

PRESS RELEASE

For immediate release

AÉROPORTS DE MONTRÉAL ANNOUNCES ITS RESULTS FOR THE THIRD QUARTER OF 2013

Montréal, October 25, 2013— Aéroports de Montréal (ADM) today announced its consolidated financial results for the three- and nine-month periods ended September 30, 2013. These results are accompanied by data on passenger traffic and aircraft movements at Montréal-Trudeau and Montréal-Mirabel international airports.

Highlights

Passenger traffic at Montréal-Trudeau increased by 3.7% for the third quarter and 1.9% for the nine months ended September 30, 2013, compared with the corresponding periods of 2012.

EBITDA (excess of revenues over expenses before financial expenses, income taxes and depreciation) totalled \$61.0 million for the third quarter, an increase of \$3.1 million, or 5.4%, over the third quarter of 2012. EBITDA stood at \$158.5 million for the nine months ended September 30, 2013, up \$5.1 million, or 3.3%, over the same period a year earlier.

The Corporation invested a total of \$54.5 million during the third quarter of 2013 and \$110.9 million for the nine months. Investments in the airports were financed by cash flows from airport operations, including airport improvement fees (AIFs).

Results

Consolidated revenues amounted to \$119.5 million for the third quarter of 2013, an increase of \$4.3 million, or 3.7%, over the same year-earlier period. Accumulated revenues as at September 30, 2013, rose by \$8.3 million, or 2.5%, from \$331.9 million for the nine months of 2012 to \$340.2 million for the same period of 2013. This improvement is mainly attributable to higher aeronautical fees.

Operating costs for the quarter under review totalled \$36.1 million, up \$0.6 million, or 1.7%, from the corresponding period of 2012. Operating costs for the nine months ended September 30, 2013, increased by 2.4%, from \$115.2 million in 2012 to \$118.0 million for the same period of 2013. This variance is due, among other factors, to increases in certain operating expenses, particularly energy costs, and to higher salaries, including pension costs.

Depreciation amounted to \$25.3 million for the third quarter, up \$2.1 million, or 9.1%, over the same year-ago quarter. For the nine months ended September 30, 2013, depreciation totalled \$74.4 million, up \$6.5 million, or 9.6%, from the corresponding 2012 period. The main reason for this rise was the commissioning of facilities built in 2012.

Financial expenses totalled \$22.3 million for the third quarter and \$66.5 million for the nine months ended September 30, 2013, up respectively by \$1.7 million, or 8.3%, and \$2.9 million, or 4.6%, against the same periods of 2012. These variances are mainly attributable to the issuance of a new series of revenue bonds in September 2012.

Income taxes recovered totalling \$1.1 million arise from the reversal of a tax provision related to a foreign investment held by the subsidiary ADM Capital.

The quarter ended September 30, 2013, generated an excess of revenues over expenses of \$13.0 million, compared with an excess of \$13.9 million for the corresponding quarter of 2012. The excess of revenues over expenses for the nine-month period ended September 30, 2013, was \$17.4 million, against an excess of \$20.8 million for the same period of 2012.

Financial highlights

(in millions de dollars)	Third quarter			Cumulative as at September 30		
	2013	2012	Variance (%)	2013	2012	Variance (%)
Revenues	119.5	115.2	3.7	340.2	331.9	2.5
Operating costs (excluding PILT)	36.1	35.5	1.7	118.0	115.2	2.4
Payments in lieu of taxes to municipalities (PILT)	10.4	10.2	2.0	30.2	30.5	(1.0)
Rent paid to Transport Canada	12.4	11.8	5.1	34.8	33.9	2.7
Depreciation of property and equipment	25.3	23.2	9.1	74.4	67.9	9.6
Financial expenses	22.3	20.6	8.3	66.5	63.6	4.6
Total expenses	106.5	101.3	5.1	323.9	311.1	4.1
Excess of revenues over expenses - before income taxes	13.0	13.9	(6.5)	16.3	20.8	(21.6)
Income taxes recovered	-	-	-	1.1	-	100.0
Excess of revenues over expenses	13.0	13.9	(6.5)	17.4	20.8	(16.3)
EBITDA	61.0	57.9	5.4	158.5	153.4	3.3

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

EBITDA is defined by the Corporation as excess of revenues over expenses before financial expenses, income taxes, depreciation and gain on other financial assets. Calculation of EBITDA takes into account certain financial expenses included in operating expenses (net of certain interest income included in revenues), which total \$0.4 million for the third quarter of 2013 (\$0.2 million in 2012), and \$1.3 million for the nine months ended September 30 (\$1.1 million in 2012).

Passenger traffic

Total passenger traffic at Montréal–Trudeau grew by 3.7% during the third quarter of 2013 from the corresponding year-earlier quarter, to 4.0 million passengers. International traffic increased by 4.1%, domestic traffic by 3.7% and transborder (U.S.) traffic by 3.2% compared with the same date last year. The month of August was especially active, with a jump of 6.1% in passenger traffic, due among other factors to favourable flight schedules and a marked increase in connecting traffic. For the nine months, traffic at Montréal–Trudeau totalled 10.9 million passengers, an increase of 1.9% compared with the same period last year.

Table – Total passenger traffic *

	Aéroports de Montréal		
	2013	2012	Variance
January	1,134,558	1,130,813	0.3%
February	1,072,426	1,092,881	-1.9%
March	1,284,637	1,256,984	2.2%
1st quarter	3,491,621	3,480,678	0.3%
April	1,130,416	1,136,248	-0.5%
May	1,107,695	1,067,885	3.7%
June	1,216,275	1,196,381	1.7%
2nd quarter	3,454,386	3,400,514	1.6%
July	1,360,299	1,314,834	3.5%
August	1,438,727	1,355,657	6.1%
September	1,172,015	1,157,644	1.2%
3rd quarter	3,971,041	3,100,493	3.7%
Total as at September 30	10,917,048	10,709,327	1.9%

Source: Aéroports de Montréal, preliminary figures

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

Aircraft movements

Overall aircraft movements at both ADM airports decreased by 3.4% in the third quarter of 2013, to 61,591 movements, compared with 63,748 for the same period last year. There were a total of 178,452 aircraft movements during the nine months of 2013, a 2.8% decline from the same period of 2012.

About Aéroports de Montréal

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