

Trade Press Release

CAE expands to new facility in Abu Dhabi, United Arab Emirates

Abu Dhabi, United Arab Emirates, March 13, 2017 – (NYSE: CAE; TSX: CAE) – CAE today announced that its Defence and Security business unit has expanded its operations in the United Arab Emirates by moving to new facilities in Abu Dhabi.

The new offices were inaugurated yesterday during a visit from Ian Bell, CAE's Vice President and General Manager, Middle East/Asia-Pacific, and His Excellency Masud Husain, Ambassador of Canada to the UAE. CAE is now located in the Addax Tower on AI Reem Island in Abu Dhabi.

"I am pleased to see that CAE continues to see success in the UAE and is working to expand and invest further into the country, which a growing number of Canadian companies consider as their regional hub," said Husain, who was appointed Canada's Ambassador to the UAE last year.

The offices in Abu Dhabi will house staff from CAE and CAE Maritime Middle East LLC, CAE's local UAE-based company that is serving as the prime contractor and program management authority for defence programs in the UAE. CAE is currently under contract with the General Headquarters (GHQ) of the UAE Armed Forces to design and develop a comprehensive Naval Training Centre (NTC) for the UAE Navy as well as develop helicopter simulators for the UAE Joint Aviation Command.

"The Gulf Cooperation Council countries, and in particular the UAE, are very innovative in their approach to training, particularly in addressing the use of simulation-based training to enhance mission readiness," said Bell. "Since the UAE has been acquiring very sophisticated and advanced weapons platforms to modernize its defence forces, they have been procuring the requisite training systems that will help ensure high levels of preparedness. CAE is honoured to have been selected by the UAE for a range of advanced training programs, and our expansion to new offices in Abu Dhabi signals our commitment to being their long-term training partner of choice."

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 8,000 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. <u>www.cae.com</u>

Follow us on Twitter @CAE_Inc and @CAE_Defence

- 30 -

Note to Editors: Photos are available at <u>www.cae.com/photos</u>

CAE contacts:

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

Trade media:

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

Investor relations:

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