Ponts
JACQUES CARTIER +
CHAMPLAIN
Bridges
Canada

QUARTERLY FINANCIAL REPORT

3rd Quarter (Q3) 2024-2025

For the nine months ended December 31, 2024

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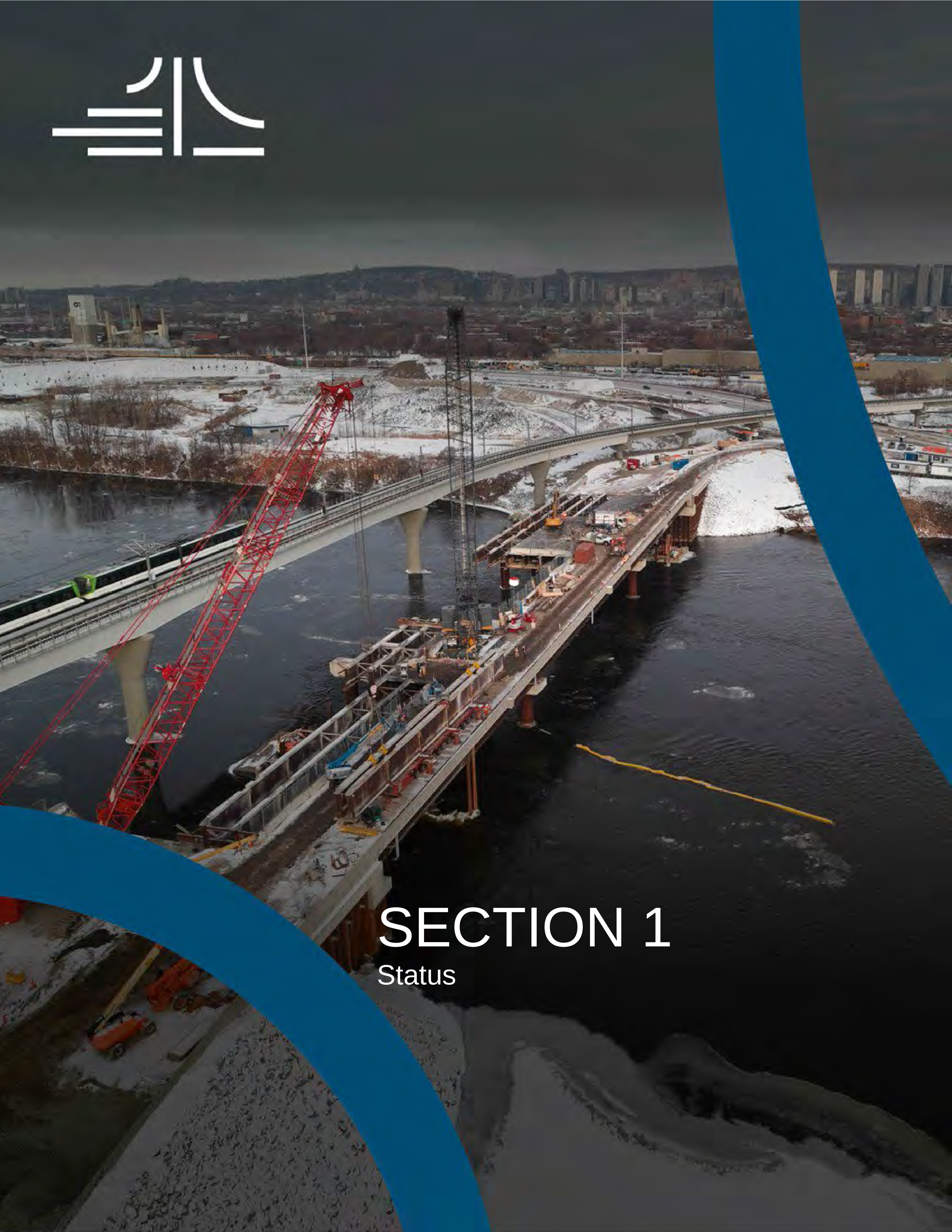


SECTION 1

Status

1. STATUS

The Jacques Cartier and Champlain Bridges Incorporated (JCCBI) was incorporated on November 3, 1978, under the *Canada Business Corporations Act*.

JCCBI was, until September 30, 1998, a Crown corporation wholly owned by the St. Lawrence Seaway Authority (SLSA). On October 1, 1998, it became a wholly owned subsidiary of The Federal Bridge Corporation Limited (FBCL). On February 13, 2014, JCCBI became a parent Crown corporation listed under Part I of Schedule III of the *Financial Administration Act* (FAA).

As a Crown corporation, JCCBI is subject to Part X of the FAA. Furthermore, JCCBI is an agent of His Majesty in right of Canada under *The Jacques Cartier and Champlain Bridges Inc. Regulations* (SOR/98-568).

1.1 MANDATE

JCCBI manages several bridges, one expressway and one tunnel under federal jurisdiction located in the Greater Montreal area, namely the Jacques Cartier Bridge, the federal section of the Honoré Mercier Bridge, the federal section of the Bonaventure Expressway, the Melocheville Tunnel and the Estacade. JCCBI is also responsible for the lands comprising the right-of-way for these infrastructures, including the lands in the original Champlain Bridge corridor and the future enhancements planned thereon.

For each of these infrastructures, JCCBI assumes responsibility for:

+ Mobility on traffic lanes and active mobility lanes;
+ Operations;
+ Inspections;
+ Maintenance;
+ Repairs and/or rehabilitation;
+ Safety;
+ Coordination with stakeholders (federal, provincial, municipal and others);
+ Management of contaminated sites;
+ Environmental protection.

In addition, since November 12, 2024, JCCBI is the owner and manager of the Quebec Bridge structure, with the exception of the railway deck corridor, which is owned by the Canadian National Railway Company (CN). The road deck and multiuse path are under the responsibility of the *ministère des Transports et de la Mobilité durable* (MTMD).

Furthermore, under a Memorandum of Understanding, JCCBI provides technical support services to Housing, Infrastructure and Communities Canada (HICC) for the Samuel De Champlain Bridge Corridor (SDCBC) project during the operation, maintenance and rehabilitation period.

1.2 MISSION, VISION AND VALUES

Our Mission

Ensure user mobility, safety, and infrastructure longevity using a systemic management approach based on sustainable development.

Our Vision

Become a leader in major infrastructure management as an innovative expert, a mobility leader and a social and urban contributor.

Our Values

Teamwork, transparency, thoroughness, innovation, and commitment are the values JCCBI has adopted to accomplish its mission.

SECTION 2

Q3 of 2024-2025 in Review

2. Q3 OF 2024-2025 IN REVIEW

This quarterly financial report was prepared in accordance with the requirements of the FAA and those of the Treasury Board of Canada's Directive on Accounting Standards: GC 5200 Crown Corporations Quarterly Financial Report. It provides an assessment of JCCBI's operations and financial position for the quarter ended December 31, 2024 (Q3). It must be read in conjunction with the unaudited Interim Financial Statements and accompanying notes contained in this document, as well as with the audited Annual Financial Statements and supporting notes contained in JCCBI's annual report.

All amounts are in Canadian dollars and are mainly derived from the Corporation's unaudited Interim Financial Statements, which were prepared in accordance with the Canadian Public Sector Accounting Standards.

2.1 SUMMARY

JCCBI declares a deficit of $17.7M for the nine months ended December 31, 2024 ($29.1M as at December 31, 2023). This $11.4M decrease in the deficit is mainly due to the increase in capitalized regular and major maintenance work compared to prior financial exercise. The deficit before public funding is $164.3M as at December 31, 2024 ($144.1M as at December 31, 2023).

Net debt decreased slightly, to total $117.4M as at December 31, 2024 ($118.1M as at March 31, 2024).

The acquisitions of capital assets for the period totalled $8.3M ($10.0M as at December 31, 2023).

2.2 OUTLOOK

The section of the Bonaventure Expressway consisting of non-elevated lanes is at the end of its service life. To align the sector's functionality and vocation with the new, recently rebuilt neighboring corridors, a boulevard vision, bordered by a green corridor with active mobility lanes along the St. Lawrence River, was selected for its reconfiguration. Funding for this project has been approved and the reconfiguration work is scheduled to start in 2025-2026. The public announcement made in December 2023 formalized the launch of this major project for Montrealers.

Through its involvement in this project, which will meet changing mobility uses and considerably improve the community's living environment, JCCBI is proud to contribute to the achievement of various targets of the 2022 to 2026 Federal Sustainable Development Strategy (FSDS).

JCCBI is in the planning phase of a participatory approach with the City of Montreal to set a common vision for the reconfiguration of the north approach to the Jacques Cartier Bridge. The work involved is scheduled to start in fiscal year 2031-2032.

2.3 IMPORTANT CHANGES

On May 15, 2024, Prime Minister Justin Trudeau announced an agreement with CN to repatriate the Quebec Bridge to the Government of Canada and ensure the long-term viability of this historic and essential infrastructure. In this context, on November 12, 2024, CN transferred the structure of the Quebec Bridge to His Majesty in right of Canada, with the exception of the railway deck corridor, which remains the property of CN. The road deck and multiuse path remain the responsibility of the MTMD. On that same day, His Majesty transferred the ownership and management of this emblematic structure to JCCBI.

On December 17, 2024, Me Éric Michaud was appointed a director of the Board of Directors of the Corporation for a three-year term, in the place of Dale Ellen Williams, whose term has expired. In addition, the selection process for the appointment of a new Chair of the Board of Directors, launched in the fall of 2024 by the Government of Canada, is still underway.

The Corporation's new strategic plan for 2025-2030 was developed during the third quarter and approved by the Board of Directors. The plan is scheduled to take effect on April 1, 2025.

SECTION 3

Analysis of Financial Results

3. ANALYSIS OF FINANCIAL RESULTS

3.1 RESULTS OF OPERATIONS

3.1.1 Statement of Financial Position

Financial Assets

During the nine months ended December 31, 2024, the total financial assets increased by $7.0M, to amount to $55.2M, compared to $48.2M as at March 31, 2024. This increase is mainly due to the $22.5M increase in accounts receivable, which is offset by the $15.5M decrease in the cash position.

Liabilities

Accounts payable and accrued liabilities increased by $7.0M, from $37.8M as at March 31, 2024, to $44.8M as at December 31, 2024. This increase is mainly attributable to the volume of work carried out.

To carry out its major projects, JCCBI entered into construction contracts that provide for the withholding of a portion of the payment until certain work is completed in compliance with the performance requirements and the contractual warranties have expired. These contractual holdbacks total $8.1M as at December 31, 2024 ($9.0M as at March 31, 2024). These amounts will become payable when the work is completed and the warranties have expired.

Non-Financial Assets

Non-financial assets total $639.8M as at December 31, 2024, a decrease of $18.4M compared to March 31, 2024 ($658.2M). This decrease is mainly attributable to tangible capital assets net of amortization, which decreased by $17.4M to total $639.1M compared to $656.5M as at March 31, 2024.

Government Funding

The following table summarizes the public funding for the third quarter of the current fiscal year as at December 31, 2024:

(In thousands of dollars)	Third Quarter		Cumulative (nine months)	
	2024-2025	2023-2024	2024-2025	2023-2024
Public funding for operating expenses	45,313	35,424	138,379	104,969
Public funding for tangible capital assets	8,932	5,557	8,267	10,022
TOTAL	**54,245**	**40,981**	**146,646**	**114,991**

Section 3.4 presents the results of the use of parliamentary appropriations.

3.1.2 Expenses

Maintenance and Deconstruction

During the nine months ended December 31, 2024, maintenance and deconstruction expenses represented 83.3% (77.7% as at December 31, 2023) of total cumulative expenses.

For the nine months ended December 31, 2024, the maintenance and deconstruction expenses, including amortization, totalled $138.6M and are primarily broken down as follows:

- $29.4M in work for the Jacques Cartier Bridge;
- $0.2M in work for the Quebec Bridge;
- $6.7M in work for the deconstruction of the original Champlain Bridge;
- $20.7M in work for the Île des Sœurs Bypass Bridge;
- $3.8M in work for the Estacade;
- $24.5M in work for the Honoré Mercier Bridge;
- $26.3M in work for the Bonaventure Expressway;
- $4.3M in work for the reconfiguration of the Bonaventure Expressway;
- $3.2M in work for the Melocheville Tunnel;
- $13.1M for salaries and employee benefits;
- $6.4M for various other projects and equipment.

Operations

Operating expenses for the first nine months total $3.1M ($3.0M as at December 31, 2023). They represent 1.9% of total expenses (2.1% as at December 31, 2023).

Administration

Administrative expenses for the first nine months of the fiscal year total $13.8M ($14.1M as at December 31, 2023).

3.2 CASH FLOW

The cash position decreased by $15.5M as at December 31, 2024, to a balance of $27.7M ($43.2M as at March 31, 2024). This decrease is mainly attributable to the increase in the volume of work carried out. As at December 31, 2024, the net amount receivable from government departments and agencies totals $26.6M ($3.8M as at March 31, 2024).

3.3 STRATEGIC ISSUES AND RISKS

As a parent Crown corporation, JCCBI must meet the requirements of and comply with the obligations prescribed by the various legislations applicable thereto.

3.3.1 Asset Management

JCCBI's priority is to ensure user safety and mobility while ensuring the sustainability of the structures under its responsibility. The ageing of the assets and the adequate funding required for both the maintenance and rehabilitation thereof are not only challenges but also create risks that the Corporation must mitigate in order to ensure the safety of the infrastructures, as well as that of everyday users.

The bridges and other structures managed by the Corporation are old and have been subjected to years of heavy and increasing traffic, changing and harsh weather conditions and extensive use of abrasives and road salt.

The Corporation remains committed to positioning itself as a leader in infrastructure management by maximizing the service life of its assets and through an asset management approach inspired by best practices in the field and modelled on the ISO 55000 standard.

To this end, JCCBI developed a strategic asset management plan, currently being implemented. A maturity exercise is scheduled for the end of fiscal year 2024-2025.

3.3.2 Major Projects

Jacques Cartier Bridge

In order to ensure the sustainability of the structure, a retrofit plan was developed and includes the following work for the current fiscal year:

+ The detailed design for the rehabilitation of the Île Sainte-Hélène pavilion was completed during the fourth quarter of 2023-2024. The project consists of upgrading the building, a structural element of the bridge, to meet durability and safety criteria, with the aim of extending its lifespan by more than 75 years. Work is scheduled to start in the spring of 2025 and continue until the spring of 2027;
+ The detailed design for the demolition of the Plaza building and reconfiguration of the adjacent lands was completed during the third quarter of 2024-2025. The Corporation also issued the call for tenders for the construction work, which is still scheduled to begin in the fourth quarter of 2024-2025;
+ The detailed preliminary project study for the steel rehabilitation and reinforcement on several sections of the bridge, as part of the major maintenance program, was completed during the current quarter;
+ The detailed design for the rehabilitation of Piers 23 and 26 and ground anchors will begin in the fourth quarter of 2024-2025 and continue until December 2025;
+ The Jacques Cartier Bridge is located in a seismic zone and was not designed, at the time of its construction, to withstand the loads generated by a seismic event, since no such standards existed. Following a recent study, a program provides for the integration of seismic rehabilitation concepts into the steel and concrete pier work programs, over a period of approximately 25 years. The detailed design for the seismic retrofit of the bridge at the pavilion has begun and will continue until 2027;
+ The preliminary study for the leveling and paving of the bridge, the ramps of section 5 and the south and north approaches began in the third quarter of 2023-2024, for work to extend over a two-year period, from 2027 to 2029. The precise work timeline will take into account any work underway at the Louis-Hippolyte Lafontaine Tunnel, in order to ensure the smooth flow of traffic.

Héritage Champlain

Construction work on the Héritage Champlain project is proceeding according to schedule. Work is scheduled for completion in the third quarter of 2025-2026.

During the second quarter of 2024-2025, the Corporation issued the call for tenders for the construction of a multifunctional path at the approach to the Samuel De Champlain Bridge, in Brossard, and the construction contract was awarded in November 2024. Work is still scheduled to start in the fourth quarter of 2024-2025.

Quebec Bridge

A request for proposals for professional asset management services for inspections, load-bearing capacity studies and other related services was issued during the third quarter, following the transfer of the structure to JCCBI in November 2024.

A second request for proposals for professional detailed design services for targeted and priority steel structure rehabilitation and reinforcement work and painting work was also issued during the quarter.

In addition, a contract for steel repair and painting work, initiated in 2024 by CN, was assigned to JCCBI during the third quarter, and work is scheduled to resume in March 2025, and continue until the winter of 2025-2026.

Île des Sœurs Bypass Bridge

The deconstruction of the Île des Sœurs Bypass Bridge was substantially completed during the quarter, and the contractor has demobilized.

Estacade

According to the results of the monitoring program on the service life of the Estacade footings, a standard asset maintenance program would be sufficient to ensure a service life of more than 60 years. A detailed design contract was awarded at the end of the third quarter of 2023-2024. The plans and specifications were completed during the current quarter and the Corporation plans to issue the call for tenders for the construction work in the fourth quarter of 2024-2025.

Bonaventure Expressway

The project to reconstruct sections 11 and 12 of the expressway into a boulevard with three lanes in each direction, with the third lane managed dynamically, is underway. All design activities continue in line with the overall project schedule.

The bank stabilization work is completed. The design for the boulevard, including the green corridor, will be completed in the fourth quarter of 2024-2025, with work scheduled to start in the second quarter of 2025-2026.

All the aforementioned work is scheduled for completion in the third quarter of 2029-2030.

Coordination of the project's environmental component as well as the participatory process with the various stakeholders are continuing.

With regard to the maintenance of the Clément Bridge and other JCCBI infrastructures located on Île des Sœurs, rehabilitation work began in June 2024 and will continue until 2026-2027. The work to rehabilitate the concrete structure of the elevated section of the Bonaventure Expressway began in the first quarter of 2024-2025 and will also continue until 2026-2027.

Honoré Mercier Bridge

The major rehabilitation program to repair the piers and replace the paint coating continued on schedule. Work will continue until 2026-2027. Similar work is planned for the coming years, particularly in the St. Lawrence Seaway sector and on Île Maline.

With regard to the development of a pathway at the south approach to the bridge, which is the subject of ongoing discussions with the Mohawk First Nation of Kahnawà:ke, the preliminary project study should be completed in the fourth quarter of 2024-2025. Regular coordination with the Mohawk Council of Kahnawà:ke (MCK) is carried out to ensure social acceptability of the new developments. A second, broader, community consultation exercise regarding the pathway was conducted in the first quarter of 2024-2025, and the preliminary results were issued during the second quarter. This second consultation focused on the two site development concepts selected by the working group that was set up for this purpose, which comprised members of the Mohawk community. The working group met again in the fall of 2024 to work on the preferred scenario based on the results of the second consultation.

Melocheville Tunnel

The detailed design for the replacement of the P-113 Bridge and various upgrades to the Melocheville Tunnel is progressing according to plan. The P-113 Bridge is located on the west approach to the tunnel and crosses Le Petit Canal stream. Having reached the end of its service life and due to existing hydraulic conditions, it needs to be replaced. The call for tenders for the construction contract is scheduled to be launched in the fourth quarter of 2024-2025.

The engineering contract for a preliminary project study to improve water management and various other upgrades to the tunnel was awarded in the third quarter. The study is scheduled to start in the fourth quarter of 2024-2025.

Samuel-De Champlain Bridge Corridor

The initial phase of the Memorandum of Understanding between JCCBI and HICC for technical support for the SDCBC project, aimed primarily at transferring knowledge, is still underway.

3.3.3 Environment and Sustainable Development

In order to manage the environmental risks and meet both the corporate and the Government of Canada's environmental and sustainable development goals, the following initiatives continued in the third quarter of 2024-2025:

+ Characterizations of JCCBI's lands are still underway, which will make it possible to determine with greater precision the actions required for the remediation and control of contaminants during the execution of projects and reduce risks associated therewith;
+ The Corporation participates in the Federal Contaminated Sites Action Plan (FCSAP), administered by Environment and Climate Change Canada, to implement mitigation measures that will lead, among others, to the eventual closure of certain sites (for which no other environmental measures will have been deemed necessary). To this end, JCCBI has received a positive response to its funding request under the fifth phase of FCSAP, which will extend from 2025 to 2030;
+ To support the new 2022 to 2026 FSDS, JCCBI has identified the following six Sustainable Development Goals (SDGs), which are the pillars of its 2023 to 2027 Sustainable Development Strategy (SDS), taking into account JCCBI's mission and activities:

Goal 9	Foster innovation and green infrastructure in Canada;
Goal 10	Advance reconciliation with Indigenous Peoples and take action to reduce inequality (mandatory SDG);
Goal 11	Improve access to affordable housing, clean air, transportation, parks and green spaces, as well as cultural heritage in Canada;
Goal 12	Reduce waste and transition to zero-emission vehicles (mandatory SDG);
Goal 13	Take action on climate change and its impacts (mandatory SDG);
Goal 15	Protect and recover species, conserve Canadian biodiversity;

+ JCCBI's first progress report on the implementation of its 2023 to 2027 SDS, covering fiscal year 2023-2024, was tabled in Parliament on October 31, 2024 and published on the Corporation's website;
+ The development and implementation of a decentralized environmental management system (EMS) is ongoing. As part of this EMS, a process for tracking the waste generated by the Operations and Maintenance Division has now been implemented.

3.3.4 Occupational Health and Safety (OHS)

The Corporation's OHS training matrix is 96% complete, exceeding the 85% threshold. The new communication methods set out in the OHS communication plan have been implemented. The OHS protocol for the work at the Quebec Bridge is under development. With the support of the local OHS Committees, the importance of OHS within the Corporation is constantly being promoted, always with the goal of "Zero Injury by Choice".

3.3.5 Sustainable Funding

JCCBI is mainly funded through parliamentary appropriations from the Government of Canada. Revenue from other sources, namely leases and permits as well as interest income, contributes to its funding, but only marginally.

JCCBI was awarded a new funding cycle for the years 2023-2024 to 2027-2028 to carry out the planned maintenance and asset maintenance basic work and thus ensure user mobility, safety, and infrastructure longevity. In addition, funding was granted for the Bonaventure Expressway reconfiguration project, which funding will extend until 2031-2032.

3.3.6 Human Resources Management

To achieve its mission and vision, JCCBI must remain an attractive, inclusive and constantly evolving organization. To this end, JCCBI implements actions to stimulate the development and commitment of its employees in an innovative environment, while ensuring a climate of goodwill and collaboration.
In order to retain its employees, JCCBI makes the most of everyone's talents, in particular by developing individual and collective skills (to strengthen the workforce's capacity), and by improving management practices and leadership within the organization, in an increasingly digital environment.

JCCBI has continued its efforts to promote its internal Employer brand Together, WE CONNECT – OUR COMMUNITY, building on the distinctive elements that reflect the employee experience within the organization. The strategies for launching the BRIDGE–YOUR CAREER external Employer brand have been deployed, and the external campaign is underway.

The implementation of both the health and wellness in the workplace initiative and the equity, diversity and inclusion initiative continues within the organization. A multidisciplinary committee is in place to deploy the action plans, and to carry out and monitor the activities.

In addition, JCCBI completed its pay equity process in compliance with the *Pay Equity Act* in the spring of 2024 and has begun its updating exercise.

All these human resources management initiatives are aimed at improving the employee experience and developing the organizational culture, so that JCCBI continues to position itself as an organization committed to its employees' development and fulfilment.

3.3.7 Information Resources (IR)

In order to manage and minimize its information resources risks, JCCBI has implemented a business continuity strategy, which is tested and reviewed on an annual basis by the Business Continuity Plan Committee. The 14 critical business functions include 7 technological foundations that are tested on an annual basis.

JCCBI's strategy for improving the security posture continues as part of the Information Technology and Systems Improvement Program. A new program was set up for the period 2024-2027 and is integrated into the IR master plan mentioned below. Penetration tests were carried out on JCCBI's technological infrastructure in the second quarter of 2023-2024; the elements for improvement are included in the 2024-2027 program and their implementation has begun.

In addition, phishing tests and employee awareness activities are carried out on an ongoing basis.

The IR Division has also completed the IR master plan orientations based on lessons learned from the Convergence pilot project (which was carried out jointly with the Finance, Human Resources and Procurement Divisions), and based on the organization's desire to align IR with strategic orientations in order to securely support operations and decision-making. The IR master plan is broken down into three digital projects for the period 2024-2027:

- Project #1 – Establishing a sustainable digital culture;
- Project #2 – Promoting efficient, integrated services;
- Project #3 – Driving innovation and strengthening computer security.

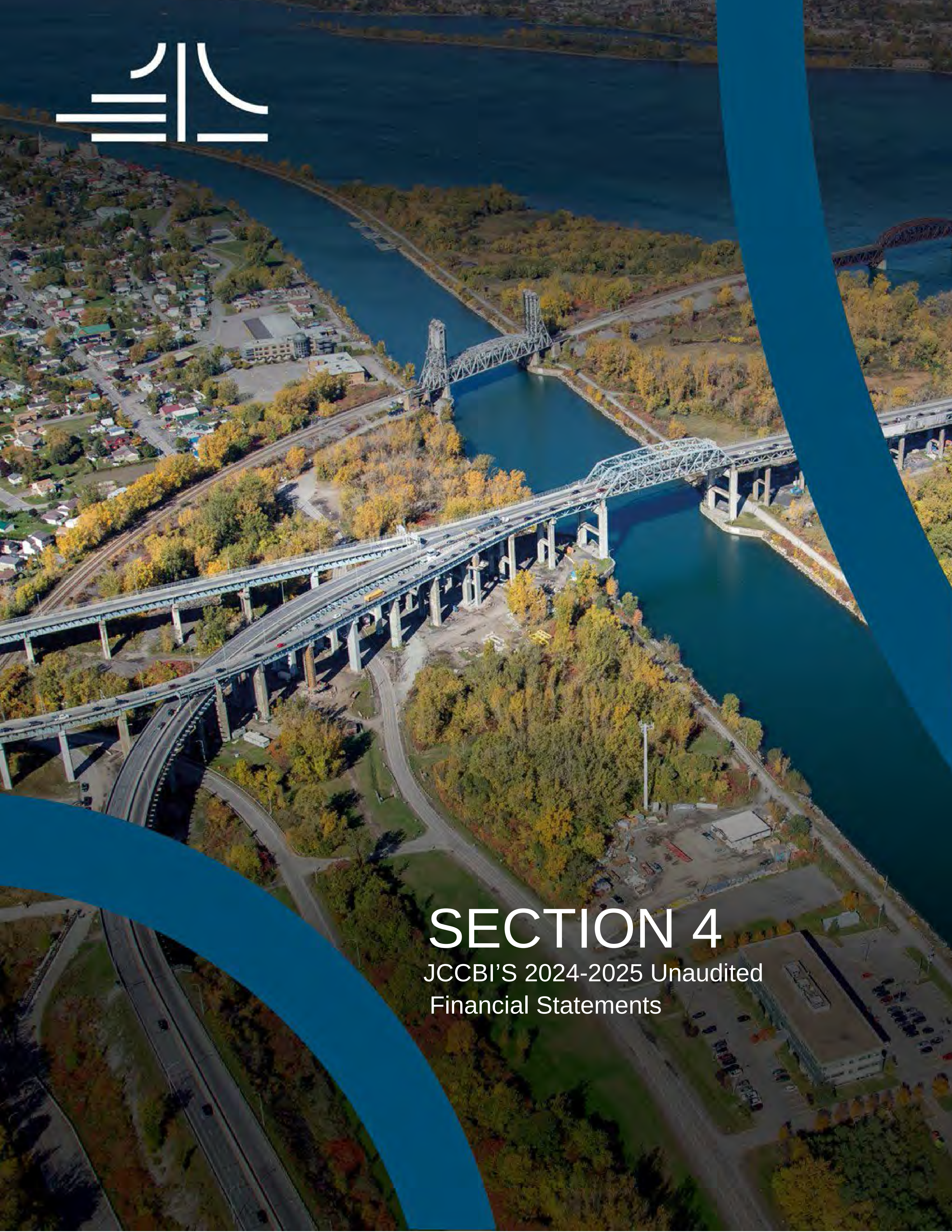
As part of Project #2, the system capability analysis for the Corporation's enterprise resource planning software has begun, and will serve as an input for its transformation.

3.4 REPORT ON THE USE OF APPROPRIATIONS

According to the financial planning, the parliamentary appropriations available for the current fiscal year amount to $262.4M.

(In thousands of dollars)	As at December 31, 2024			As at December 31, 2023		
	Operations	Capital	Total	Operations	Capital	Total
Main estimates	194,725	67,689	262,414	153,745	77,805	231,550
Available Funding	**194,725**	**67,689**	**262,414**	**153,745**	**77,805**	**231,550**
Reprofiling of Funds (1) (2)	(20,154)	(5,357)	(25,511)	(23,159)	(19,300)	(42,459)
Other Adjustments	-	-	-	122	-	122
Adjusted Available Funding	**174,571**	**62,332**	**236,903**	**130,708**	**58,505**	**189,213**
Parliamentary Appropriations (3)						
+ Used	138,379	8,267	146,646	104,969	10,022	114,991
+ Required	36,192	54,065	90,257	25,739	48,483	74,222
Total Parliamentary Appropriations	**174,571**	**62,332**	**236,903**	**130,708**	**58,505**	**189,213**

(1) Reprofiling of funds under approval for 2024-2025.
(2) Reprofiling of funds approved for 2023-2024.
(3) JCCBI generally receives its funding only after expenses are incurred.



SECTION 4

JCCBI’S 2024-2025 Unaudited Financial Statements

4. JCCBI'S 2024-2025 UNAUDITED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2024, JCCBI's unaudited Interim Financial Statements have been prepared by management, reviewed by the Audit Committee and approved by JCCBI's Board of Directors. JCCBI's external auditors have not audited or reviewed these Interim Financial Statements.

4.1 MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The management of The Jacques Cartier and Champlain Bridges Incorporated ("the Corporation") is responsible for the preparation and fair presentation of these Interim Financial Statements in accordance with the Canadian Public Sector Accounting Standards. This responsibility requires the selection of appropriate accounting principles and the ability to exercise judgment in establishing reasonable estimates.

The Corporation's management maintains appropriate financial systems and internal controls. These systems and practices are designed to provide reasonable assurance as to the reliability of financial information and to ensure that the Corporation's assets are adequately safeguarded, that its resources are managed economically and efficiently, and that its transactions are conducted efficiently. These systems and practices are also designed to provide reasonable assurance that the Corporation's transactions are duly authorized and carried out in accordance with the directive issued under section 89 and Part X of the *Financial Administration Act* and its regulations, the *Canada Business Corporations Act*, *The Jacques Cartier and Champlain Bridges Inc. Regulations*, passed pursuant to the *Canada Marine Act*, as well as the Corporation's articles and by-law.

As at December 31, 2024, the Board of Directors is made up of six (6) Directors, including the Chief Executive Officer and the interim Chair of the Board of Directors. Through the Audit Committee, the Board of Directors ensures that management fulfills its responsibilities for financial reporting and internal controls. The Audit Committee meets with management and the auditors to review the manner in which these groups are fulfilling their responsibilities as well as to discuss the audit, internal controls and other relevant financial issues. The Financial Statements are reviewed and approved by the Board of Directors on the recommendation of the Audit Committee.

The Auditor General of Canada audits the Financial Statements of the Corporation and her report indicates the scope of the audit and her opinion on the Financial Statements.

Sandra Martel, Eng.
Chief Executive Officer

Lucie Painchaud, CPA
Senior Director, Administration and Treasurer

February 21, 2025

4.2 STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024

(Unaudited – in thousands of Canadian dollars)

	December 31, 2024	March 31, 2024
	$	$
Financial Assets		
Cash	27,740	43,245
Accounts receivable (Note 4.6.4)	27,473	4,925
Total Financial Assets	**55,213**	**48,170**
Liabilities		
Accounts payable and accrued liabilities (Note 4.6.5)	44,805	37,815
Employee future benefits	123	149
Contractual holdbacks (Note 4.6.6)	8,057	8,998
Deferred revenue	310	269
Environmental obligations (Note 4.6.7)	112,775	112,688
Asset retirement obligations (Note 4.6.8)	6,560	6,368
Total Liabilities	**172,630**	**166,287**
Net Debt	**(117,417)**	**(118,117)**
Non-Financial Assets		
Tangible capital assets (Note 4.6.9)	639,104	656,540
Prepaid expenses	712	1,676
Total Non-Financial Assets	**639,816**	**658,216**
Accumulated Surplus (Note 4.6.10)	**522,399**	**540,099**

CONTINGENCIES (NOTE 4.6.11)

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

Approved by the Board of Directors

Director

Director

4.3 STATEMENT OF OPERATIONS FOR THE NINE MONTHS ENDED DECEMBER 31, 2024

(Unaudited – in thousands of Canadian dollars)

	Twelve Months Ended	Nine Months Ended			
	March 31, 2025	December 31, 2024		December 31, 2023	
	Budget	Actual Quarter	Actual Cumulative	Actual Quarter	Actual Cumulative
	$	$	$	$	$
Revenue					
Leases and permits	600	155	474	158	487
Interest	1,750	433	1,081	999	3,057
Other sources	-	432	485	-	212
Total Revenue	**2,350**	**1,020**	**2,040**	**1,157**	**3,756**
Expenses (Note 4.6.13)					
Maintenance and deconstruction	197,388	46,710	138,592	37,132	114,918
Operations	8,100	1,094	3,110	982	3,036
Administration	25,230	4,794	13,801	4,252	14,052
Environmental obligations	(10,556)	5,232	10,874	23,598	15,815
Loss on disposal of capital assets	-	-	9	-	-
Total Expenses (Note 4.6.13)	**220,162**	**57,830**	**166,386**	**65,964**	**147,821**
Deficit before Government of Canada funding	(217,812)	(56,810)	(164,346)	(64,807)	(144,065)
Portion of transfer payments for operating expenses	190,731	45,313	138,379	35,424	104,969
Portion of transfer payments for tangible capital assets	71,683	8,932	8,267	5,557	10,022
Transfer - Other (Note 4.6.12)	-	-	-	6	6
Annual Operating Surplus (Deficit)	**44,602**	**(2,565)**	**(17,700)**	**(23,820)**	**(29,068)**
Accumulated Operating Surplus, Beginning of the Year	**533,103**	**-**	**540,099**	**-**	**523,700**
Accumulated Operating Surplus, End of the Year	**577,705**	**-**	**522,399**	**-**	**494,632**

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

4.4 STATEMENT OF CASH FLOW FOR THE NINE MONTHS ENDED DECEMBER 31, 2024

(Unaudited – in thousands of Canadian dollars)

	Twelve Months Ended	Nine Months Ended			
	March 31, 2025	December 31, 2024		December 31, 2023	
	Budget	Actual Quarter	Actual Cumulative	Actual Quarter	Actual Cumulative
	$	$	$	$	$
Annual Operating Surplus (Deficit)	**44,602**	**(2,565)**	**(17,700)**	**(23,820)**	**(29,068)**
Acquisition of tangible capital assets (Note 4.6.9)	(71,683)	(8,932)	(8,267)	(5,557)	(10,022)
Amortization of tangible capital assets (Note 4.6.9)	37,637	8,536	25,703	8,596	26,043
Total Variation Due to Tangible Capital Assets	**(34,046)**	**(396)**	**17,436**	**3,039**	**16,021**
Addition of prepaid expenses	-	(13)	(247)	664	432
Use of prepaid expenses	-	380	1,211	(376)	679
Total Variation Due to Prepaid Expenses	**-**	**367**	**964**	**288**	**1,111**
Total Variation of Contract Advance	**-**	**-**	**-**	**-**	**4,144**
(Increase) decrease in net debt	10,556	(2,594)	700	(20,493)	(7,792)
Net debt, beginning of the year	(142,661)	-	(118,117)	-	(153,418)
Net Debt, End of the Year	**(132,105)**	**-**	**(117,417)**	**-**	**(161,210)**

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

4.5 STATEMENT OF CASH FLOW FOR THE NINE MONTHS ENDED DECEMBER 31, 2024

(Unaudited – in thousands of Canadian dollars)

	Nine Months Ended			
	December 31, 2024		December 31, 2023	
	Actual Quarter	Actual Cumulative	Actual Quarter	Actual Cumulative
	$	$	$	$
Operating Transactions				
Annual Operating Deficit	**(2,565)**	**(17,700)**	**(23,820)**	**(29,068)**
Non-Cash Items				
Amortization of tangible capital assets (Note 4.6.9)	8,536	25,703	8,596	26,043
Changes in environmental obligations	5,232	10,874	23,585	20,185
Changes in asset retirement obligations	64	192	53	156
Changes in Other Items				
(Increase) decrease in accounts receivable	(4,190)	(22,548)	(4,978)	31,075
Increase (decrease) in accounts payable and accrued liabilities	(4,821)	9,948	(36,873)	(19,671)
Decrease in employee future benefits	2	(26)	-	(71)
Increase (decrease) in contractual holdbacks	672	(941)	67	(1,387)
Decrease (increase) in deferred revenue	151	41	140	(3)
Decrease in prepaid expenses	367	964	288	1,111
Decrease in contract advance	-	-	-	4,144
Decrease in environmental obligations	(2,337)	(10,787)	(2,857)	(7,240)
Cash Flow Provided by Operating Transactions	**1,111**	**(4,280)**	**(35,799)**	**25,274**
Tangible Capital Asset Investment Activities				
Cash outflows relating to the acquisition of tangible capital assets	(8,932)	(11,225)	(5,557)	(10,022)
Cash Flow used for Tangible Capital Asset Investment Activities	**(8,932)**	**(11,225)**	**(5,557)**	**(10,022)**
Increase (Decrease) in Cash	(7,821)	(15,505)	(41,356)	15,252
Cash, Beginning of the Year	**-**	**43,245**	-	**29,789**
Cash, End of the Year	**-**	**27,740**	**-**	**45,041**

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

4.6 NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS

4.6.1 AUTHORITY AND ACTIVITIES

The Jacques Cartier and Champlain Bridges Incorporated (“the Corporation”) was incorporated on November 3, 1978, under the *Canada Business Corporations Act*, as a wholly owned subsidiary of the St. Lawrence Seaway Authority. As a Crown corporation, the Corporation is subject to Part X of the *Financial Administration Act (*FAA). On October 1, 1998, it became a wholly owned subsidiary of The Federal Bridge Corporation Limited (FBCL). On February 13, 2014, as authorized by an Order in Council by the Governor in Council dated February 10, 2014, FBCL transferred all its shares in The Jacques Cartier and Champlain Bridges Incorporated to the Minister of Transport on behalf of Her Majesty in right of Canada. Pursuant to a second Order in Council, the Governor in Council designated the President of the Privy Council as the appropriate Minister for the Corporation effective February 13, 2014. After this transfer, the Corporation became a parent Crown corporation listed under Part I, Schedule III of the FAA. On November 4, 2015, pursuant to a new Order in Council, the Governor in Council designated the Minister of Infrastructure, Communities and Intergovernmental Affairs as the appropriate Minister for the Corporation.

Since December 1, 1978, the Corporation has been responsible for the management, maintenance and control of the Jacques Cartier Bridge, the original Champlain Bridge (now deconstructed) and a section of the Bonaventure Expressway. On October 1, 1998, in accordance with a directive issued by the Minister of Transport under the *Canada Marine Act*, the Corporation became responsible for managing the federal section of the Honoré Mercier Bridge and the Melocheville Tunnel. The management of the Champlain Bridge Estacade (ice control structure) was transferred to the Corporation from the Minister of Transport on December 2, 1999. On April 1, 2015, the south and north approaches to the original Champlain Bridge were transferred by Order in Council, meaning the Corporation is no longer responsible for the management and maintenance of the lands and structures constituting the transferred assets, with the exception of a few parcels of land at the north and south approaches. On November 12, 2024, ownership and management of the Quebec Bridge structure were transferred to the Corporation by the Government of Canada. The railway deck corridor remains the property of the Canadian National Railway Company (CN). The road deck and multiuse path are under the responsibility of the *ministère des Transports et de la Mobilité durable* (MTMD).

In July 2015, the Corporation received a directive (P.C. 2015-1112) under section 89 of the FAA to harmonize its travel, hospitality, conference and event expenditure policies, guidelines and practices with the Treasury Board of Canada’s policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations and to report on the implementation of this directive in its next corporate plan. The Corporation confirms that it has met the requirements of this directive since December 2015.

The Corporation is not subject to income tax legislation.

The Corporation is dependent on the Government of Canada for its funding.

4.6.2 SIGNIFICANT ACCOUNTING POLICIES

These Interim Financial Statements have been prepared by management in accordance with the Canadian Public Sector Accounting Standards (CPSAS).

The main accounting policies followed by the Corporation are the following:

Government Transfers
Government transfer payments are recognized as revenue when the transfer is authorized and eligibility criteria are met, except to the extent that the stipulations give rise to an obligation that meets the definition of a liability. The transfers are recognized as deferred revenue when stipulations lead to the creation of a liability. The revenue is recognized in the Statement of Operations as the stipulations are met. Any portion of government transfers to which the Corporation is entitled, but has not yet received, is recognized under “Due from the Government of Canada”.

Tangible Capital Assets
Tangible capital assets are recognized at cost. Replacements and major improvements that extend the service life of existing assets are capitalized. Repair and maintenance costs are charged to operations when they are incurred. Costs that increase their service capacity, safety or effectiveness are capitalized.

Amounts related to projects in progress are transferred to the appropriate tangible capital assets category when the project is completed and are amortized in accordance with the Corporation's internal policy.

Capital assets received as contributions from departments, agencies and Crown corporations within the jurisdiction of the Government of Canada or other governments are recognized at their fair market value at the date of transfer.

Tangible capital assets, including the capitalized portion relating to the asset retirement obligation, are amortized based on the estimated useful life of the components, on a straight-line basis, over the following periods:

- Bridges, roads and promenades : between 2 and 48 years;
- Buildings : 40 years;
- Vehicles and equipment : between 5 and 15 years;
- Other:
    - Furniture : 10 years;
    - Leasehold improvements : the lesser of the useful life or the term of the lease;
    - Computer equipment : 3 years.

When the conditions indicate that a tangible capital asset no longer contributes to the ability of the Corporation to provide services, or that the value of future economic benefits associated with the tangible capital asset is less than its net carrying value, the cost of the tangible capital asset is reduced to reflect the impairment. Net write-downs on tangible capital assets are recorded as expenses in the Statement of Operations.

Revenue Recognition
Revenue from leases and permits, interest and other sources are recognized in the fiscal year in which they are earned. Revenue from leases and permits collected in advance are recorded as "Deferred revenue" in the Statement of Financial Position.

Employee Future Benefits

PENSION PLAN
All employees of the Corporation are covered by the Public Service Pension Plan (the "Plan"). This is a contributory-defined benefit plan established by law and sponsored by the Government of Canada. Employees and the Corporation must contribute to the Plan to cover the cost of services rendered during the fiscal year. Under current legislation, the Corporation has no legal or constructive obligation to pay additional contributions to cover past services or to fund deficiencies of the Plan. Consequently, contributions are charged to expenses in the fiscal year during which the employees render the services and these contributions represent the total pension obligation of the Corporation. The Corporation is not required by law to make up for the actuarial deficiencies of the Plan.

POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES
Employees are entitled to days of sick leave and compensation for work injuries, as provided for under their conditions of employment. Employees of the Corporation are paid annually for the unused portion of their days of sick leave. These annual payments are recognized directly in current costs for the fiscal year. Before December 9, 2016, unionized employees accumulated their unused days of sick leave, which were redeemable at the end of their employment with the Corporation. The Corporation has recorded a liability for employees with banked leave balances at that date, who have elected to retain them until their departure.

In addition, as the employees of the Corporation are subject to the *Government Employees Compensation Act*, the Corporation recognizes the cost of compensation for work injuries payable at the time the event obligating the Corporation occurs. The liability that these benefits represent is determined based on management's best assumptions in terms of salary increases, age of employees, years of service, the probability of employees leaving, and average life expectancy. These assumptions are reviewed annually. Post-employment benefits and compensated absences are recognized at present value.

Environmental Obligations
Whenever the Corporation accepts responsibility for sites where contamination exceeds environmental standards, when it plans to give up future economic benefits to that effect, and when the amount involved can be reasonably estimated, an obligation for the clean-up of the contaminated sites is recognized as a liability in the Statement of Financial Position. The estimated future costs are recognized as a liability and are based on the present value of the estimated cash flows associated with the most likely costs to be incurred. If it proves impossible to make a reasonable estimate of the amount, the situation will be disclosed through a note to the Financial Statements. Other expenses related to environmental measures are recognized as an Environmental Obligation expense as they are incurred.

Asset Retirement Obligations
The Corporation recognizes asset retirement obligations in the period in which the related legal obligations are incurred, provided that all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up;
- A reasonable estimate of the amount can be made.

The present value of the obligation is recognized as a liability in the Statement of Financial Position, while the asset retirement costs increase the carrying value of the related tangible capital asset (or of a component thereof) and is amortized over the asset's estimated useful life.

An asset retirement obligation may arise for an asset that is not recognized or is no longer in productive use. In such a case, the asset retirement cost is expensed directly in the Statement of Operations.

The liability balance in the Statement of Financial Position represents the Corporation's best estimate for removing the retirement obligation.

The estimated cash flows required for the settlement of the asset retirement obligations include the costs directly attributable to the asset retirement activities and also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset. The estimated cash flows are based on studies that take into account various assumptions on the methods used and the timeline for the asset retirement.

The Corporation reviews the measurement of these obligations annually, based on the various assumptions and estimates inherent in the calculations, potential technological advances and developments in the applicable standards, laws and regulations.

If the criteria are not met, the Corporation then assesses whether the situation qualifies as a contingency and makes the appropriate recognition or disclosure.

Financial Instruments
The Corporation identifies, assesses, and manages the financial risks to minimize the impact thereof on its results and financial position. The Corporation neither engages in speculative transactions nor uses derivatives.

The accounting of financial instruments depends on their classification as presented in the following table:

CATEGORIES	FINANCIAL INSTRUMENTS	MEASUREMENT
Financial assets	Cash Accounts receivable (other than taxes receivable)	Cost or amortized cost
Financial liabilities	Accounts payable and accrued liabilities Contractual holdbacks	Cost or amortized cost

Contingencies

Contingencies result from uncertain situations whose outcome depends on one or more future events. Contingencies include contingent liabilities and contingent assets.

Contingent liabilities are possible liabilities which could become actual liabilities if one or more future events occur. If it is likely that an event could occur, and a reasonable estimate of the liability can be made, a provision is recognized and an expense is recorded. If the likelihood of the event cannot be determined or if the amount involved cannot be reasonably estimated, a contingency is disclosed in the notes to the Financial Statements.

Contingent assets are possible assets that could become assets if one or more future events occur. If the future event is likely to occur, the existence of the contingent asset is disclosed in the notes to the Financial Statements.

Measurement Uncertainty

In preparing the Financial Statements in accordance with the CPSAS, management must use estimates and assumptions that affect the reported amounts of assets and liabilities and the presentation of assets and contingent liabilities at the date of the Financial Statements, as well as the amounts of the revenue and expenses recognized during the period covered by the Financial Statements. Actual results could differ significantly from these estimates.

The most significant estimates used in the preparation of these Interim Financial Statements relate, in particular, to the useful life of tangible capital assets, asset transfers, accrued liabilities and claims received from suppliers, the liability for employee future benefits, as well as contingencies.

Environmental liabilities and asset retirement obligations are also subject to measurement uncertainty, due to the constantly evolving technologies used in contaminated site remediation or asset retirement activities, the use of present value of estimated future costs, inflation, rising interest rates, and the fact that not all sites have been subject to a full assessment of the extent and nature of the remediation. Changes in underlying assumptions, timing of expenditures and technology used, revisions to environmental standards, or changes in regulations could result in material changes to the liabilities recognized.

Budgetary Data

Budgetary data included in the Interim Financial Statements were provided for comparison purposes and approved by the Board of Directors. The budgets for the accumulated operating surplus at the beginning of the year and the Net Debt at the beginning of the year presented in the Corporation's Financial Statements are adjusted annually to reflect the actual results at the time the budget is prepared. They therefore differ from the amounts published for the previous year.

4.6.3 ADOPTION OF A NEW ACCOUNTING STANDARD

No new accounting standard was adopted during the nine months ended December 31, 2024.

4.6.4 ACCOUNTS RECEIVABLE

The Corporation's accounts receivable consist of the following:

(en milliers de dollars canadiens)	30 septembre 2024 $	31 mars 2024 $
Sommes à recevoir du gouvernement du Canada	20 697	1 428
Taxes à recevoir	1 649	2 427
Refacturation de travaux à des partenaires d'affaires	-	782
Autres débiteurs	937	288
Total des débiteurs	**23 283**	**4 925**

4.6.5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Corporation's accounts payable and accrued liabilities consist of the following:

(en milliers de dollars canadiens)	30 septembre 2024 $	31 mars 2024 $
Fournisseurs et frais courus	47 955	34 919
Salaires et charges sociales	1 670	2 896
Total des créditeurs et charges à payer	**49 625**	**37 815**

4.6.6 CONTRACTUAL HOLDBACKS

Contractual holdbacks (including performance holdbacks and warranty holdbacks) represent the total amount that the Corporation temporarily retains on amounts due to contractors during the performance of the work, to guarantee that the latter fulfil their obligations pertaining to the warranties of rectification and correction of defects and poor workmanship in the work performed. The warranty periods applicable to each contract begin following the issuance of the Interim Certificate of Completion for the work concerned. The Corporation then pays the 5% contractual holdback (designated as "performance holdback") and retains a new amount equal to 2.5% as contractual holdback (designated as "warranty holdback").

The contracts provide that the Corporation will pay the second portion of 2.5% of the contractual holdback (designated as warranty holdback) less, where applicable, any amount owed by the contractor under the terms of the contract, once the warranty period has expired.

4.6.7 ENVIRONMENTAL OBLIGATIONS

The Corporation conducts an inventory of all the lands under its management in order to classify their environmental condition and prioritize any required interventions. The Corporation's portfolio comprises a number of lands with soil contamination that exceeds the acceptable criteria. The lands concerned are located at the Jacques Cartier Bridge, on the site of the original Champlain Bridge and along the Bonaventure Expressway.

The Corporation has identified a total of 19 sites (19 as at March 31, 2024) that may be contaminated and require assessment, remediation, or a risk management strategy and monitoring. For eight (8) of the 19 sites (six (6) as at March 31, 2024), remediation measures or risk management strategies are in place or planned, for which a liability of $112.8M ($112.7M as at March 31, 2024) was recognized.

With regards to the 11 sites that have not been the subject of risk management strategies or remediation measures (13 as at March 31, 2024), nine (9) are in various stages of testing and assessment (11 as at March 31, 2024). Should remediation or a risk management strategy be required, the Corporation plans to give up future economic benefits to that effect and a liability will be recognized as soon as a reasonable estimate can be determined. With respect to the other two (2) sites, the Corporation does not plan to forego future economic benefits due to the likely absence of environmental impacts or significant threat to human health.

The following table presents the estimated total environmental liabilities by sector as at December 31, 2024, which are based on the following assumptions:

- The discount rates are determined based on the actual zero-coupon yield curve for Government of Canada bond market issued by the Bank of Canada. The discount rate ranges from 2.85% to 3.30% as at December 31, 2024 (as at March 31, 2024 – 3.39% to 4.53%);
- The inflation rate of 3.69% as at December 31, 2024 (as at March 31, 2024 – 3.61%) is based on the Non-Residential Building Construction Price Index.

(In thousands of Canadian dollars)	December 31, 2024 $		March 31, 2024 $	
Sectors	**Undiscounted Liability to which the Inflation Rate was Applied**	**Discounted Liability to which the Inflation Rate was Applied**	**Undiscounted Liability to which the Inflation Rate was Applied**	**Discounted Liability to which the Inflation Rate was Applied**
Bonaventure Expressway: East Sector (1)	15,848	**12,197**	15,062	**11,407**
Bonaventure Expressway: West Sector (1)	8,247	**6,488**	7,954	**6,168**
Bonaventure Expressway – Reconfiguration (2)	104,530	**93,058**	107,116	**92,183**
Bonaventure Expressway – Île des Sœurs Sector (3)	115	**112**	444	**418**
Héritage Champlain (4)	734	**713**	2,680	**2,512**
Jacques Cartier Bridge (5)	214	**207**	-	**-**
Total	129,688	**112,775**	133,256	**112,688**

(1) East and West Sectors of the Bonaventure Expressway
As at December 31, 2024, the priority environmental issue for the Corporation remains that of the lands located in the Bonaventure Expressway sector. These lands, which have been managed by the Corporation since 1978, are located on a portion of and close to a former landfill site operated by the City of Montreal between 1866 and 1966. This former landfill site covers several tracts of land belonging to different owners. Since 2003, the Corporation has conducted studies and toxicity tests on the groundwater in this location. The tests revealed

that the groundwater is contaminated beyond acceptable criteria. Given the complexity of the issue, the involvement of numerous owners and the significant costs involved, the federal government has focused on integrated solutions to the environmental issues at this site. This site can be divided into two sectors: the East Sector and the West Sector.

For the East Sector, the containment and pumping operations began in 2018. For the West Sector, both the containment of groundwater and the operation of the treatment plant began in 2017. The Corporation is managing this project. The portion of the costs borne by the Corporation for the West Sector is 50% of the total costs to be incurred.

The obligations of the East and West Sectors represent management's best estimate of the expected expenses for the containment, treatment and pumping operations and are based on the costs of the contracts already awarded. The duration of the operations included in the obligations related to the East and West Sectors is estimated at 15 years. The duration of the operations will extend beyond this period, but it is impossible, at this time, to determine the costs beyond 15 years. There is no residual value to the projects.

(2) Bonaventure Expressway – Reconfiguration

The Corporation plans to reconfigure the Bonaventure Expressway into a boulevard. As this section of the expressway is located in a highly contaminated zone, the project includes a major environmental component. Different environmental intervention strategies will be deployed based on the various issues relating to the sector. Such strategies include the protection of the free-phase hydrocarbon (FPH) containment structures through bank stabilization, the addition of a system to contain and treat the groundwater in the section located west of the Clément Bridge, biogas management, stabilization of the soils affected by the degradation of residual materials, management of the waste materials generated by the work, disposal of excess soils and placement of barrier layers of clean soil. The obligation represents management's best estimate of the costs expected to be incurred for this work over the life of the project as well as for the operation of the operating system over the long term, whose duration is currently estimated at 15 years. However, the duration of the system's operation will extend beyond this period, but it is impossible, at this time, to determine the costs beyond 15 years. There is no residual value to the project. This estimate is based on expert reports and information available at the date of the Interim Financial Statements.

(3) Bonaventure Expressway – Île des Sœurs Sector

This project consists in the rehabilitation of the Clément Bridge, the roadways and the viaducts in the Île des Sœurs Sector in order to extend the service life of the infrastructure. The environmental management strategy for this project consists mainly in disposing of the contaminated soils excavated for the rehabilitation work at authorized disposal sites according to current standards. The obligation represents management's best estimate of the costs required to dispose of these soils.

(4) Héritage Champlain

This project consists of redeveloping the land freed up by the deconstruction of the original Champlain Bridge and carrying out, among others, wildlife enhancement work to restore fish habitat. The characterizations carried out in 2023 confirmed the presence of contaminated soils. The environmental management strategy for this project consists mainly of managing the waste materials generated by the work, disposing of excess soils in accordance with current standards and placing barrier layers of clean soil. The obligation represents management's best estimate of the costs required to manage these soils.

(5) Jacques Cartier Bridge

Projects planned at the Jacques Cartier Bridge include the rehabilitation of the Île Sainte-Hélène pavilion, as well as the demolition and redevelopment of the Plaza area. In addition to demolishing the building, this second project also involves greening of the area with the creation of bioretention basins.
Characterizations carried out between 2020-2021 and 2024-2025 show contaminated soil concentrations in excess of acceptable criteria.

The environmental strategy for these two projects consists of managing the excavated soils generated by the work. Excavated soils will be managed according to applicable standards based on their contamination and will be replaced with clean soil. The obligation represents management's best estimate of the costs required to dispose of these soils.

4.6.8 ASSET RETIREMENT OBLIGATIONS

The Corporation has recognized asset retirement obligations related to the removal of asbestos from one of its buildings, and other obligations related to the restoration of lands it occupies.

The changes in asset retirement obligations during the quarter are detailed as follows:

(In thousands of Canadian dollars)	December 31, 2024 $			March 31, 2024 $		
	Asbestos	Restoration Obligation	Total	Asbestos	Restoration Obligation	Total
Opening Balance	**45**	**6,323**	**6,368**	45	6,750	6,795
Settled liabilities	-	-	-	-	(187)	(187)
Revision of estimates	-	-	-	(1)	(448)	(449)
Accretion expense (1)	1	191	192	1	208	209
Closing Balance	**46**	**6,514**	**6,560**	45	6,323	6,368

(1) The accretion expense is the increase in the carrying value of an asset retirement obligation due to the passage of time.

Future undiscounted inflation-restated expenditures related to projects and included in the liabilities amount to $6.6M (as at March 31, 2024 – $6.4M). There are no estimated recoveries, nor are there any financial assurance or funding in respect of the asset retirement obligations.

The main assumptions used to determine the amount of the provision are the following:

Rate or Range	December 31, 2024		March 31, 2024	
	Asbestos	Restoration Obligation	Asbestos	Restoration Obligation
Discount rate	3.82%	4.03%	3.82%	4.03%
Expenditure discount period	2 years	1 year	2 years	1 year
Estimated duration of the expenditure settlement	2 years	1 year	2 years	1 year

4.6.9 TANGIBLE CAPITAL ASSETS

(In thousands of Canadian dollars)	Lands $	Bridges, Roads and Promenades $	Buildings $	Vehicles and Equipment $	Other $	Projects in Progress $	Total $
COST							
April 1, 2023	5,250	872,220	31,011	6,608	10,005	10,915	936,009
Acquisitions	-	997	113	200	380	18,125	19,815
Disposals	-	-	-	-	-	-	-
Asset retirement	-	-	-	-	-	-	-
Transfers	-	-	-	-	68	(68)	-
March 31, 2024	**5,250**	**873,217**	**31,124**	**6,808**	**10,453**	**28,972**	**955,824**
Acquisitions	-	-	-	-	41	12,408	12,449
Disposals	-	-	(10)	-	-	(4,172)	(4,182)
Asset retirement	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
December 31, 2024	**5,250**	**873,217**	**31,114**	**6,808**	**10,494**	**37,208**	**964,091**
ACCUMULATED AMORTIZATION							
April 1, 2023	-	255,600	2,094	2,122	4,814	-	264,630
Amortization	-	30,814	780	547	2,513	-	34,654
Disposals	-	-	-	-	-	-	-
Asset retirement	-	-	-	-	-	-	-
March 31, 2024	**-**	**286,414**	**2,874**	**2,669**	**7,327**	**-**	**299,284**
Amortization	-	22,858	588	417	1,841	-	25,704
Disposals	-	-	(1)	-	-	-	(1)
Asset retirement	-	-	-	-	-	-	-
December 31, 2024	**-**	**309,272**	**3,461**	**3,086**	**9,168**	**-**	**324,987**
NET CARRYING VALUE							
March 31, 2024	**5,250**	**586,803**	**28,250**	**4,139**	**3,126**	**28,972**	**656,540**
December 31, 2024	**5,250**	**563,945**	**27,653**	**3,722**	**1,326**	**37,208**	**639,104**

4.6.10 SHARE CAPITAL

The authorized share capital is 50 shares without par value and the Corporation has issued and fully paid one (1) share in the amount of $100.

4.6.11 CONTINGENCIES

Legal Proceedings and Claims

In the normal course of its operations, the Corporation is subject to claims or lawsuits, the outcome of which cannot be predicted with certainty. Management has made, in the affected accounts, provisions which it deems sufficient, and believes that the resolution of such contingencies should not have any material adverse effect on the Corporation's financial position.

As at December 31, 2024, there is a contingent asset that is the subject of a legal action initiated by the Corporation against a contractor and certain consultants, for which the estimated amount cannot be determined. No contingent asset is recognized in the Interim Financial Statements.

Other Contingencies

a) The Corporation has signed agreements to install, maintain and use cables or conduits on lands it does not own. In the event of the termination of these agreements, the Corporation will have to remove its facilities, at its own expense. As at December 31, 2024, neither the owners of the lands nor the Corporation has indicated an intention to terminate the agreements. Therefore, no contingent liability related to these capital assets has been recognized.

b) The Corporation holds a structure erected on lands whose owner has transferred the management and administration to the Government of Canada. The owner of the lands could reclaim them in the event of a change of use, without any compensation for the structure built, provided that it is in a condition satisfactory to the owner. The Corporation currently has no intention of changing the current use of these lands. Therefore, no liability has been recognized in respect of this capital asset.

c) The Corporation holds other structures also erected on lands whose owner has transferred the administration to the Government of Canada. In the event that any of these lands are no longer required or cease to be used for the purposes for which the transfer of administration was granted, such land shall revert to the owner, who will advise if the structures, constructions or improvements built thereon are required. The land shall have been restored to good condition to the satisfaction of the owner and in accordance with the agreed environmental requirements, all without compensation. An asset retirement obligation has been recognized for the restoration of the water lot in the channel on which the Île des Sœurs Bypass Bridge was constructed (Note 4.6.8). For the other lands, there is uncertainty as to when restoration may take place. The Corporation is therefore not in a position to estimate the restoration costs. No liability relating to the retirement of these capital assets has thus been recognized.

4.6.12 RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to all departments, agencies, and Crown corporations created by the Government of Canada, as well as to the Corporation's Board of Director members, Chief Executive Officer and Senior Directors, close family members thereof and entities subjected to the control of said individuals. The Corporation enters into transactions with these entities in the normal course of business. These transactions are recognized at the exchange amount, except for the cost of the audit of the Financial Statements, which is carried out without consideration and not recognized in the Statement of Operations.

The Corporation recognizes revenue under "Other Sources" for technical support services on infrastructures in the province of Quebec that were rendered under an agreement with Infrastructure Canada (now Housing, Infrastructure and Communities Canada). Amounts receivable are included under "Other accounts receivable" in Note 4.6.4. There is no contingent liability related to this agreement.

During the quarter ended December 31, 2024, His Majesty in right of Canada, represented by the Minister of Infrastructure and Communities, transferred ownership of the Quebec Bridge structure to the Corporation (subject to the exclusions described in Note 4.6.1) in consideration of the sum of one (1) dollar. The fair value of the asset is still under assessment.

4.6.13 EXPENSES BY TYPE

	December 31, 2024	December 31, 2023
(In thousands of Canadian dollars)	$	$
Regular and major maintenance	91,955	40,245
Deconstruction – original Champlain Bridge	1,806	29,406
Environmental obligations	10,874	15,815
Asset retirement obligations	192	156
Amortization of tangible capital assets	25,703	26,043
Salaries and employee benefits	19,936	17,927
Professional services	10,605	12,166
Goods and services	5,306	6,063
Loss on disposal of capital assets	9	-
Total Expenses	**166,386**	**147,821**

4.6.14 PARLIAMENTARY APPROPRIATIONS

(In thousands of Canadian dollars)	December 31, 2024 $	December 31, 2023 $
Parliamentary appropriations requested	147,492	83,722
Use of working capital	-	36,000
Long-term contractual holdbacks	(846)	(4,731)
Total Parliamentary Appropriations Recognized as Revenue	**146,646**	**114,991**
Distribution		
Portion of transfer payments for operating expenses	138,379	104,969
Portion of transfer payments for tangible capital assets	8,267	10,022
Total Parliamentary Appropriations Recognized as Revenue	**146,646**	**114,991**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