



Trade Press Release

CAE awarded contract from Boeing to develop four P-8A operational flight trainers for US Navy and Royal Australian Air Force

Tampa, Fla., USA, June 29, 2015 – (NYSE: CAE; TSX: CAE) – CAE today announced that Boeing has ordered simulator hardware for four additional P-8A Poseidon operational flight trainers (OFTs).

Two of the P-8A OFTs are for the United States Navy, which will bring the Navy's total to 18 P-8A OFTs. The other two P-8A OFTs are part of a United States Cooperative Program via the P-8 Production, Sustainment, and Follow-On Development Memorandum of Understanding (PSDF MOU) with the U.S. Navy to provide the Royal Australian Air Force (RAAF) with a comprehensive P-8A training system.

The contract for the two RAAF P-8A OFTs was signed in CAE's fourth quarter of fiscal year 2015 and included in the value of contracts announced on April 8, 2015. The contract for the two U.S. Navy P-8A OFTs was signed in CAE's first quarter of fiscal year 2016.

The P-8A OFTs for the RAAF will be similar to the P-8A OFTs that CAE is already developing for Boeing for delivery to the U.S. Navy. CAE designs and manufactures the P-8A OFT hardware to Level D standards, the highest qualification for flight simulators. CAE also provides the 737-800 OFT software baseline and simulation-based software lab environment that is used for P-8A OFT development and integration tasks. CAE then delivers the simulators to Boeing, who installs and integrates software specific to the P-8A aircraft.

"We are pleased to be supporting Boeing and the U.S. Navy in developing the P-8A simulators for the Royal Australian Air Force, marking the first international sale of a comprehensive P-8A training system," said Ray Duquette, President and General Manager, CAE USA. "The Navy has significantly increased the amount of synthetic training it does as part of the P-8A training program, and the high-fidelity P-8A operational flight trainers developed by CAE and Boeing play a key role in the overall P-8A training curriculum."

The two P-8A OFTs for the RAAF are scheduled for delivery to RAAF Base Edinburgh in late 2017. The two additional P-8A OFTs for the U.S. Navy are scheduled for delivery to Naval Air Station Whidbey Island in 2017.

The P-8A Poseidon is a new long-range anti-submarine and anti-surface warfare aircraft currently being developed for the U.S. Navy by prime contractor Boeing. The P-8A is a derivative of Boeing's next-generation 737-800 aircraft and is used for maritime and littoral operations. The U.S. Navy's warfighting requirement is 117 P-8A aircraft, and these aircraft are replacing the U.S. Navy's current fleet of P-3C Orion aircraft. The Indian Navy and the Royal Australian Air Force are the first international customers of the P-8.

About CAE

CAE is a global leader in 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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