

# 2017

YEAR IN REVIEW

John C. Munro Hamilton International Airport  
9300 Airport Road, Suite 2206  
Mount Hope, Ontario L0R 1W0  
[flyhamilton.ca](http://flyhamilton.ca)

A member of  
**VANTAGE**  
AIRPORT GROUP



John C. Munro  
**HAMILTON**  
INTERNATIONAL AIRPORT



Photo: Entrance to John C. Munro Hamilton International Airport

# TABLE OF CONTENTS

Letter from Chairman of the Board & President and CEO .....	1
Corporate Goals & Governance.....	4
About Vantage Airport Group.....	6
2017 Highlights .....	8
Passenger Operations.....	10
Cargo Operations.....	12
Passenger Experience.....	14
Giving Back.....	16
Airport Operations.....	18
Financial Highlights.....	19

# LETTER FROM CHAIRMAN OF THE BOARD & PRESIDENT AND CEO

John C. Munro Hamilton International Airport celebrated many noteworthy achievements in 2017. Building on the momentum from 2016, passenger traffic grew by 80% with 599,146 passengers flying from Hamilton International making it the fastest growing airport in Canada.

As Canada celebrated its 150th birthday, 2017 was a great year to “Discover Canada” and explore destinations coast to coast with the ease and convenience of flying from Hamilton International.

In May, WestJet began non-stop seasonal service from Hamilton to Vancouver. The route initially launched with four weekly flights before expanding to daily service on Canada Day. In July, Flair Airlines (now known as Flair Air) officially purchased NewLeaf Travel Company assets, establishing Flair Air as a low-cost airline in Canada. The movement in Canada toward low-cost carriers that are well suited to operate from Hamilton International means that the Airport is positioned to provide Canadian consumers with affordable travel options. Services from these carriers, as well as Air Canada’s twice daily service to Montreal, meant customers could fly from Hamilton to domestic destinations across the country and to Europe via Air Canada’s Montreal hub. The 2017/18 winter program also saw the return of a seasonal program to various sun destinations operated by WestJet, Sunwing, Air Transat and Celebrity Cruises.

Hamilton International’s cargo business also experienced growth in 2017 with a 14% increase in cargo activity. This allowed the Airport to maintain its position as Canada’s largest overnight express cargo airport and hub for e-commerce in Canada, facilitating the movement of goods from coast to coast and beyond to global markets in Europe and South America. As cargo traffic at Hamilton International continues to grow steadily each year, the Cargo Centre continues to play a key role in facilitating e-commerce and expanding general cargo activity.

This growth would not be possible without the support of the Airport’s exceptional Operations department which successfully completed several capital projects in 2017. Improvements and upgrades to facilities included airfield rehabilitations and road resurfacing, construction of an international walkway, Terminal Building renovations, upgraded automated pay stations and a renovated Duty Free shop.

We are extremely grateful to Airport employees, partners, customers and community stakeholders for making Hamilton International Airport the fastest growing airport in Canada and consequently, an economic engine for the City of Hamilton. We look forward to continuing this momentum in 2018.

Sincerely,



Ron Foxcroft  
Chairman of the Board



Cathie Puckering  
President and CEO



Ron Foxcroft  
Chairman of the Board



Cathie Puckering  
President and CEO



Photo: Entrance to the Terminal Building

# CORPORATE GOALS & GOVERNANCE

## Mission

As an international gateway in Southern Ontario facilitating the efficient movement of people and goods, we are an economic engine and a responsible community partner.

## Vision

Recognized by the world as the best global gateway in Canada for affordable travel and goods movement.

## Values

To our passengers, partners and people we value:

**Safety and Security.** Taking immediate action to ensure we achieve the highest standards.

**Quality and Operational Excellence.** Constantly striving to exceed expectations by providing high quality airport services and infrastructure.

**Respect and Integrity.** Embracing a culture of integrity and accountability for our actions.

**Improvement and Innovation.** Committing to grow our business through continuous learning to achieve cost leadership and to deliver winning results.

**Teamwork and Recognition.** Creating a positive experience everyday by being friendly, having fun and recognizing achievements.

## Governance

John C. Munro Hamilton International Airport's Board of Directors is a team of professionals connected to the local community or aviation industry. The Board of Directors meet four times a year providing governance for the Airport. Hamilton International Airport's Executive Management Team reports directly to the Board of Directors.



Photo: Passengers collecting their bags in the Arrivals Hall

# ABOUT VANTAGE AIRPORT GROUP

Passionate about people, performance and place, Vantage Airport Group is a leading developer, investor and manager of airports around the world. Since 1994, the company has been actively involved in making 31 airports better and in taking 20 from public to private management. Vantage develops, implements and hones best practices at airports around the world, which results in financially stronger, more sustainable, better connected airports for the communities and businesses they serve. Its current network is made up of ten airports around the globe, including LaGuardia Central Terminal B in New York and Chicago Midway International. Together, Vantage airports served more than 56 million passengers in 2017, travelling on 135 different airlines.





Photo: A family arrives for their flight

# 2017 HIGHLIGHTS



**OVER  
2,800**

total jobs created  
through Airport  
activity at Hamilton  
International



**OVER  
90%**

of passengers  
reported a positive  
Airport experience



**OVER  
226 hours**

contributed by Airport staff to  
community organizations and events



**262.3M**

in direct financial benefit to  
the City of Hamilton since 1996



**499,211,000kg**

in total landed cargo aircraft billable weight



**599,146**

passengers flying to and  
from Hamilton International



Photo: Passenger Lounge in the Terminal Building

# PASSENGER OPERATIONS

Thanks to the combined efforts of the Airport's airline partners, Hamilton International saw an 80% growth in passenger traffic in 2017.

WestJet's year-round service from Hamilton to Winnipeg, Calgary, Edmonton and Halifax continued in 2017 along with seasonal service from Hamilton to Orlando and Hamilton to Vancouver. In October, WestJet announced it would begin non-stop service between Hamilton and Las Vegas, twice weekly from December until April.

Air Canada continued flying twice daily between Hamilton and Montreal, serving the needs of business and leisure passengers and providing connections to Atlantic Canada and Europe via the airline's Montreal hub.

In June, Flair Airlines announced the purchase of NewLeaf Travel Company assets, consolidating the company and coinciding with one year of operation for the partnership with service from Hamilton to Winnipeg, Edmonton and Abbotsford.

Air Transat operated winter seasonal flights from Hamilton to Cayo Coco, Cancun, Puerto Plata, Punta Cana and Varadero from December to April.

Sunwing continued offering passengers service to warm weather destinations, including Montego Bay, Punta Cana and Varadero during the winter season.

Celebrity Cruises once again returned to Hamilton International with its all-inclusive program, providing passengers with the option of either an eastern or western Caribbean cruise package beginning in February.

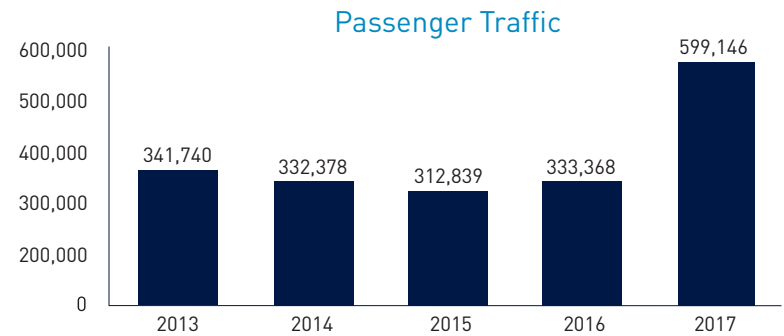




Photo: Special delivery at the Cargo Centre; photo credit Tom Podolec

## CARGO OPERATIONS

The Cargo Centre continued to grow in 2017 with a 14% year-over-year increase in aircraft landed weight. Hamilton International remains Canada's largest overnight express cargo airport by maintaining its position as a strategic gateway for facilitating goods movement from coast to coast and across the globe.

Cargo airline partners include Cargojet, Purolator, Canada Post, DHL and UPS. This comprehensive network serves markets in Canada, Europe and South America.

In late 2017, Hamilton International welcomed Aeroship Handling Ltd. to the Cargo Centre for general cargo handling. Aeroship is responsible for handling services within the Cargo Centre and provides bonded, e-commerce and temperature controlled air cargo handling services, as well as cross-docking and end of runway cargo services.

Cargo Aircraft Billable Weight (000's kg)

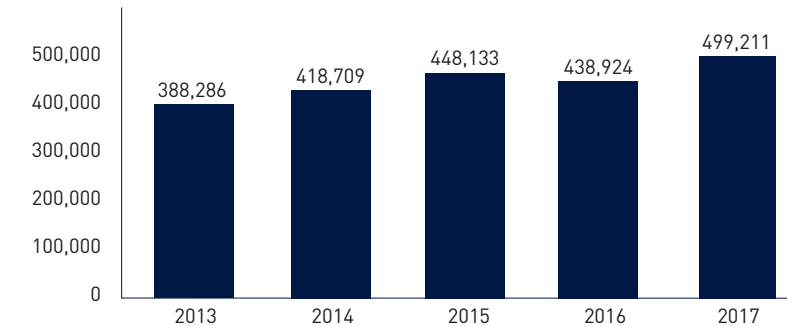






Photo: Customers pick up their coffee before their flight

# PASSENGER EXPERIENCE

Hamilton International continuously makes improvements to its services and facilities to deliver an excellent Airport experience for its passengers.

## Customer Service

The Hamilton International Airport Ambassador Program continued for its twelfth consecutive year and continues to offer customer service and assistance throughout the terminal with a warm and cheerful smile. The Airport received a satisfaction rating of over 90% from passengers in 2017.

## Terminal Partners

The Airport continued to work with partner Tim Hortons to provide passengers with food and beverage options both pre and post-security. In addition, J&A's Bar offered passengers an improved menu at its location in the boarding lounge. In the summer, Hamilton International Duty Free and Departures retail convenience store completed store renovations, providing an enhanced experience for its customers.

## Terminal Updates

Throughout 2017, Hamilton International continued to invest in infrastructure. In November, the Airport officially celebrated the grand opening of the new international walkway. The walkway is covered and can be heated or cooled ensuring passengers returning from international destinations are protected from inclement weather. Later in the year, the Airport underwent a renovation of restrooms to enhance accessibility. This ongoing commitment to improving facilities is designed to ensure passengers enjoy a convenient and comfortable travel experience.

## Sense of Place

Working with the Art Gallery of Hamilton, the Airport continues to showcase its existing Art Installation program as part of its 'Sense of Place' theme, linking Hamilton International to its local surroundings.



Photo: 2017 Sunshine Foundation DreamLift

# GIVING BACK

Hamilton International is a responsible community partner and continues to support its neighbours, passengers and partners to better serve the city and surrounding region.

## Direct Benefit to the City

Hamilton International is committed to investing in its operations and infrastructure to support Airport growth. Since 1996 TradePort and its partners have invested \$219.1 million, which in turn has created \$262.3 million in direct financial benefit to the City of Hamilton.

## Growing the Economy

Through Airport activity, Hamilton International and its partners contribute \$284 million in gross domestic product (GDP), produce an economic output of \$644 million\*, and create over 2,800 person years of employment for Hamilton and the surrounding region.

## Community Investment

Hamilton International is proud to support several community organizations and events through donations, sponsorships and gifts in kind, with a focus on the Airport's Community Investment Pillars of: Aviation Education, Sense of Place and Employee-Driven Giving.

Hamilton International supported several organizations and initiatives in 2017 through its Community Investment Program including:

**McMaster Children's Hospital • Sunshine Foundation's DreamLift • City Kidz • The Great Canadian Shoreline Cleanup • Liberty for Youth • Mohawk College • Hamilton Tiger-Cats • Supercrawl • Epilepsy Canada • United Way • Movember • Hope Air • Canadian Warplane Heritage Museum**

\*Source: Hamilton International Economic Impact Study, InterVISTAS (2013)



Photo: Hamilton International emergency response vehicles with a Volga-Dnepr Ilyushin IL-76 cargo plane; photo credit Tom Podolec

# AIRPORT OPERATIONS

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

## Safety

In 2017, Hamilton International participated in a number of training activities and exercises including Canadian Airport Safety Week (CASW) along with 29 other Canadian airports. In October, the Airport conducted a full-scale live training exercise with Hamilton Police Service, Hamilton Fire Department, and Hamilton Paramedic Service, and conducted a live security exercise in conjunction with our partners and Hamilton Police Service. Hamilton International also facilitated the Royal Canadian Air Force's National Search and Rescue Exercise (SAREX).

## Community

Hamilton International continued to seek opportunities for improvement of the Airport's environmental stewardship, social engagement and contribution to the regional economy. As part of Hamilton International's evolving Sustainability Plan, the Operations team continued to work with Sustainable Hamilton Burlington (SHB).

## Efficiency

With the goal of ensuring aircraft, people and goods move efficiently through the Airport, a number of capital projects were completed. This includes the installation of upgraded automated parking systems, the purchase of new snow clearing equipment, resurfacing runways, taxiways and roadways, apron rehabilitation and an upgraded WIFI system.

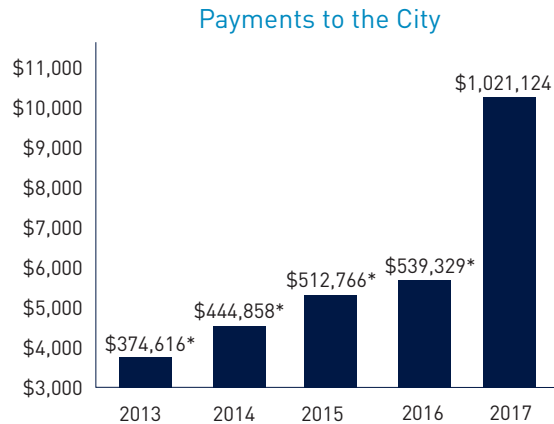
## Quality

Many of the capital projects completed in 2017 were done to increase the quality of the passenger experience at Hamilton International. These projects included upgrades inside the boarding lounge to offer passengers additional food and beverage options while they wait to board their aircraft as well as the new international walkway which is covered and can be heated or cooled depending on the weather. These projects show a commitment to improving the Airport's infrastructure and enhancing the customer experience at Hamilton International.

# FINANCIAL HIGHLIGHTS

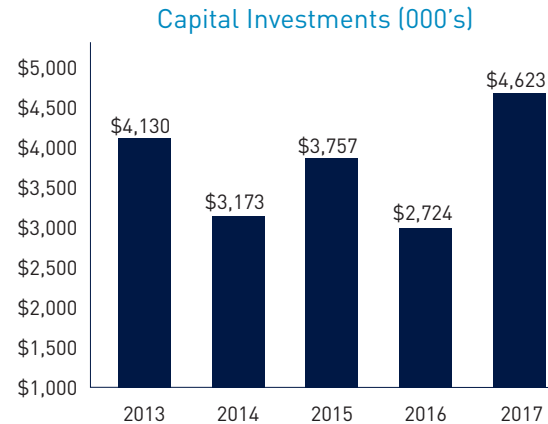
Passenger traffic growth, along with a continued focus on safety, security and compliance with regulations were key drivers in 2017 for the Airport in reaching its performance targets. Financial results continue to be positive with revenues exceeding operating expenses by over \$8 million.

The Airport continues to reinvest in infrastructure through its sustaining and expansionary capital program to update, maintain and expand its onsite facilities.

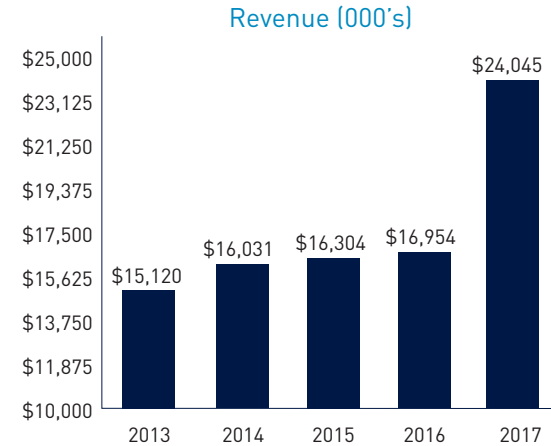


Under the operating lease agreement with the City of Hamilton, TradePort is required to pay rent based on a formula of revenue and operating income for each fiscal year. For the year ending December 31, 2017, rent to the City and assessment tax and other fees was \$1,021,124; an 89% increase over prior year.

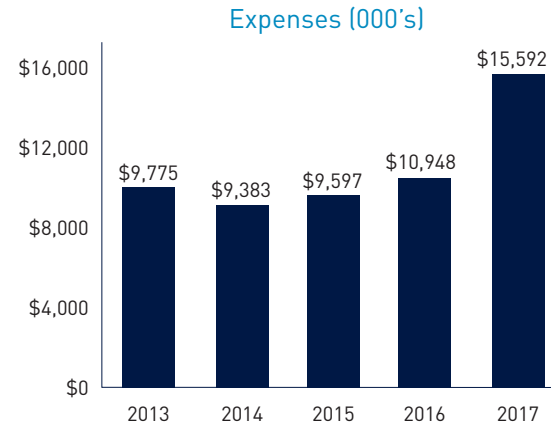
\*Inclusive of Rent paid to the City and Assessment Tax Fee



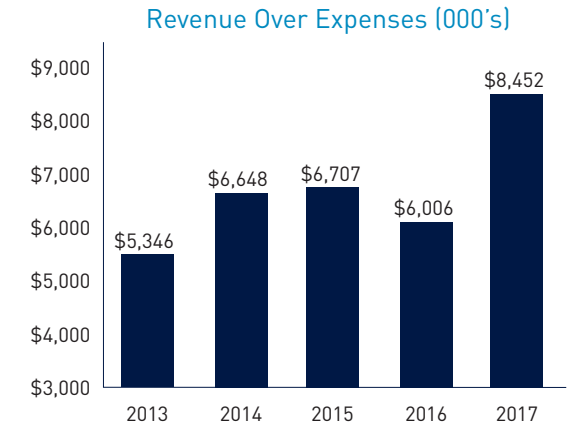
\$4.6 million was invested in both sustaining and expansionary capital. 2017 investments include: international walkway, upgraded automated parking systems, purchase of new snow clearing equipment, resurfacing runways, taxiways and roadways and apron rehabilitation.



The Airport's three main revenue sources are passenger operations, cargo operations and commercial property rents. Revenues were 42% higher in 2017 due to increased cargo and passenger traffic.



Expenses consist of amounts incurred in the normal course of operations and include amortization, interest cost associated with long-term debt and income tax. Expenses were \$15.6 million in 2017, an increase of 42% over 2016.



Total excess of revenue increased by 41%, or \$2.4M over 2016's results due to increased cargo and passenger traffic.