

PRESS RELEASE

For immediate release

**AÉROPORTS DE MONTRÉAL ANNOUNCES ITS RESULTS
FOR THE THIRD QUARTER OF 2012**

Montréal, October 26, 2012 — Aéroports de Montréal (ADM) today announced its consolidated financial results for the three- and nine-month periods ended September 30, 2012. These results are accompanied by data on passenger traffic and aircraft movements at Montréal–Trudeau and Montréal–Mirabel international airports.

Highlights

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 3.919% 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.

Passenger traffic at Montréal–Trudeau dropped by 0.9% during the quarter under review, compared with the corresponding year-ago period, to 3.8 million passengers. A total of 10.7 million passengers transited through Montréal–Trudeau during the nine-month period, up 0.8% against the same period of 2011.

EBITDA (excess of revenues over expenses, before financial expenses, income taxes, depreciation and gain on other financial assets) totalled \$58.2 million for the third quarter, an increase of \$4.8 million, or 9.0%, over the third quarter of 2011. EBITDA stood at \$154.3 million for the nine months ended September 30, up \$6.1 million, or 4.1%, over the corresponding period a year earlier.

The Corporation invested a total of \$69.2 million during the third quarter, and \$122.9 million for the nine months. Investments in the airports were financed by cash flows from airport operations, including airport improvement fees (AIFs).

Results

Consolidated revenues amounted to \$115.3 million for the third quarter of 2012, an increase of \$1.2 million, or 1.1%, over the same period of 2011. Accumulated revenues as at September 30, 2012, rose by \$5.7 million, or 1.7%, from \$326.3 million for the nine months of 2011 to \$332.0 million for the same period of 2012. This improvement is attributable to increases in aeronautical fees as well as to the slight cumulative rise in passenger traffic.

Operating costs for the quarter under review totalled \$35.3 million, down \$3.7 million, or 9.5%, from the corresponding period of 2011. Operating costs for the nine months ended September 30, 2012, declined by 0.6%, from \$115.1 million in 2011 to \$114.4 million for the same period of 2012. This variance is due, among other factors, to decreases in certain operating expenses, particularly professional fees and security and maintenance costs. These favourable variances were, however, partly offset by higher salaries and pension costs, as well as by the increased use of de-icing products during the first quarter.

After revenues were adjusted to account for other amounts subject to the rent formula, Transport Canada rent remained stable in the third quarter compared with the year-ago quarter of 2011 at \$11.8

million and stood at \$33.9 million for the nine months ended September 30, 2012, an increase of \$0.5 million, or 1.5%, over the same period last year.

Depreciation amounted to \$23.2 million for the third quarter and \$67.9 million for the nine months, respectively representing increases over the corresponding prior-year periods of \$1.9 million, or 8.9%, and \$3.0 million, or 4.6%. The main reason for these increases was the commissioning of projects completed during 2011.

Financial expenses totalled \$20.6 million for the third quarter and \$63.6 million for the nine months, down \$1.6 million, or 7.2%, and \$3.4 million, or 5.1%, respectively, against the same periods of 2011. These variances are attributable to the decrease in interest paid on long-term debt following the maturity in April 2012 of the \$150-million Series A revenue bonds, partly offset by the lower interest earned on investments of surplus liquidities.

The quarter ended September 30, 2012, generated an excess of revenues over expenses of \$14.2 million, compared with an excess of \$9.5 million for the corresponding quarter of 2011. The excess of revenues over expenses for the nine-month period ended September 30, 2012, was \$21.7 million, against an excess of \$15.1 million for the same period of 2011.

Financial highlights

(in millions of dollars)	Third quarter			Cumulative as at September 30		
	2012	2011	Variance (%)	2012	2011	Variance (%)
Revenues	115.3	114.1	1.1	332.0	326.3	1.7
Operating costs (excluding PILT)	35.3	39.0	(9.5)	114.4	115.1	(0.6)
Payments in lieu of taxes to municipalities(PILT)	10.2	10.3	(1.0)	30.5	30.9	(1.3)
Rent paid to Transport Canada	11.8	11.8	-	33.9	33.4	1.5
Depreciation of property and equipment	23.2	21.3	8.9	67.9	64.9	4.6
Financial expenses	20.6	22.2	(7.2)	63.6	67.0	(5.1)
Gain on other financial assets	-	-	-	-	(0.1)	(100.0)
Total expenses	101.1	104.6	(3.3)	310.3	311.2	(0.3)
Excess of revenues over expenses	14.2	9.5	49.5	21.7	15.1	43.7
EBITDA (excluding the gain on other financial assets)	58.2	53.4	9.0	154.3	148.2	4.1

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 \$0.2 million for the third quarter of 2012 (\$0.4 million in 2011), and \$1.1 million for the nine months (\$1.3 million in 2011).

Passenger traffic

Passenger traffic at Montréal–Trudeau declined by 0.9% during the third quarter of 2012 from the corresponding year-earlier period, to 3.8 million passengers. Transborder (U.S.) traffic increased by 1.8% over the same period of 2011, domestic traffic remained stable and international traffic dropped by 3.4%. For the nine months, traffic at Montréal–Trudeau totalled 10.7 million passengers, an increase of 0.8% compared with the same period last year.

Table – Total passenger traffic*

	Aéroports de Montréal		
	2012	2011	Variance
January	1,129,550	1,133,734	-0.4%
February	1,091,812	1,040,848	4.9%
March	1,255,254	1,188,731	5.6%
1st quarter	3,476,616	3,363,313	3.4%
April	1,135,718	1,109,680	2.3%
May	1,066,586	1,087,734	-1.9%
June	1,196,068	1,196,542	0.0%
2nd quarter	3,398,372	3,393,956	0.1%
July	1,313,971	1,354,475	-3.0%
August	1,354,638	1,345,889	0.7%
September	1,155,192	1,159,071	-0.3%
3rd quarter	3,823,801	3,859,435	-0.9%
Total as at September 30	10,698,789	10,616,704	0.8%

*Note: Total passenger traffic includes revenue and non-revenue passengers.

Source: Aéroports de Montréal, preliminary figures

Aircraft movements

Overall aircraft movements at both ADM airports decreased by 6.5% in the third quarter of 2012, to 63,748 movements, compared with 68,155 for the same period last year. This decline is due in part to methodological changes in Nav Canada's movements reports at Mirabel. There were 185,779 aircraft movements during the nine months of 2012, a 2.8% negative variance from the 191,196 movements recorded during the same period of 2011.

About ADM

ADM is the local airport authority responsible for the management, operation and development of Montréal–Trudeau and Montréal–Mirabel international airports since 1992. The Corporation employs 650 people at both airports and at head office. ADM has been ISO 14001 certified since 2000 and BOMA BEST certified since 2008.

Source: Christiane Beaulieu
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