Annual Report

Information™
Services
Corporation

About ISC

Headquartered in Regina, Saskatchewan, Canada, ISC is the exclusive provider of land, personal property and corporate registry administration and management services to the Government of Saskatchewan under a 20-year Master Service Agreement that was implemented in May 2013.

We provide unique expertise in the full-service management and administration of registry services. This includes complementary and customized information services and solutions, as well the development of policies and procedures to support the integrity and authentication of data. We serve our customers both online and through personal interactions.

Our Vision

To be a full-service provider of registry and information services and solutions to governments and private sector organizations.

Our Values

- Integrity
- Excellence
- Customer Focus
- Accountability
- Commitment to People
- Leadership

Contents

2015 In Review

EBITDA Margin
36.2%

Revenue
$78.3 million

Annual Dividend/Share
$0.80

174,000
Approximate number of customer service transactions logged in 2015 related to registry and information services – an average of almost 500 every day of the year.

4 million
Number of searches of our Saskatchewan Land Registry made by customers in 2015, including about 900,000 fee-for-service transactions.

2.4 million
Number of electronic land records ISC maintains, including:

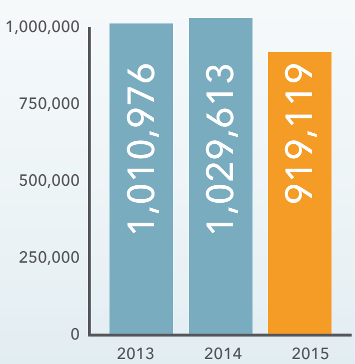
1.5 million surface titles

450,000 mineral titles

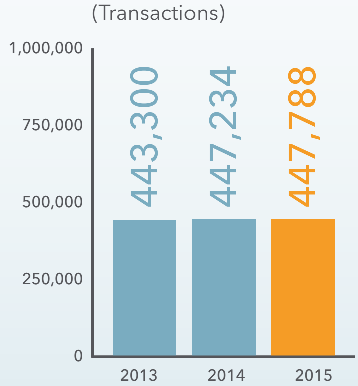
More than **500,000** abstracts for ungranted parcels

Transactions

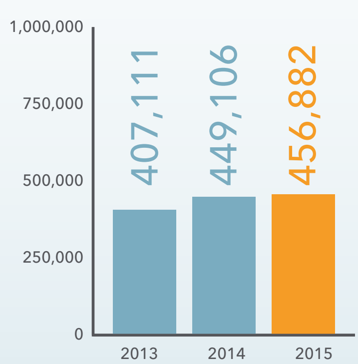
Land Titles Registry
(Transactions)



Personal Property Registry
(Transactions)



Corporate Registry
(Transactions)



Letter from Our Chair

Joel Teal
Chair, Board of Directors

It's no secret that 2015 was a tough year for businesses globally. Although ISC was not immune to the effects of this, it is notable that, despite a year-over-year decline in revenue, ISC generated $21.5 million in free cash flow in 2015 and has generated nearly $69 million since going public in July 2013.

ISC's ability to continue to generate free cash flow is a tribute to our management's ability to prudently manage costs while looking for opportunities to expand our business. In 2015, ISC made $14 million in dividend payments to shareholders and has distributed in excess of $31 million in dividends over the last nine quarters. With a strong balance sheet and a steady core business in Saskatchewan, ISC has entered 2016 well-positioned to withstand further economic challenges.

Last year, I noted that we will always push ourselves to get better. This continues to remain our driving force, and the Board is committed to the strategic oversight of ISC. This includes monitoring the company's progress against its priorities, protecting and enhancing shareholder value and continually evaluating best practices in corporate governance.

We also continue to support the management team's efforts to build a larger and more profitable business. Some of the prospects in this area have longer cycles, but we saw some of the fruits of this work in 2015 with the acquisition of ESC Corporate Services Ltd. and the investment in OneMove Technologies Inc. It is the execution of opportunities like this that are vital to adding value to our current business by diversifying our geographic presence and expanding our customer base.

With respect to Board renewal, we have two Board members whose tenure will come to an end at our upcoming annual general meeting. Brad Sylvester, a member of the Board since 2008, and Jess Chua, a member since 2013, have been valued colleagues and we thank them for their steadfast service.

Three new nominees, Karyn Brooks, John Dowd and Iraj Pourian, have agreed to stand for election to the Board at the annual general meeting in May. All are experienced business leaders who, with their respective financial, technological and business input, will be a huge asset to ISC as we go forward. More details are included in the Management Information Circular.

In all, 2015 was a productive year for the Board and one of steady progress. In closing, I would like to thank ISC employees for their dedication in 2015. I would like to acknowledge our strong relationship with our major client, the Government of Saskatchewan, and for the support we receive from our customers. We look forward to the continuing journey at ISC with you.

Sincerely,

Joel Teal
Chair

Letter from Our CEO

Jeff Stusek
President and Chief Executive Officer

2015 was a year of steady financial performance, meaningful accomplishments and the advancement of promising opportunities – all amid turbulent economic conditions.

As expected, the slowing of the Saskatchewan economy in 2015, especially in the real estate sector, had a direct impact on total revenue. Land Registry revenue was directly affected by fewer housing starts and completions compared to 2014, resulting in lower land transfer volumes, fewer mortgage registrations and title searches.

The change in the economic climate also affected revenue from our other registries. The number of new business incorporations declined but this was mostly offset by a small increase in annual return filings, which left Corporate Registry revenue stable year-over-year. Revenue for the Personal Property Registry is linked to employment, net migration, retail sales and new motor vehicle sales. With a moderate decline in these drivers, revenue in this registry declined only slightly.

Despite this, we achieved a healthy EBITDA margin and also delivered service levels that exceeded our Master Service Agreement requirements with the Government of Saskatchewan.

We also continued to improve our current operations. The major upgrade to the technology supporting the Corporate Registry, which we expect will launch in July 2016, continues to be on schedule

As we look beyond 2016, the fundamentals of profitability, transparency, compliance and accountability will guide our decisions as we strive to deliver strong financial performance and deliver on our growth mandate.

and our initial testing with customer groups has garnered positive feedback.

In September, we completed our investment of $3.3 million in OneMove Technologies Inc. and acquired 30 per cent of the issued and outstanding voting common shares. This milestone was followed by the 100 per cent acquisition of ESC Corporate Services Ltd. (ESC) in October.

The acquisition of ESC served a symbolic purpose for ISC – we are now not just *talking* about growing beyond the borders of Saskatchewan, we are *operating* there. The ceiling that capped our potential has lifted and we continue to monitor an active pipeline of other opportunities.

The challenge for us has been to simultaneously adapt to the new economic environment we face, while driving forward our goal of growing our business and maintaining our financial performance. So, if I was to summarize the last fiscal year for ISC, it was one of ***evolving while delivering stable performance in challenging times***.

Our outlook for 2016 reflects several challenging variables in the operating environment, including the continuous impact of lower oil prices on the economy and, thus, the local housing market. We also expect to invest in R&D to ensure our replication focus will be grounded in becoming the world's best manager and operator of registries.

An opportunity to deliver services in Nova Scotia is an exciting one and we intend to pursue it vigorously, while keeping our eye on other potential replication opportunities in other jurisdictions, as many governments are now looking to private sector operators, like us, to deliver government services on their behalf. With the growth of this trend, there is a clear path forward, which will be built upon our solid foundation of a strong balance sheet and an experienced and talented team.

As we look beyond 2016, the fundamentals of profitability, transparency, compliance and accountability will guide our decisions as we strive to deliver strong financial performance and deliver on our growth strategy. We are committed to deliver long-term value to our shareholders, as well as make a lasting contribution to the communities in which we operate.

Sincerely,

Jeff Stusek
President and
Chief Executive Officer

esc
CORPORATE SERVICES LTD.

With the acquisition of ESC Corporate Services Ltd. in 2015, ISC began operating outside Saskatchewan's borders – a symbolic and significant step toward building our business by extending our reach into new geographic markets.

Management's Discussion and Analysis

For the Fourth Quarter and Year Ended December 31, 2015

Table of Contents

1 Introduction

This Management's Discussion and Analysis (MD&A) for Information Services Corporation ("ISC") discusses our financial and operating performance, business indicators and outlook from management's viewpoint. This document should be read in its entirety and is intended to complement and supplement ISC's Consolidated Financial Statements for the years ended December 31, 2015, and 2014. Additional information, including our Annual Information Form for the year ended December 31, 2015, is available on the Company's website at www.isc.ca, and in the Company's profile on SEDAR at www.sedar.com.

2 Responsibility for Disclosure

This MD&A contains information from our audited Consolidated Financial Statements (the "Financial Statements") for the years ended December 31, 2015, 2014, and 2013, prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. The financial information that appears throughout our MD&A is consistent with the Financial Statements.

Unless otherwise noted, or unless the context indicates otherwise, "ISC", the "Company", "we", "us" and "our" refer to Information Services Corporation, its subsidiaries and its predecessors. Any statements in this MD&A made by, or on behalf of, management are made in such persons' capacities as officers of ISC and not in their personal capacities.

ISC presents its Financial Statements in Canadian ("CAD") dollars. In this MD&A, all references to "$" or "dollars" are to Canadian dollars and amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A is current as of March 15, 2016. The Board of Directors ("Board") carries out its responsibility for review of this disclosure primarily through the Audit Committee, which is comprised exclusively of independent directors. The Audit Committee reviews the MD&A and recommends it to the Board for approval. Other key responsibilities of the Audit Committee include reviewing our existing internal control procedures and planned revisions to those procedures, and advising the directors on auditing matters and financial reporting issues.

This MD&A contains forward-looking statements and should be read in conjunction with the "Caution Regarding Forward-Looking Statements" section below.

3 Caution Regarding Forward-Looking Statements

Certain statements in this MD&A about ISC's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements, or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expect", "plan", "intend", "trend", "indicate", "anticipate", "believe", "estimate", "predict", "project", "targets", "strive", "strategy", "continue", "likely" or "potential", or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. By their nature, these statements involve assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements.

Discussions containing forward-looking statements may be found in this MD&A. Forward-looking statements, including, without limitation, those contained in the "Outlook" section hereof, management's expectations, intentions and beliefs concerning the registry services, corporate services and information products industry, its competitive landscape, the general economy and the real estate market, fluctuations in the Canadian dollar, statements regarding the future financial position or results of ISC, the long-term impact of certain payments of the Government of Saskatchewan, seasonality, business strategy, customer growth and diversification, investment in human capital, dividend expectations, creation of shareholder value, recent and proposed acquisitions, growth opportunities, capital and operating expectations, access to financing on satisfactory terms, debt levels, free cash flow, expectations for meeting future cash requirements, potential litigation, projected costs, expectations for collective bargaining and for reaching a new collective bargaining agreement with ISC's unionized employees, and plans and objectives of or involving ISC are based on estimates and assumptions made by us in light of ISC's experience and perception of historical trends, current conditions and expected future developments as well as other factors that ISC believes are appropriate and reasonable in the circumstances. There can be no assurance that such estimates and assumptions will prove to be correct.

Certain assumptions with respect to the Canadian economy and, in particular, the Saskatchewan economy, the impact of commodity prices, such as agricultural commodities, oil and potash and the value of the Canadian dollar on the Saskatchewan economy, consumer confidence, interest rates, level of unemployment, inflation, real estate market in Saskatchewan, claim liabilities, income taxes, our ability to attract and retain skilled staff, the compensation and benefits that will be paid or provided to employees and our level of customer service, as well as goodwill and intangibles are material factors in connection with our forward-looking statements and management's expectations.

Many factors could cause actual results, levels of activity, performance or achievements, or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors:

- potential disagreements with the Government of Saskatchewan;
- ISC's limited ability to set fees;
- legislative changes that affect our business;
- the Canadian economy and, in particular, the Saskatchewan economy, including conditions within the real estate market, inflation, interest rate levels, unemployment levels and consumer behaviour;
- the level of search and registration activities, principally as related to the Land, Personal Property and Corporate Registries in Saskatchewan (collectively, the "Saskatchewan Registries");
- reliance on key personnel;
- our ability to execute our growth strategy;
- any compromise to the integrity or security of our information assets;
- our reliance on information technology systems or a material disruption in our computer systems;
- our reliance on third-party service providers or other contractors under key contractual arrangements;
- competition for service offerings (other than our exclusive service offerings to the Government of Saskatchewan);
- ability to obtain future financing;
- our insurance may not provide adequate coverage;
- litigation and tax matters;
- our liability to the Government of Saskatchewan under the Master Service Agreement ("MSA") is unlimited, except in certain specified circumstances;
- any adverse changes in labour relations;
- any failure to protect ISC's intellectual property rights;
- the potential for a volatile market price for our Class A Limited Voting Shares ("Class A Shares"); and
- our ability to pay dividends, which is dependent on our ability to generate sufficient income and cash flow.

These factors should be considered carefully. We caution that the foregoing listing of important assumptions and factors is not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding ISC's financial performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein.

Furthermore, unless otherwise stated, the forward-looking statements contained in this MD&A are as of the date of this MD&A, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

Market and Industry Data

We have obtained some of the market and industry data presented in the MD&A from market research, publicly available information, reports of governmental agencies and industry publications and surveys, including various forecasts. While the Company's management generally believes such market and industry data to be reliable, the Company has not verified such market and industry data through other independent sources or other means.

4 Consolidated Highlights

4.1 Fourth Quarter Consolidated Highlights

- Revenue was $22.6 million for the three months ended December 31, 2015, an increase of 14.3 per cent, compared to $19.8 million for the three months ended December 31, 2014.
- EBITDA (earnings before interest, taxes, depreciation and amortization expense) for the fourth quarter of 2015 was $8.2 million compared to $7.0 million in the same quarter of last year, an increase of $1.2 million.
- Our EBITDA margin for the fourth quarter of 2015 was 36.3 per cent compared to 35.6 per cent in the fourth quarter of 2014.
- Adjusted EBITDA was $8.6 million for the fourth quarter 2015, compared to $7.1 million in the same quarter last year, with ISC generating an adjusted EBITDA margin of 38.2 per cent for the quarter compared to 35.7 per cent in the fourth quarter of 2014. EBITDA was adjusted for stock-based compensation expense or income, equity settled employee benefit reserve, transactional gains and losses, asset impairment charges, and acquisition and integration costs.
- Net income and total comprehensive income for the three months ended December 31, 2015, was $4.6 million, or $0.26 per basic and diluted share. In the fourth quarter of 2014, net income was $4.0 million, or $0.23 per basic and diluted share.
- On October 1, 2015, we completed the acquisition of all issued and outstanding common shares of ESC Corporate Services Ltd. ("ESC").
- On November 4, 2015, our Board declared a quarterly cash dividend of $0.20 per Class A Share, payable on or before January 15, 2016, to shareholders of record as of December 31, 2015.

4.2 Year End Consolidated Highlights

- Revenue was $78.3 million for the year ended December 31, 2015, a decrease of 2.7 per cent, compared to $80.5 million for the year ended December 31, 2014.
- EBITDA for the year ended December 31, 2015, was $28.4 million compared to $30.2 million for the year ended December 31, 2014, a decrease of $1.8 million.
- Our EBITDA margin for the year ended December 31, 2015, was 36.2 per cent compared to 37.6 per cent in the year ended December 31, 2014.
- Adjusted EBITDA was $30.4 million for the year ended December 31, 2015, compared to $31.6 million in the same period last year, with an adjusted EBITDA margin of 38.8 per cent for the year ended December 31, 2015, compared to 39.2 per cent in the same period of 2014. EBITDA was adjusted for stock-based compensation expense or income, equity settled employee benefit reserve, transactional gains and losses, asset impairment charges, and acquisition and integration costs.
- Net income and total comprehensive income for the year ended December 31, 2015, was $15.9 million or $0.91 per basic share, and $0.90 per diluted share. For the year ended December 31, 2014, net income was $18.4 million, or $1.05 per basic and diluted share.
- On September 2, 2015, we completed our investment of $3.3 million in OneMove Technologies Inc. ("OneMove") and acquired 30 per cent of the issued and outstanding voting common shares.
- We entered into an amended and restated credit agreement in connection with the secured credit facilities provided by a Canadian chartered bank.
- We completed the development and implementation of the Saskatchewan Asbestos Registry, which was launched on May 4, 2015, and we entered into an agreement with the Ministry of Labour Relations and Workplace Safety to host and support the Asbestos Registry.

- We signed a service agreement with the Saskatchewan Ministry of the Economy to host and support the Mineral Administration Registry Saskatchewan ("MARS") system.

- We continued implementing the renewal and enhancement of the technology, processes and policy supporting the Corporate Registry with expected completion in 2016.

- We signed a service agreement with the Saskatchewan Ministry of the Economy to host and support the Civic Address Registry ("CAR") project in exchange for a service fee.

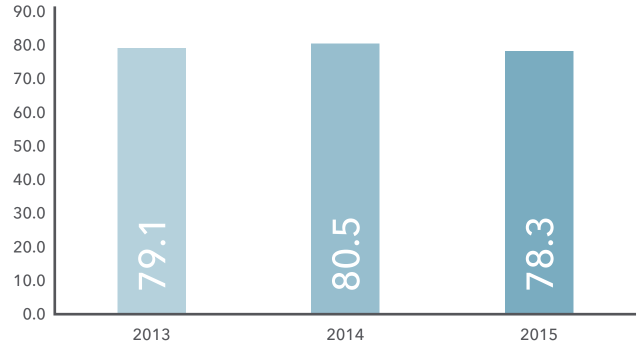
4.3 Subsequent Events

- On February 19, 2016, the Company subscribed for 1,620,454 Class B Common Shares in the capital of OneMove, for a total of $990 thousand, representing its pro rata share of an equity raise by OneMove. This investment maintains ISC's 30 per cent ownership in OneMove and the funds will be used to finance certain growth activities of the company.

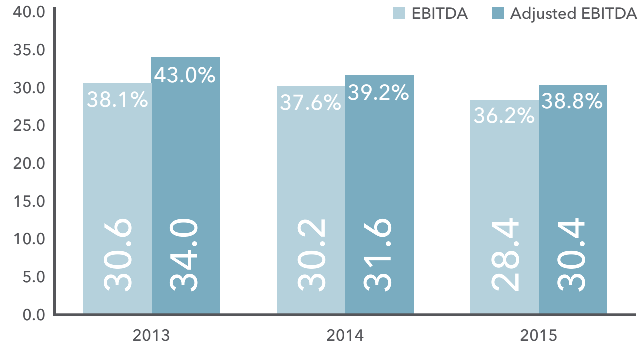
- On March 7, 2016, we announced that, taking effect from December 1, 2015, the MSA was amended to appoint ISC to continue to manage and operate the Common Business Identifier Program and the Business Registration Saskatchewan Program for the same term as the MSA. The Province of Saskatchewan will pay ISC an annual operating fee of $825 thousand.

- On March 15, 2016, our Board declared a quarterly cash dividend of $0.20 per Class A Share, payable on or before April 15, 2016, to shareholders of record as of March 31, 2016.

Consolidated Revenue
for the year ended December 31,
(CAD$ millions)

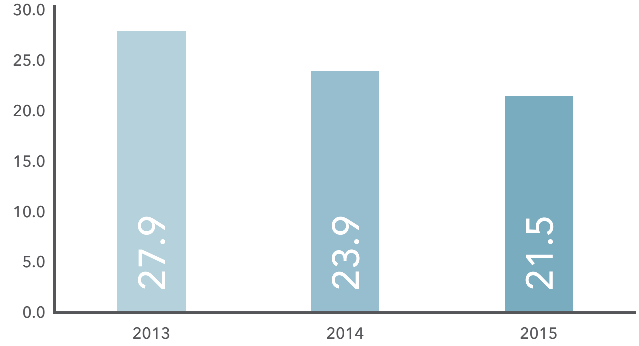


Consolidated EBITDA[1] and
Adjusted Consolidated EBITDA[1]
for the year ended December 31,
(CAD$ millions)



[1] EBITDA, EBITDA margin, adjusted EBITDA and adjusted EBITDA margin are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and, therefore, are not comparable to similar measures by other corporations. Refer to section "Non-IFRS Financial Measures".

Consolidated Free Cash Flow
for the year ended December 31,
(CAD$ millions)



4.4 Select Consolidated Financial Information

The select annual financial information set out for the years ended December 31, 2015, 2014, and 2013, is derived from the Company's Financial Statements and has been prepared on a consistent basis. In the opinion of the Company's management, such financial data reflects all adjustments necessary for a fair presentation of the results for those periods. It should be noted that the fourth quarter and year end results for 2015 include the results of ESC, which was acquired on October 1, 2015.

	Year Ended December 31,		
(thousands of CAD dollars)	2015	2014	2013
Revenue	$ 78,318	$ 80,459	$ 79,131
Net income and total comprehensive income	15,917	18,360	76,981
EBITDA[1]	$ 28,364	$ 30,240	$ 30,554
Adjusted EBITDA[1]	30,386	31,578	34,008
EBITDA margin (% of revenue)[1]	36.2%	37.6%	38.1%
Adjusted EBITDA margin[1]	38.8%	39.2%	43.0%
Free cash flow[1]	$ 21,489	$ 23,914	$ 27,862
Dividend declared per share	0.80	0.80	0.38
Earnings per share, basic[2]	$ 0.91	$ 1.05	$ 4.40
Earnings per share, diluted[2]	$ 0.90	$ 1.05	$ 4.40

	As at December 31,		
	2015	2014	2013
Total assets	$136,109	$ 109,536	$ 108,101
Total non-current liabilities	27,345	10,417	10,814

[1] EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin and free cash flow are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and, therefore, are not comparable to similar measures by other corporations. Refer to section "Non-IFRS Financial Measures".

[2] The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period.

Over the past three years, overall revenue remained stable but, due to lower transaction volumes in the Saskatchewan Registries, declined as a result of the slowing of the Saskatchewan economy in 2015. However, consolidated revenue was supplemented from the acquisition of ESC in the last quarter of 2015.

Over the past three years, ISC has consistently achieved strong free cash flows and adjusted EBITDA margins over 35.0 per cent.

Since its initial public offering, the Company has declared and paid quarterly dividends at an annual rate of $0.80 per Class A Share (pro-rated in 2013) to its shareholders.

5 Business Overview

Headquartered in Regina, Saskatchewan, Canada, ISC is the full-service provider of registry and information services and solutions to governments and private sector organizations.

Since ISC's creation in 2000 as a provincial Crown corporation with a mandate to modernize the land titles registry, the Company has acquired and enhanced several registries within Saskatchewan.

In 2013, Information Services Corporation made the transition from a provincial Crown corporation owned by the Government of Saskatchewan to a publicly traded company with shares that began trading on July 9, 2013 on the Toronto Stock Exchange under the symbol "ISV".

ISC is distinguished from its competitors by its unique expertise in the full-service management and administration of registries. In addition to registry services, ISC offers complementary and customized information services and solutions. ISC works with governments and private sector organizations to develop policies and procedures to support the integrity of the data, then manages the information technology, data management and authentication processes. Finally, the Company delivers a strong customer service experience online and in person through its eight customer service centres.

The end-users of our products and services are individuals and businesses, including real estate agents, home builders, governments (including municipalities), financial institutions, insurance companies, car and equipment dealers, land developers, resource, utility and pipeline businesses as well as established intermediary customers such as legal, survey and engineering firms.

On September 2, 2015, ISC completed its investment of $3.3 million in OneMove Technologies Inc. ("OneMove") and acquired 30 per cent of the issued and outstanding voting common shares. OneMove and its *econveyance*™ software is an industry-leading online, subscription-based solution that offers a secure and efficient means of managing real property transactions. It simplifies and expedites the process of buying and selling real property by connecting legal professionals, lenders and insurers throughout the conveyancing process. The *econveyance*™ solution is available in British Columbia, Alberta and, most recently, Ontario.

On October 1, 2015, ISC completed the acquisition of all issued and outstanding common shares of ESC Corporate Services Ltd. ("ESC"). ISC completed the transaction through a wholly owned subsidiary using a combination of cash and debt with $21.0 million of the purchase price, subject to working capital adjustment, paid on closing of the transaction and up to $7.0 million payable in the form of a performance-based, 12-month earn out, of which we currently estimate $5.0 million will be payable. A Business Acquisition Report was filed on SEDAR in relation to the ESC acquisition on December 15, 2015. Refer to Note 19 to the Financial Statements for the ESC acquisition.

ESC provides law firms, corporations, financial service institutions and others with services to fulfill a wide variety of their clients' public records due diligence, filings and corporate supply requirements in connection with public business registries in Canada and certain other countries. ESC's team provides full-service, bilingual, online corporate services, including due diligence, filing and incorporation across Canada and around the world. ESC has offered these corporate services in Ontario since 2009, when it acquired the Corporate Search and Corporate Supplies division of Dye & Durham in Ontario and, subsequently, in Quebec since 2014 when it acquired what was formerly known as the Corporate Research and Analysis Centre ("CRAC").

5.1 Segment Information

Operating segments are identified as components of a company where separate discrete financial information is available for evaluation by the chief operating decision maker regarding allocation of resources and assessment of performance. In previous reporting, ISC has presented its operational and financial performance based on one segment, encompassing all of the registries it operates on behalf of the Government of Saskatchewan. With the acquisition of ESC in the fourth quarter of 2015, the Company now operates in two reportable segments as described below, defined by their primary type of service offerings, namely Registries and Services. The balance of our corporate activities and shared services functions are reported as Corporate.

5.2 Our Registries Segment

Our Registries segment involves the provision of registry and information services and solutions to governments and private sector organizations. Currently, the Company provides registry and information services to the Province of Saskatchewan and is the exclusive provider of the Land Registry, the Personal Property Registry and the Corporate Registry in Saskatchewan.

- The Land Registry, which includes the Land Titles Registry, the Land Surveys Directory ("Land Surveys") and Geomatics;
  - Land Titles Registry issues titles to land and registers transactions affecting titles, including changes of ownership and the registration of interests in land;
  - Land Surveys registers land survey plans and creates a representation of Saskatchewan land parcels in the cadastral parcel mapping system; and
  - Geomatics services manage geographic data in relation to the cadastral parcel mapping system that is integrated with Land Titles Registry and Land Surveys. In addition, there are stand-alone services such as topographical maps and aerial photos.
- The Personal Property Registry, which is a notice-based public registry where individuals, corporations, lenders and others can register their interests (liens) on movable types of personal property such as automobiles, farm equipment, boats, etc.; and
- The Corporate Registry, which is a province-wide system for registering business corporations, non-profit corporations, co-operatives, sole proprietorships, joint ventures and business partnerships.

In each of these Saskatchewan Registries, there are three common revenue components. Revenue is primarily generated by earning fees from our end-use customers for:

1. Registrations;
2. Searches; and
3. Maintenance transactions.

Registrations in Saskatchewan are conducted primarily online or through staff-assisted services that facilitate the submission and registration of interests in land or property, or registrations related to business entities. Our customers typically submit registration requests electronically, and registrations are completed through automated or manual processes.

Searches for current or historical information are conducted online by customers or in person at an ISC Customer Service Centre. Customized services are also available for searches of larger volumes of records or consolidated information from multiple registries and other sources.

Maintenance transactions are also conducted online or through our Customer Service Centres and include maintenance of registry information, mineral certifications and the annual filings required for corporate entities.

These transactions are primarily Core Registry Services as defined by the MSA, and the fees associated with these core services are defined within the agreement. ISC also has the ability to set and generate fees from non-core ancillary services, an example of which would be priority mineral certification services and geomatics-related services. Under the new amendment to the MSA announced on March 7, 2016 (see "Subsequent Events"), ISC earns an annual operating fee under the Programs Operating Agreement entered into under the MSA.

5.2.1 Land Titles Registry

The Land Titles Registry issues titles to land and registers transactions affecting titles, including changes of ownership and the registration of interests in land. The Land Titles Registry provides access to timely and reliable land ownership information to support new and used home sales, land and home development transfers, and other value-added transactions. Its primary users are legal firms, financial institutions, developers and resource-based companies.

Because the Land Titles Registry revenue is comprised of both residential and non-residential activity, mortgage rates and business lending rates may affect revenue. Changes in provincial population also affect the housing market, which, in turn, impacts vacancy rates, changes of ownership and revenue.

Revenue for the Land Titles Registry is earned through registration, search and maintenance fees. Registration fees are either a flat fee or value-based fee calculated as a percentage of the value of the land and/or property being registered. The Company typically charges a flat fee per transaction for search and maintenance transactions. However, in certain instances, we may charge a custom fee for a customized search or maintenance transaction such as certain mineral certification or bulk data requests.

5.2.2 Land Surveys

Land Surveys registers land survey plans and creates a representation of Saskatchewan land parcels in the cadastral parcel mapping system. Land survey plans define the geographic boundaries of land parcels throughout Saskatchewan, while the cadastral parcel mapping system depicts the land survey system with surface and mineral ownership parcel boundaries.

Land Surveys services include registrations, searches and related survey services. Revenue related to all services is earned as a flat fee per transaction.

Our customers include surveyors, developers, resource companies and other businesses that need access to our mapping systems and survey plans to support their development plans.

5.2.3 Geomatics

Geomatics manages geographic data related to the cadastral parcel mapping system, which is integrated with the Land Titles Registry and Land Surveys. Geomatics data is searchable by the public and provides the cadastral and derived data used to produce the Saskatchewan provincial base map for land-related activities within the province. The services provided vary considerably.

Unlike the other services offered within the Land Registry, Geomatics does not derive revenue from registration or maintenance services; rather, it generates revenue through searches and value-added services. Fees for Geomatics services are typically negotiated per transaction based on the type and nature of services required. For example, ISC receives an annual fee from certain Government of Saskatchewan ministries and agencies for operating the GeoSask portal, but does not receive transaction-based fees related to use of the portal.

The Company also provides Geomatics services for land-related data and applications. For example, ISC developed MARS for the Ministry of the Economy, which provides an online system for issuing and administering Crown land mineral dispositions throughout Saskatchewan and eliminates the need to physically stake Crown mineral claims. In early 2015, we signed a service agreement with the Ministry of the Economy to host and support the MARS system in exchange for a service fee.

In a similar service, ISC led the development of the Saskatchewan Civic Address Registry (''CAR"), under contract with the Ministry of Government Relations, to create a province-wide civic address registry and an online maintenance system. In 2015, we signed a service agreement with the Saskatchewan Ministry of the Economy to host and support the CAR project in exchange for a service fee.

5.2.4 Personal Property Registry

The Personal Property Registry is a notice-based public registry in which interests in movable types of personal property may be registered. The Personal Property Registry enables lenders as well as buyers of personal property (e.g., motor vehicles) to search for information such as security interests registered against an individual, business or personal property used as collateral. Buyers and lenders search the registry to ensure there are no outstanding notices of third-party interests in personal property.

General provincial economic drivers, including automotive sales, interest rates and the strength in commercial activity across the province influence the revenue in the Personal Property Registry.

Under the Personal Property Registry, customers are charged flat fees per transaction, and the automated web-based system enables real-time completion of search and registration services and minimizes operational effort to deliver services. Approximately 99.6 per cent of searches in the registry are completed online. The high online usage is stable, with minimal numbers of end-use consumers needing staff assistance to complete their transactions.

5.2.5 Corporate Registry

The Corporate Registry is a province-wide system for registering business corporations, non-profit corporations, co-operatives, sole proprietorships, joint ventures and business partnerships. Every corporation must be registered in the Corporate Registry to maintain its legal status and carry on business within Saskatchewan. Records on all Saskatchewan businesses are maintained and made available to the public through the Corporate Registry.

Services are billed as flat fees for each transaction. Unlike other registries, the Company earns the majority of its fees in relation to maintenance services provided to entities that file annual returns or wish to make changes to their structure or business profile.

During the course of the third quarter of 2014, the Company engaged the support of a third-party vendor to assist with ISC's efforts to renew and enhance the operations which support the Corporate Registry. This includes the renewal and enhancement of the technology supporting the Corporate Registry, which will help streamline processes and lead to an enhanced service for customers. The Company is currently anticipating the launch of the new system in July 2016.

5.2.6 Common Business Identifier and Business Registrations Saskatchewan

The Common Business Identifier Act (Saskatchewan) provides the framework and authority for Saskatchewan to expand the use of the Canada Revenue Agency Business Number as the common business identifier for business entities that interact with participating public sector programs in Saskatchewan.

Business Registrations Saskatchewan enables new businesses to complete three initial steps to register in one online environment by permitting business owners to access the Corporate Registry, register as an employer with Saskatchewan Workers' Compensation Board and register for Provincial Sales Tax with the Saskatchewan Ministry of Finance.

Under the terms of the MSA with the Government of Saskatchewan, as amended, ISC was appointed to manage and operate the Common Business Identifier and the Business Portal services for an initial period of 36 months.

On March 7, 2016, we announced that, taking effect from December 1, 2015, the MSA was amended to appoint ISC to continue to manage and operate the Common Business Identifier Program and the Business Registration Saskatchewan Program (formerly referred to as the Business Portal) for the same term as the MSA. The Province of Saskatchewan will pay ISC an annual operating fee of $825 thousand, for such programs, subject to an annual Consumer Price Index ("CPI") adjustment calculated in accordance with the MSA. We do not currently charge any additional fees for business owners who register through Business Registrations Saskatchewan.

5.2.7 Saskatchewan Asbestos Registry

On November 7, 2013, Saskatchewan proclaimed legislation requiring mandatory reporting of public buildings known to contain asbestos. The Saskatchewan Asbestos Registry of Public Buildings has been created to share information about public buildings containing asbestos.

In 2015, we completed the development and implementation of the Saskatchewan Asbestos Registry, which was launched on May 4, 2015, and we entered into an agreement with the Ministry of Labour Relations and Workplace Safety to host and support the Asbestos Registry.

5.3 Our Services Segment

Our Services segment involves the provision of services to law firms, corporations, financial service institutions and others with services to fulfill a wide variety of their clients' public records due diligence, filings and corporate supply requirements in connection with public business registries in Canada and certain other countries. These services are primarily provided by the Company's subsidiary, ESC.

ESC provides its Canadian financial institution clients with customized, automated and proven solutions to validate the status of business entities. For its law firm customers that range from large firms to sole practitioners, this segment also provides a complete suite of corporate services and supplies.

ESC's services have two revenue components: transactional fees and per unit charges. ESC earns revenue through transaction fees charged for all search and registration products as well as Know-Your-Customer services. All government fees associated with the service are either embedded in the search fee or charged in addition to the service transaction fee. ESC does not earn any subscription-related fees relating to any of its products. Corporate supplies are charged a per unit fee in the same manner as a product in a retail transaction.

5.3.1 Search and Registration Services

ESC provides search services, including corporate, business name, personal property, real property, corporate name search reports (also known as NUANS [1] reports), trademark, *Bank Act* and other search services, primarily to legal professionals. ESC provides corporate, business name, personal property, trademark, *Bank Act* and other registration and filing services (e.g., business incorporations, amendments, amalgamations, etc.), primarily to lawyers and law firms.

ESC's search and registration services focus on legal professionals with a client base consisting of a mix of small and large law firms based primarily in Ontario and Quebec. ESC has built an online workflow platform to service legal customers through a team of experienced law clerks in both Ontario and Quebec able to provide full service public registry solutions to support business and complex legal transactions.

ESC also provides nationwide search and registration services for its customers directly or indirectly.

5.3.2 Know-Your-Customer Services

While all banks operating in Canada have to follow the same Anti-Money Laundering ("AML") laws and regulations, financial institutions each structure their AML efforts somewhat differently. Financial institutions and many non-financial institutions are required to identify and report transactions of a suspicious nature to the Financial Transactions Reports Analysis Centre of Canada ("FINTRAC"). FINTRAC is Canada's financial intelligence unit and plays a central role in Canada's fight against money laundering and terrorism. For example, a bank must verify a customer's identity and, if necessary, monitor transactions for suspicious activity. This is often termed as Know-Your-Customer ("KYC"). The term KYC also refers to the bank regulation which governs these activities. The objective of KYC guidelines is to prevent banks from being used, intentionally or unintentionally, by criminal elements for money laundering activities. Related procedures also enable banks to better understand their customers and their financial dealings. This helps them manage their risks prudently.

ESC supports customers' due diligence activities for compliance purposes and credit service solutions through the verification, storage and retrieval of corporate and business information compiled and obtained from public registry sources (e.g., corporate registry, personal property registry, land registry, litigation, and bankruptcy and *Bank Act* searches). These services are provided primarily to financial institutions.

ESC has developed a proprietary platform for financial institutions to on-board new commercial accounts while remaining compliant with Canadian KYC and AML regulations captured under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. The customer on-boarding verification report generated by ESC leverages its search service to provide financial institutions a process and system to verify, retrieve and store information about corporate clients to meet these regulatory requirements.

5.3.3 Corporate Supplies and Accessories

The corporate supplies provided by ESC help companies to effectively organize and maintain their corporate legal documents. A corporation is legally required to maintain records of important corporate documents (its certificate of incorporation or letters patent, articles of incorporation, by-laws, unanimous shareholders agreement, meetings minutes and resolutions of the shareholders, among other information). These records are typically kept in a minute book. Other items typically include a corporate seal and share certificates.

These products are sold and distributed primarily to legal professionals and include customized corporate minute books, corporate seals, share certificates, legal supplies and related ancillary accessories for businesses and corporations.

[1] NUANS (**Newly Updated Automated Name Search**) is a registered Trademark of the Government of Canada and is a computerized search system that compares a proposed corporate name or Trademark with databases of existing corporate bodies and Trademarks.

6 Business Strategy

ISC is committed to delivering on a strategy that focuses on the creation of shareholder value, generated through consistent financial performance and the execution of growth opportunities.

We have identified three strategic priorities that we believe will contribute to value creation:

1. Earnings Growth and Sustainable Cost Management
   - Deliver consistent EBITDA, with a focus on increased margins through the generation of permanent cost efficiencies; and
   - Focus on critical cost lines to manage expenditures and prioritize investments.
2. Organizational Effectiveness and Compliance
   - Implement systems and process renewal to support earnings growth and the evolving needs of current and potential customers; and
   - Deliver on credible, efficient registry services in compliance with the MSA with the Government of Saskatchewan.
3. Growth Identification and Execution
   - Replicate ISC's tried and tested business model in new markets;
   - Provide additional registry and information management services within Saskatchewan and leverage enhancements for out-of-province growth; and
   - Acquire complementary companies that add value to ISC's current business.

7 Results of Operations

Consolidated Statement of Comprehensive Income

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD dollars)	2015	2014	2015	2014
Revenue	$ 22,579	$ 19,759	$ 78,318	$ 80,459
Expenses				
Wages and salaries	7,340	6,422	24,867	24,845
Information technology services	2,474	2,703	9,688	10,272
Depreciation and amortization	1,776	1,392	5,713	5,089
Occupancy costs	1,239	1,068	4,563	4,316
Professional and consulting services	1,161	1,263	3,569	3,875
Financial services	426	433	2,362	2,083
Project initiatives	476	465	2,521	3,269
Other	1,327	370	2,447	1,559
	16,219	14,116	55,730	55,308
Income from operations before net finance expense (income)	6,360	5,643	22,588	25,151
Finance expense (income)				
Interest income	(70)	(87)	(331)	(306)
Interest expense	129	30	236	92
Net finance expense (income)	59	(57)	(95)	(214)
Share of profit in associate [1]	52	–	62	–
Income from operations before tax	6,353	5,700	22,745	25,365
Income tax expense	1,786	1,686	6,828	7,005
Net income and total comprehensive income	$ 4,567	$ 4,014	$ 15,917	$ 18,360

[1] Share of profit in associate is a result of the acquisition of 30 per cent of the issued and outstanding voting common shares of OneMove Technologies Inc. on September 2, 2015.

7.1 Fourth Quarter Results

7.1.1 Revenue

For the three months ended December 31, 2015, revenue was $22.6 million, a $2.8 million increase when compared to the three months ended December 31, 2014. The increase was due to the acquisition of ESC.

(thousands of CAD dollars)	Registries	Services	Corporate	Three Months Ended December 31, 2015	2014
Land Registry (Land Titles Registry, Land Surveys, and Geomatics)	$ 14,816	$ –	$ –	$ 14,816	$ 15,054
Personal Property Registry	2,407	–	–	2,407	2,338
Corporate Registry	2,038	–	–	2,038	2,017
Registries	19,261	–	–	19,261	19,409
Services	–	3,166	–	3,166	–
Other	–	–	152	152	350
	$ 19,261	$ 3,166	$ 152	$ 22,579	$ 19,759

Registries

Land Registry

Revenue for the Land Registry was $14.8 million for the three months ended December 31, 2015, a decrease of $0.2 million or 1.6 per cent, compared to the fourth quarter 2014. Results were weaker in the last quarter of 2015 due to a decelerating real estate market in Saskatchewan.

(i) Land Titles Registry

The majority of the revenue generated from the Land Registry is from the Land Titles Registry where the bulk of fees the Company earns are value-based.

Land Titles Registry revenue for the three months ended December 30, 2015, was $13.8 million, a decrease of $0.2 million, or 1.7 per cent, compared to the fourth quarter 2014.

Transaction volume for the Land Titles Registry for the fourth quarter of 2015, as compared to 2014, grew by 0.7 per cent compared to the same period last year, even with the aforementioned decrease in revenue of 1.7 per cent.

- The volume of regular land transfers, mortgage registrations and title searches declined by 4.7 per cent, 7.7 per cent and 2.6 per cent, respectively. The volume of real estate sector transfers was less than expected due to economic conditions, consistent with much of 2015.
- However, the overall growth in volume for the quarter can be credited to an influx of resource and agricultural sector transactions. The resource transactions (minerals) are not part of the regular land transfers. Typically, these transactions generate low revenue amounts per transaction, which is why the total number of transactions grew from 234 thousand to 236 thousand, yet revenue declined in the quarter.

Revenue overall also declined as a result of lower value-based fees:

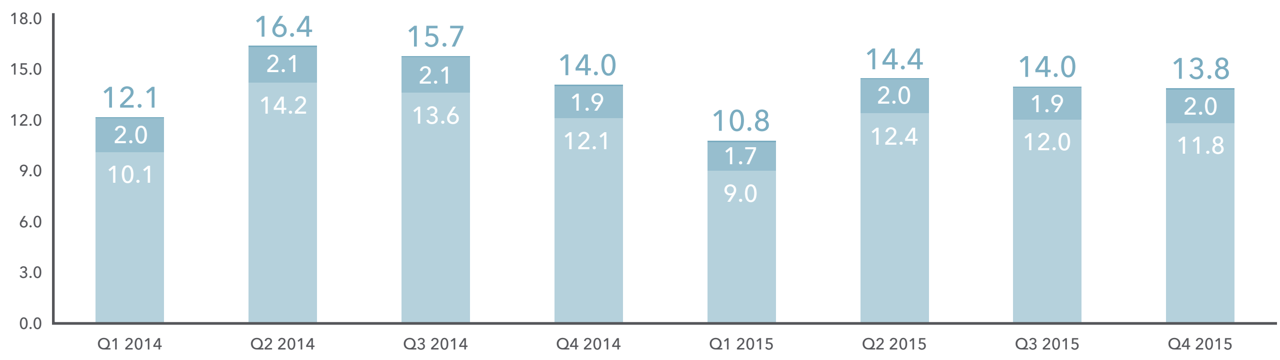
- Average land values for regular land transfers in the fourth quarter of 2015 were lower than those in the fourth quarter of 2014, contributing to less value-based fees.
- The growth of existing housing prices on average has slowed and, in certain areas, declined. The most recent data from Statistics Canada New Housing Price Index for Saskatchewan as at December 2015 indicates there was a year-over-year decline of 2.1 per cent compared to December 2014. [2]

[2] Statistics Canada. Table 327-0046 – New housing price indexes, monthly (index, 2007=100), CANSIM (database), accessed February 11, 2016.

- This was partially offset by record high value property registration revenue of $1.6 million for the three months ended December 31, 2015, as compared to the $1.3 million for the same period in 2014. These are transactions that generate a high fee per transaction and result in revenue of $10,000 or more per transaction.

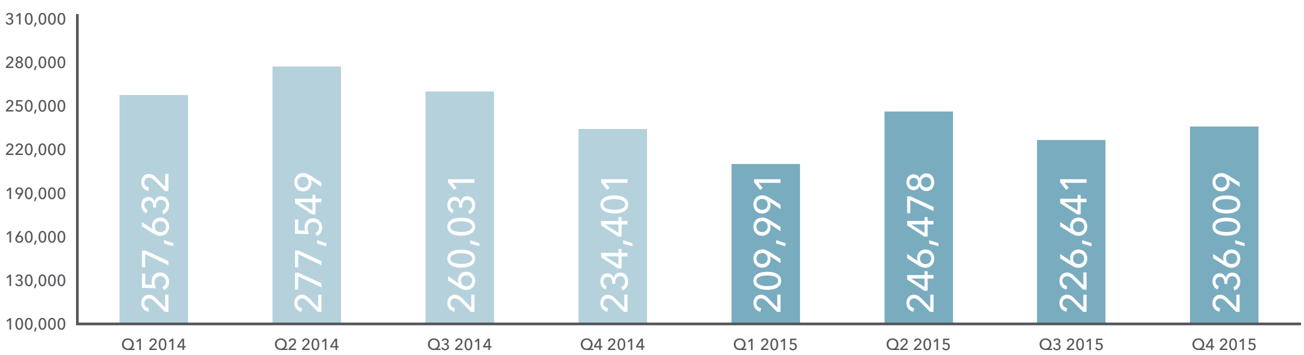
The charts below show the Land Title Registry's revenue by type of transaction and the overall transaction volume, respectively. The fourth quarter is typically weaker than the third quarter, which is consistent year-over-year. For more information on seasonality, please refer to the "Summary of Consolidated Quarterly Results".

Land Titles Registry Revenue by Type
(CAD$ millions)



Note: Values may not total due to rounding from Maintenance transactions that are too small to display in chart.

Land Titles Registry Transaction Volume
(Number of transactions)



(ii) Land Surveys and Geomatics

Collectively, the revenue from the Land Surveys and Geomatics was $1.0 million for the three months ended December 31, 2015, a slight increase of 0.5 per cent, compared to the same period in 2014.

Personal Property Registry

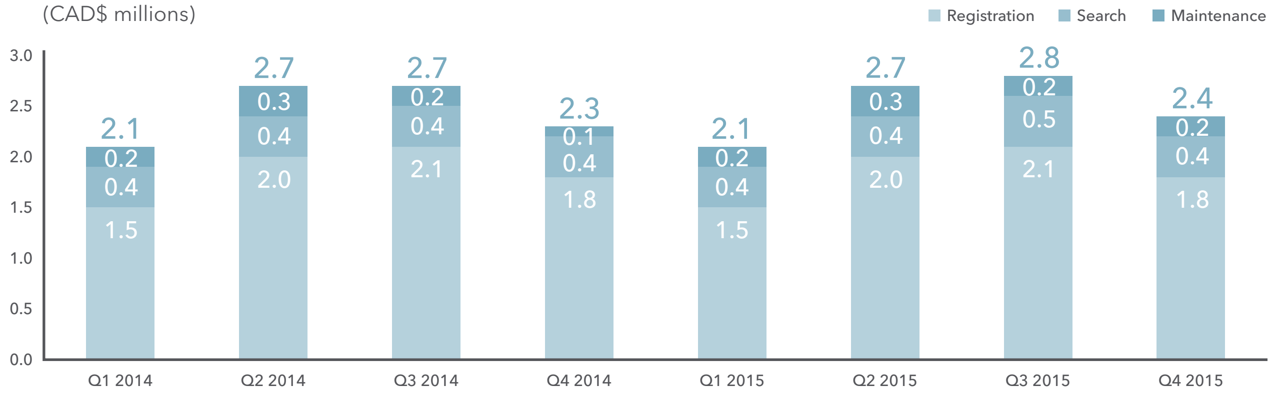
Revenue for the Personal Property Registry for the three months ended December 31, 2015, was $2.4 million, which represents a rise of 3.0 per cent from the same period in 2014. This is mainly due to an increase in revenue from searches.

Transaction volumes for the fourth quarter of 2015, increased by 2.7 per cent compared to the same period last year, primarily due to a boost in search volumes.

Even though revenue and volumes increased, the main driver of revenue for this registry – personal property security registration setups – has shown a drop in volume of 4.5 per cent while revenue only declined by 0.5 per cent when compared to the same period last year. The impact of the volume drop was partially offset due to higher average price per setup, which climbed as a result of registry fee increases and longer term registrations.

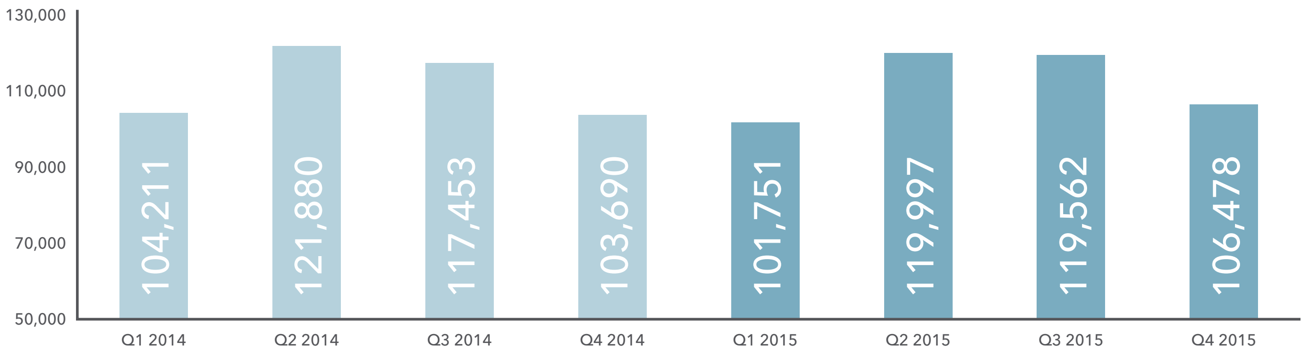
The graph below shows the revenue by type of transaction. Revenue across the three types remains similar when comparing the three months ended December 31, 2015, to the same period in 2014. Quarterly revenue continues to align to the typical pattern of seasonality.

Personal Property Registry Revenue by Type
(CAD$ millions)



The graph below shows the increase in transaction volumes for the fourth quarter of 2015 as compared to 2014 from the increased search volumes.

Personal Property Registry Transaction Volume
(Number of transactions)

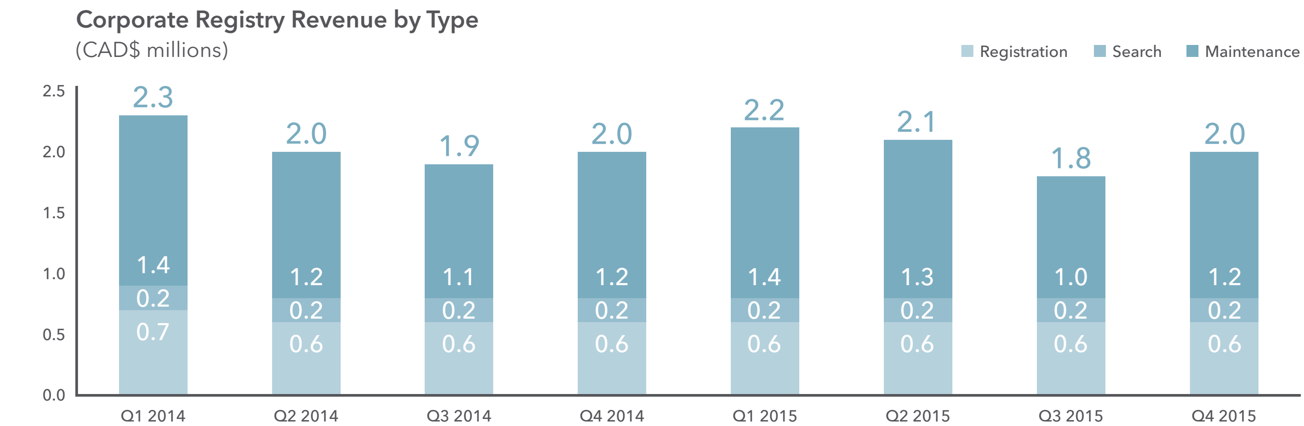


Corporate Registry

Revenue for the Corporate Registry for the three months ended December 31, 2015, was $2.0 million and was flat when compared to the three months ended December 31, 2014.

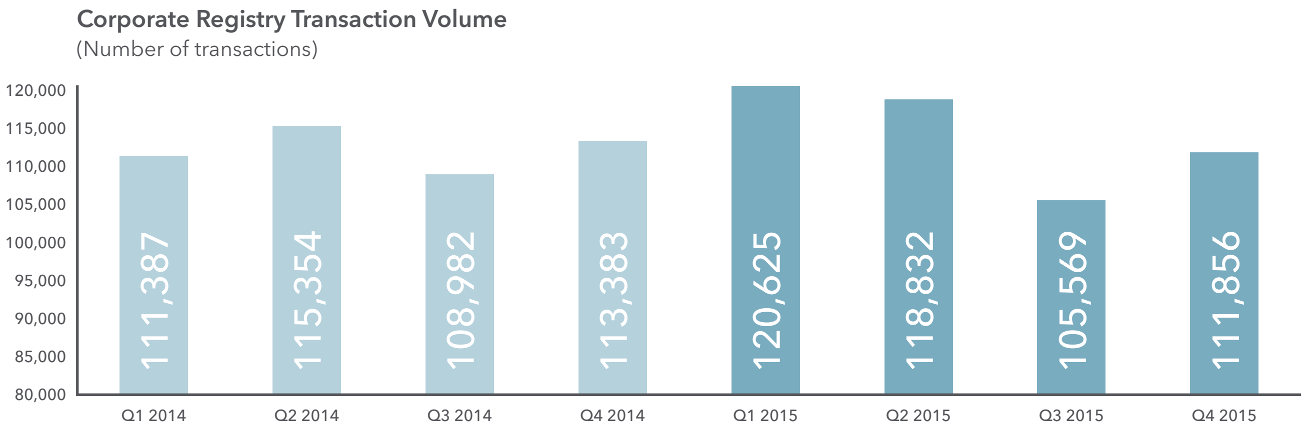
Revenue from the incorporation and registration of new business entities – Registration – declined by 3.5 per cent in the same period; however, this was offset by an increase in revenue of 3.4 per cent from the filing of annual returns and renewals – Maintenance. These two minor shifts in revenue categories resulted in stable revenue for the quarter as compared to the same quarter in 2014.

As a result, the composition of Corporate Registry revenue by type of transaction remains steady when comparing the three months ended December 31, 2015, to the same period in 2014. We continue to see expected quarterly revenue fluctuations mainly due to seasonal factors.



Note: Registration and maintenance groupings have been reclassified to reflect a better alignment with revenue tracking. These amendments do not impact the overall revenue for this registry.

Overall transaction volume, as indicated in the chart below, dropped by 1.3 per cent for the three months ended December 31, 2015, compared to the same period last year, primarily due to decreased search volume. As discussed in the Revenue by Type above, this was partially offset by higher registration and maintenance volume for the quarter compared to the same period in 2014.



As of December 31, 2015, there were 71,974 active Saskatchewan Business Corporations registered with the Corporate Registry compared to 70,322 as of December 31, 2014. The number of active entities registered has shown consecutive quarter-over-quarter increases since 2013. While the growth rate has slowed in 2015, positive active entity growth supports revenue appreciation due to the filing of annual returns and business name renewals (included in maintenance transactions).

Services

The revenue in our Services segment for the fourth quarter consists of revenue earned by our subsidiary, ESC, and for the three months ended December 31, 2015, was $3.2 million.

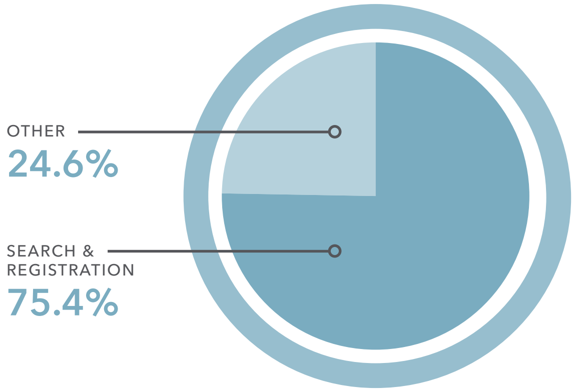
Revenue from search and registration services was $2.4 million for the three months ended December 31, 2015, representing 75.4 per cent of total revenue. Search and registration service revenue includes corporate, business name, personal property, real property, NUANS, trademark, *Bank Act* and other search and registration services. These services are provided primarily to lawyers and law firms.

Revenue from corporate supplies and KYC services for the three months ended December 31, 2015, was $0.8 million, representing 24.6 per cent of total revenue. This includes corporate supplies and accessories for the manufacturing, sale and distribution of customized corporate minute books, corporate seals, share certificates, legal supplies and related ancillary accessories for businesses and corporations. These services are provided primarily to lawyers and law firms.

As well, this revenue includes KYC services that support customers' due diligence activities for compliance purposes and credit service solutions through the verification, storage and retrieval of corporate and business information compiled and obtained from public registry sources (e.g., corporate registry, personal property registry, land registry, litigation, and bankruptcy and *Bank Act* searches). These services are provided primarily to financial institutions.

The top 20 ESC customers comprise 48.0 per cent of the revenue for the three months ended December 31, 2015, while the top 100 ESC customers make up 63.3 per cent of revenue. No single customer accounted for more than 26.0 per cent of ESC revenue in the same period.

ESC Corporate Services Revenue for the year ended December 31, 2015



7.1.2 Expenses

For the three months ended December 31, 2015, consolidated expenses (including ESC) were $16.2 million, an increase of $2.1 million, when compared to $14.1 million for the same period of 2014.

	Three Months Ended December 31,	
(thousands of CAD dollars)	2015	2014
Expenses		
Wages and salaries	$ 7,340	$ 6,422
Information technology services	2,474	2,703
Depreciation and amortization	1,776	1,392
Occupancy costs	1,239	1,068
Professional and consulting services	1,161	1,263
Financial services	426	433
Project initiatives	476	465
Other	1,327	370
	$ 16,219	$ 14,116

The increase was a combination of the following:

- Wages and salaries were $7.3 million, up $0.9 million, for the three months ended December 31, 2015, compared to the same period of 2014. The increase was the result of the additional ESC salaries in the fourth quarter.
- Information technology service costs were $2.5 million, down $0.2 million, for the three months ended December 31, 2015, compared to 2014. The decrease reflects efficiencies realized through our renegotiated information technology service contracts.
- Depreciation and amortization was $1.8 million for the three months ended December 31, 2015, compared to $1.4 million in the same period of 2014. The increase was due to the additional depreciation from capital assets of ESC.
- Other costs were $1.3 million for the three months ended December 31, 2015, an increase of $1.0 million when compared to the three months ended December 31, 2014. The increase was due to the acquisition of ESC, as cost of goods sold for the corporate supplies services totalled $0.9 million and are recorded as other costs.

7.1.3 Net Finance Expense (Income)

Net finance expense (income) for the three months ended December 31, 2015, was an expense of $59 thousand compared to income of $57 thousand for the same period in 2014. The increase was due to the addition of a new, committed long-term debt facility at the end of the third quarter and the result of more interest paid in the fourth quarter of 2015 as compared to 2014.

7.1.4 Share of Profit in Associate

For the three months ended December 31, 2015, ISC recorded its share of profit in associate (OneMove) of $52 thousand (2014 – Nil, acquired on September 2, 2015).

7.1.5 Net Income and Earnings per Share

Net income and total comprehensive income for the three months ended December 31, 2015, was $4.6 million, or $0.26 per basic and diluted share, compared to $4.0 million, or $0.23 per basic and diluted share, for the same period in 2014. The increase was due to the income from the acquisition of ESC and the share in profit in associate.

7.1.6 Adjusted EBITDA

Adjusted EBITDA was $8.6 million, a 38.2 per cent margin, for the three months ended December 31, 2015, compared to $7.1 million, a 35.7 per cent margin, for the same period in 2014. The increase resulted from additional income and depreciation and amortization from the acquisition of ESC and adjustments for expenses related to acquisition and integration costs.

7.2 Year End Results

7.2.1 Revenue

Revenue was $78.3 million for the year ended December 31, 2015, compared to $80.5 million in 2014, a decrease of 2.7 per cent.

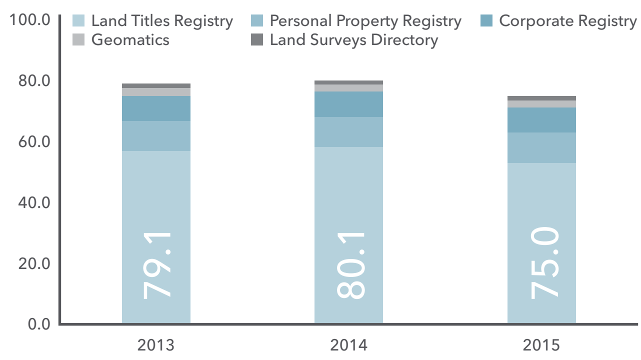
(thousands of CAD dollars)	Registries	Services	Corporate	Year Ended December 31, 2015	2014
Land Registry (Land Titles Registry, Land Surveys, and Geomatics)	$ 56,871	$ –	$ –	$ 56,871	$ 61,999
Personal Property Registry	9,981	–	–	9,981	9,870
Corporate Registry	8,133	–	–	8,133	8,235
Registries	74,985	–	–	74,985	80,104
Services	–	3,166	–	3,166	–
Other	–	–	167	167	355
	$ 74,985	$ 3,166	$ 167	$ 78,318	$ 80,459

Registries

A weaker economy can affect key drivers of our business, such as houses sold, financing of personal property or the formation of businesses and corporations. ISC saw certain key drivers that contribute to the Company's volumes decline. Overall, we handled fewer revenue generating transactions in 2015, compared to 2014, which impacted the Registries revenue.

As it relates to pricing, the MSA and related Registry Operating Agreements specify the maximum fees allowed to be charged to the public for particular Core Registry Services. Generally, fees are adjustable on a yearly basis and are based on a formula tied to inflation

Total Registries Revenue for the year ended December 31,
(CAD$ millions)



based on the Saskatchewan CPI. ISC increased applicable flat fees within each registry by 2.39 per cent in July 2015, while Corporate Registry fees rose by 3.84 per cent to account for both 2014 and 2015 adjustments.

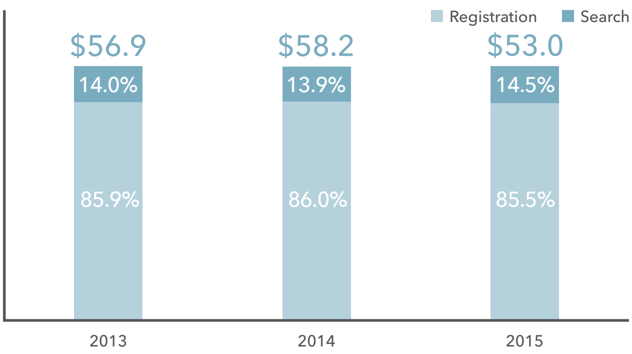
Land Registry

Revenue for the Land Registry was $56.9 million for the year ended December 31, 2015, a decrease of $5.1 million, or 8.3 per cent, compared to the year ended December 31, 2014.

Land Titles Registry

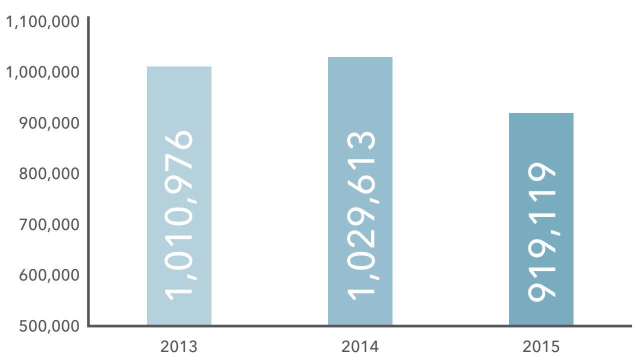
For the year ended December 31, 2015, Land Titles Registry generated $53.0 million in revenue, compared to $58.2 million in 2014, a decrease of 9.0 per cent.

Land Titles Registry Revenue by Type
for the year ended December 31,
(CAD$ millions)



Note: Values may not total due to rounding from Maintenance transactions that are too small to display in charts.

Land Titles Registry Transaction Volume
for the year ended December 31,
(Number of transactions)



Saskatchewan housing starts declined substantially in 2015, down 39.4 per cent year-over-year, while the number of completions was down 22.4 per cent.[3] Housing completion volumes were higher than housing starts, contributing to buyers' market conditions in parts of the province. These are indicators of the slowdown in the Saskatchewan real estate market and have impacted revenue.

As a result overall, revenue generating transactions in the Land Titles Registry fell 10.7 per cent over 2014, which can be attributed to a slower real estate market in Saskatchewan. The volume of regular land transfers, mortgage registrations and title searches declined by 12.6 per cent, 7.0 per cent and 10.1 per cent, respectively.

Even though revenue and transaction volumes declined, the Land Titles Registry continued to see a large number of high value property transactions which generated a high fee per transaction. We received a record amount of revenue from these transactions in 2015 ($4.2 million), above 2014 levels ($3.9 million) and what we typically see on an annual basis ($2.8 million).

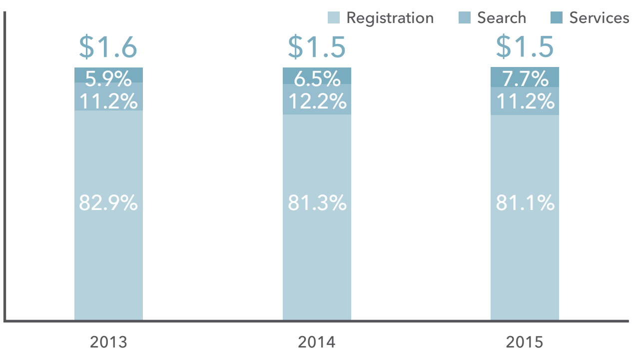
Land Titles Registry primary customers are legal firms, financial institutions, developers and resource-based companies. For the year ended December 31, 2015, our top 20 Land Titles Registry customers represented 40.1 per cent of our revenue and our top 100 Land Titles Registry customers represented 76.7 per cent of revenue. Nearly 77.3 per cent of all Land Titles Registry registration transactions were submitted online in 2015, an increase of 1.7 per cent compared to 2014.

Land Surveys

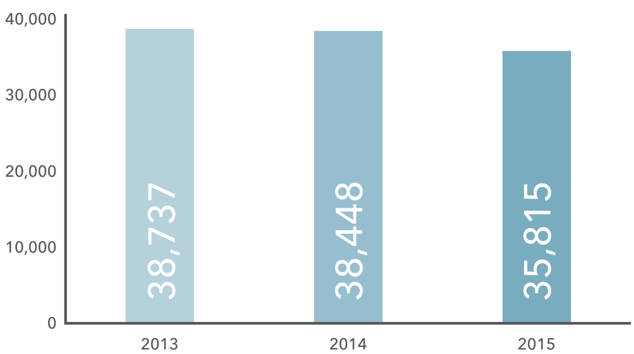
For the year ended December 31, 2015, Land Surveys generated revenue of $1.5 million and was flat when compared to the same period in 2014. In 2015, registrations accounted for 81.1 per cent of total revenue. Land Surveys transaction volume was lower by 6.8 per cent year-over-year.

[3] Statistics Canada CANSIM Table 027-0001: Canada Mortgage and Housing Corporation, housing starts, under construction, and completions in centres 10,000 and over, accessed January 22, 2016.

Land Surveys Revenue by Type
for the year ended December 31,
(CAD$ millions)



Land Surveys Transaction Volume
for the year ended December 31,
(Number of transactions)

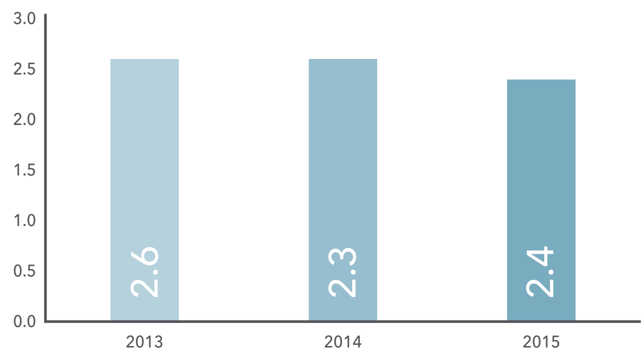


Land Surveys customers include surveyors, developers, resource companies, government and other businesses that need access to our mapping systems and survey plans to support their development plans. For the year ended December 31, 2015, our top 20 Land Surveys customers make up 92.0 per cent of our revenue, whereas the top 100 customers are 95.8 per cent.

Geomatics

Total revenue resulting from Geomatics was $2.4 million for the year ended December 31, 2015, an annual improvement of 3.3 per cent when compared to the year ended December 31, 2014. The increase includes new revenue from the Asbestos Registry and services provided to the Saskatchewan Ministry of the Economy.

Geomatics Revenue
for the year ended December 31,
(CAD$ millions)

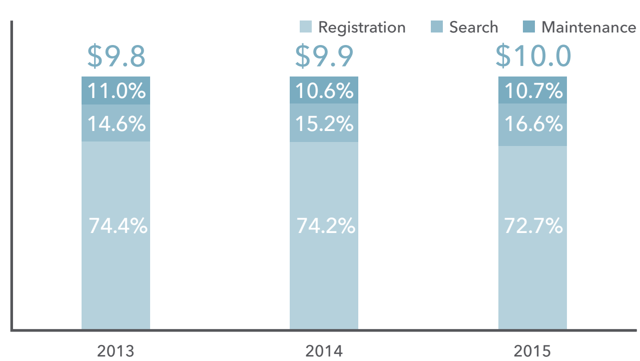


Geomatics customers encompass government departments (provincial and municipal), resource companies, land developers, other businesses and the general public. They also include utility, pipeline and transportation companies. For the year ended December 31, 2015, our top 20 Geomatics customers constitute 88.9 per cent of our revenue, while the top 100 customers represent 98.1 per cent of revenue.

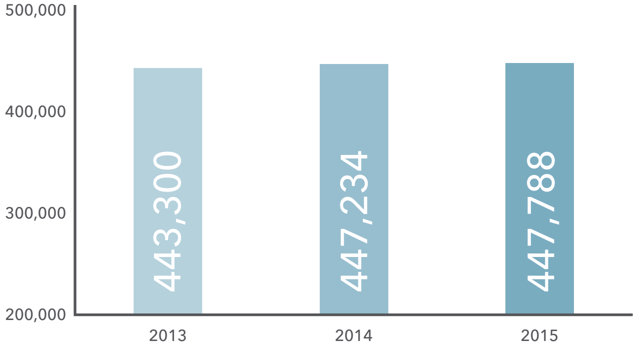
Personal Property Registry

Revenue for the Personal Property Registry for the year ended December 31, 2015, was $10.0 million, which represents a rise of 1.1 per cent from the same period in 2014.

Personal Property Registry Revenue by Type
for the year ended December 31,
(CAD$ millions)



Personal Property Registry Transaction Volume for the year ended December 31,
(Number of transactions)



Under the Personal Property Registry, ISC charges customers a flat fee per transaction. The chart above reflects year-over-year transaction volumes. Search volume in 2015 grew 4.7 per cent when compared to 2014, offsetting declines in personal property security registration setup volumes, keeping the overall volume and total revenue in the Personal Property Registry stable.

Provincial employment, population, retail sales and new motor vehicle sales in Saskatchewan are drivers of activity in the Personal Property Registry. While there were monthly variations, the employment rate as shown in the percentage of Saskatchewan people ages 15-64 employed in 2015 was comparable to 2014, averaging 77.0 per cent for 2015.[4]

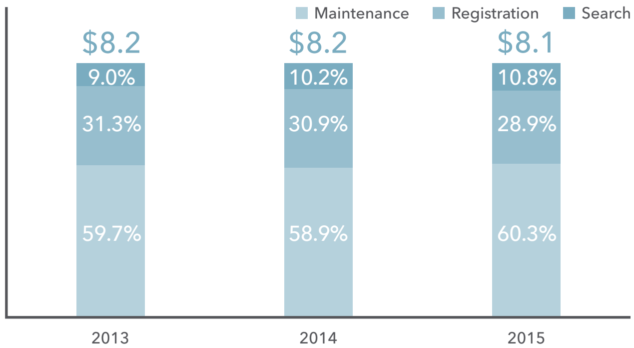
As well, Statistics Canada has reported that new motor vehicle sales (units) for Saskatchewan decreased by 5.4 per cent in 2015, compared to 2014.[5] While an important contributor to personal property security registration setups, new motor vehicles are only one type of collateral registered in the personal property security interests and, therefore, only one component of registration activity.

Customers of the Personal Property Registry predominantly come from the financial sector in addition to legal firms. The top 20 Personal Property Registry customers comprise 80.7 per cent of the revenue for the year ended December 31, 2015, while the top 100 are 93.3 per cent of revenue.

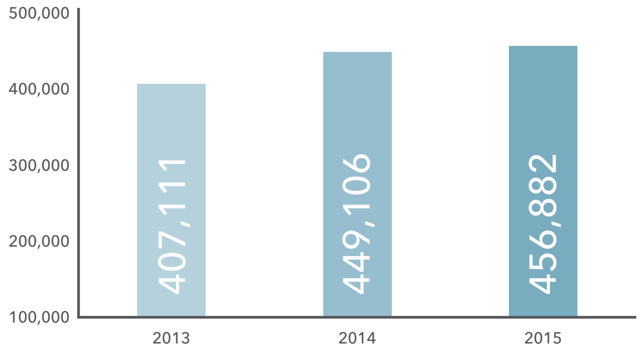
Corporate Registry

Revenue for the Corporate Registry for the year ended December 31, 2015, was $8.1 million, a decline of $0.1 million, or 1.2 per cent when compared to the year ended December 31, 2014.

Corporate Registry Revenue by Type for the year ended December 31,
(CAD$ millions)



Corporate Registry Transaction Volume for the year ended December 31,
(Number of transactions)



Maintenance transactions, which accounted for 60.3 per cent of all Corporate Registry revenue, increased by 0.6 per cent over 2014. Search volume was the largest contributor to the increase in overall transaction volumes year-over-year, up 2.2 per cent.

4 Statistics Canada Table 282-0087 – Labour force survey estimates (LFS), by sex and age group, monthly (persons unless otherwise noted), Canada, provinces and territories, CANSIM (database), accessed February 29, 2016.

5 Statistics Canada Table 079-0003 – New motor vehicle sales, Canada, provinces and territories, CANSIM (database), accessed January 18, 2016.

As the fee for a search is relatively low compared to other services, the impact to revenue was small. For the top twelve transaction types, 80.7 per cent were received online in 2015, up 1.8 per cent compared to 2014.

Business confidence in Saskatchewan has declined in 2015 according to The Canadian Federation of Independent Business barometer index, resulting in the province ranking near the bottom nationally.[6] The decline in business confidence can contribute to the reduction in the rate of new entity creation, including incorporation of new businesses. As mentioned previously, as of December 31, 2015, there were 71,974 active Saskatchewan Business Corporations registered with the Corporate Registry compared to 70,322 as of December 31, 2014.

For the Corporate Registry, customers largely include legal firms, those in the financial sector, as well as the government. Moreover, they include businesses such as corporations, non-profit corporations, co-operatives and sole proprietorships that are or will be registered in the Corporate Registry. The top 20 Corporate Registry customers account for 29.5 per cent of revenue for the year ended December 31, 2015, whereas the top 100 customers combine for 48.3 per cent of revenue.

Services

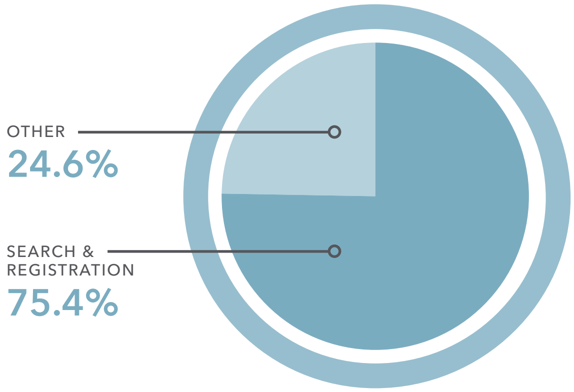
The revenue in our Services segment consists of revenue earned by our subsidiary, ESC, acquired on October 1, 2015, and therefore consists only of results for the three months ended December 31, 2015. As stated previously, revenue for that period was $3.2 million.

Revenue from search and registration services was $2.4 million for the three months ended December 31, 2015, representing 75.4 per cent of total revenue. Search and registration service revenue includes corporate, business name, personal property, real property, NUANS, trademark, *Bank Act* and other search and registration services. These services are provided primarily to lawyers and law firms.

Revenue from corporate supplies and KYC services for the three months ended December 31, 2015, was $0.8 million, representing 24.6 per cent of total revenue. This includes corporate supplies and accessories for the manufacturing, sale and distribution of customized corporate minute books, corporate seals, share certificates, legal supplies and related ancillary accessories for businesses and corporations. These services are provided primarily to lawyers and law firms.

As well, this revenue includes KYC services that support customers' due diligence activities for compliance purposes and credit service solutions through the verification, storage and retrieval of corporate and business information compiled and obtained from public registry sources (e.g., corporate registry, personal property registry, land registry, litigation, and bankruptcy and *Bank Act* searches). These services are provided primarily to financial institutions.

ESC Corporate Services Revenue
for the year ended December 31, 2015



[6] CFIB Economics Business Barometer – December 2015

7.2.2 Expenses

For the year ended December 31, 2015, consolidated expenses were $55.7 million, an increase of $0.4 million from $55.3 million for the same period in 2014.

(thousands of CAD dollars)	Year Ended December 31, 2015	2014
Expenses		
Wages and salaries	$ 24,867	$ 24,845
Information technology services	9,688	10,272
Depreciation and amortization	5,713	5,089
Occupancy costs	4,563	4,316
Professional and consulting services	3,569	3,875
Financial services	2,362	2,083
Project initiatives	2,521	3,269
Other	2,447	1,559
	$ 55,730	$ 55,308

The increase was a combination of the following:

- Wages and salaries were $24.9 million for the year ended December 31, 2015, a slight increase from $24.8 million for the year ended December 31, 2014. The increase is a result of additional wages and salaries from the acquisition of ESC, which was almost entirely offset by the Company taking advantage of normal attrition and position management in its Registries segment.

- Information technology service costs were $9.7 million for the year ended December 31, 2015, a decrease of 5.7 per cent when compared to the year ended December 31, 2014. The decline reflects efficiencies realized through our renegotiated information technology service contracts.

- Depreciation and amortization was $5.7 million for the year ended December 31, 2015, an increase of $0.6 million compared to the same period in 2014. The increase was mainly due to the additional depreciation from capital assets of ESC.

- Occupancy costs increased to $4.5 million for the year ended December 31, 2015, compared to $4.3 million for the same period in 2014 due to annual inflationary increases.

- Professional and consulting services were $3.6 million for the year ended December 31, 2015, compared to $3.9 million in the same period of 2014. The decline reflects a reduction in the use of advisory services for our technology services in 2015 versus 2014.

- Financial services were $2.4 million for the year ended December 31, 2015, compared to $2.1 million for the same period in 2014. The increase is due to higher finance charges and additional regulatory filing fees in relation to our recent acquisitions. Financial services costs include fees related to bank and service charges, merchant fees, the MSA fee and regulatory filing fees.

- Costs related to project initiatives for the year ended December 31, 2015, were down $0.7 million to $2.5 million compared to $3.3 million for the same period in 2014, attributable to a focused effort on in-flight projects. Initiatives for the year included normal technology and general office initiatives and the non-capitalized portions of our capital projects.

- Other costs were $2.4 million for the year ended December 31, 2015, an increase of $0.9 million compared to the same period in 2014. Other costs include travel and business, advertising and promotion, insurance and assurance, equipment and non-capital purchases, and in the fourth quarter of 2015, the addition of $0.9 million related to the cost of goods sold for corporate supplies within our newly acquired subsidiary, ESC.

7.2.3 Net Finance Expense (Income)

Net finance expense (income) for the year ended December 31, 2015, was lower compared to the same period in 2014 due to the addition of long-term debt and higher interest paid in 2015.

7.2.4 Share of Profit in Associate

The share of profit in associate (OneMove) for the year ended December 31, 2015, was $62 thousand with no comparison for the year ended December 31, 2014 as the investment in OneMove occurred on September 2, 2015.

7.2.5 Tax Provision

The Company is subject to federal and provincial income taxes at an estimated combined rate of 27.0 per cent. Income tax expense varies from the amounts that would be computed by applying the statutory income tax rate to earnings before taxes for the follow reasons:

	Year Ended December 31,	
(thousands of CAD dollars, except where noted)	2015	2014
Income from operations before tax	$ 22,745	$ 25,365
Combined statutory income tax rate	27.0%	27.0%
Expected income tax expense	6,141	6,849
Increase (decrease) in income tax resulting from:		
Non-deductible expenses/non-taxable income	621	156
Other	66	–
Income tax expense	$ 6,828	$ 7,005
Effective income tax rate	30.0%	27.6%

The Company records future income tax assets and liabilities related to deductible temporary differences. The Company assesses the value of these assets and liabilities based on their probability of being realized given management assessments of future taxable income.

For the year ended December 31, 2015, a $4.0 million deferred tax liability arose from the ESC purchase price allocation, which is recorded separately from the deferred tax asset on the Company's balance sheet that arose on its public offering.

7.2.6 Net Income and Earnings per Share

Net income and total comprehensive income for the year ended December 31, 2015, was $15.9 million, $0.91 per basic share and $0.90 per diluted share, compared to $18.4 million, $1.05 per basic and diluted share, in the same period of 2014. The decrease was mainly due to lower revenue in our Registries segment, offset by additional revenue and income from our recent acquisition of ESC in our Services segment.

	Year Ended December 31,	
(thousands of CAD dollars)	2015	2014
Registries	$ 17,587	$ 20,359
Services	274	-
Corporate	(1,944)	(1,999)
Net income and comprehensive income	$ 15,917	$ 18,360

The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period. Details of the earnings per share are set out below:

	Year Ended December 31,	
(thousands of CAD dollars, except number of shares and earnings per share)	2015	2014
Net income and total comprehensive income	$ 15,917	$ 18,360
Weighted average number of shares, basic	17,500,000	17,500,000
Potential dilutive shares resulting from stock option	120,230	18,141
Weighted average number of shares, diluted	17,620,230	17,518,141
Earnings per share ($ per share)		
Total, basic	$ 0.91	$ 1.05
Total, diluted	$ 0.90	$ 1.05

7.2.7 Adjusted EBITDA

Adjusted EBITDA decreased to $30.4 million, a 38.8 per cent margin, for the year ended December 31, 2015, compared to $31.6 million, a 39.2 per cent margin, for the year ended December 31, 2014. The decrease was due to lower revenue resulting in lower net income offset by adjustments for expenses related to acquisition and integration costs.

8 Summary of Consolidated Quarterly Results

The table below sets out select quarterly results for the past eight quarters. The main factors affecting the results in these quarters are the volume of transactions in Saskatchewan registries, which is driven by seasonality and the Saskatchewan economy, the acquisition of ESC in the fourth quarter of 2015 and changes in expenses.

Our Registries business experiences moderate seasonality, primarily because Land Titles revenue fluctuates in line with real estate transaction activity in the province. Typically, our second and third quarters generate higher revenue during the fiscal year when real estate activity is traditionally highest. Our Services business is sufficiently diversified with little seasonality to its revenue performance. However, some smaller categories of products or services can have some seasonal variation slightly increasing during the second and fourth quarters. Expenses, however, are generally consistent from quarter to quarter, but can fluctuate due to the timing of project-related expenses.

As a result of the above, our EBITDA margin will fluctuate in line with some seasonality.

(thousands of CAD dollars,	2015				2014			
except where noted)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	$ 22,579	$ 19,675	$ 20,053	$ 16,011	$ 19,759	$ 21,278	$ 22,016	$ 17,406
Expenses	16,219	12,831	13,112	13,568	14,116	12,859	14,696	13,637
Income from operations	6,360	6,844	6,941	2,443	5,643	8,419	7,320	3,769
Net finance expense (income)	59	(29)	(59)	(66)	(57)	(51)	(38)	(68)
Share of profit in associate [1]	52	10	–	–	–	–	–	–
Income from operations before tax	6,353	6,883	7,000	2,509	5,700	8,470	7,358	3,837
Income tax expense	1,786	2,226	2,027	789	1,686	2,231	2,050	1,038
Net income and total comprehensive income	$ 4,567	$ 4,657	$ 4,973	$ 1,720	$ 4,014	$ 6,239	$ 5,308	$ 2,799
EBITDA margin [2]	36.3%	41.5%	41.1%	23.5%	35.6%	45.4%	38.9%	28.6%
Adjusted EBITDA margin [2,3]	38.2%	48.6%	41.9%	23.6%	35.7%	46.0%	42.5%	30.9%
Earnings per share, basic and diluted	$ 0.26	$ 0.27	$ 0.28	$ 0.10	$ 0.23	$ 0.36	$ 0.30	$ 0.16

[1] Share of profit in associate is a result of the acquisition of 30 per cent of the issued and outstanding voting common shares of OneMove Technologies Inc. on September 2, 2015.

[2] EBITDA, EBITDA margin, adjusted EBITDA and adjusted EBITDA margin are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and, therefore, are not comparable to similar measures by other corporations. Refer to section "Non-IFRS Financial Measures".

[3] For comparison purposes, adjusted EBITDA margin for 2014, which previously mirrored the EBITDA margin, has been adjusted to conform to the new calculation of adjusted EBITDA margin outlined in section "Non-IFRS Financial Measures".

9 Financial Measures and Key Performance Indicators

Revenue, expenses, and net income are the key performance indicators the Company uses to manage its business and evaluate its financial results and operating performance.

In addition to the results, which are reported in accordance with IFRS, certain non-IFRS measures are supplemental indicators of operating performance and financial position as well as for internal planning purposes. The Company evaluates its performance against these metrics by comparing actual results to management budgets, forecasts and prior period results. These non-IFRS financial measures include EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin and free cash flow. Refer to section "Non-IFRS Financial Measures".

Consolidated Earnings before Interest, Taxes, Depreciation and Amortization

(thousands of CAD dollars, except where noted)	Three Months Ended December 31, 2015	Three Months Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2014
Net income and total comprehensive income	$ 4,567	$ 4,014	$ 15,917	$ 18,360
Depreciation and amortization	1,776	1,392	5,713	5,089
Net finance expense (income)	59	(57)	(95)	(214)
Income tax expense	1,786	1,686	6,828	7,005
EBITDA[1]	8,188	7,035	28,363	30,240
Adjustments				
Stock-based compensation expense (income)	56	37	192	250
Equity settled employee benefit reserve	88	(19)	174	50
Acquisition and integration costs	293	–	1,652	–
Impairment of assets	–	–	–	1,052
Loss (gain) on disposal of property, plant and equipment assets	–	4	1	(13)
Loss on disposal of intangibles assets	–	–	4	–
Adjusted EBITDA[1]	$ 8,625	$ 7,057	$ 30,386	$ 31,579
EBITDA margin (% of revenue)[1]	36.3%	35.6%	36.2%	37.6%
Adjusted EBITDA margin (% of revenue)[1]	38.2%	35.7%	38.8%	39.2%

[1] EBITDA, EBITDA margin, adjusted EBITDA and adjusted EBITDA margin are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and, therefore, they are not comparable to similar measures by other corporations. Refer to section "Non-IFRS Financial Measures".

Consolidated Free Cash Flow

(thousands of CAD dollars)	Three Months Ended December 31, 2015	Three Months Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2014
Cash provided by operating activities	$ 7,557	$ 5,381	$ 30,690	$ 23,000
Cash additions to property, plant and equipment	(309)	(337)	(1,790)	(1,474)
Cash additions to intangible assets	(845)	(247)	(2,656)	(1,798)
Net change in non-cash working capital[1]	286	1,069	(4,755)	4,186
Free cash flow[2]	$ 6,689	$ 5,866	$ 21,489	$ 23,914

[1] Refer to the Consolidated Financial Statements Note 20 for reconciliation.

[2] Free cash flow is not recognized as a measure under IFRS and does not have a standardized meaning prescribed by IFRS and, therefore, is not comparable to similar measures by other corporations. Refer to section "Non-IFRS Financial Measures".

10 Outlook

The following section includes forward-looking statements, including statements related to expected increases in prices charged for services, the anticipated revenue outlook, changes in the economic conditions in Canada and, in particular, Saskatchewan, real gross domestic product, impact of commodity prices such as oil and potash, transaction volumes, changes in high value property registrations, changes in motor vehicle sales volume, slowed growth of active business entities, expected level and composition of capital expenditures, consolidated EBITDA margin, impact of cost management efforts, key drivers of expense, growth of our business improvement of margins, customer growth and diversification and investment in human capital. Refer to the section "Caution Regarding Forward-Looking Statements".

Consolidated

Currently, the majority of the Company's revenue is linked to registry transaction volumes and values which are driven by economic conditions in Saskatchewan. The remaining portion of our revenue is linked to the overall economic conditions in Ontario and Quebec. At present, the Company expects the 2016 Saskatchewan economy to be similar to 2015, while a slowing economy is anticipated for the central Canadian market. As a result, ISC expects its consolidated EBITDA margin for fiscal 2016 to be in the range of 32.0 to 34.0 per cent.

The key drivers of expenses will continue to be wages, salaries and information technology costs. The Company will continue to manage its costs prudently while balancing re-investment in the business in order to maintain or improve the customer experience.

Management expects capital expenditures in 2016 to be in the range of $5.0 million to $6.0 million, funded from operating cash flow. These expenditures are projected to include the completion of the renewal and enhancement of our Corporate Registry technology, enhancement and upgrades to core technology components and enterprise systems, and general office improvements.

Registries

In 2015, the Saskatchewan economy was challenged as the province's energy sector coped with lower oil prices as well as general softness in other resource-based sectors.

As indicated earlier, the Company currently presumes that the 2016 Saskatchewan economy will be similar to 2015. According to several external forecasts, Saskatchewan's real GDP growth is expected to be near zero after a weak 2015. Concerns exist related to commodity prices such as oil and potash. There may be a negative impact on registry revenue if the economy continues to experience challenges in 2016.

Overall, we anticipate transaction volumes in the Land Titles Registry for 2016 to be comparable to 2015. The Land Titles Registry continued to see a large number of high value property registrations in 2015, and, while high value property registrations in 2013 through 2015 were higher than our long-term average of 5.3 per cent (2007-2014), we expect them to return towards a normalized level in 2016.

For the Personal Property Registry, Saskatchewan new motor vehicle sales are anticipated to be lower in 2016 compared to 2015 volumes, according to Scotiabank.[7] Similarly, we expect key transaction volumes in the Personal Property Registry for 2016 will be on par with 2015.

For the Corporate Registry, steady growth of active business entities contributes to stabilized revenue of the maintenance portion of the Corporate Registry. New entity growth slowed in 2015 and this trend may continue into 2016. However, we expect key transaction volumes to be consistent with those seen in 2015.

As it relates to pricing, the MSA and related Registry Operating Agreements specify the maximum fees allowed to be charged to the public for particular Core Registry Services. Generally, fees are adjustable on an annual basis using a formula tied to Saskatchewan CPI. ISC anticipates adjusting prices in 2016 as outlined in the MSA.

[7] Scotiabank Global Economics – Global Forecast Update – January 5, 2016.

Services

In our Services segment, we expect the growth of ESC's core business to continue in specific categories relating to the financial services and legal sectors in both its core markets of Ontario and Quebec.

The expectation is that the growing base of new customers, as well as new mandates from existing customers, will continue to support overall revenue growth. We expect a continued focus on cost efficiencies to improve margins.

We also anticipate continuing to diversify our customer base in both the legal and financial industry. Focusing on ESC's strengths in data access, transposition and analysis will provide customers and partners with timely and useful business critical information. This supports effective practice management for law firms, as well as provides more effective use of data in meeting compliance challenges for financial institutions.

To address our growth agenda over the next few years, investment in human capital in our Services segment is expected to increase in 2016. This investment is expected to position us for future growth for 2017 and beyond.

11 Liquidity and Capital Resources

11.1 Cash Flow

Our primary source of operating cash flow is generated from revenue related to the Land Registry, Corporate Registry, Personal Property Registry and Corporate Services. Our primary uses of funds are operational expenses, capital expenditures and dividends.

Historically, ISC has financed its operations and met its capital and finance expenditure requirements through cash provided from operating activities. The Company believes that internally generated cash flow, supplemented by additional borrowing available under our credit facility (refer to Note 11 of the Financial Statements), will be sufficient to meet capital expenditures, anticipated dividend payments and other cash requirements. ISC also believes it can access sufficient cash and cash equivalents to fund any potential growth opportunities.

Liquidity risk is managed based on financial forecasts and anticipated cash flow. Cash is held with Canadian chartered banks and the risk of loss is believed to be minimal. As at December 31, 2015, the Company held $36.6 million in cash compared to $33.6 million as at December 31, 2014, an increase of $3.0 million.

The Company expects to be able to meet its cash requirements, including being able to settle current liabilities of $21.3 million (December 31, 2014 – $13.8 million) and meet any unanticipated cash requirements due to changes in working capital commitments. Such changes that would affect our liquidity may arise from, among other factors, general economic conditions and the failure of one or more customers to pay their obligations. Deficiencies arising from short-term working capital requirements and capital expenditures may be financed on a short-term basis with bank indebtedness or on a permanent basis with offerings of securities.

The following table summarizes our sources and uses of funds for the three months and year ended December 31, 2015, and 2014:

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD dollars)	2015	2014	2015	2014
Net cash flow provided by operating activities	$ 7,557	$ 5,382	$ 30,690	$ 23,000
Net cash flow used in investing activities	(21,763)	(498)	(28,091)	(2,939)
Net cash flow from (used in) financing activities	10,996	(3,532)	391	(14,094)
Increase in cash	(3,210)	1,352	2,990	5,967
Cash, beginning of period	39,781	32,229	33,581	27,614
Cash, end of period	$ 36,571	$ 33,581	$ 36,571	$ 33,581

11.1.1 Net Cash Flow Provided by Operating Activities

Net cash flow provided by operating activities for the three months ended December 31, 2015, was $7.6 million, compared to $5.4 million for the three months ended December 31, 2014. Net cash flow provided by operating activities was $30.7 million for the year ended December 31, 2015, compared to $23.0 million for the year ended December 31, 2014. The increase was due to receiving payment for GST/HST receivable and trade receivables and the addition of ESC's non-cash working capital.

11.1.2 Net Cash Flow Used in Investing Activities

Net cash flow used in investing activities for the three months ended December 31, 2015, was $21.7 million, compared to $0.5 million for the three months ended December 31, 2014. Net cash flow used in investing activities for the year ended December 31, 2015, was $28.1 million, compared to $2.9 million for the year ended December 31, 2014. The increase was due to the investment in OneMove and acquisition of ESC, and higher additions in property, plant and equipment and intangible assets in 2015.

11.1.3 Net Cash Flow From (Used in) Financing Activities

Net cash flow from (used in) financing activities for the three months ended December 31, 2015, which primarily consists of the payment of dividends, was $11.0 million, compared to $(3.5) million for the three months ended December 31, 2014. Net cash flow from (used in) financing activities for the year ended December 31, 2015, was $0.4 million, compared to $(14.1) million for the year ended December 31, 2014. The change was due to proceeds of $15.0 million from long-term debt obtained in 2015, which offset the dividends, interest and principal repayment made during the year.

11.2 Capital Expenditures

Capital expenditures for the three months ended December 31, 2015, were $1.5 million, compared to $1.4 million for the same period in 2014 and, for the year ended December 31, 2015, were $4.0 million, compared to $3.7 million for the same period in 2014. Capital expenditures for 2015 were focused on the renewal and enhancement of technology supporting the Corporate Registry as well as various sustaining initiatives around general office and technology improvements.

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD dollars)	2015	2014	2015	2014
Registries	$ 1,315	$ 1,222	$ 3,009	$ 3,002
Services	11	–	11	–
Corporate	199	131	997	718
	$ 1,525	$ 1,353	$ 4,017	$ 3,720

11.3 Long-Term Debt

On October 1, 2015, the Company entered into an amended and restated credit agreement in connection with the secured credit facilities provided by a Canadian chartered bank. The aggregate amount available under the credit facilities is $34.9 million comprised of (i) a $9.9 million committed revolving term loan facility along with; (ii) a $10.0 million uncommitted revolving credit facility to be used for general corporate purposes and (iii) a $15.0 million non-revolving reducing credit facility that was used by ISC to fund, in part, the acquisition of ESC. Refer to Note 11 for further details of the long-term debt.

The revolving term facility of $9.935 million consists of a three-year, committed revolving term loan facility, which matures on September 28, 2018, unless renewed prior to that time. It is currently held in a six-month banker's acceptance note bearing interest at 0.963 per cent that matures on June 28, 2016, (2014 bankers' acceptance note, due January 5, 2015, bearing interest at 1.273 per cent per annum).

The operating facility, which consists of a $10.0 million uncommitted revolving credit facility, is currently undrawn. The Operating Facility is repayable by ISC upon demand by the Lender and the Lender may terminate such Operating Facility at any time.

The non-revolving term facility had $14.625 million outstanding as of December 31, 2015, and is repayable by ISC through quarterly payments of $375 thousand, maturing on September 28, 2018. This facility bears an interest rate of prime plus applicable margin, which, at December 31, 2015, equates to 2.7 per cent plus 0.7 per cent for a rate of 3.4 per cent per annum (2014 – this facility was not in place).

11.4 Total Assets

Total assets increased to $136.1 million as at December 31, 2015, compared to $109.5 million as at December 31, 2014, mainly due to the acquisition of ESC.

(thousands of CAD dollars)	Registries	Services	Corporate	As at December 31, 2015
Cash	$ 23,968	$ 895	$ 11,708	$ 36,571
Goodwill	–	13,141	–	13,141
Assets excluding cash and goodwill	45,377	18,332	22,688	86,397
	$ 69,345	$ 32,368	$ 34,396	$ 136,109

(thousands of CAD dollars)	Registries	Services	Corporate	As at December 31, 2014
Cash	$ 22,499	$ –	$ 11,082	$ 33,581
Goodwill	–	–	–	–
Assets excluding cash and goodwill	61,347	–	14,608	75,955
	$ 83,846	$ –	$ 25,690	$ 109,536

11.5 Working Capital

As at December 31, 2015, working capital was $21.7 million, a decrease of $6.9 million, compared to $28.6 million at December 31, 2014. The change in working capital resulted from a decrease in GST/HST receivable, a refund for past due tax credits, and an increase in trade and other payables which was partially offset by an increase in cash.

(thousands of CAD dollars)	As at December 31, 2015	2014
Current assets	$ 43,012	$ 42,348
Current liabilities	(21,322)	(13,767)
Working capital	$ 21,690	$ 28,581

11.6 Outstanding Share Data

The number of issued and outstanding Class A Shares as at December 31, 2015, was 17.5 million. On November 4, 2015, the Board declared a quarterly cash dividend of $0.20 per Class A Share, and was paid on January 15, 2016, to shareholders of record as of December 31, 2015.

12 Share-Based Compensation Plan

12.1 Deferred Share Unit Plan

The Company has established a Deferred Share Unit ("DSU") plan to provide directors and senior officers of ISC with the opportunity to acquire DSUs in order to allow them to participate in the long-term success of ISC and to promote a greater alignment of interests between our directors, senior officers and shareholders. Refer to Note 8 of the Financial Statements on the share-based compensation plan.

Share-based compensation, related to DSUs, for the three months ended December 31, 2015, totalled $56 thousand (2014 – $40 thousand) and, for the year ended December 31, 2015, totalled $192 thousand (2014 – $250 thousand). The total carrying amount of the liability arising from the DSUs as of December 31, 2015, totalled $442 thousand (2014 – $250 thousand).

As at December 31, 2015, the DSU plan balance was 31,726.50 (December 31, 2014 – 14,856.09) with a fair value of $14.44 per DSU. The weighted average fair value of the DSUs granted during the financial year was $16.62 (2014 – $18.84).

12.2 Stock Option Plan

The Company established a stock option plan that was approved by shareholders in 2014, to encourage share ownership and enhance the Company's ability to attract, retain and motivate key personnel and reward significant performance achievements. Refer to Note 8 of the Financial Statements on the share-based compensation plan.

Compensation expense is recognized in proportion to the amount of stock options vested. Share-based compensation, related to the stock option plan, for the year ended December 31, 2015, totalled $173 thousand (2014 – $50 thousand). The total carrying amount of the equity settled employee benefit reserve arising from these stock options as of December 31, 2015, totalled $223 thousand (2014 – $50 thousand).

As at December 31, 2015, a total of 460,750 (December 31, 2014 – 54,799) stock options had been granted. The outstanding share options at year end had a weighted average exercise price of $15.49 (2014 – $18.80).

13 Commitments

The Company is subject to contractual obligations such as leasing of office space, the MSA with the Government of Saskatchewan, and information technology service agreements with Hewlett-Packard Company and Information Systems Management Canada Corporation. The following table summarizes our commitments as of December 31, 2015:

(thousands of CAD dollars)	2016	2017	2018	2019	2020	Thereafter	Total
Office leases [1]	$ 3,044	$ 2,702	$ 2,639	$ 2,671	$ 2,529	$ 8,737	$ 22,322
Master Service Agreement [2]	500	500	500	500	500	6,500	9,000
Information Technology Service Agreements [3,4]	8,861	8,645	8,475	3,515	–	–	29,496
Total	$12,405	$11,847	$11,614	$ 6,686	$ 3,029	$15,237	$ 60,818

1 The Company leases all of its office space through operating leases. Operating leases related to office space include lease terms of between one to ten years, with various options to extend. The Company does not have an option to purchase the leased assets at the expiry of the lease period.

2 The MSA requires ISC to pay the Government of Saskatchewan and to manage and operate the Land Titles Registry, Land Surveys, Personal Property Registry and Corporate Registry on behalf of the Government of Saskatchewan for a 20-year period.

3 Hewlett Packard Company ("HP") provides application development, maintenance and support services related to the operation of the Land Titles Registry, Personal Property Registry, and Geomatics pursuant to an agreement for information technology services. An Amending Agreement for a five-year term was signed and effective as of June 1, 2015.

4 Information Systems Management Canada Corporation ("ISM") provides hardware management services and support services for software and hardware infrastructure pursuant to a services agreement. An Amending Agreement for a five-year term was signed and effective as of May 1, 2015.

13.1 Master Service Agreement

Pursuant to the MSA with the Government of Saskatchewan dated May 30, 2013, ISC was appointed on an exclusive basis to manage and operate the Land Titles Registry, Land Surveys, Geomatics, Personal Property Registry and Corporate Registry on behalf of the Government of Saskatchewan for a 20-year term expiring on May 30, 2033.

The MSA requires ISC to pay to the Government of Saskatchewan the sum of $0.5 million annually in a single instalment payable on or before March 1 in each calendar year of the term.

14 Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of December 31, 2015.

15 Related Party Transactions

Routine operating transactions with related parties are settled at agreed upon exchange amounts under normal trade terms. Refer to Note 16 to the Financial Statements for information pertaining to transactions with related parties.

16 Critical Accounting Estimates

ISC's critical accounting estimates are contained in the Financial Statements (refer to Note 2 for the summary of use of estimates and judgments). The preparation of financial statements in conformity with IFRS requires management to make estimates and underlying assumptions and judgments that affect the accounting policies and reported amounts of assets, liabilities, revenue and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

17 Changes in Accounting Policies

Refer to Note 3 to the Financial Statements for information pertaining to changes in accounting policies effective in 2015 and for information on issued accounting pronouncements that will be effective in future years.

18 Financial Instruments and Financial Risks

Financial instruments held in the normal course of business included in our consolidated balance sheet as at December 31, 2015, consist of cash, trade receivables, grant receivable, trade and other payables, dividend payable, provision for early retirement plan, and short-term and long-term debt.

The Company does not use any form of derivative financial instruments to manage our exposure to credit risk, interest rate risk or market risk.

18.1 Fair Value of Financial Instruments

The carrying values of cash, trade receivables, trade and other payables, and dividend payable approximate fair value due to their immediate or relatively short-term maturity. Within the long-term debt, the revolving term is currently managed throughout the three-year term with short-term bankers' acceptance notes and, as such, the carrying value approximates fair value due to the short-term to maturity as well. It has been determined that there are no differences between the carrying amount and the fair market value of these instruments. In regard to the non-revolving term within the long-term debt, it bears an interest rate of prime plus applicable margin, which exposes the Company to some interest rate risk. However, the impact of a change in interest rate is low.

18.2 Credit Risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Company extends credit to its customers in the normal course of business and is exposed to credit risk in the event of non-performance by customers, but does not anticipate such non-performance would be material.

The Company monitors the credit risk and credit rating of customers on a regular basis. The Company has significant concentration of credit risk among government sectors. Our customers are primarily provincial, federal and municipal government ministries and agencies, and its private sector customers are diverse.

Cash is held with major Canadian chartered banks and the Company believes the risk of loss to be minimal. The maximum exposure to credit risk at December 31, 2015, is $40.2 million (December 31, 2014 – $36.6 million) equal to the carrying value of the Company's financial assets, those being cash at $36.6 million (December 31, 2014 – $33.6 million) and trade receivables at $3.7 million (December 31, 2014 – $3.0 million). Quarterly reviews of the aged receivables are completed. The Company expects to fully collect on all outstanding receivables; therefore, the risk to the Company is low.

18.3 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet our financial obligations as they fall due. The Company's cash resources are managed based on financial forecasts and anticipated cash flow.

18.4 Market Risk

The Company is not exposed to market risk with respect to financial instruments as it does not hold any financial assets or liabilities whose fair value is affected by equity prices.

18.5 Interest Rate Risk

The Company is subject to interest rate risks as the Credit Facility bears interest at rates that are based on floating rates based on prime, which can vary in accordance with borrowing rates. The Company manages interest rate risk on certain of its debt by using short-term bankers' acceptance notes with an option to lock in rates at any time and by monitoring the effects of market changes in interest rates. The Company considers the interest rate risk on its overall debt to be low.

19 Risk Management and Business Risks

All companies are exposed to risk and are required to mitigate risks on a daily and long-term basis. A key component of creating strong and sustainable corporate performance is to balance risk and reward. This begins by understanding a company's risk tolerance and appetite for taking on new risks.

ISC actively identifies risks that may affect the Company's ability to achieve its goals and objectives and implements processes to manage those risks. At the foundation of this process are the frameworks, policies, tools and procedures that help the organization to ensure risks are being identified and managed at a strategic, operational and procedural level. ISC is constantly addressing numerous existing and emerging risks. Our corporate strategies and plans are designed to implement effective risk mitigation or management approaches on an ongoing basis.

The Board oversees ISC's Enterprise Risk Management ("ERM") framework. This includes ensuring appropriate management systems are in place to ensure ISC's risks are prudently managed.

The executive team is accountable for providing executive oversight of ISC's ERM activities, including the ongoing identification and assessment of risks and the development of mitigation strategies to manage the corporate risks facing the Company. The key corporate risks are documented and tracked as part of ISC's risk register.

The following are high-level descriptions of primary business risks:

Revenue diversification	There is a risk that ISC's current revenue sources are not significantly diversified to withstand economic challenges in Saskatchewan or downturns connected to common revenue drivers.
Cost/Efficiency/ Profitability	There is a risk that ISC's business model and resourcing mix will not allow ISC to achieve cost efficiencies in new or existing product lines, or be sufficiently nimble to take advantage of business development opportunities or adapt to volume changes within its business.
Acquisition	There is a risk that acquisitions could occur with insufficient due diligence, leadership and cultural differences, over-valuation, imprudent financing, ineffective post-acquisition integration or could be misaligned with ISC's overall strategy.
Reputational	There is a risk that ISC's reputation could be negatively impacted thereby damaging ISC's credibility, future revenue and/or business opportunities. Events that could impact ISC's reputation include the integrity and security of information, inability to successfully implement on growth strategies and failure to comply with rules, regulation and disclosures.
Human and organizational capital	There is a risk that ISC does not have the required competencies, skills and knowledge to execute on strategic priorities as a growing publicly traded company.
Aligning Investor Expectations	There is a risk that a lack of alignment of ISC's strategy with investor expectations may result in unfavourable outcomes and investor behaviours or actions.
IT Infrastructure	There is a risk that ISC does not have the IT infrastructure (i.e., age, integrity or architecture of hardware, networks, software and facilities) in place to effectively facilitate current and future requirements to support its business needs and the achievement of its strategic goals.
Competition	There is a risk that ISC may be ineffective in its ability to compete against current or future competitors, in some cases given others' potential advantage having greater longevity in the market, access to low cost capital, private ownership, etc., or as a result of ISC's potential requirement to receive ancillary service approvals from the Government of Saskatchewan or other regulators.
MSA Compliance	Inability to comply with the requirements in the MSA could result in the loss/termination of the agreement as well as impacting ISC's reputation and future growth strategies.
Labour Relations	In the event of a labour disruption such as a strike or lockout, our ability to carry on operations would be expected to be impaired significantly, which could have a material adverse effect on our business, results of operations and financial condition.
Misalignment of Service Evolution and Pricing Approach	There is a risk that business model requirements for successful and profitable evolution of registry services are not supported by the Government of Saskatchewan.

You are cautioned that the foregoing discussion of risks and uncertainties is not exhaustive. Additional information on these and other risks that could affect our business, operations or financial results are also discussed in our Annual Information Form filed on www.sedar.com or on www.isc.ca.

20 Evaluation of Internal Controls over Financial Reporting

The Company's management, including the President and Chief Executive Officer, and the Vice President, Finance & Technology and Chief Financial Officer, is responsible for establishing and maintaining appropriate internal controls over financial reporting. The design and effectiveness of ISC's internal controls over financial reporting in accordance with National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* as at December 31, 2015, was evaluated by management. The Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") was used to evaluate the effectiveness of our internal controls over financial reporting. Based on this evaluation, the President and Chief Executive Officer and the Vice President, Finance & Technology and Chief Financial Officer concluded that our internal controls over financial reporting were effective as at December 31, 2015.

No changes in our internal controls over financial reporting that have occurred during the period have materially affected or are reasonably likely to materially affect our internal controls over financial reporting.

It should be noted that 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.

The design scope of internal controls over financial reporting has been limited to exclude controls, policies and procedures of ESC Corporate Services Ltd. having been acquired less than 365 days prior to December 31, 2015.

21 Evaluation of Disclosure Controls and Procedures

The Company's management, including the President and Chief Executive Officer, and the Vice President, Finance & Technology and Chief Financial Officer, is responsible for establishing and maintaining appropriate disclosure controls and procedures. The design and effectiveness of ISC's disclosure controls and procedures in accordance with National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* as at December 31, 2015, was evaluated by management. Based on the foregoing evaluation, the President and Chief Executive Officer, and the Vice President, Finance & Technology and Chief Financial Officer, concluded that our disclosure controls and procedures are effective to provide reasonable assurance that material information relating to the Company is made known to them and that information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified in applicable securities legislation.

The annual filings have no misrepresentations and fairly present in all material respects the financial condition, financial performance and cash flow of the Company.

The design scope of disclosure controls and procedures has been limited to exclude controls, policies and procedures of ESC Corporate Services Ltd. having been acquired less than 365 days prior to December 31, 2015.

22 Non-IFRS Financial Measures

22.1 Non-IFRS Financial Measures

This MD&A includes certain measures which have not been prepared in accordance with IFRS, such as EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin and free cash flow. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective, to provide investors with supplemental measures of our operating performance and, thus, highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures.

Management also uses non-IFRS measures to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess our ability to meet our future capital expenditure and working capital requirements.

Accordingly, these non-IFRS measures should not be considered in isolation or as a substitute for analysis of our financial information reported under IFRS. Such measures do not have any standardized meaning prescribed by IFRS and are, therefore, unlikely to be comparable to similar measures presented by other corporations.

22.2 Non-IFRS Financial Measures Definition

"EBITDA" is defined as earnings before interest, taxes, depreciation and amortization expense. "Adjusted EBITDA" adjusts EBITDA for stock-based compensation expense or income, equity settled employee benefit reserve, transactional gains and losses, asset impairment charges, and acquisition and integration costs. These measures, alternatives to net income and income from operations, measure business performance and cash flow generation because it removes cash flow fluctuations caused by the above adjustments. Furthermore, we use adjusted EBITDA for business planning purposes and to evaluate and price potential acquisitions. In addition to its use by management, we also believe these measures are widely used by securities analysts, investors and others to evaluate the financial performance of our Company and for comparing our results with those of other companies. EBITDA margin and adjusted EBITDA margin are calculated as a percentage of overall revenue.

"Free cash flow" is used as a financial measure in our evaluation of liquidity and financial strength. Adjusting for the swings in non-cash working capital items due to seasonality, or other timing issues and cash additions to property, plant and equipment and intangible assets, free cash flow assists in the long-term assessment of liquidity and financial strength. This measurement is useful as an indicator of our ability to service our debt, meet other payment obligations and make strategic investments. Free cash flow does not represent residual cash flow available for discretionary expenditures.

Consolidated Financial Statements

For the Year Ended December 31, 2015

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MANAGEMENT'S RESPONSIBILITY

Management's Report on Consolidated Financial Statements

The accompanying consolidated financial statements of Information Services Corporation were prepared by management, which is responsible for the integrity and fairness of the information presented, including the many amounts that must, of necessity, be based on estimates and judgments. These consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Financial information appearing throughout our management's discussion and analysis is consistent with these consolidated financial statements.

In discharging our responsibility for the integrity and fairness of the consolidated financial statements and for the accounting systems from which they are derived, we maintain the necessary system of internal controls designed to ensure that transactions are authorized, assets are safeguarded and proper records are maintained. These controls include quality standards in hiring employees, policies and procedure manuals, a corporate code of conduct, and accountability for performance within appropriate and well-defined areas of responsibility.

The Board of Directors oversees management's responsibilities for financial reporting through an Audit Committee, which is composed entirely of directors who are neither officers nor employees of Information Services Corporation. This Committee reviews our consolidated financial statements and recommends them to the Board of Directors for approval. Other key responsibilities of the Audit Committee include reviewing our existing internal control procedures and planned revisions to those procedures, and advising the directors on auditing matters and financial reporting issues.

Deloitte LLP, who was appointed by the shareholders of Information Services Corporation upon the recommendation of the Audit Committee and the Board of Directors' approval, have performed an independent audit of the consolidated financial statements and their report follows. The auditors have full and unrestricted access to the Audit Committee to discuss their audit and related findings.

Jeff Stusek
President and Chief Executive Officer

Shawn B. Peters, CPA, CA
Vice-President, Finance & Technology
and Chief Financial Officer

March 15, 2016

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Information Services Corporation

We have audited the accompanying consolidated financial statements of Information Services Corporation, which comprise the consolidated statements of financial position as at December 31, 2015 and December 31, 2014, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Information Services Corporation as at December 31, 2015 and December 31, 2014, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants
Licensed Professional Accountants

March 15, 2016
Regina, Saskatchewan

Consolidated Statement of Financial Position

(thousands of CAD dollars)	Note	As at December 31, 2015	2014
Assets			
Current assets			
Cash	4	$ 36,571	$ 33,581
Trade receivables		3,661	3,030
GST/HST receivable		385	4,815
Income tax recoverable		676	-
Prepaid expenses		1,719	922
		43,012	42,348
Non-current assets			
Deferred tax asset	6	44,310	49,369
Property, plant and equipment	9	6,637	6,719
Intangible assets	10	25,647	11,100
Goodwill	19	13,141	–
Investment in associate		3,362	–
Total assets		$ 136,109	**$ 109,536**
Liabilities			
Current liabilities			
Trade and other payables		$ 11,227	$ 4,898
Advances from customers		4,325	4,234
Dividend payable		3,500	3,500
Long-term debt – current portion	11	1,500	–
Deferred revenue	7	463	565
Income tax payable		286	524
Provision for early retirement plan		21	46
		21,322	13,767
Non-current liabilities			
Deferred revenue	7	251	482
Deferred tax liability	6	4,034	–
Long-term debt	11	23,060	9,935
		27,345	10,417
Shareholders' equity			
Share capital	14	19,955	19,955
Equity settled employee benefit reserve		223	50
Retained earnings		67,264	65,347
		87,442	85,352
Total liabilities and shareholders' equity		$ 136,109	**$ 109,536**

See Note 21 for Commitments and Contingencies
See Accompanying Notes

APPROVED BY THE BOARD OF DIRECTORS ON MARCH 15, 2016:

Joel Teal
Director

Anthony Guglielmin
Director

Consolidated Statement of Comprehensive Income

(thousands of CAD dollars)	Note	Year Ended December 31, 2015	2014
Revenue	18	$ 78,318	$ 80,459
Expenses			
Wages and salaries		24,867	24,845
Information technology services		9,688	10,272
Depreciation and amortization	9,10	5,713	5,089
Occupancy costs		4,563	4,316
Professional and consulting services		3,569	3,875
Financial services		2,362	2,083
Project initiatives		2,521	3,269
Other		2,447	1,559
		55,730	55,308
Net Income from continuing operations before net finance income		22,588	25,151
Finance expense (income)			
Interest income		(331)	(306)
Interest expense		236	92
Net finance income		(95)	(214)
Share of profit in associate		62	–
Income from operations before tax		22,745	25,365
Income tax expense	6	6,828	7,005
Net income and total comprehensive income		$ 15,917	**$ 18,360**
Earnings per share ($ per share)			
Total, basic	**13**	$ 0.91	**$ 1.05**
Total, diluted	**13**	$ 0.90	**$ 1.05**

See Accompanying Notes

Consolidated Statement of Changes in Equity

(thousands of CAD dollars)	Note	Retained Earnings	Share Capital	Equity Reserve	Total
Balance at January 1, 2014		$ 60,987	$ 19,955	$ –	$ 80,942
Net Income and total comprehensive income		18,360	–	–	18,360
Equity settled employee benefit reserve	8	–	–	50	50
Dividend declared		(14,000)	–	–	(14,000)
Balance at December 31, 2014		65,347	19,955	50	85,352
Net income and total comprehensive income		15,917	–	–	15,917
Equity settled employee benefit reserve	8	–	–	173	173
Dividend declared		(14,000)	–	–	(14,000)
Balance at December 31, 2015		$ 67,264	$ 19,955	$ 223	$ 87,442

See Accompanying Notes

Consolidated Statement of Cash Flows

(thousands of CAD dollars)	Note	Year Ended December 31, 2015	2014
Operating			
Net income from continuing operations		$ 15,917	$ 18,360
Add: Charges not affecting cash			
Depreciation	9	1,828	1,545
Amortization	10	3,885	3,544
Income tax expense recognized in net income		6,828	7,005
(Gain) loss on disposal of property, plant and equipment		1	(13)
Loss on disposal of intangible asset		4	674
Recovery of MARS project expenses	10	232	232
Net finance income		(95)	(214)
Equity settled employee benefit reserve	8	173	50
Share of profit in associate		(62)	-
Net change in non-cash working capital	20	4,755	(4,186)
Income tax paid		(2,776)	(3,997)
Net cash flow provided by operating activities		30,690	23,000
Investing			
Interest received		331	306
Cash received on disposal of property, plant and equipment		2	27
Additions to property, plant and equipment		(1,790)	(1,474)
Additions to intangible assets		(2,656)	(1,798)
Net cash outflow on acquisition of subsidiary	19	(20,678)	-
Net cash outflow on investment in associate		(3,300)	-
Net cash flow used in investing activities		(28,091)	(2,939)
Financing			
Interest paid		(234)	(94)
Repayment of long-term debt		(375)	-
Proceeds of long-term debt		15,000	-
Dividends paid		(14,000)	(14,000)
Net cash flow from (used in) financing activities		391	(14,094)
Increase in cash		2,990	5,967
Cash, beginning of year		33,581	27,614
Cash, end of year		$ 36,571	**$ 33,581**

See Accompanying Notes

1 STATUS OF THE COMPANY

Information Services Corporation ("ISC" or the "Company") was created by Order in Council as Saskatchewan Land Information Services Corporation, a Saskatchewan provincial Crown corporation on January 1, 2000, pursuant to *The Crown Corporations Act, 1993* (Saskatchewan). On November 1, 2000, the Company's name was changed by Order in Council to Information Services Corporation of Saskatchewan.

On May 30, 2013, *The Information Services Corporation Act* (the "ISC Act") was proclaimed and resulted in *The Crown Corporations Act, 1993* (Saskatchewan) ceasing to apply to the Company. The Company was continued under *The Business Corporations Act* (Saskatchewan) as Information Services Corporation, a corporation with share capital. ISC's wholly owned subsidiary, ISC Saskatchewan Inc. ("ISC Sask"), was incorporated on May 30, 2013, under *The Business Corporations Act* (Saskatchewan) to hold certain assets which are dedicated to the operation of the public registries.

On July 9, 2013, the Company became publicly listed on the Toronto Stock Exchange ("TSX") under the symbol "ISV". The Company is the provider of registry and information services and is the exclusive provider of the Land Titles Registry, Land Surveys Directory, Geomatics, the Personal Property Registry, and the Corporate Registry (collectively, the "Registries") in Saskatchewan. The registered office of the Company is 300 - 10 Research Drive, Regina, Saskatchewan, S4S 7J7.

On December 15, 2014, ISC Enterprises Inc. ("ISC Ent"), a wholly owned subsidiary of ISC, was incorporated under *The Canada Business Corporations Act.* ISC Ent currently acts as a holding company for all of ISC's business interests outside of Saskatchewan.

On September 2, 2015, the Company completed its acquisition of 30 per cent of the issued and outstanding voting common shares of OneMove Technologies Inc. ("OneMove") for CAD$3.3 million.

On October 1, 2015, the Company completed the acquisition of all of the issued and outstanding common shares of ESC Corporate Services Ltd. ("ESC"), a leading technology-enabled corporate services provider. ESC is a Canadian company with offices in Toronto and Montreal and over 4,500 customers, including law firms, corporations and financial institutions. The Company completed the transaction through its wholly owned subsidiary, ISC Ent, with $21.0 million of the purchase price, subject to working capital adjustment, paid on closing of the transaction and up to $7.0 million of contingent consideration, payable in the form of a performance-based, 12-month earnout.

2 BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

The Company's Board of Directors (the "Board") authorized the consolidated financial statements for the year ended December 31, 2015, for issue on March 15, 2016.

Basis of measurement

The consolidated financial statements have been prepared on a going concern basis under the historical cost except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 – *Share-based Payment* and measurements that have some similarities to fair value but are not fair value, such as net realizable value in International Accounting Standards ("IAS") 2 – *Inventories* or value in use in IAS 36 – *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD"), which is the Company's functional currency.

Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries, ISC Sask., ISC Ent and ESC. All intragroup assets and liabilities, equity, income, expenses and cash flows are eliminated in full on consolidation.

Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and underlying assumptions and judgments that affect the accounting policies and reported amounts of assets, liabilities, revenue and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant items subject to estimates and underlying assumptions include:

- deferred tax asset (Note 6);
- the contingent consideration (Note 19);
- the carrying amounts of property, plant and equipment ("PPE") (Note 9);
- the carrying amounts of intangible assets (Note 10); and
- goodwill (Note 19).

The relevant accounting policies in Note 3 contain further details on the use of these estimates and assumptions.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and any provisions for impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-developed assets includes materials, services, direct labour and directly attributable overhead. Interest costs associated with major capital and development projects are capitalized during the development period. Depreciation of assets under development will commence once they are operational and available for use.

The costs of maintenance, repairs, renewals or replacements which do not extend productive life of an asset are charged to operations when incurred. The costs of replacements and improvements which extend productive life are capitalized.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Depreciation is recorded on property, plant and equipment on the straight-line basis, which is the cost of the asset less its residual value over the estimated productive life of each asset. The useful life of each asset is as follows:

Leasehold improvements	10 Years
Office furniture	10 Years
Office equipment	5 Years
Computer hardware	3 Years

The estimated useful life and depreciation methods are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Gains or losses arising from the disposition or retirement of an item of property, plant and equipment are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income.

Intangible assets

Intangible assets acquired separately

Finite intangible assets acquired separately are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization is provided for on a straight-line basis over the corresponding estimated useful life of the applicable assets. The estimated useful life and amortization methods are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income.

Amortization on externally acquired system enhancements, including software, is recorded on the straight-line basis over the estimated productive life.

System enhancements ("SE") – externally acquired	3 Years

Internally generated intangible assets

Research expenditures are expensed and development expenditures are recognized only if they meet the recognition criteria for internally generated intangible assets as provided under IFRS. The amount initially recognized for an internally generated intangible asset is the sum of the expenditures incurred from the date when the intangible asset first meets the recognition criteria. If no internally generated intangible asset can be recognized, development expenditures are charged to operations in the period in which they are incurred. Internally generated intangible assets include: land titles automated network delivery ("LAND"), geographic information system ("GIS"), system enhancements, and assets under development.

An internally generated intangible asset arising from development is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent to initial recognition, an internally generated intangible asset is reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as an intangible asset acquired separately. The estimated useful life and amortization methods for these assets are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Amortization is recorded on internally generated intangible assets on the straight-line basis over the estimated productive life.

LAND data conversion	15 years
LAND development	7 years
Internally generated – system enhancement	3-7 years
Geographic information system	5 years
Other	3-5 years
Assets under development	N/A (not ready for use)

Upon acquisition of ESC, the Company also acquired the following internally generated intangible assets that are not included in the above categories. These assets also record amortization on the straight-line basis over the estimated productive life.

Customer relations	15 years
Brand	15 years
Non-compete clause	3 years

Impairment of tangible and intangible assets

At each statement of financial position date, ISC reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, ISC estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment annually in December and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in comprehensive income.

Goodwill

Goodwill arising on the acquisition of a business represents the excess of the purchase price over the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired business recognized at the date of acquisition. Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Impairment of goodwill

For the purpose of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the synergies of the combination. Cash-generating units are tested for impairment annually or more frequently if events indicate that the units may be impaired. The Company's reporting segments that correspond to the cash-generating units for impairment testing are disclosed in Note 18.

When the recoverable amount of the cash-generating unit is less than the carrying amount of the cash-generating unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the cash-generating unit on a pro rata basis. An impairment loss recognized for goodwill is not reversed in a subsequent year. The Company performs its annual review of goodwill on December 31 each year.

Business acquisition

Business acquisitions are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated at the date of acquisition as the sum of the fair values of the assets transferred by the Company and the liabilities incurred by the Company to the former owners of the acquiree in exchange for the control of the acquiree. Acquisition costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except the deferred tax assets and liabilities are recognized and measured in accordance with IAS 12 – *Income Taxes*.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, if applicable, over the net of the identifiable assets acquired and the liabilities assumed at date of acquisition.

Goodwill arose in the acquisition of ESC because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of ESC. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in fair value of the contingent consideration that do not qualify as a measurement period adjustment depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39 – *Financial Instruments, Recognition and Measurement*, or IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss recognized in net earnings or loss.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the Company. ISC has determined that all leases entered into by the Company are classified as operating leases, as the risks and rewards of ownership have not been transferred to the Company.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Revenue recognition

Revenue from the Registries and other services are recognized in the accounts when services are rendered. Amounts received in advance of Geomatics services being performed are reflected as deferred revenue and are recorded as revenue when services are rendered. Amounts received from customers in advance are reflected as advances from customers and are recorded as revenue when services are rendered.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from fixed-price contracts to provide services is recognized by reference to the stage of completion as defined in the contract when the outcome of the contract can be estimated reliably. The outcome of a contract can be estimated reliably when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue from time and material contracts is recognized at the contractual rates as labour hours are delivered and direct expenses are incurred.

Employee benefits

The Company provides pension plans for all eligible employees.

Certain Saskatchewan employees hired prior to October 1, 1977, participate in the Public Service Superannuation Plan, a defined benefit plan. Pension obligations for this plan are the responsibility of the General Revenue Fund of the Province of Saskatchewan.

Saskatchewan employees hired after October 1, 1977, make contributions to the Public Employees Pension Plan, a defined contribution plan. The Company's obligations are limited to making regular payments to the plans for current services. These contributions are expensed.

ESC employees make contributions to a defined contribution plan. The Company's obligations are limited to making regular payments to the plans for current services. These contributions are expensed.

Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the statement of financial position and transferred to profit on a systematic and rational basis over the useful life of the related assets.

Other government grants are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

Other government grants are netted against the related expenses as services are performed.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Non-derivative financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

At initial recognition, all financial instruments are classified in one of the following categories depending on the purpose for which the instruments were acquired.

Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss ("FVTPL") are financial assets and liabilities held for trading or that are designated as such by management. Such assets are held for trading if they are acquired principally for the purpose of selling in the short term. These assets and liabilities are initially recognized, and subsequently carried, at fair value, with changes recognized in the consolidated statement of comprehensive income. Transaction costs are expensed. Assets and liabilities in this category include cash, deferred share units liability and the contingent consideration.

Loans and receivables

Loans and receivables ("LAR") are subsequently measured at amortized cost using the effective interest method, less any impairment losses, with interest expense recognized on an effective yield basis. Assets in this category include trade receivables.

Other financial liabilities

Other financial liabilities ("OFL") are initially measured at fair value, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. Liabilities in this category include trade and other payables, dividend payable, provision for early retirement plan and long-term debt.

Borrowing costs

Borrowing costs directly attributable to the purchase, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Share-based compensation plan

A deferred share unit ("DSU") plan has been approved by the Board, which is described in Note 8. The Company has recognized an obligation at an estimated amount based on the fair value of the DSUs as of the grant date using the Black-Scholes option-pricing model. At the end of each reporting period, the estimates are re-assessed based on the fair value of the DSUs as of the reporting period. Compensation expense is recognized in proportion to the amount of DSUs vested. The DSUs can be settled in cash or shares that are purchased from the open market by a broker. As a result, at the end of each reporting period, the estimates are re-assessed based on the fair value of the DSUs with any change in estimate recognized in the obligation and expense.

A stock option plan has been approved by the Board and shareholders, which is described in Note 8. The Company has recognized an obligation at an estimated amount based on the fair value of the stock options as of the grant date using the Black-Scholes option-pricing model. The share-based compensation expense is recognized in proportion to the amount of stock options vested. This expense for the reporting period also represents the total carrying amount of the equity settled employee benefit reserve arising from these stock options.

Investment in associate

The Company has recorded its investment in associate using the equity method. The carrying amount of the investment in the associate is calculated at cost plus the entity's subsequent share of the associate's comprehensive income. If, at the end of a reporting period, there is an indication that an investment may be impaired, the entire carrying amount of the investment is tested for impairment. If the carrying amount of the investment is found to be less than its recoverable amount, the carrying amount is reduced to its recoverable amount and an impairment loss is immediately recognized in profit or loss.

Changes in accounting policies

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2015, or on such date as they became applicable. These changes were made in accordance with the applicable transitional provisions. The adoption of these changes did not require any adjustments to the consolidated financial statements.

Standard	Description
Amendments to IFRS 2 – *Share-based Payment*	The definitions of a vesting condition and a market condition in IFRS 2 – *Share-based Payment* have both been amended. Definitions for performance condition and service condition have also been added.
Amendments to IFRS 13 – *Fair Value Measurement*	Clarifies that short-term receivables and payables may be measured on an undiscounted basis where impact of discounting is not material.
Amendments to IAS 19 – *Employee Benefits*	Clarifies that contributions that are independent of number of years or service may be recognized as a reduction in service cost in the period in which the service cost is rendered.
Amendments to IAS 38 – *Intangible Assets*	Sets out requirements on how an entity should adjust accumulated amortization following the revaluation of an asset.

Recent accounting pronouncements

The IASB and International Financial Reporting Interpretations Committee issued the following new standards and amendments to standards and interpretations, which become effective for future periods. The following standards and amendments are currently being assessed by the Company to determine the impact.

Proposed standard	Description	Effective Date
IFRS 7 – *Financial Instrument Disclosures (transition)*	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.	January 1, 2016
IFRS 9 – *Financial Instruments*	Addresses the classification and measurement of financial assets and financial liabilities.	January 1, 2018
IFRS 12 – *Disclosure of Interests in Other Entities*	A consolidated disclosure standard requiring a wide range of disclosures about an entity's interest in subsidiaries, joint arrangements and associates.	January 1, 2016
IFRS 15 – *Revenue from Contracts with Customers*	Provides a single, principles-based five-step model to be applied to all contracts with customers.	January 1, 2018
IFRS 16 – *Leases*	IFRS 16 – *Leases* replaces IAS 17 – *Leases* and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract. (i.e. the customer (lessee) and the supplier (lessor)).	January 1, 2019

Proposed standard	Description	Effective Date
Amendments to IAS 1 – *Disclosure Initiative*	Amends IAS 1 – *Presentation of Financial Statements* to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgment when applying the Standard.	January 1, 2016
Amendments to IAS 27 – *Equity Method in Separate Financial Statements*	Amends IAS 27 – *Consolidated and Separate Financial Statements* to permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.	January 1, 2016
Amendments to IAS 16 and IAS 38 – *Clarification of Acceptable Methods of Depreciation and Amortization*	Amends IAS 16 – *Property, Plant and Equipment* and IAS 38 – *Intangible Assets* to add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.	January 1, 2016

4 CASH

Cash is held on deposit and earns interest at a rate of prime less 1.95 per cent. Interest revenue earned in 2015 is $331 thousand (2014 – $306 thousand).

5 SEASONALITY

Our Registries business experiences moderate seasonality, primarily because Land Titles revenue fluctuates in line with real estate transaction activity in the province. Typically, our second and third quarters generate higher revenue during the fiscal year when real estate activity is traditionally highest. Our Services business is sufficiently diversified with little seasonality to its revenue performance. However, some smaller categories of products or services can have some seasonal variation slightly increasing during the second and fourth quarters. Expenses, however, are generally consistent from quarter to quarter, but can fluctuate due to the timing of project-related expenses.

6 TAX PROVISION

As a Crown corporation, ISC was exempt from federal and provincial income taxes under the *Income Tax Act* (Canada), as amended (the "Tax Act"). In accordance with section 149(1) (d.2), this exemption continued to apply through ISC's continuation as a wholly owned subsidiary of Crown Investments Corporation. ISC's tax-exempt status changed on June 27, 2013, when ISC and Crown Investments Corporation entered into an Underwriting Agreement with a syndicate of underwriters. The Company is subject to federal and provincial income taxes at an estimated combined rate of 27.0 per cent.

Upon the change in status, a new taxation year commenced and the Company's properties were deemed to have been disposed of at fair market, while the Company was still exempt from tax, and have been reacquired at that amount at the commencement of the new taxation year. Consequently, the Company can amortize and deduct the cost of depreciable tangible and intangible properties in computing its income for tax purposes in accordance with the rules in the Tax Act. The increase in tax bases of certain of the Company's assets upon the change in tax status created a deferred tax asset.

	Year Ended December 31,	
(thousands of CAD dollars)	2015	2014
Current tax expense		
Current tax on earnings for the year	$ 1,862	$ 2,340
Deferred tax expense		
Current period expense	4,966	4,665
Income tax expense	**$ 6,828**	**$ 7,005**

Income tax expense varies from the amounts that would be computed by applying the statutory income tax rate to earnings before taxes for the following reasons:

(thousands of CAD dollars)	Year Ended December 31, 2015	2014
Net income before tax	$ 22,745	$ 25,365
Combined statutory income tax rate	27.0%	27.0%
Expected income tax expense	$ 6,141	$ 6,849
Increase (decrease) in income tax resulting from:		
Non-deductible expenses/non-taxable income	621	156
Other	66	–
Income tax expense	$ 6,828	**$ 7,005**
Effective income tax rate	30.0%	**27.6%**

Income tax effects of temporary differences that give rise to significant portions of deferred income tax assets and liabilities are as follows:

	January 1, 2015	ESC purchase price allocation	Taxes credited (charged) to net earnings due to current period temporary differences	December 31, 2015
Deferred tax asset				
Intangible assets	$ 38,748	$ –	$ (1,588)	$ 37,160
Property, plant and equipment	20	–	109	129
Non-capital losses	10,345	–	(3,621)	6,724
Other assets	256	–	41	297
	$ 49,369	$ –	$ (5,059)	$ 44,310
Deferred tax liability				
Other liabilities	$ –	$ 4,127	$ (93)	$ 4,034
Recorded on the consolidated statement of financial position as follows:				
Deferred tax asset	$ 49,369	$ –	$ (5,059)	$ 44,310
Deferred tax liability	–	4,127	(93)	4,034

	January 1, 2014	Taxes credited (charged) to net earnings due to current period temporary differences	December 31, 2014
Deferred tax asset			
Intangible assets	$ 48,216	$ (9,468)	$ 38,748
Property, plant and equipment	20	–	20
Non-capital losses	5,435	4,910	10,345
Other assets	363	(107)	256
	$ 54,034	$ (4,665)	$ 49,369
Deferred tax liability			
Other liabilities	$ –	$ –	$ –
Recorded on the consolidated statement of financial position as follows:			
Deferred tax asset	$ 54,034	$ (4,665)	$ 49,369

In assessing the recovery of deferred income tax assets, management considers whether it is more likely than not that the deferred income tax assets will be realized. The recognition and measurement of the current and deferred tax assets and liabilities involves dealing with uncertainties in the application of complex tax regulations and in the assessment of the recoverability of deferred tax assets. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences are deductible.

Actual income taxes could vary from these estimates as a result of future events, including changes in income tax laws or the outcome of tax review by tax authorities and related appeals. To the extent the final outcome is different from the amounts initially recorded, such differences, which could be significant, will impact the tax provision in the period in which the outcome is determined.

No deferred tax has been recognized in respect of temporary differences associated with investments in the Company's subsidiaries where the Company is in a position to control the timing and reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

7 DEFERRED REVENUE

The Company has received government grants for two of its projects. They are the Mineral Administration Registry Saskatchewan ("MARS") project and the Enhanced Mineral Cadastral project. The condition for the government grants issued to the projects was that the Company must complete the projects within the scope agreed between the Company and responsible government agencies. As of December 31, 2015, the Company was able to meet the conditions of the grants received.

The MARS project has delivered two major deliverables: a storefront component and a database component. Review has indicated that the storefront component does not meet the definition of intangible asset as prescribed under IFRS; therefore, expenditures incurred for the storefront portion were expensed immediately and the portion of government grant related to the storefront was netted against the expenditure. The database component meets the definition of intangible assets under IFRS and expenditures incurred on the database component are capitalized accordingly. The government grant related to the database was deferred and is recognized over the life of the database.

The Enhanced Mineral Cadastral project used automated tools and manual processes to significantly increase the availability of mineral parcel picture in rural areas in Saskatchewan, enabling mineral owners and mineral disposition holders to better manage their mineral properties. In addition, a more complete mineral cadastral provides a foundation for future products and services of benefit to the resource sector.

Other deferred revenue consists of service and maintenance agreements with the Ministry of Corrections, Public Safety and Policing for the Company to provide website hosting maintenance for the Sask911 mapping application. This ensures that the website used by Sask911 is available for use and the mapping application contained within is readily available.

	Year Ended December 31,	
(thousands of CAD dollars)	2015	2014
Current deferred revenue		
– government-related	$ 232	$ 351
Other deferred revenue	231	214
Total current deferred revenue	463	565
Non-current deferred revenue		
– government-related	251	482
Total deferred revenue	**$ 714**	**$ 1,047**

8 SHARE-BASED COMPENSATION PLAN

Deferred share unit ("DSU") plan

The Company has established a DSU plan to provide directors and senior officers of ISC with the opportunity to acquire DSUs in order to allow them to participate in the long-term success of ISC and to promote a greater alignment of interests between its directors, senior officers and shareholders. The Board may award DSUs at its discretion from time to time, in accordance with the plan and upon such other terms and conditions as the Board may prescribe. DSU awards vest immediately, unless an alternate vesting schedule is specified by the Board at the time of the award.

DSUs earn dividend equivalents in the form of additional DSUs at the same rate as dividends on Class A Limited Voting Shares ("Class A Shares"). The participant is not allowed to convert the DSUs until termination of employment/directorship or death. The cash value of the DSUs is equivalent to the market value of the Class A Shares when redemption takes place.

On each applicable redemption date, the Company delivers to each participant a cash payment equal to the redemption value of the DSUs, or an equivalent number of Class A Shares purchased on the TSX.

On August 12, 2015, the Board granted 15,957.41 DSUs that vest quarterly. A summary of the status of the DSU Plan and the changes within the period ended December 31, 2015, are as follows:

	Units	Weighted Average Award Price
Balance at January 1, 2014	–	$ –
DSUs granted March 26, 2014	1,636.13	19.29
DSUs granted May 13, 2014	12,765.96	18.80
DSUs granted August 12, 2015	15,957.41	15.04
Total notional dividends declared to date	1,367.00	16.12
Balance at December 31, 2015	**31,726.50**	**$ 16.82**

The weighted average fair value of the DSUs granted during the financial year is $16.82 (2014 – $18.84). The Company has recognized an obligation at an estimated amount based on the fair value of the DSUs as of the grant date. Compensation expense is recognized in proportion to the amount of DSUs vested. At the end of each reporting period, the estimates are re-assessed based on the fair value of the DSUs as of the reporting period. Any change in estimate is recognized in the obligation and expense at the end of the reporting period. Share-based compensation for the three months ended December 31, 2015, totalled $56 thousand (2014 – $40 thousand) and for the twelve months ended December 31, 2015, related to DSUs totalled $192 thousand (2014 – $250 thousand). The total carrying amount of the liability arising from the DSUs as of December 31, 2015, totalled $442 thousand (2014 – $250 thousand). The liability amount is included within Trade and other payables on the consolidated statement of financial position.

The fair value of the DSUs at December 31, 2015, has been calculated using the Black-Scholes option-pricing model based on the following inputs:

Market Price	$ 14.44
Expected Volatility	18.97%
Risk Free Interest Rate	2.0%
Expected life (days)	133
Fair Value at December 31, 2015	**$ 14.44**

Given the Company's limited trading history, using the prior three-year daily closing price to get a measure of the stock volatility was not possible. Instead, the Company used an average of:

- its historical volatility for its two-year trading period of 17.20 per cent; and
- 22.5 per cent for the portion of the three-year period it was not traded, which represents a mid-range volatility for companies in other industries pursuing a high-dividend practice, as well as potential comparable companies, but reflecting that it did not have the size, strength, or diversification of many of the companies with low volatility, but also was not high growth or high risk, which represented the higher volatility.

Stock option plan

ISC's Stock Option Plan was approved by the Board on March 19, 2014, and approved by the shareholders on May 13, 2014. The exercise price of options issued under the Stock Option Plan is determined by the Board at the time of the grant, but shall not be less than the closing price for the Class A Shares on the TSX on the trading day immediately preceding the date of the grant.

Unless the Board determines otherwise, options granted will vest and become exercisable in equal tranches over the four years following the date of the grant. Once vested, options may be exercised at any time within eight years of the date of the grant, after which they expire and terminate.

On August 12, 2015, the Board granted 405,951 stock options. A summary of the status of the Stock Option Plan and the changes within the twelve months ended December 31, 2015, are as follows:

	Units	Exercise Price
Balance at January 1, 2014	-	$ -
Stock options granted May 13, 2014	54,799	18.80
Stock options granted August 12, 2015	405,951	15.04
Balance at December 31, 2015	**460,750**	**$ 15.49**

The outstanding share options at the end of the year had a weighted average exercise price of $15.49 (2014 – $18.80).

The Company has recognized an equity reserve at an estimated amount based on the fair value of the stock options as of the following grant dates:

	August 12, 2015	May 13, 2014
Spot Price	$ 15.04	$ 18.80
Expected Volatility	18.97%	22.5%
Risk Free Interest Rate	2.0%	2.5%
Dividend yield	4.54%	4.2%
Expected life (days)	2,920	2,920
Fair Value	**$ 1.4529**	**$ 2.7373**

Compensation expense is recognized in proportion to the amount of stock options vested. Share-based compensation for the twelve months ended December 31, 2015, related to the stock option plan totalled $173 thousand (2014 – $50 thousand). The total carrying amount of the equity settled employee benefit reserve arising from these stock options as of December 31, 2015, totalled $223 thousand (2014 – $50 thousand).

9 PROPERTY, PLANT AND EQUIPMENT

(thousands of CAD dollars)	Leasehold Improvements	Office Furniture	Office Equipment	Hardware	Asset under Development	Total
Cost						
Balance at December 31, 2013	$ 8,805	$ 3,089	$ 97	$ 1,680	$ –	$ 13,671
Additions	50	23	–	262	1,770	2,105
Disposals	(257)	(12)	(7)	(645)	–	(921)
Transfer	–	–	–	1,083	(1,083)	–
Balance at December 31, 2014	$ 8,598	$ 3,100	$ 90	$ 2,380	$ 687	$ 14,855
Acquired assets	45	40	21	37	–	143
Additions	10	1	–	4	1,592	1,607
Disposals	–	(9)	(5)	(443)	–	(457)
Transfer	1,055	22	42	19	(1,138)	–
Balance at December 31, 2015	$ 9,708	$ 3,154	$ 148	$ 1,997	$ 1,141	$ 16,148
Accumulated Depreciation						
Balance at December 31, 2013	$ 4,132	$ 1,736	$ 55	$ 1,576	$ –	$ 7,499
Depreciation	863	267	11	404	–	1,545
Disposals	(257)	(9)	(5)	(637)	–	(908)
Balance at December 31, 2014	$ 4,738	$ 1,994	$ 61	$ 1,343	$ –	$ 8,136
Depreciation	940	271	22	595	–	1,828
Disposals	–	(7)	(4)	(442)	–	(453)
Balance at December 31, 2015	$ 5,678	$ 2,258	$ 79	$ 1,496	$ –	$ 9,511
Carrying Value						
At December 31, 2014	$ 3,860	$ 1,106	$ 29	$ 1,037	$ 687	$ 6,719
At December 31, 2015	**$ 4,030**	**$ 896**	**$ 69**	**$ 501**	**$ 1,141**	**$ 6,637**

10 INTANGIBLE ASSETS

(thousands of CAD dollars)	GIS*	System Enhancements Externally Acquired	System Enhancements Internally Generated	Asset under Develop-ment	Other	LAND** Develop-ment	LAND Data Conversion	Total
Cost								
Balance at December 31, 2013	$ 6,705	$ 1,805	$ 33,753	$ 1,742	$ 1,414	$ 30,685	$ 17,262	$ 93,366
Additions	–	188	–	1,427	–	–	–	1,615
Impairment	–	–	–	(1,052)	–	–	–	(1,052)
Disposals	–	–	(193)	–	–	–	–	(193)
Transfer	–	–	213	(213)	–	–	–	–
Balance at December 31, 2014	$ 6,705	$ 1,993	$ 33,773	$ 1,904	$ 1,414	$ 30,685	$ 17,262	$ 93,736
Acquired assets	–	143	16,114	–	–	–	–	16,257
Additions	–	–	–	2,410	–	–	–	2,410
Disposals	–	(353)	–	–	–	–	–	(353)
Transfer	–	39	718	(757)	–	–	–	–
Balance at December 31, 2015	$ 6,705	$ 1,822	$ 50,605	$ 3,557	$ 1,414	$ 30,685	$ 17,262	$112,050
Accumulated Depreciation								
Balance at December 31, 2013	$ 6,705	$ 1,397	$ 25,618	$ –	$ 1,414	$ 30,685	$ 13,234	$ 79,053
Amortization	–	202	2,191	–	–	–	1,151	3,544
Disposals	–	–	(193)	–	–	–	–	(193)
Recovery of MARS expenses	–	–	232	–	–	–	–	232
Balance at December 31, 2014	$ 6,705	$ 1,599	$ 27,848	$ –	$ 1,414	$ 30,685	$ 14,385	$ 82,636
Amortization	–	284	2,450	–	–	–	1,151	3,885
Disposals	–	(350)	–	–	–	–	–	(350)
Recovery of MARS expenses	–	–	232	–	–	–	–	232
Balance at December 31, 2015	$ 6,705	$ 1,533	$ 30,530	$ –	$ 1,414	$ 30,685	$ 15,536	$ 86,403
Carrying Value								
At December 31, 2014	$ –	$ 394	$ 5,925	$ 1,904	$ –	$ –	$ 2,877	$ 11,100
At December 31, 2015	$ –	$ 289	$ 20,075	$ 3,557	$ –	$ –	$ 1,726	$ 25,647

* geographic information system

** land titles automated network delivery

The acquired assets in 2015 that are within the internally generated intangible assets consist of customer relations of $10.8 million, technology of $3.9 million, brand of $1.0 million and a non-compete clause of $0.4 million. The carrying value of these acquired assets at December 31, 2015 are as follows: customer relations $10.7 million, technology $3.7 million, brand $1.0 million and non-compete clause $0.3 million.

11 DEBT

On October 1, 2015, the Company entered into an amended and restated credit agreement in connection with the secured credit facilities (collectively, the “Credit Facilities”) provided by a Canadian chartered bank (the “Lender”). The aggregate amount available under the Credit Facilities is $34.935 million comprised of (i) a $9.935 million committed revolving term loan facility (the “Revolving Term Facility”) along with; (ii) a $10.0 million uncommitted revolving credit facility (the "Operating Facility") to be used for general corporate purposes and (iii) a $15.0 million committed non-revolving reducing credit facility (the "Non-Revolving Term Facility"), that was used by ISC to fund, in part, the acquisition of ESC.

Borrowings under the Credit Facilities will bear interest at a base rate of prime, bankers' acceptance, letter of credit or letter of guarantee fee (determined in accordance with the terms of the Credit Facilities), plus a margin varying between 0.7 per cent and 1.7 per cent per annum depending on the type of advance. The Company is also required to pay a commitment fee quarterly in arrears at the rate of 0.34 per cent per annum of the unutilized portion of the Revolving Term Facility loan.

	Year Ended December 31,	
(thousands of CAD dollars)	2015	2014
Revolving Term Facility, which consists of a three-year committed revolving term loan facility, which matures on September 28, 2018, unless renewed prior to that time. Currently held in a 6-month banker's acceptance note bearing interest at 0.963 per cent that matures on June 28, 2016 (2014 – a bankers' acceptance note, due January 5, 2015, bearing interest at 1.273 per cent per annum).	$ 9,935	$ 9,935
Operating Facility, which consists of a $10.0 million uncommitted revolving credit facility that is currently undrawn. The Operating Facility is repayable by ISC upon demand by the Lender and the Lender may terminate such Operating Facility at any time.	-	-
Non-Revolving Term Facility, repayable by ISC through quarterly payments of $375 thousand and matures on September 28, 2018. This facility bears an interest rate of prime plus applicable margin, which at December 31, 2015 equates to 2.7 per cent plus 0.7 per cent for a rate of 3.4 per cent per annum (2014 – this facility was not in place).		
Current portion	1,500	-
Long-term portion	13,125	-
Total long-term debt	**$ 24,560**	**$ 9,935**

The Revolving Term Facility and the Operating Facility under the Credit Facilities contain financial covenants which require the Company to maintain a ratio of Funded Debt to Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"), (defined in the Credit Facilities) of less than 2:1 and a Fixed Charge Coverage ratio (as defined in the Credit Facilities) of greater than 1.35:1.

The Non-Revolving Term Facility under the Credit Facilities contain financial covenants which require the Company to maintain a ratio of Funded Debt less up to $5.0 million cash on hand to ESC Adjusted EBITDA being less than 3:1 and an Interest Coverage ratio (as defined in the Credit Facilities) of greater than 3:1.

The Credit Facilities also contain other positive covenants, negative covenants, events of default, representations and warranties customary for credit facilities of this nature. The Company was in compliance with all covenants throughout the period.

The indebtedness under the Credit Facilities is secured by a first ranking security interest in all of the personal property and floating charge on all real property of the Company, a pledge of all shares of ISC Sask and ESC, an unlimited guarantee and postponement of claim from ISC Sask and ESC guaranteeing all of ISC's indebtedness and obligations to the lender, a second ranking security interest (subject to the security of the Government of Saskatchewan under a debenture) in all personal property and floating charge over all property of ISC Sask and a first ranking security interest in all the personal property and floating charge on all real property of ESC.

12 INVESTMENT IN ASSOCIATE

On September 2, 2015, the Company completed its acquisition of 30 per cent of the issued and outstanding voting common shares of OneMove for CAD$3.3 million. ISC used existing cash to finance the investment through its wholly owned subsidiary, ISC Ent. ISC recognizes OneMove and its *econveyance*™ software as an industry-leading online, subscription-based solution that offers a secure and efficient means of managing real property transactions. The *econveyance*™ solution is available in British Columbia, Alberta and, most recently, Ontario. The registered office of OneMove is 4th floor – 445 King Street West, Toronto, Ontario, M5V 1K4.

The 30 per cent ownership level and related rights give the Company significant influence over OneMove, but does not represent control and, as a result, the Company has accounted for this investment using the equity method.

13 EARNINGS PER SHARE

The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period. Details of the earnings per share are set out below:

(thousands of CAD dollars, except number of shares and earnings per share)	Year Ended December 31, 2015	2014
Net income from continuing operations	$ 15,917	$ 18,360
Weighted average number of shares, basic	17,500,000	17,500,000
Potential dilutive shares resulting from stock options	120,230	18,141
Weighted average number of shares, diluted	17,620,230	17,518,141
Earnings per share ($ per share)		
From continuing operations, basic	$ 0.91	$ 1.05
From continuing operations, diluted	$ 0.90	$ 1.05

14 EQUITY AND CAPITAL MANAGEMENT

The Company's authorized share capital consists of an unlimited number of Class A Shares, one Class B Golden Share (the "Golden Share") and an unlimited number of Preferred Shares, issuable in series. The Company currently has 17,500,000 Class A Shares issued and outstanding, one Golden Share issued and outstanding and no Preferred Shares issued or outstanding. Class A Shares are entitled to one vote per share. The Golden Share, held by the Government of Saskatchewan, has certain voting rights with respect to the location of the head office and the sale of all or substantially all of the assets of the Company. The Golden Share has no pre-emptive, redemption, purchase or conversion rights and is not eligible to receive dividends declared by the Company. The Preferred Shares can be issuable at any time and may include voting rights.

	Class A		Class B	
(thousands of CAD dollars, except number of shares)	Number of Shares	Share Capital	Number of Shares	Share Capital
Balance at January 1, 2014	17,500,000	$ 19,955	1	$ –
No movement	–	–	–	–
Balance at December 31, 2014	17,500,000	19,955	1	$ –
Balance at January 1, 2015	17,500,000	19,955	1	–
No movement	–	–	–	–
Balance at December 31, 2015	**17,500,000**	**$ 19,955**	**1**	**$ –**

Credit facility

The Company's capital at December 31, 2015, consisted of long-term debt, share capital, equity settled employee benefit reserve, accumulated other comprehensive income and retained earnings (comprising total shareholders' equity).

(thousands of CAD dollars)	December 31, 2015	December 31, 2014
Long-term debt	$ 24,560	$ 9,935
Share capital	19,955	19,955
Equity settled employee benefit reserve	223	50
Retained earnings	67,264	65,347
Capitalization	**$ 112,002**	**$ 95,287**

15 FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

The Company does not use any form of derivative financial instruments to manage its exposure to credit risk, interest rate risk or market risk.

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Company extends credit to its customers in the normal course of business and is exposed to credit risk in the event of non-performance by customers, but does not anticipate such non-performance would be material. The Company monitors the credit risk and credit rating of customers on a regular basis. The Company has significant concentration of credit risk among government sectors. Its customers are predominantly provincial, federal and municipal government ministries and agencies and its private sector customers are diverse.

Cash is held with Canadian chartered banks and the Company believes the risk of loss to be minimal. The maximum exposure to credit risk at December 31, 2015, is $40.2 million (December 31, 2014 – $36.6 million) equal to the carrying value of the Company's financial assets, those being cash at $36.6 million (December 31, 2014 – $33.6 million) and trade receivables at $3.6 million (December 31, 2014 – $3.0 million). Quarterly reviews of the aged receivables are completed. The Company expects to fully collect on all outstanding receivables. Therefore, the risk to the Company is considered to be low.

The following table sets out details of cash and aging of receivables:

(thousands of CAD dollars)	December 31, 2015	December 31, 2014
Cash	$ 36,571	$ 33,581
Current trade receivables and other	3,452	1,331
Up to three months past due date	192	274
Greater than three months past due date	17	1,425
Total credit risk	**$ 40,232**	**$ 36,611**

Interest rate risk

The Company is subject to interest rate risks as the Credit Facility (Note 11) bears interest at rates that are based on floating rates based on prime, which can vary in accordance with borrowing rates. The Company manages interest rate risk by using short-term bankers' acceptance notes with an option to lock in rates at any time and by monitoring the effects of market changes in interest rates.

The following table presents a sensitivity analysis to changes in market interest rates and their potential impact on the Company for the year ended December 31, 2015. As the sensitivity is hypothetical, it should be used with caution.

	December 31, 2015		December 31, 2014	
(thousands of CAD dollars)	+ 100 bps*	– 100 bps	+ 100 bps	– 100 bps
Increase (decrease) in interest expense	$ 38	$ (38)	$ –	$ –
Decrease (increase) in income from operations before tax	$ 38	$ (38)	$ –	$ –
Decrease (increase) in total comprehensive income	$ 28	$ (28)	$ –	$ –

* bps = basis point spread

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's cash resources are managed based on financial forecasts and anticipated cash flows.

The following summarizes the contractual maturities for the Company's financial liabilities at December 31, 2015:

(thousands of CAD dollars)	Carrying Amount	Contractual Cash Flows	0-6 months	7-12 months	12+ months
Long-term debt	$ 24,560	$ 25,845	$ 995	$ 985	$ 23,865
Trade and other payables	11,227	11,227	11,227	–	–
Dividend payable	3,500	3,500	3,500	–	–
Total liabilities	**$ 39,287**	**$ 40,572**	**$ 15,722**	**$ 985**	**$ 23,865**

Contractual cash flows for long-term debt include principal and interest.

Market risk

The Company is not exposed to market risk with respect to financial instruments as it does not hold any financial assets or liabilities whose fair value is affected by equity prices.

			December 31, 2015		December 31, 2014	
	Classification	Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Cash	FVTPL	L2	$ 36,571	$ 36,571	$ 33,581	$ 33,581
Trade receivables	LAR	L2	3,661	3,661	3,030	3,030
Financial Liabilities						
Trade and other payables*	OFL	L2	5,872	5,872	4,694	4,694
Dividend payable	OFL	L2	3,500	3,500	3,500	3,500
Long-term debt – current portion	OFL	L2	1,500	1,500	–	–
Long-term debt	OFL	L2	23,060	23,060	9,935	9,935
Deferred share unit liability	FVTPL	L2	442	442	250	250
Contingent consideration	FVTPL	L3	4,934	4,934	–	–

*includes provision for early retirement plan

Fair value of financial instruments

IFRS require fair value measurements to be categorized into levels within a fair value hierarchy based on the nature of inputs used in the valuation.

Level 1 – Quoted prices are readily available from an active market.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable either directly or indirectly.

Level 3 – Inputs are not based on observable market data.

The carrying values of cash, trade receivables, trade and other payables, provision for early retirement plan, and dividend payable approximate fair value due to their immediate or relatively short-term maturity. Within the long-term debt, the revolving term is currently managed throughout the three-year term with short-term bankers' acceptance notes and, as such, the carrying value approximates fair value due to the short term to maturity as well. It has been determined that there are no differences between the carrying amount and the fair market value of these instruments. The non-revolving term within the long-term debt bears an interest rate of prime plus applicable margin, which exposes the Company to some interest rate risk. However, as noted in the sensitivity analysis of interest rate risk above, the impact of a change in interest rates is considered low.

The deferred share unit liability's fair value is calculated using the Black-Scholes model that takes into consideration the market price, expected volatility and the risk free interest rate. Due to the limited trading history of the Company, this liability is classified as Level 2, but the risk remains low due to the materiality.

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy.

Balance at January 1, 2015	$ –
Increase from business acquisition	4,913
Charges through profit or loss	21
Balance at December 31, 2015	**$ 4,934**

Estimates of the fair value of contingent consideration is performed by the Company on a quarterly basis. Key unobservable inputs include the discount rate applied at 1.77 per cent. The estimated fair value increases as the discount rate decreases or vice versa.

16 RELATED PARTY TRANSACTIONS

Included in these consolidated financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Company by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). The Company has elected to take the exemption under IAS 24 – *Related Party Disclosures* which allows government related entities to limit the extent of disclosures about related party transactions with government or other government related entities.

Routine operating transactions with related parties are settled at agreed upon exchange amounts under normal trade terms. In addition, the Company pays provincial sales tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these consolidated financial statements and the notes thereto.

17 COMPENSATION OF KEY MANAGEMENT PERSONNEL

The compensation of directors and other members of the key management team during the period were as follows:

	Year Ended December 31,	
(thousands of CAD dollars)	2015	2014
Wages, salaries and short-term benefits	$ 2,129	$ 1,718
Share-based compensation	666	300
Defined contribution plan	110	86
Total compensation	**$ 2,905**	**$ 2,104**

Members of the key management team include the President and Chief Executive Officer, Chief Financial Officer, the Vice-Presidents and the Associate Vice-President.

The compensation of directors and the key management team is determined by the Board upon recommendation of the Compensation Committee having regard to the performance of individuals and market trends.

18 SEGMENT INFORMATION

Operating segments are identified as components of a company where separate discrete financial information is available for evaluation by the chief operating decision maker regarding allocation of resources and assessment of performance. The Company operates in two reportable segments described below, defined by their primary type of service offering, namely Registries and Services.

- The Registries segment involves the provision of registry and information services and solutions to governments and private sector organizations. Currently, the Company provides registry and information services to the Province of Saskatchewan and is the exclusive provider of the Land Titles Registry, Land Surveys Directory, Geomatics, the Personal Property Registry and the Corporate Registry in Saskatchewan.
- The Services segment provides law firms, corporations, financial service institutions and others with services to fulfill a wide variety of their clients' public records due diligence, filings and corporate supply requirements in connection with public business registries in Canada and certain other countries. It provides its Canadian financial institution clients with customized, automated and proven solutions to validate the status of business entities. For its law firm customers that range from large firms to sole practitioners, the Services segment also provides a complete suite of corporate services and supplies.

The Company evaluates performance and allocated resources based on earnings before interest and income tax. The accounting policies of the segments are the same as described in Note 3. Revenue reported in the following tables represent revenue generated from external customers. There was no significant inter-segment revenue in the year.

For the year ended December 31, 2015

(thousands of CAD dollars)	Registries	Services	Corporate	Total
Total Revenue	$ 74,985	$ 3,166	$ 167	$ 78,318
*includes revenue from sale of goods	275	1,038	–	1,313
Net income from continuing operations before net finance income	24,292	512	(2,216)	22,588
Net finance (income) expense	(23)	138	(210)	(95)
Income tax expense	6,728	100	–	6,828
Investment in associate	–	–	62	62
Net income	$ 17,587	$ 274	$ (1,944)	$ 15,917
Total assets, excluding goodwill and cash	$ 45,377	$ 18,332	$ 22,688	$ 86,397
Goodwill	–	13,141	–	13,141
Cash	23,968	895	11,708	36,571
Total assets	$ 69,345	$ 32,368	$ 34,396	$ 136,109
Capital expenditures	$ 3,009	$ 11	$ 997	$ 4,017

For the year ended December 31, 2014

(thousands of CAD dollars)	Registries	Services	Corporate	Total
Total Revenue	**$ 80,104**	**$ -**	**$ 355**	**$ 80,459**
*includes revenue from sale of goods	331	–	–	331
Net income from continuing operations before net finance income	27,364	–	(2,213)	25,151
Net finance (income) expense	–	–	(214)	(214)
Income tax expense	7,005	–	–	7,005
Net income	**$ 20,359**	**$ -**	**$ (1,999)**	**$ 18,360**
Total assets, excluding goodwill and cash	$ 61,347	$ –	$ 14,608	$ 75,955
Goodwill	–	–	–	–
Cash	22,499	–	11,082	33,581
Total assets	**$ 83,846**	**$ -**	**$ 25,690**	**$ 109,536**
Capital expenditures	**$ 3,002**	**$ -**	**$ 718**	**$ 3,720**

The Registries revenue, which is the Company's largest segment, can be further detailed as follows:

(thousands of CAD dollars)	Year ended December 31, 2015	2014
Land Titles Registry, Land Surveys Directory and Geomatics*	$ 56,871	$ 61,999
Personal Property Registry	9,981	9,870
Corporate Registry	8,133	8,235
Total revenue	**$ 74,985**	**$ 80,104**
*includes revenue from sale of goods	275	331

Revenues are attributed to customers within Canada. No assets are held outside of Canada. The Company's top five customers for the Registries segment represent 20.2 per cent of total registries revenue (2014 — 19.5 per cent). Of those customers, no single customer represented more than 10.0 per cent of the total registries revenue, the same as in 2014.

19 ACQUISITION

ESC Corporate Services Ltd. ("ESC")

On October 1, 2015, ISC completed the acquisition of all issued and outstanding common shares of ESC. ISC completed the transaction through a wholly owned subsidiary using a combination of cash and debt with $21.0 million of the purchase price, subject to working capital adjustment, paid on closing of the transaction ("ESC Transaction") and up to $7.0 million payable in the form of a performance-based, 12-month earnout. The current estimate by management for the contingent consideration is $5.0 million.

Through ESC, the Company provides law firms, corporations, financial service institutions and others with services to fulfill a wide variety of their clients' public records due diligence, filings and corporate supply requirements in connection with public business registries in Canada and certain other countries. ESC has offered these services since 2009, in Ontario and Quebec, when it acquired two well-established businesses that provided these types of services. For its law firm customers that range from large firms to sole practitioners, ESC provides a complete suite of corporate services and supplies. It provides its Canadian financial institution clients with customized, automated and proven solutions to validate the status of business entities.

The receivables acquired (which principally comprised of trade receivables) in these transactions with a fair value of $1.6 million had gross contractual amounts of $1.7 million. The best estimate at acquisition date of the contractual cash flows not expected to be collected are $29 thousand.

The costs of the acquisition relating to professional fees were $0.9 million and have been recorded in expense.

The revenue and net earnings of the acquiree since the acquisition date included in the consolidated statement of earnings for 2015 were $3.2 million and $274 thousand, respectively.

The revenue and net earnings for the Company and the acquiree combined for 2015 as though the acquisition date for the business combination that occurred during the year had been as of January 1, 2015 would have been $87.5 million, unaudited and $17.6 million, unaudited, respectively.

Net cash outflow related to the acquisition

(thousands of CAD dollars)	2015
Consideration paid in cash	$ 6,498
Consideration from long-term debt paid in cash	15,000
Less: cash balance acquired	(820)
	$ 20,678

This acquisition is a business combination to which IFRS 3 – *Business Combinations* applies.

Consideration

(thousands of CAD dollars)	2015
Cash	$ 21,498
Contingent consideration	5,000
Total purchase price	26,498
Less: deemed compensation	-
Consideration to allocate	**$ 26,498**

The preliminary allocation of the net purchase price for accounting purposes is as follows:

(thousands of CAD dollars)	
Assets	
Cash	$ 820
Trade receivables	1,655
Prepaid expenses	349
Property, plant and equipment	286
Intangible assets	16,114
	19,224
Liabilities	
Trade and other payables	1,602
Income tax payable	225
Deferred tax liability	4,127
	5,954
Net assets acquired	**$ 13,270**

Goodwill arising on acquisition

Total consideration allocated	26,498
Net assets acquired	13,270
Discount on contingent consideration	87
Total goodwill	**$ 13,141**

The intangible assets above consist of customer relations of $10.8 million, technology of $3.9 million, brand of $1.0 million and a non-compete clause of $0.4 million.

20 NET CHANGE IN NON-CASH WORKING CAPITAL

The net change during the period comprised the following:

(thousands of CAD dollars)	Year Ended December 31, 2015	2014
Trade receivables	$ 1,023	$ (52)
GST/HST receivable	4,429	(4,397)
Prepaid expenses	(448)	(77)
Trade and other payables	18	933
Advances from customers	91	(191)
Deferred revenue	(334)	(356)
Provision for early retirement plan	(24)	(46)
Net change in non-cash working capital	$ 4,755	**$ (4,186)**

21 COMMITMENTS AND CONTINGENCIES

Leasing arrangements

The Company leases all of its office space through operating leases. Operating leases related to office spaces have lease terms of between two and ten years, with various options to extend. The Company does not have an option to purchase the leased assets at the expiry of the lease period.

The Company leases all of its photocopiers through operating leases. Operating leases related to photocopiers have lease terms of three years. The Company does not have an option to purchase the leased assets at the expiry of the lease period.

Master Service Agreement

Pursuant to a Master Service Agreement (the "MSA") with the Government of Saskatchewan dated May 30, 2013, the Company was appointed on an exclusive basis to manage and operate the Land Titles Registry, Land Surveys Directory, Personal Property Registry and Corporate Registry on behalf of the Government of Saskatchewan for a 20-year term expiring on May 30, 2033. The MSA requires the Company to pay to the Government of Saskatchewan the sum of $0.5 million annually, in a single instalment payable on or before March 1, in each calendar year of the term commencing with an initial payment which was due on March 1, 2014.

Commitments

Future minimum payments for leasing of office space, information technology ("IT") service agreements with Hewlett-Packard Company and Information Systems Management Canada Corporation and to the Government under the MSA include the following amounts over the next five years as of December 31, 2015:

(thousands of CAD dollars)	Office Leases	IT Service Agreements	Master Service Agreement	Total
2016	$ 3,044	$ 8,861	$ 500	$ 12,405
2017	2,702	8,645	500	11,847
2018	2,639	8,475	500	11,614
2019	2,671	3,515	500	6,686
2020	2,529	–	500	3,029
Thereafter	8,737	–	6,500	15,237
Total commitments	**$ 22,322**	**$ 29,496**	**$ 9,000**	**$ 60,818**

Contingencies

The Land Titles Act, 2000 (Saskatchewan) contains an assurance provision that allows customers to recover losses due to the errors or omissions of the Registries. Concurrent with the execution of the MSA, the Company also entered into Registry Operating Agreements with the Government of Saskatchewan for each of the Registries. Each Registry Operating Agreement contains registry specific terms and conditions respecting the operation of the applicable Registry, including, but not limited to, the fees ("Registry Fees") the Company may charge for the services applicable to each Registry and the allowable increases to those Registry Fees, minimum service levels applicable to each Registry and specific allocation of risk and liability associated with the operation of each Registry.

Management's estimate of liability for claims and legal actions that may be made by customers pursuant to the assurance provision and the MSA is based upon claims submitted; as at December 31, 2015, the liability was nil (December 31, 2014 – nil).

22 PENSION EXPENSE

The total pension costs of the Company for the year were $1.4 million (2014 – $1.4 million).

23 BORROWING COSTS

The amount of borrowing costs capitalized during 2015 and 2014 were nil.

24 SUBSEQUENT EVENTS

On February 19, 2016, the Company subscribed for 1,620,454 Class B Common Shares in the capital of OneMove Technologies Inc., for a total of $990 thousand, representing its pro rata share of an equity raise by OneMove. This investment maintains ISC's 30 per cent ownership in OneMove and the funds will be used to finance certain growth activities of the company.

On March 7, 2016, the Company announced that, taking effect from December 1, 2015, the Master Service Agreement with the Government of Saskatchewan was amended to appoint the Company to continue to manage and operate the Common Business Identifier Program and the Business Registration Saskatchewan Program (formerly referred to as the Business Portal) for the same term as the Master Service Agreement. The Government of Saskatchewan will pay ISC an annual operating fee of $825 thousand, subject to an annual Consumer Price Index adjustment calculated in accordance with the Master Service Agreement.

On March 15, 2016, the Board declared a quarterly cash dividend of $0.20 per Class A Share, payable on April 15, 2016, to shareholders of record as of March 31, 2016.

Board of Directors

Joel Douglas Teal
Saskatoon, Saskatchewan
Director since: 2013
Chair of the Board of Directors

Thomas Christiansen
Swift Current, Saskatchewan
Director since: 2009
Member of the Governance & Nominating Committee and a member of the Compensation Committee

Jess H. Chua
Calgary, Alberta
Director since: 2013
Member of the Audit Committee

Douglas Allen Emsley
Regina, Saskatchewan
Director since: 2013
Chair of the Compensation Committee

Anthony Robert Guglielmin
Vancouver, British Columbia
Director since: 2013
Chair of the Audit Committee

William Scott Musgrave
Lloydminster, Alberta
Director since: 2010
Member of the Audit Committee

Michelle Ouellette, Q.C.
Saskatoon, Saskatchewan
Director since: 2013
Member of the Governance & Nominating Committee

Bradley S. Sylvester
Saskatoon, Saskatchewan
Director since: 2008
Member of the Compensation Committee

Dion E. Tchorzewski
Regina, Saskatchewan
Director since: 2013
Chair of the Governance & Nominating Committee

Officers

Jeff Stusek
President and
Chief Executive Officer

Kenneth W. Budzak
Vice President, Operations
& Customer Experience

Kathy Hillman-Weir, Q.C.
Vice President, Corporate Affairs & General Counsel,
Corporate Secretary and Chief Privacy Officer

Shawn B. Peters
Vice President, Finance & Technology,
and Chief Financial Officer

More information on our directors and officers can be found in our most recent Annual Information Form or Management Information Circular, which are available on our website at www.isc.ca, or through the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Corporate Information

Head Office

Suite 300
10 Research Drive
Regina, Saskatchewan S4S 7J7 Canada

Stock Exchange Listing & Symbol

Toronto Stock Exchange: ISV

Share Capital

Authorized – the Company's authorized share capital consists of an unlimited number of Class A Shares, one Class B Golden Share and an unlimited number of Preferred Shares.

Class A Limited Voting Shares

Issued and outstanding – 17,500,000 Class A Shares as at December 31, 2015.

The Company's articles and the ISC Act limit ownership of Class A Shares, including joint ownership to no more than 15.0 per cent of the Class A Shares issued and outstanding.

Class B Golden Share

Issued and outstanding – 1 Class B Golden Share ("Golden Share") as at December 31, 2015.

The Golden Share held by the Government of Saskatchewan has certain voting rights with respect to the location of the head office and the sale of all or substantially all of the assets of the Company. The Golden Share has no pre-emptive, redemption, purchase or conversion rights and is not eligible to receive dividends declared by the Company.

Preferred Shares

Issued and outstanding – Nil as at December 31, 2015.

Preferred Shares are issuable at any time and may include voting rights.

Ownership

As of March 17, 2016, the Government of Saskatchewan, through Crown Investments Corporation of Saskatchewan, was our largest shareholder and held 31.0 per cent of the issued and outstanding Class A Shares of the Company.

Dividends on Class A Shares

On August 12, 2013, ISC's Board established a policy of paying an annual dividend of $0.80 per Class A Share to be payable on a quarterly basis. The payment of dividends is not guaranteed, and the amount and timing of any dividends payable by the Company will be at the discretion of the Board and will be established on the basis of our cash available for distribution, financial requirements, any restrictions imposed by our Credit Facilities, the requirements of any future financings and other factors existing at the time.

Year	Type	Ex-Dividend Date	Record Date	Payable Date	Amount
2015	Quarterly	Dec 29, 2015	Dec 31, 2015	Jan 15, 2016	$0.20
2015	Quarterly	Sep 28, 2015	Sep 30, 2015	Oct 15, 2015	$0.20
2015	Quarterly	Jun 26, 2015	Jun 30, 2015	Jul 15, 2015	$0.20
2015	Quarterly	Mar 27, 2015	Mar 31, 2015	Apr 15, 2015	$0.20
2014	Quarterly	Dec 29, 2014	Dec 31, 2014	Jan 15, 2015	$0.20
2014	Quarterly	Sep 26, 2014	Sep 30, 2014	Oct 15, 2014	$0.20
2014	Quarterly	Jun 26, 2014	Jun 30, 2014	Jul 15, 2014	$0.20
2014	Quarterly	Mar 27, 2014	Mar 31, 2014	Apr 15, 2014	$0.20
2013	Quarterly	Dec 27, 2013	Dec 31, 2013	Jan 15, 2014	$0.20
2013	Quarterly	Sep 26, 2013	Sep 30, 2013	Oct 15, 2013	$0.18*

* This dividend represents a partial dividend for the period July 9, 2013 (the closing date of the Company's Initial Public Offering on July 9, 2013) to September 30, 2013.

Dividends are eligible dividends pursuant to the *Income Tax Act* (Canada) as amended. An eligible dividend paid to a Canadian resident is entitled to the enhanced dividend tax credit. For further information on tax implications, please consult a tax advisor.

Auditors

Deloitte LLP
Suite 900
2103 11th Ave
Regina, Saskatchewan S4P 3Z8 Canada

Transfer Agent

CST Trust Company

For inquiries related to shares, dividends, changes of address:

Toll-Free Inside North America: 1 (800) 387-0825
Outside North America: 1 (416) 682-3860
Fax: 1 (888) 249-6189

English: https://www.canstockta.com/en/InvestorServices/index.html

French: https://www.canstockta.com/fr/Services_aux_investisseurs/index.html

Regulatory Filings

The Company's filings are available through the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Investor Contact Information

Jonathan Hackshaw
Director, Investor Relations &
Corporate Communications
investor.relations@isc.ca
Toll Free in North America: 1 (855) 341-8363
Outside North America: 1 (306) 798-1137

Annual General Meeting

The annual meeting of shareholders will be held at 1:00 p.m. (Saskatchewan time/MDT) on Monday, May 16, 2016 at Innovation Place, 6 Research Drive, Regina, Saskatchewan.

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