



Press Release

CAE and Líder Aviação announce joint venture to provide helicopter training in South America

- First CAE 3000 Series Level D full-flight simulator for training Sikorsky S-76 pilots to be located in Sao Paulo, Brazil

Orlando, Florida, USA, March 4, 2011 – (NYSE: CAE; TSX: CAE) CAE and Líder Aviação, the largest helicopter operator in Brazil, announced today on the eve of Heli Expo 2011, an agreement to form a joint venture company that will provide advanced, simulation-based, helicopter pilot training in South America in early 2012. The new joint venture company will purchase the first full-motion Level D CAE 3000 Series full-flight simulator (FFS), which will replicate the Sikorsky S-76C++ aircraft. This brings the total number of FFS sales that CAE has announced so far during fiscal year 2011 to 23.

"Offshore oil and gas platform transport services will generate significant helicopter fleet growth in the coming years, requiring well-trained, highly-skilled pilots who can adeptly handle a variety of weather conditions," said Júnia Hermont Corrêa, Chief Operating Officer of Líder. "Our strong relationship as CAE's business aviation training representative in Brazil for many years provides us the utmost confidence in our combined abilities to deliver the highest-quality helicopter simulation equipment and training."

Líder operates more than 50 helicopters, representing nearly half the fleet servicing the oil and gas market in Brazil. Their customer base includes Petrobras, Shell, Chevron, StatOilHydro, British Gas, Repsol and Anadarko. Bristow Group, a leading provider of helicopter services in Europe, Africa, Australia, and the Americas, has a minority equity participation in Líder.

"Líder and CAE share a common vision for the highest standards of safety, quality and customer service," said Jeff Roberts, CAE Group President, Civil Simulation Products, Training and Services. "Líder's longtime leadership in the South American helicopter market and CAE's extensive civil and military helicopter training expertise will provide operators with the most advanced training technology and expert instruction available in an easily accessible location close to their home bases."

The S-76 FFS will be ready for training in early 2012. It is planned to be installed at CAE's training centre in Sao Paulo, Brazil, which serves South American airline customers and was recently expanded to 10 simulator bays. The FFS will provide training for all S76 variants, including S76A, S76B, S76C+ and S76C++.

The CAE 3000 Series helicopter mission simulator, which was launched in February 2010 at the Helicopter Association International (HAI) Heli-Expo annual convention, features unprecedented realism for helicopter-specific mission training, including offshore, helicopter medical transport, law enforcement, high-altitude, corporate, and other operations. The simulator enables pilots to practice challenging procedures without risk such as low-level flight, confined area operations, autorotation and landing on platforms and ships at sea.

The S-76 FFS for Brazil will be the first CAE 3000 Series full-flight simulator fielded with a CAE True Electric Motion six-degree-of-freedom motion platform, and will be qualified for initial and recurrent credits. List price for a CAE 3000 Series Level D full-flight simulator depends on the helicopter configuration and specific features and ranges from C\$10 million to C\$14 million.

About Líder Aviação

Líder Aviação is an aviation company involved in helicopter operations, executive chartering, maintenance, aircraft sales as the exclusive Hawker Beechcraft dealer for Brazil, and ground handling services. It offers helicopter services for the oil and gas industry, as well as performing onshore operations and load transportation; as well as fuel pipe and transmission line checking services. The company provides jet and turboprop airplanes and helicopters for business chartering or air ambulance. It also offers aircraft maintenance services for private companies, government bodies, and civil and military agencies. In addition, the company provides aeronautical insurance products, flight simulators, business aviation training, and maintenance services. Líder Aviação was founded in 1958 and is based in Belo Horizonte, Brazil. <http://www.lideraviacao.com/>

About CAE

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 32 civil aviation, military and helicopter training centres, we train more than 80,000 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

– 30 –

FACT SHEET:

CAE now operates or has announced eight training locations worldwide for civil helicopter pilots. Locations and helicopter training programs include:

* AMERICAS

- o Mexico – Bell 412 (in service in 2011).
- o Morristown, New Jersey, USA – AgustaWestland AW139 (Rotorsim joint venture with AgustaWestland) plus a Sikorsky S-76
- o Phoenix, Arizona, USA – Eurocopter AS350
- o Sao Paulo, Brazil – Sikorsky S-76 (in service in 2012, joint venture with Líder)

* ASIA

- o Bangalore, India – Bell 412, HAL Dhruv civil/conventional variant (2011), Eurocopter Dauphin (2011),

and HAL Dhruv military variant (2012) (HATSOFF joint venture with Hindustan Aeronautics Ltd.)

* EUROPE

o Aberdeen, Scotland – Eurocopter AS332 L2 Super Puma

o Sesto Calende, Italy – AgustaWestland A109 and AW139 (Rotorsim joint venture with AgustaWestland)

* MIDDLE EAST

o Dubai, UAE – Bell 412 (joint venture with Emirates Group)

CAE contacts:

Nathalie Bourque, Vice President, Public Affairs and Global Communications, (514) 734-5788,

nathalie.bourque@cae.com

Trade media: Chris Stellwag, Director, Marketing Communications, Military and Civil, (813) 887-1242,

chris.stellwag@caemilusa.com

Investor relations: Andrew Arnovitz, Vice President, Investor Relations and Strategy, (514) 734-5760,

andrew.arnovitz@cae.com