

AÉROPORTS DE MONTRÉAL ANNOUNCES ITS RESULTS FOR THE SECOND QUARTER OF 2011

Montréal, July 29, 2011 —Aéroports de Montréal (ADM) today announced its consolidated financial results for the three- and six-month periods ended June 30, 2011. These results are accompanied by data on passenger traffic and aircraft movements at Montréal-Trudeau and Montréal-Mirabel international airports.

Highlights

EBITDA (excess of revenues over expenses before financial expenses, income taxes, depreciation and gain on other financial assets) totalled \$50.2 million for the second quarter, an increase of \$9.2 million, or 22.4%, over the same period of 2010. For the half-year ended June 30, EBITDA stood at \$94.8 million, up \$17.2 million, or 22.2%, over the corresponding six months a year earlier.

The Corporation invested a total of \$15.2 million during the second quarter of 2011 and \$21.4 million for the half-year. Investments in the airports were financed by cash flows from airport operations, including airport improvement fees (AIFs).

Results

The Corporation's consolidated interim financial statements for the six months ended June 30, 2011, are presented in accordance with International Financial Reporting Standards (IFRS) applicable for fiscal 2011 that are published to date. Therefore, the consolidated interim results for the corresponding periods of 2010 are also presented in accordance with IFRS.

Consolidated revenues amounted to \$106.3 million for the second quarter of 2011, an increase of \$11.6 million, or 12.2%, over the same period of 2010. Accumulated revenues as at June 30, 2011, rose by \$25.8 million, or 13.8%, to \$212.2 million for the first six months of 2011, compared with \$186.4 million for the same period of 2010. This improvement is attributable to the rise in passenger traffic, as well as to increases in fees and rates.

Operating costs (excluding municipal taxes and rent paid to Transport Canada) for the quarter under review totalled \$35.4 million, up \$0.6 million, or 1.7%, from the corresponding period of the previous year. Operating costs for the six months ended June 30, 2011, rose by 3.4%, reaching \$76.1 million in 2011, against \$73.6 million for the first half-year of 2010. This variance is due, among other factors, to higher costs related to snow-removal operations, AIF collection costs and professional fees related to various studies.

Municipal taxes (PILT, or payments in lieu of municipal taxes) were \$10.3 million for the second quarter, up \$0.3 million, or 3.0%, over the same period of 2010. PILT for the half-year ended June 30, 2011, increased by 17.7%, reaching \$20.6 million in 2011, against \$17.5 million for the first six months of 2010. Excluding the impact of a non-recurring adjustment recorded in the first quarter of 2010 concerning the reversal of an accounting provision that reduced the 2010 expense, the real cumulative increase over 2010 is approximately 4%.

Rent paid to Transport Canada totalled \$10.8 million for the second quarter and \$21.6 million for the half year, respectively increases of \$1.5 million, or 16.1%, and \$3.2 million, or 17.4%, over the corresponding periods a year earlier. This increase is directly related to the Corporation's higher revenues, since rent is calculated as a percentage of revenues.

Like many other companies, ADM considers EBITDA to be the best indicator for judging its financial performance and its ability to meet its financial obligations. EBITDA stood at \$50.2 million for the quarter under review, a rise of \$9.2 million, or 22.4%, over the second quarter a year earlier. EBITDA was \$94.8 million for the half-year ended June 30, 2011, up \$17.2 million, or 22.2%, compared with the first six months of 2010.

Depreciation amounted to \$22.4 million for the second quarter and \$43.6 million for the half-year, respectively representing increases over the corresponding prior-year periods of \$1.8 million, or 8.7%, and \$2.6 million, or 6.3%. The main reason for this increase was the commissioning of projects completed during 2010.

The quarter ended June 30, 2011, generated an excess of revenues over expenses of \$4.9 million, compared with a deficiency of \$2.8 million for the corresponding quarter of 2010. The excess of revenues over expenses for the period ended June 30, 2011, was \$5.6 million, against a deficiency of \$6.6 million for the corresponding year-ago period.

Financial highlights:

(in millions of dollars)	Second quarter			Cumulative as at June 30		
	2011	2010	Variance (%)	2011	2010	Variance (%)
Revenues	106.3	94.7	12.2	212.2	186.4	13.8
Salaries, employee benefits and other operating expenses	35.4	34.8	1.7	76.1	73.6	3.4
Payments in lieu of municipal taxes (PILT)	10.3	10.0	3.0	20.6	17.5	17.7
Transport Canada rent	10.8	9.3	16.1	21.6	18.4	17.4
Depreciation	22.4	20.6	8.7	43.6	41.0	6.3
Financial expenses	22.5	22.8	(1.3)	44.8	44.1	1.6
Gain on other financial assets	-	-	-	(0.1)	(1.6)	(93.8)
Total expenses	101.4	97.5	4.0	206.6	193.0	7.0
Excess (deficiency) of revenues over expenses	4.9	(2.8)	(275.0)	5.6	(6.6)	(184.8)
EBITDA (excluding the gain on other financial assets)	50.2	41.0	22.4	94.8	77.6	22.2

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

EBITDA is defined by the Corporation as excess of revenues over expenses before financial expenses, income taxes, depreciation and gain on other financial assets. Calculation of EBITDA takes into account certain financial expenses included in operating expenses (net of certain financial income included in revenues), which total \$0.4 million for the second quarter of 2011 (\$0.4 million in 2010), and \$0.9 million for the half-year (\$0.7 million in 2010).

Passenger traffic

Passenger traffic at Montréal–Trudeau totalled 3.4 million for the second quarter of 2011, up 6.0% from the corresponding period last year. International traffic showed the strongest growth, at 8.4%, while transborder (U.S.) and domestic traffic totals were up by 5.1% and 4.5% respectively. The addition of new services is the main reason for this good performance. For the first six months of the year, traffic at Montréal–Trudeau totalled 6.8 million passengers, an increase of 6.3% compared with the first half of 2010.

Table – Total passenger traffic*

Aéroports de Montréal			
	2011	2010	Variance
January	1,133,805	1,045,308	8.5%
February	1,040,827	990,471	5.1%
March	1,188,799	1,122,089	5.9%
1st quarter	3,363,431	3,157,868	6.5%
April	1,109,603	1,037,661	6.9%
May	1,087,430	1,030,279	5.5%
June	1,194,908	1,131,038	5.6%
2nd quarter	3,391,941	3,198,978	6.0%
Total as at June 30	6,755,372	6,356,846	6.3%

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

Source: Aéroports de Montréal, preliminary figures

Aircraft movements

Overall aircraft movements at both ADM airports increased by 6.3% in the second quarter of 2011, reaching 64,567 movements, compared with 60,745 for the same period a year earlier. There were 123,046 aircraft movements during the first six months of 2011, a 5.6% increase over the 116,540 movements recorded during the first six months of 2010.

Aéroports de Montréal is the local airport authority responsible for the management, operation and development of Montréal–Trudeau and Montréal–Mirabel international airports since 1992. The Corporation employs 600 people at the two airports.

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