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COPA HOLDINGS, S.A.

Investor Luncheon 2014

May 30, 2014

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CopaAirlines 

Safe Harbor Statement

Statements in this presentation that are not reported financial results or other historical information are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current plans, estimates and expectations, and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statement. The risks and uncertainties relating to the forward-looking statements in this presentation include those described under the caption “Risk Factors” and “Forward-Looking Statements” in the Company’s Annual Report (20-F Form) filed with the U.S. Securities and Exchange Commission.

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Agenda

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Business and Strategic Overview

PEDRO HEILBRON
CHIEF EXECUTIVE OFFICER

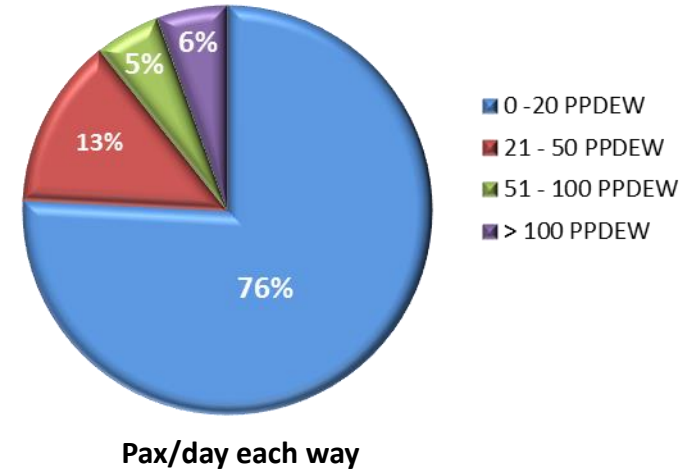
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Business Model - 4 Fundamental Strengths

Best Geographic Location



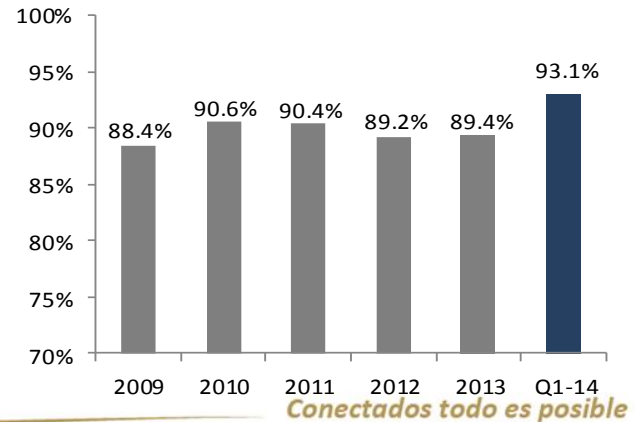
Markets that Need a Hub



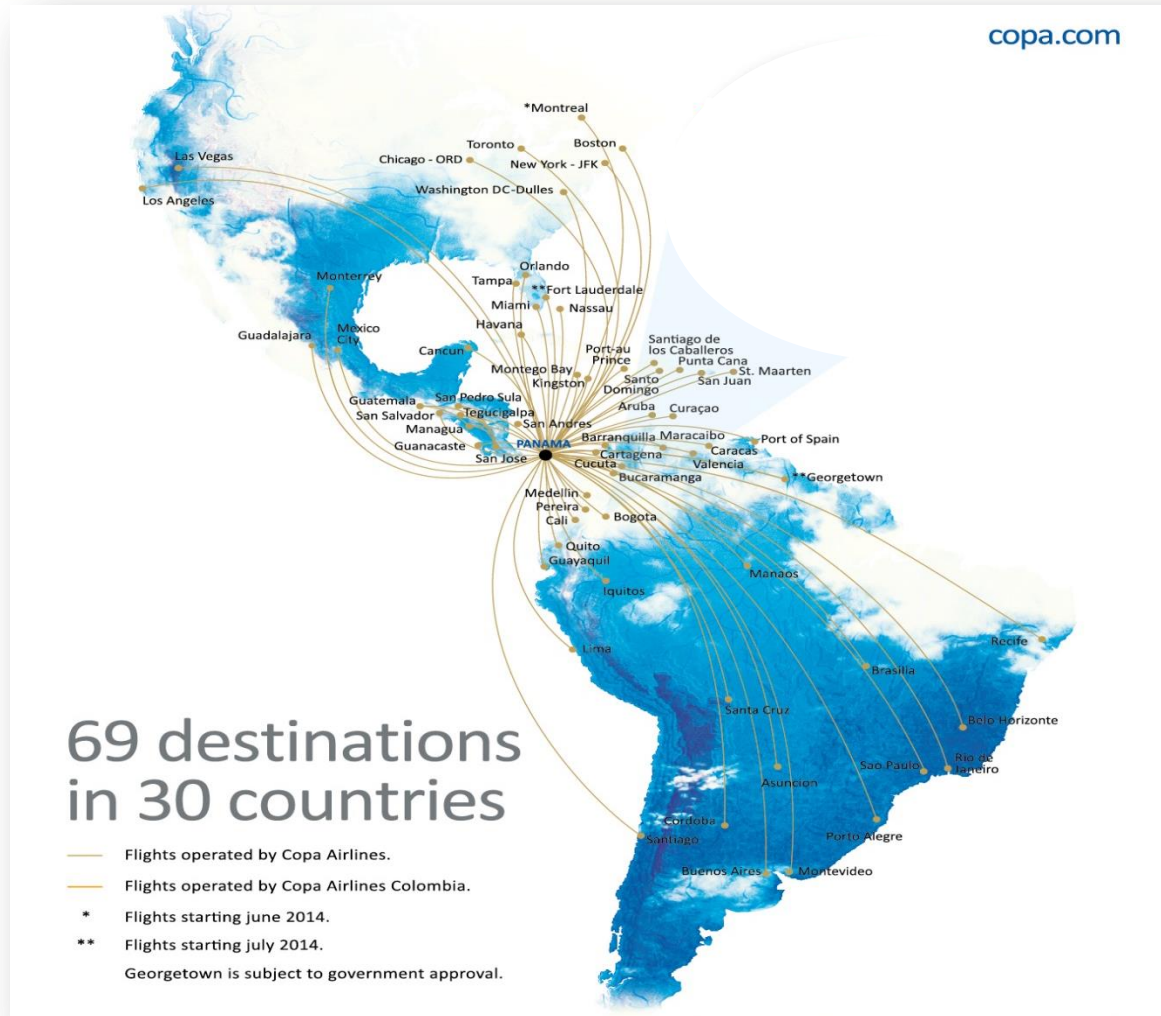
Right Infrastructure



World Class Product



Best Geographic Location

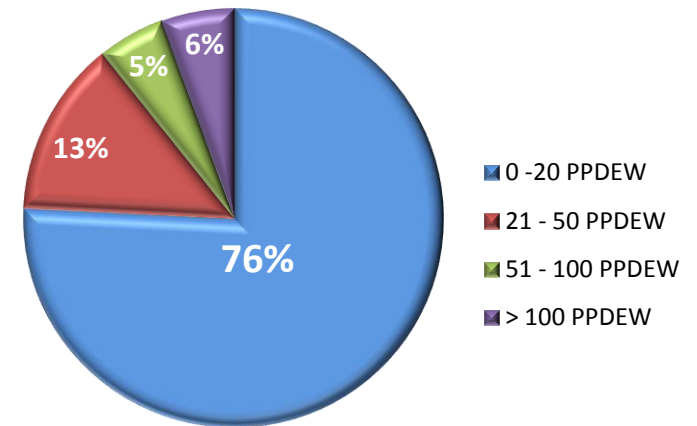


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Markets that Need a Hub

- Opened 10 new destinations in last 2 years, 8 of which have less than 1 million population
- Still 30+ potential unserved new destinations that could compliment our network
- Most Latin American International O&D's cannot sustain point-to-point service
- Copa's Extensive Intra-Latin American network is in many cases the most convenient option

Passengers per Day Each Way - 2014



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Right Infrastructure – Hub of the Americas

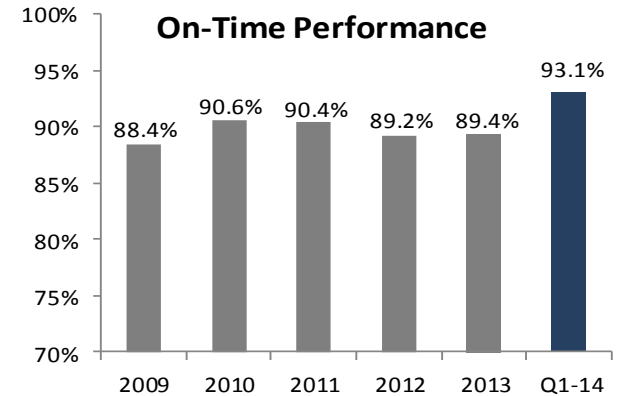
- **Copa represents >80% of the Tocumen Airport daily operations**
- **South terminal expansion accommodates long-term growth needs**
- **Duty free stores are attractive for passengers and an important generator of revenues for the airport**



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World Class Product

- **Average fleet age under 6 years**
 - Premium configuration for longer segments
- **Leading on-time performance**
 - FlightStats 2013 Award for “Best Airline in South America”
- **MileagePlus – Leading FFP**
- **Star Alliance – Premier Global Alliance**
- **Copa Club – VIP Lounges**
- **World Class Service**
 - SkyTrax 2013 Award for “Best Airline in Central America and the Caribbean”



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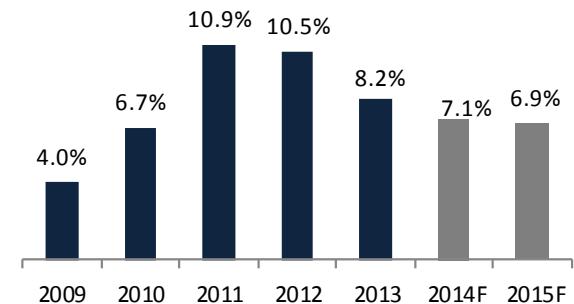
Panama & Latin American Outlook

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Panama: Fastest Growing Economy in Latam

- **Regional business and logistics hub**
 - Largest container ports in Latin America
- **Strong public and private sector investment**
 - Panama Canal Expansion (est EY 2015)
 - Metro Transportation System (Initiated operations Apr-14)
 - New Convention Center (est EY 2014)
 - Hotels: 3,000 new hotel rooms to be added by 2015 (20% growth)
- **Investment grade credit rating**
- **Growing as regional headquarters base for multinational companies**
- **Growing tourism sector**

Panama GDP Growth



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Latin America - Traffic Growth Forecast

- Latin American Intl Air Traffic Demand increased 8.1% in 2013⁽¹⁾
- Air Traffic in Latin America currently expanding 2-3x GDP Growth
- Expected Economic Growth in 2014 of ~2.7% - similar to 2013⁽²⁾
- Traffic within Latin America expected to grow 6.9% per year for the next 20 years
 - 2nd fastest growing region worldwide



Source: Boeing 2013 Current Market Outlook

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Aircraft Order Book

- **45 aircraft to fund future growth**
 - 37 firm & 8 options
 - All Boeing 737-800
- **Deliveries between 2014–2019**
- **First airline in region with Sky Interior**
- **First airline in region with Scimitar Winglets**
 - **Nearly 2% fuel burn improvement**



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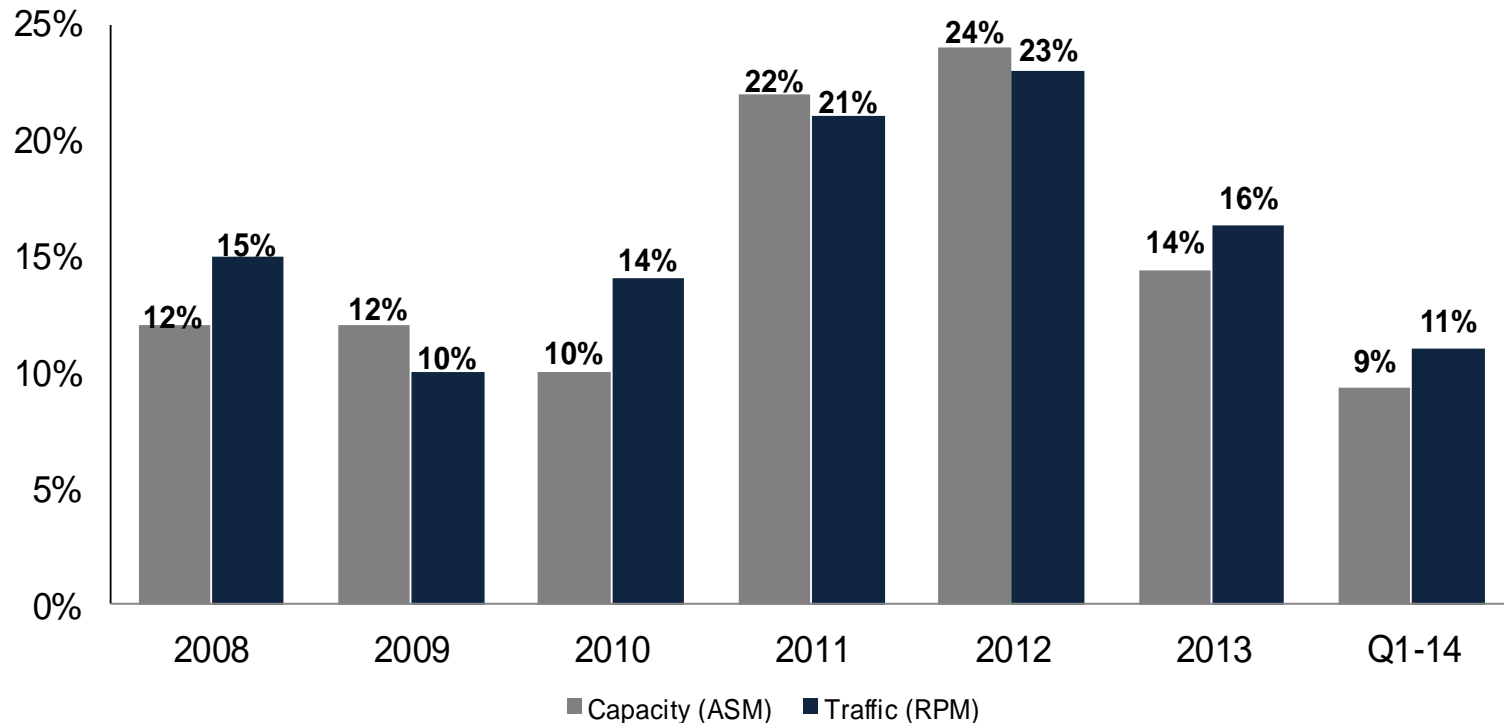
Financial Overview

JOSÉ MONTERO
CHIEF FINANCIAL OFFICER

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Demand Growth In Line With Capacity Expansion

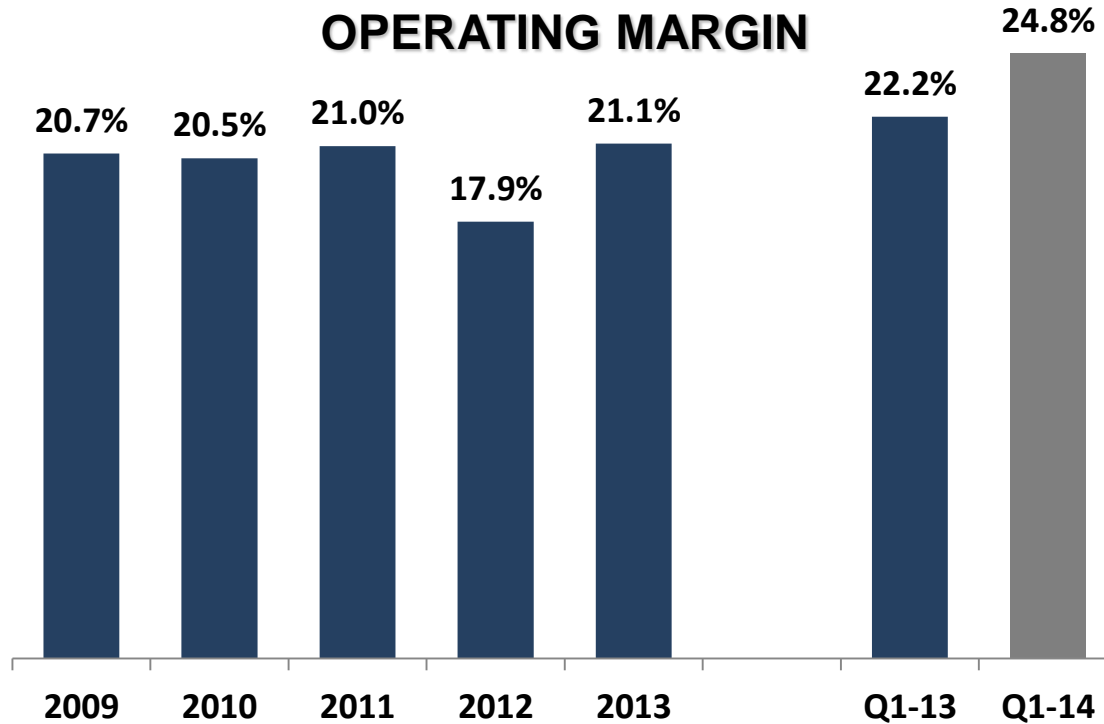
Capacity and Traffic Growth, and Load Factor



	2008	2009	2010	2011	2012	2013	Q1-14
Load factor	75.9%	74.6%	76.9%	76.4%	75.4%	76.7%	78.1%

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Industry Leading Profitability



	2009	2010	2011	2012	2013
RASM	12.6	12.9	13.7	13.6	13.8
Total CASM	10.2	10.5	10.8	11.1	10.9
<i>Fuel CASM</i>	3.0	3.3	4.1	4.3	4.2
<i>Ex Fuel CASM</i>	7.2	7.2	6.7	6.8	6.7

	Q1-13	Q1-14
RASM	14.0	14.2
Total CASM	10.9	10.7
<i>Fuel CASM</i>	4.4	4.1
<i>Ex Fuel CASM</i>	6.5	6.6

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Q1-14: A Good Start to the Year

- **Traffic increased 11% on 9% capacity growth**
- **RASM up 1.9% YOY, and increased 3.7% when LOH adjusted**
 - Yields up 0.5% YOY, and up 2.3% LOH adjusted
 - Load Factor at 78.1%, up 1.2 percentage points
- **CASM down 1.5% YOY and Ex-Fuel up 1.0% YOY**
- **Operating margin of 24.8%**
 - On average Q1 tends to be our strongest quarter
- **Strong balance sheet – US\$1.1 billion in cash / low leverage**

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Full Year Guidance

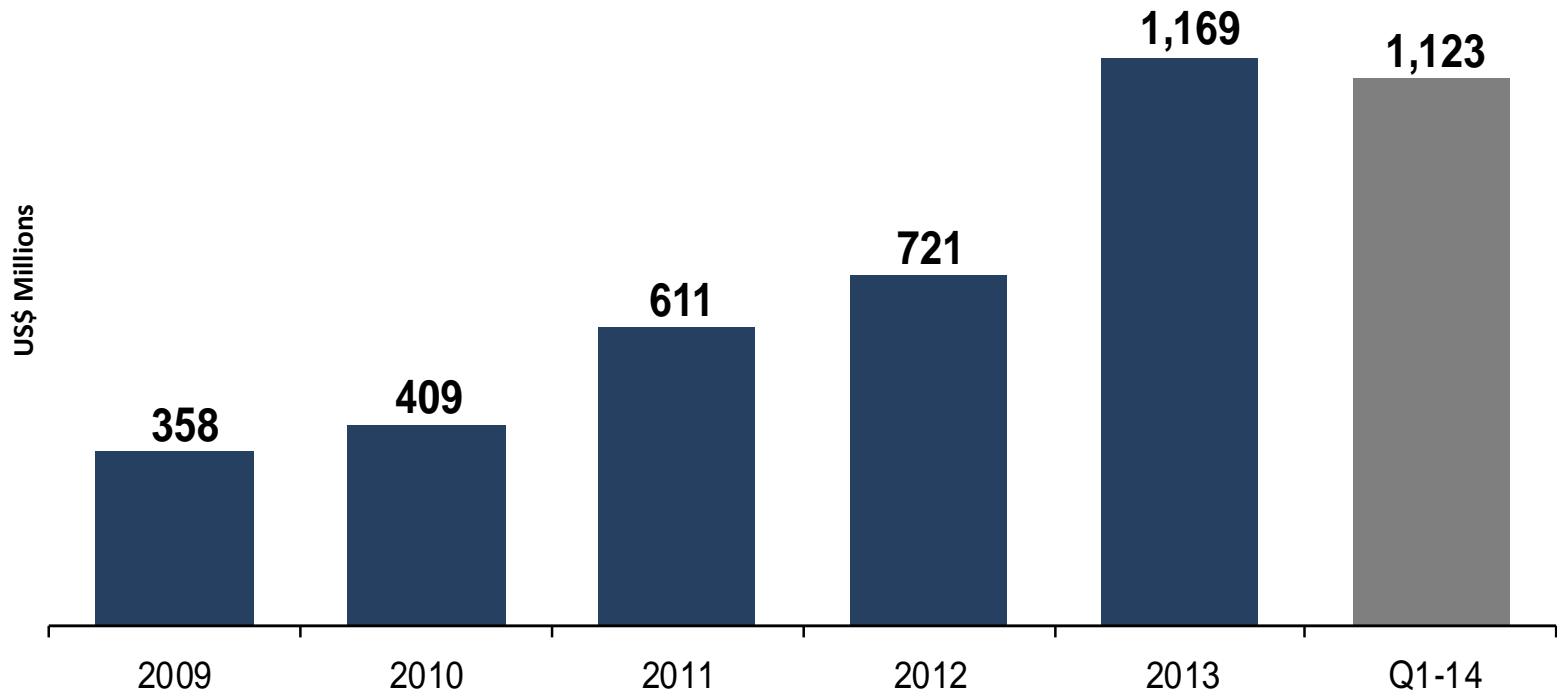
Financial Outlook	2014 Guidance	2013 Actual
Capacity - YOY ASM Growth	+/-10%	14.4%
Average Load Factor	+/-77%	76.7%
RASM (cents)	+/-13.7	13.8
CASM Ex-fuel (cents)	+/-6.8	6.7
Operating Margin	19-21%	21.1%

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Solid Balance Sheet: Liquidity

CASH AND CASH EQUIVALENTS



% LTM Revenues	2009	2010	2011	2012	2013	Q1-14
	29%	29%	33%	32%	45%	41%

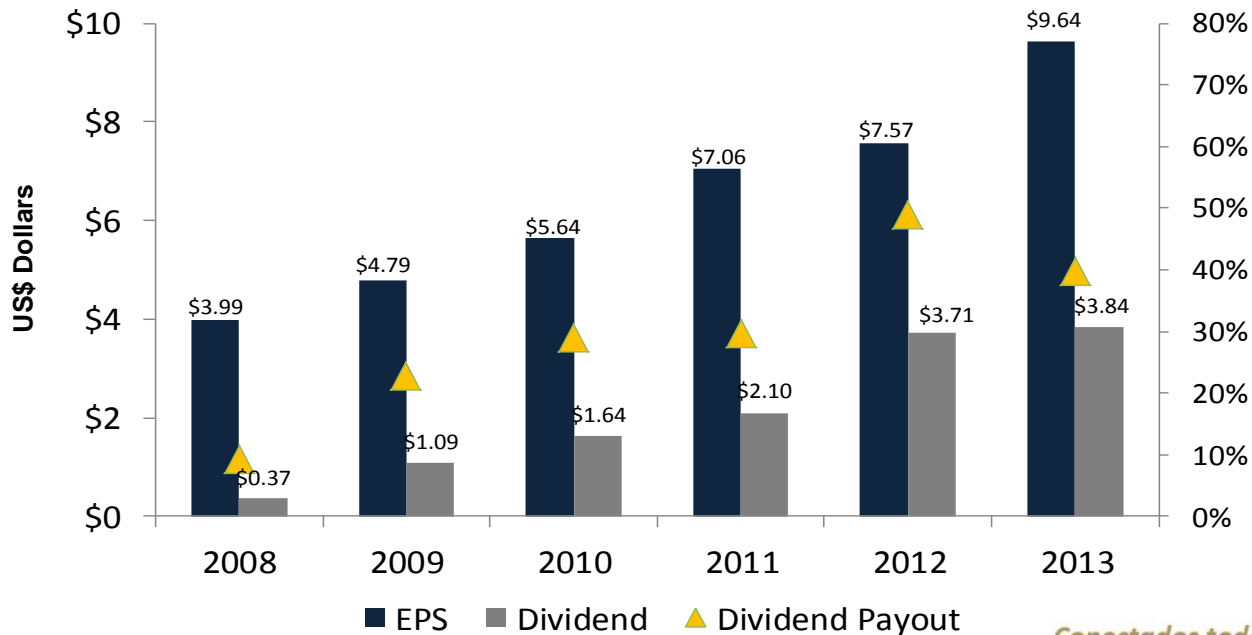
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Returning Value to Shareholders

- Board approved 2013 dividend payout of \$3.84
 - Amount equal to 40% of previous year's Net Income
 - Will pay quarterly (\$0.96 per quarter) as of Mar 2014

EARNINGS & DIVIDEND GROWTH



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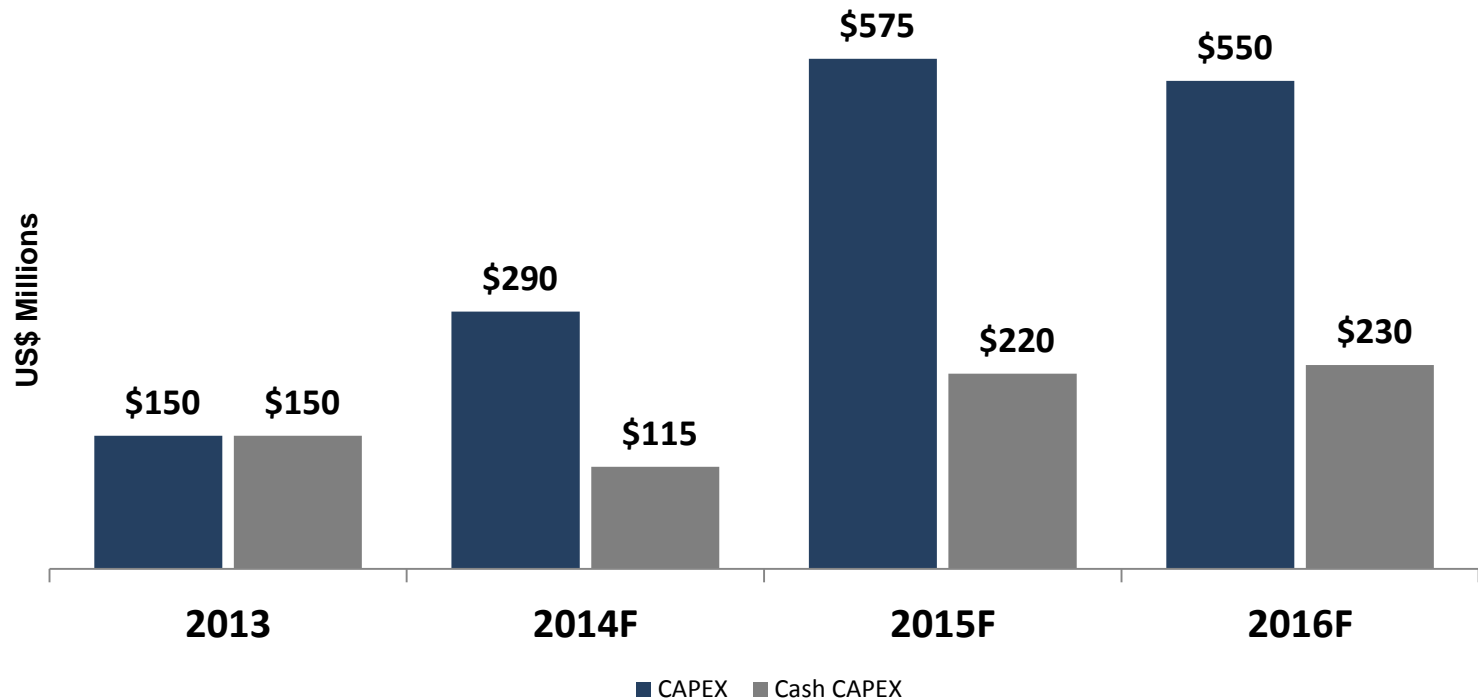
Venezuela Strategy Going Forward

- **Have \$509M pending repatriation as of Apr 22, 2014**
 - \$487M from 2013 at 6.3 VEF/USD
 - Remaining cash balance at SICAD 1 rate (~10 VEF/USD)
- **Last payment received was in Oct-13 representing Dec-12 sales**
- **Published a 40% seat reduction as of Jul-14**
 - Less than 1 percentage point impact to 2014 Op Margin
- **Objective is to reduce accumulation of Bolivars to a minimum while continuing to serve the market**
 - We will consider further capacity cuts if necessary

Conectados todo es posible

CAPEX Forecast

CAPEX & CASH CAPEX ESTIMATES



Aircraft – Owned/Leased: 0/7*

4/4**

8/0***

7/0***




* 2013 – 4 out of 7 leases are product of sale-leasebacks

**2014 – All 4 leased aircraft are the product of sale-leasebacks

***2015 & 2016 – assumes all aircraft financed at 80% LTV

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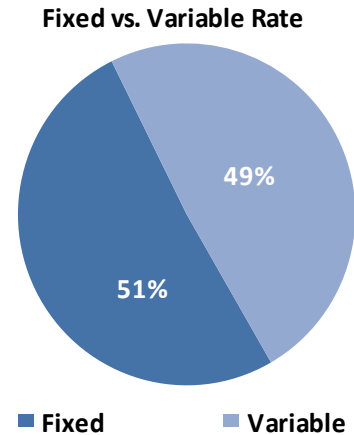
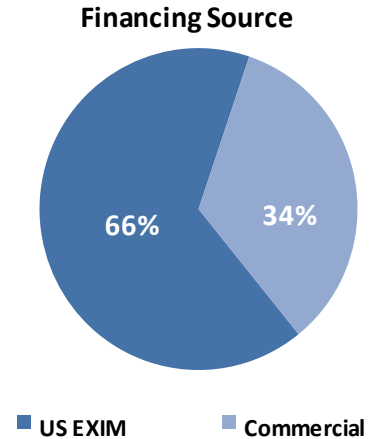
Fleet Plan

Aircraft Type	2012	2013	2014	2015	2016
 <p>EMBRAER-190 Capacity: 94 pax Range: 2,200nm</p>	26	26	26	26	26
 <p>BOEING 737-700 Capacity: 124 pax Range: 3,000nm</p>	18	18	18	16	16
 <p>BOEING 737-800 Capacity: 160 pax Range: 3,000nm</p>	39	46	54	62	69
	83	90	98	104	111

Conectados todo es posible

Debt Profile

- **100% of debt is asset based**
- **Competitive cost of debt**
 - 2.5% blended cost of debt
 - Access to US EXIM financing
- **~ 51% of total debt fixed**
- **Aircraft Financing for 2014 secured**
 - Four (4) Sale-Lease Backs
 - Four (4) JOLCO Financing



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Operations Overview

DAN GUNN
SVP OPERATIONS

Conectados todo es posible

Operations Overview

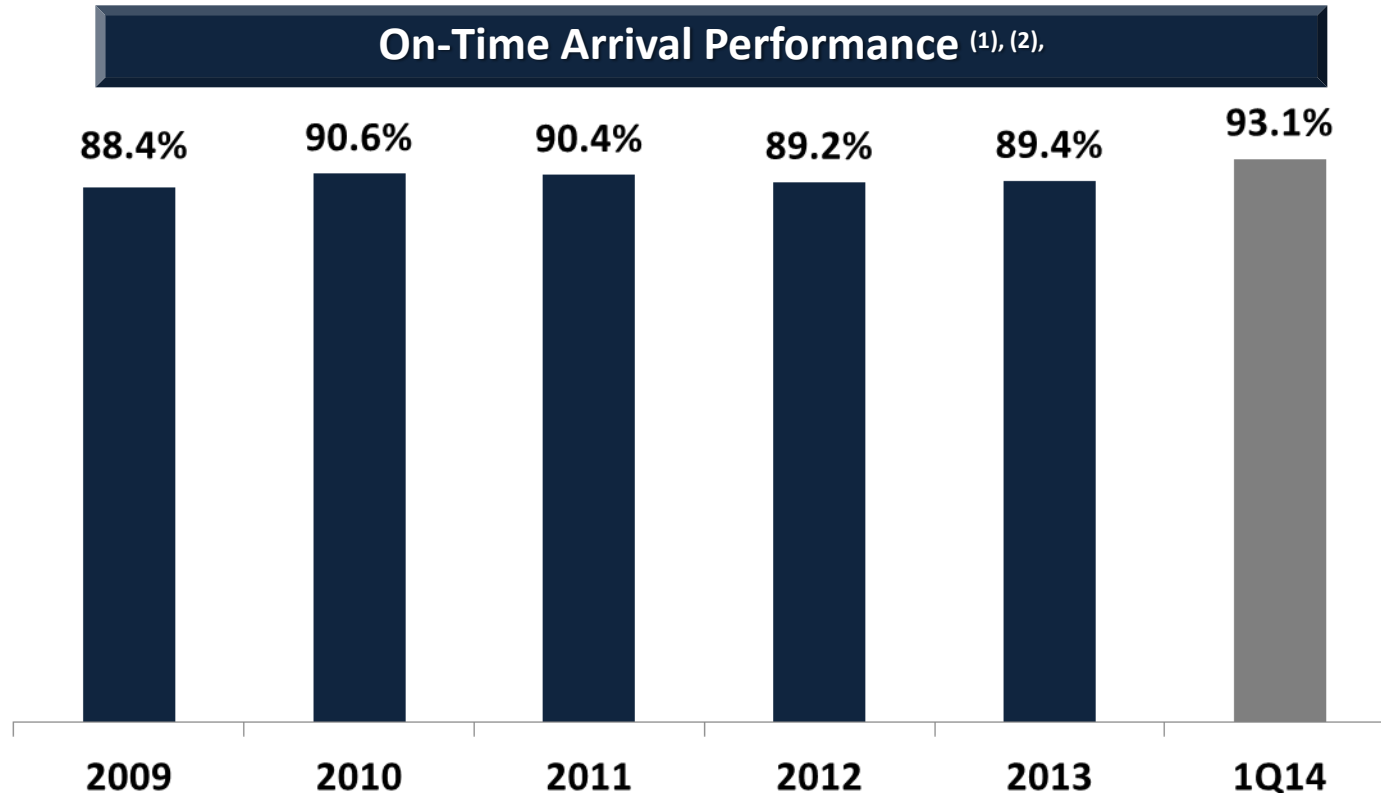
- **2013: Another great operational year**
 - **World-class operational metrics**
 - **Continued expansion of Panama hub**
 - **Further enhancements in maintenance capabilities**
 - **Continued focus on safety and efficiency initiatives**



Conectados todo es posible

Operational Excellence – On Time

Copa Airlines' OTP is among the best in the industry



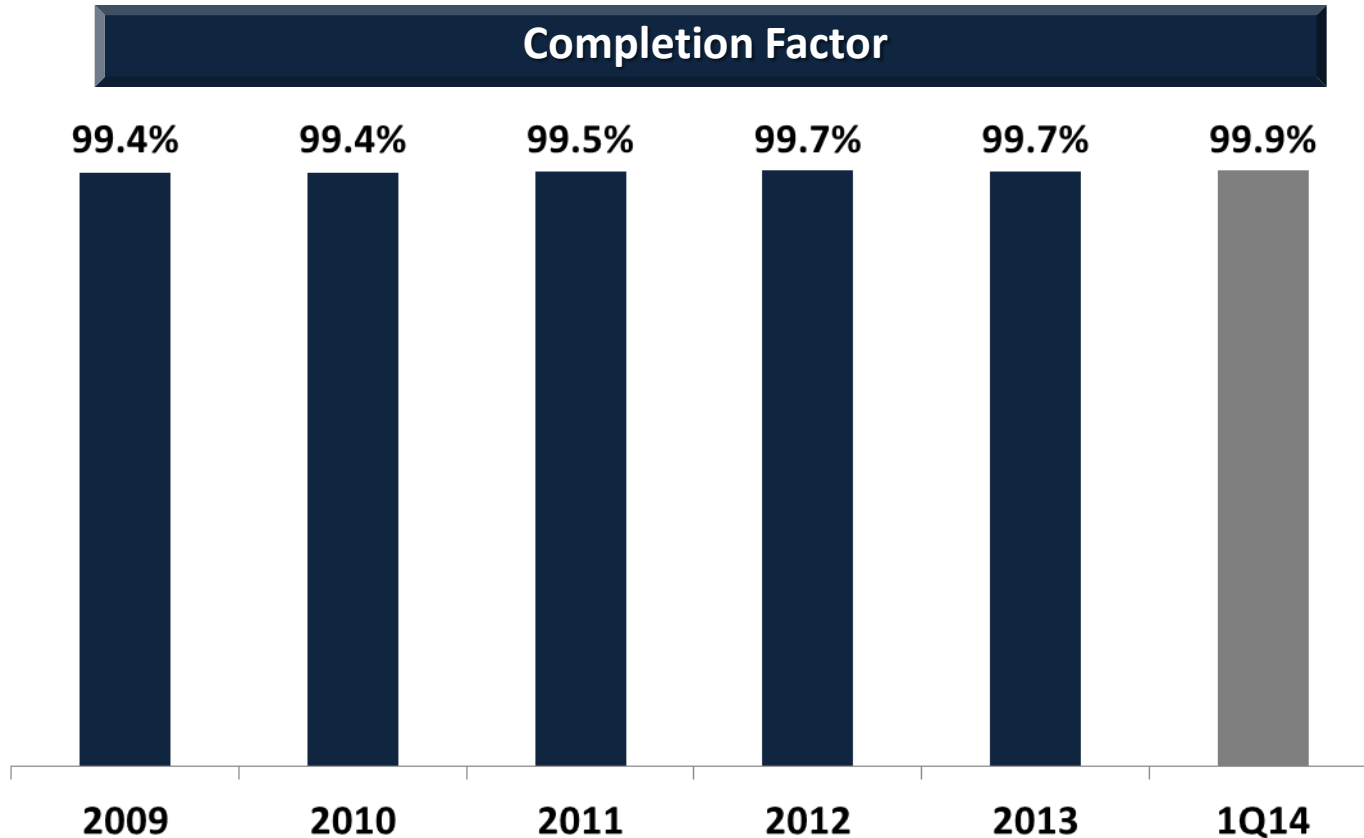
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1. Measure: DOT Reporting Standard: within 15 minutes of Scheduled Arrival.
2. Excludes Copa Colombia

Operational Excellence – Schedule Reliability

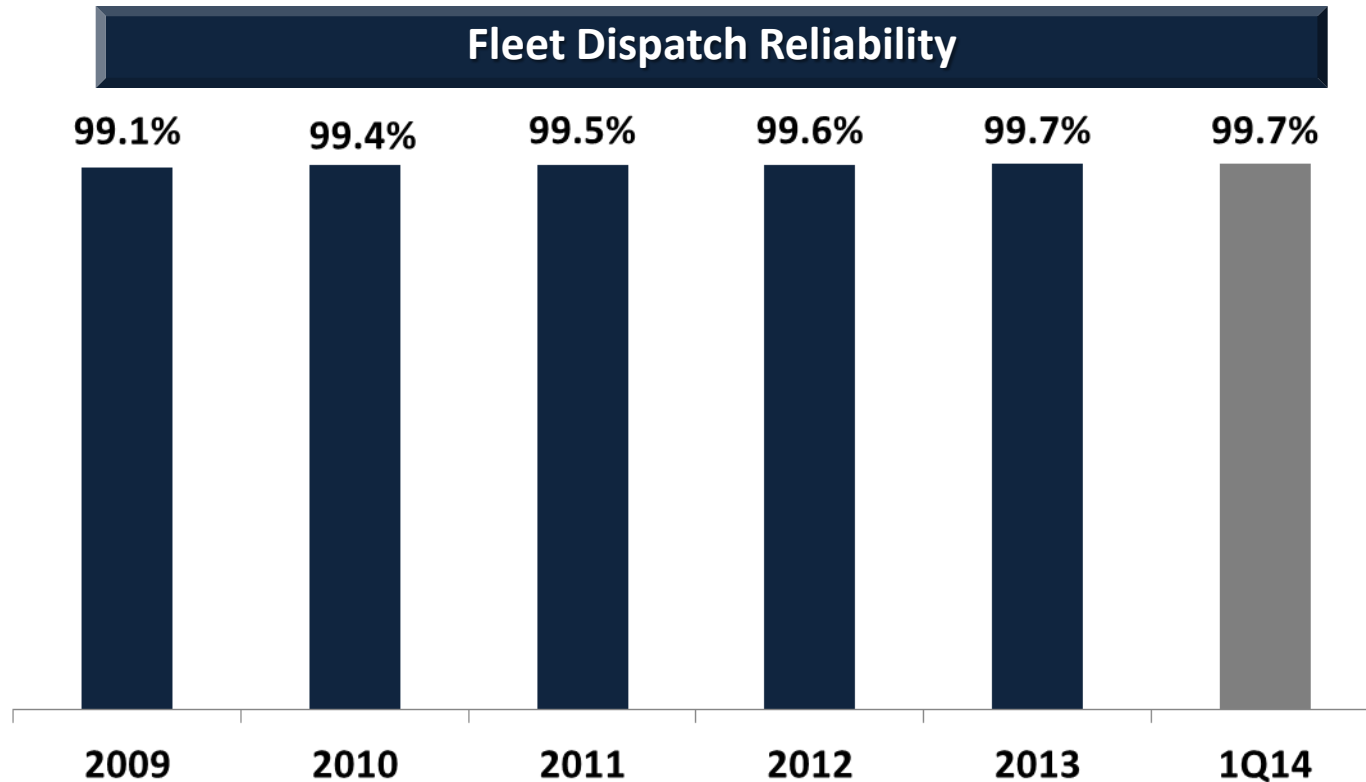
Copa Airlines' completion factor is among the best in the industry



Conectados todo es posible

Operational Excellence – Fleet Reliability

Copa Airlines has a high level of fleet dispatch reliability



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Hub of the Americas – Best in the Region

- **Perfectly located for intra – Latin America hub operations**
 - 2 runways at sea level
 - Optimal weather conditions
 - Competitive user fees
- **Attractive for in-transit passengers**
 - Simple gate-to-gate connections
 - Short connecting times
 - Popular duty free facilities
- **2012 expansion added 12 jet-bridge positions**



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Right Infrastructure – South Terminal Expansion

- Construction 38% complete (est 2016)
- 20 additional gates (54 total)
 - With future growth plans for 10 more
- Up to 15 remote positions
- 50+ new ticket counter positions
- Expanded Customs, Immigration and Security facilities
- Revamp and expand Baggage Handling System (BHS)
- Provisions for 3rd runway



Conectados todo es posible

Right Infrastructure – South Terminal Expansion



Conectados todo es posible

Right Infrastructure – South Terminal Expansion



Conectados todo es posible

Maintenance Operations

- **Heavy Maintenance & Post Delivery Modifications (PDM)**
 - **C Checks:** Coopesa in San Jose, Costa Rica and in-house in PTY
 - **CFM-56 Engine Maintenance** – GE Power by the hour agreement
 - **CF-34 engine Maintenance**– GE On-Point agreement
- **In 2014 we expect to complete 12 C-Checks in house**

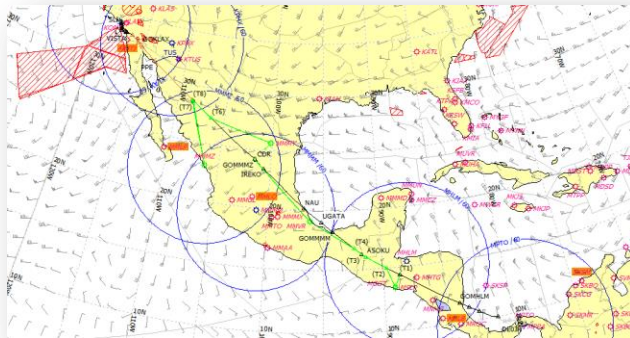


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Efficiency Initiatives

Copa Airlines is a leader in the implementation of technology initiatives related to efficiency

- Early adopter of Split Scimitar Winglets
 - Additional 1.5+% efficiency improvement versus traditional winglets
- Recent implementation of new Flight Planning system to improve operational efficiency



Conectados todo es posible

ALAS

In 2013 Copa helped launch the ALAS pilot training program in Panama

- Partnership with Florida Institute of Technology (FIT)
- Cessna 172 and Piper Seneca Aircraft
- Frasca True Flight simulator for initial Instrument training
- XJ trainer for jet transition training
- Expect first class of 20 to graduate in early 2015



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Commercial & Planning Overview

JOE MOHAN
SVP COMMERCIAL

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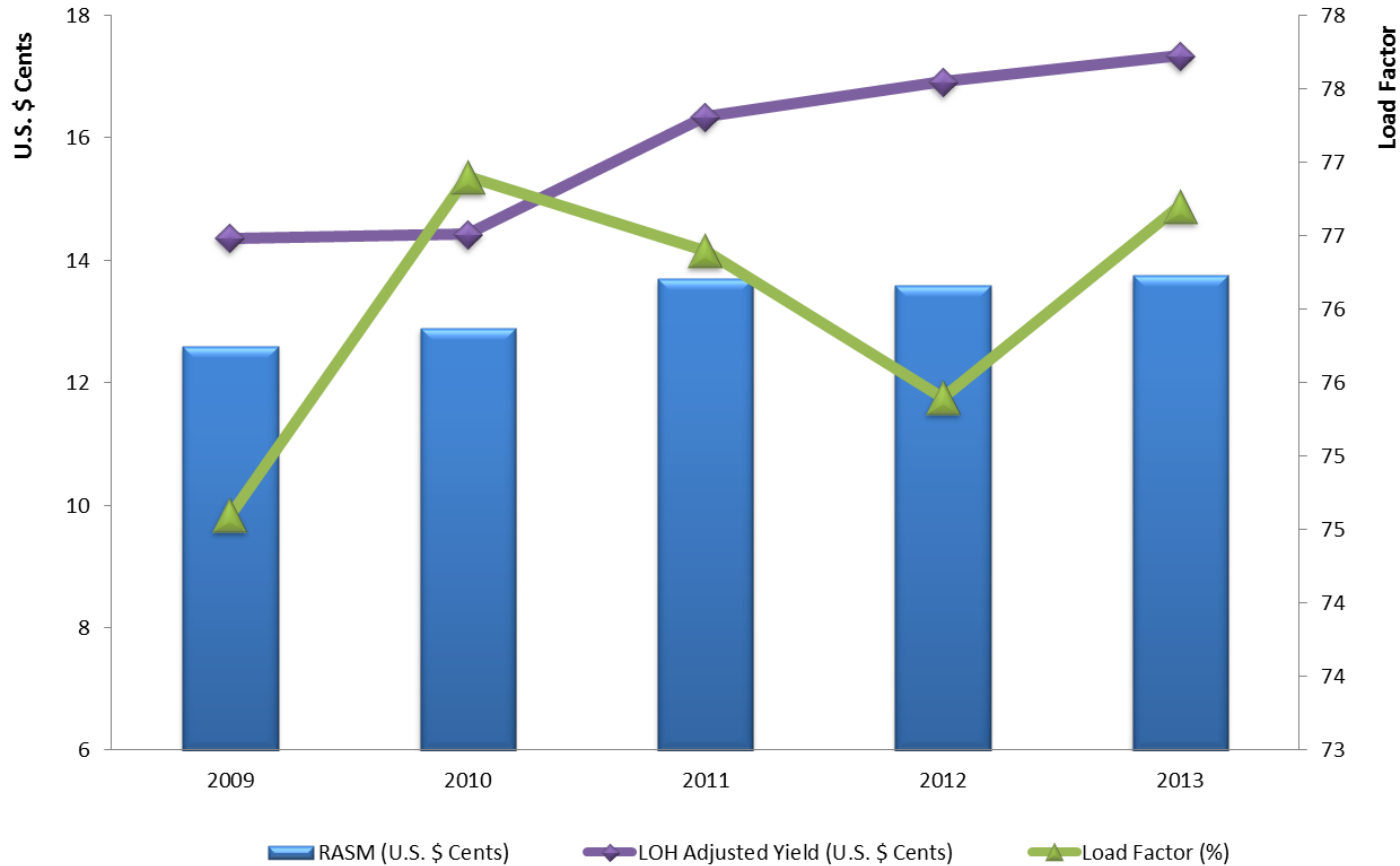
Commercial & Planning Overview

- Continue to combine high growth with healthy RASMs
- 2014 growth focused primarily on existing routes
- Unique passenger composition
- Defensible business model
- Star Alliance and United Airlines partnerships
- Improving global product



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RASM Focused Commercial Team



Successfully managing different demand environments to maximize RASM

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2014 Growth Plan

- ~10% capacity expansion
- New destinations – Jun & Jul '14 :
 -  Montreal, Canada
 -  Ft. Lauderdale, USA
 -  Georgetown, Guyana
- Focus more on adding frequencies

-  San Jose – 9th daily
-  Bogota – 8th daily
-  Cancun – 7th daily
-  Mexico City – 5th daily
-  Quito – 4th daily



Seguir llevándolo a nuevos destinos

- *Montreal El encanto europeo y la energía del nuevo continente se combinan para dar una mezcla única.
- **Fort Lauderdale Sus hermosas costas y atracciones la convierten en uno de los principales puertos para cruceros del mundo.
- **Georgetown Conecte con la capital de Guyana y explore esta ciudad rodeada de la más pura belleza natural.

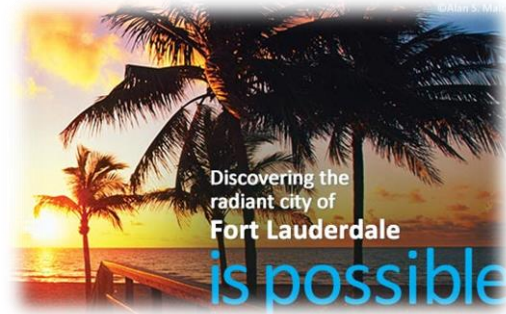
-  Guayaquil – 4th daily
-  Brasilia – 2nd daily
-  Aruba – 2nd daily
-  San Andres – 2nd daily

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Hub Diversification/New Destinations

- New destinations – Jun '14:
 - Montreal, Canada

- New destinations – Jul '14:
 - Fort Lauderdale, USA
 - Georgetown, Guyana



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2014 Revenue Outlook

- First Quarter reported traffic figures exceeded expectations
- Copa continues to successfully absorb additional capacity
- Regional economic growth helps ensure healthy demand
- Recently added cities are performing on or above target



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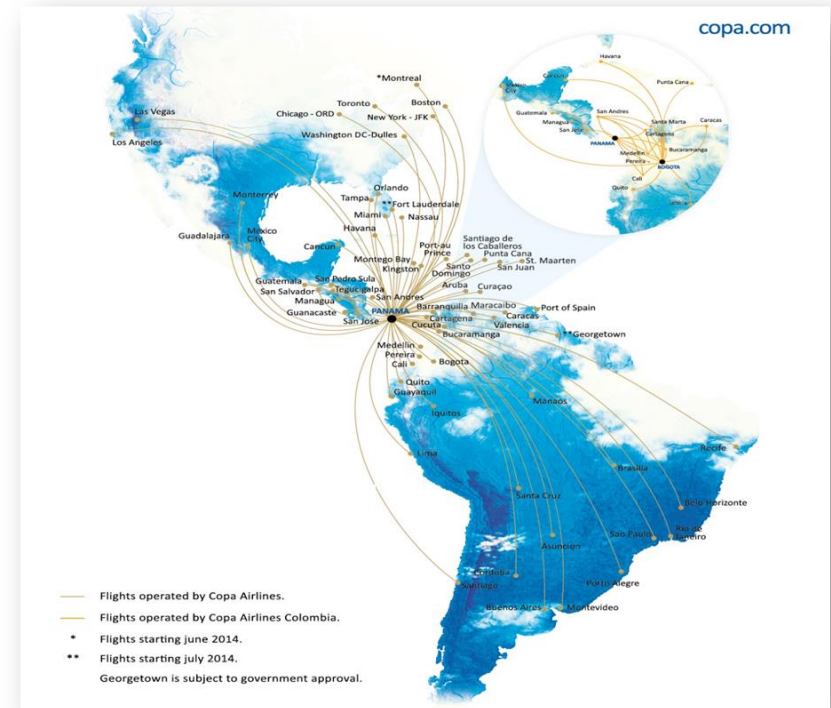
Conclusion

PEDRO HEILBRON
CHIEF EXECUTIVE OFFICER

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Strategic Focus for 2014 and Beyond

- Further strengthen our network and connectivity
- Continuous improvement of our passenger experience
- New technological initiatives
- Continuous focus on costs
- Maintain company culture



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Q&A SESSION

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