



# AIR CANADA

[News Releases](#)

## **Air Canada Announces Termination of Tender Offers and Consent Solicitations**

MONTREAL, June 27, 2013 /CNW Telbec/ - Air Canada announced today that it has terminated its previously announced cash tender offers (the "Offers") and related consent solicitations (the "Consent Solicitations") with respect to its 9.250% Senior Secured Notes due 2015, its 10.125% Senior Secured Notes due 2015, and its 12.000% Senior Second Lien Notes due 2016 (collectively, the "Notes"), which were being made pursuant to Air Canada's Offers to Purchase and Consent Solicitations Statement and related Letters of Transmittal and Consent, each dated June 14, 2013.

"The Offers were subject to a financing condition. The recent volatility in the debt and capital markets which has interfered with the immediate financing plans of many companies, including Air Canada was such that available terms were no longer attractive to us. However, the strength of our balance sheet and our business overall, and the fact that the Notes do not mature until August 2015 and February 2016, provides us flexibility to take advantage of a more opportune time to refinance the Notes," commented Michael Rousseau, Executive Vice President and Chief Financial Officer of Air Canada.

As a result of the termination, none of the Notes that have been tendered in the Offers will be accepted for purchase and no consideration will be paid or become payable to holders of Notes who have tendered their Notes in the Offers. All Notes previously tendered and not withdrawn will be promptly returned or credited back to their respective holders. All consents previously delivered and not revoked will be of no effect, and the indentures governing the Notes will remain in their present form, unamended.

This announcement confirms the formal termination of the Offers and Consent Solicitations. The Company reserves the right to commence a new tender offer, or to otherwise redeem or repurchase some or all of the outstanding Notes, at a later date but is under no obligation to do so.

This announcement is not an offer to purchase, a solicitation of an offer to sell or a solicitation of consents with respect to the Notes or any new securities of Air Canada.

### **About Air Canada**

Air Canada is Canada's largest domestic and international airline serving more than 175 destinations on five continents. Canada's flag carrier is the 15th largest commercial airline in the world and in 2012 served close to 35 million customers. Air Canada provides scheduled passenger service directly to 59 Canadian cities, 53 destinations in the United States and 67 cities in Europe, the Middle East, Asia, Australia, the Caribbean, Mexico and South America. Air Canada is a founding member of Star Alliance, the world's most comprehensive air transportation network serving 1,328 destinations in 195 countries. Air Canada is the only international network carrier in North America to receive a Four-Star ranking according to independent U.K. research firm Skytrax that ranked Air Canada in a worldwide survey of more than 18 million airline passengers as Best Airline in North America in 2013 for the fourth consecutive year. For more information, please visit: [www.aircanada.com](http://www.aircanada.com).

### **Caution Regarding Forward-Looking Information**

Air Canada's public communications may include forward-looking statements within the meaning of applicable securities laws. Forward-looking statements, by their nature, are based on assumptions and are subject to important risks and uncertainties. Forward-looking statements cannot be relied upon due to, amongst other things, changing external events and general uncertainties of the business and the capital markets. Actual results may differ materially from results indicated in forward-looking statements due to a number of factors, including without limitation, industry, market, credit and economic conditions, the ability to reduce operating costs and secure financing, pension issues, energy prices, employee and labour relations, currency exchange and interest rates, competition, war, terrorist acts, epidemic diseases, environmental factors (including weather systems and other natural phenomena, and factors arising from man-made sources), insurance issues and costs, changes in demand due to the seasonal nature of the business, supply issues, changes in laws, regulatory developments or proceedings, pending and future litigation and actions by third parties as well as the factors identified throughout Air Canada's public disclosure file available at [www.sedar.com](http://www.sedar.com). Any forward-looking statements contained in this news release represent Air Canada's expectations as of the date of this news release, and are subject to change after such date. However, Air Canada 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.

SOURCE: Air Canada

For further information:

Isabelle Arthur (Montréal) 514 422-5788

Peter Fitzpatrick (Toronto) 416 263-5576

Angela Mah (Vancouver) 604 270-5741

**Internet :** [aircanada.com](http://aircanada.com)

---

A STAR ALLIANCE MEMBER

