Condensed Interim Consolidated Financial Statements of

GLACIER MEDIA INC.

For the three months ended March 31, 2015
(Unaudited)

President's Message

Summary

In the first quarter of 2015, Glacier Media Inc. ("Glacier" or the "Company") experienced declines in both revenue and profit due to a number of factors including softness in community media, although part of the decline in the community media revenue was from the closure and restructuring of some products and the downturn in the oil and gas sector.

In order to offset these challenges, management has enacted a comprehensive cost-containment strategy, complemented by a broad-based new revenue campaign. These two efforts are aligned with Glacier's longer-term strategy to restructure and transform its operations, strengthen its financial position and enhance shareholder value. The program is based in part on operational strategies to evolve the Company's products and services.

Given the accelerating changes taking place in the way information offerings are being developed and brought to market, the Company has determined that it is prudent to narrow the number of sectors in which it operates and focus resources and capital in the areas offering the highest growth opportunities.

To that end, Glacier concluded the sale of two key non-core assets in December 2014 and January 2015 in its business information group that generated net proceeds of $23.3 million. The proceeds from these sales were used to pay the deposit required to challenge a reassessment by the Canada Revenue Agency (CRA) in one of the Company's affiliates.

The Company is also looking at evolving its products and services to offer higher value propositions to its clients. The sale of higher margin products allows profitability to be replaced with lower levels of revenue.

The following results are presented on an adjusted basis(1) to include the Company's share of its joint venture operations on a proportionate basis, as this is the basis on which management bases its operation decisions and performance evaluation. For a reconciliation of adjusted results to results in accordance with International Financial Reporting Standards (IFRS), refer to the "Reconciliation of IFRS to Adjusted Results" as presented below and in Management's Discussion & Analysis (MD&A).

Adjusted consolidated EBITDA for the Company declined 29.5% to $6.9 million for the period ended March 31, 2015. Adjusted revenue was $65.8 million or 6.0% lower than the same period in the prior year. The first and third quarters are seasonally weaker for the Company, so the decline in revenue had a larger percentage impact on profit in the quarter, compared to what is expected in the second quarter and the remainder of the year.

Glacier's energy information group was impacted by the downturn in the oil & gas sector caused by lower energy prices. Efforts are being made to identify revenue initiatives targeted to opportunities that arise from lower energy prices. In particular, the Company's data and information products offer intelligence that can help energy companies identify production and cost savings opportunities, as well as resource investment opportunities as asset values become cheaper for acquisition. Revenues are also being targeted from businesses seeking to offer technology and services to assist energy companies with cost savings and other efficiencies. These efforts are expected to result in improved performance. The Company also believes attractive energy information acquisition opportunities will arise as a result of the downturn in energy market conditions.

The agricultural group had a softer start to the year, primarily as a result of the loss of business from a large agri-business that cut back marketing spending significantly due to a major potential liability. The customer is now looking to resume advertising in the second half of the year. Agricultural commodity prices have also been lower, although the Company's overall agricultural revenue began to recover in March nonetheless.

Success is being achieved in targeting growth opportunities through the sale of higher-margin products. In particular, the Company's environmental and mutual fund information operations enjoyed strong revenue growth in the quarter. Environmental Risk Information Services (ERIS) launched its environmental risk information business into the United States last year, and is enjoying encouraging success in terms of new revenue generation and customer acceptance.

In community media, challenges continue to be faced in traditional print advertising as national and other print advertising revenues continue to move to digital. In order to offset this trend, efforts have been made to target new areas of revenue such as features and supplements and reduce costs while maintaining operating effectiveness. In 2014, a wide range of initiatives resulted in significant growth in features and supplements revenue, which resulted in increased local print revenue. This program is being continued and expanded in 2015. Focus on redesign and local content and product quality also continues to provide results. For example, a major redesign and content repositioning was implemented nine months ago in a prominent local B.C. community media publication. Revenue has grown steadily since the redesign took place, with a 9% revenue increase in the first quarter of 2015 that contributed to a 25% increase in EBITDA, given the high margin of the incremental revenues.

The Company, in conjunction with an associate, completed the sale of a group of money-losing community media properties in the Lower Mainland of B.C. and on Vancouver Island, and the acquisition of several profitable community media properties in the Lower Mainland. The net proceeds from the transaction were used to pay down debt in the associate entity. The transaction is expected to result in significant cost savings and rationalization efficiencies, as well as better value to customers by offering an additional day of distribution and related advertising opportunity.

Key Financial Highlights (1)

	Three months ended March 31,		Variance	Variance
	2015 (1)	2014 (1)(5)	$	%
Revenue	$ 65,802	$ 69,971	$ (4,169)	-6.0%
EBITDA	$ 6,898	$ 9,785	$ (2,887)	-29.5%
EBITDA per share	$ 0.08	$ 0.11	$ (0.03)	-27.3%
EBITDA margin	10.5%	14.0%		
Net income attributable to common shareholders before non-recurring items (2)(3)	$ 380	$ 1,919	$ (1,539)	-80.2%
Net income attributable to common shareholders before non-recurring items per share (2)(3)	$ 0.00	$ 0.02	$ (0.02)	-100.0%
Cash flow from operations before non-recurring items (2)(3)	$ 6,870	$ 9,162	$ (2,292)	-25.0%
Cash flow from operations before non-recurring items per share (2)(3)	$ 0.08	$ 0.10	$ (0.02)	-20.0%
Debt to EBITDA ratio (4)	1.9x	2.4x		
Weighted average shares outstanding, net	89,083,105	89,083,105		

Notes:
(1) Refer to "Non-IFRS Measures" section of the MD&A for non-IFRS measures used in this table.
(2) Non-recurring 2015 items exclude $0.3 million of restructuring expense, $1.1 million of transaction and transition costs and a $4.8 million settlement gain on pension and post-retirement benefits.
(3) For non-recurring items excluded in the prior period, refer to previously reported financial statements.
(4) Calculated as adjusted consolidated debt net of cash outstanding before deferred financing charges.
(5) 2014 has been presented with certain assets as discontinued operations.

- Glacier received $19.7 million for the sale of a group of non-core trade media assets that were located in Toronto. The sale of these assets has been presented as held for sale in the Company's 2014 financial statements. The proceeds were used to pay the balance of the 50% deposit required to appeal the previously disclosed CRA re-assessment;

- During the quarter, the Company, in conjunction with an associate, sold a group of money-losing community media assets on Vancouver Island and in the Lower Mainland of B.C. and acquired several profitable community media assets in the Lower Mainland. The net proceeds from the transaction were used to pay down debt in the associate entity. The transaction immediately increases the profitability of the Company's community media operations;

- For the period ended March 31, 2015, adjusted consolidated EBITDA decreased 29.5% to $6.9 million from $9.8 million as compared to the same period in the prior year. The related EBITDA margin decreased to 10.5% from 14.0%;

- For the period ended March 31, 2015, adjusted consolidated revenues declined 6.0% to $65.8 million from $70.0 million as compared to the same period in the prior year;
- Adjusted cash flow from operations (before changes in non-cash operating accounts and non-recurring items) decreased 25.0% to $6.9 million from $9.2 million as compared to the same period in the prior year;
- Adjusted net income attributable to common shareholders before non-recurring items decreased to $0.4 million from $1.9 million as compared to the same period in the prior year;
- Adjusted EBITDA per share decreased to $0.08 per share from $0.11 per share as compared to the same period in the prior year;
- Adjusted cash flow from operations per share (before changes in non-cash operating accounts and non-recurring items) decreased to $0.08 per share from $0.10 per share as compared to the same period in the prior year;
- Adjusted net income attributable to common shareholders per share before non-recurring items decreased to $0.00 per share from $0.02 per share as compared to the same period in the prior year;
- Adjusted consolidated debt net of cash outstanding (before deferred financing charges) was reduced to 1.9x trailing 12 months consolidated adjusted EBITDA as at March 31, 2015.

Note:

(1) The adjusted consolidated financial results have been adjusted to include the Company's share of revenue, expenses, assets and liabilities from its joint venture operations on a proportionate accounting basis as this is the basis on which management bases its operating decisions and performance evaluation. IFRS does not allow for the inclusion of the joint ventures on a proportionate basis. These results include additional non-IFRS measures such as EBITDA, cash flow from operations and net income attributable to common shareholders before non-recurring items.

The adjusted results are not generally accepted measures of financial performance under IFRS. The Company's method of calculating these financial performance measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies. Refer to the MD&A for a reconciliation of these non-IFRS measures and adjusted results.

Reconciliation of IFRS to Adjusted Results

The following table is a reconciliation of the IFRS results to the adjusted results (which include the Company's proportionate share of its joint venture operations). Refer to the MD&A for further discussion and analysis of these results:

	Three months ended March 31, 2015			Three months ended March 31, 2014		
(thousands of dollars) except share and per share amounts	**Per IFRS**	**Differential**	**Adjusted (1)**	Per IFRS (2)	Differential	Adjusted (1)(2)
Revenue	$ 56,073	$ 9,729	$ 65,802	$ 60,291	$ 9,680	$ 69,971
EBITDA (1)	$ 3,473	$ 3,425	$ 6,898	$ 6,675	$ 3,110	$ 9,785
EBITDA margin (1)	6.2%		10.5%	11.1%		14.0%
EBITDA per share (1)	$ 0.04	$ 0.04	$ 0.08	$ 0.07	$ 0.04	$ 0.11
Net loss attributable to common shareholders	$ 3,663	$ 149	$ 3,812	$ 1,537	$ 54	$ 1,591
Weighted average shares outstanding, net	89,083,105		89,083,105	89,083,105		89,083,105

Notes:
(1) Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.
(2) 2014 has been presented with certain assets as discontinued operations.

The qualitative discussion of the first quarter 2015 results in this President's Message is relevant and applicable for the adjusted results and the IFRS results.

Business Information

Many of Glacier's business information operations (which include business and professional and trade information) continue to grow and provide attractive growth opportunities in both existing and new sectors. This growth is being achieved through multi-platform offerings, integrated marketing solutions and rich data, analytics and intelligence services. As a result of the sale of non-core trade and business information assets in

January 2015, Glacier is now focused on the key areas of energy, agriculture, mining, environmental risk, real estate and mutual fund information. This focus continues through the Evolve, Enrich, Extend strategy which has guided the Company's strategic efforts.

As indicated, some of the Company's business units experienced revenue declines in the first quarter resulting from commodity weaknesses that produce sector slowdowns. In addition to cost management initiatives, the businesses have responded by targeting new revenue initiatives, including revenue opportunities that arise from weaker commodities prices.

The following highlights several initiatives that are indicative of the Company's efforts to further evolve its operations and target opportunities for growth:

- ERIS continues to ramp up its North American expansion plan. With a complete year of US activity, ERIS is fleshing out its market reach with North America wide data now available, and key regional hiring in important American and Canadian centres. Management is now considering the next generation of products and services to complement the ERIS platform.

- The JuneWarren-Nickle's Energy Group is focusing sales efforts on data and information products that can help energy companies identify production and cost savings opportunities, as well as acquisition opportunities as asset values become cheaper. In the next few weeks, it will release specialized reports dealing with capital availability in the oilsands sector and drilling activity market share.

- As part of its strategic focus on data and insights tools, Glacier's CanOils oil and gas evaluation and benchmarking database completed beta testing on a major new assets module, which provides users with oil and gas well-based insights, including a geo-referenced webmap interface. The new product is set for launch in the second quarter.

- Glacier's National Network team (which offers integrated solutions across its various business information business units) successfully negotiated a major contract with a global technology company. As an integrated marketing solution, the contract entails market research, market reporting, sponsored content, webinars and events. Such contracts call upon competencies and audience access across the various units. The contract anticipates activities over the balance of 2015.

- Glacier FarmMedia is launching a new Western Canadian agricultural technology demonstration show, called Ag In Motion in July in 2015. The show is being well received by the farm sector. Sales projections are on target as the market responds to an innovative approach to "in-field" insights into key technology trends, including unmanned drones. Ag In Motion is a partner show to Glacier FarmMedia's Canada's Outdoor Farm Show in Ontario, which attracts more than 44,000 attendees annually.

These products provide essential information that generates highly profitable recurring revenues, and are well positioned for scalable growth. Glacier's strategic transformation plans focus on these high-value information products, as well as developing more comprehensive and sophisticated marketing solutions. This strategic focus also includes global opportunities associated with information and insights related to the Canadian resources industry. The resource sectors in which Glacier operates are global, and offer considerable opportunity for growth in shareholder value. The company is currently examining information services opportunities related to the Comprehensive Economic and Trade Agreement between Canada and the European Union.

The investments and development efforts being made in the Company's real estate and mutual fund information products and services are also providing attractive tangible results in both market share gains and revenue growth.

Business information operations represent approximately 60% of Glacier's adjusted EBITDA. Almost half of this EBITDA comes from rich data digital information products and services. These rich data digital information products and services comprise approximately 35% of business information revenues.

Community Media

Glacier's community media operations continue to face challenges associated with traditional print advertising. In particular, national and other print advertising sales continue to move to digital. In order to offset this trend, efforts are being made to target new areas of revenue sources to offset the declines.

As indicated, a comprehensive "revenue ramp-up" program resulted in a significant increase in new features and supplements revenue. Advertisers have shown willingness to purchase advertising in a variety of new print marketing ideas in which new audience engagement feature extensively. In 2014, a wide range of initiatives resulted in significant growth in features and supplements revenue, which resulted in increased local print revenue. This program is being continued and expanded in 2015. Focus on redesign and local content and product quality also continues to provide results. For example, a major redesign and content repositioning was implemented nine months ago in a prominent local B.C. community media publication. Revenue has grown steadily since the redesign took place, with a 9% revenue increase in first quarter of 2015 that contributed to a 25% increase in EBITDA, given the high margin of the incremental revenues.

Digital revenues continued to grow with a focus on products that can be readily monetized to deliver profitable revenue. Operating investments are improving Glacier's digital community media products, helping to launch new products, expand client inventory and develop internal digital skills.

During the quarter, the Company, in conjunction with an associate, sold a group of community media assets on Vancouver Island and in the Lower Mainland of B.C. and acquired several community media assets in the Lower Mainland. The net proceeds from the transaction were used to pay down debt in the associate entity. The transaction immediately increases the profitability of the Company's community media operations.

Glacier's community media operations offer broad coverage across Western Canada in local markets, and continue to offer a strong value proposition through local information and marketing channel utility. Many of the Company's smaller rural community media markets – largely spread across the Prairies – have enjoyed more steady local performance due to their strong local positions and local advertising revenues, although they are being affected by the factors driving national advertising shifts.

While economic and digital media challenges have affected the community media operations, management believes that these businesses have unrealized opportunities available, as is evident from the revenue being generated from new print and digital products, and will continue to generate solid cash flow given the nature of the markets in which Glacier operates – particularly within the more robust micro-economies of Western Canada. This cash flow can be used to repay debt and fund growth through both internal investment and the acquisition of high-value business information assets.

Operational Performance

As stated, for the period ended March 31, 2015 adjusted consolidated EBITDA declined 29.5% to $6.9 million, as compared to $9.8 million for the same period in the prior year. Glacier's consolidated EBITDA margin, on an adjusted basis, decreased to 10.5% for the period from 14.0% compared to the same period in the prior year. Adjusted consolidated revenue declined 6.0% to $65.8 million for the period ended March 31, 2015.

The first and third quarters are seasonally weaker for the Company, so the decline in revenue had a larger percentage impact on profit in the quarter, compared to what is expected in the second quarter and the remainder of the year. A wide range of new revenue initiatives and focus on higher margin revenues, balanced with prudent cost management and restructuring efforts are expected to improve profitability over the remainder of the year.

Operating infrastructure and resource development investment continue to be made in both business information and community media, including rich information and digital media management, staff, information technology and related resources. These investments continue to balance prudent cost management while ensuring business sustainability.

The complementary media platform and product strategy, which underpins the Evolve, Enrich and Extend strategy, addresses both the risks that digital media represents to the traditional print platform and opportunities digital media offer in Glacier's markets. The strategy's premise is that customer utility and value should drive platform utilization and product design and functionality. Online, mobile, tablet and other information delivery devices will be fully utilized, while print content and design quality will also be maintained.

In particular, the Company intends to increase capital allocated to business information acquisitions and organic growth opportunities and use cash flow generated from community media and business information operations to fund this investment in balance with the priority to reduce debt levels.

Financial Position

On an adjusted basis, including the Company's share of the joint venture interests, Glacier's consolidated debt net of cash outstanding before deferred financing charges was reduced to 1.9x trailing 12 months EBITDA as at March 31, 2015.

The Company (excluding its joint venture interests) made net debt repayments of $3.4 million during the quarter. Glacier's consolidated debt, net of cash outstanding before deferred financing charges, was $75.2 million as at March 31, 2015.

Capital expenditures (excluding its joint venture interests) were $1.9 million for the period ended March 31, 2015 compared to $0.8 million for the same period in the prior year. The majority of the on-going current period expenditures relate to program development, IT infrastructure, building improvements and other sustaining capital expenditures.

The Board of Directors declared a quarterly dividend of $0.02 per share to shareholders of record on June 12, 2015 payable on July 6, 2015. The dividend is consistent with the Company's dividend policy of paying $0.08 per share per annum, payable quarterly.

CRA Reassessment

As previously disclosed, an affiliate of the Company received tax notices of reassessment from the CRA relating to the taxation years ended December 31, 2008 through 2013 inclusive. The reassessments deny the application of non-capital losses, capital losses and scientific research and experimental development ("SR&ED") tax credits claimed for those years. The total potential liability relating to additional taxes payable for the reassessed years to the CRA and provincial governments, including interest and penalties, would be approximately $45 million.

In January 2015, the affiliate filed a notice of objection to the CRA. In connection with filing the notice of objection, the affiliate paid 50% of the amounts claimed by the CRA. The affiliate has paid the total deposit owing to the CRA. Additional amounts may be due at a later date.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate are appropriate and in accordance with the law. The affiliate intends to vigorously defend such positions. If the affiliate is successful in defending its positions, deposits made plus applicable interest will be refunded to the affiliate. There is no assurance that the affiliate's objections and appeals will be successful. If the CRA is successful, the affiliate will be required to pay the balance of taxes owing plus applicable interest.

Outlook

While economic conditions are weaker in Western Canada, and structural challenges exist in community media, the balance of better prospects in some of the Company's key markets, comprehensive new revenue initiatives as well as cost management are expected to result in improved performance as the year progresses. As was the case in 2014, the Company's staff have been able to innovate and find new areas of product and revenue opportunities across its spectrum of markets, platforms and channels. The success in new energy product initiatives, new agriculture initiatives, the US environmental risk information launch and growing market penetration, mutual fund information growth, expansion of the real estate information business, digital growth, as well as success in traditional new print revenue (such as last year's growth in features and supplements revenue) are all encouraging.

The Company is taking care to make sure it invests in and focuses on transforming its products and services to ensure that it continues to offer high value to customers in its various markets, and does not reduce resources overly through cost reduction and weaken the businesses in terms of long-term viability.

The community media asset dispositions and purchases on Vancouver Island and in the Lower Mainland will contribute immediately to the profitability of the Company's community media group as indicated, and are expected to result in improved profitability during the year.

Importantly, the Company has made substantial progress towards its objectives of both strengthening its financial position and narrowing its spectrum of operating sectors in order to redeploy capital and resources to higher growth and higher value products and services.

While further efforts will be made towards these objectives, management will also be able to accelerate its transformation plans.

Going forward, Glacier will now focus its business information growth efforts in the agriculture, energy and natural resource sectors, and the environmental risk, real estate and mutual fund information sectors. These spaces are dynamic and their changing and continually evolving needs are expected to increase the demand and value relating to information, intelligence and marketing solutions. While advertising revenues in the natural resource sectors are cyclical in relation to the commodity markets, the need for information and related products in these sectors is strong and resilient.

As indicated, Glacier is pursuing these growth efforts through a comprehensive Evolve, Enrich and Extend strategy. The strategy focuses on providing richer content, data and information, related analytics and business and market intelligence, as well as more comprehensive and sophisticated marketing solutions.

The strategy is intended to provide growing levels of sales from high-margin products with high levels of recurring revenue, while requiring low levels of sustaining capital investment in order to generate strong free cash flow and return on capital. As implementation of the strategy accelerates, it is expected that a greater portion of the Company's revenue will come from subscription, specialized report, customized application and other recurring revenue oriented rich information product sales.

Management will continue to focus in 2015 on a balance of paying down debt through cash flow and the sale of non-core assets.

Once leverage is reduced to lower operating levels, management will seek an ongoing balance of maintaining debt at those levels and delivering increased value to shareholders through operations, acquisitions and dividends.

In summary, significant focus and related investment will continue to be made to enhance Glacier's business information assets. These investments will enhance the Company's position in the markets that it covers, expand the scope of quality of information products and marketing solutions offered where strong sustainable competitive positions are available, and expand Glacier's information and product development staff, technology and related resources.

Jonathon J.L. Kennedy
President and Chief Executive Officer

First Quarter 2015 Management's Discussion & Analysis ("MD&A")

Forward Looking Statements

In this MD&A, Glacier Media Inc. and its subsidiaries are referred to collectively as "Glacier", "us", "our", "we" or the "Company" unless the context requires otherwise.

The information in this report is as at May 14, 2015.

Glacier Media Inc.'s First Quarter 2015 Interim Report, including this MD&A and the accompanying President's Message, contains forward-looking statements that relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates and can generally be identified by the use of statements that include phrases such as "believe", "expected", "anticipate", "intend", "plan", "likely", "will", "may", "could", "should", "would", "suspect", "outlook", "estimate", "forecast", "objective", "continue" (or the negative thereof) or similar words or phrases. These forward-looking statements include, among other things, statements relating to our expectations regarding revenues, expenses, cash flows, future profitability and the effect of our strategic initiatives, including our expectations to grow our business information operations, to generate incremental revenues, to implement cost reduction measures, the sale of assets and utilization of the proceeds, to produce products and services that provide growth opportunities, to launch information products, to generate organic development and new business acquisitions, to increase capital allocated to such acquisition and growth opportunities, to improve profitability, to grow cash flow per share, to generate sufficient cash flow from operations to meet anticipated working capital, capital expenditures and debt service requirements, to monetize our information and content, to pay dividends and to reduce debt levels and as to its expectations as to the level of investment in capital expenditures. These forward looking statements are based on certain assumptions, including continued economic growth and recovery and the realization of cost savings in a timely manner and in the expected amounts, which are subject to risks, uncertainties and other factors which may cause results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, and undue reliance should not be placed on such statements.

Important factors that could cause actual results to differ materially from these expectations include failure to implement or achieve the intended results from our strategic initiatives, the failure to implement or realize cost savings in a timely manner or in the expected amounts, the failure to negotiate or complete the sale of assets, the failure to identify, negotiate and complete the acquisition of new businesses, the failure to develop or launch new products, and the other risk factors listed in our Annual Information Form under the heading "Risk Factors" and in our annual MD&A under the heading "Business Environment and Risks", many of which are out of our control. These other risk factors include, but are not limited to, the ability of the Company to sell advertising and subscriptions related to its publications, foreign exchange rate fluctuations, the seasonal and cyclical nature of the agricultural and energy industry, discontinuation of the Department of Canadian Heritage's Canada Periodical Fund's Aid to Publishers, general market conditions in both Canada and the United States, changes in the prices of purchased supplies including newsprint, the effects of competition in the Company's markets, dependence on key personnel, integration of newly acquired businesses, technological changes, tax risk, financing risk and debt service risk.

The forward-looking statements made in the Company's Interim Report, including this MD&A and the accompanying President's Message, relate only to events or information as of the date on which the statements are made. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

The Interim Report, this MD&A and the documents to which we refer herein should be read completely and with the understanding that our actual future results may be materially different from what we expect.

Basis of Discussion and Analysis

The following management discussion and analysis of the financial condition and results of operations of the Company and other information is dated as at May 14, 2015 and should be read in conjunction with the Company's annual consolidated financial statements and notes thereto as at and for the year ended December 31, 2014. The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements include only significant events and transactions affecting the Company during the current fiscal period and do not include all disclosures normally provided in the Company's annual consolidated financial statements. As a result, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2014 and related MD&A which can be obtained on the Company's website: www.glaciermedia.ca and on the System for Electronic Document Analysis and Retrieval ("SEDAR"). Interim results are not necessarily indicative of the results expected for the fiscal year.

Non-IFRS Measures

Earnings before interest, taxes, depreciation and amortization (EBITDA), EBITDA margin, EBITDA per share, cash flow from operations, cash flow from operations per share, net income from continuing operations attributable to common shareholders before non-recurring items, net income from continuing operations attributable to common shareholders before non-recurring items per share, net income attributable to common shareholders before non-recurring items and net income attributable to common shareholders before non-recurring items per share are not generally accepted measures of financial performance under IFRS. In addition, certain results in this MD&A stated to be "adjusted" have been presented on an adjusted basis that includes the Company's shares of revenue, expenses, assets and liabilities from its joint venture operations, which reflects the basis on which management makes its operating decisions and performance evaluation. These adjusted measures are also not generally accepted measures of financial performance under IFRS. Management utilizes these financial performance measures to assess profitability and return on equity in its decision making. In addition, the Company, its lenders and its investors use EBITDA to measure performance and value for various purposes. Investors are cautioned, however, that EBITDA should not be construed as an alternative to net income attributable to common shareholders determined in accordance with IFRS as an indicator of the Company's performance. The Company's method of calculating these financial performance measures may differ from other companies and, accordingly, they may not be comparable to measures used by other companies. A quantitative reconciliation of these non-IFRS measures is included in the section entitled EBITDA and Cash Flow from Operations Reconciliation, Net Income Attributable to Common Shareholders before Non-Recurring Items and Net Income from Continuing Operations Attributable to Common Shareholders before Non-Recurring Items Reconciliation with Per Share Amounts and a reconciliation of the adjusted non-IFRS measures is included in the section entitled Reconciliation of IFRS to Adjusted Results in this MD&A.

All financial references are in millions of Canadian dollars unless otherwise noted.

Overview of the Business

Glacier Media Inc. is an information communications company focused on the provision of primary and essential information and related services. Glacier is pursuing this strategy through its core business segments: the community media and trade information and business and professional information sectors.

The operations in the community media and trade information group include Glacier FarmMedia (which includes Western Producer Publications, Farm Business Communications, Canada's Outdoor Farm Show and Ag In Motion), the JuneWarren-Nickle's Energy Group, Evaluate Energy, the Northern Miner mining information group, Business in Vancouver Media Group and the Glacier community media group, which includes direct, joint venture and other interests in community and local daily newspapers and related publications, websites and digital products in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the United States.

Glacier's operations in the business and professional information group include ERIS, Specialty Technical Publishers, Inceptus Media and joint venture and other interests in Fundata, Weather INnovations and InfoMine.

For additional information on Glacier's operations see the Company's Annual Information Form as filed on SEDAR (www.sedar.com).

Significant Developments in 2015 and Outlook

In the first quarter of 2015, Glacier Media Inc. ("Glacier" or the "Company") experienced declines in both revenue and profit due to a number of factors including softness in community media, although part of the decline in the community media revenue was from the closure and restructuring of some products and the downturn in the oil and gas sector.

In order to offset these challenges, management has enacted a comprehensive cost-containment strategy, complemented by a broad-based new revenue campaign. These two efforts are aligned with Glacier's longer-term strategy to restructure and transform its operations, strengthen its financial position and enhance shareholder value. The program is based in part on operational strategies to evolve the Company's products and services.

Given the accelerating changes taking place in the way information offerings are being developed and brought to market, the Company has determined that it is prudent to narrow the number of sectors in which it operates and focus resources and capital in the areas offering the highest growth opportunities.

To that end, Glacier concluded the sale of two key non-core assets in December 2014 and January 2015 in its business information group that generated net proceeds of $23.3 million. The proceeds from these sales were used to pay the deposit required to challenge a reassessment by the Canada Revenue Agency (CRA) in one of the Company's affiliates.

The Company is also looking at evolving its products and services to offer higher value propositions to its clients. The sale of higher margin products allows profitability to be replaced with lower levels of revenue.

Glacier's energy information group was impacted by the downturn in the oil & gas sector caused by lower energy prices. Efforts are being made to identify revenue initiatives targeted to opportunities that arise from lower energy prices. In particular, the Company's data and information products offer intelligence that can help energy companies identify production and cost savings opportunities, as well as resource investment opportunities as asset values become cheaper for acquisition. Revenues are also being targeted from businesses seeking to offer technology and services to assist energy companies with cost savings and other efficiencies. These efforts are expected to result in improved performance. The Company also believes attractive energy information acquisition opportunities will arise as a result of the downturn in energy market conditions.

The agricultural group had a softer start to the year, primarily as a result of the loss of business from a large agri-business that cut back marketing spending significantly due to a major potential liability. The customer is now looking to resume advertising in the second half of the year. Agricultural commodity prices have also been lower, although the Company's overall agricultural revenue began to recover in March nonetheless.

Success is being achieved in targeting growth opportunities through the sale of higher-margin products. In particular, the Company's environmental and mutual fund information operations enjoyed strong revenue growth in the quarter. Environmental Risk Information Services (ERIS) launched its environmental risk information business into the United States last year, and is enjoying encouraging success in terms of new revenue generation and customer acceptance.

In community media, challenges continue to be faced in traditional print advertising as national and other print advertising revenues continue to move to digital. In order to offset this trend, efforts have been made to target new areas of revenue such as features and supplements and reduce costs while maintaining operating effectiveness.

The Company, in conjunction with an associate, completed the sale of a group of money-losing community media properties in the Lower Mainland of B.C. and on Vancouver Island, and the acquisition of several profitable community media properties in the Lower Mainland. The net proceeds from the transaction were used to pay down debt in the associate entity. The transaction is expected to result in significant cost savings and rationalization efficiencies, as well as better value to customers by offering an additional day of distribution and related advertising opportunity.

Reconciliation of IFRS to Adjusted Results

The following table reconciles the Company's results as reported under IFRS to the results presented on an adjusted basis that includes the Company's share of revenue, expenses, assets and liabilities from its joint venture operations, which reflects the basis on which management makes its operating decisions and performance evaluation.

(thousands of dollars)	**Three months ended March 31, 2015**			Three months ended March 31, 2014		
except share and per share amounts	**Per IFRS**	**Differential**	**Adjusted (1)**	Per IFRS (4)	Differential	Adjusted (1)(4)
Revenue	$ 56,073	$ 9,729	$ 65,802	$ 60,291	$ 9,680	$ 69,971
Gross profit (3)	$ 16,050	$ 4,941	$ 20,991	$ 18,661	$ 4,580	$ 23,241
Gross margin	28.6%		31.9%	31.0%		33.2%
EBITDA (1)(2)	$ 3,473	$ 3,425	$ 6,898	$ 6,675	$ 3,110	$ 9,785
EBITDA margin (1)	6.2%		10.5%	11.1%		14.0%
EBITDA per share (1)(2)	$ 0.04	$ 0.04	$ 0.08	$ 0.07	$ 0.04	$ 0.11
Net income (loss) from continuing operations attributable to common shareholders before non-recurring items (1)(2)	$ 112	$ 268	$ 380	$ 2,759	$ 26	$ 2,785
Net income from continuing operations attributable to common shareholders before non-recurring items per share (1)(2)	$ 0.00	$ (0.00)	$ 0.00	$ 0.03	$ 0.00	$ 0.03
Net income from continuing operations attributable to common shareholders	$ 3,663	$ 149	$ 3,812	$ 2,403	$ 54	$ 2,457
Net income from continuing operations attributable to common shareholders per share	$ 0.04	$ 0.00	$ 0.04	$ 0.03	$ 0.00	$ 0.03
Net income attributable to common shareholders before non-recurring items (1)(2)	$ 112	$ 268	$ 380	$ 1,893	$ 26	$ 1,919
Net income attributable to common shareholders before non-recurring items per share (1)(2)	$ 0.00	$ 0.00	$ 0.00	$ 0.02	$ 0.00	$ 0.02
Net loss attributable to common shareholders	$ 3,663	$ 149	$ 3,812	$ 1,537	$ 54	$ 1,591
Net loss attributable to common shareholders per share	$ 0.04	$ 0.00	$ 0.04	$ 0.02	$ 0.00	$ 0.02
Cash flow from operations before non-recurring items (1)(2)	$ 3,821	$ 3,049	$ 6,870	$ 6,312	$ 2,850	$ 9,162
Cash flow from operations per share (1)(2)	$ 0.04	$ 0.04	$ 0.08	$ 0.07	$ 0.03	$ 0.10
Total assets	$ 472,396	$ 20,146	$ 492,542	$ 508,043	$ 22,148	$ 530,191
Weighted average shares outstanding, net	89,083,105		89,083,105	89,083,105		89,083,105

Notes:
(1) Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.
(2) IFRS net income attributable to common shareholders and cash flow from operations have been adjusted for non-recurring items. Refer to "EBITDA and Cash Flow from Operations Reconciliation" and "Net Income Attributable to Common Shareholders Before Non-Recurring Items Reconciliation"
(3) Gross profit for these purposes excludes depreciation and amortization.
(4) 2014 has been presented with certain assets as discontinued operations.

Adjusted Operational Performance(1)

Management believes that including its share of revenues, expenses and cash flows of its joint venture operations in the Company's results provides a more comprehensive basis for reflecting and assessing the overall operations of the Company. Management bases its operating decisions and performance evaluation using the adjusted results(1). The following discussion adjusts the Company's reported results under IFRS to include the revenues, expenses and cash flows of its joint ventures.

For the period ended March 31, 2015 adjusted consolidated EBITDA declined 29.5% to $6.9 million, as compared to $9.8 million for the same period in the prior year. Glacier's consolidated EBITDA margin, on an adjusted basis, decreased to 10.5% for the period from 14.0% compared to the same period in the prior year. Adjusted consolidated revenue declined 6.0% to $65.8 million for the period ended March 31, 2015.

The first and third quarters are seasonally weaker for the Company, so the decline in revenue had a larger percentage impact on profit in the quarter, compared to what is expected in the second quarter and the remainder of the year. A wide range of new revenue initiatives and focus on higher margin revenues, balanced with prudent cost management and restructuring efforts are expected to improve profitability over the remainder of the year.

Operating infrastructure and resource development investment continue to be made in both business information and community media, including rich information and digital media management, staff, information technology and related resources. These investments continue to balance prudent cost management while ensuring business sustainability.

For the period ended March 31, 2015, adjusted net income from continuing operations attributable to common shareholders before non-recurring items decreased to $0.4 million from $2.8 million for the same period in the prior year.

Adjusted cash flow from operations before non-recurring items decreased to $6.9 million from $9.2 million for the same period in the prior year.

The main factors affecting the comparability of the results for the quarter are detailed below under the IFRS Selected Financial Information.

Note:

(1) The adjusted consolidated financial results have been adjusted to include the Company's share of revenue, expenses, assets and liabilities from its joint venture operations on a proportionate accounting basis as this is the basis on which management bases its operating decisions and performance evaluation. IFRS does not allow for the inclusion of the joint ventures on a proportionate basis. These results include additional non-IFRS measures such as EBITDA, cash flow from operations and net income attributable to common shareholders before non-recurring items.

The adjusted results are not generally accepted measures of financial performance under IFRS. The Company's method of calculating these financial performance measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies. Please refer to the **Reconciliation of Adjusted Results** for a reconciliation of these non-IFRS measures and adjusted results. Management reports its results adjusted to include its share of its joint ventures in the MD&A under the heading **Adjusted Operational Performance**. Management reports its results adjusted to include its share of its joint ventures and to be presented before discontinued operations in the President's Message.

First Quarter IFRS Results and Overview of Operating Performance

Selected Financial Information

The following outlines selected financial statistics and performance measures for Glacier, on an IFRS basis (other than the non-IFRS measures noted) for the period ended March 31, 2015 and 2014. The 2014 results have been presented excluding discontinued operations in accordance with IFRS.

(thousands of dollars)	Three months ended March 31,			
except share and per share amounts		2015		2014 [3]
Revenue	$	56,073	$	60,291
Gross profit [2]	$	16,050	$	18,661
Gross margin		28.6%		31.0%
EBITDA [1]	$	3,473	$	6,675
EBITDA margin [1]		6.2%		11.1%
EBITDA per share [1]	$	0.04	$	0.07
Interest expense, net	$	955	$	1,182
Net income from continuing operations attributable to common shareholders before non-recurring items [1]	$	112	$	2,759
Net income from continuing operations attributable to common shareholders before non-recurring items per share[1]	$	0.00	$	0.03
Net income from continuing operations attributable to common shareholders	$	3,663	$	2,403
Net income from continuing operations attributable to common shareholders per share	$	0.04	$	0.03
Net income attributable to common shareholders before non-recurring items [1][3]	$	112	$	1,893
Net income attributable to common shareholder before non-recurring items per share [1][3]	$	0.00	$	0.02
Net income attributable to common shareholders [3]	$	3,663	$	1,537
Net income attributable to common shareholders per share [3]	$	0.04	$	0.02
Cash flow from operations [1]	$	3,821	$	6,312
Cash flow from operations per share [1]	$	0.04	$	0.07
Capital expenditures	$	1,898	$	757
Total assets	$	472,396	$	508,043
Total non-current financial liabilities	$	74,678	$	94,623
Debt net of cash outstanding before deferred financing charges and other expenses	$	75,235	$	94,000
Equity attributable to common shareholders	$	274,743	$	281,042
Dividends paid	$	1,781	$	1,781
Dividends paid per share	$	0.02	$	0.02
Weighted average shares outstanding, net		89,083,105		89,083,105

Notes:

(1) Refer to "Non-IFRS Measures" and "EBITDA and Cash Flow from Operations Reconciliation" and "Net Income Attributable to Common Shareholders Before Non-Recurring Items and Net Income from Continuing Operations Attributable to Common Shareholders before Non-Recurring Items Reconciliation" section for calculation of non-IFRS measures used in this table.

(2) Gross profit for these purposes excludes depreciation and amortization.

(3) 2014 has been presented with certain assets as discontinued operations.

The main factors affecting the comparability of the results for the quarter:

- Operating performance of the Company's various business units and general market conditions during the reported years;

- Decreased revenues due to the weaker community media industry, the cyclical nature of certain of Glacier's businesses, including the falling price of oil and the softness in the mining industry;

- Restructuring expenses including severance payments and transition and transition costs for acquisitions and dispositions;
- The Company recognized a $4.8 million settlement gain on pension and post-retirement benefits in the first quarter of 2015; and
- A $0.9 million loss from discontinued operations (net of tax) recorded in the first quarter of 2014.

Revenue

Glacier's consolidated revenue for the period ended March 31, 2015 was $56.1 million compared to $60.3 million the same period in the prior year.

Community Media and Trade Information

The community media and trade information group generated $53.2 million of revenue for the year ended March 31, 2015, as compared to $57.7 million for the same period in the prior year. The decrease in revenue during the period compared to the same period in the prior year was due to softer revenues in the Company's community media operations, as well as softness in certain trade information sectors. The first and third quarters are seasonally weaker.

A wide range of new revenue initiatives and focus on higher margin revenues resulted in incremental sales that helped to partially offset some of the factors described.

Glacier's community media operations continued to experience softness due to increased digital competition, as well as softer economic conditions in some of the markets in which the Company's operations are located. National advertising, in particular, continues to be affected by the shift to digital advertising. A wide array of sales initiatives are being pursued to find new sources of community media revenue. In particular, digital media initiatives resulted in growth in digital community media revenues and new features and supplements initiatives contributed to local revenue performance.

The Company's trade information operations were impacted by the downturn in the oil & gas sector and the softness in the mining industry. Concerted efforts to grow the Company's business information revenues through its Evolve, Enrich and Extend strategy are proving successful, and resulting in continued growth in certain sectors.

Business and Professional Information

The business and professional information group, which includes ERIS, STP and Inceptus Media, generated revenues of $2.9 million for the period ended March 31, 2015, as compared to $2.6 million in the same period in the prior year. ERIS, the Company's environmental risk information business, continues to generate strong growth in revenues, especially in the US markets.

Gross Profit

Glacier's consolidated gross profit, being revenues less direct expenses, for the period ended March 31, 2015 was $16.1 million compared to $18.7 million for the same period in the prior year. The decrease in gross profit is largely attributable to the decrease in revenues.

Gross profit as a percentage of revenues ("gross profit margin") for the period ended March 31, 2015 was 28.6% as compared to 31.0% for the same period in the prior year.

General & Administrative Expenses

Glacier's consolidated general and administrative expenses were $12.6 million for the period ended March 31, 2015 as compared to $12.0 million for the same period in the prior year. The increase primarily relates to operating infrastructure investment made in staff, digital media management and information technology and related resources.

EBITDA

EBITDA was $3.5 million for the period ended March 31, 2015 as compared to $6.7 million for the same period in the prior year. The results are due to the various reasons stated under **Revenue, Gross Profit** and **General & Administrative Expenses**.

Net Interest Expense

Glacier's consolidated net interest expense for the period ended March 31, 2015 was $1.0 million as compared to $1.2 million for the same period in the prior year, a decrease of $0.2 million. The decrease was primarily the result of debt repayments made throughout 2014 and into 2015.

Depreciation and Amortization

During the period ended March 31, 2015, depreciation of property, plant and equipment and amortization of intangible and other assets increased by $0.1 million due the additions in 2014, which was partially offset by the impairment of finite life intangible assets taken in 2014.

Settlement gain on pension and post-retirement benefits

During the period ended March 31, 2015, the Company recognized a $4.8 million non-cash settlement gain on pension and post-retirement benefits as a number of employees left the Company's pension and post-retirement benefit plan, as a result of the sale of certain of its trade media publications and related assets located in Toronto.

Other Expenses

Other expenses for the period ended March 31, 2015 were $1.2 million compared to $0.7 million for the same period in the prior year. Other expenses include restructuring costs, transaction and transition costs, foreign exchange and loss on disposal of assets. The majority of the expenses related to transaction costs relating to the acquisition and disposition of certain community media and trade information assets during the quarter ended March 31, 2015.

Share of Earnings from Joint Ventures and Associates

Share of earnings from joint ventures and associates, which include the Company's share of Continental Newspapers Ltd. ("Continental"), certain assets acquired from Postmedia, InfoMine Inc. ("InfoMine"), Great West Newspapers Limited Partnership ("GWNLP"), Fundata Canada Inc. ("Fundata"), Rhode Island Suburban Newspapers, Inc. ("RISN") and other joint ventures and associates, increased $0.3 million as compared to the same period in the prior year. Continental recorded an impairment loss of $1.8 million, of which $0.5 million was Glacier's share. Fundata continues to generate strong growth in earnings from its various mutual fund related products and market position. GWNLP's results continue to be strong, in part due to the new revenue generated from the Edmonton Journal printing contract. RISN's results benefited from the foreign exchange on the US generated revenue.

Certain of the assets acquired from Postmedia were sold in March 2015 for proceeds of $6.0 million in the associate entity. Glacier's share of the loss recorded on the sale was $0.1 million. The proceeds from this sale were used to pay down debt in the associate.

Aggregate operating results for the Company's joint ventures and associates, at the Company's proportionate share of the results, are as follows:

	As at	
(thousands of dollars)	**March 31, 2015**	December 31, 2014
	$	$
Assets	**107,180**	113,721
Liabilities	**42,942**	50,096
Net assets	**64,237**	63,625
	For the three months ended March 31,	
	2015	2014
	$	$
Revenues	**17,896**	19,402
Net income for the year	**2,457**	2,108
Other comprehensive (loss) income	**(239)**	135

Net Income Attributable to Common Shareholders

Net income attributable to common shareholders increased by $2.1 million compared to the prior year. The increase resulted from i) lower interest expense of $0.2 million, ii) a settlement gain on pension and post-retirement benefits of $4.8 million, iii) increased share of earnings from joint ventures and associates of $0.3 million, iv) a prior year loss from discontinued operations (net of tax) of $0.9 million and v) lower non-controlling interest of $0.2 million. The increase was partially offset by i) decreased operating results of $3.2 million, ii) increased depreciation and amortization of $0.1 million, iii) lower other income of $0.5 million and iv) higher other expenses of $0.5 million.

Cash Flow from Operations

Glacier's consolidated cash flow from operations was $3.8 million (before changes in non-cash operating accounts and non-recurring items) for the period ended March 31, 2015 as compared to $6.3 million for the same period in the prior year. The change in cash flow from operations resulted from the factors stated under **Revenue**, **Gross Profit**, **General & Administrative Expenses** and **EBITDA**.

Capital expenditures were $1.9 million for the period ended March 31, 2015 compared to $0.8 million for the same period in the prior year. The majority of the on-going current period expenditures relate to program development, IT infrastructure, building improvements and other sustaining capital expenditures.

See "**Summary of Financial Position, Financial Requirements and Liquidity**" for further details.

Related Party Transactions

During the period ended March 31, 2015, the Company and its affiliates recorded administration, consulting, interest and other expenses of $0.2 million (2014: $0.3 million) from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company. Madison provides strategic, financial, transactional advisory services and administrative services to the Company on an ongoing basis. These services have been provided with the intention of maintaining an efficient and cost effective corporate overhead structure, instead of i) hiring more full-time corporate and administrative staff and thereby increasing fixed overhead costs and ii) retaining outside professional advisory firms on a more extensive basis.

These services were provided in the normal course of operations and were measured at amount of consideration established and agreed to by the related parties. In addition, Madison was required to be the guarantor of a loan relating to the acquisition of interests in certain community newspapers in 2007.

Contingency

In October 2014, an affiliate of the Company (the "affiliate") received, from the Canada Revenue Agency ("CRA"), tax notices of reassessment relating to the taxation years ended December 31, 2008 through 2013 inclusive. The potential for these reassessments has been anticipated for over a year and has been previously disclosed. The reassessments deny the application of non-capital losses, capital losses and scientific research and experimental development ("SR&ED") tax credits claimed for those years.

According to the notices of reassessment received, taxable income for the period 2008 to 2013 will increase in the amount of $122.8 million. In addition, the CRA proposes to deny unused SR&ED tax credits of $25.4 million and unused investment tax credits of $5.9 million. As a result of the increases in taxable income, additional taxes payable for the reassessed years, including interest and penalties would be approximately $45 million.

In January 2015, the affiliate filed a notice of objection to the CRA. In connection with filing the notice of objection, the affiliate paid 50% of the amounts claimed by the CRA as assessed. The affiliate paid $4.5 million of this balance in December 2014 and $15.3 million in January 2015. Additional amounts may be due at a later date. These payments have been recorded as other assets, within non-current assets, as the Company and its affiliate expect to ultimately be successful in its objection.

In April 2015, the affiliate received reassessment notices for 2008 to 2012 from the Government of Alberta totalling $4.1 million including penalties and interest. The affiliate intends to file a notice of objection to the Government of Alberta consistent with its CRA objection filed in January 2015. No amounts are due in conjunction with filing the notice of objection in Alberta.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate are appropriate and in accordance with the law. The affiliate intends to vigorously defend such positions.

The Company and the affiliate have not recorded a liability in their respective consolidated financial statements for the remaining 50% of reassessed taxes payable, that are not required to be paid on objection, as described above, nor have they adjusted the carrying value of deferred tax assets recorded for unused carry-forward amounts.

If the affiliate is successful in defending its positions, the deposits made plus applicable interest will be refunded to the affiliate. There is no assurance that the affiliate's objections and appeals will be successful. If the CRA and the Government of Alberta are successful, the affiliate will be required to pay the remaining 50% balance of federal taxes owing plus applicable interest, the amount due to the Government of Alberta plus applicable interest, and will be required to write-off any remaining tax assets relating to the reassessed amounts.

Summary of Selected Quarterly IFRS Results

The following outlines the significant financial performance measures for Glacier for the last eight quarters:

(thousands of dollars) except share and per share amounts	Trailing 12 Months	Q1 2015	Q4 2014	Q3 2014	Q2 2014
Revenue	$ 243,653	$ 56,073	$ 64,497	$ 55,986	$ 67,097
EBITDA [(1)]	$ 25,881	$ 3,473	$ 8,679	$ 3,656	$ 10,073
EBITDA margin [(1)]	10.6%	6.2%	13.5%	6.5%	15.0%
EBITDA per share [(1)]	$ 0.29	$ 0.04	$ 0.10	$ 0.04	$ 0.11
Interest expense, net	$ 4,284	$ 955	$ 1,132	$ 1,012	$ 1,185
Net income from continuing operations attributable to common shareholders before non-recurring items [(1)]	$ 13,065	$ 112	$ 6,537	$ 1,027	$ 5,389
Net income from continuing operations attributable to common shareholders before non-recurring items per share[(1)]	$ 0.15	$ 0.00	$ 0.07	$ 0.01	$ 0.06
Net income (loss) from continuing operations attributable to commons shareholders	$ 6,567	$ 3,663	$ (2,851)	$ 1,686	$ 4,069
Net income (loss) from continuing operations attributable to commons shareholders per share	$ 0.07	$ 0.04	$ (0.03)	$ 0.02	$ 0.05
Net income attributable to common shareholders before non-recurring items [(1)]	$ 17,653	$ 112	$ 10,436	$ 1,351	$ 5,754
Net income attributable to common shareholders before non-recurring items per share [(1)]	$ 0.20	$ 0.00	$ 0.12	$ 0.02	$ 0.06
Net income (loss) attributable to common shareholders	$ 1,876	$ 3,663	$ (8,222)	$ 2,001	$ 4,434
Net income (loss) attributable to common shareholders per share	$ 0.02	$ 0.04	$ (0.09)	$ 0.02	$ 0.05
Cash flow from operations [(1)]	$ 28,539	$ 3,821	$ 8,841	$ 4,513	$ 11,364
Cash flow from operations per share [(1)]	$ 0.32	$ 0.04	$ 0.10	$ 0.05	$ 0.13
Capital expenditures	$ 6,190	$ 1,898	$ 2,737	$ 753	$ 802
Debt net of cash outstanding before deferred financing charges and other expenses	$ 75,235	$ 75,235	$ 75,023	$ 79,814	$ 87,589
Equity attributable to common shareholders	$ 274,743	$ 274,743	$ 273,349	$ 282,156	$ 284,070
Weighted average shares outstanding, net	89,083,105	89,083,105	89,083,105	89,083,105	89,083,105

	Trailing 12 Months	Q1 2014	Q4 2013	Q3 2013	Q2 2013
Revenue	$ 258,668	$ 60,291	$ 67,241	$ 59,896	$ 71,240
EBITDA [(1)]	$ 32,219	$ 6,675	$ 9,335	$ 5,543	$ 10,666
EBITDA margin [(1)]	12.5%	11.1%	13.9%	9.3%	15.0%
EBITDA per share [(1)]	$ 0.36	$ 0.07	$ 0.10	$ 0.06	$ 0.12
Interest expense, net	$ 5,470	$ 1,182	$ 1,380	$ 1,440	$ 1,468
Net income from continuing operations attributable to common shareholders before non-recurring items [(1)]	$ 21,992	$ 2,759	$ 15,407	$ 1,289	$ 2,537
Net income from continuing operations attributable to common shareholders before non-recurring items per share[(1)]	$ 0.25	$ 0.03	$ 0.17	$ 0.01	$ 0.03
Net income (loss) from continuing operations attributable to commons shareholders	$ (57,607)	$ 2,403	$ (60,330)	$ (1,164)	$ 1,484
Net income (loss) from continuing operations attributable to commons shareholders per share	$ (0.65)	$ 0.03	$ (0.68)	$ (0.01)	$ 0.02
Net income attributable to common shareholders before non-recurring items [(1)]	$ 21,784	$ 1,893	$ 16,202	$ 1,080	$ 2,609
Net income attributable to common shareholders before non-recurring items per share [(1)]	$ 0.24	$ 0.02	$ 0.18	$ 0.01	$ 0.03
Net income (loss) attributable to common shareholders	$ (62,948)	$ 1,537	$ (64,340)	$ (1,531)	$ 1,386
Net income (loss) attributable to common shareholders per share	$ (0.71)	$ 0.02	$ (0.72)	$ (0.02)	$ 0.02
Cash flow from operations [(1)]	$ 34,319	$ 6,312	$ 13,351	$ 4,635	$ 10,021
Cash flow from operations per share [(1)]	$ 0.39	$ 0.07	$ 0.15	$ 0.05	$ 0.11
Capital expenditures	$ 11,363	$ 757	$ 1,315	$ 1,234	$ 8,057
Debt net of cash outstanding before deferred financing charges and other expenses	$ 94,000	$ 94,000	$ 94,723	$ 109,482	$ 118,148
Equity attributable to common shareholders	$ 281,042	$ 281,042	$ 282,951	$ 348,152	$ 349,843
Weighted average shares outstanding, net	89,120,803	89,083,105	89,083,105	89,083,105	89,234,311

Notes:
(1) Refer to "Non-IFRS Measures" and "EBITDA and Cash Flow from Operations Reconciliation" and "Net Income Attributable to Common Shareholders Before Non-Recurring Items and Net Income from Continuing Operations Attributable to Common Shareholders before Non-Recurring Items Reconciliation" section for calculation of non-IFRS measures used in this table.

The main factors affecting comparability of results over the last eight quarters are:

- Operating performance of the Company's various business units and general market conditions during the reported periods;

- The acquisitions and dispositions made throughout the last eight quarters;
- Quarterly fluctuations in restructuring and transaction and transition expenses;
- A $4.8 million settlement gain on pension and post-retirement benefits in the first quarter of 2015;
- A goodwill, intangible asset, investments in joint ventures and associates and other investments impairment charge of $11.0 million in the fourth quarter of 2014 and $74.4 million in the fourth quarter of 2013;
- Goodwill and intangible asset impairments in certain joint ventures and associates included in share of earnings from joint ventures and associates in the fourth quarter of 2014 and 2013;
- A $12.6 million deferred income tax recovery that had the effect of increasing net income attributable to common shareholders before non-recurring items in the fourth quarter of 2013;
- A gain on sale of the Kamloops land and building of $1.8 million in the third quarter of 2014; and
- The cyclical nature of certain of Glacier's businesses.

EBITDA and Cash Flow from Operations Reconciliation

The following table reconciles the Company's net income attributable to common shareholders as reported under IFRS to EBITDA and cash flow from operations.

(thousands of dollars)	Three months ended March 31,	
except share and per share amounts	**2015**	2014
EBITDA [1]		
Net (loss) income attributable to common shareholders	**$ 3,663**	$ 1,537
Add (deduct):		
Non-controlling interest	**$ 886**	$ 1,060
Net loss from discontinued operations (net of tax)	**$ -**	$ 866
Net interest expense	**$ 955**	$ 1,182
Depreciation of property, plant and equipment	**$ 1,347**	$ 1,287
Amortization of intangible assets	**$ 1,780**	$ 1,741
Settlement gain on pension and post-retirement benefits	**$ (4,843)**	$ -
Other income	**$ (62)**	$ (565)
Other expenses	**$ 1,168**	$ 703
Share of earnings from joint ventures and associates	**$ (2,191)**	$ (1,860)
Income tax expense	**$ 770**	$ 724
EBITDA [1]	**$ 3,473**	$ 6,675
Cash flow from operations [1]		
Net (loss) income attributable to common shareholders	**$ 3,663**	$ 1,537
Add (deduct):		
Non-controlling interest	**$ 886**	$ 1,060
Depreciation of property, plant and equipment	**$ 1,347**	$ 1,436
Amortization of intangible assets	**$ 1,780**	$ 1,954
Employee future benefit expense in excess of employer contributions	**$ 168**	$ 88
Deferred income taxes	**$ 770**	$ 420
Interest expense	**$ 996**	$ 1,231
Share of earnings from joint ventures and associates	**$ (2,191)**	$ (1,860)
Settlement gain on pension and post-retirement benefits	**$ (4,843)**	$ -
Other non-cash (income) expense	**$ (7)**	$ 117
Other income	**$ -**	$ (500)
Restructuring costs	**$ 196**	$ 760
Transaction and transition costs	**$ 1,056**	$ 69
Cash flow from operations [1]	**$ 3,821**	$ 6,312

Notes:
[1] Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.

Net Income Attributable to Common Shareholders before Non-Recurring Items and Net Income from Continuing Operations Attributable to Common Shareholders before Non-Recurring Items Reconciliation with Per Share Amounts

The following table reconciles the Company's net income attributable to common shareholders as reported under IFRS to net income attributable to common shareholders before non-recurring items and net income from continuing operations before non-recurring items.

(thousands of dollars)	**Three months ended March 31,**			
except share and per share amounts		**2015**		2014
Net income attributable to common shareholders before non-recurring items [1]				
Net (loss) income attributable to common shareholders	**$**	**3,663**	$	1,537
Add (deduct):				
Other expenses	**$**	**40**	$	27
Settlement gain on pension and post-retirement benefits	**$**	**(4,843)**	$	-
Other income	**$**	**-**	$	(500)
Restructuring costs	**$**	**196**	$	760
Transaction and transition costs	**$**	**1,056**	$	69
Net income attributable to common shareholders before non-recurring items [1]	**$**	**112**	$	1,893
Net loss from discontinued operations (net of tax)	**$**	**-**	$	866
Net income from continuing operations attributable to common shareholders before non-recurring items [1]	**$**	**112**	$	2,759
Weighted average shares outstanding, net		**89,083,105**		89,083,105
Net income attributable to common shareholders per share	**$**	**0.04**	$	0.02
EBITDA per share [1]	**$**	**0.04**	$	0.07
Cash flow from operations before non-recurring items per share [1]	**$**	**0.04**	$	0.07
Net income attributable to common shareholders before non-recurring items per share [1]	**$**	**0.00**	$	0.02
Net income from continuing operations attributable to common shareholders before non-recurring items per share[1]	**$**	**0.00**	$	0.03

Notes:
[1] Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.

Summary of Financial Position, Financial Requirements and Liquidity

Glacier generates sufficient cash flow from operations to meet anticipated working capital, capital expenditures, and debt service requirements.

As at March 31, 2015, Glacier had consolidated cash and cash equivalents of $4.6 million, current and long-term debt of $79.8 million before adjustment for deferred financing fees attributable directly to the issuance of long-term debt, and working capital of $22.2 million excluding deferred revenue. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to quarterly updates, renewals and newspaper subscriptions that have been paid for by subscribers but not yet delivered; the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities.

Capital expenditures were $1.9 million for the period ended March 31, 2015 compared to $0.8 million for the same period in the prior year. The majority of the on-going current period expenditures relate to program development, IT infrastructure, building improvements and other sustaining capital expenditures.

Changes in Financial Position

(thousands of dollars)	For the three months ended March 31, **2015**	2014
Cash generated from (used in)		
Operating activities	**1,852**	2,145
Investing activities	**954**	2,074
Financing activities	**(6,448)**	(5,190)
Increase (decrease) in cash	**(3,642)**	(971)

The changes in the components of cash flows during the first quarter of 2015 and 2014 are detailed in the consolidated statements of cash flows of the financial statements. The more significant changes are discussed below.

Operating Activities

Glacier generated cash from operations before non-recurring items and changes in non-cash operating accounts of $3.8 million compared to $6.3 million for the same period in the prior year as a result of the factors stated under **Revenue**, **Gross Profit**, **General & Administrative Expenses** and **EBITDA**. Cash flows from operations before non-recurring items and after change in non-cash working capital was $3.1 million compared to $2.5 million for the same period in the prior year.

Investing Activities

Cash generated by investing activities totalled $1.0 million for the period ended March 31, 2015 compared to $2.1 million for the same period in the prior year. Investing activities included $1.9 million of capital expenditures, distributions received of $2.2 million, $19.9 million proceeds received from disposal of assets, deposits paid to the CRA relating to the tax reassessment of $15.3 million, repurchase of non-controlling interest of $0.4 million, acquisitions of $3.0 million and $0.5 million other investing activities.

Financing Activities

Cash used for financing activities was $6.4 million for the period ended March 31, 2015 compared to $5.2 million for the same period in the prior year. The Company made net debt repayments of $3.4 million for the period ended March 31, 2015 compared to $1.7 million for the same period in the prior year. In the period ended March 31, 2015, the Company distributed $0.3 million to its minority partners (non-controlling interests), paid $0.9 million in interest and $1.8 million of dividends.

Outstanding Share Data

As at March 31, 2015 and May 14, 2015, there were 89,083,105 common shares and 1,115,000 share purchase warrants outstanding.

The warrants outstanding allow the holder to purchase one common share per warrant at $4.48 per share. The warrants expire on June 28, 2019, unless extended.

Contractual Agreements

As at March 31, 2015, the Company has agreements with a syndicate of major Canadian banks whereby the lenders provide a revolving loan facility with no required principal repayments during its term. The Company also has additional long-term debt with a major international bank which is held by ANGLP and is non-recourse to the Company.

The Company has also entered into operating leases for premises and office equipment, which expire on various dates up to 2024.

In summary, the Company's contractual obligations due over the next five calendar years are as follows:

(thousands of dollars)	Total	2015	2016	2017	2018	2018	Thereafter
Long-term debt	79,313	5,053	73,609	79	83	88	401
Operating leases	28,918	4,952	5,307	4,663	3,960	3,275	6,761
	108,231	10,005	78,916	4,742	4,043	3,363	7,162

Under various financing arrangements with its banks, the Company, its subsidiaries, and its affiliates are required to meet certain covenants. The Company, its subsidiaries, and its affiliates were fully in compliance with these covenants at March 31, 2015 and March 31, 2014.

Financial Instruments

The Company's activities result in exposure to a variety of financial risks, including risks relating to foreign exchange, credit, interest rate, and liquidity risk.

A small portion of the Company's products are sold at prices denominated in U.S. dollars or based on prevailing U.S. dollar prices while the majority of its operational costs and expenses are incurred in Canadian dollars. An increase in the value of the Canadian dollar relative to the U.S. dollar reduces the revenue in Canadian dollar terms realized by the Company from sales made in U.S. dollars. The Company also has investments in self-sustaining operations in the United States, whose earnings are exposed to foreign exchange risk.

The Company has, in the past, hedged a portion of its foreign exchange exposure with financial forward contracts. As at March 31, 2015 and 2014, the Company did not have any foreign exchange forward contracts.

The Company sells its products and services to a variety of customers under various payment terms and therefore is exposed to credit risks from its trade receivables from customers. The Company has adopted policies and procedures designed to limit these risks. The carrying amounts for trade receivables are net of applicable allowances for doubtful accounts, which are estimated based on past experience, specific risks associated with the customer and other relevant information. The Company is protected against any concentration of credit risk through its products, broad clientele and geographic diversity.

The Company's interest rate risk mainly arises from the interest rate impact on cash and floating rate debt. The Company actively manages its interest rate risk through ongoing monitoring of market interest rates and the overall economic situation. In the past, the Company had entered into five year amortizing interest rate swap contracts with fixed interest rates and variable acceptance fees.

The Company is exposed to liquidity risk with respect to trade payables, long-term debt, derivatives and contractual obligations. The Company manages liquidity by maintaining adequate cash balances and by having appropriate lines of credit available. In addition, the Company continuously monitors and reviews both actual and forecasted cash flows. Management believes that future cash flows from operations and the availability under existing banking arrangements will be adequate to support its financial liabilities.

The carrying value of certain financial instruments maturing in the short-term approximates their fair value. These financial instruments include cash and cash equivalents, trade and other receivables, trade payables, dividends payable, and other current liabilities. The fair value of the other financial instruments is determined essentially by discounting cash flows or quoted market prices. The fair values calculated approximate the amounts for which the financial instruments could be settled between consenting parties, based on current market data for similar instruments. Consequently, as estimates must be used to determine fair value, they must not be interpreted as being realizable in the event of an immediate settlement of the instruments. For fair value estimates relating to derivatives and available-for-sale securities, the Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements. The fair value of all of the Company's available for sale financial instruments was determined using quoted prices in active markets.

Business Environment and Risks

A comprehensive discussion of Risks and Uncertainties was included in the 2014 Annual Report and can be found on SEDAR.

Disclosure Controls and Internal Controls over Financial Reporting

The Company has established disclosure controls and procedures to ensure that the information disclosed in this MD&A and the related financial statements was properly recorded, processed, summarized and reported to the Audit Committee and the Board.

The Company did not make any changes to its internal controls over financial reporting ("ICFR") during the most recent period ended March 31, 2015 which materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Future Accounting Policies

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers, which will supersede IAS 18. The new standard is effective for annual periods beginning on or after January 1, 2017. The Company is still in the process of assessing the impact, if any, on the financial statements of this new standard.

In July 2014, the IASB issued IFRS 9, Financial Instruments, which addresses classification and measurement of financial assets. The news standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is in the process of assessing the impact, if any, on the financial statements of this new standard.

Critical Accounting Estimates

The preparation of the annual consolidated financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts recorded in the consolidated financial statements. Management regularly reviews these estimates, including those related to useful lives for depreciation and amortization, impairment of long-lived assets, certain trade receivables, pension and other employee future benefit plans based on currently available information. While it is reasonably possible that circumstances may arise which cause actual results to differ from these estimates, management does not believe it is likely that any such differences will materially affect Glacier's financial position.

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
Three months ended March 31, 2015 and 2014

(Expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

	Three months ended March 31, 2015	2014
	$	$
Revenue	**56,073**	60,291
Expenses before depreciation and amortization		
Direct expenses (Note 14)	**40,023**	41,630
General and administrative (Note 14)	**12,577**	11,986
	3,473	6,675
Interest expense, net (Note 15)	**955**	1,182
Depreciation of property, plant and equipment	**1,347**	1,287
Amortization of intangible assets	**1,780**	1,741
Settlement gain on pension and post-retirement benefits (Note 16)	**(4,843)**	-
Other income	**(62)**	(565)
Other expenses (net) (Note 17)	**1,168**	703
Share of earnings from joint ventures and associates (Note 8)	**(2,191)**	(1,860)
Net income before income taxes	**5,319**	4,187
Income tax expense (Notes 13 and 20)	**770**	724
Net income from continuing operations after tax	**4,549**	3,463
Net loss from discontinued operations (net of tax) (Note 7)	**-**	(866)
Net income for the period	**4,549**	2,597
Net income from continuing operations attributable to:		
Common shareholders	**3,663**	2,403
Non-controlling interest	**886**	1,060
Net income attributable to:		
Common shareholders	**3,663**	1,537
Non-controlling interest	**886**	1,060
Earnings from continuing operations attributable to common shareholders per share		
Basic and diluted	**0.04**	0.03
Loss from discontinued operations attributable to common shareholders per share		
Basic and diluted	**-**	(0.01)
Earnings per share attributable to common shareholders per share		
Basic and diluted	**0.04**	0.02
Weighted average number of common shares		
Basic and diluted	**89,083,105**	89,083,105

See accompanying notes to these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Three months ended March 31, 2015 and 2014

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended March 31,	
	2015	2014
	$	$
Net income for the period	**4,549**	2,597
Other comprehensive (loss) income (net of tax) (Note 12)		
Actuarial loss on defined benefit pension plans [1]	**(287)**	(1,828)
Unrealized loss on investments classified as available-for-sale [2]	**-**	(28)
Currency translation adjustment [2]	**22**	-
Share of other comprehensive (loss) income from joint ventures and associates (Note 8)	**(239)**	135
Other comprehensive loss (net of tax)	**(504)**	(1,721)
Total comprehensive income	**4,045**	876
Total comprehensive income (loss) attributable to:		
Common shareholders	**3,175**	(128)
Non-controlling interest	**870**	1,004

[1] Recorded directly in retained earnings.
[2] Recycles through the consolidated statement of operations in current and future periods.

See accompanying notes to these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEETS
As at March 31, 2015 and 2014

(Expressed in thousands of Canadian dollars)
(Unaudited)

	March 31, 2015	December 31, 2014
	$	$
Assets		
Current assets		
Cash and cash equivalents	**4,550**	8,192
Trade and other receivables	**46,730**	49,403
Inventory	**6,773**	5,342
Prepaid expenses	**1,777**	2,096
Assets held for sale (Note 7)	**-**	24,471
	59,830	89,504
Non-current assets		
Investments in joint ventures and associates (Note 8)	**102,589**	102,764
Other investments	**526**	526
Other assets (Note 20)	**21,695**	6,459
Property, plant and equipment (Note 9)	**42,039**	42,529
Intangible assets (Note 10)	**81,171**	79,131
Goodwill	**164,546**	164,270
Total assets	**472,396**	485,183
Liabilities		
Current liabilities		
Trade and other payables	**26,814**	30,737
Dividends payable	**1,781**	1,781
Deferred revenue	**16,294**	14,246
Current portion of long-term debt (Note 11)	**6,738**	9,738
Other current liabilities	**2,257**	3,225
Liabilities held for sale (Note 7)	**-**	4,821
	53,884	64,548
Non-current liabilities		
Non-current portion of deferred revenue	**1,712**	1,639
Other non-current liabilities	**2,103**	2,133
Post-employment benefit obligations	**2,980**	7,268
Long-term debt (Note 11)	**72,575**	72,926
Deferred income taxes	**13,553**	12,608
Total liabilities	**146,807**	161,122
Equity		
Share capital	**198,605**	198,605
Contributed surplus	**8,951**	8,951
Accumulated other comprehensive loss (Note 12)	**(101)**	(122)
Retained earnings	**67,288**	65,915
Total equity attributable to common shareholders	**274,743**	273,349
Non-controlling interest	**50,846**	50,712
Total equity	**325,589**	324,061
Total liabilities and equity	**472,396**	485,183

See accompanying notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Three months ended March 31, 2015 and 2014

(Expressed in thousands of Canadian dollars, except share amounts)
(Unaudited)

	Attributable to common shareholders							
	Share capital		Contributed	Accumulated other comprehensive	Retained		Non-controlling	Total
	Shares	Amount	surplus	loss	earnings	Total	interest	equity
		$	$	$	$	$	$	$
Balance, December 31, 2014	89,083,105	198,605	8,951	(122)	65,915	273,349	50,712	324,061
Net income for the period	-	-	-	-	3,663	3,663	886	4,549
Other comprehensive (loss) income (net of tax)	-	-	-	21	(509)	(488)	(16)	(504)
Total comprehensive income (loss) for the period	-	-	-	21	3,154	3,175	870	4,045
Dividends declared on common shares	-	-	-	-	(1,781)	(1,781)	-	(1,781)
Distributions to non-controlling interests	-	-	-	-	-	-	(736)	(736)
Balance, March 31, 2015	**89,083,105**	**198,605**	**8,951**	**(101)**	**67,288**	**274,743**	**50,846**	**325,589**
Balance, December 31, 2013	89,083,105	198,605	8,951	(927)	76,322	282,951	49,805	332,756
Net income for the period	-	-	-	-	1,537	1,537	1,060	2,597
Other comprehensive loss (net of tax)	-	-	-	(27)	(1,638)	(1,665)	(56)	(1,721)
Total comprehensive income (loss) for the period	-	-	-	(27)	(101)	(128)	1,004	876
Dividends declared on common shares	-	-	-	-	(1,781)	(1,781)	-	(1,781)
Distributions to non-controlling interests	-	-	-	-	-	-	(810)	(810)
Balance, March 31, 2014	89,083,105	198,605	8,951	(954)	74,440	281,042	49,999	331,041

See accompanying notes to these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Three months ended March 31, 2015 and 2014

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

	Three months ended March 31, 2015	2014
	$	$
Operating activities		
Net income (loss)	**4,549**	2,597
Items not affecting cash		
Depreciation of property, plant and equipment	**1,347**	1,436
Amortization of intangible assets	**1,780**	1,954
Settlement gain on pension and post-retirement benefits	**(4,843)**	-
Employee future benefit expense in excess of employer contributions	**168**	88
Deferred income taxes	**770**	420
Interest expense (Note 15)	**996**	1,231
Share of earnings from joint ventures and associates	**(2,191)**	(1,860)
Other non-cash (income) expense	**(7)**	117
Cash flow from operations before changes in non-cash operating accounts	**2,569**	5,983
Changes in non-cash operating accounts		
Trade and other receivables	**2,581**	2,499
Inventory	**(1,431)**	(1,725)
Prepaid expenses	**319**	631
Trade and other payables	**(4,307)**	(7,811)
Deferred revenue	**2,121**	2,568
Cash generated from operating activities	**1,852**	2,145
Investing activities		
Acquisitions, inclusive of bank indebtedness assumed and related financing liabilities	**(3,000)**	-
Investments in joint ventures and associates	**(89)**	-
Other investing activities	**(490)**	553
Proceeds from disposal of assets (Note 7)	**19,866**	-
Distributions received from joint ventures and associates	**2,216**	2,278
Repurchase of non-controlling interest	**(366)**	-
Deposits paid (Note 20)	**(15,285)**	-
Purchase of property, plant and equipment	**(1,120)**	(685)
Purchase of intangible assets	**(778)**	(72)
Cash generated from investing activities	**954**	2,074
Financing activities		
Proceeds from long-term debt	**18,250**	-
Distribution to non-controlling interests	**(320)**	(395)
Dividends paid	**(1,781)**	(1,781)
Interest paid	**(912)**	(1,318)
Repayment of long-term debt	**(21,685)**	(1,696)
Cash used in financing activities	**(6,448)**	(5,190)
Net cash generated from continuing operations	**(3,642)**	(971)
Cash and cash equivalents, beginning of period	**8,192**	6,970
Cash and cash equivalents, end of period	**4,550**	5,999

See accompanying notes to these interim consolidated financial statements

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

1. General business description

Glacier Media Inc. ("Glacier" or the "Company") is an information communications company providing primary and essential information and related services through print and digital media. Glacier is pursuing this strategy through its core business segments: the Community Media and Trade Information, and Business and Professional sectors.

The Company is incorporated under the Canada Business Corporations Act, with common shares listed on the Toronto Stock Exchange ("TSX"). The address of its head office is 2188 Yukon Street, Vancouver, British Columbia.

2. Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim consolidated financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2014, which have been prepared in accordance with IFRS as issued by the IASB.

These consolidated financial statements have been approved by the Board of Directors for issue on May 14, 2015.

3. Significant accounting policies

The principal accounting policies adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied to the consolidated financial statements for the year ended December 31, 2014. The policies applied are based on the International Financial Reporting Standards issued and outstanding as at the date the board of directors approved these consolidated financial statements.

4. New accounting standards

There are no new accounting standards that were applied for the period ended March 31, 2015.

5. Accounting standards issued but not yet applied

In May 2014, the IASB and the Financial Accounting Standards Board ("FASB") completed its joint project to clarify the principles for recognizing revenue and to develop a common revenue standard for IFRS and United States Generally Accepted Accounting Principles ("US GAAP"). As a result of the joint project, the IASB issued IFRS 15, Revenue from Contracts with Customers. IFRS 15 establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

IFRS 15 will be effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The Company is still in the process of assessing the impact, if any, on the financial statements of this new standard.

In July 2014, the IASB issued IFRS 9, Financial Instruments, which addresses classification and measurement of financial assets and replaces the multiple category and measurement models for debt instruments in IAS 39, Financial Instruments: Recognition and Measurement. Debt instruments will be measured with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

5. Accounting standards issued but not yet applied (continued)

The new standard also addresses financial liabilities which largely carries forward existing requirements in IAS 39, with the exception of fair value changes to credit risk for liabilities designated at fair value through profit and loss which are generally to be recorded in other comprehensive income. In addition, the new standard introduces a new hedge accounting model more closely aligned with risk management activities undertaken by entities.

The new standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is still in the process of assessing the impact, if any, on the financial statements of this new standard.

6. Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2014.

7. Acquisitions and dispositions

In March 2015, the Company completed the asset acquisition of certain community media assets. The total consideration for these assets was $4.3 million. The assets acquired included $1.1 million of mastheads and $3.2 million of customer relationships.

In March 2015, the Company completed the disposition of certain community media assets. The total consideration for these assets was $1.3 million.

In January 2015, the Company sold certain of its trade media publications and related assets located in Toronto for a sale price of $19.7 million. The assets included Glacier's automotive, construction & design, manufacturing, transportation, occupational health & safety, communications, dental, insurance, forestry, and meetings & travel trade publications and related digital assets, as well as Scott's Directories. These assets and liabilities were considered to be held for sale as at December 31, 2014 and the prior year results were presented as discontinued operations.

(thousands of dollars)	
	$
Assets	
Trade receivables	6,576
Prepaid assets	257
Property, plant and equipment	348
Intangible assets	17,290
	24,471
Liabilities	
Trade payables and accrued liabilities	(2,803)
Deferred revenues	(2,018)
	(4,821)
Proceeds on sale	19,650

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

8. Investments in joint ventures and associates

The Company's share of the joint ventures and associates consists of the following:

(thousands of dollars)	**As at and for the period ended March 31, 2015**	As at and for the year ended December 31, 2014
	$	$
Balance, beginning of year	**102,764**	108,539
Acquisition (derecognition) of investments in joint ventures and associates	**89**	(217)
Share of earnings for the year	**2,191**	8,107
Share of other comprehensive loss for the year (net of tax)	**(239)**	(831)
Distributions and dividends received and other equity movements	**(2,216)**	(9,393)
Impairment of investment in associate	**-**	(3,441)
Balance, end of year	**102,589**	102,764

9. Property, plant and equipment

		As at March 31, 2015	
(thousands of dollars)	**Cost**	**Accumulated depreciation**	**Carrying amount**
	$	**$**	**$**
Land	**5,379**	**-**	**5,379**
Buildings	**14,459**	**(2,347)**	**12,112**
Production equipment	**45,904**	**(27,621)**	**18,283**
Office equipment and leaseholds	**23,870**	**(17,605)**	**6,265**
	89,612	**(47,573)**	**42,039**

		As at December 31, 2014	
(thousands of dollars)	Cost	Accumulated depreciation	Carrying amount
	$	$	$
Land	5,463	-	5,463
Buildings	14,552	(2,252)	12,300
Production equipment	46,769	(27,925)	18,844
Office equipment and leaseholds	23,007	(17,085)	5,922
	89,791	(47,262)	42,529

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

10. Intangible assets

The Company has various intangible assets including customer relationships, subscription lists, mastheads, software, websites, copyrights and trademarks. Of these, certain mastheads and trademarks are considered to have an indefinite life and are therefore not amortized. Intangible assets are as follows:

			As at March 31, 2015
(thousands of dollars)	**Cost**	**Accumulated amortization**	**Carrying amount**
	$	**$**	**$**
Indefinite life			
Mastheads and trademarks	**47,399**	**-**	**47,399**
Finite life			
Copyrights	**10,199**	**(10,170)**	**29**
Customer relationships	**55,057**	**(27,067)**	**27,990**
Subscription lists	**3,851**	**(2,868)**	**983**
Software and websites	**19,938**	**(15,168)**	**4,770**
	136,444	**(55,273)**	**81,171**

			As at December 31, 2014
(thousands of dollars)	Cost	Accumulated amortization	Carrying amount
	$	$	$
Indefinite life			
Mastheads and trademarks	47,523	-	47,523
Finite life			
Copyrights	10,199	(10,169)	30
Customer relationships	51,885	(25,814)	26,071
Subscription lists	3,851	(2,829)	1,022
Software and websites	19,166	(14,681)	4,485
	132,624	(53,493)	79,131

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

11. Long-term debt

The Company has the following long-term debt outstanding:

(thousands of dollars)	**As at March 31, 2015**	As at December 31, 2014
	$	$
Current		
ANGLP non-recourse debt	**6,667**	6,667
Term bank loan	**-**	3,000
Mortgages and other loans	**71**	71
	6,738	9,738
Non-current		
Revolving bank loan	**68,500**	50,250
Term bank loan	**-**	17,000
ANGLP non-recourse debt	**3,808**	5,470
Mortgages and other loans	**739**	757
Deferred financing costs	**(472)**	(551)
	72,575	72,926
	79,313	82,664

Changes to the Company's debt obligation were as follows:

(thousands of dollars)	**As at and for the period ended March 31, 2015**	As at and for the year ended December 31, 2014
	$	$
Balance, beginning of period	**82,664**	101,388
Proceeds from additional borrowings	**18,250**	2,750
Financing charges	**84**	(211)
Repayment of debt	**(21,685)**	(21,263)
Balance, end of period	**79,313**	82,664

Under various financing arrangements with its banks, the Company is required to meet certain covenants. The Company was in compliance with these covenants at March 31, 2015 and 2014.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

12. Other comprehensive income (loss)

The components of other comprehensive income (loss) are as follows:

	Accumulated other comprehensive loss			Retained earnings			
(thousands of dollars)	Equity securities classified as available for sale	Cumulative translation adjustment	Total	Actuarial gains (losses) on defined benefit plans	Total	Non-controlling interest	Total comprehensive loss
	$	$	$	$	$	$	$
Balance, December 31, 2014	-	(122)	(122)	(2,638)	(2,638)	(85)	(2,845)
Actuarial loss on defined benefit plans	-	-	-	(278)	(278)	(9)	(287)
Cumulative translation adjustment	-	21	21	-	-	1	22
Share of other comprehensive loss from joint ventures and associates	-	-	-	(231)	(231)	(8)	(239)
Other comprehensive loss for the period			21		(509)	(16)	(504)
Balance, March 31, 2015	**-**	**(101)**	**(101)**	**(3,147)**	**(3,147)**	**(101)**	**(3,349)**
Balance, December 31, 2013	(805)	(122)	(927)	394	394	(25)	(558)
Actuarial loss on defined benefit plans	-	-	-	(1,769)	(1,769)	(59)	(1,828)
Unrealized loss on available-for-sale investments	(27)	-	(27)	-	-	(1)	(28)
Share of other comprehensive income from joint ventures and associates	-	-	-	131	131	4	135
Other comprehensive loss for the period			(27)		(1,638)	(56)	(1,721)
Balance, March 31, 2014	(832)	(122)	(954)	(1,244)	(1,244)	(81)	(2,279)

Other comprehensive (loss) income items that do not recycle through the consolidated statement of operations in future periods are recorded directly in retained earnings.

Other comprehensive (loss) income items are reported net of the following tax effects:

	For the three months ended March 31,	
(thousands of dollars)	**2015**	2014
	$	$
Income tax effect of:		
Actuarial loss on defined benefit plans	**101**	666
Unrealized loss on available-for-sale investments	**-**	4

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

13. Income taxes

Income tax expense is recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual rate used for the period ended March 31, 2015 was 26.0% (2014: 26.0%). The components of income tax expense are shown in the following table:

(thousands of dollars)	For the three months ended March 31, 2015	2014
	$	$
Current tax	**-**	-
Deferred tax	**770**	724
Income tax expense	**770**	724

As at March 31, 2015, the Company has available unclaimed tax credits which may be used to reduce future Canadian income taxes otherwise payable.

Refer to note 20 regarding the contingency relating to the CRA reassessment.

14. Expense by nature

(thousands of dollars)	For the three months ended March 31, 2015	2014
	$	$
Wages and benefits	**27,456**	27,200
Newsprint, ink and other printing costs	**7,644**	7,925
Delivery costs	**5,461**	6,076
Rent, utilities and other property costs	**3,095**	2,977
Advertising, marketing and other promotion costs	**2,126**	2,186
Third party production and editorial costs	**3,047**	3,158
Legal, bank, insurance and professional services	**1,660**	1,375
Data services, system maintenance, telecommunications and software licences	**1,203**	1,067
Fees, licences and other services	**562**	653
Event costs	**183**	434
Other	**163**	565
	52,600	53,616
Direct expenses	**40,023**	41,630
General and administrative expenses	**12,577**	11,986
	52,600	53,616

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

15. Net interest expense

The net interest expense for the periods ended March 31, 2015 and 2014 is comprised of:

(thousands of dollars)	For the three months ended March 31, 2015	2014
	$	$
Interest income	**(41)**	(49)
Interest expense	**996**	1,231
Net interest expense	**955**	1,182

16. Settlement gain on pension and post-retirement benefits

During the period ended March 31, 2015, the Company recognized a $4.8 million non-cash settlement gain on the pension and post-retirement benefits as a number of employees left the Company's pension and post-retirement benefit plan as a result of the sale of certain of its trade media publications and related assets located in Toronto.

17. Other expenses (net)

(thousands of dollars)	For the three months ended March 31, 2015	2014
	$	$
Restructuring expense (a)	**196**	760
Transaction and transition costs (b)	**1,056**	69
Other	**(84)**	(126)
	1,168	703

(a) Restructuring expense

During the period ended March 31, 2015, restructuring expenses of $0.2 million were recognized (2014: $0.8 million). Restructuring expenses were recognized with respect to severance costs incurred as the Company restructured and reduced its workforce.

(b) Transaction and transition costs

The Company incurred costs related to its acquisitions and divestitures completed in 2015. These costs include the costs of completing the transactions, the costs of transitioning sold entities and the costs of integrating the new operations into the Company. Transaction costs include legal, accounting, due diligence, consulting and general acquisition and disposition costs. Transition costs include information technology costs, transitional staffing requirements, service fees paid to the vendor during the transition period and other costs directly related to the operational integration of the newly acquired businesses, as well as any closing costs associated with the closure or divestiture of operations.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

18. Related party transactions

During the period ended March 31, 2015, the Company and its affiliates recorded administration, consulting, interest and other expenses of $0.2 million (2014: $0.3 million) from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company. Madison provides strategic, financial, transactional advisory services and administrative services to the Company on an ongoing basis. These services have been provided with the intention of maintaining an efficient and cost effective corporate overhead structure, instead of i) hiring more full-time corporate and administrative staff and thereby increasing fixed overhead costs and ii) retaining outside professional advisory firms on a more extensive basis.

These services were provided in the normal course of operations and were measured at amount of consideration established and agreed to by the related parties. In addition, Madison was required to be the guarantor of a loan relating to the acquisition of interests in certain community newspapers in 2007.

19. Segment disclosure

The Company and its subsidiaries operate in two distinct operating segments throughout Canada and the United States. These segments are the business and professional market that Specialty Technical Publishers ("STP"), Inceptus Media, ERIS and Fundata operate in and the community media and trade information market in which the rest of Glacier's businesses operate. All of the Company's assets are located in Canada except the assets of a joint venture located in the United States.

The chief operating decision maker reviews operating results and bases decisions on the actual economic interest in its joint ventures. Therefore, the Company presents its segments based on its adjusted results which include its share of the revenues, expenses, assets and liabilities from its joint ventures. A reconciliation of the segment disclosure to the statement of operations and balance sheet is provided below.

The following segment information is as at March 31, 2015 and December 31, 2014 and for the periods ended March 31, 2015 and 2014:

(thousands of dollars)	Community Media and Trade Information	Business and Professional	Corporate and Other	Total Operations	Differential[1]	IFRS Total
For the three months ended March 31, 2015	**$**	**$**	**$**	**$**	**$**	**$**
Revenue						
Canada	57,879	3,331	-	61,210	(6,895)	54,315
United States	3,021	1,571	-	4,592	(2,834)	1,758
				65,802		56,073
Income (loss) before interest, taxes, depreciation and amortization	5,434	1,489	(25)	6,898	(3,425)	3,473
Net interest expense	1,022	50	-	1,072	(117)	955
Depreciation and amortization	3,591	162	-	3,753	(626)	3,127
Other income	(62)	-	-	(62)	-	(62)
Settlement gain on pension and post-retirement benefit	(4,843)	-	-	(4,843)	-	(4,843)
Other expense	1,251	(2)	67	1,316	(148)	1,168
Share of (earnings) loss from joint ventures and associates	129	69	-	198	(2,389)	(2,191)
Income tax recovery	675	279	-	954	(184)	770
Segment net income	3,671	931	(92)	4,510	39	4,549
Assets	448,363	42,995	1,184	492,542	(20,146)	472,396
Capital expenditures	2,595	123	-	2,718	(820)	1,898
Investments in joint ventures and associates	35,583	10,978	-	46,561	56,028	102,589

(1) Adjustments represent the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

19. Segment disclosure (continued)

(thousands of dollars)	Community Media and Trade Information	Business and Professional	Corporate and Other	Total Operations	Differential[1]	IFRS Total
For the three months ended March 31, 2014	$	$	$	$	$	$
Revenue						
Canada	62,453	3,307	-	65,760	(6,890)	58,870
United States	3,049	1,162	-	4,211	(2,790)	1,421
				69,971		60,291
Income (loss) before interest, taxes, depreciation and amortization	8,372	1,432	(19)	9,785	(3,110)	6,675
Net interest expense	1,298	22	-	1,320	(138)	1,182
Depreciation and amortization	3,615	188	-	3,803	(775)	3,028
Other income	(65)	-	(500)	(565)	-	(565)
Other expense	762	17	(55)	724	(21)	703
Share of (earnings) loss from joint ventures and associates	272	(114)	-	158	(2,018)	(1,860)
Income tax expense	749	260	-	1,009	(285)	724
Net loss from discontinued operations (net of tax)	(866)	-	-	(866)	-	(866)
Segment net income	875	1,059	536	2,470	127	2,597
Assets	462,201	44,428	1,217	507,846	(22,663)	485,183
Capital expenditures	2,129	59	-	2,188	(1,431)	757
Investments in joint ventures and associates	35,697	11,428	-	47,125	55,639	102,764

(1) Adjustments represent the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

20. Commitments

In October 2014, an affiliate of the Company (the "affiliate") received, from the Canada Revenue Agency ("CRA"), tax notices of reassessment relating to the taxation years ended December 31, 2008 through 2013 inclusive. The potential for these reassessments has been anticipated for over a year and has been previously disclosed. The reassessments deny the application of non-capital losses, capital losses and scientific research and experimental development ("SR&ED") tax credits claimed for those years.

According to the notices of reassessment received, taxable income for the period 2008 to 2013 will increase in the amount of $122.8 million. In addition, the CRA proposes to deny unused SR&ED tax credits of $25.4 million and unused investment tax credits of $5.9 million. As a result of the increases in taxable income, additional taxes payable for the reassessed years, including interest and penalties would be approximately $45 million.

In January 2015, the affiliate filed a notice of objection to the CRA. In connection with filing the notice of objection, the affiliate paid 50% of the amounts claimed by the CRA as assessed. The affiliate paid $4.5 million of this balance in December 2014 and $15.3 million in January 2015. Additional amounts may be due at a later date. These payments have been recorded as other assets, within non-current assets, as the Company and its affiliate expect to ultimately be successful in its objection.

In April 2015, the affiliate received reassessment notices for 2008 to 2012 from the Government of Alberta totalling $4.1 million including penalties and interest. The affiliate intends to file a notice of objection to the Government of Alberta consistent with its CRA objection filed in January 2015. No amounts are due in conjunction with filing the notice of objection in Alberta.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate are appropriate and in accordance with the law. The affiliate intends to vigorously defend such positions.

The Company and the affiliate have not recorded a liability in their respective consolidated financial statements for the remaining 50% of reassessed taxes payable, that are not required to be paid on objection, as described above, nor have they adjusted the carrying value of deferred tax assets recorded for unused carry-forward amounts.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

20. Commitments (continued)

If the affiliate is successful in defending its positions, the deposits made plus applicable interest will be refunded to the affiliate. There is no assurance that the affiliate's objections and appeals will be successful. If the CRA and the Government of Alberta are successful, the affiliate will be required to pay the remaining 50% balance of federal taxes owing plus applicable interest, the amount due to the Government of Alberta plus applicable interest, and will be required to write-off any remaining tax assets relating to the reassessed amounts.

Board of Directors

Bruce W. Aunger*	S. Christopher Heming	
John S. Burns, Q.C.*	Jonathon J.L. Kennedy	
Sam Grippo	Tim McElvaine	
Brian Hayward	Geoffrey L. Scott*	*Member of the Audit Committee

Officers
Sam Grippo, Chairman
Jonathon J.L. Kennedy, President & Chief Executive Officer
Orest Smysnuik, CA, Chief Financial Officer
Bruce W. Aunger, Secretary

Transfer Agent
Computershare Trust Company of Canada
Toronto, Calgary and Vancouver

Auditors
PricewaterhouseCoopers LLP

Stock Exchange Listing
The Toronto Stock Exchange
Trading symbol: GVC

Investor Relations
Institutional investors, brokers, security analysts and others requiring financial and corporate information about Glacier should visit our website *www.glaciermedia.ca* or contact: Orest Smysnuik, CA, Chief Financial Officer.

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