



2010 ANNUAL MEETING

The cover features a vertical collage of five panels on the left, identical to the one above. The right side is a solid blue background with a faint world map. At the top right is the Transat logo, a blue star with the word "transat" in white lowercase letters. Below the logo, the text "2010 ANNUAL MEETING" is written in white, bold, uppercase letters. Further down, the name "JEAN-MARC EUSTACHE" is written in white, bold, uppercase letters, followed by "PRESIDENT AND CHIEF EXECUTIVE OFFICER" in a smaller white, uppercase font.

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ANNUAL  
MEETING**

**JEAN-MARC EUSTACHE**

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

## International Arrivals and Transat Revenues



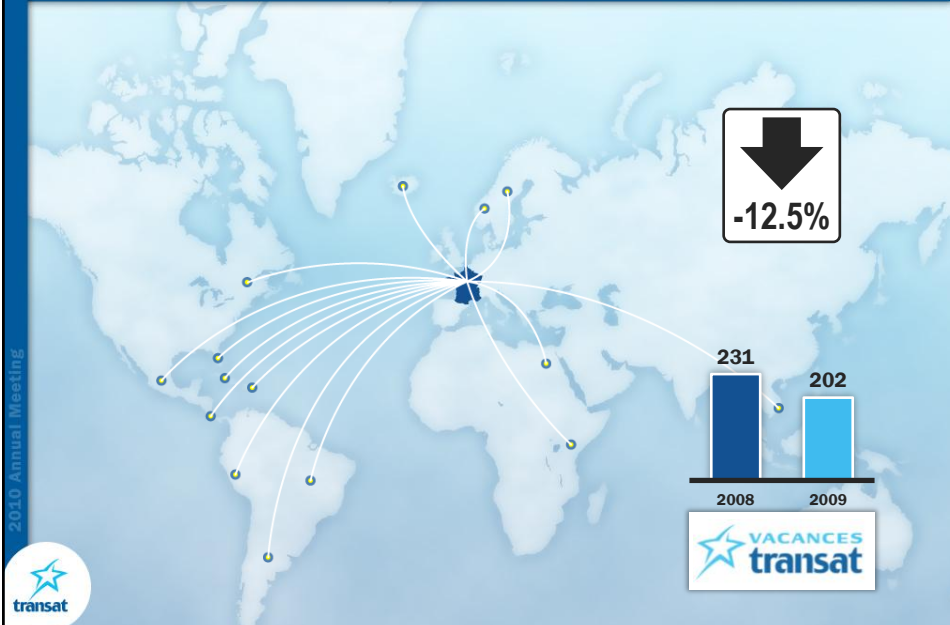
## Travel for all



## France in 2009



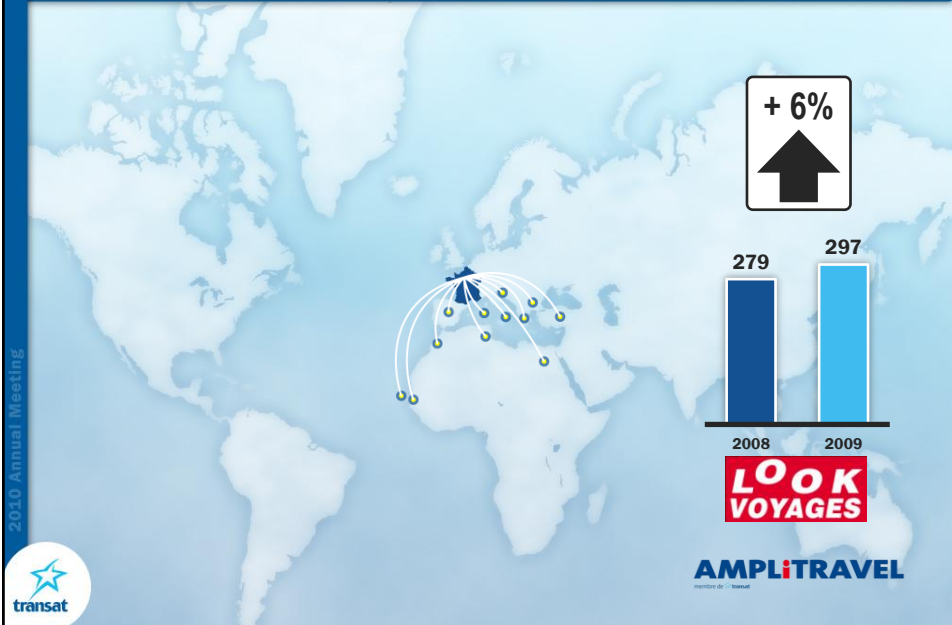
## France in 2009 (in millions €)



## France in 2009

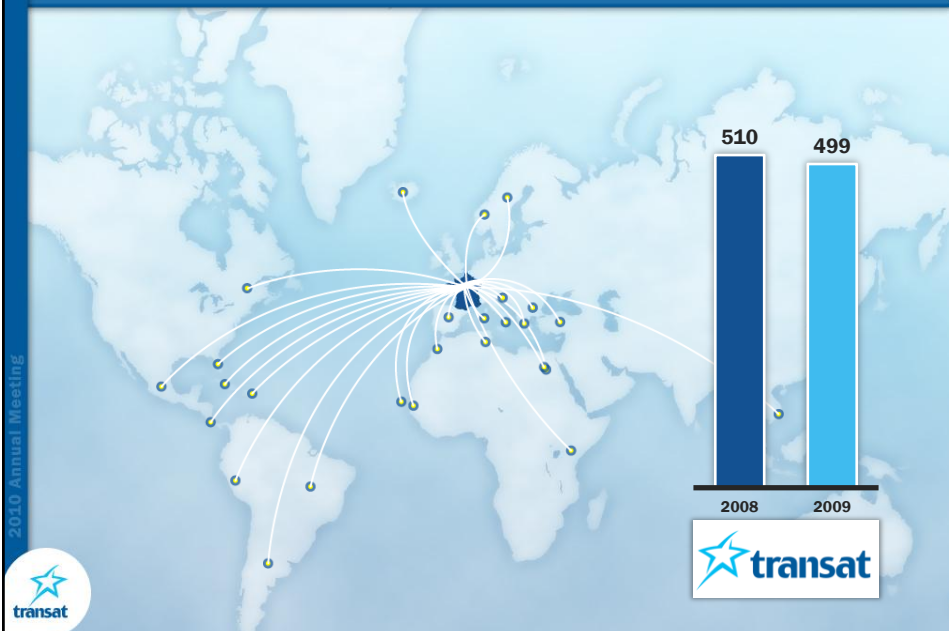


## France in 2009 (in millions €)





## France in 2009 (in millions €)



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### Supply Chain Strategy

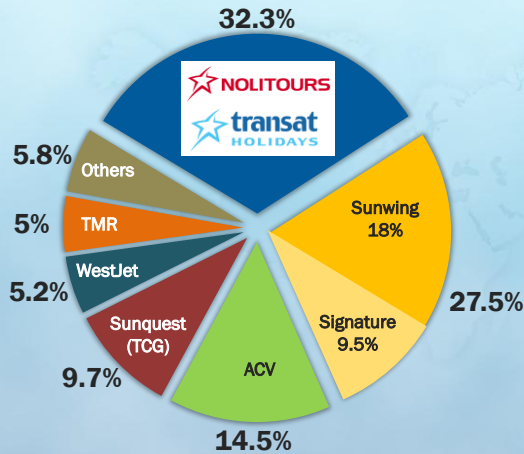
- Purchasing power and economies of scale
- Buying more than \$2 billion in travel services (direct costs)
- Mexico, Caribbean, Western Europe countries

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## All-inclusive sun packages – from Canada in winter

2008 - 2009

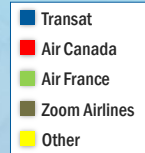
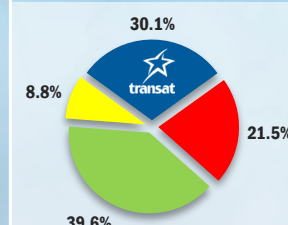
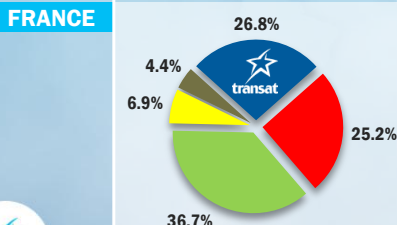
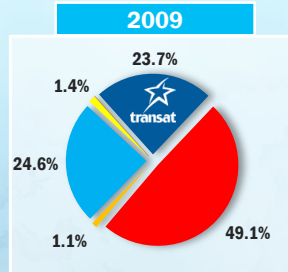
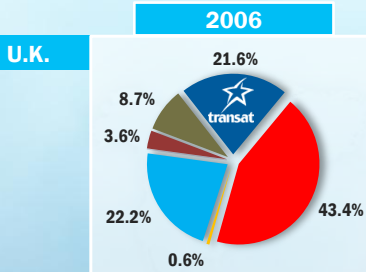


- 1.2 million packages sold in 2009
- Growing, competitive market
- Average selling prices and margin under pressure

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## Transatlantic Market



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## Transatlantic Market

Unique offering of 70 city-pairs

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## Commercial presence on both sides of the Atlantic











# The largest retail distribution network in Canada

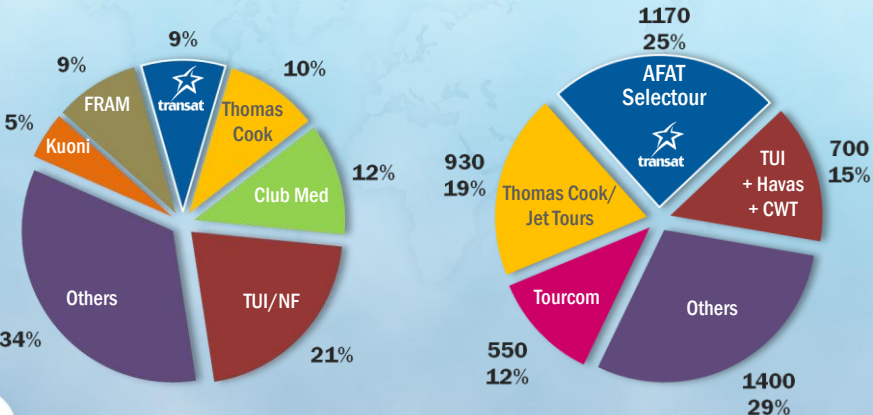
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## French Market

**Tour Operators:**  
\$5.7B

**Distribution:**  
4,750 travel agencies



## Partnership with AFAT Voyages Sélectour

- 26 agencies sold
- 41 agencies now under Look Voyages
- More agencies to adopt Look Voyages banner over time



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## Multi-channel distribution



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## Air lift capacity management

- Guaranteed and flexible access to adequate capacity
- Appropriate aircraft type depending on route
- Cost-competitive



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### 5-year agreement with CanJet Airlines

- Narrow-body Boeing B737-800
- 189 seats
- Adequate for sun destinations
- Favourable financial conditions

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## Air Transat fleet transition plan

- 18 wide-body Airbus (A330 and A310)
- Transition to an A330 fleet
- Reduction in operating costs



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## Capacity Management

- Air Transat: approximately 50% of Transat's global needs
- Increased flexibility thanks to the CanJet agreement
- Subleases of aircraft
- Cost reduction and improved performance



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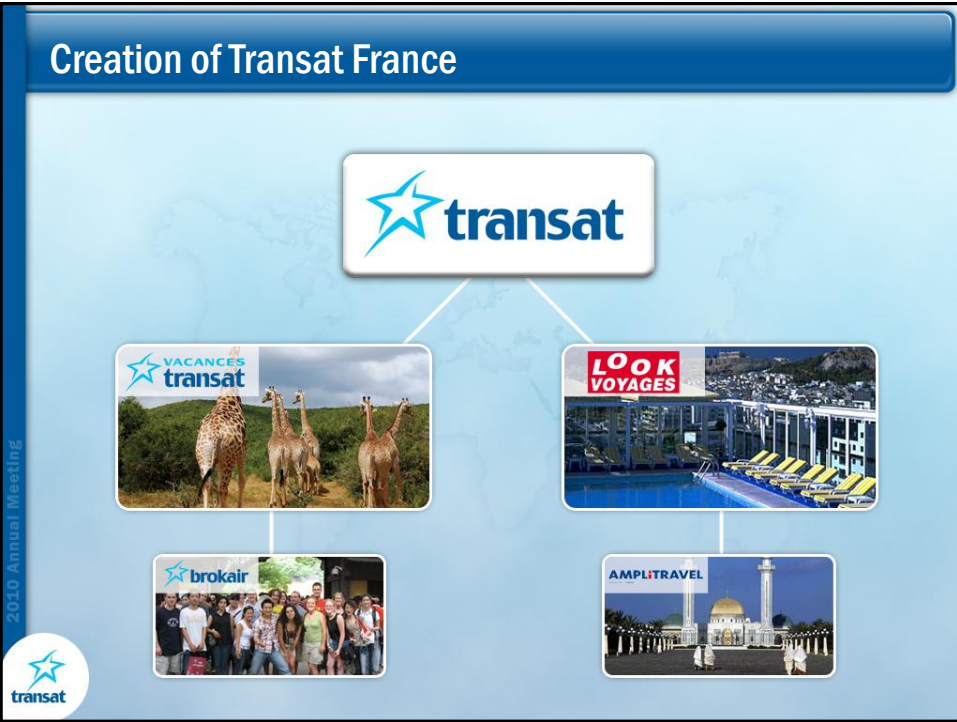
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**Air Transat:**  
An improved customer experience

*Option Plus*

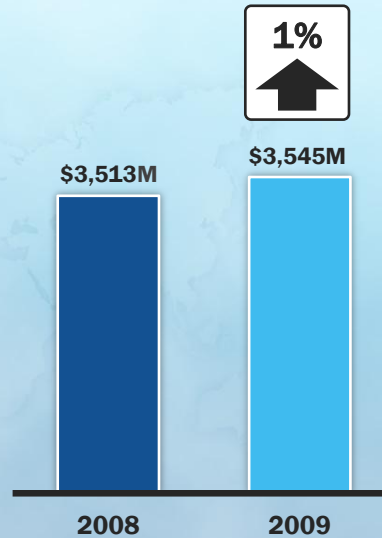






## Revenues

- Revenues up by 1%
- Approx. 3 million customers
- Lower selling prices
- Fuel: \$319 million in 2009

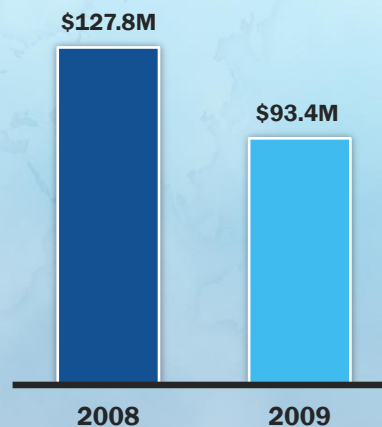


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## Margins

- Record volumes in first half
- Excellent load factors in 2009
- Challenging commercial environment



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## A (H1N1) Flu

- Lower demand for Mexico
- Volume shift to other destinations
- Lower demand in certain market segments



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## Lower demand for Canada as destination

- Volume drop of 20%
- Challenge in France, U.K.
- Cost reduction measures
- Improvement expected in 2010



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## A solid management team



**Patrice Caradec**  
President, Transat France

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## A solid management team



**Nelson Gentiletti**  
Chief Operating Officer

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## A solid management team



**Denis Pétrin**  
Vice-President, Finance & Administration  
Chief Financial Officer

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## A solid management team



**Michel Bellefeuille**  
Vice-President  
Chief Information Officer

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## A solid management team



**Michael DiLollo**  
President, Transat Tours Canada

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## A solid management team



**Yves Lalumière**  
Vice-President and General Manager  
Transat Distribution Canada

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## Vision 2014



**A vertically-integrated tour operator, leader  
in the Americas, with a strong competitive  
position in numerous European countries**

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## Strategic Plan 2009-2011

### FIVE STRATEGIES

1. Increase our competitiveness in our core markets
2. Adapt our offering to participate in high-growth market segments
3. Actively pursue vertical integration
4. Enter new outgoing markets with a bilateral approach
5. Develop skills and invest in human capital

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## Objectives 2010

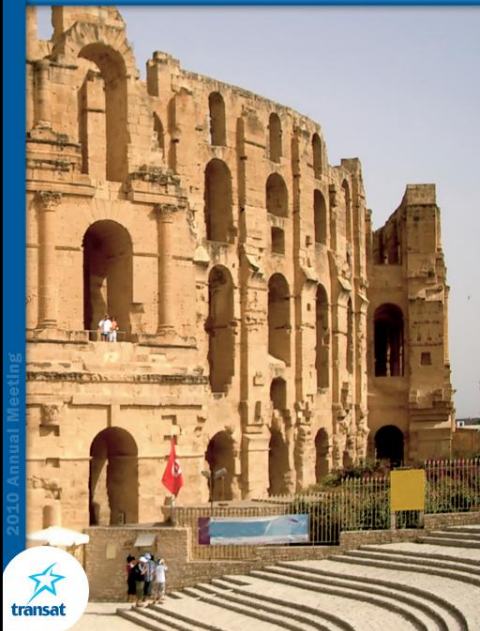
- Expand our leadership market position on both sides of the Atlantic
- Complete the integration of new management teams
- Pursue development and implementation of new information systems
- Position Transat as an industry leader in corporate responsibility

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## Competitive landscape



- Disappearance of a tour operator and merger of two others
- Consolidation and polarization in France
- Increasing importance of having a presence in distribution

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