



## Press Release

### **CAE expanding capacity in Brazil and Chile training centres and adding Peru location to address South American airline growth**

**Montreal, December 8, 2010** – (NYSE: CAE; TSX: CAE) CAE announced today that it is working with key airline customers to expand its training capacity in the rapidly growing South American commercial aviation market, adding four Level D full-flight simulators (FFS), including a new training location in Peru, to support the renewal of long-term training contracts.

"Leading South American airlines are prospering in a growing economy. Passenger and cargo traffic are projected to continue rising faster than most other regions of the world," said Jeff Roberts, CAE Group President, Civil Simulation Products, Training and Services. "The additional training capacity CAE is establishing in anticipation of further growth will enable our airline customers in the region to stay ahead of demand with flight crews trained using the most advanced technology available."

#### **Sao Paulo, Brazil**

TAM Airlines, Brazil's largest airline, has renewed a training services agreement with CAE for the next five years. To support training for TAM pilots, CAE is adding a second Airbus A330 FFS in its Sao Paulo, Brazil training centre; the simulator will be installed in early 2011. A new Boeing 737NG FFS was recently installed to support training for crews of low-cost Brazilian carrier Gol Transportes Aéreos and other operators. The Sao Paulo centre recently completed a four-bay expansion to increase capacity to 10 bays. The centre also houses FFSs for the Airbus A320 and A340 families of aircraft.

"TAM was CAE's launch customer in Brazil nearly 10 years ago, and we have grown our business together," said Ruy Amparo, Operations and Maintenance Vice-President for TAM Airlines. "This new training capacity will help us develop the additional pilots we need for our national and international network expansion in the coming years."

#### **Santiago, Chile**

LAN Airlines has extended its training services agreement with CAE through 2021, and will be supported by a second Boeing 767-300 FFS at the CAE training centre in Santiago. The Santiago facility is undergoing a two-bay FFS expansion, and will also soon be equipped with new cabin crew training equipment. The centre also features an FFS for the A320 family.

#### **Lima, Peru**

An Airbus A320 FFS plus cabin crew programs are being installed by CAE at a location leased from LAN Peru.

"In the several years we have worked closely with CAE, they have always been very responsive to our training requirements," said Jorge Ihnen, LAN Group Vice President of Operations. "These long-term commitments in Chile and Peru will enable us to further tailor training to the unique needs of South America."

Together, TAM, LAN and Gol represent more than 60% of South America's domestic air travel capacity.

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. [www.cae.com](http://www.cae.com)

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