NEWS RELEASE

TORONTO FILM STUDIOS BEGINS CONSTRUCTION OF FILMPORT FILM/MEDIA COMPLEX

Phase 1 Complex to be ready for film production by early 2008

FILMPORT will be the new business community in Toronto's Port Lands

TORONTO – September 6, 2006 – Toronto Film Studios Inc. (TFS) announced it has begun construction of **FILMPORT**, the new film and media business district located in the city's Port Lands. Last fall, TFS signed a 99-year ground lease agreement with Toronto Economic Development Corporation (TEDCO) and has since been completing detailed plans and specifications for the Phase 1 studio complex.

The Phase 1 Complex will form the nucleus of a studio lot that will expand in time to over 550,000 sf of sound stages and support facilities for the production of television and feature films. Phase 1 will comprise seven sound stages including the *Mega-Stage* that will be the world's largest, purpose-built sound stage. At over 45,000 sf, this state-of-the-art stage will have 60 ft. of clear height and a floor space 180 ft. wide by 250 ft. long (over an acre in area) – entirely without columns. It will be large enough to house a full-sized replica of the Parthenon.

"We are exceeding our Phase 1 obligations under the ground lease," said TFS president Ken Ferguson. "We will be building one additional sound stage and increasing the overall size of the first phase to 260,000 sf from the lease commitment of 232,500 sf. We have also increased the size of the *Mega-Stage* so that Toronto can lay claim to the largest purpose-built sound stage in the world. This stage will attract blockbuster feature films costing $100 million or more, like *Spiderman III* or *Die Hard IV*," Ferguson added.

TFS today also released new images of the Phase 1 Complex revealing a multi-toned glass office structure facing Commissioners Street and wrapping three of the sound stages. This building will accommodate production offices within its warm amber facade. The *Mega-Stage* will also face Commissioners Street with its distinctive, barrel-vaulted roofline and steel buttresses complemented by a water feature and landscaped piazza. The *Mega-Stage* will be a signature landmark in the Port Lands and will give **FILMPORT** instant worldwide recognition.

FILMPORT is the result of an open, world-wide proposal call by TEDCO, intended to spur rejuvenation of the Port Lands by developing a convergence district of film and media companies and stimulating knowledge-based jobs. With the Phase 1 Complex underway, TFS will begin to intensify planning of the office buildings and industrial space that will accommodate film producers, equipment suppliers and related companies that make their living in the media and entertainment sectors. TFS is already working with noted architect Will Alsop on the first series of buildings to be located outside the gated studio lot.

While Ferguson had hoped to start construction earlier this summer, TFS has met the deadline stipulated under the ground lease. "Development of a major film studio is a very complicated undertaking," he said. "The land lease adds a yet another level of complexity to conventional project financing. With construction now underway, we expect completion in early 2008, although several of the sound stages and carpentry shops will be ready for use in late 2007," added Ferguson.

Over the course of development, **FILMPORT** will create 2,000 person-years of employment in the construction, manufacturing and service sectors. When completed, the complex is expected to annually induce direct and indirect economic impacts of over $600 million in Ontario, and support up employment of 2,000 persons on the studio lot and many more in the surrounding commercial buildings. The studio complex will also generate $4.3 million of additional property taxes for the city.

Toronto Film Studios Inc. is already Canada's largest film studio operator, currently managing 360,000 sf of facilities in and directly north of the Port Lands. TFS has hosted many of the city's largest feature film productions including David Cronenberg's *A History of Violence,* Ron Howard's *Cinderella Man* and *The Sentinel* starring Kiefer Sutherland and Michael Douglas.

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