



Trade Press Release

CAE awarded contract to provide Naval Warfare Training System to Swedish Navy

Montreal, Canada, June 3, 2014 – (NYSE: CAE; TSX: CAE) – CAE today announced it has been awarded a contract from Försvarets Materielverk (FMV), the Swedish Defence Materiel Administration, to provide a comprehensive Naval Warfare Training System for the Swedish Navy.

The Naval Warfare Training System (NWTS) will be delivered in late 2015 to the Swedish Naval Warfare Centre in Karlskrona, Blekinge, Sweden. The NWTS will be a comprehensive, simulation-based system that includes simulation software, hardware, wargaming consoles, and instructor operator stations that will be used to train and educate Swedish Navy sailors and officers in naval tactics, procedures and doctrine.

The Swedish Navy NWTS will be used by all sea-operative units and their personnel for training in a range of disciplines, including sensor operations; command, control, communications and computers (C4), and weapon systems. The comprehensive training solution will allow the Swedish Navy to train and rehearse for operations in anti-air warfare (AAW), anti-surface warfare (ASuW), anti-submarine warfare (ASW), mine warfare (MW) and search and rescue (SAR).

“We are honoured the Swedish Navy has selected CAE to provide a comprehensive Naval Warfare Training System,” said Gene Colabatisto, Group President, Defence and Security, CAE. “CAE is a skilled and experienced training systems integrator. Our strategy is to leverage our training systems integration capabilities across the air, land, sea and public safety market segments, and this contract is evidence our strategy is working as defence and security customers seek our expertise to implement simulation-based training programs.”

The CAE-developed NWTS will be provided as three classroom training systems. Each classroom will include student workstations and instructor positions for creating, managing and monitoring training exercises. The student workstations will include a range of core CAE simulation technologies, such as simulation systems for sonar, radar and computer-generated forces. The synthetic maritime environment will be built to the CAE-developed Common Database (CDB) standard. The CDB is an open database architecture that is rapidly updateable, interoperable and enables correlated distributed mission training.

In addition to providing the classroom training systems for the NWTS, following delivery CAE will provide on-site instructor and technician training as well as helpdesk support services and technical assistance for three years with options to extend for the following years.

About CAE

CAE is a global leader in providing comprehensive training solutions based on world-leading simulation technology and integrated training services. The company employs 8,000 people at more than 160 sites and training locations in 35 countries. Our vision is to be our customers' Partner of Choice and we take a long-term approach to customer relationships. We offer our civil aviation and defence and security customers a complete range of highly innovative product, service and training centre solutions designed to help them meet their mission critical needs for safety, efficiency and readiness. We provide similar solutions to customers in healthcare and mining. CAE has the largest installed base of civil and military flight simulators, supported by a range of after-sales services, and has been serving the needs of its customers for nearly 70

years. We have the broadest training services network in the world and offer civil aviation, military and helicopter training services in 67 locations worldwide and train more than 120,000 civil and military crewmembers annually. www.cae.com

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