

CIBC 2008 Income Fund Conference
October 7, 2008 – Toronto



we perform



Jazz



Disclaimer

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Certain statements in this presentation may contain statements which are forward-looking statements. These forward-looking statements are identified by the use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “will”, “would”, and similar terms and phrases, including references to assumptions. Such statements may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions. Forward-looking statements, by their nature, are based on assumptions and are subject to important risks and uncertainties. Any forecasts or forward-looking predictions or statements cannot be relied upon due to, amongst other things, changing external events and general uncertainties of the business. Such statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to differ materially from those expressed in the forward-looking statements. Results indicated in forward-looking statements may differ materially from actual results for a number of reasons, including without limitation, general industry, market and economic conditions, war, terrorist attacks, changes in demand due to the seasonal nature of the business, the ability to reduce operating costs and employee counts, employee relations, labour negotiations or disputes, restructuring, pension issues, energy prices, currency exchange and interest rates, changes in laws, adverse regulatory developments or proceedings, pending and future litigation and actions by third parties, as well as the factors identified in the Risk Factors section of Jazz Air LP’s and Jazz Air Income Fund’s restated annual MD&A dated February 19, 2008, and interim MD&A dated August 6, 2008. The forward-looking statements contained in this discussion represent Jazz’s expectations as of August 6, 2008, and are subject to change after such date. However, Jazz disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.



Agenda



1 The current environment

2 A different kind of airline

3 Jazz today

4 Performance highlights

5 Growth opportunities





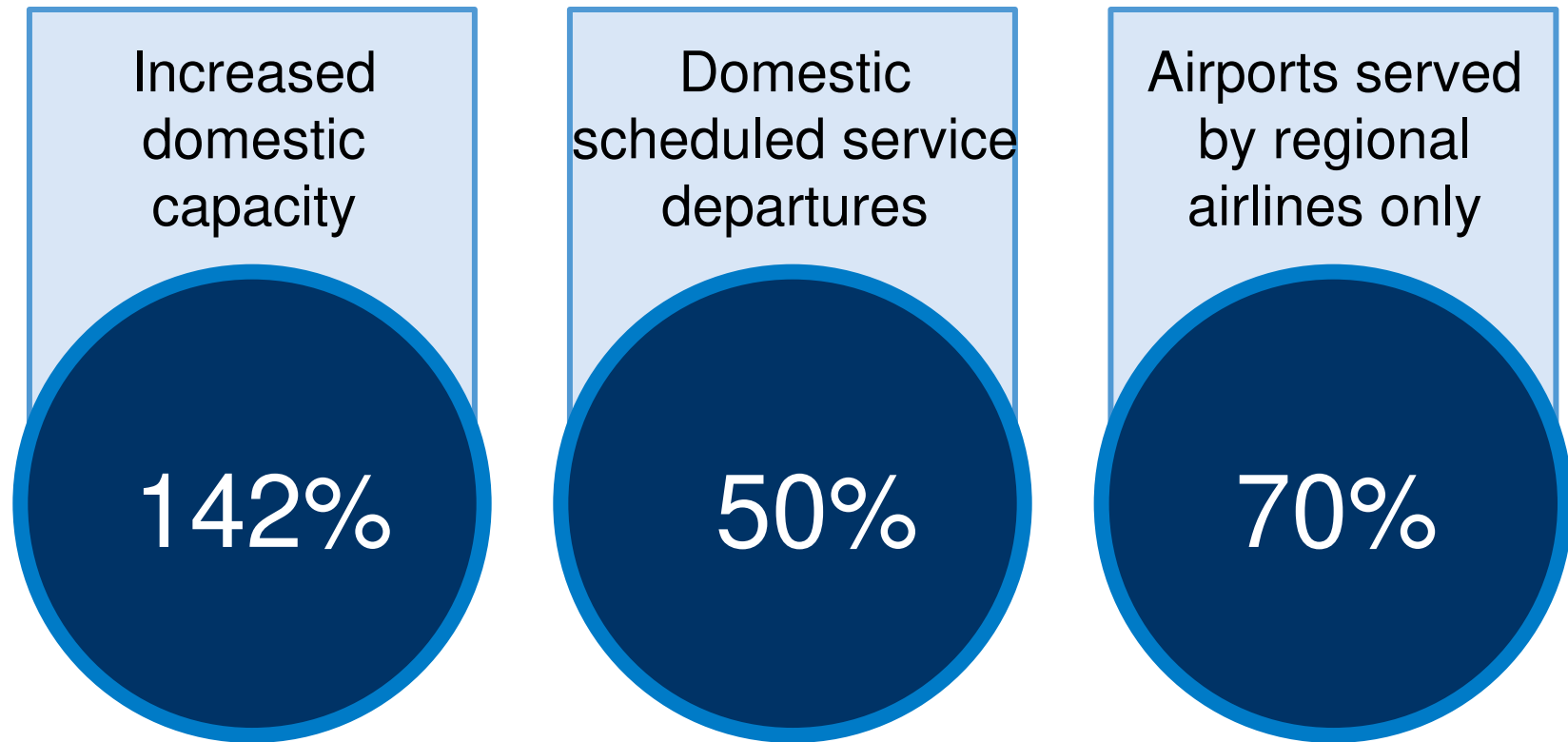
The Current Environment

- Skyrocketing fuel prices
- Increases in fares = decrease in passenger demand
- Air Canada reduces Fall and Winter schedule
2% domestic capacity & 13% transborder capacity
- Jazz reduces Fall and Winter capacity approximately 5%, and
reduces workforce by 270 employees
- Jazz will operate even more efficiently and minimize costs
 - Freeze on all hiring
 - Freeze on all overtime, unless critical to operation
 - Suspension of all non-regulatory training
- Maintaining 2008 guidance of 400,000 – 405,000 block hours



Regional Airline Sector

Regional airlines in U.S. – 2000 to 2007



Source: Federal Aviation Administration; Regional Airline Association



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The CPA Defines Our Relationship

Responsibilities

AIR CANADA 

- Purchases capacity
- Determines routes
- Flight schedules
- Ticket prices
- Marketing



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AIR CANADA 
Jazz

- Provides crews
- Airframe maintenance
- Flight operations
- Some airport operations



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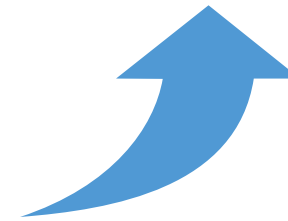
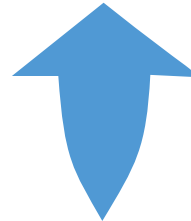
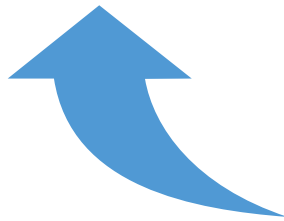


Relationship with **Air Canada**

**Serve
low density
markets**

**Serve high
density markets
– off peak**

**Point-to-point
– by-pass hubs**



Jazz is integral to **Air Canada's** strategy



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The CPA Benefits Both Carriers

AIR CANADA 

- ✓ Flexibility
- ✓ Cost advantages
- ✓ Major competitive advantage



AIR CANADA 
Jazz

- ✓ Protection from cost volatility
- ✓ Guarantees
- ✓ Long-term agreement



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Jazz is Canada's Largest Regional Airline





Jazz is Canada's Largest Regional Airline

Daily departures

860+

Destinations

84

Passengers carried in 2007

9.7 M





Canadian-made Fleet

- Only Canadian regional airline flying regional jets in Canada
- 137 Dash 8 and Canadair Regional Jets
- Efficient aircraft
- Two types = cost effectiveness





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Strong Operating Results - 2007

Controllable
on-time
performance

84%

Controllable
flight completion

99.1%

Additional
flights

+14,000



Strong Results in 2007

Jazz Air LP

Year ended December 31

(\$000's)

	2007	2006	% Change
Operating Revenue	1,498,389	1,381,207	+8.3
Operating Income	153,159	143,769	+6.5
Net Income	150,654	140,042	+7.6
Distributable Cash	151,282	136,519	+10.8
Distributions Declared	123,552	98,209	+25.8



Results in Q2, 2008

Jazz Air LP

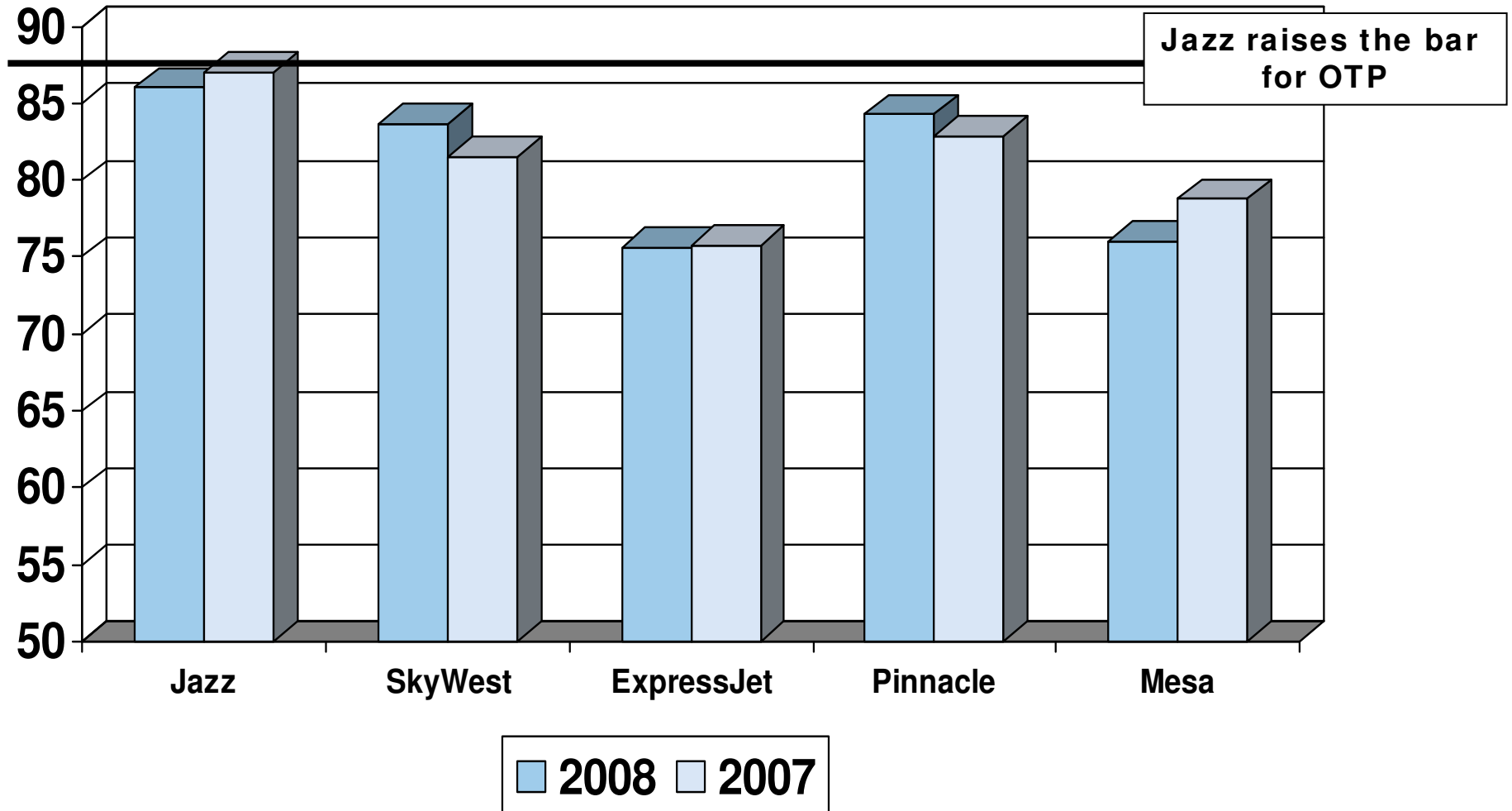
Period ended June 30, 2008

(\$000's)

	Q2 2008	Q2 2007
Operating Revenue	409.8	375.3
Incentives	4.0	4.6
Operating Income	28.8	39.9
Net Income	27.4	40.6
Distributable Cash	30.1	41.1



Q2 Performance: A regional airline comparison





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Growth Opportunities



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