

News Release

ACE AVIATION REPORTS 2009 FULL YEAR AND FOURTH QUARTER RESULTS

OVERVIEW

- Consolidated operating losses of \$244 million and \$5 million in 2009 and fourth quarter.
- Consolidated losses of \$692 million and \$656 million in 2009 and fourth quarter (including non-cash loss on Air Canada investment of \$630 million).
- 9.3 million Convertible preferred shares purchased at \$20 per share in January and March 2009. Remaining 3.2 million shares acquired in September 2009 for \$23 per share.
- \$259 million of Convertible senior notes purchased in January 2009 at a purchase price of \$900 for each \$1,000 principal amount. Remaining notes redeemed for \$64 million in December 2009.
- \$150 million secured loan to Air Canada in July 2009.
- Air Canada share issues in October 2009 reduce ACE's ownership interest in Air Canada to 27%
- Launch of substantial issuer bid in December 2009 to purchase \$20 million of its common shares. 3.2 million shares repurchased in January 2010 at \$6.20 per share.
- ACE cash of \$50 million on January 31, 2010.

MONTRÉAL, February 11, 2010 – ACE Aviation Holdings Inc. (ACE) today reported 2009 full year and fourth quarter results.

Effective October 27, 2009, when ACE's ownership in Air Canada was reduced from 75% to 27%, ACE no longer consolidates Air Canada's financial position, operating results and cash flows. Since then ACE's investment in Air Canada is accounted for using the equity method.

ACE recorded a 2009 consolidated operating loss of \$244 million. The loss for the year of \$692 million includes net interest expense of \$300 million, a non-cash loss of \$630 million on ACE's investment in Air Canada and foreign exchange gains of \$531 million.

In the fourth quarter of 2009, ACE recorded a consolidated operating loss of \$5 million. The loss for the quarter of \$656 million primarily reflects the non-cash loss of \$630 million on ACE's investment in Air Canada

At January 31, 2010, ACE's net assets at fair value amounted to \$302 million or \$9.30 per share. ACE's assets are cash and cash equivalents of \$50 million, a secured loan to Air Canada of \$150 million, its 75 million Class B voting shares in Air Canada, which had a market value of \$100 million on that date and interest receivable of \$5 million. ACE's obligations are accounts payable and accrued liabilities of \$3 million.

For further information on ACE's public disclosure file, including ACE's Annual Information Form, please consult SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release may contain forward-looking statements. 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 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 or forward-looking predictions or statements cannot be relied upon due to, amongst other things, changing external events and general uncertainties of the business. Such statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to differ materially from those expressed in the forward-looking statements. Results indicated in forward-looking statements may differ materially from actual results for a number of reasons, including without limitation, energy prices, general industry, market, credit and economic conditions, war, terrorist acts, changes in demand due to the seasonal nature of the business, the ability to reduce operating costs and employee counts, employee relations, labour negotiations or disputes, pension issues, currency exchange and interest rates, changes in laws, adverse regulatory developments or proceedings, pending and future litigation and actions by third parties as well as the factors identified throughout ACE's filings with securities regulators in Canada and, in particular, those identified in the Risk Factors section of ACE's 2009 MD&A dated February 11, 2010. The forward-looking statements contained herein represent ACE's expectations as of the date they are made and are subject to change after such date. However, ACE 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.

- 30 -

Contact: Des Beaumont (514) 205-7639

Internet: www.aceaviation.com