

Trade Press Release

CAE to provide RNZAF with Beechcraft King Air 200 classroom training system

Melbourne, Australia, February 26, 2013 – (NYSE: CAE; TSX: CAE) – Today at the Avalon Australian International Air Show, CAE announced it has signed a contract to provide the Royal New Zealand Air Force with a Beechcraft King Air 200 ProLine 21 CAE Simfinity[™] Virtual Simulator (VSIM) classroom and B200 Computer-Based Training (CBT) in support of the Interim Advanced Pilot Training Capability (IPTC) project.

Under terms of a five-year lease that includes an additional five-year option, CAE will install and support the CAE Simfinity VSIM classroom for the Beechcraft King Air 200 at RNZAF Base Ohakea.

"The simulation services provided by CAE will play a key role in modernising the training of RNZAF pilots under the IPTC program," said Air Vice-Marshal Peter Stockwell, RNZAF Chief of the Air Force,

The CAE Simfinity VSIM is part of the comprehensive suite of CAE Simfinity training media that leverages full-fidelity simulation software to provide a fully integrated training solution. The CAE Simfinity VSIM, which can be used for either self-paced or instructor-led training, is ideal for familiarisation and procedural training because pilots can "learn by doing" prior to training sessions in a full-flight simulator or aircraft. Included with the CAE Simfinity VSIM training solution is the CAE Simfinity Flight Management System Trainer, which integrates complete flight management system (FMS) capabilities including navigation display rendering of routes and navigation aids.

"By using the CAE Simfinity VSIM, you can offload pilot training events to more cost-effective training devices, making more efficient use of the aircraft" said Peter Redman, Managing Director, CAE Australia Pty Ltd. "CAE is committed to supporting the Royal New Zealand Air Force's simulation and training needs, and looks forward to delivering this innovative solution for Beechcraft King Air 200 classroom training."

CAE is a global leader in modelling, simulation and training for civil aviation and defence. The company employs approximately 8,000 people at more than 100 sites and training locations in approximately 30 countries. CAE offers civil aviation, military, and helicopter training services in more than 45 locations worldwide and trains approximately 100,000 crewmembers yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 11 CAE-operated flight schools. CAE's business is diversified, ranging from the sale of simulation products to providing comprehensive services such as training and aviation services, integrated enterprise solutions, in-service support and crew sourcing. The company applies simulation expertise and operational experience to help customers enhance safety, improve efficiency, maintain readiness and solve challenging problems. CAE is leveraging its simulation capabilities in new markets such as healthcare and mining. www.cae.com

CAE contacts:

Nathalie Bourque, Vice President, Public Affairs and Global Communications, (514) 734-5788, <u>nathalie.bourque@cae.com</u>

Trade media: Chris Stellwag, Director, Marketing Communications – Military,

(813) 887-1242, chris.stellwag@caemilusa.com

Investor relations: Andrew Arnovitz, Vice President, Investor Relations and Strategy, (514) 734-5760, <u>andrew.arnovitz@cae.com</u>