



Canlan Reports Third Quarter 2011 Financial Results Revenue up 5%; EBITDA breakeven in Q3

Burnaby, B.C., November 11, 2011 – Canlan Ice Sports Corp., industry-leading providers of recreational and leisure multi sport facilities across North America, today announced its financial results for the three-and nine-month period ended September 30, 2011.

Q3 2011 Key Financial Metrics

<i>In thousands except share data</i>	Q3 2011	Q3 2010	Change
Total revenue	\$14,843	\$14,208	+5%
EBITDA ¹	\$2	(\$128)	+\$130
Net earnings (loss) before taxes	\$368	(\$2,090)	+\$2,458
Net earnings (loss) after taxes	\$117	(\$1,530)	+\$1,647
Net earnings (loss) per share	\$0.01	(\$0.11)	+\$0.12
	Sept. 30, 2011	Sept. 30, 2010	
Total Assets	\$106,658	\$104,691	+2%
Cash and Cash equivalents	\$5,946	\$4,450	+34%
Total Interest bearing debt	\$47,085	\$47,026	0%

Nine-months ended 2011 Key Financial Metrics

<i>In thousands except share data</i>	2011	2010	Change
Total revenue	\$51,621	\$49,918	+3%
EBITDA	\$5,407	\$5,112	+6%
Net earnings (loss) before taxes	\$1,857	(\$879)	+\$2,736
Net earnings (loss) after taxes	\$963	(\$723)	+\$1,686
Net earnings (loss) per share	\$0.07	(\$0.05)	+\$0.12

“Revenues grew 5% for the third quarter while our expenses continued to stabilize, resulting in improved operating results,” said Joey St-Aubin, President and CEO of Canlan Ice Sports. “The successful sale of the Regina facility and the recognized gain of \$2.3 million provided a significant boost to our bottom line for the quarter. The recent purchase of the Romeoville facility and the sale of the Regina facility demonstrate our ability to identify opportunities to best capitalize our assets and manage our portfolio of facilities.”

Q3 2011 Operational and Financial Highlights

- Revenue of \$14.8 million for Q3 2011, an increase of 5% over Q3 2010
- Same store sales were \$14.5 million for Q3 2011, an increase of 2% over Q3 2010
- Breakeven EBITDA compared to a loss of \$128,000 in Q3 2010
- Net earnings of \$0.1 million for Q3 2011 compared to a loss of \$1.5 million for Q3 2010

¹ Earnings before interest, taxes, depreciation and amortization (EBITDA) is often used as a measure of financial performance. However, EBITDA is not a term that has specific meaning in accordance with IFRS, and may be calculated differently by other companies. Canlan reconciles EBITDA to its net earnings.

- Recorded a gain of \$2.3 million from the completed sale of the Regina facility
- Newest acquisition, Ice Sports Romeoville, continued to ramp up operations

Highlights Subsequent to Quarter-end

- Arranged favourable term financing with a major US lender relating to the acquisition of Ice Sports Romeoville

Dividend Policy

Canlan's Board of Directors has approved the continuation of the dividend policy which was announced last year and declared eligible dividends totaling \$0.015 per common share that will be next paid on January 16, 2012 to shareholders of record at the close of business December 31, 2011. Canlan's Board of Directors does review the Company's dividend policy on a quarterly basis. Canlan's dividend is designated as an "eligible" dividend under the Income Tax Act (Canada) and any corresponding provincial legislation. Under this legislation, individuals resident in Canada may be entitled to enhanced dividend tax credits, which reduce income tax otherwise payable.

Review of Financial Results

Canlan derives its revenue from the rental of its playing surfaces, registrations for internal programming, food and beverage sales, sports stores sales, tournament registrations, management and consulting fees and other related fees.

Canlan reported consolidated revenue of \$14.8 million for the three-month period ended September 30, up 4.5% from \$14.2 million for the corresponding period of 2010. The revenue growth was primarily due to a \$501,000 increase in ice related revenue such as contract ice/field rentals, adult hockey leagues, instructional programs and youth hockey leagues. Revenue from the Adult Safe Hockey League (ASHL), the Company's largest component of ice revenue, was \$4.4 million for the quarter, up 4.1% or \$181,000 compared to the same period last year. Same store sales were \$14.5 million for the quarter, an increase of \$306,000 or 2.2% year-over-year.

Food and beverage revenue for Q3 2011 was \$2.1 million, down 6.3% or \$136,000 from Q3 2010. The decline is a result of a combination of factors such as effects of changes to driving legislation negatively affecting business, menu offerings and the closing of Ice Sports Regina's restaurant two months prior to the sale of the facility.

On a nine-month basis, Canlan generated consolidated revenue of \$51.6 million for FY2011, up 3.4% from \$49.9 million for FY2010. The revenue growth on a nine-month basis was principally due to higher revenue contributions from contract ice/field rentals, instructional programs, ASHL, youth hockey leagues and soccer leagues which added \$1.3 million to top line growth for the period compared to the first nine months of 2010. Same store revenue was \$51.2 million for the nine-month period, up 2.7% or \$1.3 million compared to the same period last year. The ASHL generated approximately \$16.8 million of sales and accounts for approximately 44% of ice and soccer sales.

Direct operating expenses were \$13.8 million, up 5.0% from \$13.2 million for Q3 2010. The year-over-year increase was mainly attributable to an increase in wages repairs and maintenance, and higher utility costs due to increased Provincial energy surcharges.

For the nine-month period of FY2011 operating expenses were \$43.0 million, up 3.4% from \$41.6 million for FY2010. The year-over-year increase was due to higher wages and higher utility expense as previously discussed.

Corporate general and administrative expenses totaled \$1.0 million, down slightly from \$1.2 million for Q3 2010 due mainly to a reduction of compensation costs and the elimination of Provincial capital taxes in 2011. On a nine-month basis, general and administrative expenses totaled \$3.3 million for FY2011 and \$3.3 million for FY2010, respectively.

EBITDA broke even in the quarter versus a loss of \$128,000 for Q3 2010. The improvement in EBITDA was a result of a growth in revenue while the majority of expenses stabilized year-over-year. EBITDA for the nine-month period of FY2011 was \$5.4 million, up 5.8% from \$5.1 million for the prior period. As a percentage of revenue, EBITDA was 10.5% compared to 10.2% for the corresponding period in the prior year.

Canlan generated a net gain before taxes of \$0.4 million, up 117.6% from a loss of \$2.1 million for Q3 2010. The improvement being primarily due to an accounting gain of \$2.3 million recorded from the September 26, 2011 sale of Ice Sports Regina as well as improved operating results discussed above and a 6.7% decrease in interest expense. On a year-to-date basis, Canlan generated earnings before taxes of \$1.9 million for FY2011 compared to loss before taxes of \$879,000 for FY2010.

Net earnings for the quarter were \$117,000, or \$0.01 per share fully diluted. In Q3 2010, Canlan generated a net loss of \$1.5 million, or \$0.11 per share. For the nine-month period of FY2011, Canlan generated net earnings of \$963,000 or \$0.07 per fully diluted share. This compares to net loss of \$723,000 or \$0.05 per share for same period of FY2010.

Outlook

“The ramping up of operations at the state-of-the-art Romeoville facility are progressing well and are on schedule” said Mr. Michael Gellard, Canlan’s CFO. “The proceeds from the sale of the Regina facility will be used to pursue other opportunities that fit our criteria of high quality, accretive facilities at attractive valuations.”

“Registrations for the winter hockey leagues have exceeded last year’s levels and we are focused on recapturing traffic into our food and beverage establishments,” said Mr. St-Aubin. “Stable revenue growth and focused cost controls, along with the contributions from our new facility, positions us for a successful winter season which is typically our strongest period of the year.”

Canlan’s financial statements and Management Discussion & Analysis for the period ended September 30, 2011 will be available via SEDAR on or before November 14, 2011 and through the Company’s website, www.icesports.com.

About Canlan

Canlan Ice Sports Corp. is the North American leader in the development, operations and ownership of multi-purpose recreation and entertainment facilities. We are the largest private sector owner and operator of recreational ice sports facilities in North America and currently own and/or manage 21 facilities in Canada and the United States with 64 ice surfaces, as well as indoor soccer fields, ball diamonds, curling rinks and volleyball courts.

Canlan Ice Sports Corp. is listed on the Toronto Stock Exchange under the symbol “ICE.”

Caution concerning forward-looking statements

Certain statements in this MD&A may constitute "forward looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When

used in this MD&A, such statements may use such words as "may", "will", "expect", "believe", "plan" and other similar terminology. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this MD&A. These forward looking statements involve a number of risks and uncertainties. Some of the factors that could cause actual results to differ materially from those expressed in or underlying such forward looking statements are the effects of, as well as changes in: international, national and local business and economic conditions; political or economic instability in the Company's markets; competition; legislation and governmental regulation; and accounting policies and practices. The foregoing list of factors is not exhaustive.

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