



PRESS RELEASE

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FOR IMMEDIATE RELEASE

HÉROUX-DEVTEK ANNOUNCES CONTRACT WITH SAAB AB TO MANUFACTURE COMPLETE LANDING GEAR SYSTEMS FOR THE GRIPEN E FIGHTER AIRCRAFT

Longueuil, Québec, December 14, 2016 - Héroux-Devtek Inc. (TSX: HRX) (“Héroux-Devtek” or the “Corporation”), a leading international manufacturer of aerospace products, today announced that it has signed a contract with Swedish defence and security company Saab AB (“Saab”) for the production of complete landing gear systems for the Gripen E fighter aircraft.

Under the terms of the agreement, Héroux-Devtek will manufacture, assemble and deliver complete landing gear systems for the Gripen E. Operations will be mainly carried out from the Corporation’s facilities located in the United Kingdom. The design and development of the landing gear is currently being finalized by Héroux-Devtek’s U.K.-based engineering team.

Based on current program status, this new contract covers a total of 96 aircraft, representing firm orders for the Gripen E for the Swedish and Brazilian air forces. It also includes the provision of spare parts. Deliveries are expected to begin in calendar 2017. The aircraft is also being considered by several other countries and the contract provides an option for Saab to award the manufacturing of additional complete landing gear systems to Héroux-Devtek.

“Héroux-Devtek is proud to further enhance its longstanding relationship with Saab. Our U.K. operations have designed and manufactured landing gear systems for previous variants of the Gripen aircraft and this new contract acknowledges their expertise on an important program. This life-cycle contract will generate revenues over an extended period of time and increase our proportion of sales derived from products on which we hold intellectual property or design authority rights. It will also solidify our geographical revenue diversification as well as our balance between commercial and defence programs. We are pleased to continue providing a wide range of complete, high-quality landing gear systems to leading OEMs of the global aerospace industry,” said Martin Brassard, Vice-President and Chief Operating Officer of Héroux-Devtek.

Saab’s Gripen is a multi-role combat aircraft capable of undertaking the full range of air-to-air and air-to-ground missions, including specialist roles such as intelligence, surveillance, target acquisition and reconnaissance (ISTAR) and electronic warfare. Gripen is equipped with the most modern sensors and mission systems, including an active electronically scanned array (AESA) radar and infra-red search and track (IRST) system. It can be armed with any air-launched weapon that a customer requires, and integration of new capabilities is speedy and affordable. Gripen is easily deployable, with a very low maintenance and support footprint coupled with high reliability.

PROFILE

Héroux-Devtek Inc. (TSX: HRX) is an international company specializing in the design, development, manufacture and repair and overhaul of landing gear and actuation systems and components for the Aerospace market. The Corporation is the third largest landing gear company worldwide, supplying both the commercial and defence sectors of the Aerospace market with

new landing gear systems and components, as well as aftermarket products and services. The Corporation also manufactures hydraulic systems, fluid filtration systems and electronic enclosures. Approximately 80% of the Corporation's sales are outside Canada, including about 55% in the United States. The Corporation's head office is located in Longueuil, Québec with facilities in the Greater Montreal area (Longueuil, Laval and St-Hubert); Kitchener, Cambridge and Toronto, Ontario; Springfield and Strongsville, Ohio; Wichita, Kansas; Everett, Washington; and Runcorn, Nottingham and Bolton, United Kingdom.

ABOUT SAAB

Saab serves the global market with world-leading products, services and solutions within military defence and civil security. Saab has operations and employees on all continents around the world. Through innovative, collaborative and pragmatic thinking, Saab develops, adopts and improves new technology to meet customers' changing needs.

FORWARD-LOOKING STATEMENTS

Except for historical information provided herein, this press release may contain information and statements of a forward-looking nature concerning the future performance of the Corporation. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Corporation's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.