AAR Selected to Provide Lightweight Mobile Hybrid Shelters and Accessories for U.S. Department of Defense and Federal Civilian Agencies

Industry leader to supply lightweight shelters and containers for military and humanitarian missions

CADILLAC, Michigan, May 16, 2016 – AAR (NYSE: AIR) has been selected by DLA Troop Support Clothing and Textiles Supply Chain to provide lightweight mobile hybrid shelters and accessories to be used by the U.S. Department of Defense and federal civilian agencies. The indefinite delivery/indefinite quantity (IDIQ) contract with AAR's Mobility Systems business unit includes a one-year base period and three one-year renewal options, with a maximum contract ceiling of \$200 million over the four-year term.

These shelters are critical to U.S. Army, Air Force, Navy, Marine Corp and Coast Guard missions, as well as federal civilian agencies. The products will be manufactured by AAR Mobility Systems at its Cadillac, Mich., facility.

"We are pleased to announce this contract that allows our troops to get the mission essential products they need for battlefield and humanitarian aid operations," said Mark Platko, General Manager, AAR Mobility Systems. "Shelters available on this contract offer exceptional weatherproof workspace that is three times the enclosed workspace due to the expandable wing walls made of lightweight rugged military canvas."

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 <u>www.aarcorp.com</u>.

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This press release contains certain statements relating to future results, which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on beliefs of Company management, as well as assumptions and estimates based on information currently available to the Company, and are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or those anticipated, including those factors discussed under Item 1A, entitled "Risk Factors", included in the Company's Form 10-K for the fiscal year ended May 31, 2015. Should one or more of these risks or uncertainties materialize adversely, or should underlying assumptions or estimates prove incorrect, actual results may vary materially from those described. These events and uncertainties are difficult or impossible to predict accurately and many are beyond the Company's control. The Company assumes no obligation to update any forward-looking statements to reflect the occurrence of anticipated or unanticipated events. For additional information, see the comments included in AAR's filings with the Securities and Exchange Commission.