FP Newspapers Inc.

Management's Discussion and Analysis

Second Quarter
June 30, 2019

MANAGEMENT’S DISCUSSION AND ANALYSIS
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August 29, 2019

OVERVIEW

Management’s discussion and analysis, prepared as at August 29, 2019, provides a review of significant developments that affected the performance of FP Newspapers Inc. (“FPI”) in the three and six months ended June 30, 2019. This review is based on financial information contained in the unaudited interim condensed financial statements and accompanying notes (“interim financial statements”) for the three and six months ended June 30, 2019.

Factors that could affect future operations are also discussed. These factors may be affected by known and unknown risks and uncertainties that may cause the actual future results to be materially different from those expressed in this discussion.

The interim financial statements, which are the basis for data presented in this report, have been prepared in accordance with International Financial Reporting Standards (“IFRS”), including IAS 34. The interim financial statements do not include all the information and disclosures required for annual financial statements and, therefore, the following information should be read in conjunction with the most recent audited consolidated financial statements and accompanying notes and management’s discussion and analysis for the year ended December 30, 2018 prepared in accordance with IFRS and with the interim unaudited condensed financial statements and accompanying notes for the second quarter of 2019.

This Management’s Discussion and Analysis contains “forward-looking statements” that are subject to risks and uncertainties set out below under the heading “Caution Regarding Forward-Looking Statements”. The reader is cautioned not to place undue reliance on forward-looking statements.

Further information relating to FPI is available at www.sedar.com or on FPI’s website at www fpnewspapers.com.

FORMATION AND LEGAL ENTITIES

FPI, which was incorporated under the Canada Business Corporations Act on March 17, 2010, is the successor to the business of FP Newspapers Income Fund (the “Fund”). The Fund was created on May 15, 2002 and commenced operations on May 28, 2002 when it completed an initial public offering and purchased an interest in FP Canadian Newspapers Limited Partnership (“FPLP”).

On December 31, 2010, the Fund completed its conversion from an income trust to a corporate structure pursuant to a plan of arrangement. Under the plan of arrangement, Unitholders of the Fund received, for each Unit of the Fund held, one common share of the resulting public corporation, FPI. The common shares of FPI commenced trading on the Toronto Stock Exchange on January 7, 2011 under the symbol "FP". Concurrently, the Fund’s Units were delisted. Effective at the close of market on November 21, 2016 the Company delisted from trading on the Toronto Stock exchange and effective at the opening November 22, 2016, the common shares of FPI commenced trading on TSX Venture Exchange.

FPLP is a limited partnership formed on August 9, 1999. Effective November 29, 2001, FPLP acquired the business assets and assumed certain liabilities of the Winnipeg Free Press and the Brandon Sun. On July 13, 2004, FPLP acquired the business assets and liabilities of Canstar Community News (“Canstar”). On February 28, 2011, FPLP acquired the business assets and assumed certain liabilities of a commercial printing and publishing business operating under the name Derksen Printers based in Steinbach, Manitoba. On October 26, 2012 FPLP acquired substantially all of the assets and assumed certain liabilities of the Carberry News-Express, a weekly paid subscription publication.

FP NEWSPAPERS INC.

A summary of FPI's quarterly revenue, net income and net income per share for 2019, 2018 and 2017 is as follows:

	2019	2018	2017
	In thousands of dollars (except per share amounts)		
Revenue			
Quarter 1	$ 121	$ (53)	$ 305
Quarter 2	852	435	802
Quarter 3		65	150
Quarter 4		740	590
Net income (loss)			
Quarter 1	$ 54	$ (84)	$ 186
Quarter 2(*)	636	(2,463)	566
Quarter 3		22	71
Quarter 4(*)		560	(2,523)
Net income (loss) per share			
Quarter 1	$ 0.008	$ (0.012)	$ 0.027
Quarter 2(*)	0.092	(0.357)	0.082
Quarter 3		0.003	0.010
Quarter 4(*)		0.081	(0.365)

(*) A non-cash write-down of $3.1 million was recorded in the second quarter of 2018 and a non-cash write-down of $2.9 million was recorded in the fourth quarter of 2017. These write-downs were based on FPI's determination that its 49% equity investment in FPLP was impaired, primarily due to continued declines in revenue and income experienced by FPLP.

FPI reported net income of $0.6 million for the three months ended June 30, 2019, compared to a net loss of $2.5 million for the same period last year. The second quarter loss in 2018 was primarily due to a non-cash write-down of the equity investment in FPLP, and excluding the impact of this non-cash write-down the net income was $0.3 million. The increase in net income, excluding the non-cash write-down in 2018 is primarily due to an increase in the equity share of the net income of FPLP with details of this increase disclosed in the FPLP section of this report. Other comprehensive loss for the three months ended June 30, 2019 was $1.0 million, compared to income of $0.3 million in the second quarter of 2018. Other comprehensive income results from FPI's equity share of FPLP's recognition of remeasurements gains or losses related to the defined benefit pension plan.

As at August 29, 2019, FPI had 6,902,592 shares outstanding.

FP CANADIAN NEWSPAPERS LIMITED PARTNERSHIP

Results of Operations

FPLP's revenue for the three months ended June 30, 2019 was $17.0 million, a decrease of $0.4 million or 2.3% from the same three months in the prior year. FPLP's print advertising revenues for the three months ended June 30, 2019 were $9.1 million, a $0.6 million or 6.4% decrease compared to the same period last year. FPLP's largest advertising revenue category, display advertising including colour, was $4.8 million, a decrease of $0.3 million or 5.8% from the same period in the prior year, primarily due to decreased spending in the local and national automotive, national retail and real estate categories, partly offset by increased spending in the telecommunication category. Classified advertising revenues for the second quarter decreased by $0.1 million or 8.9% compared to the same period last year, primarily due to lower spending in the real estate and employment categories, partly offset by higher revenues in the obituary category. Flyer distribution revenues decreased by $0.2 million or 6.1% compared to the second quarter in 2018, primarily due to a decrease in flyer volumes, partially offset by slightly higher rates.

Circulation revenues for the three months ended June 30, 2019 were unchanged from the second quarter of 2018, primarily due to an increase in print subscription prices and increased digital subscription revenue, offset by decreases in print unit sales. Digital advertising revenues for the second quarter increased by 12.2%, primarily due to increased digital design services revenues and increased revenues from web ads and mobile ads. Commercial services revenue increased by $0.1 million primarily due to revenue from additional commercial print contracts at the Winnipeg Free Press.

FPLP's revenue for the six months ended June 30, 2019 was $32.5 million, a decrease of $1.0 million or 2.9% from the same period in the prior year. Print advertising revenues for the six months ended June 2019 were $17.1 million, a $1.4 million or 7.6% decrease compared to the same period last year. FPLP's largest advertising revenue category, display advertising including colour, was $9.2 million, a decrease of $0.6 million or 6.2% from the same period in the prior year, primarily due to decreased spending in the local and national automotive and retail categories, partly offset by increased spending in the telecommunication category. Classified advertising revenues for the six months ended June 30, 2019 were $2.9 million, a decrease of $0.3 million or 10.7% compared to the second quarter of 2018, primarily due to lower spending in the real estate, obituaries and employment categories. Flyer distribution revenues decreased by $0.5 million or 8.5% compared to the first six months of 2018, primarily due to a decrease in flyer volumes, partly offset by slightly higher rates.

For the six months ended June 2019, circulation revenues were $12.1 million, an increase of $0.2 million or 1.3% from the same period of 2018, primarily due to an increase in print subscription prices and increased digital subscription revenue. Commercial services revenue increased by $0.1 million primarily due to revenue from additional commercial print contracts at the Winnipeg Free Press. Digital revenues for the first six months of 2019 increased by $0.2 million or 19.0%, primarily due to an increase in on-line web ads and revenue from digital services.

Operating expenses for the three months ended June 30, 2019 were $15.1 million, a decrease of $1.2 million or 7.3% compared to the same quarter last year. Employee compensation costs for the second quarter decreased by $0.8 million or 10.9% from the same period in the prior year, primarily due to a $0.5 million tax credit for six months from the federal government's previously announced support for Canadian journalism as well as staff reductions from voluntary resignations and retirements. Newsprint expense for FPLP's own publications for the second quarter decreased by $0.2 million or 11.7% compared to the same period in the prior year, primarily due to lower printing volumes, partly offset by higher newsprint prices. Newsprint for commercial use decreased by 10.2% due to lower volumes, partially offset by higher prices. Delivery expenses for the three months ended June 30, 2019 decreased by $0.4 million or 11.0%, primarily due to the cost savings related to the initiatives implemented to improve delivery route efficiency. Other expenses increased by $0.1 million or 2.8%.

Operating expenses for the six months ended June 30, 2019 were $30.1 million, a decrease of $2.1 million or 6.5% compared to the same period last year. Employee compensation costs for the six months decreased by $1.2 million or 7.9% from the same period in the prior year, primarily due to a $0.5 million tax credit for six months from the federal government's previously announced support for Canadian journalism as well as staff reductions from voluntary resignations and retirements. Newsprint expense for FPLP's own publications for the six months ended June 30, 2019 decreased by $0.2 million or 7.7% compared to the same period in the prior year, primarily due to lower printing volumes, partly offset by newsprint price increases. Newsprint for commercial use decreased by 14.1% due to lower volumes, partially offset by higher prices. Delivery expenses for the six months ended June 30, 2019 decreased by

$0.7 million or 10.6%, primarily due to the cost savings related to the initiatives implemented to improve delivery route efficiency. Other expenses remained at relatively the same level compared with the six months ended in 2018.

EBITDA[(1)] for the three and six months ended June 30, 2019 was $2.6 million and $3.8 million compared to $1.8 million and $2.7 million for the same periods last year, an increase of 42.7% and 39.4%, respectively. EBITDA[(1)] margin for the three and six months ended June 30, 2019 was 15.5% and 11.7%, compared to 10.6% and 8.2% in the same periods last year. The changes in EBITDA[(1)] were due to the revenue and operating expense paragraphs above.

Finance costs for the three and six months ended June 30, 2019 decreased by $0.1 million, primarily due to the lower level of debt outstanding.

FPLP's net income was $1.7 million and $2.0 million for the three and six months ended June 30, 2019, compared to a net loss of $5.5 million and $5.6 million for the same periods last year. Excluding the $6.4 million impairment charge relating to goodwill and intangible assets in the second quarter of 2018, FPLP's net income was $0.9 million and $0.8 million for the three and six months ended June 30, 2018.

Under IFRS, comprehensive income includes remeasurements gains and losses related to FPLP's defined benefit pension plan. These gains and losses are primarily related to changes in actuarial discount rate assumptions and returns on plan assets differing from expected income. In the six months ended June 30, 2019, the actuarial loss was primarily due to increases in the defined benefit obligation primarily resulting from a lower actuarial discount rate.

The *Winnipeg Free Press* has strengthened its editorial staff with some key additions. In July the *Free Press* announced the hiring of Tom Brodbeck, a fixture on Manitoba's political scene, first as a legislative reporter for the Winnipeg Sun then as the tabloid's marquee columnist. Mr. Brodbeck has plenty of experience on the campaign trail and will play an important role in covering both the upcoming Provincial and federal elections. Mr. Brodbeck knows all the political players at all levels and will broaden the perspective the *Free Press* delivers. The *Free Press* also broadened its coverage of the arts with the hiring of Frances Koncan and Eva Wasney. Ms. Koncan is an Indigenous writer/artist of Anishinaabe descent who holds a master of fine arts in creative writing from City University of New York. Her journalism has led to her writing for the CBC Arts, the Toronto-based magazine *Intermission* and locally for the *Uniter* the University of Winnipeg's newspaper. Ms. Wasney joined the Free Press from the Canstar Community News team and along with her news and feature-writing, she brings a love of the arts that began in childhood, as well as experience covering the arts during her time at the *Brandon Sun*. To fill the retirements of long time reporters Alexandra Paul and Bill Redekop the Free Press has hired Tessa Vanderhart and Maggie Macintosh. Ms. Vanderhart previously worked for the CBC where she held a variety of reporting and leadership roles and has a number of years of digital news reporting experience. Ms. Macintosh was also previously the recipient of the CBC's prestigious Joan Donaldson Scholarship and is returning to the Free Press newsroom where she made a strong impression as an intern last summer.

On Saturday June 1, 2019 the unionized employees of the *Winnipeg Free Press* and *Canstar Community News* and contract delivery drivers of the *Winnipeg Free Press* ratified the terms of a new collective bargaining agreement. The new contract runs to June 30, 2021 and carries forward much of the same language as the expiring contract. Wage levels which have been frozen since July 2017 continue to remain unchanged through the term of this new contract. Wage concession language previously agreed to in 2017 which includes an 8% (4% for staff hired after 2017) wage reduction if certain free cash levels are not achieved remains in place.

The Brandon Sun continued efforts to generate new revenue and in the second quarter published *Lake Life* a thirty two page supplement distributed to subscribers and non-subscribers in Brandon's western Manitoba market. The stand-alone section exceeded expectations in terms of revenue and the editorial team provided excellent content. Other new sections such as a health magazine will be launched in the fall with the mindset of creating a new revenue stream from businesses who aren't regular advertisers in the daily newspaper. Continued emphasis on more local content and fewer wire stories has stabilized our readership to a degree for both paper and building our online product. As a result of a recent readership survey, a couple of long-time columns were eliminated from the paper and will be replaced with a spotlight on local people, clubs, and activities in the western Manitoba region.

Canstar's editorial department continues to provide coverage of unsung heroes and hyper-local developments, such as the unveiling of recently completed parks and community spaces projects around the city, as well as the city's many neighbourhood festivals. In June, Eva Wasney of The Metro was hired as an arts reporter by the *Free Pres* and has been replaced by Justin Luschinski, an award-winning reporter from the Selkirk Record, who is jumping right in to Canstar's coverage of the upcoming provincial election.

The Steinbach Carillon was recognized for its excellence at the 2019 Canadian Community Newspaper Awards. The Carillon won awards for best all-round newspaper and best front page in the 4,000-6,499 circulation category. The paper was also awarded the second place award in the best editorial page category.

The Carillon continued to see revenue erosion in the automotive category as the dealer associations removed themselves from community newspaper advertising across Canada. On a positive note the niche publication revenue showed gains over the prior year primarily from increases in the tourism guide and tourist map publications. On the circulation revenue front, single copy sales showed improvement as some new vendors were added through consolidated bundle distribution with the *Free Press*, in addition to increased sales from a major circulation promotion tied in with Clearview Co-op who is biggest single copy vendor of the Carillon. A partnership with Cirque du Soleil for tickets to their Amaluna promotion will be running in the third quarter adding another opportunity for new subscribers and subscription renewals.

Quarterly Summary

Newspaper publishing is, to a certain extent, a seasonal business, with a higher proportion of revenues and operating income occurring during the second and fourth quarters of the calendar year. Revenue, EBITDA[(1)] and net income of FPLP by quarter for 2019, 2018 and 2017 were as follows:

	2019	**2018**	**2017**
		In thousands of dollars	
Revenue			
Quarter 1	$ 15,493	$ 16,070	$ 18,218
Quarter 2	16,971	17,375	18,795
Quarter 3		15,925	16,893
Quarter 4		17,651	18,043
		$ 67,021	$ 71,949
EBITDA[(1)]			
Quarter 1	$ 1,171	$ 887	$ 1,704
Quarter 2[(*)(**)]	2,634	1,846	2,706
Quarter 3		1,096	1,362
Quarter 4[(*)]		2,456	2,241
		$ 6,285	$ 8,013
Net Income (Loss)			
Quarter 1	$ 244	$ (110)	$ 621
Quarter 2[(*)(**)]	1,735	(5,465)	1,637
Quarter 3		132	305
Quarter 4[(*)]		1,508	(4,797)
		$ (3,935)	$ (2,234)

[(*)] Goodwill and intangibles impairment charges of $6.4 million were recorded in the second quarter of 2018, $6.0 million in the fourth quarter of 2017. These goodwill and intangibles impairment charges were recorded primarily due to continued declines in revenues and income.

[(**)] A tax credit for $0.5 million for the six months ended June 30, 2019 estimated support under the federal government's support for the Canadian journalism program was recorded in the second quarter of 2019.

Liquidity and Capital Resources of FPLP

Cash and cash equivalents at June 30, 2019 were $3.0 million, compared to $4.3 million at December 31, 2018. Cash and cash equivalents may be used to reduce debt, to fund future capital expenditures, to pay future distributions (including future income taxes payable by the partners), or for other strategic initiatives or general purposes. Cash flow from operations, together with cash balances on hand, is currently expected to be sufficient to fund FPLP's operating requirements, capital expenditures and required principal repayments under FPLP's credit facility, assuming that advertising revenues do not materially deteriorate beyond management's current expectations.

The Company's most significant financial obligation relates to its long-term debt which matures on January 31, 2020 (note 6). Management and the controlling shareholder have ongoing discussions with the lender relating to the loan, which include the approaching maturity date.

Cash Flow from Operating Activities

During the three and six months ended June 30, 2019, cash generated from operating activities was $2.5 million and $3.6 million, compared to $1.9 million and $2.9 million for the same periods in 2018. Net income for the three and six months ended June 30, 2019 was $1.7 million and $2.0 million, compared to $0.9 million and $0.8 million, excluding the $6.4 million goodwill and intangible asset impairment charge for the same periods in 2018. The net change in non-cash working capital provided $0.2 million and $ 0.6 million of cash for the three and six months ended June 30, 2019, compared to the providing $0.3 million and $0.9 million for the three and six months ended June 30, 2018. The cash provided by non-cash working capital changes is primarily the result of timing of receipts from customers and payments to vendors.

Financing Activities

Financing activities used $2.1 million and $4.8 million for the three and six months ended June 30, 2019, compared to $1.2 million and $1.4 million for the same periods in 2018. The primary reason for the higher use of funds in the three and six months ended June 30, 2019 is due to a distribution to partners of FPLP of $0.6 million, of which $0.3 million was paid to FPI as holder of Class A limited partner units to fund FPI's income taxes and administration costs for the 2019 year, the final capital lease buy-out payment of $0.4 million and a voluntary early principal repayment of $2.5 million on the term loan in March 2019.

Contractual Obligations

Effective January 1, 2019, FPLP has applied IFRS 16, Leases and changed its accounting policy for lease contracts, which previously were included in commitments and contractual obligations. IFRS 16 was applied only to contracts that were previously identified as operating leases, exempting short-term leases of equipment and leases of low value.

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the incremental borrowing rate.

At January 1, 2019 $0.2 million was transferred from operating commitments to property, plant and equipment on the balance sheet and lease obligations were increased by the same amount. The right-of-use assets will be depreciated by the amount of the monthly lease payment less the interest expense.

There has been no change in the status of the Multimaterial Stewardship Manitoba matter detailed in Note 11 in the annual financial statements at December 31, 2018.

Related Party Transactions

FPLP purchased a majority of its newsprint from Alberta Newsprint Company ("ANC"), a related party, as disclosed under the related party transaction section of FPLP's Annual Management's Discussion and Analysis at December 31, 2018. Total newsprint purchases from ANC, based on actual invoice prices, for the three and six months ended June 30, 2019 were $1.0 million and $1.9 million, compared to $0.9 million and $2.1 million for the same periods last year.

DISCLOSURE CONTROLS AND PROCEDURES

In FPI's 2018 filings, the CEO and CFO certified, as required by National Instrument 52-109, the appropriateness of the financial disclosure, the design and effectiveness of the Corporation's disclosure controls and procedures, and the design and effectiveness of internal controls over financial reporting.

In FPI's second quarter 2019 filings, the CEO and CFO certify, as required by National Instrument 52-109, the appropriateness of the financial disclosure, the design of the Corporation's disclosure controls and procedures, and the design of internal controls over financial reporting.

FPI's Audit Committee reviewed this MD&A, and the interim financial report, and the Board of Directors approved these documents prior to their release.

There have been no changes to FPI's internal controls over financial reporting that occurred during the first two quarters of 2019 that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

CRITICAL ACCOUNTING ESTIMATES

The accounting policies adopted in preparation of the condensed consolidated financial statements for FPI and FPLP are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended December 30, 2018 and December 31, 2018, respectively, except for the adoption of IFRS 16, *Leases* which was effective January 1, 2019. The impact of adoption of IFRS 16 is summarized in Note 2 of the respective financial statements.

OUTLOOK

While total revenue continued to decline in the first six months of 2019, the decline wasn't as steep as we were experiencing in recent years. So far in the third quarter we are seeing total revenue declines at similar levels to the six month results ended June 30, 2019.

The federal support for journalism tax credit which was formally established in the second quarter will continue to help our overall financial results in the second half of 2019 versus the prior year as our estimated full year support is $1.0 million.

Newsprint price decreases of just over five percent were announced at the end of the second quarter and took effect on July 1. If the new prices remain in effect for the third and fourth quarters we will see an overall price reduction of just under 5 percent compared to the same six months last year.

During the third quarter we'll continue working on negotiations for a long term financing facility as the current agreement expires on January 30, 2020. Since December 2014 when the present five year agreement was effective, FPLP has repaid $36.5 million of debt principal on both the general facility and equipment lease financing facilities. With the equipment financing loans completely repaid and total net debt standing at $13.3 million as of June 30, we feel our balance sheet and continued generation of operating cash flows puts us in a strong position to close a favorable re-financing agreement before the expiration of the existing agreement.

Due diligence work continues on the potential transfer of the Winnipeg defined benefit pension plan to the CAAT DBPlus pension plan. Customized merger details are being prepared for each plan member and member presentations will be held during the third quarter. A member vote is planned to take place in the fourth quarter and if members vote in favour of the transfer they will be members of the CAAT plan as early as January 1, 2020. Final transfer of the current plan's assets would happen at a later date subject to the required regulatory approval.

NON-IFRS MEASURES

(1) EBITDA

FPLP believes that in addition to net income as reported on FPLP's interim condensed consolidated statements of income, EBITDA is a useful supplemental measure as it is a measure used by many of FPLP's Unitholders, creditors and analysts as a proxy for the amount of cash generated by FPLP's operating activities. EBITDA is not a recognized measure of financial performance under IFRS. Investors are cautioned that EBITDA should not be construed as an alternative to net income determined in accordance with IFRS as an indicator of FPLP`s performance. FPLP's method of calculating EBITDA is detailed below and may differ from that used by other issuers and, accordingly, EBITDA as calculated by FPLP may not be comparable to similar measures used by other issuers.

	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2019	**2018**	**2019**	**2018**
	In thousands of dollars		*In thousands of dollars*	
Net income (loss) for the period	$ 1,735	$ (5,465)	$ 1,979	$ (5,575)
Add (subtract):				
Depreciation and amortization	715	715	1,436	1,463
Impairment of goodwill and intangible assets	-	6,350	-	6,350
Finance costs	196	271	418	541
Other income	(12)	(25)	(28)	(46)
EBITDA	$ 2,634	$ 1,846	$ 3,805	$ 2,733

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this management's discussion and analysis may constitute forward-looking statements within the meaning of applicable securities laws. All statements other than statements of historical fact are forward-looking statements. These statements include but are not limited to statements regarding management's intent, belief or current expectations with respect to market and general economic conditions, future costs and operating performance. Generally, but not always, forward-looking statements will be indicated by words such as "may", "will", "intend", "anticipate", "expect", "believe", "plan", "forecast", "is budgeting for" or similar terminology.

Forward-looking statements are subject to known and unknown risks and uncertainties that may cause the actual results, performance or achievements of the Corporation or FPLP, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, the current general economic uncertainty, FPLP's ability to effectively manage growth and maintain its profitability, FPLP's ability to operate in a highly competitive industry, FPLP's ability to compete with other forms of media, FPLP's ability to attract advertisers, FPLP's reliance upon key personnel, FPLP's relatively high fixed costs, FPLP's dependence upon particular advertising customer segments, indebtedness incurred in making acquisitions, the availability of financing for capital improvements, the availability of an extension or refinancing of FPLP's term loan facilities, costs related to capital expenditures, cyclical and seasonal variations in FPLP's revenues, the risk of acts of terrorism, the cost of newsprint, the potential for labour disruptions, the risk of equipment failure, and the effect of Canadian tax laws. Additional information about these and other factors is discussed in our Annual Management Discussion and Analysis dated April 17, 2019, which is available at www.sedar.com.

In addition, although the forward-looking statements contained in this management's discussion and analysis are based upon what management of FPLP believes are reasonable assumptions, such assumptions may prove to be incorrect.

Forward-looking statements speak only as of the date hereof and, except as required by law, the Corporation and FPLP assume no obligation to update or revise them to reflect new events or circumstances. Because forward-looking statements are inherently uncertain, readers should not place undue reliance on them.