Results for second quarter 2020

Early year improvement abruptly halted by the COVID-19 pandemic

Gradual resumption of flights beginning July 23, 2020

TRANSACTION WITH AIR CANADA: **Approval from European Commission postponed until the fourth quarter**

INVESTOR'S PRESENTATION
JUNE 2020

Forward-looking statements / Non-IFRS financial measures

This presentation contains certain forward-looking statements with respect to the Corporation, including those regarding its results, its financial position, the impacts of the COVID-19 pandemic, its outlook for the future and planned measures, including in particular the gradual resumption of certain flights and actions to improve its cash flow. These forward-looking statements are identified by the use of terms and phrases such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “will,” “would,” the negative of these terms and similar terminology, including references to assumptions. All such statements are made pursuant to applicable Canadian securities legislation. Such statements may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions. Forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward-looking statements.

Due to the global coronavirus pandemic (”COVID-19”), Transat suspended its airline operations on April 1, 2020. Our flights will be suspended up to July 22, 2020. The current situation, which has severely impacted the tourism industry, has forced us to take these exceptional measures. However, we remain committed to resuming our operations as soon as possible, while complying with the necessary health measures.

The global air transportation and tourism industry has faced a collapse in traffic and demand. Travel restrictions, uncertainty about when borders will reopen, both in Canada and at the destinations we fly to, and the need for quarantine and physical distancing measures create significant demand uncertainty for the remaining part of fiscal 2020 and for fiscal 2021. For the moment, Transat cannot predict all the impacts of COVID 19 on its operations and results, or when the situation will improve. The Corporation has implemented a series of exceptional measures, operational and commercial as well as financial measures, including cost reduction, aimed at preserving its cash. The Corporation is monitoring the situation daily to adjust these measures as it evolves. However, until the Corporation is able to resume operations at a sufficient level, the situation will affect its cash.

The forward-looking statements may therefore differ materially from actual results for a number of reasons, including without limitation, economic conditions, changes in demand due to the seasonal nature of the business, extreme weather conditions, climatic or geological disasters, war, political instability, real or perceived terrorism, outbreaks of epidemics or disease, consumer preferences and consumer habits, consumers’ perceptions of the safety of destination services and aviation safety, demographic trends, disruptions to the air traffic control system, the cost of protective, safety and environmental measures, competition, the Corporation’s ability to maintain and grow its reputation and brand, the availability of funding in the future, fluctuations in fuel prices and exchange rates and interest rates, the Corporation’s dependence on key suppliers, the availability and fluctuation of costs related to our aircraft, information technology and telecommunications, changes in legislation, unfavourable regulatory developments or procedures, pending litigation and third party lawsuits, the ability to reduce operating costs, the Corporation’s ability to attract and retain skilled resources, labour relations, collective bargaining and labour disputes, pension issues, maintaining insurance coverage at favourable levels and conditions and at an acceptable cost, and other risks detailed in the Risks and Uncertainties sections of the MD&A included in our 2019 Annual Report and the MD&A for the second quarter ended April 30, 2020.

This presentation also contains certain forward-looking statements about the Corporation concerning a transaction involving the acquisition of all the shares of the Corporation by Air Canada [the “transaction with Air Canada”]. These statements are based on certain assumptions deemed reasonable by the Corporation, but are subject to certain risks and uncertainties, several of which are outside the control of the Corporation, which may cause actual results to vary materially. In particular, the completion of transaction with Air Canada is subject to customary closing conditions, including regulatory approvals, particularly authorities in Canada and the European Union. Notably, a public interest assessment regarding the arrangement is being undertaken by Transport Canada. On March 27, 2020, as part of this assessment process, the Commissioner of Competition released the report provided to Transport Canada summarizing his assessment of the impacts on competition. On May 1, 2020, Transport Canada in turn provided its assessment report to the Minister of Transports. On May 25, 2020, the European Commission decided to open an in-depth (”Phase II”) investigation to assess the transaction with Air Canada. This extension is part of the European Commission’s normal process of assessing the impact of transactions submitted for its approval, which is currently complicated by the COVID-19 pandemic and the impact it is having on the international commercial aviation market. Due to the COVID-19 pandemic, the vast majority of North American, European and international air carriers have, among other things, announced reductions in capacity, which could affect the possibility of reaching an agreement with regulatory authorities regarding an appropriate package of remedies aimed at obtaining the necessary approvals. Moreover, as a result of the commitments made under the arrangement agreement with Air Canada, the Corporation’s ability to take measures to respond to the impacts of the COVID 19 pandemic, including recourse to additional funding, is limited. If the required regulatory approvals are obtained and conditions are met, it is expected that the transaction will be completed in the fourth quarter of the 2020 calendar year.

The reader is cautioned that the foregoing list of factors is not exhaustive of the factors that may affect any of the Corporation’s forward-looking statements. The reader is also cautioned to consider these and other factors carefully and not to place undue reliance on forward-looking statements.
The forward-looking statements in this MD&A are based on a number of assumptions relating to economic and market conditions as well as the Corporation’s operations, financial position and transactions. Examples of such forward-looking statements include, but are not limited to, statements concerning:

- The outlook whereby our flights will be suspended up to July 22, 2020.
- The outlook whereby Air Canada will acquire all of the shares of the Corporation.
- The outlook whereby if the required regulatory approvals are obtained and conditions are met, it is expected that the transaction with Air Canada will be completed by the beginning of the fourth quarter of the 2020 calendar year.
- The outlook whereby the Corporation will be able to meet its obligations with cash on hand, cash flows from operations and drawdowns under existing credit facilities.
- The outlook whereby travel credits will be used by customers and not reimbursed in cash.

In making these statements, the Corporation has assumed, among other things, that travel and border restrictions imposed by government authorities will be relaxed to allow for a resumption of operations of the type and scale expected, that the standards and measures imposed by government and airport authorities to ensure the health and safety of personnel and travellers will be consistent with those announced or currently anticipated, that travellers will continue to travel despite the new health measures and other constraints imposed as a result of the pandemic, that credit facilities and other terms of credit extended by its business partners will continue to be made available as in the past, that management will continue to manage changes in cash flows to fund working capital requirements for the full fiscal year. If these assumptions prove incorrect, actual results and developments may differ materially from those contemplated by the forward-looking statements contained in this presentation.
The Corporation considers that the assumptions on which these forward-looking statements are based are reasonable.

These statements reflect current expectations regarding future events and operating performance, speak only as of the date this presentation is issued, and represent the Corporation’s expectations as of that date. 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 applicable securities legislation.

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

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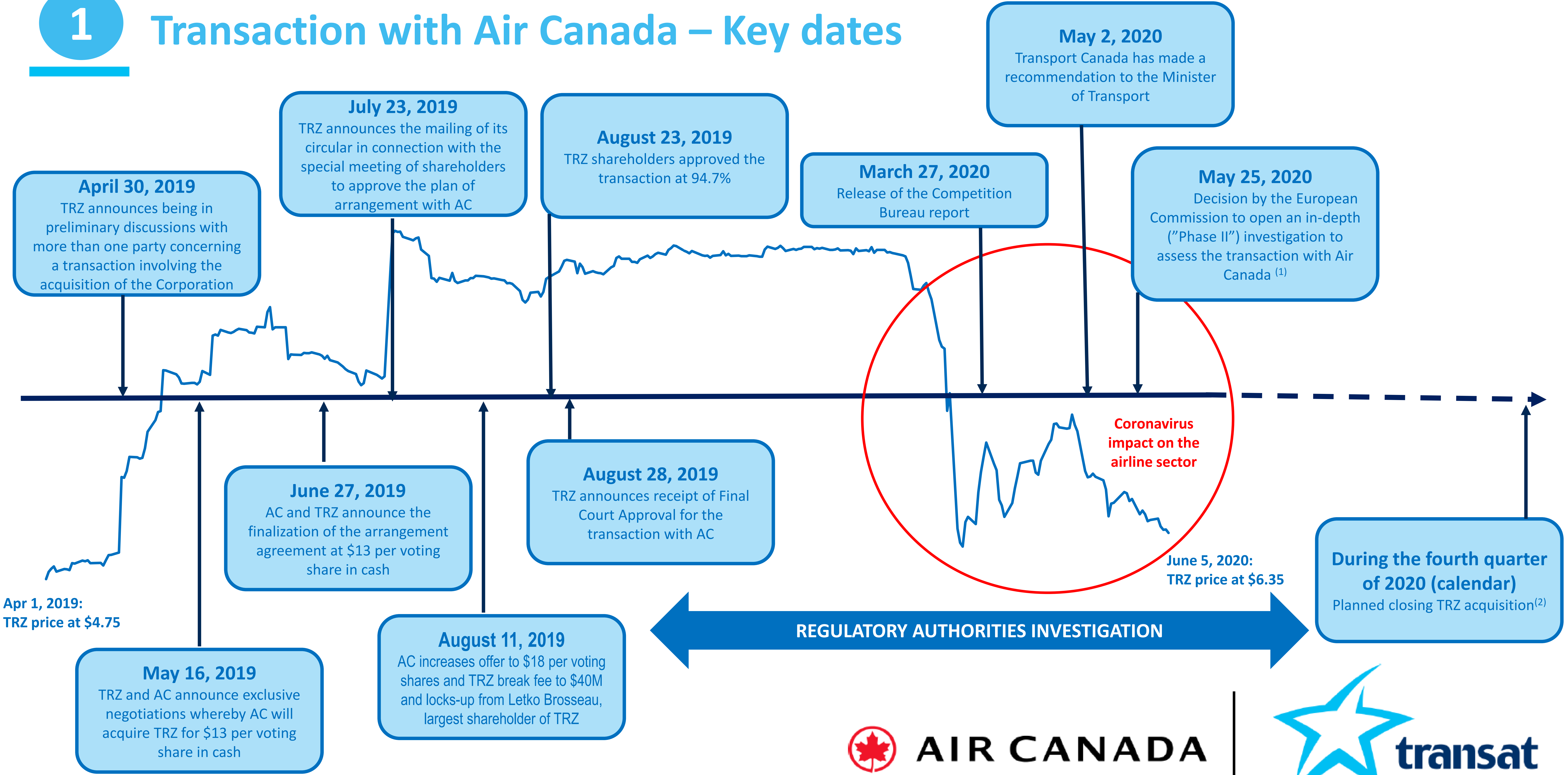
1 Transaction with Air Canada – Key dates



(1) This extension, until a date between September 30, 2020 and November 19, 2020, is part of the European Commission's normal process of assessing the impact of transactions submitted for its approval, which is currently complicated by the COVID 19 pandemic and the impact it is having on the international commercial aviation market.
(2) Subject to regulatory approvals and other closing conditions usual in this type of transaction

2 Initiatives executed TO PRESERVE LIQUIDITY

1

OPERATIONS AND FLEET

- In March, the Corporation decided to permanently withdrawn A310 from his fleet
- The Corporation executed repatriation flights and temporarily suspended all flights operations
- Negotiate with aircraft and real estate lessors to partially deferred payments
- Potentially return some aircraft before the leases terminate
- Monitor closely the demand and all the constraints by destination in view of a gradual business resumption

2

LIQUIDITY

- By precautionary measure, the Corporation drawn on its revolving credit facility of $50M in mid-March. As at April 30, cash and cash equivalents stood at $734M
- In order to avoid drying up our liquidity and to allow an orderly recovery after lifting of restrictions, the Corporation issued travel credit vouchers to their customers valid for a period of 24 months for cancelled flights due to “Force Majeure”
- Negotiate with suppliers for costs reduction or modified payment terms
- Reduction measures related to fixed costs and capital expenditures

3

EMPLOYEES AND MANAGEMENT

- Board of directors and executive team have adopted 10-20% voluntary pay reductions
- Starting at the end of March, the Corporation proceeds gradually to temporary layoff of a large portion of its workforce (more than 85% as of today)
- In April 2020, the Corporation applied to the Canadian Emergency Wage Subsidy (CEWS) on behalf of its Canadian employees

4

FUNDING

- Given the lack of visibility regarding many aspects of resuming operations including the velocity of the recovery, the Corporation have undertaken discussions with their current lenders and Canadian federal government to provide with additional liquidity
- Continue to monitor closely the situation and plan for any potential contingencies to ensure the Corporation is best positioned to ensure the future success of the business

3 Second quarter financial results

HIGHLIGHTS (vs. 2019)

- **Strong improvement of February operating income by ~$28M**
- **First time in a decade: Those results combined with one of our best first quarter foreshadowed breakeven results for the entire Winter season**
- **Starting mid-March:**
  - ✓ International flights restrictions, quarantine measures and border closure stopped our sales
  - ✓ Repatriation flights during the last two weeks of March at a very poor profitability
  - ✓ Consequently, suspension of all our flights starting April 1st which explained the decrease of 36% of our revenues
- **Adjusted operating income decreased by ($19M)**
  - ✓ Gradual implementation of cost reduction measures didn't offset the fall in revenues
- **The net income attributable to shareholders includes:**
  - ✓ Change in fair value on derivatives instruments of ($89M) due the collapse of fuel prices and particularly, because the valuation was done the date where the jet fuel prices was at the lowest level
  - ✓ Foreign loss of ($33M) mainly due to revaluation of lease liabilities (1.39 vs 1.32 as at Jan 31)
  - ✓ Book value of deferred tax assets reduced by ($22M)

(in millions of C$, except per share amounts)	2nd quarter results ended April 30			
	2020	2019 [2] (Restated)	2020 vs. 2019 $	2020 vs. 2019 %
REVENUES	**571.3**	**897.4**	**(326.1)**	**(36%)**
Adjusted EBITDAR [1]	36.3	65.9	(29.6)	(45%)
Adjusted EBITDA [1]	**21.1**	**40.4**	**(19.3)**	**(48%)**
As % of revenues	3.7%	4.5%	(0.8%)	(18%)
Adjusted net income (loss) [1]	**(38.8)**	**(6.4)**	**(32.4)**	**(504%)**
As % of revenues	(6.8%)	(0.7%)	(6.1%)	(849%)
Per share	($1.03)	($0.17)	($0.86)	(506%)
Net income (loss) attributable to shareholders	**(179.6)**	**(0.9)**	**(178.6)**	**(19 021%)**

(1) Refer to Non-IFRS Financial Measures in the Appendix
(2) Results restated to reflect the adoption of IFRS 16

3 Current financial position

HIGHLIGHTS

Shutdown and relaunch costs

- **Pre-COVID-19** monthly fixed costs of **$60M** which includes $35M of salaries, $15M of aircraft rent and $10M of other
- **Shutdown** monthly fixed costs reduced in the range of **$10M - $15M**
- Expected **relaunch costs** for pilot recall (training and salaries), increase in distribution and marketing costs to stimulate demand as well as costs to re-book clients holding voucher (2.75% - 3.00%)

$50M drawdown on our revolving credit facility (first time since January 2011)

Customers deposits (incl. travel credit vouchers)

- As at May 31, the travel credit vouchers issued to customers in compensation of the cancellation of their flights due to COVID-19 represent $416M of which 58% is in trust account (packages)

Payables to external suppliers

- In negotiation with our key suppliers to extend our payment terms or to be agreed on deferred payment in the short-term which will be reimbursed when the activities will come back to a certain level compared to pre-COVID-19

Hedging (MtM)

- Current increase of Jet Fuel price since the trough at the end of April of 78% considerably reduced the cash flow impact

	April 30, 2020		January 31, 2020		April 30, 2019	
(in millions of C$)	$	*% of total assets*	$	Δ vs Apr 30 2020	$	Δ vs Apr 30 2020
Cash & cash equivalents	733.7	*29%*	682.1	51.5	796.3	(62.6)
Cash in trust or otherwise reserved	280.8	*11%*	410.5	(129.7)	177.3	103.5
Total cash	**1,014.5**	***40%***	**1,092.7**	**(78.2)**	**973.6**	**40.9**
Current assets	1,218.8	*49%*	1,375.6	(156.7)	1,227.8	(8.9)
Total assets	**2,487.9**	***100%***	**2,634.1**	**(146.2)**	**2,319.6**	**168.3**
Trade and other payables	376.9	*15%*	365.8	11.1	351.9	25.0
Customer deposits and deferred revenue	**605.1**	***24%***	**809.1**	**(203.9)**	**629.7**	**(24.5)**
Current liabilities	1,230.2	*49%*	1,320.7	(90.5)	1,069.6	160.6
Long-term debt	50.0	*2%*	-	50.0	-	50.0
Total liabilities	**2,130.4**	***86%***	**2,108.1**	**22.3**	**1,767.3**	**336.1**
Shareholder's equity	357.4	*14%*	526.0	(168.6)	552.4	(195.0)
Total liabilities and shareholder's equity	**2,487.9**	***100%***	**2,634.1**	**(146.2)**	**2,319.6**	**168.3**
Current ratio (1)	0.99		1.04	(0.05)	1.15	(0.16)
Customer deposits coverage ratio (2)	**168%**		**135%**	**33%**	**155%**	**13%**

(1) Current ratio = current assets / current liabilities
(2) Customer deposits coverage ratio = Total cash / Customer deposits and deferred revenue

4 Resumption of operations

- **Expect to resume our flights and tour operator activities beginning July 23 subject to travel restrictions applicable as of that date**

- **Operate a condensed flight schedule for the period from July 23 to October 31, 2020 and offer more than 20 destinations**
  - ✓ 13 European destinations from Montreal or Toronto (France, United Kingdom, Greece, Italy and Portugal)
  - ✓ 5 destinations in the South and the United States from Montreal or Toronto (Mexico, Dominican Republic, Cuba, Haiti and Florida)
  - ✓ Domestic program (Montreal, Toronto, Calgary and Vancouver)

- **Plan to add additional frequencies and destinations to the flight schedule for the following months based on border openings and deconfinement measures in place**

- **Capacity planned represent less than 20% compared to the one deployed last year**
  - ✓ In service: 6 A321neoLR, 1 A330 and 1 A321ceo

- **The period of recovery will allow Transat the time to achieve the transition of the fleet with the introduction of 3 new A321neoLR in July and the progressive withdrawal from our fleet of the Boeing 737 while the A310 are permanently withdrawn**

- **Therefore, the operations are still suspended until July 22nd**

- **Expect revenues and resulting cash flow to gradually return as service levels are expanded, travel agencies resume their operations and customers become more comfortable with a return to air travel over the coming months**

- **The Corporation expects to incur certain costs specific to the relaunch plan, including salary and training costs related to pilot recall, rebooking costs for customers holding credit vouchers and additional marketing and distribution costs**

5 Health and safety program is the “New Customer Service”

- **Objectives of the program**
  - ✓ Prioritize the health and safety of our travellers, crew and employees in line with the measures required by the different regulatory authorities which include:
    - Take into consideration social distancing
    - Offer a service without contact (or almost)
    - Deploy health care and personal hygiene solutions
    - Build a health and safety confidence
    - Accelerate our digital transformation to prioritize the online actions (eg. Book online, self-serve, …)
    - Simplify our ways of doing
    - Minimize our costs
- **Health and safety measures at all key points**
  - ✓ The program is to establish new health and safety measures for the entire activities of Transat and mainly in all our point of contacts as follow:
    - Travel agencies
    - Planning and booking
    - Airport and onboard
    - At destination
- **Health and safety program will be named:** TRAVELLER CARE
  Transat’s health and safety program
  - ✓ Reinforce our commitment with respect to the health and safety of our customers at each point of contacts
  - ✓ Stimulate a sense of confidence from our customers, employees and crew

Appendix

Historical financial position

(in millions of C$)	Jan 31			Apr 30			Jul 31			Oct 31		
	2018	2019	2020	2018	2019	2020	2017	2018	2019	2017	2018	2019
Free cash	749.3	620.5	682.2	903.3	796.3	733.7	580.7	867.3	723.8	593.6	593.7	564.8
Cash in trust or otherwise reserved	336.5	405.2	410.5	190.4	177.3	280.8	185.0	184.7	198.0	259.0	287.7	301.6
Total Cash	**1,085.9**	**1,025.6**	**1,092.7**	**1,093.7**	**973.6**	**1,014.5**	**765.7**	**1,051.9**	**921.9**	**852.6**	**881.4**	**866.4**
Customer deposits and deferred revenue	675.1	752.8	809.1	604.9	629.7	605.1	509.9	587.2	611.1	433.9	517.4	561.4
Current ratio (1)	**1.37**	**1.14**	**1.04**	**1.41**	**1.14**	**0.99**	**1.26**	**1.41**	**1.10**	**1.52**	**1.27**	**1.13**
Liquidity ratio (2)	**37%**	**36%**	**37%**	**37%**	**34%**	**38%**	**27%**	**37%**	**32%**	**28%**	**31%**	**29%**
Customer deposits coverage ratio (3)	**161%**	**136%**	**135%**	**181%**	**155%**	**168%**	**150%**	**179%**	**151%**	**194%**	**170%**	**154%**

(1) Current ratio = current assets / current liabilities
(2) Liquidity ratio = total cash / LTM revenue
(3) Customer deposits coverage ratio = Total cash / Customer deposits and deferred revenue

IFRS 16

Leases

ACCOUNTING POLICIES CHOICES

IFRS 16 was applied on November 1, 2019, and the Corporation elected to apply the full retrospective approach, with restatement for each prior reporting period presented

The Corporation has elected to apply the following permitted capitalization exemptions:

- ➢ No capitalization for leases with terms of less than 12 months
- ➢ No capitalization for leases of low value assets

*Our new accounting policies are detailed in note 2 to the interim condensed financial statements for the period ended January 31, 2020.

IMPACT ON PREVIOUSLY ISSUED CONSOLIDATED FINANCIAL STATEMENTS *

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Impact	Details
ASSETS		
Trade and other receivables	Decrease	Lease incentives are now included in the calculation of lease liabilities
Prepaid expenses	Decrease	Prepaid rent is no longer recorded
Deposits	Increase	Maintenance deposits to lessors which were previously recorded as a reduction of the provision for overhaul of leased aircraft are presented separately
Property, plant and equipment	Increase	Account for right-of-use assets and capitalized maintenance
Other assets	Decrease	Deferred rent is no longer recorded
LIABILITIES		
Trade and other payables	Decrease	Which included the provision of overhaul of leased aircraft that were in maintenance at period end
Provision for overhaul of leased aircraft	No longer account	Replaced by Provision for return conditions and which are now provisioned over the lease term
Lease liabilities (1)	New - Increase	Present value of minimum lease payments
Other liabilities	Decrease	Lease incentives are now included in the calculation of lease liabilities
Retained earnings	Increase	

CONSOLIDATED STATEMENTS OF INCOME

	Impact	Details
Aircraft rent	Decrease	As the expense now only includes certain variable rent as well as rent related to our seasonal aircraft fleet
Aircraft maintenance	Seasonality	Eligible maintenance costs are capitalized and depreciated over the shorter of the lease term or expected useful life. Other types of maintenance are accounted for when the maintenance is carried out (period cost)
Depreciation and amortization	Increase	As right-of-use assets and components are amortized on straight-line basis
Financing costs	Increase	Following the recognition of interest related to lease liabilities
Foreign exchange loss (gain)	Volatility	Since the lease liabilities related to aircraft are denominated in USD and will be converted at the closing rate

*** The impacts of the transition to IFRS 16 are detailed in note 3 to the interim condensed financial statements for the period ended April 30, 2020.**

(1) Liabilities recorded in USD are converted at the closing rate

2019 Financial results

IFRS 16 impact

(in millions of C$)		Q1	Q2	Q3	Q4	WINTER	SUMMER	FULL YEAR
IFRS 16	Adjusted EBITDAR [1]	11.1	65.9	64.1	98.2	76.9	162.3	239.3
	Adjusted EBITDA [1]	**(7.6)**	**40.4**	**62.1**	**97.5**	**32.8**	**159.6**	**192.4**
	Adjusted EBIT [1]	(48.7)	(3.8)	15.5	47.2	(52.6)	62.7	10.1
	Adjusted EBT [1]	(52.0)	(7.1)	10.7	41.9	(59.1)	52.6	(6.5)
	Adjusted net income (loss) [1]	**(39.2)**	**(6.4)**	**6.2**	**30.0**	**(45.6)**	**36.2**	**(9.5)**
	Net income (loss) attributable to shareholders	**(53.0)**	**(0.9)**	**(1.5)**	**23.0**	**(53.9)**	**21.5**	**(32.4)**
BEFORE	Adjusted EBITDAR [1]	0.9	44.2	52.0	84.8	45.0	136.8	181.8
	Adjusted EBITDA [1]	**(37.7)**	**3.1**	**21.8**	**50.9**	**(34.7)**	**72.7**	**38.0**
	Adjusted EBIT [1]	(52.7)	(13.2)	6.1	33.6	(65.8)	39.8	(26.1)
	Adjusted EBT [1]	(47.8)	(8.0)	11.2	38.3	(55.8)	49.5	(6.3)
	Adjusted net income (loss) [1]	**(36.0)**	**(6.3)**	**5.7**	**27.2**	**(43.0)**	**33.7**	**(9.3)**
	Net income (loss) attributable to shareholders	**(49.7)**	**7.2**	**(11.0)**	**20.3**	**(42.4)**	**9.2**	**(33.2)**
VARIATION	Adjusted EBITDAR [1]	10.2	21.7	12.1	13.4	31.9	25.5	57.5
	Adjusted EBITDA [1]	**30.2**	**37.3**	**40.3**	**46.7**	**67.5**	**87.0**	**154.4**
	Adjusted EBIT [1]	3.9	9.3	9.3	13.6	13.3	22.9	36.2
	Adjusted EBT [1]	(4.2)	0.9	(0.5)	3.6	(3.3)	3.1	(0.2)
	Adjusted net income (loss) [1]	**(3.2)**	**(0.1)**	**0.5**	**2.8**	**(3.1)**	**3.3**	**0.2**
	Net income (loss) attributable to shareholders	**(3.3)**	**(8.2)**	**9.5**	**2.8**	**(11.5)**	**12.3**	**0.8**

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

Financial position

IFRS 16 impact

(in millions of C$)	Q4 2018			Q4 2019		
	REPORTED	ADJUSTMENT	IFRS 16	REPORTED	ADJUSTMENT	IFRS 16
Current assets						
Trade and other receivables	140.0	(6.4)	133.6	137.5	0.5	137.9
Prepaid expenses	68.9	(5.2)	63.7	83.8	(9.3)	74.5
Current assets	**1,156.8**	**(11.5)**	**1,145.3**	**1,127.6**	**(8.8)**	**1,118.7**
Deposits	41.7	124.3	166.0	41.2	124.9	166.1
Deferred tax assets	15.0	1.2	16.1	27.2	0.9	28.2
Property, plant and equipment	201.5	520.0	721.5	235.2	656.3	891.5
Other assets	26.7	(26.5)	0.2	34.1	(33.7)	0.3
Non-current assets	**410.0**	**619.0**	**1,029**	**457.4**	**748.4**	**1,205.8**
Total assets	**1,566.8**	**607.4**	**2,174.2**	**1,584.9**	**739.6**	**2,324.5**
Trade and other payables	320.7	(8.5)	312.3	315.4	(4.3)	311.1
Current portion of provision for overhaul of leased aircraft	27.3	(27.3)	-	27.2	(27.2)	-
Current portion of lease liabilities	-	71.3	71.3	-	99.8	99.8
Current liabilities	**869.3**	**35.5**	**904.8**	**918.6**	**68.3**	**987.0**
Provision for overhaul of leased aircraft	29.9	(29.9)	-	31.1	(31.1)	-
Provision for return conditions	-	128.5	128.5	-	155.1	155.1
Lease liabilities	-	493.9	493.9	-	566.1	566.1
Other liabilities	92.0	(50.9)	41.1	97.5	(50.1)	47.4
Deferred tax liabilities	3.3	8.5	11.7	1.3	8.5	9.8
Non-current liabilities	**125.9**	**550.1**	**676.0**	**131.5**	**648.6**	**780.1**
Total liabilities	**995.2**	**585.6**	**1,580.8**	**1,050.1**	**716.9**	**1,767.0**
Retained earnings	340.8	21.8	362.6	314.3	22.7	337.0
Total shareholders' equity	**571.6**	**21.8**	**593.5**	**534.8**	**22.7**	**557.5**
Total liabilities and shareholders' equity	**1,566.8**	**607.4**	**2,174.2**	**1,584.9**	**739.6**	**2,324.5**
Current ratio	**1.33**	**(0.06)**	**1.27**	**1.23**	**(0.10)**	**1.13**

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 EBITDAR:** Operating income (loss) before aircraft rent, depreciation and amortization expense, restructuring charge, lump-sum payments related to collective agreements 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 EBITDA (adjusted operating income (loss)):** Operating income (loss) before depreciation and amortization expense, restructuring charge, lump-sum payments related to collective agreements 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 EBT (adjusted pre-tax income (loss)):** Income (loss) before income tax expense before charge in fair value of fuel-related derivatives and other derivatives, gain (loss) on business disposals, restructuring charge, lump-sum payments related to collective agreements, asset impairment, foreign exchange gain (loss) and other significant unusual items and including premiums for fuel-related derivatives and other derivatives that matured during the period . 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):** 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, lump-sum payments related to collective agreements, asset impairment, foreign exchange gain (loss), reduction amount of deferred tax assets in the carrying 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 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

Note: The reconciliations between IFRS financial measures and non-IFRS financial measures are available in our Second Quarter Report 2020 and Annual Report 2019 by clicking on the following links : Second Quarter Report 2020 and Annual Report 2019

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.
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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 CFO
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.


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THANK YOU TO OUR CUSTOMERS, EMPLOYEES, INVESTORS AND PARTNERS