Tocumen International Airport

March 21, 2016

Tocumen International Airport

Update on Improvement Plan and Approval Rationale
Forward Looking Statements

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1. Introduction
Introduction

Tocumen is a critical infrastructure asset for the Republic of Panama with a strong fundamental operating profile. Tocumen is requesting approval for its solution to recent rating agency actions and capital investment needs.

Exceptional and Fundamentally Strong Operating Profile

- Exceptional airport asset, strategically located at sea level in the center of the Americas. Serves almost all of Panama’s international air traffic, is a natural hub-base and critical to the Country
- New management team has been successfully executing a master plan, adding new routes, cutting costs and positioning the Airport to respond to growing traffic needs over the next 20-30 years
- Since the Airport’s existing $650mm aggregate principle amount of 5.75% bonds (“Existing Notes”) were issued in 2013, traffic has grown almost 16% and revenues ~23%
- Traffic now exceeds theoretical capacity of 12mm passengers p.a., making Muelle Sur (T2) expansion critical from both a country and credit perspective

Liquidity Constrained

- Tocumen must complete Muelle Sur (T2) and make other basic investments required to integrate it with rest of Airport. However, restrictive covenant package prevents Tocumen from raising liquidity to do so
- Inability to complete expansion and serve underlying traffic growth heightens risks for current investors, especially with upcoming amortization payments

Improvement Plan and Rating Agency Review

- In response to the liquidity constraints described above, and associated rating agency downgrade to BBB (negative) / BBB- (S&P/Fitch), Tocumen developed an “Improvement Plan” to modify the structure of the Existing Notes to permit the incurrence of new debt capital in order to finalize Muelle Sur (T2)
- Rating agencies reviewed the plan (described herein) and confirmed that once the modification is completed, the overall credit structure would have a BBB / BB profile\(^1\) on the basis of a fully funded capital plan, new structural protections for the investors, and sufficient coverage metrics
  - As part of its review, S&P expects that Tocumen’s standalone rating ("SACP") would improve from BB- to BBB- (final BBB rating reflects assumed Government support given importance of asset)
- Tocumen will seek formal approval of the plan, which Tocumen believes will enhance the credit position of the existing investors, while giving flexibility to raise the capital needed to complete Muelle Sur (T2)
  - The request will be to modify the Existing Notes only. No new issuance is being offered

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Timeline of Key Events and Progress

Tocumen Airport’s successful growth in both total passengers and revenues has provided support for further expansion. Tocumen believes that approval of its Improvement Plan will enable continued growth.

Muelle Norte expansion completed

- Existing Notes issued with a BBB / BBB rating from S&P and Fitch
- Muelle Sur (T2) expansion started to meet continued traffic growth

2012

- Ratings downgraded by S&P and Fitch to BBB- / BBB (Neg), Note S&P also lowered standalone profile to BB+ (non investment grade)
- New management team put in place to improve operating profile and develop long term plan

2013

- S&P and Fitch confirm BBB / BBB ratings based on modification plan
- Direct service to Dubai begins, Tocumen home to world’s longest flight

2014

- Ratings downgraded by S&P and Fitch to BBB- / BBB (Neg), Note S&P also lowered standalone profile to BB+ (non investment grade)
- Muelle Sur (T2) expansion started to meet continued traffic growth

2015

- S&P further downgrades stand alone credit profile to BB-, though overall rating remains at BBB-
- Fitch affirms “Negative Watch” on ratings, citing strong underlying operating profile, but risks created by absence of a “concrete financing plan” to complete Muelle Sur (T2) (subject of today’s discussion)

2016E

- S&P and Fitch confirm BBB / BBB ratings based on modification plan
- Direct service to Dubai begins, Tocumen home to world’s longest flight

2017E

- S&P and Fitch confirm BBB / BBB ratings based on modification plan
- Direct service to Dubai begins, Tocumen home to world’s longest flight

Muelle Sur (T2) projected to be completed

Tangible and Significant Operating Results

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Destinations Served</td>
<td>70</td>
<td>73</td>
<td>79</td>
<td>85</td>
<td>89</td>
<td>TBD</td>
</tr>
<tr>
<td>Total Passengers</td>
<td>10.3</td>
<td>11.6</td>
<td>12.8</td>
<td>13.4</td>
<td>14.2</td>
<td>14.7</td>
</tr>
<tr>
<td>Total Passengers YoY Growth</td>
<td>23%</td>
<td>14%</td>
<td>10%</td>
<td>5%</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Revenues</td>
<td>136.5</td>
<td>153.5</td>
<td>166.0</td>
<td>188.5</td>
<td>219.0</td>
<td>234.0</td>
</tr>
<tr>
<td>Revenues YoY Growth</td>
<td>41%</td>
<td>12%</td>
<td>8%</td>
<td>14%</td>
<td>16%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Figures assume Improvement Plan is approved

Source: Destinations: Tocumen, Traffic Projections: Base Case Traffic Consultant Projections; Revenues: Amended and Restated Financials
Proposed Airport Improvement Financing Program

Tocumen has a comprehensive and sustainable solution to address the concerns raised by the rating agencies, and proposes an Improvement Plan to the Existing Notes, as part of a broader new and enhanced credit structure that would permit the Airport to raise additional debt if it complies with new financial covenants.

- **Tocumen is requesting investors agree to:**
  - (a) **Receive more robust secured revenue package** of effectively all material aeronautical and non-aeronautical revenues, similar to a traditional “airport general revenue bond.” **Plus** inclusion of a recently created new category of passenger charges that will increase and broaden investors’ collateral base. This revenue package will also secure other permitted future debt of Tocumen.
  - (b) **Enhance the cash flow waterfall structure** to support a fully funded capex and ongoing maintenance plan, addressing rating agency concerns.
  - (c) **Adjustments to the covenant packages**, creating multiple layers of protection based on Debt Service Coverage, in exchange for removal of certain financial covenants and sharing of the existing collateral with future secured creditors – to allow Tocumen to incur additional debt to complete demand-driven near-term capital projects.

- Proposed Improvement Plan enables Tocumen to raise up to an additional $625mm of long term debt that has been authorized by the Government to complete Muelle Sur (T2) and associated investments, and is supported by the new Airport Investment Charge\(^1\) (projected to increase revenues ~12% between 2015 and 2016) as well as the 23% revenue growth experienced by the Airport between now (2015) and when the Existing Notes were issued in 2013.
  - Improvement Plan requires approval of 51% of existing bondholders to be made effective.

- Agencies reviewed the improvement plan and confirmed BBB / BBB ratings based on the structure including the ability to raise new debt including the currently authorized level (vs. current ratings of BBB-/BBB (neg)).

- **Tocumen will seek existing investors’ formal approval of the Improvement Plan**

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1. Please see pg 15 “Security Package”
Benefits of Improvement Plan: Tailored Covenants

Under the proposed Improvement Plan, Tocumen will widen the collateral base offered to Existing Noteholders, as well as create a new charge to increase the total amount of collateral. Tocumen is proposing tailored covenant modifications to ensure strong cash flow coverage, while granting flexibility for required investments.

As Part of the Improvement Plan, Tocumen Would Increase and Diversify Revenue Streams Pledged to Investors

**Improvement Plan Tailored for Flexibility and Strong Investor Protections**

- **Enhanced cash flow waterfall**, increasing cash reserved for debt payment, operating expenses, and major maintenance – ensuring funds available to complete Muelle Sur (T2)

- **Focus covenants on international infrastructure bond standards and cash flow generating ability** of Airport
  - New “Debt Incurrence Test” of 1.35x min / 1.60x avg DSCR on historical and projected basis, plus requirement for at least one investment grade rating affirmation
  - Restricted Payments Test of 1.25x DSCR on a forward and backward looking basis (traps cash if Airport below 1.25x)
  - Removal of Leverage Covenant, for flexibility to invest in Airport subject to strong cash flow profile per above, removal of DSCR covenant (given cash trap set to current covenant level and considering Government owner’s incentive to keep core asset in operation)

- Existing investors will keep TdS Coverage Ratio, though Tocumen may remove as early as 2018 by exercising call option (Metric seen as redundant, given collateral package will have majority of revenues). No proposed change to interest or principal payments
Improvement Plan Process Overview

Tocumen will request bondholders to modify terms of the Existing Notes as part of the plan to obtain the financial flexibility needed to complete Muelle Sur (T2). The process is designed to strengthen Existing Noteholders’ credit position and is scheduled to be completed by 1Q2016.

**Steps**

- Initial Meeting with Rating Agencies / Obtain Gov’t Authorization
- Finalize Documentation
- Rating Agency Confirmation
- Regulatory Approval
- Formalize Improvement Plan

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Timing</th>
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<tbody>
<tr>
<td>Met with S&amp;P and Fitch - received positive initial feedback on plan. Panama has authorized the Improvement Plan and new debt capacity through the Decreto de Gabinete No. 31, issued on October 6, 2015</td>
<td>Complete</td>
</tr>
<tr>
<td>Effectively finalize documentation for submission to regulators. Return to Rating Agencies to confirm ratings taking into account final credit structure reflected in improvement plan. Agencies confirmed expected BBB / BBB ratings for the new structure (subject to successful completion of plan)</td>
<td>Complete</td>
</tr>
<tr>
<td>Filing for the request of approval from the Superintendencia del Mercado de Valores (&quot;SMV&quot;) and clearance from the SMV to send the consent solicitation to investors</td>
<td>Complete</td>
</tr>
<tr>
<td>Return to investors with formal Improvement Plan documentation and execute</td>
<td>Current Stage March 2016</td>
</tr>
</tbody>
</table>
2. Business Update
Tocumen Delivers Strong Underlying Operating Performance

Tocumen has a fundamentally strong operating profile, delivering double-digit revenue and traffic growth on the basis of Panama as a business and tourism destination, as well as its role as a transit hub for the Americas.

Key Management Operating Successes

- Tocumen has consistently delivered strong revenue and traffic growth – successfully monetizing passengers through a diverse portfolio of Aeronautical and Non-Aeronautical charges
- Track-record of successfully incorporating timely and demand-driven expansions, most recently with 2012’s Muelle Norte
- Consistently recognized as the top airport in Central America, winning Skytrax’s “Best Airport in Central America” and “Best Airport Staff in Central America” for 2011-2014
- New Management Team Is Executing Long-Term Vision

Outlook

- Following rapid O&D and Transit traffic growth, Tocumen is operating above its theoretical capacity of 12mm passengers per annum
- Completion of Muelle Sur (T2) is critical to accommodate Panama’s economic growth and Copa’s rapidly expanding hub operations

Management Focus

Tocumen management has a long term view to ensure that the Airport is positioned to continue serving the needs of Panama, and to enhance and maintain its position as the leading hub in the region.

1. Finalize Construction, Integration and Financing of Muelle Sur (T2)
2. 20 Year Airport Master Development and Business Plan
3. Management Philosophy and Productivity Enhancement
4. Upgraded Technological Systems
5. Optimizing Duty Free and Commercial Space
6. Maximize Tocumen’s Cargo Potential
**Successes to Date**

Management has already achieved several notable successes in the implementation of its Master Plan.

<table>
<thead>
<tr>
<th>Financial Optimization</th>
<th>Greater Control over Concessionaries</th>
<th>Optimizing and Expanding the Airport</th>
<th>Implementation of “Private Sector” Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>▲ Engaging with Noteholders</td>
<td>▲ Competitive Bidding for Retail Space</td>
<td>▲ Clearly Defined Construction Phases, Conditional on Growth</td>
<td>▲ Enhanced Accounting Procedures</td>
</tr>
<tr>
<td>▲ Renegotiating Service Contracts to Reduce Expenses</td>
<td>▲ Enhanced Retail IT Systems</td>
<td>▲ Maximum Flexibility to Enact Construction Plans based on Demand</td>
<td>▲ New “Key Performance Indicators” to help management measure progress against goals (KPI)</td>
</tr>
<tr>
<td></td>
<td>▲ Conservative Key Deposit Strategy</td>
<td></td>
<td>▲ Internal Audit</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>▲ Reorganization of Management Structure</td>
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<td>▲ Empowerment of Middle Management</td>
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<td></td>
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<td></td>
<td>▲ Strategic HR</td>
</tr>
</tbody>
</table>
Strong Momentum through 2015

Tocumen’s 2015 performance vs 2014 demonstrates operating strength and Management success in growing revenues while cutting costs.

Drivers of Strong Financial Performance

- **Revenues**: Revenue increases mainly driven by year-on-year traffic growth, sales commissions, and an airport-wide commercial lease rate review, resulting in standardization of lease rates and increased revenues
  - Going forward, revenues are expected to benefit from the introduction of a new $10 “Airport Investment Charge,” effective Jan 1, 2016, increasing to $12 in 2017, in addition to the new aeronautical rate schedule
- **Expenses**: Reductions in expenses were driven by management’s review and renegotiation of the Airport’s service contracts to new, lower, levels – reflecting the management team’s high degree of focus on operational efficiency


<table>
<thead>
<tr>
<th></th>
<th>9 months ended Sept’ 2015</th>
<th>9 months ended Sep’t 2014</th>
<th>‘15 vs ‘14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$215.6</td>
<td>$196.1</td>
<td>+10%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(58.9)</td>
<td>(63.2)</td>
<td>(6)%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>156.7</td>
<td>132.9</td>
<td>+18%</td>
</tr>
<tr>
<td>Margin</td>
<td>73%</td>
<td>68%</td>
<td></td>
</tr>
</tbody>
</table>

*Note: 2015 Results Preliminary, Unaudited, and Subject to Change*
3. Improvement Plan Proposal Overview
Objectives of the New Credit Structure

To continue meeting its national mandate, Tocumen must raise funds needed to complete Muelle Sur (T2). The Investment Plan provides the necessary flexibility to allow it to raise funds, while at the same time enhancing creditor protections and creates a framework for investments in response to demand.

<table>
<thead>
<tr>
<th>Objective</th>
<th>Approach</th>
</tr>
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<tbody>
<tr>
<td>1. Ensure Tocumen has the liquidity to finalize Muelle Sur (T2) and other associated investments</td>
<td>1. Following successful amendment process, Tocumen may seek to raise new debt capital within the limits authorized by the government 2. Should any new debt be raised, Tocumen expects that it would not amortize during the first 10 years, meaning existing investors would be repaid first</td>
</tr>
<tr>
<td>2. Create debt structure with enhanced collateral package, tailored covenants and facilitates demand-driven investment and create new Airport Investment Charge</td>
<td>1. Include effectively all material Airport revenues in collateral package 2. Strengthen conditions around dividends and new debt issuance. 3. Remove leverage covenant to focus on current and projected cash flow cushions (per DSCR metrics)</td>
</tr>
<tr>
<td>3. Resolve concerns raised by the Rating Agencies and create a framework that prevents capital shortfalls in the future</td>
<td>1. Expand the cash flow waterfall structure, ensuring that bonds raised for capex are used only for that purpose and the Airport always has sufficient liquidity for opex</td>
</tr>
<tr>
<td>4. Enable existing bondholders to benefit from most of the new enhancements and have a single simple, flexible debt structure</td>
<td>1. The Improvement Plan-related requests are designed to align Existing Notes to terms of new enhanced international structures for infrastructure companies 2. Existing Notes are callable starting 2018 3. Existing Notes will keep TdS Coverage Test; Tocumen does not expect new debt would have such a test</td>
</tr>
</tbody>
</table>
New Security Package

Proposed New Committed Revenues

~% of Projected 2016 Revenues

Secured Aeronautical Revenues

- Tasa de Salida 30%
- Airport Investment Charge 11%
- Landing Fee 6%
- Security Surcharge 5%
- Jetbridge Fee 3%
- Aircraft Parking Fee 3%
- Cargo Fees 1%
- Utilities 1%
- Private Aircraft Fees 0%

Secured Non Aeronautical Revenues

- Commissions 16%
- Rent 8%
- Catering and Services 2%
- External Space Rental 1%
- Other1 1%
- Key Deposits (after release by Odb) Episodic

Percent of Revenues Pledged 88%

Revenues Excluded from Security Package

(Either contractually or by placing into non-recourse subsidiary)

~% of Projected 2016 Revenues

Unsecured Aeronautical Revenues

- Regional Airports 3%

Unsecured Non Aeronautical Revenues

- Fuel Surcharge 6%
- Car Parking 2%
- Advertising 1%
- Airport City TBD

Percent of Tocumen Revenues Not Committed 12%

Future revenue streams below a certain de minimis threshold may also be excluded from the security package

“Before” and “After” View of Tocumen Collateral

1) “Other Revenues” include: Certain fees operators pay for airside access badges, fees for airside vehicle access, certain fines, fees for use of firefighting vehicles during fueling, certain VIP service fees etc

Improvement Plan Proposal Overview
Overview of New Enhanced Waterfall

**Note Below is Subject to Final Documentation**

**Account Description / Purpose**

- **Non-Pledged Collection Account**
  - All Non-Pledged Revenues (e.g., Advertising, Car Parking, Airport City, Other Airports, etc.), ~12% of revenues

- **Pledged Collection Account**
  - All Pledged Revenues, ~88% of revenues

- **Trustee General Account**
  - Tocumen owned account at the Banco Nacional de Panama, collects all Tocumen pledged revenues, released into waterfall once per month (subject to Contraloria Refrendo approval) through the Trustee General Account
  - Receives funds required to fund Payment Account and Debt Service Reserve Account, unless issuer is in default, in which case would receive all pledged revenues

- **Operations and Maintenance Account**
  - Funded with at least the next 3 months of O&M expenses per Tocumen’s Annual Budget, as amended from time to time

- **Tax Payment Account**
  - Funded with an amount equal to the income tax payable to the Government of Panama on the next tax payment date; balance builds each month ahead of payment date

- **Payment Account(s)**
  - Funded with an amount equal to Debt Service payments due on the next scheduled payment date; balance builds each month ahead of payment date

- **Debt Service Reserve Account**
  - Funded with balance of debt service due on next payment date

- **Major Maintenance and CapEx Account**
  - Funded with an amount equal to the proceeds from any Debt Issued to finance Expansion and the next 6 months of Sustaining CapEx (net of expenses and reserve accounts)

- **Tocumen General Account**
  - Excess funds from Collection Accounts and Trustee General Account disbursed to Tocumen General Account subject to (i) all waterfall accounts fully funded and (ii) No EoD. Distributions from the General Account outside of Tocumen are subject to RPT

**Restricted Payment Test (RPT) for Dividends**

At least 1.25x DSCR in each of the forward and backward looking quarters, funds released for use at Tocumen’s discretion, including for dividends

*Indicates accounts pledged to bondholders and held at the collateral trustee (currently Bank of Nova Scotia). Other accounts held with Banco Nacional de Panama or other acceptable Government owned bank.

13 Improvement Plan Proposal Overview
# Highlights of the Proposed Improvement Plan

Tocumen seeks to integrate Existing Notes into a flexible new credit structure and current investors with additional collateral and protections that new international investors will receive.

<table>
<thead>
<tr>
<th>Current Terms</th>
<th>Proposed Change</th>
</tr>
</thead>
</table>
| **Security Package** | • Same plus effectively all other material Airport revenues (subject to certain exclusions)  
  − Broadens collateral base and cash flows available to creditors, taking advantage of Tocumen’s diverse revenue streams  
  • Add new “Airport Investment Charge” of $10 ($12 in 2017) per O&D passenger  
  − Addition of new investment charge increases Airport cash flows and collateral package |
| • Tasa de Salida (TdS) only | • Addition of Debt and Tax Payment Sinking Fund, CapEx Reserve and Operating & Maintenance (O&M) Reserve. Waterfall significantly strengthened to be more in-line with traditional international infrastructure bond waterfalls, vs. only a gross pledge  
  − Sinking Fund incrementally builds up cash required for next debt payment, creating additional cushion on top of DSRA. Similar “sinking fund” concept applied for a Tax Payment Reserve  
  − CapEx reserve ensures that remaining Muelle Sur (T2) costs are fully funded, future debt issuances for CapEx are used only for that purpose, and shortfalls that led to recent downgrade are prevented  
  − O&M reserve ensures funds for operation of the Airport before cash leaves structure |
| **Cash Flow Waterfall Accounts** | • Same plus (i) requirement to demonstrate minimum DSCR of 1.35x for prior two quarters and next two quarters pro-forma for new debt, as well as 1.60x avg over life of debt with the longest maturity (ii) retroactive DSCR credit given for any actual rate increases and (iii) Investment Grade ratings affirmation from at least one agency  
  − Before issuing new debt Tocumen must demonstrate sufficient cash flow cushion and have at least stable financial performance (whereas now Tocumen can issue debt simply if it meets current financial ratios, without accounting for projections or impact of proposed debt)  
  − Additional protections built in by requiring any revolving debt to be assumed as fully-funded for purposes of projected calculations  
  − Retroactive credit for actual rate increases allows Tocumen to benefit immediately from raising passenger charge rates (instead of waiting to allow changes to flow through financials)  
  − Ratings affirmation provides independent validation of overall operating and financial profile beyond simply meeting of Financial Covenants in the current period  
  − Tocumen would also be allowed to raise the debt that has been authorized in the Decreto de Gabinete #31 dated October 6, 2015 |
| • Debt Service Reserve Account (DSRA) only | |
| **New Debt Incurrence** | |
| • Satisfaction of Financial Covenants | |
### Highlights of the Proposed Improvement Plan (Cont’d)

<table>
<thead>
<tr>
<th>Dividend Payments (Restricted Payments)</th>
<th>Current Terms</th>
<th>Proposed Change</th>
</tr>
</thead>
</table>
| Satisfaction of Financial Covenants and Full Funding of Reserve Accounts | • “No Continuing EoD”, and requirement to demonstrate minimum DSCR of 1.25x for prior two quarters and representation to keep meeting minimum DSCR for next two quarters  
   - Airport must now demonstrate significantly greater overall liquidity and credit stability before allowing to funds to leave structure  
   - The addition of both backward and forward looking coverage checks (instead of only current period) and higher reserve account funding requirements confirms that Airport must be in a stable position with sufficient ability to meet upcoming major investment and operating expense payments before issuing dividends | |
| | Financial Covenants | Maintain TdS Coverage Ratio  
   - Modified existing notes will initially retain TdS coverage ratio, while it is not expected to be included in any new debt issuance and permanent credit structure, as creditors are now secured by all revenues, making DSCR more relevant than TdS coverage | |
| | • TdS Coverage Ratio of 1.1x  
   • Debt Service Coverage Ratio (DSCR) of 1.25x  
   - Note that both TdS Ratio and DSCR Ratio are calculated only on Existing Notes. Therefore even if new debt is issued, coverage ratios are calculated only using debt service for original debt  
   • Leverage Ratio stepping down from 7.75x to 6.00x | TdS Coverage Ratio concept may eventually be phased out, potentially as early as 2018 when Existing Notes can be called  
   • Remove DSCR covenant in favor of enhanced Debt Incurrence and Restricted Payments Tests, change numerator from EBITDA to actual cash flows available for debt service (CFADS), expand definition of debt service to include all debt  
   - Focus on incurrence based and restricted payments tests  
   - Financial Covenant not consistent with Government ownership and Tocumen’s critical role in Panama’s infrastructure. Removal of DSCR covenant allows Government flexibility to, if needed, subsidize operations, while investors are protected by strong incurrence and dividend payment tests, trapping cash in the facility if coverages are insufficient  
   - Measuring DSCR on CFADS instead of EBITDA is more favorable to creditors and reflects true debt repayment capacity of Airport. Dividend Payment restrictions will be strengthened (see “Dividend Payments,” above), ensuring cash does not leave Airport unless coverage ratios are strong | |
| | | Remove Leverage Ratio (focusing instead of cash flow coverage metrics under the multiple DSCR tests)  
   - Leverage ratio typically used as traditional corporate credit metric with exposure to frequent refinancing. Tocumen is a permanent asset with current investment needs and moving towards fully amortizing debt structure (reducing refinancing need) and making “cash on cash” coverage a more effective measure of credit strength | |

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**15 Improvement Plan Proposal Overview**
4. Outlook: With and Without Improvement Plan
Tocumen Traffic and Revenue Potential

Tocumen has grown rapidly in recent years and is currently at capacity. Completion of Muelle Sur (T2) and enabling future expansion is “mission critical” for continued Panamanian economic growth and a strong credit profile.

### Tocumen Passenger Traffic Growth and Projections

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<th>Transit</th>
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</tr>
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</table>

*Without Improvement Plan, Tocumen’s ability to sustain traffic growth is limited. Traffic assumed to remain flat at 2015 levels.*

### Historical Revenues and Growth Projections

(Excludes any future Key Deposit Revenues)

*Without Improvement Plan, traffic continues at 2015 levels, with slight transition to O&D traffic.*

### Tocumen Traffic and Revenue Potential

With an approved Improvement Plan, Tocumen would also add a new “Airport Investment Charge” that would enhance security package and add to cash flows (included in “potential” figures).

*Source: Historical Data Tocumen Statistics. Projections based on Airbus and Boeing Forecasts for Central America. “No Improvement Plan” projections assume Muelle Sur (T2) is not opened, and Tocumen’s traffic must remain flat at currently levels due to capacity constraints.*

Outlook: With and Without Improvement Plan
Key Coverage Ratios: With and Without Improvement Plan

Projected Tasa de Salida Coverage Ratio: Without Improvement Plan or Completion of Muelle Sur (T2)

Assumptions
- No modification of existing terms, no addition of new Airport Investment Charge to collateral, no liquidity to complete Muelle Sur (T2) or future capital projects
- Tocumen continues servicing existing $650mm debt until maturity in 2023
- Airport traffic remains effectively flat at 2015 levels

Key Conclusion:
- Without approved Improvement Plan, Tocumen believes its credit profile is significantly weaker, potentially breaching TdS Covenant

Projected DSCR: With Improvement Plan, New Airport Charge, and additional debt needed for Muelle Sur (T2)

Assumptions
- DSCR amended to include all authorized debt (maximum $625mm issuance plus existing bonds)
- Capacity Expanded
- Significant additional DSCR protections added around future debt incurrence and dividend payments

Avg for New Debt Incurrence 1.60x
Minimum for New Debt Incurrence 1.35x
No Dividend Payments 1.25x