

Press Release

CAE awarded contract by Skymark Airlines for Boeing 737-800 full-flight simulator

Montreal, February 19, 2010 – (NYSE: CAE; TSX: CAE) – CAE today announced that it has sold a CAE 7000 Series full-flight simulator (FFS) for the Boeing 737-800 aircraft to Skymark Airlines. This contract, in addition to the contract announced today with Turkish Airlines, brings the total FFS sales that CAE has announced so far during fiscal year 2010 to 16.

The Boeing 737-800 FFS, as well as a brief-debrief station, will be delivered to Skymark's main base at Tokyo International Airport in Haneda, Japan by the end of 2010. Skymark currently uses a CAE-produced 737-800 FFS which was delivered last year.

"We are very pleased that Skymark Airlines has again chosen a CAE solution to meet their growing training requirements," said Jeff Roberts, CAE's Group President, Civil Simulation Products, Training and Services. "Skymark's 'Safety First' management principle is reinforced by their emphasis on the highest-fidelity simulation to enhance pilot safety and operational efficiency."

The simulator will incorporate a full six-degree-of-freedom CAE True electric motion system and new-generation CAE Tropos-6000 visual system, including liquid crystal on silicon (LCoS) projectors and 200- by 40-degree field-of-view visual display. The simulator will be certified to Level D, the highest qualification for flight simulators.

"Clearly we are quite satisfied with the performance of our first full-flight simulator and the best-in-class customer service we receive from CAE," said Shinichi Nishikubo, President and CEO of Skymark Airlines. "CAE has continued to enhance their 7000 Series product with new capabilities that address our training needs, and we look forward to taking quick delivery."

Skymark Airlines is headquartered in Tokyo and operates scheduled passenger services on Japan's regional routes. And Skymark Airlines is operating five routes from Haneda Airport as their main base. It plans to develop Kobe Airport into a regional hub, and intends to fly routes from Kobe to Sapporo, Fukuoka, Kumamoto, Nagasaki, Kagoshima and Naha.

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\$1.6 billion, CAE employs more than 6,500 people at more than 90 sites and training locations in 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. www.cae.com

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CAE contacts:

Nathalie Bourque, Vice President, Public Affairs and Global Communications, (514) 734-5788, nathalie.bourque@cae.com

Trade media: Chris Stellwag, Director, Marketing Communications, Military and Civil, (813) 887-1242, chris.stellwag@caemilusa.com

Investor relations: Andrew Arnovitz, Vice President, Investor Relations and Strategy, (514) 734-5760, andrew.arnovitz@cae.com