

PRESS RELEASE

For immediate release

AÉROPORTS DE MONTRÉAL ANNOUNCES ITS RESULTS FOR FISCAL 2012

- **Passenger traffic up 0.9%**
- **EBITDA increases 3.7%**

Montréal March 14, 2013 — Aéroports de Montréal (ADM) today announced its audited consolidated financial results for the fiscal year ended December 31, 2012. These results are accompanied by data on passenger traffic and aircraft movements at Montréal–Trudeau and Montréal–Mirabel international airports.

Highlights

ADM set a new traffic record in 2012, with a total of 13.8 million passengers transiting through Montréal–Trudeau airport, a 0.9% increase over 2011.

EBITDA (excess of revenues over expenses before financial expenses, income taxes, depreciation and gain on other financial assets) totalled \$190.7 million for the fiscal year ended December 31, 2012, against \$184.0 million for the previous year, an improvement of \$6.7 million, or 3.7%.

The Corporation invested a total of \$194.7 million in fiscal 2012, compared with \$113.7 million in 2011. Work focused mainly on the following projects: expansion of the international jetty (Phase I) and west apron, the redevelopment of the domestic and international public departures hall, and the completion of the road network in front the terminal. Investments in the airports were financed by cash flows from airport operations, including airport improvement fees (AIFs), as well as long-term debt.

On September 26, ADM issued a new series of revenue bonds to raise total capital of \$250 million in a private placement with institutional investors. This new bond series bears interest at 3.92% and matures in September 2042. The net proceeds from the issue will be allocated to the capital program for the coming years, including expansion of the international jetty at Montréal–Trudeau airport.

Results

Consolidated revenues amounted to \$435.5 million for 2012, an increase of \$8.5 million, or 2.0%, over 2011. This improvement is attributable to increases in aeronautical fees and to the slight rise in passenger traffic.

Operating costs (excluding municipal taxes and rent paid to Transport Canada) for the year under review totalled \$161.7 million, up \$0.2 million, or 0.1%, over the prior year. This slight variance is due, among other factors, to higher salaries, including pension costs, offset by lower professional fees.

The Corporation paid \$44.2 million in rent to Transport Canada in fiscal 2012, an increase of \$0.8 million, or 1.9%, over 2011. This increase is directly related to the Corporation's higher revenues, since rent is calculated as a percentage of revenues.

Depreciation amounted to \$97.9 million in 2012, representing an increase over the prior year of \$10.9 million, or 12.5%. The main reason for this rise was the commissioning of new facilities during 2011 and 2012.

Financial expenses totalled \$85.7 million for year under review, down \$3.7 million, or 4.2%, from the prior year. This variance is attributable to the decline in interest charges following the maturity in April 2012 of \$150 million in revenue bonds bearing interest at 6.35%, partly offset by the issue in September 2012 of \$250 million in revenue bonds bearing interest at 3.92%.

The fiscal year ended December 31, 2012 generated an excess of revenues over expenses of \$8.1 million, compared with an excess of \$5.4 million for fiscal 2011.

Financial highlights

(in millions of dollars)	Fiscal years ended December 31		
	2012	2011	Variance (%)
Total revenues	435.5	427.0	2.0
Operating costs (excluding PILT)	161.7	161.5	0.1
Payments in lieu of municipal taxes (PILT)	40.3	40.3	-
Transport Canada rent	44.2	43.4	1.9
Depreciation of property and equipment	97.9	87.0	12.5
Financial expenses	85.7	89.5	(4.2)
Gain on other financial assets	-	(0.1)	(100.0)
Income taxes recovered	(2.4)	-	100.0
Total expenses	427.4	421.6	1.4
Excess of revenues over expenses	8.1	5.4	48.6
EBITDA (excluding the gain on other financial assets)	190.7	184.0	3.7

EBITDA is a financial measurement that is not recognized by IFRS and is therefore unlikely to be comparable to similar measures presented by other corporations. EBITDA is meant to provide additional information and should not be considered as a substitute for other performance measurements prepared in accordance with IFRS. EBITDA is used by management as an indicator to evaluate ongoing operational performance.

EBITDA is defined by the Corporation as excess of revenues over expenses before financial expenses, income taxes, depreciation and gain on other financial assets. Calculation of EBITDA takes into account certain financial expenses included in operating expenses (net of certain interest income included in revenues), which total \$1.4 million for fiscal 2012 (\$2.2 million in 2011).

Passenger traffic

A total of 13.8 million passengers emplaned/deplaned at Montréal–Trudeau during 2012, or about 130,000 more than in 2011. This modest increase of 0.9% contrasts with two years of strong growth that followed the last recession. The main reason for the waning demand was a weak and uncertain world economic situation, especially in Europe.

After nine straight years of growth, international traffic stalled in 2012, posting zero growth. The domestic sector, driven by the Montréal–Toronto route, recorded traffic growth of 2.0% for the year, despite a drop in the number of seats offered. For its part, transborder (U.S.) traffic showed a 0.8% gain, the result of an excellent fourth quarter.

At year-end, Montréal's traffic broke down as follows: the domestic sector was the front-runner with 38.6% of total traffic, followed by the international sector with 38.0% and the transborder sector remained stable at 23.4%.

Table – Passenger traffic

MONTRÉAL–TRUDEAU			
	2012	2011	Variance
January	1,129 517	1,133,734	-0.4%
February	1,091 564	1,040,848	4.9%
March	1,255 192	1,188,731	5.6%
1st quarter	3,476 273	3 363 313	3.4%
April	1,135 512	1,109,680	2.3%
May	1,066 585	1,087,734	-1.9%
June	1,196 068	1,196,542	0.0%
2nd quarter	3,398 165	3,393,956	0.1%
July	1,313 971	1,354,475	-3.0%
August	1,355 025	1,345,889	0.7%
September	1,156 639	1,159,071	-0.2%
3rd quarter	3,825 635	3,859,435	-0.9%
October	1,090 801	1,092,487	-0.2%
November	940,080	924,531	1.7%
December	1,067,867	1,035,107	3.2%
4th quarter	3,098,748	3,052,125	1.5%
Full year	13,798,821	13,668,829	1.0%

**Note: Total passenger traffic includes revenue and non-revenue passengers.
Source: Aéroports de Montréal, preliminary figures*

Aircraft movements

There were a total of 243,436 aircraft movements at Montréal–Trudeau and Montréal–Mirabel airports in 2012, compared with 253,298 in 2011. This 3.9% decline is partly explained by Nav Canada's decision to stop accounting for certain types of non-billable movements at Montréal–Mirabel.

About ADM

ADM is the local airport authority responsible for the management, operation and development of Montréal–Trudeau and Montréal–Mirabel international airports under a lease signed with Transport Canada in 1992. The Corporation employs 625 people at both airports and at head office. ADM has been ISO 14001 certified since 2000 and BOMA BEST certified since 2008.

For further information on Aéroports de Montréal and its operations, please visit our website at www.admtl.com.

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Source: Christiane Beaulieu
 Vice-President, Public Affairs and Communications