



Press Release

CAE announces commercial and business aviation training contracts valued at more than C\$350 million

Montreal, Canada, February 1, 2016- CAE (NYSE: CAE; TSX: CAE) underscores its position as training partner of choice with the announcement of a series of contracts, including the sale of 9 full-flight simulators to airlines globally, as well as commercial and business aviation training programs with more than 10 operators. These agreements, valued at more than C\$350 million, cover a broad range of CAE's training equipment and programs, from commercial cadet to captain training, to business aviation pilot training, to training centre operations and post-delivery services. Approximately half the value of these contracts was booked in CAE's third quarter and the balance in the beginning of the fourth quarter of fiscal year 2016.

The 9 full-flight simulators (FFSs) sales bring the total number of FFS sales announced to date in fiscal 2016 to 39. CAE expects to exceed its prior FFS sales outlook for the fiscal year. The FFSs are at list prices, which include the value of OEM aircraft-specific data, parts and equipment (DP&E). In the case of these contracts, some customers are providing part of the OEM content.

The contracts include:

Commercial and Business Aviation Training

- An exclusive 4-year training agreement for commercial pilot training with an undisclosed customer in North America
- Over C\$100 million in training programs with more than 10 business aviation operators in the United States, Europe, Asia and the Middle East, reflecting CAE's dedication to customer service and tailored approach to training. These contracts represent both new and renewal business for initial and recurrent pilot training as well as maintenance training for technicians.

Training equipment, including the sale of 9 full-flight simulators

- One A320 full-flight simulator to CAE Simulation Training Private Limited (CSTPL), the joint venture between CAE and InterGlobe Enterprises
- One MRJ 90 engineering full-flight simulator to Mitsubishi Aircraft Corporation
- One ATR-600 full-flight simulator and one 400XR flight training device to an undisclosed European customer
- One Boeing 737NG full-flight simulator to an undisclosed customer in North America
- Five full-flight simulators, including three Boeing 737MAX, one A320 Neo and one ATR 42/72 full-flight simulators to an undisclosed customer in Asia

Training centre operations and post-delivery services

- Over C\$35 million in training centre operations, maintenance and updates services to customers in North America, Europe, and Asia, supporting our partners' needs to maintaining training assets and upgrade to the latest aircraft fleet standard.

"CAE places such great importance on our long-standing customers around the world, and we are thrilled to support our partners' growth," said Nick Leontidis, CAE's Group President, Civil Aviation Training

Solutions. "These agreements reaffirm CAE's commitment to providing our customers with high quality training programs in convenient, desirable locations with outstanding customer service."

CAE Simulation Training Private Limited (CSTPL): A320 full-flight simulator

CAE Simulation Training Private Limited (CSTPL) in Greater Noida, NCR Delhi, India, the joint venture between CAE and InterGlobe Enterprises, has ordered an A320 full-flight simulator. CSTPL is growing as the centre of excellence and adding simulator capacity. The CAE 7000XR full-flight simulator will be equipped with the innovative CAE Tropos 6000XR visual system.

The full-flight simulator will be located at the CSTPL 6-bay training center in Greater Noida along with the other 3 A320 full-flight simulators currently in operation, and will be ready-for-training by October 2016.

"With its six simulator bays, the center will have the capacity to train over 5,000 aviation professionals per year, and will be the largest such facility in India", said Ashwani Acharya, Business Head of CSTPL.

Mitsubishi Aircraft Corporation (MITAC): MRJ 90 engineering flight simulator

CAE has sold one MRJ 90 engineering flight simulator to Mitsubishi Aircraft Corporation. The CAE 7000XR engineering flight simulator will be equipped with the latest CAE Tropos 6000XR innovative visual system, offering unprecedented realism, and will be used by MITAC engineering and test pilots through the development and flight testing phases of the MRJ 90 aircraft program. The device will be delivered at MITAC's facilities in Nagoya, Japan.

About CAE

CAE is a global leader in the delivery of training for the civil aviation, defence and security, and healthcare markets. We design and integrate the industry's most comprehensive training solutions, anchored by the knowledge and expertise of our 8,000 employees, our world-leading simulation technologies and a track record of service and technology innovation spanning seven decades. Our global presence is the broadest in the industry, with 160 sites and training locations in 35 countries, including our joint venture operations, and the world's largest installed base of flight simulators. Each year, we train more than 120,000 civil and defence crewmembers, as well as thousands of healthcare professionals. www.cae.com

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CAE contacts:

Hélène V. Gagnon, Vice President, Public Affairs and Global Communications, +1-514-796-5536, helene.v.gagnon@cae.com

Investor relations:

Andrew Arnovitz, Vice President, Strategy and Investor Relations, +1-514-734-5760, andrew.arnovitz@cae.com

Trade Media:

Frédéric Morais, Marketing Leader, Civil Aviation Training Solutions, +1-514-506-8331, frederic.morais@cae.com