



Trade Press Release

CAE and Elbit Systems team to pursue UK Defence Operational Training Capability (Air) programme

London, UK, September 12, 2017 – (NYSE: CAE; TSX: CAE) – Today at the Defence Systems Equipment International (DSEI) show, CAE and Elbit Systems announced the companies have signed an agreement to jointly pursue United Kingdom Ministry of Defence training opportunities that fall under the Defence Operational Training Capability (Air) programme (DOTC-A).

Specifically, CAE UK plc and Elbit Systems UK will collaborate to pursue both the DOTC(A) Core System and Services (DCS&S) project as well as the Typhoon Future Synthetic Training (TFST) project. CAE UK plc is the UK-based subsidiary of CAE Inc., a global leader in training, while Elbit Systems UK is the main UK-based subsidiary of Elbit Systems, one of the world's leading defence and aerospace companies and an acknowledged leader in training and simulation.

According to the UK MOD, the DOTC(A) programme and the specific training opportunities that fall under the overall project are expected to enable the Royal Air Force to better train together as a total force, support the Defence-wide requirement to download live training into the synthetic environment and allow a rebalancing of live/synthetic training.

"We recognise defence forces are looking to increasingly leverage synthetic environments for more of the operational and mission training they need to conduct, and the UK MOD's Defence Operational Training Capability programme aims to address these requirements," said Jonathan Browning, Vice President of Strategy and Business Development, CAE UK plc. "CAE brings a great deal of experience and expertise as a training systems integrator, and partnering with Elbit Systems will enable us to bring the UK MOD proven, low-risk distributed mission training capabilities that are integrated and interoperable."

"Elbit Systems has a wealth of experience developing and delivering Fast Jet Mission Training Centres (MCTS)," said Martin Fausset, CEO of Elbit Systems UK. "We are pleased to work with CAE on this important synthetic training programme for the UK MOD. We recognize that DOTC(A) will set the standard for training UK defence personnel for the next thirty years and beyond. Together ESUK and CAE UK believe we can deliver the innovative technology and world leading simulation to achieve this."

About CAE

CAE's Defence & Security business unit focuses on helping prepare our customers to develop and maintain the highest levels of mission readiness. We are a world-class training systems integrator offering a comprehensive portfolio of training centres, training services and simulation products across the air, land, sea and public safety market segments. We serve our global defence and security customers through regional operations in Canada; the United States/Latin America; Europe/Middle East/Africa; and Asia/Pacific, all of which leverage the full breadth of CAE's capabilities, technologies and solutions.

CAE is a global leader in training for the civil aviation, defence and security, and healthcare markets. Backed by a 70-year record of industry firsts, we continue to help define global training standards with our innovative virtual-to-live training solutions to make flying safer, maintain defence force

readiness and enhance patient safety. We have the broadest global presence in the industry, with over 8,500 employees, 160 sites and training locations in over 35 countries. Each year, we train more than 120,000 civil and defence crewmembers and thousands of healthcare professionals worldwide. www.cae.com

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About Elbit Systems

Elbit Systems Ltd. is an international high technology company engaged in a wide range of defence, homeland security and commercial programmes throughout the world. The Company, which includes Elbit Systems and its subsidiaries, operates in the areas of aerospace, land and naval systems, command, control, communications, computers, intelligence surveillance and reconnaissance ("C4ISR"), unmanned aircraft systems, advanced electro-optics, electro-optic space systems, EW suites, signal intelligence systems, data links and communications systems, radios and cyber-based systems. The Company also focuses on the upgrading of existing platforms, developing new technologies for defence, homeland security and commercial applications and providing a range of support services, including training and simulation systems. For additional information, visit: www.elbitsystems.com

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CAE contacts:

Hélène V. Gagnon, Vice President, Public Affairs and Global Communications,
+1-514-340-5536, helene.v.gagnon@cae.com

Trade media:

Chris Stellwag, Director, Marketing Communications – Defence and Security,
+1-813-887-1242, chris.stellwag@cae.com

Investor relations:

Andrew Arnovitz, Vice President, Strategy and Investor Relations,
+1-514-734-5760, andrew.arnovitz@cae.com

Elbit contacts:

Dalia Rosen, VP, Head of Elbit Corporate Communications
Tel: +972-4-831-6784 / Mobile: +972-549996784
E-mail: dalia.rosen@elbitsystems.com

David Vaaknin, Deputy VP, Corporate Communications
Mobile: 972-52-8000403
E-mail: david.vaaknin@elbitsystems.com