Reconciliations and Calculations

Reconciliation of adjusted segment operating income

(amounts in millions)	Civil Aviation		Defense and Security		Total	
Three months ended September 30	**2025**	2024	**2025**	2024	**2025**	2024
Operating income	**$ 108.7**	$ 94.7	**$ 46.6**	$ 23.4	**$ 155.3**	$ 118.1
Restructuring, integration and acquisition costs	**—**	21.2	**—**	9.7	**—**	30.9
Adjusted segment operating income	**$ 108.7**	$ 115.9	**$ 46.6**	$ 33.1	**$ 155.3**	$ 149.0

Reconciliation of adjusted net income and adjusted EPS

(amounts in millions, except per share amounts)	**Three months ended September 30 2025**	2024
Net income attributable to equity holders of the Company	**$ 73.9**	$ 52.5
Restructuring, integration and acquisition costs, after tax	**—**	23.7
Adjusted net income	**$ 73.9**	$ 76.2
Average number of shares outstanding (diluted)	**322.2**	319.1
Adjusted EPS	**$ 0.23**	$ 0.24

Calculation of adjusted effective tax rate

(amounts in millions, except effective tax rates)	**Three months ended September 30 2025**	**2024**
Earnings before income taxes	**$ 98.4**	$ 65.2
Restructuring, integration and acquisition costs	**—**	30.9
Adjusted earnings before income taxes	**$ 98.4**	$ 96.1
Income tax expense	**$ 22.3**	$ 10.4
Tax impact on restructuring, integration and acquisition costs	**—**	7.2
Adjusted income tax expense	**$ 22.3**	$ 17.6
Effective tax rate	**% 23**	% 16
Adjusted effective tax rate	**% 23**	**%** 18

Reconciliation of free cash flow

(amounts in millions)	**Three months ended September 30 2025**	2024
Cash provided by operating activities*	**$ 186.1**	$ 117.6
Changes in non-cash working capital	**27.9**	44.5
Net cash provided by operating activities	**$ 214.0**	$ 162.1
Maintenance capital expenditures	**(13.8)**	(20.6)
Intangible assets expenditures excluding capitalized development costs	**(2.6)**	(7.7)
Proceeds from the disposal of property, plant and equipment	**—**	0.2
Net (payments to) proceeds from equity accounted investees	**(5.0)**	0.3
Dividends received from equity accounted investees	**13.9**	6.8
Other investing activities	**(5.5)**	(1.1)
Free cash flow	**$ 201.0**	$ 140.0

* before changes in non-cash working capital

Reconciliation of EBITDA, adjusted EBITDA, net debt-to-EBITDA and net debt-to-adjusted EBITDA

(amounts in millions, except net debt-to-EBITDA ratios)	Last twelve months ended September 30 **2025**	2024
Operating income (loss)	**$ 791.6**	$ (184.7)
Depreciation and amortization	**444.5**	388.4
EBITDA	**$ 1,236.1**	$ 203.7
Restructuring, integration and acquisition costs	**—**	135.0
Impairments and other gains and losses arising from significant strategic transactions or specific events:		
Executive management transition costs	**22.3**	—
Gain on fair value remeasurement of SIMCOM	**(72.6)**	—
Shareholder matters	**10.6**	—
Impairment of goodwill	**—**	568.0
Impairment of technology and other non-financial assets	**—**	35.7
Adjusted EBITDA	**$ 1,196.4**	$ 942.4
Net debt	**$ 3,186.5**	$ 3,064.9
Net debt-to-EBITDA	**2.58**	15.05
Net debt-to-adjusted EBITDA	**2.66**	3.25

Reconciliation of capital employed and net debt

(amounts in millions)	**As at September 30 2025**	As at March 31 2025
Use of capital:		
Current assets	**$ 2,040.7**	$ 2,143.6
Less: cash and cash equivalents	**(178.7)**	(293.7)
Current liabilities	**(2,445.2)**	(2,686.5)
Less: current portion of long-term debt	**291.4**	399.0
Non-cash working capital	**$ (291.8)**	$ (437.6)
Property, plant and equipment	**3,051.5**	2,989.5
Intangible assets	**3,771.7**	3,871.0
Other long-term assets	**2,224.7**	2,209.7
Other long-term liabilities	**(409.6)**	(479.9)
Capital employed	**$ 8,346.5**	$ 8,152.7
Source of capital:		
Current portion of long-term debt	**$ 291.4**	$ 399.0
Long-term debt	**3,073.8**	3,071.4
Less: cash and cash equivalents	**(178.7)**	(293.7)
Net debt	**$ 3,186.5**	$ 3,176.7
Equity attributable to equity holders of the Company	**5,078.7**	4,891.5
Non-controlling interests	**81.3**	84.5
Capital employed	**$ 8,346.5**	$ 8,152.7

For non-IFRS and other financial measures monitored by CAE, and a reconciliation of such measures to the most directly comparable measure under IFRS, please refer to Section 9 of CAE's MD&A for the quarter ended September 30, 2025 (which is incorporated by reference into this press release) available on our website (www.cae.com), SEDAR+ (www.SEDARplus.ca) and EDGAR (www.sec.gov).

Consolidated Income Statement

(Unaudited) *(amounts in millions of Canadian dollars, except per share amounts)*	**Three months ended September 30** **2025**	 2024	**Six months ended September 30** **2025**	 2024
Revenue	**$ 1,236.6**	$ 1,136.6	**$ 2,335.2**	$ 2,209.1
Cost of sales	**917.3**	845.5	**1,707.6**	1,639.3
Gross profit	**$ 319.3**	$ 291.1	**$ 627.6**	$ 569.8
Research and development expenses	**37.0**	37.2	**73.7**	73.1
Selling, general and administrative expenses	**148.3**	127.6	**307.7**	261.1
Other (gains) and losses	**(5.4)**	(2.7)	**(5.4)**	(3.6)
Share of after-tax profit of equity accounted investees	**(15.9)**	(20.0)	**(37.5)**	(44.0)
Restructuring, integration and acquisition costs	**—**	30.9	**—**	56.5
Operating income	**$ 155.3**	$ 118.1	**$ 289.1**	$ 226.7
Finance expense – net	**56.9**	52.9	**111.5**	102.4
Earnings before income taxes	**$ 98.4**	$ 65.2	**$ 177.6**	$ 124.3
Income tax expense	**22.3**	10.4	**41.3**	18.7
Net income	**$ 76.1**	$ 54.8	**$ 136.3**	$ 105.6
Attributable to:				
Equity holders of the Company	**$ 73.9**	$ 52.5	**$ 131.1**	$ 100.8
Non-controlling interests	**2.2**	2.3	**5.2**	4.8
Earnings per share attributable to equity holders of the Company				
Basic and diluted	**$ 0.23**	$ 0.16	**$ 0.41**	$ 0.32

Consolidated Statement of Comprehensive Income

(Unaudited)	Three months ended September 30		Six months ended September 30	
(amounts in millions of Canadian dollars)	**2025**	2024	**2025**	2024
Net income	**$ 76.1**	$ 54.8	**$ 136.3**	$ 105.6
Items that may be reclassified to net income				
Foreign currency exchange differences on translation of foreign operations	**$ 121.5**	$ 15.4	**$ (97.3)**	$ 66.9
Net (loss) gain on hedges of net investment in foreign operations	**(48.6)**	24.4	**64.3**	5.3
Reclassification to income of gains on foreign currency exchange differences	**(2.0)**	—	**(3.7)**	(0.1)
Net (loss) gain on cash flow hedges	**(12.2)**	5.7	**6.6**	(1.1)
Reclassification to income of losses on cash flow hedges	**6.2**	1.6	**4.9**	4.9
Income taxes	**2.0**	(1.1)	**(2.7)**	(2.1)
	$ 66.9	$ 46.0	**$ (27.9)**	$ 73.8
Items that will never be reclassified to net income				
Remeasurement of defined benefit pension plan obligations	**$ 27.3**	$ (56.5)	**$ 54.0**	$ (54.2)
Income taxes	**(7.2)**	15.0	**(14.3)**	14.4
	$ 20.1	$ (41.5)	**$ 39.7**	$ (39.8)
Other comprehensive income	**$ 87.0**	$ 4.5	**$ 11.8**	$ 34.0
Total comprehensive income	**$ 163.1**	$ 59.3	**$ 148.1**	$ 139.6
Attributable to:				
Equity holders of the Company	**$ 159.6**	$ 56.9	**$ 143.6**	$ 134.2
Non-controlling interests	**3.5**	2.4	**4.5**	5.4

Consolidated Statement of Financial Position

(Unaudited) *(amounts in millions of Canadian dollars)*	**September 30 2025**	March 31 2025
Assets		
Cash and cash equivalents	**$ 178.7**	$ 293.7
Accounts receivable	**598.2**	612.0
Contract assets	**509.2**	482.2
Inventories	**586.9**	595.0
Prepayments	**75.0**	78.2
Income taxes recoverable	**73.9**	59.0
Derivative financial assets	**18.8**	23.5
Total current assets	**$ 2,040.7**	$ 2,143.6
Property, plant and equipment	**3,051.5**	2,989.5
Right-of-use assets	**774.3**	788.0
Intangible assets	**3,771.7**	3,871.0
Investment in equity accounted investees	**576.2**	559.1
Employee benefits assets	**28.2**	11.6
Deferred tax assets	**159.3**	191.8
Derivative financial assets	**1.3**	1.4
Other non-current assets	**685.4**	657.8
Total assets	**$ 11,088.6**	$ 11,213.8
Liabilities and equity		
Accounts payable and accrued liabilities	**$ 1,050.0**	$ 1,190.8
Provisions	**24.1**	34.5
Income taxes payable	**21.6**	18.4
Contract liabilities	**1,033.8**	1,001.6
Current portion of long-term debt	**291.4**	399.0
Derivative financial liabilities	**24.3**	42.2
Total current liabilities	**$ 2,445.2**	$ 2,686.5
Provisions	**14.1**	14.3
Long-term debt	**3,073.8**	3,071.4
Employee benefits obligations	**106.9**	134.1
Deferred tax liabilities	**41.7**	40.7
Derivative financial liabilities	**13.1**	22.4
Other non-current liabilities	**233.8**	268.4
Total liabilities	**$ 5,928.6**	$ 6,237.8
Equity		
Share capital	**$ 2,347.1**	$ 2,327.1
Contributed surplus	**95.2**	69.8
Accumulated other comprehensive income	**354.6**	381.8
Retained earnings	**2,281.8**	2,112.8
Equity attributable to equity holders of the Company	**$ 5,078.7**	$ 4,891.5
Non-controlling interests	**81.3**	84.5
Total equity	**$ 5,160.0**	$ 4,976.0
Total liabilities and equity	**$ 11,088.6**	$ 11,213.8

Consolidated Statement of Changes in Equity

(Unaudited)	Attributable to equity holders of the Company							
Six months ended September 30, 2025	Common shares			Accumulated other				
(amounts in millions of Canadian dollars, except number of shares)	Number of shares	Stated value	Contributed surplus	comprehensive income	Retained earnings	Total	Non-controlling interests	**Total equity**
Balances as at March 31, 2025	320,265,108	$ 2,327.1	$ 69.8	$ 381.8	$ 2,112.8	$ 4,891.5	$ 84.5	**$ 4,976.0**
Net income	—	$ —	$ —	$ —	$ 131.1	$ 131.1	$ 5.2	**$ 136.3**
Other comprehensive (loss) income	—	—	—	(27.2)	39.7	12.5	(0.7)	**11.8**
Total comprehensive (loss) income	—	$ —	$ —	$ (27.2)	$ 170.8	$ 143.6	$ 4.5	**$ 148.1**
Exercise of stock options	566,866	20.5	(3.8)	—	—	16.7	—	**16.7**
Settlement of equity-settled awards	817	—	—	—	—	—	—	**—**
Repurchase and cancellation of common shares	(61,900)	(0.5)	—	—	(1.8)	(2.3)	—	**(2.3)**
Equity-settled share-based payments expense, after tax	—	—	29.2	—	—	29.2	—	**29.2**
Transactions with non-controlling interests	—	—	—	—	—	—	(7.7)	**(7.7)**
Balances as at September 30, 2025	**320,770,891**	**$ 2,347.1**	**$ 95.2**	**$ 354.6**	**$ 2,281.8**	**$ 5,078.7**	**$ 81.3**	**$ 5,160.0**

	Attributable to equity holders of the Company							
Six months ended September 30, 2024	Common shares			Accumulated other				
(amounts in millions of Canadian dollars, except number of shares)	Number of shares	Stated value	Contributed surplus	comprehensive income	Retained earnings	Total	Non-controlling interests	Total equity
Balances as at March 31, 2024	318,312,233	$ 2,252.9	$ 55.4	$ 154.0	$ 1,762.6	$ 4,224.9	$ 77.7	$ 4,302.6
Net income	—	$ —	$ —	$ —	$ 100.8	$ 100.8	$ 4.8	$ 105.6
Other comprehensive income (loss)	—	—	—	73.2	(39.8)	33.4	0.6	34.0
Total comprehensive income	—	$ —	$ —	$ 73.2	$ 61.0	$ 134.2	$ 5.4	$ 139.6
Exercise of stock options	1,092,050	27.3	(3.5)	—	—	23.8	—	23.8
Settlement of equity-settled awards	42,086	1.2	(1.2)	—	—	—	—	—
Repurchase and cancellation of common shares	(856,230)	(6.1)	—	—	(15.2)	(21.3)	—	(21.3)
Equity-settled share-based payments expense, after tax	—	—	20.6	—	—	20.6	—	20.6
Transactions with non-controlling interests	—	—	—	—	—	—	(1.1)	(1.1)
Balances as at September 30, 2024	318,590,139	$ 2,275.3	$ 71.3	$ 227.2	$ 1,808.4	$ 4,382.2	$ 82.0	$ 4,464.2

Consolidated Statement of Cash Flows

(Unaudited) (amounts in millions of Canadian dollars)	Six months ended September 30 2025	2024
Operating activities		
Net income	**$ 136.3**	$ 105.6
Adjustments for:		
Depreciation and amortization	**227.7**	197.9
Share of after-tax profit of equity accounted investees	**(37.5)**	(44.0)
Deferred income taxes	**21.8**	(8.0)
Investment tax credits	**(10.2)**	(8.7)
Equity-settled share-based payments expense	**26.0**	20.6
Defined benefit pension plans	**9.9**	17.2
Other non-current liabilities	**—**	(4.7)
Derivative financial assets and liabilities – net	**4.3**	(13.6)
Other	**(3.0)**	(17.5)
Changes in non-cash working capital	**(176.6)**	(95.6)
Net cash provided by operating activities	**$ 198.7**	$ 149.2
Investing activities		
Property, plant and equipment expenditures	**$ (194.5)**	$ (149.6)
Proceeds from disposal of property, plant and equipment	**5.1**	1.9
Intangible assets expenditures	**(42.4)**	(53.0)
Net (payments to) proceeds from equity accounted investees	**(18.1)**	0.4
Dividends received from equity accounted investees	**34.0**	17.3
Other	**(8.9)**	(0.8)
Net cash used in investing activities	**$ (224.8)**	$ (183.8)
Financing activities		
Net proceeds from borrowing under revolving credit facilities	**$ 70.4**	$ 87.0
Proceeds from long-term debt	**82.5**	19.5
Repayment of long-term debt	**(220.6)**	(36.3)
Repayment of lease liabilities	**(33.5)**	(27.7)
Net proceeds from the issuance of common shares	**16.7**	23.8
Repurchase and cancellation of common shares	**(2.3)**	(21.3)
Other	**(1.3)**	—
Net cash (used in) provided by financing activities	**$ (88.1)**	$ 45.0
Effect of foreign currency exchange differences on cash and cash equivalents	**$ (0.8)**	$ 9.2
Net (decrease) increase in cash and cash equivalents	**$ (115.0)**	$ 19.6
Cash and cash equivalents, beginning of period	**293.7**	160.1
Cash and cash equivalents, end of period	**$ 178.7**	$ 179.7