Greater Toronto Airports Authority

Management's Discussion and Analysis and Condensed Interim Consolidated Financial Statements

September 30, 2026

GTAA | Toronto Pearson

Management's Discussion and Analysis of the Greater Toronto Airports Authority

September 30, 2026



MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

Dated November 10, 2026

FORWARD-LOOKING INFORMATION

This Management's Discussion and Analysis ("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 report discusses the financial and operating results of the Greater Toronto Airports Authority (the "GTAA" or "Company") for the three and nine-months ended September 30, 2026, and should be read in conjunction with the Condensed Interim Consolidated Financial Statements of the GTAA for the same period. In addition, the reader is directed to the Consolidated Financial Statements and MD&A for the years ended December 31, 2025, and 2024, and the Annual Information Form for the year ended December 31, 2025. These documents provide additional information on certain matters that may or may not be discussed in this report. Additional information relating to the GTAA, including the Annual Information Form and the Annual Audited Consolidated Financial Statements referred to above, is available on SEDAR+ at www.sedarplus.ca. The GTAA's Annual Audited Consolidated Financial Statements, MD&A and the Annual Information Form are also available on its website at www.torontopearson.com.

CORPORATE PROFILE

The GTAA is a corporation without share capital under the *Canada Not-for-profit Corporations Act* and a designated airport authority under the *Airport Transfer (Miscellaneous Matters) Act*. The GTAA manages and operates Toronto – Lester B. Pearson International Airport (the "Airport" or "Toronto Pearson") under a ground lease with the Government of Canada, dated December 2, 1996 (the "Ground Lease"). The Ground Lease expires on December 1, 2076. The Ground Lease is available on SEDAR+ at www.sedarplus.ca and on the GTAA's website at www.torontopearson.com. The GTAA's wholly-owned subsidiary, Malton Gateway Inc. ("MGI"), a holding company, was incorporated in April 2017 and holds the shares of Airway Centre Inc. ("ACI"), which was also incorporated in April 2017 to acquire and manage commercial properties. The properties acquired by ACI do not form part of the premises leased to the GTAA by the Government of Canada under the Ground Lease.

COMPANY OVERVIEW

The Greater Toronto Airports Authority (GTAA) is responsible for the development, management, and operation of Toronto - Lester B. Pearson International Airport (Toronto Pearson), delivering outstanding customer experience, while driving operational excellence and fostering employee growth. As a global hub, Toronto Pearson serves as Canada's largest gateway for people and air cargo—linking passengers and goods to destinations around the world.

Corporate Strategy

The GTAA's mission is to "make Toronto Pearson a global leader in airport performance, customer care and sustainability. We are powered by our people and innovate in all that we do, striving for the most uplifting, safe, and efficient next-generation airport. We champion prosperity in our communities and the aviation ecosystem".

The GTAA launched its 10-year Strategic Plan ("the Plan") in 2023 with a vision of "Putting the joy back into travel by making Toronto Pearson the chosen place to fly and work." This vision is being executed through a series of multi-year programs and initiatives, including the Long-term Investment in Facilities and Terminals ("Pearson LIFT"). Pearson LIFT prioritizes capital investments to restore, grow and improve capacity and resiliency. Pearson LIFT is being delivered through three separate programs, a flexible, long-term approach that will facilitate and serve anticipated passenger growth at expected service levels over the next decade.

In pursuit of its strategy, the GTAA has developed four strategic pillars to support its vision:

- **Customer experience**: Make air travel seamless by connecting passengers, airlines and key ecosystem partners through innovative tools, such as streamlined processing, digital trip planning and predictable wait times, to become a global leader in passenger care and travel experience;

- **Operational efficiency**: Forge strong and flexible terminal, ground and air operations by continuously improving processes while transitioning to a more sustainable business operation. This includes more influence on partner activities across the airport;

- **Innovation**: Create an ecosystem of innovation partners to cultivate and accelerate initiatives that will make Toronto Pearson – and the broader aviation sector – faster, better and stronger;

- **Culture and employee experience**: Commit to the continuous improvement of our employment environment, including our facilities, processes and culture. We want to reflect the diversity of Toronto Pearson's surrounding communities and preserve an inclusive and accessible workplace for all.

Pearson Long-term Investment in Facilities and Terminals

Pearson LIFT is part of GTAA's infrastructure development plan spanning more than a decade, aimed at transforming Toronto Pearson to be one of the most advanced, sustainable and passenger-friendly airports.

The Pearson LIFT program is focused on revitalizing existing airport facilities, replacing aging assets, and building new spaces, supported by a digital environment, all to elevate the passenger experience and increase capacity to meet anticipated future travel demands.

Pearson LIFT consists of three major programs: Accelerator, T1/T3 Revitalization and Gateway. These are designed to address near and long-term passenger growth while preparing Toronto Pearson as Canada's largest airport for the future of air travel.

Accelerator will deliver vital upgrades to airport assets, aiming to improve on-time performance, advance sustainability, and accommodate near-term passenger growth.

T1/T3 Revitalization includes investments to modernize passenger processing, amenities, and retail spaces, increase digitalization of the passenger journey, renew critical assets, and create vibrant employee areas. Additionally, GTAA will invest in optimizing ground side access for a smoother arrival and departure experience.

Gateway is GTAA's expansion program that will deliver new terminal space designed to accommodate anticipated long-term passenger growth, provide outstanding passenger care and experience and offer seamless passenger flow enhanced through technology.

In addition to the three signature programs, Pearson LIFT includes advancements in technology and a phased replacement and expansion of the baggage handling system (BHS), including near-term restoration to improve system resilience.

Both Accelerator and Gateway will follow a progressive design-build approach, while T1/T3 Revitalization will be delivered through a construction management approach with an associated design contract.

Pearson Accelerator Construction Team ("PACT") is progressing with early works for the Accelerator program. The contract for the first phase of work in the BHS program was awarded in Q1 2026 to Vanderlande Industries Canada.

Vanderlande will be leveraging its established Canadian workforce and operations. T1/T3 Revitalization Program was launched in Q2 2026 with the contract awards to NORR-DIALOG, a joint venture of two Ontario-incorporated firms, for design services, and to PCL Construction, a global firm created and headquartered in Canada, for construction management services. Design validation activities are currently underway. The competitive procurement processes for the Gateway programs are advancing.

Pearson LIFT is expected to deliver significant benefits for the airport, its partners, passengers and community, including:

- Protecting and enhancing Canada's direct air connectivity to global economies, strengthening supply chains and enabling tourism growth;
- Facilitating world-class airport experience for passengers, partners and employees;
- Enabling the growth of the local economy through business and investment opportunities;
- Reducing environmental impacts by embedding sustainability initiatives into design, construction and operations.

Government of Canada Statement on Airport Ownership

On September 15, 2026, the Prime Minister of Canada made statements about airport ownership in Canada. The GTAA recognizes the federal government's plan for future investment in airports. GTAA will continue to collaborate with the federal government to ensure the airport maintains delivery of long-term economic value, meets the needs of our passengers and preserves the critical role our sector plays in Canada's sovereignty and prosperity.

FINANCIAL AND OPERATIONAL OVERVIEW

	Three months ended September 30				Nine months ended September 30			
	2026	2025	Change [1]	%	**2026**	2025	Change [1]	%
Total Revenues *($ millions)*	**626.5**	562.2	64.3	11.4	**1,715.6**	1,570.2	145.4	9.3
EBITDA [2, 3]	**327.5**	291.5	36.0	12.3	**844.0**	769.3	74.7	9.7
EBITDA Margin [2, 3]	**52.3%**	51.9%			**49.2%**	49.0%		
Net Income	**177.7**	138.6	39.1	28.3	**347.2**	317.7	29.5	9.3
Cash Flows from Operating Activities *($ millions)*	**288.3**	269.6	18.7	6.9	**744.7**	729.6	15.1	2.1
Free Cash Flow [2]	**168.6**	175.7	(7.1)	(4.0)	**350.7**	360.3	(9.6)	(2.7)
Passenger Activity *(millions)*								
Domestic	**5.5**	5.2	0.3	5.8	**13.9**	13.0	0.9	7.0
International	**8.3**	7.9	0.4	5.1	**23.4**	22.8	0.6	2.7
Total	**13.8**	13.1	0.7	5.3	**37.3**	35.8	1.5	4.2
Flight Activity								
Aircraft movements *(thousands)*	**106.7**	104.6	2.1	2.0	**300.7**	295.4	5.3	1.8
MTOW [4] *(million tonnes)*	**10.3**	10.0	0.3	3.5	**28.6**	28.0	0.6	1.8
Seats *(millions)*	**16.0**	15.4	0.6	4.0	**44.2**	43.1	1.1	2.5
Load factor	**86.2%**	84.7%			**84.4%**	82.9%		

	As at September 30			
	2026	2025	Change [1]	%
Total Debt *($ millions)*	**6,747.9**	6,773.8	(25.9)	(0.4)
Net Debt [2]	**4,742.4**	5,131.6	(389.2)	(7.6)
Net Liquidity [5]	**2,970.9**	2,612.5	358.4	13.7
Select Credit & Performance Metrics				
Gross Debt / Enplaned Passenger [6] ($)	**276.0**	288.0	(12)	(4.2)
Net Debt [2] / Enplaned Passenger [6] ($)	**194.0**	218.0	(24)	(11.0)
Air Carrier Cost / Enplaned Passenger [6] (CPE) [2] ($)	**31.4**	29.9	1.5	5.0

1 Percentage calculation is based on actual results (not rounded as presented).

2 This is a non-GAAP financial measure and is defined in the section “Non-GAAP Financial Measures”.

3 Refer to “Results of Operations – Net Operating Results” section for details and for a reconciliation of net income to EBITDA.

4 MTOW is aircraft maximum take-off weight of each aircraft as specified by the aircraft's manufacturers.

5 Net liquidity, a non-GAAP financial measure, is defined as the total of the undrawn borrowing capacity available for general corporate purposes under its Operating Credit Facility, capacity available under its Letter of Credit Facility and unrestricted cash, cash equivalents, and short-term investments.

6 Enplaned passengers are defined as equal to half of total passengers and is based on trailing 12-months activity.

- Passenger volume for the quarter was 13.8 million, an increase of 5.3%; year-to-date passenger volume was 37.3 million, an increase of 4.2%, compared to same periods in 2025;
- Revenues for the quarter were $626.5 million, an increase of 11.4%; year-to-date revenues were $1,715.6 million, an increase of 9.3%, compared to 2025;
- EBITDA[1] for the quarter was $327.5 million, an increase of 12.3%; year-to-date EBITDA was $844.0 million, an increase of 9.7%, compared to same periods in 2025;
- Net income for the quarter was $177.7 million, an increase of 28.2%; year-to-date Net income was $347.2 million, an increase of 9.3%, compared to same periods in 2025;
- Cash flows from operating activities during the quarter were $288.3 million, an increase of 6.9%, year-to-date cash flows from operating activities were $744.7 million, an increase of 2.1%, compared to same periods in 2025; and
- Free cash flow[2] during the quarter was $168.6 million, a decrease of 4.0%; year-to-date free cash flow was $350.7 million, a decrease of 2.7%, compared to 2025.

The financial results are primarily attributed to an increase in passenger volumes and flight activity, compared to the same period last year, combined with higher aeronautical and Airport Improvement Fees ("AIF") rates. The decrease in Free Cash Flow in the third quarter and year-to-date was primarily driven by higher capital expenditures. The year-to-date increase in net income is driven by increase in EBITDA, from increases in Revenue partially offset by increases in operating expenses, and savings in interest and financing cost, net offset by a write-down of expenses associated with the development and validation of a reference design, and other consulting costs related to the consideration of an Interim Terminal under the Accelerator Program, which will not be proceeding.

OPERATING ACTIVITY

The GTAA's main activity drivers that directly impact the financial results are passenger volumes and flight activity, including aircraft movements, size and seats.

Passenger Activity

Total passenger traffic at the Airport is categorized into two sectors: domestic (passengers traveling within Canada) and international (passengers traveling to and from destinations outside Canada).

During the third quarter of 2026, 13.8 million passengers travelled through the Airport, representing an increase of 0.7 million passengers or 5.3%, as compared to the same period in 2025. Passenger volume was primarily driven by growth in the domestic sector of 5.8% together with international sector which also increased by 5.1%.

Year-to-date, 37.3 million passengers travelled through Toronto Pearson, an increase of 1.5 million passengers or 4.2% compared to the same period in the prior year. The growth in passenger volume was driven by a 7.0% increase in domestic passengers combined with an increase in the international sector of 2.7%.

The following table summarizes passenger activity by sector for the three and nine-months ended September 30, 2026 and 2025:

[1] EBITDA is a non-GAAP measure and is defined in the section "Non-GAAP Financial Measures".

[2] Free Cash Flow is a non-GAAP measure and is defined in the section "Non-GAAP Financial Measures".

	Three months ended September 30				Nine months ended September 30			
Passenger Activity [1]	**2026**	2025	Change [2]		**2026**	2025	Change [2]	
(in millions)				%				%
Domestic	**5.5**	5.2	0.3	5.8	**13.9**	13.0	0.9	7.0
International	**8.3**	7.9	0.4	5.1	**23.4**	22.8	0.6	2.7
Total	**13.8**	13.1	0.7	5.3	**37.3**	35.8	1.5	4.2
(in millions)								
Origin and destination	**10.5**	10.3	0.2	1.9	**28.1**	27.8	0.3	1.1
Connecting	**3.3**	2.8	0.5	17.9	**9.2**	8.0	1.2	15.0
Total	**13.8**	13.1	0.7	5.3	**37.3**	35.8	1.5	4.2
(in %)								
Origin and destination [2]	**76.4%**	78.9%			**75.4%**	77.8%		
Connecting [2]	**23.6%**	21.1%			**24.6%**	22.2%		
Total	**100.0%**	100.0%			**100.0%**	100.0%		

[1] These disclosures are based on airline reporting.

[2] Percentage calculations are based on actual results (not rounded as presented).

Passengers are further segmented into two principal types of passengers: origin and destination passengers and connecting passengers. An origin and destination ("O&D") passenger is a passenger initiating or terminating a trip at a specific airport, whereas a connecting passenger changes aircraft at that same airport en route to a final destination.

Below is an overview of the change in the passenger mix in the three and nine-months ended September 30, 2026, compared to the same period of 2025:

- For the third quarter the number of origin and destination passengers was 10.5 million, a modest increase of 1.9% ; year-to-date O&D passengers were 28.1 million, a modest increase of 1.1% compared to the same periods in 2025. The number of connecting passengers during the third quarter was 3.3 million, an increase of 17.9%; year-to-date connecting passengers were 9.2 million, an increase of 15.0%, compared to the same periods in 2025;
- For the three and nine-months ended September 30, 2026, the proportion of O&D passengers decreased 2.5 percentage points to 76.4% and decreased 2.4 percentage points to 75.4%, while the proportion of connecting passengers increased 2.5 percentage points to 23.6% and increased 2.4 percentage points to 24.6%.

Flight Activity

Flight activity is measured by aircraft movements, defined as a landing or takeoff of an aircraft. Each aircraft has a maximum take-off weight ("MTOW"), as specified by the aircraft's manufacturer, and total number of seats. MTOW and seats are used to calculate the majority of air carrier charges for each aircraft landing. The load factor, being the ratio of passengers to seats, is a measure of aircraft capacity utilization and is computed as a percentage of seats filled by passengers.

The following table summarizes aircraft movements, MTOW, seats, seats per aircraft movement and load factor for the three and nine-months ended September 30, 2026 and 2025:

	Three months ended September 30				Nine months ended September 30			
Flight Activity [1]	**2026**	2025	Change [2]		**2026**	2025	Change [2]	
				%				%
(in thousands)								
Total aircraft movements	**106.7**	104.6	2.1	2.0	**300.7**	295.4	5.3	1.8
Passenger aircraft movements	**95.3**	93.1	2.2	2.4	**267.4**	263.4	4.0	1.5
Non-passenger aircraft movements	**11.4**	11.5	(0.1)	(0.9)	**33.3**	32.0	1.3	4.1
(in millions)								
MTOW (tonnes)	**10.3**	10.0	0.3	3.5	**28.6**	28.0	0.6	1.8
Seats	**16.0**	15.4	0.6	4.0	**44.2**	43.1	1.1	2.5
Seats per passenger aircraft movement	**168.0**	165.3	2.7	1.6	**165.4**	163.8	1.6	1.0
Load factor (%)	**86.2%**	84.7%			**84.4%**	82.9%		

[1] Flight activity measures reflect both arriving and departing flights.

[2] Percentages are based on actual results (not rounded as presented).

During the three and nine-months ended September 30, 2026, changes in flight activity, compared to the same periods of 2025, respectively, consist of the following:

- Passenger aircraft movements increased by 2.4% in the third quarter and 1.5% year-to-date, driven by increase in passenger volumes, offset by airlines use of larger aircraft;
- Non-passenger aircraft movements decreased 0.9% in the third quarter and increased by 4.1% year-to-date, due to increases in cargo and business aviation;
- MTOW increased 3.5% to 10.3 million tonnes in the third quarter and increased 1.8% to 28.6 million tonnes year-to-date reflecting increase in aircraft movements and the airlines' use of larger aircraft;
- Total seats increased 4.0% to 16.0 million in the third quarter and increased 2.5% to 44.2 million year-to-date, Use of larger aircraft and higher passenger growth relative to capacity led to a higher load factor of 86.2% in the third quarter and 84.4% year-to-date compared to 84.7% and 82.9% in the respective periods in the prior year; and
- The number of seats per passenger aircraft movement increased 1.6% to 168.0 seats in the third quarter and increased by 1.0% to 165.4 seats year-to-date driven by changes in carrier and fleet mix.

54 passenger airlines operated at Toronto Pearson year-to-date in 2026, up from 53 in the same period in 2025. Toronto Pearson welcomed three new passenger carriers, Finnair, Air Serbia, and Iberia, while replacing the previous exit of Neos and the integration of Sunwing with Westjet.

During the nine months of 2026, Toronto Pearson serviced 204 direct destinations (including one-stop flights under the same flight number), representing an increase of 11 destinations compared to the same period of 2025. This was primarily related to new hub-carrier services to Mexico, Central America, and South America in Q1 and strong international growth mainly to Europe with the launch of new routes to Budapest, Helsinki, Belgrade, Tirana, Cardiff.

RESULTS OF OPERATIONS

The following section discusses the GTAA's financial results, and approach to setting fees and charges. Under the GTAA's financial model, funds generated at the Airport are used for Airport operations, ancillary aviation-related activities, construction, acquisitions, repairs and maintenance, and debt service costs including interest and repayment of debt principal.

Aeronautical Fees and Charges and Airport Improvement Fees

The GTAA has established aeronautical rate setting principles that seek to balance fiscal prudence and the ability to invest in future capacity with commercial and stakeholder considerations. While maintaining the right to modify and set aeronautical fees and charges, the GTAA consults with stakeholders on the rate framework in establishing aeronautical fees and charges. The GTAA also undertakes ongoing consultation with the airline community to discuss certain

proposed and ongoing capital projects that will be funded through the AIF allowing the Airport to take wider stakeholders' interests into account. The GTAA has AIF agreements with participating air carriers that operate through Toronto Pearson whereby the air carrier undertakes to collect the AIF from each of their enplaned passengers on the GTAA's behalf in exchange for an administration fee. The net AIF received enables the GTAA to fund capital projects, both existing and for the future.

The following changes to aeronautical fees and AIF were effective January 1, 2026:

- Aeronautical fees increased by 5.1%;
- The AIF for departing passengers increased by $3 to $40 per passenger; and
- The AIF for connecting passengers increased by $2 to $10 per passenger.

The following changes to aeronautical fees and AIF will be effective January 1, 2027:

- Aeronautical fees will increase by 5.3%;
- The AIF for departing passengers will remain unchanged at $40 per passenger; and
- The AIF for connecting passengers will remain unchanged at $10 per passenger.

Management plans to apply these fees and charges to fund, among other things:

- projects that enable additional capacity;
- renewal and replacement of existing airport assets;
- projects that advance digitalization of the Airport;
- projects that support the Airport's growth, competitiveness and environmental sustainability; and
- operating costs associated, in part, with increased passenger volume, growth and inflation.

The GTAA has Airline Partnership Agreements ("APA") with several airlines aimed at driving improved performance and passenger experience at Toronto Pearson. These airlines are eligible to earn aeronautical fee rebates by meeting operational performance targets that improve customer service by focusing on four major areas of airline performance including:

- on-time departure;
- towing aircraft off gates;
- meeting baggage delivery timelines for arriving passengers; and
- customer check-in utilization and efficiency in the terminals.

These incentives are designed to help the GTAA achieve greater operational efficiency while consistently meeting customer expectations, resulting in further financial resilience for the GTAA through incentivizing passenger growth and increasing the efficient utilization of existing assets. The initial term of these agreements expires on December 31, 2026, and the GTAA has an option to extend for up to two additional years. For the three and nine-months ended September 30, 2026, the GTAA estimates the APA rebate to be $12.1 million and $30.0 million, compared to $10.6 million and $32.2 million during the same periods in 2025.

Revenues

Revenues are derived from aeronautical fees and charges which include landing fees, general terminal charges and apron fees, AIF, and commercial revenues which include car parking, ground transportation, concessions, rentals, counter fees, check-in fees, deicing facility fees and other sources. Rentals include leasing activities for both the GTAA and ACI.

Landing fees are based on the MTOW of arriving aircraft; general terminal charges are based on the number of seats of an arriving aircraft; and apron fees are based on the aircraft time spent at gate and utilization of gating equipment (i.e. gates, bridges, preconditioned air, etc.). The AIF is charged on a per-enplaned passenger basis, with a different rate for O&D passengers to connecting passengers. A significant portion of commercial revenues is also correlated with passenger activity.

The following table summarizes the GTAA's consolidated revenues for the three and nine-months ended September 30, 2026, and 2025:

	Three months ended September 30				Nine months ended September 30			
Revenues	**2026**	2025	Change [1]		**2026**	2025	Change [1]	
($ millions)				%				%
Landing fees [2]	**130.9**	119.0	11.9	10.1	**368.2**	337.1	31.1	9.2
General terminal charges	**78.3**	71.1	7.2	10.0	**218.7**	200.6	18.1	9.0
Aeronautical Revenues	**209.2**	190.1	19.1	10.0	**586.9**	537.7	49.2	9.2
Concessions and rentals	**99.5**	92.1	7.4	8.0	**276.9**	258.8	18.1	7.0
Car parking and ground transportation	**77.2**	69.4	7.8	11.2	**207.1**	192.2	14.9	7.7
Other	**17.4**	14.8	2.6	17.4	**48.7**	45.7	3.0	6.6
Commercial Revenues	**194.1**	176.3	17.8	10.1	**532.7**	496.7	36.0	7.2
Airport Improvement Fees	**223.2**	195.8	27.4	14.0	**596.0**	535.8	60.2	11.2
Total Revenues	**626.5**	562.2	64.3	11.4	**1,715.6**	1,570.2	145.4	9.3
Key Metric								
Air Carrier Cost / Enplaned Passenger [3] (CPE) [4] ($)					**31.4**	29.9	1.5	5.0

1 Percentages are based on actual results (not rounded as presented).
2 Includes apron fees.
3 Enplaned passengers are defined as equal to half of total passengers and is based on 12-months activity.
4 Air Carrier cost per enplaned passenger ("CPE") is a non-GAAP financial measure and is defined in the section “Non-GAAP Financial Measures".

Revenue for the third quarter was $626.5 million, an increase of 11.4%; year-to-date revenue was $1,715.6 million, an increase of 9.3%, compared to the same periods in 2025. The increase in the third quarter and year-to-date was primarily driven by higher rate and fee, aviation activity and passenger traffic.

Aeronautical revenues for the third quarter were $209.2 million, an increase of 10.0%; year-to-date aeronautical revenues were $586.9 million, an increase of 9.2% compared to the same periods in 2025. The increases in the quarter and year-to-date were primarily due to the higher aeronautical rates combined with higher aviation activity. APA rebates for the quarter were higher due to higher service level performance.

Commercial revenues for the third quarter were $194.1 million, an increase of 10.1%; year-to-date commercial revenues were $532.7 million, an increase of 7.2%, compared to the same periods in 2025. This was driven by increases in flight kitchen usage, property rentals, food and beverage, parking and ground transportation, advertising and sponsorship, partially offset by declines in foreign exchange.

AIF revenues for the third quarter were $223.2 million, an increase of 14.0%; year-to-date AIF revenues were $596.0 million, an increase of 11.2%, compared to the same periods in 2025. The increases in the third quarter and year-to-date were primarily related to a rate increase in 2026, higher passenger traffic, partially offset by a shift in passenger mix towards connecting passengers.

Expenses

Expenses include the costs to operate and maintain the Airport. The following table summarizes GTAA's consolidated expenses for the three and nine-months ended September 30, 2026, and 2025:

	Three months ended September 30				Nine months ended September 30			
Expenses	**2026**	2025	Change [1]		**2026**	2025	Change [1]	
($ millions)			$	%			$	%
Ground rent	**70.8**	63.7	7.1	11.1	**195.5**	177.7	17.8	10.0
PILT [2]	**10.7**	10.3	0.4	4.6	**32.2**	30.8	1.4	4.6
Total ground rent and PILT [2]	**81.5**	74.0	7.5	10.2	**227.7**	208.5	19.2	9.2
Goods and services	**139.0**	126.0	13.0	10.3	**413.1**	375.2	37.9	10.1
Salaries, wages and benefits	**78.5**	70.7	7.8	11.2	**230.8**	217.2	13.6	6.3
Operating Expenses (before amortization and impairment)	**299.0**	270.7	28.3	10.6	**871.6**	800.9	70.7	8.8
Write-down of property and equipment	**0.4**	—	0.4	—	**45.5**	0.2	45.3	19,593.9
Amortization of property and equipment, investment property and intangible assets	**86.0**	86.0	—	—	**257.6**	253.1	4.5	1.8
Total Operating Expenses	**385.4**	356.7	28.7	8.1	**1,174.7**	1,054.2	120.5	11.4
Interest expense on debt instruments and other financing costs, net of interest income	**63.4**	66.9	(3.5)	(5.4)	**193.7**	198.3	(4.6)	(2.3)
Total Expenses	**448.8**	423.6	25.2	5.9	**1,368.4**	1,252.5	115.9	9.3

[1] Percentages are based on actual results (not rounded as presented).

[2] Payments-in-lieu of real property taxes to municipalities.

Total expenses in the third quarter were $448.8 million, an increase of 5.9%; year-to-date total expenses were $1,368.4 million, an increase of 9.3%, compared to the same periods in 2025. Excluding the impact of the write-down, year-to-date total expenses increased by 5.7%. The increases in total expenses were driven by increases in expenditures for goods and services, Ground Rent and PILT and salaries, wages and benefits compared to the same period in 2025.

Ground rent payments to the Government of Canada are calculated as a percentage of Airport Revenues, at progressively increasing rates with a top rate of 12% of Airport Revenues in excess of $250 million annually. Ground rent expense for the third quarter was $70.8 million, an increase of 11.1%; year-to-date ground rent expense was $195.5 million, an increase of 10.0%, compared to the same periods of 2025. The increases were directly related to higher Airport Revenues and were calculated in accordance with the Ground Lease.

The GTAA is exempt from the payment of real property taxes under the *Assessment Act* (Ontario) and instead makes payments-in-lieu of real property taxes ("PILT") to each of the cities of Mississauga and Toronto, as prescribed by regulation under the *Assessment Act.* The annual PILT is based on actual passenger volumes from two years prior to the current year. Under an amendment in February 2022 to the applicable regulation, the previous maximum annual increase of 5.0% was temporarily suspended beginning in 2022, until Toronto Pearson's passenger volumes return to 2019 levels. The PILT expenditure for the third quarter was $10.7 million, an increase of 4.6%; year-to-date the PILT expenditure was $32.2 million, an increase of 4.6%, compared to the same periods of 2025. Both increases were directly related to 2024 passenger levels exceeding 2023 levels. Separately, ACI pays municipal real property taxes in the ordinary course of business.

Expenditures for goods and services during the third quarter were $139.0 million, an increase of 10.3%; year-to-date expenditures were $413.1 million, an increase of 10.1%, compared to the same periods of 2025. The increased costs during the third quarter were primarily due to increases in repairs and maintenance, policing and security and higher snow removal. Professional and consulting services costs to support operational readiness, Pearson LIFT and other initiatives also increased.

Salaries, wages and benefits during the third quarter were $78.5 million, an increase of 11.2%; year-to-date expenses were $230.8 million, an increase of 6.3%, compared to the same periods in 2025. The increase primarily reflects higher employee headcount, including additional hires in Airport Operations and Airport Development and Technical Services, together with higher overtime and other employee-related costs. Year-to-date cost increases were partially offset by a Workplace Safety and Insurance Board rebate.

The increase in operating costs reflects expenditures made to support infrastructure and capacity planning and customer experience in support of anticipated future growth in passenger levels.

Amortization of property and equipment, investment property and intangible assets during the third quarter was $86.0 million, flat to last year; year-to-date amortization was $257.6 million, an increase of 1.8%, compared to the same periods of 2025. The increase in amortization during the third quarter and year-to-date relates to new assets placed into service during the year.

Interest expense and other financing costs, net of interest income, during the third quarter was $63.4 million, a decrease of 5.4%; year-to-date expense was $193.7 million, a decrease of 2.3%, compared to the same periods of 2025. The marginal decrease was primarily driven by lower interest expense as a result of no Commercial Paper debt compared to same period last year, offset by lower interest income from a decrease in interest yields, on cash, and restricted funds, and higher capitalized interest from capital spend, compared to 2025.

Net Operating Results

The following table summarizes the GTAA's consolidated net operating results for the three and nine-months ended September 30, 2026, and 2025:

	Three months ended September 30				Nine months ended September 30			
Net Operating Results	**2026**	2025	Change [1]		**2026**	2025	Change [1]	
($ millions)			$	%			$	%
Net Income	**177.7**	138.6	39.1	28.3	**347.2**	317.7	29.5	9.3
Add: Interest and financing costs, net	**63.4**	66.9	(3.5)	(5.4)	**193.7**	198.3	(4.6)	(2.3)
Earnings before interest and financing costs, net	**241.1**	205.5	35.6	17.3	**540.9**	516.0	24.9	4.8
Add: Write-down of property and equipment	**0.4**	—	0.4	—	**45.5**	0.2	45.3	19,593.9
Add: Amortization [2]	**86.0**	86.0	—	—	**257.6**	253.1	4.5	1.8
EBITDA [3]	**327.5**	291.5	36.0	12.3	**844.0**	769.3	74.7	9.7
EBITDA Margin [3]	**52.3%**	51.9%			**49.2 %**	49.0 %		

1 Percentages are based on actual results (not rounded as presented).

2 Amortization of property and equipment, investment property and intangible assets.

3 EBITDA and EBITDA Margin are non-GAAP financial measures. Refer to section "Non-GAAP Financial Measures".

Earnings before interest and financing costs, and amortization ("EBITDA") for the third quarter was $327.5 million, an increase of 12.3%; year-to-date EBITDA was $844.0 million, an increase of 9.7%, compared to the same periods in 2025. The increase in EBITDA during the third quarter and year-to-date was related to higher revenues associated with the increase in aeronautical fees, AIF, aviation activity, passenger traffic and commercial revenues, partially offset by an increase in operating costs (before amortization), as discussed above. EBITDA margin during the third quarter was 52.3%, an increase of 0.4 percentage points. Year-to-date EBITDA margin was 49.2%, an increase of 0.2 percentage points compared to the same period in 2025. Refer to section "Non-GAAP Financial Measures" of this MD&A for additional information.

The GTAA generated net income during the third quarter of $177.7 million, an increase of 28.3%; year-to-date net income was $347.2 million, an increase of 9.3%, compared to the same periods of 2025 as a result of the factors described in the Revenue and Expense sections above.

Summary of Quarterly Results

The following table summarizes select unaudited consolidated quarterly financial information for the eight quarters ended December 31, 2024, through September 30, 2026:

	Quarter Ended							
	2026				2025			2024
($ millions) [1]	**Sep**	Jun	Mar	Dec	Sep	Jun	Mar	Dec
Revenues	**627**	567	522	515	562	521	487	490
Operating expenses (before amortization and impairment) [2]	**299**	290	283	294	271	260	271	283
Write-down of property and equipment	**—**	—	45	14	—	—	—	7
Impairment (Reversal) of investment property	**—**	—	—	7	—	—	—	—
Amortization [3]	**86**	85	87	84	86	85	83	88
Earnings before interest and financing costs, net	**242**	192	107	116	205	176	133	112
Interest and financing costs, net	**63**	65	65	67	67	67	65	66
Net Income	**179**	127	42	49	138	109	68	46

[1] Rounding may result in the figures differing from the results reported in the condensed consolidated interim financial statements and annual audited consolidated financial statements.

[2] Operating expenses is a non-GAAP financial measure and is defined in the section "Non-GAAP Financial Measures".

[3] Amortization of property and equipment, investment property and intangible assets.

The GTAA's quarterly results are influenced by passenger activity and aircraft movements, which vary with travel demand associated with holiday periods and other seasonal factors. In addition, factors such as weather and economic conditions may affect operating activity, revenues and expenses. Changes in operating facilities at the Airport may affect operating costs, which may also result in quarterly results not being directly comparable.

CAPITAL PLAN, PROGRAMS AND PROJECTS

Current Capital Programs and Projects

The GTAA continues to advance a multi-year capital program designed to support long-term passenger growth, maintain critical infrastructure, and enhance the overall passenger experience at Toronto Pearson. The capital program is broken out into two distinct categories; LIFT (Long-Term Investment in Facilities and Terminals) and Non-LIFT. Non-LIFT includes Lifecycle Management initiatives that address near-term operational and infrastructure needs, as well as Digital & Strategic Investments that support operational enhancements, strategic priorities, technology foundations and airport modernization.

During the first nine months of 2026, the GTAA funded capital investments through operating cash flows. The GTAA may access the debt capital markets as required to fund future capital expenditures.

In the first nine months of 2026, the GTAA invested $344.6 million in capital programs compared to $226.8 million in the same period in 2025. Of the total spend, $249 million is related to the Pearson LIFT programs, the remaining $95.6 million is related to ongoing construction and IT projects. The table below provides a breakdown of capital expenditure for three and nine-months ended September 30, 2026.

Program / Project Categories	YTD 2026 Spend ($ millions)	Details
Pearson LIFT		
Accelerator	168.1	Expenditures to date relate to design development, construction activities, project management, engineering and support costs.
Baggage Handling System	32.4	Expenditures to date relate to design development, project management and engineering support costs.
T1 / T3 Revitalization	28.6	Expenditures to date relate to design development, project management and engineering support costs.
Gateway	19.9	Expenditures to date relate to project management and procurement support.
Total Pearson LIFT Capital	**249.0**	
Pearson Non-LIFT		
Active Ongoing Construction Projects	57.1	Projects that address restoration and refurbishment works. Key projects include bridge restoration, roadway signs and refurbishment outside of terminal buildings.
Active Ongoing IT Projects	32.3	Multi-year technology initiatives that address end-of-life and continuous upgrades for business applications & hardware to ensure compatibility, security and user experience.
Digital & Innovation	1.6	
Other	4.6	
Total Pearson Non-LIFT Capital	**95.6**	
Total Capital Spend	**344.6**	

Airport Critical Infrastructure Program (ACIP)

In 2022, Transport Canada announced up to $142.0 million in capital funding to the GTAA under the ACIP, representing 50 per cent of eligible expenditures of certain programs and projects, to support continued air services and important transportation infrastructure projects at Toronto Pearson. The ACIP is intended to help airports mitigate the financial impact of the COVID-19 pandemic, as part of the Government of Canada's strategy to ensure that Canada's air transportation system provides Canadians with choice, connectivity and affordable air travel. The funding is being used to offset costs associated with GTAA's projects on the restoration of its runways, the development and installation of new check-in service kiosks, boarding and border clearance kiosk systems and to further studies and production of a development concept to connect Toronto Pearson with the proposed extension of the Eglinton Crosstown Light Rail Transit.

The GTAA has received $109.1 million in funding from Transport Canada since the inception of the ACIP to September 30, 2026. The remaining funds relate to long-lead time initiatives and are expected to be received once eligible project work is complete and claims and holdbacks are processed.

ASSETS AND LIABILITIES

The following table summarizes the total consolidated assets, liabilities, and retained earnings and accumulated other comprehensive loss as at September 30, 2026 as compared to December 31, 2025:

($ millions)	**September 30, 2026**	December 31, 2025	Change
Total assets	**7,739.5**	7,301.4	438.1
Total liabilities	**7,297.6**	7,207.5	90.1
Retained Earnings and accumulated other comprehensive loss	**441.9**	93.9	348.0

The GTAA's total assets increased by $438.1 million as at September 30, 2026, compared to December 31, 2025, primarily due to an increase in cash and cash equivalents, property and equipment, accounts receivable, restricted funds, prepaid expenses and inventory, offset by a decrease in intangible and other assets and investment property.

GTAA's total liabilities increased by $90.1 million primarily due to an increase in accounts payable and accrued liabilities, lease liabilities and security deposit and deferred revenue. Refer to the "Liquidity and Capital Resources" section for further details.

The retained earnings and accumulated other comprehensive loss of $441.9 million as at September 30, 2026, has increased by $348.0 million compared to December 31, 2025, driven by net income earned in the first nine months of 2026. As described above, the results were primarily due to higher revenues associated with the increase in aeronautical and AIF rates combined with growth in passengers and aviation activity, partially offset by an increase in operating costs reflecting investments to support infrastructure and capacity planning and customer experience in anticipation of future growth in passenger levels.

LIQUIDITY AND CAPITAL RESOURCES

The following table provides the calculation of consolidated free cash flow, net debt and key credit metrics for the GTAA for the periods indicated below:

	Three months ended September 30			Nine months ended September 30		
($ millions)	**2026**	2025	Change	**2026**	2025	Change
Cash Flows from Operating Activities	**288.3**	269.6	18.7	**744.7**	729.6	15.1
Capital expenditures [1] - property and equipment	**(93.0)**	(64.9)	(28.1)	**(229.7)**	(203.0)	(26.7)
Capital expenditures [1] - investment property	**(0.9)**	(1.4)	0.5	**(2.6)**	(2.4)	(0.2)
Funds received under the ACIP	**—**	—	—	**1.0**	0.8	0.2
Interest Income	**14.0**	12.9	1.1	**39.2**	41.8	(2.6)
Interest paid and other financing costs [2]	**(39.8)**	(40.5)	0.7	**(201.9)**	(206.5)	4.6
Free Cash Flow [3]	**168.6**	175.7	(7.1)	**350.7**	360.3	(9.6)
Increase in restricted funds	**(18.6)**	(19.3)	0.7	**(33.2)**	27.3	(60.5)
Decrease (Increase) in short-term investments	**—**	—	—	**—**	285.0	(285.0)
(Repayments) Borrowings, net	**(28.7)**	(26.6)	(2.1)	**(30.4)**	(312.8)	282.4
Net Cash Inflow	**121.3**	129.8	(8.5)	**287.1**	359.8	(72.7)

	As at September 30		
	2026	2025	Change
Gross Debt	**6,747.9**	6,773.8	(25.9)
Cash, cash equivalents and short-term investments	**(1,554.3)**	(1,187.9)	(366.4)
Restricted funds	**(451.2)**	(454.3)	3.1
Net Debt [3]	**4,742.4**	5,131.6	(389.2)
Select Credit Metrics			
Gross Debt / Enplaned Passenger [4] ($)	**276**	288	(4.2) %
Net Debt [3] / Enplaned Passenger [4] ($)	**194**	218	(11.0) %

1 Capital expenditures - property and equipment relate to acquisition and construction of property and equipment and intangible assets; Capital expenditures - investment property represents improvements to investment property. Both are per the Consolidated Statements of Cash Flows in the Consolidated Financial Statements as at September 30, 2026 and represent cash outflows in relation to capital expenditures in the period.

2 Interest paid and financing costs excludes non-cash items and reflects the cash payment activities of the Corporation, as per the Consolidated Statements of Cash Flows in the Consolidated Financial Statements as at September 30, 2026.

3 This is a non-GAAP measure and is defined in the section “Non-GAAP Financial Measures”.

4 Enplaned passengers are defined as equal to half of total passengers and is based on a trailing 12-months activity.

For the three and nine-months ended September 30, 2026, compared to the same period of 2025:

- Cash Flow from Operations for the third quarter was $288.3 million, an increase of 6.9% compared to the same period in 2025. Year-to-date cash flow from operations was $744.7 million, an increase of 2.1% compared to the same period in 2025. Increase in Cash flows from Operations related to increase in EBITDA and impact of changes in timing of working capital;
- Free Cash Flow for the third quarter was $168.6 million, a decrease of 4.0% compared to the same period in 2025 primarily driven by higher cash flow from operations and lower net interest expense, offset by higher cash outflows related to capital expenditure. Year-to-date free cash flow was $350.7 million, a decrease of 2.7% compared to the same period in 2025, driven by higher cash flow from operations and lower net interest expense, offset by higher capital expenditures; and
- Net Cash Inflow for the third quarter was $121.3 million, a decrease of 6.5% compared to the same period in 2025, due to lower Free Cash Flows as described above and higher repayment on the amortizing bond. Year-to-date Net Cash Inflow was $287.1 million, a decrease of 20.2% compared to the same period in 2025, due to lower Free Cash Flows as described above.

Gross Debt, as at September 30, 2026, was $6,747.9 million, a decrease of 0.4% compared to September 30, 2025 due to schedule payments on amortizing bond. Net Debt, as at September 30, 2026 was $4,742.4 million, a decrease of 7.6% compared to September 30, 2025 due to an increase in cash, cash equivalents of $366.4 million and lower Gross Debt as explained above.

Based on the trailing 12-months passenger activity, the GTAA's Gross Debt per Enplaned Passenger - one of the capital markets' financial credit quality metrics - as at September 30, 2026 was $276, an improvement from $288 as at September 30, 2025, and Net Debt per Enplaned Passenger as at September 30, 2026 was $194, an improvement from $218 as at September 30, 2025. The improvements were primarily due to schedule payments of amortizing bond, a higher ending balance of unrestricted cash, cash equivalents balances from operating results and higher enplaned passengers. Gross and Net debt per enplaned passenger are non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" for additional information.

An overall Capital Markets Platform has been established by the GTAA with the Master Trust indenture ("MTI") setting out the security interests and other common terms and conditions of all debt, including bank facilities, revenue bonds and medium-term-notes ("MTNs"). The Platform has been used to fund certain capital programs, and the GTAA expects to continue to access the debt capital markets to fund capital programs and to refinance maturing debt as and when needed.

The GTAA's long-term debt obligations as issued under its MTI have been assigned credit ratings by Standard & Poor's Rating Service ("S&P") and Moody's Investors Service, Inc. ("Moody's"). The GTAA's commercial paper debt has been assigned a credit rating by DBRS Morningstar ("DBRS"). The table below sets out each rating agency's issuer rating and each rating agency's corresponding credit rating of the GTAA's outstanding MTNs and commercial paper debt as at September 30, 2026:

	S&P	Moody's	DBRS
Issuer Rating	A+	Aa3	A (high)
MTN Rating	A+	Aa3	-
Commercial Paper Rating	-	-	R-1 (low)
Outlook	Stable	Stable	Stable
Latest Affirmation Date	January 26, 2026	December 23, 2025	August 12, 2026

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of debt securities. Credit ratings are not a recommendation to buy, sell or hold securities of GTAA and do not comment as to market price or suitability for a particular investor. There can be no assurance that a rating will remain in effect for any given period of time or that the rating will not be revised or withdrawn at any time by the rating agency. The GTAA's Annual Information Form for the year ended December 31, 2025, contains more detailed information about the GTAA's credit ratings.

The objective of the GTAA's investment and cash management strategy is to ensure adequate liquidity so that the cash requirements for operations, capital programs (including Pearson LIFT), and other demands, such as the ability to withstand air traffic and other significant disruptions, are met, and to maintain access to debt capital markets as may be required. The GTAA monitors its cash flow requirements and conducts consistent analysis of trends and expected fluctuations in the Company's liquidity and capital resources. Given the availability of its credit facilities, its restricted fund balances, the potential ability to access the capital markets, prior government support, positive cash flow from operations, its management of capital expenditures, and its unrestricted cash on hand, the GTAA does not anticipate any funding shortfalls in the near future and expects to continue to meet its payment obligations as they come due.

As at September 30, 2026, the GTAA had an aggregate of $2,970.9 million in total available liquidity as detailed below. The unrestricted cash and cash equivalents were invested in short-term, investment grade liquid investment instruments in line with the GTAA's risk appetite, investment policy, and the MTI.

Liquidity and Credit Facilities *($ millions)*			**September 30, 2026**			December 31, 2025
Source	**Currency**	**Expiry**	**Size**	**Drawn / CP Backstop**	**Available**	Available
Cash and cash equivalents [1]	CAD				1,554.3	1,267.1
					1,554.3	1,267.1
Credit facilities:						
1) Operating Credit Facility [2]	CAD	May 31, 2029	1,400.0	—	**1,400.0**	1,400.0
Available for general use					**1,400.0**	1,400.0
2) Letter of Credit Facility	CAD	May 31, 2027	175.0	158.4	**16.6**	24.6
			1,575.0	158.4	**1,416.6**	1,424.6
Total net liquidity (includes cash & STI)					**2,970.9**	2,691.7
3) Hedge Facility [3]	CAD	Per contract	150.0	—	**150.0**	150.0
Total (all credit facilities, cash & STI)			**1,725.0**	**158.4**	**3,120.9**	2,841.7

[1] Unrestricted funds.
[2] The Operating Credit Facility is a committed bank facility which is revolving in nature.
[3] The Hedge Facility is a non-cash facility and allows the Corporation to enter into derivative transactions.

The GTAA maintains the credit facilities set out in the above table. These facilities rank *pari passu* with outstanding debt under the MTI by way of a pledged bond issued to the banking syndicate. The $1,400.0 million Operating Credit Facility is used for general corporate purposes to fund capital projects or operating expenses as required, provide a credit backstop to the commercial paper program and provide flexibility on the timing for accessing the capital markets. As at September 30, 2026, no commercial paper was outstanding, no amounts were drawn from the Operating Credit Facility, $158.4 million of the $175.0 million Letter of Credit Facility was utilized, and there were no outstanding contracts under the $150.0 million hedge facility.

As at September 30, 2026, the GTAA had a total working capital surplus of $1,350.1 million, computed by subtracting current liabilities from current assets. This reflects the GTAA's approach in retaining a cash reserve to support financial resilience. Unrestricted cash and cash equivalents balances are partially offset by accounts payable and the current portion of long-term debt. Working capital is a financial metric that measures the short-term liquidity for those assets that can readily be converted into cash to satisfy both short-term liabilities and near-term operating costs and capital expenditures. Given the GTAA's total available liquidity of $2,970.9 million, Management believes that the available credit under the Operating Credit Facility, its cash flows from operations, unrestricted cash on hand and the GTAA's ability to access the capital markets provide sufficient liquidity for the GTAA to meet its financial obligations and other current liabilities as they come due for the foreseeable future.

The following table analyzes the GTAA's short- and long-term contractual obligations in nominal dollars as at September 30, 2026, by relevant maturity groupings based on the remaining period at the date of the statement of financial position to the contractual maturity date. It does not include pension and post-retirement benefit obligations as maturities are variable based on the timing of individuals leaving the plan. The table has been prepared based on the aggregate contractual undiscounted (gross) cash flows based on the earliest date on which the GTAA can be required to pay. The debt obligations include both undiscounted principal and interest cash flows.

Contractual Obligations *($ millions)*	Total	Gross Payments Due by Period Less than 1 year	1 year to 3 years	4 years to 5 years	Thereafter
Accounts payable and accrued liabilities	**369.5**	369.5	—	—	—
Purchase obligations [1]	**1,241.4**	613.0	495.0	127.7	5.7
Long-term debt principal	**6,672.9**	30.1	1,387.7	1,018.7	4,236.4
Interest payable on long-term debt	**2,803.4**	315.9	587.0	498.1	1,402.4
	11,087.2	**1,328.5**	**2,469.7**	**1,644.5**	**5,644.5**

[1] Purchase obligations include operating commitments for goods and services contracts as at September 30, 2026 into which the GTAA has entered, that are required to operate the GTAA in the ordinary course of business over the next few years. It also includes capital commitments of approximately $637.5 million.

Accounts payable, accrued liabilities, purchase obligations, long-term debt obligations and related interest payable are expected to be funded through operating cash flows.

In connection with the operation and development of the Airport, the GTAA had capital commitments outstanding as at September 30, 2026 of approximately $637.5 million, compared to $270.8 million at December 31, 2025. In the short-term, the GTAA expects to fund these commitments primarily through operating cash flows.

A measure of the GTAA's ability to service its indebtedness is its ability to comply with certain covenants in the MTI. The MTI contains a Rate Covenant, consisting of two financial tests (an operating covenant and debt service covenant) such that: (i) Revenues in each Fiscal Year are sufficient to make all required debt service payments and deposits in funds and reserve funds, and all other payments required to be made by the GTAA in the ordinary course of its consolidated business; and (ii) Net Revenues, together with any Transfer from the General Fund in each Fiscal Year, equal to at least 125 per cent of the Annual Debt Service for each Fiscal Year; (as such capitalized terms are defined in the MTI).

Both financial tests exclude amortization of property and equipment, investment property and intangible assets from expenses, asset write-downs and impairments. The debt service covenant does, however, include a notional principal amortization, over a 30-year period of outstanding debt. Inclusion of the notional debt amortization further evaluates whether net revenues are sufficient to retire debt over 30 years, which is considered appropriate for an infrastructure provider with significant, long-term use assets. The GTAA sets its rates and charges, fees and rentals, in part, so that these two covenants under the MTI are met. As of September 30, 2026, the GTAA is in compliance with the MTI covenants.

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 GTAA. While these financial measures are not defined by the International Accounting Standards Board, 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 GTAA in assessing its operating results, including operating profitability, cash flow and investment program.

EBITDA and EBITDA Margin

EBITDA is earnings from operations before interest and financing costs, reversal or impairment of investment property, write-down of property and equipment, and amortization. EBITDA margin is EBITDA divided by revenues. EBITDA is a commonly used measure of a company's operating performance. This is used to evaluate the GTAA's performance without having to factor in financing and accounting decisions.

Free Cash Flow

Free Cash Flow ("FCF") is cash flows from operating activities per the consolidated statements of cash flows, and ACIP grants received less capital expenditures (property and equipment, investment property, and other) and interest and financing costs paid, net of interest income (excluding non-cash items). FCF is used to assess funds available for debt reduction or future investments within Toronto Pearson.

Net Debt

Net Debt is defined as gross debt less unrestricted cash, cash equivalents and short-term investments and restricted funds.

Gross Debt and Net Debt per Enplaned Passenger

Gross Debt and Net Debt per Enplaned Passenger is defined as gross debt or net debt over total enplaned passengers ("EPAX"). For credit metric purposes, EPAX is defined as equal to half of total passengers and is based on a trailing 12-months' activity. EPAX is widely used in the aviation industry and represents a passenger boarding a plane at a particular airport. Net debt per EPAX is commonly used by airports and other users to assess an appropriate debt burden for an airport.

Net Liquidity

Net liquidity is defined as the total borrowing capacity available for general corporate purposes under its Operating Credit Facility, capacity available under its Letter of Credit Facility and unrestricted cash, cash equivalents and short-term investments. Net liquidity is a measure that demonstrates GTAA's ability to meet its short-term obligations.

Air Carrier Cost / Enplaned Passenger

Air Carrier Cost / Enplaned Passenger ("CPE") is air carrier cost per enplaned passenger. Air Carrier Cost is based on the trailing 12-months aeronautical revenue and activity. CPE is a common industry measurement of airport efficiency to gain an understanding of an airport's financial position as it relates to air carriers.

Operating Expenses Before Amortization and Impairment

Operating expenses before amortization and impairment provides useful information to readers and helps in the calculation of EBITDA.

MATERIAL ACCOUNTING POLICIES

The material accounting policies used in the preparation of these consolidated financial statements are the same accounting policies and methods of computation as those disclosed in the September 30, 2026 consolidated financial statements except as noted below.

These consolidated financial statements were approved by the Audit Committee on March 5, 2026, pursuant to the authority delegated to it by the Board of Directors.

Accounting Standard Issued but not yet Applied

IFRS 18, Presentation and Disclosure in Financial Statements:

IFRS 18, Presentation and Disclosure in Financial Statements, was issued in 2024. It includes requirements related to the presentation and disclosure of information in the financial statements. The key changes introduced in IFRS 18 relate to the structure of the statement of operations and comprehensive income, required disclosures in the financial statements and enhanced principles on aggregation and disaggregation. IFRS 18 is effective for annual periods beginning on or after January 1, 2027. The GTAA continues to assess the impact on the consolidated financial statements.

RELATED PARTY TRANSACTIONS

As a corporation without share capital, the GTAA has Members rather than shareholders. The Members of the GTAA are also its directors. The GTAA is governed by a 15-member Board of Directors. Seven Directors are elected by the Members from candidates who are identified and assessed through a search process. Five Directors are elected by the Members from candidates nominated by the following municipalities: the regional municipalities of York, Halton, Peel

and Durham, and the City of Toronto. Two Directors are elected by the Members from nominees of the Government of Canada and one Director is elected by the Members from a nominee of the Province of Ontario.

The Government of Canada and its respective government-related entities are related parties for accounting purposes only due to their ability to nominate Members, and due to the material nature of the Ground Lease. In accordance with International Financial Reporting Standards ("IFRS"), this meets the definition of significant influence, but not control. The GTAA has applied the exemption for government-related entities to disclose only significant transactions.

The GTAA's related parties also include Key Management personnel. Key Management includes the President and Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), the Chief Operating Officer ("COO") and other executives who have the authorities and responsibilities for planning, directing and controlling the activities of the GTAA. As at September 30, 2026, the GTAA had normal course transactions with Key Management personnel in the ordinary course of their employment with the GTAA. The GTAA's Board of Directors collectively oversee the management and operation of the Airport. The Board of Directors are, only for the purposes hereof, also considered Key Management, although all are independent of Management under applicable securities policies. In this respect, the GTAA only had normal course transactions with the Board of Directors with respect to compensation paid in connection with their role as an independent director.

INTERNAL CONTROLS AND PROCEDURES

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure controls and procedures within the Corporation have been designed to provide reasonable assurance that all relevant information is identified to the GTAA's CEO, CFO and Disclosure Committee to ensure appropriate and timely decisions are made regarding public disclosure.

Internal controls over financial reporting have been designed by Management, under the supervision of, and with the participation of, the GTAA's CEO and CFO, to provide reasonable assurance regarding the reliability of the GTAA's financial reporting and its preparation of financial statements for external purposes in accordance with IFRS.

The GTAA has filed certifications as required by National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*, signed by the GTAA's CEO and CFO, that report on the appropriateness of the financial disclosure, the design and effectiveness of the GTAA's disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

The GTAA's Audit Committee reviewed this MD&A and the consolidated financial statements and approved these documents prior to their release, pursuant to the authority delegated to it by the Board of Directors.

Management's Report on Disclosure Controls and Procedures

Management, under the supervision of and with the participation of the Corporation's CEO and CFO, evaluated the effectiveness of the Corporation's disclosure controls and procedures (as defined under National Instrument 52-109) and concluded, as at September 30, 2026, that such disclosure controls and procedures were effective.

Management's Report on Internal Controls over Financial Reporting

Management, under the supervision of and with the participation of the Corporation's CEO and CFO, evaluated the effectiveness of the Corporation's internal controls over financial reporting (as defined under National Instrument 52-109). In making this evaluation, Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control — Integrated Framework (2013). Based on that evaluation, Management and the CEO and CFO have concluded that, as at September 30, 2026, the Corporation's internal controls over financial reporting were effective. This evaluation took into consideration the GTAA's Disclosure Controls and Corporate Communications Policy and the functioning of its Disclosure Committee.

No changes were made in internal controls over financial reporting during the three and nine-months ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Corporation's internal controls

over financial reporting. Management will continue to monitor the effectiveness of its internal controls over financial reporting and disclosure controls and procedures and may make modifications from time to time as considered necessary or desirable.

RISK FACTORS

The GTAA, its operations, and its financial results are subject to certain risks. The GTAA's Board of Directors is accountable for the oversight of the key enterprise risks of the GTAA's business and is responsible for determining that Management has effective policies and procedures to identify, assess and manage or mitigate such risks.

The GTAA has established an Enterprise Risk Management program that provides a disciplined approach for identifying, assessing, treating and managing risks, and the integration of risk considerations into strategy and opportunity. This enterprise-wide approach enables business and external risks to be managed and aligned with the GTAA's strategic priorities and goals. Specific risks are monitored by each Board of Directors' committees and the Board of Directors monitors significant strategic risks quarterly.

Please see the GTAA's most recent Annual Information Form available on www.sedarplus.ca for a discussion of risk factors that could materially affect the GTAA's business, operating results, and financial condition. The risk factors described in the Annual Information Form are not the only risks and uncertainties that the GTAA faces. Additional risks and uncertainties not presently known to the GTAA or that the GTAA considers immaterial may also materially and adversely affect its business operations.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains certain forward-looking statements or forward-looking information within the meaning of applicable securities laws, including capital programs and strategic plans. This forward-looking information is based on a variety of assumptions and is subject to risks and uncertainties. The forward-looking information reflects GTAA Management's current beliefs and is based on information currently available to GTAA Management. There is significant risk that predictions, forecasts, conclusions and projections which constitute forward-looking information will not prove to be accurate, that the GTAA's assumptions may not be correct and that actual results may vary from the forward-looking information. For more information, see the risks detailed from time to time in this MD&A and in the GTAA's other publicly filed disclosure documents including, in particular, those identified in the most recent Annual Information Form available at www.sedarplus.com.

Words such as "believe", "expect", "plan", "predict", "project", "intend", "estimate", "preliminary", "anticipate", and similar expressions, as well as future or conditional verbs such as "will", "may", "should", "would", and "could" often identify forward-looking information. Specific forward-looking information in this document includes, among others, statements regarding the following: expected domestic and international passenger traffic and cargo; investment in the Airport including capital projects and physical infrastructure; future Airport demand or activity; the GTAA's borrowing requirements and its ability to access the capital markets; the GTAA's ability to comply with its financial covenants; debt levels and service costs; revenues, cash flows, working capital and liquidity; budgets and expenditures relating to capital programs and the funding of such programs; the timing of construction and commencement of operations of facilities currently planned or under construction at the Airport; the use of certain restricted reserve funds; and the funding of outstanding capital commitments.

The forward-looking information is based on a variety of material factors and assumptions including, but not limited to: population continues to grow in the long-term; employment and personal income provide the basis for increased aviation demand in the Greater Toronto Area; the Canadian, United States, and global economies grow at expected levels; air carrier capacity meets and encourages demand for air travel in the Greater Toronto Area; the impact of costs associated with new processes, technology solutions and facility enhancements are recoverable in the ordinary course; the Greater Toronto Area continues to attract domestic and international travelers; no other significant events such as a pandemic, natural disaster, or other calamity occur and have an impact on the ordinary course of business or the macroeconomic environment; the GTAA will be able to access the capital markets at competitive terms and rates; and

no significant cost overruns relating to capital projects occur. These assumptions are based on information currently available to the GTAA, including information obtained by the GTAA from third-party experts and analysts.

The forward-looking information contained in this document represents expectations as of the date of this document and is subject to change. Except as required by applicable law, the GTAA 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.

Condensed Interim Consolidated Financial Statements of the Greater Toronto Airports Authority

September 30, 2026



Greater Toronto Airports Authority
Condensed Consolidated Statements of Financial Position

(unaudited) (in thousands of Canadian dollars)	September 30 2026	December 31 2025
	$	$
Assets		
Current assets		
Cash and cash equivalents	**1,554,251**	1,267,081
Restricted funds	**102,580**	69,710
Accounts receivable	**226,591**	191,051
Airport Critical Infrastructure Program receivable	**389**	771
Inventory	**32,429**	27,233
Prepaids	**50,484**	9,205
	1,966,724	1,565,051
Non-current assets		
Restricted funds	**348,607**	348,256
Intangibles and other assets	**77,060**	87,807
Property and equipment (Note 3)	**4,899,027**	4,842,229
Investment property	**389,787**	396,951
Post-employment benefit asset	**58,308**	61,084
	7,739,513	7,301,378
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**369,514**	297,653
Deferred ground rent payable	**8,556**	8,556
Security deposits and deferred revenue	**106,685**	104,020
Lease liabilities	**1,532**	—
Long-term debt (Note 4)	**130,294**	87,923
	616,581	498,152
Non-current liabilities		
Post-employment benefit liabilities	**15,581**	14,786
Deferred ground rent payable	**43,932**	48,443
Lease liabilities	**3,857**	—
Long-term debt (Note 4)	**6,617,642**	6,646,078
	7,297,593	7,207,459
Retained Earnings and Accumulated Other Comprehensive Loss	**441,920**	93,919
	7,739,513	7,301,378

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Greater Toronto Airports Authority
Condensed Consolidated Statements of Operations and Comprehensive Income

(unaudited) (in thousands of Canadian dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
	$	$	**$**	$
Revenues				
Landing fees	**130,958**	118,989	**368,236**	337,118
General terminal charges	**78,268**	71,133	**218,689**	200,598
Airport improvement fees	**223,244**	195,791	**595,961**	535,750
Car parking and ground transportation	**77,175**	69,393	**207,068**	192,213
Concessions	**48,509**	43,135	**129,695**	118,143
Rentals	**50,953**	48,917	**147,199**	140,683
Other	**17,412**	14,835	**48,735**	45,737
	626,519	562,193	**1,715,583**	1,570,242
Operating Expenses				
Ground rent	**70,780**	63,732	**195,493**	177,744
Goods and services	**139,028**	126,063	**413,077**	375,175
Salary, wages and benefits	**78,564**	70,657	**230,847**	217,158
Payments-in-lieu of real property taxes	**10,747**	10,277	**32,239**	30,830
Amortization of property and equipment	**79,154**	78,615	**236,537**	228,177
Amortization of intangibles	**3,597**	4,161	**11,318**	15,312
Amortization of investment property	**3,219**	3,209	**9,726**	9,627
Write-down of property and equipment (Note 3)	**366**	—	**45,493**	231
	385,455	356,714	**1,174,730**	1,054,254
Earnings before interest and financing costs, net	**241,064**	205,479	**540,853**	515,988
Interest income	**13,992**	12,906	**39,209**	41,794
Interest expense on debt instruments and other financing costs	**(77,327)**	(79,823)	**(232,876)**	(240,050)
Interest and financing costs, net (Note 4)	**(63,335)**	(66,917)	**(193,667)**	(198,256)
Net Income	**177,729**	138,562	**347,186**	317,732
Items that will be reclassified subsequently to Net Income:				
Amortization of terminated hedges and interest rate swap	**272**	272	**815**	815
Other Comprehensive Income	**272**	272	**815**	815
Total Comprehensive Income	**178,001**	138,834	**348,001**	318,547

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Greater Toronto Airports Authority
Condensed Consolidated Statements of Changes in Retained Earnings (Deficit) and Accumulated Other Comprehensive Loss

For nine months ended September 30, 2026 (unaudited) (in thousands of Canadian dollars)	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	$	$	$
Balance, January 1, 2026	**106,872**	**(12,953)**	**93,919**
Net Income	**347,186**	**—**	**347,186**
Amortization of terminated hedges and interest rate swap	**—**	**815**	**815**
Total Comprehensive Income for the period	**347,186**	**815**	**348,001**
Balance, September 30, 2026	**454,058**	**(12,138)**	**441,920**

For nine months ended September 30, 2025 (unaudited) (in thousands of Canadian dollars)	Retained Earnings (Deficit)	Accumulated Other Comprehensive Loss	Total
	$	$	$
Balance, January 1, 2025	(261,203)	(14,039)	(275,242)
Net Income	317,732	—	317,732
Amortization of terminated hedges and interest rate swap	—	815	815
Total Comprehensive Income for the period	317,732	815	318,547
Balance, September 30, 2025	56,529	(13,224)	43,305

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Greater Toronto Airports Authority
Condensed Consolidated Statements of Cash Flows

For nine months ended September 30 (unaudited) (in thousands of Canadian dollars)	2026	2025
Cash Flows from (used in) Operating Activities	**$**	$
Net Income	**347,186**	317,732
Adjustments for:		
Amortization of property and equipment	**236,537**	228,177
Amortization of intangibles and other assets	**11,858**	15,851
Amortization of investment property	**9,726**	9,627
Write-down of property and equipment - net of disposals	**45,639**	—
Post-employment benefit plans	**3,571**	2,612
Interest and financing costs, net	**193,667**	198,256
Deferred ground rent payable	**(4,511)**	(4,306)
Changes in working capital and other:		
Accounts receivable	**(35,540)**	(60,725)
Inventory	**(5,196)**	(1,671)
Prepaids	**(41,279)**	(5,856)
Accounts payable and accrued liabilities	**(19,594)**	9,988
Security deposits and deferred revenue	**2,665**	19,937
	744,729	729,622
Cash Flows from (used in) Investing Activities		
Sale of short-term investments	**—**	285,000
Acquisition and construction of property and equipment and intangible assets, net (Note 3)	**(229,660)**	(203,022)
Acquisition and construction of investment property	**(2,561)**	(2,355)
Funds received under the Airport Critical Infrastructure Program	**971**	812
Interest received	**39,209**	41,794
(Increase) decrease in restricted funds	**(33,221)**	27,291
	(225,262)	149,520
Cash Flows from (used in) Financing Activities		
Repayment of long-term debt	**(28,280)**	(26,567)
Repayment of lease liabilities	**(2,073)**	—
Commercial paper, net	**—**	(286,196)
Interest paid and other financing costs	**(201,944)**	(206,466)
	(232,297)	(519,229)
Net Cash Inflow	**287,170**	359,913
Cash and cash equivalents, beginning of period	**1,267,081**	827,968
Cash and cash equivalents, end of period	**1,554,251**	1,187,881

As at September 30, 2026, cash and cash equivalents consisted of cash of $272.9 million (December 31, 2025 – $257.6 million) and cash equivalents of $1,281.4 million (December 31, 2025 – $1,009.5 million).

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended September 30, 2026 and 2025 (unaudited)
(Unless otherwise stated, all amounts are in thousands of Canadian dollars)

1. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. As these condensed interim consolidated financial statements do not include all information required for annual financial statements, these condensed interim consolidated financial statements should be read in conjunction with the 2025 annual financial statements.

In applying the Greater Toronto Airports Authority's ("GTAA") accounting policies, as described in Note 2, Material Accounting Policies, Management is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis.

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies used in the preparation of these condensed interim consolidated financial statements are the same accounting policies and methods of computation as those disclosed in the December 31, 2025 consolidated financial statements except as noted below.

These condensed interim consolidated financial statements were approved by the Audit Committee on November 10, 2026, pursuant to the authority delegated to it by the Board of Directors.

Accounting Standard Issued but not yet Applied

IFRS 18, Presentation and Disclosure in Financial Statements:

IFRS 18, Presentation and Disclosure in Financial Statements, was issued in 2024. It includes requirements related to the presentation and disclosure of information in the financial statements. The key changes introduced in IFRS 18 relate to the structure of the statement of operations and comprehensive income, required disclosures in the financial statements and enhanced principles on aggregation and disaggregation. IFRS 18 is effective for annual periods beginning on or after January 1, 2027. The GTAA continues to assess the impact on the consolidated financial statements.

3. PROPERTY AND EQUIPMENT

Property and equipment are comprised of:

	September 30, 2026						
	Terminal and Airside Assets	Baggage Handling Systems	Improvements to Leased Land	Runways and Taxiways	Airport Operating Assets	Assets Under Construction	Total
	$	$	$	$	$	$	$
Cost							
Balance, beginning of year	**7,435,928**	**531,533**	**9,480**	**617,561**	**871,824**	**395,689**	**9,862,015**
Additions, net of grants	**533**	**—**	**—**	**—**	**7,113**	**331,501**	**339,147**
Disposals	**(303)**	**—**	**—**	**—**	**(5,398)**	**—**	**(5,701)**
Write-down	**—**	**—**	**—**	**—**	**—**	**(45,493)**	**(45,493)**
Transfers	**32,877**	**2,070**	**—**	**9,801**	**19,736**	**(64,484)**	**—**
Balance, end of period	**7,469,035**	**533,603**	**9,480**	**627,362**	**893,275**	**617,213**	**10,149,968**
Accumulated amortization							
Balance, beginning of year	**3,820,829**	**328,212**	**3,442**	**321,448**	**545,855**	**—**	**5,019,786**
Amortization expense	**150,168**	**16,594**	**89**	**19,743**	**49,943**	**—**	**236,537**
Disposals	**—**	**—**	**—**	**—**	**(5,382)**	**—**	**(5,382)**
Balance, end of period	**3,970,997**	**344,806**	**3,531**	**341,191**	**590,416**	**—**	**5,250,941**
Net book value, end of period	**3,498,038**	**188,797**	**5,949**	**286,171**	**302,859**	**617,213**	**4,899,027**

	December 31, 2025						
	Terminal and Airside Assets	Baggage Handling Systems	Improvements to Leased Land	Runways and Taxiways	Airport Operating Assets	Assets Under Construction	Total
	$	$	$	$	$	$	$
Cost							
Balance, beginning of year	7,338,320	466,412	9,480	615,811	803,887	345,919	9,579,829
Additions, net of grants	3,141	—	—	—	—	308,614	311,755
Disposals	(1,647)	(128)	—	(96)	(13,080)	—	(14,951)
Write-down	—	—	—	—	—	(14,618)	(14,618)
Transfers	96,114	65,249	—	1,846	81,017	(244,226)	—
Balance, end of period	7,435,928	531,533	9,480	617,561	871,824	395,689	9,862,015
Accumulated amortization							
Balance, beginning of year	3,624,149	305,314	4,432	296,508	498,710	—	4,729,113
Amortization expense	198,032	23,026	(990)	25,036	60,089	—	305,193
Disposals	(1,352)	(128)	—	(96)	(12,944)	—	(14,520)
Balance, end of year	3,820,829	328,212	3,442	321,448	545,855	—	5,019,786
Net book value, end of period	3,615,099	203,321	6,038	296,113	325,969	395,689	4,842,229

As at September 30, 2026, $617.2 million (December 31, 2025 – $395.7 million) of property and equipment was under construction and not yet subject to amortization. Included in this amount is $27.3 million (December 31, 2025 – $17.9 million) of capitalized interest. During the nine months ended September 30, 2026, borrowing costs for active projects were capitalized at the rate of 4.7%, which represents the weighted-average cost of the GTAA's general borrowings (January 1 to September 30, 2025 – 4.7%).

In the year, $45.5 million in assets under construction were written down, representing costs associated with the development and validation of a reference design, and other consulting costs related to the advancement of an Interim Terminal under the Accelerator Program, which will not be proceeding.

4. LONG-TERM DEBT AND CREDIT FACILITIES

Long-term debt, adjusted for unamortized discounts and premiums and accrued interest, consisted of:

Series	Coupon Rate	Maturity Date	Principal Amount	September 30 2026	December 31 2025
			$	**$**	$
1997–3	6.45%	December 3, 2027	321,500	**327,737**	322,339
1999–1	6.45%	July 30, 2029	96,263	**97,192**	127,719
2000–1	7.05%	June 12, 2030	526,550	**537,116**	527,886
2001–1	7.10%	June 4, 2031	492,150	**501,675**	492,837
2002–3	6.98%	October 15, 2032	468,960	**483,762**	475,601
2004–1	6.47%	February 2, 2034	567,428	**570,160**	579,222
2010–1	5.63%	June 7, 2040	400,000	**405,024**	399,400
2011–1	5.30%	February 25, 2041	600,000	**600,266**	608,195
2011–2	4.53%	December 2, 2041	400,000	**403,731**	399,184
2018–1	3.26%	June 1, 2037	500,000	**503,008**	498,844
2019–1	2.73%	April 3, 2029	500,000	**505,894**	502,271
2019–2	2.75%	October 17, 2039	900,000	**906,205**	899,831
2020–1	1.54%	May 3, 2028	500,000	**502,485**	500,273
2021–1	3.15%	October 5, 2051	400,000	**403,681**	400,399
				6,747,936	6,734,001
Less: Current portion (including accrued interest)				**(130,294)**	(87,923)
				6,617,642	6,646,078

As at September 30, 2026, accrued interest included in the current portion of the long-term debt was $100.2 million (December 31, 2025 – $59.6 million).

Interest and financing costs and interest income consisted of the following:

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
	$	$	**$**	$
Interest income	**13,992**	12,906	**39,209**	41,794
Interest expense on debt instruments	**(80,417)**	(80,842)	**(239,348)**	(242,773)
Capitalized interest	**5,005**	2,668	**12,463**	8,001
Amortization of terminated hedges and interest rate swap	**(272)**	(272)	**(815)**	(815)
Interest expense on lease liabilities	**(66)**	—	**(366)**	—
Other financing fees	**(942)**	(673)	**(2,904)**	(2,351)
Deferred ground rent interest accretion	**(635)**	(704)	**(1,906)**	(2,112)
	(77,327)	(79,823)	**(232,876)**	(240,050)
Interest and financing costs, net	**(63,335)**	(66,917)	**(193,667)**	(198,256)

To align with the presentation adopted, the 2025 comparative figures in the cash flow statement have been revised to reclassify $41.8 million of interest received from financing activities to investing activities.

Set out below is a comparison of the amounts that would be reported if long-term debt amounts were reported at fair values. Fair values are based on quoted market rates for GTAA notes as at the date of the condensed interim consolidated statements of financial position. The fair values are within Level 2 of the fair value hierarchy as detailed in Note 6, Financial Instruments.

	September 30, 2026		December 31, 2025	
	Book Value	**Fair Value**	Book Value	Fair Value
	$	**$**	$	$
Long-term debt	**6,747,936**	**6,618,873**	6,734,001	6,794,942

All notes are redeemable in whole or in part at the option of the GTAA at any time. Early redemption may be subject to certain penalties in accordance with the terms of the notes.

Each series of notes issued after 2017 has a specific par call date which occurs before the respective maturity date of each series. Any redemptions after the par call date would be made at the notes' respective par value. Any redemptions made prior to the par call date would be subject to the redemption price. The redemption price is defined as the greater of: (i) the face value amount plus accrued and unpaid interest; and (ii) the price based on yields over Government of Canada bonds with similar terms to the par call date (calculated from the redemption date).

Credit Facilities

The $1,400.0 million Operating Credit Facility is used for general corporate purposes to fund capital projects or operating expenses as required, provide a credit backstop to the commercial paper program and provide flexibility on the timing for accessing the capital markets.

As at September 30, 2026, $158.4 million of the $175.0 million Letter of Credit Facility was utilized (December 31, 2025 – $150.4 million), and there were no outstanding contracts under the $150.0 million hedge facility.

As at September 30, 2026, the GTAA had an aggregate available borrowing capacity under its current credit facilities and cash resources of $2,970.9 million comprised of $1,400.0 million borrowing capacity available under its Operating Credit Facility, $16.6 million available under its Letter of Credit Facility, and $1,554.3 million of unrestricted cash and cash equivalents.

Indebtedness under the credit facility bears interest at underlying benchmark plus applicable spread based on credit rating pricing grid.

5. COMMITMENTS

Capital Commitments

In connection with the operation and development of the Airport, the GTAA had capital commitments outstanding as at September 30, 2026, of approximately $637.5 million (December 31, 2025 - $270.8 million).

6. FINANCIAL INSTRUMENTS

Fair Value Hierarchy

Fair value measurements recognized in the condensed interim consolidated statements of financial position must be categorized in accordance with the following levels:

a) Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

b) Level 2 – Observable inputs other than quoted prices included in Level 1 such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data; or

c) Level 3 – Significant unobservable inputs that are supported by little or no market activity.

Financial instruments that are not measured at fair value in the condensed interim consolidated statements of financial position are represented by cash equivalents, accounts receivable, accounts payable and accrued liabilities, security deposits, long-term debt, deferred revenue, lease liabilities and other liabilities. The fair values of these items, excluding long-term debt, approximate their carrying values due to their short-term nature. The fair value of long-term debt is disclosed in Note 4, Long-Term Debt and Credit Facilities.

Restricted funds are categorized as Level 2 as the GTAA uses observable inputs such as yield curves applicable to identical assets to fair value this group. Deferred ground rent payable is categorized as Level 3 as there are no observable inputs.

There were no transfers of financial instruments between the levels during the period.