



Press Release

CAE awarded training solution contracts with over 15 airlines valued at more than C\$300 million

Montreal, Canada, October 15, 2015 - CAE (NYSE: CAE; TSX: CAE) announced today a series of training solution contracts including the sale of 9 full-flight simulators and training programs with over 15 global airlines valued at more than C\$300 million. The diversity of these agreements highlights the span of CAE's full range of training equipment and programs that cover the entire career life cycle of professional pilots, from cadet to captain training, to cabin crew training, aviation personnel resourcing, as well as training centre operations and post-delivery services. They include:

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

- Two Boeing 737MAX full-flight simulators, two CAE 500XR Flight Training Devices as well as CAE Simfinity XR ground school training solutions to Air Canada
- One A320 full-flight simulator to Air India
- One A320NEO full-flight simulator to Pegasus Airlines of Turkey
- One A350 full-flight simulator to Finnair of Finland
- One AgustaWestland AW139 simulator to the CAE-Líder joint venture in Brazil
- Two Boeing 737NG full-flight simulators to an undisclosed customer in North America
- One Boeing 787 full-flight simulator to an undisclosed customer in North America

Pilot and cabin crew training and resourcing

- A 3-year contract for pilot training and resourcing for UK-based Monarch Airlines
- A 10-year contract extension with a European airline for pilot and cabin crew training
- An exclusive 4-year training services agreement for cabin crew training and recruitment services to an undisclosed European airline

Training centre operations and post-delivery services

- Over C\$75 million in training centre operations, maintenance and updates services to customers in North America and the Middle East as well as an exclusive 3-year renewal for training equipment maintenance and engineering services agreement with JetBlue Airways in the United States

"This latest series of contracts affirms the strength of the global aviation market and our position as the training partner of choice. We see continued demand for our products, training and services from long-standing partners to new airline customers worldwide," said Marc Parent, CAE's President and Chief Executive Officer. "CAE is truly the only company to offer such a broad range of end-to-end solutions on a global scale. We are privileged to extend our customer relationships with these agreements and we are committed to supporting our partners' training needs long into the future."

The 9 full-flight simulators (FFSs) sales bring the total number of FFS sales announced in the first-half of fiscal 2016 to 24. The FFSs are at list prices, which include the value of OEM aircraft-specific data, parts and equipment (DP&E), normally procured by CAE in the manufacture of its simulators. In the case of these contracts, some customers are providing part of the OEM content.

Air Canada: Two Boeing 737MAX full-flight simulators and a suite of training devices

CAE announced today the conclusion of a training equipment contract to support Air Canada's new Boeing 737MAX fleet. The contract includes two CAE-built Boeing 737MAX 7000XR full-flight simulators, equipped with the latest innovative CAE Tropos 6000XR visual system, two CAE 500XR flight training devices, along with classroom training programs.

“We are extremely honoured to support our partner Air Canada by supplying the most-advanced training solutions for the latest generation of Boeing aircraft,” said Marc Parent. “I would like to thank Air Canada for its support and confidence over the past 25 years as a CAE customer and partner. We are proud to have provided the airline with over 15 simulators over the years, and to service its training centres in Toronto and Vancouver.”

“As our long-time partner, CAE continues to be our supplier of choice to support our training needs,” said Calin Rovinescu, President and CEO of Air Canada. “We have been relying on CAE for providing state-of-art training equipment for many years and we are confident they will continue to deliver innovative solutions.”

The complete training suite will be delivered at Air Canada’s training centre in Toronto, to be ready for training in the summer of 2017, in time for the entry into service of Air Canada’s new Boeing 737 fleet.

Air Canada is Canada's largest domestic and international airline serving more than 200 airports on six continents. Canada's flag carrier is among the 20 largest airlines in the world and in 2014 served more than 38 million customers. Air Canada provides scheduled passenger service directly to 63 airports in Canada, 52 in the United States and 86 in Europe, the Middle East, Asia, Australia, the Caribbean, Mexico, Central America and South America. Air Canada is a founding member of Star Alliance, the world's most comprehensive air transportation network serving 1,321 airports in 193 countries. Air Canada is the only international network carrier in North America to receive a Four-Star ranking according to independent U.K. research firm Skytrax. For more information, please visit: www.aircanada.com, follow @AirCanada on Twitter and join Air Canada on Facebook.

Air India: A320 full-flight simulator

Air India has ordered one A320 full-flight simulator from CAE in response to the airline’s growth in the region. The CAE 7000XR Series full-flight simulator will be equipped with the latest CAE Tropos 6000XR innovative visual systems, offering unprecedented realism. The CAE 7000XR FFS will be delivered in the first quarter of 2016 at the airline Central Training Establishment (CTE) in Hyderabad. Air India ordered its first simulator from CAE in 1971.

“We are pleased to be ordering a third full-flight simulator from our long-standing training partner CAE. The state-of-the-art all-electric motion system provides more accurate and authentic cues for pilot training”, said A.S. Soman, Air India’s Executive Director. “By adding this new generation simulator, Air India will now be able to put on fast track the comprehensive training provided to its pilots with the latest technology.”

Pegasus Airlines: A320NEO full-flight simulator sale

Pegasus Airlines has selected CAE for the provision of training equipment. The agreement includes one A320NEO CAE 7000XR Series FFS equipped with CAE Tropos-6000XR innovative visual systems, as well as one A320NEO CAE 400XR Integrated Procedures Trainer (IPT), and two Boeing 737NG CAE 400XR IPTs. The complete suite of training equipment will be delivered in June 2016 to Pegasus Flight Training Center in Istanbul, Turkey. This training equipment contract represents Pegasus Airline’s first CAE simulator purchase.

“We are honored that Pegasus has selected CAE as its training partner of choice and we are pleased to welcome the airline as a new customer,” said Nick Leontidis, CAE’s Group President, Civil Aviation Training Solutions. “We are proud to continue offering state-of-the-art training equipment to airlines, worldwide.”

“We are delighted to have chosen CAE to support us with our training needs,” said Sertaç Haybat, CEO of Pegasus Airlines. “With CAE’s complete range of training equipment, we are confident that our crews will be receiving world-class pilot training and offering our guests outstanding service across our extensive flight network. We are thrilled to be teaming up with a global leader and expect our relationship with CAE to grow over the years.”

Turkey's leading low cost airline flies a schedule service to 33 destinations in Turkey and 68 in the rest of the world, bringing its total network to 101 destinations in 40 countries throughout Europe, the Middle-East, North Africa, Russia, the Caucasus and beyond. Pegasus has pursued investment in new aircraft to support its growth since the launch of scheduled flights in 2005. It currently operates a fleet of 56 Boeing 737 aircraft (55 Boeing 737-800 NG and 1 Boeing 737-400) and 9 Airbus A320Neo-family aircraft (Airbus A320-200). In December 2012, Pegasus made the single largest-ever aircraft order in Turkish civil aviation history at the time for 100 new Airbus aircraft (of which 25 are optional) and will start to take delivery of these aircraft in the second half of 2016.

Finnair: A350 full-flight simulator sale

Finnair has ordered one A350 full-flight simulator (FFS) which will be delivered in March 2017 to Finnair Flight Academy in Vantaa, Finland. The CAE 7000XR Series FFS will be equipped with the latest CAE Tropos 6000XR visual system, offering unprecedented realism. Finnair will be the first European airline to operate the A350 aircraft. Finnair Airlines and CAE share a relationship that spans over 25 years, with the first flight simulator sold to the airline in 1988.

CAE-Líder: AgustaWestland AW139 simulator sale

The CAE-Líder joint venture has purchased an AgustaWestland AW139 simulator from CAE, in order to support the demand for transportation in the offshore oil and gas fields of Brazil. The CAE 3000 Series simulator will be based in São Paulo, Brazil and training is expected to begin in the second half of 2016.

Monarch Airlines: pilot type-rating training

Monarch Airlines has selected CAE for a new pilot resourcing and A320 type-rating training program in the UK. In addition, CAE will provide A320 simulation services in an exclusive 3-year contract.

As part of the pilot resourcing and training programme, Monarch has committed to recruit up to 60 CAE Oxford Aviation Academy cadet graduates before the end of 2017. The assessment and selection of the graduates will be provided to Monarch by CAE Oxford Aviation Academy's pilot selection specialists in line with the airline's specific requirements for new pilots. Once selected, the graduates will complete a self-sponsored A320 type rating training program delivered by CAE at its training locations in London Gatwick and Manchester.

To date, 20 cadets have been selected and completed A320 type-rating training for Monarch Airlines, with more graduate candidates expected to begin assessment soon.

Monarch Airlines has also selected CAE for the provision of A320 simulation services at London Gatwick and Manchester over the next 3 years. Having been a customer at these training locations for almost 10 years, Monarch Airlines has now signed an exclusive agreement for the use of these facilities.

"We are delighted that Monarch Airlines has selected CAE to secure its future pipeline of new pilots through a customized pilot provisioning and training solution," said Nick Leontidis. "We look forward to continuing our partnership with Monarch Airlines to meet their ongoing requirements over the next 3 years."

JetBlue Airways: Training Centre Operations Services

JetBlue Airways has renewed its training centre operations contract with CAE for the next 3 years. Under the agreement, CAE will continue to provide simulator maintenance and engineering support services on all of JetBlue's flight and cabin crew training devices located at JetBlue University in Orlando, Florida. CAE's Orlando-based technical team has been providing turnkey maintenance services at JetBlue University for more than a decade.

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

Follow us on Twitter @CAE_Inc

- 30 -

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