



Press Release

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

- Includes subcontract to design and manufacture four additional C-130J simulators for U.S. Air Force

Montreal, Canada, September 6, 2011 – (NYSE: CAE; TSX: CAE) – CAE today announced that it has been awarded a series of military contracts valued at more than C\$100 million, including a subcontract to design and manufacture four additional C-130J simulators for the United States Air Force (USAF) as well as contracts in Germany to provide support services for the German Air Force's Eurofighter simulators and to upgrade Tornado flight simulators.

"The recent contracts for new C-130J simulators as well as the services and upgrade contracts in Germany are indicative of the opportunities we are now seeing as militaries look for ways to save money," said Martin Gagné, CAE's Group President, Military Products, Training and Services. "Synthetic training is one way for militaries to reduce some of the costs related to live flying, yet still maintain required levels of proficiency and readiness."

C-130J Maintenance and Aircrew Training System (C-130J MATS) Program

Under terms of a subcontract from the prime contractor, CAE will design and manufacture four C-130J weapon systems trainers (WSTs) to support the USAF's Air Mobility Command (AMC), Air Combat Command (ACC), and Air Force Special Operations Command (AFSOC). Three of the simulators will be HC/MC-130J WSTs for ACC and AFSOC, and one will be a C-130J simulator for AMC.

"Over the past two decades, CAE has developed more training systems for the C-130 than any company, including all the weapons systems trainers for the latest C-130J variant," said Gagné. "We are pleased to continue building on this experience to provide high-fidelity C-130J simulators that will enable the USAF to increase the amount of synthetic training done for this aircraft."

Cassidian/German Air Force

Prime contractor GFD Gesellschaft für Flugzielarstellung mbH, a subsidiary of Cassidian, has contracted CAE Elektronik GmbH to provide a range of maintenance and support services for the German Air Force's Eurofighter full-mission simulators and cockpit trainers over the next four years. CAE will also support the CAE Medallion visual system on the Eurofighter training devices, as well as provide scenario generation services for the German Air Force.

German BWB

CAE Elektronik GmbH was awarded contracts to perform several upgrades to the German Air Force Tornado full-mission simulators. CAE will upgrade the Tornado development simulator at CAE's facility in Stolberg with a new radar warning system simulation to ensure concurrency with upgrades being performed on Germany's fleet of Tornado aircraft. In addition, the Tornado simulators at Lechfeld and Jagel will be upgraded with the CAE Medallion-6000 image generator, including enhancements to the weather simulation so additional training can be conducted in a synthetic environment.

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 23 countries. Through CAE's global network of more than 30 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 aims to apply 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

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