



## Press Release

### CAE and AirAsia expand relationship to establish airline training centre of excellence joint venture

- Kuala Lumpur centre to offer training for pilots, cabin crew, maintenance engineers and technicians, and ground services personnel to AirAsia and to third-party airlines

**Montreal, Canada and Kuala Lumpur, Malaysia, June 20, 2011** – CAE and AirAsia today announced that they have expanded their previous partnership into a joint venture agreement to provide training for pilots, cabin crew, maintenance engineers and technicians, and ground services personnel for airlines throughout the ASEAN (Association of Southeast Asian Nations) region. The joint venture will also be responsible for the complete training of all of AirAsia's pilots, cabin crew and maintenance and ground services personnel. The previous partnership focused on CAE management of AirAsia's Type Rating Training Organization, including simulator support services and third-party training services.

The new agreement establishes the Asian Aviation Centre of Excellence in Kuala Lumpur, Malaysia. The training centre will initially include six CAE-built full-flight simulators (FFSs): four FFSs for the Airbus A320 and one each for the A330/340 and Boeing 737 Classic.

The six simulators in Kuala Lumpur will now belong to the joint venture. The three A320 FFSs were previously owned by AirAsia and the A320, A330/340 and Boeing 737 Classic were previously owned by CAE. The training centre is located near the Kuala Lumpur International Airport Low Cost Carrier Terminal Sepang.

"This is the first joint venture of its kind in the ASEAN region, and it combines the strengths of two dynamic industry leaders," said Tony Fernandes, Chief Executive Officer of AirAsia. "CAE is the global leader for simulation and training experience and operates the world's largest network of commercial aviation training centres. AirAsia brings our brand strength, expanding presence in the region and our low-cost operational expertise."

"AirAsia and CAE have enjoyed a very productive partnership, and now is the time to take it to a new level to help meet increasing demand for well-trained aviation professionals," said Jeff Roberts, CAE Group President, Civil Simulation Products, Training and Services. "We are very proud to train pilots, flight operations and ground crew of AirAsia and other airlines in the region. Our entire focus is providing the highest-quality training for safety and operational efficiency."

The A320 and A330/340 FFSs at the Kuala Lumpur training centre will be part of the Airbus-CAE Training Cooperation, which provides Airbus operators with a joint global network of training centres with the largest fleet of full-flight simulators (FFS) for Airbus aircraft types, standardized courseware and expert instructors.

AirAsia is the largest low-cost carrier in Asia. Together with its low-cost long-haul affiliate AirAsia X, it has a fleet of 90 aircraft; approximately 132 routes to destinations in Asia, Australia and Europe; and over 520 flights daily from hubs in Malaysia, Thailand, and Indonesia. Their values include safety-first, streamlined operations, and no compromise on quality and customer service. In 2009, AirAsia and AirAsia X were named joint winners of the Centre for Asia Pacific Aviation Airline of the Year Award, and Tony Fernandes received the CAPA Legend Award. He was also selected Airline CEO of the Year for 2009 by Jane's Transport Finance magazine and 2010 Forbes Asia businessman of the year.

CAE (NYSE: CAE; TSX: CAE) is a world leader in providing simulation and modelling technologies and integrated training solutions for the civil aviation industry and defence forces around the globe. With annual revenues exceeding C\$1.6 billion, CAE employs more than 7,500 people at more than 100 sites and training locations in more than 20 countries. We have the largest installed base of civil and military full-flight simulators and training devices. Through our global network of 32 civil aviation, military and helicopter training centres, we train more than 80,000 crewmembers yearly. We also offer modelling and simulation software to various market segments, and through CAE's professional services division we assist customers with a wide range of simulation-based needs.

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