

NEWS

For immediate release

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AAR ANNOUNCES 5-YEAR CONTRACT EXTENSION WITH EADS EFW TO PROVIDE CARGO SYSTEMS FOR AIRBUS CONVERSIONS

Wood Dale, IL (July 20, 2010) - AAR (NYSE: AIR) announced today at the Farnborough Air Show that its Cargo Systems division has signed a five-year contract extension with EADS EFW to provide cargo systems and support to convert Airbus A310-300s and A300-600s passenger aircraft into freighters. In addition, the extended agreement makes provisions for EADS EFW to procure A320/A321 and A330 Main Deck Cargo Handling Systems from AAR.

Since 2000, AAR Cargo Systems has provided EADS EFW with engineering and integration support and delivered more than 60 cargo systems for installation at EADS EFW's cargo conversion facility in Dresden, Germany.

Based in Goldsboro, North Carolina, AAR Cargo Systems specializes in the design and manufacture of in-aircraft cargo systems and has been at the forefront of cargo handling and aerial deliver systems for commercial and military aircraft for more than 50 years.

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

EADS EFW combines various aviation and technology activities under a single roof: the conversion of Airbus passenger aircraft into freighters, maintenance and repair of Airbus aircraft, the development and manufacturing of flat fibre-reinforced composite components for structures and interiors of the entire Airbus family, as well as engineering services in the context of certification and approval. Further information can be found at www.efw.eads.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, 2010 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 update 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.

