

June 3, 2014 | Allan Baydala Chief Financial Officer | Annual General Meeting

Thank you Robin. Good afternoon.

It is my pleasure to present to you Port Metro Vancouver's Financial Report for 2013, which combines our audited financial statements with our Management Discussion and Analysis. The report highlights our capability to deliver results, providing an overview and analysis of our business operations and financial results.

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I am pleased to report on a number of financial milestones for Port Metro Vancouver in 2013:

We achieved an 18% increase in earnings before interest, taxes, depreciation, and amortization.

We purchased the former Fraser Wharves auto terminal in Richmond for \$56 million, ensuring it will remain a marine terminal.

We completed a key project in the Gateway Infrastructure Program on time and on budget – the South Shore Elevated Road Structure is open.

We received re-affirmation from Standard & Poor's of our AA credit rating. This approval is especially noteworthy as it has been achieved through several years of continued global economic uncertainty.

We advanced several major capital projects to meet future demands for increased container capacity through our Container Capacity Improvement Program, the Deltaport Terminal, Road and Rail Improvement Project and proposed Roberts Bank Terminal 2 project.

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Our 2013 consolidated results show that we are well positioned to take advantage of emerging trade opportunities globally.

Total Comprehensive Income increased to \$93 million in 2013 from \$90 million in 2012. The 2012 results included a \$21 million gain on the sale of our investment in the Modalink Distribution Hub.

These results continue to demonstrate that amidst uncertain global economic conditions, Port Metro Vancouver has strength through a diverse set of trading partners, cargo sectors and our import/export balance.

Capital spending in 2013 increased to \$151 million from \$67 million in 2012. This increase was primarily due to spending on capital investments required to address port capacity constraints and optimize efficiencies. Capital spending included the

purchase of property from Fraser Wharves and container sector projects: Deltaport Terminal, Road and Rail Improvement Project and the proposed Roberts Bank Terminal 2 project, and expenditures for 17 Gateway Infrastructure Program projects.

Looking ahead, our 2014-2018 Capital Plan identifies \$778 million in total spending, supporting the strategic priorities of our organization, including increasing port capacity, optimizing land inventory, accelerating internal operational efficiency, delivering supply chain efficiencies, and providing capital maintenance.

Our full Management Discussion and Analysis is available in our 2013 Financial Report – available in hard copy here today, or on our website.

The consolidated financial statements in our report were audited externally by Ernst & Young. The auditors are of the opinion that the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the port authority as at December 31, 2013. The consolidated financial performance and consolidated cash flows for the year ended in accordance with International Financial Reporting Standards.

Earlier this afternoon our Board of Directors reappointed Ernst & Young as Auditors of Port Metro Vancouver.

At Port Metro Vancouver, we are committed to financial self-sufficiency and the reinvestment of profits: to continuously improve port facilities, infrastructure and services for users; to enhance our environmental programs; and to benefit our communities.

We look forward to continuing this work in 2014. I would like to take this opportunity to thank our customers and stakeholders for their continued commitment to accountability, our Board of Directors for their guidance over the year, and our employees who work hard to deliver solid results and ensure the Port maintains its strong financial position.

By taking a long-term, strategic approach to financial management and planning, we have been able to support sustainable growth for future generations, while ensuring our financial targets are met today.

Thank you.