

ADM ANNOUNCES ITS FINANCIAL RESULTS AT MARCH 31, 2023

Montréal, May 4, 2023 – ADM Aéroports de Montréal today announced its consolidated operating results for the quarter ending March 31, 2023. These results are accompanied by passenger traffic data for YUL Montréal-Trudeau International Airport.

Highlights

- Passenger traffic at YUL totalled 4.5 million in the first quarter of 2023, up 101.6% compared with the same period of 2022 and representing 96.7% of the traffic for the corresponding period of 2019. The international sector performed well, with 2.2 million passengers in the first quarter, which is 105.9% of the same 2019 period.
- EBITDA (excess of revenues over expenses before financial expenses, income taxes, depreciation and impairment, and share of results of joint ventures; see “Non-GAAP measures” section for more information) was \$88.7 million for the quarter under review, an increase of \$53.7 million over the EBITDA for the same period of 2022.
- Capital investments, before grants, were \$47.5 million in the first quarter of 2023, compared with \$26.1 million for the comparable period of 2022, an increase of \$21.4 million, or 82.0%. Grants from the Government of Canada’s Airport Critical Infrastructure Program (ACIP) totalled \$24.1 million, compared with \$10.1 million for the opening quarter of 2022.

Quote

“The recovery of flight operations continues to gain momentum at YUL Montréal-Trudeau International Airport and the ADM team is working hard to ensure a seamless passenger experience at our facilities as we enter the summer season,” said Philippe Rainville, President and CEO of ADM. “In addition to investing more than \$40 million to significantly improve baggage handling and the flow of connecting passengers, we are continuously working on our airport processes, in partnership with the carriers and government agencies. For example, flight schedules have been revised in line with our capacity and measures have been put in place to ensure the efficiency of ground-handling operations. In addition, in an effort to maintain a high quality of service, a job fair was recently held at YUL, attracting over 1,000 visitors to our many partners’ booths. New faces will be joining the teams already in place, ensuring Montréal will be totally ready to welcome visitors from all over the world...as long as the summer weather doesn't interfere with our plans.”

Financial results

Consolidated revenues were \$185.8 million for the first three months of 2023, an increase of \$83.0 million, or 80.7%, from the same period in 2022. These positive results are directly attributable to the rebound in passenger traffic that is continuing into 2023.

Operating expenses for the quarter under review were \$65.9 million, an increase of \$18.9 million, or 40.3%, over the same quarter of 2022. This variance in operating expenses is primarily related to the increase in operating costs for passenger services due to the sustained recovery of activities that is continuing into 2023, and to the decrease in wage subsidies. ADM met the eligibility criteria for the Tourism and Hospitality Recovery Program until March 2022. For the corresponding period of 2022, the amount of wage subsidies under this program totalled \$3.2 million and was recorded as a reduction in salaries.

Transfers to governments (payments in lieu of taxes to municipalities [PILT] and rent to Transport Canada) were \$31.2 million for the first quarter, and represent 16.8% of the Corporation's revenues, against \$20.8 million and 20.2% for the corresponding quarter of 2022.

Depreciation and impairment of property and equipment and right-of-use assets remained stable at approximately \$39.0 million for the opening three months of 2023.

Net financial expenses totalled \$24.3 million at March 31, 2023, down by \$7.3 million, or 23.1%, compared with the same period of 2022. This variance is primarily due to higher interest rates on investments, combined with a greater amount of available cash.

The excess of revenues over expenses was \$25.6 million at March 31, 2023, compared to a deficiency of \$35.6 million for the same period in 2022, an improvement \$61.2 million or 171.9%.

Financial situation

ADM's net debt at March 31, 2023, was \$2.26 billion, compared to \$2.30 billion at December 31, 2022; see the "Non-GAAP Measures" section for more information.

Non-GAAP Measures

ADM sometimes presents financial measures that do not have a meaning prescribed by International Financial Reporting Standards ("IFRS"), referred to as non-GAAP measures. They are therefore unlikely to be comparable to similar measures presented by other companies.

EBITDA

EBITDA is defined by ADM as the excess of revenues over expenses before financial expenses, income taxes, depreciation and impairment and share in the results of joint ventures. It is used by management as an indicator to evaluate operational performance. EBITDA is meant to provide additional information and is not intended to replace other performance measures prepared under IFRS.

Net debt

Net debt is defined as the difference between the gross balance due on long-term debt, including lease liabilities, and the amount available in cash and cash equivalents as well as the debt service reserve fund.

Key financial measures

(in millions of dollars)	Cumulative to March 31		
	2023	2022	Variance (%)
Revenues	185.8	102.8	80.7

Operating costs	65.9	47.0	40.3
Payments in lieu of taxes to municipalities (PILT)	10.8	10.5	2.6
Transport Canada rent	20.4	10.3	97.6
Depreciation and impairment of property and equipment and right-of-use assets	39.0	39.2	(0.4)
Net financial expenses	24.3	31.6	(23.1)
Total expenses	160.4	138.6	15.7
Excess (deficiency) of revenues over expenses before share in the results of joint ventures	25.4	(35.8)	171.1
Share in the results of joint ventures	0.2	0.2	23.8
Excess (deficiency) of revenues over expenses	25.6	(35.6)	171.9
EBITDA	88.7	35.0	153.3

(in billions of dollars)	March 31, 2023	December 31, 2022	Variance (%)
Net debt	2.26	2.30	(1.5)

The % variances in the above tables are calculated with results in thousands.

Capital investments

Investments at YUL and YMX in the first quarter of 2023 were funded by operations and grants.

(in millions of dollars)	Cumulative to March 31		
	2023	2022	Variance (%)
Airport program			
Work completed	26.8	11.0	142.7
ACIP grants	(7.6)	-	100.0
Subtotal Airport Program	19.2	11.0	74.9
REM station			
Work completed	20.7	15.1	37.0
ACIP grant	(16.5)	(10.1)	63.9
Subtotal REM Station	4.2	5.0	16.7
Total capital investments	23.4	16.0	41.3

The % variances in the above tables are calculated with results in thousands.

Passenger traffic

For the first quarter of 2023, traffic at YUL totalled 4.5 million passengers, an increase of 101.6% over the same period in 2022. International traffic grew by 118.4%, transborder (U.S.) traffic by 116.8%, and domestic traffic by 70.3% compared to the first quarter of 2022.

Passenger traffic for the first three months of 2023 represented 96.7% of the traffic for the corresponding period in 2019, with 86.4% for domestic, 93.9% for transborder and 105.9% for international.

Total passenger traffic*

Aéroports de Montréal					
(in thousands)	2023	2022	Variance 2023 vs. 2022	2019	2023 as a % of 2019
January	1,487.7	607.0	145.1%	1,532.2	97.1%
February	1,383.0	623.2	121.9%	1,432.6	96.5%
March	1,653.8	1,014.0	63.1%	1,712.6	96.6%
Total	4,524.6	2,244.2	101.6%	4,677.5	96.7%

Note: Total passenger traffic includes revenue and non-revenue passengers and amounts are calculated with results in thousands.

Source: Aéroports de Montréal

Sustainability at ADM

During this quarter, ADM implemented many initiatives to maintain its commitment to sustainability. Among them, the organization:

- Unveiled its very-first [Sustainability Plan 1.0](#). ADM developed a plan that will enable its YUL and YMX sites to become benchmark airports that are safe, influential in their industries, and recognized in the community for their sustainable practices and social responsibility.
- Adopted a new policy to [phase out certain single-use plastics](#), such as utensils, food containers, cups and bags, in YUL's concessions and VIP lounges. The policy, which applies to food and beverages packaged in concessions-owned kitchens, went into effect on March 1 and is part of ADM's sustainability goals to achieve a 70% recovery rate by 2025 and zero waste by 2030.
- Participated in the inauguration of Lion Electric's new lithium-ion battery manufacturing plant located at the YMX site. The presence of this plant—the first of its kind in Canada—at YMX International Aerocity of Mirabel represents a true pillar for the airport's transportation electrification and innovation hub. ADM is determined to raise the visibility of this hub locally and internationally in the coming years.
- Published its 2022 Sustainability Report based on the GRI (Global Reporting Initiative) standards, and which is part of its [integrated Annual Report](#), including a section on the progress of its sustainable development action plans.

To learn more about ADM's actions, visit its Sustainability Indicators platform.

About Aéroports de Montréal

ADM Aéroports de Montréal is the airport authority for the Greater Montréal area responsible for the management, operation and development of YUL Montréal-Trudeau International Airport, certified 4-stars under the Skytrax World Airport Star Rating program, and YMX International Aerocity of Mirabel.

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Source:**Aéroports de Montréal**

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