Aimia Inc.

Aimia Reports Second Quarter Results

Reaffirming Full Year Gross Billings and Free Cash Flow Guidance
Transformation of Aeroplan underway with Distinction launch and TD confirmed as Aeroplan's financial card partner effective from January 1, 2014

- Second quarter Gross Billings were **$570.5 million**, up **2.9 per cent** compared to the same period in 2012, with year to date Gross Billings up **3.7 per cent**
- Adjusted EBITDA for the second quarter unchanged versus last year at **$102.0 million**
- Adjusted EBITDA reflects the favourable impact from the final judgment of the VAT litigation in the UK and changes in the Breakage estimate for the Aeroplan Program
- Transformation of Aeroplan underway with Distinction launch and TD Bank Group ("TD") confirmed as Aeroplan's financial card partner effective from January 1, 2014
- Guidance for 2013 Gross Billings growth of **between 3 and 5 per cent** and Free Cash Flow (before dividends paid) of **between $255 and $275 million** reaffirmed
- 2013 Adjusted EBITDA guidance revised to reflect current expectations for Canadian Gross Billings and increased marketing spend through the remainder of the year

SECOND QUARTER HIGHLIGHTS[1]	**Three Months Ended June 30,**			**Year Over Year**		
(in millions of Canadian dollars, except per share amounts)	**2013**	**2013**	**2012 [3]**		**% Change**	
	Adjusted [2]	**As Reported**	**As Reported**	**Adjusted [2]**	**Constant Currency [4]**	**As Reported**
Gross Billings	**570.5**	**570.5**	554.3	2.9	3.1	2.9
Total Revenue	**540.3**	**(123.3)**	504.2	7.1	7.2	**
Net Earnings (loss)	**25.2**	**(415.2)**	35.0	(28.1)	**	**
Earnings (loss) per Common Share	**0.13**	**(2.43)**	0.19	(31.6)	**	**
Adjusted EBITDA	**100.2**	**102.0**	102.1	(1.9)	(1.4)	(0.2)
Free Cash Flow before Dividends Paid	**88.7**	**88.7**	74.2	19.5	**	19.5

**Information not meaningful

1 Non-GAAP measures (Adjusted EBITDA and Free Cash Flow) and constant currency are explained in the section entitled Use of Non-GAAP Financial Information. Discrepancies in variances may arise due to rounding.
2 Adjustments made to June 30, 2013 reported results are explained in the Section entitled "Notes to table".
3 2012 financial information was restated to reflect the retroactive application of the amendments to IAS 19. Refer to Note 2 of Aimia's Consolidated Financial Statements for the period ended June 30, 2013 for additional information.
4 Constant currency variances are based on the Adjusted results for 2013.

MONTREAL, Aug. 12, 2013 /CNW Telbec/ - (TSX: AIM) Aimia today reported its financial results for the second quarter and six months ended June 30, 2013. All financial information is in Canadian dollars unless otherwise noted.

Rupert Duchesne, Group Chief Executive said:

"We are delighted to have today confirmed TD as our financial card partner effective from January 1, 2014, which is a crucial element, alongside the Distinction launch, for the longer term transformation of Aeroplan. These changes will add value to all our partners including Air Canada and secure market levels of growth in our financial card portfolio in the Canadian business over the longer term. While there can be no assurance that our ongoing discussions with CIBC and TD will result in a deal, concluding an agreement would be a positive for Aeroplan members who have been with us through our 22-year relationship with CIBC and position both banks strongly with a transformed program that we believe will drive increased engagement and market share among premium Canadian consumers."

"In addition to a solid financial performance overall for the quarter, the significant developments in recent weeks have also included favourable outcomes from the Canadian Competition Tribunal and the UK Supreme Court and the acquisition of Smart Button, which adds innovative capability to our suite of loyalty offerings as well as adding to our US client reach."

Second Quarter Financial Highlights (Period ended June 30, 2013 versus period ended June 30, 2012, except where otherwise stated)

Consolidated - Gross Billings growth in line with full year guidance; Adjusted EBITDA unchanged versus 2012

- Second quarter Gross Billings of **$570.5 million,** an increase of **2.9 per cent** or **3.1 per cent** on a constant currency basis compared to the same period of 2012, taking Gross Billings for the first six months of 2013 to **$1,131.7 million**, an increase of **3.7 per cent or 3.9 per cent** on a constant currency basis over 2012.
- Following strong growth in the first quarter of 2013, Gross Billings from Loyalty Units were **$414.2 million**, in line with the second quarter of last year.
- Adjusted EBITDA for the second quarter was also unchanged on last year at **$102.0 million.** This includes both the impact of a change in the Breakage estimate in the Aeroplan Program in Canada of **$24.8 million** and the favourable impact related to final judgment of the VAT litigation in the UK of **$26.6 million**. A **$6.9 million** distribution from PLM was also included in the quarter. On a year to date basis, Adjusted EBITDA was **$184.0 million**, a decrease of **3.3 per cent** over 2012.

Canada - Impact of Aeroplan Breakage adjustment reflected in results for the quarter

- Second quarter Gross Billings were **$324.8 million** compared with **$332.0 million** in the same period of 2012, a decrease of **2.2 per cent;** on a year to date basis, Gross Billings were down **2.1 per cent** to **$631.9 million.**
- Gross Billings from Loyalty Units were down **2.4 per cent,** mainly due to the ongoing impact of changes to the accumulation grid at Air Canada and a decrease in the financial sector driven by lower average consumer spend and higher partner program conversions in the prior year.
- Adjusted EBITDA was **$77.9 million** in the second quarter, a decrease of **26.8 per cent** compared to the **$106.5 million** recorded in the prior year period; as a result of a **$24.8 million** adjustment resulting from the new Breakage estimate in the Aeroplan Program effective in the second quarter. The prior year included compensation of **$5.5 million** from Air Canada related to pension benefits.
- Excluding the impact of the change in the Breakage estimate, Adjusted EBITDA amounted to **$102.7 million** or **31.6 per cent** (as a % of Gross Billings).
- Aeroplan Miles redeemed increased **4.6 per cent** to **18.3 billion** on strong air rewards redemptions, while issuance was down **4.5 per cent** against last year.

Europe, Middle East & Africa (EMEA) - Strong Adjusted EBITDA despite expected slowing in second quarter Gross Billings

- Second quarter Gross Billings of **$161.3 million,** an increase of **2.3 per cent** or **3.4 per cent** on a constant currency basis compared to the same period of 2012. Gross Billings on a year to date basis were **$335.0 million**, up **11.1 per cent** or **11.9 per cent** on a constant currency basis over 2012.
- The increase in Gross Billings for the quarter was mainly from Loyalty Units issuance in the Nectar UK Program driven by the grocery sector and billings from Accumulation Partners added during 2012.
- Other Gross Billings in the quarter were down **$3.2 million** compared to 2012, with a large portion of ISS Gross Billings now accounted for within the i2c joint venture. The decrease was mainly offset by growth in Gross Billings from ISS' international activities.
- Adjusted EBITDA was **$42.7 million** in the quarter, an increase of **$30.4 million**, of which **$26.6 million** was attributable to the favourable impact from the final judgment of the VAT litigation in the UK.

Adjusted EBITDA for the first six months was **$60.3 million,** an increase of **$44.5 million** when compared with the prior year period.

- Nectar UK Points issued in the quarter increased by **7.7 per cent** compared to 2012, with higher issuance at new sponsor eBay as well as at Sainsbury's and Homebase continuing to drive improvement. Redemption activity for Nectar UK increased by **9.6 per cent** in the quarter mainly driven by an increase in the number of Nectar Points in circulation.
- While Nectar Italia continued to see weaker accumulation and redemption (down **11.6 per cent** and **14.4 per cent** respectively, compared to same period last year) in market conditions which continue to be difficult, the total number of joiners reached 10.4 million in the quarter.
- In the Middle East, accumulation remained strong with an increase of **27.8 per cent** versus last year. Redemptions were down in the second quarter following significant activity in the first quarter of 2013.

US & Asia Pacific - Elevated Gross Billings for the quarter, with ongoing investments being incurred to support future growth

- Second quarter Gross Billings of **$84.5 million,** an increase of **28.7 per cent** or **27.5 per cent** on a constant currency basis compared to the same period in 2012. Gross Billings on a year to date basis were up **12.6 per cent** to **$165.1 million.**
- Gross Billings from the Excellence in Motivation (EIM) acquisition which was completed on September 24, 2012 accounted for **$11.4 million** in the second quarter.
- Adjusted EBITDA was **$(6.2) million**, compared to **$(0.5) million** in the same period of 2012; Adjusted EBITDA of **$(9.9) million** for the first six months compared to **$1.4 million** for the same period in 2012.
- Start-up costs in the APAC region continued to be incurred in the quarter in advance of the deployment of a technology and rewards fulfillment platform for Standard Chartered Bank later in 2013, while the US continued to incur EIM integration and deferred compensation costs and business development expenditures to support future growth.

Cash Flow and Financial Position

At June 30, 2013, Aimia had **$499.4** million of cash and cash equivalents, **$30.6** million of restricted cash**, $23.1 million** of short-term investments and **$311.9 million** of long-term investments in bonds, for a total of **$865.0 million**.

Aimia's Free Cash Flow (before dividends paid) was up **$14.5 million** to **$88.7 million** for the second quarter of 2013 compared to **$74.2 million** for the second quarter of 2012. **$6.9 million** was attributable to the distribution received from PLM in the second quarter of 2012. On a year to date basis, Free Cash Flow (before dividends paid) was **$79.1 million.**

Dividends Declared

Common Shares

The Board of Directors declared a quarterly dividend of **$0.17 per common share**, payable on September 30, 2013 to shareholders of record at the close of business on September 16, 2013.

Preferred Shares

The Board also declared a quarterly dividend in the amount of **$0.40625 per Cumulative Rate Reset Preferred Share, Series 1**, payable on September 30, 2013 to the holders of record at the close of business on September 16, 2013.

Dividends paid by Aimia to Canadian residents on both its common and preferred shares are "eligible dividends" for Canadian income tax purposes.

2013 Outlook

In line with the financial adjustments outlined in the release announcing the Aeroplan Program transformation issued on June 27, 2013 and our current expectations for the business, Aimia has revised its previously provided 2013 guidance.

As disclosed in the press release of August 12, 2013, updating on our financial card agreement, Aimia is currently in ongoing active discussions with TD and CIBC about a broad framework that would see CIBC retain cards held by their existing banking customers and the remaining cards acquired by TD. There can be no assurances that an agreement will be reached. Aimia does not expect a significant change in outlook for 2013 as a result of a deal but will provide additional disclosure if an arrangement is reached which results in any changes to outlook.

For the year ending December 31, 2013, Aimia currently expects to report the following:

Consolidated Outlook

	2012 Actual	Original Guidance (as provided on February 27, 2013)	Revised 2013 Target Range
Gross Billings	$2,243.0 million	Growth of between 3% and 5%	No change
Adjusted EBITDA	$402.6 million	To approximate $425 million	To approximate $375 million This update reflects: • A $50 million reduction which reflects the full year impact of the lower Aeroplan Breakage rate estimate outlined on June 27, 2013 • A $25 million reduction related to: timing of new business rollout in the US & APAC business, lower Canadian Gross Billings and marketing costs now expected to be advanced into second half of 2013 to promote the introduction of the Distinction program. Offset by: • A benefit of approximately $25 million from the outcome of the VAT ruling in the UK.
Free Cash Flow before dividends paid	$299.5 million	Between $255 and $275 million	No change
Capital Expenditures	$58.0 million	To approximate $70 million	No change
Income Taxes	Canadian income tax rate of 26.2%	Aimia's 2013 tax rate is anticipated to approximate 27% in Canada. The Corporation expects no significant cash income taxes will be incurred in the rest of its foreign operations	While Aimia's 2013 tax rate is expected to approximate 27% in Canada, Aimia does not expect to be required to pay any further cash tax installments in 2013 as a result of the realization of tax losses from the Breakage adjustment to net earnings of approximately $664 million described above. The Corporation expects no significant cash income taxes will be incurred in the rest of its foreign operations

Business Segment Gross Billings Growth Outlook

	2012 Actual	Original 2013 Target Range (as provided on February 27, 2013)	Revised 2013 Target Range
Canada	$1,292.6 million	Between 1% and 3%	At the lower end of the range of between 1% and 3%

EMEA	$639.9 million	Between 5% and 7%	No change
US & APAC	$315.2 million	Above 5%	No change

The above guidance excludes the effects of fluctuations in currency exchange rates. In addition, Aimia made a number of economic and market assumptions in preparing its 2013 forecasts, including assumptions regarding the performance of the economies in which the Corporation operates and market competition and tax laws applicable to the Corporation's operations. The Corporation cautions that the assumptions used to prepare the forecasts for 2013, although reasonable at the time they were made, may prove to be incorrect or inaccurate. In addition, the above forecasts do not reflect the potential impact of any non-recurring or other special items or of any new material commercial agreements, dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after August 12, 2013. The financial impact of these transactions and non-recurring and other special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business. Accordingly, our actual results could differ materially from our expectations as set forth in this news release. The outlook provided constitutes forward-looking statements within the meaning of applicable securities laws and should be read in conjunction with the "Caution Concerning Forward-Looking Statements" section.

Use of Non-GAAP Financial Information

In order to provide a better understanding of the results, the following indicators are used:

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization

EBITDA adjusted for certain factors particular to the business, such as changes in deferred revenue and Future Redemption Costs ("Adjusted EBITDA"), is used by management to evaluate performance, and to measure compliance with debt covenants. Management believes Adjusted EBITDA assists investors in comparing the Corporation's performance on a consistent basis without regard to depreciation and amortization, which are non-cash in nature and can vary significantly depending on accounting methods and non-operating factors such as historical cost. Adjusted EBITDA also includes distributions and dividends received from equity-accounted investments.

Adjusted EBITDA is not a measurement based on GAAP, is not considered an alternative to operating income or net income in measuring performance, and is not comparable to similar measures used by other issuers. For a reconciliation to GAAP, please refer to the Summary of Consolidated Operating Results and Reconciliation of EBITDA, Adjusted EBITDA, Adjusted Net Earnings and Free Cash Flow included in the attached schedule. Adjusted EBITDA should not be used as an exclusive measure of cash flow because it does not account for the impact of working capital growth, capital expenditures, debt repayments and other sources and uses of cash, which are disclosed in the statements of cash flows.

Adjusted Net Earnings

Adjusted Net Earnings provides a measurement of profitability calculated on a basis consistent with Adjusted EBITDA. Net earnings attributable to equity holders of the Corporation are adjusted to exclude Amortization of Accumulation Partners' contracts, customer relationships and technology, share of net earnings (loss) of equity accounted investments and impairment charges. Adjusted Net Earnings includes the Change in deferred revenue and Change in Future Redemption Costs, net of the income tax effect and non-controlling interest effect (where applicable) on these items at an entity level basis. Adjusted Net Earnings also includes distributions and dividends received from equity-accounted investments.

Adjusted Net Earnings is not a measurement based on GAAP, is not considered an alternative to net earnings in measuring profitability, and is not comparable to similar measures used by other issuers. For a reconciliation to GAAP, please refer to the Summary of Consolidated Operating Results and Reconciliation of EBITDA, Adjusted EBITDA, Adjusted Net Earnings and Free Cash Flow included in the attached schedule.

Standardized Free Cash Flow ("Free Cash Flow")

Free Cash Flow is a non-GAAP measure recommended by the CICA in order to provide a consistent and comparable measurement of free cash flow across entities of cash generated from operations and is used as an indicator of financial strength and performance.

Free Cash Flow is defined as cash flows from operating activities, as reported in accordance with GAAP, less adjustments for:

(a) total capital expenditures as reported in accordance with GAAP; and
(b) dividends, when stipulated, unless deducted in arriving at cash flows from operating activities.

For a reconciliation to cash flows from operations please refer to the Summary of Consolidated Operating Results and Reconciliation of EBITDA, Adjusted EBITDA, Adjusted Net Earnings and Free Cash Flow included in the attached schedule.

EBITDA and Free Cash Flow are non-GAAP measurements recommended by the CICA in accordance with the recommendations provided in their October 2008 publication, *Improved Communications with Non-GAAP Financial Measures - General Principles and Guidance for Reporting EBITDA and Free Cash Flow.*

Constant Currency

Because exchange rates are an important factor in understanding period to period comparisons, the presentation of various financial metrics on a constant currency basis or after giving effect to foreign exchange translation, in addition to the reported metrics, helps improve the ability to understand operating results and evaluate performance in comparison to prior periods. Constant currency information compares results between periods as if exchange rates had remained constant over the periods. Constant currency is derived by calculating current-year results using prior-year foreign currency exchange rates. Results calculated on a constant currency basis should be considered in addition to, not as a substitute for, results reported in accordance with GAAP and may not be comparable to similarly titled measures used by other companies.

Notes to table

2013 numbers in the Adjusted column in the table on page 1 reflect the following:

- Total Revenue excludes the impact of the change in Breakage estimate in the Aeroplan Program which resulted in a reduction to revenue of $663.6 million.
- Net Earnings (loss) and Earnings (loss) per Common Share excludes the impact of the change in Breakage estimate in the Aeroplan Program which resulted in a reduction to revenue of $663.6 million offset by an income tax recovery of $179.8 million as well as the favourable impact to operating income of $26.1 million (£16.4 million) and the reversal of previously accrued interest of $17.3 million (£10.8 million) resulting from the final judgment of the VAT litigation.
- Adjusted EBITDA excludes the unfavourable impact of $24.8 million on the Change in Future Redemption Costs resulting from the change in Breakage estimate in the Aeroplan Program as well as the favourable impact of $26.6 million (£16.7 million) resulting from the final judgment of the VAT litigation, including the favourable impact on Change in Future Redemption Costs of $0.5 million (£0.3 million).

Q2 2013 Conference Call / Audio Webcast

Aimia will host a conference call to discuss its second quarter 2013 financial results at 8:00 a.m. ET on Tuesday, August 13, 2013. The call can be accessed by dialing 1-888-231-8191 or 647-427-7450 for the Toronto area. The call will be simultaneously audio webcast at: http://www.newswire.ca/en/webcast/detail/1059053/1151295

A slide presentation intended for simultaneous viewing with the conference call will be available the evening of August 12, 2013, at: http://www.aimia.com/English/Investors/Financial-Reports/Quarterly-Reports/default.aspx and an archived audio webcast will be available at: http://www.aimia.com/English/Investors/Presentations-and-Events/Events/default.aspx for ninety days following the original broadcast.

The audited consolidated financial statements and the MD&A will be accessible on the investor relations website at: http://www.aimia.com/English/Investors/Financial-Reports/Quarterly-Reports/default.aspx.

Additional information

A separate announcement issued today confirming TD as Aeroplan's financial credit card partner effective from January 1, 2014 and updating on the ongoing active discussions among Aimia, TD and CIBC about a broad framework that would see CIBC retain cards held by their existing banking customers and the remaining cards acquired by TD, as well as notices provided by CIBC to Aimia in respect of the validity of the notice and proposed agreement provided to CIBC on June 26, 2013, is available on our website.

About Aimia

Aimia Inc. ("Aimia" or the "Corporation") is a global leader in loyalty management. Employing more than 4,000 people in over 20 countries worldwide, Aimia offers clients, partners and members proven expertise in launching and managing coalition loyalty programs, delivering proprietary loyalty services, creating value through loyalty analytics and driving innovation in the emerging digital, mobile and social communications spaces.

Aimia owns and operates Aeroplan, Canada's premier coalition loyalty program, Nectar, the United Kingdom's largest coalition loyalty program and Nectar Italia. In addition, Aimia owns stakes in Air Miles Middle East, Mexico's leading coalition loyalty program Club Premier,Brazil's Prismah Fidelidade, and i2c, a joint venture with Sainsbury's offering insight and data analytics services in the UK to retailers and suppliers. Aimia also holds a minority position in Cardlytics, a US-based private company operating in transaction-driven marketing for electronic banking. Aimia is listed on the Toronto Stock Exchange (TSX: AIM). For more information, visit us at www.aimia.com.

Caution Concerning Forward-Looking Statements

Forward-looking statements are included in this news release. 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 "should" 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, predictions or forward-looking statements cannot be relied upon due to, among 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, dependency on top accumulation partners and clients, the effective implementation of Aeroplan Program enhancements and a new financial card partnership and associated cardholder migration, conflicts of interest, greater than expected redemptions for rewards, regulatory matters, retail market/economic conditions, industry competition, Air Canada liquidity issues, Air Canada or travel industry disruptions, airline industry changes and increased airline costs, supply and capacity costs, unfunded future redemption costs, failure to safeguard databases and consumer privacy, changes to coalition loyalty programs, seasonal nature of the business, other factors and prior performance, foreign operations, legal proceedings, reliance on key personnel, labour relations, pension liability, technological disruptions and inability to use third party software, failure to protect intellectual property rights, interest rate and currency fluctuations, leverage and restrictive covenants in current and future indebtedness, uncertainty of dividend payments, managing growth, credit ratings, as well as the other factors identified in this news release and throughout Aimia's public disclosure record on file with the Canadian securities regulatory authorities.

The forward-looking statements contained herein represent Aimia's expectations as of August 12, 2013, and are subject to change after such date. However, Aimia 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.

SUMMARY OF CONSOLIDATED OPERATING RESULTS AND RECONCILIATION OF EBITDA, ADJUSTED EBITDA, ADJUSTED NET EARNINGS AND FREE CASH FLOW

	Three Months Ended June 30,			Six Months Ended June 30,			%Δ	
(in thousands of Canadian dollars, except share and per share information)	2013		2012 [l]	2013		2012 [l]	Q2	YTD
Gross Billings	**570,540**		554,302	**1,131,655**		1,090,938	2.9	3.7
Gross Billings from the sale of Loyalty Units	**414,211**		414,026	**827,560**		800,010	—	3.4
Total revenue before change in Breakage estimate	**540,269**		504,233	**1,149,772**		1,071,958	7.1	7.3
Change in Breakage estimate [f]	**(663,581)**		—	**(663,581)**		—	100.0	100.0
Total revenue (as reported)	**(123,312)**		504,233	**486,191**		1,071,958	**	**
Cost of rewards and direct costs	**(230,513)**	*(g)*	(279,900)	**(583,921)**	*(g)*	(602,296)	(17.6)	(3.1)
Gross margin before depreciation and amortization [a]	**(353,825)**	*(g)*	224,333	**(97,730)**	*(g)*	469,662	**	**
Depreciation and amortization	**(10,513)**		(8,543)	**(20,833)**		(17,005)	23.1	22.5
Amortization of Accumulation Partners' contracts, customer relationships and technology	**(20,091)**		(20,820)	**(40,398)**		(41,615)	(3.5)	(2.9)
Gross margin	**(384,429)**	*(g)*	194,970	**(158,961)**	*(g)*	411,042	**	**
Operating expenses	**(198,221)**	*(g)*	(140,949)	**(351,534)**	*(g)*	(281,765)	40.6	24.8
Amortization of Accumulation Partners' contracts, customer relationships and technology	**20,091**		20,820	**40,398**		41,615	(3.5)	(2.9)
Operating income (loss) before amortization of Accumulation Partners' contracts, customer relationships and technology	**(562,559)**	*(g)*	74,841	**(470,097)**	*(g)*	170,892	**	**
Depreciation and amortization	**10,513**		8,543	**20,833**		17,005	23.1	22.5
EBITDA [a][c]	**(552,046)**	*(g)*	83,384	**(449,264)**	*(g)*	187,897	**	**
Adjustments:								
Change in deferred revenue								
Gross Billings	**570,540**		554,302	**1,131,655**		1,090,938		
Total revenue	**123,312**		(504,233)	**(486,191)**		(1,071,958)		
Change in Future Redemption Costs [b]	**(46,713)**	*(h)*	(31,337)	**(19,016)**	*(h)*	(16,532)		
(Change in Net Loyalty Units outstanding x Average Cost of Rewards per Loyalty Unit for the period)								
Distribution received from an equity-accounted investment	**6,860**		—	**6,860**		—		
Subtotal of Adjustments	**653,999**		18,732	**633,308**		2,448		
Adjusted EBITDA [c]	**101,953**	*(g)(h)*	102,116	**184,044**	*(g)(h)*	190,345	(0.2)	(3.3)
Net earnings (loss) attributable to equity holders of the Corporation	**(415,286)**	*(g)(i) (j)*	34,937	**(374,759)**	*(g)(i) (j)*	80,315		
Weighted average number of shares	**172,386,019**		172,203,650	**172,335,091**		173,011,895		
Earnings (loss) per common share [d]	**(2.43)**	*(g)(i) (j)*	0.19	**(2.21)**	*(g)(i) (j)*	0.43		
Net earnings (loss) attributable to equity holders of the Corporation	**(415,286)**	*(g)(i) (j)*	34,937	**(374,759)**	*(g)(i) (j)*	80,315		
Amortization of Accumulation Partners' contracts, customer relationships and technology	**20,091**		20,820	**40,398**		41,615		
Share of net (earnings) loss of equity-accounted investments	**1,870**		(1,560)	**3,592**		(2,715)		
Adjusted EBITDA Adjustments (from above)	**653,999**		18,732	**633,308**		2,448		
Tax on adjustments [e]	**(165,603)**		(423)	**(157,445)**		4,865		
Non-controlling interests share on adjustments above	**(1,567)**		(1,370)	**(1,492)**		(1,392)		
Adjusted Net Earnings[c]	**93,504**	*(g)(h) (j)(k)*	71,136	**143,602**	*(g)(h) (j)(k)*	125,136	31.4	14.8
Adjusted Net Earnings per common share [c][d]	**0.53**	*(g)(h) (j)(k)*	0.40	**0.80**	*(g)(h) (j)(k)*	0.69		
Cash flow from operations	**99,933**		85,467	**99,481**		116,437		
Capital expenditures	**(11,257)**		(11,277)	**(20,342)**		(23,933)		
Dividends	**(32,123)**		(30,349)	**(62,515)**		(59,254)		

Free Cash Flow *(c)*	**56,553**	43,841	**16,624**	33,250	29.0	(50.0)
Total assets	**5,282,602**	4,900,288	**5,282,602**	4,900,288		
Total long-term liabilities	**2,341,582**	1,549,834	**2,341,582**	1,549,834		
Total dividends per preferred share	**0.406**	0.406	**0.813**	0.813		
Total dividends per common share	**0.170**	0.160	**0.330**	0.310		

(a) Excludes depreciation and amortization as well as amortization of Accumulation Partners' contracts, customer relationships and technology.

(b) The per unit cost derived from this calculation is retroactively applied to all prior periods with the effect of revaluing the Future Redemption Cost liability on the basis of the latest available average unit cost.

(c) A non-GAAP measurement.

(d) After deducting dividends declared on preferred shares.

(e) The effective tax rates, calculated as income tax expense / earnings before taxes for the period on an entity level basis, are applied to the related entity level adjustments noted above.

(f) Represents the impact of the change in the Breakage estimate in the Aeroplan Program which resulted in a reduction of $663.6 million to revenue from Loyalty Units, of which $617.0 million is attributable to the years prior to 2013, $25.1 million to the three month period ended March 31, 2013 and $21.5 million to the three month period ended June 30, 2013.

(g) Includes a favourable impact of $26.1 million (£16.4 million) resulting from the final judgment of the VAT litigation. Of this amount, $74.9 million (£47.0 million) was recorded as a reduction of cost of rewards and $48.8 million (£30.6 million) as an increase to operating expenses.

Prior to the issuance of the final ruling, Aimia had recorded an amount of $2.1 million (£1.4 million) in cost of rewards, representing input tax credits accrued during the period from January 1, 2013 to March 31, 2013.

(h) The Change in Future Redemption Costs for the three and six months ended June 30, 2013 includes the unfavourable impact resulting from the change in the Breakage estimate in the Aeroplan Program amounting to $24.8 million, of which $12.4 million relates to the three month period ended March 31, 2013 and $12.4 million to the three month period ended June 30, 2013.

Also, the Change in Future Redemption Costs for the three months ended June 30, 2013 includes the favourable impact of $0.5 million (£0.3 million) resulting from the final judgment of the VAT litigation.

(i) Includes the unfavourable impact of the change in Breakage estimate in the Aeroplan Program of $483.8 million, net of an income tax recovery of $179.8 million, of which $167.5 million is attributable to years prior to 2013, $6.6 million to the three month period ended March 31, 2013 and $5.7 million to the three month period ended June 30, 2013.

(j) Includes the favourable impact of the reversal of previously accrued interest of $17.3 million (£10.8 million) resulting from the final judgment of the VAT litigation.

Prior to the issuance of the final ruling, Aimia had recorded an amount of $1.1 million (£0.7 million) as interest expense during the period from January 1, 2013 to March 31, 2013.

(k) Includes the unfavourable impact to the Change in Future Redemption costs of $18.4 million related to the change in Breakage estimate in the Aeroplan Program, net of an income tax recovery of $6.4 million.

(l) 2012 financial information was restated to reflect the retroactive application of the amendments to IAS 19. Refer to Note 2 of Aimia's Consolidated Financial Statements for the period ended June 30, 2013 for additional information.

** Information not meaningful.

SEGMENTED INFORMATION

At June 30, 2013, the Corporation had three reportable and operating segments: Canada, EMEA and US & APAC. The table below summarizes the relevant financial information by operating segment:

	Three Months Ended June 30,											
(in thousands of Canadian dollars)	2013	2012*(k)*	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012*(k)*
Operating Segments	**Canada**		**EMEA**		**US & APAC**		**Corporate(b)**		**Eliminations**		**Consolidated**	
Gross Billings	**324,801**	332,000	**161,286** *(c)*	157,592 *(c)*	**84,505** *(c)*	65,638 *(c)*	**—**	—	**(52)**	(928)	**570,540** *(c)*	554,302
Gross Billings from the sale of Loyalty Units	**270,482**	277,218	**143,729**	136,808	**—**	—	**—**	—	**—**	—	**414,211**	414,026
Revenue from Loyalty Units before change in Breakage estimate	**275,033**	261,668	**106,027**	104,977	**—**	—	**—**	—	**—**	—	**381,060**	366,645

Change in Breakage estimate [f]	**(663,581)**	—	**—**	—	**—**	—	**—**	—	**—**	—	**(663,581)**	—
Revenue from Loyalty Units (reported)	**(388,548)**	261,668	**106,027**	104,977	**—**	—	**—**	—	**—**	—	**(282,521)**	366,645
Revenue from proprietary loyalty services	**41,711**	37,060	**4,276**	3,123	**87,734**	67,588	**—**	—	**—**	—	**133,721**	107,771
Other revenue	**12,080**	12,287	**13,408**	17,530	**—**	—	**—**	—	**—**	—	**25,488**	29,817
Intercompany revenue	**—**	3	**52**	127	**—**	798	**—**	—	**(52)**	(928)	**—**	—
Total revenue	**(334,757)**	311,018	**123,763**	125,757	**87,734**	68,386	**—**	—	**(52)**	(928)	**(123,312)**	504,233
Cost of rewards and direct costs	**173,005**	158,662	**9,244** *(h)*	87,138	**48,264**	34,230	**—**	—	**—**	(130)	**230,513** *(h)*	279,900
Gross margin before depreciation and amortization	**(507,762)**	152,356	**114,519** *(h)*	38,619	**39,470**	34,156	**—**	—	**(52)**	(798)	**(353,825)** *(h)*	224,333
Depreciation and amortization [a]	**24,130**	23,298	**3,727**	3,829	**2,747**	2,236	**—**	—	**—**	—	**30,604**	29,363
Gross margin	**(531,892)**	129,058	**110,792** *(h)*	34,790	**36,723**	31,920	**—**	—	**(52)**	(798)	**(384,429)** *(h)*	194,970
Operating expenses before the undernoted	**53,212**	57,043	**83,232** *(h)*	36,638	**42,446**	31,866	**15,589**	12,405	**(52)**	(798)	**194,427** *(h)*	137,154
Share-based compensation	**—**	—	**—**	—	**—**	—	**3,794**	3,795	**—**	—	**3,794**	3,795
Total operating expenses	**53,212**	57,043	**83,232** *(h)*	36,638	**42,446**	31,866	**19,383**	16,200	**(52)**	(798)	**198,221** *(h)*	140,949
Operating income (loss)	**(585,104)**	72,015	**27,560** *(h)*	(1,848)	**(5,723)**	54	**(19,383)**	(16,200)	**—**	—	**(582,650)** *(h)*	54,021
Adjusted EBITDA [j]	**77,938** *(g)*	106,483	**42,743** *(h)*	12,291	**(6,205)**	(458)	**(12,523)** *(i)*	(16,200)	**—**	—	**101,953** *(g)(h) (i)*	102,116
Additions to non-current assets [d]	**6,964**	5,235	**3,829**	3,946	**464**	2,096	**—**	—	**N/A**	N/A	**11,257**	11,277
Non-current assets [d]	**3,155,846**	3,222,938	**467,060** *(e)*	463,006 *(e)*	**76,943** *(e)*	43,275 *(e)*	**2,263**	2,213	**N/A**	N/A	**3,702,112** *(e)*	3,731,432

(a) Includes depreciation and amortization as well as amortization of Accumulation Partners' contracts, customer relationships and technology.

(b) Includes expenses that are not directly attributable to any specific operating segment. Corporate also includes the financial position and operating results of our operations in India.

(c) Includes third party Gross Billings of $129.9 million in the UK and $52.5 million in the US for the three months ended June 30, 2013, compared to third party Gross Billings of $127.1 million in the UK and $39.3 million in the US for the three months ended June 30, 2012. Third party Gross Billings are attributed to a country on the basis of the country where the contractual and management responsibility for the customer resides.

(d) Non-current assets includes amounts relating to goodwill, intangible assets and property and equipment.

(e) Includes non-current assets of $416.7 million in the UK and $71.2 million in the US as of June 30, 2013, compared to non-current assets of $411.9 million in the UK and $36.8 million in the US as of June 30, 2012.

(f) Represents the impact of the change in the Breakage estimate in the Aeroplan Program which resulted in a reduction of $663.6 million to revenue from Loyalty Units, of which $617.0 million is attributable to the years prior to 2013, $25.1 million to the three month period ended March 31, 2013 and $21.5 million to the three month period ended June 30, 2013.

(g) The Change in Future Redemption Costs for the three months ended June 30, 2013 includes the unfavourable impact resulting from the change in the Breakage estimate in the Aeroplan Program amounting to $24.8 million, of which $12.4 million relates to the three month period ended March 31, 2013 and $12.4 million to the three month period ended June 30, 2013.

(h) Includes a favourable impact of $26.1 million (£16.4 million) resulting from the final judgment of the VAT litigation. Of this amount, $74.9 million (£47.0 million) was recorded as a reduction of cost of rewards and $48.8 million (£30.6 million) as an increase to operating expenses.

Also, the Change in Future Redemption Costs included in Adjusted EBITDA for the three months ended June 30, 2013 includes the favourable impact of $0.5 million (£0.3 million) resulting from the final judgment of the VAT litigation.

(i) Adjusted EBITDA includes a distribution received from an equity-accounted investment, PLM, amounting to $6.9 million for the three months ended June 30, 2013.

(j) A non-GAAP measurement.

(k) 2012 financial information was restated to reflect the retroactive application of the amendments to IAS 19. Refer to Note 2 of Aimia's Consolidated Financial Statements for the period ended June 30, 2013 for additional information.

SOURCE AIMIA

For further information:

Media
JoAnne Hayes
416-352-3706
joanne.hayes@aimia.com

Analysts & Investors
Karen Keyes
416-352-3728
karen.keyes@aimia.com
