

**Atlas Air Worldwide Holdings, Inc.**  
**Consolidated Statements of Operations**

*(in thousands, except per share data)*

*(Unaudited)*

	<u>For the Three Months Ended</u>		<u>For the Twelve Months Ended</u>	
	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>
<b>Operating Revenue</b>	\$ 529,725	\$ 472,077	\$ 1,839,627	\$ 1,822,659
<b>Operating Expenses</b>				
Salaries, wages and benefits	102,967	89,303	424,332	351,372
Aircraft fuel	85,131	71,234	275,113	333,390
Maintenance, materials and repairs	43,886	60,168	206,106	202,337
Depreciation and amortization	39,154	31,987	148,876	128,740
Aircraft rent	36,620	37,148	146,110	145,031
Travel	33,457	30,557	127,748	102,755
Passenger and ground handling services	25,086	21,365	89,657	83,185
Navigation fees, landing fees and other rent	22,050	27,763	78,441	99,345
Loss (gain) on disposal of aircraft	-	7	(11)	1,538
Special charge	3,509	9,783	10,140	17,388
Transaction-related expenses	585	-	22,071	-
Other	35,848	136,506	142,733	234,073
Total Operating Expenses	<u>428,293</u>	<u>515,821</u>	<u>1,671,316</u>	<u>1,699,154</u>
Operating Income (Loss)	<u>101,432</u>	<u>(43,744)</u>	<u>168,311</u>	<u>123,505</u>
<b>Non-operating Expenses (Income)</b>				
Interest income	(1,207)	(1,601)	(5,532)	(12,554)
Interest expense	21,055	25,065	84,650	96,756
Capitalized interest	(1,207)	(268)	(3,313)	(1,027)
Loss on early extinguishment of debt	-	2,999	132	69,728
Gain on investments	-	-	-	(13,439)
Unrealized loss on financial instruments	27,901	-	2,888	-
Other expense (income), net	442	(494)	70	1,261
Total Non-operating Expenses	<u>46,984</u>	<u>25,701</u>	<u>78,895</u>	<u>140,725</u>
Income (loss) from continuing operations before income taxes	54,448	(69,445)	89,416	(17,220)
Income tax expense (benefit)	<u>25,712</u>	<u>(31,863)</u>	<u>46,791</u>	<u>(24,506)</u>
Income (loss) from continuing operations, net of taxes	28,736	(37,582)	42,625	7,286
Loss from discontinued operations, net of taxes	<u>(319)</u>	<u>-</u>	<u>(1,109)</u>	<u>-</u>
<b>Net Income (Loss)</b>	<u>\$ 28,417</u>	<u>\$ (37,582)</u>	<u>\$ 41,516</u>	<u>\$ 7,286</u>
<b>Earnings (loss) per share from continuing operations:</b>				
Basic	<u>\$ 1.15</u>	<u>\$ (1.53)</u>	<u>\$ 1.72</u>	<u>\$ 0.29</u>
Diluted	<u>\$ 1.12</u>	<u>\$ (1.53)</u>	<u>\$ 1.70</u>	<u>\$ 0.29</u>
<b>Earnings (loss) per share from discontinued operations:</b>				
Basic	<u>\$ (0.01)</u>	<u>\$ -</u>	<u>\$ (0.04)</u>	<u>\$ -</u>
Diluted	<u>\$ (0.01)</u>	<u>\$ -</u>	<u>\$ (0.04)</u>	<u>\$ -</u>
<b>Earnings (loss) per share:</b>				
Basic	<u>\$ 1.14</u>	<u>\$ (1.53)</u>	<u>\$ 1.67</u>	<u>\$ 0.29</u>
Diluted	<u>\$ 1.11</u>	<u>\$ (1.53)</u>	<u>\$ 1.65</u>	<u>\$ 0.29</u>
<b>Weighted average shares:</b>				
Basic	<u>25,008</u>	<u>24,633</u>	<u>24,843</u>	<u>24,833</u>
Diluted	<u>25,554</u>	<u>24,633</u>	<u>25,120</u>	<u>25,018</u>

**Atlas Air Worldwide Holdings, Inc.**  
**Consolidated Balance Sheets**  
*(in thousands, except share data)*  
*(Unaudited)*

	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 123,890	\$ 425,950
Short-term investments	4,313	5,098
Restricted cash	14,360	12,981
Accounts receivable, net of allowance of \$997 and \$1,247, respectively	166,486	164,308
Prepaid maintenance	4,418	6,052
Prepaid expenses and other current assets	44,603	37,548
Total current assets	358,070	651,937
<b>Property and Equipment</b>		
Flight equipment	3,886,714	3,687,248
Ground equipment	68,688	58,487
Less: accumulated depreciation	(568,946)	(450,217)
Flight equipment modifications in progress	154,226	39,678
Property and equipment, net	3,540,682	3,335,196
<b>Other Assets</b>		
Long-term investments and accrued interest	27,951	37,604
Deferred costs and other assets	204,647	81,183
Intangible assets, net and goodwill	116,029	58,483
<b>Total Assets</b>	<b>\$ 4,247,379</b>	<b>\$ 4,164,403</b>
<b>Liabilities and Equity</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 59,543	\$ 93,278
Accrued liabilities	320,887	293,138
Current portion of long-term debt and capital leases	184,748	161,811
Total current liabilities	565,178	548,227
<b>Other Liabilities</b>		
Long-term debt	1,666,663	1,739,496
Deferred taxes	298,165	286,928
Financial instruments and other liabilities	200,035	135,569
Total other liabilities	2,164,863	2,161,993
Commitments and contingencies		
<b>Equity</b>		
Stockholders' Equity		
Preferred stock, \$1 par value; 10,000,000 shares authorized; no shares issued	—	—
Common stock, \$0.01 par value; 100,000,000 and 50,000,000 shares authorized; 29,633,605 and 28,955,445 shares issued, 25,017,242 and 24,636,651 shares outstanding (net of treasury stock), as of December 31, 2016 and December 31, 2015, respectively	296	290
Additional paid-in-capital	657,082	625,244
Treasury stock, at cost; 4,616,363 and 4,318,794 shares, respectively	(183,119)	(171,844)
Accumulated other comprehensive loss	(4,993)	(6,063)
Retained earnings	1,048,072	1,006,556
Total equity	1,517,338	1,454,183
<b>Total Liabilities and Equity</b>	<b>\$ 4,247,379</b>	<b>\$ 4,164,403</b>

<sup>1</sup> Balance sheet debt at December 31, 2016 totaled \$1,851.4 million, including the impact of \$43.0 million of unamortized discount and debt issuance costs of \$49.0 million.

<sup>2</sup> The face value of our debt at December 31, 2016 totaled \$1,943.4 million, compared with \$2,008.1 million on December 31, 2015.

**Atlas Air Worldwide Holdings, Inc.**  
**Consolidated Statements of Cash Flows**

(in thousands)  
(Unaudited)

	<b>For the Twelve Months Ended</b>	
	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Operating Activities:</b>		
Income from continuing operations, net of taxes	\$ 42,625	\$ 7,286
Less: Loss from discontinued operations, net of taxes	(1,109)	—
Net Income	<u>41,516</u>	<u>7,286</u>
Adjustments to reconcile Net Income to net cash provided by operating activities:		
Depreciation and amortization	168,721	147,604
Accretion of debt securities discount	(1,277)	(4,651)
Provision for allowance for doubtful accounts	508	171
Special charge, net of cash payments	10,140	16,351
Loss on early extinguishment of debt	132	69,728
Unrealized loss on financial instruments	2,888	—
Loss (gain) on disposal of aircraft	(11)	1,538
Deferred taxes	47,381	(25,898)
Stock-based compensation expense	32,724	16,181
Changes in:		
Accounts receivable	22,974	2,016
Prepaid expenses, current assets and other assets	(29,455)	23,171
Accounts payable and accrued liabilities	(64,059)	119,390
Net cash provided by operating activities	<u>232,182</u>	<u>372,887</u>
<b>Investing Activities:</b>		
Capital expenditures	(46,717)	(45,040)
Payments for flight equipment and modifications	(316,993)	(227,048)
Acquisition of business, net of cash acquired	(105,392)	—
Proceeds from investments	11,714	80,302
Proceeds from disposal of aircraft	—	25,441
Net cash used for investing activities	<u>(457,388)</u>	<u>(166,345)</u>
<b>Financing Activities:</b>		
Proceeds from debt issuance	103,492	568,033
Customer maintenance reserves received	15,105	16,148
Customer maintenance reserves paid	—	(3,801)
Proceeds from sale of warrants	—	36,290
Payments for convertible note hedges	—	(52,903)
Proceeds from stock option exercises	—	1,193
Purchase of treasury stock	(11,275)	(26,522)
Excess tax benefit from stock-based compensation expense	390	555
Payment of debt extinguishment costs	—	(36,054)
Payment of debt issuance costs	(4,034)	(14,509)
Payments of debt	(179,153)	(568,923)
Net cash used for financing activities	<u>(75,475)</u>	<u>(80,493)</u>
Net increase (decrease) in cash and cash equivalents	(300,681)	126,049
Cash, cash equivalents and restricted cash at the beginning of period	438,931	312,882
Cash, cash equivalents and restricted cash at the end of period	<u>\$ 138,250</u>	<u>\$ 438,931</u>
<b>Noncash Investing and Financing Activities:</b>		
Acquisition of flight equipment included in Accounts payable and accrued liabilities	<u>\$ 14,345</u>	<u>\$ 33,294</u>
Acquisition of flight equipment under capital lease	<u>\$ 10,800</u>	<u>\$ —</u>

**Atlas Air Worldwide Holdings, Inc.**  
**Direct Contribution**

(in thousands)  
(Unaudited)

	<u>For the Three Months Ended</u>		<u>For the Twelve Months Ended</u>	
	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>
<b>Segment Revenue:</b>				
ACMI	\$ 234,225	\$ 216,120	\$ 834,997	\$ 791,442
Charter	265,197	228,111	881,991	908,753
Dry Leasing	26,630	23,983	105,795	107,218
Customer incentive asset amortization	(363)	-	(537)	-
Other	4,036	3,863	17,381	15,246
<b>Total Operating Revenue</b>	<u>\$ 529,725</u>	<u>\$ 472,077</u>	<u>\$ 1,839,627</u>	<u>\$ 1,822,659</u>
<b>Direct Contribution:</b>				
ACMI	\$ 78,725	\$ 47,564	\$ 200,563	\$ 185,615
Charter	55,146	39,834	133,727	124,808
Dry Leasing	8,414	7,931	33,114	42,023
<b>Total Direct Contribution for Reportable Segments</b>	<u>142,285</u>	<u>95,329</u>	<u>367,404</u>	<u>352,446</u>
Add back (subtract):				
Unallocated income and expenses, net	(55,842)	(151,985)	(242,768)	(294,451)
Loss on early extinguishment of debt	-	(2,999)	(132)	(69,728)
Unrealized loss (gain) on financial instruments	(27,901)	-	(2,888)	-
Gain on investments	-	-	-	13,439
Special charge	(3,509)	(9,783)	(10,140)	(17,388)
Transaction-related expenses	(585)	-	(22,071)	-
Loss (gain) on disposal of aircraft	-	(7)	11	(1,538)
<b>Income (loss) from continuing operations before income taxes</b>	<u>54,448</u>	<u>(69,445)</u>	<u>89,416</u>	<u>(17,220)</u>
Add back (subtract):				
Interest income	(1,207)	(1,601)	(5,532)	(12,554)
Interest expense	21,055	25,065	84,650	96,756
Capitalized interest	(1,207)	(268)	(3,313)	(1,027)
Loss on early extinguishment of debt	-	2,999	132	69,728
Unrealized loss on financial instruments	27,901	-	2,888	-
Gain on investments	-	-	-	(13,439)
Other expense (income), net	442	(494)	70	1,261
<b>Operating Income (Loss)</b>	<u>\$ 101,432</u>	<u>\$ (43,744)</u>	<u>\$ 168,311</u>	<u>\$ 123,505</u>

Atlas Air Worldwide uses an economic performance metric, Direct Contribution, to show the profitability of each of its segments after allocation of direct ownership costs. Atlas Air Worldwide currently has the following reportable segments: ACMI, Charter, and Dry Leasing. Each segment has different commercial and economic characteristics, which are separately reviewed by our chief operating decision maker.

Direct Contribution consists of income (loss) from continuing operations before taxes, excluding special charges, transaction-related expenses, nonrecurring items, losses (gains) on the disposal of aircraft, losses on early extinguishment of debt, unrealized losses (gains) on financial instruments, gains on investments, and unallocated income and expenses, net.

Direct operating and ownership costs include crew costs, maintenance, fuel, ground operations, sales costs, aircraft rent, interest expense on the portion of debt used for financing aircraft, interest income on debt securities, and aircraft depreciation.

Unallocated income and expenses, net include corporate overhead, nonaircraft depreciation, noncash expenses and income, interest expense on the portion of debt used for general corporate purposes, interest income on nondebt securities, capitalized interest, foreign exchange gains and losses, and other revenue and other nonoperating costs.

**Atlas Air Worldwide Holdings, Inc.**  
**Reconciliation to Non-GAAP Measures**  
*(in thousands, except per share data)*  
*(Unaudited)*

	<b>For the Three Months Ended</b>		
	<b>December 31, 2016</b>	<b>December 31, 2015</b>	<b>Percent Change</b>
<b>Income (loss) from continuing operations, net of taxes</b>	\$ 28,736	\$ (37,582)	NM
Impact from:			
Charges associated with benefit plan change in control <sup>1</sup>	(2,642)	-	
Loss on disposal of aircraft	-	7	
Special charge	3,509	10,353	
Transaction-related expenses	585	-	
Accrual for legal matters and professional fees	(312)	102,841	
Noncash expenses and income, net <sup>2</sup>	2,304	1,818	
Charges associated with refinancing debt	-	6,682	
Unrealized loss on financial instruments <sup>3,4</sup>	27,901	-	
Income tax effect of reconciling items <sup>5</sup>	(1,116)	(44,682)	
<b>Adjusted Income from continuing operations, net of taxes</b>	<b>\$ 58,965</b>	<b>\$ 39,437</b>	<b>49.5%</b>
Weighted average diluted shares outstanding	25,554	24,843	
Add: dilutive warrants	772	-	
Adjusted weighted average diluted shares outstanding	<u>26,326</u>	<u>24,843</u>	
<b>Adjusted Diluted EPS from continuing operations, net of taxes<sup>6</sup></b>	<b>\$ 2.24</b>	<b>\$ 1.59</b>	<b>40.9%</b>
	<b>For the Twelve Months Ended</b>		
	<b>December 31, 2016</b>	<b>December 31, 2015</b>	<b>Percent Change</b>
<b>Income from continuing operations, net of taxes</b>	\$ 42,625	\$ 7,286	485.0%
Impact from:			
Charges associated with benefit plan change in control <sup>1</sup>	23,527	-	
Loss (gain) on disposal of aircraft	(11)	1,538	
Special charge	10,140	17,958	
Transaction-related expenses	22,071	-	
Accrual for legal matters and professional fees	6,465	104,380	
Noncash expenses and income, net <sup>2</sup>	8,111	4,480	
Charges associated with refinancing debt	132	73,411	
Gain on investments	-	(13,439)	
Unrealized loss on financial instruments <sup>3,4</sup>	2,888	-	
Income tax effect of reconciling items <sup>5</sup>	(1,651)	(66,300)	
ETI tax benefit	-	(4,008)	
<b>Adjusted Income from continuing operations, net of taxes</b>	<b>\$ 114,297</b>	<b>\$ 125,306</b>	<b>(8.8%)</b>
Weighted average diluted shares outstanding	25,120	25,018	
Add: dilutive warrants	299	-	
Adjusted weighted average diluted shares outstanding	<u>25,419</u>	<u>25,018</u>	
<b>Adjusted Diluted EPS from continuing operations, net of taxes<sup>6</sup></b>	<b>\$ 4.50</b>	<b>\$ 5.01</b>	<b>(10.2%)</b>

<sup>1</sup> Compensation costs resulting from a change in control under certain benefit plans.

<sup>2</sup> Noncash expenses and income, net in 2016 primarily related to amortization of debt discount on the convertible notes and amortization of customer incentive related to outstanding warrants. Noncash expenses and income, net in 2015 primarily related to amortization and accretion of debt, lease and investment discounts.

- <sup>3</sup> Unrealized loss on financial instruments related to warrants granted to Amazon.
- <sup>4</sup> Unrealized loss on financial instruments is excluded from the calculation of Diluted EPS from continuing operations as the calculation assumes exercise of the outstanding warrants occurred upon their issuance.
- <sup>5</sup> Income tax effect of reconciling items is primarily impacted by a nondeductible incentive and nondeductible expenses resulting from a change in control under certain of the company's benefit plans.
- <sup>6</sup> Reported and adjusted diluted EPS are determined using the most dilutive measure, either including unrealized gains or losses related to the warrants in the calculation of diluted income (loss) from continuing operations, net of tax, or including the impact of assumed exercise of the warrants in the calculation of weighted average diluted shares outstanding. Therefore, reported and adjusted diluted EPS may be calculated using different methods.

**Atlas Air Worldwide Holdings, Inc.**  
**Reconciliation to Non-GAAP Measures**  
*(in thousands, except per share data)*  
*(Unaudited)*

	<b>For the Three Months Ended</b>	
	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Net Cash Provided by Operating Activities</b>	\$ 131,338	\$ 107,038
Less:		
Capital expenditures	9,845	11,205
Capitalized interest	1,207	268
<b>Free Cash Flow<sup>1</sup></b>	<b>\$ 120,286</b>	<b>\$ 95,565</b>

	<b>For the Twelve Months Ended</b>	
	<b>December 31, 2016</b>	<b>December 30, 2015</b>
<b>Net Cash Provided by Operating Activities</b>	\$ 232,182	\$ 372,887
Less:		
Capital expenditures	46,717	45,040
Capitalized interest	3,313	1,027
<b>Free Cash Flow<sup>1</sup></b>	<b>\$ 182,152</b>	<b>\$ 326,820</b>

<sup>1</sup> Free Cash Flow = Cash Flows from Operations minus Capital Expenditures and Capitalized Interest. Capital Expenditures exclude purchases of aircraft.

**Atlas Air Worldwide Holdings, Inc.**  
**Reconciliation to Non-GAAP Measures**

(in thousands)  
(Unaudited)

	<b>For the Three Months Ended</b>		<b>For the Twelve Months Ended</b>	
	<b>December 31, 2016</b>	<b>December 31, 2015</b>	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Income (loss) from continuing operations, net of taxes</b>	\$ 28,736	\$ (37,582)	\$ 42,625	\$ 7,286
Income tax expense (benefit)	25,712	(31,863)	46,791	(24,506)
<b>Income (loss) from continuing operations before income taxes</b>	54,448	(69,445)	89,416	(17,220)
Noncash interest expenses and income, net <sup>1</sup>	2,304	1,818	8,111	4,480
Loss (gain) on disposal of aircraft	-	7	(11)	1,538
Special charge <sup>2</sup>	3,509	10,353	10,140	17,388
Charges associated with benefit plan change in control	(2,642)	-	23,527	-
Transaction-related expenses	585	-	22,071	-
Accrual for legal matters and professional fees	(312)	102,841	6,465	104,380
Charges associated with refinancing debt	-	6,682	132	69,728
Gain on investments	-	-	-	(13,439)
Unrealized loss on financial instruments	27,901	-	2,888	-
<b>Adjusted pretax income</b>	85,793	52,256	162,739	166,855
Interest (income) expense, net <sup>1</sup>	17,296	21,975	70,616	81,081
Other non-operating expenses (income)	442	(494)	70	1,261
<b>Adjusted operating income</b>	103,531	73,737	233,425	249,197
Depreciation and amortization	39,154	31,987	148,876	128,740
<b>EBITDA, as adjusted<sup>3</sup></b>	142,685	105,724	382,301	377,937
Aircraft rent <sup>1</sup>	36,024	36,551	143,725	142,645
<b>EBITDAR, as adjusted<sup>4</sup></b>	<u>\$ 178,709</u>	<u>\$ 142,275</u>	<u>\$ 526,026</u>	<u>\$ 520,582</u>
<b>Income tax expense (benefit)</b>	\$ 25,712	\$ (31,863)	\$ 46,791	\$ (24,506)
Income tax effect of reconciling items <sup>5</sup>	(1,116)	(44,682)	(1,651)	(66,300)
ETI tax benefit	-	-	-	(4,008)
Adjusted income tax expense	26,828	12,819	48,442	45,802
<b>Adjusted pretax income</b>	<u>\$ 85,793</u>	<u>\$ 52,256</u>	<u>\$ 162,739</u>	<u>\$ 166,855</u>
<b>Adjusted effective tax rate</b>	<u>31.3%</u>	<u>24.5%</u>	<u>29.8%</u>	<u>27.5%</u>

<sup>1</sup> Reflects impact of noncash expenses and income related to convertible notes, debt and investments, and amortization of customer incentive related to outstanding warrants.

<sup>2</sup> Special charge in 2016 primarily represented a loss on engines held for sale.

<sup>3</sup> Adjusted EBITDA: Earnings before interest, taxes, depreciation, amortization, noncash interest expenses and income, net, loss (gain) on disposal of aircraft, special charge, charges associated with benefit plan change in control, transaction-related expenses, accrual for legal matters and professional fees, charges associated with refinancing debt, gain on investments, unrealized loss on financial instruments, and ETI tax benefit, as applicable.

<sup>4</sup> Adjusted EBITDAR: Earnings before interest, taxes, depreciation, amortization, aircraft rent expense, noncash interest expenses and income, net, loss (gain) on disposal of aircraft, special charge, charges associated with benefit plan change in control, transaction-related expenses, accrual for legal matters and professional fees, charges associated with refinancing debt, gain on investments, unrealized loss on financial instruments, and ETI tax benefit, as applicable.

<sup>5</sup> See Non-GAAP reconciliation of Adjusted income from continuing operations, net of taxes.

**Atlas Air Worldwide Holdings, Inc.**  
**Operating Statistics and Traffic Results**  
*(Unaudited)*

	For the Three Months Ended			For the Twelve Months Ended		
	December 31,		Increase/ (Decrease)	December 31,		Increase/ (Decrease)
	2016	2015		2016	2015	
<b>Block Hours</b>						
ACMI	43,081	33,716	9,365	151,919	126,206	25,713
Charter						
Cargo	13,678	9,417	4,261	40,376	35,463	4,913
Passenger	3,650	3,529	121	16,403	14,776	1,627
Other	397	475	(78)	1,746	1,615	131
Total Block Hours	<u>60,806</u>	<u>47,137</u>	<u>13,669</u>	<u>210,444</u>	<u>178,060</u>	<u>32,384</u>
<b>Revenue Per Block Hour</b>						
ACMI	\$ 5,437	\$ 6,410	\$ (973)	\$ 5,496	\$ 6,271	\$ (775)
Charter	15,305	17,620	(2,315)	15,534	18,089	(2,555)
Cargo	14,827	17,428	(2,601)	14,861	17,655	(2,794)
Passenger	17,094	18,134	(1,040)	17,191	19,130	(1,939)
<b>Average Utilization (block hours per day)</b>						
ACMI <sup>1</sup>	9.3	9.3	-	8.9	9.3	(0.4)
Charter						
Cargo	12.7	11.4	1.3	9.6	10.1	(0.5)
Passenger	6.5	8.2	(1.7)	8.0	8.6	(0.6)
All Operating Aircraft <sup>1,2</sup>	<u>9.7</u>	<u>9.6</u>	<u>0.1</u>	<u>9.0</u>	<u>9.5</u>	<u>(0.5)</u>
<b>Fuel</b>						
<b>Charter</b>						
Average fuel cost per gallon	\$ 1.65	\$ 1.89	\$ (0.24)	\$ 1.68	\$ 2.27	\$ (0.59)
Fuel gallons consumed (000s)	51,614	37,737	13,877	163,862	147,081	16,781

<sup>1</sup> ACMI and All Operating Aircraft averages in the fourth quarter and twelve months of 2016 reflect the impact of increases in the number of CMI aircraft and amount of CMI flying compared with the same periods of 2015.

<sup>2</sup> Average of All Operating Aircraft excludes Dry Leasing aircraft, which do not contribute to block-hour volumes.



**Atlas Air Worldwide Holdings, Inc.**  
**Operating Statistics and Traffic Results**  
*(Unaudited)*

	For the Three Months Ended			For the Twelve Months Ended		
	December 31,		Increase/ (Decrease)	December 31,		Increase/ (Decrease)
	2016	2015		2016	2015	
<b>Segment Operating Fleet</b> (average aircraft equivalents during the period)						
<b>ACMI<sup>1</sup></b>						
747-8F Cargo	7.8	9.0	(1.2)	8.1	8.9	(0.8)
747-400 Cargo	13.7	14.2	(0.5)	13.1	12.6	0.5
747-400 Dreamlifter	2.4	2.8	(0.4)	2.8	3.0	(0.2)
777-200 Cargo	5.0	-	5.0	3.7	-	3.7
767-300 Cargo	5.3	2.2	3.1	4.3	2.1	2.2
767-200 Cargo	9.0	9.0	-	9.0	8.3	0.7
737-400 Cargo	5.0	-	5.0	3.7	-	3.7
747-400 Passenger	1.0	1.3	(0.3)	1.0	1.2	(0.2)
767-200 Passenger	1.0	1.0	-	1.0	1.0	-
Total	50.2	39.5	10.7	46.7	37.1	9.6
<b>Charter</b>						
747-8F Cargo	2.2	0.6	1.6	1.9	0.2	1.7
747-400 Cargo	9.5	8.4	1.1	9.6	9.4	0.2
747-400 Passenger	2.0	1.7	0.3	2.0	1.8	0.2
767-300 Passenger	4.1	3.0	1.1	3.6	2.9	0.7
Total	17.8	13.7	4.1	17.1	14.3	2.8
<b>Dry Leasing</b>						
777-200 Cargo	6.0	6.0	-	6.0	6.0	-
767-300 Cargo	3.0	-	3.0	2.3	-	2.3
757-200 Cargo	1.0	1.0	-	1.0	1.0	-
737-300 Cargo	1.0	1.0	-	1.0	1.0	-
737-800 Passenger	1.0	1.0	-	1.0	1.2	(0.2)
Total	12.0	9.0	3.0	11.3	9.2	2.1
Less: Aircraft Dry Leased to CMI customers	(3.0)	-	(3.0)	(2.3)	-	(2.3)
<b>Total Operating Aircraft</b>	<b>77.0</b>	<b>62.2</b>	<b>14.8</b>	<b>72.8</b>	<b>60.6</b>	<b>12.2</b>
Out of Service <sup>2</sup>	-	-	-	-	0.4	(0.4)

<sup>1</sup> ACMI average fleet excludes spare aircraft provided by CMI customers.

<sup>2</sup> Out-of-service aircraft were temporarily parked during the period and are completely unencumbered.