FP Newspapers Inc.

Management's Discussion and Analysis

Second Quarter
June 30, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS
Second Quarter
June 30, 2020

FP NEWS PAPERS INC

August 27, 2020

OVERVIEW

Management's discussion and analysis, prepared as at August 27, 2020, provides a review of significant developments that affected the performance of FP Newspapers Inc. ("FPI") in the three and six months ended June 30, 2020. 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, 2020.

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, 2019 prepared in accordance with IFRS and with the interim unaudited condensed financial statements and accompanying notes for the second quarter of 2020.

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.

FP NEWSPAPERS INC.

A summary of FPI's quarterly revenue, net income and net income per share for 2020, 2019 and 2018 is as follows:

	2020	2019	2018
	In thousands of dollars (except per share amounts)		
Revenue			
Quarter 1	$ 112	$ 121	$ (53)
Quarter 2 (**)	1,902	852	435
Quarter 3		177	65
Quarter 4		1,026	740
Net income (loss)			
Quarter 1	$ 60	$ 54	$ (84)
Quarter 2(*) (**)	1,344	636	(2,463)
Quarter 3		67	22
Quarter 4		687	560
Net income (loss) per share			
Quarter 1	$ 0.009	$ 0.008	$ (0.012)
Quarter 2(*) (**)	0.195	0.092	(0.357)
Quarter 3		0.010	0.003
Quarter 4		0.100	0.081

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

(**) FPI's equity interest in its investment in FPLP, its net income and its net income per share were higher in the second quarter of 2020 primarily resulting from the government emergency wage subsidy program as detailed in the FPLP section of this report partially offset by lower advertising revenues as a result of the COVID-19 pandemic.

FPI reported net income of $1.3 million for the three months ended June 30, 2020, compared to net income of $0.6 million for the same period last year. The increase in net income 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 income for the three months ended June 30, 2020 was $0.1 million, compared to a loss of $1.0 million in the second quarter of 2019. 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 27, 2020, 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, 2020 was $11.9 million, a decrease of $5.1 million or 30.0% from the same three months in the prior year. FPLP's print advertising revenues for the three months ended June 30, 2020 were $5.0 million, a $4.1 million or 44.8% decrease compared to the same period last year. FPLP's largest advertising revenue category, display advertising including colour, was $2.4 million, a decrease of $2.4 million or 49.6% from the same period in the prior year, primarily due to the business closures due to the COVID-19 pandemic. Classified advertising revenues for the second quarter decreased by $0.3 million or 20.8% compared to the same period last year, primarily due to COVID-19 business closures. Flyer distribution revenues decreased by $1.4 million or 49.5% compared to the second quarter in 2019, once again, primarily due the business closures as a result of COVID-19.

Circulation revenues for the three months ended June 30, 2020 were $5.9 million a decrease of $0.3 million or 5.4% from the second quarter of 2019, primarily due to slightly lower print home delivery volumes and lower single copy revenues due to the business closures resulting from the COVID-19 pandemic. Digital advertising revenues for the second quarter decreased by 33.0%, primarily due COVID-19 related business closures. Commercial services revenue decreased by $0.5 million primarily due to the cancellation of printing as a result of COVID-19 closures.

FPLP's revenue for the six months ended June 30, 2020 was $26.1 million, a decrease of $6.4 million or 19.6% from the same period in the prior year. Print advertising revenues for the six months ended June 30, 2020 were $11.8 million, a $5.3 million or 31.0% decrease compared to the same period last year. FPLP's largest advertising revenue category, display advertising including colour, was $5.7 million, a decrease of $3.5 million or 37.9% from the same period in the prior year, primarily due to the business closures in the second quarter as a result of the COVID-19 pandemic. Classified advertising revenues for the six months ended June 30, 2020 were $2.5 million, a decrease of $0.4 million or 12.7% compared to the same period in 2019, primarily due to the COVID-19 business closures. Flyer distribution revenues decreased by $1.5 million or 29.0% compared to the first six months of 2019, primarily due to COVID-19 related business closures.

For the six months ended June 30, 2020, circulation revenues were $11.8 million, a decrease of $0.3 million or 2.8% from the same period of 2019, primarily due to slightly lower print home delivery volumes and lower single copy revenues in the second quarter due to the business closures resulting from the COVID-19 pandemic. Commercial services revenue decreased by $0.5 million primarily due to business closures in the second quarter due to COVID-19. Digital revenues for the first six months of 2020 decreased by $0.2 million or 20.2%, primarily due the business closures in the second quarter as a result of COVID-19.

Operating expenses for the three months ended June 30, 2020 were $7.9 million, a decrease of $7.2 million or 47.7% compared to the same quarter last year. Employee compensation costs for the second quarter decreased by $5.3 million or 78.5% from the same period in the prior year, primarily the result of government support from the Canada Emergency Wage Subsidy ("CEWS"), the Federal Journalism Tax Credit Program, wage reductions implemented starting April 5, 2020 and lower staffing levels both in response to the dramatic and sudden decrease in advertising revenues as a result of the COVID-19 pandemic and the resulting business closures. Newsprint expense for FPLP's own publications for the second quarter decreased by $0.4 million or 31.4% compared to the same period in the prior year, primarily due to lower page counts as a result of the decrease in print advertising due to the COVID-19 pandemic in addition to slightly lower overall newsprint prices. Newsprint for commercial use decreased by 38.0% due to the decrease in commercial print jobs resulting from the business closures from the COVID-19 pandemic. Delivery expenses for the three months ended June 30, 2020 decreased by $0.4 million or 14.6%, primarily due to reduced flyer volumes as a result of the business closures from the COVID-19 pandemic. Other expenses decreased by $0.9 million or 26.7% as we reduced every possible expense in an effort to lessen the impact of lower advertising revenues resulting from the COVID-19 pandemic.

Operating expenses for the six months ended June 30, 2020 were $21.7 million, a decrease of $8.3 million or 27.8% compared to the same period last year. Employee compensation costs for the six months decreased by $6.0 million or 43.0% from the same period in the prior year, primarily due to government support from CEWS, the Federal Journalism Tax Credit Program wage reductions and lower staffing levels implemented in the second quarter in response to the lower advertising revenues due to the COVID-19 pandemic. Newsprint expense for FPLP's own publications for the six months ended June 30, 2020 decreased by $0.6 million or 24.3% compared to the same period in the prior year, primarily due to lower page counts resulting from the print advertising decline from COVID-19 in addition to lower average newsprint prices. Newsprint for commercial use decreased by 22.0% due primarily to a decrease in commercial print jobs in the second quarter resulting from the business closures due to the COVID-19 pandemic. Delivery expenses for the six months ended June 30, 2020 decreased by $0.6 million or 10.3%, primarily due to the decrease in flyer delivery volumes resulting from the business closures due to COVID-19. Other expenses for the six months ending June 30, 2020 decreased by $0.9 million or 14.9% resulting from the cost reductions implemented during the second quarter to respond to the lower advertising revenues as a result of the COVID-19 business closures.

EBITDA[1] for the three and six months ended June 30, 2020 was $4.7 million and $5.7 million compared to $2.6 million and $3.8 million for the same periods last year, an increase of 77.2% and 49.9%, respectively. EBITDA[1] margin for the three and six months ended June 30, 2020 was 39.3% and 21.9%, compared to 15.5% and 11.7% 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, 2020 decreased by $0.1 million and $0.2 million respectively compared to the same periods in 2019, due to the lower level of debt outstanding and lower average interest rates.

FPLP's net income was $3.8 million and $4.1 million for the three and six months ended June 30, 2020, compared to net income of $1.7 million and $2.0 million for the same periods last year.

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 three months ended June 30, 2020, the actuarial gain was the result of higher than expected returns on plan assets partially offset by increased plan obligations resulting from a decrease in the discount rate used to calculate the obligations. For the six months ended June 30, 2020 the actuarial loss is primarily the result of the decrease in the discount rate used to calculate the obligations.

In May the Free Press launched a new "support others" program which allows readers to donate funds to purchase subscriptions for people who cannot otherwise afford one. To the third week of July more than five thousand dollars has been raised and seventy-one new six month all access digital accounts have been started as a result.

Approved funding from the Local Journalism Initiative federal program has resulted in the Free Press adding 3 new journalists. Maggie Macintosh has been added to provide dedicated education coverage, Sarah Lawryniuk will cover climate change and Temur Durrani has been brought on to provide increased coverage relating to the local economic impact of COVID-19.

The daily COVID newsletter sent out by our Editor Paul Samyn has been widely accepted as an important source of daily information around the pandemic and the impacts on our communities. The newsletter is read by over fifty thousand readers each night. Based on the success of this newsletter, a daily newsletter from the editor is being planned to become part of our daily content offerings. The Winnipeg Free Press Book Club was started during the second quarter as another way to increase direct reader involvement with our product offerings.

On June 30, 2020 we made a voluntary term loan repayment of $3.0 million which brought the gross amount of the term loan to $9.5 million. Since December 31, 2014 FPLP has reduced its term loan facility by $36.8 million and we are on track with our goal of being debt free on or before the end of 2022, the 150th anniversary of the Free Press.

As the COVID-19 pandemic has progressed and the Winnipeg economy has begun to slowly re-open, stories in the six Canstar weeklies have switched focus from how people are managing during the shutdown to stories that reflect the new realities of post-pandemic life. We are telling the tales of how businesses survived and how they will manage the restart, documenting the slow return of sports and outdoor activities, as well as the innovative ways people and communities are working to recover. Because of the pandemic, Canstar's editorial employees have still not been in the same room together since mid-March but have been connecting via teleconferencing platforms and working on remote desktops. Long-time Headliner reporter Andrea Geary left the company at the end of June and she will be replaced in September by Gabrielle Piché, a recent graduate of the Red River College/University of Winnipeg creative communications program and currently working for the Winnipeg Free Press as a summer reporter. In May, Canstar's sales force was consolidated under the leadership of Karen Buss FPLP's Vice President of Advertising Sales.

The Brandon Sun's second quarter saw a few bright spots despite the reduced revenue as a result of the pandemic. Special sections such as Your Home Your Way and Lake Life along with a number of features all met or exceeded the budget set out for them. The Sun partnered with the Chamber of Commerce and Downtown Development Corp for a Shop Local themed section featuring a contest. Although sold in June it will come out in July. Readership continues to be stable and on the rise in some cases. Our digital subscriptions have increased by 181 daily online subscribers to plan and continue to go up. Print home delivery has stabilized and is close to plan levels. The editorial team has raised the bar covering the community and south western Manitoba region. Social media presence has heightened in terms of page views and unique visitors to the Brandon Sun site. In June we closed the sale of the Carberry real estate after ceasing publications of the News Express at the end of last year.

The second quarter of 2020 saw a number of regular publications on the Derksen web business postpone printing as they battled through reduced advertising revenues. As we neared the end of the quarter, we had only seen two of the twelve regular monthly publications return to printing. Subsequent to the end of the quarter, eight of the twelve publications have returned, with the remaining four publications returning in the beginning of September. Staffing reductions were quickly put in place to deal with the reduced activity and to this point most of those temporary layoffs are still in place. With the extended layoffs we have also seen some voluntary resignations and we have looked at restructuring existing staffing into covering those positions until we see what reality may look like as we enter the fall period. We have had some small gains on the sheet-fed printing side of the business as companies return to business and their printing needs return. To this point we have not returned any of the temporary laid off staff in our sheet-fed department. A more positive return has been experienced on the Carillon newspaper business where we are now seeing revenue levels come closer to 75% of pre-COVID-19 shut down levels. We have returned a couple of staff on the administrative side of the business, as well we had one of our long-time employees on the Carillon sales team decide to leave to move to more part time work. We have been fortunate to quickly find a candidate that we have brought on board that we feel will be a good fit for our business.

During the second quarter we launched a new newspaper in the Altona-region filling a gap left by Postmedia's closure of the long-time paper previously produced for the region. The launch of the new publication was met with very positive embracement by the community and businesses that are operating during these challenging times. The South Central Post is the name of the new product and we are manning most of the functions with existing Carillon staff although we were able to hire the existing Altona editor from the former Red River Valley Echo giving us local on the ground experience and history in the Altona area. We see opportunity going forward to expand the Altona business with flyer delivery and supplemental seasonal products.

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 2020, 2019 and 2018 were as follows:

	2020	2019	2018
		In thousands of dollars	
Revenue			
Quarter 1	$ 14,218	$ 15,493	$ 16,070
Quarter 2(****)	11,883	16,971	17,375
Quarter 3		15,129	15,925
Quarter 4		16,227	17,651
		$ 63,820	$ 67,021
EBITDA[1]			
Quarter 1(**)	$ 1,039	$ 1,171	$ 887
Quarter 2(**)(***)(****)	4,667	2,634	1,846
Quarter 3(**)		1,240	1,096
Quarter 4(**)		2,956	2,456
		$ 8,001	$ 6,285
Net Income (Loss)			
Quarter 1(**)	$ 227	$ 244	$ (110)
Quarter 2(*)(**)(***)(****)	3,882	1,735	(5,465)
Quarter 3(**)		360	132
Quarter 4(**)		2,088	1,508
		$ 4,427	$ (3,935)

(*) A goodwill and intangibles impairment charge of $6.4 million was recorded in the second quarter of 2018 primarily due to continued declines in revenues and income.

(**) A reduction in compensation costs in the amount of $0.3 million and $0.2 million was recorded in the first and second quarters of 2020 respectively and $0.3 million in the third and fourth quarters of 2019 and $0.5 million was recorded in the second quarter of 2019 for the estimated support under the federal government's Canadian journalism labour tax credit program, which was formally approved in the second quarter of 2019.

(***) During the second quarter FPLP was eligible for funding under the federal government's Canada Emergency Wage Subsidy ("CEWS") program. In the second quarter of 2020 FPLP recorded a reduction of its expenses in the amount of $3.9 million from the CEWS program.

(****) The second quarter of 2020 experienced a significant reduction in advertising revenues resulting from the COVID-19 pandemic and the resulting government enacted business closures in an effort to slow the spread of the virus.

Liquidity and Capital Resources of FPLP

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with existing and future financial liabilities that are and will be settled by delivering cash or another financial asset as they come due. Cash and cash equivalents at June 30, 2020 were $4.2 million, compared to $4.4 million at December 31, 2019. 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, are currently expected to be sufficient to fund FPLP's forecasted cash requirements for the next twelve months, although this could be affected by worsening of the impact on advertising revenues of the COVID-19 pandemic.

Cash Flow from Operating Activities

During the three and six months ended June 30, 2020, cash generated from operating activities was $4.8 million and $6.1 million, compared to $2.5 million and $3.6 million for the same periods in 2019. Net income for the three and six months ended June 30, 2020 was $3.9 million and $4.1 million, compared to $1.7 million and $2.0 million, in 2019. The net change in non-cash working capital provided $0.2 million and $0.7 million of cash for the three and six months ended June 30, 2020, compared to providing $0.2 million and $0.6 million for the three and six months ended June 30, 2019. 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 $4.3 million and $6.4 million for the three and six months ended June 30, 2020, compared to $2.1 million and $4.8 million for the same periods in 2019. The primary reason for the higher use of funds in the three and six months ended June 30, 2020 is due to a voluntary $3.0 million term loan repayment made on June 30, 2020.

Commitments & Contingencies

There have been no significant changes to contractual obligations since December 31, 2019**.**

Related Party Transactions

FPLP purchased most 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, 2019. Total newsprint purchases from ANC, based on actual invoice prices, for the three and six months ended June 30, 2020 were $0.6 million and $1.5 million, compared to $1.0 million and $1.9 million for the same periods last year.

DISCLOSURE CONTROLS AND PROCEDURES

In FPI's 2019 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 2020 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 2020 that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The accounting policies adopted in preparation of the interim condensed 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, 2019 and December 31, 2019, respectively.

Use of Estimates and judgements

COVID-19

The COVID-19 outbreak and the resulting government response to combat the spread of the virus has resulted in a material disruption to the world-wide economy. The extent to which this slow-down affects our business operations, liquidity, availability of credit and operating results cannot be predicted with any meaningful precision. It is not possible to predict the length or severity of the slow-down and the impact on our financial condition, cash flows or results of operations in future periods.

Regular impairment testing requires predicting future revenues and cash flows in addition to other forward information. The outbreak of COVID-19 has resulted in increased risks with respect to predicting future operating results used in both FPI's and FPLP's impairment testing at June 30, 2020.

OUTLOOK

Advertising revenue improvements we started to see as a result of provincial phased business re-opening rules have continued so far into the third quarter. Year-over-year monthly advertising revenues in July and August were improved from June levels and September bookings are on pace to be even better. On July 21, 2020 Manitoba Premier Brian Pallister announced the province would transition to phase four of its re-opening strategy. Phase 4 will include the resumption of live theatrical performances and movie theatre showings at a maximum of thirty percent of the site's capacity or up to five hundred people with physical distancing measures in place. Casinos will be able to reopen to thirty percent capacity with enhanced cleaning and distancing measures in place.

The Canada Emergency Wage Subsidy ("CEWS") program will continue to provide financial relief into the third and fourth quarters however the subsidy amount will be lower than what was received in the second quarter as advertising revenue levels are anticipated to improve as the province lifts restrictions and businesses re-open. The CEWS program, as drafted, is scheduled to provide financial support for companies negatively impacted by the pandemic and is set to run to November 21, 2020.

The Manitoba Pension Superintendent's office continues to work through the CAAT merger documentation submitted at the end of February. While there is no formal deadline, we are hoping the review can be completed and approvals received before the end of the 2020 year.

On July 1, 2020 a ten percent print home delivery price increase was implemented at the Free Press for all delivery schedules. The increase amounts to slightly over four dollars a month for our most popular delivery schedule readers who subscribe to the paper six-days per week. To date there has been virtually no negative reaction to the price increase as we have recorded only sixteen permanent stops as a result of the change.

COVID-19

While Manitoba has fared better to-date than many other Provinces, the short and long-term impact on the local and national economies is uncertain and is expected to remain this way for the unforeseeable future. The overall impact on our businesses as a result of COVID-19 cannot be predicted with any reliability. While we believe swift actions taken to reduce and defer costs together with meaningful direct support by the federal government has resulted in us being in a relatively stable financial position currently, this could deteriorate quickly if the overall economy does not improve or worsens from the present state.

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,**	
	2020	**2019**	**2020**	**2019**
	In thousands of dollars		*In thousands of dollars*	
Net income for the period	$ 3,882	$ 1,735	$ 4,110	$ 1,979
Add (subtract):				
Depreciation and amortization	666	715	1,347	1,436
Finance costs	102	196	246	418
Other (income) loss	16	(12)	2	(28)
EBITDA	$ 4,666	$ 2,634	$ 5,705	$ 3,805

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 May 15, 2020, 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.