

News Releases

Air Canada reports December traffic; record load factor for December and full year 2007

MONTREAL, Jan. 7 /CNW Telbec/ - For the month of December, system traffic on a consolidated basis for Air Canada and Jazz rose 2.4 per cent on a capacity increase of 1.6 per cent system wide. This resulted in a load factor of 78.8 per cent versus 78.2 per cent in December 2006, a record for the month. Load factor for the full year was 80.6 per cent on a combined basis, a record for the fourth consecutive year.

The mainline carrier flew 2.3 per cent more revenue passenger miles (RPMs) in December 2007 than in December 2006, according to preliminary traffic figures. Capacity increased by 1.6 per cent, resulting in a load factor of 79.3 per cent, compared to 78.8 per cent in December 2006; an increase of 0.5 percentage points.

Jazz, from which Air Canada purchases regional capacity, flew 3.8 per cent more RPMs in December 2007 than in December 2006, according to preliminary traffic figures. Capacity increased by 2.5 per cent, resulting in a load factor of 73.3 per cent, compared to 72.4 per cent in December 2006; an increase of 0.9 percentage points.

"With a load factor of 80.6 per cent, 2007 was the fourth consecutive record year for Air Canada and Jazz, and once again this December we surpassed previous years records for the month," said Montie Brewer, President and Chief Executive Officer. "I am particularly pleased with our ongoing strong performance in the domestic Canada market. Overall, system wide traffic continues to outpace the increase in capacity as we grow and renew our fleet with new Boeing 777 and Embraer aircraft. This is a clear indication that we are succeeding in earning our customers' loyalty. I am particularly proud of our employees who worked hard to take care of our customers in the face of severe winter conditions during this peak travel season."

"Throughout 2007 we made significant progress in implementing our business plan. In December, we received three additional Embraer for a total of 57 of 60 on order, and have so far received eight of 18 Boeing 777 aircraft scheduled for delivery by the end of 2009. The major refurbishment of the existing fleet is on track for completion this year, airport improvements are in place to enhance network connectivity, and customer response to Air Canada's unique à la carte pricing and subscription pass products has been extremely positive."

NOTE: Beginning in May 2007, Air Canada has adjusted the way it reports its monthly traffic results. Tier 3 flying is now included in mainline results along with Jetz. Charter flying is apportioned among the respective market segments. The December 2006 and year-to-date traffic numbers have been adjusted to reflect these changes for year-over-year comparisons.

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, war, terrorist acts, labour or pension issues, changes in laws and regulations, litigation and actions by third parties as well as the factors identified in Air Canada's public disclosure file accessible through SEDAR at www.sedar.com. 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)

	DECEMBER			Year-To-Date		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	3,661	3,580	+2.3%	46,365	45,175	+2.6%
Capacity (ASMs millions)	4,614	4,543	+1.6%	57,076	55,799	+2.3%
Load Factor	79.3%	78.8%	+0.5 pts	81.2%	81.0%	+0.2pts
RPMs	996	981	+1.5%	13,077	12,616	+3.7%
Canada ASMs	1,230	1,209	+1.7%	16,054	15,706	+2.2%
Load Factor	81.0%	81.1%	-0.1 pts	81.5%	80.3%	+1.2 pts

	RPMs	649	661	-1.8%	7,561	7,520	+0.5%
U.S.							
Trans-border	ASMs	873	900	-3.0%	9,652	9,588	+0.7%
	Load						
	Factor	74.3%	73.4%	+0.9 pts	78.3%	78.4%	-0.1 pts

	RPMs	899	858	+4.8%	12,477	12,103	+3.1%
Atlantic	ASMs	1,079	1,047	+3.1%	15,013	14,495	+3.6%
	Load						
	Factor	83.3%	81.9%	+1.4 pts	83.1%	83.5%	-0.4 pts

	RPMs	630	631	-0.2%	8,689	8,633	+0.6%
Pacific	ASMs	806	792	+1.8%	10,543	10,464	+0.8%
	Load						
	Factor	78.2%	79.7%	-1.5 pts	82.4%	82.5%	-0.1 pts

	RPMs	487	449	+8.5%	4,561	4,303	+6.0%
Latin America & Other	ASMs	626	595	+5.2%	5,814	5,546	+4.8%
	Load						
	Factor	77.8%	75.5%	+2.3 pts	78.4%	77.6%	+0.8 pts

AIR CANADA'S REGIONAL CAPACITY PROVIDER
(JAZZ)

	DECEMBER			Year-To-Date		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	332	320	+3.8%	4,264	3,818	+11.7%
Capacity (ASMs millions)	453	442	+2.5%	5,738	5,284	+8.6%
Load Factor	73.3	72.4%	+0.9 pts	74.3%	72.3%	+2.0 pts

	RPMs	253	239	+5.9%	3,207	2,850	+12.5%
Canada	ASMs	335	319	+5.0%	4,183	3,832	+9.2%
	Load						
	Factor	75.5%	74.9%	+0.6 pts	76.7%	74.4%	+2.3 pts

	RPMs	79	81	-2.5%	1,057	968	+9.2%
U.S.							
Trans-border	ASMs	118	123	-4.1%	1,555	1,452	+7.1%
	Load						
	Factor	66.9%	65.9%	+1.0 pts	68.0%	66.7%	+1.3 pts

COMBINED
(AIR CANADA MAINLINE AND JAZZ)

	DECEMBER			YEAR-TO-DATE		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	3,993	3,900	+2.4%	50,629	48,993	+3.3%
Capacity (ASMs millions)	5,067	4,985	+1.6%	62,814	61,083	+2.8%
Load Factor	78.8%	78.2%	+0.6 pts	80.6%	80.2%	+0.4 pts

	RPMs	1,249	1,220	+2.4%	16,284	15,466	+5.3%
--	------	-------	-------	-------	--------	--------	-------

Canada ASMs 1,565 1,528 +2.4% 20,237 19,538 +3.6%

Load
Factor 79.8% 79.8% 0.0 pts 80.5% 79.2% +1.3 pts

U.S. RPMs 728 742 -1.9% 8,618 8,488 +1.5%

Trans-border ASMs 991 1,023 -3.1% 11,207 11,040 +1.5%

Load
Factor 73.5% 72.5% +1.0 pts 76.9% 76.9% 0.0 pts

RPMs 2,016 1,938 +4.0% 25,727 25,039 +2.7%

Inter-national ASMs 2,511 2,434 +3.2% 31,370 30,505 +2.8%

Load
Factor 80.3% 79.6% +0.7 pts 82.0% 82.1% -0.1 pts

%SEDAR: 00001324EF

For further information:

For further information: Isabelle Arthur (Montréal), (514) 422-5788;
Peter Fitzpatrick (Toronto), (416) 263-5576; Angela Mah (Vancouver), (604)
270-5741; aircanada.com

A STAR ALLIANCE MEMBER 