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VP, Controller & CAO

AAR INTERNATIONAL, INC.
 (Wholly Owned Subsidiary of AAR CORP.)
 (In thousands of U.S. Dollars)

CONSOLIDATED PRO FORMA BALANCE SHEETS

	<i>Unaudited</i> May 31,	
	2019	2018
ASSETS		
Current Assets	46,927	49,364
Property, Plant & Equipment, Net	27,464	25,286
Other Assets	316,134	177,807
TOTAL ASSETS	390,525	252,457
LIABILITIES & EQUITY		
Current Liabilities	42,999	37,407
Other Liabilities	56,505	(76,206)
Stockholders' Equity	291,021	291,256
TOTAL LIABILITIES & EQUITY	390,525	252,457

CONSOLIDATED PRO FORMA INCOME STATEMENTS

	<i>Unaudited</i> Years ended May 31,	
	2019	2018
Net Sales	351,542	365,873
Costs and Operating Expenses:		
Cost of Sales	(291,410)	(290,465)
Selling, General & Administrative Expenses	(47,435)	(37,266)
Operating Profit	12,697	38,142
Interest Expense, net	(336)	(475)
Income before Provision for Income Taxes	12,361	37,667
Provision for Income Taxes (at statutory rate)	(2,596)	(11,003)
Net Income	9,765	26,664

AAR International, Inc. is a wholly owned subsidiary of AAR CORP. These internal, pro forma financial statements have been prepared without audit and do not include cash flows or accompanying notes.

Certain assets and liabilities are controlled by AAR CORP. and are not accounted for or reflected on the above balance sheets.

Certain expenses of AAR CORP. and its other subsidiaries, including income tax activity and certain overhead expenses, have not been allocated. Certain other expenses have been ratably allocated based on relevant data. All intercompany transactions have not been eliminated.