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OPERATIONAL TRAINING SERVICES PROVIDER

Mike Greenley
VP/GM CAE Canada

TRUSTED

GLOBAL

INTEGRATED

➤ FORWARD LOOKING STATEMENTS



This document includes forward-looking statements about our activities, events and developments that we expect to or anticipate may occur in the future including, for example, statements about our vision, strategies, market trends and outlook, future revenues, capital spending, expansions and new initiatives, financial obligations and expected sales. Forward-looking statements normally contain words like believe, expect, anticipate, plan, intend, continue, estimate, may, will, should, strategy, future and similar expressions. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties associated with our business which may cause actual results in future periods to differ materially from results indicated in forward-looking statements. While these statements are based on management's expectations and assumptions regarding historical trends, current conditions and expected future developments, as well as other factors that we believe are reasonable and appropriate in the circumstances, readers are cautioned not to place undue reliance on these forward-looking statements as there is a risk that they may not be accurate.

You will find more information in the Business risk and uncertainty section of our first quarter fiscal 2015 MD&A and in annual information form for the year ended March 31, 2014. These documents have been filed with the Canadian securities commissions and are available on our website (www.cae.com) and on SEDAR (www.sedar.com). They have also been filed with the U.S. Securities and Exchange Commission under Form 40-F and are available on EDGAR (www.sec.gov). Forward-looking statements in this document represent our expectations as of today, August 13, 2014, and, accordingly, are subject to change after this date. We caution readers that the risks described are not necessarily the only ones we face; additional risks and uncertainties that are presently unknown to us or that we may currently deem immaterial may adversely affect our business. Additionally, differences could arise because of events that are announced or completed after the date of this document, including mergers, acquisitions, other business combinations and divestitures.

Except as required by law, we disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. The forward-looking information and statements contained in this report are expressly qualified by this cautionary statement.

PURPOSE



***Contractual Tool for Operational Training Centers
across the Royal Canadian Air Force***



ROYAL CANADIAN AIR FORCE (RCAF) SIMULATION TRAINING STRATEGY



A Network of Training Nodes

► SIMULATION BASED TRAINING BUSINESS CASE



- Provide “Combat Ready” aircrew.
- Maximizing the use of synthetic training devices.
- Minimizing the use of live aircraft assets.



+



80-85%

15-20%

➤ SCOPE OF TRAINING CENTER CONTRACTS

- Provide aircrew training services for Canadian Forces pilots, loadmasters, flight engineers and mission specialists in.
- Each contract amendment includes both *Training Suite Acquisition* (set-up phase) and *In Service Support (20 yrs)*.
- The delivery period for aircrew training services is for a period of 20 years and may include options for extension to match the aircraft fleets Life Cycle.
- The contract may also be extended to include
 - ◆ additional operational training requirements;
 - ◆ new fleets (FWSAR, Northern Utility Aircraft, Combat Support Helicopter, UAV, etc.); and
 - ◆ legacy fleets (CC-140 Aurora, CH146 Griffon, CH149 Cormorant, etc.)

▶ DELIVERABLES

- ▶ Training Needs Analysis and Training Media Analysis
- ▶ Aircrew Training Devices
- ▶ Rear Crew Training devices
- ▶ Technical data package
- ▶ Facility design support
- ▶ In-service support for 20 years
 - ◆ Maintenance
 - ◆ Repair & sparing
 - ◆ Configuration management
 - ◆ Obsolescence management
 - ◆ Technology refresh
 - ◆ Courseware upkeep
 - ◆ Training Support Services
 - ◆ IM/IT help desk
- ▶ Training Information Management System
- ▶ Instructors (option)



▶ CC130J AIR MOBILITY TRAINING CENTER



➤ CC130J – CLASSROOM LEARNING ENVIRONMENT



- 4 classrooms of 6 students and 1 instructor
- 68 laptops (flexibility for after hour learning)



➤ CC130J – PILOT TRAINING SIMULATION MEDIA TYPES



- Weapons System Trainer – Qty 2
- Integrated Procedure Trainer – Qty 3
- Tactical Flight Training Device – Qty 1



➤ CC130J – REAR CREW TRAINING SIMULATION MEDIA



- Load Master Part Task Trainer – Qty 1
- Fuselage Trainer – Qty 1



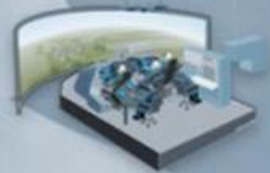
SPECTRUM OF AIR FORCE TRAINING AVAILABLE



al > committed > responsible > forward-thinking > focused > expert > determined > leading-edge > global > thorough



Individual
pilot training
(Initial conversion,
recurrent training)



Crew training
(CRM)



Collective
training
(Distributed training)



Multiplatform
training
(Combined air training)



Joint
training
(Army/Air Force/Navy)



Coalition
training
(Multi-national Forces)

thinking > focused > expert > determined > leading-edge > global > thorough > efficient > innovative > authentic > cr

ted > respo > efficient > innovative > authentic > creative > confident > easy-to-do-business-with > realistic > str

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THANK YOU

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