Interim Consolidated Balance Sheets

(unaudited) (thousands of Canadian dollars)	June 30 2015	As at December 31 2014
ASSETS		
Current Assets		
Cash and cash equivalents (note 17)	**$ 73,076**	$ 61,098
Accounts receivable	**165,822**	156,827
Current income taxes receivable	**1,354**	11,474
Derivative financial instruments (note 14)	**373**	424
Prepaid expenses and other deposits	**27,396**	27,007
Total Current Assets	**268,021**	256,830
Non-Current Assets		
Property, plant and equipment (note 4)	**8,096,209**	7,793,693
Goodwill and intangible assets	**591,276**	596,663
Total Assets	**$ 8,955,506**	$ 8,647,186
LIABILITIES AND EQUITY		
Current Liabilities		
Dividends payable (note 5)	**$ 41,071**	$ 39,961
Accounts payable, accrued liabilities and provisions (notes 7 and 8)	**303,537**	390,228
Derivative financial instruments (note 14)	**-**	169
Deferred revenue	**17,503**	18,762
Convertible shares (note 10)	**-**	170,000
Demand facility (note 6)	**1,311**	-
Current portion of long-term debt (note 6)	**-**	149,990
Commercial paper (note 6)	**1,407,171**	1,277,530
Total Current Liabilities	**1,770,593**	2,046,640
Non-Current Liabilities		
Long-term debt (note 6)	**3,436,254**	3,143,941
Provisions (note 7)	**78,816**	66,702
Employee benefits (note 8)	**16,674**	20,088
Long-term deferred revenue and other liabilities	**10,748**	13,848
Deferred income taxes (note 9)	**572,945**	481,333
Total Liabilities	**5,886,030**	5,772,552
Commitments (notes 4 and 12)		
Shareholders' Equity		
Shareholders' equity (note 10)	**2,680,301**	2,513,408
Total reserves (note 10)	**51,929**	34,731
Total Shareholders' Equity	**2,732,230**	2,548,139
Non-Controlling Interest (note 11)	**337,246**	326,495
Total Equity	**3,069,476**	2,874,634
Total Liabilities and Equity	**$ 8,955,506**	$ 8,647,186

See accompanying condensed notes to the interim consolidated financial statements.

Interim Consolidated Statements of Changes in Equity

(unaudited) (thousands of Canadian dollars)

	Attributable to Shareholders of Inter Pipeline Ltd.						
	Share Capital *(note 10)*	Earnings / (Deficit)	Contributed Surplus	Reserves *(note 10)*	Total Shareholders' Equity	Non-Controlling Interest *(note 11)*	Total Equity
Balance, January 1, 2015	$ 2,625,942	$ (114,991)	$ 2,457	$ 34,731	$ 2,548,139	$ 326,495	**$ 2,874,634**
Net income for the period	-	178,991	-	-	178,991	17,602	**196,593**
Other comprehensive income	-	-	-	17,198	17,198	-	**17,198**
Dividends declared (note 5)	-	(244,931)	-	-	(244,931)	-	**(244,931)**
Issuance of common shares (note 10)							
Issued under Premium Dividend™ and Dividend Reinvestment Plan	62,833	-	-	-	62,833	-	**62,833**
Exchanged from convertible shares	170,000	-	-	-	170,000	-	**170,000**
Cash distributions paid by Cold Lake to non-controlling interest	-	-	-	-	-	(16,427)	**(16,427)**
Capital contributions received from Cold Lake non-controlling interest	-	-	-	-	-	9,576	**9,576**
Balance, June 30, 2015	**$ 2,858,775**	**$ (180,931)**	**$ 2,457**	**$ 51,929**	**$ 2,732,230**	**$ 337,246**	**$ 3,069,476**
Balance, January 1, 2014	$ 3,096,752	$ (1,053,255)	$ 2,457	$ 54,296	$ 2,100,250	$ 284,017	$ 2,384,267
Net income for the period	-	167,802	-	-	167,802	7,059	174,861
Other comprehensive income	-	-	-	6,849	6,849	-	6,849
Dividends declared (note 5)	-	(203,497)	-	-	(203,497)	-	(203,497)
Issuance of common shares (note 10)							
Issued under Premium Dividend™ and Dividend Reinvestment Plan	158,654	-	-	-	158,654	-	158,654
Issued for cash (net of issue costs)	291,203	-	-	-	291,203	-	291,203
Stated capital adjustment	(1,026,500)	1,026,500	-	-	-	-	-
Cash distributions paid by Cold Lake to non-controlling interest	-	-	-	-	-	(8,336)	(8,336)
Capital contributions received from Cold Lake non-controlling interest	-	-	-	-	-	21,605	21,605
Balance, June 30, 2014	$ 2,520,109	$ (62,450)	$ 2,457	$ 61,145	$ 2,521,261	$ 304,345	$ 2,825,606

See accompanying condensed notes to the interim consolidated financial statements.

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Interim Consolidated Statements of Net Income

(unaudited) (thousands of Canadian dollars)	Three Months Ended June 30 2015	Three Months Ended June 30 2014	Six Months Ended June 30 2015	Six Months Ended June 30 2014
REVENUES				
Operating revenues	**$ 390,600**	$ 375,827	**$ 796,392**	$ 786,565
EXPENSES				
Shrinkage gas	**40,636**	76,101	**91,839**	166,556
Midstream product purchases	**12,021**	30,254	**26,962**	61,142
Operating	**94,962**	87,649	**183,609**	179,650
Depreciation and amortization	**43,650**	33,296	**85,938**	66,562
Financing charges (note 16)	**33,861**	18,025	**67,961**	38,858
General and administrative	**16,970**	20,568	**35,607**	45,989
Unrealized change in fair value of derivative financial instruments	**(350)**	(129)	**(286)**	(1,343)
Loss (gain) on disposal of assets	**3,719**	(869)	**2,500**	(1,729)
	245,469	264,895	**494,130**	555,685
INCOME BEFORE INCOME TAXES	**145,131**	110,932	**302,262**	230,880
Provision for income taxes (note 9)				
Current	**13,956**	13,183	**28,242**	30,146
Deferred	**57,376**	12,510	**77,427**	25,873
	71,332	25,693	**105,669**	56,019
NET INCOME	**$ 73,799**	$ 85,239	**$ 196,593**	$ 174,861
Net income attributable to				
Shareholders of Inter Pipeline Ltd.	**$ 65,253**	$ 81,678	**$ 178,991**	$ 167,802
Non-controlling interest (note 11)	**8,546**	3,561	**17,602**	7,059
	$ 73,799	$ 85,239	**$ 196,593**	$ 174,861
Net income per share attributable to shareholders of Inter Pipeline Ltd. (note 10)				
Basic	**$ 0.19**	$ 0.25	**$ 0.54**	$ 0.53
Diluted	**$ 0.19**	$ 0.25	**$ 0.54**	$ 0.52

See accompanying condensed notes to the interim consolidated financial statements.

Interim Consolidated Statements of Comprehensive Income

(unaudited) (thousands of Canadian dollars)	Three Months Ended June 30 2015	Three Months Ended June 30 2014	Six Months Ended June 30 2015	Six Months Ended June 30 2014
NET INCOME	**$ 73,799**	$ 85,239	**$ 196,593**	$ 174,861
OTHER COMPREHENSIVE INCOME (LOSS) **(note 10)**				
Item that may be reclassified subsequently to net income				
Unrealized gain (loss) on translating financial statements of foreign operations	**21,181**	(25,703)	**17,198**	6,849
	21,181	(25,703)	**17,198**	6,849
COMPREHENSIVE INCOME	**$ 94,980**	$ 59,536	**$ 213,791**	$ 181,710
Comprehensive income attributable to				
Shareholders of Inter Pipeline Ltd.	**$ 86,434**	$ 55,975	**$ 196,189**	$ 174,651
Non-controlling interest (note 11)	**8,546**	3,561	**17,602**	7,059
	$ 94,980	$ 59,536	**$ 213,791**	$ 181,710

See accompanying condensed notes to the interim consolidated financial statements.

Interim Consolidated Statements of Cash Flows

(unaudited) (thousands of Canadian dollars)	Three Months Ended June 30 2015	Three Months Ended June 30 2014	Six Months Ended June 30 2015	Six Months Ended June 30 2014
OPERATING ACTIVITIES				
Net income	**$ 73,799**	$ 85,239	**$ 196,593**	$ 174,861
Items not involving cash:				
Depreciation and amortization	**43,650**	33,296	**85,938**	66,562
Loss (gain) on disposal of assets	**3,719**	(869)	**2,500**	(1,729)
Non-cash expense (recovery)	**2,784**	1,550	**(4,685)**	(897)
Unrealized change in fair value of derivative financial instruments	**(350)**	(129)	**(286)**	(1,343)
Deferred income tax expense	**57,376**	12,510	**77,427**	25,873
Funds from operations	**180,978**	131,597	**357,487**	263,327
Net change in non-cash operating working capital (note 17)	**(17,626)**	15,686	**(35,552)**	18,168
Cash provided by operating activities	**163,352**	147,283	**321,935**	281,495
INVESTING ACTIVITIES				
Expenditures on property, plant and equipment	**(71,289)**	(253,523)	**(213,596)**	(807,073)
Proceeds on disposal of assets	**1,882**	1,586	**3,568**	2,972
Acquisition of Inter Terminals Sweden (note 2)	**(128,823)**	-	**(128,823)**	-
Assumption of cash on acquisition of Inter Terminals Sweden (note 2)	**889**	-	**889**	-
Net change in non-cash investing working capital (note 17)	**(41,288)**	(122,255)	**(56,678)**	964
Cash used in investing activities	**(238,629)**	(374,192)	**(394,640)**	(803,137)
FINANCING ACTIVITIES				
Cash dividends paid to shareholders of Inter Pipeline Ltd. (note 5)	**(91,824)**	(25,319)	**(182,098)**	(44,843)
Cash distributions paid by Cold Lake to non-controlling interest	**(10,559)**	(4,245)	**(16,427)**	(8,336)
Cash contributions received from Cold Lake non-controlling interest	**3,170**	8,713	**9,576**	21,605
Increase in debt	**183,957**	128,570	**274,111**	323,397
Transaction costs on debt	**(481)**	(4,490)	**(2,451)**	(4,480)
Issuance of common shares	**-**	-	**-**	300,560
Share issue costs	**-**	342	**-**	(12,177)
Net change in non-cash financing working capital (note 17)	**717**	2,127	**1,670**	2,457
Cash provided by financing activities	**84,980**	105,698	**84,381**	578,183
Effect of foreign currency translation on foreign currency denominated cash	**425**	(884)	**302**	217
Increase (decrease) in cash and cash equivalents	**10,128**	(122,095)	**11,978**	56,758
Cash and cash equivalents, beginning of period	**62,948**	226,089	**61,098**	47,236
Cash and cash equivalents, end of period	**$ 73,076**	$ 103,994	**$ 73,076**	$ 103,994
Cash taxes paid	**$ 16,490**	$ 15,501	**$ 17,091**	$ 63,793
Cash interest paid	**$ 29,684**	$ 25,842	**$ 67,160**	$ 62,660

See accompanying condensed notes to the interim consolidated financial statements.

Condensed Notes to Interim Consolidated Financial Statements

June 30, 2015

(unaudited) (thousands of Canadian dollars, except as otherwise indicated)

1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements (interim financial statements) have been prepared in accordance with International Accounting Standards 34 – *Interim Financial Reporting*. These interim financial statements do not contain all disclosures required by International Financial Reporting Standards for annual financial statements and accordingly, should be read in conjunction with Inter Pipeline Ltd.'s (Inter Pipeline) audited consolidated financial statements and notes thereto for the year ended December 31, 2014.

During the period, Inter Pipeline completed the acquisition of four petroleum and petrochemical storage terminals in Sweden, whose accounting policies are aligned with Inter Pipeline's and no new policies were adopted (note 2). Inter Pipeline has consistently applied the same accounting policies for all periods presented in these interim financial statements as those used in Inter Pipeline's audited consolidated financial statements for the year ended December 31, 2014. Certain prior period balances have been reclassified to match the current period presentation.

These interim financial statements were authorized for issue in accordance with a resolution of the Board of Directors of Inter Pipeline on August 6, 2015.

2. ACQUISITION OF INTER TERMINALS SWEDEN

On June 10, 2015, Inter Pipeline completed the acquisition, and thereby obtained control, of four petroleum and petrochemical storage terminals in Sweden, referred to collectively as Inter Terminals Sweden, from a subsidiary of Koninklijke Vopak N.V., through the purchase of 100% of its share capital. The acquisition was valued at $130.9 million, less closing adjustments for working capital and debt, for total cash consideration of $128.8 million and was funded from Inter Pipeline's existing credit facility. The acquisition increases Inter Pipeline's total storage capacity in Europe by approximately 40% and establishes Inter Pipeline as the largest independent bulk liquid storage provider in Scandinavia.

Operating results for Inter Terminals Sweden have been included in the consolidated financial statements since June 11, 2015. Inter Terminals Sweden contributed $2.5 million and $0.4 million to revenue and net income, respectively from the date of acquisition to June 30, 2015. If the acquisition had taken place on January 1, 2015, for the six months ended June 30, 2015, management estimates that Inter Terminals Sweden would have contributed $22.8 million and $2.9 million to revenue and net income, respectively.

The acquisition was accounted for by the acquisition method as at the closing date of June 10, 2015. Determinations of fair value often require management to make assumptions and estimates about future events. The purchase price allocation is preliminary as Inter Pipeline is working to determine the fair value of assets acquired and liabilities assumed at the acquisition date. Changes in any of the assumptions or estimates used in determining the fair values, including closing adjustments and completion of detailed valuation procedures, could positively or negatively impact the carrying amounts assigned. The following table presents the provisional purchase price allocation based on the best information available to date:

Cash	$	889
Property, plant and equipment (note 4)		157,904
Non-cash working capital (note 17)		(3,202)
Decommissioning obligation (note 7)		(10,173)
Deferred income tax liability		(16,595)
	$	128,823

3. SEGMENT REPORTING

Inter Pipeline operates its business under the following principal business segments:

Three Months Ended June 30, 2015

	Canada					Europe	
	Oil Sands Transportation Business	Conventional Oil Pipelines Business	NGL Extraction Business	Corporate	Total Canadian Operations	Bulk Liquid Storage Business	Total Canadian and European Operations
REVENUES	$ 182,719	$ 74,703	$ 88,770	$ -	$ 346,192	$ 44,408	$ 390,600
EXPENSES							
Shrinkage gas	-	-	40,636	-	40,636	-	40,636
Midstream product purchases	-	12,021	-	-	12,021	-	12,021
Operating	32,634	16,975	24,900	-	74,509	20,453	94,962
Depreciation and amortization	21,435	3,100	7,689	1,567	33,791	9,859	43,650
Financing charges	7,056	167	73	26,309	33,605	256	33,861
General and administrative	5,368	-	-	8,899	14,267	2,703	16,970
Unrealized change in fair value of derivative financial instruments	-	(350)	-	-	(350)	-	(350)
Loss on disposal of assets	2,142	-	1,517	-	3,659	60	3,719
	68,635	31,913	74,815	36,775	212,138	33,331	245,469
INCOME (LOSS) BEFORE INCOME TAXES	114,084	42,790	13,955	(36,775)	134,054	11,077	145,131
Provision for income taxes	30,688	-	-	39,752	70,440	892	71,332
NET INCOME (LOSS)	$ 83,396	$ 42,790	$ 13,955	$ (76,527)	$ 63,614	$ 10,185	$ 73,799
Items not involving cash:							
Depreciation and amortization[(1)]	23,577	3,100	9,206	1,567	37,450	9,919	47,369
Non-cash expense (recovery)	359	997	125	1,438	2,919	(135)	2,784
Unrealized change in fair value of derivative financial instruments	-	(350)	-	-	(350)	-	(350)
Deferred income tax expense	27,627	-	-	29,090	56,717	659	57,376
FUNDS FROM (USED IN) OPERATIONS	$ 134,959	$ 46,537	$ 23,286	$ (44,432)	$ 160,350	$ 20,628	$ 180,978
PROPERTY, PLANT AND EQUIPMENT ADDITIONS	$ 25,677	$ 38,190	$ 1,203	$ 4,153	$ 69,223	$ 8,601	$ 77,824
							As at June 30, 2015
Property, plant and equipment - net book value	$ 6,169,911	$ 603,044	$ 405,944	$ 22,333	$ 7,201,232	$ 894,977	$ 8,096,209
Goodwill and intangible assets - net book value	$ 221,151	$ -	$ 184,870	$ -	$ 406,021	$ 185,255	$ 591,276
Other assets	$ 133,850	$ 32,505	$ 37,592	$ 1,922	$ 205,869	$ 62,152	$ 268,021
TOTAL ASSETS	$ 6,524,912	$ 635,549	$ 628,406	$ 24,255	$ 7,813,122	$ 1,142,384	$ 8,955,506

(1) Includes loss on disposal of assets

Three Months Ended June 30, 2014

	Canada					Europe	
	Oil Sands Transportation Business	Conventional Oil Pipelines Business	NGL Extraction Business	Corporate	Total Canadian Operations	Bulk Liquid Storage Business	Total Canadian and European Operations
REVENUES	$ 102,842	$ 96,042	$ 136,959	$ -	$ 335,843	$ 39,984	$ 375,827
EXPENSES							
Shrinkage gas	-	-	76,101	-	76,101	-	76,101
Midstream product purchases	-	30,254	-	-	30,254	-	30,254
Operating	27,970	16,455	26,217	-	70,642	17,007	87,649
Depreciation and amortization	12,420	2,666	7,442	934	23,462	9,834	33,296
Financing charges	8,457	171	75	9,064	17,767	258	18,025
General and administrative	2,162	-	-	15,325	17,487	3,081	20,568
Unrealized change in fair value of derivative financial instruments	-	(129)	-	-	(129)	-	(129)
Gain on disposal of assets	-	(29)	-	-	(29)	(840)	(869)
	51,009	49,388	109,835	25,323	235,555	29,340	264,895
INCOME (LOSS) BEFORE INCOME TAXES	51,833	46,654	27,124	(25,323)	100,288	10,644	110,932
Provision for (recovery of) income taxes	9,511	-	-	16,242	25,753	(60)	25,693
NET INCOME (LOSS)	$ 42,322	$ 46,654	$ 27,124	$ (41,565)	$ 74,535	$ 10,704	$ 85,239
Items not involving cash:							
Depreciation and amortization[(1)]	12,420	2,637	7,442	934	23,433	8,994	32,427
Non-cash expense (recovery)	168	468	168	1,903	2,707	(1,157)	1,550
Unrealized change in fair value of derivative financial instruments	-	(129)	-	-	(129)	-	(129)
Deferred income tax expense (recovery)	8,162	-	-	4,749	12,911	(401)	12,510
FUNDS FROM (USED IN) OPERATIONS	$ 63,072	$ 49,630	$ 34,734	$ (33,979)	$ 113,457	$ 18,140	$ 131,597
PROPERTY, PLANT AND EQUIPMENT ADDITIONS	$ 228,356	$ 9,397	$ 3,816	$ 1,678	$ 243,247	$ 10,776	$ 254,023
							As at December 31, 2014
Property, plant and equipment - net book value	$ 6,112,960	$ 522,587	$ 412,179	$ 19,003	$ 7,066,729	$ 726,964	$ 7,793,693
Goodwill and intangible assets - net book value	$ 222,985	$ -	$ 189,975	$ -	$ 412,960	$ 183,703	$ 596,663
Other assets	$ 101,638	$ 43,649	$ 49,394	$ 13,042	$ 207,723	$ 49,107	$ 256,830
TOTAL ASSETS	$ 6,437,583	$ 566,236	$ 651,548	$ 32,045	$ 7,687,412	$ 959,774	$ 8,647,186

(1) Includes gain on disposal of assets

Six Months Ended June 30, 2015

	Canada					Europe	
	Oil Sands Transportation Business	Conventional Oil Pipelines Business	NGL Extraction Business	Corporate	Total Canadian Operations	Bulk Liquid Storage Business	Total Canadian and European Operations
REVENUES	$ 360,086	$ 152,511	$ 191,313	$ -	$ 703,910	$ 92,482	$ 796,392
EXPENSES							
Shrinkage gas	-	-	91,839	-	91,839	-	91,839
Midstream product purchases	-	26,962	-	-	26,962	-	26,962
Operating	64,159	31,823	47,235	-	143,217	40,392	183,609
Depreciation and amortization	42,584	6,020	15,257	2,828	66,689	19,249	85,938
Financing charges	14,659	571	146	52,041	67,417	544	67,961
General and administrative	10,107	-	-	19,591	29,698	5,909	35,607
Unrealized change in fair value of derivative financial instruments	-	(286)	-	-	(286)	-	(286)
Loss (gain) on disposal of assets	2,142	(28)	1,611	-	3,725	(1,225)	2,500
	133,651	65,062	156,088	74,460	429,261	64,869	494,130
INCOME (LOSS) BEFORE INCOME TAXES	226,435	87,449	35,225	(74,460)	274,649	27,613	302,262
Provision for income taxes	44,104	-	-	59,282	103,386	2,283	105,669
NET INCOME (LOSS)	$ 182,331	$ 87,449	$ 35,225	$ (133,742)	$ 171,263	$ 25,330	$ 196,593
Items not involving cash:							
Depreciation and amortization(1)	44,726	5,992	16,868	2,828	70,414	18,024	88,438
Non-cash (recovery) expense	(46)	165	(72)	(1,400)	(1,353)	(3,332)	(4,685)
Unrealized change in fair value of derivative financial instruments	-	(286)	-	-	(286)	-	(286)
Deferred income tax expense	38,191	-	-	38,144	76,335	1,092	77,427
FUNDS FROM (USED IN) OPERATIONS	265,202	93,320	52,021	(94,170)	316,373	41,114	357,487
PROPERTY, PLANT AND EQUIPMENT ADDITIONS	$ 106,888	$ 86,567	$ 5,434	$ 6,227	$ 205,116	$ 14,661	$ 219,777

(1) Includes loss (gain) on disposal of assets

Six Months Ended June 30, 2014

	Canada					Europe	
	Oil Sands Transportation Business	Conventional Oil Pipelines Business	NGL Extraction Business	Corporate	Total Canadian Operations	Bulk Liquid Storage Business	Total Canadian and European Operations
REVENUES	$ 208,014	$ 187,227	$ 305,344	$ -	$ 700,585	$ 85,980	$ 786,565
EXPENSES							
Shrinkage gas	-	-	166,556	-	166,556	-	166,556
Midstream product purchases	-	61,142	-	-	61,142	-	61,142
Operating	57,386	30,025	55,517	-	142,928	36,722	179,650
Depreciation and amortization	24,772	5,279	15,082	1,707	46,840	19,722	66,562
Financing charges	16,921	341	150	20,898	38,310	548	38,858
General and administrative	4,659	-	-	35,923	40,582	5,407	45,989
Unrealized change in fair value of derivative financial instruments	-	(96)	(1,247)	-	(1,343)	-	(1,343)
Gain on disposal of assets	-	(36)	-	-	(36)	(1,693)	(1,729)
	103,738	96,655	236,058	58,528	494,979	60,706	555,685
INCOME (LOSS) BEFORE INCOME TAXES	104,276	90,572	69,286	(58,528)	205,606	25,274	230,880
Provision for income taxes	18,650	-	-	36,383	55,033	986	56,019
NET INCOME (LOSS)	$ 85,626	$ 90,572	$ 69,286	$ (94,911)	$ 150,573	$ 24,288	$ 174,861
Items not involving cash:							
Depreciation and amortization[1]	24,772	5,243	15,082	1,707	46,804	18,029	64,833
Non-cash (recovery) expense	(64)	(88)	94	620	562	(1,459)	(897)
Unrealized change in fair value of derivative financial instruments	-	(96)	(1,247)	-	(1,343)	-	(1,343)
Deferred income tax expense (recovery)	16,128	-	-	10,836	26,964	(1,091)	25,873
FUNDS FROM (USED IN) OPERATIONS	$ 126,462	$ 95,631	$ 83,215	$ (81,748)	$ 223,560	$ 39,767	$ 263,327
PROPERTY, PLANT AND EQUIPMENT ADDITIONS	$ 765,213	$ 16,097	$ 5,579	$ 2,854	$ 789,743	$ 15,192	$ 804,935

(1) Includes gain on disposal of assets

4. PROPERTY, PLANT AND EQUIPMENT

	Pipelines, Facilities and Equipment	Pipeline Line Fill	Construction Work in Progress	Total
COST				
Balance, January 1, 2014	$ 5,802,938	$ 273,829	$ 1,656,790	$ 7,733,557
Additions/transfers from construction (1)	1,384,382	14,141	1,220,291	2,618,814
Disposals/completed construction (1)	(8,661)	-	(1,382,662)	(1,391,323)
Foreign currency translation adjustments	(11,218)	-	383	(10,835)
Balance, December 31, 2014	7,167,441	287,970	1,494,802	8,950,213
Acquisition of Inter Terminals Sweden (note 2)	146,631	-	11,273	157,904
Additions/transfers from construction (1)	1,545,593	27,226	197,943	1,770,762
Disposals/completed construction (1)	(5,917)	(6,523)	(1,551,525)	(1,563,965)
Foreign currency translation adjustments	24,623	-	590	25,213
Balance, June 30, 2015	**$ 8,878,371**	**$ 308,673**	**$ 153,083**	**$ 9,340,127**
ACCUMULATED DEPRECIATION				
Balance, January 1, 2014	$ 1,018,952	$ 14,903	$ -	$ 1,033,855
Depreciation	122,931	2,905	-	125,836
Disposals	(3,318)	-	-	(3,318)
Foreign currency translation adjustments	147	-	-	147
Balance, December 31, 2014	1,138,712	17,808	-	1,156,520
Depreciation	77,470	1,461	-	78,931
Disposals	(1,689)	-	-	(1,689)
Foreign currency translation adjustments	10,156	-	-	10,156
Balance, June 30, 2015	**$ 1,224,649**	**$ 19,269**	**$ -**	**$ 1,243,918**
NET BOOK VALUE				
At December 31, 2014	$ 6,028,729	$ 270,162	$ 1,494,802	$ 7,793,693
At June 30, 2015	**$ 7,653,722**	**$ 289,404**	**$ 153,083**	**$ 8,096,209**

(1) The majority of property, plant and equipment additions are related to constructed assets and are initially recorded as construction work in progress before being transferred to pipelines, facilities and equipment or pipeline line fill when the related asset is available for use.

At June 30, 2015, Inter Pipeline expects to spend $530.4 million on property, plant and equipment, of which $221.0 million is due within one year and $309.4 million is due in one to five years. These amounts do not include capital expenditures related to the 15% non-controlling interest in Cold Lake.

5. DIVIDENDS TO SHAREHOLDERS

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	**2015**	2014
Dividends declared to shareholders of Inter Pipeline	**$ 123,085**	$ 103,880	**$ 244,931**	$ 203,497
Dividends settled with the issuance of shares under the Premium Dividend™ and Dividend Reinvestment Plan	**(31,261)**	(78,561)	**(62,833)**	(158,654)
Cash dividends paid to shareholders of Inter Pipeline	**$ 91,824**	$ 25,319	**$ 182,098**	$ 44,843
Dividends declared ($ per share)	**$ 0.3675**	$ 0.3225	**$ 0.7350**	$ 0.6450

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As at June 30, 2015, dividends of $41.1 million were payable on 335.3 million outstanding common shares at $0.1225 per share (December 31, 2014 - $40.0 million payable on 326.2 million outstanding common shares at $0.1225 per share).

On July 8, 2015, Inter Pipeline declared dividends of $0.1225 per share. The dividends will be paid on or about August 14, 2015, to all shareholders of record on July 22, 2015. The total estimated declared dividends are approximately $41.1 million. On August 6, 2015, Inter Pipeline declared dividends of $0.1225 per share. The dividends will be paid on or about September 15, 2015, to all shareholders of record on August 21, 2015. The total estimated declared dividends are approximately $41.2 million.

6. LONG-TERM DEBT, SHORT-TERM DEBT AND COMMERCIAL PAPER

	June 30 2015	December 31 2014
$1,550 million Unsecured Revolving Credit Facility (a)	$ 1,409,700	$ 1,279,700
$1,250 million Unsecured Revolving Credit Facility (b)	679,000	686,000
Corridor Debentures (c)	150,000	300,000
Senior Unsecured MTN (d)	2,625,000	2,325,000
Demand Facility (e)	1,386	-
Long-term debt, short-term debt and commercial paper (excluding transaction costs and discounts)	4,865,086	4,590,700
Less: short-term debt, current portion of long-term debt and commercial paper[1]	(1,411,086)	(1,429,700)
Long-term debt (excluding transaction costs and discounts)	3,454,000	3,161,000
Transaction costs, net of accumulated amortization	(17,859)	(17,022)
Discount, net of accumulated amortization	(2,491)	(2,217)
Add: Current portion of transaction costs and discounts	2,604	2,180
Long-term debt	3,436,254	3,143,941
Short-term debt and current portion of long-term debt including transaction costs and discounts	1,311	149,990
Commercial paper including transaction costs and discounts[1] (a)	1,407,171	1,277,530
	$ 4,844,736	$ 4,571,461

(1) Commercial paper issued by Corridor is fully supported and management expects that it will continue to be supported by the $1,550 million Unsecured Revolving Credit Facility that has no repayment requirements until December 2018.

a) At June 30, 2015, letters of credit of $0.2 million were issued by Inter Pipeline (Corridor) Inc. (Corridor).

b) At June 30, 2015, letters of credit of $0.4 million were issued by Inter Pipeline.

c) Corridor Debentures are defined as the $150 million 5.033% Series B debentures and the $150 million 4.897% Series C debentures. On February 2, 2015, the $150 million 5.033% Series B debentures matured and were repaid with funds available under Corridor's $1,550 million Unsecured Revolving Credit Facility.

d) On March 23, 2015, Inter Pipeline issued $300 million of Senior Unsecured Medium-Term Notes (MTN) in the Canadian public debt market under Inter Pipeline's short form base shelf prospectus dated December 9, 2013, a related prospectus supplement dated May 27, 2014 and a related pricing supplement dated March 18, 2015. The $300 million MTN Series 7, due March 24, 2025, bear interest at the rate of 3.173% per annum, payable semi-annually. The proceeds from this issuance were used to repay bank indebtedness incurred through funding Inter Pipeline's capital expenditure program and for other general corporate purposes.

Senior Unsecured MTN are defined as the $325 million 4.967% MTN Series 1 due February 2, 2021, the $200 million 3.839% MTN Series 2 due July 30, 2018, the $400 million 3.776% MTN Series 3 due May 30, 2022, the $500 million 3.448% MTN Series 4 due July 20, 2020, the $500 million 4.637% MTN Series 5 due May 30, 2044, the $400 million floating rate MTN Series 6 due May 30, 2017, and the MTN Series 7 as described above.

e) On March 10, 2015, Inter Pipeline's subsidiaries Inter Terminals Limited and Inter Terminals EOT ApS entered into a Pound Sterling 20 million demand facility for general corporate and working capital purposes. Funds drawn in Pound Sterling bear interest at the London Interbank Offered Rate plus 100 basis points and funds drawn in Euro bear interest at the Euro Interbank Offered Rate plus 100 basis points.

7. PROVISIONS

	June 30 2015	December 31 2014
Decommissioning obligations	**$ 59,403**	$ 48,089
Environmental liabilities	**19,413**	18,613
Provisions	**$ 78,816**	$ 66,702

In addition to the above provisions, $24.1 million is included in accounts payable, accrued liabilities and provisions related to construction reclamation work at June 30, 2015 (December 31, 2014 - $50.1 million).

8. EMPLOYEE BENEFITS

	June 30 2015	December 31 2014
Long-term incentive plan liability	**$ 4,753**	$ 8,541
Pension liability	**11,921**	11,547
Employee benefits	**$ 16,674**	$ 20,088

For the three and six months ended June 30, 2015, employee benefits expense recognized in net income was $26.7 million and $50.4 million, respectively (three and six months ended June 30, 2014 - $30.6 million and $60.8 million, respectively).

Long-Term Incentive Plan Liability

Restricted Share Units

The following table summarizes the status of Inter Pipeline's Restricted Share Units (RSUs) as at June 30, 2015, and December 31, 2014:

	Number of RSUs
Balance, January 1, 2014	1,132,243
Granted	637,164
Exercised	(580,099)
Forfeitures	(46,955)
Balance, December 31, 2014	1,142,353
Granted	426,584
Exercised	(61,709)
Forfeitures	(18,204)
Balance, June 30, 2015	**1,489,024**

At June 30, 2015, the current portion of the liability included in accounts payable, accrued liabilities and provisions was $28.5 million (December 31, 2014 - $22.9 million). At June 30, 2015, 512,275 RSUs are exercisable. Inter Pipeline's five trading day simple average closing share price at June 30, 2015, was $29.58.

The total intrinsic value of RSUs vested and not exercised as at June 30, 2015, was $16.6 million (December 31, 2014 - $21.1 million).

The weighted average remaining contractual life of the outstanding RSUs as at June 30, 2015, was 1.5 years (December 31, 2014 - 1.5 years).

For the three months ended June 30, 2015, RSU costs of $0.5 million were included in operating expenses and $0.5 million were included in general and administrative expenses (three months ended June 30, 2014 - $2.1 million and $6.9 million, respectively). For the six months ended June 30, 2015, RSU costs of $1.1 million were included in operating expenses and $2.1 million were included in general and administrative expenses (six months ended June 30, 2014 - $3.9 million and $12.4 million, respectively).

Performance Share Units

Effective January 1, 2015, Inter Pipeline implemented a Performance Share Unit Plan (PSUP) for its officers. The PSUP is governed by a PSUP document that defines how Performance Share Unit (PSU) awards will be determined and administered.

A PSU is valued based on the 20 trading day volume weighted average price of Inter Pipeline's common shares, plus an amount equivalent to cash dividends paid to date, and a performance multiplier. The performance multiplier is determined based on the achievement of two equally weighted, pre-determined, Board approved performance criteria as follows:

a) Total relative shareholder return which is measured by Inter Pipeline's share price performance, including dividends paid to shareholders, relative to the performance of Inter Pipeline's Canadian infrastructure peer group; and

b) Funds from operations attributable to shareholders after sustaining capital per share which is measured based on Inter Pipeline's performance relative to a pre-determined target.

The PSUP has been structured to allow payouts of up to two times the initial grant value in the event of extraordinary performance. Conversely, a payout of zero could result if certain thresholds are not met during the three year performance period.

The PSUs will cliff vest at the end of a three year performance period. Upon vesting of a PSU, the amount owing will be paid out in cash net of applicable withholding taxes.

On January 1, 2015, 113,070 PSUs were granted and all PSUs remain outstanding at June 30, 2015.

At June 30, 2015, no PSUs have vested. Inter Pipeline's 20 trading day volume weighted average share price at June 30, 2015, was $29.68.

The weighted average remaining contractual life of the outstanding PSUs as at June 30, 2015, was 2.5 years.

PSU costs included in general and administrative expenses for the three and six months ended June 30, 2015, were $0.3 million and $0.6 million, respectively.

9. INCOME TAXES

On June 18, 2015, the Government of Alberta announced legislation which increased the general provincial corporate income tax rate from 10% to 12%, effective July 1, 2015. The result of this increase in tax rate is a $35.9 million increase in deferred income tax liabilities.

Income tax expense varies from amounts computed by applying the Canadian federal and provincial statutory income tax rates to income before income taxes as shown in the following table:

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	**2015**	2014
Income before income taxes per consolidated financial statements	**$ 145,131**	$ 110,932	**$ 302,262**	$ 230,880
Income before income taxes attributable to non-controlling interest	**(8,563)**	(3,572)	**(17,644)**	(7,081)
Adjusted income before income taxes	**136,568**	107,360	**284,618**	223,799
Tax rate	**26.0%**	25.0%	**26.0%**	25.0%
	35,508	26,840	**74,001**	55,950
Impact of tax rate increase	**35,914**	-	**35,914**	-
Deductible intercompany interest	**(1,922)**	(1,762)	**(3,857)**	(218)
Other	**1,832**	615	**(389)**	287
Provision for income taxes	**$ 71,332**	$ 25,693	**$ 105,669**	$ 56,019

The tax rates used in the reconciliation above are the combined federal and provincial tax rates payable by Inter Pipeline in Canada.

10. SHAREHOLDERS' EQUITY

Authorized

Unlimited number of common shares, with voting rights and no par value.

Class A preferred shares, limited to not more than 20% of the number of issued and outstanding common shares, with no voting rights.

Issued, Fully Paid and Outstanding

	Number of Common Shares	Share Capital
Balance, January 1, 2014	306,795,370	$ 3,096,752
Issued under Premium Dividend™ and Dividend Reinvestment Plan	9,016,871	264,472
Common shares issued, net of issue costs	10,400,000	291,218
Stated capital adjustment	-	(1,026,500)
Balance, December 31, 2014	326,212,241	$ 2,625,942
Issued under Premium Dividend™ and Dividend Reinvestment Plan	2,005,171	62,833
Exchanged from convertible shares	7,055,406	170,000
Balance, June 30, 2015	**335,272,818**	**$ 2,858,775**

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Convertible Shares

In January 2015, as a result of successful completion of transportation infrastructure related to the Foster Creek and Christina Lake expansion projects, the $170 million second instalment, recorded as a current liability at December 31, 2014, and consisting of 7,055,406 convertible shares, was satisfied when the convertible shares were converted on a one-for-one basis into common shares of Inter Pipeline. The common shares were recorded as shareholders' equity in January 2015.

Calculation of Net Income per Common Share

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	**2015**	2014
Net income attributable to shareholders – basic and diluted	**$ 65,253**	$ 81,678	**$ 178,991**	$ 167,802
Weighted average shares outstanding – basic	**334,753,556**	321,647,890	**333,154,497**	315,347,540
Effect of Premium Dividend™ and Dividend Reinvestment Plan	**256,380**	673,466	**253,866**	705,185
Effect of convertible shares	**-**	7,055,406	**-**	7,055,406
Weighted average shares outstanding – diluted	**335,009,936**	329,376,762	**333,408,363**	323,108,131
Net income per common share attributable to shareholders –				
Basic	**$ 0.19**	$ 0.25	**$ 0.54**	$ 0.53
Diluted	**$ 0.19**	$ 0.25	**$ 0.54**	$ 0.52

Reserves

Reserves are summarized as follows:

	Foreign Currency Translation Reserve	Defined Benefit Pension Reserve	Total Reserves
Balance, January 1, 2014	$ 67,541	$ (13,245)	$ 54,296
Other comprehensive income	6,849	-	6,849
Balance, June 30, 2014	$ 74,390	$ (13,245)	$ 61,145
Balance, January 1, 2015	$ 52,362	$ (17,631)	$ 34,731
Other comprehensive income	17,198	-	17,198
Balance, June 30, 2015	**$ 69,560**	**$ (17,631)**	**$ 51,929**

TM Denotes trademark of Canaccord Genuity Corp.

11. NON-CONTROLLING INTEREST

Summarized information on the consolidated balance sheets and results of operations relating to the 15% non-controlling interest in Cold Lake, which has its principal place of business in Calgary, Alberta, are as follows:

		June 30		December 31
		2015		2014
Current assets	**$**	**9,086**	$	7,023
Non-current assets		**332,698**		328,734
Current liabilities		**(4,480)**		(9,220)
Non-current liabilities		**(58)**		(42)
Proportionate share of net assets	**$**	**337,246**	$	326,495

	Three Months Ended June 30				Six Months Ended June 30			
		2015		2014		**2015**		2014
Revenues	**$**	**12,605**	$	6,420	**$**	**25,135**	$	12,825
Expenses		**(4,042)**		(2,848)		**(7,491)**		(5,744)
Current income tax		**(17)**		(11)		**(42)**		(22)
Proportionate share of net income and comprehensive income	**$**	**8,546**	$	3,561	**$**	**17,602**	$	7,059

12. COMMITMENTS AND CONTINGENCIES

Inter Pipeline has purchase obligation commitments totaling approximately $217.5 million at June 30, 2015. Inter Pipeline is also committed to investing capital in the bulk liquid storage business to comply with the United Kingdom's Containment Policy. Potential solutions are being evaluated and expenditures are estimated to be in the range of $5.0 million to $7.0 million over the next seven years. Refer to note 4 for expected property, plant and equipment expenditures.

Inter Pipeline has lease agreements for office space, storage, property, plant and equipment and land for periods ranging from 2015 to 2094. At June 30, 2015, the future lease obligations are approximately $315.6 million.

13. CAPITAL DISCLOSURES

Capital under management includes long-term debt, short-term debt and commercial paper (excluding discounts and transaction costs) and shareholders' equity.

At June 30, 2015, Inter Pipeline had access to committed credit facilities totaling $2,800.0 million, of which $711.3 million remained unutilized. Inter Pipeline also had access to demand facilities of $104.3 million, of which $102.3 million remained unutilized. Certain unutilized amounts under these facilities are available to specific subsidiaries of Inter Pipeline.

Management's long-term objective is to remain well below its maximum permitted ratio of 65% recourse debt to capitalization. The recourse debt to capitalization measure below is similar to the coverage ratio terms contained in Inter Pipeline's credit agreement.

	June 30 2015	December 31 2014
Long-term debt, short-term debt and commercial paper		
(excluding transaction costs and discounts, per note 6)		
Recourse debt	**$ 3,305,386**	$ 3,011,000
Non-recourse debt	**1,559,700**	1,579,700
	4,865,086	4,590,700
Total shareholders' equity	**2,732,230**	2,548,139
Total capitalization	**$ 7,597,316**	$ 7,138,839
Capitalization (excluding non-recourse debt)	**$ 6,037,616**	$ 5,559,139
Recourse debt to capitalization[1]	**54.7%**	54.2%

(1) Recourse debt to capitalization is an additional GAAP measure and is calculated by dividing the sum of debt facilities outstanding with recourse to Inter Pipeline (excluding discounts and debt transaction costs) by total capitalization excluding outstanding debt facilities with no recourse to Inter Pipeline.

Inter Pipeline was compliant with all covenants throughout each of the periods presented.

14. FINANCIAL INSTRUMENTS

a) Classification of Financial Assets and Financial Liabilities

The carrying value of Inter Pipeline's financial assets and liabilities recorded at June 30, 2015, are classified as follows:

	Fair Value Through Profit or Loss	Cash, Loans and Receivables	Other Financial Liabilities	Carrying Value of Financial Asset or Liability	Non-Financial Asset or Liability[1]	Carrying Value of Asset or Liability
Assets[2]						
Cash and cash equivalents	$ -	$ 73,076	$ -	$ 73,076	$ -	$ 73,076
Accounts receivable	-	156,181	-	156,181	9,641	165,822
Derivative financial instruments[3]	373	-	-	373	-	373
Prepaid expenses and other deposits	-	868	-	868	26,528	27,396
Liabilities						
Dividends payable	$ -	$ -	$ 41,071	$ 41,071	$ -	$ 41,071
Accounts payable, accrued liabilities and provisions	-	-	228,829	228,829	74,708	303,537
Deferred revenue and other liabilities	-	-	4,932	4,932	23,319	28,251
Long-term debt, short-term debt and commercial paper (note 6)[4]	-	-	4,865,086	4,865,086	-	4,865,086

(1) Not all components of assets and liabilities meet the definition of a financial asset or liability.

(2) Inter Pipeline does not have any assets that meet the definition of "available-for-sale" or "held-to-maturity."

(3) Financial instruments measured at fair value through profit and loss are recorded at fair value using a discounted cash flow methodology.

(4) Carrying values include commercial paper and exclude discounts and transaction costs with the respective accumulated amortization.

b) Fair Value of Fixed Rate Debt

At June 30, 2015, the carrying values of fixed rate debt compared to fair values are as follows:

	Carrying Value[1]	Fair Value
Corridor Series C debentures	$ 150,000	$ 168,672
Senior Unsecured MTN Series 1, 2, 3, 4, 5 and 7	$ 2,225,000	$ 2,306,757

(1) Carrying value excludes transaction costs, discount and accumulated amortization.

15. RISK MANAGEMENT

Inter Pipeline is exposed to a number of inherent financial risks arising in the normal course of operations which include market risk related to interest rates, commodity prices and foreign currency exchange rates, credit risk and liquidity risk.

a) Market Risk

Based on the variable rate debt obligations outstanding at June 30, 2015, a 1% change in interest rates at this date would have changed interest expense for the three and six months ended June 30, 2015, by approximately $6.2 million and $12.3 million, respectively, assuming all other variables remain constant. Of these amounts, $3.5 million and $7.0 million for the three and six months ended June 30, 2015, respectively, relate to the $1,550 million Unsecured Revolving Credit Facility (note 6) and is recoverable through the terms of the Corridor firm service agreement; therefore, the after-tax income impact for the three and six months ended June 30, 2015, would be $2.0 million and $3.9 million, respectively. As at June 30, 2015, there were no interest rate hedges outstanding.

Inter Pipeline has an existing electricity price swap agreement to manage power price risk exposure in the conventional oil pipelines business. Inter Pipeline may also enter into financial heat rate swap contracts to manage power price risk exposure in the NGL extraction business. As at June 30, 2015, there were no heat rate price swap agreements outstanding.

Inter Pipeline may enter into NGL, AECO natural gas, and foreign exchange swap contracts to manage frac-spread risk exposure in the NGL extraction business. As at June 30, 2015, there were no frac-spread positions outstanding.

Transactional foreign currency risk exposures have not been significant historically, therefore are generally not hedged; however, Inter Pipeline may decide to hedge this risk in the future. As at June 30, 2015, there are no foreign exchange hedges outstanding.

b) Credit Risk

Credit risk exposure relates primarily to the non-performance of Inter Pipeline's customers and financial counterparties. Inter Pipeline believes that the credit risk arising from cash and cash equivalents, deposits and derivative financial instruments outstanding is minimal as these financial assets are predominantly held with major financial institutions or investment grade corporations.

At June 30, 2015, Inter Pipeline considers that the risk of non-performance of its customers is minimal based on Inter Pipeline's credit approval, ongoing monitoring procedures and historical experience.

Accounts receivable are deemed past due if they are aged greater than 60 days and are considered to be impaired if one or more events have occurred that would impact the estimated future cash flows of that asset. At June 30, 2015, accounts receivable outstanding meeting the definition of either past due or impaired are insignificant.

Concentrations of credit risk associated with accounts receivable relate to a limited number of principal customers in the oil sands transportation and NGL extraction business segments, the majority of which are affiliated with investment grade corporations in the energy and chemical industry sectors. At June 30, 2015, accounts receivable associated with these two business segments were $116.5 million or 70.2% of total accounts receivable outstanding. Inter Pipeline believes the credit risk associated with the remainder of accounts receivable is minimized due to diversity across business segments and customers.

c) Liquidity Risk

The table below summarizes the contractual maturity profile of Inter Pipeline's financial liabilities at June 30, 2015, on an undiscounted basis:

	Total	Less Than One Year	One to Five Years	After Five Years
Dividends payable	$ 41,071	$ 41,071	$ -	$ -
Accounts payable, accrued liabilities and provisions	303,537	303,537	-	-
Deferred revenue and other liabilities	28,251	17,503	6,152	4,596
Long-term debt, short-term debt and commercial paper[1]	4,865,086	1,411,086	1,429,000	2,025,000
	$ 5,237,945	$ 1,773,197	$ 1,435,152	$ 2,029,596

(1) Commercial paper issued by Corridor is fully supported and management expects that it will continue to be supported by the $1,550 million Unsecured Revolving Credit Facility that has no repayment requirements until December 2018.

16. FINANCING CHARGES

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	**2015**	2014
Interest expense on credit facilities	**$ 8,641**	$ 9,743	**$ 17,851**	$ 20,448
Interest on loan payable to Private Placement noteholders	**-**	4,403	**-**	8,817
Interest on Corridor Debentures	**1,832**	2,516	**3,856**	5,009
Interest on Senior Unsecured MTN	**23,688**	16,719	**45,212**	30,760
Total Interest	**34,161**	33,381	**66,919**	65,034
Capitalized interest	**(1,634)**	(16,767)	**(1,852)**	(29,072)
Amortization of transaction costs on long-term debt, short- term debt and commercial paper	**824**	875	**1,614**	1,804
Accretion of provisions and pension plan funding charges	**510**	536	**1,280**	1,092
Financing charges	**$ 33,861**	$ 18,025	**$ 67,961**	$ 38,858

17. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in Non-Cash Working Capital

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	**2015**	2014
Accounts receivable	**$ (6,143)**	$ 31,269	**$ (8,995)**	$ 98,381
Current income taxes receivable	**(1,354)**	-	**10,120**	-
Prepaid expense and other deposits	**(3,235)**	(21,330)	**(389)**	(7,547)
Dividends payable	**126**	1,412	**1,110**	1,742
Accounts payable, accrued liabilities and provisions	**(41,350)**	(110,932)	**(86,267)**	(58,111)
Current income taxes payable	**(2,413)**	-	**-**	(31,232)
Deferred revenue	**743**	(4,891)	**(1,259)**	18,403
Working capital acquired (note 2)	**(3,202)**	-	**(3,202)**	-
Impact of foreign exchange rate differences and other	**(1,369)**	30	**(1,678)**	(47)
Changes in non-cash working capital	**$ (58,197)**	$ (104,442)	**$ (90,560)**	$ 21,589
These changes relate to the following activities:				
Operating	**$ (17,626)**	$ 15,686	**$ (35,552)**	$ 18,168
Investing	**(41,288)**	(122,255)	**(56,678)**	964
Financing	**717**	2,127	**1,670**	2,457
Changes in non-cash working capital	**$ (58,197)**	$ (104,442)	**$ (90,560)**	$ 21,589

Cash and Cash Equivalents

	June 30 2015	December 31 2014
Cash on hand and at banks	**$ 68,780**	$ 56,537
Short-term deposits	**4,296**	4,561
	$ 73,076	$ 61,098