
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

March 7, 2008

Alliance Data Systems Corporation

(Exact name of registrant as specified in its charter)

Delaware

001-15749

31-1429215

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

17655 Waterview Parkway, Dallas, Texas

75252

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(972) 348-5100

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure.

On March 7, 2008, Alliance Data Systems Corporation issued a press release announcing the completion of a new financing facility with Barclays Capital by its private label credit card banking subsidiary, World Financial Network National Bank, to accommodate up to 88 percent of its upcoming maturity of \$600 million of asset-backed bonds.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press release dated March 7, 2008 announcing the completion of a new financing facility with Barclays Capital.

Note: The information contained in this report (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Alliance Data Systems Corporation

March 7, 2008

By: *Edward J. Heffernan*

Name: Edward J. Heffernan

Title: Executive Vice President and Chief Financial Officer

Exhibit Index

Exhibit No.	Description
99.1	Press release dated March 7, 2008 announcing the completion of a new financing facility with Barclays Capital.

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ALLIANCE DATA COMPLETES NEW FINANCING FACILITY WITH BARCLAYS CAPITAL

DALLAS, Texas (March 7, 2008) — Alliance Data Systems Corporation (NYSE: ADS) (the Company), a leading provider of loyalty and marketing solutions derived from transaction-rich data, today announced that its private label credit card banking subsidiary, World Financial Network National Bank, has completed a new financing facility to accommodate the upcoming maturity in the spring of \$600 million in bonds backed by credit card assets.

The facility itself will fund 88 percent of the maturing issue at favorable “all-in” rates, and is provided by Barclays Capital, the investment banking division of Barclays Bank. The remaining 12 percent of the maturing issue will be funded by the Company with cash, CDs or placed with another private investor until such time as the Company may choose to issue public or private asset-backed bonds either this year or in 2009. The Company feels this structure will provide the greatest opportunity to optimize its funding costs.

The Company regularly utilizes both the public and private markets as needed to position itself for continued growth while optimizing capital efficiency and, hence, free cash flow. Despite the current volatility in the capital markets, this transaction demonstrates that liquidity is readily available for companies with strong track records and high-quality assets. Additionally, the Company’s “all-in” funding rate on the entire \$600 million will be between 150 and 200 basis points below its budgeted rate for this transaction. The Company notes that, while spreads have widened a bit, the base rates used on these transactions (such as LIBOR, Fed Funds, commercial paper, or the like) have improved at an even more dramatic rate. The expected savings from these lower funding costs is just one aspect of Alliance Data’s overall strategy to offset a moderate and expected increase in credit losses. This “natural hedge” will provide continued stability and visibility to the Company’s private label business. Additionally, the Company’s business model is further enhanced by its recession-resistant and high-growth engines, namely its Loyalty AIR MILES® Reward Program in Canada and its Epsilon transaction-based marketing businesses.

Ed Heffernan, executive vice president and chief financial officer of Alliance Data, noted that the favorable rate environment combined with good liquidity for solid performing companies suggest that this would be an optimal opportunity to lock down favorable rates for both near-term needs as well as longer-term objectives.

“Our current sources of immediate liquidity include cash, CDs, private conduits and bank facilities,” said Heffernan. “Combined, the Company has \$3.8 billion in immediate liquidity of which \$1.8 billion remains unused. We will continue to monitor each of these sources as well as add incremental liquidity through the public and private asset-backed markets as appropriate in order to optimize our funding costs.”

About Alliance Data

Alliance Data (NYSE: ADS) is a leading provider of marketing, loyalty and transaction services, managing over 120 million consumer relationships for some of North America’s most recognizable companies. Using transaction-rich data, Alliance Data creates and manages customized solutions that change consumer behavior and that enable its clients to create and enhance customer loyalty to build stronger, mutually beneficial relationships with their customers. Headquartered in Dallas, Alliance Data employs over 9,000 associates at more than 60 locations worldwide. Alliance Data’s brands include AIR MILES®, North America’s premier coalition loyalty program, and Epsilon®, a leading provider of multi-channel, data-driven technologies and marketing services. For more information about the company, visit its website, www.AllianceData.com.

Alliance Data’s Safe Harbor Statement/Forward-Looking Statements

This release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may use words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “predict,” “project” and similar expressions as they relate to us or our management. When we make forward-looking statements, we are basing them on our management’s beliefs and assumptions, using information currently available to us. Although we believe that the expectations reflected in the forward-looking statements are reasonable, these forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed in our filings with the Securities and Exchange Commission.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we projected. Any forward-looking statements contained in this news release reflect our current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. These risks, uncertainties and assumptions include those made with respect to and any developments related to the proposed merger, including the risk that conditions to closing,

including the condition relating to OCC approval, may not be satisfied and that the proposed merger may not be consummated, as well as risks and uncertainties arising from actions that the respective parties to the merger agreement may take in response to the developments discussed in this release or the filing or outcome of the litigation commenced by the Company against the Blackstone entities. The Company cannot provide any assurance that the conditions to closing the transactions will be satisfied or that the proposed merger will be completed. We have no intention, and disclaim any obligation, to update or revise any forward-looking statements, whether as a result of new information, future results or otherwise.

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Alliance Data Systems Corporation’s business which are not historical facts are “forward-looking statements” that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” in the company’s Annual Report on Form 10-K for the most recently ended fiscal year. Risk factors may be updated in Item 1A in each of the Company’s Quarterly Reports on Form 10-Q for each quarterly period subsequent to the Company’s most recent Form 10-K.

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