

May 6, 2009

Copa Holdings Reports Net Income of US\$71.6 Million and EPS of US\$1.65 for the First Quarter of 2009

--Excluding special, items adjusted net income came in at \$55.5 million, or \$1.28 per share

PANAMA CITY, May 6, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Copa Holdings, S.A. (NYSE: CPA), parent company of Copa Airlines and Aero Republica, today announced financial results for the first quarter of 2009 (1Q09). The terms "Copa Holdings" or "the Company" refer to the consolidated entity, whose operating subsidiaries are Copa Airlines and Aero Republica. The following financial and operating information, unless otherwise indicated, is presented in accordance with U.S. GAAP. Unless otherwise stated, all comparisons with prior periods refer to the first quarter of 2008 (1Q08).

OPERATING AND FINANCIAL HIGHLIGHTS

-- Copa Holdings reported net income of US\$71.6 million for 1Q09, or diluted earnings per share (EPS) of US\$1.65, an increase of 81.3% as compared to net income of US\$39.5 million or diluted EPS of US\$0.91 in 1Q08.

-- Excluding special items, which for 1Q09 included a US\$16.2 million non-cash gain associated with the mark-to-market of fuel hedge contracts, Copa Holdings would have reported an adjusted net income of \$55.5 million, or \$1.28 per share, compared to an adjusted net income of US\$37.7 million or US\$0.87 per share for 1Q08. See the accompanying reconciliation of non-GAAP financial information to GAAP financial information included in the financial tables section of this earnings release.

-- Operating income for 1Q09 came in at US\$68.9 million, despite a \$19.9 million fuel hedge loss, representing an increase of 33.3% as compared to operating income of US\$51.7 million for 1Q08. Operating margin increased from 17.5% to 22.3%, maintaining our position among the most profitable airlines in the industry.

-- In 1Q09, total revenues increased to US\$308.8 million, representing growth of 4.3%, on a 17.0% capacity expansion. Yield per passenger mile decreased 6.2% to 16.2 cents and operating revenue per available seat mile (RASM) decreased 10.8% to 12.7 cents.

-- Revenue passenger miles (RPMs) increased 11.6% from 1.62 billion in 1Q08 to 1.81 billion in 1Q09, and available seat miles (ASMs) increased 17.0% from 2.08 billion in 1Q08 to 2.43 billion in 1Q09, with the Copa Airlines segment increasing 18.9% year-over-year and Aero Republica increasing 8.0%. Consolidated load factor decreased 3.6 percentage points to 74.4%. Underlying Break-even load factor for 1Q09 decreased 7.7 percentage points to 57.5% from 65.2% in 1Q08.

-- Operating cost per available seat mile (CASM) decreased 16.0%, from 11.8 cents in 1Q08 to 9.9 cents in 1Q09. CASM, excluding fuel costs, decreased 11.0% from 7.7 cents in 1Q08 to 6.8 cents in 1Q09.

-- Liquidity including cash, short term and long term investments, plus committed credit lines of US\$31 million, ended the quarter at US\$434.2 million, representing 33% of the last twelve months' revenues.

-- Copa Airlines ended the quarter with a fleet of 43 aircraft, consisting of 28 Boeing 737 Next Generation aircraft and 15 Embraer-190 aircraft. Aero Republica received two Embraer-190 aircraft and ended the quarter with a fleet of 15 aircraft, consisting of 11 Embraer-190 and four MD-80 aircraft. Copa Holdings ended the quarter with a consolidated fleet of 58 aircraft.

-- For 1Q09, Copa Airlines reported on-time performance of 90.6% and a flight-completion factor of 99.6%, maintaining its position among the best in the industry.

RECENT DEVELOPMENTS

-- On May 6, the Copa Holdings Board of Directors declared an annual dividend of \$0.37 per share. Although this dividend is the same amount per share paid in 2008, it represents 14% of 2008 consolidated net income. The determination to pay dividends in excess of the Company's current 10% policy was made due to the Company's strong operating earnings, balance sheet and liquidity position. The dividend will be paid on June 15, 2009 to stockholders of record as of May 29, 2009.

-- Recently, Continental Airlines announced its intention to leave SkyTeam effective October 24, 2009. Due to the long-

standing alliance relationship with Continental, and in order to ensure Copa remains fully aligned with Continental on a number of important joint initiatives, Copa will also be leaving SkyTeam concurrently with Continental on October 24, 2009.

Consolidated Financial & Operating Highlights					
	1Q09	1Q08	% Change	4Q08	% Change
RPMS (millions)	1,807	1,619	11.6%	1,760	2.7%
ASMs (mm)	2,430	2,077	17.0%	2,375	2.3%
Load Factor	74.4%	78.0%	-3.6 p.p.	74.1%	0.3 p.p.
Yield	16.2	17.3	-6.2%	18.5	-12.4%
PRASM (cents)	12.1	13.5	-10.6%	13.7	-12.0%
RASM (cents)	12.7	14.2	-10.8%	14.6	-12.8%
CASM (cents)	9.9	11.8	-16.0%	11.0	-10.5%
CASM Excl. Fuel (cents)	6.8	7.7	-11.0%	7.2	-4.7%
Breakeven Load Factor (2)	57.5%	65.2%	-7.7 p.p.	56.9%	0.6 p.p.
Operating Revenues (US\$ mm)	308.8	295.9	4.3%	346.1	-10.8%
EBITDAR (US\$ mm) (1)	111.4	75.8	46.9%	66.6	67.2%
Adjusted EBITDAR (US\$ mm) (1)(2)	95.3	74.1	28.6%	106.1	-10.2%
EBITDAR Margin (1)	36.1%	25.6%	10.5 p.p.	19.3%	16.8 p.p.
Adjusted EBITDAR Margin (1)(2)	30.9%	25.0%	5.8 p.p.	30.7%	0.2 p.p.
Operating Income (US\$ mm)	68.9	51.7	33.3%	84.0	-18.0%
Operating Margin	22.3%	17.5%	4.8 p.p.	24.3%	-2.0 p.p.
Net Income (US\$ mm)	71.6	39.5	81.3%	25.8	178.1%
Adjusted Net Income (US\$ mm) (2)	55.5	37.7	47.0%	65.2	-15.0%
EPS - Basic (US\$)	1.67	0.92	81.6%	0.60	179.9%
Adjusted EPS - Basic (US\$) (2)	1.29	0.88	47.3%	1.51	-14.4%
EPS - Diluted (US\$)	1.65	0.91	81.2%	0.59	177.8%
Adjusted EPS - Diluted (US\$) (2)	1.28	0.87	46.9%	1.50	-15.0%
Weighted Avg. # of Shares - Basic (000)	42,908	42,985	-0.2%	43,195	-0.7%
Weighted Avg. # of Shares - Diluted (000)	43,464	43,433	0.1%	43,426	0.1%

(1) EBITDAR means earnings before interest, taxes, depreciation, amortization and rent.

(2) Break-even load factor, adjusted EBITDAR, Adjusted EBITDAR margin, Adjusted Net Income and Adjusted EPS (Basic and Diluted) exclude non-cash charges/gains associated with the mark-to-market of fuel hedges.

Note: A reconciliation of non-GAAP financial measures to the comparable US GAAP measures appears at the end of this press release.

Full 1Q09 earnings release available for download at: <http://investor.shareholder.com/copa/results.cfm>

1Q09 EARNINGS RESULTS CONFERENCE CALL AND WEBCAST

Date: May 7, 2009
Time: 11:00 a.m. EDT (10:00 a.m. Panama Time)
Conference Call:
Telephone Number: 877-548-7913 (U.S. Domestic Callers)
719-325-4863 (International Callers)
Webcast Link: <http://investor.shareholder.com/copa/events.cfm>

Copa Holdings, through its Copa Airlines and Aero Republica operating subsidiaries, is a leading Latin American provider of passenger and cargo service. Copa Airlines currently offers approximately 144 daily scheduled flights to 45 destinations in 24 countries in North, Central and South America and the Caribbean. In addition, Copa Airlines provides passengers with access to flights to more than 120 other international destinations through code share agreements with Continental Airlines and other airlines. Aero Republica, the second-largest domestic carrier in Colombia, provides service to 12 cities in Colombia as well as international connectivity with Copa Airlines' Hub of the Americas through flights from Bogota, Bucaramanga, Cali, Cartagena, Medellin and Pereira. Additionally, Aero Republica has direct daily flights to Caracas, Venezuela, from the cities of Bogota and Medellin.

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.

NON-GAAP FINANCIAL MEASURE RECONCILIATION

This press release includes the following non GAAP financial measures: Adjusted EBITDAR, Adjusted Net Income and Adjusted EPS. This supplemental information is presented because we believe they are useful indicators of our operating performance and are 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 U.S. GAAP measures, in particular operating income and net income. The following is a reconciliation of these non-GAAP financial measures to the comparable US GAAP measures:

Reconciliation of EBITDAR Excluding Special Items	1Q09	1Q08	4Q08
Net income as Reported	\$71,615	\$39,499	\$25,755
Interest Expense	(8,936)	(10,980)	(10,891)
Capitalized Interest	318	521	525
Interest Income	2,563	2,768	2,863
Income Taxes	(5,641)	(4,104)	(8,113)
EBIT	83,311	51,294	41,371
Depreciation and Amortization	11,928	10,000	11,326
EBITDA	95,239	61,294	52,697
Aircraft Rent	12,366	10,673	10,078
Other Rentals	3,812	3,883	3,873
EBITDAR	\$111,417	\$75,850	\$66,648
Special Items (adjustments):			
Unrealized (gain) loss on fuel hedging instruments (1)	(16,163)	(1,786)	39,462
Adjusted EBITDAR	\$95,254	\$74,064	\$106,111
Reconciliation of Net Income Excluding Special Items	1Q09	1Q08	4Q08
Net income as Reported	\$71,615	\$39,499	\$25,755
Special Items (adjustments):			
Unrealized (gain) loss on fuel hedging instruments (1)	(16,163)	(1,786)	39,462

Adjusted Net Income	\$55,452	\$37,713	\$65,217
Shares used for Computation (in thousands)			
Basic	42,908	42,985	43,195
Diluted	43,464	43,433	43,426
Adjusted earnings per share			
Basic	1.29	0.88	1.51
Diluted	1.28	0.87	1.50

FOOTNOTE:

The 1Q09 and 1Q08 periods included a non-cash gains of US\$16.2 million and \$1.8 Million, respectively, and 4Q08 period included non-cash charge of US\$39.5 million resulting from the mark-to-market accounting for changes in the fair value of fuel hedging instruments.

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