



AAWW Investor Slides

November 2017

ATLAS AIR
WORLDWIDE



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Safe Harbor Statement

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect Atlas Air Worldwide Holdings, Inc.’s (AAWW) current views with respect to certain current and future events and financial performance. Such forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the operations and business environments of AAWW and its subsidiaries that may cause actual results to be materially different from any future results, express or implied, in such forward-looking statements.

For additional information, we refer you to the risk factors set forth in the documents filed by AAWW with the Securities and Exchange Commission. Other factors and assumptions not identified above are also involved in the preparation of forward-looking statements, and the failure of such other factors and assumptions to be realized may also cause actual results to differ materially from those discussed.

AAWW assumes no obligation to update the statements in this presentation to reflect actual results, changes in assumptions, or changes in other factors affecting such estimates, other than as required by law.

This presentation also includes some non-GAAP financial measures. You can find our presentations on the most directly comparable GAAP financial measures calculated in accordance with accounting principles generally accepted in the United States and our reconciliations in our earnings release dated November 7, 2017, which is posted on our Web site at www.atlasair.com.

AAWW – Key Takeaways



New era of significant business growth and development

Fundamental change in markets served

Strategic long-term relationship with **Amazon**

Southern Air acquisition

Key new customer agreements including Cathay Pacific Cargo, Asiana Cargo, Hong Kong Air Cargo, Nippon Cargo Airlines, Suparna Airlines, DHL Global Forwarding and FedEx

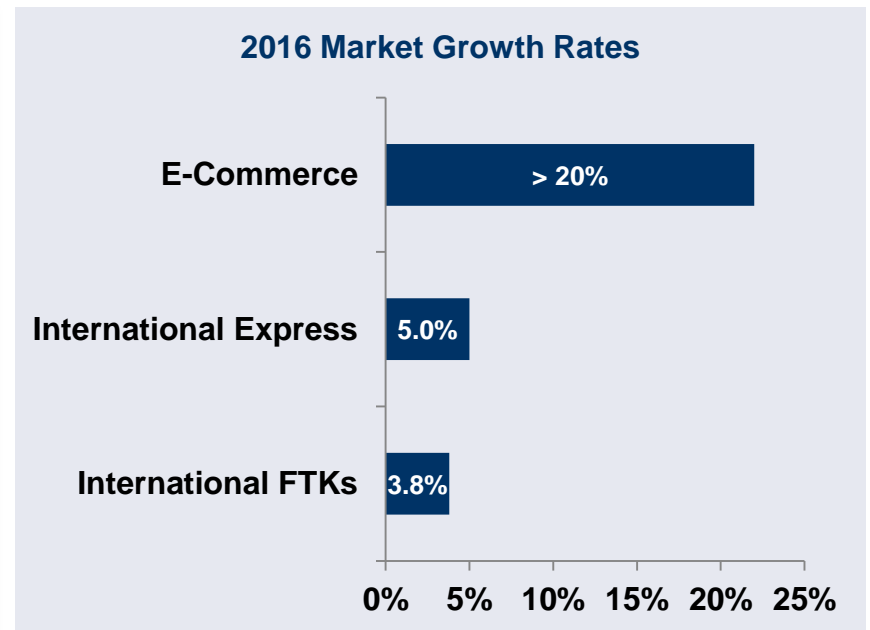
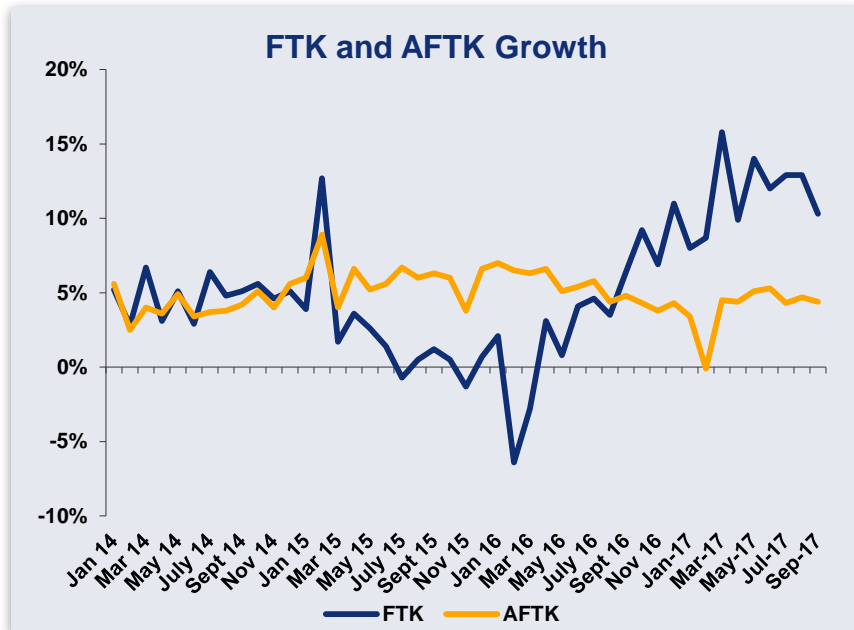
Strong foundation for **earnings and cash flow**

Capitalizing on initiatives to drive:

- Value and benefit for customers and investors

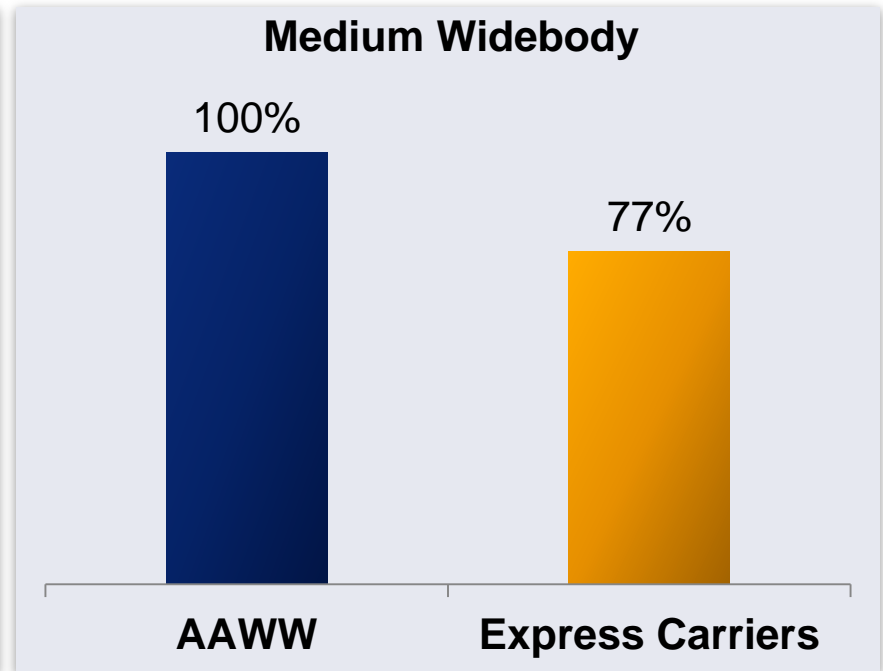
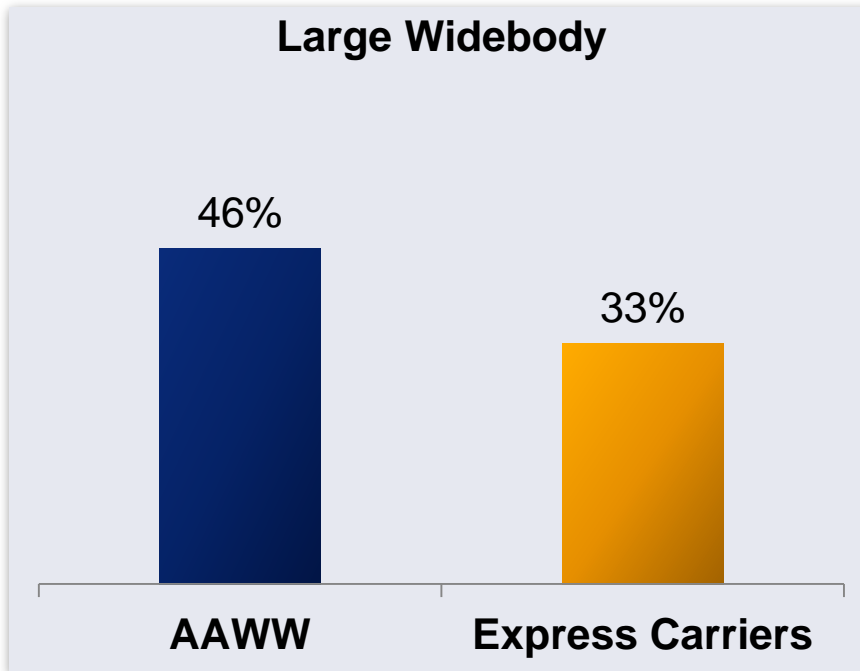
Shaping a Powerful Future

Airfreight Demand



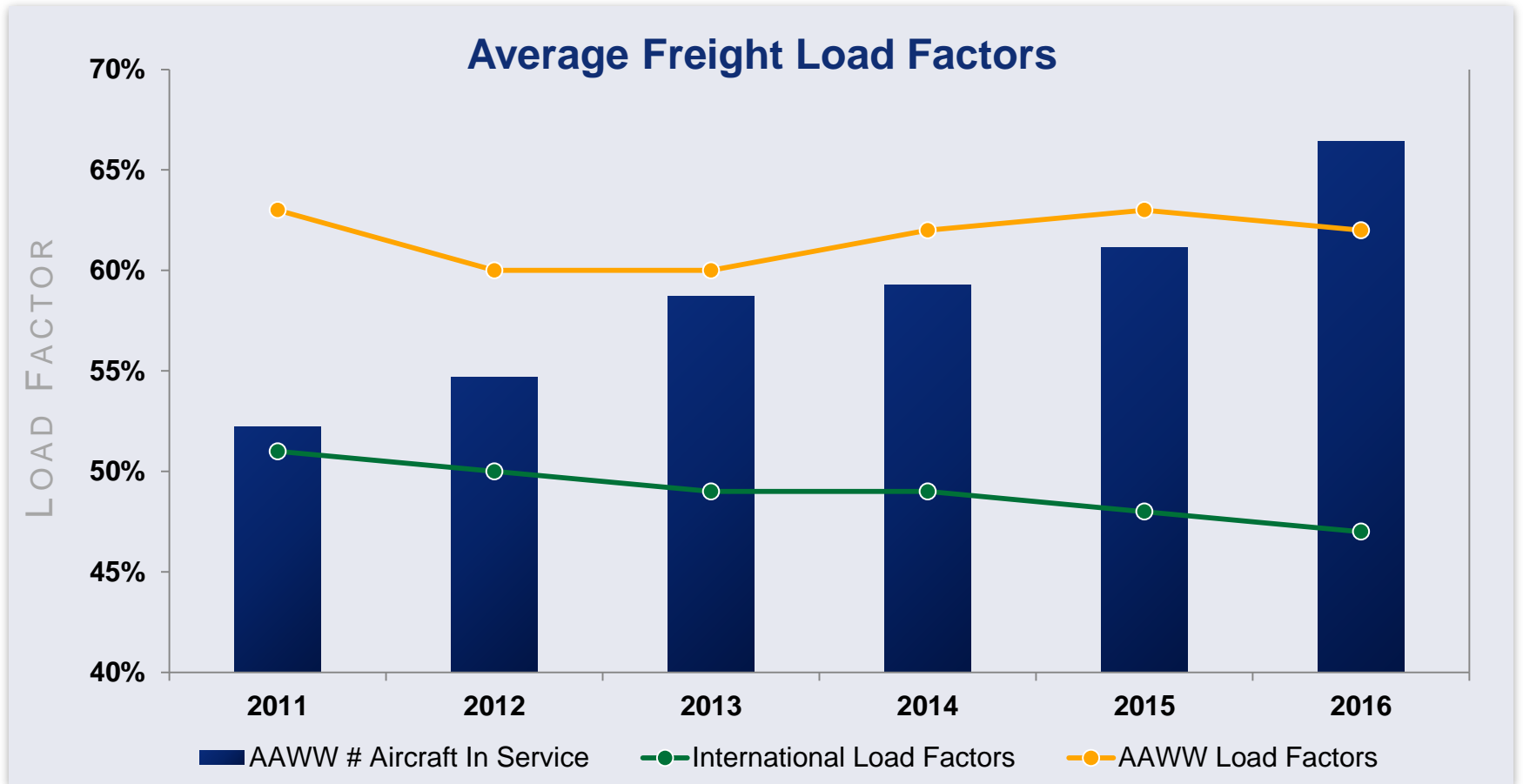
Our Fleet Is Aligned with the Express Market

Atlas Fleet in Express Compared with Express Share of Global Fleet



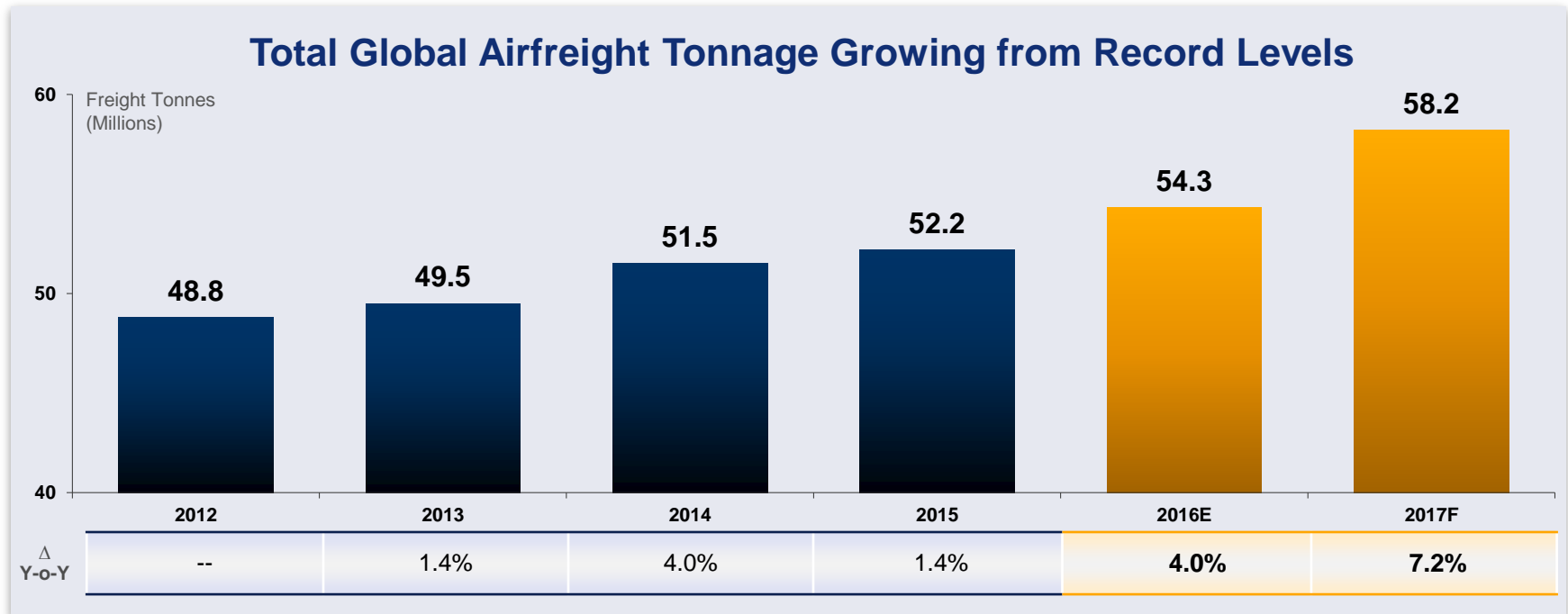
- **Total global large widebody freighters:** 524 (747s, 777s, MD-11s, DC/MD-10-30s)
- **Total global medium widebody freighters:** 478 (767s, A300-600Fs, A330-200Fs, A310-200F/300Fs, DC/MD-10-10Fs)

Atlas Load Factors Outperforming



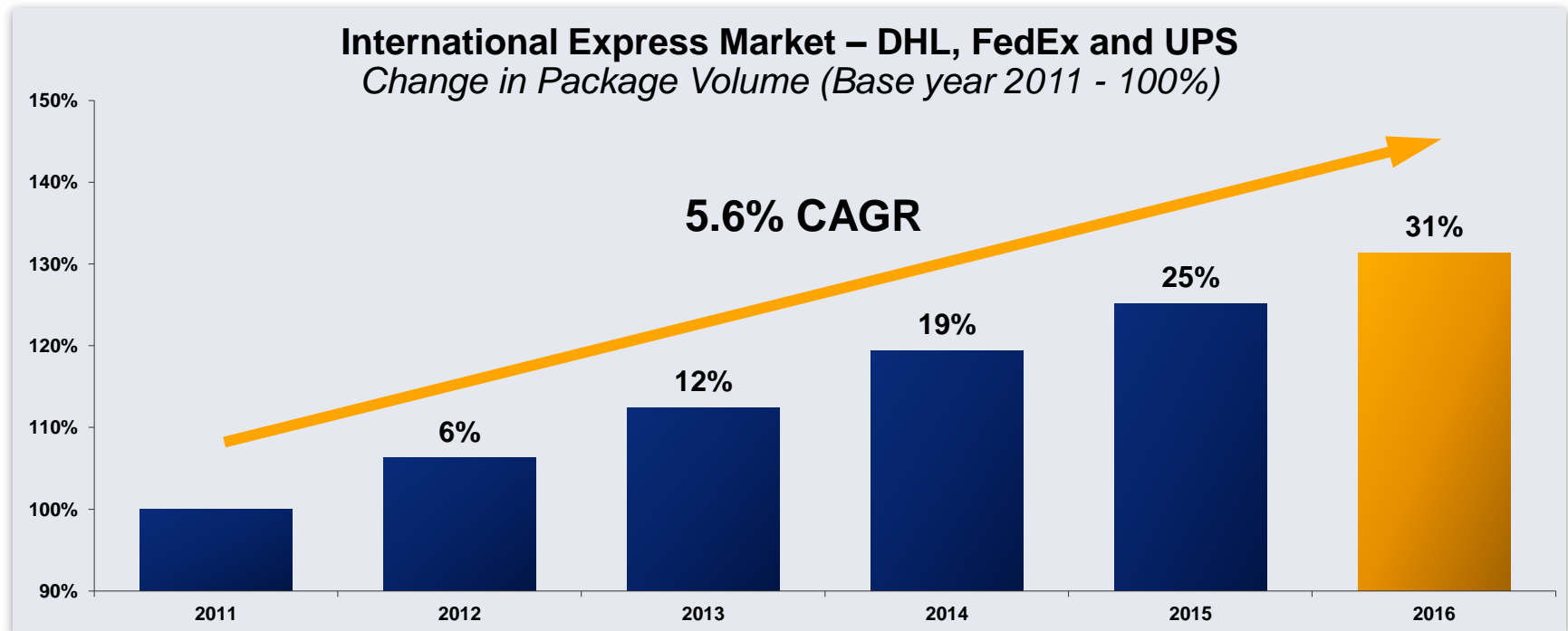
International Global Airfreight: Annual Growth

- IATA – Total global airfreight tonnage **growing from record levels**
- IATA – International freight tonne kilometers (FTKs) flown **up 3.8% in 2016**
- IATA – **Strong FTK growth in 2017 – up 11.1%** thru September

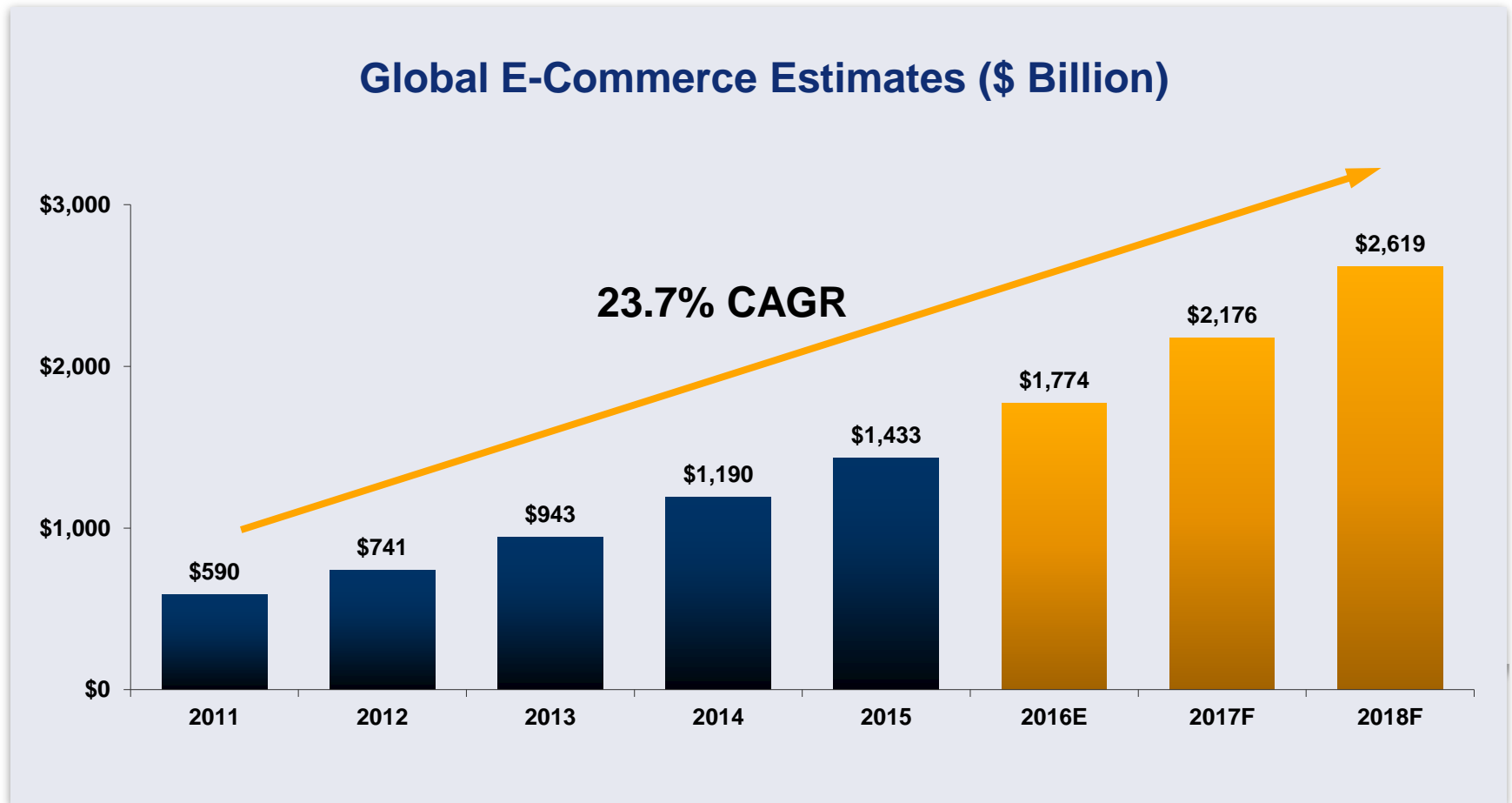


The Key Underlying Express Market Is Growing

- The International Express market is **showing robust growth**
- **5.6% CAGR** since 2011 versus nominal CAGR for international FTKs

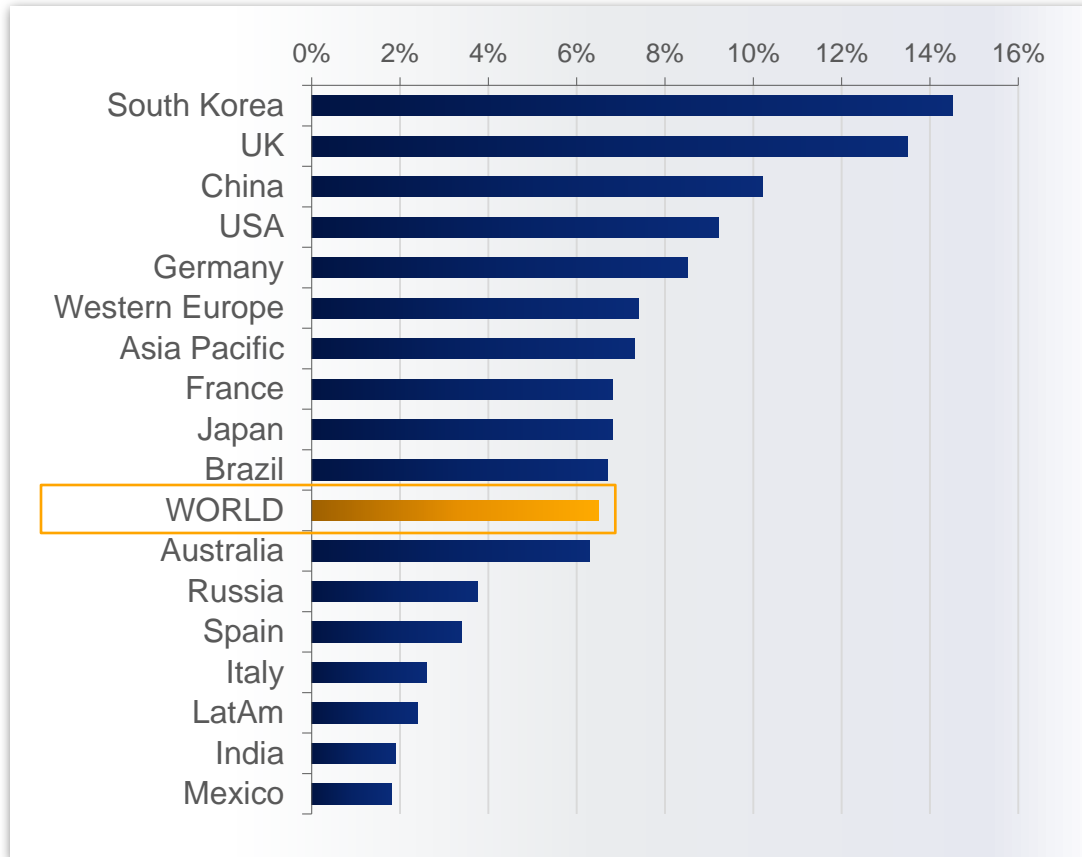


E-Commerce Projected Growth



E-Commerce Penetration Levels Are Low; There is Much More to Come

E-Commerce Penetration by Country in 2015 (as percentage of total B2C retail sales)



- E-Commerce only accounts for ~6-7% of global retail sales and has significant opportunities to expand globally
- Some markets, such as India, are just getting started

Amazon Service

Strategic **long-term** relationship

Supporting fast deliveries for Amazon's customers

20 B767-300 converted freighters

10-year **dry leases**, 7- to 10-year **CMI**



**10 Aircraft
Currently in
Service for
Amazon**



Amazon granted **rights to acquire AAWW equity**

- Inherent value creation
- Aligns interests, strengthens long-term relationship

Meaningfully accretive

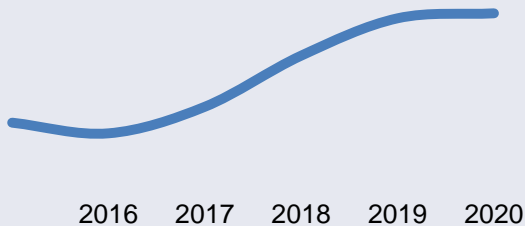
Agreement provides for **future growth opportunities**

Amazon Service – Financial Impact

Adjusted Income from Continuing Operations and Cash Flow contributions to ramp up as aircraft enter service for Amazon

Net Leverage Ratio to increase initially, then decrease over time

Estimated Amazon Service Adjusted Income from Continuing Operations Accretion Over Time



Estimated Amazon Service Cash Flows Over Time



Estimated Amazon Service Net Leverage Ratio Impact Over Time



767-300 Financing

Aircraft acquisitions to be funded with secured aircraft financing and future cash generated from operations

Strength of cash flows to enhance financing:

- Positive initial reaction
- Multiple financing avenues
- High LTVs
- Low coupons

By year-end 2018,
20 B767-300 Converted Freighters



Southern Air Acquisition

Strategically Compelling

- Premier provider of intercontinental and domestic CMI services

Highly Complementary

- Expands platform into 777 and 737 operations
- Provides access to broadest array of aircraft and operating services

All-Cash, Debt-Free

- All-cash, debt-free transaction valued at ~\$105.8 million
- Completed April 7, 2016

Immediately Accretive

- Immediately accretive to earnings
- Adjusted EBITDA/net income margins in line with AAWW's
- Adding ~\$100 million in annualized revenues

Foundation for Growth

- Drives greater diversification, scale and global footprint
- Provides solid foundation for additional growth

Atlas is a more diversified and profitable company, offering customers access to the widest range of modern, efficient aircraft

AAWW – Executing Strategic Plan



Our Current Fleet – September 2017

Total Fleet: 97

Operating Fleet: 88

747



44 Boeing 747s

- 10 747-8Fs
- 26 747-400Fs
- 4 747-400 passenger
- 4 Boeing Large Cargo Freighters (LCFs)

777



11 Boeing 777s

- 5 CMI 777Fs
- 6 Titan 777Fs

767



35 Boeing 767/757s

- 28 767-200/300Fs*
- 6 767-200/300 passenger
- 1 757-200 freighter Titan

737



7 Boeing 737s

- 5 737-400Fs
- 1 737-300F Titan
- 1 737-800 passenger Titan

**...Heading to More than 100 aircraft
...with Over 40 B767s**

Capital Allocation Strategy

Balance sheet maintenance

Business investment

Share repurchases

2015-2017 actions:

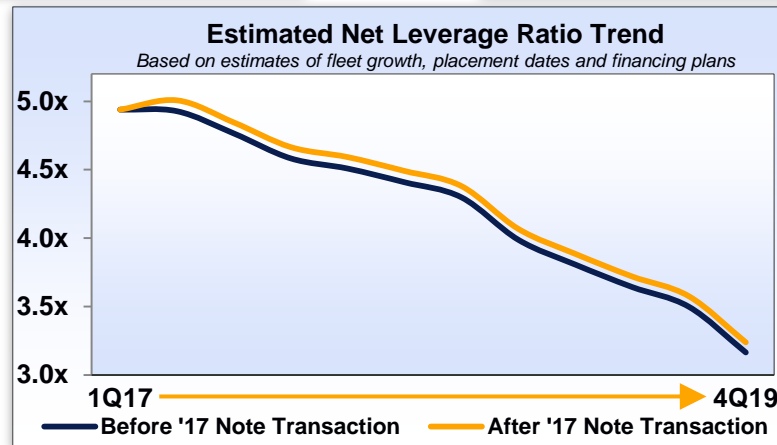
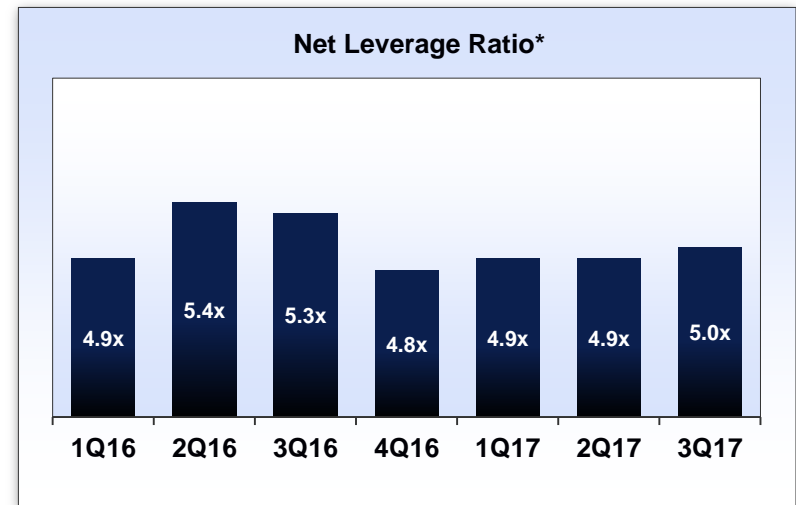
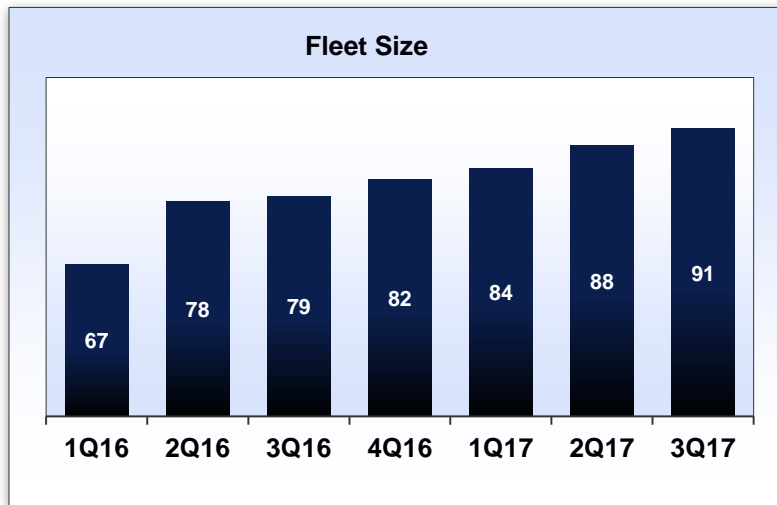
- Acquiring/converting 20 767-300s for Amazon agreements
- Acquired Southern Air
- Refinanced high-cost 747-400 EETC debt and higher-cost 747-8F term loans
- Acquired 10th 747-8F
- Acquired two 767s for Dry Leasing; also operating them in CMI
- Acquired 4th 767 for AMC passenger service
- Focused on maintaining healthy cash position

Repurchased >10% of outstanding stock since 2013

- Remaining authority for up to \$25 million



Fleet Size and Net Leverage Ratio



Growing and diversifying fleet and managing leverage

AAWW – Key Takeaways



New era of significant business growth and development

Fundamental change in markets served

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Southern Air acquisition

Key new customer agreements including Cathay Pacific Cargo, Asiana Cargo, Hong Kong Air Cargo, Nippon Cargo Airlines, Suparna Airlines, DHL Global Forwarding and FedEx

Strong foundation for **earnings and cash flow**

Capitalizing on initiatives to drive:

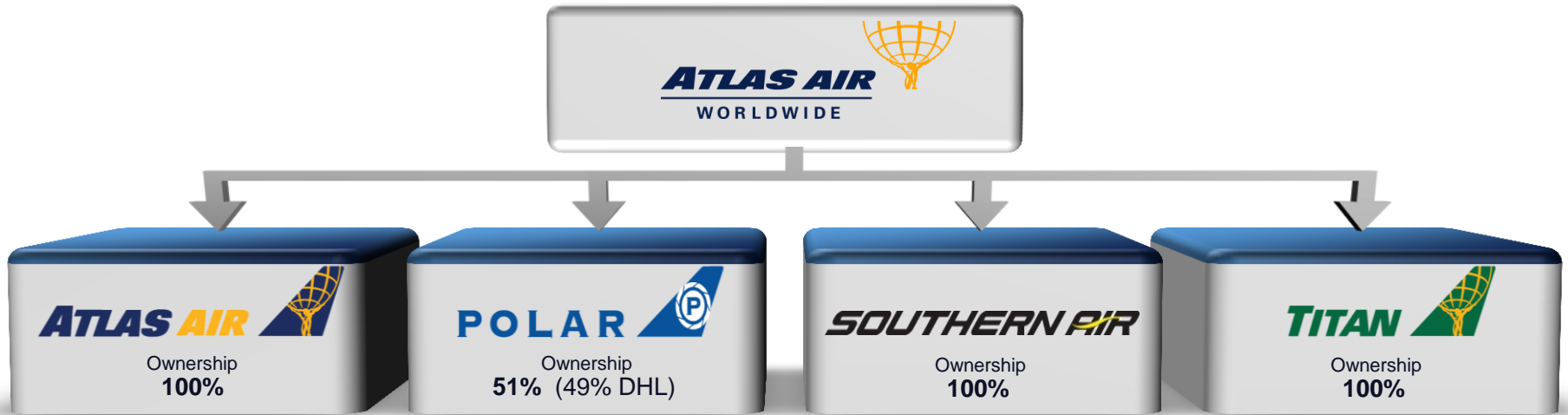
- Value and benefit for customers and investors

Shaping a Powerful Future

Appendix



Atlas Air Worldwide



- We manage **diverse, complex and time-definite global networks**
- We **deliver superior performance and value-added solutions** across our business segments
- We manage a **world-class fleet** to service **multiple market segments**
- We are **strategically positioned in a strengthening market and focused** on new opportunities to **continue to deliver future growth**

Our Customers Reflect Our Focus on Quality

Long-term, profitable relationships

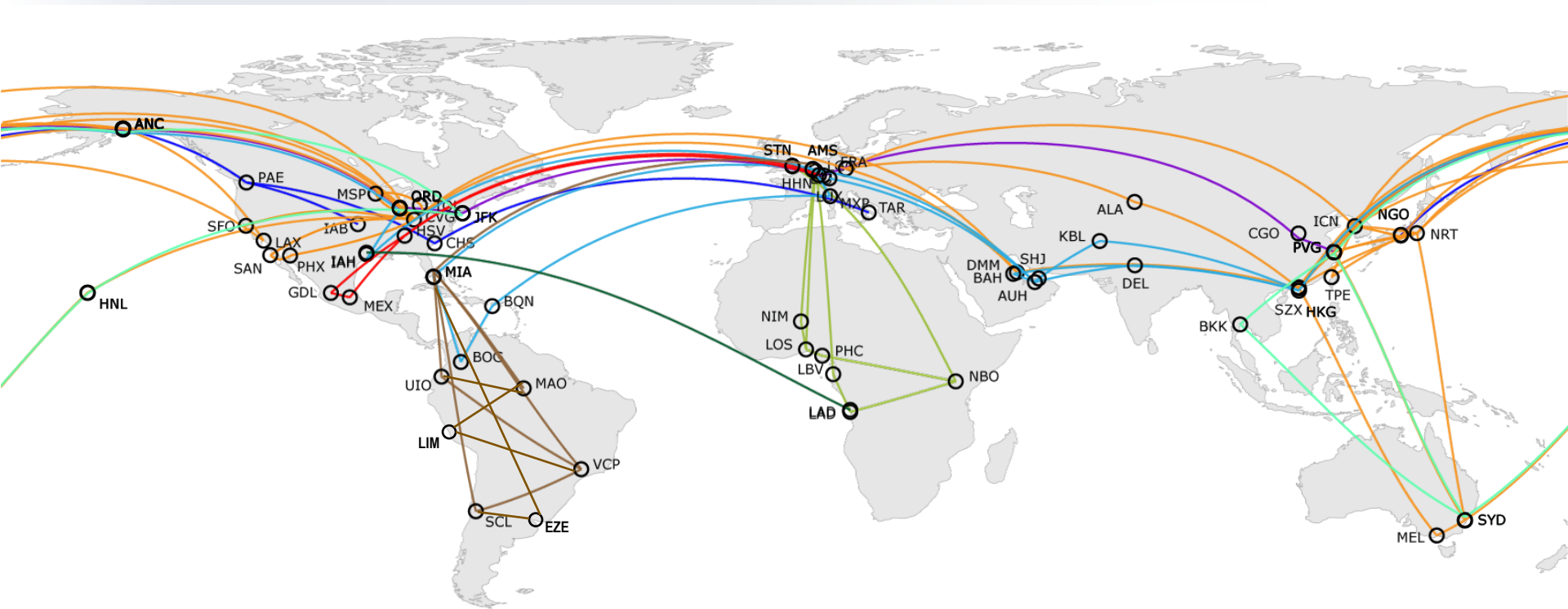
Resilient business model and predictable revenues

Shippers	Forwarders / Brokers	Airlines	Express
<p>BOEING Formula 1 DEPARTMENT OF DEFENSE INDITEX ... and Amazon</p>	<p>PANALPINA chapman freeborn The Global Aircraft Charter Specialists ACS DHL GLOBAL FORWARDING DB SCHENKER KUEHNE+NAGEL</p>	<p>AeroLogic QANTAS FREIGHT Emirates NCA Nippon Cargo Airlines ASIANA AIRLINES Yangtze River Airlines 扬子江航空 CATHAY PACIFIC CARGO SonAir HONGKONG AIR CARGO 香港貨運航空</p>	<p>DHL EXPRESS FedEx Express ups</p>

Our Strengths

- Expanded portfolio of growth-oriented market leaders
- Covering the entire air cargo supply chain
- High degree of customer integration
- Focused on continuous development and growth
- Long-term contractual commitments

Global Operating Network – 2016



Astral

Boeing

BST

DHL

Etihad

Qantas

Panalpina

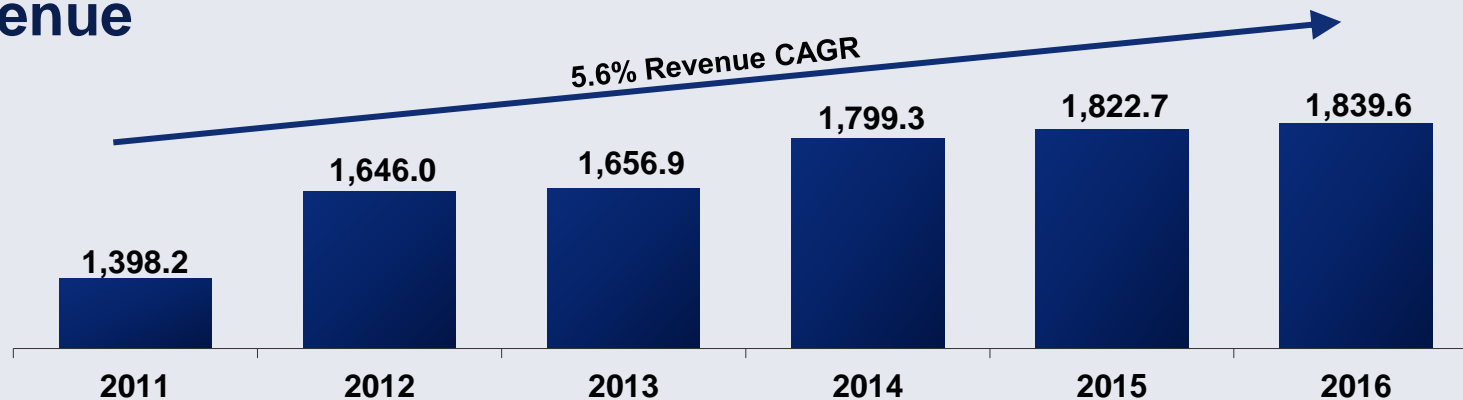
SonAir

Scheduled Service

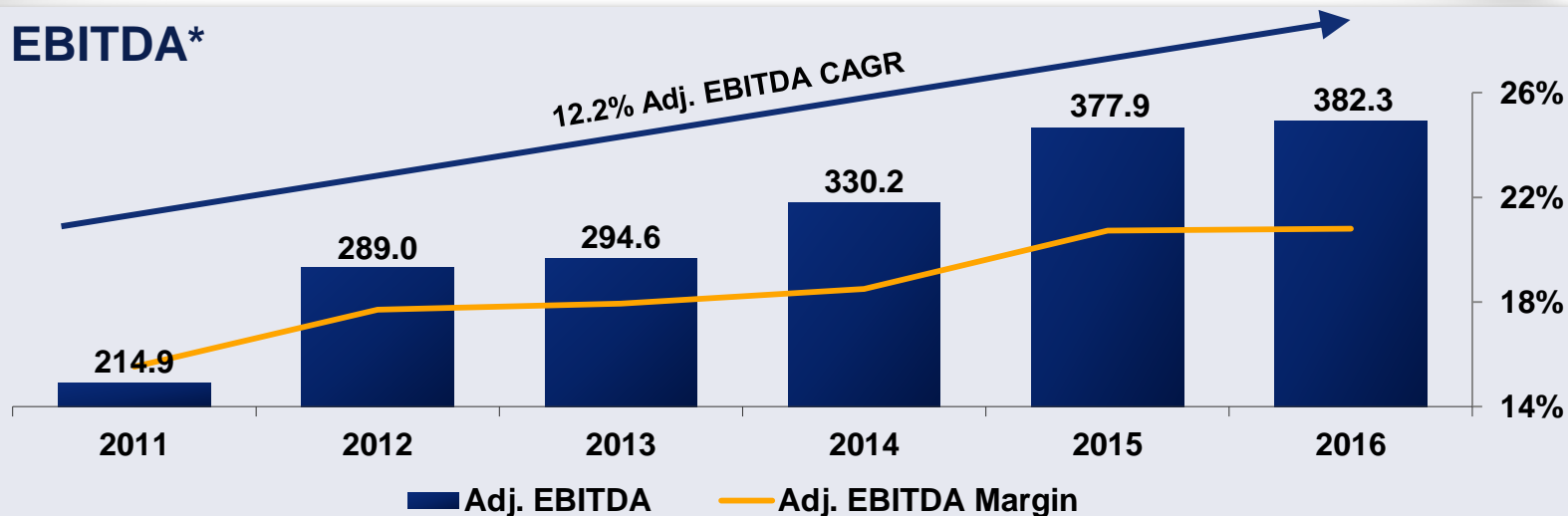
210,444 Total Block Hours Operated in 2016*
39,882 Flights*
425 Airports in 119 Countries
730 Charters Completed
80+ Unique Customers

Revenue and Adjusted EBITDA Growth

Revenue



Adj. EBITDA*



Convertible Note Offering

Convertible Offering

- \$289.0 million of 1.875% Convertible Senior Notes due 2024

Strengthen Balance Sheet

- Repay higher-cost revolving credit facility
- Enhance business and financial flexibility

Support Long-Term Growth

- New liquidity to support long-term growth

Debt-Like Structure

- Bond hedge mitigates dilution
- Intent to net share settle limits shares issued at conversion

2017 Objectives

- Achieve **earnings goals**
- Deliver **superior service quality**
- Maximize **business opportunities**
- Implement **Amazon** service
- Complete **Southern Air** integration
- Realize **Continuous Improvement**



In other words...

Continued Growth and Innovation



3Q17 Summary

Adjusted income from continuing ops*
\$29.7 million

Due to warrant accounting,
reported loss from continuing ops
\$24.2 million

Unrealized loss on warrants
of \$44.8 million due to
increase in stock price

Benefited from...

**20%
increase**
in revenue

**20%
increase**
in block hours

Higher contribution
in all segments

*See November 7, 2017 press release for Non-GAAP reconciliations

2017 Framework

Business

- **Stronger** company
- **Solid demand** for our services

Block Hours

- ~**20% increase** over 2016
- ~75% of total in ACMI
- Balance in Charter

Adjusted Net Income

To grow by a high-single to low-double-digit percentage compared with 2016

Other Key Items

- **Maint Exp** ~\$275 million
- **Depr/Amort** ~\$165 million
- **Core Capex** ~\$75-\$80 million

Global Airfreight Drivers

Market Size

Airfreight share:
1.5-2.5% global
volume, 35%
global value

Products

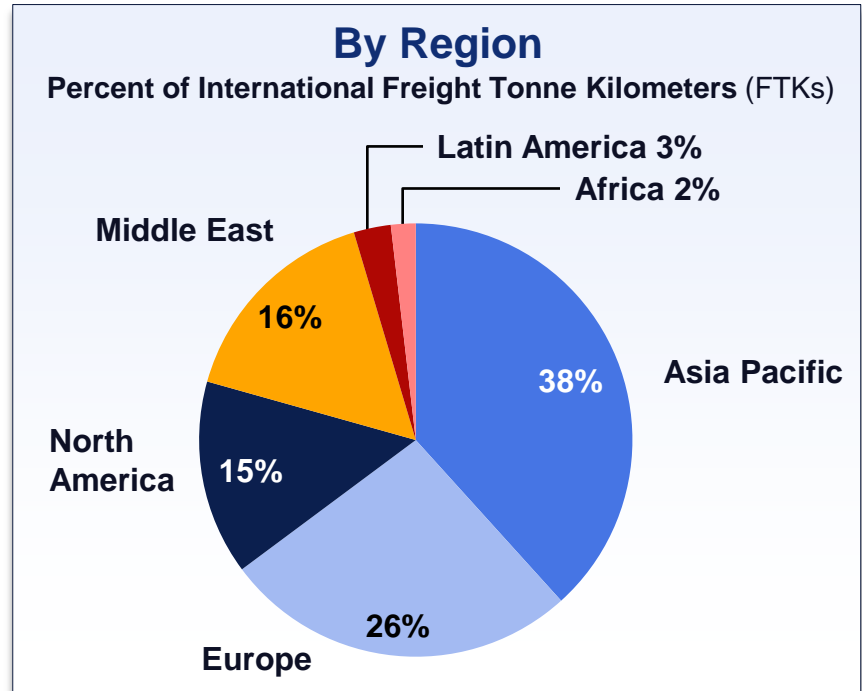
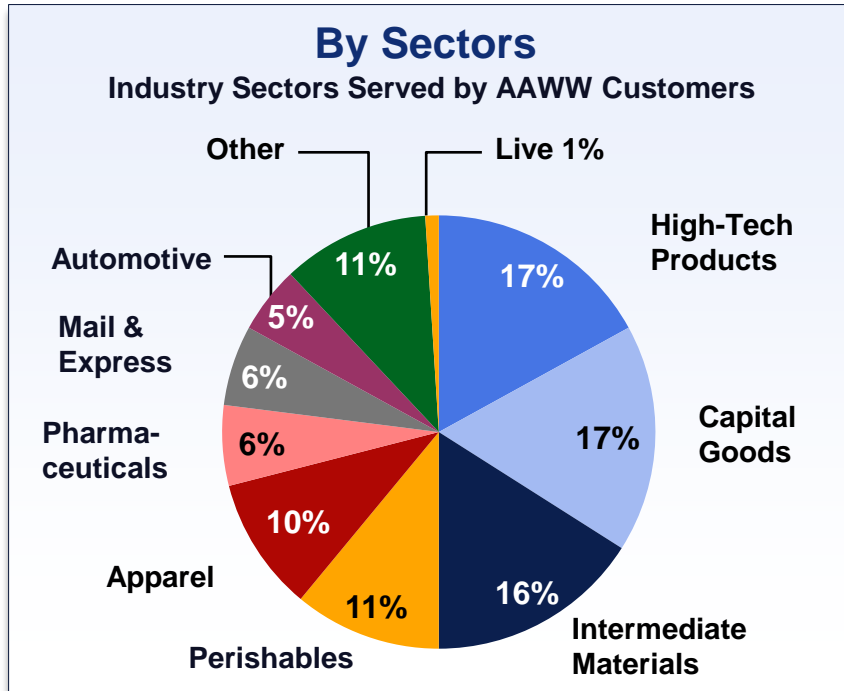
High-value,
time-sensitive
items; items with
short shelf lives

Strategic Choice

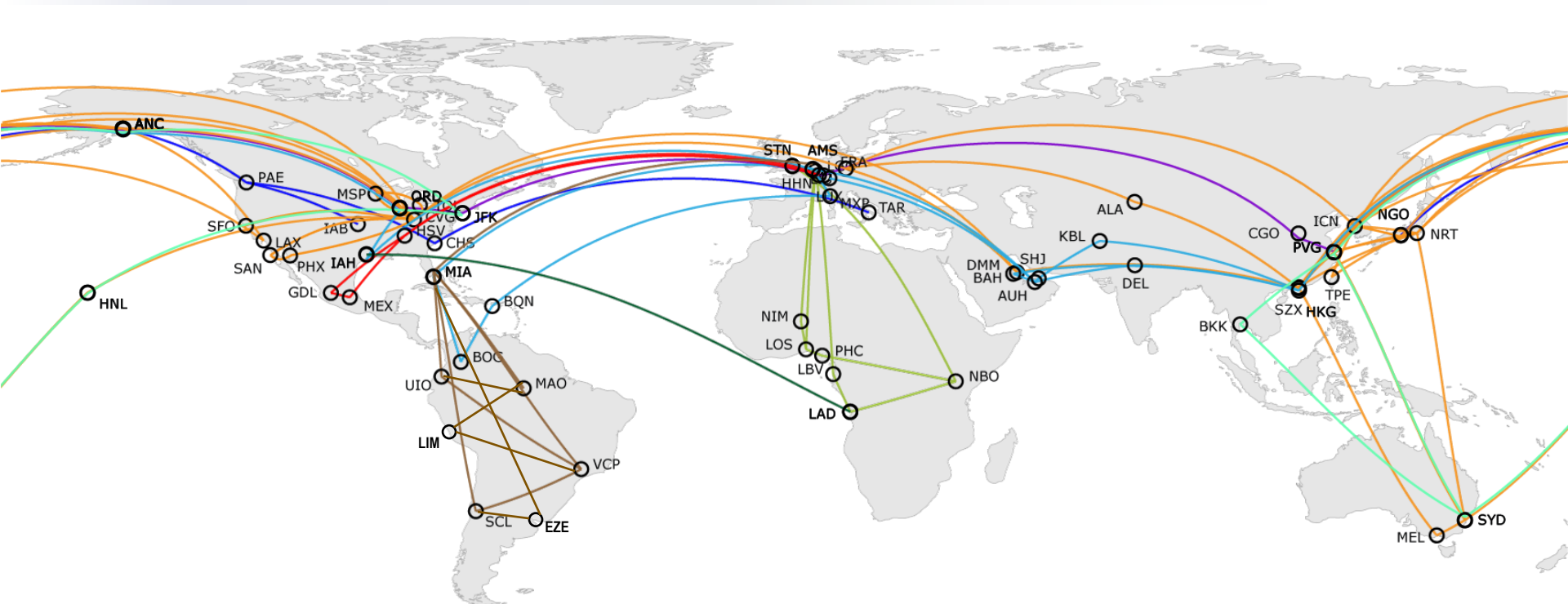
Products/supply
chains with
just-in-time delivery
requirements

Specialty Consideration

Products with
significant security
considerations



Delivering Value to the General Air Cargo Market



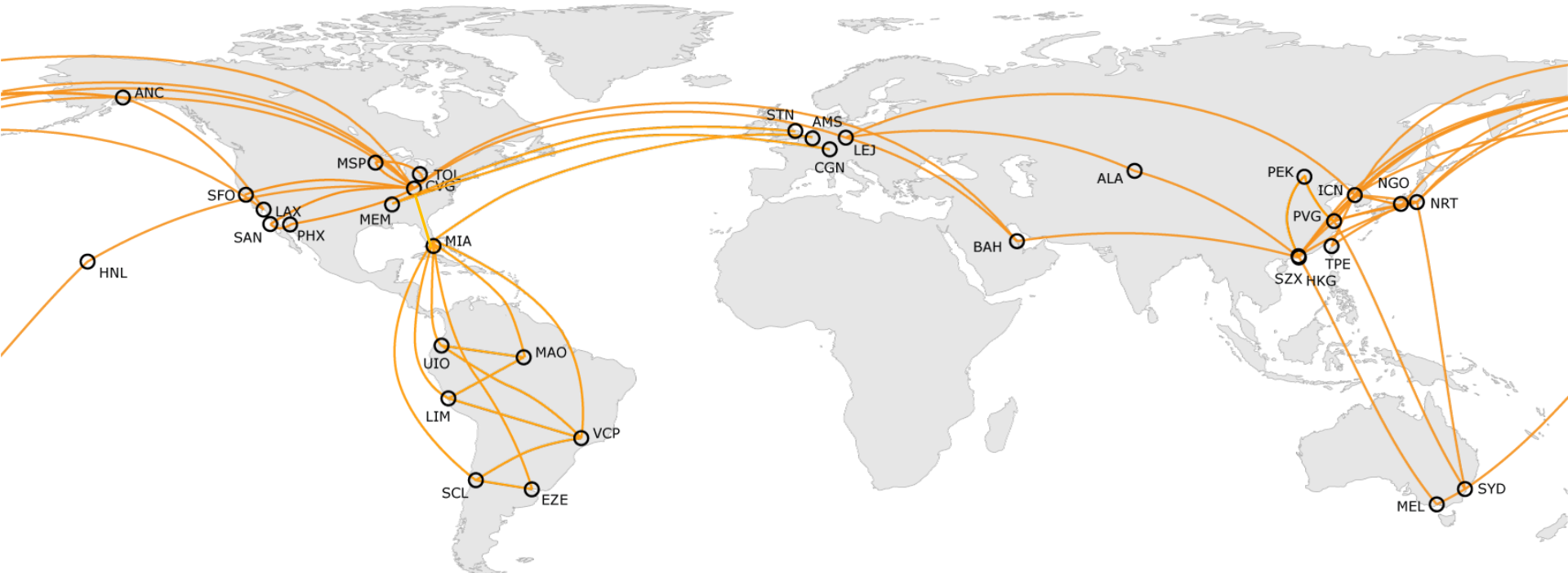
Today

- Largest ACMI / CMI / Charter footprint
- Multiple aircraft platforms
- Expanded our position on five continents

Opportunity

- Continued ACMI / CMI outsourcing by airlines, integrators, forwarders and shippers
- Growth, particularly regarding 777, 767 and 737
- Customer efficiency challenges will drive growth

Delivering Value to the Express Market



Today

- ACMI, CMI and dry-leasing solutions
- Multiple aircraft platforms
- Operating on five continents

Opportunity

- Expanding all products and services
- Increasing fleet count
- Expanding in fast-growing economies

Delivering Value to E-Commerce Market



Today

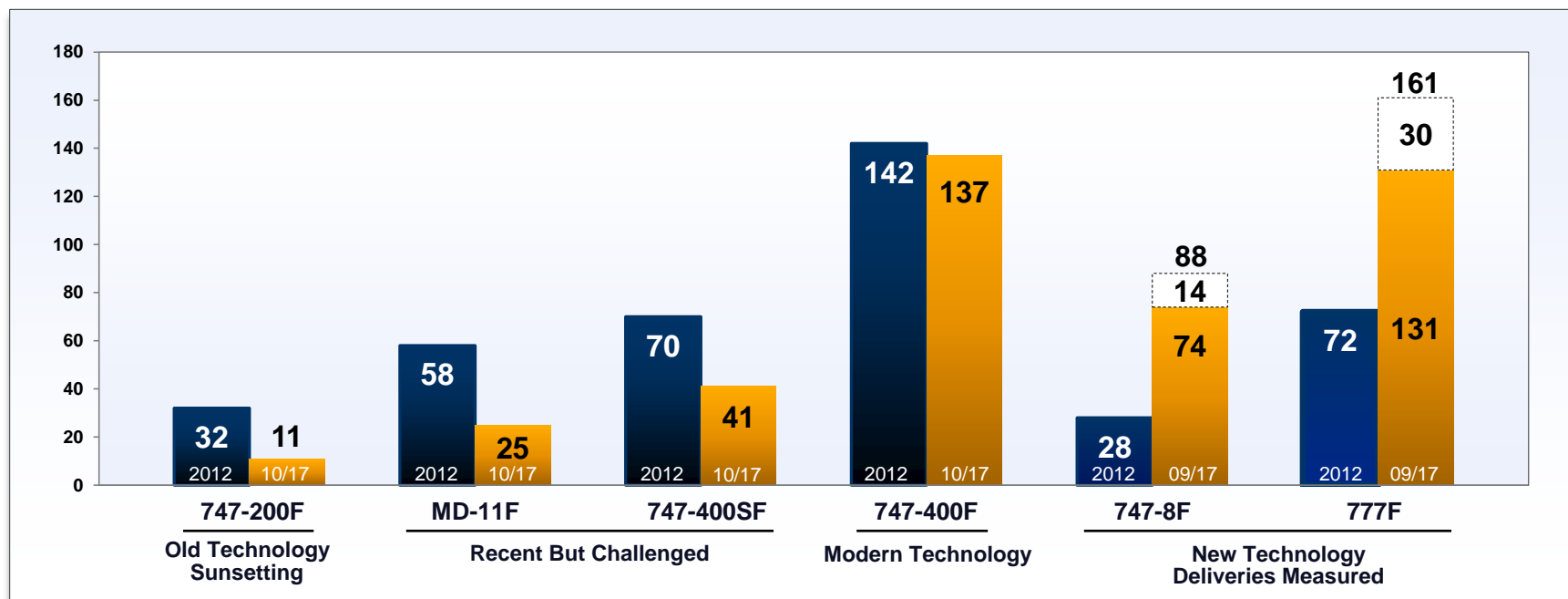
- ACMI, CMI and dry-leasing solutions
- Multiple aircraft platforms (747, 777, 767, 757, 737)
- Operating on five continents

Opportunity

- Very high growth rate with low penetration
- Large scale expansion opportunity across several aircraft platforms
- Expanding in fast-growing economies

Large Freighter Supply Trends

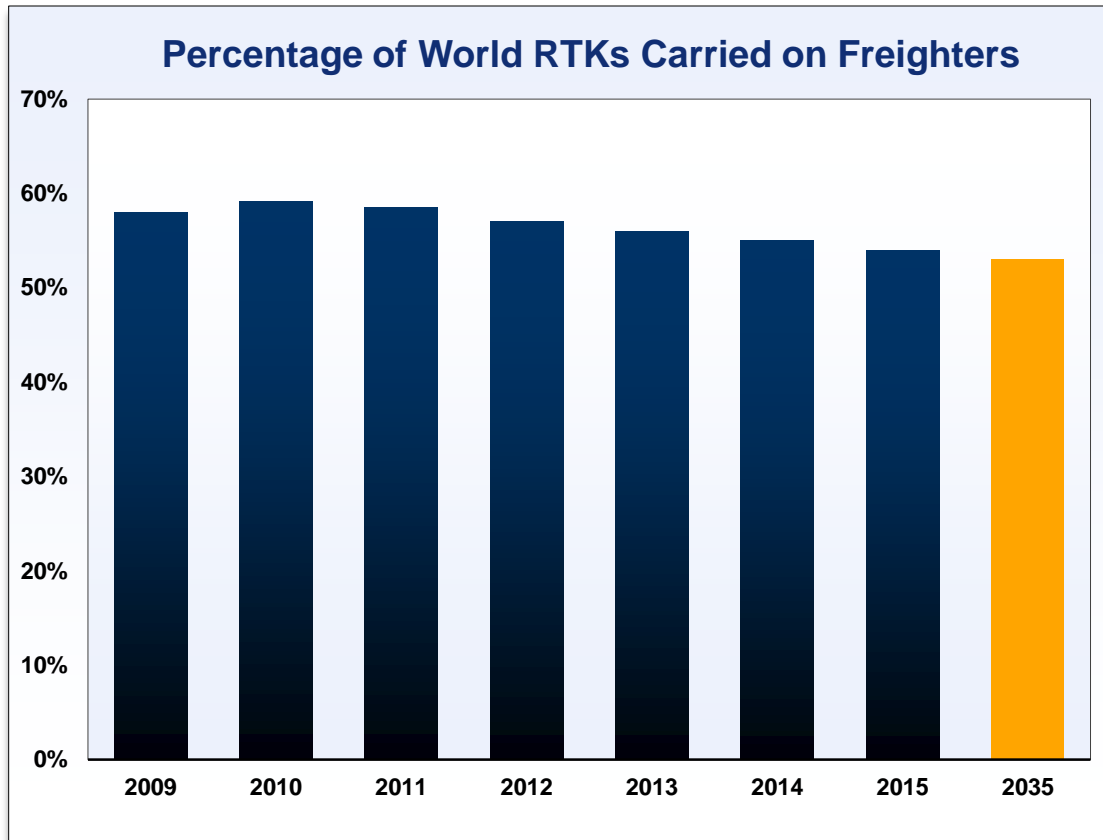
- Projected production capacity will grow in line with **forecast long-term demand growth of ~4%**
- **Older technology is nearly gone**
- **MD-11F and 747-400 converted freighter fleets are shrinking**
- **Large wide-body freighters will continue to dominate the major trade lanes**
- **Belly capacity cannot displace freighters**



Main Deck to Belly?

Main deck freighters **carry more than half of air cargo traffic** and are **forecast to continue to do so** (more reliable schedules, service)

Key Considerations



- 10% shift of Trans-Pac market from main deck to Pax belly requires 50 incremental aircraft
- Limitations on slot and route availability; not enough passenger demand; limited access to aircraft
- Global average capacity availability on a 777-300ER is 18-20 tonnes*
- New Pax 787s fly point-to-point, e.g. London to Phoenix; good for passengers, not cargo

A Strong Leader in a Vital Industry

Global Aviation

At center of modern, global economy
Long-term growth industry
Efficient access to markets; catalyst to international trade
Contributes to economic and social development
Drives increased competition and innovation
Strategic supply chain component
~\$5.9 trillion of goods airfreighted annually; ~35% of total world trade

Atlas

Recognized leader in international aviation outsourcing
Resilient business model focused on long-term growth
Strong customer portfolio; creative partner/advisor able to link customers with opportunities
Business initiatives, investments leading the way forward
Uniquely positioned to identify, secure and sustain growth initiatives
Capacity to develop new organizational capabilities aligned with customers' needs
Well-positioned to capitalize on market opportunities

Committed
to

*Creating, Enhancing and
Returning Value to Shareholders*



Our Vision

**To be our customers'
most trusted partner**

Our Mission

**To leverage our core
competencies and
organizational capabilities**

Reconciliation to Non-GAAP Measures

\$ millions	12/31/16	12/31/15	12/31/14	12/31/13	12/31/12	12/31/11
Income from cont. ops, net of taxes	\$ 42.6	\$ 7.3	\$ 102.2	\$ 94.0	\$ 129.7	\$ 96.3
Income tax expense (benefit)	46.8	(24.5)	(12.7)	23.8	75.6	60.7
Income from cont. ops before income taxes	\$ 89.4	\$ (17.2)	\$ 89.5	\$ 117.8	\$ 205.3	\$ 157.0
Special charge	10.1	17.4	15.1	18.6	-	5.4
Noncash expenses and income, net	8.1	4.5	(0.1)	(1.1)	(1.1)	(0.9)
Charges associated with benefit change in control	23.5	-	-	-	-	-
Transaction-related expenses	22.1	-	-	-	-	-
Accrual for legal matters	6.5	104.4	1.3	-	-	-
Pre-operating expenses	-	-	-	-	-	17.1
Insurance gain	-	-	-	-	(6.3)	-
Loss on early extinguishment of debt	0.1	69.7	-	5.5	0.6	-
Loss on disposal of aircraft / Fleet retirement costs	0.0	1.5	14.7	0.4	(2.4)	(0.4)
Gain on investments	-	(13.4)	-	-	-	-
Unrealized loss on financial investments	2.9	-	-	-	-	-
Adjusted pretax income*	\$ 162.7	\$ 166.9	\$ 120.5	\$ 141.2	\$ 196.1	\$ 178.3
Net interest expense	70.6	81.1	87.8	65.0	29.6	(2.5)
Other non-operating expenses	0.1	1.2	1.1	2.0	0.8	(0.2)
Adjusted operating income*	\$ 233.4	\$ 249.2	\$ 209.4	\$ 208.2	\$ 226.5	\$ 175.6
Depreciation and amortization	148.9	128.7	120.8	86.4	62.5	39.3
EBITDA, as adjusted*	\$ 382.3	\$ 377.9	\$ 330.2	\$ 294.6	\$ 289.0	\$ 214.9

Reconciliation to Non-GAAP Measures

(In \$Millions)	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16
Face Value of Debt	\$ 2,259.8	\$ 2,307.2	\$ 2,068.1	\$ 1,943.4	\$ 1,967.7	\$ 2,001.7	\$ 1,972.2
Plus: Present Value of Operating Leases	681.9	661.0	678.6	749.9	774.7	799.4	823.7
Total Debt	2,941.8	2,968.2	2,746.7	2,693.2	2,742.4	2,801.1	2,795.9
Less: Cash and Equivalents	\$ 176.3	\$ 282.7	\$ 118.9	\$ 138.3	\$ 115.6	\$ 168.3	\$ 331.9
Less: EETC Asset	29.9	30.9	31.9	32.3	34.8	35.8	38.1
LTM EBITDAR	\$ 546.8	\$ 543.1	\$ 525.6	\$ 526.0	\$ 485.9	\$ 484.7	\$ 496.4
Net Leverage Ratio (Incl. EETC Invest)	5.0x	4.9x	4.9x	4.8x	5.3x	5.4x	4.9x



ATLAS AIR

Thank you.