



Trade Press Release

CAE to develop six additional P-8A operational flight trainers for Boeing and U.S. Navy

Orlando, Florida, USA, November 28, 2011 – (NYSE: CAE; TSX: CAE) – Today at the Interservice/Industry Training, Simulation, and Education Conference (IITSEC), the world's largest military simulation show, CAE announced that Boeing has ordered six additional P-8A Poseidon operational flight trainers (OFTs) for the United States Navy.

The order was booked in CAE's second quarter ending September 30, 2011 and included in the value of military contracts announced by CAE on October 17, 2011. Boeing, prime contractor for the U.S. Navy P-8A program, is the undisclosed United States customer referenced in that press release.

CAE will manufacture the simulators as well as develop a suite of P-8A Aircraft Equipment enhanced Desktop Environment (AeDTE) trainers, which will be used as role playing stations during training of P-8A aircrews. The P-8A OFTs and AeDTEs are part of a recent contract awarded to Boeing to support low rate initial production lot two (LRIP-II) of the P-8A multi-mission maritime aircraft.

"As the United States Navy continues planning for initial operating capability of the P-8A, CAE is pleased to be working closely with Boeing to deliver the training systems required," said John Lenyo, President and General Manager, CAE USA. "The Navy expects to increase the amount of synthetic training used for aircrew training so the fleet of P-8A operational flight trainers we deliver will play a key role in preparing crews to effectively operate and employ this state-of-the-art aircraft."

The P-8A Poseidon is a new long-range anti-submarine and anti-surface warfare aircraft currently being developed for the U.S. Navy by prime contractor Boeing. The P-8A is a derivative of Boeing's next-generation 737-800 aircraft and will be used for maritime and littoral operations. The U.S. Navy plans to acquire 117 P-8A aircraft to replace its current fleet of P-3C Orion aircraft. The Indian Navy, the first international customer for the P-8, has ordered eight P-8I aircraft.

CAE is already under contract from Boeing to design and manufacture four P-8A OFTs, so this order brings the total number of P-8A OFTs that CAE will develop to ten. CAE designs and manufactures the P-8A OFT hardware to Level D standards, the highest qualification for flight simulators. CAE also provides the 737-800 OFT software baseline and simulation-based software lab environment that is used for P-8A OFT development and integration tasks. CAE then delivers the P-8A OFTs to Boeing, who installs and integrates software specific to the P-8A aircraft and completes delivery to the U.S. Navy.

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 33 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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High resolution downloadable photos of a CAE-built P-8A simulator are available at www.cae.com/photos

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