



For Immediate Release: Wednesday, March 22, 2006

## CANLAN REPORTS 2005 RESULTS

Burnaby, B.C., March 22, 2006 – Canlan Ice Sports Corp. today reported results for the year ended December 31, 2005

### Fourth Quarter and Annual Results (in thousands of dollars, except of number of shares)

	Three months ended December 31		Year ended December 31	
	2005	2004	2005	2004
<b>Revenue:</b>				
Ice rinks	\$14,621	\$13,372	\$48,768	\$46,138
<b>Expenses:</b>				
Ice rinks	9,932	9,007	37,607	35,317
Earnings from operations	4,689	4,365	11,161	10,821
General and administration expenses	631	585	2,764	2,534
<b>Earnings before undernoted</b>	<b>4,058</b>	<b>3,780</b>	<b>8,397</b>	<b>8,287</b>
Other expenses (income):				
Interest on debt on ice rinks	1,002	928	3,477	3,681
Amortization	1,002	908	3,687	3,590
Non-controlling interest and other	3	(42)	(14)	312
	2,007	1,794	7,150	7,583
Earnings from continuing operations before taxes	2,051	1,986	1,247	704
Income tax expense (recovery)	144	(1,538)	2	(1,294)
Net earnings from continuing operations	1,907	3,524	1,245	1,998
Loss from discontinued operations	205	54	205	54
<b>Earnings for the year</b>	<b>\$1,702</b>	<b>\$3,470</b>	<b>\$1,040</b>	<b>\$1,944</b>
Basic and fully diluted earnings per common share	\$0.00	\$0.03	\$0.00	\$0.02
Weighted average common shares issued	266,747,663	109,955,402	266,747,663	109,955,402

**Fourth quarter results** (three months ended December 31, 2005 compared with three months ended December 31, 2004):

- Revenues grew by \$1.2 million or 9.3% principally due to the addition of revenues from two rink facilities that the Company leased from third party owners in 2005;
- Same store revenues remained consistent with prior year;
- EBITA was \$4.1 million compared to \$3.8 million in 2004, the largest EBITA ever recorded by the Company on a quarterly basis;
- On a same store basis, EBITA was unchanged from the prior year;
- Earnings before interest and amortization, taxes and discontinued operations was \$2.1 million, relatively consistent with 2004;
- Subsequent to the year end the Company settled, through mediation, a lawsuit relating to a development project. The Company's portion of the settlement was recorded in discontinued operations;
- Net earnings overall, after recording federal capital taxes and benefits of future tax recoveries was \$1.7 million, compared to \$3.5 million a year ago. In 2004, the company recorded a future tax benefit of \$1.8 million in the fourth quarter.

**2005 year end results** (year ended December 31, 2005 compared with year ended December 31, 2004):

- Total consolidated revenue from operations reached \$48.8 million compared to \$46.1 million in 2004, an increase of \$2.7 million or 5.9%;
- The two leased facilities, which were previously managed, contributed \$3.0 million in total revenue compared to a management fee of \$137,000 in 2004. Therefore on a same store basis, total revenue was \$45.8 million a slight reduction from 2004;
- EBITA increased by 1.3% to \$8.4 million from \$8.3 million a year ago;
- Total interest expense decreased by \$200,000 due to the reduction of debt and non-controlling interest expense was not necessary in 2005 as the Company purchased the non-controlling interest of certain rink facilities in October 2004;
- As a result, net earnings from continuing operations before taxes increased to \$1.2 million compared to \$704,000 in 2004;
- Net earnings overall, after accounting for current and future income taxes, and discontinued operations was \$1.0 million, compared to net earnings of \$1.9 million in the prior year. Note that in 2004, a future tax benefit of \$1.8 million was recorded in the fourth quarter.
- Weighted average number of shares outstanding at

Grant Ballantyne, President and CEO said that the slight decrease in same store revenue was a result of a general decline in tournaments and third-party contract customers, which was in part, linked to the absence of NHL hockey in the first half of 2005. However the Company was able to offset some of these factors with strong growth in camps and programs in August and September and a strong registration drive in the Adult Safe Hockey League in the fall of 2005. The addition of the leased facilities in British Columbia and Ontario provided growth to Canlan's revenue and earnings base in 2005 and will continue to grow as operations mature in these facilities.

During the year, the Company completed a refinancing arrangement which enabled Canlan to consolidate its mortgage debt with one lender, achieve competitive fixed interest rates to mitigate interest rate risk, and improve our annual cash flow by \$2.8 million from reduced debt payments. The new loan also enabled the Company to fully repay its notes payable to former minority interest shareholders.

The Management Services Division of Canlan commenced two new management contracts in 2005: one to manage the Parks and Recreation facilities in Armstrong/Spallumcheen, B.C., and another to manage a twin-pad ice rink facility in Monroe, Michigan. In addition, the Company has entered into two other management contracts which are scheduled to be operational in the Summer of 2006. Currently the facilities are under construction and we are providing consulting services during the construction and start up stages. These two-pad facilities are located in Edmonton, Alberta and Romeoville, Illinois

Canlan Ice Sports Corp. is the largest private sector operator of recreational ice facilities in North America with 55 playing surfaces at 20 facilities in Canada and the United States. Through the Adult Safe Hockey League, Canlan operates the largest adult recreational hockey league in North America with more than 37,000 players and offers a variety of other programs including youth leagues, hockey and figure skating schools and tournaments.

The Company will be filing its 2005 consolidated financial statements, Management Discussion & Analysis and Annual Information Form with SEDAR on or before March 31, 2006.

Canlan Ice Sports Corp. is listed on the Toronto Stock Exchange under the symbol "ISE".

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**FOR FURTHER INFORMATION PLEASE CONTACT:**

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