

Expo 2025

Projected Attendance, Operating
Budget & Economic Impact

October 2016

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Methodology

PwC was retained by World Expo Canada Bid Corporation to provide input to a 2025 World Expo Feasibility Study. The scope of PwC’s work focused on preliminary budget considerations and economic benefits associated with hosting an Expo

Scope of Mandate

- PwC was retained by the World Expo Canada Bid Corporation (“WECBC”), as part of a broader consulting team, to provide input into the preparation of a Feasibility Study for a potential World Expo Canada 2025 (“Expo 2025”), the purpose of which is to outline, at a high level, the potential benefits and costs associated with holding a World Expo in Canada in 2025, with the event being staged within the Port Lands area of Toronto.
- PwC’s specific scope of work included the following:
 - Preparing a preliminary budget estimate outlining the potential range of revenues and operating expenditures which the event could be expected to incur; and
 - Providing an estimation of the potential economic benefits which the hosting and staging of a World Expo may be expected to impart within Canada, Ontario and Toronto.
- Benchmarked Expo attendances against various metrics;
- Undertook a Penetration Rate analysis of previously held World Expos;
- Undertook a trends analysis of Expo attendances and penetration rates to derive an initial visitation estimate for an event held in Canada and staged in Toronto in 2025;
- Benchmarked World Expo operating revenue and costs to derive preliminary estimates for an event held in Canada and staged in Toronto in 2025;
- Developed preliminary estimates of net incremental visitation and net incremental visitor spending;
- Used costing information provided by Arup and Hanscomb to quantify the potential incremental economic benefits associated with staging a World Expo in Canada in 2025;
- Undertook a high level qualitative assessment other economic benefits associated with previously held World Expos;
- Undertook and high level risk assessment; and
- Prepared an initial, high level estimate of the cost associated with preparing a formal bid to the BIE.

Methodology

- PwC’s approach in completing this high level review included the following:
 - Reviewed previous feasibility studies prepared for potential World Expos to be held in Toronto;
 - Assembled and reviewed Bid Dossiers prepared for previous and upcoming World Expos;
 - Assembled and reviewed Final Reports and other materials presenting the financial outcomes from previously held World Expos;
 - Held discussions with officials from the Bureau International des Expositions (“BIE”);

The reader should note that this Report is a high level feasibility study examining the potential visitation / attendance, operating budget and economic impact of a World Expo held in Canada and staged in Toronto in 2025. A detailed review, including comprehensive consumer market surveys, has not been undertaken, nor should one infer that such a study has been undertaken. Additional General Assumptions and limiting conditions are included in an appendix to this Report.

What is an Expo

World Expos are global trade, innovation and commerce events which aim to educate the public, share innovation, promote progress and foster cooperation. World Expos are used to help promote a nation and city, attract visitors and demonstrate leadership

What is a World Expo

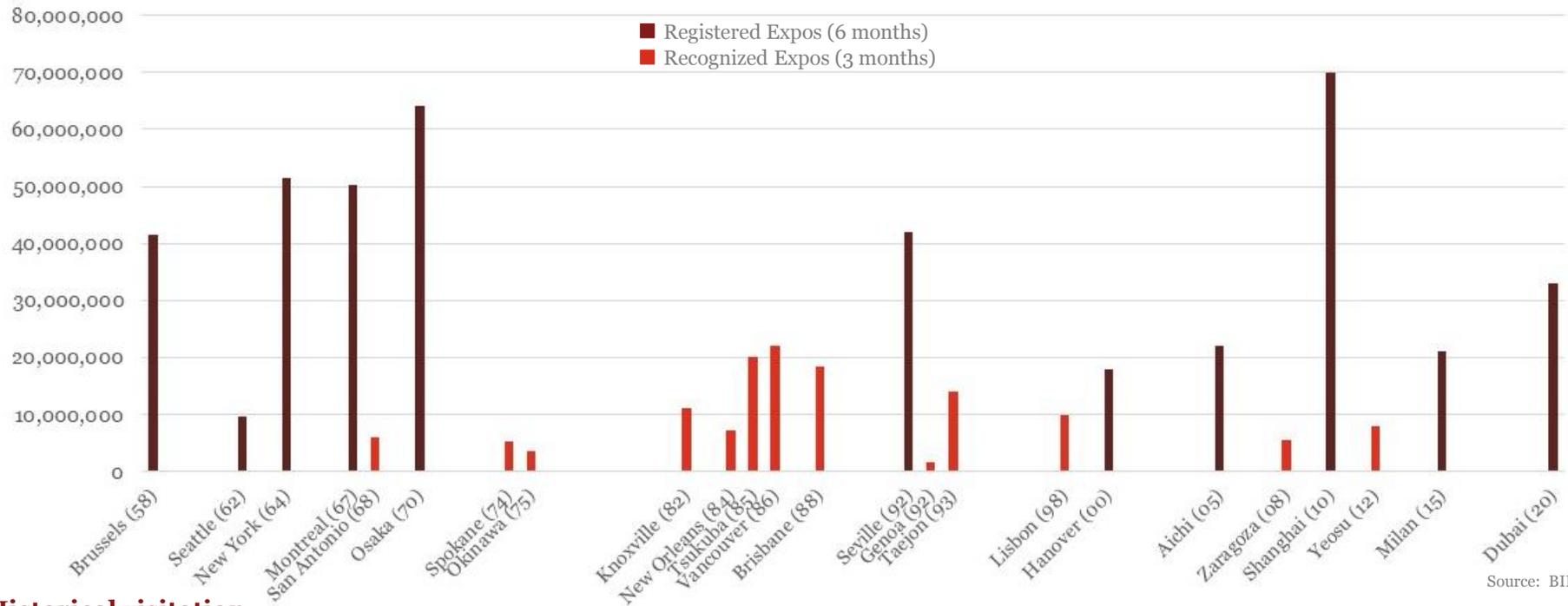
- A World Expo is a global event which aims to educate the public, share innovation, promote progress and foster cooperation. Held every five years, Expos provide an opportunity for the development of new ideas and innovations that will address the challenges facing humanity.
- A World Expo is organized by a host country and invites other countries, companies, international organizations, the private sector, the civil society and the general public to participate. Due to the diversity of its participants, from top decision makers to children, Expos offer a multifaceted event where extraordinary exhibitions, diplomatic encounters, business meetings, public debates and live shows take place at the same time.
- A World Expo is not a consumer event, but rather is a six-month forum which attracts nations, international organizations and corporations to facilitate trade, innovation and commerce. As an operation, World Expos are, for the most part, operated to achieve break-even operations.
- World Expos are a “Mega Event” which are, in some ways, analogous to Olympic Games in their combined power to provide host cities with a heightened profile on a world stage by bringing real economic opportunities, investment and business visitors. Mega events of this scale can act as a catalyst for transformative regeneration opportunities and provide a tangible economic boost that extends across supply-chains, jobs and the entire country.

Why Bid for a World Expo

- Countries bid to host the World Expo for a variety of reasons:
 - As a unique and unparalleled way of promoting a city and country, its culture and tourist attractions, its business credentials and its global status;
 - As a way of attracting millions of visitors and delivering significant business opportunities through trade and investment deals;
 - As a means of demonstrating leadership in bringing nations and citizens together to discuss solutions for the problems the world is facing; and
 - As a powerful way to kick-start the physical redevelopment of a greenfield or urban brownfield site while leaving behind a major legacy.

Attendance

Expos are a large scale, limited duration event lasting approximately six months (for “Registered” International Expositions), or three months (for “Recognized” International Expositions)



Historical visitation

- Attendance at International Expositions held since 1958 has varied significantly from a low of 1.3 million at Genoa Italy’s 1992 Expo, to a high of over 70 million at Shanghai’s 2010 Expo. Dubai 2020 is currently estimating total attendance of approximately 33.2 million.
- Registered Expositions, principally because of their length, attract more visitors than Recognized Expositions. From 1958 through 2015, Registered Expositions have attracted an average of 37.6 million visitors; since 1992, Registered Expositions have attracted an average of 34.6 million visitors (25.8 million excluding Shanghai).
- Recognized Expositions staged between 1968 and 2012 have attracted an average of 10.2 million; since 1992 Recognized Expositions have attracted an average of 7.9 million visitors.
- Previous Expos held in Canada, attracted slightly more than 50 million (Montreal Expo 67) and slightly more than 21 million (Vancouver Expo 86) visitors.

Attendance at Expos by Participant Countries has increased substantially since 1992. Attendance by “Other Official Participants”, “Non-official Participants” and local / provincial governments has generally varied by location

Year	Event	Participant Countries	Other Official Participants	Non-Official Participants	Local & Regional Governments	Total
1958	Brussels	49	7	89	22	167
1962	Seattle	44	2	158	1	205
1964/65	New York	37	0	70	25	132
1967	Montreal	61	3	32	14	110
1968	San Antonio	22	2	23	3	50
1970	Osaka	73	4	40	9	126
1974	Spokane	10	2	86	7	105
1975	Okinawa	33	4	14	1	52
1982	Knoxville	16	1	34	8	59
1984	New Orleans	16	3	41	16	76
1985	Tskuba	47	34	28	1	110
1986	Vancouver	45	3	9	12	69
1988	Brisbane	37	3	26	12	78
1992	Genoa	47	5	24	0	76
1992	Seville	111	7	38	17	173
1993	Taejon	104	5	24	14	147
1998	Lisbon	153	13	3	7	176
2000	Hanover	162	12	9	0	183
2005	Aichi	121	4	16	11	152
2008	Zaragoza	105	4	8	21	138
2010	Shanghai	169	24	16	103	312
2012	Yeosu	104	1	9	23	137
2015	Milan	145	n/a	n/a	n/a	n/a

Source: BIE

Historical participation

- Participation by foreign countries is dependent in part on the overall theme and sub-themes of the Expo as well as on the availability of funding for would-be participant nations (and on diplomatic influence by the host country).
- For the five Expos which occurred between 1992 and 2005, 111 countries have attended at least three, while 83 attended four and 38 attended all five.
- Operating budgets for Expos typically include subsidy allowances for less developed nations, with such subsidies including allowances for pavilion rent, fit-out and staff accommodation, among other expense items.
- Other Officials Participants include organizations like the United Nations and the World Bank, the presence of whom is similarly dependent on the overall theme of the Expo and financial considerations.
- As noted in the accompanying table, attendance by Participant Countries increased dramatically in 1992, following the break-up of the former USSR. Prior to 1992, Expos generally attracted an average of 38 countries; after 1992, Expos have generally attracted an average of 130 countries.
- Overall, since 1992, Expos have generally attracted an average of 177 participants, including countries (130), other official participants (9), non-official participants (15) and local and provincial governments (24); excluding Shanghai, since 1992, Expos have generally attracted an average of 158 participants, including countries (125), other official participants (7), non-official participants (15) and local and provincial governments (13).
- The BIE, as of September 2016, has 169 member countries (neither Canada nor the United States are members of the BIE).

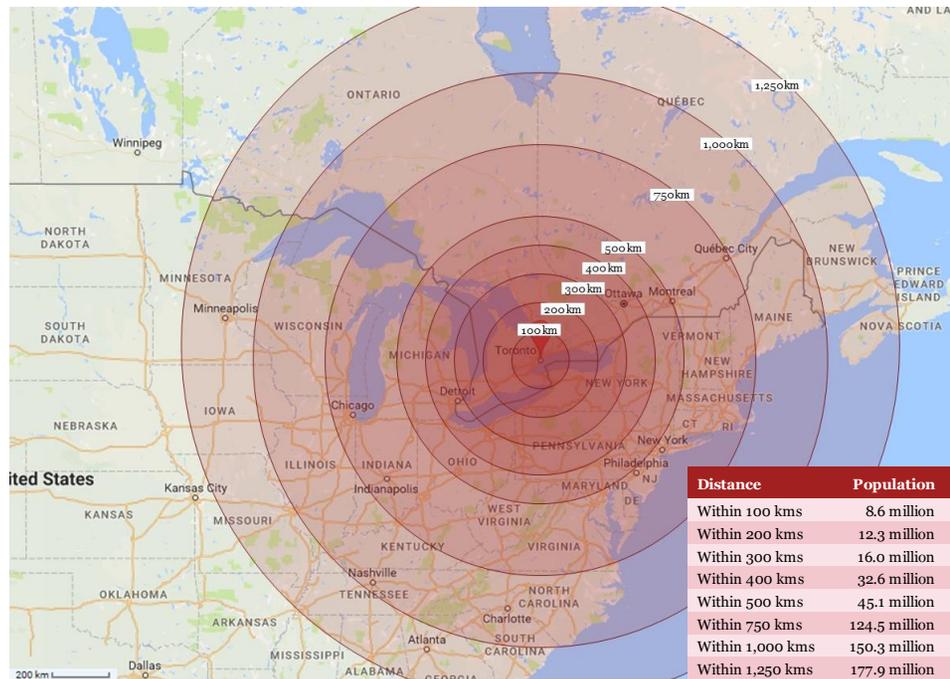
Total Expo visitation will be driven by a combination of factors, including (a) the size of local / regional population base, (b) the city’s perception as a tourist destination, (c) the Expo site, (d) the Expo’s theme and entertainment content, (e) pricing and marketing, and (f) the nature and number of exhibits and exhibitors



Observations

- Generally, the larger an urban area the Expo (or any event) is located within, the higher is the propensity to attract greater numbers of potential attendees.
- Similarly, locations which are viewed as established national and international tourist destinations have a greater propensity to attract foreign visitors.
- Where Expos are situated in locations with dramatic vistas, whether natural or man-made (including iconic facilities developed as part of the Expo), they tend to generate higher attendance (by both locals and foreign tourists).
- In order to appeal to the largest number of visitors and participants, the Expo needs to present an appealing and compelling theme and have sufficient entertainment content to provide an engaging visitor experience. Such elements impact both length of stay as well as influence the propensity of a visitor to spend more than one day at the Expo.
- Like most events, if attending the Expo is perceived as too expensive (whether from a site admission, concession, merchandise, accommodation, travel, or other perspective), total attendance will be negatively affected.

While the theme, entertainment content, pricing and the nature / number of exhibits and exhibitors associated with a proposed 2025 Expo held in Canada and staged in Toronto are still to be defined, Toronto’s location and global standing as an international tourist destination are known and well-established



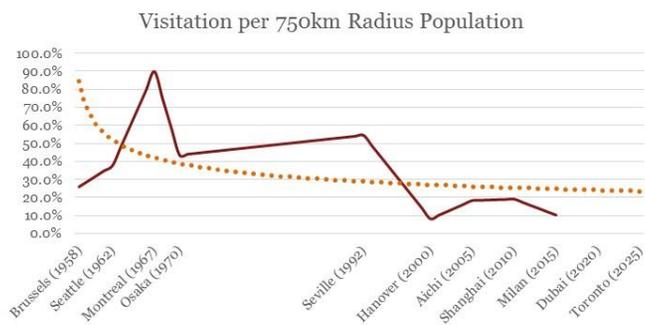
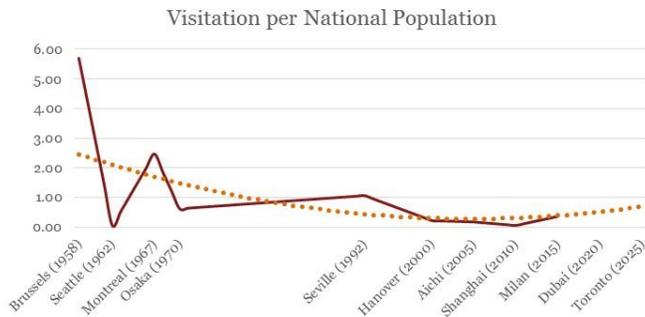
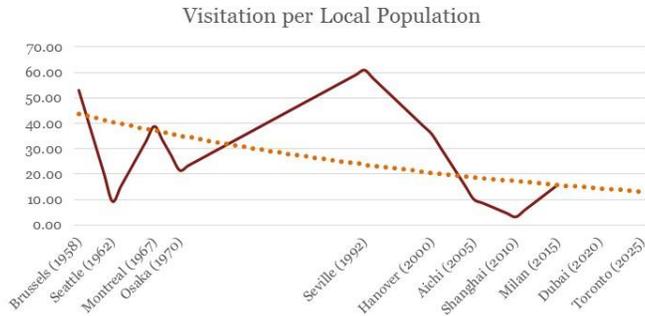
Observations

- The city of Toronto is currently home to some 2.8 million residents while some 6.6 million reside within the Greater Toronto Area. Toronto is currently the seventh largest metropolitan region in North America. By 2025, the population of the City of Toronto is forecast to increase to almost 3.2 million, while the total population of the GTA is estimated to be more than 7.7 million.
- Within 750 kilometres of Toronto, generally thought to be a one day’s drive, are an estimated 125 million people, the majority of whom reside in the United States.
- Toronto is one of the most multicultural cities in the world, with over 140 different languages and dialects spoken in the region.
- Toronto’s global prominence is also noted in it being the fourth ranked city in North America in 2015 in terms of the number of overnight international visitors (29th largest in the world), behind New York, Los Angeles and Miami.
- Toronto is readily accessed by automobile, inter-regional train and by air, where Toronto’s Pearson International Airport is the world’s 33rd busiest in 2015 in terms of total passenger traffic.
- In comparison to cities which have hosted the most recently held International Expositions, Toronto ranks below cities such as Milan (2015) and Shanghai (2010) in terms of total population within 750 km (Milan has an estimated 210 million people while Shanghai has an estimated 400 million people residing within 750 km) and in terms of total overnight international visitation. Toronto also ranks below Hanover (2000) and is of an equivalent size to Aichi (2005) in terms of total population within 750 km (225 million and 125 million respectively).

Rank	City	# of Overnight International Visitors	Rank	City	# of Overnight International Visitors
1	London	18.82 million	9	Seoul	10.35 million
2	Bangkok	18.24 million	10	Hong Kong	8.66 million
3	Paris	16.06 million	14	Rome	7.41 million
4	Dubai	14.26 million	15	Milan	7.17 million
5	Istanbul	12.56 million	17	Shanghai	5.85 million
6	New York	12.27 million	20	Los Angeles	5.20 million
7	Singapore	11.88 million	25	Miami	4.52 million
8	Kuala Lumpur	11.12 million	29	Toronto	4.18 million

Source: MasterCard, PwC research

While total Expo visitation has varied greatly, total visitation per capita (considering local, regional and national populations) has been in decline since 1958. Trend analysis indicates continued decline through 2025.

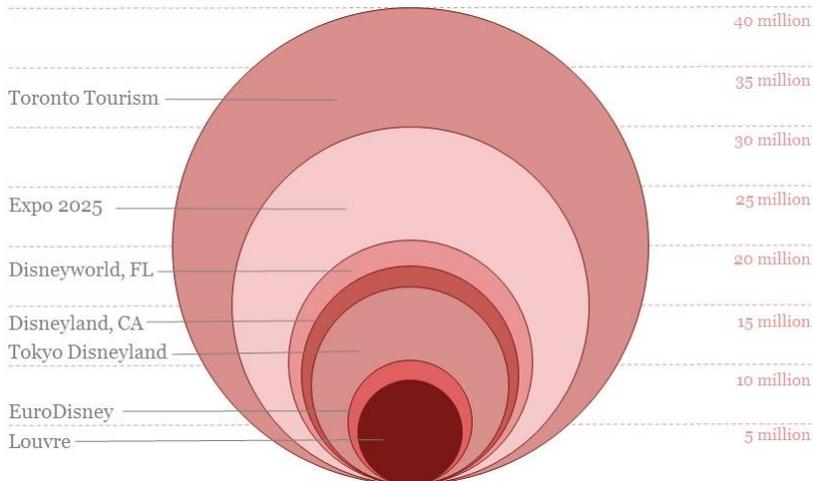
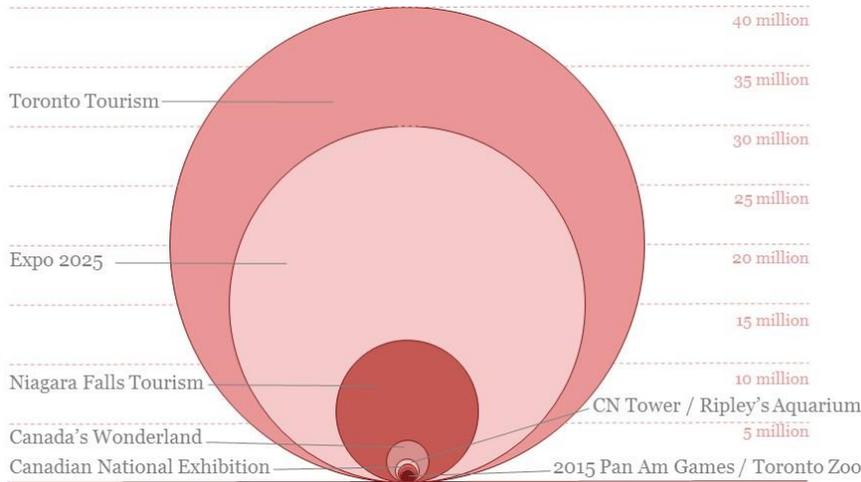


Source: BIE, PwC research

Observations

- The accompanying charts graphically depict actual Expo attendance against the population of the host Expo city and country at the time of the event (local is classified as the size of the “city” as opposed to the larger regional area where the city is located), as well as against the size of each city’s broader “regional” population (within 750 km).
- While total attendance per local population has varied (the outlier being Seville Spain in 1992 - the timing of this Expo coincided with the Barcelona Summer Olympic Games), the general trend has been for total visitation to decline as a percentage of local population. Trend analysis indicates that an event staged in Toronto in 2025 (projected population of some 3.2 million) could attract total attendance equal to approximately 10 times the City of Toronto’s 2025 population, or 32 million total visitors.
- Total visitation as a percentage of the total population of the country where Expos are situated has also declined. The most recently held Expo (Milan 2015) realized total visitation of approximately 21.5 million, equal to 36% of its national population. Dubai (2020) is projecting total attendance in the range of 33.2 million, 2.5 times its projected 2020 population (Dubai is also projecting a significantly higher share of foreign / overseas visitation compared to previous Expos). Trend analysis indicates that an event held in Canada in 2025 (projected population of approximately 40 million) could attract total attendance equal to approximately 60% to 80% of its projected population, or some 24 to 32 million visitors.
- Total visitation measured against each city’s regional population (i.e., with 750 km) has also shown a decline. Trend analysis indicates that an event staged in the region centred around Toronto could attract in the range of 20% to 25% of this population, or approximately 25 to 30 million.
- **Based on the above, it is preliminarily estimated that an Expo held in Canada and staged in Toronto in 2025 could achieve total visitation in the range of approximately 30 million.**
- Should consideration of an Expo held in Canada and staged in Toronto in 2025 progress, it is strongly recommended that consumer surveys be completed to confirm total potential visitation.

With a projected total visitation of approximately 30 million, an International Expo held in Canada and staged in Toronto would be the single largest event to take place in that city, attracting more people than currently visit or attend some of the city's, country's and world's largest tourist destinations



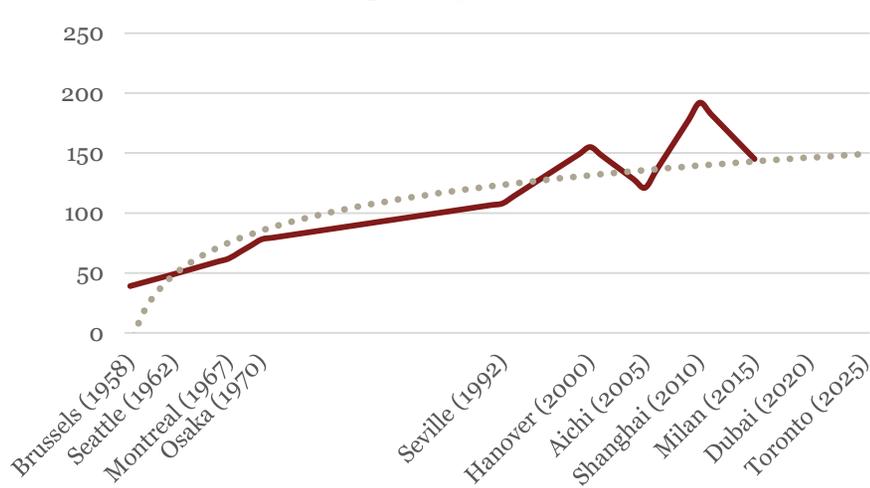
Source: City of Toronto, Themed Entertainment Association /AECOM, attraction websites

Observations

- Per Tourism Toronto, the City currently attracts some 40 million visitors annually, making it the leading tourist destination in Canada. In 2015, the City attracted more than 14 million overnight visitors. Almost 2.5 million overnight visitors came from the United States and approximately 1.75 million were from overseas. An Expo would be expected to significantly add to these totals.
- In comparison to other area tourist attractions, destinations and events, an Expo could attract more than 8.3 times the number of visitors who annually visit Canada's Wonderland, almost 19 times the number who annually attend the Canadian National Exhibition, and more than 27 times the number of people who purchased tickets to attend the 2015 Pan Am Games.
- In comparison to international attractions, an Expo held in Toronto in 2025 would attract more people than attended any Disney theme park globally in 2014 (where Disneyworld in Florida was the largest theme park in the world in terms of total annual attendance).

An Expo held in Canada and staged in Toronto could attract some 150 participating countries in addition to official participants, non-official participants and local / provincials governments from around the world and Canada

Participating Countries



Country Exhibition Pavilions		
Canada	1	
Toronto / Ontario Other Canadian	4	
Foreign Countries - Small	18	
Foreign Countries - Medium	22	
Foreign Countries - Large	15	
Foreign Countries - Cluster Pavilions	90	150
International Organizations / NGO's		
Small	35	
Medium	10	
Large	4	49
Corporate Pavilions	17	17
TOTAL PARTICIPATION		216

Source: BIE, Arup, PwC research

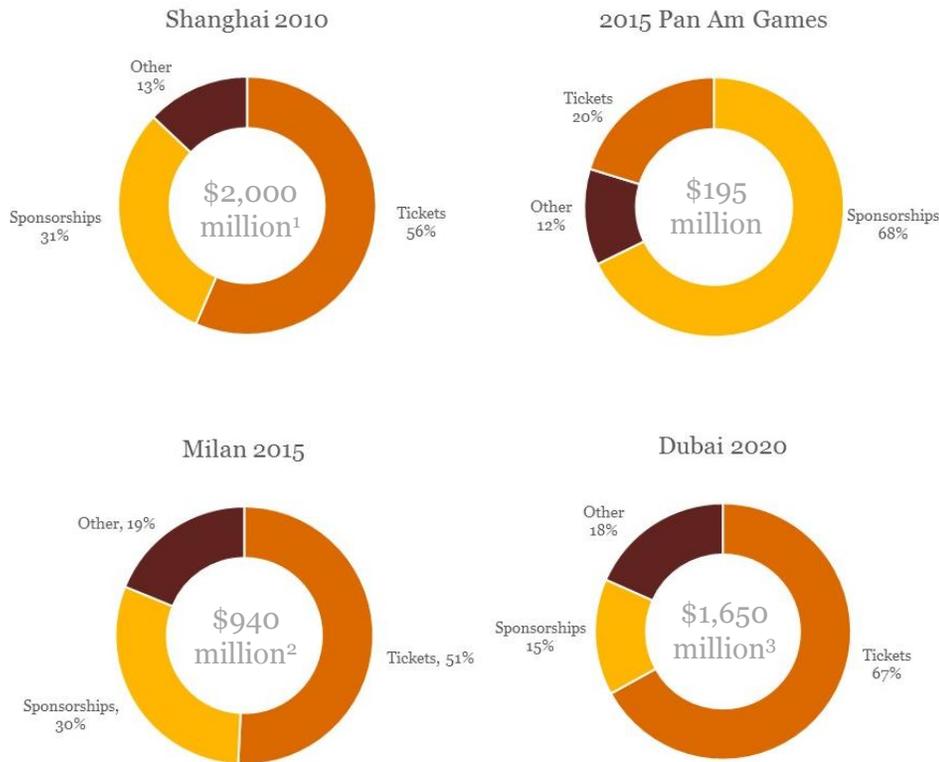
Observations

- Canada is generally regarded globally as economically and financially stable, open, friendly and welcoming. A recent survey of countries and their perceived image globally ranked Canada first (Switzerland was second). Canada is also perceived as a good place for tourism and strong environmentally.
- PwC's 2016 edition of *Cities of Opportunity*, a global survey which benchmarks 30 global cities against an extensive set of 10 indicators and 67 underlying variables to gain insight into what makes cities thrive, ranked Toronto as the **third best city** in which to live and work behind only London (#1) and Singapore (#2), and ahead of Paris (#4), Amsterdam (#5) and New York (#6).
- Attracting participant countries will require strong global relationships and the ability to market the host city as a “global city”, one which has an international and cosmopolitan population and which can provide easy access. More than 130 nations have Embassies in Canada, and more than 100 countries have consular offices in Toronto.
- Canada also maintains more than 260 offices in some 150 countries around the world.
- Based on historic trends of country participation in Expos since 1958, it is estimated that some 150 countries could agree to participate in an Expo if one were to be held in Canada and staged in Toronto in 2025.
- **For the purpose of this assessment, it is assumed that an International Expo held in Canada and staged in Toronto in 2025 could be able to attract a total of ±150 Participant Countries, in addition to ±50 Official Participants and ±15 to 20 non-official participants.**

Operating Revenue

Operating revenue generated by previous Expos vary widely. Principal sources of income are from ticket sales and sponsorships

Total Event Revenue



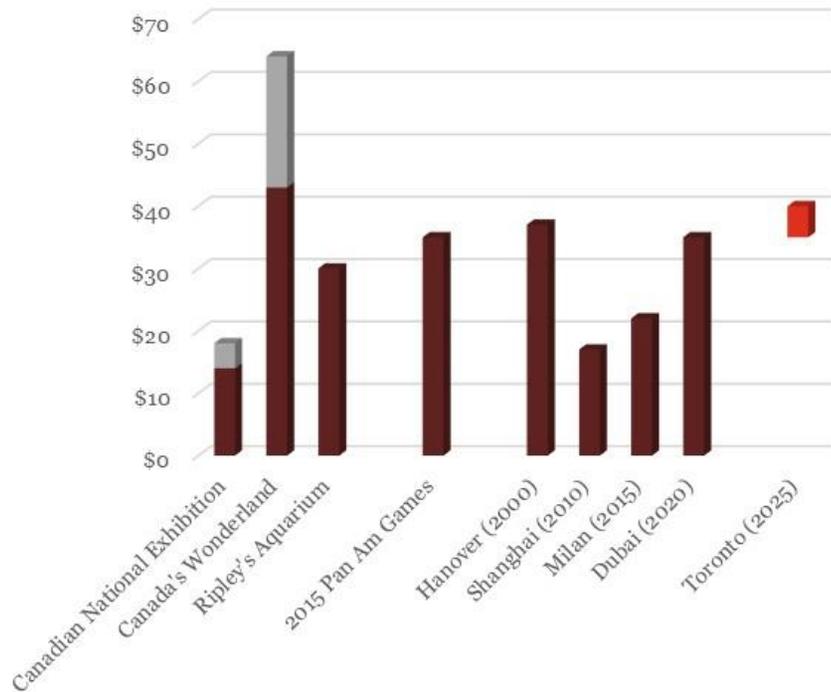
1. Actual revenue identified as ¥13.014 billion 2010
 2. Actual revenue identified as €736.1 million in 2015
 3. Total revenue estimated to be €1,250 million in 2020; converted to C\$2016 using average exchange rate for 2016 (0.755669)
- Source: BIE, Auditor General of Ontario, PwC research

Observations

- Revenues generated by the most recently completed Expos indicate a relatively wide range, from approximately C\$1.0 billion in 2015 (Milan) to some C\$2.0 billion in 2010 (Shanghai). Interestingly, revenues attributable to admission ticket sales at both events comprised approximately 50% to 55% of total revenue for the event. Revenue from sponsorships comprised a similar 30% of total revenue while revenue from other sources comprised between 13% and 19%.
- Unlike the previously two completed Expos, Dubai 2020 is projecting total revenue from ticket sales to generate two-thirds of their gross revenue. While revenue from sponsorships is expected to only account for 15% of all revenue.
- In comparison, revenue from ticket sales for the 2015 Pan Am Games comprised 20% of total revenues, while revenue from sponsorships (both cash and in-kind) comprised 68%.
- “Other Revenue” is generally from the following sources:
 - Food and beverage / concessions (generally the event will receive a percentage of gross sales from a third party concessionaire)
 - Pavilion rentals (including land or building space rental and associated operating cost recoveries)
 - Merchandise and licensing (where the event would receive a commission / royalty from merchandise sold)
 - Other sources including, for example, accommodation (where housing / accommodation is rented to participating countries / organizations / corporations / local and provincial governments), entertainment ticket sales (where specialty concerts / entertainment events are programmed), parking, and the sale of assets after the conclusion of the event

A variety of ticketing models have been utilized by Expo event organizers, including offering season passes, multiple day admission tickets, single day admission tickets, evening-only admission tickets and group passes

Average Ticket Prices



Observations

- Average ticket revenue per visitor at the Hanover (Germany) Expo 2000 was \$37 (expressed in C\$2000). It should be noted that event organizers originally projected average ticket revenue per visitor of closer to C\$65; total visitation was, however, less than 50% of original projections, a result generally attributed to the high cost of attendance.
- Shanghai (2010) and Milan (2015) realized ticket revenue per visitor of \$16 (expressed in C\$2010) and \$22 (expressed in C\$2015), and attracted total visitation closer to original estimates. Dubai 2020 is projecting average ticket revenue per visitor of \$37 (estimated using current exchange rates).
- During the recently held 2015 Pan Am Games, the event realized revenue per ticket sold of \$35.
- **For the purpose of this assessment, it is assumed that an Expo held in Canada and staged in Toronto in 2025 could realize average ticket revenue per visitor of between \$35 and \$40 (expressed in C\$2016), and generate some \$1,050 million to \$1,200 million (C\$2016).**
- By way of comparison, current ticket prices for Toronto-area attractions range from \$14 to \$18 for the Canadian National Exhibition, \$30 at the Ripley’s Aquarium, and \$43 to \$64 for Canada’s Wonderland (on-line price and “at the gate” price).
- Assuming a ticket distribution similar to past Expos (70% single day admissions, 25% to 30% multi-day passes and less than 5% season passes, total visitation to an Expo held in Canada and staged in Toronto in 2025 is projected to be in the range of 18.4 million unique visitors (i.e., each person would make an average of 1.63 visits).

	Distribution of Ticket Sales	Frequency of Attendance	Total Attendance by Ticket Category	
Single Day	70.0%	1.00	12,900,000	
Three Day	27.5%	2.75	13,900,000	
Season Pass	2.5%	7.00	3,200,000	
Average Ticket Price			\$35	\$40
Total Ticket Revenue			\$1,050 million	\$1,200 million

Source: Attraction websites, Auditor General of Ontario, BIE, PwC research

Similar to mega sporting events like the Olympics and Pan Am Games, the securing of corporate sponsorships in categories such as official sponsor and official supplier provide lucrative revenue sources for International Expositions

Lead Partner 2015 Pan Am Game Sponsors



Premier Partners



Opening Ceremony Creative Partner



Official Broadcaster



Official Suppliers



Proud Supporters

Aklands-Grainger Farms IncDivision Sports-Rep Inc. Visual Canada Medal Systems Morningside Hospitality Services Inc. Starwood Hotels and Resorts Canada 407 ETR	ATCO Structures & Logistics The Canadian Press ELEIKO Gateman-Milloy Inc. La Presse Nautique Boats TBM Service Group Vision Critical	BT/A Advertising Carbon60 Networks Esri Canada George Brown College LifeLabs Medical Laboratory Services ONRoute Highway Service Centres TLN Teletatino YouAchieve	Burnbrae CCG Freeman Audio Gerflor Gold Minavox PortToronto VIA Rail ZOLL
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Milan 2015 Sponsors

Official Global Partners (each contributing greater than €20 million)



Official Premier Partners (each contributing between €10 million and €20 million)



Officials Partners (each contributing between €3 million and €10 million)



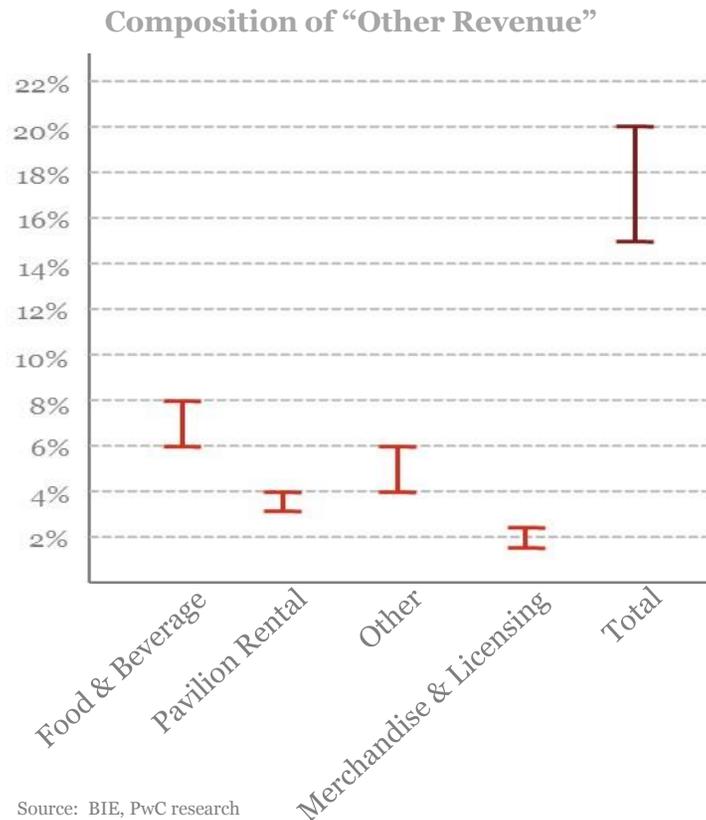
Source: 2015 Pan Am Games, Milan 2015 web site

Observations

- Previously held International Expos were able to secure sponsorship revenues in the range of \$600 million in Shanghai (C\$2010) and \$285 million in Milan (C\$2015). Dubai 2020 is currently projecting sponsorship revenue in the range of \$250 million (estimated using current exchange rates). By comparison, the 2015 Pan Am Games generated \$131.6 million in total corporate sponsorships.
- Like previous Expos and major sporting events, categories of sponsorships could include “Lead Partner / Presenting Partners”, “Official Suppliers / Partners” and “Proud Supporters”.
- Securing sponsors will be dependent on a number factors, including the overall theme and sub-themes of the Expo, size of the local and national corporate base, expected level of participation by foreign countries, and projected visitation. Sponsor categories could include over-arching sponsorships (i.e., sponsor of the event itself), physical asset / geographic area sponsor, theme / programming sponsor, and official supplier.
- **For the purpose of this assessment, it is assumed that an Expo held in Canada and staged in Toronto in 2025 could generate total sponsorship revenue in the range of \$205 million to \$230 million.**

Sponsor Category	Number	Amount	Total revenue
Lead Partner	1	\$20 million	\$20 million
Premier Partners	5	\$10 - \$15 million	\$50 - \$75 million
Official Suppliers	15	\$5 million	\$75 million
Proud Supporters	30	\$2 million	\$60 million
Total Sponsorship Income			\$205 - \$230 million

Other revenue, from sources like concessions / food & beverage, pavilion rentals by participating countries, merchandise sales and licensing have historically combined to comprise 15% to 20% of total revenue



Observations

- Other revenue generally comprises 15% to 20% of total event revenue. Other revenue includes:
 - Concessions / Food & Beverage: Typically, the event will contract out food & beverage operations and concessions to a third party or consortium of vendors. The event would then receive a percentage of gross sales and / or rent (if the Expo also provides the physical building space). Revenue from concessions has generally ranged between 6% and 8% of total revenue.
 - Pavilion rentals: Generally Expo participants are given the option of building their own pavilions or occupying space within either existing buildings or in new structures built for the Expo. The Expo would then receive income from either land or space rental, in addition to direct costs incurred from the operations of those facilities (including, for example, hydro, water, telecommunications, etc.). Revenue from space rental to Expo participants generally ranges between 4% and 6% of total income.
 - Merchandise sales: In the same manner, Expos will typically contract with retailers to sell Expo-branded merchandise (t-shirts, books, etc.) and will also enter into licensing arrangements for the use of Expo logo / trademark. Like concessions / food & beverage, the Expo would receive a royalty on total sales. Revenue from merchandise has varied widely but generally approximates 3% to 4% of total revenue.

Other revenue, from sources like concessions / food & beverage, pavilion rentals by participating countries, merchandise sales and licensing, broadcast revenues and income from other sources have historically combined to comprise 15% to 20% of total revenue

Observations

- Other: Other income typically generated by an Expo includes rent for accommodation (where the Expo provides accommodation for pavilion staff), entertainment ticket sales (where specialty concerts / entertainment events are programmed), broadcast revenue, parking, and the sale of assets after the conclusion of the event. Other income typically comprises 2% of total revenue.
- **For the purpose of this assessment, it is assumed an Expo held in Canada and staged in Toronto in 2025 could generate other revenue from concessions, food & beverage, pavilion rental, merchandise sales and licensing, in the range of \$225 million to \$370 million.**

	Range of Total Revenue	Estimated Revenue Range	
Food & Beverage / Concessions	6% - 8%	\$90 million	\$145 million
Pavilion Rental	4% - 6%	\$45 million	\$110 million
Merchandise & Licensing	3% - 4%	\$60 million	\$75 million
Other	2%	\$30 million	\$40 million
Total Other Revenue		\$225 million	\$370 million

Source: PwC research

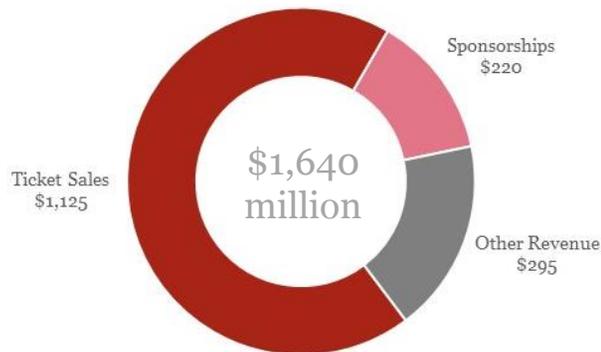
An International Exposition held in Canada and staged in Toronto in 2025 is preliminarily projected to generate total revenue in the range of \$1,480 million to \$1,800 million

	Estimated Revenue Range	
Ticket Sales	\$1,050 million	\$1,200 million
Sponsorships	\$205 million	\$230 million
Other Revenue	\$225 million	\$370 million
Total Other Revenue	\$1,480 million	\$1,800 million

Conclusions

- **For the purpose of this assessment, it is preliminarily estimated that an Expo held in Canada and staged in Toronto in 2025 could generate total revenue from ticket sales, sponsorships and other sources in the range of \$1,480 million to \$1,800 million with a mid-point of \$1,640 million, depending, in part, on total visitation to the Expo site.**

Projected Mid-Point Revenue

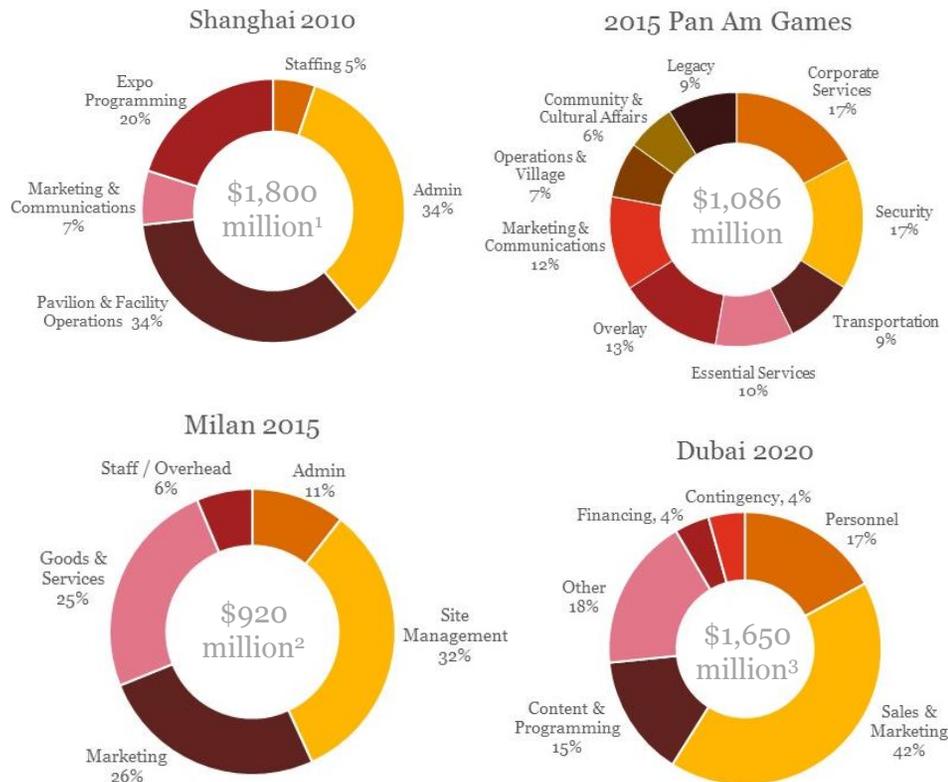


Source: PwC research

Operating Expenses

An Expo will incur operating costs associated with planning for and organizing the event, operating it during the exhibition period, and finally when transitioning the site and facilities for their long-term legacy use

Total Event Expenses



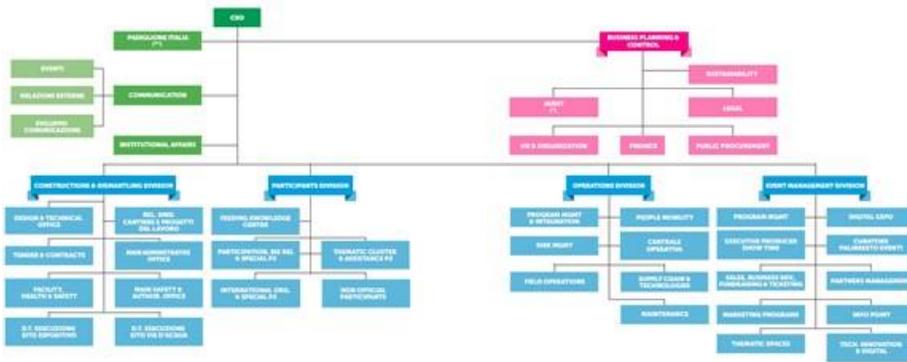
1. Estimated to have been ¥11.964 billion in 2010
 2. Estimated to have been €721.2 million in 2015
 3. Estimated to be €1,250 million in 2020, converted to C\$2016 using average exchange rate for 2016 (0.755669)
 Source: BIE, Auditor General of Ontario, PwC research

Observations

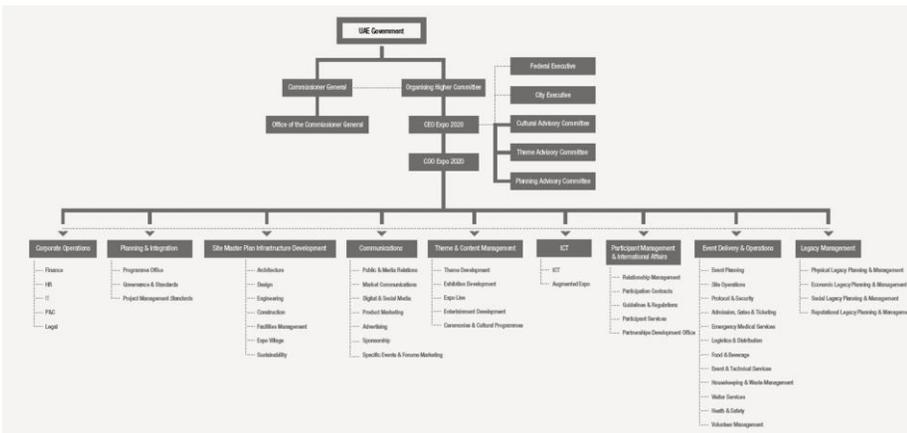
- Operating expenses for previously held International Expositions have ranged between approximately \$920 million in Milan (C\$2015) and \$1,800 million in Shanghai (C\$2010). Dubai is currently projecting total operating expenses in the range of \$1,650 million (C\$2016 using current exchange rates).
- Unlike operating revenues, operating expenses incurred to run an Expo do not appear to be consistent. For example, Shanghai allocated only 7% of its budget on marketing and communications, whereas Milan allocated 26% of its budget to marketing. Dubai is projecting to allocate 42% of its budget on marketing (where Dubai is expecting a larger proportion of total visitation to come from foreigners). By comparison, the 2015 Pan Am Games’ marketing budget was approximately 12% of its budget.
- In planning for, organizing and operating the event, an Expo will generally incur operating expenses over an estimated seven year period, culminating the six-month event.
- Costs typically incurred when staging an Expo include:
 - Staffing
 - Venue and grounds operating costs
 - Programming
 - Marketing & communications
 - Overhead & admin
 - Security
 - Other (including, among other items, essential services, volunteers, royalty payments to the BIE, etc.)

As an approximate seven-year project, an Expo held in Canada and staged in Toronto in 2025 would need a scalable staffing plan, peaking in 2025 when the event is staged

Milan 2015 Organizational Structure



Shanghai 2020 Organizational Structure



Source: BIE, Milan 2015, Dubai 2020

Observations

- Our understanding is that in planning for their event, the Milan 2015 Expo projected a total staffing complement of approximately 650 FTEs. Hiring of full-time personnel was assumed to commence in 2009, seven years before the event and build up to a total staff complement of 650 during 2015. Based on reported financial results, however, Milan 2015 incurred significantly lower staffing costs than originally planned (approximately 50%).
- Dubai is assuming a total staffing complement of some 610 individuals, with the hiring of full-time personnel starting in 2014 (also seven years before the event).
- In developing assumptions for a 2025 Expo, the following assumptions were utilized:
 - Total staffing complement of between 500 and 600
 - Staff-up to commence in 2019
 - “C-suite” staff to total six persons in total, with two individuals hired initially
 - Senior staff (SVP / VP / Directors) to total 30 persons in total, with five individuals hired initially
 - Staff, including administrative staff, to total approximately 465 to 565 individuals in total, with 24 individuals hired initially
 - Staff take-up to occur incrementally and relatively evenly through the seven years leading up to the event
 - Staffing costs incur allowances for benefits (22%).

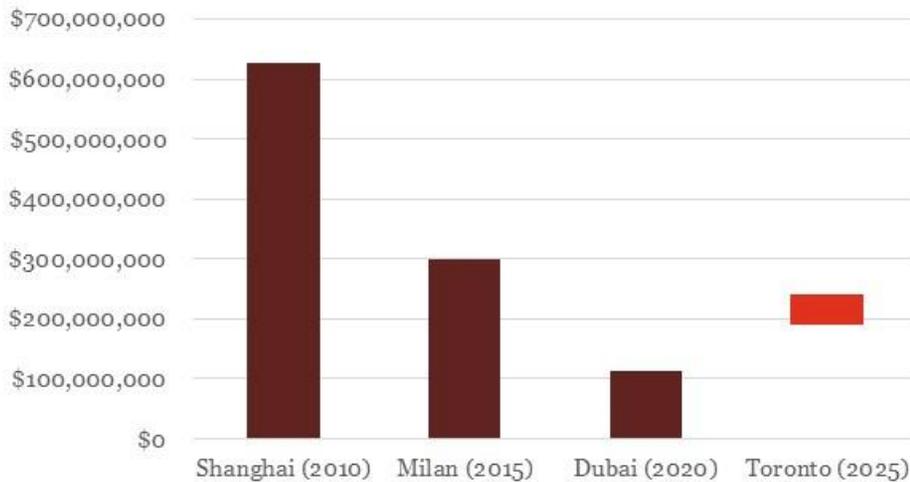
For the purpose of this assessment, it is assumed an Expo held in Canada and staged in Toronto in 2025 could incur a total staffing cost of some \$155 million to \$185 million.

Venue and grounds operating costs include expenditures associated with upkeep and maintenance of facilities, venues and pavilions, as well as utilities and grounds maintenance. A portion of these costs will be borne directly by facility occupants or charged back to users as additional rent

Observations

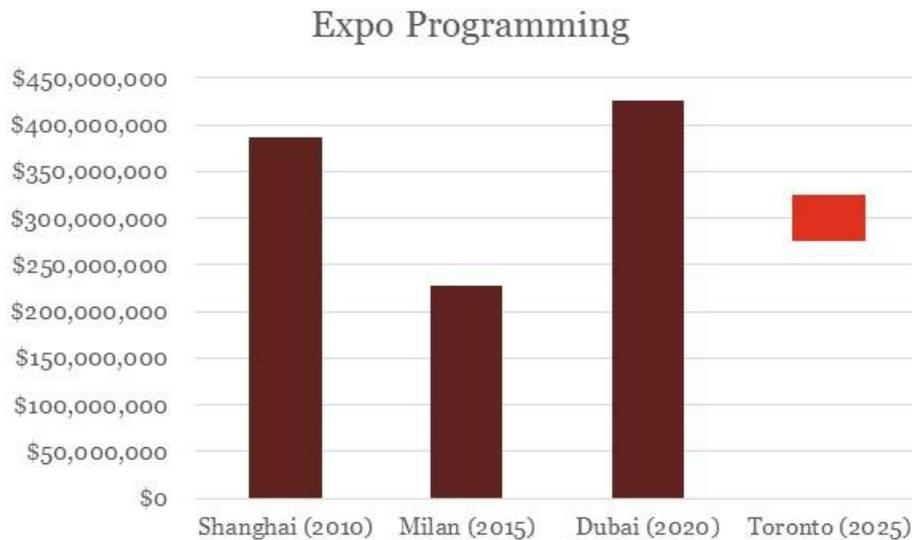
- Venue and grounds operating costs include costs associated with utilities, water, maintenance, janitorial, waste management, maintenance and engineering, repairs and minor capital repairs, etc. Facility related costs can be charged back to individual pavilion occupants, restaurant and catering tenants, on-site merchandisers, etc.
- Per Arup, some 30 million square feet of enclosed buildings will be developed on the Expo site.
- **For the purpose of this assessment, it is assumed an Expo held in Canada and staged in Toronto in 2025 could incur venue and grounds operating costs in the range of \$190 million to \$240 million.**
- This projected range is slightly lower compared to Milan 2015 (\$300 million in C\$2015), and less than half of what was incurred in Shanghai 2010 (\$630 million in C\$2010). Dubai is projected a total expenditure in the range of \$115 million (in C\$2016).

Venue and Grounds Maintenance



Source: BIE, PwC research

Programming includes expenditures associated with the Expo’s theme and concept development, entertainment production and design, and the staging of opening and closing ceremonies and cultural events

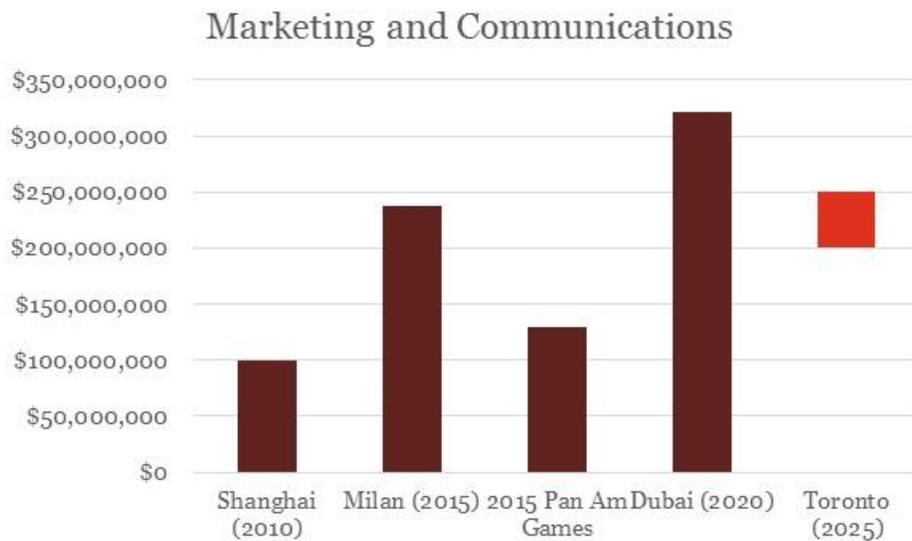


Source: BIE, PwC research

Observations

- Programming includes expenditures associated with articulating and presenting the Expo’s main theme(s) and sub-themes associated throughout the duration of the event. Programming includes upfront expenditures associated with theme and concept development, entertainment production and design, the staging of opening and closing ceremonies and the staging of various cultural events.
- **For the purpose of this assessment, it is assumed an Expo held in Canada and staged in Toronto in 2025 could incur programming and event operation expenditures in the range of \$275 million to \$325 million.**
- This projected range is above that incurred by Milan in 2015 (\$230 million in C\$2015), but less than incurred by Shanghai 2010 (\$390 million in C\$2010). Dubai is projecting a total expenditure in the range of \$425 million (in C\$2016).

Marketing and communications includes expenses for advertising, promotion, marketing material development and printing / publishing, digital and social media, media relations, etc.

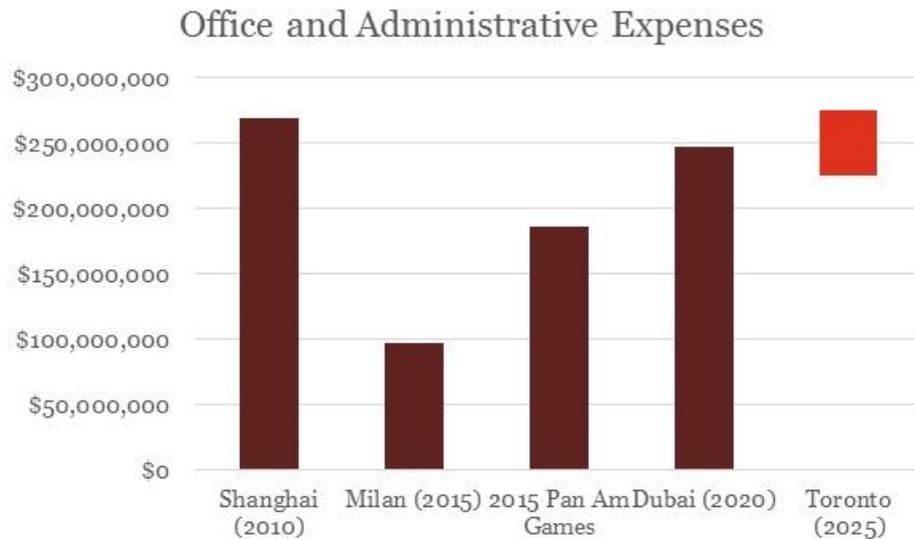


Source: BIE, Auditor General of Ontario, PwC research

Observations

- Marketing and communications will include expenses associated with media relations, public relations, advertising, marketing, digital and social media, research and promotional materials. Such expenditures will be used to advance the theme and sub-themes of the Expo in order to secure participating countries, official and non-official participants, and in order to entice residents and tourists to travel to and attend the Expo.
- **For the purpose of this assessment, it is assumed an Expo held in Canada and staged in Toronto in 2025 could incur marketing and communication expenses in the range of \$200 million to \$250 million.**
- This projected range is similar to that incurred by Milan in 2015 (\$235 million in C\$2015), but above that incurred by both Shanghai in 2010 (\$100 million in C\$2010) and by the 2015 Pan Am Games (\$130 million). Dubai is projecting a total expenditure in the range of \$320 million (in C\$2016); it should be noted that Dubai is projecting significantly higher attendance by foreigners than have historically been attracted to Expos.

Overhead and administrative expenses are costs associated with the management and oversight of the Expo 2025 corporation, and includes office costs, consultant fees, financial reporting and accounting expenses, IT expenses, insurance, etc.

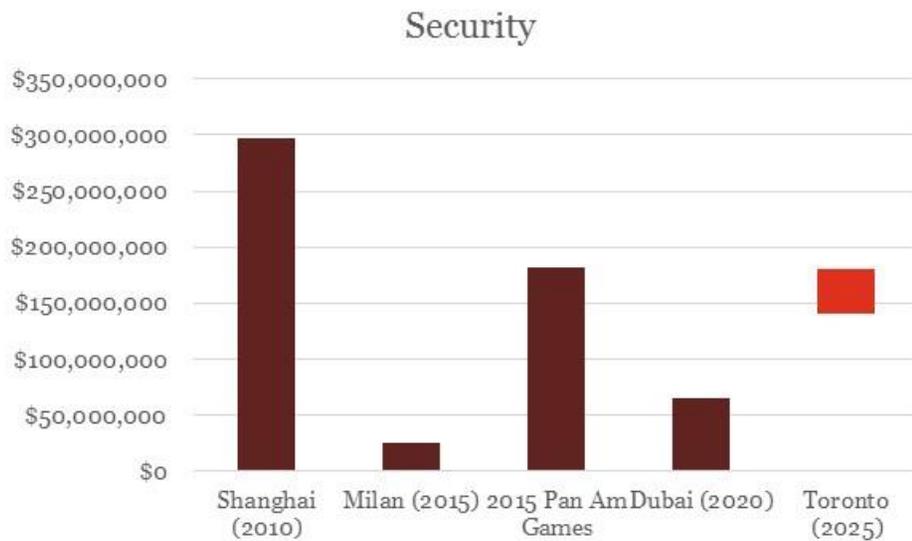


Source: BIE, Auditor General of Ontario, PwC research

Observations

- Corporate overhead and administrative expenses include costs associated with the management and oversight of the Expo event by the Expo “EventCo”. It includes costs associated with office space, technology, finance, purchased services, procurement, travel, corporate entertainment and hospitality, insurance, etc.
- **For the purpose of this assessment, it is assumed an Expo held in Canada and staged in Toronto in 2025 could incur corporate overhead and administrative expenses in the range of \$225 million to \$275 million.**
- This projected range demonstrates a gradual step in costs over previously held Expos (approximately C\$100 million for Milan 2015 and a projected C\$250 million for Dubai 2020) and the 2015 Pan Am Games (C\$180 million), and is equivalent to the \$270 million incurred by Shanghai in 2010.

Large scale international events such as Expos are complex in nature and evolve dynamically from the planning phase to the operation and execution phase of the event. Security associated with these events needs to address criminality, extremism and social anxieties, among other elements



Source: BIE, Auditor General of Ontario, PwC research

Observations

- As part of the broader feasibility study, a separate strategic security review was completed. This study evaluated contributing factors, undertook a threat assessment and identified a strategic concept of security operations involving an “intelligence driven – risk based approach”.
- The security plan focused on joint planning, dealing with “internationally protected people” and evaluated elements with respect to accreditation, the use of private security, fiscal responsibility, communications, secure operational zones, and strategic planning.
- **For the purpose of this assessment, it was concluded that in order to develop a secure 2025 Expo, a budget in the range of \$140 million to \$180 million would be required.**
- This projected range is above the amount originally projected to be incurred by Milan in 2015 (\$25 million in C\$2015), and by Dubai in 2020 (\$65 million in C\$2016). Shanghai is reported to have spent almost \$300 million on security (C\$2010) while the 2015 Pan Am Games incurred approximately \$180 million.

Other expenses include costs incurred for such items as event royalties payable to the BIE, ticket surcharges levied by ticket sellers, volunteers, Fire and EMS, etc.

Observations

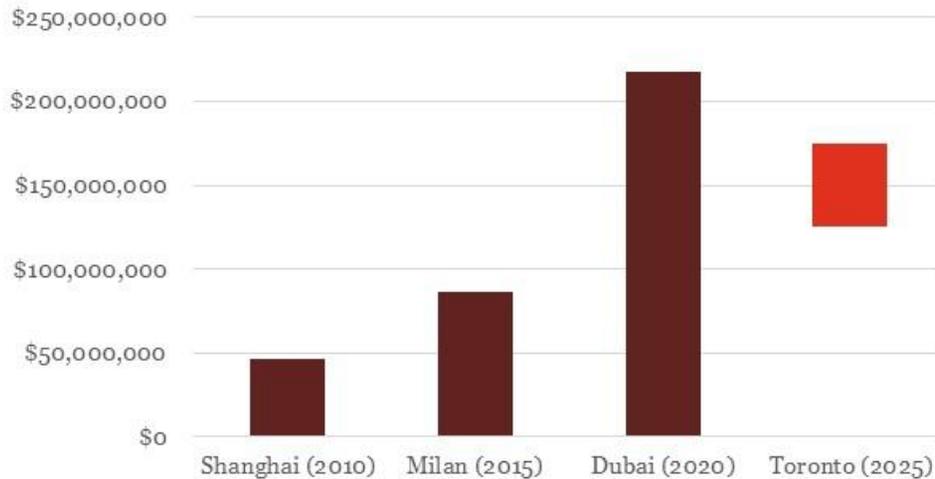
Other expenditures typically incurred by an Expo could include costs associated with volunteers, the payment of fees / commissions to ticket agencies, volunteer costs, and provisions for on-site Fire and EMS. In addition, past Expos have allotted 2% of ticket revenue to the BIE as a royalty payment.

Toronto Fire Services (“TFS”) provided a preliminary estimate, from a fire protection perspective, of the operating costs that would need to be factored into a potential bid to host Expo 2025. TFS estimate that approximately \$10.8 million will be required to provide fire protection services on site at Expo 2025 while maintaining service levels across the city.

An additional allowance has also been included for compensation to land owners within or abutting the Expo footprint for either space rental, business interruption and / or relocation.

- **For the purpose of this assessment, it is assumed an Expo held in Canada and staged in Toronto in 2025 could incur other costs in the range of \$125 million to \$175 million**
- This projected range is above that projected to be incurred by Milan in 2015 (\$90 million in C\$2015), and Shanghai in 2010 (\$50 million in C\$2010). Dubai is projecting a total expenditure in the range of \$220 million (in C\$2016).¹

Other Expenses



Source: BIE, PwC research

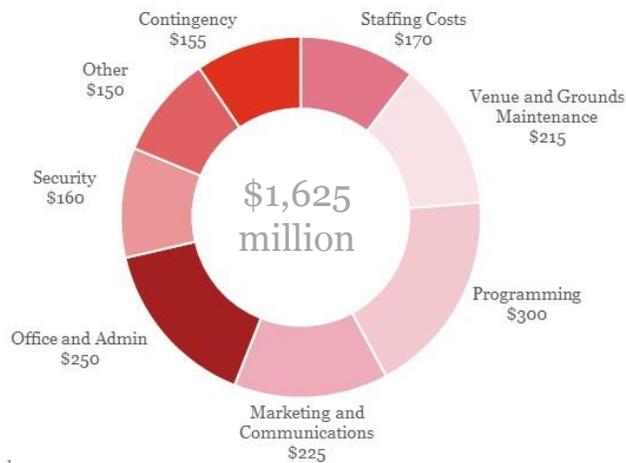
An International Exposition held in Canada and staged in Toronto in 2025 is preliminarily projected to incur total operating costs in the range of \$1,450 million to \$1,800 million

Estimated Operating Costs		
Staffing Costs	\$155 million	\$185 million
Venue and Grounds Maintenance	\$190 million	\$240 million
Programming	\$275 million	\$325 million
Marketing and Communications	\$200 million	\$250 million
Office and Admin	\$225 million	\$275 million
Security	\$140 million	\$180 million
Other	\$125 million	\$175 million
Contingency	\$140 million	\$170 million
Total Operating Costs	\$1,450 million	\$1,800 million

Conclusions

- **For the purpose of this assessment, it is preliminarily estimated that an Expo held in Canada and staged in Toronto in 2025 could incur total operating costs in the range of \$1,450 million to \$1,800 million, with a mid-point of \$1,625 million and including a 10% contingency**

Projected Mid-Point Operating Expenses



Source: PwC research

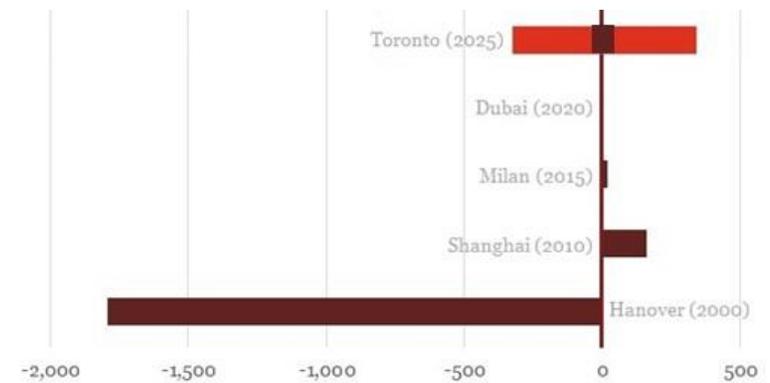
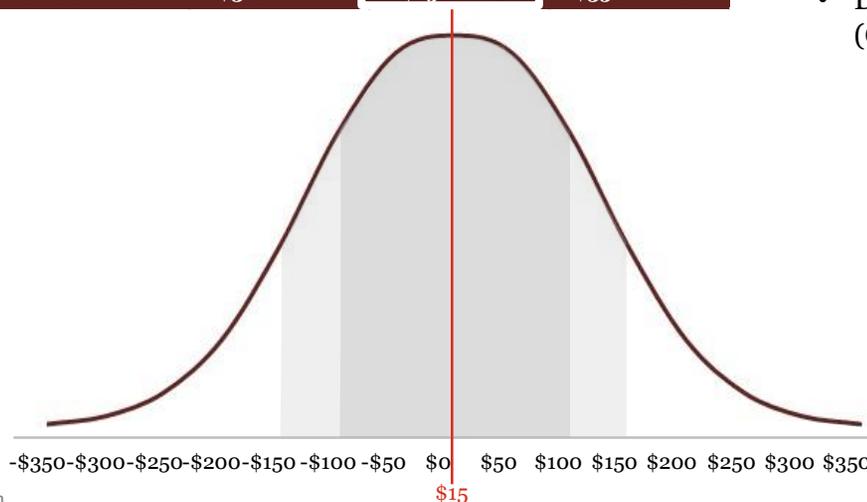
Net Position

On a net basis, and given the projected range of operating revenue and expenses, it may not be unreasonable for an International Exposition held in Canada and staged in Toronto in 2025 to achieve break-even operations

Estimated Operating Revenue & Expenses			
	Low	Mid-Point	High
Operating Revenue			
Ticket Sales	\$1,050 million	\$1,125 million	\$1,200 million
Sponsorships	\$205 million	\$220 million	\$230 million
Other Revenue	\$225 million	\$295 million	\$370 million
Total Other Revenue	\$1,480 million	\$1,640 million	\$1,800 million
Operating Expenses			
Staffing Costs	\$185 million	\$170 million	\$155 million
Venue and Grounds Maintenance	\$240 million	\$215 million	\$190 million
Programming	\$325 million	\$300 million	\$275 million
Marketing and Communications	\$250 million	\$225 million	\$200 million
Office and Admin	\$275 million	\$250 million	\$225 million
Security	\$175 million	\$155 million	\$135 million
Other	\$180 million	\$155 million	\$130 million
Contingency	\$170 million	\$155 million	\$140 million
Total Operating Costs	\$1,800 million	\$1,625 million	\$1,450 million
NET OPERATING POSITION	-\$320 million	\$15 million	\$350 million

Conclusions

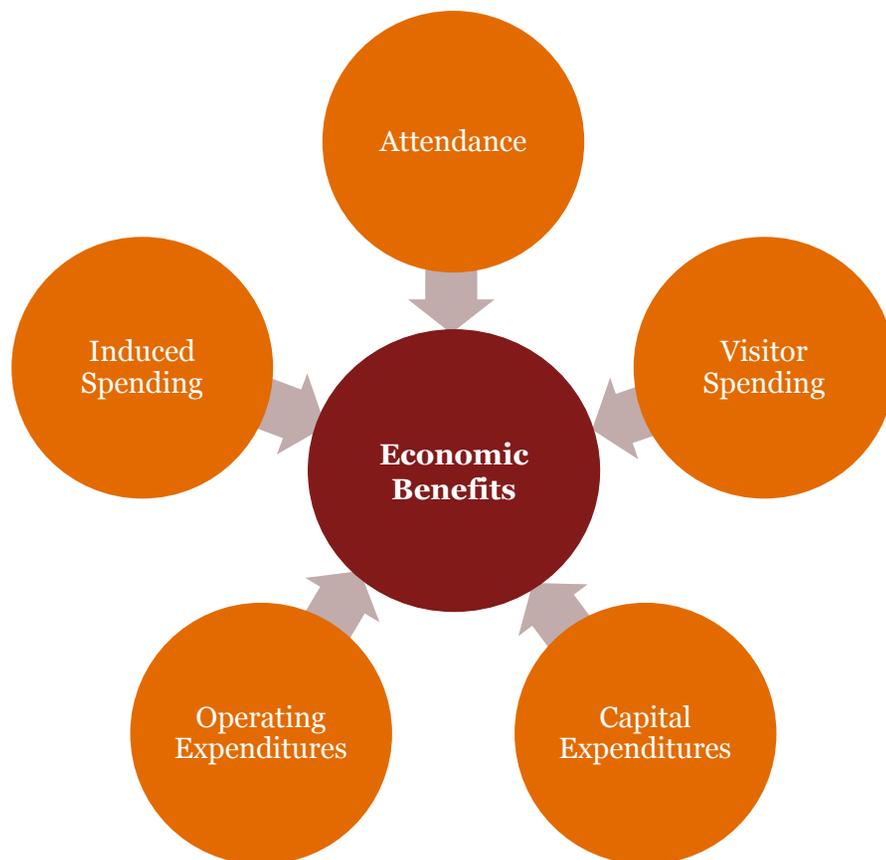
- Based on the assumptions outlined above, it is preliminarily estimated that an Expo held in Canada and staged in Toronto in 2025 could incur a total operating shortfall in the range of \$320 million to an operating surplus in the range of \$350 million.
- **Utilizing the mid-point value ranges, and assuming the Expo was managed to balance revenues against expenses, it would not be unreasonable for an International Exposition held in Canada and staged in Toronto in 2025 to achieve break-even operations.**
- This projected net operating position compares to other previously held Expos in:
 - Hanover (2000) – shortfall of \$1.8 billion (C\$2000)
 - Shanghai (2010) – surplus of \$160 million (C\$2010)
 - Milan (2015) – surplus of \$18 million (C\$2015)
 - Dubai – projected surplus of approximately \$0.55 million (C\$2016).



Source: PwC research

Economic Benefits

An International Exposition held in Canada and staged in Toronto in 2025 could be expected to realize direct incremental economic benefits for Canada, Ontario and the Toronto area



Observations

- In assessing the **incremental impacts** of hosting an International Exposition in Canada that is staged in Toronto in 2025, PwC examined the economic benefits which could accrue to the primary regions that would benefit from the presence of the Expo, including:
 - within Canada;
 - within Ontario; and
 - within Toronto area.
- Five primary inputs were used in the determination of economic benefits, including:
 - Attendance – the number of projected visitors who could be expected to attend the Expo
 - Visitor Spending – the incremental amount visitors could be expected to spend in the region
 - Capital expenditures – the projected incremental cost of readying and improving the Port Lands to host an Expo and the cost associated with constructing the various Expo buildings and facilities
 - Operating expenditures – the projected incremental costs associated with planning for, staging and running Expo 2025
 - Induced spending – the projected amount of incremental non-direct and non-indirect spending that could result from hosting the Expo (including investments in tourism infrastructure, whether from new construction in, or renovations made to the hotel stock, restaurants and other tourism related businesses). For the purpose of this assessment, only a qualitative evaluation has been completed

An International Exposition held in Canada and staged in Toronto in 2025 could be expected to generate economic benefits in a number of areas, including direct, indirect, induced and associated impacts from spending, GDP, employment, income and government taxes

Types of Impacts

- Economic impacts are defined as changes to an economy as a result of a development, undertaking or activity. Economic impacts measure changes in the size and structure of a jurisdiction's economy when goods and services are purchased using money generated from outside a region, or as the result of an infusion of capital for the construction of a new facility or service.
- In evaluating and quantifying economic impact, four types of impacts are typically reviewed:
 - **Direct Economic Impacts** measure total expenditures on goods and services, including wages and benefits, during the construction phase and / or during the operations of a facility, service or event.
 - **Indirect Economic Impacts** refer to the purchase of goods and services needed to produce the goods and services directly used during the construction phase and / or during the operations of a facility, service or event. They measure the various interactions with other businesses which supply the necessary materials and services, which lead to indirect demand for goods and services from other industries.
 - **Induced Impacts** refer to the impact of personal expenditures by people who have been paid wages and salaries for the construction or in the operations of a facility or service, during the staging of the event, etc., as well as for the production of indirect goods and services.

- **Associated Economic Impacts** refer to the spin-off impacts generated by the construction of a facility, the operations of a facility or service, the staging of the event, etc., including spending by visitors, event attendees and tourists, new real estate development (hotels, retail, restaurants, etc.), place marketing, etc.

Economic Impacts Measured

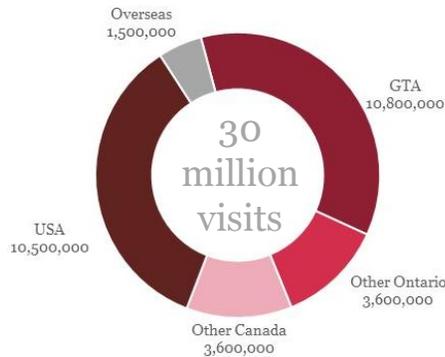
In quantifying the economic impact of an International Exposition held in Canada and staged in Toronto in 2025, five types of impacts were quantified:

- **Spending Impacts**, which measure the impact resulting from the purchase of goods and services throughout the economy (including purchases made at multiple stages during the construction process and during Expo operations);
- **GDP Impacts**, which measure the impact on overall economic output, as measured by changes in the gross domestic product of the region / country;
- **Employment Impacts**, which identify the projected increase in employment (measured in “person years of employment”);
- **Income Impacts** which measure the increase in personal income resulting from increases in employment; and
- **Tax Impacts**, which identify the magnitude of personal income, sales, property and other taxes which various levels of government could expect to receive as a result of a the Expo's development and operation.



An International Exposition held in Canada and staged in Toronto in 2025 could be expected to attract some 30 million total visits comprising approximately 18.4 million distinct visitors

Expo 2025 Projected Visitation



	Expo Category	% of Total Expo Visitation		
		National	Adjacent Country	Other Foreign
Seattle (1962)	2	94.0%	n/a	6.0%
New York (1964)	1	98.9%	n/a	1.1%
Montreal (1967)	1	51.5%	44.8%	3.7%
San Antonio (1968)	2	95.9%	n/a	4.1%
Osaka (1970)	1	97.3%	0.0%	2.7%
Spokane (1974)	2	91.4%	n/a	8.6%
Knoxville (1982)	2	94.6%	n/a	5.4%
New Orleans (1984)	2	97.0%	n/a	3.0%
Tsukuba (1985)	2	96.3%	0.0%	3.7%
Vancouver (1986)	2	60.0%	33.0%	7.0%
Brisbane (1988)	2	90.0%	n/a	10.0%
Seville (1992)	1	84.5%	10.9%	4.6%
Seattle (1962)	2	94.0%	n/a	6.0%
Hanover (2000)	1	89.0%	9.0%	2.0%
Aichi (2005)	1	95.0%	0.0%	5.0%
Shanghai (2010)	1	94.2%	n/a	5.8%
Overall Average		89.0%	14.0%	4.9%
Cat 1 Average		87.2%	12.9%	3.6%
Cat 2 Average		90.4%	16.5%	6.0%
Canadian Expos		55.8%	38.9%	5.4%

Source: BIE, PwC research

Observations

- As noted above, an International Exposition held in Canada and staged in Toronto in 2025 is projected to attract some 30 million total visits (i.e., total turnstile count) comprising in the range of 18.4 million unique visitors.
- The 30 million visits are preliminary assumed to be sourced from Canada (60%), the USA (35%) and internationally (5%)** as follows:
 - GTA** (36% of all visits; 60% of Canadian visitors) – approximately 10.8 million visits (roughly 6.6 million unique visitors);
 - Other Ontario** (12% of all visits; 20% of Canadian visitors) – approximately 3.6 million visits (2.2 million unique visitors);
 - Other Canada** (12% of all visits; 20% of Canadian visitors) – approximately 3.6 million visits (2.2 million unique visitors);
 - United States** (35% of all visits) – approximately 10.5 million visits (6.4 million unique visitors); and
 - Overseas** (5% of all visits) – approximately 1.5 million visits (0.9 million unique visitors).
- In general:
 - Expos have historically attracted 89% % of their total visitation domestically. Registered (i.e., 6 month / Category 1) Expos generally attract a slightly smaller domestic visitation (87%) compared to Recognized (3 month / Category 2) Expos (90%).
 - Visitation from adjacent countries generally comprise 14% of total visitation (13% for Registered Expos and 17% for Recognized Expos) while visitation from other Foreign Countries typically comprises 5% (4% for Registered Expos and 6% for Recognized Expos).
- The estimated visitation for Expo 2025 is consistent with Expos previously held in Canada, where 55% of all visitation was sourced domestically, 40% was from the US and 5% was other international.



With some 30 million total visits and 18.4 million distinct visitors, it is preliminarily estimated that an International Exposition held in Canada and staged in Toronto in 2025 could attract 9 million distinct incremental visitors



Observations (continued)

- In generating an estimate of the number of “incremental” visitors (i.e., visitors who could be attracted to Toronto because of the presence of an International Exposition in 2025 and who would not normally have travelled to the city, plus the number of Canadians who would have normally have been expected to travel abroad or elsewhere within Canada but instead elect to travel to Toronto), the following methodology was utilized:
 - Step 1 consisted of projecting total visitation to Toronto (RTO Region 5) in 2025 from other markets in Ontario, Canada, the United States and Overseas, based on projections published by the Ontario Ministry of Tourism, Culture and Sport (current projections are to 2019 which were then extrapolated to 2025). From these projections, the number of visitors to Toronto during the May through October period were determined, and from this, estimates were prepared of the potential number of visitors who could be expected to attend Expo 2025. Step 1 identified a total Expo 2025 visitation from “regular tourists” (i.e., persons who would normally be expected to visit Toronto in 2025) of some 12.4 million (7.6 million unique visitors).
 - Step 2 consisted of estimating the number of “outbound” visitors from Ontario in 2025 to other markets in Canada, the United States and Overseas based on projections published by the Ontario Ministry of Tourism, Culture and Sport (current projections are to 2019 which were then extrapolated to 2025). From these projections, estimates were prepared of the potential number of Ontario residents who could be expected to alter travel plans in 2025 and attend Expo 2025.



With some 9 million incremental visitors, an International Exposition held in Canada and staged in Toronto in 2025 could be expected to generate almost 5.8 million incremental overnight destination visitors and some 3.2 million incremental day visitors

	Estimated Expo 2025 Visitation	Net Incremental Expo Visitation	# of Unique Visitors	Number of Incremental Overnight Destination Visitors	Number of Incremental Day Visitors
GTA	10,800,000	738,000	453,000	0	453,000
From Ontario	3,600,000	2,573,000	1,579,000	401,000	1,178,000
From Other Canada	3,600,000	2,508,000	1,539,000	1,355,000	184,000
From USA	10,500,000	8,742,000	5,365,000	3,951,000	1,414,000
From Overseas	1,500,000	102,000	63,000	56,000	7,000
Total	30,000,000	14,663,000	8,999,000	5,763,000	3,236,000

Source: City of Toronto, Tourism Toronto, Ministry of Tourism, Culture and Sport, PwC research

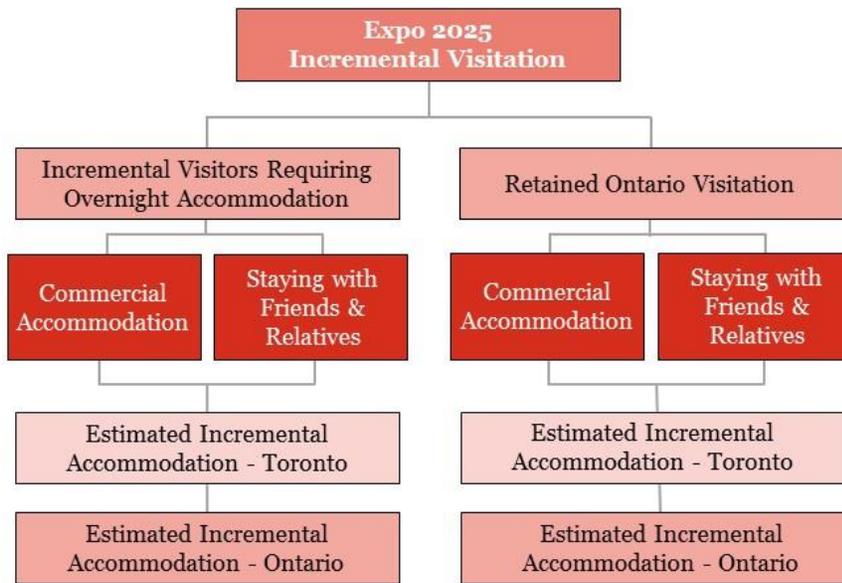
Observations (continued)

Step 2 identified a total Expo 2025 visitation from “retained tourists” (i.e., persons who would normally have been expected to travel elsewhere in 2025) of some 2.3 million (1.4 million unique visitors).

- Step 3 consisted of then estimating the number incremental visitors who could be expected to attend Expo 2025. Based on the results from Step 1 and Step 2, a total of 9.0 million total unique visitors (and accounting for almost 14.7 million visits) were estimated.
- Finally, Step 4 consisted of allocating total incremental visitation between those requiring overnight accommodation and those attending the Expo (and Toronto) on a single day trip. In total, **it is preliminarily estimated that the 9.0 million unique incremental visitors to Expo 2025 could be comprised of 5.8 million incremental visitors requiring overnight accommodations (whether in paid overnight accommodations like hotels and motels, or while visiting friends and relatives – “VFR”) and 3.2 million incremental same-day visitors to Toronto.**
- In completing this assessment, expected Expo 2025 visitation from within the GTA was excluded.



An International Exposition held in Canada and staged in Toronto in 2025 could be expected to attract 9 million incremental visitors to the City, Province and Country, generating hotel room night demand and spending impacts from both overnight and same-day visitors



Observations

- In estimating total incremental spending from visitors, including retained Ontario tourists, the following methodology was utilized:
 - Step 1 consisted of deriving estimates of incremental overnight room demand in both Toronto and Ontario. Utilizing visitor profiles from the Ontario Ministry of Tourism, Culture and Sport (and assuming published 2013 figures will be representative of 2025 visitation patterns), total incremental room nights in Toronto and Ontario were estimated assuming average party sizes and average length of stay. Step 1 identified total **incremental overnight room demand from an estimated 5.8 million unique overnight visitors of approximately 13.2 million room nights** (10.5 million in Toronto and 2.5 million in other areas of Ontario).
 - Step 2 consisted of estimating incremental overnight room demand in Toronto from “regular tourists” (i.e., persons who would normally be expected to visit Toronto in 2025). Step 2 identified total incremental overnight room demand from regular tourists in the range of 6.2 million.
 - Step 3 involved allocating overnight room demand between those requiring commercial accommodation (i.e., hotel, motel, etc.) and those “visiting friends and relatives” (noting that some VFR tourists also stay in commercial accommodation) between Toronto and elsewhere in Ontario.

	Number of Incremental Day Visitors	Total Incremental Room Nights in Toronto (a)	Total Incremental Room Nights in Other Ontario (b)	Total Additional Overnight Days from "Regular Tourists" (c)	Total Additional Overnight Visits (a+b+c)
GTA	453,000	0	0	0	0
From Ontario	1,178,000	223,000	49,000	4,079,000	4,351,000
From Other Canada	184,000	1,179,000	199,000	546,000	1,924,000
From USA	1,414,000	8,529,000	1,911,000	879,000	11,319,000
From Overseas	7,000	560,000	65,000	699,000	1,324,000
	3,236,000	10,491,000	2,224,000	6,203,000	18,918,000

Source: PwC research



With 9 million incremental unique visitors and an estimated demand for some 13.2 million hotel rooms, an International Exposition held in Canada and staged in Toronto in 2025 could be expected to support almost \$2.8 billion in total incremental spending in the local and provincial economy

	Total Incremental Paid Overnight Accommodation	Total Incremental Visitor VFR Nights	Total Incremental Visitor Nights
GTA	0	0	0
From Ontario	2,638,000	1,713,000	4,351,000
From Other Canada	1,223,000	701,000	1,924,000
From USA	8,488,000	2,831,000	11,319,000
From Overseas	835,000	489,000	1,324,000
Total	13,184,000	5,734,000	18,918,000

	Total Incremental Expenditures from Same-Day Tourists	Total Incremental Overnight VFR Expenditures	Total Incremental Paid Accommodation Overnight Expenditures	Total Incremental Expenditures
GTA	42,783,000	0	0	42,783,000
From Ontario	111,255,000	112,772,000	309,072,000	533,099,000
From Other Canada	17,378,000	47,550,000	181,005,000	245,933,000
From USA	133,543,000	193,298,000	1,475,826,000	1,802,667,000
From Overseas	661,000	32,563,000	110,812,000	144,036,000
TOTAL	305,620,000	386,183,000	2,076,715,000	2,768,518,000

Source: PwC research

Observations (continued)

In total, Step 3 allocated 18.9 million overnight room demand between commercial accommodation (13.2 million room nights) and non-commercial accommodation, including staying with friends and relatives (5.7 million room nights).

- Finally, Step 4 involved estimating visitor spending for same-day, overnight and tourists visiting friends and relatives. Utilizing visitor spending profiles from the Ontario Ministry of Tourism, Culture and Sport (and assuming published 2013 figures will be representative of 2025 visitation patterns expressed in C\$2016), total visitor spending was estimated. In summary:
 - **Total incremental spending by same-day tourists is estimated to be in the range of \$306 million** (C\$2016) with all of this expenditure expected to occur within Toronto.
 - **Total incremental spending from tourists visiting friends and relatives is estimated to be in the range of \$386 million** (C\$2016), with 89% (\$342 million) projected to occur within Toronto and 11% (\$44 million) projected to occur elsewhere in Ontario.
 - **Total incremental spending in paid overnight accommodation (i.e., hotels, motels, etc.) is projected to be in the range of \$2,076 million** (C\$2016), with 90% (\$1,863 million) projected to occur within Toronto and 10% (\$214 million) projected to occur elsewhere in Ontario.
- **In total, almost \$2.8 billion (C\$2016) in total incremental spending from new visitors to the Toronto region are estimated.**



Staging an International Exposition in Toronto in 2025 will require that planned infrastructure projects be advanced in order to facilitate the development of the Port Lands with Expo-related facilities

Observations

- International Expositions, like major sporting events, require upfront planning and expenditures for land assembly, site preparation and site improvement to transform undeveloped or underdeveloped areas, including urban brownfields, into destinations able to accommodate large visitor-based events. In addition, hosting an International Exposition will require the construction of a number of temporary facilities, including pavilions, food and beverage facilities, administrative facilities and visitor comfort facilities (rest areas, restrooms, etc.).
- In estimating the capital costs required to facilitate an International Exposition in 2025 in the Port Lands, Arup in conjunction with Hanscomb identified associated site and building requirements and quantified the cost of such improvements.
- Projects explicitly excluded from this assessment, including the Port Lands Flood Protection works, the Unilever RER Station, the Queens Quay LRT, the Broadview LRT and the Gardiner Expressway rehabilitation project, are assumed to have been funded and completed by 2025, independent of the Expo. Of the foregoing, only the Flood Protection and RER are essential for Expo 2025.
- Site improvements have been classified into two distinct categories:
 - Planned Infrastructure Costs** are those projects that have been included in the long-term plans of Waterfront Toronto and / or other levels of government. Although these projects are required to facilitate the Master Plan for Expo 2025, it is assumed that they will happen and their costs will be incurred regardless of Expo 2025 actually taking place. As such, their costs are not directly attributable to Expo 2025 but will need to be advanced and therefore these acceleration costs have been taken into consideration.

Only costs associated with projects that are “unfunded” (i.e., recognized as needing to be undertaken, but they have not yet been formally approved with capital budget allocations) are noted in the table on the following slide.

Planned Infrastructure costs include such items as:

- new roads and bridges within the Port Lands site;
- servicing along new roads;
- storm water drainage;
- utility reinforcement works;
- soil remediation and raising;
- required works to the Shipping Channel;
- ferry terminal works;
- cycle network enhancements;
- the construction of a new fire hall(s);
- works to the Gardiner Expressway / Don Valley Parkway to facilitate traffic management to the Port Lands and Expo 2025;
- offsite improvements to a bus depot;
- other infrastructure works (including, for example, the provision of improved telecom infrastructure);
- permanent buildings constructed on the Expo 2025 site which would have post-Expo utility and use;
- land acquisition; and
- consultant fees and permits.

In total, Planned Infrastructure Costs are estimated by Arup and Hanscomb to be in the range of \$1,060 million. Initial cost estimates have been included in Appendix A to this report.

COST SUMMARY	TOTAL COST (\$2016 millions)	COST ALLOCATION				
		City	Province	Federal	C / P / F TBD	Other
Planned Infrastructure Projects						
Planned Infrastructure Projects	683.146	683.146	0.000	0.000	0.000	0.000
Permanent Building Works	377.318	94.025	0.000	94.025	189.268	0.000
TOTAL PLANNED INFRASTRUCTURE COSTS	1,060.464	777.171	0.000	94.025	189.268	0.000

Source: Arup, Hanscomb



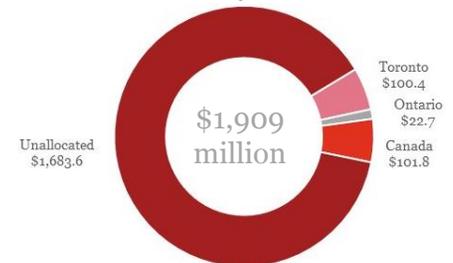
Staging an International Exposition in Toronto in 2025 is preliminarily estimated to require an upfront capital expenditure of which \$1,909 million would be the responsibility of the Government of Canada, Province of Ontario and City of Toronto

Observations (continued)

- The Feasibility Study recognizes that elements and projects associated with “Planned Costs” are not currently funded. It is also recognized that there exists challenges for finding appropriate funding mechanisms to accelerate aspects of their delivery. These mechanisms could include borrowing against future development charge revenues (financing costs of advancing such expenses are included herein), pre-selling land, joint-ventures, etc. However, it should be noted that the Feasibility Study did not set out to determine funding sources, but rather highlight the incremental cost of the event and how it could align with the City’s long-term plans.
- To acknowledge the early expenditure of these items, an interest carrying cost equal to 10% of total Planned Infrastructure Costs have been assumed.
- **Incremental Costs** are those costs which would be incurred solely as a result of Expo 2025 taking place and include ancillary expenses related to "Planned Costs" as a result of potential changes to the Planned Project's execution or timeframe because of Expo 2025. Incremental Costs associated with an International Expo include:
 - internal site infrastructure;
 - transit / traffic / access improvements;
 - site overlay costs;
 - Expo 2025 buildings and facilities, including the construction of 1,000 units of affordable housing; and
 - post-Expo 2025 site conversion to facilitate its eventual reuse.
 - Initial cost estimates have been included in Appendix A to this report.
 - Capital costs associated with the staging of Expo 2025 have been allocated between Canada, Ontario and Toronto, as well as among various other Canadian and foreign governments, international organizations / NGO’s and corporations / corporate pavilion sponsors (costs associated with their respective pavilions and post-Expo site clearance).
 - An allowance of \$200 million has been carried outside the above described capital costs, an amount which is typically provided by the host Expo Country and given to lesser developed nations to ensure their participation.

COST SUMMARY	TOTAL COST (\$2016 millions)	COST ALLOCATION				
		City	Province	Federal	C / P / F TBD	Other
Incremental Costs						
2025 Expo Site Improvements	111.904	0.000	0.000	0.000	111.904	0.000
2025 Expo Transport Improvements	293.524	0.000	0.000	0.000	293.524	0.000
2025 Expo Site Overlay Equipment and Supplies	240.000	0.000	0.000	0.000	240.000	0.000
2025 Expo Buildings and Facilities	1,730.929	21.267	21.267	86.542	972.952	628.902
Post Expo Site Clean-up and Handback	97.839	1.445	1.445	5.881	46.334	42.734
Acceleration costs of "Planned Infrastructure Projects"	106.046	77.717	0.000	9.403	18.927	0.000
Total Incremental Costs	2,580.243	100.429	22.712	101.825	1,683.641	671.635

Source: Arup, Hanscomb





In evaluating the economic impact of staging an International Exhibition in Toronto in 2025, total net incremental capital costs were evaluated, including costs spent locally by Canada, Ontario and Toronto (\$1,909 million) as well as costs spent locally by other Canadian and foreign governments, and by NGO’s and private corporations

Observations (continued)

- In total, an International Exposition held in Canada and staged in Toronto in 2025 is estimated to require a total incremental expenditure in the range of \$2,580 million, of which **\$1,909 million is estimated to be the responsibility of the federal government, Province of Ontario and City of Toronto**. In addition, \$431 million would be the responsibility of other Canadian and foreign governments, while \$241 million would be from NGO’s and private corporations (see Table on Slide 41, above).
- Net incremental costs from which economic impacts were calculated is therefore estimated to be in the range of \$2,328 million** (the aforementioned \$1,909 million in costs identified on the previous slide as being the responsibility of Canada, Ontario and Toronto, plus 75% Building and Facility costs identified as being the responsibility of other foreign governments (\$440 million), plus 100% of Building and Facility costs identified as being the responsibility of other Canadian governments (\$42 million), plus post-Expo site clean-up costs identified as being the responsibility of other foreign and domestic governments (\$43 million), less the “acceleration costs” (\$106 million).

Net Incremental Expenditures

- In calculating the potential economic impacts associated with improving the Port Lands and constructing the associated Planned Infrastructure works and Facilities needed to stage Expo 2025, the following assumptions were utilized:
 - All Planned Infrastructure Costs have been excluded from this portion of the analysis as it is assumed that these projects will be required and built at some point in the future (and will therefore not comprise “**incremental**” expenditures).
 - Costs associated with “accelerating” Planned Infrastructure Costs (i.e., interest costs of \$106 million) have been excluded (as interest costs are not assumed to generate direct economic impact).
 - Costs associated with constructing 1,000 units of affordable housing are estimated by Arup / Hanscomb to be in the range of \$291 million, including consultant fees, and are included in 2025 Expo Buildings and Facilities costs.
 - 75% of the cost associated with constructing pavilions used by foreign Participating Countries, International Organizations / NGO’s and Corporations have been assumed, with the remaining 25% assumed to be brought into Canada. Should a different proportion of pavilions, pavilion materials, fixtures and equipment and / or workers be sourced locally / within Canada, the resulting economic impacts would be higher (or lower).

NET INCREMENTAL COSTS (FOR ECONOMIC IMPACT)	TOTAL COST (\$2016 millions)
Incremental Costs allocated to Canada, Ontario and Toronto	1,908.607
Plus: Incremental Costs allocated to Other Canadian Governments ¹	42.534
75% of Incremental Costs allocated to Foreign Governments ¹	439.776
Post-Expo Site Clean-up Incremental Costs allocated to Other Canadian and Foreign Governments	42.734
Less: Acceleration Costs of "Planned Infrastructure Projects"	106.046
Total Incremental Costs	2,327.604

Notes: 1. Incremental costs by "Other Canadian Governments" (\$42.534 million) plus 75% of Incremental costs by Foreign Governments (\$439.776 million), add (after adjusting to 100%) to \$628.902 million, the cost identified as "Other" for "2025 Expo Buildings and Facilities".

Source: Arup, Hanscomb, PwC research



The staging of an International Exhibition in Toronto in 2025 is expected to result in a total capital and operating expenditure in the range of \$3,953 million; such spending could be expected to produce a number of tangible benefits including total spending impacts of almost \$8.2 billion

Net Incremental Expenditures (continued)

- Estimates of municipal revenues from development charges and building permit fees are as per the City’s 2016 published rates.
- Development charges for non-residential components assume a total building footprint area of approximately 2.1 million square feet and a total building area of some 4.9 million square feet, and exclude foreign and corporate pavilions.
- Economic impacts for Canada and Ontario were calculated using Statistics Canada Input-Output Multipliers for 2010. Impacts for Toronto were estimated based on previous studies which generally concluded 67% to 75% of benefits occurred within the Toronto region.
- The figures presented herein are assumed in constant C\$2016

- While calculated separately, the following estimates of economic impact combine both the capital (\$2,238 million) and operational expenditures (\$1,625 million) of Expo 2025 (total of \$3,953 million).

	Estimated Expenditures
Expo 2025 Net Incremental Capital Costs	\$2,328 million
Expo 2025 Operating Costs	\$1,625 million
Total Expo 2025 Expenditures	\$3,953 million

Economic Impacts

- In calculating the potential economic impacts associated with the operations of Expo 2025, the following assumptions were used:
 - Spending, GDP, Employment, Employment Income and Tax impacts were calculated using the mid-point of the range of operating expenses projected for Expo 2025 (i.e., \$1,625 million)
 - Economic impacts for Canada and Ontario were calculated using Statistics Canada Input-Output multipliers for 2010. Impacts for Toronto were estimated based on previous studies which generally concluded 60% to 70% of benefits occur within the Toronto region
 - Property taxes are based on the “city portion” of 2016 industrial rates (1.4492567%), calculated on construction value, and are for 1.5 years
 - The figures are assumed in C\$2016.

Spending Impacts

- An International Exposition held in Canada and staged in Toronto in 2025 is preliminarily projected to give rise to total **direct spending in the range of \$3,953 million**. Including indirect and induced impacts, total spending preliminarily estimated to be in the range of **\$6,142 million in Toronto, \$7,377 in Ontario and \$8,180 million across Canada**.

EXPO 2025 Spending Impacts	WITHIN TORONTO	WITHIN ONTARIO	WITHIN CANADA
Direct Impacts	\$3,952,604,000	\$3,952,604,000	\$3,952,604,000
Indirect Impacts	\$1,242,232,000	\$1,935,793,000	\$2,370,267,000
Induced Impacts	\$947,105,000	\$1,488,569,000	\$1,856,995,000
TOTAL SPENDING IMPACT	\$6,141,941,000	\$7,376,966,000	\$8,179,866,000

Source: PwC research



Expo 2025 is also preliminarily projected to produce almost \$4.4 billion in GDP impacts, create and / or preserve almost 50,800 jobs and support almost \$2.9 billion in employment income

EXPO 2025 GDP Impacts	WITHIN TORONTO	WITHIN ONTARIO	WITHIN CANADA
Direct Impacts	\$2,034,303,000	\$2,034,303,000	\$2,034,303,000
Indirect Impacts	\$665,808,000	\$1,039,932,000	\$1,254,235,000
Induced Impacts	\$562,139,000	\$883,532,000	\$1,076,305,000
TOTAL GDP IMPACT	\$3,262,250,000	\$3,957,767,000	\$4,364,843,000

Source: PwC research

EXPO 2025 Employment Impacts	WITHIN TORONTO	WITHIN ONTARIO	WITHIN CANADA
Direct Impacts	27,925	27,925	27,925
Indirect Impacts	6,900	10,800	12,755
Induced Impacts	5,225	8,210	10,095
TOTAL EMPLOYMENT IMPACT	40,050	46,935	50,775

Source: PwC research

EXPO 2025 Employment Income Impact	WITHIN TORONTO	WITHIN ONTARIO	WITHIN CANADA
Direct Impacts	\$1,633,690,000	\$1,633,690,000	\$1,633,690,000
Indirect Impacts	\$405,938,000	\$634,173,000	\$745,853,000
Induced Impacts	\$270,096,000	\$424,467,000	\$519,762,000
TOTAL EMPLOYMENT INCOME IMPACT	\$2,309,724,000	\$2,692,330,000	\$2,899,305,000

Source: PwC research

Observations (continued)

GDP Impacts

- Expo 2025 is similarly expected to stimulate the overall economy, contributing to growth in local, provincial and national GDP. With a **direct impact of some \$2,034 million**, total GDP impacts, including indirect and induced impacts, are preliminarily projected to be in the range of **\$3,262 million in Toronto, \$3,958 million in Ontario and \$4,365 million overall in Canada.**

Employment Impacts

- Expo 2025 is expected to stimulate employment in the broader economy. In addition to direct employment over the seven year lead up to the event, additional employment will be supported through the purchase of goods and services required to operationally stage the event. In total, **more than 27,900 person years of employment** are projected to be sustained by Expo 2025. Including indirect and induced impacts, **more than 40,000 person years of employment could be created and / or preserved in Toronto, while total employment impacts are estimated to be in the range of 47,000 in Ontario, and almost 50,800 across Canada.**

Employment Income Impacts

- In planning for and staging Expo 2025, workers directly employed through all phases of Expo 2025 would be paid an estimated **\$1,634 million in total salaries and wages** over the 2019 through 2025. The Total Employment Income Impact (including direct, indirect and induced impacts) is therefore estimated to be in the range of **\$2,310 million in Toronto, \$2,692 million across Ontario, and almost \$2,900 million across Canada.**



The operations of an International Exposition held in Canada and staged in Toronto 2025 is preliminarily projected to generate more than \$1,250 million in total government revenue, including revenue from income taxes, sales taxes, property taxes and development charges and building permit fees

EXPO 2025 Government Revenue Impacts	WITHIN ONTARIO	WITHIN CANADA
Municipal Revenues	\$133,000,000	\$133,000,000
Provincial Revenues	\$549,000,000	\$560,000,000
Federal Revenues	\$548,000,000	\$575,000,000
TOTAL GOVERNMENT REVENUE IMPACT	\$1,230,000,000	\$1,268,000,000

Source: PwC research

Observations (continued)

Tax Revenue Impacts

- Finally, the operations of Expo 2025 is projected to generate in the range of **\$1,230 million to \$1,268 million in total tax revenue** for the federal government, Province of Ontario and City of Toronto. This revenue is preliminarily projected to be comprised of:
 - **\$133 million for the City of Toronto** (from property taxes, building permit fees and development charges);
 - **\$549 million for the Province of Ontario** from income taxes (on salaries and wages paid to Expo 2025 employees and construction workers, and on incomes supported by indirect and induced impacts), and sales taxes (PST component) derived from incremental spending (inclusive of accommodation, meals, retail, etc.) and Expo 2025 admissions; and
 - **\$575 million for the Government of Canada**, including indirect and induced impacts in other areas of Canada, and derived from income taxes on salaries and wages paid to Expo 2025 employees and construction workers, and on incomes supported by indirect and induced impacts, as well as from sales taxes (GST portion) derived from incremental spending (inclusive of accommodation, meals, retail, etc.) and Expo 2025 admissions.
- Excluded from the above are revenues generated from the Destination Marketing Program “DMP”.



In addition to providing direct, indirect and induced economic benefits from construction activities and operations, the staging of Expo 2025 could also support a number of additional benefits, including area regeneration and new development

Observations

- In addition to providing direct, indirect and induced economic benefits from construction activities, from the actual operations and staging of an Expo and from spending from incremental visitors, the staging of mega-events have facilitated a number of spin-off impacts. Such benefits can include urban regeneration / redevelopment projects and new investments in new tourism infrastructure (social and cultural benefits can also arise; these are discussed in a separate report prepared by Lord Cultural Resources).

Previous Experience

- The 1970 Osaka Expo was the last official Registered Expo staged prior to Seville in 1992. Since Seville, Recognized Expos have been held in Hanover (2000), Aichi (2005), Shanghai (2010) and Milan (2015). Each of Seville, Hanover and Aichi were staged on greenfield sites, whereas the Shanghai and Milan Expos were both held on urban brownfields. Vancouver (1986), although a Recognized Expo (albeit lasting longer than three months), was also staged on an urban brownfield.
- It is interesting to note that the Vancouver Expo was deemed as a success in that it helped spawn a number of legacy social infrastructure projects that have helped define the city, including SkyTrain, BC Place Stadium, the Vancouver Convention and Exhibition Centre, Science World, a new Cambie Street Bridge, in addition to other legacy infrastructure projects. The lead-up to the event is also reported to have helped propel Vancouver through the 1982 recession.
- The post-Expo use of the site, a former industrial, inner-harbour property (which was acquired through a series of purchases, land swaps and expropriations) is widely viewed as a successful urban

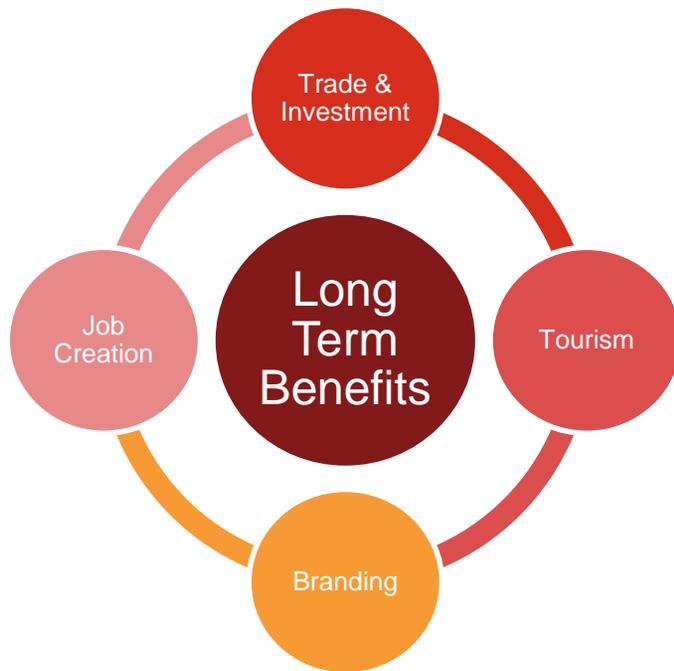
brownfield redevelopment that was sold to a single developer. The site's ultimate redevelopment was controlled through a comprehensive rezoning process directed by the City of Vancouver to extract more public benefits and amenities from the developer.

In total, some 204 acres of the former Expo 86 site was redeveloped with over 15,000 residential units.

- Shanghai 2010 incorporated a “physical regeneration process” aimed to make the Expo site suitable for mixed-use development after the event. Legacy projects planned for post-Expo Shanghai included convention and exhibition space, a cultural exchange, retail, trade and office space, and hospitality and entertainment facilities, each of which were maintained in four “mega event flagship” facilities. For example, the China Pavilion was transformed into a Chinese Arts museum, while the Theme Pavilion and Expo Centre were converted into a large convention and exhibition facility.
- In addition to legacy facility benefits, the Shanghai Expo is reported to have generated the following benefits:
 - GDP growth of US\$24 billion;
 - 350,000 new jobs between 2003 and 2010;
 - Retail sales increase of almost 20% in 2010;
 - US\$12 billion in tourism related revenue, including over US\$4 billion in the hospitality industry;
 - Substantially improved infrastructure including new subway lines and increased airport expansion;
 - New hotels, residential and commercial development on the Expo site; and
 - US\$1.2 billion in new foreign investment projects were signed at the Expo.



Longer-term benefits associated with hosting a World Expo include the ability to enhance trade and investment, tourism, enhancing country, province and city branding and job creation



Observations

- As noted previously, World Expos are a six-month forum for trade, innovation and commerce. They are a unique opportunity and vehicle for promoting a country, province and city and drive significant visitation. Longer-term benefits commonly associated with World Expos include:
 - Trade and investment – as noted above, the Shanghai 2010 Expo was used to help sign US\$1.2 billion in new foreign investment projects. With World Expos attracting heads of state and corporate leaders, and generally being used to promote a city’s, region’s and country’s business credentials, World Expos can have broader economic development spin-offs.
 - Tourism – with the potential ability to attract 30 million visits, including almost 9 million new incremental visitors, a World Expo held in Canada and staged in Toronto in 2025 would be the single largest event to take place in Toronto. As noted in PwC’s recently released **Cities of Opportunity** report, which ranked Toronto as the third best city in which to live and work, Toronto performs less than maximally in entertainment and attractions; the hosting of a World Expo could be used as a foundation from which to alleviate this perception.
 - Branding – Expos can serve to provide Canada, Ontario and Toronto with a heightened profile on the world stage.
 - Jobs – as noted previously, a World Expo held in Canada and staged in Toronto in 2025 is preliminarily projected to support the creation and / or preservation of 50,800 person years of employment across Canada. Depending on level of trade and investment and tourism impacts which could result from an Expo, it may not be unreasonable to assume that longer-term job creation could result.



Using the Port Lands as the site of Expo 2025 could advance the timing of when needed servicing and infrastructure will be provided to the site, thereby allowing the eventual redevelopment of the Port Lands to occur sooner

Application to Toronto and the Port Lands

Advancing the Redevelopment of the Port Lands

- While looking at only two examples of how Expo's have assisted in urban regeneration efforts, a learning from these and other events is that proper up-front planning and a clear legacy vision is required for post-event use of the Expo site. In the case of the Port Lands, the preliminary Expo 2025 plan prepared by Arup has had regard to the long-term future vision of the site, as articulated in the Waterfront Toronto Master Plan. As envisioned, using the Port Lands to host Expo 2025 will serve as a catalyst, advancing the timing of when needed servicing and infrastructure will be provided to the site, and thereby allowing for the eventual redevelopment of the Port Lands to occur sooner. As identified in a report prepared by PwC for First Gulf Corporation and Castlepoint Numa in 2014, the eventual redevelopment of some 600 acres of the Port Lands was estimated as being potentially able to give rise to the following benefits:

During residential / commercial redevelopment of the Port Lands

- Up to \$50 billion in direct, indirect and induced spending;
- Up to \$25 billion in total GDP impacts;
- Up to 285,000 person years of employment;
- \$17 billion in employment income growth; and
- \$6 billion in direct tax revenue to the federal, provincial and municipal governments, including over \$500 million to the City of Toronto.

After completion of development and occupancy of units / buildings

- \$10 billion annually in direct, indirect and induced spending;

- Approximately \$5 billion annually in total GDP impacts;
- Up to 350,000 person years of employment;
- More than \$12 billion in annual employment income growth; and
- \$3.0 billion annually in direct incremental tax revenue to the federal (\$1.5 billion to \$1.6 billion), provincial (\$1.0 billion to \$1.1 billion) and municipal (\$330 million) governments.

Enhancing the Capacity of the Tourism Sector

- In addition to being able to advance the timing of the eventual redevelopment of the Port Lands, it is also noted that the staging of Expo 2025 could result in the need for additional lodging properties in the City.
- Per the Greater Toronto Hotel Association, we understand that the total size of the hotel market in the Greater Toronto Area is approximately 45,000 rooms. Assuming average occupancy rates of approximately 70% during the period when the Expo is scheduled to take place (i.e., May - October), it follows that some 13,500 hotel rooms may be available on an average night. It should also be recognized that occupancy varies by area of the city, by jurisdiction within the GTA, and by property class (i.e., two star, three star, four star, etc.).
- The above analysis on potential Expo visitation identified total incremental paid overnight accommodation demand from the Expo could reach 13.2 million; on a per room basis (acknowledging party size and assumed length of stay), it is estimated that net incremental demand could approximate 18,600 rooms, yielding a shortfall in the range of 5,100 rooms.



Using the Port Lands as the site of Expo 2025 could advance the timing of when needed servicing and infrastructure will be provided to the site, thereby allowing the eventual redevelopment of the Port Lands to occur sooner

Total Rooms - Toronto	36,700
Total Rooms - GTA	45,000
Average Occupancy - May - October	70%
Average Number of Available Rooms per Day	13,500
Estimated Incremental Daily Room Demand from Expo	18,600
(Shortfall) / Surplus	(5,100)
Options to meet demand	
AirBNB	8,600
Accommodation outside GTA (Hamilton / Barrie / Oshawa)	
New Development	

Note: Per Airbnb, Airbnb works with approximately 8,600 hosts in the Toronto area. Like hotel rooms, not all of these rooms may be available on a given night, as (a) they may already be occupied by renters, or (b) they may remain occupied by their owner.

Source: Greater Toronto Hotel Association, Airbnb, PwC research

- Options to potentially satisfy this demand could include:
 - Airbnb**, which per a recently released report, works with 8,600 hosts in Toronto. Renting out private accommodation has been used in previous mega-events, including the Shanghai 2010 Expo, where it has been reported that some citizens hosted Expo visitors in their homes as a way to financially capitalize on peak-demand.
 - Utilizing lodging properties in areas surrounding the GTA**, including Hamilton, Barrie, Oshawa.
 - New construction**. While new construction could result in response to projected / anticipated Expo demand, it should be noted that any new investment / development decision will need to be based on longer-term tourism and accommodation trends and needs (versus on solely responding to anticipated Expo demand which will last for approximately six months).
- While additional market research and demand projections will be required in order to justify any future hotel development investment decisions, preliminary observations are that unless new additions to supply are made (including increases in the number of Airbnb hosts), additional hotel rooms may be required to accommodate projected Expo visitation, particularly in different sub-markets of the city and in different property classes (i.e., 3-star, 4-star, 5-star).
- From an air access perspective, we understand the Toronto’s Pearson International Airport has a current capacity in the range of 70 million passengers per year and a current traffic flow in the range of 41 million passengers (2015). With total passenger projected to increase and begin to reach capacity by 2025-2030, additional research will be required to understand how the increased traffic brought about by Expo 2025 (8.5 million net incremental visitors, excluding GTA residents, only some of whom would arrive to Toronto via air), would impact operations at Toronto Pearson International Airport.



The planning and staging of Expo 2025 is envisaged to confer a number of positive economic benefits across Canada and within Ontario and the Toronto area

Observations

- A number of positive economic benefits are generally concluded to occur within the Toronto area, within the Province of Ontario and more broadly across the country, as a result of improving the Port Lands, constructing the associated Planned Infrastructure works and Expo 2025 facilities, and planning for and staging Expo 2025.
- These incremental impacts, which as assumed to commence in approximately 2019 and last through the conclusion of the event in late 2025, include the following:

WITHIN CANADA

- Almost \$8.2 billion in total incremental direct, indirect and induced spending
- Almost \$4.4 billion in total incremental direct, indirect and induced GDP impacts
- Almost 51,000 incremental person years of employment
- Almost \$2.9 billion in incremental employment income growth
- Approximately \$575 million in direct tax revenue

WITHIN ONTARIO

- Almost \$7.4 billion in total direct, indirect and induced spending
- Almost \$4.0 billion in total direct, indirect and induced GDP impacts
- 47,000 person years of employment
- Almost \$2.7 billion in employment income growth
- Almost \$550 million in direct tax revenue
- Almost \$2.8 billion in total consumer spending

WITHIN TORONTO

- More than \$6.1 billion in total direct, indirect and induced spending
- More than \$3.2 billion in total direct, indirect and induced GDP impacts
- Over 40,000 person years of employment
- More than \$2.3 billion in employment income growth
- \$133 million in direct tax revenue
- More than \$2.5 billion in total consumer spending

EXPO 2025 ECONOMIC BENEFITS	WITHIN TORONTO	WITHIN ONTARIO	WITHIN CANADA
Spending Impacts	\$6,142,000,000	\$7,377,000,000	\$8,180,000,000
GDP Impacts	\$3,262,000,000	\$3,958,000,000	\$4,365,000,000
Employment Impacts	40,100	46,900	50,800
Employment Income Impacts	\$2,310,000,000	\$2,692,000,000	\$2,899,000,000
Visitor Spending	\$2,510,000,000	\$2,769,000,000	\$2,769,000,000

EXPO 2025 ECONOMIC BENEFITS	TO TORONTO	TO ONTARIO	TO CANADA	TOTAL
Government Revenue	\$133,000,000	\$549,000,000	\$575,000,000	\$1,257,000,000

Source: PwC research

Bid Process

Preparing and submitting a bid to host an International Exposition for 2025 is preliminarily estimated to require a total expenditure in the range of \$10 million to \$15 million

BIE Bid Process

The BIE provides the regulatory framework for World Expos. Expo bids are done on a nation-to-nation basis, and a final vote on a bid city is decided by those national governments who make up the BIE. There are currently (as of September 2016) 169 BIE member-nations.

While Canada had, for several decades, a senior leadership position in the BIE, with a Canadian (former Assistant Deputy Minister of Foreign Affairs Carmen Sylvain) occupying the BIE's top position as President of the BIE's executive commission, Canada has not held membership in the BIE since 2012. Any future bid by Canada to host a World Expo would require that Canada reinstate its membership (annual fee of approximately \$46,000 as of 2016).

Like Canada, the United States is not currently a member of the BIE. As of the date of the Feasibility Study (September 2016), we understand that Mexico has no intention to bid for Expo 2025; moreover, we further understand that there are no prospective South American cities seeking to bid. As such, if Canada (and Toronto) were to proceed it would be the only 2025 bid from North, Central, or South America, or the Caribbean.

Once the first application letter asking to host a World Expo has been submitted from a BIE member-nation, a six-month clock is triggered: all other member national governments are then canvassed to see if they plan to submit a competing bid.

Canada last participated in the 2005 World Exposition held in Aichi (Japan) and in 2010 Expo held in Shanghai. The Canada Pavilion in Shanghai attracted some 6.4 million unique visitors, exceeding original expectations of 5.5 million visitors. Canada's budget for Expo 2010 was \$58 million while the final cost came in at approximately \$51 million.

In addition to Toronto, we understand that four other cities have contacted the BIE about the possibility of bidding to host the 2025 World Expo. These include the following possible cities / countries:

- **Manchester (Great Britain):** Recently having expressed interest, the Greater Manchester Combined Authority has said it is “encouraging the government to seize the opportunity for a global shop window to demonstrate that the UK is open for business and committed to international trade following the referendum vote to leave the European Union.”
- **A suburb of Paris (France):** In early September, the French Prime Minister re-confirmed France's plan to bid for 2025 at a yearly session hosted for foreign ambassadors, and a newly formed public-private Expo France group has asked the French government to formally submit France's candidature.
- **Baku (Azerbaijan):** Baku, located between between Iran and Russia, has indicated initial interest, and in June 2016 top officials of the BIE met with Azerbaijan officials. Baku is the largest city in the Caucasus region with a population of 2.1 million (and Metro population of 4 million.). Since summer 2016, the BIE has no further news of a possible Baku bid and it believes that they may be looking at a smaller 3-month Specialized Expo, and not the 6-month Expo 2025.
- **Osaka (Japan):** The Governor of Osaka visited the BIE in the fall of 2015 to explore a potential bid for Expo 2025. As prior host to a major six-month Expo in 1970, Osaka has a local committee of some 30 academics, citizens, municipal and business leaders working on a 2025 bid, and are looking at a draft Expo theme that takes in aging, health, and human life. Osaka's Expo would seek to attract 30 million visitors and take place in a waterfront area alongside Osaka Bay. The same area is home to Universal Studios Japan, a major attraction that welcomes some 10 million visitors per year. The Governor of Osaka recently met to request the support of Prime Minister Shinzo Abe's government.

Preparing and submitting a bid to host an International Exposition for 2025 is preliminarily estimated to require a total expenditure in the range of \$10 million to \$15 million

Observations

- Preparing and submitting a bid will require the completion of a number of studies and additional research, building on the preliminary observations and high levels plans and costings contained in this Feasibility Study. Such studies and additional research will likely consist of the following, among other items:
 - Development and finalization of a tri-partite agreements between Canada, Ontario and Toronto and the establishment of the Expo 2025 Bid Co and Expo 2025 Event Co;
 - Research and analysis, including conducting focus groups, stakeholder consultation and market soundings, to identify, confirm and operationalize the main theme and sub-themes for the Expo;
 - Additional, more detailed master planning and site design / site preparation work (including environmental and geotechnical);
 - Additional, more detailed work to confirm the site’s infrastructure and services requirements, and overall construction scheduling with other Planned Infrastructure Costs;
 - Additional, more detailed work to confirm temporary site overlay requirements;
 - Preparation of architectural renditions, schematics and other visual aids;
 - Consumer market surveys of Canadians and US residents within a 750 km radius to Toronto to ascertain their opinions and attendance potential;
 - Research and development of a broad communications strategy to promote the Expo;
 - Research and development of an accommodation plan for visitors and participant staff;
 - Additional, more detailed work to confirm traffic and transit projections and forecast conditions;
 - An assessment of airport capacity to handle the expected number of visitors to Expo 2025;
 - Additional research and analysis into preparing an updated business plan;
 - Additional research and analysis into preparing an updated security plan;
 - Research and development of an volunteer plan;
 - Additional research and analysis into preparing an updated legacy plan;
 - Additional research and analysis into preparing an updated healthcare / EMS / fire;
 - Research and development of a “digital Expo” plan;
 - Research and development of a sustainability plan;
 - Completion of a detailed Risk Assessment and Risk Mitigation / Management plan; and
 - Bid Dossier preparation and production costs
- **For the purpose of this assessment, it is preliminarily estimated that a budget allowance in the range of \$10 million to \$15 million should be reserved to prepare and submit a bid to host Expo 2025**
- Additional research and analysis will be required to determine appropriate healthcare / EMS / fire requirements.

Risk Assessment

The staging of a World Expo in 2025 is preliminarily seen as having a number of risks, including the completion of a number of public works projects, visitation / attendance and its ability to achieve break-even operating results

Observations

- As noted in the Arup report, the staging of a World Expo in 2025 will be dependent upon several events taking place in a sequence, including the completion of part of the Don River flood protection / remediation works before internal site roads and infrastructure can be installed. Such works are also required to be completed (or mostly completed) prior to pavilions being constructed. Other risks and potential risk mitigation efforts include the following:
 - Delays in the implementation / construction of the Lower Don River works would impact the timing of Expo 2025 site improvements and pavilion / Expo 2025 building construction. As Expos require date-certain openings, the timing of all antecedent capital works projects will need to be closely monitored and risk mitigation methods (including, for example, expedited construction schedules, alternative construction methods, extended overtime, delaying / postponing non-Expo projects, etc.) implemented to meet the Expo opening date.
 - Similar risks and risk mitigation strategies are preliminarily seen to exist for issues such as approval delays (including environmental).
 - Delays in the implementation of desired transit network improvements, including those proposed by Metrolinx, could impact the ability to bring people to and from the Expo 2025 site. Mitigation efforts could include temporarily increasing transit access to meet demand, including through the use of streetcars and buses.
- Forecasted attendance could fail to materialize, either through threats of terrorism, financial crisis, ineffective marketing or general malaise / lack of interest. Such an event would likely lead to shortfalls in overall revenue which would result in the event not being able to balance revenues against expenses. Risk mitigation methods could include enhanced and / or focused marketing, including through social media, to ensure that Expo 2025 is “top of mind” and an “must attend” event for its entire six-month duration. Such marketing should commence well in advance of the opening of the Expo. Should marketing efforts alone not prove effective, strict budget monitoring to ensure that operating costs are off-set by revenues from all sources.

Appendix A

Initial Cost Estimates

Planned Infrastructure Projects		
Project	Description	Cost (\$2016 millions)
New Bridges	New bridges across the Don River (1) and Ship Canal (2)	163.869
New Roads	New road network across the Port Lands Expo site	89.580
Storm Water Drainage	SWD system along new roads to serve overall development	67.829
Servicing along all new roads	Includes water, waste water, hydro, communication infrastructure, etc.	147.794
Permanent office site utility reinforcement work	utility reinforcement (e.g., upgrading existing hydro substations built earlier)	6.375
Soil Remediation and raising	covers all new roads north of the ship channel and west of the Don Roadway, plus raising lands to form development platforms	11.116
Other infrastructure enhancement	provision of improved telecommunication infrastructure, cell towers, etc.	7.525
Works to Shipping Channel	to enable barges to dock	8.209
Cycle network	enhancements to ensure site is well connected to the existing cycle network	1.423
New Fire Hall	permanent fire	6.841
Ferry Dock Terminal	restoration of a permanent ferry terminal	10.000
Gardiner / DVP	permanent measure to support long-term traffic management	5.000
Off-site Bus Depot	bus depot enhancement to support Expo 2025 and longer-term use	25.000
Property acquisition	allowance	50.000
Consultant fees and permits	allowance	82.585
Total C\$2016 Cost		683.146

Permanent Building Works		
Project	Description	Cost (\$2016 millions)
Waste Transfer Station		49.559
Heritage Buildings	conversion / upgrading to permanent standards for permanent use	9.670
Aboriginal Cultural Centre		20.521
Media Centre		31.572
Exhibition Pavilions	Host City and Country Pavilions used for permanent space including a landmark / iconic / catalytic / cultural facility	188.050
Food & Beverage Building		28.730
Consultant fees and permits	allowance	49.216
Total C\$2016 Cost		377.318
TOTAL PLANNED INFRASTRUCTURE COSTS AND PERMANENT BUILDING WORKS		1,060.464

Source: Arup, Hanscomb

INCREMENTAL COSTS		
2025 Expo Site Improvements		
Project	Description	Cost (\$2016 millions)
Site servicing	utility supply connections	8.209
Temporary paving	temporary paving / landscaping of Expo land plots	54.636
Landscaping	additional landscaping in public realm areas	22.765
Temporary bridges	three temporary bridges across Lakeshore Blvd by former Unilever site	11.697
Consultant fees and permits	allowance	14.597
Total C\$2016 Cost		111.904

2025 Expo Transport Improvements		
Project	Description	Cost (\$2016 millions)
Parking		8.140
Coach parking	space to accommodate 150 coaches	3.029
Private auto pick-up / drop-off	space to accommodate +/- 25 pick-up / drop-off bays	0.101
Taxi pick-up / drop-off	space to accommodate +/- 12 pick-up / drop-off bays	0.053
Coach pick-up / drop-off	space to accommodate +/- 10 pick-up / drop-off bays	0.517
Temporary decked parking structure	temporary decking for parking structure	164.172
Public Education	similar to Pan Am Games	27.362
TTC Street Car Loop enhancement	allowance for 3 at-grade transit loops	34.828
Consultant fees and permits	allowance	55.322
Total C\$2016 Cost		293.524

Source: Arup, Hanscomb

2025 Expo Site Overlay Equipment and Supplies		
Project	Description	Cost (\$2016 millions)
Site lighting	temporary lighting poles through the public areas	
Wayfinding signs		
Tent structures	for spectator screening areas, catering, merchandise, staff centres, media centres, operational and logistics areas, etc.	
Portable buildings	trailers equipped for security, EMS, site offices	
Temporary washrooms	washroom trailers plumbed or connected to temporary water infrastructure, including portalets	
Shipping containers	used for storage and logistics	
Temporary services - power	generators to provide either prime or back-up power	
Temporary services - HVAC	temporary HVAC to occupied structures (excluding portable buildings)	
Temporary services - water	temporary water supply system - to be used where no legacy infrastructure can be provided	
Fencing - security	10-foot security perimeter fence with ballast system	
Fencing - internal	lower height system to separate public and private / back-of-house areas	
Crowd control barriers	low height barriers are all main spectator entry / exit points, at country pavilions and major features	
Look and wayfinding structures	includes signage and support structures	
Scaffolding / technology structures	structures for video screens and displays throughout the site	
Scaffolding bridges - cable	temporary structures to support movement of technology and power across the site	
Scaffolding bridges - pedestrian	fully engineered pedestrian bridges with crowd loading requirements	
Accessibility structures	ramps and platforms to structures requiring accessibility	
Cable containment	systems including yellow jackets, cable flyers, trenches, etc.	
FF&E	all furniture, fixtures and equipment required for overlay	
Barges Rental	rental of barges and modifications to provide suitable base infrastructure for national pavilions	
Consultant fees and permits	allowance	
Total C\$2016 Cost		240.000

Source: Arup, Hanscomb

2025 Expo Buildings and Facilities		
Project	Description	Cost (\$2016 millions)
Expo Site Area - plaza entrances	3 entrances	43.642
Expo Site Area - Expo Centre		108.261
Expo Site Area - Theatre		35.788
Expo Site Area - Educational Centre		32.508
Expo Site Area - consultant fees and permits		33.030
Exhibition Pavilions - small pavilions	18 separate structures	16.277
Exhibition Pavilions - medium pavilions	22 separate structures	98.342
Exhibition Pavilions - large pavilions	15 separate structures	108.261
Site clearance for Handback		11.874
Exhibition Pavilions - consultant fees and permits		35.213
Exhibition Pavilions Host Nation (Canada)	1 structure	86.542
Exhibition Pavilions Host Nation / City - Toronto, Ottawa, Vancouver, Montreal	4 separate structures	62.683
Exhibition Pavilions Host Nation / City - consultant fees and permits		22.384
Thematic Pavilions - Clusters	for 90 countries	87.168
Site clearance for Handback		3.420
Thematic Pavilions - Welcome Pavilions	3 separate structures	29.325
Thematic Pavilions - Theme Pavilions	2 separate structures	29.596
Thematic Pavilions - consultant fees and permits		22.426
International Organizations / NGOs - small pavilions	35 separate structures	31.972
International Organizations / NGOs - medium pavilions	10 separate structures	44.406
International Organizations / NGOs - large pavilions	4 separate structures	31.972
Site clearance for Handback		5.508
International Organizations / NGOs - consultant fees and permits		17.079
Corporate Pavilion - large pavilions	17 separate structures	78.510
Site clearance for Handback		3.991
Corporate Pavilion - consultant fees and permits		12.375
Food & Beverage - facilities		114.920
Food & Beverage - consultant fees and permits		17.238

Source: Arup, Hanscomb

Support / Operations - Administration / Management office	1 structure	38.088
Support / Operations - Logistics / Warehouse (facility)	1 structure	25.463
Support / Operations - Security and EMS	1 structure	25.634
Support / Operations - Clean & Waste (facility)	1 structure	15.674
Support / Operations - Central Catering	1 structure	50.562
Support / Operations - Site management (enclosed building)	1 structure - stores / workshops / staff areas	19.459
Support / Operations - Site management (compound)	1 compound	2.565
Support / Operations - Logistics / Warehouse (compound)	1 compound	4.446
Support / Operations - Security / Emergency parking	1 compound	1.505
Support / Operations - Clean & Waste (compound)	1 compound	0.684
Support / Operations - Central Catering (compound)	1 compound	3.010
Support / Operations - consultant fees and permits		28.063
Affordable Housing	1,000 units of affordable housing	291.065
Total C\$2016 Cost		1,730.929

Post Expo Site Clean-up and Handback		
Project	Description	Cost (\$2016 millions)
Site clearance for handback	post-event remodeling costs for permanent facilities	45.077
Conversion of buildings to legacy use		40.000
Consultant fees and permits		12.762
Total C\$2016 Cost		97.839

Source: Arup, Hanscomb

COST SUMMARY	TOTAL COST (\$2016 millions)
Planned Infrastructure Projects	
Planned Infrastructure Projects	683.146
Permanent Building Works	377.318
TOTAL PLANNED INFRASTRUCTURE COSTS	1,060.464

COST SUMMARY	TOTAL COST (\$2016 millions)
Incremental Costs	
2025 Expo Site Improvements	111.904
2025 Expo Transport Improvements	293.524
2025 Expo Site Overlay Equipment and Supplies	240.000
2025 Expo Buildings and Facilities	1,730.929
Post Expo Site Clean-up and Handback	97.839
Acceleration costs of "Planned Infrastructure Projects"	106.046
TOTAL INCREMENTAL COSTS	2,580.243

Source: Arup, Hanscomb

Appendix B

General Assumptions and Limiting Conditions

1. The use of any Projection made in conjunction with this Report may not be appropriate for use outside of its intended purpose. The Projection, which will not reflect actual development, economic, demographic and / or financial results, may reflect a possible scenario for the potential visitation to, and operations of a World Expo held in Canada and staged in Toronto in 2025 given PwC's judgment as to a probable set of economic conditions, together with the hypotheses which are consistent with the purpose of the Projections. Scenarios produced in conjunction with our analysis may contain hypotheses and assumptions which are based on a set of economic conditions or anticipated courses of action that are not unreasonable, are consistent with the purpose of the projections, but which will not materialize as set out therein. The hypotheses represent plausible circumstances, but need not be, and may not have been fully supported.

Since future events are not subject to precise projections, some assumptions will not materialize in the exact form presented by our analysis. In addition, other unanticipated events and circumstances may occur which could influence the future visitation to, and operations of a World Expo held in Canada and staged in Toronto in 2025. Therefore, actual visitation, revenue, operating expenses, visitor spending and hotel occupancy which could occur as a result of Expo 2025 will vary from the analysis of prospective market and economic conditions set out therein. While there is no recourse to predicting these matters with certainty apart from informed and reasoned judgments, it must be stated that future events will lead to variations which may materially alter the actual operating results. PwC does not warrant that actual results achieved by Expo 2025 will be the same, in whole or in part, as those shown in the Projection. The Projection is based on hypotheses and there is a significant risk that actual results will vary, perhaps materially, from the results projected.

Estimates and projections contained in this report are based, in part, on information provided by World Expo Canada Bid Corporations team of consultants, among other. PwC was not retained to review or provide comment on the findings of these consultants.
2. Responsible and competent Event planning and management are assumed.
3. Information furnished by others upon which all or portions of this report are based, including, among others, Arup, Hanscomb, the Bureau International des Expositions, Airbnb, Ministry of Tourism, Culture and Sport, etc., is believed to be reliable, but has not been verified in all cases. No warranty is given as to the accuracy of such information.
4. Our report and work product cannot be included, or referred to, in any prospectus, securities and exchange commission filing or other public investment document.
5. The intended use of this report is as an initial feasibility study examining the projected visitation / attendance, operating budget and economic impact of a World Expo held in Canada and staged in Toronto in 2025. A detailed review, including comprehensive consumer market survey, has not been undertaken, nor should one infer that such a study has been undertaken.
6. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, provincial, or national government or private entity or organization have been, or can readily be obtained, or renewed for any use on which the estimates provided in this report are based.
7. No investigation has been made of, and no responsibility is assumed for, the legal description or for legal matters including title or encumbrances.
8. Full compliance with all applicable federal, provincial and local zoning, use, occupancy, environmental, and similar laws and regulations is assumed, unless otherwise stated.
9. No responsibility is taken for changes in market conditions and no obligation is assumed to revise this report to reflect events or conditions which occur subsequent to the effective date of this report.
10. Any financial structure within this report is predicated on the market conditions prevailing as of the date of this report.
11. Areas and dimensions of any property referenced in this report were obtained from sources believed to be reliable. Maps or sketches, if included in this report, are only to assist the reader in visualizing the property / site and no responsibility is assumed for their accuracy. No independent surveys were conducted.

12. It is assumed that there are no hidden or unapparent conditions of the site, subsoil, or structures that affect future use and / or value. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
13. No soil analysis or geological studies were ordered or made in conjunction with this report, nor was an investigation made of any water, oil, gas, coal, or other subsurface mineral and use rights or conditions.
14. Neither PwC nor any individuals signing or associated with this report shall be required by reason of this report to give further consultation, to provide testimony or appear in court or other legal proceedings, unless specific arrangements thereof have been made.
15. This report has been made only for the purpose stated and shall not be used for any other purpose. Neither this report nor any portions thereof (including without limitation any conclusions, the identity of PwC or any individuals signing or associated with this report, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties by any means without the prior written consent and approval of PwC.
16. We have not been engaged nor are qualified to detect the existence of hazardous material which may or may not be present on or near the property. The presence of potentially hazardous substances such as asbestos, urea-formaldehyde foam insulation, industrial wastes, etc. may affect the value and future use of the property and the viability of using the site to stage Expo 2025. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client should retain an expert in this field if further information is desired.
17. We have not audited or otherwise verified the capital cost associated with the aforementioned Planned Infrastructure Costs and Expo Incremental Costs.

