

Trade Press Release

CAE USA awarded contract to build C-130H simulator for Egyptian Air Force

Tampa, Fla., August 17, 2010 – (NYSE: CAE; TSX: CAE) – CAE announced today it has won a United States Air Force contract to design and manufacture a C-130H full-mission simulator for the Egyptian Air Force. The contract was awarded to CAE USA under the United States foreign military sale (FMS) program.

The value of the contract was included in the CAE press release dated June 16, 2010 as a sale to an undisclosed customer.

The C-130H full-mission simulator for the Egyptian Air Force will be delivered to Cairo, Egypt during 2013. The simulator will feature the CAE True[™] electric motion system as well as CAE's latest generation visual solution, including a 210 degree by 50 degree display system and CAE Medallion[™]-6000 image generator.

"This foreign military sale for the Egyptian Air Force once again demonstrates CAE's global leadership and reputation for developing world-class training systems to support the C-130 Hercules aircraft," said John Lenyo, president and general manager, CAE USA. "Over the past two decades, CAE has delivered more training systems for the C-130 than any company and we are pleased the Egyptian Air Force specified CAE for the provision of a new C-130H full-mission simulator."

CAE is a world leader in providing simulation and modelling technologies and integrated training solutions for the civil aviation industry and defence forces around the globe. With annual revenues exceeding C\$1.5 billion, CAE employs more than 7,500 people at more than 100 sites and training locations in more than 20 countries. We have the largest installed base of civil and military full-flight simulators and training devices. Through our global network of 29 civil aviation and military training centres, we train more than 75,000 crewmembers yearly. We also offer modelling and simulation software to various market segments and, through CAE's professional services division, we assist customers with a wide range of simulation-based needs.

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