REPORT FOR ACTION

Toronto Parking Authority - Financial Performance for the Year Ended December 31, 2025 (UNAUDITED)

Date: February 17, 2026
To: Board of Directors, Toronto Parking Authority
From: President, Toronto Parking Authority
Wards: All

SUMMARY

Toronto Parking Authority's (TPA) pre-adjustment net income for the year ended December 31, 2025, was $48.5 million; +$6.5 million or +16% versus plan and $3.7 million or +8% versus 2024. Post plan non-cash transfer of $14.6 million in assets to the City of Toronto resulted in an adjusted full year income of $33.9 million which translates into a plan miss of -$8 million and -$10.9 million versus 2024.

Revenue reached a historic high of $177.2 million, driven by the continued strength of the Bike Share system, which generated $2.3 million in favourable revenue in 2025 on record ridership of 7.8 million. This performance was partially offset by softness in the parking portfolio, with parking revenues $7.8 million below expectations, primarily due to reduced transaction volumes resulting from a prolonged February snow event that required the temporary closure of 47% of on-street inventory for snow removal, leading to approximately 371 thousand fewer transactions. Additional pressures included traffic congestion, construction and parking compliance. Collectively, these factors contributed to an overall $5.5 million shortfall versus plan.

Operating expenses were $115.6 million which is $6.3 million better than plan driven by volume-related savings, disciplined cost oversight, head count management, and favourability on municipal taxes.

TPA delivered a strong capital program in 2025, investing $47.0 million and achieving an 85% spend rate versus plan, marking the third consecutive year above 80%. TPA-led spend totaled $45.5 million; while below the original target, the spend rate improved to 90.2% excluding the PARCS program, which was paused for city procurement review. Key investments included $12.4 million in State of Good Repair, $12.3 million expanding Bike Share Toronto across all 25 wards and the Toronto Islands, $7.6 million advancing the EV charging networks with 76 new chargers, increasing the total to 537 chargers citywide across 127 locations, and continued

parking equipment modernization by installing 503 Pay-By-Plate parking meters and IT upgrades to enhance system reliability and customer experience.

Available cash exiting 2025 was $56.3 million. Dividend distributions to City will be drawn on in Q2 2026.

The 2025 Audited Financial statements will be presented at the May 2026 Board meeting.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1. The Board of Directors, Toronto Parking Authority, receive this report for information.

FINANCIAL IMPACT

There are no financial impacts from this report.

DECISION HISTORY

N/A

COMMENTS

Performance Tables

Table 1: *2025 Operating Results*

For the Year Ended December 31, 2025

$000's	2025 Actual	2025 Budget	2024 Actual	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actual	
Off-Street revenue	91,364	94,987	87,409	(3,623)	-4%	3,955	5%
On-Street revenue	66,341	71,002	63,249	(4,661)	-7%	3,092	5%
Bike Share revenue	17,056	14,784	13,273	2,272	15%	3,783	29%
Total parking & user revenue	**174,761**	**180,773**	**163,931**	**(6,012)**	**-3%**	**10,830**	**7%**
Other Revenue	2,443	1,897	1,753	547	29%	690	39%
Total Revenue	**177,205**	**182,670**	**165,684**	**(5,465)**	**-3%**	**11,520**	**7%**
[1] Direct expenses - operating	(70,007)	(71,603)	(67,016)	1,596	2%	(2,991)	-4%
Contribution Margin	**107,198**	**111,067**	**98,669**	**(3,869)**	**-3%**	**8,528**	**9%**
Contribution Margin %	60.5%	60.8%	59.6%	-0.3%		0.9%	2%
[2] Municipal property tax	(21,197)	(25,530)	(21,708)	4,333	17%	511	2%
[3] Indirect Expenses	(24,313)	(24,715)	(22,525)	403	2%	(1,788)	-8%
EBITDA	**61,688**	**60,822**	**54,436**	**866**	**1%**	**7,252**	**13%**
EBITDA %	34.8%	33.3%	32.9%	1.5%		2.0%	6%
Gain(loss) on sale of P&E	(739)	0	0	(739)	-	(739)	-
Finance Income	3,307	3,424	4,669	(117)	-3%	(1,362)	-29%
Amortization	(15,794)	(22,325)	(14,351)	6,531	29%	(1,442)	-10%
Net Income before City Asset Transfer	**48,462**	**41,921**	**44,754**	**6,542**	**16%**	**3,708**	**8%**
City Asset Transfer	(14,576)	0	0	(14,576)	-	(14,576)	-
Net Income	**33,886**	**41,921**	**44,754**	**(8,035)**	**-19%**	**(10,868)**	**-24%**

2025 Highlights:

2025 delivered strong financial performance, with pre-adjustment net income of $48.5 million before City asset transfers, exceeding plan by $6.5 million (+16%) and improving $3.7 million (+8%) year over year. EBITDA totaled $61.7 million, +$0.9 million above plan, reflecting resilient operating performance. Post plan non-cash city asset transfer of $14.6 million related to five properties resulted in an adjusted full year net income of $33.9 million which translates into a non-performance plan miss of -$8.0 million and -$10.9 million versus 2024.

Revenue reached a historic high of $177.2 million, driven by the continued strength of the Bike Share system, which generated $2.3 million in favourable revenue in 2025 on record ridership of 7.8 million. This performance was partially offset by softness in the parking portfolio, with parking revenues $7.8 million below expectations, primarily due to reduced transaction volumes resulting from a prolonged February snow event that required the temporary closure of 47% of on-street inventory for snow removal, leading to approximately 371 thousand fewer transactions. Additional pressures included traffic congestion, construction and parking compliance. Collectively, these factors contributed to an overall $5.5 million shortfall versus plan.

Operating expenses (1+2+3) were $115.6 million which is $6.3 million better than plan driven by volume-related savings, disciplined cost oversight, head count management, and favourability on municipal taxes.

Amortization of property, plant and equipment is $15.8 million; $6.5 million lower than Plan due to timing of capital program delivery and direct capital funding from the City of Toronto for Bike Share and EV.

Available cash totaled $56.3 million, a $13.7 million decrease from 2024, primarily driven by $14.0 million in cash disbursements in 2025 related to the acquisition of St. Lawrence North.

Table 2: *2025 Off -Street Results*

Off-Street
For the Year Ended December 31, 2025

$000's	2025 Actual	2025 Budget	2024 Actual	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actual	
Off-Street parking revenue	91,364	94,987	87,409	(3,623)	-4%	3,955	5%
Other Revenue	2,443	1,897	1,753	547	29%	690	39%
Total Revenue	**93,807**	**96,884**	**89,163**	**(3,076)**	**-3%**	**4,645**	**5%**
Direct expenses - operating	(38,479)	(39,351)	(39,108)	871	2%	628	2%
Contribution Margin	**55,328**	**57,533**	**50,055**	**(2,205)**	**-4%**	**5,273**	**11%**
Contribution Margin %	59.0%	59.4%	56.1%	-0.4%		2.8%	

Off-street contribution margin was $55.3 million, -$2.2 million lower than plan and $5.3 million higher than prior year.

Off-Street revenue totalled $93.8 million, $3.1 million (3%) below plan, reflecting approximately 760 thousand fewer transactions than plan, primarily due to inventory reductions supporting City programs and partial closures related to State of Good Repair work at Car Park 43 (2 Church St.) and Car Park 68 (20 St. Andrew St.). These impacts were partially offset by rate increases, which drove a favourable improvement in average transaction value.

Direct operating expenses were $38.5 million; +$0.9 million favourable to plan mainly driven by lower facility and volume related costs.

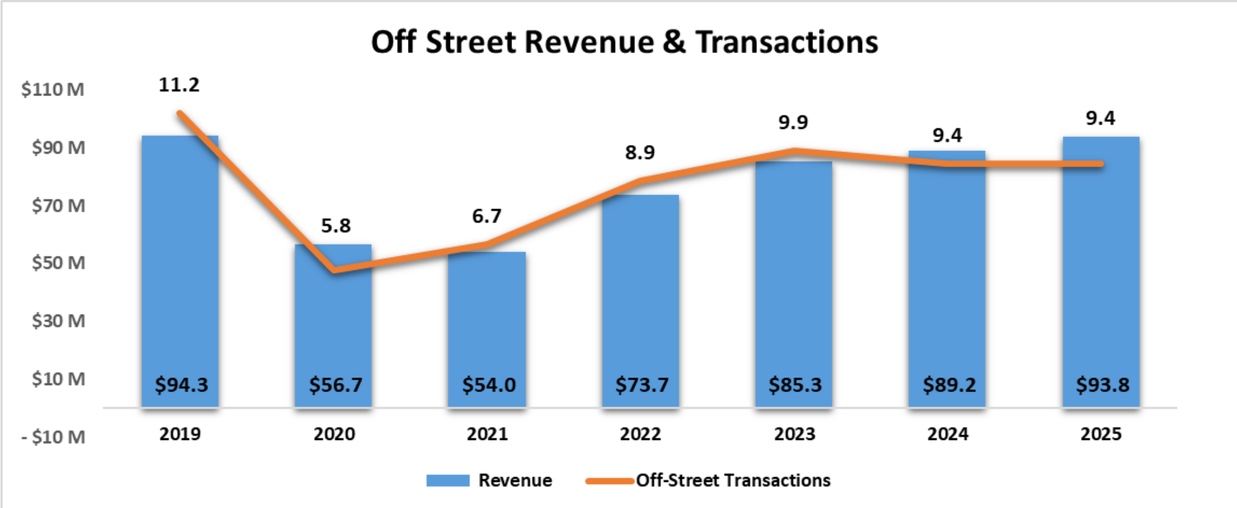

Table 3: ***2025 On-Street Results***

On-Street
For the Year Ended December 31, 2025

$000's	2025 Actual	2025 Budget	2024 Actual	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actual	
On-Street parking revenue	66,341	71,002	63,249	(4,661)	-7%	3,092	5%
Direct expenses - operating	(11,590)	(12,705)	(11,586)	1,115	9%	(4)	0%
Contribution Margin	**54,751**	**58,297**	**51,664**	**(3,546)**	**-6%**	**3,088**	**6%**
Contribution Margin %	82.5%	82.1%	81.7%	0.4%		0.8%	

On-Street contribution margin was $54.8 million -$3.5 million lower than plan and $3.1 million higher than prior year.

Revenue totaled $66.3 million, modestly $4.7 million (7%) below plan, reflecting lower trip volume. Total trips reached 15.2 million, 1.1 million lower than prior year, primarily due to extended snow route closures during a major winter storm between February 12 and March 5, which resulted in approximately 371 thousand fewer transactions. The remaining variance was attributable to closures from construction activities resulting in redeployment of equipment off main streets, downtown congestion, and lower parking compliance at current enforcement levels.

Direct operating expenses were $11.6 million; +$1.1 million favourable to plan driven by salary and wages, lower volume related costs, and disciplined cost oversight.

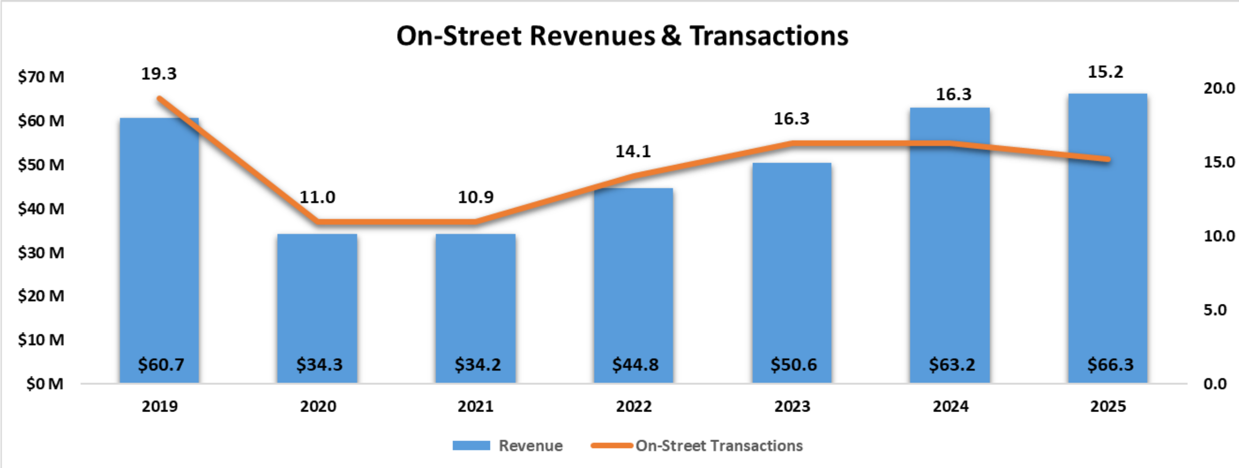

Table 4: *2025 Electric Vehicle Charging Results*

Combined EV P&L
For the Year Ended December 31, 2025

$000's	2025 Actual	2025 Budget	2024 Actual	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actual	
Charging Revenue	893	978	565	(84)	-9%	329	58%
Associated Parking Revenue	800	1,145	541	(345)	-30%	259	48%
Total Revenue	**1,693**	**2,123**	**1,106**	**(430)**	**-20%**	**588**	**53%**
Direct expenses - operating	**(1,068)**	**(1,232)**	**(699)**	**164**	**13%**	**(368)**	**-53%**
Contribution	**626**	**891**	**407**	**(265)**	**-30%**	**219**	**54%**
Contribution Margin %	37.0%	42.0%	36.8%	-5.0%		0.2%	

TPA's EV portfolio delivered strong growth in 2025, with 153.6k total charging sessions (+50% YoY) reflecting continued customer adoption and network expansion.

Off-Street charging, the primary revenue driver of the portfolio, recorded 111k sessions (+56% YoY). On-Street charging recorded 42k sessions (+33% YoY). While volumes were stable, On-Street generates materially lower revenue per transaction due to unpaid parking utilization and higher cost-to-serve dynamics. It remains an important public-access service but is not a significant financial contributor relative to Off-Street operations.

TPA's charging portfolio grew modestly in 2025, expanding to 537 chargers across 127 locations. Overall, and despite macro-industry headwinds, sustained consumer demand remains encouraging as customers leverage our charging portfolio as an integral part of their charging behaviour.

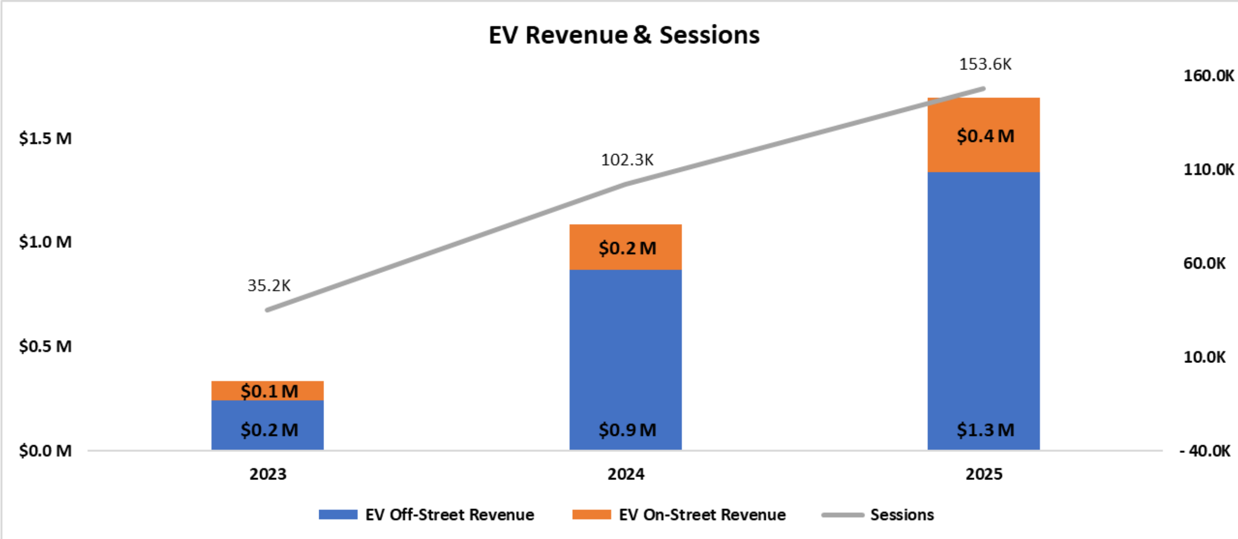

Table 5: ***2025 Bike Share Results***

Bike Share
For the Year Ended December 31, 2025

$000's	2025 Actual	2025 Budget	2024 Actual	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actual	
Bike Share revenue	17,056	14,784	13,273	**2,272**	**15%**	**3,783**	**29%**
Direct expenses - operating	(19,938)	(19,547)	(16,322)	(391)	-2%	(3,616)	-22%
Contribution Margin	**(2,882)**	**(4,763)**	**(3,049)**	**1,881**	**39%**	**167**	**5%**
Contribution Margin %	-16.9%	-32.2%	-23.0%	15.3%		6.1%	

Bike Share Toronto continued to deliver strong 7.8 million ridership and favourable product mix in 2025 by growing customer segments and footprint on the Toronto Islands. Contribution margins are at a historical low of -16.9%, which is 15.3 points better than plan. This improvement is primarily due to an additional $2.3 million in new revenue from expanding operations to the Toronto Islands and favourable changes in ride mix to e-bikes and casual riders.

Twelve-month highlights are as follows:

- Strong consumer uptake achieving ridership of 7.8 million rides in all 25 wards (+0.8 million versus 2024; +0.3 million versus plan).
- Record 1.5 million e-bikes rides with a 34.0% casual mix. Unique customers grew to 373k +105k vs prior year.
- Record rides between June to September averaging 1.09 million rides per month with peak ridership of 1.2 million in July 2025.

Ridership Trend (12 months - last 5 years)

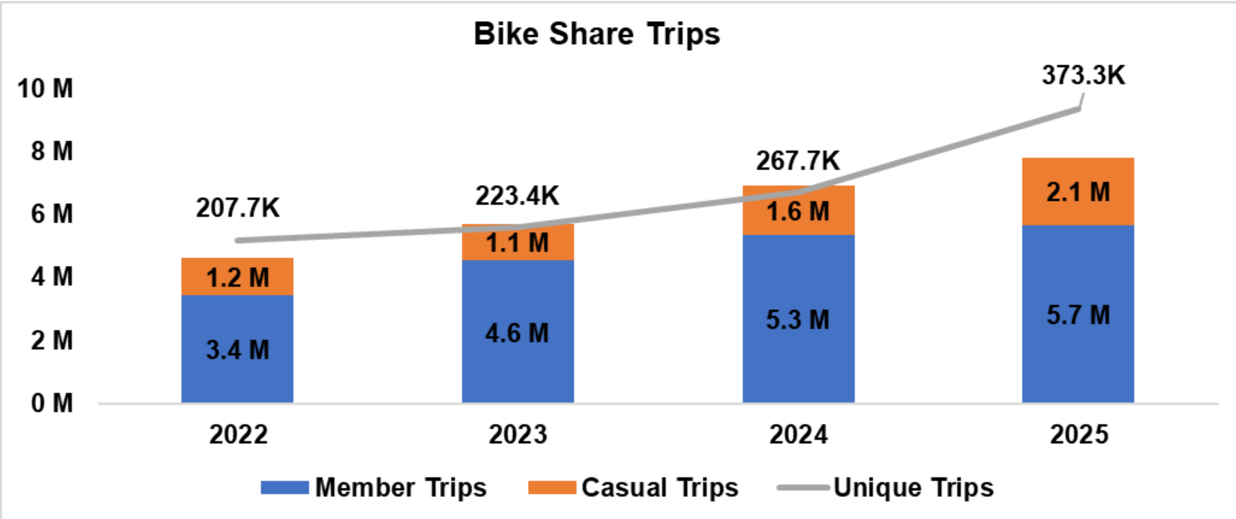

Table 6: ***2025 Operating Expenses Excluding Amortization***

$000's	2025 Actual	2025 Plan	2024 Actual	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actual	
Volume Related	33,323	34,846	32,519	1,523	4.4%	(804)	-2.3%
Salaries & Benefits	31,187	33,905	30,375	2,718	8.0%	(812)	-2.4%
Municipal Taxes	21,197	25,530	21,708	4,333	17.0%	511	2.0%
Facility Costs	16,052	15,997	15,208	(55)	-0.3%	(843)	-5.3%
Admin	8,568	6,819	7,101	(1,749)	-25.6%	(1,466)	-21.5%
Information Technology	5,308	4,752	4,352	(556)	-11.7%	(956)	-20.1%
Total Operating Costs	**115,635**	**121,848**	**111,263**	**6,213**	**5.1%**	**(4,372)**	**-3.6%**

Total Operating expenses were $115.6 million, +$6.2 million (5.1%) versus plan driven by:

- $4.3 million in lower Municipal tax recoveries from car parks transferred to CREM and lower than expected tax increase.
- $2.7 million in lower Salaries, wages and benefits driven by disciplined management of headcount.
- $1.5 million in lower volume related costs due to lower processing fees from lower number of trips.
- $0.1 million increase in facility costs due to elevated security requirements at specific Car Parks.
- $1.7 million in increased Admin expenses due to retirement of DG4 legacy equipment, consulting work on Presto study time sensitive to TTC One Fare inclusion; loyalty program support Green P expansion, health & safety management, and temporary procured contract labour for short-term projects.
- $0.6 million increase in IT Infrastructure from investments in cybersecurity and data governance.

Table 7: ***2025 Capital Spend December YTD Results***

For The Twelve Months Ending Dec 31, 2025

$000's	**2025 Annual Plan**	**Actuals**	**% Spent**
TPA Led	**54,481**	**45,486**	**83%**
Bike Share Toronto	12,122	12,298	101%
EV Off-Street	8,100	7,036	87%
Health & Safety Plan and Generators	198	109	55%
Service Improvement and Growth	20,321	13,631	67%
SOGR Garage Repairs and modernization	13,740	12,411	90%
City Led	**1,150**	**1,523**	**132%**
Acquisition	-	231	-
EV On-Street	250	563	225%
Health and Safety - Security CCTV	900	729	81%
Gross Capital Expenditures	**55,631**	**47,009**	**85%**

TPA delivered $47.0M in capital spend, achieving an 85% spend rate versus plan and sustaining three consecutive years above 80%, with 2025 reaching a historic high. TPA-led spend of $45.5M was $9.0M below the original $54.5M target; excluding PARCS, paused for City procurement review, the spend rate improved to 90.2%.

Key 2025 deliveries included:

- $12.4 million in SOGR; Car Park 43 (Church St.), Car Park Car Park 58 (Bedford), Car Park 68 (Kensington Market), Cark Park 29 (75 Holly St.), Car Park 52 (50 York St.), Car Park 150 (40 Larch St.), and Car Park 286 (51 Dockside Dr.).
- $12.3M to complete the four-year Bike Share expansion, extending service to all 25 wards and the Toronto Islands; +600 additional e-bikes, +290 iconic bikes, +138 new stations, and +2,622 docks, of which +395 are e-charging docks.
- $7.6M invested in EV charging infrastructure, delivering 537 chargers across 127 locations, including 76 new installations in 2025 (64 off-street and 12 on-street).
- $4.6 million invested to install Pay-By-Plate parking equipment as part of equipment modernization and digitization of footprint. Installs include 503 sites (452 On-Street; 51 Off-Street surface sites)
- $2.2 million in IT investment to upgrade signal connectivity within car parks and other customer focused initiatives.

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SIGNATURE

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