UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES AND EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 17, 2012 (December 11, 2012)

WESCO International, Inc.
(Exact name of registrant as specified in its charter)

Commission file number **001-14989**

Delaware	**25-1723342**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
225 West Station Square Drive **Suite 700** **Pittsburgh, Pennsylvania 15219**	**(412) 454-2200**
(Address of principal executive offices)	(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

WESCO International, Inc. (the "Company") filed a Current Report on Form 8-K on December 17, 2012 to report (i) the entrance by WESCO Distribution, Inc. ("WESCO Distribution"), WDCC Enterprises Inc. and the Company into a Term Loan Agreement, dated as of December 12, 2012; (ii) the entrance by WESCO Distribution and certain other subsidiaries of the Company into an Amended and Restated Credit Agreement, dated as of December 12, 2012; (iii) an amendment to WESCO Distribution's accounts receivable securitization facility on December 11, 2012; and (iv) the completion of the Company's acquisition of EECOL Holdings Ltd. ("EECOL"). Pursuant to Item 9.01(a)(4) of Form 8-K, this Amendment No. 1 to Form 8-K is being filed in order to include the required historical financial statements of EECOL Electric Corporation and the related pro forma financial information not later than 71 calendar days after December 20, 2012, the date that the initial Current Report on Form 8-K was required to have been filed to report the completion of the acquisition of EECOL Electric Corporation.

Item 2.01 Completion of Acquisition or Disposition of Assets

On December 14, 2012, the Company announced the completion of its acquisition of EECOL Electric Corporation (the "Acquisition"). The purchase price was CAD $1.14 billion, subject to post-closing adjustments relating to cash balances on hand at closing, closing working capital less other debt, pension plan funding, certain liabilities and transaction expenses. Of the purchase price, CAD $50.0 million is being held in escrow to address post-closing purchase price adjustments and potential indemnification claims against the selling parties, with all distributions from the escrow to be made within 18 months. The Acquisition was completed pursuant to the terms and conditions of the Share Purchase Agreement dated October 15, 2012 (the "Share Purchase Agreement") between WDCC, the shareholders listed on Schedule A thereto, Jarich Holdings Ltd., EESA Corp., EESA Holdings Ltd. and EECOL Electric Corporation. The Share Purchase Agreement was filed as Exhibit 2.1 to the Current Report on Form 8-K filed by the Company on October 17, 2012 and is incorporated by reference into this Current Report. The required historical financial statements of EECOL Holdings Ltd. and the related pro forma financial information are contained herein under Item 9.01 of this report.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Business Acquired

The following historical information of EECOL is attached to this Current Report and is incorporated herein by reference. While only one year of audited financial statements of EECOL is required to be filed pursuant to Item 3-05 of Regulation S-X and Item 9.01 of Form 8-K, the company is voluntarily providing the additional audited financial statements referenced in this Item 9.01(a).

Independent Auditor's Report
Consolidated Statements of Net Earnings for the years ended January 31, 2012 and 2011
Consolidated Statements of Changes in Equity for the years ended January 31, 2012 and 2011
Consolidated Balance Sheets as of January 31, 2012 and 2011, and February 1, 2010
Consolidated Statements of Cash Flows for the years ended January 31, 2012 and 2011
Notes to Consolidated Financial Statements
Consolidated Interim Statements of Net Earnings for the six-month periods ended July 31, 2012 and 2011 (unaudited)

Consolidated Interim Statements of Changes in Equity for the six-month periods ended July 31, 2012 and 2011 (unaudited)
Consolidated Interim Balance Sheets as of July 31, 2012 and January 31, 2012 (unaudited)
Consolidated Interim Statements of Cash Flows for the six-month periods ended July 31, 2012 and 2011 (unaudited)
Notes to Consolidated Interim Financial Statements (unaudited)

(b) Pro Forma Financial Information

The following unaudited pro forma condensed consolidated financial information as of and for the nine months ended September 30, 2012 and for the year ended December 31, 2011 that gives effect to the acquisition of EECOL is attached hereto as Exhibit 99.3 and incorporated herein by reference.

Unaudited Pro Forma Combined Condensed Balance Sheet as of September 30, 2012
Unaudited Pro Forma Combined Condensed Statement of Income for the year ended December 31, 2011
Unaudited Pro Forma Combined Condensed Statement of Income for the nine months ended September 30, 2012

(d) Exhibits

Exhibit No.	Description
23.1	Consent of Deloitte LLP, Independent Auditors.
99.1	The audited consolidated financial statements of EECOL Holdings Ltd. as of January 31, 2012, January 31, 2011 and February 1, 2010 and for the years ended January 31, 2012 and 2011.
99.2	The unaudited consolidated financial statements of EECOL Holdings Ltd. as of and for the six months ended July 31, 2012.
99.3	The unaudited pro forma condensed combined financial statements as of and for the nine months ended September 30, 2012 that gives effect to the acquisition of EECOL Holdings Ltd.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WESCO INTERNATIONAL, INC.

By: /s/ Kenneth S. Parks
Kenneth S. Parks
Vice President and Chief Financial Officer

Dated: February 27, 2013

Exhibit 23.1

INDEPENDENT AUDITOR'S CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 333-81857, 333-81847, 333-81845, 333-81841, 333-172531 and 333-91187 on Form S-8 of WESCO International, Inc. of our report dated February 27, 2013, relating to the consolidated financial statements of EECOL Holdings Ltd., appearing in this Amendment No. 1 to Current Report on Form 8-K of WESCO International, Inc. dated February 27, 2013.

(signed) Deloitte LLP

Calgary, Canada
February 27, 2013

Exhibit 99.1

Consolidated financial statements of

EECOL Holdings Ltd.

January 31, 2012, January 31, 2011 and February 1, 2010

EECOL Holdings Ltd.

January 31, 2012, January 31, 2011 and February 1, 2010

Table of contents

Independent Auditor's Report

To the Shareholders of
EECOL Holdings Ltd.

We have audited the accompanying consolidated financial statements of EECOL Holdings Ltd., which comprise the consolidated balance sheets as at January 31, 2012, January 31, 2011 and February 1, 2010 and the consolidated statements of net earnings, changes in equity and cash flows for the years ended January 31, 2012 and January 31, 2011, and notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian and United States of America generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of EECOL Holdings Ltd. as at January 31, 2012, January 31, 2011 and February 1, 2010 and the results of its operations and its cash flows for the years ended January 31, 2012 and January 31, 2011 in accordance with Canadian accounting standards for private enterprises.

(signed) "*Deloitte LLP*"

Chartered Accountants
February 27, 2013
Calgary, Canada

EECOL Holdings Ltd.

Consolidated statements of net earnings
years ended January 31, 2012 and January 31, 2011

	2012 (Note 3)	2011 (Note 2 and 3)
	$	$
Sales	**846,193,723**	714,146,960
Cost of sales	**637,891,859**	538,885,059
Gross profit	**208,301,864**	175,261,901
Interest income	**214,639**	99,204
Other income	**2,783,365**	2,309,444
Share of net earnings of company subject to significant influence	**290,983**	-
Gain on disposal of property and equipment	**8,755,321**	1,146
	220,346,172	177,671,695
Operating expenses		
Amortization	**2,910,074**	2,744,508
Foreign exchange (gain) loss	**(1,910,243)**	754,695
Interest (Note 10)	**4,020,979**	3,480,304
Investment loss	**-**	17,894
Selling and administrative (Note 11)	**106,861,823**	94,551,848
	111,882,633	101,549,249
Earnings before income taxes	**108,463,539**	76,122,446
Income taxes (Note 13)	**26,798,275**	22,590,962
Net earnings	**81,665,264**	53,531,484
Attributable to		
Owners of the parent	**80,613,358**	53,374,071
Non-controlling interests	**1,051,906**	157,413
	81,665,264	53,531,484

EECOL Holdings Ltd.

Consolidated statements of changes in equity
years ended January 31, 2012 and January 31, 2011

	Share capital	Retained earnings (Note 2)	Non- controlling interests	Cumulative translation adjustment (Note 2)	Total equity
	$	$	$	$	$
Balance, February 1, 2010 (Note 2)	123,015	271,822,484	2,285,913	-	274,231,412
Net earnings for the year	-	53,374,071	157,413	-	53,531,484
Dividends	-	(120,004,900)	-	-	(120,004,900)
Refundable dividend taxes paid	-	(720,818)	-	-	(720,818)
Refundable dividend taxes recovered	-	720,818	-	-	720,818
Translation differences	-	-	-	252,252	252,252
Balance, January 31, 2011	123,015	205,191,655	2,443,326	252,252	208,010,248
Net earnings for the year	-	80,613,358	1,051,906	-	81,665,264
Dividends	-	(40,000,609)	-	-	(40,000,609)
Refundable dividend taxes paid	-	(895,242)	-	-	(895,242)
Refundable dividend taxes recovered	-	295,356	-	-	295,356
Translation differences	-	-	-	(1,895,823)	(1,895,823)
Balance, January 31, 2012	**123,015**	**245,204,518**	**3,495,232**	**(1,643,571)**	**247,179,194**

EECOL Holdings Ltd.

Consolidated balance sheets
as at January 31, 2012, January 31, 2011 and February 1, 2010

	January 31, 2012	January 31, 2011 (Note 2)	February 1, 2010 (Note 2)
	$	$	$
Assets			
Current assets			
Cash	**41,251,551**	25,325,434	54,939,588
Investments	**119,477**	110,673	128,591
Accounts receivable (Note 4)	**131,586,491**	115,205,384	88,527,772
Government remittances recoverable	**77,457**	-	-
Inventories (Note 5)	**106,431,188**	93,123,477	76,246,385
Prepaid expenses	**1,866,952**	1,630,596	1,724,885
Income taxes recoverable	**-**	-	3,327,006
	281,333,116	235,395,564	224,894,227
Property and equipment (Note 6)	**41,407,939**	36,681,003	37,733,087
Investment in partnership (Note 7)	**14,483,020**	12,814,567	9,559,208
Investment in joint venture (Note 7)	**354,586**	1,016,378	-
Investment in company subject to significant influence (Note 7)	**1,024,875**	733,892	733,892
Due from related parties (Note 10)	**4,436**	157,255	70,000,296
Accrued pension benefit asset (Note 12)	**2,226,268**	2,922,739	-
	340,834,240	289,721,398	342,920,710
Liabilities			
Current liabilities			
Bank loans (Note 8)	**11,304,960**	10,888,673	7,434,938
Accounts payable and accrued liabilities	**77,575,201**	63,201,867	50,240,592
Government remittances payable	**941,938**	1,273,807	1,364,032
Income taxes payable	**3,469,311**	6,346,803	-
Current portion of long-term debt (Note 9)	**-**	-	223,431
Due to related party (Note 10)	**-**	-	6,500,000
Current portion of deferred tenant inducement (Note 11)	**36,364**	-	-
	93,327,774	81,711,150	65,762,993
Long-term debt (Note 9)	**-**	-	1,127,136
Deferred tenant inducement (Note 11)	**327,272**	-	-
Accrued pension benefit liability (Note 12)	**-**	-	1,799,169
	93,655,046	81,711,150	68,689,298
Commitments (Note 14)			
Shareholders' equity			
Share capital 307,626 Class A common voting shares	**123,015**	123,015	123,015
Cumulative translation adjustment	**(1,643,571)**	252,252	-
Non-controlling interest	**3,495,232**	2,443,326	2,285,913
Retained earnings	**245,204,518**	205,191,655	271,822,484
	247,179,194	208,010,248	274,231,412
	340,834,240	289,721,398	342,920,710

EECOL Holdings Ltd.

Consolidated statements of cash flows
years ended January 31, 2012 and January 31, 2011

	2012	2011 (Note 2)
	$	$
Operating activities		
Net earnings	**81,665,264**	53,531,484
Items not affecting cash		
Gain on disposal of property and equipment	**(8,755,321)**	(1,146)
Amortization	**2,910,074**	2,744,508
Amortization of deferred tenant inducement	**(36,364)**	-
Share of net earnings of company subject to significant influence	**(290,983)**	-
Refundable taxes	**(599,886)**	-
Cumulative translation adjustment	**(1,895,823)**	252,252
Changes in non-cash working capital		
Accounts receivable	**(16,381,107)**	(26,677,612)
Government remittances	**(409,326)**	(90,225)
Inventories	**(13,307,711)**	(16,877,092)
Prepaid expenses	**(236,356)**	94,289
Accounts payable and accrued liabilities	**14,373,334**	12,961,275
Income taxes	**(2,877,492)**	9,673,809
Accrued pension benefit asset	**696,471**	(4,721,908)
	54,854,774	30,889,634
Financing activities		
Proceeds from bank loans	**416,287**	3,453,735
Advances from related parties	**152,819**	69,843,041
Advances to related party	**-**	(6,500,000)
Dividends paid	**(40,000,609)**	(120,004,900)
Repayment of long-term debt	**-**	(1,350,567)
	(39,431,503)	(54,558,691)
Investing activities		
Investment in partnership	**(1,668,453)**	(3,255,359)
Proceeds from investment (investment in) joint venture	**661,792**	(1,016,378)
Purchase of property and equipment	**(11,844,992)**	(1,744,008)
Proceeds on sale of property and equipment	**12,963,303**	52,730
Proceeds on deferred tenant inducement	**400,000**	-
(Purchases of) proceeds from investments	**(8,804)**	17,918
	502,846	(5,945,097)
Net increase (decrease) in cash	**15,926,117**	(29,614,154)
Cash, beginning of year	**25,325,434**	54,939,588
Cash, end of year	**41,251,551**	25,325,434

1. Nature of business

Effective August 2, 2006, EECOL Holdings Ltd. (the “Company”) was formed following the amalgamation of EECOL Holdings Ltd., EECOL Holdings (Sask) Ltd., EECOL Electric Inc., and EECOL Electric (Sask) Inc. The Company purchases and distributes electronic and electrical goods in Canada and South America.

2. Adoption of new accounting framework

During the year ended January 31, 2012, the Company adopted the new accounting standards for private enterprises (the “new standards” or “ASPE”) adopted by the Canadian Institute of Chartered Accountants (“CICA”) and set out in Part II of the CICA Handbook. In accordance with Section 1500 of Part II of the CICA Handbook, First-time Adoption, (“Section 1500”), the date of transition to the new standards is February 1, 2010 and the Company has prepared and presented a consolidated opening balance sheet at the date of transition to the new standards. This consolidated opening balance sheet is the starting point for the Company’s accounting under the new standards. In its consolidated opening balance sheet, under the recommendations of Section 1500, the Company:

(a) recognized all assets and liabilities whose recognition is required by the new standards;

(b) did not recognize items as assets or liabilities if the new standards do not permit such recognition;

(c) reclassified items that it recognized previously as one type of asset, liability or component of equity, but are recognized as a different type of asset, liability or component of equity under the new standards; and

(d) applied the new standards in measuring all recognized assets and liabilities.

In accordance with the requirements of Section 1500, the accounting policies set out in Note 3 have been consistently applied to all years presented and adjustments resulting from the adoption of the new standards have been applied retrospectively excluding cases where optional exemptions available under Section 1500 have been applied. The Company has elected to adopt the exemptions available under Section 1500 relating to business combinations, related party transactions, and foreign currency translation. As such, previous Part V Canadian generally accepted accounting principles balances relating to business combinations and related party transactions entered into before February 1, 2010 have been carried forward without adjustment and the cumulative translation adjustment, which includes gains and losses arising from the translation of foreign operations has been reset to zero at the date of transition.

2. Adoption of new accounting framework (continued)

Impact of the adoption of the new standards on retained earnings as at February 1, 2010

The impact of the adoption of the new standards on the consolidated balance sheet items and on retained earnings as at February 1, 2010 is summarized as follows:

	Balance as previously reported January 31, 2010	Adjustment	Reference	Balance as adjusted as at February 1, 2010
	$	$		$
Assets				
Future income taxes	16,677	(16,677)	(c)	-
Investment in company subject to significant influence	-	733,892	(a)(i)	733,892
Total adjustment to assets		717,215		
Liabilities and other components of shareholders' equity				
Accounts payable and accrued liabilities	51,604,624	(1,364,032)	(b)	50,240,592
Government remittances payable	-	1,364,032	(b)	1,364,032
Current portion of future income taxes payable	1,339,449	(1,339,449)	(c)	-
Cumulative translation adjustment	802,695	(802,695)	(d)	-
Total adjustment to liabilities and other components of shareholders' equity	-	(2,142,144)	-	-
Retained earnings	259,904,852	2,859,359		262,764,211

The impact of the adoption of the new standards on retained earnings as at February 1, 2010 is summarized as follows:

	Adjustment	Reference
	$	
Retained earnings as previously reported January 31, 2010	259,904,852	
Future income taxes	(16,677)	(c)
Investment in company subject to significant influence	733,892	(a)(i)
Current portion of future income taxes payable	1,339,449	(c)
Cumulative translation adjustment	802,695	(d)
Adjusted retained earnings as at February 1, 2010	271,822,484	

2. Adoption of new accounting framework (continued)

Impact of the adoption of the new standards on the consolidated statement of net earnings for the year ended January 31, 2011

The impact of the adoption of the new standards on the consolidated statement of net earnings for the year ended January 31, 2011 is summarized as follows:

	Balance as previously reported 2011	Adjustment	Reference	Balance as adjusted 2011
	$	$		$
Foreign exchange loss	827,601	(72,906)	(a)(ii)	754,695
Income taxes	23,311,780	(720,818)	(a)(iii)	22,590,962
Recovery of future income taxes	(1,006,262)	1,006,262	(c)	-
Net earnings	50,488,886	(212,538)		50,276,348

Explanation of adjustments

a) *Correction of prior period errors*

In preparing the opening ASPE balance sheet as at February 1, 2010 and the financial statements for the year ended January 31, 2011, the Company adjusted amounts related to prior period balances. The Company determined that these amounts were immaterial to its consolidated financial statements for any prior periods.

i) Non-ASPE reclassification of investments

An investment was included in retained earnings, when it should have been presented in investment in company subject to significant influence on the consolidated balance sheet. The adjustment of $733,892 represents the amount of the error that has been reclassified from retained earnings to investment in company subject to significant influence.

ii) Non-ASPE reclassification for non-controlling interest share of income

Income attributed to the non-controlling interests of $72,906 has been reclassified from foreign exchange loss to reflect the change in the non-controlling interest included in equity.

iii) Non-ASPE reclassification of income tax expense

Refundable taxes paid should be presented separately in retained earnings, rather than being added to income tax expense. As such, refundable taxes in the amount of $720,818 have been reclassified from income tax expense to retained earnings to conform to current year presentation.

b) Government remittances

The new standards require separate disclosure of the amount of government remittances payable. Accordingly, the amount of $1,364,032 as at February 1, 2010 related to payroll remittances and government and provincial sales taxes have been reclassified from accounts payable and accrued liabilities to government remittances payable.

2. Adoption of new accounting framework (continued)

c) Income taxes

Under the new standards, Part II of CICA Handbook, Section 3465, Income Taxes, the Company is permitted to account for income taxes using either the taxes payable method or the future income taxes method. Previously, the Company accounted for income taxes using the future income taxes method. The Company's accounting policy under the new standards will be to use the taxes payable method. The adjustment of $16,677 and $1,339,449 as at February 1, 2010 represents the adjustment of the future income taxes asset and liability, respectively. The adjustment of $1,006,262 to recovery of future income taxes for the year ended January 31, 2011 represents the reversal of the future income tax recovery recorded.

d) Foreign currency translation

The Company has used one of the exemptions provided in Part II of CICA Handbook, Section 1500, and has charged to retained earnings the cumulative foreign currency translation balance as at February 1, 2010.

In addition, the operating activities section of the consolidated cash flow statement has been adjusted to reflect, as appropriate, the above changes to the consolidated statement of net earnings. The adjustments relate to the amount of the net earnings and to the reconciling items in determining the total funds from operating activities.

3. Significant accounting policies

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises and reflect the following significant accounting policies:

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries EECOL Electric Corp. and EECOL Properties Corp. The consolidated financial statements of EECOL Electric Corp. include the operations of the wholly owned subsidiary, Saskalta Holdings SA, and the 95%-owned subsidiary, EECOL Electric Argentina SA. Saskalta Holdings SA and EECOL Electric Argentina SA have fiscal years ending December 31, which differs from the Company's year-end of January 31. These consolidated financial statements include all necessary material adjustments related to the one-month variance for accurate and fair presentation in accordance with the new standards.

Revenue recognition

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the price to the buyer is fixed or determinable, and collection is reasonably assured. Interest and other income are recorded when earned and collection is reasonably assured.

Investments

Investments are in unlisted shares that are measured at cost less any reduction for impairment.

Inventories

Inventories consist of goods purchased for resale and have been valued at the lower of cost, determined on an average-cost basis, and net realizable value.

Net realizable value is determined as the available selling price less costs of disposition. The estimated selling price takes into account management's best estimate of the most probable set of economic conditions. The ultimate net realizable value is dependent on future market conditions.

3. Significant accounting policies (continued)

Property and equipment

The Company records property and equipment at cost less accumulated amortization. Expenditures for maintenance and repairs are charged against net earnings as incurred.

Amortization is provided on property and equipment over their estimated useful lives. The rates and methods for major classes of assets are as follows:

Buildings	4% - 9% declining-balance
Parking lot	8% declining-balance
Fence	10% declining-balance
Furniture, equipment and software	20% - 30% declining-balance
Trucks and forklifts	30% declining-balance
Leasehold improvements	straight-line over term of lease

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized when the carrying value of an asset exceeds the total undiscounted cash flows expected from its use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value at the date of impairment.

Investments in partnership and joint venture

The partnership acts as a buying consortium to achieve maximum rebates from suppliers. These rebates are passed on to the partners based upon the amount of purchases made from specific suppliers. The Company's share of these rebates is recorded annually as a reduction of cost of sales when the rebates are known or are paid. The investment in the partnership is recorded using the equity method. The partnership's year-end is March 31. The consolidated financial statements of the Company also include operations from CMMS Canada, a joint venture, which is accounted for using the equity method. Under the equity method, the Company's proportionate share of any net income or losses of the partnership and joint venture would be recorded in net income. Dividends or distributions received from the partnership or joint venture would reduce the carrying value of the respective investments.

Under ASPE, companies are permitted to make certain accounting policy choices with respect to the investments in partnerships and joint ventures. Previously, the Company had elected to account for its investment in the partnership at cost and to use proportionate consolidation for the joint venture. However, under Canadian securities legislation and the regulations of the United States Securities and Exchange Commission, these types of investments must be recorded using the equity method. As such, the Company has retrospectively recast the financial statements to reflect the equity method of accounting for all periods presented. The impact of the recast is as follows:

3. Significant accounting policies (continued)

	Balance as previously reported 2012	Adjustment	Balance as adjusted 2012
	$	$	$
Cash	41,696,966	(445,415)	41,251,551
Accounts receivable	131,679,231	(92,740)	131,586,491
Inventories	106,467,791	(36,603)	106,431,188
Investment in partnership	501,288	13,981,732	14,483,020
Investment in joint venture	-	354,586	354,586
Accounts payable and accrued liabilities	77,795,373	(220,172)	77,575,201
Retained earnings	231,222,786	13,981,732	245,204,518
Sales	849,090,940	(2,897,217)	846,193,723
Cost of sales	642,493,735	(4,601,876)	637,891,859
Other income	2,819,701	(36,336)	2,783,365

	Balance as previously reported 2011	Adjustment	Balance as adjusted 2011
	$	$	$
Cash	25,683,574	(358,140)	25,325,434
Accounts receivable	115,547,630	(342,246)	115,205,384
Inventories	93,613,745	(490,268)	93,123,477
Investment in partnership	501,158	12,313,409	12,814,567
Investment in joint venture	-	1,016,378	1,016,378
Accounts payable and accrued liabilities	63,376,143	(174,276)	63,201,867
Retained earnings	192,878,246	12,313,409	205,191,655
Sales	714,764,528	(617,568)	714,146,960
Cost of sales	542,775,405	(3,890,346)	538,885,059
Other income	2,327,085	(17,641)	2,309,444

	Balance as previously reported 2010	Adjustment	Balance as adjusted 2010
	$	$	$
Investment in partnership	500,935	9,058,273	9,559,208
Retained earnings	262,764,211	9,058,273	271,822,484

Investment in company subject to significant influence

The Company has elected to record its investment in companies subject to significant influence using the equity method.

3. Significant accounting policies (continued)

Under the equity method, the investment is initially recorded at cost and the carrying value is adjusted thereafter to include the Company's pro rata share of post-acquisition earnings computed by the consolidation method. The amount of the pro rata share of earnings or loss is included in the determination of net earnings by the Company, and the investment account of the Company is increased or decreased. The investment account of the Company is also increased or decreased to reflect its share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received from an investee reduce the carrying value of the investment.

Income taxes

The Company follows the taxes payable method of accounting for income taxes. Under this method, only current income taxes for the period determined in accordance with the rules established by taxation authorities are recognized as an expense.

Deferred tenant inducement

The tenant inducement is deferred and amortized on a straight-line basis over the term of the lease.

Pension plans

The Company's pension plans consist of a registered defined benefit pension plan and a supplementary executive retirement plan, both of which are contributory defined benefit plans. The Company accrues its obligations under the defined benefit pension plans as the employees render the services necessary to earn the pension benefits. The actuarial determination of the accrued benefit obligations for pensions uses the projected benefit method pro-rated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). The measurement date of the plan assets and accrued benefit obligation is December 31.

Actuarial gains (losses) on plan assets arise from the difference between the actual return on plan assets for a period and the expected return on plan assets for that period. For the purpose of calculating the expected return on plan assets, those assets are valued at fair value. Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the net accumulated actuarial gains (losses) is amortized over the average remaining service period of active employees.

Past service costs arising from plan amendments are deferred and amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment.

Foreign currency translation

The Company's investments in Saskalta Holdings SA and EECOL Electric Argentina SA, which have been consolidated into the Company's financial results, are considered to be self-sustaining foreign operations. As a result, the current-rate method is used for the translation of these investments, and the exchange gains and losses arising from translation are deferred and included as a component of shareholders' equity described as cumulative translation adjustment.

Financial instruments

The Company's cash, investments, accounts receivable, investment in partnership, due from related parties, bank loans and accounts payable and accrued liabilities constitute the Company's financial instruments. Financial assets and financial liabilities are initially recognized at fair value when the Company becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for investments in unlisted shares that are

3. Significant accounting policies (continued)

measured at cost less any reduction for impairment.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. Transaction costs related to the other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Company recognizes in net earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in net earnings in the period the reversal occurs.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises 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 reporting period. The allowance for doubtful accounts, net realizable value of inventories, estimated useful lives of property and equipment, impairment of long-lived assets, accrued pension benefit asset (liability), and accrued liabilities are the most significant items subject to estimates in these consolidated financial statements. These estimates are reviewed at least annually and, as adjustments become necessary, they are reported in net earnings in the periods in which they become known.

4. Accounts receivable

	January 31, 2012	January 31, 2011	February 1, 2010
	$	$	$
Trade	**123,667,812**	109,230,450	84,873,920
Others	**7,918,679**	5,974,934	3,653,852
	131,586,491	115,205,384	88,527,772

5. Inventories

Inventories consist of trading goods. For the year ended January 31, 2012, the sale of inventories resulted in the recognition of expenses aggregating $658,887,687 (2011 - $538,885,059).

6. Property and equipment

			January 31, 2012
	Cost	**Accumulated amortization**	**Net book value**
	$	**$**	**$**
Land	**8,366,066**	**-**	**8,366,066**
Buildings	**32,602,719**	**8,050,117**	**24,552,602**
Parking lot	**605,508**	**235,919**	**369,589**
Fence	**48,111**	**23,894**	**24,217**
Furniture, equipment and software	**20,288,663**	**16,345,113**	**3,943,550**
Trucks and forklifts	**3,739,243**	**2,369,047**	**1,370,196**
Leasehold improvements	**4,896,909**	**2,115,190**	**2,781,719**
	70,547,219	**29,139,280**	**41,407,939**

			January 31, 2011
	Cost	Accumulated amortization	Net book value
	$	$	$
Land	6,052,038	-	6,052,038
Buildings	33,249,968	9,117,903	24,132,065
Parking lot	837,614	330,911	506,703
Fence	46,675	29,802	16,873
Furniture, equipment and software	19,115,604	15,298,289	3,817,315
Trucks and forklifts	3,424,843	2,114,654	1,310,189
Leasehold improvements	2,940,826	2,095,006	845,820
	65,667,568	28,986,565	36,681,003

			February 1, 2010
	Cost	Accumulated amortization	Net book value
	$	$	$
Land	5,879,742	-	5,879,742
Buildings	33,206,146	7,911,584	25,294,562
Parking lot	831,026	287,136	543,890
Fence	46,675	27,925	18,750
Furniture, equipment and software	18,222,523	14,387,520	3,835,003
Trucks and forklifts	3,138,391	1,793,283	1,345,108
Leasehold improvements	2,667,175	1,851,143	816,032
	63,991,678	26,258,591	37,733,087

7. Investment in partnership, joint venture and company subject to significant influence

	January 31, 2012	January 31, 2011 (Note 3)	February 1, 2010 (Note 3)
	$	$	$
IED partnership	**14,483,020**	12,814,567	9,559,208
CMMS Canada (50% owned)	**354,586**	1,016,378	-
EESA (Chile) (39.2% owned)	**1,024,875**	733,892	733,892

8. Bank loans

The demand bank loan, of which $5,599,000 (January 31, 2011 - $5,599,000, February 1, 2010 - $5,599,000) was drawn on at year-end, bears interest at The Bank of Nova Scotia's prime rate per annum and is secured by a general assignment of the Company's accounts receivable and inventories and an assignment of insurance proceeds.

The Company has a $25,000,000 (January 31, 2011 - $36,000,000, February 1, 2010 - $36,000,000) line of credit available, of which $Nil (January 31, 2011 - $Nil, February 1, 2010 - $Nil) was drawn at year-end. Interest on the line of credit is charged at The Bank of Nova Scotia's prime rate plus 0.25% (January 31, 2011 and February 1, 2010 - The Bank of Nova Scotia's prime rate) per annum and is secured by a general security agreement over all current and future property.

The Company has outstanding letters of guarantee of $25,751 (January 31, 2011- $Nil, February 1, 2010 - $Nil) that expire on June 30, 2012.

The Company has a $3,000,000 (January 31, 2011 - $Nil, February 1, 2010 - $Nil) equipment loan available, of which $Nil (2011 - $Nil, February 1, 2010 - $Nil) was drawn at year-end. Interest on the equipment loan is charged at The Bank of Nova Scotia's prime rate plus 1.25% per annum and is secured by an assignment of insurance proceeds, a general security agreement over all current and future property.

Bank loans in the Company's Peruvian subsidiary, of which $2,776,394 (January 31, 2011 - $3,108,322, February 1, 2010 - $Nil) was drawn on at year-end, bear interest at rates of 5% - 6.87% (January 31, 2011 - 5.50% - 6.80%, February 1, 2010 - Nil%) per annum. These loans are unsecured and have maturities between January 3, 2012 and February 27, 2012 and will be settled in U.S. dollars.

The bank loans in the Company's Chilean subsidiary, of which $2,929,566 (January 31, 2011 - $2,181,351, February 1, 2010 - $1,835,938) was drawn on at year-end, bear interest at rates of 3.84% - 7.3% per annum (2011 - 0.43% per month). These loans are unsecured and will be settled in Chilean pesos.

The Company has four outstanding letters of credit in the total amount of US$3,100,000 which expire between February 28, 2012 and December 31, 2012.

Expiry date	Amount
	US$
February 28, 2012	1,300,000
April 30, 2012	100,000
July 18, 2012	700,000
December 31, 2012	1,000,000
	3,100,000

The Company had two outstanding letters of credit in the total amount of US$3,100,000 which expired June 30, 2011.

9. Long-term debt

	January 31, 2012	January 31, 2011	February 1, 2010
	$	$	$
Mortgages - The Bank of Nova Scotia, bearing interest at 5.4% per annum with monthly blended payments of $14,427, secured by certain properties, repaid in full during the prior year	**-**	-	701,455
bearing interest at 5.4% per annum with monthly blended payments of $9,781, secured by certain properties, repaid in full during the prior year	**-**	-	649,112
	-	-	1,350,567
Less current portion	**-**	-	223,431
	-	-	1,127,136

The net book value of the security for all loans is $Nil (January 31, 2011 - $Nil, February 1, 2010 - $28,693,895)

10. Related party transactions

The amount due to related party includes a balance of $Nil (January 31, 2011 - $Nil, February 1, 2010 - $6,500,000) payable to a party related through ownership interest. This amount is unsecured, payable on demand, and bears interest at the rate of 4.8% per annum. Interest charged on this loan during the year amounted to $Nil (2011 - $103,430).

The Company has $4,436 (January 31, 2011 - $157,255, February 1, 2010 - $70,000,296) due from related parties, who are related through ownership interest. The amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

All related party transactions are in the normal course of the business and are measured at the exchange amounts, which are the amounts of consideration established and agreed to by the parties.

11. Deferred tenant inducement

	January 31, 2012	January 31, 2011	February 1, 2010
	$	$	$
Deferred tenant inducement	**400,000**	-	-
Amortized to offset rent expense	**36,364**	-	-
Balance, end of year	**363,636**	-	-
Less current portion	**36,364**	-	-
	327,272	-	-

12. Pension plans

The Company provides and administers a registered defined benefit pension plan and a supplementary executive retirement plan (collectively, the "plans"). The most recent actuarial valuation for funding purposes was as of December 31, 2009.

Information about the Company's plans is as follows:

	January 31, 2012	January 31, 2011	February 1, 2010
	$	$	$
Funded status			
Fair value of the plans' assets	**54,135,173**	50,116,604	36,752,620
Accrued benefit obligation	**79,270,318**	67,232,567	52,145,496
	(25,135,145)	(17,115,963)	(15,392,876)
Unamortized transitional obligation	**3,376,461**	3,925,107	4,473,753
Unamortized past service costs	**272,045**	407,878	543,711
Unamortized net actuarial loss	**23,712,907**	15,705,717	8,576,243
Accrued pension benefit asset (liability)	**2,226,268**	2,922,739	(1,799,169)

13. Income taxes

The provision for income taxes reported differs from the amount computed by applying the Canadian statutory rate to earnings before income taxes for the following reasons:

	2012	2011
	$	$
Earnings before income taxes	**108,463,539**	72,867,310
Tax at federal and Alberta statutory tax rate of 26.5% (2011 - 28%)	**28,742,838**	20,402,847
Higher provincial tax rates	**622,079**	528,425
Non-deductible items	**2,622,196**	1,341,402
Non-taxable items	**(3,230,023)**	(2,362,119)
Non taxable portion of gain on disposal of property and equipment	**(1,651,559)**	-
Taxable income from joint venture	**-**	3,281,383
Capital taxes	**-**	32,645
Change in tax rates	**(120,582)**	(102,794)
Adjustment to prior year tax expense estimate	**-**	(804,520)
Foreign income taxed at differing rates	**(170,002)**	311,636
Other items	**(16,672)**	(37,943)
Income tax expense	**26,798,275**	22,590,962

14. Commitments

The Company is committed to the operating lease payments for the next five years and thereafter as follows:

	$
2013	5,126,746
2014	3,784,870
2015	3,134,781
2016	2,437,330
2017	1,694,315
Thereafter	5,468,034
	21,646,076

Additional amounts are also payable under “escalation clauses” in the operating leases, whereby the Company pays for any increase in specified operating expenses over a base amount.

15. Financial instruments

Fair value

The Company’s cash, investments, accounts receivable, investment in partnership, due from related parties, bank loans, accounts payable and accrued liabilities and due to related party constitute the Company’s financial instruments. The carrying values of the Company’s cash, investments, accounts receivable and accounts payable and accrued liabilities approximate their fair values as at January 31, 2012 due to the short-term nature of these financial instruments. The Company’s bank loans are subject to floating interest rates which reflect rates currently available for debt with similar terms and maturities. Accordingly, the fair value of the bank loans is not materially different from their recorded value.

Fair value (continued)

The fair values of the amounts due from related parties and due to related party are not determinable with sufficient reliability due to there being no fixed terms of repayment.

The fair value of the investment in partnership is not determinable with sufficient reliability as this is a private entity and, therefore, not actively traded on a public market.

The significant financial risks to which the Company is exposed are foreign currency risk, interest rate risk, credit risk, and liquidity risk.

Foreign currency risk

The Company is exposed to risk arising from fluctuation in foreign exchange rates since it enters into sales and purchase transactions denominated in foreign currencies, for which the related revenue, cost of sales, accounts receivable and accounts payable and accrued liabilities are subject to exchange rate fluctuations. The Company does not enter into any hedging or forward contracts to mitigate against foreign currency risk.

15. Financial instruments (continued)

The consolidated balance sheet as at January 31, 2012 includes the following amounts expressed in Canadian dollars with respect to financial assets and liabilities for which cash flows are denominated in the following currencies:

	$
U.S. dollars	
Monetary assets	**8,801,636**
Monetary liabilities	**9,900,454**
Chilean pesos	
Monetary assets	**13,517,421**
Monetary liabilities	**19,866,728**
Argentine pesos	
Monetary assets	**725,015**
Monetary liabilities	**2,123,115**
Euros	
Monetary assets	**5,949**
Monetary liabilities	**106,301**
Peruvian sol	
Monetary assets	**1,619,370**
Monetary liabilities	**1,064,025**
	57,730,014

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The bank demand loan bears interest at The Bank of Nova Scotia's prime rate per annum. Changes in the bank's prime lending rate can cause fluctuations in interest payment and cash flows. The Company does not use derivative financial instruments to alter the effects of this risk. It is management's opinion that the Company is not exposed to significant interest rate risk due to stable interest rates.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. This risk is alleviated by minimizing the amount of exposure the Company has to any one customer, ensuring a diversified customer mix.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to liquidity risk arising primarily from the bank loans and accounts payable and accrued liabilities. The Company's ability to meet obligations depends on the receipt of funds from its customers in the form of revenue. The Company monitors its cash balances and cash flows generated from operations to meet its requirements.

16. Reconciliation from ASPE to generally accepted accounting principles in the United States of America ("US GAAP")

The company's accounting policies are in accordance with ASPE. ASPE varies in certain significant respects from US GAAP. As required by the United States Securities and Exchange Commission, the effect of these principal differences on the company's consolidated financial statements is described and quantified below:

Consolidated statement of net earnings	2012	Ref.	2011	Ref.
	$		$	
Net earnings per ASPE	81,665,264		53,531,484	
Adjustments:				
Amortization	(34,281)	(a)	-	
Interest	(159,566)	(a)	-	
Selling and administrative	644,060	(a), (b)	(564,129)	(b)
Income taxes	(921,730)	(d)	511,337	(d)
Net income per US GAAP	81,193,747		54,478,692	

Consolidated balance sheets	January 31, 2012	Ref.	January 31, 2011	Ref.
	$		$	
Total assets, per ASPE	340,834,240		289,721,398	
Adjustments:				
Property and equipment	2,516,465	(a)	-	
Accrued pension benefit asset	(2,226,268)	(b)	(2,922,739)	(b)
Deferred tax asset	10,123,634	(d)	4,616,719	(d)
Total assets, per US GAAP	351,248,071		291,415,378	
Total liabilities, per ASPE	93,655,046		81,711,150	
Adjustments:				
Finance obligation	7,435,469	(a)	-	
Accrued pension benefit liability	29,210,369	(b)	14,728,972	(b)
Deferred tax liability	2,029,113	(d)	1,241,591	(d)
Total liabilities, per US GAAP	132,329,997		97,681,713	
Shareholders' equity, per ASPE	247,179,194		208,010,248	
Adjustments:				
Accumulated other comprehensive income	(24,528,209)	(b),(d), (e)	(12,150,618)	(b),(d), (e)
Cumulative translation adjustment	1,643,571	(c), (e)	(252,252)	(c), (e)
Retained earnings	(5,376,482)	(a), (b), (d)	(1,873,713)	(b), (c), (d)
Shareholders' equity per US GAAP	218,918,074		193,733,664	
Total liabilities and shareholders' equity, per US GAAP	351,248,071		291,415,378	

16. Reconciliation from ASPE to generally accepted accounting principles in the United States of America (“US GAAP”) (continued)

(a) US GAAP has specific guidance related to continuing involvement with respect to sale-lease backs of real estate that does not exist under ASPE. The Company concluded that one lease historically recorded as a sale-leaseback transaction in 2012 under ASPE was required to be reclassified as a capital lease under US GAAP due to the lease containing elements of continuing involvement. In addition, the derecognition of the asset is prohibited under US GAAP. The above adjustments reverse the Company's historical recording of an asset sale and rent expense, generated a liability based on the proceeds received and recorded interest expense and amortization expense related to the obligation and the asset, respectively.

(b) The Company has historically valued their pension plans based on the calendar year-end which was appropriate under ASPE. US GAAP requires pensions to be valued as of the reporting date. The Company updated the valuations to reflect a valuation date that aligns with the Company's fiscal year ends. This resulted in reconciling items for the change in the pension benefit obligation and asset values. The adjustment related to the year ended January 31, 2012 resulted in decrease in pension expense of $358,810, an increase in the accrued pension benefit liability of $11,558,658 and a decrease in accumulated other comprehensive income of $14,143,736. The adjustment related to the year ended January 31, 2011 resulted in an increase in the pension benefit obligation of $14,728,972, an increase in pension expense of $564,129 and an increase to retained earnings of $97,349.

Additionally, US GAAP requires that actuarial gains and losses, prior service costs & transition obligations be included in accumulated other comprehensive income whereas ASPE allows these amounts to be off-set against the pension benefit obligation or asset. This resulted in reconciling items to reclassify those amounts to accumulated other comprehensive income in the amount of $16,990,233 as at January 31, 2011.

(c) As discussed in Note 2 of the consolidated financial statements, the Company adopted ASPE on a retrospective basis during the year ended January 31, 2012. The Company applied an exemption under Section 1500, First Time Adoption, effectively resetting the cumulative foreign currency translation balance to nil on adoption. This exemption is not permitted under US GAAP.

(d) ASPE permits a company to use a tax payable methodology within the consolidated financial statements. Under US GAAP, a company must apply the deferred tax method of accounting. US GAAP uses the asset and liability method whereby deferred income tax assets and liabilities are recognized for temporary differences between financial statement carrying amounts of assets and liabilities and their respective income tax bases. Deferred income tax assets are recorded in the financial statements if realization is considered more likely than not. A valuation allowance is established, if necessary, to reduce any deferred income tax asset to an amount that is more likely than not to be realized. Additionally, the income tax adjustment reflects the impact on income taxes of the US GAAP adjustments described in this footnote.

The adjustment related to the year ended January 31, 2012 resulted in an increase in deferred tax asset of $4,015,826, an increase in deferred tax liability of $1,241,591, an decrease in retained earnings of $1,422,764, an increase in income tax expense of $921,730 and an increase in accumulated other comprehensive income of $3,818,809. The adjustment related to the year ended January 31, 2011 resulted in an increase in deferred tax asset of $4,616,719, an increase in deferred tax liability of $1,241,591, a decrease in retained earnings of $700,898, a decrease in income tax expense of $511,337 and an increase in accumulated other comprehensive income of $4,587,363.

(e) The Company has historically recorded cumulative translation adjustments ("CTA") under ASPE within equity whereas US GAAP requires CTA be recorded in accumulated other comprehensive income.

(f) There are no differences that would impact the consolidated statement of cash flows as it pertains to the subtotals of operating, financing and investing activities.

17. Subsequent event

In November 2012, the Company purchased the remaining non-controlling 20% interest in its South American operations for a total purchase price of approximately $12.6 million.

Consolidated interim financial statements of

EECOL Holdings Ltd.

For the six-month period ended July 31, 2012

(Unaudited)

EECOL Holdings Ltd.

For the six-month period ended July 31, 2012

Table of contents

EECOL Holdings Ltd.

Consolidated interim statement of net earnings

For the six-month period ended July 31, 2012 (unaudited)

	Six months ended July 31, 2012	Six months ended July 31, 2011
	$	$
Sales	**450,383,033**	386,503,059
Cost of sales	**344,300,552**	287,706,807
Gross profit	**106,082,481**	98,796,252
Interest income	**171,025**	566,190
Other income	**1,519,197**	1,146,157
Share of net earnings of company subject to significant influence	**36,909**	253,287
Gain on disposal of property and equipment	**346,478**	8,713,379
	108,156,090	109,475,265
Operating expenses		
Amortization	**1,382,865**	1,412,833
Foreign exchange gain	**(46,838)**	(76,437)
Interest	**2,297,509**	2,135,000
Selling and administrative	**56,828,857**	50,219,897
	60,462,393	53,691,293
Earnings before income taxes	**47,693,697**	55,783,972
Income taxes (Note 12)	**14,846,341**	13,874,486
Net earnings for the period	**32,847,356**	41,909,486
Attributable to		
Owners of the parent	**32,522,913**	41,676,878
Non-controlling interests	**324,443**	232,608
	32,847,356	41,909,486

See accompanying notes to the consolidated interim financial statements

EECOL Holdings Ltd.

Consolidated statement of changes in shareholders' equity

for the six-month period ended July 31, 2012 (unaudited)

	Share capital	Retained earnings	Non-controlling interests	Cumulative translation adjustment	Total shareholders' equity
	$	$	$	$	$
Balance, January 31, 2011	123,015	205,191,655	2,443,326	252,252	208,010,248
Net earnings for the year	-	41,676,878	232,608	-	41,909,486
Dividends	-	(40,000,609)	-	-	(40,000,609)
Refundable dividend taxes paid	-	(687,790)	-	-	(687,790)
Refundable dividend taxes received	-	87,904	-	-	87,904
Translation differences	-	-	-	(1,061,692)	(1,061,692)
Balance, July 31, 2011	123,015	206,268,038	2,675,934	(809,440)	208,257,547
Balance, January 31, 2012	123,015	245,204,518	3,495,232	(1,643,571)	247,179,194
Net earnings for the period	-	32,522,913	324,443	-	32,847,356
Dividends	-	(45,002,607)	-	-	(45,002,607)
Refundable dividend taxes paid	-	(135,160)	-	-	(135,160)
Refundable dividend taxes received	-	112,227	-	-	112,227
Translation differences	-	-	-	764,733	764,733
Balance, July 31, 2012	**123,015**	**232,701,891**	**3,819,675**	**(878,838)**	**235,765,743**

See accompanying notes to the consolidated interim financial statements

EECOL Holdings Ltd.

Consolidated interim balance sheets

as at July 31, 2012 (unaudited)

	July 31, 2012	January 31, 2012
	$	$
Assets		
Current assets		
Cash	**28,327,982**	41,251,551
Investments	**137,986**	119,477
Accounts receivable (Note 4)	**140,411,387**	131,586,491
Government remittances recoverable	**111,053**	77,457
Inventories (Note 5)	**111,727,670**	106,431,188
Prepaid expenses	**2,794,310**	1,866,952
Advance income tax	**597,744**	-
	284,108,132	281,333,116
Property and equipment (Note 6)	**47,273,632**	41,407,939
Investment in partnership (Note 7)	**9,637,057**	14,483,020
Investment in joint venture (Note 7)	**380,948**	354,586
Investment in company subject to significant influence (Note 7)	**-**	1,024,875
Due from related parties (Note 9)	**-**	4,436
Accrued pension benefit asset (Note 11)	**1,047,888**	2,226,268
	342,447,657	340,834,240
Liabilities		
Current liabilities		
Bank loans (Note 8)	**10,421,770**	11,304,960
Accounts payable and accrued liabilities	**90,521,250**	77,575,201
Government remittances payable	**1,445,208**	941,938
Income taxes payable	**2,911,535**	3,469,311
Due to related parties	**90,947**	-
Current portion of deferred tenant inducement (Note 10)	**36,364**	36,364
	105,427,074	93,327,774
Deferred tenant inducement (Note 10)	**309,090**	327,272
	105,736,164	93,655,046
Commitments (Note 13)		
Shareholders' equity		
Share capital		
307,626 Class A common voting shares	**1,068,765**	123,015
Cumulative translation adjustment	**(878,838)**	(1,643,571)

Non-controlling interests	**3,819,675**	3,495,232
Retained earnings	**232,701,891**	245,204,518
	236,711,493	247,179,194
	342,447,657	340,834,240

See accompanying notes to the consolidated interim financial statements

EECOL Holdings Ltd.

Consolidated interim statements of cash flows
for the six-month period ended July 31, 2012 (unaudited)

	Six months ended July 31, 2012	Six months ended July 31, 2011
	$	$
Operating activities		
Net earnings for the period	**32,847,356**	41,909,486
Items not affecting cash		
Gain on disposal of property and equipment	**(346,478)**	(8,713,379)
Amortization	**1,382,865**	1,412,833
Amortization of deferred tenant inducement	**(18,182)**	-
Share of net earnings of company subject to significant influence	**(36,909)**	(253,287)
Stock based compensation	**(945,750)**	-
Refundable taxes	**(22,933)**	(599,886)
Cumulative translation adjustment	**764,733**	(1,061,692)
Changes in non-cash working capital		
Accounts receivable	**(8,824,896)**	(5,458,889)
Government remittances	**469,674**	(1,253,767)
Inventories	**(5,296,482)**	(9,524,088)
Prepaid expenses	**(927,358)**	(931,725)
Advance income tax	**(597,744)**	(300,408)
Accounts payable and accrued liabilities	**12,946,049**	8,037,254
Income taxes payable	**(557,776)**	(3,262,376)
Accrued pension benefit asset	**1,178,380**	365,866
	33,906,049	20,365,942
Financing activities		
(Repayment of) proceeds from bank loans	**(883,190)**	2,186,823
Advances from related parties	**90,947**	155,303
Receipt of amounts due from related parties	**4,436**	9,881
Dividends paid	**(45,002,607)**	(40,000,609)
	(45,790,414)	(37,648,602)
Investing activities		
Proceeds from investment in partnership	**4,845,963**	1,506,228
Investment in joint venture	**(26,362)**	(102,853)
Purchase of investments	**(18,509)**	(5,137)
Purchase of property and equipment	**(7,345,366)**	(6,510,373)

Proceeds on disposal of property and equipment	**443,286**	12,645,000
Proceeds from sale of investment in company subject to significant influence	**1,061,784**	26,018
	(1,039,204)	7,558,883
Net decrease in cash	**(12,923,569)**	(9,723,777)
Cash as at beginning of the period	**41,251,551**	25,325,434
Cash as at end of the period	**28,327,982**	15,601,657

See accompanying notes to the consolidated interim financial statements

1. Nature of business

Effective August 2, 2006, EECOL Holdings Ltd. (the “Company”) was formed following the amalgamation of EECOL Holdings Ltd., EECOL Holdings (Sask) Ltd., EECOL Electric Inc., and EECOL Electric (Sask) Inc. The Company purchases and distributes electronic and electrical goods in Canada and South America.

2. Basis of preparation

The consolidated interim financial statements of the Company have been prepared in accordance with Canadian accounting standards for private enterprises as issued by the Canadian Institute of Chartered Accountants and set out in Part II of the CICA Handbook.

3. Significant accounting policies

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries EECOL Electric Corp. and EECOL Properties Corp. The consolidated interim financial statements of EECOL Electric Corp. include the operations of the wholly owned subsidiary, Saskalta Holdings SA, and its 95%-owned subsidiary, EECOL Electric Argentina SA. Saskalta Holdings SA and EECOL Electric Argentina SA have fiscal years ending December 31 have fiscal years ending December 31, which differs from the Company’s year-end of January 31. These consolidated interim financial statements include all necessary material adjustments related to the one-month variance for accurate and fair presentation in accordance with Canadian accounting standards for private enterprises.

Revenue recognition

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the price to the buyer is fixed or determinable, and collection is reasonably assured. Interest and other income are recorded when earned and collection is reasonably assured.

Investments

Investments are in unlisted shares that are measured at cost less any reduction for impairment.

Inventories

Inventories consist of goods purchased for resale and have been valued at the lower of cost, determined on an average-cost basis, and net realizable value.

Net realizable value is estimated as the available selling price less costs of disposition. The estimated selling price takes into account management’s best estimate of the most probable set of economic conditions. The ultimate net realizable value is dependent on future market conditions.

Property and equipment

The Company records property and equipment at cost less accumulated amortization. Expenditures for maintenance and repairs are charged against earnings as incurred.

Property and equipment are amortized over their estimated useful lives. The rates and methods for major classes of assets are as follows:

Furniture, equipment and software	20%-100% declining balance
Trucks and forklifts	30% declining balance
Leasehold improvements	Straight-line over the term of the lease

Impairment of long-lived assets

Long-lived assets are tested for impairment whenever a change in events or circumstances indicates that their carrying values may not be recoverable. An impairment loss is recognized when the carrying value of an asset exceeds the total undiscounted cash flows expected from its use and eventual disposition. Any resulting loss is recognized in the period it is determined. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value at the date of impairment.

3. Significant accounting policies (continued)

Investments in partnership and joint venture

The partnership acts as a buying consortium to achieve maximum rebates from suppliers. These rebates are passed on to the partners based upon the amount of purchases made from specific suppliers. The Company's share of these rebates is recorded annually as a reduction of cost of sales when the rebates are known or are paid. The investment in the partnership is recorded using the equity method. The partnership's year-end is March 31. The consolidated financial statements of the Company also include operations from CMMS Canada, a joint venture, which is accounted for using the equity method. Under the equity method, the Company's share of any net income or losses of the partnership and joint venture would be recorded in net income. Dividends or distributions received from the partnership or joint venture would reduce the carrying value of the respective investments.

Investment in company subject to significant influence

The Company has elected to record its investment in companies subject to significant influence using the equity method.

Under the equity method, the investment is initially recorded at cost and the carrying value is adjusted thereafter to include the Company's pro rata share of post-acquisition earnings computed by the consolidation method. The amount of the pro rata share of earnings or loss is included in the determination of net earnings by the Company, and the investment account of the Company is increased or decreased. The investment account of the Company is also increased or decreased to reflect its share of capital transactions and changes in accounting policies and corrections of errors relating to prior period consolidated financial statements applicable to post-acquisition periods. Profit distributions received from an investee reduce the carrying value of the investment.

Income taxes

The Company follows the taxes payable method of accounting for income taxes. Under this method, only current income taxes for the period determined in accordance with the rules established by taxation authorities are recognized as an expense.

Deferred tenant inducement

The tenant inducement is deferred and amortized on a straight-line basis over the term of the lease.

Pension plans

The Company's pension plans consist of a registered defined benefit pension plan and a supplementary executive retirement plan, both of which are contributory defined benefit plans. The Company accrues its obligations under the defined benefit pension plans as the employees render the services necessary to earn the pension benefits. The actuarial determination of the accrued benefit obligations for pensions uses the projected benefit method pro-rated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). The measurement date of the plan assets and accrued benefit obligation is December 31.

Actuarial gains (losses) on plan assets arise from the difference between the actual return on plan assets for a period and the expected return on plan assets for that period. For the purpose of calculating the expected return on plan assets, those assets are valued at fair value. Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the net accumulated actuarial gains (losses) is amortized over the average remaining service period of active employees.

Past service costs arising from plan amendments are deferred and amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment.

3. Significant accounting policies (continued)

Foreign currency translation

The Company's investments in Saskalta Holdings SA and EECOL Electric Argentina SA, which have been consolidated into the Company's financial results, are considered to be self-sustaining foreign operations. As a result, the current rate method is used for the translation of these investments, and the exchange gains and losses arising from translation are deferred and included as a component of shareholders' equity described as cumulative translation adjustment.

Financial instruments

The Company's cash, investments, accounts receivable, investment in partnership, due from related parties, bank loans and accounts payable and accrued liabilities constitute the Company's financial instruments. Financial assets and financial liabilities are initially recognized at fair value when the Company becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for investments in unlisted shares, which are measured at cost less any reduction for impairment.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. Transaction costs related to the other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Company recognizes in net earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in net earnings in the period the reversal occurs.

Use of estimates

The preparation of consolidated interim financial statements in conformity with Canadian accounting standards for private enterprises 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 interim financial statements and the reported amounts of revenue and expenses during the reporting period. The allowance for doubtful accounts, net realizable value of inventories, estimated useful lives of property and equipment, impairment of long-lived assets, accrued pension benefit asset, rebates from suppliers and accrued liabilities are the most significant items subject to estimates in these non-consolidated interim financial statements. These estimates are reviewed at least each period end and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

4. Accounts receivable

	July 31, 2012	January 31, 2012
	$	$
Trade	**137,738,125**	123,667,812
Others	**2,673,262**	7,918,679
	140,411,387	131,586,491

5. Inventories

Inventories consist of trading goods. For the six-month period ended July 31, 2012, the sale of inventories resulted in the recognition of expenses aggregating $344,300,552 (2011 - $287,706,807).

6. Property and equipment

			July 31, 2012
	Cost	**Accumulated amortization**	**Net book value**
	$	**$**	**$**
Land	**8,314,940**	**-**	**8,314,940**
Buildings	**38,361,384**	**8,161,436**	**30,199,948**
Parking lot	**601,418**	**246,161**	**355,257**
Fence	**51,065**	**24,908**	**26,157**
Furniture, equipment and software	**21,573,252**	**16,891,452**	**4,681,800**
Trucks and forklifts	**3,733,075**	**2,761,908**	**971,167**
Leasehold improvements	**4,163,513**	**1,439,150**	**2,724,363**
	76,798,647	**29,525,015**	**47,273,632**

			January 31, 2012
	Cost	Accumulated amortization	Net book value
	$	**$**	**$**
Land	8,366,066	-	8,366,066
Buildings	32,602,719	8,050,117	24,552,602
Parking lot	605,508	235,919	369,589
Fence	48,111	23,894	24,217
Furniture, equipment and software	20,288,663	16,345,113	3,943,550
Trucks and forklifts	3,739,243	2,369,047	1,370,196
Leasehold improvements	4,896,909	2,115,190	2,781,719
	70,547,219	29,139,280	41,407,939

7. Investment in partnership, joint venture and company subject to significant influence

	July 31, 2012	January 31, 2012
	$	$
IED partnership	**9,637,057**	14,483,020
CMMS Canada (50% owned)	**380,948**	354,586
EESA (Chile) (39.2% owned)	**-**	1,024,875

8. Bank loans

The demand bank loan, of which $5,599,000 (January 31, 2012 - $5,599,000) was drawn on at the period-end, bears interest at The Bank of Nova Scotia's prime rate per annum and is secured by a general assignment of the Company's accounts receivable and inventories and an assignment of insurance proceeds.

The Company has a $25,000,000 (January 31, 2012 - $25,000,000) line of credit available, of which $Nil (January 31, 2012 - $Nil) was drawn at the period-end. Interest on the line of credit is charged at The Bank of Nova Scotia's prime rate plus 0.25% (January 31, 2012 - The Bank of Nova Scotia's prime rate) per annum and is secured by a general security agreement over all current and future property and a guarantee from the Parent Company and a company related through common control.

The Company has a $3,000,000 (January 31, 2012 - $3,000,000) equipment loan available, of which $Nil (January 31, 2012 - $Nil) was drawn at the period-end. Interest on the equipment loan is charged at The Bank of Nova Scotia's prime rate plus 1.25% per annum and is secured by an assignment of insurance proceeds, a general security agreement over all current and future property and a guarantee from the Parent Company and a company related through common control.

Bank loans in the Company's Peruvian subsidiary, of which $2,870,357 (January 31, 2012 - $2,776,394) was drawn on at the period-end, bear interest at rates of 5% - 7.88% (January 31, 2012 - 5% - 6.87%) per annum. These loans are unsecured, have maturities between January 3, 2013 and February 27, 2013, and will be settled in U.S. dollars.

The bank loans in the Company's Chilean subsidiary, of which $1,952,413 (January 31, 2012 - $2,929,566) was drawn on at the period-end, bear an interest rate of 6.6% per annum (January 31, 2012 - 3.84% - 7.3% per annum). These loans are unsecured and will be settled in Chilean pesos.

The Company has outstanding letters of guarantee of $25,751 that expire on December 31, 2012.

The Company has four outstanding letters of credit in the total amount of US$4,500,000, which expire between February 28, 2013 and December 31, 2013.

Expiry date	Amount
	US$
February 28, 2013	1,700,000
April 30, 2013	100,000
July 18, 2013	700,000
December 31, 2013	2,000,000
	4,500,000

9. Related party transactions

The Company has $Nil (January 31, 2012 - $4,436) due from related parties, who are related through ownership interest. The amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

Included in due to related parties is $90,947 (January 31, 2012 - $Nil) due from a company related through common control. The amounts are non-interest bearing, unsecured, and have no fixed terms of repayment.

All related party transactions are in the normal course of the business and are measured at the exchange amounts, which are the amounts of consideration established and agreed to by the parties.

10. Deferred tenant inducement

	July 31, 2012	January 31, 2012
	$	$
Deferred tenant inducement	**400,000**	400,000
Amortized to offset rent expense	**54,546**	36,364
Balance, end of period	**345,454**	363,636
Less: current portion	**36,364**	36,364
	309,090	327,272

11. Pension plans

The Company provides and administers a registered defined benefit pension plan and a supplementary executive retirement plan (collectively, the "plans"). The most recent actuarial valuation for funding purposes was as of December 31, 2009.

Information about the Company's plans is as follows:

	July 31, 2012	January 31, 2012
	$	$
Funded status		
Fair value of the plans' assets	**56,990,412**	54,135,173
Accrued benefit obligation	**82,244,025**	79,270,318
	(25,253,613)	(25,135,145)
Unamortized transitional obligation	**3,102,137**	3,376,461
Unamortized past service costs	**204,130**	272,045
Unamortized net actuarial loss	**22,995,234**	23,712,907
Accrued pension benefit asset	**1,047,888**	2,226,268

12. Income taxes

The income tax expense reported differs from the amount computed by applying the Canadian statutory rate to earnings before income taxes for the following reasons:

	Six months ended July 31, 2012	Six months ended July 31, 2011
	$	$
Earnings before income taxes	**47,693,697**	55,783,972
Tax at federal and Alberta statutory tax rate of 25% (July 31, 2011 - 26.5%)	**11,923,424**	14,175,942
Higher provincial tax rates	**332,302**	285,377
Foreign income taxed at differing rates	**674,376**	(78,350)
Non-deductible items	**2,401,268**	1,830,285
Non-taxable items	**(753,039)**	(521,320)
Non taxable portion of gain on disposal of property and equipment	**(64,836)**	(1,651,559)

Other items	**332,846**	(165,889)
Income tax expense	**14,846,341**	13,874,486

13. Commitments

The Company is committed to the operating lease payments for the next five years and thereafter as follows:

	$
2013	3,528,710
2014	5,248,409
2015	4,422,004
2016	3,451,616
2017	2,707,987
Thereafter	7,058,007
	26,416,733

Additional amounts are also payable under "escalation clauses" in the operating leases, whereby the Company pays for any increase in specified operating expenses over a base amount.

14. Financial instruments

Fair value

The Company's cash, accounts receivable, due from related parties, investment in partnership, investment in related parties, bank loans and accounts payable and accrued liabilities constitute the Company's financial instruments. The carrying values of the Company's cash, accounts receivable and accounts payable and accrued liabilities approximate their fair values as at July 31, 2012 due to the short-term nature of these financial instruments. The Company's bank loans are subject to floating interest rates which reflect rates currently available for debt with similar terms and maturities. Accordingly, the fair value of the bank loans is not materially different from the recorded value.

The fair values of the amounts due from related parties are not determinable with sufficient reliability due to there being no fixed terms of repayment.

The fair values of the investment in partnership and investment in related parties are not determinable with sufficient reliability as this is a private entity and, therefore, not actively traded on a public market.

The significant financial risks to which the Company is exposed are foreign currency risk, interest rate risk, credit risk, and liquidity risk.

Foreign currency risk

The Company is exposed to risk arising from fluctuation in foreign exchange rates since it enters into sales and purchase transactions denominated in foreign currencies, for which the related revenue, cost of sales, accounts receivable and accounts payable and accrued liabilities are subject to exchange rate fluctuations. The Company does not enter into any hedging or forward contracts to mitigate against foreign currency risk.

The consolidated interim balance sheet as at July 31, 2012 includes the following amounts expressed in Canadian dollars with respect to financial assets and liabilities for which cash flows are denominated in the following currencies:

	$
U.S. dollars	
Monetary assets	2,162,341
Monetary liabilities	1,001,199
Chilean pesos	
Monetary assets	15,912,971
Monetary liabilities	8,549,849
Argentine pesos	
Monetary assets	2,438,021
Monetary liabilities	943,807
Euros	
Monetary assets	117,069
Peruvian sol	
Monetary assets	3,257,575
Monetary liabilities	4,109,679

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The bank loans bear interest at The Bank of Nova Scotia's prime rate per annum. Changes in the bank's prime lending rate can cause fluctuations in interest payment and cash flows. The Company does not use derivative financial instruments to alter the effects of this risk. It is management's opinion that the Company is not exposed to significant interest rate risk due to stable interest rates.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. This risk is alleviated by minimizing the amount of exposure the Company has to any one customer, ensuring a diversified customer mix.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to liquidity risk arising primarily from the bank loans and accounts payable and accrued liabilities. The Company's ability to meet its financial obligations depends on the receipt of funds from its customers in the form of revenue. The Company monitors its cash balances and cash flows generated from operations to meet its financing requirements.

15. Reconciliation from ASPE to generally accepted accounting principles in the United States of America ("US GAAP")

The company's accounting policies are in accordance with ASPE. ASPE varies in certain significant respects from US GAAP. As required by the United States Securities and Exchange Commission, the effect of these principal differences on the company's consolidated financial statements is described and quantified below:

Consolidated statement of net earnings	Six months ended July 31, 2012	Ref.	Six months ended July 31, 2011	Ref.
	$		$	
Net earnings per ASPE	32,847,356		41,909,486	
Adjustments:				
Gain on disposal of property and equipment	-		(5,081,937)	(a)
Amortization	(33,582)	(a)	(17,317)	(a)
Interest	(156,872)	(a)	(53,778)	(a)
Selling and administrative	1,617,631	(a), (b)	490,253	(a), (b)
Income taxes	(494,468)	(d)	1,118,011	(d)
Net income per US GAAP	33,780,065		38,364,718	

Consolidated balance sheets	July 31, 2012	Ref.	January 31, 2012	Ref.
	$		$	
Total assets, per ASPE	342,447,657		340,834,240	
Adjustments:				
Property and equipment	2,482,883	(a)	2,516,465	(a)
Accrued pension benefit asset	(1,047,888)	(b)	(2,226,268)	(b)
Deferred tax asset	9,883,892	(d)	10,123,634	(d)
Total assets, per US GAAP	353,766,544		351,248,071	
Total liabilities, per ASPE	105,736,164		93,655,046	
Adjustments:				
Finance obligation	7,307,091	(a)	7,435,469	(a)
Accrued pension benefit liability	28,488,427	(b)	29,210,369	(b)
Deferred tax liability	2,469,265	(d)	2,029,113	(d)
Total liabilities, per US GAAP	144,000,947		132,329,997	
Shareholders' equity, per ASPE	236,711,493		247,179,194	
Adjustments:				
Accumulated other comprehensive income	(23,348,880)	(b),(d), (e)	(24,528,209)	(b),(d), (e)
Cumulative translation adjustment	878,838	(e)	1,643,571	(c), (e)
Retained earnings	(4,475,854)	(b),(d)	(5,376,482)	(b), (c), (d)
Shareholders' equity per US GAAP	209,765,597		218,918,074	
Total liabilities and shareholders' equity, per US GAAP	353,766,544		351,248,071	

15. Reconciliation from ASPE to generally accepted accounting principles in the United States of America (“US GAAP”) (continued)

(a) US GAAP has specific guidance related to continuing involvement with respect to sale-lease backs of real estate that does not exist under ASPE. The Company concluded that one lease historically recorded as a sale-leaseback transaction in 2012 under ASPE was required to be reclassified as a capital lease under US GAAP due to the lease containing elements of continuing involvement. In addition, the derecognition of the asset is prohibited under US GAAP. The above adjustments reverse the Company's historical recording of an asset sale and rent expense, generated a liability based on the proceeds received and recorded interest expense and amortization expense related to the obligation and the asset, respectively.

(b) The Company has historically valued their pension plans based on the calendar year-end which was appropriate under ASPE. US GAAP requires pensions to be valued as of the reporting date. The Company updated the valuations to reflect a valuation date that aligns with the Company's fiscal year ends. This resulted in reconciling items for the change in the pension benefit obligation and asset values. The adjustment related to the six months ended July 31, 2012 resulted in decrease in pension expense of $1,322,380, a decrease in the accrued pension benefit liability of $2,948,210 and an increase in accumulated other comprehensive income of $567,941. The adjustment related to the six months ended July 31, 2011 resulted in a decrease in the pension benefit obligation of $3,485,397 and a decrease in pension expense of $347,628.

Additionally, US GAAP requires that actuarial gains and losses, prior service costs & transition obligations be included in accumulated other comprehensive income whereas ASPE allows these amounts to be off-set against the pension benefit obligation or asset. This resulted in reconciling items to reclassify those amounts to accumulated other comprehensive income in the amount of $580,896 as at July 31, 2011.

(c) The Company adopted ASPE on a retrospective basis during the year ended January 31, 2012. The Company applied an exemption under Section 1500, First Time Adoption, effectively resetting the cumulative foreign currency translation balance to nil on adoption. This exemption is not permitted under US GAAP.

(d) ASPE permits a company to use a tax payable methodology within the consolidated financial statements. Under US GAAP, a company must apply the deferred tax method of accounting. US GAAP uses the asset and liability method whereby deferred income tax assets and liabilities are recognized for temporary differences between financial statement carrying amounts of assets and liabilities and their respective income tax bases. Deferred income tax assets are recorded in the financial statements if realization is considered more likely than not. A valuation allowance is established, if necessary, to reduce any deferred income tax asset to an amount that is more likely than not to be realized. Additionally, the income tax adjustment reflects the impact on income taxes of the US GAAP adjustments described in this footnote.

The adjustment related to the six months ended July 31, 2012 resulted in a decrease in deferred tax asset of $239,742, an increase in deferred tax liability of $440,152, a decrease in retained earnings of $1,021,018, an increase in income tax expense of $494,468 and a decrease in accumulated other comprehensive income of $153,344. The adjustment related to the six months ended July 31, 2011 resulted in an increase in deferred tax asset of $1,491,089, an increase in deferred tax liability of $89,071, an increase in retained earnings of $2,676,473 , a decrease in income tax expense of $1,118,011 and a decrease in accumulated other comprehensive income of $156,842.

(e) The Company has historically recorded cumulative translation adjustments ("CTA") under ASPE within equity whereas US GAAP requires CTA be recorded in accumulated other comprehensive income.

(f) There are no differences that would impact the consolidated statement of cash flows as it pertains to the subtotals of operating, financing and investing activities.

16. Subsequent event

In November 2012, the Company purchased the remaining non-controlling 20% interest in its South American operations for a total purchase price of approximately $12.6 million.

Exhibit 99.3

WESCO International, Inc.
Unaudited Pro Forma Condensed Combined Financial Information

The following unaudited pro forma condensed combined financial information is based on the historical financial statements of WESCO International, Inc. ("WESCO" or the “Company”) and EECOL Holdings Ltd (“EECOL”), after giving effect to the business combination transaction between WESCO and EECOL on December 14, 2012 and to the effects of WESCO redeeming its 7.50% Senior Subordinated Notes due 2017 on December 11, 2012 and entering into a Term Loan Agreement on December 12, 2012, in each case, reflecting the assumptions, reclassifications and adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial information.

The following unaudited pro forma condensed combined financial information has been derived by the application of pro forma adjustments to the historical consolidated financial statements of WESCO and EECOL. The unaudited pro forma condensed combined financial information gives effect to the acquisition of EECOL by WESCO and to the effects of WESCO redeeming its 7.50% Senior Subordinated Notes due 2017 and entering into a Term Loan Agreement as if they had occurred on January 1, 2011 with respect to the unaudited pro forma condensed statements of income for the nine months ended September 30, 2012 and for the year ended December 31, 2011 and as of September 30, 2012 with respect to the unaudited pro forma combined balance sheet.

The unaudited pro forma condensed combined financial information reflects the U.S. GAAP results of EECOL. Note 6 provides information with respect to the nature of the U.S. generally accepted accounting principles (“U.S. GAAP”) adjustments needed to conform EECOL's consolidated financial statements prepared in accordance with the new accounting standards for private enterprises (“ASPE”) adopted by the Canadian Institute of Chartered Accountants (“CICA”) to those prepared in accordance with U.S. GAAP. The EECOL historical financial statements have been translated from Canadian dollars to U.S. dollars for purposes of the unaudited pro forma condensed combined financial information.

WESCO and EECOL had different fiscal year ends. Accordingly, the unaudited pro forma combined balance sheet combines WESCO's historical consolidated balance sheet as of September 30, 2012 with EECOL's historical consolidated balance sheet as of October 31, 2012. The unaudited pro forma combined statement of operations for the year ended December 31, 2011 combines WESCO's historical consolidated statement of operations for the year ended December 31, 2011 with EECOL's historical consolidated statement of operations for the year ended January 31, 2012. The unaudited pro forma combined statement of operations for the nine months ended September 30, 2012 combines WESCO's historical consolidated statement of operations for the nine months ended September 30, 2012 with EECOL's historical consolidated statement of operations for the nine months ended October 31, 2012.

Assumptions underlying the pro forma adjustments necessary to reasonably present this unaudited pro forma condensed combined financial information are described in the accompanying notes, which should be read in conjunction with this unaudited pro forma condensed combined financial information. The pro forma adjustments described in the accompanying notes have been made based on available information and, in the opinion of management, are reasonable. The preliminary purchase price has been allocated on a preliminary basis to assets acquired and liabilities assumed in connection with the acquisition based on their estimated fair values as of the completion of the acquisition. The unaudited pro forma condensed combined statement of income reflects the effects of applying certain preliminary purchase accounting adjustments to the historical consolidated results of operations, including items expected to have a continuing impact on the consolidated results, such as depreciation and amortization on acquired tangible and intangible assets. The unaudited pro forma condensed combined statement of income does not include non-recurring items such as pre-payment penalties on debt extinguishment of $1.9 million and transaction costs related to the acquisition of $4.0 million. A full and detailed valuation of EECOL's assets and liabilities is being completed and certain information and analyses remains pending at this time. The final purchase price allocation is subject to the final determination of the fair values of assets acquired and liabilities assumed and, therefore, that allocation and the resulting effect on income from operations may differ materially from the unaudited pro forma amounts included herein.

The historical consolidated financial information has been adjusted to give effect to estimated pro forma events that are directly attributable to the acquisition, factually supportable and, with respect to the unaudited pro forma condensed combined statements of income, expected to have a continuing impact on the consolidated results of operations. Additionally, the unaudited pro forma condensed combined financial information does not reflect the cost of any integration activities or benefits that may result from synergies that may be derived from any integration activities. Therefore, the unaudited pro forma condensed combined financial information should not be considered indicative of actual results that would have been achieved had the acquisition occurred on the date indicated and do not purport to indicate results of operations for any future period.

In preparing the unaudited pro forma condensed combined financial information in accordance with U.S. GAAP, the following historical information was used:

- the audited consolidated financial statements of WESCO as of and for the year ended December 31, 2011 prepared in accordance with U.S. GAAP;
- the unaudited consolidated financial statements of WESCO as of and for the nine months ended September 30, 2012 prepared in accordance with U.S. GAAP;
- the audited consolidated financial statements of EECOL for the year ended January 31, 2012 prepared in accordance with ASPE and reconciled to U.S. GAAP; and
- the unaudited consolidated financial statements of EECOL as of October 31, 2012 and for the nine months ended October 31, 2012 prepared in accordance with ASPE and reconciled to U.S. GAAP.

WESCO International, Inc.
Unaudited Pro Forma Combined Condensed Balance Sheet
As of September 30, 2012
(In thousands)

	Historical WESCO September 30, 2012	Historical EECOL October 31, 2012	Pro Forma Adjustments	Notes	Pro Forma Combined September 30, 2012
Assets					
Current Assets:					
Cash and cash equivalents	$ 107,637	$ 44,620	$ (3,726)	E	
			(17,215)	B	
			(1,875)	C	
			(5,599)	D	$ 123,842
Accounts receivables, net	1,020,454	148,783	(3,665)	A	1,165,572
Other accounts receivable	48,246	85	—		48,331
Inventories, net	662,764	119,517	2,851	A	785,132
Current deferred income taxes	29,431	—	(936)	A	28,495
Income taxes receivable	11,284	1,019	—		12,303
Prepaid expenses and other current assets	26,109	1,984	(3,436)	A	24,657
Total current assets	1,905,925	316,008	(33,601)		2,188,332
Property buildings and equipment, net	140,998	48,743	24,848	A	214,589
Intangible assets, net	204,572	—	300,438	A	505,010
Goodwill	1,127,001	—	670,649	A	1,797,650
Deferred income taxes	17,926	8,134	—		26,060
Other assets	23,572	12,088	15,538	B	51,198
Total assets	$ 3,419,994	$ 384,973	$ 977,872		$ 4,782,838
Liabilities and Stockholders' Equity					
Current Liabilities:					
Accounts payable	$ 693,177	$ 98,097	—		$ 791,274
Accrued payroll and benefit costs	63,103	—	—		63,103
Short-term debt	22,848	10,992	(5,599)	D	28,241
Current portion of long-term debt	2,137	—	8,508	E	10,645
Bank overdrafts	57,681	—	—		57,681
Other current liabilities	71,090	5,604	34,725	A	
			2,587	F	114,006
Total current liabilities	910,036	114,693	40,221		1,064,950
Long-term debt	696,758	—	(150,000)	C	
			1,258,424	E	1,805,182
Deferred income taxes	244,175	1,691	74,453	A	320,319
Other noncurrent liabilities	24,495	29,501	—		53,996
Total liabilities	1,875,464	145,885	1,223,098		3,244,447
Stockholders' Equity:					
Common stock	575	1,068	(1,068)	G	575
Class B nonvoting convertible common stock	43	—	—		43
Additional paid-in capital	1,053,493	—	—		1,053,493
Retained earnings (deficit)	1,066,216	257,336	(1,677)	B	
			(1,875)	C	
			(2,587)	F	
			(257,336)	G	1,060,077
Treasury stock	(600,059)	—	—		(600,059)
Accumulated other comprehensive income	24,354	(23,139)	23,139	G	24,354
Total WESCO International stockholders' equity	1,544,622	235,265	(241,404)		1,538,483
Noncontrolling interest	(92)	3,823	(3,823)		(92)
Total stockholders' equity	1,544,530	239,087	(245,226)		1,538,391

Total liabilities and shareholders' equity	$ 3,419,994	$ 384,973	$ 977,872		$ 4,782,838

See notes to unaudited pro forma condensed combined financial statements.

WESCO International, Inc.

Unaudited Pro Forma Combined Condensed Statement of Income

For the year ended December 31, 2011

(In thousands)

	Historical WESCO For the year ending December 31, 2011	Historical EECOL For the year ending January 31, 2012	Pro Forma Adjustments	Notes	Pro Forma Combined For the year ending December 31, 2011
Net sales	$ 6,125,718	$ 854,402	—		$ 6,980,120
Cost of goods sold	4,889,149	644,080	—		5,533,229
Gross profit	1,236,569	210,323	—		1,446,892
Selling, general and administrative expenses	871,983	107,248	—		979,231
Depreciation and amortization	31,607	2,973	575	H	
			22,804	I	57,959
Income from operations	332,979	100,102	(23,379)		409,702
Interest expense, net	53,603	4,003	(11,580)	J	
			48,236	K	
			4,096	L	98,359
Other expenses (income)	—	(13,872)	—		(13,872)
Income before income taxes	279,376	109,970	(64,131)		325,215
Provision for income taxes	83,136	27,989	(22,288)	N	88,837
Net income	196,240	81,982	(41,843)		236,378
Less: Net loss attributable to noncontrolling interest	(11)	1,062	—		1,051
Net income attributable to WESCO International	$ 196,251	$ 80,919	$ (41,843)		$ 235,327
Earnings Per Share:					
Weighted average common shares outstanding used in computing basic earnings per share	43,220				43,220
Basic earnings per share	$ 4.54				$ 5.44
Weighted average common shares outstanding including common shares issuable upon exercise of dilutive stock options used in computing diluted earnings per share	49,623				49,623
Diluted earnings per share	$ 3.96				$ 4.74

See notes to unaudited pro forma condensed combined financial statements.

WESCO International, Inc.

Unaudited Pro Forma Combined Condensed Statement of Income

For the nine months ended September 30, 2012

(In thousands)

	Historical WESCO For the Nine Months Ending September 30, 2012	Historical EECOL For the Nine Months Ending October 31, 2012	Pro Forma Adjustments	Notes	Pro Forma Combined For the Nine Months Ending September 30, 2012
Net sales	$ 4,934,938	$ 698,905	—		$ 5,633,843
Cost of goods sold	3,940,762	526,993	—		4,467,755
Gross profit	994,176	171,912	—		1,166,088
Selling, general and administrative expenses	685,130	86,455	(1,431)	M	770,154
Depreciation and amortization	26,431	2,334	284	H	
			16,666	I	45,715
Income from operations	282,615	83,123	(15,519)		350,219
Interest expense, net	33,093	3,135	(8,685)	J	
			36,177	K	
			3,072	L	66,793
Other expenses (income)	—	(7,727)	—		(7,727)
Income before income taxes	249,522	87,715	(46,084)		291,154
Provision for income taxes	74,259	24,913	(15,994)	N	83,178
Net income	175,263	62,802	(30,089)		207,976
Less: Net loss attributable to noncontrolling interest	(4)	330	—		326
Net income attributable to WESCO International	$ 175,267	$ 62,472	$ (30,089)		$ 207,649
Earnings Per Share:					
Weighted average common shares outstanding used in computing basic earnings per share	43,596				43,596
Basic earnings per share	$ 4.02				$ 4.76
Weighted average common shares outstanding including common shares issuable upon exercise of dilutive stock options used in computing diluted earnings per share	51,057				51,057
Diluted earnings per share	$ 3.43				$ 4.07

See notes to unaudited pro forma condensed combined financial statements.

Note 1: Basis of presentation

The unaudited pro forma condensed combined financial information has been prepared in connection with the acquisition of all of the outstanding equity interests of EECOL by WESCO and to give effect to WESCO redeeming its 7.50% Senior Subordinated Notes due 2017 and entering into a Term Loan Agreement on December 11, 2012 and December 12, 2012, respectively. The preliminary purchase price for EECOL totaled $1.1 billion, net of cash acquired. At closing, the Company withheld $50.8 million of the purchase price which will be paid to the sellers in June 2014, subject to adjustment for any indemnification claims made by WESCO and accepted by the sellers, if any. The Company financed the acquisition with borrowings under a new Term Loan Agreement and its existing revolving credit facilities.

The acquisition of EECOL by WESCO has been accounted for using the purchase method of accounting. The preliminary purchase price has been allocated on a preliminary basis to the assets acquired and liabilities assumed in connection with the acquisition based on their estimated fair values as of the closing date of the acquisition. The unaudited pro forma condensed combined statement of income reflects the effects of applying certain preliminary purchase accounting adjustments to the historical consolidated results of operations, including items expected to have a continuing impact on the consolidated results, such as depreciation and amortization on acquired tangible and intangible assets. The unaudited pro forma condensed combined statement of income does not include non-recurring items such as debt prepayment penalties and transaction costs related to the acquisition. The final purchase price allocation is subject to the final determination of the fair values of assets acquired and liabilities assumed and, therefore, that allocation and the resulting effect on income from operations may differ from the unaudited pro forma amounts included herein.

Assumptions underlying the pro forma adjustments necessary to reasonably present this unaudited pro forma information are described in the accompanying notes, which should be read in conjunction with this unaudited pro forma condensed combined financial information. The pro forma adjustments described in the accompanying notes have been made based on available information and, in the opinion of management, are reasonable. The unaudited pro forma condensed combined financial information should not be considered indicative of actual results that would have been achieved had the acquisition occurred on the date indicated and do not purport to indicate results of operations for any future period.

The unaudited pro forma condensed combined financial information are presented in United States dollars ("$"), which is the reporting currency of WESCO. References to "CAD" represent amounts presented in Canadian dollars.

The EECOL audited consolidated financial statements for the year ended January 31, 2012 and the unaudited consolidated financial statements for the nine months ended October 31, 2012 have been prepared in accordance with ASPE and are presented in CAD. For the purpose of preparing pro forma financial information only, Note 6 to the unaudited pro forma condensed consolidated financial statements provides additional information with respect to the nature of the U.S. GAAP adjustments needed to conform EECOL's consolidated financial statements prepared in accordance with ASPE to those prepared in accordance with U.S. GAAP.

The unaudited pro forma condensed combined financial information for the year ended December 31, 2011 and the nine months ended September 30, 2012 should be read in conjunction with the historical financial statements, including the notes thereto, of WESCO (included in WESCO's annual reports on Form 10-K and quarterly reports on Form 10-Q) and of EECOL (see Exhibits 99.1 and 99.2 included with this Current Report on Form 8-K/A).

Note 2: Translation

The unaudited pro forma condensed combined financial statements are presented in U.S. dollars unless otherwise stated, and accordingly, financial information of EECOL used to prepare the unaudited pro forma condensed combined financial statements was translated from CAD to U.S. dollars (Note 6) using the following exchange rates, which correspond with the exchange rates for the periods being presented:

Balance sheet as of October 31, 2012: Closing rate	1 CAD = $0.9994
Statement of consolidated income for the year ended January 31, 2012: Average for the period	1 CAD = $1.0097
Statement of consolidated income for the nine months ended October 31, 2012: Average for the period	1 CAD = $1.0007

Certain of the pro forma adjustments have been translated at the acquisition closing date exchange rate of 1 CAD = $1.016, such as the preliminary estimates of fair value of net assets acquired.

Note 3: Acquisition of EECOL

On December 14, 2012, the Company completed the acquisition of all of the outstanding equity interests in EECOL for $1.1 billion. EECOL is a full-line distributor of electrical equipment, products and services with 57 locations across Canada and 20 in South America. EECOL has a strong warehouse-based business focused on serving industrial, oil, gas, mining, utility, and commercial and residential construction customers.

The purchase price was financed with borrowings under a new Term Loan Agreement and the existing revolving credit facilities. The preliminary purchase price for EECOL based on the exchange rate on the date of the acquisition is summarized below (in millions):

Cash paid to seller	$ 1,069.9
Escrow fund for potential indemnifications and purchase price adjustments	50.8
Total preliminary purchase price	$ 1,120.7

The following represents the preliminary purchase price allocation. The assets acquired and liabilities assumed of EECOL have been measured on a preliminary basis using assumptions that

WESCO management believes are reasonable based on information currently available. A full and detailed valuation of the assets and liabilities of EECOL is being completed and certain information and analysis remains pending at this time. Therefore, it is possible that the fair values of assets acquired and liabilities assumed could materially differ from those presented herein upon additional analysis.

The following table summarizes the preliminary purchase price allocation based on estimated fair values as of the acquisition date (in millions):

Cash	$ 32.3
Accounts receivable	136.2
Inventories	118.2
Property, plant and equipment	73.1
Other assets	63.8
Identifiable intangible assets	300.4
Total assets acquired	724.1
Accounts payable	76.5
Other current liabilities	69.2
Deferred taxes	75.0
Other liabilities	53.1
Total liabilities assumed	273.8
Net assets acquired	450.3
Preliminary purchase price	1,120.7
Goodwill	$ 670.4

Note 4: Debt Financing

On December 12, 2012, in connection with the acquisition of EECOL, the Company redeemed its 7.50% Senior Subordinated Notes due 2017. This redemption was a condition at closing on the Term Loan Agreement and Amended Revolving Credit Facility. The proceeds of the term loans and revolving credit facility were used to finance the purchase price of EECOL and fees and expenses incurred in connection with the transaction.

The Term Loan Agreement provides for a seven-year term loan facility (the “Term Loan Facility”), which consists of two separate sub-facilities: (i) a Canadian sub-facility in an aggregate principal amount of CAD $150.0 million, issued at a 2.0% discount and (ii) a U.S. sub-facility in an aggregate principal amount of US $700.0 million, issued at a 1.0% discount.

Borrowings under the Term Loan Facility bear interest at base rates plus applicable margins. At December 31, 2012, the interest rates on borrowings under the Canadian sub-facility and U.S. sub-facility were approximately 5.2% and 4.5%, respectively. The Borrowers will pay quarterly installments of principal equal to 0.25% of the original principal amount of their respective term loans, plus accrued and unpaid interest, beginning on March 31, 2013.

The Amended Revolving Credit Facility matures in August 2016 and consists of two separate sub-facilities: (i) a Canadian sub-facility with a borrowing limit of up to US $400.0 million, which is collateralized by substantially all assets of WESCO Distribution Canada LP, WDCC

Enterprises Inc. and EECOL, and (ii) a U.S. sub-facility with a borrowing limit of up to US $600.0 million less the amount of outstanding borrowings under the Canadian sub-facility.

The applicable interest rate for borrowings under the Revolving Credit Facility includes interest rate spreads based on available borrowing capacity that range between 1.5% and 2.0% for LIBOR-based borrowings and 0.5% and 1.0% for prime rate-based borrowings. The otherwise applicable interest rate is reduced by 0.25% if the Company's leverage ratio falls below a ratio of 2.5 to 1.0.

On December 11, 2012, WESCO Distribution entered into an amendment of the Accounts Receivable Securitization Facility under which WESCO sells, on a continuous basis, an undivided interest in all domestic accounts receivable to WESCO Receivables Corp., a wholly owned special purpose entity (the "SPE"). The SPE sells, without recourse, a senior undivided interest in the receivables to third-party conduits and financial institutions for cash while maintaining a subordinated undivided interest in the receivables, in the form of overcollateralization. This facility matures in August 2014.

Note 5: Description of Pro Forma Adjustments

Adjustments to the unaudited pro forma condensed combined balance sheet

A. The following adjustments were made to reflect the preliminary estimate of the fair value of net assets acquired and liabilities assumed (in millions) in the unaudited combined pro forma balance sheet:

Assets:		
Accounts receivable	$	(3.7)
Inventories		2.9
Property and buildings		24.8
Deferred taxes		(0.9)
Other current assets		(3.4)
Identifiable intangible assets		300.4
Goodwill		670.6
Liabilities:		
Other current liabilities		34.7
Deferred taxes		74.5

B. This adjustment represents the capitalization of the debt issuance costs associated with the new term loans and revolving credit facility and the elimination of existing unamortized debt issuance costs (in millions):

Debt issuance costs - new term loans and revolving credit facility	$	17.2
Elimination of existing unamortized debt issuance costs - Senior Subordinated Debt 2017		(1.7)
	$	15.5

C. This adjustment reflects the repayment of the Senior Subordinated Debt 2017 and recognition of the $1.9 million pre-payment penalty.

D. This adjustment represents the repayment of the outstanding balance on EECOL's line of credit.

E. The term loans discussed in Note 4, combined with borrowings against the revolving credit facility and accounts receivable securitization facility, were used to extinguish the Senior Subordinated Debt 2017 and fund the acquisition. This adjustment reflects the total borrowings against these facilities, net of the related debt discount of $10.0 million on the term loans. The following table shows the net proceeds from borrowings against each of the debt facilities (in millions):

Term Loan Facility	$	840.7
Revolving Credit Facility		266.4
Accounts Receivable Securitization Facility		159.8
	$	1,266.9

The excess of the purchase price and payment of the Senior Subordinated Debt 2017 over the net proceeds from borrowings, or $3.7 million, was funded with cash on hand.

F. Transaction costs related to the acquisition totaled $4.0 million. Of this amount, $1.4 million was incurred in the nine months ended September 30, 2012 and $2.6 million has been included in other current liabilities in the unaudited pro forma consolidated balance sheet.

G. This adjustment represents the elimination of EECOL's historical equity.

Adjustments to the unaudited pro forma combined income statements

H. This adjustment represents the net increase in depreciation expense resulting from the preliminary estimated fair value of certain property and buildings, resulting in adjustments of $0.3 million and $0.6 million for the nine months ended September 30, 2012 and for the year ended December 31, 2011, respectively.

I. This adjustment reflects the increase in amortization expense related to recording EECOL's customer relationships intangible asset at their preliminary estimated fair value, resulting in adjustments of $16.7 million and $22.8 million for the nine months ended

September 30, 2012 and the year ended December 31, 2011, respectively.

Identifiable intangible assets include the following (in millions):

Customer relationships	$	245.2
Trademarks		55.2
	$	300.4

The customer relationship assets are being amortized on an accelerated basis over 20 years. Amortization for the first five years follows: $22.8 million, $22.2 million, $20.3 million, $19.2 million, and $18.3 million. The trademarks have an indefinite life and are not being amortized.

J. This adjustment reflects the reversal of interest expense of $11.3 million and $8.4 million and the amortization of debt issuance costs of $0.3 million and $0.2 million for the year ended January 31, 2012 and the nine months ended October 31, 2012, respectively, relating to the Senior Subordinated Debt 2017 that was repaid just prior to the acquisition closing date.

K. This adjustment represents interest expense on borrowings under the term loans, revolving credit facility, and accounts receivable securitization facility as if the borrowings occurred on January 1, 2011. The interest rates used to calculate pro forma interest expense on these debt facilities ranged from 1.4% to 4.5%. A $1/8^{th}$ variance in interest rates would change pro forma interest expense by $1.2 million and $1.6 million for the nine months ended September 30, 2012 and the year ended December 31, 2011, respectively.

L. This adjustment reflects amortization of debt issuance costs and discount related to the new term loans and amortization of debt issuance costs associated with the amended revolving credit facility as if the debt was incurred on January 1, 2011.

M. This adjustment eliminates the transaction costs incurred for the nine months ended September 30, 2012 as these costs are directly related to the acquisition and are not recurring.

Adjustments to the unaudited pro forma condensed combined balance sheet and unaudited pro forma combined income statements for tax-related items

N. This adjustment represents the tax effect of pro forma adjustments and is based on the estimated applicable statutory tax rates in the U.S. and Canada.

Note 6: ASPE to U.S. GAAP Reconciliation and Presentation Reclassifications

The financial statements of EECOL have been prepared and presented in accordance with ASPE. Certain differences exist between ASPE and U.S. GAAP, and these differences may be material. The principal relevant differences between U.S. GAAP and ASPE have been adjusted for below.

EECOL Holdings Ltd.

Unaudited Consolidated Balance Sheet

As of October 31, 2012

(In thousands)

	Unaudited EECOL October 31, 2012	GAAP Adjustments		Adjusted Historical EECOL October 31, 2012 CAD	Adjusted Historical EECOL October 31, 2012 USD
Assets					
Current Assets:					
Cash and cash equivalents	$ 44,647			$ 44,647	$ 44,620
Accounts receivables, net	148,872			148,872	148,783
Other accounts receivable	85			85	85
Inventories, net	119,589			119,589	119,517
Income taxes receivable	1,020			1,020	1,019
Prepaid expenses and other current assets	1,985			1,985	1,984
Total current assets	316,198	—		316,198	316,008
Property buildings and equipment, net	48,772			48,772	48,743
Deferred income taxes		8,139	4	8,139	8,134
Other assets	12,721	(626)	2	12,095	12,088
Total assets	$ 377,691	$ 7,513		$ 385,204	$ 384,973
Liabilities and Stockholders' Equity					
Current Liabilities:					
Accounts payable	$ 98,156			$ 98,156	$ 98,097
Short-term debt	10,999			10,999	10,992
Other current liabilities	5,607			5,607	5,604
Total current liabilities	114,762	—		114,762	114,693
Long-term debt				—	—
Deferred income taxes		1,692	4	1,692	1,691
Other noncurrent liabilities	300	29,219	2	29,519	29,501
Total liabilities	115,062	30,911		145,973	145,885
Stockholders' Equity:					
Common stock	1,069			1,069	1,068
Retained earnings (deficit)	258,703	(1,213)	1,2,4	257,490	257,336
Treasury stock				—	—
Accumulated other comprehensive income	(968)	(22,185)	2,3,4	(23,153)	(23,139)
Total stockholders' equity	258,804	(23,398)		235,406	235,265
Noncontrolling interest	3,825			3,825	3,823
Total stockholders' equity	262,629	(23,398)		239,231	239,087
Total liabilities and shareholders' equity	$ 377,691	$ 7,513		$ 385,204	$ 384,973

EECOL Holdings Ltd.

Unaudited Consolidated Statement of Income

For the year ended January 31, 2012

(In thousands)

	Audited EECOL For the year ending January 31, 2012	GAAP Adjustments		Adjusted Historical EECOL For the year ending January 31, 2012 CAD	Adjusted Historical EECOL For the year ending January 31, 2012 USD
Net sales	$ 846,194			$ 846,194	$ 854,402
Cost of goods sold	637,892			637,892	644,080
Gross profit	208,302	—		208,302	210,323
Selling, general and administrative expenses	106,862	(644)	1,2	106,218	107,248
Depreciation and amortization	2,910	34	1	2,944	2,973
Income from operations	98,530	610		99,140	100,102
Interest expense, net	3,806	159	1	3,965	4,003
Other expenses (income)	(13,739)			(13,739)	(13,872)
Income before income taxes	108,463	451		108,914	109,970
Provision for income taxes	26,798	922	4	27,720	27,989
Net income	81,665	(471)		81,194	81,982
Less: Net loss attributable to noncontrolling interest	1,052			1,052	1,062
Net income attributable to EECOL	$ 80,613	$ (471)		$ 80,142	$ 80,919

EECOL Holdings Ltd.
Unaudited Consolidated Statement of Income
For the nine months ended October 31, 2012
(In thousands)

	Unaudited EECOL For the nine months ending October 31, 2012	GAAP Adjustments		Adjusted Historical EECOL For the nine months ending October 31, 2012 CAD	Adjusted Historical EECOL For the nine months ending October 31, 2012 USD
Net sales	$ 698,416			$ 698,416	$ 698,905
Cost of goods sold	526,624			526,624	526,993
Gross profit	171,792	—		171,792	171,912
Selling, general and administrative expenses	87,181	(786)	1,2	86,395	86,455
Depreciation and amortization	2,327	5	1	2,332	2,334
Income from operations	82,284	781		83,065	83,123
Interest expense, net	3,107	26	1	3,133	3,135
Other expenses (income)	(2,914)	(4,808)	1	(7,722)	(7,727)
Income before income taxes	82,091	5,563		87,654	87,715
Provision for income taxes	23,237	1,659	4	24,896	24,913
Net income	58,854	3,904		62,758	62,802
Less: Net loss attributable to noncontrolling interest	330			330	330
Net income attributable to EECOL	$ 58,524	$ 3,904		$ 62,428	$ 62,472

The following adjustments have been made to align the EECOL financial information with U.S. GAAP (all dollar amounts are in CAD).

1. US GAAP has specific guidance related to continuing involvement with respect to sale-lease backs of real estate that does not exist under ASPE. The Company concluded that one lease historically recorded as a sale-leaseback transaction in 2012 under ASPE was required to be re-characterized as a capital lease under US GAAP due to the lease containing elements of continuing involvement. In addition, the derecognition of the asset is prohibited under US GAAP. The above adjustments reverse the Company's historical recording of an asset sale and rent expense, generated a liability based on the proceeds received and recorded interest expense and amortization expense related to the obligation and the asset, respectively.

2. The Company has historically valued their pension plans based on the calendar year-end which was appropriate under ASPE. US GAAP requires pensions to be valued as of the reporting date. The Company updated the valuations to reflect a valuation date that aligns with the Company's fiscal year ends. This resulted in reconciling items for the change in the pension benefit obligation and asset values. The adjustment related to the nine months ended October 31, 2012 resulted in decrease in pension expense of $738,838, a decrease in the accrued pension benefit liability of $2,217,246 and an increase in accumulated other comprehensive income of $851,911. The adjustment related to the year ended January 31, 2012 resulted in decrease in pension expense of $358,810, an increase in the accrued pension benefit liability of $11,558,658 and a decrease in accumulated other comprehensive income of $14,143,736.

   Additionally, US GAAP requires that actuarial gains and losses, prior service costs & transition obligations be included in accumulated other comprehensive income whereas ASPE allows these amounts to be off-set against the pension benefit obligation or asset. This resulted in reconciling items to reclassify those amounts to accumulated other comprehensive income in the amount of $16,409,338 as at January 31, 2012.

3. The Company adopted ASPE on a retrospective basis during the year ended January 31, 2012. The Company applied an exemption under Section 1500, First Time Adoption, effectively resetting the cumulative foreign currency translation balance to nil on adoption. This exemption is not permitted under US GAAP.

4. ASPE permits a company to use a tax payable methodology within the consolidated financial statements. Under US GAAP, a company must apply the deferred tax method of accounting. US GAAP uses the asset and liability method whereby deferred income tax assets and liabilities are recognized for temporary differences between financial statement carrying amounts of assets and liabilities and their respective income tax bases. Deferred income tax assets are recorded in the financial statements if realization is considered more likely than not. A valuation allowance is established, if necessary, to reduce any deferred income tax asset to an amount that is more likely than not to be realized. Additionally, the income tax adjustment reflects the impact on income taxes of the US GAAP adjustments described in this footnote.

The adjustment related to the nine months ended October 31, 2012 resulted in a decrease in deferred tax asset of $1,744,426, a decrease in deferred tax liability of $776,888, a decrease in retained earnings of $2,626,905, and an increase in income tax expense of $1,659,367. The adjustment related to the year ended January 31, 2012 resulted in an increase in deferred tax asset of $4,015,826, an increase in deferred tax liability of $698,051, an increase in retained earnings of $420,696, an increase in income tax expense of $921,730 and an increase in accumulated other comprehensive income of $3,818,809.

The adjustments described above reflect only those differences in accounting policies in effect at the time of the preparation of the historical financial statements of EECOL. There has been no attempt to identify future differences between ASPE and U.S. GAAP as the result of changes in accounting standards, transactions or events that may occur in the future.