

Trade Press Release

CAE to initiate pilot training operations for Airbus and Boeing aircraft in Prague

 Agreement with Czech Airlines for Airbus A320, Boeing 737NG and Boeing 737 Classic training serving airlines in Eastern Europe

Montreal, Canada, September 29, 2011 – (NYSE: CAE; TSX: CAE) – CAE today announced that it is initiating commercial pilot training operations for the Airbus A320, Boeing 737NG and Boeing 737 Classic aircraft types at Prague-Ruzyne Airport in the Czech Republic. CAE will relocate a B737NG full-flight simulator (FFS) to the Czech Airlines (CSA) training centre. CAE will also offer wet and dry third-party training on two FFSs owned by Czech Airlines – a CAE-built Boeing 737 Classic FFS and an A320 simulator.

"CAE continues to extend its leadership in emerging international and regional airline markets through flexible partnerships and network expansion so customers can have in-region access to advanced training solutions," said Jeff Roberts, CAE's Group President, Civil Simulation Products, Training and Services. "We are pleased to be adding the strategically located city of Prague to our presence in Eastern Europe to complement training offered in Russia and Lithuania."

The Czech Airlines Training Centre provides training for Czech Airlines (CSA) crews and crews of other airlines from the Czech Republic and abroad. All training is carried out by highly experienced instructors according to EU OPS and JAR-FCL1 regulations as well as training plans approved by the Czech Civil Aviation Authority.

"Czech Airlines training centre has an excellent worldwide reputation, of which we are proud. Cooperation between the two companies, Czech Airlines and CAE, has always been very good and therefore we welcome this opportunity to further enhance our joint activities," said Marek Týbl, vice president of flight operations of Czech Airlines.

CAE has signed an agreement for Boeing 737NG training in Prague with Travel Service, a leader in the charter flight market in the Czech Republic, Slovakia, and Hungary and operating low-cost scheduled flights under the brand Smart Wings. "CAE is the world leader in commercial aviation training, and we are excited at the opportunity to train with the best right next to our base of operations," said Michal Tomis, Managing Director, Travel Service, a.s. "Our passengers trust us to provide well-qualified staff and the highest standards of safety, and we trust CAE to help us train our pilots to those standards."

Prague will be the 27th location in CAE's global network of commercial aviation, business aircraft and civil helicopter training centres, operating more than 160 full-flight simulators across the network.

Other CAE commercial aircraft training centres in Europe include Amsterdam, The Netherlands; Brussels, Belgium; Burgess Hill, UK (near London); Madrid, Spain; Moscow, Russia; and Rome, Italy. Aircraft programs at these centres include Airbus A300, the A320 family, A330 and A340; ATR 42 and 72; BAES RJ85; Boeing 737 Classic, 737NG, 747, 757, 767 and 777; Bombardier CRJ 200, 700, 900, 1000 and Dash 8; Dornier 328TP; Embraer E170 and E190; and McDonnell Douglas MD87 and MD88. Also, Baltic Aviation Academy recently announced it is joining forces with CAE, leasing a CAE-built A320 FFS and relocating it to Vilnius, Lithuania.

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 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 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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