



# AIR CANADA

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## Air Canada to Implement Recently Increased Foreign Ownership Levels

MONTREAL, Feb. 15, 2019 /CNW Telbec/ - Air Canada (TSX: AC) today announced that it will seek shareholder approval at its 2019 annual and special meeting of shareholders to amend its articles of incorporation to increase the limits of foreign ownership and control of its voting shares to those permitted by amendments made to the *Canada Transportation Act (CTA)* in 2018. The amendments to its articles will be undertaken by way of a court supervised and shareholder approved statutory plan of arrangement.

Prior to the CTA amendments, no more than 25% of the voting interests of a Canadian air carrier could be owned or controlled by non-Canadians. The Government of Canada's stated purpose in implementing the CTA amendments is to attract more foreign investment and encourage growth in the aviation sector by increasing, from 25% to 49%, the permitted level of foreign ownership of Canadian air carriers. At the same time, the CTA amendments introduced two new limitations on voting ownership and control, by capping the voting rights of single non-Canadians and of the aggregate of non-Canadian air carriers at 25%.

Completion of the plan of arrangement is subject to shareholder approval and approval of the Quebec Superior Court. Full details regarding the plan of arrangement will be included in the management proxy circular which will be made available to Air Canada shareholders in connection with the shareholder meeting.

### **CAUTION REGARDING FORWARD-LOOKING INFORMATION**

This news release includes forward-looking statements within the meaning of applicable securities laws. Forward-looking statements relate to analyses and other information that are based on forecasts of future events or results. These statements may involve, but are not limited to, comments relating to preliminary results, guidance, strategies, expectations, planned operations or future actions. Forward-looking statements are identified using terms and phrases such as "preliminary", "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions.

Forward-looking statements, by their nature, are based on assumptions, including those described herein and are subject to important risks and uncertainties. Forward-looking statements cannot be relied upon due to, among other things, changing external events and general uncertainties of the business. Actual results may differ materially from results indicated in forward-looking statements due to a number of factors, including the factors identified in Air Canada's public disclosure file available at [www.sedar.com](http://www.sedar.com) and those identified in section 18 "Risk Factors" of Air Canada's 2018 MD&A. In particular, failure to obtain the necessary shareholder, court and any regulatory approvals, or the failure to otherwise satisfy the conditions to the implementation of the proposed plan of arrangement and the resulting amendments to Air Canada's articles, may result in the proposed plan of arrangement and amendments not being completed on the proposed terms, or at all. The forward-looking statements contained or incorporated by reference in this news release represent Air Canada's expectations as of the date of this news release (or as of the date they are otherwise stated to be made) 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 because of new information, future events or otherwise, except as required under applicable securities regulations.

### **About Air Canada**

Air Canada is Canada's largest domestic and international airline serving more than 220 airports on six continents. Canada's flag carrier is among the 20 largest airlines in the world and in 2018 served nearly 51 million customers. Air Canada provides scheduled passenger service directly to 64 airports in Canada, 60 in the United States and 98 in Europe, the Middle East, Africa, Asia, Australia, the Caribbean, Mexico, Central America and South America. Air Canada is a founding member of Star Alliance, the world's most comprehensive air transportation network serving 1,317 airports in 193 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, which also named Air Canada the 2018 Best Airline in North America. For more information, please visit: [aircanada.com/media](http://aircanada.com/media), follow [@AirCanada on Twitter](#) and join Air Canada on [Facebook](#).

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A STAR ALLIANCE MEMBER

