



## Press Release

### **CAE wins more than C\$1 billion in training services contracts with U.S. Army and Royal Canadian Air Force**

- **Long-term rotary-wing flight training services for U.S. Army**
- **Modification and extension of NATO Flying Training in Canada (NFTC) program for Royal Canadian Air Force to 2023**

**Montreal, Canada, January 12, 2017** – (NYSE: CAE; TSX: CAE) – CAE today announced that it has signed two long-term training services contracts with the United States Army and the Royal Canadian Air Force (RCAF) with a combined value of more than C\$1 billion, including options.

The contract with the U.S. Army is for rotary-wing flight training classroom, simulator, and live flying instructor support services for one year with eight one-year options until 2026. The training is delivered at the U.S. Army's Aviation Center of Excellence (USAACE) at Fort Rucker, Alabama. The contract with the RCAF is a modification and extension to 2023 of the NATO Flying Training in Canada (NFTC) program where CAE provides ground-school classroom and simulator training, and supports the live flying training of military pilots in Moose Jaw and Cold Lake, Canada. In addition, CAE will also add new capabilities and perform a range of upgrades and updates to the overall NFTC training system and aircraft over the next several years. The modified operating period of the NFTC contract includes a one-year option to extend the contract through 2024.

"We are honoured the Royal Canadian Air Force has extended its contract with CAE, and that the U.S. Army has selected CAE once again as its training partner to support the instruction required for its new helicopter pilots, which follows our contract to provide fixed-wing flight training to Army aviators," said Gene Colabatistto, CAE's Group President, Defence & Security. "These contracts are testimony of CAE's successful strategy to focus on long-term training services that leverage our training systems integration expertise and help our defence customers enhance safety, efficiency and readiness."

Subsequent to the U.S Army contract award, it was protested by unsuccessful bidders, which is a common occurrence for U.S. Department of Defense procurements. CAE expects that the contract award to CAE will be upheld as protests are seldom successful.

More detail on both contracts is available in press releases issued to trade media and available on CAE's website [www.cae.com](http://www.cae.com)

#### **About CAE**

CAE is a global leader in training for the civil aviation, defense 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 defense 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 defense crewmembers and thousands of healthcare professionals worldwide. [www.cae.com](http://www.cae.com)

Follow us on Twitter @CAE\_Inc

**CAE contacts:**

Hélène V. Gagnon, Vice President, Public Affairs and Global Communications,  
+1-514-340-5536, [helene.v.gagnon@cae.com](mailto:helene.v.gagnon@cae.com)

**Trade media:**

Chris Stellwag, Director, Marketing Communications – Defense and Security,  
+1-813-887-1242, [chris.stellwag@cae.com](mailto:chris.stellwag@cae.com)

**Investor relations:**

Andrew Arnovitz, Vice President, Strategy and Investor Relations,  
+1-514-734-5760, [andrew.arnovitz@cae.com](mailto:andrew.arnovitz@cae.com)