

Press Release

CAE USA awarded US\$44 million contract to design and manufacture additional MH-60R helicopter simulators

Tampa, Fla., USA, January 26, 2011 – (NYSE: CAE; TSX: CAE) – CAE USA has been awarded a contract valued at approximately US\$44 million to design and manufacture two MH-60R tactical operational flight trainers (TOFTs) for the United States Navy.

The first simulator will be a fixed-based MH-60R TOFT delivered to Naval Station (NS) Mayport near Jacksonville, Florida in mid-2013. The other MH-60R TOFT, which will also be reconfigurable to the MH-60S helicopter variant, will be a full-motion simulator delivered to the Naval Air Facility (NAF) Atsugi, Japan in the summer of 2014.

The contract includes options to design and manufacture two additional MH-60R TOFTs and could bring the total value of the contract to approximately US\$78 million.

"As the Navy continues to add the MH-60R Romeo to the fleet, CAE is proud to develop the training systems required by pilots, rear crews, and maintenance personnel to prepare for mission success," said John Lenyo, President and General Manager, CAE USA. "We have delivered solid program performance over the last six years as the prime contractor on both the MH-60S and MH-60R programs, and are pleased to continue as the Navy's rotary-wing training partner."

An MH-60R TOFT includes both an MH-60R operational flight trainer for training pilots and an MH-60R weapons tactics trainer for training sensor operators and airborne tactics officers. The two training devices can operate independently or networked to provide a total aircrew mission training system.

Under a contract originally signed in 2006, CAE has already delivered two fixed-based MH-60R TOFTs to the Navy that are currently in-service at Naval Air Station (NAS) North Island and NAS Jacksonville, as well as a full-motion MH-60R TOFT that recently entered service at NS Mayport. With this new contract, CAE has delivered or is under contract to deliver a total of seven MH-60R TOFTs to the Navy. CAE has also developed two MH-60R avionics maintenance trainers for the Navy.

CAE is also the prime contractor responsible for delivering a range of MH-60S Sierra training systems to the Navy. Since 2004, CAE has delivered or is under contract to deliver a total of seven MH-60S operational flight trainers and five MH-60S weapons tactics trainers.

CAE is a world leader in providing simulation and modeling technologies and integrated training solutions for the civil aviation industry and defense forces around the globe. With annual revenues exceeding US\$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 30 civil aviation and military training centers, we train more than 75,000 crewmembers yearly. We also offer modeling 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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