

NEWS

For immediate release

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AAR ANNOUNCES CONTINUED STRONG DEMAND AND HIGHEST ORDER BACKLOG IN NEARLY A DECADE

WOOD DALE, ILLINOIS (May 10, 2004) — AAR announced today that it continues to receive exceptionally strong orders for its manufactured products that support the U.S. Military's mobility requirements, contributing to the Company's highest order backlog in nearly ten years. AAR's order backlog reached \$153 million, an increase of 49% since the beginning of its fiscal year.

"Following two consecutive quarters of profitability, AAR is on track to continue our trend of sales growth," said David P. Storch, President and CEO of AAR CORP. "We're making significant progress on our revenue goals and are strengthening our relations with customers. We expect this to translate into double-digit sales growth for the quarter with encouraging long-term prospects."

In addition, the company's Cargo Systems division recently signed an agreement with Boeing under which it will provide customized manufactured cargo systems for passenger-to-freighter modifications on Alitalia MD-11 Combi aircraft.

In other news, the Company's Wood Dale, Illinois; Livonia, Michigan; and Oklahoma city operations recently each received the FAA's Diamond Certificate of Excellence for Aviation Maintenance Technician (AMT) training. The Diamond Award is the highest of the FAA's five award levels.

AAR is a leading provider of aftermarket support to the worldwide aviation/aerospace industry. Headquartered in Wood Dale, Illinois, AAR serves commercial and government aircraft fleet operators and independent service customers throughout the world. More information can be found at 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, 2003 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.

