

Air Canada reports July traffic

MONTREAL, Aug. 6 /CNW Telbec/ - Air Canada reported a load factor for the mainline of 82.5 per cent in July 2007. The mainline carrier flew 1.3 per cent more revenue passenger miles (RPMs) in July 2007 than in July 2006, according to preliminary traffic figures. Capacity increased by 2.7 per cent, resulting in a load factor of 82.5 per cent, compared to 83.6 per cent in July 2006; a decrease of 1.1 percentage points.

Jazz, from which Air Canada purchases regional capacity, flew 8.5 per cent more RPMs in July 2007 than in July 2006, according to preliminary traffic figures. Capacity increased by 6.0 per cent, resulting in a load factor of 74.4 per cent, compared to 72.7 per cent in July 2006; an increase of 1.7 percentage points.

Year over year, system traffic on a consolidated basis for Air Canada and Jazz, rose 1.9 per cent on a capacity increase of 2.9 per cent, resulting in a load factor of 81.8 per cent; compared to 82.7 per cent in 2006; a decrease of 0.9 percentage points.

"On a combined basis with Jazz, system wide traffic increased almost 2 percentage points from the previous year as consumers continue to choose the new Air Canada in growing numbers for its innovative fare products, subscription passes and new cabin amenities as we renew the fleet," said Montie Brewer, President and Chief Executive Officer. "For the month of July, traffic continued to grow in all markets with the exception of the U.S. transborder market where we responded with effective capacity management that resulted in increased load factor year over year. The U.K. market showed some weakness due to increased industry capacity while travellers continue to be impacted by additional security measures and the doubling of the U.K departure tax. I am particularly proud of our employees who continue to earn the loyalty of our customers with the quality of their service, demonstrated by the fact we exceeded on-time performance and customer satisfaction objectives for the month. Indeed, it is our employees who were instrumental in Air Canada being voted for the second time in three years as the Best Carrier in North America in the world's largest passenger survey of over 14 million air travellers world wide."

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 June 2006 and year-to-date traffic numbers have been adjusted to reflect these changes for year-over-year comparisons.

This discussion contains certain forward-looking statements, which involve a number of risks and uncertainties. As a result of many factors including acts or potential acts of terrorism, international conflicts, government regulations and government mandated restrictions on operations and pricing, fuel prices, industry restructuring, labour negotiations, the economic environment in general including foreign exchange and interest rates, the airline competitive and pricing environment, industry capacity decisions and new entrants as well as external events, actual results could differ from expected results and the differences could be material.

AIR CANADA MAINLINE (Includes Jetz & Tier 3)

	JULY			YEAR-TO-DATE		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	4,656	4,595	+1.3%	26,974	26,331	+2.4%
Capacity (ASMs millions)	5,643	5,497	+2.7%	32,808	32,265	+1.7%
Load Factor	82.5%	83.6%	-1.1 pts	82.2%	81.6%	+0.6 pts

RPMs	1,365	1,308	+4.4%	7,496	7,205	+4.0%
Canada ASMs	1,690	1,605	+5.3%	9,148	9,067	+0.9%
Load Factor	80.8%	81.5%	-0.7 pts	81.9%	79.5%	+2.4 pts

RPMs	639	671	-4.8%	4,565	4,513	+1.2%
U.S. Trans-border ASMs	784	832	-5.8%	5,753	5,660	+1.6%
Load Factor	81.5%	80.6%	+0.9 pts	79.3%	79.7%	-0.4 pts

RPMs	1,369	1,361	+0.6%	7,131	6,976	+2.2%
Atlantic ASMs	1,626	1,598	+1.8%	8,415	8,205	+2.6%
Load Factor	84.2%	85.2%	-1.0 pts	84.7%	85.0%	-0.3 pts

RPMs	924	914	+1.1%	4,967	4,917	+1.0%
Pacific ASMs	1,127	1,068	+5.5%	5,919	5,887	+0.5%
Load Factor	82.0%	85.6%	-3.6 pts	83.9%	83.5%	+0.4 pts

RPMs	359	341	+5.3%	2,815	2,720	+3.5%
Latin America & Other ASMs	416	394	+5.6%	3,573	3,446	+3.7%
Load Factor	86.3%	86.5%	-0.2 pts	78.8%	78.9%	-0.1 pts

AIR CANADA'S REGIONAL CAPACITY PROVIDER
(JAZZ)

	JULY			YEAR-TO-DATE		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	395	364	+8.5%	2,471	2,117	+16.7%
Capacity (ASMs millions)	531	501	+6.0%	3,322	2,946	+12.8%
Load Factor	74.4%	72.7%	+1.7 pts	74.4%	71.9%	+2.5 pts

RPMs	297	269	+10.4%	1,847	1,574	+17.3%
Canada ASMs	393	361	+8.9%	2,408	2,143	+12.4%
Load Factor	75.6%	74.5%	+1.1 pts	76.7%	73.4%	+3.3 pts

RPMs	98	95	+3.2%	624	543	+14.9%
U.S. Trans-border ASMs	138	140	-1.4%	914	803	+13.8%
Load Factor	71.0%	67.9%	+3.1 pts	68.3%	67.6%	+0.7 pts

COMBINED
(AIR CANADA MAINLINE AND JAZZ)

	JULY			YEAR-TO-DATE		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	5,051	4,959	+1.9%	29,445	28,448	+3.5%
Capacity (ASMs millions)	6,174	5,998	+2.9%	36,130	35,211	+2.6%
Load Factor	81.8%	82.7%	-0.9 pts	81.5%	80.8%	+0.7 pts

RPMs	1,662	1,577	+5.4%	9,343	8,779	+6.4%
Canada ASMs	2,083	1,966	+6.0%	11,556	11,210	+3.1%
Load Factor	79.8%	80.2%	-0.4 pts	80.8%	78.3%	+2.5 pts

	RPMs	737	766	-3.8%	5,189	5,056	+2.6%
U.S.							
Trans-	ASMs	922	972	-5.1%	6,667	6,463	+3.2%
border							
	Load						
	Factor	79.9%	78.8%	+1.1 pts	77.8%	78.2%	-0.4 pts
	RPMs	2,652	2,616	+1.4%	14,913	14,613	+2.1%
Interna-	ASMs						
tional	Load	3,169	3,060	+3.6%	17,907	17,538	+2.1%
	Factor	83.7%	85.5%	-1.8 pts	83.3%	83.3%	0.0 pts
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