Building on the power of information

2013 ANNUAL REPORT

history

innovation

efficiency

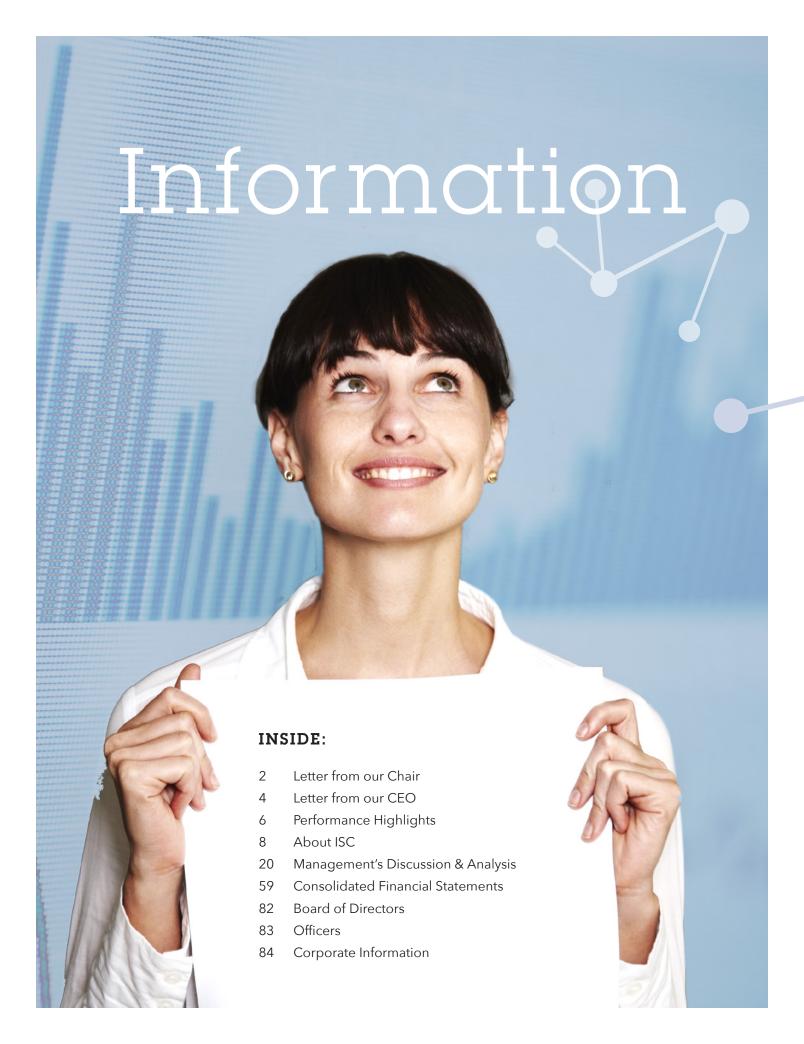
stability

reliability

transformation

opportunity







At ISC, we build on it – delivering registry and information services that create certainty, stability and opportunity.



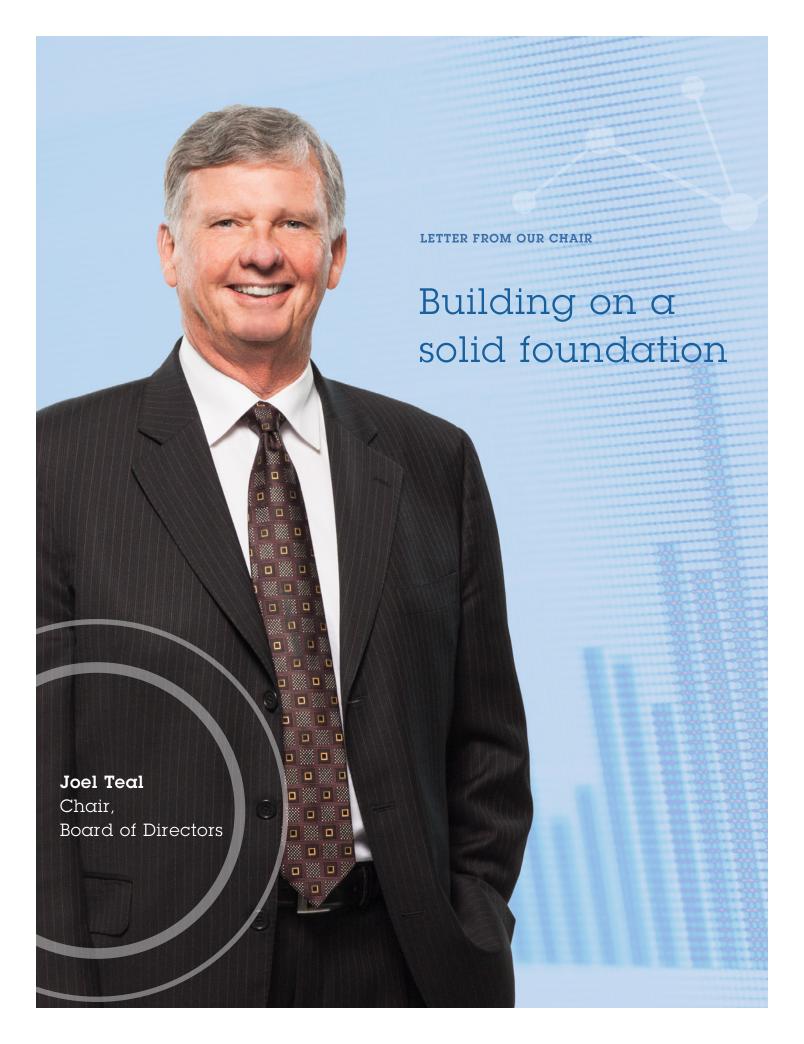




For nearly 14 years, the people and businesses of Saskatchewan have entrusted Information Services Corporation ("ISC") with some of their most important information. We've been up to the challenge, finding innovative ways to gather and maintain accurate and secure registries in our home province – first as a Crown corporation and now, since our initial public offering ("IPO") in 2013, as a publicly traded company.

This Annual Report - our first since listing on the Toronto Stock Exchange - shows how we're using our expertise in managing information to deliver value for our investors today - and how we're building on the power of information to grow our business for tomorrow.

1



TO OUR SHAREHOLDERS

Following the success of our IPO in July, our primary focus for the remainder of 2013 was to guide the smooth transition of the Company from a Crown corporation to a publicly traded company. Based on our financial results and the feedback from our customers, we were successful in achieving this goal.

Built on a 20-year Master Service Agreement with the Government of Saskatchewan, ISC begins its journey as a publicly traded company with a foundation that enables us to provide attractive dividend returns to investors. Nevertheless, the Board of Directors recognizes the importance of using this foundation as a platform to protect and improve the future performance of the Company.

Our long-term success in creating added customer and shareholder value will be underpinned by our continued commitment to our full-service approach to providing registry information services to governments and private sector organizations. As you will see from the discussion in this Annual Report, our strategy is to continue with this focus while prudently

assessing growth opportunities through new relationships and expanded services to provide added value for our existing and potential customers.

ISC's success will also be dependent on having a strong Board of Directors to lead the Company's continuing evolution. At the time of the IPO, nine appointments were made to the Board, including business leaders with the acumen needed to meet the new requirements of your Company. We have a team that brings an understanding of our history and potential, along with new and independent perspectives that will help us grow.

Like any new team, we spent much of our first six months together defining our new corporate governance requirements*, the roles each of us will play, appointing responsibilities and assessing our strengths, weaknesses, and approach.

I can say, without reservation, that we have all been impressed by the dedication and ability of all our employees, who proved themselves both capable and adaptable through a year of significant change. On behalf of the Board, I would like to thank our employees for their hard work and dedication.

As Chair of the Board of Directors, I am excited about what our team - at all levels of the Company can accomplish.

On behalf of the Board

/Joel Teal Chair

"ISC begins its journey as a publicly traded company with a foundation that enables us to provide attractive dividend returns to investors."

^{*} For a more detailed discussion of our corporate governance policies and practices, please visit the governance section of our website at www.isc.ca/About/CorporateGovernance



For ISC, 2013 was a paradox. On one hand, it was the most significant period of change the Company has ever experienced. On the other, it was as if nothing had changed at all.

In the span of six months, we transformed a public sector organization into a publicly traded company, negotiated a 20-year Master Service Agreement with the Government of Saskatchewan, laid the groundwork for a new relationship with our former owners, and prepared to meet the expectation of a new set of stakeholders: you.

The mark of success for our transformation was that, from a performance perspective, few

people outside the Company noticed it had happened. While an undertaking like this can often distract a business from its core purpose, our people did a remarkable job of maintaining a stellar level of customer service. In fact, customers continue to give us exceptional grades in our annual satisfaction survey.

Our financial performance also remained strong, with adjusted EBITDA rising 12.7 per cent compared to 2012. Revenues were \$79.1 million in 2013 – more than a 5.2 per cent increase compared to last year. Following our listing, we also declared \$6.7 million in dividends to the benefit of our shareholders.

We even kept up our record as a business and sustainability leader in 2013, when we were named one of Canada's Greenest Employers by Mediacorp for the second year in a row, one of Canada's Best Diversity Employers by Bank of Montreal for the third year in a row, and a top employer in Saskatchewan for the fifth year in a row. We upped the ante this year by becoming the first Saskatchewan-based organization to earn a platinum-level Canada Award for Excellence by Excellence Canada - the highest level currently attainable.

So despite the change happening within our walls, to the world outside of ISC, things weren't much different, which is exactly what we worked so hard to accomplish. That seamless transition is the product of the tireless effort of talented people combined with a business model that works - both reasons to be optimistic as

LETTER FROM OUR CEO

Building on the power of change

we move into a new world as a publicly traded company.

Now, with our journey to privatization behind us, we are shifting our focus toward the opportunities and challenges that await. 2013 was about transition - 2014 is about exploring prudent ways to grow that don't sacrifice the stability that you, our investors, expect.

Of course our primary customer will continue to be the Government of Saskatchewan and the people of the province. We'll continue to serve those who entrust us with their critical information, looking for ways to enhance their experience with improved convenience and efficiency.

But we'll also look for ways to use the same business model that has brought us success to grow both within and outside the province. After seeing all we've accomplished, I'm more convinced than ever that what works here at home could work anywhere information is collected, and that ISC can be a vanguard in helping governments and other institutions manage this important function.

In short, it is an exciting time to be part of the ISC story. That excitement, along with the faith our customers place in us to handle their valuable information, has always been at the core of who we are at ISC. It is the same excitement and faith that drove our employees through the immense workload of the privatization process to outperform their own high standards, and the same excitement and faith we will need to foster in our new relationships as we look to grow our business.

And so, in 2014, we will continue to embrace opportunity as we look for ways to shift our focus without changing who we are as a Company, to grow and maintain stability, while moving forward without forgetting where we came from.

But one thing remains clear: wherever we operate, we will be the same Company that people entrust with some of the most important information in their lives - and the same Company that delivers excellence for everyone connected with our business.

Sincerely,

Jeff Stusek



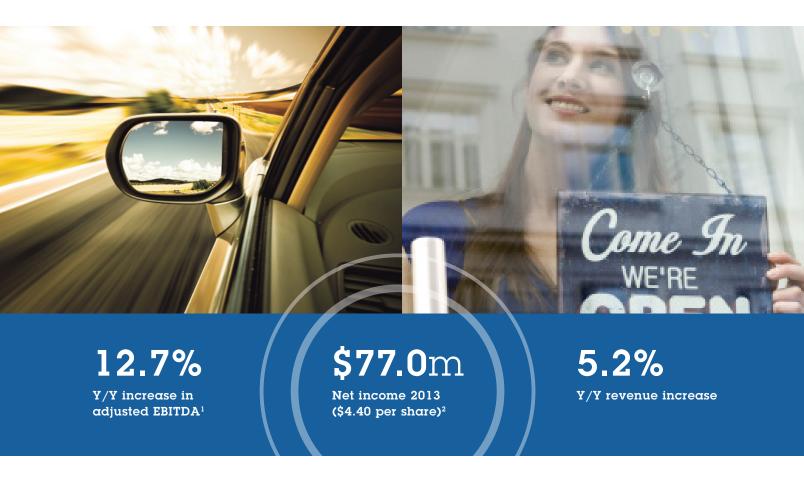
(thousands of CAD dollars, except earnings per share)	Year Ended December 31,		
	2013	2012	2011
Revenues	\$ 79,131	\$ 75,216	\$ 68,670
Net income and total comprehensive income	\$ 76,981	\$ 21,240	\$ 17,218
Total assets	\$108,101	\$ 48,638	\$ 47,435
Total non-current liabilities	10,814	1,493	1,766
EBITDA ¹	\$ 30,554	\$ 28,794	\$ 24,171
Adjusted EBITDA ¹	34,008	30,167	25,266
EBITDA margin (% of Revenues) ¹	38.1%	37.2%	34.1%
Adjusted EBITDA margin ¹	43.0%	40.1%	36.8%
Free cash flow ¹	\$ 23,208	\$ 22,561	\$ 19,022
Dividends declared per share ²	\$ 0.38	-	-
Earnings per share from continuing and			
discontinued operations, basic ³	\$ 4.40	-	-
Earnings per share excluding taxes, basic 4	\$ 1.48	_	_

¹ For a reconciliation of EBITDA, Adjusted EBITDA and Free cash flow, see "Financial Measures and Key Performance Indicators".

 $^{^{\}rm 2}\,$ Dividends declared per share since our listing on the Toronto Stock Exchange on July 9, 2013.

³ The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period.

⁴ See "Results of Operations" for calculation.



Revenue by business line

Land Titles Registry, Land Surveys and Geomatics

\$61.1m

Personal Property Registry

\$9.8m

Corporate Registry

\$8.2m

¹ Excluding Vital Statistics Registry revenue, which is treated as a discontinued operation.

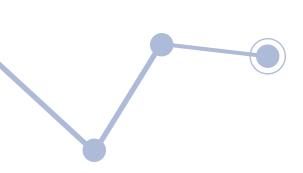
² Includes \$51.9 million of income tax recovery.

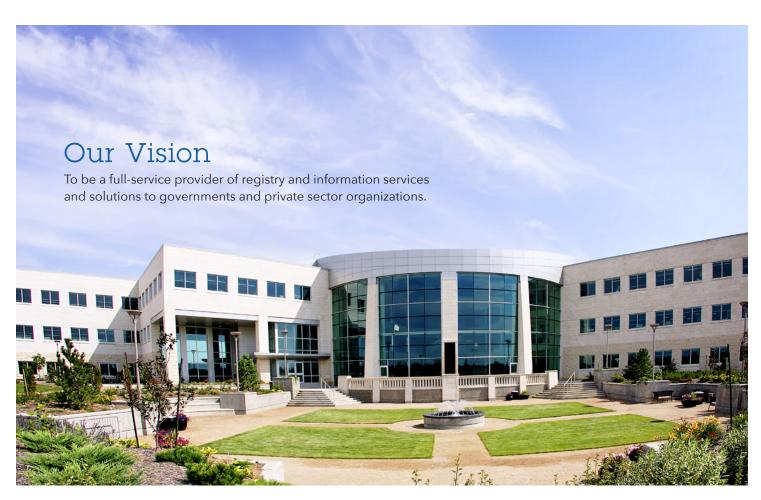
About ISC

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



In July 2013, ISC became a publicly traded company, with shares trading on the Toronto Stock Exchange under the symbol "ISV".











Our Values

Integrity

We treat our customers, stakeholders, suppliers and each other with integrity at all times, with respect in our actions, and honesty and openness in our communication.

Excellence

We provide quality service and products to our customers and stakeholders in a professional, accurate and timely manner that will exceed their expectations.

Customer Focus

We are reliable in the delivery of our services and proactively respond to the needs of our customers.

Accountability

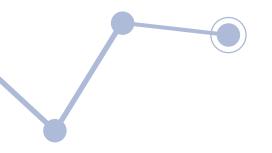
We are accountable to our customers, stakeholders, and each other for our work, our actions and the services we provide.

Commitment to People

We foster a healthy and supportive environment, leverage diversity and promote mental, physical and social well-being.

Leadership

We provide clear direction, lead change and celebrate success.



Powered by information







1 The Land Registry

includes, for performance reporting purposes:

The Land Titles Registry, which issues land titles and registers transactions affecting titles, including changes of ownership and land interests (mortgages, easements, etc.);

The Land Surveys Directory, which records legal survey measurements and survey monument information, defining the legal boundaries of every surface and mineral property in the province's Land Titles Registry; and

Geomatics Services provides the technology and support to develop, maintain, and distribute geographic information in Saskatchewan. ISC also manages Saskatchewan's survey system, keeping complete records for all land parcels. These services are the foundation of the Land Surveys Directory and Land Titles Registry.

Specific Geomatics Services provided by ISC include Geographic Information Systems ("GIS"), Maps, Photos and Imagery, and the Saskatchewan Field Book Index.

2 The Personal Property Registry

enables individuals, corporations, lenders and others to register their interests (liens) on movable types of personal property, such as automobiles, farm equipment and boats.

3 The Corporate Registry

is a province-wide system for registering business corporations, nonprofit corporations, co-operatives, sole proprietorships, joint ventures and business partnerships.

ISC LINES OF BUSINESS

ISC currently manages and administers three full-service registries as well as complementary information services and solutions on behalf of the Government of Saskatchewan.

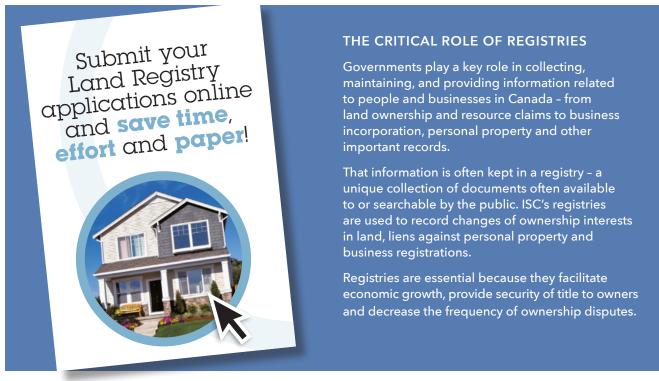
Complementary Services and Solutions

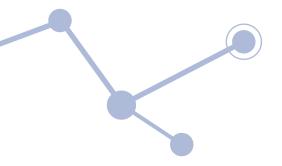
Business Registrations Saskatchewan is an information services portal that streamlines the registration process for businesses entering the province's Corporate Registry.

GeoSask.ca is a free online public access portal to Saskatchewan geospatial data (maps, images, etc.).

Customized Information Services includes supplementary information services for government ministries, such as the Mineral Administration Registry of Saskatchewan ("MARS") and the Saskatchewan Civic Address Registry.







Building Revenue



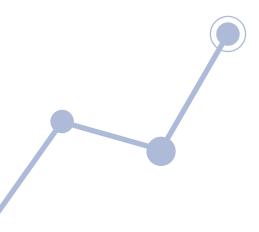
ISC FEE-GENERATING TRANSACTIONS

Each of ISC's three major lines of business produce revenue through three types of transactions: registrations, searches and maintenance and related services.

These transactions represent ISC's core and non-core services.

ISC Revenue-Producing Transactions - 2013

Registrations	trations Searches	
\$59.3 m	\$11.0 m	\$8.8 m
Record interests in land and property or corporate transactions.	Provide archival information for each registry. Customized services are available for larger searches or searches that require information from multiple sources.	Transactions related to maintaining accurate, current registry information, including mineral certifications and annual filings for corporate entities.
Service: Online or in person	Service: Online or in person Customized	Service: Online or in person Customized
Revenues: Flat fees for all except Land Registry, which is largely value-based	Revenue Type: Flat fees for standard searches; variable fees for customized searches	Revenues: Flat or negotiated fees



Building Value

ISC has identified three strategic priorities that we believe will contribute to value creation, risk management and efficiency enhancements:

- Earnings Growth and Sustainable Cost Management;
- Organizational Effectiveness and Compliance; and
- Growth Identification and Execution.

To support these priorities, we have identified several principles that are the foundation of our strategic focus, including:

- Leveraging the substantial experiences gained through our long-term relationship with the Government of Saskatchewan;
- Generating value from Saskatchewan registry information and data, which is available to ISC exclusively until 2033;
- Maximizing our balance sheet strength, both from a cash and debt perspective;
- Delivering reliable returns to shareholders by sustaining and enhancing dividends over time;
- Diversifying revenues among our primary registries to reduce reliance on Saskatchewan and land registry-based income;
- Exploring replication opportunities across Canada; and
- Developing relationships, alliances and partnerships with international leaders within the information services industry to enhance our brand and explore complementary service offerings.



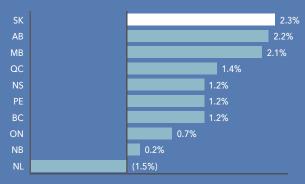
SASKATCHEWAN: OPPORTUNITY IN A GROWING PROVINCE

Our Master Service Agreement with the Government of Saskatchewan gives ISC the exclusive right to manage and operate registries on behalf of the province until 2033, tying the Company to one of Canada's fastest growing economies.

Driven by a diverse range of industries, Saskatchewan's growth has led to increases in economic activity of all kinds - from rising construction investment and increases in home and personal property sales to more jobs, higher real estate values, and a growing list of new businesses.

The non-discretionary registry services ISC offers both support and benefit from this increase in economic activity. While Saskatchewan's growth is not likely to continue at its unprecedented pace, it is still expected to remain strong and steady, supporting stable earnings for ISC in the years to come.

Real Gross Domestic Product ("GDP") by Province 5-Year Compound Annual Growth Rate (2007-2012)

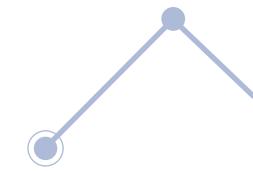


Source: Statistics Canada. Table 384-0038 – Gross domestic product, expenditure based, provincial and territorial, annual (dollars unless otherwise noted)

Between 2007 and 2012, Saskatchewan's was the fastest growing economy in Canada. Strong, stable growth is predicted to continue in the coming years.

A Powerful Core

ISC'S CORE COMPETENCIES AND STRENGTHS DRIVE OUR POTENTIAL





History

With extensive experience in developing and fostering relationships with governments, ISC understands their expectations and decision-making processes.



Innovation and Efficiency

ISC can call on its unique expertise delivering fullservice registry solutions to provide a "one-stop" option for governments and private-sector organizations, enabling them to deliver quality services to their customers at a lower cost.



Stability

Under the terms of the Master Service Agreement, ISC has the exclusive right to manage and operate registries on behalf of the Government until 2033. This agreement creates a significant barrier to entry for competitors in ISC's home market.



Reliability

Steady earnings from non-discretionary registry transactions, combined with low debt and moderate capital expenditures, enable ISC to generate stable cash flow to invest in new products, services and growth initiatives while supporting ISC's commitment to delivering solid shareholder returns.



Transformation

ISC's experienced management team and customer service staff have a track record of improving registry delivery in Saskatchewan, developing and implementing processes that improve service, reduce turnaround times, save money, and increase efficiency.



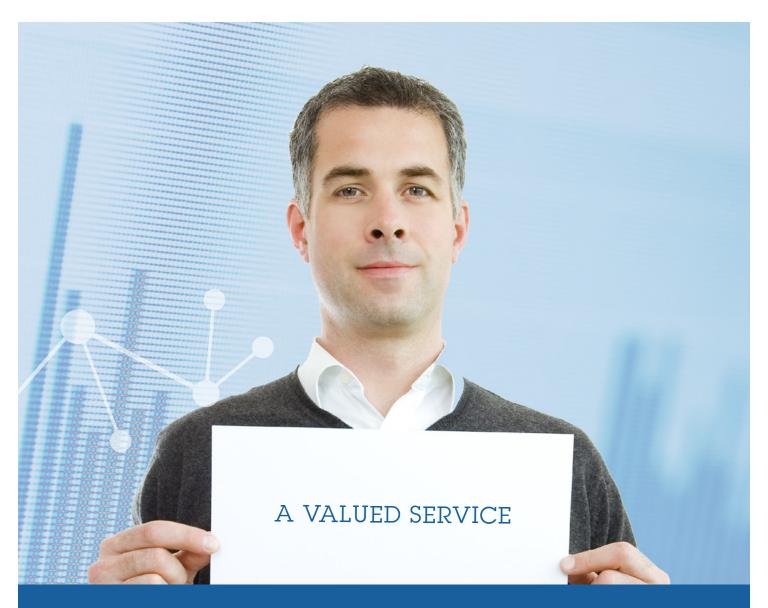
Information

With the exclusive right to use and distribute data available through existing registry systems, ISC is well positioned to develop additional services that leverage public information to add value for governments and end-users.



Opportunity

With new access to capital after transitioning to a private company, plus low debt levels, significant free cash flow and a diversified shareholder base, ISC has the financial foundation upon which to grow our services in Saskatchewan and beyond.



ISC'S EXPERTISE ALIGNS WITH INDUSTRY GROWTH TRENDS

Several factors are contributing to an increase in third-party outsourcing of information services by governments and private sector entities:

Individuals and businesses are demanding better customer service and convenience

Private sector providers such as banks and retailers have raised consumer expectations in delivering an integrated, intuitive and well-crafted user experience.

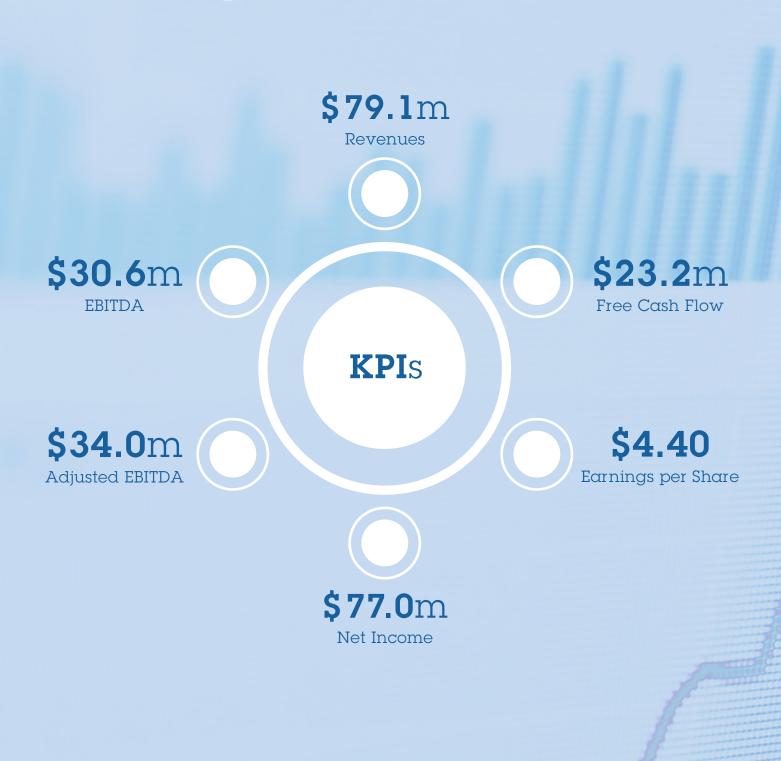
Governments and companies are looking to outsource non-core processes and services

With fiscal constraints, governments are turning to private parties to efficiently deliver services. This is also true in the private sector, where more than 90 per cent of Fortune 500 companies are outsourcing at least one non-core business process.

Consumers and businesses demand reliable, secure information

As governments focus on cross-enterprise service integration, concerns about information privacy increase. Third-party service providers with expertise in providing authenticated and secure data have a competitive edge in this environment.

2013 Key Performance Indicators



Management's Discussion and Analysis

OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
For the Fourth Quarter and Year Ended December 31, 2013

Contents

- 22 Introduction
- 22 Responsibility for Disclosure
- 22 Caution Regarding Forward-Looking Statements
- 23 Highlights
- 25 Selected Financial Information
- 25 Business Overview
- 32 Business Strategy
- 33 Core Competencies and Strengths
- 35 Results of Operations
- 42 Summary of Quarterly Results
- 42 Financial Measures and Key Performance Indicators
- 43 Liquidity and Capital Resources
- 46 Outlook
- 48 Contractual Obligations and Other Commitments
- 48 Off-Balance Sheet Arrangements
- 48 Related Party Transactions
- 48 Critical Estimates and Significant Accounting Policies
- 48 Changes in Accounting Policies
- 49 Financial Instruments and Related Risk Management
- 49 Business Risks and Risk Management
- 57 Non-IFRS Measures
- 58 Evaluation of Controls and Procedures

INTRODUCTION

The year 2013 was an important one for Information Services Corporation ("ISC," or the "Company") as we transitioned from a Crown corporation to a publicly traded company with shares listed on the Toronto Stock Exchange ("TSX") under the stock symbol "ISV".

As a result of the transition, we expanded our investor base while continuing to deliver essential registry services on behalf of the Government of Saskatchewan ("the Government") to the customers, citizens, businesses, and corporations who depend on ISC.

In the coming pages, we present our Management's Discussion and Analysis ("MD&A"), a report that discusses our financial performance, business indicators and outlook from management's viewpoint. This document should be read in its entirety, and is intended to complement and supplement ISC's Consolidated Financial Statements for the years ended December 31, 2013 and 2012.

As a newly traded public company, our goal is to help you understand our Company, our key business drivers and our approach to future opportunities.

While ISC had performance metrics in place for many years, they were based on government requirements as a Crown corporation. With an expanded stakeholder base and mandate, our performance metrics may need to change or be enhanced. Performance metric evaluation is underway and a priority for 2014.

RESPONSIBILITY FOR DISCLOSURE

This MD&A contains information from ISC's audited Consolidated Financial Statements for the years ended December 31, 2013, 2012 and 2011, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The financial information that appears throughout our MD&A is consistent with the Consolidated Financial Statements.

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

December 31, 2013 is available on SEDAR at www.sedar.com.

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

This MD&A is current as of March 19, 2014. The Board of Directors ("Board") carries out its responsibility for review of this disclosure primarily through the Audit Committee, which is comprised exclusively of independent Directors. The Audit Committee reviews the MD&A and recommends it to the Board of Directors. for approval. Other key responsibilities of the Audit Committee include reviewing our existing internal control procedures and planned revisions to those procedures, and advising the Directors on auditing matters and financial reporting issues.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

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

Discussions containing forward-looking statements may be found in this MD&A. Forward-looking statements, including, without limitation, those contained in the "Outlook" and "Core Competencies" sections hereof, management's expectations, intentions and beliefs concerning the registry services and information products industry and, in particular, the land, personal property and corporate registry sectors thereof, its competitive landscape, the general economy and the real estate market, statements regarding the future financial position or results of ISC, business strategy,

proposed acquisitions, growth opportunities, capital and operating expectations, access to financing on satisfactory terms, potential litigation, projected costs, and plans and objectives of or involving ISC, are based on estimates and assumptions made by us in light of ISC's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that ISC believes are appropriate and reasonable in the circumstances. There can be no assurance that such estimates and assumptions will prove to be correct.

Certain assumptions with respect to the Saskatchewan economy, consumer confidence, interest rates, level of unemployment, inflation, real estate market in Saskatchewan, claim liabilities, income taxes, our ability to attract and retain skilled staff, employee future benefits, goodwill and intangibles are material factors in preparing forward-looking statements and management's expectations.

Many factors could cause our actual results, levels of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail under the "Business Risks and Risk Management" section of this MD&A:

- potential disagreements with the Government;
- ISC's limited ability to set fees;
- legislative changes that affect our business;
- the Saskatchewan and Canadian economies, including conditions within the real estate market, inflation, interest rate levels, unemployment levels and consumer confidence;
- the level of search and registration activities, principally as related to the Land, Personal Property and Corporate Registries (collectively, the "Registries");
- reliance on key personnel;
- our ability to execute our growth strategy;
- any compromise to the integrity or security of our information assets;
- our reliance on information technology systems or a material disruption in our computer systems;
- our reliance on third-party service providers or other contractors under key contractual arrangements;

- competition for service offerings (other than our exclusive service offerings to the Government);
- our insurance may not provide adequate coverage;
- litigation and tax matters;
- our liability to the Government under the Master Service Agreement ("MSA") is unlimited, except in certain specified circumstances;
- any adverse changes in labour relations;
- any failure to protect ISC's intellectual property rights;
- the potential for a volatile market price for our Class A Limited Voting Shares (the "Class A Shares"); and
- our ability to pay dividends, which is dependent on our ability to generate sufficient income and cash flow.

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

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

HIGHLIGHTS

Fourth Quarter Highlights

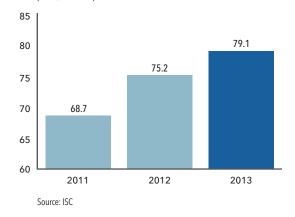
• Total revenues were \$20.0 million for the three months ended December 31, 2013, an increase of \$1.7 million or 9.6 per cent, compared to the \$18.3 million for the three months ended December 31, 2012. Revenues increased across all three registries in the fourth quarter compared to the same quarter last year. Revenues exclude the Vital Statistics Registry revenue, which is treated as a discontinued operation.

- EBITDA (earnings before interest, taxes, depreciation and amortization) for the fourth quarter of 2013 was \$8.3 million compared to \$6.7 million for the fourth quarter of 2012, up 25.1 per cent quarter-over-quarter. ISC's 2013 fourth quarter EBITDA margin was 41.6 per cent (35.3 per cent - 2012).
- Adjusted EBITDA grew to \$8.4 million for the guarter as compared to \$7.0 million for the same quarter last year, with ISC generating an Adjusted EBITDA margin of 41.9 per cent (38.1 per cent - 2012).
- Net income for the three months ended December 31, 2013 was \$4.7 million, or \$0.27 per share. In the fourth quarter last year, net income was \$5.0 million; however, for comparative purposes, it is important to note that ISC was not subject to tax in 2012. Excluding this quarter's tax expense, ISC generated an increase in income over the fourth guarter of 2012 of \$2.1 million, or 41.7 per cent.

Year End Highlights

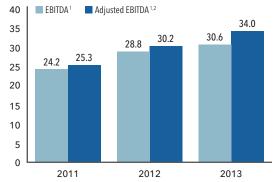
- Total revenues increased to \$79.1 million for the year ended December 31, 2013, an increase of \$3.9 million, or 5.2 per cent, compared to \$75.2 million for the year ended December 31, 2012. Revenues exclude the Vital Statistics Registry, which is treated as a discontinued operation.
- EBITDA for 2013 was \$30.6 million, slightly ahead of the \$28.8 million for 2012, with an EBITDA margin of 38.1 per cent (37.2 per cent - 2012).
- Adjusted EBITDA rose to \$34.0 million, a 12.7 per cent increase compared to the \$30.2 million generated in 2012, with an Adjusted EBITDA margin of 43.0 per cent (40.1 per cent - 2012).
- Net income for the year ended December 31, 2013 was \$77.0 million, or \$4.40 per share. Net income for 2012 was \$21.2 million; however, it is important to note that ISC was not subject to tax during that year. Excluding the income tax expense and recovery, ISC generated an increase in income over 2012 of \$3.9 million, or 18.3 per cent.

Revenues for the year ended December 31, (CAD\$ millions)



EBITDA for the year ended December 31,

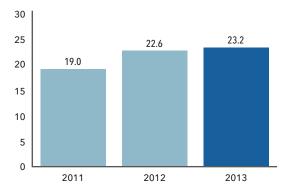




- ¹ EBITDA and Adjusted EBITDA are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and, therefore, are not comparable to similar measures by other corporations. See "Non-IFRS Measures".
- ² Adjusted EBITDA excludes one-time costs related to the public offering and the results of the Vital Statistics Registry. Source: ISC

Free cash flow¹ for the year ended December 31,

(CAD\$ millions)



¹ Free cash flow is not recognized as a measure under IFRS and does not have a standardized meaning prescribed by IFRS and, therefore, is not comparable to similar measures by other corporations. See "Non-IFRS Measures".

Source: ISC

SELECTED FINANCIAL INFORMATION

The selected financial information set out for the years ended December 2013, December 2012 and December 2011 was derived from our Consolidated Financial Statements and has been prepared on a consistent basis. In the opinion of management, such financial data reflects all adjustments necessary for a fair presentation of the results for those periods.

From a comparative standpoint, it is also important to note that, in 2012, we operated the Vital Statistics Registry, which has since been transferred back to the Government. As a result, our presentation includes "adjusted" numbers to provide a more accurate year-over-year comparison of results. The results of the Vital Statistics Registry are now reflected under "Discontinued Operations".

	Year Ended December 31,		
(thousands of CAD dollars, except earnings per share)	2013	2012	2011
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Total non-current liabilities	10,814	1,493	1,766
EBITDA ¹	\$ 30,554	\$ 28,794	\$ 24,171
Adjusted EBITDA ¹	34,008	30,167	25,266
EBITDA margin (% of revenues) ¹	38.1%	37.2%	34.1%
Adjusted EBITDA margin ¹	43.0%	40.1%	36.8%
Free cash flow ¹	\$ 23,208	\$ 22,561	\$ 19,022
Dividends declared per share ²	\$ 0.38	-	-
Earnings per share from continuing and			
discontinued operations, basic ³	\$ 4.40	-	-
Earnings per share excluding taxes, basic 4	\$ 1.48	-	-

¹ For a reconciliation of EBITDA, Adjusted EBITDA and Free cash flow, see "Financial Measures and Key Performance Indicators".

BUSINESS OVERVIEW

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

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

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

ISC is distinguished from typical registry software providers by its unique expertise in the full-service management and administration of registries. ISC works with governments and private-sector organizations to develop policies and procedures to support the integrity of the data, then manages the information technology and data management and authentication processes. Finally, the Company delivers the customer service experience online and through personal interactions.

In addition to the registry services, ISC offers complementary and customized information services and solutions.

The end-users of our products and services are individuals and businesses, including real estate agents,

 $^{^{2}\,}$ Dividends declared per share since our listing on the Toronto Stock Exchange on July 9, 2013.

³ The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period.

⁴ See "Results of Operations" for calculation.

FULL-SERVICE REGISTRY MANAGEMENT



home builders and municipalities, governments, financial institutions, insurance companies, car and equipment dealers, land developers, and resource, utility and pipeline businesses as well as small businesses and corporations and established intermediary customers such as legal, survey and engineering firms.

Description of Revenue Sources

From a reporting perspective, ISC presents its operational and financial performance based on its three major registry services:

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

• The Corporate Registry, which is a province-wide system for registering business corporations, nonprofit corporations, co-operatives, sole proprietorships, joint ventures and business partnerships.

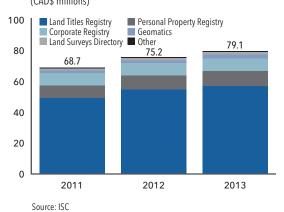
ISC's revenues have increased 15.1 per cent over the past three years, with the majority of revenue coming from the Land Titles Registry.

In each of these registries, there are three common revenue components. ISC generates revenues primarily by earning fees from our end-use customers for:

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

Registrations are conducted online or through staffassisted services that facilitate the submission and registration of interests in land or property or registrations related to business entities. Our customers typically submit registration requests

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



electronically, and registrations are completed through automated or manual processes.

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

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

These transactions are primarily Core Registry Services as defined by the MSA, and the fees associated with these core services are defined within the agreement. ISC also has the ability to set and generate fees from non-core ancillary services, an example of which would be priority mineral certification services and geomatics related services.

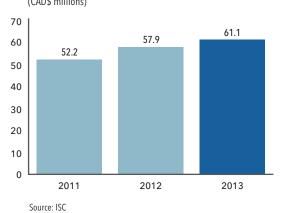
The following section provides readers with a business description and discusses the revenue drivers that ISC monitors to determine current and future financial performance.

Description of Registries

The Land Registry

As noted previously, from a reporting perspective, Land Registry includes the Land Titles Registry, Land Surveys Directory ("Land Surveys") and Geomatics. Revenue has increased 17.0 per cent over the past three years, with the majority of revenue coming from the Land Titles Registry.

Land Registry Revenue for the year ended December 31, (CAD\$ millions)



Land Titles Registry

The Land Titles Registry issues titles to land and registers transactions affecting titles, including changes of ownership and the registration of interests in land.

The Land Titles Registry contributes to Saskatchewan's economic activity by ensuring access to timely and reliable land ownership information to support new and used home sales, land and home development transfers and other value-added transactions that contribute to provincial economic development. Its primary users are legal firms, financial institutions, developers and resource-based companies.

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

The chart on the following page reflects Land Titles Registry volumes over a three-year period. Revenues for the Land Titles Registry are earned through registration, search and maintenance fees.

Registration

- Title transfers
- Interest registrations, discharges and amendments
- Revenues are earned through both value-based and flat fees

Search

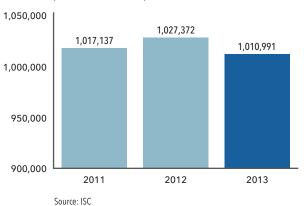
- Web searches of Land Titles Registry information
- Bulk data requests for Land Titles Registry information
- Revenues are generated through flat fees for standard searches or flat or negotiated fees for customized services

Maintenance

- Mineral certification service
- Bulk data requests
- Flat fees for standard services
- Flat or negotiated fees for customized services

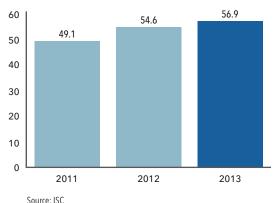
Land Titles Registry Transaction Volume for the year ended December 31,

(Number of Transactions)

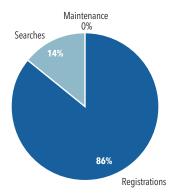


Land Titles Registry Revenue for the year ended December 31,

(CAD\$ millions)



Land Titles Registry Revenue by Type for the year ended December 31, 2013



Source: ISC

For the year ended December 31, 2013, the Land Titles Registry generated \$56.9 million in revenue, 86 per cent of which was related to registrations. Registration fees are either a flat fee or value-based fee calculated as a percentage of the value of the land and/or property being registered. Approximately 74 per cent of all Land Titles Registry registration transactions were submitted online in 2013.

We typically charge a flat fee per transaction for search and maintenance transactions. However, in certain instances, we charge a custom fee for a customized search or maintenance transaction such as certain mineral certification or bulk data requests.

Land Surveys

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

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

Land Surveys supports significant economic development activity within the province, including land, resource, community and commercial developments. Our customers include surveyors, developers, resource companies and other businesses that need access to our mapping systems and survey plans to support their development plans.

Registration

- Plan registrations
- Plan change orders
- Revenues are earned through flat fees

Search

- Web searches of Land Surveys information
- Revenues are earned through flat fees

Services

- Parcel picture on demand service
- Revenues are generated through flat fees for standard services or negotiated fees for customized services

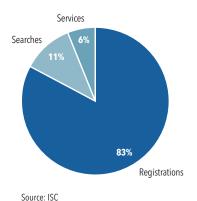
For the year ended December 31, 2013, Land Surveys generated approximately \$1.6 million in revenue, 83 per cent of which was related to registrations.

In August 2013, ISC successfully launched a new online plan submission application - an easy-to-use web application that provides an efficient way to submit survey plans. The new application performs fundamental checks and validations prior to submission to ensure submissions are complete, accurate and contain all the relevant information prior to examination, reducing rejections and rework.

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

2.0
1.5
1.5
1.0
0.5
0.0
2011
2012
2013
Source: ISC

Land Surveys Revenue by Type for the year ended December 31, 2013



Geomatics

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

For example, we have developed the GeoSask portal (www.geosask.ca) to provide free online public access to Saskatchewan geospatial data in partnership with a group of Government ministries and agencies. Geospatial data combines an image of specific land-based attributes with its geographical location. ISC operates the portal, distributes data to end-users and has the rights under license to use the geospatial data within the GeoSask portal to support ancillary product and services offerings.

We have also provided Geomatics services and solutions for land-related data and applications. ISC developed the Mineral Administration Registry Saskatchewan ("MARS") for the Ministry of the Economy, which provides an online system for issuing and administering Crown land mineral dispositions throughout Saskatchewan and eliminates the need to physically stake Crown mineral claims.

In a similar service, we are leading the development of the Saskatchewan Civic Address Registration ("CAR Project") under contract with the Ministry of Government Relations to create a province-wide civic address registry and an online maintenance system. We expect that we will enter into a service agreement with the Ministry of Government Relations to host and support the CAR Project in exchange for a service fee.

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

Total revenue derived from Geomatics search and services was \$2.6 million for fiscal 2013.

Personal Property Registry

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

General provincial economic factors, including automotive sales, interest rates and the strength in commercial activity across the province influence PPR revenues.

Under the PPR, we charge customers flat fees per transaction. The chart on the right reflects year-over-year transaction volumes for PPR.

Registration

- Registration or set-up events for Personal Property security agreements or judgments
- Revenues are generated from flat fees

Search

- Web searches of Personal Property Registry or Judgment Registry information
- Revenues are generated from flat fees

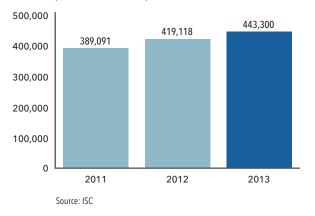
Maintenance

- Amendments
- Renewals
- Discharges
- Revenues are generated by flat fees

For the year ended December 31, 2013, the PPR generated approximately \$9.8 million in revenue, 74 per cent of which was related to registrations. PPR's highly automated web-based systems enable real-time completion of search and registration services and minimize operational effort to deliver services. Approximately 99 per cent of searches in the PPR are completed online. The high online usage is stable, with minimal numbers of end-use consumers needing staff assistance to complete their transactions.

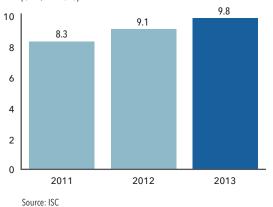
Personal Property Registry Transaction Volume for the year ended December 31,

(Number of Transactions)

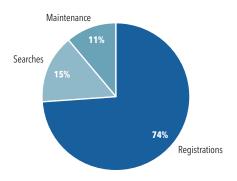


Personal Property Registry Revenue for the year ended December 31,

(CAD\$ millions)



Personal Property Registry Revenue by Type for the year ended December 31, 2013



Source: ISC

Corporate Registry

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

This registry benefits from a strong provincial economy, competitive tax rates and business incentives that encourage new and existing businesses to register and maintain their legal status in Saskatchewan.

Services are billed as flat fees for each transaction. Unlike other registries, we earn the majority of our fees in relation to maintenance services provided to entities that file annual returns or wish to make changes to their structure or business profile. The chart on the right reflects year-over-year transaction volumes for the Corporate Registry.

Registration

• Registration or incorporations

Search

- Name search and reservation service
- Searches of Corporate Registry information

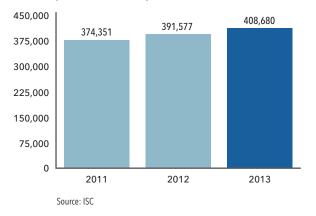
Maintenance

- Annual returns
- Amendments, amalgamations, discontinuances
- Rush fees

For the year ended December 31, 2013, the Corporate Registry generated approximately \$8.2 million in revenue, 60 per cent of which was related to maintenance services. For the top 12 transaction types, approximately 75 per cent were received online in 2013, which is consistent with our strategy to migrate customers to an online experience.

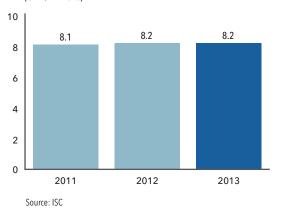
Corporate Registry Transaction Volume for the year ended December 31,

(Number of Transactions)

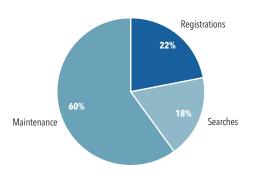


Corporate Registry Revenue for the year ended December 31,

(CAD\$ millions)



Corporate Registry Revenue by Type for the year ended December 31, 2013



Source: ISC

Operating, General and Administrative Expenses

Our operating, general and administrative expenses consist of the following:

- Wages and salaries are our largest expense and include employee salaries with related benefits for both unionized and non-unionized employees, as well as pension plan contributions, economic adjustments, performance increases, training and professional dues, and recruitment.
- Information technology services include annual service charges, contract services with third-party service providers, annual service agreements, repairs and maintenance, system support and consulting, network charges, and operational releases.
- Occupancy expenses include rent, parking, utilities, storage, janitorial supplies and services, facility repairs and maintenance, general office supplies, printed forms, mail, courier and telephone charges.
- Project initiatives include costs that can be operational or costs that are not eligible to be capitalized as part of the development of the asset, and therefore, must be expensed in the current year. Such costs include training, marketing, travel, selling, administration and general overhead costs.
- Other costs include financial services, professional services, travel and business costs, advertising and promotion, insurance and assurance, and other corporate expenses.

Net Finance Expense (Income)

Net finance expense (income) is derived from interest paid on long-term borrowed funds offset by interest earned for cash on hand.

Tax Provision

As a Crown corporation, ISC was exempt from federal and provincial income taxes under the *Income Tax Act* (Canada) as amended (the "Tax Act"). In accordance with section 149(1)(d.2), this exemption continued to apply through the ISC's continuation as a wholly owned subsidiary of Crown Investments Corporation of Saskatchewan ("CIC"). ISC's tax status was initially reported to have changed upon its listing on the TSX on July 9, 2013. However, subsequent review revealed that the actual loss of ISC's tax-exempt status was deemed to occur on June 27, 2013, when ISC and CIC entered into an Underwriting Agreement with a syndicate of underwriters. As a result, ISC is now

subject to federal and provincial income taxes at an estimated combined rate of 27 per cent.

Upon the change in status, a new taxation year commenced and ISC's properties were deemed to have been disposed of at fair market value while the Company was still exempt from tax and reacquired at that amount at the commencement of the new taxation year.

Consequently, the Company can amortize and deduct the cost of depreciable tangible and intangible properties in computing its income for tax purposes in accordance with the rules in the Tax Act. The increase in the tax basis of certain of the Company's assets upon the change in tax status created a deferred tax asset, the impact of which has been recognized as a tax recovery.

Seasonality

Our business experiences moderate seasonality, primarily because our Land Titles Registry revenues fluctuate in line with real estate transaction activity in the province. Typically, our second and third quarters generate slightly higher revenues during the fiscal year when real estate activity is highest. Margins can fluctuate as our expenses are relatively consistent, except for wages and salaries which are typically higher in the first quarter due to incentive payments and retroactive payments resulting from the collective agreement, as well as fluctuating project initiatives costs. However, the impact of seasonality has not typically been material to our overall results.

BUSINESS STRATEGY

Strategic Direction

ISC's transition from a Crown corporation to a publicly traded company in 2013 broadened our mandate, expanded our shareholder base and created a foundation upon which ISC can grow strategically.

In many respects, 2013 was a "year of firsts" for ISC. We recognize there are new competencies needed to position our Company for future growth. Over the past several months, we have been building internal competencies in the areas of taxation, investor relations and securities compliance. We are enhancing our market and competitive intelligence, fostering extra-provincial relationships and developing an internal investment framework that will establish the strategic and financial parameters to guide our actions going forward.

At the same time, we remain highly committed to effectively delivering exclusive registry services to the Government through our twenty-year MSA. We believe that the successful execution of these services to the Province and its citizens is key to enhancing our brand inside and outside of Saskatchewan.

Industry Trends

To set the context for this strategic discussion, it is important to consider market and industry trends that have and will continue to affect the delivery of registry and related services into the future.

- Governments across Canada are becoming increasingly receptive to non-traditional methods of delivering services, particularly if those services are delivered at the same standard for a lower cost.
 We have witnessed the implementation of creative solutions to infrastructure and service delivery models including outsourcing, public-private partnerships, privatizations and revenue-sharing models.
- Governments, particularly in Western Canada, are experiencing unprecedented population growth amid budgetary and fiscal constraints. At the same time, they recognize that the private-sector's contribution to sustaining economic growth is increasing.
- We are also witnessing a heightened willingness within governments to integrate services and share information to enhance their service offerings and improve government management systems and delivery models. In Western Canada, this concept has expanded between provinces. The New West Partnership agreement among British Columbia, Alberta and Saskatchewan has aligned the three provinces' business policies, establishing Canada's largest inter-provincial, barrier-free trade and investment climate, reducing the complexity for companies that are looking to operate or deliver value to one or more of these three provinces.
- Consumers, business and citizens are also demanding secure and authenticated information and services.
 They expect that government services should be comparable to those delivered by private-sector organizations in terms of quality, security, value and cost.

These trends, together with the strength of the western Canadian economies, will shape ISC's strategic approach and drive future growth opportunities.

Strategic Priorities

ISC has identified three strategic priorities that we believe will contribute to value creation, risk management and efficiency enhancements:

- earnings growth and sustainable cost management;
- organizational effectiveness and compliance; and
- growth identification and execution.

Strategic Principles

To support these priorities, we have identified several principles that are the foundation of our strategic focus, including:

- leveraging the substantial experiences gained through our long-term relationship with the Government;
- generating value from Saskatchewan registry information and data, which is available to ISC exclusively until 2033;
- maximizing our balance sheet strength, both from a cash and debt perspective;
- delivering reliable returns to shareholders by sustaining and enhancing dividends over time;
- diversifying revenues among our primary registries to reduce reliance on Saskatchewan and land registrybased income;
- exploring replication opportunities across Canada; and
- developing relationships, alliances and partnerships with international leaders within the information services industry to enhance our brand and explore complementary service offerings.

CORE COMPETENCIES AND STRENGTHS

We believe ISC's key core competencies and strengths position us well to achieve our strategic objectives and succeed in the future:

History

Extensive experience in developing and fostering relationships with governments

ISC has developed and maintains strong working relationships with the Government and its ministries regarding the development, provision and commercialization of registry and related information services. We understand the demands and service

standards sought by governments, as well as the decision-making processes implemented by governments in connection with critical information services and the management of personal and business information.

The strength of our partnership with the Government is demonstrated by the expanding nature and scope of our exclusive service offerings to the Government, including the addition of the Vital Statistics Registry in 2008, the Corporate Registry in 2010 and Business Registrations Saskatchewan.

Innovation and Efficiency

Unique expertise in providing full-service registry services

By managing the entire set of registry information management and service delivery processes, ISC provides a "one-stop shop" for governments or privatesector organizations, allowing them to fully outsource these processes to us. We have accumulated expertise in facilitating real property, personal property and corporate transactions, and our end-users rely on us to deliver quick and efficient processing of these transactions while avoiding unnecessary costs or errors.

By providing full-service or "end-to-end" service capabilities, we are able to achieve a critical objective of governments and private-sector organizations who seek to deliver high quality services to their customers at a lower cost.

Stability

Long-term exclusive provider of registry and related information services to the Government

ISC is the provider of Land Registry, Land Surveys, Personal Property Registry, and Corporate Registry systems in the Government. Under the terms of the MSA, we have the right to manage and operate the registries on behalf of the Government until 2033. The agreement creates a significant barrier to entry for competitors in the Saskatchewan market.

Reliability

Solid financial position

Our EBITDA, together with our moderate levels of capital expenditures and low levels of indebtedness, have allowed us to generate strong cash flow for investment in new products and services, growth initiatives and dividends. We expect to continue

generating predictable and stable cash flow, due to the non-discretionary nature of our core registry services. We intend to use our internally generated cash flow to meet our anticipated dividend payments, as well as to fund anticipated capital expenditures and other cash requirements.

The foregoing section includes forward-looking statements related to expected moderate levels of capital expenditures and expected predictable and stable cash flow. See the section "Caution Regarding Forward-Looking Statements".

Transformation

Experienced and committed team with a track record of performance and excellence in customer service

ISC has an experienced and committed management team with a proven track record of successfully acquiring, integrating and modernizing registries and related information services to serve individuals and businesses in the province. ISC successfully completed the integration and automation of several registries, including a conversion of the Land Titles Registry, PPR and Vital Statistics Registry to online systems.

These initiatives have significantly improved service levels and turnaround times for our customers, as demonstrated by favourable customer survey results, while simultaneously generating cost savings and improved operating efficiencies through streamlined operational processes. We have an established infrastructure that includes customer service centres. key information systems and established processes that we believe can be leveraged to support additional registry and information services.

Information

Leveraging the information from our core assets and providing value to governments and businesses

As a result of our exclusive right to use and distribute the data available through the existing registry systems, we are able to provide data through various channels to many end-users and provide additional services in the future. Furthermore, by providing full-service capabilities, we are able to achieve a critical objective of governments and businesses who seek to deliver high quality services to their customers at a lower cost.

Opportunity

Maximizing our capital structure and corporate transformation to deliver new value

ISC's transformation in 2013 from a Crown corporation wholly owned by the Government to a public company with shares trading on the Toronto Stock Exchange was a significant milestone for our organization that positioned us to seek new opportunities and diversify our business into the future. With new access to capital, low debt levels, significant free cash flow and a diversified shareholder base, ISC has the financial foundation upon which we may grow our services in Saskatchewan and beyond.

The foregoing section includes forward-looking statements related to expected access to capital and expected significant free cash flow. See the section "Caution Regarding Forward-Looking Statements".

RESULTS OF OPERATIONS

Fourth Quarter Results

From continuing and discontinued operations

	Three Months Ended December 31,						
(thousands of CAD dollars)	2013	2012					
Revenues							
Land Registry, Land Surveys and Geomatics	\$ 15,688	\$ 14,311					
Personal Property Registry	2,358	2,148					
Corporate Registry	1,982	1,811					
Other	11	10					
	20,039	18,280					
Operating, general and administrative expenses							
Wages and salaries	5,469	5,667					
Information technology services	2,862	2,394					
Occupancy costs	1,100	1,097					
Project initiatives	475	414					
Other	1,803	1,736					
	11,709	11,308					
Net loss from discontinued operations	_	(313)					
EBITDA ¹	8,330	6,659					
Depreciation and amortization	1,206	1,660					
Net finance expense (income)	1	(29)					
Income before taxes	7,123	5,028					
Income tax expense	2,380	-					
Net income and total comprehensive income	\$ 4,743	\$ 5,028					
Adjusted EBITDA ¹	\$ 8,395	\$ 6,972					

¹ For a reconciliation of EBITDA and Adjusted EBITDA, see "Financial Measures and Key Performance Indicators".

Revenues

For the three months ended December 31, 2013, total revenues were \$20.0 million, an increase of \$1.7 million, or 9.6 per cent, compared to the three months ended December 31, 2012. Revenues for 2012 exclude the Vital "Discontinued Operations".

(i) Land Titles Registry, Land Surveys and Geomatics
Revenue was \$15.7 million for the three months
ended December 31, 2013, an increase of
\$1.4 million, or 9.6 per cent, compared to the three
months ended December 31, 2012. Revenues from
the Land Titles Registry remained strong due to the
increases in average prices of existing homes, which
offset a decrease in ownership volumes.

(ii) Personal Property Registry

The main driver of revenue - personal property security registration set-ups - has shown a strong increase in both volume and revenue, resulting in revenue for the three months ended December 31, 2013 of \$2.4 million, up 9.7 per cent from the \$2.1 million generated in the three months ended December 31, 2012. Overall, volume experienced quarterly growth of 7.4 per cent.

(iii) Corporate Registry

Revenue for the three months ended December 31, 2013 was \$2.0 million, a 9.4 per cent increase compared to the \$1.8 million for the three months ended December 31, 2012. Volumes and revenue across all activities in the registry were higher for the quarter compared to the same period in 2012, with annual returns revenue leading the way with an 11.5 per cent increase.

Operating, General and Administrative Expenses

Operating, general and administrative expenses were \$11.7 million in the three months ended December 31, 2013 compared to \$11.3 million in the three months ended December 31, 2012, an increase of \$0.4 million or 3.5 per cent. The variance increase was captured in the following areas:

 Wages and salaries decreased \$0.2 million, or 3.5 per cent, to \$5.5 million in the three months ended
 December 31, 2013 compared to the same period

- in 2012. This decrease was due to a lower employee count compared to the same quarter last year in part due to the transfer of Vital Statistics.
- Information technology service costs increased \$0.5 million, or 19.5 per cent, to \$2.9 million in the three months ended December 31, 2013 over the same period in 2012. This increase was the result of additional technology initiatives over and above the base contracts.
- Occupancy costs, which include all office and office supply costs, remained stable at \$1.1 million in the three months ended December 31, 2013 compared to the same period in 2012.
- Project initiatives costs for the fourth quarter were \$0.5 million - flat when compared to the three months ended December 31, 2012.
- Other costs increased 3.9 per cent to \$1.8 million in the three months ended December 31, 2013 compared to the same period of 2012. Changes in other costs have resulted from increases in expenses for support that has been required to transition to a publicly traded company.

Depreciation and Amortization

Depreciation and amortization decreased by \$0.5 million, or 27.3 per cent, in the three months ended December 31, 2013 compared to the same period of 2012. The significant decline in the fourth quarter was due to certain intangible assets reaching a fully depreciated state in 2013, combined with fewer capitalized projects being recorded during 2013 (see "Capital Expenditures").

Net Finance Expense (Income)

The finance expense for the three months ended December 31, 2013 increased, as compared to the same period for the previous year, due to a higher interest rate on the Credit Facilities entered into immediately prior to our IPO, as compared to our previous debt with the Government. As a result, the Company incurred a finance expense of \$1 for the three months ended December 31, 2013 versus a finance income of \$29 for the same period in the previous year.

Discontinued Operations

As part of our privatization, the Government transferred the Vital Statistics Registry to eHealth Saskatchewan - another Government entity - effective June 16, 2013. Therefore, no revenues were recorded or expenses incurred for the three months ended December 31, 2013 compared to a net loss of \$0.3 million in the same period of 2012.

	Three Months Ended December 3								
(thousands of CAD dollars)	2013		2012						
Revenues	\$ -	\$	580						
Operating, general and administrative expenses	-		893						
Net loss from discontinued operations	\$ -	\$	(313)						

Net Income and Earnings per Share

Net income and total comprehensive income for the three months ended December 31, 2013 were \$4.7 million compared to \$5.0 million for the same period in 2012. The decline is primarily due to income tax expense in 2013 as a result of ISC transitioning from a tax-exempt entity to a taxable entity. Earnings per share for the quarter were \$0.27.

Income excluding taxes for the three months ended December 31, 2013 was \$7.1 million as compared to \$5.0 million for the same period of 2012, resulting in an earnings per share excluding taxes of \$0.41.

Results Excluding Taxes

		ree Months En	ded December 31,		
(thousands of CAD dollars, except earnings per share)		2013		2012	
Net income from continuing operations	\$	4,759	\$	5,341	
Net loss from discontinued operations		_		(313)	
Income tax expense		2,364		-	
Net income and total comprehensive income, excluding income tax expense	\$	7,123	\$	5,028	
Earnings per share excluding taxes, basic	\$	0.41	\$	-	

The weighted average number of Class A Shares issued and outstanding as of December 31, 2013 remained at 17.5 million.

Adjusted EBITDA

Adjusted EBITDA, once the impact of the one-time costs associated with the IPO and the loss on discontinued operations was removed, totalled \$8.4 million for the three months ended December 31, 2013 - an increase of \$1.4 million, or 20.4 per cent over the same period in 2012. The increase is a result of revenue growth of 9.6 per cent in 2013 compared to 2012, coupled with a decrease of 3.5 per cent in operating, general and administrative expenses over 2012.

Year End Results

From continuing and discontinued operations

	Year Ended December 31,				
(thousands of CAD dollars)	2013	2012			
Revenues					
Land Registry, Land Surveys and Geomatics	\$ 61,141	\$ 57,920			
Personal Property Registry	9,787	9,083			
Corporate Registry	8,170	8,157			
Other	33	56			
	79,131	75,216			
Operating, general and administrative expenses					
Wages and salaries	23,803	23,608			
Information technology services	10,001	9,284			
Occupancy costs	4,202	4,476			
Project initiatives	4,919	2,587			
Other	4,897	5,094			
	47,822	45,049			
Net loss from discontinued operations	(755)	(1,373)			
EBITDA ¹	30,554	28,794			
Depreciation and amortization	5,505	7,639			
Net finance income	(80)	(85)			
Income before taxes	25,129	21,240			
Income tax recovery	(51,852)	_			
Net income and total comprehensive income	\$ 76,981	\$ 21,240			
Adjusted EBITDA ¹	\$ 34,008	\$ 30,167			

¹ For a reconciliation of Net Income to EBITDA and Adjusted EBITDA, see "Financial Measures and Key Performance Indicators".

Revenues

For the year ended December 31, 2013, total revenues were \$79.1 million, an increase of \$3.9 million, or 5.2 per cent, compared to the year ended December 31, 2012. Revenues exclude the Vital Statistics Registry, which is now reflected under "Discontinued Operations".

The rise in total revenues in 2013 - including those related to the Land Titles Registry, Land Surveys, the PPR and the Corporate Registry - reflected the strong Saskatchewan economy.

(i) Land Titles Registry, Land Surveys and Geomatics
Revenue was \$61.1 million for the year ended
December 31, 2013, an increase of \$3.2 million,
or 5.6 per cent, compared to the year ended
December 31, 2012. Revenues from the Land Titles
Registry remained strong due to the increases in

average prices of existing homes, offsetting a decrease in volumes. Land transfer and mortgage registration volumes for the year were down, due in part to stricter mortgage rules implemented in 2012.

Most of the revenue generated from the Land Titles Registry is value-based. The average price of existing housing continues to increase in Saskatchewan. For the first eleven months of 2013 (the latest data available), the Statistics Canada New Housing Price Index for Saskatchewan showed increases for every month except July. Comparing the same periods in 2013 and 2012 (January to November), the index rose 1.9 per cent in 2013.

Revenues are also generated on flat fees charged on transactions, so volume also affects revenue.

We also processed more high-value property registrations in 2013 than in 2012, which generate a high fee per transaction.

(ii) Personal Property Registry

Revenue for the year ended December 31, 2013 totalled \$9.8 million, up 7.8 per cent from \$9.1 million for the year ended December 31, 2012. The main driver of revenue - personal property security registration set-ups - has increased 5.3 per cent in volume and 8.0 per cent in revenue.

Strong employment growth, a high rate of net migration, increased retail sales and, most importantly, growth in new motor vehicle sales in Saskatchewan all positively affected PPR revenue. For the first eleven months of 2013 (the latest data available), the Statistics Canada New Motor Vehicle Sales for Saskatchewan increased 5.3 per cent compared to the same period in 2012.

The Enforcement of Money Judgments Act came into effect May 28, 2012 and has contributed to an increase in judgment registration transactions and revenues in 2013. Search volumes increased 6.7 per cent in the year compared to 2012, while registration volumes increased 3.5 per cent.

(iii) Corporate Registry

Revenue for the year ended December 31, 2013 remained flat at \$8.2 million compared to the same period in 2012.

As expected, The New West Partnership Trade Agreement ("New West Partnership") had a negative impact on revenues year-over-year. The New West Partnership is an agreement among the governments of Saskatchewan, Alberta and British Columbia that requires the three jurisdictions to reconcile registration and reporting requirements for business enterprises. Fees for extra-provincial registration are waived between the participating provinces and businesses are only required to file corporate annual returns in their home jurisdiction.

Notwithstanding that, the third and fourth quarter volumes and revenues showed positive growth, with annual returns revenue up by 12.5 per cent for the second half of 2013, helping to offset the lower revenues experienced in the first half of 2013. For

the year, annual returns revenue was up 5.2 per cent over 2012 and incorporations revenue was down 7.0 per cent over 2012.

Operating, General and Administrative Expenses

For the year ended December 31, 2013, operating, general and administrative expenses were \$47.8 million, compared to \$45.1 million for the year ended December 31, 2012 - an increase of \$2.7 million, or 6.2 per cent. The increase was due to inflationary increases in wages and salaries, information technology services costs, and additional new expenses related to ISC becoming a publicly traded company. The variance increase was captured in these areas:

- Wages and salaries increased by \$0.2 million, or 0.8 per cent, to \$23.8 million compared to 2012. The increase was a result of normal inflation increases, coupled with compensation changes that were implemented upon transition to a publicly traded company as outlined in our final prospectus.
- Information technology service costs increased by \$0.7 million, or 7.7 per cent, to \$10.0 million in the year ended December 31, 2013 over the same period in 2012. The increase was the result of additional technology services over and above the base contracts.
- Occupancy costs, which include all office and office supply costs, decreased \$0.3 million, or 6.1 per cent, to \$4.2 million compared to 2012. The decline in 2013 is a result of the increased rental costs incurred in 2012 to pay for temporary space while ISC upgraded its Customer Service Centres, combined with a reduction of rental space costs in 2013 due to the transition of Vital Statistics.
- Project initiatives costs for 2013 were up \$2.3 million to \$4.9 million in the year ended December 31, 2013 compared to the same period of 2012. The increase is due to the one-time costs associated with our IPO.
- Other costs decreased by \$0.2 million to \$4.9 million in the year ended December 31, 2013 over the same period of 2012. Changes in other costs have resulted from a loss of disposal of property, plant and equipment for \$0.5 million in 2012 offset by increases in 2013 expenses for support that has been required to transition to a publicly traded company.

Depreciation and Amortization

Depreciation and amortization decreased \$2.1 million, or 27.9 per cent, to \$5.5 million for the year ended December 31, 2013 over the same period last year. The significant decrease was due to certain intangible assets reaching a fully depreciated state, combined with less capitalized projects being recorded (see "Capital Expenditures").

Net Finance Expense (Income)

Net finance income decreased marginally for the year ended December 31, 2013 compared to the same period for the previous year. Our cash on hand during 2013 has remained above the 2012 levels, generating higher interest income; however, our interest expense has increased, due to a higher interest rate on the Credit Facilities entered into immediately prior to our IPO, as compared to our previous debt with the Government.

Discontinued Operations

Discontinued operations relates to the Vital Statistics Registry which was transferred to eHealth Saskatchewan effective June 16, 2013. For the year ended December 31, 2013, revenues were \$1.0 million and expenses were \$1.8 million, resulting in a loss of \$0.8 million for the six-month period ended June 30, 2013, compared to the year ended December 31, 2012 with revenues of \$2.1 million and expenses of \$3.5 million, resulting in a loss of \$1.4 million for the twelve-month period.

	Year Ended	December 31,	
(thousands of CAD dollars)	2013	201	12
Revenues	\$ 1,074	\$ 2,10)5
Operating, general and administrative expenses	1,829	3,47	⁷ 8
Net loss from discontinued operations	\$ (755)	\$ (1,37	'3)

Tax Provision

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

Year Ended !	ecember 31,		
2013		2012	
\$ 25,129	\$	-	
27.0%		-	
\$ 6,784	\$	-	
295		-	
(2,367)		-	
4,712		-	
(56,564)		_	
\$ (51,852)	\$	-	
(206.3)%		-	
	2013 \$ 25,129 27.0% \$ 6,784 295 (2,367) 4,712 (56,564) \$ (51,852)	\$ 25,129 27.0% \$ 6,784 \$ 295 (2,367) 4,712 (56,564) \$ (51,852) \$	

In assessing the recovery of deferred income tax assets, management assesses the likelihood that the deferred income tax assets will be realized. The recognition and measurement of the current and deferred tax assets and liabilities involves dealing with uncertainties in the application of complex tax regulations and in the assessment of the recoverability of deferred tax assets. The ultimate realization of deferred income tax assets depends on the generation of future taxable income during the periods in which the temporary differences are deductible.

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

No deferred tax has been recognized in respect of temporary differences associated with investments in its subsidiary where the Company is in a position to control the timing and reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. Further particulars with respect to the income tax recovery are provided in Note 5 of the Consolidated Financial Statements.

Net Income and Earnings per Share

Net income for the year ended December 31, 2013 was \$77.0 million compared to \$21.2 million for the same period in 2012. The significant increase is largely due to the income tax recovery for the year of \$51.9 million. Earnings per share after tax were \$4.40 for the year ended December 31, 2013.

As noted, for the year ended December 31, 2012, net income was \$21.2 million; however, for comparative purposes, it is important to note that ISC was not subject to tax in 2012. Income excluding taxes, for the year ended December 31, 2013, was \$25.1 million as compared to the same period of 2012, resulting in an earnings per share excluding taxes of \$1.48.

Results Excluding Taxes

	Year Ended	December 31,			
(thousands of CAD dollars, except for earnings per share)	2013	2012			
Net income from continuing operations	\$ 77,736	\$ 22,613			
Net loss from discontinued operations	(755)	(1,373)			
Income tax recovery	(51,852)	-			
Net income and total comprehensive income, excluding income tax recovery	\$ 25,129	\$ 21,240			
Earnings per share excluding taxes, basic	\$ 1.48	\$ -			

The weighted average number of Class A Shares issued and outstanding as of December 31, 2013 was 17.5 million.

Adjusted EBITDA

Adjusted EBITDA totalled \$34.0 million for the year ended December 31, 2013, an increase of \$3.8 million, or 12.7 per cent over the same period in 2012. The increase is a result of revenues increasing at a rate of 5.2 per cent, which is greater than the increase of \$2.8 million in operating, general and administrative expenses over 2012.

Expenses for 2013, excluding one-time expenses associated with the IPO to become a public company, are significantly lower than normal because of ISC's focus on completing the IPO, which shifted resources and expenses away from operational initiatives that would be typical in the annual business cycle for ISC. As a result, the EBITDA and Adjusted EBITDA margins were much higher than normal.

SUMMARY OF QUARTERLY RESULTS

From continuing and discontinued operations

Comparative figures have been adjusted for discontinued operations

(thousands of CAD dollars,				2013							201	2	
except where noted)		Q4	Q3		Q2		Q1	Q4		Q3		Q2	Q1
Revenues	\$	20,039	\$ 20,833	\$21	,182	\$17,0	77	\$ 18,280	\$ 1	9,025	\$ 2	21,310	\$ 16,601
Expenses		12,916	12,531	14	,510	14,0	45	13,252	1	3,333		13,418	13,973
Income before taxes		7,123	8,302	6	,672	3,0	32	5,028		5,692		7,892	2,628
Income tax expense (recovery	/) ¹	2,380	2,286	(56	,518)		-	-		-		-	-
Net income	\$	4,743	\$ 6,016	\$63	3,190	\$ 3,0	32	\$ 5,028	\$	5,692	\$	7,892	\$ 2,628
EBITDA margin ²		41.6%	45.6%	3	7.4%	26.	1%	35.3%		41.4%		44.1%	25.9%
Adjusted EBITDA margin ²		41.9%	45.9%	5	0.3%	28.0	0%	38.1%		43.9%		46.3%	24.0%
Earnings per share, basic	\$	0.27	\$ 0.34	\$	3.61		_	-		_		_	-

¹ ISC's tax status was initially reported to have changed upon its listing on the TSX on July 9, 2013. However, subsequent review revealed that the actual loss of ISC's tax exempt status was deemed to occur on June 27, 2013 when ISC and CIC entered into an Underwriting Agreement with a syndicate of underwriters. As a result, the income tax recovery recorded in the third quarter should have been recorded in the second quarter. The quarterly results above have been adjusted to reflect this change, and future reporting periods will be similarly adjusted.

Consistent with our historical trend, overall revenue in the fourth quarter declined relative to the third quarter. Revenues decreased \$0.8 million in the fourth quarter of 2013, a 3.8 per cent decrease from the third quarter of 2013, but up from the fourth quarter of 2012. For further information on the seasonality of our business, see "Business Overview - Seasonality".

Expenses increased \$0.4 million in the fourth guarter of 2013 to \$12.9 million from \$12.5 million in the previous quarter, mainly due to increases in information technology services for higher than anticipated thirdparty business development consulting services.

EBITDA margins and Adjusted EBITDA margins for the second through fourth quarters were unusually high. Expenses for this year, excluding one-time expenses associated with becoming a publicly traded company, were significantly lower than normal because of ISC's focus on completing the IPO, which shifted resources and expenses away from operational initiatives that would be typical in the annual business cycle for ISC.

FINANCIAL MEASURES AND **KEY PERFORMANCE INDICATORS**

Revenues, operating, general and administrative expenses, and net income are the key performance indicators which we use to manage our business and evaluate our financial results and operating performance.

In addition to our results, which are reported in accordance with IFRS, we use certain non-IFRS financial measures as supplemental indicators of our operating performance and financial position and for internal planning purposes. We evaluate our performance against these metrics by comparing actual results to management budgets, forecasts, and prior period results.

These non-IFRS financial measures include EBITDA. EBITDA margin, Adjusted EBITDA, Adjusted EBITDA margin, and Free cash flow. See "Non-IFRS Measures" for additional information.

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

EBITDA

		Three Mo Dece	onths E mber 3			Ended nber 31,
(thousands of CAD dollars, except where noted)		2013		2012	2013	2012
Net income and total comprehensive income	\$	4,743	\$	5,028	\$ 76,981	\$ 21,240
Depreciation and amortization		1,206		1,660	5,505	7,639
Net finance expense (income)		1		(29)	(80)	(85)
Income tax expense (recovery)		2,380		-	(51,852)	-
EBITDA ¹		8,330		6,659	30,554	28,794
Adjustments:						
One-time IPO expenses ²		65		-	2,699	_
Net loss before tax from discontinued operations ³		_		313	755	1,373
Adjusted EBITDA ¹	\$	8,395	\$	6,972	\$ 34,008	\$ 30,167
EBITDA margin (% of Revenues) ¹		41.6%		35.3%	38.1%	37.2%
Adjusted EBITDA margin ¹		41.9%		38.1%	43.0%	40.1%

¹ EBITDA, EBITDA margin, Adjusted EBITDA and Adjusted EBITDA margin are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and, therefore, they are not comparable to similar measures by other corporations. See "Non-IFRS Measures".

Free Cash Flow

	Year Ended December 3						
(thousands of CAD dollars)	2013	2012					
Cash provided by operating activities	\$ 27,770	\$ 29,778					
Cash additions to property, plant and equipment	(458)	(2,396)					
Cash additions to intangible assets	(3,288)	(5,295)					
Net change in non-cash working capital ¹	(816)	474					
Free cash flow ²	\$ 23,208	\$ 22,561					

¹ See the Consolidated Financial Statements Note 18.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

Our primary source of operating cash flow is generated from revenues related to the Land Registry, PPR and Corporate Registry. Our primary uses of funds are operational expenses, maintenance, and growth capital expenditures and dividends.

Historically, we have financed our operations and met our capital and finance expenditure requirements primarily through cash flows provided from operations. At this time, we do not expect any known trend or uncertainty to affect our ability to access sources of liquidity.

The Company believes that internally generated cash flow, supplemented by additional borrowings available under our Credit Facility, will be sufficient to meet our capital expenditures, anticipated dividend payments, and other cash requirements. We also believe we can generate sufficient cash and cash equivalents to meet our planned growth targets.

² One-time costs associated with our IPO.

³ Represents the net effect of revenues less directly attributable expenses and before taxes for the transfer of the Vital Statistics Registry to eHealth Saskatchewan effective June 16, 2013. See "Discontinued Operations".

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

Free cash flow for the year ended December 31, 2013 was \$23.2 million, up \$0.6 million, or 2.8 per cent, compared to the same period in 2012. This increase is mainly due to less cash spent on capital expenditures, even though there was less cash provided by operating activities.

Liquidity risk is managed based on financial forecasts and anticipated cash flows. Cash is held with a major chartered Canadian bank, and we believe the risk of loss to be minimal. As of December 31, 2013, we held cash of \$27.6 million and had long-term debt of approximately \$9.9 million, providing flexibility to meet any unanticipated cash requirement due to changes in working capital commitments or liquidity risk associated with financial instruments. Such changes may arise from, among other factors, general economic conditions and the failure of one or more customers to pay their obligations.

The following table summarizes our sources and uses of funds for the three months and year ended December 31, 2013 and 2012:

	Three Months Ended		Year Ended			
	Decen	nber 31,	Decen	nber 31,		
(thousands of CAD dollars)	2013	2012	2013	2012		
Net cash flow provided by operating activities	\$ 8,411	\$ 9,056	\$ 27,770	\$ 29,778		
Net cash flow used by investing activities	(1,440)	(1,913)	(3,509)	(7,479)		
Net cash flow used by financing activities	(3,218)	(4,030)	(17,785)	(20,118)		
Increase in cash	3,753	3,113	6,476	2,181		
Cash, beginning of period	23,861	18,025	21,138	18,957		
Cash, end of period	\$ 27,614	\$ 21,138	\$ 27,614	\$ 21,138		

Net Cash Flow Provided by Operating Activities

Net cash flow provided by operating activities for the three months ended December 31, 2013 was \$8.4 million, compared \$9.0 million for the three months ended December 31, 2012. For the year ended December 31, 2013, net cash flow provided by operating activities was \$27.8 million, down \$2.0 million compared to 2012.

Despite higher reported net income from continuing operations in 2013, 2012 net income had higher noncash expenses such as depreciation and amortization and changes to working capital. The result was higher cash from operations in 2012.

Net Cash Flow Used in Investing Activities

Net cash flow used in investing activities for the three months ended December 31, 2013 was \$1.4 million, a decrease of \$0.5 million compared to the three months ended December 31, 2012. For the year ended December 31, 2013, net cash flow used in investing activities was \$3.5 million, a decrease of \$4.0 million compared to 2012.

In 2013, fewer funds were invested to develop intangible assets and property, plant and equipment during the quarter and for the year, as fewer initiatives were undertaken in 2013 as a result of efforts being focused on the IPO.

Net Cash Flow Used in Financing Activities

Net cash flow used in financing activities for the three months ended December 31, 2013, was \$3.2 million, a decrease of \$0.8 million compared to the three months ended December 31, 2012. For the year ended December 31, 2013, net cash flow used in financing activities was \$17.8 million, a decrease of \$2.3 million compared to 2012.

The decrease in 2013 was attributable to less amount paid in dividends to CIC as a Crown corporation and a payment of long-term debt of \$1.1 million in 2012.

Total assets increased from \$48.6 million at December 31, 2012 to \$108.1 million at December 31, 2013. The increase was primarily due to the addition of a deferred tax asset of \$54.0 million, an increase in cash on hand of \$6.5 million, and a \$2.1 million GST/HST receivable that was previously not applicable to ISC. These increases were partially offset by a decrease in the carrying value of property, plant and equipment and intangible assets of \$4.8 million due to certain intangible assets reaching

a fully depreciated state, combined with less capitalized projects being recorded.

(thousands of CAD dollars, except where noted)	December 31, 2013	December 31, 2012
Current assets	\$ 33,582	\$ 23,218
Current liabilities	(16,345)	(25,204)
Working capital	\$ 17,237	\$ (1,986)

Current liabilities decreased \$8.9 million, from \$25.2 million at December 31, 2012 to \$16.3 million at December 31, 2013. The decrease was primarily due to the conversion of debt from short-term to long-term, improving our working capital position.

On July 8, 2013, the Company entered into secured credit facilities (collectively, the "Credit Facilities") provided by a Canadian chartered bank in the aggregate amount of \$19.9 million. The Credit Facilities are comprised of (i) a \$9.9 million three-year committed revolving term loan facility (the "Revolving Term Facility") which was used to replace the existing short-term indebtedness of the Company to the General Revenue Fund of the Province of Saskatchewan, and (ii) a \$10.0 million uncommitted revolving credit facility (the "Operating Facility") to be used for general corporate purposes.

The Revolving Term Facility will mature on July 5, 2016 unless renewed prior to that time; the Operating Facility is repayable by the Company upon demand by the lender and the lender may terminate such Operating Facility at any time.

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

The Credit Facilities contain financial covenants, which require the Company to maintain a ratio of Funded Debt to EBITDA, each as defined in the Credit Facilities, of less than 2:1, along with a Fixed Charge Coverage ratio, as defined in the Credit Facilities, of greater than 1.35:1. The Credit Facilities also contain other positive

covenants, negative covenants, events of default, representations and warranties customary for credit facilities of this nature. The Company was in compliance with all covenants throughout the year.

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

Outstanding Share Data

The number of issued and outstanding Class A Limited Voting Shares as of December 31, 2013 was at 17.5 million. The number of issued and outstanding Class A Limited Voting Shares as of March 19, 2013 remains 17.5 million. Refer to Note 13 of the Consolidated Financial Statements for a description of our capital structure.

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

During 2013, the Board of Directors declared two dividends on Class A Limited Voting Shares - a \$0.18 partial dividend for the period July 9 to September 30 and a \$0.20 dividend for the period October 1 to December 31.

Capital Expenditures

We make expenditures to support and maintain our infrastructure, modernize our technology and facilities, address mandatory requirements resulting from legislative or policy changes from the Government and for strategic initiatives.

The table below summarizes our maintenance and growth-related capital expenditures.

(thousands of CAD dollars)	Dece	mber 31, 2013	Dece	mber 31, 2012
Maintenance capital expenditures Growth capital	\$	2,458	\$	5,027
expenditures		1,288		2,664
Total capital expenditures	\$	3,746	\$	7,691

Capital expenditures for the year ended December 31, 2013 were \$3.7 million compared to \$7.7 million for the same period in 2012. In 2013, capital expenditures were significantly lower both on an absolute basis and as a percentage of our revenues as ISC deferred a number of projects to focus efforts on the privatization and subsequent IPO.

Maintenance capital expenditures were \$2.4 million for the year ended December 31, 2013 which included work completed on continued development efforts under the New West Partnership, leasehold improvements to Customer Service Centres, the beginning of a technology hardware refresh and planning for the modernization of the Corporate Registry.

Growth capital expenditures were \$1.3 million for the year ended December 31, 2013 which included work completed on the renewal of the survey plan processing system and a new services framework for Business Registrations Saskatchewan.

OUTLOOK

In 2014, ISC is focused on delivering stable returns through a focus on cost management while ensuring continuous compliance with the MSA and publicly traded company requirements and investigating growth opportunities. ISC has demonstrated operational excellence for many years and it is an important objective to ensure this focus on strong operational and financial results continues.

As the majority of our revenues, including those related to the Land Titles Registry, Land Surveys, the PPR and the Corporate Registry, are tied to economic conditions, we use general forecast economic information to help

predict our revenues. Key drivers of favorable macroeconomic conditions in the province that support the growth of ISC revenue growth include the continuation of a low interest rate environment, which encourages new home purchases and resale transactions, strong consumption patterns and high levels of private capital investment.

In that regard, prevailing economic conditions in Saskatchewan are generally expected to continue in 2014 driving positive growth in gross domestic product ("GDP"). According to Bank of Montreal ("BMO") Capital Markets' 1 most recent economic forecast for Saskatchewan, the provincial economy is expected to post real GDP growth of 2.4 per cent growth in 2014. Royal Bank of Canada ("RBC") Economics Research² projection for 2014 is currently 2.1 per cent.

Business confidence in Saskatchewan remains at levels similar to the historical average over the past five years, around 68.4, according to The Canadian Federation of Independent Business ("CFIB")'s business barometer³ for the province. This level of optimism may encourage new businesses to form; however, this may be constrained by Saskatchewan's tight labour supply, which is cited as one of the greatest impediments to current sales and production growth.

Employment growth was up 3.5 per cent for the first eleven months, with 18,600 jobs being added. Weekly earnings rose 3.2 per cent in the first ten months of 2013 to \$946.37. Manufacturing sales rose 6.4 percent to \$12.8 billion in the first ten months of 2013. A record 38.4 million tonne crop was produced in 2013, resulting in exports of \$27.2 billion from January to October.

Despite these records, the economy has experienced some setbacks, which will likely dampen growth expectations somewhat in 2014. Crown land oil lease sales were down 40 per cent from the province's March estimates and may be an indication that activity in this sector will decline in 2014, which could result in slower growth across the province. Global commodities prices are declining and logistical challenges may make it more difficult to reach export markets, which could have a negative impact on different sectors of the Saskatchewan economy in 2014.

¹ BMO Capital Markets Economics - Provincial Economic Outlook - February 2014

² RBC Economics Provincial Outlook - December 2013

³ CFIB Economics Business Barometer - Provincial Summary - December 2013

With respect to ISC's offerings, Canada Mortgage and Housing Corporation ("CMHC") Housing Market Outlook 4 currently forecasts a slight increase in existing home sales volumes in Saskatchewan for 2014. Average home resale prices are expected to increase marginally in 2014 by 2.4 per cent. While mortgage rates have begun to increase modestly, they are forecast to remain favorable in 2014, all of which impacts our land registry revenues.

For ISC's PPR, patterns of retail trade and new vehicle sales provide a useful metric for expected revenues in the PPR. From January to November 2013, retail trade ⁵ in Saskatchewan grew 3.3 per cent over the same period in 2012. New vehicle sales increased 5.3 per cent from January to November 2013 compared to the same period in 2012, while the value of vehicle sales grew 11.8 per cent over the same period.

To our flat fees, the MSA and related Registry Operating Agreements specify the maximum fees allowed to be charged to the public for particular Core Registry Services. The maximum fees are adjustable on a yearly basis and are based on a formula tied to inflation as measured by the Saskatchewan Consumer Price Index published by Statistics Canada ⁶. These adjustment provisions do not apply to any value-based fees. There are no restrictions on the fees we may charge for noncore Ancillary Services that use registry data. ISC expects to generally adjust prices as outlined in the MSA.

The key drivers of our expenses will continue to be wages and salaries, information technology and project initiatives costs as we continue to focus on efficiency and effectiveness, leveraging investment in systems and processes while maintaining a high level of customer service. We expect our operating, general and administrative expenses to modestly increase based on inflation and in connection with becoming a publicly traded company and as we expand our business.

In 2013, EBITDA margins were unusually high as a result of our focus on the IPO and not on operational initiatives and project work. Adjusted EBITDA margins in 2014 should return to more normal levels of approximately 35 per cent. One of our objectives will be to grow margins by approximately 0.5 per cent per

year over the next several years, primarily through operational efficiencies.

As a result of the above economic factors and potential fee adjustments, our revenues are expected to remain stable in 2014 and EBITDA margins are expected to return to the more normal level of 35 per cent.

Capital investment will be aligned to our strategic priorities and will focus on initiatives that:

- build or maintain corporate infrastructure;
- contribute to compliance obligations;
- produce process or technology improvement that increase revenues or reduce costs;
- grow the business; and/or
- generate an appropriate and acceptable return on investment.

Management expects its capital expenditures to be in the \$8.0 to \$10.0 million range in 2014. As demonstrated by our automation of the survey plan processing system, we remain committed to increasing the level of automation in our work flows and developing new technologies that lower overall costs.

Looking forward into 2014 our capital expenditures are expected to include ongoing renewals of systems and technology hardware. One of our more significant expenditures is expected to be the modernization of the Corporate Registry, and we now expect this initiative to extend beyond the end of 2014.

The foregoing section includes forward-looking statements including statement related to projected economic growth in Saskatchewan, the prevailing and anticipated economic conditions in Saskatchewan, the continuation of a low interest rate environment, strong consumption patterns and high levels of private capital investment, housing sales volumes and prices in Saskatchewan, expected growth in retail sales (including motor vehicle sales), employment growth and labour supply in Saskatchewan and anticipated capital expenditures. See the section "Caution Regarding Forward-Looking Statements".

⁴ CMHC Housing Market Outlook - Canadian Edition - First Quarter 2014

⁵ Statistics Canada (CANSIM Table 079-0003: New motor vehicle sales, Canada, provinces and territories), Statistics Canada, (CANSIM, table 080-0020: Retail trade, by province and territory (Monthly-Seasonally Adjusted))

⁶ Statistics Canada, CANSIM, table 326-0021 and Catalogue nos. 62-001-X and 62-010-X

CONTRACTUAL OBLIGATIONS AND OTHER COMMITMENTS

The following table summarizes our obligations under contractual arrangements as of December 31, 2013:

(thousands of CAD dollars)	2014	2015	2016	2017	2018	Thereafter
Operating lease obligations ¹	\$ 2,322	\$ 2,329	\$ 792	\$ 563	\$ 493	\$ 1,086
Long-term debt ²	-	-	9,935	-	-	-
Master Service Agreement ³	500	500	500	500	500	7,500
Vendor commitments						
IT Service Agreements 4,5	3,676	-	-	-	-	-
Total	\$ 6,498	\$ 2,829	\$ 11,227	\$ 1,063	\$ 993	\$ 8,586

¹ We lease all of our office space through operating leases. Operating leases related to office space include lease terms of between two to ten years, with various options to extend. We do not have an option to purchase the leased assets at the expiry of the lease period.

Master Service Agreement

Pursuant to a Master Service Agreement with the Government dated May 30, 2013, ISC was appointed on an exclusive basis to manage and operate the Land Titles Registry, Land Surveys, PPR and Corporate Registry on behalf of the Government for a twenty-year term expiring on May 30, 2033.

The MSA requires ISC to pay to the Government the sum of \$0.5 million annually in a single instalment payable on or before March 1 in each calendar year of the term commencing with an initial payment due on March 1, 2014.

OFF-BALANCE SHEET ARRANGEMENTS

ISC had no off-balance sheet arrangements as of December 31, 2013.

RELATED PARTY TRANSACTIONS

Refer to Note 15 to the Consolidated Financial Statements for information pertaining to transactions with related parties.

CRITICAL ESTIMATES AND SIGNIFICANT **ACCOUNTING POLICIES**

Our significant estimates and accounting policies are contained in the Consolidated Financial Statements (see Note 2 and Note 3 for the summary of estimates and significant accounting policies). Management is required to make estimates, assumptions and judgments that might affect reported assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

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

CHANGES IN ACCOUNTING POLICIES

Refer to Note 3 to the Consolidated Financial Statements for information pertaining to accounting changes effective in 2013 and for information on issued accounting pronouncements that will be effective in future years.

² The Revolving Term Facility loan will mature on July 5, 2016 unless renewed prior to that time.

³ The MSA requires us to pay the Government and to manage and operate the Land Titles Registry, Land Surveys, PPR and Corporate Registry on behalf of the Government for a twenty-year period. See "Master Service Agreement".

⁴ Hewlett-Packard Company ("HP") provides application development, maintenance and support services related to the operation of the Land Titles Registry, PPR, and Geomatics pursuant to an agreement for information technology services. This agreement is scheduled to expire on April 30, 2014. Subsequent to year end, the Company entered into a one-year extension of the current contract to ensure sufficient time to amend and renew a longer-term arrangement.

⁵ Information Services Management Canada Corporation ("ISM") provides hardware management services and support services for software and hardware infrastructure pursuant to a services agreement. This agreement is scheduled to expire on April 30, 2014. This agreement is scheduled to expire on April 30, 2014. Subsequent to year end, the Company entered into a one-year extension of the current contract to ensure sufficient time to amend and renew a longer-term arrangement.

FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

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

Fair Value of Financial Instruments

The carrying values of cash, trade receivables, grant receivable, trade and other payables, and dividend payable approximate fair value due to their immediate or relatively short-term maturity. Long-term debt is currently managed throughout the three-year term with short-term bankers' acceptance notes and, as such, the carrying value approximates fair value due to the short term to maturity as well. It has been determined that there are no differences between the carrying amount and the fair market value of these instruments.

Credit Risk

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

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

Cash is held with a major chartered Canadian bank and management believes the risk of loss to be minimal. The maximum exposure to credit risk at December 31, 2013 is \$30.6 million (December 31, 2012 - \$22.7 million), equal to the carrying value of ISC's financial assets - those being cash at \$27.6 million (December 31, 2012 - \$21.1 million) and trade receivables at \$3.0 million (December 31, 2012 - \$1.6 million). Quarterly reviews of the aged receivables are completed. ISC expects to fully collect on all outstanding receivables - therefore, the risk to ISC is low.

Liquidity Risk

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

Market Risk

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

Interest Rate Risk

The interest rates on long-term debt are currently managed throughout the three-year term with short-term bankers' acceptance notes with an option to lock in rates at any time. Therefore, this risk to ISC is low.

BUSINESS RISKS AND RISK MANAGEMENT Risk Management Approach

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

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

The Board of Directors oversees ISC's Enterprise Risk Management ("ERM") framework through its Audit Committee. This includes ensuring appropriate management systems are in place to manage ISC's risks and to oversee the Company's risk management policies and procedures.

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

As ISC moves forward as a publicly traded company, we continue to embed risk management into the corporate culture so risk is not a process but rather a pervasive

consideration in daily decision-making and activities. ISC is focused on continually improving our ERM framework to ensure a structured and disciplined approach to ERM.

Risks Related to Our Business and Industry

Changes to or loss of our MSA with the Government could result in a material loss of revenues.

Substantially all current revenues are derived from services the Company provides pursuant to the MSA. ISC faces the risk that our key service agreement could be affected as a result of a breach of the service agreement terms, potential disagreements with the Government, changes to applicable laws affecting our service, obligations or expected revenues to be realized from the delivery of our services, and potential termination of the MSA and Registry Operating Agreements.

Any of these events could have a significant material adverse effect on our business, results of operations and financial condition. Any impact on this agreement would also have a negative impact on our reputation and growth strategy.

Termination of the MSA would have material adverse consequences for our business.

If an ISC Material Breach occurs under the MSA, then, subject to applicable cure periods, if any, the Government has the right to terminate the MSA and the Registry Operating Agreements. Termination of the MSA and the Registry Operating Agreements would have a material adverse effect on our business, financial condition and results of operations.

Potential disagreements with the Government may have material adverse consequences for our business.

Disagreements may arise between ISC and the Government in a number of areas, including, but not limited to ISC's and the Government's respective rights and obligations under the MSA, Registry Operating Agreements, or other agreements between ISC and the Government, amendments to any of the existing agreements between ISC and the Government under the MSA, or other agreements between ISC and the Government.

ISC may not be able to resolve any potential disagreements with the Government and, even if such disagreements are resolved, the resolution may be on terms and conditions less favourable to ISC, which could have a material adverse effect on our business, results of operations and financial condition.

Limitations on our ability to increase fees for our core registry services may negatively impact our ability to offset future increases in operating costs or capital investment needs.

The MSA restricts our ability to increase the fees that we may charge our customers for substantially all of the Core Registry Services we provide. Increases to the fees we may charge for our Core Registry Services, that are not determined as a percentage of transaction value, are limited to the increase in the Consumer Price Index for the Province of Saskatchewan as compared to the December 31, 2012 base level. Fees for our Core Registry Services that are determined as a percentage of transaction value (for example, land transfer fees), will fluctuate based on the value of transactions processed.

In addition, the fees we charge may change due to changes in scope or other changes which result in a change order. There can be no assurance that the combination of increases in the Consumer Price Index and the value of transactions processed by ISC and fee increases resulting from the change order process in our MSA will sufficiently offset increases in our operating costs or required capital investment, which could have a significant material adverse effect on our business, results of operations and financial condition.

Legislative changes may have material adverse consequences for our business.

No assurances can be given that legislation (including regulations, policies, decisions or orders enacted thereunder), which is currently in force and affecting ISC, the Land Titles Registry, the Land Surveys, the PPR, and the Corporate Registry, will not be amended or enforced otherwise than in accordance with current practices or new laws enacted.

The MSA provides for limited opportunity to increase fees where such amendments to legislation, changes in practices or new laws are reasonably expected to result in material increases in our costs or a reduction in our revenues. However, there can be no assurance that we will be able to increase fees or reduce our costs to fully offset any increase in costs or reduction in revenues that may result from such amendments, changes in practices or new laws, which could have a material adverse effect on our business, results of operations and financial condition.

Changes in economic, market and other conditions could adversely affect our level of search and registration activity.

Substantially all of ISC's current revenues consist of fees received in connection with search and registration activity in the Land Titles Registry, Land Surveys, PPR and Corporate Registry. The level of search and registration activity depends on a number of factors which are not in our control, including the strength of the global, Canadian and Saskatchewan economies, the potential tightening of mortgage regulations, household debt levels, interest rates, job growth, asset prices and the degree of economic and financial uncertainty, and the growth and development of the resource sector in Saskatchewan.

With low interest rates in Canada and low unemployment rates in Saskatchewan, the real estate market has experienced substantial growth over the last several years. Unprecedented levels of development in the resource sector combined with population growth in Saskatchewan have also impacted the general level of economic activity in the province.

Reduced levels of activity in the resource sector, increased interest rates, unemployment and inflation over an extended period of time could lead to a reduction in economic activity, thereby reducing the level of registration and search activity. A significant reduction in the level of registration and search activity as a result of these or other factors could have a material adverse effect on our business, results of operations and financial condition.

Changes in economic, market and other conditions could also adversely affect our ability to implement our strategy to look for opportunities to grow revenues in other Canadian provinces and international jurisdictions, which could negatively affect our business, results of operations and financial condition.

The loss of the services of our CEO or other members of our senior management team could harm our business.

Our future success will depend on, among other things, our ability to retain the services of our senior management team and to hire other highly qualified employees at all levels. Many of our senior management team members have extensive experience in our industry and with our business, products and customers. Since we are managed by a small group of senior executive officers, the loss of their technical knowledge,

management expertise and knowledge of our operations could have a material adverse effect on our business, results of operations and financial condition.

Our future success will depend upon the abilities, experience and personal efforts of senior management, including their ability to attract and retain skilled employees. We compete with other employers for senior management talent and other employees, and we may not be successful in hiring and keeping the services of our senior management team and other employees that we need. The loss of the services of, or the inability to hire, senior management personnel or other key employees could have a material adverse effect on our business, results of operations and financial condition.

Failure to successfully implement our growth strategy could reduce, or reduce the growth of, our revenue and net income.

Our growth strategy is focused on enhancing our service offerings in Saskatchewan, replicating our core service offerings in other jurisdictions, acquiring companies, systems and assets to strengthen our competitive advantage, and increasing margins for current offerings using process efficiencies and service additions. There is a risk that we may not be able to achieve some or all of these objectives and they may not be profitable. Execution of this growth strategy could expose ISC to new risks, cause potential disruptions in our current business or be unsuccessful if integration and synergies are not achieved.

The successful implementation of these growth strategies could depend on various factors, including competition from other service providers in current and future markets, identification of viable growth opportunities, the Government's right to use the registry data for its own internal purposes or to provide free services that are not in direct competition with our Core Registry Services, the Government's right to approve certain Ancillary Services, subject to the terms of the MSA, changes to the MSA and Registry Operating Agreements, general economic and business conditions, our ability to hire and train qualified management personnel, and the level of search and registration activity in current and future markets.

Failure to successfully implement our growth strategy could reduce, or reduce the growth of, our revenue and net income and adversely affect our business, results of operations and financial condition.

A compromise to the integrity and security of our information assets could adversely affect our financial results, growth opportunities and reputation.

As the custodian of public registries for the Government, ISC is required to protect physical and digital information assets. This includes protection from fraud, inappropriate access, privacy breaches and natural disasters.

Failure to provide this protection could also have an adverse effect on our reputation, growth strategy and could put us in breach of the terms of our MSA and Registry Operating Agreements. A compromise to the integrity and security of ISC's information could have a material adverse effect on our business, results of operations and financial condition.

Significant disruptions in our information technology systems could adversely affect our business and financial results.

Our operations rely on information technology systems in order to provide products and services. Modernization and renewal of these information technology systems is part of ISC's regular business operations. While ISC has in place technology security initiatives and disaster recovery plans, these systems may prove inadequate. Our information technology systems may be vulnerable to unauthorized access, computer viruses, system failures, human error, natural disasters, fire, power loss, communications failure or acts of sabotage or terrorism. If a significant disruption or repeated failure occurs, ISC's revenues could be adversely affected.

There may also be significant costs incurred as a result of such disruptions or failures which may adversely affect financial performance or capital expenditure levels. Such disruptions or failures could also adversely affect ISC's ability to meet performance standards in the MSA and Registry Operating Agreements. The occurrence of any of the foregoing could have a material adverse effect on our business, results of operations and financial condition.

The failure of key third-party suppliers to provide us with critical products or services could adversely affect our business and financial results.

ISC's application development and maintenance, mainframe and technology support services are maintained by agreements with two separate third-party suppliers, HP and ISM. We depend on these third-party suppliers, over which we have no operational or

financial control for certain products and services that are critical to our operations.

If, at any time, HP or ISM cannot provide us with critical products or services including, without limitation, the necessary IT services, hardware and software, this could result in interruptions to our business and ISC incurring additional costs to engage new service providers, which could have a material adverse effect on our business, results of operations and financial condition.

Our Credit Facilities may restrict our ability to finance operations and capital needs.

Our Credit Facilities contain financial and other covenants which affect and, in some cases, limit or prohibit the manner in which we may structure or operate our business, including by reducing our liquidity, limiting our ability to incur indebtedness, create liens, sell assets, pay dividends, make capital expenditures, be subject to a change of control and engage in acquisitions, mergers or restructurings.

Future financings and other major agreements may also be subject to similar covenants which may limit our operating and financial flexibility, which could have a material adverse effect on our business, results of operations and financial condition.

Competition in the industry could limit our growth opportunities and adversely affect our financial results.

ISC may face competition for its service offerings, other than those exclusive products and services presently being provided to the Government and end-use customers under the MSA, such as Land Titles Registry, PPR and Corporate Registry. As we work to expand and evolve our product and services offerings, we may face competition with new products and services in Saskatchewan as well. Competitors may enter the Saskatchewan market through value-add service offerings or as a result of the expiry or other termination of the MSA or Registry Operating Agreements with the Government. ISC is likely to experience competition through the implementation of our growth strategy to increase revenues in other Canadian provinces and international jurisdictions.

Many of our potential competitors are larger than ISC and have greater financial, sales, marketing, technical and other resources. Management of ISC cannot be certain that we will be able to compete successfully

against current or future competitors. If ISC is unable to successfully compete, our ability to expand our business and revenues will be limited. Increased competition in connection with our services and products could have a material adverse effect on our business, results of operations and financial condition.

Our insurance may not provide adequate coverage.

Our property and liability insurance may not provide sufficient coverage for losses related to these types of losses or other potential losses. Insurance against certain risks may not be available to us. In addition, our insurance coverage may be limited in amount or may not continue to be available at economically feasible premiums, or at all. Any such event could have a material adverse effect on our business, results of operations and financial condition.

Litigation may adversely affect our business and financial results.

Our business is subject to the risk of litigation, including lawsuits based upon registration errors, claims of copyright, including claims of copyright in documents registered and made publicly available and lost profits or other consequential damage claims resulting therefrom. The outcomes of litigation, regulatory investigations and arbitration disputes are inherently difficult to predict and, as a result, there is the risk that an unfavourable outcome from any of these types of matters could negatively affect our business, results of operations and financial condition.

Regardless of the outcome, litigation may result in substantial costs and expenses and significantly divert the attention of ISC's management. ISC may not be able to prevail in, or achieve a favourable settlement of, pending litigation. In addition to pending litigation, future litigation or government proceedings could lead to increased costs or interruption of ISC's normal business operations. There can be no assurance that these matters will not have a material adverse effect on our business, results of operations and financial condition.

The Registry Operating Agreements provide for a sharing of the risk associated with Statutory Compensation Claims. The thresholds were determined by negotiation between the Government and ISC and generally exceed the historical claim experience of ISC in respect of Statutory Compensation Claims. If the level of Statutory Compensation Claims rises due to an increase in the number of errors made in processing transactions,

changes in registry practices, changes in laws or other factors beyond our control, ISC's costs will rise, subject to the limit on exposure to Statutory Compensation Claims set out in the Registry Operating Agreements.

Under the MSA, the Government has agreed to indemnify us in respect of, among other things, direct costs incurred by us in connection with (i) third-party claims made against us that are based on a material breach of the Government's obligations under the MSA or on our acts or omissions in operating and managing the registries that were taken or made in compliance with applicable laws and the terms of the MSA; and (ii) third-party claims made against us that are based on determinations that the Government's intellectual property infringes or breaches any third-party intellectual property rights.

The Government's liability in respect of such indemnities for third-party claims does not arise until the claim has been finally adjudicated by a court of law or settled with the consent of the Government. If we become subject to any such third-party claims, we may be required to expend significant resources in the defence of such claims, which could have a material and adverse effect on our business, results of operations and financial condition.

Our liability to the Government under the MSA is unlimited, except in certain specified circumstances.

Pursuant to the MSA, we are required to indemnify the Government in respect of, among other things, (i) direct costs incurred by the Government in connection with a breach of our obligations under the MSA, (ii) third-party claims made against the Government that are based on a breach of our obligations under the MSA or our acts or omissions in operating and managing the registries in violation of applicable laws, (iii) third-party claims made against the Government that are based on determinations that our intellectual property infringes or breaches any third-party intellectual property rights and, (iv) costs incurred by the Government in connection with a breach of our obligations to implement the transition plan and provide the transition assistance required under the MSA.

Our annual liability under the MSA is limited to \$40.0 million in the case of certain specified matters (namely, our third-party claims indemnity, our intellectual property indemnity and our indemnity in respect of a breach of our transition plan obligations) and to the specific limits set out in the Registry Operating Agreements in respect of statutory claims liabilities,

but is unlimited in the case of other obligations owing to the Government under the MSA.

There can be no assurance that we will not, in the future, be subject to indemnification claims by the Government or that the nature and magnitude of such claims will not have a material and adverse effect on our business, results of operations and financial condition.

Adverse changes in labour relations could affect our operations and financial results.

ISC currently employs approximately 296 full-time employees, of whom approximately 70 per cent are members of the Saskatchewan Government Employee Union ("SGEU"). We signed a new collective bargaining agreement with our unionized employees in April 2013, which expires on September 30, 2015. Under this collective bargaining agreement, there was a wage increase for unionized employees of 1.5 per cent on October 1, 2013. The collective bargaining agreement provides for a further wage increase of 2 per cent effective October 1, 2014.

In the event of a labour disruption such as a strike or lockout, our ability to carry on operations are expected to be impaired significantly, which could have a material adverse effect on our business, results of operations and financial condition.

Failure to protect our intellectual property rights could adversely affect our financial results.

Third parties may infringe or misappropriate ISC's trademarks or other intellectual property rights or may challenge the validity of ISC's trademarks or other intellectual property rights, which could have a material adverse effect on our business, results of operations and financial condition.

The actions that ISC takes to protect its trademarks, patents and other proprietary rights may not be adequate. Litigation may be necessary to enforce or protect ISC's intellectual property rights, protect its trade secrets or determine the validity and scope of the proprietary rights of others. ISC cannot ensure that it will be able to prevent infringement of its intellectual property rights or misappropriation of its proprietary information. Any infringement or misappropriation could harm any competitive advantage ISC currently derives or may derive from its proprietary rights.

Third parties may assert infringement claims against ISC. Any such claims and any resulting litigation could subject ISC to significant liability for damages. An adverse determination in any litigation of this type could require ISC to design around a third party's patent or to license alternative technology from another party. In addition, litigation may be time consuming and expensive to defend and could result in the diversion of ISC's management time and resources. Any claims from third parties may also result in limitations on ISC's ability to use the intellectual property subject to these claims and could have a material adverse effect on our business, result of operations and financial condition.

The requirement to use commercially reasonable efforts to obtain certain consents to the sub-license of customized registry software to the Government could result in material increases in our costs that will not be recouped through any corresponding increase in fee revenue.

Pursuant to the Shared Resources License Agreement, ISC is required to use commercially reasonable efforts to obtain consents and acknowledgements from certain third-party vendors of customized registry software utilized by the Company for the sub-license to the Government of such software. Any costs to be incurred by ISC in connection with the obtaining of such consents and acknowledgements are to be borne by ISC.

It is not clear from the terms of the Shared Resources License Agreement the extent to which ISC would be required to incur additional costs or become subject to additional restrictions imposed by such software vendors as a condition to their grant of the required consents and acknowledgements. There can be no assurance that such costs or any additional terms that may be imposed on ISC by customized software vendors in connection with the grant of such consents and acknowledgements would not have a material and adverse effect on our business, results of operations and financial condition.

The Government's rights under the Debenture could affect our ability to obtain financing.

Pursuant to the MSA, all of the revenue ISC receives with respect to the operation and management of the Registries must be collected by ISC Sask (our subsidiary). It is expected that all of the net revenue of ISC Sask will be paid to ISC on a regular basis and be available for the payment of dividends and our debts owed to third-party creditors. Pursuant to the Debenture, ISC Sask has pledged all of its assets, including its revenues, as collateral security for the obligations owed to the

Government under or in connection with the MSA and the Registry Operating Agreements.

Although the Debenture contains no restrictions on the ability of ISC Sask to pay its income to ISC, in the event the Government were to exercise its rights under the Debenture as a result of the occurrence of an ISC Material Breach under the MSA or Registry Operating Agreements or if the Government appoints an administrator under *The Operation of Public Registry Statutes Act* (Saskatchewan) ("OPRSA") then our subsidiary's ability to pay income to ISC will be limited to its net revenues after deducting expenses and the Government's costs associated with the exercise of its rights under the Debenture.

Further, in such circumstances, the Government would be entitled to seize all of the assets of ISC Sask. There can be no assurance that the existence of the Debenture and its implications for our ability to flow income from ISC Sask to ISC will not be viewed negatively by future lenders or affect our ability to obtain future debt financing at attractive rates, which could have a material adverse effect on our business, results of operations and financial condition.

The Government's right to appoint an administrator over our subsidiary may have material adverse consequences. The OPRSA provides the Government with broad oversight rights respecting the operation and management of the public registries. In particular, the OPRSA provides that the Lieutenant Governor in Council may appoint an administrator for a term specified by the Lieutenant Governor in Council to discharge the powers, duties and functions of the board of directors of a contractor (such as ISC) with respect to the management and operation of a registry or the provision of registry services and functions in accordance with such Act, a public registry statute or a service agreement if the minister is of the opinion that there is an immediate and direct threat that could significantly compromise the management and operation of the registry or the provision of the registry services or functions.

The OPRSA further provides that, on the appointment of an administrator, the members of the board of directors of the contractor will cease to hold office unless otherwise ordered by the Lieutenant Governor in Council and, during the term of the administrator, the powers of any members of the board of the contractor who continue to hold office will be suspended unless otherwise provided by the Lieutenant Governor in

Council. This right may be exercised irrespective of the occurrence of a default under the MSA. The Government has agreed in the MSA that it will not exercise the right to appoint an administrator for ISC and will limit its rights to appoint an administrator under such Act or a receiver or receiver-manager under the Debenture to ISC Sask. The appointment of an administrator in respect of ISC Sask under the OPRSA could have a material and adverse effect on our business, results of operations and financial condition.

The Government's rights to temporarily suspend services may have material adverse consequences.

Pursuant to the OPRSA, if, in the opinion of a Registry Officer or the minister, the circumstances are such that it is not practical to provide one or more registry services or functions, a Registry Officer or the minister may, by order, suspend all or any registry services or functions for the period during which, in the opinion of the Registry Officer or the minister, those circumstances prevail. The suspension of registry services or functions under the OPRSA could have a material and adverse effect on our business, results of operations and financial condition.

Expiry of licenses to use Registry Data upon termination or expiry of the term of the MSA could affect our ability to continue to provide certain services.

Our exclusive license to use the registry data will expire upon the termination or expiry of the term of the MSA. If the license is not renewed at that time, we will not be able to continue providing any services which rely on or use registry data, which could have a material adverse effect on our business, financial condition and results of operations.

Although we believe our financial statements are prepared with reasonable safeguards to ensure reliability, we cannot provide absolute assurance.

We prepare our financial reports in accordance with accounting policies and methods prescribed by IFRS. In the preparation of financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of ISC. Significant accounting policies are described in more detail in the notes to our Consolidated Financial Statements for the year ended December 31, 2013.

In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported, we have implemented and continue to analyze our internal control systems for financial reporting. Although we believe our financial reporting and financial statements are prepared with reasonable safeguards to ensure reliability, we cannot provide absolute assurance in that regard.

Our internal controls over financial reporting and disclosure controls may prove ineffective.

Inadequate disclosure controls or ineffective internal controls over financial reporting could result in an increased risk of material misstatements in the financial reporting and public disclosure record of ISC. Inadequate controls could also result in system downtime, give rise to litigation or regulatory investigation. ISC has designed and implemented a system of internal controls and a variety of policies and procedures to provide reasonable assurance that material misstatements in the financial reporting and public disclosures are prevented and detected on a timely basis and other business risks are mitigated.

An internal control system, no matter how well conceived and operated, can provide only reasonable - not absolute - assurance to management and the Board regarding achievement of intended results. ISC's current system of internal and disclosure controls places reliance on key personnel across the Company to perform a variety of control functions, including key reviews, analysis, reconciliations and monitoring. The failure of individuals to perform such functions or properly implement the controls as designed could have a material adverse effect on our business, results of operations and financial condition.

Risks Related to The Information Services Corporation Act

Ownership restrictions may limit demand for our shares.

The ownership restrictions under The Information Services Corporation Act provide that, subject to certain limited exceptions, no person, alone or together with associates, may hold, beneficially own or control, directly or indirectly, other than by way of security only or for purposes of distribution by an underwriter, voting securities to which are attached more than 15 per cent of the votes attached to the issued and outstanding

Class A Shares. The ISC Act and the ISC Regulations also contain provisions for the enforcement of the ownership restrictions.

Restrictions may limit the rights of certain persons to acquire Class A Shares, to exercise their rights as shareholders and to initiate and complete takeover bids in respect of the Class A Shares. As a result, the ownership restrictions may limit the demand for Class A Shares and adversely affect the liquidity and market value of the Class A Shares held by the public.

Director appointment rights and restrictions limiting certain actions of ISC under The Information Services Corporation Act may limit demand for our shares.

The ISC Act provides that, in lieu of voting the Class A Shares held by the Government on any resolution electing directors to the Board, the Lieutenant Governor in Council of the Province of Saskatchewan has the right to appoint that number of members to the Board equal to the Government's pro rata share of the issued and outstanding Class A Shares (rounded to the nearest whole number), but always subject to a minimum of two directors. Market reaction to these provisions may limit demand for Class A Shares and adversely affect the liquidity and market value of the Class A Shares.

Under the ISC Act, the holder of the Class B Golden Share ("Golden Share") shall vote to veto, and thereby prohibit, ISC from undertaking certain actions, including transferring ISC's registered office to a jurisdiction outside Saskatchewan, transferring all or any part of ISC's head office operations to a jurisdiction outside Saskatchewan and the sale, lease or exchange of all or substantially all of ISC's property.

The ISC Act further prohibits ISC from applying for a continuance in a jurisdiction outside Saskatchewan or amending ISC's articles without the approval of the holder of the Golden Share. The ISC Act also includes a separate restriction which provides that ISC shall not transfer all or part of its head office operations, or all or any part of the functions constituting its head office operations, to a jurisdiction outside of Saskatchewan. Market reaction to these provisions may limit the demand for Class A Shares and adversely affect the liquidity and market value of the Class A Shares.

Risks Related to an Investment in the Shares

Cash dividend payments are not guaranteed and our dividend policy may be changed at the Board's discretion depending on numerous factors.

The payment of dividends under the Company's dividend policy is not guaranteed and will fluctuate with the performance of the Company and its subsidiary. The Board has the discretion to determine the amount of dividends to be declared and paid to shareholders. The Board may alter the Company's dividend policy at any time and the payment of dividends will depend on, among other things, results of operations, financial condition, current and expected future levels of earnings, cash available for distribution, operating cash flow, liquidity requirements, market opportunities, income taxes, maintenance capital, growth capital expenditures, the requirements of future financings, debt repayments, legal, regulatory and contractual constraints, working capital requirements, tax laws and other relevant factors.

The Company's Credit Facilities may prohibit the Company from paying dividends at any time at which a default or event of default would exist under such credit facilities, or if a default or event of default would exist as a result of paying the dividend.

Over time, the Company's capital and other cash needs may change significantly from its current needs, which could affect whether the Company pays dividends and the amount of any dividends it may pay in the future. If the Company pays dividends at the level currently anticipated under the current dividend policy, it may not retain a sufficient amount of cash to finance growth opportunities, meet any large unanticipated liquidity requirements or fund its operations in the event of a significant business downturn. The Board may amend, revoke or suspend the Company's dividend policy at any time. A decline in the market price or liquidity, or both, of the Class A Shares could result if the Board reduces the amount of quarterly dividends paid or eliminates dividend payments.

Our share price may decline because of the ability of the Government and others to sell our shares.

Future sales, or the ability for sale, of substantial amounts of the Class A Shares in the public market, by the Government and other shareholders, could adversely affect the prevailing market price for the Class A Shares. If the Company's shareholders sell

substantial amounts of their Class A Shares in the public market, the market price of the Class A Shares could decline. These sales might also make it more difficult for the Company to sell equity or equity-related securities in the future at a time and price that the Company deems appropriate.

The future issuance of Class A Shares may be dilutive to existing shareholders.

The Company's articles authorize the Company to issue an unlimited number of Class A Shares for such consideration and on such terms and conditions as shall be established by the Board without the approval of any shareholders. The shareholders will have no pre-emptive rights in connection with such further issues. Subject to any applicable stock exchange rules requiring shareholder approval, the Company may make future acquisitions or enter into financings or other transactions involving the issuance of Class A Shares which may be dilutive to existing shareholders. Sales or issuances of a substantial number of Class A Shares, or the perception that such sales could occur, may adversely affect prevailing pricing for the Class A Shares.

NON-IFRS MEASURES

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

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

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

"EBITDA" is defined as earnings before interest, taxes, depreciation and amortization. "Adjusted EBITDA" is defined as EBITDA before fees related to our IPO and including costs associated with being a public company, costs associated with administering our MSA and normalization adjustments relating to the transfer of the Government's Vital Statistics Registry. It is an alternative to net income and income from operations to measure business performance and cash flow generation because it removes cash flow fluctuations caused by the above adjustments. "EBITDA margin" is calculated as EBITDA as a percentage of overall revenues. "Adjusted EBITDA margin" is calculated as Adjusted EBITDA as a percentage of overall revenues.

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

EVALUATION OF CONTROLS AND PROCEDURES

Management, including the President and Chief Executive Officer and the Vice President, Finance & Technology and Chief Financial Officer, is responsible for establishing and maintaining appropriate internal controls over financial reporting. The design and effectiveness of ISC's internal controls over financial reporting in accordance with National Instrument 52-109 as of December 31, 2013 was evaluated by management. The Internal Control - Integrated Framework issued by

the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") was used to evaluate the effectiveness of our internal controls over financial reporting. Based on this evaluation, the President and Chief Executive Officer and the Vice President, Finance & Technology and Chief Financial Officer concluded that our internal controls over financial reporting were effective as at December 31, 2013.

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

It should be noted that all internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management, including the President and Chief Executive Officer and the Vice President, Finance & Technology and Chief Financial Officer, is responsible for establishing and maintaining appropriate disclosure controls and procedures. The design and effectiveness of ISC's disclosure controls and procedures in accordance with National Instrument 52-109 as of December 31, 2013 was evaluated by management. Based on the foregoing evaluation, the President and Chief Executive Officer and the Vice President, Finance & Technology and Chief Financial Officer concluded that our disclosure controls and procedures are effective to provide reasonable assurance that material information relating to the Company is made known to them and that information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified in applicable securities legislation.

Consolidated Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2013



- Management's Responsibility
- Independent Auditor's Report
- **Consolidated Financial Statements**
- Status of the Company Note 1
- Note 2 Basis of Presentation 66
- Summary of Significant Accounting Policies 67 Note 3
- 72 Note 4 Cash
- 72 Note 5 Tax Provision
- 74 Note 6 Grant Receivable and Provision for Early Retirement Plan
- Note 7 Deferred Revenue
- 75 Note 8 Property, Plant and Equipment
- 76 Note 9 Intangible Assets
- Note 10 Short-Term and Long-Term Debt
- Note 11 Discontinued Operations
- Note 12 Earnings per Share
- Note 13 Equity and Capital Management
- Note 14 Financial Instruments and Related Risk Management
- Note 15 Related Party Transactions
- Note 16 Compensation of Key Management Personnel 80
- 80 Note 17 Revenue
- Note 18 Net Change in Non-Cash Working Capital 80
- Note 19 Commitments and Contingencies
- Note 20 Pension Expense
- Note 21 Borrowing Costs

MARCH 19, 2014

MANAGEMENT'S RESPONSIBILITY

Management's Report on Financial Statements

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

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

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

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

Jeff Stusek

President and Chief Executive Officer Shawn B. Peters, CA

Vice-President, Finance & Technology and Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Information Services Corporation

We have audited the accompanying consolidated financial statements of Information Services Corporation, which comprise the consolidated statement of financial position as at December 31, 2013 and the consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the **Consolidated Financial Statements**

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

Auditor's Responsibility

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

whether the consolidated financial statements are free of material misstatement.

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

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

MARCH 19, 2014

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Information Services Corporation as at December 31, 2013 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other Matter

The financial statements of Information Services Corporation of Saskatchewan for the year ended December 31, 2012 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 27, 2013.

Chartered Accountants

Regina, Saskatchewan, Canada

Consolidated Statement of Financial Position

		As at December 31	
(thousands of CAD dollars)	Note	2013	2012
Assets			
Current assets			
Cash	4	\$ 27,614	\$ 21,138
Trade receivables		2,978	1,432
GST/HST receivable		2,145	-
Grant receivable	6	_	68
Inventories		5	7
Prepaid expenses		840	573
		33,582	23,218
Non-current assets			
Deferred tax asset	5	54,034	-
Grant receivable	6	_	133
Property, plant and equipment	8	6,172	6,978
Intangible assets	9	14,313	18,309
Total Assets		\$108,101	\$ 48,638
Liabilities			
Current liabilities			
Trade and other payables		\$ 5,623	\$ 4,232
Advances from customers		4,425	4,794
Income tax payable	5	2,181	-
Dividend payable		3,500	5,958
Deferred revenue	7	570	217
Provision for early retirement plan	6	46	68
Short-term debt	10	_	9,935
		16,345	25,204
Non-current liabilities			
Deferred revenue	7	833	1,360
Long-term debt	10	9,935	-
Provision for early retirement plan	6	46	133
· · · · ·		10,814	1,493
Shareholders' Equity	40	40.055	
Share capital	13	19,955	
Retained earnings		60,987	21,941
		80,942	21,941
		\$108,101	\$ 48,638

See Note 19 for Commitments and Contingencies See Accompanying Notes

Approved by the Board on March 19, 2014

Joel TealDirector

Anthony Guglielmin

Director

Consolidated Statement of Comprehensive Income

		Year Ended [December 31
(thousands of CAD dollars)	Note	2013	2012
Revenues	17	\$ 79,131	\$ 75,216
Expenses			
Wages and salaries		23,803	23,608
Information technology services		10,001	9,284
Depreciation and amortization	8,9	5,505	7,639
Occupancy costs		4,202	4,476
Project initiatives		4,919	2,587
Other		4,897	5,094
		53,327	52,688
Income from continuing operations before net finance expense (income)		25,804	22,528
Finance expense (income)			
Interest income		(237)	(212)
Interest expense		157	127
Net finance income		(80)	(85)
Income from continuing operations before tax		25,884	22,613
Income tax recovery	5	(51,852)	-
Income from continuing operations		77,736	22,613
Net loss from discontinued operations	11	(755)	(1,373)
Net income and total comprehensive income		\$ 76,981	\$ 21,240
Earnings per share (\$ per share)			
From continuing operations, basic	12	\$ 4.44	\$ -
From discontinued operations, basic	12	(0.04)	-
Total, from continuing and discontinued operations, basic	12	\$ 4.40	\$ -

See Accompanying Notes

Consolidated Statement of Changes in Equity

	Retained	Share	
Note	Earnings	Capital	Total
	\$ 19,817	\$ -	\$ 19,817
	21,240	-	21,240
	(19,116)	-	(19,116)
	21,941	-	21,941
13	(19,955)	19,955	-
	76,981	-	76,981
	(17,980)	-	(17,980)
	\$ 60,987	\$ 19,955	\$ 80,942
		Note Earnings \$ 19,817 21,240 (19,116) 21,941 13 (19,955) 76,981 (17,980)	Note Earnings Capital \$ 19,817 \$ - 21,240 - (19,116) - 21,941 - 13 (19,955) 19,955 76,981 - (17,980) -

See Accompanying Notes

Consolidated Statement of Cash Flows

		Year Ended December 31		
(thousands of CAD dollars)	Note	2013	2012	
Operating				
Net income from continuing operations		\$ 77,736	\$ 22,613	
Add: Charges not affecting cash				
Depreciation	8	1,262	1,505	
Amortization	9	4,243	5,721	
Loss on disposal of property, plant and equipment	8	2	510	
Impairment loss on intangible asset	9	-	413	
Recovery of MARS project expenses	9	212	-	
Net finance income		(80)	(85)	
Deferred tax recovery	5	(54,034)	-	
Net change in non-cash working capital	18	(816)	474	
Operating cash flow from discontinued operations		(755)	(1,373)	
Net cash flow provided by operating activities		27,770	29,778	
Investing Interest received		237	212	
Additions to property, plant and equipment	8	(458)	(2,396)	
Additions to intangible assets	9	(3,288)	(5,295)	
Net cash flow used in investing activities		(3,509)	(7,479)	
Financing				
Interest paid		(176)	(127)	
Repayment of long-term debt	10	_	(1,146)	
Repayment of short-term debt	10	(9,935)	_	
Proceeds of long-term debt	10	9,935	-	
Dividends paid		(17,609)	(18,845)	
Net cash flow used in financing activities		(17,785)	(20,118)	
Increase in cash		6,476	2,181	
Cash, beginning of period		21,138	18,957	
Cash, end of period		\$ 27,614	\$ 21,138	

See Accompanying Notes

1 STATUS OF THE COMPANY

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

In November 2012, the Government of Saskatchewan (the "Government") announced its intention to privatize Information Services Corporation of Saskatchewan and introduced The Information Services Corporation Act (the "ISC Act") into the Saskatchewan Legislature on November 19, 2012. The ISC Act received Royal Assent on May 15, 2013, and was proclaimed on May 30, 2013.

The proclamation of the ISC Act resulted in *The Crown* Corporations Act, 1993 (Saskatchewan) ceasing to apply to the Company. The Company was continued under The Business Corporations Act (Saskatchewan) on May 30, 2013, as Information Services Corporation, a corporation with share capital, and a wholly owned subsidiary of Crown Investments Corporation of Saskatchewan ("CIC").

In May 2013, the Government proclaimed *The Operation* of Public Registry Statutes Act (Saskatchewan) and The Operation of Public Registry Statutes Consequential Amendments Act, 2013 (Saskatchewan). These acts authorize the execution between the Government and the Company of detailed service agreements addressing the powers, duties, responsibilities, and remedies relating to the operation and management of the public registries. ISC's wholly owned subsidiary, ISC Saskatchewan Inc. ("ISC Sask"), was incorporated on May 30, 2013 under The Business Corporations Act (Saskatchewan) to hold certain assets which are dedicated to the operation of the registries.

The acts also provided for the transfer of the Vital Statistics Registry, previously operated by the Company, to eHealth Saskatchewan ("eHealth"), another Government entity. This transfer was completed effective June 16, 2013 (see Note 11).

As a result of the above actions, the Company is the provider of registry and information services and is the exclusive provider of the Land Titles Registry, Land Surveys Directory, Personal Property Registry ("PPR") and Corporate Registry (collectively the "Registries") in Saskatchewan. The registered office of the Company is 300 - 10 Research Drive, Regina, Saskatchewan S4S 7J7.

On July 9, 2013, the Company became publicly listed on the Toronto Stock Exchange ("TSX") under the symbol "ISV". As a result of the change of control, the Company's status changed, and it is now subject to federal and provincial income taxes at an estimated combined rate of 27 per cent on income earned in Saskatchewan (see Note 5).

2 BASIS OF PRESENTATION

Statement of compliance

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

The Company's Board of Directors authorized the consolidated financial statements for the year ended December 31, 2013 for issue on March 19, 2014.

Basis of measurement

These financial statements have been prepared on a going concern basis, under the historical cost convention.

Functional and presentation currency

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

Basis of consolidation

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

Use of estimates and judgments

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

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

Significant items subject to estimates and underlying assumptions include:

- the carrying amounts of property, plant and equipment (Note 8);
- the carrying amounts of intangible assets (Note 9); and
- deferred tax assets (Note 5).

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

Significant judgments have been made in the following areas:

- the presentation of contracts with various government organizations as operating revenue or government grants (Note 7); and
- the classification and valuation of the Master Service Agreement as an intangible asset (Note 19).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property, plant and equipment

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

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

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

Depreciation is recorded on property, plant and equipment on the straight-line basis, which is the cost

of the asset less its residual value over the estimated productive life of each asset. The useful life of each asset is as follows:

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

The estimated useful life and depreciation methods are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from the disposition or retirement of an item of property, plant and equipment are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income.

Intangible assets

Intangible assets acquired separately

Finite intangible assets acquired separately are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization is provided for on a straight-line basis over the corresponding estimated useful life of the applicable assets. The estimated useful life and amortization methods are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gain or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income.

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

System enhancements ("SE")

- externally acquired

3 Years

Internally generated intangible assets

Research expenditures are expensed and development expenditures are recognized only if they meet the recognition criteria for internally generated intangible assets as provided under IFRS. The amount initially recognized for an internally generated intangible asset is the sum of the expenditures incurred from the date

when the intangible asset first meets the recognition criteria. If no internally generated intangible asset can be recognized, development expenditures are charged to operations in the period in which they are incurred. Internally generated intangible assets include: land titles automated network delivery ("LAND"), geographic information system ("GIS"), system enhancements, and assets under development.

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

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

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

LAND data conversion	15 years
LAND development	7 years
System enhancements	
 internally generated 	3-7 years
Geographic information syst	em 5 years
Other	3-5 years
Assets under development	N/A (not ready for use)

Impairment of tangible and intangible assets

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

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

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

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

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the Company. ISC has determined that all leases entered into by the Company are classified as

operating leases, as the risks and rewards of ownership have not been transferred to the Company.

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

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

Revenue recognition

Revenues from the Land Registry, the Personal Property Registry, the Corporate Registry, the Land Surveys Directory, Geomatic Services and Solutions ("Geomatics") and other sources are recognized in the accounts when services are rendered. Amounts received in advance of Geomatics services being performed are reflected as deferred revenue and are recorded as revenue when services are rendered. Amounts received from customers in advance are reflected as advances from customers and are recorded as revenue when services are rendered.

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

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

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

• the amount of revenue can be measured reliably;

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

Employee benefits

The Company provides pension plans for all eligible employees. Employees hired after October 1, 1977 make contributions to The Public Employees Pension Plan ("PEPP"), a defined contribution plan. Funding requirements are established by *The Superannuation* (Supplementary Provisions) Act and the Company matches employee contributions. The Company's obligations are limited to making regular payment to the plans for current services. These contributions are expensed.

Employees hired prior to October 1, 1977 who did not elect to transfer to PEPP by October 1, 1978, make contributions to the Public Service Superannuation Plan, a defined-benefit plan. The obligation under the defined-benefit pension plan is the responsibility of the General Revenue Fund ("GRF") of the Province of Saskatchewan.

Government grants

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

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

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

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

Financial instruments

Non-derivative financial instruments

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

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

Financial assets at fair value through profit or loss

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

Loans and receivables

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

Other financial liabilities

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

Borrowing costs

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

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

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

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

Changes in accounting policies

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013, or on such date as they became applicable. These changes were made in accordance with the applicable transitional provisions. The adoption of these changes did not require any adjustments to the financial statements.

Proposed standard	Description
IAS 1 - Presentation of Items of Other Comprehensive Income	Provides guidance on the presentation of items contained in other comprehensive income.
IFRS 7 - Financial Instrument Disclosures (offsetting assets and liabilities)	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.
IFRS 10 - Consolidated Financial Statements	Builds on the existing principles of control and elaborates on the definition of control when determining whether an entity should be consolidated or not.
IFRS 12 - Disclosure of Interests in Other Entities	Consolidated disclosure standard requiring a wide range of disclosures about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.
IFRS 13 - Fair Value Measurement	Sets out a single framework for measuring fair value and disclosure requirements surrounding the inputs and assumptions used in determining fair value.
IAS 19 (R) - Employee Benefits	Significant changes in accounting for defined benefit pension plans.
IAS 27 - Separate Financial Statements	Outlines when an entity must consolidate another entity, how to account for a change in ownership interest, how to prepare separate financial statements, and related disclosures.

In addition, the Company has evaluated the following new and revised standards, along with any consequential amendments, effective January 1, 2013, and determined that they do not apply.

Proposed standard	Description
IFRS 11 - Joint Arrangements	Focuses on the rights and obligations of an arrangement rather than its legal form and requires a single method to account for interests in jointly controlled entities.
IAS 28 - Investments in Associates and Joint Ventures	Prescribes the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

Recent accounting pronouncements

The IASB and International Financial Reporting Interpretations Committee ("IFRIC") issued the following new standards and amendments to standards and interpretations, which become effective for annual periods beginning on or after January 1, 2014, and are currently being assessed by the Company to determine the impact.

Proposed standard	Description	Effective Date
IFRIC 21 - Levies	Clarifies accounting for a liability to pay a levy.	January 1, 2014
IAS 32 - Financial Instruments: Presentation	Prescribes the recognition, measurement, presentation and disclosure requirement of financial instruments.	January 1, 2014
IFRS 7 - Financial Instrument Disclosures (transition)	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.	January 1, 2015
IFRS 9 - Financial Instruments	Addresses the classification and measurement of financial assets and financial liabilities.	To be determined

4 CASH

Cash is held on deposit and earns interest at a rate of prime less 1.95 per cent. Interest revenue earned in 2013 was \$237 (2012 - \$212).

5 TAX PROVISION

As a Crown corporation, ISC was exempt from federal and provincial income taxes under the Income Tax Act (Canada), as amended (the "Tax Act"). In accordance with section 149(1)(d.2), this exemption continued to apply through ISC's continuation as a wholly owned subsidiary of CIC. ISC's tax status was initially reported to have changed upon its listing on the TSX on July 9, 2013. However, subsequent review revealed that the actual loss of ISC's tax-exempt status was deemed to occur on June 27, 2013 when ISC and CIC entered into an Underwriting Agreement with a syndicate of underwriters. As a result, ISC is now subject to federal and provincial income taxes at an estimated combined rate of 27 per cent. Upon the change in status, a new taxation year commenced and the Company's properties were deemed to have been disposed of at fair market value while the Company was still exempt from tax and were reacquired at that amount at the commencement of the new taxation year.

Consequently, the Company can amortize and deduct the cost of depreciable tangible and intangible properties in computing its income for tax purposes in accordance with the rules in the Tax Act. The increase in the tax basis of certain of the Company's assets upon the change in tax status created a deferred tax asset, the impact of which has been recognized as a tax recovery.

(thousands of CAD dollars)	December 31, 2013	Decemb	per 31, 2012
Current tax expense			
Current tax on earnings for the year	\$ 2,181	\$	-
Deferred tax expense			
Current period expense	2,531		-
Income tax expense	4,712		-
Income tax recovery recognized as a result of change in tax status	(56,564)		-
Income tax recovery	\$ (51,852)	\$	-

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

Dece	ember 31,	Decemb	er 31,
	2013		2012
\$	25,129	\$	-
	27.0%		-
\$	6,784	\$	-
	295		-
	(2,367)		-
	4,712		-
	(56,564)		_
\$	(51,852)	\$	-
	(206.3)%		
	\$	\$ 25,129 27.0% \$ 6,784 295 (2,367) 4,712 (56,564) \$ (51,852)	2013 \$ 25,129 \$ 27.0% \$ 6,784 \$ 295 (2,367) 4,712 (56,564) \$ (51,852) \$

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

(thousands of CAD dollars)	Janu	ary 1, 2013	(cha earr	es credited rged) to net nings due to e in tax status	to ne due to c	dited (charged) et earnings current period ary differences	Dece	ember 31, 2013
Deferred tax asset								
Intangible assets	\$	-	\$	56,214	\$	(7,998)	\$	48,216
Property, plant and equipment		-		-		20		20
Non-capital losses		-		-		5,435		5,435
Other assets		-		350		13		363
	\$	-	\$	56,564	\$	(2,530)	\$	54,034
Deferred tax liability								
Other liabilities	\$	-	\$	-	\$	-	\$	-
Recorded on the consolidated statement of financial position as follows:								
Deferred tax asset	\$	_	\$	_	\$	_	\$	54,034
Deferred tax liability	Ψ	-	Ψ	-	Ψ	-	Ψ	-

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

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

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

6 GRANT RECEIVABLE AND PROVISION FOR EARLY RETIREMENT PLAN

Order in Council #590/2001 authorized CIC to provide a grant to the Company in an amount not exceeding \$5.4 million to fund the retirement costs associated with Land Titles employees who experienced job loss as a result of the LAND project. The LAND Project redeveloped the land titles system, integrated it with a geographic information system and developed an infrastructure for the delivery of services common to all registry systems to benefit program administration and client services. It involved automation, process redesign, legislative changes and organizational redevelopment.

As part of the privatization of ISC, on May 29, 2013, the grant receivable was paid to the Company in its entirety by CIC for the remaining balance owing to eligible employees. The funds will be disbursed by the Company to eligible employees as they become due.

At December 31, 2013, \$92 (December 31, 2012 - \$200) is recorded in the accounts to provide for the outstanding amounts that management estimates will become payable with respect to eligible employees, with \$46 (December 31, 2012 - \$68) expected to become due within the next twelve months.

7 DEFERRED REVENUE

The Company has received government grants for two of its projects. They are the Mineral Administration Registry Saskatchewan ("MARS") project and the Enhanced Mineral Cadastral project. The condition for the government grants issued to the projects was that the Company must complete the projects within the scope agreed between the Company and responsible government agencies. As of December 31, 2013, the Company was able to meet the conditions of the grants received.

The Company has signed a Memorandum of Understanding with the Minister of Energy and Resources, now referred to as the Minister of Economy, to develop the MARS project. The MARS project has delivered two major deliverables: a storefront component and a database component. A review has indicated that the storefront component does not meet the definition of intangible asset as prescribed under IFRS; therefore, expenditures incurred for the storefront portion were expensed immediately and the portion of government grant related to the storefront was netted against the expenditure. The database component meets the definition of intangible assets under IFRS and expenditures incurred on the database component are capitalized accordingly. The government grant related to the database was deferred and is recognized over the life of the database.

С	eceml	oer 31,	Decemb	oer 31,
(thousands of CAD dollars)		2013		2012
Current deferred revenue				
- government-related	\$	362	\$	-
Other deferred revenue		208		217
Total current deferred revenue	\$	570	\$	217
Non-current deferred revenue	!			
- government-related		833		1,360
Total deferred revenue	\$	1,403	\$	1,577

8 PROPERTY, PLANT AND EQUIPMENT

(thousands of CAD dollars)	Leasehold Improvements	Office Furniture	Office Equipment	Hardware	Asset under Development	Total
Cost					•	
Balance at December 31, 2011	\$ 7,368	\$ 2,884	\$ 77	\$ 2,195	\$ 169	\$ 12,693
Additions	1,781	341	28	113	133	2,396
Disposals	(1,024)	(186)	(17)	(143)	-	(1,370)
Transfer to intangible assets	-	(100)	-	(353)	_	(353)
Balance at December 31, 2012	\$ 8,125	\$ 3,039	\$ 88	\$ 1,812	\$ 302	\$ 13,366
Balance at December 31, 2012	\$ 8,125	\$ 3,039	\$ 88	\$ 1,812	\$ 302	\$ 13,366
Additions	680	56	15	9	(302)	458
Disposals	-	(6)	(5)	(141)	(302)	(152)
Balance at December 31, 2013	\$ 8,805	\$ 3,089	\$ 98	\$ 1,680	\$ -	\$ 13,672
Balance at December 31, 2013	\$ 0,000	\$ 3,007	Ψ /0	Ψ 1,000	Ψ	Ψ 13,072
Accumulated Depreciation						
Balance at December 31, 2011	\$ 3,490	\$ 1,252	\$ 41	\$ 1,286	\$ -	\$ 6,069
Depreciation	790	276	6	433	-	1,505
Disposals	(989)	(52)	(1)	182	-	(860)
Transfer to intangible assets	-	-	-	(326)	-	(326)
Balance at December 31, 2012	\$ 3,291	\$ 1,476	\$ 46	\$ 1,575	\$ -	\$ 6,388
Balance at December 31, 2012	\$ 3,291	\$ 1,476	\$ 46	\$ 1,575	\$ -	\$ 6,388
Depreciation	841	266	13	142	_	1,262
Disposals	_	(6)	(4)	(140)	_	(150)
Balance at December 31, 2013	\$ 4,132	\$ 1,736	\$ 55	\$ 1,577	\$ -	\$ 7,500
Carrying Value						
At December 31, 2012	\$ 4,834	\$ 1,563	\$ 42	\$ 237	\$ 302	\$ 6,978
At December 31, 2013	\$ 4,673	\$ 1,353	\$ 43	\$ 103	\$ -	\$ 6,172

For the year ended December 31, 2013, \$1.3 million (December 31, 2012 - \$1.5 million) of depreciation was recognized for assets included in Property, Plant and Equipment.

9 INTANGIBLE ASSETS

		SE - ternally	SE - Internally		set under evelop-		LAND Develop-	LAND - Data	
(thousands of CAD dollars)	GIS	quired	Generated	_	ment	Other	ment	Conversion	Total
Cost									
Balance at December 31, 2011	\$ 6,705	\$ 1,355	\$ 26,558	\$	4,632	\$ 1,414	\$ 30,685	\$ 17,262	\$ 88,611
Additions	-	64	2,743		2,488	-	-	-	5,295
Disposals	-	(196)	-		-	-	-	-	(196)
Impairment losses recognized	-	-	-		(413)	-	-	-	(413)
Transfer from PPE	-	353	-		-	_	-	-	353
Balance at December 31, 2012	\$ 6,705	\$ 1,576	\$ 29,301	\$	6,707	\$ 1,414	\$ 30,685	\$ 17,262	\$ 93,650
Balance at December 31, 2012	\$ 6,705	\$ 1,576	\$29,301	\$	6,707	\$ 1,414	\$ 30,685	\$ 17,262	\$ 93,650
Additions	-	-	-		3,288	-	-	-	3,288
Dividend-in-kind (Note 11)	-	(183)	(3,391)		-	-	-	-	(3,574)
Transfers	-	411	7,846		(8,257)	_	_	-	
Balance at December 31, 2013	\$ 6,705	\$ 1,804	\$33,756	\$	1,738	\$ 1,414	\$ 30,685	\$ 17,262	\$ 93,364
Accumulated Depreciation									
Balance at December 31, 2011	\$ 6,705	\$ 621	\$19,137	\$	-	\$ 1,414	\$ 30,685	\$ 10,928	\$ 69,490
Amortization	-	497	4,069		-	-	-	1,155	5,721
Disposals	-	(196)	-		-	-	-	-	(196)
Transfer from PPE	-	326	-		-	-	-	-	326
Balance at December 31, 2012	\$ 6,705	\$ 1,248	\$23,206	\$	-	\$ 1,414	\$ 30,685	\$ 12,083	\$ 75,341
Balance at December 31, 2012	\$ 6,705	\$ 1,248	\$23,206	\$	_	\$ 1,414	\$ 30,685	\$ 12,083	\$ 75,341
Amortization	-	167	2,925		-	-	-	1,151	4,243
Dividend-in-kind (Note 11)	-	(20)	(725)		-	-	-	-	(745)
Recovery of MARS expenses	-	-	212		-	-	-	-	212
Balance at December 31, 2013	\$ 6,705	\$ 1,395	\$25,618	\$	_	\$ 1,414	\$ 30,685	\$ 13,234	\$ 79,051
Carrying Value									
At December 31, 2012	\$ -	\$ 328	\$ 6,095	\$	6,707	\$ _	\$ -	\$ 5,179	\$ 18,309
At December 31, 2013	\$ -	\$ 409	\$ 8,138	\$	1,738	\$ -	\$ -	\$ 4,028	\$14,313

For the year ended December 31, 2013, \$4.2 million (December 31, 2012 - \$5.7 million) of amortization was recognized for assets in intangible assets.

10 SHORT-TERM AND LONG-TERM DEBT

	December 31,	December 31,
(thousands of CAD dollars)	2013	2012
Refinanced short-term debt from the GRF, due November 1, 2013,		
bearing interest at 1.16% per annum	\$ -	\$ 9,935
Bankers' acceptance note, due April 7, 2014, bearing interest at		
1.38% per annum	9,935	_
Total short-term and long-term debt	\$9,935	\$ 9,935

The bankers' acceptance note has been classified as long-term as it is provided under a three-year committed revolving term loan facility and the Company expects to, and has the discretion to, refinance the obligation under this facility.

11 DISCONTINUED OPERATIONS

As part of the privatization of the Company, the Government transferred the Vital Statistics Registry to another Government entity, eHealth, effective June 16, 2013. The intangible assets related to the Vital Statistics Registry were transferred at their net book value through a dividend-in-kind to the Government totalling \$2.8 million.

	December 31,	December 31,
(thousands of CAD dollars)	2013	2012
Statement of discontinued operations		
Revenues	\$ 1,074	\$ 2,105
Expenses	1,829	3,478
Net loss from discontinued operations	\$ (755)	\$ (1,373)

12 EARNINGS PER SHARE

The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period. There are no dilutive potential ordinary shares outstanding at year end. Details of the earnings per share are set out below:

(thousands of CAD dollars, except number of shares and earnings per share)	December 31, 2013	December 31, 2012
Net income from continuing operations	\$ 77,736	\$ 22,613
Net loss from discontinued operations	(755)	(1,373)
Weighted average number of shares	17,500,000	-
Earnings per share (\$ per share)		
From continuing operations, basic	\$ 4.44	-
From discontinued operations, basic	(0.04)	-
Total, from continuing and discontinued operations, basic	\$ 4.40	-

13 EQUITY AND CAPITAL MANAGEMENT

In November 2012, the Government introduced legislation to privatize and enable the sale of shares of Information Services Corporation of Saskatchewan. The Government indicated an intention to retain 40 per cent of the shares in the Company, with the remaining 60 per cent of the Company's shares to be offered as follows: 45 per cent of the shares would be available for Saskatchewan citizens, 5 per cent of the shares would be held for the Company employee purchase, and the remainder would be available to outside investors.

In order to facilitate the sale of shares, and as part of the privatization, on May 30, 2013, the Company issued one Class A Share and one Class B Golden Share (the "Golden Share") to its parent, CIC, for no consideration following the continuance of ISC under *The Business Corporations Act* (Saskatchewan), and the Company's retained earnings, as of May 30, 2013, were transferred to share capital in accordance with the act.

Effective June 26, 2013, the Company effected a stock split by way of articles of amendment changing the

number of issued and outstanding Class A Shares from one to 17,500,000. On July 9, 2013, the Company became publicly listed on the Toronto Stock Exchange by completing its Initial Public Offering (the "Offering") of 10,500,000 Class A Limited Voting Shares (the "Class A Shares") at C\$14.00 per share. On July 17, 2013, the underwriters exercised in full the Over-Allotment Option to purchase an additional 1,575,000 Class A Limited Voting Shares. The Offering was a secondary offering by the Selling Shareholder, CIC. The Company did not receive any proceeds from the Offering.

The Company's authorized share capital consists of an unlimited number of Class A Shares, one Class B Golden Share and an unlimited number of Preferred Shares, issuable in series. The Company currently has 17,500,000 Class A Shares issued and outstanding, one Golden Share issued and outstanding and no Preferred Shares issued or outstanding. Class A Shares are entitled to one vote per share. The Class B Golden Share has certain voting rights with respect to the location of the head office and the sale of all or substantially all of the assets

of the Company. The Golden Share has no pre-emptive, redemption, purchase or conversion rights and is not eligible to receive dividends declared by the Company. The Preferred Shares can be issuable at any time and may include voting rights.

	Cla	ss A	Class B Golden Share		
(thousands of CAD dollars, except number of shares)	Jun	e 30	December 31		
	Number of Shares	Share Capital	Number of Shares	Share Capital	
Balance at January 1, 2012	-	\$ -	-	\$ -	
No movement	-	-	-	-	
Balance at December, 31, 2012	-	-	-	_	
Issue of shares at continuation	1	19,955	1	-	
Class A Share split (1:17,500,000)	17,499,999	-	-	-	
Balance at December 31, 2013	17,500,000	\$ 19,955	1	\$ -	

Credit Facility

On July 8, 2013, the Company entered into secured credit facilities (collectively, the "Credit Facilities") provided by a Canadian chartered bank in the aggregate amount of \$19.9 million. The Credit Facilities are comprised of (i) a \$9.9 million three-year committed revolving term loan facility (the "Revolving Term Facility") which was used to replace the existing short-term indebtedness of the Company to the GRF, and (ii) a \$10.0 million uncommitted revolving credit facility (the "Operating Facility") to be used for general corporate purposes. The Revolving Term Facility will mature on July 5, 2016 unless renewed prior to that time; the Operating Facility is repayable by the Company upon demand by the lender and the lender may terminate such Operating Facility at any time.

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

The Credit Facilities contain financial covenants which require the Company to maintain a ratio of Funded Debt to Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"), (each as defined in the Credit Facilities) of less than 2:1 and a Fixed Charge Coverage ratio (as defined in the Credit Facilities) of greater than 1.35:1. The Credit Facilities also contain other positive covenants, negative covenants, events of default, representations and warranties customary for credit facilities of this nature. The Company was in compliance with all covenants throughout the year.

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

The Company's capital at December 31, 2013 consisted of long-term debt, share capital and retained earnings (comprising total shareholders' equity).

(thousands of CAD dollars)	December 31, 2013	•
Short-term debt	\$ -	\$ 9,935
Long-term debt	9,935	-
Share capital	19,955	-
Retained earnings	60,987	21,941
Capitalization	\$ 90,877	\$ 31,876

14 FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

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

Credit risk

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

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

Cash is held with a major chartered Canadian bank and management believes the risk of loss to be minimal. The maximum exposure to credit risk at December 31, 2013 is \$30.6 million (December 31, 2012 - \$22.7 million) equal to the carrying value of the Company's financial assets, those being cash at \$27.6 million (December 31, 2012 - \$21.1 million) and trade receivables at \$3.0 million (December 31, 2012 - \$1.6 million). Quarterly reviews of the aged receivables are completed. The Company expects to fully collect on all outstanding receivables. Therefore, the risk to the Company is low.

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

(thousands of CAD dollars)	December 31, 2013	December 31, 2012
Cash	\$ 27,614	\$ 21,138
Current trade receivables and other*	2,713	1,459
Up to three months past due date	23	26
Greater than three months past due date	242	148
Total credit risk	\$ 30,592	\$ 22,771

^{*}includes grant receivable

Interest rate risk

The interest rates on long-term debt are currently managed throughout the three-year term with short-term bankers' acceptance notes with an option to lock in rates at any time. Therefore, this risk to the Company is low.

Liquidity risk

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

The following summarizes the contractual maturities for the Company's financial liabilities at December 31, 2013:

		Contractual			
(thousands of CAD dollars)	Carrying Amount	Cash Flows	0-6 months	7-12 months	1-2 years
Long-term debt	\$ 9,935	\$ 10,087	\$ 152	\$ -	\$ 9,935
Trade and other payables	5,623	5,623	5,623	-	-
Total liabilities	\$ 15,558	\$ 15,710	\$ 5,775	\$ -	\$ 9,935

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

Market risk

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

		December	December 31, 2013		December 31, 2012	
(thousands of CAD dollars)	Classification	Carrying Amount	Fair Value	Carrying Amount	Fair Value	
Financial Assets						
Cash	FVTPL	\$ 27,614	\$ 27,614	\$ 21,138	\$ 21,138	
Trade receivables	LAR	2,978	2,978	1,432	1,432	
Grant receivable	LAR	-	-	201	201	
Financial Liabilities						
Trade and other payables*	OFL	5,715	5,715	4,433	4,433	
Dividend payable	OFL	3,500	3,500	5,958	5,958	
Short-term debt	OFL	-	_	9,935	9,935	
Long-term debt	OFL	9,935	9,935	-	-	

^{*}includes provision for early retirement plan

Fair value of financial instruments

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

- Level 1 Quoted prices are readily available from an active market.
- Level 2 Inputs, other than quoted prices included in level 1 that are observable either directly or indirectly.
- Level 3 Inputs are not based on observable market data.

The carrying values of cash, trade receivables, grant receivable, trade and other payables, and dividend payable approximate fair value due to their immediate or relatively short-term maturity. Long-term debt is currently managed throughout the three-year term with short-term bankers' acceptance notes and as such the carrying value approximates fair value due to the short term to maturity as well. It has been determined that there are no differences between the carrying amount and the fair market value of these instruments and as such, considered to be level 1.

15 RELATED PARTY TRANSACTIONS

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

Routine operating transactions with related parties are settled at agreed upon exchange amounts under normal trade terms.

In addition, the Company pays provincial sales tax to the Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

16 COMPENSATION OF KEY MANAGEMENT PERSONNEL

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

	Decei	mber 31,	Decer	mber 31,
(thousands of CAD dollars)		2013		2012
Wages, salaries and				
short-term benefits	\$	1,623	\$	1,396
Defined contribution plan		104		98
Total compensation	\$	1,727	\$	1,494

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

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

17 REVENUE

D	December 31,				
(thousands of CAD dollars)		2013		2012	
Land Registry, Land Surveys					
Directory and Geomatics*	\$	61,141	\$	57,920	
Personal Property Registry		9,787		9,083	
Corporate Registry		8,170		8,157	
Other		33		56	
Total revenue	\$	79,131	\$	75, 216	
* includes revenue from sale of goods	\$	305	\$	358	

18 NET CHANGE IN NON-CASH WORKING CAPITAL

The net change during the year comprised the following:

	December 31,		Decem	ber 31,
(thousands of CAD dollars)		2013		2012
Trade receivables	\$	(1,546)	\$	486
GST/HST receivable		(2,145)		-
Grant receivable		201		74
Inventories		2		1
Prepaid expenses		(267)		(41)
Trade and other payables		1,391		(500)
Accrued interest		19		-
Income tax payable		2,181		-
Advances from customers		(369)		750
Deferred revenue		(174)		(222)
Provision for early				
retirement plan		(109)		(74)
Net change in non-cash				
working capital	\$	(816)	\$	474

19 COMMITMENTS AND CONTINGENCIES

Leasing arrangements

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

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

Master Service Agreement

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

Commitments

Future minimum payments for leasing of office space, information technology service agreements with Hewlett Packard and ISM Canada and to the Government under the MSA include the following amounts over the next five years as of December 31, 2013:

(thousands of CAD dollars)	Office Leases	IT Service Agreements	Master Service Agreement	Total
2014	\$ 2,322	\$ 3,6761	\$ 500	\$ 6,498
2015	2,329	-	500	2,829
2016	792	-	500	1,292
2017	563	_	500	1,063
2018	493	-	500	993
Thereafter	1,086	-	7,500	8,586
	\$ 7,585	\$ 3,676	\$ 10,000	\$ 21,261

¹ Subsequent to year end, the Company entered into one-year extensions to the current agreements to allow sufficient time to amend and renew a longer-term agreement.

Contingencies

The Land Titles Act, 2000 contains assurance provisions that allow customers to recover losses from the Government related to certain statutory claims, including those related to the errors or omissions of the provincial Registrar. ISC has limited indemnity obligations to the Government in relation to those claims. Concurrent with the execution of the MSA, the Company also entered into Registry Operating Agreements with the Government for each of the Registries. Each Registry Operating Agreement contains registry-specific terms and conditions respecting the operation of the applicable Registry, including, but not limited to, the fees ("Registry Fees") we may charge for our services applicable to each Registry and the allowable increases to those Registry Fees, minimum service levels applicable to each Registry and specific allocation of risk and liability associated with the operation of each Registry.

Management's estimate of liability for claims and legal actions that may be made by customers pursuant to the assurance provision and the MSA is based upon claims submitted; as at December 31, 2013, the liability was nil (December 31, 2012 - nil).

20 PENSION EXPENSE

The total pension costs of the Company for the year were \$1,442 (2012 - \$1,516).

21 BORROWING COSTS

The amount of borrowing costs capitalized during 2013 and 2012 were nil.

Board of Directors



(left to right) Douglas Allen Emsley, Jess Huan Chua, William (Scott) Musgrave, Thomas Richard Christiansen, Joel Douglas Teal, Anthony Robert Guglielmin, Dion E. Tchorzewski, Bradley S. Sylvester, Michelle Ouellette

BOARD OF DIRECTORS

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

Committee

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

William (Scott) Musgrave Lloydminster, Alberta Director since: 2010 Member of the Audit Committee Thomas Richard Christiansen Swift Current, Saskatchewan Director since: 2009 Member of the Governance & Nominating Committee and a member of the Compensation

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

Committee

Anthony Robert Guglielmin Vancouver, British Columbia Director since: 2013

Chair of the Audit Committee

Dion E. Tchorzewski

Regina, Saskatchewan Director since: 2013 Chair of the Governance & Nominating Committee

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

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

Officers



Jeff Stusek President & Chief Executive Officer



Kenneth W. Budzak Vice President, Operations & Customer Experience



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



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

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

Corporate Information

Head Office

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

Stock Exchange Listing & Symbol

Toronto Stock Exchange: ISV

Share Capital

Authorized - the Company's authorized share capital consists of an unlimited number of Class A Limited Voting Shares ("Class A Shares"), one Class B Golden Share and an unlimited number of Preferred Shares.

Class A Shares

Issued and outstanding - 17,500,000 Class A Shares as at December 31, 2013.

The Company's articles and the ISC Act limit ownership of Class A Limited Voting Shares, including joint ownership to no more than 15 per cent of the Class A Shares issued and outstanding.

Class B Golden Share

Issued and outstanding - 1 Class B Golden Share ("Golden Share") as at December 31, 2013.

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

Preferred Shares

Issued and outstanding - Nil as at December 31, 2013.

The Preferred Shares can be issuable at any time and may include voting rights.

Ownership

As of March 14, 2014, the Government of Saskatchewan was the majority shareholder as defined by Canadian Securities law, holding 31 per cent of the issued and outstanding common shares of the company.

Dividends on Common Shares

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

Year	Туре	Ex-Dividend Date	Record Date	Payable Date	Amount
2013	Quarterly Cash	September 26, 2013	September 30, 2013	October 15, 2013	C\$0.18*
2013	Quarterly Cash	December 27, 2013	December 31, 2013	January 15, 2014	C\$0.20

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

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

Auditors

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

Transfer Agent

CST Trust Company

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

Fax: 1 (888) 249-6189

Website

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

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

Regulatory Filings

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

Investor Contact Information

Jonathan Hackshaw

Director, Investor Relations & Communications

investor.relations@isc.ca

Toll Free in North America: 1 (855) 341-8363 Outside North America: 1 (306) 798-1137

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

CST Trust Company

Toll Free Inside North America: 1 (800) 387-0825

Outside North America: 1 (416) 682-3860

Annual and Special Meeting

The Annual and Special Meeting of Shareholders will be held at 2:00 p.m. (Saskatchewan time) on May 13, 2014, at the Hotel Saskatchewan Radisson Plaza, 2125 Victoria Avenue, Regina, Saskatchewan, S4P 0S3, Canada.





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