UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF

CERVUS EQUIPMENT CORPORATION

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2013 AND 2012

CERVUS EQUIPMENT CORPORATION

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2013 AND DECEMBER 31, 2012

(In $ thousands)	Note		September 30, 2013		December 31, 2012
Assets					(Note 5)
Current assets					
Cash and cash equivalents		$	**16,541**	$	8,156
Trade and other accounts receivable	12		**44,302**		38,810
Inventories	13		**210,370**		169,787
Assets held for sale	14		**3,665**		-
Total current assets			**274,878**		216,753
Non-current assets					
Long-term receivables			**2,367**		1,665
Investments in associates, at equity	7		**7,170**		9,797
Deposits with manufacturers			**1,902**		1,855
Property and equipment			**96,357**		92,091
Deferred tax asset			**38,571**		45,126
Intangible assets			**27,593**		26,717
Goodwill	7		**6,473**		5,812
Total non-current assets			**180,433**		183,063
Total assets		$	**455,311**	$	399,816

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

CERVUS EQUIPMENT CORPORATION

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2013 AND DECEMBER 31, 2012

(In $ thousands)	Note	September 30, 2013		December 31, 2012
Liabilities				(Note 5)
Current liabilities				
Trade and other accrued liabilities		**45,027**		37,655
Customer deposits		**4,509**		8,188
Floor plan payables		**101,004**		73,626
Dividends payable		**2,961**		2,831
Current portion of term debt		**4,817**		4,658
Current portion of notes payable		**2,790**		2,652
Total current liabilities		**161,108**		129,610
Non-current liabilities				
Term debt		**47,507**		39,028
Debenture payable		**31,076**		30,534
Deferred tax liability		**910**		-
Total non-current liabilities		**79,493**		69,562
Total liabilities		**240,601**		199,172
Equity				
Shareholders' capital	15	**77,785**		76,503
Deferred share plan		**6,092**		5,133
Other reserves		**5,168**		5,136
Accumulated other comprehensive income (loss)		**411**		221
Retained earnings		**121,736**		113,651
Total equity attributable to equity holders of the Company		**211,192**		200,644
Non-controlling interest	7	**3,518**		-
Total equity		**214,710**		200,644
Total liabilities and equity		**455,311**	$	399,816

Approved by the Board:

"Peter Lacey" Director

"Gary Harris" Director

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

CERVUS EQUIPMENT CORPORATION

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2013 AND 2012

		Three month period ended September 30		Nine month period ended September 30	
(In $ thousands)	**Notes**	**2013**	2012	**2013**	2012
Revenue			(Note 5)		(Note 5)
Equipment sales		**$ 195,025**	$ 180,295	**$ 497,598**	$ 409,859
Parts		**40,811**	33,038	**98,593**	76,271
Service		**21,238**	16,587	**55,213**	42,862
Rentals		**3,722**	4,077	**10,541**	9,473
Total revenue		**260,796**	233,997	**661,945**	538,465
Cost of sales	9,10,11	**(213,351)**	(192,007)	**(541,823)**	(436,866)
Gross profit		**47,445**	41,990	**120,122**	101,599
Other income	9	**1,026**	1,034	**1,788**	3,000
Selling, general and administrative	10	**(35,129)**	(29,804)	**(95,569)**	(79,898)
Results from operating activities		**13,342**	13,220	**26,341**	24,701
Finance income		**57**	335	**434**	979
Finance costs		**(1,874)**	(1,450)	**(5,279)**	(3,045)
Net Finance Costs	11	**(1,817)**	(1,115)	**(4,845)**	(2,066)
Share of profit of equity accounted investees, net of income tax		**531**	868	**2,141**	1,953
Profit before income taxes		**12,056**	12,973	**23,637**	24,588
Income taxes		**(3,315)**	(4,367)	**(6,683)**	(7,866)
Profit for the period		**8,741**	8,606	**16,954**	16,722
Other comprehensive income					
Foreign currency translation differences for foreign operations		**935**	(371)	**190**	(293)
Total comprehensive income for the period		**$ 9,676**	$ 8,235	**$ 17,144**	$ 16,429

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2013 AND 2012

(In $ thousands, except per share amounts)		**Three month period ended September 30, 2013**		Three month period ended September 30, 2012		**Nine month period ended September 30, 2013**		Nine month period ended September 30, 2012
Profit attributable to:				(Note 5)				(Note 5)
Shareholders of the Company	**$**	**8,646**	$	8,606	**$**	**16,841**	$	16,534
Non-controlling interest		**95**		-		**113**		188
	$	**8,741**	$	8,606	**$**	**16,954**	$	16,722
Total comprehensive income attributable to:								
Shareholders of the Company	**$**	**9,581**	$	8,235	**$**	**17,031**	$	16,241
Non-controlling interest		**95**		-		**113**		188
	$	**9,676**	$	8,235	**$**	**17,144**	$	16,429
Profit per share attributable to shareholders of the Company:								
Basic Note 16	**$**	**0.58**	$	0.58	**$**	**1.13**	$	1.12
Diluted Note 16	**$**	**0.55**	$	0.56	**$**	**1.08**	$	1.08

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2013 AND 2012

(In $ thousands)	Note	Share capital	Deferred share plan	Other reserves	Cumulative translation account	Retained earnings	Total	Non-controlling interest	Total equity
Balance December 31, 2011	**5**	**$ 72,925**	**$ 3,785**	**$ 3,036**	**$ 150**	**$ 100,900**	**$ 180,796**	**$ 1,739**	**$ 182,535**
Comprehensive income for the period									
Profit	5	-	-	-	-	16,534	16,534	188	16,722
Other comprehensive income									
Foreign currency translation adjustments		-	-	(91)	(202)	-	(293)	-	(293)
Total comprehensive income for the period		-	-	(91)	(202)	16,534	16,241	188	16,429
Transactions with owners, recorded directly in equity									
Dividends to equity holders		-	-	-	-	(8,200)	(8,200)	-	(8,200)
Shares issued through DRIP	15	614	-	-	-	-	614	-	614
Shares issued for the purchase of minority interest		1,582	-	345	-	-	1,927	(1,927)	-
Shares issued for business acquisition		1,027	-	-	-	-	1,026	-	1,026
Share-based payment transactions		-	937	-	-	-	938	-	938
Shares issued through deferred share plan	15	3	(3)	-	-	-	-	-	-
Conversion feature of convertible debenture issued		-	-	2,625	-	-	2,625	-	2,625
Stock options issued		-	-	119	-	-	119	-	119
Total transactions with owners		3,226	934	2,998	(202)	8,334	15,290	(1,927)	13,551
Balance September 30, 2012	**5,15**	**$ 76,151**	**$ 4,719**	**$ 6,034**	**$ (52)**	**$ 109,234**	**$ 196,086**	**$ -**	**$ 196,086**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2013 AND 2012

(In $ thousands)	Note	Share capital	Deferred share plan	Other reserves	Cumulative translation account	Retained earnings	Total	Non-controlling interest	Total equity
Balance December 31, 2012	**5**	**$ 76,503**	**$ 5,133**	**$ 5,136**	**$ 221**	**$ 113,651**	**$ 200,644**	**$ -**	**$ 200,644**
Comprehensive income for the period									
Profit		-	-	-	-	16,841	16,841	113	16,954
Other comprehensive income									
Foreign currency translation adjustments		-	-	-	190	-	190	-	190
Total comprehensive income for the period		-	-	-	190	16,841	17,031	113	17,144
Transactions with owners, recorded directly in equity									
Dividends to equity holders		-	-	-	-	(8,756)	(8,756)	-	(8,756)
Shares issued through DRIP	15	857	-	-	-	-	857	-	857
Shares issued through deferred share plan	15	166	(166)	-	-	-	-	-	-
Shares issued through option plan	15	259	-	(75)	-	-	184	-	184
Share-based payment transactions		-	1,125	107	-	-	1,232	-	1,232
Transactions with owners		1,282	959	32	-	(8,756)	(6,483)	-	(6,483)
Non-controlling interest identified on acquisition	7	-	-	-	-	-	-	3,405	3,405
Total Transactions with owners		1,282	959	32	-	8,085	(6,483)	3,405	(3,078)
Balance September 30, 2013	**15**	**$ 77,785**	**$ 6,092**	**$ 5,168**	**$ 411**	**$ 121,736**	**$ 211,192**	**$ 3,518**	**$ 214,710**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

CERVUS EQUIPMENT CORPORATION

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2013 AND 2012

		Three month period ended September 30		Nine month period ended September 30	
(In $ thousands)	**Notes**	**2013**	2012	**2013**	2012
Cash flows from operating activities			(Note 5)		(Note 5)
Profit for the period		**$ 8,741**	$ 8,606	**$ 16,954**	$ 16,722
Depreciation		**1,983**	1,788	**6,289**	5,412
Amortization of intangibles		**1,366**	713	**3,434**	2,039
Equity-settled share-based payment transactions		**573**	451	**1,045**	1,057
Net finance costs	11	**1,874**	1,177	**5,084**	2,298
Gain on sale of property and equipment		**(945)**	(330)	**(1,727)**	(456)
Share of profit of equity accounted investees, net of tax		**(531)**	(868)	**(2,141)**	(1,952)
Loss on revaluation of equity investment	7	**-**	-	**598**	-
Income tax expense		**3,315**	4,367	**6,683**	7,866
Change in non-cash working capital		**5,898**	(11,499)	**(12,653)**	(9,560)
		22,274	4,405	**23,566**	23,426
Interest paid		**(2,228)**	(1,469)	**(5,314)**	(2,959)
Net cash from operating activities		**20,046**	2,936	**18,252**	20,467
Cash flows from investing activities					
Interest received	11	**57**	335	**434**	979
Business acquisitions	7	**-**	(2,593)	**(1,352)**	(20,241)
Advances to related party		**-**	(201)	**-**	15,637
Purchase of property and equipment		**(4,712)**	(5,189)	**(19,255)**	(37,911)
Proceeds from disposal of property and equipment		**1,913**	1,877	**4,202**	3,168
Proceeds from asset held for sale		**4,931**	1,501	**4,931**	1,501
Proceeds from investments at equity		**858**	343	**1,417**	(2,150)
Increase in other investments, at cost		**-**	(6)	**-**	(15)
Net used in investing activities		**3,047**	(3,933)	**(9,623)**	(39,032)
Cash flows from financing activities					
Repayment of credit facility		**(7,745)**	-	**-**	-
Proceeds from term debt		**3,693**	(6,020)	**7,144**	7,273
Advance from debenture offering, net of costs		**-**	32,987	**-**	32,987
Dividends paid		**(2,487)**	(2,515)	**(7,769)**	(7,444)
Proceeds from exercise of share options		**12**	-	**184**	-
(Increase) decrease in deposits with John Deere		**(22)**	(207)	**222**	(187)
Net cash used in financing activities		**(6,549)**	24,245	**(219)**	32,629
Net increase (decrease) in cash and cash equivalents		**16,544**	23,248	**8,410**	14,064
Effect of foreign currency translation on cash		**(3)**	-	**(25)**	-
Cash and cash equivalents, beginning of period		**-**	(2,648)	**8,156**	6,536
Cash and cash equivalents, end of period		**$ 16,541**	**$ 20,600**	**$ 16,541**	**$ 20,600**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

1. Reporting entity

Cervus Equipment Corporation ("Cervus" or the "Company") is an incorporated entity under the Canada Business Corporations Act and is domiciled in Canada. The registered office of the Company is situated at 5201 – 333, 96th Avenue N.E., Calgary, Alberta, Canada, T3K 0S3. The condensed consolidated financial statements of the Company as at and for the period ended September 30, 2013 comprise of the Company and its subsidiaries ("the Group"). The Company is primarily involved in the sale, after-sale service and maintenance of agricultural, construction and industrial equipment. The Company also provides equipment rental, primarily in the construction and industrial equipment segment. The Company operates 51 John Deere agricultural equipment, Bobcat and JCB construction equipment and Clark, Sellick, Nissan and Doosan material handling equipment and Peterbilt truck dealerships in 48 locations with 33 locations in Western Canada and 10 locations on the north island of New Zealand and 5 locations in Victoria, Australia. The Company's shares are listed on the Toronto Stock Exchange ("TSX") and trade under the symbol "CVL".

2. Basis of preparation

(a) Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". The unaudited condensed interim consolidated financial information should be read in conjunction with the annual financial statements prepared for the year ended December 31, 2012.

The Board of Directors authorized the issue of these unaudited condensed interim consolidated financial statements on November 12, 2013.

(b) The preparation of interim 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 expense. Actual results may differ from these estimates.

In preparing these unaudited 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 as at and for the year ended December 31, 2012.

3. New and amended IFRSs

Certain new or amended standards or interpretations have been issued by the IASB or IFRIC that are not required to be adopted in the current period. None of these changes in standards or interpretations will have a material effect on the unaudited condensed interim consolidated financial statements or note disclosures as currently presented.

4. Significant accounting policies

The accounting policies applied are consistent with those of the annual financial statements prepared for the year ended December 31, 2012 and as described in note 3 in those financial statements, except as follows:

On January 1, 2013, the Company adopted IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interests in Other entities, as well as the consequential amendments to IAS 28 Investments in Associates and Joint Ventures (2011), IFRS 13 Fair Value Measurement and IFRS 7 Amendments to Financial Instrument Disclosures. The adoption of these standards had no significant change to our existing accounting policies and had no impact on the amounts recorded in the financial statements as at January 1, 2013.

Effective April 1, 2013 the Company determined the remaining useful life of trade name intangible assets related to transportation and material handling operations were limited due to the Company initiating a unified branding strategy. As a result, the estimated remaining useful life of these intangible assets was determined to be 24 months at April 1, 2013 (compared to 20 years at initial recognition). Accordingly, increased amortization expense of $589 thousand and $1,179 thousand has been recognized in the three and nine months ended September 30, 2013, repectively. The Company has determined the change in useful life is a change in accounting estimate, and has been recorded prospectively herein.

5. Recasting of consolidated financial statements

During the period ending September 30, 2013, the Company identified immaterial prior period misstatements relating to the recognition of unrealized intercompany profit in ending inventory on internal parts and service related to preparing equipment for external sale.

The intercompany profit has been recognized since inception and was not material to any individual period; as a result, the comparative periods have been adjusted to correct this immaterial error and have been presented as recast in these unaudited condensed interim consolidated financial statements for the period ending September 30, 2013.

The following table outlines the impact of the adjustments:

Continuity of Recast	Previously Reported	Adjustment	As Recast
Consolidated statement of changes in equity			
– As at September 30, 2012			
Retained Earnings – As at December 31, 2011	$ 102,084	$ (1,184)	$ 100,900
Consolidated statement of financial position			
– As at December 31, 2012:			
Inventory – new equipment	82,617	(2,185)	80,432
Inventory – used equipment	66,719	(883)	65,836
Total inventory	172,855	(3,068)	169,787
Deferred tax asset	44,197	929	45,126
Retained Earnings	115,792	(2,141)	113,651
Consolidated statement of comprehensive income			
– 9 month period ending September 30, 2012:			
Revenue – parts	77,088	(817)	76,271
Revenue – service	44,696	(1,834)	42,862
Cost of sales	438,113	(1,247)	436,866
Income taxes	8,321	(455)	7,866
Consolidated statement of comprehensive income			
– 3 month period ending September 30, 2012:			
Revenue – parts	33,278	(238)	33,038
Revenue – service	17,032	(445)	16,587
Cost of sales	192,344	(337)	192,007
Income taxes	4,484	(117)	4,367

6. Seasonality

The Canadian, New Zealand and Australian retailing of agricultural and commercial and industrial equipment is influenced by seasonality. Sales activity for the agricultural equipment segment is normally highest between April and September during growing seasons in Canada and July through December in New Zealand and Australia. Sales in the commercial and industrial equipment segment are not as heavily impacted by seasonality but do see slower sales activity in the winter months. As a result, profit or losses may not accrue uniformly from quarter to quarter.

7. Business combinations

On May 27, 2013, the Company acquired an additional 18.6% interest in Windmill AG Pty Ltd ("Windmill") bringing its total interest in Windmill to 53.3%. Windmill is a John Deere agricultural machinery dealership operating out of five locations in the state of Victoria, Australia. The Company purchased the additional interest in Windmill in order to further pursue its growth strategy in Australia.

As this increase in ownership interest has resulted in the acquisition of control of Windmill, the transaction has been accounted for as a business combination achieved in stages. The fair values of identifiable assets and liabilities and the determination of goodwill acquired is as follows:

Cash ($1,800 thousand paid, net of $448 thousand cash acquired)	$	1,352
Fair value of existing equity investment		2,753
Non-controlling interest		3,405
		7,510
Fair value of acquired assets and liabilities:		
Accounts receivable		3,135
Inventory		16,307
Property and equipment		2,507
Identifiable intangible assets		4,470
Other assets		274
Accounts payable and accrued liabilities		(11,749)
Floor plan payable		(5,938)
Long-term debt		(1,364)
Deferred tax liability		(820)
		6,822
Goodwill	$	688

The fair value of the non-controlling interest was determined using a going concern approach and the application of a capitalized risk adjusted earnings technique. A loss of $598 thousand was recognized as a result of remeasuring to fair value the existing equity interest the Company held in Windmill immediately prior to the transaction; this loss is recorded in other income. The goodwill relates to intangible assets and expected synergies on acquisition which do not qualify for separate recognition. The goodwill and identifiable intangible assets acquired are not deductible for tax purposes. The fair values included in the purchase price allocation are provisional and are subject to change. The final review of the fair values will be completed within 12 months of the acquisition.

Included in these consolidated financial statements are revenues of $20,309 thousand and net profit of $210 thousand related to Windmill since the acquisition of control, prior to allocation of corporate expenditures and income tax expense. Had the Company purchased the additional interest and acquired control of Windmill on January 1, 2013, revenue for the nine months ended September 30, 2013 would have been $25,946 thousand higher and profit for the period would have been $279 thousand lower. The results of operations of this acquisition are part of the agricultural equipment segment.

8. Cost of sales

The following amounts have been included in cost of sales for the periods ended September 30, 2013 and 2012:

	Three month period ended September 30				Nine month period ended September 30			
(In $ thousands)		**2013**		2012		**2013**		2012
Depreciation of rental equipment	**$**	**555**	$	706	**$**	**2,194**	$	2,208
Interest paid on rental equipment financing		**59**		62		**239**		232
	$	**614**	$	768	**$**	**2,433**	$	2,440

9. Other income

Other income for the periods ended September 30, 2013 and 2012 are comprised of the following:

	Three month period ended September 30		Nine month period ended September 30	
(In $ thousands)	**2013**	2012	**2013**	2012
Net gain on sale of property and equipment	**$ 944**	$ 330	**$ 1,727**	$ 456
Net loss on acquiring controlling interest of subsidiary (note 6)	**-**	-	**(598)**	-
Other income[1]	**82**	704	**659**	2,544
	$ 1,026	$ 1,034	**$ 1,788**	$ 3,000

[1] Includes consignment commissions, commissions on extended warranty products, finance fees, net foreign exchange and other sundry items.

10. Wages and benefits

	Three month period ended September 30		Nine month period ended September 30	
(In $ thousands)	**2013**	2012	**2013**	2012
Included in cost of sales:				
Short-term wages and benefits	**$ 8,898**	$ 4,914	**$ 20,302**	$ 12,846
Included in selling, general and administrative expenses:				
Short-term wages and benefits	**20,779**	17,375	**56,967**	47,254
Share-based payments	**579**	451	**1,045**	1,057
	21,358	$ 17,826	**58,012**	48,311
	$ 30,256	$ 22,740	**$ 78,314**	$ 61,157

11. Finance income and finance costs

Finance income and finance costs for the three and nine month periods ended September 30, 2013 and 2012 are comprised of the following:

	Three month period ended September 30		Nine month period ended September 30	
(In $ thousands)	**2013**	2012	**2013**	2012
Finance income	**$ 57**	$ 335	**$ 434**	$ 979
Interest expense on convertible debentures	**(703)**	(458)	**(2,142)**	(458)
Interest expense on mortgages, term debt and other financial liabilities	**(1,124)**	(746)	**(2,722)**	(2,005)
Interest expense on note payable	**(47)**	(91)	**(139)**	(270)
Interest expense on vendor take back financing	**-**	(155)	**(276)**	(312)
Finance costs	**(1,874)**	(1,450)	**(5,279)**	(3,045)
Net finance costs	**(1,817)**	(1,115)	**(4,845)**	(2,066)
Finance costs recognized in cost of sales	**(59)**	(62)	**(239)**	(232)
Total net finance costs	**$ (1,876)**	$ (1,177)	**$ (5,084)**	$ (2,298)

During the second quarter of 2013, the vendor take back financing was repaid through proceeds from a new mortgage. The mortgage bears interest at the rate of prime plus 1.0% and requires blended payments of $56 thousand per month.

12. Trade and other accounts receivable

(In $ thousands)		**September 30, 2013**		December 31, 2012
Trade receivables	**$**	**26,773**	$	27,039
Advances to equity accounted investees		**-**		958
Prepaid expenses		**2,424**		2,414
Current portion of long-term finance contracts		**785**		971
Volume bonus		**1,808**		15
Contracts in transit		**13,671**		8,329
Allowance for doubtful debts		**(1,159)**		(916)
	$	**44,302**	$	38,810

13. Inventories

(In $ thousands)		**September 30, 2013**		December 31, 2012
				(Note 5)
New equipment	**$**	**103,805**	$	80,432
Used equipment		**77,200**		65,836
Parts and accessories		**27,071**		22,229
Work-in-progress		**2,294**		1,290
	$	**210,370**	$	169,787

14. Assets held for sale

As at September 30, 2013, agricultural equipment segment land and buildings with a net book value of $3,095 thousand are classified as held for sale. The company has received an offer to purchase this location for net proceeds of approximately $3,780 thousand, subject to certain conditions and expected to close in the first quarter of 2014. The operations from this location will be relocated to new facilities currently under construction.

During the three months ended September 30, 2013, a net gain of $68 thousand was recognized in other income on the sale of agricultural rental equipment; at September 30, 2013 $570 thousand of agricultural rental equipment remains classified as held for sale.

During the three months ended September 30, 2013, a net gain of $779 thousand was recognized in other income on the sale of 13.4 acres of land. The $4,152 thousand of capitalized costs associated with this land was included in the total assets of the agricultural equipment segment and was previously classified as held for sale.

15. Capital and other components of equity

Share capital

(In $ thousands)	Number of common shares		Amount
Balance December 31, 2011	14,703	$	72,925
Issued under the DRIP plan	38		614
Issued under the deferred share plan	1		3
Issued for business acquisitions	138		2,609
Balance September 30, 2012	14,880		76,151
Issued under the DRIP plan	18		331
Issued under the share option plan	2		21
Balance December 31, 2012	**14,900**		**76,503**
Issued under the DRIP plan	**47**		**857**
Issued under the deferred share plan	**22**		**166**
Issued under the share option plan	**25**		**259**
Balance September 30, 2013	**14,994**	**$**	**77,785**

16. Earnings per share

Per share amounts

Both basic and diluted earnings per share have been calculated using the net earnings attributable to the shareholders of Cervus as the numerator. No adjustments to net earnings were necessary for the three and nine month periods ended September 30, 2013 and 2012. The weighted average number of shares for the purposes of diluted earnings per share can be reconciled to the weighted average number of basic shares as follows:

	Three month period ended September 30		Nine month period ended September 30	
(In thousands of shares)	**2013**	2012	**2013**	2012
Issued common shares January 1	**14,967**	14,729	**14,900**	14,703
Effect of shares issued under the DRIP plan	**19**	10	**25**	24
Effect of shares issued for purchase of minority interest and business acquisitions	**-**	86	**-**	29
Effect of shares issued under the deferred share plan	**1**	-	**15**	-
Effect of shares issued under the share option plan	**2**	-	**15**	-
Weighted average number of common shares	**14,989**	14,825	**14,955**	14,756

Diluted earnings per share

The calculation of diluted earnings per share at September 30, 2013 and 2012 was based on the profit attributable to common shareholders and the weighted average number of common shares outstanding after adjustment for the effects of dilutive potential common shares which consist of the following:

	Three month period ended September 30		Nine month period ended September 30	
(In thousands of shares)	**2013**	2012	**2013**	2012
Weighted average number of common shares - basic	**14,989**	14,825	**14,955**	14,756
Effect of dilutive securities:				
Deferred share plan	**653**	561	**653**	561
Share options	**8**	30	**7**	27
Weighted average number of common shares - diluted	**15,650**	15,416	**15,615**	15,344

17. Segment information

The Company has two reportable segments which include the agricultural equipment segment which primarily distributes agricultural related equipment and services and the construction and industrial equipment segment which includes primarily the sale of construction and industrial equipment and related services. The two business segments offer different products and services and are managed separately as they operate in different markets and require separate strategies. For each of the strategic business units, the Company's CEO reviews internal management reports on a monthly basis. The following is a summary of financial information for each of the reportable segments.

The Company allocates corporate expenditures to each individual segment based on a direct allocation method. Total corporate related expenditures, excluding income taxes, that have been allocated for the three and nine month period ended September 30, 2013 are $2,099 thousand and $7,681 thousand (2012 - $1,682 thousand and $5,331 thousand) respectively.

(In $ thousands)

Nine months ended September 30, 2013		Agricultural Equipment		Commercial and Industrial Equipment		Total
Revenue	$	**454,270**	$	**207,675**	$	**661,945**
Profit for the period		**12,655**		**4,299**		**16,954**
Share of profit of equity accounted investees		**2,141**		**-**		**2,141**
Investment in associates		**7,170**		**-**		**7,170**
Depreciation and amortization		**3,620**		**6,103**		**9,723**
Finance income		**198**		**236**		**434**
Finance costs, including interest in cost of sales		**3,191**		**2,327**		**5,518**
Capital expenditures		**10,352**		**8,903**		**19,255**
Reportable segment assets		**282,990**		**172,321**		**455,311**
Reportable segment liabilities		**148,238**		**92,363**		**240,601**
Other intangible assets		**8,067**		**19,526**		**27,593**
Goodwill		**4,280**		**2,193**		**6,473**

(In $ thousands)

Nine months ended September 30, 2012 (Note 5)		Agricultural Equipment		Commercial and Industrial Equipment		Total
Revenue	$	363,677	$	174,788	$	538,465
Profit for the period		12,671		4,051		16,722
Share of profit of equity accounted investees		1,953		-		1,953
Investment in associates		9,249		-		9,249
Depreciation and amortization		3,297		4,154		7,451
Finance income		201		778		979
Finance costs, including interest in cost of sales		1,833		1,444		3,277
Capital expenditures		48,258		19,985		68,243
Reportable segment assets		257,312		161,551		418,863
Reportable segment liabilities		138,420		84,057		222,477
Other intangible assets		4,358		22,996		27,354
Goodwill		3,619		2,193		5,812

(In $ thousands)

Three months ended September 30, 2013		**Agricultural Equipment**		**Commercial and Industrial Equipment**		**Total**
Revenue	$	**185,101**	$	**75,695**	$	**260,796**
Profit for the period		**6,903**		**1,838**		**8,741**
Share of profit of equity accounted investees		**531**		**-**		**531**
Investment in associates		**7,170**		**-**		**7,170**
Depreciation and amortization		**1,101**		**2,248**		**3,349**
Finance income		**53**		**4**		**57**
Finance costs, including interest in cost of sales		**1,048**		**885**		**1,933**
Capital expenditures		**3,474**		**1,238**		**4,712**
Reportable segment assets		**282,990**		**172,321**		**455,311**
Reportable segment liabilities		**148,238**		**92,363**		**240,601**
Other intangible assets		**8,067**		**19,526**		**27,593**
Goodwill		**4,280**		**2,193**		**6,473**

(In $ thousands)

Three months ended September 30, 2012 (Note 5)		**Agricultural Equipment**		**Commercial and Industrial Equipment**		**Total**
Revenue	$	170,041	$	69,956	$	233,997
Profit for the period		7,273		1,333		8,606
Share of profit of equity accounted investees		868		-		868
Investment in associates		5,527		-		5,527
Depreciation and amortization		1,052		1,449		2,501
Finance income		43		292		335
Finance costs, including interest in cost of sales		869		643		1,512
Capital expenditures		5,800		3,802		9,602
Reportable segment assets		257,312		161,551		418,863
Reportable segment liabilities		138,420		84,057		222,477
Other intangible assets		4,358		22,996		27,354
Goodwill		3,619		2,193		5,812

The Company primarily operates in Western Canada but has subsidiaries in New Zealand and Australia which operate in the agricultural equipment segment. Non-current assets for these subsidiaries were $16,720 thousand (2012 - $8,661 thousand) and gross revenue for the three and nine months ended were $28,864 thousand and $59,584 thousand (2012 - $9,407 and $26,171 thousand) respectively.

18. Related party transactions

Certain officers and dealer managers of the Company have provided guarantees to John Deere aggregating $6,400 thousand. During the three and nine month periods ended September 30, 2013 and 2012, the Company paid those individuals $48 and $144 thousand respectively for providing these guarantees. These transactions were recorded at the amount agreed to between the Company and the guarantors and are included in selling, general and administrative expense.