

NEWS

For immediate release

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U.S. ARMY SELECTS AAR FOR CH-47 COMPONENT REPAIR SERVICES

WOOD DALE, ILLINOIS (March 17, 2008) — AAR (NYSE: AIR) announced today that it has been awarded a five-year contract by the U.S. Army for the repair and overhaul of a key control component on the CH-47 (Chinook) helicopter, valued at \$25 million. The work will be performed by AAR Aircraft Component Services – New York and is scheduled to begin in March 2008.

“AAR is very proud to support the U.S. Army and the CH-47 Chinook Helicopter program,” said Timothy J. Romenesko, AAR’s President and Chief Operating Officer. “The technical skill of our workforce and quality of work at our Garden City, New York facility will contribute to the efficiency of the Chinook program while playing an important role in the maintenance and sustainability of the CH-47 platform.”

This is the second helicopter component repair & overhaul services contract awarded to AAR Aircraft Component Services – New York by the US Army in the last six months. In September 2007, the US Army awarded AAR a five-year contract to provide repair and overhaul services for helicopter engine components.

AAR has played a key role in supporting the CH-47 for more than 25 years. Through a powerful combination of its parts supply, component repair, cargo systems and other manufacturing businesses, AAR is increasing its capabilities in support of a wider range of rotorcraft manufacturing, modernization and sustainment programs.

The CH-47 Chinook is a twin engine, tandem rotor helicopter used to transport ground forces, supplies, ammunition and other battle-critical cargo in support of worldwide defense, contingency and humanitarian relief operations.

AAR Aircraft Component Services, an operating division of AAR, is a leading global supplier of aircraft component repair & overhaul services for commercial, regional and military aircraft with locations in New York and Amsterdam.



AAR is a leading provider of products and value-added services to the worldwide aerospace and defense industry. With facilities and sales locations around the world, AAR uses its close-to-the-customer business model to serve aviation and defense customers through four operating segments: Aviation Supply Chain; Maintenance, Repair and Overhaul; Structures and Systems; and Aircraft Sales and Leasing. More information can be found at www.aarcorp.com.

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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 May 31, 2007 Form 10-K. 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 publicly release the result of any revisions that may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or 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.

