Condensed Interim Consolidated Financial Statements of

GLACIER MEDIA INC.

Three and nine months ended September 30, 2012

(Unaudited)

President's Message

Summary

Overall, Glacier Media Inc. ("Glacier" or the "Company") continues to generate strong revenue, profit and cash flow from operations through its diversified base of information communications businesses. The Company's trade and business and professional information operations continue to grow and provide attractive opportunities for future growth in both existing and new verticals through digital and print offerings, including rich information products and solutions. The community media operations continue to offer a strong value proposition through the local information they provide to readers and the key marketing channels they provide in the small community markets they serve across the complementary multi-media platforms. In 2012 weaker economic conditions have affected national revenues adversely. This appears to be largely cyclical, as national revenues were up significantly in 2011. Digital competition has exacerbated the weaker economic conditions in the larger urban markets, but has been less of a factor in the smaller local markets. Given the significant amount of growth opportunities available, the Company's strategy is to invest the cash flow generated from the community media operations and the trade and business and professional information operations in both operational opportunities and acquisitions. In particular, the Company intends to allocate an increasing amount of capital to trade and business and professional information acquisitions and growth opportunities. The Company also intends to provide returns to shareholders through dividends that increase over time as well as share buy-backs.

For the three months ending September 30, 2012, Glacier's revenue increased 26.3% to $78.2 million from $62.0 million for the same period in the prior year. Cash flow from operations (before changes in non-cash operating accounts and non-recurring items) decreased 19.7% to $7.9 million and earnings before interest, taxes, depreciation and amortization (EBITDA) decreased 7.2% to $9.8 million compared to the same period in the prior year. Net income attributable to common shareholders was $5.2 million compared to $3.7 million for the same period in the prior year. The decrease in cash flow from operations exceeded the decrease in EBITDA primarily as a result of higher interest expense from acquisitions, higher cash pension contributions in excess of those expensed, higher unrealized foreign exchange, and other cash expenses.

For the nine months ended September 30, 2012, Glacier's revenue increased 26.6% to $246.1 million from $194.4 million for the same period in the prior year. Cash flow from operations (before changes in non-cash operating accounts and non-recurring items) decreased 2.9% to $32.7 million and earnings before interest, taxes, depreciation and amortization (EBITDA) increased 3.4% to $37.8 million compared to the same period in the prior year. Net income attributable to common shareholders was $13.4 million compared to $13.5 million for the same period in the prior year.

Cash flow from operations (before changes in non-cash operating accounts and non-recurring items) per share decreased 19.7% to $0.09 per share for the three months ending September 30, 2012 compared to the same period in the prior year, EBITDA per share decreased 7.1% to $0.11 from $0.12 for the quarter compared to the same period in the prior year and net income attributable to common shareholders per share increased to $0.06 from $0.04 for the same period last year.

Cash flow from operations (before changes in non-cash operating accounts and non-recurring items) per share for the nine months ending September 30, 2012 was $0.37 per share, the same as last year, EBITDA per share increased 4.4% to $0.42 from $0.41 compared to the same period last year and net income attributable to common shareholders per share was consistent at $0.15 compared to last year.

Review of Operations

Consolidated revenue grew 26.3% during the third quarter of 2012 compared to the same period last year as a result of organic growth in a variety of operations, the November 2011 acquisition of the Postmedia British Columbia community media assets, and the acquisition of control of one of Glacier's community media partnerships in April 2012. Consolidated EBITDA decreased $0.8 million or 7.2% for the quarter.

On a same-store basis, community media revenue was softer for the quarter compared to last year and trade and business and professional revenue was stronger. Revenues and EBITDA were affected by weaker economic conditions and related national advertising softness. Consolidated EBITDA was also affected by operating resource expense investments made to strengthen some of the community media assets acquired from Postmedia, as well as operating expense investments made in a new digital real estate information business. Excluding a small loss for the quarter relating to the Postmedia community media assets acquired and the new digital real estate information costs, consolidated EBITDA was slightly ahead of last year. Overall, revenues, profitability and cash flow remain strong.

Sales Performance

Glacier's trade and business and professional information operations continued to deliver strong growth, with revenue increases generated across a wide variety of verticals.

While some revenues have been adversely affected by economic conditions, a number of growth initiatives are being pursued and are generating strong sales results.

In particular, Glacier's trade information and business and professional information operations enjoyed growth in the energy, agricultural, environmental risk, environmental compliance networks, medical and financial information sectors. Continued softness was experienced in several trade verticals as a result of economic conditions.

In addition to core business information print and digital sales, management is focused on strategies geared to offer customers an increasingly richer value proposition through both enhanced information content and richer and more robust product solutions that digital platforms and technology can provide, as well as enhanced customer targeting and marketing effectiveness for advertisers, amongst other things.

Specific initiatives are being pursued to specialize different types of digital content, advertising and subscriptions based on research being done to indicate how various markets can be served. Premium subscription and related products are being enhanced and developed with a particular focus on essential content, data, search, interpretation, contextualization and analytics. As previously reported, a new web-based data visualization product was launched for the Oilsands which displays rich information on both geo-spatial and graphical interfaces. Distribution dynamics are being enhanced to generate growth, such as delivering Canadian advertiser messages and content (particularly natural resources) to international markets. Efforts are being made to not only enhance customers' ability to make prudent decisions, but also facilitate transactions between buyers and sellers and improve the manner in which buyers and sellers interact, particularly through digital products. This includes a focus on integrating information solutions into various supply chains. Efforts continue to be made to increase lead generation utility and effectiveness for customers through new digital products and enhancements. Collectively, these strategies are intended wherever possible to strengthen customer decision dependence on Glacier's products and services. Efforts continue to be made to leverage and monetize content across channels and platforms, particularly mobile applications. Efforts are also being made to improve inter-divisional marketing and branding collaboration to create new organic growth and market opportunities.

Digital revenues represent more than a quarter of Glacier's trade information and business and professional information revenue and are growing steadily. Significant focus and related investment will continue to be made to enhance Glacier's digital trade and business and professional information verticals, through both organic development and the acquisition of new businesses. These acquisitions will be targeted to expand the markets that Glacier covers, expand the breadth of information products and marketing solutions provided, and to expand Glacier's digital media staff, technology and other relevant resources.

Overall, the business information operations and various market sectors offer attractive opportunities for growth with high levels of profitability.

Glacier's community media operations experienced weaker revenue performance in a number of markets during the quarter, primarily the result of softer national advertising. The Prairie operations continued to generate strong revenue and profitability. The B.C. markets were affected by weaker economic conditions in Victoria, the Lower Mainland and a variety of Vancouver Island and northern Interior markets. National advertising revenues were weaker in most markets, which appear to be the result of cautiousness due to economic conditions, as financial and government revenues have been significantly lower. Digital competition is also affecting national print spending levels, although this trend is primarily occurring in the larger urban markets. Local advertising revenues were resilient in both the existing markets where Glacier has operated, and some of the Lower Mainland and Vancouver Island markets acquired from Postmedia, although the Victoria market continues to struggle.

Operating expense investments are being made to improve the strength and resources of the community media assets acquired from Postmedia in order to increase competitiveness and sales effectiveness. The operations had been weakened by significant cost cutting incurred over many years under previous ownership due to the high debt levels of these owners (for example, the number of sales representatives had been reduced by 30%, which negatively affected sales generation capacity). The costs of the operating investments have been partially offset by savings in overhead costs as a result of the integration of the operations with Glacier's existing infrastructure. The operating expense investments resulted in stronger local advertising sales and classified sales in the third quarter. While it will take time to strengthen and revitalize the operations, it is encouraging that direct revenue increases are being realized as investments are being made. Digital investments are also being made to exploit the digital revenue opportunities of the larger markets in which the community media operations acquired are located.

While economic and market challenges have affected the community media operations, management believes that these businesses remain strong and will continue to generate solid cash flow given the nature of the markets in which Glacier operates and the nature of local community media. This cash flow can be used to fund growth through both internal investment and acquisition of digital business information and digital community media assets, as well as repayment of debt, payment of dividends and repurchase of shares.

Glacier's small market community media operations offer a unique selling proposition and competitive advantage through the local information that they provide, of which they are a primary source, and the primary marketing channel they offer to advertisers. The value of Glacier's local community content is being provided to Glacier's readers in print and online, by tablet and mobile smartphone platforms. A number of new digital sales products and strategies have been introduced, and new digital sales and product staff are being hired and technology investments are being made to drive these growth initiatives. Given that the demand for local community information is expected to exist for the long term, Glacier expects to be able to monetize the information and marketing value through advertising and other revenue sources for the long term. As 85% of Glacier's local newspaper distribution is free, this also provides for a more durable reach of readership for advertisers over time wherein total market coverage can always be provided. The attributes of these community media operations are significantly different and stronger than larger metropolitan paid daily newspapers, which have been reflected in the financial performance of Glacier's community media group.

Profit Performance

As stated, consolidated EBITDA decreased $0.8 million or 7.2% to $9.8 million for the quarter compared to $10.6 million for the third quarter of 2011. While revenues showed a significant increase on an overall dollar basis due to acquisitions, the economic environment and related softness in national advertising resulted in lower EBITDA compared to last year. The community media operations acquired from Postmedia are historically weaker in the first and third quarter, and this annual cycle was exacerbated by the weaker economy and national advertising softness. The Postmedia community media assets acquired are historically profitable in the second and fourth quarters. The decrease in EBITDA was also the result of the operating resource expense investments described. As stated, consolidated EBITDA was slightly ahead of last year excluding a small loss for the quarter relating to the Postmedia community media assets acquired and the digital real estate information costs.

Glacier's consolidated EBITDA margin decreased to 12.5% for the quarter from 17.1% for the same quarter last year as a result of the softness in overall community media revenues and the lower margins of the Postmedia assets acquired. Management will seek to improve the margins and profit performance of the assets acquired through improved print and digital sales effectiveness, cost efficiency and other initiatives.

Cost reduction measures continue to be implemented consistent with management's strategy of maintaining strong product and editorial quality while reducing operating costs where possible through initiatives that do not impact quality, sales capacity or market and competitive positions. Management is being careful to maintain appropriate levels of resources in staff and technology as well as business development in order to facilitate long-term revenue growth.

EBITDA was also impacted by increased operating infrastructure investment made in digital media management, staff, information technology and related resources, as well as other content and quality related areas. The increase in Glacier's consolidated revenue has both allowed this investment to be made and has been in part a result of the digital investments already made. These investments were made consistent with Glacier's complementary media platform and product strategy and business information strategies.

The complementary media platform and product strategy is geared to address both the risks that digital media represents to the traditional print platform and the opportunities digital media offers in Glacier's local community and business and trade information markets. The strategy is based upon the premise that customer utility and value should drive the structuring of platform utilization and product design and functionality. Online, mobile, tablet and other information delivery devices will be fully utilized, while print content and design quality will also be fully maintained. While the digital platforms offer many attractive new opportunities, the print platform continues to offer effective utility to both readers and advertisers. Maintaining strong print products also maintains strong brand image and awareness, which increases the likelihood of success online. Studies of time spent across media platforms and reader satisfaction support the premise of the complementary platform and product strategy. Management expects that customer utility will vary over time and will be affected by what Glacier and other media providers can creatively provide. Management believes that the pursuit of a complementary platform and product strategy will be prudent for the foreseeable future, and will maximize revenue and profit generation.

As indicated, the business information strategies are focused on increasing the value provided to customers through richer content, data and analytic value and deepening the customer decision dependence of Glacier's products and services, thereby moving Glacier's products and services further up the value ladder, with the higher revenue, profitability and recurring cash flow that this value proposition provides.

Financial Position

Glacier's consolidated debt net of cash outstanding before deferred financing charges and other expenses was 2.47x trailing 12 months EBITDA (normalized for the acquisition of control of one of Glacier's community media partnerships) as at September 30, 2012. The Company repaid $6.0 million of debt during the quarter. Glacier's consolidated debt net of cash outstanding before deferred financing charges and other expenses was $131.5 million as at September 30, 2012.

Glacier invested $2.7 million of capital expenditures during the quarter primarily on press facility construction and expansion to accommodate new press equipment, additional production equipment, information technology infrastructure and software. $2.2 million of these capital expenditures were investment capital expenditures, the majority of which relate to the building and installation of a new press facility that is expected to be completed in Q1 2013. The investment will result in lower operating costs, better quality, and new long-term contract based revenues (specifically, Glacier's joint venture operation, Great West Newspapers Limited Partnership, which has secured a contract to print the Edmonton Journal commencing in 2013). The investment capital expenditures are being made to generate direct revenue and cash flow improvements and payback consistent with Glacier's targeted return on investment, as well as quality improvements and other benefits.

Outlook

While economic conditions have impacted some of the community media operations and business information verticals, and digital competition is stronger in the larger community media markets, management expects that growth will continue in Glacier's trade information and business and professional information operations, as well as a variety of community media markets in Manitoba, Saskatchewan, Alberta and parts of British Columbia.

Management will focus in the short-term on a balance of paying down debt, integrating the operations acquired, continuing to develop existing operations, targeting select acquisition opportunities and returning value to shareholders.

Given the strong level of cash flow resulting from operations and the acquisitions indicated, an increasing portion of the Company's cash flow can also be returned to shareholders in the future through increased dividends. The board of directors intends to review the Company's dividend policy at the beginning of 2013. The Company also intends to repurchase shares as deemed attractive and prudent.

As indicated, significant focus and related investment will continue to be made to enhance Glacier's business information verticals, through both organic development and the acquisition of new businesses. These acquisitions will be targeted to expand the markets that Glacier covers, expand the breadth of information products and marketing solutions provided, and to expand Glacier's digital media staff, technology and other relevant resources.

In this regard, management will continue to seek a balance of maintaining debt at manageable levels and delivering growth through both operations and acquisitions. In particular, management will seek to time investment in the acquisition and organic growth opportunities to allow cash flow from operations to be used to pay down the increased borrowings incurred in the fourth quarter of 2011.

Jonathon J.L. Kennedy
President and Chief Executive Officer

Third Quarter 2012 Management's Discussion & Analysis ("MD&A")

Forward Looking Statements

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

The information in this report is as at November 13, 2012.

Glacier Media Inc.'s third quarter 2012 Interim Report, including this MD&A, contains forward-looking statements that relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates and can generally be identified by the use of statements that include phrases such as "believe", "expect", "anticipate", "intend", "plan", "likely", "will", "may", "could", "should", "would", "suspect", "outlook", "estimate", "forecast", "objective", "continue" (or the negative thereof) or similar words or phrases. These forward-looking statements include, among other things, statements under the headings "Significant Developments in 2012 and Outlook" and "Third Quarter Results and Overview of Operating Performance" and the headings "Sales Performance", "Profit Performance", "Financial Position" and "Outlook" in the accompanying President's Message, and statements relating to our expectations regarding our revenues, expenses, cash flows and future profitability, including our expectations that growth will continue in a number of Glacier's business segments, our expectations as to organic revenue and profitability growth, to generate sufficient cash flow from operations to meet anticipated working capital, capital expenditures and debt service requirements, to monetize our information and content, that profitability will be impacted by general softness in community media and advertising, that debt will be maintained at manageable levels, that cost savings will be realized, that annual dividends are expected to be declared, and that the Company expects to repurchase shares.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements are based on certain assumptions, including continued economic growth and recovery and those assumptions described under the headings "Significant Developments in 2012 and Outlook" and "Third Quarter Results and Overview of Operating Performance" and the headings "Sales Performance", "Profit Performance", "Financial Position" and "Outlook" in the accompanying President's Message, and are subject to risks, uncertainties and other factors which may cause results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, and undue reliance should not be placed on such statements. Important factors that could cause actual results to differ materially from these expectations are listed in our annual MD&A under the heading "Business Environment and Risks" and in our Annual Information Form under the heading "Risk Factors", many of which are out of our control. These factors include, but are not limited to, the ability of the Company to sell advertising and subscriptions related to its publications, foreign exchange rate fluctuations, the seasonal and cyclical nature of the agricultural industry, discontinuation of the Department of Canadian Heritage's Canada Periodical Fund, general market conditions in both Canada and the United States, changes in the prices of purchased supplies including newsprint, the effects of competition in the Company's markets, dependence on key personnel, integration of newly acquired businesses, technological changes, and financing and debt service risk.

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

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

Basis of Discussion and Analysis

The following management discussion and analysis of the financial condition and results of operations of the Company and other information is dated as at November 13, 2012 and should be read in conjunction with the Company's condensed interim consolidated financial statements and notes thereto as at and for the three and nine months ended September 30, 2012. These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These condensed interim consolidated financial statements include only significant events and transactions affecting the Company during the current fiscal period and do not include all disclosures normally provided in the Company's annual financial statements. As a result, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2011. The Company's consolidated financial statements for the year ended December 31, 2011 and related MD&A can be obtained on the Company's web site: www.glaciermedia.ca and on the System for Electronic Document Analysis and Retrieval ("SEDAR"). Interim results are not necessarily indicative of the results expected for the fiscal year.

Non-IFRS Measures

Earnings before interest, taxes, depreciation and amortization, ("EBITDA"), EBITDA margin, EBITDA per share, cash flow from operations, cash flow from operations per share, net income attributable to common shareholders before non-recurring items and net income attributable to common shareholders before non-recurring items per share are not generally accepted measures of financial performance under IFRS. Management utilizes these financial performance measures to assess profitability and return on equity in its decision making. In addition, the Company and its lenders and investors use EBITDA to measure performance and value for various purposes. Investors are cautioned, however, that EBITDA should not be construed as an alternative to net income attributable to common shareholders determined in accordance with IFRS as an indicator of the Company's performance. The Company's method of calculating these financial performance measures may differ from other companies and, accordingly, they may not be comparable to measures used by other companies. A quantitative reconciliation of these Non-IFRS measures is included in the section entitled EBITDA, Cash Flow from Operations and Net Income Attributable to Common Shareholders before Non-recurring Items Reconciliation in this MD&A.

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

Overview of the Business

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

The operations in the community media and trade information group include the agricultural information group (which includes Western Producer Publications and Farm Business Communications), the JuneWarren/Nickle's Energy Group, the Business in Vancouver Media Group, the Business Information Group and the Glacier Community Media Group, which includes direct, joint venture and other interests in community and local daily newspapers and related publications, websites and digital products in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and Rhode Island.

Glacier's operations in the business and professional information group include Specialty Technical Publishers, CD-Pharma, Eco Log, and a 50% joint venture interest in Fundata.

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

Significant Developments in 2012 and Outlook

For a detailed description of Glacier's business outlook see its 2011 Annual MD&A under *"Significant Developments in 2011 and Outlook"*.

Growth in revenues in the quarter ended September 30, 2012 was the result of organic growth in a number of Glacier's trade information and business and professional operations, the November 2011 acquisition of the Postmedia British Columbia community media assets, and the acquisition of control of Alta Newspaper Group Limited Partnership ("ANGLP") in April 2012. Revenue growth came from both print and digital media sources, and is directly attributable to Glacier's operational, business segment and complementary media platform and product strategies. New revenues were generated in a wide variety of areas including online, mobile, tablet, electronic product and lead generation developments, special publishing initiatives, special features, supplements, new community magazines, production and promotion of community events, custom publishing, sponsored industry specific research studies, educational offerings, conferences and tradeshows, new directories, and a number of other initiatives. Efforts continue to be made to leverage and monetize content across channels and platforms, particularly mobile applications. Efforts are also being made to improve inter-divisional marketing and branding collaboration to create new organic growth and market opportunities.

Management expects that growth will continue in a number of Glacier's various business segments. While economic conditions have remained strong across many of Glacier's verticals including energy, agriculture, environmental risk, environmental compliance networks, medical and financial information, revenue continues to be softer in the urban markets of the newly acquired assets from Postmedia and community media in general. Customer demand for Glacier's electronic information and other digital products continues to be strong.

The softness in community media revenues combined with operating investments in the Company's recently acquired community media assets has resulted in lower operating results for the quarter. Cost reduction measures continue to be implemented consistent with management's strategy of maintaining strong product and editorial quality while reducing operating costs where possible through initiatives that do not impact quality, sales capacity or market and competitive positions. Management is being careful to maintain appropriate levels of resources in staff and technology as well as business development in order to facilitate long-term revenue growth.

While trade information and business and professional areas of Glacier's operations remain strong, revenue growth, profitability and cash flows will continue to be impacted by the softness in community media revenues and national advertising in particular. The Company expects the effect of the general softness in community media advertising to continue for the remainder of 2012.

Management will continue to seek a balance of continuing to strengthen operations and generate growth through acquisition while maintaining debt at manageable levels. Growth strategies will continue to be pursued in traditional media areas and significant efforts will be made to enhance Glacier's digital media and information operations through both organic development and the acquisition of new businesses. These acquisitions will be targeted to expand the markets that Glacier covers, expand the breadth of information products and marketing solutions provided, and to expand Glacier's digital media staff, technology and other relevant resources.

Operational Performance

Revenue for the third quarter of 2012 was 26.3% higher than revenue in the same period in 2011. The growth in revenue came from i) organic growth in our business and professional and trade information businesses, ii) the acquisition of community media assets from Postmedia in November 2011, iii) the acquisition of control of Alta Newspaper Group Limited Partnership, iv) the acquisition of Canada's Outdoor Farm Show, and v) other small acquisitions completed in 2011.

EBITDA decreased 7.2% to $9.8 million for the third quarter of 2012 from $10.6 million for the same period in 2011. The organic revenue growth in trade information and business information operations, a continued focus on operational costs in the Company's existing operations, and the ANGLP acquisition of control on April 1, 2012, contributed to incremental EBTIDA growth for the quarter.

These gains were offset by softness in Glacier's community media operations and the newly acquired Postmedia community publications in particular. The Postmedia assets are historically weaker in the first and third quarters, and this annual cycle was exacerbated by the weaker economy and related national advertising softness. The Postmedia community media assets acquired are historically profitable in the second and fourth quarters. The Company made operating resource expense investments to strengthen the community media assets acquired from Postmedia, as well as operating expense investments made in a new digital real estate information business, which impacted operating results for the quarter. Excluding a small loss for the quarter relating to the Postmedia community media assets acquired and the digital real estate information costs, consolidated EBITDA was slightly ahead of last year.

Third Quarter Results and Overview of Operating Performance

Selected Financial Data

thousands of dollars *except share and per share amounts*	Three months ended September 30, 2012	Three months ended September 30, 2011	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Revenue	$ 78,245	$ 61,955	$ 246,054	$ 194,375
Gross profit [3]	$ 24,013	$ 22,192	$ 82,440	$ 73,067
Gross margin	30.7%	35.8%	33.5%	37.6%
EBITDA [1]	$ 9,815	$ 10,572	$ 37,823	$ 36,585
EBITDA margin [1]	12.5%	17.1%	15.4%	18.8%
EBITDA per share [1]	$ 0.11	$ 0.12	$ 0.42	$ 0.41
Interest expense, net	$ 1,304	$ 1,002	$ 4,488	$ 3,589
Net income attributable to common shareholders before non-recurring items [(1)(2)(4)]	$ 2,855	$ 4,211	$ 12,321	$ 15,982
Net income attributable to common shareholders before non-recurring items per share [(1)(2)(4)]	$ 0.03	$ 0.05	$ 0.14	$ 0.18
Net income attributable to common shareholders	$ 5,183	$ 3,721	13,441	$ 13,510
Net income attributable to common shareholders per share	$ 0.06	$ 0.04	$ 0.15	$ 0.15
Cash flow from operations [(1)(2)(4)]	$ 7,934	$ 9,880	$ 32,724	$ 33,699
Cash flow from operations per share [(1)(2)(4)]	$ 0.09	$ 0.11	$ 0.37	$ 0.37
Investment capital expenditures	$ 2,145	$ 2,953	$ 10,829	$ 5,049
Sustaining capital expenditures	$ 522	$ 1,126	$ 1,702	$ 3,314
Total assets	$ 632,626	$ 513,222	$ 632,626	$ 513,222
Debt net of cash outstanding before deferred financing charges and other expenses	$ 131,482	$ 91,971	$ 131,482	$ 91,971
Equity attributable to common shareholders	$ 350,773	$ 332,108	$ 350,773	$ 332,108
Dividends paid [5]	$ 2,681	$ 2,681	$ 5,362	$ 2,681
Dividends paid per share [5]	$ 0.03	$ 0.03	$ 0.06	$ 0.03
Weighted average shares outstanding, net	89,358,410	89,383,682	89,358,410	90,204,930

Notes:
(1) Refer to "Non-IFRS Measures" section for calculation of non-IFRS measures used in this table.
(2) Third quarter 2012 excludes $0.2 million of restructuring expense, $0.6 million of transaction and transition costs, and $3.1 million of other income.
(3) Gross profit for these purposes excludes depreciation and amortization.
(4) For non-recurring items excluded in the prior period, refer to previously reported financial statements.
(5) Glacier commenced paying semi-annual dividends in 2011. The nine months ended September 30, 2011 represents only one dividend payment.

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

- Operating performance of the Company's various business units and general market conditions during the reported periods;
- The acquisitions made during the second and fourth quarters of 2011;
- The additional revenues and expenses included in the Company's results in the second and third quarters of 2012 due to the acquisition of control of ANGLP;
- Restructuring expenses including severance payments and transition costs for new acquisitions;
- Other income in the third quarter of 2012; and
- The seasonal nature of certain of Glacier's businesses.

Revenue

Glacier's consolidated revenue for the quarter ended September 30, 2012 was $78.2 million compared to $62.0 million in the same period last year.

Community Media and Trade Information

The community media and trade information group generated $74.3 million of revenue for the quarter ended September 30, 2012, as compared to $58.4 million for the same period last year. The increase in revenue during the period compared to the same period in the prior year was the result of i) organic growth in trade and business and professional information operations, ii) the Postmedia acquisition late in 2011 which resulted in a significant increase in revenues within the community media and trade information segment, iii) the acquisition of control of ANGLP in the spring of 2012 which results in incremental revenues, iv) the Canada's Outdoor Farm Show acquisition in the fall of 2011, and v) several other small acquisitions completed in 2011.

Energy, agriculture, environmental risk, environmental compliance networks, medical, financial information and many of Glacier's other business and trade verticals also continued to experience revenue growth and profitability. Glacier's community media operations experienced a general softness in revenues throughout its various markets, particularly in national advertising, resulting in a same store revenue decrease in Glacier's existing community media markets as well as those acquired from Postmedia in late 2011. A wide array of digital media initiatives resulted in growth in online and electronic revenues.

Business and Professional Information

The business and professional group (which includes Specialty Technical Publishers, CD-Pharma, Eco Log and a 50% joint venture interest in Fundata), generated revenues of $3.9 million for the quarter ended September 30, 2012, as compared to $3.6 million for the same period last year. Both the Company's mutual fund information business and Canadian environmental health and safety information business showed strong growth during the three months ended September 30, 2012 in comparison to the same period in the prior year. Specialty Technical Publishers revenues were down for the third quarter of 2012 in comparison to the same period in the prior year due to shifting consumer preferences for electronic or digital format from hardcopy or CD Rom. STP is aggressively shifting its focus to meet the new electronic or digital format demand from customers and is generating growth in electronic network sales. Glacier's interactive medical education business generated increased revenues for the quarter as compared to the same period in the prior year, primarily as a result of new tablet based medical education products.

Gross Profit

Glacier's consolidated gross profit, being revenues less direct expenses, for the three months ended September 30, 2012 was $24.0 million compared to $22.2 million in the same period last year. The increase in gross profit is largely attributable to revenue increases and strong contribution from organic growth in the Company's trade information businesses and business and professional operations, the acquisition of control of ANGLP, the acquisition of Canada's Outdoor Farm Show, partially offset by annual salary and wage increases and revenue softness in our community media operations.

Gross profit as a percentage of revenues ("gross profit margin") for the quarter ended September 30, 2012 decreased to 30.7% compared to the quarter ended September 30, 2011 primarily as a result of lower gross margin contributed from the Postmedia acquisition and the softness in community media revenues in general. The Company also incurred operating resource expense investments made to strengthen the Postmedia community media assets acquired as well as operating expense investments made in a new digital real estate information business, which contributed to the lower margin for the quarter. The Company is in the process of implementing significant sales effectiveness and cost efficiency initiatives related to the newly acquired assets and community media in general that are expected to increase the operating margin going forward.

General & Administrative Expenses

Glacier's consolidated general and administrative expenses were $14.2 million for the quarter ended September 30, 2012 as compared to $11.6 million in the same period in the prior year. The increase was due to i) the acquisition of newspaper publications from Postmedia in late 2011, ii) the acquisition of control of ANGLP, iii) acquisition of Canada's Outdoor Farm Show, iv) increased expenses associated with the Company's digital operations and v) annual salary and wage increases.

EBITDA

EBITDA was $9.8 million for the quarter ended September 30, 2012 as compared to $10.6 million for the same period last year. The decrease in EBITDA was due to the reasons stated under **Revenue, Gross Profit** and **General & Administrative Expenses**.

Depreciation and Amortization

Depreciation of property, plant and equipment for the quarter ended September 30, 2012 increased $0.1 million as compared to the same period in the prior year primarily as a result of the additional assets from the Postmedia acquisition in 2011 and the ANGLP acquisition of control in April 2012. Amortization of intangible and other assets increased $0.7 million for the quarter ended September 30, 2012 as compared to the same period in the prior year as a result of investments in software and business acquisitions that occurred during the fourth quarter of 2011 and second quarter of 2012.

Net Interest Expense

Glacier's consolidated net interest expense for the quarter ended September 30, 2012 was $1.3 million as compared to $1.0 million for the same period in the prior year, an increase of $0.3 million. The increase in net interest expense reflects the increased borrowings in 2011 in connection with the Postmedia acquisition, additional borrowing related to construction of new facilities at our joint venture operation GWNLP and the ANGLP acquisition of control on April 1, 2012. These increases were offset by debt repayments in the first, second and third quarters of 2012.

Other Income

The Company recognized $3.1 million of other income during the quarter related to the redemption of miscellaneous asset-backed paper investments received in connection with an affiliated entity's participation in the $6.3 million 2008 settlement between Sun Times Media Group and CanWest Global Communications Inc. The Company's participation in the settlement was previously reported in our December 31, 2008 financial statements. The carrying value of these investments was $nil. The Company does not have any other such investments.

Other Expenses

Other expenses for the quarter ended September 30, 2012 increased by $0.1 million compared to the prior year and includes restructuring costs and acquisition transaction and transition costs.

Earnings from Associates

Earnings from associates which include the Company's share of Continental Newspapers Ltd. ("Continental"), certain assets acquired from Postmedia in November 2011 and Infomine Inc. ("Infomine"), decreased $0.1 million as compared to the same period in the prior year on softer community media operations.

Net Income Attributable to Common Shareholders

Net income attributable to common shareholders increased by $1.5 million compared to the third quarter of 2011. The change resulted from i) decreased operating results, ii) higher interest costs of $0.3 million, iii) higher amortization and depreciation of $0.8 million, iv) lower earnings from associates of $0.1 million, v) higher attribution to non-controlling interest of $0.3 million and vi) higher other expenses of $0.1 million; offset by i) other income of $3.1 million related to the redemption of miscellaneous investments received in connection with the 2008 Sun Times settlement and ii) lower income taxes of $0.8 million.

Cash Flow from Operations

Glacier's consolidated cash flow from operations decreased to $7.9 million (before changes in non-cash operating accounts and non-recurring items) for the quarter ended September 30, 2012 from $9.9 million for the same period last year. The decrease in cash flow from operations is primarily due to i) decreased operating results for the quarter as stated under **Revenue, Gross Profit, General & Administrative Expenses** and **EBITDA**, ii) higher interest expense from acquisitions, iii) higher cash pension contributions in excess of those expensed and iv) higher foreign exchange and other cash expenses.

Management believes that cash flow from operations before changes in non-cash operating accounts (see Interim Consolidated Statements of Cash Flows) is the most appropriate measure to determine Glacier's profitability and return on equity, as the Company has low ongoing sustaining capital expenditures and amortization largely relates to intangible assets and does not represent a corresponding ongoing sustaining capital expense. Management also monitors free cash flow (being cash flow from operations net of capital expenditures, debt service and investment in working capital) closely to measure ongoing overall cash flow strength.

Capital expenditures were $2.7 million for the quarter ended September 30, 2012 compared to $4.1 million for the same period last year. Investment capital expenditures for the third quarter of 2012 included $1.0 million for the construction of a new press and operating facility at our joint venture operation, Great West Newspapers Limited Partnership, lease space improvements of $0.6 million, and $0.6 million for other press and facility improvements, software and IT infrastructure. These investment capital expenditures are expected to result in attractive direct revenues and cash flow improvements and payback consistent with Glacier's targeted return on investment. Sustaining capital expenditures for the quarter were $0.5 million.

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

Summary of Selected Quarterly Results

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

thousands of dollars except share and per share amounts	Trailing 12 Months	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Revenue	$ 319,073	$ 78,245	$ 91,388	$ 76,421	$ 73,019
EBITDA [(1)]	$ 50,378	$ 9,815	$ 17,130	$ 10,878	$ 12,555
EBITDA margin [(1)]	15.8%	12.5%	18.7%	14.2%	17.2%
EBITDA per share [(1)]	$ 0.56	$ 0.11	$ 0.19	$ 0.12	$ 0.14
Interest expense, net	$ 5,516	$ 1,304	$ 1,607	$ 1,577	$ 1,028
Net income attributable to common shareholders before non-recurring items [(1)(2)(3)]	$ 18,954	$ 2,855	$ 5,998	$ 3,468	$ 6,633
Net income attributable to common shareholders before non-recurring items per share [(1)(2)(3)]	$ 0.21	$ 0.03	$ 0.07	$ 0.04	$ 0.07
Net income attributable to common shareholders	$ 25,662	$ 5,183	$ 5,344	$ 2,914	$ 12,221
Net income attributable to common shareholders per share	$ 0.29	$ 0.06	$ 0.06	$ 0.03	$ 0.14
Cash flow from operations [(1)(2)(3)]	$ 43,902	$ 7,934	$ 15,360	$ 9,431	$ 11,177
Cash flow from operations per share [(1)(2)(3)]	$ 0.49	$ 0.09	$ 0.17	$ 0.11	$ 0.13
Capital expenditures	$ 19,655	$ 2,667	$ 6,890	$ 2,974	$ 7,124
Debt net of cash outstanding before deferred financing charges and other expenses	$ 131,482	$ 131,482	$ 137,003	$ 127,182	$ 131,413
Equity attributable to common shareholders	$ 350,773	$ 350,773	$ 345,681	$ 343,613	$ 340,416
Weighted average shares outstanding, net	89,358,410	89,358,410	89,358,410	89,358,410	89,358,410

	Trailing 12 Months	Q3 2011	Q2 2011	Q1 2011	Q4 2010
Revenue	$ 257,761	$ 61,955	$ 71,712	$ 61,027	$ 63,067
EBITDA [(1)]	$ 48,187	$ 10,572	$ 15,281	$ 10,732	$ 11,602
EBITDA margin [(1)]	18.7%	17.1%	21.3%	17.7%	18.4%
EBITDA per share [(1)]	$ 0.53	$ 0.12	$ 0.17	$ 0.12	$ 0.13
Interest expense, net	$ 4,890	$ 1,002	$ 1,278	$ 1,308	$ 1,302
Net income attributable to common shareholders before non-recurring items [(1)(3)]	$ 21,259	$ 4,211	$ 7,930	$ 3,840	$ 5,278
Net income attributable to common shareholders before non-recurring items per share [(1)(3)]	$ 0.24	$ 0.05	$ 0.09	$ 0.04	$ 0.06
Net income attributable to common shareholders	$ 14,299	$ 3,721	$ 7,048	$ 2,740	$ 790
Net income attributable to common shareholders per share	$ 0.16	$ 0.04	$ 0.08	$ 0.03	$ 0.01
Cash flow from operations [(1)(3)]	$ 44,266	$ 9,880	$ 13,932	$ 9,885	$ 10,569
Cash flow from operations per share [(1)(3)]	$ 0.49	$ 0.11	$ 0.15	$ 0.11	$ 0.11
Capital expenditures	$ 12,570	$ 4,079	$ 2,752	$ 1,532	$ 4,207
Debt net of cash outstanding before deferred financing charges and other expenses	$ 91,971	$ 91,971	$ 97,868	$ 87,360	$ 94,732
Equity attributable to common shareholders	$ 332,108	$ 332,108	$ 335,058	$ 330,249	$ 328,575
Weighted average shares outstanding, net	90,313,806	89,383,682	90,611,432	90,633,410	90,633,410

Notes:

(1) Refer to "**Non-IFRS Measures**" section for calculation of non-IFRS measures used in this table.

(2) Third quarter 2012 excludes $0.2 million of restructuring expense, $0.6 million of transaction and transition costs, and $3.1 million of other income

(3) For non-recurring items in the prior quarters, refer to the prior quarter management discussion & analysis.

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

- Operating performance of the Company's various business units and general market conditions during the reported periods;
- The acquisitions and dispositions made during the fourth quarters of 2010, the second and fourth quarters of 2011, and the second quarter of 2012;
- Restructuring expenses in 2010, 2011 and the first, second and third quarters of 2012;
- Stock based compensation of $0.3 million in the first quarter of 2011;
- Transaction and transition costs of $1.1 million in the fourth quarter of 2011, and $0.1 million, $0.3 million and $0.6 million in the first, second and third quarters of 2012, respectively;

- A goodwill and intangible assets impairment charge of $4.0 million in the fourth quarter of 2010, $0.7 million in the second quarter and $8.5 million in the fourth quarter of 2011;
- A one-time gain in earnings from associates of $15.1 million in the fourth quarter of 2011;
- Other income of $3.1 million in the third quarter of 2012 related to the redemption of miscellaneous investments received in connection with the 2008 Sun Times settlement; and
- The seasonal nature of some of Glacier's businesses.

EBITDA, Cash Flow from Operations and Net Income Attributable to Common Shareholders before Non-recurring Items Reconciliation

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

thousands of dollars except share and per share amounts	**Three months ended September 30, 2012**	Three months ended September 30, 2011	**Nine months ended September 30, 2012**	Nine months ended September 30, 2011
EBITDA [(1)]				
Net income attributable to common shareholders	**$ 5,183**	$ 3,721	**$ 13,441**	$ 13,510
Add (deduct):				
Non-controlling interest	**$ 813**	$ 471	**$ 2,841**	$ 1,374
Depreciation of property, plant and equipment	**$ 1,687**	$ 1,550	**$ 4,819**	$ 4,420
Amortization of intangible and other assets	**$ 2,589**	$ 1,866	**$ 7,316**	$ 6,091
Impairment expense	**$ -**	$ -	**$ -**	$ 737
Income tax expense	**$ 1,025**	$ 1,793	**$ 6,216**	$ 5,922
Interest	**$ 1,304**	$ 1,002	**$ 4,488**	$ 3,589
Other income	**$ (3,136)**	$ -	**$ (3,136)**	$ -
Share of losses (earnings) from associates	**$ (552)**	$ (672)	**$ (159)**	$ (1,167)
Other expenses	**$ 902**	$ 841	**$ 1,997**	$ 2,109
EBITDA [(1)]	**$ 9,815**	$ 10,572	**$ 37,823**	$ 36,585
Cash flow from operations [(1)]				
Net income attributable to common shareholders	**$ 5,183**	$ 3,721	**$ 13,441**	$ 13,510
Add (deduct):				
Non-controlling interest	**$ 813**	$ 471	**$ 2,841**	$ 1,374
Depreciation and amortization	**$ 4,276**	$ 3,416	**$ 12,135**	$ 10,511
Impairment expense	**$ -**	$ -	**$ -**	$ 737
Employee future benefits	**$ (85)**	$ 187	**$ 198**	$ 273
Deferred income taxes	**$ 656**	$ 1,752	**$ 5,420**	$ 5,374
Non cash interest	**$ 72**	$ 130	**$ 178**	$ 975
Stock option expense	**$ -**	$ -	**$ -**	$ 289
Share of losses (earnings) from associates	**$ (552)**	$ (672)	**$ (159)**	$ (1,167)
(Gain) loss on disposal of property, plant and equipment	**$ -**	$ 14	**$ 195**	$ (3)
Other non-cash expenses	**$ (101)**	$ 371	**$ (210)**	$ 380
Other income	**$ (3,136)**	$ -	**$ (3,136)**	$ -
Restucturing costs	**$ 233**	$ 217	**$ 818**	$ 1,173
Transaction and transition costs	**$ 575**	$ 273	**$ 1,003**	$ 273
Cash flow from operations [(1)]	**$ 7,934**	$ 9,880	**$ 32,724**	$ 33,699
Net income attributable to common shareholders before non-recurring items [(1)]				
Net income attributable to common shareholders	**$ 5,183**	$ 3,721	**$ 13,441**	$ 13,510
Add (deduct):				
(Gain) loss on disposition of property, plant and equipment	**$ -**	$ -	**$ 195**	$ -
Restructuring costs	**$ 233**	$ 217	**$ 818**	$ 1,173
Other income	**$ (3,136)**	$ -	**$ (3,136)**	$ -
Stock option expense	**$ -**	$ -	**$ -**	$ 289
Impairment expense	**$ -**	$ -	**$ -**	$ 737
Transaction and transition costs	**$ 575**	$ 273	**$ 1,003**	$ 273
Net income attributable to common shareholders before non-recurring items [(1)]	**$ 2,855**	$ 4,211	**$ 12,321**	$ 15,982
Weighted average shares outstanding, net	**89,358,410**	89,383,682	**89,358,410**	90,204,930
EBITDA per share [(1)]	**$ 0.11**	$ 0.12	**$ 0.42**	$ 0.41
Net income attributable to common shareholders before non-recurring items per share [(1)]	**$ 0.03**	$ 0.05	**$ 0.14**	$ 0.18
Net income attributable to common shareholders per share	**$ 0.06**	$ 0.04	**$ 0.15**	$ 0.15
Cash flow from operations per share [(1)]	**$ 0.09**	$ 0.11	**$ 0.37**	$ 0.37

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

Summary of Financial Position, Financial Requirements and Liquidity

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

As at September 30, 2012, Glacier had consolidated cash and cash equivalents of $6.7 million, current and long-term debt of $138.2 million before adjustment for deferred financing fees attributable directly to the issuance of long-term debt, and working capital of $20.0 million excluding deferred revenue. Glacier's long-term debt increased an additional $12.6 million on April 1, 2012 as a result of the acquisition of control of ANGLP. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet for several reasons: i) deferred revenue relates to quarterly updates, renewals and newspaper subscriptions that have been paid for by subscribers but not yet delivered, and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities, ii) Glacier receives cash revenue on an ongoing basis that offsets the deferred revenue liability, and iii) certain of the Company's businesses sell on a trial basis and do not record accounts receivable or revenue when orders are shipped, but nonetheless receives revenue from these orders on a regular basis that is not reflected in current assets.

Management believes that cash flow from operations before changes in non-cash operating accounts (see Interim Consolidated Statements of Cash Flows) is the most appropriate measure to determine Glacier's profitability and return on equity, as the Company has low ongoing sustaining capital expenditures and depreciation and amortization largely relate to intangible assets and do not represent a corresponding ongoing sustaining capital expense. Management also monitors free cash flow (being cash flow from operations net of capital expenditures, debt service and investment in working capital) closely to measure ongoing overall cash flow strength.

Capital expenditures were $2.7 million for the quarter ended September 30, 2012 compared to $4.1 million for the same period last year. In the third quarter of 2012 investment capital expenditures included $1.0 million for the construction of a new press and operating facility at our joint venture operation, Great West Newspapers Limited Partnership, lease space improvements of $0.6 million, and $0.6 million for other press and facility improvements and software and IT infrastructure. Sustaining capital expenditures for the quarter were $0.5 million.

Changes in Financial Position

	Three months ended		Nine months ended	
(thousands of dollars)	**September 30, 2012**	September 30, 2011	**September 30, 2012**	September 30, 2011
Cash generated from (used in)				
Operating activities	**11,267**	15,124	**30,085**	29,349
Investing activities	**(2,545)**	(4,730)	**(11,000)**	(20,164)
Financing activities	**(8,902)**	(5,360)	**(21,580)**	(3,510)
Increase (Decrease) in cash	**(180)**	5,034	**(2,495)**	5,675

The changes in the components of cash flows during the third quarter of 2012 and 2011 are detailed in the consolidated statements of cash flows of the Financial Statements. The more significant changes are discussed below.

Operating Activities

Glacier generated cash from operations before non-recurring items and changes in non-cash operating accounts of $7.9 million compared to $9.9 million in the same period in the prior year. The decrease was primarily due to decreased operating results, higher interest expense from acquisitions, higher cash pension contributions in excess of those expensed, higher unrealized foreign exchange, and other cash expenses. Cash from operations before non-recurring items and after change in non-cash working capital was $8.9 million compared to $15.6 million in the same period in the prior year. The change is primarily related to decreased operating results, increased interest costs and cash flows related to an annual large trade show event acquired in 2011.

Investing Activities

Cash used in investing activities totalled $2.5 million for the quarter ended September 30, 2012 compared to $4.7 million in the same period of 2011. Investing activities included $2.2 million of investment capital expenditures, $0.5 million of sustaining capital expenditures, dividends received and other investing activities.

Financing Activities

Cash used for financing activities was $8.9 million for the quarter ended September 30, 2012 compared to $5.4 million used in the same period in 2011. The Company made net debt repayments of $5.7 million for the quarter compared to net repayments of $0.9 million in the same period the prior year. In the same period in the prior year, the Company repurchased shares of $1.8 million.

Outstanding Share Data

As at September 30, 2012 and November 13, 2012, there were 89,358,410 common shares, 475,000 share purchase options and 1,115,000 share purchase warrants outstanding. The options have an exercise price of $2.44 per share and expire on March 29, 2014. The warrants outstanding allow the holder to purchase one common share per warrant at $4.48 per share. These warrants expire on June 28, 2014.

Contractual Agreements

As at September 30, 2012, Glacier has agreements with a syndicate of major Canadian banks whereby the lenders provided a single revolving loan facility with no required principal repayments during its term. There were no changes to the Company’s banking agreements during the quarter ended September 30, 2012.

The Company also has additional long term debt with a major international bank which is held by ANGLP and is non-recourse to the Company.

In May 2012, the Company entered into a foreign exchange contract to sell US$100,000 per month commencing June 2012 at rates of CAD$1.030 to $1.036, which expires in May 2013.

The Company has also entered into operating leases for premises and office equipment, which expire on various dates up to 2019.

In summary, the Company’s contractual obligations excluding the U.S. dollar foreign exchange contract, due over the next five calendar years, are as follows:

(thousands of dollars)	Total	2012	2013	2014	2015	2016	Thereafter
Long term debt	136,646	11,059	4,833	18,458	101,556	70	670
Finance leases	1,034	347	687	-	-	-	-
Operating leases	19,057	3,647	3,517	2,792	2,130	1,783	5,188
	156,737	15,053	9,037	21,250	103,686	1,853	5,858

Under various financing arrangements with its banks, the Company, its subsidiaries, and its affiliates are required to meet certain covenants. The Company, its subsidiaries, and its affiliates were fully in compliance with these covenants at September 30, 2012 and 2011.

Financial Instruments

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

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

As indicated, the Company currently hedges a portion of its foreign exchange exposure with financial forward contracts. During the quarter ended September 30, 2012, Glacier had foreign exchange swap contracts to sell U.S.$100,000 per month which commenced June 2012 at rates between CAD$1.030 and CAD$1.036, and expires in May 2013.

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

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

The fair value of exchange contracts represents an estimate of the amount that the Company would receive or pay if the contracts were closed out at a market price on the balance sheet date. The Company concluded that those contracts do not qualify for hedge accounting; therefore, changes in fair value of the contracts are recorded in the statement of operations each period.

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

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

Business Environment and Risks

A comprehensive discussion of Risks and Uncertainties was included in the 2011 Annual Report and can be found on SEDAR.

Disclosure Controls and Internal Controls over Financial Reporting

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

The Company did not make any changes to its internal controls over financial reporting (“ICFR”), during the most recent period ended September 30, 2012 which materially affected, or are reasonably likely to materially affect, the Company’s ICFR.

The CEO and the CFO have limited the scope of design of disclosure controls and procedures and ICFR to exclude controls, policies and procedures of Great West, Fundata and Rhode Island Suburban Newspaper Inc., each a proportionately consolidated entity in which the Company has an interest. These entities have combined net income of $1.6 million for the quarter ended September 30, 2012 and net assets of $55.7 million as at September 30, 2012.

Future accounting policies

In November 2009, the IASB issued IFRS 9, Financial Instruments, which becomes effective for annual periods beginning on or after January 1, 2015.

In May 2011, the IASB issued the following standards: IFRS 10, Consolidated Financial Statements (IFRS 10), IFRS 11, Joint Arrangements (IFRS 11), IFRS 12, Disclosure of Interests in Other Entities (IFRS 12), IAS 27, Separate Financial Statements (IAS 27), IFRS 13, Fair Value Measurement (IFRS 13) and amended IAS 28, Investments in Associates and Joint Ventures (IAS 28). The adoption of these standards requires retrospective adoption with a transition date of January 1, 2012. These new standards will be effective for the Company on January 1, 2013 and will not be early adopted.

The Company is in the process of assessing the impact of these new standards. The Company has performed a preliminary assessment of the new standards with respect to its joint arrangements. The Company currently accounts for these entities using proportionate consolidation (refer to Note 14 to these financial statements). Under IFRS 11, Joint Arrangements, the Company expects that it will be required to equity account for these investments. This will result in material adjustments to the Company’s statement of operations, balance sheets and classification of cash flows commencing on January 1, 2013. The Company also expects that IFRS 12, Disclosure of Interests in Other Entities, may impact the required financial statement disclosures for its subsidiaries, joint arrangements and associates.

In 2011, IAS 19, Employee benefits, was amended to include new guidance with respect to pension plans. A number of these changes were previously optional under IFRS 19, Employee Benefits, and were implemented by the Company on initial adoption of IFRS on January 1, 2011. Additional changes will be required to be adopted on January 1, 2013 including the methodology for determining the Company’s annual pension expense for defined benefit pension arrangement, recognition of past service cost, income statement presentation and note disclosures.

Critical Accounting Estimates

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

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
Three and nine months ended September 30, 2012 and 2011

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

	Three months ended September 30,		Nine months ended September 30,	
	2012	2011	**2012**	2011
	$	$	**$**	$
Revenue	**78,245**	61,955	**246,054**	194,375
Expenses before depreciation and amortization				
Direct expenses (Note 13)	**54,232**	39,763	**163,614**	121,308
General and administrative (Note 13)	**14,198**	11,620	**44,617**	36,482
	9,815	10,572	**37,823**	36,585
Interest expense, net	**1,304**	1,002	**4,488**	3,589
Depreciation of property, plant and equipment	**1,687**	1,550	**4,819**	4,420
Amortization of intangible and other assets	**2,589**	1,866	**7,316**	6,091
Other income (Note 11)	**(3,136)**	-	**(3,136)**	-
Impairment expense	**-**	-	**-**	737
Other expenses	**902**	841	**1,997**	2,109
Share of earnings from associates (Note 7)	**(552)**	(672)	**(159)**	(1,167)
Net income before income taxes	**7,021**	5,985	**22,498**	20,806
Income tax expense (Note 12)	**1,025**	1,793	**6,216**	5,922
Net income for the period	**5,996**	4,192	**16,282**	14,884
Net income attributable to:				
Common shareholders	**5,183**	3,721	**13,441**	13,510
Non-controlling interest	**813**	471	**2,841**	1,374
Earnings per share attributable to common shareholders				
Basic and diluted	**0.06**	0.04	**0.15**	0.15
Weighted average number of common shares				
Basic and diluted	**89,358,410**	89,383,682	**89,358,410**	90,204,930

See accompanying notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Three and nine months ended September 30, 2012 and 2011

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2012	2011	**2012**	2011
	$	$	**$**	$
Net income for the period	**5,996**	4,192	**16,282**	14,884
Other comprehensive income (loss) (net of tax) (Note 10)				
Actuarial (losses) on defined benefit pension plans	**(947)**	(4,652)	**(1,162)**	(4,825)
Currency translation adjustment on joint venture	**(127)**	226	**(123)**	39
Unrealized (loss) on investments classified as available-for-sale	**(16)**	(602)	**(95)**	(602)
Share of other comprehensive income from associates (Note 7)	**994**	-	**964**	-
Other comprehensive loss, net of tax	**(96)**	(5,028)	**(416)**	(5,388)
Total comprehensive income (loss)	**5,900**	(836)	**15,866**	9,496
Total comprehensive income attributable to:				
Common shareholders	**5,109**	(414)	**13,038**	8,288
Non-controlling interest	**791**	(422)	**2,828**	1,208

See accompanying notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED BALANCE SHEETS
As at September 30, 2012 and December 31, 2011

(Expressed in thousands of Canadian dollars)
(Unaudited)

	As at September 30, 2012	As at December 31, 2011
	$	$
Assets		
Current assets		
Cash and cash equivalents	**6,711**	9,206
Trade and other receivables	**52,097**	58,746
Inventory	**4,890**	5,431
Prepaid expenses	**4,970**	3,248
	68,668	76,631
Non-current assets		
Investment in associates (Note 7)	**62,538**	62,369
Available for sale investments	**3,959**	3,970
Other assets	**1,601**	1,595
Property, plant and equipment (Note 8)	**82,569**	73,843
Goodwill (Note 6)	**239,986**	202,166
Intangible assets	**173,305**	173,393
Total assets	**632,626**	593,967
Liabilities		
Current liabilities		
Trade and other payables	**31,028**	35,509
Dividends payable	**-**	2,770
Deferred revenue	**15,023**	20,861
Current portion of long-term debt (Note 9)	**15,177**	10,724
Other current liabilities	**2,448**	2,748
	63,676	72,612
Non-current liabilities		
Non-current portion of deferred revenue	**923**	652
Other non-current liabilities	**1,783**	1,860
Post-employment benefit obligation	**12,547**	10,471
Long-term debt (Note 9)	**122,503**	129,272
Deferred income taxes	**32,992**	24,260
Total liabilities	**234,424**	239,127
Equity		
Share capital	**199,216**	199,216
Contributed surplus	**8,792**	8,792
Accumulated other comprehensive loss (Note 10)	**(652)**	(441)
Retained earnings	**143,417**	132,849
Total equity attributable to common shareholders	**350,773**	340,416
Non-controlling interest	**47,429**	14,424
Total equity	**398,202**	354,840
Total liabilities and equity	**632,626**	593,967

See accompanying notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Nine months ended September 30, 2012 and 2011

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

	Attributable to common shareholders							
	Share capital		Contributed	Accumulated other comprehensive	Retained		Non-controlling	Total
	Shares	Amount	surplus	loss	earnings	Total	interests	equity
		$	$	$	$	$	$	$
Balance, December 31, 2011	89,358,410	199,216	8,792	(441)	132,849	340,416	14,424	354,840
Net income for the period	-	-	-	-	13,441	13,441	2,841	16,282
Other comprehensive income (loss) (net of tax):	-	-	-	(211)	(192)	(403)	(13)	(416)
Total comprehensive income (loss) for the period	-	-	-	(211)	13,249	13,038	2,828	15,866
Dividends declared and paid on common shares	-	-	-	-	(2,681)	(2,681)	(85)	(2,766)
Acquisition of control of ANGLP	-	-	-	-	-	-	31,474	31,474
Repurchase of non-controlling interest	-	-	-	-	-	-	(231)	(231)
Distributions to non-controlling interests	-	-	-	-	-	-	(981)	(981)
Balance, September 30, 2012	**89,358,410**	**199,216**	**8,792**	**(652)**	**143,417**	**350,773**	**47,429**	**398,202**
Balance, December 31, 2010	90,633,410	202,059	8,644	(187)	118,059	328,575	13,593	342,168
Net income for the period	-	-	-	-	13,510	13,510	1,374	14,884
Other comprehensive income (loss) (net of tax):	-	-	-	(546)	(4,676)	(5,222)	(166)	(5,388)
Total comprehensive income (loss) for the period	-	-	-	(546)	8,834	8,288	1,208	9,496
Dividends declared on common shares	-	-	-	-	(2,676)	(2,676)	-	(2,676)
Distributions to non-controlling interests	-	-	-	-	-	-	(233)	(233)
Stock option expense	-	-	289	-	-	289	-	289
Repurchase of common shares	(1,275,000)	(2,843)	(141)	-	-	(2,984)	-	(2,984)
Non-controlling interest on acquired businesses	-	-	-	-	-	-	18	18
Balance, September 30, 2011	89,358,410	199,216	8,792	(733)	124,217	331,492	14,586	346,078

See accompanying notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Three and nine months ended September 30, 2012 and 2011

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2012	2011	**2012**	2011
	$	$	**$**	$
Operating activities				
Net income	**5,996**	4,192	**16,282**	14,884
Items not affecting cash				
Depreciation of property, plant and equipment	**1,687**	1,550	**4,819**	4,420
Amortization of intangible and other assets	**2,589**	1,866	**7,316**	6,091
Stock based compensation	**-**	-	**-**	289
(Gain) loss on disposal of property, plant and equipment	**-**	14	**195**	(3)
Impairment expense	**-**	-	**-**	737
Employee future benefit expense in excess of employer contributions	**(85)**	187	**198**	273
Deferred income taxes	**656**	1,752	**5,420**	5,374
Non-cash interest expense	**72**	130	**178**	975
Share of losses (earnings) from associates	**(552)**	(672)	**(159)**	(1,167)
Other non-cash expenses	**(101)**	371	**(210)**	380
Cash flow from operations before changes in non-cash operating accounts	**10,262**	9,390	**34,039**	32,253
Changes in non-cash operating accounts				
Trade and other receivables	**2,284**	3,483	**8,525**	3,222
Inventory	**(821)**	(582)	**660**	1,342
Prepaid expenses	**(664)**	(59)	**(1,586)**	(1,131)
Trade and other payables	**2,717**	2,963	**(5,398)**	438
Deferred revenue	**(2,511)**	(71)	**(6,155)**	(6,775)
Cash generated from operating activities	**11,267**	15,124	**30,085**	29,349
Investing activities				
Acquisitions, inclusive of bank indebtedness assumed and related financing liabilities	**(265)**	(200)	**(265)**	(6,920)
Net cash acquired on acquisitions	**-**	-	**872**	-
Investment in associates	**-**	(189)	**(228)**	(4,119)
Other investing activities	**-**	(262)	**(269)**	(1,652)
Proceeds from disposal of assets	**-**	-	**239**	890
Dividends received from associates	**387**	-	**1,182**	-
Purchase of property, plant, equipment	**(2,131)**	(2,820)	**(10,538)**	(5,307)
Purchase of intangible assets	**(536)**	(1,259)	**(1,993)**	(3,056)
Cash used in investing activities	**(2,545)**	(4,730)	**(11,000)**	(20,164)
Financing activities				
Proceeds from long-term debt	**309**	1,221	**2,377**	11,721
Purchase of common shares	**-**	(1,813)	**-**	(2,983)
Distribution to non-controlling interests	**(413)**	(8)	**(981)**	(233)
Dividends paid	**(2,766)**	(2,676)	**(5,536)**	(2,676)
Repayment of long-term debt	**(6,032)**	(2,084)	**(17,440)**	(9,339)
Cash used in financing activities	**(8,902)**	(5,360)	**(21,580)**	(3,510)
Net cash inflow (outflow)	**(180)**	5,034	**(2,495)**	5,675
Cash and cash equivalents, beginning of period	**6,891**	1,061	**9,206**	420
Cash and cash equivalents, end of period	**6,711**	6,095	**6,711**	6,095

Supplemental information (Note 15)

See accompanying notes to these interim consolidated financial statements

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

1. General business description

Glacier Media Inc. ("Glacier" or the "Company") is an information communications company providing primary and essential information and related services through print, electronic and online media. Glacier is pursuing this strategy through its core business segments: the community media, trade information, and business and professional information sectors.

The Company is incorporated under the Canada Business Corporations Act, with common shares listed on the Toronto Stock Exchange ("TSX"). The address of its head office is 1970 Alberta Street, Vancouver, British Columbia.

2. Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2011, which have been prepared in accordance with IFRS as issued by the IASB.

These financial statements have been approved by the board of directors for issue on November 13, 2012.

Certain comparative information has been reclassified to conform to the presentation in the current period.

3. Significant accounting policies

The principal accounting policies adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied to the consolidated financial statements for the year ended December 31, 2011. The policies applied are based on the International Financial Reporting Standards issued and outstanding as at the date the board of directors approved these financial statements.

4. Accounting standards issued but not yet applied

In November 2009, the IASB issued IFRS 9, *Financial Instruments*, which becomes effective for annual periods beginning on or after January 1, 2015.

In May 2011, the IASB issued the following standards: IFRS 10, *Consolidated Financial Statements* (IFRS 10), IFRS 11, *Joint Arrangements* (IFRS 11), IFRS 12, *Disclosure of Interests in Other Entities* (IFRS 12), IAS 27, *Separate Financial Statements* (IAS 27), IFRS 13, *Fair Value Measurement* (IFRS 13) and amended IAS 28, *Investments in Associates and Joint Ventures* (IAS 28). The adoption of these standards requires retrospective adoption with a transition date of January 1, 2012. These new standards will be effective for the Company on January 1, 2013 and will not be early adopted.

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

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

The Company is in the process of assessing the impact of these new standards. The Company has performed a preliminary assessment of the new standards with respect to its joint arrangements. The Company currently accounts for these entities using proportionate consolidation (refer to Note 14 to these financial statements). Under IFRS 11, *Joint Arrangements,* the Company expects that it will be required to equity account for these investments. This will result in material adjustments to the Company's statement of operations, balance sheets and classification of cash flows commencing on January 1, 2013. The Company also expects that IFRS 12, *Disclosure of Interests in Other Entities,* may impact the required financial statement disclosures for its subsidiaries, joint arrangements and associates.

In 2011, IAS 19, *Employee Benefits*, was amended to include new guidance with respect to pension plans. A number of these changes were previously optional under IFRS 19, *Employee Benefits,* and were implemented by the Company on initial adoption of IFRS on January 1, 2011. Additional changes will be required to be adopted on January 1, 2013 including the methodology for determining the Company's annual pension expense for defined benefit pension arrangement, recognition of past service cost, presentation of statements of operations and note disclosures.

5. Critical accounting estimates and judgements

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

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2011.

6. Acquisitions

(a) On April 1, 2012, the Company acquired control of its joint venture partner Alta Newspaper Group Limited Partnership ("ANGLP") which was treated as a step acquisition under IFRS. The Company completed a preliminary determination of the acquired assets and liabilities of ANGLP on April 1, 2012 which was reported in the Company's financial statements for the period ended June 30, 2012. The Company included the full results of ANGLP's operations starting on April 1, 2012. The Company expects to finalize the purchase accounting by the end of the year.

(b) During the nine months ended September 30, 2012, the Company and its affiliates completed the acquisition accounting for its acquisition of trade publications from Rogers Publishing Limited in May 2011. The completion of the acquisition accounting resulted in an increase in intangible assets of $1.6 million, a decreased in goodwill of $1.5 million and an increase in deferred tax liabilities of $0.1 million.

(c) During the nine months ended September 30, 2012, the Company completed other minor acquisitions.

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

7. Investment in associates

Investment in associates includes the following investments:

(a) A 28% equity interest in Continental Newspapers Ltd. ("Continental"), which owns and operates newspapers in British Columbia and Ontario. Continental has a March 31 year end.

(b) A 50% equity interest in InfoMine Inc. ("InfoMine") which operates online and digital services to the mining industry. The Company does not control InfoMine as it does not have a majority of members on the board of directors nor does it have voting control over the company.

(c) A 59% equity interest in a private holding company. The Company does not have control over this investment as it does not have a majority of members on the board of directors nor does it have voting control over the company.

(d) A 49% equity interest in a community newspaper.

The investment in its various associates consists of the following:

(thousands of dollars)	**As at and for the period ended September 30, 2012**	As at and for the year ended December 31, 2011
	$	$
Balance, beginning of period	**62,369**	22,890
Investment in associates	**228**	25,036
Share of earnings for the period	**159**	16,257
Share of other comprehensive income (loss) income for the period	**964**	(275)
Dividends received and other equity movements	**(1,182)**	(1,539)
Balance, end of period	**62,538**	62,369

Included in earnings from associates for the year ended December 31, 2011, is the Company's $15.1 million share of a one-time gain of $25.7 million relating to recognition of tax assets within one of the Company's associates.

The following summarizes financial information about the assets, liabilities, revenues, net income, and other comprehensive income (loss) of the Company's associate entities and are reported at the values reported by each associate. The amounts disclosed include adjustments made to the carrying amount of assets and liabilities of the associate on acquisition if applicable.

(thousands of dollars)	**As at and for the period ended September 30, 2012**	As at and for the year ended December 31, 2011
	$	$
Assets	**180,253**	189,440
Liabilities	**62,377**	71,929
Revenues	**67,822**	41,684
Net income (loss) for ther period	**(1,105)**	31,326
Other comprehensive income (loss)	**1,639**	(467)

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

8. Property, plant and equipment

		As at September 30, 2012	
(thousands of dollars)	**Cost**	**Accumulated depreciation**	**Carrying amount**
	$	**$**	**$**
Land	17,687	-	17,687
Buildings	28,621	(2,104)	26,517
Production equipment	54,283	(24,851)	29,432
Office equipment and leaseholds	26,432	(17,499)	8,933
	127,023	**(44,454)**	**82,569**

		As at December 31, 2011	
(thousands of dollars)	Cost	Accumulated depreciation	Carrying amount
	$	$	$
Land	16,864	-	16,864
Buildings	25,004	(1,658)	23,346
Production equipment	49,681	(23,942)	25,739
Office equipment and leaseholds	24,960	(17,066)	7,894
	116,509	**(42,666)**	**73,843**

During the nine months ended September 30, 2012 the Company acquired property, plant and equipment of $10.5 million including the construction and expansion of new facilities for two of the Company's printing operations, purchase of a new printing press, and additional assets from the acquisition of control of ANGLP.

Included in production equipment are assets held under a finance lease.

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

9. Long-term debt

The Company has the following long-term debt outstanding at September 30, 2012 and December 31, 2011:

Current liabilities (Thousands of dollars)	**As at September 30, 2012**	As at December 31, 2011
	$	$
ANGLP non-recourse debt	**7,500**	4,463
Finance lease liability	**1,143**	1,638
Mortgages and other loans	**6,534**	4,623
	15,177	10,724

Non-current liabilities (Thousands of dollars)	**As at September 30, 2012**	As at December 31, 2011
	$	$
Revolving bank loan	**102,000**	112,046
ANGLP non-recourse debt	**19,817**	15,155
Finance lease liability	**-**	756
Mortgages and other loans	**686**	1,315
	122,503	129,272

Total Long-term debt (Thousands of dollars)	**As at September 30, 2012**	As at December 31, 2011
	$	$
Current	**15,177**	10,724
Non-current	**122,503**	129,272
	137,680	139,996

On April 1, 2012, the Company acquired control of ANGLP and as a result recorded an additional $12.6 million in long term debt owing by ANGLP (Note 6 (a)). The debt is non-recourse to the Company.

Under various financing arrangements with its banks, the Company and its subsidiaries and associates are required to meet certain covenants. The Company and its subsidiaries and associates were in compliance with these covenants at September 30, 2012 and December 31, 2011.

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

10. Other comprehensive income (loss)

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

	Accumulated other comprehensive income			Retained earnings			
(thousands of dollars)	Equity Securities classified as available for sale	Cumulative Translation Adjustment	Total	Actuarial gains (losses) on defined benefit plans	Total	Non-controlling interests	Total comprehensive loss
	$	$		$	$	$	$
Balance, December 31, 2011	(315)	(126)	(441)	(8,085)	(8,085)	(273)	(8,799)
Cumulative translation adjustment	-	(119)	(119)	-	-	(4)	(123)
Actuarial (losses) on defined benefit plans	-	-	-	(1,126)	(1,126)	(36)	(1,162)
Unrealized (loss) on available for sale investments	(92)	-	(92)	-	-	(3)	(95)
Share of other comprehensive income from associates	-	-	-	934	934	30	964
Other comprehensive (loss) for the period			(211)		(192)	(13)	(416)
Balance, September 30, 2012	**(407)**	**(245)**	**(652)**	**(8,277)**	**(8,277)**	**(286)**	**(9,215)**
Balance, December 31, 2010	-	(187)	(187)	(2,501)	(2,501)	(86)	(2,774)
Cumulative translation adjustment	-	38	38	-	-	1	39
Actuarial (losses) on defined benefit plans	-	-	-	(4,676)	(4,676)	(149)	(4,825)
Unrealized (loss) on available for sale investments	(584)	-	(584)	-	-	(18)	(602)
Share of other comprehensive loss of associates	-	-	-	-	-	-	-
Other comprehensive (loss) for the period			(546)		(4,676)	(166)	(5,388)
Balance, September 30, 2011	(584)	(149)	(733)	(7,177)	(7,177)	(252)	(8,162)

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

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

	Three months ended September 30		Nine months ended September 30	
	2012	2011	**2012**	2011
Cumulative translation adjustment	**-**	-	**-**	-
Actuarial (losses) on defined benefit plans	**317**	(1,551)	**402**	(1,609)
Unrealized (loss) on available for sale investments	**2**	(86)	**14**	(86)
Share of other comprehensive (loss) from associates	**-**	-	**-**	-

11. Other income

During the three months ended September 30, 2012, the Company recognized $3.1 million of other income related to the redemption of miscellaneous asset-backed paper investments received in connection with an affiliated entity's participation in the $6.3 million 2008 settlement between Sun Times Media Group and CanWest Global Communications Inc. The Company's participation in the settlement was previously reported in our December 31, 2008 financial statements. The carrying value of these investments was $nil. The Company does not have any other such investments.

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

12. Income taxes

Income tax expense is recognized based on management's estimate of the effective annual income tax rate expected for the full financial year. The components of income tax expense are shown in the following table:

(thousands of dollars)	Nine months ended September 30, 2012	2011
	$	$
Current tax	**662**	585
Deferred tax	**5,554**	5,337
Income tax expense	**6,216**	5,922

At September 30, 2012, the Company has available non-capital losses and unclaimed tax credits which may be used to reduce future Canadian income taxes otherwise payable.

13. Expense by nature

(thousands of dollars)	Three months ended September 30, 2012	2011	Nine months ended September 30, 2012	2011
	$	$	**$**	$
Wages and benefits	**37,038**	29,691	**109,446**	86,015
Newsprint, ink and other printing costs	**9,778**	7,518	**32,322**	25,676
Delivery costs	**7,375**	4,603	**23,281**	14,120
Rent, utilities and other property costs	**3,542**	3,060	**9,853**	8,194
Advertising, marketing and other promotion costs	**3,030**	1,852	**9,518**	6,822
Third party production and editorial costs	**3,381**	1,788	**10,137**	5,623
Legal, bank, insurance and professional services	**2,020**	1,560	**5,233**	4,415
Data services, system maintenance, telecommunications and software licenses	**1,446**	1,243	**4,029**	3,562
Other	**820**	68	**4,412**	3,363
	68,430	51,383	**208,231**	157,790
Direct expenses	**54,232**	39,763	**163,614**	121,308
General and administrative expenses	**14,198**	11,620	**44,617**	36,482
	68,430	51,383	**208,231**	157,790

Expenses for the nine months ended September 30, 2012 include the additional share of ANGLP's operations from April 1, 2012 as a result of the Company's acquisition of control (Note 6 (a)) and expenses from the Postmedia acquisition on November 30, 2011.

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

14. Joint ventures

At September 30, 2012, the Company exercised joint control over the operations of Great West Newspapers Limited Partnership ("Great West"), Fundata Canada Inc. ("Fundata"), and Rhode Island Suburban Newspaper Inc. ("RISN"). The balances below, representing the Company's ownership interests in these operations, have been proportionately consolidated in the Company's consolidated financial statements.

The following balances at September 30, 2012 and for the three months then ended, do not include the Company's ownership interest in ANGLP as the Company acquired control on April 1, 2012 and therefore fully consolidated these results. The results for the nine months ended September 30, 2012, include our proportionate share of 59.5% of ANGLP for the period from January 1, 2012 to April 1, 2012. The balances below for the three and nine months ended September 30, 2011 and as at December 31, 2011, reflect the Company's proportionate consolidation of ANGLP, which was 59.5%.

(thousands of dollars)	Three months ended September 30, 2012	2011	Nine months ended September 30, 2012	2011
	$	$	**$**	$
Statement of operations				
Revenues	**6,963**	10,884	**26,116**	35,779
Costs and expenses	**5,330**	9,089	**19,772**	29,056
Net income	**1,633**	1,795	**6,344**	6,723

(thousands of dollars)	**As at September 30, 2012**	As at December 31, 2011
	$	$
Balance sheet		
Cash and cash equivalents	**3,765**	6,093
Other current assets	**3,037**	10,349
Property, plant and equipment	**16,298**	15,307
Intangible assets	**16,317**	36,274
Goodwill	**26,788**	67,087
Trade and other payables	**(1,825)**	(3,814)
Other current liabilities	**(7,839)**	(13,631)
Long-term debt	**-**	(15,616)
Deferred income taxes	**(818)**	(8,410)
Net assets	**55,723**	93,639

15. Supplemental cash flow information

(thousands of dollars)	Three months ended September, 30 2012	2011	Nine months ended September, 30 2012	2011
	$	$	**$**	$
Interest paid	**1,203**	759	**4,310**	2,614
Income taxes paid	**154**	199	**622**	603

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

16. Segment disclosure

The Company and its subsidiaries operate in two distinct operating segments throughout Canada and the United States. These segments are the business and professional market that Specialty Technical Publishers ("STP"), CD-Pharma, Eco Log and Fundata operate in and the community media and trade information market in which the rest of Glacier's businesses operate. All of the Company's assets are located in Canada except the assets of a joint venture located in the United States. The following segment information is as at and for the three and nine months ended September 30, 2012 and 2011:

(thousands of dollars)	Community Media and Trade Information	Business and Professional	Corporate and Other	Consolidated
Three months ended September 30, 2012	$	$	$	$
Revenue				
Canada	**69,347**	**3,026**	**-**	**72,373**
United States	**4,963**	**909**	**-**	**5,872**
				78,245
Income (loss) before interest, taxes, depreciation and amortization	**8,400**	**1,457**	**(42)**	**9,815**
Interest	**1,238**	**66**	**-**	**1,304**
Amortization and depreciation	**4,028**	**248**	**-**	**4,276**
Other expenses	**698**	**(86)**	**290**	**902**
Other income	**-**	**-**	**(3,136)**	**(3,136)**
Income tax	**970**	**55**	**-**	**1,025**
Share of (earnings) loss from associates	**(552)**	**-**	**-**	**(552)**
Segment Net income	**2,018**	**1,174**	**2,804**	**5,996**
Assets	**593,353**	**39,221**	**52**	**632,626**
Capital expenditures	**2,460**	**207**	**-**	**2,667**
Investment in associate	**62,538**	**-**	**-**	**62,538**

(thousands of dollars)	Community Media and Trade Information	Business and Professional	Corporate and Other	Consolidated
Three months ended September 30, 2011	$	$	$	$
Revenue				
Canada	54,007	2,708	-	56,715
United States	4,398	842	-	5,240
				61,955
Income (loss) before interest, taxes, depreciation and amortization	9,426	1,159	(13)	10,572
Interest	951	51	-	1,002
Amortization and depreciation	3,177	239	-	3,416
Impairment	-	-	-	-
Other expenses	11	308	522	841
Income tax	1,703	90	-	1,793
Share of (earnings) loss from associates	(672)	-	-	(672)
Segment Net income	4,256	471	(535)	4,192
Assets	464,302	48,889	31	513,222
Capital expenditures	4,001	78	-	4,079
Investment in associate	27,901	-	-	27,901

(Amounts in tables expressed in thousands of Canadian dollars)
(Unaudited)

16. Segment disclosure (continued)

(thousands of dollars)	Community Media and Trade Information	Business and Professional	Corporate and Other	Consolidated
Nine months ended September 30, 2012	$	$	$	$
Revenue				
Canada	**224,367**	**9,061**	**-**	**233,428**
United States	**10,003**	**2,623**	**-**	**12,626**
				246,054
Income (loss) before interest, taxes, depreciation and amortization	**33,974**	**3,935**	**(86)**	**37,823**
Interest	**4,275**	**213**	**-**	**4,488**
Amortization and depreciation	**11,406**	**729**	**-**	**12,135**
Other expenses	**1,284**	**(125)**	**838**	**1,997**
Other income	**-**	**-**	**(3,136)**	**(3,136)**
Income tax	**5,921**	**295**	**-**	**6,216**
Share of (earnings) loss from associates	**(159)**	**-**	**-**	**(159)**
Segment Net income	**11,247**	**2,823**	**2,212**	**16,282**
Assets	**593,353**	**39,221**	**52**	**632,626**
Capital expenditures	**12,029**	**502**	**-**	**12,531**
Investment in associate	**62,538**	**-**	**-**	**62,538**

(thousands of dollars)	Community Media and Trade Information	Business and Professional	Corporate and Other	Consolidated
Nine months ended September 30, 2011	$	$	$	$
Revenue				
Canada	174,993	7,998	-	182,991
United States	8,736	2,648	-	11,384
				194,375
Income (loss) before interest, taxes, depreciation and amortization	33,308	3,306	(29)	36,585
Interest	3,419	170	-	3,589
Amortization and depreciation	9,804	707	-	10,511
Impairment	737	-	-	737
Other expenses	1,110	409	590	2,109
Income tax	5,532	390	-	5,922
Share of (earnings) loss from associates	(1,167)	-	-	(1,167)
Segment Net income	13,873	1,630	(619)	14,884
Assets	464,302	48,889	31	513,222
Capital expenditures	8,074	289	-	8,363
Investment in associate	27,901	-	-	27,901

Board of Directors

Bruce W. Aunger*	S. Christopher Heming
John S. Burns, Q.C.*	Jonathon J.L. Kennedy
Sam Grippo	Geoffrey L. Scott*
Brian Hayward	

*Member of the Audit Committee

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

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

Auditors
PricewaterhouseCoopers LLP

Stock Exchange Listing
The Toronto Stock Exchange
Trading symbol: GVC

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

Head Office
1970 Alberta Street
Vancouver, BC V5Y 3X4
Phone: 604.872.8565
Fax: 604.879.1483

Glacier Media Inc.
1970 Alberta Street, Vancouver, British Columbia, Canada V5Y 3X4
Tel: 604.872.8565   Fax: 604.879.1483
www.glaciermedia.ca