2017 annual report

AÉROPORTS DE MONTRÉAL

corporate profile

Aéroports de Montréal (ADM), the Greater Montréal airport authority, is responsible for the management, operation and development of Montréal–Pierre Elliott Trudeau International Airport (formerly known as Montréal-Dorval International Airport) and the Mirabel Aeronautical and Industrial Park under a long-term lease with Transport Canada extending from 1992 to 2072.

ADM is committed to succeeding in each of its sectors – airport, real estate and commercial services – and to developing its two complexes to their full potential. From this perspective, Montréal-Trudeau acts as a hub for domestic, transborder and international passenger traffic, while the Mirabel Aeronautical and Industrial Park is developed as a world-class all-cargo and aerospace industry hub.

Montréal-Trudeau International Airport and the Mirabel Aeronautical and Industrial Park are important centres of economic activity and help drive the development of Greater Montréal. A total of 33 passenger carriers and 12 all-cargo carriers connect Montréal to many airports worldwide. In 2017, 18.2 million passengers and 206,020 metric tonnes of goods passed through Montréal-Trudeau and the Mirabel Aeronautical and Industrial Park. The 250 businesses operating on the airport sites provide a grand total of 65,000 jobs, including 30,700 direct employment positions, and generate added value of $6.6 billion per year.

ADM is a private, not-for-profit corporation without share capital. Its mission is to:

1 quality airport services

Provide quality airport services that are safe, secure, efficient and consistent with the specific needs of the community.

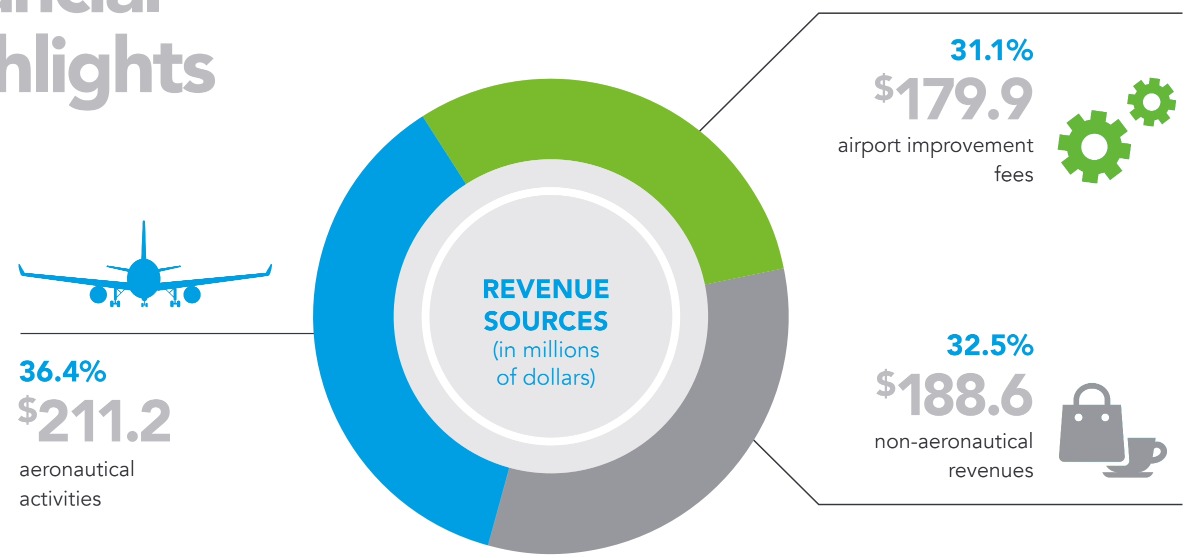
2 economic development

Foster economic development in the Greater Montréal Area, especially through the development of the facilities for which it is responsible.

3 co-exist in harmony

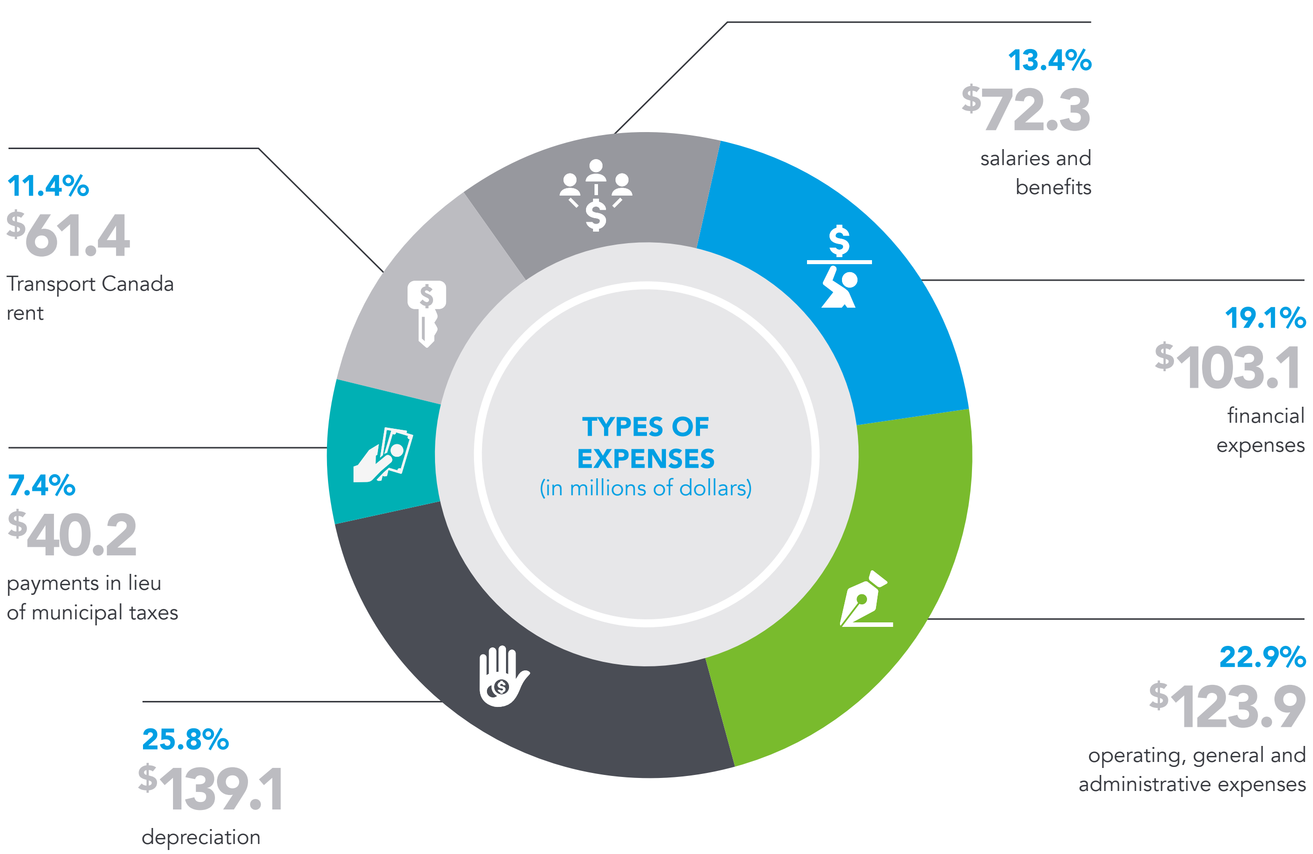
Co-exist in harmony with the surrounding environment, particularly in matters of environmental protection.

2017 financial highlights

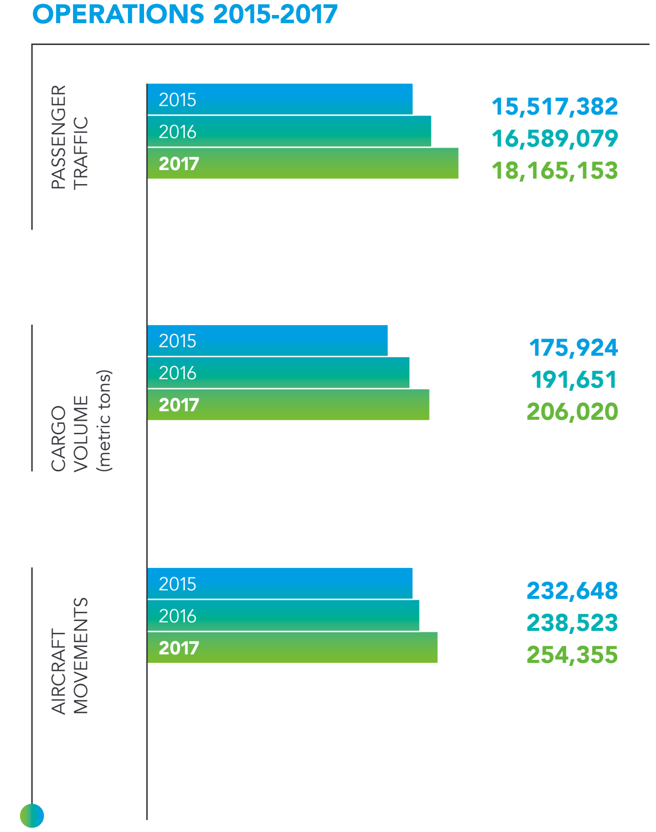


FINANCIAL RETROSPECTIVE
(in thousands of dollars)

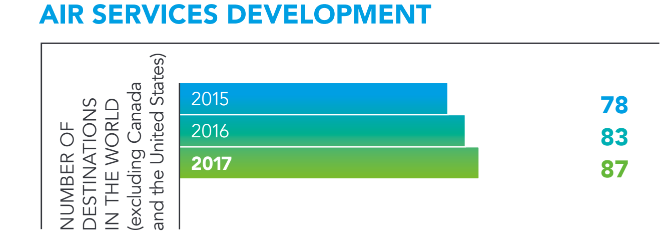
	2017	2016	2015	2014	2013
Revenues	$ 579,661	$ 527,168	$ 488,485	$ 463,769	$ 446,459
Excess (deficiency) of revenues over expenses	39,691	35,807	19,822	(4,434)	13,625
EBITDA	281,862	254,199	232,588	208,585	197,793
Investments	229,351	254,775	237,378	180,045	177,353



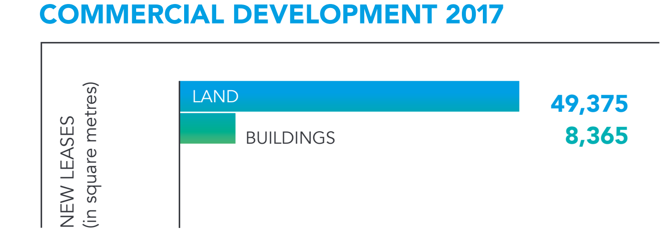
OPERATIONS 2015-2017



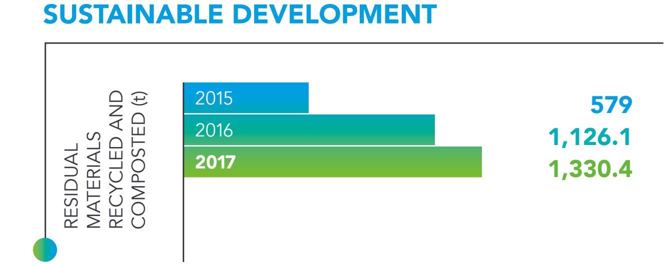
AIR SERVICES DEVELOPMENT



REAL ESTATE AND COMMERCIAL DEVELOPMENT 2017



SUSTAINABLE DEVELOPMENT



message from management

PHENOMENAL GROWTH

In 2017, Montréal-Trudeau's growth again exceeded forecasts. Our international airport welcomed 18.2 million passengers. This was an impressive increase of 1.6 million travellers in one year.

Several factors combined to elevate Montréal-Trudeau (YUL) among the ranks of North America's most dynamic airports. Globally, air traffic is on the rise thanks to favourable economic conditions, particularly the low price of oil. Our major partner, Air Canada, which represents 54% of passenger volume, is deploying a growth strategy that is making Montréal-Trudeau the transit point for a growing number of international routes. And Montréal itself: our city dazzled during its 375th anniversary, with a booming economy and a record number of tourists.

Montréal-Trudeau is now successfully positioned as a hub for international traffic. In 2017, new routes were added, including Shanghai in China, Tel Aviv in Israel and Lima in Peru, bringing the total to some 140 direct, year-round or seasonal destinations. This strategy of being an international hub is being carried out in collaboration with a diversified fleet of airlines and for the benefit of the community. Montréal now enjoys an air service it deserves as a major North American city.

Montréal-Trudeau airport's growth is being supported by its reputation for operational excellence. Thanks to the competence of our teams, the quality of our equipment, and the continuous improvement of our methods, we are a winter airport benchmark, able to operate in the most demanding conditions.

AN AIRPORT WORTHY OF MONTRÉAL'S REPUTATION

ADM's role is to manage a major international airport that lives up to Montréal's reputation. We strive to continuously improve the experience for local and international travellers, to demonstrate outstanding efficiency in all aeronautical activities, and to achieve a harmonious relationship with the community.

The pressure of growth is strong and structural, which requires us to constantly improve. In 2017, significant changes were made to respond to increases and changes in our clientele. Montréal-Trudeau not only has more passengers, but also a growing proportion of connecting passengers: currently nearly 20%.

NORMAND LEGAULT
Chairman of the Board

GROWTH PRESSURES

On the arrivals side, we set up specially adapted infrastructures for connecting travellers, reorganized the border services hall, and installed 100 new generation border control terminals. On the departures side, we continued to renovate the international and domestic flights hall. We also began to install 60 new common-use kiosks and add 16 automated baggage drop-off stations. The entire passenger journey is evolving at Montréal-Trudeau.

With the same focus on fluidity and efficiency, we are expanding our operational capabilities to meet the needs of our main partners, the airlines. With its runways, Montréal-Trudeau can support growth for several years to come. It is important to note here that the growth in passenger volume does not necessarily lead to a higher number of aircraft movements. In fact, the number of take-offs and landings has been relatively stable over the past five years. Aircraft size and load factors are increasing. These higher-capacity aircraft and flights are creating increased needs in terms of enplaning, deplaning, remote parking of aircraft, transport of passengers on the tarmac, and baggage handling. For example, in 2017 we beat the record of 22,000 suitcases handled in a single day, set in 2016, more than 30 times.

FINANCIAL RESULTS

ADM remains in good financial health. In 2017, revenues climbed to $579.7 million, up $52.5 million, or 10%, from 2016. The increase is mainly attributable to the rise in passenger numbers. The excess of revenues over expenses showed a surplus of $39.7 million, up 10.9% from 2016.

MAJOR INVESTMENTS AND IMPORTANT PROJECTS

Over the 2018-2022 period, ADM expects to invest close to $2.5 billion to increase capacity to respond to growth in volume and to renovate or rebuild end-of-life infrastructure.

Aéroports de Montréal is planning key projects that are essential to its development. Montréal-Trudeau will soon reach the milestone of 20 million passengers. This is leading us to seriously consider building a new terminal, even though we recently inaugurated the new international jetty.

ADM will begin work in 2019 to connect the terminal building to the Réseau express métropolitain (REM). This historic mass transit project is a major development for YUL. Montréal will finally have a direct link between its downtown and its international airport. We will be entering a new era in terms of access and inter-modality.

In addition to the REM connection, new sustainable transport options are being added. Technological innovations are also emerging in the field of autonomous transport. These are transformational developments that will require us to re-evaluate our parking needs. This issue will become critical in the coming months since ADM will need to identify the best scenario for rebuilding its multi-level parking when it reaches its useful end of life. This is a major project that will entail reconstruction of the drop-off area, which is showing the same degree of wear.

PARTNERSHIPS AND GOVERNANCE

As an airport authority, ADM works every day with many partners, stakeholders and government agencies. These are all essential contributors to a dynamic collaboration enabling us to develop our operations and maintain a high level of service quality. In 2017, we had fruitful discussions with the Canada Border Services Agency (CBSA) and the Canadian Air Transport Security Authority (CATSA) which had a positive effect on the fluidity of the passenger journey. We recognize the commitment of all stakeholders to contribute to making Montréal-Trudeau's growth a mobilizing and unifying success.

PHILIPPE RAINVILLE
President and
Chief Executive Officer

The growth of Montréal-Trudeau is good news for Montréal. But it comes with requirements, including major investments. In the medium term, ADM will be approaching the financial limits of its current structure.

ADM was created under the airport transfer program implemented in 1992. Our organization is private and self-governed. In fact, ADM contributes more than 10% of its revenues to the federal government in the form of rent and self-finances its operations and investments through its cash flow and bond markets.

The federal government is starting to review the governance and long-term development of Canada's airports. ADM will contribute to the discussion by submitting proposals. We recognize the need to increase financial support while advocating a governance model that ensures service quality, cost control and a community focus.

ACKNOWLEDGEMENTS

ADM is proud of its 650 employees, recognized for their dedication, expertise and passion for air transportation. They are at the centre of a veritable beehive of activity, with some 27,000 workers and an average 50,000 travellers per day. Our employees and those in the airport community represent the heart of Montréal-Trudeau – a growing international airport and a proud symbol of a city with a promising future.

Normand Legault
Chairman of the Board

Philippe Rainville
President and
Chief Executive Officer

2017 highlights

YULCONCERT LAUNCH
Singer-songwriter Cœur de pirate put on a surprise performance for passengers on November 16 as part of the first edition of YULconcerts. For nearly an hour, the Montréal artist tickled the ivories of the grand piano in Montréal-Trudeau's international jetty in front of hundreds of travellers.

18 MILLION PASSENGERS
For the first time in its history, Montréal-Trudeau airport welcomed more than 18 million passengers in a single year, a record 9.5% increase over 2016.

Through a contest organized and publicized on social media, Louise Coudé was designated as the 18 millionth passenger to walk through the airport terminal doors. To celebrate this new record, she and her family enjoyed a unique experience before boarding her flight on December 22: a limousine ride, a meal in a restaurant of her choice, and many other surprises.

LEED SILVER CERTIFICATION
The expanded international jetty received LEED Silver Certification (Leadership in Energy and Environmental Design) in November. This rating system is recognized in more than 132 countries as the international brand of excellence for sustainable buildings. ADM aimed for this certification from the very start of construction and it was received with tremendous pride! The terminal also won an outstanding building of the year award in the "public assembly building" category from BOMA Québec, at the provincial level, and BOMA Canada (TOBY Award) at the national level.

WARM WELCOME
A new fleet of taxis comprised of 70% green vehicles went into operation in November. Montréal-Trudeau is the first location to require the "BONJOUR" logo on their vehicles, which reflects the welcoming nature of Montrealers, the vitality of the city, and the francophone character of the metropolis.

A FACADE REFLECTING OUR CITY'S IMAGE!
The "Montréal" on Montréal-Trudeau airport's facade pulsates with the rhythm of the city: Playoff fever, tribute to Leonard Cohen, amongst other things. An initiative of the employees!

SEVERAL NEW ROUTES
Several new routes were inaugurated during the year, including Shanghai (Air Canada), Tel Aviv (Air Canada and Air Transat), Porto (Air Transat), Antigua (Sunwing), Lima (Air Canada) and Santo Domingo (Air Transat).

2017 also marked the arrival of Interjet, a new low-cost airline offering flights between Montréal and Mexico. Finally, Air Canada confirmed its brand new Montréal-Tokyo route. Highly anticipated, it will be put into service on June 1, 2018!

100 NEW AUTOMATED KIOSKS
In July, several measures to improve processing time at the airport's border control services were put in place, including a new connections centre and the addition of personnel, both at the Canada Border Services Agency and at Aéroports de Montréal. In December, 100 highly efficient automated kiosks were added to further streamline the border control process

airport operations

CARRIERS AND AIR SERVICE
In 2017, Montréal-Trudeau airport strengthened its status as an international hub by further developing its air service, including the addition of a new international carrier, Interjet, an international low-cost airline based in Mexico City. It increased the airport's service offering to Cancún and Mexico City by launching three flights a week.

Air Canada, including its vacation flight subsidiary Rouge, also continued to expand its Montréal network and optimize its schedule to promote direct flights and connections. In the past year, the company has launched or announced eight new destinations from Montréal, including Algiers, Dallas, Lima, Marseille, Reykjavik, Shanghai, Tel Aviv and Washington-Dulles. Many of these flights will be in operation year-round.

In 2018, the national carrier will also offer a brand new non-stop daily flight between Montréal and Tokyo, as well as flights to Bucharest, Dublin, Lisbon, Phoenix, Pittsburgh, Baltimore and Victoria.

For its part, Air Transat enhanced its commercial offering by adding four new destinations, including Porto, Santo Domingo, Tel Aviv and Vancouver.

Several carriers also boosted capacity on existing routes. Carriers serving Mexico City continued to increase their frequency for a total of 23 weekly flights compared with 16 last year. WestJet significantly expanded its offering for North American destinations, including Halifax, Boston, Calgary and Vancouver.

At year-end, Montréal-Trudeau had a grand total of 140 regular and seasonal destinations, 87 of which were international, 25 in the United States, and 28 in Canada. These were served by a total of 33 carriers.

PASSENGER TRAFFIC AND MOVEMENT
After strong growth in 2015 (+4.6%) and in 2016 (+ 6.9%), passenger traffic at Montréal-Trudeau rose by 9.5% in 2017, for a total of 18.2 million enplaned/deplaned passengers, an increase of 1.6 million passengers and a new record. Montréal-Trudeau continued its momentum that began in 2003, consolidating its position as Canada's third-largest airport. Montréal-Trudeau has had the strongest passenger growth among all Canadian airports and has the highest proportion of international travellers.

This growth is mainly due to an increased and enriched air service offering, supported by the availability of new aircraft, favourable oil prices, and the good performance of the Montréal and Canadian economies.

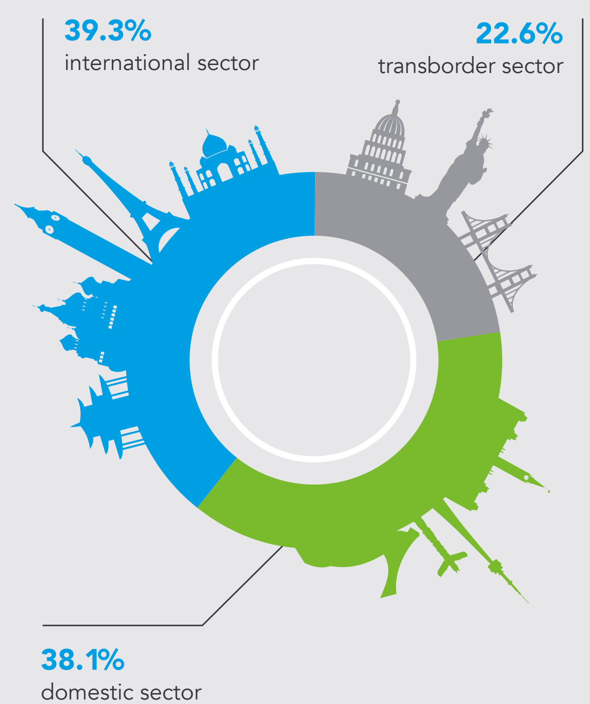
The international sector presented the biggest surprise with a 13.5% increase in 2017, which was due to the introduction of several new destinations. For example, the number of passengers using direct links with China, Mexico and Israel contributed significantly to the growth of the international sector. The added availability of flights to European destinations such as Lyon, Reykjavik and Barcelona were also factors behind the good performance of this sector.

The domestic sector posted strong growth of 7.6%. The addition of WestJet on the Montréal-Québec City and Montréal-Halifax routes, as well as Air Transat's entry on the Montréal-Vancouver market, contributed to the growth of this sector. Heavy traffic on the Montréal-Toronto route, and the large number of carriers serving these destinations, also boosted growth.

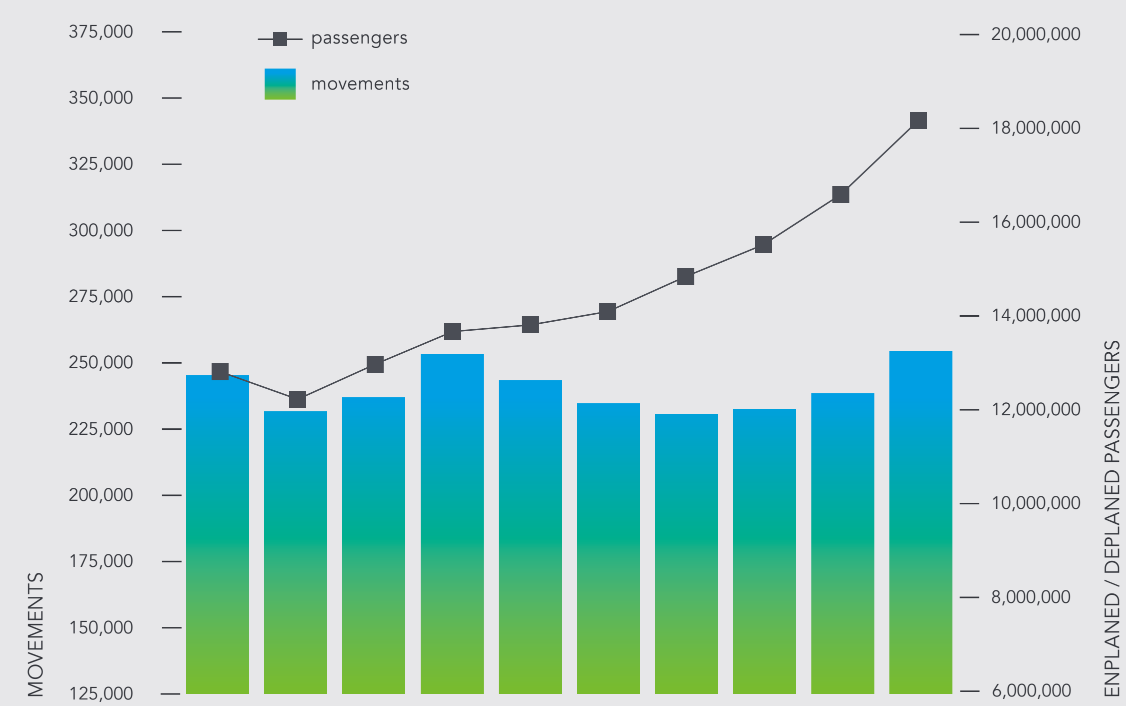
The transborder sector continued to grow, with a 6.2% increase in the number of passengers. The arrival of Air Canada on the Montréal-Dallas route and WestJet on the Montréal-Boston route, as well as the good performance of flights to New York, Houston and Philadelphia, contributed to the growth of this sector. Destinations to the southwestern United States also performed well due to an increase in flight frequencies.

The segmented breakdown for Montréal traffic changed compared to the previous year. The international sector, with a share of 39.3%, is now ahead of the domestic sector at 38.1%. The transborder sector accounted for 22.6% of traffic.

2017 AIRPORT TRAFFIC
BREAKDOWN BY SECTOR



AIR TRAFFIC DEVELOPMENT OVER 10 YEARS



AIR FREIGHT

In total, some 206,020 tonnes of goods passed through the airports' sites in 2017, an increase of 7.5% compared to 2016. Of this figure, Montréal-Trudeau airport handled 110,667 tonnes, up 7.8%. Freight handled at the Mirabel Aeronautical and Industrial Park increased by 7.2%, to 95,352 tonnes.

AIRPORT OPERATIONS AND SAFETY

Robust growth in passenger traffic in 2017 led to significant improvements in Montréal-Trudeau's operations aimed at maintaining a high-level of efficiency and customer service.

At the airport terminal, efforts focused on increasing the capacity of existing infrastructure. Transborder departure services were opened 45 minutes earlier during the winter season to improve fluidity at morning rush hours. In the summer, the use of the transborder baggage room for domestic and international flights reduced the pressure on these sectors' baggage room and facilitated the loading of baggage onto aircraft. In addition, a baggage conveyor was added in the domestic-international baggage room to accommodate more international flights.

Regarding the management of aircraft traffic on the apron, the construction of a parking lot north of runway 10-28 added seven parking spaces for large aircraft. These provide greater flexibility, especially during peak hours, and increase the fluidity and safety of operations. Four new passenger buses were also added to optimize remote parking management. During the summer, 296 movements were made using these new buses.

With its past experience in handling refugee flights, a repatriation operation for Canadian passengers during hurricanes Irma and Maria was organized in September 2017. Montréal-Trudeau welcomed 4,746 passengers aboard 28 flights.

Aéroports de Montréal's Airport Patrol modernized its operations through the Technoboom project. This included integrating computer tablets in emergency vehicles, adding smartphones to the work tools of the Patrol's shift supervisor, and implementing a new interface to consolidate incident reports. In addition, ADM continued to comply with Transport Canada's non-passenger screening vehicle (NPSV) regulations by commissioning permanent facilities at the entrances of restricted areas. NPSV Foxtrot began operations in January 2017 while NPSV Charlie, Delta and Echo were commissioned on April 1, 2017. The Administration and Permits Office also optimized its operations by using an appointment scheduling system for all of its clientele.

air freight

INNOVATIONS

Aéroports de Montréal is known for its innovation and leadership in deploying technologies designed to facilitate, accelerate and enhance passenger travel between home and plane, and vice versa. Montréal-Trudeau was one of the first airports to have automated passport control kiosks for passengers travelling on a Canadian or U.S. passport.

ADM introduced 100 PIKs (Primary Inspection Kiosks) in the international arrivals hall in December 2017. These kiosks allow passengers of all nationalities to complete their declaration on a touch screen, while ensuring electronic identity control by the Canada Border Services Agency. In February 2018, 33 additional PIK terminals were installed in the connections centre. This was the final step in the new kiosks deployment plan and allowed for the final elimination of the paper reporting form.

In the transborder departures area, the number of APC (Automated Passport Control) kiosks was increased from 18 to 28 to enable more passengers to complete their declaration electronically for entry into the United States. The terminals are accessible to all passengers, except those who have to present a work visa.

Aéroports de Montréal has invested more than $7.8 million to implement faster lines at the pre-boarding screening checkpoint for domestic and international departures. Better known as *CATSA Plus*, these new lines feature mechanical rollers, an automated tray return system, and improved stations for the removal and return of passenger belongings. This solution, both more efficient and more user-friendly, allows passengers to move at their own pace. ADM provided the space, including the entrance wall, control doors, development of the decentralized viewing room, all electrical and telecommunication services, and support for the installation and commissioning of the new equipment. This major makeover began in the fall of 2017. In December 2017, five new high-efficiency lines were installed. A total of 12 *CATSA Plus* lines will be commissioned in June 2018.

Montréal-Trudeau airport operates in winter. An average 220 cm of snow falls on the airport site every year and ice storms are becoming more frequent. To maintain the highest operational standards, ADM invested more than $6 million to prepare for the 2018 winter season. The replacement of end-of-life vehicles and the purchase of new equipment, including truck-spreaders, reduce the intervention time of maintenance teams and minimize the impact of precipitation on operations.

Other initiatives implemented this year include the addition of eight self-service baggage drop-off points for use by Air Transat customers. Finally, thanks to technological innovations, border control waiting times have been posted since summer 2017 in passenger arrival corridors, in the hall leading to the border services area, and in the connections centre.

customer experience

The customer experience is at the heart of Aéroports de Montréal's new strategic priorities. This major shift started at the beginning of the year to enhance the experience of the millions of passengers who visit Montréal-Trudeau airport each year.

A multidisciplinary group was formed to lay the groundwork for this new program and several departments and services within the organization contributed to the implementation of this major change. The goal is to provide ADM with a new service culture focused on satisfying customers at every step of their journey at the airport.

The Customer Experience Program is composed of two facets.

first facet

The first facet aims to strengthen basic services, with the objective of maximizing the fluidity of movements despite strong growth and reducing the impact of construction work on passengers. These measures include the following.

- Adding personnel at international arrivals and in public areas to guide and assist passengers during peak periods
- Adopting a collaborative approach to identify and implement measures that mitigate the impact of major projects, such as the new primary inspection kiosks at arrivals and the acceleration of the departures security screening process
- Improving the efficiency of the Wi-Fi network (speed and availability)
- Implementing an action plan to measure passengers' satisfaction with the cleanliness of sanitary blocks and to quickly correct problem situations
- Expanding the free CellParc parking lot (200 new spaces) and adding a shuttle to the terminal

second facet

The second facet includes innovations and initiatives aimed at creating a more enjoyable customer experience for passengers. Among these are the following.

- A valet service available to a greater number of users
- Small and large-scale musical performances presented at the terminal to entertain passengers. For example, the YULconcerts launch in November, a first, starred Cœur de pirate at the piano of the new international jetty
- Activities highlighting the various major events associated with Montréal
  - Formula 1 Grand Prix: racing car simulators and ICAR racing vehicle exhibition
  - Montréal International Jazz Festival: performances by jazz trios and roving musicians, accompanied by crowd entertainers
- A better layout of the facility to ensure passengers can rest and relax, but also discover the wide range of available food and shopping
- The creation of a new service during a snowstorm
  - 2017 was marked by an historic snowstorm in March with a precipitation accumulation estimated at 50 cm. Passengers picking up their cars in the outdoor parking lots were surprised to see that they had been brushed clean by a squad of ADM employees. In 2018, this service will be offered on a regular basis.

CUSTOMER SATISFACTION

ADM measures customer satisfaction at Montréal-Trudeau through surveys of about 6,000 passengers on departure and 2,300 passengers on arrival. The surveys are a crucial management tool for improving customer service. The measurement scale has seven levels, ranging from extremely satisfied to extremely dissatisfied, and includes a neutral level (neither satisfied nor dissatisfied).

In 2017, the overall satisfaction score for departing passengers was 5.84 out of 7, or 4 hundredths of a point higher than the previous year. The satisfaction rate for passengers who said they were "extremely satisfied" , "very satisfied" or "satisfied" was 97.9%, an increase of 0.3% over last year. More specifically, the proportion who said they were "very satisfied" or "extremely satisfied" increased by 2.2% to 73.3%.

In 2017, the most important stage of the passenger journey is no longer check-in, but the customer experience in the restricted area (beyond the security checkpoint). This indicator scored 5.98 out of 7, up 5 hundredths of a point. The check-in stage, for its part, received an average score of 5.95 out of 7, the second highest score among the eight groups of indicators.

In terms of arriving passengers, overall satisfaction was 6.09 out of 7, up 9 hundredths of a point. The satisfaction rate for passengers who said they were "extremely satisfied" , "very satisfied" or "satisfied" was 96.9%, an increase of 0.8%. The proportion who said they were "extremely satisfied" or "very satisfied" climbed to 80.9% from 78.8% in 2016. The indicators receiving the highest satisfaction scores were baggage cart availability, the ability of the border services officer to speak the passenger's preferred official language (English or French), and passage through border control.

CUSTOMER SATISFACTION IN 2017

DEPARTING

97.9%	SATISFIED PASSENGERS
0.7%	DISSATISFIED PASSENGERS
1.4%	UNDECIDED PASSENGERS

ARRIVING

96.9%	SATISFIED PASSENGERS
1.1%	DISSATISFIED PASSENGERS
2%	UNDECIDED PASSENGERS

commercial services and real estate

Montréal-Trudeau's commercial sector continued to expand to provide a unique and quality environment for airport users, who benefit more than ever from a wide variety of products in terms of both shops and restaurants.

The year 2017 marked the arrival of Bistrot Montréal-Trudeau in the international jetty, specializing in fresh pasta, gourmet sandwiches and freshly squeezed juices. Its products, inspired by the flavours of Italy and other parts of Europe, come exclusively from suppliers who champion environmental protection. The local products offering was also enhanced by the opening of a Canadiana section in the duty-free shops and the addition of Céline Dion handbags to the already highly varied range of fashion accessories sold in stores.

The quality of Montréal-Trudeau's commercial sector is being increasingly recognized. Aer Rianta North America won the Best Canadian Airport Duty Free company prize during the Imperial Gala & Awards Evening of the 32nd Annual Frontier Duty Free Association (FDFA) Convention. In addition, significant investments led to the complete renovation of their duty-free shop, The Loop, located in the transborder jetty. The commercial space housing La Maison de la Presse in the international zone was also renovated.

PARKING AND GROUND TRANSPORT

Again this year, parking services at Montréal-Trudeau had to respond to an increase in airport traffic. Thanks to various strategies put in place over the past two years, the popularity of online booking continued to grow. In 2017, 8.9% of the transactions made at our parking lots were via the online booking service, which represents a 50% increase over two years.

Aéroports de Montréal added distinctive colours to the columns of the multi-level parking to facilitate visual identification and promote better passenger orientation. The growth in passenger traffic also led to a review of service delivery at the parking level, with the establishment of a 24-hour assistance centre and additional staff to direct drivers and ensure optimal fluidity of parking. ADM enlarged and redeveloped the CellParc, its free waiting area for people who come to pick up or drop off passengers at the terminal. Designed to promote fluidity at the drop-off and pickup areas of the terminal, this facility now includes a green space with all the amenities needed for users to wait comfortably. In addition, a second parking area was set up on adjacent land, increasing the CellParc's capacity from 50 to 250 vehicles.

As for the commercial transport sector, the pilot project signed with Téo Taxi is being maintained. Terms for fare and pickup area are the same as those of the previous year. The UBER service, meanwhile, continues to be offered in accordance with the framework defined by the Ministry of Transport, Sustainable Mobility and Transport Electrification.

In November 2017, Aéroports de Montréal, the Montréal Taxi Office, Tourisme Montréal and the City of Montréal celebrated the entry into service of 365 taxis bearing the "BONJOUR" visual signature at Montréal-Trudeau. This is 17% more than the number of permits granted in 2016.

In addition to taxis, ADM ensures that a wide range of transportation services is available, including the 747 bus, car-sharing, car rental and private shuttles.

ADVERTISING AND SPONSORSHIPS

In 2017, ADM continued to diversify its revenues and expand its advertising options. In addition to the renewal of several agreements with select advertisers such as CIBC, Audi, RBC, BMW and Air Canada, new advertising agreements were reached with Sinorama, Samsung, Acura, IBM and AquaBlu. Major sponsorships were also renewed, including with the National Bank for the VIP lounge at Gate 53, for a period of 3 years.

Other significant initiatives included the introduction of two new multimedia walls to better inform and direct passengers, more specifically at the exit of the security screening point at international and domestic departures and near the new information desk. ADM's collaboration with Tourisme Montréal and organizers of Montréal's 375th anniversary to mount large displays in the jetty and at the Aéroterm 5, a building located near the apron, attracted attention.

REAL ESTATE DEVELOPMENT IN MIRABEL

In 2017, a second industrial project was launched on the site of the former Montréal-Mirabel terminal building. Pro-Amino International, which specializes in the manufacture of food supplements and functional foods rich in proteins, built its new 7,000 m^2 factory on a lot on Henri-Fabre Boulevard.

In the western sector of the site, Transit-Nord Plus built an approximately 1,800 m^2 building on a lot on Rue Irénée-Vachon that will house its head office, its maintenance and warehousing operations, as well as its training centre.

Nolinor, present on the Mirabel Aeronautical and Industrial Park since 2005, increased its air transportation business for chartered commercial flights. In addition to having been selected as the official airline of the Montréal Alouettes, Nolinor also transports workers from mining companies established in the Far North of Québec and Canada. This increase in activity resulted in the rental of additional space on the apron for the company's aircraft, as well as additional parking spaces for passengers.

Transport Robert also increased its storage capacity at its Mirabel facility by leasing additional space totaling 8,300 m^2 in the Cargo A and Cargo D buildings.

Finally, ADESA Montréal, a company specializing in auto auctions, is leasing above-ground parking lots at the former terminal building to store vehicles. These parking lots total approximately 27,500 m^2.

REAL ESTATE DEVELOPMENT – MONTRÉAL-TRUDEAU

Last year, ADM announced the establishment of Camions Volvo Montréal near the airport site. In 2017, a 4,366 m^2 building was built to accommodate this dealer. The project, completed in July 2017, includes 15 garage bays for the preparation and maintenance of trucks, a showroom and 100 truck parking spaces.

Finally, ADM entered into an agreement with Air Creebec to lease parking space for employees in an area totaling 27,500 m^2.

engineering and construction

PLANNING
The sustained growth of passenger traffic is good news for the Montréal community, but also leads to capacity and logistics challenges in the planning of airport activities, both on the cityside and on the airside. This type of planning must take into account immediate needs, but also anticipate medium and long-term issues. In this regard, Aéroports de Montréal continued this year to pay particular attention to aircraft parking, baggage handling facilities, the international arrivals sector, and connection facilities.

The announcement of the Réseau express métropolitain (REM) represents a huge challenge for Montréal-Trudeau airport, which must be ready to accommodate what is the largest public transit project since the construction of the Montréal metro. ADM continued its technical studies in 2017 and will collaborate next year with the retained consortiums and the Caisse de dépôt et placement du Québec (CDPQ) to encompass all the construction sites necessary for the construction of the station and its connection to the terminal. The challenges of increasing drop-off capacity and the parking lots, as well as the fluidity and ease of access to the terminal, are central elements of Montréal-Trudeau's planning.

To ensure the fluidity of operations in a period of growth, ADM must work and collaborate fully with the various partners of the airport community.

For example, the challenge of hyper-peaks, especially at arrivals, raises issues with the CBSA. In 2017, ADM continued to implement measures to reduce pressure during these periods, but also to increase the processing capacity of the primary inspection line, for example. In recent years, the positioning of Montréal-Trudeau as a connection "hub" has strongly stimulated this specific market and increased passenger volumes inside the terminal. In 2017, almost 20% of airport traffic was comprised of connecting passengers. Aéroports de Montréal is therefore looking for sustainable solutions to meet the challenges of processing capacity for each type of connection, as well as to ensure the speed of these connections for the benefit of users and carriers. ADM is also examining new ways to increase the efficiency of the connections centre, including improving the process for clearing customs and passenger orientation.

International growth forecasts for the coming years are still high, notably due to the addition of new destinations (e.g. Shanghai, Tel Aviv, Tokyo) and increased frequencies to Europe and North Africa. The international baggage claim room must be able to respond to these increased needs. Accordingly, Aéroports de Montréal expects to add, in the short-term, a fifth carousel for baggage collection from international flights and, in the medium-term, a sixth carousel.

The current network of traffic areas offers adequate development capacity for the very long term. However, with a view to continuous improvement and planning, ADM is studying ways to increase the performance of the runway network and ensure a life-cycle management program to offer passengers and carriers a very high-quality infrastructure.

MONTRÉAL-TRUDEAU
To support the development of the connections market, as well as airlines' efforts in this regard, Aéroports de Montréal has worked to improve various connecting routes in collaboration with the governmental agencies involved. Since April 2017, all travellers arriving in Montréal from the United States and Europe can, after border control, head to the boarding gate designated for their domestic connecting flight without having to leave the restricted area or collect their baggage from the carousels.

In June 2017, the delivery of the connections centre at international arrivals was decisive. It separates connecting travellers, earlier on their journey, from passengers ending their journey in Montréal who need to clear border control. Thanks to this new centre, passengers travelling through Montréal to other destinations can now be controlled in a sector dedicated to connections, thus reducing the flow of passengers being processed at the primary inspection line. For the 2017 summer season, the average wait time in the border services area during peak periods was 10 minutes, demonstrating the effectiveness of this measure and collaboration with CBSA's staff. In addition, no wait times longer than 45 minutes were reported, compared with 27 instances recorded in 2016.

In addition, the connections centre earned an award in the PMI-Montréal Elixir contest, which recognizes excellence in project management.

The pace of growth in passenger traffic at Montréal-Trudeau is exceeding initial forecasts. This in turn is resulting in an increase in the number of passenger flights that need to be accommodated, and more aircraft on the apron. Accordingly, ADM has authorized the budget necessary to complete studies and surveys, as well as plans and specifications, to validate the scope and timeline of a project to increase parking capacity for these aircraft. As a first step, plans call for the addition of four remote "E-code" (large) aircraft parking spots for international flights, which are convertible into eight "C code" (medium-sized) aircraft parking spaces.

Inside the terminal building, ADM continued the redevelopment of the east sector of the domestic and international departures hall. Some connection areas were also improved.

ADM continued rehabilitating the upper lane of the drop off at the departures level. This aims primarily to extend the lane's service life until it is completely replaced about a decade from now as part of the redevelopment of the cityside.

Finally, the expansion project for the commercial area and VIP rooms in the international jetty, completed in 2015, received the 2017 Excellence Award from the Canadian Institute of Steel Construction in the "Residential Renovations & Commercial category".

RAIL SERVICE
CDPQ continued to develop its Réseau express métropolitain (REM) project to connect downtown Montréal, the South Shore, the West Island, the North Shore North and Montréal-Trudeau airport within a single light-rail system fully interconnected with Montréal's current public transit systems.

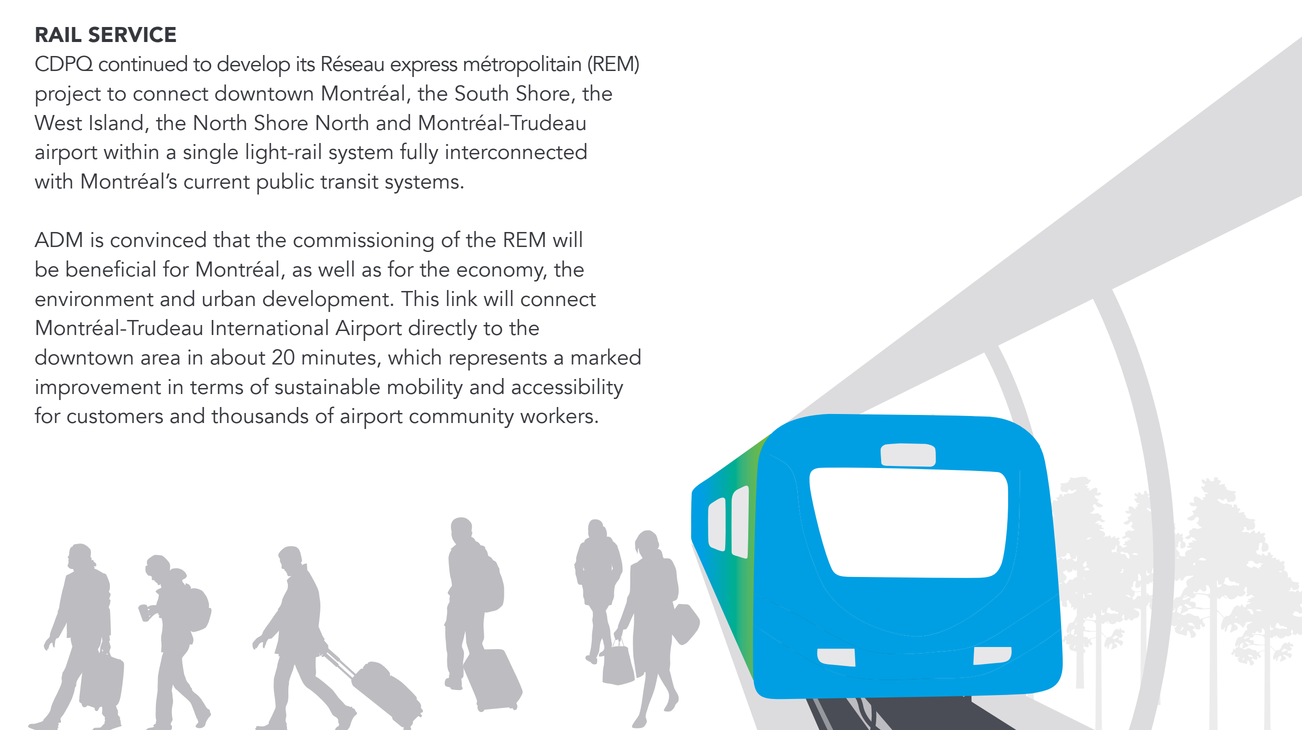
ADM is convinced that the commissioning of the REM will be beneficial for Montréal, as well as for the economy, the environment and urban development. This link will connect Montréal-Trudeau International Airport directly to the downtown area in about 20 minutes, which represents a marked improvement in terms of sustainable mobility and accessibility for customers and thousands of airport community workers.

ADM continues to prepare diligently for the arrival of this major public transit project. ADM carried out preparatory studies, including a feasibility study, a station functional program, and cityside technical studies.

In 2018, ADM will continue discussions with the CDPQ and the selected consortiums, to better understand the technical requirements inherent in the construction of the REM station and to jointly align them with the construction schedules.

MONTRÉAL-MIRABEL
Recent years have been particularly busy at the Mirabel Aeronautical and Industrial Park with the rehabilitation of runway 06-24 and holding bay 06, the repair of the electrical system and related facilities, and the dismantling of the Mirabel terminal complex.

In 2017, there were no major projects specific to the Mirabel Aeronautical and Industrial Park. Repair work on the airside pavements (aprons, runways, taxiways and bays) continued with investments of $1.8 million.



sustainable development

In view of the fight against climate change and growing citizen awareness about environmental protection, sustainable development has become an essential success factor for all organizations.

In 2017, Aéroports de Montréal created a vice-presidency for sustainable development, demonstrating the importance attached to this issue. Sustainable development is also one of the major focuses of the Corporation's strategic planning and will be integrated into development projects and management methods. ADM intends to adopt best practices in sustainable development and to adhere to the ambitious commitments made by the Government of Québec and the City of Montréal.

ADM has also updated its 2018-2022 Sustainable Development Action Plan. This plan aims to do the following.

- Reduce GHG emissions from its fleets of light and heavy vehicles
- Achieve carbon neutrality for its buildings
- Obtain LEED certification for any new building
- Increase the volume of purchases from social economy enterprises

This plan also commits ADM to complete the workforce planning process and develop succession plans for critical and senior management positions. ADM also intends to have continuous communications with neighbouring communities. Its management will aim to integrate, in a balanced way, the growth of operations and the soundscape impact on nearby communities.

ENVIRONMENTAL IMPACT   ECONOMIC IMPACT   SOCIAL IMPACT

protection of the environment

Aéroports de Montréal aims to live in harmony with the community, particularly with regard to environmental protection. Its environmental policy[1] identifies the main areas for improvement in terms of environmental protection.

In 2017, approximately $2.8 million was invested in capital projects related to the environment, including the following.

- The installation of equipment to manage waste material at the international jetty
- The installation of water meters at all entrances to the airport and connected buildings
- The construction of the new site for emptying street sweepers
- The installation of additional charging stations for electric vehicles
- Replacement of open-loop humidifiers with closed-loop humidifiers to reduce potable water consumption
- The implementation of various energy saving projects related to heating, ventilation and air conditioning and upgrading of refrigerant leak detection norms

ADM is also a partner of the Sustainable Montréal 2016-2020 plan and a signatory of the Airports Sustainability Declaration.

1. ADM's environmental policy can be found at www.admtl.com

CERTIFICATION AND RECOGNITION

ISO 14001 certification for its environmental management system.

BOMA BESt gold level certification, attesting to the energy and environmental performance of the terminal building.

Outstanding building of the year award in the "Public Assembly building" category from BOMA Québec, at the provincial level, and BOMA Canada (TOBY Award) at the national level, for Montréal-Trudeau airport.

Third level, "Optimization," of the Airport Carbon Accreditation certification, an improvement from second level the previous year.

LEED (Leadership in Energy and Environmental Design) Silver level certification for the international jetty expansion project.

Award of Merit for eco-friendly parking by the Montréal Regional Environmental Council for the NPSV Charlie parking lot.

ENERGY EFFICIENCY AND GREENHOUSE GAS EMISSIONS

Reducing greenhouse gases has been a priority for several years. In 2017, Aéroports de Montréal continued to improve its ventilation systems by installing speed controllers, reducing energy consumption by the fans and pump motors, and completely revamping the domestic jetty's ventilation system. In addition, the configuration of HVAC systems was modified in some areas to increase efficiency.

Both new buildings and buildings under construction, such as the expansion of the international jetty, are equipped with high-performance shells that reduce heating and air-conditioning requirements. Other devices are also geared towards energy efficiency, such as airtight revolving doors, speed regulators on escalators and moving sidewalks. In 2017, five additional mechanical escalators were replaced with new escalators equipped with speed regulators. ADM also mandated an external firm to conduct an ASHRAE audit to optimize energy consumption and reduce GHG emissions from buildings.

The Corporation promotes the use of LED lighting, in particular for runway and other airside lighting systems, as well as for street lighting and interior lighting. It also practices night-time load shedding in unoccupied areas of the terminal. In 2017, the LED conversion program continued at Montréal-Trudeau for runway 06L-24R. LED lighting is also used for all of the tall lampposts at the new aircraft parking stations built in 2017 north of runway 10-28, and for aircraft parking stations built southwest of the transborder jetty.

In addition, LED lighting was installed in the SAS cargo near the NPSV Delta, in all the NPSVs, and in the domestic and international sectors of the terminal building at the east-side check-in counters, airline offices, as well as washrooms at domestic arrivals and at Gate 58.

SUSTAINABLE TRANSPORTATION

Sustainable transportation is an important element of Aéroports de Montréal's environmental strategy. The fleet of taxi permit holders is composed of 70% hybrid vehicles, or 250 out of 365 vehicles. This requirement saves 8,689 tonnes of CO_2 equivalent, which represents taking 2,630 cars off the road annually.

ADM is also continuing its efforts to green its own fleet of light vehicles which employees use to perform their daily tasks. In 2017, an electric car and five subcompacts were added to the Montréal-Trudeau fleet.

ADM is a partner of the *Employers take action for sustainable mobility* initiative of the Chamber of Commerce of Metropolitan Montréal and is encouraging its employees, through the Écono-Écolo-Pratique program, to choose sustainable modes of transportation, such as carpooling and public transit, for commuting to and from work.

To promote the use of sustainable transportation as part of the Écono-Écolo-Pratique program, ADM has set up two "biciborne" bicycle repair and assembly stations at Montréal-Trudeau for employees and passengers. They are located outside domestic arrivals, under the ramp (near the bicycle racks), and at the HôtelPark's SS1 parking lot (under the Marriott).

The 747 bus service continues to be popular. In 2017, the frequency of service was increased with the addition of an "express" line directly connecting Montréal-Trudeau to the Lionel-Groulx metro station, representing some 20 additional departures per day. Users are now also benefiting from a heated bus shelter that can accommodate around 150 people.

Montréal-Trudeau is continuing its discussions with the Montréal Transit Corporation (STM) to improve airport bus service, especially going east-west.

To contribute to efforts to increase transport electrification, ADM has also installed charging stations for electric vehicles at the multi-level parking, the employee parking lot and for its own service vehicles.

In the spring of 2018, ADM will add charging stations to those already in place in its parking lots.

HABITAT AND WATER PROTECTION

ADM continuously monitors the quality of rain water, waste water and ground water at its airports through sampling and analysis programs conducted by outside firms with the necessary qualifications. More than 1,800 analyses were carried out in 2017 on samples of rain and waste water collected at the various outlets of Montréal-Trudeau and the Mirabel Aeronautical and Industrial Park.

In addition, the City of Montréal operates an air-quality measuring system at Montréal-Trudeau, the data from which are available on the City's website.

To protect local bodies of water, and Bouchard Creek in particular, systems have been installed that maximize recovery of the glycol used to de-ice airplanes and prevent it from ending up in the environment. The de-icing centre has a cutting-edge underground collection network; the glycol that it recovers is treated and reused for de-icing.

Given Québec's winter conditions, clearing snow from runways and de-icing them are crucial for aviation safety. To reduce the environmental impact of these operations, ADM has been using sodium formate and potassium acetate instead of urea at Montréal-Trudeau airport since 2011.

Snow waste from the roads, parking lots, aprons and aircraft manoeuvring areas is stored in dedicated areas. In spring, the runoff from this snow waste is diverted into a special tank, allowing particles to settle before the water enters the storm drainage system.

In addition, watercourse-protection equipment, such as interceptors and grit tanks, traps hydrocarbons and solids that might otherwise end up in storm water. In 2017, ADM installed a 150,000-litre interceptor in the Smith Creek area to protect the new aircraft parking zones.

Furthermore, every development project at Montréal-Trudeau and Mirabel must undergo an environmental assessment to identify its potential impact on the environment and to propose mitigation measures. In 2017, no projects were deemed likely to have major effects on the environment. ADM also operates an environmental inspection program for its construction sites to ensure respect for the environment.

protection of the environment

RECYCLING AND REDUCTION PROGRAMS

In keeping with the 4 Rs (reduce, reuse, recycle and recover), ADM has set the objective of recovering 50% of its waste materials. Paper, cardboard, plastic, glass and metal are collected in multi-material collection bins throughout the airport terminal and offices. ADM also collects organic waste from the terminal building's restaurants. Over 1,140 tonnes of waste materials were recycled or composted in 2017, which represents a diversion rate of 43% compared with 36% the previous year.

Various measures have been implented in 2017 to increase the rate of recycling, such as distributing recycling bins, especially in the VIP lounges, raising awareness among concession employees, controlling access to the compactor room and carrying out a characterization of the waste material of concessions in the terminal building to target better actions to put in place to improve environmental performance in this regard.

Other long-established programs aim to recover debris from renovation and demolition work, to reduce consumption of drinking water and paper, to plan events in an environmentally responsible way, and to source eco-friendly products and services. The reclamation rate for waste materials from dismantling building T125 is 95%. With respect to the demolition of buildings T107 and T110, formerly occupied by Bombardier, the reclamation rate for demolition materials is 99.4%.

ADM also participated in a pilot project for the eco-management of construction sites in collaboration with l'Espace de concertation sur les practiques d'approvisionnement responsable (ECPAR), the Canada Green Building Council – Québec, and Groupe AGÉCO. This project, funded by RECYC-QUÉBEC, aims to promote best practices for eco-site management to ensure the reduction of construction waste at the source.

GREENING AND ENHANCING NATURAL HABITATS

As part of its tree policy, Aéroports de Montréal supports planting projects proposed by local communities. In 2017, the Corporation made a financial contribution to the GRAME project, in partnership with Air Canada and the CIUSSS of the West Island of Montréal, that enabled the donation of 150 new trees and 30 fruit trees, as well as a vegetable garden, to the Batshaw Youth and Family Centre in Dorval.

ADM also contributed, along with many partners, to the greening of the St-Germain schoolyard as part of the borough of Saint-Laurent's eco-neighbourhood program. This targets schoolyards that require significant greening. More specifically, a picnic area was developed and six mature trees as well as multiple vegetation were planted on the edges of the school grounds.

As part of Montréal's 375th anniversary, a partnership concluded with Earth Day led to the planting of 500 trees on the Montréal-Trudeau site, thus helping the organization to achieve its objective of planting 375,000 trees in 2017.

Finally, ADM commissioned a firm to treat ash trees affected by the emerald ash borer beetle located in the woods along Thorncrest Avenue in Dorval.

CONTROL AND PROTECTION OF WILDLIFE

Aéroports de Montréal makes a significant effort to control and protect wildlife around its facilities. Special attention is given to birds, given the risk they pose to aviation safety. In recent years, an increasing number of snowy owls have been venturing onto the Montréal-Trudeau site in search of food. A total of 100 of these birds have been captured and relocated, including more than 30 in 2017 alone.

The airport engages Falcon Environmental Services (FES), a multidisciplinary team unique in Canada with more than 25 years of experience in providing specialized wildlife management services. Every year, FES controls more than 150,000 birds and mammals on ADM's two sites.

This team also offers extensive training for both field officers and firefighters who need to respond to these issues. ADM leverages the best wildlife management techniques. Thus, a new wildlife risk measurement system has been put in place to better assess the effectiveness of the wildlife management program and to be able to act more quickly to changes in bird impact risks.

In 2017, FES also worked with the environmental and grounds maintenance departments to identify the best solutions to minimize the environmental impact of insect control products that are attractive to wildlife. In addition, the team employed an innovative technology for the manufacture of a customized trap equipped with a long-range remote control for capturing owls.

All these efforts have resulted in the lowest impact rate per 10,000 aircraft movements in recent years, despite the presence of high-risk species.

In collaboration with Avéole, ADM operates, at each of its two sites, five hives housing more than 300,000 bees. Part of the honey harvested each year is donated to Moisson Laurentians and Moisson Montréal. The bee-friendly garden planted near the Montréal-Trudeau hives was also improved. In addition to facilitating the work of pollinating insects, this garden has become a haven for the protection and reproduction of monarch butterflies. It was certified by *Monarch Watch and Space for Life* in 2016.

ADM has implemented several other measures, such as the testing of a more ecological pesticide for the control of grasshoppers along the runways and the control of poison ivy along Bouchard Creek at Montréal-Trudeau airport.

KEY ENVIRONMENTAL INDICATORS

	2017		2016	
	YUL	YMX	YUL	YMX
Energy consumption (GJ)	543,798	96,142	525,552	106,550
Electricity	426,872	47,805	422,449	54,955
Natural Gas	58,716	31,096	51,198	37,446
Diesel	49,993	14,445	44,066	11,730
Heating Oil	300	501	434	0
Gasoline	7,917	2,295	7,405	2,418
GHG emissions (t CO_2 eq)[1]	7,280	2,865	7,297	3,181
Residual material generated, ADM terminal and buildings (t)	3,079	58	3,016	93.4
Residual material recycled and composted (t)	1,300	30.4	1,094	32.1
Winter operations				
Quantity of sodium formate applied (t)	1,521	166	848	425
Quantity of potassium acetate applied (L)	281,042	54,781	186,756	58,816
Quantity of urea applied (t)	35	429	0	30
Quantity of salts applied on the parking lots and the road network (t)	1,996	518	1,438	447
Quantity of pure glycol sprayed on aircraft (L)[2]	3,240,493	336,225	2,610,989	264,975
Quantity of recycled glycol concentrated 99.5% (L)[2]	1,521,726	N/A	1,241,200	N/A

1. GHG emissions may be subject to minor adjustments in the event of changes to emission factor.
2. Per season: 2015-2016 and 2016-2017.
Snow precipitation: Total of 245 cm in 2017 and 192 cm in 2016.
Freezing rain precipitation: Total of 30 mm in 2017 and 44 mm in 2016.
Number of days with freezing rain: 12 in 2017 and 12 in 2016.

DEVELOPMENT OF THE SOUTHWEST SECTOR (LOT 7)

The development of the southwest sector of the Montréal-Trudeau site (Lot 7), formerly leased to the City of Dorval and used as a golf course, is a concrete example of sustainable development.

This is a 16-hectare lot adjacent to the south cargo area. Aéroports de Montréal notified the City of Dorval, starting in 2006, of its intention to take back this lot for airport development purposes. ADM has since indicated that it intends to use part of this lot to establish a vehicle checkpoint in accordance with Transport Canada's new security requirements.

In a continuing effort to improve its relations with local residents, ADM consulted the citizens of the neighbouring sectors for the landscaping of the area. The planting of 500 trees is also planned for 2018.

ADM has considered possible noise impacts on local residents from the beginning of the planning process. An assessment of the increase in noise levels related to an eventual airport development (year 2040) was conducted using modeling software based on Health Canada's sound impact evaluation methodology. To improve its assessment of the sound impact related to the development of the airport, ADM will build an acoustic screen. Its design began in the fall of 2017 and construction is planned for the summer of 2018.

soundscape management

Montréal-Trudeau airport has been in its current location since 1941 and is now surrounded by the city. Air traffic at the airport is therefore a source of urban noise. However, it is largely concentrated near the airport and along the flight paths. It also has a relatively minor impact on people compared with other sources of urban noise in Montréal.

Aircraft noise comes from two main sources: engines and air turbulence. The civil aviation industry is working to reduce aircraft noise at the source by improving engine performance and aircraft aerodynamics. Planes, even wide-body jets, are much less noisy today than in the past. The oldest models are prohibited from flying in Canada and the new aircraft, like the Bombardier CSeries, are quieter than ever before. In fact, air traffic at Montréal-Trudeau generates substantially less noise than it did 20 years ago.

It is both possible and desirable to reduce the impact associated with air traffic in urban areas through a variety of measures related to air navigation and airport operations, among other things. That being said, soundscape management must also factor in a number of other inescapable realities, such as aviation safety, the community's need for air services, airline constraints.

A SHARED RESPONSIBILITY

Soundscape management around Montréal-Trudeau airport is a shared responsibility. Transport Canada is the regulatory body responsible for ensuring compliance with the application of procedures and rules for mitigation of the noise generated by air traffic. It has the power to impose sanctions on pilots and carriers who contravene these rules. Under the terms of its lease with Transport Canada, Aéroports de Montréal is responsible for developing a soundscape management plan, for establishing a consultative committee, and for dealing with any noise-related complaints. As part of this, the Corporation uses an ANOMS system to monitor all flights at Montréal-Trudeau to ensure compliance with current regulations. When a suspected irregularity is observed, Aéroports de Montréal informs Transport Canada which then looks to take appropriate action. In 2017, some 25 cases were submitted to Transport Canada for investigation.

ADVISORY COMMITTEE

The Airport Soundscape Advisory Committee is chaired by ADM and has representatives from the City of Montréal, the borough of Saint-Laurent, the cities of Dorval and Pointe-Claire, Nav Canada (the agency in charge of air navigation services), the airlines, Transport Canada, the Québec government and airport management staff. The committee is an effective forum for exchanging information and discussing and studying all soundscape-related issues, including the effective and projected use of the airport's land, and especially nearby residential development projects. The Airport Soundscape Advisory Committee held two regular meetings in 2017. A summary of the meetings is available on the admtl.com website.

ADM also holds meetings with council representatives of cities and boroughs affected by soundscape matters.

SOUNDSCAPE MANAGEMENT PLAN

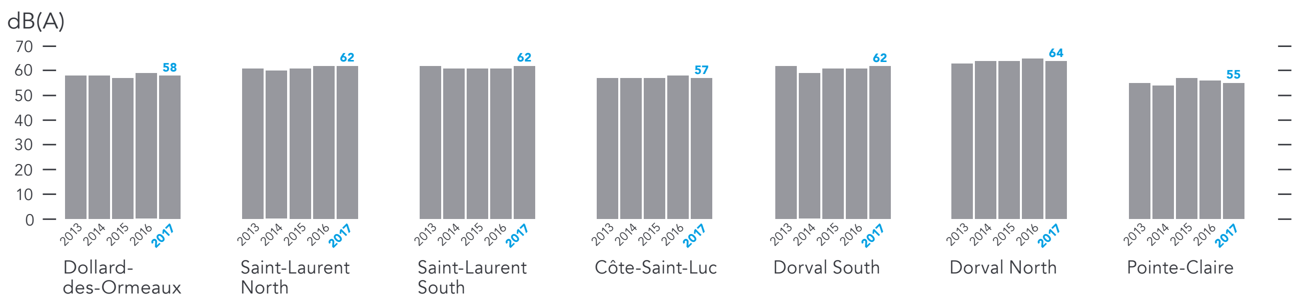
Montréal-Trudeau's soundscape management plan covers operating hours, flight restrictions for large aircraft, engine tests, the system of preferential runways, take-off and landing procedures, and other such factors. More information is available on the admtl.com website.

Night flights are subject to close monitoring using the ANOMS system and to rigorous enforcement of criteria for granting exemptions. With the exception of the period between 6 a.m. and 7 a.m. during the winter season, the number of flights falling within the hours of restricted operation is stable. The vast majority of these flights are operated by aircraft weighing less than 45,000 kg; these do not require exemptions.

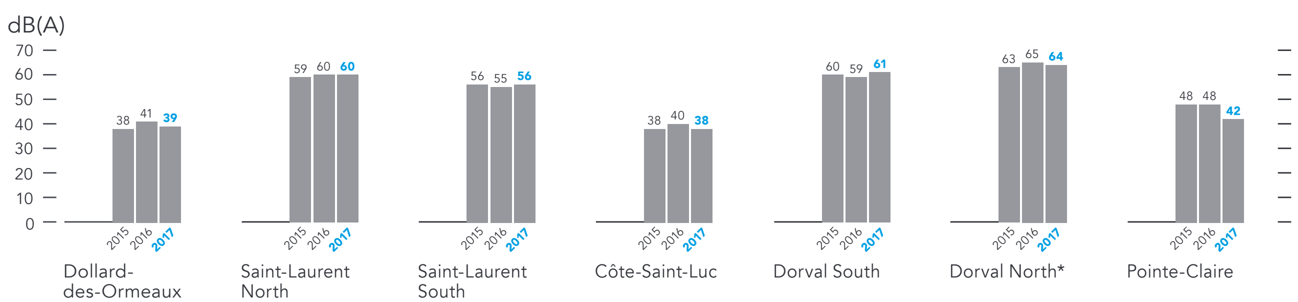
In 2018, Aéroports de Montréal will undertake a review of its sound climate management action plan based on industry best practices.

FIXED STATIONS – AVERAGE ANNUAL NOISE LEVEL RECORDED AT MEASURING STATIONS (DB[A])

LEQ total includes all sources of noise measured at the station



Aircraft LEQ considers all aircraft noise measured at the monitoring stations.



* The Dorval North station is very close to the runway (1 km); aircraft noise is therefore louder.

NOISE MEASUREMENT

ADM operates eight measurement stations, including one mobile station, for gathering noise-level data. The fixed stations are positioned strategically along the extensions of the runway centre lines in the residential districts near the airport. Equipment installation and calibration are performed by independent professionals, and the data are gathered by professional acoustics engineers. The system is linked to NAV Canada radar data, so aircraft movements can be correlated to precise noise-level data.

ADM publishes the LEQ (equivalent level) sound pressure levels recorded at the measuring stations located around the airport. LEQ is also the noise-level indicator used by the Ministry of Transport, Sustainable Mobility and Transport Electrification and the Ministry of Sustainable Development, Environment and the Fight against Climate Change. The indicator referred to as LEQ total, expressed in decibels (DB[A]), is based on the actual noise data gathered using the measuring stations. It represents the cumulative amount of noise recorded during a given period. It provides an accurate characterization of the amount of noise heard year-round, and includes all sources of noise measured at the stations. Three types of reports are produced: aircraft-only noise, community noise, and cumulative total noise from all sources.

In interpreting the results, various factors must be taken into account, including noise attenuation due to buildings. The noise attenuation factor used by the World Health Organization (WHO) is -21 dB(A), while the recommended factor in Canada is -26 dB(A), owing to the fact that homes here are generally better-insulated because of our climate. In its presentations, ADM uses the more conservative of the two factors, i.e., -21 dB(A).

Measurements of aircraft-only noise taken in 2017 are comparable to those of 2016. The increased level in the Dorval South area is attributable mainly to increased use of Runway 24L compared with 2016. Note that in 2016, there were fewer takeoffs from Runway 24L due to repair work.

NEF CONTOURS

Evaluation of the noise levels perceived around the airport is based on the methodology of the NEF (Noise Exposure Forecast) model developed by Transport Canada. The results of the calculations are presented as contours. NEF contours are used for urban planning near airports.

Transport Canada recommends against development of new residential complexes in areas where the Noise Exposure Forecast exceeds 30. Where such projects go ahead in spite of the warning, a detailed noise analysis should be conducted and noise-abatement practices should be implemented.

The NEF 30 contours for 2016 (the last year for which data are available) indicate that the Montréal-Trudeau noise footprint had a surface area of 19.2 km², a decrease of 55% compared with the 42.2 km² area recorded in 1995, the base year. The number of people living under the noise footprint has decreased by 90% during that time from 39,421 in 1995 to 4,272 in 2016.

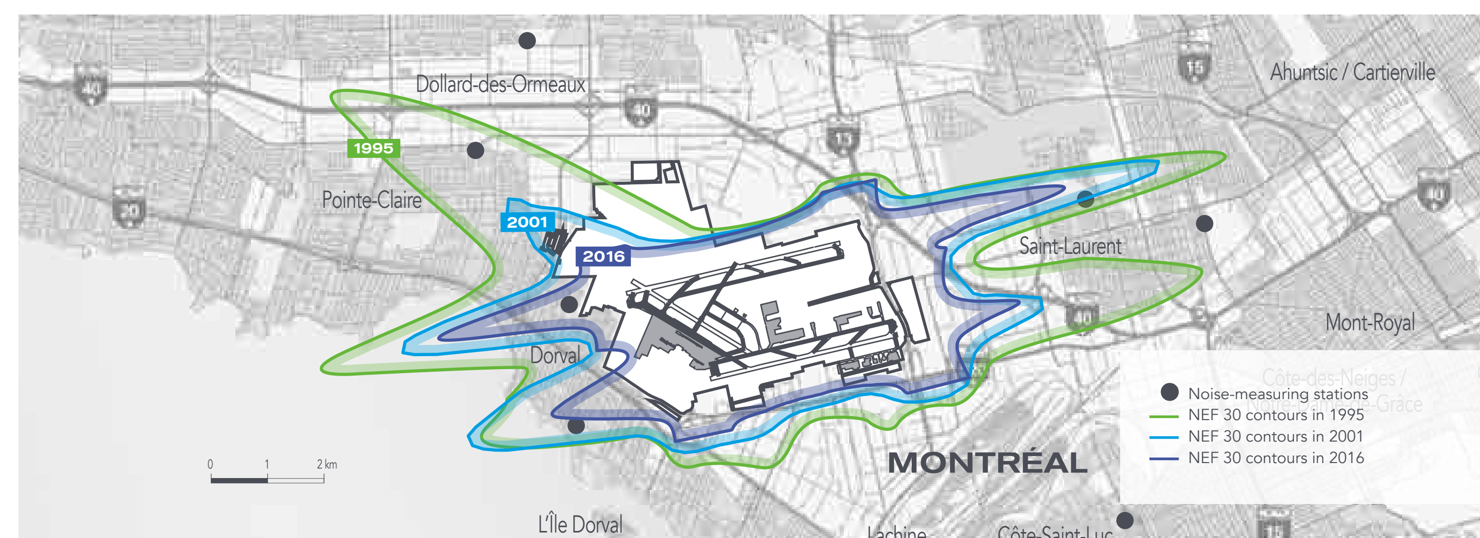
The extent and shape of NEF contours can be affected by many factors: ongoing work, flights operated between 10 p.m. and 7 a.m. (equivalent to 17 daytime movements), and the aircraft fleet operating at the airport.

ADM is pursuing its efforts to improve the soundscape in collaboration with its various partners, especially air carriers.

INFORMATION FOR CITIZENS

To better inform citizens of activities that may affect the soundscape around the airport, ADM publishes an electronic newsletter which is available on the admtl.com website. Notices are also published in neighbourhood newspapers when major work results in changes to runway assignments.

A dedicated telephone line (514 633-3351) provides pre-recorded information and enables citizens to speak with a specialized resource person. Citizens can also contact ADM by email (info@admtl.com) or consult its website. This features frequently asked questions on the soundscape and other information tools are being developed.



human resources

A SERVICE CULTURE THAT ENHANCES PERFORMANCE

In the fall of 2017, Aéroports de Montréal established the goal of evolving its corporate culture towards a service culture. We intend to accelerate this transition in the coming year. This evolution aims to better meet the needs and expectations of customers during this period of strong growth.

A high-level transformation initiative was launched.

- A diagnosis of the organizational culture during fall 2017
- A definition of the desired service culture during winter 2018
- The development of a transformation plan during spring 2018
- Implementation of the changes (to come – 2018-2022)

In this context, the way that talent is managed is becoming an increasing focus of ADM's managers and employees. Distinctive strategies in talent attraction, employee potential identification, performance management, talent development, succession and career planning, and workforce forecasting enable the Corporation to ensure that it has the human capacity required to execute its new strategic plan, launched in 2018.

Every year, ADM improves its workforce forecasting planning process. Its objective is to identify and evaluate high-potential employees and offer them development programs tailored to their situation, as well as to align their career goals with the Corporation's workforce requirements. In 2017, ADM established a management potential chart. This chart will be updated annually.

Aéroports de Montréal is maintaining the *GestionAir* program. The Corporation also continues to offer various development programs, such as career workshops and a generous training policy that encourages returning to school and continuing education.

The *Destination réussite* initiative aims to increase employees' level of engagement and achieve our vision of being an employer of choice. It is based in part on surveys conducted periodically among all employees by an independent firm. In 2013, a first survey identified a number of general engagement opportunities and action plans were developed accordingly. In 2015, a second survey revealed a marked and significant 6% increase in the overall engagement rate, with a higher participation rate of 77%. In 2017, a third survey measured the organizational pulse as the Corporation was in a significant transition period. The results show that the overall employee engagement rate remained steady at 64% while the employee participation rate increased to 86.5%.

POLICIES AND PROGRAMS

To provide a stimulating work environment, ADM has developed, over the years, several programs and policies including: the employment equity policy; the harassment prevention policy; the training and development program; the employee diversity program; the employee assistance program; and the "Grand Merci" recognition program. Aéroports de Montréal also focuses on continuous education.

To respect the highest ethical standards, the Corporation has a code of ethics that clearly establishes best practices for its employees.

In addition, to ensure that all employees can benefit from the most up-to-date and accurate information possible, many internal communication tools such as the intranet, various newsletters and a company magazine are made available to employees. In 2017, the Montréal-Trudeau Express magazine, distributed to the entire airport community, was upgraded and became 100% digital. This innovation is also part of ADM's efforts to foster greener policies.

For several years, the children and grandchildren of employees have benefited from the Pierre-Martin Scholarship Program. Five scholarships are awarded every year: four scholarships of $3,000 each for university studies (including the Henri-Paul-Martel Scholarship for Engineering Studies), and a $1,000 scholarship for a third-year technical college student or a $500 or $1,000 scholarship (depending on the length of the program) towards a secondary school vocational diploma.

Aéroports de Montréal offers competitive compensation and benefits, as well as a profit-sharing plan for non-unionized employees.

HUMAN RESOURCES MANAGEMENT SYSTEM

Aéroports de Montréal wants to be at the forefront of innovations in modular human resources management systems. The use of cloud technology provides greater flexibility for both job seekers and managers of the Corporation. The cloud approach also facilitates the process of evaluation and feedback among ADM workers.

In 2017, the human resources team added the training module to the cloud system, which in 2018 will help expand training opportunities for employees and facilitate the implementation of targeted training activities.

STAFFING

A total of 138 positions were filled in 2017. The candidate referral program led to 25 hires, representing approximately 18% of total hires. The turnover rate for 2017 was 11.1%. At the end of the year, the workforce totalled 573 regular employees.

LABOUR RELATIONS, HEALTH AND SAFETY, HEALTH AND WELL-BEING

In 2017, Aéroports de Montréal continued its efforts to foster good working relations and improve health and safety processes. The subcommittee on ways to upgrade working conditions, employee and union involvement in achieving organizational changes and objectives, as well as the planning of various initiatives that could lift individual and organizational performance and promote common interests, continue.

In 2017, ADM enhanced its employee health programs. The improvements, involving innovative practices and tools, are designed to promote individual and collective well-being and produce positive outcomes for employees, their families and the organization. In concrete terms, a Health and Wellness Committee, whose main responsibility is the prevention of risks to the personal health of employees, was set up this year. This committee met twice in 2017 and monthly meetings are scheduled for next year. It is currently working on the deployment of the Health Initiative and the organization of activities such as the holding of a conference on mental health, and the promotion of existing health programs at ADM.

The Health and Safety Steering Committee also assumed responsibility for the health mandate, which includes health and safety and health and wellness. Key performance indicators were developed during the year and will measure the actions taken and their contribution.

The transformation of the occupational health and safety management system continued. Local committees implemented programs to prevent the main risks identified at the beginning of the year, namely falls and incidents with vehicles. Through discussions and consultations between managers and employees, this exercise helped to identify concrete strategies and actions by regrouping types of jobs. The aim is to raise awareness among various players about the real risks and how they can be mitigated.

LABOUR RELATIONS

In 2017, the Syndicat des employés de métiers (CSD) and Aéroports de Montréal agreed to renew the collective agreement for an additional period of two years. The collective agreement expires in March 2020.

The bargaining process for the renewal of the fire service union (PSAC) collective agreement expiring on December 31, 2017, began in November. Negotiations continue in 2018.

The collective agreement for first level managers (CSN) expires at the end of 2018, and the collective agreement for administrative, professional and administrative support (PSAC) employees expires in December 2019.

KEY HUMAN RESOURCES INDICATORS

Indicator	2017	2016
Regular employees	573	566
Training (hours)	11,653	15,884
Positions filled	138	128
Retirements	18	14
Turnover rate[1]	11.1	8.77
Absenteeism rate	6.4	5.88
Injury frequency[2]	3.4	2.5
Severe injury rate[3]	84.1	73.3
Incidence rate[4]	15.5	24.8

1. Percentage of the workforce leaving the Corporation in a given year
2. Number of claims submitted to the CSST per 200,000 hours worked
3. Number of days lost per 200,000 hours worked
4. Number of employees absent annually per 1,000 insured.

JULIE MORIN • DOMINIQUE CHAREST • PATRICK LEBEAU • SYLVIE BEAUCHAMP • MARCEL LAFLEUR • LYNE MICHAUD • FRANÇOIS LALLEMANT • SYLVIE PAGÉ • MÉLANIE BEAULIEU • RAYMOND LECOMPTE • RENÉ SIMARD • MICHEL FILLION • BERNARD DUBÉ • JOSÉE PIÉDALUE • GILLES FORTIN • YVES DESPRÉS • MICHEL LÉVEILLÉE • GÉRALD VILLENEUVE • GILLES MARCIL • RICHARD DEMERS • DANIEL ST-PIERRE • DANIEL GAGNÉ • MARIO VALLÉE • ROBERT ARCAND • JOCELYNE FERLAND • LINE LANTHIER • ÉLIE ELHINDY • MICHEL ROY • CHRISTINE MELOCHE • DANIEL CINQ-MARS • JOANNE BERGERON • JOSÉ FERNANDES • LOUIS DESPINS • MANON LIBERSAN-LANIEL • MARIE-JOSÉE TAPP • PIERRE AUDETTE • BRIGITTE CHAN KWONG • ROBERT LEFEBVRE • PIERRE MARINEAU • PIERRE MOSER • JOHANNE NADEAU • PIERRE LALONDE • SIMON COUTU • LISE SABOURIN • RONALD THERRIEN • PIERRE-YVES ROY • GEORGES KAMRAN • STÉPHANIE LEPAGE • YVES BÉNARD • PATRICK DEMERS • ANDRÉ PICARD • DONALD CAMPEAU • STÉPHANE BOURASSA • CAROLINE BEAUDOIN • MIHAI POPESCU • PAUL FEX • JEAN GRATTON • JACQUES PARADIS • TALINE MISSAKIAN • SYLVAIN MASSICOTTE • SYLVAIN MARCHAND • YVES CHARLEBOIS • JEAN-FRANÇOIS TANGUAY • DENIS VINET • YVAN BÉLANGER • LINE MARIN • DIANE GOSSELIN • MICHEL GIROUX • SYLVAIN FAUTEUX • GUILLAUME DORVAL • GUYLAIN FORTIER • MARIE-HÉLÈNE DEVEAU • GUY MORIN • PIERRE MARSAN • HUGUES MASSICOTTE • RÉAL BRIEN • STÉPHANE ROLLAND • SYLVAIN LÉGER • JOCELYN FOURNIER • MARIE-JOSÉE GERMAIN • CAROLE LADOUCEUR • PAUL MONGEAU • MARC DE LA SABLONNIÈRE • DANIEL DINELLO • JEAN POIRIER • MICHEL VERMETTE • BRUNO GÉLINAS • LUC FORTIN • ANNIE SACCARO • FRANÇOIS VILLENEUVE • LYNE GILBERT • DENIS PICHÉ • PHILIPPE ALEXANDRE BRUNET • STÉPHANE BOUDRIAS • LUC CHARBONNEAU • ANDRÉ DULUDE • MICHEL LEGAULT • DIANE TELLIER • DANIEL ROSE • MARTIN LE JOSSEC • MARIE-ANDRÉE ABRAHAM • SERGE BOUCHARD • FRANÇOIS BERTHIAUME • NICOLAS SASSEVILLE • CHARLES AUBÉ • STEVE JODOIN • YVES CLOUTIER • DONALD DESROSIERS • MARTIN THÉRIAULT • MARIO CONTANT • LISE LAFLEUR • MARIE-CLAUDE RIVEST • FRÉDÉRIC GUÉNETTE • STÉPHANE LEMAY • ALEXANDRA RICHARD • DANY BOLDUC • YANICK CHOQUETTE • JEAN-MARIE BÉLANGER • LUC RENAUD • DOMINIQUE PICHÉ • SYLVIE CHARBONNEAU • ROBERT POULIN • JULIE DESPAROIS • FERDINANDO COLAVITA • PATRIZIA MARCHEI • STEVENS CASTONGUAY • YVAN LAFONTAINE • KARL BROCHU • MELANIE AUSSANT • JEAN-YVES JACOB • RÉMI SAVOIE • GENEVIÈVE MEUNIER • ROBERT OUELLET • PIERRE-LUC DUPRÉ • JOE LUGARA • SYLVAIN CORON • MARCEL-YVON BEAULIEU • LISE RICHARD • SERGE LAPIERRE • PIERRETTE BOISSONNEAULT • LOUISE DUPLESSIS • JOANA PANAGIOTOPOULOS • PAOLO SBRAGIA • CLAUDE BERGER • CHRISTINE TOUCHETTE • JEAN-PIERRE ROY • MARTIN GAGNÉ • LOUIS JONCAS • MARCEL BÉNARD • DANIEL DESLONGCHAMPS • SYLVAIN TAILLON • WALTER DAFOE • IVAN CHOUINARD • FABIEN BRETON • DAN CLAUDIU FRATEAN • ÉRIC LALONDE • FRANCIS LAPIERRE • RAYMOND PLOUFFE • NATHALIE DESROSIERS • JEAN-LUC VANIER • JEAN-FRANÇOIS LAUZON • JULIE BOISSONNEAU • GERMAIN GIROUX • MARIE-JOSÉE BOYER • BENOÎT MARCIL • GENEVIÈVE LACOSTE • DANIEL GOBEIL • SIMON LALANDE • YVON HUNTER • FRANÇOIS PRIMEAU • JEAN-MARTIN BÉLISLE • PASCAL MARSAN • MARC-ANDRÉ TURCOTTE • JASEN BEAULIEU • DIANE LUSSIER • HOURIA SAADALLAH • SÉBASTIEN CHAMPAGNE • RICHARD LAFOND • PATRICE JALBERT • PATRICK GINGRAS • GUY LANDRY • GUERDY LOUIS-JACQUES • PASCALE BOUCHARD • MARIO FORGET • DIETMAR SCHARNITZ • JOËL DAUPHINAIS • JULIE LAROSE • DENIS BOUCHER • FRÉDÉRICK CAMPEAU • MARC TÉTRAULT • MICHEL DUPRAS • ÉRIC LALONDE • YAN DOYON • PATRICE FORTIN • GILLES TURCOTTE • ANNE MARCOTTE • BENOÎT TESTE • ÉTIENNE THERRIEN B. • IVONNE VELEZ • SÉBASTIEN TURCOT • JOSÉE DUBOIS • SERGE CÔTÉ • MIGUEL ROSALES • CLAUDE HURTUBISE • YVES GUÉRIN • LUC PAULIN • MARC-ANDRÉ CHRÉTIEN • VALERIA MURIEL • LUCE BUREAU • RYAN MEMBRENO • MICHELLE DELISLE • IVAN GIAMPALMA • DAVID-YOAN DENIS • MARC-ANDRÉ ALLAIRE • NATHALIE BRISSON • DANY OUELLET • RÉMI PERRON • LUC VEILLEUX • DANIEL CHAMASS • GUYLAINE THIBAULT • MARTIN RHEAULT • ALEX PAYER • YANICK BÉLISLE • RICARDO MENDOZA • MARC VALLIÈRES • FRANÇOIS DIONNE • NATHALIE BLANCHARD • DARREN KLENK • CHERLEY THÉARD • CLAUDE GAUTHIER • J.A. DENIS LEDUC • JEAN-SÉBASTIEN LORD • YAN LAVOIE • BENOIT HAMELIN • LUC BÉLANGER • RICHARD TÉTREAULT • RENÉ ROY • SYLVAIN JUTRAS • BENOIT BISSONNETTE • GUY CHAMPOUX • OSCAR LANDAVERDE • JOE PELUSO • SIMON LAFRANCE-THIBODEAU • MÉLANIE BOISCLAIR • PASCAL ST-ONGE • AMÉLIE CÔTÉ • SIMON LAFRANCE • DENIS ARSENAULT • MARTINE LEMIRE • DOMINIC LANDRY • JACQUES CARLOS • YANNICK PHANEUF • RENÉE LEBEL • MICHEL VERTEFEUILLE • KIMBERLY ANN BOIS • ESAT MUSA • FRANCIS BULLAERT • STÉPHANE PICARD • ALAIN BÉGIN • PATRICK GENDREAU • BENOÎT ROCHON • JEAN-CLAUDE MARTEL • YANICK ADAMS • ÉRIC CLÉMENT • GILBERT BOUCHARD • STÉPHANE HAMEL • MICHEL CRÊTE • MICHEL BRAULT • STACY MCNEVAN • MARIO DUMOUCHEL • PATRICK ST-AMAND • FANNY BRASSEUR • PHILIPPE HOULE • RONALD LEDUC • MARIO MICHEL ACLOQUE • GHISLAIN OUELLET • ALEJANDRA JUGE VELEZ • GUY CRÊTE • CYNTHIA HURTEAU • MARTIN GAMACHE • LYNE CHALIFOUX • DENIS BOUCHER • ALEXANDER LEONARD • GAÉTAN BROUSSEAU • JEAN-CHRISTOPHE LABRUGUIÈRE • GINETTE BENOIT • MICHEL PROULX • VANESSA SÉVIGNY • DOMINIQUE LATRAVERSE • DIANE BOURQUE • MÉLANIE SARRIS • FABIENNE SAINT-PIERRE • RÉJEAN GAUMOND • ÉLODIE SEREX • GINETTE CYR • OSCAR CHACON MENDOZA • SIMON RIQUIER ST-PIERRE • PIERRE GONY • ÉRIC LEGAULT FORGUES • ISABELLE TÉTRAULT • IVETT GORENA KLARIC • ROCK MARTIN CHAPADOS • BENOIT MASSON • RACHEL JUNEAU OUELLET • ALEX BONAZZUOLI • SÉBASTIEN CHAMPION • JONATHAN GINGRAS • STÉPHANE BÉLISLE • NATHALIE ST-AUBIN • MARIO GIROUX • ÉRIC GODMER • SYLVAIN BÉLANGER • SIMON BÉLANGER • MARCEL BOURDEAU • CHARLES QUINN JR • LORRAINE FOURNEL • YASMINE ALLOUL • GUY RICHER • NICOLAS-FRIDOLIN SIMARD • YVES MARMEN • DOMINIC PAILLÉ • MICHEL BÉGIN • JULES LAMONTAGNE • EVE-EMMANUELLE BRISEBOIS • JULIEN GIRARD • NADIA DE CHAMPLAIN • MOSTAFA SBAIT • NIKI ELIAS • MARC-ANDRÉ CÔTÉ • ÉRIC MONTPLAISIR • PIERRE BOILY • ÉRIK GROENEVELD • JONATHAN DUCREUX • AMÉLIE MARCHAND • JESSICA BSELIS • KARIMA BENDAOUED • MARTIAL MAILHOT • BENOIT PATRICK HUNEAULT • MARTIN BROCHU • SIMON DAZÉ-GARANT • SIMON FRANCOEUR • ANDRÉ COURCHESNE • ALAIN BRISEBOIS • HUGUES MARTIN • FRANÇOIS DIONNE • STEVE PARENTEAU • SIDY DOUKOURÉ • PHILIPPE LARIVIÈRE • SIMON LEBLOND • SERGIO VALENTE • CAROLINE HOULE • PIERRE ÉLIE • JEAN BÉRUBÉ • CAMILLE JR BÉLISLE • MARIE-CLAUDE DESGAGNÉS • CAROLINE BOUCHARD • ABDELOUAHID TADIMI • JEAN-MARC DEBON • KODJO BLAGOGEE • NASREDDINE TISSAOUI • KARINE LA SALLE • JEAN-CHRISTOPHE CÔTÉ • PHILIPPE DUSSAULT • LUC BÉDARD • CHRISTIAN BERGERON • JOSÉE THIBEAULT • KARINE RICHARD O'CONNELL • DONALD CHAMPAGNE • ALEXANDRA CANTOS • NATHALIE BOISVERT • PIERRE GAGNON • VINCENT CHARTIER • OLIVIER PRÉFONTAINE • FRANÇOIS-XAVIER HÉBERT • SYLVAIN BEAUVAIS • MARIE-NOELLE CÔTÉ • BENADAD MENTOR • MARC-ANDRÉ LEGAULT • SONIA KARAM • ALEXANDRE JACQUAZ • CHRISTIAN DALLAIRE • CARMEN LEDUC • PIERRE CUSSON • KARL RIOUX • MARYSE DELAGE • PIERRE ST-DENIS • VINCENT CORMIER • ANNIE CHÉNIER • ALAIN CLOUTIER • ÉRIC MARTEL • YANICK LAJEUNESSE • VINCENT BEAUCHAMP • MAXIME TURGEON • MAXIME CLERMONT • NICOLAS BOUCHER • MYRRHA DUBÉ • VICKY NAJIAR • PIERRE-LUC CORON • ROY TÉODORO LANDICHO • ÉRIC LATREILLE • CHANTAL DELEUIL • MARC-ANDRÉ BLEAU • CARLOS SANCHEZ

A BIG THANK-YOU TO ALL OUR EMPLOYEES

"Aéroports de Montréal is fortunate to be able to rely on a motivated team with so much talent and expertise. Your efforts are central to the success of this record year."

– Philippe Rainville
President and CEO

• CLAIRE LEFORT • CAROLINE OUELLETTE • REXHEP HALLULLI • DANIK LAURENCE • ANNE-MARIE URBAN • DIDIER DORVIL • LOUISE OUELLET • JONATHAN BATHURST • FRANÇOIS MOUSSETTE • FIONA ROBERTSON • LOUIS DRZYMALA • JEAN-PHILIPPE GUÉNETTE • JOSÉE SIMEONE • HÉLÈNE BÉLANGER • FRANCIS LABRIE • MATHIEU GODBOUT • FRANCOIS PELLERIN • ANTOINE FAUCHER • BENJAMIN RATHÉ • JEAN-PHILIPPE BEAUDRY • PATRICE BRUNELLE • DENIS JOLY • MARC PETERSON • ÉRIC CORBEIL • PIERRE BEAUCHAMP • LUC BERTHIAUME • JONATHAN CHALOUX • MATHIEU HÉTU • GÉRALD AUBÉ • LOUISE DUBOIS • STÉPHANIE FORTIER • DANIEL GAUDET • CLAUDE VALLÉE • YOUNES SARRADI • ANNIE RUEL • GERLANDO NERI • ROSELYNE HÉBERT • DANIELLE LITTLE • MATHIEU JALBERT • PIERRE ST-ONGE • IAN MÉNARD • YAJYAVALK CANNIAH • FRANÇOIS GAGLIARDI • ELIZABETH DABZAT • ALEXANDRE BERTRAND • PHILIPPE GAGNON • VICTOR DELIA • PIERRE LACOSTE • JOHANNE BACHA • FRANCOIS ROBERT • MARTIN CATTANEO • SYLVAIN BELLEFEUILLE • MARIO RANELLUCCI • YOURI THONON PERRAS • CHARLES GRATTON • MARTIN BLAIS • LUCAS DONATO • PIERRE BEAULIEU • GUILLAUME MARTIN • PATRICK LEVERT • PIERRE-MARC BOULANGER • EVAN ALLEN WONG • JEAN-FRANCOIS LARIN • PASCAL MARTIN • SYLVAIN MARTEL • RICHARD PARENT • ROBERT LAUZON • LOUIS-PHILIP FAFARD MONGEAU • SARAH TALBOT • ÉRIC BEAULIEU • HUGO BRUNET • NATHALIE DUBÉ • YUBISAY FEBRES • MARTINE ST-ARNAUD • ROGER ABDO • MAXIME ROY • MATHIEU BLAIS • LAKDAR KAMOUCHE • MICHEL DUVAL • MARIE-FÉLICITÉ GIGNAC • GENEVIÈVE RIOUX • YVES MALO • RAWAA AL RISHAN • DANIELLE PILON • NANCY PRICE • TANIA MAJOR • AYMERIC DUSSART • PAULA FERNANDES • SABINE MITRI • JEAN ST-PIERRE • JEANNINE HAINEAULT • ANGEL SANABRIA • MATHIEU CHOQUETTE • NOEMI LOPEZ • NATALIA LAHSSINI • SYLVIE GRAVEL • MICHEL CHIOCCHETTI • MICHÈLE VERREAULT • DOUGLAS BLAKE • BENOIT LAVALLÉE • FRÉDÉRICK NADEAU • LUKA BESSETTE • FRANCIS VANIER • ELLEN GAUDET • ÉRIC CHOUINARD • RICHARD PAULIN • DANNY BÉRIAU • OLIVIER MASSIE • SABINO TOBON RAMOS • DANNY LEFRANÇOIS • CLAUDE RUEL • DAVID ROCHON • PATRICK GAUTHIER • MARC-ANTOINE DAWSON • KOKOUTSE EVODA • CHRISTOPHER-ÉLIE HONEINE • FRANÇOIS COUSINEAU • LIETTE MÉNARD • SOPHIE RIOPEL-GEWELT • FRANCIS LAFONTAINE • XAVIER DORION • DANIEL KELLY • LAURENT MARTIN • JAISON DECELLES • KATHY BAIG • JONATHAN MARCEAU • SYLVAIN BROUILLETTE • SAMIRA AISSOU • WILLIAM RENKE • ALAIN-ANDRÉ PERRON • DANIE LEMAY • AMINATA FOFANA • LAURA YULIANA DIAZ GUTIÉRREZ • HUGUES CHARBONNEAU • CHRISTOPHER DIXON • ANGÉLIQUE TROTEL • MÉLISSA DESROCHES • PATRICK LAUZON • JEAN-FRANÇOIS ABOUD • NADA HNAINÉ • ALEXANDRE EMERIC • BENOIT POLIQUIN • DOMINIQUE DELATTRE • MICHEL POUPART • ANTONIO PETRECCA • ALAIN KLIMCZAK • SÉBASTIEN ARNAUD • PASCAL GENEST • MARCO DUBÉ • ALAIN MORISSETTE • MICHEL ARCHAMBAULT • RICARDO GONZALEZ • ÉRIC QUESNEL • NANCY NOËL • ANICK POIRIER • SYLVAIN CLOUTIER • ANDREAS KLEIN • ISABELLE GRENIER • LEE MARTIN • ALEXANDRE SIMARD • ANY T. FRÉGEAU • CHRISTIAN NANTEL • JEAN-MICHEL MASTROGIUSEPPE • JOSÉ GONÇALVES • JONATHAN FORTIN • MICHEL AUDET • KARINE BLAIS • GUILLAUME DUMAIS • MARYLÈNE MARTEL • RÉJEAN FORTIN • ERWIN BANNO • JESSICA MOYAERT • MICHÈLE HADDAD • HANEN DHAKOUANI • MIREILLE DUPUIS-MEUNIER • MARC ROBILLARD • IRMA DI GIACINTO • SID-AHMED TALEB • SEBASTIEN TAPP • CATHERINE PHAN • ARTHUR BOIDIN • MARC-ANDRÉ GEOFFRION BÉDARD • MARC-ANDRÉ THERRIEN • PHILIPPE MARTEL • JULIE LEDUC • PIERRE-ANDRÉ LEFEBVRE • TROY MORREN • ALEXANDRE DÉSORCY • PIERRE BELLEMARE • PIERRE FOURNIER • MATHIEU GAGNON • EMANUELLE ROY-PARADIS • YOUNES BOUDA • MOUNIA HATIMI • MATHIEU RIMBAUD • ALEXANDRE BRIE • ELSA VALÉRIE DURÉ-GABRIEL • EVELINE VUONG • CARL GAGNÉ • YVES GAGNIER • ÉDITH LAJULE • RIM MANSOURI • LAURENCE CUSSON • ANTOINE CHARBEL • MARTINE VIAU • CHAO-CHUN WANG • JESSICA DESCHÊNES • MAXIME BRIE • JONATHAN DESROSIERS • WILLIAM CARRERA • OLIVIER BEAUSÉJOUR • DAVID THÉORÊT • MARIO LAMPRON • BERNARD LAMOTHE • JONATHAN BLAIS • AZIZ AMEZIAN EL KADDAOUI • BRUNO TUFFELLI • RICHARD SERRI • DANY BROUSSEAU • JOCELYN PRONOVOST • GUILLAUME PRUD'HOMME • SAWSAN EID • ALEXANDRE DELING • GUSTAVE MORIN • GUYLAINE GAUTHIER • MATHIEU MORIN • CARLOS GONZALEZ • CLAUDIA CACERES • MÉLANIE MAHER • RONALD BARAKETT • ANDRÉE DUBIEL • MARANDA JAIPAUL • BRIGITTE BÉLAIR • LÉO ROY • SIMON TRÉPANIER • CARL LAJOIE • JEAN-FRANÇOIS VIVIER • FATEMAH MUHAMMAD • ALEXANDRE LAVERDIÈRE • JAMES JEAN ELDEBS • ÉMILIE ROY • VALERY L. TARTAGLIA • FLORENT LEBOURG • KARIM BENANI • MARGUERITE KARTERIS • HAMED BEN FREDJ • JOCELYNE LADOUCEUR • LÉANDRE BRISSON • DANNY COVENEY • FARID LOUMI • GLAUCIMERY DE OLIVEIRA • PHILIPPE STAS • YVES BEAUSOLEIL • SIMON LATRAVERSE • SAMUEL BÉRARD • CHANTAL MARCEL • ALEXANDRE GIROUX • DANIEL CLOUTIER • NICOLAS DAOUST • YANNICK ARCHAMBAULT • MARISKA VEILLEUX • EMILIE LISTER • LARA ZAHABI • STÉPHANIE CHÉHADÉ • DOMINIC CAMMARATA • BENOIT CORBEIL • KARINE SINCLAIR • ABDENASSER BOUZRIG • RAMZ ADLA • MARTIN RHAINDS • FÉLIX B. MORIN • JEAN-GABRIEL CÔTÉ • LINDA LEDOUX • DOMINICK LEDOUX • PAUL DUROCHER • YANNICK LABRIE-LUSSIER • JEAN-FRANÇOIS MILLS • JÉRÉMI LAMBERT LAROCHE • PATRICK GENEST • PIERRE-MARC SÉGUIN • LUC POIRIER • GILLES MARTEL • VINCENT CARRIÈRE • MATHIEU BADER • SAID AZANAR • PIER-LUC THERRIEN • NORMAND TOUGAS • JULIE LAUZON • GINETTE MAILLÉ • YVON BOUDREAULT • CHRISTIAN CÔTÉ • NADJI BRASSARD TREMBLAY • NADINE SCHLAGER • ELISABETH LAVOIE • JACKIE OBAS • KARYSSA PRIMEAU • LUCIO FERRARO LUDWIG • PIERRE LOYER • JULIE SORIANO • JULIE MOISAN • NAOMIE LAVOIE • JESSICA TELLO-TATES • JYOTI PATEL • ALEESHA JEAN-LOUIS • RALPH SAKKAL • SARAH NEWMAN • ELIZABETH REGINA LOPES • CAMILLE LOYER • ANDRÉA QUESNEL • MYRIAM LECAVALIER • ALEXANDRE RINGUET • ROXANNE DESCHAMPS-JETTÉ • JEAN-FRANÇOIS BROSSOIT • YVON LATREILLE • JOSÉ OSORIO • MARIE-JOSÉE DELORME • MÉLANIE DAIGLE • YANNICK LEROUX • BIANCA CHÉRY • ANNE-SOPHIE HAMEL-LONGTIN • FABIENNE ROSSIGNOL • JUSTINE BOULIANNE-GOBEIL • SYLVIE MARIE HÉROUX • NADIA OROBELLO • STÉPHANE LARIN • PARMOD SHARDA • MARIA KELLY RYBALCHENKO • KAOUTAR EL GHAZI • RAMA MOUJAJER • EMY NZAU • LAURENT BEAUREGARD • NANCY CÔTÉ • DANNY LESSARD • MAXIME RICHARD • DAVID PELLETIER • JEAN-SIMON L. THÉORÊT • RICHARD ASSELIN • ÉRIC BESSETTE • GUY ROBICHAUD • JOSÉ MEDEIROS • NICHOLA PAQUETTE • JAN-MICHEL TAILLEFER • SOPHIE PRÉGENT • STÉPHANE BOUCHARD • CHANTAL LAROCHELLE • FRANCIS LAROCQUE • ÉRIC PAQUET • MARC-ANDRÉ GOSSELIN • MARTIN FILIATRAULT • JÉRÉMY CRÊTE-PAYMENT • ANNIE LACROIX • PATRICK GOULET • FÉLIX VALOIS

partnerships and social involvement

PARTNERSHIPS
Committed to being a dynamic and integrated player in its community, Aéroports de Montréal ensures that it concludes successful agreements with many organizations, including the Chamber of Commerce of Metropolitan Montréal, Montréal International, Aéro Montréal, Tourisme Montréal, the West Island of Montréal Chamber of Commerce, and the Mirabel Chamber of Commerce.

ADM also contributed, with National Bank, to the realization of artist Alain Paiement's Bleu de Bleu project, a bold work of art that stretches for 6 kilometres along Highway 20 from the airport to downtown Montréal. It was inaugurated on September 12, 2017 at the Musée d'art contemporain as part of Montréal's 375th anniversary celebrations.

ADM and the Musée d'art contemporain de Montréal signed a partnership agreement as part of the Leonard Cohen exhibition: *Une brèche en toute chose/A Crack in Everything*. For the occasion, the "Montréal" on the front of the Montréal-Trudeau building terminal proudly sported the hat of the famous Montréal singer-songwriter during the month of November.

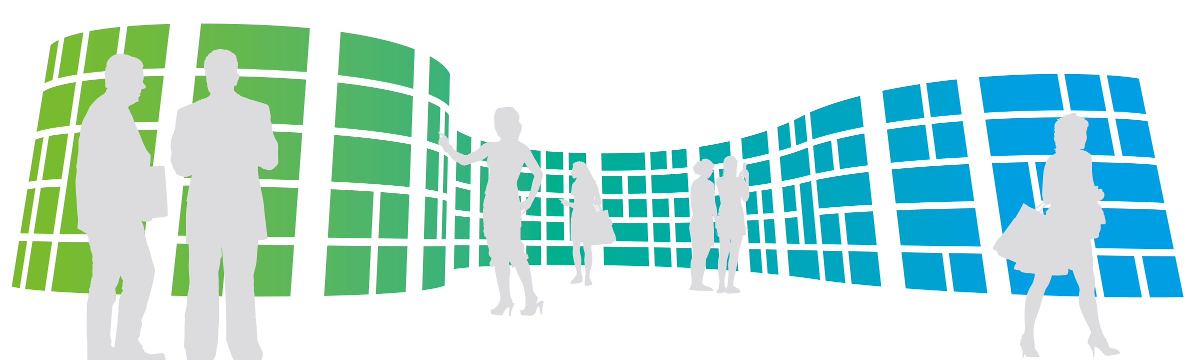
To support young Montrealers wishing to start a business, in fall 2017 ADM created the ADM/375 Ideas Fund in collaboration with the Board of Governors of the Société des célébrations du 375e anniversaire de Montréal and the Junior Chamber of Commerce of Montréal. This socio-economic project will grant micro-loans to future entrepreneurs between the ages of 18 and 40.

At year-end, ADM entered into a partnership with the Institut de tourisme et d'hôtellerie du Québec (ITHQ) to become actively involved in the Institute's 50th anniversary celebrations. Montréal is recognized throughout the world for its gastronomy and the quality of its restaurants, which represent a very attractive asset for tourism. It was therefore quite natural for the Corporation to associate with the ITHQ, which trains the next generation and contributes to making the city a highly welcoming destination.

ARTS AND CULTURE
Proud to promote local artistic talent, Aéroports de Montréal is eager to reflect the dynamism of Montréal's culture. Through its facilities, Montréal-Trudeau provides an exceptional showcase for local works. The Aérogalerie offers passengers and visitors special access to a variety of exhibitions focused mainly on Montréal and aviation. These are spread out in various strategic locations of the terminal.

They include

- A Francis Hallé exhibition, produced by book publisher Museo, on the author's 50 years of scientific research, including the third volume devoted to the expeditions of Canopy Raft. This exhibition aimed to reveal the importance and value of trees and was displayed through a partnership with Earth Day.
- An exhibition on the aerospace industry in Québec with the collaboration of partners of the aerospace cluster. This exhibition demonstrated how Montréal has become the largest aerospace hub in Canada and the third most important in the world.
- An exhibition on Canada's 150th anniversary with 60 works of art created by Vibe Art and young people from various Canadian cities.
- The "Aime comme Montréal" exhibition featuring 21 intercultural Montréal couples, captured in their everyday lives, to highlight their contribution to social dialogue. The result of a collaboration with the organization Diversité artistique Montréal, this photo essay was the subject of a book and a major exhibition created with the Montréal Museum of Fine Arts as part of the City's official 375th anniversary program.
- An exhibition in partnership with the Canada Aviation and Space Museum. This exhibition presented the history of Canadian aviation and displayed technologies created and used over the years.



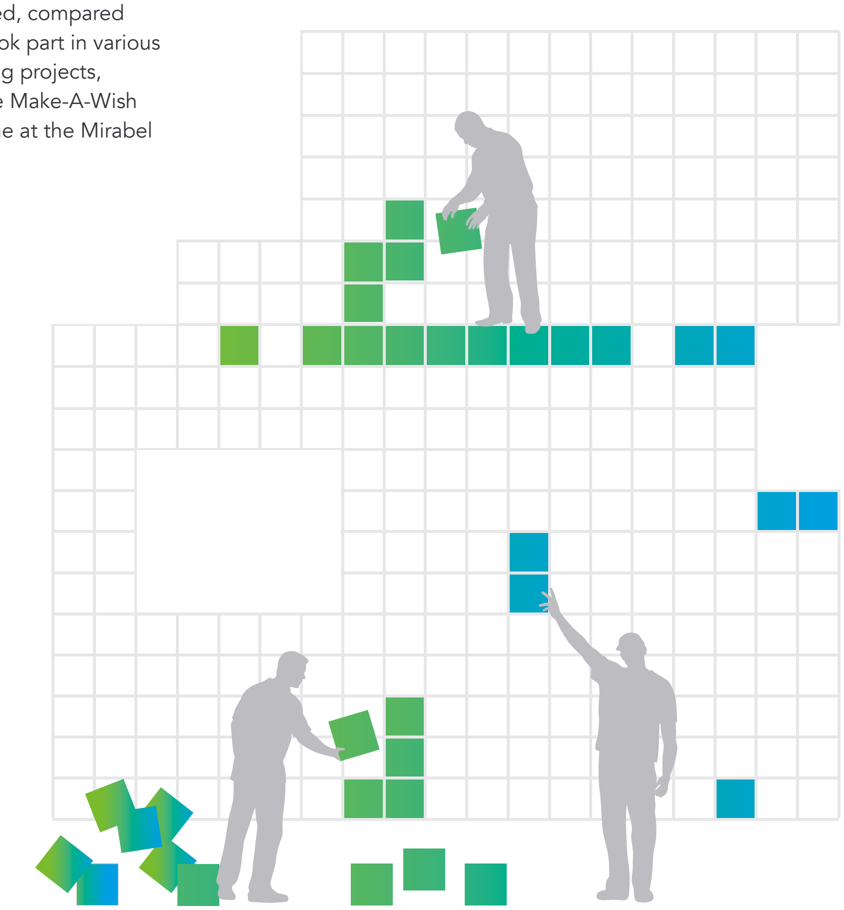
SOCIAL INVOLVEMENT
Again this year, Aéroports de Montréal helped to familiarize children with autism spectrum disorder (ASD) or functional limitations with the airport process through its Premium Kids program. Thanks to the involvement of its partners Autisme Montréal, Giant Steps, Special Olympics, Air Transat and many members of the airport community, more than 1,600 people have participated in this activity since its first edition in 2013.

Guided tours of Montréal-Trudeau airport facilities are also offered, allowing students to fully understand the nature and operation of the airport.

In the charitable field, the Corporation supports the accessibility program for tourist establishments, entrusted to Kéroul, by organizing foreign currency collections. ADM also contributes to Centraide's annual fundraising campaign. In this regard, 2017 was a particularly good year with $305,419 raised, compared with $265,222 in 2016. ADM employees also took part in various volunteer activities and community or fundraising projects, including the 48-hour bike ride in support of the Make-A-Wish Foundation, which was held for the very first time at the Mirabel Aeronautical and Industrial Park site.

In addition, ADM is involved in medical causes by supporting the efforts of Hope Air, which provides Canadians in need of financial assistance with free travel to receive medical care available away from home.

Finally, members of ADM's Airport Patrol made a total of 48 organ deliveries between the airport and Montréal hospitals. These represented over 80 hours of work and more than 2,700 km travelled by the participants. Airport Patrol is the only organization that does not belong to a police service that takes part in the organ transportation program.



management's discussion and analysis of financial results

for the year ended December 31, 2017

OVERVIEW

Aéroports de Montréal ("ADM") is responsible for the management, operation, and development of Montréal-Trudeau and Montréal-Mirabel international airports, under a lease signed with Transport Canada in 1992 with a term ending on July 31, 2072. As a not-for-profit organization without share capital, ADM does not pay dividends. ADM is fully responsible for financing its capital investment programs and pays rent to Transport Canada based on a percentage of revenues generated by ADM. Like many other companies, ADM considers EBITDA to be the best indicator of its financial performance.

FINANCIAL SUMMARY

(in millions of dollars)	2017	2016	Variance%
REVENUES	**$ 579.7**	$ 527.2	10.0%
Operating expenses	**196.2**	176.8	11.0
Payments in lieu of municipal taxes ("PILT")	**40.2**	41.3	(2.7)
Transport Canada rent	**61.4**	54.9	11.8
Depreciation of property and equipment	**139.1**	120.7	15.2
Financial expenses (net)	**103.1**	97.7	5.5
TOTAL EXPENSES	**$ 540.0**	$ 491.4	9.9%
EXCESS OF REVENUES OVER EXPENSES	**$ 39.7**	$ 35.8	10.9%
EBITDA	**$ 281.9**	$ 254.2	10.9%

The consolidated financial statements of ADM are prepared in accordance with International Financial Reporting Standards ("IFRS"). ADM presents EBITDA, which is a financial measure with no standardized meaning under IFRS and is therefore unlikely to be comparable to similar measures used by other entities that are not airports. EBITDA is defined by the ADM as the excess of revenues over expenses before income taxes, financial expenses and depreciation of property and equipment. EBITDA is used by management as an indicator to evaluate ongoing operating performance. EBITDA provides additional information and should not be used as a substitute for other performance measures prepared in accordance with IFRS.

The following table presents the reconciliation of EBITDA, a non-IFRS financial measure, with excess of revenues over expenses prepared in accordance with IFRS.

(in millions of dollars)	2017	2016
Excess of revenues over expenses	**$ 39.7**	$ 35.8
Depreciation of property and equipment	**139.1**	120.7
Financial expenses (net)	**103.1**	97.7
EBITDA	**$ 281.9**	$ 254.2

HIGHLIGHTS

EBITDA

EBITDA stood at $281.9 million for the year ended December 31, 2017, outperforming 2016 by $27.7 million or 10.9%.

INVESTMENTS

ADM's investments totalled $229.4 million in 2017 ($254.8 million in 2016). At Montréal-Trudeau, capital projects included namely the:

- Increase of aircraft parking capacity
- Relocation, enhancement and conversion of equipment in the domestic and international baggage room
- Partial rehabilitation of taxiway E
- Reconfiguration of the eastern sector of the domestic and international departures.

Over the course of 2017, investments in the airport facilities were financed by cash flows from operating activities, including $179.9 million ($172.5 million net of airline collection fees) from airport improvement fees ("AIF").

REVENUES

(in millions of dollars)	2017	2016	Variance%
Aeronautical activities	**$ 211.2**	$ 191.3	10.4%
AIF	**179.9**	165.9	8.4
Commercial activities	**152.1**	135.2	12.5
Real estate and other	**36.5**	34.8	4.9
TOTAL REVENUES	**$ 579.7**	$ 527.2	10.0%

Revenues rose to $579.7 million in 2017, an increase of $52.5 million or 10.0%, compared to 2016.

AERONAUTICAL ACTIVITIES

Revenues from aeronautical activities totalled $211.2 million in 2017, up $19.9 million or 10.4%, from 2016. Consisting mainly of landing and general terminal fees paid by airlines, these revenues accounted for 36.4% of total ADM revenues (36.3% in 2016). This increase was largely attributable to growth in passenger traffic and increased air carrier activities as well as to a 2.0% rate hike. However, these increases were partially offset by incentive and promotional programs to ensure the development of Montréal's air service with regard to the variety and quality of destinations.

AIF

AIF revenues totalled $179.9 million in 2017, up $14.0 million or 8.4% compared with 2016. AIF revenues accounted for 31.1% of total ADM revenues (31.5% in 2016) and were used solely to fund airport improvements, including capital and interest payments on long-term debt. A fee of $25 is paid by all passengers departing from Montréal-Trudeau, with the exception of connecting passengers.

COMMERCIAL ACTIVITIES
Revenues from commercial activities rose to $152.1 million in 2017, up $16.9 million or 12.5% from 2016. Consisting mainly of rent and fees from retailers, advertising, as well as revenues generated from parking facilities and from the leasing of spaces, commercial activities accounted for 26.2% of total ADM revenues (25.6% in 2016). This growth was mainly attributable to higher sales by certain retailers such as restaurants and duty-free shops, as well as to new sponsorship agreements. Furthermore, revenues generated from parking facilities also contributed to the rise in commercial activities as a result of the success of the online parking reservation system and to the refinement of the pricing strategy.

REAL ESTATE AND OTHER
Revenues from real estate and other sources totalled $36.5 million in 2017, up $1.7 million or 4.9% from 2016 and accounted for 6.3% of total ADM revenues (6.6% in 2016). These revenues are derived from land and building leasing, as well as from revenues generated by subsidiaries. The growth over 2016 is mainly attributable to new agreements signed during the year.

EXPENSES

(in millions of dollars)	2017	2016	Variance%
Operating expenses	$ 196.2	$ 176.8	11.0%
Payment in lieu of municipal taxes (PILT)	40.2	41.3	(2.7)
Transport Canada rent	61.4	54.9	11.8
Depreciation of property and equipment	139.1	120.7	15.2
Financial expenses (net)	103.1	97.7	5.5
TOTAL EXPENSES	$ 540.0	$ 491.4	9.9%

Total expenses stood at $540.0 million in 2017, an increase of $48.6 million or 9.9% from last year.

OPERATING EXPENSES
Operating expenses went from $176.8 million in 2016 to $196.2 million in 2017, an increase of $19.4 million or 11.0%. This variance was mainly attributable to higher operating costs including those related to the planning of future projects, to the opening of the expansion of the international jetty in May 2016, to the improvement of services at international arrivals, including those related to the opening of a new connecting flights centre, as well as to winter conditions and security measures.

PILT
PILT decreased by $1.1 million or 2.7% to stand at $40.2 million in 2017 mainly due to revised property value estimates, for current and prior years, from Public Services and Procurement Canada.

TRANSPORT CANADA RENT
Rent to Transport Canada totalled $61.4 million, up $6.5 million or 11.8% from 2016. This increase was directly related to ADM's higher revenues, as rent is calculated as a percentage of the latter.

DEPRECIATION OF PROPERTY AND EQUIPMENT
Depreciation of property and equipment totalled $139.1 million in 2017, which represents an increase of $18.4 million or 15.2% from the previous year. This increase was primarily a result of projects completed during 2016 and 2017 such as the expansion of the international jetty in May 2016.

FINANCIAL EXPENSES (NET)
Financial expenses are presented net of financial income. Financial expenses were $103.1 million for 2017, up $5.4 million or 5.5% from 2016. This variance was mainly due to an increase in interest expense on long-term bonds following the issuance of Series N revenue bonds in April 2017, net of interest income generated by cash surplus.

EXCESS OF REVENUES OVER EXPENSES
The year ended December 31, 2017 resulted in an excess of revenues over expenses of $39.7 million compared with $35.8 million for 2016.

Transfers to governments in 2017, including rent paid to Transport Canada and PILT, totalled $101.6 million ($96.2million in 2016), still representing a little under 18% of total revenues.

FINANCIAL OUTLOOK FOR 2018

Passenger traffic for 2018 is projected to be at 19 million, an expected growth of 4.6 % compared with 2017. After many years of sustained growth at Montréal-Trudeau, 2018 projections remain favorable with increased capacity announced for existing destinations and additional new destinations, such as Tokyo and Lima. International traffic is therefore projected to rise by 5.8 %. Furthermore, transborder (U.S.) traffic growth is expected to increase by 4.4 % and domestic traffic should continue to grow approximately 3.5 %.

Meanwhile, ADM plans to invest $350 million in airport infrastructures. At Montréal-Trudeau, projects include the rehabilitation of runway 06L-24R, taxiways and fast exits, as well as the construction of a new connecting flights centre. Moreover, ADM will begin work related to the cityside development in addition to the continued implementation of a rigorous asset maintenance program.

ADM has access to sufficient sources of liquidity to meet its financial obligations and to carry out the required investments.

ADM estimated an EBITDA of $314 million for 2018 representing 49.8% of projected 2018 revenues, despite transfers to governments that represent close to 18% of total revenues.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

Certain new standards, amendments to and interpretations of existing standards have been published and are effective since January 1, 2017. They had no impact on the consolidated financial statements of ADM as the new requirements relate to the presentation and disclosure of financial information as described in note 1(c) of the financial statements as at December 31, 2017.

The International Accounting Standards Board continues to propose changes to IFRS. Note 1(v) of the financial statements describes standards, amendments and interpretations that were not yet in effect as at December 31, 2017, but that are applicable as of January 1, 2018 and 2019. In Management's opinion, the most significant change that will affect the consolidated financial statements as at December 31, 2018 is the application of IFRS 15, *Revenue from Contracts with Customers*. Note 1 (v) to the financial statements also describes the impact of this new standard and Management is still evaluating the impact of adopting the other modifications.

board members

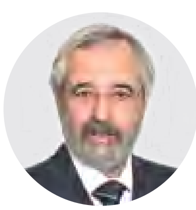
NORMAND LEGAULT
Chairman of the Board
Company Director

JEAN-JACQUES BOURGEAULT[2]
Director
Company Director

MARC G. BRUNEAU[4]
Director
Executive Vice President, Partner
WhiteHaven Securities Inc.

PATRICIA CURADEAU-GROU[2]
Director
Consultant, Company Director

JEAN PIERRE DESROSIERS[2]
Director
Chairman of the Audit Committee
Strategic Adviser PSB Boisjoli LLP

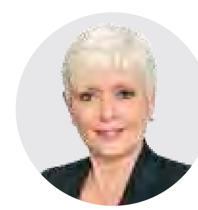


JOSÉ P. DORAIS[1]
Director
Lawyer, Miller Thomson

YVES FILION[3]
Director
President
Consultation Yves Filion Inc.

HÉLÈNE V. GAGNON[1]
Director
Vice President, Public Affairs
and Global Communications, CAE

MÉLANIE KAU[1]
Director
Company Director



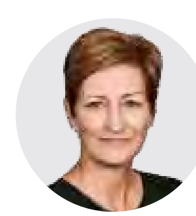
DANIELLE LABERGE[2]
Director
Tenured Professor
Université du Québec à Montréal

ROBERT LEFEBVRE[3]
Director
Company Director

MARIO MESSIER[3]
Director
President, Messier, Savard
and Associates

DANIELLE POUDRETTE[3]
Director
Company Director

PHILIPPE RAINVILLE
Director
President and Chief
Executive Officer
Aéroports de Montréal



SUZANNE RANCOURT[3,4]
Director
Company Director

1. Member of the Corporate Governance and Human Resources Committee
2. Member of the Audit Committee
3. Member of the Capital Investment Projects and Environmental Committee
4. The appointment of Marc. G. Bruneau is effective May 3, 2018. The appointment of Suzanne Rancourt is effective February 8, 2018.

governance

CORPORATE GOVERNANCE PRACTICES

Although not subject to the governance rules that regulate public companies, Aéroports de Montréal complies with the disclosure and governance practices required of public companies, adapting them to its status as a corporation without share capital. For more information, visit www.admtl.com.

BOARD OF DIRECTORS

The Board of Directors is responsible for managing the Corporation. It exercises full authority and power and executes all actions that the Corporation is authorized to do according to the law and the Corporation's articles and by-laws, unless the law or the articles and by-laws require that they be exercised by the Corporation's assembly of members. The Board of Directors assumes responsibility for corporate governance and accountability to the Corporation's governing bodies.

The Board is composed of a maximum fifteen (15) directors, thirteen (13) of whom are appointed by the Board and two (2) by the Government of Canada. Four (4) nominating entities are called upon to submit, at the Corporation's request, the names of three (3) candidates whose profiles match the qualifications being sought by the Board for each position to be filled. These nominating entities, identified in the Corporation's by-laws, are the Government of Québec (1 position), the Communauté métropolitaine de Montréal (5 positions), the Chamber of Commerce of Metropolitan Montréal (3 positions) and the main carriers operating at Montréal-Trudeau airport (2 positions). The President and Chief Executive Officer is a director of the Corporation, and the Board may appoint a fifteenth director. A director's term is a maximum of three (3) years and is renewable on condition that the total duration of mandates entrusted to the director does not exceed nine (9) years or, by derogation to the above, does not exceed twelve (12) years.

The Board of Directors met on seven occasions in 2017. The Corporation's governance adjustments, as recommended by the Governance and Human Resources Committee, came into effect in 2017 and the Board committees were duly established. In addition, the most important aspects of the Corporation's strategic plan were addressed by the members. The investments required by the growth of passenger traffic at Montréal-Trudeau airport remain an important issue and continue to receive special attention, as does the approval of the Corporation's major contracts and the follow-up of the REM project.

AUDIT COMMITTEE

The Audit Committee plays a key role in the sound financial governance of the Corporation, particularly with regard to monitoring (i) the quality, integrity and communication of financial information; (ii) administrative management and internal controls; and (iii) internal and external audits. The Committee assists the Board of Directors and periodically reports to the Board on the results of the Committee's work, including issues related to financial matters and internal and external audits as well as exercising its responsibilities with regard to pension plans and the fulfillment of related obligations.

Specifically, the Audit Committee reviews and recommends for Board approval the annual budgets and the quarterly and annual financial statements. It reviews cash flow and recommends financing required by the Corporation. It reviews internal accounting systems and the procedures and effectiveness of financial controls. It oversees the integrity of the Corporation's financial reporting, compliance with prevailing accounting standards and respect of the Corporation's obligations under its lease, the regulations and the Corporation's financing platform. Its other responsibilities include the audit plan, reviewing the results of the external audit, appointing external auditors, management certificates, contract awards requiring Board approval and revenue contracts, as well as policies on delegation of authority, procurement of goods and services, and awards of revenue contracts. In addition, the Committee prepares and implements an annual internal audit program, ensures its execution and reviews the report. With respect to pension plans, the Committee assures the establishment and approval of related objectives and strategies, ensures sound governance, and maintains transparent communications with stakeholders, including the Pension Committee. In doing so, it prepares pension decision-making files and more specifically regarding governance, plan rules, financial management (investments and capitalization) and compliance.

The Audit Committee is composed of Jean Pierre Desrosiers (Chair) as well as Jean-Jacques Bourgeault, Patricia Curadeau-Grou and Danielle Laberge.

CAPITAL INVESTMENT PROJECTS AND ENVIRONMENTAL COMMITTEE

The Capital Investment Projects and Environmental Committee supports the Board of Directors, including in the approval and execution of the program and of capital projects and major projects, as well as governance related to information technology.

It monitors the Corporation's environmental policy and receives reports on major environmental incidents and risks.

It also monitors business risks under its responsibility and submits timely reports on these to the Board of Directors.

In particular, the Committee reviews and recommends for adoption by the Board of Directors the capital investment program and projects, and their budget. It oversees budgets of the major capital investment program projects approved by the Board of Directors and regularly reviews their execution and related risks. The Committee also ensures the stability and security of the information and telecommunications services systems used and provided by the Corporation, as well as the protection of computer assets and data.

In environmental matters, the Committee receives an accounting of the Corporation's environmental policy. It receives a report on major environmental incidents, approves appropriate corrective actions through the recommendations of management or experts retained for this purpose, as appropriate, and ensures the implementation of follow-ups and/or corrective measures recommended by the Corporation's management.

Capital Investment Projects and Environmental Committee members are Robert Bouchard (Chair), Yves Filion, Robert Lefebvre, Mario Messier and Danielle Poudrette.

GOVERNANCE AND HUMAN RESOURCES COMMITTEE

The Governance and Human Resources Committee assists the Board of Directors in matters involving governance, ethics and relations between the Corporation and the community, stakeholders and political authorities. It examines, approves and recommends, as required, the adoption of policies, practices and programs relating to human resources management and succession planning. It assists the Corporation's Board of Directors in exercising its responsibilities for pension plans and helps the Board in carrying out these obligations.

Specifically, the Committee assists the Corporation's Board of Directors and periodically reports to the Board on the results of its work, including issues relating to (i) governance, including the Corporation's governance practices, the Board's operations and composition, the selection criteria for directors, communication and consultation with nominating bodies, compensation of directors, the code of ethics and whistleblower policy for fraudulent activities; (ii) communications and public affairs, ensuring that these policies and strategies are suitable for maintaining the Corporation's credibility and reputation among stakeholders; and (iii) human resources, including global compensation policies and programs, the annual salary policy, as well as the job description, compensation and performance evaluation of the President and Chief Executive Officer.

The Governance and Human Resources Committee is comprised of the following directors: Pierre Pilote (Chair), José P. Dorais, Hélène V. Gagnon and Mélanie Kau.

COMMUNITY ADVISORY COMMITTEE

The Community Advisory Committee assists ADM's management. Its mandate is to submit, as required, relevant observations with respect to any project or decision relating to the subjects set out in Article 9 of the Corporation's administrative bylaws. The Committee is comprised of members from organizations that share an interest in airport development issues and that represent the various regions of Greater Montréal. The Committee reports to the President and Chief Executive Officer. The Committee's operating budget is determined annually by the Board of Directors. Members are appointed for a renewable three-year term. In 2017, the Community Advisory Committee met twice and addressed the Corporation's main challenges. Specifically, the Committee reviewed investments made in response to growing passenger traffic and continued to review progress on road access at Montréal-Trudeau and to examine the Corporation's major capital projects.

members of the community advisory committee

FRANÇOIS ALEPIN
Alepin Gauthier, Lawyers

YVES BEAUCHAMP
McGill University

PIERRE BELLEROSE
Tourisme Montréal

MARIO BOILY
City of Mirabel

HUBERT BOLDUC
Montréal International

ROBERT M. BOURBEAU
City of Dorval

YVES-THOMAS DORVAL
Conseil du patronat du Québec (CPQ)

JACQUES GIRARD
Formerly of the International Financial Centre – Montréal

JOSEPH HUZA
West Island Chamber of Commerce

RAYMOND LARIVÉE
Palais des Congrès de Montréal

ANDRÉ LECLERC
Kéroul

DENIS LECLERC
Ecotech Québec

EVE PARÉ
Hotel Association of Greater Montréal, Committee Chair

MARTIN ROY
Regroupement des événements majeurs internationaux (RÉMI)

JEAN-LUC TRAHAN
Formerly of the Commission des partenaires du marché du travail (C.P.M.T.)

RICHARD VÉZINA
Raymond Chabot Grant Thornton

compensation of directors in 2017

NAME	Attendance Board of Directors	Attendance Audit Committee	Attendance Capital Investment Projects and Environmental Committee	Attendance Governance and Human Resources Committee	Retainer	Fees	TOTAL
Robert Bouchard[1] Chairman of the Capital Investment Projects and Environmental Committee	8	1	5	—	$ 24,500	$ 19,500	**$ 44,000**
Jean-Jacques Bourgeault	7	6	—	—	$ 18,000	$ 18,000	**$ 36,000**
Patricia Curadeau-Grou	6	4	—	—	$ 18,000	$ 13,500	**$ 31,500**
Jean-Pierre Desrosiers Chairman of the Audit Committee	8	6	—	—	$ 24,500	$ 19,500	**$ 44,000**
José P. Dorais	8	—	—	4	$ 18,000	$ 17,250	**$ 35,250**
Yves Filion	6	—	4	—	$ 18,000	$ 15,000	**$ 33,000**
Hélène V. Gagnon	8	—	—	4	$ 18,000	$ 17,250	**$ 35,250**
Mélanie Kau	8	—	—	4	$ 18,000	$ 17,250	**$ 35,250**
Danielle Laberge	7	6	—	—	$ 18,000	$ 18,750	**$ 36,750**
Robert Lefebvre	8	—	5	—	$ 18,000	$ 18,750	**$ 36,750**
Normand Legault Chairman of the Board	7	5	4	4	$ 110,000	—	**$ 110,000**
Mario Messier	7	—	4	—	$ 18,000	$ 15,750	**$ 33,750**
Pierre Pilote Chairman of the Corporate Governance and Human Resources Committee	7	—	—	4	$ 24,500	$ 15,750	**$ 40,250**
Danielle Poudrette	8	—	5	—	$ 18,000	$ 18,750	**$ 36,750**
Philippe Rainville	8	6	5	4	—	—	**—**
Total					**$ 363,500**	**$ 225,000**	**$ 588,500**

1. Participation in an Audit Committee

EXECUTIVE COMPENSATION

The annual salaries of the President and other members of the Management Committee range from $255,000 to $400,000. In addition, performance bonuses paid to executives totaled $994,759.

DIRECTORS WHO ARE BOARD MEMBERS OF A "REPORTING ISSUER"

Patricia Curadeau-Grou, Cogeco Inc., Uni-Select Inc., Caisse de dépôt et placement du Québec., Hélène V. Gagnon, Hydro-Québec, Mélanie Kau, Alimentation Couche-Tard Inc., Normand Legault, Cogeco Inc., Suzanne Rancourt, WSP Global inc.

strategic plan (2018-2022)

PREPARING FOR THE FUTURE

Aéroports de Montréal's orientations are defined through strategic planning that encompasses a dynamic, five-year horizon and the vision of an airport able to accommodate 25 million passengers by 2025 and 35 million passengers by 2035. In 2017, the appointment of new Management Committee members led to considerable reflection and an update of the organization's priorities.

Over the past five years, passenger traffic has climbed by 32% at Montréal-Trudeau. In 2017, passenger numbers surged by 1.6 million, representing a 9.5% increase. This compared with a 6.9% increase the previous year. Montréal-Trudeau is experiencing a period of intense growth, which should moderate slightly in the coming years. For the 2018-2022 period, ADM expects an average traffic growth of just over 4% per year. This good news comes with a challenge for ADM: developing capacity to meet demand.

STRATEGIC ORIENTATIONS

ADM's operational priority is to steadily increase Montréal-Trudeau's capacity. It intends to support this priority with six strategic pillars. The capacity increase will therefore be achieved under the following guidelines.

1. While maintaining a high level of satisfaction and improving the customer experience, especially through technology
2. By consolidating our competitiveness in order to strengthen financial results and secure financing
3. By positioning ADM in its community, ensuring that Montréal-Trudeau/YUL is a showcase for contemporary Montréal
4. By changing the corporate culture to that of a customer service company
5. By affirming ADM's commitment to the principles of sustainable development
6. By contributing to discussions about the governance of Canadian airports.

PRIORITIES

ADM must intervene where the needs are most pressing in order to meet the expectations of customers and the community.

PHYSICAL CAPACITY

Cityside

On the cityside, the capacity challenge is related to access to the terminal. In the next few years, the multi-level parking and the drop-off areas will reach the end of their useful life and will have to be rebuilt. The terminal building will also be connected to the REM, which will lead to significant construction activity. ADM will conduct in-depth analyses to make the best long-term decisions since these major developments – in terms of inter-modality and sustainable transport – will influence the demand for parking spaces.

Airside

On the airside, the capacity challenge is related to congestion around all systems. Boarding gates are at capacity and the number of remote aircraft parking will need to be increased. The loading docks are no longer sufficient for the increasing flow of baggage. At the very least, it will be necessary to add a fifth carousel for international arrivals.

HUMAN CAPACITY

We need talent and resources to meet these growth challenges. This is why we are working simultaneously on workforce planning and succession planning. ADM is aware of the pressures these challenges are creating for employees and cares about their physical and mental health.

FINANCIAL CAPACITY
To meet all these pressures, ADM will deploy a set of solutions in the short, medium and long term. These various projects will require investments of about $2.5 billion. ADM is able to finance these investments through higher revenues from its growing operations as well as by increasing its long-term debt, all while maintaining an A1 credit rating.

For the long term, ADM acknowledges the federal government's efforts to find solutions for the development of Canada's major airports. But it is concerned about the impact of a new Canadian airports governance framework on its cost structure and on the quality of its customer services. ADM is therefore maintaining close communication with the relevant authorities to ensure a rigorous monitoring of the situation.

LIMITING INCONVENIENCES CAUSED BY ACTIVITIES AND CONSTRUCTION WORK
As it tackles its challenges and projects, ADM is doing everything in its power to limit the impact of these activities on neighbouring populations, as well as inconveniences to travellers caused by construction work. These are daily concerns. The issue of noise is being raised by citizens' committees who view Montréal-Trudeau's growth as a cause for concern. It should be noted here that the growth in the number of passengers does not translate into a corresponding increase in the number of take-offs and landings. In fact, since 2011, the number of air movements has been relatively stable, despite passenger growth. Airplanes have a higher load factor and sometimes have greater capacity. Moreover, each new generation of aircraft is less noisy than the previous one. In this respect, Montréal-Trudeau's growth does not systematically mean more noise.

With this strategic plan, Aéroports de Montréal is aiming to make Montréal-Trudeau a model of modernity, efficiency and sustainable development. Its ultimate goal is to ensure that this airport lives up to Montréal's outstanding reputation and is a source of pride for Montrealers. Its entire team is mobilized by this objective.

POSITIVE OUTLOOK FOR MONTRÉAL-MIRABEL
Since the end of regular international flights at Mirabel in 2004, ADM has been working on the development of a new positioning for the site. Companies such as Bombardier have growth projects onsite and ADM investments totalling $150 million over the past 10 years are helping to make the site attractive. Montréal-Mirabel now boasts 4,000 jobs, 86% of which are related to the aerospace industry. Montréal-Mirabel is one of the few places in the world where aircraft assembly, component manufacturing, maintenance, an aerospace training centre, engine test and Research and Development (R&D) are located on the same site.

ADM believes that YMX has significant potential and is studying various ways to ensure its proper development.

management committee

PIERRE LOYER
Vice-President, Airport Planning, Engineering and Maintenance

CHARLES A. GRATTON
Vice President, Commercial Services and Real Estate Development

GINETTE MAILLÉ, CPA, CA
Vice President, Finance and Administration, and Chief Financial Officer

PHILIPPE RAINVILLE
President and Chief Executive Officer

JOANNE BERGERON
Vice President, Human Resources and Vice President, Sustainability and Environment

STÉPHANE LAPIERRE
Vice President, Airport Operations and Air Services Development

MARTIN MASSÉ
Vice President, Public Affairs

transparency

ACCOUNTABILITY
Aéroports de Montréal has a policy of holding itself accountable to the community, of practicing transparency in its relationships with its customers and stakeholders, and of communicating openly with the public. The Corporation reports on its administration in various ways, including the following.

- Publishing an annual report that contains, in addition to audited financial statements, specific information with respect to corporate governance, compensation of directors and officers, and exemptions to the procurement policy for goods and services
- Issuing press releases similar to those issued by publicly listed companies
- Holding an annual public meeting
- Holding annual meetings with each of the nominating entities
- Satisfying the financial requirements of bond holders and the bank syndicates

Every year ADM appears before the city or borough councils of neighbouring communities, including Dorval, Pointe-Claire and Saint-Laurent.

CONSULTATION
In addition to its work with the Community Advisory Committee, Aéroports de Montréal consults its various stakeholders on any relevant issues concerning management, operations and airport development, either directly or by way of committees set up specifically for this purpose. Below are several examples.

Airport Soundscape Advisory Committee
Composed of 15 members appointed respectively by the City of Montréal (1), the cities of Dorval and Pointe-Claire, and the borough of Saint-Laurent (1 each), Transport Canada (1), the Government of Québec (1), Nav Canada (1), air carriers (3) and ADM (5), this committee holds regular meetings to discuss soundscape issues.

Airline Consultative Committee
This committee is an effective forum for discussing matters of common interest to carriers and for officially representing their interests during consultations or formal presentations with Aéroports de Montréal, particularly with respect to developing the infrastructure needed to expand air service.

Airport Operators Committee
Bringing together members of Aéroports de Montréal's management, carriers' station managers, service representatives from federal inspection agencies, Nav Canada, material handlers and other aviation service suppliers, this committee oversees the coordination of airport activities.

Master Plan
Updates to the master plans of both airports are required every 10 years and must be reviewed by various groups that Aéroports de Montréal deems appropriate, including the municipalities of Montréal and Mirabel and the Community Advisory Committee. Once comments have been received, updates are filed with the Canadian Minister of Transport. Montréal-Trudeau and Montréal-Mirabel airports' master plans were the subject of consultations in 2013 and were filed with the Canadian Minister of Transport. These plans cover the period from 2013-2033.

Land-Use Plan
A consultation plan must be filed with Transport Canada before any change is made to the land-use plan. These consultations must be carried out with the Community Advisory Committee as well as with other organizations, bodies and government departments deemed appropriate by Aéroports de Montréal. An approval request for the intended changes must then be filed with the Canadian Minister of Transport.

INFORMATION
The public may contact Aéroports de Montréal representatives and access information on the Corporation's activities by the following.

- Visiting the Aéroports de Montréal website at www.admtl.com
- Calling the general information numbers (514 633-3333 or 1 800 465-1213)
- Completing a comment card available at different points in the terminal
- The travelling public can also share comments, questions or suggestions by phone (514 633-3351), fax (514 394-7356) or email (yulclientele@admtl.com)
- Writing to the Public Affairs Department

Aéroports de Montréal conducts surveys on a continual basis to ensure that airport services adequately meet the needs of customers. Close to 2,300 passengers are interviewed each quarter on various aspects of customer service.

report of contracts not subject to public tendering

In accordance with the accountability principles issued by Transport Canada, the administrative by-laws and Aéroports de Montréal's policy on the procurement of goods and services, all contracts in excess of $110,000 must be publicly tendered, unless the Board of Directors, for reasons of efficiency and practicality, decides otherwise. In all cases, a price validation process is systematically applied.

REASONS FOR EXEMPTIONS

A. When Aéroports de Montréal considers that it is more efficient to award a new contract to an existing supplier, when service providers have gained specific experience related to the previous contract or when there is an urgent need to undertake work to avoid compromising the safety of persons or premises. In most cases, these contracts were awarded following an invitation to tender.

B. When the acquired technology remains the property of the supplier, is under patent or licence or when the specialized experience and expertise of the supplier are quasi-exclusive, or when the maintenance of a source of supply is essential in view of substantial investment already made to establish a standard.

CONTRACTS OF $1 MILLION AND OVER

Value of the contract	Company	Nature of the contract	Reason
$ 3,259,637	Canadian Corps of Commissionaires	Assignment of resources for the operationalization of NPSVs and at screening Point A	A
$ 2,449,536	Cobus Industries LP	Acquisition of passenger boarding vehicles, international sector	B
$ 1,949,050	Materna Information & Communications Inc.	Redevelopment of domestic/international departures sector, Air Canada sector - Addition of automated drop-offs at self-service baggage	B
$ 1,750,000	Precise Parklink Inc.	Development of parking lot equipment	B
$ 1,729,000	Engie Services inc.	Increased domestic/international baggage room capacity	B
$ 1,652,850	J.A. Larue inc.	Acquisition of T95 self-propelled snow blowers	B
$ 1,395,617	Pomerleau inc.	Redevelopment of domestic/international departures sector	A
$ 1,386,000	Bell Canada	Acquisition of servers, storage and backup equipment	B
$ 1,235,000	Team Eagle Ltd	Acquisition of Epoke spreaders and attachments	B
$ 1,179,841	Les constructions Serbec inc.	Redevelopment of the CBSA/MIDI-LANDING	A
$ 1,100,000	Vancouver Airport Authority (YVRAA)	Acquisition of PIK customs kiosks	B
$ 1,013,000	DEL Innovation design inc.	Rehabilitation of indirect HM lighting in the airport and jetties	B

CONTRACTS OF UNDER $1 MILLION

Reason for exemption A – Company (contract)
Ventes Ford Élite (1978) inc. (trucks-chassis F550), Accessair Services inc. (APS60 passenger stairs), Kingston Byers inc. (project management and work in progress for the capacity increase of the domestic/international baggage room), Expo Rénovation inc. (redevelopment of the CBSA /MIDI-LANDING, cabinet work), Roxboro Excavation inc. (civil construction of NPSV Aéroterm V), Synergie électrique inc. (electric and telecommunication work for construction of NPSV Aéroterm V), Aldea Engineering Services LLC (analysis for underground construction).

Reason for exemption B – Company (contract)
TranSystems Corporation (professional services for the QTA project), Bell Mobilité (cellular phone services), Entretien Avangardiste inc. (collection of waste material), Highland Tank & Manufacturing Company Inc. (hydrocarbon separator for the south-east apron), KPMG (audit), Nav Canada (Integrated Information Display System support), Schréder (LED lights), Alstef Canada inc. (modification of the TV/International flights baggage room), Valmont Structures Canada (mobile light poles for aircraft parking), RESA Airport Data Systems (development of Version 2.1 of the ITDS system), Faith Group LLC (professional services in TV surveillance), Leidos (Beontra modules for AMS), Bell Canada (network and telephone services equipment), SAPA SAS (implementation of the Smart Flow solution for locating passengers), Solotech inc. (public communication system), Publipage (marketing campaigns), Liberty Airport System (lights and accessories for runway lighting), Team Eagle Ltd (Various equipment), Vio Numérique (social media management), Opsis Gestion d'infrastructures inc. (baggage carrier service), Hella Induperm A/S (supply of recessed lights and accessories), Roland Berger inc. (professional services for strategic plan), Adviso Conseils inc. (web campaigns and referencing for the on-line parking reservation site), Engie Services inc. (baggage conveyors), FeedbackNow Northeast USA (passenger satisfaction measurement system), Les constructions Serbec inc. (implementation of PIK kiosks), Waterblasting Technologies Inc. (equipment to remove rubber), Régulvar inc. (regulating systems), Entretien McGill inc. (window surface cleaning).

consolidated financial statements

YEAR ENDED
DECEMBER 31, 2017

AÉROPORTS DE MONTRÉAL

management's report

Management is responsible for the preparation and integrity of the financial statements presented in this annual report. These statements have been prepared in accordance with International Financial Reporting Standards and include figures based on the best estimates and judgment of management. Financial information found elsewhere in this annual report is consistent with these financial statements. Management is of the opinion that these statements present fairly the Corporation's financial situation, operating results and cash flow. To discharge its responsibilities the Corporation applies controls, internal accounting procedures and methods aimed at ensuring the reliability of the financial information and the protection of corporate assets. The external auditors, KPMG, have audited the Corporation's financial statements. Their report defines the scope of their audit as well as their opinion on the financial statements. The Audit Committee of the Board of Directors holds meetings periodically with the external auditors, as well as with management to examine the extent of the audit and assess the audit reports. These financial statements have been examined and approved by the Board of Directors upon recommendation by the Audit Committee.

PHILIPPE RAINVILLE, CPA, CA
President and Chief Executive Officer

GINETTE MAILLÉ, CPA, CA
Vice President, Finance and Administration
and Chief Financial Officer

March 15, 2018

independent auditors' report

To the Directors of Aéroports de Montréal

We have audited the accompanying consolidated financial statements of Aéroports de Montréal, which comprise the consolidated statement of net assets as at December 31, 2017, the consolidated statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Aéroports de Montréal as at December 31, 2017, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG LLP*

March 15, 2018
Montréal, Canada

*CPA auditor, CA, public accountancy permit N° A122264

consolidated statement of net assets

December 31, 2017, with comparative information for 2016 (In thousands of Canadian dollars)

	Note	2017	2016
ASSETS			
Current:			
Cash and cash equivalents		$ 193,125	$ 24,824
Restricted cash	2	54,978	54,545
Trade and other receivables	3	27,477	29,628
Inventories		6,252	4,923
		281,832	113,920
Non-current:			
Property and equipment	4	2,125,030	2,035,727
Receivables		19,138	2,877
Other assets		25,733	22,891
		2,169,901	2,061,495
		$ 2,451,733	$ 2,175,415
LIABILITIES			
Current:			
Credit facility	6	$ —	$ 9,000
Trade and other payables		155,963	144,188
Current portions of long-term bonds and finance lease liabilities	7 and 8	11,311	9,826
Provisions	9	9,587	6,059
Other employee liabilities	10	12,153	12,083
Deferred revenue		5,661	5,661
		194,675	186,817
Non-current:			
Long-term bonds	7	2,011,424	1,773,117
Finance lease liabilities	8	19,163	19,377
Pension benefit liability	10	31,244	14,205
Deferred revenue		51,715	57,376
		2,113,546	1,864,075
Commitments	17		
NET ASSETS			
Net assets of the Corporation		143,512	124,523
		$ 2,451,733	$ 2,175,415

See accompanying notes to consolidated financial statements.

On behalf of the Board of Directors, these consolidated financial statements have been approved on March 15, 2018.

NORMAND LEGAULT, Director

JEAN PIERRE DESROSIERS, Director

consolidated statement of comprehensive income

Year ended December 31, 2017, with comparative information for 2016 (In thousands of Canadian dollars)

	Note	2017	2016
REVENUES:			
Aeronautical activities		$ 211,201	$ 191,272
Airport improvement fees ("AIF")	13	179,877	165,908
Commercial activities		152,101	135,188
Real estate		34,327	33,361
Other income		2,155	1,439
	12	579,661	527,168
EXPENSES:			
Salaries and benefits	10	72,295	71,192
Maintenance and services		82,560	65,312
Goods and utilities		21,184	20,309
AIF collection costs		7,347	6,783
Other operating expenses		12,806	13,233
Payments in lieu of municipal taxes		40,203	41,281
Transport Canada rent	5	61,404	54,859
Depreciation of property and equipment		139,066	120,643
		436,865	393,612
Financial expenses	12	105,462	98,686
Financial income		(2,357)	(937)
		103,105	97,749
		539,970	491,361
EXCESS OF REVENUES OVER EXPENSES		$ 39,691	$ 35,807
Other comprehensive loss:			
Items that will never be reclassified subsequently to excess of revenues over expenses:			
Pension and other employee obligations:			
Actuarial losses of defined benefit pension plans		$ (21,788)	$ (1,597)
Items that are or may be reclassified to excess of revenues over expenses:			
Cash flow hedges:			
Reclassification to excess of revenues over expenses	12	1,086	1,086
		(20,702)	(511)
COMPREHENSIVE INCOME		$ 18,989	$ 35,296

See accompanying notes to consolidated financial statements.

consolidated statement of changes in net assets

Year ended December 31, 2017, with comparative information for 2016 (In thousands of Canadian dollars)

	2017	2016
Balance, beginning of year	$ 124,523	$ 89,227
Excess of revenues over expenses	39,691	35,807
Other comprehensive loss	(20,702)	(511)
Balance, end of year	$ 143,512	$ 124,523

See accompanying notes to consolidated financial statements.

consolidated statement of cash flows

Year ended December 31, 2017, with comparative information for 2016 (In thousands of Canadian dollars)

	Note	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:			
Excess of revenues over expenses:		$ 39,691	$ 35,807
Non-cash items:			
Depreciation of property and equipment		139,066	120,643
Amortization of lease incentives		1,202	1,049
Change in deferred revenue		(5,488)	(4,826)
Employee pension benefit expense		8,895	9,499
Financial expenses		105,354	98,633
Financial income		(2,357)	(937)
		286,363	259,868
Contributions to the pension plan		(13,644)	(14,132)
Changes in working capital items	14	6,880	(24,794)
		279,599	220,942
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:			
Proceeds from borrowing under the credit facility	6	77,000	9,000
Repayment of borrowing under the credit facility	6	(86,000)	—
Increase in long-term bonds	7	250,000	—
Debt issue costs	7	(1,735)	—
Repayment of long-term bonds and of finance lease liabilities		(9,838)	(8,469)
Restricted cash		(433)	(396)
Interest paid		(107,062)	(103,396)
		121,932	(103,261)
CASH FLOWS USED IN INVESTING ACTIVITIES:			
Short-term investments		(16,434)	379
Acquisition of property and equipment		(219,317)	(225,155)
Interest received		2,521	1,380
		(233,230)	(223,396)
Net increase (decrease) in cash and cash equivalents		168,301	(105,715)
Cash and cash equivalents, beginning of year		24,824	130,539
CASH AND CASH EQUIVALENTS, END OF YEAR		$ 193,125	$ 24,824

See accompanying notes to consolidated financial statements.

notes to the consolidated financial statements

Year ended December 31, 2017 (In thousands of Canadian dollars)

Aéroports de Montréal ("ADM") was incorporated, without share capital, under Part II of the *Canada Corporations Act* on November 21, 1989. The registered address and principal place of business is 800 Leigh-Capreol Place, Suite 1000, Dorval, Québec, H4Y 0A5, Canada.

ADM and its subsidiary (collectively the "Corporation") are responsible for the management, operation and development of Montréal-Pierre Elliott Trudeau International Airport ("Montréal-Trudeau") and of Montréal-Mirabel International Airport ("Montréal-Mirabel").

The Corporation's mission is threefold:

- Provide quality airport services that are safe, secure, efficient and consistent with the specific needs of the community;
- Foster economic development in the Greater Montréal Area, especially through the development of facilities for which it is responsible; and
- Co-exist in harmony with the surrounding environment, particularly in matters of environmental protection.

Its wholly owned subsidiary, Aéroports de Montréal Capital Inc. ("ADMC"), acts as an investment or financing partner or as an advisor in projects related directly or indirectly to airport management.

1. SIGNIFICANT ACCOUNTING POLICIES:

The significant accounting policies used to prepare the consolidated financial statements are summarized below.

(A) STATEMENT OF COMPLIANCE:

These consolidated financial statements have been prepared using accounting policies in accordance with International Financial Reporting Standards ("IFRS") as at December 31, 2017. Certain comparative information have been reclassified to conform to current year presentation.

The consolidated financial statements were authorized for issue by the Board of Directors on March 15, 2018.

(B) BASIS OF PRESENTATION:

These consolidated financial statements are prepared using the historical cost method, except for certain financial instruments which are measured at fair value and for the pension benefit liability and other employee benefits, which is measured as described in the accounting policy for "Post-employment benefits". The historical cost is usually the fair value of the consideration given to acquire assets.

The consolidated financial statements are expressed in Canadian dollars rounded to the nearest thousand.

(C) CHANGES IN ACCOUNTING POLICIES:

Certain new standards, amendments to and interpretations of existing standards have been published and are effective since January 1, 2017. Changes in accounting policies and their impact on the consolidated financial statements of the Corporation are as follows:

IAS 7, Statement of Cash Flows

Amendments made to IAS 7, *Statement of Cash Flows* were part of a major initiative to improve presentation and disclosure in financial reports. The new requirements are presented in Note 14.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(C) CHANGES IN ACCOUNTING POLICIES (continued):

IFRS 9, Financial Instruments

The Corporation early adopted IFRS 9 (2014), *Financial Instruments* in its annual consolidated financial statements beginning January 1, 2017.

This new standard introduces a revised approach for the classification of financial assets based on the characteristics of the cash flows of the financial assets and the business model in which financial assets are held. IFRS 9 also introduces a new hedge accounting model that is more closely aligned with risk-management activities and a new expected credit loss model for calculating impairment on financial assets. Furthermore, additional disclosure is required with regards to an entity's risk management strategy, its cash flows from hedging activities and the impact of hedge accounting on its financial statements. The new standard replaces all previous versions of IFRS 9 and puts an end to the replacement project of IAS 39 by the International Accounting Standards Board ("IASB").

In accordance with the transition provisions, the Corporation has retrospectively modified the classification of its financial instruments according to the new classes and according to the characteristics of each financial instrument, with no prior period restatements. This modification has no impact on the accounting and presentation of the financial instruments in its consolidated statement of net assets.

The new requirements are presented in Note 1(e) and the following table summarizes the classification changes:

Class under IFRS 9	Class under IAS 39	Financial instrument
Financial assets at amortized cost	Loans and receivables	Cash and cash equivalents Restricted cash Trade and other receivables
Financial liabilities at amortized cost	Financial liabilities	Trade and other payables Credit facility Long-term bonds Finance lease liabilities

(D) PRINCIPLES OF CONSOLIDATION:

These consolidated financial statements include the accounts of ADM and its wholly owned subsidiary, ADMC. A corporation controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The financial statements of a subsidiary are included in the consolidated financial statements from the date the control is obtained until the date that control ceases.

All intercompany accounts and transactions have been eliminated upon consolidation.

(E) FINANCIAL INSTRUMENTS:

The Corporation initially recognizes financial assets on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes transaction costs that are directly attributable to the asset's acquisition or origination. On initial recognition, the Corporation classifies its financial assets as subsequently measured at either amortized cost or fair value, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(E) FINANCIAL INSTRUMENTS (continued):

Financial assets measured at amortized cost

After the initial recognition, non-derivative financial asset are subsequently measured at amortized cost using the effective interest rate method, less any impairment loss, if the following conditions are met:

- The assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial assets give rise, on specified dates, to cash flows that are solely payments of principal and/or interest.

Impairment of financial assets

The Corporation uses the "expected credit loss" model for calculating impairment and recognizes expected credit losses as a loss allowance in the consolidated statement of net assets if they relate to a financial asset measured at amortized cost. The Corporation's trade and other receivables, typically short-term receivables with payments received within a 12-month period, do not have a significant financing component.

Therefore, the Corporation recognizes impairment and measures expected credit losses as lifetime expected credit losses. The carrying amount of these assets in the consolidated statement of net assets is stated net of any loss allowance. Impairment of trade and other receivables is presented within "Other operating expenses" in excess of revenues over expenses.

Financial assets measured at fair value

These assets are measured at fair value and changes therein, including any interest or dividend income, are recognized in excess of revenues over expenses. The Corporation currently does not hold any financial assets measured at fair value.

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial liabilities measured at amortized cost

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest-related charges are reported in excess of revenues over expenses within "Financial expenses".

The Corporation derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Derivatives

The Corporation manages its exposure to interest rate volatility through its regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. All derivatives are recorded at fair value either as assets or liabilities. The effective portion of the change in fair value arising from derivative financial instruments designated as cash flow hedges is recorded in other comprehensive income and any ineffective portion of change in fair value is reclassified immediately to excess of revenues over expenses. The effective portion of the hedge is then recognized in excess of revenues over expenses over the same period as the related underlying.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(F) CASH AND CASH EQUIVALENTS:

Cash and cash equivalents include cash on hand and short-term highly liquid investments that can be converted into known amounts of cash and which are subject to an insignificant risk of changes in value. Also, their term to maturity is three months or less from the date of acquisition. Interest income on these assets is included in "Financial income".

(G) INVENTORIES:

Inventories are valued at the lower of cost and net realizable value. Cost is determined according to the average cost method for replacement parts and according to the first in, first out method for bulk inventories.

(H) GOVERNMENT GRANTS:

Government grants related to the construction of property and equipment are recognized when there is reasonable assurance that the Corporation will comply with the conditions required by the grants, and that the grants will be received. Grants are recognized as a deduction of property and equipment, and depreciation expense is calculated on the net amount over the useful life of the related asset.

(I) PROPERTY AND EQUIPMENT:

Property and equipment are measured at cost less subsequent depreciation and impairment losses. The cost includes expenses that are directly attributable to the acquisition or construction of the asset, and the costs of dismantling and removing the asset, and restoring the site on which it is located.

Property and equipment are measured at cost less subsequent depreciation and impairment losses. The cost includes expenses that are directly attributable to the acquisition or construction of the asset, and the costs of dismantling and removing the asset, and restoring the site on which it is located.

Construction-in-progress projects are transferred to the appropriate category of property and equipment only when they are available for use (which corresponds to the moment when they are in the location and condition necessary for them to be capable of operating in the manner intended by management), or are written off when, due to changed circumstances, management does not expect the project to be completed. The cost of a self-constructed item of property or equipment includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to the location and conditions necessary for it to be capable of operating in the manner intended by management. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized to the cost of such asset until they are ready for their intended use. Capitalization of borrowing costs is suspended during extended periods in which the Corporation suspends active development of qualifying assets, and it ceases when substantially all the activities necessary to prepare qualifying assets for their intended use are complete. For generally-borrowed funds used for the purpose of obtaining a qualifying asset, the capitalization rate used is the weighted average cost of capital of outstanding loans during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

Property and equipment that are leasehold property are included in property and equipment if they are held under a finance lease.

Buildings and leasehold improvements include leased assets under finance leases, which are comprised of office spaces, as well as of property and equipment for which the licensing rights were awarded to a third party under operating leases.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(I) PROPERTY AND EQUIPMENT (continued):

Software that is an integral part of the related hardware is capitalized to the cost of computer equipment and included in property and equipment.

Normal repairs and maintenance are expensed as incurred. Expenditures constituting enhancements to the assets by way of change in capacity or extension of useful life are capitalized.

Each component of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately when its useful life is different.

The carrying amount of an item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss arising from derecognition of an item of property and equipment (determined as the difference between the net disposal proceeds and the carrying amount of the item) is included in excess of revenues over expenses when the item is derecognized.

Each item of property and equipment is amortized over its estimated useful life or over the term of the related lease, if shorter, using the straight-line method as follows:

Asset	Period
Buildings and leasehold improvements	4 – 50 years
Civil infrastructures	4 – 40 years
Furniture and equipment	3 – 30 years
Technological and electronic equipments	2 – 20 years
Vehicles	3 – 15 years

Residual values, useful lives and depreciation methods are reviewed at each reporting period and adjusted for prospectively, if appropriate.

(J) LEASES:

A lease is classified as a finance lease when it transfers to the lessee substantially all the risks and rewards related to the ownership of the leased asset. All other leases are classified as operating leases.

The Corporation as lessor

The amount receivable from the lessee in accordance with a finance lease is recognized at an amount equal to the net investment of the Corporation in the lease. Lease income from finance leases is recognized over the term of the lease in order to reflect a constant periodic return on the Corporation's net investment in the finance lease.

Lease income from operating leases is recognized in income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging an operating lease and lease incentives that are incurred in the initial lease of an asset are capitalized within "Property and equipment". They are both amortized on a straight-line basis over the term of the related lease and recorded as a reduction of the related revenues.

Contingent rents arising from a finance or an operating lease are recognized as rental income when the amount can be estimated reliably and collectability is considered likely. Any differences arising subsequent to initial recognition of contingent rent are recognized in excess of revenues over expenses.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(J) LEASES (continued):

The Corporation as lessee

A leased asset in accordance with a finance lease is recognized at the commencement of the lease term as an item of property and equipment at an amount equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability is recognized in the consolidated statement of net assets as a financial liability within "Finance lease liabilities".

Minimum lease payments of a finance lease are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The finance charges are expensed as part of "Financial expenses".

Lease payments under an operating lease are recognized as an expense on a straight-line basis over the lease term.

Operating and maintenance costs arising from a finance or an operating lease are expensed in the period in which they are incurred under "Other operating expenses".

(K) IMPAIRMENT OF ASSETS:

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows ("cash-generating units"). Cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value in use. To determine the value in use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Corporation's latest approved budget and strategic plan, adjusted as necessary to exclude asset enhancements but include asset maintenance programs. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by management.

(L) PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:

Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of economic resources will be required to settle the obligation, and when the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected when the time value of money is significant. Provisions are not recognized for future operating losses.

The increase in the provision associated with the passage of time is recognized as a financial expense.

Site restoration obligation

The Corporation recognizes a site restoration obligation based on the present value of the estimated non-recoverable costs.

Contingent assets and contingent liabilities

Possible inflows of economic benefits to the Corporation that do not yet meet the recognition criteria of an asset are considered contingent assets. They are described along with the Corporation's contingent liabilities in Note 16.

The Corporation does not recognize any liabilities where the outflow of economic resources as a result of present obligations is considered improbable or remote.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(M) INCOME TAXES:

Current taxes

Under the agreement with the Government of Québec, dated July 29, 1992, and pursuant to the *Federal Airports Disposal Act*, dated June 23, 1992, the Corporation, excluding its subsidiary, is exempt from income taxes relating to its airports' activities.

Deferred taxes

The subsidiary uses the asset and liability method of accounting for deferred income taxes. Under this method, deferred income tax assets and liabilities are determined according to differences between the carrying amounts and tax bases of assets and liabilities. They are measured by applying enacted or substantively enacted tax rates and laws that are expected to apply to their respective period of realization. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Corporation has a right and intention to set off current tax assets and liabilities from the same taxation authority.

(N) MUNICIPAL TAXES:

The Corporation is also exempt from the provincial *Act respecting Municipal Taxation*. However, by virtue of a contract with Public Services and Procurement Canada, payments in lieu of municipal taxes are paid under the *Municipal Grants Act*.

(O) SHORT-TERM EMPLOYEE OBLIGATIONS:

Short-term employee obligations, including vacation entitlement, are current liabilities included in "Other employee liabilities" measured at the undiscounted amount that the Corporation expects to pay as a result of the unused entitlement.

(P) POST-EMPLOYMENT BENEFITS:

The Corporation provides post-employment benefits through a pension plan registered under federal jurisdiction which has two components: defined contribution and defined benefit based on final salary. The defined contribution component of the plan is offered to all new employees hired.

Under the defined contribution component, the Corporation pays fixed contributions into an independent entity. The Corporation has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. Contributions to the plan are recognized as an expense in the period in which the relevant employee rendered services.

Under the defined benefit component, the amount of pension benefit that a participating employee will receive on retirement is determined by reference to length of service and expected average final earnings. The legal obligation for any benefits remains with the Corporation, even if plan assets for funding the defined benefit component have been set aside.

The Corporation also provides a defined benefit supplemental pension plan for designated officers. The plan aims to compensate participants with regards to tax limits on benefits. The benefits paid are in accordance with applicable laws and provisions of the plan. This plan is secured by a letter of credit.

The liability related to the defined benefit pension plans (pension benefit liability) recognized in the consolidated statement of net assets is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets.

Management estimates the defined benefit obligation annually with the assistance of independent actuaries. The estimate of its post-retirement benefit obligation is determined using the projected unit credit method and is charged to consolidated comprehensive income as services are provided by the employees. The calculations take into account management's best estimate of the salary escalations, retirement ages of employees and expected retirement benefits. The discount rate is determined by reference to high quality corporate bonds that have terms to maturity approximating the terms of the related pension obligation.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(P) POST-EMPLOYMENT BENEFITS (continued):

Actuarial gains (losses) arise from the difference between actuarial assumptions and plan experience and from changes in actuarial assumptions used to determine the defined benefit obligation. All actuarial gains and losses relating to defined benefit plans are recognized in the period in which they occur in other comprehensive income. Past service costs are recognized immediately in excess of revenues over expenses.

Net interest expense related to the pension obligation and all other post-employment benefit expenses are included in "Salaries and benefits" in the consolidated statement of comprehensive income (loss).

(Q) REVENUE RECOGNITION:

The Corporation's principal sources of revenues are comprised of revenue from the rendering of services for aeronautical activities, AIF, commercial activities, real estate and other income.

Revenue is measured by reference to the fair value of consideration received or receivable by the Corporation for services rendered, net of rebates and discounts.

Revenue is recognized when the amount of revenue can be measured reliably, when it is probable that the economic benefits associated with the transaction will flow to the entity, when the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Corporation's different activities have been met, as described hereafter.

Aeronautical activities

Revenues from aeronautical activities, which generally consist of landing and terminal fees, primarily received from airline companies, are recognized when the facilities are utilized. Aeronautical activities also include deferred revenue which is recognized on a straight-line basis over the term of the corresponding licence agreements. Deferred revenue is comprised of revenue related to licence fees of certain assets stemming from agreements entered into with third parties.

AIF

Revenues from AIF are recognized when departing passengers board the aircraft using information from air carriers obtained after boarding has occurred. Under an agreement with the airlines, AIF are collected by the airlines in the price of a plane ticket and are paid to the Corporation net of airline collection fees of 4%.

Commercial activities

Revenues from commercial activities are recognized using the following methods:

- Concession rental payments are calculated based on the greater of the agreed-upon percentages of reported concessionaire sales and specified minimum rentals. Minimum rentals are recognized under the straight-line method over the term of the respective leases, and concession rental payments are recognized when tenants reach the agreed upon objectives.
- Rent for office spaces is recognized under the straight-line method over the terms of the respective leases.
- Parking revenues are recognized when the facilities are used.

Real estate

Real estate revenues are recognized under the straight-line method over the terms of the respective leases.

Other income

Other income includes income from other operations and is recognized as earned.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(R) FINANCIAL EXPENSES AND INCOME:
Financial expenses include interest expense on long-term bonds and finance lease liabilities, amortization of debt issue expenses as well as the reclassification of the net change in fair value arising from derivative financial instruments designated as cash flow hedges previously recorded in other comprehensive income (loss). Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the consolidated statement of comprehensive income (loss) using the effective interest rate method.

Financial income comprises interest income from invested funds. Accrued interest income is recognized in the consolidated statement of comprehensive income (loss) when earned, using the effective interest rate method.

(S) ENVIRONMENTAL COSTS:
The Corporation expenses recurring costs associated with managing hazardous substances in ongoing operations as incurred.

(T) FOREIGN CURRENCY TRANSLATION:
The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Corporation.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the respective date of the transaction.

Monetary items in foreign currency are translated into Canadian dollars at the closing rate at the reporting date.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction and are not remeasured.

Foreign exchange gains or losses are recognized in the consolidated statement of comprehensive income (loss) in the period in which they occur.

(U) ESTIMATION UNCERTAINTY:
The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies as well as the reported amounts of assets, liabilities, the disclosure of contingent assets and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. These estimates and assumptions are based on historical experience, future expectations as well as other relevant factors that are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and any future periods affected. Actual results may differ from these estimates.

Following are the most important accounting policies subject to such judgments and the key sources of estimation uncertainty that the Corporation believes could have the most significant impact on the results and financial position.

Key sources of estimation uncertainty
Airport improvement fees
AIF are recognized when departing passengers board the aircraft using information from air carriers obtained after the boarding has occurred. Therefore, management estimates AIF using information obtained from carriers, if available, as well as their knowledge of the market, economic conditions and historical experience.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(U) ESTIMATION UNCERTAINTY (continued):
Key sources of estimation uncertainty (continued):
Loss allowance
The Corporation makes an assessment of whether trade accounts receivable are collectable, which considers the credit worthiness of each customer, taking into account each customer's financial condition and payment history, in order to estimate an appropriate loss allowance. Furthermore, these estimates must be continuously evaluated and updated. The Corporation is not able to predict changes in the financial condition of its customers, and if circumstances related to its customers' financial condition deteriorate, the estimates of the recoverability of trade accounts receivable could be materially affected and the Corporation may be required to record additional allowances. Alternatively, if the Corporation provides more allowances than needed, a reversal of a portion of such allowances in future periods may be required based on actual collection experience.

Useful lives of property and equipment
Management reviews the useful lives of property and equipment at each reporting date. Management concluded that the useful lives represent the expected utility of the assets of the Corporation.

Fair value of financial instruments
Some of the Corporation's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Corporation uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Corporation recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The details of the assumptions used are listed in Note 18.

Provisions
The Corporation is defending certain lawsuits where the actual outcome may vary from the amount recognized in the consolidated financial statements.

The measurement of a site restoration obligation requires assumptions to be made including expected timing of the event that would result in the outflow of economic resources, the range of possible site restoration methods and the expected costs that would be incurred to settle the liability. The Corporation evaluates its obligation based on expected expenditures. Revisions to any of the assumptions and estimates used by management may result in changes to the expected expenditures to settle the liability which would require adjustments to the provision. This may have an impact on the operating results of the Corporation in the period the change occurs.

Year ended December 31, 2017 (In thousands of Canadian dollars)

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(U) ESTIMATION UNCERTAINTY (continued):

Key sources of estimation uncertainty (continued):

Defined benefit obligation

Management estimates the defined benefit obligation annually with the assistance of independent actuaries; however, the actual outcome may vary due to estimation uncertainties. The estimate of the Corporation's defined benefit obligation is based on management's best estimate of the discount rate, salary escalations, retirement ages of employees and expected retirement benefits. The discount rate is determined by reference to high quality corporate bonds that have terms to maturity approximating the terms of the related pension obligation.

The actuarial report for the year ended December 31, 2017 was unavailable at the reporting date. However, management considers the extrapolation of the December 31, 2016 figures to be the best method to estimate the Corporation's defined benefit obligation and expense as at and for the year ended December 31, 2017. The revised assumptions used to extrapolate have been reviewed and deemed accurate.

Judgments made in relation to applied accounting policies

Leases

In some cases, the lease transaction is not always conclusive, and management uses its judgment in determining whether the lease is a finance lease arrangement that transfers substantially all the risks and rewards incidental to ownership.

(V) STANDARDS, AMENDMENTS TO, AND INTERPRETATIONS OF, EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND THAT HAVE NOT BEEN ADOPTED EARLY BY THE CORPORATION:

At the date of authorization of these consolidated financial statements, certain new standards, amendments to and interpretations of existing standards have been published but are not yet effective, and have not been adopted by the Corporation.

Information on new standards, amendments and interpretations that are expected to be relevant to the Corporation's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a significant impact on the Corporation's consolidated financial statements.

IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB released IFRS 15, *Revenue from Contracts with Customers* which supersedes IAS 11, *Construction Contracts* and IAS 18, *Revenue* and related interpretations. The fundamental principle of the new standard is to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the entity expects to be entitled in exchange for those goods or services. The objective is to provide users of financial statements with more informative and relevant disclosures.

The Corporation will adopt IFRS 15 for the period beginning on January 1, 2018, using the fully retrospective method with prior period restatements.

1. SIGNIFICANT ACCOUNTING POLICIES (continued):

(V) STANDARDS, AMENDMENTS TO, AND INTERPRETATIONS OF, EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND THAT HAVE NOT BEEN ADOPTED EARLY BY THE CORPORATION (continued):

IFRS 15, Revenue from Contracts with Customers (continued):

The impact of the retrospective application of this new standard on the Corporation's consolidated financial statements in 2017, once adopted in 2018, is the following:

			December 31, 2017
	As presented	Restatement IFRS 15	As restated
Current assets:			
Trade and other receivables	$ 27,477	$ 9,479	$ 36,956
Current liabilities:			
Trade and other payables	155,963	9,479	165,442
Deferred revenue	5,661	(1,340)	4,321
Net assets:			
Net assets of the Corporation	143,512	1,340	144,852
Revenues:			
Aeronautical activities	211,201	3,225	214,426
Excess of revenues over expenses	39,691	3,225	42,916

			January 1, 2017
	As presented	Restatement IFRS 15	As restated
Current assets:			
Trade and other receivables	$ 29,628	$ 7,058	$ 36,686
Current liabilities:			
Trade and other payables	144,188	7,058	151,246
Deferred revenue	5,661	1,885	7,546
Net assets:			
Net assets of the Corporation	124,523	(1,885)	122,638

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16, *Leases*, completing its long-term project to replace IAS 17, *Leases*, as well as all corresponding interpretations. This standard eliminates the classification of leases as either operating of finance leases and introduces a single accounting model for the lessee under which a lease liability and a right-of-use asset are recognized for all leases with a term of more than 12 months. IFRS 16 essentially carries forward the lessor accounting requirements whereas a lessor continues to classify its leases as operating or finance leases.

IFRS 16 takes effect on January 1, 2019 and early adoption is permitted under certain circumstances. The Corporation is currently evaluating the extent of the impact of this new standard.

Year ended December 31, 2017 (In thousands of Canadian dollars)

2. RESTRICTED CASH:

Under the terms of the trust indenture and the Series N supplemental indenture, the Corporation is required to maintain a debt service reserve fund in the form of cash, investment or letter of credit to cover the principal and interest payments to be made on the long-term bonds in the upcoming six-month period, amounting to $59,039 (2016 – $54,454). As at December 31, 2017, $54,978 (2016 – $54,545) was held as restricted cash and $4,200 (2016 – nil) was issued as a letter of credit.

3. TRADE AND OTHER RECEIVABLES:

	2017	2016
Trade accounts receivable	$ 8,807	$ 7,245
Loss allowance	(392)	(221)
	$ 8,415	$ 7,024
AIF, landing and terminal charges	$ 6,824	$ 4,457
Cost recovery of property improvement	2,727	11,222
Concession revenues	1,719	1,657
Recoverable consumption taxes	1,295	—
Other	1,700	730
	$ 14,265	$ 18,066
Financial assets	$ 22,680	$ 25,090
Non-financial assets – Prepaids	4,797	4,538
	$ 27,477	$ 29,628

4. PROPERTY AND EQUIPMENT:

2017

	Land	Buildings and leasehold improvements	Civil infrastructures	Furniture and equipment	Technological and electronic equipments	Vehicles	Construction projects in progress	Total
Cost:								
Beginning balance	$ 31,099	$ 1,738,006	$ 829,093	$ 327,655	$ 126,794	$ 55,182	$ 147,306	$ 3,255,135
Acquisitions	220	81,175	88,165	5,719	47,750	10,099	(3,557)	229,571
Disposals and write-offs	—	(2,336)	(53)	(513)	—	(835)	—	(3,737)
Ending balance	31,319	1,816,845	917,205	332,861	174,544	64,446	143,749	3,480,969
Depreciation and impairment:								
Beginning balance	—	641,597	286,475	176,711	87,009	27,616	—	1,219,408
Depreciation	—	67,388	36,556	11,993	18,683	3,706	—	138,326
Disposals and write-offs	—	(442)	(5)	(513)	—	(835)	—	(1,795)
Ending balance	—	708,543	323,026	188,191	105,692	30,487	—	1,355,939
Net carrying value	$ 31,319	$ 1,108,302	$ 594,179	$ 144,670	$ 68,852	$ 33,959	$ 143,749	$ 2,125,030

2016

	Land	Buildings and leasehold improvements	Civil infrastructures	Furniture and equipment	Technological and electronic equipments	Vehicles	Construction projects in progress[(a)]	Total
Cost:								
Beginning balance	$ 25,014	$ 1,574,879	$ 736,089	$ 301,220	$ 106,919	$ 54,011	$ 201,987	$ 3,000,119
Acquisitions	6,085	163,127	93,004	26,461	19,875	1,689	(54,681)	255,560
Disposals and write-offs	—	—	—	(26)	—	(518)	—	(544)
Ending balance	31,099	1,738,006	829,093	327,655	126,794	55,182	147,306	3,255,135
Depreciation and impairment:								
Beginning balance	—	580,635	254,249	165,664	72,682	24,930	—	1,098,160
Depreciation	—	60,962	32,226	11,073	14,327	3,199	—	121,787
Disposals and write-offs	—	—	—	(26)	—	(513)	—	(539)
Ending balance	—	641,597	286,475	176,711	87,009	27,616	—	1,219,408
Net carrying value	$ 31,099	$ 1,096,409	$ 542,618	$ 150,944	$ 39,785	$ 27,566	$ 147,306	$ 2,035,727

(a) Net of transfers to other categories of property and equipment when it becomes available for use.

Included in buildings and leasehold improvements are assets held under finance leases with cost and accumulated depreciation of $20,479 and $6,431, respectively (December 31, 2016 – $20,479 and $5,669, respectively).

Also included in buildings and leasehold improvements are assets leased by the Corporation to third parties under operating leases with cost and accumulated depreciation of $132,672 and $52,782, respectively (December 31, 2016 – $132,672 and $48,077, respectively).

Acquisitions were reduced by $13,018 (2016 – $5,986) representing contributions from the Canadian Air Transport Security Authority ("CATSA"). Short-term and long-term receivables include a recoverable amount of $19,556 from CATSA (December 31, 2016 – $11,222).

Year ended December 31, 2017 (In thousands of Canadian dollars)

5. LEASES:

(A) OPERATING LEASES:

The Corporation as lessee

The airport facilities are leased under a long-term lease entered into on July 31, 1992 with Transport Canada. As of August 1, 1992, the Corporation assumed the expenditure contracts and became the beneficiary of the revenue contracts in effect at that time. The lease is for a fixed term of 60 years and can be terminated only in the event of default. In 2012, the Corporation exercised its option to renew the lease for an additional 20 years, thus until July 31, 2072. The lease was negotiated on an "absolute net" basis, allowing the Corporation peaceful possession of the leased premises. The Corporation assumes full responsibility for the operation and development of the leased premises, including maintenance and renewal of assets, in order to maintain an integrated airport system in conformity with the standards applicable to a "Major International Airport".

During the term of the lease, Transport Canada has agreed not to operate any international or transborder airport within a radius of 75 kilometres of the Corporation's airports.

Transport Canada has agreed to assume the cost of any work ordered through a government notice and relating to the presence of hazardous substances affecting the soil, subterranean water or groundwater or buildings erected on the premises where such substances were present on the takeover date. An environmental audit carried out prior to the takeover constitutes *prima facie* evidence of the condition of the premises.

Ground rent is calculated as a percentage of revenues using a sliding scale percentage of airport revenues, as defined in the long-term lease between Transport Canada and the Corporation, according to the following ranges:

Airport revenue	**Percentage**
Less than or equal to $5,000	—%
$5,001 to $10,000	1%
$10,001 to $25,000	5%
$25,001 to $100,000	8%
$100,001 to $250,000	10%
Exceeding $250,000	12%

Since the rent is calculated based on airport revenues, "Transport Canada rent" expense in the consolidated statement of comprehensive income (loss) is considered contingent rent.

The Corporation as lessor

The Corporation leases out, under operating leases, land and certain assets that are included in property and equipment. Many leases include renewal options, in which case they are subject to market price revisions. The lessee does not have the option to acquire the leased assets at the end of the lease. Contingent rents amount to $23,745 (2016 – $18,891) and represent the difference between the agreed-upon percentages of reported concessionaire sales and specified minimum rental payments.

Future minimum lease income from non-cancellable leases are as follows:

				Minimum lease income
	Within 1 year	1 to 5 years	After 5 years	Total
2017	**$ 89,464**	**$ 335,619**	**$ 456,163**	**$ 881,246**
2016	85,903	274,149	434,843	794,895

5. LEASES (continued):

(B) FINANCE LEASES:

The Corporation as lessee

Included in "Buildings and leasehold improvements" are assets held under finance leases (Note 4). Note 8 includes a description of the leases and details of the associated liabilities.

No contingent rents were recognized as an expense and no future sublease income is expected to be received as all assets are used exclusively by the Corporation.

6. CREDIT FACILITY:

The Corporation has an available $150,000 credit facility (2016 – $150,000) from a Canadian banking consortium expiring on April 4, 2022. The credit facility is secured by a bond issued pursuant to the terms of the trust indenture described in Note 7.

The Corporation has the option to draw on the credit facility at a variable interest rate based on prime rate or at a fixed interest rate based on the banker's acceptance rate plus a premium of 70 basis points (2016 – 70 basis points). Standby fees are calculated at an annual rate of 14 basis points (2016 – 14 basis points) on the unused portion of the credit facility.

A portion of this credit facility was used to issue a letter of credit totalling $18,371 (2016 – $14,931) (Note 10). This letter of credit is subject to the same terms and conditions as the credit facility. Other than the issuance of this letter of credit, the credit facility is unused (2016 – $9,000).

In addition, an amount of $50,228 (2016 – $45,366) of the credit facility is restricted for the operating and maintenance contingency fund under the trust indenture (Note 7).

Year ended December 31, 2017 (In thousands of Canadian dollars)

7. LONG-TERM BONDS:

	2017	2016
Series B bonds, face value at issuance of $300,000, coupon and effective interest rates of 6.95% and 7.10%, respectively, interest payable on April 16 and October 16 of each year, beginning October 16, 2002, principal payable on April 16 and October 16 of each year, beginning October 16, 2007 and maturing April 16, 2032	**$ 262,898**	$ 269,547
Series D bonds, face value at issuance of $200,000, coupon and effective interest rates of 6.55% and 6.87%, respectively, interest payable on April 11 and October 11 of each year, beginning April 11, 2004 and maturing October 11, 2033, with principal due at maturity	**193,737**	193,531
Series E bonds, face value at issuance of $150,000, coupon and effective interest rates of 6.61% and 6.98%, respectively, interest payable on April 11 and October 11 of each year, beginning April 11, 2004, principal payable on April 11 and October 11 of each year, beginning April 11, 2009 and maturing October 11, 2033	**134,087**	136,618
Series G bonds, face value at issuance of $300,000, coupon and effective interest rates of 5.17% and 5.45%, respectively, interest payable on March 17 and September 17 of each year, beginning March 17, 2006 and maturing September 17, 2035, with principal due at maturity	**290,557**	290,254
Series H bonds, face value at issuance of $300,000, coupon and effective interest rates of 5.67% and 5.74%, respectively, interest payable on April 16 and October 16 of each year, beginning April 16, 2008 and maturing October 16, 2037, with principal due at maturity	**297,224**	297,162
Series J bonds, face value at issuance of $150,000, coupon and effective interest rates of 5.47% and 5.55%, respectively, interest payable on April 16 and October 16 of each year, beginning October 16, 2010 and maturing April 16, 2040, with principal due at maturity	**148,555**	148,528
Series K bonds, face value at issuance of $250,000, coupon and effective interest rates of 3.92% and 3.96%, respectively, interest payable on March 26 and September 26 of each year, beginning September 26, 2012 and maturing September 26, 2042, with principal due at maturity	**248,512**	248,477
Series M bonds, face value at issuance of $200,000, coupon and effective interest rates of 3.92% and 3.96%[(a)], respectively, interest payable on June 12 and December 12 of each year, beginning December 12, 2015 and maturing June 12, 2045, with principal due at maturity	**198,675**	198,649
Series N bonds, face value at issuance of $250,000, coupon and effective interest rates of 3.36% and 3.40%, respectively, interest payable on April 24 and October 24 of each year, beginning October 24, 2017 and maturing April 24, 2047, with principal due at maturity	**248,288**	—
	2,022,533	1,782,766
Current portion of long-term bonds	**11,109**	9,649
	$ 2,011,424	$ 1,773,117

(a) If the loss on the cash flow hedge (derivative financial liability) is considered, the all-inclusive effective interest rate is 4.98%.

7. LONG-TERM BONDS (continued):

The long-term bonds are presented net of related debt issue costs amounting to $30,593 (2016 – $30,009).

The Corporation's bonds are secured by a hypothec on the universality of the present and future assets of the Corporation. The trust indenture, security or any other additional security will not be published or registered at any time against or in respect of any real or immovable property. The Corporation is required to maintain a gross debt service coverage ratio equal to or greater than 1.25 until the bonds are repaid in full and a debt to service coverage ratio equal to or greater than 1.00. As at December 31, 2017, the Corporation is in compliance with the various financial covenants set out in the trust indenture.

The bonds are redeemable in whole or in part at any time at the Corporation's option. The redemption price is equal to the greater of the aggregate principal amount remaining unpaid on the bond and the price which will provide a yield to maturity on such bond, equal to the yield to maturity of a Government of Canada bond with a term to maturity, calculated from the redemption date, equal to the average life of the bond to be redeemed plus a premium. This premium is equal to 0.24%, 0.34%, 0.35%, 0.25%, 0.29%, 0.34%, 0.38%, 0.37 % and 0.30% per year for Series B, Series D, Series E, Series G, Series H, Series J, Series K, Series M and Series N bonds, respectively.

The aggregate amounts of principal payments required for the next five reporting periods and thereafter are as follows:

	Minimum payments due		
	Within 1 year	1 to 5 years	After 5 years
December 31, 2017	**$ 11,109**	**$ 61,525**	**$ 1,980,492**
December 31, 2016	9,649	54,417	1,748,709

The fair value of the long-term bonds is as follows:

	2017	2016
Series B	**$ 350,157**	$ 353,542
Series D	**288,160**	272,780
Series E	**181,075**	179,673
Series G	**383,790**	362,220
Series H	**413,010**	387,600
Series J	**206,745**	191,730
Series K	**284,875**	259,775
Series M	**229,820**	208,180
Series N	**261,625**	—
	$ 2,599,257	$ 2,215,500

Year ended December 31, 2017 (In thousands of Canadian dollars)

8. FINANCE LEASE LIABILITIES:

	2017	2016
Finance lease liabilities, bearing interest at an effective interest rate of 9.6%, payable in monthly instalments ranging from $111 to $174 including interest, starting March 30, 2009 and maturing on September 29, 2039	**$ 15,416**	$ 15,428
Finance lease liabilities, bearing interest at an effective interest rate of 7.23%, payable in monthly instalments ranging from $38 to $45 including interest, starting March 1, 2010 and maturing on February 28, 2030	**3,949**	4,126
	19,365	19,554
Current portion of finance lease liabilities	**202**	177
	$ 19,163	$ 19,377

These finance leases include possible renewal options for additional periods ranging from 5 to 20 years, and minimum payments are subject to escalation clauses ranging from 1.75% annually to 7.7% after a five-year period.

Future minimum finance lease payments are as follows:

	Minimum lease payments due			
	Within 1 year	1 to 5 years	After 5 years	Total
December 31, 2017:				
Lease payments	**$ 1,895**	**$ 8,042**	**$ 33,707**	**$ 43,644**
Finance charges	**(1,693)**	**(6,527)**	**(16,059)**	**(24,279)**
	$ 202	**$ 1,515**	**$ 17,648**	**$ 19,365**
December 31, 2016:				
Lease payments	$ 1,896	$ 7,918	$ 35,726	$ 45,540
Finance charges	(1,707)	(6,635)	(17,644)	(25,986)
	$ 189	$ 1,283	$ 18,082	$ 19,554

9. PROVISIONS:

	Dismantling of the Mirabel terminal	Other	Total
Balance as at January 1, 2017	**$ 2,015**	**$ 4,044**	**$ 6,059**
Increase of provisions	**—**	**6,241**	**6,241**
Decrease of provisions	**(666)**	**(2,047)**	**(2,713)**
Balance as at December 31, 2017	**$ 1,349**	**$ 8,238**	**$ 9,587**
Balance as at January 1, 2016	$ 10,332	$ 4,473	$ 14,805
Increase of provisions	—	1,172	1,172
Decrease of provisions	(8,317)	(1,601)	(9,918)
Balance as at December 31, 2016	$ 2,015	$ 4,044	$ 6,059

9. PROVISIONS (continued):

(A) DISMANTLING OF THE MIRABEL TERMINAL:

In 2014, the Corporation decided to proceed with the dismantling of the former Mirabel terminal building. The estimated expected costs were not discounted as the effects of discounting were not considered significant. The provision is adjusted as work is performed and disbursements are incurred.

(B) OTHER:

Provisions include amounts stemming from claims submitted by various suppliers and/or clients and relate in particular to cost overruns on construction-in-progress projects. The provisions relating to these claims were recorded according to management's best estimate of the outflow required to settle the obligation based on its experience of similar transactions. None of the provisions will be discussed in further detail so as not to prejudice the Corporation's position in the related claims.

10. PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES:

(A) PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES:

The liabilities recognized as pension benefit liability and other employee liabilities in the consolidated statement of net assets consist of the following amounts:

	2017	2016
Current:		
Other current employee liabilities	**$ 12,153**	$ 12,083
Non-current:		
Defined benefit plans	**$ 31,244**	$ 14,205

The current portion of these liabilities represents the Corporation's obligations to its current and former employees that are expected to be settled one year from the reporting period, as salary, accrued vacation and holiday entitlement.

The non-current portion represents the pension benefit liability related to the defined benefit component that the Corporation provides to employees, as well as the defined benefit supplemental pension plan offered to designated officers of the Corporation.

The defined benefit component of the plan provides pension benefits to retiring employees based on length of service and average final earnings.

As at December 31, 2017, the outstanding balance of contributions is $576 (2016 – $673).

Year ended December 31, 2017 (In thousands of Canadian dollars)

10. PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES (continued):

(A) PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES (continued):

Details of the change in pension benefit liability are as follows:

	2017	2016
Defined benefit obligation, beginning of year	$ 315,257	$ 306,190
Current service cost	6,451	6,946
Employee contributions	1,628	1,674
Interest cost	12,220	11,920
Benefits paid	(12,554)	(10,694)
Actuarial losses (gains) due to experience adjustments	2,652	(779)
Actuarial losses due to change in financial assumptions	27,938	—
Actuarial losses due to change in demographic assumptions	2,807	—
Defined benefit obligation, end of year	$ 356,399	$ 315,257
Fair value of plan assets, beginning of year	$ 301,052	$ 288,949
Employer contributions	12,025	12,571
Employee contributions	1,628	1,674
Expected return on plan assets	11,795	11,328
Actuarial losses	11,609	(2,376)
Benefits paid	(12,554)	(10,694)
Administrative fees	(400)	(400)
Fair value of plan assets, end of year	325,155	$ 301,052
Pension benefit liability	$ 31,244	$ 14,205

All defined benefit plans are partially funded. Moreover, the Corporation issued letters of credit mainly to extend the solvency deficiency payment of its employees' defined benefit pension plan. As at December 31, 2017, the outstanding amount of these letters of credit was $25,526 (2016 – $18,184).

The significant actuarial assumptions adopted are as follows:

	2017	2016
Corporation's defined benefit obligation as at the reporting date:		
Discount rate	3.40%	3.90%
Rate of compensation increase	3.00	3.00
Inflation rate	2.00	2.00
Net benefit plan expense for reporting years:		
Discount rate	3.90	3.90
Rate of compensation increase	3.00	3.00
Inflation rate	2.00	2.00

10. PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES (continued):

(A) PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES (continued):

Mortality assumptions as at December 31, 2017 are based on the mortality table with combined rates adjusted to the MI-2017 improvement scale (2016 – based on the CPM mortality table with combined rates adjusted to the CPM-B projection scale).

The Corporation's net benefit plan expense is as follows:

	2017	2016
Current service cost	$ 6,451	$ 6,946
Net interest cost	425	592
Administrative fees	400	400
Net benefit plan expense	$ 7,276	$ 7,938

The distribution of total fair value of assets of the pension plans by major asset category is as follows:

	Level	2017	2016
Cash		$ 8,997	$ 7,437
Annuity buy-in contract	3	164,682	38,585
Mutual funds of Canadian bonds	2	46,231	148,296
Mutual funds – Real estate	3	24,822	22,436
Mutual funds of Canadian equities	2	17,553	15,137
Mutual funds – Infrastructure	3	16,160	16,160
Canadian equities	1	11,517	16,468
Foreign equities	1	9,970	18,329
Mutual funds of foreign equities	2	9,623	11,250
Mutual funds – Other	2	8,017	5,967
Money market mutual funds	2	125	35
Others		7,458	952
		$ 325,155	$ 301,052

The pension committee prepares the documentation relating to the management of asset allocation. The audit committee reviews the investment policy and recommends it to the Board of Directors for approval in the event of material changes to the policy. Quarterly monitoring of the asset allocation plan allows the pension committee, and ultimately the audit committee, to ensure that the limits of asset allocation of the entire plan are respected.

Contributions in 2018 are expected to approximate $8,100, of which $2,000 constitute contributions to reduce the deficit.

The pension plans expose the Corporation to the following risks:

(i) Investment risk:
The defined benefit obligation is calculated using a discount rate. If the fund's returns are lower than the discount rate, a deficit is created.

(ii) Interest rate risk:
Variation in bond rates will affect the value of the defined benefit obligation.

Year ended December 31, 2017 (In thousands of Canadian dollars)

10. PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES (continued):

(A) PENSION BENEFIT LIABILITY AND OTHER EMPLOYEE LIABILITIES (continued):

(iii) Longevity risk:
An improvement in life expectancy greater than projected in the mortality tables used will increase the value of the defined benefit obligation.

(iv) Inflation risk:
The defined benefit obligation is calculated assuming a certain level of inflation. An actual inflation higher than expected will have the effect of increasing the value of the defined benefit obligation.

(v) Sensitivity analysis:
As at December 31, 2017, reasonably possible changes in relevant actuarial assumptions would affect the defined benefit obligation by the following amounts (other assumptions constant):

Interest rate: decrease of 1%	$ 68,754
Inflation rate: increase of 1%	56,915
Rate of compensation increase: increase of 1%	9,470
Mortality: multiplication rate by 99%	962

As at December 31, 2017, the weighted average duration of the defined benefit obligation amounted to 19.3 years (2016 – 18.1 years).

(B) EMPLOYEE BENEFITS EXPENSE:

Expenses recognized for employee benefits in "Salaries and benefits" are set out below:

	2017	2016
Salaries and benefits	$ 63,400	$ 61,690
Pension – defined benefit	7,276	7,938
Pension – defined contribution	1,619	1,564
	$ 72,295	$ 71,192

11. INCOME TAXES:

The Corporation's subsidiary has accumulated approximately $521 in capital losses available to reduce future capital gains.

As at December 31, 2017, the subsidiary has accumulated non-capital losses of $5,153 to reduce future years' taxable income. These losses expire as follows: $330 in 2029, $3,790 in 2031, $57 in 2032, $700 in 2033, $224 in 2036 and $52 in 2037.

Also, the Corporation's subsidiary has accumulated federal and provincial research and development tax credits of approximately $278 and $479, respectively. These credits are available to reduce future taxable income.

The Corporation did not record any tax benefits related to any of the losses or research and development tax credits.

12. INFORMATION INCLUDED IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS):

	2017	2016
Rendering of services	$ 459,094	$ 416,429
Revenues derived from operating leases	118,412	109,300
Other income	2,155	1,439
	$ 579,661	$ 527,168
Financial expenses:		
Interest on long-term bonds	$ 105,151	$ 100,054
Interest on obligations under financial leases	1,707	1,725
Amortization of debt issue costs	1,151	1,235
Reclassification of losses on cash flow hedges[a]	1,086	1,086
Capitalized interest on property and equipment[b]	(5,335)	(6,768)
Other	1,702	1,354
	$ 105,462	$ 98,686

(a) Cumulative losses on hedge transactions included in other comprehensive income (loss) is $29,702 (2016 – $30,788).
(b) The weighted average cost of capital used to capitalize borrowing costs is 5.65% (2016 – 5.83%).

13. AIRPORT IMPROVEMENT FEES:

The Corporation introduced AIF for all passengers departing from Montréal-Trudeau since November 1, 1997. These fees are used entirely to finance the Corporation's capital investment program for both Montréal-Trudeau and Montréal-Mirabel. These fees are collected by the airlines in the price of a plane ticket and are remitted to the Corporation, net of airline collection fees of 4%. From November 1, 1997 to December 31, 2017, cumulative capital expenditures totalled $3,285,000 (2016 – $3,063,000) exceeding the cumulative amount of gross AIF collected (excluding airline collection fees) by $1,344,000 (2016 – $1,300,000).

14. INFORMATION INCLUDED IN CASH FLOWS:

The changes in working capital items are detailed as follows:

	2017	2016
Trade and other receivables	$ (321)	$ (7,183)
Inventories	(1,329)	(265)
Trade and other payables	4,932	(7,422)
Other employee liabilities	70	(1,273)
Provisions	3,528	(8,651)
	$ 6,880	$ (24,794)

Year ended December 31, 2017 (In thousands of Canadian dollars)

14. INFORMATION INCLUDED IN CASH FLOWS (continued):

The reconciliation of movements of liabilities to cash flows arising from financing activities is as follows:

	Credit facility[a]	Long-term bonds[a]	Finance lease liabilities	Total
Balance as at January 1, 2017	$ 9,006	$ 1,804,417	$ 19,554	**$1,832,977**
Changes from financing cash flows				
Proceeds from borrowing under the credit facility	77,000	—	—	**77,000**
Repayment of borrowings under the credit facility	(86,000)	—	—	**(86,000)**
Proceeds from long-term bonds	—	250,000	—	**250,000**
Repayment of long-term bonds	—	(9,649)	—	**(9,649)**
Debt issue cost	—	(1,735)	—	**(1,735)**
Repayment of finance lease liabilities	—	—	(189)	**(189)**
Liability-related changes				
Capitalized interest on property and equipment	—	5,335	—	**5,335**
Interest expense	88	99,816	1,707	**101,611**
Amortization of debt issue costs	—	1,151	—	**1,151**
Interest paid	(94)	(103,716)	(1,707)	**(105,517)**
Balance as at December 31, 2017	**$ —**	**$2,045,619**	**$ 19,365**	**$2,064,984**

(a) Balances include accrued interest.

Additions to property and equipment included in trade and other payables totalled $107,493 (2016 – $102,574).

15. RELATED PARTY TRANSACTIONS:

The Corporation's related parties include key management personnel. None of the transactions incorporate special terms and conditions, and no guarantees were given or received.

Key management of the Corporation are members of the Board of Directors, the President and Vice-presidents. Key management personnel remuneration includes the following expense:

	2017	2016
Short-term employee benefits	$ 8,580	$ 8,112

16. CONTINGENT ASSETS AND CONTINGENT LIABILITIES:

The Corporation is party to legal proceedings in the normal course of operations involving financial demands which are being contested. Unless recognized as a provision (Note 9), management considers these claims to be unjustified and the probability that they will require settlement at the Corporation's expense to be remote. Management believes that the resolution of these claims will not have a significant adverse effect on the Corporation's consolidated financial statements.

17. COMMITMENTS:

The Corporation entered into agreements for services, rentals, procurements and maintenance. Future minimum payments are as follows:

Within 1 year	$ 28,042
1 to 5 years	26,257
After 5 years	—
	$ 54,299

In addition to the commitments listed above, the Corporation entered into contracts for the acquisition and construction of property and equipment totalling $96,756 (2016 – $94,264) of which $4,732 (2016 – $3,128) are denominated in US dollars.

18. FINANCIAL INSTRUMENTS:

(A) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Corporation is exposed to various financial risks including: foreign exchange risk, interest rate risk, credit risk and liquidity risk resulting from its operations and business activities. Management is responsible for setting acceptable levels of these risks and reviewing their respective impact on the Corporation's activities.

The Corporation does not enter into financial instrument agreements, including derivative financial instruments, for speculative purposes.

(B) FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS:

The following table provides the carrying amount and the fair value of financial assets and financial liabilities, including their fair value hierarchy class. It does not include information on the fair value of financial assets and financial liabilities that are not measured at fair value if the carrying amount is comparable. The Corporation has determined that the fair value of current financial assets and liabilities (other than those described below) is comparable to their respective carrying amount at the closing date, given their short maturity periods.

As at December 31, the classification of other financial instruments, their fair value hierarchy class, as well as their carrying amount and respective fair value, are as follows:

	Level	Carrying amount Financial liabilities at amortized cost	Fair value
Financial liabilities as at December 31, 2017:			
Long-term bonds	**2**	**$ 2,022,533**	**$2,599,257**
Finance lease liabilities	**2**	**19,365**	**19,365**
		$ 2,041,898	**$2,618,622**
Financial liabilities as at December 31, 2016:			
Credit facility	2	$ 9,000	$ 9,000
Long-term bonds	2	1,782,766	2,215,500
Finance lease liabilities	2	19,554	19,554
		$ 1,811,320	$ 2,244,054

Year ended December 31, 2017 (In thousands of Canadian dollars)

18. FINANCIAL INSTRUMENTS (continued):

(B) FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (continued):
The fair value of the credit facility, long-term bonds and finance lease liabilities has been determined based on comparable quoted market prices adjusted for the Corporation's risk premium.

(C) FOREIGN EXCHANGE RISK:
The Corporation is exposed to foreign exchange risk due to purchases of goods and services in the regular course of business and payments received from clients in foreign currencies. Assets and liabilities denominated in foreign currencies converted into Canadian dollars, at the closing rate, are as follows:

	2017	2016
Cash and cash equivalents and trade and other receivables	$ 2 589	$ 1,895
Trade and other payables	433	—

The Corporation performed a sensitivity analysis on foreign currency rates used to convert assets and liabilities denominated in currencies other than the Canadian dollar. Management concluded that a 5% fluctuation of the foreign currency rates would not significantly impact the Corporation's assets and liabilities. The Corporation does not currently hold any derivative financial instruments to mitigate this risk.

(D) INTEREST RATE RISK:
The Corporation's cash equivalents and long-term bonds bear interest at fixed rates. The Corporation has the option to draw on its credit facility at a variable or fixed interest rate (Note 6).

The Corporation's policy, to the extent possible, is to maintain most of its borrowings at fixed interest rates.

The Corporation's cash equivalents, credit facility and long-term bonds are exposed to a risk of change in their fair value due to changes in the underlying interest rates. A fluctuation of 50 basis points in the interest rate would not have a significant impact on fair value.

(E) CREDIT RISK:
Credit risk results from the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. Generally, the carrying amount of the Corporation's financial assets exposed to credit risk reported in the consolidated net assets, net of any applicable provisions for losses, represents the maximum amount exposed to credit risk.

Financial assets that potentially subject the Corporation to credit risk consist primarily of cash and cash equivalents, restricted cash and trade and other receivables.

Cash and cash equivalents, restricted cash and non-current receivables
The Corporation has an investment policy which stipulates that the objectives are to preserve capital and liquidity and to maximize the return on invested amounts. The policy specifies permitted types of investment instruments, authorized issuers, the maximum proportion of each type of investment instrument as well as the acceptable credit rating and maximum maturity of certain permitted investments.

18. FINANCIAL INSTRUMENTS (continued):

(E) CREDIT RISK (continued):
Cash and cash equivalents, restricted cash and non-current receivables (continued):
Credit risk associated with cash and cash equivalents and restricted cash is substantially mitigated by ensuring that these financial assets are invested with major financial institutions that have been rated as investment grade by a primary rating agency and qualify as creditworthy counterparties.

Impairment on cash and cash equivalents and restricted cash has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Corporation considers that its non-current receivables have low credit risk based on the external credit ratings of the counterparty.

The Corporation did not have any non-current receivables that were past due nor impaired at December 31, 2017.

Trade and other receivables
Credit risk with respect to trade and other receivables is limited due to the Corporation's credit evaluation process, reasonably short collection terms and the creditworthiness of its customers. The Corporation regularly monitors its credit risk exposures and takes steps to mitigate the likelihood of these exposures from resulting in actual losses. Credit risk related to receivables is also minimized by the fact that the Corporation requires security deposits from certain customers. Also, a portion of aeronautical revenues is invoiced and paid in advance, before services are rendered. Allowance for doubtful accounts is maintained, consistent with the credit risk, historical trends, general economic conditions and other information, as described below, and is taken into account in the consolidated financial statements.

Following is an analysis of trade receivable:

	2017	2016
Current	$ 5,880	$ 4,739
30 – 60 days past due	1,763	1,938
61 – 90 days past due	378	115
Over 90 days past due	786	453
	8,807	7,245
Loss allowance	(392)	(221)
Balance, end of year	$ 8,415	$ 7,024

As at December 31, 2017, an amount of $226 (2016 – $146) included in the loss allowance represents a specific allowance for trade accounts receivable that amount to $928 (2016 – $199).

(F) LIQUIDITY RISK:
Liquidity risk is the risk that the Corporation will not be able to meet its financial liabilities and obligations as they become due. The Corporation is exposed to this risk mainly through its long-term bonds, credit facility, finance lease liabilities, trade and other payables and contractual commitments. The Corporation finances its operations through a combination of cash flows from operations and long-term borrowings.

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Corporation has financing sources for a sufficient authorized amount. The Corporation establishes budgets, cash estimates and cash management policies to ensure it has the necessary funds to fulfill its obligations in the foreseeable future.

Year ended December 31, 2017 (In thousands of Canadian dollars)

18. FINANCIAL INSTRUMENTS (continued):

(F) LIQUIDITY RISK (continued):

The following table sets out the Corporation's financial liabilities including interest payments, where applicable:

	Finance lease liabilities	Long-term bonds	Credit facility	Contractual commitments[a]	Trade and other payables	Total
As at December 31, 2017:						
Within 1 year	**$ 1,895**	**$ 119,388**	**$ —**	**$ 28,042**	**$ 155,963**	**$ 305,288**
1 to 5 years	**8,042**	**486,133**	**—**	**26,257**	**—**	**520,432**
After 5 years	**33,707**	**3,441,387**	**—**	**—**	**—**	**3,475,094**
As at December 31, 2016:						
Within 1 year	$ 1,896	$ 110,151	$ 9,000	$ 38,666	$ 144,188	$ 303,901
1 to 5 years	7,918	449,017	—	39,568	—	496,503
After 5 years	35,726	3,099,957	—	1,937	—	3,137,620

(a) These amounts exclude commitments related to acquisition and construction of property and equipment.

Given the amount available under its credit facility, the amount of cash and cash equivalents and the timing of liability payments, management assesses the Corporation's liquidity risk as low.

19. CAPITAL MANAGEMENT:

The Corporation's primary objectives when managing capital are: (i) to safeguard the Corporation's ability to continue as a going concern; and (ii) to provide financial capacity and flexibility to meet strategic objectives and growth.

The capital structure of the Corporation consists of cash and cash equivalents, restricted cash as well as long-term bonds and credit facility. As described in Note 1, the Corporation does not have any share capital. Accordingly, it is funded through cash flows, the issuance of bonds and other borrowings, as required.

A summary of the Corporation's capital structure is as follows:

	2017	2016
Long-term bonds	**$ 2,022,533**	$ 1,782,766
Credit facility	**—**	9,000
Cash and cash equivalents and restricted cash	**(248,103)**	(79,369)
	$ 1,774,430	$ 1,712,397

The Corporation manages its capital structure in accordance with its expected business growth, operational objectives and underlying industry, market and economic conditions. Consequently, the Corporation has developed a financial model, which enables it to estimate its capital requirements while ensuring that all financial covenants of the trust indenture are respected. Management reviews this financial model periodically and incorporates it in its five-year strategic plan presented and approved annually by its Board of Directors.

The Corporation's strategy for managing capital remained unchanged from 2016.

20. SUBSEQUENT EVENT:

In February 2018, the Corporation extended its credit facility available through a Canadian banking consortium for an additional period of one year, thus until April 2023, under the same terms and conditions.

carriers

33 PASSENGER CARRIERS

9 CANADIAN CARRIERS

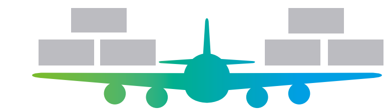
Air Canada
Air Creebec
Air Inuit
Air Transat
First Air
Porter
Provincial Airlines
Sunwing
WestJet

21 INTERNATIONAL CARRIERS

Aeromexico
Air Algérie
Air China
Air France
Air Saint-Pierre
British Airways
Copa Airlines
Corsair
Cubana de Aviación
Icelandair
Interjet
KLM
Lufthansa
Qatar
Royal Air Maroc
Royal Jordanian
SATA Internacional
SWISS
Tunisair
Turkish Airlines
WOW air

3 U.S. CARRIERS

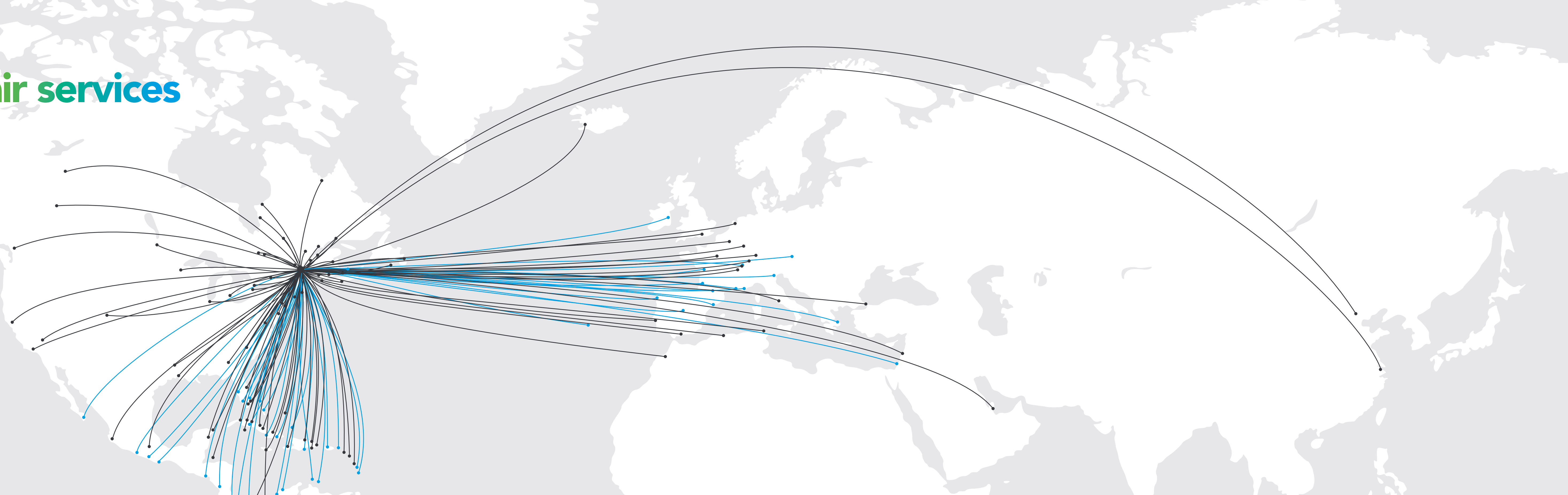
American Airlines
Delta
United



12 ALL-CARGO CARRIERS

AirBridge Cargo
Ameriflight
CargoJet Airways
CargoLux
Castle Aviation
FedEx
Kalitta Air
Morningstar Air Express
Nolinor Aviation
Royal Air Freight
Skylink Express
UPS

air services



• SCHEDULED DESTINATIONS
• SEASONAL DESTINATIONS

87 DESTINATIONS IN THE WORLD (EXCLUDING CANADA AND THE UNITED STATES)

SCHEDULED (45)
Algiers, Algeria
Amman, Jordan
Amsterdam, Netherlands
Beijing, China
Brussels, Belgium
Camagüey, Cuba
Cancún, Mexico
Casablanca, Morocco
Cayo Coco, Cuba
Cayo Largo, Cuba
Cozumel, Mexico
Doha, Qatar
Fort-de-France, Martinique
Frankfurt, Germany
Geneva, Switzerland
Havana, Cuba
Holguin, Cuba
Istanbul, Turkey
La Romana, Dominican Republic
Lima, Peru
Lisbon, Portugal
London (Heathrow), United Kingdom
Lyon, France
Málaga, Spain
Mexico City, Mexico
Montego Bay, Jamaica
Munich, Germany
Panama City, Panama
Paris (CDG), France
Pointe-à-Pitre, Guadeloupe
Port-au-Prince, Haiti
Puerto Plata, Dominican Republic
Puerto Vallarta, Mexico
Punta Cana, Dominican Republic
Reykjavik, Iceland
Roatan, Honduras
Samana, Dominican Republic
San Salvador, Bahamas
Santa Clara, Cuba
St. Marteen, Netherlands-Antilles
Shanghai, China
St-Pierre, St-Pierre-et-Miquelon
Tunis, Tunisia
Varadero, Cuba
Zurich, Switzerland

SUMMER (18)
Athens, Greece
Barcelona, Spain
Basel-Mulhouse, Switzerland
Bordeaux, France
Dublin, Ireland
London (Gatwick), United Kingdom
Madrid, Spain
Marseille, France
Nantes, France
Nice, France
Paris (Orly), France
Ponta Delgada, Portugal
Porto, Portugal
Prague, Czech Republic
Rome, Italy
Tel Aviv, Israel
Toulouse, France
Venice, Italy

WINTER (24)
Acapulco, Mexico
Antigua, Antigua-and-Barbuda
Aruba, Aruba
Bridgetown, Barbados
Cartagena, Colombia
Cienfuegos, Cuba
Freeport, Bahamas
Huatulco, Mexico
Ixtapa/Zihuatanejo, Mexico
Liberia, Costa Rica
Managua, Nicaragua
Manzanillo, Cuba
Nassau, Bahamas
Providenciales, Turks & Caicos
Rio Hato, Panama
Saint Lucia, Saint Lucia
San Andres Island, Colombia
San José, Costa Rica
San José del Cabo, Mexico
San Juan, Puerto Rico
San Salvador, Salvador
Santiago, Cuba
Santo Domingo, Dominican Republic
Willemstad, Curaçao

28 CANADIAN DESTINATIONS

SCHEDULED (27)
Bagotville, QC
Baie-Comeau, QC
Bathurst, NB
Calgary, AB
Charlottetown, PE
Chibougamau, QC
Edmonton, AB
Fredericton, NB
Halifax, NS
Hamilton, ON
Kuujjuaq, QC
Kuujjuarapik, QC
La Grande, QC
Moncton, NB
Mont-Joli, QC
Mont-Tremblant, QC
Ottawa, ON
Québec City, QC
Rouyn-Noranda, QC
Sept-Îles, QC
St. John, NB
St. John's, NL
Toronto (Billy Bishop), ON
Toronto (Pearson), ON
Val-d'Or, QC
Vancouver, BC
Winnipeg, MB

SUMMER (1)
Magdalen Islands, QC

25 DESTINATIONS IN THE UNITED STATES

SCHEDULED (22)
Atlanta, GA
Boston, MA
Charlotte, NC
Chicago, IL
Dallas/Fort Worth, TX
Denver, CO
Detroit, MI
Fort Lauderdale, FL
Hartford, CT
Houston, TX
Las Vegas, NV
Los Angeles, CA
Miami, FL
Minneapolis/St. Paul, MN
Newark, NY
New York (JFK), NY
New York (LGA), NY
Orlando (International), FL
Philadelphia, PA
San Francisco, CA
Washington (Dulles), DC
Washington (Reagan), DC

WINTER (3)
Fort Myers, FL
Tampa, FL
West Palm Beach, FL

Graphic Design: Cabana Séguin

On peut obtenir des exemplaires français de ce rapport à l'adresse suivante :
Affaires publiques, Aéroports de Montréal
800, place Leigh-Capreol, bureau 1000, Dorval (Québec) CANADA H4Y 0A5
Téléphone : 514 394-7201, Télécopieur : 514 394-7356
admtl.com