



## Press Release

### CAE wins defence contracts valued at more than C\$75 million

**Montreal, September 29, 2010** – (NYSE: CAE; TSX: CAE) – CAE today announced it has won defence contracts valued at more than C\$75 million. Contracts include upgrading visual and display systems at the German Army Aviation School, renewing a long-term CF-18 systems engineering services agreement for the Canadian Forces, upgrading C-130J simulators for the U.K. Royal Air Force and upgrading a C-130H simulator for an undisclosed North African defence customer.

“CAE’s commitment to customers goes beyond the initial sale of training systems by providing support solutions throughout their program lifecycles. With these contracts we will be addressing our customers’ needs for updates and upgrades to existing systems as well as renewing a long-term services agreement,” said Martin Gagné, CAE’s Group President, Military Products, Training and Services. “Our ability to serve our customers with a comprehensive portfolio of products and services is especially important as defence forces look to increase and extend their use of simulation-based training to contend with tightening budgets and operational demands.”

#### German Army Aviation School

Germany’s procurement office BWB (Bundesamt für Wehrtechnik und Beschaffung) has awarded CAE Germany a contract to upgrade the image generator and visual display systems on the 12 CAE-built helicopter simulators located at the Hans E. Drebing simulator centre of the German Army Aviation School in Bueckeburg. The CAE Medallion-6000 image generator will be used as part of the overall upgrade of the visual systems on the helicopter simulators. The state-of-the-art training facility includes two UH-1D, two CH-53, and eight EC135 helicopter simulators that are used to deliver initial and advanced pilot training to the German Armed Forces.

#### L-3 Communications

CAE has been awarded a one-year contract renewal by L-3 Communications MAS (Canada) Inc., a subsidiary of L-3 Communications (NYSE:LLL), for CAE to continue providing avionics software upgrades, integrated logistics support and data management services for the Canadian Forces CF-18 aircraft. L-3 MAS has been prime contractor on the CF-18 service and support program since 1986 and CAE has been performing systems engineering support services for the CF-18 fleet for more than twenty years.

#### Lockheed Martin

Under subcontract to Lockheed Martin, CAE will perform a range of upgrades on C-130J training devices used by the Royal Air Force at RAF Lyneham. CAE will upgrade the host computer systems, digital communications systems, aural cue, and instructor operator stations on two C-130J full-mission simulators delivered to the RAF more than 10 years ago. CAE will also perform some upgrades on a fixed-based C-130J flight training device.

#### Undisclosed customer

CAE has been awarded a contract to perform a major upgrade on a C-130H full-mission simulator located at a North African military base. CAE will upgrade the host computer system, motion and control loading systems, and instructor operator station. In addition, CAE will upgrade the visual and display system, including the installation of a CAE Medallion-6000 image generator. Over the past two decades, CAE has developed and delivered more training systems and services for the C-130 than any company.

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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