

A YEAR OF BUILDING

2015 ANNUAL REPORT

T M

TECHNOPARC MONTRÉAL

VISION

Excel and increase our visibility and recognition by developing innovative projects that will contribute to Montreal's economic and technological development.

MISSION

To offer real estate solutions and environments that facilitates technological innovation, collaboration and success in order to expand the development of the Saint-Laurent Campus, the Quartier de la santé and the Eco-campus Hubert Reeves.

VALUES

Integrity
Trust
Competence
Collaboration
Creativity

The image features the letters 'T' and 'M' in a large, bold, red, sans-serif font. The 'T' is on the left and the 'M' is on the right, both rendered in a solid red color. The letters are positioned at the bottom of the page, with the 'M' being significantly larger and more prominent than the 'T'. The background is white.

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MESSAGE FROM THE CHAIRMAN OF THE BOARD AND THE PRESIDENT AND CEO

2015: A Year of Building!



Paul Saint-Jacques
Chairman of the Board



Mario Monette
President and CEO

In 2014, Technoparc Montreal's real estate activities broke records and we are pleased to report that this momentum carried into 2015, a year which also stood out for its outstanding results. We invite you to review this year in the Annual Report.

With new constructions now underway and the signing of a new major real estate deal in 2015, Technoparc Montreal continued to fulfill its mission of driving the economic development of Montreal and Quebec.

Three major industrial projects were launched – among the largest in Greater Montreal – in 2015. Representing a total investment of over \$400 million, these projects will increase the total area of the Saint-Laurent Campus's property holdings to 584,000 Sq Ft and will create more than 1,000 jobs.

We are also pleased to report that Green Cross Biotherapeutics Inc. (GCBT) and ABB will be adding their headquarters to the growing list of companies that have chosen to set up and expand their activities in Technoparc Montreal.

As part of the orientations set out in our 2014-2017 Strategic Plan and the audit conducted by the Auditor General of the City of Montreal, Technoparc Montreal's Board of Directors and upper management launched two critical projects in 2015; the first aimed at developing action avenues to increase the science and technology park's appeal and accessibility, and the second aimed at strengthening our governance and management. We must acknowledge the commitment and tireless efforts of our Board and our executives on both of these projects.

Encouraged by the successful launch of our first Business Centre in 2013, we decided to open a second one, whose development began in 2014. We acquired and remodelled the building located at 2300 Alfred-Nobel Boulevard in 2015 and now it is fully operational.

We would like to take this opportunity to thank the Board for their commitment and for the wisdom of their strategic orientations and all of the decisions that have guided our operations.

We must also thank the City of Montreal for their ongoing support and trust and extend our deep appreciation to the executives and staff of the Borough of Saint-Laurent, who have worked with us on a daily basis to get these projects off the ground.

We are also very grateful to our collaborators, our suppliers, our clients, our tenants, and the other real estate developers who work at Technoparc for contributing to the overall success.

Of course, none of these achievements would be possible without the creativity, initiative, passion, dedication and versatility of our small but dynamic team. We appreciate all of your efforts and congratulate you on a job well done.

We encourage you to read this Annual Report to learn more about the highlights of our year and to consult our Website (www.technoparc.com) for further information. Do not forget to also follow us on our social media platforms!

Paul Saint-Jacques

Chairman of the Board

Mario Monette

President and CEO



BOARD ACTIVITIES

This past year has been especially demanding and stimulating for Technoparc Montreal's Board of Directors. Its members met 27 times in 2015, a commitment reflecting the importance of the many initiatives launched and their laser focus on each and every one of them.

In addition to dealing with ongoing businesses, the Board approved a series of recommendations from Technoparc Montreal's permanent Committees to clarify and strengthen our governance and management and adopted amendments to the charters governing our three permanent Committees.

The Board also put a lot of time and effort into developing one of the objectives of the 2014-2017 Strategic Plan: increasing the appeal and accessibility of the science and Technoparc Montreal¹. This objective will be met by developing priority actions to be carried out in 2016.

Governance and Ethics Committee

The Governance and Ethics Committee met three times during the year. Following a thorough analysis, the Committee recommended new general rules and Letters patent modifications to the Board. In addition, the Committee proposed a candidacy to fill a vacancy on the Board.

Human Resources Management Committee

The Human Resources Management Committee met three times this year. After carefully studying an independent consultant's report, the Committee recommended that the Board adopts a new compensation and bonus policy for Technoparc Montreal's employees.

The Committee also compared the results achieved in 2014 to previous targets set for Technoparc Montreal and its President and CEO before submitting its recommendations to the Board and including those related to the 2015 objectives.

Audit and Risk Management Committee

The Audit and Risk Management Committee reviewed closely the real estate transaction process. It recommended that the Board adopts a new procurement policy and creates a Business Continuity Plan (BCP).

The Board also issued the following recommendations, among which:

- Amend the Administrative Procedure Management Framework and the Resolution regarding the delegation of powers to Technoparc Montreal's management and staff;
- Adopt the 2014 Non-Consolidated Financial Statements following an analysis of the financial statements and discussions with the auditor;
- Approve the real estate transaction that took place in 2015.

¹ Unless otherwise indicated in this document, the term 'science and technology park' refers to territories which include the Saint-Laurent Campus and the Eco-campus Hubert Reeves, an area totalling some 20 million Sq Ft in the Borough of Saint-Laurent, north of Montreal's International Airport

PHOTO - From left to right: **Jean-Luc Landry**, Board Administrator and President of the Human Resources Committee, **Suzanne Deschamps**, Board Administrator and President of the Governance and Ethics Committee, **Michel Desbiens**, Secretary, **Isabelle Verreault**, Board Administrator, **Vianney Bélanger**, Board Administrator, **Paul Saint-Jacques**, Chairman of the Board, **Alan DeSousa**, Board Administrator, **Pierre B. Paquin**, Board Administrator, **Lidia Divry**, Treasurer and President of the Audit and Risk Management Committee, **Michel Bédard**, Board Administrator, **Mario Monette**, Board Administrator and President and CEO

STATUS OF THE 2015 BUDGET

Status of gross revenues

After a record-breaking 2014, Technoparc Montreal had an outstanding 2015, with total gross revenues of \$5 million. The chart below presents the revenue breakdown by source.

This amount includes a \$2.1 million joint real estate venture to acquire a 210,684 Sq Ft parcel of land with 4Degrés Colocation (Québecor/Vidéotron) for the implementation of a data centre.

Our first Business Centre once again proved its dynamism and that of the companies it houses. Located at 7140 Alfred-Nobel Boulevard, it saw its revenues increase by 28.4% in 2015.

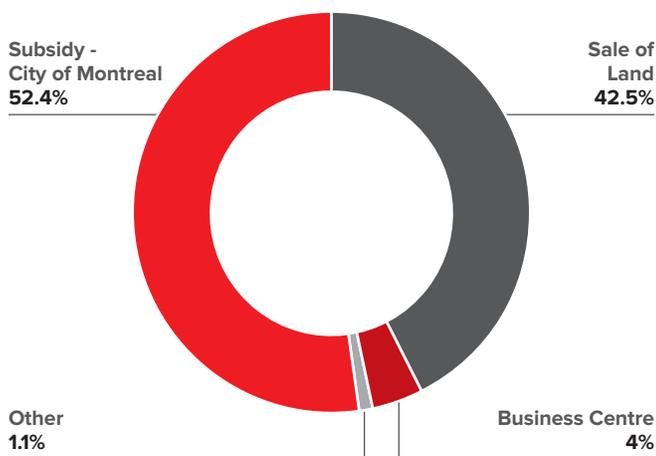
Finally, the subsidy paid by the City of Montreal was \$2.6 million.

Status of gross expenses

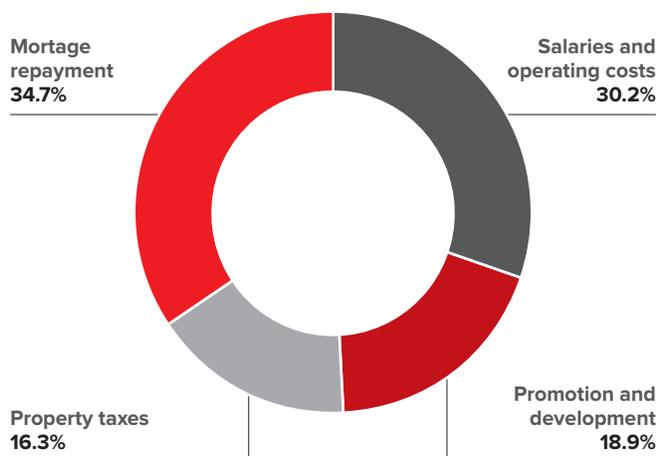
In 2015, Technoparc Montreal's gross expenses were \$4.8 million. The chart below presents the breakdown of these gross expenses by major category.

Technoparc Montreal spent \$1.7 million to repay its mortgages and thus lowered its mortgage balance by 15.2% compared to 2014, representing an amount of \$9.3 million as of December 31st, 2015. The book value of assets held by Technoparc Montreal was \$38 million as of December 31, 2015.

Breakdown of gross revenues – 2015



Breakdown of gross expenses – 2015



ANNUAL ACTION PLAN

As part of its 2014-2017 Strategic Plan, Technoparc Montreal set out five strategic orientations:

1. Create a new vision of development for the Saint-Laurent Campus;
2. Give the Saint-Laurent Campus a new Special Planning Program (SPP), in collaboration with the City of Montreal and the Borough of Saint-Laurent;
3. Adopt a consequent real estate development plan;
4. Increase Technoparc Montreal's self-financing capacity;
5. Propose an organizational model in line with Technoparc Montreal's strategic roles.

While working to advance these orientations, Technoparc Montreal also established an annual action plan to not only move its strategic plan forward, but to speed up the development of the site.

For the year 2015, the action plan was divided into five objectives.

OBJECTIVE 1:

Increase our rental space offering

By acquiring the building located at 2300 Alfred-Nobel Boulevard, we increased our property holdings dedicated to welcome small technology firms and start-ups. Technoparc Montreal now runs two business centres with a combined area of 34,000 Sq Ft.

In addition to developing our rental space offering, we pursued our efforts to structure support services with private and institutional business partners. To this end, we worked to develop a support network with our partners, DESTL and PME MTL Centre-Ouest.

We also supported Neomed Institute's efforts to expand their facilities, thanks to their continued success over time.

OBJECTIVE 2:

Implement projects of real estate investments in connection with these projects' partners

In 2015, in addition to finalizing the sale of land leading to a \$40 million investment, Technoparc Montreal signed an agreement of principle for the sale of two parcels of land totaling 252,040 Sq Ft in order to attract a new company's implementation and significant investment.

As part of a partnership agreement signed with a major corporation, we jointly reached a new level for developing a real estate concept and a Functional and Technical Plan (FTP). All of these reports were submitted to us in December 2015. As you may recall, in 2014, we developed a business plan with this partner. Once they obtain the required authorizations to carry out this project, the Eco-campus Hubert Reeves's development will officially be underway.

In April 2013, we signed a partnership agreement with the Centre hospitalier universitaire Sainte-Justine to support their efforts to build a technological hub in pediatric rehabilitation in the East End of Montreal, including its Centre de réadaptation Marie-Enfant located on Bélanger Street. With the financial support of PRAM-EST and the City of Montreal, CHU Sainte-Justine issued a tender to create the business plan and a mandate has been granted.

OBJECTIVE 3:

Structuring a prospection and promotion approach targeting real estate brokers and firms with potential investment projects

We strive to maintain close and ongoing working relationships with relay organizations, especially Investissement Québec and Montreal International, in order to further our international promotion and prospecting activities and to develop foreign subsidiaries.

To this end, Technoparc Montreal attended the MIPIM, the international real estate event that took place in Cannes, and steered Consortium Montreal's involvement in this event.

During the year, we also met with several brokerage firms to present our real estate offering. The major deals we closed with international corporations further increased the notoriety of our site and organization and greatly facilitated our efforts.



mipim
The world's property market

10-13 MARCH 2015
Palais des Festivals, Cannes, France

In November 2015, a new Director of real estate services was hired to pursue and intensify our ongoing promotional and prospecting efforts.

OBJECTIVE 4:

Complete the review of planning and zoning criteria for the Saint-Laurent Campus in order to revise usages, the site accessibility and the adaptation of infrastructures

In order to increase Technoparc Montreal's appeal, the consulting firm Lemay and Cima+ was tasked with identifying orientations and solutions aimed at revising the master plan of development, planning and accessibility.

The consultants' report was filed in October 2015 and is currently being reviewed with our partners in order to implement the appropriate solutions.

OBJECTIVE 5:

Complete the infrastructure and landscaping work at the Eco-campus Hubert Reeves

In August 2015, we received the permits from the Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques to build a trail-embankment. The landscaping work will be completed in 2016.

As part of its commitment to position the Eco-campus Hubert Reeves as an exemplary property development project, the Managing Director of this project attended the international EcoBuild fair in London in the spring of 2015. This leading international trade show is also known for its conferences on architecture, energy efficiency, infrastructures and technology. Those conferences are built in a clear objective of sustainable development and innovations.



Master Plan for the Eco-campus Hubert-Reeves



BUSINESS CENTRES

As previously mentioned, Technoparc Montreal acquired the building located at 2300 Alfred-Nobel Boulevard in order to build a second Business Centre. This decision was brought due to the huge success and ever growing demand at the first Business centre located at 7140 Albert-Einstein Street.

In November 2015, the occupancy rate of our Albert Einstein Business Centre was 100%, with 14 companies present and Technoparc Montreal's offices. As for our domiciliation services, more than 12 have taken advantage of this extra service offered.

Through this specific real estate offering for small technology firms and start-ups, Technoparc Montreal provides an environment that is highly conducive to innovation and success. The presence of these tech firms greatly enriches the ecosystem of Technoparc Montreal. Without any doubts, the companies who succeed here will also want to expand here in the future.

Concerning the revenues from the Albert-Einstein Business Centre, they have increased by more than 28.4 % from the previous year and represented 4.0% of our total gross revenues in 2015.



Albert-Einstein Business Centre



Albert-Einstein Business Centre

In 2015, Technoparc Montreal acquired the property located at 2300 Alfred-Nobel Blvd. and converted it into a Business Centre housing common work spaces and its corporate offices. The building was remodeled in the fall, and Technoparc Montreal moved into it in mid-December.

With this acquisition, Technoparc Montreal now manages two business centres, providing more work space solutions to tech companies and entrepreneurs who wish to expand on our site.



Alfred-Nobel Business Centre



Alfred-Nobel Business Centre



Alfred-Nobel Business Centre

FACILITATION ACTIVITIES



In 2015, Technoparc Montreal continued to support Neomed Institute by sponsoring science conferences which attracted many people from the scientific community.



Conference on Innovation

Technoparc Montreal supported and promoted a highly popular and successful conference on innovation entitled “Comment l’innovation peut vous aider à atteindre de nouveaux sommets” on June 9th, 2015 at the Novotel hotel. This event had an excellent turn out.



Fundica Funding Roadshow

On June 5th, 2015, as part of our partnership with Fundica, we hosted the Fundica Roadshow, an event that educates and inspires entrepreneurs in addition to connecting them with funding resources.



TECHNOPARC MONTREAL VOUS INVITE A CETTE CONFERENCE:
Comment l'innovation peut vous aider à atteindre de nouveaux sommets

9 juin 2015 - 9 h 45 - 13 h 30 (PM) - Novotel 1078, 4000 Avenue de Montréal, QC (à côté de Centre Saint-Louis de Technoparc Montréal)

Johnathan Cole, Mott MacDonald Inc.
Comment réussir votre stratégie de recherche et développement en innovation

- Augmenter votre taux de réussite commerciale avec l'investissement d'un bon processus de développement de nouveaux produits
- Les défis à relever pour une réussite commerciale d'un innovation
- Les erreurs à éviter lors d'un développement de produits

Jean-Marc Bédard, 911 Innovation
De prototypes à la production massive

- Les défis et les étapes critiques au développement de vos produits
- Comment se prioriser avec l'investissement R-D, une méthode dans le secteur manufacturier
- Comment se prioriser et maximiser le gain de vos projets pour assurer la rentabilité de vos produits de premier coup

Serge Lapierre, Fundera Marketing
Stratégie et marketing pour la création et la gestion d'un portefeuille de brevets, clés et efficaces

- L'importance pour les entreprises de sécuriser leurs droits de propriété intellectuelle
- Stratégies originales en matière de brevets, services de conseil, brevets industriels et autres formes de protection afin de maximiser le retour sur investissement de vos idées
- Les aspects juridiques associés au financement, à la commercialisation et à la mise en œuvre de la propriété intellectuelle

Pascal Mercier, KPMG
Responsabilités des entreprises et engagements associés en matière de produits d'impact en R&D

- Quelles sont les responsabilités de l'entreprise afin de créer une valeur de ses investissements?
- Des changements concernant l'Agence de l'Énergie et de l'Électricité
- Les implications fiscales de manière de rendre d'impact R&D
- Recommandations pour les contribuables

Michel Beauchamp, R&D Capital
Financement et Gestion des capitaux d'impact R&D

- Comment lever des capitaux d'impact
- Éléments d'un cadre juridique de vos capitaux R&D tel que:
 - Le gestion des services gouvernementaux
 - Le financement des gouvernements et secteurs
 - Le succès des investissements
- Comment mettre en place les mécanismes pour garantir de la liquidité pour investisseurs

Investisseurs à JET (Investment support) Inc. - la première de place en brevets

1078 Avenue de Montréal, 1078, 4000 Avenue de Montréal, Québec, QC H3T 1M6

TECHNOPARC MONTREAL | TORONTO | OTTAWA | MONTREAL | QUEBEC | LONDON | PARIS | JOHANNESBURG



On site activities

Over the summer, Technoparc Montreal renewed and intensified the initiative it began in 2014 to invite food trucks on site. These Food Truck Days were a big hit with Technoparc Montreal's workers. We also organized a "pick and pack" event with Lufa Farms (local produce as an active mode of transportation), an electric car exhibition with test drives and promoted cycling as a mode of active transportation.



Promoting physical fitness

For the second consecutive year, the Défi Entreprises Montréal was held at Technoparc Montreal on June 14th, 2015. The event attracted more than 2,950 participants. We renewed our partnership again this year and the 2016 edition will be held on May 15th, 2016.



Our Team

From left to right:
 Arnold Beaudin
 Danielle Lapointe
 Christine Laberge
 Mario Monette
 Luana Borelli
 Carl Baillargeon
 Daniel Bouffard
 Sylvain Ouellette
 Nancy Deblois
 Anne-Marie Trudel
 Nathalie Nanayakkara
 Herdrine Ntsama



REAL ESTATE ACTIVITIES

The year 2015 was without question one of Technoparc Montreal's most successful, both in terms of number and size of our real estate activities, thus attesting the appeal of our site and our undeniable contribution to Montreal's economic and technological growth.

One of the highlights of this banner year was the official opening of the Centre corporatif Saint-Laurent 2 on May 13th, 2015. Located at 2600 Alfred-Nobel Boulevard, the 135,000 Sq Ft corporate centre is owned by Broccolini and the construction of the building began during the winter of 2014.

BROCCOLINI



Construction on three other major projects began in 2015, representing a total investment of over \$400 million. Once operational, these wide-scale projects will represent:

- 584,000 Sq Ft of buildings
- Close to 1,000 new jobs



PROJECT:

This 225,000 Sq Ft building will house the North American headquarters of Green Cross Biotherapeutics Inc. GCBT will become Canada's only intravenous immunoglobulin (IVIG) and albumin manufacturer, marking a new chapter in the history of Canada's biopharmaceutical industry.

INVESTMENT:

\$300 million

GROUNDBREAKING:

June 1st, 2015



PROJECT:

This 300,000 Sq Ft building will house ABB's Canadian headquarters and its Quebec R&D, manufacturing, assembly and testing divisions. The facilities will also house technology demonstration and training spaces for clients who wish to learn more about ABB's systems and solutions.

INVESTMENT:

\$70 million

GROUNDBREAKING:

October 14th, 2015



PROJECT:

This 43,000 Sq Ft building will house a cutting edge new data centre, with an available load of 16 megawatts. It will serve to meet the ever-growing data processing and management needs of today's businesses.

INVESTMENT:

\$40 MILLION

GROUNDBREAKING:

September 16th, 2015

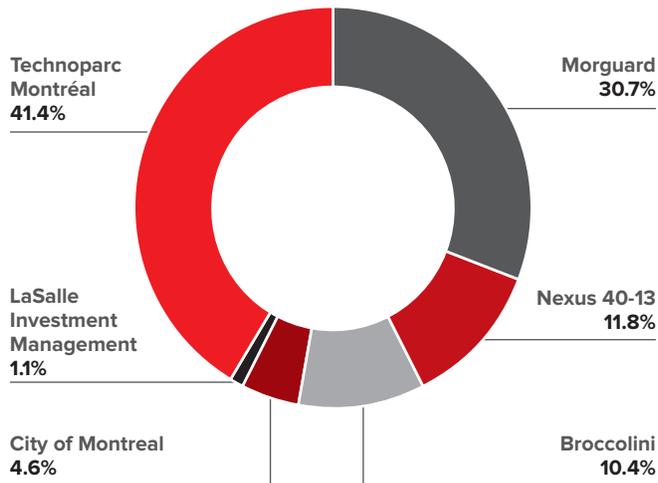


SQ FT TO BE DEVELOPED

Of the estimated 20 million Sq Ft making up Technoparc Montreal's site, 7.9 million Sq Ft of vacant land remains to be developed by six property owners, as shown in the chart below.

Total area to be developed

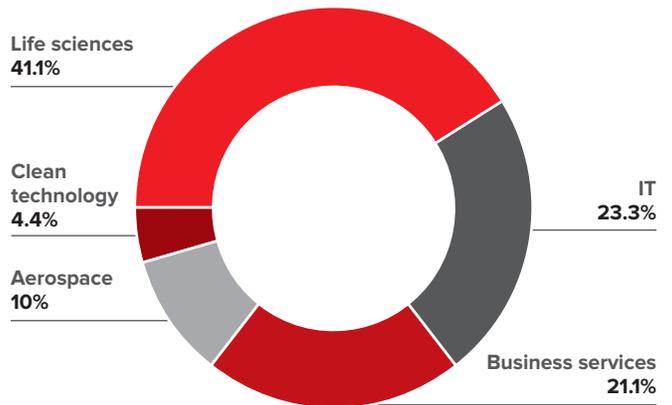
Breakdown by property owner



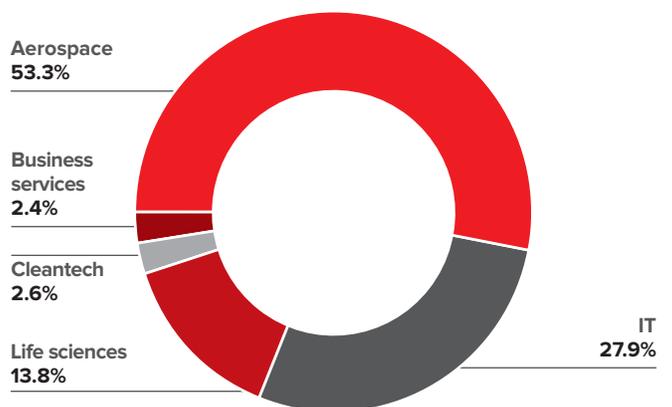
ECONOMIC SECTORS

As of December 2015, the 90 companies present at Technoparc Montreal employed more than 6,300 workers from the following sectors: aerospace, life sciences, business services, information technology (IT), and clean technology.

Breakdown of companies per sector



Breakdown of jobs per sector



Note: Neomed Institute, located at 7171 Frederick-Banting Street, housed 21 companies, representing 210 jobs, including its own employees. This makes Neomed Institute a true life science hub, especially for biopharmaceutical companies.

TOP 10 EMPLOYERS

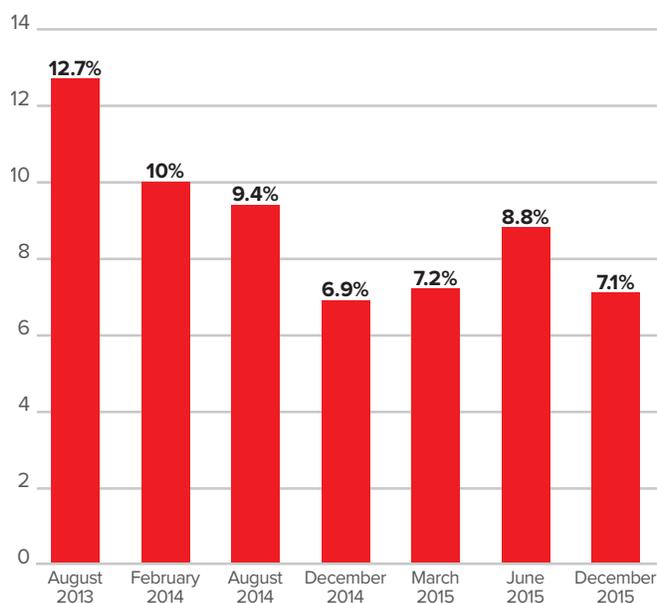
(by number of employees at Technoparc Montreal)

- BOMBARDIER
- GENETEC
- CIENA
- AMDOCS
- HEWLETT-PACKARD
- AJW TECHNIQUE
- BRISTOL-MYERS SQUIBB
- ACCEDIAN NETWORKS
- INTRADO CANADA
- EXFO

VACANCY RATE

The vacancy rate (direct leasing) for all properties at Technoparc Montreal was 7.1% as of December 2015, compared to 6.9 % in December 2014. It should be noted that between these two reference points, a new 135,000 Sq Ft property was added to Technoparc Montreal's site with the addition of Broccolini's Centre corporatif Saint-Laurent 2.

Technoparc Montreal – vacancy rate



Note: one of Place Innovation's major tenants sublet spaces totalling 107,000 ft². Considering this new element, the availability rate (direct leasing + subleasing) was 12.3% as of December 2015.

For comparison purposes, Newmark Knight Frank Devencore (NKFD) found that the vacancy rate of Category A and B properties in Downtown Montreal was 10.3% at the end of 2015, while the availability rate was 16.4 %. According to the CBRE study, the vacancy rate in the West Island market was 20.1% in the fourth quarter of 2015, while the availability rate was 25.0%.

TECHNOPARC'S ECONOMIC AND FISCAL IMPACT

In 2015, Technoparc Montreal asked E&B DATA to conduct an analysis of the economic and fiscal impact of its Saint-Laurent Campus on the basis of 2014 data.



The highlights of E&B DATA's analysis were as follow:

In 2014, ongoing operations of companies located on Saint-Laurent Campus generated:

- A work load of 10,721 person-years in Quebec;
- \$885 million to Quebec's GDP;
- \$184 million to Quebec's public administration revenues;
- \$80 million to federal public administration revenues;
- \$14 million in property tax revenues for the municipal administration.

The construction of new corporate facilities on available Technoparc Montreal land will also generate*:

- A work load of 6,562 person-years in Quebec;
- \$580 million to Quebec's GDP;
- \$109 million to Quebec's public administration revenues;
- \$37 million to federal public administration revenues.

THE TECHNOPARC OF MONTREAL IN NUMBERS

Total site area	19.6 million Sq Ft
Area of protected zones and parks	1.8 million Sq Ft
Area of streets	1.7 million Sq Ft
Area of developed land	6.7 million Sq Ft
Area of land in development	1.5 million Sq Ft
Area of land to be developed	7.9 million Sq Ft
Number of buildings built	28
Area of buildings built	2.1 million Sq Ft
Value indicated on the municipal evaluation roll (1-7-2012)	\$304 million
Number of companies	90
Number of employees	6,300
Buildings under construction	3
Area of buildings under construction	584,000 Sq Ft

As of December 2015, including the Saint-Laurent Campus and the Eco-campus Hubert Reeves

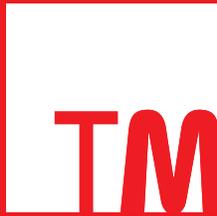


* This estimate is a lower limit, as it does not include impacts related to the procurement of equipment or machinery, or those related to future operations of these new corporate facilities.



TECHNOPARC
MONTREAL





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2300, Alfred-Nobel Blvd., Suite 100
Montreal (Quebec) H4S 2A4
514 956-2525
www.technoparc.com