AGENDA

- Strategic Focus
- Financial Performance
- Capital Investment
- Activity Highlights
- Customer Service
- Giving Back
- Airport Operations
- PFOS Update
- Funding Initiatives
VISION

To be the **Airport of Choice** in Southern Ontario for passengers, goods movement, airlines and service partners.

5-Year Objectives

1. Passenger Service Retention & Development
2. Cargo Service Retention & Development
3. Non-Aeronautical Revenue Development
4. Operational Excellence
5. Infrastructure Development
# FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>YOY Change</th>
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<tbody>
<tr>
<td>REVENUE</td>
<td>$14.6 million</td>
<td>$14.1 million</td>
<td>+3%</td>
</tr>
<tr>
<td>EXPENSES</td>
<td>$11.7 million</td>
<td>$12.3 million</td>
<td>-5%</td>
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<tr>
<td>NET INCOME</td>
<td>$2.9 million</td>
<td>$1.8 million</td>
<td>+57%</td>
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<tr>
<td>CITY RENT PAYMENT</td>
<td>$290,000</td>
<td>$168,000</td>
<td>+71%</td>
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# CAPITAL INVESTMENTS

## Capital Investments in 2012 = $3 million

- Reconstruction and rehabilitation of airfield surfaces
- Lighting efficiency program
- Fleet renewals
- Above ground fuel storage system
- Relocation of administration offices
- Terminal washroom renovations

## Projected 2013 Capital Investment = $3.5 million

- Rebranding & Terminal Signage Programs
- Hangar Road and Runway Reconstruction
- Cargo Cross Dock Project Definition Report
# ACTIVITY HIGHLIGHTS

| Passenger          | 351,491 passengers in 2012 (+5.7% v. 2011)  
|                   | Bearskin introduced weekly service (07/2012)  
|                   | Transat added flights to Santa Clara (02/2013)  
| Cargo             | 398M kg’s landed weight in 2012 (-7.4% v. 2011)  
|                   | Increased international service  
|                   | Canada largest intermodal freighter gateway  
| General Aviation  | Mohawk College : Aviation Maintenance Technician, Aircraft Structures and Avionics  
|                   | Golden Horseshoe Aviation flight training |
CUSTOMER SERVICE

92% rate the Airport excellent or good
95% are likely to recommend Hamilton International
97% find getting to Hamilton International convenient & stress-free

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<tr>
<th>2012 Initiatives</th>
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<tr>
<td>Ambassador Program</td>
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<tr>
<td>Free WIFI</td>
<td>Enhance Food and Beverage</td>
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<tr>
<td>Lounge Seating</td>
<td>Customer Appreciation Weeks</td>
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GIVING BACK

$209 million direct benefit to the City

Since 1996:
$179 million in investments
$30 million through property taxes, revenue sharing, eliminated costs

2,876 person years of employment created by activity at Hamilton International*

$195,000 donations & gifts in kind

Economic output in excess of $469 million*

Goal: provide a minimum value equivalent to 1% of operating income to social community programs each year. Exceeded in 2012.

*Hamilton Airport Employment Growth District – Phase 2 Economic Impact Study, August 2009
AIRPORT OPERATIONS

Hamilton International Airport is committed to protecting the environment and to safeguarding the health of its employees, business partners and the general public.

**Noise**
Noise concerns have reduced by 75% since 2008.

**Environmental**
Lighting upgrade program projected to reduce consumption in the ATB by approximately 50%.

**Safety**
Completion of Safety Management System Full 3rd Party Quality Assurance Audit Conducted.

General Issues Committee, August 2013
PFOS UPDATE

**Phase I Report**
- Delineation of contaminated area
- Pilot testing of remediation methods
- Preliminary risk assessment

**MOE Review**
- MOE Standards Branch to review risk assessment
- Confirm remediation methods are acceptable and establish appropriate clean-up targets

**Transport Canada**
- Dialogue continues with the Federal government respecting its role in the remediation process

General Issues Committee, August 2013
FUNDING INITIATIVES

Cargo Facility

Federal & Ontario Governments provided $8 million to fund a new facility (01/2013)

Project Update:
- Preliminary design and preparation of Project Definition Report is underway
- Targeting construction to begin in late fall 2013
- Construction timeframe is approximately 9 months
- Execution of agreement with City of Hamilton and TradePort in process
### LEASE AGREEMENT STATUS

| **Lease Term** | Existing term is 40 years  
Lease commenced in 1996, expires in 2036 with rights for renewal |
| **Extension Term** | Current lease allows for the negotiation of a replacement lease with a term of up to 40 years  
TradePort can initiate after June 30, 2016 |
| **Critical for Future Investment** | New investment requires the ability to depreciate initial outlay over the lease term  
Current lease limits terms to 2036 |
QUESTIONS?
THANK YOU