



Press Release

CAE awarded military contracts valued at more than C\$110 million

Montreal, June 11, 2012 – (NYSE: CAE; TSX: CAE) – CAE today announced that it was awarded a series of military contracts valued at more than C\$110 million. They include contracts to develop a suite of fixed wing training devices, and to continue providing in-service support for Canada's CF-18 fleet.

"The defence forces of more than 50 nations already use CAE as their training solutions provider and our customer base continues to grow as defence forces expand their use of synthetic training in order to reduce cost," said Gene Colabatistto, CAE's Group President, Military Products, Training and Services. "CAE's advanced simulation solutions offer the ability to practice and rehearse dangerous mission scenarios safely."

Fixed wing training devices

CAE has been awarded a contract to provide a suite of fixed wing Advanced Jet Trainer (AJT) aircraft simulators and training devices as part of an overall solution to meet the future aircrew training requirements of an undisclosed customer.

CAE has a long history of providing fast jet training devices. In this instance, CAE will design and manufacture a number of full-mission simulators that will each feature a high-fidelity replica of the cockpit surrounded by an 11-foot front projection dome display. In addition, CAE will also provide integrated procedures trainers, an egress training device, an ejection seat training device, and a range of brief/debrief systems.

In-service support for Canada's CF-18 fleet

CAE has been awarded a one-year contract renewal by L-3 MAS, a subsidiary of L-3 Communications, for CAE to continue providing a range of in-service support solutions for the Canadian Forces' CF-18 aircraft. CAE will provide avionics software upgrades, integrated logistics support and data management services. L-3 MAS has been the prime contractor on the CF-18 in-service support program since 1986, and CAE has been performing systems engineering support services for the CF-18 fleet for more than 25 years.

About CAE

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 crewmembers yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 12 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, professional services, 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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