

AÉROPORTS DE MONTRÉAL ANNOUNCES ITS RESULTS AS AT JUNE 30, 2017

Montréal, July 28, 2017 — Aéroports de Montréal (ADM) today announced its consolidated operating results for the three- and six-month periods ended June 30, 2017. These results are accompanied by data on passenger traffic at Montréal–Trudeau International Airport.

Highlights

Montréal–Trudeau’s passenger numbers reached new highs in comparison with the corresponding periods last year, with 4.4 million passengers enplaned/deplaned during the second quarter of 2017, an increase of 11.0%, and 8.5 million for the half-year ended June 30, 2017, up 8.6%. All three sectors – domestic, transborder (U.S.) and international – contributed to this sustained performance.

EBITDA (excess of revenues over expenses before financial expenses and depreciation of property and equipment) totalled \$68.2 million for the second quarter of 2017, a rise of \$5.9 million, or 9.5%, over the corresponding period of 2016. EBITDA for the half-year ended June 30, 2017, stood at \$128.0 million, up \$8.6 million, or 7.2%, from the prior-year period.

The Corporation invested \$60.0 million in the second quarter and \$90.5 million for the first six months of 2017, against \$56.6 million and \$94.1 million, respectively, in 2016. Investments in the airports were financed by cash flows from operating activities, including airport improvement fees.

Financial results

Consolidated revenues amounted to \$138.9 million for the second quarter of 2017, an increase of \$11.7 million, or 9.2%, over the same quarter of 2016. Cumulative consolidated revenues for the six months ended June 30, 2017, rose by \$19.9 million, or 7.9% over the same period a year earlier, from \$253.4 million in 2016 to \$273.3 million in 2017. This improvement is mainly attributable to the growth of passenger traffic and higher revenues generated by commercial activities.

Operating costs for the quarter under review were \$45.7 million, up \$4.1 million, or 9.9%, from the same period of 2016. Operating costs for the half-year ended June 30, 2017, were up by \$8.3 million, or 9.6%, over the same period of last year, from \$86.8 million to \$95.1 million. This variance is attributable to, among other factors, increased operating costs related to the opening of the international jetty expansion in May 2016, as well as to winter conditions and Transport Canada security requirements with the addition of four Non-Passenger Screening-Vehicle (NPS-V) checkpoints.

Transfers to governments (payments in lieu of municipal taxes [PILT] and rent paid to Transport Canada) totalled \$25.0 million for the second quarter of 2017 and \$50.2 million for the first six months of the year (\$23.3 million and \$47.2 million, respectively, for 2016), representing more than 18% of the Corporation’s total revenues.

Depreciation of property and equipment was \$33.0 million for the quarter, an increase over the prior-year period of \$3.3 million, or 11.1%. Depreciation of property and equipment reached \$65.3 million for the six months ended June 30, 2017, a rise of \$6.9 million, or 11.8%, over the first half-year of 2016. This rise is mainly attributable to the commissioning of projects completed during 2016, including the expansion of the international jetty in May 2016.

Financial expenses were \$26.0 million for the quarter under review, an increase of \$1.4 million, or 5.7%, over the same 2016 period. Cumulative financial expenses for the six-month period ended June 30, 2017, rose by \$2.5 million, or 5.2%, to \$50.7 million, an increase due mainly to higher financial expenses following the issue of Series N bonds in April 2017.

The quarter ended June 30, 2017, produced an excess of revenues over expenses of \$9.2 million, compared with \$8.0 million for the corresponding 2016 quarter, an increase of \$1.2 million, or 15.0%. The cumulative excess of revenues over expenses for the six months ended June 30, 2017, was \$12.0 million, against \$12.8 million for the first half-year of 2016, a decrease of \$0.8 million, or 6.2%.

Financial results (in millions of dollars)	Second quarter			Cumulative as at June 30		
	2017	2016	Variance (%)	2017	2016	Variance (%)
Revenues	138.9	127.2	9.2	273.3	253.4	7.9
Operating expenses	45.7	41.6	9.9	95.1	86.8	9.6
Payments in lieu of municipal taxes (PILT)	10.5	10.2	2.9	21.5	21.0	2.4
Rent paid to Transport Canada	14.5	13.1	10.7	28.7	26.2	9.5
Depreciation of property and equipment	33.0	29.7	11.1	65.3	58.4	11.8
Charges expenses (net)	26.0	24.6	5.7	50.7	48.2	5.2
Total expenses	129.7	119.2	8.8	261.3	240.6	8.6
Excess of revenues over expenses	9.2	8.0	15.0	12.0	12.8	-6.2
EBITDA	68.2	62.3	9.5	128.0	119.4	7.2

EBITDA is a financial measurement that is not recognized by International Financial Reporting Standards (IFRS) and is therefore unlikely to be comparable to similar measures used by other entities that are not airports. EBITDA is defined by the Corporation as the excess of revenues over expenses before financial expenses and depreciation of property and equipment. EBITDA is used by management as an indicator to evaluate ongoing operational performance. It is meant to provide additional information and should not be considered as a substitute for other performance measurements prepared in accordance with IFRS.

Passenger traffic

Total passenger traffic at Montréal–Trudeau for the second quarter of 2017 was up by 11.0%, to 4.4 million passengers enplaned/deplaned. International traffic rose by 17.5%, domestic traffic by 7.6%, and transborder (U.S.) traffic by 6.8% over the year-earlier quarter.

Total passenger traffic*

Aéroports de Montréal ('000)			
	2017	2016	Variance
January	1,348.4	1,261.5	6.9%
February	1,260.7	1,225.2	2.9%
March	1,487.0	1,370.3	8.5%
Total	4,096.1	3,856.9	6.2%
April	1,451.6	1,238.7	17.2%
May	1,408.5	1,313.2	7.3%
June	1,580.1	1,448.3	9.1%
Total 2nd quarter	4,440.2	4,000.1	11.0%
Total as at June 30	8,536.3	7,857.0	8.6 %

**Note: Total passenger traffic includes revenue and non-revenue passengers and the variance is based on detailed actual numbers.*

Source: Aéroports de Montréal, preliminary figures

About Aéroports de Montréal

Aéroports de Montréal is the airport authority for the Greater Montreal area responsible for the management, operation and development of Montréal–Trudeau International Airport and of Mirabel aeronautic and industrial park. The corporation employs 625 people.

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