

APPENDIX 3.1
(referred to in paragraph 3.30)

Air Canada: profit and loss accounts, 1995 to 1999

	C\$ million				
	Years ended 31 December				
	1995	1996	1997	1998	1999
<i>Operating revenues</i>					
Passenger	3,581	3,980	4,533	4,977	5,520
Cargo	323	347	387	369	387
Other	<u>603</u>	<u>553</u>	<u>652</u>	<u>586</u>	<u>602</u>
	<u>4,507</u>	<u>4,880</u>	<u>5,572</u>	<u>5,932</u>	<u>6,509</u>
<i>Operating expenses</i>					
Salaries and wages	1,086	1,152	1,236	1,363	1,503
Benefits	166	179	153	210	195
Aircraft fuel	527	640	712	657	622
Depreciation and amortization	216	258	258	292	311
Commissions	359	395	438	464	420
Food, beverages and supplies	182	201	229	252	264
Aircraft maintenance	184	210	248	318	334
Airport and navigation fees	183	200	228	375	492
Aircraft rent	292	319	383	474	513
Customer maintenance materials	97	84	105	76	78
Other	<u>940</u>	<u>1,027</u>	<u>1,214</u>	<u>1,307</u>	<u>1,274</u>
	<u>4,232</u>	<u>4,665</u>	<u>5,204</u>	<u>5,788</u>	<u>6,006</u>
Operating income	275	215	368	144	503
Non-operating income/(expense)	<u>8</u>	<u>95</u>	<u>284</u>	<u>6</u>	<u>38</u>
Income before interest and tax	283	310	652	150	541
Net interest expense	<u>(211)</u>	<u>(157)</u>	<u>(186)</u>	<u>(179)</u>	<u>(154)</u>
Net income/(loss) before tax	72	153	466	(29)	387
Taxation	<u>(20)</u>	<u>(4)</u>	<u>(39)</u>	<u>13</u>	<u>(174)</u>
Net income/(loss) for the year	52	149	427	(16)	213
					C\$
Earnings/(loss) per share (basic)	0.36	0.86	2.74	(0.10)	1.16

Source: Air Canada published accounts.