

News Releases

Air Canada reports June traffic; Traffic grows at Canada's largest airline

MONTREAL, July 7 /CNW Telbec/ - For the month of June, system traffic on a consolidated basis for Air Canada and Jazz rose 1.9 per cent on a capacity increase of 2.7 per cent system wide. This resulted in a load factor of 82.2 per cent versus 82.8 per cent in June 2007.

The mainline carrier flew 2.8 per cent more revenue passenger miles (RPMs) in June 2008 than in June 2007, according to preliminary traffic figures. Capacity increased by 3.3 per cent, resulting in a load factor of 83.1 per cent for the month compared to 83.4 per cent in June 2007; a decrease of 0.3 percentage points.

Jazz, from which Air Canada purchases regional capacity, flew 7.9 per cent fewer RPMs in June 2008 than in June 2007, according to preliminary traffic figures. Capacity decreased by 3.6 per cent, resulting in a load factor of 73.2 per cent, compared to 76.6 per cent in June 2007; a decrease of 3.4 percentage points.

"For the month of June, Air Canada reported continued growth in traffic with an increase of 1.9 per cent on a combined basis with Jazz," said Montie Brewer, President and Chief Executive Officer. "Our sustained growth year over year was led by the domestic Canada and international markets where we continue to see strong demand. I am especially proud of our employees who once again exceeded On-Time Performance objectives for the month as they work hard to earn the loyalty of our customers as we enter the peak summer travel season."

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This disclosure may include forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are based on assumptions, are subject to important risks and uncertainties and cannot be relied upon due to, amongst other things, changing external factors and general uncertainties of the business. Results indicated in forward-looking statements may differ materially from actual results due to a number of factors, including without limitation, energy prices, general industry, market and economic conditions, currency exchange and interest rates, competition, war, terrorist acts, epidemic diseases, insurance issues and costs, changes in demand due to the seasonal nature of the business, the ability to reduce operating costs, employee and labour relations, pension issues, supply issues, changes in laws, regulatory developments or proceedings, pending and future litigation and actions by third parties, as well as the factors (including assumptions) identified in Air Canada's public disclosure file and accessible through SEDAR at www.sedar.com. Any forward-looking statements contained in this disclosure represent Air Canada's expectations as of the date of this disclosure and are subject to change after such date. Air Canada disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

AIR CANADA MAINLINE (Includes Jetz & Tier 3)

	JUNE			YEAR-TO-DATE		
	2008	2007	Change	2008	2007	Change
Traffic (RPMs millions)	4,234	4,118	+2.8%	23,119	22,319	+3.6%
Capacity (ASMs millions)	5,097	4,935	+3.3%	28,144	27,165	+3.6%
Load Factor	83.1%	83.4%	-0.3 pts	82.1%	82.2%	-0.1 pts
RPMs	1,261	1,197	+5.3%	6,396	6,131	+4.3%
Canada ASMs	1,571	1,486	+5.7%	7,803	7,458	+4.6%
Load Factor	80.3%	80.6%	-0.3 pts	82.0%	82.2%	-0.2 pts
RPMs	492	566	-13.1%	3,736	3,926	-4.8%
U.S. Trans-border ASMs	636	700	-9.1%	4,714	4,970	-5.2%
Load Factor	77.4%	80.9%	-3.5 pts	79.3%	79.0%	+0.3 pts
RPMs	1,275	1,302	-2.1%	5,856	5,763	+1.6%

Atlantic	ASMs	1,459	1,497	-2.5%	7,012	6,789	+3.3%
	Load Factor	87.4%	87.0%	+0.4 pts	83.5%	84.9%	-1.4 pts
	RPMs	823	749	+9.9%	4,133	4,043	+2.2%
Pacific	ASMs	952	863	+10.3%	4,898	4,792	+2.2%
	Load Factor	86.4%	86.8%	-0.4 pts	84.4%	84.4%	+0.0 pts
	RPMs	383	304	+26.0%	2,998	2,456	+22.1%
Latin America & Other	ASMs	479	389	+23.1%	3,717	3,156	+17.8%
	Load Factor	80.0%	78.1%	+1.9 pts	80.7%	77.8%	+2.9 pts

Load

Factor 85.8% 85.7% +0.1 pts 83.1% 83.2% -0.1 pts

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