ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

MARCH 15, 2018

NOTES FOR A PRESENTATION BY DENIS PÉTRIN

VICE PRESIDENT FINANCE AND ADMINISTRATION AND

CHIEF FINANCIAL OFFICER

Check against delivery

2018 ANNUAL MEETING OF SHAREHOLDERS

PRESENTATION BY DENIS PÉTRIN

Vice-President, Finance and Administration, and Chief Financial Officer
Transat A.T. inc.

Good day,

Thank you, Jean-Marc.

Revenues grew marginally in fiscal 2017, to reach $3.0 billion.

Adjusted operating income was $102 million, compared with $26 million in 2016.

Adjusted net income was $29 million, compared with a loss of $16 million.

The adjusted net income per share was $0.79.

Operating income as per financial statements reached $35 million, compared with an operating loss of $30 million, and net income attributable to shareholders is $134 million, compared with a loss of $42 million. Obviously, net income includes the $87 million gain realized from the sale of our interest in Ocean Hotels.

Following a difficult winter, marked among others by an unfavourable exchange rate, the summer was excellent from every viewpoint and enabled us to end the year with an appreciable improvement over 2016.

Let's talk now about the results for the first quarter of 2018, ended this past January 31.

We posted revenues of $726 million, up $37 million, due to a 6% increase in the number of travellers to the South and 20% to transatlantic destinations.

We are reporting an adjusted operating loss of $31.0 million, compared with $37.1 million.

The adjusted net loss is $33.9 million before non-operating items.

The net loss as per financial statements was $6.6 million, compared with a loss of $32.1 million, attributable to the gain of $31.3 million realized for the sale of Jonview Canada during the quarter.

On a like-for-like basis — meaning excluding the contribution to the 2017 results of our interest in Ocean and that ofJonview— operating income in fact improved by $9.1 million over last year.

It's worth noting that we were able to improve our first-quarter results despite a $9.0 million rise in our maintenance costs.

And now a few words about the outlook.

First, the second quarter:

We increased capacity on the Sun destinations market out of Canada by 5.5% over last year's offering. To date, 77% of this capacity is sold, bookings are ahead by 4% and load factors are down 1.4%. Unit margins are now 0.8% higher than those recorded on the same date last year.

Last September's hurricanes had a major impact on the Sun destinations market out of Canada because of their negative effect on the performance of Cuba (which represents 25% of our capacity to the South for the second quarter).

Additionally, on other Sun destinations, bookings taken until December 2017 had higher margins than last year's. It is less the case since January.

As a result, and as long as these trends continue, we anticipate second-quarter results that will be similar to those for the 2017 winter season.

And now a few words about the summer:

Our capacity on the transatlantic market — our main market during the summer — is 17% higher than that offered in 2017. 30% of the seats are sold. Load factors are similar and prices are 1.7% higher than those at the same date last year. At this point in time, the combined impact of fuel prices and exchange rates is pushing operating expenses up by 3.3%. In short, if we make comparisons with the excellent summer 2017 results, unit margins are actually similar to those posted at the same date last year.

In view of, among other factors, the total of $327 million in disposals made during the past 18 months, Transat has the funds necessary to roll out its hotels project. As at January 31, we had $749 million in cash and cash equivalents and we have available unused lines of credit.

Our total assets stood at $1.7 billion and we have no balance sheet liabilities.

Than you for your attention.

I will now turn the podium back to Jean-Marc for the next part of the meeting.