



COPA HOLDINGS, S.A.

INVESTOR DAY 2019

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.

Agenda

PEDRO HEILBRON
JOSÉ MONTERO
DAN GUNN
DENNIS CARY
JULIO TORO
GROUP

Business and Strategic Overview
Financial Overview
Operational Overview
Commercial Overview
IT & Digital Overview
Q&A

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BUSINESS AND STRATEGIC OVERVIEW

PEDRO HEILBRON

Our Business Model Panama and Latin America Outlook

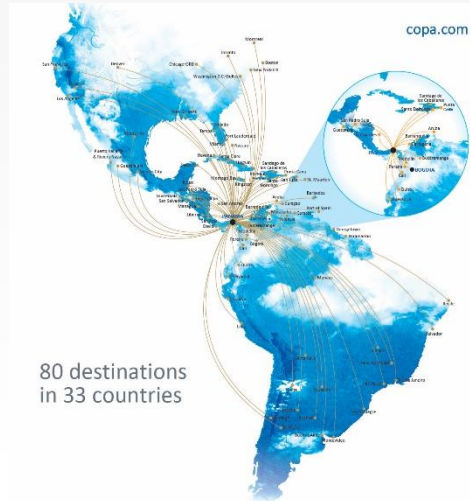
BUSINESS AND STRATEGIC OVERVIEW

PEDRO HEILBRON

Our Business Model

Panama and Latin America Outlook

Business Model – 4 Fundamental Strengths



BEST
GEOGRAPHIC
LOCATION

+80% OF
MARKETS SERVED
SMALLER THAN
20 PPDEWs

MARKETS
THAT NEED
A HUB



RIGHT
INFRASTRUCTURE

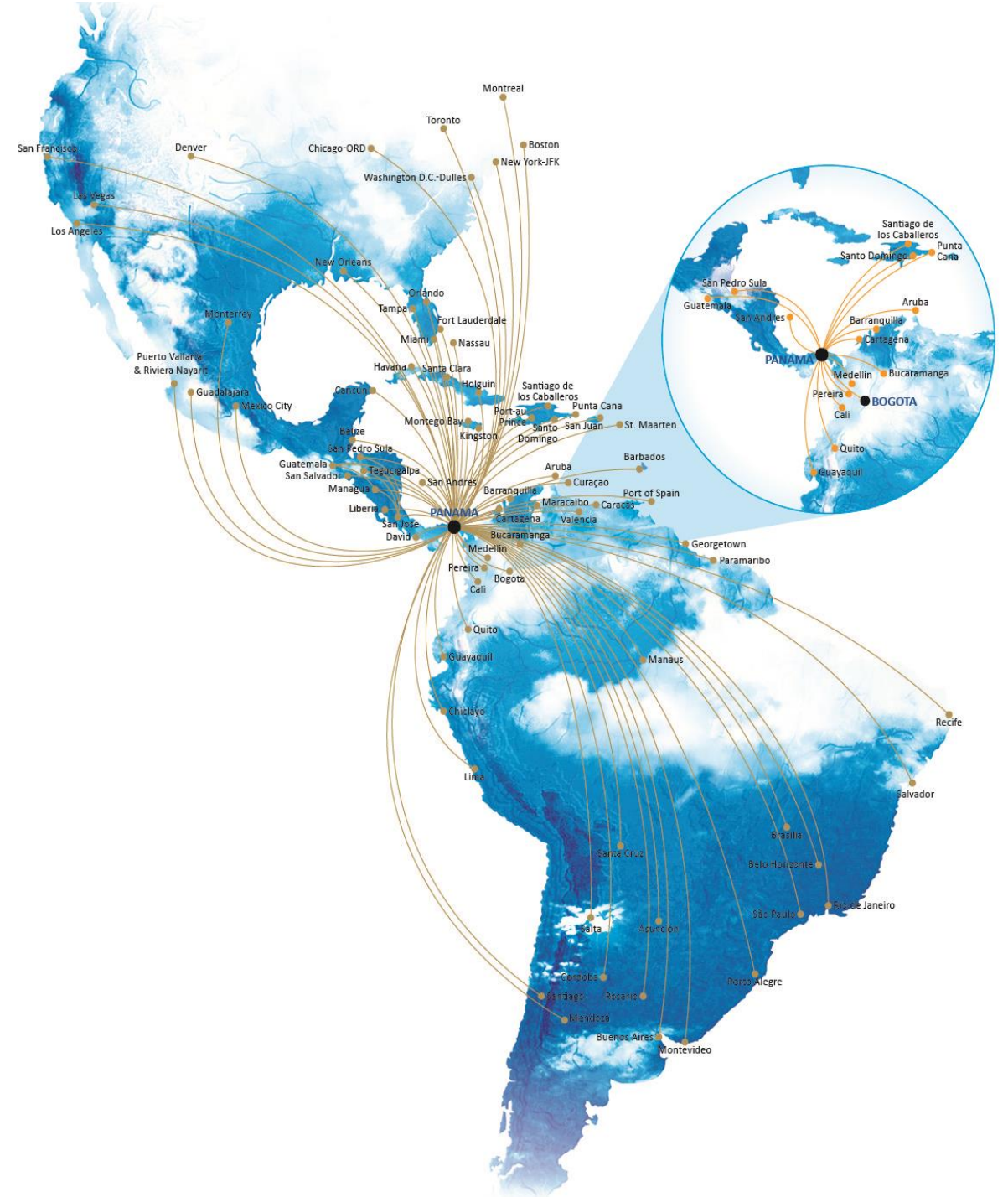


WORLD
CLASS
PRODUCT

Best Geographic Position

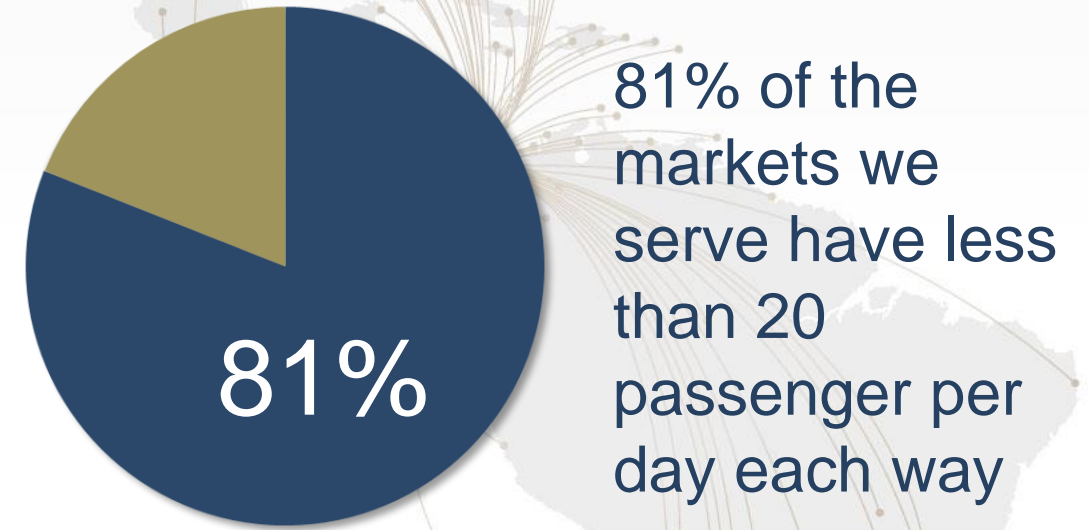
80
destinations

33
countries



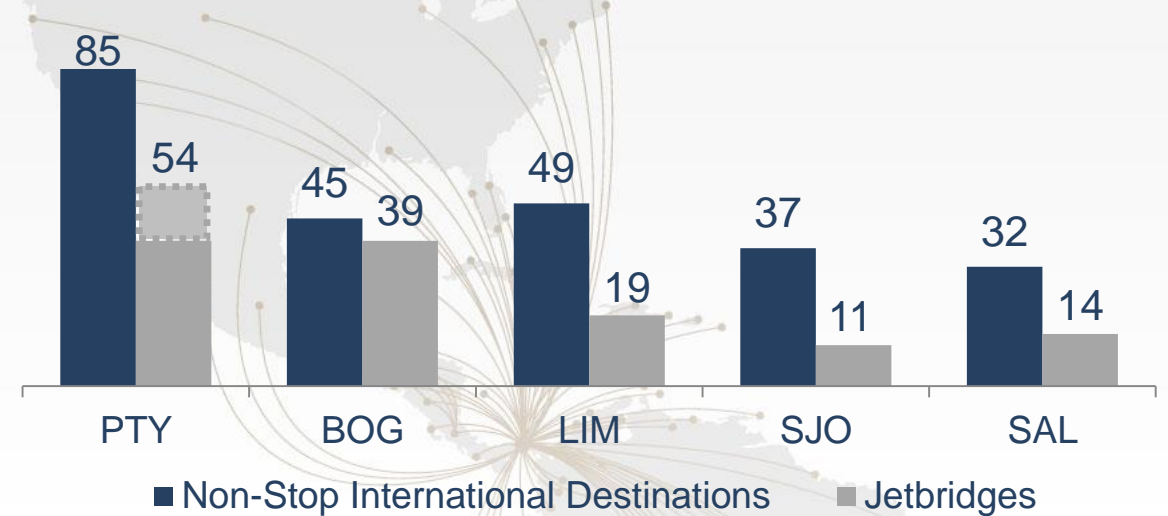
Markets that need a hub

- Network focused on underserved, thin markets
- +20 potential underserved new destinations
 - Paramaribo started Jul 2019
- Most Latin American International O&D's cannot sustain point-to-point service
- Copa's Extensive network is in many cases the most convenient option
 - More than 50% market share in half of our markets
 - More than half of our passengers come from these markets



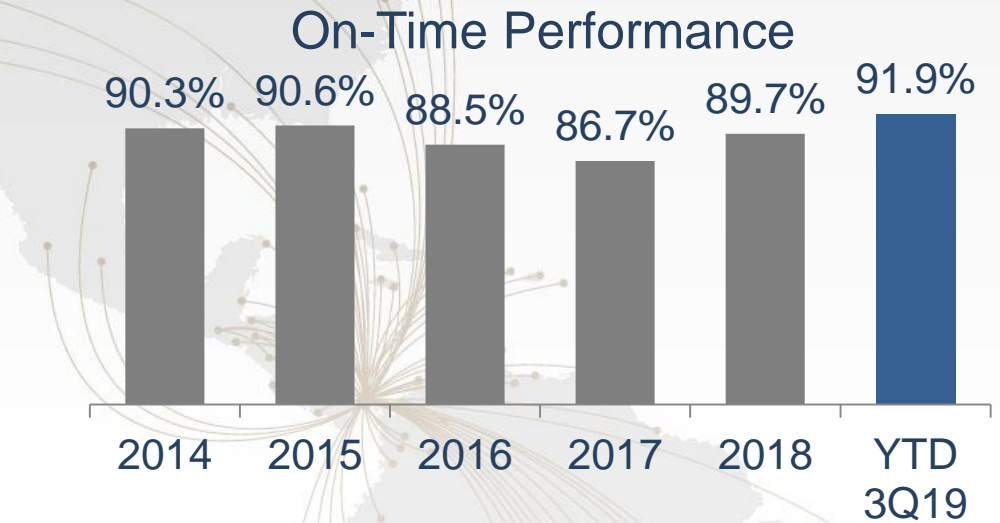
Right Infrastructure – Hub of the Americas

- 2 sea-level runways
- More jetbridges than competing hubs
- Copa represents >80% of the Tocumen Airport daily operations
- T2 expansion accommodates long-term growth needs
 - 20 additional jetbridges
 - plans for further expansion
- Duty free stores are attractive for passengers and an important generator of revenues for the airport



World Class Product

- World Class Service
 - Skytrax World Airline Awards 2018 winner:
 - Best Airline in region
 - Best Staff in region
- Leading on-time performance
 - FlightStats award for “Most on-time airline in Latin America”, 6th consecutive year
 - OAG award for most on-time airline in the World (#1)
- Average fleet age of ~9 years
- Improved business product for longer flights
- Star Alliance – Premier Global Alliance
- Copa Club – VIP Lounges
 - New club in Tocumen’s T2 opening in 2020



#1



BUSINESS AND STRATEGIC OVERVIEW

PEDRO HEILBRON

Our Business Model
Panama and Latin America Outlook

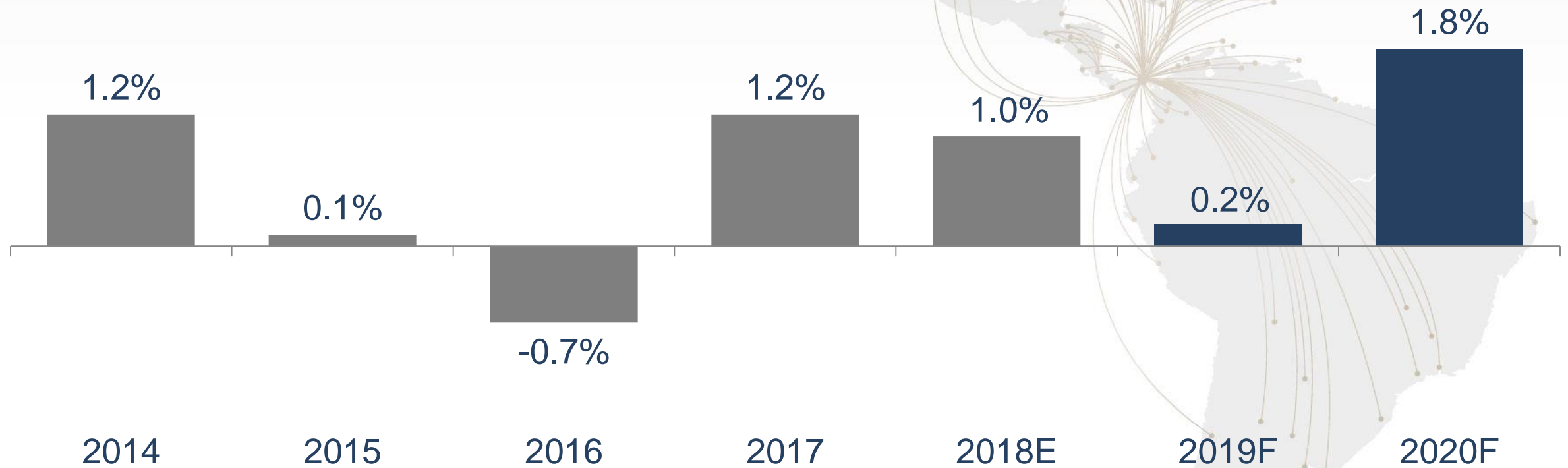
Panama: One of the fastest growing economies in the region

- Regional business and logistics hub
 - Largest container ports in Latin America
- Strong public and private sector investment
 - Metro Transportation System
 - 3rd Bridge over the Canal on the Pacific
 - New Convention Center
 - New Cruise Ship Terminal
- Investment grade credit rating
- Growing as regional headquarters base for multinational companies (+146)
- New Panama Stop Over Campaign
 - Sponsored by Panama's Tourism Fund and Copa Airlines



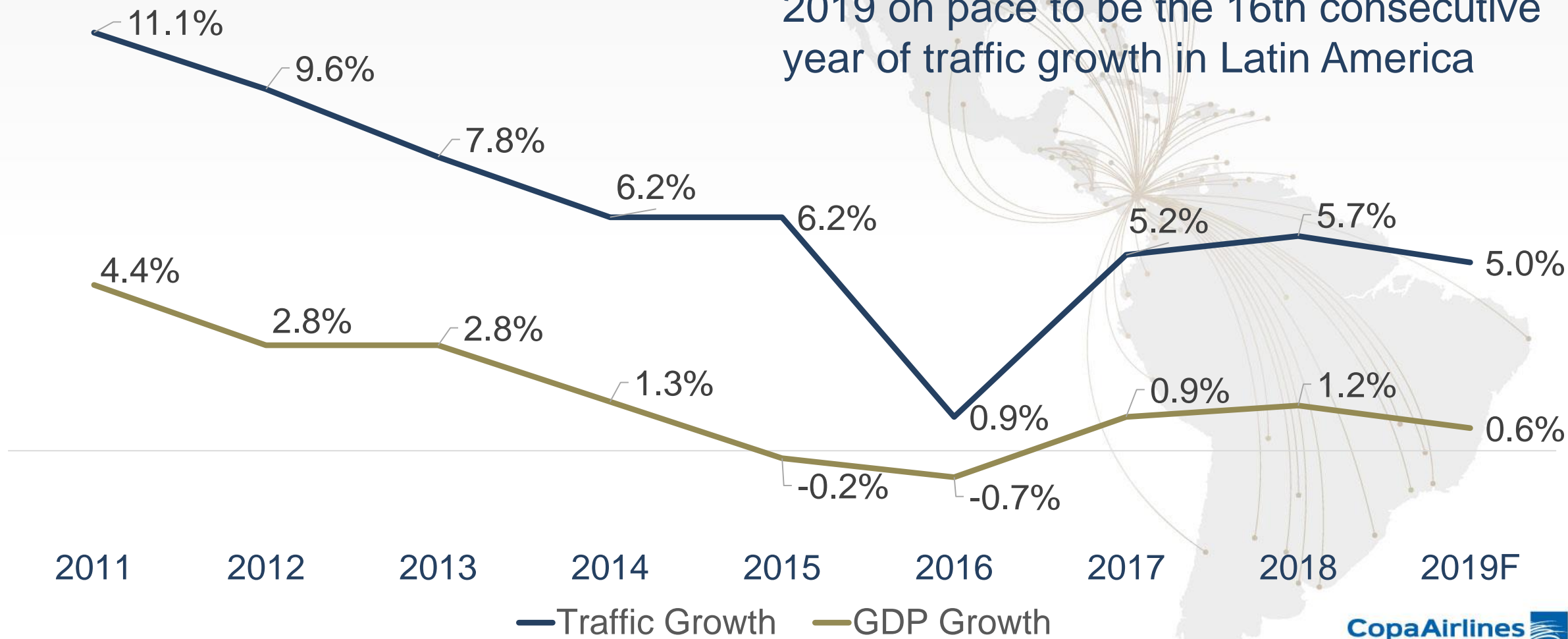
Latin American economies still under pressure

Latin America GDP Growth



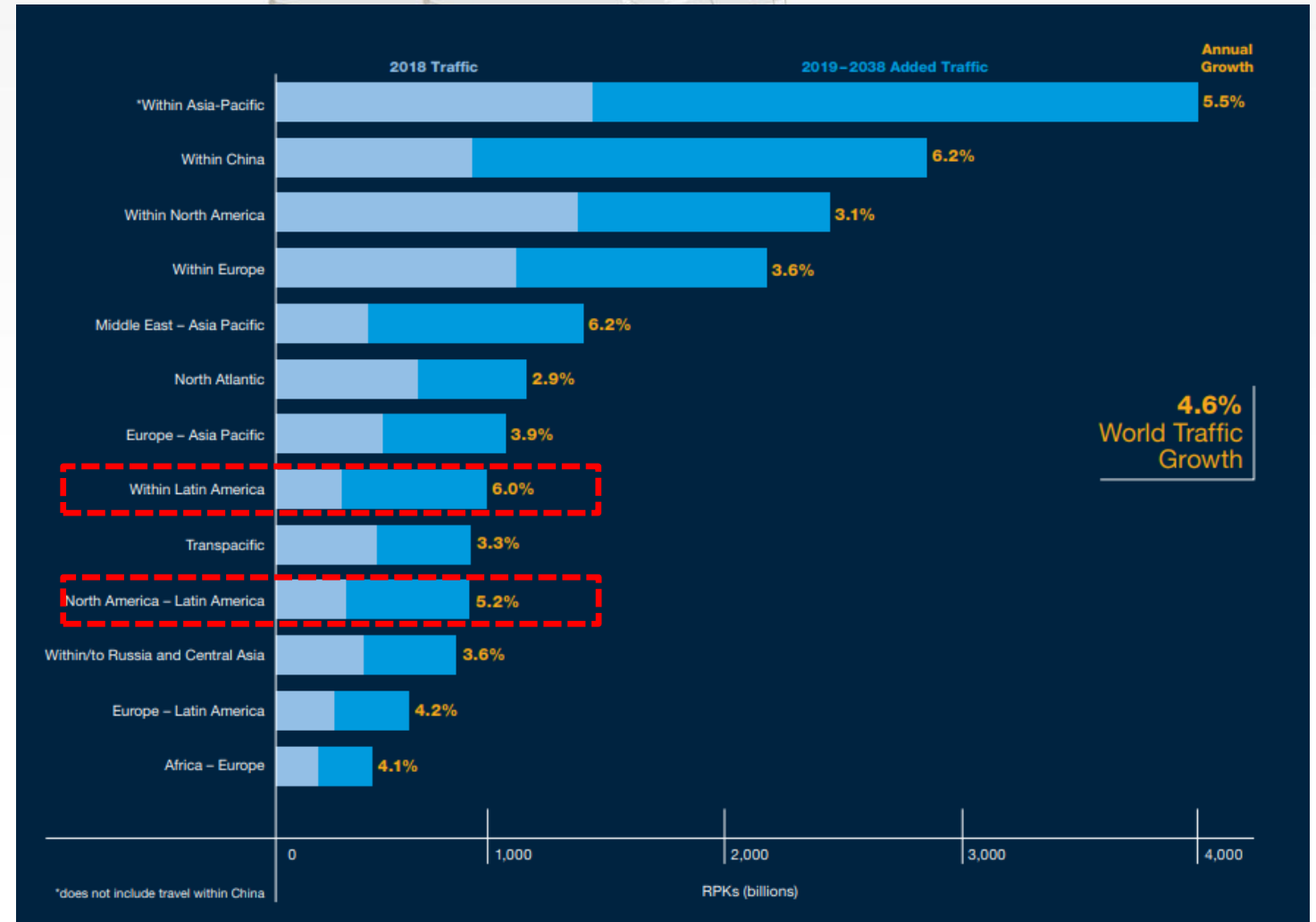
Latin American traffic continues to outperform economic growth

2019 on pace to be the 16th consecutive year of traffic growth in Latin America



Latin America among the fastest growing regions

- Air Traffic in Latin America has historically expanded 2-3 times GDP growth
- Traffic within Latin America expected to grow ~6% per year for the next 20 years, surpassing the world average



Flexible order book supports growth strategy

- Transitioning to an all-Boeing narrow body fleet
- 65 737-MAX on order
- Deliveries up to 2024
- Order includes MAX8s, MAX9s and MAX10s
- Slide rights and flexibility to convert between aircraft types



2020 Fleet Developments

What we have planned...

- Re-introduction of the B737 MAX
- Delivery of up to 14 new B737 MAX 9s
- Exit of 9 EMB-190s

What it means...

Short Term, one-time headwinds (2020):

- Maintenance costs
- Lower Utilization / Lower Growth in 2020
- Crew Training Costs

Recurring benefits (starting in 2021):

- Simplified Fleet
- Lower unit costs
- Higher average gauge

What's our focus now?

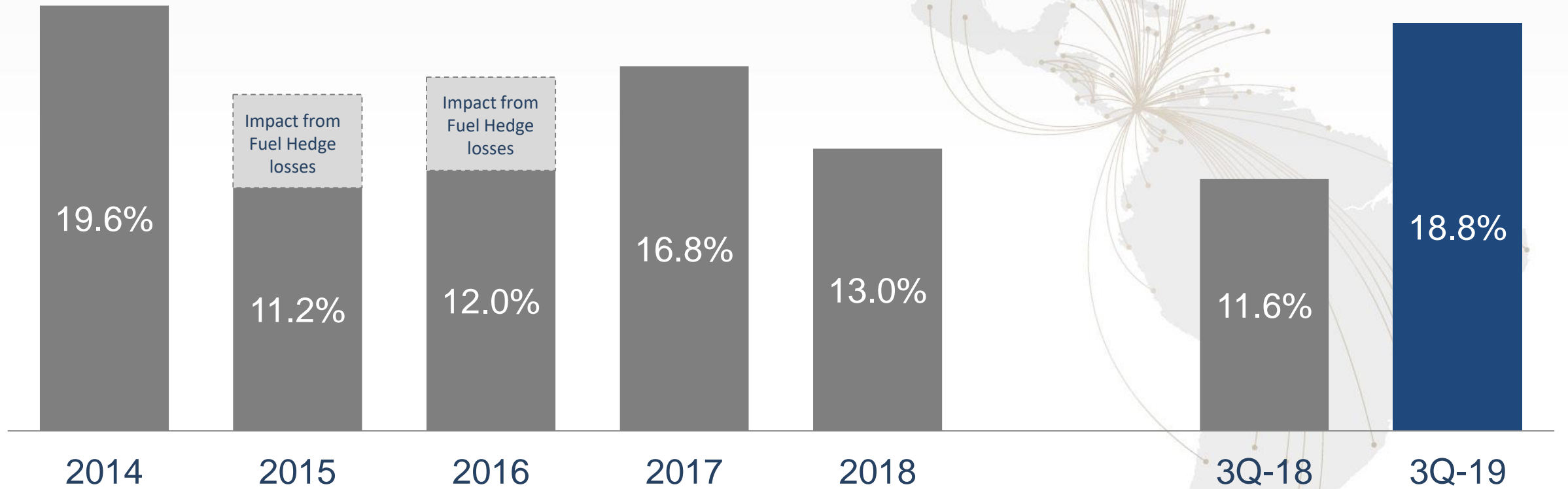
- Further lowering our unit costs
 - Implementation of Sub-6 Initiatives
 - Transition to a simplified fleet (EMB-190 exit)
 - Distribution Efforts/Farelogix
- Improving competitiveness and revenue performance
 - Continue delivering strong revenue results in any environment
 - Deploying new ancillary products, including basic economy fares
 - Leverage technology and data analytics
- Improving our customers' experience
 - Migration to Terminal 2 in Tocumen
 - Implementation of customer self-service tools

JOSE MONTERO | **FINANCIAL OVERVIEW**



Profitability – Solid Track Record

Operating Margin



Guidance

YOY Capacity
Operating Margin

FY 2019

- 3%

16%

Preliminary FY 2020

+5 %

16-18%





2019 Guidance is based on the following assumptions:

- Load Factor of approximately 85%
- RASM of approximately 10.7 cents
- CASM of approximately 6.3 cents
- Jet fuel price (all-in) of \$2.15

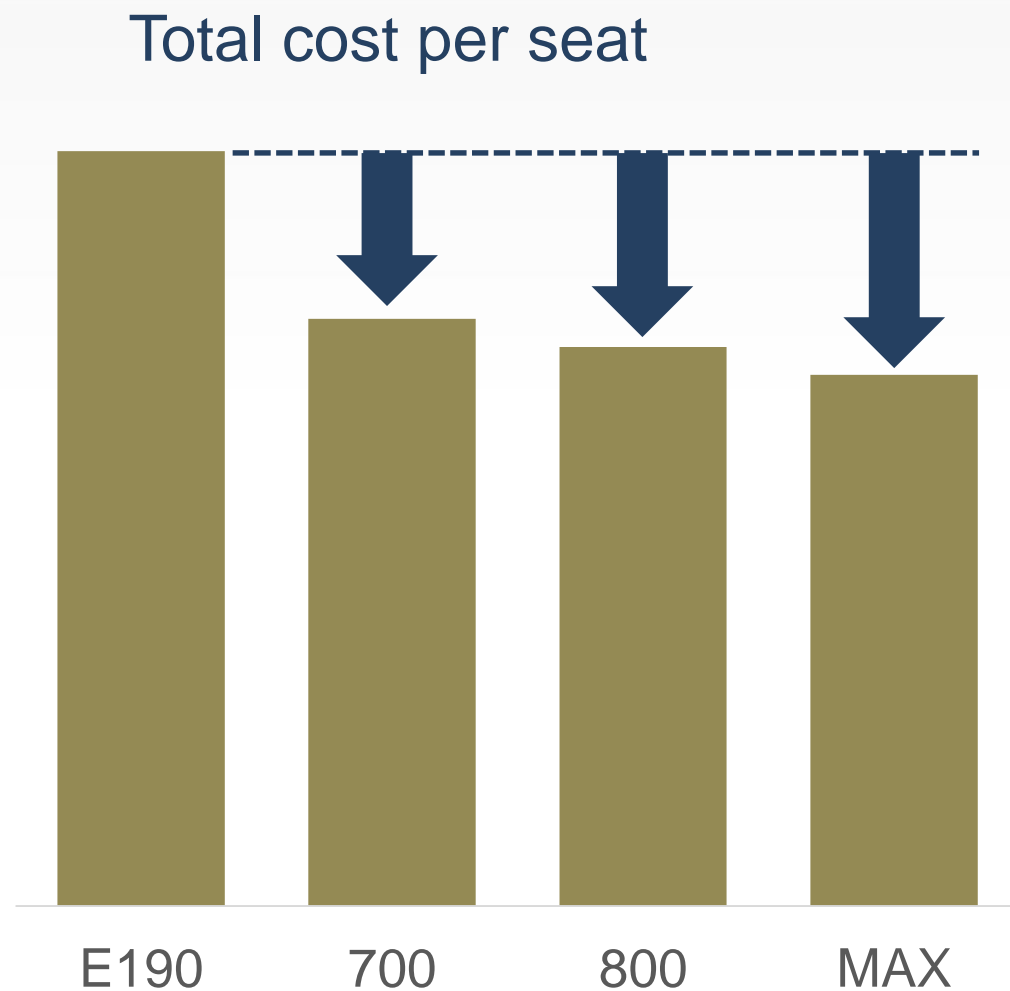
2020 Preliminary guidance is based on the following assumptions:

- Jet fuel price (all-in) of \$2.10
- MAX return to service late 1Q 2020

Preliminary Fleet Plan – subject to change

Aircraft Type		2018	2019	2020	2021	2022
	Capacity: 94 pax Range: 2,200nm Type: EMB-190	19	14	5	0	0
	Capacity: 124 pax Range: 3,000nm Type: 737-700	14	14	14	14	13
	Capacity: 160 pax Range: 3,000nm Type: 737-800	68	68	66	66	61
	Capacity: 166 pax Range: 3,390nm Type: MAX-8/9	4	6	20	34	46
		105	102	105	114	120

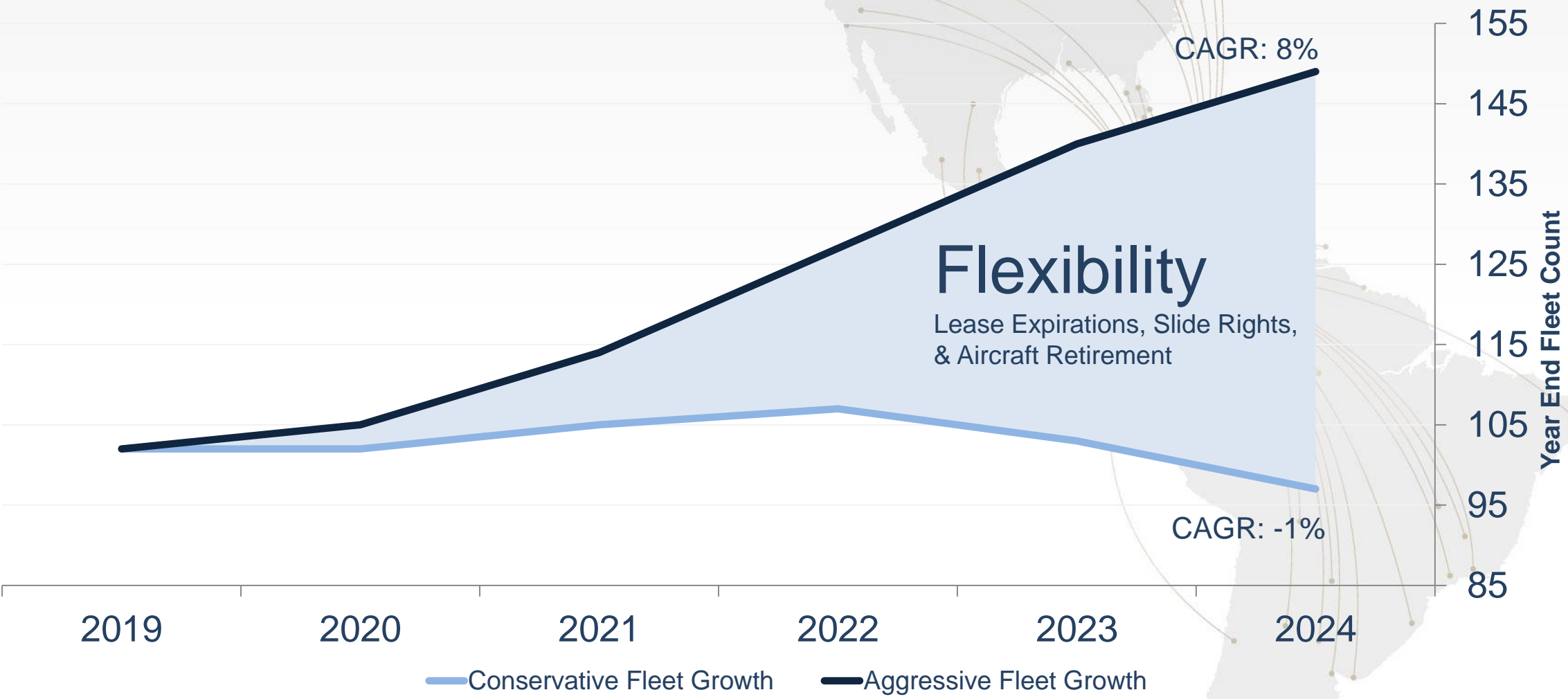
Embraer-190 exit impact



YE2021 vs YE2019:
-6% Total cost per seat

*EOY 2021 figures vs 2019 with 6 MAX grounded

Fleet Plan Flexibility



Note: CAGR figures refer to aircraft count growth

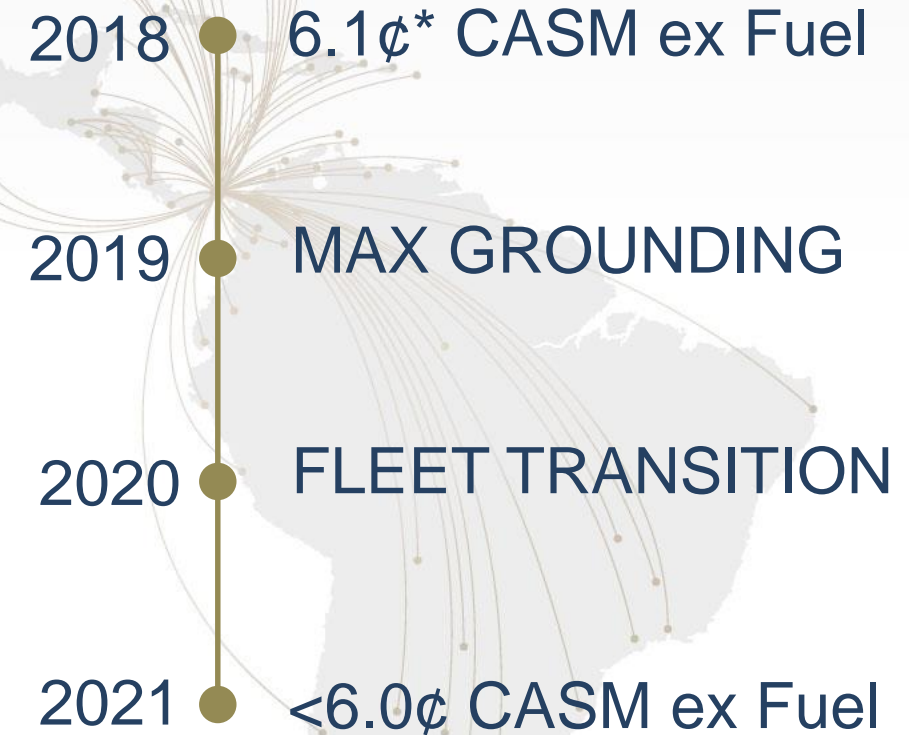
Sub-6 Project

Main objective is to analyze, monitor and implement **Initiatives** across company to generate the savings for a **CASM ex Fuel below 6.0 cents**.

+100 initiatives generating **+\$20M** savings in 2020, by driving efficiencies in:

- Structure and Staffing
- Flight Scheduling
- Distribution
- Procurement
- Airports
- Catering Operations

Timeline



Sub-6 Plan Example: Catering

Process Redesign
\$204K annual savings

Logistics Optimization
\$66K annual savings

Supply from HUB
\$254K annual savings

...more than **\$500K** in
yearly savings in one area



Supply from the HUB

Current Catering Supply at Copa

24 flights loaded w/food & beverage in outstations

Change to: Supply from HUB

Benefits of Change

- Eliminate beverage & supplies shipments
- Reduce bonded area spaces & manpower handling
- Reduce possibility of fines
- Ensure product consistency
- Reduce beverage waste

Aircraft Densification

737 - 800

Currently there are 2 configurations:

36 aircraft @ 154 seats

32 aircraft @ 160 seats

Will densify all aircraft to **166** seats*

Provides a CASM benefit of **0.06** cents by Year end 2021

MAX

We have decided to operate with two MAX 9 configurations:

166 seats & **174** seats*

Fleetwide CASM impact of **0.06** cents by Year end 2021



Sub-6 Project

FY 2021 CASM Impact (USD cents)

0.09

+100 Initiatives

0.06

737-800 Densification

0.06

MAX9 2nd Configuration

Initiatives to offset expected inflationary pressures in other areas

Timeline

2018 ● 6.1¢* CASM ex Fuel

2019 ● MAX GROUNDING

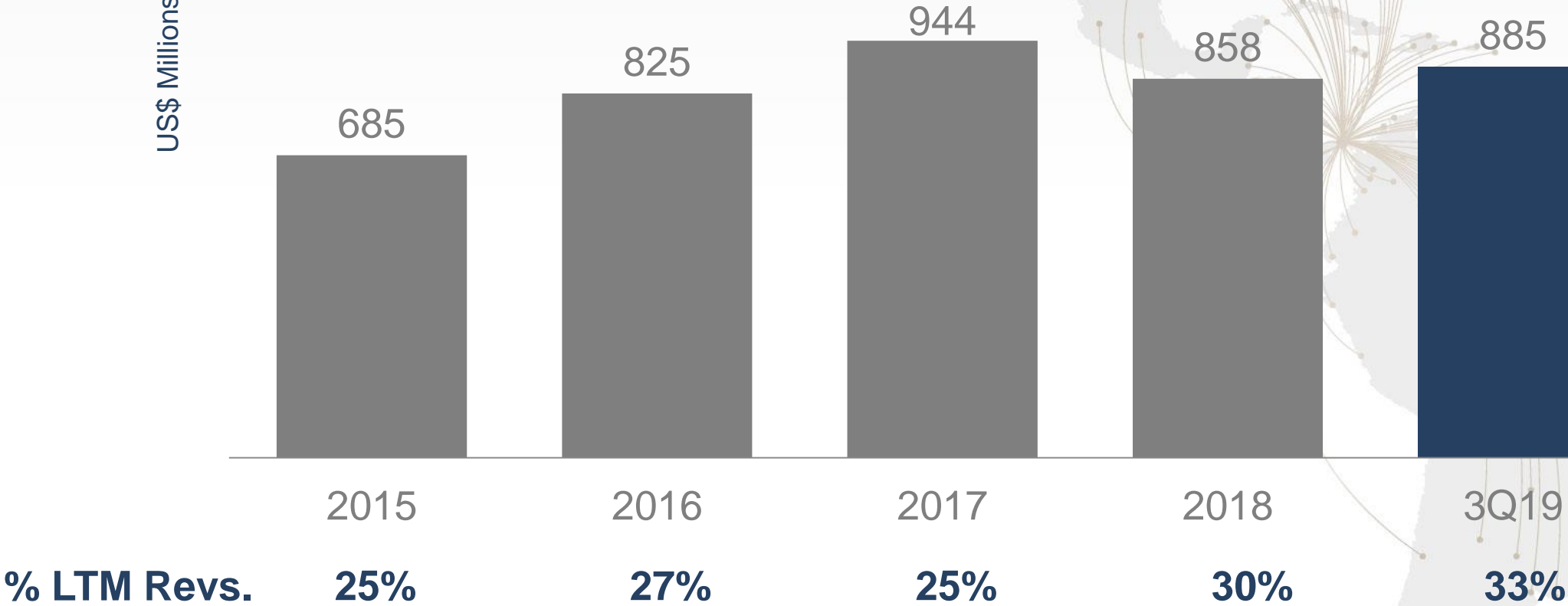
2020 ● FLEET TRANSITION

2021 ● <6.0¢ CASM ex Fuel

Solid Balance Sheet: High liquidity

CASH AND CASH EQUIVALENTS

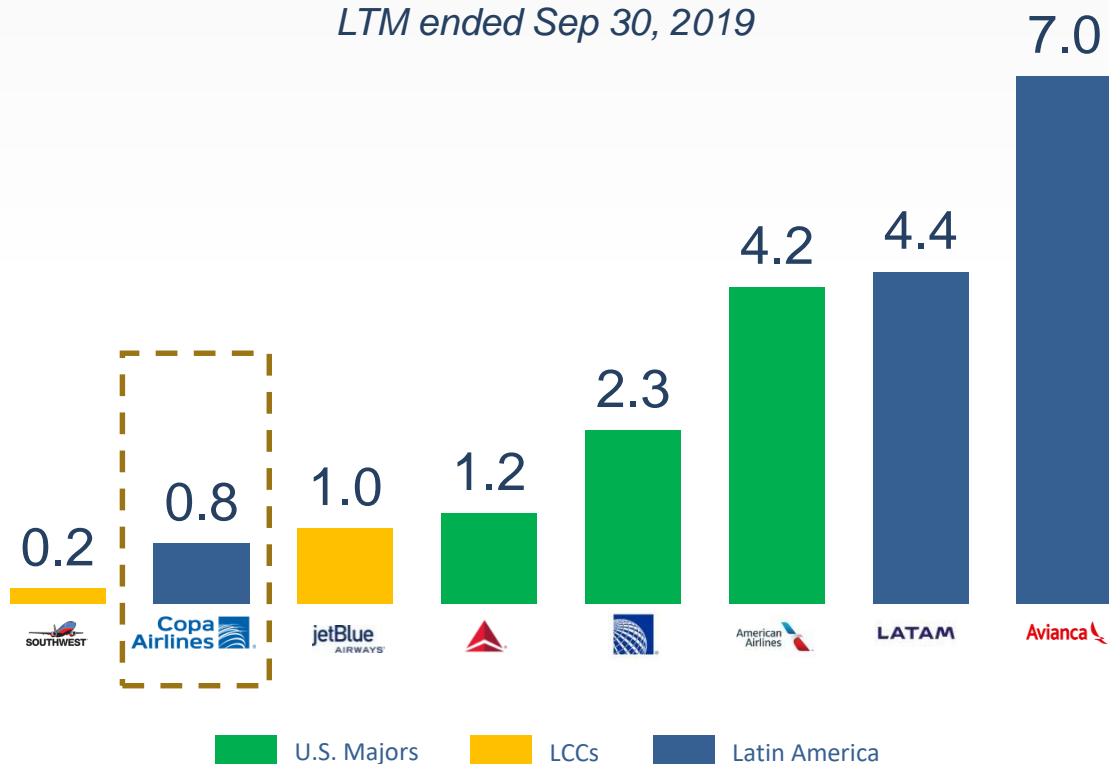
US\$ Millions



Solid Balance Sheet: Low leverage

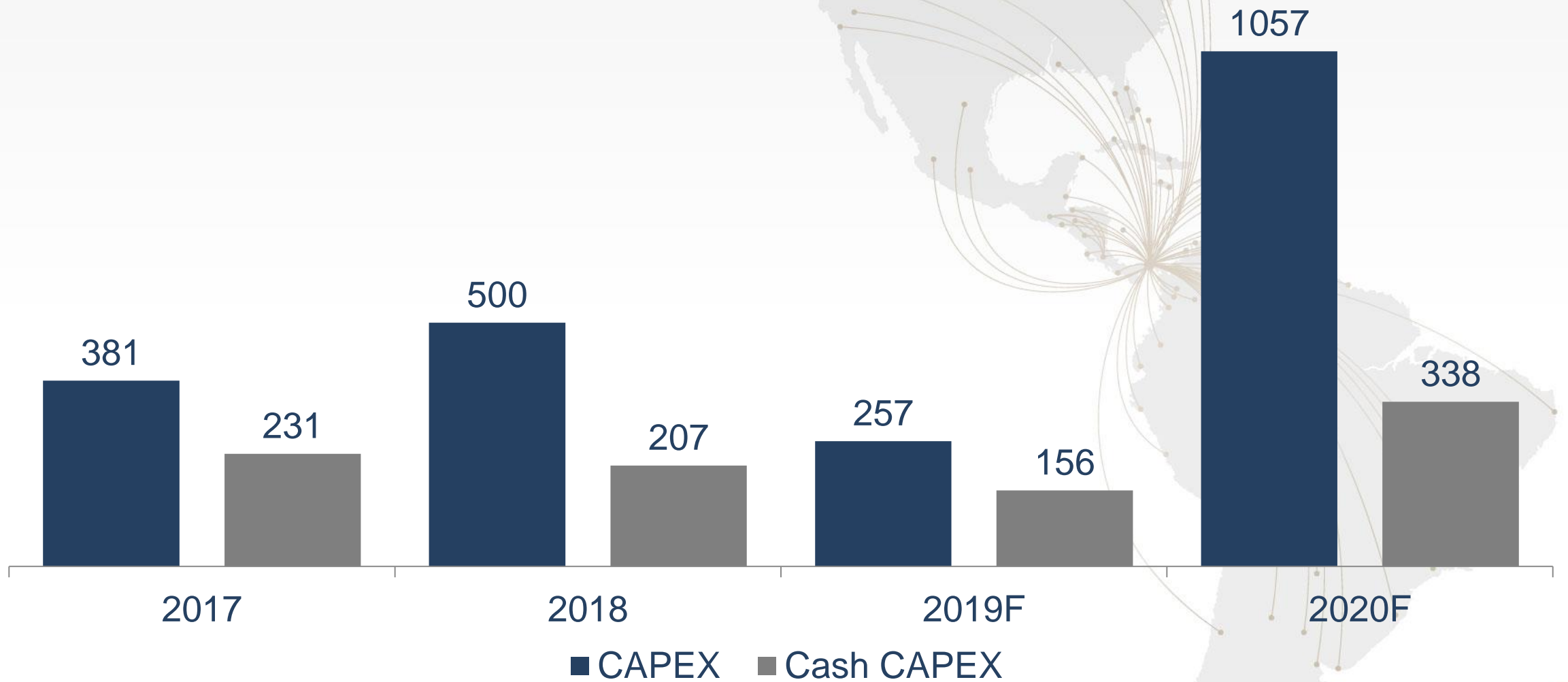
ADJUSTED NET DEBT/EBITDA

LTM ended Sep 30, 2019



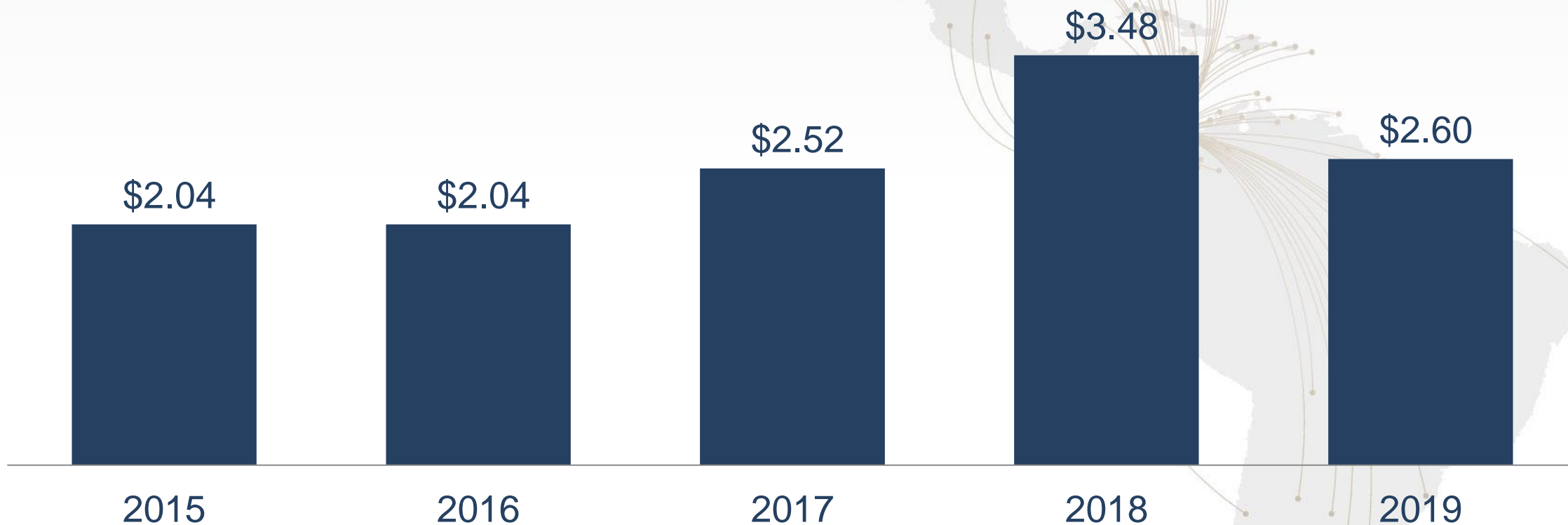
- 100% of debt is asset based
- Competitive cost of debt near ~3%
- > 60% of total debt fixed

CAPEX Forecast



Returning value to shareholders

Dividend Payout



DAN GUNN | Operational Overview



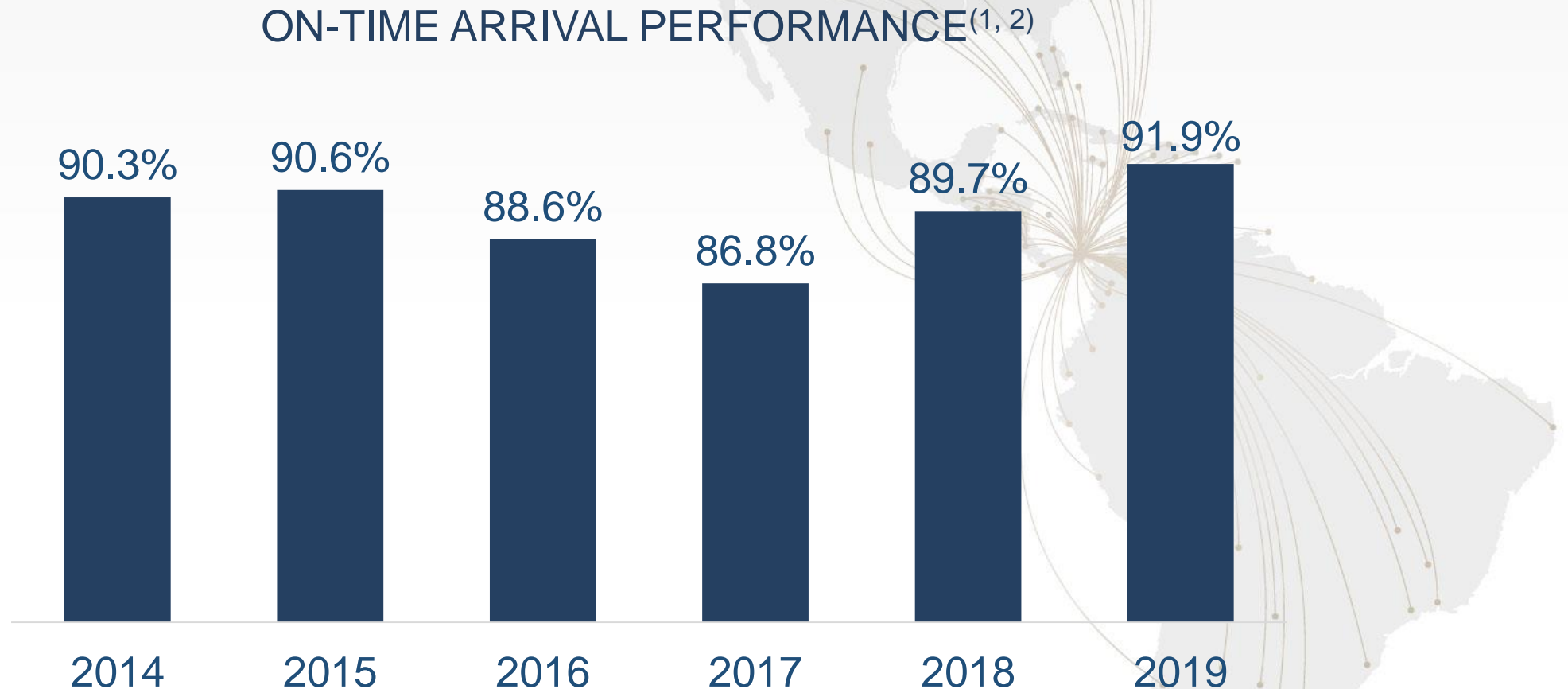
Operations Overview

Consistent operational performance:

- World-class operational metrics
- Continued focus on service and efficiency initiatives
- Continued expansion of Panama hub facilities
- Further enhancements in maintenance capabilities
- Recognized leader in on-time performance



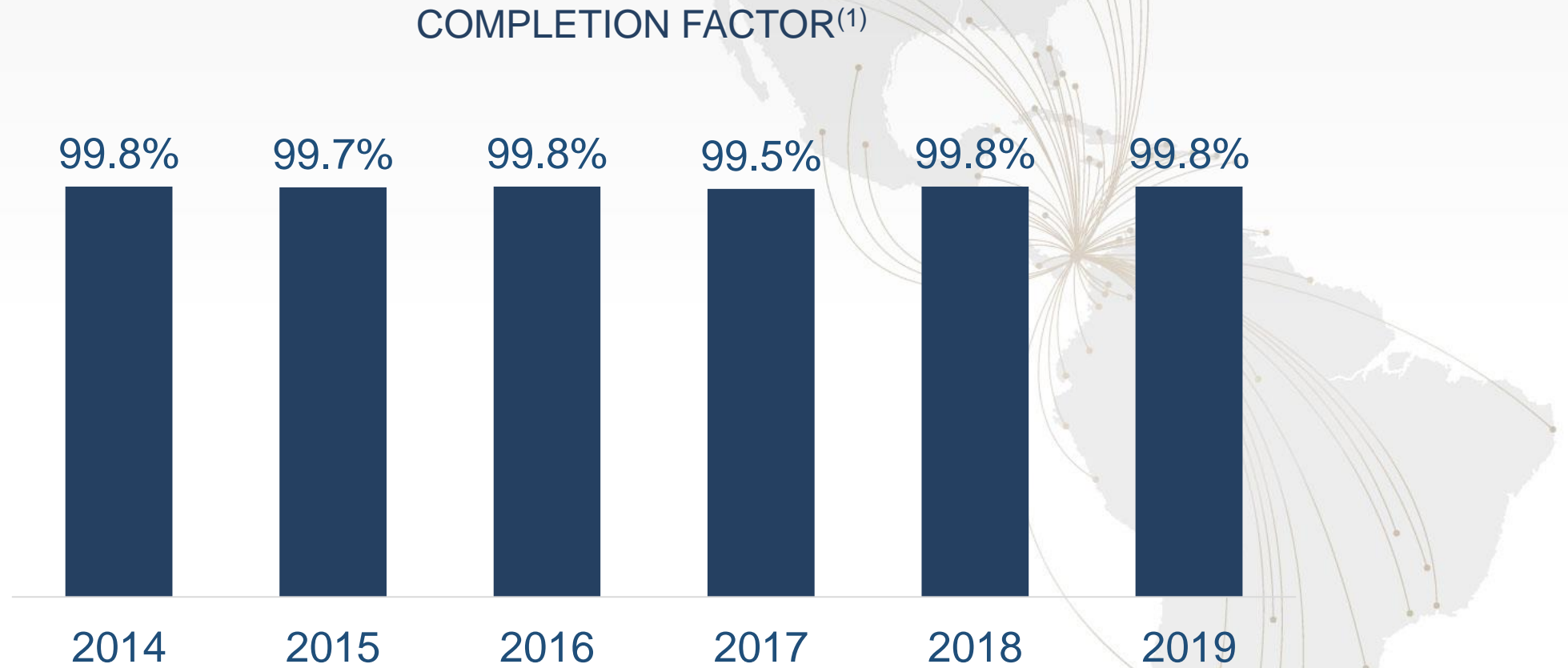
Operational Excellence – On Time



Copa Airlines' OTP is among the best in the industry

1. Measure: DOT Reporting Standard: within 15 minutes of Scheduled Arrival.
2. 2019 figures are YTD 3Q19.

Operational Excellence – Schedule Reliability

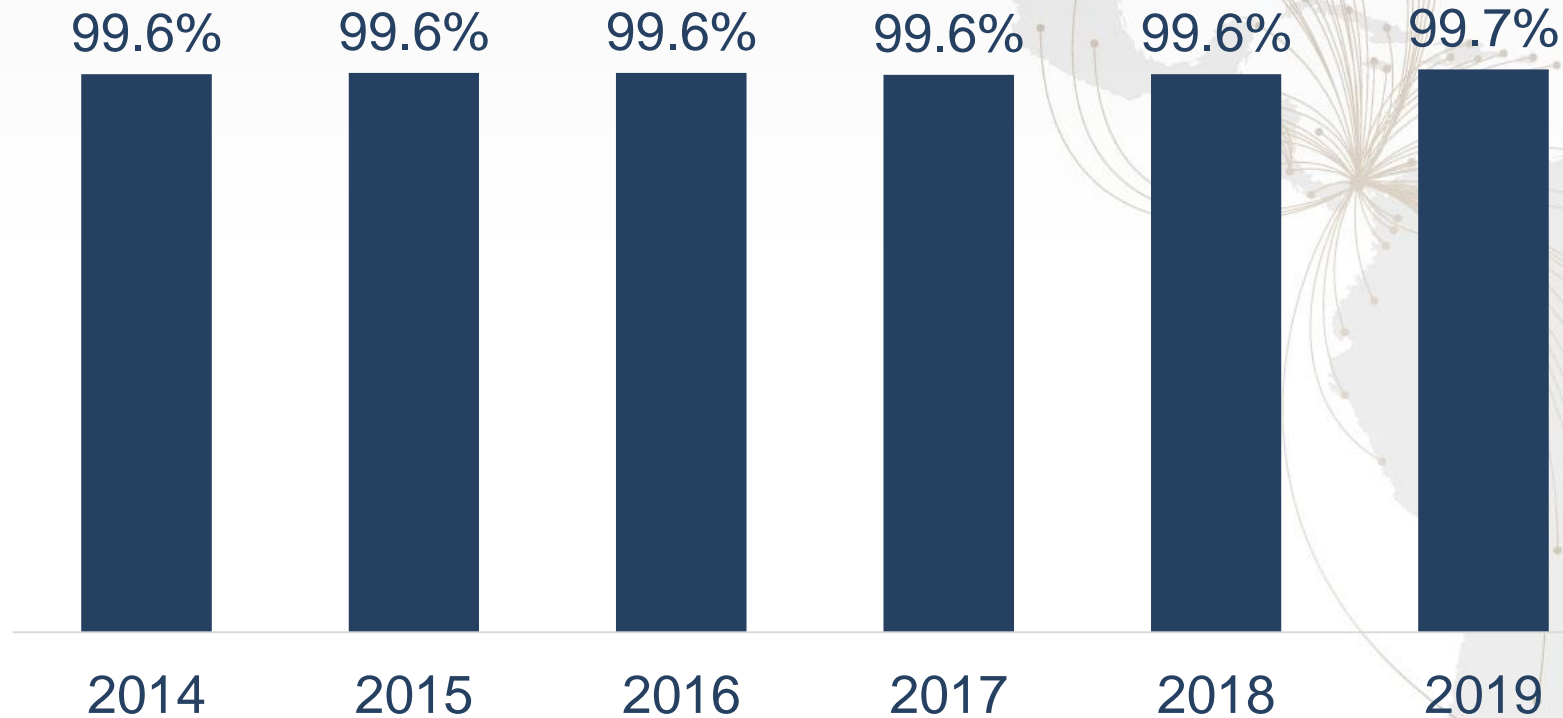


Copa Airlines' completion factor is among the best in the industry

1. Measure: DOT Reporting Standard: within 15 minutes of Scheduled Arrival.
2. 2019 figures are YTD Nov19,2019.

Operational Excellence – Fleet Reliability

FLEET MAINTENANCE DISPATCH PERFORMANCE⁽¹⁾



Copa Airlines has world class maintenance dispatch performance

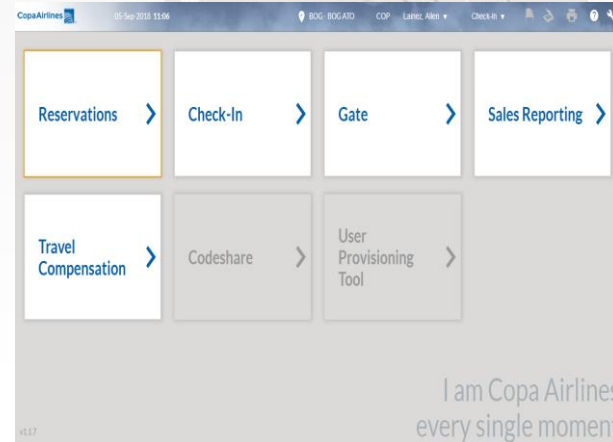
1. Measure: Copa Airlines and Wingo
2. 2019 figures are YTD Oct31,2019.

Service Initiatives

Improving Customer Satisfaction, Self Service, and Efficiency at our airports:

- Airport and Sales GUI for front line staff 86% implemented.
- Updated FIDS / GIDS / BIDS (Information screens) at Tocumen
- Baggage Claim App with real time email status notifications
- Self-service Check-in kiosk functionalities being expanded
- Multi-year roadmap of future enhancements

Front line staff GUI



Kiosks

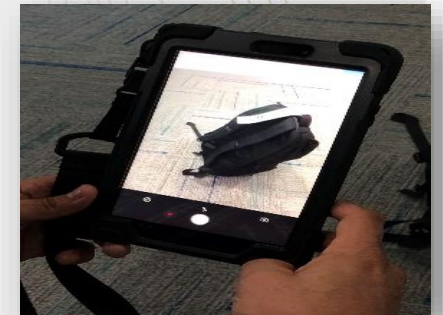


GID

A screenshot of the GID (Gate Information Display) for Gate 13. The display shows the date and time as Thursday, March 2, 2018, 9:30 AM. On the left, there is the Copa Airlines logo and the Star Alliance logo. Below the logos, it says 'Thank you for flying with us: Copa Airlines'. On the right, there is an 'Upgrade List' table with columns for NAME, SEAT, and DATE AVAILABLE TO. The table lists 21 passengers and their upgrade status.

NAME	SEAT	NAME	SEAT	NAME	SEAT
1. OPI, B	GF ✓	8. MUR, P		15. ALV, A	
2. ROM, D	TD ✓	9. RUI, C		16. ADM, S	
3. GOM, A	SA ✓	10. ROD, R		17. BAR, M	
4. ORI, I		11. SAL, E		18. GAR, I	
5. CAN, A		12. JAE, M		19. JUR, A	
6. GAR, G		13. HED, N		20. LOP, P	
7. YEP, M		14. MEA, C		21. FOU, R	

Baggage App



B737 MAX return to service

- Managed the grounding of our 6 MAX, limiting operational impact.
- Exceeded manufacturer recommended storage protocols
- Recurrent training in MAX simulator
 - MAX sim certified by Panama and Canada authorities
- Pending airworthiness and training requirements to return aircraft to service



Efficiency Initiatives

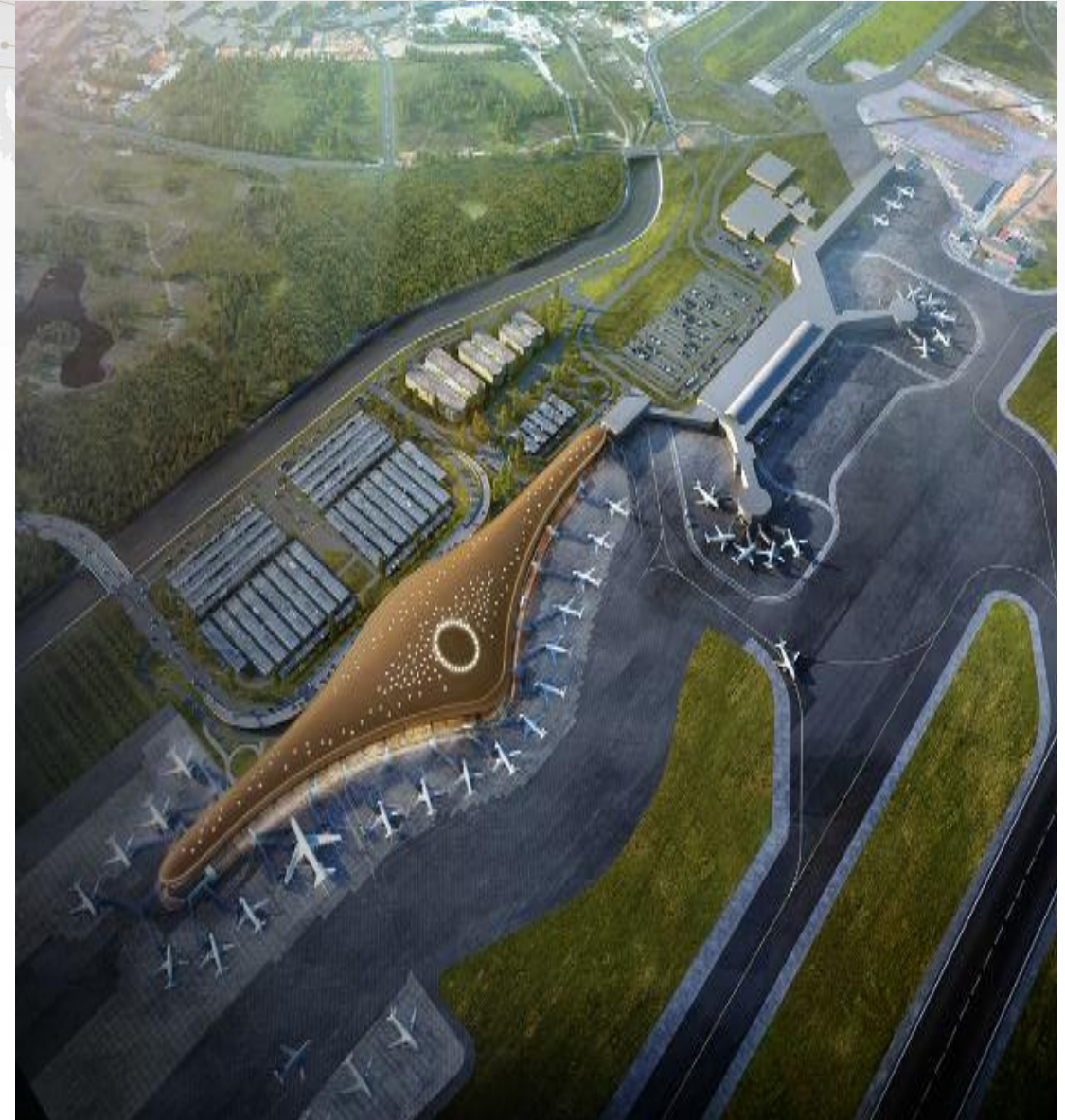
Copa Airlines is a leader in the implementation of initiatives to improve efficiency.

- 737-800NG fleet with split scimitar winglets – Incremental fuel burn savings of 1.5%
- iPads in the cockpit.
- Operational initiatives have yielded nearly 1.2% reduction in fuel burn since 2015.
- Improved data analytics unlocking further improvements in fuel burn



Tocumen Expansion - Terminal 2

- General Construction 96%
 - Baggage Systems (BHS) installation complete and testing in progress
 - All Counters installed and equipped
 - 4 Gates in operation
- Operational Readiness and Airport Transfer (ORAT) ongoing
 - 5 additional gates by January 2020
 - Full terminal opening in 2020
- Remote operations will move to jet-bridges
 - Improved passenger experience
 - More reliable connecting times
 - Reduced operational complexity



Tocumen Expansion - Terminal 2 Gates



Tocumen Expansion - Terminal 2 Gates



Future Tocumen Expansion

- Masterplan includes 8-gate extension to the south
- A third parallel runway to the east is also planned
 - Would allow full parallel simultaneous operations
- Planned airspace redesign project
- Taxiway infrastructure improvements



Maintenance Capabilities expansion

- Continue to in-source heavy maintenance work
 - Second heavy check line implemented
- Plan to add a third heavy check line in 1Q2020
- Support Shops expansion in 3Q2020
 - Shops are expanding to support heavy maintenance and component demand
- Incremental annual savings of approximately \$1M by 2020



Maintenance capabilities expansion



World-leading On-Time Performance

- FlightStats - “Most On-Time Airline in Latin America” 6 years running
- OAG 1st Most on-time airline in the world in 2018
- OTP YTD Nov20, 2019 - 91.9%



DENNIS CARY | Commercial Overview



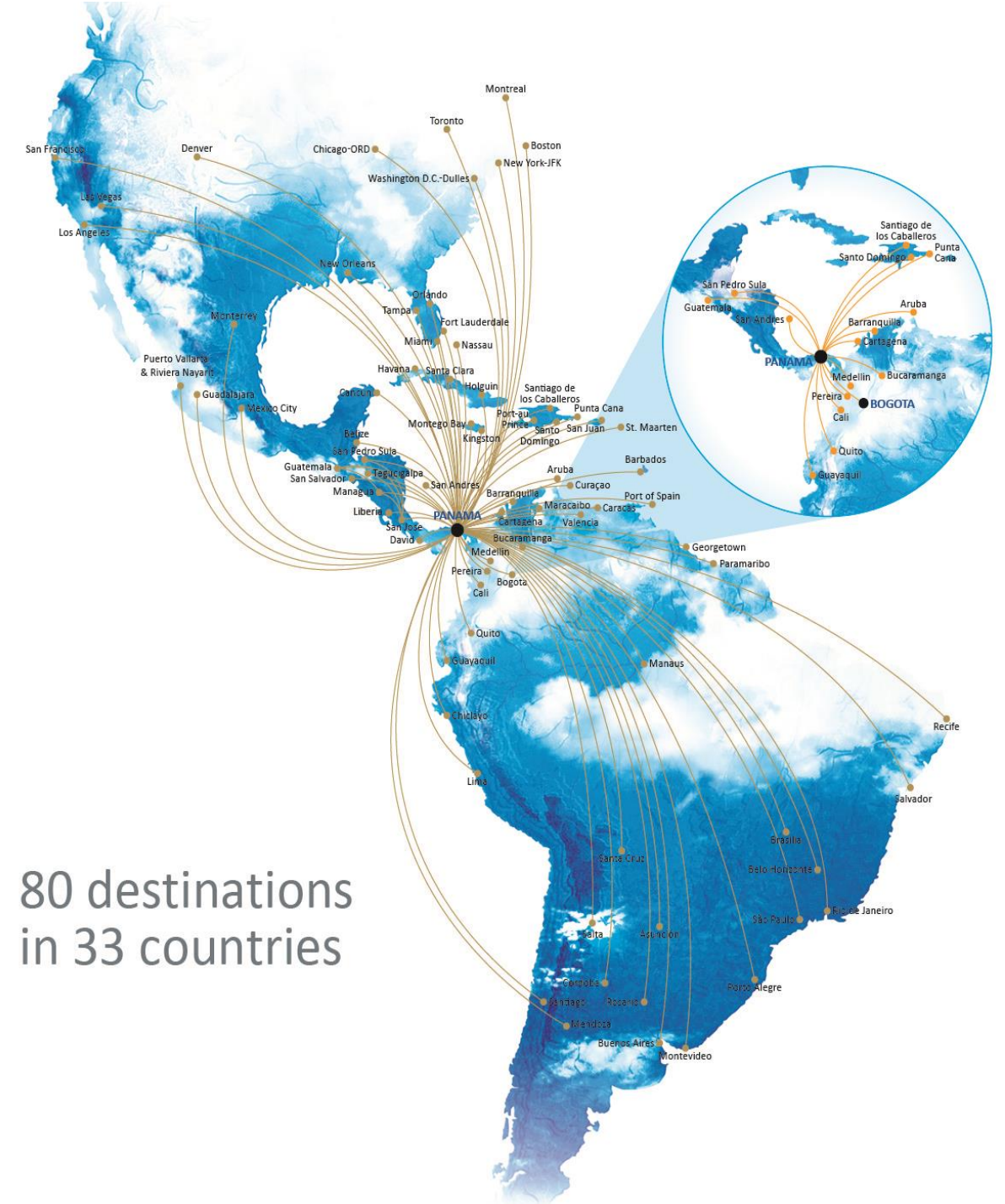
Commercial & Planning Overview

- Maintain strong revenue premiums to peers even in challenging conditions
- Continue to be nimble with fleet plan and utilization in response to market opportunities
- Drive additional growth in ConnectMiles and Ancillary revenue
- Use technology and analytics to further improve execution



Solid 2019 performance

Indicators	YTD Sep 19	Var vs. LY
Passenger Revenue (MM USD)	\$1,955	0%
RASM (In U.S. Cents)	10.68	+2.3%
Load Factor	84.7%	1.1pts
Yield (In U.S Cents)	12.17	+0.8%
Traffic (MM RPMs)	16,060	-0.8%
Capacity (MM ASMs)	18,965	-2.1%



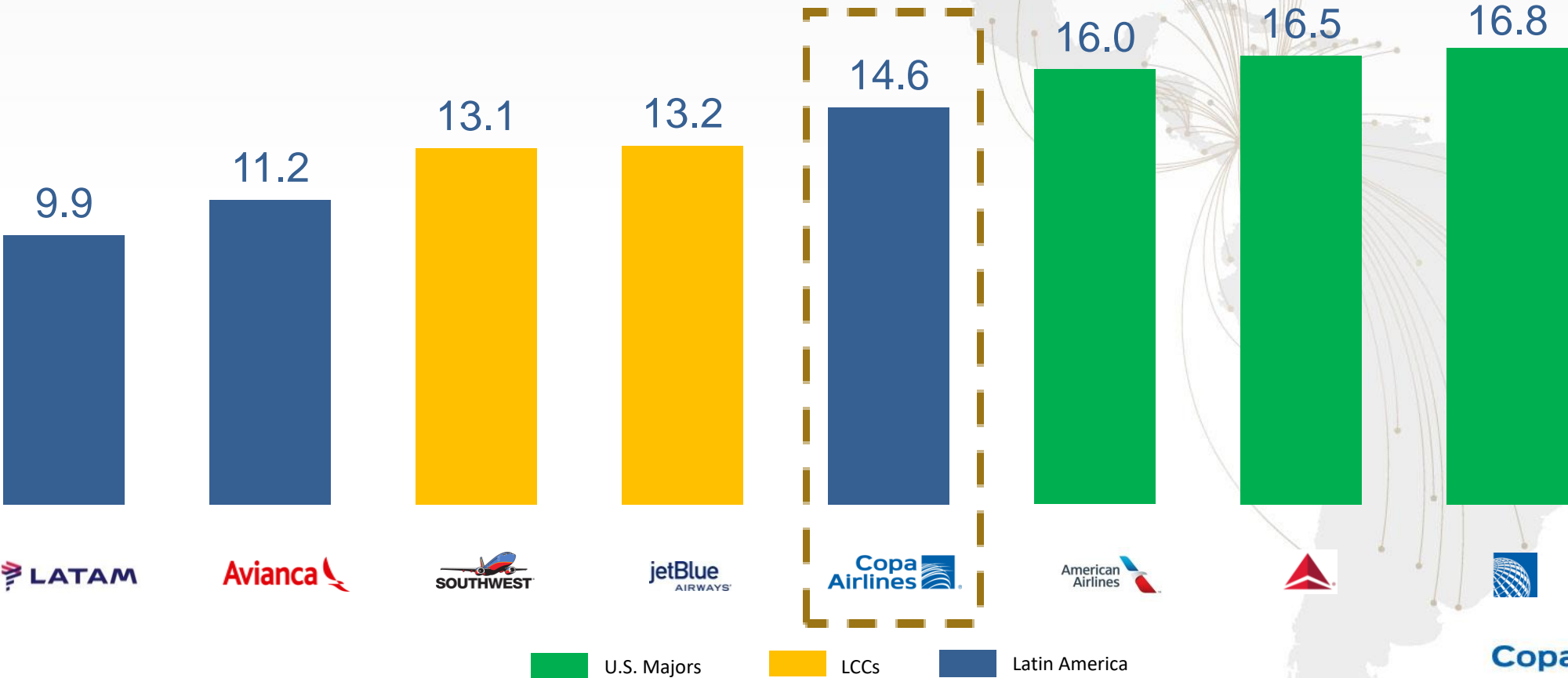
80 destinations
in 33 countries

Strong unit revenues relative to peers

LENGTH OF HAUL ADJUSTED PRASM

LTM ended Sep 30, 2019

(All figures adjusted to a 1,000 Mile Length of Haul)



ConnectMiles Strong and Growing

Membership Growth



Forecasted membership growth **+40% 2019YE**



+35% increase in active members YOY

Cash Generation

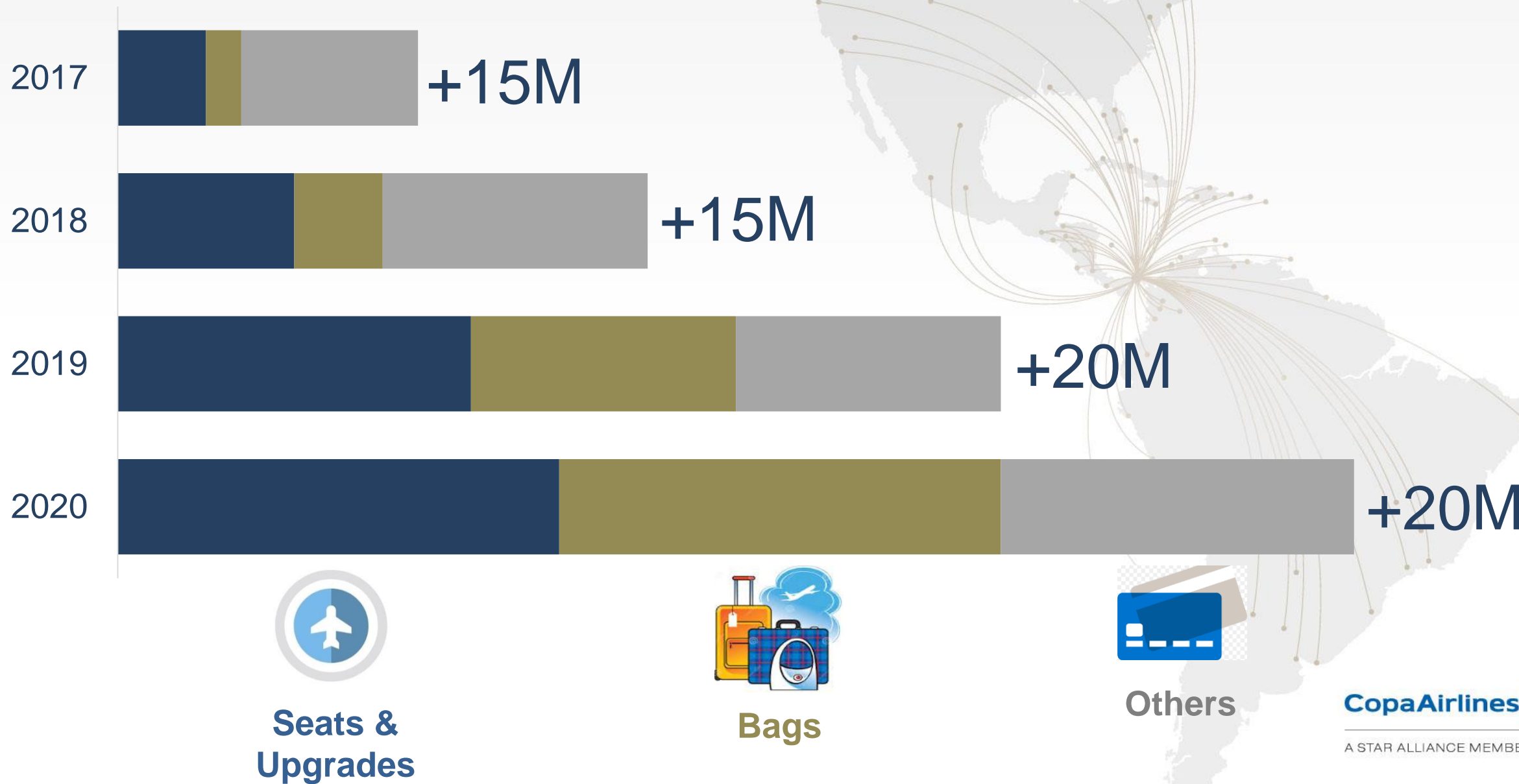


Co-Brand Credit card mileage sales growth **25% YOY**










Mileage sales and fees **+30% YOY**

... and ancillary revenues growth on track



Launching basic economy in 2020

- Drives upsell to Classic fares and ancillary revenues

ECONOMY		Basic	Classic	Full
 Premium Seats		\$\$	\$	FREE
 Regular Seats		\$	FREE	FREE
 Award/Status Miles		50%	100%	125%
 Checked Bags				

*Subject to change

Expanding our merchandising capabilities

- Optimize pricing across all products
- Add new products and capabilities:
 - Priority Check-in, security and boarding
 - Copa Club Day Passes



Lounge Access



Priority Access



Investments in data/analytics paying off

Own Revenue Management Forecast Engine



Distribution cost management



Lifecycle Marketing - ConnectMiles



Revenue Capture through data insights



JULIO TORO | IT & Digital Overview

Information Technology & Digital Overview

- Provide real time, actionable data to generate revenue, create efficiencies, and reduce cost
- Enable our digital channels to provide a superior customer experience: shopping, booking, payments and servicing
- Design and build an underlying infrastructure that is flexible and scalable to quickly adapt to changes



Focus on Right Delivery

Leverage partners



Buy off the shelf capabilities if available and competitive



Leverage SaaS and cloud for scalability

Do it yourself



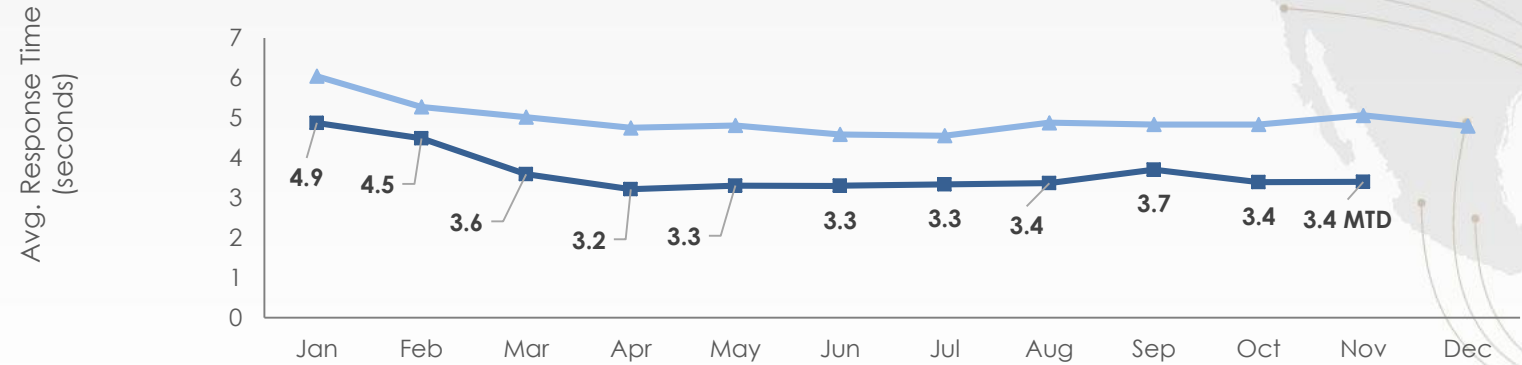
Build internally for control, flexibility, differentiation, or cost advantage



Develop and grow the team, partner with academia

New Web/mobile check-in

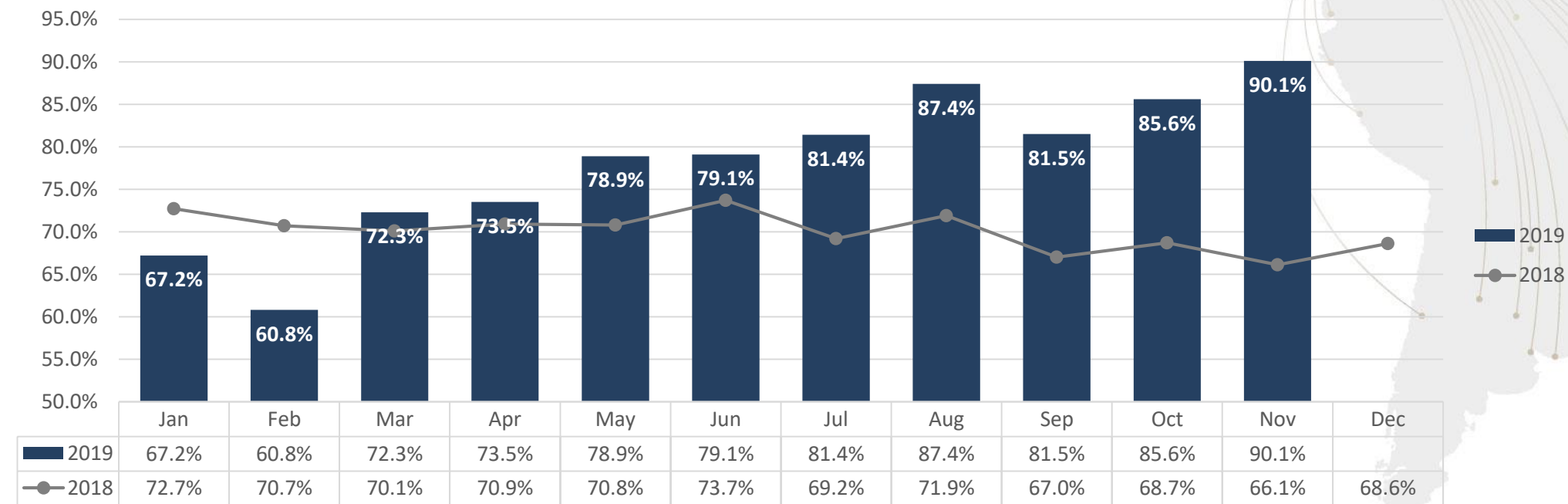
Monthly Average vs. LY



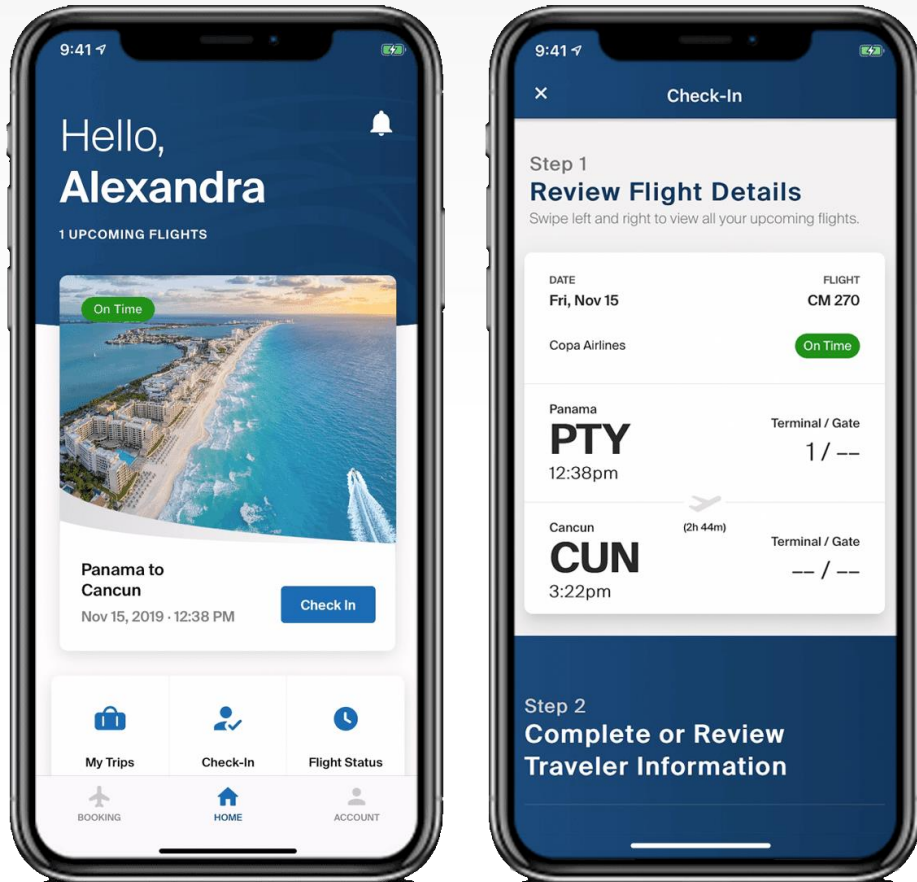
Better experience...

...at no additional cost

NPS WCI



Insource mobile app



Better experience...

...at a lower cost

- Launched in September
- Provides contextual experience
- 5.1MM downloads and updates
- 39% YOY increase in users

Annual savings of US\$ 340k

Early successes with data/analytics

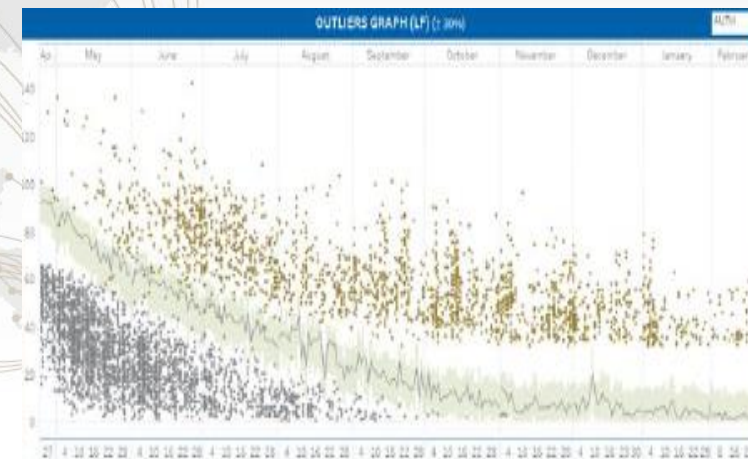
Fuel savings initiatives

1.6 million gallons, or
US\$3.4 million YTD



Revenue Management

21%
improvement
in forecasting
accuracy



Trend analysis and alerts

Using statistical analysis and machine learning
to detect deviations to booking trends



ConnectMiles

Better, more targeted campaigns reduce
acquisition costs by **99%**.

What comes next

- **Data science & analytics**

- Expand our data infrastructure with an upgrade to Teradata Vantage cloud
- Engage with academia for research collaboration in data science applied to airline industry needs

- **Digital experience**

- Leverage the Farelogix capabilities for NDC
- Empower our digital channels with relevant information and self-service capabilities

PEDRO HEILBRON | Wingo Update



The image features a solid purple background. Large, stylized, light-purple 'W' letters are arranged diagonally across the frame. In the center, the word 'wingo' is written in a white, lowercase, sans-serif font.

wingo

Wingo, our ULCC is delivering great results

Increasing our Market Presence

- **10** countries
- **19** cities
- 2019 New markets: BOG-SDQ, BOG-SJO,
- BOG-GYE, BOG-CUR, BLB-HAV

Flying Well at Low Prices

- **99.8%** Completion rate
- **85.4%** On-time performance
- Ranked **#1 LCC in Latin America and #3 in the world** by Kayak
- **Turnaround** of the Colombian domestic and international operations only after 3 years



Wingo in 2020

Up gauge current fleet

- Swap four 737-700 to 737-800s
- Additional 44 seats per AC
- CASM reduced by ~12%

Add 5th AC – Based in Panama City (BLB)

Increase Ancillary Revenues

Implement new **in-house revenue management system**

Optimize **conversion rate** in wingo.com website

Release new **mobile APP developed in-house**



PEDRO HEILBRON | Closing remarks



Well positioned for an even brighter future...

- Best and largest network for intra-Latin America travel
 - Diversified revenue base
 - Flexible Fleet Plan based on a high-commonality fleet
- Managing the business effectively
 - Deploying several initiatives to increase ancillary revenues
 - Continuous improvement of leading unit costs
 - World-leading OTP and Operational Indicators
 - Implementing technology to better serve our customers
- Strong Company Culture
 - Team focused on Company's vision and objectives
- Consistently delivering premium results
 - Strongest financial position



A photograph of three Southeast Asian Airlines crew members standing in an airport terminal. On the left is a male pilot in a dark blue suit with a striped tie and a pilot's wing badge. In the center is a female cabin crew member in a dark blue blazer with a striped scarf and a cabin crew wing badge. On the right is another male pilot in a dark blue suit with a striped tie and a pilot's wing badge. They are all smiling and holding the handles of their rolling suitcases. The background is a blurred airport terminal with bright lights and other people.

Q&A Session

Thanks for joining us!

