



Alliance Data's BrandLoyalty North American Expansion Continues With Signing Of New Agreement With U.S. Supermarket Chain Lowes Foods

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Loyalty Initiative Launches in North Carolina, South Carolina and Virginia

Alex Lee, Inc., based in Hickory, NC, is a diversified holding company with two primary food distribution and retail operating companies servicing North and South Carolina, Virginia, West Virginia, Georgia, Alabama, Florida, Tennessee, Ohio, Pennsylvania and Kentucky. Lowes Foods, LLC is its U.S.-based grocery retailer with nearly 100 stores.

BrandLoyalty is a leader in transactional and emotional loyalty, creating immediate changes in consumer behavior through promotional campaign-driven loyalty programs. Focusing on shorter-term promotional loyalty programs (12-20 week periods), BrandLoyalty generates real-time customer engagement in both traditional and digital channels. By analyzing market spending trends, tailored offers are created for clients by identifying local consumer patterns against the retailer's data to identify specific target segments within the customer base. This approach enables BrandLoyalty to customize promotional programs to engage key client customer segments and drive marketing return on investment.

As part of this agreement, BrandLoyalty will manage a promotional campaign in 75 Lowes Foods stores in North Carolina, South Carolina and Virginia. For every \$10 spent at Lowes Foods stores, customers will receive one stamp (traditional or virtual) at checkout, good toward VIVO kitchen knives, knife blocks and cutting boards. The Lowes Foods promotion runs until February 26, 2017.

"BrandLoyalty's continued expansion of its global footprint, from Europe and Asia, and now to Africa and the Americas, reinforces its position as a loyalty marketing industry innovator and solution provider to the high-frequency grocery sector," said Bryan Pearson, president of LoyaltyOne. "This agreement with Lowes Foods builds on BrandLoyalty's foothold in Canada with programs at leading grocery banners including Sobseys, Metro and IGA, its successful pilot with a U.S. regional grocer earlier this year, and represents a significant step forward toward establishing a more expansive presence throughout North America."

"As BrandLoyalty continues to identify and penetrate high-potential markets such as the United States, strategic decisions like our recent appointment of Jill Blanchard as president, BrandLoyalty USA, will strengthen our approach in the highly competitive grocery sector," said Philip Spanton, chief executive officer of BrandLoyalty. "This agreement with Lowes Foods, and an aggressive business development strategy focused on delivering measurable results for grocers throughout the United States, should further contribute to our overall growth strategy targets."

Formerly president and chief executive officer of Spar Group, Jill Blanchard brings years of retail knowledge and insight to BrandLoyalty and more than a decade of market-sector experience from working in senior roles at global information and measurement company Nielsen.

About LoyaltyOne

LoyaltyOne® is a global leader in the design and implementation of coalition loyalty programs, customer analytics and loyalty services for Fortune 1000 clients around the world. LoyaltyOne's unparalleled track record delivering sustained business performance improvement for clients stems from its unique combination of hands-on practitioner experience and continuous thought leadership. LoyaltyOne has more than 20 years' history leveraging data-driven insights to develop and operate some of the world's most effective loyalty programs and customer-centric solutions. These include the AIR MILES® Reward Program, North America's premier coalition loyalty program; European-based BrandLoyalty, one of the largest and most successful campaign-driven loyalty marketers outside of the Americas; and a working partnership with Latin America's leading coalition program, dotz. LoyaltyOne is also the owner of COLLOQUY, a group dedicated to research, publishing and education for the global loyalty industry.

LoyaltyOne is an Alliance Data® company. For more information, visit www.loyalty.com.

About BrandLoyalty

BrandLoyalty creates innovative, tailor-made loyalty concepts for some of the largest food retailers globally. Active in 50 countries, it supports its clients from 20 offices in Europe, Asia, Africa and the Americas. Since it was founded in 1995, BrandLoyalty has implemented more than 3,000 successful loyalty programmes. In 2011, BrandLoyalty acquired IceMobile, a full-service mobile agency delivering personalised digital solutions for food retail. By combining data and digital, IceMobile delivers personalised mobile experiences which boost revenue and customer loyalty for retailers worldwide.

About Alliance Data

[Alliance Data](http://www.alliance-data.com)® (NYSE: ADS) is a leading global provider of data-driven marketing and loyalty solutions serving large, consumer-based industries. The Company creates and deploys customized solutions, enhancing the critical customer marketing experience; the result is measurably changing consumer behavior while driving business growth and profitability for some of today's most recognizable brands. Alliance Data helps its clients create and increase customer loyalty through solutions that engage millions of customers each day across multiple touch points using traditional, digital, mobile and emerging technologies. An S&P 500 and Fortune 500 company headquartered in Plano, Texas, Alliance Data consists of three businesses that together employ more than 16,000 associates at approximately 100 locations worldwide.

[Alliance Data's card services](http://www.alliance-data.com) business is a leading provider of marketing-driven branded credit card programs. [Epsilon](http://www.epsilon.com)® is a leading provider of multichannel, data-driven technologies and marketing services, and also includes [Conversant](http://www.conversant.com)®, a leader in personalized digital marketing. [LoyaltyOne](http://www.loyaltyone.com)® owns and operates the [AIR MILES](http://www.airmiles.com)® Reward Program, Canada's premier coalition loyalty program and Netherlands-based [BrandLoyalty](http://www.brandloyalty.com), a global provider of tailor-made loyalty programs for grocers.

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Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of words such as "believe," "expect," "anticipate," "estimate," "intend," "project," "plan," "likely," "may," "should" or other words or phrases of similar import. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements.

We believe that our expectations are based on reasonable assumptions. Forward-looking statements, however, are subject to a number of risks and uncertainties that could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this release, and no assurances can be given that our expectations will prove to have been correct. These risks and uncertainties include, but are not limited to, factors set forth in the Risk Factors section in our Annual Report on Form 10-K for the most recently ended fiscal year, which may be updated in Item 1A of, or elsewhere in, our Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K.

Our forward-looking statements speak only as of the date made, and we undertake no obligation, other than as required by applicable law, to update or revise any forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances or otherwise.

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