



AAWW Investor Slides

DECEMBER 2020

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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 20, May 7, August 6 and November 5, 2020, which are posted at www.atlasairworldwide.com.

Continuing Leadership

■ John Dietrich became President and CEO on January 1, 2020; joined Board of Directors as well

■ Bill Flynn retired as CEO on December 31, 2019; remains Chairman of the Board

■ 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 13 years prior to becoming CEO
- Visionary leader with industry expertise
- Key member of senior leadership team
- Unparalleled commitment to company, customers and employees



Operating an Essential Business

SAFETY IS OUR TOP PRIORITY

- Taking every precaution to protect our employees and operations
- Providing safe and high-quality service for our customers

ESSENTIAL ROLE IN THE GLOBAL SUPPLY CHAIN

- Committed to moving goods the world needs most
- Airfreight provides unmatched delivery speed, security and reliability
- Actively preparing for timely vaccine distribution

CAPITALIZING ON MARKET DYNAMICS

- Leveraging the scale of our fleet and global operations
- Executing on opportunities with new and existing customers

NAVIGATING THROUGH CHALLENGES OF 2020

- Talented team of employees
- World-class fleet
- Strong balance sheet
- Agile business model



Shaping a Powerful Future

Global leader in outsourced aviation

Focused on opportunities that **generate the best returns**

Long-standing, strategic customers

Adjusting our business – **managing costs, aligning resources** with **strategic priorities**

Committed to **express, e-commerce, U.S. military** and **fast-growing markets**

Capitalizing on initiatives to drive value and benefit for customers, employees and shareholders



2020 Objectives

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



Continued Growth and Innovation

3Q20 Highlights

POSITIVE MOMENTUM IN THE THIRD QUARTER

- Higher commercial charter yields
- Significant demand for airfreight
- Reduction of available cargo capacity in the market

LEVERAGING FLEET AND BUSINESS MODEL

- Deepening position in fast-growing markets
- Added Cainiao and other long-term charter customers
- Expanded 737 operations for Amazon
- Reactivating fourth 747 freighter

RESULTS ALSO REFLECTED

- Challenging operating environment
- Higher heavy maintenance expense
- Higher pilot costs



9M20 Summary

BLOCK HOURS 248,742	REVENUE \$2.28B
ADJ. EBITDA* \$564.5M	DIRECT CONTRIBUTION \$513.0M

ADJUSTED NET INCOME*

\$235.8 million

REPORTED NET INCOME

\$176.3 million

*See November 5, 2020 press release for Non-GAAP reconciliations

2020 Framework

4Q20 OUTLOOK

Revenue

~\$850 million

Adj. EBITDA

~\$215 million

Adj. Net Income

to grow ~25%
compared with 3Q20

FULL-YEAR OUTLOOK

Revenue

~\$3.1 billion

Adj. EBITDA

~\$780 million

OTHER 4Q20 KEY ITEMS

Block Hours

~95,000

~65% of total in ACMI
Balance in Charter

Maintenance Expense

~\$116 million

Depreciation/Amortization

~\$65 million

Core Capex

~\$25 to \$35 million

4Q20 TO BENEFIT FROM...

Continued e-commerce growth

End-of-year airfreight demand

Reduction of available capacity

Reactivating fourth 747 freighter

Business Developments

ACMI/CMI

Strong record of placements and expanded service for existing customers

Added customers include:
Asiana, EL AL, Inditex,
Nippon Cargo Airlines, SF Express

Customer interest for both
777F and 747F CMI solutions

Operating
17 767-300Fs for Amazon

Operating
eight 737-800Fs for Amazon

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

Expanded long-term charter business: HP Inc., DHL Global Forwarding, Cainiao, APEX Logistics, DB Schenker, Flexport, GEODIS

Leading cargo carrier in South America

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

DRY LEASING

World's 3rd largest freighter lessor by value

Added/converted 21 767-300s; acquired two additional 777-200Fs

Formed joint venture with Bain Capital Credit to develop separate freighter aircraft leasing portfolio with anticipated value of ~\$1 billion

AeroLogic

amazon

中国邮政航空公司
China Postal Airlines

DHL

FedEx

ATLAS AIR
WORLDWIDE

CARES Act Payroll Support Grant

- **Aggregate amount of \$406.8 million payable to AAWW (closed on June 1)**
 - \$364.9 million attributable to Atlas Air
 - \$41.9 million attributable to Southern Air
- **Comprised of:**
 - Cash grants in the aggregate amount of approximately \$207.0 million
 - \$199.8 million in the form of a 10-year unsecured non-amortizing low interest promissory note
 - Warrant for up to 625,452 shares of AAWW common stock (exercise price of \$31.95)
- **U.S. Treasury determined that American taxpayers will be repaid through direct benefits** (in the form of short and expected longer-term job retention and related economic activity, avoided unemployment, payroll and income taxes paid, etc.), **the warrant and the company's repayment of the promissory note**
- **Includes, among other things, restrictions on:**
 - Executive compensation
 - Reductions in employment levels and rates
 - Share repurchases and the payment of dividends

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**

Eight 737-800BCFs;
Potential for additional aircraft

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



FORWARDERS



AIRLINES



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

Broad array of aircraft for domestic, regional, international cargo and passenger operations

World's largest fleet of 747 freighters

TOTAL FLEET: 117*

OPERATING FLEET: 109

DRY LEASE: 8



53 Boeing 747s

- 10 747-8Fs
- 34 747-400Fs
- 5 747-400 Passenger
- 4 Boeing Large Cargo Freighters (LCFs)



41 Boeing 767s

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



14 Boeing 777s

- 2 A+CMI 777Fs
- 6 CMI 777Fs
- 1 Charter 777F
- 5 Titan 777Fs



9 Boeing 737s

- 8 737-800Fs
- 1 737-300 Freighter Titan

*As of 3Q20 earnings report on November 5, 2020

Global Presence



321,140 Block Hours in 2019
65,031 Flights
400 Airports
90 Countries

Delivering a Strong Value Proposition

TRADITIONAL AIRFREIGHT

- **To grow ~4%** through 2039
- Airfreight: **35% of the value** of world trade
- Airlines seeking **more efficient and flexible freighter solutions**

EXPRESS

- Strong growth with **~7% 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...

services
markets
fleet types

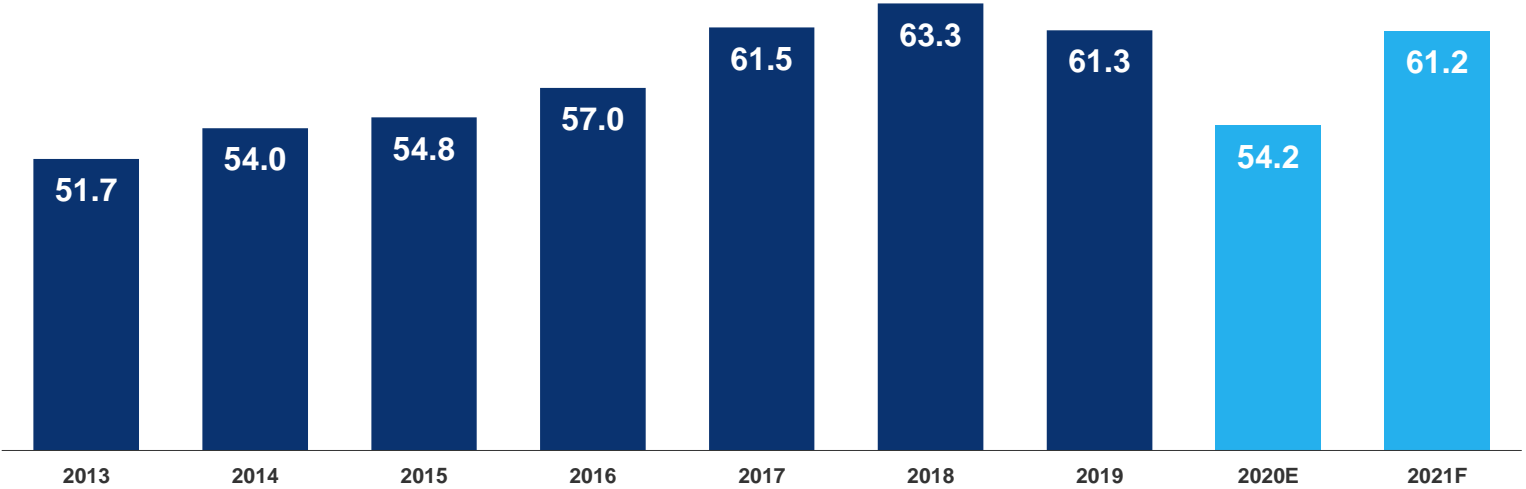
ATLAS AIR

positioned to
deliver value
and growth

International Global Airfreight – Annual Growth

IATA REPORTED AIRFREIGHT TONNAGE

(In Millions)



IATA – Airfreight **tonnage** expected to **rise sharply** in 2021

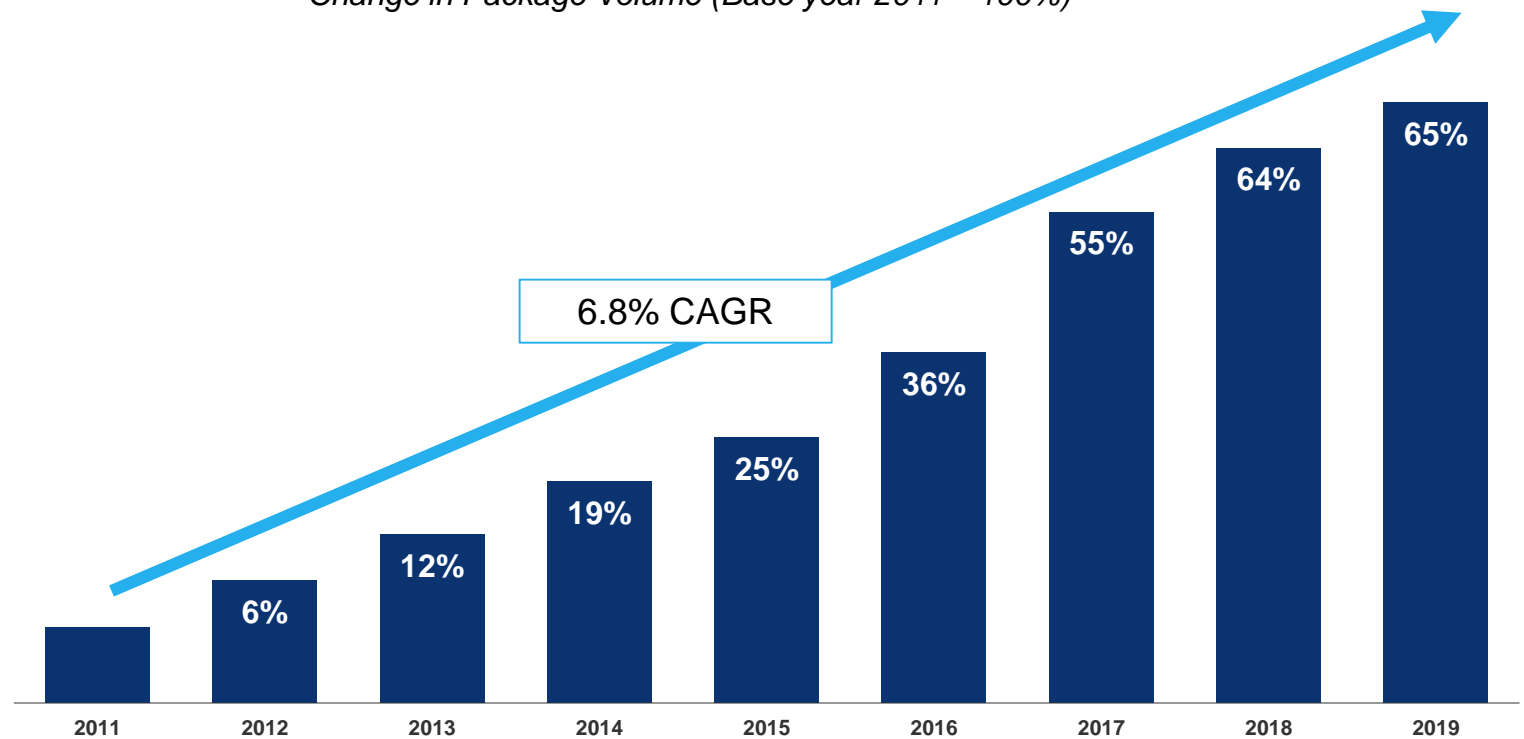
IATA – **COVID-19** disrupting global **supply chains**

The Key Underlying Express Market is Growing

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

6.8% CAGR since 2011, well above the pace of general airfreight

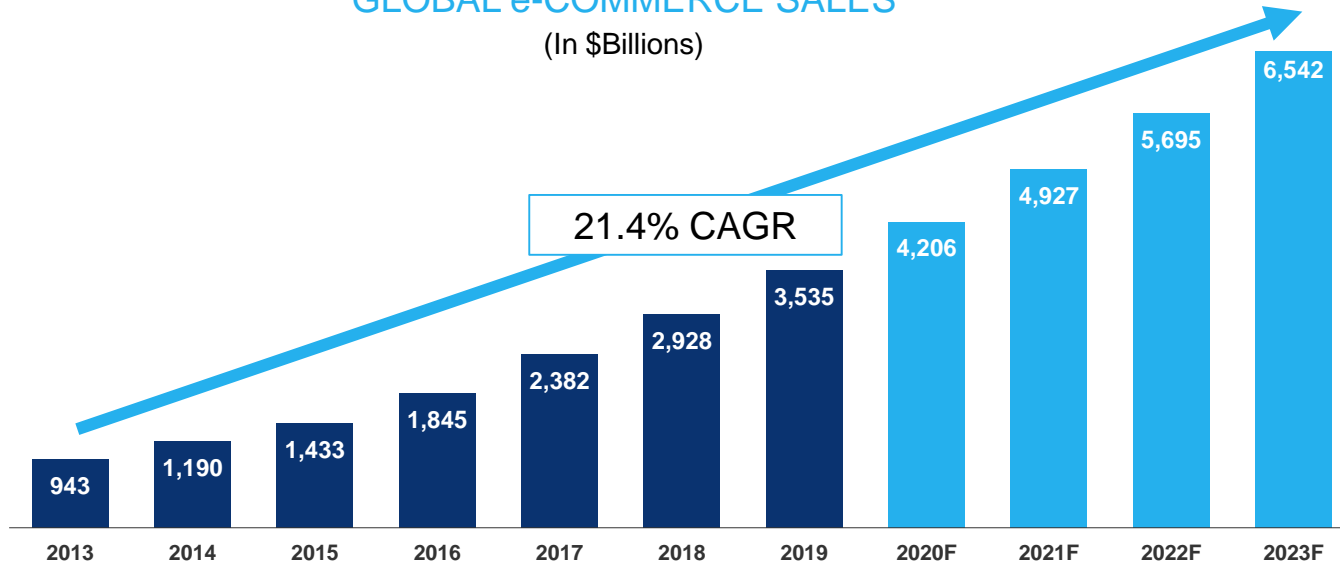
INTERNATIONAL EXPRESS MARKET – DHL, FedEx and UPS
Change in Package Volume (Base year 2011 – 100%)



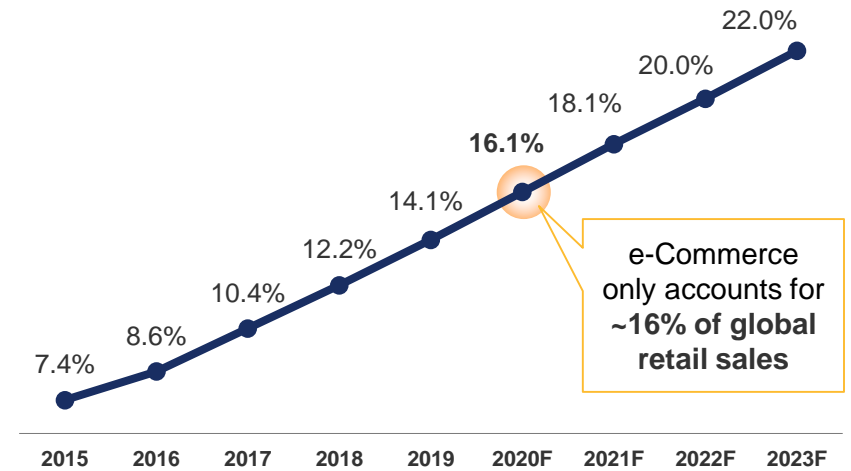
Notes: Weighted average of growth rates in international express package volume reported by these express operators
Weighting is 50% DHL, 25% UPS and 25% FedEx. 2016-2017 FedEx reported data reflects beneficial impact of TNT acquisition

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



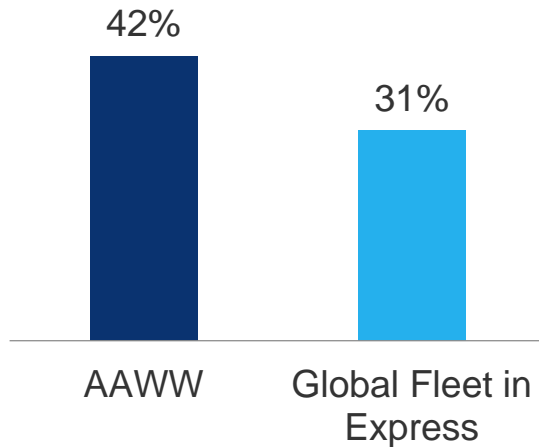
INDIA 300M internet users
25% mobile penetration
2% e-Commerce penetration



Fleet Aligned with Express and e-Commerce

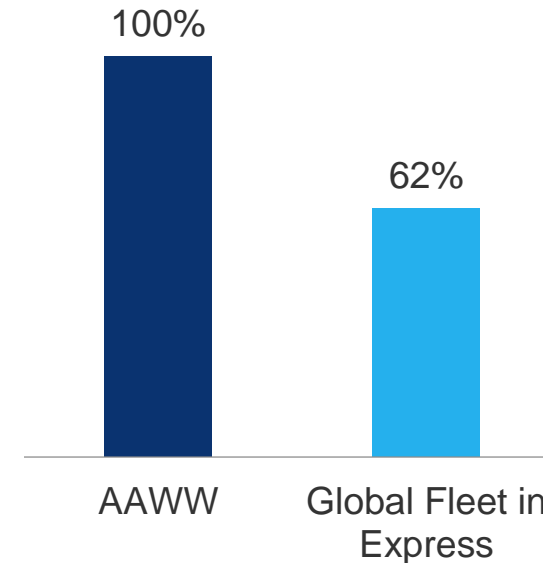
Atlas Fleet
in Express/
e-Commerce
Compared with
Global Fleet

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

ATLAS

Modern, reliable, fuel-efficient fleet

Differentiated fleet solutions:
747, 777, 767, 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**

THE INDUSTRY

Airfreight is **vital to global trade growth**

~\$6.5 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**





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 long-term growth market** and focused on opportunities to **continue to deliver future growth**

OUR VISION

To be our customers'
most trusted partner



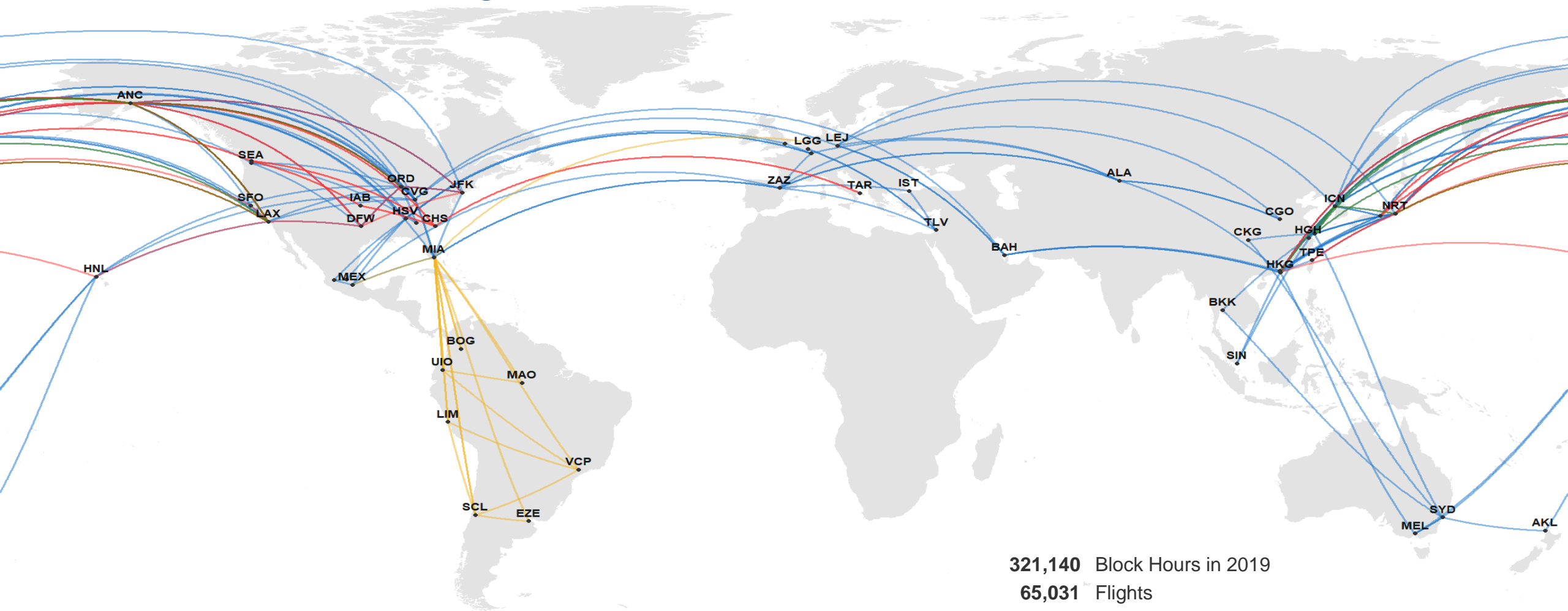
OUR MISSION

To leverage our core
competencies and
organizational capabilities

Executing Strategic Plan



Global Operating Network



321,140 Block Hours in 2019

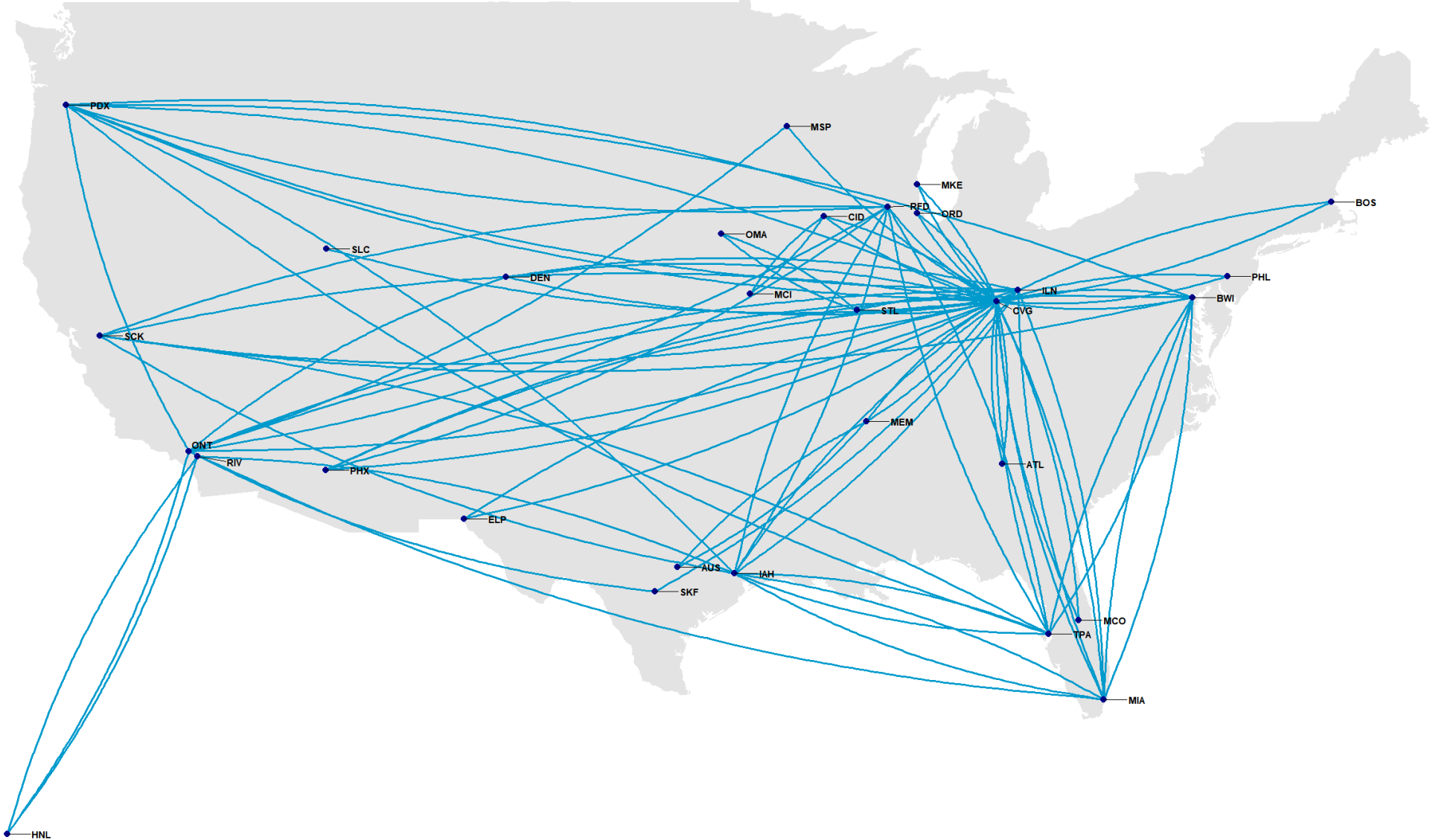
65,031 Flights

400 Airports

90 Countries



North America Operating Network



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**



Global Airfreight Drivers

MARKET SIZE

Airfreight share:
~1% global trade
volume; ~35%
global trade value

PRODUCTS

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

STRATEGIC CHOICE

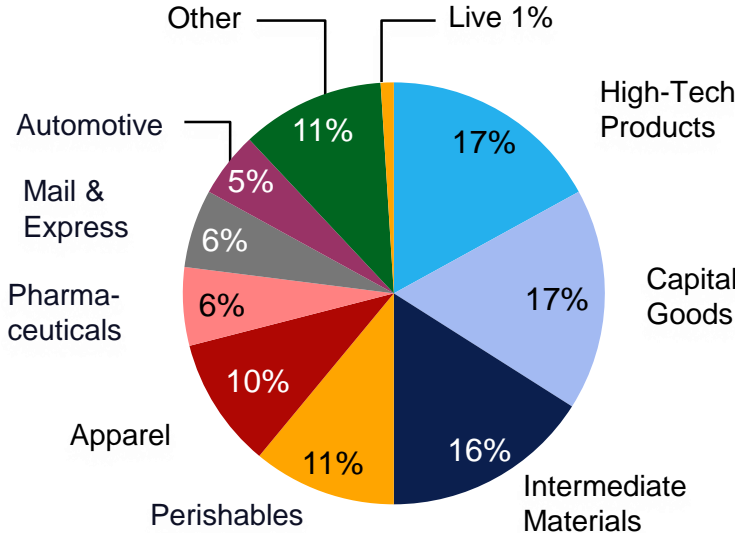
Products/supply
chains with
just-in-time delivery
requirements

SPECIALTY CONSIDERATION

Products with
significant security
considerations

BY SECTOR

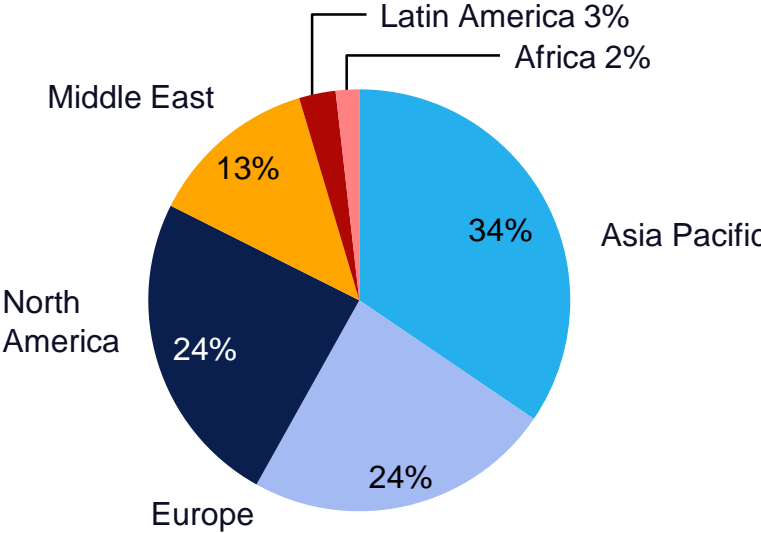
Industry Sectors Served by AAWW Customers



By Sectors Chart Source: Atlas research
By Region Chart Source: International Air Transport Association – October 2020

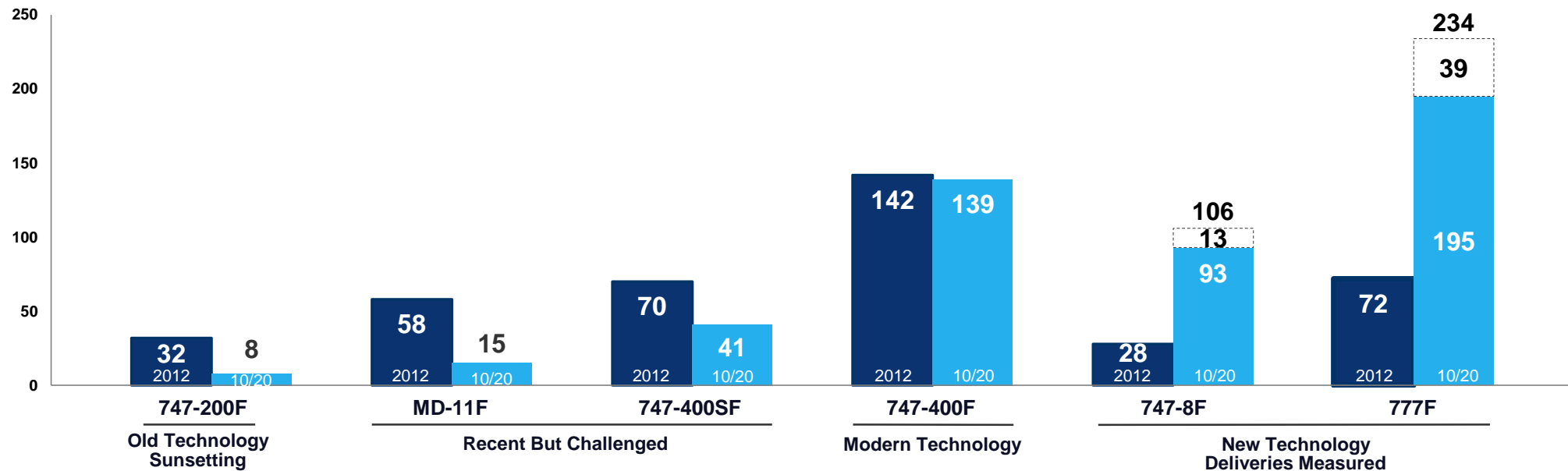
BY REGION

Percent of International Cargo Tonne Kilometers (CTKs)



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 widebody freighters will continue to dominate the major trade lanes
- Belly capacity cannot displace freighters



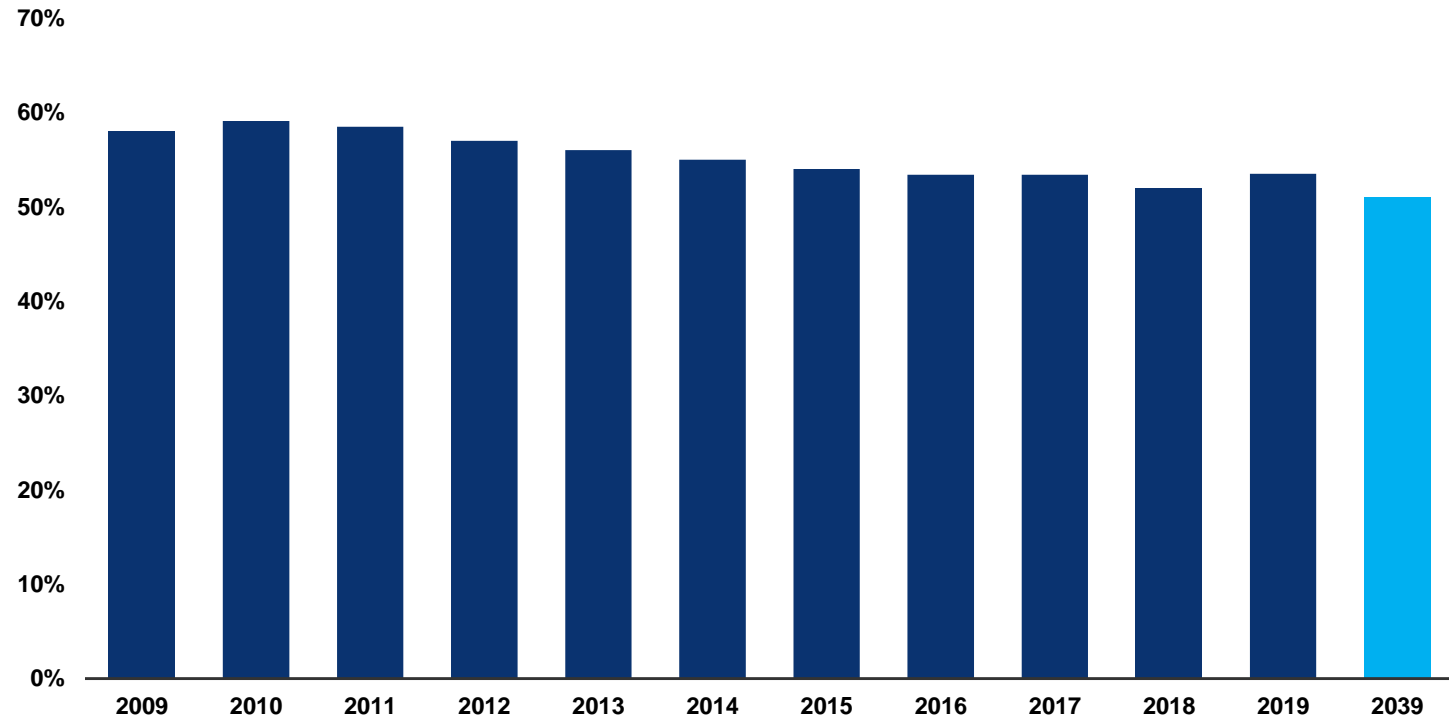
Sources: Atlas (October 2020), Ascend (October 2020), Boeing (October 2020), company reports
 Notes: Excludes parked aircraft, aircraft in Express operations, combis and tankers; 747-200F total includes -100s and -300s

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

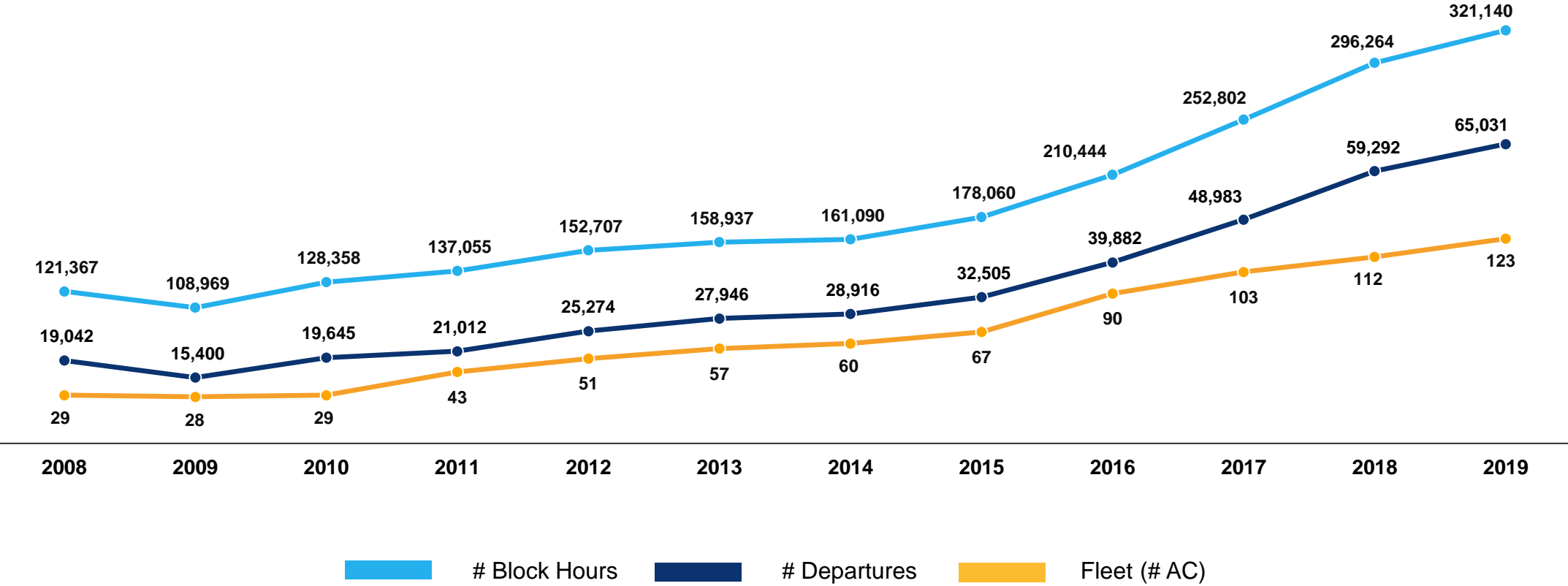
PERCENTAGE OF WORLD RTKs CARRIED ON FREIGHTERS



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

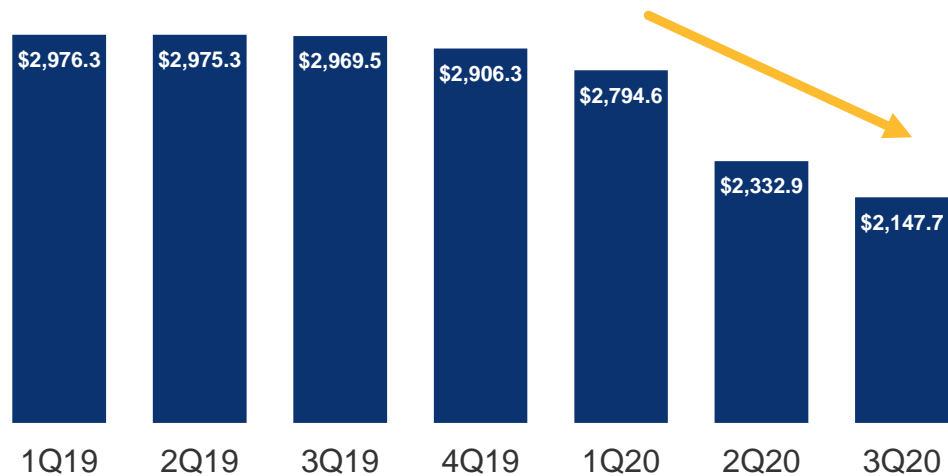
*Considering 28 tonnes max structural cargo capacity available after allocating capacity to bags carried
Sources: Atlas, Boeing

Growth by Year

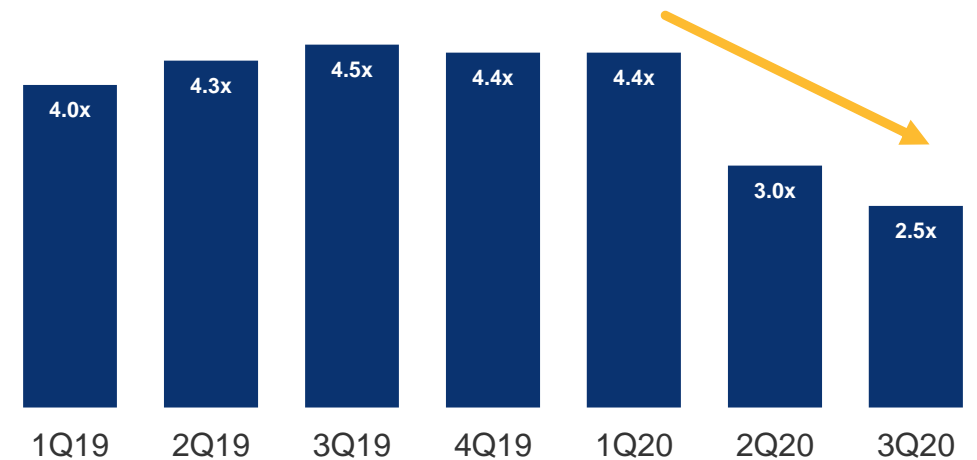


Net Debt and Net Leverage Ratio

NET DEBT*
In \$Millions



NET LEVERAGE RATIO*



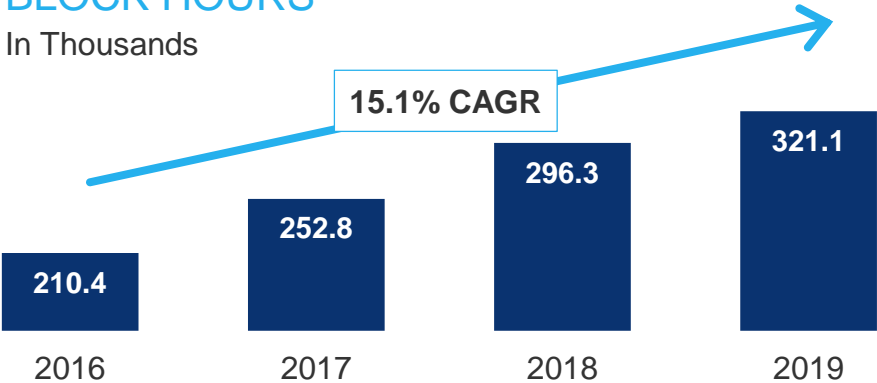
Maintaining debt payments of ~\$70 million per quarter

*See Appendix for Non-GAAP reconciliation

Financial and Operating Trends

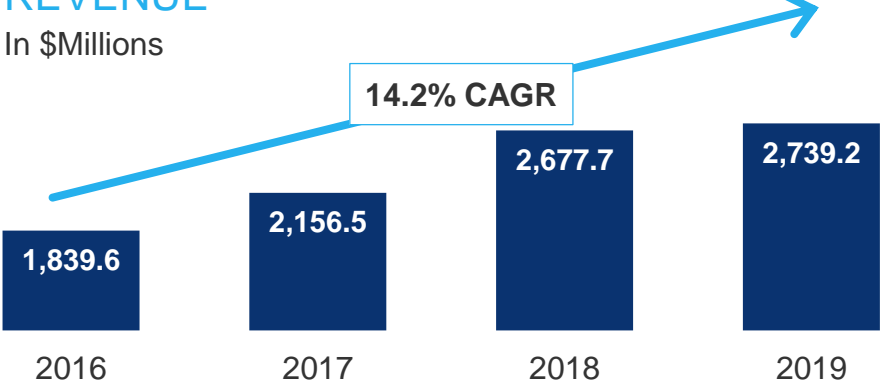
BLOCK HOURS

In Thousands



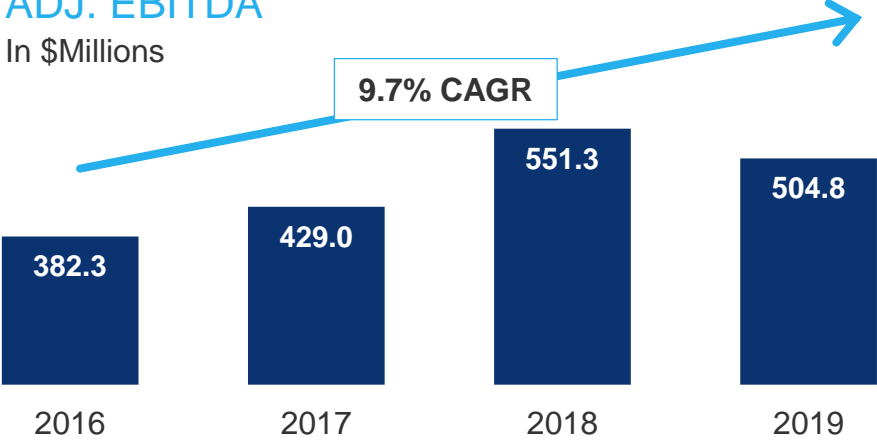
REVENUE

In \$Millions



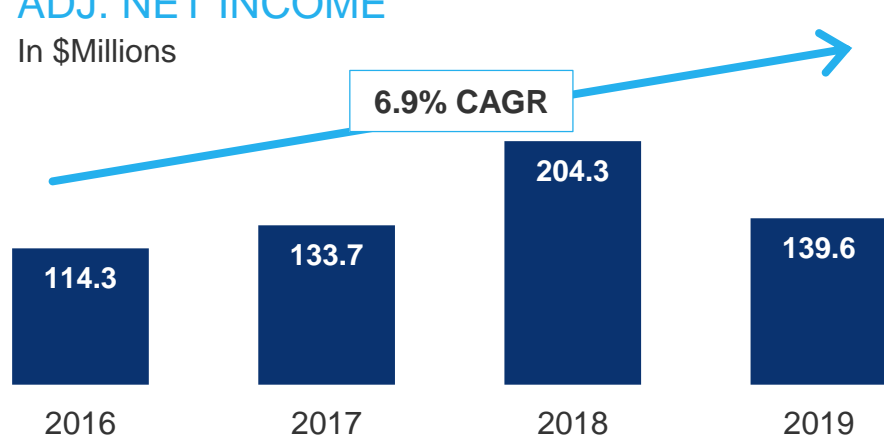
ADJ. EBITDA*

In \$Millions



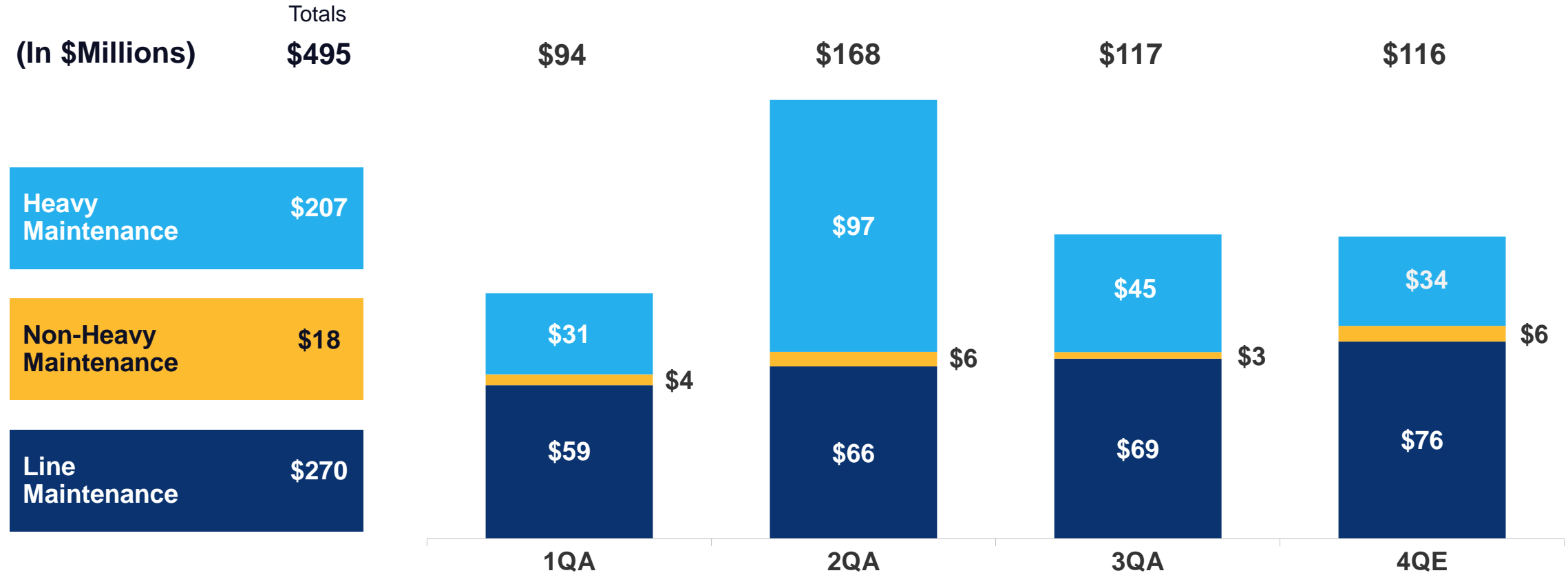
ADJ. NET INCOME*

In \$Millions



*See February 20, 2020 press release for Non-GAAP reconciliations

2020 Maintenance Expense



- **Line maintenance** expense increases commensurate with additional block hour flying
- **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)	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20
FACE VALUE OF DEBT	\$ 2,530.4	\$ 2,511.4	\$ 2,483.4	\$ 2,484.4	\$ 2,530.0	\$ 2,606.4	\$ 2,456.5
PLUS: PRESENT VALUE OF OPERATING LEASES	621.8	591.9	568.8	536.2	500.2	465.7	420.5
TOTAL DEBT	\$ 3,152.2	\$ 3,103.3	\$ 3,052.3	\$ 3,020.6	\$ 3,030.2	\$ 3,072.1	\$ 2,877.0
LESS: CASH AND EQUIVALENTS	\$ 164.5	\$ 120.8	\$ 80.7	\$ 113.4	\$ 235.6	\$ 739.2	\$ 729.3
LESS: EETC ASSET	11.4	7.2	2.1	0.9	0.0	0.0	0.0
NET DEBT	\$ 2,976.3	\$ 2,975.3	\$ 2,969.5	\$ 2,906.3	\$ 2,794.6	\$ 2,332.9	\$ 2,147.7
LTM EBITDAR	\$ 736.3	\$ 687.7	\$ 659.6	\$ 658.8	\$ 642.2	\$ 789.5	\$ 874.9
NET LEVERAGE RATIO	4.0x	4.3x	4.5x	4.4x	4.4x	3.0x	2.5x

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 and amortization, aircraft rent expense, customer incentive asset amortization, CARES Act grant income, loss (gain) on disposal of aircraft, special charge, costs associated with the Payroll Support Program, costs associated with a customer transaction with warrants, costs associated with our acquisition of Southern Air, accrual for legal matters and professional fees, charges associated with refinancing debt, leadership transition costs, certain contract start-up costs, net insurance recovery and unrealized loss (gain) on financial instruments, as applicable.



Thank You