



AÉROPOSTALE, INC. RECEIVES FINAL APPROVAL FOR \$160 MILLION IN DIP FINANCING

Approved Timeline Contemplates Plan Confirmation and Emergence from Chapter 11 in Q3 2016

NEW YORK, June 10, 2016 – Aéropostale, Inc. (OTC Pink: AROPQ), a specialty retailer of casual apparel for young women and men, today announced that the United States Bankruptcy Court for the Southern District of New York has given final approval for the Company to access \$160 million in debtor in-possession (“DIP”) financing provided by Crystal Financial LLC. The Court previously had given interim approval for the DIP financing agreement on May 5, 2016. This financing, combined with Aéropostale’s operating cash flow, will allow the Company to meet its financial commitments and enable Aéropostale to focus on completing its restructuring process, confirming a plan of reorganization and emergence from Chapter 11 during the third quarter of 2016.

“We are pleased that the Court has approved our DIP financing,” said Julian Geiger, Chief Executive Officer. “We are looking forward to emerging from this process as a leaner, more efficient business and firmly believe that we will be well-positioned to compete and succeed in today’s retail environment.”

As announced on May 4, 2016, Aéropostale filed voluntary petitions under Chapter 11 of the U.S. Bankruptcy code in the United States Bankruptcy Court for the Southern District of New York in an effort to optimize its store footprint, renegotiate burdensome contracts, resolve its ongoing disputes with Sycamore Partners and achieve long-term financial stability.

Additional information can be found at www.ARORestructuring.com. Suppliers and landlords may call our support center +1 (917) 877-5966 or toll-free at +1 (855) 360-2999. They also may email suppliers@aeropostale.com or landlords@aeropostale.com.

Aéropostale is advised in this transaction by Weil, Gotshal & Manges LLP, Stifel Financial Corp. and FTI Consulting.

About Aéropostale, Inc.

Aéropostale, Inc. is a specialty retailer of casual apparel and accessories, principally serving young women and men through its Aéropostale® and Aéropostale Factory™ stores and website and 4 to 12 year-olds through its P.S. from Aéropostale stores and website. The Company provides customers with a focused selection of high quality fashion and fashion basic merchandise at compelling values in an exciting and customer friendly store environment. Aéropostale maintains control over its proprietary brands by designing, sourcing, marketing and selling all of its own merchandise. As of May 1, 2016 the Company operated 739 Aéropostale® stores in 50 states and Puerto Rico, 41 Aéropostale stores in Canada and 25 P.S. from Aéropostale® stores in 12 states. In addition, pursuant to various licensing agreements, the Company’s licensees currently operate 322 Aéropostale® and P.S. from Aéropostale® locations in the Middle East, Asia, Europe, and Latin America. Since November 2012, Aéropostale, Inc. has operated GoJane.com, an online women’s fashion footwear and apparel retailer.

SPECIAL NOTE: THIS PRESS RELEASE AND ORAL STATEMENTS MADE FROM TIME TO TIME BY REPRESENTATIVES OF THE COMPANY CONTAIN CERTAIN “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. ALL STATEMENTS, OTHER THAN STATEMENTS OF HISTORICAL FACTS, INCLUDED IN THIS PRESS RELEASE AND SUCH ORAL STATEMENTS THAT ADDRESS ACTIVITIES, EVENTS OR DEVELOPMENTS THAT THE COMPANY EXPECTS, BELIEVES, TARGETS OR ANTICIPATES WILL OR MAY OCCUR IN THE FUTURE ARE FORWARD-LOOKING STATEMENTS. THE COMPANY’S ACTUAL RESULTS MIGHT DIFFER MATERIALLY FROM THOSE PROJECTED IN THE FORWARD-LOOKING STATEMENTS AS A RESULT OF CERTAIN RISKS AND OTHER FACTORS, WHICH COULD INCLUDE THE FOLLOWING: RISKS AND UNCERTAINTIES RELATING TO THE CHAPTER 11



CASES, INCLUDING BUT NOT LIMITED TO, THE COMPANY'S ABILITY TO OBTAIN BANKRUPTCY COURT APPROVAL WITH RESPECT TO MOTIONS IN THE CHAPTER 11 CASES, THE EFFECTS OF THE CHAPTER 11 CASES ON THE COMPANY AND ON THE INTERESTS OF VARIOUS CONSTITUENTS, BANKRUPTCY COURT RULINGS IN THE CHAPTER 11 CASES AND THE OUTCOME OF THE CHAPTER 11 CASES IN GENERAL, THE LENGTH OF TIME THE COMPANY WILL OPERATE UNDER THE CHAPTER 11 CASES, RISKS ASSOCIATED WITH THIRD PARTY MOTIONS IN THE CHAPTER 11 CASES, THE POTENTIAL ADVERSE EFFECTS OF THE CHAPTER 11 CASES ON THE COMPANY'S LIQUIDITY OR RESULTS OF OPERATIONS AND INCREASED LEGAL AND OTHER PROFESSIONAL COSTS NECESSARY TO EXECUTE THE COMPANY'S REORGANIZATION; THE COMPANY'S ABILITY TO MAKE DEBT PAYMENTS TO REMAIN IN COMPLIANCE WITH FINANCIAL COVENANTS UNDER POST-PETITION FINANCING ARRANGEMENTS, AND TO OBTAIN APPROPRIATE COURT APPROVAL, WAIVERS OR AMENDMENTS WITH RESPECT TO ANY NONCOMPLIANCE OR OTHER ACTIONS UNDER SUCH ARRANGEMENTS; THE POST-PETITION FINANCING IS SUBJECT TO CERTAIN CONDITIONS, WHICH CONDITIONS MAY NOT BE SATISFIED FOR VARIOUS REASONS, INCLUDING FOR REASONS OUTSIDE OF THE COMPANY'S CONTROL; THE COMPANY'S ABILITY TO COMPLETE ITS RESTRUCTURING PROCESS AND CONFIRM A PLAN OF REORGANIZATION AND EMERGE FROM CHAPTER 11 ON ITS ANTICIPATED TIMELINE; THE ABILITY TO SUCCESSFULLY IMPLEMENT PLANNED STORE CLOSURES AND TO RIGHT-SIZE STORE FOOTPRINT; THE COMPANY'S ABILITY TO IMPLEMENT OPERATIONAL IMPROVEMENT EFFICIENCIES; UNCERTAINTY ASSOCIATED WITH EVALUATING AND COMPLETING ANY STRATEGIC OR FINANCIAL ALTERNATIVE AS WELL AS THE COMPANY'S ABILITY TO IMPLEMENT AND REALIZE ANY ANTICIPATED BENEFITS ASSOCIATED WITH ANY ALTERNATIVE THAT MAY BE PURSUED; SUCCESSFUL IMPLEMENTATION OF OUR TWO-CHAIN FACTORY, MALL STRATEGY AND MERCHANDISE REPOSITIONING; THE IMPACT OF THE DISPUTE WITH MGF SOURCING US, LCC AND THE SUCCESSFUL IMPLEMENTATION OF THE SETTLEMENT; OUR ABILITY TO SOURCE MERCHANDISE ON ACCEPTABLE TERMS; AS WELL AS THE OTHER RISK FACTORS SET FORTH IN THE COMPANY'S FORM 10-K AND QUARTERLY REPORTS ON FORM 10-Q, FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE COMPANY THEREFORE CAUTIONS READERS AGAINST RELYING ON THESE FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS ATTRIBUTED TO THE COMPANY OR PERSONS ACTING ON THE COMPANY'S BEHALF ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THE FOREGOING CAUTIONARY STATEMENTS. ALL SUCH STATEMENTS SPEAK ONLY AS OF THE DATE MADE, AND, EXCEPT AS REQUIRED BY LAW, THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE OR REVISE PUBLICLY ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

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