MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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Date: November 6, 2014

The following Management's Discussion and Analysis ["MD&A"] presents an analysis of the financial condition of easyhome Ltd. and its subsidiaries [collectively referred to as "easyhome" or the "Company"] as at September 30, 2014 compared to September 30, 2013, and the results of operations for the three and nine month periods ended September 30, 2014 compared with the corresponding periods of 2013. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and the related notes and MD&A for the year ended December 31, 2013 and the Company's interim condensed consolidated financial statements and the related notes for the three and nine month periods ended September 30, 2014. The financial information presented herein has been prepared in accordance with International Financial Reporting Standards ["IFRS"], unless otherwise noted. All dollar amounts are in thousands of Canadian dollars unless otherwise indicated.

There have been no material changes to the information discussed in the following sections of the Company's 2013 annual MD&A: Overview of the Business, Corporate Strategy, Commitments, Guarantees and Contingencies, Risk Factors, Critical Accounting Estimates and Adoption of New Accounting Standards and Standards Issued But Not Yet Effective.

This MD&A is the responsibility of management. The Board of Directors has approved this MD&A after receiving the recommendations of the Company's Audit Committee, which is comprised exclusively of independent directors, and the Company's Disclosure Committee.

This MD&A refers to certain financial measures that are not determined in accordance with IFRS. Although these measures do not have standardized meanings and may not be comparable to similar measures presented by other companies, these measures are defined herein or can be determined by reference to our financial statements. The Company discusses these measures because it believes that they facilitate the understanding of the results of its operations and financial position.

Additional information is contained in the Company's filings with Canadian securities regulators, including the Company's Annual Information Form. These filings are available on SEDAR at *www.sedar.com* and on the Company's website at *www.easyhome.ca*.

Caution Regarding Forward Looking Statements

This MD&A includes forward-looking statements about easyhome, including, but not limited to, its business operations, strategy and expected financial performance and condition. Forward-looking statements include, but are not limited to, those with respect to the estimated number of new locations to be opened, targets for growth of the consumer loans receivable portfolio, annual revenue growth targets, strategic initiatives, new product offerings and new delivery channels, anticipated cost savings, planned capital expenditures, anticipated capital requirements, liquidity of the Company, plans and references to future operations and results and critical accounting estimates. In certain cases, forward-looking statements that are predictive in nature, depend upon or refer to future events or conditions, and/or can be identified by the use of words such as 'expects', 'anticipates', 'intends', 'plans', 'believes', 'budgeted', 'estimates', 'forecasts', 'targets' or negative versions thereof and similar expressions, and/or state that certain actions, events or results 'may', 'could', 'would', 'might' or 'will' be taken, occur or be achieved.

Forward-looking statements are based on certain factors and assumptions, including expected growth, results of operations and business prospects and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company's operations, economic factors and the industry generally, as well as those factors referred to in the section entitled "Risk Factors". There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those expressed or implied by forward-looking statements made by the Company, due to, but not limited to important factors such as the Company's ability to enter into new lease and/or financing agreements, collect on existing lease and/or financing agreements, open new locations on favourable terms, secure new franchised locations, purchase products which appeal to customers at a competitive rate, respond to changes in legislation, react to uncertainties related to regulatory action, raise capital under favourable terms, manage the impact of litigation (including shareholder litigation), control costs at all levels of the organization and maintain and enhance the system of internal controls. The Company cautions that the foregoing list is not exhaustive.

The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements, which may not be appropriate for other purposes. The Company is under no obligation (and expressly disclaims any such obligation) to update or alter the forward-looking statements whether as a result of new information, future events or otherwise, unless required by law.

Overview of the Business

easyhome Ltd. is the Canadian leader in providing goods and financial services to the cash and credit constrained consumer. easyhome Ltd. serves its customers through two key operating divisions, easyhome Leasing and easyfinancial.

The Company's overview of the business remains as described in its December 31, 2013 MD&A.

Corporate Strategy

The Company is committed to being the Canadian leader in providing goods and financial services to the cash and credit constrained consumer. To maintain this position, the Company must continuously evolve to meet the needs of its chosen consumer segment. Additionally, the Company must focus on maintaining its competitive advantage by capitalizing on the key aspects of each business unit, including brand awareness, superior customer service and its cross-country retail network. Cost efficiencies through economies of scale and shared services will further contribute to the Company's ability to contend with competitive activities in the marketplace.

To achieve this long-term goal, the Company has three key business imperatives:

- Evolving the delivery channels to better meet the needs of its customers
- Expanding the size and scope of easyfinancial
- Executing with efficiency and effectiveness

The Company's corporate strategy remains as described in its December 31, 2013 MD&A.

Outlook

The discussion in this section is qualified in its entirety by the cautionary language regarding forward-looking statements found in the "Caution Regarding Forward-Looking Statements" of this MD&A.

Update of 2014 Targets

The Company's 2014 targets, along with the underlying assumptions and risk factors, were originally communicated in its December 31, 2013 MD&A and subsequently revised in its June 30, 2014 MD&A. The Company's targets for 2014 remain as described in its June 30, 2014 MD&A and are as follows:

	Targets for 2014
New easyhome Leasing stores opened in year	
• Corporately owned stores	**-**
• Franchise stores that are consolidated for financial statement purposes	**2**
• Franchise stores	**3**
New easyfinancial locations opened in year	**30 - 35**
Gross consumer loans receivable portfolio at year end	**$180 to $190 million**
easyfinancial operating margin	**30% to 32%**
Total revenue growth	**14% to 16%**

Update of 2016 Targets

The Company's three year targets, along with the underlying assumptions and risk factors, were originally communicated in its December 31, 2013 MD&A and subsequently revised in its June 30, 2014 MD&A. The Company's targets for 2016 remain as described in its June 30, 2014 MD&A and are as follows:

	2016 Targets
easyfinancial locations opened by year end	**225**
Gross consumer loans receivable portfolio at year end	**$320 to $350 million**
easyfinancial operating margin	**32% to 35%**

Introduction of 2015 Targets

Looking to 2015, easyhome's strategic focus remains unchanged. The Company will focus on evolving its delivery channels, expanding the size and scope of easyfinancial and executing with efficiency and effectiveness.

The following table outlines the Company's targets for 2015 and provides the material assumptions used to develop such forward-looking statements. In addition to targets on new store openings and revenue growth, the Company has provided additional targets specific to the easyfinancial business as this business unit has a relatively short history and is going through a period of rapid expansion. These targets are inherently subject to risks which are identified in the following tables, as well as those risks referred to in the section entitled "Risk Factors".

	Targets for 2015	Assumptions	Risk Factors[1]
New easyhome Leasing stores opened in year			
• Corporate owned stores	**-**	• The Company will focus on maximizing profitability at its existing locations and on growing its easyfinancial business.	• Retail business conditions are assumed to be unchanged from 2014. If these business conditions show marked improvement and consumer confidence levels increase, the Company will consider opening additional corporate stores.
• Franchise stores that are consolidated for financial statement purposes	**-**	• The Company will focus on maximizing profitability at its existing locations and on growing its easyfinancial business.	• Retail business conditions are assumed to be unchanged from 2014.
• Franchise stores	**3**	• Consistent with the rate of growth experienced over the past several years.	• Finding suitable franchise candidates with sufficient financial resources.
New easyfinancial locations opened in year	**40 to 45**	• The new capital secured in 2014 will allow the Company to continue aggressively expanding the easyfinancial retail presence. • Virtually all new locations will operate as stand-alone branches.	• The earnings drag from newly opened locations is within acceptable levels. • The Company's ability to secure new real estate and experienced personnel.
Gross consumer loans receivable portfolio at year end	**$260 to $270 million**	• The new store opening plan and the development of new delivery channels occur as expected.	• Retail business conditions are assumed to be within normal parameters with respect to consumer demand and margins. • The Company's ability to secure new real estate and experienced personnel.
Total revenue growth	**17% to 20%**	• Nominal growth for the easyhome Leasing business unit. • Continued accelerated growth of the consumer loans receivable portfolio, driven by new delivery channels, additional store openings and increased marketing and advertising expenditures. • No changes to the yield on easyfinancial's products.	• Retail business conditions are assumed to be within normal parameters with respect to consumer demand and margins. • Changes to regulations governing the products offered by the Company.
easyfinancial operating margin	**30% to 32%**	• Although the long term easyfinancial margin is expected to be 35%, operating margins in 2015 will be moderated by the investments made to drive further growth. • Yield and cost rates at mature locations are indicative of future performance	• The Company's ability to achieve operating efficiencies as its locations mature. • The earnings drag from newly opened locations is within acceptable levels.

[1] Risk factors include those risks referred to in the section entitled "Risk Factors".

Analysis of Results for the Three Months Ended September 30, 2014

Third Quarter Highlights

- On July 28, 2014, the Company entered into a $200 million credit facility, replacing the Company's previous debt facilities and providing $115 million of additional capital to support the growth of easyhome's consumer finance business, easyfinancial. The new credit facility, which expires on October 4, 2018, is comprised of a $180 million term loan and a $20 million revolving operating facility.

- On September 15, 2014, the Company announced a new master brand: goeasy. The Company's new goeasy master brand will provide a corporate umbrella that unites and supports its sub-brands of easyhome and easyfinancial and allows it to more effectively reach its targeted demographic – the cash and credit constrained consumer. The new master brand launch was complemented by an integrated advertising campaign which included television ads, a new website (www.goeasy.com) and social media channels, as well as in-store and direct mail marketing. The brand launch resulted in an additional $1.5 million in advertising costs across both business units which impacted earnings per share by $0.08 in the quarter.

- During the third quarter of 2014, the Company launched, on a test basis, an expansion of its easyfinancial loan offering by increasing the maximum loan size available to existing customers only from $5,000 to $10,000. Over the next several months and consistent with its past practice, the Company will evaluate this product expansion and its impact on loan portfolio growth, charge off rates and profitability before deciding to incorporate this expansion into its regular product offering.

- easyhome continued to grow revenue during the third quarter of 2014. Revenue for the quarter reached a record high of $65.5 million, up from the $54.9 million reported in the third quarter of 2013, an increase of $10.6 million or 19.4%. The growth was driven primarily by the expansion of easyfinancial and its consumer loans receivable portfolio. Same-store revenue growth for the quarter, which includes revenue growth from easyfinancial, was 20.7%. Excluding the impact of easyfinancial, same-store revenue growth was 1.7%.

- The gross consumer loans receivable portfolio as at September 30, 2014 was $165.7 million compared with $92.8 million as at September 30, 2013, an increase of $72.9 million or 78.6%. The loan book grew by $20.3 million in the quarter compared with growth of $8.9 million in the third quarter of 2013. Loan originations were also strong in the quarter at $57.9 million, up 74.2% compared with the third quarter of 2013. Similarly, easyfinancial revenue increased by 75.3% in the quarter compared to the same period of 2013, driven by a larger consumer loans receivable portfolio. easyfinancial opened 6 new stand-alone branches in the quarter.

- The operating margin of easyfinancial was 29.6% for the third quarter of 2014, down from 32.5% reported for the same period in 2013. The increased advertising expenditures reduced operating margin by 1.5% while an increase in the bad debt expense rate reduced operating margin by 1.0%. Although net charge-offs as a percentage of the average gross consumer loans receivable balance declined from 15.2% in the third quarter of 2013 to 14.9% in the third quarter of 2014, bad debt expense as a percentage of revenue increased from 26.0% to 27.0% over the same period. The increase in this rate was due to a higher relative provisions for future charge offs driven by the stronger loan book growth in the third quarter of 2014.

- The operating income of easyhome Leasing declined from $6.6 million in the third quarter of 2013 to $4.3 million in the third quarter of 2014. The $2.3 million decline in operating income was due to i) increased advertising expenditures in support of the goeasy master brand launch of $0.8 million, ii) the impact of store sales and closures over the past 18 months which reduced operating income by $0.6 million and iii) a higher rate of depreciation of lease assets resulting from a combination of decreasing average lease terms, merchandising activities to optimize inventory levels for the goeasy master brand launch and increased product costs not passed on to customers which reduced operating income by $0.8 million.

- Overall operating income for the three month period ended September 30, 2014 was $7.4 million compared to $6.9 million for the comparable period in 2013, an increase of $0.5 million or 6.6%.

Operating margin for the quarter was 11.3%, down from the 12.7% reported in the third quarter of 2013. The $1.5 million increased advertising spend in the third quarter of 2014 reduced operating margin from 13.6% to 11.3%.

- Net income for the third quarter of 2014 was $3.5 million or $0.25 per share on a diluted basis compared with $3.8 million or $0.31 per share in the third quarter of 2013, a decrease of $0.3 million and $0.06 respectively. Earnings per share were impacted by $0.08 due to the increased advertising expense and by $0.05 due to higher finance costs associated with the larger debt levels and an increase in the average interest rate.

Summary Financial Results and Key Performance Indicators

	Three Months Ended		Variance	Variance
($ in 000's except earnings per share and percentages)	**Sept. 30, 2014**	**Sept. 30, 2013**	**$ / %**	**% change**
Summary Financial Results				
Revenue	**65,528**	54,866	10,662	19.4%
Operating expenses before depreciation and amortization	**43,789**	34,550	9,239	26.7%
EBITDA margin [1]	**14.0%**	15.2%	(1.2%)	-
Depreciation and amortization expense	**14,331**	13,368	963	7.2%
Operating income	**7,408**	6,948	460	6.6%
Operating margin[1]	**11.3%**	12.7%	(1.4%)	-
Finance costs	**2,535**	1,686	849	50.4%
Effective income tax rate	**28.8%**	27.5%	1.3%	-
Net income for the period	**3,470**	3,817	(347)	(9.1%)
Diluted earnings per share	**0.25**	0.31	(0.06)	(19.4%)
Key Performance Indicators[1]				
Same-store revenue growth	**20.7%**	16.6%	4.1%	-
Same-store revenue growth excluding easyfinancial	**1.7%**	7.7%	(6.0%)	-
Potential monthly lease revenue	**10,655**	10,843	(188)	(1.7%)
Change in potential monthly lease revenue due to ongoing operations	**(5)**	(76)	71	93.4%
easyhome Leasing operating margin	**11.2%**	16.6%	(5.4%)	-
Gross consumer loans receivable	**165,720**	92,792	72,928	78.6%
Growth in gross consumer loans receivable	**20,334**	8,850	11,484	129.8%
Loan originations	**57,881**	33,221	24,660	74.2%
Bad debt expense as a percentage of easyfinancial revenue	**27.0%**	26.0%	1.0%	-
Net charge-offs as a percentage of average gross consumer loans receivable	**14.9%**	15.2%	(0.3%)	-
easyfinancial operating margin	**29.6%**	32.5%	(2.9%)	-
System-Wide Performance Indicators				
Total system revenue[2]	**77,042**	64,448	12,594	19.5%
Total system potential monthly lease revenue[3]	**14,360**	13,880	480	3.5%
Total franchisee revenue[4]	**13,786**	11,607	2,179	18.8%

[1] See description in section "Key Performance Indicators and Non-IFRS Measures".
[2] Includes revenue per consolidated financial statements less revenue received from unconsolidated franchisees plus revenue of unconsolidated franchises.
[3] Includes potential monthly lease revenue for the Company as well as for unconsolidated franchises.
[4] Revenue for entire franchise network including revenue from unconsolidated franchise locations.

Store Locations Summary

	Locations as at Jun. 30, 2014	Locations opened during quarter	Locations closed / sold during quarter	Conversions	Locations as at Sept. 30, 2014
easyhome Leasing					
Corporately owned stores	169	-	(4)	(1)	**164**
Consolidated franchise locations	9	-	-	-	**9**
Total consolidated stores	178	-	(4)	(1)	**173**
Canadian franchise stores	21	-	-	1	**22**
U.S. franchise stores	39	1	-	-	**40**
Total franchise stores	60	1	-	1	**62**
Total easyhome Leasing stores	238	1	(4)	-	**235**
easyfinancial					
Kiosks (in store)	65	-	-	(1)	**64**
Stand-alone locations	73	5	(1)	1	**78**
National loan office	1	-	-	-	**1**
Total easyfinancial locations	139	5	(1)	-	**143**

Summary Financial Results by Operating Segment

($ in 000's except earnings per share)	Three Months Ended September 30, 2014			
	easyhome Leasing	**easyfinancial**	**Corporate**	**Total**
Revenue	**38,716**	**26,812**	**-**	**65,528**
Total operating expenses before depreciation and amortization	**21,062**	**18,039**	**4,688**	**43,789**
Depreciation and amortization	**13,331**	**840**	**160**	**14,331**
Operating income (loss)	**4,323**	**7,933**	**(4,848)**	**7,408**
Finance costs				**2,535**
Income before income taxes				**4,873**
Income taxes				**1,403**
Net Income				**3,470**
Diluted Earnings per Share				**0.25**

($ in 000's except earnings per share)	Three Months Ended September 30, 2013			
	easyhome Leasing	**easyfinancial**	**Corporate**	**Total**
Revenue	39,570	15,296	-	54,866
Total operating expenses before depreciation and amortization	20,284	9,820	4,446	34,550
Depreciation and amortization	12,712	507	149	13,368
Operating income (loss)	6,574	4,969	(4,595)	6,948
Finance costs				1,686
Income before income taxes				5,262
Income taxes				1,445
Net Income				3,817
Diluted Earnings per Share				0.31

Revenue

Revenue for the three month period ended September 30, 2014 was $65.5 million compared to $54.9 million in the same period in 2013, an increase of $10.7 million or 19.4%, driven primarily by the growth of easyfinancial.

easyhome Leasing - Revenue for the three month period ended September 30, 2014 was $38.7 million, a decrease of $0.9 million from the comparable period in 2013. Factors impacting revenue in the period include:

- Organic portfolio growth over the past 12 months drove revenue across the Canadian store network higher by $0.2 million in the third quarter of 2014 compared with the third quarter of 2013. Same store sales growth excluding the impact of easyfinancial was 1.7% in the quarter.
- Growth in the franchise network, both from consolidated franchise locations and fees generated from unconsolidated franchises, contributed to $0.3 million of revenue growth.
- Revenue gains were offset by store closures and sales which occurred during the past 15 months (net of the transfer of portfolios to nearby locations) resulting in a $1.4 million decline in revenue.

easyfinancial - Revenue for the three month period ended September 30, 2014 was $26.8 million, an increase of $11.5 million or 75.3% from the comparable period in 2013. The increase was due to the growth of the consumer loans receivable portfolio, which increased from $92.8 million as at September 30, 2013 to $165.7 million as at September 30, 2014, an increase of $72.9 million or 78.6%. The gross consumer loans receivable portfolio grew by $20.3 million in the quarter as compared with growth of $8.9 million for the third quarter of 2013. Loan originations were also strong in the quarter at $57.9 million, up 74.2% compared with the third quarter of 2013.

Total Operating Expenses before Depreciation and Amortization

Total operating expenses before depreciation and amortization were $43.8 million for the three month period ended September 30, 2014, an increase of $9.2 million or 26.7% from the comparable period in 2013. During the quarter the Company launched its new master brand – goeasy, complemented by an on-line and television advertising campaign. The master brand will allow the Company to maximize its advertising dollars by promoting all of its brands under one umbrella with one common message. The brand launch resulted in an additional $1.5 million in advertising costs across both business units. The remaining $7.7 million increase in operating expenses was driven primarily by the higher costs associated with the expanding easyfinancial business. Total operating expenses before depreciation and amortization represented 66.8% of revenue for the third quarter of 2014 compared with 63.0% for the third quarter of 2013.

easyhome Leasing – Total operating expenses before depreciation and amortization for the three month period ended September 30, 2014 was $21.1 million, an increase of $0.8 million or 3.8% from the comparable period in 2013. This increase was driven by the additional advertising costs associated with the launch of the Company's goeasy master brand. Cost reductions associated with closed or sold locations were offset by increased costs at the remaining stores. Consolidated leasing store count declined from 183 as at September 30, 2013 to 173 at September 30, 2014. Consolidated leasing store count consists of corporately owned stores as well as consolidated franchise stores where control is achieved other than through ownership of a majority of voting rights.

easyfinancial – Total operating expenses before depreciation and amortization were $18.0 million for the third quarter of 2014, an increase of $8.2 million or 83.7% from the comparable period in 2013. Operating expenses, excluding bad debt, increased by $4.9 million or 84.5% in the quarter driven by: i) $0.7 million in additional advertising costs associated with the launch of the Company's master brand – goeasy, ii) the increased costs associated with 31 additional branches when compared to September 30, 2013 and the shift towards higher capacity stand alone branches, iii) higher costs associated with easyfinancial's centralized loan and collections centre; and iv) incremental expenditures to develop new distribution channels and manage the growing branch network. Overall, branch count increased from 112 as at September 30, 2013 to 143 as at September 30, 2014. Additionally, stand-alone branches increased from 43 as at September 30, 2013 to 78 as at September 30, 2014.

Bad debt expense increased to $7.3 million for the third quarter of 2014 from $4.0 million during the comparable period in 2013, up $3.3 million or 82.5%. The increase was driven by the growth of the consumer loans receivable portfolio which grew by 78.6% over the past 12 months. Bad debt expense expressed as a percentage of easyfinancial revenue, was 27.0% for the third quarter of 2014, up from the 26.0% reported for the third quarter of 2013. Conversely, net charge-offs as a percentage of the average gross consumer loans receivable on an annualized basis improved from 15.2% reported in the third quarter of 2013 to 14.9% in the current quarter. The rapid growth of the loan book in the third quarter of 2014 resulted in the Company taking a relatively larger provision for loan losses than in the third quarter of 2013.

Corporate – Total operating expenses before depreciation and amortization was $4.7 million for the third quarter of 2014 compared to $4.4 million in the third quarter of 2013, an increase of $0.3 million or 5.4%. The increase related to higher compensation, administrative and information technology costs in the quarter. Accrued incentive compensation expenses were flat in the quarter compared with the third quarter of 2013. Corporate expenses before depreciation and amortization represented 7.2% of revenue in the third quarter of 2014 as compared to 8.1% of revenue in third quarter of 2013.

Depreciation and Amortization

Depreciation and amortization for the three month period ended September 30, 2014 was $14.3 million, up $1.0 million or 7.2% from the comparable period in 2013. The increase was attributable to the growing easyfinancial branch network and the amortization of new easyfinancial systems as well as higher depreciation and amortization within the leasing business.

Leasing depreciation and amortization as a percentage of leasing revenue for the quarter was 34.4%, up from 32.1% in the third quarter of 2013. The increased depreciation rate was due to a combination of: i) decreasing average lease terms, ii) merchandising activities to optimize inventory levels for the goeasy master brand launch and iii) increased product costs not passed on to customers.

Overall depreciation and amortization represented 21.9% of revenue for the three months ended September 30, 2014, down from 24.4% in the comparable period of 2013.

Operating Income (Income before Finance Costs and Income Taxes)

Operating income for the three month period ended September 30, 2014 was $7.4 million compared to $6.9 million for the comparable period in 2013, an increase of $0.5 million or 6.6%. Overall operating margin for the quarter was 11.3%, down from the 12.7% reported in the third quarter of 2013.

easyhome Leasing – Operating income was $4.3 million for the third quarter of 2014, down $2.3 million or 34.2% when compared with the third quarter of 2013. The decline in operating income stems from: i) store sales or closures which occurred during the past 15 months reduced operating income by $0.6 million; ii) a $0.7 million increase in advertising spend allocated to the leasing business associated with the launch of the Company's master brand – goeasy; and iii) higher levels of depreciation of lease assets. Operating margin for the third quarter of 2014 was 11.2%, down from 16.6% reported in the third quarter of 2013.

easyfinancial – Operating income was $7.9 million for the third quarter of 2014 compared with $5.0 million for the comparable period in 2013, an increase of $2.9 million or 59.6%. Operating margin for the third quarter of 2014 was 29.6% compared with 32.5% in the comparable period of 2013. The decline in the operating margin was due primarily to the additional advertising costs associated with the launch of the Company's master brand.

Finance Costs

Finance costs for the three month period ended September 30, 2014 were $2.5 million, up $0.8 million from the same period in 2013. This increase in finance costs was driven by both higher average borrowing levels as well as an increased blended borrowing rate during the quarter.

Income Tax Expense

The effective income tax rate for the third quarter of 2014 was 28.8% compared to 27.5% in the third quarter of 2013.

Net Income and EPS

Net income for the third quarter of 2014 was $3.5 million or $0.25 per share on a diluted basis compared with $3.8 million or $0.31 per share in the third quarter of 2013, a decrease of $0.3 million and $0.06 respectively. Earnings per share were impacted by $0.08 due to the increased advertising expense and by $0.05 due to higher finance costs associated with the larger debt levels and an increase in the average interest rate.

Analysis of Results for the Nine Months Ended September 30, 2014

Summary Financial Results and Key Performance Indicators

($ in 000's except earnings per share and percentages)	Nine Months Ended Sept. 30, 2014	Nine Months Ended Sept. 30, 2013	Variance $ / %	Variance % change
Summary Financial Results				
Revenue	**189,108**	161,018	28,090	17.4%
Operating expenses before depreciation and amortization	**123,892**	103,429	20,463	19.8%
EBITDA margin [1]	**15.0%**	13.5%	1.5%	-
Depreciation and amortization expense	**42,165**	40,133	2,032	5.1%
Operating income	**23,051**	17,456	5,595	32.1%
Operating margin[1]	**12.2%**	10.8%	1.4%	-
Finance costs	**5,893**	4,224	1,669	39.5%
Effective income tax rate	**26.4%**	25.6%	0.8%	-
Net income for the period	**12,636**	9,846	2,790	28.3%
Diluted earnings per share	**0.91**	0.81	0.10	12.3%
Key Performance Indicators[1]				
Same-store revenue growth	**19.7%**	15.5%	4.2%	-
Same-store revenue growth excluding easyfinancial	**3.0%**	8.1%	(5.1%)	-
Potential monthly lease revenue	**10,655**	10,843	(188)	(1.7%)
Change in potential monthly lease revenue due to ongoing operations	**(450)**	(419)	(31)	(7.4%)
easyhome Leasing operating margin	**15.3%**	16.4%	(1.1%)	-
Gross consumer loans receivable	**165,720**	92,792	72,928	78.6%
Growth in gross consumer loans receivable	**55,016**	22,134	32,882	148.6%
Loan originations	**160,050**	90,764	69,286	76.3%
Bad debt expense as a percentage of easyfinancial revenue	**25.0%**	25.6%	(0.6%)	-
Net charge-offs as a percentage of average gross consumer loans receivable	**13.8%**	14.2%	(0.4%)	-
easyfinancial operating margin	**31.7%**	29.7%	2.0%	-
System-Wide Performance Indicators				
Total system revenue[2]	**223,065**	189,834	33,231	17.5%
Total system potential monthly lease revenue[3]	**14,360**	13,880	480	3.5%
Total franchisee revenue[4]	**41,007**	35,125	5,882	16.7%

[1] See description in section "Key Performance Indicators and Non-IFRS Measures".
[2] Includes revenue per consolidated financial statements less revenue received from unconsolidated franchisees plus revenue of unconsolidated franchises.
[3] Includes potential monthly lease revenue for the Company as well as for unconsolidated franchises.
[4] Revenue for entire franchise network including revenue from unconsolidated franchise locations.

Store Locations Summary

	Locations as at Dec. 31, 2013	Locations opened during period	Locations closed / sold during period	Conversions	Locations as at Sept. 30, 2014
easyhome Leasing					
Corporately owned stores	173	-	(6)	(3)	**164**
Consolidated franchise locations	9	1	-	(1)	**9**
Total consolidated stores	182	1	(6)	(4)	**173**
Canadian franchise stores	19	-	-	3	**22**
U.S. franchise stores	36	3	-	1	**40**
Total franchise stores	55	3	-	4	**62**
Total easyhome Leasing stores	237	4	(6)	-	**235**
easyfinancial					
Kiosks (in store)	65	1	-	(2)	**64**
Stand-alone locations	53	24	(1)	2	**78**
National loan office	1	-	-	-	**1**
Total easyfinancial locations	119	25	(1)	-	**143**

Summary Financial Results by Operating Segment

($ in 000's except earnings per share)	Nine Months Ended September 30, 2014			
	easyhome Leasing	easyfinancial	Corporate	Total
Revenue	**118,952**	**70,156**	**-**	**189,108**
Total operating expenses before depreciation and amortization	**61,361**	**45,552**	**16,979**	**123,892**
Depreciation and amortization	**39,367**	**2,330**	**468**	**42,165**
Operating income (loss)	**18,224**	**22,274**	**(17,447)**	**23,051**
Finance costs				**5,893**
Income before income taxes				**17,158**
Income taxes				**4,522**
Net Income				**12,636**
Diluted Earnings per Share				**0.91**

($ in 000's except earnings per share)	Nine Months Ended September 30, 2013			
	easyhome Leasing	easyfinancial	Corporate	Total
Revenue	120,554	40,464	-	161,018
Total operating expenses before depreciation and amortization	62,394	27,145	13,890	103,429
Depreciation and amortization	38,388	1,312	433	40,133
Operating income (loss)	19,772	12,007	(14,323)	17,456
Finance costs				4,224
Income before income taxes				13,232
Income taxes				3,386
Net Income				9,846
Diluted Earnings per Share				0.81

Revenue

Revenue for the nine month period ended September 30, 2014 was $189.1 million compared to $161.0 million in the same period in 2013, an increase of $28.1 million or 17.4%. The increase was driven by the growth of the easyfinancial business.

easyhome Leasing - Revenue for the nine month period ended September 30, 2014 was $119.0 million, a decrease of $1.6 million from the comparable period in 2013. Factors impacting revenue in the period include:

- Revenue growth across the Canadian store network (excluding the impact of store sales and closures) was $0.4 million in the nine month period ended September 30, 2014 as compared to the same period of 2013. Same store sales growth excluding the impact of easyfinancial was 3.0% in the year to date period.
- Growth in the franchise network, both from consolidated franchise locations and fees generated from unconsolidated franchises, contributed to $1.4 million of revenue growth.
- Revenue gains were offset by store closures and sales which occurred during the past two years (net of the transfer of portfolios to nearby locations) resulting in a $3.4 million decline in revenue.

easyfinancial - Revenue for the nine month period ended September 30, 2014 was $70.2 million, an increase of $29.7 million or 73.3% from the comparable period in 2013. The increase was due to the growth of the consumer loans receivable portfolio, which increased from $92.8 million as at September 30, 2013 to $165.7 million as at September 30, 2014, an increase of $72.9 million or 78.6%. The gross consumer loans receivable portfolio grew by $55.0 million in the current year to date period as compared with growth of $22.1 million for the same period of 2013. Loan originations were also strong in the first nine months of 2014 at $160.1 million, up 76.3% compared with the same period of 2013.

Total Operating Expenses before Depreciation and Amortization

Total operating expenses before depreciation and amortization were $123.9 million for the nine month period ended September 30, 2014, an increase of $20.5 million or 19.8% from the comparable period in 2013. The $20.5 million increase in total operating expenses was driven primarily by the higher costs associated with an expanded easyfinancial business, higher advertising costs associated with the launch of the Company's master brand – goeasy, and increased accrued but not paid incentive compensation expense included in corporate costs. These expense increases were partially offset by lower costs in the easyhome Leasing business due to the reduced number of retail locations. Operating expenses before depreciation and amortization represented 65.5% of revenue in the nine month period ended September 30, 2014 up from the 64.2% reported in the comparable period of 2013.

easyhome Leasing – Total operating expenses before depreciation and amortization for the nine month period ended September 30, 2014 were $61.4 million, a decrease of $1.0 million or 1.7% from the comparable period in 2013. Higher advertising costs associated with the launch of the Company's master brand were more than offset by cost reductions related to the closure of underperforming stores and the sale of corporately owned stores to franchisees. Consolidated leasing store count declined from 183 as at September 30, 2013 to 173 at September 30, 2014. Consolidated leasing store count consists of corporately owned stores as well as consolidated franchise stores where control is achieved other than through ownership of a majority of voting rights.

easyfinancial – Total operating expenses before depreciation and amortization were $45.6 million for the nine month period ending September 30, 2014, an increase of $18.4 million or 67.8% from the comparable period in 2013. Operating expenses excluding bad debt increased by $11.3 million or 67.0% in the year to date period driven by: i) higher advertising costs including the costs associated with the launch of the Company's master brand, ii) 31 additional branches when compared to September 30, 2013 and the shift towards higher capacity stand alone branches, iii) higher costs associated with easyfinancial's centralized loan and collection centre to support the larger loan book, and iv) incremental expenditures to develop new distribution channels and manage the growing branch network. Overall, branch count increased from 112 as at September 30, 2013 to 143 as at September 30, 2014. Additionally, stand-alone branches increased from 43 as at September 30, 2013 to 78 as at September 30, 2014.

Bad debt expense increased to $17.5 million for the first nine months of 2014 from $10.4 million during the comparable period in 2013, up $7.1 million or 69.1%. The increase was driven by the growth of the consumer loans receivable portfolio which grew by 78.6% over the past 12 months. Bad debt expense expressed as a percentage of easyfinancial revenue, was 25.0% during the first nine months of 2014, down from the 25.6% reported in the comparable period of 2013. Similarly, net charge-offs as a percentage of the average gross consumer loans receivable on an annualized basis, was 13.8% in the current period, down from the 14.2% reported in the comparable period of 2013.

Corporate – Total operating expenses before depreciation and amortization was $17.0 million for the nine month period ending September 30, 2014 compared to $13.9 million in the same period of 2013, an increase of $3.1 million or 22.2%. The increase related to higher accrued but not paid incentive compensation plan expenses. Accruals for the Company's short-term incentive compensation plan increased in the period as the year to date financial performance was ahead of expectations. Accruals for the Company's long-term or stock based incentive compensation plans increased by $2.0 million in the period due to the strong performance of the Company's share price (which increased by 31% over the past nine months) and a larger number of units that are expected to vest based on the Company's financial performance. Ultimately, actual payouts or distributions under both of these plans will be determined in future periods as the plans vest based on actual achieved performance. Corporate expenses before depreciation and amortization represented 9.0% of revenue in the first nine months of 2014 as compared to 8.6% of revenue in the same period of 2013.

Depreciation and Amortization

Depreciation and amortization for the nine month period ended September 30, 2014 was $42.2 million, up $2.0 million or 5.1% from the comparable period in 2013. The increase was attributable to: i) the growing easyfinancial branch network and the increased number of stand-alone locations, ii) the amortization of new easyfinancial systems and iii) an increase in the depreciation and amortization expense within the leasing business.

Leasing depreciation and amortization as a percentage of leasing revenue for the period was 33.1% up from 31.8% in the same period of 2013 due to a combination of: i) decreasing average lease terms, ii) merchandising activities to optimize inventory levels for the goeasy master brand launch and iii) increased product costs not passed on to customers.

Overall depreciation and amortization represented 22.3% of revenue for the nine months ended September 30, 2014, down from 24.9% in the comparable period of 2013.

Operating Income (Income before Finance Costs and Income Taxes)

Operating income for the nine month period ended September 30, 2014 was $23.1 million compared to $17.5 million for the comparable period in 2013, an increase of $5.6 million or 32.0%. Overall operating margin improved from 10.8% in the first nine months of 2013 to 12.2% in the current year to date period. Overall operating margin benefitted from an increasing percentage of the Company's operating income being generated by the higher margin easyfinancial business and somewhat offset by the lower operating margins generated by the leasing business.

easyhome Leasing – Operating income was $18.2 million for the first nine months of 2014 down $1.5 million from the same period of 2013 driven primarily by lower revenue, higher depreciation and amortization and partially offset by lower store operating costs.

easyfinancial – Operating income was $22.3 million for the first nine months of 2014, compared with $12.0 million for the comparable period in 2013, an increase of $10.3 million or 85.5%. Operating margin for the period was 31.7% compared with 29.7% for the same period in 2013. The growth in operating income and operating margin was driven by the growing consumer loans receivable portfolio allowing easyfinancial to achieve further economies of scale.

Finance Costs

Finance costs for the nine month period ended September 30, 2014 were $5.9 million, up $1.7 million from the same period in 2013. This increase in finance costs was driven by higher average borrowing levels as well as an increased blended borrowing rate.

Income Tax Expense

The effective income tax rate for the current year to date period was 26.4% compared to 25.6% in the same period of 2013. The effective income tax increased as the proportion of income earned in the United States, which is not subject to tax due to the application of prior period tax losses, declined in the current period as compared to the same period of 2013.

Net Income and EPS

Net income for the nine month period ended September 30, 2014 was $12.6 million or $0.91 per share on a diluted basis compared with $9.8 million or $0.81 per share in the same period of 2013, an increase of $2.8 million and $0.10 respectively.

Net income and diluted earnings per share in the current year to date period increased by 28.3% and 12.3% respectively as compared to the same period of 2013. The shares issued in the fourth quarter of 2013 moderated the growth of earnings per share relative to the growth in net income.

Selected Quarterly Information

($ in millions except percentages and per share amounts)	Sep. 2014	Jun. 2014	Mar. 2014	Dec. 2013	Sep. 2013	Jun. 2013	Mar. 2013	Dec. 2012	Sep. 2012
Revenue	**65.5**	63.2	60.3	57.8	54.9	53.8	52.4	51.7	49.3
Net Income for the period	**3.5**	4.5	4.6	4.3	3.8	3.1	2.9	3.8	2.6
Net income as a percentage of revenue	**5.3%**	7.2%	7.7%	7.5%	6.8%	5.8%	5.6%	7.3%	5.3%
Earnings per share[1]									
Basic	**0.26**	0.34	0.35	0.34	0.32	0.26	0.24	0.32	0.22
Diluted	**0.25**	0.33	0.34	0.33	0.31	0.26	0.24	0.31	0.22

[1]Quarterly earnings per share are not additive and may not equal the annual earnings per share reported. This is due to the effect of stock issued during the year on the basic weighted average number of common shares outstanding together with the effects of rounding.

Key Performance Indicators and Non-IFRS Measures

The Company measures the success of its strategy using a number of key performance indicators as described in more detail below. Several of these key performance indicators are not measurements in accordance with IFRS and should not be considered as an alternative to net income or any other measure of performance under IFRS.

This MD&A refers to certain financial measures that are not determined in accordance with IFRS. Although these measures do not have standardized meanings and may not be comparable to similar measures presented by other companies, these measures are defined herein or can be determined by reference to the Company’s financial statements. The Company discusses these measures because it believes that they facilitate the understanding of the results of its operations and financial position.

Several non-IFRS measures that are used throughout this discussion are defined as follows:

Same-Store Revenue Growth

Same-store revenue growth measures the revenue growth for all stores that have been open for a minimum of 15 months. To calculate same-store revenue growth for a period, the revenue for that period is compared to the same period in the prior year. Same-store revenue growth is influenced by both the Company's product offerings as well as the number of stores which have been open for a 12-36 month time frame, as these stores tend to be in the strongest period of growth at this time.

	Three Months Ended		Nine Months Ended	
	Sept. 30, 2014	**Sept. 30, 2013**	**Sept. 30, 2014**	**Sept. 30, 2013**
Same store revenue growth	**20.7%**	16.6%	**19.7%**	15.5%
Same store revenue growth excluding easyfinancial	**1.7%**	7.7%	**3.0%**	8.1%

Potential Monthly Lease Revenue

Potential monthly lease revenue reflects the revenue that the Company's portfolio of leased merchandise would generate in a month providing it collected all lease payments due in that period. Growth in potential monthly lease revenue is driven by several factors including an increased number of customers, an increased number of leased assets per customer as well as an increase in the average price of the leased items. The Company believes that its potential monthly lease revenue is an important indicator of how revenue may change in future periods.

	Three Months Ended		Nine Months Ended	
($ in 000's)	**Sept. 30, 2014**	**Sept. 30, 2013**	**Sept. 30, 2014**	**Sept. 30, 2013**
Opening potential monthly lease revenue	**10,748**	11,036	**11,430**	11,634
Change due to store openings or acquisitions during the period	**23**	-	**31**	-
Change due to store closures or sales during the period	**(111)**	(117)	**(356)**	(372)
Change due to ongoing operations	**(5)**	(76)	**(450)**	(419)
Net change	**(93)**	(193)	**(775)**	(791)
Ending potential monthly lease revenue	**10,655**	10,843	**10,655**	10,843

Loan Originations

Loan origination is the value of all consumer loans receivable advanced to the Company's customers during the period. The Company believes that loan originations is an important indicator of the demand for the Company's lending products.

	Three Months Ended		Nine Months Ended	
($ in 000's)	**Sept. 30, 2014**	**Sept. 30, 2013**	**Sept. 30, 2014**	**Sept. 30, 2013**
Loan origination	**57,881**	**33,221**	**160,050**	**90,764**

Gross Consumer Loans Receivable

Gross consumer loans receivable reflects the period end balance of the portfolio before provisioning for potential future charge-offs. Growth in gross consumer loans receivable is driven by several factors including an increased number of customers and an increased loan value per customer. The Company believes that its gross consumer loans receivable value is an important indicator of the easyfinancial business and of how revenue may grow in future periods.

	Three Months Ended		Nine Months Ended	
($ in 000's)	**Sept. 30, 2014**	**Sept. 30, 2013**	**Sept. 30, 2014**	**Sept. 30, 2013**
Gross consumer loans receivable	**165,720**	92,792	**165,720**	92,792
Growth in gross consumer loans receivable during period	**20,334**	8,850	**55,016**	22,134

easyfinancial Loan Losses

Net charge-offs are actual loans charged off net of recoveries. Average gross consumer loans receivable has been calculated based on the average of the month end loan balances for the indicated period. This metric is a measure of the collection performance of the easyfinancial consumer loans receivable portfolio. For interim periods, the rate is annualized. Bad debt expense as a percentage of easyfinancial revenue is another measure that reflects the collection performance of the easyfinancial consumer loans receivable portfolio. Bad debt expense includes actual write offs net of recoveries and the impact of changes to the allowance for loan losses taken against the consumer loans receivable portfolio.

	Three Months Ended		Nine Months Ended	
($ in 000's except percentages)	**Sept. 30, 2014**	**Sept. 30, 2013**	**Sept. 30, 2014**	**Sept. 30, 2013**
Net charge offs	**5,946**	3,429	**14,334**	8,689
Average gross consumer loans receivable	**159,160**	90,371	**138,637**	81,445
Net charge offs as a percentage of average gross consumer loans receivable (annualized)	**14.9%**	15.2%	**13.8%**	14.2%
Bad debt expense as a percentage of easyfinancial revenue	**27.0%**	26.0%	**25.0%**	25.6%

Operating Expenses Before Depreciation and Amortization

The Company defines operating expenses before depreciation and amortization as total operating expenses excluding depreciation and amortization expenses for the period. The Company believes that operating expenses before depreciation and amortization is an important measure of the cost of operations adjusted for the effects of purchasing decisions that may have been made in prior periods.

($ in 000's except percentages)	Three Months Ended Sept. 30, 2014	Three Months Ended Sept. 30, 2013	Nine Months Ended Sept. 30, 2014	Nine Months Ended Sept. 30, 2013
Operating expenses before depreciation and amortization	**43,789**	34,550	**123,892**	103,429
Divided by revenue	**65,528**	54,866	**189,108**	161,018
Operating expenses before depreciation and amortization as % of revenue	**66.8%**	63.0%	**65.5%**	64.2%

Operating Margin

The Company defines operating margin as operating income divided by revenue for the Company as a whole and for its operating segments: easyhome Leasing and easyfinancial. The Company believes operating margin is an important measure of the profitability of its operations which in turn, assists it in assessing the Company's ability to generate cash to pay interest on its debt and to pay dividends.

($ in 000's except percentages)	Three Months Ended Sept. 30, 2014	Three Months Ended Sept. 30, 2013	Nine Months Ended Sept. 30, 2014	Nine Months Ended Sept. 30, 2013
easyhome Leasing				
Operating income	**4,323**	6,574	**18,224**	19,772
Divided by revenue	**38,716**	39,570	**118,952**	120,554
easyhome Leasing operating margin	**11.2%**	16.6%	**15.3%**	16.4%
easyfinancial				
Operating income	**7,933**	4,969	**22,274**	12,007
Divided by revenue	**26,812**	15,296	**70,156**	40,464
easyfinancial operating margin	**29.6%**	32.5%	**31.7%**	29.7%
Total				
Operating income	**7,408**	6,948	**23,051**	17,456
Divided by revenue	**65,528**	54,866	**189,108**	161,018
Total operating margin	**11.3%**	12.7%	**12.2%**	10.8%

Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA") and EBITDA Margin

The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization, excluding depreciation of lease assets. The Company uses EBITDA, among other measures, to assess the operating performance of its ongoing businesses. EBITDA margin is calculated as EBITDA divided by revenue.

	Three Months Ended		Nine Months Ended	
($ in 000's except percentages)	**Sept. 30, 2014**	**Sept. 30, 2013**	**Sept. 30, 2014**	**Sept. 30, 2013**
Net income as stated	**3,470**	3,817	**12,636**	9,846
Finance costs	**2,535**	1,686	**5,893**	4,224
Income tax expense	**1,403**	1,445	**4,522**	3,386
Depreciation and amortization, excluding depreciation of lease assets	**1,767**	1,400	**5,240**	4,213
EBITDA	**9,175**	8,348	**28,291**	21,669
Divided by revenue	**65,528**	54,866	**189,108**	161,018
EBITDA margin	**14.0%**	15.2%	**15.0%**	13.5%

Return on Equity

The Company defines return on equity as annualized net income in the period divided by average shareholders' equity for the period. The Company believes return on equity is an important measure of how shareholders' invested capital is utilized in the business.

	Three Months Ended		Nine Months Ended	
($ in 000's except periods and percentages)	**Sept. 30, 2014**	**Sept. 30, 2013**	**Sept. 30, 2014**	**Sept. 30, 2013**
Net income as stated	**3,470**	3,817	**12,636**	9,846
Multiplied by number of periods in year	**X 4/1**	X 4/1	**X 4/3**	X 4/3
Divided by average shareholders' equity for the period	**145,471**	111,291	**141,646**	108,681
Return on equity	**9.5%**	13.7%	**11.9%**	12.1%

Financial Condition

The following table provides a summary of certain information with respect to the Company's capitalization and financial position as at September 30, 2014 and September 30, 2013.

($ in 000's, except for ratios)	Sept. 30, 2014	Sept. 30, 2013
Total assets	**294,056**	207,638
External debt (includes term loan)	**99,702**	58,647
Other liabilities	**47,201**	36,193
Total liabilities	**146,903**	94,840
Shareholders' equity	**147,153**	112,798
Total capitalization (total debt plus total shareholders' equity)	**246,855**	171,445
External debt to shareholders' equity	**0.68**	0.52
External debt to total capitalization	**0.40**	0.34
External debt to EBITDA	**2.68**	2.14

Total assets were $294.1 million at September 30, 2014, an increase of $86.4 million or 41.6% over September 30, 2013. The growth in total assets was driven primarily by: i) the increased size of the net consumer loans receivable portfolio which increased by $68.7 million over the past 12 months; ii) the Company's investment in property and equipment (specifically stand-alone easyfinancial locations) and intangible assets (specifically systems to support easyfinancial) which collectively increased by $5.9 million; and iii) $4.3 million in additional cash on hand.

The $86.4 million growth in total assets was been financed by a $52.1 million increase in total liabilities, including a $41.1 million increase in external debt, and a $34.4 million increase in total shareholder's equity (which included the net $19.0 million raised in the common share equity offering completed in the fourth quarter of 2013). Although the Company has continued to maintain its dividend payments to its shareholders, a large portion of the Company's earnings over the prior 12 months have been retained to fund the growth of easyfinancial.

On July 28, 2014, the Company entered into a new $200 million credit facility which replaced the Company's previous debt facilities. The new credit facility, which expires on October 4, 2018, is comprised of a $180 million term loan and a $20 million revolving operating facility. $105 million of the term loan was drawn at closing with the balance available in periodic advances until July 31, 2015. Borrowings under the term loan bear interest at the Canadian Bankers' Acceptance rate plus 722 bps. Borrowing under the revolving operating facility bears interest at the lender's prime rate plus 200 to 300 bps, depending on the Company's debt to EBITDA ratio. The new credit facility is secured by a first charge over substantially all assets of the Company. As at September 30, 2014, the Company's interest rate under the term loan credit facility and revolving operating facility were 8.49% and 5.00%, respectively.

Liquidity and Capital Resources

Summary of Cash Flow Components

($ in 000's)	Three Months Ended Sept. 30, 2014	Three Months Ended Sept. 30, 2013	Nine Months Ended Sept. 30, 2014	Nine Months Ended Sept. 30, 2013
Cash provided by operating activities before issuance of consumer loans receivable	**23,603**	19,128	**76,692**	48,713
Net issuance of consumer loans receivable	**(26,281)**	(12,277)	**(69,350)**	(30,823)
Cash (used in) provided by operating activities	**(2,678)**	6,851	**7,342**	17,890
Cash used in investing activities	**(16,113)**	(13,249)	**(38,933)**	(36,718)
Financing activities	**24,553**	3,472	**35,318**	16,000
Net increase(decrease) in cash for the period	**5,762**	(2,926)	**3,727**	(2,828)

Cash flows used in operating activities for the three month period ended September 30, 2014 were $2.7 million. Included in this amount was a net investment of $26.3 million to increase the easyfinancial consumer loans receivable portfolio. If this net investment in the easyfinancial consumer loans receivable portfolio was treated as cash flows from investing activities, the cash flows generated by operating activities would be $23.6 million in the third quarter of 2014, up $4.5 million compared to the third quarter of 2013. While net income declined slightly in the quarter due in part to higher advertising costs associated with the launch of the master brand, this decline was more than offset by higher non-cash expenses in the current quarter as compared to the comparable period of 2013.

Cash flows provided by operating activities in the third quarter of 2014 enabled the Company to: i) meet the growth demands of easyfinancial as described above, ii) invest $13.7 million in new lease assets, iii) invest $3.7 million in additional property and equipment and intangible assets, and iv) maintain its dividend payments.

During the quarter the Company generated $24.6 million in cash flow from financing activities as a new credit facility was put in place on July 28, 2014.

Cash flows provided by operating activities for the nine month period ended September 30, 2014 were $7.3 million. Included in this amount was a net investment of $69.4 million to increase the easyfinancial consumer loans receivable portfolio. If this net investment in the easyfinancial consumer loans receivable portfolio was treated as cash flows from investing activities, the cash flows generated by operating activities would be $76.7 million in the current year to date period, up $28.0 million compared to the same period of 2013. This increase in cash flow was driven by higher income, a reduction in working capital balances and higher non-cash expenses.

Cash flows provided by operating activities in the nine month period ended September 30, 2014 enabled the Company to: i) meet the growth demands of easyfinancial as described above, ii) invest $33.4 million in new lease assets, iii) invest $9.1 million in additional property and equipment and intangible assets, and iv) maintain its dividend payments.

During the nine month period ending September 30, 2014, the Company generated $35.3 million in cash flow from financing.

The Company believes that the cash flows provided by operations and the $200 million credit facility obtained during the quarter will be sufficient to grow easyfinancial through 2015 in line with the Company's stated targets, meet operational requirements, purchase lease assets, meet capital spending requirements and pay dividends. For easyfinancial to continue growing past 2015 and to meet its three-year growth targets and the longer-term growth opportunities available, additional sources of financing over and above the currently available credit facility may be required. There is no certainty that this additional financing will be available or at terms favourable to the Company.

Outstanding Shares and Dividends

As at November 6, 2014 there were 13,330,099 shares, 134,757 DSU's, 603,812 options, 566,781 RSU's, and no warrants outstanding.

For the three month period ended September 30, 2014, the Company paid a $0.085 per share quarterly dividend on outstanding common shares. The Company reviews its dividend distribution policy on a regular basis, evaluating its financial position, profitability, cash flow and other factors the Board of Directors considers relevant. No dividends may be declared in the event there is a default of the loan facility, or where such payment would lead to a default.

The following table sets forth the quarterly dividends paid by the Company in the third quarter of the years indicated:

	2014	2013	2012	2011	2010	2009	2008
Dividend per share	**$ 0.085**	$ 0.085	$ 0.085	$ 0.085	$ 0.085	$ 0.085	$ 0.085
Percentage increase	**0.0%**	0.0%	0.0%	0.0%	0.0%	0.0%	21.4%

Commitments, Guarantees and Contingencies

The Company's commitments, guarantees and contingencies remain as described in its December 31, 2013 MD&A.

Risk Factors

The Company's activities are exposed to a variety of operational and financial risks. The Company's overall risk management program focuses on the unpredictability of financial and economic markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Audit Committee of the Board of Directors reviews the Company's risk management policies on an annual basis.

The Company's risk factors remain as described in its December 31, 2013 MD&A.

Critical Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. Actual amounts could differ from these estimates.

Significant changes in assumptions, including those with respect to future business plans and cash flows, could change the recorded amounts by a material amount.

The Company's critical accounting estimates are fully described in the Company's December 31, 2013 Notes to the Financial Statements.

Adoption of New Accounting Standards and Standards Issued But Not Yet Effective

No new accounting standards were adopted by the Company during the reporting period.

The Company will be required to adopt IFRS 9, Financial Instruments, which is the IASB's project to replace IAS 39. IFRS 9 is required to be applied for years beginning on or after January 1, 2018 with early adoption permitted, and will provide new requirements for the classification and measurement of financial assets and liabilities, impairment and hedge accounting. The Company has not yet assessed the impact of this standard.

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers, which clarifies the principles for recognizing revenue and cash flows arising from contracts with customers. The standard is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted, and is to be applied retrospectively. The Company has not yet assessed the impact of this standard.

Internal Controls

Disclosure Controls and Procedures ["DC&P"]

DC&P are designed to provide reasonable assurance that information required to be disclosed by the Company in reports filed with or submitted to various securities regulators is recorded, processed, summarized and reported within the time periods specified. This information is gathered and reported to the Company's management, including the Chief Executive Officer ["CEO"] and Chief Financial Officer ["CFO"], so that timely decisions can be made regarding disclosure.

The Company's management, under supervision of, and with the participation of, the CEO and CFO, have designed and evaluated the Company's DC&P, as required in Canada by National Instrument 52-109, "*Certification of Disclosure in Issuers' Annual and Interim Filings*". Based on this evaluation, the CEO and CFO have concluded that the design of the system of disclosure controls and procedures were effective as at September 30, 2014.

Internal Controls over Financial Reporting ["ICFR"]

ICFR is a process designed by, or under the supervision of, senior management, and effected by the Board of Directors, management and other personnel, to provide reasonable assurances regarding the reliability of financial reporting and preparation of the Company's consolidated financial statements in accordance with IFRS. Management is responsible for establishing and maintaining ICFR and designs such controls to attempt to ensure that the required objectives of these internal controls have been met. Management uses the Internal Control – Integrated Framework (1992) to evaluate the effectiveness of internal control over financial reporting, which is a recognized and suitable framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ["COSO"].

Based on this evaluation, the CEO and CFO have concluded that the design of the Company's internal controls over financial reporting were effective as at September 30, 2014.

In designing and evaluating such controls, it should be recognized that due to inherent limitations, any controls, no matter how well designed and operated, can provide only reasonable assurance and may not prevent or detect all misstatements as a result of, among other things, error or fraud.

In addition, the CEO and CFO evaluated whether there were changes in the internal controls over financial reporting during the interim period ended September 30, 2014 that materially affected, or were reasonably likely to materially affect, the internal controls over financial reporting. There were no such changes during the quarter.