

Welcome
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Willkommen Bienvenido Benvenuto
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**AN UNSURPRISING START TO THE WINTER SEASON
CAPITAL DEPLOYMENT STRATEGY IN PROGRESS**

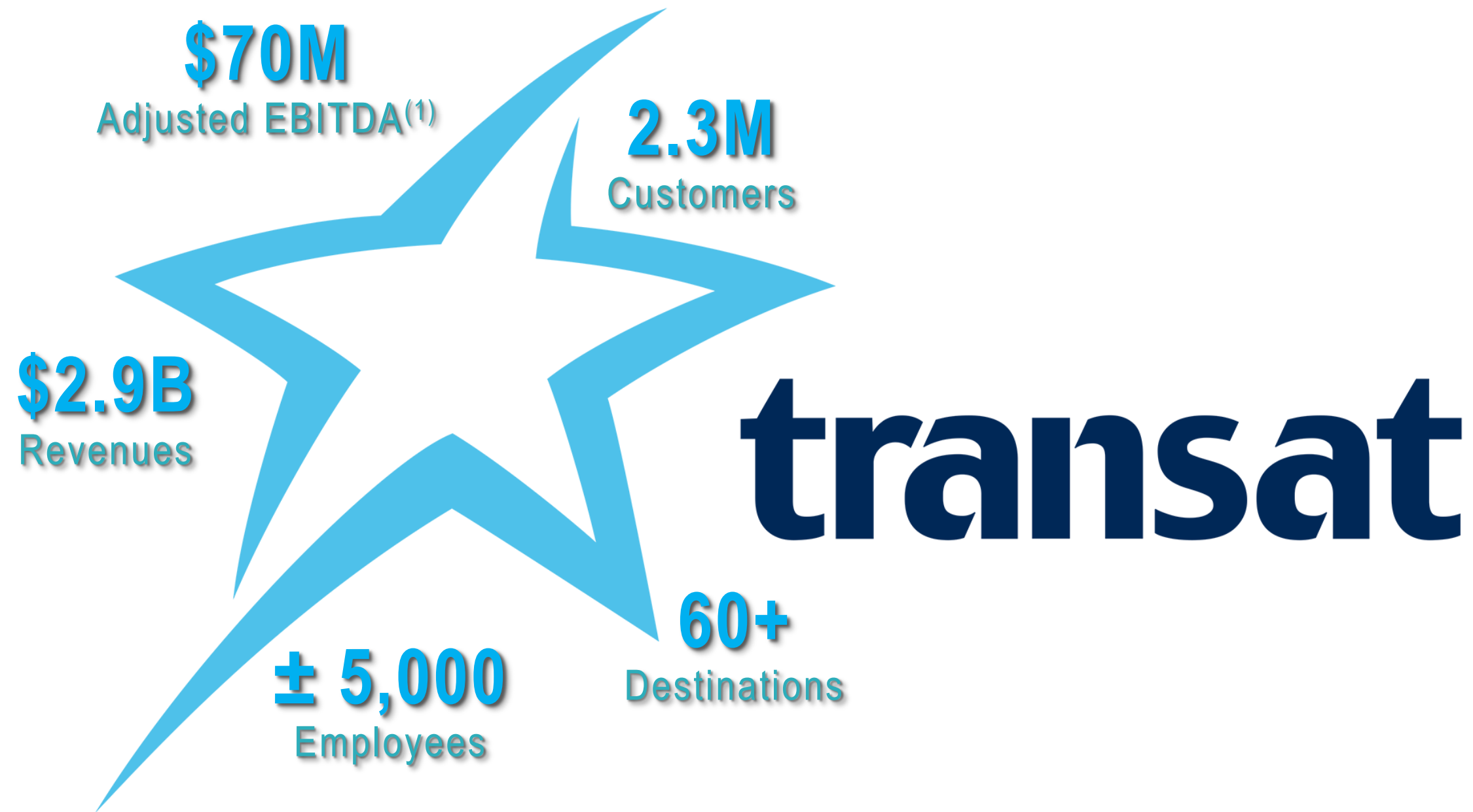
INVESTORS PRESENTATION

MARCH 2017

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.

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One Of The Largest Tour Operator In North America



⁽¹⁾ 2014-2016 average adjusted EBITDA; Refer to Non-IFRS Financial Measures in the Appendix

Vertically-integrated Travel Provider



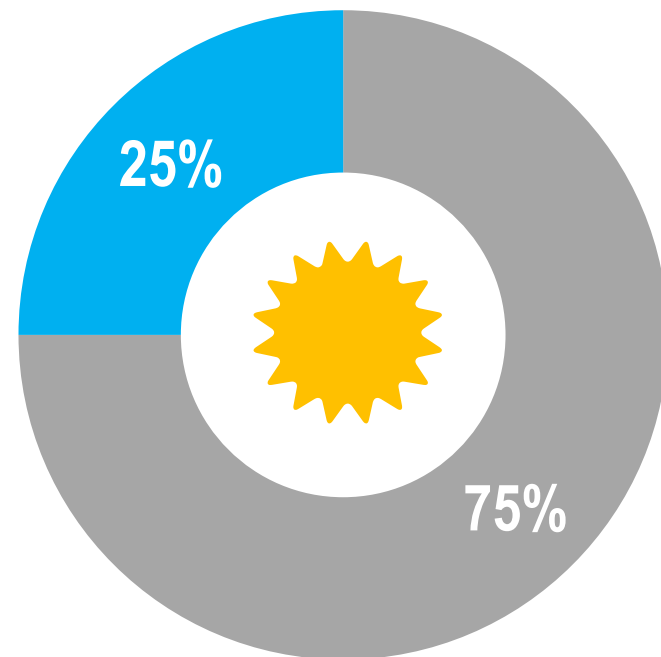
<p>Distributor</p>	<ul style="list-style-type: none"> ➤ Develops holiday travel packages for sun destinations and Europe ➤ Served 1.5M travelers from Canada and 0.6M from Europe in 2016 ➤ Largest retail holiday travel distributor in Canada with 455 outlets ➤ Comprehensive online distribution platform 	
<p>Airline</p>	<ul style="list-style-type: none"> ➤ Operates flights to 35 sun and 31 European destinations with departures from 19 Canadian airports ➤ Served 2.1M passengers in 2016 	
<p>Hotels</p>	<ul style="list-style-type: none"> ➤ 35% interest in Ocean Hotels (65% held by H10) ➤ 4,600 rooms currently under management (1,600 owned & 3,000 managed-only) in Mexico, Dominican Republic and Cuba ➤ 5,600 rooms expected by 2019 	<p>Ocean By H10 Hotels</p>
<p>Destination Management Company</p>	<ul style="list-style-type: none"> ➤ Provides onsite services, such as excursions, sightseeing tours and logistical support services 	

Distinct Summer And Winter Markets



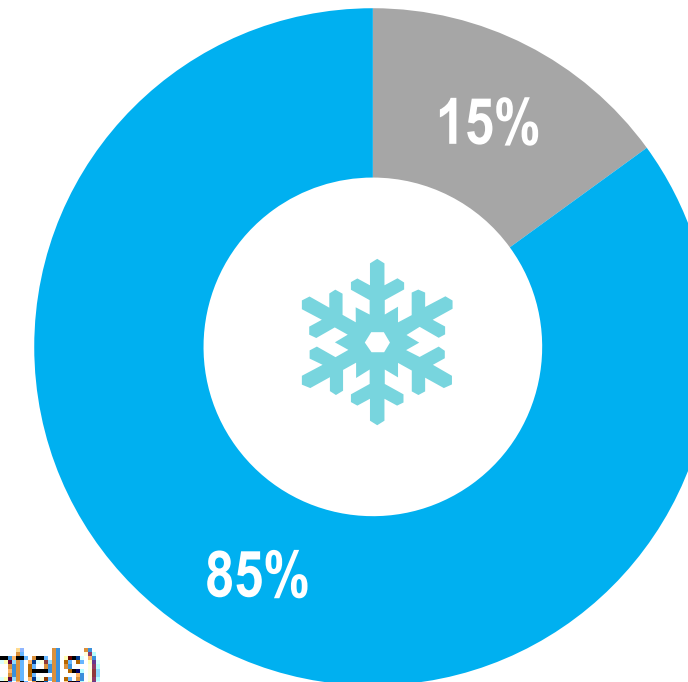
PAX Distribution (FY2016)

Summer (May to October)

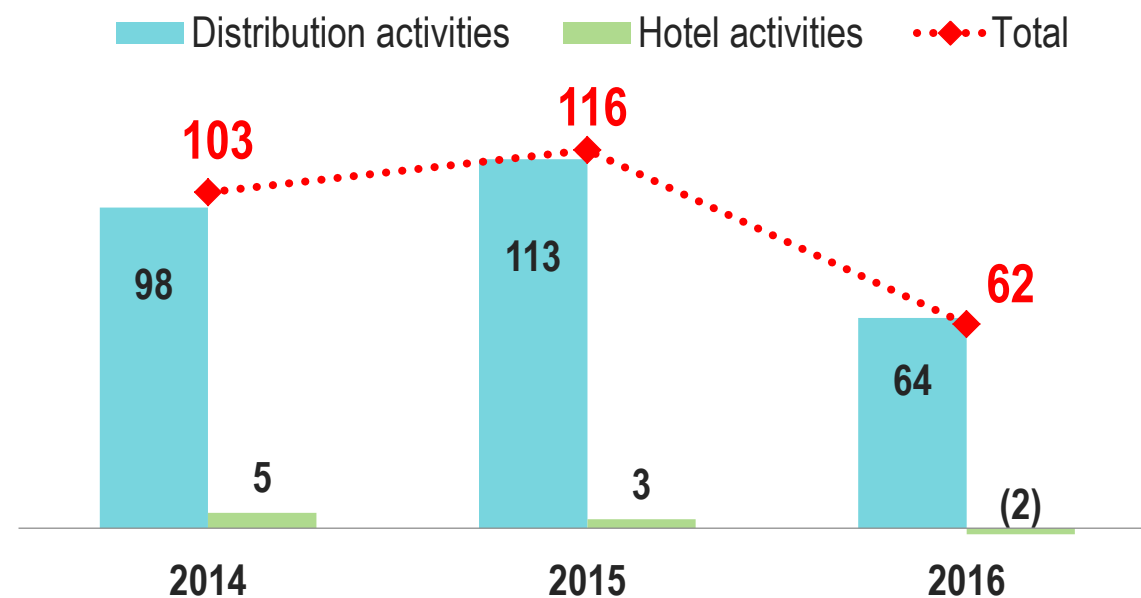


■ Transatlantic ■ South (incl. Ocean Hotels)

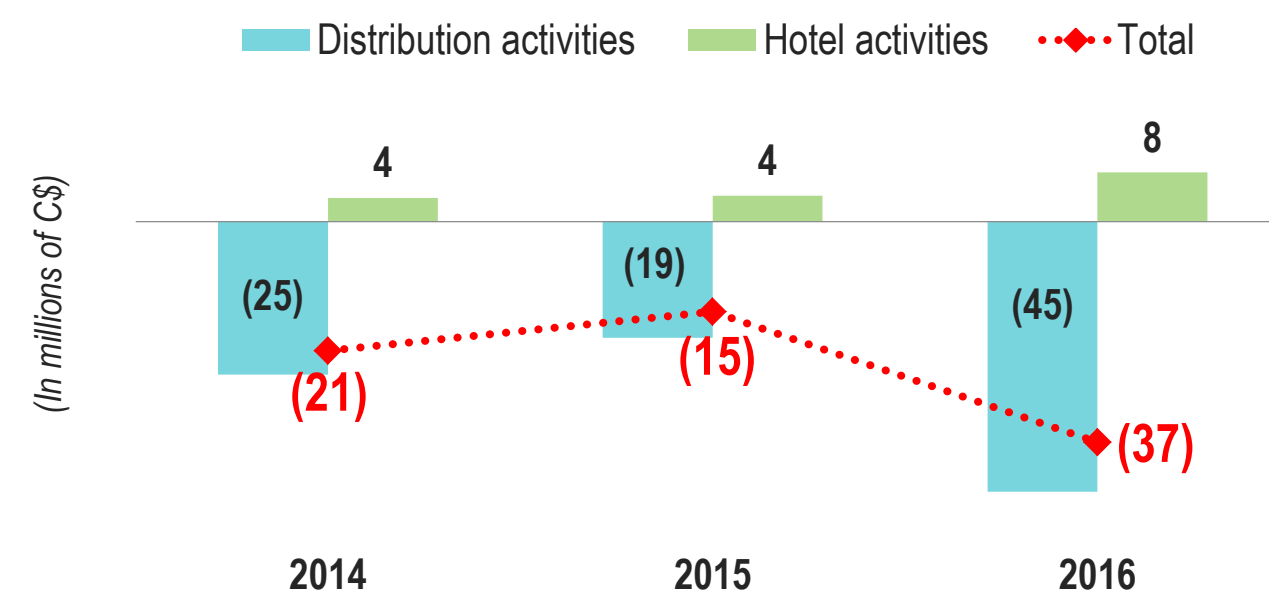
Winter (November to April)



Historical EBITDA ⁽¹⁾



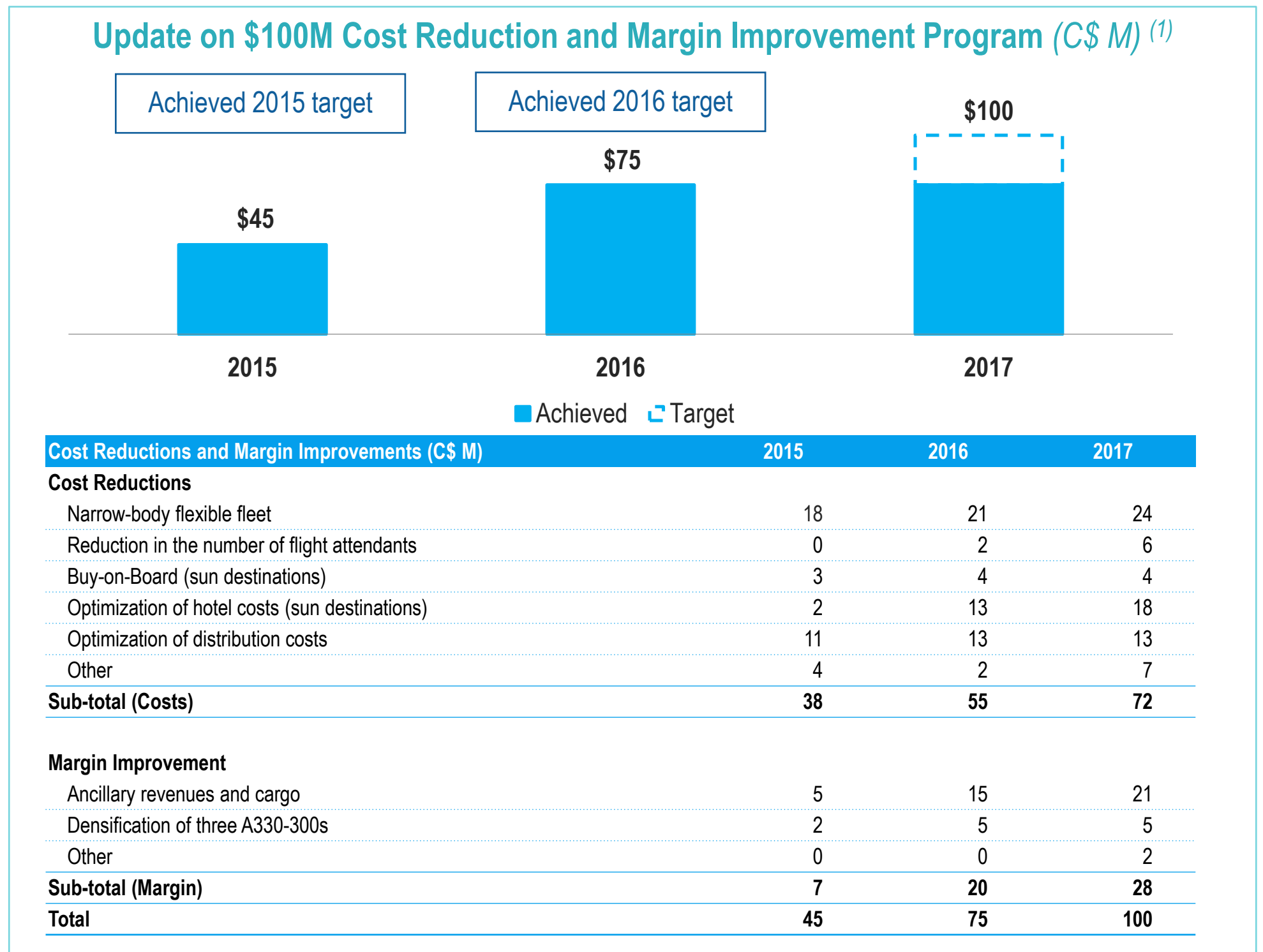
Protect Performance in Summer



Focus on Returning to Profitability in Winter

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

- ✓ **\$100M Cost Reduction and Margin Improvement Program**
- ✓ **Improve Product Offering**
 - Introduce new European destinations
 - Optimize sun destinations offering
- ✓ **Transform Distribution Strategy**
 - Develop Transat Travel brand
 - Improve new distribution website
- ✓ **Market Development and Integration**
 - Develop and grow Hotels
 - Expand in the United States
 - Enhance incoming tour operator presence



⁽¹⁾ Table amended

In the past 3 years:

- Transat became more efficient through all the cost reduction and margin improvement initiatives taken but the effect has been masked mainly by the depreciation of C\$

FY2017:

- Winter (Sun destinations)
 - USD impact on costs
 - Zika virus still present
 - 2nd quarter will not be affected by the threat of a pilots strike that hurt last winter's results
- Summer (Transatlantic)
 - Total industry seat capacity: Significant deceleration in growth from +14% in summer 2016 to +4% in 2017

1

Vertically-integrated travel producer with flexible cost structure

2

Very strong position in sun destinations and transatlantic markets with exceptional brand recognition

3

Significant unrecognized asset value at current trading level

4

Long-term strategic and transformation plan driving profitability expansion

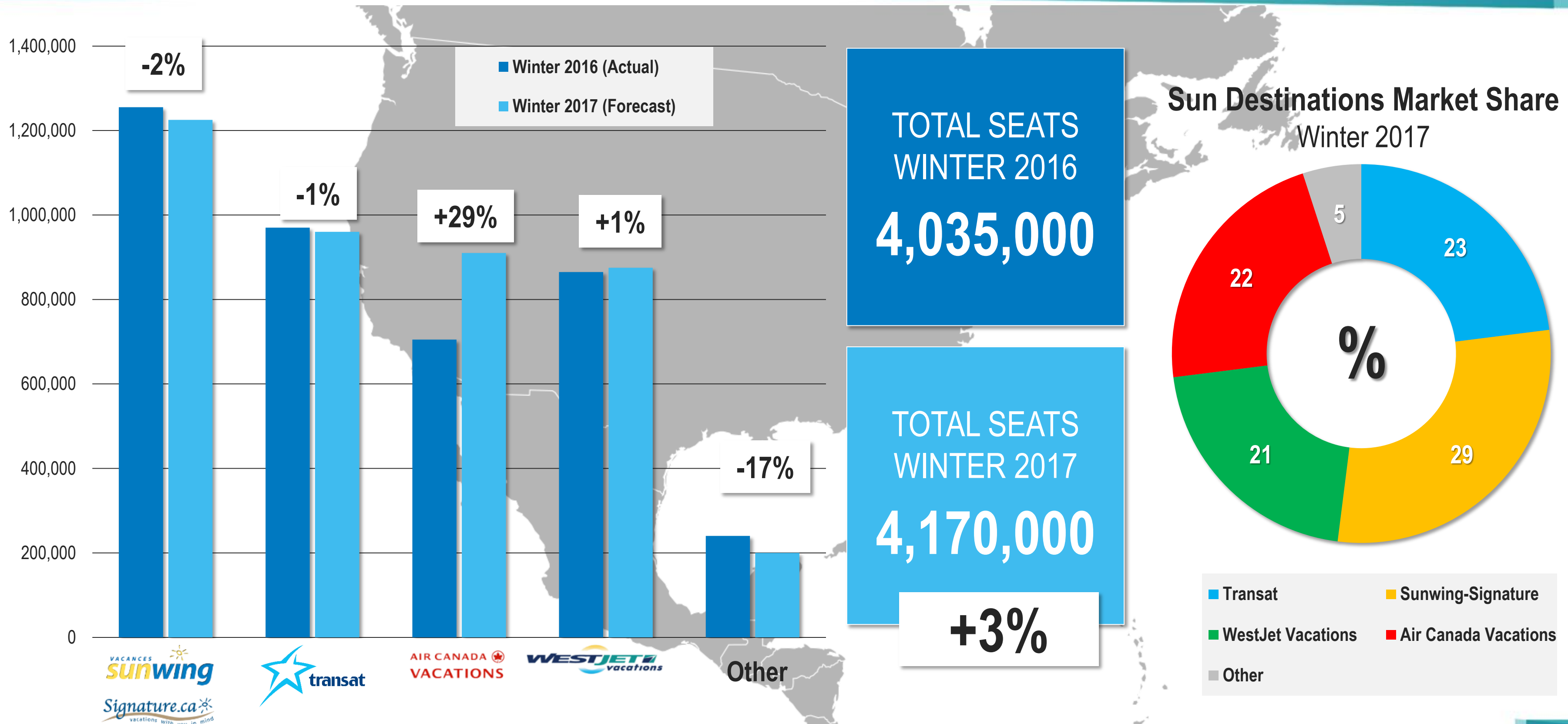
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Strong balance sheet providing financial capacity to execute on strategic opportunities

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Sun Destinations Capacity And Market Share ⁽¹⁾

(Based on Winter 2016-17 scheduled and chartered flight deployed)

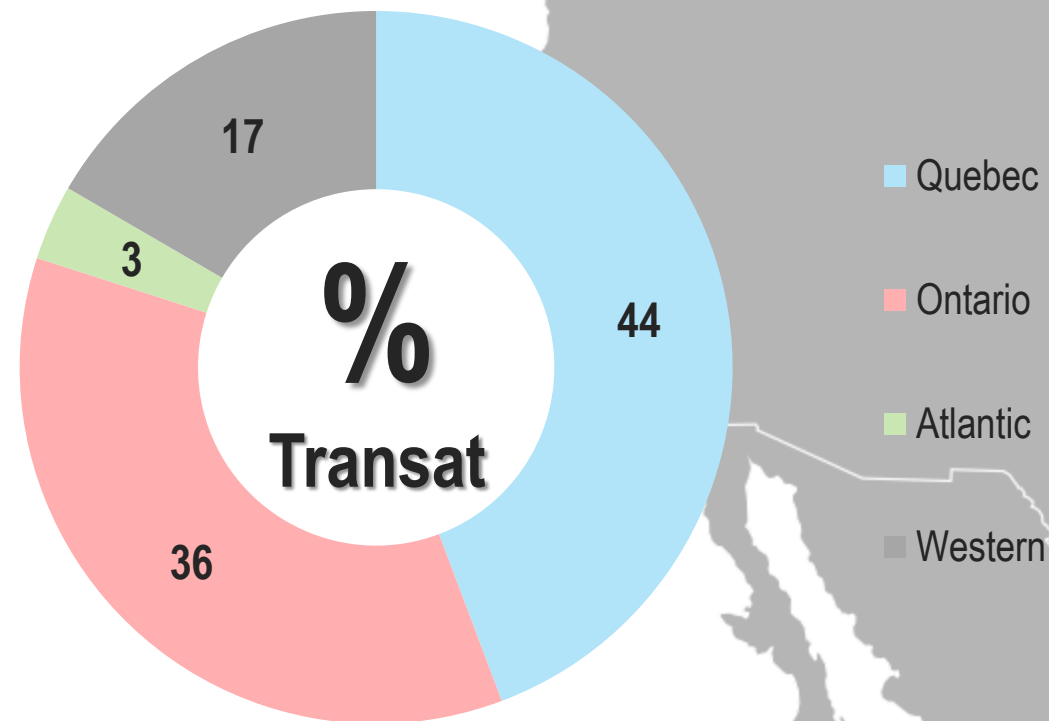


(1) Capacity between Canada and sun destinations as : Mexico, Dominican Republic, Cuba, Caribbean, Jamaica and Central America

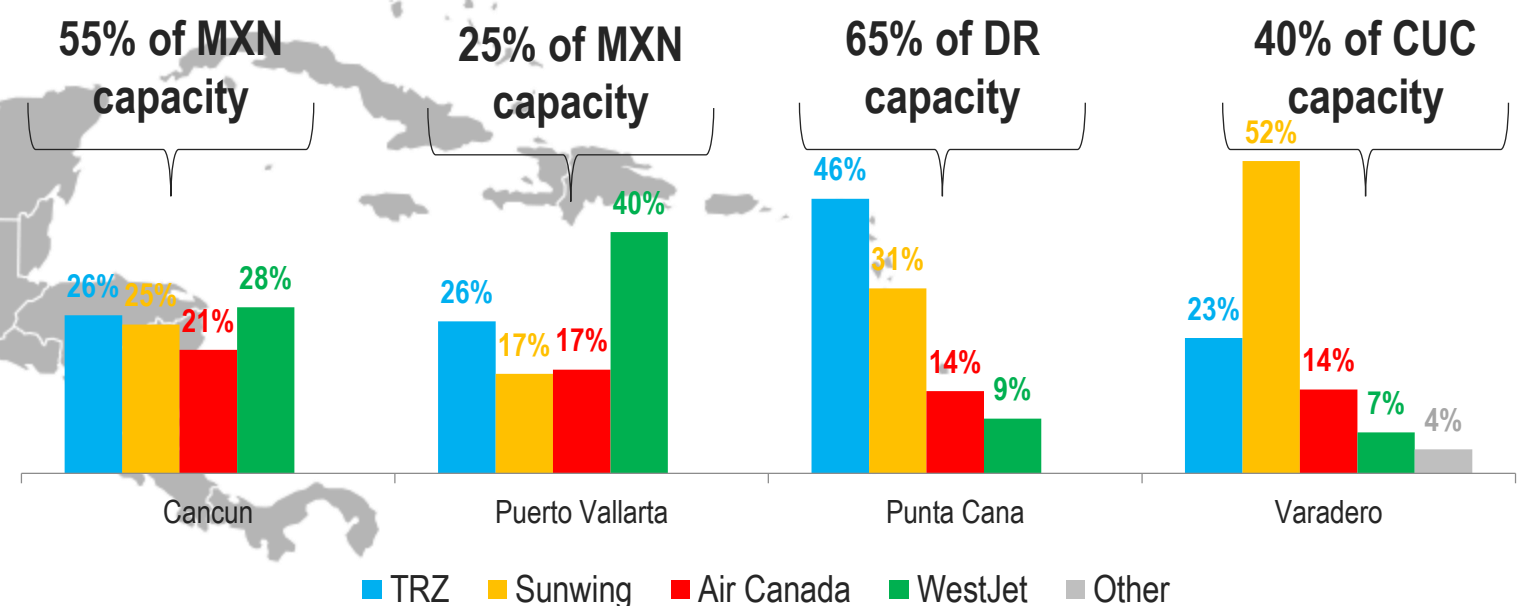
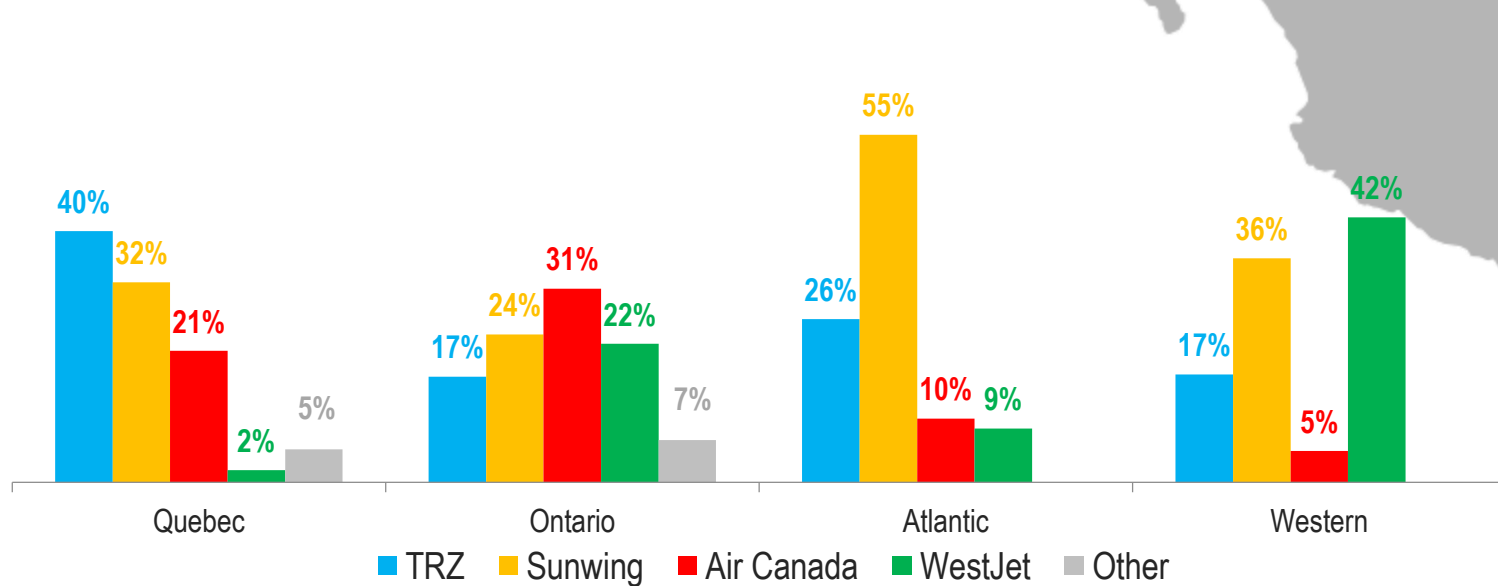
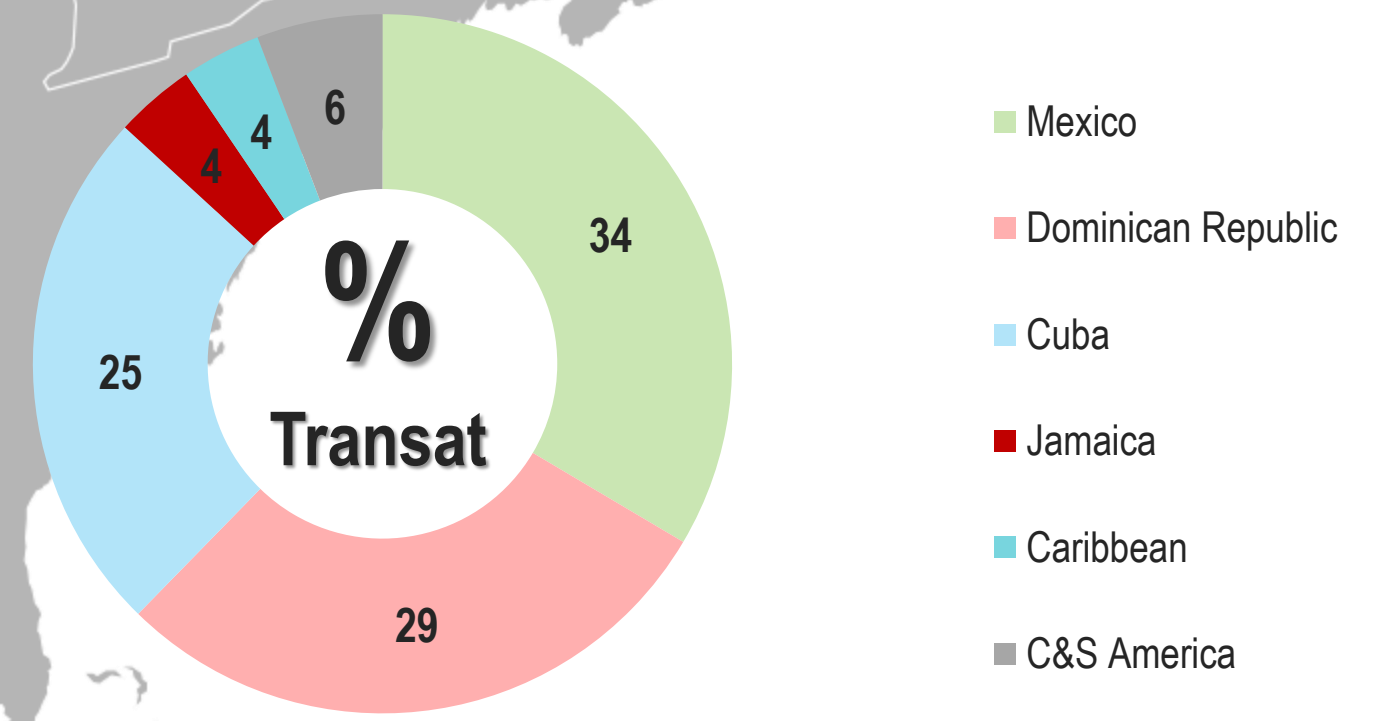
Winter 2016-17 : 960,000 Travellers (Excluding USA)



ORIGIN OF TRAVELERS



DESTINATION OF TRAVELERS



Q1 HIGHLIGHTS (vs. 2016)

- ▲ **Overall industry capacity up by +4%**
 - Air Canada Vacations aggressively adding seats (+26%)
- ▲ **Sun destination market**
 - Capacity down by 5.2%
 - Load factor up by 1.7%
 - Price up by 1.5%
 - Net impact (FX & Fuel) on costs of 3.0%
 - Higher proportion of flight-only sold compared to packages vs 2016
- ▲ **Transatlantic market (low season)**
 - Lower results compared to previous year
- ▲ **Ocean hotels**
 - Our share of net income improved by C\$ 1.7M vs previous year

(in thousands of C\$)

	1 st quarter results ended January 31			
	2017	2016	2017 vs. 2016	
			\$	%
REVENUES	689,332	725,723	(36,391)	(5.0%)
Adjusted EBITDAR ⁽¹⁾	(976)	593	(1,569)	(264.6%)
Adjusted EBITDA ⁽¹⁾	(37,079)	(31,682)	(5,397)	(17.0%)
<i>As % of revenues</i>	(5.4%)	(4.4%)	(1.0%)	(22.7%)
Adjusted net income (loss) ⁽¹⁾	(36,039)	(30,378)	(5,660)	(18.6%)
<i>As % of revenues</i>	(5.2%)	(4.2%)	(1.0%)	(23.8%)
<i>Per share</i>	(\$0.98)	(\$0.82)	(\$0.16)	(19.5%)
Net income (loss) attributable to shareholders	(32,073)	(61,155)	29,082	47.6%

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

Q2 OUTLOOK (vs. 2016)

▲ Transat faced headwinds last winter

- Results hurt by :
 - ✓ Zika virus (still present)
 - ✓ Threat of a pilots strike (new 6-year agreement in place)
 - ✓ Terrorism attacks in Europe

▲ Sun destinations market

- 82% of inventory sold
- Similar capacity
- Load factor up by 0.9%
- Price up by 3.0%
- Net impact (FX & Fuel) on costs of 3.3%

▲ Transatlantic market (low season)

- Expect lower results than previous year

▲ Global Market

- Total industry seat capacity up by +3%
- Majority of the increase done by Air Canada Vacations (+32%)

	Q1	Q2	Winter
Adj. EBITDA 2016 ⁽¹⁾	(32M)	(5M)	(37M)
Δ FX / Fuel on costs on sun destinations packages	(17M)	(21M)	(38M)
Adj. EBITDA incl. FX / Fuel impact ⁽¹⁾	(49M)	(26M)	(75M)
Sun Destinations Yield Management ⁽²⁾	13M		
Others (Transatlantic, Ocean hotels, ...)	(1M)		
Adj. EBITDA 2017 ⁽¹⁾	(37M)		

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

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

Transat Aircraft Fleet



A330/A310

	2013		2014		2015		2016		2017	
Wide-Body Base Fleet	21	21	21	21	21	21	21	23	23	25
- Seasonally withdrawn ⁽¹⁾	-	-	(4)	-	(6)	-	(6)	-	(8)	-
- Sublease	(1)	-	(1)	-	(1)	-	(3)	-	(3)	-
Total	20	21	16	21	14	21	12	23	12	25

⁽¹⁾ As a result to improved leasing terms in 2014, three A330s are withdrawn from the fleet in winter with no fixed costs. In addition, Transat has flexibility on the A310s it owns (less utilization overtime). Introduction of new A330 in Summer 2017 with no fixed costs during winter season



B737

	2013		2014		2015		2016		2017	
Narrow-Body Base Fleet	-	-	-	4	4	4	4	7	7	7
+ CanJet	11	5	11	1	2	1	-	-	-	-
+ Seasonal Lease	-	-	1	-	8	-	15	-	13	-
Total	11	5	12	5	14	5	19	7	20	7
% passengers	30%		39%		42%		50%		50%	



OWNED AND MANAGED

Now

1,600 rooms

Projected

2,600 by 2019

MANAGED ONLY

Now

3,000 rooms

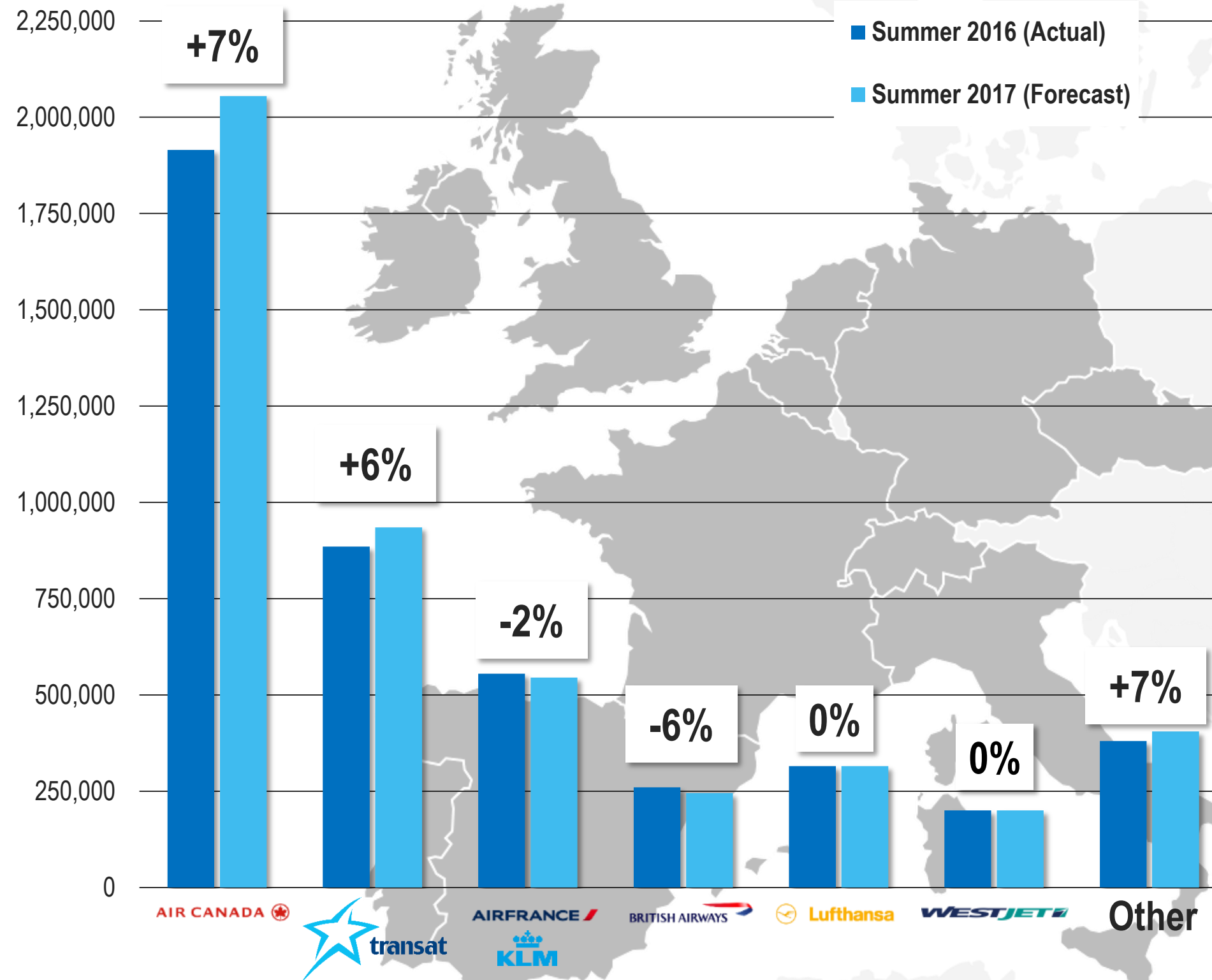
HIGHLIGHTS

- ▲ **35% Interest (65% held by H10 Hotels)**
 - C\$ 99.1M on balance sheet as of Jan 31
- ▲ **Grow Ocean Hotels from 4,600 as of today over 5,600 rooms by 2019**
 - Through a combination of owned and managed hotels
 - 2 new managed hotels opened Winter 2015-16 in Cuba
 - Casa Del Mar: Number of rooms increased from 400 to 800 rooms at the end of September 2016
 - 1 new hotel built only by H10 but managed by Ocean in Mexico of 975 rooms
 - 2 projects underway (Dominican Republic and Jamaica)
- ▲ **Continuous growth in terms of operational contribution since 2010**
 - Positive free cash flow⁽¹⁾ used to reimburse debt and begin additional hotel investment
 - Loan to value ~ 5-10%
 - Dividends of C\$ 6.7M and C\$ 9.1M received respectively in 2015 and 2016 at Transat Level

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

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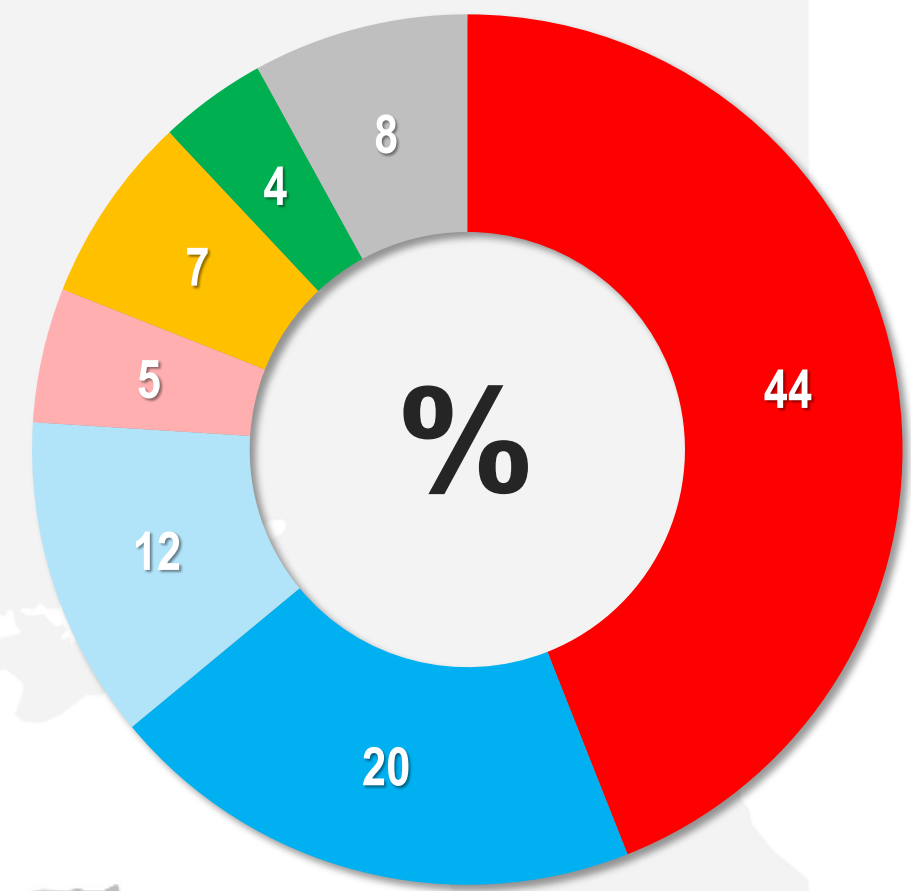
Transatlantic Capacity And Market Share ⁽¹⁾ (Summer 2017)



TOTAL SEATS
SUMMER 2016
4,510,000

TOTAL SEATS
SUMMER 2017
4,700,000
+4%

Transatlantic Market Share Summer 2017



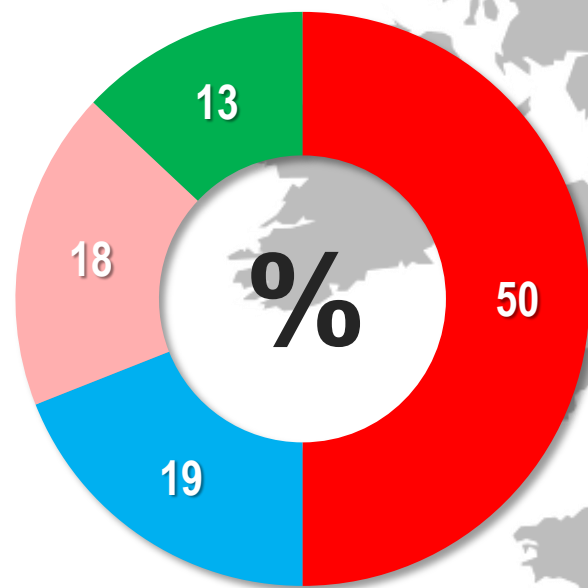
- Air Canada
- Air France - KLM
- Lufthansa
- Other
- Transat
- British Airways
- WestJet

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

Transatlantic Market Share by Destinations (Summer 2017)

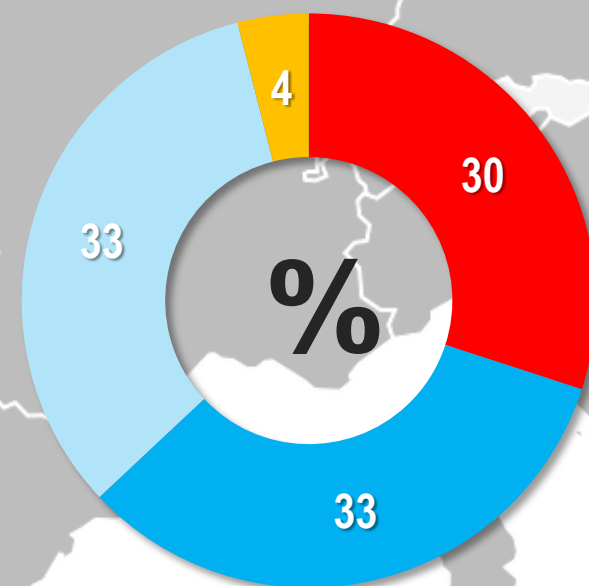


Market share
United Kingdom



Air Canada Transat
British Airways WestJet

Market share
France



Air Canada Transat
Air France - KLM Corsair

GLOBAL MARKET OVERVIEW

- Europe: largest tourism market in the world (more than 50% of travellers inbound & outbound)
- 4.7M seats in summer 2017 between Canada and Europe

TRANSAT STRATEGY AND MARKET POSITION

- Lowest-cost producer
- Wide portfolio of direct destinations
- 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

HIGHLIGHTS (vs. 2016)

▲ Transat – Transatlantic market

- Sale of French and Greek operations had no impact on our transatlantic program
- 33% of inventory sold
- Capacity increased by 5.9%
- As of now, practically no FX & Fuel impact during summer period
- During the past weeks, the prices have improved continuously (this may not be a trend that will continue in the future)
- Continue our cost-and-margin initiatives program

▲ Global Market

- Total industry seat capacity between Canada and Europe will be up +4%, a significant deceleration in growth from the +14% seen in summer 2016
- Majority of the increase done by Air Canada (+140k seats) and Transat (+50k seats)

	Q3	Q4	Summer
Adj. EBITDA 2016 ⁽¹⁾	16M	46M	62M
Δ FX / Fuel on costs on transatlantic flight	(7M)	1M	(6M)
Adj. EBITDA incl. FX / Fuel impact ⁽¹⁾	9M	47M	56M
Transatlantic Yield Management ⁽²⁾ Others (sun destinations, Ocean hotels, ...)			
Adj. EBITDA 2017 ⁽¹⁾			

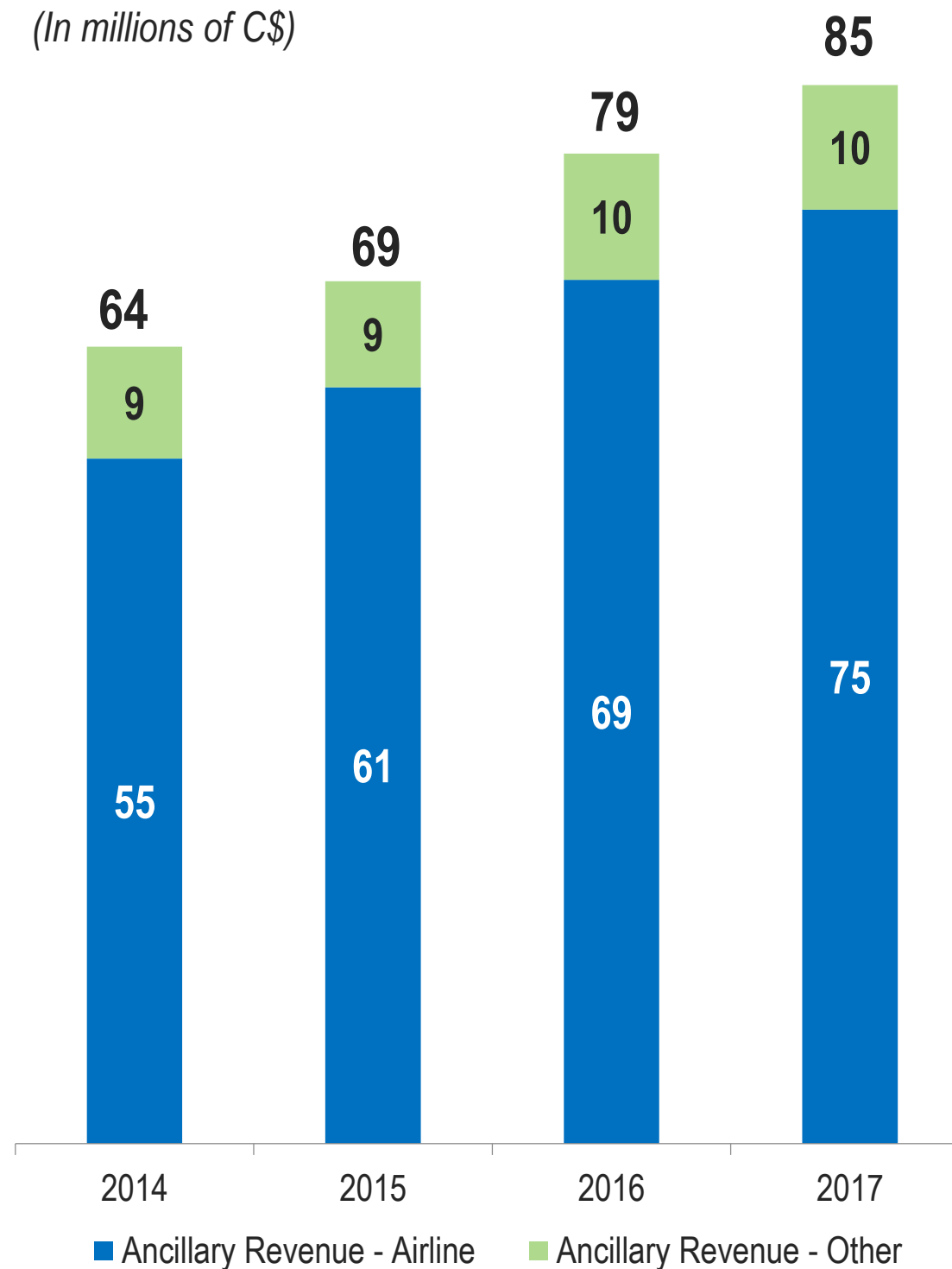
(1) Refer to Non-IFRS Financial Measures in the Appendix

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



TOTAL ANCILLARY REVENUES ⁽¹⁾

(In millions of C\$)



HIGHLIGHTS

- ▲ Grow total ancillary revenues ~ C\$ 85M by 2017
- ▲ Ancillary revenues allocation:
 - Seat selection
 - Different fares (Option flex, eco extra, eco max)
 - Airport revenues
 - Buy-on-board
 - Excess luggage
 - Duty-Free
 - Excursions
 - Travel insurance, etc.
- ▲ Introduction of Datalex software to facilitate the sale of optional services
- ▲ Third-party cargo agreement

⁽¹⁾ Previously we presented the ancillary revenues related to airline only

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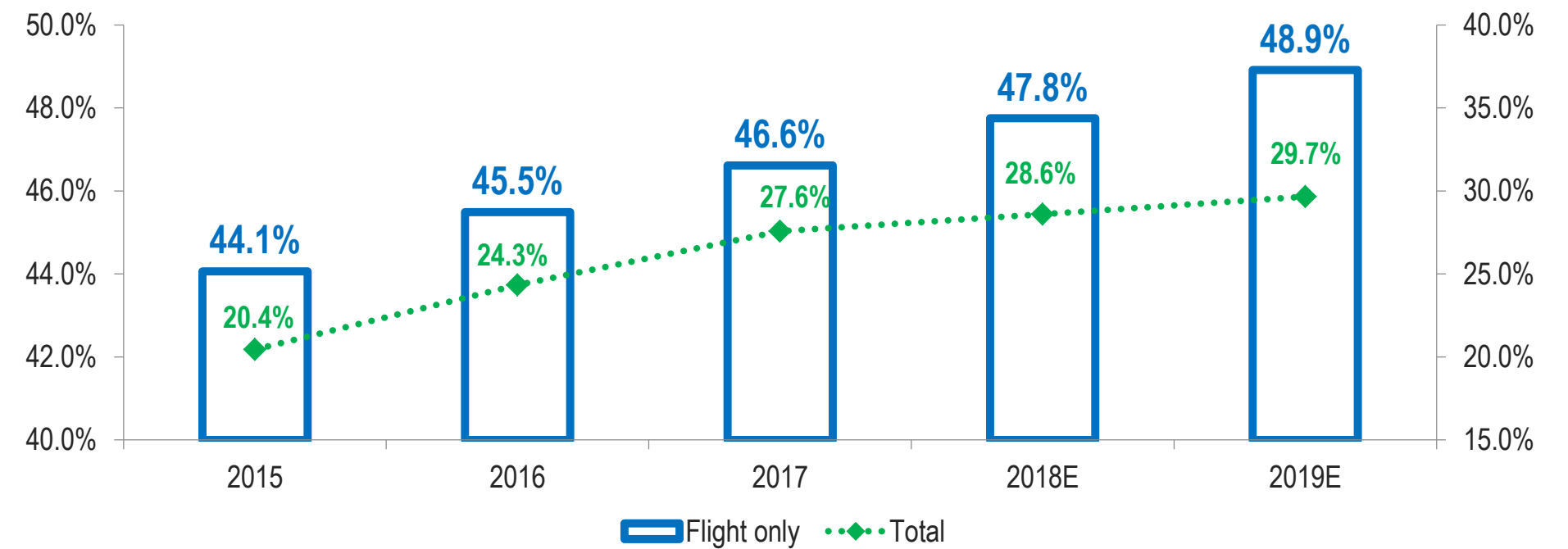
Transat Distribution Strategy



- ✓ Create a fully-integrated distribution ecosystem comprised of a new Transat Travel website, connected to our call centers and travel agencies
- ✓ Make online tools fully responsive to mobile devices
- ✓ Enhance offering with third-party products so as to nurture repeat business and customer loyalty
- ✓ Improved CRM (customer relationship management)



% OF SALES IN B2C (WEB + CALL CENTER) ⁽¹⁾



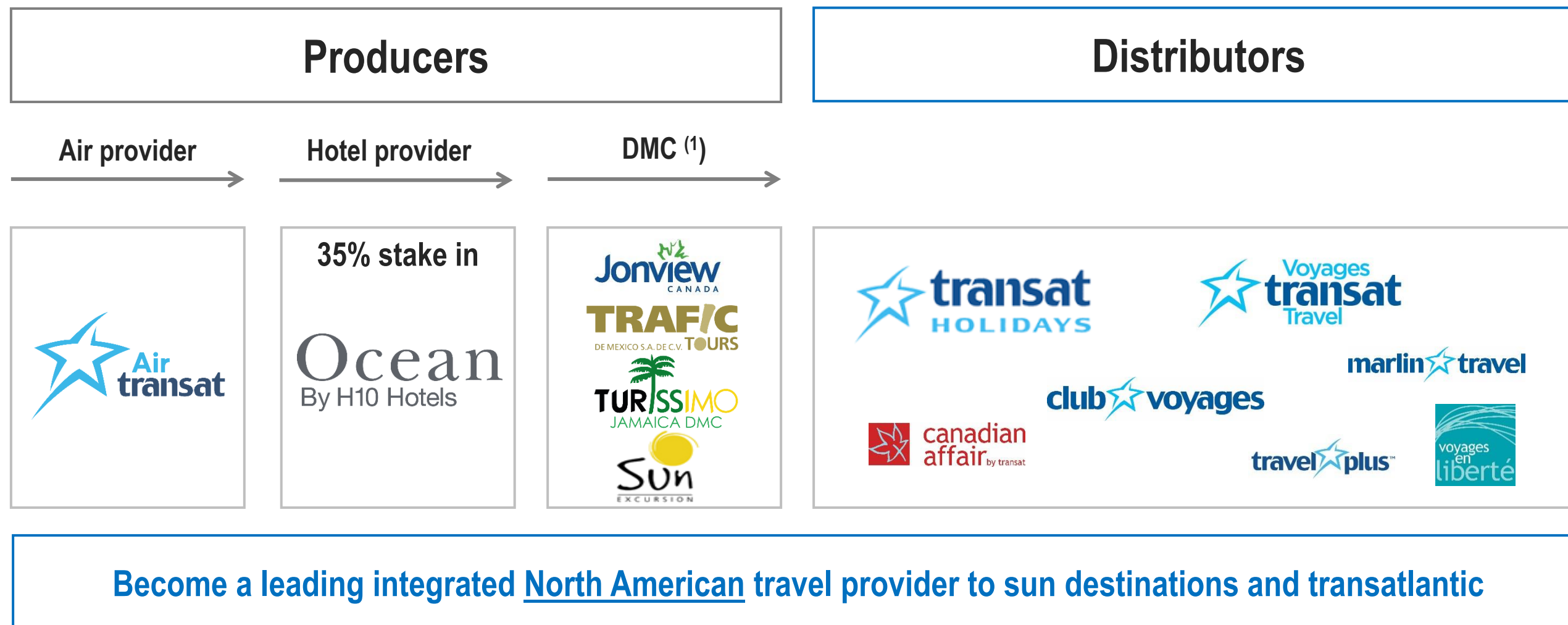
⁽¹⁾ Global market figures vs previously-presented Canadian market figures only

Continuously improving our website platform to enhance our customers online experience and increase our direct sales

Transat Transformation Strategy



- To ensure long-term success, Transat is looking to own the product across the value chain and adapt its distribution model
 - Acquisition of hotel business in order to benefit from higher profitability, secure room capacity, provide differentiated products and reduce seasonality of **earnings**
 - Acquisition of (online) tour operator in new outbound market (e.g. the U.S.) to realize economies of scale, secure access to end customers and reduce seasonality of **volumes**



Hotels investments would represent the first step in the realization of Transat's vision

(1) Destination Management Company



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HIGHLIGHTS (additional details in Appendix)

Free Cash: \$455M vs \$428M⁽¹⁾ (2016)

- Variation of +\$27M explained by :
 - Net proceeds from the sale of French and Greek operations of +C\$ 88M
 - Dividend received from Ocean Hotel of +C\$ 9M
 - Offset by few items (see chart on right)
 - Tax recovery expected in Q3
 - Jonview minority shareholder buyback (20%)
 - Depreciation of GBP impacted our cash in C\$

Excess cash

- Mid-December 2016 (lowest level) : C\$150M of excess cash which could be deployed towards an acquisition

Capital expenditures

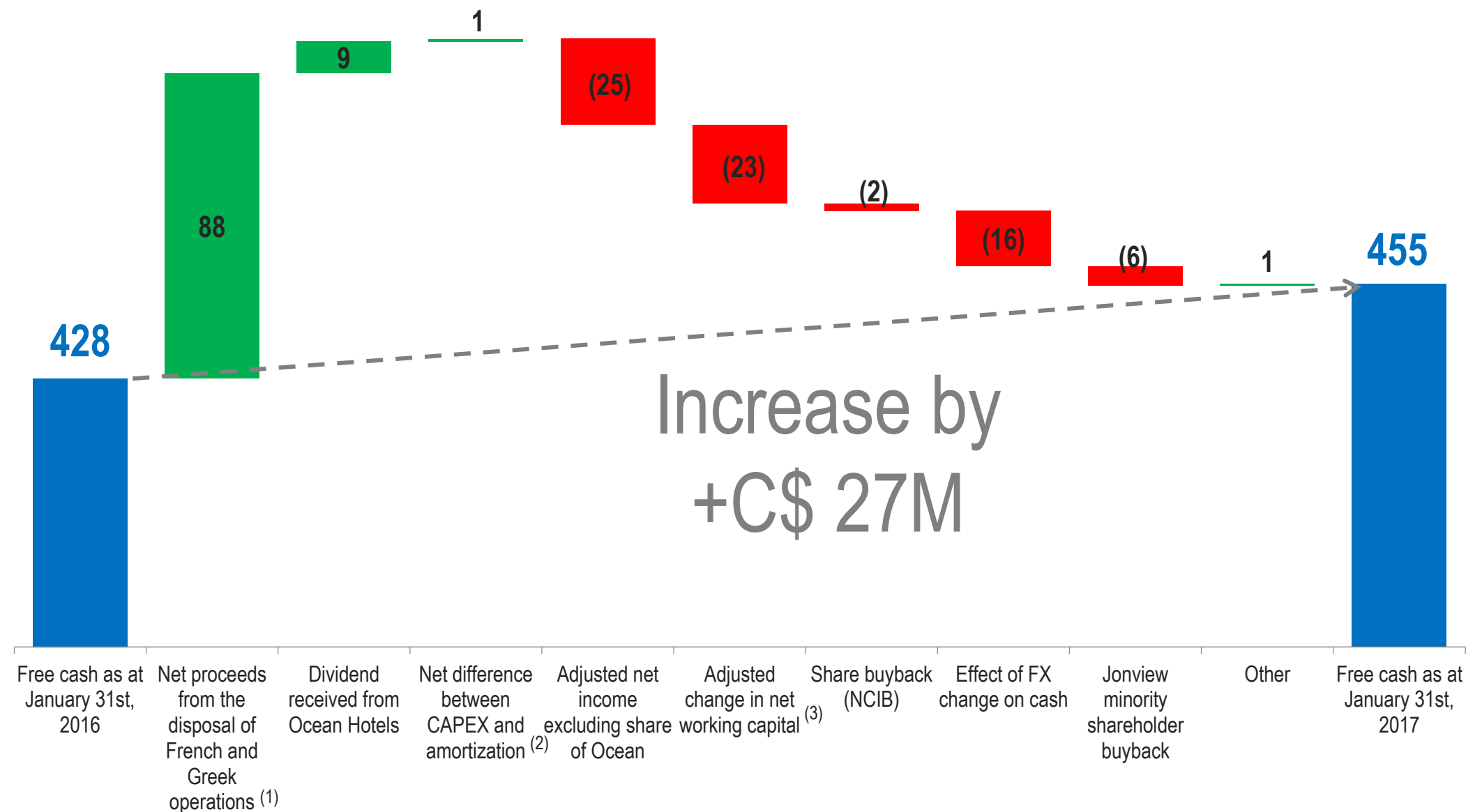
- FY2017E : \$55-60M net of deferred lease inducements
- Deferred lease inducements from aircraft lessors for A330 refurbishment

Hotels investment asset : \$99M

- No variation vs Y-1 explained by :
 - Profitability net of dividend received of C\$ 9M during the last 12 months

(1) Cash and cash equivalents from continuing operations

UNRESTRICTED CASH



(1) Proceeds of sale was +\$93M less transactions fees of (\$5M)

(2) Net of deferred lease inducements of +\$22M

(3) Change in net working capital adjusted of transaction costs related to the sale of French and Greek operations satisfied in cash during the 1st quarter of +\$3M and deferred lease inducements of (\$22M)

Transat Annual Financial Performance

(Results from continuing operations)



HIGHLIGHTS

Historical (2012-2016)

- Average profitability of C\$ 70M on an adjusted EBITDA basis
- 3 record summers in last 5 years despite capacity increases

Vision for coming years

- **Sun destinations:** Transformation plan underway to reduce seasonality of (1) earnings and (2) volumes
- **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 compete on

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

	12-month period ended October 31				
	2016	2015	2014	2013	2012
REVENUES	2,889.6	2,898.0	2,996.1	2,969.6	3,051.8
Adjusted EBITDAR ⁽¹⁾	161.6	199.5	168.5	190.6	119.5
Adjusted EBITDA ⁽¹⁾	25.8	100.6	81.3	109.3	31.2
<i>As % of revenues</i>	<i>0.9%</i>	<i>3.5%</i>	<i>2.7%</i>	<i>3.7%</i>	<i>1.0%</i>
Adjusted net income (loss) ⁽¹⁾	(15.5)	45.9	37.1	60.7	10.1
<i>As % of revenues</i>	<i>(0.5%)</i>	<i>1.6%</i>	<i>1.2%</i>	<i>2.0%</i>	<i>0.3%</i>
<i>Per share</i>	<i>(\$0.42)</i>	<i>\$1.19</i>	<i>\$0.95</i>	<i>\$1.58</i>	<i>\$0.27</i>
Net income (loss) attributable to shareholders	(91.5)	44.9	16.6	55.8	9.0

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

Trading Comparables

(Valuation Metrics)



	Share price	Latest Quarter	Revenues (LTM)	Equity Value	Adj. Enterprise Value	Adj. EV / EBITDAR ⁽¹⁾		P/E		Margins (LTM)	
	07/03/2017					CY2017E ⁽²⁾	CY2018E ⁽²⁾	CY2017E ⁽²⁾	CY2018E ⁽²⁾	EBITDAR	EBITDA
Direct comparables											
TUI AG	€13.01	Dec-16	\$24,560	\$10,830	\$19,371	5.9x	5.6x	11.8x	10.7x	11.2%	6.7%
Thomas Cook	£0.89	Dec-16	\$14,406	\$2,232	\$7,309	5.9x	5.7x	8.4x	7.2x	9.5%	6.5%
Flight Centre	AUD 28.22	Dec-16	\$2,582	\$2,901	\$3,633	6.5x	6.2x	12.9x	12.2x	21.8%	15.9%
Group Average						6.1x	5.8x	11.0x	10.0x	14.2%	9.7%
Canadian airlines											
Air Canada	\$13.16	Dec-16	\$14,677	\$3,714	\$10,878	3.7x	3.3x	4.9x	3.7x	18.0%	14.8%
WestJet Airlines	\$21.91	Dec-16	\$4,123	\$2,659	\$4,439	4.0x	3.7x	11.0x	8.9x	23.5%	19.2%
Group Average						3.9x	3.5x	8.0x	6.3x	20.8%	17.0%
Transat	\$5.45	Jan-17	\$2,853	\$201	\$719	4.0x	3.5x	nmf	15.6x	5.6%	0.7%

Source: Bloomberg, Factset, Company filings

Note: All values updated as of 7-Mar-2017.

(1) Adjusted Debt and EV include aircraft and ship leases capitalized at 7.5x LTM rent expenses, refer to non-IFRS financial measures in Appendix

(2) Estimates from Factset and calendarized

Trading Comparables (Capital Structure)



(in millions of C\$, unless otherwise noted)

	Cash	Adj. Net Debt ⁽¹⁾	Capital Structure					Capital Structure (%)						
			Market Cap	Total debt	Leases	Cash Adj.	Other	Adj. EV ⁽¹⁾	Market Cap	Total debt	Leases	Cash	Other	Adj. EV ⁽¹⁾
Direct comparables														
TUI AG	\$1,476	\$10,102	\$10,830	\$3,089	\$8,489	(\$1,476)	(\$1,561)	\$19,371	56%	16%	44%	(8%)	(8%)	100%
Thomas Cook	\$208	\$5,049	\$2,232	\$2,302	\$2,955	(\$208)	\$28	\$7,309	31%	31%	40%	(3%)	0%	100%
Flight Centre	\$516	\$747	\$2,901	\$78	\$1,185	(\$516)	(\$15)	\$3,633	80%	2%	33%	(14%)	0%	100%
Group Average									55%	17%	39%	(8%)	(3%)	100%
Canadian airlines														
Air Canada	\$2,979	\$7,208	\$3,714	\$6,722	\$3,465	(\$2,979)	(\$44)	\$10,878	34%	62%	32%	(27%)	0%	100%
WestJet Airlines	\$1,521	\$1,864	\$2,659	\$2,047	\$1,338	(\$1,521)	(\$85)	\$4,438	60%	46%	30%	(34%)	(2%)	100%
Group Average									47%	54%	31%	(31%)	(1%)	100%
Transat	\$455	\$592	\$201	\$0	\$1,047	(\$455)	(\$74)	\$719	28%	0%	146%	(63%)	(10%)	100%

Source: Bloomberg, Factset, Company filings

Note: All values updated as of 7-Mar-2017

(1) Adjusted Debt and EV include aircraft and ship leases capitalized at 7.5x LTM rent expenses, refer to non-IFRS financial measures in Appendix

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5-Year Historical Winter Financial Results

(Results from continuing operations)



6-month period ended on April 30

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

	2016	2015	2014	2013	2012
REVENUES	1,613,944	1,559,102	1,675,704	1,648,540	1,763,930
Adjusted EBITDAR ⁽¹⁾	34,339	32,856	17,561	29,206	3,327
Adjusted EBITDA ⁽¹⁾	(36,685)	(14,995)	(21,462)	(11,769)	(38,144)
<i>As % of revenues</i>	<i>(2.3%)</i>	<i>(1.0%)</i>	<i>(1.3%)</i>	<i>(0.7%)</i>	<i>(2.2%)</i>
Adjusted net income (loss)⁽¹⁾	(42,246)	(25,620)	(27,543)	(19,279)	(40,788)
<i>As % of revenues</i>	<i>(2.6%)</i>	<i>(1.6%)</i>	<i>(1.6%)</i>	<i>(1.2%)</i>	<i>(2.3%)</i>
<i>Per share</i>	<i>(\$1.14)</i>	<i>(\$0.66)</i>	<i>(\$0.71)</i>	<i>(\$0.50)</i>	<i>(\$1.07)</i>
Net income (loss) attributable to shareholders	(78,726)	(27,173)	(30,259)	(33,692)	(29,151)

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

5-Year Historical Summer Financial Results

(Results from continuing operations)



	6-month period ended on October 31				
	2016	2015	2014	2013	2012
<i>(in thousands of C\$, except per share amounts)</i>					
REVENUES	1,275,702	1,338,848	1,320,401	1,321,102	1,287,845
Adjusted EBITDAR ⁽¹⁾	127,250	166,611	150,960	161,348	116,194
Adjusted EBITDA ⁽¹⁾	62,461	115,603	102,754	121,053	69,304
<i>As % of revenues</i>	4.9%	8.6%	7.8%	9.2%	5.4%
Adjusted net income (loss)⁽¹⁾	26,706	71,534	64,660	79,957	50,926
<i>As % of revenues</i>	2.1%	5.3%	4.9%	6.1%	4.0%
<i>Per share</i>	\$0.72	\$1.86	\$1.67	\$2.06	\$1.34
Net income (loss) attributable to shareholders	(12,793)	72,093	46,852	89,519	38,157

⁽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 ⁽¹⁾	2016 ⁽¹⁾	2015	2014	2013	2016 ⁽¹⁾	2015	2014	2013	2012
Free cash	454,827	427,541	393,631	359,596	247,877	440,559	441,536	404,554	336,148	349,457
Cash in trust or otherwise reserved	332,646	391,582	394,896	418,504	407,153	247,321	291,300	300,848	296,747	289,806
Trade and other payables	297,682	463,298	402,516	421,172	351,866	314,683	380,712	373,840	372,094	366,742
Customer deposits	597,745	609,393	636,303	621,618	591,969	483,739	578,449	540,293	514,674	464,722
Working capital ratio	1.15	1.08	1.05	1.07	1.02	1.02	1.01	1.04	0.98	0.93
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	713,606	624,156	626,816	480,199	576,346
Net investment (Ocean hotels)	99,133	107,317	85,322	74,579	64,011	101,909	94,532	77,510	68,300	62,651
LTM capital expenditures	74,271	60,007	68,406	54,463	62,203	51,926	62,822	63,239	61,561	57,265
LTM free cash flow ⁽²⁾	(49,655)	69,148	37,588	104,940	(42,695)	23,597	52,527	54,745	(5,778)	3,261

(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				
	2016 ⁽¹⁾	2015	2014	2013	2012	2016 ⁽¹⁾	2015	2014	2013	2012
Free cash	470,065	515,552	497,072	389,337	318,692	363,664	336,423	308,887	265,818	198,525
Cash in trust or otherwise reserved	199,594	266,700	262,803	290,558	268,287	292,131	367,199	340,704	361,743	331,172
Trade and other payables	349,355	466,644	463,785	443,189	383,557	247,795	355,656	338,633	326,687	307,219
Customer deposits	440,418	527,868	485,867	456,215	395,862	409,045	489,622	424,468	410,340	382,823
Working capital ratio	1.05	1.04	1.06	1.02	0.99	1.28	1.09	1.12	1.10	1.00
Balance sheet debt	0	0	0	0	0	0	0	0	0	0
Obligations under operating leases	693,309	624,047	562,821	658,885	552,287	691,841	675,385	657,639	632,804	530,907
Net investment (Ocean hotels)	99,216	96,453	78,026	69,281	65,356	97,668	97,897	83,949	70,041	64,189
LTM capital expenditures	65,452	61,460	58,436	62,029	62,565	70,754	59,295	64,976	55,457	64,639
Free cash flow (TTM) ⁽¹⁾	(9,282)	28,829	100,580	71,220	(59,984)	(28,266)	39,658	41,264	67,582	(55,767)

(1) Financial profile for continuing operations only

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

Experienced Management 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.



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.



André De Montigny
President, Transat International .

Vice-President, Corporate Development,
Transat A.T. Inc

André De Montigny is President of Transat International and Vice-President, Business Development of Transat. He joined the Transat team in 2000 as Vice-President, Business Development. He served previously as Vice-President, Telecommunications for Capital Communications CDPQ, a subsidiary of the Caisse de dépôt et placement du Québec. He also worked for Videotron Ltd and Teleglobe Canada as, respectively, Vice-President, Business Development and Director, Business Development. He also holds a Bachelor and Master degree in Economics from Université de Montréal. He also holds an MBA from HEC Montréal.

As President of Transat International, he is responsible for the strategy and financial results of Transat's entities at destination, namely the incoming operators in Greece, Mexico and Dominican Republic, as well as the hotel management joint venture with Ocean in the Caribbean. As Vice-President, Business Development, he is responsible for the development of Transat's Strategic Plan and for the identification of external growth opportunities and ensuing acquisition transactions.



Jean-François Lemay
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 practise 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 labour law, he has advised many clients on issues related to labour 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 labour relations. He has also served as a lecturer in labour law with the Law Faculty of Université de Montréal, where he obtained his law degree, and as a professor in labour law with the École du Barreau of the Quebec Bar.



Annick Guérard
General Manager
Transat Tours Canada

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.



Joseph Adamo
General Manager
Transat Distribution Canada

Joseph Adamo joined Transat in 2011, first as Senior Director, then Vice-President, Marketing and e-commerce, for Transat Tours Canada (TTC). In June 2013, he was appointed General Manager of Transat Distribution Canada (TDC). Mr. Adamo has over 25 years of sales, marketing and customer service experience. Prior to joining Transat he held key positions in several large corporations, among them the Marketel/McCann-Erickson Ltd. advertising agency, TELUS Mobility, Bell Canada and the Yellow Pages Group. He holds a Bachelor of Commerce degree and an MBA from McGill University.

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 a subsidiary, 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 First quarterly report by clicking on the following link: [First Quarter 2017](#)

Welcome
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Willkommen Bienvenido Benvenuto
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Benvenuto



AN UNSURPRISING START TO THE WINTER SEASON
CAPITAL DEPLOYMENT STRATEGY IN PROGRESS

THANK YOU !