



Investor Presentation

September 2025



Forward-looking Statements

Note: All results and expectations in the presentation reflect continuing operations unless otherwise noted.

This presentation 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, which reflect management's expectations about future conditions, including, but not limited to, continued demand in the commercial and government aviation markets, anticipated activities and benefits under extended, expanded and new services, supply and distribution agreements, contributions from our acquisitions, leveraging strengths across our businesses, digital and intellectual property enabled offerings, progress on hangar expansions, continued sales growth, margin expansion, debt management, capital allocation, expenses, production and cost efficiencies, and strategic acquisition opportunities.

These forward-looking statements are based on the beliefs of Company management, as well as assumptions and estimates based on information available to the Company as of the dates such assumptions and estimates are made, and are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or those anticipated, depending on a variety of factors, including: (i) factors that adversely affect the commercial aviation industry; (ii) adverse events and negative publicity in the aviation industry; (iii) a reduction in sales to the U.S. government and its contractors; (iv) cost overruns and losses on fixed-price contracts; (v) nonperformance by subcontractors or suppliers; (vi) our ability to manage our operational footprint; (vii) a reduction in outsourcing of maintenance activity by airlines; (viii) a shortage of skilled personnel or work stoppages; (ix) competition from other companies; (x) financial, operational and legal risks arising as a result of operating internationally; (xi) inability to integrate acquisitions effectively and execute operational and financial plans related to the acquisitions; (xii) failure to realize the anticipated benefits of acquisitions; (xiii) circumstances associated with divestitures; (xiv) inability to recover costs due to fluctuations in market values for aviation products and equipment; (xv) cyber or other security threats or disruptions; (xvi) a need to make significant capital expenditures to keep pace with technological developments in our industry; (xvii) restrictions on use of intellectual property and tooling important to our business; (xviii) inability to fully execute our stock repurchase program and return capital to stockholders; (xix) limitations on our ability to access the debt and equity capital markets or to draw down funds under loan agreements; (xx) our ability to manage our debt; (xxi) non-compliance with restrictive and financial covenants contained in our debt and loan agreements; (xxii) changes in or non-compliance with laws and regulations related to federal contractors, the aviation industry, international operations, safety, and environmental matters, and the costs of complying with such laws and regulations; and (xxiii) exposure to product liability and property claims that may be in excess of our liability insurance coverage.

Should one or more of those risks or uncertainties materialize adversely, or should underlying assumptions or estimates prove incorrect, actual results may vary materially from those described. Those events and uncertainties are difficult or impossible to predict accurately and many are beyond our control. For a discussion of these and other risks and uncertainties, refer to our Annual Report on Form 10-K, Part I, "Item 1A, Risk Factors" and our other filings filed from time to time with the U.S. Securities and Exchange Commission. We assume 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.

Non-GAAP Financial Measures: This presentation includes certain non-GAAP financial measures. Please refer to the Appendix for additional information on these non-GAAP financial measures and reconciliations to the comparable GAAP measures.

Unless otherwise noted, the statements made and the information provided in this presentation are as of September 15, 2025.

AAR Overview

Leader in Aviation
Aftermarket Services



AAR Business Overview

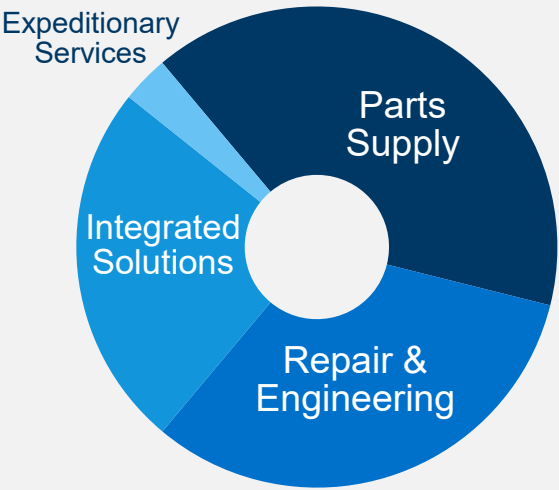
Leading, Independent, Pure-play Aviation Aftermarket Services Provider

AIR
NYSE Ticker

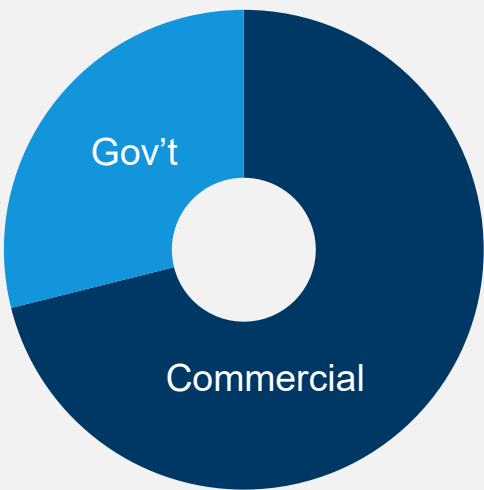
\$2.7B
FY2025 Adj. Sales

\$324M
FY2025 Adj. EBITDA

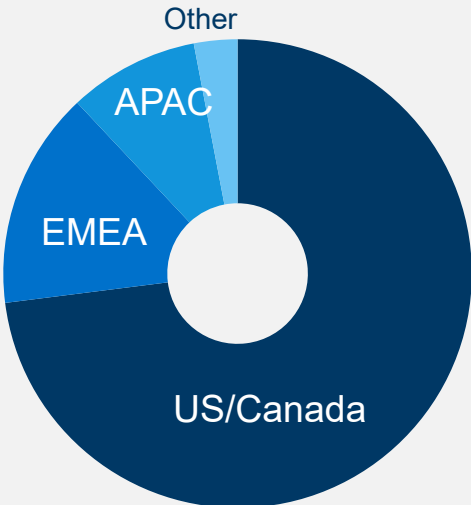
Sales by Segment...



...by Customer Type



...by Geography



See Appendix for reconciliation of Non-GAAP financial measures



Focus on New Parts Distribution and Repair Underpinned by Leading Digital Technologies



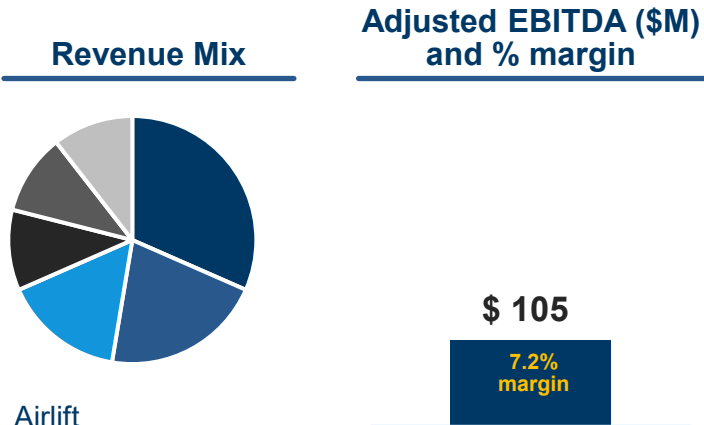
AAR Transformation: More Focus, More Growth, More Margin



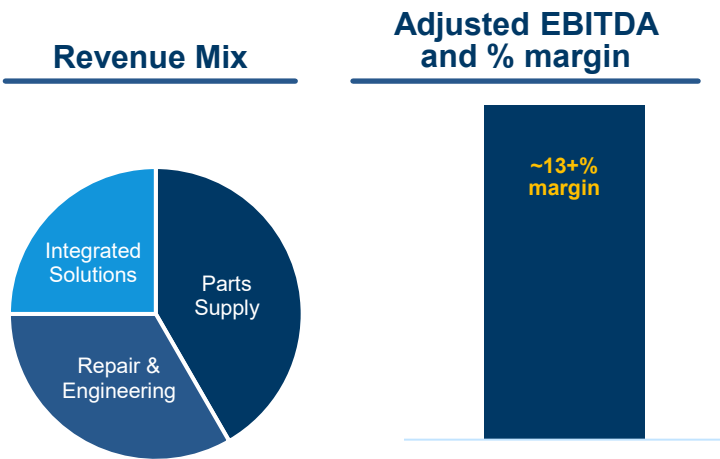
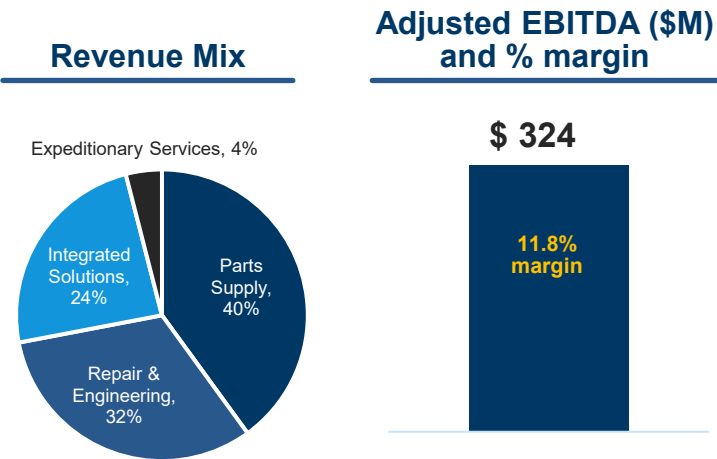
- Diverse portfolio
- Little intellectual property
- Embarked on strategy to focus on core aviation services offering and improve margins

- Focused, connected portfolio in core aftermarket aviation services
- Exited / restructured multiple non-core businesses / contracts
- Completed two acquisitions (Trax and Triumph Product Support)
- Significantly expanded margins and increased intellectual property profile

- Pure play provider of aftermarket aviation services
- Differentiated portfolio with significant intellectual property and technology driven solutions
- Organic and inorganic investments to drive growth and margin expansion



- Airlift
- Metals Fabrication
- Composites
- Landing Gear



Note: Financials for Past represent FY2015 and Present represent LTM Q3 FY2025. See Appendix for reconciliation of Non-GAAP financial measures

What We Do

Three Core Business Segments



Parts Supply



Repair & Engineering



Integrated Solutions

Distribution

- Distributor of new expendable parts to aftermarket
- 90% long-term, exclusive agreements with OEMs and ~100% renewal rate
- Do not represent competing product; extension of OEM into aftermarket
- True value-added sales team
- Serve both commercial and government markets

Used Serviceable Material (USM)

- Largest independent provider of USM to aftermarket
- Acquire used aircraft and engines in market or through strategic sourcing agreements
- Proprietary asset evaluation methods and skills
- Customers realize a 30%-70% cost savings vs. OEM new

Airframe MRO

- Largest independent North American MRO
- Primarily narrowbody aircraft; need to be maintained in region
- Multi-year agreements with blue chip customers
- Superior profitability due to technology and proprietary operating model
- 4 U.S. hangars and 2 Canada hangars service 1,000 aircraft per year

Component Services

- Diverse capabilities include engine accessories, airframe structures and components
- High value, complex repairs on current and next gen platforms
- Growing portfolio of proprietary DER repairs
- OEM relationships for additional next gen capability
- 4 U.S. facilities; 1 Thailand; 1 Amsterdam

Government

- Complex logistics and supply chain support programs
- Deliver commercial best practices to customers providing cost savings
- Nimble culture differentiates against large competitors

Commercial

- Flight-hour-based aircraft support programs
- Manage supply chain and repair management on behalf of airlines
- Utilize internal repair capabilities
- Diverse customer base

Trax

- ERP solution for airline operators and MROs
- Large and growing installed base with 130+ customers with 6,000+ aircraft
- High margin software business model

Leverage strengths across our segments to deliver greater value to customers

Broad Range of Services Drives a Virtuous Cycle of Growth



Parts Supply: Distribution & USM

- Sourcing to supply Repair & Engineering and Integrated Solutions
- Data for use in repair capability development
- Sales channels supported by maintenance relationships

Repair & Engineering

- Strategic relationships with blue chip airlines that support parts volumes
- Repair knowledge and data collection
- PMA parts development for internal and external consumption

Integrated Solutions

- Programmatic parts and repair solutions
- Fuels Parts Supply activities
- Funds component repair capability development
- Government USM customer relationships
- Trax digitally-enabled solutions

CUSTOMER CASE STUDY

- Legacy Airframe MRO and Parts Supply customer
- Expanded relationship to include Component Services post TPS acquisition
- Existing customer of recently acquired AeroStrat business
- Potential to become customer of Trax software solutions
- **Have increased sales by over 170% from FY22 to FY25**

Unique value proposition supports broadening customer relationships and cross-selling

Strategic objectives for FY26

Market share gains and new business wins

- Win market share via new business wins in new parts Distribution
 - Complete Oklahoma City hangar expansion; progress on Miami hangar
 - Drive Component Services volume through cross selling
 - New business wins in Integrated Solutions – Government
-

Cost efficiency and synergy realization

- Fully complete Product Support integration and realize \$10M cost synergies
 - Progress on paperless hangars; rollout is ~1/3 complete across our Airframe MRO network
-

Digital and IP-enabled offerings

- Maintain momentum with new business wins for Trax
 - Create and launch supplier portal through which Trax users can buy parts
-

Disciplined portfolio management

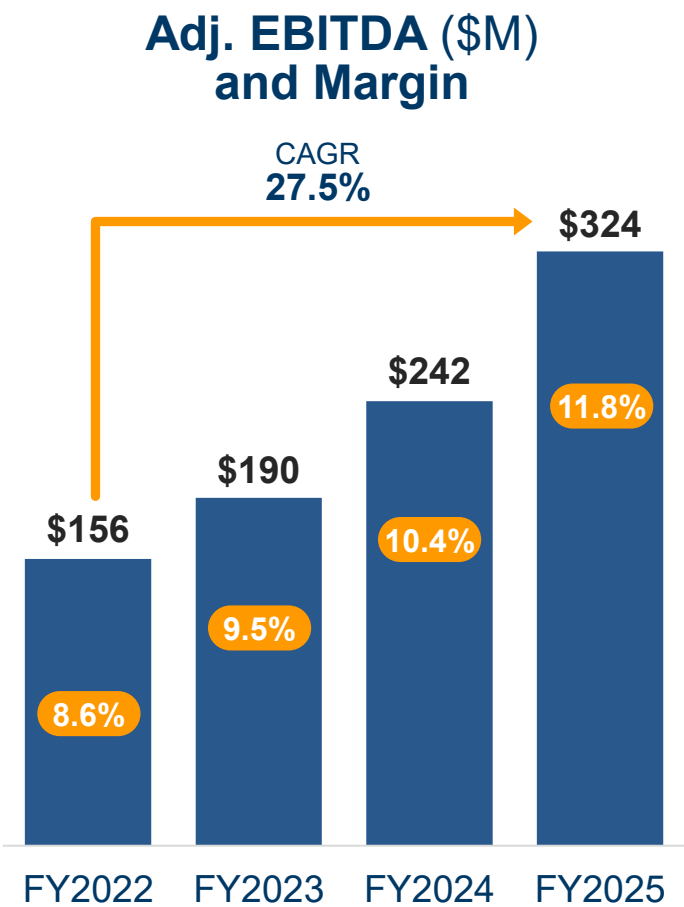
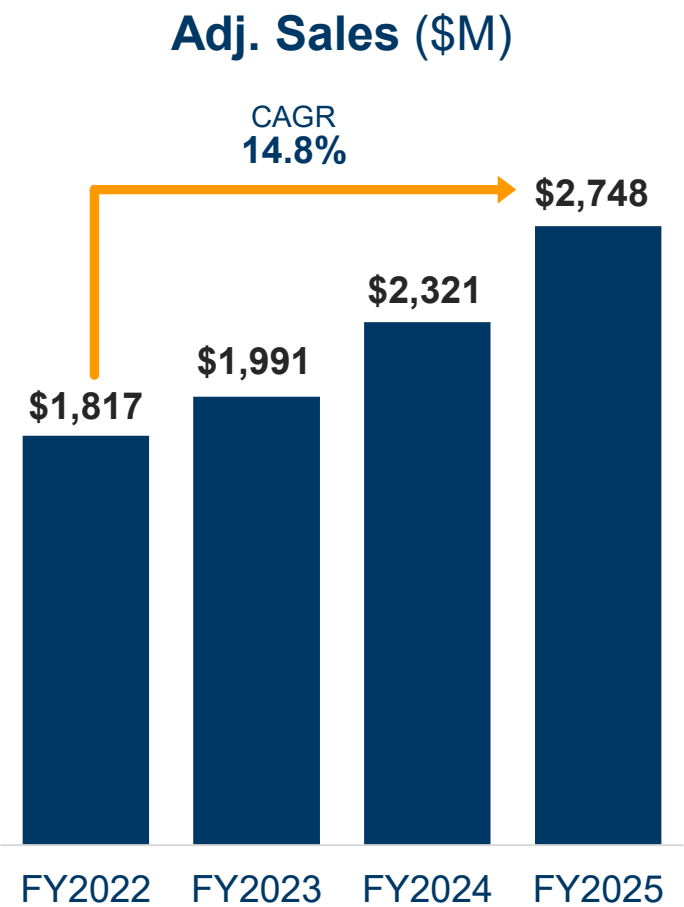
- Proactive approach to accretive bolt-on acquisitions
- Continuously evaluating portfolio for further optimization

Finance Overview

Generating Growth
and Margin Expansion;
Disciplined Approach
to Capital Allocation



Successfully Delivering Accelerating Growth and Margin Expansion



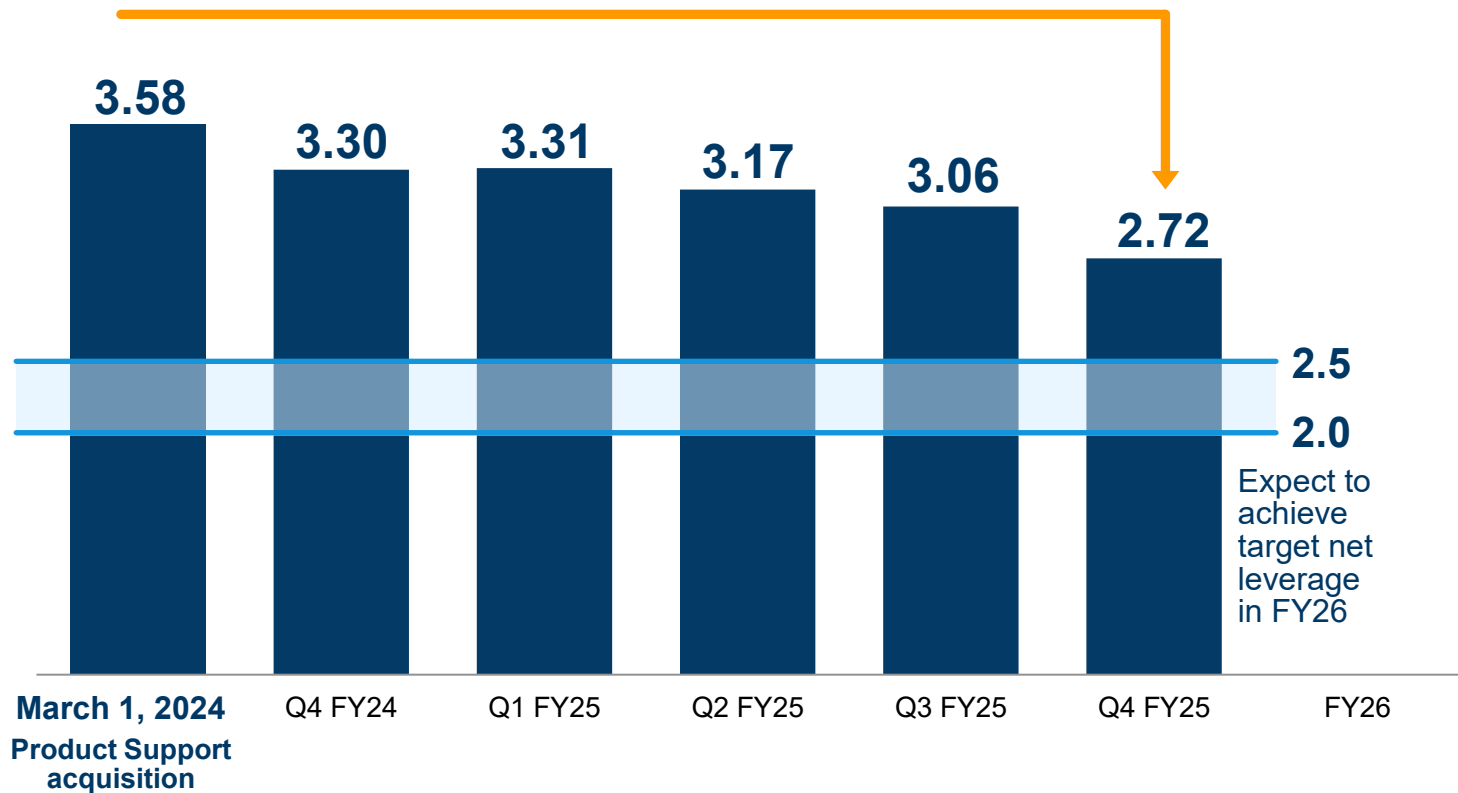
- ✓ Strong execution driving significant Adjusted EBITDA margin expansion
- ✓ Growth in Distribution and improved efficiency in Airframe MRO contributing to margin expansion
- ✓ Portfolio enhanced by margin accretive acquisitions of Trax and Product Support delivering results

Note: See Appendix for reconciliation of Non-GAAP financial measures

Disciplined Balance Sheet Management and Capital Allocation Priorities

Pro Forma Net Leverage

Lower by
0.86x



Note: See Appendix for reconciliation of Non-GAAP financial measures

CAPITAL ALLOCATION PRIORITIES

Maintain Flexible Balance Sheet

- Target net leverage ratio of 2.0x – 2.5x
- Max leverage ratio of ~3.75x EBITDA

Organic Investment to Drive Growth

- Support new business wins in Parts Supply
- Strategic Airframe MRO expansion
- Digital and IP enabled offerings: Trax and PMA

M&A

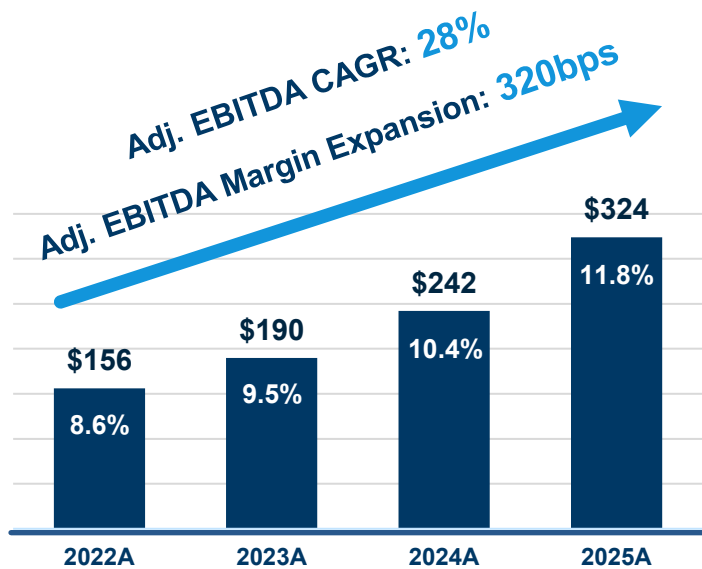
- Disciplined adherence to strategic filters and financial criteria
- Focused on core segments
- Increase intellectual property in portfolio

Return to Shareholders

- Repurchased \$108M of stock through FY25 with remaining authorization of \$42M

Clear path to growth and increased profitability

Multi-pronged growth and margin expansion plan



Note: Adjusted EBITDA in millions.

1

Strong market tailwinds

2

Market share gains and new business wins

3

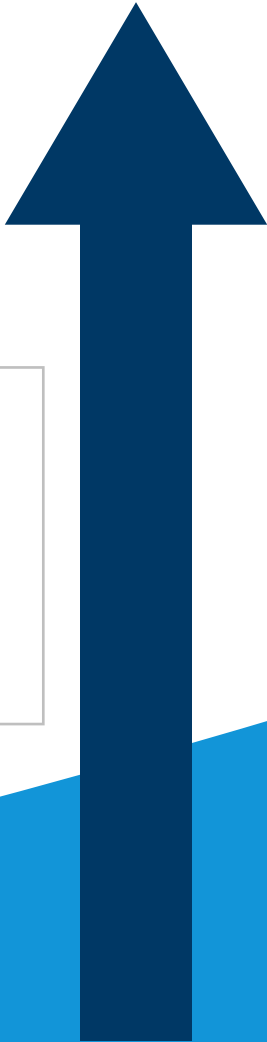
Cost efficiency and synergy realization

4

Digital and IP enabled offerings: Trax, PMA

5

Continued M&A



See Appendix for reconciliation of Non-GAAP financial measures

Appendix



Non-GAAP financial measures

Adjusted EBITDA: FY15 and FY22 through FY25

(\$ in millions)	FY15	FY22	FY23	FY24	FY25
Sales	\$1,448.0	\$1,820.0	\$1,990.5	\$2,318.9	\$2,780.5
Net income	10.2	78.7	90.2	46.3	12.5
Net income margin	0.7%	4.3%	4.5%	2.0%	0.4%
Sales	\$1,448.0	\$1,820.0	\$1,990.5	\$2,318.9	\$2,780.5
Contract termination/restructuring & loss provision, net	-	(2.9)	0.1	2.3	(32.2)
Adjusted sales	\$1,448.0	\$1,817.1	\$1,990.6	\$2,321.2	\$2,748.3
Net income	\$10.2	\$78.7	\$90.2	\$46.3	\$12.5
Income from discontinued operations	(77.6)	(0.2)	(0.4)	-	-
Income tax expense (benefit)	(35.9)	26.6	31.4	12.0	26.4
Other (income) expense, net	-	(2.2)	0.8	0.4	0.3
Interest expense, net	27.2	2.3	11.2	41.0	73.6
Loss on extinguishment of debt	44.9	-	-	-	-
Depreciation and amortization	41.8	33.1	27.9	41.2	55.2
Acquisition and integration expenses	-	-	6.2	29.7	10.8
FCPA settlement, investigation, and remediation costs	-	3.7	4.7	10.5	65.3
Losses related to sale and exit of business/joint venture, net	-	1.7	0.7	2.8	70.3
Russian bankruptcy court judgment (reversal)	-	-	1.8	11.2	(11.1)
Contract termination/restructuring & loss provision, net	-	0.9	2.0	4.8	0.2
Government COVID-related subsidies, net	-	(4.9)	(1.6)	-	0.8
Pension settlement charge	-	-	-	26.7	-
Severance costs	-	2.0	0.1	0.5	-
Asset impairment and exit charges	87.1	3.5	-	-	-
Facility consolidation and repositioning costs	-	0.2	-	-	-
Customer bankruptcy and credit charges	-	1.0	1.5	-	-
Costs related to strategic projects (reversals)	-	1.8	(0.2)	-	-
Stock-based compensation	7.1	8.2	13.5	15.3	19.9
Adjusted EBITDA	\$104.8	\$156.4	\$189.8	\$242.4	\$324.2
Adjusted EBITDA margin	7.2%	8.6%	9.5%	10.4%	11.8%

Non-GAAP financial measures

Net Leverage

(\$ in millions)

	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Total debt	\$277.0	\$997.0	\$992.0	\$997.0	\$1,032.0	\$977.0
Less: cash and cash equivalents	(69.2)	(85.8)	(49.3)	(61.7)	(84.4)	(96.5)
Net debt	\$207.8	\$911.2	\$942.7	\$935.3	\$947.6	\$880.5
Adjusted EBITDA for the twelve months ended	\$219.0	\$242.4	\$264.0	\$287.1	\$309.7	\$324.2
Net debt to Adjusted EBITDA	0.95x	3.76x	3.57x	3.26x	3.06x	2.72x
Net debt	\$207.8	\$911.2	\$942.7	\$935.3	\$947.6	\$880.5
Product Support consideration plus fees of \$30.3 million	755.3	n/a	n/a	n/a	n/a	n/a
Pro forma net debt	\$963.1	n/a	n/a	n/a	n/a	n/a
Adjusted EBITDA for the twelve months ended	\$219.0	\$242.4	\$264.0	\$287.1	\$309.7	\$324.2
Product Support adjusted EBITDA						
Twelve months ended February 29, 2024	49.9	n/a	n/a	n/a	n/a	n/a
Nine months ended February 29, 2024	n/a	33.5	n/a	n/a	n/a	n/a
Six months ended February 29, 2024	n/a	n/a	20.4	n/a	n/a	n/a
Three months ended February 29, 2024	n/a	n/a	n/a	7.7	n/a	n/a
Pro forma adjusted EBITDA	\$ 268.9	\$ 275.9	\$ 284.4	\$ 294.8	\$ 309.7	\$ 324.2
Pro forma net debt to pro forma adjusted EBITDA	3.58x	n/a	n/a	n/a	n/a	n/a
Net debt to pro forma adjusted EBITDA	n/a	3.30x	3.31x	3.17x	3.06x	n/a
Net debt to adjusted EBITDA	n/a	n/a	n/a	n/a	n/a	2.72x

Non-GAAP financial measures

FY15 Sales by segment

(\$ in millions)

Parts Supply	\$464.3
Repair & Engineering	469.4
Integrated Solutions	382.4
Aviation Services	1,316.1
Expeditionary Services ^(a)	131.9
Total Sales	\$1,448.0

^(a) Restated to reflect the reclassification of our Contractor-Owned, Contractor-Operated airlift services business into discontinued operations during the third quarter of fiscal 2018.