

Press Release

CAE awarded more than C\$65 million in contracts for five full-flight simulators to customers in Asia

30 simulator sales announced so far in fiscal year 2012

Montreal, Canada, January 12, 2012 – (NYSE: CAE; TSX: CAE) – CAE today announced that it has sold five Level D full-flight simulators (FFS) to customers in Asia. They include an Airbus A320 and a Boeing 737 to Air China, a Boeing 737 to Shandong Airlines of China, an A320 to the new Cebu Pacific-CAE joint venture aviation training centre in the Philippines, and an A320 for Alpha Aviation Group's flight training academy in the Philippines. CAE also received contracts for CAE SimfinityTM integrated procedures trainers and for simulator update services from several airlines.

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 2012 to 30.

"China and the rest of Asia are leading the world in commercial aircraft deliveries, and we are pleased that our longtime presence in the region continues to position us at the forefront of this dynamic market," said Jeff Roberts, CAE's Group President, Civil Simulation Products, Training and Services.

Air China

The CAE 7000 Series Airbus A320 and Boeing 737-800 FFSs will be delivered to the Air China training centre in Beijing, China. The simulators will be certified to Level D, the highest qualification for flight simulators, by the Civil Aviation Administration of China (CAAC).

Shandong Airlines

The CAE 7000 Series Boeing 737 FFS will be qualified to CAAC's Level D standards. The simulator will be delivered to the Shandong Airlines training centre in Qingdao, China.

Cebu Pacific

The Cebu Pacific-CAE aviation academy is scheduled to start operations in the third quarter of 2012 in Clark Freeport Zone, northwest of Manila in the Philippines. The joint venture will initially cater to Airbus A319/320/321 series pilot type-rating training requirements and will provide "wet" instructor-led type-rating training for Cebu Air's current and new-hire pilots. Initial, recurrent, conversion and jet indoctrination training will also be available to other Airbus operators.

Alpha Aviation Group

The CAE 5000 Series A320 FFS for Alpha Aviation Group will be delivered to its training academy at Clark Freeport Zone in the Philippines. Formed by UK-based C&C Alpha Group Limited and Singapore-based Prescient Systems & Technologies Pte. Ltd. (an associate company of Singapore Technologies Engineering Limited), Alpha Aviation Group Limited has aviation academies in the UK, UAE and the Philippines. Alpha Aviation Group (Philippines) Inc. is an Approved Training Organization (ATO) and a certified Type Rating Training Organization (TRTO) for the training of A320 commercial pilots for airlines in the Asia Pacific region

About CAE

CAE is a global leader in modelling, 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 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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