

Air Canada reports June traffic

Record system passenger load factor of 82.8%

MONTREAL, July 5 /CNW Telbec/ - Air Canada reported a load factor for the mainline of 83.4 per cent in June 2007, matching last June's record.

The mainline carrier flew 1.1 per cent more revenue passenger miles (RPMs) in June 2007 than in June 2006, according to preliminary traffic figures. Capacity increased by 1.1 per cent, resulting in a load factor of 83.4 per cent, matching June 2006's record of 83.4 per cent.

Jazz, from which Air Canada purchases regional capacity, flew 13.1 per cent more RPMs in June 2007 than in June 2006, according to preliminary traffic figures. Capacity increased by 9.0 per cent, resulting in a load factor of 76.6 per cent, compared to 73.8 per cent in June 2006; an increase of 2.8 percentage points.

Year over year, system traffic on a consolidated basis for Air Canada and Jazz, rose 2.0 per cent on a capacity increase of 1.8 per cent, resulting in a load factor of 82.8 per cent; an increase of 0.2 percentage points, and a record for the month of June.

"Air Canada together with Jazz achieved a record system load factor of 82.8 per cent for the month of June. Traffic growth remains strong particularly in the domestic market where traffic was up 6.7 per cent, outpacing capacity growth for an increase in load factor of 3.2 percentage points on a combined basis with Jazz," said Montie Brewer, President and Chief Executive Officer. "Our strong performance system wide reflects consumers' preference for the new Air Canada as we continue to add new and refurbished aircraft in the fleet offering the very best in industry leading amenities. In addition, customers clearly are embracing Air Canada's new revenue model featuring à la carte pricing and multi-trip subscription flight passes. I am proud that Air Canada employees once again achieved customer service objectives for the month and I thank them for their on-going work in earning the loyalty of our customers."

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)

	JUNE			Year-To-Date		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	4,118	4,072	+1.1%	22,318	21,735	+2.7%
Capacity (ASMs millions)	4,935	4,880	+1.1%	27,165	26,768	+1.5%
Load Factor	83.4%	83.4%	0.0 pts	82.2%	81.2%	+1.0 pts

RPMs	1,197	1,179	+1.5%	6,131	5,897	+4.0%
Canada ASMs	1,486	1,487	-0.1%	7,458	7,462	-0.1%
Load Factor	80.6%	79.3%	+1.3 pts	82.2%	79.0%	+3.2 pts

RPMs	566	564	+0.4%	3,926	3,842	+2.2%
U.S. Trans- border ASMs	700	719	-2.6%	4,970	4,828	+2.9%
Load Factor	80.9%	78.4%	+2.5pts	79.0%	79.6%	-0.6 pts

RPMs	1,302	1,273	+2.3%	5,763	5,615	+2.6%
Atlantic ASMs	1,497	1,407	+6.4%	6,789	6,607	+2.8%
Load Factor	87.0%	90.5%	-3.5 pts	84.9%	85.0%	-0.1 pts

RPMs	749	781	-4.1%	4,043	4,003	+1.0%
Pacific ASMs	863	917	-5.9%	4,792	4,819	-0.6%
Load Factor	86.8%	85.2%	+1.6 pts	84.4%	83.1%	+1.3 pts

RPMs	304	275	+10.5%	2,455	2,378	+3.2%
Latin America & Other ASMs	389	350	+11.1%	3,156	3,052	+3.4%
Load Factor	78.1%	78.6%	-0.5 pts	77.8%	77.9%	-0.1 pts

AIR CANADA'S REGIONAL CAPACITY PROVIDER
(JAZZ)

	JUNE			Year-To-Date		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	379	335	+13.1%	2,076	1,753	+18.4%
Capacity (ASMs millions)	495	454	+9.0%	2,791	2,445	+14.2%
Load Factor	76.6%	73.8%	+2.8 pts	74.4%	71.7%	+2.7 pts

RPMs	288	246	+17.1%	1,550	1,305	+18.8%
Canada ASMs	365	328	+11.3%	2,015	1,782	+13.1%
Load Factor	78.9%	75.0%	+3.9 pts	76.9%	73.2%	+3.7 pts

RPMs	91	89	+2.2%	526	448	+17.4%
U.S. Trans-border ASMs	130	126	+3.2%	776	663	+17.0%
Load Factor	70.0%	70.6%	-0.6 pts	67.8%	67.6%	+0.2 pts

COMBINED
(AIR CANADA MAINLINE AND JAZZ)

	JUNE			Year-To-Date		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	4,497	4,407	+2.0%	24,394	23,488	+3.9%
Capacity (ASMs millions)	5,430	5,334	+1.8%	29,956	29,213	+2.5%
Load Factor	82.8%	82.6%	+0.2 pts	81.4%	80.4%	+1.0 pts

RPMs	1,485	1,425	+4.2%	7,681	7,202	+6.7%
Canada ASMs	1,851	1,815	+2.0%	9,473	9,244	+2.5%
Load Factor	80.2%	78.5%	+1.7 pts	81.1%	77.9%	+3.2 pts

RPMs	657	653	+0.6%	4,452	4,290	+3.8%
U.S. Trans-border ASMs	830	845	-1.8%	5,746	5,491	+4.6%

Load Factor	79.2%	77.3%	+1.9 pts	77.5%	78.1%	-0.6 pts
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RPMs	2,355	2,329	+1.1%	12,261	11,996	+2.2%
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Internal Load	2,749	2,674	+2.8%	14,737	14,478	+1.8%
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ASMs Factor	85.7%	87.1%	-1.4 pts	83.2%	82.9%	+0.3 pts
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