



## Press Release

### **CAE signs contracts with Etihad Airways and China Eastern valued at more than C\$230 million for nine full-flight simulators**

- **Seven FFSs and 10-year exclusive product and service agreement with Etihad**
- **Two FFSs for China Eastern**

**Montreal, Canada, July 11, 2013 – (NYSE: CAE; TSX: CAE)** CAE today announced that it has signed contracts for nine full-flight simulators (FFSs) and nine flight training devices with Etihad Airways, the national airline of the United Arab Emirates, and with China Eastern Airlines, one of the largest airlines of the People's Republic of China. The contracts, signed in CAE's first quarter, are worth more than C\$230 million at list prices and bring the total number of FFS sales that CAE announced to date in fiscal year 2014 to 15. 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 the Etihad contract, the DP&E is being furnished to CAE by the customer.

"We are happy to continue growing our relationships with Etihad Airways and China Eastern, two of the fastest growing airlines of the world. We are proud to be selected as Etihad's exclusive training solutions partner and to provide China Eastern with additional state-of-the-art training devices. These contracts allow us to support both airlines with their growing need for well-trained pilots," said Nick Leontidis, CAE's Group President, Civil Simulation Products, Training and Services.

"The pilot training requirements for Etihad Airways, as well as members of our equity alliance, continue to grow and these new full-flight simulators will ensure we are ideally placed for the next phase in our expansion," said Etihad President and Chief Executive Officer James Hogan. "We place great emphasis on the efficiency of our operations and the safety of our passengers and this deal means we will be using the most advanced training technologies for the broadest range of aircraft types. The construction work at the training academy will double its size and eventually house 11 full-flight simulators and be among the best in the world."

"We are pleased to be able to leverage the broad range of aviation training solutions that CAE offers, all providing the latest and most innovative technology in safe and efficient airline operations," said Capt. Liu Shao Yong, Chairman of China Eastern Airlines. "We continue to look for ways to offer our passengers the best experience possible and CAE is our partner in achieving this goal."

#### **Etihad Airways**

The contract with Etihad is for seven full-flight simulators, seven flight training devices, update services and an exclusive 10-year agreement for training equipment and services. The full-flight simulators are all CAE 7000 Series models and include three Boeing 787 FFSs, two Airbus A320 FFSs, an Airbus A380 FFS and an Airbus A350 FFS.

The seven simulators and training devices will be delivered to the new Etihad training centre extension which is under construction next to Etihad's headquarters in Abu Dhabi. The flight training devices include CAE Simfinity Airbus Pilot Transition trainers and CAE Simfinity Integrated Procedures Trainers.

CAE will also be updating Etihad's existing four CAE-built FFSs to the latest aircraft configurations and CAE technology, including the latest generation CAE Tropos 6000 XR visual system. CAE will continue to

provide training center maintenance engineering services to Etihad. The airline has been a CAE customer since 2003.

Etihad Airways currently has a fleet of 77 Airbus and Boeing narrow and wide body aircraft, and more than 90 aircraft on firm order, including 41 Boeing 787-9 Dreamliners and 10 Airbus 380, the world's largest passenger aircraft.

#### **China Eastern**

CAE has signed a contract with China Eastern for a Boeing 737-800 FFS and a Boeing 777-300ER FFS, both are CAE 7000 Series models equipped with the latest CAE Tropos 6000 XR visual system. The contract also includes two CAE Simfinity Integrated Procedures Trainers as well as updates to the airline's existing A330 and A320 FFSs.

The Boeing 737 FFS and training device will be delivered to the flight training centre in Kunming in September 2014 and the Boeing 777 FFS and IPT are scheduled for delivery to the flight training centre in Shanghai in August 2014.

China Eastern already operates 16 CAE-built simulators. The airline operates over 80 international and regional routes as well as more than 330 domestic routes, which connect 110 cities in China, Japan, Korea, Southeast Asia, Europe, Australia and America. More than 500 China Eastern Airlines pilots have been awarded the Safety Medal by the Civil Air Administration of China (CAAC).

#### **About CAE**

CAE (NYSE: CAE; TSX: CAE) is a global leader in modeling, simulation and training for civil aviation and defense. 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 45 locations worldwide and trains approximately 100,000 crewmembers yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 11 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 leveraging its simulation capabilities in new markets such as healthcare and mining. [www.cae.com](http://www.cae.com)

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