

Trade Press Release

Royal Air Force C-130J simulators now ready-for-training with new CAE Medallion-6000 visual system

Cologne, Germany, May 20, 2014 – (NYSE: CAE; TSX: CAE) – Today at the International Training and Education Conference (ITEC), Europe's largest show for simulation and training, CAE announced that the Royal Air Force's two C-130J Dynamic Mission Simulators located at RAF Brize Norton are ready-for-training following a major visual system upgrade.

The visual system upgrade, which included the addition of the latest generation CAE Medallion[™] 6000 image generator and Liquid Crystal on Silicon (LCoS) high-resolution projectors, was completed to a challenging schedule for the Royal Air Force. CAE is also delivering a suite of databases built to the Common Database (CDB) standard, which is an open database architecture that is rapidly updateable and enables correlated distributed mission training.

In addition, CAE has installed a new flat panel display system on the RAF's C-130J Flight Training Device (FTD). The C-130J FTD, which previously did not include a visual system, now features the CAE Medallion-6000 image generator on a 30-degree vertical by 170-degree horizontal field-of-view flat panel display system.

"The impressive extent of the new worldwide terrain and airfield databases combined with the latest generation visuals will provide the Royal Air Force with world-class training at a level of fidelity unparalleled in military synthetic training equipment," said Wg Cdr Dorian 'Doz' James, Officer Commanding, XXIV Squadron, Royal Air Force. "Our C-130J Hercules aircrews are already talking of how the new visual systems make them feel far more immersed in the scenarios, which is allowing us to explore ways to expand the training we do with a view to increasing the use of simulation throughout our training curriculum."

The CAE Medallion-6000 image generator combines a proven, industry-leading feature set and image quality with the power and capabilities of the latest commercial-off-the-shelf graphics processors. The CAE Medallion-6000 image generator is in operation on many programs, including the RAF Hawk 128 and Royal Navy Lynx Mk8 full-mission simulators, and provides training benefits such as:

- Extremely detailed virtual environments and realistic night scenes;
- Smooth dynamic shadows correlated to sun/moon positions;
- High resolution imagery and textures for enhanced fidelity;
- Highest scene density on the market;
- High-end sensor simulation capabilities.

"The UK Ministry of Defence has adopted the CAE Medallion-6000 image generator and Common Database architecture on a range of flight simulators, and we are pleased the C-130J training devices at Brize Norton are now equipped with our state-of-the-art visual solution," said Ian Bell, CAE's Vice President and Business Leader – Europe. "This will further advance the UK MoD's ability to leverage the commonality and interoperability delivered through our open, industry-standard solutions."

About CAE

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

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A high-resolution photo is available on our website at www.cae.com/photos.

Caption: The CAE Medallion-6000 image generator was used as part of a major upgrade to the Royal Air Force's C-130J dynamic mission simulators located at RAF Brize Norton.

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