

AAR CORP  
Form 4  
February 15, 2006

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SHARP MICHAEL J

(Last) (First) (Middle)  
1100 N. WOOD DALE ROAD  
(Street)

WOOD DALE, IL 60191-

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
AAR CORP [AIR]

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/10/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
VP/Chief Accounting Officer

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Code	V	Amount			
Common Stock	02/10/2006	02/15/2006	M			1,000	A \$ 8.59	12,612	D
Common Stock	02/10/2006	02/15/2006	M			5,000	A \$ 8.59	17,612	D
Common Stock	02/10/2006	02/15/2006	M			1,500	A \$ 6.96	19,112	D
Common Stock	02/10/2006	02/15/2006	F			4,133	D \$ 24.99	14,979	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 0	02/10/2006	02/15/2006	M		1,000		07/09/2003	07/09/2012	Common Stock	1,000
Stock Option	\$ 0	02/10/2006	02/15/2006	M		5,000		07/09/2009	07/09/2012	Common Stock	5,000
Stock Option	\$ 6.96	02/10/2006	02/15/2006	M		1,500		07/21/2004	07/21/2013	Common Stock	1,500
Stock Option	\$ 24.99	02/10/2006	02/15/2006	<u>A<sup>(1)</sup></u>		1,719		02/10/2006	07/09/2012	Common Stock	1,719
Stock Option	\$ 24.99	02/10/2006	02/15/2006	<u>A<sup>(1)</sup></u>		417		02/10/2006	07/21/2013	Common Stock	417
Stock Option	\$ 24.99	02/10/2006	02/15/2006	<u>A<sup>(1)</sup></u>		344		02/10/2006	07/09/2016	Common Stock	344

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHARP MICHAEL J 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191-			VP/Chief Accounting Officer	

## Signatures

Jo-Ellen Kiddie, Power of Attorney  
02/15/2006

\_\_Signature of Reporting Person Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Grant of reload option. Grantee may elect to pay the exercise price of the option or any tax withholding obligation in connection therewith  
(1) by directing the Company to withhold a portion of the shares otherwise distributable to the grantee upon exercise or by transferring to the Company previously acquired shares, valued at their fair market value on such taxable date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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