



Press Release

CAE USA wins U.S. Air Force contract to train aircrews of the Predator and Reaper remotely piloted aircraft

- **Expected program value, including options, of approximately US\$100 million over five years**
- **CAE USA to provide classroom, simulator, and live flying instruction**

Tampa, Florida, USA, August 8, 2013 – (NYSE: CAE; TSX: CAE) – CAE today announced that CAE USA has been awarded a United States Air Force (USAF) contract to provide comprehensive Predator and Reaper remotely piloted aircraft (RPA) aircrew training services. Under terms of the contract, which was awarded as a one-year base contract for approximately US\$20 million with four one-year options, CAE USA will provide classroom, simulator, and live flying instruction as well as courseware development in support of the MQ-1 Predator and MQ-9 Reaper training programs. Training will be delivered at four USAF bases where approximately 1,500 MQ-1/MQ-9 pilots and sensor operators train annually. The contract was awarded in CAE's second quarter of fiscal 2014.

CAE USA will provide fully qualified instructional staff to conduct academic as well as live flying instruction at Holloman Air Force Base (AFB), New Mexico; Creech AFB, Nevada; March Air Reserve Base, California; and Hancock Field Air National Guard Base, New York. MQ-1/MQ-9 Predator/Reaper aircrews will receive training for initial qualification, refresher/recurrent training, and instructor qualification. In addition, CAE USA will provide courseware development services, primarily at the formal training schoolhouse located at Holloman AFB, as well as implement a new learning content management system.

"The use of unmanned and remotely piloted aircraft is playing a much more prominent role in military operations, and this requires highly trained and mission-ready aircrews," said Ray Duquette, President and General Manager, CAE USA. "We are pleased the U.S. Air Force has recognized CAE USA's aircrew training services expertise and capabilities, and we look forward to supporting the combat readiness for the USAF's Air Combat Command Predator and Reaper aircrews."

The MQ-1 Predator and the MQ-9 Reaper are armed, multi-mission, medium-altitude, long-endurance remotely piloted aircraft that are employed primarily as an intelligence-collection asset and secondarily against dynamic execution targets. Given their significant loiter time, wide-range of sensors, multi-mode communications suite, and precision weapons, these unmanned aerial vehicles provide a unique capability to perform coordination, reconnaissance and strike missions against high-value, fleeting, and time-sensitive targets.

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 45 locations worldwide and trains approximately 100,000 crew members yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 11 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.

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A high-resolution photo of the MQ-1 Predator remotely piloted aircraft is available for download at www.cae.com/photos

Caption: CAE USA will provide aircrew training and courseware development services to U.S. Air Force pilots and operators of the Predator remotely piloted aircraft. (Photo courtesy of U.S. Air Force).

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