

Copa Holdings, S.A.
Form 424B7
May 16, 2008

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**As filed pursuant to Rule 424(b)(7)
Registration Number 333-150882**

PROSPECTUS

3,977,300 Shares

Copa Holdings, S.A.

CLASS A COMMON STOCK

The selling shareholder identified in this prospectus is offering 3,977,300 shares of Class A common stock, or Class A Shares, to be sold in this offering.

The Class A Shares are listed on the New York Stock Exchange, under the symbol CPA. On May 15, 2008, the reported last sale price of the Class A Shares was \$35.83 per share.

Investing in the company's Class A Shares involves risks. See Risk Factors beginning on page 15.

PRICE \$35.75 A SHARE

	<i>Price to Public</i>	<i>Underwriters Discounts and Commissions</i>	<i>Proceeds to Selling Shareholder</i>
<i>Per Share</i>	\$35.75	\$1.52	\$34.23
<i>Total</i>	\$142,188,475	\$6,043,110	\$136,145,365

Copa Holdings, S.A. will not receive any proceeds from the sale by the selling shareholder of Class A Shares in this offering.

The selling shareholder has granted the underwriters the right to purchase up to an additional 397,700 Class A Shares to cover over-allotments.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Morgan Stanley & Co. Incorporated expects to deliver the Class A Shares to purchasers on May 21, 2008.

MORGAN STANLEY

UBS INVESTMENT BANK

May 15, 2008

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You should rely only on the information contained in this prospectus. Neither we nor the selling shareholder have, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor the selling shareholder are, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. This document may only be used where it is legal to sell these securities. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of when this prospectus is delivered or when any sale of the Class A Shares occurs. Our business, financial condition, results of operations and prospects may have changed since that date.

In this prospectus, we use the terms Copa Holdings or the Company to refer to Copa Holdings, S.A., Copa or Copa Airlines to refer to Compañía Panameña de Aviación, S.A., a subsidiary of Copa Holdings, S.A., and AeroRepública to refer to AeroRepública, S.A., a subsidiary of Copa Holdings, S.A. The terms we, us and our refer to Copa Holdings, S.A. together with its subsidiaries, except where the context requires otherwise. References to Class A Shares refer to Class A Shares of Copa Holdings, S.A.

Unless otherwise indicated, all information contained in this prospectus assumes no exercise of the underwriters option to purchase up to 397,700 additional shares of Class A common stock to cover over-allotments.

Certain figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

MARKET DATA

This prospectus contains certain statistical data regarding our airline routes and our competitive position and market share in, and the market size of, the Latin American airline industry. This information has been derived from a variety of sources, including the International Air Transport Association, the U.S. Federal Aviation Administration, the International Monetary Fund and other third-party sources, governmental agencies or industry or general publications. Information for which no source is cited has been prepared by us on the basis of our knowledge of Latin American airline markets and other information available to us. The methodology and terminology used by different sources are not always consistent, and data from different sources are not readily comparable. In addition, sources other than us use methodologies that are not identical to ours and may produce results that differ from our own estimates. Although we have not independently verified the information concerning our competitive position, market share, market size, market growth or other similar data provided by third-party sources or by industry or general publications, we believe these sources and publications are generally accurate and reliable.

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SUMMARY

This summary highlights selected information about us and the Class A Shares being offered by the selling shareholder. It may not contain all of the information that may be important to you. Before investing in the Class A Shares, you should read this entire prospectus carefully for a more complete understanding of our business and this offering, including the section entitled "Risk Factors" and the documents incorporated by reference herein, including our annual report on Form 20-F for the year ended December 31, 2007, copies of which may be obtained as indicated under "Where You Can Find More Information."

Overview

We are a leading Latin American provider of airline passenger and cargo service through our two principal operating subsidiaries, Copa and AeroRepública. Copa operates from its strategically located position in the Republic of Panama, and AeroRepública provides service primarily within Colombia complemented by international flights from various cities in Colombia to Panama's Tocumen International Airport. We currently operate a fleet of 50 aircraft: 26 Boeing 737-Next Generation aircraft, 18 Embraer 190 aircraft and six MD-80 aircraft. We currently have firm orders, including purchase and lease commitments, for ten Boeing 737-Next Generation and eight Embraer 190s, and purchase rights and options for up to eight additional Boeing 737-Next Generation and 22 additional Embraer 190s.

Copa was established in 1947 and currently offers approximately 125 daily scheduled flights among 40 destinations in 21 countries in North, Central and South America and the Caribbean from its Panama City hub. Copa provides passengers with access to flights to more than 120 other destinations through codeshare arrangements with Continental Airlines, Inc., or Continental, pursuant to which each airline places its name and flight designation code on the other's flights. Through its Panama City hub, Copa is able to consolidate passenger traffic from multiple points to serve each destination effectively.

Copa operates a modern fleet of 26 Boeing 737-Next Generation aircraft and 11 Embraer 190 aircraft with an average age of approximately 3.7 years as of December 31, 2007. To meet its growing capacity requirements, Copa has firm orders, including purchase and lease commitments, to accept delivery of 14 additional aircraft through 2012 and has purchase rights and options that, if exercised, would allow it to accept delivery of up to 22 additional aircraft through 2013. Copa's firm orders, including purchase and lease commitments, are for ten additional Boeing 737-Next Generation aircraft and four additional Embraer 190s, and its purchase rights and options are for up to eight Boeing 737-Next Generation aircraft and up to 14 Embraer 190s.

Copa started its strategic alliance with Continental in 1998. Since then, it has conducted joint marketing and code-sharing arrangements, and participated in the award-winning OnePass frequent flyer loyalty program globally and on a co-branded basis in Latin America. We believe that Copa's co-branding and joint marketing activities with Continental have enhanced its brand in Latin America, and that the relationship with Continental has afforded it cost-related benefits, such as improving purchasing power in negotiations with aircraft vendors and insurers. Copa's alliance and related services agreements with Continental are in effect until at least 2015 subject to certain early termination rights.

In 2007, Copa joined the SkyTeam global alliance as an Associate Member, in part due to the support and sponsorship of Continental. The SkyTeam global alliance network includes carriers such as Delta Air Lines, Northwest, Aeromexico, Air France, Alitalia, KLM, Korean Air, AeroFlot, CSA Czech and China Southern. As an Associate Member of SkyTeam, passengers flying Copa receive the same alliance benefits on Copa flights as they receive on the flights of any other member of this alliance.

During the second quarter of 2005, we purchased AeroRepública, a Colombian air carrier that was the second-largest domestic carrier in Colombia in terms of number of passengers carried in 2005, providing predominantly point-to-point service among 12 cities in Colombia and to Copa's Panama City hub. AeroRepública currently operates a fleet of seven Embraer 190 and six MD-80s. As part of its fleet modernization and expansion plan, AeroRepública has firm orders, including purchase and lease commitments, to accept delivery of four Embraer 190 aircraft through the end of 2009 and options to purchase up to eight additional Embraer 190 aircraft through 2011.

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Since January 2001, we have grown significantly and have established a track record of consistent profitability, recording seven consecutive years of increasing earnings. Our total operating revenues have increased from \$290.4 million in 2001 to \$1.0 billion in 2007, while our net income has increased from \$14.8 million to \$161.8 million over the same period. Our operating margins also improved from 8.6% in 2001 to 19.2% in 2007.

Our Strengths

We believe our primary business strengths that have allowed us to compete successfully in the airline industry include the following:

Our Hub of the Americas Airport is Strategically Located. We believe that Copa's base of operations at the geographically central location of Tocumen International Airport in Panama City, Panama provides convenient connections to our principal markets in North, Central and South America and the Caribbean, enabling us to consolidate traffic to serve several destinations that do not generate enough demand to justify point-to-point service. Flights from Panama operate with few service disruptions due to weather, contributing to high completion factors and on-time performance. Tocumen International Airport's sea-level altitude allows our aircraft to operate without performance restrictions that they would be subject to at higher-altitude airports. We believe that Copa's hub in Panama allows us to benefit from Panama City's status as a center for financial services, shipping and commerce and from Panama's stable, dollar-based economy, free-trade zone and growing tourism industry.

We Focus on Keeping Our Operating Costs Low. In recent years, our low operating costs and efficiency have contributed significantly to our profitability. Our operating cost per available seat mile, excluding costs for fuel and fleet impairment charges, was 7.17 cents in 2003, 7.01 cents in 2004, 6.53 cents in 2005, 6.81 cents in 2006 and 7.13 cents in 2007. We believe that our cost per available seat mile reflects our modern fleet, efficient operations and the competitive cost of labor in Panama.

Copa Operates a Modern Fleet. Copa's fleet consists of modern Boeing 737-Next Generation and Embraer 190 aircraft equipped with winglets and other modern cost-saving and safety features. Over the next years, Copa intends to enhance its modern fleet through the addition of at least ten additional Boeing 737-Next Generation aircraft and four new Embraer 190s. We believe that Copa's modern fleet contributes to its on-time performance and high completion factor (percentage of scheduled flights not cancelled). We expect our Boeing 737-700s, 737-800s and Embraer 190s to continue offering substantial operational cost advantages in terms of fuel efficiency and maintenance costs. AeroRepública is currently implementing a fleet modernization and expansion plan. Since December 2006, AeroRepública has taken delivery of eight Embraer 190 aircraft and had firm commitments on four additional Embraer 190s and options for an additional eight Embraer 190 aircraft.

We Believe Copa Has a Strong Brand and a Reputation for Quality Service. We believe that the Copa brand is associated with value to passengers, providing world-class service and competitive pricing. For the year ended December 31, 2007, Copa Airlines' statistic for on-time performance was 86.9%, completion factor was 99.7% and baggage handling was 2.1 mishandled bags per 1000 passengers. Our goal is to apply our expertise in these areas to improve AeroRepública's service statistics to comparable levels. Our focus on customer service has helped to build passenger loyalty. We believe that our brand has also been enhanced through our relationship with Continental, including our joint marketing of the OnePass loyalty program in Latin America, the similarity of our aircraft livery and aircraft interiors and our participation in Continental's President's Club lounge program.

Our Management Fosters a Culture of Teamwork and Continuous Improvement. Our management team has been successful at creating a culture based on teamwork and focused on continuous improvement. Each of our employees at Copa has individual objectives based on corporate goals that serve as a basis for measuring performance. When corporate operational and financial targets are met, employees at Copa are eligible to receive bonuses according to our profit sharing program. We also recognize outstanding performance of individual employees through company-wide recognition, one-time awards, special events and, in the case of our senior management, grants of restricted stock and stock options. Copa's goal-oriented culture and incentive programs have contributed to a motivated work force that is focused on satisfying

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customers, achieving efficiencies and growing profitability. We seek to create a similar culture at AeroRepública.

Our Strategy

Our goal is to continue to grow profitably and enhance our position as a leader in Latin American aviation by providing a combination of superior customer service, convenient schedules and competitive fares, while maintaining competitive costs. The key elements of our business strategy include the following:

Expand Our Network by Increasing Frequencies and Adding New Destinations. We believe that demand for air travel in Latin America is likely to expand in the next decade, and we intend to use our increasing fleet capacity to meet this growing demand. We intend to focus on expanding our operations by increasing flight frequencies on our most profitable routes and initiating service to new destinations. Copa's Panama City hub allows us to consolidate traffic and provide service to certain underserved markets, particularly in Central America and the Caribbean, and we intend to focus on providing new service to regional destinations that we believe best enhance the overall connectivity and profitability of our network. With the addition of Embraer 190 aircraft and growth in overall capacity, we expect to have more flexibility in scheduling our flights for our customers' convenience.

Continue to Focus on Keeping Our Costs Low. We seek to reduce our cost per available seat mile without sacrificing services valued by our customers as we execute our growth plans. Our goal is to maintain a modern fleet and to make effective use of our resources through efficient aircraft utilization and employee productivity. We intend to reduce our distribution costs by increasing direct sales, including internet and call center sales, as well as improving efficiency through technology and automated processes.

Emphasize Superior Service and Value to Our Customers. We intend to continue to focus on satisfying our customers and earning their loyalty by providing a combination of superior service and competitive fares. We believe that continuing our operational success in keeping flights on time, reducing mishandled luggage and offering convenient schedules to attractive destinations will be essential to achieving this goal. We intend to continue to incentivize our employees to improve or maintain operating and service metrics relating to our customers' satisfaction by continuing our profit sharing plan and employee recognition programs and to reward customer loyalty with the popular OnePass frequent flyer program, upgrades and access to President's Club lounges.

Capitalize on Opportunities at AeroRepública. We are seeking to enhance AeroRepública's profitability through a variety of initiatives, including modernizing its fleet, integrating its route network with Copa's and improving overall efficiency. We also seek to increase customer loyalty by making further operational improvements at AeroRepública, such as implementing the OnePass frequent flyer program and improving on-time performance.

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Our Organizational Structure

The following is an organizational chart showing Copa Holdings and its principal subsidiaries:

- * Includes ownership by us held through wholly-owned holding companies organized in the British Virgin Islands.

Copa is our principal airline operating subsidiary that operates out of our hub in Panama and provides passenger service in North, South and Central America and the Caribbean. AeroRepública S.A. is our operating subsidiary that is primarily engaged in domestic air travel within Colombia. Oval Financial Leasing, Ltd. controls the special purpose vehicles that have a beneficial interest in the majority of our aircraft.

Copa Holdings was formed on May 6, 1998 as a corporation (*sociedad anónima*) duly incorporated under the laws of Panama with an indefinite duration. Copa Holdings was organized to be a holding company for Copa and related companies in connection with the acquisition by Continental of its 49% interest in us at that time.

Our principal executive offices are located at Boulevard Costa del Este, Avenida Principal y Avenida de la Rotonda, Urbanización Costa del Este, Complejo Business Park, Torre Norte, Parque Lefevre, Panama City, Panama, and our telephone number is +507 304-2677. The website of Copa is www.copaair.com. AeroRepública maintains a website at www.aerorepublica.com.co. Information contained on, or accessible through, these websites is not incorporated by reference herein and shall not be considered part of this prospectus.

Selling Shareholder

Our equity structure provides for two classes of stock with different voting rights. Class A Shares initially have no voting rights except in certain circumstances and Class B shares are entitled to one vote per share on all matters. Continental currently holds approximately 14.1% of our Class A Shares, representing approximately 10% of our total capital stock. After the completion of this offering, Continental is expected to hold approximately 1.3% of our Class A Shares, representing approximately 1.0% of our total capital stock, assuming the underwriters' over-allotment option is not exercised. Corporación de Inversiones Aéreas, S.A., or CIASA, holds all of our Class B shares, representing approximately 29.2% of our total capital stock and all of the voting rights associated with our capital stock. CIASA is therefore entitled to elect a majority of our directors and to determine the outcome of the voting on substantially all actions that require shareholder approval. See Description of Capital Stock.

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CIASA, controlling shareholder of Copa Holdings, and Copa Holdings entered into a supplemental agreement with Continental, dated May 13, 2008 (the "Supplemental Agreement") to waive the lock-up under the existing shareholders agreement dated June 29, 2006 (the "Shareholders Agreement"), which currently restricts Continental's sale of Copa Holdings' common stock through June 29, 2008. Pursuant to the Supplemental Agreement, CIASA waived the restrictions on Continental during the remainder of the lock-up period and provided Continental with registration rights in order to permit an underwritten registered offering of Continental's shares, with any shares not sold in the offering allowed to be sold pursuant to Rule 144 under the Securities Act of 1933, as amended, or the Securities Act. The Supplemental Agreement also amends the existing shareholders agreement with Continental to terminate the Shareholders Agreement upon a sale by Continental of Continental's shares and, in the event of such termination, to provide Continental with the right to nominate a member of its senior management to the Company's board of directors during the term of the alliance agreement between Continental and the Company.

Results for the Three Months Ended March 31, 2008

We announced our unaudited results of operations for the three months ended March 31, 2008 on May 8, 2008. These results of operations are based upon our consolidated unaudited financial information prepared in accordance with U.S. GAAP for the three months ended March 31, 2008 and 2007, which has not been subject to a special or limited review by our auditors. The highlights of these results of operations are as follows.

Consolidated revenue increased 21.9% to US\$295.9 million in the first quarter of 2008, compared to US\$242.8 million in the first quarter of 2007. Copa's operating revenue increased 20.5% or US\$40.2 million in the first quarter of 2008, compared to US\$196.6 million in the first quarter of 2007. This increase was primarily due to a 20.2% or US\$37.5 million increase in passenger revenue. AeroRepública's operating revenue increased 31.7% or US\$14.9 million in the first quarter of 2008, compared to US\$47 million in the first quarter of 2007. During the first quarter of 2008, AeroRepública's capacity available seat miles decreased 9.7% mainly as a result of the transition from an MD-80 fleet to an Embraer-190 fleet, as the Embraer-190s have fewer seats, while traffic revenue passenger miles increased 3.9%, resulting in a load factor of 62.6% or 8.2 percentage points above first quarter of 2007.

Consolidated operating income for the first quarter of 2008 decreased 14.9% to US\$51.7 million, compared to operating income of US\$60.8 million for the first quarter of 2007. This decrease partially resulted from AeroRepública's operating loss of US\$0.7 million in the first quarter of 2008, compared to an operating income of US\$3.9 million in the first quarter of 2007, as a result of higher fuel prices and more scheduled maintenance events. Consolidated operating expenses rose 34.2% to US\$244.2 million in the first quarter of 2008, compared to US\$182.0 million in the first quarter of 2007, mainly due to increases in the cost of aircraft fuel, which totaled US\$84.3 million in the first quarter of 2008. This figure represents a US\$28.4 million or 50.9% increase over aircraft fuel cost of US\$55.9 million in the first quarter of 2007. This increase was primarily a result of a 11.7% increase in gallons consumed resulting from increased capacity and a 35.1% increase in the average price per gallon of jet fuel. Copa's operating expenses increased 32.1% to US\$184.5 million in the first quarter of 2008, compared to US\$139.7 million in the first quarter of 2007. Copa's operating expenses per available seat mile increased 13.0% to 10.8 cents in the first quarter of 2008 from 9.5 cents in the first quarter of 2007. AeroRepública's operating expenses increased 45.1% to US\$62.6 million in the first quarter of 2008, compared to US\$43.1 million in the first quarter of 2007. AeroRepública's operating expenses per available seat mile (CASM) increased 60.7% to 17.3 cents in the first quarter of 2008 from 10.8 cents in the first quarter of 2007. Consolidated operating margin decreased from 25.0% to

17.5%, mainly as a result of increased fuel prices.

Copa Holdings reported net income of US\$39.5 million, in the first quarter of 2008, compared to US\$48.6 million in the first quarter of 2007.

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The following table sets forth selected consolidated unaudited financial information under U.S. GAAP for the three months ended March 31, 2007 and 2008:

	Three Months Ended March 31,	
	2007	2008
	(in thousands of dollars, except share and per share data, capital stock and operating data)	
Income Statement Data:		
Operating revenue:		
Passenger revenue	\$ 230,271	\$ 280,224
Cargo, mail and other	12,479	15,662
Total operating revenue	242,750	295,886
Operating expenses:		
Aircraft fuel	55,912	84,344
Salaries and benefits	26,749	34,147
Passenger servicing	17,932	23,235
Commissions	14,813	16,961
Reservations and sales	10,997	13,256
Maintenance, material and repairs	11,134	17,323
Depreciation	7,994	10,000
Flight operations	9,410	12,979
Aircraft rentals	9,163	10,673
Landing fees and other rentals	6,256	8,008
Other	11,590	13,246
Total operating expense	181,950	244,172
Operating income	60,800	51,714
Non-operating income (expense):		
Interest expense	(9,848)	(10,980)
Interest capitalized	531	521
Interest income	2,542	2,768
Other, net ⁽¹⁾	(1,097)	(420)
Total non-operating income (expense)	(7,872)	(8,111)
Income before income taxes	52,928	43,603
Provision for income taxes	4,361	4,104
Net income	\$ 48,567	\$ 39,499

**As of March 31,
2008****Balance Sheet Data:**

Total cash, cash equivalents and short-term investments	\$	305,093
Accounts receivable, net of allowance for doubtful accounts		84,194
Total current assets		450,185
Purchase deposits for flight equipment		74,046
Total property and equipment		1,175,249
Total assets		1,740,761
Long-term debt		739,886
Total Shareholders' Equity		576,989

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	Three Months Ended March 31,	
	2007	2008
	(in thousands of dollars, except share and per share data, capital stock and operating data)	
Operating Data:		
Revenue passengers carried ⁽²⁾	\$ 1,121	\$ 1,217
Revenue passengers miles ⁽³⁾	1,427	1,619
Available seat miles ⁽⁴⁾	1,868	2,077
Load factor ⁽⁵⁾	76.4%	78.0%
Break-even load factor ⁽⁶⁾	54.3%	64.3%
Yield (cents) ⁽⁷⁾	16.1	17.3
Revenue per available seat mile (cents) ⁽⁸⁾	13.0	14.2
Cost per available seat mile (cents) ⁽⁹⁾	9.7	11.8

- (1) Consists primarily of changes in the fair value of fuel derivative contracts, foreign exchange gains/losses and gains on sale of Boeing 737-200 aircraft. See Item 5. Operating and Financial Review and Prospects and the notes to our audited consolidated financial statements, each of which is included in our annual report on Form 20-F for the year ended December 31, 2007 that is incorporated by reference herein.
- (2) Total number of paying passengers (including all passengers redeeming OnePass frequent flyer miles and other travel awards) flown on all flight segments, expressed in thousands.
- (3) Number of miles flown by scheduled revenue passengers, expressed in millions.
- (4) Aircraft seating capacity multiplied by the number of miles the seats are flown, expressed in millions.
- (5) Percentage of aircraft seating capacity that is actually utilized. Load factors are calculated by dividing revenue passenger miles by available seat miles.
- (6) Load factor that would have resulted in total revenues being equal to total expenses.
- (7) Average amount (in cents) one passenger pays to fly one mile.
- (8) Total operating revenues for passenger aircraft related costs (in cents) divided by the number of available seat miles.
- (9) Total operating expenses for passenger aircraft related costs (in cents) divided by the number of available seat miles.

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THE OFFERING

Issuer	Copa Holdings, S.A.
Selling shareholder	Continental Airlines, Inc.
Shares offered	3,977,300 Class A Shares, without par value.
Over-allotment option	The selling shareholder has granted the underwriters the right for a period of 30 days to purchase up to an additional 397,700 Class A Shares solely to cover over-allotments, if any.
Offering price	\$35.75 per Class A share.
Shares outstanding after the offering	Immediately following the offering (assuming the underwriters over-allotment option is not exercised), the number of shares of our capital stock will be as shown below:
Class A:	
Public, including management	30,018,740 shares
Continental	397,700 shares
Total Class A Shares	30,416,440 shares
Class B:	
CIASA	12,778,125 shares
Total outstanding shares	43,194,565 shares
Voting rights	<p>The holders of the Class A Shares have no voting rights except with respect to certain corporate transformations, mergers, consolidations or spin-offs, changes of our corporate purpose, voluntary delistings of the Class A Shares from the NYSE, approval of nominations of the independent directors or amendments to the foregoing provisions that adversely affect the rights and privileges of any Class A Shares. Under certain circumstances which we believe are not likely in the foreseeable future, each Class A share will entitle its record holder to one vote on all matters on which our shareholders are entitled to vote.</p> <p>Each Class B share is entitled to one vote on all matters for which shareholders are entitled to vote.</p> <p>See Description of Capital Stock.</p>
Controlling shareholder	Following this offering, CIASA will continue to beneficially own 100% of our Class B shares which will represent all of the voting power of our capital stock. CIASA will therefore be entitled to elect a majority of our directors and to determine the outcome of the voting on substantially all actions that require shareholder approval.
Ownership restrictions	

Our independent directors have the power under certain circumstances to control or restrict the level of non-Panamanian ownership of our Class B shares and the exercise of voting rights attaching to Class A Shares held by non-Panamanian nationals in order to allow us to comply with Panamanian airline ownership and control requirements. See Description of Capital Stock.

Tag-along rights

Our board of directors may refuse to register any transfer of shares in which CIASA proposes to sell Class B shares at a price per share that is greater than the average public trading price per share of the Class A Shares for the preceding 30 days to an unrelated third party that would, after giving effect to such sale, have the right to elect a majority of the

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board of directors and direct our management and policies, unless the proposed purchaser agrees to make, as promptly as possible, a public offer for the purchase of all outstanding Class A Shares and Class B shares at a price per share equal to the price per share paid for the CIASA shares being sold. However, a proposed purchaser could acquire control of Copa Holdings in a transaction that would not give holders of Class A Shares the right to participate, including a sale by a party that had previously acquired control from CIASA, the sale of interests by another party in conjunction with a sale by CIASA, the sale by CIASA of control to more than one party, or the sale of controlling interests in CIASA itself. See Description of Capital Stock Tag-Along Rights.

Use of proceeds

We will not receive any proceeds from the sale of our Class A Shares by the selling shareholder.

Dividends

Holders of the Class A and Class B shares will be entitled to receive dividends to the extent they are declared by our board of directors in its absolute discretion. Our Articles of Incorporation provide that all dividends declared by our board of directors will be paid equally with respect to all of the Class A and Class B shares. Our board of directors has adopted a dividend policy that contemplates the annual payment of equal dividends to our Class A and Class B shareholders in an aggregate amount approximately equal to 10% of our consolidated net income for each year. This dividend policy can be amended or discontinued by our board of directors at any time for any reason. See Dividends and Dividend Policy and Description of Capital Stock.

Lock-up agreements

We, our directors and executive officers and CIASA have agreed, subject to certain exceptions, not to issue or transfer without the consent of the underwriters, until 90 days after the date of this prospectus, any shares of our capital stock, any options or warrants to purchase shares of our capital stock or any securities convertible into or exchangeable for shares of our capital stock. See Underwriters.

Listing

The Class A Shares trade on the NYSE.

NYSE symbol for the Class A Shares

CPA

Risk factors

See Risk Factors beginning on page 15 and the other information included in this prospectus and in our public filings with the SEC for a discussion of certain important risks you should carefully consider before deciding to invest in the Class A Shares.

Expected offering timetable (subject to change):

Commencement of marketing of the offering

May 13, 2008

Announcement of offer price and
allocation of Class A Shares May 15, 2008

Settlement and delivery of Class A Shares May 21, 2008

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The following table presents summary consolidated financial and operating data for each of the periods indicated. Our consolidated financial statements are prepared in accordance with U.S. GAAP and are stated in U.S. dollars. You should read this information in conjunction with our consolidated financial statements and the information under

Item 5. Operating and Financial Review and Prospects, each of which is included in our annual report on Form 20-F for the year ended December 31, 2007, which is incorporated by reference herein.

The summary consolidated financial information as of December 31, 2006 and 2007 and for the years ended December 31, 2005, 2006 and 2007 has been derived from our audited consolidated financial statements included in our annual report on Form 20-F for the year ended December 31, 2007, which is incorporated by reference herein. The consolidated financial information as of December 31, 2003, 2004 and 2005, and for the years ended December 31, 2003 and 2004 has been derived from our audited consolidated financial statements that were prepared under U.S. GAAP.

We acquired 99.9% of the stock of AeroRepública, a Colombian air carrier, and began consolidating its results on April 22, 2005. As a result of this acquisition, our financial information prior to and after the acquisition is not comparable.

Year Ended December 31,
2003 2004 2005⁽²²⁾ 2006 2007
(in thousands of dollars, except share and per share data, capital stock and operating data)

Income Statement Data:

Operating revenue:

Passenger revenue	\$ 311,683	\$ 364,611	\$ 563,520	\$ 798,901	\$ 967,066
Cargo, mail and other	30,106	35,226	45,094	52,259	60,198

Total operating revenues	341,789	399,837	608,614	851,160	1,027,264
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Operating expenses:

Aircraft fuel	48,512	62,549	149,303	217,730	265,387
Salaries and benefits	45,254	51,701	69,730	91,382	116,691
Passenger servicing	36,879	39,222	50,622	64,380	82,948
Commissions	27,681	29,073	45,087	57,808	65,930
Reservations and sales	18,011	22,118	29,213	38,212	48,229
Maintenance, materials and repairs	20,354	19,742	32,505	50,057	51,249
Depreciation	14,040	19,279	19,857	24,874	35,328
Flight operations	15,976	17,904	24,943	33,740	43,958
Aircraft rentals	16,686	14,445	27,631	38,169	38,636
Landing fees and other rentals	10,551	12,155	17,909	23,929	27,017
Other	25,977	29,306	32,622	44,758	55,093
Fleet impairment charge ⁽¹⁾	3,572				
Special fleet charges ⁽²⁾					7,309
Gain from involuntary conversion ⁽³⁾					(8,019)

Total operating expenses	283,493	317,494	499,422	685,039	829,756
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Operating income	58,296	82,343	109,192	166,121	197,508
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	Year Ended December 31,				
	2003	2004	2005 ⁽²²⁾	2006	2007
	(in thousands of dollars, except share and per share data, capital stock and operating data)				
Non-operating income (expense):					
Interest expense	(11,613)	(16,488)	(21,629)	(29,150)	(44,332)
Interest capitalized	2,009	963	1,089	1,712	2,570
Interest income	887	1,423	3,544	7,257	12,193
Other, net ⁽⁴⁾	2,554	6,063	395	185	10,987
Total non-operating expenses, net	(6,163)	(8,039)	(16,601)	(19,996)	(18,582)
Income before income taxes	52,133	74,304	92,591	146,125	178,926
Provision for income taxes	(3,644)	(5,732)	(9,592)	(12,286)	(17,106)
Net income	48,489	68,572	82,999	133,839	161,820
Balance Sheet Data:					
Total cash, cash equivalents and short-term investments	\$ 61,432	\$ 110,943	\$ 114,490	\$ 197,380	\$ 308,358
Accounts receivable, net	31,019	27,706	46,533	62,137	74,169
Total current assets	103,523	152,087	184,351	290,651	435,736
Purchase deposits for flight equipment	45,869	7,190	52,753	65,150	64,079
Total property and equipment	480,488	541,211	637,543	862,283	1,166,262
Total assets	591,915	702,050	916,912	1,255,015	1,707,251
Long-term debt	311,991	380,827	402,954	529,802	732,209
Total shareholders equity	115,583	174,155	245,867	371,669	531,637
Capital stock	29,223	29,223	29,223	32,563	37,372
Cash Flow Data:					
Net cash provided by operating activities	\$ 73,479	\$ 98,051	\$ 115,368	\$ 193,468	\$ 221,941
Net cash used in investing activities	(151,802)	(85,738)	(159,886)	(258,980)	(334,758)
Net cash provided by financing activities	105,298	29,755	38,929	141,498	228,295
Other Financial Data:					
EBITDA ⁽⁵⁾	74,890	107,685	129,444	191,180	243,823
Aircraft rentals	16,686	14,445	27,631	38,169	38,636
Operating margin ⁽⁶⁾	17.1%	20.6%	17.9%	19.5%	19.2%
	42,812,500	42,812,500	42,812,500	42,812,500	42,907,967

Weighted average shares
used in computing net
income per share
(basic)⁽⁷⁾

Weighted average shares
used in computing net
income per share
(diluted)⁽⁷⁾

	42,812,500	42,812,500	42,812,500	43,234,553	43,463,759
Net income (loss) per share (basic) ⁽⁷⁾	\$ 1.13	\$ 1.60	\$ 1.94	\$ 3.13	\$ 3.77
Net income (loss) per share (diluted) ⁽⁷⁾	\$ 1.13	\$ 1.60	\$ 1.94	\$ 3.10	\$ 3.72
Dividends declared per share	\$	\$ 0.23	\$ 0.24	\$ 0.19	\$ 0.31

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	Year Ended December 31,				
	2003	2004	2005 ⁽²²⁾	2006	2007
	(in thousands of dollars, except share and per share data, capital stock and operating data)				
Operating Data:					
Revenue passengers carried ⁽⁸⁾	2,028	2,333	4,361	5,741	6,015
Revenue passengers miles ⁽⁹⁾	2,193	2,548	3,824	5,017	5,861
Available seat miles ⁽¹⁰⁾	3,226	3,639	5,359	6,866	7,918
Load factor ⁽¹¹⁾	68.0%	70.0%	71.4%	73.1%	74.0%
Break-even load factor ⁽¹²⁾	52.8%	52.6%	57.9%	58.0%	58.6%
Total block hours ⁽¹³⁾	64,909	70,228	103,628	130,818	157,200
Average daily aircraft utilization ⁽¹⁴⁾	9.0	9.3	9.8	9.8	9.6
Average passenger fare	153.7	156.3	129.2	139.2	160.8
Yield ⁽¹⁵⁾	14.22	14.31	14.74	15.92	16.50
Passenger revenue per ASM ⁽¹⁶⁾	9.66	10.02	10.51	11.64	12.21
Operating revenue per ASM ⁽¹⁷⁾	10.60	10.99	11.36	12.40	12.97
Operating expenses per ASM (CASM) ⁽¹⁸⁾	8.79	8.72	9.32	9.98	10.48
Departures	25,702	27,434	48,934	65,471	71,893
Average daily departures	70.4	75.0	156.6	179.4	197.0
Average number of aircraft	19.8	20.6	31.0	38.6	45.0
Airports served at period end	28	29	36	42	46
Segment Financial Data:					
Copa:					
Operating revenue	\$ 341,789	\$ 399,837	\$ 505,655	\$ 676,168	\$ 806,201
Operating expenses	283,493	317,494	402,684	509,540	634,521
Depreciation	14,040	19,279	19,242	23,732	30,710
Aircraft rentals	16,686	14,445	22,096	23,842	27,756
Interest expense	11,613	16,488	19,424	26,907	36,300
Interest capitalized	2,009	963	1,089	1,712	2,570
Interest income	887	1,423	3,376	6,887	11,720
Net income (loss) before tax	52,133	74,304	89,745	155,533	165,571
Total assets	591,915	702,050	851,075	1,168,121	1,546,623
AeroRepública:					
Operating revenue			\$ 103,016	\$ 175,883	\$ 226,042
Operating expenses			96,839	176,388	200,474
Depreciation			615	1,142	4,618
Aircraft rentals			5,535	14,604	14,760
Interest expense			2,205	2,243	8,032
Interest capitalized					
Interest income			168	370	473
Net income (loss) before tax			2,846	(9,408)	13,354
Total assets			98,091	132,872	256,349
Segment Operating Data:					
Copa:					
Available seat miles ⁽¹⁰⁾	3,226	3,639	4,409	5,239	6,298

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Load factor ⁽¹¹⁾	68.0%	70.0%	73.4%	77.8%	78.4%
Break-even load factor	52.8%	52.6%	56.8%	56.1%	58.7%
Yield ⁽¹⁵⁾	14.22	14.31	14.41	15.49	15.33
Operating revenue per ASM ⁽¹⁷⁾	10.60	10.99	11.47	12.91	12.80
CASM ⁽¹⁸⁾	8.79	8.72	9.13	9.73	10.08
Average stage length ⁽²⁰⁾	1,028	1,047	1,123	1,158	1,207
On time performance ⁽¹⁹⁾	91.4%	91.8%	91.7%	91.0%	86.9%

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Year Ended December 31,
2003 **2004** **2005⁽²²⁾** 2006 2007
(in thousands of dollars, except share and per share data, capital
stock and operating data)

AeroRepública:(23)

Available seat miles ⁽¹⁰⁾		950	1,627	1,620
Load factor ⁽¹¹⁾		62.0%	57.9%	57.2%
Break even load factor		60.8%	61.9%	54.1%
Yield ⁽¹⁵⁾		16.53	17.79	22.74
Operating revenue per ASM ⁽¹⁷⁾		10.84		