

ADM ANNOUNCES ITS FINANCIAL RESULTS AT DECEMBER 31, 2022

Montreal, April 5, 2023 – ADM Aéroports de Montréal today announced its consolidated operating results for the year ended December 31, 2022. These results are accompanied by passenger traffic data for YUL Montréal-Trudeau International Airport.

Highlights

- Passenger traffic at YUL totalled 4.3 million in the fourth quarter of 2022, up 87.3% from 2021, or 94.7% of the traffic in the corresponding period of 2019. The transborder and international sectors recovered significantly, reaching 94.0% and 103.2% of 2019 traffic levels in the fourth quarter, respectively. The domestic sector reached 85.9% of the 2019 traffic level in the fourth quarter. For the year 2022, overall traffic was 16 million passengers, up 207.1% from 2021.
- EBITDA (the excess of revenues over expenses before financial expenses, income taxes, depreciation and impairment and share of results of joint ventures, see the “Non-GAAP Measures” section for more information) was \$323.9 million for fiscal 2022, an increase of \$260.3 million over EBITDA of \$63.6 million for the previous year.
- Capital investments, net of grants, were \$68.0 million in 2022 compared with \$51.8 million in 2021, an increase of \$16.2 million, or 31.1%. Grants, primarily from the Government of Canada’s Airport Critical Infrastructure Program (ACIP), totalled \$75.2 million compared with \$5.3 million in the previous year.

Quote

"The traffic recovery accelerated throughout the year, with nearly 16 million passengers welcomed at YUL Montréal-Trudeau Airport. The last six months of 2022 have allowed us to reconnect with our passengers and resume a large number of activities at YUL, a trend that was fully confirmed during our last quarter. With the summer season rapidly approaching, all our teams remain motivated by the same objective: to offer our passengers a quality welcome and service. It's not by chance that our airport community employees were named Best Airport Staff in North America at the Skytrax World Airport Awards gala for the second time in five years. I would like to thank them again for their efforts during the more challenging times of the past year," said Philippe Rainville, President and CEO of ADM.

Financial results

Consolidated revenues were \$652.1 million in 2022, an increase of \$374.4 million, or 134.8%, over 2021. These positive results are the result of the significant recovery in passenger traffic that began at the end of the first quarter of 2022 and continued throughout the year.

Operating expenses for the year under review were \$214.2 million, an increase that was limited to \$63.3 million, or 42.0%, over the corresponding period in 2021 despite a strong recovery. This variance in operating expenses is primarily related to higher operational costs for passenger services due to the sustained recovery of activities since the spring of 2022 and lower salary subsidies. ADM met the eligibility criteria of the Tourism and Hospitality Recovery Program until March 2022, while it qualified for the Canada Emergency Wage Subsidy program for the entire year in 2021.

Transfers to governments (payments in lieu of taxes to municipalities [PILT] and rent to Transport Canada) totalled \$114.0 million in 2022, an increase of \$50.8 million from the previous year and represent 17.5% of ADM's revenues (22.8% in 2021).

Depreciation and impairment of property and equipment and right-of-use assets were \$160.4 million for 2022, a decrease of \$2.2 million, or 1.3%, from the same period in 2021 primarily due to the end of the amortization period for certain assets in the current year.

Net financial expenses totalled \$119.1 million in 2022, a decrease of \$13.7 million, or 10.4%, compared to 2021. This variance is mainly due to higher interest rates on investments, combined with a larger amount of available cash.

As at December 31, 2022, the excess of revenues over expenses was \$45.3 million compared to a deficiency of revenues over expenses of \$230.8 million for the same period in 2021.

Financial situation

ADM's net debt as at December 31, 2022 is \$2.30 billion compared to \$2.45 billion as at December 31, 2021; see the "Non-GAAP Measures" section for more information.

As at December 31, 2022, the Corporation is in compliance with the various financial covenants contained in the trust indenture.

Non-GAAP Measures

ADM sometimes presents financial measures that do not have a meaning prescribed by International Financial Reporting Standards ("IFRS"), referred to as non-GAAP measures. They are therefore unlikely to be comparable to similar measures presented by other companies.

EBITDA

EBITDA is defined by ADM as the excess of revenues over expenses before financial expense, income taxes, depreciation and impairment and share in the results of joint ventures. It is used by management as an indicator to evaluate operating performance. EBITDA is meant to provide additional information and is not intended to replace other performance measures prepared under IFRS.

Net debt

Net debt is defined as the difference between the gross balance due on long-term debt, including lease liabilities, and the amount available in cash and cash equivalents as well as the debt service reserve fund.

Key financial measures

(in millions of dollars)	Cumulative as of December 31		
	2022	2021	Variance (%)
Revenues	652.1	277.7	134.8
Operating costs	214.2	150.9	42.0
Payments in lieu of taxes to municipalities (PILT)	45.7	37.9	20.4
Transport Canada rent	68.3	25.3	170.0
Depreciation of property and equipment and right-of-use assets	160.4	162.6	(1.3)
Net financial expenses	119.1	132.8	(10.4)
Total expenses	607.7	509.5	19.3
Excess (deficiency) of revenue over expenses before share in the results of joint ventures and income taxes	44.4	(231.8)	119.1
Share in the results of joint ventures	0.8	1.0	(21.4)
Income taxes	0.1	-	100%
Excess (deficiency) of revenues over expenses	45.3	(230.8)	119.6
EBITDA	323.9	63.6	409.2

(in billions of dollars)	December 31, 2022	December 31, 2021	Variance (%)
Net debt	2.30	2.45	(6.3)

Capital investments

Investments at YUL and YMX in 2022 were funded by operations and grants.

(in millions of dollars)	Cumulative as of December 31		
	2022	2021	Change (%)
Airport Program			
Work completed	88.3	46.6	89.5
Grants (mainly ACIP)	(32.6)	(13.8)	137.6
Sub-total airport program	55.7	32.8	69.4
REM Station			
Work completed	55.1	24.3	126.5
ACIP Grant	(42.8)	(5.3)	701.3
Subtotal REM Station	12.3	19.0	(35.3)
Total capital investments	68.0	51.8	31.1

The % variance in the above tables are calculated with results in thousands.

Passenger traffic

For the fourth quarter of 2022, traffic at YUL totalled 4.3 million passengers, an 87.3% increase over the same period in 2021. All three sectors saw an increase in traffic over the fourth quarter of 2021: 102.9% for international, 121.9% for transborder (U.S.), and 54.8% for domestic.

In the fourth quarter, passenger traffic at YUL reached 94.7% of the 2019 traffic level, consisting of 103.2% international, 94.0% transborder and 85.9% domestic.

Passenger traffic for the year 2022 represented 78.7% of the traffic recorded in 2019, with 82.4% for international, 76.7% for transborder and 75.4% for domestic.

Total passenger traffic*

Aéroports de Montréal					
(in thousands)	2022	2021	Variance 2022 vs 2021	2019	2022 as % of 2019
January	606.3	215.5	+ 181.4%	1,532.2	39.6%
February	623.1	111.0	+ 461.5%	1,432.6	43.5%
March	1,013.9	109.6	+ 825.0%	1,712.6	59.2%
April	1,130.5	119.0	+ 850.3%	1,567.9	72.1%
May	1,273.6	136.0	+ 836.5%	1,603.2	79.4%
June	1,591.1	220.4	+ 621.9%	1,839.2	86.5%
July	1,886.2	525.4	+ 259.0%	2,098.0	89.9%
August	1,881.6	768.8	+ 144.7%	2,146.8	87.6%
September	1,640.4	685.1	+ 139.4%	1,801.9	91.0%
October	1,536.7	729.3	+ 110.7%	1,624.4	94.6%
November	1,313.7	701.3	+ 87.3%	1,364.2	96.3%
December	1,477.5	880.3	+ 67.8%	1,583.4	93.3%
Total	15,974.6	5,201.7	+ 207,1 %	20,306.5	78.7%

Note: Total passenger traffic includes both revenue and non-revenue passengers and is calculated with results in thousands.

Source: Aéroports de Montréal

Sustainability at ADM

During this quarter, ADM implemented the following initiatives as part of its commitment to sustainability:

- Continued its participation in the Recyc-Québec's "ICI on recycle +" program, which earned YUL "Performance +" certification. This program recognizes and honours organizations that are proactive and committed to improving their waste management performance, which ADM demonstrated by reaching a higher level than at the previous renewal in 2018.
- Began the process to obtain Kéroul certification in terms of accessibility, following which YUL obtained the "accessible" rating. This means that YUL meets all of Kéroul's accessibility criteria and offers a satisfactory visit experience for the majority of people with motor disabilities, in addition to meeting the needs of people with sensory disabilities.
- Planted 106 trees on the YUL property, together with partners SOVERDI and GRAME, as part of the greening objectives of its master plan. Trees planted include Ginkgo biloba, Honey locust, Amur maple, Amur maackia, Colorado spruce, and black pine.

To learn more about ADM's actions, visit its Sustainability [Indicators platform](#) or consult [its 2021 Annual Report](#), which presents its first-ever Sustainability Report based on the Global Reporting Initiative (GRI) standards.

About Aéroports de Montréal

ADM Aéroports de Montréal is the airport authority for the Greater Montréal area responsible for the management, operation and development of YUL Montréal-Trudeau International Airport, certified 4-stars under the Skytrax World Airport Star Rating program, and YMX International Aerocity of Mirabel.

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Source:

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