





- Federal Crown corporation
- Strategic partner to Transport Canada
- Tasked with ownership and management of 4 international bridges:

Connecting Michigan & Ontario

- Sault Ste. Marie International Bridge (w/partner)
- Blue Water Bridge (direct)

Connecting New York State & Ontario

- Thousand Islands International Bridge (w/partner)
- Seaway International Bridge (via subsidiary)



Mandate:

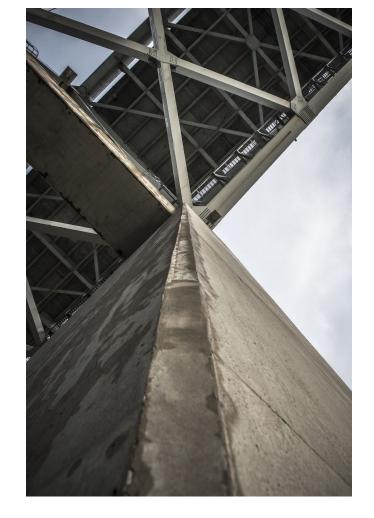
 Provide the highest level of stewardship so that its international bridges and associated structures are safe and efficient for users

Mission:

 Provide oversight of Canadian federal interests in four selected international bridge crossings between Canada and the United States

Vision:

 Strive to optimize the safety, security, sustainability and capacity of bridge operations to the benefit of Canada while serving the traveling public with efficiency and respect



GOVERNANCE

- 7-member Board of Directors
 - Appointed by the Governor-in-Council
 - Includes the Chairperson and the Chief Executive Officer
 - Represents the interests of the Shareholder: Her Majesty on behalf of Canadians
- Committed to the highest possible standards in corporate governance practices
- Recently completed a cycle of comprehensive review of roles, responsibilities, accountabilities, policies, procedures, oversight and strategic objectives of:
 - The Board itself, and
 - The Corporation



A YEAR OF INTERNAL CHANGE AND RENEWAL

Leadership Transition:

- President & CEO retires, new CEO appointed
- Board Chairperson departure
- Renewal of the Board of Directors



STRATEGIC DIRECTION

- Proven, well-established corporate strategic intent:
 - Ensure sustainability
 - Invest in technology, when it's right
 - Enhance the customer experience
 - Seek on-going internal operational efficiencies
- Commitment from Board and CEO to maintain established momentum on strategy



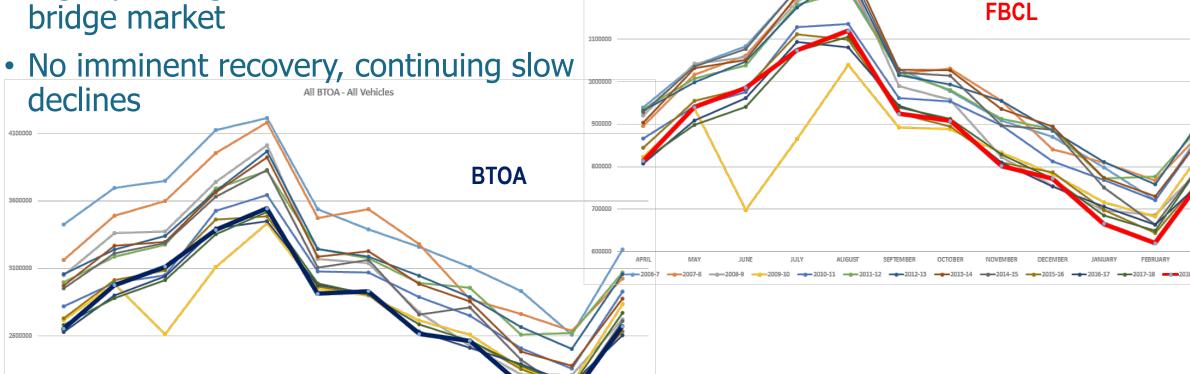
EXTERNAL OPERATING CONTEXT

- International trade disputes and negotiations very prominent
 - Canada, Mexico, United States overhaul of NAFTA
 - Tariffs on metals, lumber
 - Impact of China
- Relatively high employment rates in Ontario and in US
- Effects of declining value of Canadian dollar, oil price fluctuations & fuel taxation on travel & trade
- Construction of new, competing Windsor-Detroit crossing initiated
- Binational agreement for Sault Ste. Marie International Bridge renewed
- Canadian intent for indigenous reconciliation is validated



TRAFFIC DECLINES

- Past decade's lowest traffic levels in 2018-19
- FBCL's relative traffic performance slightly stronger than that of overall bridge market



DOWNS AND UPS AND DOWNS

FY Data	All Traffic			Commercial			
	2016-17	2017-18	2018-19	2016-17	2017-18	2018-19	
Sault Ste. Marie International Bridge	-5.81%	1.72%	-2.47%	5.98%	1.43%	-1.15%	
Blue Water Bridge	-1.48%	-0.85%	0.69%	3.79%	-4.08%	2.41%	
Thousand Islands International Bridge	-0.25%	-0.69%	-2.27%	-2.16%	-0.91%	-2.61%	
Seaway International Bridge (All Traffic)	1.44%	2.83%	0.59%	3.51%	1.86%	7.57%	
Seaway International Bridge (Paid Traffic)	-3.26%	4.56%	-1.49%	4.67%	-1.98%	1.57%	
All FBCL Total:	-1.24%	0.35%	-0.34%	2.83%	-3.02%	1.53%	
All Crossings:	-1.00%	0.81%	-0.62%	1.88%	-1.77%	-0.26%	

- Passenger traffic declining
- Commercial traffic generally stagnant or dropping



VALUE OF CANADA-US TRADE INCREASES

US M\$ (Source:BTS)	2016	2017	2018
Sault Ste. Marie International Bridge	\$ 1,483	\$ 1,632	\$ 1,719
Blue Water Bridge	\$ 51,166	\$ 53,681	\$ 56,012
Thousand Islands International Bridge	\$ 14,160	\$ 13,897	\$ 14,702
Seaway International Bridge	\$ 600	\$ 653	\$ 691
Total:	\$ 67,410	\$ 69,863	\$ 73,125
Change:		3.64%	4.67%

- Two tightly integrated economies
- Nearly US \$75B worth of goods crossing FBCL bridges annually

Largest Categories	To USA	From USA
Sault Ste. Marie International Bridge	Wood & Metals	Electrical Machinery
Blue Water Bridge	Transportation Related	Electrical Machinery
Thousand Islands International Bridge	Metals	Machinery & Metals
Seaway International Bridge	Metals	Metals

 Value of trade continues to increase even if the volume of traffic decreases

INTERNAL OPERATING CONTEXT

- Standard & Poor's Financial Services LLC upgraded FBCL's Global Rating from 'A' to 'A+' and revised the outlook to "stable"
- Launch of ConneXion pre-paid toll and automated transit at Blue Water Bridge exceeds adoption and community engagement expectations
- Completion of major phase of asset improvements and construction throughout portfolio
- Managing costs and spending at Seaway International Bridge to adapt to financial pressures resulting from continuing growth in toll exempt travel from historical government grant of indigenous free passage

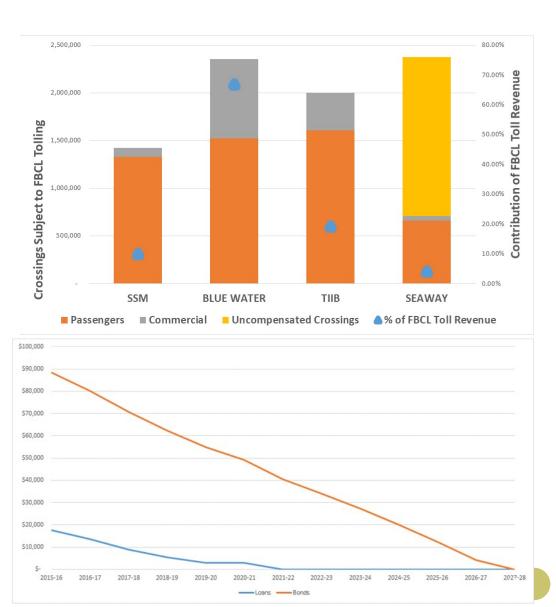


PERFORMANCE

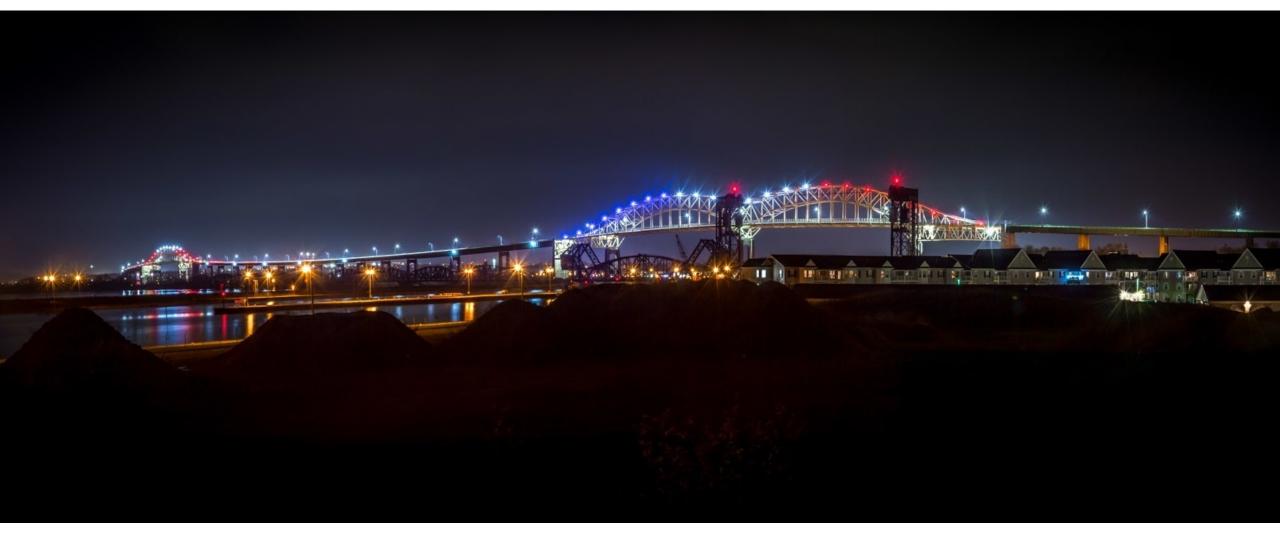
- Blue Water Bridge contributes strongly to FBCL revenues due to high commercial traffic rate
- Seaway traffic volume is almost equal to tolled Blue Water traffic
- FBCL executing active debt reduction strategy

('000 CDN \$)	FY2016-17	FY2017-18		
Total Revenue	\$43,905	\$42,887		
Net Loss	\$387	\$2,974		
Other				
Additions	\$58,183	\$31,372		
Debt	\$80,037	\$70,903		





SAULT STEMMARIE INTERNATIONAL BRIDGE



BRIDGE NEWS & ISSUES: SAULT STE MARIE

New Canadian bridge plaza officially opened in August 2018

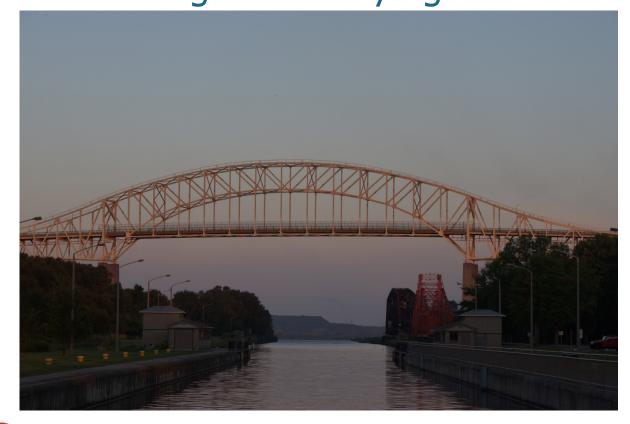
• Ratification with Michigan on International Bridge Authority agreement

ensures operational stability

Strategic focus

 Pier monitoring for critical U.S. Soo Locks project's impact

- Extensive routine, preventative maintenance to extend asset life
- Canadian approach surface treatment for improved friction in slope
- Monitoring impact of political climate
 & fuel taxes on regional travel



BLUE WATER BRIDGE



BRIDGE NEWS & ISSUES: BLUE WATER BRIDGE

- ConneXion frequent commuter crossing program launched October 2018
 - Over 5000 tags issued to date to more than 3000 account holders
 - Expansion technology to include commercial transits
 - Promoting adoption by US partner
- Strategic focus
 - Progressing Canadian Plaza Master Plan ongoing
 - Clearing central plaza completing Spring 2019
 - Emergency return road completing Spring 2019
 - Security Operations Centre April 2019
 - CCTV modernization starting 2019





THOUSANDISLANDS INTERNATIONAL BRIDGE



BRIDGE NEWS & ISSUES: THOUSAND ISLANDS

- New Canadian Bridge Plaza official officially opened June 2018
- Strategic focus
 - Toll infrastructure renewal, EZPass
 - 80-year old bridges, good condition with medium term planning required
 - NEXUS Enrollment Center integrated in plaza
- Partner: US Port of Entry Replacement
 - Renewal completion targeting summer 2022





SEAWAY INTERNATIONAL BRIDGE



BRIDGE NEWS & ISSUES: SEAWAY

- Rehabilitation of Cornwall Island International Roadway linking North & South Channel bridges
- Historical lookout from old North Channel Bridge pier
- Strategic focus:
 - Operating in a unique context, traversing Akwesasne, home of the Mohawk community
 - Removal of 3 remaining in-water piers of the old North Channel Bridge in 2019
 - Financial sustainability of subsidiary Seaway International Bridge Corporation
 - Supporting Crown-Indigenous reconciliation initiatives





THE BUTURE

- Advanced tolling options
- Asset management system deployment
- Blue Water Bridge Master Plan delivery
- Thousand Islands Bridge
 Authority partnership international agreement renewal
- Collective agreement negotiation
- Occupational health & safety program delivery





May 30, 2019

FEDERAL BRIDGE CORPORATION
SCRIPT DES PONTS EFFERANCE

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