



CAE TO ACQUIRE SABRE AIRCENTRE AIRLINE OPERATIONS PORTFOLIO TO SIGNIFICANTLY EXPAND ITS POSITION

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CAE and Sabre Corporation announced an agreement for CAE to acquire Sabre's AirCentre airline operations portfolio – a highly valuable suite of flight and crew management and optimization solutions. The agreement, which is valued at US\$ 392.5 million excluding post-closing adjustments, includes the Sabre AirCentre product portfolio, related technology and intellectual property as well as the transfer of AirCentre's highly talented workforce. AirCentre generated approximately US\$150 million revenue in the 2019 calendar year (pre-pandemic), and approximately US\$55 million EBITDA¹ for the same period. The closing of the transaction is expected in the first quarter of calendar 2022 and is subject to customary conditions and regulatory approvals.

The acquisition will further expand CAE's reach across its broad customer base beyond pilot training and establish the company as a technology leader in the growing marketplace for industry-leading, digitally-enabled flight and crew operations solutions. CAE expects that the transaction will be mid-single-digit percentage EPS² accretive, and even higher free cash flow³ accretive, for CAE within the first year post-closing.

"Sabre's AirCentre business is highly valued by many of the world's leading airlines, nearly all of whom are customers of CAE today. This acquisition will significantly expand CAE's capabilities across a large airline customer base and allows us to deliver on our objective to help our civil aviation customers operate their businesses with the highest levels of efficiency and precision," said Marc Parent, CAE's President and CEO. "We are committed to investing and innovating in digital flight and crew operations, an expansion area for our business. The acquisition will also enhance CAE's capability set with the addition of 500 talented employees, the majority of which are personnel with software development and digital expertise. We look forward to welcoming AirCentre employees from around the globe and are excited to work with our new colleagues to accelerate the innovation of AirCentre's products as well as CAE's ongoing technological and digital transformation. This transaction will mark the ninth accretive acquisition for CAE since the COVID-19 pandemic began further effecting the company's intent to emerge from the pandemic larger, more resilient, and more profitable."

For Sabre, the divestiture demonstrates the company's commitment to its previously- announced strategic initiatives and is another step toward fulfilling its vision to create a new marketplace for personalized travel. Through this transaction and other strategic changes executed over the past year, Sabre will be better positioned for incremental revenue opportunities going forward.

"This divestiture is an important strategic move that will allow us to focus on our forward- looking plans and on accelerating our growth as we continue to transform our business and build on our strong momentum over the past three years," said Sean Menke, Sabre President and CEO. "By selling AirCentre to a company committed to growth in the area of airline operations, we can create more value for Sabre, its shareholders and AirCentre customers while we remain laser-focused on the areas of our business that will help drive revenue opportunities for Sabre and our customers – now and in the future."

Uniting airlines and crew in a single, interconnected and growing digital ecosystem

Over the past three years, CAE has been steadily unifying the digital flight operations ecosystem with the goal of delivering a holistic suite of solutions designed to improve operations and enhance the flight and crew experience.

The acquisitions of Merlot and RB Group in December 2020 and April 2021 marked milestones in CAE's journey to pioneer the development of a digital flight operations ecosystem. And in July 2021 CAE announced Project Resilience, a multi-year innovation program to develop the technologies of tomorrow, including digitally immersive solutions leveraging data and artificial intelligence in civil aviation.

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