

Press Release

CAE awarded military contracts and options valued at approximately \$130 million

- MH-60R AMT/WLT for Royal Australian Navy
- C-130J simulator for USAF
- KC-130J training facility for Kuwait Air Force
- Additional KC-135 tanker training services

Montreal, Canada, April 3, 2013 – (NYSE: CAE; TSX: CAE) – CAE today announced it has won a series of military contracts during the final month of its fiscal year 2013 fourth quarter valued at approximately C\$130 million, including options. They include contracts to provide an MH-60R avionics maintenance trainer and weapons load trainer for the Royal Australian Navy, a C-130J weapon systems trainer for the United States Air Force (USAF), construction of a training facility for the Kuwait Air Force and additional training support services as part of the KC-135 aircrew training system program for the USAF.

"Our position on key platforms such as the C-130J and MH-60 helicopters continues to provide a range of opportunities globally, including foreign military sale contracts through the United States government," said Gene Colabatistto, Group President, Military Products, Training and Services, CAE.

US Navy/Royal Australian Navy

CAE was awarded a contract to develop an MH-60R avionics maintenance trainer and weapons load trainer (AMT/WLT) for the Royal Australian Navy (RAN) under the United States foreign military sale (FMS) program. CAE USA will be the prime contractor responsible for the design and manufacture of the MH-60R AMT/WLT that will be delivered in 2015 to HMAS Albatross, located near Nowra in New South Wales. CAE is also currently under contract to develop two MH-60R tactical operational flight trainers (TOFTs) for the RAN.

The MH-60R AMT/WLT will provide transition and readiness training for MH-60R avionics technicians and be used to demonstrate, instruct and provide hands-on experience on maintaining the MH-60R Romeo helicopter. In addition, the training device will incorporate the capability to train students how to load ammunition using imitation missiles and ordnance.

Lockheed Martin/US Air Force

Lockheed Martin has exercised a contract option for CAE to design and manufacture an additional C-130J weapon systems trainer for the United States Air Force as part of the C-130J Maintenance and Aircrew Training System Phase II program. The simulator will be delivered in 2016 to Little Rock Air Force Base and used by the U.S. Air Force Air Mobility Command for initial qualification, refresher and distributed mission training.

U.S. Army Corps of Engineers/Kuwait Air Force

The U.S. Army Corps of Engineers has awarded CAE USA a foreign military sales contract to construct a training facility for the Kuwait Air Force at AI Mubarak Air Base in Kuwait. The two-bay training facility will house a KC-130J full-mission simulator that CAE is currently under contract to design and manufacture for the Kuwait Air Force.

United States Air Force

The United States Air Force awarded CAE USA a contract, including options, to perform operations and maintenance support for KC-135 Boom Operator Weapon Systems Trainers (BOWST) as part of the KC-135 aircrew training system program. The USAF is acquiring new KC-135 BOWSTs via a small business to provide KC-135 boom operators with increased synthetic training capabilities. CAE USA, prime contractor on the KC-135 ATS program, will incorporate the training devices into the overall KC-135 training program and provide maintenance support for the new training devices. This initial contract for the first year of operations and maintenance is valued at more than \$5 million. Annual KC-135 BOWST maintenance support contract options for the remaining seven years of the KC-135 ATS program are valued at approximately \$50 million.

CAE is a global leader in modelling, simulation and training for civil aviation and defence. The company employs approximately 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 crew members 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. www.cae.com.

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CAE contacts:

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

Trade media: Chris Stellwag, Director, Marketing Communications – Military, (813) 887-1242, chris.stellwag@caemilusa.com

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