



Welcome  
ἔρθαις Bem-vindo  
-vindo Bienvenuto  
Willkommen  
Willkommen Bienvenuto Benvenuto  
geldiniz Bienvenue Welkom  
Benvenuto

**2015-2017 STRATEGIC PLAN:  
GROWTH AND MARKET DEVELOPMENT**  
PLAN INCLUDES \$100 MILLION  
IN COST REDUCTIONS AND NEW REVENUES

Investors Presentation  
March 2015

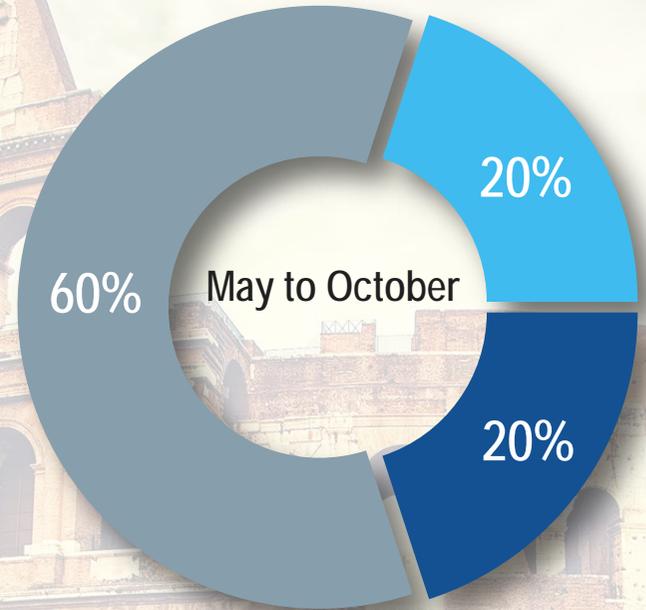
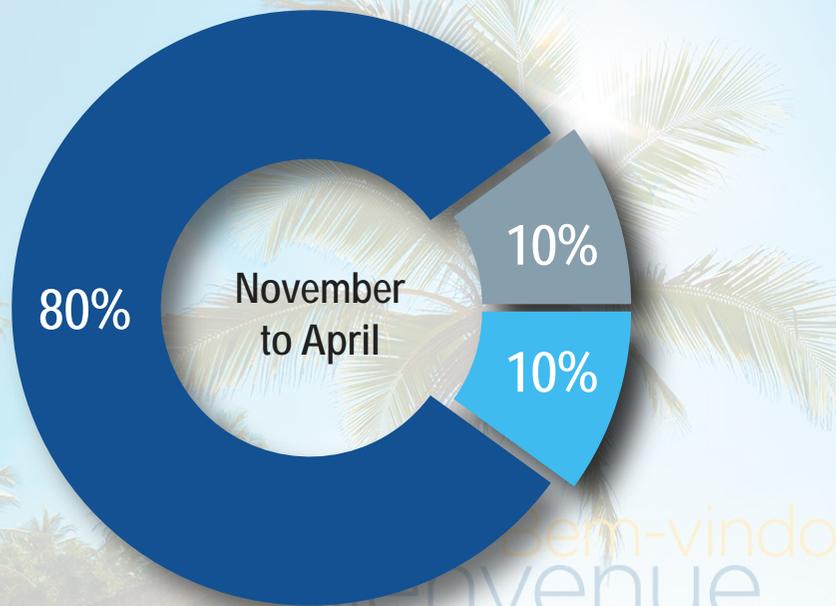
# FORWARD-LOOKING STATEMENTS



THIS PRESENTATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS WITH RESPECT TO THE CORPORATION. THESE FORWARD-LOOKING STATEMENTS, BY THEIR NATURE, NECESSARILY INVOLVE RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED BY THESE FORWARD-LOOKING STATEMENTS. WE CONSIDER THE ASSUMPTIONS ON WHICH THESE FORWARD-LOOKING STATEMENTS ARE BASED TO BE REASONABLE, BUT CAUTION THE READER THAT THESE ASSUMPTIONS REGARDING FUTURE EVENTS, MANY OF WHICH ARE BEYOND OUR CONTROL, MAY ULTIMATELY PROVE TO BE INCORRECT SINCE THEY ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT AFFECT US. THE CORPORATION DISCLAIMS ANY INTENTION OR OBLIGATION TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE, OTHER THAN AS REQUIRED BY LAW.

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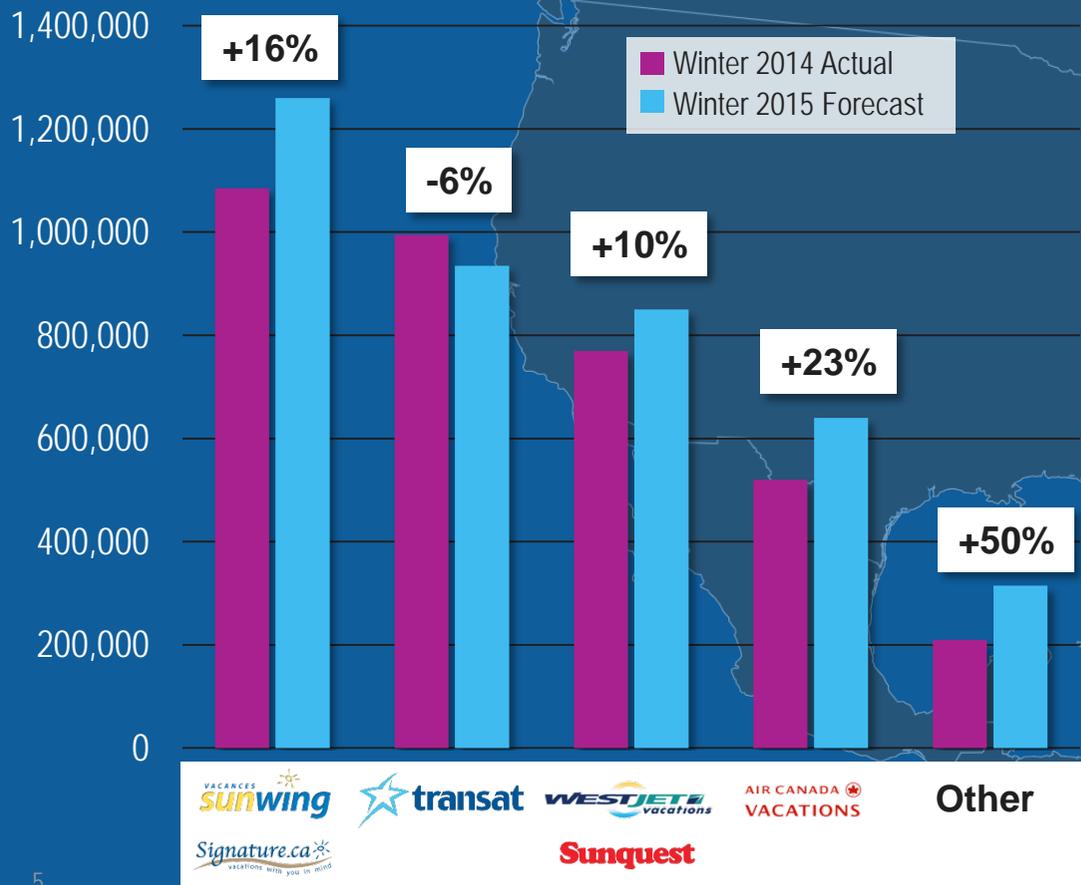
# DISTINCT WINTER AND SUMMER MARKETS



■ South ■ France ■ Transatlantic

# SUN DESTINATIONS MARKET

## CAPACITY AND MARKET SHARE (TRANSAT MARKETS)

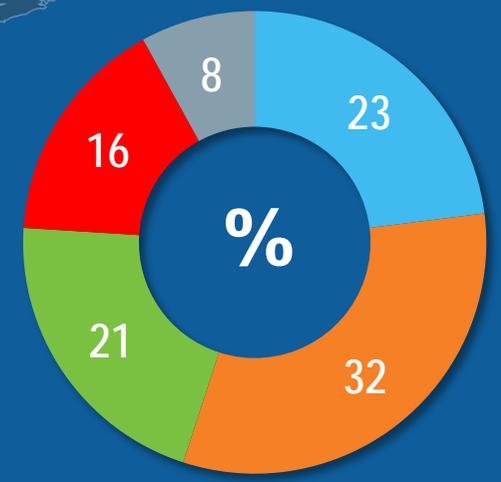


TOTAL SEATS  
WINTER 2014  
**3,580,000**

TOTAL SEATS  
WINTER 2015  
**4,000,000**

**+12%**

Market share – Sun, Winter 2015

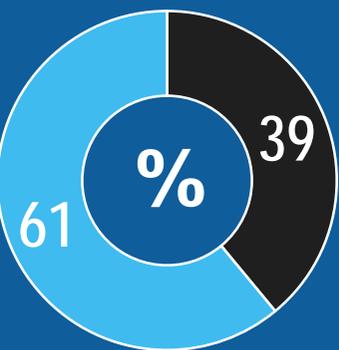


- Transat
- Sunwing-Signature
- WestJet Vacations
- Air Canada Vacations
- Other

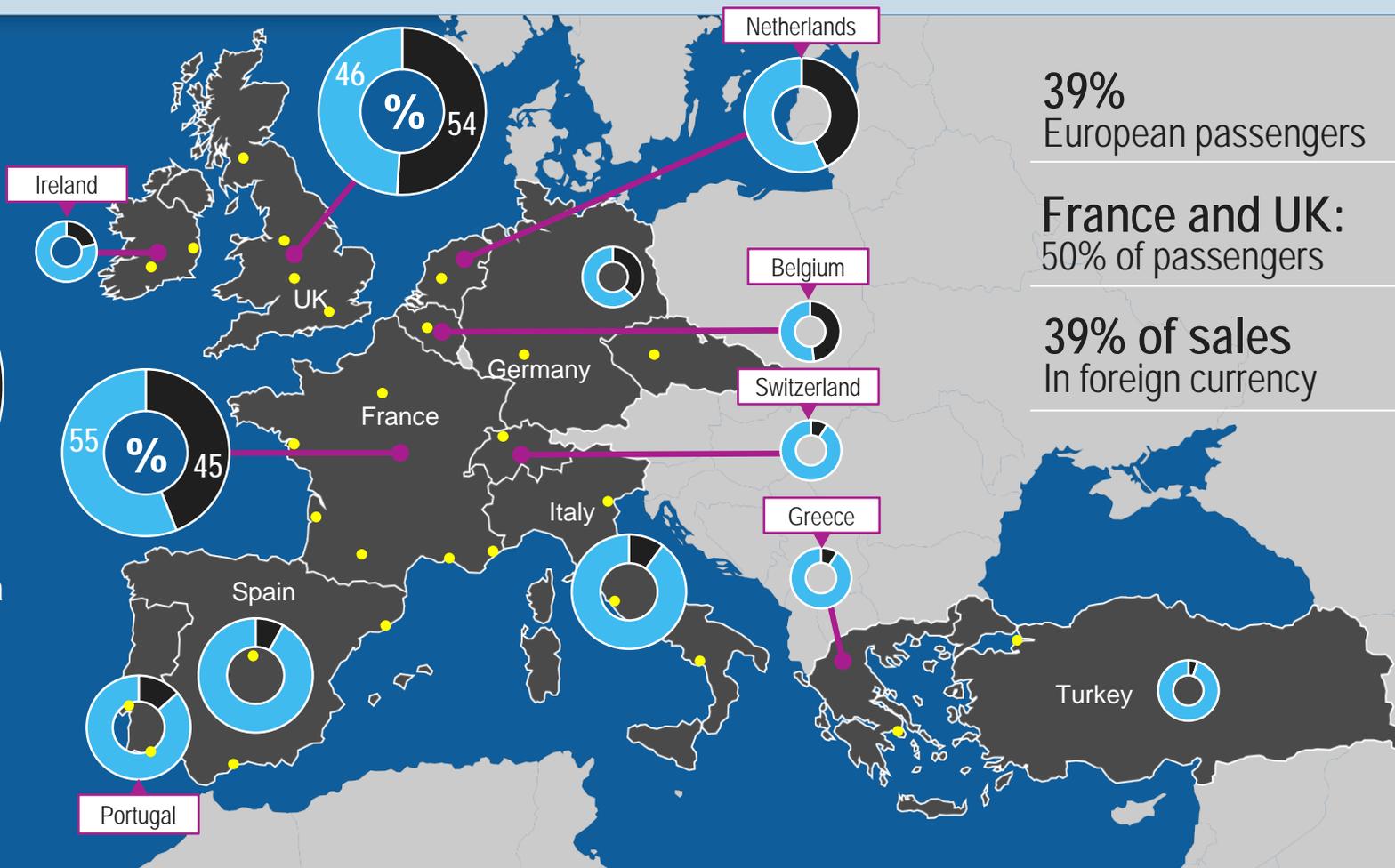
# TRANSATLANTIC MARKET (TRANSAT ROUTES, SUMMER 2014)



Total sales:  
860,000 seat



■ Sales in Canada  
■ Sales in Europe



39%  
European passengers

France and UK:  
50% of passengers

39% of sales  
In foreign currency



# KEY FINANCIAL RESULTS

## FIRST QUARTER 2015



### HIGHLIGHTS (vs. 2014)

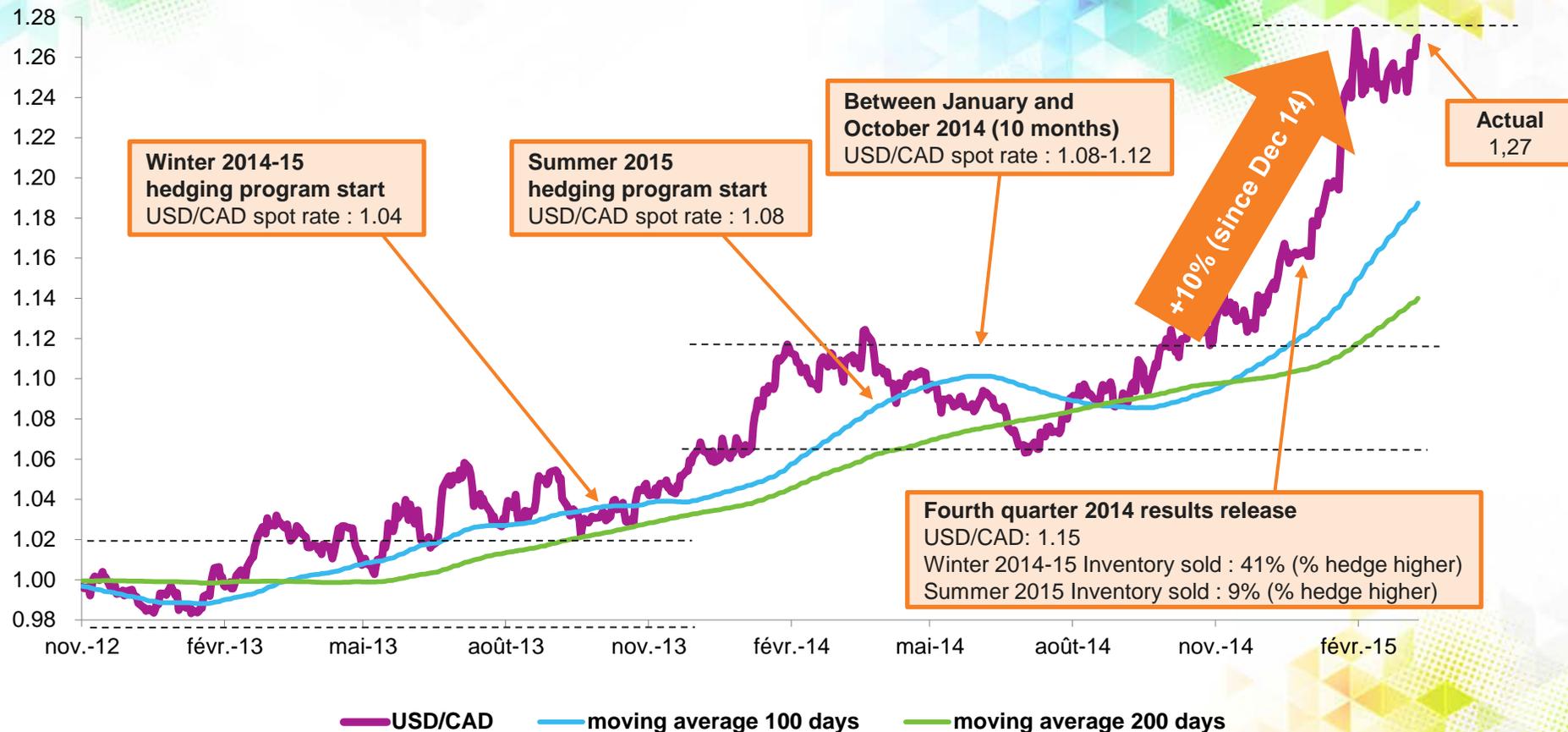
- Prevented from improving our results :
  - Drop in value of CAD (-16M YOY)
  - Decrease of fuel price (+ 1M YOY)
  
- Sun destinations
  - Capacity decreased by 6.5%
  - Price up by 2.2% (vs. 3.5%<sup>(2)</sup>)
  - Load factor down by 0.2% (vs. -1%<sup>(2)</sup>)
  - FX impact of 3.1% (vs. 1.8%<sup>(2)</sup>)
  
- France
  - Passengers decreased by 12.4%
  - Lower average price
  
- Other
  - Less revenues from aircraft sub-lease

(in thousands of C\$)

	1 <sup>st</sup> quarter ended January 31			
	2015	2014	2015 vs. 2014	
	Actual	Actual	\$	%
REVENUES	788,581	847,222	(58,641)	-6.9%
EBITDAR incl. hotels JV	(12,586)	(4,722)	(7,864)	-166.5
EBITDA incl. hotels JV	(35,753)	(23,892)	(11,861)	-49.6
As % of revenues	-4.5%	-2.8%		
Adjusted net loss <sup>(1)</sup>	(32,447)	(23,288)	(9,159)	-39.3%
As % of revenues	-4.1%	-2.7%		
Per share	(0.84)	(0.60)		
Net loss as per F/S	(64,314)	(25,649)	(38,665)	-150.7%

1) Net loss attributable to shareholders before change in fair value of derivative financial instruments used for aircraft fuel purchases, gain on disposal of a subsidiary, restructuring charge, impairment of goodwill and other significant unusual items, net of related taxes

# KEY FINANCIAL INFORMATION – WINTER CAD DEPRECIATION



# KEY FINANCIAL INFORMATION – WINTER

## USD & FUEL IMPACT ON COSTS (2015 VS. 2014)



### ■ Fuel exposure

- 15% of our costs on a sun destination package
- Mainly paid in USD
- Fuel at airports did not go down as much as Jet Fuel USGC index<sup>(2)</sup>

### ■ USD exposure (excluding fuel)

- 50% of our costs on a sun destination package (35% of our consolidated winter operating expenses)

### ■ Globally vs winter 2014, increase our cost by 2.6%

	Sun destinations (per passenger)		
	Q1	Q2	Winter
Average selling price 2014 <sup>(1)</sup>	\$1,370	\$1,370	\$1,370
% Fuel expenses	15%	15%	15%
% Other expenses in foreign currency (USD)	50%	50%	50%
<b>2015 average</b>			
- FX Blended Rate	1.12	1.16	1.14
- Fuel Blended Price per gallon <sup>(2)</sup>	CAD 3.00	CAD 2.67	CAD 2.86
<b>2014 average</b>			
- FX Blended Rate	1.05	1.07	1.06
- Fuel Blended Price per gallon <sup>(2)</sup>	CAD 3.05	CAD 3.10	CAD 3.07
<b>FX/Fuel impact on costs (per pax)</b>	<b>\$42</b>	<b>\$30</b>	<b>\$36</b>
<b>FX/Fuel impact in % (per pax)</b>	<b>3.1%</b>	<b>2.2%</b>	<b>2.6%</b>

1. Price before commission was \$1,470

2. Price based on the Jet Fuel US Golf Coast Pipeline Index in CAD

# KEY FINANCIAL INFORMATION - WINTER

## USD AND FUEL VARIANCE ON COSTS YEAR-OVER-YEAR SINCE DECEMBER



### Since December

- ▣ CAD vs USD : -10%
- ▣ Fuel (in USD) : -8%<sup>(2)</sup>

### Since December for Q1

- ▣ Impact of +9\$ (+ 0.7%)  
on the cost of a package

### Since December for Q2

- ▣ Impact of +29\$ (+ 2.1%)  
on the cost of a package

	Sun destinations (per passenger)		
	Q1	Q2	Winter
Average selling price 2014 <sup>(1)</sup>	\$1,370	\$1,370	\$1,370
As of March 9, 2015			
Fuel / FX Impact in \$ (per pax)	\$42	\$30	\$36
Fuel / FX Impact in % (per pax)	3.1%	2.2%	2.6%
As of December 9, 2014			
Fuel / FX Impact in \$ (per pax)	\$33	\$1	\$16
Fuel / FX Impact in % (per pax)	2.4%	0.1%	1.2%
Variance SINCE December			
Fuel / FX Impact in \$ (per pax)	\$9	\$29	\$20
Fuel / FX Impact in % (per pax)	0.7%	2.1%	1.4%

1. Price before commission was \$1,470

2. Price based on the Jet Fuel US Golf Coast Pipeline Index

# KEY FINANCIAL INFORMATION – WINTER

IMPACT ON Q2 ADJUSTED EBITDA INCL. HOTELS JV (AS OF MARCH 9, 2015)



## ▣ Sun destinations (Q2)

- 75% of inventory sold
- Prices up 1%
- Measures taken will partially offset the increase in cost due to:
  - USD & fuel variance: Increased impact on cost since December of \$15M (+2.2%)
  - Annual inflation

## ▣ Other (Q2 vs Q1)

- France: Smaller negative impact anticipated
- Aircraft sub-lease: No negative impact anticipated

	Sun Destinations (in \$M)		
	Q1	Q2	Winter
Adj. EBITDA 2014 incl. hotels JV	(24M)	0M	(24M)
Δ FX / Fuel on costs	(15M)	(15M)	(30M)
Adj. EBITDA incl. FX / Fuel impact	(39M)	(15M)	(54M)
Yield management (price, load factor), cost initiatives, etc.	14M		
France, aircraft sub-lease, ...	(11M)		
Adj. EBITDA 2015 incl. hotels JV	(36M)		

# KEY FINANCIAL RESULTS

## SECOND QUARTER 2015 (AS OF MARCH 9, 2015)



### ■ Sun destinations

- Global capacity up 12%
- TRZ capacity down by 6%
- 75% of inventory sold
- Load factors are similar
- Prices up by 1%
- Measures taken will offset partially the increase in cost due to:
  - USD and fuel ...+ 2.2% (\$15M)
  - Annual inflation

### ■ Other

- France: Smaller negative impact anticipated
- Aircraft sub-lease: No negative impact anticipated

	2 <sup>nd</sup> quarter ended April 30			
	2015	2014	2013	Avg. 2010-2014
	Outlook	Actual	Actual	Actual
<i>(in thousands of C\$)</i>				
REVENUES		1,118,620	1,106,824	1,119,873
EBITDAR <sup>(1)</sup> incl. hotels JV		19,857	27,063	19,555
EBITDA <sup>(1)</sup> incl. hotels JV		4	6,507	966
As % of revenues		0.0%	0,6%	0,1%
EBIT <sup>(2)</sup> incl. hotels JV		(10,803)	(2,433)	(9,621)
Adjusted net income (loss) <sup>(2)</sup>		(7,553)	(1,432)	(7,358)
As % of revenues		-0,7%	-0.1%	-0,7%
Per share		(0.19)	(0.04)	(0.19)
Net income (loss) as per F/S		(7,903)	(22,760)	(5,790)

1) Before restructuring charge

2) Net income (loss) attributable to shareholders before change in fair value of derivative financial instruments used for aircraft fuel purchases, non-monetary gain on investments in ABCP, gain on disposal of a subsidiary, restructuring charge, impairment of goodwill and other significant unusual items, net of related taxes

# KEY FINANCIAL INFORMATION – SUMMER

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Willkommen  
Willkommen  
Bienvenido  
Benvenuto  
Bienvenue  
Welkom



# KEY FINANCIAL RESULTS

## ANTICIPATED CURRENCIES & FUEL IMPACT ON COSTS (2015 VS. 2014)



	Transatlantic		
	Q3	Q4	Summer
Average selling price 2014 <sup>(1)</sup>	\$870	\$930	\$900
% Fuel expense	31%	29%	30%
% Other expenses in foreign currencies	24%	26%	25%
<b>2015 average</b>	<b>USD / EUR / GBP</b>	<b>USD / EUR / GBP</b>	<b>USD / EUR / GBP</b>
- FX Blended Rate	1.19 / 1.43 / 1.88	1.21 / 1.42 / 1.88	1.20 / 1.43 / 1.88
- Fuel Blended Price per gallon <sup>(2)</sup>	CAD 2.54	CAD 2.50	CAD 2.52
<b>2014 average</b>	<b>USD / EUR / GBP</b>	<b>USD / EUR / GBP</b>	<b>USD / EUR / GBP</b>
- FX Blended Rate	1.09 / 1.47 / 1.75	1.09 / 1.48 / 1.77	1.09 / 1.48 / 1.76
- Fuel Blended Price per gallon <sup>(2)</sup>	CAD 3.13	CAD 3.11	CAD 3.12
<b>FX/Fuel impact on costs</b>	<b>(\$34)</b>	<b>(\$32)</b>	<b>(\$33)</b>
<b>FX/Fuel impact in %</b>	<b>(3.9%)</b>	<b>(3.7%)</b>	<b>(3.8%)</b>

1. Price before commission was \$1,000

2. Price based on the Jet Fuel US Golf Coast Pipeline Index in CAD

# KEY FINANCIAL RESULTS

## IMPACT ON ADJUSTED EBITDA INCL. HOTELS JV (AS OF MARCH 9, 2015)



### ▣ Fuel prices decrease

- Fuel represent 30% of our costs on a flight to Europe (paid mainly in USD)
- Fuel drop will have a positive impact on our costs

### ▣ Currencies Exposure

- 25% of our costs on a flight to Europe are in foreign currencies (USD, EUR, GBP)<sup>(2)</sup>
- Depreciation of CAD against other currencies will have an negative impact on our costs

### ▣ Transatlantic destinations

- Cost down by 3.8% (fuel & currencies impact (or \$34M)
- Prices down by 3.5%<sup>(3)</sup>

	Q3	Q4	Summer
<b>Adj. EBITDA 2014 incl. hotels JV</b>	48M	76M	124M
<b>Δ FX / Fuel on costs</b>	+18M	+ 16M	+ 34M
<b>Adj. EBITDA incl. FX / Fuel impact</b>	66M	92M	158M
<b>Yield management (price and load factor) and other markets</b>			
<b>Adj. EBITDA 2015 incl. hotels JV</b>			

1. USD, EUR and GBP

2. 30% of our consolidated summer operating expenses is in USD (incl. fuel)

3. Including the positive impact of currencies variance on revenues

# KEY FINANCIAL RESULTS

## SUMMER 2015 (AS OF MARCH 9, 2015)



- ▣ Too early to make forecast (vs. our 2nd best summer ever)
- ▣ Market price for fuel and currencies to follow
  - Play an important role on costs
  - In a very competitive market, play also an important role on pricing
- ▣ Transatlantic destinations
  - Capacity down by 2%
  - 32% of inventory sold
  - Load factor up by 2%
  - Prices down by 3.5%
  - Cost down by 3.8% (fuel & currencies impact)
- ▣ Sun destinations
  - Capacity up by 11%

(in thousands of C\$)

	Summer season ended October 31			
	2015	2014	2013	Avg. 2009-2014
	Outlook	Actual	Actual	Actual
REVENUES		1,786,356	1,735,620	1,687,053
EBITDAR <sup>(1)</sup> incl. hotels JV		172,023	175,280	132,144
EBITDA <sup>(1)</sup> incl. hotels JV		123,817	134,985	93,550
As % of revenues		6.9%	7.8%	5.5%
Adjusted net income (loss) <sup>(2)</sup>		76,083	85,563	51,741
As % of revenues		4.3%	4.9%	3.0%
Per share		1.95	2.22	1.36
Net income (loss) as per FS		56,427	95,852	48,438

1) Before restructuring charge

2) Net income (loss) excluding change in fair value of derivative financial instruments used for aircraft fuel purchases, non-monetary gain on investments in ABCP, goodwill impairment and restructuring charge

# 2015-2017 STRATEGIC PLAN



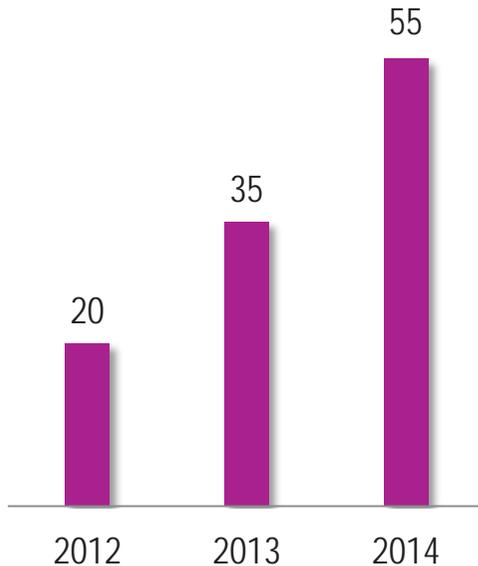
- ▣ \$100-million cost reduction and margin improvement program
- ▣ Improvement of the offering
- ▣ Evolution of our distribution strategy and ecosystem
- ▣ Market development and integration



# RECAP OF THE 2012-2014 COST REDUCTION PLAN



*(In millions of dollars)*



**2012:** Achieved targeted costs reduction of \$20M, mainly through headcount adjustments and general expenses.

**2013:** Achieved targeted costs reduction of \$15M, stemming in part from new operational processes at Air Transat, including the removal of one flight attendant on A330s.

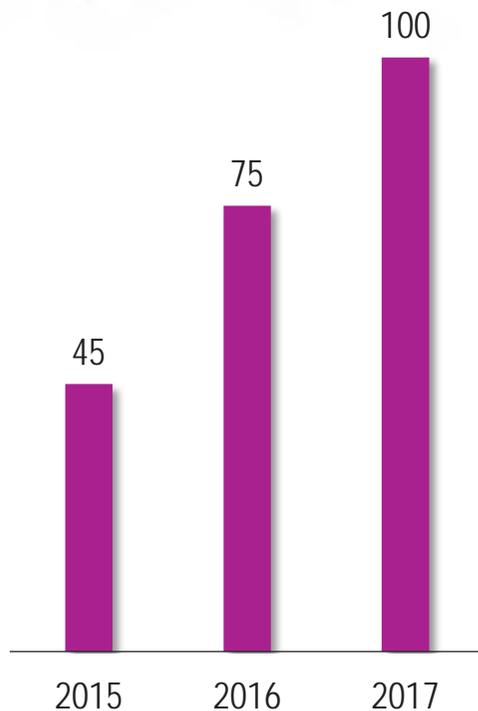
**2014:** Achieved targeted costs reduction of \$20M from several initiatives, including the first phase of the internalization of narrow-body aircraft and the first phase of a more flexible wide-body fleet.

**2012-2014: Cumulative impact of \$55M**

# COST AND MARGINS INITIATIVES 2015-2017



(In millions of dollars)



	2015	2016	2017
<b>COST REDUCTIONS (in millions)</b>			
Narrow-body flexible fleet	18	20	20
Reduction in the number of flight attendants	2	5	6
Buy-on-Board (sun destinations)	3	3	3
Optimization of hotel costs (sun destinations)	2	9	12
Optimization of distribution costs	11	13	16
Other projects and initiatives (identified)	3	4	5
To be identified and wide-body sub-leasing		6	15
<b>Sub-total COSTS</b>	<b>39</b>	<b>60</b>	<b>77</b>
<b>MARGIN IMPROVEMENT (in millions)</b>			
Ancillary Revenues and Cargo	6	9	11
Densification of three A330-300s	2	5	5
Online sales of third-party products	(2)	1	7
<b>Sub-total MARGIN</b>	<b>6</b>	<b>15</b>	<b>23</b>
<b>TOTAL</b>	<b>45</b>	<b>75</b>	<b>100</b>

# FLEXIBLE FLEET



- Narrow-body: \$20.5M per year favorable impact (on the basis of current fleet)
- Wide-body: one aircraft outsourced to XL Airways, three grounded, in winter
- Plan calls for outsourcing two more during the winter and replacing them as needed with narrow-body



2015

WINTER: 14  
SUMMER: 21

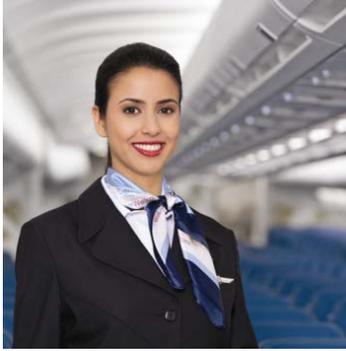


WINTER: 14  
SUMMER: 5



# FLEET STRATEGY

## AIR TRANSAT PROJECTED FLEET BY SEASON



WIDE-BODY	W15	S15	W16	S16	W17	S17
Air Transat Base Fleet	21	21	21	21	21	21
Less: Temporarily withdrawn <sup>(1)</sup>	(6)	-	(6)	-	(6)	-
Less: Sub-Lease	(1)	-	(2)	-	(3)	-
<b>Total</b>	<b>14</b>	<b>21</b>	<b>13</b>	<b>21</b>	<b>12</b>	<b>21</b>

1) Thanks to improved leasing terms, three A330s are withdrawn from the fleet in winter. In addition, Transat has flexibility on the A310s it owns.

NARROW-BODY	W15	S15	W16	S16	W17	S17
Air Transat Base Fleet <sup>(2)</sup>	4	4	4	6	6	6
Plus: CanJet	2	1	2	-	-	-
Plus: Seasonal Lease	8	-	10	-	14	-
<b>Total</b>	<b>14</b>	<b>5</b>	<b>16</b>	<b>6</b>	<b>20</b>	<b>6</b>

2) Already secured 4 narrow-body starting in Summer 2014 with ILFC

# CONNECTING FLIGHTS STRATEGY



- Summer 2015: one weekly flight from Vancouver, Halifax and Quebec City to our Toronto or Montreal hubs
- Synchronized with a number of European destinations with return direct or open jaw
- 2016: similar strategy eyed on the European side



# DENSIFICATION OF 3 AIRBUS A330-300



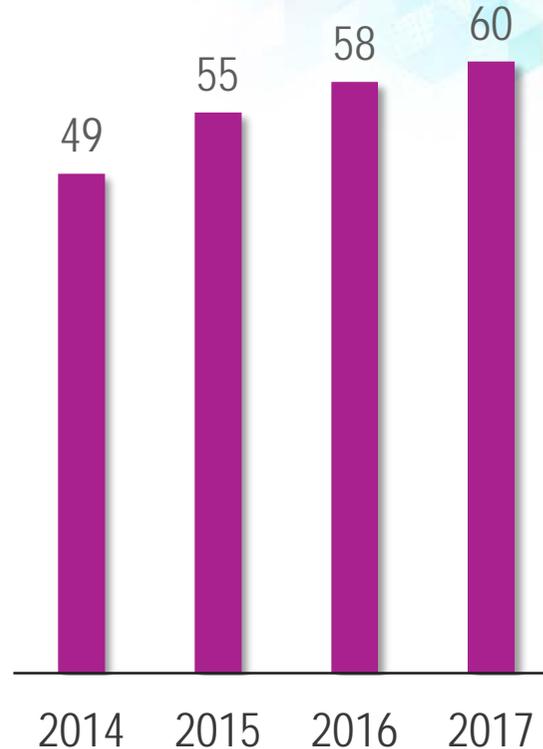
- 30 additional seats in eco on three A330-300
- From 345 to 375 seats
- No compromise on customer experience (same pitch)
- Dedicated to London and Paris from Toronto and Montreal on a yearly basis
- Investment of \$2M, expected annual margin of \$4.7M



# ANCILLARY REVENUES



(In millions of dollars)



- Grow ancillary revenues to \$60M by 2017 (on same basis as today)
- Introduction of the Datalex software to facilitate the sale of optional services
- New cargo agreement signed in 2014

# SUN DESTINATIONS: EXCLUSIVITIES AND COLLECTIONS



- ▣ Strategy of securing rooms and differentiating product through exclusive deals
- ▣ Improved collections, in-sync with customer expectations
- ▣ Grow Ocean Hotels from 2,200 to 5,000 rooms



## LUXURY

21 resorts in 2015, 30 in 2017



## DISTINCTION

27 resorts in 2015, 40 in 2017



## SUN-SAVVY

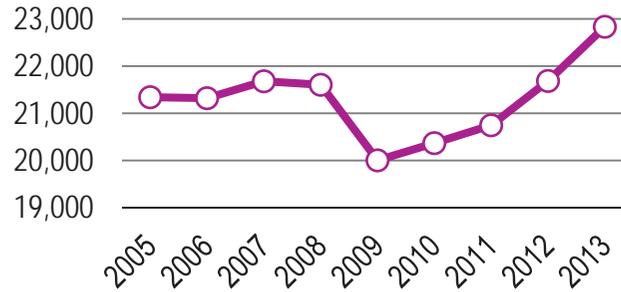
23 resorts in 2015, 30 in 2017

# HOTELS 2005-2013

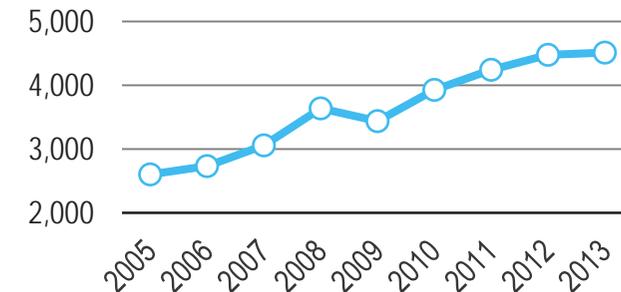


Number of travellers  
to Mexico and Caribbean  
(2005-2013)  
(thousands of visitors)

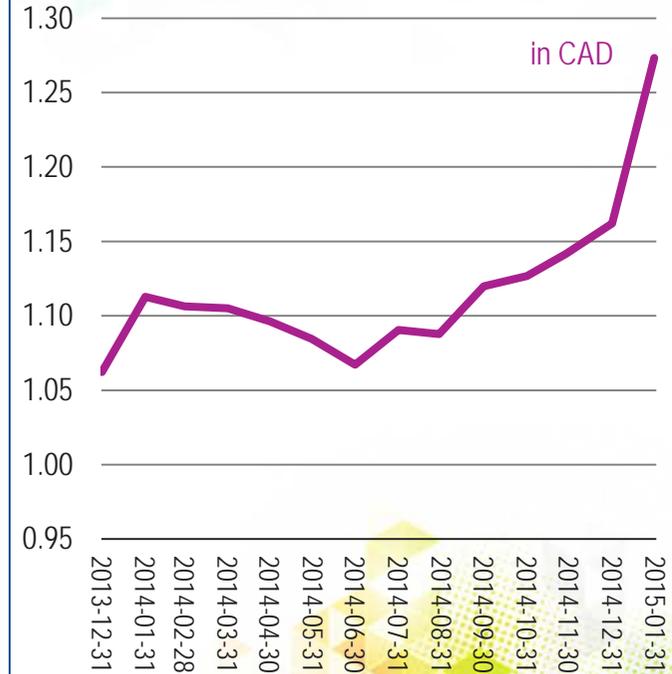
### Americans



### Canadians



Value of US dollar  
January 1, 2014 to January 31, 2015

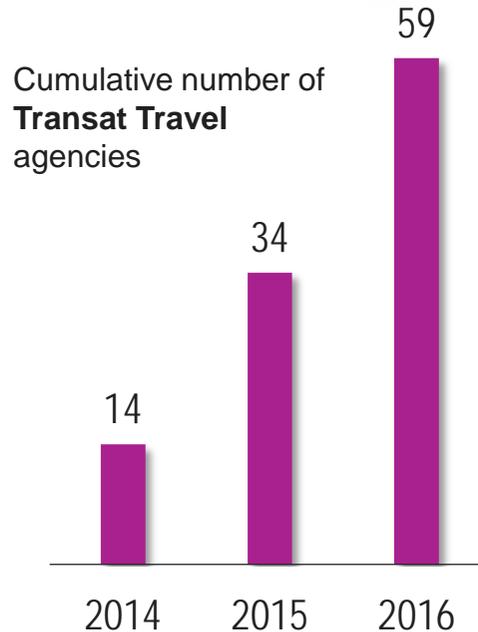




# TRANSAT TRAVEL



- By 2017, we will have migrated our corporate travel agencies under the Transat Travel brand
- The brand change comes with a revamping of agencies
- Results so far are very positive:
  - More sales
  - More new customers
  - More sales of Transat products
  - Positive feedback from agents and customers



# FINANCIAL POSITION

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# FINANCIAL POSITION AS OF JANUARY 31, 2015



## HIGHLIGHTS

### Free Cash: + \$34M vs Jan 2014

- Results of the last 12 months, working cap, net of Capex
- Improved conditions from card processors in Europe

### Debt

- Unused credit facilities of \$67M
- Off balanced sheet (mainly commitments on aircraft leases) increase during the quarter due to USD appreciation

### 2015 CAPEX: \$50M

### NCIB put in place in March (waiting for the authorization)

### Net investment in hotels JV

- Held 35% (65% held by H10 Hotels)
- 3 hotels owned, 2 hotels managed
- Manage 2,200 rooms
- \$85M on balanced sheet as of Jan 31

(in thousands of C\$, except ratios)

	As at			
	Jan. 31, 2015	Jan. 31, 2014	2015 vs. 2014	
	Actual	Actual	\$	%
Free cash	393,631	359,596	34,035	9.5%
Cash in trust or otherwise reserved	394,896	418,504	(23,608)	-5.6%
Trade and other payables	402,516	421,172	(18,656)	-4.4%
Customer deposits	636,303	621,618	14,685	2.4%
<b>Working capital ratio</b>	<b>1.05</b>	<b>1.07</b>	<b>-0.02</b>	<b>-1.9%</b>
Balance sheet debt	0	0	0	0.0%
Obligations under operating leases	684,551	633,475	51,076	8.1%
Net investment (Ocean hotels)	85,322	74,579	10,743	14.4%
Capital expenditures (TTM)	68,406	54,463	13,943	25.6%
Free cash Flow (TTM)	37,588	104,940	(67,352)	-64.2%

# ANNEX



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Welkom  
Benvenuto

# ANNEX: MARK-TO-MARKET

## FIRST QUARTER 2015



### HIGHLIGHTS

- Fuel and USD hedging – In advance compared to our bookings for Q2 and Summer 2015
- Fuel MtM variation impacted negatively our Q1 financial results due to a decrease of the fuel price by -35%
- Actual Global MtM at +\$12M explained by the sudden CAD depreciation and the appreciation of fuel price after touched the lowest level since 2008
- The negative Fuel MtM variation who impacted our Q1 financial results will be mostly reversed over the next two quarters

	Fuel (P&L impact)		Currency (B/S impact)		TOTAL	
	MtM	Quarterly variation	MtM	Quarterly variation	MtM	Quarterly variation
<i>(in thousands of C\$)</i>						
January 31, 2014	(3,801)	(3,227)	16,228	12,615	12,427	9,388
February 28, 2014	3,278	7,079	12,908	(3,320)	16,186	3,759
March 31, 2014	(3,318)	483	9,862	(6,366)	6,544	(5,883)
April 30, 2014	(2,064)	1,737	(4,062)	(20,290)	(6,126)	(18,553)
May 31, 2014	(4,112)	(2,048)	(6,537)	(2,475)	(10,649)	(4,523)
June 30, 2014	(2,531)	(467)	(18,790)	(14,728)	(21,321)	(15,195)
July 31, 2014	(3,296)	(1,232)	(3,415)	647	(6,711)	(585)
August 31, 2014	(6,074)	(2,778)	(3,662)	(247)	(9,736)	(3,025)
September 30, 2014	(18,672)	(15,376)	16,136	19,551	(2,536)	4,175
October 31, 2014	(24,386)	(21,090)	16,295	19,710	(8,091)	(1,380)
November 30, 2014	(45,999)	(21,613)	18,945	2,650	(27,054)	(18,963)
December 31, 2014	(68,630)	(44,244)	34,514	18,219	(34,116)	(26,025)
January 31, 2015	(65,543)	(41,157)	79,164	62,869	13,621	21,712
Actual	(55,314)	10,228	67,995	(11,168)	12,681	(940)

# ANNEX: WINTER FINANCIAL RESULTS

(5-YEAR HISTORICAL)



<i>(in thousands of CAD)</i>	Winter					
	2014	2013	2012	2011	2010	Avg. 2004-2008
REVENUES	1,965,842	1,912,538	2,041,722	1,911,263	1,852,948	1,482,107
EBITDAR incl. hotels JV <sup>(1)</sup>	15,135	26,312	(14,255)	21,238	25,731	112,871
EBITDA incl. hotels JV <sup>(1)</sup>	(23,288)	(14,663)	(55,726)	(4,159)	(1,866)	87,262
As % of revenues	-1.2%	-0.8%	-2.7%	-0.1%	-0.1%	6.0%
Adjusted net income (loss) <sup>(2)</sup>	(30,841)	(22,996)	(54,477)	(19,894)	(20,892)	45,102
As % of revenues	-1.6%	-1.2%	-2.7%	-1.0%	-1.1%	3.1%
Net income (loss) as per F/S	(33,552)	(37,897)	(42,688)	(4,663)	(7,674)	43,836
Adjustments net of tax :	(2,711)	(14,901)	11,789	15,231	13,218	(1,266)
Change in fair value of derivative financial instruments used for aircraft fuel purchases	(1,480)	(16,440)	6,025	11,993	10,318	5,603
Non-monetary gain on investments in ABCP	-	-	8,032	6,637	5,394	(6,427)
Gain on disposal of a subsidiary	-	-	-	-	-	-
Goodwill impairment	-	-	-	-	960	-
Restructuring (Charge) / Gain	(2,226)	(3,915)	-	-	-	-
Tax Impact	995	5,454	(2,268)	(3,399)	(3,454)	(442)

1) Before restructuring charges

2) Net income (loss) excluding change in fair value of derivative financial instruments used for aircraft fuel purchases, non-monetary gain on investments in ABCP, goodwill impairment and restructuring charges

# ANNEX: SUMMER FINANCIAL RESULTS

## (5-YEAR HISTORICAL)



(in thousands of CAD)	Summer					
	2014	2013	2012	2011	2010	Avg. 2009-2014
<b>REVENUES</b>	<b>1,786,357</b>	<b>1,735,620</b>	<b>1,672,497</b>	<b>1,742,904</b>	<b>1,645,929</b>	<b>1,687,053</b>
EBITDAR incl. hotels JV <sup>(1)</sup>	172,023	175,280	123,066	81,465	154,310	132,144
<b>EBITDA incl. hotels JV<sup>(1)</sup></b>	<b>123,817</b>	<b>134,985</b>	<b>76,176</b>	<b>38,012</b>	<b>128,958</b>	<b>93,550</b>
As % of revenues	6.9%	7.8%	4.6%	2.2%	7.8%	5.5%
<b>Adjusted net income (loss)<sup>(2)</sup></b>	<b>76,083</b>	<b>85,563</b>	<b>39,205</b>	<b>10,192</b>	<b>74,555</b>	<b>51,741</b>
As % of revenues	4.3%	4.9%	2.3%	0.6%	4.5%	3.0%
<b>Net income (loss) as per F/S</b>	<b>56,427</b>	<b>95,852</b>	<b>26,019</b>	<b>(10,048)</b>	<b>73,281</b>	<b>48,438</b>
<b>Adjustments net of tax :</b>	<b>(19,656)</b>	<b>10,289</b>	<b>(13,186)</b>	<b>(20,240)</b>	<b>(1,274)</b>	<b>(3,303)</b>
Change in fair value of derivative financial instruments used for aircraft fuel purchases	(22,342)	15,947	(5,324)	(13,271)	(977)	5,564
Non-monetary gain on investments in ABCP	-	-	(96)	1,476	(746)	(819)
Gain on disposal of a subsidiary	-	-	5,655	-	-	943
Goodwill impairment	(369)	-	(15,000)	-	-	(2,529)
Restructuring (Charge) / Gain	(4,161)	(1,825)	-	(16,543)	197	(5,749)
Tax Impact	7,216	(3,833)	1,579	8,098	252	(713)

1) Before restructuring charges

2) Net income (loss) excluding change in fair value of derivative financial instruments used for aircraft fuel purchases, non-monetary gain on investments in ABCP, goodwill impairment and restructuring charges

# ANNEX: ANNUAL FINANCIAL RESULTS

## (5-YEAR HISTORICAL)



<i>(in thousands of CAD)</i>	Annual					
	2014	2013	2012	2011	2010	Avg. 2004-2014
<b>REVENUES</b>	<b>3,752,198</b>	<b>3,648,158</b>	<b>3,714,219</b>	<b>3,654,167</b>	<b>3,498,877</b>	<b>3,230,889</b>
EBITDAR incl. hotels JV <sup>(1)</sup>	187,158	201,592	108,811	102,703	180,041	169,190
<b>EBITDA incl. hotels JV<sup>(1)</sup></b>	<b>99,929</b>	<b>120,322</b>	<b>20,450</b>	<b>33,853</b>	<b>127,092</b>	<b>106,369</b>
As % of revenues	2.7%	3.3%	0.6%	0.9%	3.6%	3.6%
<b>Adjusted net income (loss)<sup>(2)</sup></b>	<b>45,242</b>	<b>62,567</b>	<b>(15,272)</b>	<b>(9,702)</b>	<b>56,663</b>	<b>45,155</b>
As % of revenues	1.2%	1.7%	-0.4%	-0.3%	1.5%	1.4%
<b>Net income (loss) as per F/S</b>	<b>22,875</b>	<b>57,955</b>	<b>(16,669)</b>	<b>(14,711)</b>	<b>65,607</b>	<b>36,258</b>
<b>Adjustments net of tax :</b>	<b>(22,367)</b>	<b>(4,612)</b>	<b>(1,397)</b>	<b>(5,009)</b>	<b>11,944</b>	<b>(8,276)</b>
Change in fair value of derivative financial instruments used for aircraft fuel purchases	(23,822)	(493)	701	(1,278)	9,341	(2,467)
Non-monetary gain on investments in ABCP	-	-	7,936	8,113	4,648	(3,944)
Gain on disposal of a subsidiary	-	-	5,655	-	-	514
Goodwill impairment	(369)	-	(15,000)	-	-	(1,292)
Restructuring (Charge) / Gain	(6,387)	(5,740)	-	(16,543)	1,157	(3,964)
Tax Impact	8,211	1,621	(689)	4,699	(3,202)	2,620

1) Before restructuring charges

2) Net income (loss) excluding change in fair value of derivative financial instruments used for aircraft fuel purchases, non-monetary gain on investments in ABCP, goodwill impairment and restructuring charges

# ANNEX: FINANCIAL POSITION

## (5-YEAR HISTORICAL)



<i>(in thousands of CAD)</i>	As at January 31					As at July 31				
	2015	2014	2013	2012	2011	2014	2013	2012	2011	2010
Free cash + ABCP investment ( <i>fair value</i> )	393,631	359,596	247,877	291,234	274,009	497,072	389,337	318,692	385,777	286,960
Cash in trust or otherwise reserved	394,896	418,504	407,153	426,671	474,661	262,803	290,558	268,287	301,759	309,521
Trade and other payables	402,516	421,172	351,866	352,040	358,539	463,785	443,189	383,557	419,918	355,411
Customer deposits	636,303	621,618	591,969	598,424	537,034	485,867	456,215	395,862	386,703	387,158
<b>Working capital ratio</b>	1.05	1.07	1.02	0.99	1.04	1.06	1.02	0.99	1.02	1.01
Balance sheet debt	0	0	0	0	13,762	0	0	0	6,879	21,068
Obligations under operating leases	684,551	633,475	504,374	612,374	602,241	562,821	658,885	552,287	594,067	534,212
Net investment (Ocean hotels)	85,322	74,579	64,011	60,689	59,173	78,026	69,281	65,356	58,625	65,146
Capital expenditures (TTM)	68,406	54,463	62,203	56,089	34,918	58,436	62,029	65,416	51,042	22,325
Free cash flow (TTM)	37,588	104,940	(42,695)	37,745	153,048	103,581	68,221	(59,984)	110,804	33,217

# ANNEX: FINANCIAL POSITION

## (5-YEAR HISTORICAL)



<i>(in thousands of CAD)</i>	As at April 30					As at October 31				
	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
Free cash + ABCP investment ( <i>fair value</i> )	404,554	336,148	349,457	356,430	281,340	308,887	265,818	198,525	260,327	252,973
Cash in trust or otherwise reserved	300,848	296,747	289,806	337,487	315,966	340,704	361,743	331,172	323,314	320,428
Trade and other payables	373,840	372,094	366,742	333,477	306,241	338,633	326,687	307,219	381,748	300,239
Customer deposits	540,293	514,674	464,722	464,660	422,184	424,468	410,340	382,823	347,957	326,589
<b>Working capital ratio</b>	<b>1.04</b>	<b>0.98</b>	<b>0.93</b>	<b>1.03</b>	<b>1.01</b>	<b>1.12</b>	<b>1.10</b>	<b>1.00</b>	<b>0.97</b>	<b>1.07</b>
Balance sheet debt	0	0	0	6,867	55,332	0	0	0	0	29,059
Obligations under operating leases	626,816	480,199	576,346	614,888	386,294	657,639	632,804	530,907	636,618	637,520
Net investment (Ocean hotels)	77,510	68,300	62,651	58,665	64,307	83,949	70,041	64,189	60,612	61,239
Capital expenditures (TTM)	63,239	61,561	57,265	44,424	23,336	64,976	55,457	64,639	54,194	26,122
Free cash flow (TTM)	54,745	(5,778)	3,261	120,212	8,949	41,264	67,582	(55,767)	36,479	93,009



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THANK YOU

2015-2017 STRATEGIC PLAN:  
GROWTH AND MARKET DEVELOPMENT  
PLAN INCLUDES \$100 MILLION  
IN COST REDUCTIONS AND NEW REVENUES