

NEWS

For immediate release

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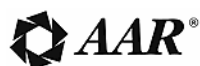
AAR SELECTED AS THE EXCLUSIVE PROVIDER OF HEAVY MAINTENANCE FOR UNITED AIRLINES' 737 FLEET

WOOD DALE, ILLINOIS, (March 7, 2005) — AAR (NYSE: AIR) today announced that it has been selected by United Airlines to be the exclusive provider of heavy maintenance for United Airlines' fleet of Boeing 737 aircraft. Under the terms of the five-year agreement, AAR will operate up to four maintenance lines at AAR Aircraft Services — Indianapolis, its maintenance, repair and overhaul (MRO) operation located at the Indianapolis International Airport.

"We're very pleased that United selected AAR to provide heavy maintenance services for its 737 fleet. AAR has extensive experience maintaining 737s and is absolutely committed to helping United uphold the highest levels of safety, quality and service," said J. Mark McDonald, Group Vice President at AAR. "AAR's facility in Indianapolis is one of the most advanced MRO facilities in the world. We're optimistic about its future prospects and look forward to growing the business and serving customers from all ten of our hangars."

United's Vice President of Base Maintenance, Bill Norman, said, "As United Services brings in customer work where we excel — in engine, avionics, landing gear and line maintenance — we also are actively rebidding United's maintenance performed by vendors. The new deal we have signed with AAR to perform heavy maintenance on our B737 fleet has successfully reduced United's cost for this work while maintaining the highest level of quality. We look forward to working with AAR as their customer for the B737 maintenance and as an MRO provider. United Services currently provides some engine maintenance to AAR, and we continue to seek opportunities to provide added MRO support to them."

AAR Aircraft Services — Indianapolis provides maintenance, repair and overhaul services designed around operational efficiency, reliability and safety. From its Indianapolis-based heavy maintenance facility, AAR's experienced leadership team and highly-trained workforce will deliver high-quality, cost-effective aircraft maintenance solutions with industry-leading turnaround times.



The layout, advanced technology infrastructure and centralized U.S. location of the facility are optimized to deliver cost, turnaround and quality advantages to customers whose fleets are serviced there. AAR's highly trained maintenance technicians participate in innovative quality programs that include CASS, ASAP, ATOS and Human Factors. The capabilities of AAR Aircraft Services — Indianapolis, combined with the established operations of AAR Aircraft Services — Oklahoma, strengthens AAR's position as an industry leader in MRO.

AAR is a leading provider of products and value-added services to the worldwide aviation/aerospace industry. Products and services include customized inventory management and logistics programs; maintenance, repair and overhaul of aircraft, aircraft components and engine components; engine and aircraft sales and leasing; and the manufacture of cargo systems, composite structures and mobility systems. AAR leverages its 14 FAA certified repair stations to offer customized solutions that seamlessly integrate with customers' existing operations. Headquartered in Wood Dale, Illinois, AAR serves commercial and government aircraft fleet operators, original equipment manufacturers and independent service customers throughout the world. Further information can be found at www.aarcorp.com.

United Airlines (OTCBB: UALAQ.OB) is the world's second largest airline, operating more than 3,400 flights a day on United, United Express and Ted to more than 200 U.S. domestic and international destinations from its hubs in Los Angeles, San Francisco, Denver, Chicago and Washington, D.C. With key global air rights in the Asia-Pacific region, Europe and Latin America, United is the largest international carrier based in the United States.* United is also a founding member of Star Alliance, which provides connections for our customers to more than 700 destinations in more than 130 countries worldwide. United's 61,200 employees reside in every U.S. state and in many countries around the world. News releases and other information about United can be found at the company's Web site at united.com.

* Measured by revenue passenger miles as reported to the U.S. Department of Transportation for 12 months ending September 2004, the most recent comparison data available.

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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.

