PASSENGERS INCREASE, BUT MARGINS IMPACTED BY FUEL PRICE

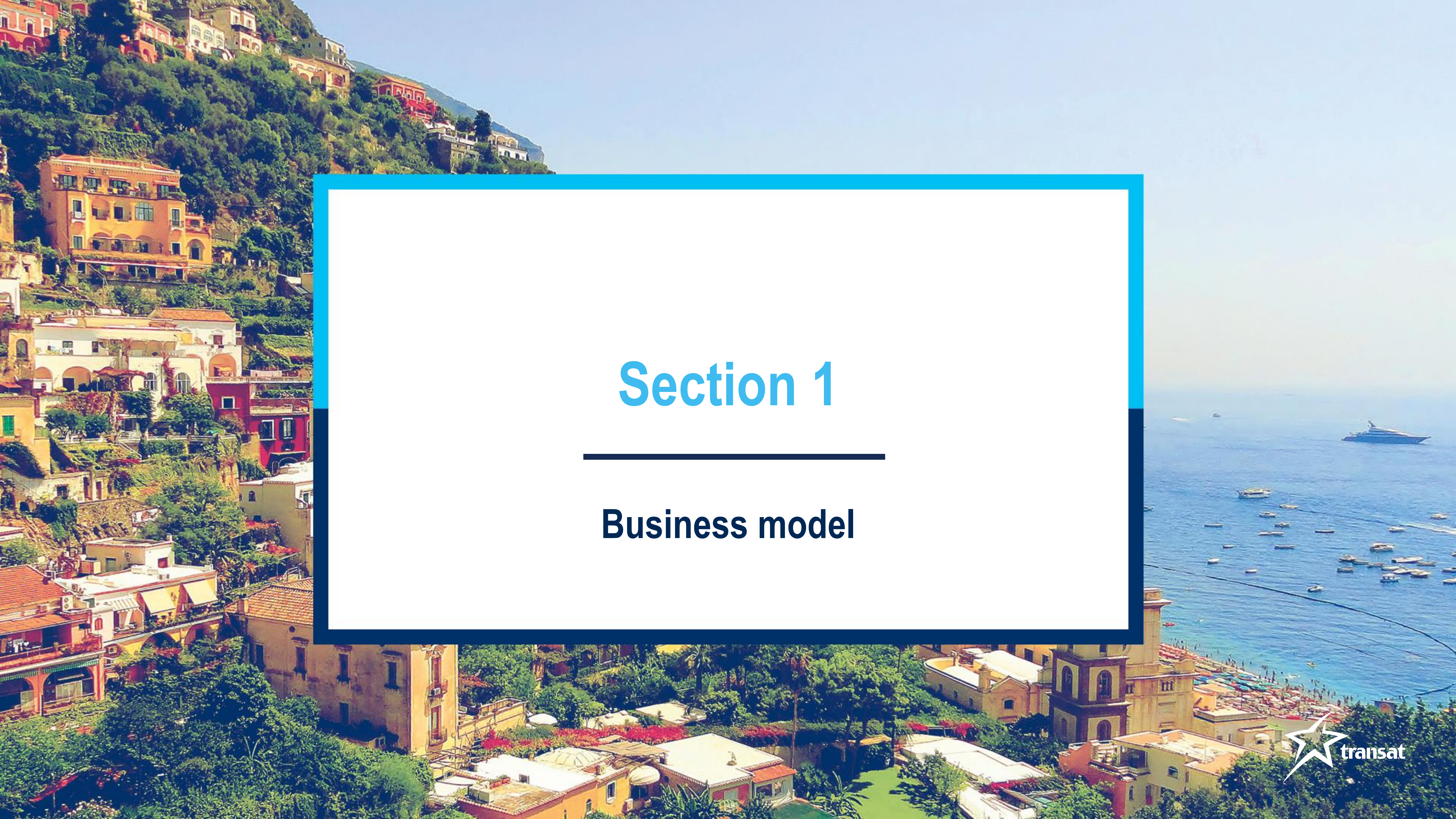
INVESTOR'S PRESENTATION
SEPTEMBER 2018

transat

Caution regarding forward-looking statements / non-IFRS financial measures

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.

This presentation also includes references to non-IFRS financial measures, such as adjusted net income (loss), adjusted EBITDA, adjusted EBITDAR, free cash flow and adjusted net debt. Please refer to the appendix at the end of this presentation for additional information on non-IRS financial measures



Section 1

Business model

transat

One of the largest tour operators in North America

Transat value chain

Air provider	Tour operator	Distributor	Services-at-destination provider	Hotel provider
Air transat	transat	transat Travel	TRAFIC TOURS DE MEXICO S.A. DE C.V.; TURISSIMO CARIBE EXCURSIONES D.R.	Hotel division

Passengers distribution and highlights

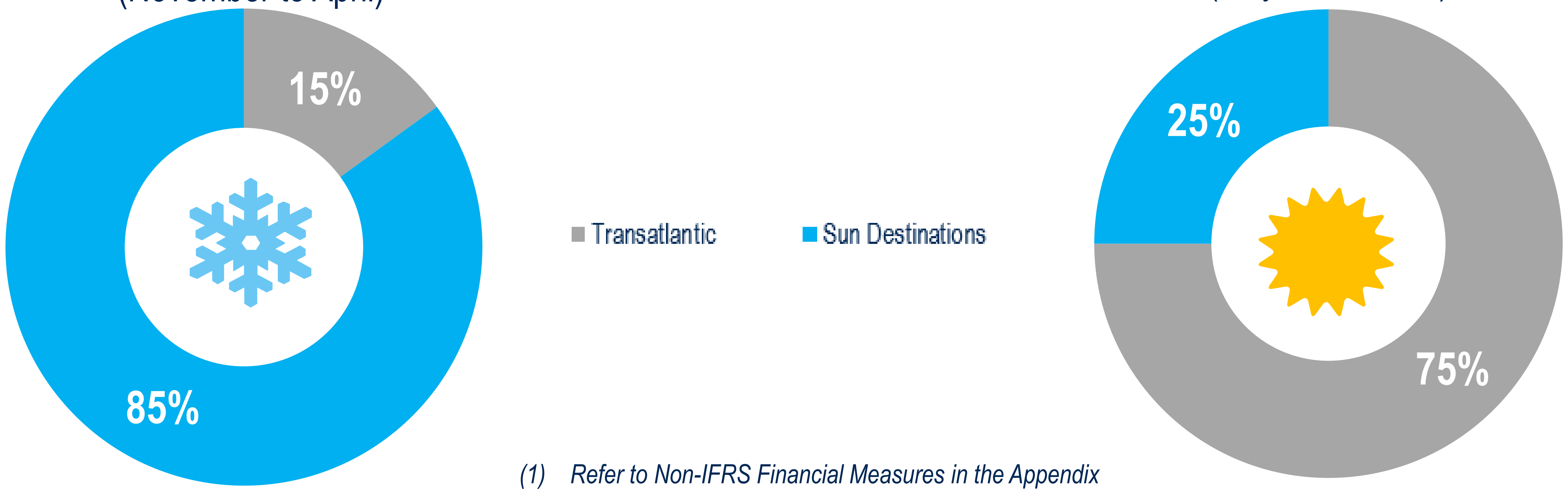
Focus on returning to profitability in Winter with the hotel development

Winter 2018
Adjusted EBITDA (1) improvement of $11M and $18M on a like-for-like basis

2019-2022: More cost reduction and margin initiatives to come

Winter
(November to April)

Summer
(May to October)



Protect performance in Summer

Summer 2018
Margins impacted by significant fuel price increase

In the leisure market, difficult to pass this cost during the first season following the increase

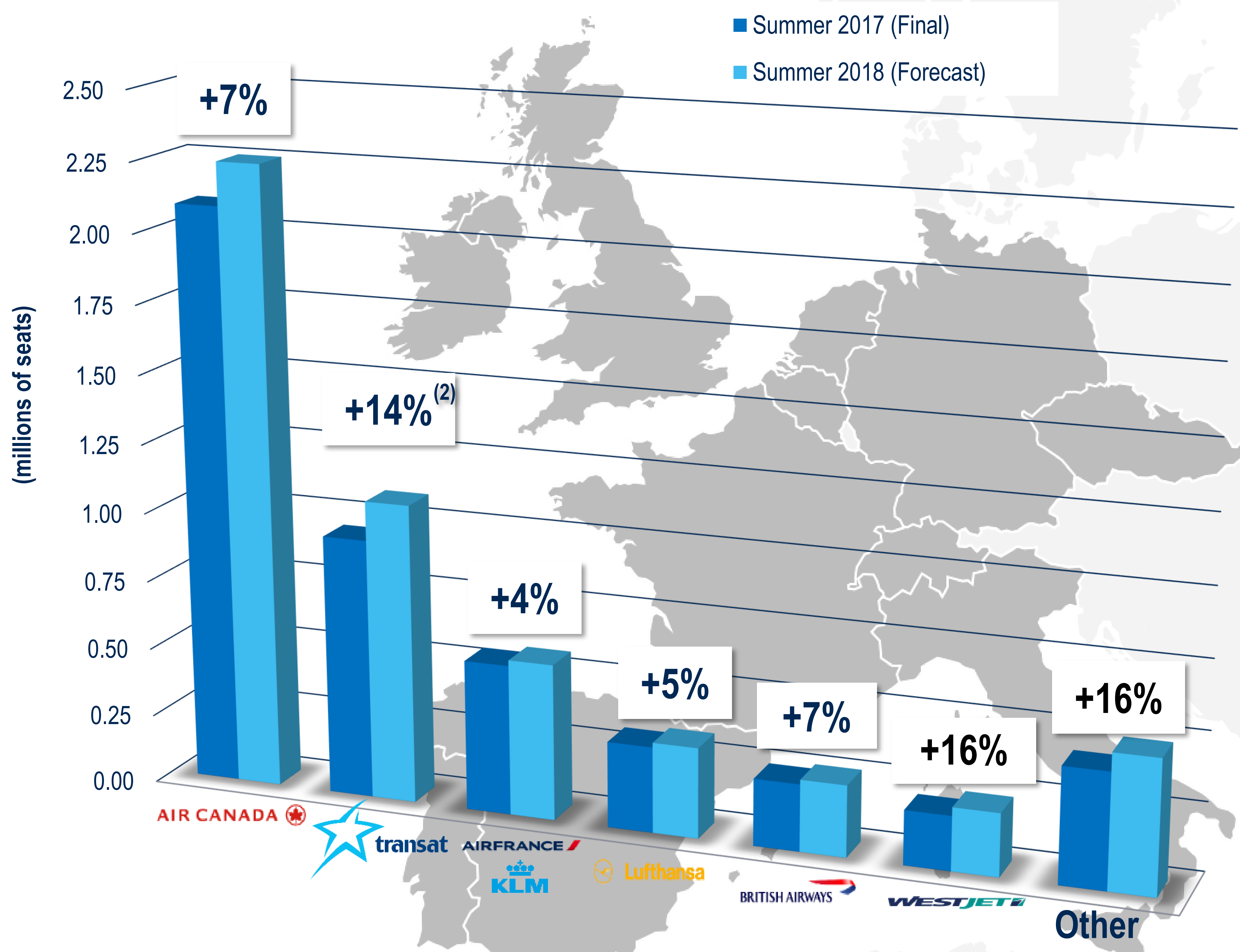
(1) Refer to Non-IFRS Financial Measures in the Appendix

Section 2

Financial performance & Outlook

transat

Transatlantic capacity breakdown | Summer 2018 (1)



TOTAL SEATS IN THE MARKET

SUMMER 2017

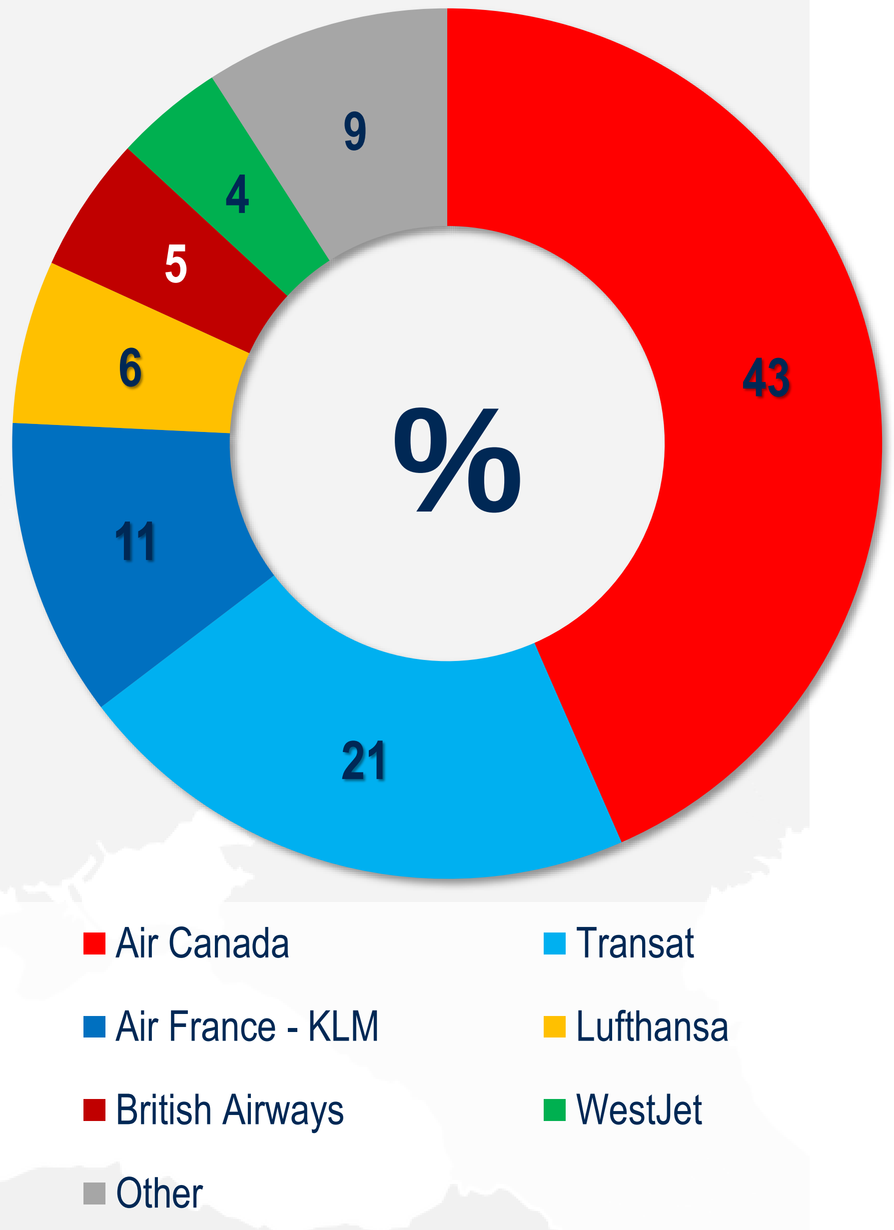
4,760,000

TOTAL SEATS IN THE MARKET

SUMMER 2018

5,210,000

+9%



(1) Capacity between Canada and the following European countries: France, United Kingdom, Italy, Spain, Portugal, Greece, Netherlands, Germany, Belgium, Ireland, Switzerland, Austria, Czech Republic, Hungary and Croatia

(2) +9% in the peak of the season (July and August)

Third quarter financial performance

HIGHLIGHTS (vs. 2017)

- **Transatlantic industry capacity up by 9%**
- **Revenues decreased due to the sale of Jonview Canada**
  - ✓ On a like-for-like basis, revenues increased by 6.2% ($77M of revenues from Jonview Canada in 2017)
- **Transatlantic Market**
  - ✓ Capacity increased by 13.9%
  - ✓ Travelers up by 11.5%
  - ✓ Similar average prices
- **Sun Destination Market**
  - ✓ Capacity increased by 7.0%
  - ✓ Travelers up by 7.9%
  - ✓ Similar average prices
- **Operational costs**
  - ✓ Despite an effective hedging program, significant increase in fuel prices combined with the appreciation of C$ against US$ leads to an increase of our operational costs on transatlantic market by ($29M)
  - ✓ FX conversion impact on balance sheet accounts leads to an increase of ($11M)

(in thousands of C$)	3rd quarter results ended July 31			
	2018	2017	2018 vs. 2017 $	2018 vs. 2017 %
REVENUES	**696,551**	**733,152**	**(36,601)**	**(5.0%)**
Adjusted EBITDAR [(1)]	37,181	91,445	(54,264)	(59.3%)
Adjusted EBITDA [(1)]	**5,091**	**59,055**	**(53,964)**	**(91.4%)**
As % of revenues	*0.7%*	*8.1%*	*(7.3%)*	*(90.9%)*
Adjusted net income (loss) [(1)]	**(3,026)**	**26,857**	**(29,883)**	**(111.3%)**
As % of revenues	*(0.4%)*	*3.7%*	*(4.1%)*	*(111.9%)*
Per share	*($0.08)*	*$0.73*	*($0.81)*	*(111.1%)*
Net income (loss) attributable to shareholders	**(4,038)**	**26,588**	**(30,626)**	**(115.2%)**

(1) Refer to Non-IFRS Financial Measures in the Appendix

Summer financial outlook

Q4 HIGHLIGHTS (vs. 2017)

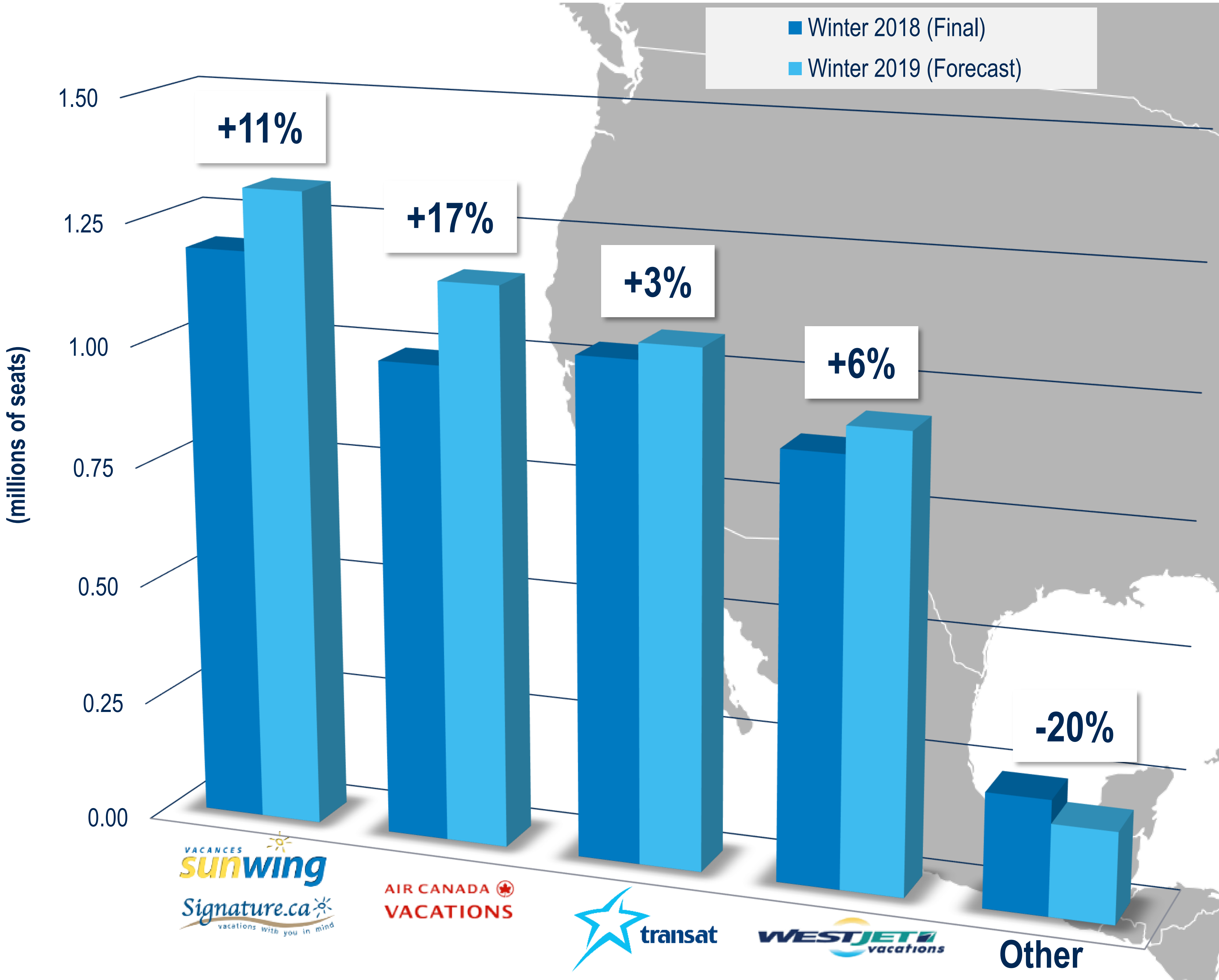
- **Transatlantic industry capacity up by 10%**
- **Transatlantic Market**
  - ✓ Transat capacity up by 14%
  - ✓ 84% of inventory sold
  - ✓ Load factor up by 1.1%
  - ✓ Price down by 2.7%
  - ✓ Despite an effective hedging program, increase in fuel prices combined with the variation in currency leads to an increase of our operational expenses by 7.3%
- **Sun Destination Market**
  - ✓ Low leisure season
  - ✓ 75% of inventory sold
  - ✓ Margin lower by 7.2%
- **We are expecting our results to be lower than last year**

	Q3	Q4	Summer
Adj. EBITDA 2017 (1)	**59M**	**79M**	**138M**
Adj. EBITDA from businesses disposed of (2)	(7M)	(9M)	(16M)
Adj. EBITDA 2017 excluding businesses disposed of (1)	**52M**	**70M**	**122M**
∆ FX / Fuel on transatlantic flight margin	(29M)	(34M)	(63M)
FX conversion impact on balance sheet accounts (4)	(11M)		
Transatlantic Yield Management (3)	(4M)		
Others (Sun Destinations, other subs, STIP, …)	(3M)		
Adj. EBITDA 2018 (1)	**5M**		

(1) Refer to Non-IFRS Financial Measures in the Appendix
(2) 2017 Adjusted EBITDA of Jonview Canada and minority interest in Ocean Hotels
(3) Capacity, price, load factor and airline costs at FX constant basis impact on adjusted EBITDA
(4) Portion of this FX conversion is considered as non-cash

Sun destinations capacity breakdown | Winter 2018-19 (1)

(Based on scheduled and chartered flight deployed)



TOTAL SEATS IN THE MARKET

WINTER 2018

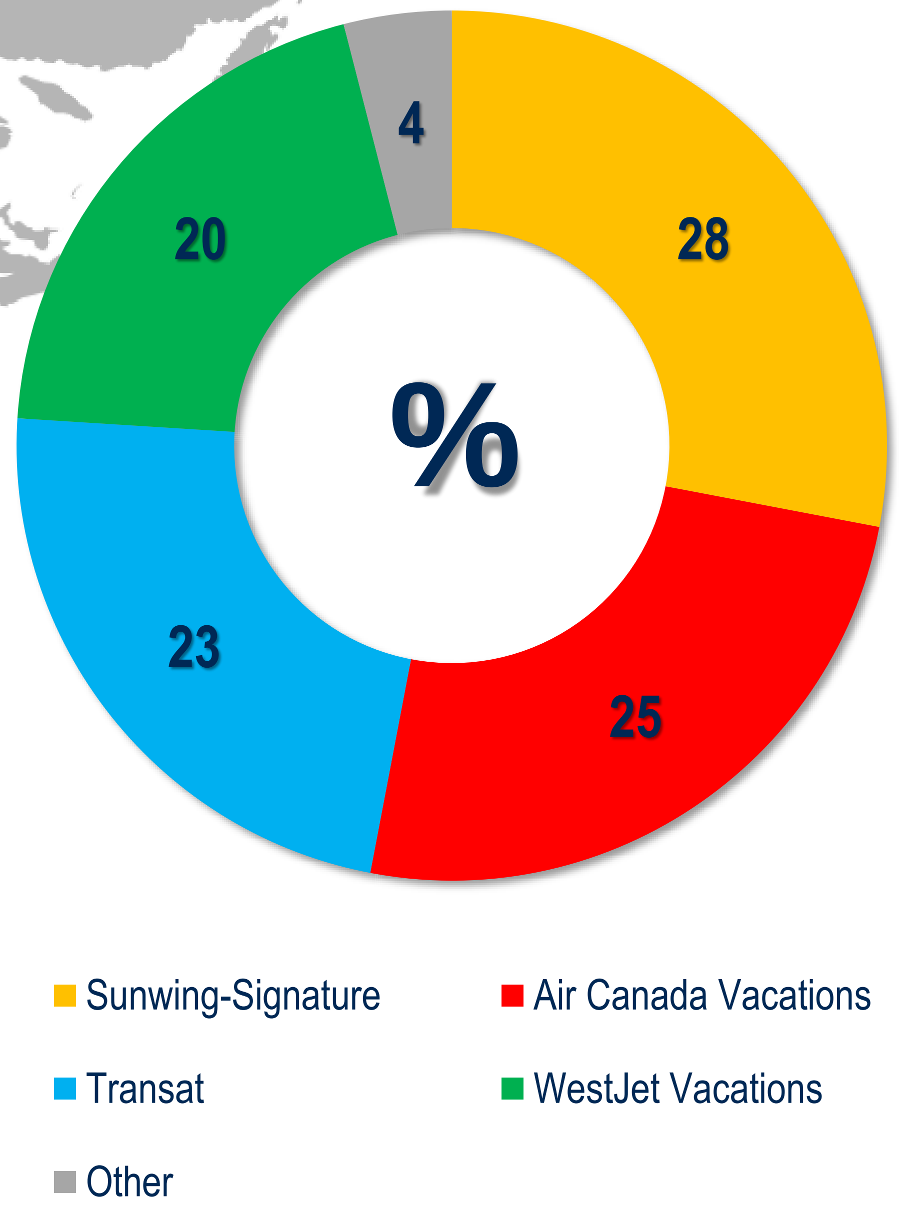
4,330,000

TOTAL SEATS IN THE MARKET

WINTER 2019

4,670,000

+8%



(1) Capacity between Canada and the following sun destinations: Mexico, Dominican Republic, Cuba, Caribbean, Jamaica and Central America

Winter financial performance

HIGHLIGHTS (vs. 2018)

- **Sun destination industry capacity up by 8%**
- **Sun destination market**
  - ✓ Transat capacity up by 2.9%
  - ✓ 25% of inventory sold
  - ✓ Load factor up by 2.7%
  - ✓ Despite an effective hedging program, depreciation of C$ against US$ combined with fuel price increase leads currently to an increase of our operational expenses by 3.4%
- **REMINDER – Two hurricanes occurred last year in September that significantly impacted sales and pricing on all sun destinations**
- **Despite these indicators, it is too soon to draw any conclusions on the winter results at this point**

	Q1	Q2	Winter
Adj. EBITDA 2018 (1)	**(31M)**	**7M**	**(24M)**
Δ FX / Fuel on costs on sun destinations packages (2)	(15M)	(20M)	**(35M)**
Adj. EBITDA 2018 after FX/Fuel impact (1)	**(46M)**	**(13M)**	**(59M)**
Sun destinations Yield Management (3)			
Others (Transatlantic, other subs, …)			
Adj. EBITDA 2019 (1)			

(1) Refer to Non-IFRS Financial Measures in the Appendix
(2) Impact as at August 29, 2018
(3) Capacity, price, load factor and airline / hotel costs at FX constant basis impact on adjusted EBITDA

Annual financial performance

HIGHLIGHTS

- **Historical (2013-2017)**
  - Reached C$100M of adjusted EBITDA [2] 3 times in the last 5 years
  - 4 record summers in last 5 years despite capacity increases
  - Businesses disposed represented an EBITDA contribution of C$ 20M in 2017
  - Proceeds from those disposals represent C$ 234M of cash that will be redeployed in the development of the hotel division which could double the EBITDA contribution over the years
- **Vision for upcoming years**
  - **Sun destinations**: Transformation plan underway to reduce seasonality of earnings through the addition of an hotel division which is less volatile
  - **Transatlantic**: Focus on customer satisfaction by reinforcing operational efficiency and optimizing online and offline distribution
  - Sound balance sheet and our ongoing cost-and-margin initiatives program give us the tools to accomplish our long term plan

(in millions of C$, except per share amounts)	12-month period ended October 31 [1]				
	2017	2016	2015	2014	2013
REVENUES	**3,005.3**	**2,889.6**	**2,898.0**	**2,996.1**	**2,969.6**
Adjusted EBITDAR [2]	223.0	161.6	199.5	168.5	190.6
Adjusted EBITDA [2]	**102.0**	**25.8**	**100.6**	**81.3**	**109.3**
As % of revenues	*3.4%*	*0.9%*	*3.5%*	*2.7%*	*3.7%*
Adjusted net income (loss) [2]	**29.1**	**(15.5)**	**45.9**	**37.1**	**60.7**
As % of revenues	*1.0%*	*(0.5%)*	*1.6%*	*1.2%*	*2.0%*
Per share	*$0.78*	*($0.42)*	*$1.19*	*$0.95*	*$1.58*
Net income (loss) attributable to shareholders	**134.8**	**(91.5)**	**44.9**	**16.6**	**55.8**

(1) Results from continuing operations (including minority interest in Ocean Hotels and Jonview Canada)
(2) Refer to Non-IFRS Financial Measures in the Appendix

Section 3

Strategic plan

2018-2022 cost-reduction and margin-improvement initiatives

1	**Fleet and network**	▪ 17 new A321neo and neo LRs: Reduce cost vs A310-A330 ▪ All-Airbus fleet: Simplify the structure ▪ Agreement with Thomas Cook: Enhance flexibility
2	**Revenue management and pricing**	▪ State-of-the-art of practices and processes ▪ Automated and dynamic ▪ Team of professionals
3	**Ancillary revenues**	▪ Unbundling opportunities ▪ Rebundling opportunities
4	**Distribution and digital**	▪ Increase control and direct sales ▪ Increase customer satisfaction ▪ Revenue per customer enhancement ▪ Repeat bookings
5	**G&A expenses**	▪ Optimize corporate structure ▪ Optimize support and administrative functions

$100-150M

Aircraft fleet optimization

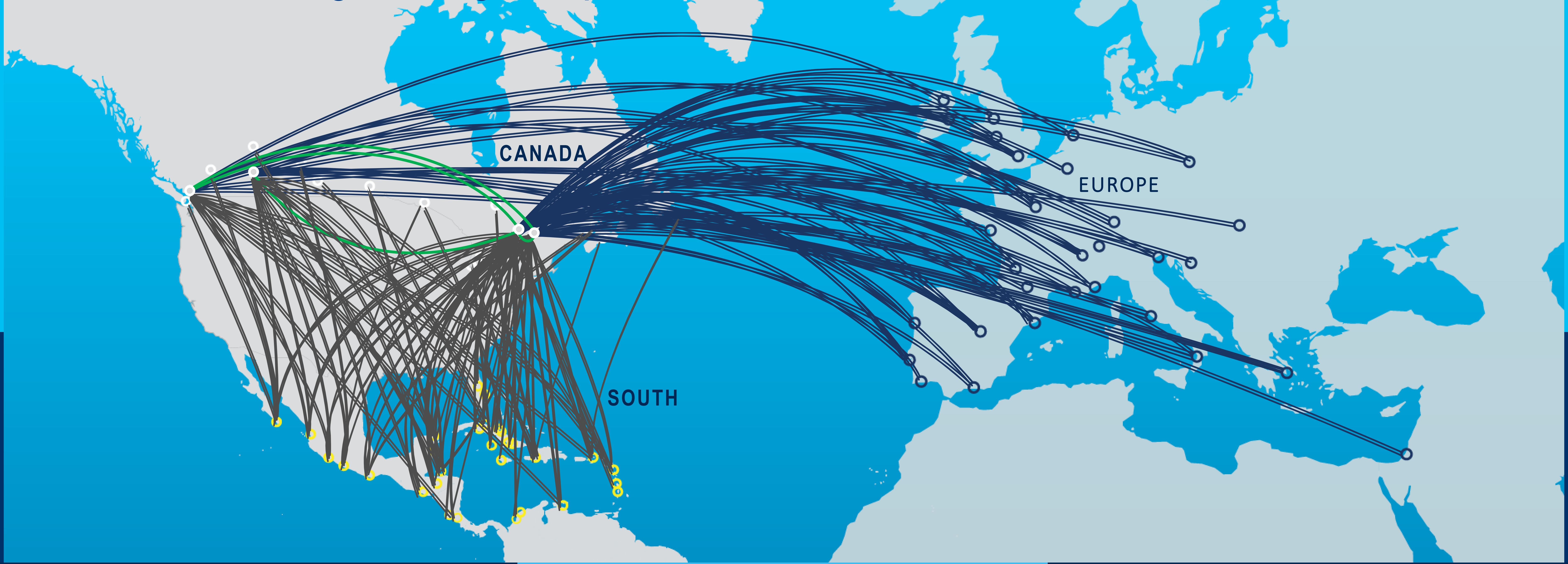
100% Airbus fleet by 2022
(Cockpit commonality and mixed-fleet flying)

- Optimized crew scheduling
- Reduced maintenance and training costs
- Increased operational efficiencies
- Enhanced and standardized customer experience

15 new A321neo LRs

- Long range (autonomy)
- Versatile (South and Europe)
- Low fuel consumption and reduced maintenance costs
- Competitive operating costs
- First North American carrier to operate them in 2019

Network: Strengthening our position in our markets



Increase network robustness and depth

Adding point-to-point frequencies and new destinations
Increasing flexibility for customers
Extending the European season

Growth in feeders

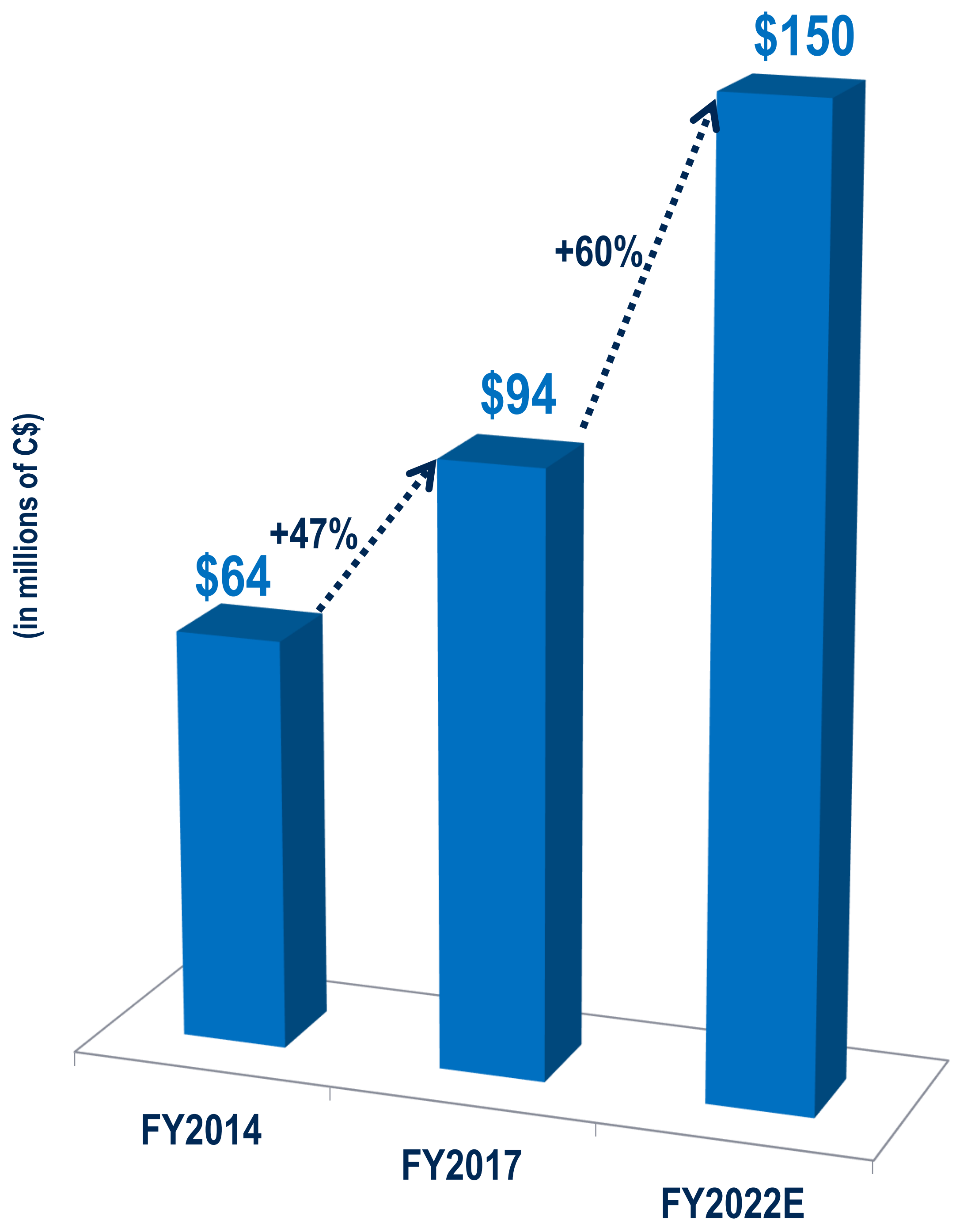
Focusing on Eastern Canada
Offering our customers more flexibility
Increasing loads, especially during low peaks

Opportunities for external feeding/commercial alliances

(U.S. and Europe)

Ancillary revenues

Ancillary revenues
(Airline and other)

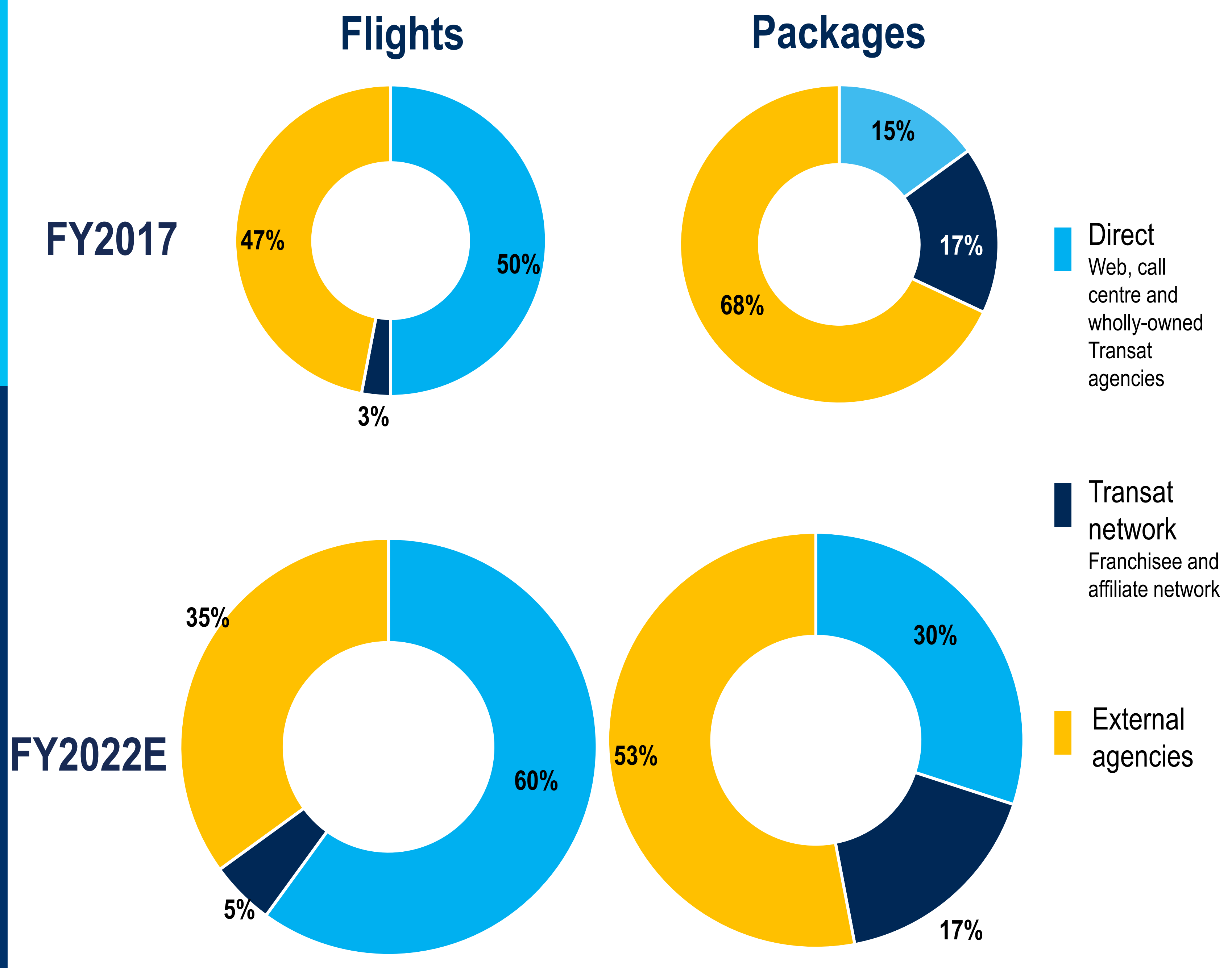


Highlights

- FY2017: Increase total ancillary revenues up to ~ C$ 94M (+47% over 3-year period)
- Ancillary revenues allocation:
  - Seat selection
  - Different fares (Option flex, eco extra, eco max)
  - Airport revenues
  - Buy-on-board
  - Excess baggage
  - Duty-Free
  - Excursions
  - Travel insurance, etc.
- 2018-2022 target: ~C$150M
  - Unbundling fares
  - Rebundling fares (semi or fully)

Optimizing our distribution and extending our digital footprint

Direct-sales evolution



Data and digital strategy

1. Creating a fully integrated centralized customer file accessible to all points of contacts
2. Launching a new and improved mobile friendly airline and vacation websites
3. Improving mobile apps to accompany our customers during their trips
4. Optimizing our digital marketing strategy

INCREASE CUSTOMER SATISFACTION AND REVENUE

Hotel development: Major business objectives of phase I

A total investment of ~US$750M required to establish a presence of 5,000 rooms in Transat's major markets by end of 2024

- Financed using Transat's excess cash and mortgage debt with local banks
- Combination of land purchase+construction, acquisition of existing hotels and management agreements
- Mixed: 3,000 fully owned rooms and additional 2,000 rooms strictly managed

Mexico
Cancún and Riviera Maya

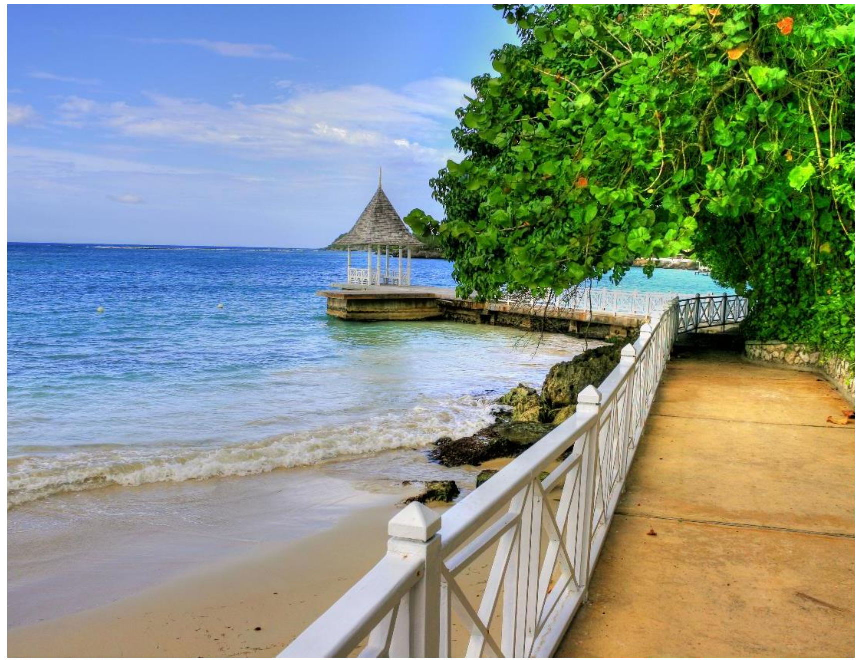
1,800 rooms (1)

EBITDA (2) per room of ~US$35K-40K

Dominican Republic
Punta Cana

1,000 rooms

EBITDA (2) per room of ~US$25K-30K



Jamaica
Montego Bay

700 rooms

EBITDA (2) per room of ~US$30K-35K

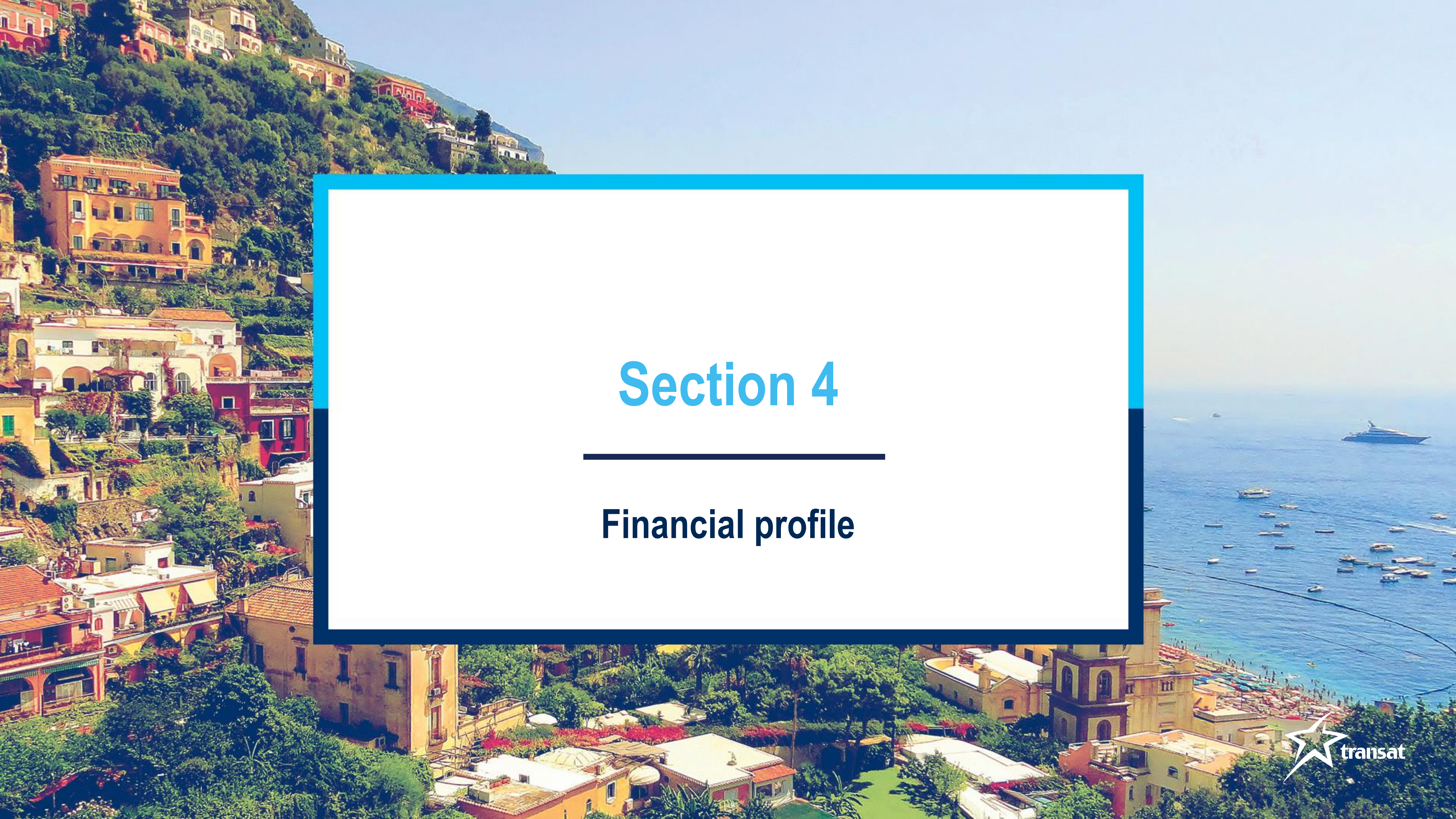
Cuba
Varadero and Havana

1,500 rooms (1)

Generating annual EBITDA of ~US100M at maturity and targeted ROIC of 11-13%

(1) 500 strictly managed rooms in Mexico + Cuba only under management contract with lower profitability contribution compared to owned and managed hotel but less capital intensive. The objectives of these rooms is to generate brand power and acquire exclusivities

(2) All EBITDA numbers are annual and at maturity (~5 years in operation)



Section 4

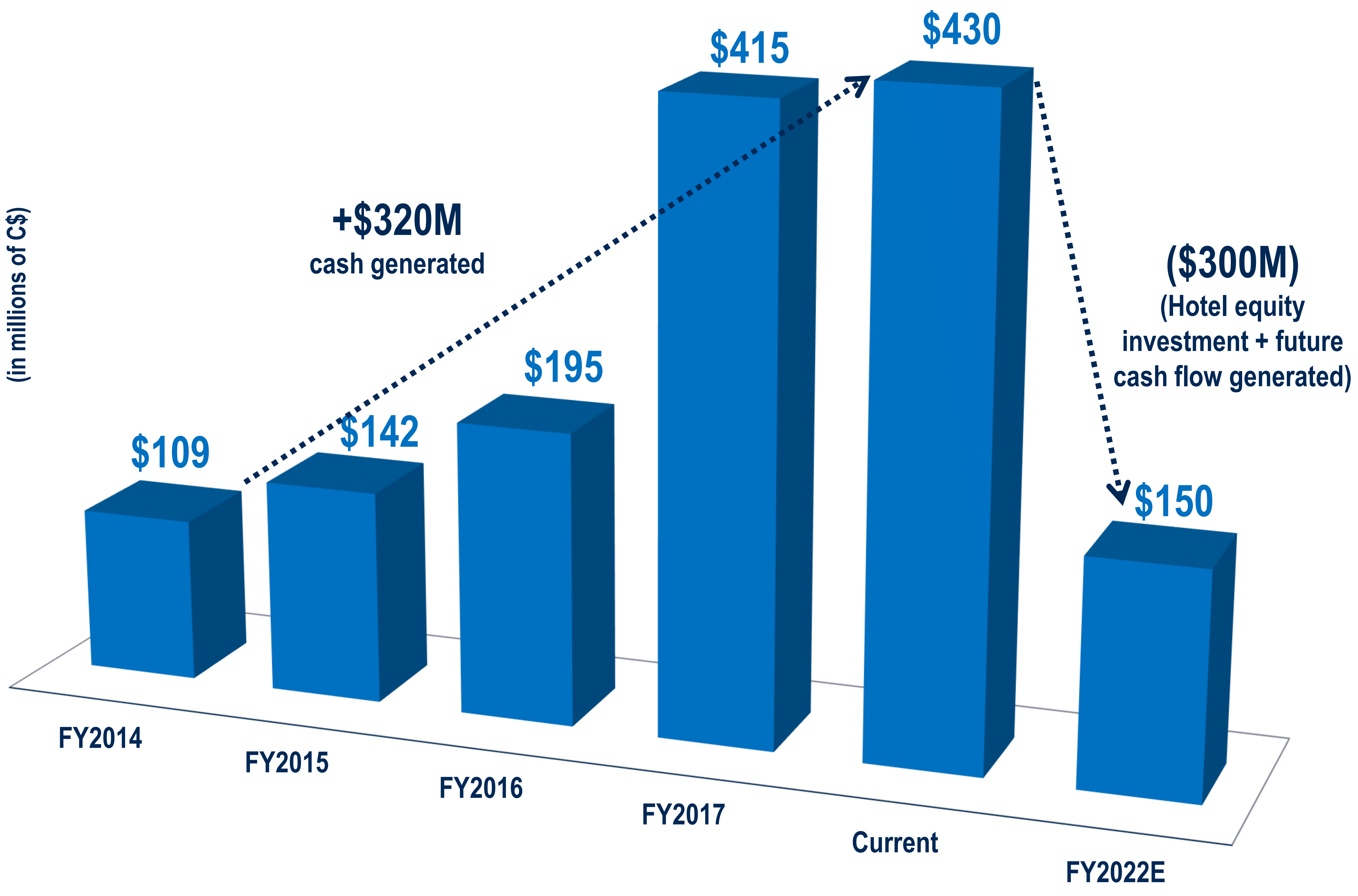
Financial profile

Current financial position

HIGHLIGHTS

- **Free Cash: C$867M vs. C$581M (2017)**
  - ✓ Variation of +C$287M attributable to :
    - Proceeds from disposal of Ocean Hotels and Jonview Canada, net of cash disposed of +C$ 214M
    - Positive cash flow generated from operations of +C$ 47M
    - Change in net working capital of +C$ 86M ($52M more customer deposits + $28M of income taxes recovered + $11M less prepaid expenses + $16M more provision for overhaul of leased aircraft offset by more receivables ($22M) and short term deposits ($3M))
      - Increase in receivables attributable to the aircraft fleet growth
    - Capital expenditures net of deferred lease incentives of (C$ 68M)
- **Excess cash available**
  - ✓ C$430M (equivalent to US$330M) of excess cash available to be deployed towards our hotel business development plan (see charts in right)
- **Capital expenditures**
  - ✓ FY2018E : ~$60M net of deferred lease incentives
- **Hotels investment asset : C$17M (Transat equity investment in Rancho Banderas – 50% interest)**
- **Off-balance sheet arrangements: C$2.4B vs. C$1.7B as at October 31 (Δ +$623M)**
  - ✓ Variation attributable to :
    - Agreement signed during the last quarter for 2 new A321neo and 5 new A321neo LR which will be delivered between 2020 and 2022 for the replacement of 5 A330 whose leases will expire during that period
    - Agreement signed in first quarter for 2 new A321ceo and 2 new A330 in service starting this summer
    - Increase offset by lease repayments during the quarter

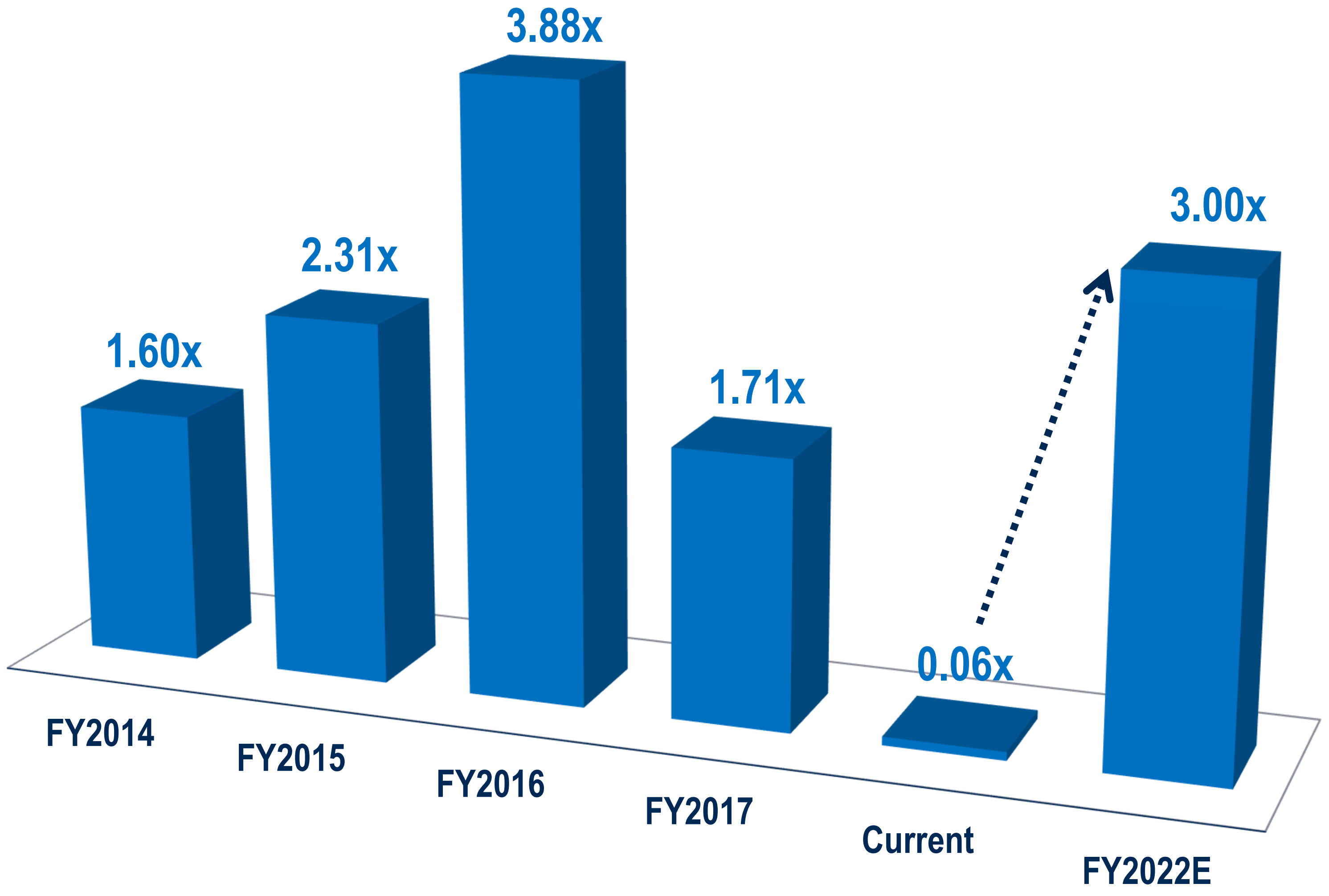
EXCESS CASH (1)



(1) Excess cash available calculation = Unrestricted cash + receivables – payables = Adjusted cash + ((restricted cash + prepaid expenses + deposits – customer deposits) x % of risk taken by card processors)

Financial performance targets

LEVERAGE RATIO [(1)]

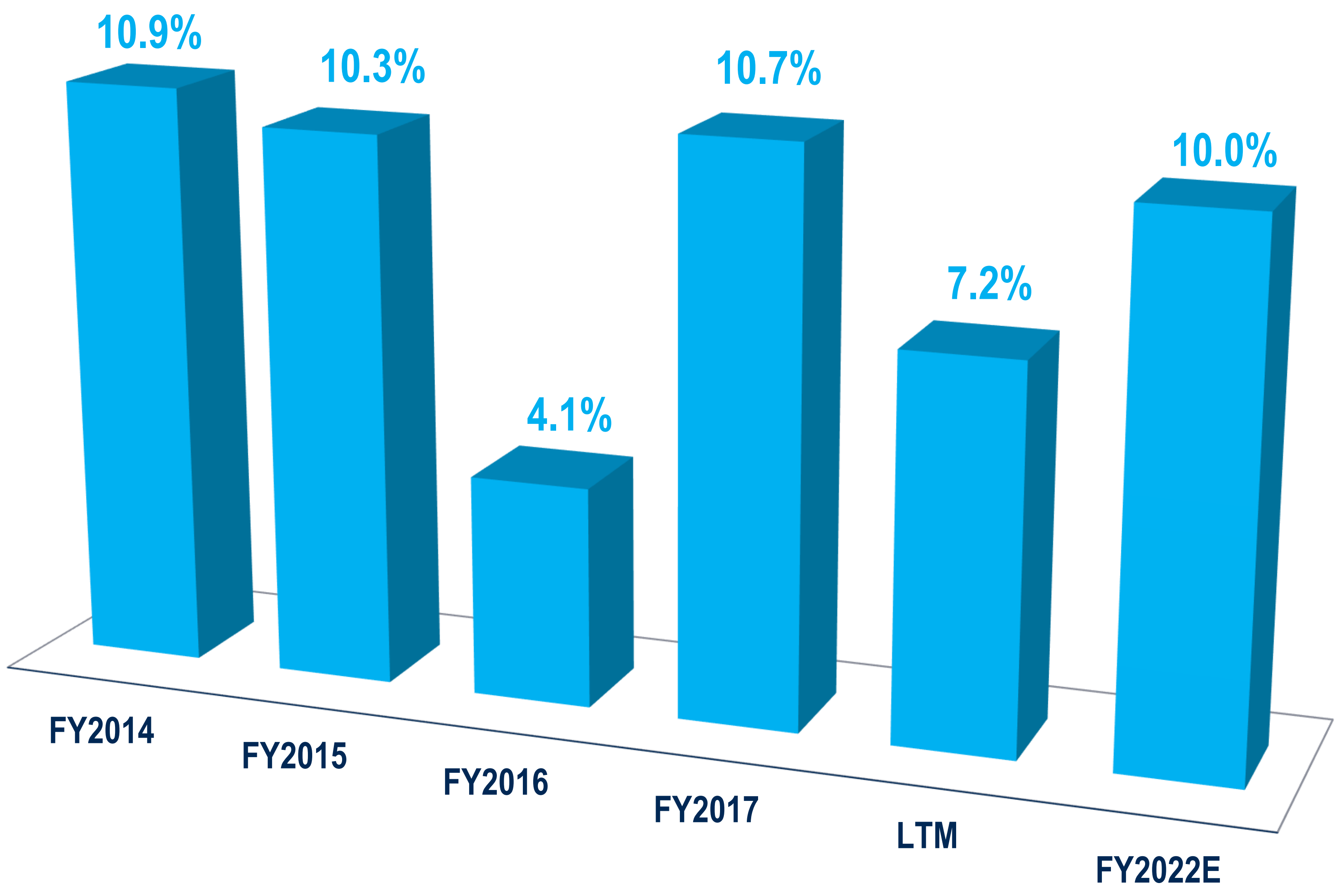


INCREASING LEVERAGE RATIO

- Adding balance sheet debt and decreasing unrestricted cash due to equity investment in hotel business
- Introduction of 15 new A321neo LRs to replace all A310 and 5 A330 (higher fixed costs but less variable)

(1) ***Leverage ratio calculation*** *= (Aircraft leases multiplied by 7.0x + balance sheet debt + other debt – unrestricted cash) / Adjusted EBITDAR ; We used a multiple of 7.0x to be on the same basis than our Canadian airline peers*

RETURN ON INVESTED CAPITAL (ROIC) [(2)]

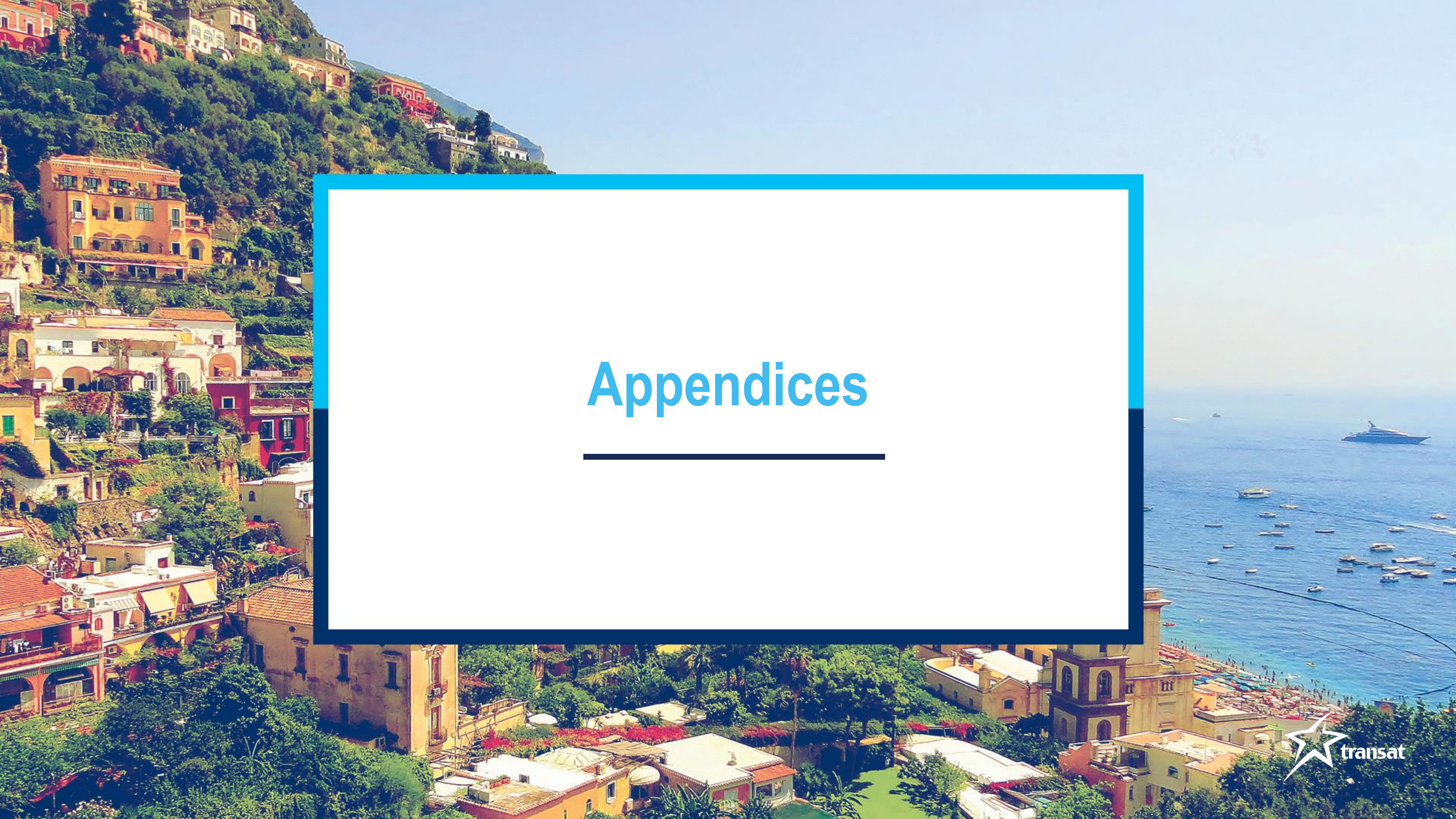


MAINTAINING A ROIC BETWEEN 10-13%

- Phase 1: Invest cash in the hotel sector to generate higher return
- 2/3 of the profitability will come from leisure travel business and 1/3 from hotel business as at FY2022

(2) ROIC *= (Adjusted EBT + interest expenses + implicit interest on operating leases (7.0%)) / (Average balance sheet debt + average shareholder equity + aircraft leases multiplied by 7.0x – excess cash) ; We used a multiple of 7.0x and a 7.0% implicit interest rate to be on the same basis than our Canadian airline peers*

Appendices



We have set 2018-2022 performance targets

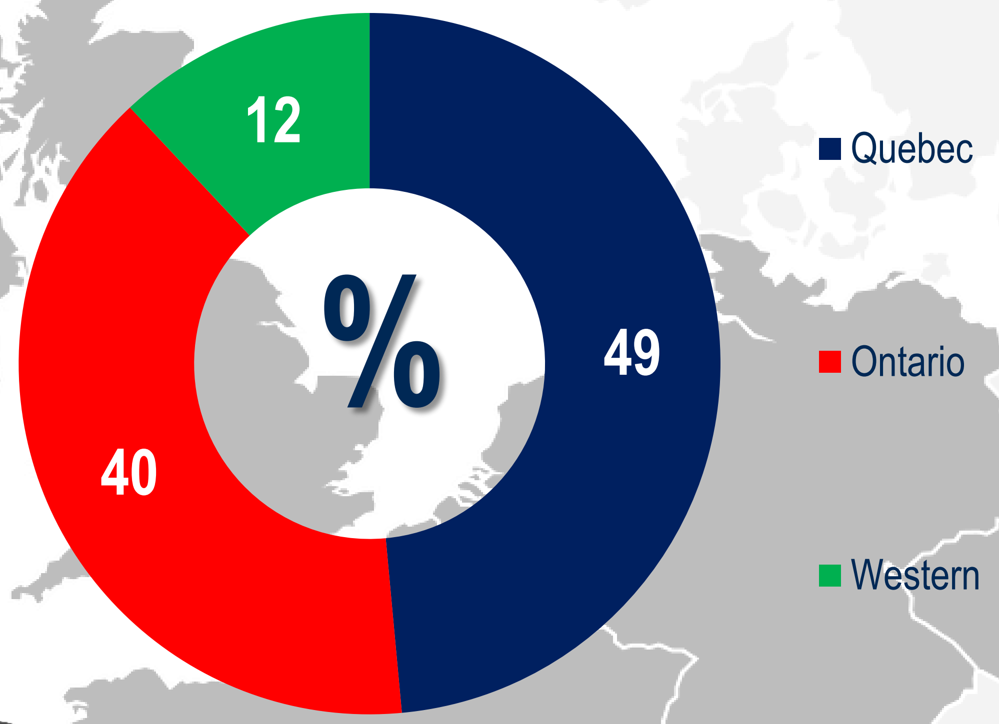
	LEISURE TRAVEL	HOTEL
Annual EBITDA margin	3-4%	25%
Annual ROIC	8-10%	11-13% (run-rate)
Free cash flow (cumulative over the period)	$200-250M	$25-50M
Leverage ratio (net basis)	1.5-2.5x (1)	2.0x-3.0x (2) (run-rate)

(1) Adjusted debt included 7.0x LTM operating leases

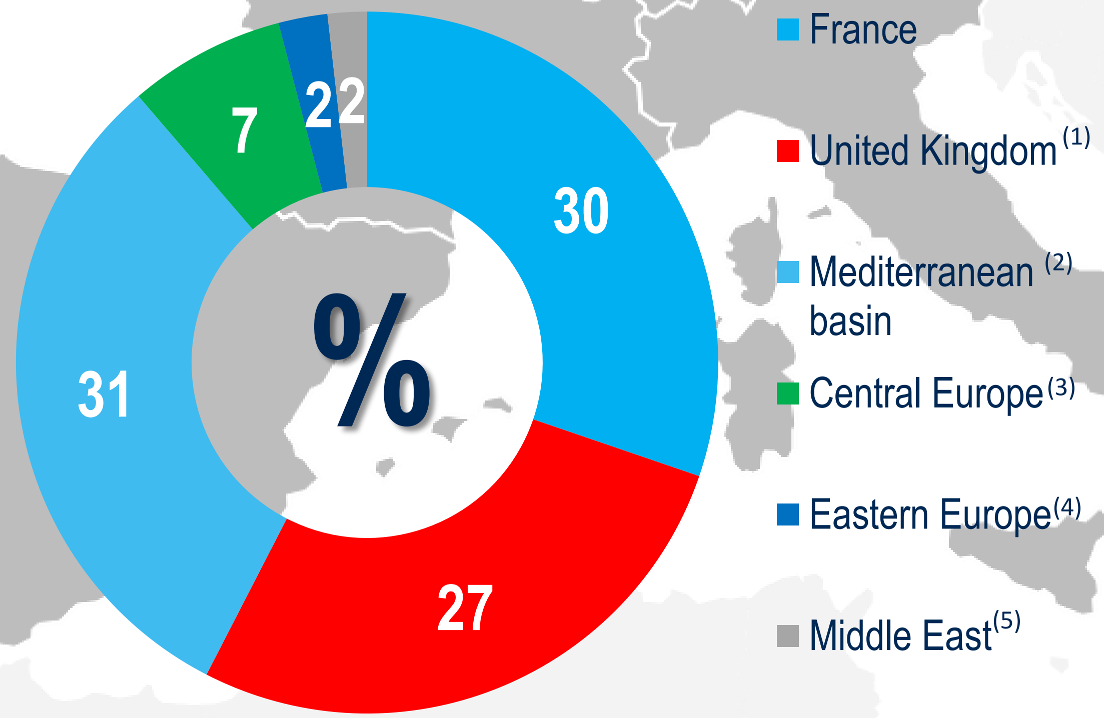
(2) Run-rate established at 5 years in operation

Transatlantic capacity breakdown by destination and origin

ORIGINS



DESTINATIONS



GLOBAL MARKET OVERVIEW

- Europe: Largest tourism market in the world
- 5.2M seats in summer 2018 between Canada and Europe

TRANSAT STRATEGY AND MARKET POSITION

- Summer 2018: Increase capacity and frequency on certain routes
- Wide portfolio of direct flights (26 destinations)
- Increase our feeder program to offer more destinations from certain gateways (particularly from Western Canada)
- Strong airline brand and friendly service at affordable prices (voted best leisure airlines in the World by Skytrax)
- ~40% of European passengers = sales in foreign currency
- Attractive offering of packages including accommodations, transfers, cruises, tours, rental cars and excursions

(1) Including Ireland ; (2) Italy, Portugal, Spain and Greece ; (3) Netherlands, Belgium and Switzerland ; (4) Croatia and Czech Republic ; (5) Israel

5-Year historical summer financial results

(Results from continuing operations)

(in thousands of C$, except per share amounts)	6-month period ended on October 31				
	2017	2016	2015	2014	2013
REVENUES	**1,431,703**	**1,275,702**	**1,338,848**	**1,320,401**	**1,321,102**
Adjusted EBITDAR [(1)]	196,271	127,250	166,611	150,960	161,348
Adjusted EBITDA [(1)]	**137,596**	**62,461**	**115,603**	**102,754**	**121,053**
As % of revenues	*9.6%*	*4.9%*	*8.6%*	*7.8%*	*9.2%*
Adjusted net income (loss)[(1)]	**73,238**	**26,706**	**71,534**	**64,660**	**79,957**
As % of revenues	*5.1%*	*2.1%*	*5.3%*	*4.9%*	*6.1%*
Per share	*$1.98*	*$0.72*	*$1.86*	*$1.67*	*$2.06*
Net income (loss) attributable to shareholders	**174,735**	**(12,793)**	**72,093**	**46,852**	**89,519**

(1) Refer to Non-IFRS Financial Measures in the Appendix

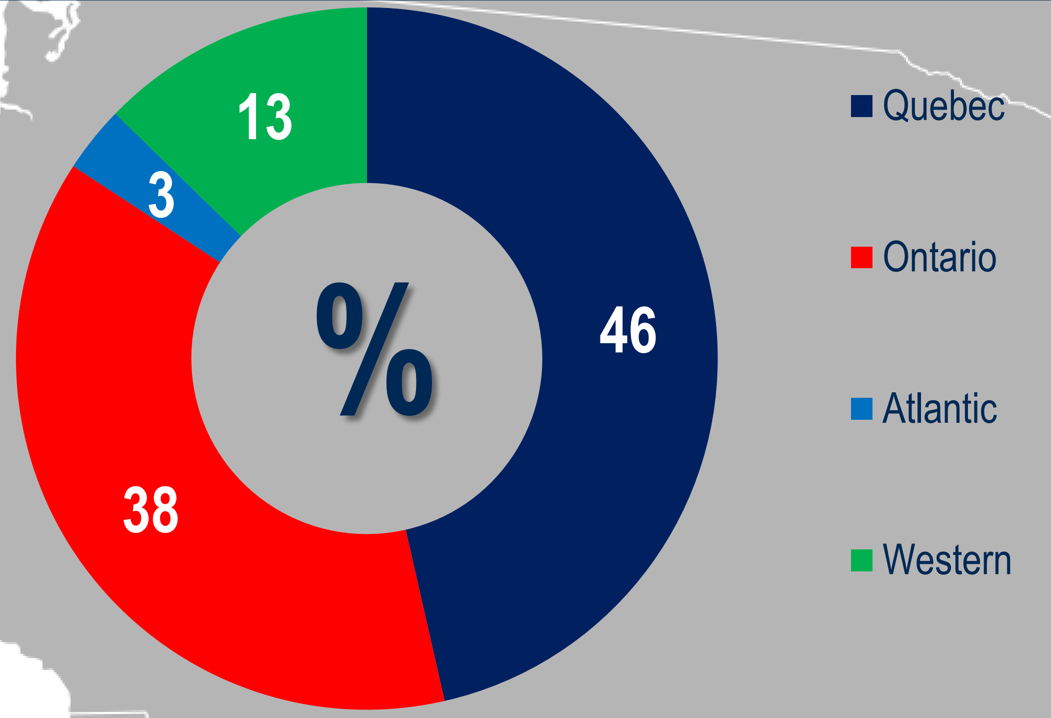
5-Year historical summer financial position

(in thousands of C$)	As at July 31					As at October 31				
	2018	2017	2016 (1)	2015	2014	2017	2016 (1)	2015	2014	2013
Free cash	**867,247**	**580,739**	**470,065**	**515,552**	**497,072**	**593,582**	**363,664**	**336,423**	**308,887**	**265,818**
Cash in trust or otherwise reserved	184,665	184,989	199,594	266,700	262,803	258,964	292,131	367,199	340,704	361,743
Trade and other payables	332,586	329,614	349,355	466,644	463,785	245,013	247,795	355,656	338,633	326,687
Customer deposits	561,769	509,931	440,418	527,868	485,867	433,897	409,045	489,622	424,468	410,340
Working capital ratio	**1.40**	**1.26**	**1.05**	**1.04**	**1.06**	**1.51**	**1.28**	**1.09**	**1.12**	**1.10**
Balance sheet debt	0	0	0	0	0	0	0	0	0	0
Obligations under operating leases	2,368,169	1,383,171	693,309	624,047	562,821	1,745,221	691,841	675,385	657,639	632,804
Hotel investments	16,736	15,019 (3)	99,216	96,453	78,026	15,888	97,668	97,897	83,949	70,041
LTM capital expenditures	62,962	69,245	65,452	61,460	58,436	69,523	70,754	59,295	64,976	55,457
Free cash flow (TTM) (2)	**69,590**	**50,744**	**(9,282)**	**28,829**	**100,580**	**91,964**	**(28,266)**	**39,658**	**41,264**	**67,582**

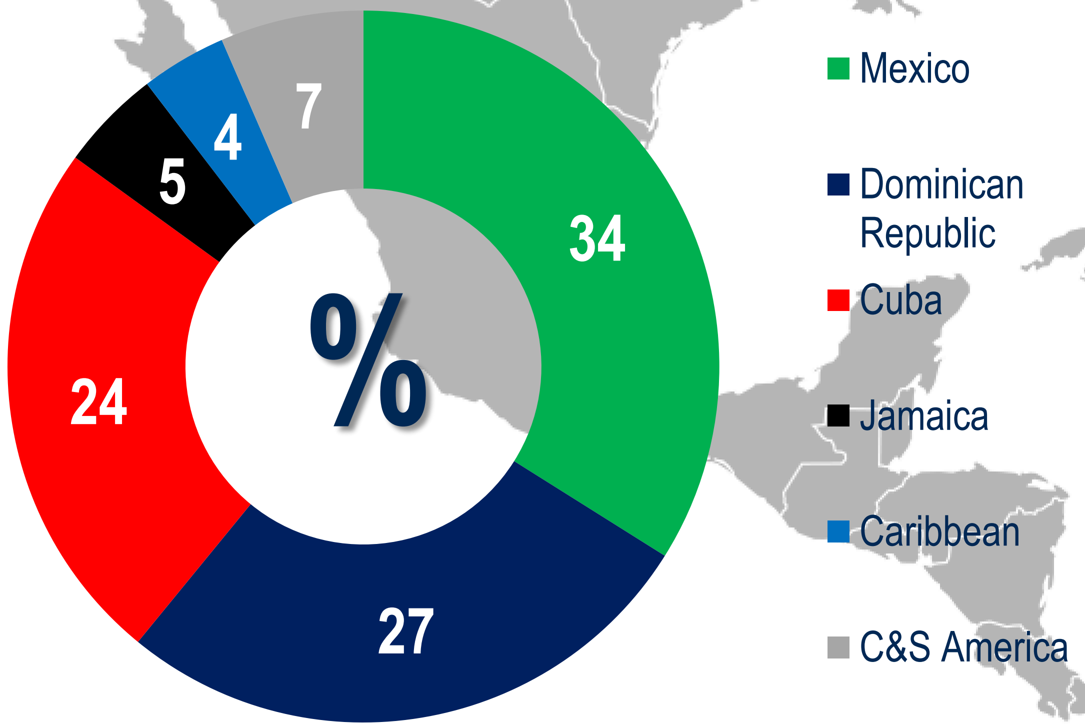
(1) Financial profile for continuing operations only
(2) Refer to Non-IFRS Financial Measures in the Appendix
(3) As at July 31st, the 35% minority interest in Ocean Hotels represented an asset amounting to C$100.7M, reported as an asset held for sale in the statement of financial position

Sun destinations capacity breakdown by destination and origin

ORIGINS



DESTINATIONS



GLOBAL MARKET OVERVIEW

- Mexico and Caribbean : One of the largest sun and beach market in the world
- 4.7M seats in Winter 2018-2019 between Canada and Mexico and Caribbean

TRANSAT STRATEGY AND MARKET POSITION

- Winter 2018-2019: Increase capacity and introduction of 9 new routes
- All-inclusive products at 35 sun destinations (including Florida) for a wide portfolio of more than 635 hotels, including 40 exclusive properties and 30 new hotels
- Most important destinations are Cancun (243k seats), Punta Cana (188K seats), Puerto Vallarta (104k seats) and Varadero (84k seats)
- Sun offer for everyone with All-inclusive packages; Guided tours and Duo packages; All-in one cruises packages; Florida for everyone

5-Year historical winter financial results

(Results from continuing operations)

(in thousands of C$, except per share amounts)	6-month period ended on April 30				
	2018	2017	2016	2015	2014
REVENUES	**1,627,763**	**1,573,642**	**1,613,944**	**1,559,102**	**1,675,704**
Adjusted EBITDAR (1)	39,058	37,893	34,339	32,856	17,561
Adjusted EBITDA (1)	**(24,463)**	**(35,571)**	**(36,685)**	**(14,995)**	**(21,462)**
As % of revenues	*(1.5%)*	*(2.3%)*	*(2.3%)*	*(1.0%)*	*(1.3%)*
Adjusted net income (loss)(1)	**(38,416)**	**(44,139)**	**(42,246)**	**(25,620)**	**(27,543)**
As % of revenues	*(2.4%)*	*(2.8%)*	*(2.6%)*	*(1.6%)*	*(1.6%)*
Per share	*($1.02)*	*($1.20)*	*($1.14)*	*($0.66)*	*($0.71)*
Net income (loss) attributable to shareholders	**95**	**(40,427)**	**(78,726)**	**(27,173)**	**(30,259)**

(1) Refer to Non-IFRS Financial Measures in the Appendix

5-Year historical winter financial position

(in thousands of C$)	As at January 31					As at April 30				
	2018	2017	2016 (1)	2015	2014	2018	2017	2016 (1)	2015	2014
Free cash	**749,342**	**454,827**	**427,541**	**393,631**	**359,596**	**903,300**	**566,288**	**440,559**	**441,536**	**404,554**
Cash in trust or otherwise reserved	336,531	332,646	391,582	394,896	418,504	190,431	174,416	247,321	291,300	300,848
Trade and other payables	300,131	297,682	463,298	402,516	421,172	325,633	287,316	314,683	380,712	373,840
Customer deposits	636,753	597,745	609,393	636,303	621,618	588,948	523,754	483,739	578,449	540,293
Working capital ratio	**1.37**	**1.15**	**1.08**	**1.05**	**1.07**	**1.40**	**1.14**	**1.02**	**1.01**	**1.04**
Balance sheet debt	0	0	0	0	0	0	0	0	0	0
Obligations under operating leases	1,770,151	703,121	672,066	684,551	633,475	1.796.538	742,667	713,606	624,156	626,816
Hotel investments	15,381	99,133	107,317	85,322	74,579	16,146	122,866	101,909	94,532	77,510
LTM capital expenditures	59,981	74,271	60,007	68,406	54,463	62,942	79,260	51,926	62,822	63,239
Free cash flow (TTM) (2)	**92,897**	**(49,655)**	**69,148**	**37,588**	**104,940**	**125,252**	**52,327**	**23,597**	**52,527**	**54,745**

(1) Financial profile for continuing operations only
(2) Refer to Non-IFRS Financial Measures in the Appendix

Divestitures summary

	Transat France + TourGreece (October 2016)			35% interest in Ocean Hotels (October 2017)			Jonview Canada (November 2017)		
	Winter	Summer	Annual	Winter	Summer	Annual	Winter	Summer	Annual
FINANCIAL HIGHLIGHTS (LAST FULL YEAR)									
Revenues	285M	400M	685M	-	-	-	20M	160M	180M
Adjusted EBITDA (2)	(8M)	15M	7M	9M	2M	11M	(5M)	14M	9M
Adjusted net income (loss) (2)	(7M)	7M	0M	9M	2M	11M	(4M)	10M	6M
CONSOLIDATED STATEMENTS OF INCOME IMPACT									
Selling price			93M			188M			48M
Transaction costs			(7M)			(2M)			-
Price adjustments (provision)			-			(2M)			(4M)
Cash and cash equivalents disposed of			(23M)			-			(14M)
Net assets disposed of (excluding cash and cash equivalents)			(13M)			(97M)			1M
Gain on disposal			50M			86M			31M
FX gain on disposal (1)			-			15M			-

(1) FX gain of C$15M realized following the transaction explained by an investment done in US$ when it was at parity and a divestiture at 1.25
(2) Refer to Non-IFRS Financial Measures in the Appendix

Unlock Significant Value of Unrecognized Assets for ~C$ 330M in the last year with the objectives to reinvest for doubling the returns by FY22

Experienced and results-driven executive team

Jean-Marc Eustache
Chairman of the Board
President and
Chief Executive Officer
Transat A.T. Inc

Jean-Marc Eustache was the principal architect of the 1987 creation of Transat A.T. Inc. His forward-thinking business vision — focused on vertical integration — combined with outstanding leadership skills have helped elevate Transat A.T. Inc. to the rank of Canada's tourism industry leader. With its subsidiaries and affiliates, the Company has also become international in scope and one of the world tourism industry's largest players .

He holds a Bachelor of Science degree in Economics (1974) from l'Université du Québec à Montréal. He began his career in the tourism industry in 1977 at Tourbec, a travel agency specializing in youth and student tourism, before founding Trafic Voyages — the foundation for the creation of Transat A.T. — in 1982.

Annick Guérard
Chief Operating Officer
Transat A.T. Inc.

Annick Guérard, Transat's Chief Operating Officer since November 2017, heads all of the Company's travel-related operations, including those of the Air Transat business unit. With her extensive knowledge of Transat, the industry and consumers, combined with her qualities of vision, leadership and effectiveness, she plays a key role in Transat's development and success.

She joined Transat in 2002, and has served in senior management posts involving operations, distribution, marketing, e-commerce, customer service and product development for several business units, namely Air Transat, Jonview Canada and Transat Tours Canada. In December 2012, she was appointed President and General Manager of Transat Tours Canada, which develops and commercializes all Transat and Air Transat products and services.

Ms. Guérard began her career in engineering consulting as a project manager in the transportation industry, then served as a senior advisor in organizational management for Deloitte Consulting. She holds a bachelor's degree in civil engineering from Polytechnique Montréal and an MBA from HEC Montréal.

Jordi Solé
President, Hotel division
Transat A.T. Inc.

Jordi Solé was appointed President of Transat's hotel division in 2018. Since 2001, he has overseen the operations of resorts belonging to several major international hotel chains, where he has acquired extensive experience in operations, sales, marketing and staff management at all-inclusive resorts. He began his career in the industry in Spain as Deputy Managing Director of Barcelo Hotels and Resorts, where he optimized operational and organizational procedures across Europe. In 2009, he came to Latin America as head of Iberostar Hotels and Resorts in Mexico, where he oversaw the 10 resorts in the region (4,000 rooms and 4,500 employees). More recently, he was appointed Senior Vice-President, Operations, for Blue Diamond Resorts, participating in the extensive growth and development of the company.

Mr. Solé holds an MBA from IESE Business School and a bachelor's degree in industrial engineering from Universitat Politècnica de Catalunya, in Barcelona, Spain

Jean-François Lemay
President and
General Manager
Air Transat

Jean-François Lemay joined Transat's senior management team in October 2011. He has some 30 years of experience in the practice of law, including with the firms Desjardins Ducharme, then Bélanger Sauvé and finally Dunton Rainville, where he was a partner and member of the executive committee. A specialist in labor law, he has advised many clients on issues related to labor relations, human rights and freedoms, and occupational health and safety. He is invited regularly to speak to professional associations and is the author of numerous articles on labor relations. He has also served as a lecturer in labor law with the Law Faculty of Université de Montréal, where he obtained his law degree, and as a professor in labor law with the École du Barreau of the Quebec Bar.

Denis Pétrin
Vice-President, Finance
& Administration and
Chief Financial Officer
Transat A.T. Inc.

Denis Petrin, CPA has held the position of Vice-President, Finance and Administration and Chief Financial Officer for Transat A.T. Inc. since 2009.

He began his career with EY before joining Air Transat in 1990. In 1997, he was appointed Vice-President, Finance and Administration for Air Transat to which was added the equivalent position for Transat Tours Canada in 2003.

Mr. Petrin holds a bachelor's degree in Business Administration from Université du Québec à Trois-Rivières.

Non-IFRS financial measures

Non-IFRS financial measures included in this presentation are not defined under IFRS. Therefore, It is likely that the non-IFRS financial measures used by the Corporation will not be comparable to similar measures reported by other issuers or those used by financial analysts as their measures may have different definitions. The non-IFRS measures used by the Corporation in this presentation are defined as follows:

- **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, gain (loss) on business disposals, restructuring charge, asset impairment and other significant unusual items, and including premiums for fuel-related derivatives and other derivatives 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 EBITDA (adjusted operating income (loss)):** Operating income (loss) before depreciation and amortization expense, restructuring charge and other significant unusual items 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 EBITDAR:** Operating income (loss) before aircraft rent, depreciation and amortization expense, restructuring charge and other significant unusual items 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.

- **Free cash flow:** Cash flows related to operating activities, net of capital expenditures. The Corporation uses this measure to assess the amount of cash that it is able to generate from its operations after accounting for all capital expenditures, mainly related to aircraft and IT.

- **Adjusted net debt:** Long-term debt plus 7.5x the aircraft rent expense from the last 12 months, less cash and cash equivalents. Management uses adjusted net 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 discharge its current and future financial obligations in comparison with other companies from its sector.

Note: The reconciliations between IFRS financial measures and non IFRS financial measures are available in our Third Quarter report 2018 and in our Annual report 2017 by clicking on the following links: Third Quarter Report 2018 and Annual Report 2017

PASSENGERS INCREASE, BUT MARGINS IMPACTED BY FUEL PRICE

INVESTOR'S PRESENTATION
SEPTEMBER 2018