

CAE awarded contracts by Chinese and Russian customers valued at more than C\$50 million for four full-flight simulators

• Includes first simulators for new COMAC C919 aircraft

Montreal, Canada, December 18, 2012 – (NYSE: CAE; TSX: CAE) – CAE today announced that it has sold four Level D full-flight simulators (FFS), two each to customers in China and Russia. The sales include the first two FFSs, associated training devices and the CAE Augmented Engineering Environment (AEE) for the new C919 aircraft being developed by Commercial Aircraft Corporation of China, Ltd. (COMAC). They also include two simulators, a Boeing 737NG and a Bombardier CRJ200, to Russian aviation equipment company NITA (New Information Technologies in Aviation). In addition, CAE sold simulator update services to various customers.

The contracts are valued at more than C\$50 million at list prices and bring the total FFS sales that CAE has announced to date during fiscal year 2013 to 23.

"We have a long history of cooperation with COMAC's Shanghai Aircraft Customer Services Co. (SACSC) Ltd. starting with the development of the first ARJ 21 full-flight simulators, and we are honored that SACSC has once again selected us for the development of the world's first C919 simulators," said Jeff Roberts, CAE's Group President, Civil Simulation Products, Training and Services. "We are also proud to continue to extend our reach into Eastern Europe and to have been selected once again by Russian aviation equipment company NITA on behalf of the Ministry of Transport of Russia."

COMAC

The two C919 CAE 7000 Series FFSs will incorporate the new third-generation CAE TroposTM-6000 visual system. They will be ready for use at SACSC in 2015, prior to the aircraft's expected entry into service. In addition, CAE will provide two Level 5 Flight and Maintenance Training Devices (FMTDs).

The C919 FFS program will also use the CAE Augmented Engineering Environment (AEE), a modeling and simulation environment that will allow SACSC and CAE to efficiently develop, evaluate, test, and validate a range of aircraft models and systems during the development phase of the simulators and aircraft program.

CAE has designed, developed and delivered the industry's first full-flight simulators for more than 40 new aircraft representing 16 different original equipment manufacturers, including the first simulator for COMAC's ARJ21 advanced regional jet.

NITA

The Boeing 737NG FFS for NITA will be deployed in 2013 to the Ulyanovsk Higher Civil Aviation School in Ulyanovsk, Russia, where CAE delivered earlier this year an Airbus A320 FFS. The CRJ200 FFS will be deployed to the Saint-Petersburg State

University of Civil Aviation in Saint-Petersburg, Russia, also in 2013. NITA is acquiring the simulators on behalf of the Federal Air Transport Agency, part of the Ministry of Transport of Russia.

About CAE

CAE is a global leader in modelling, simulation and training for civil aviation and defence. The company employs close to 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 now leveraging its simulation capabilities in new markets such as healthcare and mining.

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