



Press Release

CAE announces 2% discount on Stock Dividend Plan

Montreal, Canada, June 13, 2011 – (NYSE: CAE; TSX: CAE) – CAE announced today that all participants in its Stock Dividend Plan (the Plan) will receive a two per cent discount on the purchase of common shares with reinvested dividends.

The discount is effective with dividends payable on June 30, 2011 and will continue until further notice. The price of the common shares purchased on behalf of Plan participants with reinvested dividends will be 98% of the weighted average of the trading prices for common shares on The Toronto Stock Exchange on the five trading days preceding a dividend payment date. CAE reserves the right to amend or cancel the discount at any time.

CAE also announced the addition of a cash investment option. The 2% discount does not apply to the additional cash payments.

Plan participants, and those interested in enrolling in the Plan, are advised to read the updated Plan information available at www.cae.com/dividend.

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\$1.6 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

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CAE contacts:

Nathalie Bourque, Vice President, Public Affairs and Global Communications, (514) 734-5788,
nathalie.bourque@cae.com

Investor relations: Andrew Arnovitz, Vice President, Investor Relations and Strategy, (514) 734-5760,
andrew.arnovitz@cae.com