

THE MPA AND LOGISTEC BOOSTING CONTAINER HANDLING CAPACITY AT THE PORT OF MONTREAL

Montreal, March 21, 2019 - The Montreal Port Authority (MPA) and LOGISTEC Corporation are pleased to announce that Viau Terminal, which handles about 350,000 containers annually, will undergo a new construction phase to increase its handling capacity. This is its second phase, which continues and completes the most recent container terminal at the Port of Montreal. Its first phase was completed in 2016.

After a fifth consecutive record year, steady growth in its various fields of activity and a 9% upswing in the container sector with 1.7 million twenty-foot equivalent units (TEUs) handled in 2018, the Port of Montreal is more than ever a hub of global trade.

This is why the management teams of the MPA and LOGISTEC (through the terminal operator, Termont Montreal Inc.) decided to launch the last phase of Viau Terminal, which is so successful that it is quickly reaching full capacity, as is the Port of Montreal as a whole.

Accommodating growth

This new phase will make it possible to add 250 000 TEUs to Viau Terminal's current capacity, bringing it to 600,000 TEUs.

The project will enable the Port of Montreal to accommodate the anticipated growth in the container sector and reach its maximum capacity on the Island of Montreal, 2.1 million TEUs. The beneficial effects of the Comprehensive Economic and Trade Agreement (CETA) on freight traffic, growing market internationalization, and regional and national economic vitality are among the factors that explain this positive dynamic, which shows no signs of slowing down.

The project works will run from September 2019 to December 2020 and will mainly include the following: installing piles, railway works, dynamic soil compaction, underground infrastructure works, laying foundation, and paving. Throughout the works, in accordance with the commitment made by the MPA and Termont Montreal Inc. during public consultations on the project held in 2015, mitigation measures will be implemented to minimize inconvenience to neighbouring communities. For example, dust suppressants will be applied to prevent or reduce the spread of dust and motorized equipment will have high-performance mufflers.

When fully operational, Viau Terminal will generate 2,500 direct and indirect jobs, as well as \$340 million in economic benefits. The terminal uses new technologies and will continue to do so, for example by electrifying certain components and

using broadband reversing alarms on equipment to minimize the noise impacts of handling activities.

A collaborative effort

Viau Terminal's final phase, announced today, is made possible through large investments from three partners: the MPA, LOGISTEC and the federal government.

LOGISTEC Corporation announced that Termont Montreal Inc. is investing \$30 million in the final phase of this key infrastructure project that, in turn, will enable the development and growth of services for the world's second largest shipping line, MSC, a longstanding partner of both Termont Montreal Inc. and the Port of Montreal.

"The increase in terminal capacity is coming at the right time for us. We applaud this announcement as it ensures the future growth of our services in Montreal," said Sokat Shaikh, President and CEO of MSC Canada. "MSC has grown significantly by more than 10% a year for the past five years. This additional capacity at Viau Terminal will support such growth over the next two years. Then we will have to move on to the next step."

Madeleine Paquin, President of Termont Montreal Inc., added: "The Port of Montreal is a hub and anchors our network. As MSC's strategic partners, we are delighted to work with the Port of Montreal and support its expansion. This project reaffirms our commitment to Montreal and our determination to be efficient and reliable as a strategic gateway for Canadian trade. We are very pleased to have the support of the Government of Canada to continue to advance Montreal's development. Since the signing of CETA, exporters and importers are already making the most of the new market access. The future is bright for Montreal!"

"Collaboration is at the heart of our business processes, as demonstrated by today's announcement," said Sylvie Vachon, President and CEO of the NPA. "We are pleased to be able to complete the Viau terminal project, a sign of the steady growth of the container market in Montreal, and to be able to count on the commitment of our valued partners who have been involved in this project from the start, the Government of Canada and LOGISTEC."

Readying the future

These works to complete Viau Terminal will end all possible development of container handling spaces on the Island of Montreal.

Consequently, the MPA is getting set for the longer-term future of Montreal's container market dynamics, a sector synonymous with major economic benefits and core to the activities of more than 6,300 companies in Greater Montreal. The next key milestone in the MPA's strategic development plan is the major container terminal project at Contrecoeur, where certain major steps are currently being implemented or finalized: environmental process, financial structure, engineering and design, negotiations for terminal operation, etc. Commissioning is scheduled for 2023-2024.

"With the completion of Viau Terminal and the major terminal project at Contrecoeur well underway, the Port of Montreal is actively working to accommodate the growth of the container market for years to come. By doing so, it is strengthening its strategic role at the heart of Montreal's supply chain and continuing to act as an engine for economic development and job creation, benefitting Greater Montreal, Quebec and Canada," added Ms. Vachon.