IMPROVED WINTER RESULTS
FOCUS ON LONG-TERM PROFITABILITY
INVESTOR'S PRESENTATION
JUNE 2018

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

Reasons to invest & business model

transat

One of the largest tour operators in North America

TRANSAT HIGHLIGHTS

±$100M
Adjusted EBITDA[(1)]

$3.0B
Revenues

2.3M / 4.5M
Customers Pax

transat

± 5,000
Employees

60+
Destinations

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

TRANSAT VALUE CHAIN

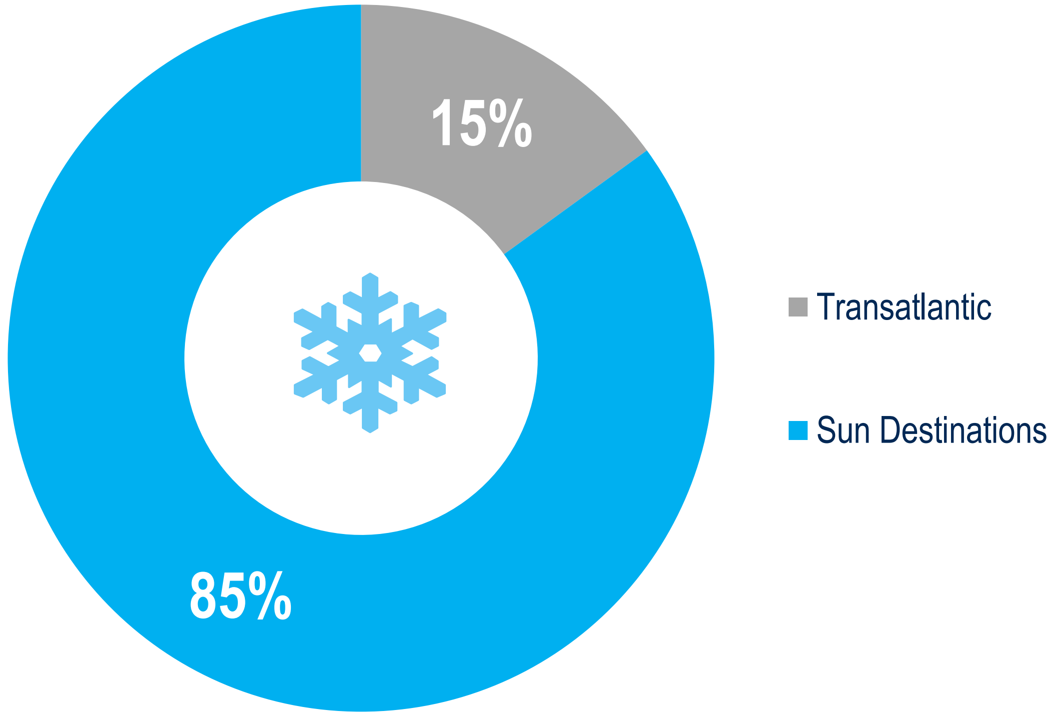
Air provider	Tour operator	Distributor	Services-at-destination provider	Hotel provider
Air transat	transat	transat Travel	TRAFIC TOURS DE MEXICO S.A. DE C.V.; TURISSIMO CARIBE EXCURSIONES D.R.	Hotel division

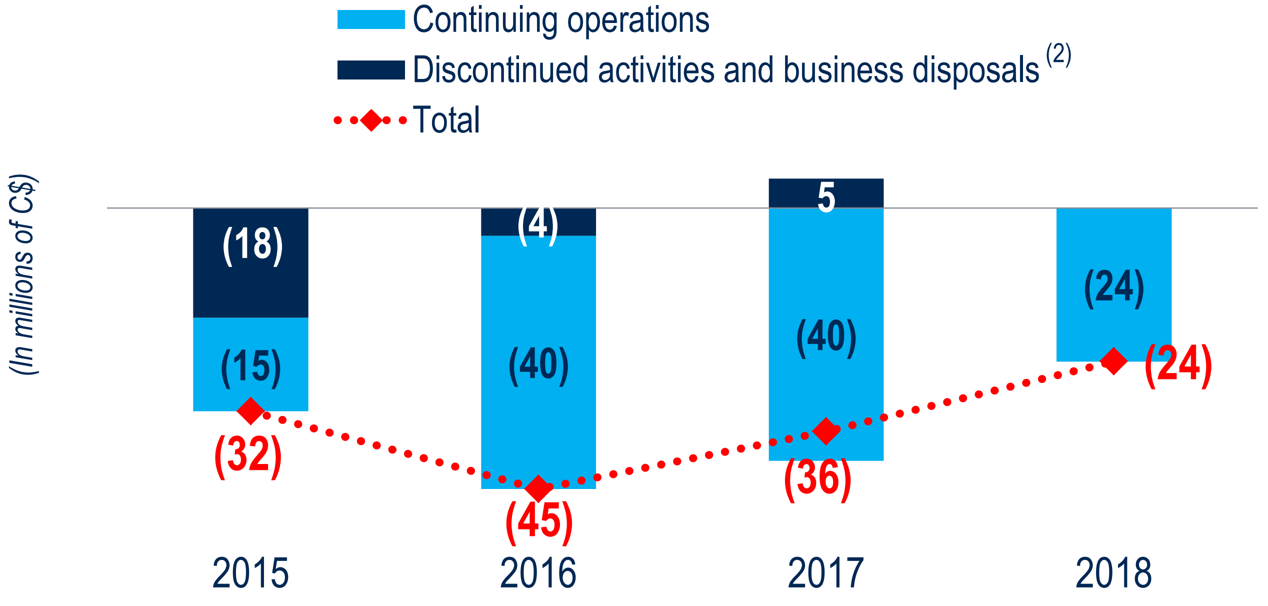
Distinct Summer and Winter markets

PAX DISTRIBUTION

HISTORICAL ADJUSTED EBITDA (1)

WINTER
(NOVEMBER TO APRIL)



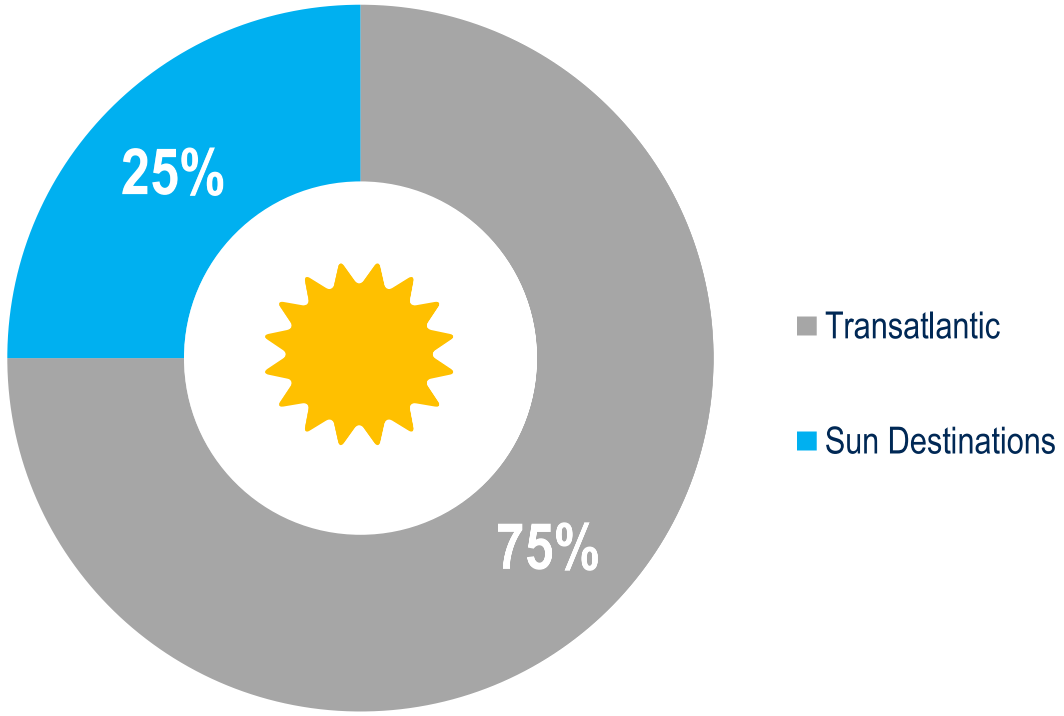


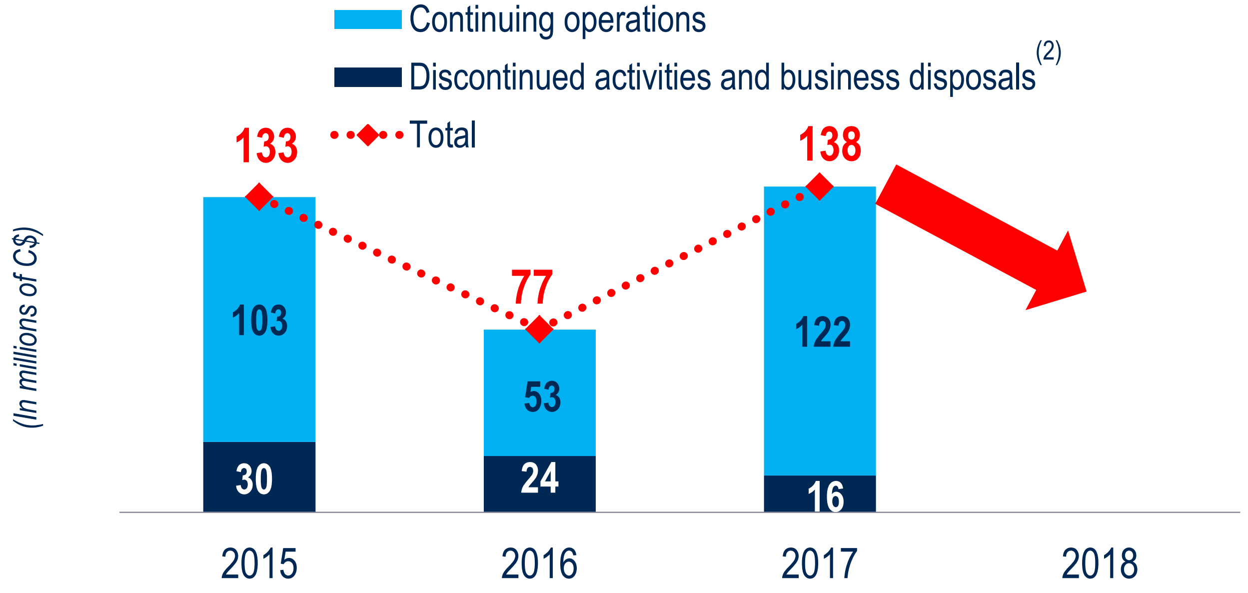
Winter 2018
improvement of $11M and $18M on a like-for-like basis

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

Focus on Returning to Profitability in Winter

SUMMER
(MAY TO OCTOBER)





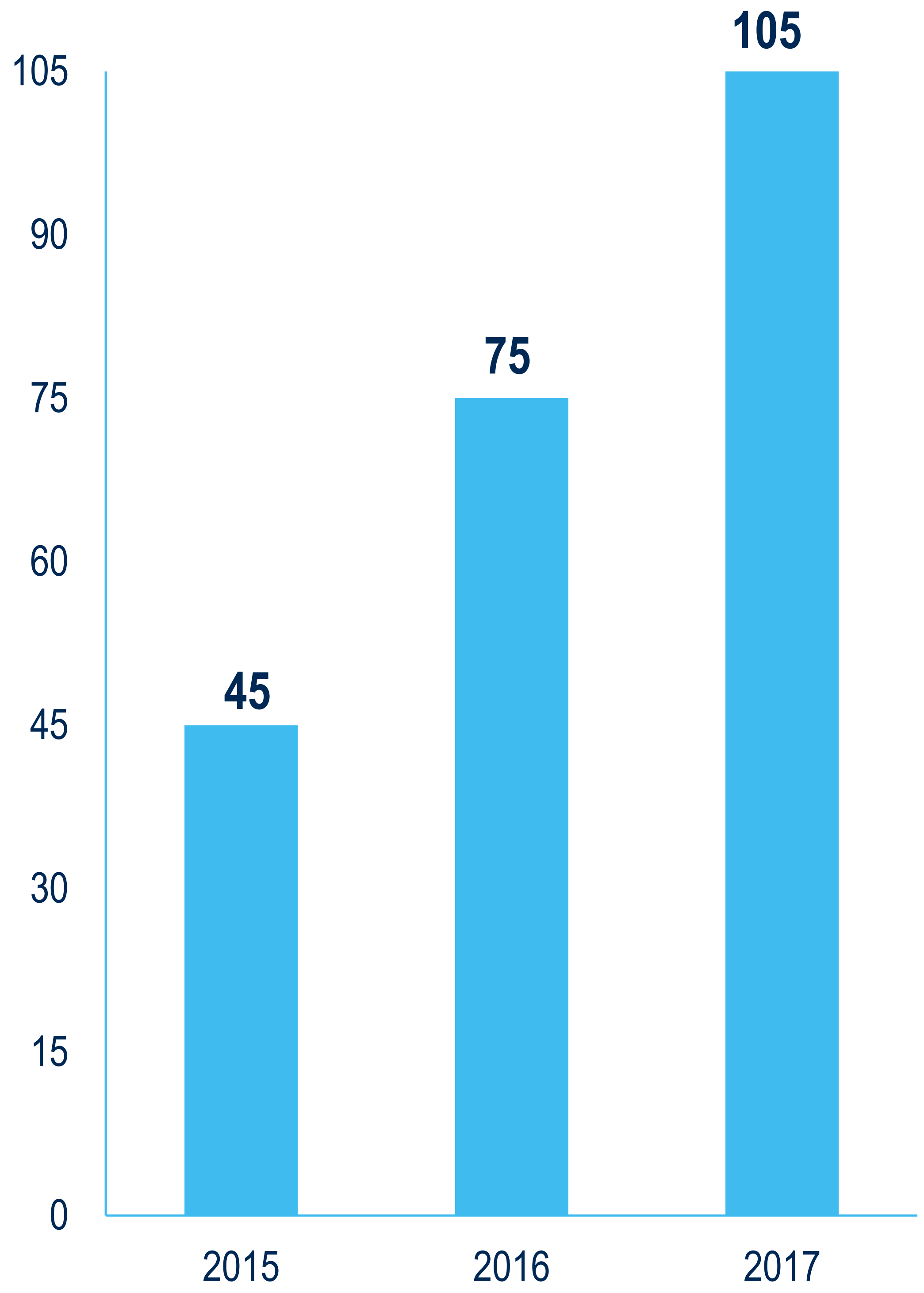
Summer 2018
expecting results to be lower than previous year if trends continue attributable to recent significant fuel price increase and difficult to pass this cost at the beginning of a season in the leisure market

Protect Performance in Summer

(1) Adjusted EBITDA from continuing operations only and distribution activities included distributors, airline and destination management company. Refer to Non-IFRS Financial Measures in the Appendix
(2) In 2015 and 2016, discontinued activities included Transat France, TourGreece, Jonview Canada and Ocean Hotels and in 2017, Jonview Canada and Ocean Hotels

2015-2017 Cost-reduction and margin-improvement program

In millions of dollars



Cost reductions and margin improvements (C$ M)	2015	2016	2017
Cost reductions			
Narrow-body flexible fleet	18	21	24
Reduction in the number of flight attendants	0	2	6
Buy-on-Board (Sun destinations)	3	4	4
Optimization of hotel costs (Sun destinations)	2	13	19
Optimization of distribution costs	11	13	13
Other	4	2	3
Sub-total (costs)	**38**	**55**	**69**
Margin improvement			
Ancillary revenues and cargo	5	15	30
Densification of three A330-300s	2	5	5
Other	0	0	1
Sub-total (margin)	**7**	**20**	**36**
Total	**45**	**75**	**105**

Refocusing on leisure travel operations

Vacances transat

LOOK VOYAGES
CLUBS • SÉJOURS • CIRCUITS

tourgreece

Sold October 2016
$93 million

Ocean
By H10 Hotels

Sold October 2017
$186 million

Jonview
CANADA

Sold November 2017
$48 million

Total: $327 million (equivalent to $8.75 / shares)

Improve annual financial performance

TRANSAT A.T. INC.

LEISURE TRAVEL BUSINESS

CURRENT STATUS
- Summer: Protect strong performance
- Winter: Achieve break-even

INITIATED
- Towards an All-Airbus fleet
- Agreement signed with Thomas Cook
- Revenue management process – Phase I

2018-2022
- Airline and other cost-reduction program
- Increase ancillary revenues
- Revenue management process – Phase II

HOTEL BUSINESS

CURRENT STATUS
- Sale of our 35% interest to H10 completed
- Cash available to develop our own hotel chain

INITIATED
- Jordi Solé President of hotel division

2018-2022
- Develop the hotel chain from the ground up
  - Profitable on its own
  - Synergies with our activities

2018-2022 cost-reduction and margin-improvement initiatives

1	**Fleet and network**	▪ 10 new A321neo LRs: Reduce cost vs A310 ▪ All-Airbus fleet: Simplify the structure ▪ Agreement with Thomas Cook: Enhance flexibility
2	**Revenue management and pricing**	▪ Leading edge 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

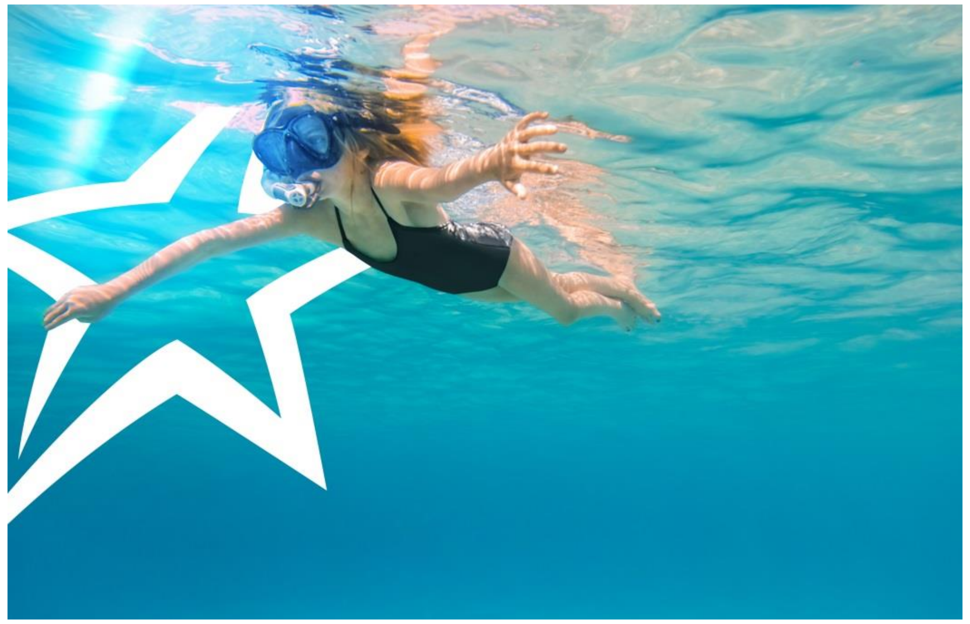
Improve annual financial performance

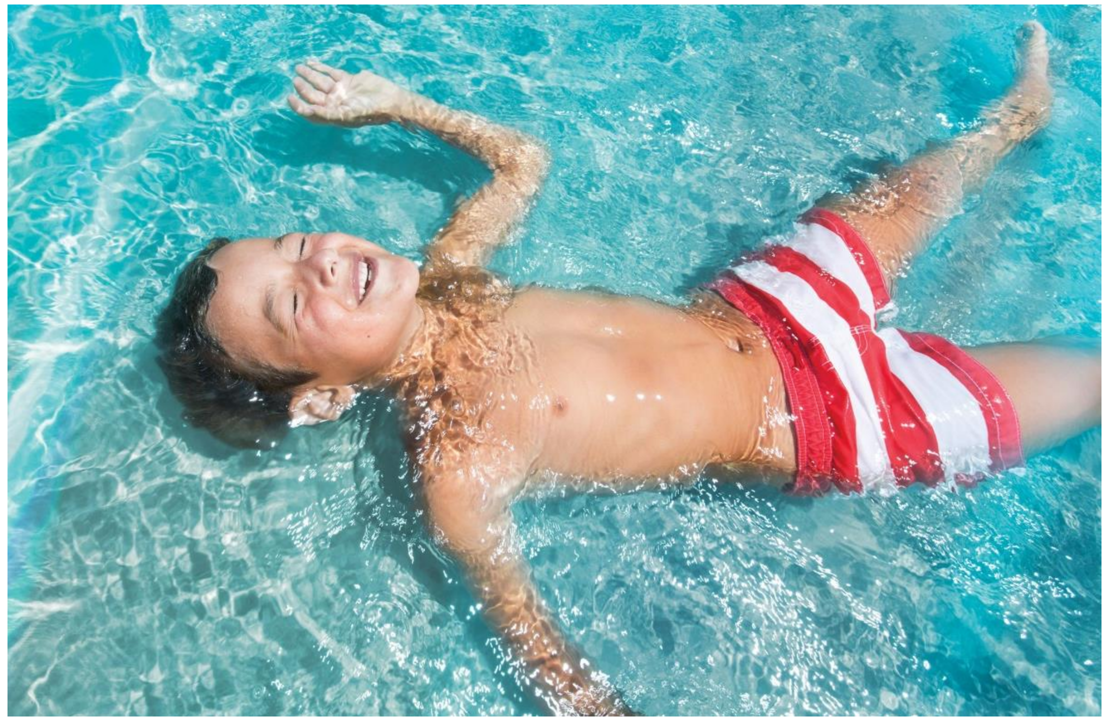
TRANSAT A.T. INC.

LEISURE TRAVEL BUSINESS	HOTEL BUSINESS
CURRENT STATUS ▪ Summer: Protect strong performance ▪ Winter: Achieving break-even	**CURRENT STATUS** ▪ Sale of our 35% interest to H10 completed ▪ Cash available to develop our own hotel chain
INITIATED ▪ Towards an All-Airbus fleet ▪ Agreement signed with Thomas Cook ▪ Revenue management process – Phase I	**INITIATED** ▪ Jordi Solé President of hotel division

2018-2022
▪ Airline and other cost-reduction program
▪ Increase ancillary revenues
▪ Revenue management process – Phase II
	2018-2022
	▪ Develop the hotel chain from the ground up
	  ▪ Profitable on its own
	  ▪ Synergies with our activities

New hotel chain in the South



5,000 rooms by 2024

For a total investment of **US$750M**

Location: Mexico, Dominican Republic, Jamaica

Fully owned or managed

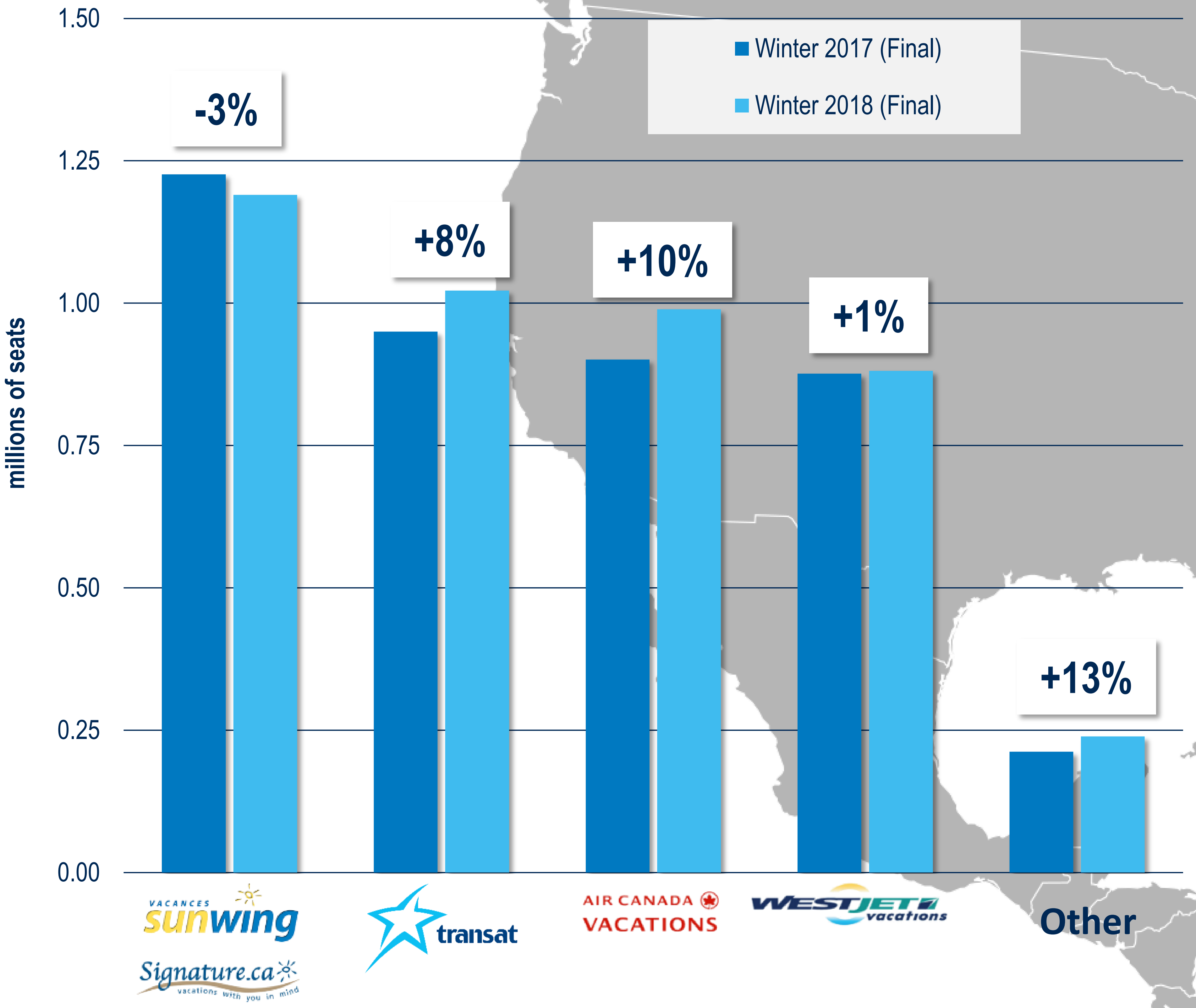
EBITDA (at maturity): **US$100M**

Section 2

Financial performance & Outlook

Sun destinations capacity breakdown | Winter 2017-18 (1)

(Based on scheduled and chartered flight deployed)



TOTAL SEATS IN THE MARKET

WINTER 2017

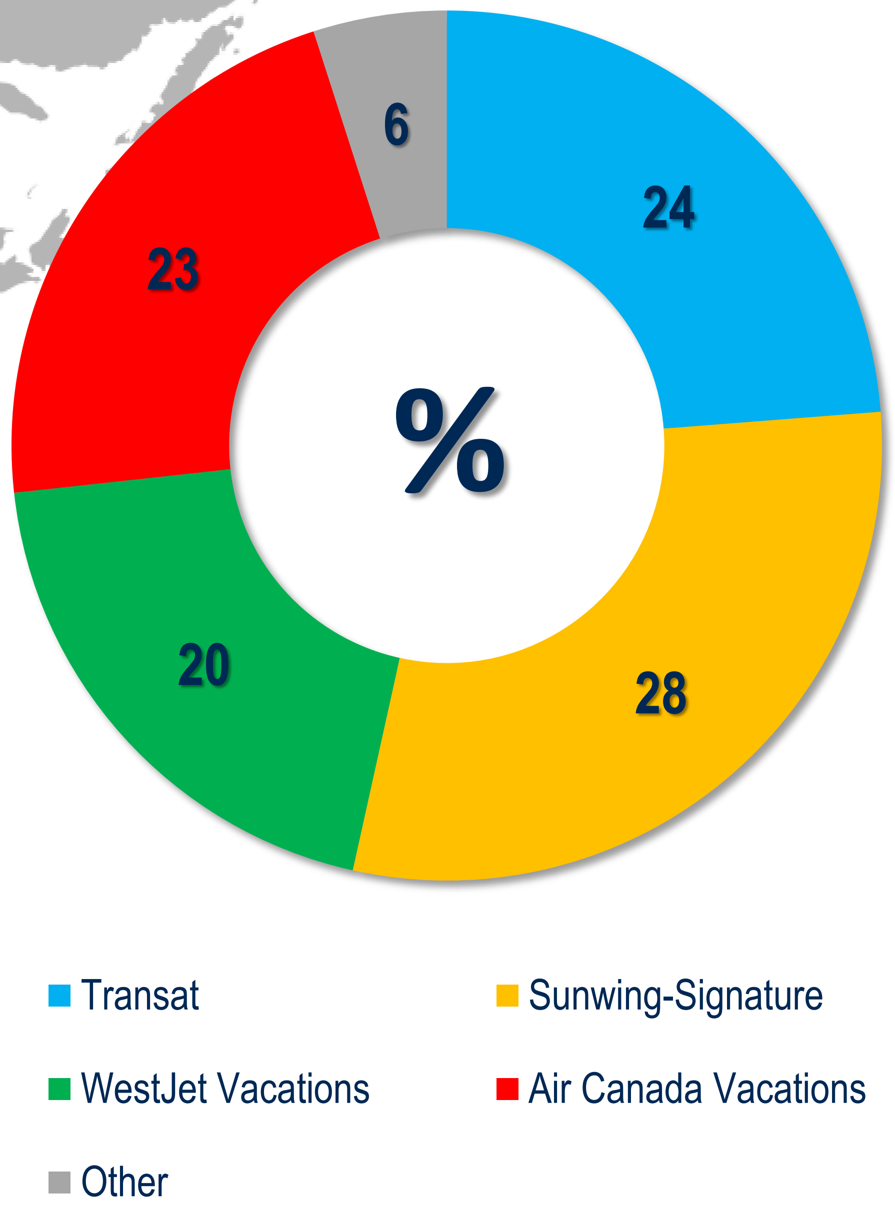
4,180,000

TOTAL SEATS IN THE MARKET

WINTER 2018

4,320,000

+4%



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

Second quarter financial performance

HIGHLIGHTS (vs. 2017)

- **Adjusted EBITDA[1] improved by $5M in real terms or $8M on a like-for-like basis** (excluding business sold in 2017, i.e. Ocean Hotels and Jonview Canada)
- **Sun Destination industry capacity up by 1.5%**
- **Sun Destination Market** **(570k seats)**
  - ✓ Capacity increased by 5.6%
  - ✓ Travelers up by 4.8%
  - ✓ Similar average prices
- **Transatlantic Market** **(115k seats)**
  - ✓ Capacity increased by 16.2%
  - ✓ Travelers up by 10.7%
  - ✓ Average prices were higher
- **Costs**
  - ✓ Appreciation of C$ against US$ combined to an increase in fuel prices leads to a decrease of our operational costs by ($17M)

(in thousands of C$)	2nd quarter results ended April 30			
	2018	2017	2018 vs. 2017 $	2018 vs. 2017 %
REVENUES	**901,981**	**884,310**	**17,671**	**2.0%**
Adjusted EBITDAR [1]	39,915	38,869	1,046	2.7%
Adjusted EBITDA [1]	**6,563**	**1,508**	**5,055**	**335.2%**
As % of revenues	*0.7%*	*0.2%*	*0.6%*	*326.7%*
Adjusted net income (loss) [1]	**(4,548)**	**(8,100)**	**3,552**	**43.9%**
As % of revenues	*(0.5%)*	*(0.9%)*	*0.4%*	*44.9%*
Per share	*($0.12)*	*($0.22)*	*$0.10*	*44.8%*
Net income (loss) attributable to shareholders	**6,683**	**(8,354)**	**15,037**	**180.0%**

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

Winter financial performance

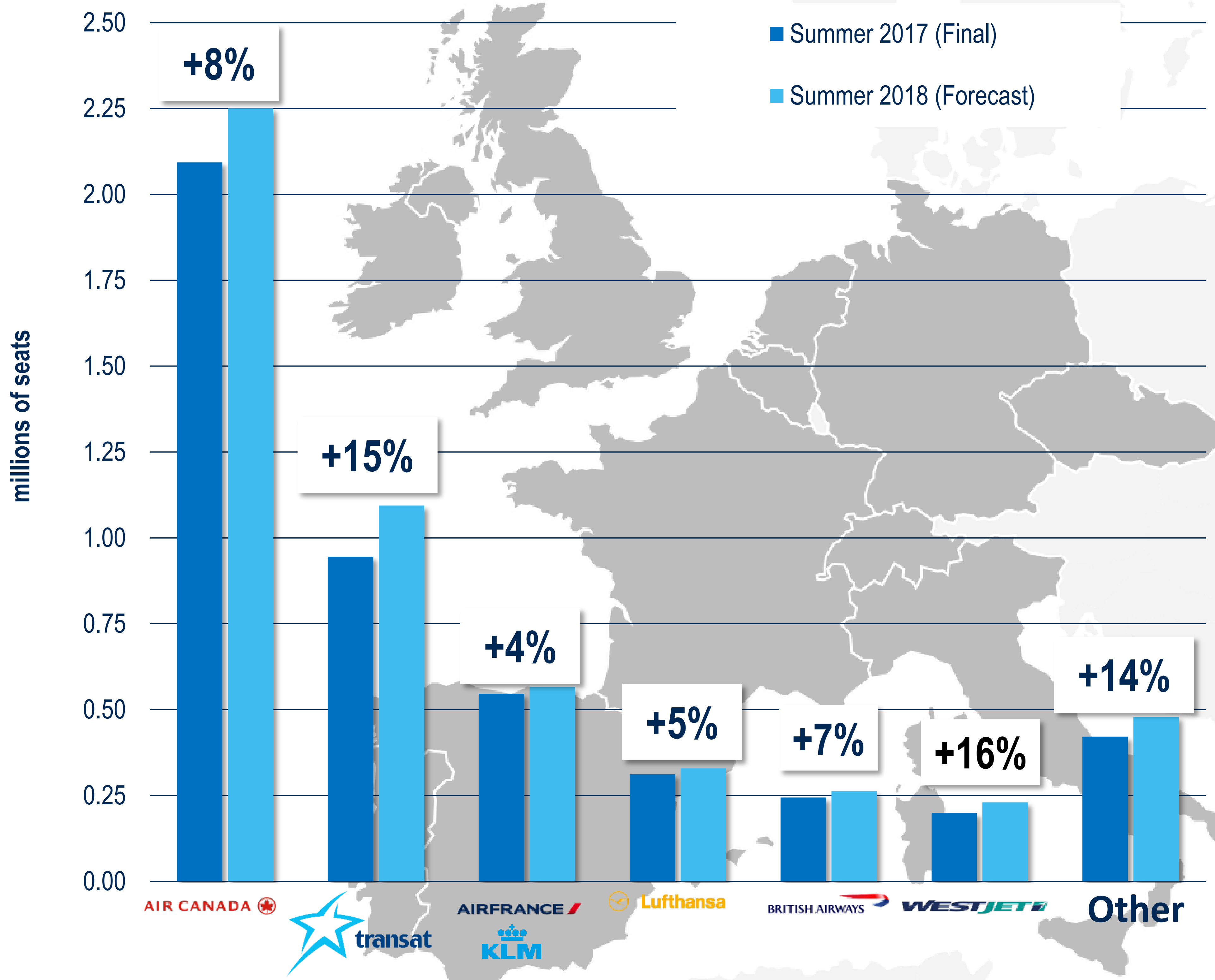
HIGHLIGHTS (vs. 2017)

- **Sun Destination industry capacity up by 4%**
- **Sun Destination Market** **(1,0M seats)**
  - ✓ Transat capacity up by 7.7%
  - ✓ 91% of inventory sold
  - ✓ Load factor down by 2.0%
  - ✓ Average price slightly higher
  - ✓ Strengthening of C$ against US$ offset by rising fuel costs leads currently to a decrease of our operational expenses by 2.8%
- **The hurricanes that occurred in September 2017 significantly impacted the load factor on all Sun destinations**
- **Transatlantic Market** **(216k seats)**
  - ✓ Capacity up by 18%
  - ✓ 80% of inventory sold
  - ✓ Load factor down by 2.7%
  - ✓ Price up by 2.7%
- **Adjusted EBITDA[1] improved by $11M in real terms or $17M on a like-for-like basis** (excluding business sold in 2017 i.e. Ocean Hotels and Jonview Canada)

	Q1	Q2	Winter
Adj. EBITDA 2017 [1]	**(37M)**	**1M**	**(36M)**
Adj. EBITDA from businesses disposed of [2]	(3M)	(3M)	(6M)
Adj. EBITDA 2017 excluding businesses disposed of [1]	**(40M)**	**(2M)**	**(42M)**
∆ FX / Fuel on costs on sun destinations packages	13M	17M	30M
Sun destinations Yield Management [3] Maintenance charges related to one-off events Others (Transatlantic, other subs, …)	9M (9M) (4M)	(6M) - (2M)	3M (9M) (6M)
Adj. EBITDA 2018 [1]	**(31M)**	**7M**	**(24M)**

(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 / hotel costs at FX constant basis impact on adjusted EBITDA

Transatlantic capacity breakdown | Summer 2018 (1)



TOTAL SEATS IN THE MARKET

SUMMER 2017

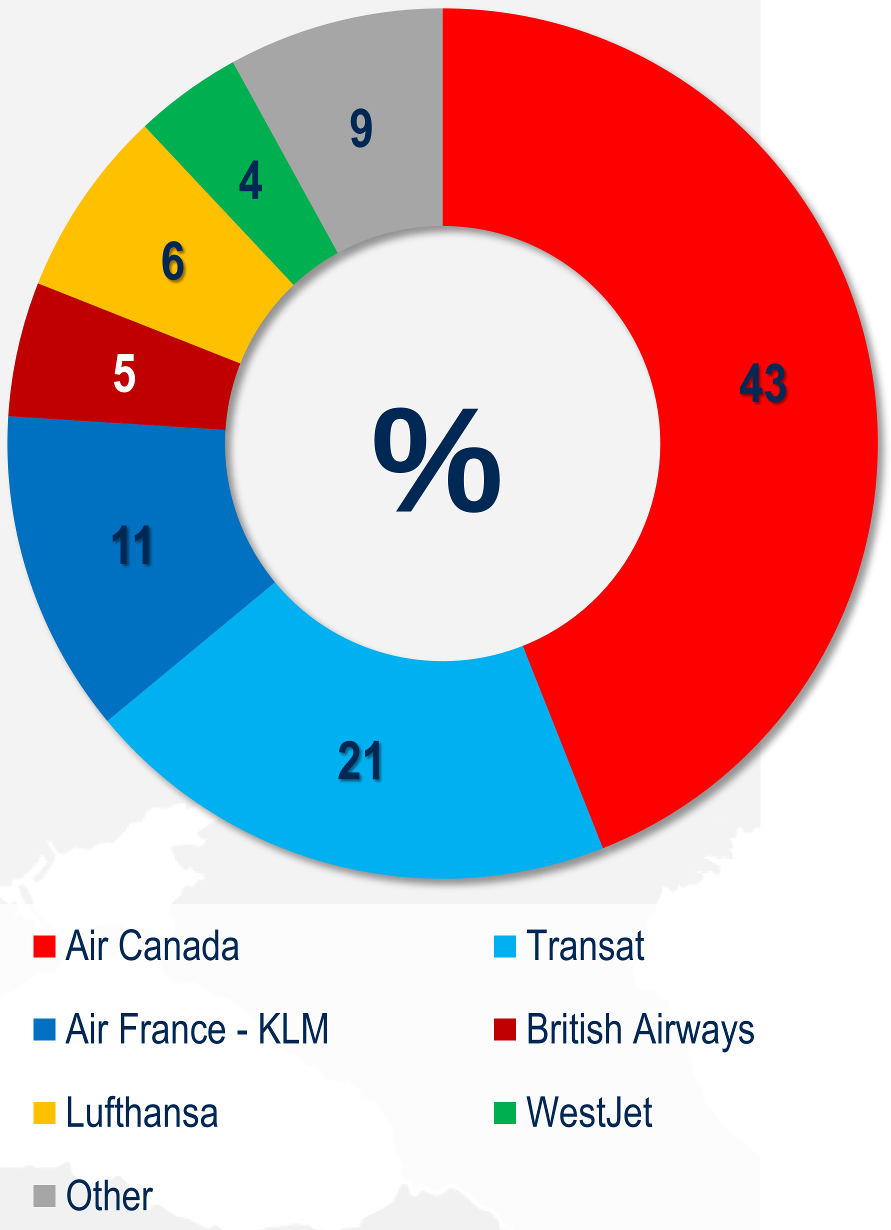
4,760,000

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

Summer financial outlook

HIGHLIGHTS (vs. 2017)

- **Transatlantic industry capacity up by 9%**
- **Transatlantic Market (1.1M seats)**
  - ✓ Transat capacity up by 15%
  - ✓ 64% of inventory sold
  - ✓ Load factor similar to previous year
  - ✓ Price down by 1.0%
  - ✓ Recent rising of fuel costs leads currently to an increase of our operational expenses by 7.2% including hedging compared to 1.3% as at March 15
    - Since beginning of April, the price of jet fuel in C$ increase by 13% attributable to 25% of price of crude oil increase, 55% refining costs and 20% of depreciation of C$ against US$
    - Hedging program limits the increase of our operational expenses by $30M
- **Sun Destination Market (277k seats)**
  - ✓ Low leisure season
  - ✓ Transat capacity up by 5%
  - ✓ 53% of inventory sold
  - ✓ Margin slightly lower than previous year
- **Considering the recent and significant increase of fuel price, we are expecting our results to be lower than previous year if those trends continue**

	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	(27M)	(28M)	(55M)
Transatlantic Yield Management (3) Others (Sun Destinations, other subs, STIP, …)			
Adj. EBITDA 2018 (1)			

(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

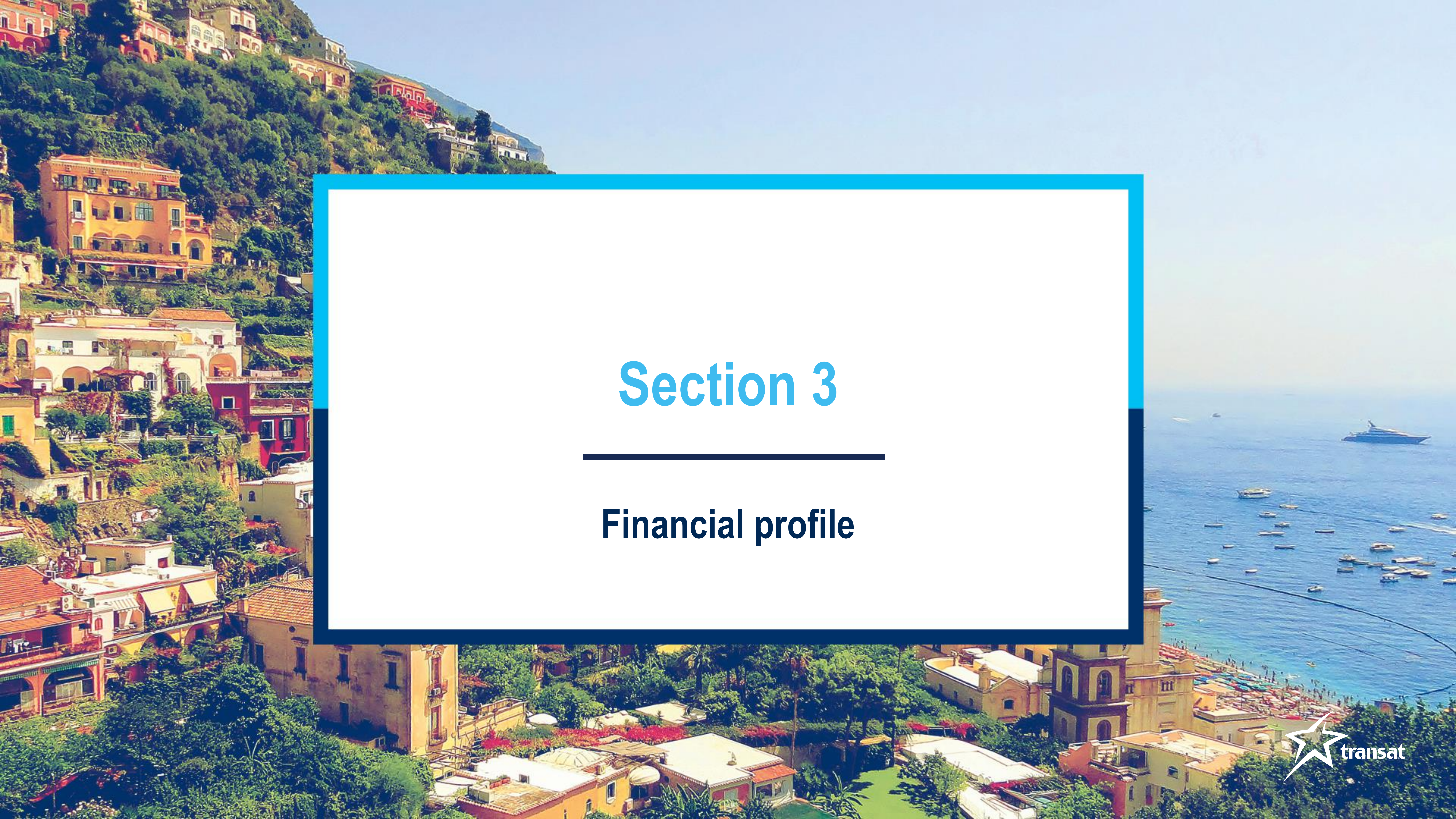
Annual financial performance

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**
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

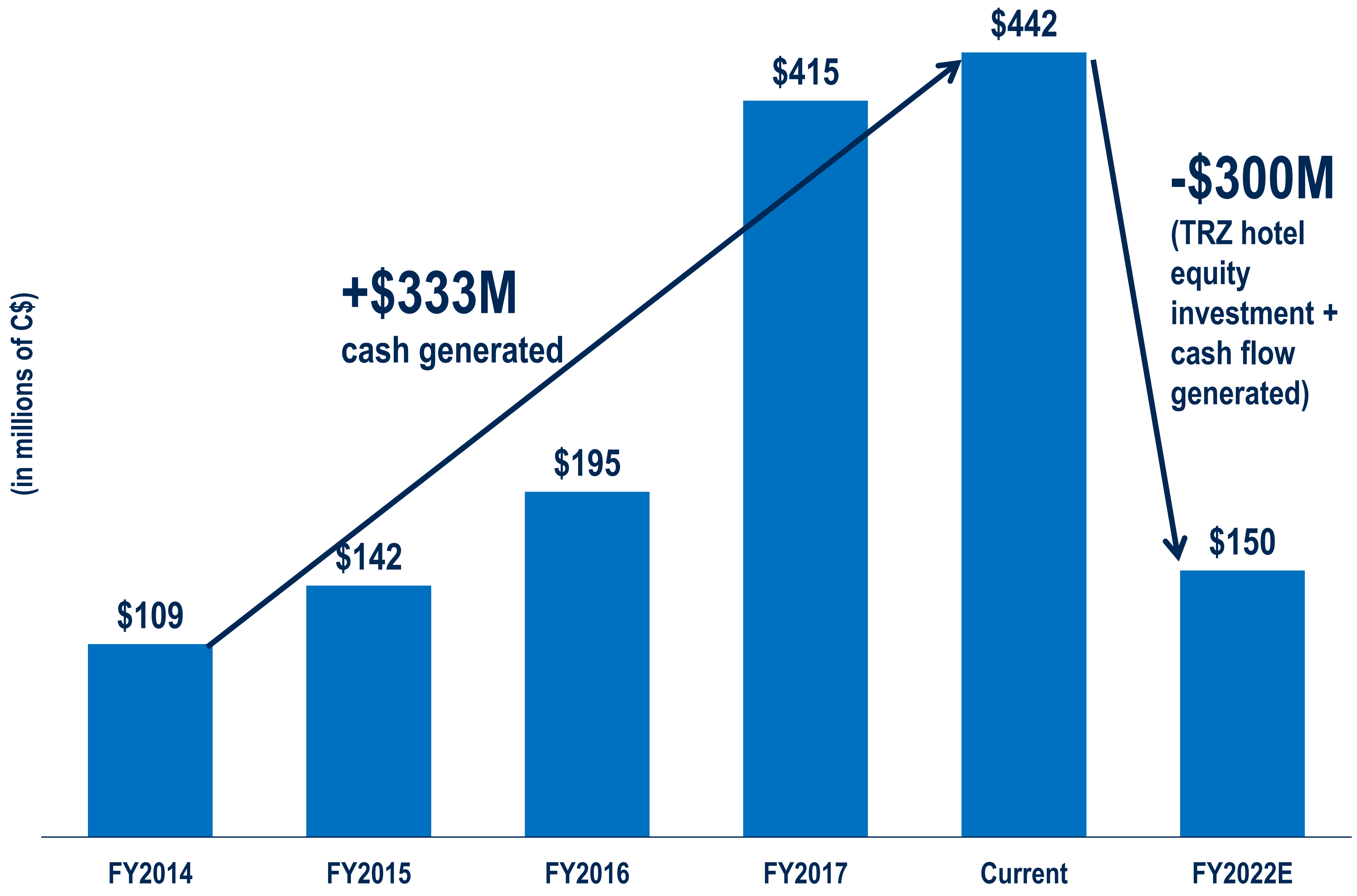
Financial profile

Current financial position

HIGHLIGHTS

- **Free Cash: C$903M vs. C$566M (2017)**
  - ✓ Variation of +C$337M attributable to :
    - Proceeds from disposal of Ocean Hotels and Jonview Canada, net of cash disposed of +C$ 214M
    - Positive cash flow generated from operations of +C$ 90M
    - Change in net working capital of +C$ 90M ($65M more customer deposits + $38M more payables + $38M of income taxes recovered offset by more receivables ($48M) and slightly more cash in trust ($16M))
      - Increase in payables attributable to the capacity increase and major engine repairs
      - Increase in receivables attributable to the aircraft fleet growth
    - Capital expenditures net of deferred lease incentives of (C$ 55M)
- **Excess cash available**
  - ✓ C$442M (equivalent to US$340M) of excess cash available to be deployed towards our hotel business development plan (see charts in right)
- **Capital expenditures**
  - ✓ FY2018E : ~$55-60M net of deferred lease incentives
- **Hotels investment asset : C$16M (Transat equity investment in Rancho Banderas)**
- **Off-balance sheet arrangements: C$1.8B vs. C$1.7B as at October 31 (Δ +$51M)**
  - ✓ Variation attributable to :
    - Agreement signed for 2 new A321ceo and 2 new A330 in service starting this Summer
    - Increase offset by lease repayments during the quarter and the appreciation of C$ against US$

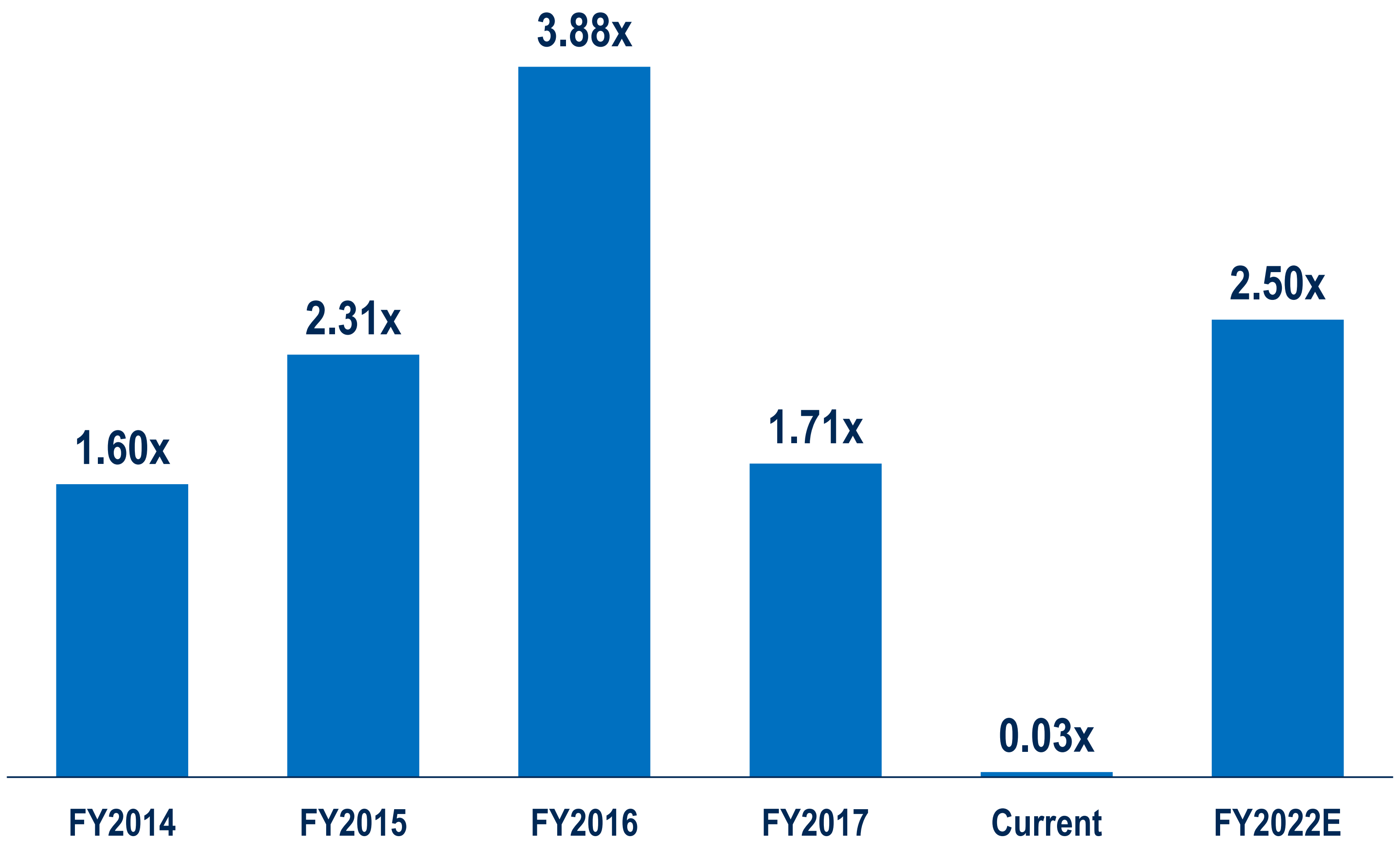
EXCESS CASH (1)



(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)

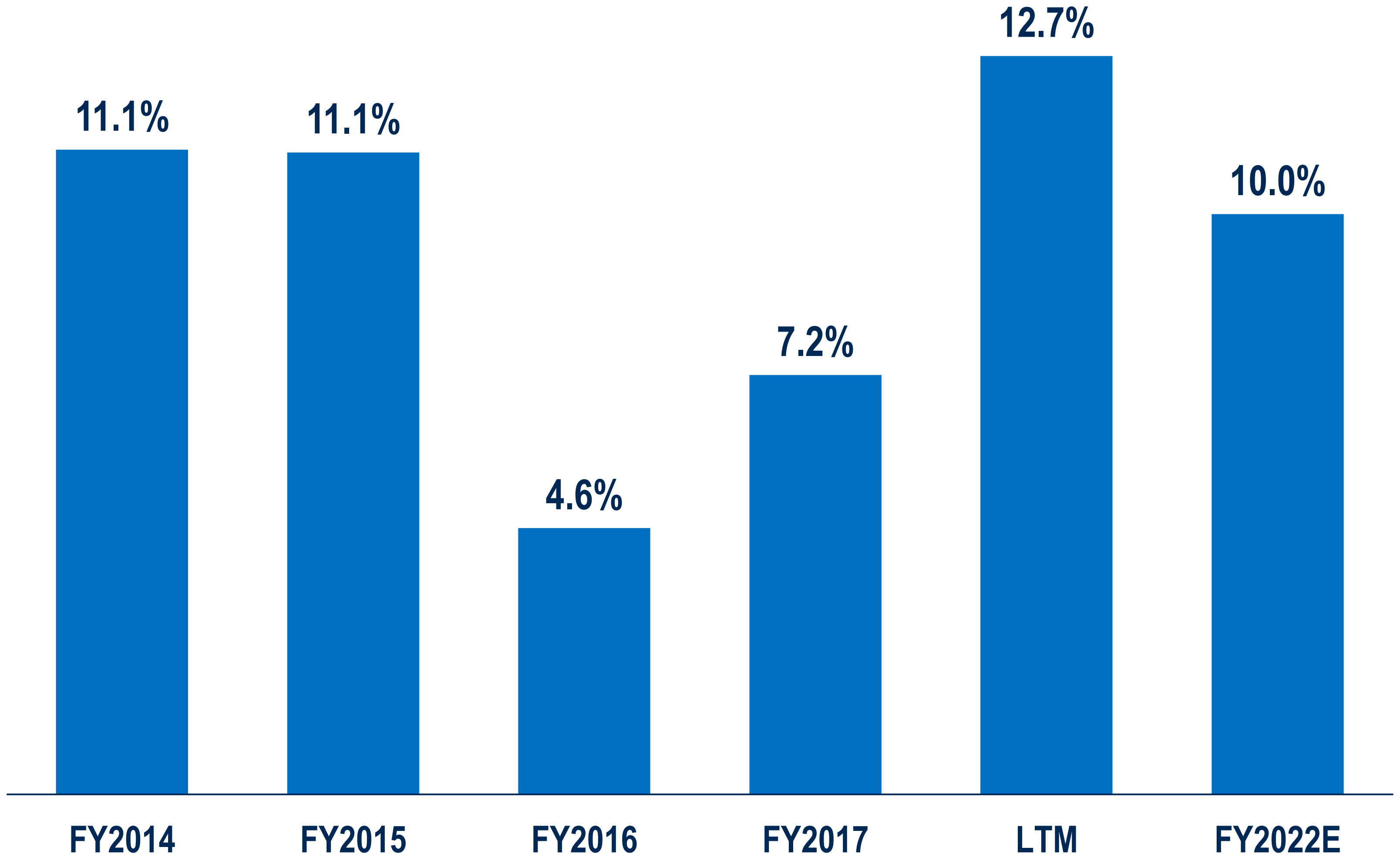


INCREASING LEVERAGE RATIO

- Adding balance sheet debt and decreasing unrestricted cash due to equity investment in hotel business
- Introduction of A321neo LR to replace A310 (higher fixed costs)

(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*

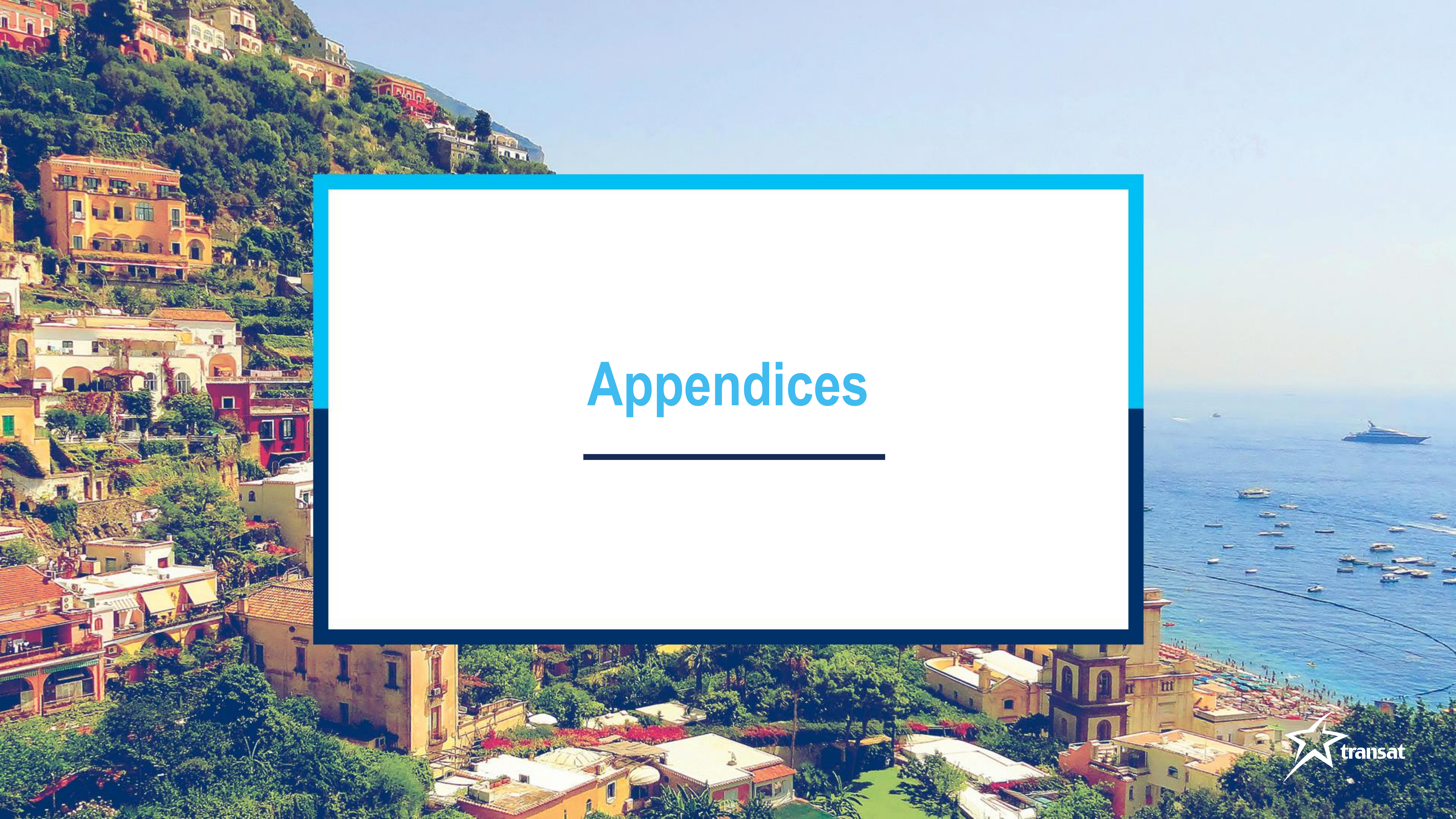
RETURN ON INVESTED CAPITAL (ROIC) (2)



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

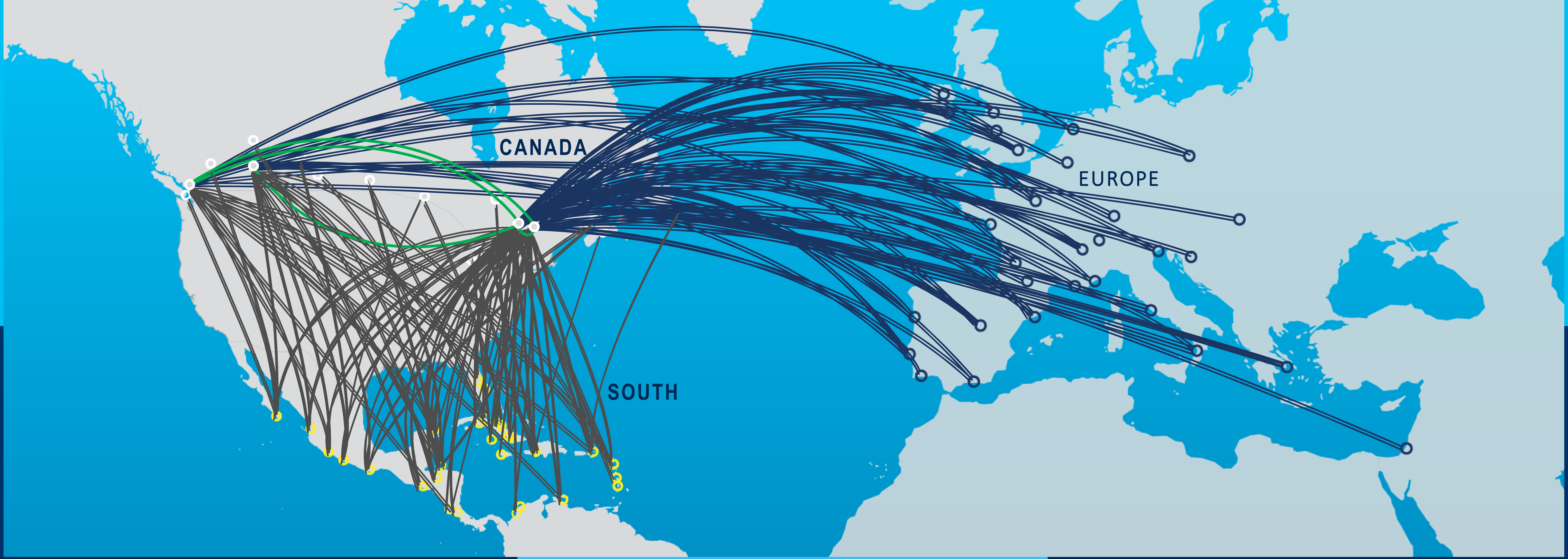
(2) ROIC = (Adjusted EBT + interest expenses + implicit interest on operating leases (7.0%)) / (Average balance sheet debt + average shareholder equity + aircraft leases multiplied by 7.0x – excess cash) ; We used a multiple of 7.0x and a 7.0% implicit interest rate to be on the same basis than our Canadian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



Appendices

2018-2022 Strategic plan initiatives

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)

Aircraft fleet optimization

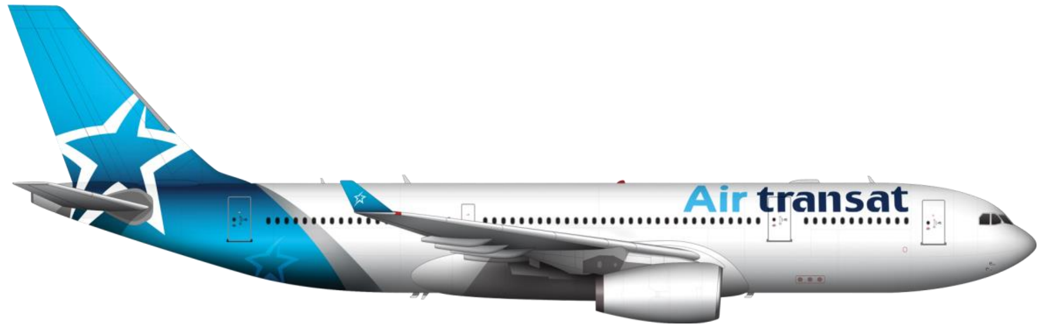
100% Airbus fleet
(Cockpit commonality and mixed-fleet flying)

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

Ten new A321neo LRs

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

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)	-	(5)	-	(4)	-	(4)	-
TOTAL FLEET IN OPERATION (2)	**12**	**25**	**14**	**26**	**11**	**26**	**15**	**29**	**17**	**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

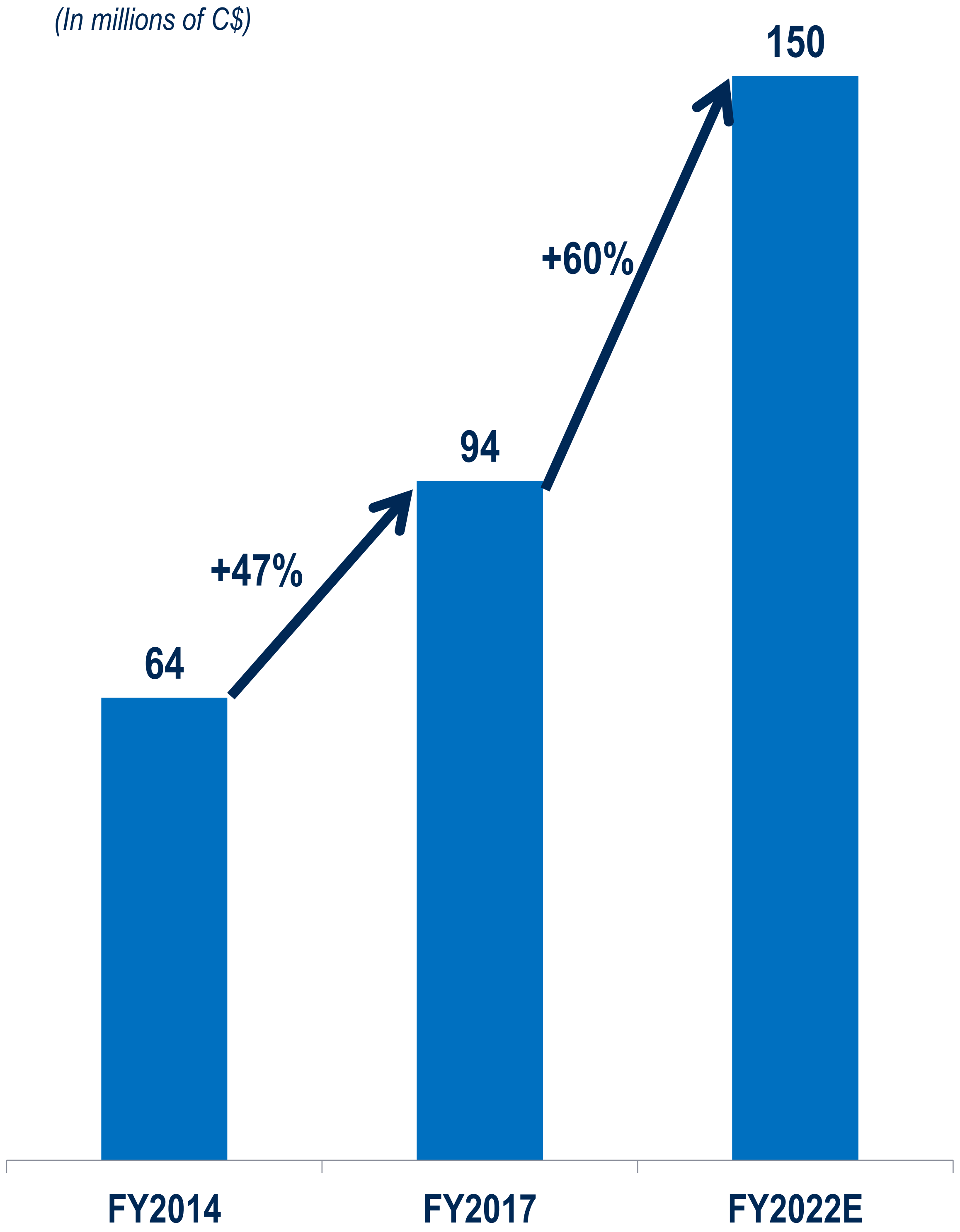
A320-321

MEDIUM-HAUL	2017		2018		2019		2020		2021	
B737-800	7	7	6	5	5	5	5	5	5	5
A320-321	-	-	-	2	2	2	4	4	4	4
TOTAL BASE FLEET	**7**	**7**	**6**	**7**	**7**	**7**	**9**	**9**	**9**	**9**
+ Seasonal Lease – B737-700/800	13	-	16	-	11	-	-	-	-	-
+ Seasonal Lease – A320-321	-	-	1	1	8	3	15	-	15	-
TOTAL FLEET IN OPERATION (2)	**20**	**7**	**23**	**8**	**26**	**10**	**24**	**9**	**24**	**9**

(2) Aircraft that we flew or in backup

Ancillary revenues

Ancillary revenues
(Airline and other)

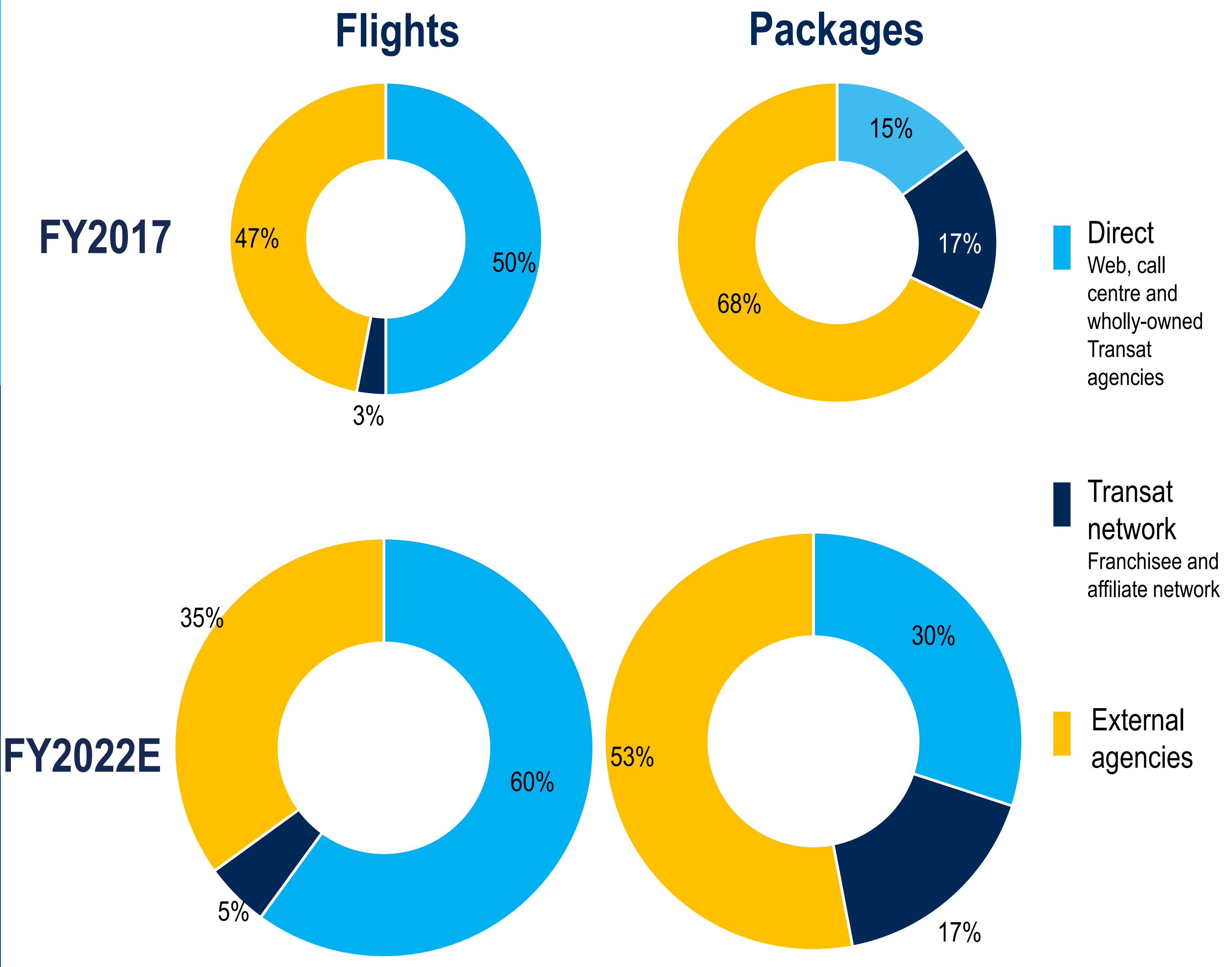


Highlights

- 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

Rationale for the new Transat hotel division

Major transformations in the leisure travel industry are giving incremental value to ownership of the end product.

To ensure long-term success, Transat is looking to own the product right across the value chain.

- Transat currently “owns” the air seats as well as the customer excursion experience at destination.
- Acquisition of hotel business to complete rooms ownership at destination.

Strategic benefits

Transformation from travel distributor to vertically integrated travel producer	Improved financial stability based on reduced seasonal earnings variation and increased exposure to stable, high-margin hotel business	Transat’s current customer volume will provide a sound production foundation for its hotel division	Optimal return on existing cash
Enhanced value proposition through owning the end product	Complementary earnings Greater financing capacity to pursue growth opportunities	Transat will own hotels in its current major markets, where it will provide a good level of production	Recent transactions were made to generate excess cash to kick-start the hotel division

Development of the hotel division is an important step in the realization of our vision

Major business objectives

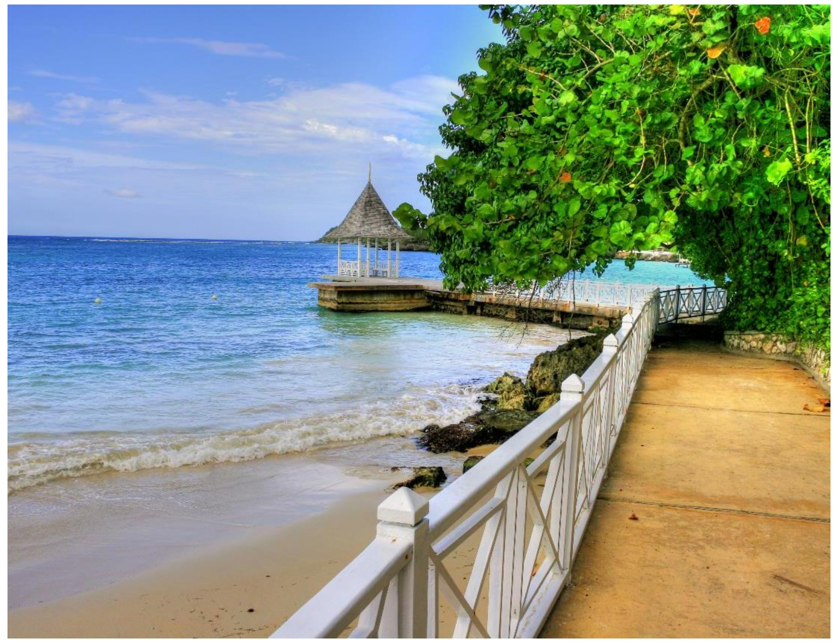
To establish a presence in Transat's major markets

Mexico
Cancún and Riviera Maya

1,800 [1]

Dominican Republic
Punta Cana

1,000



Jamaica
Montego Bay

700

Cuba
Varadero and Havana

1,500 [1]

First-phase objective: own 3,000 rooms and manage 2,000 rooms (total of 5,000 rooms) over the next 7 years.

Land acquisition/construction

Acquisition of existing hotels

[1] 500 rooms managed only in Mexico + Cuba only management contract

Major business objectives

Optimizing market and brand mix in order to obtain best profitability at maturity

U.S.
market
50-60%

Canadian
market
20-30%

Europe,
South America
and local markets
10-20%

**5-star
luxury brand**

**4 – 4.5-star
luxury brand**

Current industry parameters

- EBITDA valuation including vacation clubs: multiple of 10-12
- Average new construction costs including land: US$250K per room
- Occupancies between 70-90% and all-inclusive daily rates per person between US$100-150
- Great hotels have a GOP of US$30-40K per room at maturity
- Average EBITDA: 32-36% at maturity
- New projects funded with 50% equity and 50% debt

Management team

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.

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

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.

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.

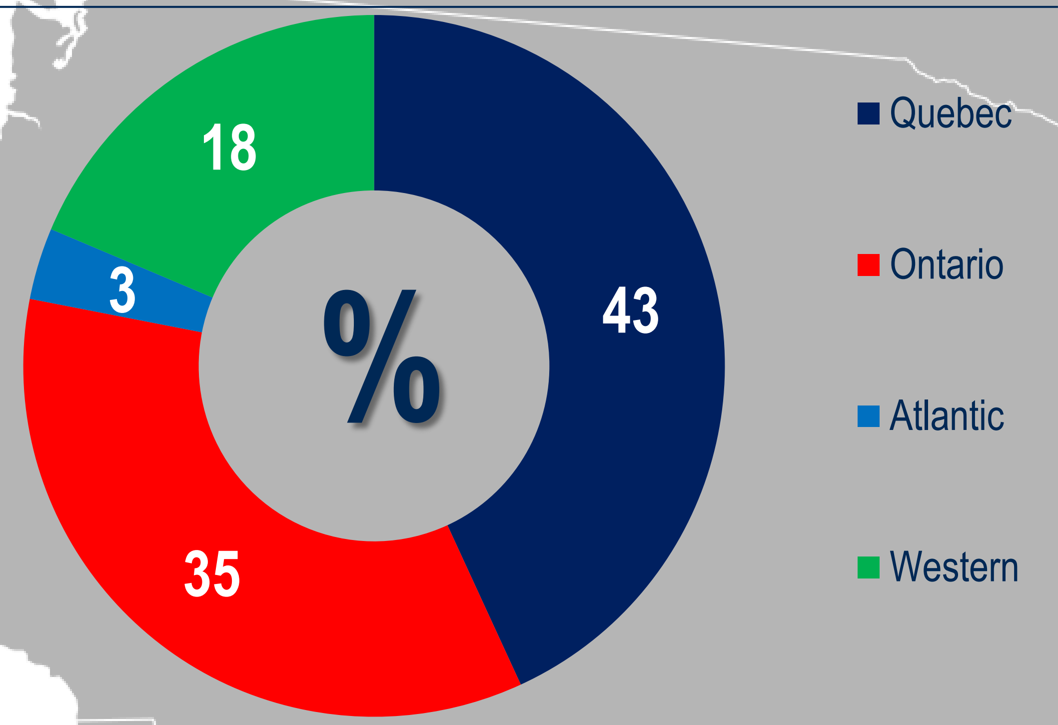
Jean-François Lemay
President and
General Manager
Air Transat

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.

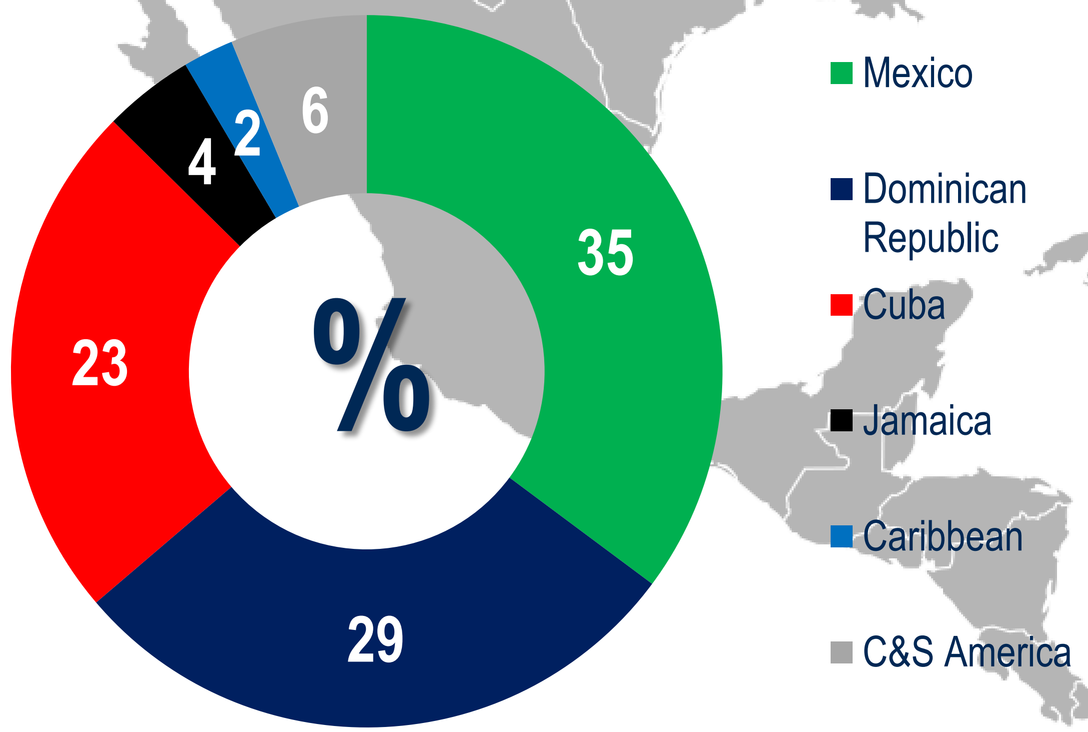
Financial section

Sun Destinations Capacity Breakdown by Destination and Origin

ORIGINS



DESTINATIONS



GLOBAL MARKET OVERVIEW

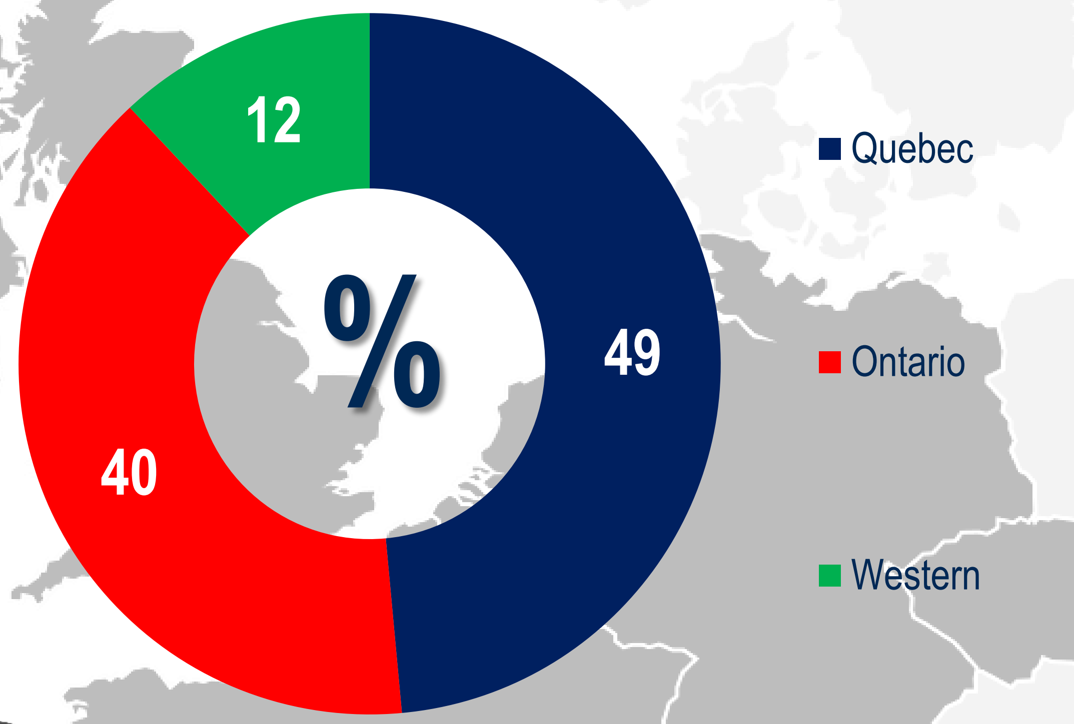
- Mexico and Caribbean : One of the largest sun and beach market in the world
- 4.3M seats in Winter 2017-2018 between Canada and Mexico and Caribbean

TRANSAT STRATEGY AND MARKET POSITION

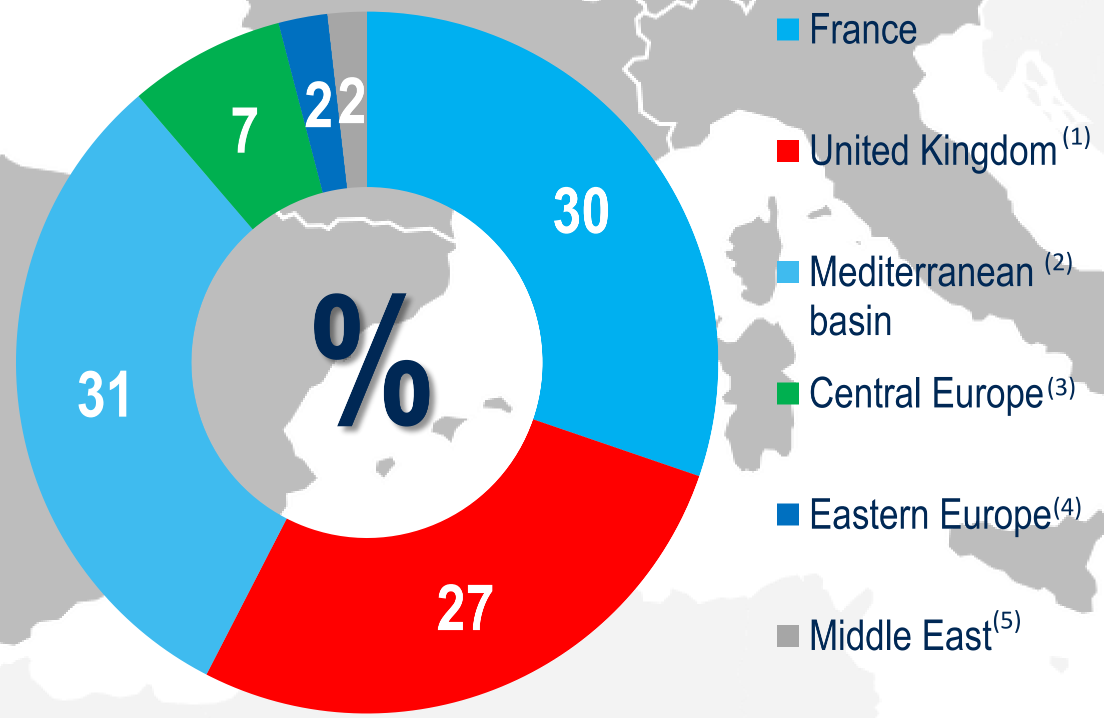
- Winter 2017-2018: Increase capacity and introduction of 9 new routes
- All-inclusive products at 41 destinations for a wide portfolio of more than 650 hotels, including 46 exclusive properties
- Most important destinations are Cancun (232k seats), Punta Cana (202K seats), Puerto Vallarta (105k seats) and Varadero (86k seats)
- Sun offer for everyone with All-inclusive packages; Guided tours and Duo packages; All-in one cruises packages

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 (27 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 (lowest-cost producer)
- 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 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 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 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

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

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

Hotel comparables

(in millions of US$)	RIU Hotels & Resorts	BlueDiamond Resorts	PLAYA Hotels & Resorts	MELIÃ Hotels & Resorts
Number of hotels	94	24	13	315
Number of rooms	43,417	12,324	6,130	81,000
Average no of rooms per hotel	462	514	472	257
Revenues	**1,309**	**396**	**546**	**2,074**
Adjusted EBITDA	**591**	**91**	**171**	**341**
Margin (%)	*45%*	*23%*	*31%*	*16%*
Adjusted EBIT	491	67	118	204
Margin (%)	*37%*	*17%*	*22%*	*10%*
Adjusted net income	**341**	**44**	**48**	**142**
Margin (%)	*26%*	*11%*	*9%*	*7%*
Business model	100% resorts	100% resorts	100% resorts	60% resorts / 40% cities
% of rooms in Caribbean	50%	100%	100%	25%
Caribbean allocation (%)	MX:45% / DR:15% / JM:15% / CU:5% / OT:20%	MX:7.5% / DR:15% / JM:20% / CU:50% / OT:7.5%	MX:60% / DR:30% / JM:10% New major acquisitions in Jamaica	MX:17.5% / DR:15% / JM:2.5% / CU:60% / OT:5%
Capital structure (%)	OWNED:55% / MGMT:35% / OTHER:10%	OWNED:50% / MGMT:50%	OWNED:100%	OWNED:17.5% / MGMT:42.5% / OTHER:40%

Note: Numbers provided is coming from the last annual report of each of those companies

Hotel key financial metrics

At maturity

(US$ includes vacation club)	OCEAN HOTELS	TRANSAT HOTELS (1)
No of rooms owned	**1,600 rooms**	**3,000 rooms**
Type of hotels (*)	4.0-4.5*	4.5-5.0*
Revenues	**100M**	**285M**
EBITDA	**35M**	**100M**
Margin (%)	*35%*	*35%*
Net income / (loss)	**18M**	**50M**
Margin (%)	*18%*	*18%*
Capex (% of revenues)	3%	0-5 years: 1-2% 5-10 years: 3%
Free cash flow	25-30M	60-65M

(1) Transat hotels maturity estimated at FY2028 (after 10 years)

(2) Return over 10-year period; Refer to hotel financial measures definition in the appendix

(US$ includes owned hotels + management + vacation club)	RETURN ON INVESTED CAPITAL (2)
Total investment	**750M**
Transat contribution (equity)	*375M*
Debt (local loan)	*375M*
Cumulative free cash flow	**380M-440M**
Cumulative $ flow from operations	*440M-500M*
Cumulative CAPEX	*(60M)*
Outstanding debt @ maturity	**160M**
Terminal equity value (11.0x)	**900M-1,000M**
ROIC	**11.0%-13.0%**

WACC	**7.5%-8.0%**
After-tax cost of debt	**4.8%-5.6%**
Pre-tax cost of debt	*6.0%-7.0%*
% debt in capital structure	*50%*
Cost of equity	**10.0%**

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

Hotel financial measures

- **Period**: For the current exercise, we established our calculation over a 10-year period
- **Cumulative cash flow from operations**: Sum of net income (loss) plus depreciation and amortization for the period
- **Cumulative CAPEX**: Sum of the capital expenditures invest during the period to maintain the quality of the hotel including extraordinary CAPEX each 5 years
- **Cumulative free cash flow**: Cumulative cash flow from operations less cumulative CAPEX
- **Terminal equity value**: Implied enterprise value based on weighted average multiple of 11.0x of the EBITDA achieved at the end of the period less outstanding debt
- **Weighted average multiple**: Used a multiple of 12.0x for owned hotels, 6.0x for vacation club and 5.0x for management contract
- **Free cash flow to equity**: Equity investment over the period plus cumulative free cash flow less debt repayment plus terminal equity value
- **Return on invested capital (ROIC)**: Internal rate of return related to the free cash flow to equity over the period

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, 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, 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, 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 Second Quarter report 2018 and in our Annual report 2017 by clicking on the following links: Second Quarter Report 2018 and Annual Report 2017

IMPROVED WINTER RESULTS

FOCUS ON LONG-TERM PROFITABILITY

INVESTOR'S PRESENTATION

JUNE 2018

transat