



Press Release

Cebu Pacific Air and CAE to establish new aviation training center in Philippines

- Center to offer training for Cebu pilots and third-party airlines

Pasay City, Philippines and Montreal, Canada, December 20, 2011 – Cebu Pacific Air (PSE: CEB), the Philippines' largest national flag carrier, and CAE (NYSE: CAE; TSX: CAE), world leader in aviation training, today announced that they have signed a joint venture agreement to establish an aviation training center for airlines in the Asia Pacific region. The joint venture will also be responsible for type-rating training of CEB pilots.

The aviation academy is scheduled to start operations in the third quarter of 2012 in Clark Freeport Zone, northwest of the national capital of Manila, and represents an approximate US \$40-50 million joint investment.

"We are proud to partner with CAE to support CEB's growing fleet, expansion plans, and training requirements. This will also help make Asia Pacific's vibrant aviation industry more appealing in the face of growing competition for well-trained aviation professionals," said CEB President and CEO Lance Gokongwei. "Airbus' Global Market Forecast predicts more than 34% (9,160) of total global airplane orders until 2030 will go to the Asia Pacific region, of which 5,770 of these will be single-aisle planes like the A320."

"By partnering with CAE, CEB once again underscores its commitment to enhance the Philippines' tourism and aviation potentials by producing world-class pilots and crew," Gokongwei added.

Jeff Roberts, CAE's Group President of Civil Simulation Products, Training and Services, said, "We are excited about this new relationship with CEB and the opportunity to help meet the increasing demand for high-quality pilots and other commercial aviation professionals in the Philippines and throughout the region. The new training center will be a world-class, one-stop training center for CEB and a hub for training services for other airlines."

The joint venture will initially cater to Airbus A319/320/321 series pilot type-rating training requirements and will provide "wet" instructor-led type-rating training for Cebu Air's current and new-hire pilots. Initial, recurrent, conversion and jet indoctrination training will be available to other Airbus operators.

The state-of-the-art training center will be developed in consultation with CAE's training facilities design team. It will initially be equipped with two Airbus A320 FFSs with capability to expand by two additional simulators.

The aviation academy is expected to provide training for other aviation personnel in the future, such as cabin crew, dispatch, ground handling personnel and cadets.

About Cebu Air Inc.

Cebu Air Inc. is the largest carrier in the Philippine air transportation industry, offering its low-cost services to more destinations and routes with higher flight frequency within the Philippines than any other airline. CEB currently operates 10 Airbus A319, 19 Airbus A320 and 8 ATR-72 500 aircraft, a fleet of 37 aircraft with an average age of 3.6 years – one of the most modern aircraft fleets in the world. Between 2012 and 2021, Cebu Pacific will take delivery of 23 Airbus A320 and 30 Airbus A321neo aircraft orders, and 2 Airbus A320 aircraft on operating lease agreements.

About CAE

CAE is a world leader in providing simulation and modeling technologies and integrated training solutions for the civil aviation industry and defense forces around the globe. With annual revenues exceeding C\$1.6 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 33 civil aviation, military and helicopter training centers, we train more than 80,000 crewmembers yearly. We also offer modeling 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-

CAE contacts:

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

Trade media – civil aviation: Rick Adams, Senior Manager, Marketing Communications – Civil Aviation, (214) 864-5409, rick.adams@cae.com

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

Cebu Air contact:

Investor relations: Jhoanna D. Bugaran, Director - Corporate Finance & Investor Relations, (632) 802-7081, jhoanna.bugaran@cebupacificair.com

Media: MP G. Pestano, Corporate Communications Manager, (632) 851-1430, mp.pestano@cebupacificair.com