



Results for the Fourth Quarter 2021

OUR ORGANIZATION

Outgoing tour operators

- Transat Tours Canada (Canada)
- Canadian Affair (United Kingdom)

Retail distribution

- Transat Distribution Canada (Canada)

Air transportation

- Air Transat

Incoming tour operators

Destination services

- Trafictours
- Transat Holidays USA
- Turissimo
- North America
- Europe

Transat A.T. inc., a holiday travel reference worldwide, particularly as an air carrier under the Air Transat brand

Founded in Montreal 35 years ago, Transat has grown to become a holiday travel reference worldwide, particularly as an air carrier under the Air Transat brand. Voted World's Best Leisure Airline by passengers at the Skytrax World Airline Awards, it flies to international and Canadian destinations, striving to serve its customers with enthusiasm and friendliness at every stage of their trip or stay, and emphasizing safety throughout. Transat has been Travelife-certified since 2018, renewing its fleet with the greenest aircraft in their category as part of a commitment to a healthier environment, knowing that this is essential to the integrity of its operations and the magnificent destinations it serves. (TSX: TRZ).

For the fourth quarter:

- Revenues of \$62.8 million
- Adjusted operating loss¹ of \$58.4 million (operating loss of \$118.3 million)
- Adjusted net loss¹ of \$118.4 million (net loss attributable to shareholders of \$121.3 million)

For the year:

- Revenues of \$124.8 million
- Adjusted operating loss¹ of \$213.9 million (operating loss of \$401.2 million)
- Adjusted net loss¹ of \$446.4 million (net loss attributable to shareholders of \$389.6 million)

Financial position and financing:

- Cash and cash equivalents of \$433.2 million as at October 31
- In total, the available financing represents a maximum of \$820.0 million, of which \$650.0 million was drawn down as at October 31, 2021

Quick Facts

Ticker: TRZ - Listings: Toronto Stock Exchange (TSX)

Year end: October 31

"Since we resumed operations on July 30, business has been growing steadily. We met and exceeded our targets for resumption of operations in the last quarter and reduced our use of cash. The winter season that is now beginning will see the continuation of our return to more significant volumes. While we remain cautious given the evolving variants, we remain optimistic that we're on track to returning to normal. Meanwhile, we're continuing our transformation. Following the extensive streamlining of our fleet that has been ongoing for several years, the codeshare agreement announced this quarter is the first step forward in our alliance strategy, with further advances to follow in the coming months," stated Annick Guérard, President and Chief Executive Officer, Transat.

"For the winter, we plan to operate from eight Canadian airports to eight destinations in Europe, 22 in the South and five in the United States, including Miami and Fort Myers, where we'll be flying for the first time. To do that, we will be deploying capacity that will grow from 50% to 75% of pre-pandemic capacity over the winter. We will then build volume further for the summer season, which will include two new routes to Europe and two new destinations in the United States.

"We started 2022 with over 2,000 employees, compared with only 750 at the height of the crisis, and the volume we project will allow us to recall about 1,500 more during the year. It's heartwarming to see our employees gradually taking back up their positions with us. They are the reason that Transat is what it is today, and they are the ones who will build tomorrow's growth and success," Ms. Guérard concluded.

Annick Guérard

President and Chief Executive Officer, Transat



Financial Highlights

Financial Highlights for the Quarters Ended October 31

(in thousands of Canadian dollars, except per share amounts)	2021 \$	2020 \$	Difference \$	Difference %
Consolidated Statements of Income (Loss)				
Revenues	62,781	28,426	34,355	120.9
Operating loss	(118,326)	(239,332)	121,006	50.6
Net loss attributable to shareholders	(121,339)	(238,077)	116,738	49.0
Basic loss per share	(3.21)	(6.31)	3.10	49.1
Diluted loss per share	(3.21)	(6.31)	3.10	49.1
Adjusted operating loss ¹	(58,362)	(90,735)	32,373	35.7
Adjusted net loss ¹	(118,400)	(156,392)	37,992	24.3
Adjusted net loss per share ¹	(3.14)	(4.14)	1.00	24.2

Financial Highlights for the Years Ended October 31

(in thousands of Canadian dollars, except per share amounts)	2021 \$	2020 \$	Difference \$	Difference %
Consolidated Statements of Income (Loss)				
Revenues	124,818	1,302,069	(1,177,251)	(90.4)
Operating loss	(401,222)	(425,962)	24,740	5.8
Net loss attributable to shareholders	(389,559)	(496,545)	106,986	21.5
Basic loss per share	(10.32)	(13.15)	2.83	21.5
Diluted loss per share	(10.32)	(13.15)	2.83	21.5
Adjusted operating loss ¹	(213,885)	(122,175)	(91,710)	(75.1)
Adjusted net loss ¹	(446,377)	(355,335)	(91,042)	(25.6)
Adjusted net loss per share ¹	(11.83)	(9.41)	(2.42)	(25.7)

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)	As at October 31, 2021 \$	As at October 31, 2020 \$	Difference \$	Difference %
Consolidated Statements of Financial Position				
Cash and cash equivalents	433,195	426,433	6,762	1.6
Cash and cash equivalents in trust or otherwise reserved (current and non-current)	170,311	308,647	(138,336)	(44.8)
	603,506	735,080	(131,574)	(17.9)
Total assets	1,897,658	2,016,071	(118,413)	(5.9)
Debt (current and non-current)	463,180	49,980	413,200	826.7
Total debt ¹	1,436,727	903,886	532,841	59.0
Total net debt ¹	1,003,532	477,453	526,079	110.2

1 Non-IFRS Financial Measures

Adjusted operating income (loss)	Operating income (loss) before depreciation, amortization and asset impairment expense, restructuring charge, lump-sum payments related to collective agreements and other significant unusual items, and including premiums for fuel-related derivatives and other derivatives matured during the period. The Corporation uses this measure to assess the operational performance of its activities before the aforementioned items to ensure better comparability of financial results.
Adjusted net income (loss)	Net income (loss) attributable to shareholders before net income (loss) from discontinued operations, change in fair value of fuel-related derivatives and other derivatives, revaluation of liability related to warrants, gain (loss) on business disposals, gain (loss) on asset disposals, restructuring charge, lump-sum payments related to collective agreements, asset impairment, foreign exchange gain (loss), reduction in the carrying amount of deferred tax assets and other significant unusual items, and including premiums for fuel-related derivatives and other derivatives that matured during the period, net of related taxes. The Corporation uses this measure to assess the financial performance of its activities before the aforementioned items to ensure better comparability of financial results. Adjusted net income (loss) is also used in calculating the variable compensation of employees and senior executives.
Adjusted net income (loss) per share	Adjusted net income (loss) divided by the adjusted weighted average number of outstanding shares used in computing diluted earnings (loss) per share.
Total debt	Long-term debt plus the amount for lease liabilities and the liability related to warrants, net of deferred financing cost related to the unsecured debt - LEEFF. Management uses total debt to assess the Corporation's debt level, future cash needs and financial leverage ratio. Management believes this measure is useful in assessing the Corporation's capacity to meet its current and future financial obligations.
Total net debt	Total debt (described above) less cash and cash equivalents. Total net debt is used to assess the cash position relative to the Corporation's debt level. Management believes this measure is useful in assessing the Corporation's capacity to meet its current and future financial obligations.

For more detailed information and for the reconciliations between the IFRS financial measures and the non-IFRS financial measures, please refer to the [Annual Report of 2021 by clicking here](#).

Senior Management

Annick Guérard	President and Chief Executive Officer, Transat
Joseph Adamo	President, Transat Distribution Canada Chief Sales and Marketing Officer, Transat
Michèle Barre	Vice President, Network, Revenue Management and Pricing
Patrick Bui	Chief Financial Officer
Bernard Bussières	Vice-President, General Counsel and Corporate Secretary
Christophe Hennebelle	Vice-President, Human Resources and Corporate Affairs
Bruno Leclaire	Vice-President and Chief Information Officer
Jean-François Lemay	President-General Manager, Air Transat

Investor Relations Information

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