



Trade Press Release

CAE and LAN Airlines inaugurate the expansion of Chile training centre for pilots and cabin crew

- Doubled capacity can train up to 4,500 airline pilots and 3,000 cabin crew annually

Santiago, Chile, November 10, 2011 – (NYSE: CAE; TSX: CAE) CAE, a world leader in simulation and training for airlines, inaugurated today the expansion of its training centre for pilots and cabin crew with LAN Airlines S.A. (LAN) (IPSA: LAN / NYSE: LFL), a leading Latin American airline for both passengers and cargo.

CAE recently expanded the facility to twice its previous capacity. The six bay facility is today one of the most modern and largest training centres in South America and represents a total investment of US\$40 million.

The centre has two simulators for Airbus A320, two for Boeing 767-300ER, as well as a three-dimensional (3D) flat-panel integrated procedures trainer (IPT) for training on Airbus A320 and A340, two door trainers and two scale models to train crews in case of an emergency evacuation of the cabin.

The training venue was expanded to provide LAN with increased capacity to train future pilots. With this expansion, the centre is able to train 4,500 pilots and 3,000 cabin crew per year. Each simulator will operate 20 hours a day, 365 days a year.

The inauguration event was attended by CAE and LAN employees as well as industry representatives.

"South America is one of the fastest-growing civil aviation markets of the world and our expanded training centre will train the thousands of pilots and cabin crew who will be needed by LAN," said Glenn Frederick, CAE Executive Vice President and Regional Business Leader for the Americas.

"At LAN, we are pleased and proud to train our pilots using the latest technology offered by CAE simulators. The flight simulators which are starting operation today are at the forefront of the industry and allow us to instruct more pilots per year, which we see as a priority given the rapid growth of our fleet and the pace of the global airline industry," said LAN's Vice President of Services and Operations Enrique Elsaca.

The CAE Santiago facility opened in 2004 and is located near the Arturo Merino Benitez International Airport in Santiago. LAN cabin crew training will be initiated this month. In addition to LAN, the centre provides training for several other airlines in South America.

About LAN

LAN Airlines is one of the leading passenger and cargo airlines in Latin America. The company and its affiliates serve over 70 destinations around the world through an extensive network that offers full connectivity within Latin America, while also linking the region with North America, Europe and the South Pacific, as well as 70 additional international destinations through its various alliances. LAN Airlines and its affiliates have a leading position in their respective domestic markets of Chile and Peru as well as an important presence in the Argentinean and Ecuadorian domestic markets. Furthermore, in November 2010, LAN acquired Colombian airline AIREs.

Currently, LAN Airlines and its affiliates operate one of the most modern fleets in the world, with 127 passenger aircraft, and its cargo subsidiary, LAN CARGO and its respective cargo affiliates, have a fleet of 14 dedicated freighters. The Company has one of the youngest fleets in the world, which has meant greater efficiency and a significant reduction in CO2 emissions, reflecting its strong commitment to environmental protection.

LAN is one of the few Investment Grade airlines in the world (BBB). The company's world class quality standards enabled its membership in oneworld™, the global alliance which LAN has been a member of for over 10 years that encompasses the best airlines in the world. For more information please visit www.lan.com or www.oneworldalliance.com

About CAE

CAE is a global leader in modeling, simulation and training for civil aviation and defense. The company employs more than 7,500 people at more than 100 sites and training locations in more than 20 countries. Through CAE's global network of 33 civil aviation, military and helicopter training centres, the company trains more than 80,000 crewmembers yearly. CAE's business is diversified, ranging from the sale of simulation products to providing comprehensive services such as training and aviation services, professional services and in-service support. The company aims to apply its simulation expertise and operational experience to help customers enhance safety, improve efficiency, maintain readiness and solve challenging problems. CAE is now leveraging its simulation capabilities in new markets such as healthcare and mining. www.cae.com

-30-

High resolution downloadable photos of the inauguration in Chile are available at www.cae.com/photos

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