



NEWS RELEASE

Exchange Income Corporation to Acquire Custom Helicopters Ltd. for \$29 Million - Acquisition provides a platform for Exchange to enter rotary-wing aviation market -

WINNIPEG, Manitoba – January 12, 2012 – Exchange Income Corporation (TSX: EIF) (“Exchange” or the “Corporation”), announced today that it has signed a letter of intent to acquire the operations and assets of Custom Helicopters Ltd., a privately-owned provider of helicopter-based aviation services in Manitoba and Nunavut.

The acquisition is valued at \$29 million, and will be paid through a combination of cash and the issuance of the Corporation’s common shares. The acquisition is expected to be immediately accretive to Exchange’s earnings per share and free cash flow per share. Pending final due diligence and satisfaction of typical conditions, including regulatory approval, the transaction is expected to close in the first quarter of 2012.

“We believe that market conditions are favorable for us to begin to deploy some of the more than \$200 million we have available to support our disciplined acquisition strategy,” stated Mr. Mike Pyle, President and CEO of Exchange Income Corporation. “Custom Helicopters represents a strategic acquisition as it allows us to enter a new segment of the aviation market, one with strong and sustainable margins. Consistent with our business model, Custom’s senior management will be retained through long-term services contracts. We look forward to welcoming Custom Helicopters into Exchange’s growing Aviation segment.”

Jim Hawes, Founder and President of Custom Helicopters Ltd., stated, “We look forward to enhancing the business opportunities of Custom Helicopters with Exchange’s financial resources and through operational synergies with Exchange’s other aviation companies. We look forward to tapping into Exchange’s strong relationships with northern and First Nation communities, which will help Custom Helicopters attain new levels of success.”

Acquisition Highlights

- The purchase price is \$29 million.
- 15% of the purchase price, approximately \$4.3 million will be paid through the issuance of Exchange Income Corporation common shares. The balance of the purchase price, approximately \$24.7 million, will be paid in cash.
- Custom Helicopters was founded in 1977 and has a fleet of 24 helicopters providing service in Manitoba and Nunavut.
- Custom Helicopters has operating bases in Winnipeg, Thompson, Gilliam and Garden Hill, in Manitoba and Rankin Inlet in Nunavut.
- Custom Helicopters operates light, intermediate and medium category helicopters on long- and short-term contracts to government agencies, utilities, First Nations groups, mining companies and other customers.
- The purchase price is based on an EBITDA multiple that falls within the range of prior Exchange acquisitions.

About Exchange Income Corporation

Exchange Income Corporation is a diversified acquisition-oriented company, focused on opportunities in the industrial products and transportation sectors which are ideally suited for public markets except for their size. The strategy of the Corporation is to invest in profitable, well-established companies with strong cash flows operating in niche markets in Canada and/or the United States.



The Corporation is currently operating in two niche business segments: aviation and specialty manufacturing. The aviation segment consists of the operations by Perimeter Aviation, Keewatin Air, Calm Air International and Bearskin Lake Air Service and the specialty manufacturing segment consists of the operations by Jasper Tank, Overlanders Manufacturing, Water Blast Manufacturing, Stainless Fabrication and WesTower Communications. For more information on Exchange Income Corporation, please visit www.exchangeincomecorp.ca.

Additional information relating to the Corporation, including all public filings, is available on SEDAR (www.sedar.com).

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