



Trade Press Release

CAE Australia achieves Level 3 CMMI rating

Sydney, Australia, January 13, 2014 – (NYSE: CAE; TSX: CAE) – CAE today announced that CAE Australia Pty Ltd has achieved the Capability Maturity Model Integration (CMMI) Level 3 rating following an independent CMMI appraisal for process improvement.

CMMI is a process improvement approach that provides organizations with the essential elements of effective processes that ultimately improve their performance. An appraisal at maturity level 3 indicates an organization has processes that are well characterized and understood, and are described in standards, procedures, tools, and methods. The organization's set of standard processes, which is the basis for maturity level 3, is established and improved over time.

"CMMI Level 3 is an outstanding achievement for CAE Australia and demonstrates our ongoing commitment to process improvement, which ultimately leads to the delivery of high-quality products and services to the Australian Defence Forces (ADF)," said Peter Redman, Managing Director of CAE Australia Pty Ltd. "We are proud that CAE Australia is the only local simulation company now holding both CMMI Level 3 and ADF Authorised Engineering Organisation (AEO) certifications specific to the delivery of simulation products and training services."

Originally developed by the Software Engineering Institute (SEI) of Carnegie Mellon University and now administered by the CMMI Institute, the CMMI process helps advance software engineering and related disciplines to ensure the development and operation of systems with predictable and improved cost, schedule, and quality. CMMI models provide guidance for developing or improving processes that meet the business goals of an organization. A CMMI model may also be used as a framework for appraising the process maturity of the organization. For more information, visit <http://cmmiinstitute.com>.

CAE is a global leader in modelling, simulation and training for civil aviation and defence. The company employs approximately 8,000 people at more than 100 sites and training locations in approximately 30 countries. CAE offers civil aviation, military and helicopter training services in more than 50 locations worldwide and trains approximately 100,000 crew members yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 10 CAE-operated flight schools. CAE's business is diversified, ranging from the sale of simulation products to providing comprehensive services such as training and aviation services, integrated enterprise solutions, in-service support and crew sourcing. The company applies simulation expertise and operational experience to help customers enhance safety, improve efficiency, maintain readiness and solve challenging problems. CAE is now leveraging its simulation capabilities in new markets such as healthcare and mining. More information can be found at www.cae.com. Follow us on Twitter @CAE_Inc and @CAE_Defence.

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CAE contacts:

Nathalie Bourque, Vice President, Public Affairs and Global Communications, (514) 734-5788, nathalie.bourque@cae.com

Trade media: Chris Stellwag, Director, Marketing Communications – Defence and Security, (813) 887-1242, chris.stellwag@cae.com

Investor relations: Andrew Arnovitz, Vice President, Investor Relations and Strategy, (514) 734-5760, andrew.arnovitz@cae.com