FIRSTSERVICE CORPORATION

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Third Quarter

September 30, 2016

FIRSTSERVICE CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)
(in thousands of US dollars, except per share amounts) - in accordance with accounting principles generally accepted in the United States of America

	Three months ended September 30		Nine months ended September 30	
	2016	2015	**2016**	2015
Revenues	**$ 409,083**	$ 349,525	**$ 1,101,773**	$ 947,965
Cost of revenues	**292,389**	241,048	**781,329**	662,497
Selling, general and administrative expenses	**70,609**	69,895	**223,003**	206,387
Depreciation	**5,573**	4,645	**16,256**	13,837
Amortization of intangible assets	**4,475**	2,334	**9,700**	7,275
Acquisition-related items	**(541)**	186	**(148)**	469
Spin-off transaction costs	**-**	-	**-**	740
Operating earnings	**36,578**	31,417	**71,633**	56,760
Interest expense, net	**2,284**	2,453	**6,739**	7,044
Other expense (income), net	**(71)**	(10)	**(172)**	109
Earnings before income tax	**34,365**	28,974	**65,066**	49,607
Income tax (note 5)	**11,427**	10,057	**22,539**	19,316
Net earnings	**22,938**	18,917	**42,527**	30,291
Non-controlling interest share of earnings (note 8)	**2,863**	2,421	**5,179**	4,834
Non-controlling interest redemption increment (note 8)	**4,311**	2,431	**10,534**	7,326
Net earnings attributable to Company	**$ 15,764**	$ 14,065	**$ 26,814**	$ 18,131
Net earnings per common share (note 9)				
Basic	**$ 0.44**	$ 0.39	**$ 0.75**	**$** 0.50
Diluted	**0.43**	$ 0.39	**$ 0.74**	**$** 0.50

The accompanying notes are an integral part of these financial statements.

FIRSTSERVICE CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(Unaudited)
(in thousands of US dollars) - in accordance with accounting principles generally accepted in the United States of America

	Three months ended September 30		Nine months ended September 30	
	2016	2015	**2016**	2015
Net earnings	**$ 22,938**	$ 18,917	**$ 42,527**	$ 30,291
Foreign currency translation gain (loss)	**(348)**	(3,081)	**1,114**	(3,850)
Comprehensive earnings	**22,590**	15,836	**43,641**	26,441
Less: Comprehensive earnings attributable to non-controlling interests	**7,174**	4,852	**15,713**	12,160
Comprehensive earnings attributable to Company	**$ 15,416**	$ 10,984	**$ 27,928**	$ 14,281

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FIRSTSERVICE CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands of US dollars) - in accordance with accounting principles generally accepted in the United States of America

	September 30, 2016	December 31, 2015
Assets		
Current Assets		
Cash and cash equivalents	**$ 49,180**	$ 45,560
Restricted cash	**13,217**	3,769
Accounts receivable, net of allowance of $7,995 (December 31, 2015 - $7,182)	**150,221**	114,521
Income tax recoverable	**8,586**	9,628
Inventories	**28,352**	16,155
Prepaid expenses and other current assets	**22,738**	21,749
Deferred income tax	**18,935**	18,840
	291,229	230,222
Other receivables	**3,431**	3,833
Other assets	**1,391**	2,176
Fixed assets	**69,623**	57,575
Deferred income tax	**6,293**	6,553
Intangible assets	**113,802**	79,478
Goodwill	**257,293**	220,646
	451,833	370,261
	$ 743,062	$ 600,483
Liabilities and shareholders' equity		
Current Liabilities		
Accounts payable	**$ 31,728**	$ 24,143
Accrued liabilities	**109,157**	77,900
Income taxes payable	**6,684**	1,553
Unearned revenues	**20,275**	18,474
Long-term debt - current (note 6)	**1,143**	4,041
Contingent acquisition consideration - current (note 7)	**2,805**	2,206
Deferred income tax	**1,794**	1,782
	173,586	130,099
Long-term debt - non-current (note 6)	**242,363**	197,158
Contingent acquisition consideration (note 7)	**1,498**	1,110
Other liabilities	**16,673**	13,560
Deferred income tax	**28,501**	13,971
	289,035	225,799
Redeemable non-controlling interests (note 8)	**95,190**	77,559
Shareholders' equity	**185,251**	167,026
	$ 743,062	$ 600,483

The accompanying notes are an integral part of these financial statements.

FIRSTSERVICE CORPORATION

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(Unaudited)

(in thousands of US dollars, except share information)

	Common shares				Accumulated	
	Issued and outstanding shares	Amount	Contributed surplus	Retained Earnings	other comprehensive earnings	Total
Balance, December 31, 2015	35,939,011	$ 136,071	$ 43,980	$ (10,152)	$ (2,873)	$ 167,026
Net earnings	-	-	-	26,814	-	26,814
Other comprehensive earnings	-	-	-	-	1,114	1,114
Subsidiaries' equity transactions	-	-	(977)	-	-	(977)
Subordinate Voting Shares:						
Stock option expense	-	-	2,223	-	-	2,223
Stock options exercised	80,000	1,453	(358)	-	-	1,095
Tax benefit on options exercised	-	-	1,182	-	-	1,182
Dividends	-	-	-	(11,877)	-	(11,877)
Purchased for cancellation	(30,000)	(118)	-	(1,231)	-	(1,349)
Balance, September 30, 2016	**35,989,011**	**$ 137,406**	**$ 46,050**	**$ 3,554**	**$ (1,759)**	**$ 185,251**

The accompanying notes are an integral part of these financial statements.

FIRSTSERVICE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands of US dollars) - in accordance with accounting principles generally accepted in the United States of America

	Three months ended September 30		Nine months ended September 30	
	2016	2015	**2016**	2015
Cash provided by (used in)				
Operating activities				
Net earnings	**$ 22,938**	18,917	**$ 42,527**	$ 30,291
Items not affecting cash:				
Depreciation and amortization	**10,048**	6,980	**25,955**	21,113
Deferred income tax	**4,473**	(4,535)	**3,379**	(4,312)
Other	**49**	(1,345)	**585**	(1,165)
Changes in non-cash working capital:				
Accounts receivable	**7,768**	(150)	**(13,083)**	469
Inventories	**(2,150)**	(2,992)	**(3,473)**	(4,528)
Prepaid expenses and other current assets	**1,755**	192	**(635)**	1,831
Payables and accruals	**12,845**	28,469	**32,411**	28,811
Unearned revenues	**(10,989)**	(11,715)	**1,769**	2,345
Other liabilities	**2,091**	189	**(313)**	1,033
Contingent acquisition consideration	**(122)**	-	**(122)**	-
Net cash provided by operating activities	**48,706**	34,010	**89,000**	75,888
Investing activities				
Acquisitions of businesses, net of cash acquired (note 4)	**(3,353)**	(3,502)	**(80,434)**	(12,002)
Purchases of fixed assets	**(6,101)**	(3,884)	**(20,079)**	(14,291)
Other investing activities	**(2,656)**	(1,262)	**(10,104)**	(2,735)
Net cash used in investing activities	**(12,110)**	(8,648)	**(110,617)**	(29,028)
Financing activities				
Net repayment of long-term debt prior to spin-off	**-**	-	**-**	(220,953)
Debt allocated under spin-out	**-**	-	**-**	208,690
Repayment of long-term debt after spin-out	**-**	(23,497)	**-**	(28,497)
Net distributions to Old FSV	**-**	-	**-**	1,995
Increase in long-term debt	**-**	-	**87,030**	-
Repayment of long-term debt	**(17,156)**	-	**(44,812)**	-
Sale (purchases) of non-controlling interests, net	**(218)**	(29)	**41**	(17,415)
Contingent acquisition consideration	**(1,033)**	(668)	**(2,368)**	(2,481)
Proceeds received on exercise of options	**-**	144	**1,095**	187
Incremental tax benefit on stock options exercised	**100**	2,047	**1,182**	2,048
Financing fees paid	**-**	(4)	**-**	(1,090)
Dividends paid to common shareholders	**(4,092)**	(3,597)	**(11,513)**	(3,597)
Distributions paid to non-controlling interests	**(1,180)**	(412)	**(4,244)**	(2,699)
Repurchases of Subordinate Voting Shares	**-**	-	**(1,349)**	-
Net cash provided by (used in) financing activities	**(23,579)**	(26,016)	**25,062**	(63,812)
Effect of exchange rate changes on cash	**(122)**	(1,578)	**175**	(232)
Increase (decrease) in cash and cash equivalents	**12,895**	(2,232)	**3,620**	(17,184)
Cash and cash equivalents, beginning of period	**36,285**	51,838	**45,560**	66,790
Cash and cash equivalents, end of period	**$ 49,180**	49,606	**$ 49,180**	$ 49,606

The accompanying notes are an integral part of these financial statements.

FIRSTSERVICE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2016
(Unaudited)
(in thousands of US dollars, except per share amounts)

1. DESCRIPTION OF THE BUSINESS – FirstService Corporation (the "Company") is a North American provider of residential property management and other essential property services to residential and commercial customers. The Company's operations are conducted in two segments: FirstService Residential and FirstService Brands. The segments are grouped with reference to the nature of services provided and the types of clients that use those services.

FirstService Residential is a full-service property manager and in many markets provides a full range of ancillary services primarily in the following areas: on-site staffing, including building engineering and maintenance, full-service amenity management, security, concierge and front desk personnel, and landscaping; proprietary banking and insurance products; and energy conservation and management solutions.

FirstService Brands provides a range of essential property services to residential and commercial customers in North America through franchise networks and company-owned locations. The principal brands in this division include Paul Davis Restoration, California Closets, Certa Pro Painters, Pillar to Post Home Inspectors, Floor Coverings International, College Pro Painters, Century Fire Protection, and Service America.

2. SUMMARY OF PRESENTATION – These condensed consolidated financial statements have been prepared by the Company in accordance with the disclosure requirements for the presentation of interim financial information pursuant to applicable Canadian securities law. Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America have been condensed or omitted in accordance with such disclosure requirements, although the Company believes that the disclosures are adequate to make the information not misleading. These interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2015.

These interim financial statements follow the same accounting policies as the most recent audited consolidated financial statements. In the opinion of management, the condensed consolidated financial statements contain all adjustments necessary to present fairly the financial position of the Company as at September 30, 2016 and the results of operations and its cash flows for the three and nine month periods ended September 30, 2016 and 2015. All such adjustments are of a normal recurring nature. The results of operations for the three and nine month periods ended September 30, 2016 are not necessarily indicative of the results to be expected for the year ending December 31, 2016.

3. RECENTLY ISSUED ACCOUNTING STANDARDS NOT YET ADOPTED – In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. This ASU clarifies the principles for recognizing revenue and develops a common revenue standard for U.S. GAAP and International Financial Reporting Standards ("IFRS") and is effective for the Company on January 1, 2018. The Company is currently assessing the impact of this ASU on its financial position and results of operations.

In November 2015, the FASB issued ASU No. 2015-17, *Balance Sheet Classification of Deferred Taxes*. This ASU simplifies the presentation of all tax assets and liabilities by no longer requiring an allocation between current and non-current. All deferred tax assets and liabilities, along with any related valuation allowance are to be classified as non-current on the balance sheet. While this change conforms to US GAAP and reduces complexity in financial reporting, it may have a significant impact on working capital and the related ratios. The change will be effective on January 1, 2017. The Company is currently assessing the impact of this ASU on its financial position.

In February 2016, the FASB issued ASU No. 2016-02, *Leases.* This ASU affects all aspects of lease accounting and has a significant impact to lessees as it requires the recognition of a right-of use asset and a lease liability for virtually all leases including operating leases. In addition to balance sheet recognition, additional quantitative and qualitative disclosures will be required. The standard will be effective on January 1, 2019, at which time it must be adopted using a modified retrospective transition. The Company is currently assessing the impact of this ASU on its financial position and results of operations.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation – Stock Compensation: Improvements to Employee Share-Based Payment Accounting.* This ASU simplifies how share-based payments are accounted for and presented. Income tax expense is expected to be impacted as entities are required to record all of the tax effects related to share-based payments at settlement through the income statement. This change in guidance removes the requirement to delay recognition of a windfall tax payment until it reduces taxes payable and instead records the benefit when it arises. The ASU also permits entities to make an accounting policy election for the impact of forfeitures by allowing them to be estimated, as required today, or recognized when they occur. The guidance will be effective on January 1, 2017 with either prospective or retrospective transition permitted. The Company is currently assessing the impact of this ASU on its financial position and results of operations.

4. ACQUISITIONS – During the nine months ended September 30, 2016, the Company completed nine acquisitions, four in the FirstService Residential segment and five in the FirstService Brands segment. In the FirstService Residential segment, the Company acquired controlling interests in regional firms operating in California, South Carolina, Maryland, and Massachusetts. In the FirstService Brands segment, the Company acquired two California Closets franchises operating in California and Washington DC, and two Paul Davis Restoration franchises operating in Florida and Connecticut, all four of which will be operated as company-owned locations. In the FirstService Brands segment, the Company also acquired Century Fire Protection, a full-service fire protection firm headquartered in Atlanta, Georgia. The acquisition date fair value of consideration transferred for these transactions were as follows: cash of $80,434 (net of cash acquired of $474), notes payable of $3,434, and contingent consideration of $3,716 (2015 - cash of $12,002 and contingent consideration of $4,383). The purchase price allocations are not yet complete, pending final determination of the fair value of assets acquired. These acquisitions were accounted for by the purchase method of accounting for business combinations and accordingly, the consolidated statements of earnings do not include any revenues or expenses related to these acquisitions prior to their respective closing dates.

Certain vendors, at the time of acquisition, are entitled to receive a contingent consideration payment if the acquired businesses achieve specified earnings levels during the one- to three-year periods following the dates of acquisition. The ultimate amount of payment is determined based on a formula, the key inputs to which are (i) a contractually agreed maximum payment; (ii) a contractually specified revenue or earnings level; and (iii) the actual revenue or earnings for the contingency period. If the acquired business does not achieve the specified revenue or earnings level, the maximum payment is reduced for any shortfall, potentially to nil.

Contingent consideration is recorded at fair value each reporting period. The fair value recorded on the consolidated balance sheet as at September 30, 2016 was $4,303 (see note 7). The estimated range of outcomes (undiscounted) for these contingent consideration arrangements is $3,982 to a maximum of $4,685. The contingencies will expire during the period extending to September 2017. During the nine months ended September 30, 2016, $2,490 was paid with reference to such contingent consideration (2015 - $2,481).

5. INCOME TAX – The provision for income tax for the nine months ended September 30, 2016 reflected an effective tax rate of 35% (2015 - 39%) relative to the statutory rate of approximately 27% (2015 - 27%). The difference between the effective rate and the statutory rate relates to the differential between tax rates in Canada and the US. The prior year tax rate was impacted by discrete charges attributable to the spin-off.

6. LONG-TERM DEBT – The Company has $150,000 of senior secured notes (the "Senior Notes") bearing interest at a rate of 3.84%. The Senior Notes are due on January 16, 2025, with five annual equal repayments beginning on January 16, 2021.

The Company has a credit agreement with a syndicate of banks to provide a committed multi-currency credit facility (the "Facility") of $200,000. The Facility matures on June 1, 2020 and bears interest at 0.25% to 2.50% over floating reference rates, depending on certain leverage ratios. The Facility requires a commitment fee of 0.25% to 0.50% of the unused portion, depending on certain leverage ratios. At any time during the term, the Company has the right to increase the Facility by up to $50,000, on the same terms and conditions as the original Facility. The Facility is available to fund working capital requirements and other general corporate purposes.

The Facility and the Company's Senior Notes rank equally in terms of seniority. The Company has granted the lenders and Noteholders various collateral including an interest in all of the assets of the Company. The covenants require the Company to maintain certain ratios including financial leverage, interest coverage and net worth. The Company is limited from undertaking certain mergers, acquisitions and dispositions without prior approval.

7. FAIR VALUE MEASUREMENTS – The following table provides the financial assets and liabilities carried at fair value measured on a recurring basis as of September 30, 2016:

	Carrying value at September 30,	Fair value measurements at September 30, 2016		
		Level 1	Level 2	Level 3
Contingent consideration liability	$ 4,303	$ -	$ -	$ 4,303

The inputs to the measurement of the fair value of contingent consideration related to acquisitions are Level 3 inputs. The fair value measurements were made using a discounted cash flow model; significant model inputs were expected future operating cash flows (determined with reference to each specific acquired business) and discount rates (which range from 8% to 10%). The range of discount rates is attributable to level of risk related to economic growth factors combined with the length of the contingent payment periods; and the dispersion was driven by unique characteristics of the businesses acquired and the respective terms for these contingent payments. Within the range of discount rates, there is a data point concentration at 9%. A 2% increase in the weighted average discount rate would reduce the fair value of contingent consideration by $52.

Changes in the fair value of the contingent consideration liability are comprised of the following:

	2016
Balance, January 1	**$ 3,316**
Amounts recognized on acquisitions	**3,716**
Fair value adjustments	**(621)**
Resolved and settled in cash	**(2,490)**
Other	**382**
Balance, September 30	$ **4,303**
Less: Current portion	**2,805**
Non-current portion	$ **1,498**

The carrying amounts for cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities approximate fair values due to the short maturity of these instruments, unless otherwise indicated. The inputs to the measurement of the fair value of long term debt are Level 3 inputs. The fair value measurements were made using a net present value approach; significant model inputs were expected future cash outflows and discount rates (which range from 1.5% to 2.0%).

	September 30, 2016		December 31, 2015	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Other receivables	**$ 3,431**	**$ 3,431**	$ 3,833	$ 3,833
Long-term debt	**243,506**	**262,736**	201,199	216,788

8. REDEEMABLE NON-CONTROLLING INTERESTS – The minority equity positions in the Company's subsidiaries are referred to as redeemable non-controlling interests ("RNCI"). The RNCI are considered to be redeemable securities. Accordingly, the RNCI is recorded at the greater of: (i) the redemption amount; or (ii) the amount initially recorded as RNCI at the date of inception of the minority equity position. This amount is recorded in the "mezzanine" section of the balance sheet, outside of shareholders' equity. Changes in the RNCI amount are recognized immediately as they occur. The following table provides a reconciliation of the beginning and ending RNCI amounts:

	2016
Balance, January 1	**$ 77,559**
RNCI share of earnings	**5,179**
RNCI redemption increment	**10,534**
Distributions paid to RNCI	**(4,244)**
Sale of interests to RNCI, net	**41**
RNCI recognized on business acquisitions	**6,157**
Other	**(36)**
Balance, September 30	**$ 95,190**

The Company has shareholders' agreements in place at each of its non-wholly owned subsidiaries. These agreements allow the Company to "call" the non-controlling interest at a price determined with the use of a formula price, which is usually equal to a fixed multiple of trailing two-year average earnings before extraordinary items, income taxes, interest, depreciation, and amortization, less debt. The agreements also have redemption features which allow the owners of the RNCI to "put" their equity to the Company at the same price subject to certain limitations. The formula price is referred to as the redemption amount and may be paid in cash or in the Company's Subordinate Voting Shares. The redemption amount as of September 30, 2016 was $93,303. The redemption amount is lower than that recorded on the balance sheet as the formula prices of certain RNCI are lower than the amount initially recorded at the inception of the minority equity position. If all put or call options were settled with Subordinate Voting Shares as at September 30, 2016, approximately 1,900,000 such shares would be issued; this would be accretive to net earnings per common share.

Increases or decreases to the formula price of the underlying shares are recognized in the statement of earnings as the NCI redemption increment.

9. NET EARNINGS (LOSS) PER COMMON SHARE – Earnings per share calculations cannot be anti-dilutive, therefore diluted shares are not used in the denominator when the numerator is in a loss position. The following table reconciles the basic and diluted common shares outstanding:

(in thousands)	Three months ended September 30		Nine months ended September 30	
	2016	2015	**2016**	2015
Basic shares	**35,989**	35,974	**35,986**	35,973
Assumed exercise of Company stock options	**460**	483	**407**	608
Diluted shares	**36,449**	36,457	**36,393**	36,581

10. STOCK-BASED COMPENSATION

Company stock option plan

The Company has a stock option plan for certain directors, officers and full-time employees of the Company and its subsidiaries, other than its Founder and Chairman. The stock option plan came into existence on June 1, 2015 upon completion of the spin-off. Options are granted at the market price for the underlying shares on the date of grant. Each option vests over a four-year term, expires five years from the date granted and allows for the purchase of one Subordinate Voting Share. All Subordinate Voting Shares issued are new shares. Grants under the Company's stock option plan are equity-classified awards. As at September 30, 2016, there were 1,138,750 options available for future grants.

Grants under the Company's stock option plan are equity-classified awards. There were no stock options granted during the three months ended September 30, 2016 (2015-nil). Stock option activity for the nine months ended September 30, 2016 was as follows:

	Number of options	**Weighted average exercise price**	**Weighted average remaining contractual life (years)**	**Aggregate intrinsic value**
Shares issuable under options - Beginning of period	1,211,250	$ 18.51		
Granted	323,500	35.96		
Exercised	(80,000)	13.41		
Forfeited	(40,000)	20.69		
Shares issuable under options - End of period	1,414,750	$ 22.73	2.71	$ 33,844
Options exercisable - End of period	550,600	$ 17.04	1.74	$ 16,321

The amount of compensation expense recorded in the statement of earnings for the nine months ended September 30, 2016 was $2,223 (2015 - $1,629). As of September 30, 2016, there was $3,188 of unrecognized compensation cost related to non-vested awards which is expected to be recognized over the next 5 years. During the nine month period ended September 30, 2016, the fair value of options vested was $7,811 (2015 - $3,361).

11. CONTINGENCIES – In the normal course of operations, the Company is subject to routine claims and litigation incidental to its business. Litigation currently pending or threatened against the Company includes disputes with former employees and commercial liability claims related to services provided by the Company. The Company believes resolution of such proceedings, combined with amounts set aside, will not have a material impact on the Company's financial condition or the results of operations.

Pursuant to a restated management services agreement with the Company effective as of the 1st day of June, 2015, the Company agreed that it will make payments to a company ("FC Co") indirectly owned by its Founder and Chairman that are contingent upon an arm's length sale of control of the Company or upon a distribution of the Company's assets to its shareholders. The payment amounts will be determined with reference to the consideration per Subordinate Voting Share received or deemed received by shareholders upon an arm's length sale or upon a distribution of assets. The right to receive the payments may be transferred to person(s) who are not at arm's length to FC Co. The agreement provides for FC Co to receive the following two payments. The first payment is an amount equal to 5% of the product of: (i) the total number of Subordinate and Multiple Voting Shares outstanding on a fully diluted basis at the time of the sale or distribution; and (ii) the per share consideration received or deemed received by holders of Subordinate Voting Shares minus a base price of C$2.351. The second payment is an amount equal to 5% of the product of: (i) the total number of Subordinate and Multiple Voting Shares outstanding on a fully diluted basis at the time of the sale or distribution; and (ii) the per share consideration received or deemed received by holders of Subordinate Voting Shares minus a base price of C$4.578. Assuming an arm's length sale of control of the Company took place on September 30, 2016, the aggregate amount required to be paid to FC Co, based on a market price of C$61.02 (being the closing price per Subordinate Voting Share on the Toronto Stock Exchange on September 30, 2016), would be US$164,129.

12. SEGMENTED INFORMATION – The Company has two reportable operating segments. The segments are grouped with reference to the nature of services provided and the types of clients that use those services. The Company assesses each segment's performance based on operating earnings or operating earnings before depreciation and amortization. FirstService Residential provides property management and related property services to residential communities in North America. FirstService Brands provides franchised and company-owned essential property services to residential and commercial customers in North America. Corporate includes the costs of operating the Company's corporate head office.

OPERATING SEGMENTS

	FirstService Residential	FirstService Brands	Corporate	Consolidated
Three months ended September 30				
2016				
Revenues	**$ 299,920**	**$ 109,163**	**$ -**	**$ 409,083**
Depreciation and amortization	**5,207**	**4,836**	**5**	**10,048**
Operating earnings	**23,484**	**16,219**	**(3,125)**	**36,578**
2015				
Revenues	$ 277,938	$ 71,587	$ -	$ 349,525
Depreciation and amortization	5,073	1,878	28	6,979
Operating earnings	20,298	14,524	(3,405)	31,417

	FirstService Residential	FirstService Brands	Corporate	Consolidated
Nine months ended September 30				
2016				
Revenues	**$ 838,384**	**$ 263,389**	**$ -**	**$ 1,101,773**
Depreciation and amortization	**15,785**	**10,112**	**59**	**25,956**
Operating earnings	**50,973**	**30,666**	**(10,006)**	**71,633**
2015				
Revenues	$ 766,535	$ 181,430	$ -	$ 947,965
Depreciation and amortization	15,529	5,508	75	21,112
Operating earnings	38,655	25,897	(7,792)	56,760

GEOGRAPHIC INFORMATION

	United States	Canada	Consolidated
Three months ended September 30			
2016			
Revenues	**$ 384,716**	**$ 24,367**	**$ 409,083**
Total long-lived assets	**400,456**	**40,262**	**440,718**
2015			
Revenues	$ 327,548	$ 21,977	$ 349,525
Total long-lived assets	321,333	37,850	359,183

	United States	Canada	Consolidated
Nine months ended September 30			
2016			
Revenues	**$ 1,034,301**	**$ 67,472**	**$ 1,101,773**
2015			
Revenues	$ 884,973	$ 62,992	$ 947,965