



Press Release

CAE sets new record for full-flight simulator sales with 43 sold year to date

- **C\$70 million in new contracts for five full-flight simulators**

Montreal, Canada, January 21, 2014 - (NYSE: CAE; TSX: CAE) CAE today announced that it has set a new record for the sale of full-flight simulators (FFS) with 43 FFS already sold year to date in fiscal 2014. The latest contracts include the sale of five full-flight simulators -- one B787 simulator to Air Canada, one B737NG simulator to an undisclosed customer in North America as well as two A320 simulators and one B737NG simulator to an undisclosed customer in Asia.

The contracts are worth more than C\$70 million at list prices, and bring the total number of FFS sales announced to date for fiscal year 2014 to 43. List prices include the value of OEM aircraft-specific data, parts and equipment (DP&E), normally procured by CAE in the manufacture of its simulators. In the case of these contracts, some customers are providing part of the OEM content. Two of the five simulators sold were recorded in CAE's third quarter and three in its fourth quarter.

"We are seeing unprecedented demand for simulation equipment, including from Asia's high growth market, and we are proud to maintain our leadership position in this robust market. We are pleased to have already exceeded our record in the sale of full-flight simulators with the year not yet complete," said Nick Leontidis, CAE Group President, Civil Simulation Products, Training and Services. "CAE has been a partner with Air Canada for over 20 years and we are proud to continue to support its training needs as it embarks upon its fleet renewal and growth strategy."

Air Canada

The Boeing 787 CAE 7000 Series FFS will be delivered to Air Canada's training centre in Toronto, Canada, in 2016. This is the second B787 FFS that CAE has sold to Air Canada and the 12th CAE- built simulator in the airline's training network. As part of a long-standing relationship with Air Canada, CAE also provides Air Canada with training centre operation services, including the sale of training hours on simulators to the third party market.

About CAE

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 50 locations worldwide and trains approximately 100,000 crew members yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 10 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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