

Trade Press Release

Construction complete on CAE's new Dothan Training Center

- Army Fixed-Wing Flight Training Program to begin by first quarter calendar 2017-

Orlando, Florida, USA, November 30, 2016 – (NYSE: CAE; TSX: CAE) – Today at the Interservice/Industry Training, Simulation and Education Conference (I/ITSEC), the world's largest military simulation and training event, CAE announced that it has completed construction and received the occupancy certificate for its new Dothan Training Center.

Over the next two months, CAE and subcontractor personnel will transition from interim facilities to the Dothan Training Center located at the Dothan Regional Airport in Alabama.

CAE also announced that the first training device in the Dothan Training Center – a Grob G120TP flight training device (FTD)– has been installed and is ready-for-training. CAE-built C-12 King Air full-flight simulators (FFSs) will begin arriving at the Dothan Training Center by the first quarter of calendar 2017.

"The completion of our new Dothan Training Center ahead of schedule and less than nine months after groundbreaking is a major milestone," said Ray Duquette, President and General Manager, CAE USA. "We are now in the final stages of preparing to welcome our first class of Army students when we will begin providing the Army with a modern, flexible and cost-effective training program specifically designed for fixed-wing aviators."

CAE's new Dothan Training Center features state-of-the-art classrooms; training system integrated learning environment; and other modern facilities, including student and instructor lounges, fitness center and cafeteria. In addition to the Grob G120TP FTD, CAE is currently manufacturing a suite of C-12 King Air training devices that will be delivered by the first quarter of calendar 2017. The first two C-12 training devices to arrive will be CAE 7000XR Series C-12 King Air full-flight simulators.

In addition, CAE is developing two other CAE 7000XR Series FFSs, referred to as motherships, featuring CAE's revolutionary roll-on/roll-off (RORO) cockpit design, which will enable cockpits representing various aircraft types to be used in the full-flight simulator. CAE is developing four RORO cockpits representing various configurations of the C-12 King Air aircraft used by the Army and U.S. Air Force. When two of the cockpits are installed on the full-flight simulator mothership, the other two can be connected to a docking station and be used as Level 6-equivalent flight training devices. CAE is also developing three CAE Simfinity C-12 King Air integrated procedures trainers (IPTs).

The comprehensive Army Fixed-Wing Flight Training program will also feature live-flying training provided by CAE and its team of subcontractors, including APS, SDI and Navigator. The transition of Army rotary-wing aviators and training of Army initial-entry fixed-wing students will use six new Grob G120TP aircraft. A fleet of 10 C-12U King Air aircraft owned and maintained by the U.S. Army will also be operated by CAE instructors to deliver live flying C-12 King Air training.

The Army Fixed-Wing Flight Training program is responsible for providing all the training required for experienced Army rotary-wing aviators transitioning to fly the Army's fleet of more than 350

fixed-wing aircraft. In addition, the Army Fixed-Wing Flight Training program serves as the formal training unit for Army C-12/RC-12 King Air recurrent training, as well as providing annual training to U.S. Air Force C-12 King Air pilots. In total, more than 600 U.S. Army and U.S. Air Force pilots are expected to train annually at CAE's new Dothan Training Center.

About CAE

CAE's Defense & Security business unit focuses on helping prepare our customers to develop and maintain the highest levels of mission readiness. We are a world-class training systems integrator offering a comprehensive portfolio of training centers, training services and simulation products across the air, land, naval and public safety market segments. We serve our global defense and security customers through regional operations in Canada; the United States/Latin America; Europe/Middle East/Africa; and Asia/Pacific, all of which leverage the full breadth of CAE's capabilities, technologies and solutions.

CAE is a global leader in training for the civil aviation, defense and security, and healthcare markets. Backed by a 70-year record of industry firsts, we continue to help define global training standards with our innovative virtual-to-live training solutions to make flying safer, maintain defense force readiness and enhance patient safety. We have the broadest global presence in the industry, with 8,000 employees, 160 sites and training locations in over 35 countries. Each year, we train more than 120,000 civil and defense crewmembers and thousands of healthcare professionals worldwide. <u>www.cae.com</u>

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Note to editors: A photo of the exterior of CAE's new Dothan Training Center is available at <u>www.cae.com/photos</u>

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