



AAWW Investor Slides

OCTOBER 2019



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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.

Such forward-looking statements speak only as of the date of this presentation. 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 and expressly disclaims any obligation to revise or update publically any forward-looking statement to reflect future events or circumstances.

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 releases dated February 19 and August 1, 2019, which are posted at www.atlasairworldwide.com.

Continuing Leadership

■ Chairman and CEO Bill Flynn to become Chairman of the Board only effective Jan. 1, 2020

■ President and COO John Dietrich to become President and CEO

■ Gen. Duncan McNabb, USAF, Ret. to continue as Lead Independent Director

■ John Dietrich

- 30+ years in aviation; 13 with United Airlines; 20+ with Atlas
- Atlas COO for last 13 years
- Visionary leader with industry expertise
- Key member of senior leadership team
- Unparalleled commitment to company, customers and employees



Shaping a Powerful Future

Global leader in outsourced aviation

Significant business growth and development

Focus on **express, e-commerce, fast-growing markets**

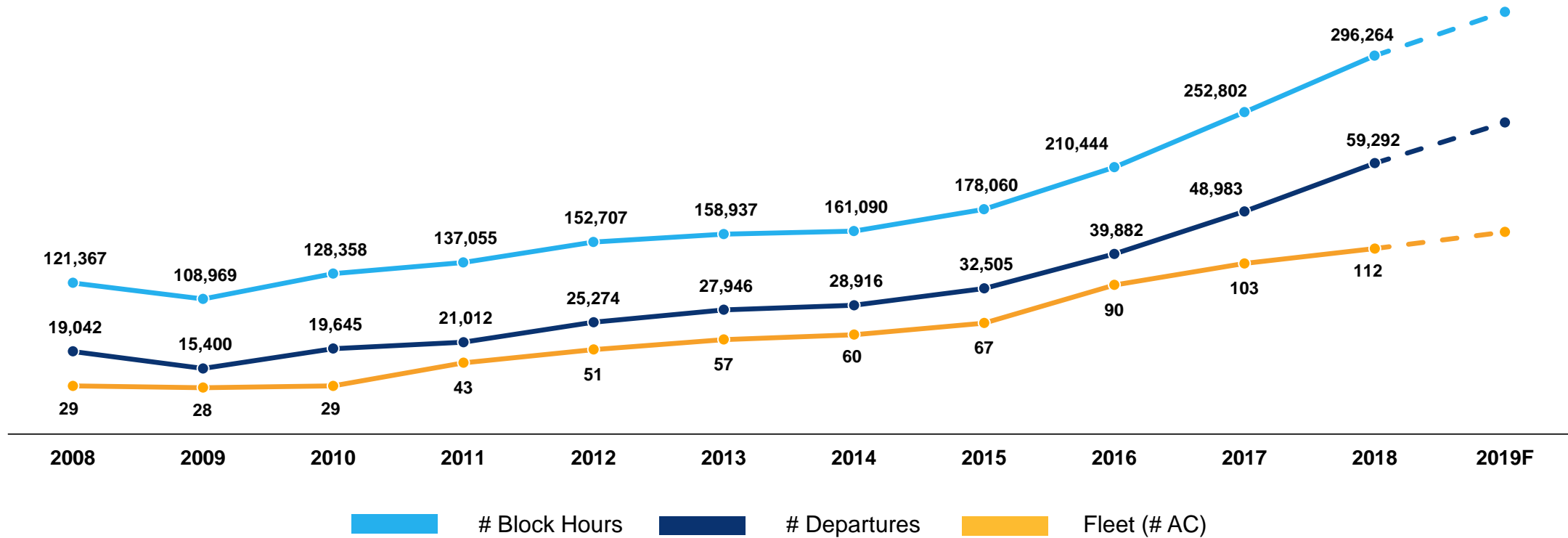
Opportunities to grow with existing customers and new ones

Strong foundation for **earnings and cash flow**


Capitalizing on initiatives to drive value and benefit for customers and investors






Growth by Year



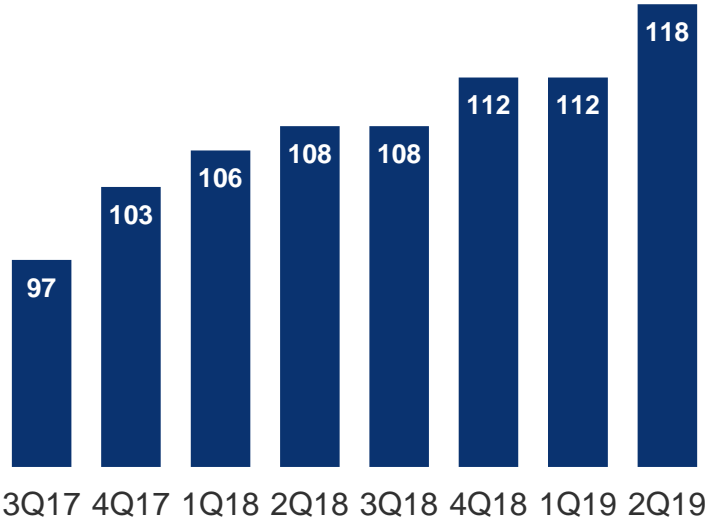
FROM 2008 THROUGH 2018...

-  +83 aircraft
-  +66 airports
-  +1,847 employees

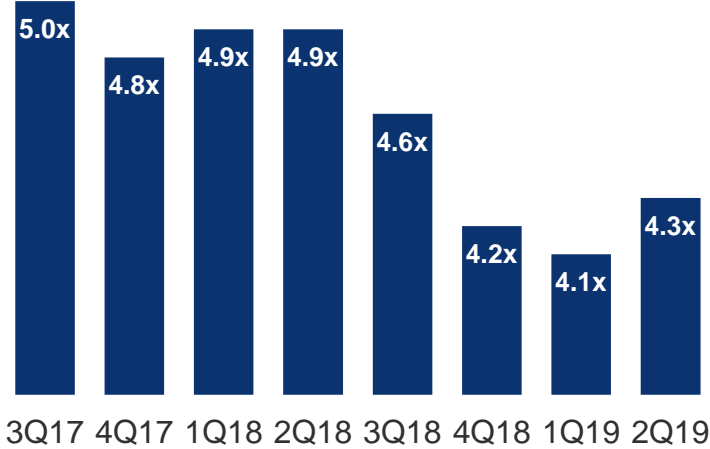
-  +1,081 pilots
-  +\$1.1 billion of revenue
-  \$3.1 billion invested in aircraft purchases

Growing/Diversifying Fleet/Managing Leverage

NUMBER OF AIRCRAFT

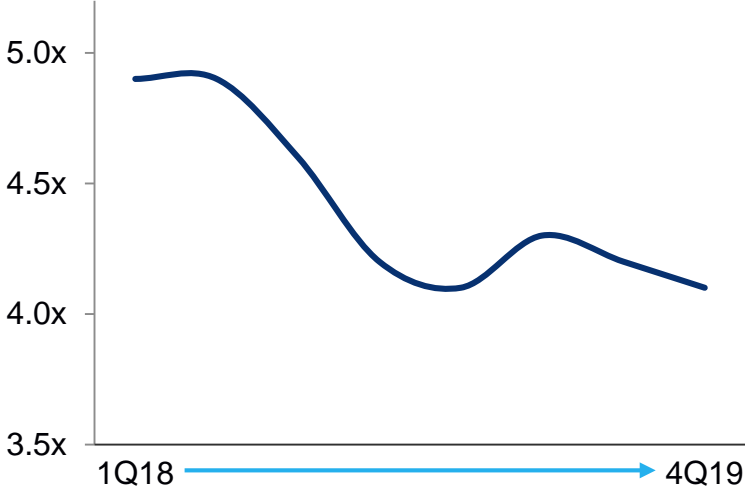


NET LEVERAGE RATIO*



ESTIMATED NET LEVERAGE RATIO

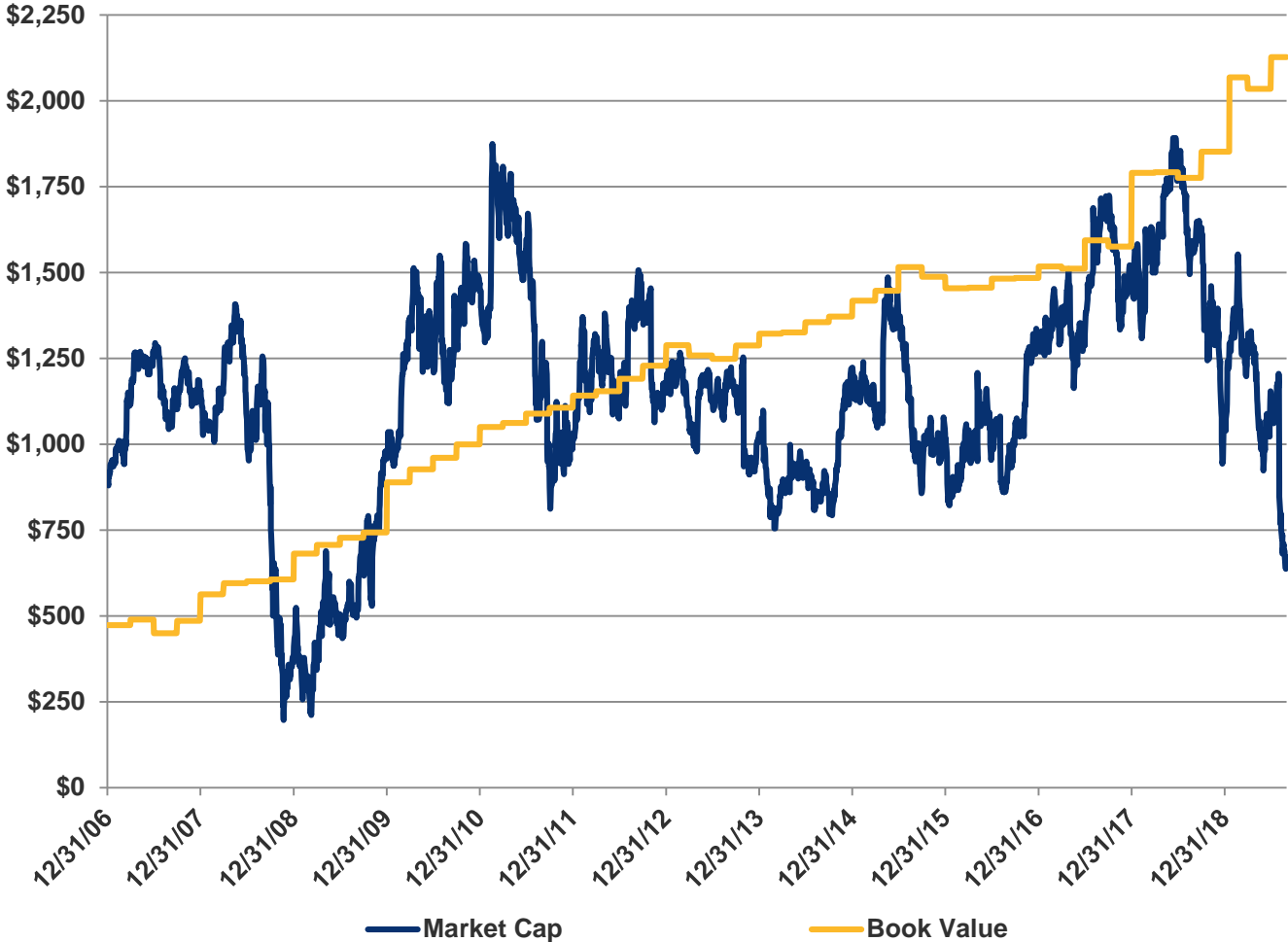
Based on estimates of fleet growth, placement dates and financing plans



*See Appendix for Non-GAAP reconciliations

Relationship Between Book Value and Market Cap

(In \$Millions)



- History of **consistently building book value**
 - 350% increase over ~12-year period
- Market capitalization is currently at a significant discount to book value
- Market capitalization varies above and below book value as it reacts to market factors

1H19 Summary

BLOCK HOURS

157,342

REVENUE

\$1.3B

ADJ. EBITDA*

\$204.0M

DIRECT CONTRIBUTION

\$170.5M

ADJUSTED INCOME
FROM CONTINUING OPS*

\$31.8 million

REPORTED INCOME
FROM CONTINUING OPS

\$57.2 million, including

- \$59.8 million of tax benefits related to the favorable completion of a tax examination
- \$4.3 million noncash unrealized loss on outstanding warrants

*See August 1, 2019 press release for Non-GAAP reconciliations

Business Developments

ACMI/CMI

Strong record of placements and expanded service for existing customers

Added customers include:
Asiana, Inditex, Nippon Cargo Airlines, DHL Global Forwarding, SF Express

Leasing & Charter Operator of the Year (4th consecutive year)

Placed and began operating **20 767-300Fs for Amazon**

Began operating **three 737-800Fs for Amazon**; scheduled to add **two more during 2019**

Significant additional **placements with express operators:**
DHL, FedEx and UPS



Business Developments

CHARTER

World's leading 747 charter operator

High-profile sports, racing, entertainment charters: NFL, FC Barcelona, Manchester United, Formula One, Taylor Swift and more

Expanded our network as the **leading operator in South America** market

Largest provider of cargo and passenger charters to **U.S. military**



DRY LEASING

World's 3rd largest freighter lessor by value

Added/converted **22 767-300s**; acquired **two additional 777-200Fs**

AeroLogic

amazon

中国邮政航空公司
China Postal Airlines

DHL

FedEx

Amazon Service

SUPPORTING FAST DELIVERIES FOR AMAZON'S CUSTOMERS

19 B767-300
converted freighters on lease;
17 in CMI

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

Five 737-800BCFs in 2019;
Up to 20 by May 2021

7- to 10-year **CMI**

Strategic **long-term** relationship

Amazon granted **rights to acquire AAWW equity**

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

Agreements provide for **future growth opportunities**



Diversified Customer Base

LONG-TERM, PROFITABLE RELATIONSHIPS

SHIPPERS



INDITEX

FORWARDERS



KUEHNE+NAGEL



AIRLINES

AeroLogic

ASIANA CARGO



EXPRESS



SPORTS CHARTERS



OUR STRENGTHS

- Diversified 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

Our Fleet

2018 Fleet Growth: **16 Aircraft**

+ Six 747s

+ One 777

+ Nine 767s

2019 Fleet Growth: **12 Aircraft**

+ Four 747s

+ Two 777s

+ One 767

+ Five 737s

TOTAL FLEET: 123* **OPERATING FLEET: 107** **DRY LEASE: 11** **IN PIPELINE: 5***



55 Boeing 747s

- 10 747-8Fs
- 36 747-400Fs*
- 5 747-400 Passenger*
- 4 Boeing Large Cargo Freighters (LCFs)



42 Boeing 767/757s

- 33 767-200/300Fs
- 6 767-200/300 Passenger
- 2 767-300 Freighters Titan
- 1 757-200 Freighter Titan



14 Boeing 777s

- 2 A+CMI 777Fs
- 6 CMI 777Fs
- 6 Titan 777Fs

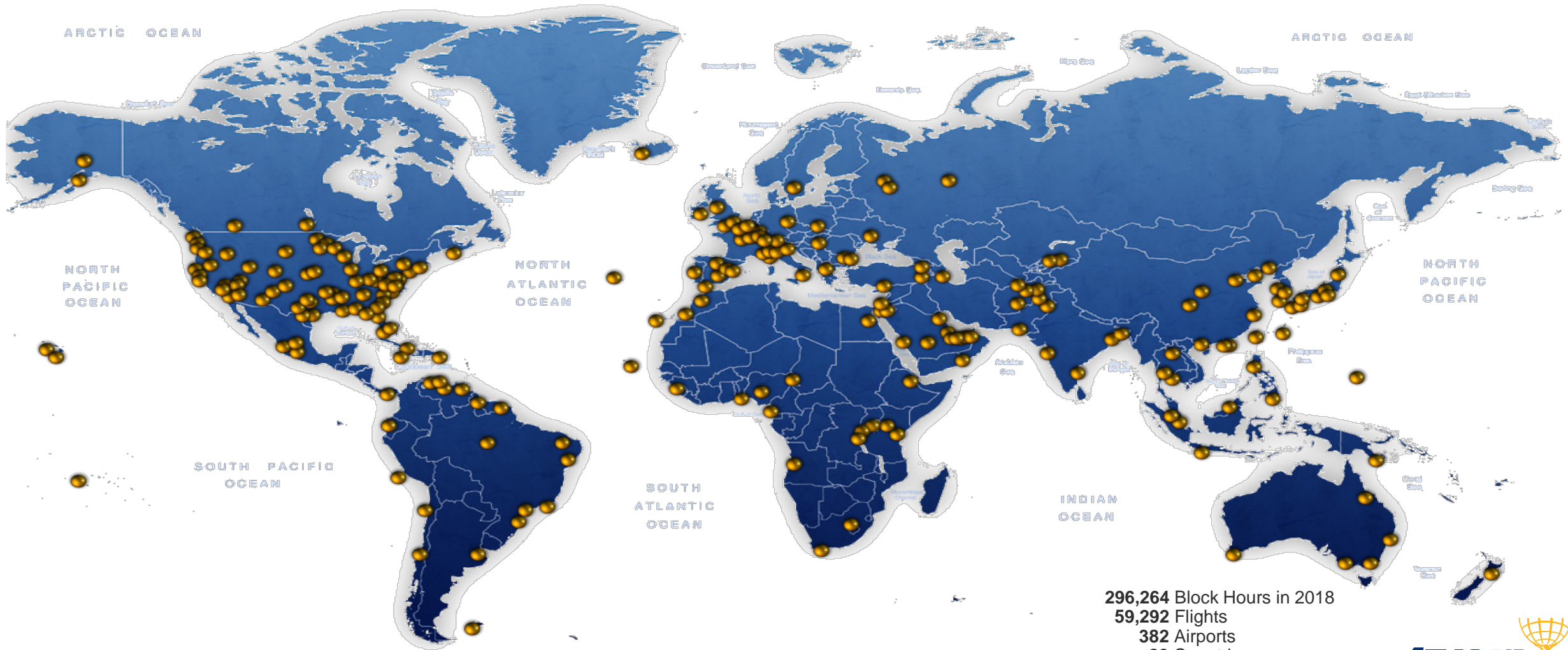


12 Boeing 737s

- 10 737-400/800Fs*
- 1 737-300 Freighter Titan
- 1 737-800 Passenger Titan

*118 aircraft at June 30, 2019 (includes one 767-300 in conversion); pipeline includes two 747-400Fs, one 747-400 Passenger and two 737-800Fs to be added in 2019

Global Presence



296,264 Block Hours in 2018
59,292 Flights
382 Airports
89 Countries

Executing Strategic Plan



Capital Allocation Strategy

BALANCE SHEET MAINTENANCE

- Acquired/converted 23 767-300s
- Acquired 10th 747-8F
- Acquired two 777s and two 767s for Dry Leasing; also operating them in CMI

BUSINESS INVESTMENT

- Acquired two VIP-configured 747s for Charter passenger service
- Acquired 4th and 5th 767 for AMC passenger service

SHARE REPURCHASES

- Refinanced high-cost 747-400 EETC debt and higher-cost 747-8F term loans
- Repurchased >10% of outstanding stock
- Focused on maintaining healthy cash position



2019 Objectives

- Deliver **superior service quality**
- Committed to **safe, secure, compliant operation**
- Maximize **business opportunities**
- Capitalize on 2018 **fleet growth**
- Realize **continuous improvement**
- Maintain **solid balance sheet**



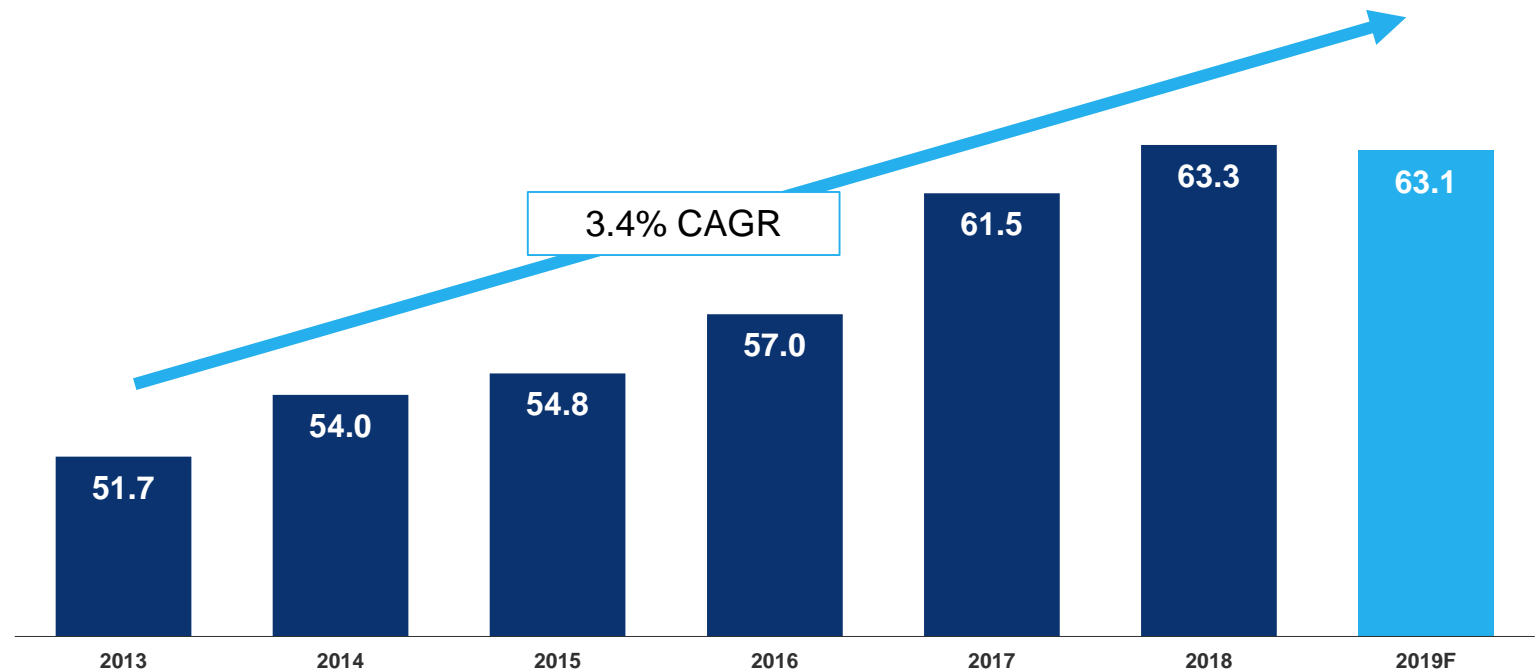
Continued Growth and Innovation

International Global Airfreight – Annual Growth

IATA – Global airfreight tonnage at record levels

IATA – International freight tonne kilometers (FTKs) flown up 3.6% in 2018

IATA REPORTED AIRFREIGHT TONNAGE AT RECORD LEVELS
(In Millions)

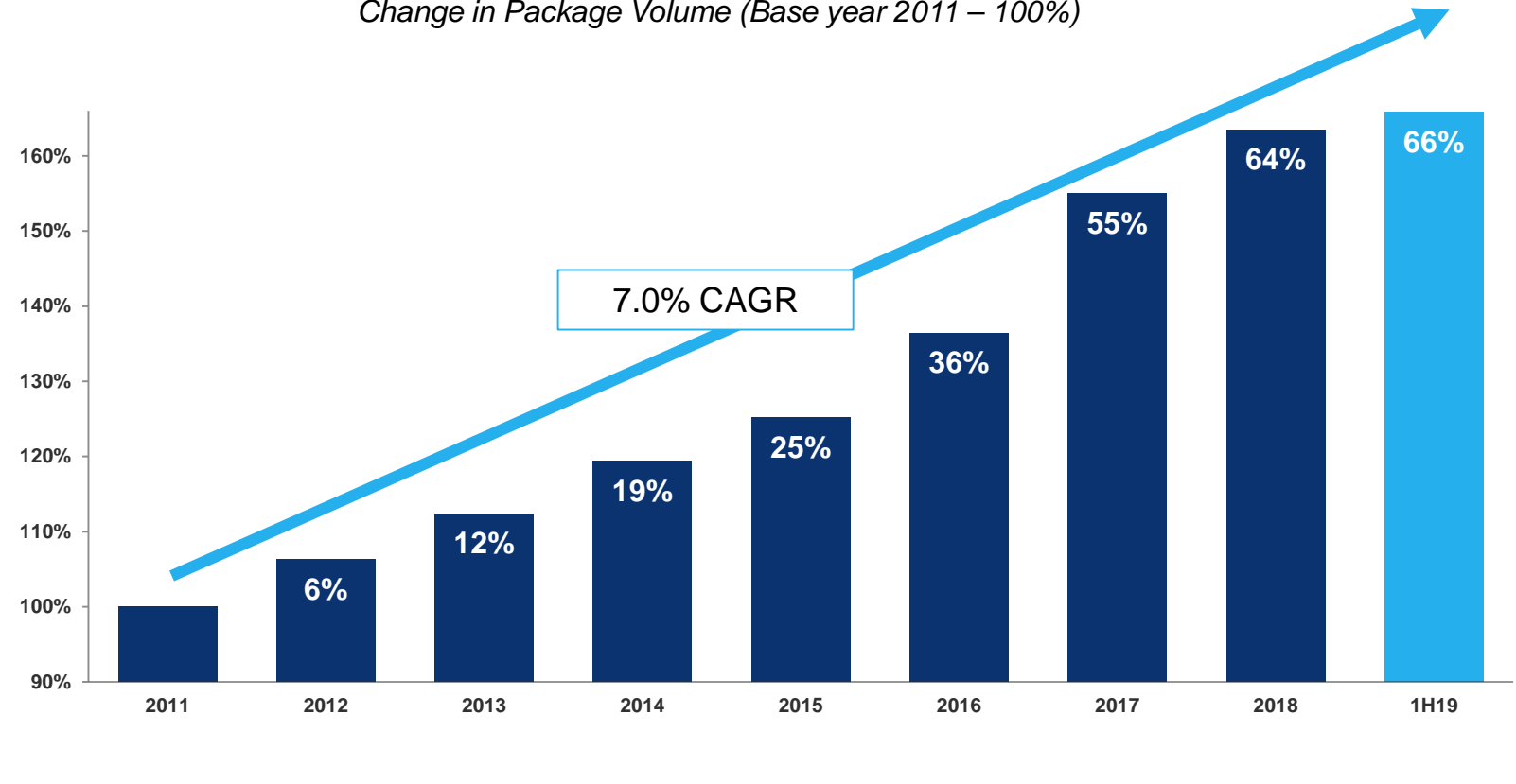


The Key Underlying Express Market is Growing

The International Express market is **showing robust growth**

7.0% CAGR since 2011, well above the pace of general airfreight

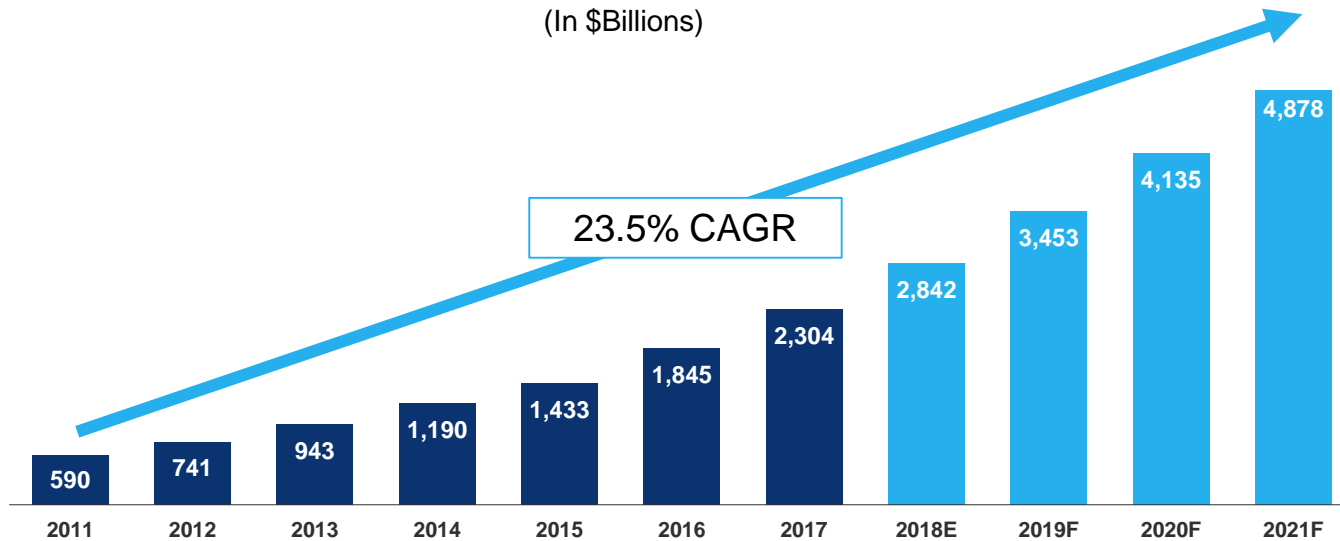
INTERNATIONAL EXPRESS MARKET – DHL, FedEx and UPS
Change in Package Volume (Base year 2011 – 100%)



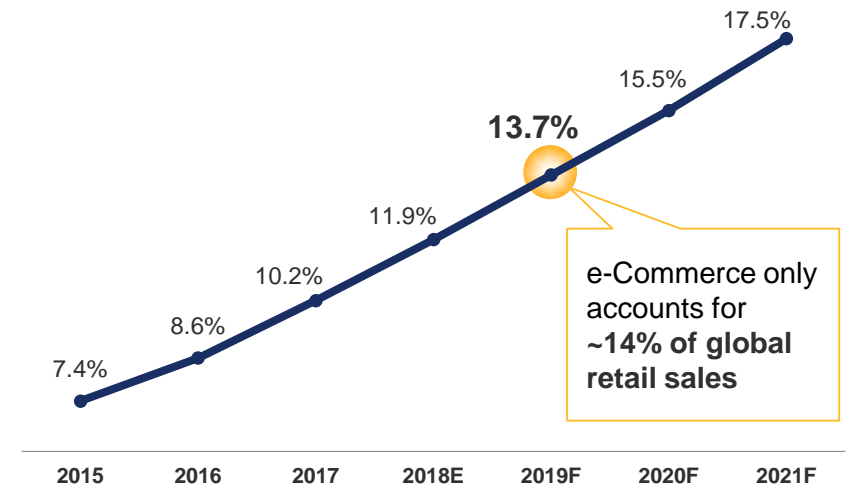
Notes: Weighted average of growth rates in international express package volume reported by these express operators
Weighting is 50% DHL, 25% UPS and 25% FedEx. 2016-2017 FedEx reported data reflects beneficial impact of TNT acquisition

e-Commerce Growth

GLOBAL e-COMMERCE SALES
(In \$Billions)



e-COMMERCE PENETRATION
(as percentage of global retail sales)



USA 237M internet users
73% mobile penetration
9% e-Commerce penetration



CHINA 700M internet users
50% mobile penetration
10% e-Commerce penetration



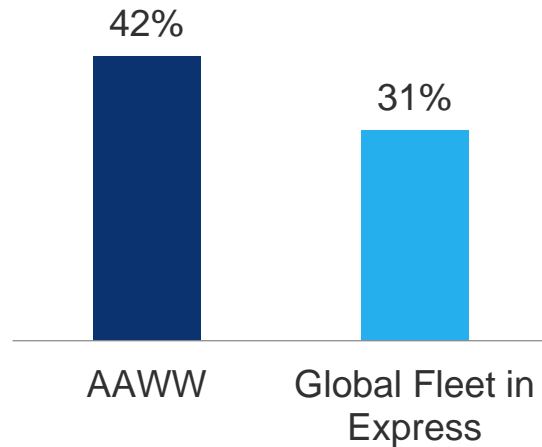
INDIA 300M internet users
25% mobile penetration
2% e-Commerce penetration



Fleet Aligned with Express and e-Commerce

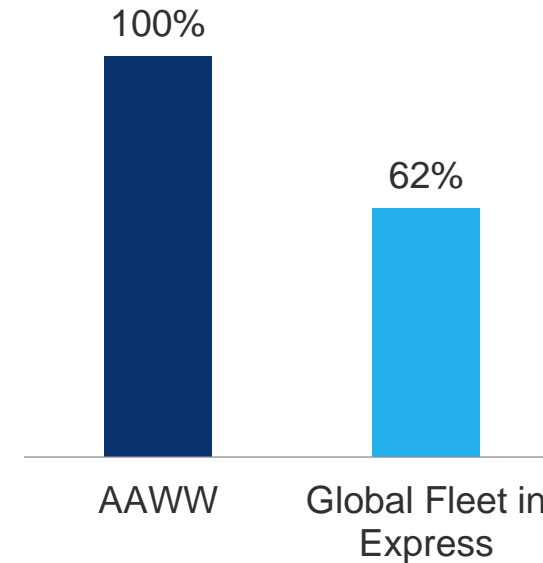
Atlas Fleet
in Express/
e-Commerce
Compared with
Global Fleet

LARGE WIDEBODY



565 Total global large widebody freighters (747s, 777s, MD-11s, DC-10-30s/40s)

MEDIUM WIDEBODY



544 Total global medium widebody freighters (767s, A300-600s/B4s, A330-200s, A310-200s/300s, DC-10-10s)

A Strong Leader in a Vital Industry

THE INDUSTRY

Airfreight is **vital to global trade growth**

~\$6.7 trillion of goods airfreighted annually;
~35% of total world trade

Higher-growth e-Commerce and express markets **demand dedicated freighter services**

Significant growth in **U.S. domestic** air markets

High-value, time-sensitive inventories **demand airfreight-based supply chain**

Airfreight provides a **compelling value proposition**

ATLAS

Modern, reliable, fuel-efficient fleet

Differentiated fleet solutions:
747, 777, 767, 757, 737

Strong portfolio of long-term customers
committed to further expansion

Operating on **five continents**

Serving the **entire air cargo supply chain**

Unique integrated value proposition

High degree of **customer collaboration**

Focused on innovation and thought leadership





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 VISION

To be our customers'
most trusted partner

OUR MISSION

To leverage our core
competencies and
organizational capabilities



Delivering a Strong Value Proposition

TRADITIONAL AIRFREIGHT

- **Growing ~4%** through 2038
- Airfreight: **35% of the value** of world trade
- Airlines seeking **more efficient and flexible freighter solutions**

EXPRESS

- Strong growth with **~7.0% CAGR**
- Segment fueled by **strong e-Commerce growth**
- Express carriers require **incremental and flexible asset solutions**

e-COMMERCE

- Market **growing by >20%**
- Very **low penetration** globally
- Requires **dedicated freighter networks**

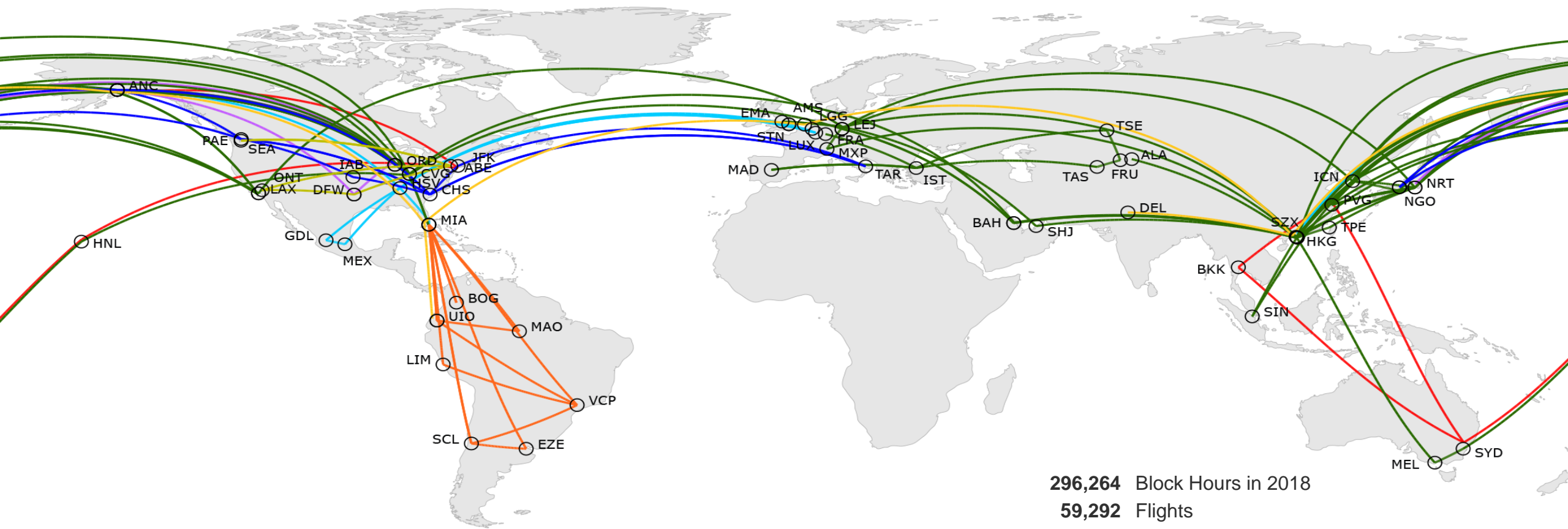
MULTIPLE...

products
markets
fleet

ATLAS AIR

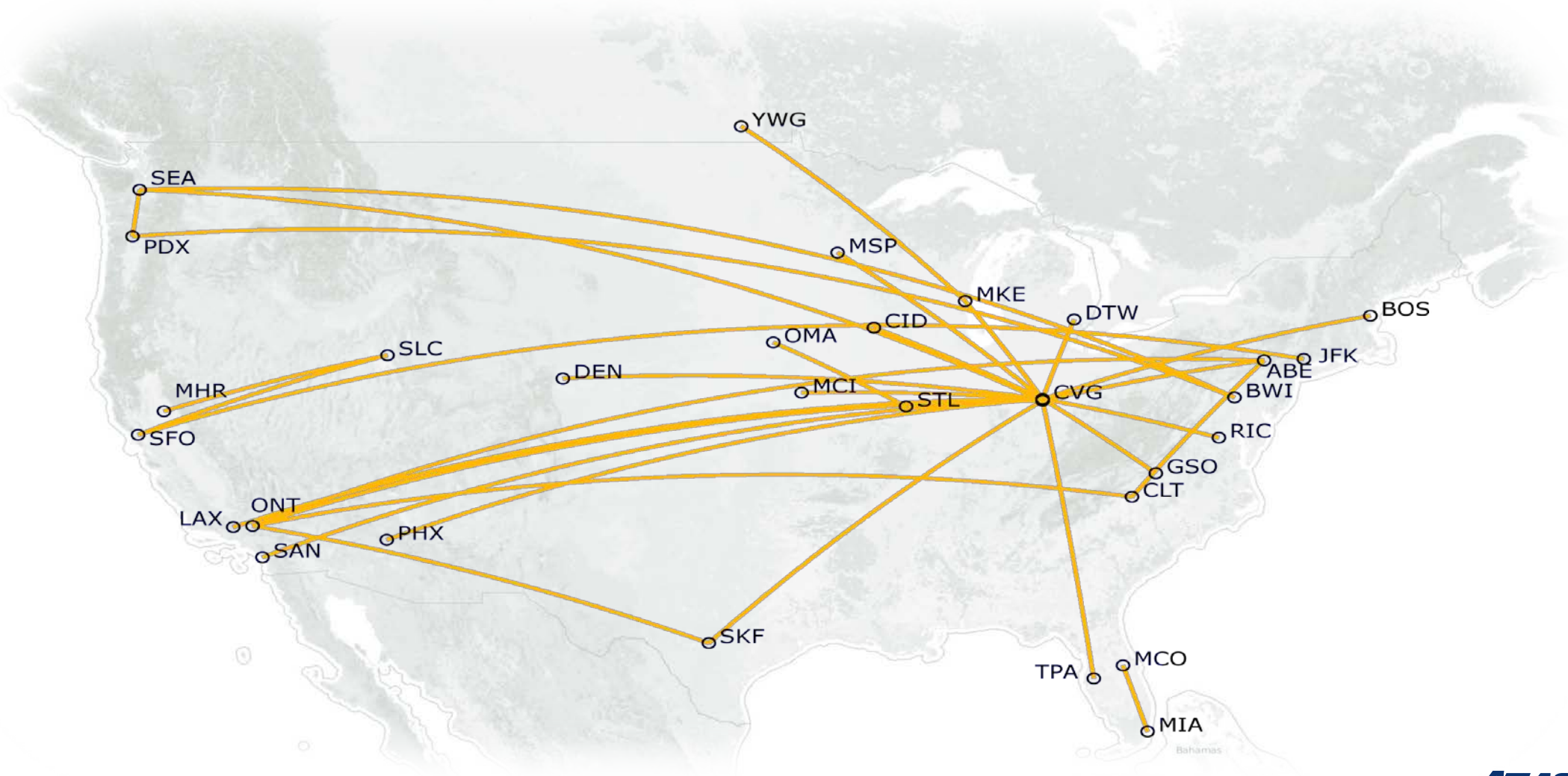
positioned to
deliver value
and growth

Global Operating Network



296,264 Block Hours in 2018
59,292 Flights
382 Airports
89 Countries

North America Operating Network



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

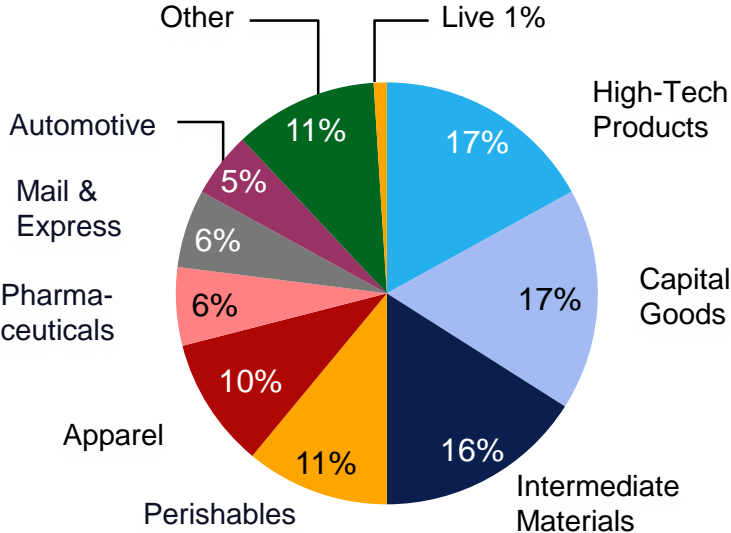
Products/supply chains with just-in-time delivery requirements

SPECIALTY CONSIDERATION

Products with significant security considerations

BY SECTOR

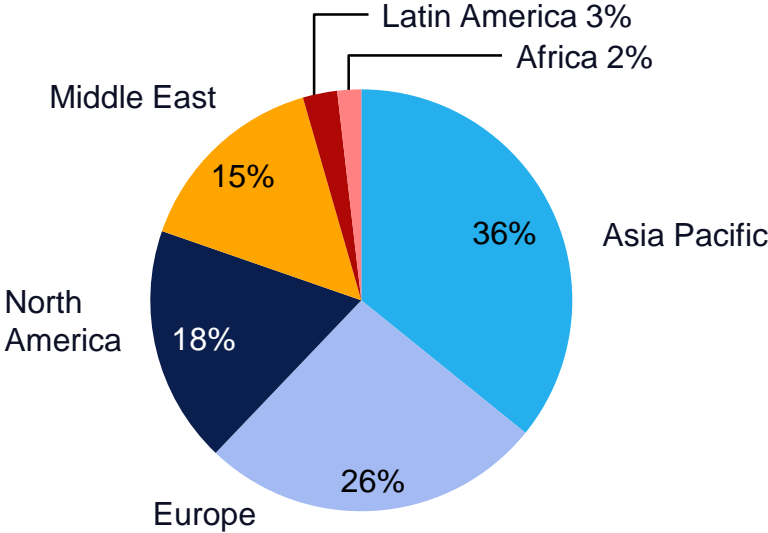
Industry Sectors Served by AAWW Customers



By Sectors Chart Source: Atlas research
By Region Chart Source: International Air Transport Association – July 2019

BY REGION

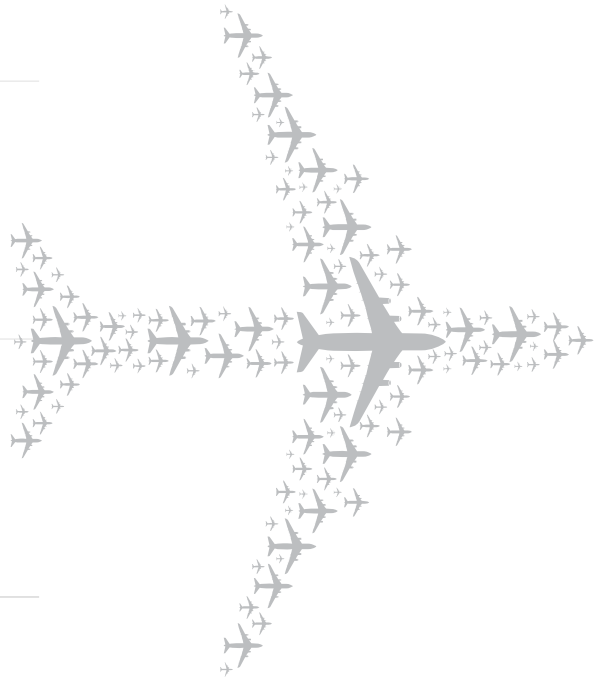
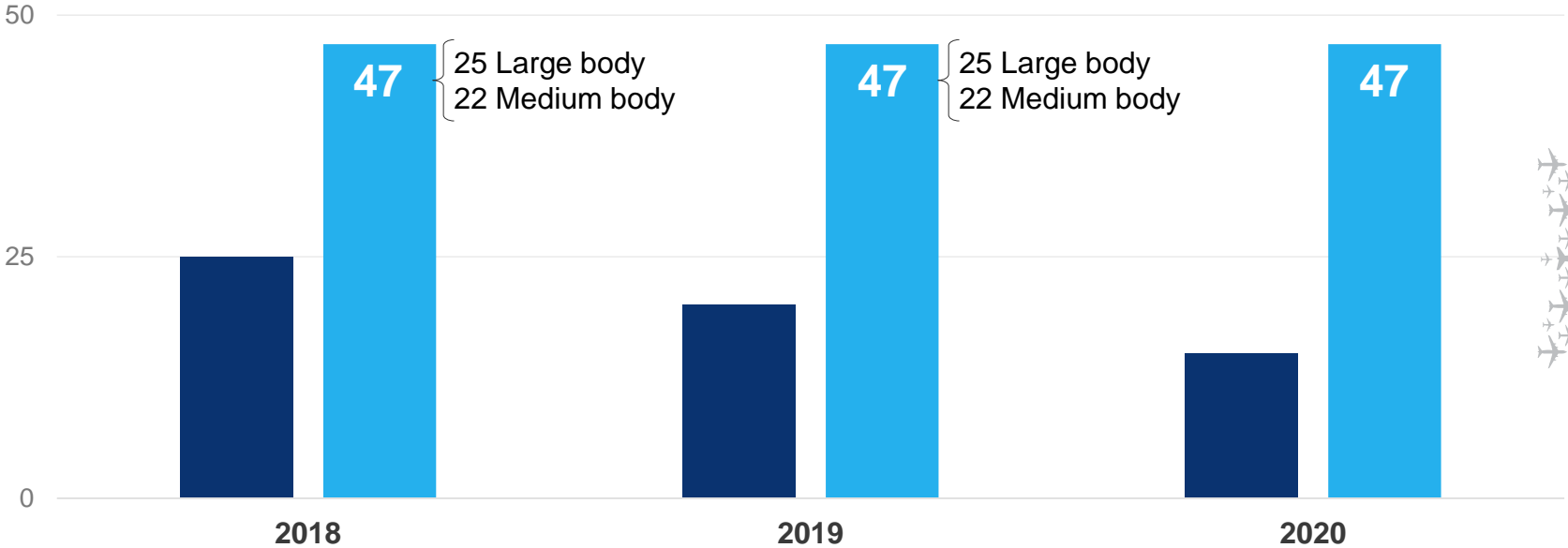
Percent of International Freight Tonne Kilometers (FTKs)



Demand Exceeding Current Orders

- Current Orders
- New Large Freighters Needed (at ~4% growth)

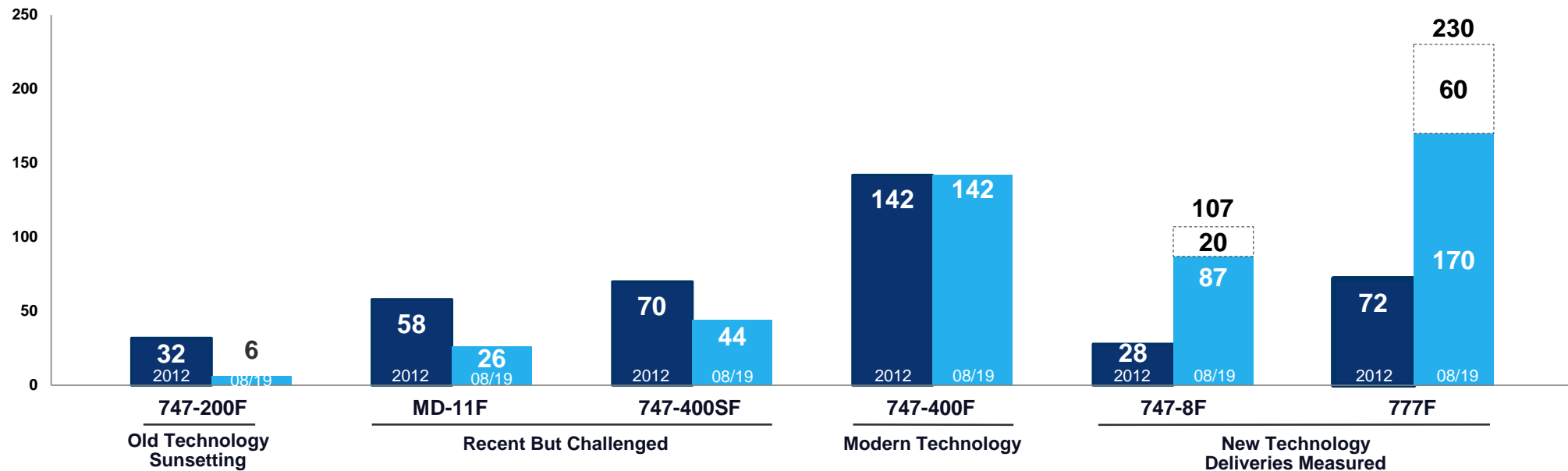
980 new production freighters needed over next 19 years (2018 – 2037)



Sources: Boeing, Airbus, Cargo Facts, 2018

Large Freighter Supply Trends

- Fleet expected to grow <1% annually; 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



Sources: Atlas (August 2019), Ascend (August 2019), Boeing (August 2019), company reports. Excludes parked aircraft, aircraft in Express operations, combis and tankers; 747-200F total includes -100s and -300s. Boeing August 2019 777F total includes 60 with express operators (42 with FedEx, 10 with AeroLogic/DHL, and 8 for DHL Express)

Tailoring Airfreight Networks for e-Commerce

CUSTOMERS REQUIRE TAILORED SOLUTIONS,
AND ATLAS PROVIDES:

- Customized air networks supported by an unparalleled range of freighters
- Global scale to operate domestic, regional and international networks

We match each customer with the **right assets**, the **most efficient networks** and **value-adding solutions**

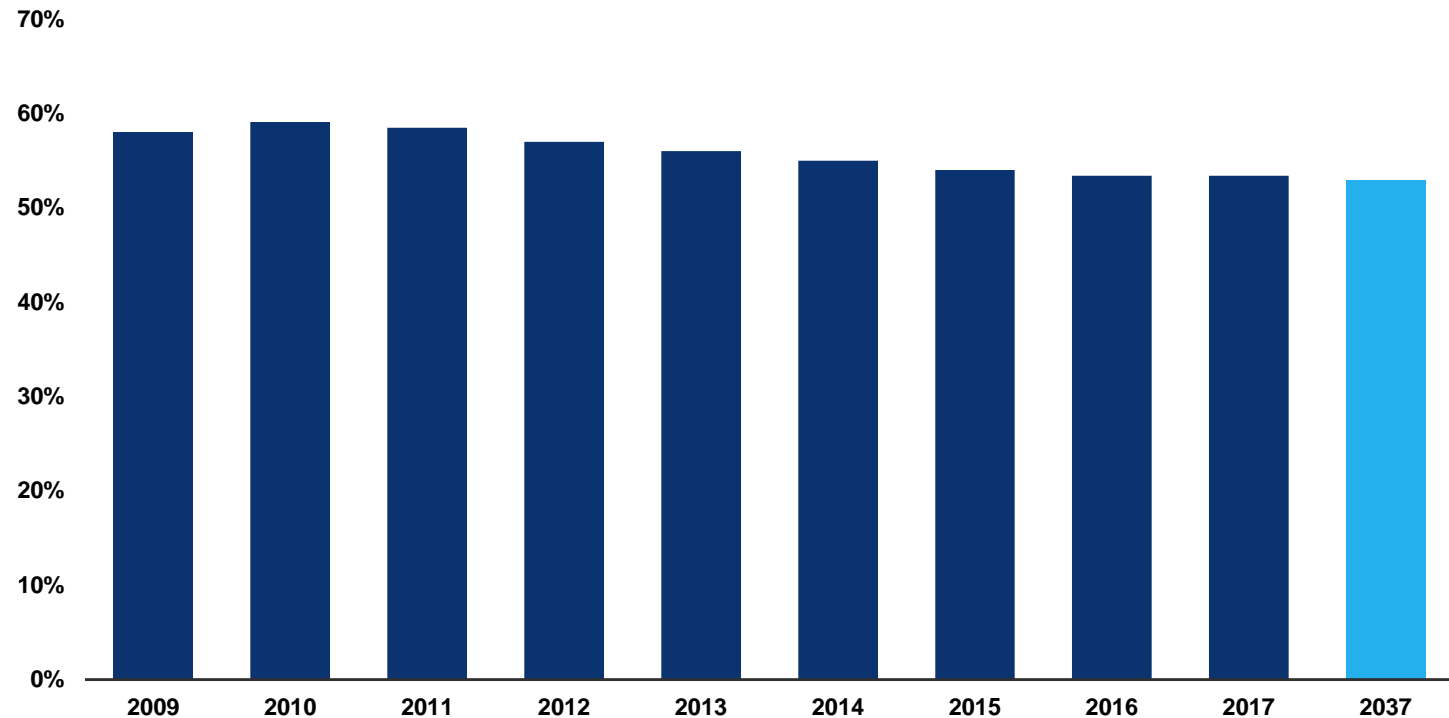


Main Deck to Belly?

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

PERCENTAGE OF WORLD RTKs CARRIED ON FREIGHTERS



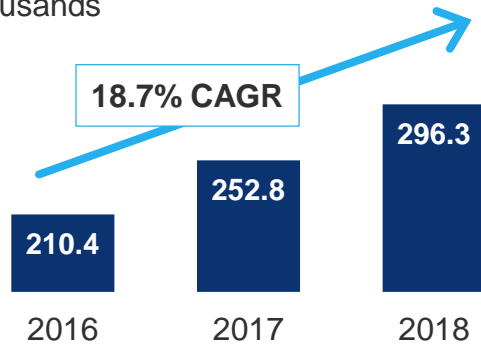
DEDICATED FREIGHTERS WILL CONTINUE TO CARRY MORE THAN HALF OF AIR CARGO TRAFFIC

*Considering 28 tonnes max structural cargo capacity available after allocating capacity to bags carried
Sources: Atlas, Boeing

Financial and Operating Trends

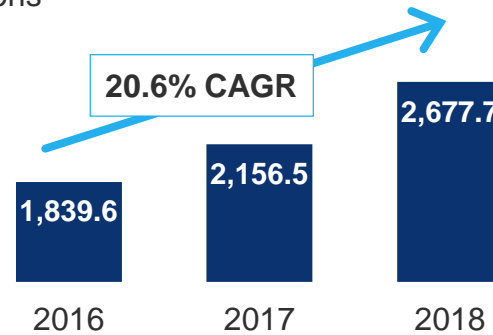
BLOCK HOURS

In Thousands



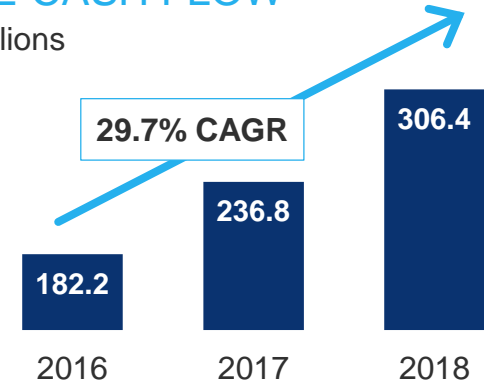
REVENUE

In \$Millions



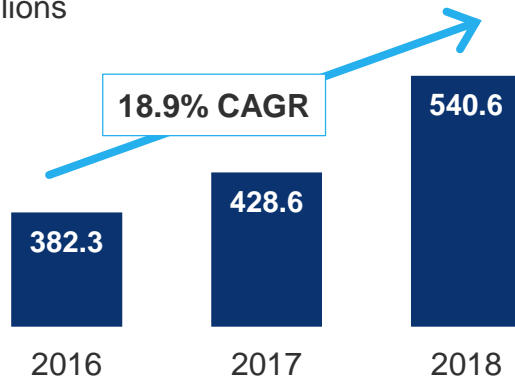
FREE CASH FLOW

In \$Millions



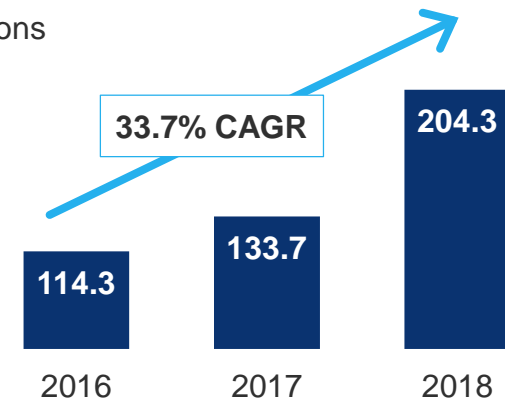
ADJ. EBITDA*

In \$Millions



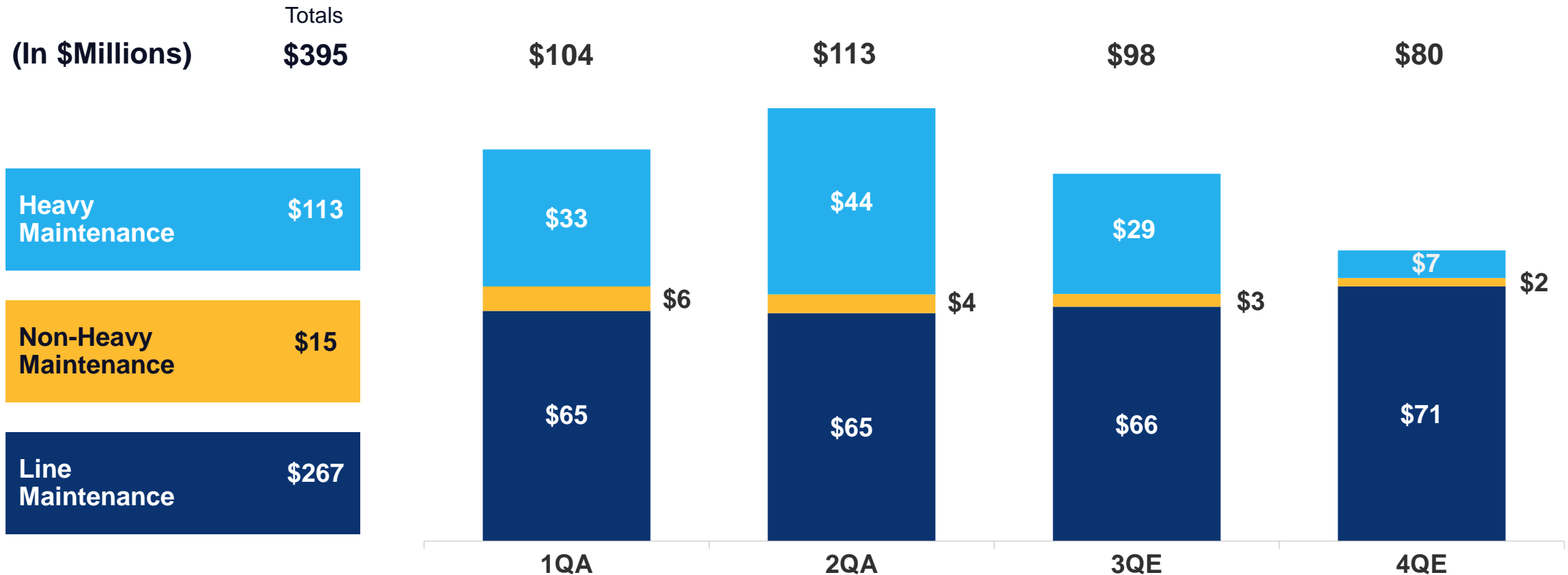
ADJ. NET INCOME*

In \$Millions



*See February 19, 2019 press release for Non-GAAP reconciliations

2019 Maintenance Expense



- **Line maintenance** expense increases commensurate with additional block hour flying
- **Line maintenance** expense is approximately \$810 per block hour
- **Non-heavy maintenance** includes discrete events such as APU, thrust reverser, and landing gear overhauls

Note: Figures subject to rounding

Reconciliation to Non-GAAP Measures

| (In \$Millions) | 3Q17 | 4Q17 | 1Q18 | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| FACE VALUE OF DEBT | \$ 2,259.8 | \$ 2,378.8 | \$ 2,416.6 | \$ 2,644.1 | \$ 2,674.2 | \$ 2,601.3 | \$ 2,530.4 | \$ 2,511.4 |
| PLUS: PRESENT VALUE OF OPERATING LEASES | 681.9 | 656.6 | 709.7 | 684.2 | 656.4 | 626.0 | 621.8 | 591.9 |
| TOTAL DEBT | \$ 2,941.8 | \$ 3,035.4 | \$ 3,126.2 | \$ 3,328.3 | \$ 3,330.6 | \$ 3,227.3 | \$ 3,152.2 | \$ 3,103.3 |
| LESS: CASH AND EQUIVALENTS | \$ 176.3 | \$ 291.9 | \$ 130.4 | \$ 227.9 | \$ 226.2 | \$ 232.7 | \$ 164.5 | \$ 120.8 |
| LESS: EETC ASSET | 29.9 | 29.0 | 27.8 | 24.1 | 20.2 | 16.3 | 11.4 | 7.2 |
| LTM EBITDAR | \$ 546.8 | \$ 570.4 | \$ 603.0 | \$ 632.6 | \$ 663.9 | \$ 701.2 | \$ 730.8 | \$ 691.8 |
| NET LEVERAGE RATIO | 5.0x | 4.8x | 4.9x | 4.9x | 4.6x | 4.2x | 4.1x | 4.3x |

Present Value of Operating Leases: As of January 1, 2019, operating leases are recognized on the consolidated balance sheet.

EBITDAR: Earnings before interest, taxes, depreciation, amortization, aircraft rent expense, U.S. Tax Cuts and Jobs Act special bonus, noncash interest expenses and income, net, loss (gain) on disposal of aircraft, special charge, costs associated with transactions, accrual for legal matters and professional fees, charges associated with refinancing debt, and unrealized loss (gain) on financial instruments, as applicable



ATLAS AIR
WORLDWIDE



Thank You