Operator: Good day, ladies and gentlemen, and welcome to the CAE 3rd Quarter Conference Call. Please be advised that this call is being recorded. I would now like to turn the meeting over to Mr. Andrew Arnovitz. You may now proceed, Mr. Arnovitz.

Andrew Arnovitz: Good afternoon, everyone, and thank you for joining us today. Before we begin, I'd like to remind you that today's remarks, including management's outlook for fiscal year '18 and answers to questions, contain forward-looking statements. These forward-looking statements represent our expectations as of today, February 9th, 2018, and accordingly are subject to change. Such statements are based on assumptions that may not materialize and are subject to risks and uncertainties. Actual results may differ materially, and listeners are cautioned not to place undue reliance on these forward-looking statements. A description of the risks, factors and assumptions that may affect future results is contained in CAE's annual MD&A, available on our corporate website, and in our filings with the Canadian Securities Administrators on SEDAR, and the US Securities and Exchange Commission's EDGAR site.

On the call with me this afternoon are Marc Parent, CAE's President and Chief Executive Officer, and Sonya Branco, our Chief Financial Officer. After remarks from Marc and Sonya, we will take questions from financial analysts and institutional investors, and following the conclusion of that Q&A period, we'll open the line to questions from members of the media.

Let me now turn the call over to Marc.

Marc Parent: Thank you, Andrew, and good afternoon to everyone joining us on the call. I'll first provide an overview of the quarter, and then Sonya will review the detailed financials. I'll come back at the end to talk about our outlook.

We had year-over-year growth in all of our segments in the third quarter, and we remained on track to deliver on our growth outlook for the year as a whole. Some highlights included are order intake of $1.2 billion, which is testament to the good progress we've been making to expand our position with airlines, business aircraft operators and defence forces worldwide. We also generated strong free cash flow in the quarter, and maintained our solid financial footing.

Looking specifically at Civil, we booked $1 billion in new orders for our comprehensive training solutions, which marks a quarterly record for the

Civil Business Unit. Orders included exclusive long term training services contracts for AirAsia, Air Transat, Mesa Aviation and Jazz Aviation. We also won 26 full-flight simulator orders from airlines including Ryanair, Air France, ATR, Lufthansa Flight Training and Air Canada, some of which involve multi-year deliveries. This brings our year-to-date tally to 45 Civil Full Flight Simulator orders, so we're on track for another pretty good year.

Revenue and Operating Income were higher than last year's third quarter, and for the year-to-date Civil growth is on track with our outlook.

In Defence, momentum increased in the quarter with revenue and operating income growth in the high single-digit percentages. In terms of order activity, we continued to capture important training systems and service contracts, which puts us at $966 million of defence orders for the first nine months of the fiscal year.

New awards in the quarter included flight simulators and training systems upgrades for the US Navy's MH-60R helicopter, as well as the German Navy's P-3C and Sea Lynx flight trainers. Service awards included an enterprise-wide training systems maintenance contract for the Australian Defence Department.

In Healthcare, we developed LucinaAR, the world's first augmented reality childbirth simulator, which we've just launched in January at the International Meeting on Simulation in Healthcare in Los Angeles. This new high-fidelity patient simulator incorporates mother-baby physiology, and is the latest product to integrate the Microsoft HoloLens.

Also of note, Healthcare announced a partnership this January with a leading scientific society, the American Heart Association, to deliver AHA certification courses in certain markets.

With that, I'll now turn the call over to Sonya who will provide a detailed look at our financial performance, and I'll return at the end of the call to comment on our outlook. Sonya?

Sonya Branco: Thank you, Marc, and good afternoon, everyone. Consolidated revenue for the 3rd quarter was $704 million, and quarterly net income was $117.9 million, or 44 cents per share. This includes approximately 13 cents per share attributable to the US tax reform. Net income also includes a net gain of approximately 3 cents per share on the fair valuation of CAE's prior investment position in the Asian Aviation Centre of Excellence. This net gain was triggered by our acquisition of the remaining share of the investment and some reorganizational activities. Excluding these elements, earnings per share would have been 28 cents, which is up from 26 cents per share last year, before specific items.

Income tax recovery this quarter was $24 million, representing a negative effective tax rate of 25%, which compares to an effective tax rate of 14% for the 3rd quarter last year. Excluding the effect of the US tax reform and the tax impact related to the net AACE gain, the effective tax rate in the 3rd quarter would have been 17%.

Remaining on the subject of tax, we conducted a thorough assessment of the actual and expected future impact of the US tax reform, and the good news is that it represents a net positive for CAE A significant portion of CAE’s business is conducted in the United States, where approximately a third of our revenue is generated and a similar proportion of our total workforce resides. The most significant element of the reforms is the lower federal corporate income tax rate which decreased from 35% to 21%, effective January 1. There are a number of puts and takes with respect to other elements of the tax reform, but in aggregate, these reforms will effectively lower CAE’s income tax rate from an annual average of 22% to something more in the range of 20% to 21% as a rule of thumb.

The free cash flow from continuing operating activities was $146 million for the quarter compared to $124.7 million in the 3rd quarter last year. The increase in free cash flow year-over-year results mainly from a lower investment in non-cash working capital.

As is usually the case for CAE, we continue to expect a partial reversal for the first half-investment in non-cash working capital in the second half of the year.

Uses of cash in Q3 included funding capital expenditures for $43 million and investing $99.7 million to acquire the remaining 50% equity interest in AACE. We also invested $7.7 million to acquire a 45% interest in Pelesys, forming a joint venture with this leading aviation training courseware developer. In terms of shareholder returns, we distributed $23.2 million in cash dividends, and we used another $21.8 million to buy back stock under the NCIB program. Of note today, CAE’s Board of Directors approved the renewal of the NCIB under similar terms for another year.

Our financial position continued to be strong with net debt of $712 million at the end of the quarter for a net debt-to-total-capital ratio of 24.6%. Also, return on capital employed increased to 11.7% this quarter, excluding the impact from the US tax reform, compared to 11.2% last quarter.

Now looking at our segmented performance, in Civil, 3rd quarter revenue was up modestly year-over-year at $413.7 million. We had continued good momentum in training growth and a high level of simulator deliveries as well. Civil’s simulator deliveries were even higher in the third quarter of last year because we were also delivering from the additional simulator backlog that we acquired from Lockheed Martin.

In terms of segment operating income, we generated $78.6 million, which includes a $4 million gain on the fair valuation of AACE, net of some one-time costs. Before the net gain, segment operating income was up 4% for a margin of 18%.

On the order front, the Civil book-to-sales ratio for the quarter was 2.43 times, and for the trailing 12-month period it was 1.43 times. Civil’s backlog at the end of the quarter was $3.8 billion.

In Defence, 3rd quarter revenue was up 8% over Q3 last year to $262.8 million, and operating income was up 9% to $32.7 million, for an operating margin of 12.4%.

The Defence book-to-sales ratio was 0.71 times for the quarter and 1.22 times for the nine months year-to-date. The Defence backlog at the end of the quarter was $3.5 billion.

And finally, in Healthcare, 3rd quarter revenue was $27.9 million compared to $26.2 million in Q3 last year. Healthcare’s segment operating income was $1.5 million in the quarter compared to nil in the same quarter last year.

With that, I will ask Marc to discuss the way forward.

Marc Parent: Thanks, Sonya. As I mentioned at the outset, we're on track to deliver on our growth outlook for the year, and I feel very good about our long term view as well. As is customary for CAE, we'll provide more on our outlook for the next fiscal year when we report our upcoming 4th quarter.

The Civil aviation training market is large and growing, and we've got considerable headroom to expand our position. CAE offers the most comprehensive training solutions across the broadest global network, and we're widely recognized for our know-how in cadet-to-captain training.

With more than 70 years of industry firsts, we're also seen as a thought-leader in aviation training. This past week at the Singapore Air Show, we launched our latest innovation, the CAE Rise™ training system. This is the first commercial offering of our Next Generation Training System. By leveraging the latest digital technology, we're able to use real-time data for instructors to objectively assess pilot competencies and gain deep analytical insights into training. We're in a good position, and we have ample opportunity to continue making accretive, market-led, growth investments in our training core that align with our corporate goal of 13% return on capital.

For the fiscal year, we still expect to generate low double-digit percentage segment operating income growth and to maintain our leadership position again in the Civil business.

In Defence, we're also encouraged by a large pipeline of opportunities in an environment of increasing defence spending and a greater tendency to outsource training. Our innovative solutions involving integrated live, virtual and constructive training are opening up a large addressable market. Here, too, we have plenty of headroom to grow our position.

For the year, we maintain our outlook for mid to high single-digit growth, on both top and bottom lines.

And finally, in Healthcare, we're demonstrating that CAE is the clear innovation leader with a steady cadence of new product releases with which to tap into some of the largest value pools, like nursing. We're still expecting a return to growth this year, and to be positioned for double-digit growth beyond.

With that, I thank you for your attention, and we're now ready to answer your questions.

Andrew Arnovitz: Thank you, Marc. Operator, we'd now be pleased to take questions from analysts and institutional investors.

Operator: Thank you. Ladies and gentlemen, if you would like to register a question, please press the 1 followed by the 4 on your telephone keypad. You will hear a 3-tone prompt to acknowledge your request. If your question has been answered and you would like to withdraw your registration, please press the 1 followed by the 3. If you're using a speakerphone, please lift your handset before entering your request.

Again, ladies and gentlemen, if you'd like to register a question, 1-4 on your telephone keypad.

Our first question comes from the line of Fadi Chamoun with BMO Capital Markets. Please proceed with your question.

Fadi Chamoun: Thank you. Quick question on Civil. In the quarter, you had revenue of 3% and you had EBIT of 4%. And if I take the guidance of low double-digits for the full year, it would imply again kind of mid-single-digit growth in the 4th quarter, which is quite a bit of a deceleration in the operating leverage versus what we've seen in the last few quarters. I'm just wondering, should we read into this that maybe you were getting to a kind of a maximum or optimum point of the current assets of a network, and potentially we should see some improvement or increase in CapEx to support further growth? Or is this kind of just a mix issue? If you can talk a little bit about the factors behind those kind of 13:53 lax(?) [lack of(?)] operating leverage this quarter.

Marc Parent: Well, I don't think you should read anything into that we're using, or we're reaching any kind of plateau in terms of the yield we can get out of the existing simulator network. I definitely wouldn't reach that conclusion at all. I think there's still growth in that, and, of course, if you look at the quite substantial order intake we have in this quarter, a billion dollars in Civil, I think there's lots of room to grow within where we're at. I think, look – I think it depends where you're at in terms of our expected growth. It's in the outlook that we've given. So I think we'll get a good Q4, and I'll just leave it at that.

I think it can be somewhat lumpy, and that can always occur, but we usually have pretty good Q4s so I wouldn't expect that it'd be any different this year. Sonya, do you want to add anything?

Sonya Branco: Yes, I could just add to your point on operating leverage, though. We continue to see that and, as I mentioned in my comments, still very good, solid growth on the training side. Really, the story here is that, while we had very good level of deliveries this quarter, there were more deliveries last year – actually three more deliveries last year – that basically generated revenue, because they were all accounted for a completion, coming from the backlog that we acquired from Lockheed Martin. So that's really driving some of that differential.

Fadi Chamoun: Okay, that's helpful. One more question on my end. You're generating very strong free cash flow, and the balance sheet is in pretty good shape and, arguably, you have some debt capacity, as well, if you needed it. But can you talk a little bit about pipeline for opportunity that you see to invest capital, either via CapEx, like you did with Asia and some of the other JVs that you've done, or via a tuck-in acquisition in the aviation side?

Marc Parent: Yeah. I think in terms of pipeline of opportunities there's quite a number of in front of us that we're working on, and we announce them as we crystallize them. Of course, you know we're working on Singapore right now. We're at the tail end of that. That's going well. There's quite a number of them. I see more of an appetite for people to consider the complete training offerings that we have, so that's generating some interest. Look, I think you've seen us somewhat keep ourselves positioned to be able to seize those opportunities, because our number one priority remains growth in terms of our capital deployment, so I think that remains where we're at.

I think that both CapEx and M&A, kind of quasi-M&A, which we outsource things, our JVs – that's how we consider it – and with the guise that those events that we win may be either way, I don't think it'll increase the level of relative CapEx intensity, all things being equal as our revenues go up, and I think the returns that we're getting on the capital that we are deploying is pretty good, and you can see it transpiring. I wouldn't expect that to change.

Fadi Chamoun: Okay. Thank you.

Operator: Our next question comes from the line of Steve Arthur with RBC Capital Markets. Please proceed with your question.

Steve Arthur: Great, thank you. First, just on military bookings. They were down sequentially in the quarter. Am I right just to assume that that's timing-related on specific programs you're looking at, or has there been any material change, better or worse, in the level of bid activity or your win rate?

Marc Parent: No, I think it's just the military is always specifically lumpy. We don't really control anything about when bids are actually decided upon. All you're seeing is just normal lumpiness. We've always said, I think, going back many years, Steve, that it's best to look at defence on a 12-month rolling picture, especially when you're looking at orders. Now, the pipeline of potential opportunities for us is very strong. It hasn't diminished. We still have – what is the number? – about $3.5 to $4 billion of bids out there in front of defence organizations, governments, military organizations around the world for them to decide. So I think it's best to look at the book-to-bill on a 12-month rolling forecast, and when you look at that you're above 1.

Steve Arthur: Right. No, understood. Thank you. Secondly, just on the Civil side, the equipment business, you usually don't talk about it as much, but 26 orders in the quarter got my attention, leading towards three strong years in a row of probably around 50 units-plus. Is that the new norm for this market, would you think? I've always thought of this in the low 40s, so is that a timing-related thing again in this quarter, or is that kind of where that market is heading?

Marc Parent: Well, I think certainly we look at this year, we haven't provided a number, but clearly I think we'll have a number in the 50s I would expect. I mean, we don't decide on closing them depending if we get this side or the end of March or not there, so it depends which one crosses the line before, but I think we'll be in the 50s.

Whether it's a new norm, I can't tell. I mean, as you know, the dynamic hasn't changed. It's really basically dictated, determined by the level of deliveries out of the OEMs. As you know, the OEMs are maintaining a pretty strong cadence, very strong record cadence, I should say, of deliveries, and that's forecasted to continue, and some are even talking to grow it to get out of these eight to ten year backlogs that they have. For us, it's about maintaining market share, which we're doing effectively, while protecting margins.

So, look, I can't tell if that's the new norm, but I think it'll be out there for sure. I mean, somebody's 26, it's a good number. Thanks for... I'm glad it catches your attention. It certainly catches our attention, as well. We're happy about it, I can tell you that. But some of those, as I said in my outlook, are multi-year delivery, so people buying ahead. There's a couple of orders in there that are multi, multi-units.

But having said that, I do think we'll be looking at from what I can see some pretty good years of high Sim counts look in front of us.

Steve Arthur: Okay. Good stuff. Thanks a lot.

Operator: Our next question comes from the line of Cameron Doerksen with National Life Financial. Please proceed with your question.

Cameron Doerksen: Thanks. Good afternoon. I guess it'd be a question on the training market. I'm thinking specifically about the business aircraft training market. We've seen utilization of business jets tipping higher pretty much over the last year. But I guess more recently we've seen some of the OEMs feel a little more confident about order activity for business jets. I'm just wondering what you're seeing in the business jet market from a training perspective.

Marc Parent: The training market's been pretty resilient for us. First of all, really what dictates us is really the utilization of the aircraft. The deliveries, it's good, but it's not like in simulator sales: it's not an immediate effect on the amount of training, except whereas it stimulates people moving to a new aircraft, therefore you get training demand. But the utilization is up, so you can assume that that translates into the numbers that we see. So it's not a big uptick, but definitely things are moving in the right direction both in the US and in Europe this year. So I'm encouraged by that. But I think we'll see. And certainly I think what we saw down south, the US tax reform, will probably have an effect on stimulating demand. I mean, that's what industry experts predict, and that's what we've seen in the past when the accelerated depreciation came in.

So, look, I think our aircraft business is doing well. It's stimulated by utilization, so I think you can pretty much use that as a proxy for the fortunes in our business there.

Cameron Doerksen: Okay. Maybe just a second question, in the bigger picture. We keep hearing more and more stories about a pilot shortage, it's really kind of a global phenomenon. As it relates strictly to CAE, obviously that's an opportunity from your demand side, but I'm just wondering from your perspective, trying to retain or hire instructors for your training business and then whether you're needing to pay these guys a lot more to retain them, I'm just wondering if you can comment on how that's going for you.

Marc Parent: Well, I think you're right to say, I mean, instructors for us is a very important demographic, and it's key to our offering, so it's something we pay a lot of attention to. I think what we... you know, ever since we've been in the training business, we've focused on that, the instructor category specifically, so we've got programs in place to specifically – in fact we launched a project about three years ago called Project FIIN, Flight Instructor Initiative, which had us putting in place initiatives which include obviously what the financial incentive is, but only in part of it, what incentives you have, career, and things like that, which appeals to people, so that we can attract, retain, and develop the best instructors in the world in our business. And we're being pretty successful at it. Obviously, you have issues every so often here and there in different geographies, but as a whole, we haven't suffered from that as something that's stopped or affected our growth or our financial performance in any way. But, you know, instructors are important – and a lot of our instructors, actually, you'd be surprised, are not necessarily pilots themselves, because it depends what we are actually training. But I guess to summarize it to say it hasn't been an issue, but something that we watch because – you're right to ask the question from the point of view of the worldwide demand.

Cameron Doerksen: Okay. Very good. Thanks very much.

Operator: Our next question comes from the line of Turan Quettawala, Scotiabank. Please proceed with your question.

Turan Quettawala: Yes, good afternoon. Thank you for taking my question. I was wondering, Marc, if you could just comment a little bit about fiscal 2019. I know you said that you would give guidance in the next quarter, but just wondering, based on what you're seeing right now in the market for both Defence and Civil, is there any reason to believe that growth would be materially different from where you are right now?

Marc Parent: Well, I'll go back to what you said, that we haven't provided any guidance, and we usually do that in Q4, but I certainly don't think things are going down, that's for sure. And I think, look, in terms... Andrew, do you want to sit on it?

Andrew Arnowitz: Yeah, I'll take a stab at that one. We will provide, Turan, our outlook for next year when we report next quarter more precisely, but I think that what we're trying to get across is that the big macro drivers for the business are all running very well. In Defence, whether that's increased defence spending and a greater propensity to outsource training in services to companies like CAE, and in civil aviation, it's a large and growing market that also has a considerable amount of headroom in it for us to grow our position to gain a greater share of our customers' training responsible. So, that lends itself an expectation for continued good growth and also continued good areas of investment opportunity where we can get accretive rates of return and dovetail into our 13% return on capital expectation.

Turan Quettawala: Thank you very much, both of you. Thanks a lot for that answer. And I guess just one more quick one for Sonya. D&A I think was quite a bit lower in Defense in the quarter. I'm just wondering if there is a specific reason for that, and how should we be thinking about that going forward?

Sonya Branco: You're right. It did decrease a little bit in the quarter, and that was due to an extension of a certain program that we have, and so therefore the amortization is taken over a longer period. But, there is a corresponding deferred revenue, which you don't see on that table which also gets amortized over a longer period. So, net-net, not a huge impact in terms of contribution to the SOI, but it does provide a good view on the run-rate going forward on D&A for defense.

Turan Quettawala: Thank you very much.

Operator: Ladies and gentlemen, as a reminder, if you would like to register a question, please press the 1 followed by the 4 on your telephone keypad. Our next question comes from the line of Benoit Poirier with Desjardins Capital Markets. Please proceed with your question.

Benoit Poirier: Yes. Good afternoon. My question is more about the utilization rate of your training network. So, if we go back in fiscal '16, fiscal '17, you've basically have been able to increase the utilization rate by almost 8% over two years. If we look year-to-date, it's been flat to slightly down. So, I was wondering if you could provide more colour about why it's more difficult to increase, and what is the potential going forward with respect to the utilization rate?

Marc Parent: I think, we're getting to a period, I think that comparable is a little bit more difficult, mainly because of the change in the mix that we have. For example, getting out of our training centre JV, Zhuhai for example, which a tendency that the training centres that we have in the Far East are running at very high levels of utilization which tends to skew things to certain extent, when you just look at the pure utilization number, that doesn't necessarily translate into the yield I should say. So that comparable is different.

But, I think, I still see that there’s additional capacity in our Sim network. As you know, 75% is not a 100%. 100% is tightened up practical obviously. But, there’s still some room to grow within that. Demand is high, and more and more what we strive to do is to generate more yield across the existing network by increasing the level of "wet" training and other services that we could provide across that service centre network. So, I think that I’ll leave it at that, Benoit.

<u>Benoit Poirier:</u> Okay, perfect. And when we look at margin for Healthcare, you mentioned that the mix was less favourable in the quarter. Could you maybe provide some colour on what type of mix we could expect in the next two quarters? And also, when we look at valuation in the sector, the valuation is very favourable. So, I was just wondering whether you see an opportunity to maybe crystallize some value for Healthcare?

<u>Marc Parent:</u> Well, I’ll start with the first one – the second one, sorry. And, no. Look, we're still committed to the business, and still feel very confident that the strategy we have, which was admittedly course-corrected last year – and just to remind you, just to remind the listeners – to refocus our strategy and going after the largest pools of value in this sector in healthcare simulation, which is really the education of nursing. We're very focused on that. It's a large end market that is being served today. We launched new products – basically the first one is CAE Juno – to go specifically at that market. And so far, I’m pretty happy. I mean, it’s taken us some time to translate into the numbers, but we’re quite confident it will, and it’s our outlook. But the products that we have, Juno specifically has been very well received in the market. We don’t actually separately report orders because – in this market, because of the specific dynamics, and it's relatively small numbers – but, I can tell you that if I was to look at that metric, we're up 20% year-over-year just in orders of that product line, and that’s good margin product.

So, I think it’s really about the future here. It’s about growing the top line by selling those products into that existing market. With the margin profile of those products, it won’t long – it won’t take much revenue growth, which we forecast – that we could generate a markedly different EBIT profile in terms of percentage.

Benoit Poirier: Okay. Very good. Thank you very much for the time.

Marc Parent: You're welcome.

Andrew Arnovitz: Operator, that is all the time we'll take this afternoon for questions from members of the financial community. I'd like now to turn the call over to members of the media if there are any questions from members of the media.

Operator: As a reminder, if you'd like to register a question, please press the 1 followed by the 4 on your telephone keypad. Our first question comes from the line of Julien Arsenault, at La Presse Canadienne. Please proceed with your question.

Julien Arsenault: Oui, bonjour, M. Parent. Petite question juste sur les résultats. Le recouvrement d'impôt de 24 millions de dollars, qu'est-ce qui est de cette partie-là attribuable à la réforme fiscale américaine?

Marc Parent: Je vais essayer de parler… – Sonya – Mais, essentiellement, presque la totalité du retour d'impôt est un impôt différé qu'on avait qui ferait que, si on veut, on sauve. On va sauver 34 millions, 33,7 millions exactement, d'impôt. Je vais demander à Sonya, qui est notre chef de direction financière, d'avoir un petit peu plus de détails.

Sonya Branco: Oui. Donc, on était dans une position d'un passif d'impôt reporté aux États-Unis avec la réduction du taux d'impôt. C'est la raison élémentaire pour le recouvrement ce plan-ci, pour un total de 34 millions de dollars.

Julien Arsenault: OK. Donc, c'est 34, pas 24, c'est ça?

Sonya Branco: En dollars, oui, exactement. C'est 34.

Julien Arsenault: OK. Avez-vous calculé sur une base annualisé ce que ça va représenter en économie d'impôt, cette réduction-là, pour CAE?

Sonya Branco: Oui. Ça représente à peu près un à deux points d'impôt globalement pour la compagnie. Une réduction de 22 à 20 à 21, comme taux d'impôt.

Marc Parent: En pourcentage.

Sonya Branco: En pourcentage.

Julien Arsenault: En pourcentage. Mais vous ne pouvez pas chiffrer le montant en dollars, avec une estimation.

Sonya Branco: Non.

Marc Parent: Non, parce que ça dépend du montant de revenus d'impôt qu'on ferait, à ce moment-là.

Julien Arsenault: OK. Ma question pour vous, M. Parent, sur cet aspect-là, ce changement quand même vous n'avez pas de chiffres à nous donner, mais ça doit représenter quand même des économies substantielles étant donné que les États-Unis c'est presque le tiers de vos revenus. Est-ce que ça change quelque chose dans votre façon, dans votre stratégie? Pourriez-vous être plus agressif aux États-Unis, investir davantage là-bas étant donné que les conditions fiscales sont meilleures?

Marc Parent: Bien, écoute, c'est certainement un avantage si on regarde – puis je pense à l'exemple que vous donnez – si on voulait regarder une acquisition potentielle, mais, écoute, on est commis au Canada, une compagnie canadienne, avec notre siège social à Montréal, nos activités de recherche et développement sont essentiellement faites ici, notre siège social est ici, notre cerveau est ici si vous voulez, puis ça va rester. La façon qu'on regarde nos investissements un peu partout à travers le monde, c'est vraiment de regarder stratégiquement comment ça contribue à notre mission d'entraînement. C'est plutôt comme ça qu'on va regarder comment on va décider sur nos investissements. C'est certain que c'a eu un impact, parce que si on regarde un investissement aux États-Unis spécifiquement, bien, toute chose étant égale, bien on pourrait dire que le coût de l'acquisition pourrait être moins cher. Ça serait moins onéreux pour nous, moins difficile pour nous de générer une situation où on ferait de l'argent à plus court terme. Mais ça, c'est juste une des considérations. Ce que je dirais en gros, c'est que ça ne change pas notre stratégie d'entreprise.

Julien Arsenault: OK, merci.

Operator: We have no further questions on the audio lines at this time.

Andrew Arnovitz: Okay, Operator. I want to close the call at this point. I want to thank all participants, members of the investment community, as well as from the financial press for participating with us this afternoon. I would remind you that the transcript of today's call can be found on CAE's website at cae.com.

Operator: Ladies and gentlemen, this does conclude the conference call for today. We thank you for your participation and ask that you kindly disconnect your lines.

<End of Recording>