Aimia Inc.

Aimia reports third quarter results

Platform for Aeroplan growth now secured with all financial partnerships in place

- Third quarter Gross Billings were **$576.7 million**, up **7.4 per cent** compared to the same period in 2012, with year to date Gross Billings up **4.9 per cent**
- Adjusted EBITDA for the third quarter was **$85.7 million**, up by **$4.2 million** before reflecting the **$12.2 million** impact of the change in the Aeroplan breakage rate
- New agreements with all Aeroplan financial partners now confirmed, with new four year AMEX agreement effective from January 2014
- 2013 guidance unchanged

THIRD QUARTER HIGHLIGHTS[1]	**Three Months Ended September 30,**		**Year Over Year**	
(in millions of Canadian dollars, except per share amounts)	**2013**	**2012** [2]	**% Change**	
	As Reported		**As Reported**	**Constant Currency**
Gross Billings	**576.7**	537.0	7.4	6.3
Total Revenue	**499.7**	498.8	0.2	(0.8)
Net Earnings	**2.5**	29.9	**	**
Earnings per Common Share	**0.00**	0.15	**	**
Adjusted EBITDA	**85.7**	93.7	(8.6)	(9.4)
Free Cash Flow before Dividends Paid	**68.6**	129.9	(47.2)	**

**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 on outlined highlights may arise due to rounding.

2 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 September 30, 2013 for additional information.

MONTREAL, Nov. 13, 2013 /CNW Telbec/ - (TSX: AIM) Aimia today reported its financial results for the third quarter and nine months ended September 30, 2013. All financial information is in Canadian dollars unless otherwise noted.

Rupert Duchesne, Group Chief Executive said:

"On a year to date basis, we have grown Gross Billings 5% and continued to invest in a strong and stable platform for growth. During the quarter, we confirmed ten-year agreements with TD and CIBC, which will put real momentum behind the transformed Aeroplan program. We have also today announced a new four year agreement with AMEX, which rounds out an attractive financial card line-up to address the needs of Aeroplan members. As we look forward to the fourth quarter, we will be working with our Aeroplan financial card partners to position ourselves for the launch of Distinction and an exciting range of very competitive new financial card products which will be coming to the market starting in January 2014.

Having these agreements in place gives us the financial flexibility to be able to invest in other growth opportunities for Aimia as they arise. Loyalty coalitions and analytics continue to gain momentum around the world through Aimia and our partners. Together with China Union Pay Merchant Services and Points International, we officially launched the China Rewards coalition in October. The fourth quarter will see Aimia deliver our ISS self-serve platform to US supermarket chain Spartan and Cardlytics launch a new banking partner in the UK with Lloyds Bank."

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

Consolidated - Year to date Gross Billings tracking well against full year guidance

- Third quarter Gross Billings of **$576.7 million,** an increase of **7.4 per cent** or **6.3 per cent** on a constant currency basis compared to the same period of 2012, taking Gross Billings for the first nine months of 2013 to **$1,708.4 million**, an increase of **4.9 per cent** or **4.6 per cent** on a constant currency basis over 2012.
- Following strong growth in the second quarter of 2013, Gross Billings from Loyalty Units were **$419.1 million**, up **5.1 per cent** compared to the third quarter of last year and up **3.9 per cent** on a constant currency basis.
- Adjusted EBITDA for the third quarter was **$85.7 million** and **$269.2 million** on a year to date basis. This included the unfavorable impact of a change in the Breakage estimate in the Aeroplan Program in Canada of **$12.2 million** and **$37.0 million** for the three and nine months respectively. Additionally, distributions from PLM amounting to **$3.5 million** and **$10.4 million** were also included in the quarter and year to date respectively.
- Excluding the impact of the change in the Breakage estimate, Adjusted EBITDA was **$97.9 million** for the quarter. Adjusted EBITDA on a year to date basis was **$282.2 million** excluding the impact of the change in Breakage estimate and the favorable impact resulting from the final judgment of the VAT litigation of **$24.0 million**.

Canada - Third quarter Gross Billings growth of 3.2 per cent, partly driven by card acquisitions and strong program conversions; Agreements with all Aeroplan financial partners confirmed

- Third quarter Gross Billings were **$321.1 million** compared with **$311.1 million** in the same period of 2012, an increase of **3.2 per cent** mainly due to an increase in card acquisitions, higher program conversions, and higher proprietary loyalty volumes, offsetting the effect of the ongoing changes to the accumulation grid at Air Canada and lower average financial card spend. On a year to date basis, Gross Billings were down **0.3 per cent** to **$953.1 million.**
- Gross Billings from Loyalty Units were up **2.8 per cent** in the quarter.
- Adjusted EBITDA was **$87.9 million** in the third quarter, a decrease of **4.2 per cent** compared to the **$91.8 million** recorded in the prior year period as a result of a **$12.2 million** adjustment resulting from the change in the Breakage estimate and higher marketing spend related to the launch of the Distinction program. Partially offsetting this decline in Adjusted EBITDA was a significant improvement in unit cost from the prior year due to redemption mix, set against reinvestments in the value proposition during the third quarter of 2012.
- Excluding the impact of the change in the Breakage estimate, Adjusted EBITDA amounted to **$100.1 million** or **31.2 per cent** (as a % of Gross Billings).
- Aeroplan Miles issuance rose **1.5 per cent** in the third quarter while Aeroplan Miles redeemed fell **2.3 per cent** to **17.0 billion** ahead of the Distinction launch in January 2014.
- Aeroplan today confirmed that it has signed an agreement to extend its partnership with AMEX originally established in 2004, adding commitments to a new unique credit card product while continuing to build on the success of its existing charge card products. The agreement will come into effect at the expiry of the existing agreement on January 1, 2014 for a term of four years.

Europe, Middle East & Africa (EMEA) - Operating leverage and the impact of VAT ruling contributing to a significant improvement in EMEA profitability on YTD basis

- Third quarter Gross Billings were **$169.0 million**, an increase of **5.1 per cent** or **1.7 per cent** on a constant currency basis compared to the same period of 2012. Gross Billings on a year to date basis were **$504.1 million**, up **9.0 per cent** over 2012 and up **8.2 per cent** on a constant currency basis.
- 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 from the sale of Loyalty Units in the Air Miles Middle East program buoyed by enhanced member engagement and offset in part by the Nectar Italia program.
- Other Gross Billings in the quarter were down **$4.8 million** compared to 2012, mainly attributable to the UK Gross Billings transferred to the i2c joint venture from mid-January 2013.

- Adjusted EBITDA was **$20.2 million** in the quarter, with gross and operating margin leverage contribution resulting in an increase of **$3.0 million.** Adjusted EBITDA for the first nine months was **$80.6 million.** Excluding the favourable impact from the final judgment of the VAT litigation in the second quarter, Adjusted EBITDA was **$56.6 million** on a year to date basis, up **72.1 per cent** compared with the prior year period.
- Nectar UK Points issued in the quarter were up by **12.6 per cent** compared to 2012, largely driven by higher activity from the grocery sector and by new Accumulation partners. Redemption activity for Nectar UK rose by **12.2 per cent** in the quarter mainly driven by an increase in the number of Nectar Points in circulation and promotional activity.
- Against higher levels of promotional bonuses in the third quarter last year and a challenging market environment, Nectar Italia accumulation was down **21.4 per cent** for the quarter, with weaker accumulation also driving a **4.7 per cent** decrease in redemptions**.**
- In the Middle East, accumulation remained strong with an increase of **15.3 per cent** for the quarter versus last year while redemptions were down significantly against the same period last year following strong redemption activity in the first six months of 2013.

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

- Third quarter Gross Billings were **$86.6 million,** an increase of **30.4 per cent** or **29.5 per cent** on a constant currency basis compared to the same period in 2012. Gross Billings on a year to date basis were up **18.2 per cent** to **$251.7 million** or **17.3 per cent** on a constant currency basis.
- Gross Billings from Excellence in Motivation (EIM), which was acquired on September 24, 2012, accounted for **$12.3 million** in the third quarter.
- Increased operating expenses due mostly to the inclusion of EIM, as well as EIM deferred compensation and increased compensation and technology investments to support future growth offset a small contribution from APAC, taking Adjusted EBITDA to **$(2.4) million** for the third quarter and **$(12.3) million** for the first nine months of 2013. Smart Button acquisition costs were also included in the quarter.

Cash Flow and Financial Position

At September 30, 2013, Aimia had **$532.1 million** of cash and cash equivalents, **$35.0 million** of restricted cash, **$53.1 million** of short-term investments and **$280.6 million** of long-term investments in bonds, for a total of **$900.8 million**.

Aimia's Free Cash Flow (before dividends paid) was **$68.6** million for the third quarter of 2013, compared to **$129.9 million** for the third quarter of 2012. The decrease was mainly driven by the timing of working capital, higher operating expenses, and higher net interest, offset in part by the increase in Gross Billings. On a year to date basis, Free Cash Flow (before dividends paid) was **$147.7 million**.

Dividends Declared

Common Shares

The Board of Directors declared a quarterly dividend of **$0.17 per common share**, payable on December 31, 2013 to shareholders of record at the close of business on December 17, 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 December 31, 2013 to the holders of record at the close of business on December 17, 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

On June 27, 2013, Aimia announced financial adjustments related to transformation of the Aeroplan Program.

On September 16, 2013, Aimia announced new ten-year financial credit card agreements with TD and CIBC effective from January 1, 2014, and a purchase agreement between TD, CIBC and Aimia under which TD would acquire approximately half of the current Aeroplan card portfolio and CIBC will retain the balance. With the main condition of Competition Bureau approval secured for the transaction and subject to remaining closing conditions, Aimia expects the transaction to close during the fourth quarter.

With the exception of the small change to the outlook with respect to capital expenditures, Aimia is leaving its 2013 guidance, as updated on September 16, 2013, unchanged.

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 (Updated November 13, 2013)
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 $350 million (excluding the impact of conveyance transaction) [1]
Free Cash Flow before dividends paid	$299.5 million	Between $255 and $275 million	Target range of $230 to 250 million (excluding the impact of conveyance transaction) [1]
Capital Expenditures	$58.0 million	To approximate $70 million	To approximate $65 million
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	No change to Aimia's 2013 tax rate in Canada, however Aimia does not expect to be required to pay any further Canada 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 incurred in the second quarter. No change to taxes in foreign operations.

1. Payments related to the conveyance transaction include a $150 million payment to CIBC on closing (which is subject to the payment of harmonized sales tax) and a provision of up to $100 million related to migration (no cash payment would become due in relation to the migration payment until 2015 at the earliest).

Business Segment Gross Billings Growth Outlook

	2012 Actual	Original 2013 Target Range (as provided on February 27, 2013)	Revised 2013 Target Range (Updated September 16, 2013)
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 November 13,

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 presently know about the 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.

Q3 2013 Conference Call / Audio Webcast

Aimia will host a conference call to discuss its third quarter 2013 financial results at 8:00 a.m. ET on Thursday, November 14, 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/1059061/1151307

A slide presentation intended for simultaneous viewing with the conference call will be available the evening of November 13, 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.

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, Nectar Italia and Smart Button a leading provider of SaaS loyalty solutions. In addition, Aimia owns stakes in Air Miles Middle East, Mexico's leading coalition loyalty program Club Premier, Brazil's Prismah Fidelidade, China Rewards - the first coalition loyalty program in China that enables members to earn and redeem a common currency, 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 card-linked 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, changes to the Aeroplan Program, 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 November 13, 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 September 30,			Nine Months Ended September 30,			%Δ	
(in thousands of Canadian dollars, except share and per share information)	2013		2012 [l]	2013		2012 [l]	Q3	YTD
Gross Billings	**576,727**		537,030	**1,708,382**		1,627,968	7.4	4.9
Gross Billings from the sale of Loyalty Units	**419,143**		398,885	**1,246,703**		1,198,895	5.1	4.0
Total revenue before change in Breakage estimate	**519,768**		498,781	**1,669,540**		1,570,739	4.2	6.3
Change in Breakage estimate [f]	**(20,038)**		—	**(683,619)**		—	100.0	100.0
Total revenue (as reported)	**499,730**		498,781	**985,921**		1,570,739	0.2	**
Cost of rewards and direct costs	**(290,467)**		(285,978)	**(874,388)**	(g)	(888,274)	1.6	(1.6)
Gross margin before depreciation and amortization [a]	**209,263**		212,803	**111,533**	(g)	682,465	(1.7)	**
Depreciation and amortization	**(10,867)**		(9,407)	**(31,700)**		(26,412)	15.5	20.0
Amortization of Accumulation Partners' contracts, customer relationships and technology	**(20,126)**		(20,788)	**(60,524)**		(62,403)	(3.2)	(3.0)
Gross margin	**178,270**		182,608	**19,309**	(g)	593,650	(2.4)	**
Operating expenses	**(157,059)**		(131,186)	**(508,593)**	(g)	(412,951)	19.7	23.2
Amortization of Accumulation Partners' contracts, customer relationships and technology	**20,126**		20,788	**60,524**		62,403	(3.2)	(3.0)
Operating income (loss) before amortization of Accumulation Partners' contracts, customer relationships and technology	**41,337**		72,210	**(428,760)**	(g)	243,102	(42.8)	**
Depreciation and amortization	**10,867**		9,407	**31,700**		26,412	15.5	20.0
EBITDA [a][c]	**52,204**		81,617	**(397,060)**	(g)	269,514	(36.0)	**
Adjustments:								
Change in deferred revenue								
Gross Billings	**576,727**		537,030	**1,708,382**		1,627,968		
Total revenue	**(499,730)**		(498,781)	**(985,921)**		(1,570,739)		
Change in Future Redemption Costs [b]	**(47,076)**	(h)	(26,147)	**(66,592)**	(h)	(42,282)		
(Change in Net Loyalty Units outstanding x Average Cost of Rewards per Loyalty Unit for the period)								
Distributions received from an equity-accounted investment	**3,527**		—	**10,387**		—		
Subtotal of Adjustments	**33,448**		12,102	**666,256**		14,947		
Adjusted EBITDA [c]	**85,652**	(h)	93,719	**269,196**	(g)(h)	284,461	(8.6)	(5.4)
Net earnings (loss) attributable to equity holders of the Corporation	**2,070**	(i)	28,295	**(372,689)**	(g)(i)(j)	108,610		
Weighted average number of shares	**172,529,307**		172,034,083	**172,400,541**		172,683,579		
Earnings (loss) per common share [d]	**0.00**	(i)	0.15	**(2.21)**	(g)(i)(j)	0.58		
Net earnings (loss) attributable to equity holders of the Corporation	**2,070**	(i)	28,295	**(372,689)**	(g)(i)(j)	108,610		
Amortization of Accumulation Partners' contracts, customer relationships and technology	**20,126**		20,788	**60,524**		62,403		
Share of net (earnings) loss of equity-accounted investments	**4,480**		(576)	**8,072**		(3,291)		
Adjusted EBITDA Adjustments (from above)	**33,448**		12,102	**666,256**		14,947		
Tax on adjustments [e]	**(8,205)**		619	**(165,043)**		5,373		
Non-controlling interests share on adjustments above	**(1,336)**		23	**(2,895)**		(1,354)		
Adjusted Net Earnings[c]	**50,583**	(h)(k)	61,251	**194,225**	(g)(h)(j)(k)	186,688	(17.4)	4.0
Adjusted Net Earnings per common share [c][d]	**0.28**	(h)(k)	0.34	**1.08**	(g)(h)(j)(k)	1.03		
Cash flow from operations	**80,762**		140,436	**180,243**		256,873		
Capital expenditures	**(12,183)**		(10,516)	**(32,525)**		(34,449)		
Dividends	**(32,151)**		(30,364)	**(94,666)**		(89,618)		
Free Cash Flow [c]	**36,428**		99,556	**53,052**		132,806	(63.4)	(60.1)
Total assets	**5,288,214**		4,985,778	**5,288,214**		4,985,778		
Total long-term liabilities	**2,182,636**		1,584,955	**2,182,636**		1,584,955		
Total dividends per preferred share	**0.406**		0.406	**1.219**		1.219		
Total dividends per common share	**0.170**		0.160	**0.500**		0.470		

(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) The impact of the change in the Breakage estimate in the Aeroplan Program, which occurred in the second quarter of 2013, 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 and $46.6 million to the six month period ended June 30, 2013. For the three months ended September 30, 2013, the change in Breakage estimate resulted in a reduction of $20.0 million to revenue from Loyalty Units.

(g) Includes a favourable impact of $26.1 million (£16.4 million) resulting from the final judgment of the VAT litigation which occurred in the second quarter of 2013. 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 nine months ended September 30, 2013 includes the unfavourable impact resulting from the change in the Breakage estimate in the Aeroplan Program, which occurred during the second quarter of 2013, and amounted to $12.2 million and $37.0 million, respectively.

(i) Includes the unfavourable impact of the change in Breakage estimate in the Aeroplan Program, which occurred in the second quarter of 2013, of $14.6 million and $498.4 million for the three and nine months ended September 30, 2013, respectively, net of income tax recoveries of $5.4 million and $185.2 million, respectively.

(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 which occurred in the second quarter of 2013.

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 resulting from the change in Breakage estimate in the Aeroplan Program, which occurred in the second quarter of 2013 of $8.9 million and $27.3 million for the three and nine months ended September 30, 2013, respectively, net of income tax recoveries of $3.3 million and $9.7 million, respectively.

(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 September 30, 2013 for additional information.

** Information not meaningful.

SEGMENTED INFORMATION

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

	Three Months Ended September 30,											
(in thousands of Canadian dollars)	2013	2012 (j)	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012 (j)
Operating Segments	**Canada**		**EMEA**		**US & APAC**		**Corporate (b)**		**Eliminations**		**Consolidated**	
Gross Billings	**321,134**	311,082	**169,042** (c)	160,804 (c)	**86,602** (c)	66,388 (c)	**—**	—	**(51)**	(1,244)	**576,727** (c)	537,030
Gross Billings from the sale of Loyalty Units	**269,346**	262,063	**149,797**	136,822	**—**	—	**—**	—	**—**	—	**419,143**	398,885
Revenue from Loyalty Units before change in Breakage estimate	**255,810**	259,694	**107,921**	101,922	**—**	—	**—**	—	**—**	—	**363,731**	361,616
Change in Breakage estimate (f)	**(20,038)**	—	**—**	—	**—**	—	**—**	—	**—**	—	**(20,038)**	—
Revenue from Loyalty Units (reported)	**235,772**	259,694	**107,921**	101,922	**—**	—	**—**	—	**—**	—	**343,693**	361,616
Revenue from proprietary loyalty services	**40,076**	35,504	**4,567**	3,637	**85,016**	64,880	**—**	—	**—**	—	**129,659**	104,021
Other revenue	**11,785**	12,944	**14,593**	20,200	**—**	—	**—**	—	**—**	—	**26,378**	33,144
Intercompany revenue	**—**	—	**51**	49	**—**	1,195	**—**	—	**(51)**	(1,244)	**—**	—
Total revenue	**287,633**	308,142	**127,132**	125,808	**85,016**	66,075	**—**	—	**(51)**	(1,244)	**499,730**	498,781
Cost of rewards												

and direct costs	**157,579**	167,348	**84,984**	84,832	**47,904**	33,847	**—**	—	**—**	(49)	**290,467**	285,978
Gross margin before depreciation and amortization	**130,054**	140,794	**42,148**	40,976	**37,112**	32,228	**—**	—	**(51)**	(1,195)	**209,263**	212,803
Depreciation and amortization *(a)*	**24,003**	23,381	**4,153**	4,389	**2,837**	2,425	**—**	—	**—**	—	**30,993**	30,195
Gross margin	**106,051**	117,413	**37,995**	36,587	**34,275**	29,803	**—**	—	**(51)**	(1,195)	**178,270**	182,608
Operating expenses before the undernoted	**58,333**	51,638	**34,110**	32,963	**41,122**	33,264	**17,609**	11,275	**(51)**	(1,195)	**151,123**	127,945
Share-based compensation	**—**	—	**—**	—	**—**	—	**5,936**	3,241	**—**	—	**5,936**	3,241
Total operating expenses	**58,333**	51,638	**34,110**	32,963	**41,122**	33,264	**23,545**	14,516	**(51)**	(1,195)	**157,059**	131,186
Operating income (loss)	**47,718**	65,775	**3,885**	3,624	**(6,847)**	(3,461)	**(23,545)**	(14,516)	**—**	—	**21,211**	51,422
Adjusted EBITDA *(i)*	**87,908** *(g)*	91,770	**20,186**	17,188	**(2,424)**	(723)	**(20,018)** *(h)*	(14,516)	**—**	—	**85,652** *(g)(h)*	93,719
Additions to non-current assets *(d)*	**6,812**	5,878	**4,477**	3,271	**894**	1,367	**—**	—	**N/A**	N/A	**12,183**	10,516
Non-current assets *(d)*	**3,137,540**	3,205,993	**483,562** *(e)*	457,567 *(e)*	**88,594** *(e)*	81,113 *(e)*	**2,170**	2,246	**N/A**	N/A	**3,711,866** *(e)*	3,746,919

(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 $139.6 million in the UK and $51.8 million in the US for the three months ended September 30, 2013, compared to third party Gross Billings of $130.6 million in the UK and $39.0 million in the US for the three months ended September 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 include amounts relating to goodwill, intangible assets and property and equipment.

(e) Includes non-current assets of $432.6 million in the UK and $83.1 million in the US as of September 30, 2013, compared to non-current assets of $407.6 million in the UK and $74.5 million in the US as of September 30, 2012.

(f) The impact of the change in the Breakage estimate in the Aeroplan Program, which occurred in the second quarter of 2013, resulted in a reduction of $20.0 million to revenue from Loyalty Units for the three months ended September 30, 2013.

(g) The Change in Future Redemption costs for the three months ended September 30, 2013 includes the unfavourable impact of $12.2 million resulting from the change in the Breakage estimate in the Aeroplan Program which occurred in the second quarter of 2013.

(h) Adjusted EBITDA includes a distribution received from an equity-accounted investment, PLM, amounting to $3.5 million for the three months ended September 30, 2013.

(i) A non-GAAP measurement.

(j) 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 September 30, 2013 for additional information.

	Nine Months Ended September 30,											
(in thousands of Canadian dollars)	2013	2012*(k)*	2013	2012	2013	2012	2013	2012	2013	2012	2013	
Operating Segments	**Canada**		**EMEA**		**US & APAC**		**Corporate(b)**		**Eliminations**		**Consolidated**	
Gross Billings	**953,052**	956,319	**504,074** *(c)*	462,265 *(c)*	**251,665** *(c)*	212,940 *(c)*	**—**	—	**(409)**	(3,556)	**1,708,382** *(c)*	1,627,9
Gross Billings from the sale of Loyalty Units	**796,432**	801,013	**450,271**	397,882	**—**	—	**—**	—	**—**	—	**1,246,703**	1,198,8
Revenue from Loyalty Units before change in Breakage estimate	**851,657**	841,845	**354,238**	304,631	**—**	—	**—**	—	**—**	—	**1,205,895**	1,146,4
Change in Breakage estimate *(f)*	**(683,619)**	—	**—**	—	**—**	—	**—**	—	**—**	—	**(683,619)**	

Revenue from Loyalty Units (reported)	**168,038**	841,845	**354,238**	304,631	**—**	—	**—**	—	**—**	—	**522,276**	1,146,4
Revenue from proprietary loyalty services	**120,607**	112,855	**12,562**	10,915	**253,278**	210,479	**—**	—	**—**	—	**386,447**	334,2
Other revenue	**35,882**	37,185	**41,316**	52,829	**—**	—	**—**	—	**—**	—	**77,198**	90,0
Intercompany revenue	**—**	12	**172**	256	**237**	3,288	**—**	—	**(409)**	(3,556)	**—**	
Total revenue	**324,527**	991,897	**408,288**	368,631	**253,515**	213,767	**—**	—	**(409)**	(3,556)	**985,921**	1,570,7
Cost of rewards and direct costs	**533,364**	520,447	**200,641** *(h)*	256,061	**140,383**	112,034	**—**	—	**—**	(268)	**874,388** *(h)*	888,2
Gross margin before depreciation and amortization	**(208,837)**	471,450	**207,647** *(h)*	112,570	**113,132**	101,733	**—**	—	**(409)**	(3,288)	**111,533** *(h)*	682,4
Depreciation and amortization *(a)*	**71,950**	69,913	**11,918**	12,124	**8,356**	6,778	**—**	—	**—**	—	**92,224**	88,8
Gross margin	**(280,787)**	401,537	**195,729** *(h)*	100,446	**104,776**	94,955	**—**	—	**(409)**	(3,288)	**19,309** *(h)*	593,6
Operating expenses before the undernoted	**165,924**	165,783	**156,569** *(h)*	105,085	**123,562**	100,259	**49,352**	35,088	**(409)**	(3,288)	**494,998** *(h)*	402,9
Share-based compensation	**—**	—	**—**	—	**—**	—	**13,595**	10,024	**—**	—	**13,595**	10,0
Total operating expenses	**165,924**	165,783	**156,569** *(h)*	105,085	**123,562**	100,259	**62,947**	45,112	**(409)**	(3,288)	**508,593** *(h)*	412,9
Operating income (loss)	**(446,711)**	235,754	**39,160** *(h)*	(4,639)	**(18,786)**	(5,304)	**(62,947)**	(45,112)	**—**	—	**(489,284)** *(h)*	180,6
Adjusted EBITDA *(j)*	**253,448** *(g)*	296,054	**80,588** *(h)*	32,872	**(12,280)**	647	**(52,560)** *(i)*	(45,112)	**—**	—	**269,196** *(g)(h)(i)*	284,4
Additions to non-current assets *(d)*	**19,087**	19,918	**11,676**	9,711	**1,762**	4,820	**—**	2,273	**N/A**	N/A	**32,525**	36,7
Non-current assets *(d)*	**3,137,540**	3,205,993	**483,562** *(e)*	457,567 *(e)*	**88,594** *(e)*	81,113 *(e)*	**2,170**	2,246	**N/A**	N/A	**3,711,866** *(e)*	3,746,9

(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 $402.9 million in the UK and $158.7 million in the US for the nine months ended September 30, 2013, compared to third party Gross Billings of $376.8 million in the UK and $124.5 million in the US for the nine months ended September 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 $432.6 million in the UK and $83.1 million in the US as of September 30, 2013, compared to non-current assets of $407.6 million in the UK and $74.5 million in the US as of September 30, 2012.

(f) The impact of the change in the Breakage estimate in the Aeroplan Program, which occurred in the second quarter of 2013, 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 and $46.6 million to the six month period ended June 30, 2013. For the three months ended September 30, 2013, the change in Breakage estimate resulted in a reduction of $20.0 million to revenue from Loyalty Units.

(g) The Change in Future Redemption costs for the nine months ended September 30, 2013 includes the unfavourable impact resulting from the change in the Breakage estimate in the Aeroplan Program, which occurred in the second quarter of 2013, and amounted to $37.0 million, of which $24.8 million is attributable to the six months ended June 30, 2013 and $12.2 million to the three months ended September 30, 2013.

(h) Includes a favourable impact of $26.1 million (£16.4 million) resulting from the final judgment of the VAT litigation which occurred in the second quarter of 2013. 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.

(i) Adjusted EBITDA includes distributions received from an equity-accounted investment, PLM, amounting to $10.4 million for the nine months ended September 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 September 30, 2013 for additional information.

SOURCE AIMIA

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