



Minister for
International Trade

Ministre du
Commerce extérieur

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CAE ELECTRONICS LTD. SELLS TO INDIA WITH FINANCING

SUPPORT FOR THE BUYER FROM EDC

The Honourable Pat Carney, Minister for International Trade, announced today financing support of US \$7.5 million from the Export Development Corporation (EDC) for a sale by CAE Electronics Ltd., of Montreal, to Air India. The sale, valued at US \$8.8 million, involves the supply of an A-310 Airbus flight simulator, associated items and related services.

The Canadian company won the contract for the simulator against competition from France, the United States and the United Kingdom.

The transaction is expected to generate 340 person-years of employment in Canada.

EDC made the loan supporting the sale at concessional rates to combat a credit-mixte financing proposal from France. Of the total, US \$2.1 million was authorized by the Cabinet under Canada Account, an account used for national interest lending at rates lower than those normally charged by EDC.

Air India, formed in 1946, is India's flag carrier airline. It has recently completed delivery of six A-310-300 Airbuses and has options on six more.

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Canada

CAE has been dealing with Air India since 1970, when it sold it a Boeing 747-100 simulator, which was upgraded to a 747-200 simulator in 1985.

CAE will manufacture, test and supply the simulator as well as provide on-site installation, calibration and support services.

CAE Electronics Ltd., a wholly-owned subsidiary of CAE Industries Ltd., Toronto, is one of the world's major builders of sophisticated commercial and military aircraft flight simulators and of supervisory control and data acquisition systems and energy management systems for international utilities.

EDC is a Canadian Crown corporation established to support Canada's export trade. EDC arranges medium- and long-term financing for foreign buyers of Canadian goods and services and also provides insurance and bank guarantee services to Canadian exporters.

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