



Press Release

CAE signs agreement with Province of New Brunswick

Fredericton, June 30, 2010 – (NYSE: CAE; TSX: CAE) – CAE and the government of New Brunswick have agreed to work together to bring new contracts and jobs to advanced learning and technology companies in New Brunswick.

New Brunswick Premier Shawn Graham and CAE's President and Chief Executive Officer, Marc Parent, announced the agreement today at the National Research Council of Canada Institute for Information Technology Building in Fredericton.

"I am thrilled to support this global company as it expands its presence in New Brunswick," said Premier Graham. "We believe CAE will act as a significant anchor company to solidify our growing advanced learning sector, creating new, high-skilled jobs and propelling the industry forward into the future."

Under the agreement, CAE will establish an office in Fredericton and commit to delivering \$15-million in contracts over three years. The work CAE and its subcontractors will be providing in New Brunswick will be related to major contracts, which are expected to create the equivalent of up to 45 full-time positions. In exchange, the provincial government is providing a loan of up to \$500,000, which will be forgiven based on delivery of the contracts.

These major contracts were awarded to the company during the last two years by the federal government for C-130J and CH-147F aircrew training. They also include a contract awarded to CAE earlier this year by Lockheed Martin for a comprehensive C-130J aircraft maintenance technician training solution for the federal government.

CAE already has employees at Canadian Forces Base Gagetown. Earlier this year, CAE launched its new multi-crew pilot licence program at the Moncton Flight College. The flight college, based in Dieppe, is one of the 11 members of CAE Global Academy, the world's largest network of ab initio flight training organizations.

"We are very pleased to participate in this program with the Government of New Brunswick that will provide highly-skilled jobs to the advanced learning sector," said Marc Parent. "This alliance will help develop opportunities in New Brunswick in the field of aviation simulation technologies and training."

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 7,000 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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