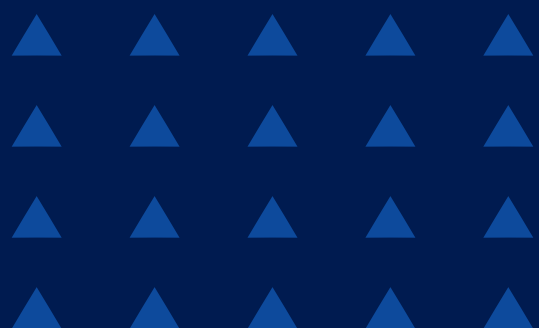


Q2 2025

Financial Report



Management's Discussion and Analysis

For the three and six months ended June 30, 2025



MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025

Dated August 12, 2025

FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information. This forward-looking information is based on a variety of assumptions and is subject to risks and uncertainties. Please refer to the section titled "Caution Regarding Forward-Looking Information" contained at the end of this MD&A for a discussion of such risks and uncertainties and the material factors and assumptions related to the forward-looking information.

This Management's Discussion and Analysis (MD&A) report discusses the financial and operating results of The Calgary Airport Authority (the Authority) for the three and six months ended June 30, 2025, and should be read in conjunction with the Authority's unaudited interim Financial Statements and note disclosures for the three and six months ended June 30, 2025. Additional information, including the Authority's most recent annual MD&A (2024 MD&A) and audited Financial Statements for the year ended December 31, 2024, is available at www.yyc.com. As the Authority is a non-share capital, not-for-profit entity, the MD&A is prepared voluntarily and, although similar, should not be construed to have been prepared in accordance with National Instrument 51-102 - Continuous Disclosure Obligations. The Financial Statements have been prepared in accordance with CPA Canada Handbook - Accounting Part II - Accounting Standards for Private Enterprises (ASPE). All amounts in the MD&A are in Canadian dollars unless otherwise stated.

MANAGEMENT'S DISCUSSION & ANALYSIS

CORPORATE PROFILE

The Calgary Airport Authority was incorporated on July 26, 1990, under the *Regional Airports Authorities Act* (Alberta) (the Act) as a non-share capital corporation. The mandate of the Authority, as defined in the Act, is to manage and operate the airports for which it is responsible in a safe, secure and efficient manner and to advance economic and community development by means that include promoting and encouraging improved airline and transportation service and an expanded aviation industry, for the general benefit of the public in its region.

The Authority has been operating YYC Calgary International Airport (YYC) since July 1992 pursuant to the Agreement to Transfer which provided for the transfer of operational control of YYC Calgary International Airport from the Government of Canada to the Authority under a long-term lease agreement (the Canada lease). The Canada lease has an initial term of 60 years with a 20-year option to extend that was exercised in 2011. In October 1997, the Authority entered into a lease with the Government of Canada for the operation of Springbank Airport (YBW) (the Springbank lease) for a term concurrent with the Canada lease term. The Canada lease term expires June 30, 2072.

Pursuant to the Act, the Authority reinvests all surplus in the capital renovation and expansion requirements of the airports for which it is responsible. The Authority is authorized to borrow for investment in airport infrastructure and operations. Capital includes investment in both leasehold and freehold assets of the Authority. Renovation requirements are determined through life-cycle management processes and physical asset inspections, while expansion requirements are determined in reference to airport capacity and demand. Capital requirements are generally determined on an annual basis in conjunction with the Authority's business plan, although larger projects may involve financial commitments that extend beyond one year. The Authority conducts an annual re-evaluation of projected economic conditions and facility demand factors.

HIGHLIGHTS

The financial and operating results for the second quarter and first six months of 2025 showed continued growth compared to the prior period.

FINANCIAL INFORMATION (\$ millions)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	\$ Change	2025	2024	\$ Change
Total Revenues	134.3	125.7	8.6	247.9	238.8	9.1
Direct operating costs	54.3	54.4	(0.1)	113.8	113.1	0.7
Canada lease	13.9	12.7	1.2	25.6	24.0	1.6
Airport improvement fee handling fees	2.1	2.1	—	4.0	3.9	0.1
EBITDA	64.0	56.5	7.5	104.5	97.8	6.7
Net Income (Loss)	0.3	(15.7)	16.0	(21.8)	(39.5)	17.7
See "Financial Performance" section for details See "Net Operating Results" section for reconciliation from net loss.						
Free Cash Flow (\$ millions) See "Liquidity and Capital Resources" section for details	36.6	28.2	8.4	49.8	41.3	8.5

EBITDA and Free Cash Flow are non-GAAP financial measures. Refer to the "Non-GAAP Financial Measures" section of this MD&A for additional information.

During the second quarter of 2025:

- Record high Enplaned & Deplaned (E&D) Passengers of 5.0 million, an increase of 4.8% compared to the previous record set in the second quarter of 2024.
- Local Enplanements increased by 2.3% to 1.5 million, compared to the second quarter of 2024, driving a 2.5% increase in Airport Improvement Fee (AIF) revenue to \$53.6 million, compared to the same period of 2024.
- Connecting Passengers increased by 10.2% to 0.9 million, compared to the second quarter of 2024, reflecting YYC's status and growth as a hub airport.
- Landed Passenger Seats increased by 12.0% compared to the second quarter of 2024.
- Total Revenues increased by 6.8% to \$134.3 million in the second quarter of 2025, compared to the same period of 2024.

MANAGEMENT'S DISCUSSION & ANALYSIS

- The Authority generated \$64.0 million of EBITDA (margin 47.7%) in the second quarter of 2025, an increase of \$7.5 million, or 13.3%, from the \$56.5 million of EBITDA (margin 44.9%) in the second quarter of 2024.

The Authority is continuing to monitor the impact of recent US tariff announcements on air passenger demand as well as on economic growth, nationally and regionally. For the quarter ended June 30, 2025, the Authority experienced a traffic increase of 1.6% in the Transborder sector compared to the same period in 2024, as compared to the 2.0% decline recorded during the first quarter of 2025. Significant unfavourable impacts could be experienced over the remainder of 2025, due to trade uncertainties. YYC's strength as a hub airport could partially mitigate unfavourable impacts of potential air travel demand reductions. The Authority will continue to monitor the evolving environment, and work closely with partners to accommodate current and future potential adjustments to capacity.

The financial and operating results for the six months ended June 30, 2025 showed continued growth compared to the prior period, driven by increased passenger levels and flight activity.

During the first six months of 2025:

- Record high E&D Passengers of 9.0 million, an increase of 2.8% compared to the previous record in 2024.
- Local Enplanements increased by 2.5% to 2.9 million compared to 2024, driving a 2.7% increase in AIF Revenue to \$101.6 million for the period.
- YYC saw a 3.8% increase in Aircraft Landings compared to 2024, primarily driven by a 5.2% increase in Passenger Aircraft Landings, partially offset by a 3.0% decrease in Corporate Aircraft Landings. Landed Passengers Seats increased 7.8% compared to 2024.
- Total Revenues increased by 3.8% to \$247.9 million in 2025, driven largely by increases in Non-Aeronautical Revenue and AIF Revenue.
- The Authority generated \$104.5 million of EBITDA (margin 42.2%) in 2025, an increase of \$6.7 million, or 6.9%, from the \$97.8 million EBITDA (margin 41.0%) generated in 2024.

In the first quarter of 2025, the Authority announced its plan, in partnership with Lufthansa Technik, a global leader in aircraft maintenance, repair and overhaul, to invest approximately \$120 million to build an engine maintenance and test cell facility on nine acres of land at YYC. The project has broken ground and the Authority is responsible for planning, development, construction and deployment.

This new, state-of-the-art facility is a first step towards establishing YYC as a strategic centre for maintenance, development, training, and innovation in aviation and its ancillary services (the "YYC AeroNex") that will support both cargo and passenger flights in and out of the region, making YYC a central node in the North American aviation services network.

On March 6, 2025, the Authority entered into a Bond Purchase Agreement with the Canada Infrastructure Bank (CIB) to support the design and construction of YYC AeroNex, under the existing Master Trust Indenture Agreement. This transaction has been formalized through the execution of the Fifth Supplemental Indenture authorizing a total issuance of \$171.9 million, which governs the issuance of Series G Bonds, establishing specific terms, conditions, tranche structures, and payment mechanisms.

On March 5, 2025, the Board of Directors approved the issuance of the first tranche of bonds in the Series G Bonds. The indenture is structured into four distinct bonds, with the first bond issued on March 6, 2025 at \$67.2 million. The funds are restricted to projects related to YYC AeroNex.

OPERATING ACTIVITY

The key activity drivers that have a direct impact on the Authority's financial results are passenger and flight activity, which includes passenger type mix, Aircraft Movements, Aircraft Size and the number of Seats per Aircraft.

Passenger Activity

Total Enplaned & Deplaned (E&D) Passenger activity at YYC is categorized into one of three sectors: Domestic (passengers travelling within Canada), Transborder (passengers travelling to and from destinations between Canada and the United States of America) and International (passengers travelling to and from destinations outside Canada excluding the US).

MANAGEMENT'S DISCUSSION & ANALYSIS

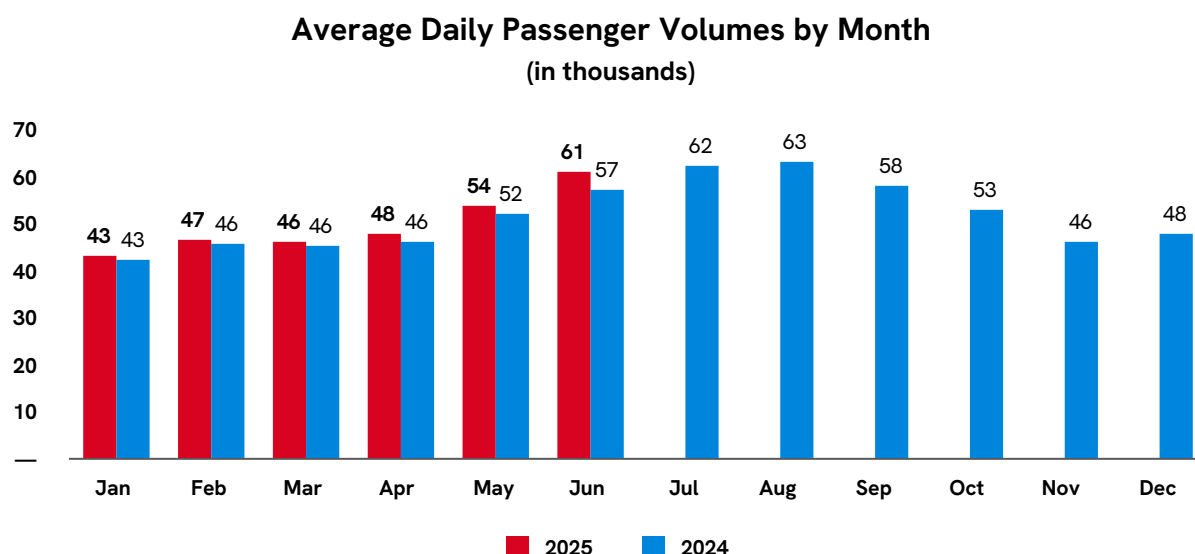
The following table summarizes passenger activity by sector for the second quarter and first six months ended June 30, 2025 and 2024:

PASSENGER ACTIVITY (thousands)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	% Change	2025	2024	% Change
Domestic	3,371.0	3,180.2	6.0	5,979.7	5,794.9	3.2
Transborder	946.5	931.9	1.6	1,775.5	1,777.5	(0.1)
International	632.9	611.4	3.5	1,276.9	1,216.8	4.9
Total Enplaned & Deplaned	4,950.4	4,723.5	4.8	9,032.1	8,789.2	2.8
Local Enplanements	1,531.9	1,497.2	2.3	2,898.4	2,826.7	2.5
Connecting Enplanements	887.9	806.0	10.2	1,572.0	1,515.1	3.8
Total Enplaned	2,419.8	2,303.2	5.1	4,470.4	4,341.8	3.0
Local Enplanements (%)	63.3%	65.0%	-1.7 pts	64.8%	65.1%	-0.3 pts
Connecting Enplanements (%)	36.7%	35.0%	1.7 pts	35.2%	34.9%	0.3 pts
Total Enplaned (%)	100.0%	100.0%		100.0%	100.0%	

Total E&D Passenger activity at YYC in the second quarter of 2025 was 5.0 million, an increase of 4.8%, compared to the same period of 2024. During the second quarter of 2025, the Domestic, Transborder, and International sectors saw growth of 6.0%, 1.6%, and 3.5%, respectively. Growth in the Domestic sector was driven by increased flight activity by WestJet and Flair, with additional flight service to Vancouver, Toronto, and Victoria. Growth in the Transborder sector was mainly driven by American and Delta, with higher flight frequencies to Chicago and Charlotte and a new route to New York. Growth in the International sector was mainly driven by WestJet, with additional flight service to Seoul and Cancun, as well as new service to Mexico City.

Total E&D Passenger activity at YYC for the six months ended June 30, 2025 was 9.0 million, an increase of 2.8%, compared to the same period of 2024. During the six months ended June 30, 2025, Domestic and International sectors saw growth of 3.2% and 4.9% respectively, while the Transborder sector was flat year-over-year. YYC's role as a hub airport helped maintain Transborder passenger traffic despite reduced demand for US travel by Canadians due to tariffs and political developments during the period.

Daily Passenger Volumes



Daily Passenger Volumes at YYC for the second quarter of 2025 increased 4.8% to an average of 54,400 passengers per day, up from an average of 51,900 per day in the same period of 2024.

Daily Passenger Volumes at YYC for the first six months of 2025 increased 3.3% to an average of 49,900 passengers per day, up from an average of 48,300 per day in the same period of 2024.

MANAGEMENT'S DISCUSSION & ANALYSIS

Enplanements

The Authority monitors two principal types of Passengers: Local Enplanements and Connecting Enplanements. A Local Enplanement is a passenger originating at YYC, while a Connecting Passenger continues their journey after arrival at YYC enroute to a final destination, which illustrates the role of a hub airport.

During the second quarter of 2025, Local Enplanements increased by 2.3% to 1.5 million passengers while Connecting Enplanements increased by 10.2% to 0.9 million passengers when compared to the same period of 2024. The percentage split between Local and Connecting Enplanements was 63.3% and 36.7%, respectively, compared to 65.0% and 35.0% in the same period of 2024, reflecting a shift toward connecting traffic due to YYC's status as a hub airport. Contributing to the shift was the impact of airlines reducing Transborder frequencies from other Canadian cities and redirecting these flights through YYC in response to reduced overall Transborder demand by Canadians. The increase in connecting traffic is also due to the introduction of new global routes added in 2025.

For the first six months of 2025, Local Enplanements increased by 2.5% to 2.9 million passengers and Connecting Enplanements increased by 3.8% to 1.6 million passengers, when compared to the same period of 2024. The percentage of Local Enplanements versus Connecting Enplanements was 64.8% and 35.2%, respectively, compared to 65.1% and 34.9% in 2024.

Flight Activity

All aircraft have a Maximum Take-Off Weight (MTOW), as specified by the aircraft manufacturers, and a total number of seats that varies by airline. MTOW and seats are used to calculate the majority of posted air carrier charges for each aircraft landing, driving aircraft landing fee revenue. Load Factor, the ratio of passengers to seats, is a measure of aircraft capacity utilization and is presented as a percentage of seats filled by passengers.

The following table summarizes Aircraft Landings, MTOW, Landed Passenger Seats, Seats per Passenger Aircraft Landing and Load Factor for the second quarter and first six months ended June 30, 2025 and 2024.

FLIGHT ACTIVITY	For the three months ended June 30			For the six months ended June 30		
	2025	2024	% Change	2025	2024	% Change
<i>(thousands)</i>						
Aircraft Landings	25.7	23.9	7.5	47.0	45.3	3.8
Passenger Aircraft Landings	20.1	18.4	9.2	36.5	34.7	5.2
Landed Passenger Seats	2,995.9	2,675.8	12.0	5,394.7	5,004.8	7.8
<i>(millions)</i>						
Total MTOW (kg)	1,774.9	1,661.5	6.8	3,256.6	3,092.4	5.3
Passenger MTOW (kg)	1,525.3	1,405.8	8.5	2,771.4	2,600.9	6.6
Total Cargo MTOW (kg)	142.7	158.4	(9.9)	287.3	306.5	(6.3)
Seats per Passenger Aircraft Landing	149.0	145.3	2.5	147.8	144.0	2.6
Load Factor (%)	80.8%	86.1%	-5.3 pts	82.9%	86.8%	-3.9 pts

Total Aircraft Landings increased 7.5%, and 3.8% in the three and six months ended June 30, 2025, respectively, compared to the same period of 2024. Passenger Aircraft Landings for the second quarter of 2025 increased by 9.2% compared to the same period in 2024, while for the six months ended June 30, 2025, increased by 5.2% compared to the same period of 2024. The year-over-year increase was primarily due to capacity increases by WestJet, Flair, and Air Canada. These increases were partially offset by the cessation of Lynx Air in February 2024, and carriers adjusting their Transborder capacity in the second quarter. The decrease in Non-Passenger Landings was largely attributable to lower Corporate flights, partially offset by higher Ferry and Government Flights in the period as Alberta hosted the G7 Summit in June. There were 14 passenger airlines operating at YYC at the end of June 2025, consistent with the 14 that were operating at the end of June 2024.

During the second quarter and first six months of 2025, total MTOW was 1,774.9 million and 3,256.6 million kilograms, an increase of 6.8% and 5.3%, respectively, from the same periods of 2024. This change was primarily driven by a 8.5% and 6.6% increase in Passenger MTOW, due to larger fleet being used. This growth was partially offset by a 9.9% and 6.3% decrease, respectively, in Cargo MTOW from the same periods of 2024.

Landed Passenger Seats in the second quarter of 2025 were 3.0 million, an increase of 0.3 million, or 12.0%, compared to 2.7 million seats in the same period of 2024. The average number of Seats per Passenger Aircraft Landing during the second quarter of 2025 was 149.0, an increase of 3.7 seats, or 2.5%, compared to 145.3 Seats per Passenger Aircraft Landing in the same period in 2024. Load Factor decreased 5.3 points to 80.8% in the second

MANAGEMENT'S DISCUSSION & ANALYSIS

quarter of 2025, compared to the same period of 2024. The 5.3 point decrease in Load Factor in the second quarter of 2025 reflects carriers shifting Transborder capacity to Domestic routes where demand has grown, but at a lesser rate than capacity, leading to lower overall Load Factor.

Landed Passenger Seats for the first six months of 2025 were 5.4 million, an increase of 0.4 million, or 7.8%, compared to the same period in 2024. The average number of Seats per Passenger Aircraft Landing was 147.8, an increase of 3.8 seats, or 2.6%, compared to 144.0 Seats per Passenger Aircraft Landing in the same period in 2024. The Load Factor decreased by 3.9 points from 86.8% to 82.9% for the six months ended June 30, 2025.

In the second quarter of 2025, Cargo Landings decreased by 2.5% compared to the same period of 2024. Similarly, for the six months ended June 30, 2025, Cargo Landings decreased by 0.3% compared to the same period of 2024.

FINANCIAL PERFORMANCE

Net Operating Results

The following table summarizes the Authority's Net Operating Results for the second quarter and first six months ended June 30, 2025 and 2024.

NET OPERATING RESULTS (\$ millions)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	\$ Change	2025	2024	\$ Change
Net Income (Loss)	0.3	(15.7)	16.0	(21.8)	(39.5)	17.7
Post-employment pension benefits remeasurement loss	(1.3)	(7.6)	6.3	(1.6)	(9.3)	7.7
Income (Loss) from Operations	1.6	(8.1)	9.7	(20.2)	(30.2)	10.0
Add: Interest and financing costs	27.4	28.3	(0.9)	54.7	56.5	(1.8)
Depreciation and amortization	35.0	36.3	(1.3)	70.0	71.5	(1.5)
EBITDA	64.0	56.5	7.5	104.5	97.8	6.7
EBITDA margin (%)	47.7%	44.9%	2.8 pts	42.2%	41.0%	1.2 pts

The Authority generated Income from Operations of \$1.6 million in the second quarter of 2025, compared to a Loss from Operations of \$8.1 million in the same period of 2024, primarily due to increased passenger activity, which drove increase in AIF, Aeronautical Revenues and passenger-driven Non-Aeronautical Revenues such as concessions. Strong cost control further contributed to a higher EBITDA margin for the period. For the six months ended June 30, 2025, the Authority generated a Loss from Operations of \$20.2 million, compared to a loss of \$30.2 million in the same period of 2024. The main driver of the decreased Loss from Operations was due to higher Total Revenues earned, lower Depreciation and amortization, and lower Interest and financing costs partially offset by increased expenses for the period.

EBITDA was \$64.0 million and \$104.5 million for the second quarter and first six months ended June 30, 2025, respectively, an increase of \$7.5 million and \$6.7 million, compared to the same periods of 2024. The EBITDA margin was 47.7% and 42.2% for the second quarter and first six months ended June 30, 2025, respectively, an increase of 2.8 points and 1.2 points, compared to the same periods of 2024. The \$7.5 million and \$6.7 million increases in EBITDA for the second quarter and first six months ended June 30, 2025, were mainly due to increased AIF and Non-Aeronautical Revenues earned during the period, driven by the higher passenger activity experienced.

Revenues

Revenues are derived from Airport Improvement Fees ("AIF"), Aeronautical Revenues, and Non-Aeronautical Revenues (NAR).

AIF is charged to each local originating enplaned passenger at YYC. This fee supports the funding of major infrastructure improvements.

Aeronautical Revenues include landing fees, general terminal fees and other aeronautical fees. Landing fees are based on the MTOW of arriving aircraft, general terminal charges are based on the number of seats and flight activity sector of an arriving aircraft, and other aeronautical fees are based on the usage of apron, aircraft gates and bridges, and certain fees per enplaned passenger.

NAR is generated from commercial activities not directly related to aircraft operations, such as concessions, car parking, property rentals, interest income, and other miscellaneous sources. A significant portion of NAR,

MANAGEMENT'S DISCUSSION & ANALYSIS

particularly from parking, car rentals, concessions, and ground transportation, is closely tied to passenger activity, as these services have a correlation in demand with the level of terminal traffic.

The following table summarizes the Authority's revenues for the second quarter and first six months ended June 30, 2025 and 2024.

REVENUES (\$ millions)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	\$ Change	2025	2024	\$ Change
Airport Improvement Fees	53.6	52.3	1.3	101.6	98.9	2.7
Aeronautical Revenues	25.5	24.8	0.7	47.6	47.9	(0.3)
Concessions	26.9	22.6	4.3	46.1	41.5	4.6
Car parking	12.9	13.0	(0.1)	24.5	24.6	(0.1)
Rentals and other	13.2	10.1	3.1	23.8	19.9	3.9
Interest income	2.2	2.9	(0.7)	4.3	6.0	(1.7)
Non-Aeronautical Revenues	55.2	48.6	6.6	98.7	92.0	6.7
Total Revenues	134.3	125.7	8.6	247.9	238.8	9.1

AIF Revenue was \$53.6 million and \$101.6 million for the second quarter and first six months ended June 30, 2025, respectively, an increase of \$1.3 million, or 2.5%, and an increase of \$2.7 million, or 2.7%, compared to the same periods of 2024. The primary driver for the higher AIF Revenue in both periods was growth of Local Enplanement passenger traffic.

Aeronautical Revenues of \$25.5 million in the second quarter of 2025 representing an increase of \$0.7 million, or 2.8%, compared to the same period in 2024. This growth was primarily driven by increased flight activity and higher aeronautical rates, which resulted in an increase in landing and general terminal fee revenues. Despite the positive performance in Q2, total Aeronautical Revenues for the first six months of 2025 declined by \$0.3 million, or 0.6%, to \$47.6 million. This year-to-date decrease was mainly due to a decrease in total Aircraft Landings during the first quarter of the year due to the uncertainty caused by US tariff negotiations and announcements released in the media. The Authority may enter into long-term commercial agreements with airline partners which may include rebates of aeronautical fees if certain growth thresholds are achieved.

Total NAR of \$55.2 million in the second quarter of 2025 increased by \$6.6 million, or 13.6%, while NAR of \$98.7 million for the first six months of 2025 increased \$6.7 million, or 7.3%, compared to the same periods of 2024. The increases were mainly due to targeted commercial initiatives including higher negotiated yields with key retail partners, new restaurant and retail locations opened in the terminal, new leases signed with land and terminal space tenants, and advertising portfolio expansion.

Concessions revenue totaled \$26.9 million and \$46.1 million in the second quarter and first six months ended June 30, 2025, respectively, representing an increase of \$4.3 million, or 19.0%, and \$4.6 million, or 11.1%, compared to the same period of 2024. This revenue stream includes car rental providers, in-terminal concessionaires, ground transportation providers, advertising, and in-terminal hotels. The main drivers of the revenue growth in this category were negotiated increases in lease yields with key retail partners and increased passenger activity, which supported increased revenue activities. Additionally, the opening of three new retail locations and one full-service restaurant during the period contributed to the overall increase in revenue. Additionally, elevated passenger volumes, boosted in part by Calgary hosting major international events such as the G7 Summit and the Rotary International Convention, contributed growth across key revenue streams, including concessions and car rentals.

Car parking revenue was \$12.9 million in the second quarter of 2025, a decrease of \$0.1 million, or 0.8% compared to the same period of 2024. For the first six months of 2025, Car Parking Revenue was \$24.5 million, a \$0.1 million, or 0.4%, decrease from the same period of 2024. While parking performance has benefited from increased passenger volumes, annual rate adjustments, and continued growth in YYC's online reservation system, which has supported higher booking activity, the overall net decrease was primarily attributable to reduced revenues from the remote parking facilities managed by third parties. This operational change offset gains in other parking segments and contributed to the modest decline in total parking revenue.

Rentals and other revenue is generated by sub-leasing terminal space and airport lands to companies that operate at YYC and YBW. Most land lease agreements tend to be longer term and do not fluctuate with passenger activity. Rentals and other revenue was \$13.2 million and \$23.8 million in the second quarter and first six months ended June 30, 2025, respectively, an increase of \$3.1 million, or 30.7%, and \$3.9 million, or 19.6%, compared to the same periods of 2024. The increase in revenue for the second quarter and first six months ended June 30, 2025, was due to the lease amendments with existing tenants, addition of new tenants, and year-over-year rent escalations.

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Expenses

Expenses include the costs to operate and maintain the airports, amortization of property and equipment, and intangible assets and Interest and financing costs.

The following table summarizes the Authority's expenses for the second quarter and first six months ended June 30, 2025 and 2024.

EXPENSES (\$ millions)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	\$ Change	2025	2024	\$ Change
Goods and services	35.7	36.3	(0.6)	74.5	75.7	(1.2)
Salaries and benefits	12.8	12.4	0.4	27.8	26.0	1.8
Property taxes	5.8	5.7	0.1	11.5	11.4	0.1
Direct operating costs	54.3	54.4	(0.1)	113.8	113.1	0.7
Canada lease	13.9	12.7	1.2	25.6	24.0	1.6
Airport improvement fee handling fees	2.1	2.1	—	4.0	3.9	0.1
Total Operating Expenses	70.3	69.2	1.1	143.4	141.0	2.4
Depreciation and amortization	35.0	36.3	(1.3)	70.0	71.5	(1.5)
Interest and financing costs	27.4	28.3	(0.9)	54.7	56.5	(1.8)
Post-employment pension benefits remeasurement loss	1.3	7.6	(6.3)	1.6	9.3	(7.7)
Total Expenses	134.0	141.4	(7.4)	269.7	278.3	(8.6)

Goods and services decreased by \$0.6 million, or 1.7%, and \$1.2 million, or 1.6%, in the second quarter and first six months ended June 30, 2025, respectively, compared to the same period of 2024. These reductions reflect strong cost management efforts across the organization. Favourable utility rates and lower consumption were experienced in the period which was partially offset by certain operational service contracts experiencing cost increases due to service enhancements and inflationary pressures, and an increase in repair and maintenance costs.

Salaries and benefits costs increased by \$0.4 million, or 3.2%, and \$1.8 million, or 6.9%, in the second quarter and first six months ended June 30, 2025, respectively, compared to the same period of 2024, driven mainly by direct salary costs due to increased staffing levels annual merit increases.

Canada lease expense increased by \$1.2 million, or 9.4%, and \$1.6 million, or 6.7%, in the second quarter and first six months ended June 30, 2025, respectively, compared to the same period of 2024 due to higher revenues at YYC. The Canada lease expense for 2025 and 2024 is recorded based on the contractual lease rate multiplied by the actual qualifying revenues for the entire period.

The Airport improvement fee handling fee is paid to the airlines and calculated as a percentage of the gross AIF collected by the airlines on behalf of the Authority. The Airport improvement fee handling fee expense of \$2.1 million and \$4.0 million in the second quarter and first six months ended 2025, is 4% of the total AIF Revenue earned during the periods.

Interest and financing costs of \$27.4 million and \$54.7 million in the second quarter and first six months ended June 30, 2025, respectively, were \$0.9 million, or 3.2% lower, and \$1.8 million, or 3.2%, lower than the same period of 2024, due to increased capitalization of interest expense as a result of the larger capital program in 2025.

Post-employment pension benefits remeasurement resulted in losses of \$1.3 million and \$1.6 million in the second quarter and first six months ended June 30, 2025, respectively, primarily due to the difference between the actual return on pension plan assets compared to the expected actuarial return during the period.

MANAGEMENT'S DISCUSSION & ANALYSIS

Summary of Quarterly Results

Select unaudited consolidated quarterly financial information for the quarters ended September 30, 2023 through June 30, 2025 is set out in the following table.

(\$ millions)	Quarter Ended							
	2025		2024				2023	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	134.3	113.6	124.9	155.2	125.7	113.1	120.7	152.6
Operating expenses	(70.3)	(73.1)	(76.6)	(70.6)	(69.2)	(71.8)	(73.0)	(68.8)
EBITDA	64.0	40.5	48.3	84.6	56.5	41.3	47.7	83.8
Depreciation and amortization	(35.0)	(35.0)	(34.8)	(35.0)	(36.3)	(35.2)	(37.3)	(34.2)
Interest and financing costs	(27.4)	(27.3)	(28.2)	(28.0)	(28.3)	(28.2)	(29.4)	(28.3)
Post-employment pension benefits remeasurement loss	(1.3)	(0.3)	(1.3)	3.4	(7.6)	(1.7)	8.0	(6.7)
Loss on disposal of capital asset	—	—	(9.4)	(1.5)	—	—	—	—
Insurance recovery accrued	—	—	10.9	—	—	—	—	—
Net Income (Loss)	0.3	(22.1)	(14.5)	23.5	(15.7)	(23.8)	(11.0)	14.6

EBITDA is a non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" of this MD&A for additional information.

Quarterly results for the Authority are influenced by passenger activity and aircraft movements, which tend to be cyclical in nature and vary with travel demand, which is typically higher in Q3, with holiday periods and other seasonal factors.

CAPITAL PROJECTS

The Authority focuses on capital programs and projects which improve passenger, baggage, and aircraft processing and flow, comply with regulatory requirements, and enhance safety, security and the customer experience.

The following table provides information on Capital Expenditures for the second quarter and first six months ended June 30, 2025 and 2024.

CAPITAL EXPENDITURES (\$ millions)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	\$ Change	2025	2024	\$ Change
Improvement projects	49.7	26.9	22.8	60.0	33.9	26.1
Restoration capital	18.0	9.3	8.7	23.0	11.3	11.7
Revenue projects	1.0	0.2	0.8	1.7	0.5	1.2
Capital Expenditures	68.7	36.4	32.3	84.7	45.7	39.0
Acreage assessment	—	0.3	(0.3)	—	0.3	(0.3)
Total Capital	68.7	36.7	32.0	84.7	46.0	38.7

Capital Expenditures of \$68.7 million and \$84.7 million in the second quarter and first six months ended June 30, 2025, respectively were \$32.0 million and \$38.7 million higher than the same periods of 2024, primarily due to Restoration capital such as West Runway Rehabilitation, Domestic Restoration, Centralized Passenger Screening Project and Revenue projects such as YYC AeroNex costs incurred in 2025.

The West Runway Rehabilitation project will completely rehabilitate the aging runway which was originally constructed in 1939 and will ensure YYC is able to safely operate while meeting the increasing expected volumes of passenger and cargo traffic over the next 40 years. The runway is expected to be in service by December 2025.

The Domestic Restoration project is to restore YYC's Concourse B as it was damaged in August 2024 due to the severe hailstorm which resulted in a complete shutdown of the concourse. This project is underway to restore the concourse.

The Centralized Passenger Screening project will consolidate all three security screening points for domestic passengers into one centralized checkpoint in the Domestic Terminal building. Passengers on all domestic flights

MANAGEMENT'S DISCUSSION & ANALYSIS

originating from YYC will pass through this checkpoint. Each lane will be equipped with upgraded technology screening equipment, to facilitate short wait times. Seven preboarding lanes are scheduled to open in 2026.

The development program of YYC AeroNex will position Calgary and the region as a strategic centre for development, training, and innovation in aviation and its ancillary services. The first project under YYC AeroNex is a partnership with Lufthansa Technik to build a state-of-the-art engine maintenance and test cell facility made-in-Canada solution that will benefit passenger and cargo airlines across the country.

ASSETS AND LIABILITIES

Total assets, Total liabilities and Net Deficit as at June 30, 2025 and December 31, 2024 are set out in the following table.

Net Assets (\$ millions)	As at June 30, 2025	As at Dec 31, 2024	\$ Change
Total assets	3,207.6	3,150.4	57.2
Total liabilities	3,513.9	3,434.9	79.0
Net Deficit	(306.3)	(284.5)	(21.8)

As at June 30, 2025, when compared to December 31, 2024, the Authority's Total assets increased by \$57.2 million, primarily due to an increase of \$67.3 million in restricted cash and a \$14.7 million increase in capital and intangible assets, partially offset by a \$25.8 million decrease in Cash and cash equivalents as well as a \$3.8 million decrease in Prepaid expenses. The restricted cash relates to funds raised from the Fifth Supplemental Indenture which is restricted to the projects under the YYC AeroNex as agreed upon with the CIB.

The Authority's Total liabilities increased by \$79.0 million, primarily due to a \$35.4 million increase in Other long-term liabilities, a \$32.7 million net increase in Long-term debt, and an \$11.1 million increase in Accounts payable and accrued liabilities.

The Authority has a Net Deficit position of \$306.3 million as at June 30, 2025. The Net Deficit has increased by \$21.8 million, compared to December 31, 2024, due to the Loss from Operations incurred in the period.

LIQUIDITY AND CAPITAL RESOURCES

The following table provides Cash Flow information for the second quarter and first six months ended June 30, 2025 and 2024.

CASH FLOW (\$ millions)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	\$ Change	2025	2024	\$ Change
Cash generated by operating activities	5.3	4.6	0.7	25.9	33.2	(7.3)
Cash used in investing activities	(41.2)	(33.2)	(8.0)	(114.1)	(40.6)	(73.5)
Cash provided by (used in) financing activities	(4.2)	(4.0)	(0.2)	62.4	(4.4)	66.8
Decrease in cash and cash equivalents	(40.1)	(32.6)	(7.5)	(25.8)	(11.8)	(14.0)

Net Cash Flows decreased by \$40.1 million for the three months ended June 30, 2025, a \$7.5 million change compared to the same period of 2024, due to higher Cash used in investing activities, partially offset by higher Cash generated by operating activities. Net Cash Flows decreased by \$25.8 million for the six months ended June 30, 2025, a reduction of \$14.0 million compared to 2024 due to higher Cash used in investing activities, partially offset by higher Cash generated by financing activities.

MANAGEMENT'S DISCUSSION & ANALYSIS

The following table provides information on the Authority's Free Cash Flow for the second quarter and first six months ended June 30, 2025 and 2024.

CASH FLOW (\$ millions)	For the three months ended June 30			For the six months ended June 30		
	2025	2024	\$ Change	2025	2024	\$ Change
Net Income (Loss)	0.3	(15.7)	16.0	(21.8)	(39.5)	17.7
Add: Depreciation and amortization	35.0	36.3	(1.3)	70.0	71.5	(1.5)
Interest and financing costs	27.4	28.3	(0.9)	54.7	56.5	(1.8)
Pension benefits remeasurement loss	1.3	7.6	(6.3)	1.6	9.3	(7.7)
EBITDA	64.0	56.5	7.5	104.5	97.8	6.7
Less: Interest and financing costs	(27.4)	(28.3)	0.9	(54.7)	(56.5)	1.8
Free Cash Flow	36.6	28.2	8.4	49.8	41.3	8.5

Free Cash Flow is the Authority's measure of the net result generated by operations, less debt service costs, excluding working capital changes. Free Cash Flow is a non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" of this MD&A for additional information.

The following table provides information on the Authority's debt position as at June 30, 2025 and December 31, 2024.

LONG TERM DEBT (\$ millions)	As at June 30, 2025	As at Dec 31, 2024	\$ Change
Long term debt, including current portion	3,288.8	3,255.9	32.9
Government assistance related to financing	36.6	—	36.6
Cash	171.6	197.4	(25.8)
Restricted cash	67.3	—	67.3
Net Debt	3,086.5	3,058.5	28.0
Key Credit Metrics			% Change
Debt service coverage ratio	2.16	2.12	
Gross debt service coverage ratio	5.74	5.46	
Gross debt/enplaned passenger (\$)	\$ 344.68	\$ 345.89	(0.3)
Net debt/enplaned passenger (\$)	\$ 323.47	\$ 324.92	(0.4)

Key Credit Metrics in the above table have been calculated based on operating results for the twelve months ended June 30, 2025, for the purpose of providing an annualized metric.

As at June 30, 2025, Long term debt increased by \$32.9 million, while Net Debt increased by \$28.0 million to \$3.1 billion, compared to December 31, 2024, due to a new bond issued on March 6, 2025 which increased Long term debt by \$36.6 million offset by a decrease in Cash of \$41.5 million which includes the \$67.2 million of Restricted cash received from the bond issuance to the CIB. Net Debt is a non-GAAP financial measure. Refer to the section "Non-GAAP Financial Measures" of this MD&A for additional information.

The Master Trust Indenture (MTI Agreement) contains certain financial covenants to be calculated on a yearly basis at the year-end balance sheet date. The Authority has met the required Debt service coverage ratio and Gross debt service coverage ratio thresholds as per the MTI Agreement, as at December 31, 2024.

Gross debt per enplaned passenger is one of the airport industry's key financial metrics. As at June 30, 2025, Gross debt per enplaned passenger decreased to \$344.68 and Net debt per enplaned passenger decreased to \$323.47, both as a result of the bond issued on March 6, 2025 offset by an increase in passenger activity experienced over the trailing twelve-month period. Net debt per enplaned passenger is a non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" for additional information.

MANAGEMENT'S DISCUSSION & ANALYSIS

The following table provides information on the Authority's liquidity position at June 30, 2025 and December 31, 2024.

LIQUIDITY & CREDIT FACILITIES (\$ millions)	As at June 30, 2025	As at Dec 31, 2024	\$ Change
Cash and cash equivalents	171.6	197.4	(25.8)
O&M expense reserve	(52.6)	(47.9)	(4.7)
Credit facilities:			
Available operating credit facility	200.0	200.0	—
Less: Letters issued	—	—	—
Operating Credit Facility	200.0	200.0	—
Total Net Liquidity (including cash and cash equivalents)	319.0	349.5	(30.5)
Available letter of credit facility	70.0	70.0	—
Less: Letters issued	(65.0)	(65.0)	—
Letter of Credit Facility	5.0	5.0	—

As at June 30, 2025, the Authority's Total Net Liquidity stood at \$319.0 million reflecting a decrease of \$30.5 million, or 8.7%, from December 31, 2024. This decrease was primarily driven by a \$25.8 million decrease in available Cash and cash equivalents, along with \$4.7 million allocated to the Operating and Maintenance (O&M) expense reserve. The decrease in available Cash and cash equivalents was due to \$114.1 million cash used in investing activities, partially offset by \$62.4 million cash generated by financing activities and \$25.9 million cash generated by operating activities in the period.

MANAGEMENT'S DISCUSSION & ANALYSIS

NON-GAAP FINANCIAL MEASURES

Throughout this MD&A, there are references to the following performance measures which in Management's view are valuable in assessing the economic performance of the Authority. While these financial measures are not defined by the Canadian Accounting Standard for Private Enterprises (ASPE), and they are referred to as non-GAAP measures which may not have any standardized meaning, they are common benchmarks in the industry, and are used by the Authority in assessing its operating results, including operating profitability, cash flow and investment program.

EBITDA and EBITDA Margin

EBITDA is earnings before interest and financing costs and depreciation, and EBITDA margin is EBITDA divided by total revenues. EBITDA is a commonly used measure of a company's cash flow and operating performance. This is used to evaluate the Authority's performance and cash flow generation.

Free Cash Flow

Free Cash Flow is the Authority's measure of the net result generated by operations less debt service cost paid, excluding working capital changes, in the year.

Gross Debt

Gross Debt is Long Term Debt, including current portion, from the Authority's Balance Sheet.

Gross debt per enplaned passenger

Gross Debt per Enplaned Passenger is defined as Gross Debt divided by total enplaned passengers. Gross debt per Enplaned Passenger is commonly used by airports and other users to assess an appropriate debt burden for an airport.

Net Debt

Net Debt is defined as Gross Debt (Long Term Debt, including current portion) less Cash and Cash Equivalents.

Net debt per enplaned passenger

Net Debt per Enplaned Passenger is defined as net debt divided by total enplaned passengers. Net debt per Enplaned Passenger is commonly used by airports and other users to assess the relative debt burden of an airport.

GLOSSARY

Enplaned and Deplaned (E&D) passengers

E&D Passengers are defined as the total number of passengers boarding an aircraft at YYC plus the total number of passengers disembarking from an aircraft at YYC as reported by air carriers on a regular basis.

Enplaned passengers

Enplaned passengers are defined as the total number of passengers boarding an aircraft at YYC as reported by air carriers on a regular basis.

Landed Passenger Seats

Landed Passenger Seats is defined as the total seating capacity in aggregate of all passenger aircraft arriving at the terminal buildings.

MTOW

MTOW is an aviation abbreviation used to describe the maximum take-off weight of an aircraft.

MANAGEMENT'S DISCUSSION & ANALYSIS

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements or forward-looking information (collectively, "forward-looking information") about the Authority. This forward-looking information is based on a variety of expectations, estimates, projections, judgements and assumptions and is subject to a number of risks and uncertainties. Words such as "believe", "expect", "plan", "intend", "estimate", "anticipate", "preliminary", "project", "trend" and similar expressions, as well as future or conditional verbs such as "will", "should", "would" and "could" often identify forward-looking information.

Specific forward-looking information in this document includes, among others, statements regarding the following: the Authority's strategy and development opportunities, as well as its future financial and operational performance; expectations in respect of future demand, capacity or activity and related monitoring efforts, including with respect to air passenger demand, revenue sources and the drivers thereof and future actions taken in relation thereto; expectations about current and future market and economic conditions, industry activities and development opportunities, as well as the anticipated impacts thereof, including general market conditions, geopolitical conditions and events (including trade policies and tariffs), and industry developments; expectations concerning the Authority's long-term commercial agreements, capital projects and other programs and developments at YYC, including the YYC AeroNex development program and the West Runway Rehabilitation project, the Domestic Restoration project and the Centralized Passenger Screening project, as well as the anticipated effects, timing, responsibilities, budgets and funding of such projects, programs and developments.

Forward-looking information is based on certain assumptions and other factors, including: government and passenger actions; Calgary's population base and diversified economy will provide the basis for strong aviation demand in the future; air carrier capacity will meet future demand for air travel in the Calgary; Calgary will continue to attract domestic and international travelers; the expected duration and cost of land lease agreements at YYC; no significant event such as a pandemic, natural disaster or other calamity will occur that has an impact on the ordinary course of business or the macroeconomic environment; the Authority will be able to access capital markets at competitive terms and rates; the Authority will be able to repay or refinance its existing debt as it becomes due; and no significant cost overruns relating to capital projects will occur. These assumptions are based on information currently available to the Authority, including information obtained by the Authority from third-party experts and analysts.

Although Management believes that the assumptions and other factors upon which forward-looking information is based are reasonable, there is risk that predictions, forecasts, conclusions and projections, which constitute forward-looking information, will not prove to be accurate, that the assumptions may not be correct and that actual results may vary from the forward-looking information. Factors that could cause actual results to differ materially from the results expressed or implied by forward-looking information include, but are not limited to: air carrier instability; passenger volumes; inability to meet business objectives; non-payment by customers and the Authority's ability to comply with covenants under its MTI Agreement and existing and future credit facilities; reliance on third parties, including airlines, to successfully operate and maintain their operations; volatility in economic activity including shocks to the macroeconomic environment (changes in fuel prices, inflation, interest rates, currencies, employment and spending); risks associated with potential changes in trade policies or the imposition of new or additional tariffs, including the impacts thereof on the economic conditions in Canada, North America and worldwide; changes in supply and demand trends; public health emergencies; capital market conditions and credit rating risk; competition from other airports; extended interruptions or disruptions in operations at YYC; outbreaks of war, riots, civil unrest or political action, including the war in Eastern Europe and the conflict in the Middle East; labour disruptions; disruptions caused by extreme weather, natural disasters or other events which impact air industry networks; geopolitical unrest; acts of terrorism or cyber-security threats; disruptions to information technology infrastructure; the loss of key personnel; changes in laws or regulations including rate regulation; adverse amendments to the Canada lease and the Springbank lease with the Government of Canada that govern the Airport lands; the use of telecommunications and ground transportation as alternatives to air travel; loss of commercial revenues; carbon emission costs and restrictions; adverse regulatory developments or proceedings; environmental factors and climate change; changing attitudes towards air travel; the availability of aviation liability and other insurance; the timing of recovery and receipt of insurance proceeds; construction risk; legal proceedings and litigation; and other risks detailed from time to time in the Authority's other published documents.

The forward-looking information contained in this document represents expectations as of the date of this report and is subject to change. The Authority disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information or future events or for any other reason except as required by law.

The Calgary Airport Authority's Interim Financial Statements

For the three and six months ended June 30, 2025

BALANCE SHEET *(unaudited)*

As at June 30, 2025 and December 31, 2024

(\$ millions)	Note	June 30, 2025	December 31, 2024
ASSETS			
Current Assets			
Cash and cash equivalents		\$ 171.6	\$ 197.4
Restricted cash	5	67.3	—
Accounts receivable	9	54.9	49.0
Inventory		9.0	8.3
Prepaid expenses		4.3	8.1
		307.1	262.8
Tenant Inducements		3.1	3.5
Other Long-term Assets and Prepaid Expenses		2.5	2.5
Capital Assets	3	2,881.5	2,866.3
Intangible Assets	4	2.2	2.7
Pension Asset	8	11.2	12.6
		\$ 3,207.6	\$ 3,150.4
LIABILITIES AND NET DEFICIT			
Current Liabilities			
Accounts payable and accrued liabilities	9	67.6	56.5
Interest payable on long-term debt	5, 9	25.9	26.4
Deferred revenue		3.5	1.3
Current portion of other long-term liabilities	9	7.7	9.7
Current portion of long-term debt	5, 9	8.2	8.0
		112.9	101.9
Other Long-term Liabilities	5, 7, 9	106.3	70.9
Pension Liability	8	14.1	14.2
Long-term Debt	5, 9	3,280.6	3,247.9
		\$ 3,513.9	\$ 3,434.9
Net Deficit		(306.3)	(284.5)
		\$ 3,207.6	\$ 3,150.4

See accompanying notes to the interim financial statements.

STATEMENT OF OPERATIONS AND NET DEFICIT *(unaudited)*

For the three and six months ended June 30, 2025

		Three months ended		Six months ended	
		June 30,		June 30,	
(\$ millions)	Note	2025	2024	2025	2024
REVENUES					
Airport improvement fees	\$	53.6	\$ 52.3	\$ 101.6	\$ 98.9
Aeronautical revenues		25.5	24.8	47.6	47.9
Non-aeronautical revenues					
Concessions		26.9	22.6	46.1	41.5
Car parking		12.9	13.0	24.5	24.6
Rentals and other		13.2	10.1	23.8	19.9
Interest income		2.2	2.9	4.3	6.0
		55.2	48.6	98.7	92.0
		134.3	125.7	247.9	238.8
EXPENSES					
Goods and services		35.7	36.3	74.5	75.7
Salaries and benefits	8	12.8	12.4	27.8	26.0
Canada lease		13.9	12.7	25.6	24.0
Property taxes		5.8	5.7	11.5	11.4
Airport improvement fee handling fees		2.1	2.1	4.0	3.9
		70.3	69.2	143.4	141.0
Earnings before interest and financing costs and depreciation		64.0	56.5	104.5	97.8
Depreciation and amortization	3, 4	35.0	36.3	70.0	71.5
Interest and financing costs	5,10	27.4	28.3	54.7	56.5
Income (Loss) from Operations	\$	1.6	\$ (8.1)	\$ (20.2)	\$ (30.2)
Other Expense					
Post-employment pension benefits remeasurement loss	8	(1.3)	(7.6)	(1.6)	(9.3)
Net Income (Loss)	\$	0.3	\$ (15.7)	\$ (21.8)	\$ (39.5)
Net Deficit, Beginning of Period	\$	(306.6)	\$ (277.8)	\$ (284.5)	\$ (254.0)
Net Deficit, End of Period	\$	(306.3)	\$ (293.5)	\$ (306.3)	\$ (293.5)

See accompanying notes to the interim financial statements.

STATEMENT OF CASH FLOWS *(unaudited)*

For the three and six months ended June 30, 2025

(\$ millions)	Note	Three months ended June 30,		Six months ended June 30,	
		2025	2024	2025	2024
OPERATING					
Net Income (Loss)	\$	0.3	\$ (15.7)	\$ (21.8)	\$ (39.5)
Employer defined benefit contributions	8	(0.3)	(0.4)	(0.7)	(0.9)
Adjustments:					
Depreciation and amortization	3, 4	35.0	36.3	70.0	71.5
Amortization of deferred financing costs	10	0.2	0.2	0.4	0.4
Post-employment pension benefits	8	1.4	7.9	1.8	9.6
Accretion of G-1 series bond	5	0.4	—	0.4	—
		37.0	28.3	50.1	41.1
Changes in non-cash working capital:					
Accounts receivable		(7.3)	(9.7)	(5.9)	(11.1)
Inventory		0.5	—	(0.7)	0.1
Prepaid expenses		1.2	1.4	3.8	2.7
Tenant inducements		0.2	0.1	0.4	0.3
Other long-term assets and prepaid expenses		(0.2)	0.2	—	0.3
Accounts payable and accrued liabilities		5.7	13.0	(5.7)	(0.4)
Interest payable on long-term debt		(28.1)	(28.1)	(0.5)	(0.4)
Deferred revenue		1.8	1.5	2.2	1.2
Other liabilities		(5.5)	(2.1)	(17.8)	(0.6)
		(31.7)	(23.7)	(24.2)	(7.9)
Cash provided by operating activities		5.3	4.6	25.9	33.2
FINANCING					
Proceeds from bond issuance	5	—	—	67.2	—
Repayment on long-term debt	5	(3.9)	(3.9)	(3.9)	(3.9)
Transaction costs incurred on issuance of long-term debt	5	—	—	(0.2)	—
Repayment of lease liabilities		(0.3)	(0.1)	(0.7)	(0.5)
Cash provided by (used in) financing activities		(4.2)	(4.0)	62.4	(4.4)
INVESTING					
Investment in capital and intangible assets	3, 4	(68.7)	(36.7)	(84.7)	(46.0)
Transfer to restricted cash	5	(0.1)	—	(67.3)	—
Government capital grant funds received	7	5.3	—	21.1	1.8
Change in accounts payable and accrued liabilities related to capital and intangible assets		22.3	3.5	16.8	3.6
Cash used in investing activities		(41.2)	(33.2)	(114.1)	(40.6)
Decrease in cash and cash equivalents	\$	(40.1)	\$ (32.6)	\$ (25.8)	\$ (11.8)
Cash and cash equivalents, beginning of period	\$	211.7	\$ 229.5	\$ 197.4	\$ 208.7
Cash and cash equivalents, end of period	\$	171.6	\$ 196.9	\$ 171.6	\$ 196.9

See accompanying notes to the interim financial statements.

Notes to Financial Statements *(unaudited)*

As at and for the three and six months ended June 30, 2025

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

1 DESCRIPTION OF BUSINESS

The Calgary Airport Authority (the "Authority") was incorporated on July 26, 1990 under the *Regional Airports Authorities Act* (Alberta) (the "Act") as a non-share capital corporation. The mandate of the Authority, as defined in the Act, is to manage and operate the airports for which it is responsible in a safe, secure and efficient manner and to advance economic and community development by means that include promoting and encouraging improved airline and transportation service and an expanded aviation industry, for the general benefit of the public in its region.

The Authority has been operating YYC Calgary International Airport since July 1992 pursuant to the Agreement to Transfer, which provided for the transfer of operational control of YYC Calgary International Airport from the Government of Canada to the Authority under a long-term lease agreement (the "Canada Lease"). The Canada Lease has an initial term of 60 years with a 20-year option to extend which was exercised in 2011. In October 1997, the Authority entered into a lease with the Government of Canada for the operation of Springbank Airport (the "Springbank Lease") for a term concurrent with the Canada Lease term. The Canada Lease term expires June 30, 2072.

Pursuant to the Act, the Authority reinvests all surplus in the capital renovation and expansion requirements of the airports for which it is responsible. The Authority is authorized to borrow for investment in airport infrastructure and operations. Capital includes investment in both leasehold and freehold assets of the Authority, as detailed in Notes 3 and 4. Renovation requirements are determined through life-cycle management processes and physical asset inspections, while expansion requirements are determined in reference to airport capacity and demand. Capital requirements are generally determined on an annual basis in conjunction with the Authority's business plan, although larger projects may involve financial commitments that extend beyond one year. The Authority conducts an annual re-evaluation of projected economic conditions and facility demand factors.

These interim financial statements were approved on August 12, 2025 by the Audit and Finance Committee of the Board of Directors.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement and presentation

These unaudited interim condensed financial statements have been prepared in accordance with Canadian Accounting Standards for Private Enterprises ("ASPE") applicable for interim periods, which sets out generally accepted accounting principles ("GAAP"). These financial statements do not include all the disclosures required in the annual financial statements and should be read in conjunction with the Authority's financial statements for the year ended December 31, 2024, prepared according to ASPE. The interim financial statements have been prepared on a going-concern basis using historical cost, except for the revaluation of certain financial assets and liabilities measured at fair value.

These unaudited interim financial statements have been prepared following the same accounting policies and methods as those used in preparing the Authority's 2024 annual audited financial statements.

Restricted cash

The Authority considers restricted cash to be those amounts received under contractual or regulatory agreements that are limited in use. These balances are maintained in separate bank accounts and disbursed in accordance with the related agreement's terms.

Use of estimates and measurement uncertainty

The preparation of interim financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and commitments and contingencies at the date of the interim financial statements and the reported amounts of revenues, expenses and other income (expense) during the reporting period. Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Significant areas requiring the use of Management estimates relate to the determination of accrued revenue, accrued liabilities, allowance for doubtful accounts, useful lives for depreciation of capital assets, and assumptions with respect to employee future benefit plans. Actual results could differ from these estimates.

Notes to Financial Statements (unaudited)

As at and for the three and six months ended June 30, 2025

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

3 CAPITAL ASSETS

As at June 30, 2025	Land	Leased Land	Buildings & Structures	Computer Equipment	Vehicles	Machinery & Equipment	Furniture & Fixtures	Construction in Progress	Total
Cost									
Beginning Balance	\$ 5.8	\$ 34.6	\$ 4,236.3	\$ 23.9	\$ 60.3	\$ 154.7	\$ 20.5	\$ 137.4	\$ 4,673.5
Additions	—	—	0.1	—	—	0.4	—	84.1	84.6
Transfers	—	—	4.2	2.4	1.1	1.1	0.4	(9.2)	—
Disposals and write-offs	—	—	(0.1)	—	—	—	—	—	(0.1)
Ending Balance	5.8	34.6	4,240.5	26.3	61.4	156.2	20.9	212.3	4,758.0
Accumulated Amortization									
Beginning Balance	—	6.9	1,690.0	18.4	39.3	45.6	7.0	—	1,807.2
Depreciation & Amortization	—	0.3	63.1	0.7	1.5	3.3	0.5	—	69.4
Disposals and write-offs	—	—	(0.1)	—	—	—	—	—	(0.1)
Ending Balance	—	7.2	1,753.0	19.1	40.8	48.9	7.5	—	1,876.5
Net Carrying Value									
December 31, 2024	\$ 5.8	\$ 27.7	\$ 2,546.3	\$ 5.5	\$ 21.0	\$ 109.1	\$ 13.5	\$ 137.4	\$ 2,866.3
June 30, 2025	\$ 5.8	\$ 27.4	\$ 2,487.5	\$ 7.2	\$ 20.6	\$ 107.3	\$ 13.4	\$ 212.3	\$ 2,881.5

Construction in progress balance consists of costs capitalized for both airside and groundside facility improvement projects. As at June 30, 2025, interest capitalized in construction in progress was \$2.8 million (December 31, 2024 - \$2.9 million). During the period, borrowing costs for active projects were capitalized at a weighted average interest rate of 3.43% (2024 - 3.43%).

4 INTANGIBLE ASSETS

As at June 30, 2025	Computer Software	Work in Progress	Total
Cost			
Beginning Balance	\$ 9.3	\$ 0.3	\$ 9.6
Additions	—	0.1	0.1
Ending Balance	9.3	0.4	9.7
Accumulated Amortization			
Beginning Balance	6.9	—	6.9
Depreciation & Amortization	0.6	—	0.6
Ending Balance	7.5	—	7.5
Net Carrying Value			
December 31, 2024	\$ 2.4	\$ 0.3	\$ 2.7
June 30, 2025	\$ 1.8	\$ 0.4	\$ 2.2

Notes to Financial Statements *(unaudited)*

As at and for the three and six months ended June 30, 2025

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

5 LONG-TERM DEBT

The Authority has an agreement with Computershare Advantage Trust of Canada (formerly BNY Trust Company of Canada) (the "Trustee") to provide a framework for the Authority to create and issue bonds and other debt securities and to enter into credit facility agreements, swaps and other debt instruments as set forth in the Master Trust Indenture ("MTI Agreement"). Under the MTI Agreement, bonds are issued in series through a supplemental indenture authorizing that particular series of bonds.

For the first five bond series issued under the "First Supplemental Indenture" (Series A to E), interest accrues on a daily basis and is payable on a semi-annual basis on April 7 and October 7 of each year of the term of that particular bond series. For the sixth bond series issued (Series F), principal and interest payments are payable on a semi-annual basis on April 7 and October 7 of each year of the term for the bond.

For the first bond issued under the "Second Supplemental Indenture" (4002957), principal and interest payments are payable on a semi-annual basis on April 7 and October 7 of each year of the term for the bond. For the next ten bond series issued (Series 4002958 to 4002967), interest accrues on a daily basis and is payable on a semi-annual basis on April 7 and October 7 of each year for the term of that particular bond series.

On March 6, 2025, the Authority entered into a Bond Purchase Agreement, under the existing MTI Agreement, with the Canada Infrastructure Bank ("CIB") to help establish YYC Calgary International Airport as a strategic centre for development, training, and innovation in aviation and its ancillary services ("YYC AeroNex") that will support both cargo and passenger flights. This transaction has been formalized through the execution of the "Fifth Supplemental Indenture" authorizing a total issuance of \$171.9 million. Funds raised from this Indenture are restricted to the projects under the YYC AeroNex program, as agreed upon with the CIB. The agreement allows for issuance of four bonds under the Series G subject to certain conditions precedent.

On March 6, 2025, the first bond under the "Fifth Supplemental Indenture" (Series G-1 to G-4), was issued for \$67.2 million. These funds are considered restricted cash. For the Series G-1 bond, interest accrues on a daily basis and is payable on a semi-annual basis on April 7 and October 7 of each year until the earlier of construction completion for the build of a state-of-the-art engine maintenance and test cell facility to the Series G-1 bond, or December 31, 2028. Once the threshold has been met, the semi-annual payments on April 7 and October 7 turn into principal and interest payments for the term of the bond. This Series G-1 bond is subject to partial redemption based on the final capital cost incurred on the project and also a full redemption in the event that the Authority does not issue Series G-2 and G-3 bonds.

The fair market value of the Series G-1 bond was calculated using a fair market interest rate of 4.80%, resulting in a calculated fair value of \$36.2 million, as at the issuance date. The difference between the proceeds and fair market value of the bond of \$31.0 million was classified as Government Assistance under "Other Long-term Liabilities." The Government assistance is amortized using the effective interest method over the term of the loan.

Notes to Financial Statements *(unaudited)*

As at and for the three and six months ended June 30, 2025

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

The bonds issued and outstanding, are:

Supplemental				June 30,	December 31,
Indenture	Series	Interest Rate	Maturity Date	2025	2024
First	Series A	3.1990%	October 7, 2036	\$ 350.0	\$ 350.0
First	Series B	3.3410%	October 7, 2038	300.0	300.0
First	Series C	3.4540%	October 7, 2041	350.0	350.0
First	Series D	3.5540%	October 7, 2051	350.0	350.0
First	Series E	3.5540%	October 7, 2053	300.0	300.0
First	Series F	3.7540%	October 7, 2061	407.8	410.4
Second	4002957	2.2580%	October 7, 2031	156.7	158.0
Second	4002958	3.0120%	April 6, 2035	25.0	25.0
Second	4002959	3.6430%	February 15, 2042	100.0	100.0
Second	4002960	3.1530%	December 15, 2047	25.0	25.0
Second	4002961	2.5622%	September 16, 2049	70.0	70.0
Second	4002962	3.8550%	March 17, 2034	83.0	83.0
Second	4002963	2.7900%	March 15, 2030	125.0	125.0
Second	4002964	4.0590%	November 30, 2033	107.9	107.9
Second	4002965	4.2580%	September 15, 2033	113.0	113.0
Second	4002966	3.4200%	June 29, 2032	200.0	200.0
Second	4002967	3.5130%	June 16, 2029	200.0	200.0
Fifth	G-1	4.8000% ⁽¹⁾	December 31, 2053	36.6	—
Total bonds issued				\$ 3,300.0	\$ 3,267.3
Less: Debt issuance costs				(11.2)	(11.4)
Less: Current portion				(8.2)	(8.0)
Long-term debt				\$ 3,280.6	\$ 3,247.9

(1) This interest rate represents the market rate of similar termed instruments.

The MTI Agreement contains certain financial covenants to be calculated on a yearly basis at the year-end balance sheet date. As at December 31, 2024, the Authority was in compliance with all its covenants.

6 CREDIT FACILITIES

As at June 30, 2025, the Authority has an available \$200.0 million revolving operating line of credit (the "Operating Facility") from a consortium of Canadian Financial Institutions (the "Lender"). Draws on the Operating Facility are by way of overdraft, Canadian prime rate loans and Canadian Overnight Repo Rate Average (CORRA) Loans, U.S. base-rate loans and Secured Overnight Financing rate (SOFR) Loans, and letters of credit. The Operating Facility bears interest at the Lender's prime rate or CORRA, plus an applicable pricing margin based on the debt rating received by the Authority and the type of draw on the facility. The maturity date of the Operating Facility is October 7, 2026. As at June 30, 2025, the amount drawn on the Operating Facility was \$nil (December 31, 2024 - \$nil).

Notes to Financial Statements *(unaudited)*

As at and for the three and six months ended June 30, 2025

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

The letters of credit that were outstanding under the Operating Facility as at June 30, 2025 were \$nil, (December 31, 2024 - \$nil). Under the MTI Agreement, the Authority is required to cover at least 25% of operating and maintenance expenses incurred in the previous fiscal year or a twelve-month period from the issuance of bonds, which has been covered with \$52.6 million in cash (December 31, 2024 - \$47.9 million).

As at June 30, 2025, the Authority has an available \$70.0 million revolving Letter of Credit Facility ("L/C Facility") that can be used for specific operational expenses, capital projects and major capital undertakings. As at June 30, 2025, the letter of credit that was outstanding under the L/C Facility was \$65.0 million (December 31, 2024 - \$65.0 million). This includes a letter of credit of \$55.0 million (December 31, 2024 - \$ 55.0 million) where under the MTI Agreement the Authority is required to cover at least 50% of the net interest accrued and the total principal amount to be paid for a twelve-month period after fiscal year-end using cash or letters of credit. The maturity date of the L/C Facility is October 7, 2025.

As at June 30, 2025 and December 31, 2024, the Authority has outstanding two pledged bonds to the Operating and L/C Facilities lenders for \$385.0 million and \$77.0 million, respectively, under the Third and Fourth Supplemental Indenture. The pledged bonds do not accrue interest and can be used by the lenders if the Authority defaults on any outstanding balance of each of the facilities including accrued interest and any applicable fees.

The covenants included in the Operating and L/C Facilities reference the covenants in the MTI Agreement. As at December 31, 2024, The Authority was in compliance with all its covenants.

7 GOVERNMENT ASSISTANCE

In March 2022, the Authority obtained grant approval under the Government of Canada's Airport Critical Infrastructure Program ("ACIP"). As at June 30, 2025, the Authority has recognized \$50.2 million (December 31, 2024 - \$45.1 million) in eligible funding on the Balance Sheet as Other long-term liabilities, to be amortized to Other Revenue, over the useful life of the related assets, when completed and in service.

8 EMPLOYEE FUTURE BENEFITS

As at June 30, 2025, the discount rate assumption used to measure the pension benefit obligation remains consistent from December 31, 2024. The discount rate assumption is based on market interest rates of high quality bonds that match the timing and amount of expected benefit payments.

Due to the re-measurement of the pension benefit obligations and related plan assets, as at June 30, 2025, the Authority recognized a pension asset of \$11.2 million and pension liability of \$14.1 million (December 31, 2024 - \$12.6 million and \$14.2 million, respectively).

9 FINANCIAL INSTRUMENTS

The Authority's financial instruments consist of Cash and cash equivalents, Restricted cash, Accounts receivable, Accounts payable and accrued liabilities, Interest payable on long-term debt, Long-term debt, Canada lease rent payable and the City of Calgary payable, within Other Long-term Liabilities.

The fair value of the Authority's financial instruments, other than its long-term debt and long-term payables, approximates their carrying value due to their short-term nature. The fair value of long-term debt and long-term payables is estimated using the discounted cash flow analysis based on the Authority's current borrowing rate for similar borrowing arrangements. As at June 30, 2025, the fair value of the Authority's long-term debt and Canada Lease rent payable is \$3,008.8 million (December 31, 2024 - \$2,980.4 million).

Notes to Financial Statements *(unaudited)*

As at and for the three and six months ended June 30, 2025

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

10 INTEREST AND FINANCING COST

	Three months ended		Six months ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Interest on long-term debt	\$ 26.8	\$ 27.5	\$ 53.3	\$ 54.9
Amortization of government assistance	(0.2)	—	(0.3)	—
Amortization of deferred financing costs	0.2	0.2	0.4	0.4
Standby fees	0.1	0.3	0.2	0.6
Fair value adjustment on long-term payable	0.1	0.1	0.3	0.2
Other interest expense	0.4	0.2	0.8	0.4
Interest and financing costs	\$ 27.4	\$ 28.3	\$ 54.7	\$ 56.5

11 COMMITMENTS AND CONTINGENCIES

The Authority is subject to legal proceedings and claims that arise in the ordinary course of business. While the final outcome with respect to these legal proceedings and claims cannot be predicted with certainty, Management does not expect the outcome of any proceeding to have a material adverse effect on the financial position or results of operations of the Authority.

Effective January 31, 2025, the Authority entered into Development and Lease Agreements with Lufthansa Technik to build an engine maintenance and test cell facility on nine acres of land at YYC Calgary International Airport, for lease to Lufthansa Technik. The project, which involves an investment of approximately \$120 million in partnership with Lufthansa Technik, has broken ground in June 2025 and the Authority is responsible for planning, development, construction and deployment. Under the Development and Lease Agreements, the Authority is contractually obligated to complete the construction of the engine maintenance and test cell facility in 2027.

In June 2011, the Authority entered into a Tunnel Sublease and License (the "Tunnel Agreement") with the City of Calgary (the "City"). The Tunnel Agreement, which expires June 29, 2072, required the City to extend Airport Trail east, across airport lands and, among other things, to construct, operate and maintain an associated tunnel under Runway 17L-35R which was completed on October 1, 2012. The Tunnel Agreement also provides for a cost-sharing arrangement regarding future interchanges along Airport Trail at 19th Street and Barlow Trail. The first phase for interchanges, which enhanced access to and egress from airport facilities, was completed in the Fall of 2022. The second phase of the interchanges, or components thereof, will be constructed when traffic volume service levels at the first phase of interchanges reach a proscribed level and, at that time, the Authority has agreed to contribute 50% towards the acquisition cost of the necessary third-party land and the associated construction project. As the first phase of these interchanges is now completed and the second phase third party land has been acquired, the Authority as of June 30, 2025, has recognized a liability of \$5.5 million (December 31, 2024 - \$5.4 million) towards these obligations. The Authority continues to have a commitment to contribute towards the second phase construction and additional land costs.

As of June 30, 2025, the Authority had approximately \$116.9 million in commitments for capital projects commenced during the year. The capital projects include various restoration projects and the rehabilitation of the West Runway.

12 INCOME TAXES

Pursuant to the *Airport Transfer (Miscellaneous Matters) Act* (Canada), income that may reasonably be regarded as being derived from airport business is exempt from federal and provincial income taxes. All income recognized during the six months ended June 30, 2025 and 2024 is considered to be derived from airport business and therefore exempt from income tax.