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2 0 1 7

A N N U A L A N D

S P E C I A L M E E T I N G

O F S H A R E H O L D E R S



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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**JEAN-MARC EUSTACHE**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

---

2 0 1 7

A N N U A L A N D

S P E C I A L M E E T I N G

O F S H A R E H O L D E R S



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ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**DENIS PÉTRIN**

VICE-PRESIDENT, FINANCE AND ADMINISTRATION,  
AND CHIEF FINANCIAL OFFICER

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ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**BERNARD BUSSIÈRES**

VICE-PRESIDENT, GENERAL COUNSEL  
AND CORPORATE SECRETARY

1. Appointment of Scrutineers
2. Scrutineers' Report and Quorum
3. Election of Directors
4. Appointment of Auditors
5. Resolution: Shareholder Rights Plan
6. Resolution: Executive Compensation
7. Shareholder Proposal
8. President's Message
9. Financial Report
10. Results of the Vote
11. Question Period

A woman with long dark hair, wearing a white dress, stands on a white rooftop in Santorini, Greece. She is holding a large, flowing blue flag that extends across the top of the frame. The background shows the characteristic white buildings and blue domes of the island under a clear blue sky.

**A G E N D A**

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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
**APPOINTMENT OF SCRUTINEERS**

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ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

# SCRUTINEERS' REPORT AND QUORUM

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A N N U A L A N D

S P E C I A L M E E T I N G

O F S H A R E H O L D E R S



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A nighttime photograph of a cityscape, likely Prague, featuring a large stone bridge with multiple arches spanning a river. The city buildings are illuminated, and the sky is dark. The image is overlaid with a dark blue semi-transparent banner.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
**ELECTION OF DIRECTORS**



**RAYMOND BACHAND**  
STRATEGIC ADVISOR  
NORTON ROSE FULBRIGHT



# LOUIS-MARIE BEAULIEU

CHAIRMAN OF THE BOARD AND  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
GROUPE DESGAGNÉS INC.

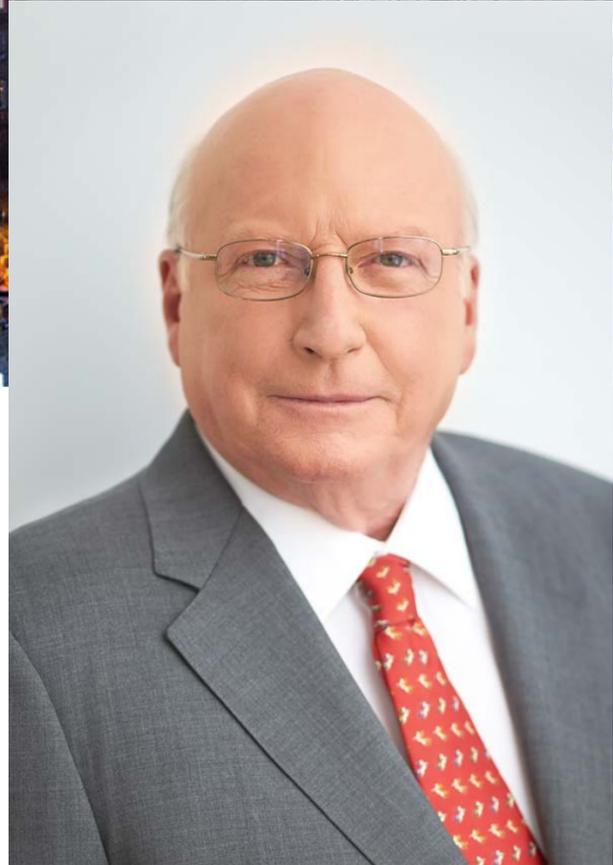


# LUCIE CHABOT

VICE-PRESIDENT  
AND CHIEF FINANCIAL OFFICER  
SAIL OUTDOORS INC.



**LINA DE CESARE**  
CORPORATE DIRECTOR



# JEAN PIERRE DELISLE

CORPORATE DIRECTOR  
AND EXECUTOR OF ESTATES

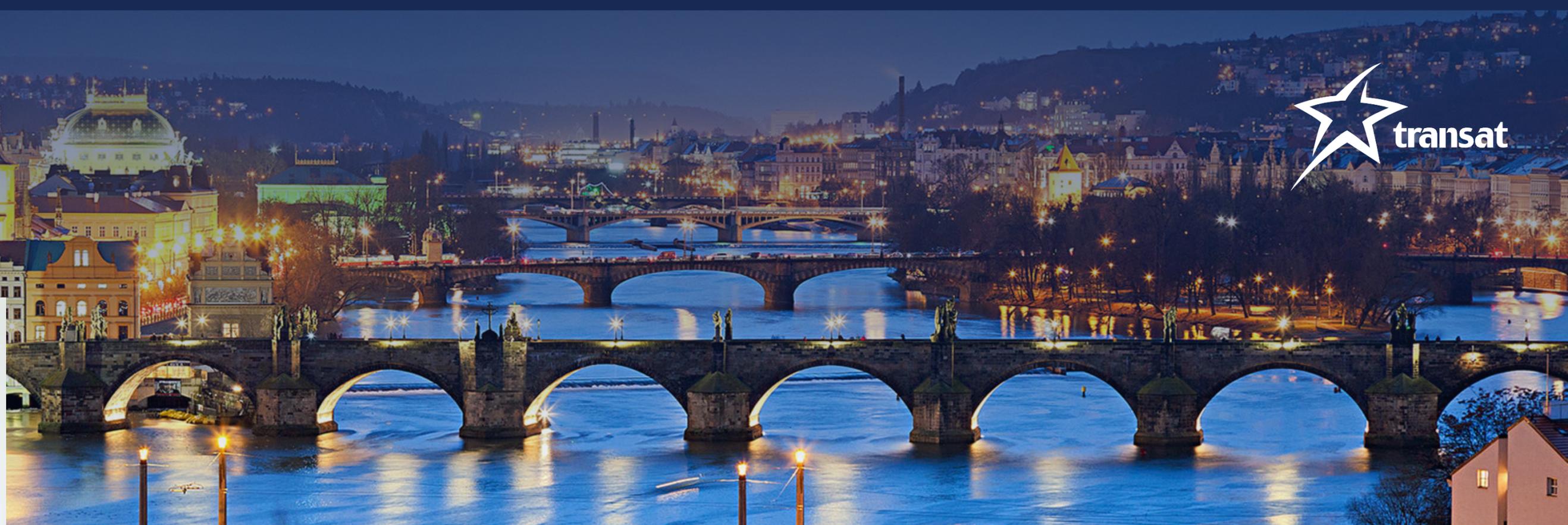


**W. BRIAN EDWARDS**  
CORPORATE DIRECTOR



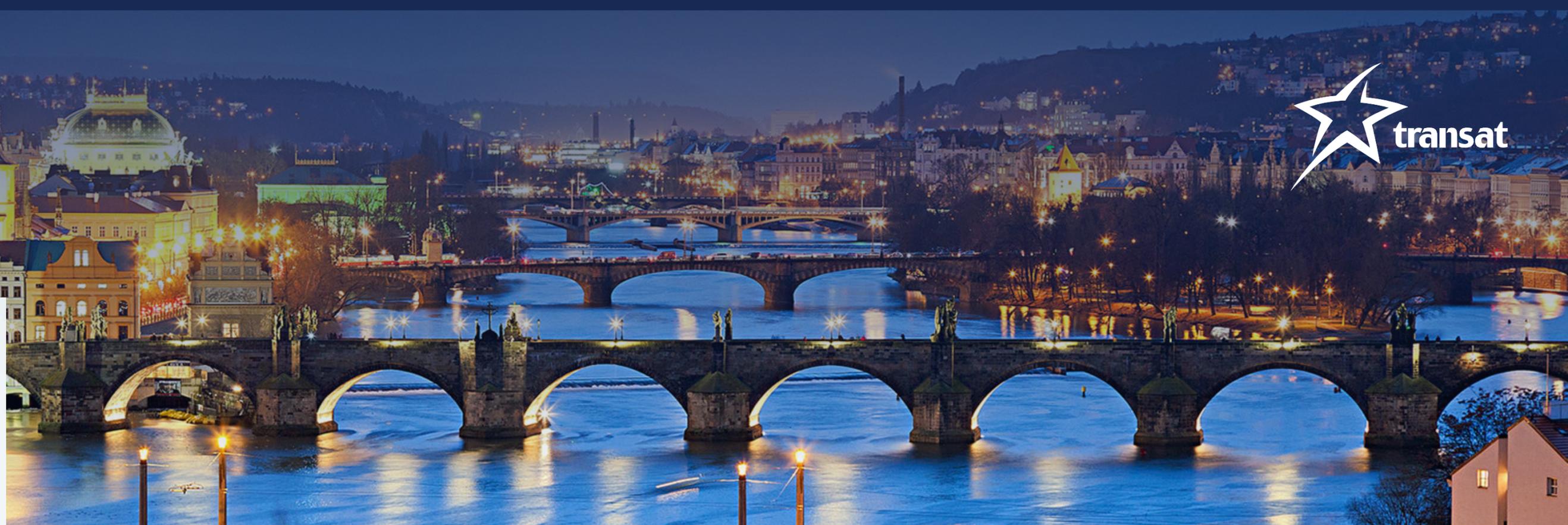
# SUSAN KUDZMAN

EXECUTIVE VICE-PRESIDENT,  
AND CHIEF RISK AND CORPORATE AFFAIRS OFFICER,  
LAURENTIAN BANK OF CANADA



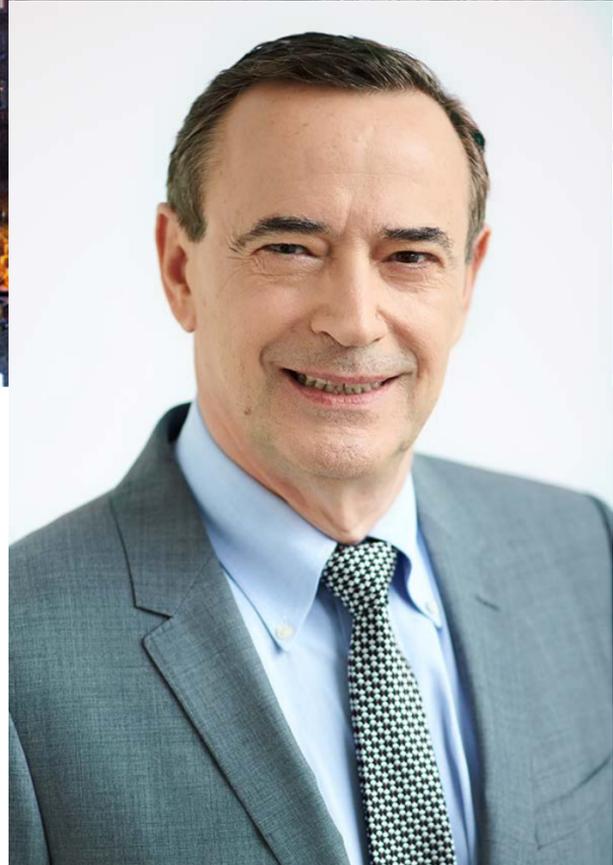
# JEAN-YVES LEBLANC

LEAD DIRECTOR  
CORPORATE DIRECTOR



# JACQUES SIMONEAU

PRESIDENT AND CEO  
AND DIRECTOR  
GESTION UNIVALOR, S.E.C.



**PHILIPPE SUREAU**  
CORPORATE DIRECTOR



# JEAN-MARC EUSTACHE

CHAIRMAN OF THE BOARD  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
TRANSAT A.T. INC.

---

2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
**ELECTION OF DIRECTORS**

---

2 0 1 7

A nighttime photograph of a cityscape, likely Prague, featuring a large stone bridge with multiple arches over a river. The city buildings are illuminated, and the sky is dark. The image is overlaid with a dark blue semi-transparent band containing white text.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
**APPOINTMENT OF AUDITORS**

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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**RESOLUTION**  
**SHAREHOLDER RIGHTS PLAN**

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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**RESOLUTION  
EXECUTIVE COMPENSATION**

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ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

# SHAREHOLDER PROPOSAL

---

2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

# PRESIDENT'S MESSAGE

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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

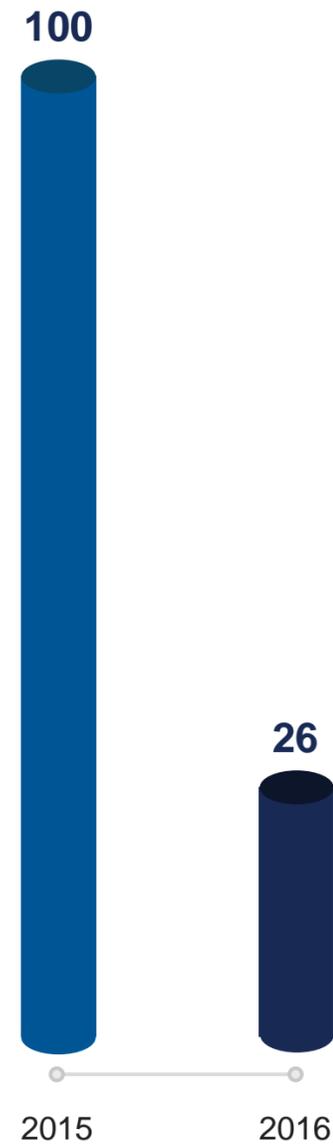
**JEAN-MARC EUSTACHE**

PRESIDENT AND CHIEF EXECUTIVE OFFICER



**transat**

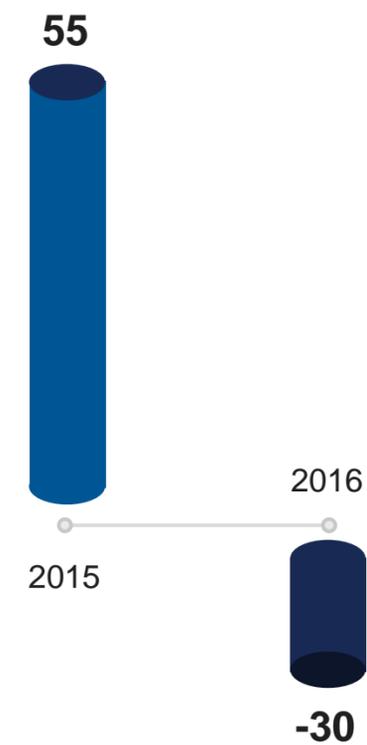
## ADJUSTED OPERATING INCOME



CHIFFRE  
D'AFFAIRES  
ACTIVITÉS  
POURSUIVIES  
2.9 MILLIARDS \$

(IN MILLIONS OF DOLLARS)

## OPERATING INCOME ACCORDING TO IFRS STANDARDS



ANNUAL  
RESULTS



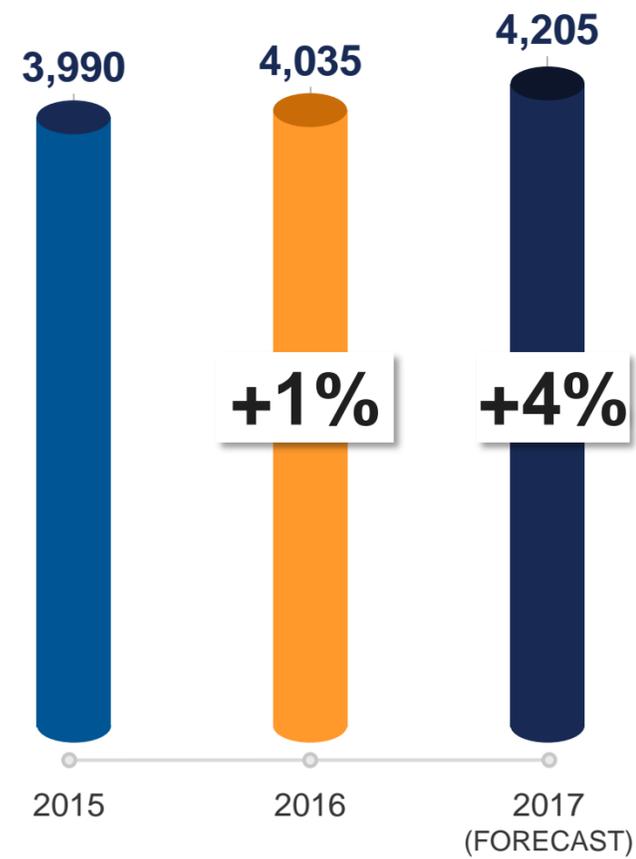
ANNUAL RESULTS



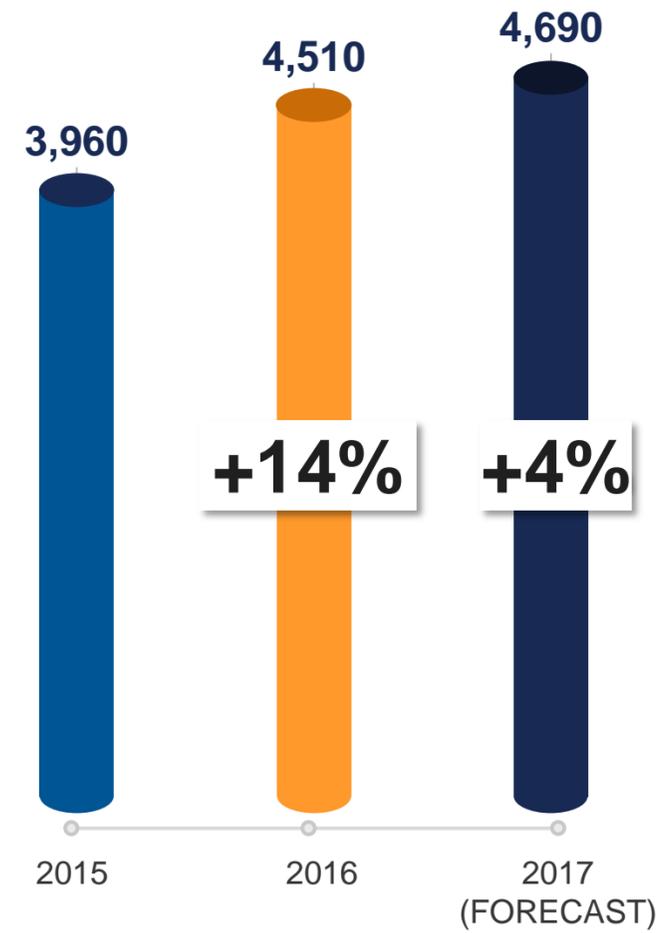
**Change in value of the Canadian dollar**  
July 2014–February 2017



CAPACITY,  
SUN MARKET  
(WINTER 2017)



CAPACITY,  
TRANSATLANTIC MARKET  
(SUMMER 2017)



(TRANSAT MARKETS, IN THOUSANDS OF SEATS)



ANNUAL  
RESULTS



transat

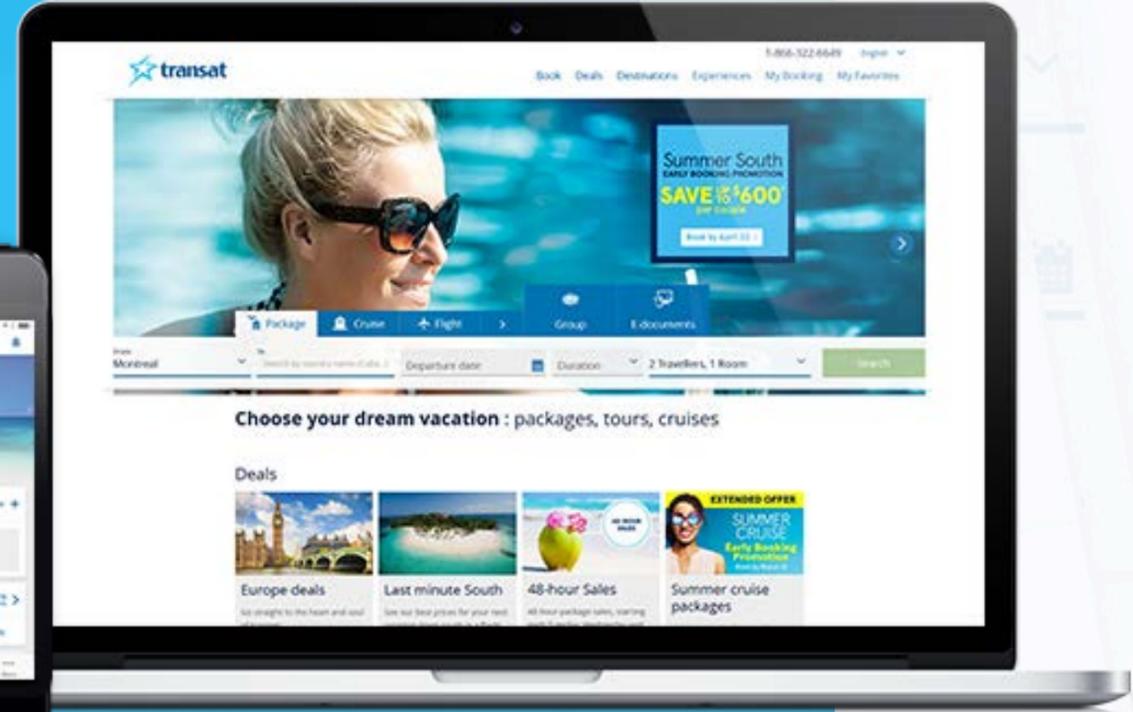
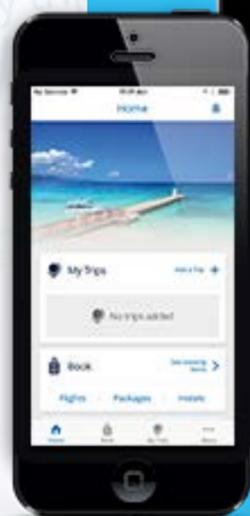
670  
taxes & f  
06 MA  
au 11

Voit

Plus >

Horaire de vols

Enregistrement en ligne



transat  
**CRUISES**

2016-2017



**SEAT SALE**

5,000 flights for under \$599

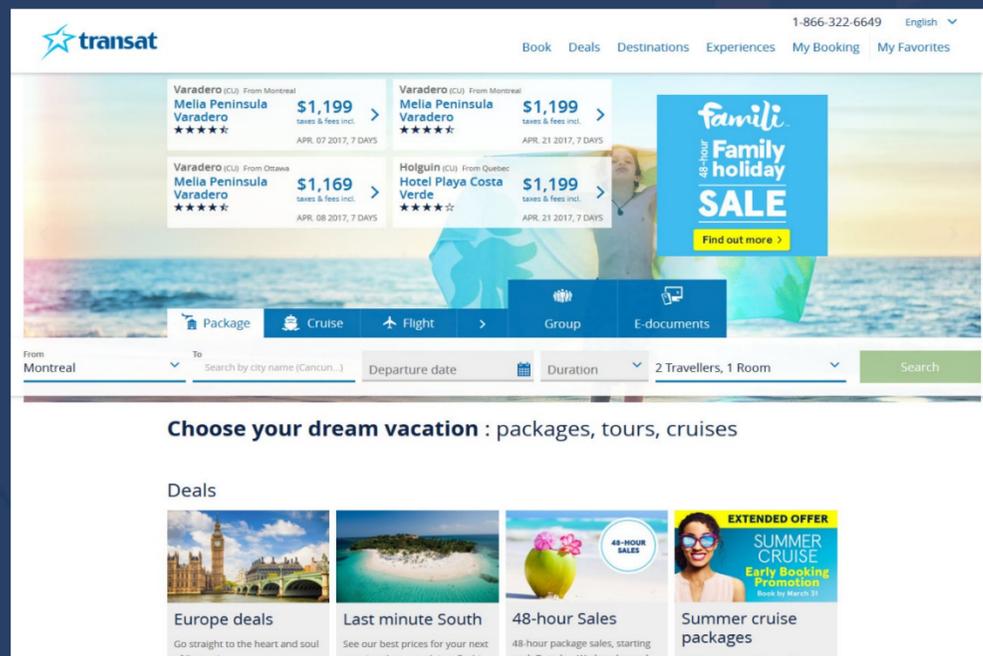
Book by February 20

your de  
parade

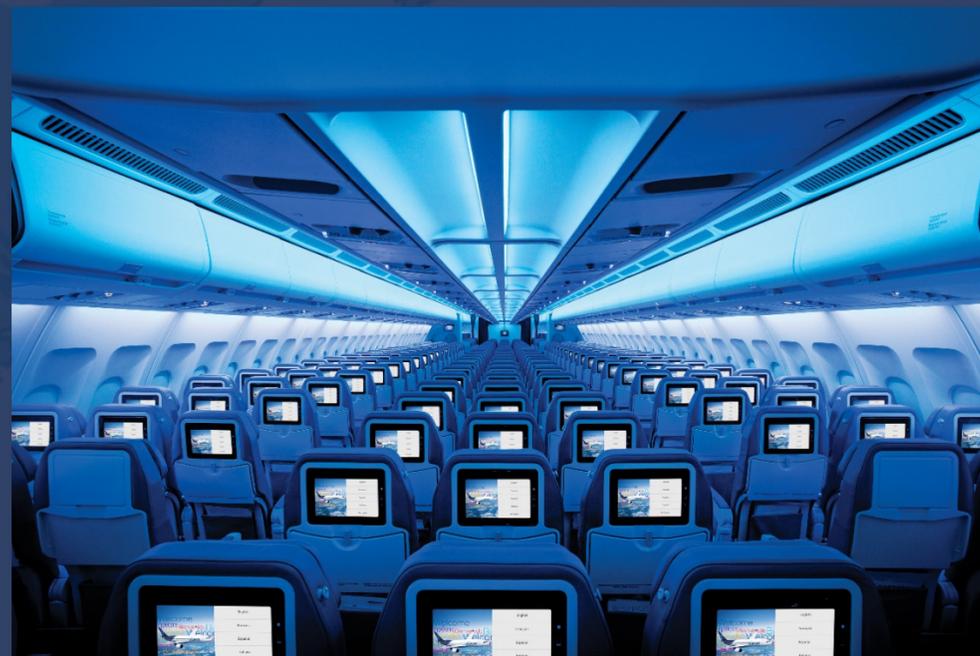
Flight fres

task

your trip



DISTRIBUTION



AIR



HOTELS

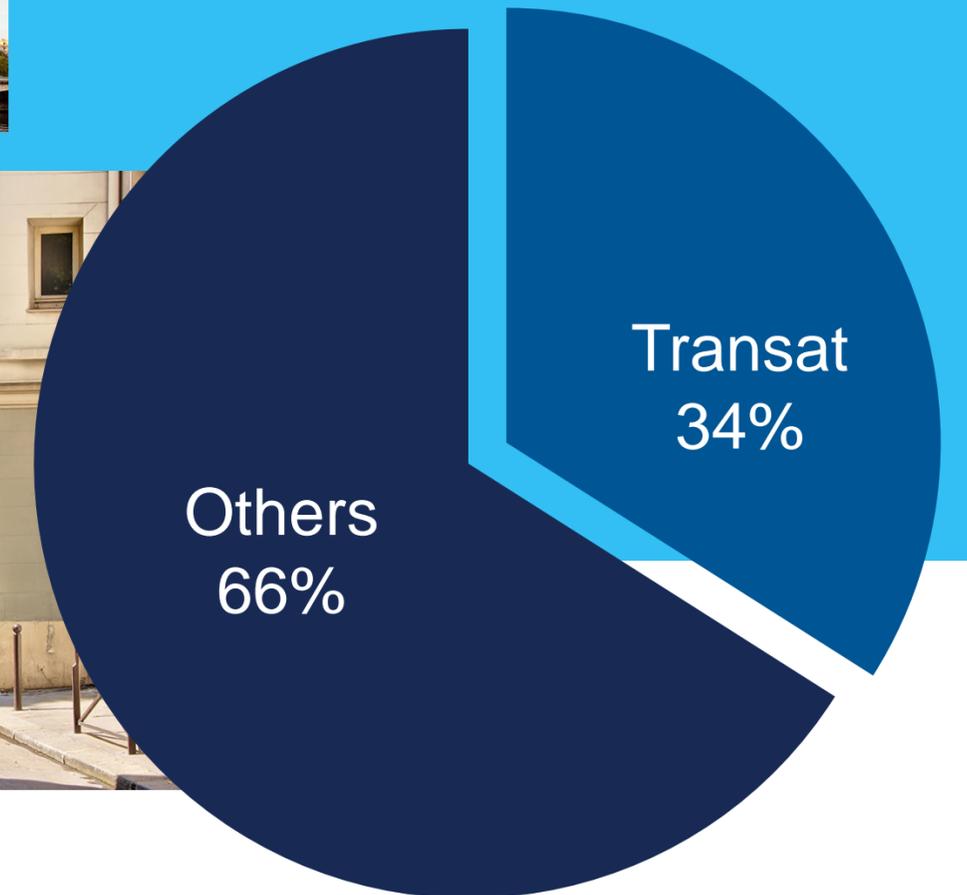
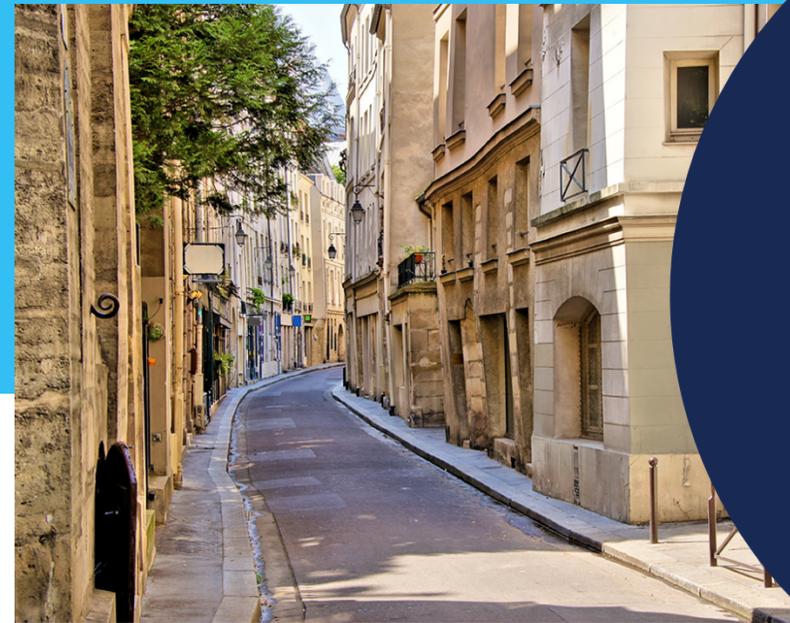
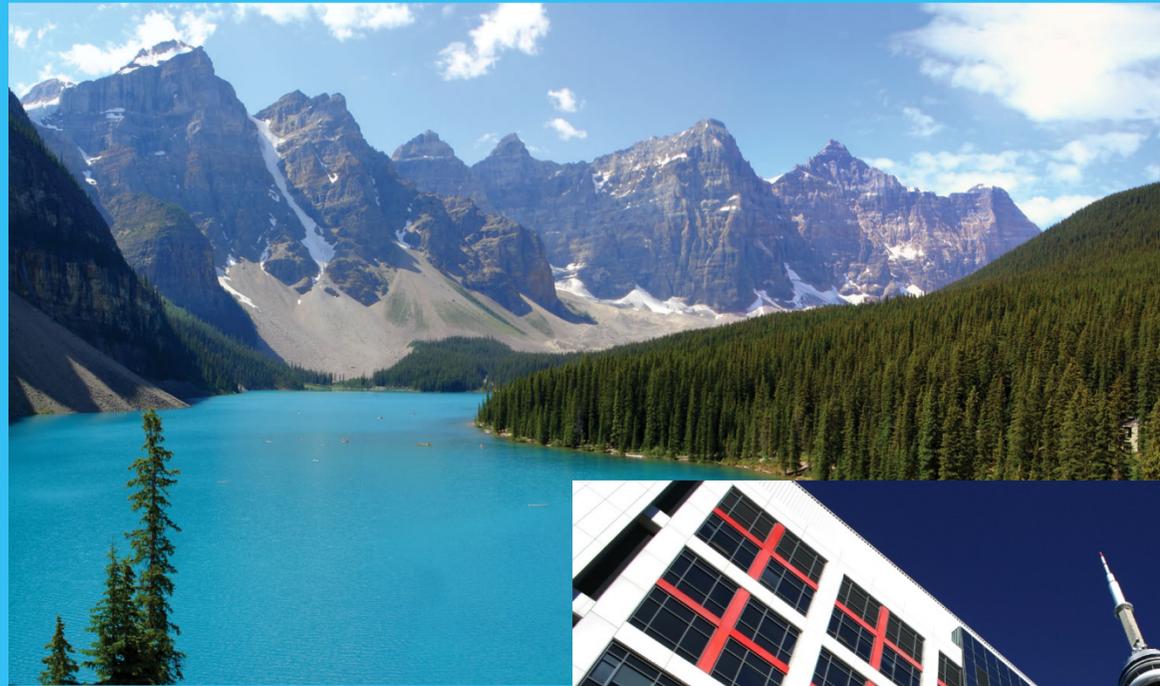
- Sale of France- and Greece-based tour operators
- Transaction approved and completed in October 2016
- Consideration of C\$93 million

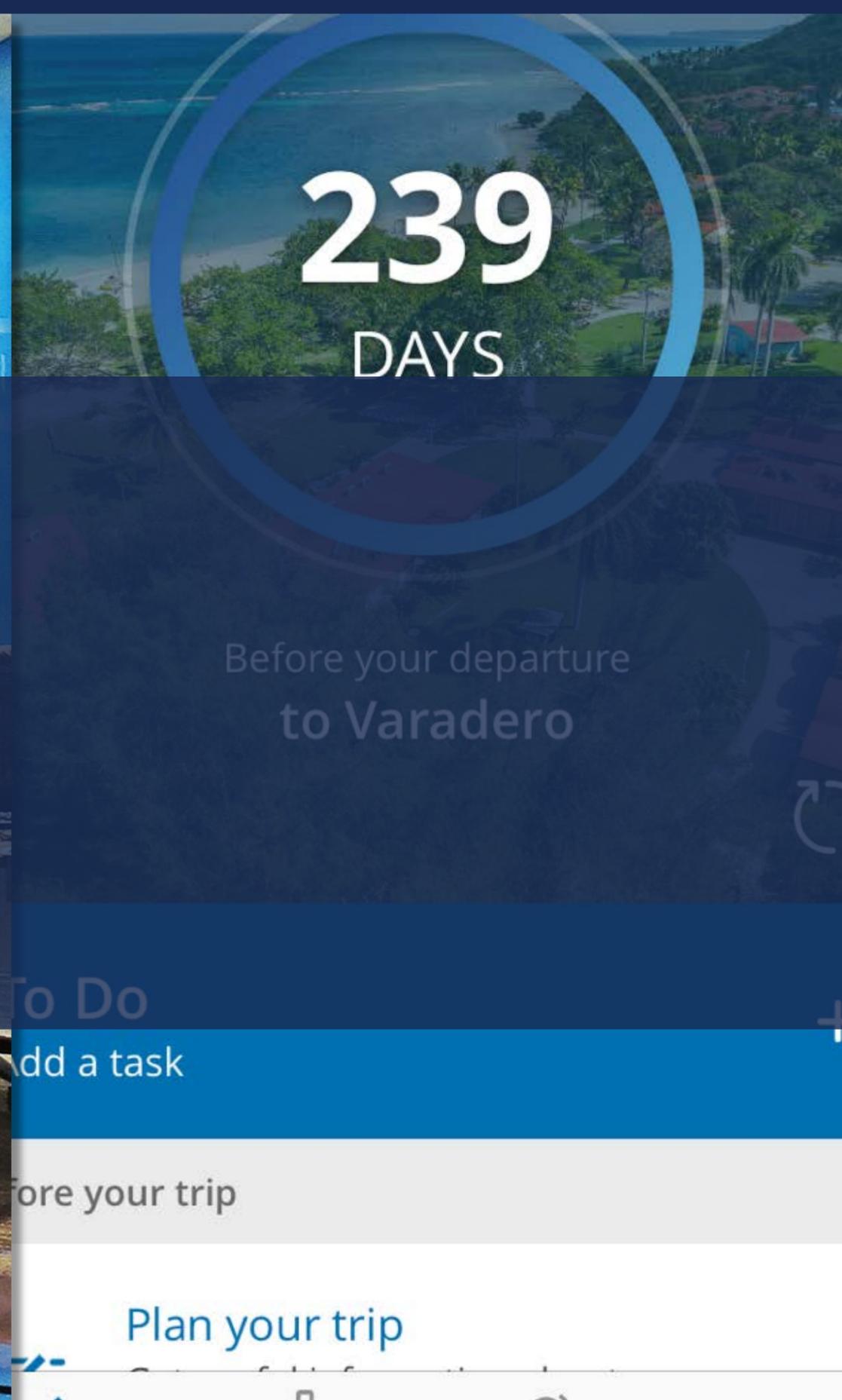


**FOCUS  
ON THE  
AMERICAS**









# DISTRIBUTION

239  
DAYS

Before your departure  
to Varadero

To Do  
Add a task

Before your trip

Plan your trip

Package
Cruise
Flight

To  
 Search by country name (Cuba...)

Departure date

Choose your dream vacation :

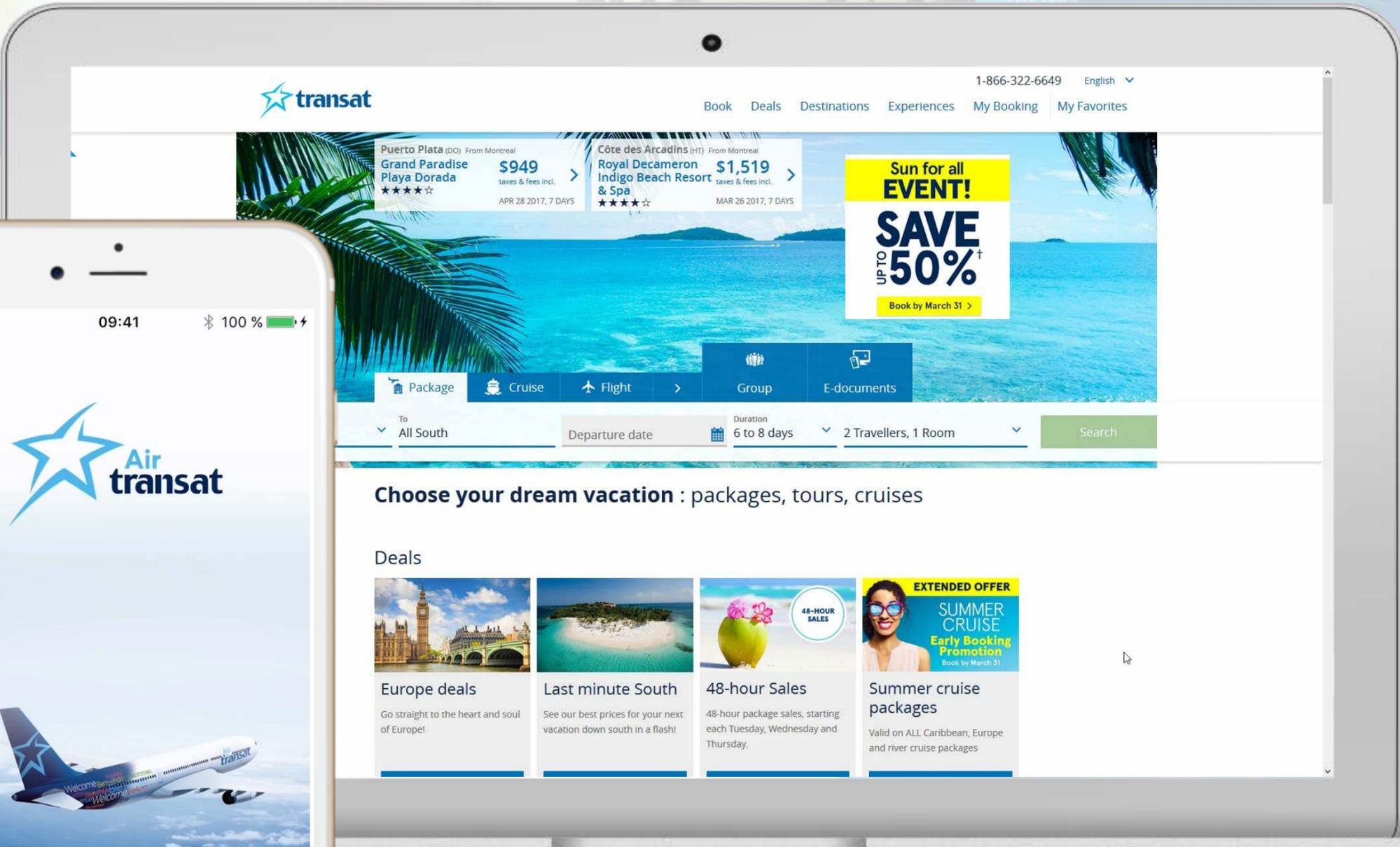
Deals



432 K

+18%

368 K



DISTRIBUTION

Packages

Sud et la Floride

Add a task

Before your trip

Welcome



CANADA



GREAT BRITAIN



SPAIN



FRANCE



ITALY



GREECE



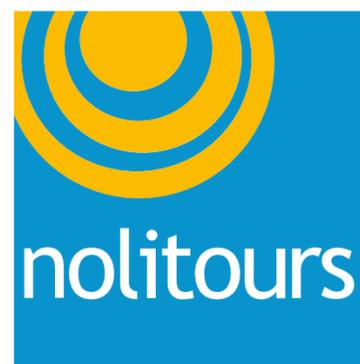
BELGIUM



DISTRIBUTION



vacances  
**TMR**  
par transat



DISTRIBUTION

welcome



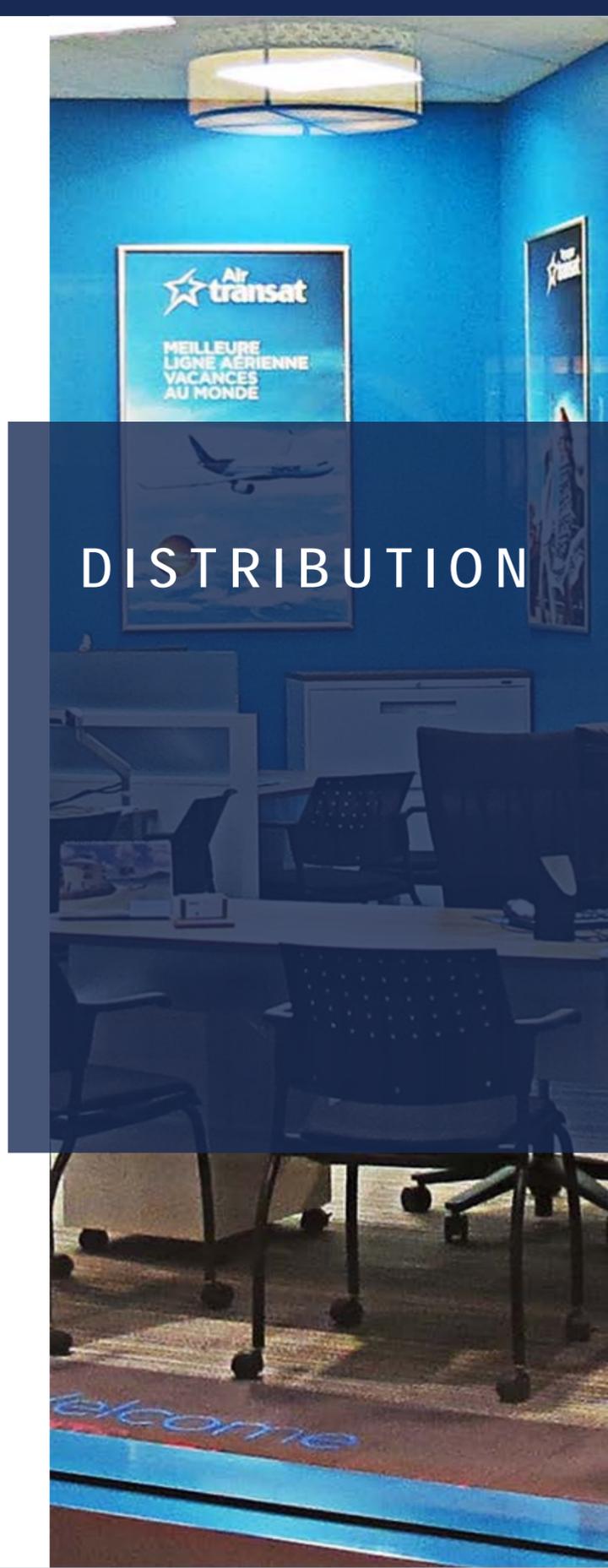
 **SEAT SALE**  
5,000 flights for under \$599  
Book by February 20

**CANADA**  
**SEAT SALE**  
It's now or never

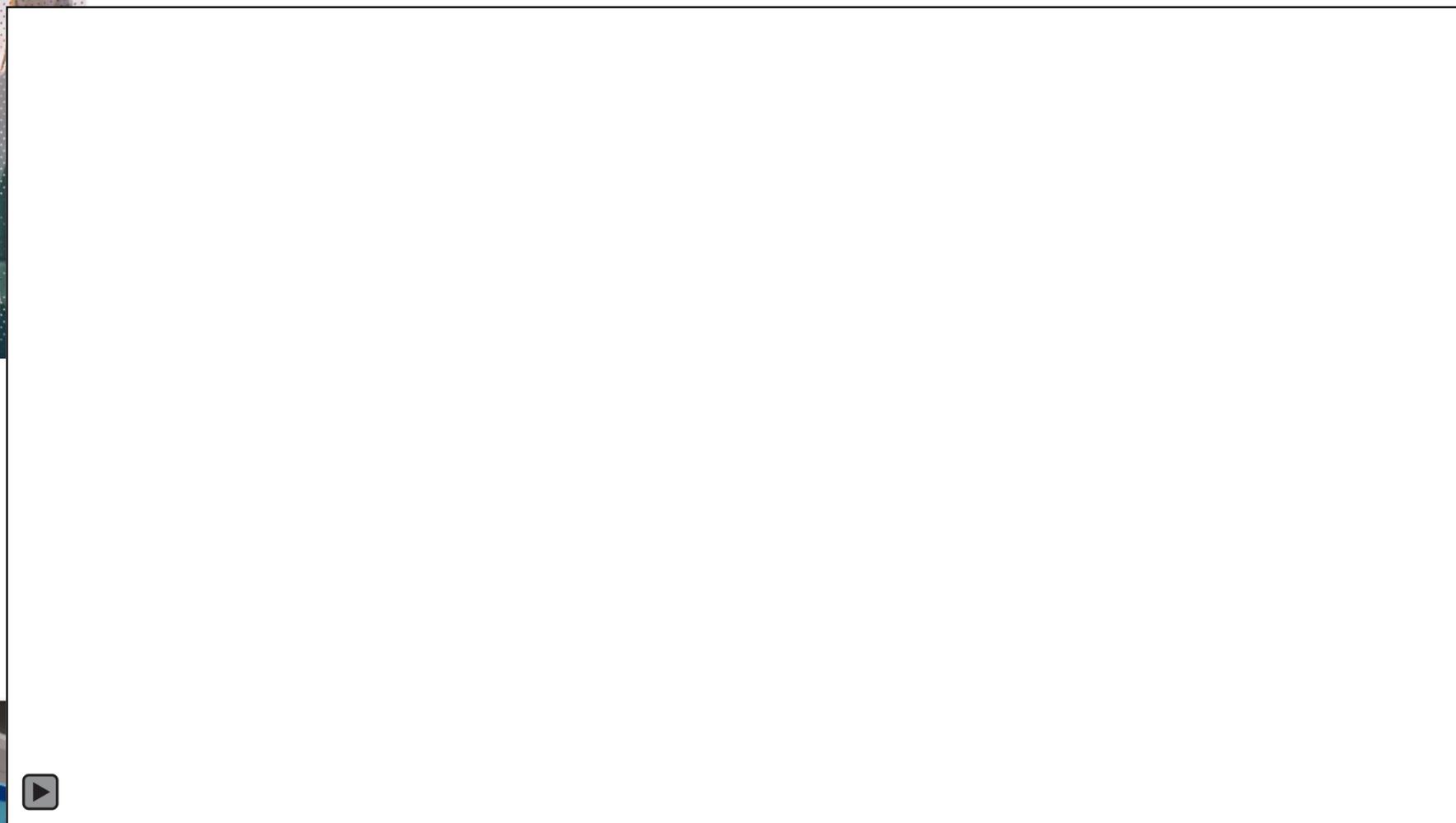
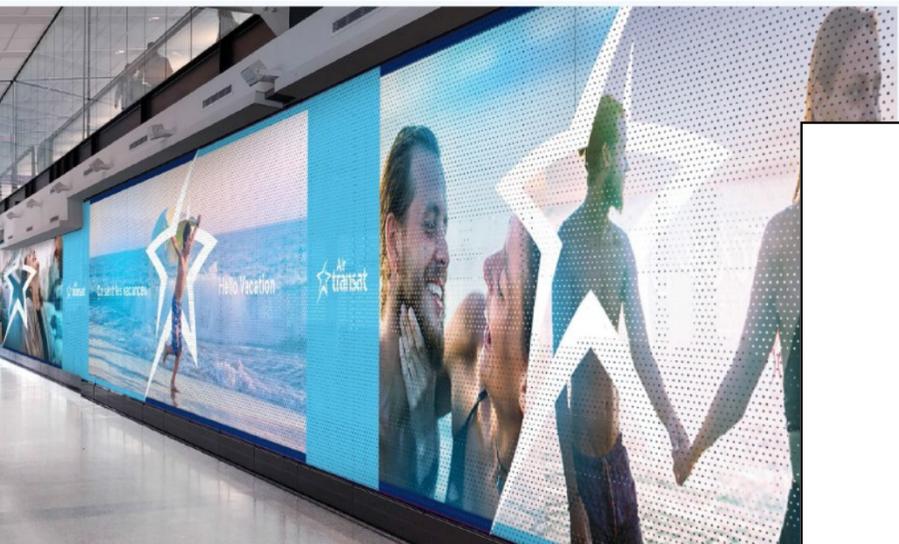


DISTRIBUTION





DISTRIBUTION





AIR

Welcome  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة

English
Français
Español
Italiano
Português

Welcome  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة  
Bienvenue  
بهذا الرحلة

English
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Español
Italiano
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Welcome  
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Bienvenue  
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بهذا الرحلة  
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English
Français
Español
Italiano
Português



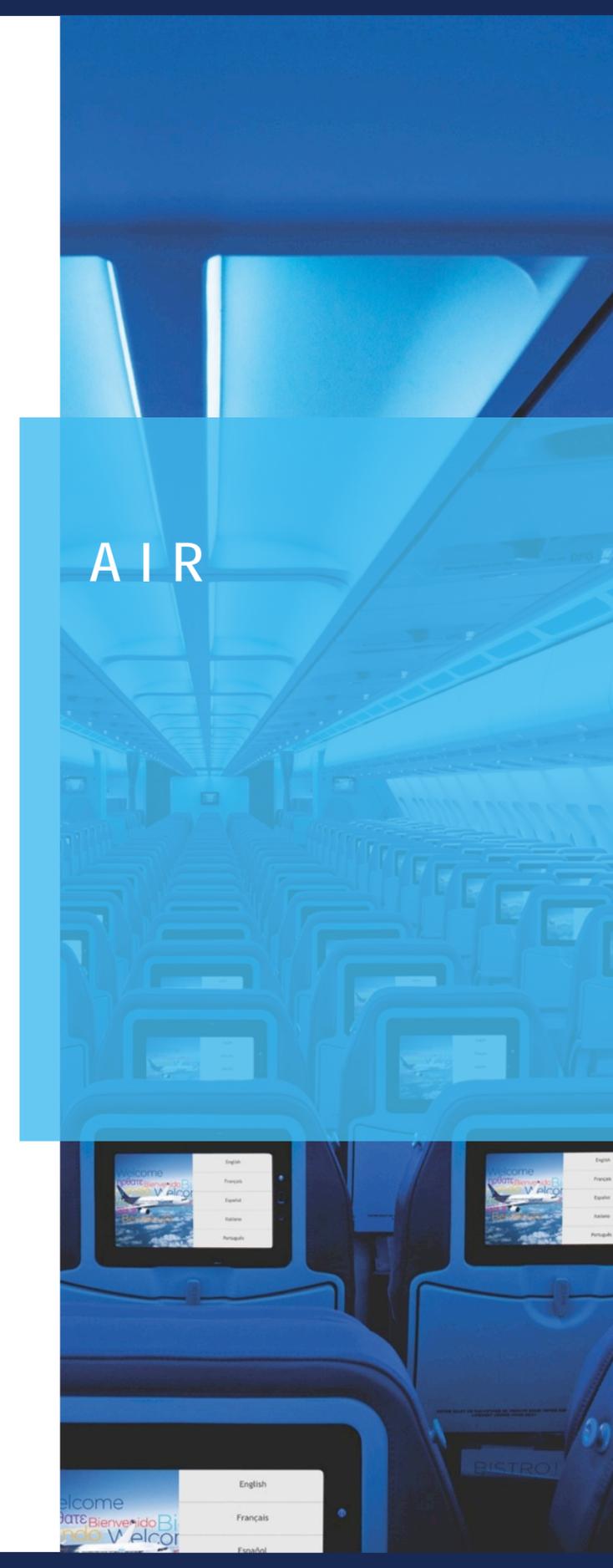
AIR





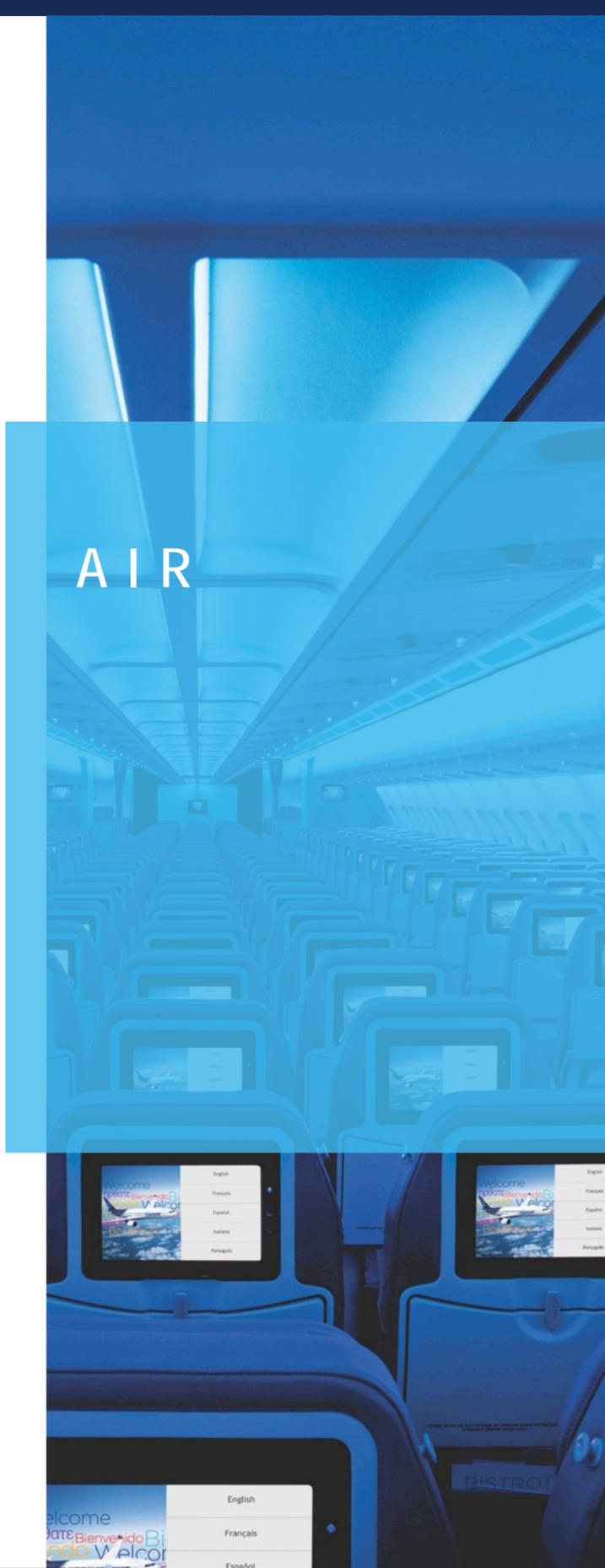
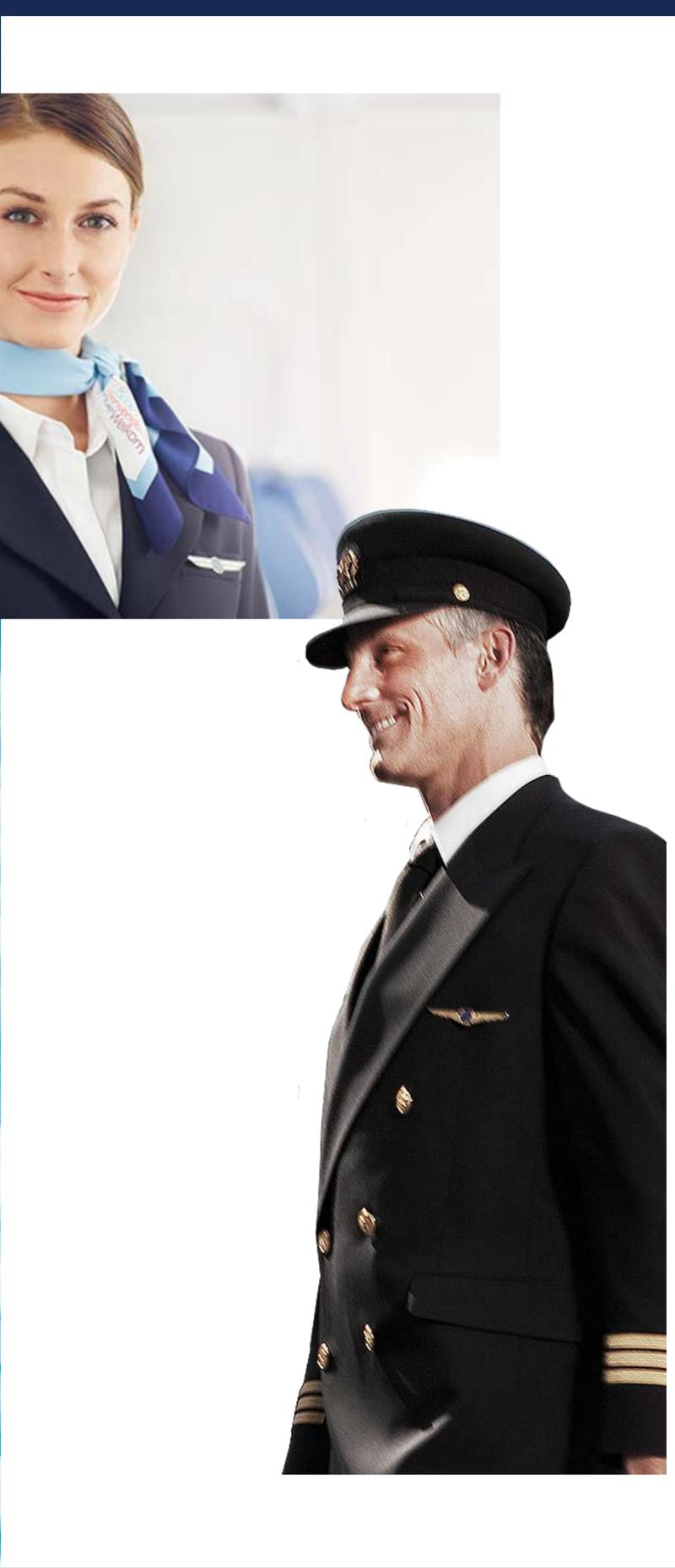
AIR





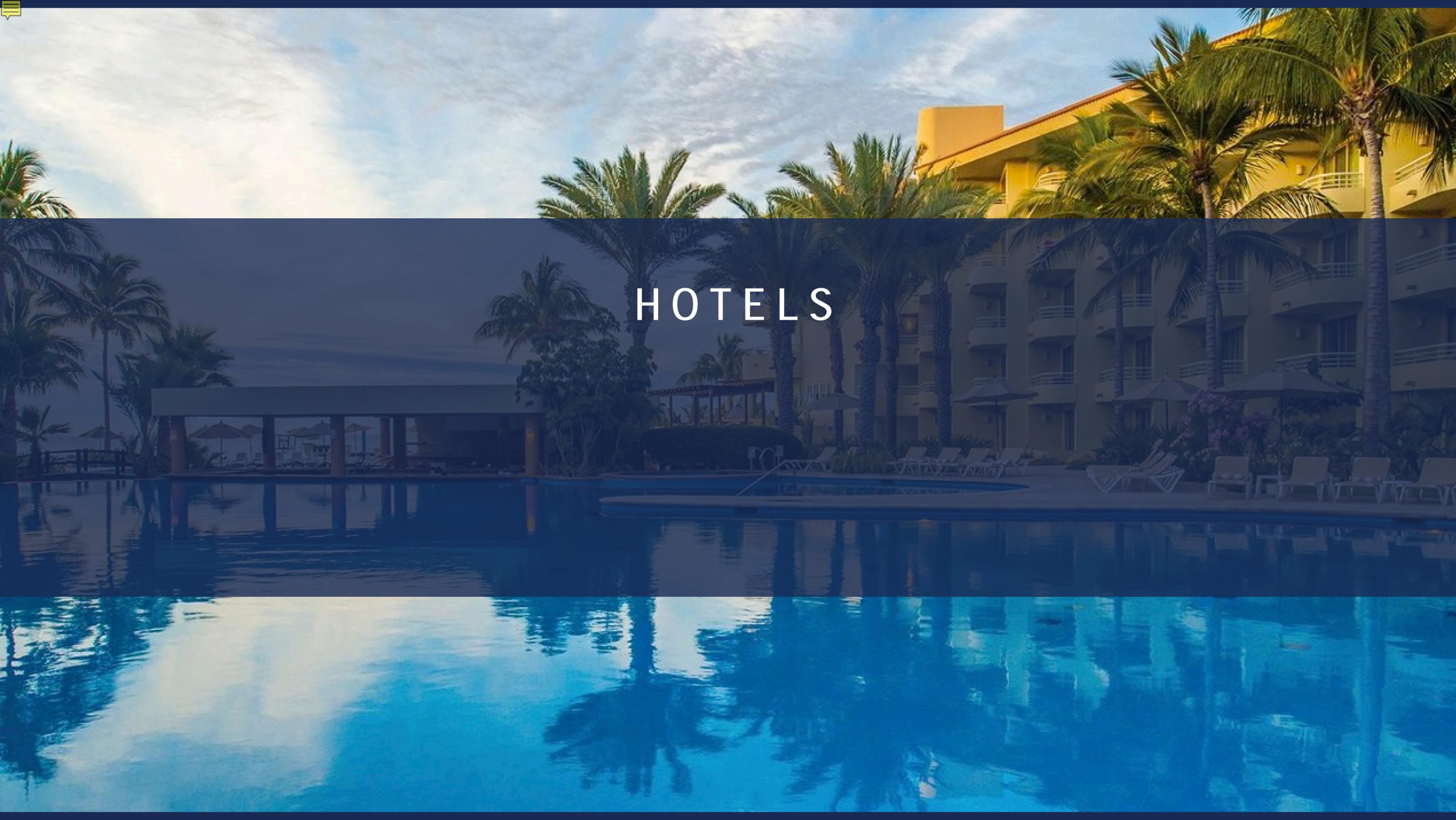
AIR





AIR



A tropical resort scene featuring a swimming pool in the foreground, palm trees, and a multi-story hotel building in the background. The sky is blue with light clouds. The word "HOTELS" is overlaid in white text on a dark blue semi-transparent background.

# HOTELS

PROFITABLE  
AND GROWING

Ocean  
Hotels&Resorts



35%  
interest  
(65% held by  
H10 Hotels)

Value on  
balance sheet:  
C\$99.1 M

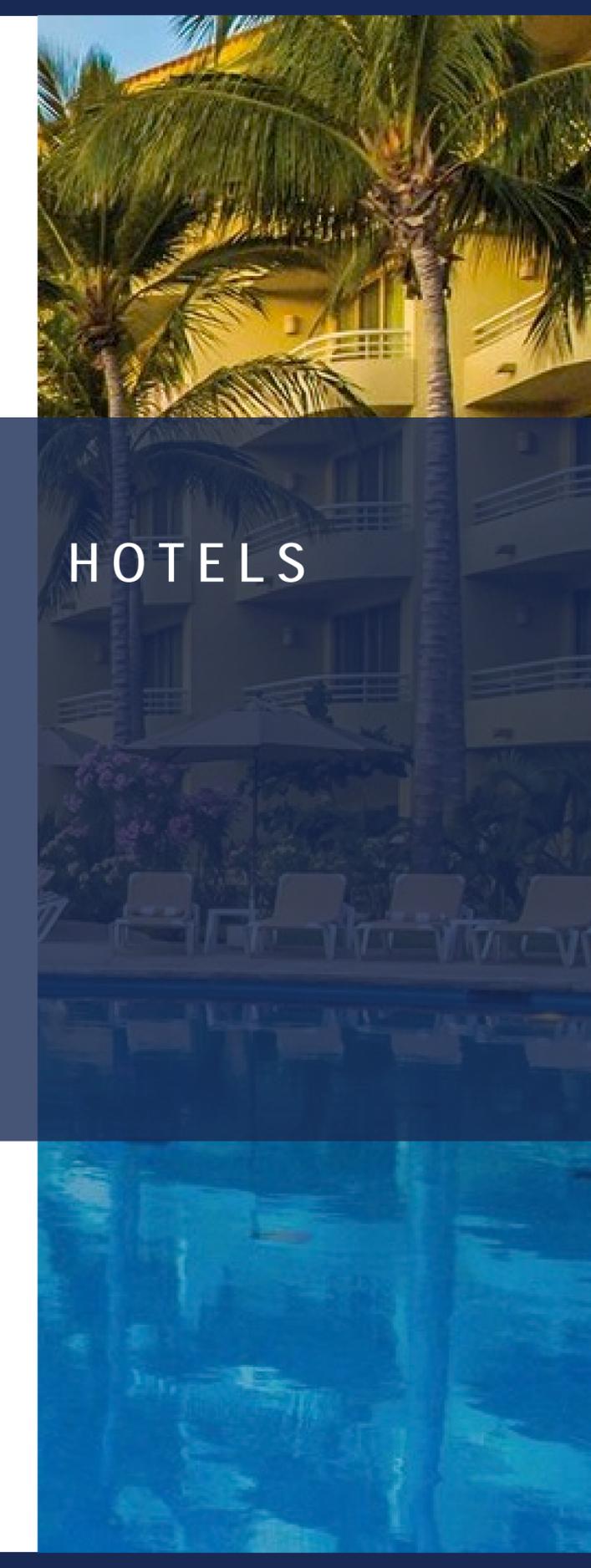
4,600  
rooms  
(owned or  
managed)

Goal:  
5,600 rooms  
by 2019

HOTELS

## BUILDING ON EXPERIENCE AND LEVERAGING THE MARGIN

- Profit from our growing experience in hotel management
- Ocean Hotels: acquire full control or sell
- Goal: operate our own hotels business unit



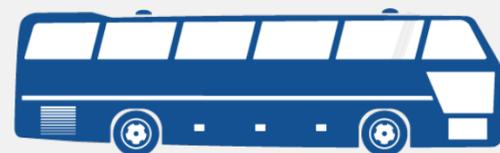
HOTELS



Distribution



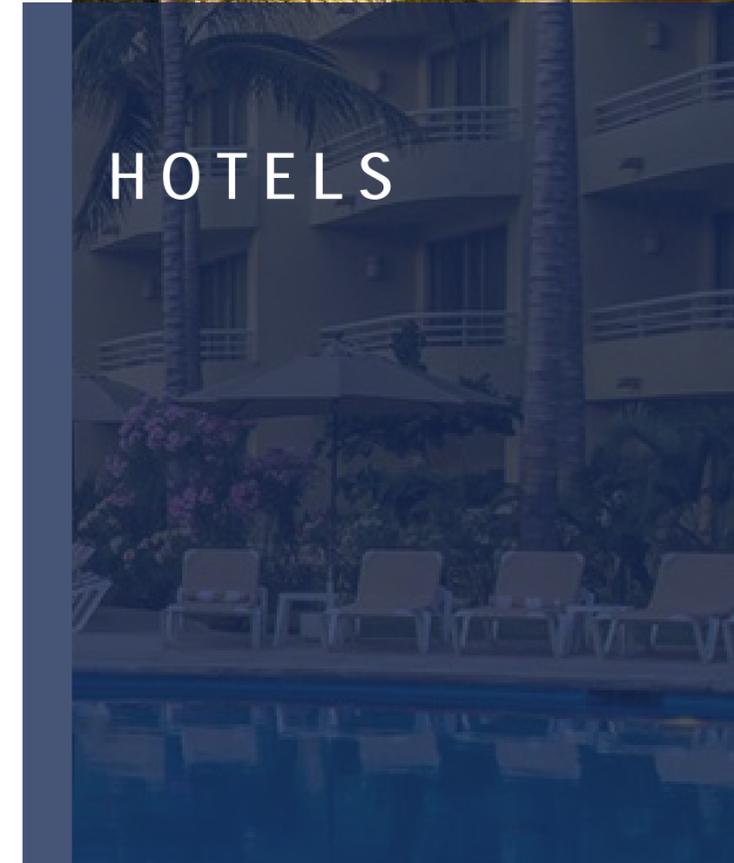
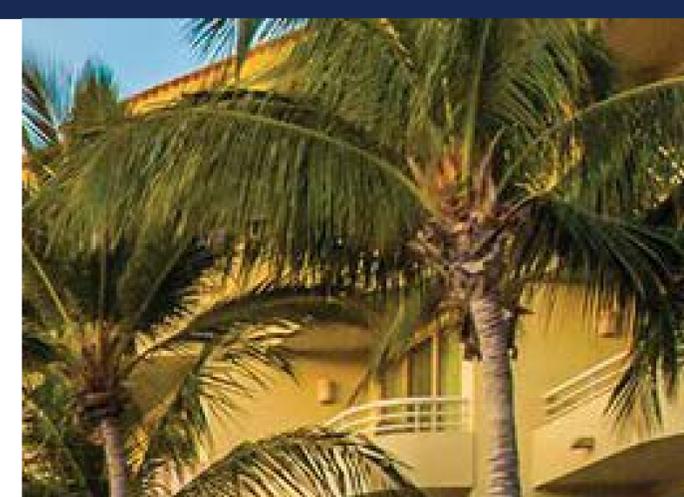
Air



Destination services

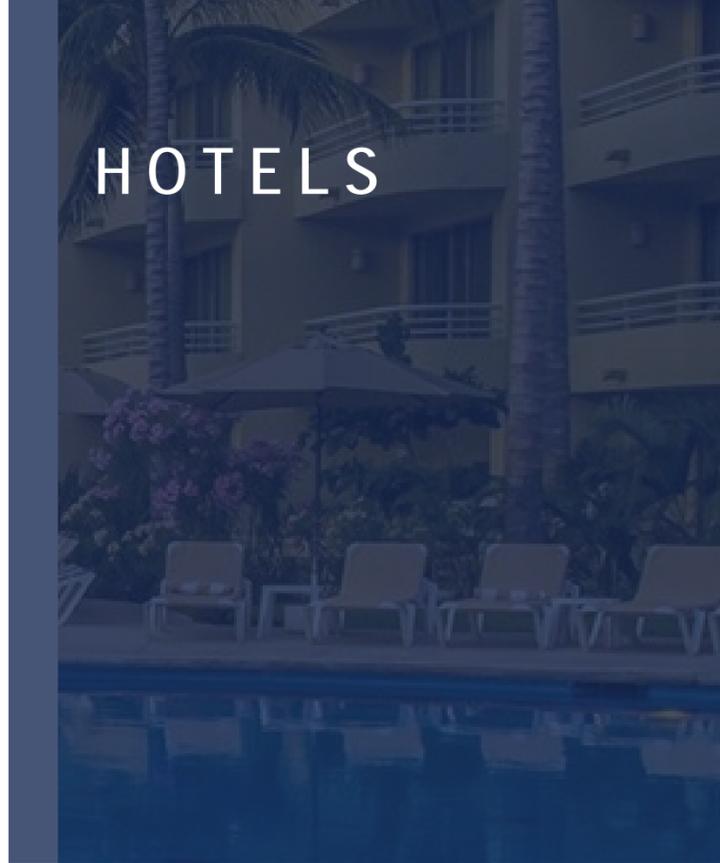


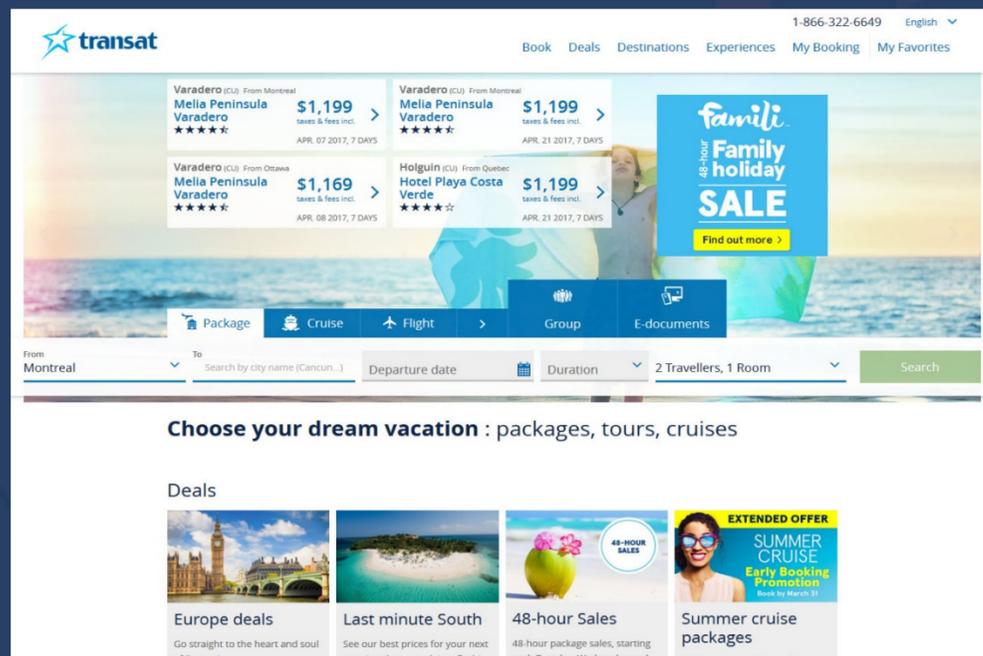
Hotels



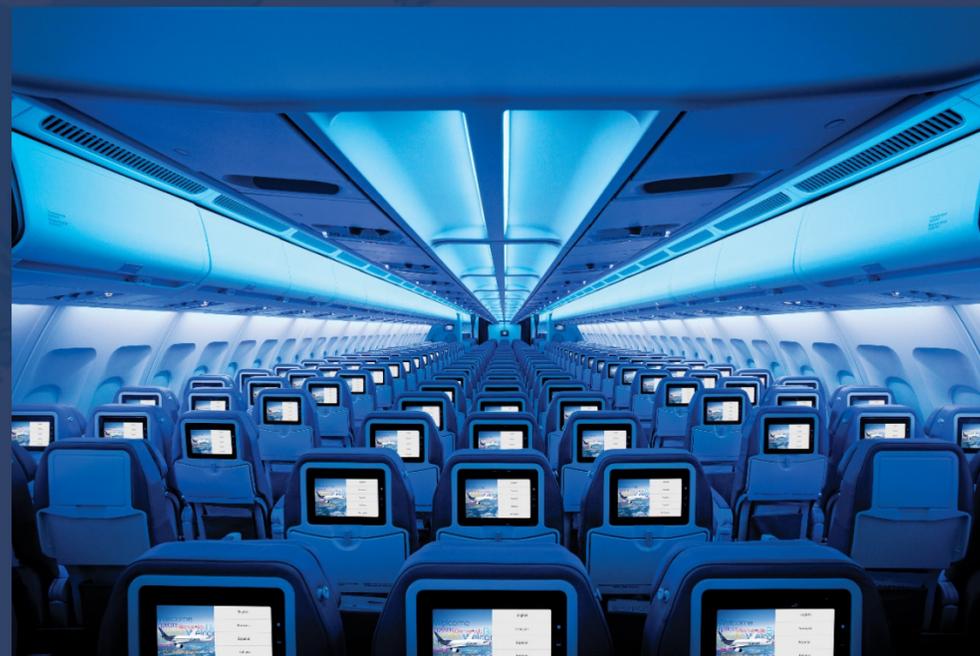


**TRAFIC**  
DE MEXICO S.A. DE C.V. TOURS





DISTRIBUTION

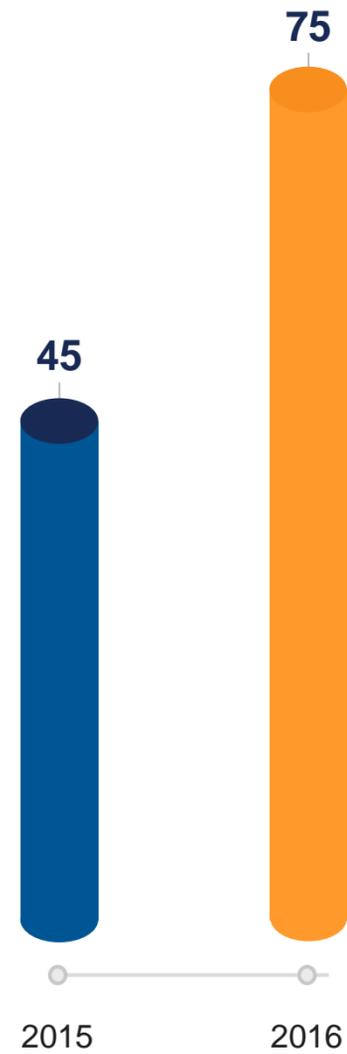


AIR



HOTELS

## COST-REDUCTION AND MARGIN-IMPROVEMENT PLAN



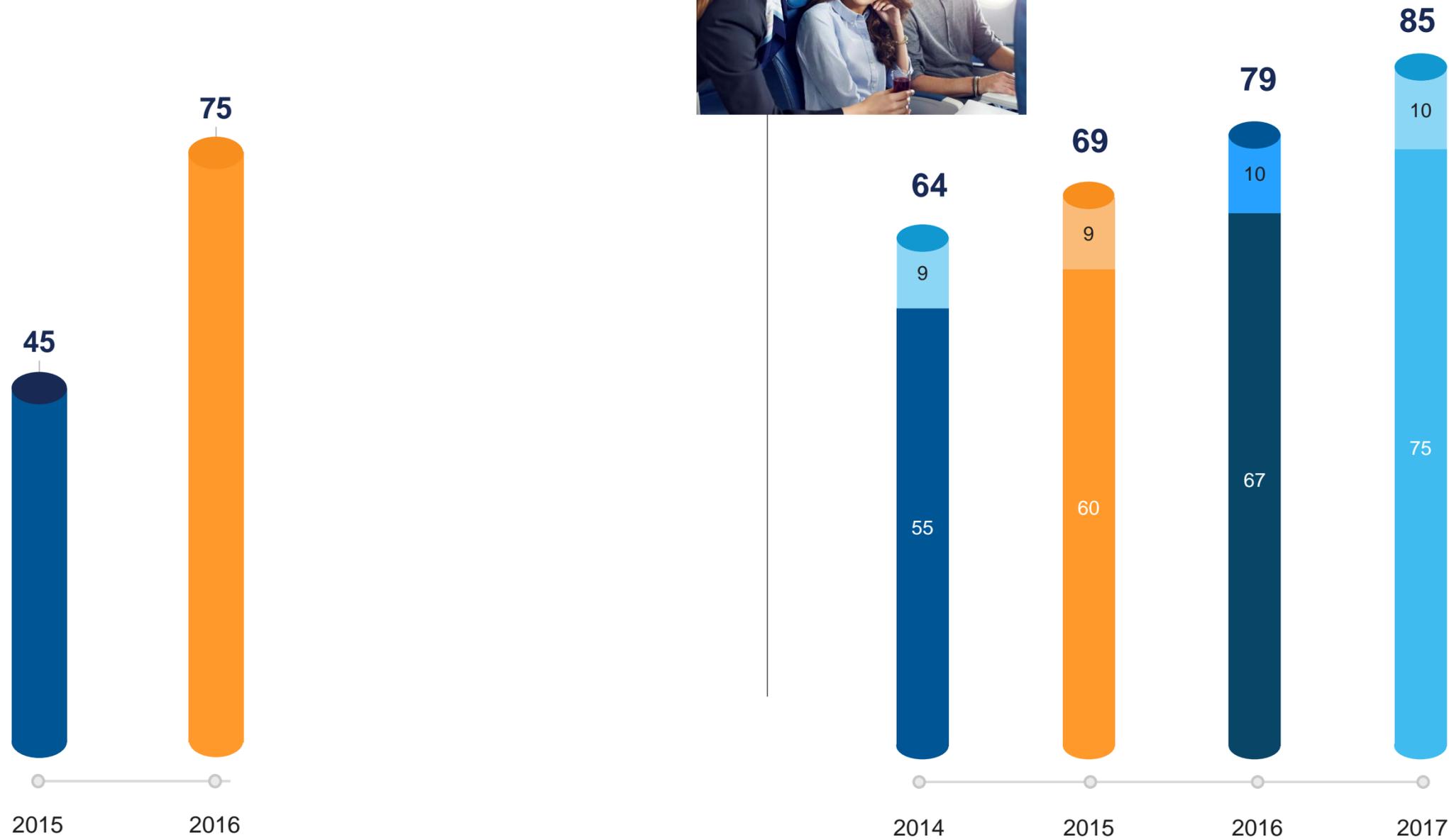
( MILLIONS OF DOLLARS )

## TOTAL ANCILLARY REVENUES

- Negotiate with suppliers
- Deploy flexible fleet (narrow- and wide-body)
- Rationalize call-centre operations
- Grow ancillary revenues

RESULTS

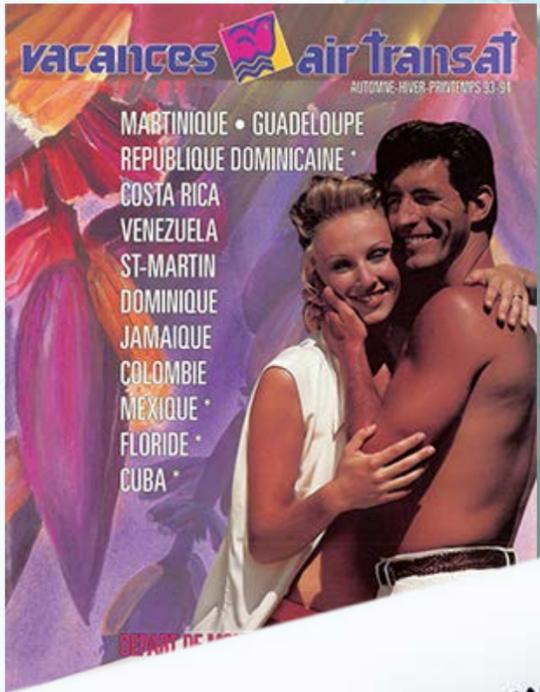
# COST-REDUCTION AND MARGIN-IMPROVEMENT PLAN



( MILLIONS OF DOLLARS )



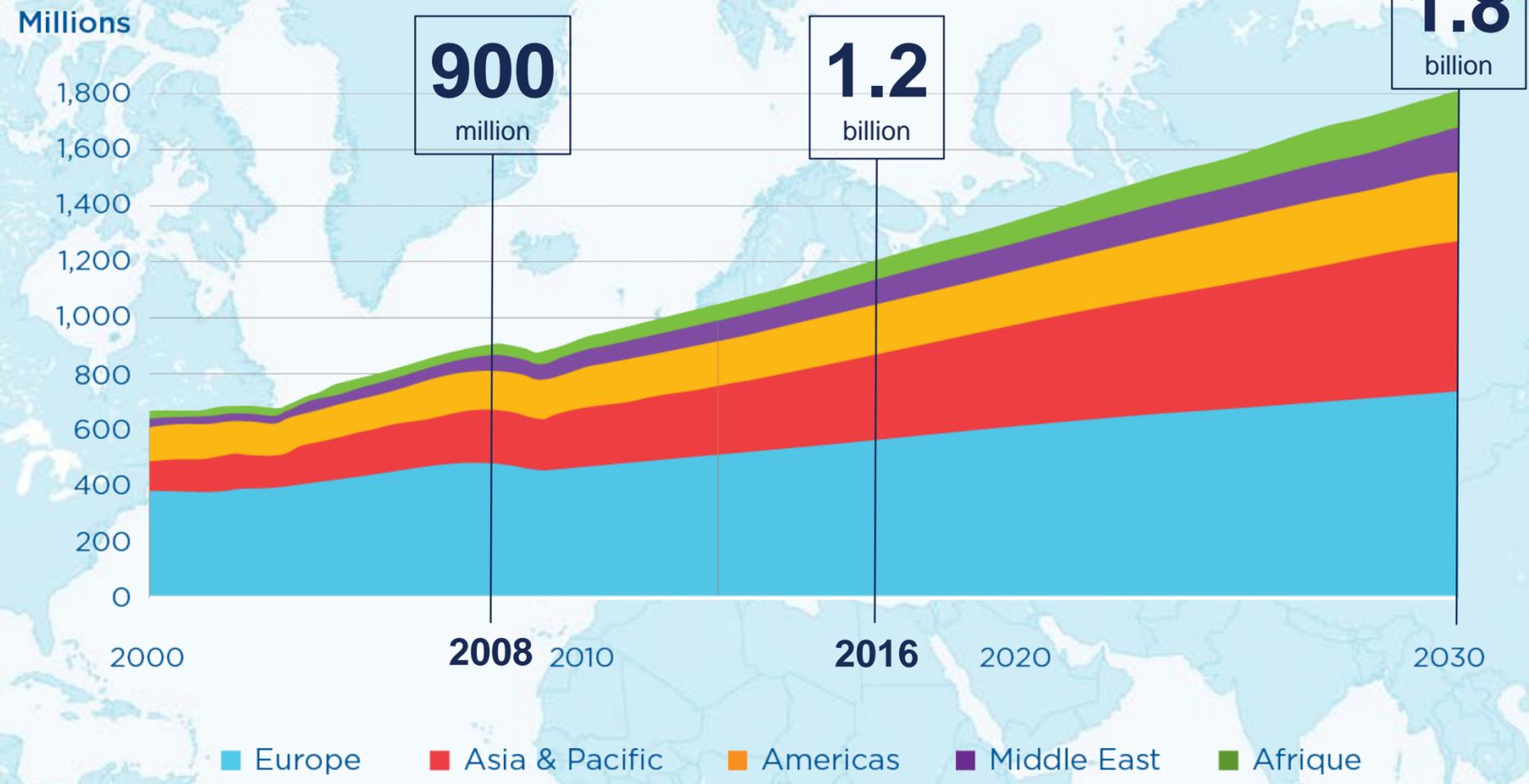
## RESULTS



Since  1987



# INTERNATIONAL ARRIVALS 2000 - 2030 (IN MILLIONS)



INTERNATIONAL  
TOURISM:  
SUSTAINED  
GROWTH



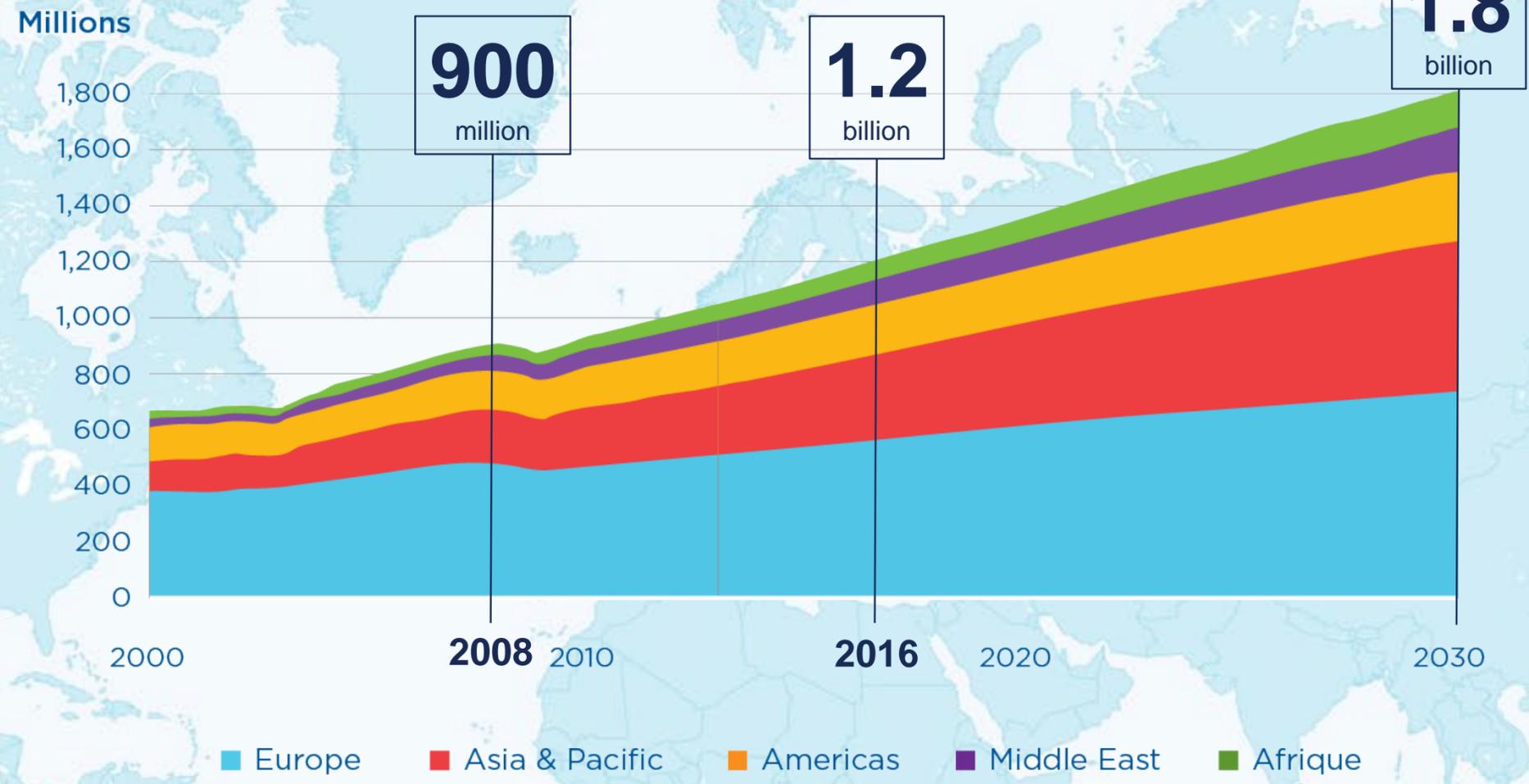
2016:  
1.2 billion  
international arrivals  
globally  
(+3.9%)

46 million  
more travellers  
than in 2015

300 million  
more travellers  
than in 2008

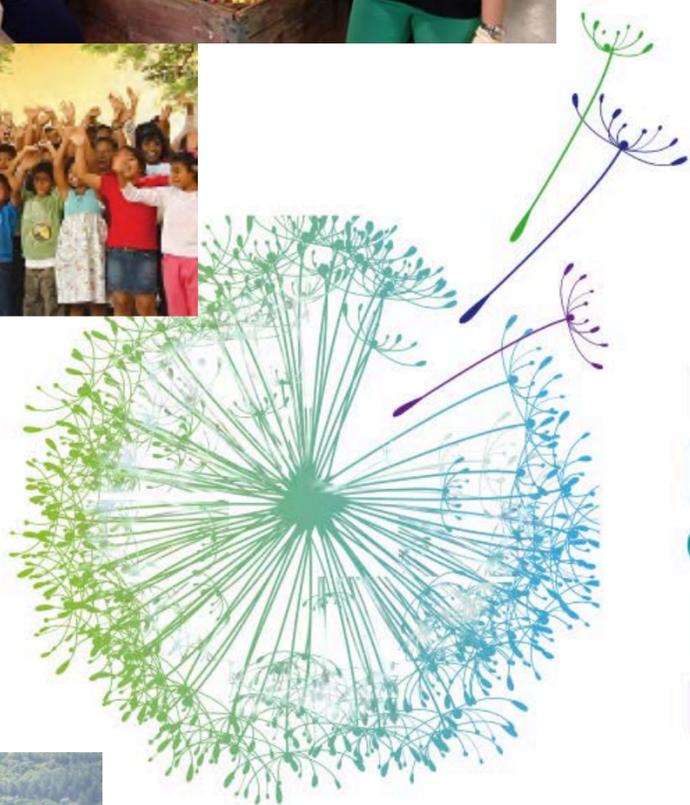
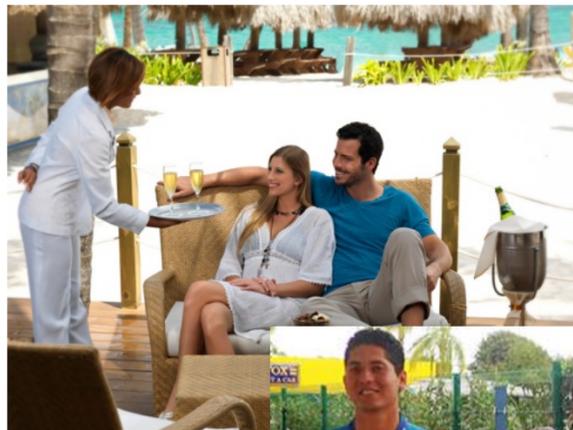
Growth of 4%  
in arrivals  
to the Americas

# INTERNATIONAL ARRIVALS 2000-2030 (IN MILLIONS)



INTERNATIONAL  
TOURISM:  
SUSTAINED  
GROWTH





**2017**  
**INTERNATIONAL YEAR**  
**OF SUSTAINABLE TOURISM**  
**FOR DEVELOPMENT**



INTERNATIONAL  
TOURISM:  
SUSTAINED  
GROWTH





**Travelife**  
 PARTNER  
 En route vers un tourisme durable



LE TOURISME  
 INTERNATIONAL  
 UNE  
 CROISSANCE  
 SOUTENUE





**transat**

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ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**JEAN-MARC EUSTACHE**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

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2 0 1 7

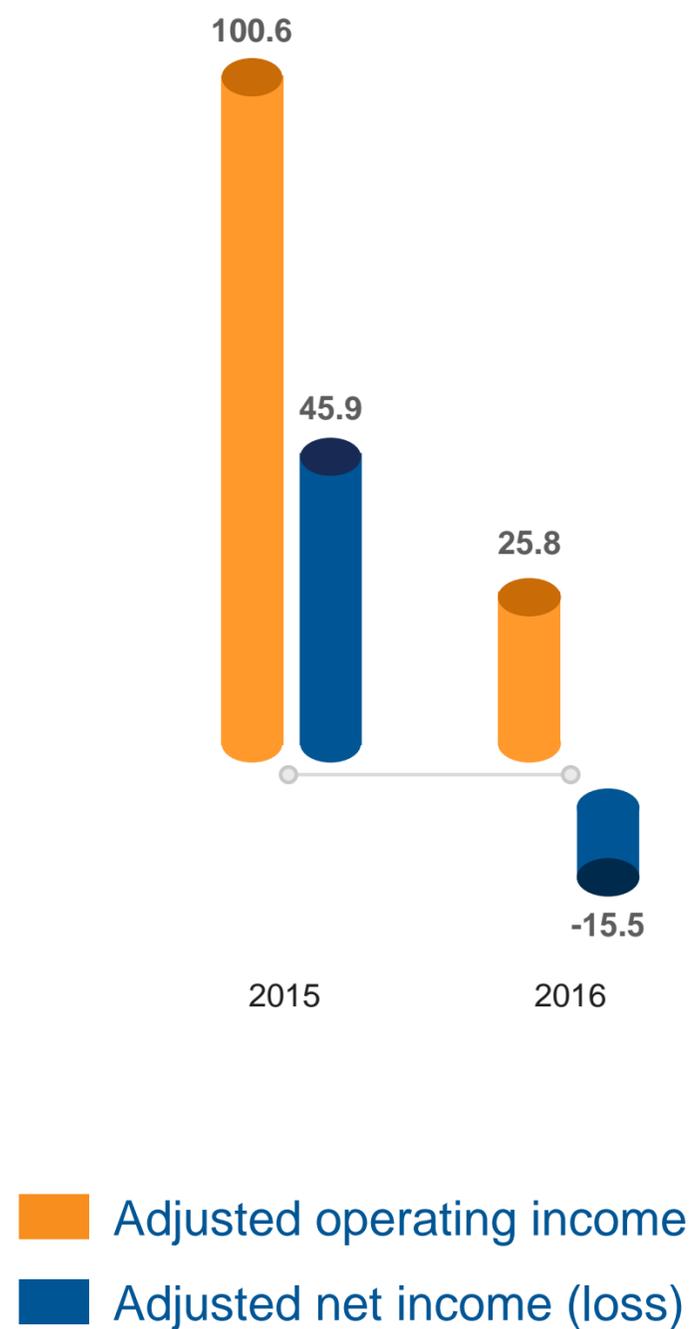


ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**DENIS PÉTRIN**

VICE-PRESIDENT, FINANCE AND ADMINISTRATION,  
AND CHIEF FINANCIAL OFFICER

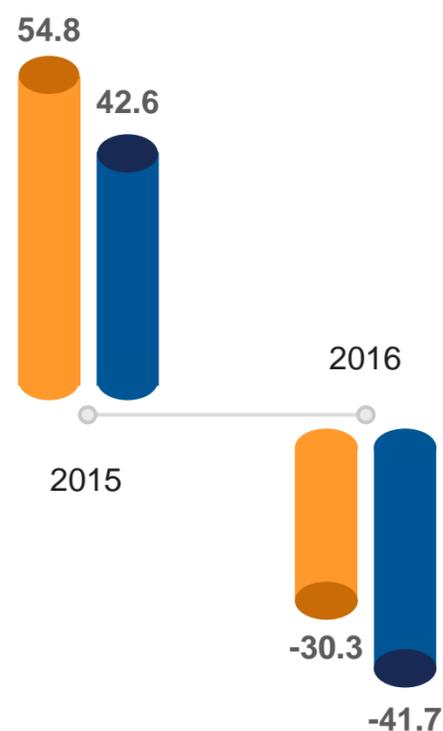
# CONSOLIDATED STATEMENTS OF INCOME



	<b>2016</b>	2015
REVENUES	2,889.6	2,898.0
ADJUSTED OPERATING INCOME	25.8	100.6
ADJUSTED NET INCOME (LOSS)	(15.5)	45.9
ADJUSTED NET INCOME (LOSS) PER SHARE (\$)	(0.42)	1.19

( MILLIONS OF DOLLARS)

# CONSOLIDATED STATEMENTS OF INCOME



	<b>2016</b>	2015
REVENUES	2,889.6	2,898.0
OPERATING INCOME (LOSS)	(30.3)	54.8
NET INCOME (LOSS) ATTRIBUTABLE TO SHAREHOLDERS	(41.7)	42.6
DILUTED INCOME (LOSS) PER SHARE (\$)	(1.13)	1.10

( MILLIONS OF DOLLARS)

- Operating income (loss)
- Net income (loss) attributable to shareholders

# 1<sup>ST</sup> QUARTER RESULTS

	2017	2016
REVENUES	689.3	725.7
OPERATING LOSS	50.7	40.5
ADJUSTED OPERATING LOSS	37.1	31.7
NET LOSS ATTRIBUTABLE TO SHAREHOLDERS	32.1	61.2
ADJUSTED NET LOSS	36.0	30.4

( MILLIONS OF DOLLARS )



RESULTS



## Second quarter

- Same capacity
- 82% sold
- Bookings +1.1%
- Unit margins +0.6%



## Second quarter

- Capacity +9%
- Unit margins -4.4%



## Summer 2017

- 33% sold
- Load factor +0.2%
- Selling prices -4.8%
- Stable costs



## OUTLOOK



# CONSOLIDATED BALANCE SHEET – AS AT JANUARY 31

	2017	2016
CASH	455	427
TOTAL ASSETS	1,481	1,603
INVESTMENT IN OCEAN HOTELS	99	107
BALANCE SHEET DEBT	0	0
WORKING CAPITAL RATIO	1.15	1.06

( MILLIONS OF DOLLARS )



RESULTS

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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**DENIS PÉTRIN**

VICE-PRESIDENT, FINANCE AND ADMINISTRATION,  
AND CHIEF FINANCIAL OFFICER

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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**JEAN-MARC EUSTACHE**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

---

2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

# RESULTS OF THE VOTE

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2 0 1 7



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

QUESTION PERIOD

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2 0 1 7

A nighttime photograph of a cityscape, likely Prague, featuring a large stone bridge with multiple arches over a river. The city buildings are illuminated, and the sky is dark. The image is overlaid with a dark blue semi-transparent banner.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
**ADJOURNMENT OF MEETING**

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2 0 1 7

A N N U A L A N D

S P E C I A L M E E T I N G

O F S H A R E H O L D E R S

