Trade Press Release



CAE awarded subcontract from Lockheed Martin to build C-130J simulators for binational French/German C-130J squadron

Montreal, January 5, 2021 – (NYSE: CAE; TSX: CAE) – CAE has been awarded a subcontract from Lockheed Martin to support the design, development and manufacture of a suite of C-130J training devices for the binational French and German C-130J training facility to be located at Evreux-Fauville Air Base in Normandy, France.

Under terms of the subcontract, CAE will manufacture a C-130J full-mission simulator capable of reconfiguring between the C-130J-30 airlifter and KC-130J tanker aircraft. CAE will also provide a C-130J fuselage trainer to be used for training loadmasters. The training devices will be delivered in 2023, ahead of the planned opening of the new training facility where French and German aircrews and maintainers will begin training in 2024.

As the prime contractor, Lockheed Martin has overall responsibility for delivery of the training devices, the learning management system, courseware and options for five years of training services.

"This award continues the longstanding relationship between Lockheed Martin and CAE on the design and development of training systems for all variants of the C-130J Super Hercules," said Dan Gelston, Group President, Defence & Security, CAE. "CAE is honored to support Lockheed Martin in welcoming both France and Germany to the long list of global operators who train their aircrew on CAE-built C-130J simulators and training devices."

The French and German binational C-130J squadron consists of a combined 10 Super Hercules aircraft, including C-130J-30 airlifters and KC-130J tankers. France and Germany operate the fleet under a unique partnership where the countries share the aircraft, which are used for aerial refueling, air drop and cargo missions.

Lockheed Martin and CAE have designed and developed a range of C-130J training systems for global militaries, including all branches of the United States Air Force, the U.S. Marine Corps, Royal Air Force, Italian Air Force, Indian Air Force, Royal Australian Air Force, Kuwait Air Force and Royal Canadian Air Force. In addition, CAE built the C-130J/LM-100J full-mission simulator used at Lockheed Martin's own Hercules Training Center (HTC) located in Marietta, Georgia.

About CAE Defence and security

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 and mission systems integrator offering a



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comprehensive portfolio of training and operational support solutions 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; and Asia-Pacific, all of which leverage the full breadth of CAE's capabilities, technologies and solutions.

About CAE

CAE is a high technology company, at the leading edge of digital immersion, providing solutions to make the world a safer place. Backed by a record of more than 70 years of industry firsts, we continue to reimagine the customer experience and revolutionize training and operational support solutions in civil aviation, defence and security, and healthcare. We are the partner of choice to customers worldwide who operate in complex, high-stakes and largely regulated environments, where successful outcomes are critical. Testament to our customers' ongoing needs for our solutions, over 60 percent of CAE's revenue is recurring in nature. We have the broadest global presence in our industry, with approximately 10,000 employees, 160 sites and training locations in over 35 countries. www.cae.com

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