

MONTREAL GATEWAY TERMINALS



Kevin M. Doherty
Chief Executive Officer
“PARTNERSHIP”

MONTREAL GATEWAY TERMINALS PARTNERSHIP AND THE PORT OF MONTREAL ARE STRATEGICALLY LOCATED 1,600 KILOMETERS INLAND, RIGHT ON THE DOORSTEP OF NORTH AMERICA'S INDUSTRIAL HEARTLAND.



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MONTREAL GATEWAY TERMINALS / PORT OF MONTREAL

- EFFICIENTLY SERVED BY CP RAIL, CN RAIL AND PORT RAIL
- DIRECT ACCESS TO RAIL/TRUCK TRANSPORTATION = UNIMPEDED, RELIABLE, COST- COMPETITIVE INLAND TRANSPORT
- CONTAINER TRAFFIC UP 5.3% ANNUALLY OVER THE PAST 10 YEARS
- URBAN ENCROACHMENT: RESIDENTS; UNDERSTANDING OF PORTS
- MARITIME TRANSPORT: ENVIRONMENTALLY FRIENDLY; LEAST EXPENSIVE

MONTREAL GATEWAY TERMINALS PARTNERSHIP

- COMMON USER
- 25% OF ALL CONTAINER TRAFFIC IN CANADA
- 24/7 OPERATION
- 1,537 METRES OF BERTHING SPACE
- 6 CONTAINER SHIPS SIMULTANEOUSLY
- 10,000 TEUS/ACRE = EFFICIENT OPERATIONS

PARTNERSHIPS

- STAFF
- PARTNERSHIPS STRONG AS THE WEAKEST LINK
- MGTP: “P” = PARTNERSHIP
- PROACTIVE WITH PARTNERS
- 9 OF THE TOP 12 CONTAINER LINES
- SOLID RELATIONSHIP WITH MARITIME EMPLOYERS ASSOCIATION (MEA)

- TRUCKING

- MEETINGS TWICE A YEAR
- TRUCKERS APPRECIATION DAY
- TRUCKERS CRUCIAL PART OF BUSINESS
- 1,600 DRIVERS EACH DAY, PEAK OF 1,800
- AVERAGE TURNAROUND = 25 MINUTES

- RAIL

- QUARTERLY MEETINGS
- DAILY OPERATIONS MEETINGS TO ENSURE SEAMLESS FLOW-THROUGH

SECURITY AND TECHNOLOGY

- WORK DILIGENTLY TO FURTHER ENHANCE SECURITY
- STUDY BEST TECHNIQUES
- GUARD FORCE OF OVER 40 PEOPLE
- CONSTANT LIAISON WITH CUSTOMS AND POLICE
- TERMINALS FENCED IN, ILLUMINATED, EQUIPPED WITH HIGH-RESOLUTION VIDEO SURVEILLANCE SYSTEMS
- 57 CLOSED-CIRCUIT TELEVISION CAMERAS (DIGITAL)
- SECURITY TOP-OF-MIND: ASK ANY BANK; RELAX SECURITY, DOESN'T TAKE LONG FOR TRANSGRESSORS TO GET THE COMBINATION

NEW SECURITY TECHNOLOGIES

- RADIATION DETECTION EQUIPMENT
 - SCANS ALL INCOMING CONTAINERS FOR POTENTIAL DANGEROUS SUBSTANCES
 - RADIATION DETECTION PORTALS + CAR MOUNTED DETECTION UNITS
- VACIS
 - SCANS CONTAINERS FOR ANOMALIES



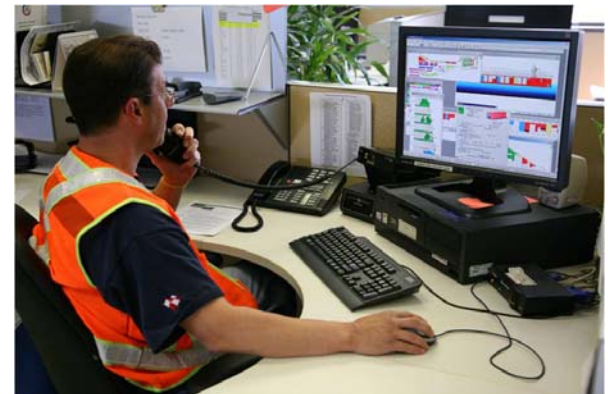
CONT'D

- HAND-KEY II
 - ONE OF THE FIRST COMPANIES IN MARINE SHIPPING AND HANDLING TO INSTALL CUTTING-EDGE BIOMETRIC TECHNOLOGY
 - 3D INFRARED CAMERA TAKES A DIGITAL SNAPSHOT OF THE BACK OF ONES HAND, CAPTURING NUMEROUS POINTS OF THE INSERTED HANDS GEOMETRY
 - THIS INFORMATION IS STORED IN A SECURE DATABASE WHERE IT IS ALSO MATCHED WITH A PERSONAL IDENTIFICATION NUMBER (PIN)



TERMINAL MANAGEMENT SYSTEM

- TERMINAL MANAGEMENT SYSTEMS TRACK “REAL-TIME” CONTAINER MOVEMENTS
- NETGATE
- REAL-TIME EXTRANET SOLUTION HAS IMPROVED TRUCK TURNAROUND TIMES
- CUTS DOWN ON TERMINAL DWELL TIMES



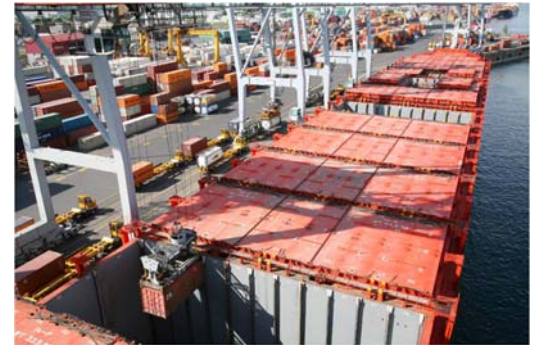
FUTURE CHALLENGES

- AUTOMATION TO REDUCE COSTS AND “GO GREEN”
- EQUIPMENT THAT OPERATES ON HYDROELECTRICITY INCLUDING THE RTG’S
- HYBRID CONVERSION OF RTG’S
 - REPLACE CONVENTIONAL DIESEL GENERATOR SET WITH SMALLER DIESEL ENGINE/ALTERNATOR + LEAD-ACID BATTERY ENERGY STORAGE COMBINATION
 - ACHIEVE SIGNIFICANT FUEL SAVINGS
 - REDUCE GREENHOUSE GAS EMISSIONS
 - RECYCLABLE BATTERIES



TECHNOLOGY ???

- HAVE IT ON YOUR SIDE
- PROVIDE PEOPLE WITH THE TRAINING THEY REQUIRE
- BIGGER, WIDER CONTAINER SHIPS THAT REQUIRE LESS DRAFT
- FORESEE THE DAY WHEN CONTAINER VESSELS CALLING MGTP WILL CARRY 5,000 TO 7,000 TEU'S



- THE NEW PORT AUTHORITY CEO HAS UNVEILED AN AMBITIOUS “VISION 2020” EXPANSION PLAN FOR THE PORT OF MONTREAL
- DIRECT AND INDIRECT JOBS RELATED TO PORT ACTIVITY WILL INCREASE TO 41,400 FROM THE CURRENT 18,200

GROWTH

- 70% OF COMMERCIAL TRADE HANDLED BY SHIP
- INCREASES TO 90% FOR INTERNATIONAL TRADE
- SINCE THE EARLY 90'S, WORLD CONTAINER TRAFFIC HAS GROWN ALMOST THREE TIMES FASTER THAN GDP
- BETWEEN NOW AND 2020, CONTAINER TRAFFIC IS EXPECTED TO GROW NEARLY 7% PER YEAR
- SHIPS FROM ASIA USING SUEZ TO SAIL TO EAST COAST



- MGTP INTERESTS ARE CLEARLY ALIGNED WITH THE ONTARIO-QUEBEC CONTINENTAL GATEWAY AND TRADE CORRIDOR
 - AGREEMENT AMONG GOVERNMENTS – IN PARTNERSHIP WITH PRIVATE SECTOR AND ACROSS ALL MODES – TO BOOST TRADE THROUGH ONTARIO AND QUEBEC
 - ESTABLISH ROUTE AS STRATEGIC, INTEGRATED, GLOBALLY COMPETITIVE TRANSPORTATION SYSTEM THAT BETTER SUPPORTS MOVEMENT OF INTERNATIONAL TRADE