

THE MONTRÉAL SCIENCE CENTRE CELEBRATES ITS 10th ANNIVERSARY



ANNUAL REPORT 2009-2010

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From Expotec to the Science Centre

The Expotec event was held nine times on the King Edward Pier from 1987 to 1996, each year attracting some 300,000 visitors, proving people's desire to know more and more about science, technologies and the world around them.



In 1997, in preparation for the new millennium, the federal government awarded the Old Port of Montréal Corporation \$29 million to build a multi-purpose complex and ensure Expotec carries on its mission. The Montréal Science Centre project started to take shape.



Unique architectural style

Hangars 7, 8, 9, 10

The metal structure of the four old hangars on the King Edward Pier was used as the base of the multi-purpose complex.

Designed by the Montréal consortium of architectural firms of Daoust Lestage and Faucher, Aubertin, Brodeur, Gauthier (FABG), the 18,000 m² science centre, whose exterior surfaces are made of brushed aluminum and glass, was built around the IMAX Theatre that had already been on the King Edward Pier since 1988.

Since the centre's building style resembles an old warehouse, it fits perfectly with the port infrastructures constructed in the early 20th century alongside the St. Lawrence River.





Committed partners

The federal government was the first and the main partner for the Montréal Science Centre project. This project worth \$41 million was also to obtain private-sector funding.

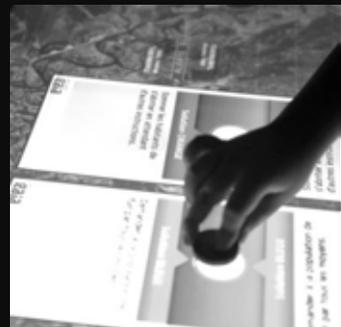
The fund-raising campaign spear-headed by André Caillé, then President and Chief Executive Officer of Hydro-Québec, and Lynton R. Wilson, the Chairman of BCE Inc., under the leadership of Bernard Lamarre, then Chairman of the Board of the Old Port of Montréal's Corporation, made it possible for 73 local businesses to get involved in this enormous endeavour.



May 1, 2000...a date for the history books

On the day after the official opening of the Science Centre, the headline on the May 2, 2000 edition of **Le Devoir** read as follows "**Science and Technology Within Everyone's Grasp**".

The Science Centre provides a forum for discovery and exploration in the healthcare, transportation, materials, energy, information technology, habitat and several other sectors where an interactive approach allows participants to learn about science and technology in a fun way by handling objects and machines and observing results..



A wide array of interactive activities

The very first science centre in Quebec offers visitors more than **100** activities totalling **27** hours of experiments and including **17** new computer games, interactive DVDs, video clips as well as soundtracks.

A first great year

The Science Centre, which was called the **Centre iSci**, generated huge public interest right from the start.

Nearly 700,000 visitors came to discover the centre over a 12-month period.



In 2001, the centre was awarded **Tourisme Montréal's Ulysse prize** and received a **gold medal** from the **Grands prix du tourisme québécois** for the 100,000 visitors category.



Mission

To play a role in ensuring that each individual is able to learn about science and technology to build his or her future.

Objectives

Develop scientific and technological literacy;

Entice young people to pursue a career in science and technology;

Promote the knowledge and know-how of local companies;

Help to train educators;

Help to develop Montréal's tourism industry

Strategies

Transparency, revealing the inner workings of machines and processes;

Experience, letting visitors feel the effects of observation and interpret what it all means;

Emotion, which stimulates curiosity and the desire to learn;

Adventure for people involved in science showing us the path of discovery and how science is used in our everyday lives.

Approach

An interactive approach whereby people learn in a fun and friendly way;

A real experience, since visitors have the opportunity to see experiments live with competent and experienced facilitators using real equipment;

Seeing change as it occurs, since everything is constantly changing. Understanding the causes and effects of change lets people obtain a better grasp of how the world is evolving.

The world belongs to those who understand it

Usine Matière • Labo Vie / Studio Info • Florent Veilleux • Eurêka • Technocité • Château de Dynamo • Imagine! • idTV • Mission Gaia • Science 26 • Vitrines Innovations • Cargo • Physique insolite • Communication • La maison éclatée • Le sommeil de A à Zzz • Autopsie d'un meurtre • Rotation extrême • Mammifères de l'ère de glace • Le monde du corps 2 • L'Odysée de la lumière • Extra ou terrestres? • Entre les branches • Aqua (Fondation One Drop) • Drôle de matière • Aux confins de l'univers quantique • Champlain, cartographe du Roy • Prix IDM 04 • Transit • Aqua (Les escales improbables) • Le génie du génome • IDM 2005 • Changements climatiques • Nagoya • Quand la science rejoint l'art • Mg • IDM 2006 • Teichmann • Grønland • L'anatomie au fil du temps • Sel essentiel • Forêt nomade • Régime planétaire • Inspiration • Tête, main, coeur: 40 ans soi • Raconte-moi une maison • Rêver en 3D • L'art à 360 • qui m'entoure • Arrimage 2009 - Le rythme • Station l'espace • Envol • Vertige • En direct de l'espace • En Canyon • Benthos • Vivre au sommet • Planète bleue • Montagnes de feu • Oeuf magique • Rolling Stones at the L'homme et la bête (3D) • Momentum (HD) • Propulsion • Titanica • Le secret de la vie sur terre • A vol d'oiseau sous la mer (3D) • Africa : Le Serengeti • Les ailes du sans frontière • Effets spéciaux • L5, cité de l'espace (3D) • la peur • Everest • Acrobates du ciel • Sur la piste des Mystères de l'Égypte • Sport extrême • Le vieil homme et la mer • Les Iles Galapagos (3D) • Cirque du Soleil : Passages (3D) • Dauphins • Cavernes : Dangers et mystères • L'extrême Californie • Le grand voyage des animaux • Station spatiale (3D) • L'Inde, Royaume du tigre • Adrenaline : la science du risque • Coraux du Pacifique • Vitesse extrême • Bestioles ! (3D) Château Hanté (3D) • Le Père Noël et le bonhomme de neige (3D) • Lions du Kalahari • Forces de la Nature • Les chimpanzés sauvages de Jane Goodall • Aventures en animation 3D • Mystère du Nil • Safari sauvage en 3D • Circuits des vainqueurs : Survivre au Tour de France • Sous les mers du monde en 3D • Grèce : Secrets du passé • Requins 3D • Les Alpes • Dinosauriens... vivants ! 3D • Monstres de la mer 3D : Une aventure préhistorique • Momies : Secrets des Pharaons • Sur la piste des éléphants • U2-3D • Grand Canyon : fleuve en péril 3D • Océan sauvage 3D : où l'Afrique rencontre la mer • Destination lune 3D : à vos ailes • Merveilles des mers 3D • Station spatiale 3D • Moi, Van Gogh • Journée nationale des Débrouillards • Accès Backstage 2009 • Rendez-vous - Jeunes Citoyens Primaire • Toi & moi contre le sida • Expo 3R • Action RE-butts • Neurogym • Action culturelle Verre • Festival Eurêka ! - La science met le nez dehors ! • Défi génie inventif 2009 • Journée des musées montréalais • Aqua • Symposium Science et Technologie de la CSDM • Rendez-vous jeunes citoyens - secondaire • Merveilles des mers 3D • Technofolies • Nuit Blanche à Montréal • Festival Montréal en Lumière • Expo dossier : Régime planétaire • Accès Backstage • Océan sauvage 3D : Où l'Afrique rencontre la mer • Forêt nomade • Entre les branches • Technophages 2008 • CECA - Icom (Committee on education and cultural action) • Le Télescope James Webb • Défi génie inventif 2008 • The Science of Aliens • Grand Canyon 3D : fleuve en péril • Symposium mer 3D : Une de la CSDM • Nuit piste des éléphants Forum public sur pense, donc je clique Commission scolaire culturels - Requins 3D Disparaître - Espèce Teichmann : peintre des prix du concours autrement • Jury de

de design à l'UdeM • Qui suis-je? En quête de Énergiev'art • Brillant! • Comprendre le monde spatiale • Bestioles • Urgence • En direct de direct de l'espace • Envol • Vertige • Grand Entre ciel et terre • L'eau et les hommes • Max • Antarctica • Les feux du Koweït • La force du soleil (3D) • Aventuriers du savoir • Imagine (3D) • Vivre au sommet • Un paradis courage (3D) • NY au fil du temps (3D) • Mers Alaska • À toute vitesse • Amazone • Plaisirs de éléphants d'Afrique • L'autre dimension (3D) • Cirque du Soleil : Passages (3D) • Dauphins • Cavernes : Dangers et mystères • L'extrême Californie • Le grand voyage des animaux • Station spatiale (3D) • L'Inde, Royaume du tigre • Adrenaline : la science du risque • Coraux du Pacifique • Vitesse extrême • Bestioles ! (3D) Château Hanté (3D) • Le Père Noël et le bonhomme de neige (3D) • Lions du Kalahari • Forces de la Nature • Les chimpanzés sauvages de Jane Goodall • Aventures en animation 3D • Mystère du Nil • Safari sauvage en 3D • Circuits des vainqueurs : Survivre au Tour de France • Sous les mers du monde en 3D • Grèce : Secrets du passé • Requins 3D • Les Alpes • Dinosauriens... vivants ! 3D • Monstres de la mer 3D : Une aventure préhistorique • Momies : Secrets des Pharaons • Sur la piste des éléphants • U2-3D • Grand Canyon : fleuve en péril 3D • Océan sauvage 3D : où l'Afrique rencontre la mer • Destination lune 3D : à vos ailes • Merveilles des mers 3D • Station spatiale 3D • Moi, Van Gogh • Journée nationale des Débrouillards • Accès Backstage 2009 • Rendez-vous - Jeunes Citoyens Primaire • Toi & moi contre le sida • Expo 3R • Action RE-butts • Neurogym • Action culturelle Verre • Festival Eurêka ! - La science met le nez dehors ! • Défi génie inventif 2009 • Journée des musées montréalais • Aqua • Symposium Science et Technologie de la CSDM • Rendez-vous jeunes citoyens - secondaire • Merveilles des mers 3D • Technofolies • Nuit Blanche à Montréal • Festival Montréal en Lumière • Expo dossier : Régime planétaire • Accès Backstage • Océan sauvage 3D : Où l'Afrique rencontre la mer • Forêt nomade • Entre les branches • Technophages 2008 • CECA - Icom (Committee on education and cultural action) • Le Télescope James Webb • Défi génie inventif 2008 • The Science of Aliens • Grand Canyon 3D : fleuve en péril • Symposium mer 3D : Une de la CSDM • Nuit piste des éléphants Forum public sur pense, donc je clique Commission scolaire culturels - Requins 3D Disparaître - Espèce Teichmann : peintre des prix du concours autrement • Jury de

Brillant • Les Alpes : À l'assaut des sommets • Le monde du corps 2 • LMC2 • Journée des musées montréalais 2007 • Rendez-vous Jeunes citoyens • Je • Dinosauriens vivants! en 3D • Symposium des sciences et de la technologie de la de Montréal • Nuit Blanche 2007 • Robofolies 2007 • Colloque des partenaires • Journée Techno-sciences • Forum jeunesse : La malbouffe en question humaine menacée • Valise pédagogique 00Watt • Survivre à la maladie • George de l'ère de glace • Sous les mers du monde en 3D • 24 heures de science • Remise Alpha Elektra • Défi des classes débrouillardes • Journée "ADOS" • Je m'emballe citoyens sur la recherche clinique • Conférence citoyenne sur les enjeux de la biométrie et de la sécurité • Mammifères de l'ère de glace • Mystère du Nil • Robofolies 2006 • 32ième édition de la Grande Compétition nordique de toboggan de béton • Programme sciences et carrières : Journée Techno-sciences • La Nocturne du Centre • Semaine thématique jeunesse: Lâchez Prise! • Circuit des vainqueurs Magnésium, métal de l'avenir • Arrimage 2006 sur l'Énergie • Programme sciences et carrières: Journée Techno-sciences • Compétition québécoise d'ingénierie • Cycle de conférence » L'olympisme: sport ou science ? • Nox... • Safari sauvage 3D • Les journées de la culture • Rotation X-trême • Rendez-vous trême • Rallye-métier génomique/CEGEPS • Montréal en lumière • Nature • Le génie du Ciné-crime • Rêver en Immersion • Quand la science au service de la GSTA • Aqua • Les reconnaissance

Champlain, Cartographe du Roy • Champlain, Cartographe du Roy • Année internationale de l'eau douce • Lions du Kalahari Aux confins de l'univers • quantique • Robofolies 2004 • (Ingénierie Simultanée Présentés Aux Jeunes Étudiants du Secondaire • Champlain, Cartographe du Roy • Année internationale de l'eau douce • Lions du Kalahari Aux confins de l'univers quantique • Robofolies 2004 • Prix des titans • Nocturne au CSM • Festival Montréal en lumières • 36 Solutions technologiques • Programmes éducatifs Sommeil • Les innovateurs au CSM • Technocité • La vie, la nuit • Rendez-vous Science et Paix • Décor de Noël • Bulbes artificiels • Radio-enfants • Soirée visite de professeurs dans les institutions culturelles du Vieux Montréal • Asimo • Cyberexplorer • Branché QHP • Cuisinez la science • Raconte-moi une maison • Compétition extérieure en robotique • Codes d'accès • 9ième compétition nationale de canoë de béton • Aqua





Transfer of Property, Plant and Equipment

Public Works and Government Services Canada (PWGSC) transferred the property, plant and equipment to the Old Port of Montréal Corporation on November 2, 2009. The Corporation is now responsible for the property, plant and equipment located to the south of de la Commune Street until the river, between Berri Street to the east and the Mill Bridge to the west. This transaction included transferring part of the land to the west of the Mill Bridge to Parks Canada.

Some Very Popular Attractions

Both the Montréal Science Centre (MSC) and the Quays of the Old Port (QOP) reached, and even exceeded, their targets for attendance levels. More than 730,000 people visited the MSC this year to view an exhibition, see a movie at the IMAX®TELUS Theatre or take part in various cultural activities. Due to the diverse programming offerings, 35% of visitors were new to the site, a 26-point increase over last year.

Close to 5.5 million people visited the Quays of the Old Port this past year. This good level of performance is largely attributable to a 26% increase in the number of visitors during the summer months. More than 1.5 million people visited the Quays during the winter months, making this site Montréal's TOP urban winter destination.

New Programming

Two years after being unveiled, the MSC's permanent exhibitions, *Imagine!*, *IdTV*, *Mission Gaïa* and *Science 26*, are the centre's main attraction. Where temporary exhibitions are concerned, the MSC was proud to be associated with the One Drop™ / Goutte de vie Foundation to present the world premiere of *Aqua*, a multisensory experience designed to raise public awareness of the need to use water responsibly.

The strong performance of the 2009-2010 editions of the *Eureka! Festival* and the *Technofolies* confirm the importance of developing cultural events for young people, focussing on scientific and technological discovery.

The MSC's IMAX®TELUS Theatre is being upgraded. A total of \$1.5 million was spent to replace the giant screen and to upgrade certain equipment. With growing competition, the MSC must give customers the best possible movie experience. This desire to offer a high-quality experience also prompted the MSC to renew its food court offerings. New concession holders will be open for business in the summer of 2010.

Where the Quays of the Old Port are concerned, the brand new *Promenade des arts du cirque* was an important part of the summer season, with some 750 shows. At the same time, the Quays continued to assert their maritime character, presenting the very first *Montréal Classic Boat Festival*, an event featuring more than 50 wooden collector's boats. The project to re-develop the Port d'escale will also help to showcase the Quays' maritime character by offering top-quality facilities to boaters starting in 2010. Where commercial offerings are concerned, the *MUVBox*, a unique new restaurant concept in Montréal, created a sensation and breathed new life into the western sector of the site.

The *Igloofest* continues to be a showcase event on the Quays during the winter. It had two notable achievements this year. The number of visitors who love the cold jumped 50% to 42,000 and the *Igloofest* was awarded the Ulysse trophy at the Gala des Grands Prix du tourisme québécois for the Montréal region. This prize is awarded in recognition of an event's major success, but also for its contribution to making Montréal better known as a tourist destination.

Advances in Human Resources Management

The work to renew the labour agreements to be signed with the Corporation's unionized employees began in late fall. The employees concerned should be able to vote on the offers being made in April, at the start of the next fiscal year. The Corporation is hopeful that a mutually satisfactory agreement can be reached.

The Corporation is continuing its efforts to strengthen its personnel's management abilities by implementing common values for success. Team spirit, commitment and excellence are the values that will guide the behaviour of managers and employees.

New Bold and Distinctive Advertising Campaigns

In its desire to heighten the impact of a visual identity and to standardize the MSC's and the Quays' advertising platforms, the Corporation put in place new advertising campaigns that are more

in tune with the brand attributes of these product groups. These very successful and bold campaigns were assessed as exceeding industry standards. They had a positive impact on the brand awareness of both the MSC and the Quays. The level of awareness of both the MSC and the Quays increased this year. The Quays are recognized largely by Montrealers (level of awareness of 97%), whereas the MSC, with a level of awareness of 72%, is ranked with major Montréal institutions, such as the Biodome, the Planetarium and the Botanical Gardens.

The level of general satisfaction on the part of MSC and Quays customers exceeded 80% this year. The level of appreciation of the knowledge and skills of personnel is also above 80%. This plays a major role in ensuring customer loyalty. Close to 40% of MSC customers stated that they intended to return, while this percentage was 66% for Quays customers.



MESSAGE OF THE CHAIRMAN OF THE BOARD



As the Old Port of Montréal Corporation's new Chairman since July 2009, I would like to thank outgoing directors Tasha Kheiriddin and Claude Thibault, as well as my predecessor, Bernard Roy, for being so committed to the Corporation for more than two years. Thanks to their invaluable contributions, the Corporation has made major strides in terms of both its management efficiency and its outlook for the future. I would also like to welcome Anis A. Nazar, who has joined the Board for a three-year mandate.

This first year as Chairman has allowed me to obtain a good understanding of the Corporation and to capture the essence of the challenges that it faces. With its competent and dynamic team, the Corporation is continually seeking to improve its management practices and the quality of experience enjoyed by visitors to the Quays of the Old Port and the Montréal Science Centre. I am therefore at the helm of an organization in good financial health and with clear and promising development strategies for the Montréal community.

Like my predecessors, I firmly support the *Vision for Development: A Window on the River* and have made it a priority to obtain the financing required for its implementation. This project will help to drive the economic and cultural performance of the Old Port and Old Montréal. It will have major impacts for positioning Montréal strategically as a cultural metropolis.

I am very pleased that the transfer of the property, plant and equipment from PWGSC to the Corporation was confirmed on November 2, 2009. This transfer has provided more autonomy to the Corporation. Like the recurring core funding secured in 2007, the transfer of property, plant and equipment was one of the recommendations made following the mandate review in 2001-2002. The new Building Condition Report included with this transfer outlines the major work to be carried out over the next few years as well as the need to ensure long-term funding not only to preserve the Corporation's existing property, plant and equipment but also to add new functions to guarantee free access to the river and the site's facilities.

I am hopeful that the federal government will meet the Corporation's needs to ensure that it can operate efficiently and that it can honour its commitments in terms of support for local economic development initiatives. These needs also relate to Canada's ability to remain a key player in developing the cultural and tourism offerings in one of our country's finest cities.

In closing, I would like to thank all of the directors for their commitment. On their behalf, I thank the entire team for its excellent work, which enables the Corporation to make important progress each and every day.

The Chairman of the Board

Gerry Weiner P.C.



There is so much that is new at the Old Port. There was the *Promenade des arts du cirque*, a new event held on the Quays, which provided a splash of new colour to the site during the summer months. The new *Muvbox*, an object of curiosity providing a new gourmet fast food experience, has generated new activity in the western sector of the site. The Montréal Science Centre associated itself with the One Drop™/ Goutte de vie Foundation to present the world premiere of *Aqua*. The MSC also participated in the huge *Montréal, City of Glass* project, an initiative involving dozens of partners.

In addition, the Corporation played a role in renewing Montréal's cultural landscape by supporting state-of-the-art projects such as architectural projections that are part of the *MUTEK festival*, the *Ephemeral Lighthouse*, or the *Transports Exceptionnels*, a show presented as part of the *Festival TransAmériques*.

The Corporation showed its innovative spirit by lending its support to the *Igloofest* for four years in a row. This unique event has changed the way many Montrealers think about winter. I should point out that the *Igloofest* was awarded the Ulysse prize at the Gala des Grands Prix du tourisme québécois for the Montréal region.

These initiatives were necessary to ensure that visitors enjoy a high-quality experience at the Old Port. Major investments were made for the MSC's IMAX®TELUS Theatre to ensure that this facility remains competitive. Investments were also made to improve the MSC food court, which has been completely re-designed and is now ready to welcome new concession holders. The work completed at the Port d'escale will enable boaters to enjoy brand new high-quality facilities starting this year.

The Quays and the MSC introduced some brand new advertising campaigns. These campaigns as well as the Quays and MSC Websites were completely reviewed to reach visitors more effectively. There was also the first call to the general public to gather personal stories and other information to enhance the heritage value of the port facilities under our responsibility.

The greatest new development this year for the Corporation, which has been long awaited, is the transfer of the property, plant and equipment completed on November 2, 2009.

Finally, given the state of our discussions with the unions, there is reason to believe that the renewal of our collective agreements is imminent. This is good news for everyone involved.

I am very pleased to see the progress made by the Corporation again this year. This work is the result of commitment, teamwork and excellence demonstrated by each and every employee, each and every day, as they put their drive and professionalism to work to offer visitors, our very reason for being here, a unique and memorable experience. I would like to thank each member of our great team for making such a huge difference in our city and our country.

President and Chief Executive Officer,

A handwritten signature in cursive script that reads "Claude Benoit".

Claude Benoit, C. M.



The Corporation's mission is to manage, develop, and hold activities on an urban recreational, tourist, and cultural site and a centre for entertainment and discovery.

MANDATE

The Old Port of Montréal Corporation Inc. was created by the government of Canada with the mandate of developing and promoting the Old Port of Montréal's territory, and of administering and managing Crown property as an urban recreational, tourist and cultural site.

The territory of the Old Port of Montréal, which represents an area of 40.7 hectares, is 2.2 kilometres long and lies along the St. Lawrence River, bordering on Old Montréal. It has received historical recognition.

The Old Port is near Pointe-à-Callière, where the city of Montréal was founded, and Saint-Laurent Street, for which the section between the Old Port and Jean-Talon Street has been classified as an historic district by the Historic Sites and Monuments Board of Canada.

GOVERNING STATUTES

The Corporation is a business corporation incorporated on November 26, 1981 under the *Canada Business Corporations Act*. It is a wholly owned subsidiary of the Canada Lands Company Limited (CLC), a Crown corporation registered under Part I of Schedule III of the *Financial Administration Act*. In accordance with Order in Council P.C. 1987-86, the Corporation is subject to certain provisions of the *Financial Administration Act* as if it were a parent Crown corporation, listed in Part 1 of Schedule III. The Corporation reports to Parliament on its operations through the Minister of Transport, Infrastructure and Communities, the Honourable John Baird, as well as the Minister of State, the Honourable Rob Merrifield, who assists Mr. Baird in carrying out his responsibilities for Crown corporations.

PRODUCTS AND SERVICES

The site of the Old Port of Montréal is an exceptional location for walking, entertainment, discovery, learning and relaxation. The Corporation offers a wide array of services and reaches a vast clientele composed of children and adults, Montrealers and Canadian and foreign tourists alike.

Promoting the Development of the Old Port of Montréal's territory

In accordance with its mandate, the Corporation must put in place the basic infrastructure, equipment and services to:

- Satisfy the public's interest;
- Contribute to the sector's commercial development;
- Invest in the refitting or construction of certain buildings.

Project cost assessments and feasibility analyses, calls for tenders, the conclusion of public works, service and supply contracts, the planning and performance of work, as well as transactions with purchasers or concession holders are some of the services provided by the Corporation within this framework.

Administering, Managing and Maintaining Property

The Corporation is responsible for ensuring the adequate maintenance of the quays, as well as the related land, buildings, equipment and facilities. Security, maintenance and mechanical services, the development of green space and environmental management services make the Old Port site enjoyable, clean, safe and functional for commercial operations and public attractions. The conservation and protection of the site's

architectural and landscape heritage are ensured with regular maintenance as well as repairs to and the preservation of buildings and equipment, with the resources at its disposal.

Managing, Developing and Holding Activities on an Urban Recreational, Tourist, and Cultural Site

The Quays of the Old Port business unit is in charge of showcasing the site's historical, maritime and harbourfront character as well as the variety of programmed events offered throughout the year. The Quays therefore offer the following:

- on-site hospitality and information services;
- a number of entertainment activities;
- shows and events organized by outside producers;
- the Port d'escale and La Balade, which provides a guided visit to the site;
- concession holders operating maritime, sporting or outdoor activities as well as various restaurant services;
- a refrigerated outdoor skating rink; and
- parking facilities.

The Montréal Science Centre business unit is in charge of:

- permanent and temporary interactive exhibitions in the field of science;
- cultural and educational activities in the field of science;
- the IMAX[®] TELUS Theatre and the interactive movie game;
- corporate rental services;
- restaurant and boutique concession holders.

Corporate services support the work of the two business units, assuming responsibility for:

- site development as well as construction and maintenance projects;
- financial and administrative matters, as well as information technology management;
- human resources management;
- all activities related to marketing, communications, the search for partners and strategic alliances with the private

sector, as well as the various levels of government.

SOCIAL RESPONSIBILITY

The Corporation's social responsibility is guided by three government objectives, which were reiterated and supported in the guiding principles for development resulting from the public consultations in 1985-86:

- **Improve urban living conditions and public access to the river**
 - *Everyone should have access to the site and be able to move about freely and easily.*
 - *All development should preserve or highlight the exceptional vistas of the site itself, the river, and the city.*
 - *All development should reflect real collective needs for which the site is particularly appropriate.*
- **Protect and promote Canadian cultural heritage**
 - *The Old Port's significant historical, maritime, and harbour relics should be highlighted.*
- **Contribute to economic development efforts**
 - *The Old Port should encourage and support rather than compete against neighbouring areas.*
 - *Make the Old Port's development a complementary part of the development of greater downtown Montréal area.*
 - *Encourage the participation of the various levels of government in the planning and management of its development.*

In each of its endeavours, the Corporation is concerned about preserving visual contact with the river. Access to the site, as well as to a large number of activities, is free. The programming which it offers is chosen based on events that respect the particularities of the site, that meet the needs of customers and that protect the Old Port's environment. Given the nature of the Corporation's operations, its concerns are always focussed on providing top-quality service to the visitor.

As a leading social player, the MSC seeks to interest young people in a scientific career and to train the next generation of scientists to meet the challenges facing companies and researchers. The MSC contributes to promoting innovations and offers tools that have been adapted to help teachers in their work.

Due to its involvement in the scientific community, the MSC has become a hub for people in the education sector and museums, scientific associations and scientists themselves. It is also committed, together with other organizations, to helping young people from underprivileged areas to discover the world of science and technology.

The Corporation, which is responsible for managing a unique national heritage site, attempts to preserve facilities to the best of its abilities. It is aware of the value of the site's heritage value and takes action with the means at its disposal. In addition, it disseminates the quality and diversity of Canadian culture as well as that of its communities through its programming.

The Corporation plays an active role in community life and is in constant contact with Montréal organizations and institutions. It sits on the Table de concertation du Vieux-Montréal and the Regroupement des organismes culturels du Vieux-Montréal. It is also in constant dialogue with the Association des résidents du Vieux-Montréal to preserve the environment and the quality of life of residents and with the Société du Havre de Montréal.

The Corporation is a corporate citizen of Montréal and makes its voice heard when investments must be made for the conservation and enhancement of assets and infrastructure, the improvement of citizens' quality of life and safety, and local economic and cultural development.

There is no doubt that enhancing the Old Port site, its facilities and its heritage aspects, and increasing the number of quality cultural and recreational activities offered, contribute to the city's cultural and socio-economic vitality, to its recognition and to its national and international visibility.

VALUES

The Corporation has identified values that guide its decisions in managing the Old Port. The Corporation values:

- Physical, economic, and cultural accessibility to its site and products.
- The satisfaction of its customers.
- Effective, efficient, and cost-effective management.
- Drive, creativity, and boldness.
- The contribution of employees to the Corporation's development.
- Productive and stimulating teamwork.
- Quality of architecture and design in its actions.
- Conservation and showcasing of the site's heritage.
- Environmental protection and sustainable development.

COMMITMENT TO QUALITY

In 2005, the Corporation received accreditation from the Bureau de normalisation du Québec regarding the *Customer services—Attractions and Events* standard (BNQ 9700-085).

This accreditation affects all of the Corporation's activities, employees at all levels and concession holders, producers and partners involved in its activities in one way or another. Requirements pertain to customer service, equipment, human resources, security, and respect for the natural and human environment.

This commitment to quality is primarily aimed at contributing to customer satisfaction and ensuring that a visit to the Old Port of Montréal is a memorable experience.

Our commitment to quality is more than a slogan. It is a source of motivation for our entire team, whose members undertake to:

- Greet visitors warmly, courteously and efficiently.
- Ensure the safety of visitors and their property.

- Provide clear, complete and accurate information in all of our communications to visitors.
- Show consideration to persons with specific needs or limitations.
- Learn more about visitors' needs so that our products meet their expectations.
- Provide visitors with clean, appropriate equipment that is in perfect working order and that meets the current safety standards.
- Promote the safeguarding of natural resources and put in place responsible environmental practices.
- Comply and ensure compliance with the code of ethics of the tourist industry and with the standard for service quality in the attractions and events sector.

ENVIRONMENTAL RESPONSIBILITY

The Corporation's commitment to protect the environment, which was ratified by its Board of Directors in 2003, reads as follows:

"The Old Port of Montréal Corporation Inc. recognizes the importance of incorporating protection of the environment in the management of the Corporation's activities and intends to make continuous efforts to promote this principle with its employees, partners and customers and to put it into practice."

With this objective in mind, the Corporation undertakes to:

- Respect legislative and regulatory requirements in effect relating to the environment;
- Constantly improve its effectiveness to increase its environmental performance;
- Prevent pollution.

The Corporation plans to take the following steps to achieve this objective:

- Make its employees aware of their role and obligations to protect the environment, provide related training and make them appropriately accountable for their actions;
- Minimize the risk of site contamination resulting from the Corporation's activities;
- Promote the application of principles of reducing, reusing, recycling and enhancing;
- Set clear and measurable environmental objectives and ensure a regular follow-up;
- Reduce energy consumption;
- Make partners working on the site aware of the Corporation's environmental commitment and manage the environmental impacts resulting from their activities on the site;
- Submit a semi-annual progress report to the Board of Directors setting out the Corporation's environmental performance.

One of the most popular attractions in Montréal, the Quays of the Old Port welcomed a total of 5,493,478 visitors this year, a 5% increase over 2008-2009.

More Visitors Are Coming to the Old Port

This increase in attendance numbers is attributable to the performance recorded in the summer season. There was a 26% increase in the number of visitors to the Quays of the Old Port, a total of more than 3.9 million people, during this period. The programming and the presence of the Cirque du Soleil contributed to this substantial increase. It is reasonable to assume that the economic slowdown prompted many Quebecers to vacation in Québec and therefore to visit the Old Port.

Following the major 16% increase last year, the number of visitors to the Quays remained at the same level, i.e. 1,600,000 people.

Although a percentage of the Old Port's parking revenues comes from people working in Old Montréal, the increase in the total number of visitors to the Quays and the Montréal Science Centre had an impact. Having more visitors contributed to a 23% increase in parking revenues compared to last year.

Summer Programming Featuring the Circus Arts

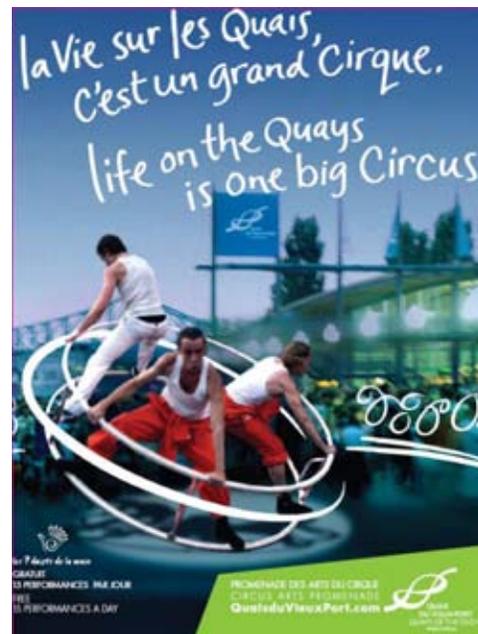
Last summer was one of the best for the Quays of the Old Port of Montréal. A brand new show, OVO, was presented in a spirit of celebration marking the 25th anniversary of the Cirque du Soleil.

The Corporation has been a long-time partner of the Cirque du Soleil and was proud to be associated with these celebrations.

The host of events offered on the Quays featuring the circus arts was extended and renewed. A new initiative, *Promenade des arts du cirque*, was a

huge success thanks to *Les 7 doigts de la main* and the artistic team on *La Loupiote*, a sailboat docked at the Port d'escale. This unusual formula involved circus feats and choreography using masts and sails. Some 750 free shows were held to the delight of visitors during the summer. In addition to creating an extraordinary ambiance and enticing visitors to extend their stay on the site, these shows had a huge impact on the quality of the visitor's experience.

Offerings on the Quays are continuing to grow in diversity. A new event, the *Salon Saveurs et Tentations*, was added to the twenty or so others this year. This free event intended for the general public allowed visitors to discover delicacies from Québec and elsewhere.



The Quays strengthened their positioning as a key Montréal destination by presenting bold artistic events such as the work of art entitled *Transports Exceptionnels*, as part of a second initiative in collaboration with the *Festival Transamériques*.



© Annick Gauthier

The digital arts were also front and centre with projections on the Conveyor Tower as part of the *MUTEK* festival, in addition to projections on building 357C on de la Commune Street West in collaboration with the Daniel Langlois Foundation to feature the *Ephemeral Lighthouse*. This event, featuring a larger number of projections this year, had good media results.



© Annick Gauthier

Where musical events are concerned, the Quays associated themselves with the *OFF Festival de Jazz* to present shows and, for a second year in a row, supported the next generation of jazz artists, during an outdoor event, *M pour les Quais*. This event was resounding success, attracting more than 10,000 jazz lovers to free concerts over the Labour Day weekend.

The new Balade circuit allowing visitors to discover the Quays' rich heritage and history had a positive impact on attendance numbers.

A Growing Maritime Feel



© Annick Gauthier

Maritime offerings are a major component of the Quays' identity. The position of *Montréal on the River* is continuing to be asserted.

The programming offered this year stood out due to a new maritime event, the *Montréal Classic Boat Festival*, which was held in the locks sector in late August. Fifty or so classic wooden boats, including some of the most beautiful models in the world, were presented to the general public during this exceptional event in North America attracting families and boat owners in a very congenial atmosphere enabling visitors to discover various aspects of life on the water.



© Annick Gauthier

The Quays of the Old Port continue to welcome the Tall Ships. There were two special visits this year, the *Flagship Niagara* in July and the *Pride of Baltimore II* in August. Once again, the presence of such sailing vessels and the opportunity to visit them attracted visitors to the site.

The Quays' maritime heritage was enhanced by the presence of the newly restored *Daniel McAllister* tugboat in Basin 1, together with interpretive material. The oldest tugboat in Canada and one of the oldest in the world, the

Daniel McAllister now more eloquently reveals the Old Port's industrial past.

The revenues generated by the Port d'escalé remained relatively stable. However, fewer boaters made stops, mainly because pyrotechnical shows were no longer held on St. Helen's Island on Wednesday nights. In terms of revenues, the fewer number of stops were offset by more overnight stays.

The Port d'escalé's aging facilities make it more difficult for it to compete. Major renovations have been made and the new and improved Port d'escalé will be open to boaters in 2010.

The number of boaters passing through locks 1 and 2 in the Lachine Canal rose by close to 10%, equivalent to 200 more boaters, reversing the trend recorded in previous years. This is the last year that the Old Port of Montréal Corporation has operated the locks. With the transfer of the property, plant and equipment from PWGSC to the Corporation last fall, the management of the locks has been transferred to Parks Canada.

Maritime concession holders, which include the *Amphibus*, the *Bateau-mouche*, *Croisières AML*, the *Yacht Club*, *Latitude 45* and *Saute-Moutons*, representing 50% of the Quays' commercial revenues, offer various experiences to the visitor, thereby helping to assert the Quays' maritime character.

The Quays improved the quality of space provided to *Saute-Moutons* by moving the company's facilities to new premises in the western sector of the Clock Tower Pier. This also frees up the boardwalk on the lower section of the Clock Tower Pier, providing access to the river and a more splendid view.

New Commercial Offerings

In addition to maritime concessions, commercial offerings include restaurants, boutiques, outdoor services and entertainment activities. Commercial offerings are an integral part of the visitor's experience since they prompt people to extend their visit to the site. The Corporation is continuing to make the shift to set itself apart from the

competition and increase the level of customer satisfaction. This initiative has provided results; commercial rental income for the restaurants and boutiques sector rose 80% compared to last year.

The *Muvbox* is the major new attraction this year. This original and exclusive concept, a gem of design and technology, was a huge success. The *Muvbox* is a canteen-style restaurant in a recycled maritime shipping container. It transforms easily and is simple to move on land or water. It can even quickly deploy a terrace. In the desire to adopt environmentally friendly practices, the Quays adopted this new concept, which generates 40% of its own power. The different gourmet food selection was quickly all the rage. The *Muvbox* helped to generate activity in the western sector of the site, attracting people working in Old Montréal. Also in the western sector, the resigned menu of the *Café des éclusiers* enabled this concession to serve a new clientele attracted by higher quality restaurant offerings.

Terrasses Bonsecours, now managed by a new concession holder, quickly became a popular meeting place among young Montréal professionals. After only one month of operations, Terrasses Bonsecours was ranked the top Montréal terrace for drinks by *Métro*, a local newspaper. Having a new operator also made a difference in the revenues Terrasses Bonsecours generates for the Quays. These revenues almost doubled.

A Frosty Experience on the Quays

The Quays of the Old Port continue to meet the challenge in terms of being a winter destination in Montréal. In fact, the Quays can boast being **THE** top urban winter destination in the city.

The fifth edition of the *Feux sur Glace TELUS*, an exceptional series of pyromusical shows, was held over the course of four evenings in December. This year, being associated with the *Soirées givrées*, activities held in the second half of the evening, gave visitors who came to enjoy concerts an even more memorable experience. In all, close to 18,000 people spent their Saturday night on the Quays in December. This performance could have been better had the weather cooperated.

The *Igloofest*, an event featuring a village of reinvented igloos and electronic music, returned once again in January 2010. To the delight of winter lovers, this fourth edition included three more days of activities. A total of 42,000 people--14,000 more than last year--took in this event, exceeding attendance objectives.

The 2009 edition of the *Igloofest* also won the Ulysse award at the Gala des Grands Prix du tourisme québécois for the Montréal region. It will also represent the Montréal tourism region in its category at the national finals of the Grands Prix du Tourisme Québécois to be held next May. This prize is a testament to the event's huge success, but also to its contribution in making Montréal a better known tourist destination.



Outdoor activities, including some that are part of the famed *Nuit Blanche*, were held on the Quays for a fifth year as part of the 11th edition of the *Montréal High Lights Festival*. This event attracted more than 130,000 visitors to the Quays, providing undeniable visibility and recognition during the winter season.

The skating rink in the Bonsecours Basin, the largest refrigerated rink in Québec, generates constant activity on the Quays to the delight of loyal customers and visitors attracted by new

theme evenings. Although the weather did not always cooperate, the number of skaters was up by 8%, for a total of some 54,000 visitors. Revenues generated by the skating rink rose by 25% due to an increase in the number of visitors resulting from revised rates and a new way of marketing season tickets.

Outlook for the Quays of the Old Port

The Quays management will complete the five-year plan for programming and business activities in 2010-2011. The priorities outlined in this plan will make it possible to set the direction for these two major sectors in the short and medium terms.

In the meantime, efforts are continuing to be made to strengthen the Quays' maritime character and the positioning of *Montréal on the River*. Programmed events include the return of the *Montréal Classic Boat Festival* as well as a brand new maritime festival in September 2010. The main attraction for this event will be the arrival of several Tall Ships, around which various activities will be held. In addition, the first nautical show "on the water" will be held at and around the Port d'escale.

Once again, the Cirque du Soleil will raise its Big Top at the Quays of the Old Port in the spring of 2010, featuring *Totem*, a brand new show created by Robert Lepage.

The renewal of commercial offerings will continue with the arrival of a brand new destination product that will dock next to the Locks Garden, attracting visitors to enjoy a new wellness experience. Bota Bota, the spa on the water, is a large five-level ship offering visitors all of the amenities found in the top world-class spas.

In addition to more than \$1 million being invested to improve the Corporation's parking equipment and software, a new specific marketing plan will help to increase revenues from monthly parking passes, which are down somewhat.

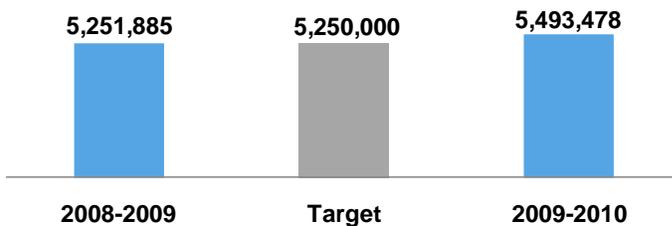
Finally, a "sound and light plan" will be completed for the skating rink's activities to harmonize the natural and artificial ice surfaces in the Bonsecours Basin.



The **Quays of the Old Port of Montréal** business unit is responsible for the dissemination of the arts and Canadian diversity, the showcasing of the site's maritime and harbourfront history, nautical and cruise activities, as well as commercial activities and services.

OBSERVATIONS

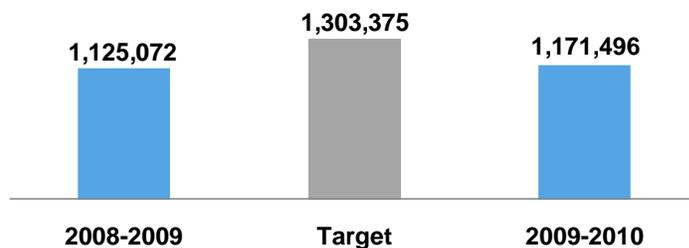
Total number of visitors to the Old Port site
(number of visitors)



+ 5%
Compared to target

Summer programming on the Quays, especially the Cirque du Soleil shows, contributed to the 5% increase in the total number of visitors to the Quays compared to 2008-2009.

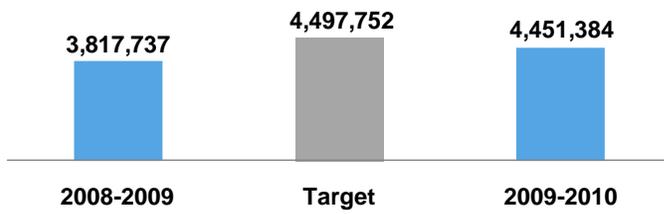
Revenues from events and concessions Quays of the Old Port (\$)



- 10%
Compared to target

Revenues for these sectors improved compared to 2008-2009. However, the winter bar, run by the Corporation, didn't operate, which accounts for the variance of the results compared to the target.

Parking revenues—Corporation (\$)



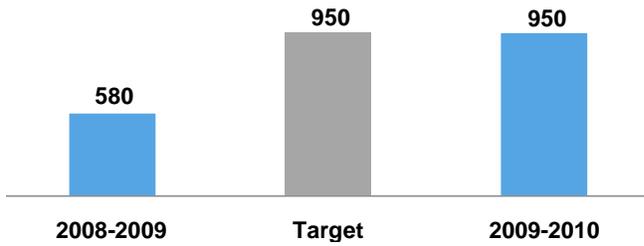
Parking revenues rose 17% compared to 2008-2009 due to an increase in the number of visitors to the Quays.

OBSERVATIONS

- 1%
Compared to target

OBSERVATIONS

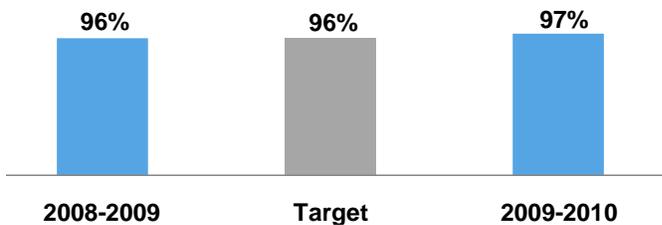
Activities held on the Quays of the Old Port
(number of days of activities)



The number of days of activities held on the Quays was up 63% compared to 2008-2009 as a result of 750 programmed events held during the summer as part of the new *Promenade des arts du cirque*.

Target achieved

Awareness of the Quays of the Old Port



The level of awareness of the Quays has remained very high. The Quays have been ranked as one of the top and best known recreational tourism destinations in the city.

Target exceeded

The MSC has carved out a prominent position in Montréal's recreational and scientific landscape with a growing level of awareness, which reaches 72% this year.

The Montréal Science Centre (MSC) has been promoting science and technology both in schools and among the general public for 10 years now. More than 730,000 visitors came to discover and enjoy the MSC's various activities, including free events, this past year. More than 90% of visitors purchased a ticket for the exhibitions or the IMAX@TELUS Theatre. The MSC reached, and even exceeded, its attendance targets once again this year. Considering the economic slowdown in 2009-2010, the MSC has performed very well.

The MSC has carved out a prominent position in Montréal's recreational and scientific landscape. Considering the growing level of awareness regarding the MSC, which is 72% this year, the science centre can now easily be compared to other Montréal institutions such as the Biodome, the Planetarium and the Botanical Gardens.

The quality of experience offered, which focuses on exhibitions, activities, as well as films shown at the IMAX@TELUS Theatre, allows visitors to discover various scientific and technological principles in a fun and surprising manner. This is the MSC's greatest asset for ensuring that it achieves its objectives. The MSC's diverse programming made it possible to attract many new visitors this year. In fact, 35% of visitors were first-time customers, a 26-point increase over last year. This year, the centre's programming benefited from the efforts of the Marketing Department to strengthen the MSC's brand image and propose new advertising campaigns. The marketing department provides a valuable contribution given the stiff competition to engage both young and older visitors.

Exhibitions Allowing Visitors to Discover and Experiment

Two years after being unveiled, the MSC's permanent exhibitions, *Imagine!*, *IdTV*, *Mission Gaia* and *Science 26*, are still the centre's main

attraction. They attract a large number of 9 to 14 year olds who are interested in the variety of interactive tools enabling them to have fun while learning about science, technology and ecology.

Aqua, an exhibition produced by the One Drop™ / Goutte de vie Foundation, an initiative of Cirque du Soleil founder Guy Laliberté, was presented as a world premiere during the summer. This was but one of the MSC's temporary exhibitions. *Aqua* offered a multi-sensory experience for the entire family and was aimed at showing people the urgency and the need to use water responsibly.

The variety of topics covered in the various temporary exhibitions enabled the MSC to reach people with different interests. For example, *Strange Matter*, an interactive exhibition produced by the Ontario Science Centre, opened in the fall. This exhibition let visitors discover innovative materials developed by scientists. At the same time, the MSC presented an exhibition entitled *Head, Heart, Hand* to celebrate the 40th anniversary of the Université de Montréal's faculty of industrial design. This exhibition featured creations by designers who graduated from the Université de Montréal, including the Vancouver 2010 Olympic flame and the image of the future Montréal métro car. Another exhibition, *Who Am I?* opened in January for four months. This temporary exhibition lets both children and adults to get know themselves better and see how their personalities are unique by taking part in various activities.

The MSC's programming in 2009-2010 enabled it to record a 10% increase in attendance for its exhibitions compared to the previous year. This increase is attributable to a 16% rise in the number of individual customers compared to a 1% increase for groups. Individual customers now represent two-thirds of the MSC's total number of visitors to the MSC's exhibitions.



New Activities in the Making

This year, the MSC team focussed its efforts on finalizing a brand new exhibition called *Sex: A Tell-all Exhibition!* This ambitious project dealing with a very sensitive topic had to be carried out in various steps, confirming content with young people, parents and teachers. A scientific committee composed of healthcare and public health professionals, education specialists and sexologists advised the MSC team throughout the entire development process.



As a project developer, the MSC took part in the first theme-based event with 26 other Montréal museums entitled *Montréal City of Glass 2010*. To contribute to this initiative, the MSC's professionals developed *SiO₂: The Science of Glass*, an exhibition to open in May 2010 and that will show visitors how glass can be found everywhere in our daily lives.

Growing Use of MSC Teaching Tools



The huge success of the *Kit 00Watts* shows how the MSC has made a valuable contribution to educational activities. These kits, developed in partnership with Hydro-Québec, have been used in Québec schools since the 2007-2008 school year. They help teachers to show children the importance of energy efficiency. In June 2009, after being used for two years, they had been used to teach close to 32,000 elementary school children in Québec.



The *Éclairs de science* program is intended to help elementary school teachers to cover scientific concepts in class. This collaboration with the Conférence régionale des élus de Montréal offers a wide range of resources such as activity guides, on-line content and the services of volunteer advisers. Teachers have received invaluable assistance for more than three years now.

To encourage elementary and high school students to take more of an interest in science and technology, the MSC offers a program including various educational activities each year. These activities in line with the Québec school program were developed by MSC professionals

with specific grade levels in mind. *Secrets of the Heart*, which lets young people have a better understanding of this vital organ, and *Sound FX*, which introduces students to audio processing technology, were developed for 8 to 10 year olds in their second cycle of the elementary school program.

The MSC's educational material includes *Mysterious Machines*, a program geared towards 10 to 12 year olds that lets them discover simple machines such as pulleys and levers, and *SOS Radio*, a brand new program developed this year dealing with clean forms of energy.

The MSC made a new contribution to help teachers in their work this year. Its expertise was called upon to welcome elementary school teachers to a science and technology training camp organized in collaboration with the Association québécoise des enseignants du primaire.

It is also important to note that thanks to the invaluable support of the Trottier Family Foundation, the MSC was able to offer a free visit to more than 10,000 underprivileged elementary and high school students once again this year.

Very Popular Cultural Activities

The third edition of the *Eureka! Festival*, which was a resounding success confirming the importance of holding a festival dedicated to scientific endeavour, attracted more than 60,000 visitors in June, an increase of almost 50% over the previous year. The Conférence régionale des élus de Montréal, the MSC's main partner for this event, is as pleased as the MSC to see the growing interest for this extraordinary event.

The second edition of the *Technofolies*, an event presented during March break, focused on one major theme: digital entertainment. The slight 10% decline in attendance numbers is attributable, among other things, to this refocusing of activities. However, managers agree that the formula and size for this second edition of the event are more suitable and allowed the 16,000 visitors to have a higher-quality experience.

The MSC, which is very popular among families, presented a series of workshops called *Neurogym*, which included a conference by Matthieu Ricard, a Buddhist monk who is a former researcher in cellular genetics and translator for the Dalai-Lama. The topic of this conference on the neuroplasticity of the brain was entitled "Can we learn to be happy?" After the conference people were invited to test their own brains in various workshops.

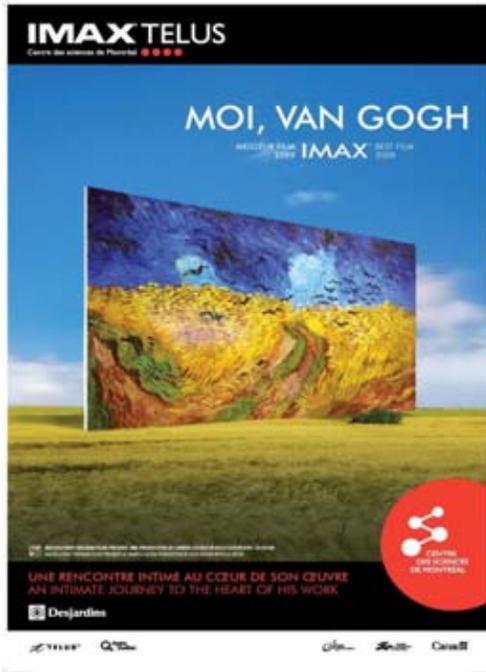
Making young people more empowered citizens remains one of the MSC's key concerns. Once again this year, the centre held various activities to foster awareness. *Expo 3R*, which focused on the concepts of reducing, re-using and recycling, the *Youth Forum*, which gave young people an opportunity to develop their critical thinking on certain themes or the day of activities devoted to the fight against HIV, entitled *You and Me Against Aids*, are but a few of the initiatives presented this year.

New Technology at the IMAX®TELUS Theatre

The programming presented at the IMAX®TELUS Theatre this year can generally be considered a success. Films such as *Space Station 3D*; *Santa Claus vs. The Snowman 3D*; *Under the Sea 3D* or *Van Gogh* were instrumental in achieving this success. Films like *Van Gogh* attract an adult audience through promotional activities carried out in conjunction with the Montréal Museum of Fine Arts. *U2 3D* was presented again with this objective in mind. However, it seems as though this film had attracted its maximum number of visitors when it was presented for the first time last year, which explains why results were below expectations. This lacklustre performance is one of the factors that explain why the MSC did not achieve its objectives for the IMAX®TELUS Theatre be it in terms of revenues or ticket sales.

With growing competition, the IMAX®TELUS Theatre must ensure that it provides the best movie experience to its customers. This is why the theatre closed for just over a month to replace the projection equipment and giant screen. A total of \$1.5 million was invested to maintain the theatre's high level of quality. Astronaut Julie

Payette and the entire Endeavour crew marked the opening of the IMAX®TELUS Theatre by attending the launch of the film *Space Station 3D*.



Renewing Restaurant Offerings

Revenues generated by corporate rentals in the MSC did not achieve the set objective. In fact, they were 9% below expectations. This decline is attributable to the economic slowdown as well as the risk of an H1N1 pandemic last fall, which resulted in cancelled reservations.

The results achieved by concessions as well as the IMAX®TELUS Theatre snack bar were not as expected. The relocation of a maritime concession holder created a disruption which impacted the number of customers visiting the container boutiques. The lacklustre performance of *U2 3D* had an impact on the revenues generated by the snack bar. However, it was possible to better showcase available products and increase sales following the renovations carried out while the theatre was closed during the fall.

The MSC took advantage of the winter period to update food court offerings. When the summer season is launched, new concession holders

more in tune with the MSC brand attributes, encouraging healthy eating, will be open for business.

Showcasing the Old Port's Heritage

The MSC also has the mandate of conserving and showcasing the Old Port's tangible and intangible heritage. An extensive program has been developed for this purpose, which made new achievements possible this year, including new content for La Balade, new interpretation panels, an inventory of all interpretive material on the site and various programming support initiatives for the Quays of the Old Port, in particular architectural projections on the site.

The MSC team has also begun developing the first downloadable map for the quays to be ready for the 2010 summer season. A virtual exhibition on the history of the Old Port of Montréal is also being developed.

At the same time, historical research is being conducted regarding various themes. A team of researchers from the Université du Québec à Montréal has been called upon for this project. As a result, an appeal was made to anyone with pictures or memories regarding life at the Port of Montréal between 1930 and 1967.

Growing Recognition

The MSC, which is a major player in both the scientific and technological community and the Montréal community, can now boast internationally recognized experience and expertise. The awards received this year are a testament to this achievement. The MSC received the *The Big Idea Award* in recognition of the positioning and strategy developed for *U2 3D* in 2008, the *Cascade Award 2009, Best Exhibition*, from the Canadian Association of Science Centres for the MSC's new permanent exhibitions, and the 2009 *OCTAS prize awarded by ACTON TI* for the *Mission Gaia* exhibition.

The MSC also gains visibility when its productions are presented in other cities. *Autopsy of a Murder*, which was developed entirely by the MSC, is still being presented around Europe. This

exhibition has just been rented by a Finnish museum. There is also *Hungry Planet*, a photo exhibition that was recently sold to museums in Toronto, Ottawa, Halifax and Québec City.

The MSC's expertise is also of interest to other institutions around the world. This year, the MSC team welcomed trainees and representatives from the Musée des Civilisations de Gatineau, the Telus World of Science in Calgary, the Ontario Science Centre, the Telus World of Science in Vancouver, the Musée des Confluences de Lyon, the École du Louvre and the Universcience de Paris.

Major Prospects for the MSC

The MSC will continue on the path taken in the past 10 years and will spend the coming year on ambitious and innovative projects. An exhibition entitled *SEX: A Tell-all Exhibition!* geared towards adolescents 12 years old and older answers more than 100 questions on sexuality in an open and positive fashion.

The MSC is also taking part in another ambitious project, *Montréal, City of Glass 2010*. This is the first initiative of its kind involving Montréal museums as well as many other partners. The exhibition entitled *SiO2: the Science of Glass* will open in May 2010, inviting visitors to discover the sheer strength of glass.

The MSC's new educational program, *SOS radio*, will welcome its first participants in September and a new program targeting 7 to 9 year olds should be finalized in the coming year. At the same time, the MSC will begin contemplating student perseverance and how the MSC can play a role in ensuring that young people stay in school.

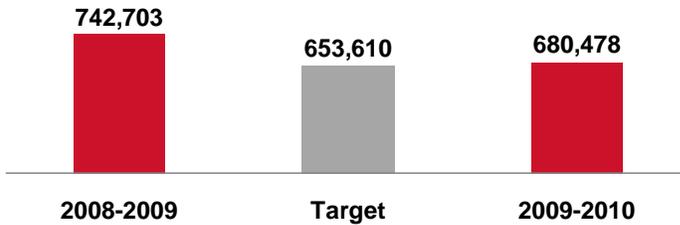
The MSC would like to once again present major blockbuster events. The eventual reconfiguration of its exhibition space and the creation of a room with flexible space confirm this desire and will make it possible to present such exhibitions by the summer of 2011, which will undoubtedly have an impact on the MSC's commercial performance.



The new ticket system acquired in 2009 will be implemented in 2010-2011. This new system, which is more flexible and better adapted to the MSC's needs, will also facilitate Internet transactions. The reconfigured and fully renovated food court will also enhance the quality of the visitor's experience.

OBSERVATIONS

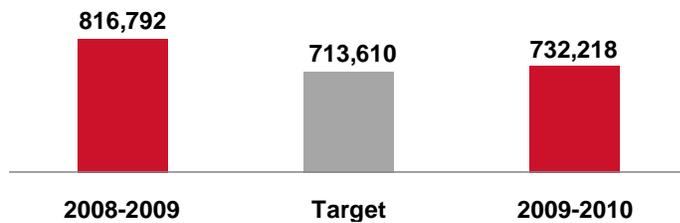
Number of ticket sales
Montréal Science Centre
(Number of tickets)



+ 4%
Compared to target

The IMAX®TELUS Theatre had to be closed for six weeks due to renovations, which explains why the target was decreased for this year. It also explains why ticket sales were down compared to 2008-2009.

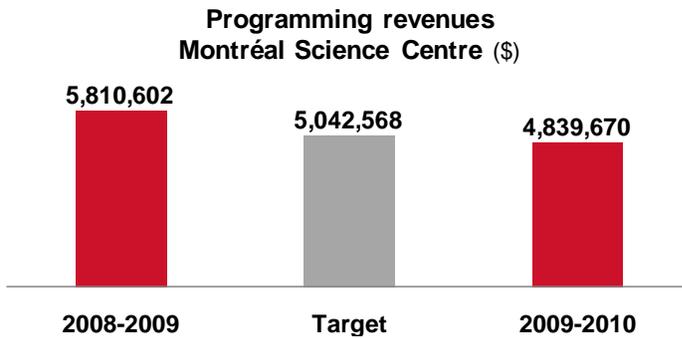
Total attendance
Montréal Science Centre
(number of visitors)



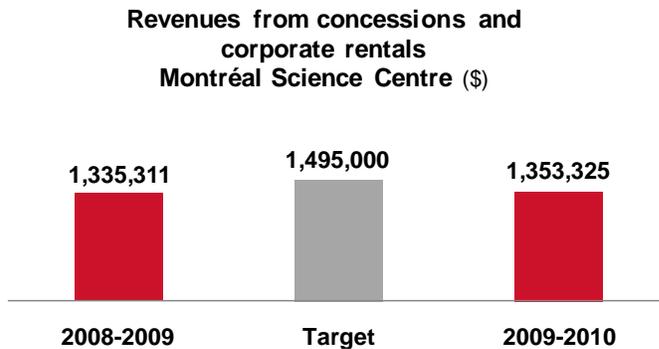
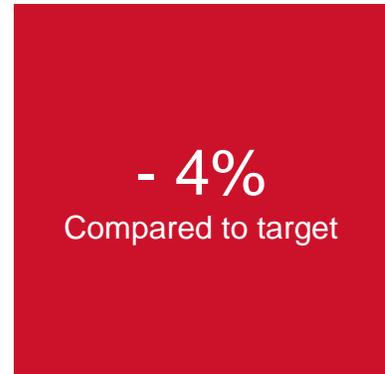
+ 3%
Compared to target

Total attendance includes the number of tickets sold as well as attendance generated by free activities. The decline in total attendance compared to 2008-2009 was expected due to the temporary closure of the IMAX®TELUS Theatre for a six-week period.

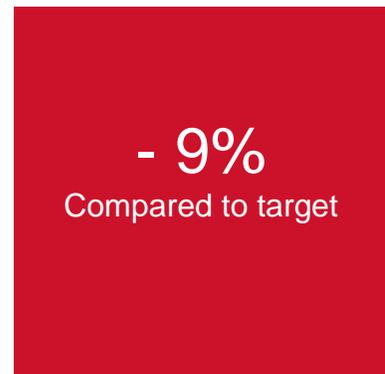
OBSERVATIONS



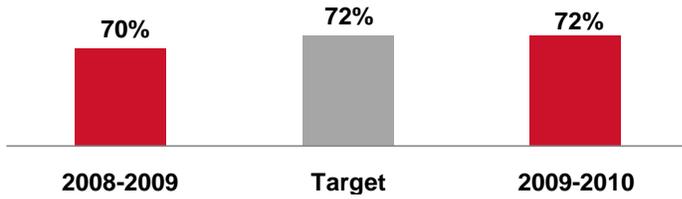
Revenues generated by exhibitions exceeded forecasts. The revenues forecast for the IMAX®TELUS Theatre were not achieved due to the lacklustre performance of the reprogramming of *U2 3D*.



Revenues from concessions and corporate rentals are essentially the same as in 2008-2009. Fewer reservations were made for corporate rentals and some reservations were cancelled. The risk of an H1N1 pandemic and the economic slowdown may have contributed to this result.



**Brand awareness
Montréal Science Centre**



The MSC brand is increasingly becoming known. The new advertising campaigns introduced by the Marketing Department this year helped to keep brand awareness at a high level.

OBSERVATIONS





The management processes introduced and implemented by corporate services foster effective, sustainable and responsible management.

Corporate services include four departments: Building Development and Maintenance, Finance and Administration, Marketing and Human Resources. The expertise of the people in these departments is used to support the work of the Quays of the Old Port and the Montréal Science Centre (MSC) business units. The management processes introduced and implemented by corporate services foster effective, sustainable and responsible management.

The Corporation is Now the Keeper of the Property, Plant and Equipment

The transfer of the property, plant and equipment from PWGSC to the Corporation was completed on November 2, 2009, as planned. The Corporation now keeps the property, plant and equipment located to the south of de la Commune Street until the river, between Berri Street to the east and the Mill Bridge to the west. The carrying amount of this property, plant and equipment is reflected in the 2009-2010 financial statements included in this Annual Report. The transaction also involved transferring the management of land to the west of the Mill Bridge as well as locks 1 and 2, to Parks Canada.

With the transfer of the property, plant and equipment, PWGSC is also transferring \$2.8 million for the maintenance of the assets between November 2, 2009 and March 31, 2010. This budget totalled \$6.7 million this year, including \$3.9 million provided by PWGSC for the period between April 1, 2009 and November 1, 2009. At the same time as the transfer of the property, plant and equipment, work began to update the Building Condition Report (BCR) to estimate the needs to ensure the conservation of the of the property, plant and equipment and to remedy their deterioration. This new BCR will provide information as to the financing required to address these needs for the next 5 to 15 years.

Major Investments to Preserve the Property, Plant and Equipment and Remain Competitive

An amount of \$6.7 million has been earmarked for major work this year. Some of this work, including repairs made to the King Edward Pier, a major operation undertaken in the last fiscal year, was carried out in collaboration with PWGSC.

At the same time, plans and specifications, as well as an estimate of the cost of restoring the Allan Complex, were prepared.

The maintenance of the property, plant and equipment also involves making improvements to infrastructure quality. The work to re-develop the Port d'escale was almost completed this year. This project totalling more than \$3.5 million includes installing new floating docks and upgrading certain services. When it re-opens next summer, the Port d'escale will boast competitive facilities in keeping with current standards.

As discussed in the MSC section of the Annual Report, major work was carried out to replace and upgrade the equipment in the IMAX@TELUS Theatre last fall. The Building Development and Maintenance Department coordinated this work, as it did for the work to re-design the MSC food court.



© A.P.E.S.

Thanks to the federal infrastructure program, a new foot bridge to the north of the Bonsecours Basin was constructed to improve access to Bonsecours Island. New sanitary facilities as well as a refreshment bar were also installed in Hangar 16, in the eastern sector of the site, also with the aim of improving services. In addition, 52 new trees were planted in this sector, which is part of the Corporation's arboreal plan.

These are but a few examples of equipment improvements that show the Corporation's desire to offer customers high-quality facilities that will engage visitors and, more generally, attract more people to the site.

Responsible Environmental Action

The Corporation set some bold objectives for environmental action and sustainable development. After ensuring that concession holders endorse its commitment to protect the environment by including specific clauses in leases, the Corporation will now encourage them to control their energy consumption via a re-billing program to be implemented in the coming year.



© SVPM

To ensure energy efficiency, the Corporation is gradually changing all of its outdoor lights on the site to use more energy efficient equipment. Electronic faucets controlling water use have also been installed at the MSC.

This year, the Corporation achieved its objectives for reducing greenhouse gas emissions. Various measures, such as reducing paper consumption and composting, helped to achieve these objectives.



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Human Resources Management Continues to be Improved

Where labour relations are concerned, an order handed down by the Canada Industrial Relations Board made it possible to close the file on the scope of union accreditation last May. Consequently, a process began to unionize various positions, involving various assessments to facilitate the integration of the employees concerned within the union.



© SVPM

The work to renew the labour agreements with unionized staff began in late autumn. A conciliator was appointed to help resolve this matter. This person's mandate ended in late March, such that the employees concerned should be able to vote on the employer's offers contained in the agreement in principle to be submitted in April at the start of the next fiscal year.

The Corporation is continuing its efforts to strengthen the human resources management abilities of its various managers and executives. The implementation in April 2009 of a model for the values of success led to the development of an organizational development action plan. This plan involves rolling out a series of initiatives encouraging the adoption of attitudes and behaviours aimed at improving human resources management. A model for the typical manager, identifying expected behaviour, has been developed. In addition, senior management and managers have received specific training to consider the three values of success—team spirit, commitment and excellence—in their management practices.

To ensure more efficient personnel management, the Human Resources Department analyzed the evolution of the staffing plan over the past five years. The Corporation's activities were therefore considered in light of the number of employees and the number of hours worked, including overtime. The results confirm that the Corporation's manner of operating ensures that it maintains good control over its personnel expenses and that it can maintain a constant number of employees.

The Corporation implemented a code of ethics and a code of conduct setting out rules and acceptable behaviour. One code applies to employees while the other relates to directors. With the application of this code of ethics and code of conduct, the Corporation has now followed most of the recommendations in the special examination performed by the Office of the Auditor General during 2004-2005.

Greater Onus on Prevention and Reduction of Occupational Health and Safety Risks

Where occupational health and safety is concerned, the prevention of incidents remains one of the Human Resources Department's key concerns. The Corporation has an occupational health and safety committee that regularly considers such issues and examines possible solutions. This committee met seven times this year.

The analysis of health and safety risks for unionized positions, an initiative taken last year, continued. A total of 11 positions were assessed this year. The efforts that are constantly being made by the Corporation to reduce work-related risks are paying off. In May 2009, the Corporation achieved 100 consecutive days without an accident resulting in time off from work for the second time in five years.

Training remains a proven tool to minimize occupational health and safety risks. Once again this year, several training courses were offered, in addition to workshops on the correct use of equipment. Training sessions to prevent musculoskeletal problems, which were given for the first time this year, were attended by 109 employees.

More Effective Management Processes

After using the project and portfolio management system for two years, the Corporation carried out an internal audit of its performance. This audit shed light on the adjustments that are required to better tailor this system to the Corporation's realities.

Due to the continuing concern to renew and improve computerized management systems, this year several new software packages were acquired. This software was better suited to the Corporation's business processes and allowed the Corporation, in some cases, to make notable improvements in the area of customer service. The parking management system, the ticket system, the Port d'escale's reservation management system are some examples. Also, where business continuity is concerned, the computer

backup system has been fully implemented in the Allan complex.

The Finance and Administration Department had already begun the conversion of the Corporation's accounting standards to International Financial Reporting Standards adopted by the Canadian Accounting Standards Board. However, in the fall of 2009, the Public Sector Accounting Board (PSAB) decided to change the scope of application of public sector accounting standards. The Old Port of Montréal Corporation, which is an Other Government Organization (OGO), therefore resumed the work to prepare its financial statements in accordance with public sector accounting standards. It is also continuing to adjust its conversion program accordingly. The new set of accounting standards is being reviewed and the impacts of the conversion on the opening balance sheet as at April 1, 2010 will be laid out during the first quarter of 2010-2011.

Doing a Better Job Reaching Customers and Ensuring Their Satisfaction

Increasing the level of customer satisfaction, encouraging people to take part in the activities being offered, and prompting them to stay longer or return to the Old Port are major challenges for the Marketing Department. It is with this in mind that the brands of the MSC and the Quays of the Old Port were reviewed this year. The objective was to standardize the advertising platforms for these two brands and ensure that the visual identity has more of an impact.

Some bold and distinctive new campaigns were therefore developed. The Montréal métro was considered an ideal location to place advertisements. The assessment of these campaigns provided some very conclusive results: the scores received exceed industry standards. In addition to having a positive impact on brand awareness for the Quays and the MSC, they also serve to make the Old Port more attractive and to increase the number of visitors. Following a call for tenders, the Corporation retained the services of Cossette Communications to carry out all of its advertising strategies.

The MSC and Quays Websites were re-designed as part of the action plan adopted last year for the Web rollout. These sites have been updated, making navigation easier. They now let Internet users enjoy a unique interactive experience highlighting the programming for the two business units. A set of Web marketing strategies and initiatives was also put into place to increase the number of people visiting the new sites.



This shift provided some very conclusive results. The Corporation recorded notable increases in attendance levels. During 2009-2010, a total of 1.08 million people visited the Quays, an increase of 37%. A total of 1.8 million people visited the MSC, which is 30% more than last year.

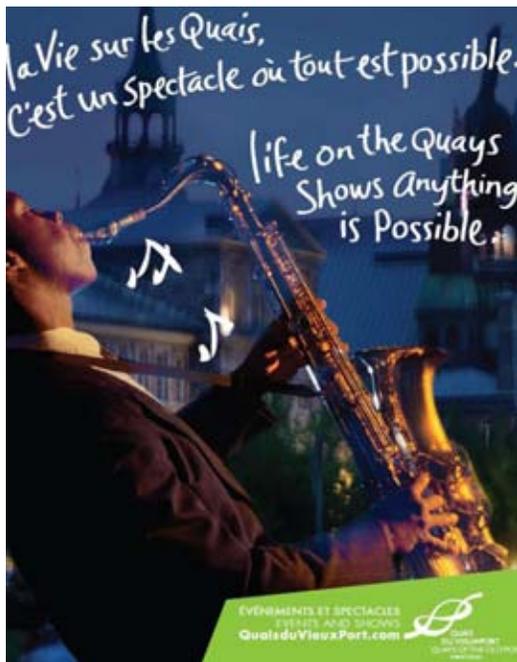
The integration of various marketing research initiatives led to the adoption of performance indicators which provided more comprehensive information on Quays and MSC customers.

Among other things, it is possible to monitor the customer satisfaction index (IEP) on a monthly basis. This index rose this year to more than 80%. The level of customer satisfaction regarding employees' knowledge and skills is above the norm of 80%. This level of appreciation makes a significant contribution to the overall assessment for a visit and the degree of customer loyalty. Some 40% of customers said that they intended to return.

10 Years of Film Shoots at the Old Port

For 10 years now, the Old Port of Montréal has been one of the most sought-after film shoot locations in Québec for feature films, television series and programs, and commercials. Film shoots also contribute to Montréal's recognition and visibility on the national and international scenes. Despite a rather unfavourable economic context, the Corporation welcomed film crews for some 50 productions. Some of the feature films include *The Jensen Project*, *The Phantom*, *The Cutting Edge*, and *Fatal*, as well as *Le colis*, the first feature film by Gaël D'Ynglemare starring Emmanuel Bilodeau, Sylvie Léonard and Pierre Verville. Some of the television shows filmed at the Old Port include *3 600 secondes d'extase*, *La vie en vert*, *Une pilule, une petite granule* and *Les Francs-Tireurs*. Finally, Nissan, Victoria's Secret, Ubisoft, Desjardins and L'Équipeur shot commercials featuring the sights at the Old Port.

As many as 180 feature films, including 50 U.S. productions, were shot at the Old Port in the past 10 years. There were also close to 400 television commercials and programs.



The Corporation is a Key Player in Montréal

The Corporation is directly affected by major economic development, social and cultural issues in Montréal and is concerned about the quality of life of citizens. By maintaining ongoing relationships with stakeholders in the city, the Corporation asserts its role as a key player that is able to influence decisions regarding the city's future. It is also consulted by Montréal organizations regarding many projects or planning processes. Representatives of the Corporation sit on a number of boards of directors of Montréal institutions and organizations. The Corporation is also a member of the Table de concertation du Vieux-Montréal, the Regroupement des organismes culturels du Vieux-Montréal in addition to being a member and major partner of the Board of Trade of Metropolitan Montréal.

A Vision for Development to Ensure that the Corporation Remains a Key Destination

The Corporation is making substantial efforts to confirm the financing needed to implement its *Vision for Development – A Window on the River (Phase 4)*.

To ensure the feasibility of the projects carried out in accordance with this vision, the Corporation continued its work to plan and update the related construction costs. Given the competitive dynamics and the rapidly changing development standards, projects must be constantly reconsidered and periodically updated.

Over the past few years, several major partners have put their support behind the Corporation's *Vision for Development*. In fact, this vision is part of the major projects that are part of the *Montréal, Cultural Metropolis 2007-2017 development plan*, projects which are considered a priority by Tourisme Montréal, Société du Havre de Montréal and the city of Montréal. This year, work continued to present this *Vision* to the various levels of government and representatives of the business community.

Outlook for Corporate Services

The Marketing Department will develop a communications and public relations campaign to highlight and celebrate the 10th anniversary of the MSC. The start of the new school year will be very important for this campaign.

In addition, the Marketing Department will take a close look at customer services and, more generally, the various components of the customer experience. Improving the customer's experience and ensuring customer satisfaction will be key priorities.

There will be development work to roll out the new Websites. The interactive possibilities and customer links will be improved so that the Internet is a more integral part of the customer experience rather than merely being an information and promotional tool.

Where labour relations are concerned, the Corporation will continue its efforts to renew its labour agreements so that mutually satisfactory agreements may be signed as soon as possible.

In the Corporation's continued efforts to implement its values for success, the action plan provides initiatives to ensure that all employees buy into the model. Moreover, to manage work time more efficiently as part of the project and portfolio management approach, new software will be implemented.

The Corporation, which is highly recognized for its cultural and recreational offerings, would like to use the fact that it is so well known to position itself as a distinguished employer. Criteria, principles and conditions for success will be set out. In addition, a corporate health program will be developed and implemented in 2011-2012 to encourage employees to stay healthy.

Where asset maintenance is concerned, Building Maintenance and Development Department will develop plans and specifications for a project involving major repairs to the Jacques Cartier Pier. The asset management program will be developed following the recent Building Condition Report prepared by PWGSC, coupled with the Corporation's own extensive technical studies.



BOARD OF DIRECTORS

On June 26, 2009, the Canada Lands Company (CLC) appointed two new members to the Board of Directors of the Old Port of Montréal Corporation for a three-year mandate starting July 1, 2009. The Honourable Gerry Weiner P.C. and Mr. Anis A. Nazar have joined the team composed of Patrick Kenniff, Yves-André Godon and Yvon Martin. This new Board elected Mr. Gerry Weiner P.C. as the Corporation's Chairman.

Chairman



Gerry Weiner P.C.

The Honourable Gerry Weiner, P.C. brings his distinguished political and business experience to his current role as Chairman of the Board of the Old Port of Montréal. He is excited by its vision and its challenges for future development.

He began serving his community as a Pharmacist and has continued to do so for the past half century. He has provided a lifetime of volunteer service in the fields of Health, Literacy, Youth and Social Services and Public Safety and Security. His career in Public Service extends over a thirty year period; having served as a member of five different government administrations. He was first elected as a Mayor and went on to serve the Government of Canada as a Member of Parliament, Minister of Immigration, Minister of Multiculturalism and Citizenship and Secretary of State of Canada, among other appointments.

He is currently the Director of Investor Relations for the Pace Law Firm/Pace Global Advantage Group.

Directors



Yves-André Godon

Over the course of his career, Mr. Godon has developed solid expertise in international real estate investment. He is currently Managing Director, Hotels, Apartments and Retirement Housing, for SITQ, and is in charge of all of the company's investment and asset management activities in this market. Mr. Godon holds a Bachelor's degree in Law from Université de Sherbrooke and is a member of the Québec Bar Association. He is also a chartered real estate broker. Moreover, Mr. Godon is a board member of the Mount Bruno Country Club. As an active participant in the business community with his expertise, Mr. Godon was a panelist for several real estate conferences.



Patrick Kenniff

Mr. Kenniff is a partner in the Montréal-based management consulting firm Keniff & Racine, which specializes in executive recruitment. A former rector of Concordia University, he also served as Québec's Deputy Minister of Municipal Affairs from 1979 to 1984. In 1992, he chaired the organization responsible for the 350th Anniversary celebration of Montréal and, in 2001, he was vice-chair of the Transition Committee which implemented the municipal structure of the new City of Montréal. Mr. Kenniff is active in the community and currently serves on the boards of the Grace Dart Extended Care Centre, Les Amis de la Montagne, the Can Serve Foundation and the Foundation of the Nature Museums of Montréal.



Yvon Martin

Mr. Martin is the Honorary Consul General for the Republic of Madagascar to Québec and President of Les Placements Solicom inc. in Montréal. He is also a director of the Fondation de l'Hôpital du Sacré-Cœur de Montréal and a governor of the Orchestre Métropolitain. He has more than 30 years of marketing and communications experience. He founded the advertising agency Publicité Martin inc. of which he was President. He was also a founding member and the President of the Association des agences de publicité du Québec. Prior to that, he was a director of Loto-Québec and Nurun. He served as a director for several companies including the Multiple Sclerosis Society of Canada and the Accueil Bonneau. He was also an advisor to Oxfam-Québec, the Arthritis Society and The Foundation of Stars.



Anis Nazar

Mr. Anis Nazar, the founder and principal director of Anis Nazar Architecte since 1982, has over 30 years of experience in the field of real estate asset construction and maintenance. He holds a Master's degree in urban planning from the Université de Montréal and teaches topics such as managing architectural firms and administering construction contracts at the school of architecture. He was an adviser to a company specializing in Web-based medical services and an international investment holding company. Mr. Nazar is a member of the Ordre des Architectes du Québec and the Association des architectes en pratique privée du Québec, in addition to the Royal Architectural Institute of Canada. He has also been a member of the Ontario Association of Architects and the Alberta Association of Architects. He has sat on the Canadian Consultative Council on Multiculturalism and has been a director of the St-Laurent chamber of commerce. Mr. Nazar is involved in a number of financing committees for social and community organizations.

GOVERNANCE

The Corporation reports to Parliament on its operations through the Minister of Transport, Infrastructure and Communities, the Honourable John Baird, as well as the minister of State, the Honourable Rob Merrifield, who assists Mr. Baird in carrying out his responsibilities for Crown corporations.

Board of Directors

Since four of the Corporation's directors had completed their mandate, on June 26, 2009, the Canada Lands Company (CLC) renewed the mandate of two directors and appointed two new ones, for a three-year mandate starting July 1, 2009. Another director's position then became vacant during the year.

At year end, the Corporation's Board of Directors had five members: Yves-André Godon, Patrick Kenniff, Yvon Martin, Anis A. Nazar and Gerry Weiner P.C., who has also been appointed the Corporation's Chairman.

During the year, with the support of the audit and human resources committees, the Board assumed the strategic direction of the Corporation and oversaw the management of its activities and its internal affairs. In addition, it ensured that appropriate risk management systems were implemented and that information systems and management practices guarantee the integrity of the information provided. In particular, the Board ensured that the Corporation's activities are managed in accordance with its mandate and in accordance with the applicable provisions of the *Financial Administration Act*.

The Board met on nine occasions during the year and 82% of these meetings were attended by its members. Some of the strategic issues examined include the approval of the sale of the land occupied by the Old Port of Montréal from Public Works and Public Services Canada (PWGSC) to the Corporation, the strategic objectives and initiatives in the *2010-2011 to 2014-2015 Corporate Plan* as well as management's recommendations for 2009-2010 regarding the *Vision for Development: A Window on the River (Phase 4)*.

Where the oversight of the Corporation's management activities is concerned, the Board examined the budget situation, the monthly statements of operations and management's various reports on the planning and holding of activities. It also adopted a new checklist for authorizing financial commitments following the transfer of ownership of the Old Port land and buildings from PWGSC to the Corporation. During the course of each of their meetings, the directors had an opportunity to hold discussions with management and various external consultants, as necessary.

The highlights regarding the Corporation's governance in 2009-2010 are as follows:

- Adoption of a Charter outlining the powers, roles and responsibilities of the Corporation's Board;
- Updating of the competency profile for the Board members and Chairman, outlining the experience, qualities and skills that all Board members and the Chairman must possess;
- Adoption of a Code of Ethics and a Code of Professional Conduct for the Corporation's directors and adoption of a Code of Ethics and Professional Conduct for employees.
- Assessment of the performance of Board and committee members.

Audit Committee

The Audit Committee met on four occasions during the year and 92% of these meetings were attended by its members. In particular, the Audit Committee, chaired by Claude Thibault C.A. until June 22, 2009 and then by Yves-André Godon, examined the Corporation's audited annual financial statements for the preceding year, the annual audit plan for 2009-2010, the internal auditors' reports issued for 2009-2010, the budgets for the coming year and the semi-annual and annual report on the environmental management system.

The Audit Committee also monitored the implementation of the recommendations made by the Office of the Auditor General of Canada in its auditor's report following its most recent special examination in 2004. Following the amendments made to the Canadian Institute of Chartered Accountants Handbook and the resulting reclassification for the Corporation, the Committee followed up on the process developed and the work performed to convert the appropriate systems to public sector accounting standards rather than International Financial Reporting Standards. It also monitored the work to develop a code of ethics and a code of professional conduct for employees and similar codes for directors.

Finally, the Audit Committee advised the Board following these follow-ups and reviews.

Human Resources Committee

The Human Resources Committee met on three occasions and 75% of these meetings were attended by members. The committee, which is chaired by Mr. Patrick Kenniff, followed up on the work to renew the labour agreements expiring on March 31, 2010. It examined the recommendations regarding the renewal of the Corporation's collective agreements for a four-year period on April 1, 2010, the salary reviews for non-unionized employees for 2010-2011, senior management's performance assessments for the year as well as recommendations regarding their salary review for 2010-2011.

Finally, the Human Resources Committee advised the Board in the wake of these follow-ups and reviews.

RISK MANAGEMENT

Risk management is an integral part of the management of an organization such as the Old Port of Montréal Corporation. The directors and the management team must determine, analyze and reduce risks. The Corporate Plan is key in this process since it makes it possible to direct and manage the Corporation's initiatives in addition to organizing the accountability to Parliament. Having a work program enables the Corporation to implement the various recommendations following

the annual audit and the special examination by the Office of the Auditor General (OAG) is also an effective way to manage risks.

Internal Risks

Management uses a project and portfolio management system to manage, monitor and control capital and major corporate projects. This is an effective risk management tool. Progress reports and the approval of each phase of the project by the Executive Committee are some of the measures included in this system to ensure a strict follow-up and control.

Each year, the Corporation carries out internal audit activities to confirm practices and make the necessary improvements to its existing policies and procedures. The 2009-2010 fiscal year was the second year in which the five-year internal audit plan was applied. This plan is based on 10 specific internal audit engagements based on the Corporation's strategic priorities. As was the case last year, two internal audit engagements were carried out this year. These audits make it possible to address risks by proposing appropriate measures.

The Corporation ensures the maintenance and conservation of its property, plant and equipment, which involves maintaining its equipment, facilities and infrastructure. Risks are rectified with the means at its disposal and are avoided, in particular, with the preventive maintenance system in place.

The Building Condition Report (BCR) was updated in connection with the transfer of the property, plant and equipment from PWGSC to the Corporation. This new report lists the work that is required to maintain the property, plant and equipment in good condition and avoid deterioration. The Corporation will carry out the necessary work with the financial means at its disposal.

The Corporation's environmental management system is based on a performance review for its activities. Each department's commitment to ensure environmentally sustainable practices is audited regularly to ensure that objectives are

achieved and that corrective measures are implemented. The Corporation also ensures that the concession holders operating on its territory adhere to these principles by incorporating environmental clauses stating that they must respect rules for waste management and energy consumption in their leases. This makes it possible to reduce the environmental risks related to operating on the site, even those not under the Corporation's direct responsibility.

The Corporation's security management framework is one tool that makes it possible to prevent and manage the risks relating to personal, property and information security. This framework determines which security and risk management measures will protect all human, physical, financial or IT resources. It includes a business continuity plan outlining various procedures to enable the Corporation to continue operating in the event of an emergency or a disaster.

Security analyses testing the Corporation's existing systems are carried out regularly by the IT department. The Corporation has a backup site should this be necessary. In addition to the risk management measures, the document management and archiving system allows for information to be processed, retrieved and used in a more controlled manner. Moreover, upgrading the technological infrastructure, which is an ongoing process, also helps to reduce risks.

Strict internal control measures as well as employee training developed by the Bureau de normalisation du Québec ensure that the Corporation meets the requirements for the certification obtained. These measures also help to prevent and manage risks.

Training remains an effective preventive measure. The range of training activities held by the Corporation is developed with the objective of preventing risks for visitors, employees and facilities. Training also raises awareness of the importance of adopting safe behaviour and always following safety rules.

The Corporation has developed an occupational health and safety action plan to raise awareness and to equip employees to reduce risks and prevent work accidents. This plan includes a series of measures including an assessment of the risks related to the various types of position, various training and awareness activities as well as a follow-up for corrective measures to be put into place to ensure that employees have a healthy and safe work environment. The Corporation can also rely on the work of an internal committee in charge of assessing health and safety-related efforts and proposing measures to optimize the Corporation's practices in this area.

External Risks

The number of visitors coming to the Old Port all year long has major repercussions on the Corporation's revenues. However, attendance numbers may be influenced by phenomena beyond the Corporation's control, including the economic situation, the weather, the cost of gas, international security problems or labour conflicts in the recreational tourism sector. To address these risks, the Corporation operates prudently and shows versatility and flexibility in managing its advertising investments. It also uses its experience to develop models to simulate the impacts of a drop in attendance, enabling it to correct the situation as necessary.

Performance indicators, like those developed this year by the Marketing Department, are also ways to identify risks and deal with them promptly.

Over the past few years, the Corporation has reviewed and adjusted its strategies and financial agreements with its partners. This allows the Corporation to position itself strongly and competitively in the marketplace so as to react to changes in the environment and deal with its present and future commitments.



SENIOR MANAGEMENT



Claude Benoit, M.C.
President and Chief Executive Officer



Benoît Légaré
Vice-president, Montréal Science Centre



Jacques LaGarde
Vice-president, Quays of the Old Port



Richard Tardif
Vice-president, Finance and Administration



Patrick Goineau
Vice-president, Building Development and Maintenance



Luc Nadeau
Vice-president, Human Resources



Jérôme Dufour
Vice-president, Marketing

OUR EMPLOYEES

BEN EL ANDALOUSSI ABDELLATIF • ABDUL AYSAR • CAROLINE AKSYNCZAK • DOMINIC ALARIE • MARINO ALBENSI • NIZAR AL-ZARZAOUI • VINCENT AMABILI-RIVET • RAPHAËL AMABILI-RIVET • DOMINIQUE ANCTIL-GOINEAU • ALAIN ARSENAULT • SARA ARSENAULT • MARIE-CLAIRE AUDET-GAGNON • MARIE-FRANCE AUGER • MICHAEL BALACKI • FRANCINE BALLA • MICHEL BEAUDET • MARIE-ÈVE BEAUDET • NATHALIE BEAUDET • PIERRE BEAUDOIN • STÉPHANIE BEAULIEU • BEAULIEU-FORGET SOPHIE • MICHELLE BEJARANO • MARYSE BÉLAIR • PASCAL BÉLAND • LORRAINE BÉLANGER • MARTIN BÉLISLE • ALEXIS BELLAVANCE • BRIGITTE BELLEVILLE • SYLVIE BENNARDI • CLAUDE BENOÎT • TAMARA BERGER • MARIE BERRUEL • PHILIPPE BERTOUT • LOUISE JULIE BERTRAND • JEAN BÉRUBÉ • STÉPHANE BÉRUBÉ • FRÉDÉRIC BESSETTE • JEAN BESSETTE • MAGALI BILLARD-BLANCO • ISABELLE BIRON • MARIE-JOSÉE BIRON • SOPHIE BISHOP • SIMON BISSONNETTE • CARL BLAIS • AMÉLIE BLEAU • DANIEL BLIER • MICHAËL BOISVERT • VALÉRIE BOVIN • FRANCO BORIERO • BÉATRICE BOSCO • CHRISTINE BOUDREAU • CHANTALE BOUDREAU • DONALD BOULAY • SOPHIE BOURASSA • NANCY BOURASSA • CATHERINE BOURDON • JULIEN BOUSQUET • VANESSA BOUSQUET • ROBIN BRASSARD • STÉPHANIE BRISEBOIS • ALAIN BROCHU • KARL BROUILLARD • MARTIN BRÛLÉ • FRANÇOIS CADIEUX • MONIQUE CAMIRAND • NANCY CAOUETTE • BERNARDO CARRARA • ROMEO CARRELLI • JEAN-CHRISTOPHE CARRIER • STEPHAN CHAIX • GEORGES CHALUT • LYNE CHAMBERLAND • CLAUDINE CHAMMA • JULIE CHAMPAGNE • WING TAT CHAN • WILLIAM CHAPUT • JULIE CHARBONNEAU • GHISLAIN CHARTIER • CLÉO CHARTIER • CHARTAND-CRÉPEAU CATHERINE • CIGUINEAU NICOLAS • SÉBASTIEN CLÉMENT • PHILIPPE CLERMONT • FRANCIS CLOUTIER • DANIEL CLOUTIER • JONATHAN CLOUTIER • ANTONIO COLASURDO • CHANTAL CORMIER • MANON CORTES • ROGER CORTES • PIERRE-YVES CÔTÉ • SUZANNE COUILLARD • DENISE COULOMBE • GENEVIÈVE COURNOYER-SCALISE • RENÉ CYR • GABRIEL DAMANT-SIROIS • YVES DANDURAND • MARC DANEAU • ISABEL DANSEREAU • CHARLOTTE-MARGUERITE DEBUNNE • GEOFFROY DELAGRAVE • PHILIPPE DEPESTRE • HÉLÈNE DERRIEN • NICOLAS DES ALLIERS • VALÉRIE DESCHÉNES • SYLVIE DESROCHERS • GILLES DESROSIERS • MARTIN DION • ANIK DIONNE • MARC-ANDRÉ DIOTTE-BEAUCHAMP • ÉRIC DONAIS • STÉPHANIE DORÉ • NICOLE DOUCET • JEAN-FRANÇOIS DROLET • RICHARD DUCHESNE • JEAN-PIERRE DUCHESNE • JÉRÔME DUFOUR • JOSÉE DUHAIME • DAVID DUPRAS • AWRENCE DUPUIS • ANTOINE DUROCHER • FRANTZ DUTEAU • CÉDRIC EGAIN • JAMAL ELBAZ • GUILLAUME FAUCHER • BRIANNE FEQUET • JOEY FERGUSON • MÉLANIE FILION • MARTIN FORTIER • GAËTAN FORTIN • CATHERINE FOUCHÈRES • MARJOLAINE FOURNIER • GUY FOURNIER • YAN GAGNON • GAËTAN GAGNON • STEVE GALIANOS • BENOÎT GAMACHE • JEAN-CLAUDE GAUDREAU • ANNICK GAUTHIER • MICHEL GAUTHIER • FRANCOIS-LOUIS GAUTHIER • ÉRIC GAUTHIER • PHILIPPE GAY • ÉRIC GENDREAU • HÉLÈNE GILBERT • YANN GILBERT-BÉLANGER • VÉRONIQUE GILBERT-PICARD • CLAUDE GINGRAS • MARJOLAINE GINGRAS • ISABELLE GIRARD • DAVID GIRARD • ANNIE GIRARD • JULIE GIROUX • CANDICE GIROUX • LYNN GOBOUT • PATRICK GOINEAU • JOSÉ LUIS GOMEZ DUENAS • HELEN GOULET • OLIVER GRANT • EVELYNE GRATTON • HERMAN-CARL GRAVEL • GERTRUDE GRENIER • LUCIE GRENON • MICHEL GROULX • MARIANNE GROULX • MARTINE GUAY • MILDRED GUERRIER • MARIE-ÈVE GUSTAVE • GAËTAN HAMEL • CATHERINE HARTLE • RONALD HERRON • MARC-ANDRÉ HOULÉ • JENNIFER HUYNH • KARINE-ISEULT IPPERSIEL • FRÉDÉRIC JACOB • MARC-ANDRÉ JACQUES • DIMITRI JACQUES • FRANCIS JALBERT • BEDJOU JEAN • LESLY JEAN-CHARLES • JEAN-LOUIS MCGREGOR • CATHERINE JOLIN • BERNARD JONES • ALEXANDRA JONNAERT • PIERRE-NICOLAS JOYAL • LYETTE JULIEN • KERRI-LYNN KERINS-BARRECA • TANIA KHORRAM-ROUDI • MARC-OLIVIER LA BARRE-LAVALLÉE • JULIE LA ROCHE • SERGE LABELLE • SYLVAIN LACOURCIÈRE • JULIE LADOUCEUR • NADIA LAFLAMME • JACQUES LAGARDE • JEAN LAGUÉ • SYLVAIN LAINESSE • MARIE-CLAUDE LALONDE • JULIEN LAMONTAGNE • KONRAD LAMOUR • DANIEL LAMPRON • FANNIE LANDRY • ESTELLE LANDRY-PARÉ • CLAUDE-ÉLAINE LANGEVIN • SARA LANGLOIS • RICHARD LANOUE • CATHERINE LANTIN • LOUIS LAPIERRE • HUGO LAROCQUE • GONTRAN LAURENDEAU • PATRICE LAVERDIÈRE • LVIA LAVERDURE • SIMON LAVIGNE BREITENWALD • YOAN LAVOIE • GENEVIÈVE LAVOIE-PALLETIER • MARIE-ÈVE LE SCHELLEUR • LYNE LEBEL-CUSSON • PATRICK LEBLANC • SYLVIE LECLERC • MAXIMÉ LECLERC • SABRINA LEDUC • SAMUEL LEDUC-FRENETTE • CLAUDE LEFEBVRE • VIRGINIE LEFRANÇOIS • BENOÎT LÉGARÉ • CYNTHIA LEMIEUX • NORMAND LEMONDE • MARCO LENZI • ANNIE LEPAGE • REBECCA LEROUX • SUZIE LEROUX • ROLAND LESCARBEAU • ESTELLE LESSARD-LACROIX • DIANE LETIZI • MARC-ANDRÉ L'HEUREUX • MARISE LORANGER • PATRICE LORANGER • ANDRÉ LUSSIER • JULIE MAILHOT • TANIA MAILHOT-GERVAIS • JULIO MAMANI HUANCA • REBECCA MANGANO • SARAH MANNERING • FRÉDÉRIC MARCHAND • SARAH MARCOTTE-AMAR • GLENN MARTIN • ELYSE MARTIN • MADELEINE MARTIN • CAROLE MARTINEAU • JEAN-FRANÇOIS MARTIN • ÉRIC MATHIEU • HÉLÈNE MATHIEU • SUNDY MÉNARD • SHAHILA MERALI • VANESSA MÉRETTE • CAROLINE MÉROZ • IAN MÉTAYER • GIANNA MÉTELLUS • GABRIEL-ÉTIENNE MEUNIER • MOUHSSINE MHAJI • CHARLAINE MICHAUD • LUCY MICHAUD • RENATA MILITZER • LINDA MILLETTE • ANNABELLE MIMOUNI • TIHOMIR MITEV • CHANTALE MOISAN • JULIE MOREAU • ISABELLE MORIN • ISRAËL MORIN • ELIZABETH MUÑOZ RIVARD • ANDRÉ NADEAU • LUC NADEAU • DENIS NANTEL • JOËLLE NAUD • ALAIN NÉRON • MARC-YVES NOËL • JEAN-SEBASTIEN NOËL • PATRICE NORMAND • ANCA NOTTARA • HÉLÈNE OLIGNY-HÉBERT • BOUCHRA HANNA OUATIK • GABRIELLE OUELLET • FRANCIS-OLIVIER OUELLET • LINDA OUELLET • RAPHAËL OUELLET-BÉLIVEAU • OLIVIER OUELETTE • BENOÎT PAPINEAU • ALEXANDRE PAQUETTE • MARIE-CHANTAL PARASKEVAS • GUYLAINE PARENT • MARC PARIZEAU • RONNY PARRA • VÉRONIC PATENAUDE • CAROL PAUZÉ • JEREMY PELLETIER • CARL PÉPIN • ALAIN PERREAULT • MICHEL PERRON • CAROLE-ANN PERRON • JUNE PERRY • CHARLES PICARD • NADIA PICARD • MARIE-PIERRE PINARD • MARIE-PAULE PLANTE • MÉLANIE PLANTE • MAUDE POIRIER • RODICA ANA POPA • NADIA POPIVANOVA • MARIE-ÈVE PRINCE • JOCELYNE PROVENCHER • LOIC QUESNEL • GUILLAUME RABY-MORIN • MICHEL RAFIE • HAJA RAMAHATRA • SACHA RATCLIFFE • ANDRÉ RÉGIMBALD • BENOÎT RENAUD • SHARON TERESA REYES • FRANCA RICCI • SARAH RIOUX • KATYNA RIVARD • CYBÈLE ROBICHAUD • BENOÎT ROBITAILE • LAURENCE RONDEAU-L'ÉCUYER • MARIE-PIER ROULEAU-CHARBONNEAU • MARIE-STÉPHANIE ROUX • MÉLANIE ROUX • ROGER ROY • MAHMOUD SAADI • DOMINIC SABOURIN • ALINE SAFFORE • TOMMY SAMSON • MATHIEU SAUCIER • FRANÇOIS SAVARD • GUY SAVARD • CAMILLE SAVARD • ÉRIC SAVORY • KARINE SCHUTT-KIMPTON • PASCAL SEGUEL-REYNOLDS • CAROLE SÉGUIN • AMÉLIE SÉGUIN • SYLVIE SÉGUIN • STÉPHANE SÉVIGNY • RICHARD SÉVIGNY • JEAN-FRANÇOIS SIMARD • JEAN-SÉBASTIEN SIROIS • ALAIN SOLOWY • GABRIELLE SOUCY-GIRARD • FRANCIS STACK • KIM STOCKMEYER • STÉPHANIE ST-ONGE-ROSS • ISABELLE TARDIF • KARINE TARDIF • RICHARD TARDIF • ANNE-VALÉRIE TCHIENGANG • CLAIRE TIMPERLEY • MARIE-ÈVE TOUGAS • LISA TRAVERSY • SOPHIE-LOU TREMBLAY • RICHARD TREMBLAY • BENOÎT TREMBLAY • DOMINIQUE TREMBLAY • PIERRE-LUC TREMBLEAY-LEMOINE • LISE TRÉPANIÉ • PHILIPPE TRIEU • MATHIEU TRUDEL • SARAH-JANE TURCOT • MARCEL TURCOTTE • BERNARD TURCOTTE • RÉMI VACHON • PHILIPPE VAILLANCOURT • VALENTIN VAKLINOV • STÉPHANE VAKOULA • ELIZABETH VALADE • ROCIO VALENCIA • MATHIEU VALIQUETTE • PIERRE-MARC VALLÉE • DANIEL VEILLEUX • PIERRE VEILLEUX • MATHIEU VERREAULT • AUDREY VERRET • DAVID VILLEGAS • MARC-ALEXANDRE VINET-GIGUÈRE • SATHIA VONG • ÉLISABETH WARREN • SIDNEY JOHN WATKINS • TOUFIK YOUNES • JADE ZAKAIB • JIMMY ZOLETTI

HUMAN RESOURCES MANAGEMENT

The Old Port of Montréal's organizational structure is based on two primary business units—the Quays of the Old Port and the Montréal Science Centre. The work of these two business units is supported by corporate services (Building Development and Maintenance, Finance and Administration, Marketing and Human Resources departments).

The Corporation has more than 180 permanent full-time employees, in addition to temporary, occasional and seasonal staff. It therefore had 360 people in its employ this year. Although the development of winter activities has a positive impact on seasonal jobs, seasonal employment is mainly a summer phenomenon. In 2009-2010, there were 137 unionized seasonal positions during the summer compared to 72 during the winter. Most seasonal employees are full-time students. In 2009-2010, approximately 67% of the Corporation's employees were unionized. This proportion has remained fairly constant in recent years. Employees are relatively young; the average age for all employees this year was 37. Given the Corporation's wide range of responsibilities and the activities that it carries out, it requires various types of expertise. The Corporation has more than 100 different positions and profiles are extremely varied, from museology technicians to maintenance employees, from accounting analysts to Webmasters, from logistical offers to educators.

Every employee plays a role in achieving the Corporation's objectives and management seeks to offer competitive and fair compensation and working conditions. Management makes sure to provide a healthy, stimulating and safe working environment. It also makes it its duty to keep its personnel abreast of the Corporation's business. Meetings are held twice a year for this purpose. For example, the meeting held last May, which was attended by a record number of employees, close to 200, was an opportunity to present the Corporation's performance for the winter season as well as projects for the upcoming summer season.

To show its commitment to its employees, the Corporation has a series of policies, including a *Total Compensation Policy* as well as a *Training and Development Program*. Similarly, a *Bursaries* program is in place to encourage student personnel to continue to further their studies and hone their skills and increases employees' feeling of belonging. The two recipients this year are Tamara Berger, Customer Service and General Sales Agent, and Stéphanie St-Onge Ross, a Traffic Control Clerk. The Corporation also has a *Policy on managing and preventing harassment and discrimination in the workplace*.

Training is important to the Corporation. This year, 134 people took specific training for new employees, relating in particular to customer service and emergency measures. Approximately 2,000 hours of training have been provided, which is equivalent to an average of 15 hours per new employee. The Corporation also helped its employees to improve their English-language skills this year through a fun and simple formula of group meetings during lunchtime. The Corporation recognizes the work done by its employees. Each year, it celebrates employment anniversaries by organizing a special celebration for employees with 10, 15 and 20 years of service. A total of 11 employees were honoured with such a special celebration this year, including two people who have been with the Corporation for 20 years.

Social activities are important. In addition to providing an opportunity to thank employees, the people who have made the Corporation what it is today, they help ensure internal cohesion and foster a feeling of belonging. Annual celebrations play the same role. The party organized this year for employees' families was held in late November with a holiday theme. Employees who are grandparents were invited to attend with their grandchildren. This new formula was a resounding success. The event was attended by 161 people, half of them children. This was followed by the *Christmas Gala* in December specifically for employees. It was attended by more than 200 people this year.

FINANCIAL ANALYSIS

The following section should be read in conjunction with the Corporation's audited financial statements for the year ended March 31, 2010 and the related notes included elsewhere in this Annual Report.

Financing (in thousands of dollars)

	Results 2009-2010	Budget 2009-2010	Variance between results and budget		Results 2008-2009
			\$	%	
Parliamentary appropriations	23,745	23,745	-	-	21,146

The Corporation is presenting a balanced budget for 2009-2010. The used parliamentary appropriations amounted to \$23.745 million, representing an increase of \$2.599 million (12.3%) compared to 2008-2009. The parliamentary appropriations attributed for the 2009-2010 budget totalled \$23.145 million and covered both operating and capital expenditures. An additional amount of \$600 K, attributable to the change of the system of the IMAX@TELUS Theatre in 2008-2009, was reported in 2009-2010, making a total of 23,745 million.

The total of the parliament appropriations include an amount of \$3.595 million, which represents a part of the 8.6 million budget that was transferred to the Corporation following the transfer of the property, plant and equipment transferred by PWGSC on November 2, 2009.

Statements of operations (in thousands of dollars)

	Results 2009-2010	Budget 2009-2010	Variance between results and budget		Results 2008-2009
			\$	%	
Operating revenues	14,892	15,302	(410)	(2.7)	15,348
Amortization of deferred contributions	1,948	163	1,785	1095.1	1,738
Total revenues	16,840	15,465	1,375	8.9	17,086
Operating expenditures (before depreciation)	30,957	30,615	342	1.1	30,752
Depreciation of property, plant and equipment	7,230	5,639	1,591	28.2	4,398
Total expenditures	38,187	36,254	1,933	5.3	35,150

The operating deficit (before depreciation) amounts to \$16.065 million compared to \$15.404 million in 2008-2009, an increase of \$661 K (4.3%). This increase is attributable to a decrease of \$456 K in operating revenues, combined with an increase of \$205 K in expenditures.

The operating deficit is \$752 K higher than the \$15.313 million budgeted. This result is attributable to a 2.7% unfavourable variance for revenues and an increase of only 1.1% in operating expenditures.

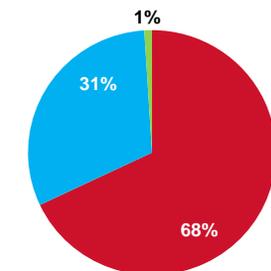
Revenues (in thousands of dollars)

	Results 2009-2010	Budget 2009-2010	Variance between results and budget		Results 2008-2009
			\$	%	
Montréal Science Centre	11,013	8,908	2,105	23.6	11,629
Quays of the Old Port	5,695	6,337	(642)	(10.1)	5,232
Corporate services	132	220	(88)	(40.0)	225
Total revenues	16,840	15,465	1,375	8.9	17,086

Self-generated revenues related to the Corporation's products in 2009-2010 amount to \$16.840 million, compared to \$17.086 million in 2008-2009, a 1.4% decrease equivalent to \$246 K. This variance is mainly attributable to the closure of the IMAX®TELUS Theatre for six weeks in September and October for major renovations.

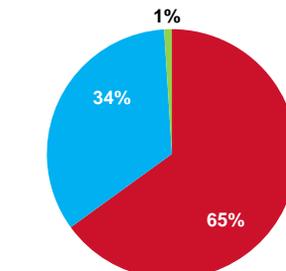
Excluding the variance due to the amortization of deferred charges totalling \$1,785 K, total revenues for 2009-2010 are below by \$410 K compared to the amount forecasted in the business plan. The principal variance is attributable to the results of the IMAX®TELUS Theatre, which were below by \$454 K compared to the budget amounts in the business plan.

Revenues (%) in 2008-2009



- Montréal Science Centre
- Quays of the Old Port
- Corporate Services

Revenues (%) in 2009-2010



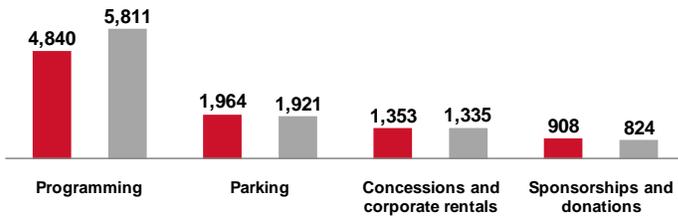
- Montréal Science Centre
- Quays of the Old Port
- Corporate Services



Montréal Science Centre

Montréal Science Centre Revenues (\$000)

■ 2009-2010 ■ 2008-2009



Programming revenues, which include the revenues from the IMAX®TELUS Theatre and exhibition revenues, total \$4.840 million in 2009-2010, compared to \$5.811 million in 2008-2009. This result represents a \$971 K (16.7%) decrease. The revenues for the IMAX®TELUS Theatre declined by \$1,028 K (26.1%), mainly due to the theatre's closure for six weeks in September and October for major renovations. Exhibition revenues rose by \$150 K (10.8%) compared to 2008-2009,

thanks to the quality of the exhibitions showcased combined with an efficient marketing strategy.

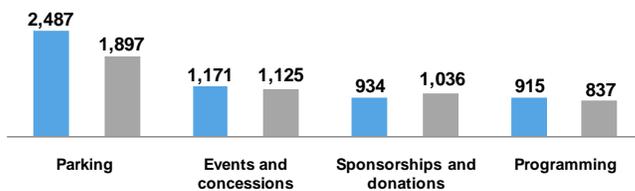
The \$84 K (10.2%) increase in sponsorships and donations is attributable to larger amounts received in connection with educational projects for schools.



Quays of the Old Port

Quays of the Old Port Revenues (\$000)

■ 2009-2010 ■ 2008-2009



Parking revenues rose by \$590 K (31.1%) due among other things to the presence of the Cirque du Soleil.

The presence of the Cirque du Soleil also contributed to the \$46 K (4.1%) increase in revenues from events and concessions. The \$78 K (9.3%) increase in programming revenues is attributable among other things to the excellent performance of the skating rink.

Expenditures (in thousands of dollars)

	Results 2009-2010	Budget 2009-2010	Variance between results and budget		Results 2008-2009
			\$	%	
Montréal Science Centre	13,780	13,210	570	4.3	13,689
Quays of the Old Port	11,202	11,265	(63)	(0.6)	10,494
Corporate services	5,975	6,140	(165)	2.7	6,569
Total operating expenditures (before depreciation)	30,957	30,615	342	1.1	30,752
Depreciation of property, plant and equipment	7,230	5,639	1,591	28.2	4,398
Total expenditures	38,187	36,254	1,933	5.3	35,150

Total operating expenditures (before depreciation) for 2009-2010 increased by \$205 K (0.7%) compared to 2008-2009. Operating expenditures also rose by \$342 K (1.1%) compared to the amount budgeted for 2009-2010 in the Corporate Plan.



Montréal Science Centre

Expenditures relating to the Montréal Science Centre amounted to \$13.780 million, an increase of \$91 K (0.7%) compared to 2008-2009. The variations relate primarily to IMAX film rental costs, which are down \$569 K (40.2%), lower royalties resulting from decreasing revenues. The \$53 K (12%) increase in costs for educational projects is reflected in sponsorship revenues. Salaries and benefits are up \$320 K (6.4%) due to the annual statutory increase and upgrades for unit positions in 2008-2009.



Quays of the Old Port

Expenditures relating to the Quays of the Old Port total \$11.202 million in 2009-2010, an increase of \$708 K (6.7%) compared to 2008-2009. The principal items that explain this variance include a \$227 K increase in labour costs resulting from the annual statutory increase and the presence of the Cirque du Soleil. The transfer of property, plant and equipment from PWGSC also involved an addition to PILT expenditures recorded in the Quays business unit totalling \$966 K.



Corporate services

Expenditures relating to corporate services total \$5.975 million in 2009-2010, a decrease of \$594 K (9.0%) compared to 2008-2009. This decline is essentially attributable to lower costs associated to various professional fees relating to the Vision for Development of the Corporation.

Expenditure analysis by major category:

	Results 2009-2010	Budget 2009-2010	Variance between results and budget		Results 2008-2009
			\$	%	
(in thousands of dollars)					
Salaries and employee benefits	16,068	16,252	(184)	(1.1)	15,185
Depreciation	7,230	5,639	1,591	28.2	4,398
Advertising	2,870	3,044	(174)	(5.7)	2,994
Taxes, permits, rents and utilities	2,852	1,957	895	45.7	1,945
Maintenance	2,539	2,725	(186)	(6.8)	2,950
Exhibitions	1,339	1,350	(11)	(0.8)	1,329
Professional services	1,252	965	287	29.7	1,357
Movie rentals	845	825	20	2.4	1,414
Animation contracts	775	837	(62)	(7.4)	975
Office expenses	642	581	61	10.5	458
Research and development costs	413	493	(80)	(16.2)	359
Travel and entertainment costs	286	335	(49)	(14.6)	376
Telecommunications	246	275	(29)	(10.5)	296
Insurance	229	260	(31)	(11.9)	238
Software maintenance	204	188	16	8.5	149
Vehicle and equipment rentals	144	130	14	10.8	139
Machinery and tools	140	132	8	6.1	137
Training	61	75	(14)	(18.7)	67
Bad debts	-	10	(10)	(100.0)	116
Other	52	181	(129)	(71.3)	268
Total expenditures	38,187	36,254	1,933	5.3	35,150

Compared to 2008-2009, the analysis of the major expenditure categories for the current year reveals the following:

% of expenditures (before depreciation)

51.9%

Salaries and benefits rose by \$883 K, or 5.8%, mainly due to the 2.75% statutory salary increase granted to unionized employees. The impact of the Cirque du Soleil's presence on parking facility employees, the creation of new jobs and the filling of some open positions during 2008-2009 account for this variance.

9.3%

Advertising expenditures totalled \$2.870 million in 2009-2010, down \$124 K. This expense is equivalent to 17.0% of total revenues, compared to 17.5% in 2008-2009.

9.2%	Taxes, permits, rents and utilities increased by \$907 K (46.6%) following the transfer of property, plant and equipment from PWGSC to the Corporation on November 2, 2009.
8.2%	Site maintenance and the maintenance of facilities represent a significant expense for the Corporation. Due to the size of the site and the age of certain assets, rigorous maintenance work is required, which explains the expense.
4.3%	Exhibitions represented an expense of \$1,339 K, an increase of \$10 K (0.8%), which is the same level of expense incurred last year for the rental of temporary exhibitions.
4.0%	Professional services amount to \$1,252 K, a 7.7% decrease compared to 2008-2009, attributable to the reduced amount of work to prepare and plan the implementation of the Vision for Development.
2.7%	Movie rentals include the cost of movies shown at the IMAX [®] TELUS Theatre and the movie game. The \$569 K (40.2%) decrease is attributable to lower royalties resulting from the decline in ticket revenues due to the closure of the theatre for six weeks for major renovations.
2.5%	Animation contracts totalled \$775 K, down \$200 K (20.5%) due to the cancellation of the winter bar.
2.1%	Office expenses include stationery, postage and uniforms.
1.3%	Research and development costs include surveys and marketing analyses.
0.9%	Travel and entertainment expenses amounted to \$286 K, down 24.0%.
0.8%	Telecommunications expenses totalled \$246 K, a decrease of \$50 K (16.9%), due to the addition of and changes to telecommunications equipment.

0.7%

Insurance costs totalled \$229 K, down 3.8%.

0.7%

Software maintenance costs totalled \$204 K compared to \$149 K in 2008-2009. The variance results mainly from the cost of upgrades to several software used by the Corporation.

0.5%

Vehicle and equipment rentals totalled \$144 K, up \$5 K, or 3.6%.

0.5%

Machinery and tooling expenses totalled \$140 K, up \$3 K.

0.2%

Training costs totalled \$61 K, down \$6 K compared to 2008-2009.

0.0%

There was no **bad debt** expense this year.

0.2%

“Other” expenses totalled \$52 K and include many components. Other expenses decreased by \$216 K (80.6%) compared to 2008-2009, due to the recovery of administrative costs from PWGSC for asset maintenance.

Balance sheet (in thousands of dollars)

	31-03-2010	31-03-2009
Total assets	106,522	34,111
Total liabilities	104,862	34,114
Shareholder's equity	1,660	(3)

Total assets as at March 31, 2010 amount to \$106.522 million compared to \$34.111 million at the end of the last fiscal year, an increase of \$72.411 million (212.3%), resulting from the capitalization of the assets related to the transfer of property, plant and equipment representing from PWGSC for a nominal value. The transaction was accounted for to the accounting value of the acquired assets as requested by the GAAP in the context of a transaction between parent companies. The book value of the transferred property, plant and equipment amounts to 69.507 million.

Assets

Cash and cash equivalents, restricted cash and investments total \$7,628 K compared to \$4,230 K in 2008-2009. Accounts receivable decreased by \$91 K (9.5%) in comparison with amounts as at March 31, 2009. The bad debt allowance totals \$26 K. The asset variance is mainly attributable to the increase in property, plant and equipment transferred (96.5%)

Liabilities

The total amount of accounts payable and accrued liabilities increased from \$7.261 million in 2008-2009 to \$10.389 million in 2009-2010. The \$3.128 million increase is mainly attributable to the transfer of property, plant and equipment by PWGSC. Repayable parliamentary appropriations total \$6 K for 2009-2010. The increase in deferred property, plant and equipment financing relates mainly to the transfer of property, plant and equipment.

Capital expenditures (in thousands of dollars)

Capital expenditures	Actual 2009-2010	Budget 2009-2010	Variance between results and budget		Actual 2008-2009
			\$	%	
Property, plant and equipment	7,680	7,192	488	6.8	7,616

Capital expenditures totalled \$7,680 K in 2009-2010, compared to \$7,616 K in 2008-2009 and compared to the budgeted amount of \$7,192 K included in the Corporate Plan. Disbursements in 2008-2009 include capital expenditures totalling \$2,158 K for repairs to the Belvédère, which was financed entirely with donations from the Montréal Science Centre Foundation. For 2009-2010, an amount of \$2.651 million represents the value of property, plant and equipment for asset maintenance.

The following projects represented capital expenditures in excess of \$100 K in 2009-2010:

■ Renewal of the fleet of vehicles	\$118 K
■ Repairs to the upper portion of the Clock Tower Pier and the southern basin	\$123 K
■ Urban furniture	\$195 K
■ “SiO2, The Science of Glass” exhibition	\$215 K
■ Website development plan	\$248 K
■ Studies, plans and specifications to upgrade the Allan Building	\$251 K
■ Relocation of Saute-Moutons	\$254 K
■ Installation of a fire hydrant for emergencies in the Locks Garden	\$325 K
■ Parking management system	\$570 K
■ Re-development of the IMAX projection room	\$390 K
■ Re-designing of the food court	\$519 K
■ “Sex: A Tell-all Tale”	\$684 K
■ Re-development of the Port d'escale - Repairs to the Jacques-Cartier Basin	\$2,100 K
Total	\$5,992 K

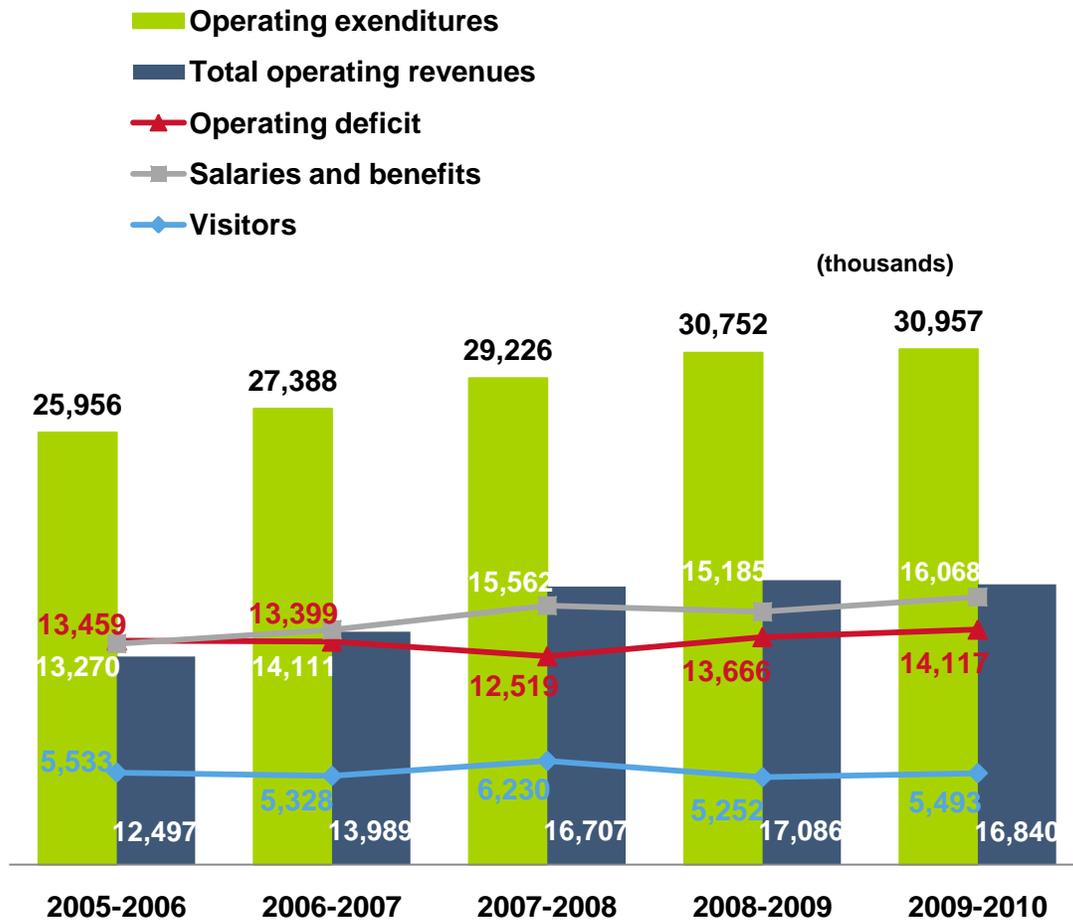
Finally, 14 other projects represented expenditures in excess of \$50 K during the year, which corresponded to a total amount of \$925 K. The considerable variety of the Corporation’s commercial and cultural activities, the size of its site, and the fact that its buildings and equipment are aging explain the Corporation’s extensive initiatives in the form of specific investments on the site.

Five-year Summary (in thousands of dollars)

	Budget	Results				
	2009-2010	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Statements of operations						
Revenues						
Montréal Science Centre (\$)	8,908	11,013	11,629	10,105	8,424	6,882
%	57.6	65.4	68.1	60.5	60.2	55.1
Quays of the Old Port (\$)	6,337	5,695	5,232	6,340	5,347	5,383
%	41.0	33.8	30.6	37.9	38.2	43.1
Corporate services (\$)	220	132	225	262	218	232
%	1.4	0.8	1.3	1.6	1.6	1.9
Total operating revenues	15,465	16,840	17,086	16,707	13,989	12,497
Expenditures						
Operating expenditures	30,615	30,957	30,752	29,226	27,388	25,956
Salaries and benefits	16,252	16,068	15,185	15,562	14,111	13,270
Salaries and benefits to operating expenditures (%)	53.1	51.9	49.4	53.2	51.5	51.1
Depreciation	5,639	7,230	4,398	2,810	2,695	2,567
Operating deficit (before depreciation)	15,150	14,117	13,666	12,519	13,399	13,459
Financing						
Parliamentary appropriations and contributions	23,745	23,745	21,146	18,899	15,199	16,231

	Budget	Results				
	2009-2010	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Balance sheet						
Assets						
Cash and cash equivalents, restricted cash and investments	168	7,628	4,230	6,057	5,145	3,808
Receivables and balance receivable from related corporations	1,000	2,309	2,042	2,568	1,397	758
Parliamentary appropriations receivable	-	-	1,244	-	-	-
Prepaid expenses	600	467	430	337	364	479
Property, plant and equipment	25,669	96,118	26,165	22,970	16,246	16,328
Liabilities						
Accounts payable, accrued liabilities and balance payable to related corporations	3,000	10,383	7,261	8,869	5,819	4,617
Parliamentary appropriations repayable	-	6	-	2	1	94
Deferred contributions	4,891	4,899	6,921	6,214	3,094	2,490
Deferred property, plant and equipment financing	19,061	89,574	19,932	16,690	12,917	13,548

Key operating statistics	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Operating revenues to operating expenditures (excluding depreciation)	54%	55%	57%	51%	47%
Number of visitors to the Old Port of Montréal (in thousands)	5,493	5,252	6,230	5,328	5,533



MANAGEMENT'S RESPONSIBILITY REGARDING THE FINANCIAL STATEMENTS

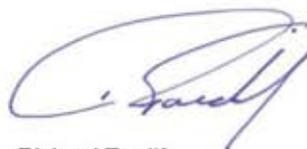
The Corporation's management is responsible for preparing the financial statements in the annual report. These have been prepared in accordance with generally accepted accounting principles in Canada and necessarily contain estimates made by Management to the best of its judgment and for which Management is responsible. Management acknowledges its responsibility for choosing accounting principles and methods that are compatible with the Corporation's circumstances. Financial information presented elsewhere in the annual report is consistent with that of the financial statements. Management applies internal controls, accounting principles and practices to ensure with a reasonable degree of certainty that financial information is relevant and reliable, that the assets it manages are safeguarded and that corporate transactions have been in compliance with the appropriate authorizations. The Board of Directors is responsible for examining and approving the financial statements and for overseeing how Management discharges its responsibility for the presentation of financial information.

The Board exercises this responsibility primarily through the Audit Committee, which is composed exclusively of Directors who are neither part of Management nor employed by the Corporation. This Committee examines the financial statements with Management and representatives of the Office of the Auditor General of Canada, who is appointed as external auditor by the shareholder, before submitting them to the Board for approval. This Committee also examines the work plans submitted by internal and external auditors and meets with them in order to discuss their findings and observations regarding accounting issued, audit procedures and the presentation of financial information.

The Auditor General of Canada is responsible for auditing the transactions and the financial statements of the Corporation and for reporting on these financial statements. Management considers that the financial statements faithfully present the financial position of the Corporation, the results of its operations, and its cash flows. The Board of Directors has studied and approved the financial statements following a recommendation from the Audit Committee.



Claude Benoit, C.M.
President and Chief Executive Officer



Richard Tardif
Vice-president, Finance and Administration

Montréal
June 11, 2010



AUDITOR'S REPORT

To the Minister of Transport, Infrastructure and Communities

I have audited the balance sheet of the Old Port of Montréal Corporation Inc. as at March 31, 2010, and the statements of operations and comprehensive income, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *Financial Administration Act*, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Corporation that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part X of the *Financial Administration Act* and regulations, the *Canada Business Corporations Act* and, the articles and the by-laws of the Corporation and the Agreement between the Corporation and Her Majesty in Right of Canada represented by the Minister of Public Works and Government Services.

Sylvain Ricard, CA auditor
Assistant Auditor General
for the Auditor General of Canada

Montréal, Canada
June 11, 2010

Financial Statements as at March 31, 2010

BALANCE SHEET AS AT MARCH 31

(In thousands of dollars)	2010	2009
<i>Current assets</i>		
Cash and cash equivalents	498	1,012
Restricted cash (Note 5)	130	218
Investments (Note 6)	7,000	3,000
Receivables	866	957
Balance receivable from related parties (Note 17)	1,443	1,085
Parliamentary appropriations receivables (Note 21)	-	1,244
Prepaid expenses	467	430
<i>Current assets</i>	<i>10,404</i>	<i>7,946</i>
<i>Long term assets</i>		
Intangible assets (Note 7)	364	307
Property, plant and equipment (Note 8)	95,754	25,858
<i>Long term assets</i>	<i>96,118</i>	<i>26,165</i>
Assets	106,522	34,111
<i>Current liabilities</i>		
Account payable and accrued liabilities	10,328	7,221
Balance payable to related parties (Note 17)	55	40
Repayable parliamentary appropriations (Note 21)	6	-
Current portion of deferred contributions (Note 9)	1,833	2,058
<i>Current liabilities</i>	<i>12,222</i>	<i>9,319</i>
<i>Long term liabilities</i>		
Deferred contributions (Note 9)	3,066	4,863
Deferred property, plant and equipment financing (Note 10)	89,574	19,932
<i>Long term liabilities</i>	<i>92,640</i>	<i>24,795</i>
Liability without equity	104,862	34,114
<i>Shareholders' equity</i>		
Retained earnings	1,660	(3)
Accumulated other comprehensive income (Note 11)	-	-
Capital stock (Note 12)	-	-
<i>Shareholders' equity</i>	<i>1,660</i>	<i>(3)</i>
Liabilities and shareholders' equity	106,522	34,111

Contingencies (Note 18)

Commitments (Note 19)

The notes are an integral part of the financial statements

Approved on behalf of the Board of Directors

Director

Director

Financial Statements as at March 31, 2010

STATEMENT OF OPERATIONS AND OF COMPREHENSIVE INCOME

For the years ended March 31

(in thousands of dollars)	2010	2009
<i>Revenues</i>		
Quays (Note 13)	5,695	5,232
Montréal Science Center (Note 13)	11,013	11,629
Corporate services (Note 13)	132	225
<i>Revenues</i>	<i>16,840</i>	<i>17,086</i>
<i>Operating expenditures</i>		
Quays (Note 13)	11,202	10,494
Montréal Science Center (Note 13)	13,780	13,689
Corporate services (Note 13)	5,975	6,569
Depreciation of long term assets	7,230	4,398
<i>Operating expenditures (Note 14)</i>	<i>38,187</i>	<i>35,150</i>
Excess of operating expenditures over revenues	(21,347)	(18,064)
Parliamentary appropriations- operating expenditures (Note 21)	16,065	15,404
Amortization of deferred property, plant and equipment financing (Note 10)	5,082	2,500
Net results	(200)	(160)
Other comprehensive income (Note 11)	-	-
Comprehensive income	(200)	(160)

The notes are an integral part of the financial statements

OLD PORT OF MONTRÉAL CORPORATION Inc.

Financial Statements as at March 31, 2010

STATEMENT OF RETAINED EARNINGS

For the years ended March 31

	2010	2009
(in thousands of dollars)		
<i>Balance, beginning of year</i>	(3)	157
Transfer of non-amortizable property (Notes 8 and 17.1)	1,863	—
Net results	(200)	(160)
<i>Balance, end of year</i>	1,660	(3)

The notes are an integral part of the financial statements

Financial Statements as at March 31, 2010

STATEMENT OF CASH FLOWS

(in thousands of dollars)	2010	2009
<i>Operating activities</i>		
Net results	(200)	(160)
Non-cash items:		
Depreciation of long term assets	7,230	4,398
Gain on the disposal of property, plant and equipment	3	-
Amortization of deferred property, plant and equipment financing	(5,082)	(2,500)
Amortization of deferred contributions	(1,948)	(1,738)
Sponsorships recognize as revenue	(645)	(644)
Donations recognized as revenue	(80)	(80)
Changes in non-cash working capital items	4,068	(2,421)
<i>Cash flows from operating activities</i>	<i>3,346</i>	<i>(3,145)</i>
<i>Financing activities</i>		
Sponsorships received for the Montréal Science Center	571	630
Donations received for the Montréal Science Center	80	2,539
Parliamentary appropriations for the acquisition of property, plant and equipment	7,680	5,142
Deferred approved annual funding	(600)	600
<i>Cash flows from financing activities</i>	<i>7,731</i>	<i>8,911</i>
<i>Investing activities</i>		
Decrease (increase) in investments	(4,000)	2,000
Acquisition of property, plant and equipment	(7,680)	(7,616)
Proceeds from the sale of property, plant and equipment	1	23
Net decrease in restricted cash	88	44
<i>Cash flows from investing activities</i>	<i>(11,591)</i>	<i>(5,549)</i>
Change in cash during the year	(514)	217
Cash and cash equivalents, beginning of year	1,012	795
Cash and cash equivalents, end of year	498	1,012

The notes are an integral part of the financial statements

(in thousands of dollars)

1. AUTHORITY AND ACTIVITIES

The Old Port of Montréal Corporation Inc. (hereinafter referred to as the “Corporation”) was incorporated on November 26, 1981 under the *Canada Business Corporations Act* and is a wholly-owned subsidiary of Canada Lands Company Limited, a Crown corporation named in Part I of Schedule III of the *Financial Administration Act*. In accordance with Order in Council P.C. 1987-86, the Old Port of Montréal Corporation Inc. is subject to certain provisions of the *Financial Administration Act* as if it were a parent Crown corporation, agent of the Crown, listed in Part I of Schedule III of the *Financial Administration Act*.

Since February 1, 1982, pursuant to an agreement between the Corporation and Her Majesty in Right of Canada represented by the Minister of Public Works and Government Services Canada (PWGSC), the Corporation has been responsible for developing and promoting the development of the lands of the Old Port of Montréal, and for administering, managing and maintaining the properties of Her Majesty located thereon.

On November 2, 2009, the property, plant and equipment owned by PWGSC and administered by the Corporation, including piers, urban equipment, warehouses, buildings, land and bicycle paths, were transferred to the Corporation. The agreement with PWGSC therefore expired on November 2, 2009. The Corporation’s mandate remains the same and it is approved annually through its business plan.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies are described below.

2.1. Measurement uncertainty

The preparation of the financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenditures for the reporting period. Estimates relating to allowance for bad debts, claims from suppliers, accrued liabilities and the useful life of property, plant and equipment are the most significant items requiring estimates to be made. Actual figures may differ substantially from these estimates.

(in thousands of dollars)

2.2. Cash and cash equivalents

Cash includes only cash.

2.3. Restricted cash

Restricted cash represents cash received that is externally restricted to be used to acquire capital assets or for other specific activities of the Montréal Science Centre.

2.4. Investments

Investments include deposit certificates redeemable at any time and maturing less than 12 months from the transaction date.

2.5. Intangible assets

Intangible assets, accounted for at cost, are amortized over their estimated useful lives as of their date of implementation according to the straight-line method and the following periods:

Computer software	3 years
-------------------	---------

(in thousands of dollars)

2.6. Property, plant and equipment

With the exception of land, property, plant and equipment, which are recorded at cost, are amortized over their estimated useful lives as of the date of commissioning under the straight-line method. In addition, all property, plant and equipment transferred from PWGSC to the Corporation are recorded at their carrying amount as submitted by PWGSC. Amortizable property, plant and equipment are amortized over their estimated useful lives according to the straight-line method and the following periods:

Buildings	15 to 25 years
Leasehold improvements	15 to 25 years or over the lease term
Facilities and landscaping	15 to 25 years
Automotive equipment	5 years
Office furniture and equipment	7 years
Urban furniture	15 to 25 years
Computer hardware	3 years
Machinery, tooling and equipment	10 years
Exhibitions	According to the duration of the exhibition
Bridges, piers and structures	15 to 40 years
Signage	4 to 10 years

2.7. Impairment of long-lived assets

Long-lived assets are tested for impairment when events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount exceeds undiscounted cash flows resulting from their use and eventual disposition. The impairment loss recognized is measured as the amount by which the asset's carrying amount exceeds its fair value.

(in thousands of dollars)

2.8. Parliamentary appropriations

The Government of Canada funds the Corporation through parliamentary appropriations. The appropriations for the purchase of depreciable property, plant and equipment are recorded as deferred property, plant and equipment financing and amortized on the same basis as the related property, plant and equipment. The appropriations for operating expenditures are recorded in the Statement of Operations and of Comprehensive Income in the year for which the appropriations are approved.

2.9. Deferred contributions

The Corporation follows the deferral method of accounting for contributions, which are mainly in the form of donations and sponsorships. Unrestricted contributions are recognized as revenue when they are received or receivable provided that collection is reasonably assured.

Externally restricted contributions are deferred and recognized as revenue during the year in which the underlying expenses are incurred. These contributions are intended for the renewal of the exhibitions or for other specific activities for the Montréal Science Centre. Contributions restricted for the acquisition of depreciable capital assets are amortized over the estimated useful lives of the capital assets acquired.

2.10. Donations from non-owners

Donations from non-owners through the Montréal Science Centre Foundation are deferred to other comprehensive income and recognized as revenue during the year in which the underlying expenses are incurred. Donations restricted for the acquisition of depreciable capital assets are recognized as deferred contributions during the year in which the capital assets are acquired and amortized over their useful lives.

(in thousands of dollars)

2.11. Revenues

Quays, Montréal Science Centre and corporate services

Revenues from programming sales, parking revenues, concession revenues and other revenues including those from La Balade, the Port d'Escale and the skating rink are accounted for during the year in which the services were rendered. Interest income on investments is accounted for on an accrual basis of accounting.

The Corporation has signed agreements with a number of sponsors that provide cash, products, advertising and other services in exchange for various benefits, including exclusive marketing rights and visibility. Sponsorships are recognized in the period to which they relate. Non-monetary transactions are recorded at fair market value. A portion of donations and sponsorships is accounted for in deferred contributions while another portion is accounted for with revenue.

2.12. Retirement savings plan

The Corporation has set up a group retirement savings plan that provides for the creation of a single trust with a corporation in the private sector to administer the contributions it receives to provide retirement income for employees through individually registered retirement savings plans. The Corporation acts solely as an agent and assumes no financial responsibility or obligation regarding this plan.

2.13. Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at market exchange rates. Revenues and expenses and other assets and liabilities are translated into Canadian dollars at exchange rates in effect at the dates on which the related transactions are carried out.

(in thousands of dollars)

2.14. Financial instruments

All financial assets are classified as either being held for trading, held to maturity, available for sale or as loans and receivables, whereas financial liabilities are classified as being held for trading or as other liabilities. Upon initial recognition, all financial assets and financial liabilities, including derivative financial instruments, are accounted for at fair value on the balance sheet.

The Corporation therefore classified cash, restricted cash and investments as financial assets held for trading. They are measured at fair value and any changes in fair value are accounted for under net results.

Receivables and the balance receivable from related companies are classified as loans and receivables. Receivables are measured at amortized cost according to the effective interest method.

Accounts payable and accrued liabilities as well as the balance payable to related companies are classified as other financial liabilities. They are measured at amortized cost according to the effective interest method.

The Corporation has no financial instruments that are classified as available for sale or held to maturity, nor does it have any derivative financial instruments or embedded derivatives.

3. ADOPTION OF NEW ACCOUNTING POLICIES

3.1. Goodwill and intangible assets

On April 1, 2009, the Corporation retrospectively adopted the new Canadian Institute of Chartered Accountants (CICA) standard entitled “Goodwill and Intangible Assets” (Section 3064). This standard reinforces an approach based on principles and criteria to recognize costs as assets and clarifies the application of the matching principle in order to eliminate the practice of recognizing as assets items that do not meet the definition of an asset nor the criteria for asset recognition. The adoption of this standard had no impact on the Corporation’s financial statements.

(in thousands of dollars)

3.2. Embedded derivatives

In June 2009, the Accounting Standards Board (AcSB) amended CICA Handbook Section 3855 entitled “Financial Instruments - Recognition and Measurement” by adding guidance concerning the reassessment of embedded derivatives upon reclassification of a financial asset out of the held for trading category. The Corporation has applied the new guidance to reclassifications made on or after July 1, 2009. This amendment had no impact on its financial statements.

3.3. Financial instrument disclosures

In June 2009, the AcSB issued amendments to CICA Handbook Section 3862, “Financial Instruments - Disclosures” in order to incorporate the improvements to disclosure requirements about fair value measurements of financial instruments and liquidity risk issued by the International Accounting Standards Board (IASB) in March 2009. These amendments include in particular the requirement to classify financial instruments recognized at fair value using a hierarchy that reflects the significance of the inputs used in making the measurements.

The Corporation applied the amendments to this standard for the first time in its 2010 annual financial statements. For this initial year of application, it is not required to provide the comparative disclosures required by the amendments. These amendments related specifically to the disclosures required in Note 22 and had no impact on the Corporation’s financial situation or results.

3.4. Credit risk and fair value of financial assets and financial liabilities

On April 1, 2009, the Corporation retrospectively adopted the new abstract issued by the CICA Emerging Issues Committee (EIC) entitled “Credit Risk and the Fair Value of Financial Assets and Financial Liabilities” (EIC-173). This EIC abstract states that an entity’s own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative financial instruments. The adoption of this EIC abstract had no significant impact on the valuation models used to determine the fair value of financial instruments or on the Corporation’s results and financial position.

(in thousands of dollars)

4. FUTURE CHANGES IN ACCOUNTING STANDARDS

4.1. Effective interest method

In June 2009, the AcSB issued an amendment to CICA Handbook Section 3855 entitled “Financial Instruments - Recognition and Measurement” in order to clarify the interest calculation method for a financial asset after recognition of an impairment loss. The Corporation will adopt this amendment retrospectively in its fiscal year beginning on April 1, 2010. The amendment is not expected to have an impact on the Corporation’s financial statements.

4.2. Changes in accounting standards

In October 2009, the Public Sector Accounting Board (PSAB) modified the scope of application of public sector accounting standards. This communication redefines three categories of government organization. The Corporation is considered an Other Government Organization (OGO). The Corporation has the option to choose to prepare its financial statements according to public sector accounting standards or IFRS starting on January 1, 2011.

The Corporation has opted for public sector accounting standards and began its conversion in the fall of 2009. All of the new accounting standards are being reviewed and the effects of the conversion on the opening balance sheet as at April 1, 2010 will be calculated during the first quarter of 2010-2011.

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

4.3. Other

Given that the Corporation will be adopting public sector accounting standards on April 1, 2011, the new standards relative to Canadian GAAP taking effect on or after April 1, 2011 will not be presented as future accounting changes since they will not be applied by the Corporation.

5. RESTRICTED CASH

For the year ended March 31, 2010, restricted cash represents amounts received totalling \$130 (\$218 in 2009) for which the counterparties are accounted for on the balance sheet under accumulated other comprehensive income, \$0 (\$0 in 2009) and deferred contributions, \$130 (\$218 in 2009).

6. INVESTMENTS

Investments include the following deposit certificates redeemable at any time:

	2010	2009
0.82%, maturing on March 25, 2011	7,000	
3.16%, maturing on July 24, 2009		3,000
Investments	7,000	3,000

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

7. INTANGIBLE ASSETS

Intangible assets are detailed as follows:

March 31, 2010	Cost	Accumulated depreciation	Book value
Software	2,161	1,797	364

March 31, 2009	Cost	Accumulated depreciation	Book value
Software	1,968	1,661	307

8. PROPERTY, PLANT AND EQUIPMENT

March 31, 2010	Cost	Accumulated depreciation	Book value
Land	1,863	-	1,863
Buildings	42,159	17,746	24,413
Leasehold improvements	64	19	45
Facilities and landscaping	13,850	7,160	6,690
Automotive equipment	1,280	1,057	223
Office furniture and equipment	2,623	1,979	644
Urban furniture	404	201	203
Computer hardware	3,057	2,323	734
Machinery, tooling and equipment	11,318	7,204	4,114
Exhibitions	9,772	7,159	2,613
Bridges, piers and structures	108,785	61,915	46,870
Signage	1,521	625	896
Work in progress	6,446	-	6,446
Total	203,142	107,388	95,754

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

March 31, 2009	Cost	Accumulated depreciation	Book value
Buildings	147	41	106
Leasehold improvements	15,827	2,816	13,011
Automotive equipment	1,160	1,020	140
Office furniture and equipment	2,648	1,815	833
Computer hardware	3,092	2,001	1,091
Machinery, tooling and equipment	8,861	6,586	2,275
Exhibitions	9,972	5,832	4,140
Bridges, piers and structures	2,029	476	1,553
Signage	1,518	479	1,039
Work in progress	1,670	-	1,670
Total	46,924	21,066	25,858

A significant portion of the property, plant and equipment used by the Corporation in the normal course of its operations, mainly representing piers, urban equipment, warehouses, buildings, land and bicycle paths, was governed by an agreement with PWGSC. These items of property, plant and equipment were not recorded in the Corporation's financial statements as at March 31, 2009 because they were not owned by the Corporation.

These assets were transferred to the OPMC during the year for a symbolic amount of \$1. They were recorded in the Corporation's books at their carrying amount at the date of transfer in accordance with Section 3840 dealing with related party transactions.

The leasehold improvements made to the assets transferred by PWGSC on November 2, 2009 were reclassified in the corresponding categories of assets.

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

To facilitate the comparison between the two years, below is a table presenting capital assets as at March 31, 2010 without taking the asset transfer in November 2009 into account.

March 31, 2010 without asset transfer	Cost	Accumulated depreciation	Book value
Buildings	147	47	100
Leasehold improvements	14,043	3,178	10,865
Automotive equipment	1,280	1,057	223
Office furniture and equipment	2,623	1,979	644
Urban furniture	98	17	81
Computer hardware	3,057	2,323	734
Machinery, tooling and equipment	10,259	6,552	3,707
Exhibitions	9,772	7,159	2,613
Bridges, piers and structures	2,984	894	2,090
Signage	1,521	625	896
Work in progress	6,446	-	6,446
Total without asset transfer	52,230	23,831	28,399

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

9. DEFERRED CONTRIBUTIONS

Deferred contributions represent the unrecognized portion of externally restricted contributions used to acquire capital assets or to be used for other specific activities for the Montréal Science Centre.

The changes in the balance of deferred contributions can be explained as follows:

	2010	2009
Balance, beginning of year	6,921	6,214
Plus:		
Reclassification of donations from non-owners (Note 11)	-	2,459
Sponsorships	571	630
Additions	571	3,089
Less:		
Sponsorships recognized as revenue	645	644
Amortization of contributions restricted for the purchase of depreciable property, plant and equipment	1,948	1,738
Subtractions	2,593	2,382
Balance, end of year	4,899	6,921
Current portion	1,833	2,058
Long-term portion	3,066	4,863
Total	4,899	6,921

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

10. DEFERRED PROPERTY, PLANT AND EQUIPMENT FINANCING

Deferred property, plant and equipment financing represents the unamortized portion of the parliamentary appropriations for the purchase of property, plant and equipment.

The consideration for depreciable property, plant and equipment transferred from PWGSC to the Corporation on November 2, 2009 has been considered as a government contribution and treated as the normal parliamentary appropriations used to acquire property, plant and equipment.

The changes in the deferred property, plant and equipment financing balance are as follows:

	2010	2009
Balance, beginning of year	19,932	16,690
Parliamentary appropriations received during the year for property, plant and equipment acquisitions and improvements	7,080	5,742
Amortization for the year, excluding property, plant and equipment transferred	(3,032)	(2,500)
Balance, excluding transfer	23,980	19,932
Deferred capital financing for the transfer of depreciable property, plant and equipment held by PWGSC	67,644	-
Amortization of property, plant and equipment transferred for the year	(2,050)	-
Balance of transfer	65,594	-
Balance, end of year	89,574	19,932

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

11. ACCUMULATED OTHER COMPREHENSIVE INCOME

Other comprehensive income represents the unrecognized portion of donations from the Montréal Science Centre Foundation to be used to acquire capital assets or for other specific activities for the Montréal Science Centre.

	2010	2009
Donations from non-owners		
Balance, beginning of year	-	-
Changes during the year:		
Donations during the year (Note 15)	80	2,539
Reclassification of donations to the statement of operations (Note 15)	(80)	(80)
Reclassification of donations to deferred contributions (Note 15)	-	(2,459)
	-	-
Balance, end of year	-	-

12. CAPITAL STOCK

The Corporation is authorized to issue a single share with a par value of \$1, to be held in trust for Her Majesty in Right of Canada. The share may not be transferred without the consent of the Governor General in Council. The authorized share has been issued in consideration of services rendered.

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

13. OPERATING RESULTS

The Corporation has the mandate to develop and promote the development of the Old Port of Montréal's territory. It therefore carries out activities in two business units: the Quays of the Old Port and the Montréal Science Centre.

	Quays		Montréal Science Center		Corporate services	
	2010	2009	2010	2009	2010	2009
<i>Revenues</i>						
Parking	2,487	1,897	1,964	1,921	-	-
Events/concessions /corporate rentals	1,171	1,125	1,353	1,335	-	-
Sponsorships and donations	934	1,036	908	824	-	-
Programming	915	837	4,840	5,811	-	-
Amortization of deferred contributions	-	-	1,948	1,738	-	-
Interest	-	-	-	-	132	225
Other	188	337	-	-	-	-
Total revenues	5,695	5,232	11,013	11,629	132	225
<i>Expenditures</i>						
Management and administrative services	-	-	-	-	4,893	5,401
Parking	1,021	924	245	216	-	-
Events/concessions/ corporate rentals	1,439	1,483	325	326	-	-
Sponsorships and donations	266	253	173	180	-	-
Programming	1,278	1,367	8,565	9,121	-	-
Maintenance, repairs and prevention	4,679	4,384	1,180	1,271	325	546
Communications	1,290	1,264	1,231	1,214	329	299
Utilities	755	447	1,497	886	100	59
Information technology	160	227	275	242	328	264
Clothing	91	37	29	24	-	-
Other	223	108	260	209	-	-
Total expenditures before amortization	11,202	10,494	13,780	13,689	5,975	6,569

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

14. SUMMARY OF OPERATING EXPENDITURES BY MAJOR CATEGORY

	2010	2009
Salaries and fringe Benefits	16,068	15,185
Depreciation	7,230	4,398
Advertising	2,870	2,994
Taxes, permits, rents and utilities	2,852	1,945
Maintenance	2,539	2,950
Exhibitions	1,339	1,329
Professional services	1,252	1,357
Movie rentals	845	1,414
Animation contract	775	975
Office expenses	642	458
Research and development costs	413	359
Travel and entertainment costs	286	376
Telecommunications	246	296
Insurance	229	238
Software maintenance	204	149
Vehicle and equipment rentals	144	139
Machinery and tooling	140	137
Training	61	67
Bad debts	-	116
Other	52	268
	38,187	35,150

(in thousands of dollars)

15. MONTRÉAL SCIENCE CENTRE FOUNDATION

The Montréal Science Centre Foundation is a not-for-profit organization founded on March 27, 2000. It was incorporated as a trust under a notarial deed and is a registered charity under the *Income Tax Act*. The audited financial statements of the Montréal Science Centre Foundation are not consolidated in these financial statements.

The purpose of the Foundation is to promote better knowledge and understanding of science and technologies. It must also manage the funds and fund-raising activities for the sole benefit of the Montréal Science Centre.

According to the trust arrangement, the Foundation must remit to the Old Port of Montréal Corporation Inc. no later than 90 days after its year end, its disbursement quota as per the *Income Tax Act*, in particular a minimum of 80% of the donations received and the revenues generated by the accumulated capitalized funds.

Funds remitted to the Corporation must be used for activities of the Montréal Science Centre.

The Foundation remitted the amount of \$80 (\$2,539 in 2009) to the Corporation for the year ended March 31, 2010, including \$0 (\$2,459 in 2009) to renovate the Belvedere and to finance the renewal of the Montréal Science Centre's permanent exhibitions in 2008 and \$80 (\$80 in 2009) for the Montréal Science Centre's activities.

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

15. MONTRÉAL SCIENCE CENTRE FOUNDATION (CONTINUED)

The Foundation's condensed financial statements for the fiscal year ended December 31 are as follows:

	2010	2009
<i>Financial position</i>		
Total assets	1,360	524
Total liabilities	1,330	450
Total net assets	30	74
<i>Operating results</i>		
Total revenues	298	1,178
Total expenditures	341	2,868
Net results	(43)	(1 690)
<i>Cash flows</i>		
Net inflows (outflows) of cash- operating activities	1,019	734
Net inflows (outflows) of cash- financing and investing activities	(194)	(1 805)
Increase (decrease) in cash	825	(1 071)

16. NON-MONETARY TRANSACTIONS

The Corporation has granted exclusive rights to certain sponsors for the sale of their products in exchange primarily for advertising. These non-monetary transactions with unrelated parties were recorded equally in revenues and expenditures. They were valued at \$415 (\$340 in 2009), which represents the fair value of the assets and services received.

(in thousands of dollars)

17. RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. The Corporation carries out transactions with these entities in the normal course of business. Excluding the transfer of property, plant and equipment, referred to in Note 8, these transactions were recorded at the exchange amount, i.e. the value of the consideration paid or received, which was established and accepted by the related parties.

Excluding the transactions referred to elsewhere in these financial statements, the Corporation carried out the following transactions with related parties:

17.1. Transfer of property, plant and equipment owned by PWGSC

The Corporation used the property, plant and equipment owned by PWGSC under an agreement signed on February 1, 1982 at no cost. This property, plant and equipment was sold to the OPMC on November 2, 2009 for a symbolic amount of \$1. The transaction was recorded at the carrying amount of the related assets at the transaction date. The difference between the exchange amount and the carrying amount was considered a form of non-monetary subsidy and accounted for under deferred property, plant and equipment financing and in retained earnings for non-amortizable property, plant and equipment.

17.2. Landscaping work on the site

PWGSC manages contracts based on the cost plus method. For the fiscal year ended March 31, 2010, the cost of these contracts totaled \$23 (\$14 in 2009) and is included in expenditures for corporate services under management and administrative services.

PWGSC owned the principal property, plant and equipment located on the Old Port of Montréal site until November 2, 2009. Under an agreement signed on March 15, 2007, PWGSC and the Corporation determined specific work to be carried out on all of the assets to address occupational health and safety issues. The Corporation has managed a large portion of the work performed on behalf of PWGSC, using the cost-plus method. The balance invoiced to PWGSC in connection with this work totals \$1,736 (\$2,981 in 2009). A balance receivable of \$1,443 (\$1,085 in 2009) has been included in receivables.

(in thousands of dollars)

17.3. Rental of space

The Corporation signed an agreement with the Montréal Port Authority, beginning on January 1, 2007 and ending on December 31, 2011, covering the rental of space for parking facilities and administrative offices. Rental costs under this agreement amounted to \$628 for the fiscal year (\$664 in 2009) and are included in Quays expenditures under Maintenance, repairs, prevention and parking.

17.4. Joint operations

The Corporation and federal and provincial museums are party to agreements for the sharing of exhibition production costs in the normal course of operations. The Corporation had a commitment under these agreements for \$565 (\$765 in 2009) for the year ended March 31, 2010. In this respect, an amount of \$200 (\$400 in 2009) is included in exhibitions under property, plant and equipment. The balance payable under these agreements totals \$40 as at March 31, 2010 (\$40 in 2009).

18. CONTINGENCIES

The Corporation's activities are governed by many federal, provincial and municipal by-laws to ensure sound environmental practices, in particular for the management of emissions, sewage, hazardous materials, waste and soil contamination. Decisions relating to the ownership of real estate assets and any other activity carried on by the Corporation have an inherent risk relating to environmental responsibility.

The Corporation assessed all of its activities and all of its sites and facilities involving risks to determine potential environmental risks. Sites and facilities considered to represent an environmental risk were or will be examined in detail and corrective measures have been or will be taken, as necessary, to eliminate or mitigate these risks. The ongoing risk management process currently in place enables the Corporation to examine its activities and property under normal operating conditions and to follow up on accidents that occur. The property that may be contaminated, or the activities or property that may cause contamination, are taken charge of immediately as soon as contamination is noted, thanks to an action plan developed depending upon the nature and extent of the repercussions as well as the applicable requirements. We therefore have no guarantee that material liabilities and costs relating to

(in thousands of dollars)

environmental issues will not be incurred in the future or that such liabilities and costs will not have significant negative impacts on the Corporation's financial situation.

In the normal course of its activities, the Corporation is either a claimant or a defendant in a number of claims or lawsuits. Various claims have been filed or lawsuits instituted against the Corporation. In management's opinion, the outstanding issues are of a current nature. Management is of the opinion that the resolution of these contingencies should not have a major impact on the Corporation's financial situation.

19. COMMITMENTS

19.1. Commitments relating to operating expenditures and acquisitions of property, plant and equipment

As at March 31, 2010, the Corporation's total contractual obligations amounted to \$1,009 (\$739 in 2009), including \$881 (\$631 in 2009) for maintenance services, advertising contracts and professional services, and \$128 (\$108 in 2009) for the acquisition of property, plant and equipment. Payments under these contracts must be made within the next five years.

(in thousands of dollars)

19.2. Operating lease

Operating leases mainly pertain to the rental of space to operate parking facilities and administrative offices and to the rental of property. Future minimum lease payments to be made annually under these operating leases are as follows in the next five years:

2010-2011	649
2011-2012	392
2012-2013	37
2013-2014	17
2014-2015	2
<u>Total future minimum payments</u>	<u>1,097</u>

Of this amount, the commitment under a lease with the Montréal Port Authority, a related party, represents \$823 (\$1,292 in 2009).

20. ASSET RETIREMENT OBLIGATIONS

The Corporation operates certain structures under an operating lease. The agreement signed by the parties includes a clause which stipulates that upon expiry of the lease the owner will retake control of these structures without providing any compensation for any additions or modifications made by the Corporation to the initial structures, provided that the owner considers them to be in satisfactory condition. According to the Corporation, the changes made to the structures since it has had responsibility for management thereof satisfy the lessor's requirements. Accordingly, no liability relating to the retirement of these assets has been recognized in the financial statements.

OLD PORT OF MONTRÉAL CORPORATION INC.

Notes to Financial Statements as at March 31, 2010

(in thousands of dollars)

21. RECONCILIATION OF NET RESULTS FROM OPERATIONS TO GOVERNMENT FUNDING

The Corporation receives its funding from the Government of Canada based on cash flow requirements. The Treasury Board Secretariat allotted a parliamentary appropriation in the amount of \$23,745 for the 2010 fiscal year (\$21,150 in 2009).

Items recognized in the Statement of operations and comprehensive income in one year may be funded by the Government of Canada in different years. Accordingly, the Corporation has different net results of operations for the year on a government funding basis than on a Canadian generally accepted accounting principles basis. These differences are outlined below:

	2010	2009
Excess of operating expenditures over revenues	21,347	18,064
Items not affecting government funding :		
Amortization of deferred contributions	1,948	1,738
Depreciation of long term assets	(7,230)	(4,398)
Parliamentary appropriations required to fund operations	16,065	15,404
Amount used to acquire property, plant and equipment	7,680	5,142
Approved and deferred annual parliamentary appropriations	-	600
Total parliamentary appropriations used	23,745	21,146
Parliamentary appropriations approved	23,745	21,150
Parliamentary appropriations received	23,745	19,900
Parliamentary appropriations receivable (payable) for the current year	-	1 246
Parliamentary appropriations payable for previous years	(6)	(2)
Excess government funding receivable (payable)	(6)	1,244

(in thousands of dollars)

22. FINANCIAL INSTRUMENTS

The Corporation's financial assets and financial liabilities are measured on a continual basis either at fair value or at amortized cost depending upon their classification.

The carrying amounts of the financial assets and financial liabilities carried at amortized cost approximates fair value given that these financial assets and liabilities will be realized or settled within less than one year.

The financial instruments recognized at fair value on the balance sheet are measured according to the following three levels within the fair value measurement hierarchy:

Level 1 - measurement based on quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - valuation techniques based primarily on observable market data; and

Level 3 - valuation techniques not based primarily on observable market data.

The breakdown of financial instruments measured at fair value among the various levels within the hierarchy are presented in the tables below:

For 2010	Level 1	Level 2	Level 3	Total
Held for trading				
Cash	498			498
Restricted cash	130			130
Investments		7 000		7 000
Financial assets	628	7 000	-	7 628

For 2009	Level 1	Level 2	Level 3	Total
Held for trading				
Cash	1,012			1,012
Restricted cash	218			218
Investments		3,000		3,000
Financial assets	1,230	3,000	-	4,230

(in thousands of dollars)

23. MANAGEMENT OF RISKS RELATED TO FINANCIAL INSTRUMENTS

Credit risk

Credit risk is the risk that a party to a financial instrument will fail to meet one of its obligations, causing the other party to incur a financial loss. The Corporation's credit risk relates mainly to its receivables. The Corporation manages credit risk by monitoring and analyzing its balances receivable on a continual basis. The Corporation's exposure to bad debts is not material. Finally, since there is no concentration of receivables, the credit risk is low.

The Corporation's maximum credit risk exposure is equivalent to the carrying amount of receivables as at March 31:

	As at March 31	
	2010	2009
Current- 30 days	653	776
31-90 days	129	93
91 days and more	110	259
Bad debt allowance	(26)	(171)
Total	866	957

The Corporation has a cumulative bad debt allowance for all clients

	As at March 31	
	2010	2009
Cumulative bad debt allowance:		
Balance beginning of year	171	72
Bad debt expense	0	116
Receivables written off and recovery	(145)	(17)
Balance, end of year	26	171

(in thousands of dollars)

Liquidity risk

Liquidity risk is the risk that an entity will have difficulty meeting its commitments related to financial liabilities. The Corporation manages its liquidity risk in a manner to maintain a sufficient amount of cash. The Corporation establishes budget and cash forecasts in order to ensure that it has the necessary funds to meet its obligations.

Contractual maturities as at March 31 for accounts payable are presented below:

	As at March 31	
	2010	2009
Current - 30 days	9,876	6,867
31-90 days	49	314
91 days and more	403	40
Total	10,328	7,221

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate according to changes in market price. Market risk includes interest rate and foreign currency risk. The Corporation's investment policy provides that any excess cash should be invested in top-quality redeemable term deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in the market interest rate. In order to manage this risk, the Corporation invests in fixed-rate short-term securities. A variation of 3% in the interest rates would affect the investment income but would not have a significant impact on the net results.

(in thousands of dollars)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. The Corporation carries on activities for which certain expenditures are in U.S. dollars. Given that these expenditures represent a minor portion of the Corporation's expenditures, the variation between the Canadian and U.S. dollars will not have a significant impact on the Corporation's net results, its financial position or its cash flows. The Corporation has not hedged its currency risk exposure.

24. CAPITAL MANAGEMENT

The Corporation is not subject to any capital requirements under outside rules. Nonetheless, its capital management objectives are to:

- Preserve the Corporation's ability to continue to operate in order to provide a report to its sole shareholder, Her Majesty in Right of Canada;
- Maintain a flexible capital structure allowing for the optimization of capital costs at an acceptable level.

The Corporation's primary capital management objective is to ensure that it has sufficient sources of funding to continue operating and to acquire capital assets. In order to obtain the necessary capital, the Corporation may attempt to obtain funding by way of parliamentary appropriations, donations, sponsorships, and revenues from the Quays and Montréal Science Centre activities.

In managing its capital, the Corporation includes equity in the amount of \$1,660 (\$3 in 2009) in the definition of capital.

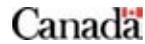
Management is confident that it has the necessary liquidities to support the Corporation's activities. It is monitoring its financial situation. There was no change in equity management during the year.

25. COMPARATIVE FIGURES

Certain 2009 figures were restated to conform to the presentation of the current year.

OUR PARTNERS

Partner of the Old Port of Montréal Corporation



Major partners of the Quays of the Old Port



Other partners

Astral Média Affichage

Zoom Média

Partner for 2009-2010 winter programming

Partner of the Old Port skating rink

Van Houtte

Partner of the Montréal Science Centre

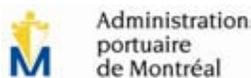


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RioTintoAlcan



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Presenting sponsor for regular programming at the Montréal Science Centre's IMAX®TELUS du Theatre



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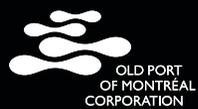
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