

30

AN EXCELLENT SUMMER; POSITIVE WINTER OUTLOOK

STRATEGIC PLAN BASED ON CUSTOMER FOCUS, COST EFFICIENCY AND
HOTEL DEVELOPMENT

INVESTOR'S PRESENTATION

DECEMBER 2017



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-IFRS FINANCIAL MEASURES



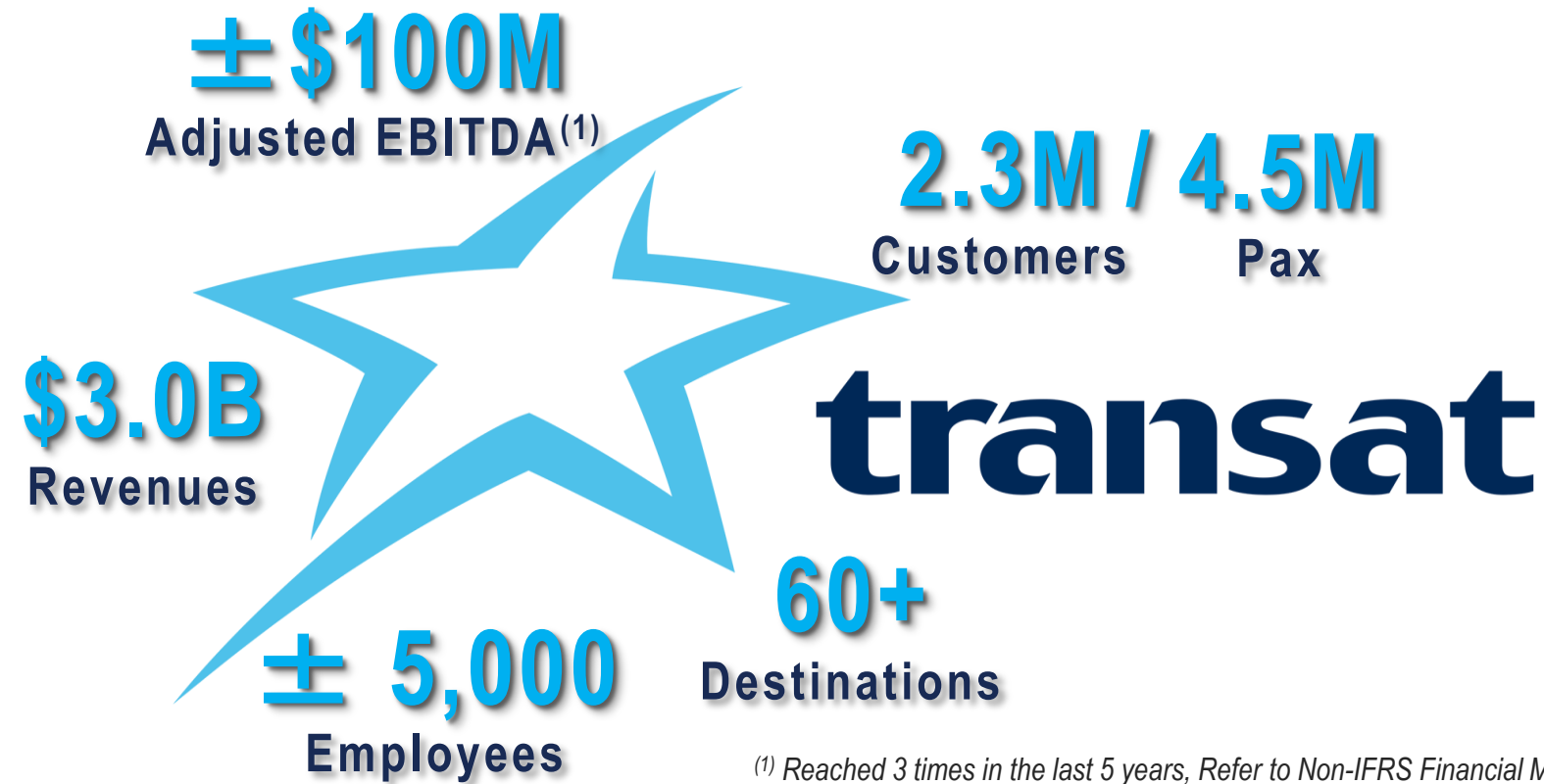
Section 1: Introduction

		PAGE
SECTION 1	Introduction	4
SECTION 2	Financial Performance and Outlook	9
SECTION 3	Financial Profile	16
SECTION 4	Transat Global Strategy	18
APPENDIX		24



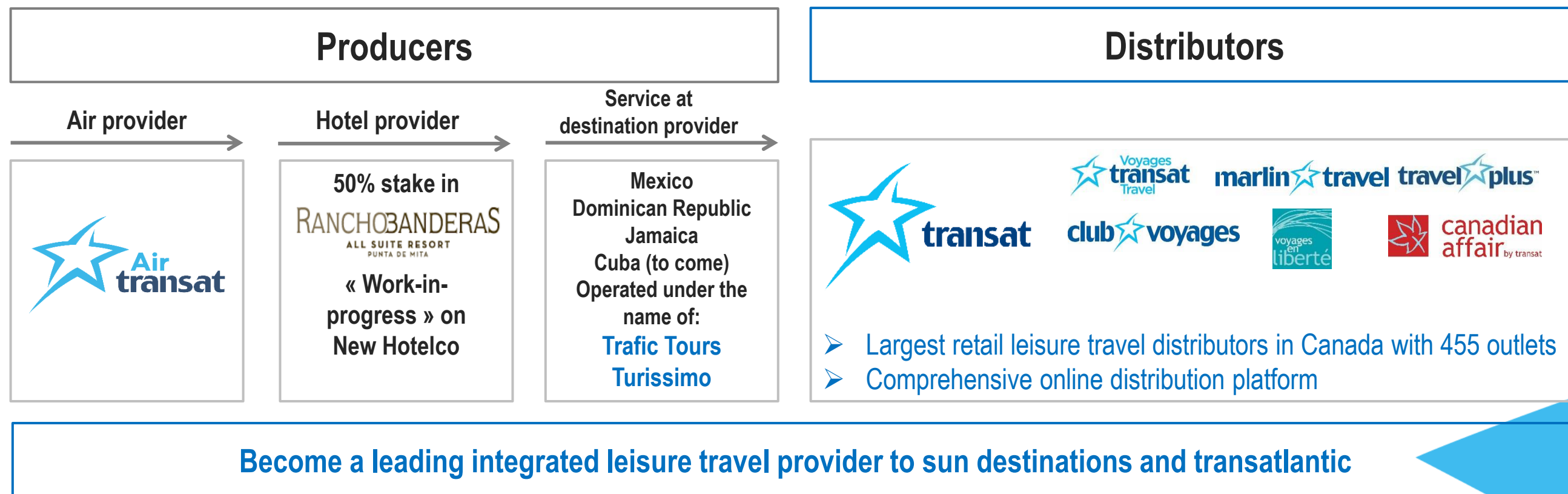
One Of The Largest Tour Operators In North America

TRANSAT HIGHLIGHTS



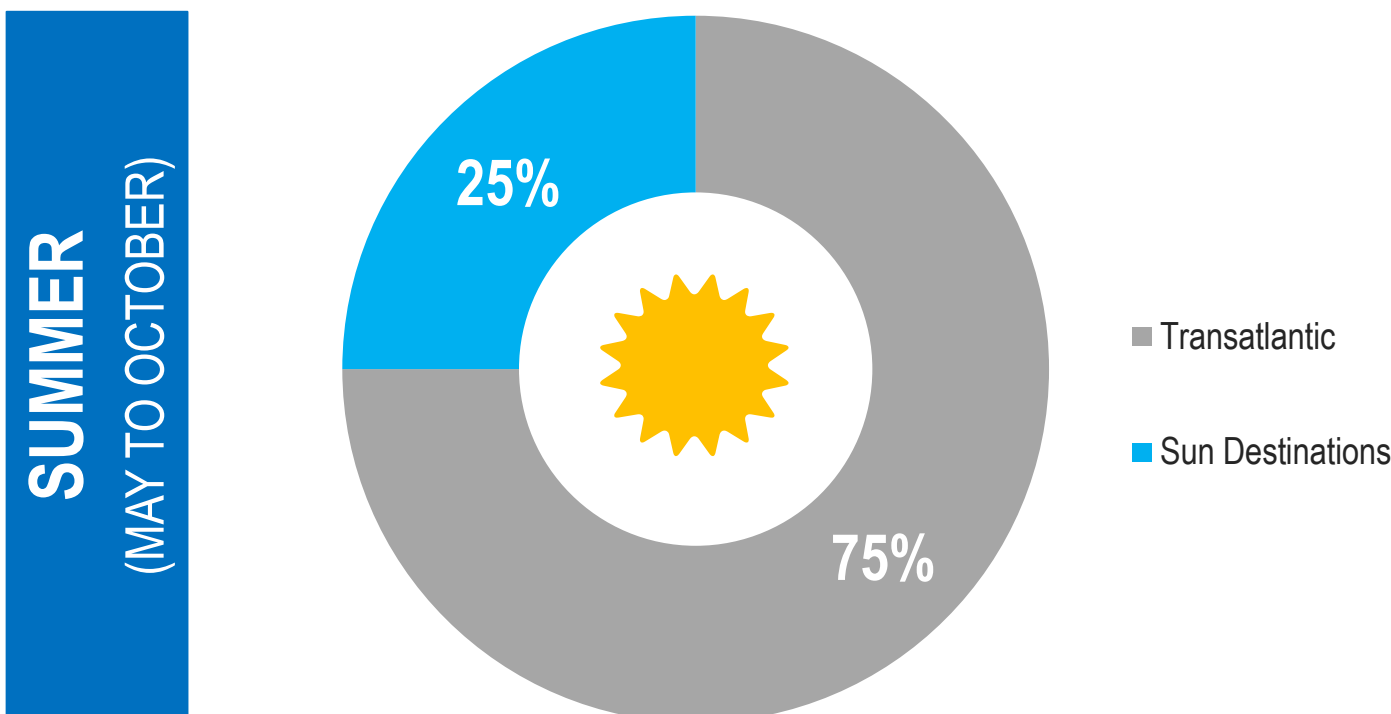
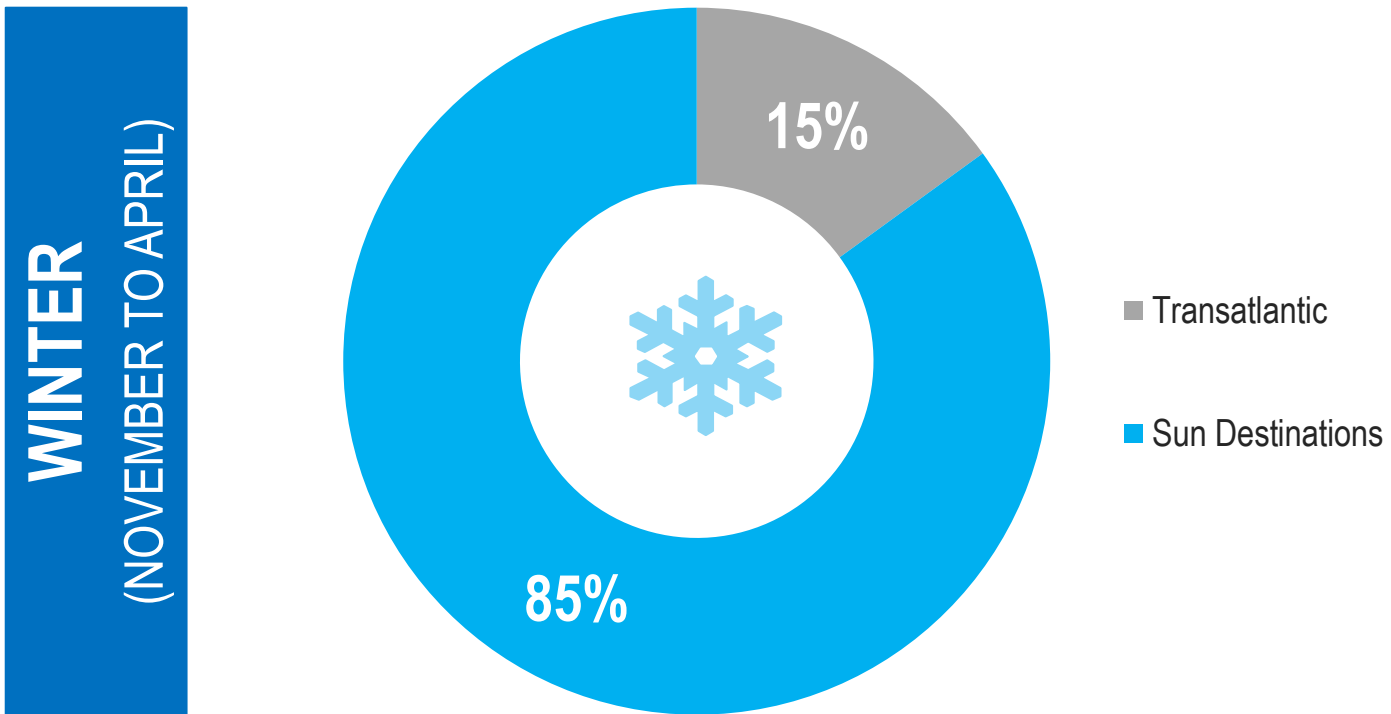
⁽¹⁾ Reached 3 times in the last 5 years, Refer to Non-IFRS Financial Measures in the Appendix

TRANSAT VALUE CHAIN

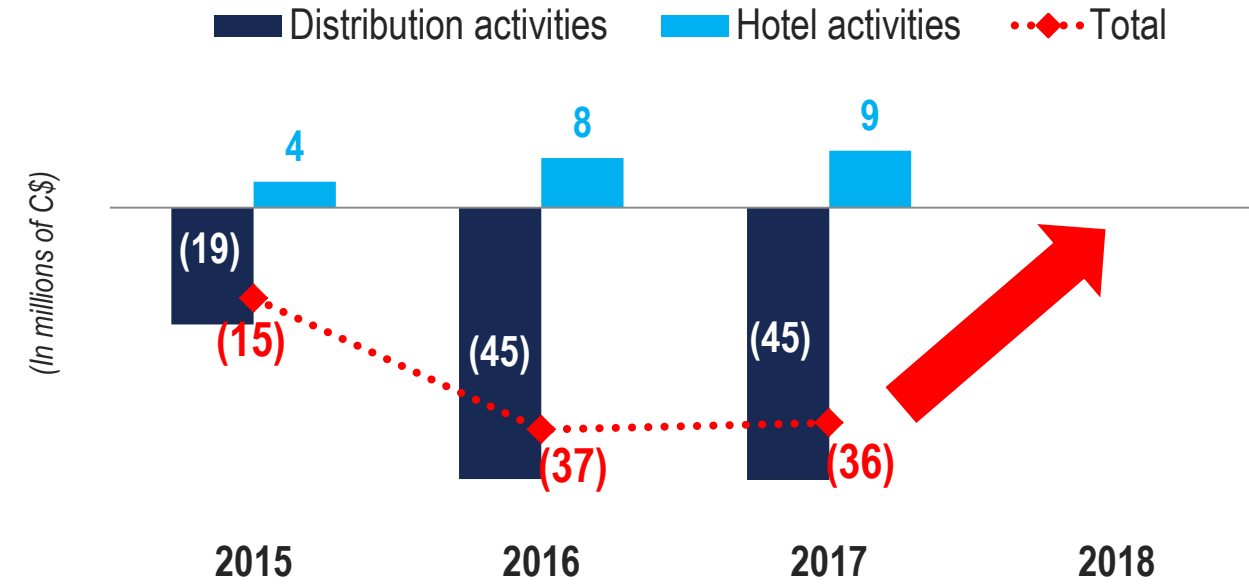


Distinct Summer and Winter Markets

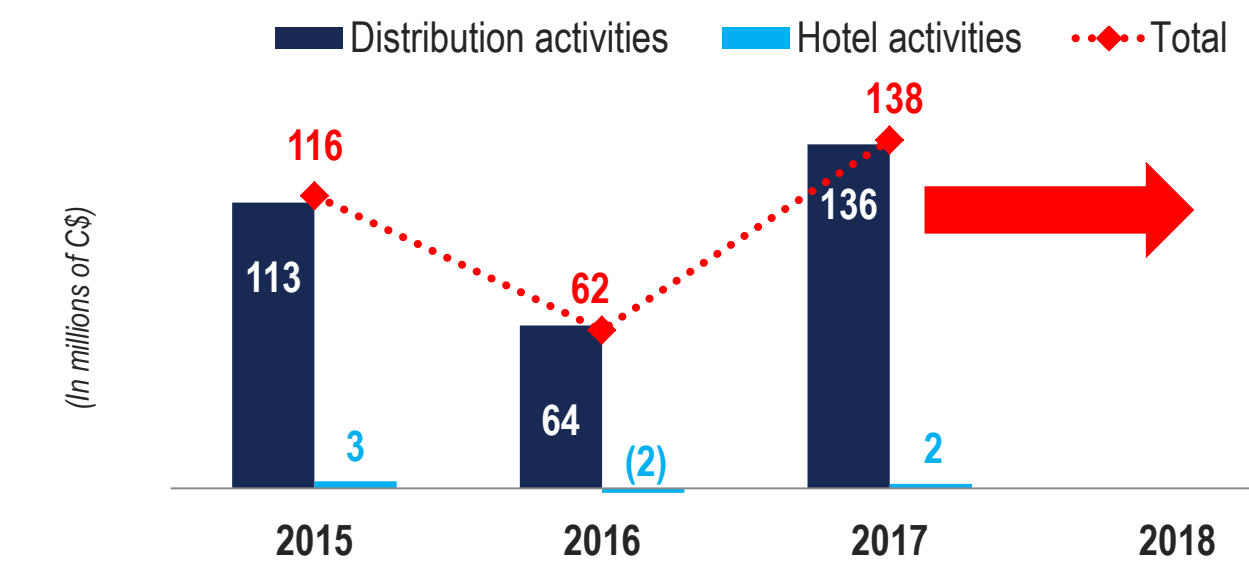
PAX DISTRIBUTION



HISTORICAL EBITDA ⁽¹⁾



Focus on Returning to Profitability in Winter



Protect Performance in Summer

⁽¹⁾ Adjusted EBITDA from continuing operations only and distribution activities included distributors, airline and destination management company

Transat Global Strategy



1

Significant Progress Made Towards Goal of Becoming a Sustainable Profitable Vertically-Integrated Leisure Travel Producer

2

A Number of Transformational Changes Made to Unlock Significant Value of Unrecognized Assets in the past 3 years

3

Strongest Balance Sheet in The History of Transat Providing Financial Capacity to Execute on Hotel Strategy

4

Long-term Strategic Expansion Plan Driving Profitability to Another Level (Hotel Chain Development)

5

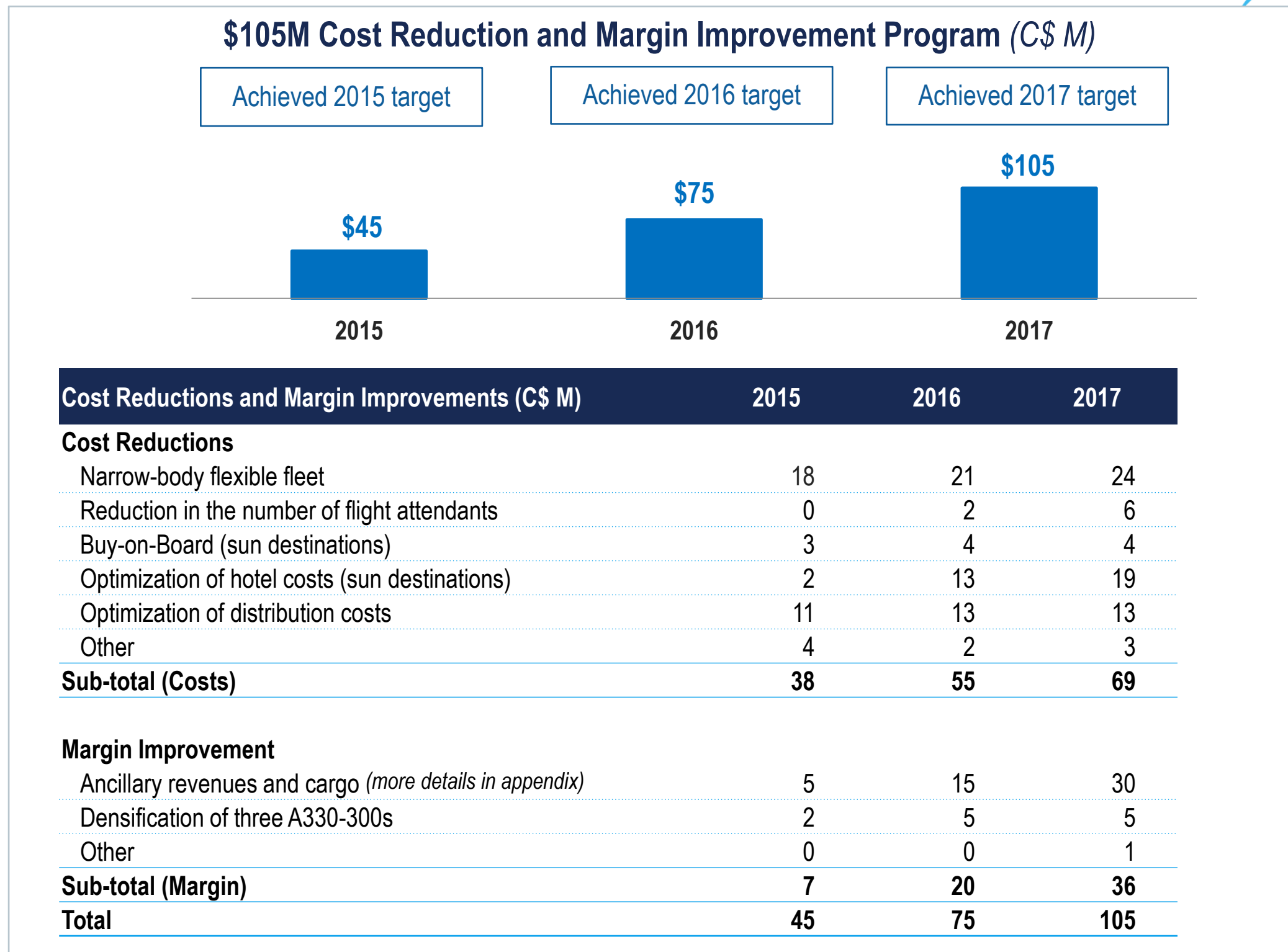
Data and Digital are Fuel for Transat's Future Growth by Offering a Customer-based Approach



2015-2017 Strategic Plan



- ✓ **\$105M Cost Reduction and Margin Improvement Program Achieved over 3-year**
- ✓ **Improved Product Offering**
 - Introduced new European destinations
 - Optimized sun destination offering
 - Enhanced incoming tour operator presence in sun destinations
- ✓ **Transformed Distribution Strategy**
 - Developed Transat Travel brand
 - Improved new distribution website
- ✓ **Fleet Renewal and Efficiency (First phase)**
 - Agreement signed on the replacement of A310 by 321 neo LR gradually with its superior cost efficiency starting 2019
 - Agreement signed on the replacement of seasonal narrow-body aircraft starting 2019 with Thomas Cook to achieve a full Airbus fleet with same cockpit
- ✓ **Market Refocusing and Development**
 - Sold our activities in France and Greece
 - Sold our interest in Ocean and build our hotel investment from the ground up starting 2018
 - Sold our incoming tour operator in Canada (Jonview Canada)

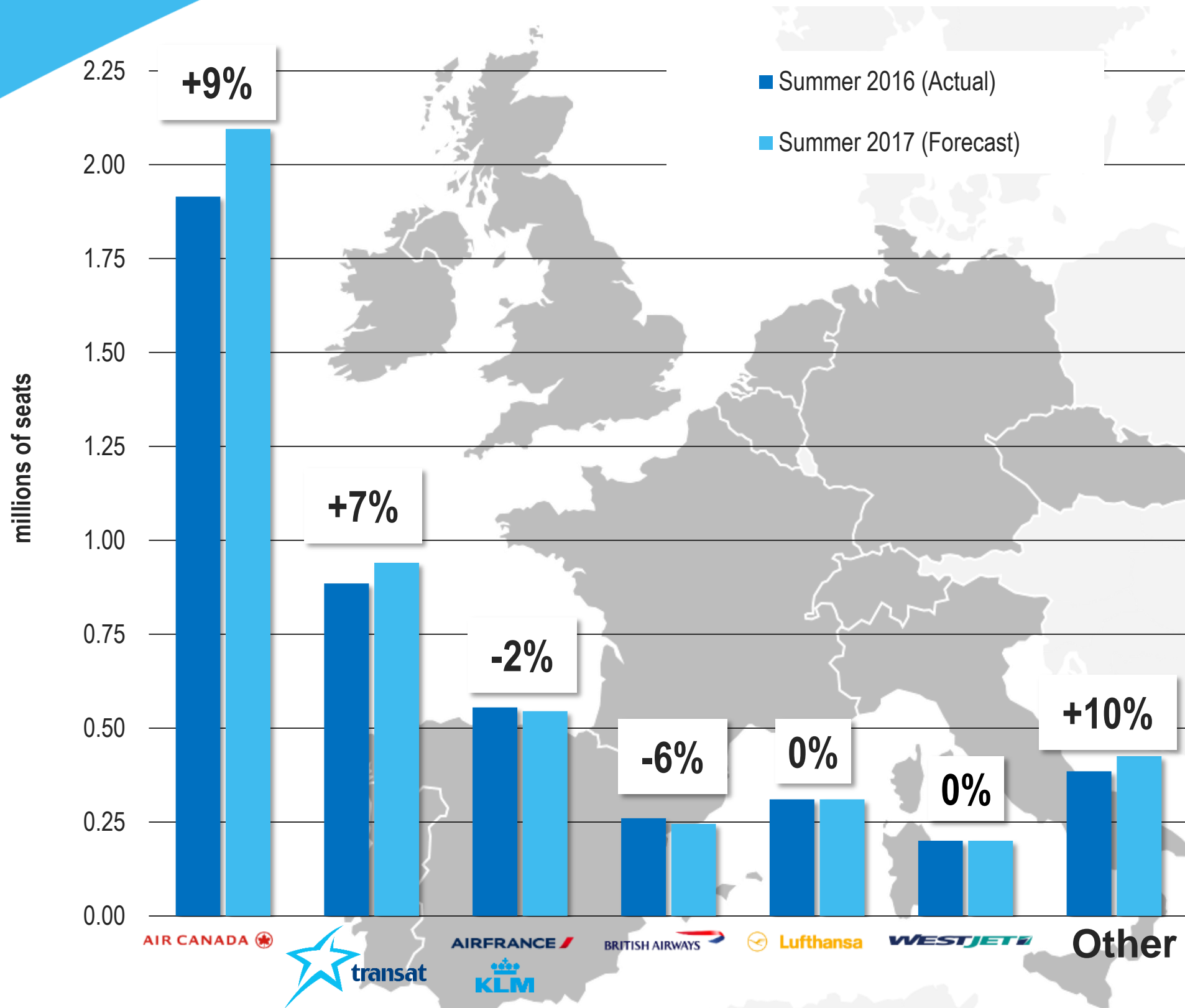




Section 2: Financial Performance and Outlook

		PAGE
SECTION 1	Introduction	4
SECTION 2	Financial Performance and Outlook	9
SECTION 3	Financial Profile	16
SECTION 4	Transat Global Strategy	18
APPENDIX		24

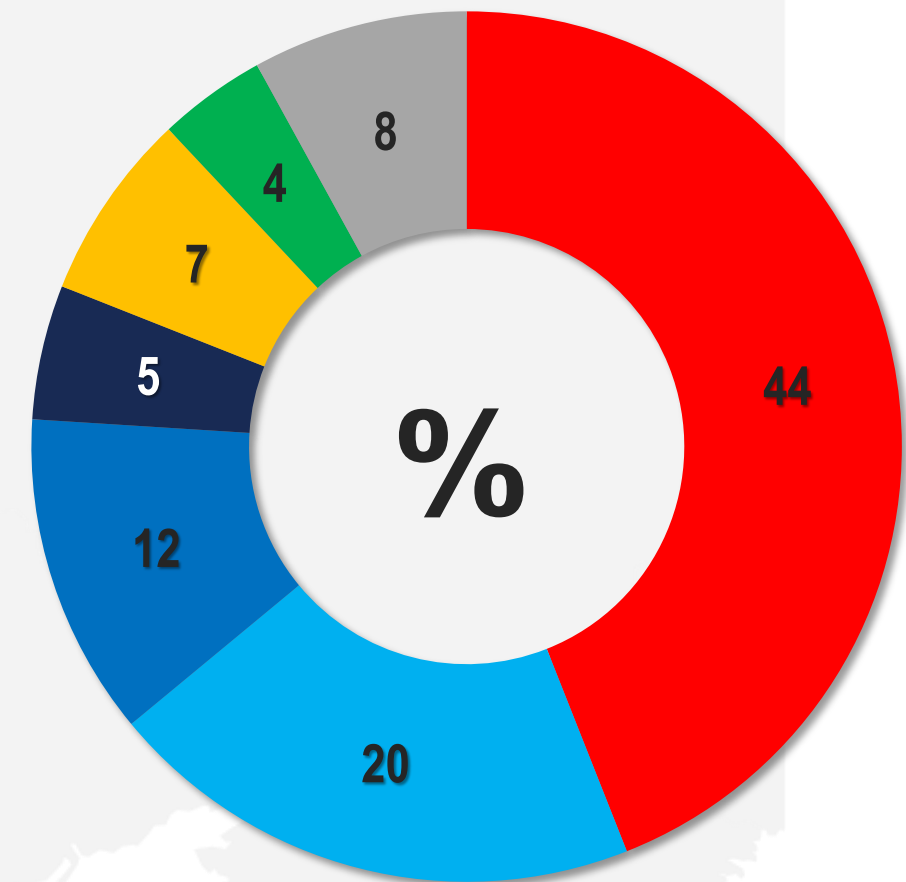
Transatlantic Capacity Breakdown | Summer 2017 ⁽¹⁾



TOTAL SEATS IN THE MARKET
SUMMER 2016
4,510,000

TOTAL SEATS IN THE MARKET
SUMMER 2017
4,760,000

+6%



- Air Canada
- Transat
- Air France - KLM
- British Airways
- Lufthansa
- WestJet
- Other

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



Fourth Quarter Financial Performance

HIGHLIGHTS (vs. 2016)

- **Transatlantic industry capacity up by 5%** (see Appendix)
- **Transatlantic Market (488k seats)**
 - ✓ Capacity increased by 8.5%
 - ✓ Load factor up by 0.1%
 - ✓ Price up by 4.0%
 - ✓ Better utilization of our wide-bodies
- **Sun Destination Market (102k seats)**
 - ✓ Capacity decreased by 3.8% due to hurricane Irma and Maria that led to rescue flights in Cuba and Dominican Republic
 - ✓ Load factor up by 1.0%
 - ✓ Price up by 7.2%
- **Hotels investment**
 - ✓ Share of net income at C\$0.1M compared to (C\$4.3M) previous year due to a better profitability in 2017 and no unfavorable FX impact
- **One of the best quarter results in the history of Transat**

(in thousands of C\$)

	4 th quarter results ended October 31			
	2017	2016 ⁽²⁾	2017 vs. 2016	
			\$	%
REVENUES	698,551	612,111	86,440	14.1%
Adjusted EBITDAR ⁽¹⁾	104,826	79,340	25,486	32.1%
Adjusted EBITDA ⁽¹⁾	78,541	46,497	32,044	68.9%
<i>As % of revenues</i>	11.2%	7.6%	3.6%	48.0%
Adjusted net income (loss) ⁽¹⁾	46,382	24,183	22,199	91.8%
<i>As % of revenues</i>	6.6%	4.0%	2.7%	68.1%
<i>Per share</i>	\$1.24	\$0.66	\$0.58	90.9%
Net income (loss) attributable to shareholders	148,147	(20,497)	168,644	822.8%

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

(2) Results related to continuing operations



Summer Financial Performance



HIGHLIGHTS (vs. 2016)

➤ **Adjusted EBITDA stands at C\$138M (9.6%) vs C\$63M (4.9%) for an increase of 120% due to :**

✓ **Transatlantic Market (957k seats)**

- ✓ Capacity increased by 7.9%
- ✓ Load factor up by 0.7%
- ✓ Price up by 3.7%

✓ **Sun Destination Market (248k seats)**

- ✓ Capacity flat due to hurricane Irma and Maria that led to rescue flights
- ✓ Load factor up by 0.9%
- ✓ Price up by 7.4%

➤ **Adjusted net income stands at C\$73M (5.1%) vs C\$27M (2.1%) for an increase of 174%**

	Q3	Q4	Summer
Adj. EBITDA 2016 ⁽¹⁾	16M	47M	63M
Δ FX / Fuel on costs on transatlantic flight	1M	11M	12M
Adj. EBITDA incl. FX / Fuel impact ⁽¹⁾	17M	58M	75M
Transatlantic Yield Management ⁽²⁾	28M	19M	47M
Others (Sun Destinations, Hotel JV, STIP, Rescue flights,...)	14M	2M	16M
Adj. EBITDA 2017 ⁽¹⁾	59M	79M	138M

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

⁽²⁾ Price, Load Factor and Volume Impact on Operating Margin





Annual Financial Performance

HIGHLIGHTS

➤ Historical (2013-2017)

- Reached C\$100M of adjusted EBITDA 3 times in the last 5 years
- 4 record summers in last 5 years despite capacity increases

➤ Vision for coming years

- **Sun destinations:** Transformation plan underway to reduce seasonality of earnings
- **Transatlantic:** Our strong airline brand and enhanced customer experience will allow us to go through the peak capacity period
- Sound balance sheet and our on-going cost-and-margin initiatives program give us tool to be competitive

(in millions of C\$, except per share amounts)

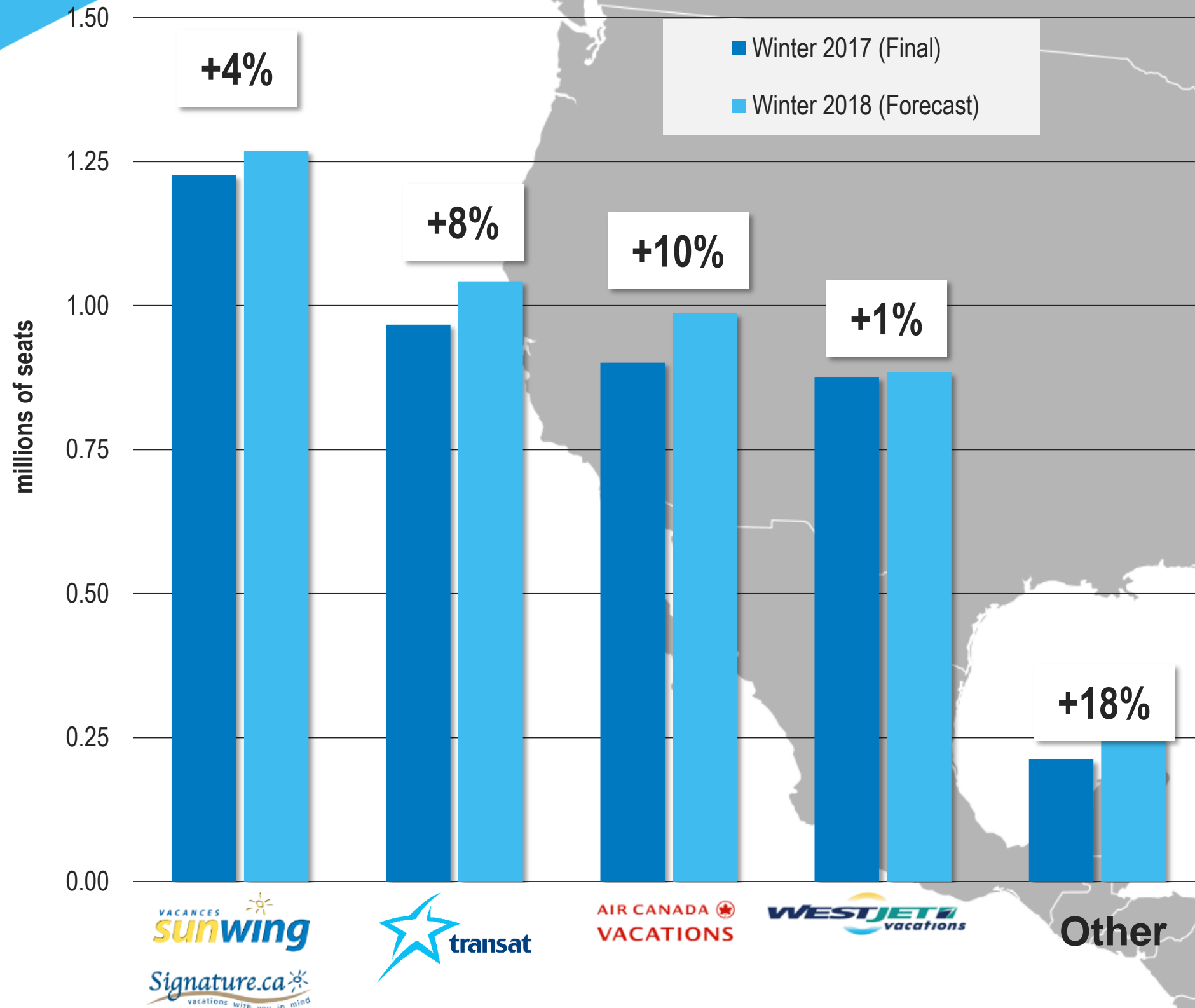
	12-month period ended October 31 ⁽¹⁾				
	2017	2016	2015	2014	2013
REVENUES	3,005.3	2,889.6	2,898.0	2,996.1	2,969.6
Adjusted EBITDAR ⁽²⁾	223.0	161.6	199.5	168.5	190.6
Adjusted EBITDA ⁽²⁾	102.0	25.8	100.6	81.3	109.3
<i>As % of revenues</i>	3.4%	0.9%	3.5%	2.7%	3.7%
Adjusted net income (loss) ⁽²⁾	29.1	(15.5)	45.9	37.1	60.7
<i>As % of revenues</i>	1.0%	(0.5%)	1.6%	1.2%	2.0%
<i>Per share</i>	\$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

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

Sun Destinations Capacity Breakdown | Winter 2017-18 ⁽¹⁾

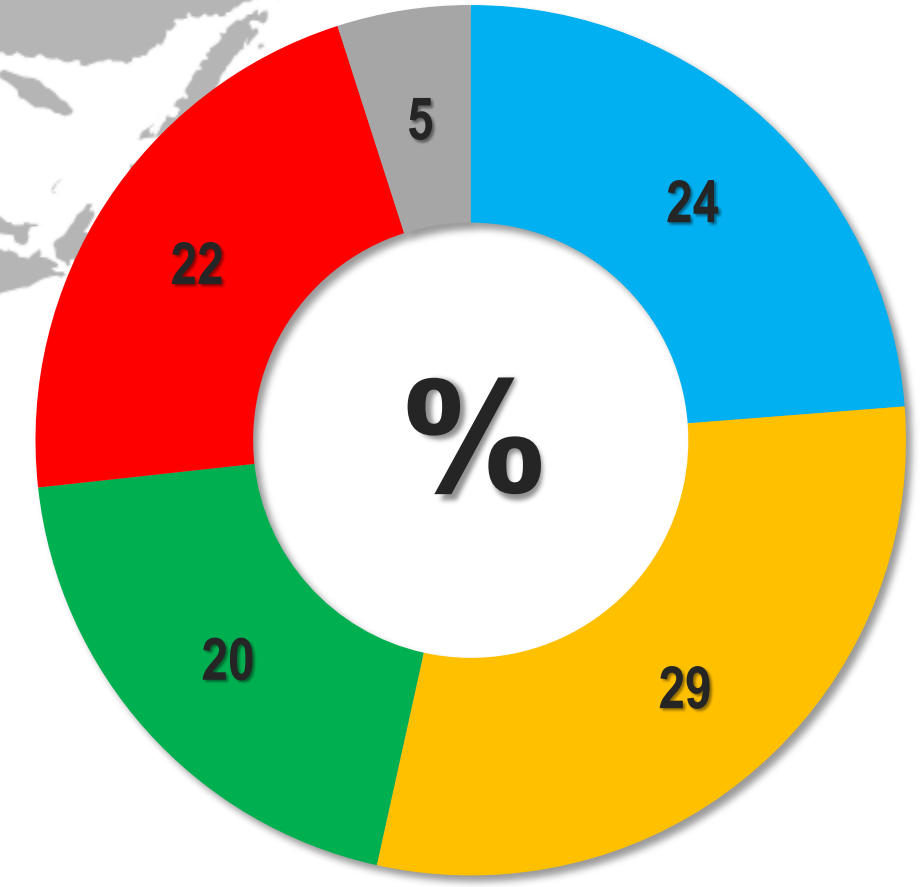
(Based on scheduled and chartered flight deployed)



TOTAL SEATS IN THE MARKET
WINTER 2017
4,180,000

TOTAL SEATS IN THE MARKET
WINTER 2018
4,430,000

+6%



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

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





Winter Financial Outlook

HIGHLIGHTS (vs. 2017)

- **Sun Destination industry capacity up by 6%**
- **Sun Destination Market (1,04M seats)**
 - ✓ Transat capacity up by 8%
 - ✓ 50% of inventory sold (same as previous year)
 - ✓ Positive net impact (FX+Fuel) on costs of 2.1% for the first time in the last 4 winters
 - ✓ Closely monitoring recent surge in refined products (fuel) and the volatility in Canadian dollar against U.S. dollar
 - ✓ Margin up by 2.0%
- **Transatlantic Market (220k seats)**
 - ✓ Low leisure season
 - ✓ Capacity up by 20%
 - ✓ 47% of inventory sold
 - ✓ Load factor down by 2.0%
 - ✓ Margin down by 1.6%
- **If these trends continue, Transat expects to achieve better results than in the 2017 winter season**

	Q1	Q2	Winter
Adj. EBITDA 2017 ⁽¹⁾	(37M)	1M	(36M)
Activities and/or investments sold during the year ⁽²⁾	(1M)	(4M)	(5M)
Δ FX / Fuel on costs on sun destinations packages	15M	20M	35M
Adj. EBITDA incl. FX / Fuel impact and excl. activities/investments sold during the year ⁽¹⁾	(23M)	17M	(6M)
Sun destinations Yield Management ⁽³⁾ Others (Transatlantic, other subs, ...)			
Adj. EBITDA 2018 ⁽¹⁾			

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

(2) Net of adjusted EBITDA of Jonview Canada and minority interest in Ocean Hotels

(3) Price, Load Factor and Volume Impact on Operating Margin





Section 3: Financial Profile

		PAGE
SECTION 1	Introduction	4
SECTION 2	Financial Performance and Outlook	9
SECTION 3	Financial Profile	16
SECTION 4	Transat Global Strategy	18
APPENDIX		24

Current Financial Position

HIGHLIGHTS

➤ Free Cash: C\$594M vs. C\$364M (2016)

- ✓ Variation of +C\$230M attributable to :
 - Cash flow from operations of C\$ 86M
 - Net proceeds from the sale of Ocean Hotels of +C\$ 188M
 - Change in net working capital of +C\$ 72M (\$33M less cash in trust + C\$25M more customer deposits + C\$22M of income taxes recovered + C\$ 8M of income taxes to be paid in beginning of 2018 offset by more receivables, prepaid and deposits)
 - Offset by few items (see on right chart)

➤ Excess cash available

- ✓ Mid-December 2017: Expected to have ~C\$450M of excess cash available including the proceeds from the sale of Jonview Canada (C\$44M) over C\$150M (cash reserve for unforeseen events) to be deployed towards our hotel business development plan

➤ Capital expenditures

- ✓ FY2018E : ~\$60M net of deferred lease inducements

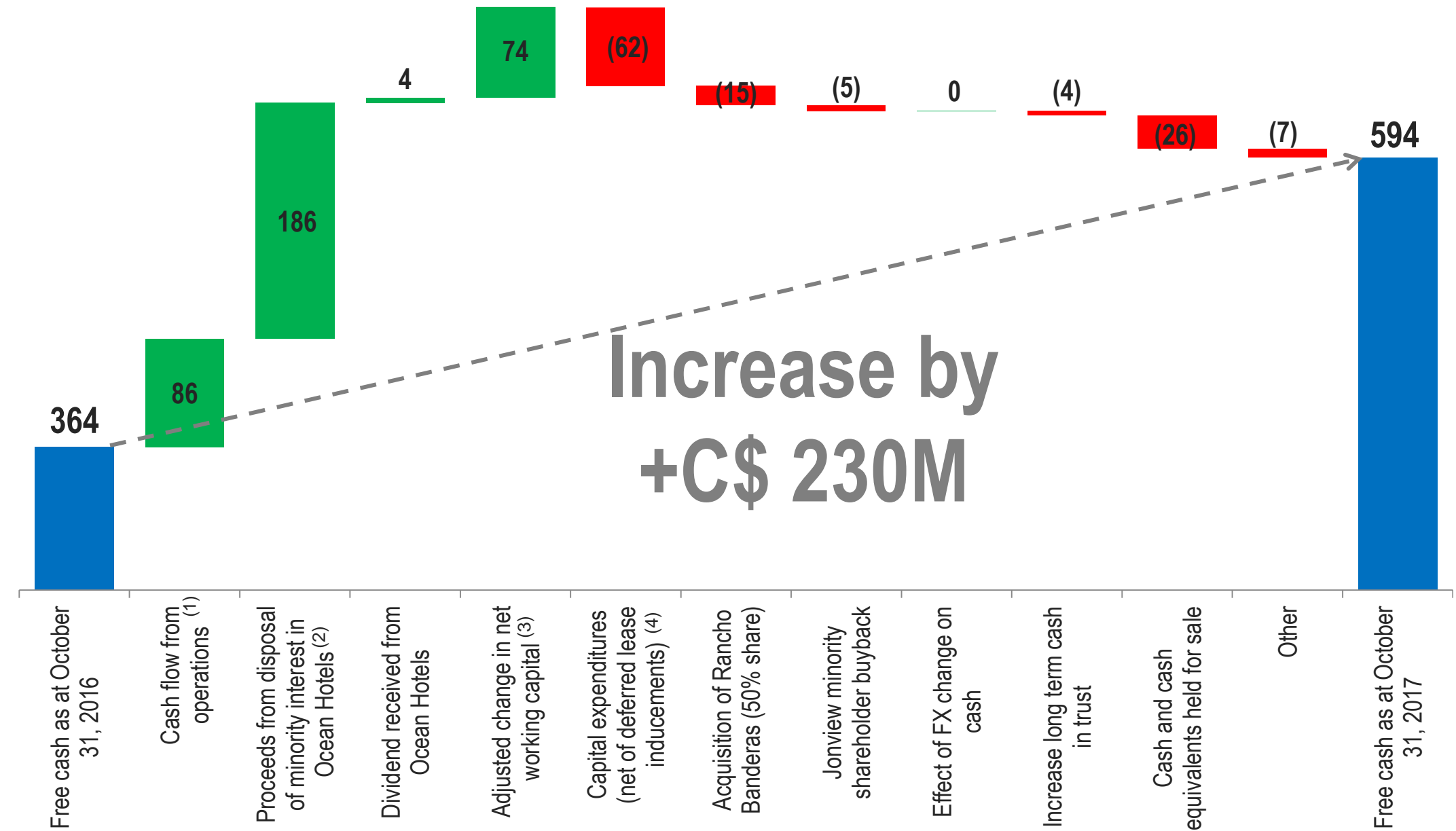
➤ Hotels investment asset : C\$15M

- ✓ Variation vs Y-1 attributable to :
 - Ocean: 35% minority interest sold
 - Acquisition of 50% participation in Rancho Banderas in Puerto Vallarta for a total contribution of C\$15M

➤ Off-balance sheet arrangements: C\$1,745M vs. C\$710M

- ✓ Variation vs Y-1 attributable to :
 - Agreement signed for the lease of 10 A321neo LR that will be introduced gradually from spring 2019 and 4 A330 and extension of few A330 in our current fleet with better terms

CASH AND CASH EQUIVALENTS



(1) Adjusted net income excluding share of hotel JV plus depreciation and amortization
 (2) Proceeds of disposal of minority interest in Ocean Hotels for US\$150.5M (C\$187.5M)
 (3) Change in net working capital adjusted of change in deferred lease inducements of (\$7M)
 (4) Net of change in deferred lease inducements of +\$7M



Section 4: Transat Global Strategy

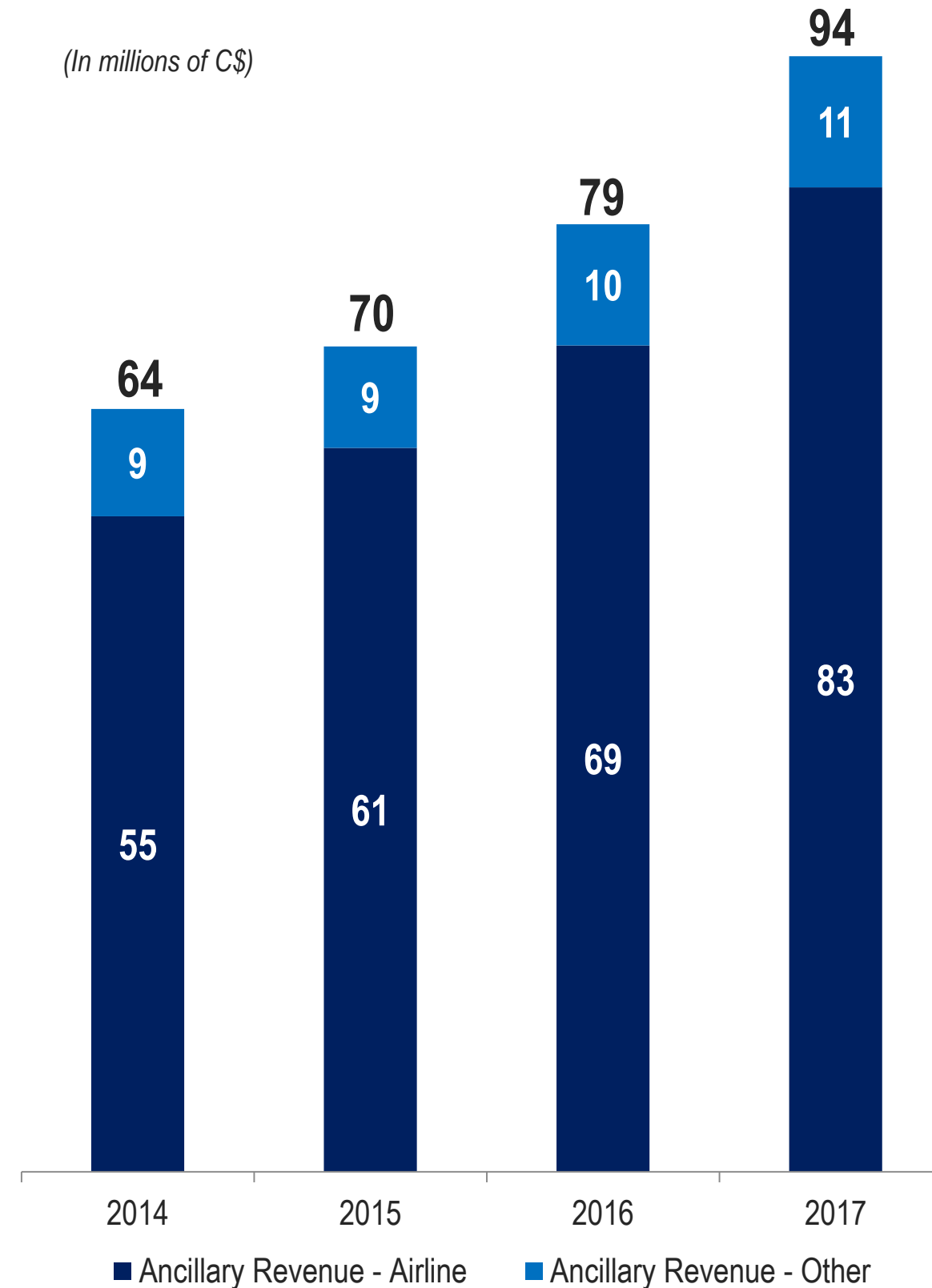
		PAGE
SECTION 1	Introduction	4
SECTION 2	Financial Performance and Outlook	9
SECTION 3	Financial Profile	16
SECTION 4	Transat Global Strategy	18
APPENDIX		24

Ancillary Revenues



TOTAL ANCILLARY REVENUES

(In millions of C\$)



HIGHLIGHTS

- ▲ FY2017: Increase total ancillary revenues up to ~ C\$ 94M
 - Increase of 46% over 3-year period)
- ▲ Target 2018: Increase up to ~C\$100M
- ▲ 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.
- ▲ First year when Datalex software is used in all markets



Aircraft Fleet Renewal



A330/A310



A321neo LR

LONG-HAUL

	2017		2018		2019		2020		2021	
A330	14	16	18	20	20	20	20	20	20	20
A310	9	9	6	6	5	4	3	1	-	-
A321neo LR	-	-	-	-	-	2	5	8	10	10
TOTAL BASE FLEET	23	25	24	26	25	26	28	29	30	30
Seasonally withdrawn ⁽¹⁾	(8)	-	(8)	-	(9)	-	(9)	-	(9)	-
Sublease to other airline	(3)	-	(2)	-	(4)	-	(2)	-	(2)	-
TOTAL FLEET IN OPERATION ⁽²⁾	12	25	14	26	12	26	17	29	19	30

⁽¹⁾As a result to improved leasing terms, Transat has the flexibility on few A330s to be withdrawn from the fleet in winter with no fixed costs or reduced leases costs. In addition, Transat has flexibility also on the A310s it owns (less utilization overtime). Introduction of new A330 in Summer and Fall 2017 with no fixed costs during winter season



B737-700/800



A320-321ceo

MEDIUM-HAUL

	2017		2018		2019		2020		2021	
B737-800	7	7	6	5	5	5	5	5	5	5
A321 CEO	-	-	-	-	2	3	3	3	3	3
TOTAL BASE FLEET	7	7	6	5	7	8	8	8	8	8
+ Seasonal Lease – B737-700/800	13	-	16	-	11	-	-	-	-	-
+ Seasonal Lease – A320-321ceo	-	-	1	2	10	-	16	-	16	-
+ Seasonal Lease – Other Canadian carriers	1	1	1	1	1	1	1	1	1	1
TOTAL FLEET IN OPERATION ⁽²⁾	21	8	24	8	29	9	25	9	25	9

⁽²⁾ Aircraft that we flew or in backup

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	(8M)	15M	7M	9M	2M	11M	(5M)	14M	9M
Adjusted net income (loss)	(7M)	7M	0M	9M	2M	11M	(4M)	11M	7M

CONSOLIDATED STATEMENTS OF INCOME IMPACT

Selling price			93M			188M			44M
Transaction costs			(7M)			(2M)			-
Price adjustments (provision)			-			(2M)			-
Cash and cash equivalents disposed of			(23M)			-			-
Net assets disposed of (excluding cash and cash equivalents)			(13M)			(97M)			-
Gain on disposal			50M			87M			-
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

Hotels Development



CURRENT OCEAN JV ASSETS (SOLD)

- Sale of our 35% interest to H10 completed on October 4th.
- **Transat remains fully committed** to becoming a full-fledged hotel operator by developing our own hotel chain in the South by using these proceeds and Transat excess cash
- Sale proceeds of US\$ 149.0M (C\$ 185.6M) equivalent to an implied EV/EBITDA multiple of 11.6x
- Book value of C\$ 97.3M as at October 4th
- Gain on disposal of C\$ 102.1M ⁽¹⁾, net of transaction fees
- Enterprise value established at ~US\$425-450M for :
 - ✓ 3 owned hotel including time share business for a total of 1,618 rooms
 - ✓ 4 hotels management contract for a total of 2,007 rooms
 - ✓ 2 plots in Dominican Republic and Jamaica at historical costs

NEW JV ASSET (OUTSIDE OCEAN JV)

Mexico (Puerto Vallarta)



RANCHO BANDERAS
ALL SUITE RESORT
PUNTA DE MITA

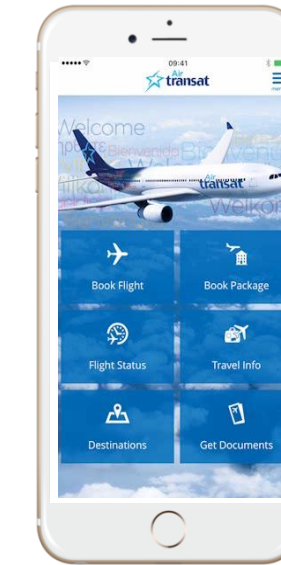
- 50% Interest (50% held by Gesmex, owner of Marival group) into an hotel in Puerto Vallarta that operates under the name of Rancho Banderas All Suites Resort
- Cash consideration paid was US\$12M (C\$15.3M)
- As of now, the hotel operates 49 rooms and will grow to 263 rooms by 2019 financed through local debt with no significant additional capital increase from Transat
- Hotel will be managed by our partner Marival group which also owns a 30% interest in our incoming tour operator in the South, Trafictours
- This transaction constitutes an additional step for Transat in the hotel sector

HOTEL DEVELOPMENT PLAN

- **Hiring an experienced President to manage the hotel business in progress**
- **Vision:** Development plan through a combination of acquisition of existing hotels, new builds and management contract to achieve a manageable size (**±5,000 rooms**) by the end of 2024 for ~US\$750M which can be financed up to 50%
- We will of course aim to locate them in our most popular destinations in the South
- To be initially financed through a combination of Transat excess cash, cash flow generated and local senior debt loan in Mexico and Caribbean at good terms and conditions (appetite from local banks never been so high since 2007)

Data and Digital Strategy

- ✓ Data can bring an effective growth
- ✓ Airlines already have access to significant amounts of data
- ✓ Users engage across different types of platform (largest travel agency network in Canada, websites, mobile, partnership agreements) or loyalty programs (Air Miles)
- ✓ Continuously improving our website platform to enhance our customers online experience and increase our direct sales (*growth and better margin*)



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. OPTIMIZE OUR DIGITAL MARKETING STRATEGY

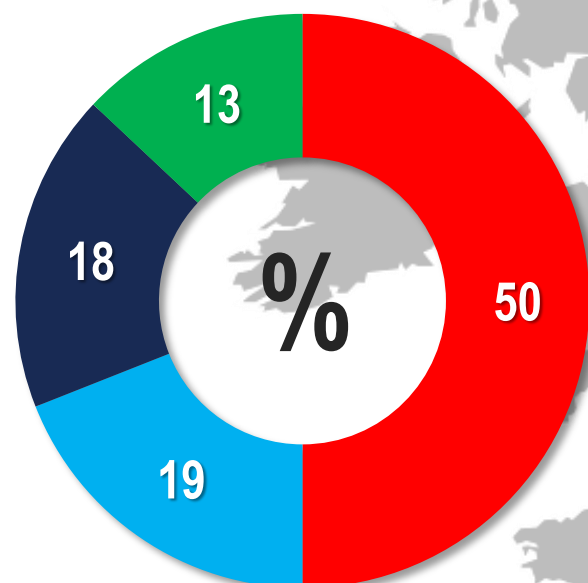
Appendix



		PAGE
SECTION 1	Introduction	4
SECTION 2	Financial Performance and Outlook	9
SECTION 3	Financial Profile	16
SECTION 4	Transat Global Strategy	18
APPENDIX		24

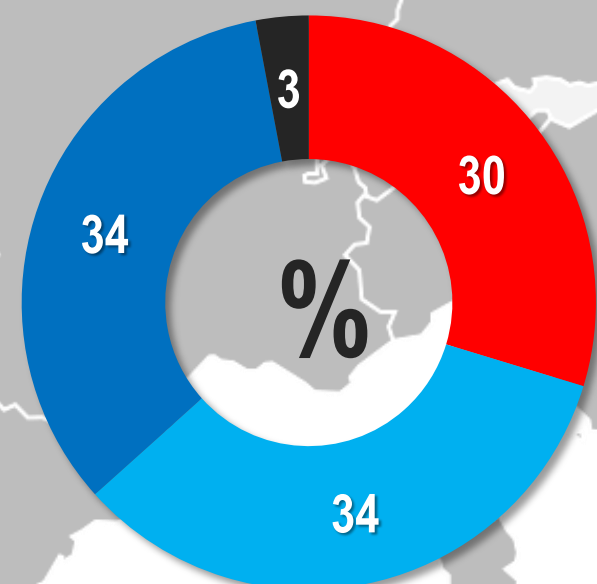
Transatlantic Capacity Breakdown by Destinations | Summer 2017

Capacity Breakdown
United Kingdom



■ Air Canada ■ Transat
■ British Airways ■ WestJet

Capacity Breakdown
France



■ Air Canada ■ Transat
■ Air France - KLM ■ Corsair

GLOBAL MARKET OVERVIEW

- Europe: largest tourism market in the world
- 4.75M seats in summer 2017 between Canada and Europe

TRANSAT STRATEGY AND MARKET POSITION

- Lowest-cost producer
- Wide portfolio of direct flights (27 destinations including Tel-Aviv as new destination)
- Strong airline brand and enhanced customer experience
- Solid distribution networks on both sides of the Atlantic
- 40% of European passengers = sales in foreign currency
- Attractive offering of packages including accommodations, transfers, cruises, tours, rental cars and excursions

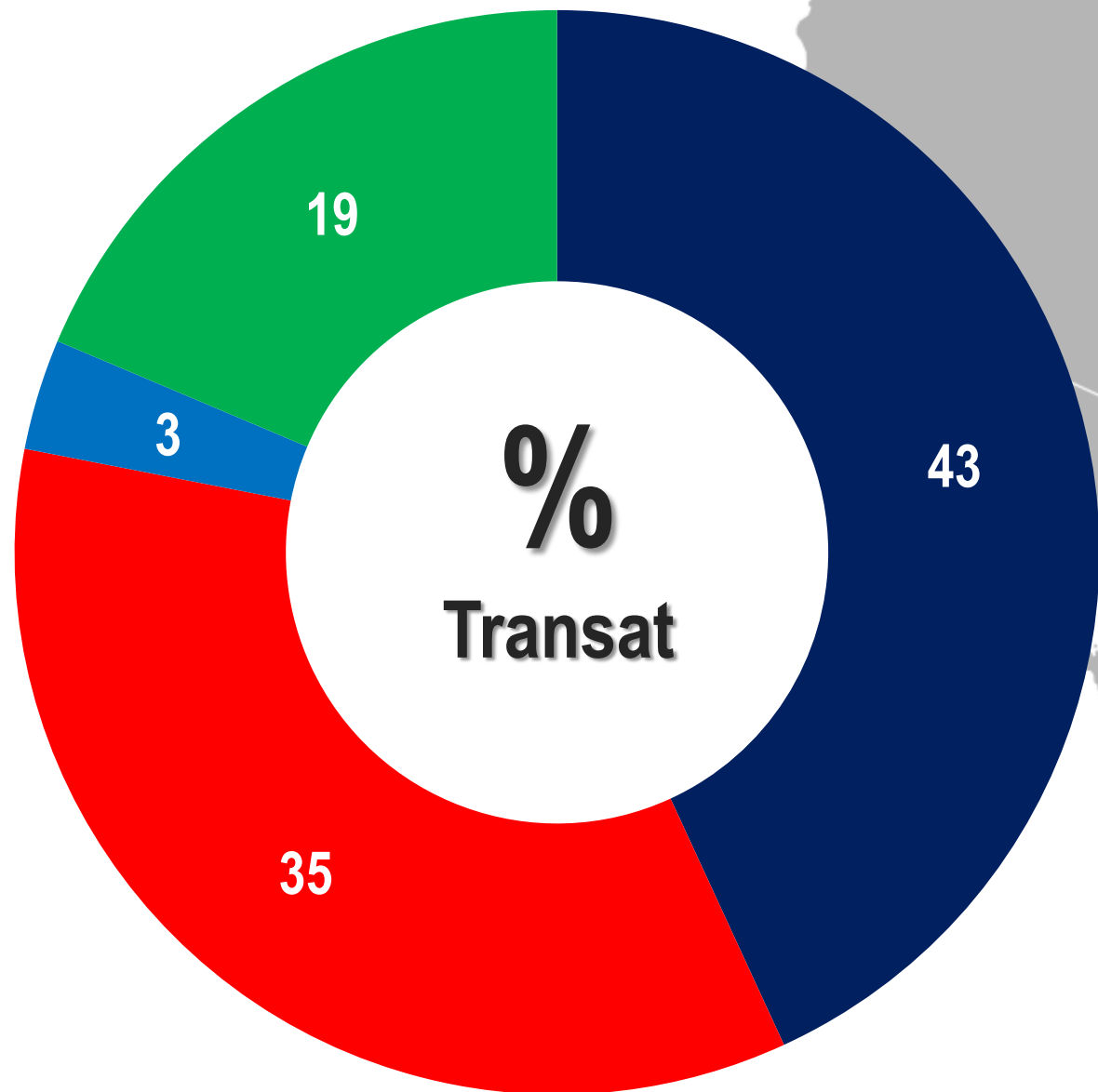
Sun Destinations Capacity Breakdown by Destinations and Origins



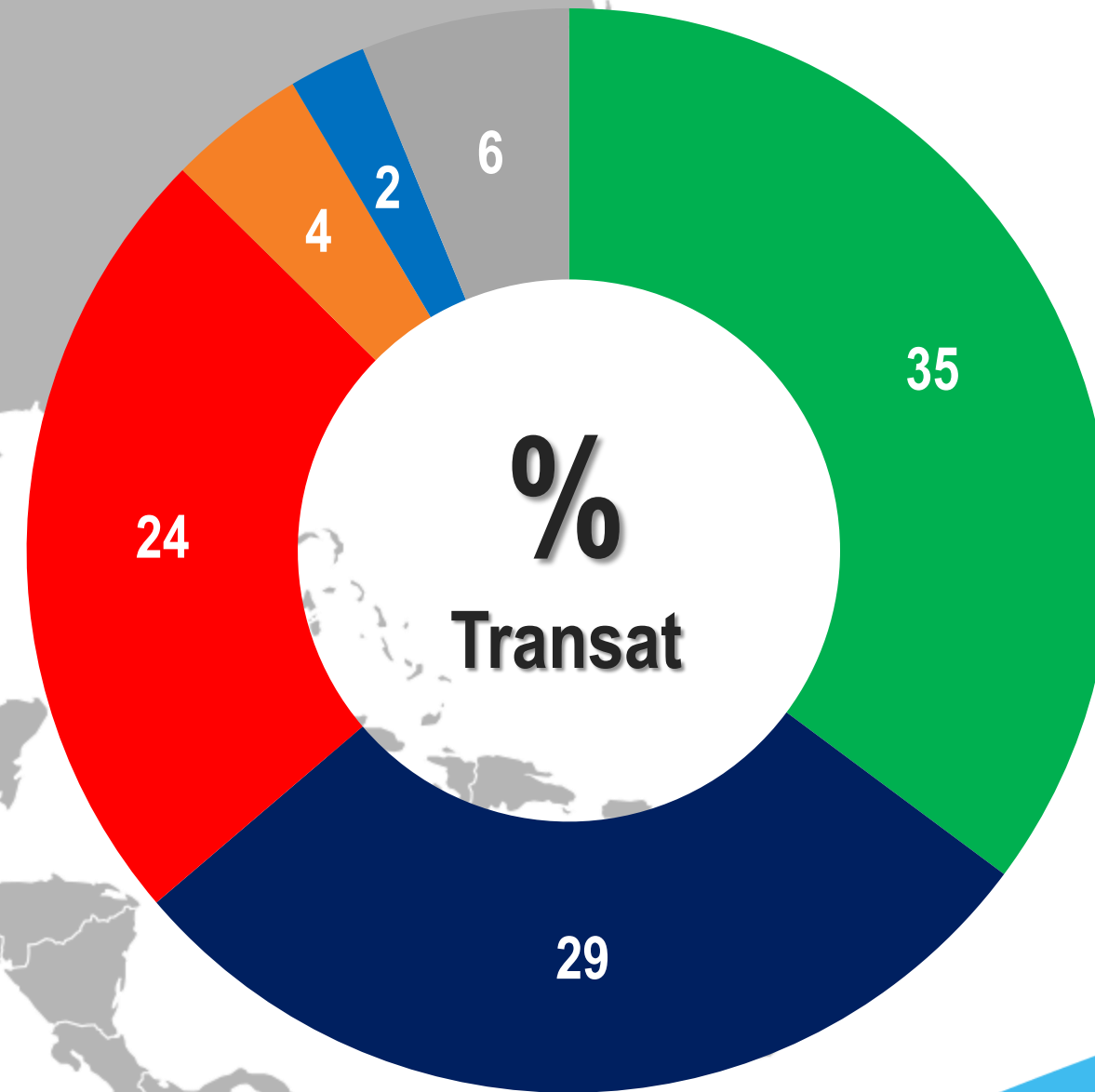
Winter 2017-18 : 1,040,000 Seats
(Excluding USA)



ORIGINS



DESTINATIONS



■ Quebec

■ Ontario

■ Atlantic

■ Western

■ Mexico

■ Dominican Republic

■ Cuba

■ Jamaica

■ Caribbean

■ C&S America



5-Year Historical Winter Financial Results

(Results from continuing operations)



	6-month period ended on April 30				
	2017	2016	2015	2014	2013
<i>(in thousands of C\$, except per share amounts)</i>					
REVENUES	1,573,642	1,613,944	1,559,102	1,675,704	1,648,540
Adjusted EBITDAR ⁽¹⁾	37,893	34,339	32,856	17,561	29,206
Adjusted EBITDA ⁽¹⁾	(35,571)	(36,685)	(14,995)	(21,462)	(11,769)
<i>As % of revenues</i>	<i>(2.3%)</i>	<i>(2.3%)</i>	<i>(1.0%)</i>	<i>(1.3%)</i>	<i>(0.7%)</i>
Adjusted net income (loss)⁽¹⁾	(44,139)	(42,246)	(25,620)	(27,543)	(19,279)
<i>As % of revenues</i>	<i>(2.8%)</i>	<i>(2.6%)</i>	<i>(1.6%)</i>	<i>(1.6%)</i>	<i>(1.2%)</i>
<i>Per share</i>	<i>(\$1.20)</i>	<i>(\$1.14)</i>	<i>(\$0.66)</i>	<i>(\$0.71)</i>	<i>(\$0.50)</i>
Net income (loss) attributable to shareholders	(40,427)	(78,726)	(27,173)	(30,259)	(33,692)

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

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
<i>As % of revenues</i>	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
<i>As % of revenues</i>	5.1%	2.1%	5.3%	4.9%	6.1%
<i>Per share</i>	\$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 Winter Financial Position



(in thousands of C\$)

	As at January 31					As at April 30				
	2017	2016 ⁽¹⁾	2015	2014	2013	2017	2016 ⁽¹⁾	2015	2014	2013
Free cash	454,827	427,541	393,631	359,596	247,877	566,288	440,559	441,536	404,554	336,148
Cash in trust or otherwise reserved	332,646	391,582	394,896	418,504	407,153	174,416	247,321	291,300	300,848	296,747
Trade and other payables	297,682	463,298	402,516	421,172	351,866	287,316	314,683	380,712	373,840	372,094
Customer deposits	597,745	609,393	636,303	621,618	591,969	523,754	483,739	578,449	540,293	514,674
Working capital ratio	1.15	1.08	1.05	1.07	1.02	1.14	1.02	1.01	1.04	0.98
Balance sheet debt	0	0	0	0	0	0	0	0	0	0
Obligations under operating leases	703,121	672,066	684,551	633,475	504,374	742,667	713,606	624,156	626,816	480,199
Net hotels investment	99,133	107,317	85,322	74,579	64,011	122,866	101,909	94,532	77,510	68,300
LTM capital expenditures	74,271	60,007	68,406	54,463	62,203	79,260	51,926	62,822	63,239	61,561
LTM free cash flow ⁽²⁾	(49,655)	69,148	37,588	104,940	(42,695)	52,327	23,597	52,527	54,745	(5,778)

(1) Financial profile for continuing operations only

(2) 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				
	2017	2016 ⁽¹⁾	2015	2014	2013	2017	2016 ⁽¹⁾	2015	2014	2013
Free cash	580,739	470,065	515,552	497,072	389,337	593,582	363,664	336,423	308,887	265,818
Cash in trust or otherwise reserved	184,989	199,594	266,700	262,803	290,558	258,964	292,131	367,199	340,704	361,743
Trade and other payables	329,614	349,355	466,644	463,785	443,189	245,013	247,795	355,656	338,633	326,687
Customer deposits	509,931	440,418	527,868	485,867	456,215	433,897	409,045	489,622	424,468	410,340
Working capital ratio	1.26	1.05	1.04	1.06	1.02	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	1,383,171	693,309	624,047	562,821	658,885	1,745,221	691,841	675,385	657,639	632,804
Hotel investments	15,019 ⁽³⁾	99,216	96,453	78,026	69,281	15,888	97,668	97,897	83,949	70,041
LTM capital expenditures	69,245	65,452	61,460	58,436	62,029	69,523	70,754	59,295	64,976	55,457
Free cash flow (TTM) ⁽²⁾	50,744	(9,282)	28,829	100,580	71,220	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



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 began her professional career in the transportation industry as a Project Manager in engineering consulting, and then worked as a Senior Consultant in organizational management for the Deloitte management consulting firm.

Since 2002, Ms. Guérard has held a variety of management positions within different Transat A.T. Inc. business units, including working four years as Senior Director, Customer Service, for Air Transat. In 2006, she joined Transat Tours Canada’s team as Director, Brands, then served as its Interim Director, Marketing. A year later, she took over the leadership of Jonview Canada in Toronto. In 2009, she was appointed Vice-President, Marketing and Web Commercialization, for Transat Tours Canada. Since October 2011, Annick has acted as Vice-President, South Market, and was then appointed to the position of General Manager of Transat Tours Canada, on the 3rd of December 2012.

Ms. Guérard holds an MBA from HEC Montréal and a Bachelor’s degree in Engineering from l’école Polytechnique de Montréal.



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.



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.

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 disposal of an investment, restructuring charge, lump-sum payments related to collective agreements, 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 items mentioned previously 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, 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 items mentioned previously to ensure better comparability of financial results.

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, 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 items mentioned previously 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 Annual report by clicking on the following link: [Annual Report 2017](#)

30

AN EXCELLENT SUMMER; POSITIVE WINTER OUTLOOK

STRATEGIC PLAN BASED ON CUSTOMER FOCUS, COST EFFICIENCY AND
HOTEL DEVELOPMENT

THANK YOU!

