



**PortsToronto Annual General Meeting
Chief Financial Officer Remarks
Alan Paul**

Check Against Delivery

Thank you. Good morning ladies and gentlemen.

The 2017 Audited Financial Statements for PortsToronto, have been posted on the PortsToronto Website since May 10, 2018, under our Financial Accountability section. We also posted the Notice for today's Annual General Meeting on the website on May 10, 2018, as well as made announcements in local newspapers, which is in compliance with the Canada Marine Act.

Also posted on the website is the 2017 Management Discussion and Analysis Report or MD&A. This document explains in more detail the facts behind the numbers in the Audited Financials and provides some additional information on PortsToronto's financial performance.

The first item I would like to refer you to in the Audited Financials is the Auditor's Report, which is just after the Table of Contents on pages 1 and 2.

As you can see in the last paragraph, the Auditor's Report from Deloitte is again an unqualified or "clean" audit opinion.

Please note that PortsToronto presents its financial statements under International Financial Reporting Standards ("IFRS"). The accounting policies set out in Note 2 of the 2017 Audited Financial Statements have been applied in preparing the financial statements for the year ended December 31, 2017 and the comparative information for the year ended December 31, 2016.

The statements include a Statement of Operations and Comprehensive Income, a Statement of Changes in Equity, a Statement of Financial Position (the former Balance Sheet), a Statement of Cash Flows and Notes to the Financial Statements.

By reporting in accordance with IFRS, these Statements are in similar format and content to the other 17 Port Authorities in Canada.

Please note that the MD&A Report should be read in conjunction with the Audited Financials and the accompanying notes.

The Audited Financial Statements have been made available and as per the Agenda there will be a Q & A session following the presentation phase of the program, where we will be pleased to answer any questions you may have on the Financial Statements.

But at this point I would like to discuss the financial performance of PortsToronto over the last several years.

In 2017, PortsToronto marked its tenth consecutive year of profitability. All of the business units were profitable on an operating basis, as shown on page 35, Note 16, contributing to another strong year for PortsToronto.

There was a slight decrease in Net Income in 2017 to \$6.4 million versus \$6.7 million in 2016, demonstrating the steady results that PortsToronto continues to deliver in its financial performance. This 2017 amount does not include the Gain on Sale of the 30 Bay/60 Harbour Street property, which obviously greatly impacts the bottom line.

Once again for 2017 PortsToronto made substantial contributions to the public purse by recognizing and paying \$3.0 million in Federal Gross Revenue Charge and paying \$3.3 million in Payments in Lieu of Taxes and \$3.0 million in Property Taxes, both to the City of Toronto; a total of \$9.3 million out of the \$60.8 million in revenue for the year.

Looking ahead PortsToronto is again projecting ongoing profitability in the future, with new leases, including film production at our Port property, will enable us to continue to support investments in port infrastructure, environmental sustainability and community initiatives. Something we are all very proud of.

That concludes my brief remarks on the Audited Financial Statements; a positive story that will continue. And as I said there will be an opportunity to ask questions in a few minutes.

I do have one more piece of business to take care of at this stage. In accordance with our obligations under the Canada Marine Act, I would like to address the appointment of Auditor for PortsToronto.

I can report that the Board of the PortsToronto has re-appointed Deloitte LLP as Auditor for the audit of the fiscal year ending December 31, 2018.

Ms. Lilian Cheung of Deloitte is here with us today.

At this point in time I will turn the meeting back over to Geoff.

Thank you.