

## Aveos reaches agreement on recapitalization plan

Reduces its debt from approximately \$800 M to \$75 M

**MONTREAL, January 27, 2010** — Aveos Fleet Performance Inc. (formerly ACTS) today announced that it has reached an agreement in principle with its lenders to reduce its outstanding debt and create an appropriate capital structure to support the company's long-term strategic plan and business objectives.

Under the terms of the agreement, Aveos' first and second lien debt will be reduced from approximately \$800 million to \$75 million. In addition, certain of the lenders will provide a new working capital facility of \$75 million. As part of the transaction, Aveos' lenders have agreed to convert their remaining debt into equity and Air Canada will hold a minority stake.

"We are very pleased to have reached an agreement with our lenders," stated Chahram Bolouri, Aveos President and CEO. "The new capital structure combined with healthy EBITDA margins and a reduced cost structure will lay a foundation for long term growth and provide Aveos with the operating and financial flexibility to support its business plans and work with customers to leverage future growth opportunities."

"We look forward to a continued strong relationship with our customer, Air Canada, and thank our new owners, our other customers, employees, union, partners and suppliers for their continued support during the recapitalization process. It underscores their belief in the fundamentals of the company's business and its short-term and long-term outlook" continued Mr. Bolouri.

The closing of this transaction is expected to take place in the first quarter and is subject to customary closing conditions.

Aeroman, the Aveos affiliate in El Salvador, will not be affected by the restructuring.

Osler, Hoskin & Harcourt LLP and Simpson Thacher & Bartlett LLP are acting, among others, as legal advisors and Miller Buckfire & Co., LLC is acting as financial advisor to Aveos.

Weil, Gotshal & Manges LLP and Blake, Cassels & Graydon LLP are acting as legal advisors and SkyWorks Capital, LLC is acting as financial advisor to the first lien lenders.

Goodmans LLP are acting as legal advisor and RBC Capital Markets are acting as financial advisor to the second lien lender.

### About Aveos

Aveos is a full-service maintenance, repair and overhaul (MRO) provider of airframe, engine, component and maintenance solutions. From maintenance facilities across Canada and in El Salvador, we provide integrated service solutions to over 100 customers, while focusing on building a robust network of strategic alliances. Aveos is committed to a tradition of providing world-class quality and expertise to customers across the Americas. To learn more, visit [aveos.com](http://aveos.com).

### Aveos contact

Michael Kuhn  
Director, Communications  
Tel.: 1 514 856 6789  
[michael.kuhn@aveos.com](mailto:michael.kuhn@aveos.com)