

A WORD FROM THE CHAIRMAN OF THE BOARD AND THE PRESIDENT AND CHIEF EXECUTIVE OFFICER



Cléo Marchand, Chairman of the Board and Gaétan Boivin, President and CEO

We are proud to present our annual report for 2014, a year marked by a new record in terms of tonnage handled. The Port of Trois-Rivières handled 3.7 metric tons of merchandise, notably new traffic such as steel. The port was visited by 250 ships in 2014.

These excellent results are due to the strengthening of the business development activities that the TRPA and its partners engaged in together. Phase II of the modernization plan On Course for 2020 began in 2014 with the construction of a new solid bulk hangar. Marked as n° 16, this megadome is located near the one built in 2010, near wharf section 15.

The level of international cruise ship activity was maintained, as three such ships visited the Port. This was also the first time the CTMA Vacancier travelled from Trois-Rivières to the Magdalen Islands with passengers aboard. In 2014, the Port of Trois-Rivières welcomed Croisières AML, which offers cruises on the St. Lawrence and St-Maurice rivers in the summer.

Based on the success achieved thus far, and, although the challenges are still numerous, the team and the Board of Directors of the TRPA intend to continue their efforts to develop the potential of the Port of Trois-Rivières for the economic development of the region.

Gaétan Boivin
President and CEO

Cléo Marchand
Chairman of the Board

The Port of Trois-Rivières in 2009



The Port of Trois-Rivières in 2014



In 2014, the TRPA began work on Phase II of its modernization plan On Course for 2020, and this was the opportunity for an update on the results of Phase I, completed in 2013. In this image, we can see some of the changes made to the Port, such as the demolition of the old Warehouse 9, the construction of Warehouse 15 and of the new Warehouse 9, the development of plots 9, 10, and 11, the incorporation of a section of Notre-Dame Street into the territory of the Port, and the delimitation of the entire perimeter of the Port within a secured zone.

BOARD OF DIRECTORS

The Board of Directors met four times in 2014. In addition, the Board has the support of three committees composed of members of the Board and of the Management Team to assist with its responsibilities. The Human Resources Committee, the Governance Committee, and the Audit Committee also met four times. In addition to their regular activities, the members of the Board and the Management of the TRPA worked very hard to update the policies and procedures ensuring exemplary governance practices.

Board of Directors 2014



Cléo Marchand
Chairman of the Board
Member of the Audit Committee

Me Martine Gravel
Vice-Chairperson
President of the Governance Committee



In the usual order, front row:

Luc Arvisais, Administrator
President of the Human Resources Committee

François Dupuis, Administrator
President of the Audit Committee

Nicole D. Gélinas, Administrator
Member of the Audit Committee

Michel Morin, Administrator
Member of the Human Resources Committee

Danielle St-Amand, Administrator
Member of the Governance Committee



Gaétan Boivin
President and CEO



Me Pierre Allen
Corporate Secretary

TRPA TEAM



In the usual order, back row:

Gaétan Boivin
President and CEO

Jacques Paquin
VP, Marketing and Business Development

Luc Forcier
Director of Finances and Administration

Michel Parent
Director of Operations

Front row:

Liliane Bussière
Executive Assistant

Matthieu Gauthier
Business Development Coordinator

Carole Desjardins
Accounting and Trade Data Analyst

Steve Jean
Assistant Operations Manager

André Desjardins
Harbour Master

A FEW HIGHLIGHTS FROM 2014

First Vessel of the Year

On January 8, the M/V Mandarin, chartered by Canfornav and flying the flag of Cyprus, was the first foreign vessel to reach the Port of Trois-Rivières without stopping at another port.



M/V Mandarin

Eric Massicotte

The M/V Mandarin and its Ukrainian crew delivered 25,000 metric tons of Canadian grains to the Port of Gibraltar from Trois-Rivières.



Eric Massicotte

To highlight the arrival of the first vessel of the year, a reproduction of a work by artist Caroline St-Pierre was presented, as well as baskets of regional products. In the usual order, Gaétan Boivin, President and CEO of the TRPA, Me Martine Gravel, Vice-Chairperson of the Board, Anatoliy Vovkogan, chief engineer, as well as the Captain of the M/V Mandarin, Valeriy Baranets.

International Cruise Ships

The efforts of the TRPA and Tourism Trois-Rivières were rewarded with the arrival of three international cruise ships in 2014. This number is set to increase significantly over the next few years.



M/V Maasdam

Eric Massicotte

On May 16, the cruise ship Maasdam, arriving from Fort Lauderdale, Florida, stopped over in Trois-Rivières with over 1,200 passengers and 500 crew. It was followed by the Pearl Mist in September and the Silver Whisper in October.



M/V Pearl Mist

Eric Massicotte

The Pearl Mist is a recently built ship offering its passengers a high level of comfort, and each of its cabins has a balcony. Of the Pearl Sea Cruises company, it stopped in Trois-Rivières on September 24 with 210 passengers and 65 crew members.



M/V Silver Whisper

Eric Massicotte

The last international cruise ship expected for the 2014 season, the luxurious Silver Whisper, of the Silversea company, entered the Port of Trois-Rivières on October 15. It can accommodate 386 passengers and has over 300 crew members, which explains why a ticket costs over \$10,000



CTMA Vacancier

Eric Massicotte

The CTMA Vacancier stopped over in Trois-Rivières on September 19 to board 75 passengers before heading to Cap-aux-Meules in the Magdalen Islands. On its way back, it stopped over in Gaspé and navigated through the Saguenay Fjord before bringing its passengers to Trois-Rivières on September 26.

MINISTERIAL VISITS

Quebec Maritime Strategy

On August 27, the TRPA welcomed several ministers and government members for a meeting concerning the Maritime Strategy.

Upon visiting the port facilities they saw the improvements made through the modernization plan On Course for 2020 and gained a better understanding of the projects that the Port of Trois-Rivières would like to put forward and that meet several of the objectives of the Maritime Strategy.



Eric Massicotte

In the usual order, Marc H. Plante, member for Maskinongé, Pierre-Michel Auger, member for Champlain, Jean-Denis Girard, Minister responsible for small and medium-sized enterprises, for deregulation, and for regional economic development and Minister responsible for the Mauricie region, Gaétan Boivin, TRPA President and CEO, Cléo Marchand, Chairman of the Board of the TRPA, Jean D'Amour, Minister responsible for transport and Maritime Strategy, and Me Martine Gravel, Vice-Chairperson of the Board of the TRPA.

Transport Canada

On September 9, 2014, Lisa Raitt, the federal Transport Minister, visited the port facilities of Trois-Rivières.

The Minister, who is very familiar with the maritime sector, visited the Port in a Groupe Océan tug with the senior management of Port of Trois-Rivières users.

The visit was followed by an exchange on the challenges and issues facing the Port and its users, and Ms. Raitt confirmed that her government would continue to support efforts to develop ports and make them more efficient.



Eric Massicotte

In the centre, we can see Gaétan Boivin explaining the improvements made by Minister Lisa Raitt, surrounded by some of the participants – Jacques Tanguay, First Vice President and General Manager of Groupe Océan, Nicolas Pappalardo, the Minister's Chief of Staff, Cléo Marchand, Chairman of the Board of the TRPA, Madeleine Paquin, President and CEO of the Logistec Corporation, Alain Pilotte, Vice President, Strategic Initiatives, at Logistec, Marc Paquin, Executive Chairman of the Somavrac Group, and Louis Gravel, President of the Quebec Gatineau Railway.

NEW BUILDING VISUALS

Hector-Louis-Langevin Park, which was landscaped by the TRPA and is adjacent to its administrative building, is visited by many Trifluvians. The TRPA took advantage of it to increase the visibility of port activities by installing on its building illuminated signs presenting port infrastructures and scenes of operations.

In the past, residents could freely access the port facilities. It was not uncommon to see passersby walking on the terminals and stopping to observe the transshipment operations. This has no longer been possible since the port perimeter was closed. These signs partially make up for this situation and allow visitors the opportunity to appreciate the port and its activities once again.



New Paintings

Ms. Caroline St-Pierre, an artist of the region, created three paintings for the TRPA inspired by the Port of Trois-Rivières. Reproductions of these works are offered by the TRPA during special events.



BUSINESS DEVELOPMENT

Phase I of On Course for 2020 was completed in 2013 and required investments of 42.8 million. Those investments supported 312 jobs and generated economic benefits of 29.1 million and 7 million in tax revenues.

During this Phase, the TRPA proceeded to set up outdoor storage areas. Since then, these areas have been used mainly for storing containers, turbine components, de-icing salt, and semi-trailers and, recently, for new traffic at the Port of Trois-Rivières: steel girders and reinforcing bars.



Eric Massicotte

The outdoor storage space, set up within the framework of Phase I of On Course for 2020, are fully used by the steel market.

The TRPA works closely with the port users in order to consolidate current markets and identify new commercial corridors in such a way as to provide clients with complete, innovative, and adapted solutions.



Eric Massicotte

Steel handled by the Logistec Arrimage company.

Networking Activities

Luncheon Conference

Nearly 70 people attended the conference given by experienced entrepreneur and business person Ms. Éloïse Harvey, President of Mecfor, Vice President, corporate development, of Groupe Ceger, and Vice President, business development, of Cegertec WorleyParsons, therefore a leader with an impressive track record. The TRPA was involved in this event organized by Carrefour Québec International (CQI) on March 12.



Me Martine Gravel, Vice-Chairperson of the Board and Mr. Gaétan Boivin, President and CEO of the Port of Trois-Rivières, Ms. Sandrine Jobin, international representative and regional coordinator for the Mauricie, CQI, Mr. Mario Pelletier, account manager, Desjardins, Ms. Éloïse Harvey, guest speaker, Mr. Daniel Vaugeois, main transport adviser, CQI, and Ms. Catherine Gervais, CEO of the CQI.

Commercial Watch Activities

A commercial watch is ensured systematically in order to identify new business opportunities and to evaluate the Port's competitiveness.

Thus, the TRPA collects and analyzes market information, attends conferences and information sessions and keeps up to date with developments in the concerned industries.

Port Facilities Visit

In order to make the Port better known to industries in the region, the TRPA, in collaboration with Carrefour Québec international (CQI), organized a visit of the port facilities on June 5. The TRPA was able to count on the collaboration of representatives of the Somavrac Group, of Logistec, and of the Quebec Gatineau Railway, which presented their respective organizations to the 54 participants ahead of the visit. After the visit, 25 individual meetings established personal contacts between the participants and the representatives of these organizations.



Above left, Denis Gagnon of the Somavrac Group is presenting his organization. Above right, Jean-Marc Bélanger and Daniel Falaise of Logistec are speaking with a participant. Below, John Aternali of the QGR is presenting the railway operations during his visit of the Port.

Involvement in the Maritime Industry

The TRPA participates in several panels and committees of the maritime industry, enabling it to update its knowledge of ongoing projects, as well as of the business opportunities in this sector, while asserting the strategic position of the Port of Trois-Rivières.

The TRPA participated in the panel of experts on merchandise transport of the *Association québécoise des Transports* (AQTR). This panel shed light on the issues surrounding merchandise transport in Quebec for all modes of transportation.

PORT OPERATIONS

Phase II of *On Course for 2020*

The TRPA has already carried out work related to this second phase of *On Course for 2020*: the construction of Warehouse 16, a megadome used by Somavrac for storing solid bulk.



Construction of Warehouse 16

Eric Massicotte



Warehouse 16 (2nd megadome) completed in July 2014

Eric Massicotte

The plans and estimates, as well as the environmental studies conducted in order to obtain the necessary approval for Phase II – the reconstruction of Wharf 13 and the addition of new warehouses--have been completed.

Continual Improvement

Several meetings were held with the port community in order to determine how to improve productivity, security, and safety and to reduce the environmental impact of port activities. In 2013, road traffic inside the limits of the Port attracted attention.

Environmental Policy

The TRPA constantly monitors legislative revisions and amendments that may have an impact on the regulations applicable to the Port's activities or its infrastructure development projects, in order to ensure its compliance.

Also, in accordance with the Port's environmental policy, each user must generate an annual action plan for improving its environmental performance, and submit it to the TRPA. Among other things, this demonstrates each user's efforts to reduce the environmental impact of their operations.

Regular Communication

The TRPA recognizes the importance of communicating regularly with the community of Trois-Rivières. Management is always available for interviews with the media and invites them to special events.

Involvement in the Community

The TRPA is very active in the Trois-Rivières community through the involvement of its employees in many of the activities of organizations and foundations from various spheres.

In January 2014, the Université du Québec à Trois-Rivières hosted the 26th edition of the Jeux du Commerce, which welcomed 1,200 administration students from 13 universities from Eastern Canada. The TRPA sponsored this event, but it also helped prepare the case put to the test in the international market and sat on the panel of judges of this event. It was an exceptional occasion on which to appreciate all the talent and dynamism of the administrators of tomorrow.

For several years, the TRPA has been participating in the cross-country skiing, snowshoeing, and running activities on the Journée plein air Jean-Pierre-Petit. In 2014, Mr. Boivin accepted the title of honorary president of this activity organized by the RSTR Foundation, which is a unique opportunity to meet a challenge and contribute to the Fonds Jean-Pierre-Petit.



Lisette Tremblay, President of the RSTR Foundation, Alex Legrow, of the Fonds Jean-Pierre-Petit, Alain Bilocq, neurosurgeon, Tamara Kohler, of the Centre Énergie CMB, Renée Lavergne-Lapointe, spokesperson, and Gaétan Boivin, honorary president.



The TRPA participated in the 26th edition of the Jeux du Commerce.

Since education and health are close to its heart, the TRPA supports some of the educational institutions of the region, such as the UQTR, the Cégep de Trois-Rivières, as well as the Collège de Shawinigan.



Gaétan Boivin between Ms. Karine Provencher, Chairperson of the Board, and Ms. Lucie Sicard, Director General of the Fondation du Cégep de Trois-Rivières.

The TRPA was offered a dual honorary presidency within the framework of the fund raising campaign of the Fondation de l'Institut maritime du Québec. Messrs. Gaétan Boivin and Jacques Paquin did not hesitate to support the IMQ, whose foundation contributes to retaining these students by offering bursaries, assistance funds, and loans. It also helps to maintain the quality of instruction by purchasing specialized equipment, including simulators, and by training instructors and researchers.



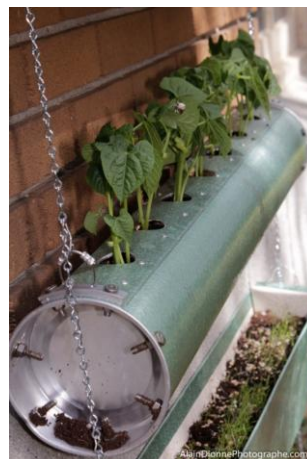
Mr. Pierre Couture, President of the Fondation de l'Institut maritime du Québec, Mr. Gaétan Boivin, President and CEO of the TRPA, Jacques Paquin, Vice President, Marketing and Business Development, of the TRPA, and Daniel Dion, interim director of the Institut maritime du Québec.

The Orchestre symphonique de Trois-Rivières (OSTR) and the TRPA have been partners for several years. The TRPA contributes to the regional outreach of this organization by contributing financially when a concert is held and by providing a scholarship at the OSTR annual contest.



OSTR
1st row: Jacques Lacombe (OSTR), Samantha Louis-Jean (winner), Myriam Leblanc (winner), Jean-Philippe Mc Clish (winner), Patricia Abbott (CAMMAC), Dana Nigrim (judge), and Raymond Perrin (judge)
2nd row: Cléo Marchand (Port of Trois-Rivières), Magalie Julien (FestiVoix of Trois-Rivières), Christian Savard (Conférence régionale des élus de la Mauricie), Nancy Dufresne (Marmen), Stella Montreuil (Cultural Development Corporation of Trois-Rivières and Expor'Art), and Natalie Rousseau (OSTR).

The TRPA is also an associate of the Cultural Affairs Committee of Culture Mauricie and the board of trade and industry of Trois-Rivières, and the photographs below represent the results of this partnership and the work of the creative intervention brigades.



The TRPA Management Team is also involved in several organizations, such as the board of trade and industry of Trois-Rivières, the Seamen Club, the Richelieu Club, and the Foundation of the *Musée québécois de culture populaire*.

PORT TRAFFIC HIGHLIGHTS

The Port of Trois-Rivières experienced an excellent year in 2014, as its amount of total traffic increased by 37% over the previous year. In fact, its traffic reached 3.8 million metric tons, 1.0 million more than in 2013, and 0.5 million more than the previous record set in 2012.

This increase is the result of a strong rise in solid bulk traffic, which reached 3.4 million metric tons, particularly due to grain. Liquid bulk traffic remained at 0.3 million metric tons. General cargo dropped from 152,000 to 90,000 metric tons. However, a highlight in this sector is the development of imported steel traffic. The port welcomed 250 merchant ships in 2014.

Moreover, three international cruise ships, with a total of 1,796 passengers and 865 crew members, visited the Port in 2014. In this same year, the CTMA Voyageur stopped at Trois-Rivières for the first time before continuing on to Cap-aux-Meules, in the Magdalen Islands, and AML, a company that offers excursion cruises on the St. Lawrence, began operating in Trois-Rivières.



REPORT OF THE INDEPENDANT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of
Trois-Rivières Port Authority

The accompanying summary financial statements, which comprise the summary statements of financial position as at December 31, 2014 and the summary statements of comprehensive income for the years then ended, are derived from the audited financial statements of the **Trois-Rivières Port Authority** for the year ended as at December 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated April 29, 2015. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading of the audited financial statements of the **Trois-Rivières Port Authority**.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited statements required by International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing standards (CAS) 810, "Engagement to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the **Trois-Rivières Port Authority** for the year ended December 31, 2014 are a fair summary of those financial statements required by International Financial Reporting Standards..

*Mallette S.E.N.C.R.L.*¹

Partnership of chartered professional accountants

Trois-Rivières, Canada
April 29, 2015

¹ CPA Auditor, CA public accountancy permit N° A111750

TROIS-RIVIÈRES PORT AUTHORITY
SUMMARY STATEMENTS OF FINANCIAL POSITION
As at December 31

	<u>2014</u>	<u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash	2 557 869	989 242
Accounts receivables	1 440 137	1 568 469
Prepaid expenses	69 500	63 376
Current portion of investments	7 620 449	9 728 626
	<u>11 687 955</u>	<u>12 349 713</u>
NON-CURRENT ASSETS		
Long-term investments	16 986 074	13 679 432
Property, plant and equipment	40 229 976	38 946 945
Pension benefit assets	362 900	12 100
	<u>57 578 950</u>	<u>52 638 477</u>
	<u>69 266 905</u>	<u>64 988 190</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	698 194	589 196
Other financial liabilities	2 280	2 280
Current portion of borrowings	120 000	0
	<u>820 474</u>	<u>591 476</u>
NON-CURRENT LIABILITIES		
Deferred grants	1 040 000	0
Pension benefit liabilities	6 532 179	6 878 740
	<u>7 572 179</u>	<u>6 878 740</u>
EQUITY		
Contributed capital	27 048 441	27 048 441
Retained earnings	34 541 211	31 433 333
Accumulated other comprehensive income	(715 400)	(963 800)
	<u>60 874 252</u>	<u>57 517 972</u>
	<u>69 266 905</u>	<u>64 988 190</u>

Pour le Conseil d'administration,



Président du conseil



Président-directeur général

TROIS-RIVIÈRES PORT AUTHORITY
SUMMARY STATEMENTS OF COMPREHENSIVE INCOME
for the years ended December 31

	<u>2014</u>	<u>2013</u>
REVENUE FROM OPERATIONS		
Harbour services	5 143 764	4 155 255
Rental income	2 144 295	1 956 882
	7 288 059	6 112 137
EXPENSES FROM OPERATIONS		
Salaries and employee benefits	1 278 934	1 250 727
Payments in lieu of taxes and municipal taxes	288 605	334 561
Repairs and maintenance	564 755	439 172
Professional fees	332 623	288 596
Depreciation – property, plant and equipment	1 794 026	1 720 517
Depreciation – deferred grants	(346 561)	(346 561)
Other operating and administrative expenses	825 384	725 527
	4 737 766	4 412 539
OPERATING PROFIT	2 550 293	1 699 598
OTHER ITEMS	739 134	600 117
Investment income	(11 859)	(17 130)
Interest expenses	(160 357)	(130 792)
Gross revenue charge	157 826	(175 689)
Unrealized gains (losses) on investments	(167 159)	(21 715)
NET INCOME	3 107 878	1 954 389
OTHER COMPREHENSIVE INCOME (OCI)		
Elements that are not likely to be classified in net income		
Change in asset limit for defined benefit	434 500	(414 600)
Gains (losses) from defined benefit plan	(186 100)	390 300
Comprehensive income	3 356 278	1 930 089

ADMINISTRATION PORTUAIRE DE TROIS-RIVIÈRES

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