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SUBJECT: AAR Celebrates Completion of 100TH Aircraft at Duluth Maintenance Facility

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AAR Celebrates Completion of 100TH Aircraft at Duluth Maintenance Facility

Area leaders speak to MRO’s impact on economy, aviation industry in the state

DULUTH, Minnesota, April 29, 2014 – AAR (NYSE: AIR) today announced a maintenance milestone at its Duluth repair station – completion of the 100th aircraft for its customer Air Canada. Today’s event at the Maintenance Repair Operation (MRO) facility included representatives from the aerospace and defense contractor AAR and Air Canada, Mayor Don Ness, representatives from the Minnesota Congressional delegation, Jamshed Merchant the Consul General of Canada, and local and state business development groups to celebrate the aircraft’s delivery and the public-private partnerships that have played a key role in revitalizing the state’s aviation sector.

Since re-opening the abandoned 188,000-square-foot hangar in November 2012, AAR has had an annual economic impact on the state of \$47 million. Today, AAR Aircraft Services – Duluth supports three lines of aircraft maintenance and 305 jobs.

It was announced at the event that AAR signed a 5-year contract including renewable options with Air Canada to provide aircraft maintenance. The Duluth facility is currently dedicated to the commercial carrier’s narrow-body Airbus fleet, exclusively servicing the A319, A320 and A321 aircraft. AAR is on track to open a fourth line of maintenance in September, creating another 55 positions. The four lines of maintenance will run continuously through 2019.

“This achievement is especially meaningful for AAR. Not only is it further confirmation that Duluth was the right choice for us, it also shows that our investment in this facility and this city is paying off,” said Dany Kleiman, Aviation Services Group Vice President – Repair and Engineering. “I want to give a special thanks to the talented men and women on the maintenance lines who helped us get to this point. They have shown the same teamwork and dedication to complete the 100th aircraft as they did with the very first.”

By locating in Duluth, AAR has helped enhance the region's status as a growing aviation sector. It not only solved the problem of what to do with a long-vacant property but also helps make the case for ongoing investments in Duluth's aviation infrastructure, which is expected to see significant growth. The Minnesota Department of Employment and Economic Development predicts that aviation manufacturing in Duluth will grow by 40% over the next five years.

"AAR is a first rate company and employer, and we are thrilled for their ongoing growth and success. They are a critical aviation partner and their success is a source of community pride," said Mayor Ness. "The aviation manufacturing sector in Duluth is surging high - thanks in large part to AAR."

"We knew from the first meeting with AAR that they would be a great fit for our region," said Brian Hanson, President and CEO of APEX, a business and development engine for northeast Minnesota and northwest Wisconsin. "Our private and public development partners worked hand-in-hand with AAR to support their growth. It is thrilling to see this long-vacant building rejuvenated to house a vibrant workforce. We are very proud to count AAR among our member-investors, and we extend both thanks and congratulations on this significant achievement."

The repair center operates as part of AAR's nationwide 1MRO Network, which also includes facilities in Indianapolis, Miami, Oklahoma City, Hot Springs, Ark., and a new operation in Lake Charles, La., which can accommodate wide-body aircraft. AAR's 1MRO approach provides customers with access to integrated repair, engineering, IT, parts services and increased flexibility. AAR is the No. 1 provider of MRO services in North America and No. 3 in the world, according to industry rankings.

About AAR

AAR is a global aerospace and defense contractor that employs more than 6,000 people in 17 countries. Based in Wood Dale, Illinois, AAR supports commercial, government and defense customers through two operating segments: Aviation Services and Technology Products. AAR's services include inventory management and parts distribution; aircraft maintenance, repair and overhaul; and expeditionary airlift. AAR's products include cargo systems and containers; mobility systems and shelters; advanced aerostructures; and command and control systems. More information can be found at www.aarcorp.com.

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