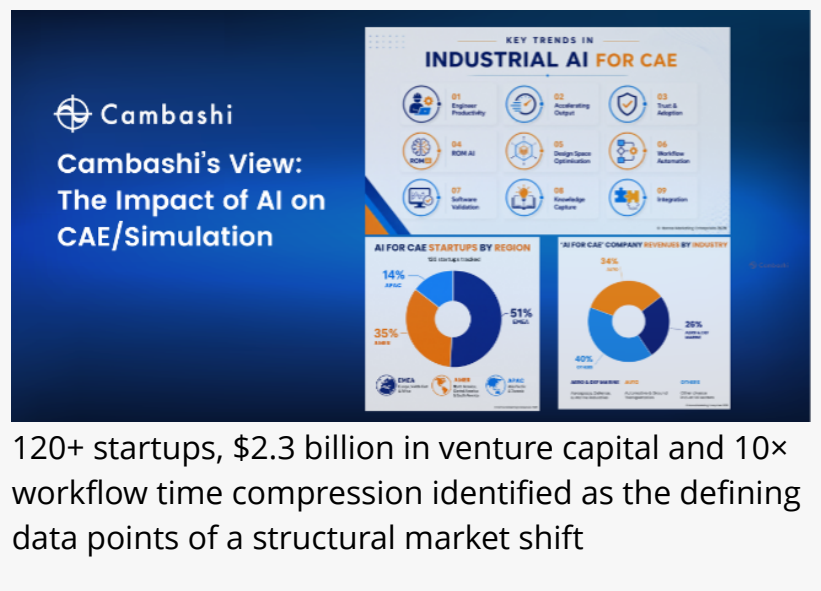


Cambashi: AI Is Transforming the CAE/Simulation Software Market

Cambashi's View: The Impact of AI on CAE and Simulation

CAMBRIDGE, CAMBRIDGESHIRE, UNITED KINGDOM, June 24, 2026 /EINPresswire.com/ -- [Cambashi](#), the Cambridge-based market intelligence and consulting firm specializing in engineering and industrial software, today published its latest '[Cambashi's View: The Impact of AI on CAE and Simulation](#).' Based on Cambashi's ongoing tracking of over 120 start-ups and Small and Medium-sized Businesses (SMB) globally, the research confirms that Artificial Intelligence is the most significant disruptive force in the CAE and simulation software market in the past 50 years.



120+ startups, \$2.3 billion in venture capital and 10× workflow time compression identified as the defining data points of a structural market shift

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AI is the single biggest disruptor to the CAE and EDA industry in 50 years.”

*Keith Hanna, Cambashi
Associate*

More than 120 AI for CAE start-ups and SMB companies have been identified globally, with approximately half founded post-COVID as the sector pivoted rapidly into AI-enabled simulation. The release of ChatGPT in 2022 accelerated new company formation to an average of ten startups per year — double the pre-COVID rate. Approximately \$2.3 billion in venture capital has been invested across these companies. EMEA leads

geographically with over 51% of all AI for CAE startups, centered on London and Berlin, while AMER region (35%) commands the highest venture capital per company and APAC (14%) is growing rapidly, with Seoul, S. Korea, Tokyo, Japan, and India emerging as active hubs.

Machine Learning and Surrogate Model approaches are delivering the clearest near-term commercial value, augmenting existing engineers and accelerating design space optimization in applications including built environment flows, molding, engine modelling, and turbomachinery. LLM, Agentic AI, and Generative AI tools have reported at least 10x workflow compression. The

Automotive and Aerospace & Defense industries are the most active early adopters, with targeted niche solutions emerging in MedTech and AECO.

“AI is the single biggest disruptor to the CAE and EDA industry in 50 years. What is happening now is not incremental — it is structural. The clearest near-term value lies in making existing, hard-to-find simulation engineers more productive. But the longer-term prize — multi-physics simulation at scale, bidirectional digital twins, and the convergence of CAE, EDA, and PLM tool chains — is considerably larger. The AI and ML wave for CAE is here to stay.” — Keith Hanna, Cambashi Associate

Looking ahead, Cambashi identifies multi-physics simulation at scale and the convergence of CAE, EDA, and PLM tool chains as the most significant longer-term opportunities, accelerated

by the major industry consolidations of 2024–2026. Regulatory compliance will govern the pace of adoption in Aerospace, Automotive, and Biomedical, while data sovereignty concerns are expected to drive further startup formation in Europe and Asia.

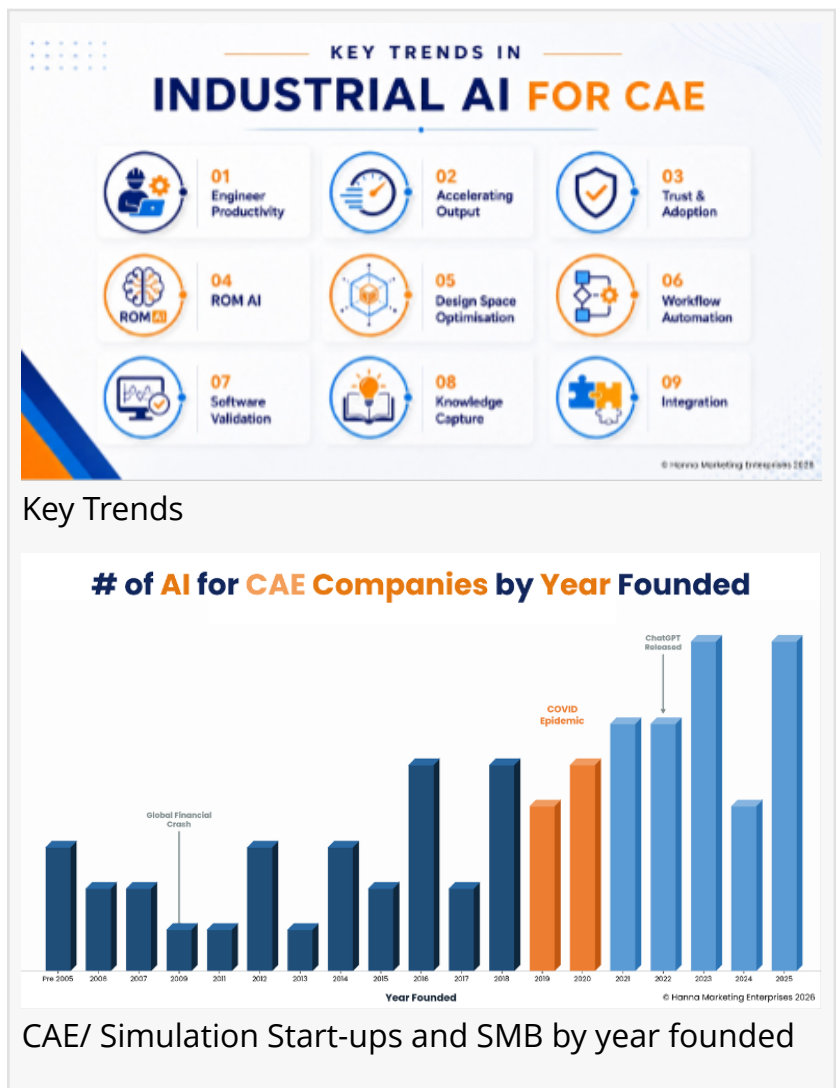
‘Cambashi’s View: The Impact of AI on CAE and Simulation’ is available to download. For information on the Cambashi Observatory — covering [CAE/Simulation market size, share, and forecast](#) updated quarterly — contact info@cambashi.com.

About Cambashi

Cambashi is a global market research, industry analysis, consulting, and training firm focused on engineering and industrial software. Headquartered in Cambridge, UK, Cambashi has delivered independent market intelligence for over 40 years. 80% of leading BIM and manufacturing design and engineering software vendors rely on Cambashi data. www.cambashi.com

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CAE/ Simulation Start-ups and SMB by year founded

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