

NEWS

For immediate release

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AAR TO EXPAND AFGHANISTAN AIRLIFT SUPPORT FOR USTRANSCOM

WOOD DALE, ILLINOIS (July 8, 2010) — AAR (NYSE: AIR) announced today that it has been selected by the U.S. Transportation Command (USTRANSCOM) to provide airlift support services in Afghanistan. The new Short Take Off and Landing (STOL) contract has a duration of one-year with four one-year renewal options and is valued at \$24 million per year.

Under the new multi-year contract, AAR will transport passengers and cargo for U.S. and Coalition forces using three Dash 8 aircraft that are being leased for the duration of the contract term. AAR, through its recently acquired Aviation Worldwide Services operating unit, currently supports three other Department of Defense contracts in Afghanistan using 12 fixed-wing and 19 rotary-wing aircraft.

“This new program expands AWS’s established logistic footprint and extends our support as part of TRANSCOM’s tactical airlift capability,” said Randy Martinez, Group Vice President of AAR’s Government and Defense Services segment. “Since acquiring AWS in April, we’ve made excellent progress integrating the business, which is very well positioned to provide expeditionary airlift services for our nation and its allies.”

AAR is a leading provider of value-added products and services to the worldwide aerospace and government/defense industries. 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 three operating segments: Aviation Supply Chain; Maintenance, Repair and Overhaul; and Structures and Systems. More information can be found at 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, 2009 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.

