



Press Release

CAE awarded contracts for five full-flight simulators valued at more than C\$65 million

Montreal, Canada, January 12, 2011 – (NYSE: CAE; TSX: CAE) – CAE today announced that it has sold five CAE 7000 Series Level D full-flight simulators (FFS): an Airbus A380 FFS to Qantas Airways, three Boeing 737NG FFSs as well as a CAE Simfinity™ integrated procedures trainer (IPT) to Shanghai Eastern Flight Training Centre (SEFTC), the training subsidiary of China Eastern Airlines, and an A320 FFS to an undisclosed customer in India. The contracts are worth a total of more than C\$65 million at list prices and bring the total number of FFS sales that CAE has announced to date during fiscal year 2011 to 22.

"Qantas and China Eastern Airlines are renowned for their ongoing initiatives to enhance the skills and safety performance of their pilots and maintenance crews," said Jeff Roberts, CAE's Group President, Civil Simulation Products, Training and Services. "These agreements reflect the continued air traffic growth in Australia, China and India. CAE is honored to be a provider of choice to support the expanding training requirements in those regions."

Qantas Airways

The CAE 7000 Series Level D FFS for the A380 will be delivered to the Qantas Training Centre in Sydney, Australia in 2012. This will be Qantas' second CAE-built FFS for the A380, the largest passenger aircraft in the world. Qantas also trains on six other simulators and 19 other training devices from CAE and has two FFSs for the Boeing 787 aircraft on order.

Qantas Airlines is a premium, full-service Australian domestic and international carrier that offers services across a broad network. Customer benefits include a global network, up to four travel classes (depending on aircraft type), a leading loyalty program in Qantas Frequent Flyer, award-winning inflight meals and entertainment, airport lounges and strong relationships with partner airlines. Qantas is a founding member of the oneworld global airline alliance. www.qantas.com.au.

Shanghai Eastern Flight Training Centre

The three Boeing 737NG FFSs for SEFTC are CAE 7000 Series Level D simulators with CAE Tropo™-6000 visual systems. The first FFS and CAE Simfinity IPT will be delivered to SEFTC in Shanghai in 2011. The second and third FFSs will be delivered in 2012. SEFTC currently uses eight CAE-produced FFSs at its facilities at Shanghai Pudong Waigaoqiao Free Trade Zone, as well as CAE Simfinity IPTs, CAE Simfinity Airbus Pilot Transition trainers (APTs), and CAE Simfinity Virtual Simulators (VSIMs).

China Eastern Airlines Co., Ltd is one of the largest airlines of the People's Republic of China. China Eastern operates over 80 international and regional routes as well as more than 330 domestic routes, which connect 110 cities in China, Japan, Korea, Southeast Asia, Europe, Australia and America. More than 500 China Eastern Airlines pilots have been awarded the Safety Medal by the Civil Air Administration of China (CAAC).

Undisclosed India customer

The contract with the undisclosed customer in India is for a CAE 7000 Series Level D A320 FFS. The equipment will be delivered later this year.

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 30 civil aviation and military training centres, we train more than 75,000 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 –

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