



Trade Press Release

CAE and GA-ASI to develop Predator UAS simulator for Italian Air Force

Paris, France, June 16, 2015 – (NYSE: CAE; TSX: CAE) – Today at the Paris Air Show, CAE announced the Italian Directorate for Air Armaments and Airworthiness (DAAA) has contracted CAE to develop and deliver upgrades and enhancements to a Predator Unmanned Aerial System (UAS) Mission Trainer being developed for the Italian Air Force.

Together, CAE and General Atomics Aeronautical Systems, Inc. (GA-ASI) intend to develop a high fidelity UAS Mission Trainer specifically representing the Italian Air Force's Predator® A and Predator B/MQ-9, manufactured by GA-ASI. CAE will conduct flight test data gathering on actual Italian Air Force Predator A and Predator B/MQ-9 aircraft to ensure the highest fidelity simulation of flight systems and sensor payloads.

"Our Predator has proven to be capable of providing the Italian Air Force with an agile and flexible ISR capability, and we expect to increasingly use this platform for this kind of purpose," said an official from the Italian Air Force. "We need highly-skilled and well-trained Predator crews to fully leverage its capabilities, and our new high-fidelity training system will enable us to use a safe and cost-effective virtual training environment to better prepare our Predator aircrews for operational missions. In addition, we plan to develop the Italian Air Force Center of Excellence for unmanned systems, a first for training in the European region, and we will invite future users from allied Nations to jointly train at our facility."

The high-fidelity Predator UAS Mission Trainer will be delivered in 2017 to Amendola Air Force Base and will enable the Italian Air Force to conduct training for its Predator A and Predator B/MQ-9 pilots and sensor operators, thus allowing a rapid transition to flight operations without further training on the actual aircraft. In addition, the training capability is expected to significantly enhance operational readiness and flight safety for the Italian Air Force compared to conventional approaches to live training.

"We are pleased to be supporting the Italian Air Force with its Predator training requirements, as well as leveraging our growing international partnership with GA-ASI to provide comprehensive training solutions for the Predator family of remotely piloted aircraft," said Gene Colabatistto, Group President, Defense and Security, CAE. "For both manned and unmanned platforms, simulation-based training continues to demonstrate its proven capability as a safe and cost-effective solution for maintaining and enhancing mission readiness."

"GA-ASI is pleased to work hand-in-hand with CAE to develop this capable new training tool. This simulator will help to reduce the training load on Italy's Predator fleet significantly, freeing those aircraft for increased participation in civil and military operations worldwide," said Frank Pace, President, GA-ASI. "We continue to work with all our customers and partners to increase the effectiveness of our combat-proven remotely piloted systems."

About CAE

CAE is a global leader in delivery of training for the civil aviation, defense and security, and healthcare markets. We design and integrate the industry's most comprehensive training

solutions, anchored by the knowledge and expertise of our 8,000 employees, our world-leading simulation technologies and a track record of service and technology innovation spanning seven decades. Our global presence is the broadest in the industry, with 160 sites and training locations in 35 countries, including our joint venture operations, and the world's largest installed base of flight simulators. Each year, we train more than 120,000 civil and defense crewmembers, as well as thousands of healthcare professionals. www.cae.com

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About GA-ASI

General Atomics Aeronautical Systems, Inc., an affiliate of General Atomics, delivers situational awareness by providing remotely piloted aircraft systems, radar, and electro-optic and related mission systems solutions for military and commercial applications worldwide. The company's Aircraft Systems business unit is a leading designer and manufacturer of proven, reliable RPA systems, including Predator A, Predator B/MQ-9 Reaper®, Gray Eagle®, the new Predator C Avenger®, and Predator XP. It also manufactures a variety of state-of-the-art digital GCS, including the next-generation Advanced Cockpit GCS, and provides pilot training and support services for RPA field operations. The Mission Systems business unit designs, manufactures, and integrates the Lynx® Multi-mode Radar and sophisticated Claw® sensor control and image analysis software into both manned and remotely piloted aircraft. It also focuses on providing integrated sensor payloads and software for Intelligence, Surveillance and Reconnaissance (ISR) aircraft platforms and develops high energy lasers, electro-optic sensors, and meta-material antennas. For more information, please visit www.ga-asi.com.

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