CAE wins defence contracts valued at approximately C$115 million

- **U.S. Air Force MQ-1/MQ-9 aircrew training**
- **Visual system update on RCAF CP-140 simulator**
- **UH-72A Lakota flight training device for U.S. Army**

Montreal, Canada, September 23, 2014 – (NYSE: CAE; TSX: CAE) – CAE today announced that it has won a series of contracts valued at approximately C$115 million to provide a range of training systems and services for global defence and security customers. These include contracts to continue providing MQ-1 Predator/MQ-9 Reaper aircrew training to the United States Air Force (USAF), a contract to update the Royal Canadian Air Force's CP-140 simulator, and a contract to design and manufacture a UH-72A flight training device for the United States Army.

"CAE is a skilled and capable training systems integrator that offers defence and security forces around the world a comprehensive portfolio of training centres, training services and simulation products," said Gene Colabatistto, Group President, Defence and Security, CAE. "We are continuing to execute on a solid foundation of existing programs, and remain encouraged by the pipeline of global opportunities we have in front of us."

USAF MQ-1 Predator/MQ-9 Reaper

The United States Air Force (USAF) has exercised the contract option for the second year of CAE USA providing MQ-1 Predator and MQ-9 Reaper remotely piloted aircraft (RPA) aircrew training services and courseware development. CAE USA will continue providing classroom, simulator and live flying instruction for more than 1,500 pilots and sensor operators who train annually at Holloman Air Force Base (AFB), New Mexico; Creech AFB, Nevada; March Air Reserve Base, California; and Hancock Air National Guard Base, New York.

RCAF CP-140 Aurora

CAE was awarded a contract from the Government of Canada to perform a major visual system update on the Royal Canadian Air Force's CP-140 full-flight simulator (FFS). The comprehensive visual solution will include the latest generation CAE Medallion-6000 image generator and new display system to deliver superior image quality. In addition, CAE will be implementing the Common Database (CDB) architecture capability on the CP-140 FFS to significantly enhance the RCAF's ability to correlate, re-use, and rapidly update databases to support training and mission rehearsal requirements.

"The visual system update for the CP-140 simulator will provide the Royal Canadian Air Force with enhanced capabilities and flexibility in addressing their CP-140 training requirements," said Mike Greenley, Vice President and General Manager, CAE Canada. "The RCAF is increasingly leveraging synthetic training to accomplish a greater portion of their overall training, and the new visual system combined with the Common Database capability will help offload training from operational aircraft and reduce training costs."

U.S. Army UH-72A Lakota

CAE was awarded a contract by Airbus Defense and Space, Inc. to manufacture a new UH-72A Lakota Synthetic Flight Training System (SFTS). This UH-72A SFTS, the second CAE is currently building for the U.S. Army, will be delivered to Ft. Rucker, Alabama during the summer of 2015. These devices will support rotary wing pilot training at the U.S. Army's Aviation Center of Excellence (USAACE). CAE is nearing completion of the first UH-72A SFTS for USAACE at Ft. Rucker.

The UH-72A SFTS features a helicopter specific cockpit with the fidelity and performance of a full-flight simulator without the full motion. The UH-72A SFTS features a wide 200-degree by 70-degree field-of-view display system driven by the CAE Medallion-6000 image generator to immerse pilots in a high-fidelity synthetic training environment. The UH-72A SFTS for the U.S. Army will be fielded with the CAE-developed Common Database (CDB), enhancing the Army's ability to leverage existing U.S. Government-owned databases to support their helicopter training requirements.

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 Follow us on Twitter @CAE_Inc and @CAE_Defence

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High-resolution downloadable photos of the USAF MQ-1 Predator/MQ-9 Reaper training program are available on www.cae.com/photos

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