

Air Canada Reports Second Quarter 2022 Financial Results

- *Operating revenues of \$3.981 billion, a nearly five-fold increase from the second quarter of 2021*
- *Operating loss of \$253 million, the narrowest quarterly loss since the pandemic began*
- *Free cash flow* of \$441 million, an increase of nearly \$2.1 billion from the second quarter of 2021*
- *Unrestricted liquidity of over \$10.5 billion at June 30, 2022*

MONTREAL, Aug. 2, 2022 /CNW Telbec/ - Air Canada today reported its second quarter 2022 financial results.



AIR CANADA logo (CNW Group/Air Canada)

"The past three months have been very challenging for our company, our employees, and customers from an operational perspective. The path to recovery from any serious event is rarely straight and easy. I thank our employees for their incredibly hard work, demonstrated professionalism and commitment as we safely transported over 9.1 million customers in the quarter, nearly 8 million more than the second quarter of 2021 or about 70% of total customers carried in the full year 2021," said Michael Rousseau, President and Chief Executive Officer of Air Canada.

"The industry worldwide is facing unprecedented conditions as it emerges from pandemic-related restrictions. The situation is particularly challenging in Canada, where we have gone from a near two-year shutdown of air travel to rebuilding our capacity back to close to 80 per cent of 2019 levels in just a few months. Despite meticulous planning and projecting, participants involved in the air transport system are facing significant pressure in restarting. We continue to work together to restore the travel experience to expectations and are encouraged by recent improvements."

"From a financial perspective, we are pleased with our results as we generated \$154 million of EBITDA* in the quarter, a significant increase from a negative quarterly EBITDA of \$656 million a year ago, and operating revenues neared \$4 billion in the quarter, an improvement of about \$3.1 billion from the second quarter of 2021. Compared to pre-pandemic levels, 2022 second quarter advance ticket sales reached 94 per cent of those in the same quarter of 2019. In the second quarter, our operating capacity, measured by available seat miles, was 73 per cent of the same quarter in 2019, and despite the lower capacity, passenger revenues were 80 per cent of those generated in the second quarter of 2019, driven by higher yields," said Mr. Rousseau.

"We expected travel would rebound significantly once restrictions were lifted and prepared accordingly. We entered the peak summer travel period at close to 90 per cent of our pre-pandemic staffing levels, while prudently planning to operate approximately 80 per cent of our pre-pandemic schedule over that period. In the second quarter of 2022, we delivered a load factor of 80.5%, representing a significant improvement from the second quarter of 2021 levels but still declined about four percentage points from the second quarter of 2019. To further support the industry's recovery efforts and mitigate the short-term impact on customers and employees, we recently took additional steps to flatten peaks and smooth the flow of traffic, by proactively reducing our schedule over July and August."

"Finally, while many participants play a unique and essential role in the air transport system, we recognize that our customers experience these interconnected efforts as a single journey. We are working closely with our service providers and governments to keep addressing the issues aviation is facing in Canada and globally. We acknowledge the inconveniences and disruptions some of our customers have faced, and we deeply regret this. This is not business as usual for us. We thank our customers for their understanding and the loyalty they are showing to Air Canada in these unprecedented times," concluded Mr. Rousseau.

Second Quarter 2022 Financial Results

Air Canada reported the following financial results for the second quarter of 2022:

- Operating capacity, measured by Available Seat Miles (ASMs) increased about five times from the second quarter of 2021. Capacity in the second quarter was 73 per cent of the second quarter of 2019, in line with projections in Air Canada's first quarter 2022 earnings release dated April 26, 2022.
- Passenger revenues of \$3.441 billion increased about eight times from the second quarter of 2021.
- Operating revenues of \$3.981 billion increased almost five times from the second quarter of 2021.
- Operating expenses of \$4.234 billion increased \$2.264 billion from the second quarter of 2021.
- Cost per available seat mile (CASM) decreased to 20.8 cents from the second quarter 2021 CASM of 49.3 cents.
- Adjusted cost per available seat mile (Adjusted CASM)* of 13.1 cents compared to second quarter 2021 adjusted CASM of 41.5 cents.
- Operating loss of \$253 million, an improvement when compared to an operating loss of \$1.133 billion in the second quarter of 2021.
- EBITDA* (excluding special items) or earnings before interest, taxes, depreciation, and amortization of \$154 million, better than the negative EBITDA of \$656 million in the second quarter of 2021.
- Net loss of \$386 million or \$1.60 per diluted share compared to a net loss of \$1.165 billion or \$3.31 per diluted share in the second quarter of 2021.
- Cash from operations of \$1.077 billion compared to cash used in operations of \$1.377 billion in the second quarter of 2021. This improvement of \$2.454 billion was driven by better operating results and strong advance ticket sales in the second quarter of 2022, and considers the refund of eligible non-refundable tickets, which amounted to \$997 million in the second quarter of 2021.

* EBITDA (excluding special items), EBITDA margin, adjusted pre-tax income (loss), free cash flow, net debt, and adjusted CASM (discussed in this news release) are non-GAAP financial measures, non-GAAP ratios, or supplemental financial measures. Such measures are not recognized measures for financial statement presentation under GAAP, do not have standardized meanings, may not be comparable to similar measures presented by other entities and should not be considered a substitute for or superior to GAAP results. Refer to the "Non-GAAP Financial Measures" section of this news release for descriptions of Air Canada non-GAAP financial measures, non-GAAP ratios, and supplemental financial measures, and for a reconciliation of Air Canada non-GAAP measures used in this news release to the most comparable GAAP financial measure.

Second Quarter 2022 Overview

Easing of Travel Restrictions

During the second quarter of 2022, there was a further easing of travel restrictions by the Government of Canada. These changes included:

- Since April 1, 2022, fully vaccinated travellers are no longer required to provide a negative pre-

entry COVID-19 test result.

- Randomized testing for fully vaccinated travellers was temporarily suspended as of June 11, 2022, and resumed on July 19, 2022 (including for unvaccinated and for randomly selected fully vaccinated travellers) though it is now performed offsite.
- Since June 20, 2022, passengers are no longer required to present a proof of vaccination for boarding an aircraft in Canada. The requirements for passengers entering Canada remain unchanged.

Foreign nationals must qualify as fully vaccinated to enter Canada unless they meet an exemption set out in the Orders made under the *Quarantine Act*. Generally, unvaccinated or partially vaccinated travellers allowed to enter Canada remain subject to the federal requirement to quarantine and take a COVID-19 test prior to arrival, at arrival, and on day eight after arrival.

Route Network and Schedule

In late June 2022, in response to the unprecedented challenges faced by the air transportation system, Air Canada decided to proactively cancel about 8% of its scheduled flights in July and August 2022. This reduction represents about 154 fewer flights per day, on average, primarily on domestic and U.S. transborder routes to and from Toronto and Montreal (at peak times), or a total of about 378 million ASMs.

Fleet

In July 2022, Air Canada finalized an agreement for the purchase of two new Boeing 777 freighter aircraft with deliveries expected in 2024.

Outlook

For the third quarter of 2022, Air Canada plans to increase its ASM capacity by about 131 per cent from the same quarter in 2021 (or approximately 79 per cent of third quarter 2019 ASM capacity).

Air Canada is now providing the following guidance for the full year 2022:

- Air Canada plans to increase its full year 2022 ASM capacity by about 150 per cent from 2021 ASM levels (or about 74 per cent of 2019 ASM levels). Air Canada will continue to adjust capacity and take other measures as required, including to account for passenger demand, public health guidelines, and travel restrictions globally, as well as other factors, such as inflation and other cost pressures.
- For 2022, Air Canada expects Adjusted CASM to be about 15 to 17 per cent above 2019 levels. The variance to prior guidance is mainly due to an increase in the number of customers carried, which translates into higher passenger service and distribution costs. To a lesser extent, it is also attributable to an increase in wages, salaries and benefits.
- For 2022, Air Canada maintains its expectation of an annual EBITDA margin* of about 8 to 11 per cent.

Major Assumptions

Assumptions were made by Air Canada in preparing and making forward-looking statements. Among these, Air Canada assumes moderate Canadian GDP growth for 2022. Air Canada now assumes that the Canadian dollar will trade, on average, at C\$1.28 per U.S. dollar for the full year 2022 and that the price of jet fuel will average C\$1.27 per litre for the full year 2022.

Non-GAAP Financial Measures

Below is a description of certain non-GAAP financial measures used by Air Canada to provide readers with additional information on its financial and operating performance. Such measures are

not recognized measures for financial statement presentation under GAAP, do not have standardized meanings, may not be comparable to similar measures presented by other entities and should not be considered a substitute for, or superior to, GAAP results. Refer to the discussion below for descriptions of non-GAAP financial measures and to the tables accompanying this news release for reconciliations of the non-GAAP financial measures, used in this news release to the most comparable GAAP financial measures.

EBITDA

EBITDA (earnings before interest, taxes, depreciation and amortization) is commonly used in the airline industry and is used by Air Canada as a means to view operating results before interest, taxes, depreciation and amortization as these costs can vary significantly among airlines due to differences in the way airlines finance their aircraft and other assets. Air Canada excludes special items from EBITDA as these items may distort the analysis of certain business trends and render comparative analysis across periods or to other airlines less meaningful.

EBITDA Margin

EBITDA margin (EBITDA as a percentage of operating revenue) is commonly used in the airline industry and is used by Air Canada as a means to measure the operating margin before interest, taxes, depreciation and amortization as these costs can vary significantly among airlines due to differences in the way airlines finance their aircraft and other assets.

EBITDA and EBITDA margin are reconciled to GAAP operating income (or loss) as follows:

(Canadian dollars in millions, except where indicated)	Second Quarter		
	2022	2021	Change
Operating loss – GAAP	\$ (253)	\$ (1,133)	\$ 880
Add back:			
Depreciation and amortization	407	404	3
EBITDA (including special items)	\$ 154	\$ (729)	\$ 883
Remove:			
Special items	-	73	(73)
EBITDA (excluding special items)	\$ 154	\$ (656)	\$ 810
Operating margin (%)	(6)	(135)	129 pp
EBITDA margin (%)	4	(78)	82 pp

Adjusted Cost per Available Seat Mile (CASM)

Air Canada uses adjusted CASM to assess the operating and cost performance of its ongoing airline business without the effects of aircraft fuel expense, the cost of ground packages at Air Canada Vacations, freighter costs, and special items as these items may distort the analysis of certain business trends and render comparative analysis across periods or to other airlines less meaningful.

In calculating adjusted CASM, aircraft fuel expense is excluded from operating expense results as it fluctuates widely depending on many factors, including international market conditions, geopolitical events, jet fuel refining costs and Canada/U.S. currency exchange rates. Air Canada also incurs expenses related to ground packages at Air Canada Vacations which some airlines, without comparable tour operator businesses, may not incur. In addition, these costs do not generate ASMs and therefore excluding these costs from operating expense results provides for a more meaningful comparison across periods when such costs may vary.

Air Canada also incurs expenses related to the operation of freighter aircraft which some airlines, without comparable cargo businesses, may not incur. Air Canada introduced one Boeing 767 dedicated freighter to its fleet in December 2021 and added a second Boeing 767 freighter in April 2022. In the second quarter of 2022, Air Canada took delivery of two new Boeing 767 freighter aircraft, which are expected to enter service in 2023. Air Canada expects to have a fleet of seven Boeing 767 dedicated freighters by the end of 2023. Prior to 2021, Air Canada did not incur any

costs related to the operation of dedicated freighter aircraft. These costs do not generate ASMs and therefore excluding these costs from operating expense results provides for a more meaningful comparison across periods when such costs may vary.

Excluding aircraft fuel expense, the cost of ground packages at Air Canada Vacations, dedicated freighter expenses and special items from operating expenses generally allows for a more meaningful analysis of Air Canada's operating expense performance and a more meaningful comparison to that of other airlines.

Adjusted CASM is reconciled to GAAP operating expense as follows:

(Canadian dollars in millions, except where indicated)	Second Quarter		
	2022	2021	Change
Operating expense – GAAP	\$ 4,234	\$ 1,970	\$ 2,264
Adjusted for:			
Aircraft fuel	(1,450)	(239)	(1,211)
Ground package costs	(102)	(1)	(101)
Special items	-	(73)	73
Freighter costs	(22)	-	(22)
Operating expense, adjusted for the above-noted items	\$ 2,660	\$ 1,657	\$ 1,003
ASMs (millions)	20,331	4,000	408.3 %
Adjusted CASM (cents)	¢ 13.09	¢ 41.45	¢ (28.36)

Adjusted Pre-tax Income (Loss)

Adjusted pre-tax income (or loss) is used by Air Canada to assess the overall pre-tax financial performance of its business without the effects of foreign exchange gains or losses, net interest relating to employee benefits, gains or losses on financial instruments recorded at fair value, gains or losses on sale and leaseback of assets, gains or losses on disposal of assets, gains or losses on debt settlements and modifications, and special items as these items may distort the analysis of certain business trends and render comparative analysis across periods or to other airlines less meaningful.

Adjusted pre-tax income (or loss) is reconciled to GAAP income (or loss) before income taxes as follows:

(Canadian dollars in millions)	Second Quarter		
	2022	2021	\$ Change
Loss before income taxes – GAAP	\$ (352)	\$ (1,298)	\$ 946
Adjusted for:			
Special items	-	73	(73)
Foreign exchange loss	196	5	191
Net interest relating to employee benefits	(4)	5	(9)
(Gain) loss on financial instruments recorded at fair value	(287)	5	(292)
Adjusted pre-tax loss	\$ (447)	\$ (1,210)	\$ 763

Free Cash Flow

Air Canada uses free cash flow as an indicator of the financial strength and performance of its business, indicating the amount of cash Air Canada can generate from operations and after capital expenditures. Free cash flow is calculated as net cash flows from operating activities minus additions to property, equipment, and intangible assets, and is net of proceeds from sale and leaseback transactions.

The table below provides the calculation of free cash flow for Air Canada for the periods indicated.

(Canadian dollars in millions)	Second Quarter		
	2022	2021	\$ Change
Net cash flows from (used in) operating activities	\$ 1,077	\$ (1,377)	\$ 2,454
Additions to property, equipment, and intangible assets, net of proceeds from sale and leaseback transactions	(636)	(261)	(375)
Free cash flow	\$ 441	\$ (1,638)	\$ 2,079

Additional Financial Measures

Net Debt

Net debt is a capital management measure and a key component of the capital managed by Air Canada and provides management with a measure of its net indebtedness.

The table below reflects Air Canada's net debt balances as at June 30, 2022, and as at December 31, 2021.

(Canadian dollars in millions)	June 30, 2022	December 31, 2021	\$ Change
Total long-term debt and lease liabilities	\$ 15,400	\$ 15,511	\$ (111)
Current portion of long-term debt and lease liabilities	1,164	1,012	152
Total long-term debt and lease liabilities (including current portion)	16,564	16,523	41
Less cash, cash equivalents and short and long-term investments	(9,536)	(9,403)	(133)
Net debt	\$ 7,028	\$ 7,120	\$ (92)

For further information on Air Canada's public disclosure file, including Air Canada's 2021 Annual Information Form dated February 25, 2022, consult SEDAR at www.sedar.com.

Second Quarter 2022 Conference Call

Air Canada will host its quarterly analysts' call today, Tuesday, August 2, 2022, at 8:00 a.m. ET. Michael Rousseau, President and Chief Executive Officer, Amos Kazzaz, Executive Vice President and Chief Financial Officer, Lucie Guillemette, Executive Vice President and Chief Commercial Officer, and Craig Landry, Executive Vice President and Chief Operations Officer, will be available for analysts' questions. Immediately following the analysts' Q&A session, Mr. Kazzaz and Pierre Houle, Vice President and Treasurer, will be available to answer questions from term loan B lenders and holders of Air Canada bonds.

Media and the public may access this call on a listen-in basis. Details are as follows:

Live audio webcast: <https://edge.media-server.com/mmc/p/2e6n9kqw>

By telephone: 416-340-2217 or 1-800-898-3989 (toll-free), passcode 6969160#

Please allow 10 minutes to be connected to the conference call.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release includes forward-looking statements within the meaning of applicable securities laws. Forward-looking statements relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable. These statements may involve, but are not limited to, comments relating to guidance, strategies, expectations, planned operations or future actions. Forward-looking statements are identified using terms and phrases such as "preliminary", "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Forward-looking statements, by their nature, are based on assumptions including those described in this news release and the documents incorporated by reference herein and are subject to important risks and uncertainties. Forward-looking statements cannot be relied upon due to, among other things, changing external events and general uncertainties of the business of Air Canada. Actual results may differ materially from results indicated in forward-looking statements

due to a number of factors, including those discussed below.

Since March 2020, Air Canada and the rest of the global airline industry have faced significantly lower traffic than in 2019, and a corresponding decline in revenue and cash flows, as a result of the COVID-19 pandemic and the travel restrictions imposed in many countries around the world, including in Canada. Conditions have improved and travel restrictions have been lifted in many countries, but the wide-ranging impact of the COVID-19 pandemic and certain other factors have impeded Air Canada's and the global airline industry's restart efforts. It has also affected the ability of some of its participants, on which Air Canada's operations are dependent, to support the surge in traffic. This has led to flight delays and cancellations, and other operational disruptions and challenges. Air Canada cannot predict the timing for when such challenges may be overcome or the timing and extent of the return to pre-pandemic traffic levels. The return of business travel to pre-pandemic levels may be challenged by the evolving nature of business models and remote-work practices adopted during the COVID-19 pandemic, such as the use of videoconferencing and other remote-work technologies, as well as by interest in more sustainable practices. Air Canada is actively monitoring key indicators relevant to its rebuilding plans and will adjust as required. This will include the evolving impact of the pandemic, the timing and extent of recovery in the international and business travel segments, the ability of industry participants to overcome challenges in restarting the industry and meeting the surge in traffic, economic and other factors, none of which can be predicted with certainty.

Other factors that may cause results to differ materially from results indicated in forward-looking statements include economic and geopolitical conditions such as the military conflict between Russia and Ukraine, Air Canada's ability to successfully achieve or sustain positive net profitability, industry and market conditions and the demand environment, Air Canada's ability to pay its indebtedness and maintain or increase liquidity, competition, Air Canada's dependence on technology, cybersecurity risks, energy prices, Air Canada's ability to successfully implement appropriate strategic and other important initiatives (including Air Canada's ability to manage operating costs), other epidemic diseases, terrorist acts, war, Air Canada's dependence on key suppliers (including government agencies and other stakeholders supporting airport and airline operations), Air Canada's ability to successfully operate its loyalty program, interruptions of service, Air Canada's ability to attract and retain required personnel, the availability and onboarding of Air Canada's workforce, casualty losses, changes in laws, regulatory developments or proceedings, climate change and environmental factors (including weather systems and other natural phenomena and factors arising from anthropogenic sources), Air Canada's dependence on regional and other carriers, Air Canada's ability to preserve and grow its brand, employee and labour relations and costs, Air Canada's dependence on Star Alliance® and joint ventures, pending and future litigation and actions by third parties, currency exchange, limitations due to restrictive covenants, insurance issues and costs, pension plans, as well as the factors identified in Air Canada's public disclosure file available at www.sedar.com and, in particular, those identified in section 18 "Risk Factors" in Air Canada's 2021 MD&A and section 14 "Risk Factors" of Air Canada's Second Quarter 2022 MD&A. The forward-looking statements contained or incorporated by reference in this news release represent Air Canada's expectations as of the date of this news release (or as of the date they are otherwise stated to be made) and are subject to change after such date. However, Air Canada disclaims any intention or obligation to update or revise any forward-looking statements whether because of new information, future events or otherwise, except as required under applicable securities regulations.

About Air Canada

Air Canada is Canada's largest airline, the country's flag carrier and a founding member of Star Alliance, the world's most comprehensive air transportation network celebrating its 25th anniversary in 2022. Air Canada provides scheduled passenger service directly to 51 airports in Canada, 51 in the

United States and 86 internationally. It is the only international network carrier in North America to receive a Four-Star ranking from Skytrax, which in 2021 gave Air Canada awards for the Best Airline Staff in North America, Best Airline Staff in Canada, Best Business Class Lounge in North America, and an excellence award for managing COVID-19. Through its leading travel loyalty Aeroplan program, Air Canada offers the ability to earn or redeem points on the world's largest airline partner network of 45 airlines, plus through an extensive range of merchandise, hotel and car rental rewards. Its freight division, Air Canada Cargo, provides air freight lift and connectivity to hundreds of destinations across six continents using Air Canada's passenger flights and cargo-only flights with its fleet of Boeing 767-300 freighters. Air Canada has committed to a net zero emissions goal from all global operations by 2050.

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Selected Financial Metrics and Statistics

The financial and operating highlights for Air Canada for the periods indicated are as follows:

(Canadian dollars in millions, except per share data or where indicated)	Second Quarter		
	2022	2021	\$ Change
Financial Performance Metrics			
Operating revenues	3,981	837	3,144
Operating loss	(253)	(1,133)	880
Loss before income taxes	(352)	(1,298)	946
Net loss	(386)	(1,165)	779
Adjusted pre-tax loss ⁽¹⁾	(447)	(1,210)	763
Operating margin (%)	(6)	(135)	129 pp ⁽⁸⁾
EBITDA (excluding special items) ⁽¹⁾	154	(656)	810
EBITDA margin ⁽¹⁾ (%)	4	(78)	82 pp
Unrestricted liquidity ⁽²⁾	10,508	9,775	733
Net cash flows from (used in) operating activities	1,077	(1,377)	2,454
Free cash flow ⁽¹⁾	441	(1,638)	2,079
Net debt ⁽¹⁾	7,028	7,085	(57)
Diluted loss per share	(1.60)	(3.31)	1.71
Operating Statistics ⁽³⁾	2022	2021	% Change
Revenue passenger miles ("RPMs") (millions)	16,371	1,687	870.2
Available seat miles ("ASMs") (millions)	20,331	4,000	408.3
Passenger load factor %	80.5 %	42.2 %	38.3 pp
Passenger revenue per RPM ("Yield") (cents)	21.0	25.3	(16.8)
Passenger revenue per ASM ("FRASM") (cents)	16.9	10.7	58.8
Operating revenue per ASM (cents)	19.6	20.9	(6.5)
Operating expense per ASM ("CASM") (cents)	20.8	49.3	(57.7)
Adjusted CASM (cents) ⁽¹⁾	13.1	41.5	(68.4)
Average number of full-time-equivalent ("FTE") employees (thousands) ⁽⁴⁾	29.5	16.5	78.7
Aircraft in operating fleet at period-end ⁽⁵⁾	342	336	1.8
Seats dispatched (thousands)	11,744	2,668	340.2
Aircraft frequencies (thousands)	86.0	24.3	253.8
Average stage length (miles) ⁽⁶⁾	1,731	1,505	15.1
Fuel cost per litre (cents)	147.3	68.3	115.7
Fuel litres (thousands)	983,688	349,690	181.3
Revenue passengers carried (thousands) ⁽⁷⁾	9,145	1,165	685.0

(1) Adjusted pre-tax income (loss), EBITDA (excluding special items) (earnings before interest, taxes, depreciation, and amortization), EBITDA margin, free cash flow, net debt and adjusted CASM are non-GAAP financial measures, non-GAAP ratios or supplemental financial measures. Such measures are not recognized measures for financial statement presentation under GAAP, do not have standardized meanings, may not be comparable to similar measures presented by other entities and should not be considered a substitute for or superior to GAAP results. Refer to section "Non-GAAP Financial Measures" of this news release for descriptions of non-GAAP financial measures and to the tables accompanying this news release for a quantitative reconciliation of the non-GAAP financial measures, used in this news release to the most comparable GAAP measure.

- (2) Unrestricted liquidity refers to the sum of cash, cash equivalents, short and long-term investments, and the amounts available under Air Canada's credit facilities. Unrestricted liquidity, as at June 30, 2022, consisted of \$9,536 million in cash, cash equivalents, short and long-term investments and \$972 million available under undrawn credit facilities. As at June 30, 2021, unrestricted liquidity consisted of \$5,661 million in cash, cash equivalents, short and long-term investments and \$3,975 million available under undrawn credit facilities with the Government of Canada and \$139 million available to be drawn under the Government of Canada refunds credit facility.
- (3) Except for the reference to average number of FTE employees, operating statistics in this table include third party carriers operating under capacity purchase agreements with Air Canada.
- (4) Reflects FTE employees at Air Canada and its subsidiaries. Excludes FTE employees at third party carriers operating under capacity purchase agreements with Air Canada. As of June 30, 2022, there were 30,204 employees based in Canada.

- (5) *The number of aircraft in Air Canada's operating fleet at June 30, 2022 and at June 30, 2021 include aircraft that were grounded due to the impact of the COVID-19 pandemic.*
- (6) *Average stage length is calculated by dividing the total number of available seat miles by the total number of seats dispatched.*
- (7) *Revenue passengers are counted on a flight number basis (rather than by journey/itinerary or by leg) which is consistent with the IATA definition of revenue passengers carried.*
- (8) *"pp" denotes percentage points and refers to a measure of the arithmetic difference between two percentages.*

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For further information: media@aircanada.ca

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