

# NEWS

## For immediate release

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### **AAR TO PROVIDE CARGO SYSTEMS FOR THE AIRBUS A400M**

PARIS, FRANCE (June 16, 2005) — AAR CORP. (NYSE: AIR) announced today at the Paris Air Show that its Cargo Systems operating unit has been selected to provide cargo handling systems for the new Airbus A400M Military Transport Aircraft. AAR Cargo Systems is teaming with Pfalz Flugzeugwerke GmbH (PFW), of Speyer, Germany, on the program.

Under the arrangement, AAR will develop and manufacture the floor-based cargo loading system and aerial delivery system and provide technical and systems integration expertise. As the prime contractor, PFW will develop and manufacture the structural floor and the drainage system, coordinate logistics and delivery and provide integrated logistic services.

Initial sales of the cargo systems, together with estimated revenue from spare parts sales and service, are scheduled to begin in the Company's fiscal year 2007. AAR's portion of revenue generated from the program is expected to exceed \$300 million through fiscal year 2015, based on sales projections for the A400M. Airbus Military currently has orders for 188 A400Ms from eight governments, including France and Germany, with deliveries scheduled to begin in 2009.

"We are very pleased that Airbus has selected the PFW/AAR team," said David P. Storch, President and Chief Executive Officer of AAR. "This is the first significant program in which AAR will provide OEM equipment for an Airbus platform and we look forward to developing AAR's relationships with PFW and Airbus."

AAR Cargo Systems, an operating unit of AAR based in Livonia, Michigan, specializes in the design and manufacture of in-aircraft cargo loading systems and has been at the forefront of innovative cargo handling and logistics systems for commercial and military applications for more than 40 years. AAR CORP. is a leading provider of products and value-added services to the worldwide



aerospace/aviation industry. Products and services include proprietary inventory management and logistic support services; maintenance, repair and overhaul of aircraft and aircraft components; engine and aircraft sales and leasing; and manufacturing of aircraft parts and mobility systems. Headquartered in Wood Dale, Illinois, AAR serves commercial and government aircraft fleet operators and independent service customers throughout the world. Further information can be found at [www.aarcorp.com](http://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 7, entitled "Factors Which May Affect Future Results", included in the Company's May 31, 2004 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.