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Groupe Aeroplan to Acquire Carlson Marketing

Combination Creates the World's Leading Loyalty Management Provider

MONTREAL and MINNEAPOLIS, MN, Nov. 3 /CNW/ - Groupe Aeroplan Inc. (TSX: AER), a leading international loyalty management corporation, headquartered in Canada, today announced that it has entered into an agreement with Carlson Companies, Inc. (CCI) to purchase Carlson Marketing, a privately-owned, US-based loyalty marketing services provider for a net purchase price of US\$175.3 million (Cdn\$188.0 million), including transaction costs of US\$6.5 million (Cdn\$7.0 million) and subject to certain working capital adjustments. In addition, Groupe Aeroplan expects to incur one-time costs of approximately US\$15 million (Cdn\$16.0 million), primarily related to the migration of technology infrastructure in the US out of CCI's systems. The acquisition is subject to customary closing conditions and standard antitrust approvals in the United States and Canada. The transaction is expected to close by early December 2009, and will be financed with cash on hand and bank facilities.

Carlson Marketing's solid US presence secures an important footprint for Groupe Aeroplan in the largest consumer market in the world. Moreover, the transaction provides Groupe Aeroplan with immediate geographic diversification and accelerates the company's international expansion strategy into the G20 countries.

Carlson Marketing is widely recognized for its leading-edge global knowledge of loyalty marketing services, and engagement and events management. Carlson Marketing has strong client relationships, which include some of the world's most respected brands in important sectors including financial services, automotive, high tech, consumer packaged goods and pharmaceutical. Carlson Marketing is truly global with a presence in North America, Europe, Asia Pacific and the Middle East, and over the last 18 months, has successfully positioned itself for growth.

"This acquisition is a logical extension for our company, as we diversify our business model to include a broader range of services within the loyalty management space in the US and internationally," said Rupert Duchesne, President and CEO of Groupe Aeroplan. "Acquiring a proven leader in the loyalty marketing space is the most cost effective and timeliest route to broadening our loyalty services offering. Carlson Marketing is widely recognized for their innovative thinking when it comes to understanding consumer behaviour, rewards and data analytics, areas that are pivotal to driving future growth in the global loyalty arena."

Groupe Aeroplan's businesses and Carlson Marketing will continue to operate separately and independently. Carlson Marketing's experienced and well-respected management team, led by President and CEO Jeff Balagna, will continue to run the operations. The two companies, with solid leadership and highly capable workforces, will benefit from leveraging intellectual capital across the entire corporation.

"This transaction is good news for the employees and customers of Carlson Marketing and a great opportunity for Groupe Aeroplan," declared Carlson President and CEO Hubert Joly. "It also frees up resources for Carlson that the company can deploy to accelerate the growth of its hotel, restaurant, and travel businesses at a time when significant opportunities exist in these markets."

"We look forward to joining forces with Groupe Aeroplan and significantly strengthening the scope of our loyalty marketing, program management, and engagement and event offering for customers, employees and distribution channels," stated Jeff Balagna. "Together we become the world's leading loyalty management provider, able to offer a vastly-expanded network of loyalty marketing capabilities."

"This acquisition makes good business sense," said Chief Financial Officer of Groupe Aeroplan, David Adams. "It will be immediately accretive to adjusted net earnings and free cash flow per share as Carlson Marketing is expected to generate positive free cash flow. In addition to substantially diversifying our revenue base, we will grow our consolidated top line by approximately 45% to over Cdn\$2 billion. Through careful evaluation, we have concluded that this transaction truly represents a superior use of capital - even when excluding any potential synergies and including one-time transition costs related primarily to technology and infrastructure."

The Corporation will deploy a dedicated team, supported by external advisors, to pursue all forms of synergies and to identify potential collaborative initiatives to be rolled out over a period of 12 months.

Transaction Highlights

- Net purchase price of US\$175.3 million (Cdn\$188.0 million), including transaction costs of US\$6.5 million (Cdn\$7.0 million), subject to certain working capital adjustments.
- Transaction will be financed with cash on hand and borrowings from bank facilities.
- Transaction will be immediately accretive to adjusted net earnings/free cash flow per share (including transition costs and excluding any synergies).
- Carlson Marketing is expected to generate positive free cash flow and contribute more than Cdn\$600M in marketing fees, with expected EBITDA margins of 6% to 8% in 2010.
- The management teams will continue to run the operations with no planned staff reductions or relocations.

In connection with this transaction, Deutsche Bank Securities Inc. and RBC Capital Markets acted as financial advisors to Groupe Aeroplan and Petsky Prunier Securities acted as financial advisor to Carlson Companies, Inc.

Analyst Conference Call

Groupe Aeroplan and Carlson Marketing will hold an analyst call on November 3, 2009 at 10:30a.m. Eastern Time. The call may be accessed by dialing 1-416-644-3414 or toll free 1-877-974-0447. The webcast can be accessed at <http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=2876500>.

About Groupe Aeroplan

Groupe Aeroplan Inc. is a leading international loyalty management corporation. Groupe Aeroplan owns Aeroplan, Canada's premier loyalty program and Nectar, the United Kingdom's leading coalition loyalty program. In the Gulf Region, Groupe Aeroplan owns 60 per cent of Rewards Management Middle East, the operator of Air Miles programs in the United Arab Emirates, Qatar and Bahrain. Groupe Aeroplan also operates LMG Insight & Communication, a customer-driven insight and data analytics business offering international services to retailers and their suppliers. For more information about Groupe Aeroplan, please visit www.groupeaeroplan.com.

About Carlson Companies, Inc.

Carlson is a global hotel, restaurant and travel company headquartered in Minneapolis, Minnesota. Carlson brands and services include: Regent Hotels & Resorts(R), Radisson Hotels & Resorts(R), Park Plaza Hotels & Resorts, Country Inns & Suites By Carlson, Park Inn(R) hotels, T.G.I. Friday's(R) and Pick Up Stix(R) restaurants, and Carlson Wagonlit Travel(R). Carlson brands and services employ more than 150,000 people in more than 150 countries. For more information about Carlson, please visit www.carlson.com.

About Carlson Marketing

Carlson Marketing is the world's leading relationship building company. Carlson Marketing designs and delivers loyalty, engagement and event programs for some of the world's best known brands. Carlson Marketing's two global service offerings - Brand Loyalty and Engagement & Events- are supported by six core capabilities: Strategy & Brand Planning; Creative and Communications; Decision Sciences; Award Services; Technology Services and Customer Service. Headquartered in Minneapolis, MN, Carlson Marketing has large regional offices in Toronto, London and Sydney. For more information about Carlson Marketing, please visit www.carlsonmarketing.com

Caution Concerning Forward-Looking Statements

This news release contains forward-looking statements. Such statements may involve but are not limited to comments with respect to Groupe Aeroplan's and Carlson Marketing's strategies, expectations, planned operations, future actions, anticipated financial performance and business prospects. 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 and its corporate structure. Results indicated in forward-looking statements may differ materially from actual results for a number of reasons, including without limitation, risks related to the business and the industry, Air Canada liquidity issues, dependency on top four commercial partners that purchase loyalty marketing services, including Aeroplan Miles, Air Canada or travel industry disruptions, airlines industry changes and increased airline costs, reduction in activity, usage and accumulation of Aeroplan Miles, retail market/economic downturn, greater than expected redemptions for rewards, industry competition, supply and capacity costs, unfunded future redemption costs, failure to safeguard databases and consumer privacy, consumer privacy legislation, changes to the Aeroplan and Nectar Programs, seasonal nature of the business, other factors and prior performance, regulatory matters, VAT appeal, reliance on key personnel, labour relations and pension liability, technological disruptions and inability to use third party software, failure to protect intellectual property rights, currency fluctuations, interest rate and currency fluctuations,

leverage and restrictive covenants in current and future indebtedness, dilution of the Corporation's shareholders, uncertainty of dividend payments, level of indebtedness-refinancing risk, managing growth, as well as the other factors identified throughout the Management Discussion & Analysis on file with the Canadian Securities regulatory authorities. Material factors and assumptions that were applied in drawing a conclusion or making a projection or forecast are also set out throughout this document. We believe that the expectations represented by our forward-looking statements are reasonable, yet there can be no assurance that such expectations will prove to be correct. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the matters described in this news release and may not be appropriate for other purposes. The forward-looking statements contained in this discussion represent the Corporation's expectations as of November 3, 2009, and are subject to change after such date. However, the Corporation 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.

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