



Quarterly Review 4Q 2020

February 18, 2021

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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 February 18, 2021, which is posted at www.atlasairworldwide.com.



Key Takeaways

SAFETY IS OUR TOP PRIORITY

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

GRATEFUL TO SUPPORT COVID-19 RELIEF EFFORTS

- Transporting vaccines, pharmaceuticals, medical supplies and PPE
- Carrying e-commerce, educational supplies and other necessities

DELIVERING RESULTS IN A CHALLENGING ENVIRONMENT

- Navigating complex regulatory and operational hurdles
- Entered numerous long-term charter agreements
- Made possible through efforts of our dedicated team

EXECUTING OUR STRATEGIC PLAN

- Leveraging unrivaled fleet and global network
- Continuing to diversify our business
- Providing customers with modern, fuel-efficient aircraft
- Excited about recent 747-8F order



4Q20 Highlights

SOLID FINISH TO 2020

- Strong demand for our assets and services
- Higher commercial charter yields
- Reactivated fourth 747 converted freighter
- Reduction of available capacity in the market

STRATEGICALLY ALLOCATING RESOURCES

- Strengthened balance sheet
- Reduced net leverage ratio
- Remain focused on managing costs

RESULTS ALSO REFLECTED

- Ongoing operational complexities
- Higher heavy maintenance expense
- Higher pilot costs



Outlook

1Q21 OUTLOOK

Block Hours

~85,000

Revenue

~\$820 million

Adj. EBITDA

~\$150 million

Adj. Net Income

To grow ~60% to 65% compared with 1Q20 adj. net income of \$29.9 million

Maintenance Expense

~\$117 million

2021 COMMENTARY

Strong demand for our assets and services continues into 1Q21

Ongoing uncertainty related to COVID-19

Expect additional expenses driven by COVID-19

2021 KEY ITEMS

Maintenance Expense

Expected to be lower than 2020

Depreciation/Amortization

~\$270 million

Core Capex

~\$110 to \$120 million

Committed Aircraft/Engine Expenditures

~\$265 million

4Q20 Summary

BLOCK HOURS

96,079

REVENUE

\$932.5M

ADJ. EBITDA*

\$279.7M

DIRECT CONTRIBUTION

\$267.6M

ADJUSTED NET INCOME*

\$143.2 million

REPORTED NET INCOME

\$184.0 million

*See February 18, 2021 press release for Non-GAAP reconciliations.

4Q19 vs. 4Q20 Segment Overview

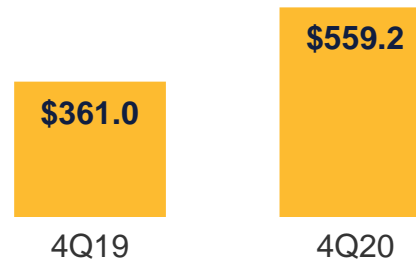
ACMI REVENUE

In \$Millions



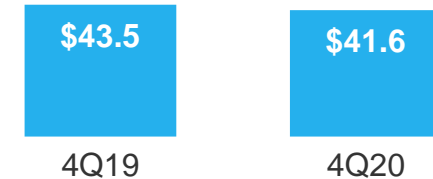
CHARTER REVENUE

In \$Millions



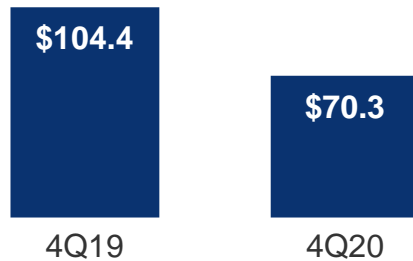
DRY LEASING REVENUE

In \$Millions



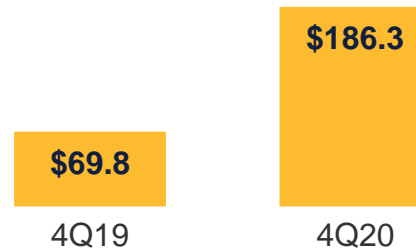
ACMI CONTRIBUTION

In \$Millions



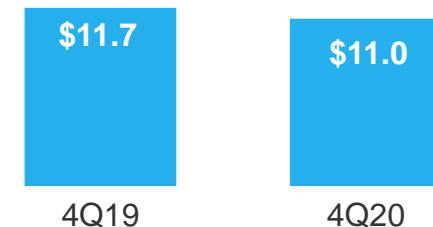
CHARTER CONTRIBUTION

In \$Millions

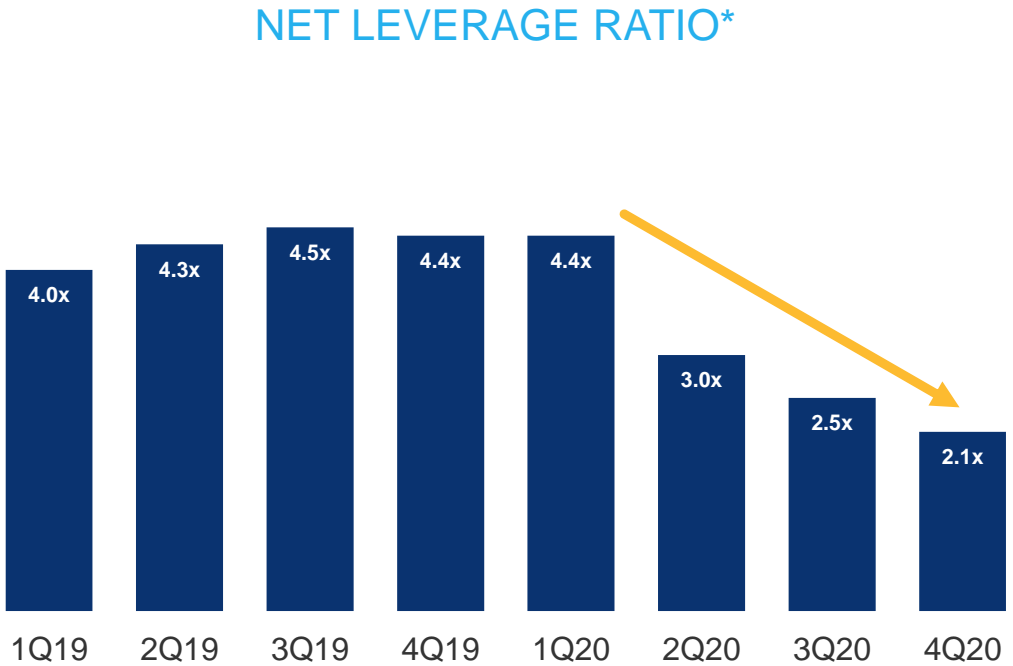
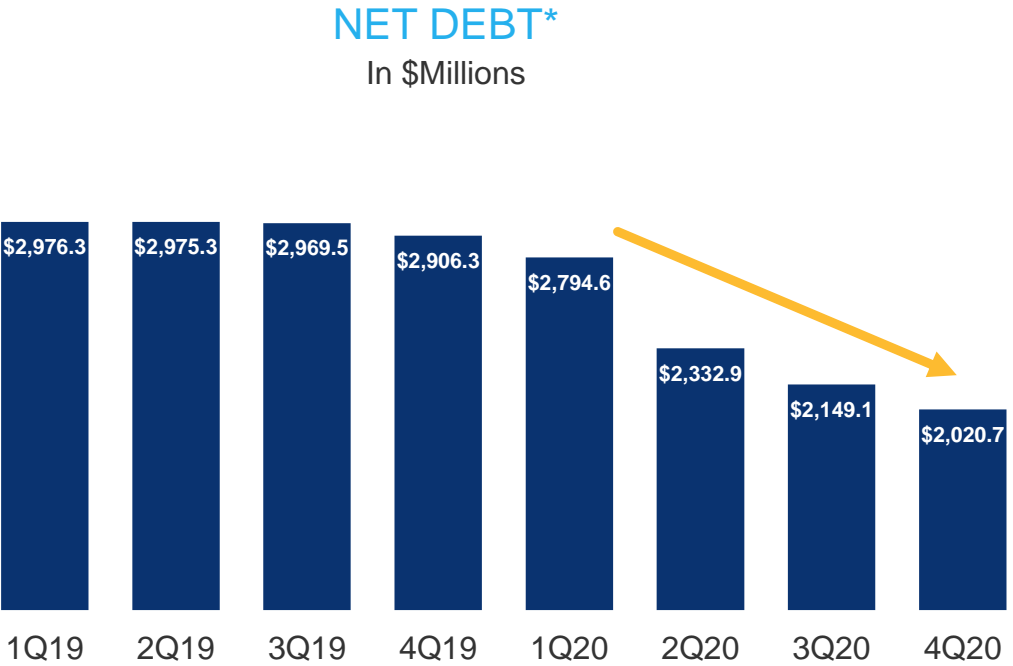


DRY LEASING CONTRIBUTION

In \$Millions



Net Debt and Net Leverage Ratio



Maintaining debt payments of ~\$75 million per quarter

*See Appendix for Non-GAAP reconciliation.

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-

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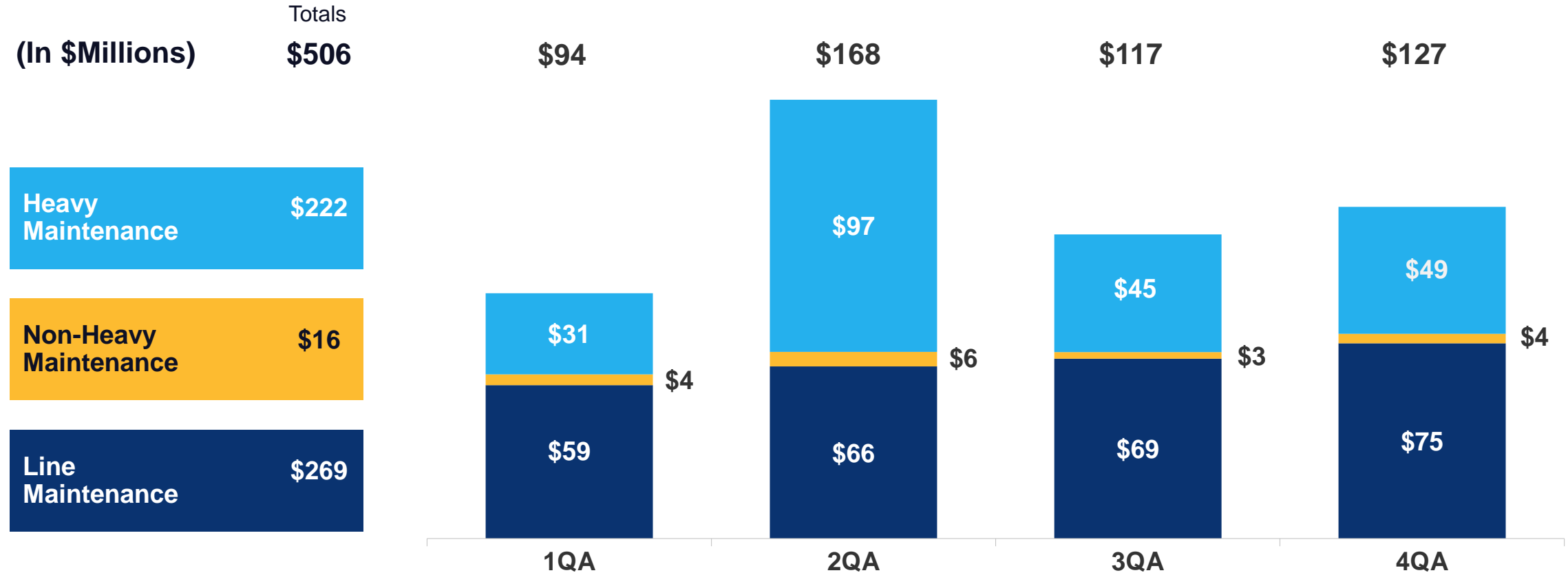




Appendix



2020 Maintenance Expense



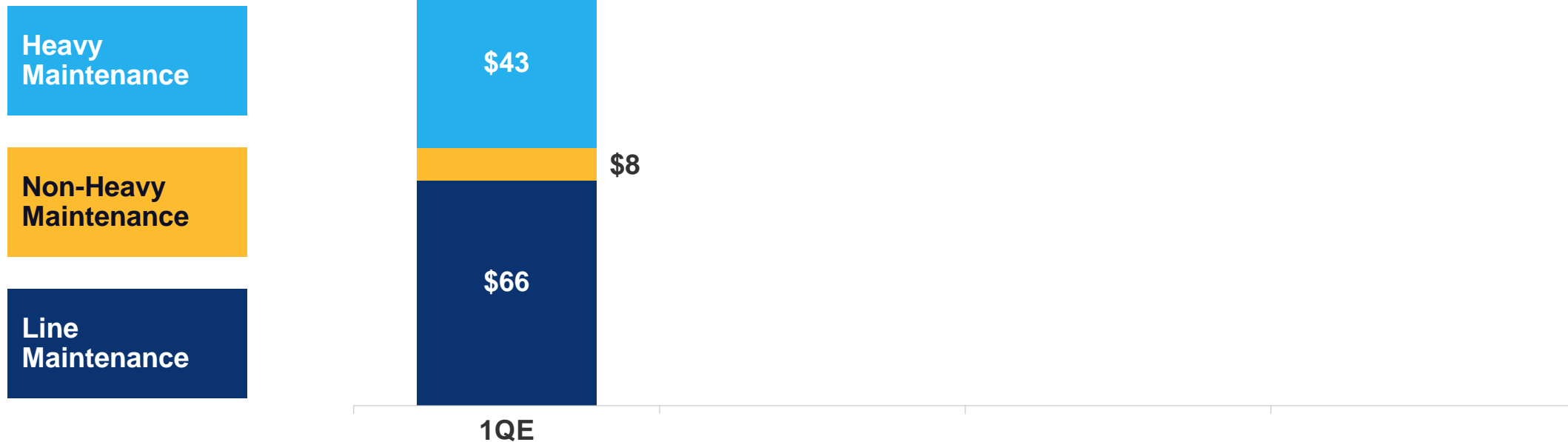
- **Line maintenance** expense increases commensurate with additional block hour flying
- **Non-heavy maintenance** includes discrete events such as APU, thrust reverser, and landing gear overhauls

Note: Figures subject to rounding.

2021 Maintenance Expense

(In \$Millions)

\$117



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Reconciliation to Non-GAAP Measures

(In \$Millions)	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20
FACE VALUE OF DEBT	\$ 2,530.4	\$ 2,511.4	\$ 2,483.4	\$ 2,484.4	\$ 2,530.0	\$ 2,606.4	\$ 2,457.9	\$ 2,399.0
PLUS: PRESENT VALUE OF OPERATING LEASES	621.8	591.9	568.8	536.2	500.2	465.7	420.5	478.0
TOTAL DEBT	\$ 3,152.2	\$ 3,103.3	\$ 3,052.3	\$ 3,020.6	\$ 3,030.2	\$ 3,072.1	\$ 2,878.4	\$ 2,877.0
LESS: CASH AND EQUIVALENTS	\$ 164.5	\$ 120.8	\$ 80.7	\$ 113.4	\$ 235.6	\$ 739.2	\$ 729.3	\$ 856.3
LESS: EETC ASSET	11.4	7.2	2.1	0.9	0.0	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	\$ 2,149.1	\$ 2,020.7
LTM EBITDAR	\$ 736.3	\$ 687.7	\$ 659.6	\$ 658.8	\$ 642.2	\$ 789.5	\$ 874.9	\$ 941.1
NET LEVERAGE RATIO	4.0x	4.3x	4.5x	4.4x	4.4x	3.0x	2.5x	2.1x

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



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