



NEWS RELEASE

FOR IMMEDIATE RELEASE

Air King Announces Transition to Regional Distribution Model In Canada

For the past several months Air King has been investigating the most effective way to service the Canadian Market and to accelerate the double-digit growth we have experienced over the past several years. After much thought and deliberation we have decided to transition from a central warehouse model to a regional distribution model relying on our existing stocking distributors to service regional markets. After February of 2016 all shipments to our distributors for Bath Fans, Range Hoods, Industrial Fans and accessories will originate from our facility in Columbia, PA, USA. In this facility we stock more than 800 SKU's and have similar delivery times to most Canadian points.

Air King has had a centralized distribution facility in Canada since 1966 but changing market conditions, including the volatility of the Canadian dollar, changes in freight carrier policies, and growth in the western provinces has made our existing facility obsolete especially considering its proximity to our Pennsylvania facility. We expect that the improved effectiveness of our distribution system combined with regional availability will accelerate the double-digit growth we have experienced over the past several years.

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