

November 15, 2006

## Copa Holdings Reports Record Earnings of US\$37.2 Million and EPS of US\$0.87 for 3Q06

PANAMA CITY, Nov 15, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Copa Holdings S.A. (NYSE: CPA), parent company of Copa Airlines and AeroRepublica, today announced financial results for the third quarter of 2006 (3Q06). The terms "Copa Holdings" or "the Company" refer to the consolidated entity, whose operating subsidiaries are Copa Airlines and AeroRepublica. All comparisons, unless otherwise stated, refer to the third quarter of 2005 (3Q05). The following financial and operating information, unless otherwise indicated, is presented pursuant to US GAAP.

### OPERATING AND FINANCIAL HIGHLIGHTS

- Copa Holdings recorded net income of US\$37.2 million for 3Q06, an increase of 34.6% above 3Q05. Net margin increased 0.6 percentage points to 16.1%, placing the Company among the best in the industry in terms of net margin. Diluted earnings per share (EPS) increased by 34.3% to US\$0.87.
- Operating income for the quarter rose 25.4% to US\$45.2 million, representing an operating margin of 19.6%, also among the best in the industry.
- Consolidated average load factor for 3Q06 increased 1.8 percentage points to 75.4% from 73.6% in 3Q05, as revenue passenger miles (RPMs) increased 19.6% to 1.35 billion in 3Q06 and available seat miles (ASMs) increased 16.8% to 1.78 billion in 3Q06.
- Total revenues for the quarter increased by 29.6% to US\$230.6 million, primarily due to a 30.7% increase in passenger revenues. Operating revenue per available seat mile (RASM) increased 11.0% to 12.9 cents, with yields increasing 9.3% to 16.2 cents.
- Operating cost per available seat mile (CASM) increased 11.9%, from 9.3 cents in 3Q05 to 10.4 cents in 3Q06, led by an 18.3% increase in fuel costs per ASM. This increase was primarily a result of a 19.7% increase in the average price per gallon of jet fuel (all-in), which averaged US\$2.33 in 3Q06 vs. US\$1.95 in 3Q05, and the consumption of 16.1% more gallons as a result of increased capacity.
- In July, Copa Airlines continued its fleet expansion by taking delivery of an additional Boeing 737-700. During 4Q06 Copa Airlines will receive two additional Embraer 190 aircraft to end the year with a fleet of 30 aircraft.
- During 3Q06, Copa Airlines continued its route network expansion by adding service to five new destinations: Manaus (Brazil) and Santiago de los Caballeros (Dominican Republic) on July 15; Maracaibo (Venezuela) and San Pedro Sula, (Honduras) on July 24 and Montevideo (Uruguay) on August 15. Also, new daily frequencies were added in 3Q06 to Havana (Cuba), Santo Domingo (Dominican Republic) and San Jose (Costa Rica). In 4Q06, Copa Airlines has added a third frequency to Mexico City (Mexico) and will begin service to Rio de Janeiro (Brazil) in December.
- On August 3, 2006, AeroRepublica began daily service from Bogota to Copa Airlines' Hub of the Americas in Panama City. AeroRepublica now provides the Colombian market with intra-regional connectivity from two major Colombian cities: Bogota and Medellin. Additionally, in 1Q06, AeroRepublica will begin daily service from Cali, Colombia into Panama City.
- In 3Q06, as part of its fleet modernization program, AeroRepublica signed lease agreements with GE Commercial Aviation Services (GECAS) for three Embraer 190 aircraft to be delivered in 2007. The airline now has firm orders and delivery commitments for eight aircraft, all of

which are Embraer 190s.

- On September 5, 2006, Copa Airlines announced the signing of a maintenance agreement with Panama Aerospace Engineering (PAE), a subsidiary of Singapore Technologies Aerospace LTD. As part of this agreement, Panama Aerospace will perform all heavy maintenance of Copa Airlines' Boeing Next Generation fleet in their new facilities in Howard Airport, located a short distance from Panama City.
- On September 6, 2006, AeroRepublica unveiled its new corporate image. This new image will introduce Copa Airlines' logo, livery and overall image while maintaining the AeroRepublica brand name.
- On October 20, 2006, Copa Airlines was named one of the "Best Employers in Latin America" by America Economia Magazine in conjunction with Hewitt Associates.
- On October 30, 2006, Copa Holdings announced it has secured US\$240 million in financing for the acquisition of 10 new Embraer 190s, due for delivery in 2006 and 2007. The loan will finance aircraft scheduled to be delivered both to Copa Airlines and AeroRepublica.

Consolidated Financial  
& Operating

Highlights	3Q06	3Q05	% Change	2Q06	% Change
Revenue Passenger Miles (RPM) (mm)	1,345	1,125	19.6%	1,137	18.3%
Available Seat Miles (ASM) (mm)	1,784	1,527	16.8%	1,631	9.4%
Load Factor	75.4%	73.6%	1.8p.p.	69.7%	5.7p.p.
Yield	16.2	14.8	9.3%	15.8	2.5%
Passenger Revenue per ASM (US\$ cents) ("PRASM")	12.2	10.9	12.0%	11.0	10.9%
Operating Revenue per ASM (US\$ cents) ("RASM")	12.9	11.6	11.0%	11.7	10.2%
Operating Cost per ASM (US\$ cents) ("CASM")	10.4	9.3	11.9%	10.0	4.0%
Operating Cost (excluding fuel) per ASM (US\$ cents)	7.0	6.4	9.0%	6.7	3.7%
Breakeven Load Factor	59.7%	58.3%	1.4p.p.	58.8%	0.9p.p.
Operating Revenues (US\$ mm)	230.6	177.9	29.6%	191.5	20.4%
EBITDAR (US\$ mm) *	66.0	50.6	30.3%	46.1	42.9%
EBITDAR Margin *	28.6%	28.4%	0.2p.p.	24.1%	4.5p.p.
Operating Income (US\$ mm)	45.2	36.1	25.4%	28.5	58.9%
Operating Margin	19.6%	20.3%	-0.7p.p.	14.9%	4.7p.p.
Net Income (US\$ mm)	37.2	27.7	34.6%	22.9	62.9%
Net Margin	16.1%	15.6%	0.6p.p.	11.9	4.2p.p.
Earnings per Share - Basic (US\$)	0.87	0.65	34.6%	0.53	62.9%
Earnings per Share - Diluted (US\$)	0.87	0.65	34.3%	0.53	62.7%
Weighted Average Number of Shares - Basic (000)	42,813	42,813	0.0%	42,813	0.0%
Weighted Average Number of Shares - Diluted (000)	42,908	42,813	0.2%	42,860	0.1%

\* EBITDAR (earnings before interest, taxes, depreciation, amortization and rent) is presented as supplemental information 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. However, EBITDAR should not be considered in isolation, as a substitute for net income prepared in accordance with US GAAP or as a measure of a company's profitability. In addition, our calculations may not be comparable to other similarly titled measures of other companies.

Full 3Q06 earnings release available to download on: <http://investor.shareholder.com/copa/results.cfm>

3Q06 EARNINGS RESULTS CONFERENCE CALL AND WEBCAST

Date: November 15, 2006  
Time: 11:00 a.m. US EST  
Conference Call:  
Telephone Number: (800) 289-0494 (U.S. Domestic Callers)  
(913) 981-5520 (International Callers)  
Webcast: <http://www.copaair.com/investor/default.aspx>

About Copa Holdings

Copa Holdings, through its Copa Airlines and AeroRepublica operating subsidiaries, is a leading Latin American provider of international airline passenger and cargo service. Copa Airlines currently offers approximately 110 daily scheduled flights to 35 destinations in 21 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 codeshare agreements with Continental Airlines and other airlines. AeroRepublica, 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 daily flights from 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.

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SOURCE Copa Holdings S.A.

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