
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

Report on Form 6-K dated for the month of November 2018

Copa Holdings, S.A.

(Translation of Registrant's Name Into English)

**Boulevard Costa del Este, Avenida Principal y Avenida de la Rotonda
Urbanización Costa del Este
Complejo Business Park, Torre Norte
ParqueLefevre
Panama City, Panama**
(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F Form 40-F

(Indicate by check whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b);82- _____)

Enclosure: 3Q18 Earnings Release

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

Date: 11/15/2018

Copa Holdings, S.A (Registrant)

By: /s/ José Montero
Name: José Montero
Title: CFO



EARNINGS RELEASE THIRD QUARTER 2018

Copa Holdings Reports Net Income of \$57.7 million and EPS of \$1.36 for the Third Quarter of 2018

Panama City, Panama — Nov 14, 2018. Copa Holdings, S.A. (NYSE: CPA), today announced financial results for the third quarter of 2018 (3Q18). The terms "Copa Holdings" and "the Company" refer to the consolidated entity. The following financial information, unless otherwise indicated, is presented in accordance with International Financial Reporting Standards (IFRS). See the accompanying reconciliation of non-IFRS financial information to IFRS financial information included in the financial tables section of this earnings release. Unless otherwise stated, all comparisons with prior periods refer to the third quarter of 2017 (3Q17).

OPERATING AND FINANCIAL HIGHLIGHTS

- § Copa Holdings reported net income of US\$57.7 million for 3Q18 or earnings per share (EPS) of US\$1.36, as compared to net income of US\$105.3 million or earnings per share of US\$2.48 in 3Q17.
- § Operating income for 3Q18 came in at US\$74.3 million, representing a 38.4% decrease over operating income of US\$120.7 million in 3Q17, mainly as a result of a 4.3% increase in unit costs (CASM) due to higher fuel prices, and a 4.2% decrease in unit revenues (RASM) mostly due to weakness of the Brazilian and Argentinian currencies. Operating margin for 3Q18 came in at 11.0%, compared to an operating margin of 18.3% in 3Q17.
- § For 3Q18, consolidated passenger traffic grew 4.8% while consolidated capacity grew 6.6%. As a result, consolidated load factor for the quarter decreased 1.4 percentage points to 84.3%.
- § Total revenues for 3Q18 increased 2.1% to US\$672.4 million. Yield per passenger mile decreased 3.3% to 11.6 cents and RASM came in at 10.1 cents, or 4.2% below 3Q17.
- § Operating cost per available seat mile (CASM) increased 4.3% from 8.6 cents in 3Q17 to 9.0 cents in 3Q18, driven by a 31.6% increase in the effective price of jet fuel. CASM excluding fuel costs decreased 5.5% from 6.3 cents in 3Q17 to 6.0 cents in 3Q18, mainly as a result of timing of expenses, fewer operational disruptions and cost reduction efforts.
- § Cash, short-term and long-term investments ended the quarter at US\$915.8 million, representing 36.0% of the last twelve months' revenues.
- § Copa Holdings ended the quarter with a consolidated fleet of 102 aircraft – 1 Boeing 737 MAX9, 68 Boeing 737-800s, 14 Boeing 737-700s, and 19 Embraer-190s.
- § For 3Q18, Copa Airlines had an on-time performance of 88.3% and a flight-completion factor of 99.8%, maintaining its position among the best in the industry.

Subsequent Events

- § Copa Holdings will pay its fourth quarterly dividend of \$0.87 per share on December 14, to all Class A and Class B shareholders on record as of November 30, 2018.
- § In October and November, Copa Airlines took delivery of its 2nd and 3rd Boeing 737 MAX 9 aircraft, bringing Copa Holdings' consolidated fleet to 104 aircraft.
- § As a result of the Company's continuing fleet optimization and efficiency efforts, in October the Company signed a letter of intent with Azorra Aviation for the sale of up to 6 Embraer-190 aircraft, 5 of which are expected to exit the fleet in 2019. In connection with the transaction an impairment of our entire Embraer-190 fleet and related spare parts will be caused. This impairment will generate a one-time non-cash loss of US\$162.9 million, which will be recorded in the fourth quarter of 2018.
- § As part of its process to implement the new Lease accounting standard – IFRS 16 – the Company has determined that an error existed in its previously filed annual financial statements for the years ended December 31, 2017, 2016 and 2015 filed on form 20-F with the Securities and Exchange Commission (SEC). The error relates to the application of International Accounting Standard No. 16 related to componentization of required maintenance overhauls on our owned aircraft, which if properly applied, would have resulted in more quickly depreciating a portion of the owned aircraft, related to the first maintenance event for the airframe and certain components. The error in the application of this policy dates back to our initial adoption of IFRS in the year ended December 31, 2010, and the principal impact of the correction is to reduce Property and Equipment and Retained Earnings, as well as to increase depreciation for each of the three years ended December 31, 2017. The correction is non-cash. The estimated impact on the opening retained earnings as of January 1, 2015 is a reduction in equity of US\$180 million, and for depreciation in each of the three years ended December 31, 2017 is an increase of US\$15 million. The Company will file an amended Form 20F/A to reflect these adjustments.

| Consolidated Financial & Operating Highlights | 3Q18 | 3Q17* | Variance vs. 3Q17 | 2Q18 | Variance vs. 2Q18 |
|--|-------------|--------------|--------------------------|-------------|--------------------------|
| Revenue Passengers Carried ('000) | 2,591 | 2,518 | 2.9% | 2,458 | 5.4% |
| RPMs (mm) | 5,587 | 5,330 | 4.8% | 5,384 | 3.8% |
| ASMs (mm) | 6,629 | 6,221 | 6.6% | 6,446 | 2.8% |
| Load Factor | 84.3% | 85.7% | -1.4 p.p. | 83.5% | 0.7 p.p. |
| Yield | 11.6 | 12.0 | -3.3% | 11.4 | 2.3% |
| PRASM (US\$ Cents) | 9.8 | 10.3 | -4.8% | 9.5 | 3.2% |
| RASM (US\$ Cents) | 10.1 | 10.6 | -4.2% | 9.8 | 3.1% |
| CASM (US\$ Cents) | 9.0 | 8.6 | 4.3% | 9.0 | 0.8% |
| CASM Excl. Fuel (US\$ Cents) | 6.0 | 6.3 | -5.5% | 6.0 | -0.1% |
| Fuel Gallons Consumed (Millions) | 84.2 | 80.0 | 5.3% | 81.7 | 3.2% |
| Avg. Price Per Fuel Gallon (US\$ Dollars) | 2.40 | 1.82 | 31.6% | 2.35 | 2.3% |
| Average Length of Haul (Miles) | 2,156 | 2,117 | 1.9% | 2,190 | -1.6% |
| Average Stage Length (Miles) | 1,331 | 1,300 | 2.4% | 1,331 | -0.1% |
| Departures | 33,775 | 32,593 | 3.6% | 32,843 | 2.8% |
| Block Hours | 114,009 | 108,916 | 4.7% | 110,893 | 2.8% |
| Average Aircraft Utilization (Hours) | 12.3 | 11.7 | 4.4% | 12.1 | 1.6% |
| Operating Revenues (US\$ mm) | 672.4 | 658.7 | 2.1% | 634.1 | 6.0% |
| Operating Income (US\$ mm) | 74.3 | 120.7 | -38.4% | 57.1 | 30.2% |
| Operating Margin | 11.0% | 18.3% | -7.3 p.p. | 9.0% | 2.0 p.p. |
| Net Income (US\$ mm) | 57.7 | 105.3 | -45.2% | 49.9 | 15.7% |
| Adjusted Net Income (US\$ mm) ⁽¹⁾ | 57.7 | 102.4 | -43.6% | 49.9 | 15.7% |
| EPS - Basic and Diluted (US\$) | 1.36 | 2.48 | -45.2% | 1.18 | 15.7% |
| Adjusted EPS - Basic and Diluted (US\$) ⁽¹⁾ | 1.36 | 2.41 | -43.6% | 1.18 | 15.7% |
| # of Shares - Basic and Diluted ('000) | 42,469 | 42,430 | 0.1% | 42,447 | 0.1% |

⁽¹⁾ Adjusted Net Income and Adjusted EPS for 3Q17 exclude non-cash charges/gains associated with the mark-to-market of fuel hedges.

* Restated for retrospective adoption of IFRS 15.

Note: Attached to this press release is a reconciliation of non-IFRS financial measures to the comparable IFRS measures.

MANAGEMENT'S COMMENTS ON 3Q18 RESULTS

While the third quarter has historically been one of our strongest, high fuel prices and the continued weakness of the Brazilian Real and Argentine Peso significantly affected the Company's financial results. However, even under these challenging conditions affecting our region, we delivered double-digit operating margins, world-leading ex-fuel unit costs, and very strong operational metrics.

Consolidated operating revenues increased 2.1% to US\$672.4 million during the quarter on capacity growth of 6.6%. Load factor came in at 84.3%, or 1.4 percentage points below 3Q17, while yields came in at 11.6 cents, or 3.3% lower than 3Q17. As a result, passenger revenues per ASM (PRASM) decreased 4.8% from 10.3 cents in 3Q17 to 9.8 cents in 3Q18.

Operating expenses for 3Q18 increased 11.2% to US\$598.1 million, while operating expenses per ASM (CASM) increased 4.3% to 9.0 cents. Excluding fuel costs, unit costs decreased 5.5% to 6.0 cents, mainly as a result of timing of expenses, fewer operational disruptions year over year, as well as cost saving efforts.

Aircraft fuel expense increased 39.2% or US\$57.2 million compared to 3Q17, as a result of higher jet fuel prices and increased capacity. The Company's effective jet fuel price increased 31.6%, from an average of US\$1.82 per gallon in 3Q17 to US\$2.40 per gallon in 3Q18.

The Company recorded non-operating expense of US\$5.3 million for 3Q18 compared to non-operating expense of US\$0.9 million for 3Q17. Non-operating expense for 3Q18 includes a US\$2.6 million translation loss due to foreign currency fluctuations, and a net interest expense of US\$2.7 million, while 3Q17 non-operating expense includes a net interest expense of US\$3.8 million and a US\$0.6 million translation gain due to foreign currency fluctuations.

Copa Holdings closed the quarter with US\$915.8 million in cash, short-term and long-term investments, representing 36.0% of the last twelve months' revenues.

Total debt at the end of 3Q18 amounted to US\$1.19 billion compared to US\$1.17 billion at the end of 3Q17, all of which is related to aircraft financing.

The Company has a very solid business model, which is based on operating the best and most convenient network for intra-America travel from our Hub of the Americas based in Panama's advantageous geographic position, with the region's lowest unit costs, best on-time performance, and strongest balance sheet. Going forward, the Company expects to continue strengthening its long-term competitive position by taking advantage of new growth opportunities and implementing initiatives to further strengthen its revenues, costs and product.

OUTLOOK FOR 2018

For 2018, the Company updates its guidance as follows: Capacity growth is still expected at approximately 8%, and given the higher fuel prices and lower yields, operating margin is now expected at approximately 12%.

| Financial Outlook | 2018 Guidance | 2017* Actual |
|----------------------------------|--------------------------|-------------------------|
| Capacity - YOY ASM Growth | ~8% | 8.8% |
| Operating Margin | ~12% | 17.3% |

Factored into the above-mentioned outlook is a load factor of approximately 84%, Unit Revenues (RASM) of 10.4 cents, Unit Costs excluding fuel (CASM excl. fuel) of 6.2 cents and a higher estimated effective price per gallon of jet fuel, including into-plane costs, of US\$2.35 per gallon.

*Restated for retrospective adoption of IFRS 15.

OUTLOOK FOR 2019 – PRELIMINARY

For 2019, even though our visibility into the performance of the regional economies and overall operating environment remains limited, we are assuming continued weakness in the first half of the year, and a moderate recovery in the second half. Therefore, based on our operational plans and other key assumptions, we are providing a preliminary guidance as follows:

| Financial Outlook | 2019 – Full Year |
|----------------------------------|-------------------------|
| Capacity - YOY ASM Growth | ~3% |
| Operating Margin | 11-13% |

Factored into this preliminary range is a Unit Cost excluding fuel (CASM excl. fuel) of 6.2 cents. The estimated effective price per gallon of jet fuel, including into-plane costs for 2019 is US\$2.35 per gallon.

CONSOLIDATED THIRD QUARTER RESULTS
Operating revenue

Consolidated revenue for 3Q18 totaled US\$672.4 million, a 2.1% or US\$13.7 million increase over operating revenue of US\$658.7 million in 3Q17, mainly due to a 1.4% or US\$9.0 million increase in passenger revenue.

Passenger revenue totaled US\$649.1 million, an increase of 1.4% from passenger revenue of US\$640.1 million in 3Q17. A 3.3% decrease in passenger yields, combined with a 1.4 percentage point decrease in load factor, resulted in a 4.8% decrease in PRASM, mostly related to the deteriorating demand environment in Brazil and Argentina.

Cargo and mail revenue totaled US\$15.9 million in 3Q18, a 17.1% increase from 3Q17 due to additional capacity.

Other operating revenue totaled US\$7.4 million in 3Q18, a 48.1% increase from other operating revenue of US\$5.0 million in 3Q17, mostly due to higher frequent flyer program revenues.

Operating expenses

For 3Q18, operating expenses increased 11.2% to US\$598.1 million, representing operating cost per available seat mile (CASM) of 9.0 cents. Operating cost per available seat mile excluding fuel costs (CASM Excl. Fuel) decreased 5.5% from 6.3 cents in 3Q17 to 6.0 cents in 3Q18.

Fuel totaled US\$203.1 million, a US\$57.1 million or 39.2% increase over aircraft fuel expense of US\$146.0 million in 3Q17. This increase was a result of 5.3% more gallons consumed as a result of increased capacity and a 31.6% higher average price per gallon of jet fuel (all-in), which averaged US\$2.40 in 3Q18, compared to US\$1.82 in 3Q17.

Wages, salaries, benefits and other employees' expenses totaled US\$109.8 million, an 5.8% increase over salaries and benefits of US\$103.8 million in 3Q17. This was mainly driven by growth in operational staff to support current capacity and future growth, as well as salary adjustments which were partially offset by lower variable compensation.

Passenger servicing totaled US\$26.5 million, a 1.9% decrease over passenger servicing of US\$27.0 million in 3Q17. This decrease resulted primarily from fewer operational disruptions than in 3Q17.

Airport facilities and handling charges totaled US\$47.4 million, a 4.8% increase over US\$45.2 million in 3Q17. This was primarily a result of an increase in departures and passenger traffic.

Sales and distribution totaled US\$51.8 million, a 3.4% increase over an expense of US\$50.1 million in 3Q17. This increase was mainly a result of an increase in net bookings, partly offset by lower effective commission rates.

Maintenance, material and repairs totaled US\$24.6 million, a 38.1% decrease from maintenance, material and repairs of US\$39.8 million in 3Q17, as a result of timing of certain maintenance expenses and fewer expenses related to lease returns.

Depreciation and amortization totaled US\$44.4 million in 3Q18, a 6.2% increase over depreciation of US\$41.8 million in 3Q17, mainly due to fleet growth.

Flight operations, aircraft rentals and other rentals, cargo and courier expenses combined increased 1.6%, from US\$61.7 million in 3Q17 to US\$62.7 million in 3Q18, mainly as a result of growth in block hours, offset by lower aircraft lease expenses.

Other operating and administrative expenses totaled US\$27.7 million in 3Q18, an increase of 22.8% versus 3Q17, mostly related to the adoption of IFRS 9 (Financial Instruments) and timing of overhead expenses.

Non-operating income (expense)

Consolidated non-operating income (expense) resulted in a net expense of US\$5.3 million in 3Q18, compared to a net expense of US\$0.9 million in 3Q17.

Finance cost totaled US\$9.0 million in 3Q18, a 3.6% increase from US\$8.6 million in 3Q17 due to higher interest rates and higher debt volume.

Finance income totaled US\$6.2 million, a 29.7% increase over US\$4.8 million in 3Q17, as a result of higher investment yields.

Gain (loss) on foreign currency fluctuations totaled a US\$2.6 million loss, compared to a US\$0.6 million gain in 3Q17. This was a translational currency loss driven mostly by the currencies in Brazil and Argentina.

Net change in the value of derivatives had no effect in 3Q18 as we had no derivative contracts, compared to a gain of US\$2.9 million in 3Q17 related to the mark-to-market of fuel hedge contracts.

Other non-operating income (expense) had no significant effect in 3Q18 compared to a net expense of US\$0.6 million in 3Q17.

About Copa Holdings

Copa Holdings is a leading Latin American provider of passenger and cargo services. The Company, through its operating subsidiaries, provides service to 80 destinations in 32 countries in North, Central and South America and the Caribbean with one of the youngest and most modern fleets in the industry, consisting of 104 aircraft: 3 Boeing 737 MAX 9s, 82 Boeing 737NGs and 19 Embraer-190s. For more information visit: www.copa.com.

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Investor Relations:

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www.copa.com (IR section)

This release includes “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 release are among those disclosed in Copa Holdings’ filed disclosure documents and are, therefore, subject to change without prior notice.

**Copa Holdings, S.A.
Income Statement - IFRS
(US\$ Thousands)**

| | Unaudited 3Q18 | Unaudited 3Q17* | % Change | Unaudited 2Q18 | % Change |
|---|---------------------------|----------------------------|---------------------|---------------------------|---------------------|
| Operating Revenues | | | | | |
| Passenger revenue | 649,110 | 640,089 | 1.4% | 611,605 | 6.1% |
| Cargo and mail revenue | 15,919 | 13,600 | 17.1% | 16,003 | -0.5% |
| Other operating revenue | 7,375 | 4,979 | 48.1% | 6,528 | 13.0% |
| Total Operating Revenue | 672,405 | 658,668 | 2.1% | 634,136 | 6.0% |
| Operating Expenses | | | | | |
| Fuel | 203,121 | 145,968 | 39.2% | 192,474 | 5.5% |
| Wages, salaries, benefits and other employees' expenses | 109,814 | 103,775 | 5.8% | 108,449 | 1.3% |
| Passenger servicing | 26,487 | 27,008 | -1.9% | 26,113 | 1.4% |
| Airport facilities and handling charges | 47,415 | 45,222 | 4.8% | 45,945 | 3.2% |
| Sales and distribution | 51,832 | 50,126 | 3.4% | 52,760 | -1.8% |
| Maintenance, materials and repairs | 24,626 | 39,777 | -38.1% | 27,840 | -11.5% |
| Depreciation and amortization | 44,435 | 41,847 | 6.2% | 43,261 | 2.7% |
| Flight operations | 27,434 | 26,535 | 3.4% | 25,417 | 7.9% |
| Aircraft rentals and other rentals | 33,105 | 33,382 | -0.8% | 32,968 | 0.4% |
| Cargo and courier expenses | 2,139 | 1,801 | 18.8% | 2,046 | 4.6% |
| Other operating and administrative expenses | 27,705 | 22,569 | 22.8% | 19,787 | 40.0% |
| Total Operating Expense | 598,113 | 538,011 | 11.2% | 577,061 | 3.6% |
| Operating Profit | 74,292 | 120,657 | -38.4% | 57,076 | 30.2% |
| Non-operating Income (Expense): | | | | | |
| Finance cost | (8,954) | (8,639) | 3.6% | (9,181) | -2.5% |
| Finance income | 6,228 | 4,801 | 29.7% | 6,038 | 3.1% |
| Gain (loss) on foreign currency fluctuations | (2,571) | 593 | n/m | 3,583 | n/m |
| Net change in fair value of derivatives | - | 2,946 | n/m | - | n/m |
| Other non-operating income (expense) | 40 | (616) | n/m | (279) | n/m |
| Total Non-Operating Income/(Expense) | (5,257) | (916) | n/m | 162 | n/m |
| Profit before taxes | 69,035 | 119,741 | -42.3% | 57,237 | 20.6% |
| Income tax expense | 11,298 | 14,416 | -21.6% | 7,343 | 53.9% |
| Net Profit | 57,737 | 105,325 | -45.2% | 49,894 | 15.7% |

| | | | | | |
|-----------------------------------|-------------|-------------|---------------|-------------|--------------|
| EPS - Basic and Diluted | 1.36 | 2.48 | -45.2% | 1.18 | 15.7% |
| Shares - Basic and Diluted | 42,469,122 | 42,429,841 | 0.1% | 42,447,386 | 0.1% |

* Restated for retrospective adoption of IFRS 15

Copa Holdings, S. A. and subsidiaries
Balance Sheet - IFRS
(US\$ Thousands)

| | September 30 2018 (Unaudited) | December 31 2017 (Restated) * |
|--|-------------------------------------|-------------------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | 170,731 | 238,792 |
| Restricted cash and cash equivalents | - | - |
| Short-term investments | 579,246 | 705,108 |
| Total cash, cash equivalents and short-term investments | 749,977 | 943,900 |
| Accounts receivable, net | 117,775 | 115,323 |
| Accounts receivable from related parties | 1,510 | 318 |
| Expendable parts and supplies, net | 93,294 | 81,825 |
| Prepaid expenses | 77,032 | 45,421 |
| Other current assets | 11,924 | 11,701 |
| TOTAL CURRENT ASSETS | 1,051,512 | 1,198,488 |
| Long-term investments | 165,856 | 65,953 |
| Long-term accounts receivable | 2,141 | 2,444 |
| Long-term prepaid expenses | 26,189 | 26,130 |
| Property and equipment, net | 2,972,969 | 2,825,904 |
| Intangible, net | 93,453 | 81,115 |
| Net pension asset | 4,879 | 3,185 |
| Deferred tax assets | 14,715 | 18,572 |
| Other Non-Current Assets | 33,638 | 31,140 |
| TOTAL NON-CURRENT ASSETS | 3,313,840 | 3,054,443 |
| TOTAL ASSETS | 4,365,351 | 4,252,931 |

LIABILITIES AND EQUITY

| | | |
|--------------------------------------|------------------|------------------|
| Current Liabilities: | | |
| Current maturities of long-term debt | 268,994 | 298,462 |
| Accounts payable | 125,834 | 116,554 |
| Accounts payable to related parties | 10,551 | 12,880 |
| Air traffic liability | 489,499 | 477,168 |
| Frequent flyer deferred revenue | 64,175 | 50,312 |
| Taxes and interest payable | 27,949 | 81,440 |
| Accrued expenses payable | 44,263 | 60,321 |
| Income tax payable | - | 3,700 |
| Other Current Liabilities | 64 | 1,156 |
| TOTAL CURRENT LIABILITIES | 1,031,328 | 1,101,993 |
| Long-term debt | 918,688 | 876,119 |
| Other long - term liabilities | 130,805 | 123,182 |
| Deferred tax Liabilities | 46,586 | 50,628 |
| TOTAL NON-CURRENT LIABILITIES | 1,096,079 | 1,049,929 |
| TOTAL LIABILITIES | 2,127,407 | 2,151,922 |

EQUITY

| | | |
|--|-----------|-----------|
| Issued Capital | | |
| Class A - 33,817,684 issued and 31,257,214 outstanding | 21,087 | 21,038 |
| Class B - 10,938,125 shares issued and outstanding | 7,466 | 7,466 |
| Additional Paid-In Capital | 78,249 | 72,945 |
| Treasury Stock | (136,388) | (136,388) |
| Retained Earnings | 2,027,386 | 1,775,426 |
| Net Income | 244,103 | 364,410 |
| Other Comprehensive Income | (3,960) | (3,888) |

TOTAL EQUITY

2,237,944

2,101,009

TOTAL LIABILITIES AND EQUITY

4,365,351

4,252,931

*** Restated for retrospective adoption of IFRS 15**

Copa Holdings, S. A. and subsidiaries
Consolidated Statement of Cash Flows
For the nine months ended September 30,
(In US\$ thousands)

| | 2018 | 2017 | 2016 |
|--|--------------------|--------------------|--------------------|
| | (Unaudited) | (Unaudited) | (Unaudited) |
| Cash flow from operating activities | 298,084 | 522,527 | 384,822 |
| Cash flow used in investing activities | (129,541) | (344,088) | (170,057) |
| Cash flow used in financing activities | (236,604) | (260,533) | (197,677) |
| Net (decrease) increase in cash and cash equivalents | (68,061) | (82,094) | 17,088 |
| Cash and cash equivalents at January 1 | 238,792 | 331,687 | 204,715 |
| Cash and cash equivalents at September 30 | \$ 170,731 | \$ 249,593 | \$ 221,803 |
| Short-term investments | 579,246 | 565,994 | 540,502 |
| Long-term investments | 165,856 | 155,953 | 954 |
| Restricted cash and cash equivalents | - | - | 10,128 |
| Total cash and cash equivalents and investments at September 30 | \$ 915,833 | \$ 971,540 | \$ 773,387 |

* Restricted cash corresponds to margin calls to secure derivative financial instruments transactions.

Copa Holdings, S.A.
NON-IFRS FINANCIAL MEASURE RECONCILIATION

This press release includes the following non IFRS financial measures: CASM Excluding Fuel, Adjusted Net Income and Adjusted EPS. This supplemental information is presented because we believe it is a useful indicator of our operating performance and is useful in comparing our performance with other companies in the airline industry. These measures should not be considered in isolation, and should be considered together with comparable IFRS measures, in particular operating income and net income. The following is a reconciliation of these non-IFRS financial measures to the comparable IFRS measures:

Reconciliation of Adjusted Net Income and Adjusted EPS

| | <u>3Q18</u> | <u>3Q17*</u> | <u>2Q18</u> |
|---|------------------|-------------------|------------------|
| Net profit as Reported | \$ 57,737 | \$ 105,325 | \$ 49,894 |
| Special Items (adjustments): | | | |
| Net change in fair value of derivatives | \$ - | \$ (2,946) | \$ - |
| Adjusted Net Income | <u>\$ 57,737</u> | <u>\$ 102,379</u> | <u>\$ 49,894</u> |
| Shares used for Computation (in thousands) | | | |
| Basic and Diluted | <u>\$ 42,469</u> | <u>\$ 42,430</u> | <u>\$ 42,447</u> |
| Adjusted earnings per share - Basic and Diluted | <u>\$ 1.36</u> | <u>\$ 2.41</u> | <u>\$ 1.18</u> |

Reconciliation of Operating Costs per ASM Excluding Fuel (CASM Excl. Fuel)

| | <u>3Q18</u> | <u>3Q17*</u> | <u>2Q18</u> |
|--|--------------|--------------|--------------|
| Operating Costs per ASM as Reported (in US\$ Cents) | 9.0 | 8.6 | 9.0 |
| Aircraft fuel per ASM (in US\$ Cents) | <u>(3.1)</u> | <u>(2.3)</u> | <u>(3.0)</u> |
| Operating Costs per ASM excluding fuel (in US\$ Cents) | <u>6.0</u> | <u>6.3</u> | <u>6.0</u> |

*** Restated for retrospective adoption of IFRS 15**