



Press Release

CAE and Japan Airlines form a historic joint venture to provide flight crew training services across Northeast Asia

- **Japan Airlines to conduct all its training at the CAE-JAL Joint Venture starting in April 2015**
- **JV operations initially include JAL's former training centre in Tokyo and CAE's training centre in Northeast Asia**

Tokyo, Japan, October 7, 2014 – CAE today announced the signing of a historic joint venture agreement (JV) with Japan Airlines (JAL) to provide flight crew training services across Northeast Asia, excluding China. Once the training services agreement is signed on March 31, 2015, Japan Airlines will conduct all its training at the CAE-JAL Joint Venture starting in April 2015. This JV will also include training services for third-party customers currently training with CAE in Northeast Asia. The equally-owned JV will initially be comprised of JAL's existing training centre located in Tokyo, Japan, as well as CAE's training centre in Northeast Asia.

"We are extremely honored to join forces with Japan Airlines, one of the longest-standing and largest airlines in the world, and to become their Partner of Choice in training," said Nick Leontidis, CAE Group President, Civil Simulation and Training. "The decision by JAL to conduct its pilot training through this partnership with CAE marks a major milestone for our company and underscores CAE's key differentiators in the marketplace. The JV leverages the strengths of our combined companies to provide best-in-class training solutions for a wide range of aircraft. CAE is dedicated to offering customers in the growing Northeast Asian market the most innovative training solutions to achieve the highest levels of safety and efficiency."

Subject to applicable regulatory approvals, the JV will start operations in April 2015. It will initially offer initial and recurrent training to JAL and third-party customers, with a total of 12 simulators. CAE and Japan Airlines have enjoyed a progressively more comprehensive relationship over the last three decades. JAL purchased its first full-flight simulator from CAE thirty years ago. Last year, CAE and JAL entered an agreement whereby JAL outsourced the responsibility for Ab-Initio pilot cadet training to CAE using CAE's Multi-Crew Pilot License training program.

About CAE

CAE (NYSE: CAE; TSX: CAE) is a global leader in providing comprehensive training solutions based on world-leading simulation technology and integrated training services. The company employs 8,000 people at more than 160 sites and training locations in 35 countries. Our vision is to be our customers' Partner of Choice and we take a long-term approach to customer relationships. We offer our civil aviation and defence and security customers a complete range of highly innovative product, service and training centre solutions designed to help them meet their mission critical needs for safety, efficiency and readiness. We provide similar solutions to customers in healthcare and mining. CAE has the largest installed base of civil and military flight simulators, supported by a range of after-sales services, and has been serving the needs of its customers for nearly 70 years. We have the broadest training services network in the world and offer civil aviation, military and helicopter training services in 67 locations worldwide and train more than 120,000 civil and military crewmembers annually. www.cae.com

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About Japan Airlines

Japan Airlines (JAL) was founded in 1951 and became the first international airline in Japan. Today, a member of the **oneworld®** alliance, it has grown to an international network of more than 254 airports in 41 countries and regions together with its codeshare partners with a modern fleet of more than 220 aircraft. The JAL Mileage Bank (JMB) has reached over 25 million members worldwide today. Awarded the most punctual major international airline in 2009, 2010 2012 and 2013, JAL is committed to providing customers the highest levels of flight safety and supreme quality in every aspect of its service, and aims to become its customers' most favored airline in the world.

For more information about JAL, please visit <http://www.jal.com/en/outline/>

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