NEWS

For Immediate Release

AAR Awarded \$49 Million Contract for U.S. Army Next Generation Automatic Test System Shelters

CADILLAC, Michigan, March 14, 2016 – AAR (NYSE: AIR) has been awarded a contract for United States Army Next Generation Automatic Test System (NGATS) Shelters with a total contract ceiling valued at \$49 million over five years. AAR has received a first delivery order valued at \$2.5 million to include first article units for two shelter variants, as well as production units. The shelters will be designed by AAR Mobility Systems in Cadillac, Michigan; and produced at their Goldsboro, North Carolina facility.

The award calls for the design, test, and production of two types of 20-foot ISO shelters that will support the NGATS, including an Automatic Test Equipment (ATE) shelter, which is a maintenance shelter that houses the actual test system, and the NGATS storage shelter that stores the system-specific hardware required to test the systems components.

"We are very proud to expand the products we supply to the U.S. Army and we appreciate their confidence in our products and services," said AAR CEO David P. Storch. "This contract demonstrates Mobility's longstanding ability to design and engineer new and creative solutions to meet our customers evolving needs."

"Our innovative rugged design offers similarities between the shelters, simplifying the Integrated Logistics Support, and is significantly lighter than the threshold requirement," stated Lee Krantz, Senior Vice President, AAR Mobility Systems. "This weight savings translates to increased payload to accommodate more test equipment and supplies for longer missions, or allows the U.S. Army to take advantage of reduced fuel consumption for transport."

About AAR Mobility Systems

AAR Mobility Systems is a leading global supplier of rapid deployment equipment including mobile tactical shelters, pallets and expeditionary containers that enhance the military's ability to mobilize, deploy, maneuver and sustain forces. AAR Mobility also manufactures large lightweight structural assemblies and platforms that support mission essential functions. Products are supported through a network of service centers, field service teams and strategic partners.

About AAR

AAR is a global aftermarket solutions company that employs more than 4,500 people in over 20 countries. Based in Wood Dale, Illinois, AAR supports commercial aviation and government customers through two operating segments: Aviation Services and Expeditionary Services. AAR's Aviation Services include inventory management; parts supply; OEM parts distribution; aircraft maintenance, repair and overhaul; and component repair. AAR's Expeditionary Services include airlift operations; mobility systems; and command and control centers in support of military and humanitarian missions. More information can be found at www.aarcorp.com.

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