

AIR CANADA



Management Team

Montie Brewer

**President and
Chief Executive Officer**

Joshua Koshy

**Executive Vice President and
Chief Financial Officer**

AIR CANADA 




Changing the Game

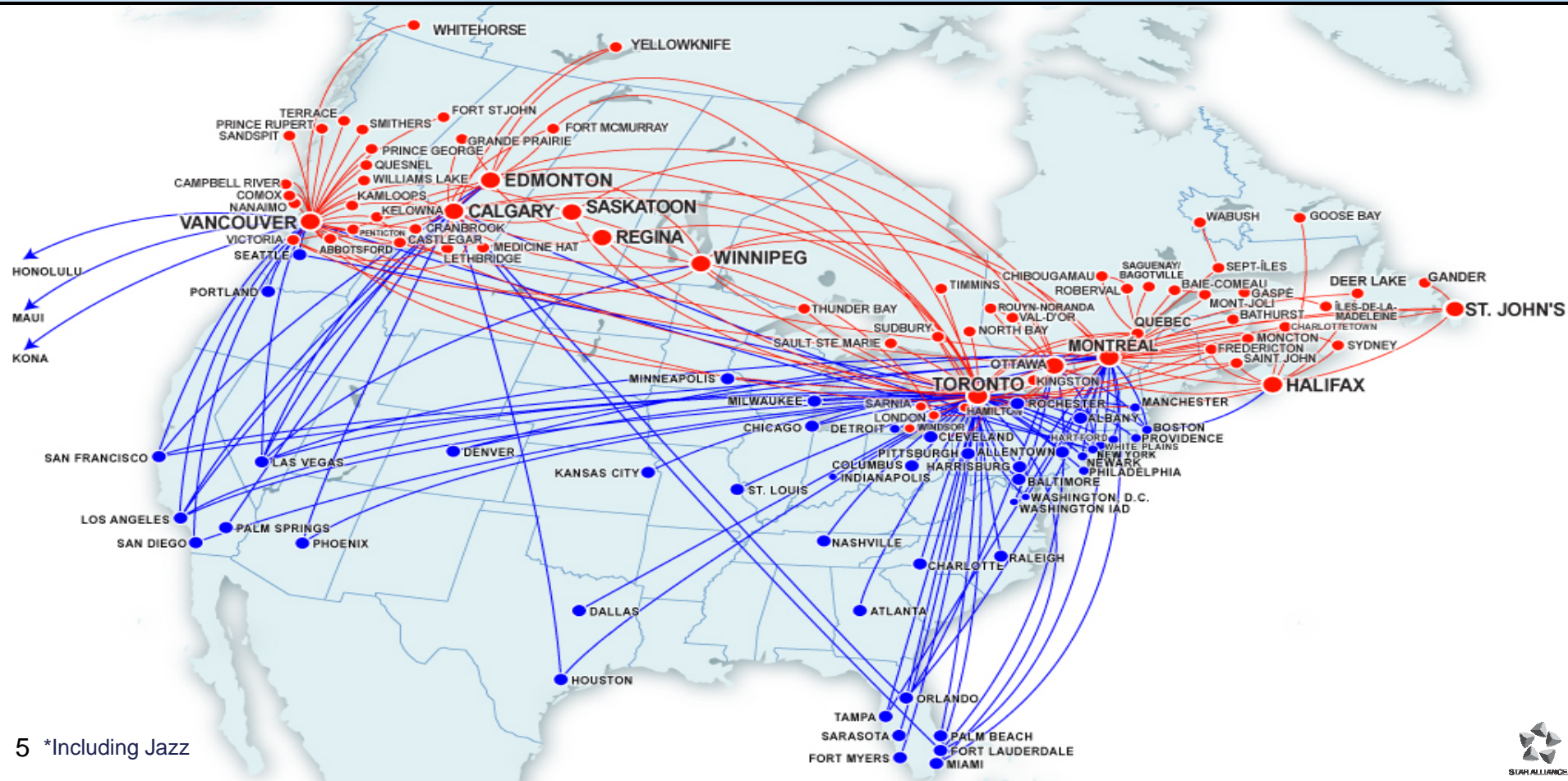
Changing the Game

- 🇨🇦 Canada's #1 domestic, transborder and international airline
- 🇨🇦 Strong brand recognition
- 🇨🇦 Innovative revenue model driving customers' loyalty
- 🇨🇦 Targeting sustained profitability in a low fare environment
- 🇨🇦 Balanced network and modern fleet
- 🇨🇦 Strong operating performance
- 🇨🇦 Strong financial position



Canada's Largest Domestic and Transborder Carrier




-  Linking 67 cities within Canada
-  Serving 51 cities in the U.S.*
-  Combined fleet of 333 aircraft*

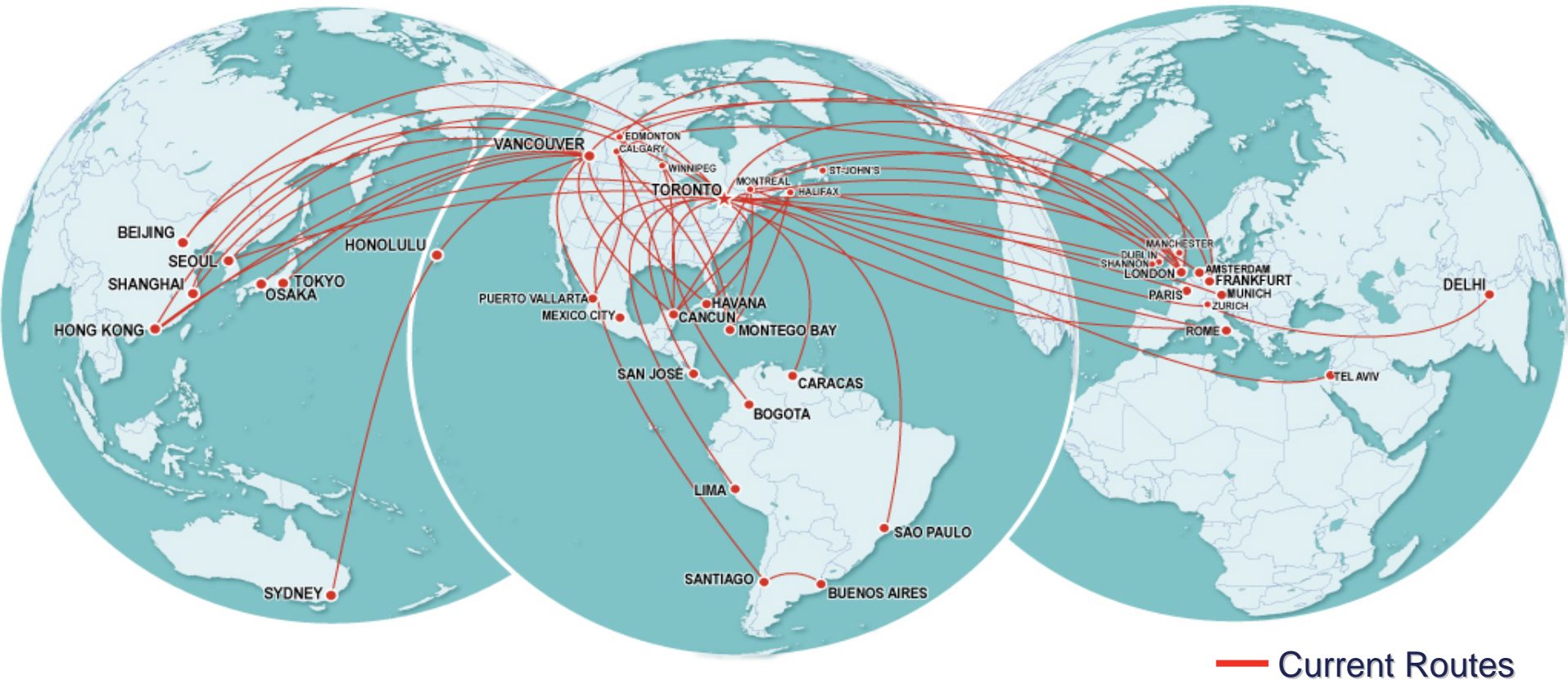


5 *Including Jazz



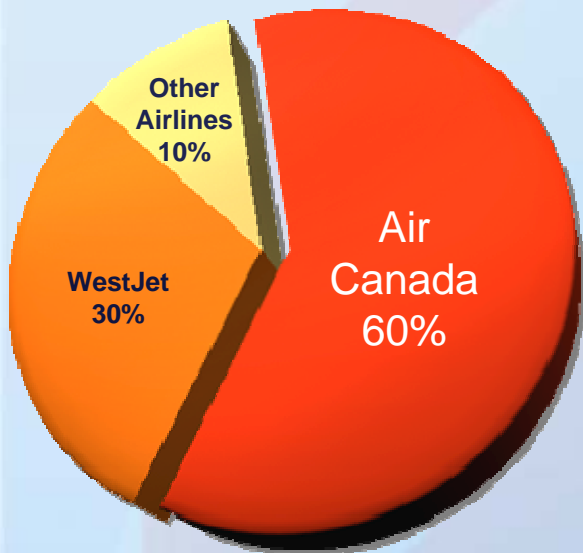
Canada's Largest International Carrier

-  14th largest carrier in the world
-  Extensive global network
-  Three international gateways



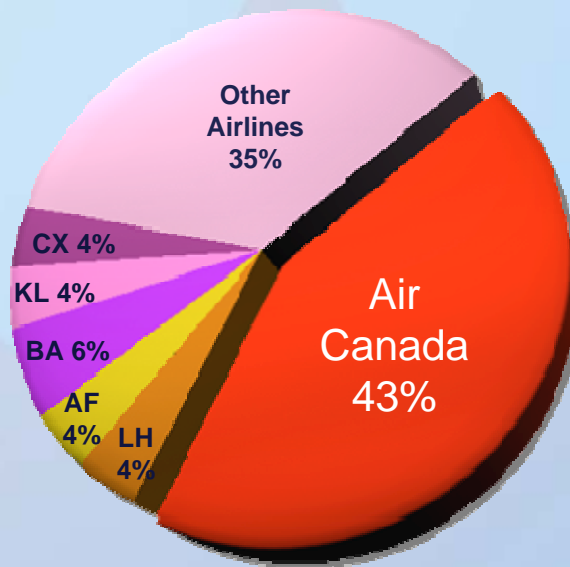
Leading Share in all Markets

Domestic



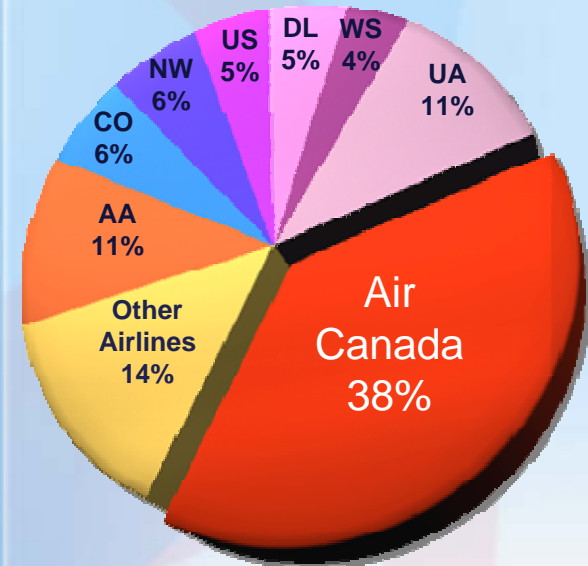
40% of airline revenues

International



40% of airline revenues

Transborder




20% of airline revenues

Embraer 190 - The Game Changer




Positioning for Efficiency and Growth







 **Boeing 777**
19 Firm (18 options)



 **Boeing 787**
14 Firm (46 options)

Changing the Game for On-Board Services

-  Drives loyalty
-  In-seat video
-  In-seat power
-  Creates additional revenue opportunities



Innovative Revenue Model

Changing the Game

Changing the Game

Old Way

Lack of Trust

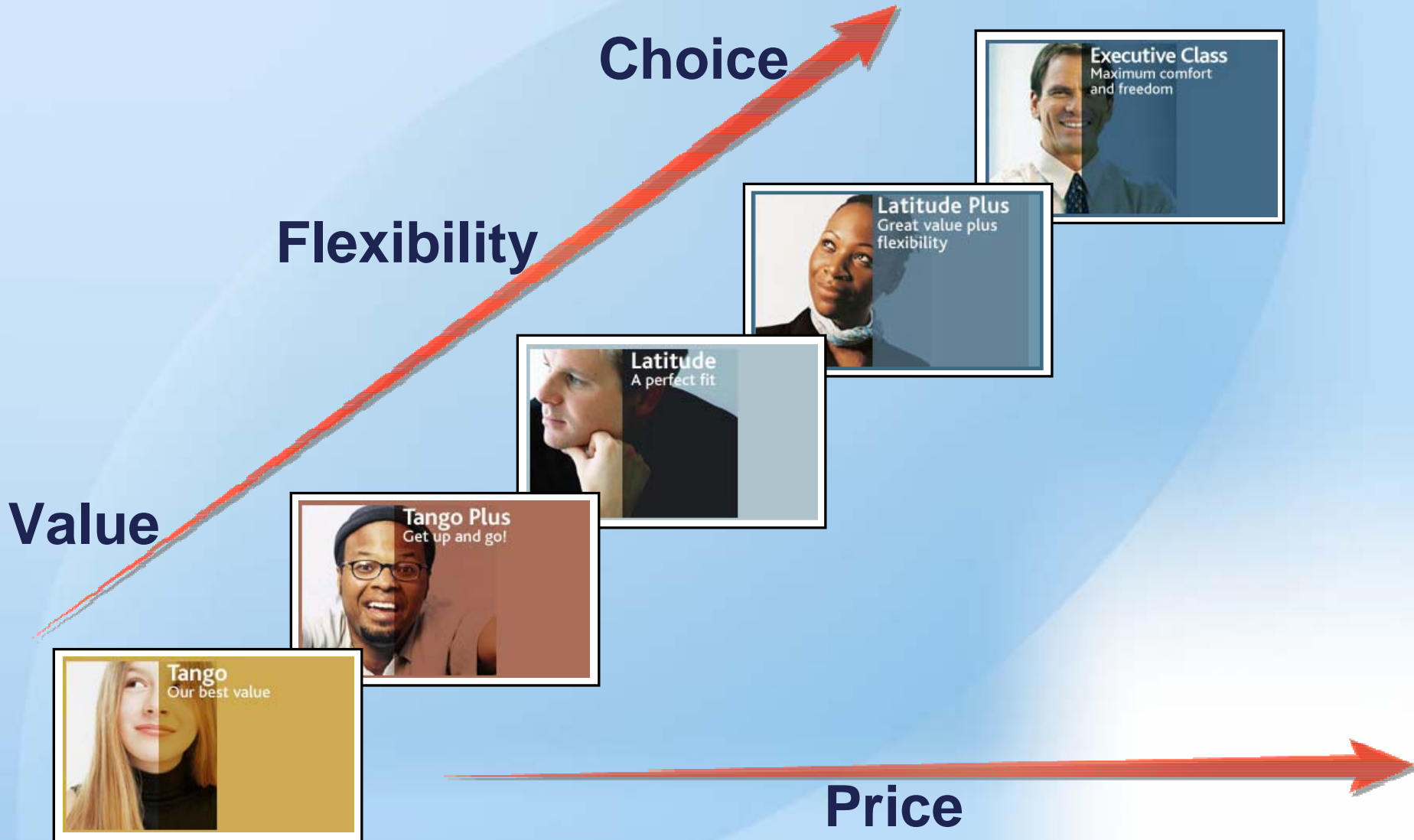
- ❶ What is being sold: travel from A to B
- ❷ Complex pricing - rules, rules, rules
- ❸ Hidden information, choices unclear

Our Way

- ❶ What is being sold: *How* one wants to travel from A to B
- ❷ Product very differentiated:
 - Tailored to individual choice
 - Clear link between price and value
- ❸ Transparency and trust are guiding principles

Loyalty

Simplified Fare Products



Simplified Fare Display: The Key to Success

1 Select departing flight

Day's lowest fare→	<u>Sun</u> 05-Nov \$ 184	<u>Mon</u> 06-Nov \$ 184	<u>Tue</u> 07-Nov \$ 184	<u>Wed</u> 08-Nov \$ 184	<u>Thu</u> 09-Nov \$ 184	<u>Fri</u> 10-Nov \$ 184	<u>Sat</u> 11-Nov \$ 184	<u>Sun</u> 12-Nov \$ 184	<u>Mon</u> 13-Nov \$ 184	<u>Tue</u> 14-Nov \$ 184	<u>Wed</u> 15-Nov \$ 184
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From: **Toronto, Pearson Int'l, ON (YYZ)**

To: **Calgary, Calgary Int'l, AB (YYC)**

[Compare our fare options](#)

Op.	Flights	Depart	Arrive	Aircraft	Stops	Connections	<u>Tango</u>	<u>Tango Plus</u>	<u>Latitude</u>	<u>Latitude Plus</u>	<u>Executive Class</u>
Direct Flights											
	AC107	06:50	09:10	320	0		○ \$ 184	○ \$ 239	○ \$ 593	○ \$ 1282	○ \$ 1312
	AC117	08:00	10:20	320	0		○ \$ 184	○ \$ 239	○ \$ 593	○ \$ 1282	○ \$ 1312
	AC119	10:00	12:20	320	0		○ \$ 209	○ \$ 239	○ \$ 593	○ \$ 1282	○ \$ 1312
	AC173	12:00	14:20	319	0		○ \$ 209	○ \$ 239	○ \$ 593	○ \$ 1282	○ \$ 1312
	AC121	14:15	16:35	320	0		○ \$ 313	○ \$ 343	○ \$ 593	○ \$ 1282	○ \$ 1312
	AC125	16:00	18:20	319	0		○ \$ 313	○ \$ 343	○ \$ 593	○ \$ 1282	○ \$ 1544
	AC153	18:30	20:50	321	0		○ \$ 313	○ \$ 343	○ \$ 593	○ \$ 1282	○ \$ 1544
	AC145	20:45	23:05	320	0		○ \$ 209	○ \$ 239	○ \$ 593	○ \$ 1282	○ \$ 1312
	AC141	22:45	01:05 + 1 day	320	0		○ \$ 184	○ \$ 239	○ \$ 593	○ \$ 1282	○ \$ 1312