



Trade Press Release

CAE awarded U.S. Air Force contract to support Mobility Air Force Distributed Mission Operations

- **CAE to update KC-135 aircrew training devices to enable networked, interoperable live-virtual-constructive (LVC) training**
- **CAE to perform training center facility upgrades to ensure physical and cybersecurity requirements are met**

Tampa, Florida, USA, February 11, 2016 – (NYSE: CAE; TSX: CAE) – CAE today announced that CAE USA has been awarded contracts under the KC-135 Aircrew Training System (ATS) program to upgrade a range of KC-135 aircrew training devices so that they can be used on the United States Air Force's Distributed Training Center Network (DTCN).

In addition, CAE will be responsible for ensuring the training center facilities housing KC-135 aircrew training devices meet the required physical security and cybersecurity requirements established by the U.S. Department of Defense to network the training devices to the classified DTCN.

"Our objective for the Mobility Air Force Distributed Mission Operations initiative is to enhance our live, virtual and constructive training so that we can train in a secure and networked environment across our mobility platforms and the broader U.S. Air Force, as well as joint and coalition training exercises," said Clifford Sanchez, KC-135 Aircrew Training System Manager, Air Mobility Command, United States Air Force. "We are systematically increasing our virtual training capabilities and the addition of the KC-135 pilot and boom operator flight simulators are a critical piece of our overall MAF DMO and virtual air refueling effort."

CAE will be performing a range of upgrades and updates to KC-135 operational flight trainers (OFTs) and KC-135 boom operator weapon systems trainers (BOWST) so they can be used for MAF DMO training. With the ability to connect the various KC-135 training devices to the Distributed Training Center Network, the USAF will have increased capability for virtual air refuelling and air refuelling formation training over a secure network. CAE will be updating KC-135 aircrew training devices located at Scott Air Force Base (AFB), March Air Reserve Base (ARB), Fairchild AFB, MacDill AFB, Seymour Johnson AFB, and Grissom ARB.

CAE will also be implementing a comprehensive cybersecurity policy across the KC-135 Aircrew Training System following the Department of Defense 8500.01 Cybersecurity protocol. This will ensure that the training center facilities, training equipment, and related networks are secure and capable of supporting the KC-135 Aircrew Training System.

"We are pleased to support the U.S. Air Force's Air Mobility Command in achieving their vision of distributed, networked training capabilities that will cost-effectively enhance mission training," said Ray Duquette, President and General Manager, CAE USA. "The ability to add the KC-135 aircrew training devices to virtual training exercises will contribute to a well-prepared and mission ready force, which is particularly critical since the KC-135 tanker plays such an important role in the USAF's mission to deliver global reach."

About CAE

CAE's Defense & 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 centers, training services and simulation products across the air, land, sea and public safety market segments. We serve our global defense 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 delivery of training for the civil aviation, defense and security, and healthcare markets. We design and integrate the industry's most comprehensive training solutions, anchored by the knowledge and expertise of our 8,000 employees, our world-leading simulation technologies and a track record of service and technology innovation spanning seven decades. Our global presence is the broadest in the industry, with 160 sites and training locations in 35 countries, including our joint venture operations, and the world's largest installed base of flight simulators. Each year, we train more than 120,000 civil and defense crewmembers, as well as thousands of healthcare professionals. www.cae.com

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- 30 -

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