**DQC\_0015 Negative Values:**

Please consider adding StatementBusinessSegmentsAxis to the listing of member exclusions (DQC\_0015\_MemberExclusions).

Many files have negative values (generally immaterial) presented in segment members, possibly due to allocation/transfers among the reporting segments.

Examples:

ENBRIDGE INC (Filer) CIK: 0000895728 6/30/2016 6-K

**3.**          **SEGMENTED INFORMATION**

Effective January 1, 2016, the Company revised its reportable segments *(Note 1).* Revisions to the segmented information presentation on a retrospective basis include:

* The replacement of the previous segments: Liquids Pipelines; Gas Distribution; Gas Pipelines, Processing and Energy Services; Sponsored Investments; and Corporate with new segments: Liquids Pipelines; Gas Distribution; Gas Pipelines and Processing; Green Power and Transmission; and Energy Services; and
* Presenting the Earnings before interest and income taxes of each segment as opposed to Earnings attributable to Enbridge Inc. common shareholders. Amounts related to Interest expense, Income taxes, Earnings attributable to noncontrolling interests and redeemable noncontrolling interests and Preference share dividends are now reported on a consolidated basis.

Segmented information for the three and six months ended June 30, 2016 and 2015 are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |
| **Three months ended June 30, 2016** | Liquids Pipelines | Gas Distribution | Gas Pipelines and Processing | Green Power and Transmission | Energy Services | Eliminations and Other | Consolidated |
| *(millions of Canadian dollars)* |  |  |  |  |  |  |  |
| Revenues | **1,743** | **613** | **615** | **122** | **4,933** | **(87)** | **7,939** |
| Commodity and gas distribution costs | **(3)** | **(293)** | **(463)** | **2** | **(4,917)** | **87** | **(5,587)** |
| Operating and administrative | **(663)** | **(144)** | **(127)** | **(37)** | **(19)** | **(13)** | **(1,003)** |
| Depreciation and amortization | **(336)** | **(84)** | **(75)** | **(47)** | **(1)** | **(12)** | **(555)** |
|  | **741** | **92** | **(50)** | **40** | **(4)** | **(25)** | **794** |
| Income/(loss) from equity investments | **(83)** | **(16)** | **64** | **(1)** | **(1)** | **-** | **(37)** |
| Other income/(expense) | **(15)** | **7** | **5** | **2** | **(2)** | **(23)** | **(26)** |
| Earnings/(loss) before interest and income taxes | **643** | **83** | **19** | **41** | **(7)** | **(48)** | **731** |
| Interest expense |  |  |  |  |  |  | **(369)** |
| Income taxes |  |  |  |  |  |  | **(10)** |
| Earnings |  |  |  |  |  |  | **352** |
| Loss attributable to noncontrolling interests and redeemable noncontrolling interests |  |  |  |  |  |  | **20** |
| Preference share dividends |  |  |  |  |  |  | **(71)** |
| Earnings attributable to Enbridge Inc. common shareholders |  |  |  |  |  |  | **301** |
| Additions to property, plant and equipment1 | **1,070** | **144** | **81** | **10** | **-** | **10** | **1,315** |

Example:

Ladder Capital Corp CIK# 0001577670

**18.                    SEGMENT REPORTING**

The Company has determined that it has three reportable segments based on how management reviews and manages its business.  These reportable segments include Loans, Securities, and Real Estate.  The Loans segment includes mortgage loan receivables held for investment (balance sheet loans) and mortgage loan receivables held for sale (conduit loans).  The Securities segment is composed of all of the Company’s activities related to commercial real estate securities, which include investments in CMBS and U.S. Agency Securities.  The Real Estate segment includes selected net lease and other real estate assets.  Corporate/Other includes our investments in joint ventures, other asset management activities and operating expenses.

The Company evaluates performance based on the following financial measures for each segment ($ in thousands):

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Loans** | |  | **Securities** | |  | **Real Estate** | |  | **Corporate/Other(1)** | |  | **Company Total** | |  |
|  |  |  | |  |  | |  |  | |  |  | |  |  | |  |
| **Three months ended March 31, 2014** |  |  | |  |  | |  |  | |  |  | |  |  | |  |
| Interest income |  | $ | 20,309 |  | $ | 16,505 |  | $ | — |  | $ | 8 |  | $ | 36,822 |  |
| Interest expense |  | (2,188 | | ) | (1,265 | | ) | (3,331 | | ) | (8,057 | | ) | (14,841 | | ) |
| Net interest income (expense) |  | 18,121 | |  | 15,240 | |  | (3,331 | | ) | (8,049 | | ) | 21,981 | |  |
| Provision for loan losses |  | (150 | | ) | — | |  | — | |  | — | |  | (150 | | ) |
| Net interest income (expense) after provision for loan losses |  | 17,971 | |  | 15,240 | |  | (3,331 | | ) | (8,049 | | ) | 21,831 | |  |
|  |  |  | |  |  | |  |  | |  |  | |  |  | |  |
| Operating lease income |  | — | |  | — | |  | 13,213 | |  | — | |  | 13,213 | |  |
| Tenant recoveries |  | — | |  | — | |  | 2,080 | |  | — | |  | 2,080 | |  |
| Sale of loans, net |  | 41,303 | |  | — | |  | — | |  | — | |  | 41,303 | |  |
| Gain on securities |  | — | |  | 1,809 | |  | — | |  | — | |  | 1,809 | |  |
| Sale of real estate, net |  | 347 | |  | — | |  | 6,346 | |  | — | |  | 6,693 | |  |
| Fee income |  | 665 | |  | 91 | |  | — | |  | 1,553 | |  | 2,309 | |  |
| Net result from derivative transactions |  | (10,742 | | ) | (15,544 | | ) | — | |  | — | |  | (26,287 | | ) |
| Earnings from investment in unconsolidated joint ventures |  | — | |  | — | |  | 348 | |  | — | |  | 348 | |  |
| Unrealized gain (loss) on Agency interest-only securities, net |  | — | |  | (1,034 | | ) | — | |  | — | |  | (1,034 | | ) |
| Total other income |  | 31,573 | |  | (14,678 | | ) | 21,987 | |  | 1,553 | |  | 40,434 | |  |
|  |  |  | |  |  | |  |  | |  |  | |  |  | |  |
| Salaries and employee benefits |  | (6,300 | | ) | — | |  | — | |  | (13,703 | | ) | (20,003 | | ) |
| Operating expenses |  | 41 | |  | — | |  | — | |  | (3,082 | | ) | (3,041 | | ) |
| Real estate operating expenses |  | — | |  | — | |  | (7,602 | | ) | — | |  | (7,602 | | ) |
| Fee expense |  | (303 | | ) | (22 | | ) | (17 | | ) | (160 | | ) | (502 | | ) |
| Depreciation and amortization |  | — | |  | — | |  | (7,290 | | ) | (137 | | ) | (7,427 | | ) |
| Total costs and expenses |  | (6,562 | | ) | (22 | | ) | (14,909 | | ) | (17,082 | | ) | (38,575 | | ) |
|  |  |  | |  |  | |  |  | |  |  | |  |  | |  |
| Tax expense |  | — | |  | — | |  | — | |  | (5,289 | | ) | (5,289 | | ) |
| Segment profit (loss) |  | $ | 42,982 |  | $ | 540 |  | $ | 3,747 |  | $ | (28,867 | ) | $ | 18,401 |  |