

AAR CORP

Form 4

February 15, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(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
____X____ Officer (give title below) ____ Other (specify below)

VP/Chief Accounting Officer

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price		
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	A ⁽¹⁾		1,719		02/10/2006	07/09/2012	Common Stock	1,719
Stock Option	\$ 24.99	02/10/2006	02/15/2006	A ⁽¹⁾		417		02/10/2006	07/21/2013	Common Stock	417
Stock Option	\$ 24.99	02/10/2006	02/15/2006	A ⁽¹⁾		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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