AIR CANADA

News Releases

Air Canada reports August traffic

MONTREAL, Sept. 6 /CNW Telbec/ - Air Canada reported a consolidated load factor of 83.8 per cent in August 2007, the second highest ever recorded by the carrier.

The mainline carrier flew 3.9 per cent more revenue passenger miles (RPMs) in August 2007 than in August 2006, according to preliminary traffic figures. Capacity increased by 3.9 per cent, resulting in a load factor of 84.4 per cent, even with August 2006.

Jazz, from which Air Canada purchases regional capacity, flew 7.0 per cent more RPMs in August 2007 than in August 2006, according to preliminary traffic figures. Capacity increased by 4.1 per cent, resulting in a load factor of 77.3 per cent, compared to 75.2 per cent in August 2006; an increase of 2.1 percentage points.

Year over year, system traffic on a consolidated basis for Air Canada and Jazz rose 4.1 per cent on a capacity increase of 3.9 per cent. This resulted in a load factor of 83.8 per cent versus 83.7 per cent in August 2006.

"For Air Canada and Jazz, the combined passenger load factor in August was the second highest ever recorded. The solid results were driven largely by our performance in the domestic market, where our traffic grew 7.2 per cent over last year and we benefited from the positive trends seen in the Canadian industry as a whole. Overall, our traffic rose by 4.1 per cent over last year, which, coupled with prudent capacity management, particularly in the U.S. transborder market, enabled us to achieve our overall load factor," said Montie Brewer, President and Chief Executive Officer. "In August, we met our targets for On Time Performance and Customer Satisfaction, which is a tribute to our employees' hard work and dedication to providing good customer service. Travellers are increasingly recognizing the service, convenience and amenities that Air Canada offers and that is why more and more people choose Air Canada when they fly."

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 August 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)

		AUGUST			Year-To-Date		
		2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)		4,844	4,663	+3.9%	31,819	30,993	+2.7%
Capacity (ASMs millions)		5,739	5,522	+3.9%	38,547	37,788	+2.0%
Load Factor		84.4%	84.4%	0.0 pts	82.5%	82.0%	+0.5 pts
Canada	RPMs	1,475	1,380	+6.9%	8,971	8,585	+4.5%
	ASMs	1,746	1,633	+6.9%	10,894	10,700	+1.8%
	Load Factor	84.5%	84.5%	0.0 pts	82.3%	80.2%	+2.1pts
U.S. Trans-border	RPMs	650	692	-6.1%	5,215	5,205	+0.2%
	ASMs	782	847	-7.7%	6,536	6,507	+0.4%
	Load Factor	83.1%	81.7%	+1.4 pts	79.8%	80.0%	-0.2 pts
	RPMs	1,416	1,346	+5.2%	8,548	8,322	+2.7%

Atlantic ASMs	1,675	1,587	+5.5%	10,090	9,792	+3.0%
Load Factor	84.5%	84.8%	-0.3 pts	84.7%	85.0%	-0.3 pts
RPMs	963	917	+5.0%	5,930	5,835	+1.6%
Pacific ASMs	1,126	1,070	+5.2%	7,045	6,957	+1.3%
Load Factor	85.5%	85.7%	-0.2 pts	84.2%	83.9%	+0.3 pts
RPMs	340	328	+3.7%	3,155	3,046	+3.6%
Latin America & Other ASMs	410	385	+6.5%	3,982	3,832	+3.9%
Load Factor	82.9%	85.2%	-2.3 pts	79.2%	79.5%	-0.3 pts

AIR CANADA'S REGIONAL CAPACITY PROVIDER
(JAZZ)

	AUGUST			Year-To-Date		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	412	385	+7.0%	2,882	2,501	+15.2%
Capacity (ASMs millions)	533	512	+4.1%	3,854	3,456	+11.5%
Load Factor	77.3%	75.2%	+2.1 pts	74.8%	72.4%	+2.4 pts
RPMs	315	290	+8.6%	2,161	1,863	+16.0%
Canada ASMs	399	371	+7.5%	2,806	2,512	+11.7%
Load Factor	78.9%	78.2%	+0.7 pts	77.0%	74.2%	+2.8 pts
RPMs	97	95	+2.1%	721	638	+13.0%
U.S. Trans-border ASMs	134	141	-5.0%	1,048	944	+11.0%
Load Factor	72.4%	67.4%	+5.0 pts	68.8%	67.6%	+1.2 pts

COMBINED
(AIR CANADA MAINLINE AND JAZZ)

	AUGUST			Year-To-Date		
	2007	2006	Change	2007	2006	Change
Traffic (RPMs millions)	5,256	5,048	+4.1%	34,701	33,494	+3.6%
Capacity (ASMs millions)	6,272	6,034	+3.9%	42,401	41,244	+2.8%
Load Factor	83.8%	83.7%	+0.1 pts	81.8%	81.2%	+0.6 pts
RPMs	1,790	1,670	+7.2%	11,132	10,448	+6.5%
Canada ASMs	2,145	2,004	+7.0%	13,700	13,212	+3.7%
Load Factor	83.4%	83.3%	+0.1 pts	81.3%	79.1%	+2.2 pts
RPMs	747	787	-5.1%	5,936	5,843	+1.6%
U.S. Trans-border ASMs	916	988	-7.3%	7,584	7,451	+1.8%
Load Factor	81.6%	79.7%	+1.9 pts	78.3%	78.4%	-0.1 pts

	RPMs	2,719	2,591	+4.9%	17,633	17,203	+2.5%
	ASMs	3,211	3,042	+5.6%	21,117	20,581	+2.6%
International	Load Factor	84.7%	85.2%	-0.5 pts	83.5%	83.6%	-0.1 pts

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