

Trade Press Release

CAE Australia wins contract to support and upgrade RAAF's AP-3C simulator

Melbourne, Australia, February 27, 2013 – (NYSE: CAE; TSX: CAE) – Today at the Avalon Australian International Air Show, CAE announced it has recently been awarded a contract from the Commonwealth of Australia to provide maintenance and engineering support services for the Royal Australian Air Force's AP-3C Advanced Flight Simulator (AFS).

Following a competitive tender, CAE Australia was selected to provide the on-site maintenance and support services for the AP-3C AFS, which is located at RAAF Base Edinburgh in Adelaide, South Australia and used to train RAAF aircrews. In addition, CAE expects to provide a range of simulator upgrades, including a comprehensive upgrade of the visual environment.

"CAE Australia is an Authorised Engineering Organisation (AEO) and already performs a range of service, support and engineering upgrades on in-service simulators for the Australian Army, Navy and Air Force, including the RAAF's AP-3C Operational Mission Simulator used for mission crew training," said Peter Redman, Managing Director of CAE Australia Pty Ltd. "Though the AP-3C flight simulator was not manufactured by CAE, we have a wealth of experience on this platform and were able to offer the Commonwealth low-risk upgrade solutions and common engineering support services across platforms, which will help reduce costs."

CAE Australia currently provides turnkey training support services for the Australian Defence Force's S-70B Seahawk simulator at HMAS Albatross, Nowra; the S-70A Black Hawk simulator at Army Airfield Oakey; the C-130J simulator at RAAF Base Richmond; the KC-30A simulator at RAAF Base Amberley; and will deliver the support services for the MRH90 training systems when delivered. CAE has delivered or is currently developing P-3C training systems for the United States Navy, Canadian Forces, German Navy, Taiwan Navy and other military customers globally.

CAE is a global leader in modelling, simulation and training for civil aviation and defence. The company employs approximately 8,000 people at more than 100 sites and training locations in approximately 30 countries. CAE offers civil aviation, military, and helicopter training services in more than 45 locations worldwide and trains approximately 100,000 crewmembers yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 11 CAE-operated flight schools. CAE's business is diversified, ranging from the sale of simulation products to providing comprehensive services such as training and aviation services, integrated enterprise solutions, in-service support and crew sourcing. The company applies simulation expertise and operational experience to help customers enhance safety, improve efficiency, maintain readiness and solve challenging problems. CAE is leveraging its simulation capabilities in new markets such as healthcare and mining. www.cae.com

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