



# Press Release

## CAE awarded military contracts valued at more than C\$100 million

- Upgrades to Canadian Forces CC-130H and CH-146 simulators
- Long-term maintenance and support services for AW139 simulator in Malaysia
- Tornado maintenance trainers for the German Air Force and Royal Air Force
- CAE 3000 Series helicopter simulator and training services for undisclosed customers

**Montreal, Canada, January 18, 2012** – (NYSE: CAE; TSX: CAE) – CAE today announced that it was awarded a series of military contracts valued at more than C\$100 million. They include contracts from Canada's Department of National Defence to perform major upgrades to CC-130H and CH-146 simulators, a contract from Professional Way in Malaysia to provide long-term support services for an AW139 full-flight simulator, a contract to develop two Tornado maintenance trainers for the German Air Force and Royal Air Force, and two contracts from undisclosed customers to provide a CAE 3000 Series helicopter simulator and related training services.

"CAE's global presence, our comprehensive portfolio of both simulation products and services, and a significant installed base continues to give us a solid pipeline of opportunities," said Martin Gagné, CAE's Group President, Military Products, Training and Services. "As militaries around the world face the reality of declining budgets, they will increasingly turn to simulation-based training to reduce costs and maintain readiness. CAE is well-positioned globally to address the growing use of simulation by governments and defence forces."

### Canada Department of National Defence

CAE was awarded contracts to perform several upgrades to the Canadian Forces CC-130H full-mission simulator as well as the CH-146 Griffon helicopter simulator. CAE will upgrade the CC-130H simulator located at Canadian Forces Base (CFB) Trenton with the addition of a new instructor operator station and Air Combat System Officer (ACSO) station, chin window displays and a new visual projection system. CAE will also make the simulator compatible with the common database (CDB) technology to support enhanced search and rescue and air-to-air refueling mission training. For the CH-146 Griffon helicopter simulator located at CFB Gagetown, CAE will update the computer systems and the instructor operator station.

### Professional Way

CAE signed a long-term contract with Professional Way Sdn Bhd, a Malaysia-based company, to provide comprehensive maintenance and lifecycle support services for the CAE 3000 Series AW139 full-flight simulator that CAE is currently developing for Professional Way. Once the simulator is delivered later this year to Professional Way's new training centre near Kuala Lumpur, CAE will then provide on-site maintenance and logistics support services to ensure the AW139 full-flight simulator maintains high availability.

### German Air Force/Royal Air Force

CAE was awarded a contract to design and manufacture two new Tornado maintenance trainers – one for the German Air Force and one for the Royal Air Force. The Tornado maintenance trainers will be delivered in 2013 to Kaufbeuren Air Base in Germany and Royal Air Force Base Marham in the United Kingdom. The Tornado maintenance trainers will be used primarily for engine overhaul training.

### Undisclosed Customers

CAE will design, manufacture and deliver a CAE 3000 Series helicopter full-flight simulator for an undisclosed customer in Europe. In addition, CAE received a multi-year, comprehensive helicopter training services contract for an undisclosed customer in Asia.

CAE is a global leader in modeling, simulation and training for civil aviation and defence. The company employs more than 7,500 people at more than 100 sites and training locations in more than 20 countries. Through CAE's global network of 34 civil aviation, military and helicopter training centres, the company trains more than 80,000 crewmembers yearly. CAE's business is diversified, ranging from the sale of simulation products to providing comprehensive services such as training and aviation services, professional services and in-service support. The company applies its 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](http://www.cae.com)

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