



CAE officially inaugurates its new aerospace and defence complex in India

- Home to the first independent aviation training centre in India
- Complex is part of CAE-Airbus Training Services Cooperation
- CAE develops training systems for India's defence forces and software for CAE's world-leading simulators in the complex

Bangalore, India, February 11, 2011 – (NYSE: CAE; TSX: CAE) – CAE officially inaugurated its new aerospace and defence complex in Bangalore today in the presence of representatives of India's airlines and defence forces, Canada's High Commission to India, as well as company executives and employees. Located close to Bengaluru International Airport, the complex is headquarters for CAE's operations in India and home to a majority of its India-based employees.

In the 116 000 square-foot complex, CAE designs and develops defence training systems for India's defence forces and operates an engineering centre of excellence where visual databases and other software components for CAE's simulators are developed. The facility also houses CAE's Bangalore aviation training centre, the first independent aviation training centre in India. The six-bay capacity centre currently offers Airbus A320 and Boeing 737 pilot training on three CAE-built full-flight simulators. More than 1,500 pilots trained at the centre last year, including pilots from Indian-based airlines such as Air India, Go Air, IndiGo, Kingfisher Airlines, Spicejet and commercial pilots of the Indian Air Force. Other customers include Fly Wings Aviation and SriLankan Airlines. The training centre is part of the CAE-Airbus Training Services Cooperation agreement.

India is of strategic importance to CAE and the new aerospace and defence complex demonstrates the Company's commitment to India. CAE has been active in the Indian market for the past 40 years, starting with the sale of simulators, and now offers comprehensive training solutions for India's civil aviation and defence markets. CAE's workforce in India has grown from 13 employees in 2004 to more than 300 today.

In addition to the new aerospace and defence complex, CAE has made a number of significant and strategic investments in India for both the civil and military markets. The company owns jointly with the Government of India the National Flying Training Institute (NFTI) in Gondia, a newly established ab initio flight school that is one of 11 CAE Global Academy campuses worldwide. CAE is the managing partner of the Indian government's Indira Gandhi Rashtriya Uran Akademi (IGRUA) flight school located in Rae Bareilly, also part of the CAE Global Academy network. CAE also owns jointly with Hindustan Aeronautics Limited (HAL) the Helicopter Academy to Train by Simulation of Flying (HATSOFF), India's first advanced helicopter training centre, located in Bangalore.

"India is home to one of the fastest growing civil aviation markets in the world, and through our flight schools and pilot type-rating training centre as well as the sale of comprehensive training solutions, CAE is a partner in this growth," said Jeff Roberts, CAE's Group President, Civil Simulation Products, Training and Services. "The Indian commercial aircraft fleet has nearly doubled since 2005 to about 450 aircraft in 2010, and Indian carriers have more than 500 commercial aircraft on order. That translates into a need for approximately 7,000 new pilots in India over the next seven years."

CAE has delivered approximately 80 percent of the installed base of civil full-flight simulators in India, and CAE India Pvt Ltd, formerly Macmet Technologies, has been providing leading-edge simulation solutions to India's defence forces for more than two decades.

"With the Indian defence and homeland security forces in the midst of a rapid and widespread modernization effort, they are in a perfect position to extend their use of simulation to help ensure their forces are well-prepared and mission ready to meet new threats and challenges," said Martin Gagné, CAE's Group President, Military Products, Training and Services. "Simulation offers a range of benefits and advantages for accomplishing training and mission rehearsal objectives, and CAE is committed to long-term partnerships and support in India."

Didier Lafrique, Head of Airbus Training India, who was also a speaker at the event, said, "Thanks to our training cooperation with CAE, we can offer A320 pilots based in India and the surrounding region the advanced training services they require right at their doorstep."

About CAE

CAE is a world leader in providing simulation and modelling technologies and integrated training solutions for the civil aviation industry and defence forces around the globe. With annual revenues exceeding C\$1.5 billion, CAE employs more than 7,500 people at more than 100 sites and training locations in more than 20 countries. We have the largest installed base of civil and military full-flight simulators and training devices. Through our global network of 30 civil aviation and military training centres, we train more than 80,000 crewmembers yearly. We also offer modelling and simulation software to various market segments and, through CAE's professional services division, we assist customers with a wide range of simulation-based needs. www.cae.com

– 30 –

Note to editors: High-resolution photos of CAE's defence and aerospace complex in Bangalore and of the inauguration event will be available for download at www.cae.com/photos

CAE contacts:

Nathalie Bourque, Vice President, Public Affairs and Global Communications, +1-514-734-5788, nathalie.bourque@cae.com

Trade media: Chris Stellwag, Director, Marketing Communications, Military and Civil, +1-407-709-3070, chris.stellwag@cae.com

Investor relations: Andrew Arnovitz, Vice President, Investor Relations and Strategy, +1-514-734-5760, andrew.arnovitz@cae.com