
Long-term debt: current portion	$ 264,211	$ -

On March 22, 2017, the Company refinanced a portion of its existing U.S.$550.0 million 6.75% Notes and a portion of its existing $250.0 million 7.00% Notes under which it repaid U.S.$338.8 million principal amount of 6.75% Senior Unsecured Notes due July 15, 2021 at a tender price of 105.13% (the "U.S.$ Notes") and $211.1 million principal amount of 7.00% Senior Unsecured Notes due July 15, 2020 at a tender price of 105.31% (the “C$ Notes”) (the C$ Notes, U.S.$ Notes and $300.0 million 5.375% Notes, altogether referred to as the “Notes"). Concurrently with the closing of the tender offers of the C$ Notes and U.S.$ Notes, the Company issued $350.0 million 5.25% Senior Unsecured Notes due July 15, 2024 at an issue price of 100.0% plus accrued interest (the “New Notes”). Interest is payable semi–annually on January 15 and July 15 of each year the Notes and New Note are outstanding.

On July 17, 2017, the Company repaid the remaining $38.9 million of its C$ Notes, accordingly the principal balance has been entirely repaid as at September 30, 2017.

On October 5, 2017, the Company issued $250.0 million aggregate principal amount of 5.250% senior unsecured notes due July 15, 2024 (the "Additional New Notes") at par, on an exempt private placement basis. The interest will be payable semi-annually in arrears beginning January 15, 2018. The Additional New Notes were issued under the indenture pursuant to which Gibsons previously issued $350.0 million aggregate principal amount of 5.250% senior unsecured notes due 2024, and will form a single series with such previously issued notes (in aggregate “New Notes”).

The net proceeds from the issuance of the Additional New Notes was used to redeem the remaining U.S.$211.2 million aggregate principal amount of outstanding U.S.$ Notes on October 30, 2017 (the "Redemption Date"). The redemption price for each U.S.$1,000.00 principal amount of the U.S.$ Notes was U.S.$1,053.06 (the "Redemption Price"), being equal to the aggregate of (i) U.S.$1,033.75 for each U.S.$1,000.00 principal amount of the U.S. $ Notes redeemed, plus (ii) approximately U.S.$19.31 for each U.S.$1,000.00 principal amount in accrued and unpaid interest to, but not including, the Redemption Date.

The Notes and New Notes agreements contain certain redemption options whereby the Company can redeem all or part of the Notes and New Notes, at prices set forth in the agreements, from proceeds of an equity offering or on the dates specified in the agreement. In addition, the Notes and New Notes holders have the right to require the Company to redeem the Notes and New Notes at the redemption prices set forth in the agreement in the event of a change in control or in the event certain asset sale proceeds are not re-invested in the time and manner specified in the agreement.

(tabular amounts in thousands of Canadian dollars, except where noted)

The Company's long-term debt contains non-financial covenants and customary events of default clauses. As of September 30, 2017 and December 31, 2016, the Company was in compliance with all of its covenants.

Concurrent with the completion of the refinancing of the Notes during Q1 2017, and the Company's plan to repay the remaining $264.2 million of its U.S.$ Notes as announced on September 28, 2017, the following impacts were recorded in the statements of operations using the effective interest rate method to assess the amortized cost:

	Three months ended September 30,		Nine months ended September 30,	
	2017	**2016**	**2017**	**2016**
$250.0 million 7.0% Notes - redemption premium	$ -	$ -	$ 12,838	$ -
U.S. $550.0 million 6.75% Notes - redemption premium	8,917	-	32,902	-
$250.0 million 7.0% Notes – unamortized cost	-	-	4,321	-
$550.0 million 6.75% Notes – unamortized cost	2,868	-	7,982	-
$550.0 million 6.75% Notes – realized foreign exchange loss	-	-	5,079	-
	$ 11,785	$ -	$ 63,122	$ -

10 Provisions

The aggregate carrying amounts of the obligation associated with decommissioning and site restoration on the retirement of assets and environmental costs are as follows:

	Nine months ended September 30, 2017	Year ended December 31, 2016
Opening balance	$ 171,038	$ 155,343
Settlements	(2,062)	(2,556)
Additions	722	22,997
Change in estimated future cash flows	-	(1,499)
Change in discount rate	(3,830)	(5,100)
Unwinding of discount	2,875	3,251
Liabilities transferred to held for sale (note 4)	-	(962)
Effect of changes in foreign exchange rates	(1,557)	(436)
Closing balance	$ 167,186	$ 171,038

In order to determine the current provision, the estimated future values were discounted using an average risk-free rate of 2.49% and 2.34% at September 30, 2017 and December 31, 2016, respectively. The provision is expected to be settled up to 40 years into the future.

11 Share capital

Common Shares – Issued and Outstanding

	Common Shares	
	Number of Common shares	Amount
At January 1, 2017	141,733,032	$ 1,909,032
Issuance in connection with the exercise of stock options	125,000	1,080
Issuance in connection with other equity awards	809,044	-
Reclassification of contributed surplus on issuance of awards under equity incentive plans	-	14,776
At September 30, 2017	142,667,076	$ 1,924,888

Share based compensation

A summary of activity under the equity incentive plan is as follows:

	Stock Options		Restricted Share Units	Performance Share Units	Deferred Share Units
	Number of shares	Weighted average exercise price (in dollars)	Number of Shares		
Balance at January 1, 2017	3,067,865	$ 24.24	1,112,791	1,530,320	196,582
Granted	1,191,571	$ 17.48	853,082	494,266	235,611
Exercised and released for common shares	(125,000)	$ 8.64	(695,617)	(171,439)	(17,179)
Forfeited	(585,429)	$ 26.81	(106,237)	(469,107)	-
Balance at September 30, 2017	3,549,007	$ 22.10	1,164,019	1,384,040	415,014
Vested	2,179,907	$ 24.37	24,492	-	415,014

Per share amounts

The following table shows the number of shares used in the calculation of earnings (loss) per share for continuing operations:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
	(in thousands)			
Weighted average common shares outstanding - Basic	142,653	141,591	142,378	133,012
Dilutive effect of:				
Stock options and other awards	-	-	-	-
Weighted average common shares outstanding - Diluted	142,653	141,591	142,378	133,012

The dilutive effect of 3.2 million and 3.1 million stock options and other awards, and the potential common stock that would be issued upon the conversion of the Debentures for the three and nine months ended September 30, 2017 have not been included in the determination of the weighted average number of common shares outstanding as the inclusion would be anti-dilutive to the net loss from continuing operations per share.

The dilutive effect of 7.6 million and 4.6 million stock options and other awards, and the potential common stock that would be issued upon the conversion of the Debentures for the three and nine months ended September 30, 2016 have not been included in the determination of the weighted average number of common shares outstanding as the inclusion would be anti-dilutive to the net loss from continuing operations per share. The dilutive effect of 3.1 million stock options and other awards, and the potential common stock that would be issued upon the conversion of the Debentures have been included in the determination of the weighted average number of common shares outstanding for discontinued operations for the nine months ended September 30, 2017. The dilutive effect of 4.6 million stock options and other awards, and the potential common stock that would be issued upon the conversion of the Debentures have been included in the determination of the weighted average number of common shares outstanding for discontinued operations for the nine months ended September 30, 2016.

(tabular amounts in thousands of Canadian dollars, except where noted)

12 Employee salaries and benefits

Employee salaries and benefits have been expensed as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Salaries and wages	$ 54,133	$ 52,708	$ 165,761	$ 161,689
Post-employment benefits	1,402	1,453	4,281	4,549
Share based compensation	7,223	6,857	12,905	17,704
Termination benefits	467	941	1,839	6,761
	$ 63,225	$ 61,959	$ 184,786	$ 190,703

Employee salaries and benefits have been expensed as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Cost of sales	$ 51,319	$ 50,827	$ 156,352	$ 159,801
General and administrative	11,906	11,132	28,434	30,902
	$ 63,225	$ 61,959	$ 184,786	$ 190,703

13 Revenue

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Products	$ 1,194,382	$ 981,402	$ 3,700,130	$ 2,593,430
Services	209,812	197,339	633,822	586,564
	$ 1,404,194	$ 1,178,741	$ 4,333,952	$ 3,179,994

(tabular amounts in thousands of Canadian dollars, except where noted)

14 Income tax (recovery) provision

The income tax (recovery) provision included in the condensed consolidated statement of operations is classified as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Current, from continuing operations	$ (8,431)	$ (5,916)	$ (19,797)	$ 329
Current, from discontinued operations (note 4)	(632)	(216)	30,338	3,245
	(9,063)	$ (6,132)	10,541	3,574
Deferred, from continuing operations	(7,300)	(11,194)	(28,222)	(49,222)
Deferred, from discontinued operations (note 4)	-	(544)	275	(1,622)
	$ (7,300)	$ (11,738)	$ (27,947)	$ (50,844)
Total current and deferred, from continuing operations	(15,731)	(17,110)	(48,019)	(48,893)
Total current and deferred, from discontinued operations (note 4)	(632)	(760)	30,613	1,623
	$ (16,363)	$ (17,870)	$ (17,406)	$ (47,270)
Effective income tax rate	62.7%	35.2%	(15.1)%	27.8%

(tabular amounts in thousands of Canadian dollars, except where noted)

15 Financial instruments

Derivative financial instruments (recurring fair value measurements)

The following is a summary of the Company's risk management contracts outstanding:

	September 30, 2017		December 31, 2016	
	Assets	Liabilities	Assets	Liabilities
Commodity futures	$ 124	$ 2,032	$ 595	$ 5,640
Commodity swaps	6,637	4,284	5,578	2,688
Commodity options	13	386	38	747
Equity swaps	57	3,690	-	1,686
Foreign currency forwards	334	1,120	-	1,411
Foreign currency options	-	3	7	3
Total	$ 7,165	$ 11,515	$ 6,218	$ 12,175
Less non-current portion:				
Equity swaps	57	392	-	226
Commodity swaps	-	83	-	-
Foreign currency forwards	23	-	-	48
	80	475	-	274
Current portion	$ 7,085	$ 11,040	$ 6,218	$ 11,901

During the nine months ended September 30, 2017, the Company entered into U.S. dollar forward contracts to buy U.S. dollars on a notional amount of U.S.$310.0 million at a weighted average rate of $1.3504 for U.S.$1.00 which settled on March 22, 2017. The value of the U.S. dollar forward contracts at settlement was a $5.1 million loss.

During the three and nine months ended September 30, 2017, the Company recognized an unrealized gain of $1.8 million and an unrealized loss of $1.8 million, respectively, on its equity swaps. During the three and nine months ended September 30, 2016, the Company recognized an unrealized gain of $1.4 million and an unrealized loss of $2.1 million, respectively, on its equity swaps.

The fair value of financial instrument contracts by fair value hierarchy at September 30, 2017 was:

	Total	Level 1	Level 2	Level 3
Assets from financial instrument contracts				
Commodity futures	$ 124	$ 124	$ -	$ -
Commodity swaps	6,637	-	6,637	-
Commodity options	13	-	13	-
Equity swap	57	57	-	-
Foreign currency forward	334	-	334	-
Total assets	$ 7,165	$ 181	$ 6,984	$ -
Liabilities from financial instrument contracts				
Commodity futures	$ 2,032	$ 2,032	$ -	$ -
Commodity swaps	4,284	-	4,284	-
Commodity options	386	-	386	-
Equity swaps	3,690	3,690	-	-
Foreign currency forwards	1,120	-	1,120	-
Foreign currency options	3	-	3	-
Total liabilities	$ 11,515	$ 5,722	$ 5,793	$ -

(tabular amounts in thousands of Canadian dollars, except where noted)

The fair value of financial instrument contracts by fair value hierarchy at December 31, 2016 was:

	Total	Level 1	Level 2	Level 3
Assets from financial instrument contracts				
Commodity futures	$ 595	$ 595	$ -	$ -
Commodity swaps	5,578	-	5,578	-
Commodity options	38	-	38	-
Foreign currency options	7	-	7	-
Total assets	$ 6,218	$ 595	$ 5,623	$ -
Liabilities from financial instrument contracts				
Commodity futures	$ 5,640	$ 5,640	$ -	$ -
Commodity swaps	2,688	-	2,688	-
Commodity options	747	-	747	-
Equity swaps	1,686	1,686	-	-
Foreign currency forwards	1,411	-	1,411	-
Foreign currency options	3	-	3	
Total liabilities	$ 12,175	$ 7,326	$ 4,849	$ -

The impact of the movement in the fair value of financial instruments has been expensed in the consolidated statement of operations as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Cost of sales gain (loss)	$ (474)	$ (3,685)	$ 3,481	$ (7,756)
General and administrative gain (loss)	1,838	1,372	(1,847)	2,081
Net gain (loss)	$ 1,364	$ (2,313)	$ 1,634	$ (5,675)

As at September 30, 2017 and December 31, 2016, the fair value of long-term debt based on period end trading prices on the secondary market (Level 2) was $930.2 million and $1,336.8 million, respectively.

As at September 30, 2017 and December 31, 2016, the fair value of the Debentures based on period end trading prices on the secondary market (Level 2) was $106.5 million and $109.0 million, respectively.

Sensitivity

If the Canadian dollar strengthened or weakened by 5% relative to the U.S. dollar and all other variables, in particular interest rates, remained constant, the impact on net income and equity would be as follows:

	September 30,	
	2017	2016
U.S. Dollar Forwards and Options		
Favorable 5% change	$ 2,325	$ 1,254
Unfavorable 5% change	(2,415)	(1,254)

The movement is a result of a change in the fair value of U.S. dollar forward contracts and options.

The impact of translating the net assets of the Company's U.S operations into Canadian dollars is excluded from this sensitivity analysis.

(tabular amounts in thousands of Canadian dollars, except where noted)

The following table summarizes the impact to net income and equity due to a change in fair value of the Company's derivative positions because of fluctuations in commodity prices leaving all other variables constant, in particular, foreign currency rates. The Company believes that a 15% volatility in crude oil and NGL related prices is a reasonable assumption.

	September 30, 2017	September 30, 2016
Crude oil and NGL related prices		
Favorable 15% change	$ 8,504	$ 9,345
Unfavorable 15% change	(8,800)	(9,617)

The Company is exposed to changes in the Company's share price with respect to equity swap contracts. If the Company's share price increased or decreased by 10%, the impact on net income and equity would be as follows:

	September 30, 2017	September 30, 2016
Equity Swaps		
Favorable 10% change	$ 1,877	$ 707
Unfavorable 10% change	(1,877)	(707)

Set out below is a maturity analyses of certain of the Company's financial contractual obligations as at September 30, 2017. The maturity dates are the contractual maturities of the obligations and the amounts are the contractual undiscounted cash flows.

	On demand or within one year	Between one and five years	After five years	Total
Trade payables and accrued charges, excluding derivative financial instruments and accrued interest	$ 375,611	$ -	$ -	$ 375,611
Dividend payable	47,080	-	-	47,080
Long-term debt	264,211	300,000	350,000	914,211
Credit facilities	-	140,000	-	140,000
Debentures (debt and equity component)	-	100,000	-	100,000
Interest on long-term debt and Debentures	57,584	213,972	47,119	318,675
Commodity futures	2,032	-	-	2,032
Commodity swaps	4,201	83	-	4,284
Commodity options	386	-	-	386
Equity swap	3,298	392	-	3,690
Foreign currency forwards	1,120	-	-	1,120
Foreign currency options	3	-	-	3
	$ 755,526	$ 754,447	$ 397,119	$ 1,907,092

(tabular amounts in thousands of Canadian dollars, except where noted)

16 Segmental information

The Company has defined its operations into the following operating segments: (1) Infrastructure, (2) Logistics, (3) Wholesale, and (4) Other.

(1) **Infrastructure** includes a network of midstream infrastructure assets that includes oil terminals, rail loading and unloading facilities, injection stations, gathering pipelines and processing facilities that collect, store, and process oil and other liquid hydrocarbon production and by-products before eventual distribution to end-use markets. The primary facilities within this segment include the terminals located at Edmonton and Hardisty, which are the principal hubs for aggregating and exporting oil and refined products out of the Western Canadian Sedimentary Basin (WCSB); gathering pipelines, which are connected to the Hardisty Terminal; injection stations, which are located in the United States; a crude oil processing facility in Moose Jaw, Saskatchewan, and processing, recovery, and disposal terminals (PRD) located throughout Western Canada and the Northern United States. The PRD business is dependent upon the drilling activity in WCSB, Bakken and the Northern U.S. As a result, the PRD business is impacted by seasonality due to road bans as part of spring break-up.

(2) **Logistics** includes a suite of logistical wellsite services that enable oil and liquids production to access fixed midstream infrastructure. This segment provides transportation and related services that allow the Company to service its customers' needs several times between the wellhead and the end market, and includes providing hauling services for crude, condensate, propane, butane, asphalt, methanol, sulfur, petroleum coke, gypsum, emulsion, waste water and drilling fluids for many of North America's leading oil and gas producers. Additionally, the Company also provides several ancillary services to production companies. Generally, the segment's second quarter results are impacted by road bans and other restrictions which impact overall activity levels in the WCSB and the Northern U.S., and, therefore, negatively impact the business. Also, for certain services and geographical regions, the activity is generally the lowest in the winter months when daylight hours are shorter.

(3) **Wholesale** includes the purchasing, selling, storing and blending of hydrocarbon products, including crude oil, NGL's, road asphalt, roofing flux, frac oils, light and heavy straight run distillates, combined vacuum gas oil, and an oil based mud product. This segment earns margins by providing aggregation services to producers and/by capturing quality, locational or time-based arbitrage opportunities. Canadian road asphalt activity, related to Refined Products, is affected by the impact of weather conditions on road construction. Road asphalt demand peaks during the summer months when most of the road construction activity in Canada takes place. In the off peak demand months for road asphalt, the demand for roofing flux continues. Demand for wellsite fluids is dependent on overall well drilling and completion activities, with activity normally the busiest in the winter months. Demand for propane and other NGLs is also highest in the colder months of the year.

(4) **Other** includes the provision of other services to the oil and gas industry including exploration support services and accommodation services.

This reporting structure provides a direct connection between the Company's operations, the services it provides to customers and the ongoing strategic direction of the Company.

These reportable segments of the Company have been derived because they are the segments: (a) that engage in business activities from which revenues are earned and expenses are incurred; (b) whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to each segment and assess its performance; and (c) for which discrete financial information is available. The Company has aggregated certain operating segments into the above noted reportable segments through examination of the Company's performance which is based on the similarity of the goods and services provided and economic characteristics exhibited by these operating segments.

Accounting policies used for segment reporting are consistent with the accounting policies used for the preparation of the Company's condensed consolidated financial statements. Inter-segmental transactions are eliminated upon consolidation and the Company does not recognize margins on inter-segmental transactions.

(tabular amounts in thousands of Canadian dollars, except where noted)

Three months ended September 30, 2017

	Infrastructure	Logistics	Wholesale	Other	Total
Statement of operations					
Revenue					
External	$ 53,778	$ 118,939	$ 1,226,686	$ 4,791	$ 1,404,194
Inter-segmental	33,372	9,487	91,525	60	134,444
External and inter-segmental	87,150	128,426	1,318,211	4,851	1,538,638
Segment profit (loss)	$ 62,586	$ 11,753	$ (10,247)	$ 119	$ 64,211
Corporate & other reconciling items					
General and administrative					6,428
Depreciation of property, plant and equipment					41,010
Amortization of intangible assets					13,559
Stock based compensation					7,223
Corporate foreign exchange loss					1,031
Interest expense					17,702
Interest income					(320)
Debt extinguishment costs					11,785
Foreign exchange gain on long-term debt					(9,979)
Net loss from continuing operations before income tax					(24,228)
Income tax recovery					(15,731)
Net loss from continuing operations					(8,497)
Net loss from discontinued operations (Note 4)					(3,146)
Net loss					$ (11,643)

Three months ended September 30, 2016 (restated [1])

	Infrastructure	Logistics	Wholesale	Other	Total
Statement of operations					
Revenue					
External	$ 42,960	$ 117,068	$ 1,016,887	$ 1,826	$ 1,178,741
Inter-segmental	30,856	11,452	53,360	55	95,723
External and inter-segmental	73,816	128,520	1,070,247	1,881	1,274,464
Segment profit (loss)	$ 51,811	$ 12,045	$ 1,259	$ (479)	$ 64,636
Corporate & other reconciling items					
General and administrative					6,372
Depreciation of property, plant and equipment					41,401
Amortization of intangible assets					30,650
Stock based compensation expense					6,858
Corporate foreign exchange loss					270
Interest expense					21,416
Interest income					(384)
Foreign exchange loss on long-term debt					5,940
Net loss from continuing operations before income tax					(47,887)
Income tax recovery					(17,110)
Net loss from continuing operations					(30,777)
Net loss from discontinued operations (Note 4)					(2,093)
Net loss					$ (32,870)

(tabular amounts in thousands of Canadian dollars, except where noted)

Nine months ended September 30, 2017

	Infrastructure	Logistics	Wholesale	Other	Total
Statement of operations					
Revenue					
External	$ 161,455	$ 358,924	$ 3,801,064	$ 12,509	$ 4,333,952
Inter-segmental	97,524	31,669	301,938	153	431,284
External and inter-segmental	258,979	390,593	4,103,002	12,662	4,765,236
Segment profit	$ 180,898	$ 32,018	$ 11,927	$ 166	$ 225,009
Corporate & other reconciling items					
General and administrative					28,888
Depreciation of property, plant and equipment					125,986
Amortization of intangible assets					26,777
Stock based compensation					12,905
Corporate foreign exchange loss					1,407
Interest expense					61,232
Interest income					(1,284)
Debt extinguishment costs					63,122
Foreign exchange gain on long-term debt					(22,077)
Net loss from continuing operations before income tax					(71,947)
Income tax recovery					(48,019)
Net loss from continuing operations					(23,928)
Net income from discontinued operations (Note 4)					154,610
Net income					$ 130,682

Nine months ended September 30, 2016 (restated [1])

	Infrastructure	Logistics	Wholesale	Other	Total
Statement of operations					
Revenue					
External	$ 133,688	$ 343,574	$ 2,693,261	$ 9,471	$ 3,179,994
Inter-segmental	81,004	36,571	171,893	162	289,630
External and inter-segmental	214,692	380,145	2,865,154	9,633	3,469,624
Segment profit	$ 144,036	$ 24,891	$ 7,204	$ (119)	$ 176,012
Corporate & other reconciling items					
General and administrative					26,536
Depreciation of property, plant and equipment					121,161
Amortization of intangible assets					61,242
Impairment of goodwill					101,405
Stock based compensation					17,704
Corporate foreign exchange loss					1,983
Interest expense					63,158
Interest income					(949)
Foreign exchange gain on long-term debt					(39,765)
Net loss from continuing operations before income tax					(176,463)
Income tax recovery					(48,893)
Net loss from continuing operations					(127,570)
Net income from discontinued operations (Note 4)					4,663
Net loss					$ (122,907)

(tabular amounts in thousands of Canadian dollars, except where noted)

The breakdown of additions to property, plant and equipment and intangible assets, including through business combinations, by reportable segments are as follows:

	Nine months ended September 30			
	2017		2016 (Restated) [1]	
	Property, plant and equipment	Intangible Assets	Property, plant and equipment	Intangible Assets
Infrastructure	$ 99,401	$ 2,672	$ 159,560	$ 1,919
Logistics	8,950	166	7,272	1,534
Wholesale	86	20	11,356	88
Corporate & other	1,828	2,476	313	3,344
	$ 110,265	$ 5,334	$ 178,501	$ 6,885

1. *Comparative period was restated to reflect the results of continuing operations separately from discontinued operations.*

Geographic Data

Based on the location of the end user, approximately 21% and 22% of revenue was from customers in the U.S. for the three and nine months ended September 30, 2017, respectively and approximately 17% and 21% for the three and nine months ended September 2016, respectively.

The Company's non-current assets, excluding investment in finance leases and deferred tax assets, are primarily concentrated in Canada with 14% and 16% in the United States at September 30, 2017 and December 31, 2016, respectively.

17 Subsequent Events

On October 5, 2017, the Company closed its offering of $250.0 million aggregate principal amount of 5.25% Senior Unsecured New Notes due July 15, 2024. Concurrently, the Company entered into U.S. dollar forward contracts to buy U.S. dollars on a notional amount of U.S.$120.0 million at a weighted average rate of $1.26 for U.S.$1.00 which settled on October 26, 2017. On October 30, 2017, Gibsons used the net proceeds from the offering to redeem the remaining balance of its $264.2 million U.S.$ Notes aggregate principal amount of outstanding U.S.$ Notes. Refer to note 9.

On November 8, 2017, the Board declared a quarterly dividend of $0.33 per common share for the three months ending December 31, 2017 on its outstanding common shares. The dividend is payable on January 17, 2018 to shareholders of record at the close of business on December 29, 2017.