

# NEWS

## For immediate release

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### **AAR INCREASES CREDIT LINE TO \$250 MILLION**

WOOD DALE, ILLINOIS (September 5, 2007) — AAR CORP. (NYSE: AIR) announced today that it has amended its senior, unsecured credit agreement. The amendment increases the revolving credit amount from \$140 million to \$250 million, which may be increased to \$325 million under certain circumstances. LaSalle Bank National Association serves as the lead bank in the syndicate of banks making this credit line available to AAR.

“We continue to see excellent opportunities in the markets where AAR participates and the amended agreement positions the Company to capitalize on these growth opportunities,” said Rick Poulton, Vice President and Chief Financial Officer for AAR CORP. “We are very pleased that our bank team recognizes the significant accomplishments of AAR over the last year as we were able to improve the size, pricing and certain terms of the agreement.”

Under the amended agreement the interest rate fluctuates between LIBOR plus 100 to 225 basis points, based on certain financial measurements, and the termination date was extended one year, to August 31, 2011.

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 airline 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](http://www.aarcorp.com).

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.

