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Trade Press Release

U.S. Air Force begins KC-135 aircrew training at Hickam AFB, Hawaii

Tampa, Fla., USA, March 27, 2012 – (NYSE: CAE; TSX: CAE) – CAE USA today announced that the United States Air Force (USAF) has commenced KC-135 aircrew training at Hickam Air Force Base (AFB) in Hawaii.

CAE USA, prime contractor on the KC-135 Aircrew Training System (ATS) program, recently relocated a KC-135 operational flight trainer (OFT) and associated KC-135 training media from Grand Forks AFB in North Dakota. The KC-135 simulator was re-certified by the USAF and declared ready-for-training in the new training facility at Hickam AFB.

The new KC-135 training facility was officially inaugurated yesterday during a ribbon cutting ceremony attended by Hawaii State Representative Henry Aquino; Colonel Braden Sakai, Commander, 154th Wing, Hawaii Air National Guard; and John Lenyo, President and General Manager, CAE USA.

"As the headquarters for Air Force Pacific operations, Hickam plays a key role in our ability to provide combat support as well as humanitarian relief throughout the Pacific region," said Colonel Sakai. "The KC-135 tanker extends our reach, and would not be possible without well-trained and mission-ready aircrews. We are pleased our KC-135 aircrews can now train here at Hickam AFB."

The KC-135 Aircrew Training System (ATS) program, led by CAE USA as the prime contractor, delivers initial qualification, requalification, continuation and upgrade training for KC-135 aircrews, including pilots, co-pilots, and boom operators. CAE USA and its small business subcontractor, Delaware Resource Group (DRG), are responsible for providing program management, academic and simulator instruction, maintenance and logistics services, training device upgrades, relocation services, and a Training Systems Support Center. Hickam AFB in Hawaii is now one of 13 USAF bases in the United States and internationally where KC-135 training is delivered by CAE USA.

"We are pleased to be the prime contractor delivering comprehensive aircrew training services to the more than 3,500 pilots, co-pilots and boom operators who help make the KC-135 Stratotanker a key force multiplier for the United States Air Force and its allies," said John Lenyo, President and General Manager, CAE USA. "CAE has a wealth of experience designing, developing and delivering tanker training systems and services, and doing so for the U.S. Air Force's KC-135 community is an honor and a privilege."

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 over 25 countries. Through CAE's global network of 34 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 applies 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 the inauguration are available at www.cae.com/photos

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