



Quarterly Review 1Q 2021

May 5, 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 May 5, 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
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ATLAS PROVIDES ESSENTIAL SERVICES

- Transporting vaccines, PPE and medical supplies
 - Carrying express, e-commerce, manufacturing and other necessities
 - Bringing goods to market with unmatched speed and reliability
-

DELIVERING RESULTS IN A CHALLENGING ENVIRONMENT

- Leveraging global operating capabilities and flexible business model
 - Capitalizing on business model growth and diversification
-

EXECUTING OUR STRATEGIC PLAN

- Dedicated and experienced team
- Entering and extending numerous long-term charter agreements
- Unmatched fleet of aircraft and global network



1Q21 Highlights

OFF TO A VERY GOOD START IN 2021

- Strong demand for our aircraft and services
- Yields above typical seasonal levels
- Increased aircraft utilization
- Significant reduction of international widebody belly capacity
- Benefited from flying five aircraft reactivated in 2020

RESULTS ALSO REFLECTED

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

CLOSER TO COMPLETING NEW PILOT CONTRACT

- Scheduled arbitration hearings concluded April 1
- Union provided integrated seniority list
- Atlas and union now preparing post-hearing briefs
- Arbitrator will consider all information and render decision



Outlook

2Q21 OUTLOOK

Block Hours

~90,000

Revenue

~\$950 million

Adj. EBITDA

~\$210 million

Adj. Net Income

To grow ~30% compared with 1Q21 adj. net income of \$72.2 million

Maintenance Expense

~\$130 million

2021 COMMENTARY

Strong momentum continuing in 2Q21

Anticipate capacity on long-haul trade lanes to remain tight

Monitoring the market and leveraging the diversity of our business model

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

1Q21 Summary

BLOCK HOURS

88,523

REVENUE

\$861.3M

ADJ. EBITDA*

\$181.3M

DIRECT CONTRIBUTION

\$179.7M

ADJUSTED NET INCOME*

\$72.2 million

REPORTED NET INCOME

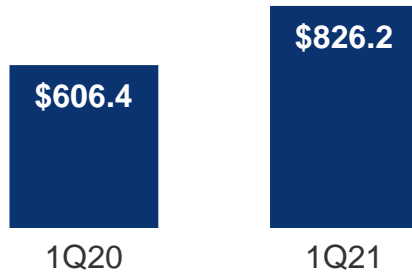
\$89.9 million

*See May 5, 2021 press release for Non-GAAP reconciliations.

1Q20 vs. 1Q21 Segment Overview

AIRLINE OPERATIONS REVENUE

In \$Millions



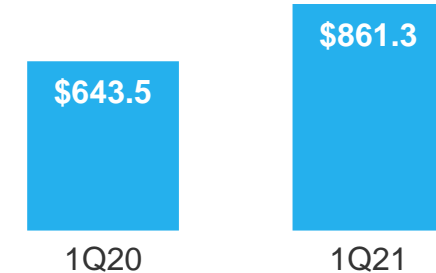
DRY LEASING REVENUE

In \$Millions



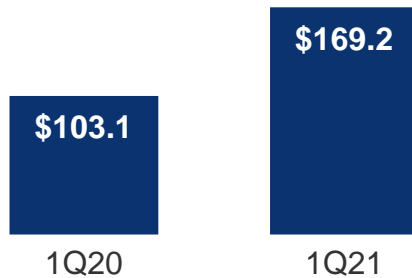
TOTAL REVENUE*

In \$Millions



AIRLINE OPERATIONS CONTRIBUTION

In \$Millions



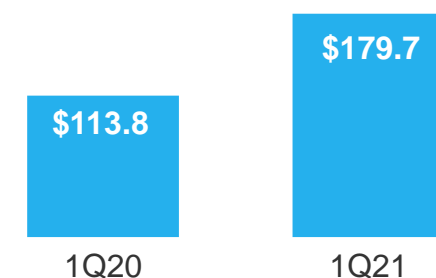
DRY LEASING CONTRIBUTION

In \$Millions



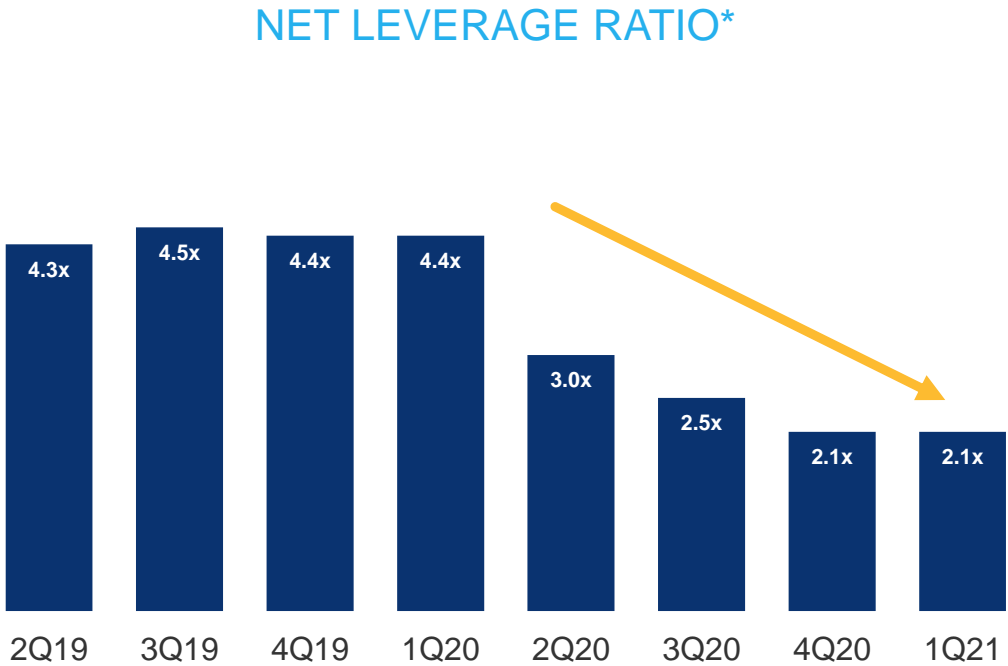
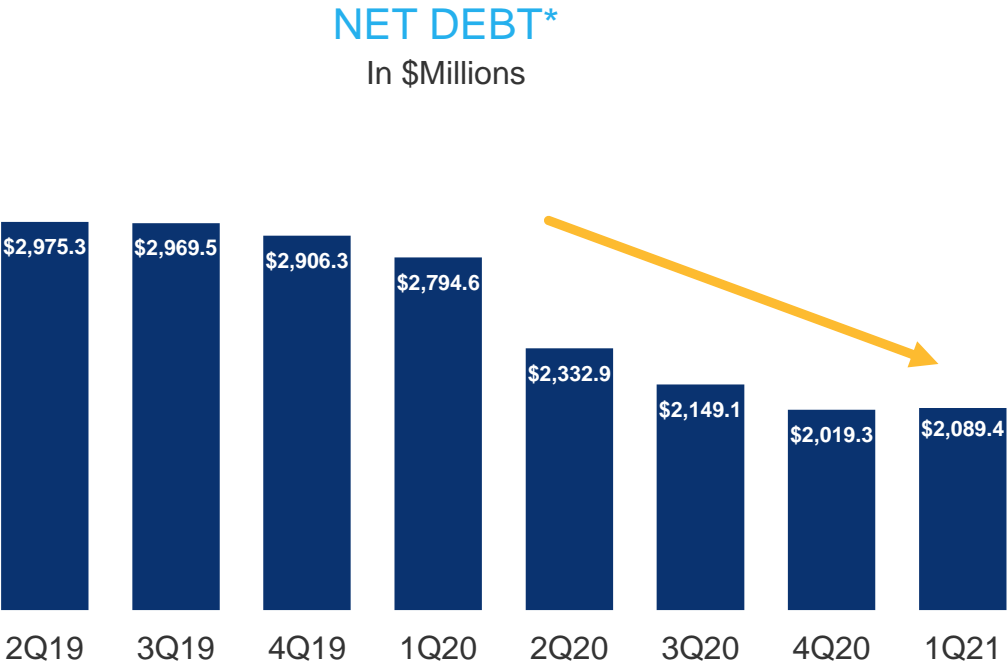
TOTAL CONTRIBUTION

In \$Millions



*Total revenue includes other revenue and customer incentive asset amortization.

Net Debt and Net Leverage Ratio



Maintaining debt payments of ~\$75 million per quarter

*See Appendix for Non-GAAP reconciliation.

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
 - Safely transporting essential goods around the world
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OFF TO A VERY GOOD START IN 2021

- Strong business momentum continuing in 2Q21
 - Capitalizing on current airfreight market
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COMMITTED TO REACHING NEW PILOT CONTRACT

- Scheduled arbitration hearings concluded April 1
- Union provided integrated seniority list
- Atlas and union now preparing post-hearing briefs
- Arbitrator will consider all information and render decision



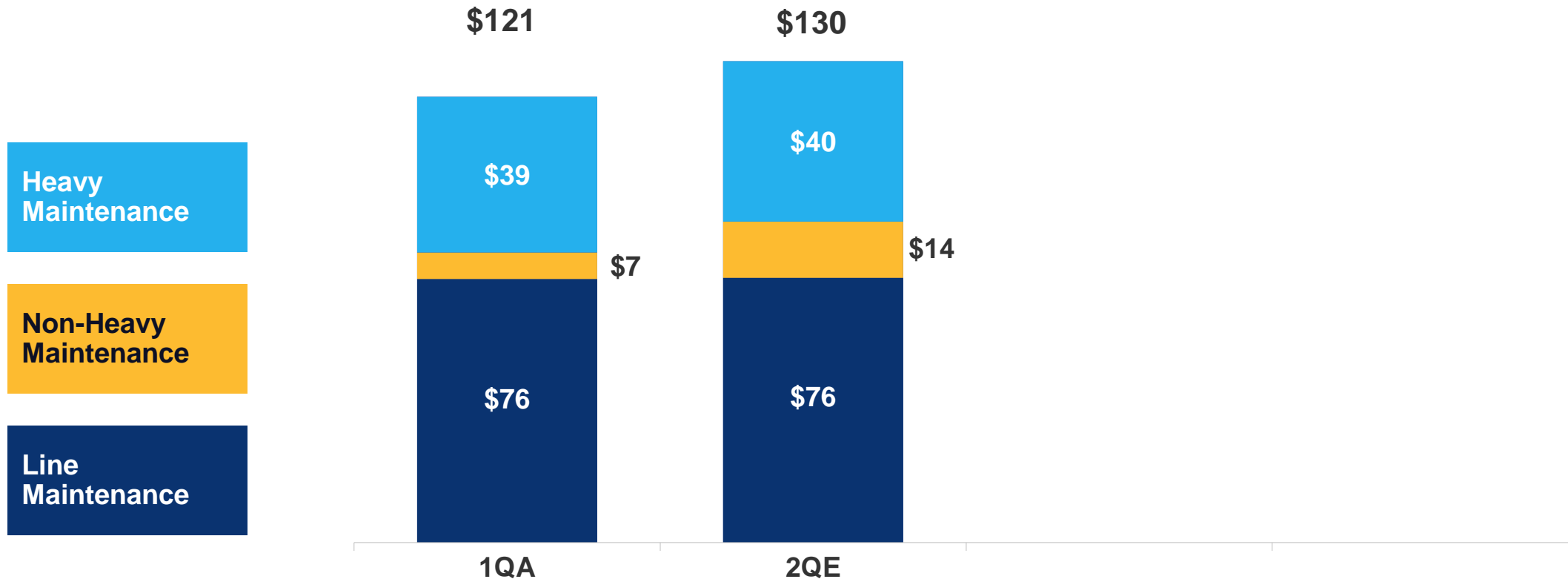


Appendix



2021 Maintenance Expense

(In \$Millions)



- **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)	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21
FACE VALUE OF DEBT	\$ 2,511.4	\$ 2,483.4	\$ 2,484.4	\$ 2,530.0	\$ 2,606.4	\$ 2,457.9	\$ 2,399.0	\$ 2,370.6
PLUS: PRESENT VALUE OF OPERATING LEASES	591.9	568.8	536.2	500.2	465.7	420.5	476.6	432.8
TOTAL DEBT	\$ 3,103.3	\$ 3,052.3	\$ 3,020.6	\$ 3,030.2	\$ 3,072.1	\$ 2,878.4	\$ 2,875.6	\$ 2,803.4
LESS: CASH AND EQUIVALENTS	\$ 120.8	\$ 80.7	\$ 113.4	\$ 235.6	\$ 739.2	\$ 729.3	\$ 856.3	\$ 714.0
LESS: EETC ASSET	7.2	2.1	0.9	0.0	0.0	0.0	0.0	0.0
NET DEBT	\$ 2,975.3	\$ 2,969.5	\$ 2,906.3	\$ 2,794.6	\$ 2,332.9	\$ 2,149.1	\$ 2,019.3	\$ 2,089.4
LTM EBITDAR	\$ 687.7	\$ 659.6	\$ 658.8	\$ 642.2	\$ 789.5	\$ 874.9	\$ 941.1	\$ 998.0
NET LEVERAGE RATIO	4.3x	4.5x	4.4x	4.4x	3.0x	2.5x	2.1x	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, costs 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



SOUTHERN AIR

