



AAWW Investor Slides

SEPTEMBER 2020

Index

Page

3	Safe Harbor Statement
4	Continuing Leadership
5	Operating an Essential Business
6	Shaping a Powerful Future
7	2020 Objectives
8	2Q20 Highlights
9	1H20 Summary
10	2020 Framework
11	Business Developments – ACMI/CMI
12	Business Developments – Charter/Dry Leasing
13	CARES Act Payroll Support Grant
14	Amazon Service
15	Diversified Customer Base
16	Our Fleet
17	Global Presence
18	Delivering a Strong Value Proposition
19	International Global Airfreight – Annual Growth
20	The Key Underlying Express Market Is Growing

Page

21	e-Commerce Growth
22	Fleet Aligned with Express and e-Commerce
23	A Strong Leader in a Vital Industry
24	Appendix
25	Atlas Air Worldwide
26	Our Vision, Our Mission
27	Executing Strategic Plan
28	Global Operating Network
29	North America Operating Network
30	Tailoring Airfreight Networks for e-Commerce
31	Global Airfreight Drivers
32	Large Freighter Supply Trends
33	Main Deck to Belly?
34	Growth by Year
35	Net Debt and Net Leverage Ratio
36	Financial and Operating Trends
37	2020 Maintenance Expense
38	Reconciliation to Non-GAAP Measures

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 and August 6, 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 safeguard employees
- Ensuring we continue to transport goods the world needs

CAPITALIZING ON MARKET DYNAMICS

- Leveraging the scale and scope of our enterprise
- Delivering safe and high-quality service for our customers

ESSENTIAL ROLE IN THE GLOBAL SUPPLY CHAIN

- Key role in customers' operating networks
- Carry goods that save lives, fuel economic activity and support jobs
- Help businesses and communities manage through global pandemic

WELL-POSITIONED FOR CONTINUED SUCCESS

- Talented team of employees
- Strong balance sheet
- Unmatched fleet choices and operating capabilities



Shaping a Powerful Future

Global leader in
outsourced aviation

Long-standing,
strategic
customers

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

Focused on opportunities
that generate the best
returns

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

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

2Q20 Highlights

RESULTS EXCEEDED OUR EXPECTATIONS

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

LEVERAGING FLEET AND BUSINESS MODEL

- Serving increased demand
- Executing on very favorable business opportunities
- Reactivated three 747-400s and operationalized a 777
- Entered numerous new long-term charter agreements

RESULTS ALSO INCLUDED

- Higher heavy maintenance expense
- Lower AMC passenger demand
- Lower 747 Dreamlifter flying for Boeing
- Higher pilot costs



1H20 Summary

BLOCK HOURS

158,213

REVENUE

\$1.47B

ADJ. EBITDA*

\$368.2M

DIRECT CONTRIBUTION

\$324.0M

ADJUSTED NET INCOME*

\$153.1 million

REPORTED NET INCOME

\$102.3 million

*See August 6, 2020 press release for Non-GAAP reconciliations



2020 Framework

REVENUE/EARNINGS

Revenue

~\$3 billion

Adj. EBITDA

~\$750 million

Adj. Net Income

~50% of FY20 adj. net income to occur in 2H20

OTHER 2020 KEY ITEMS

Block Hours

>330,000

~70% of total in ACMI
Balance in Charter

Maintenance Expense

~\$480 million

Depreciation/Amortization

~\$255 million

Core Capex

~\$80 to \$90 million

3Q20 OUTLOOK

Block Hours

>85,000

Revenue

~\$800 million

Adj. EBITDA

~\$170 million

Adj. Net Income

Will represent ~20% of
FY20 adj. net income

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
five 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, 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 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**

Five 737-800BCFs in 2019;
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

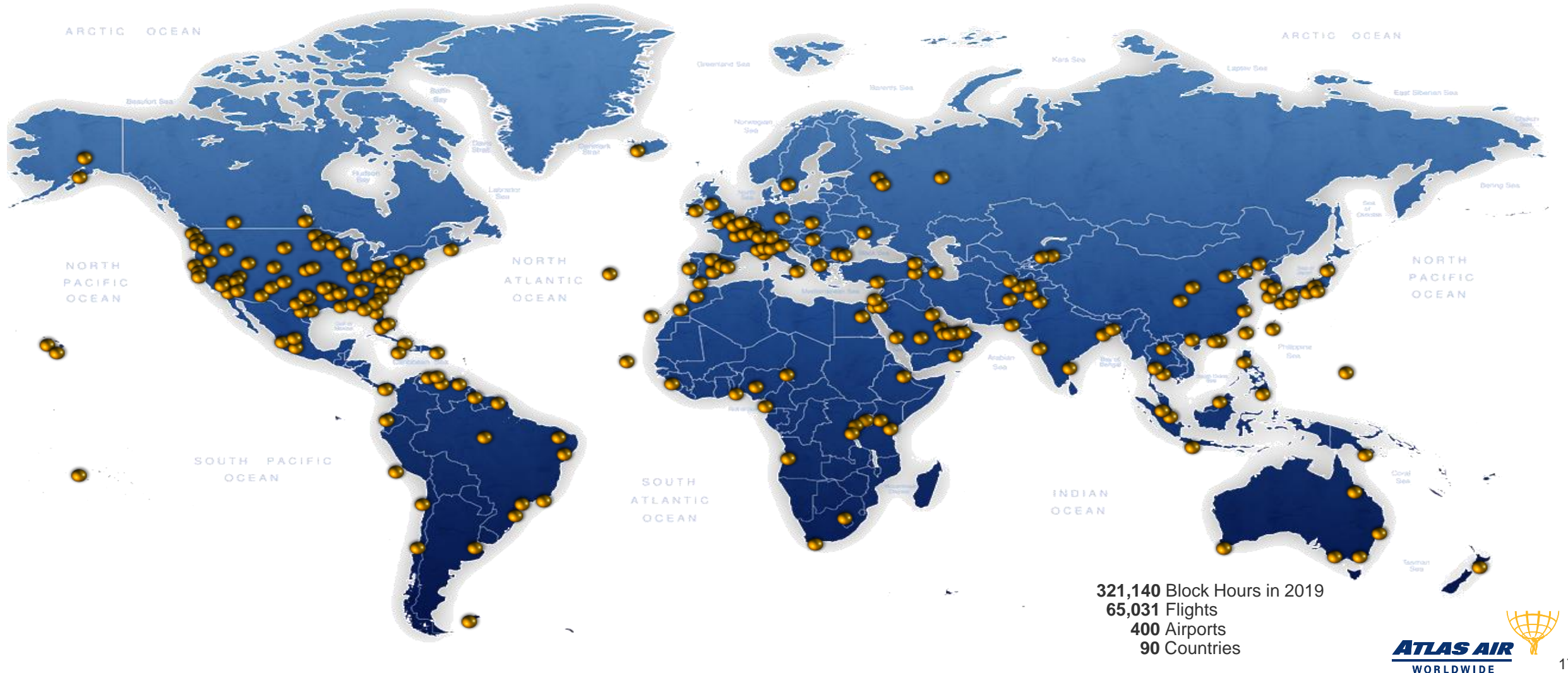


9 Boeing 737s

- 5 737-800Fs
- 3 737-400Fs
- 1 737-300 Freighter Titan

*As of 2Q20

Global Presence



Delivering a Strong Value Proposition

TRADITIONAL AIRFREIGHT

- **To grow ~4%** through 2038
- 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

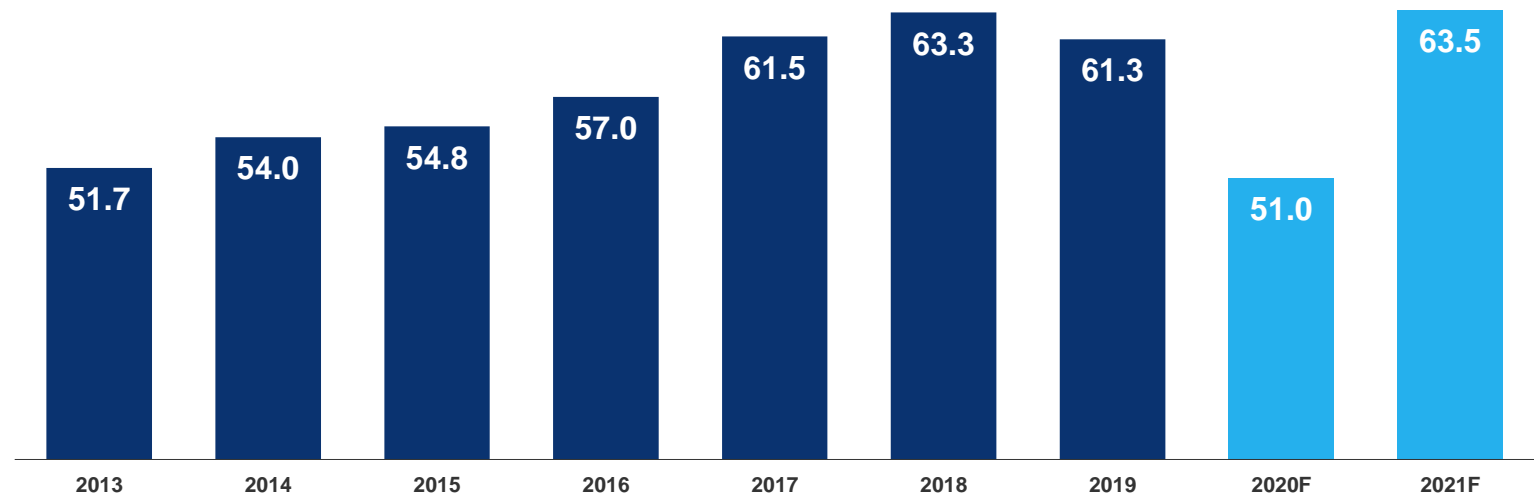
positioned to
deliver value
and growth

International Global Airfreight – Annual Growth

IATA – **Demand** for airfreight
expected to **rise sharply in 2021**

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

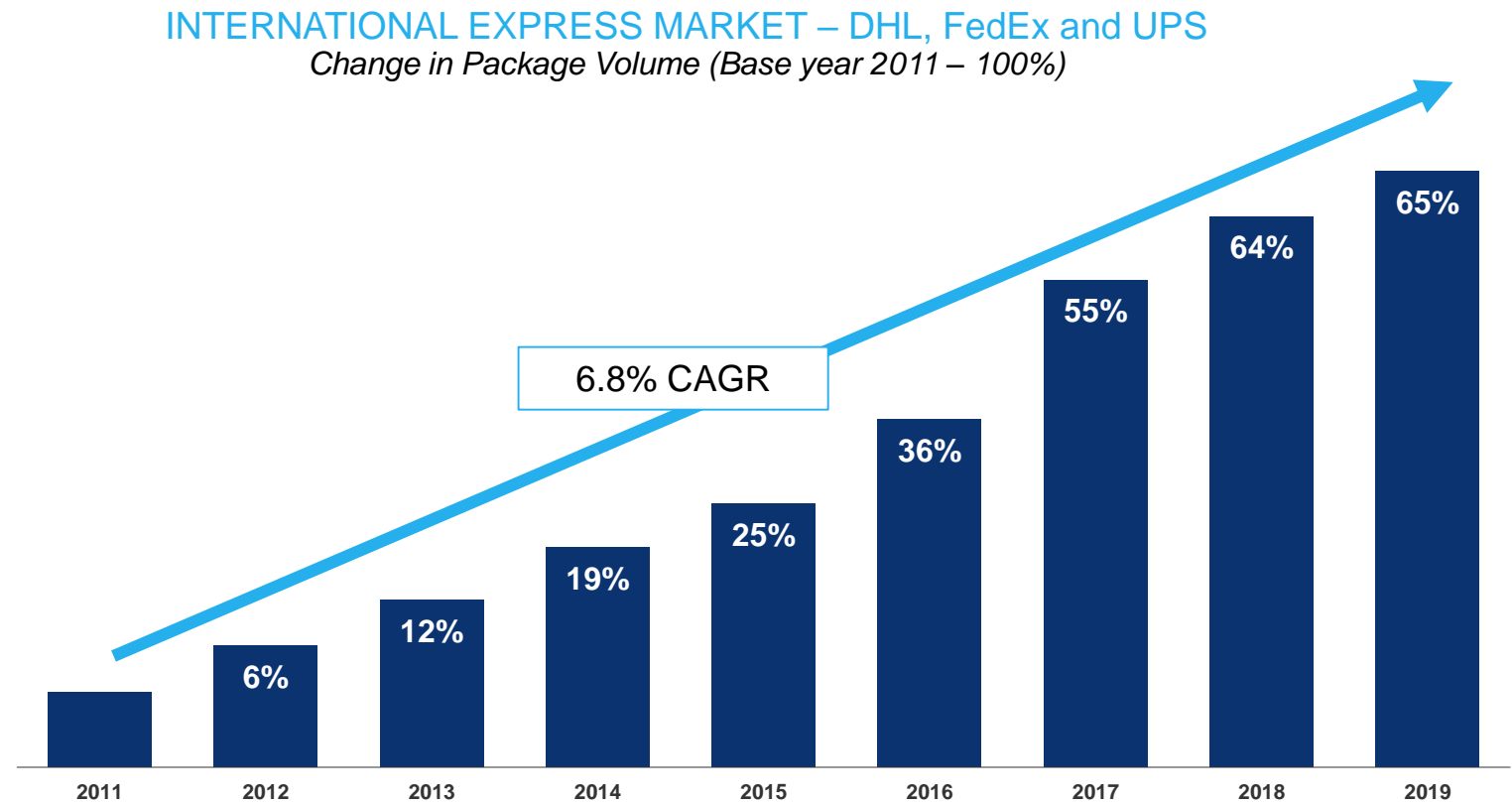
IATA REPORTED AIRFREIGHT TONNAGE
(In Millions)



The Key Underlying Express Market is Growing

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

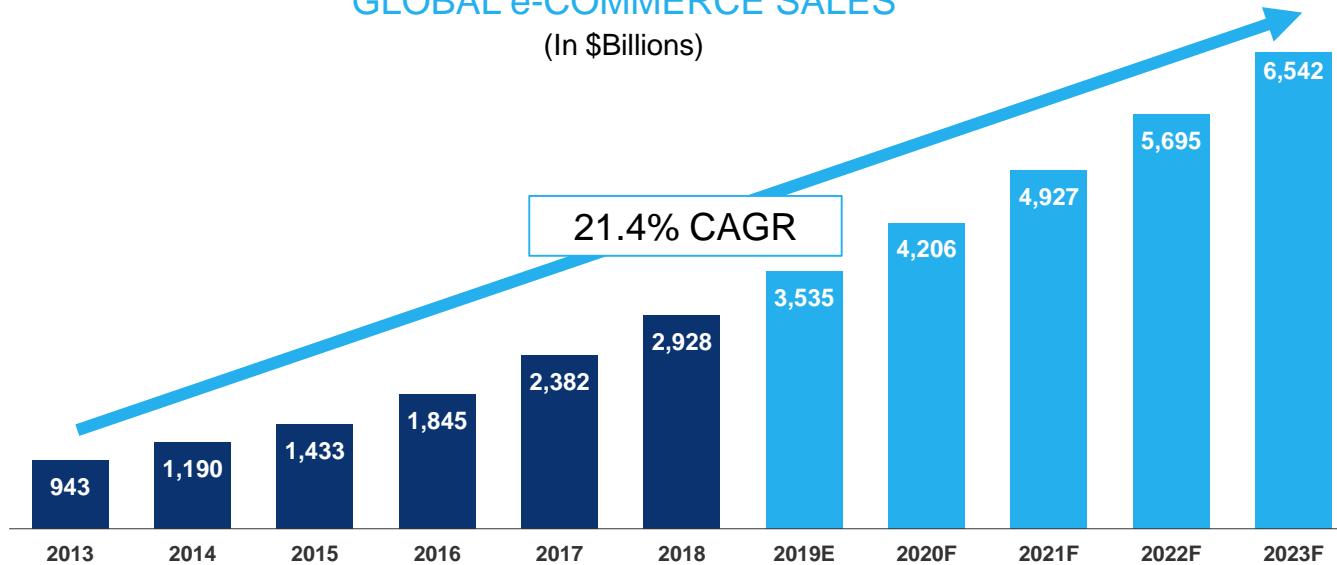
6.8% CAGR since 2011, well above the pace of general airfreight



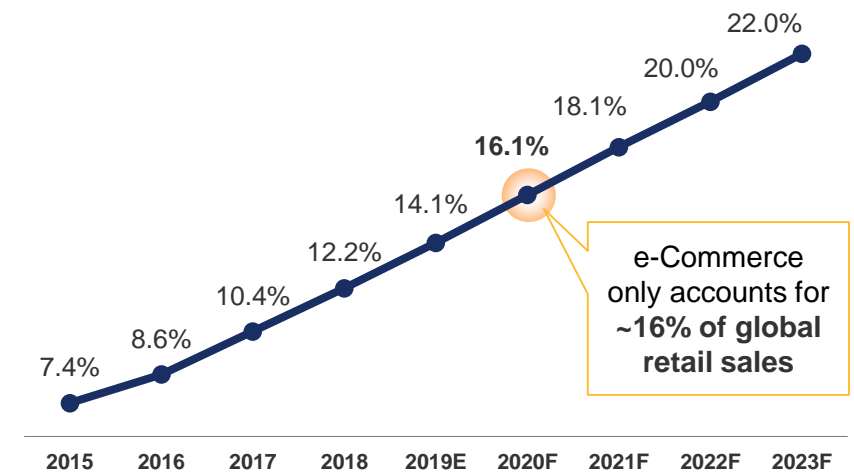
Notes: Weighted average of growth rates in international express package volume reported by these express operators
Weighting is 50% DHL, 25% UPS and 25% FedEx. 2016-2017 FedEx reported data reflects beneficial impact of TNT acquisition

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

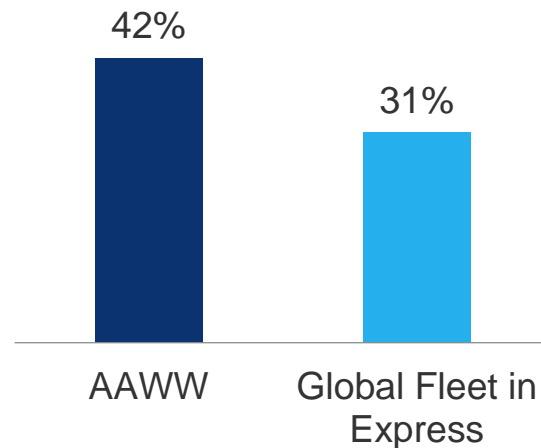
300M internet users
25% mobile penetration
2% e-Commerce penetration



Fleet Aligned with Express and e-Commerce

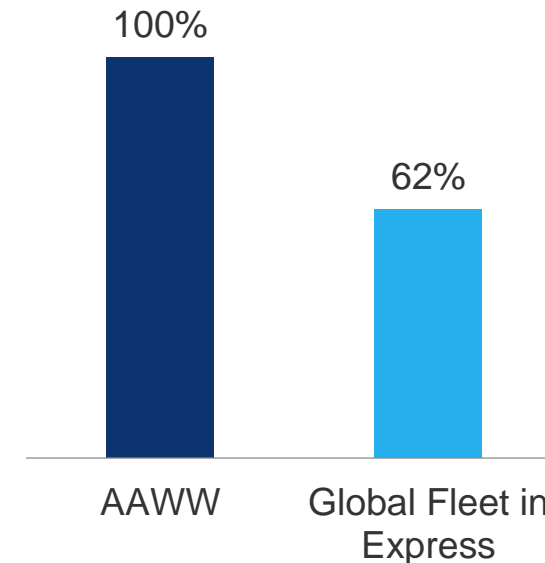
Atlas Fleet
in Express/
e-Commerce
Compared with
Global Fleet

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

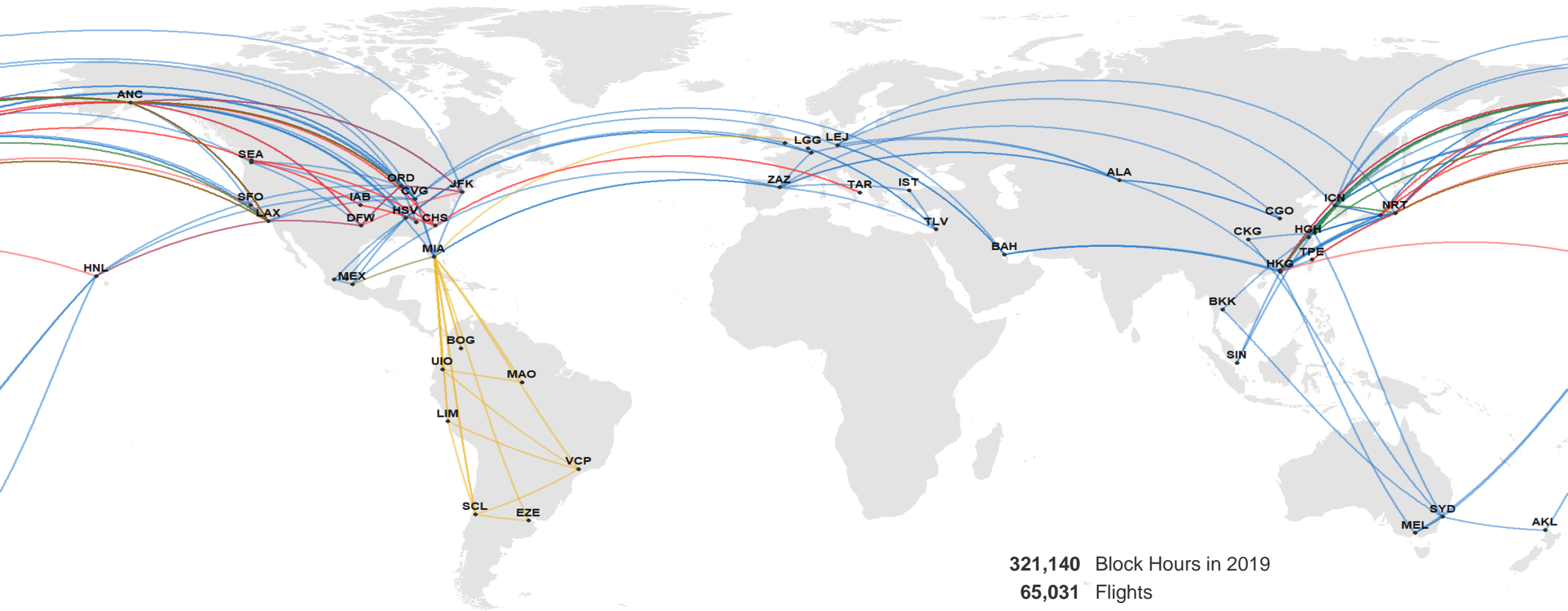
To leverage our core
competencies and
organizational capabilities



Executing Strategic Plan



Global Operating Network



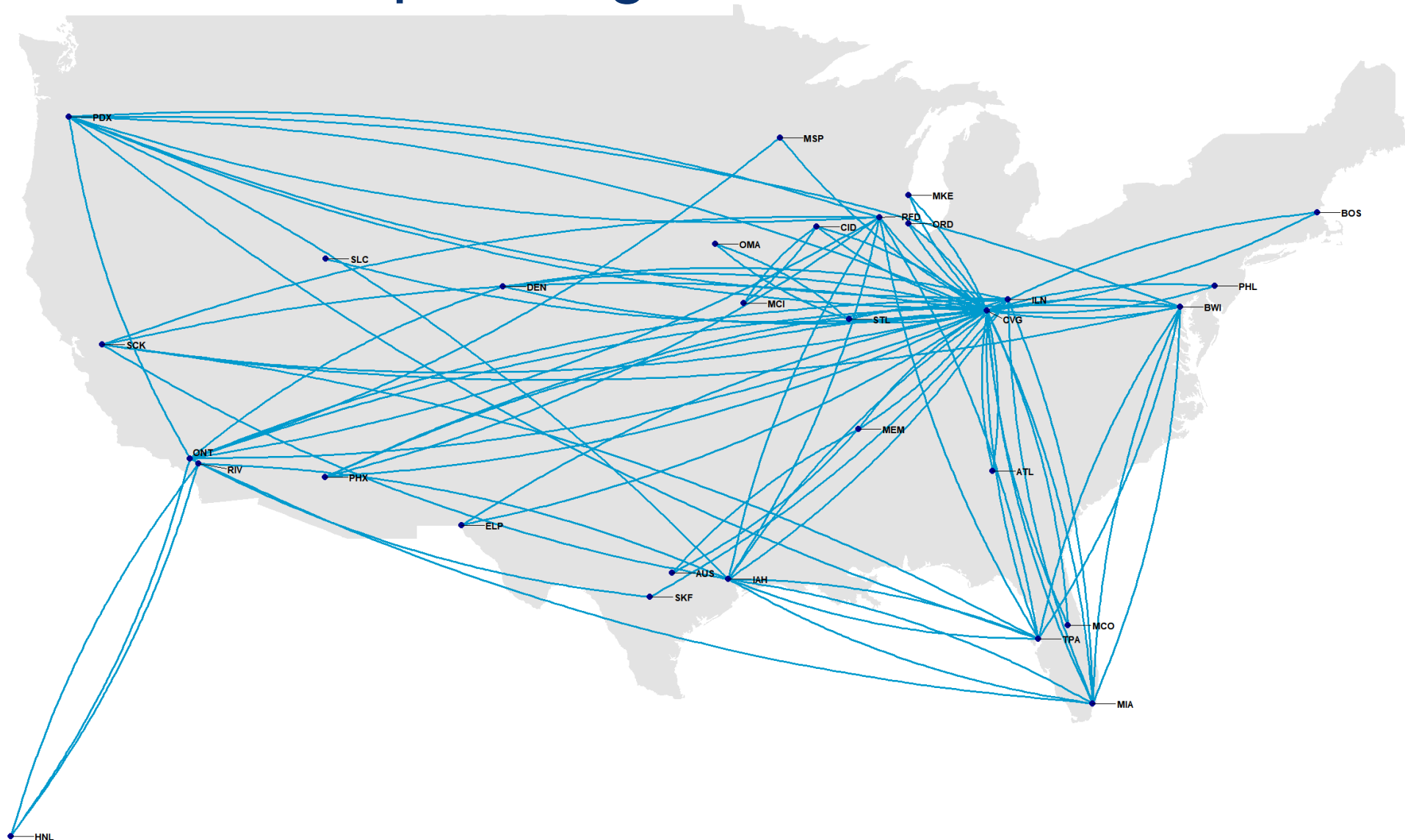
321,140 Block Hours in 2019

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

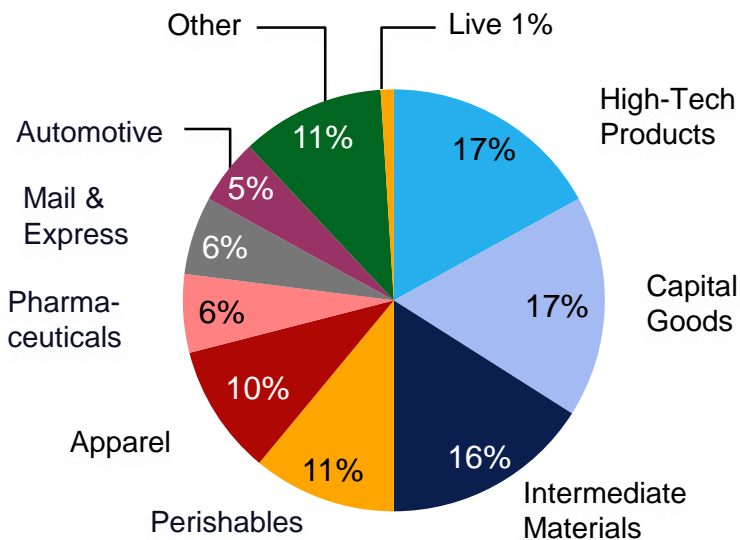
Products/supply
chains with
just-in-time delivery
requirements

SPECIALTY CONSIDERATION

Products with
significant security
considerations

BY SECTOR

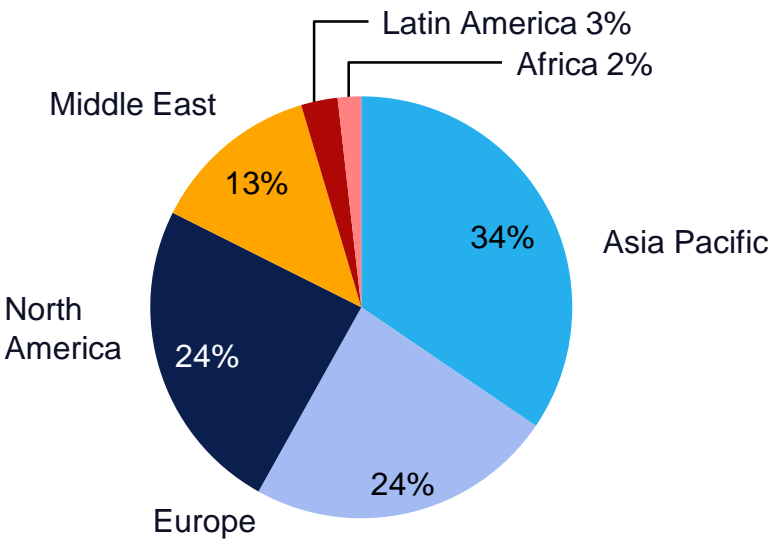
Industry Sectors Served by AAWW Customers



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

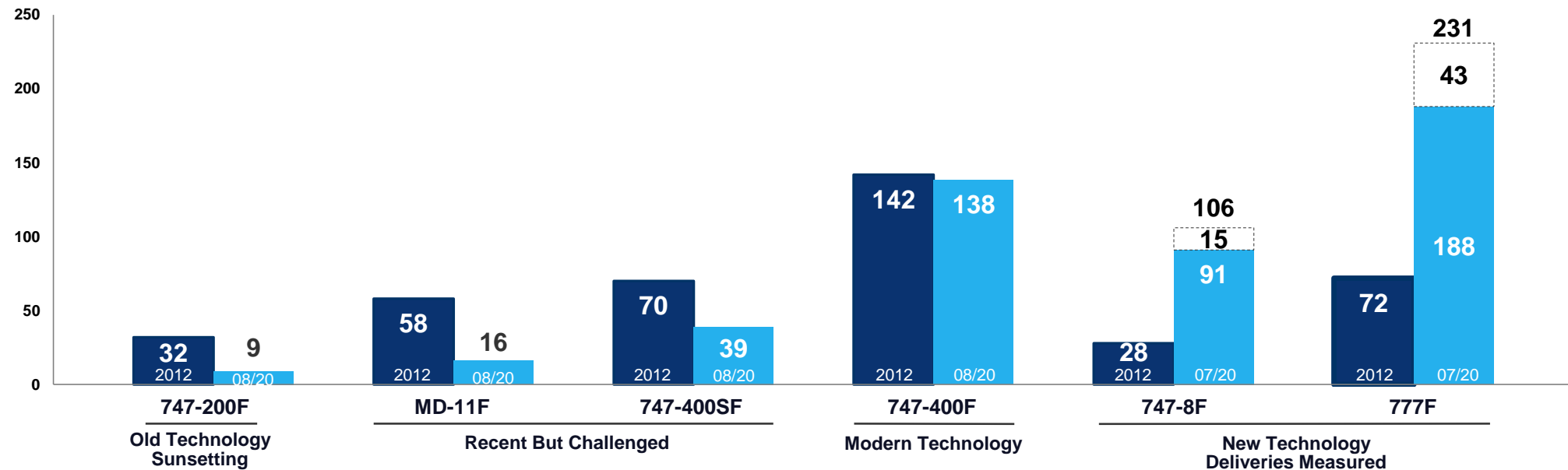
BY REGION

Percent of International Freight Tonne Kilometers (FTKs)



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 2020), Ascend (August 2020), Boeing (July 2020), company reports

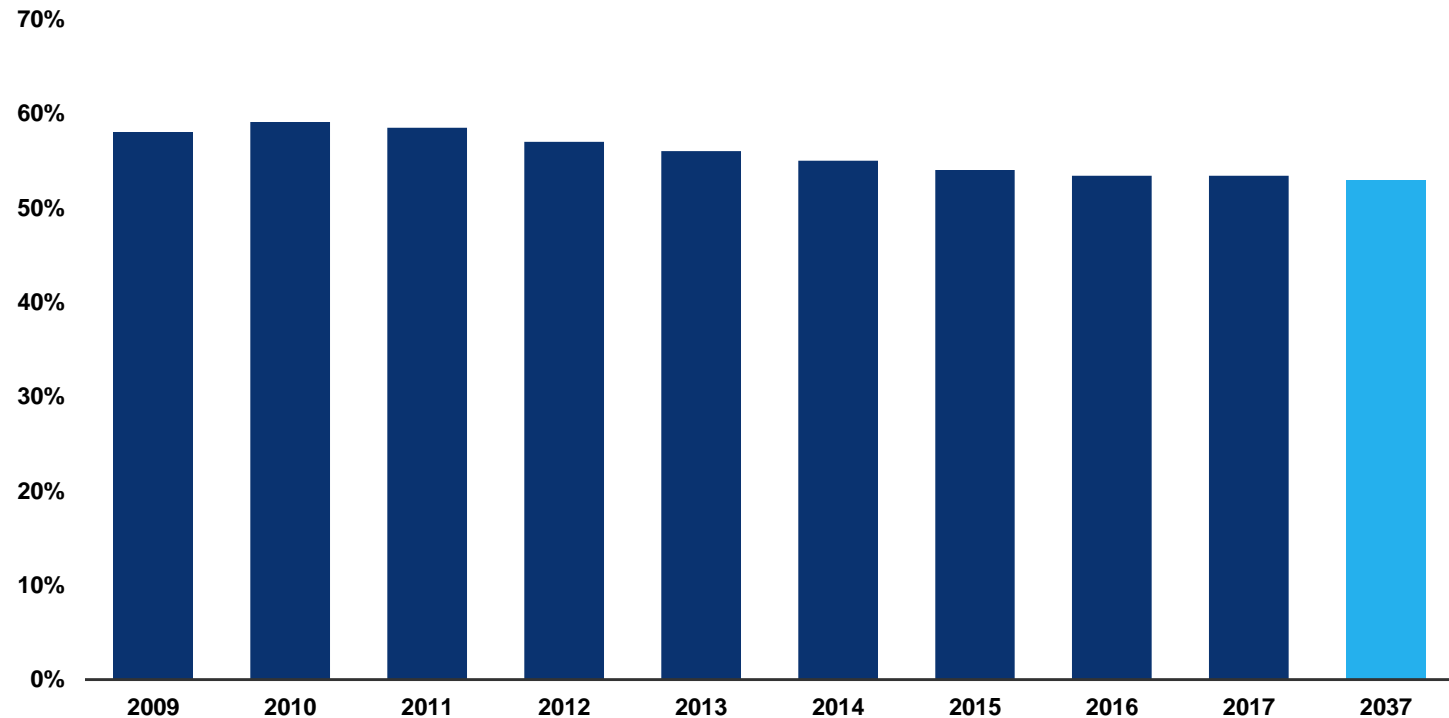
Notes: Excludes parked aircraft, aircraft in Express operations, combis and tankers; 747-200F total includes -100s and -300s

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

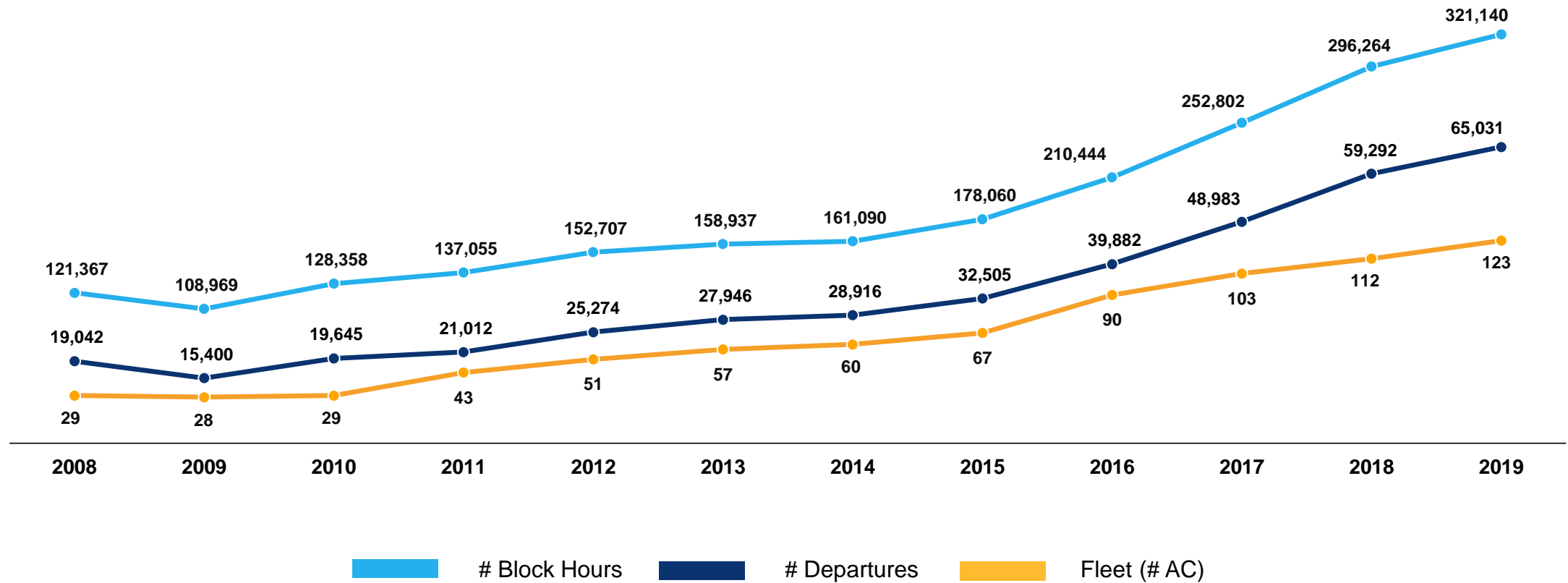
PERCENTAGE OF WORLD RTKs CARRIED ON FREIGHTERS



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

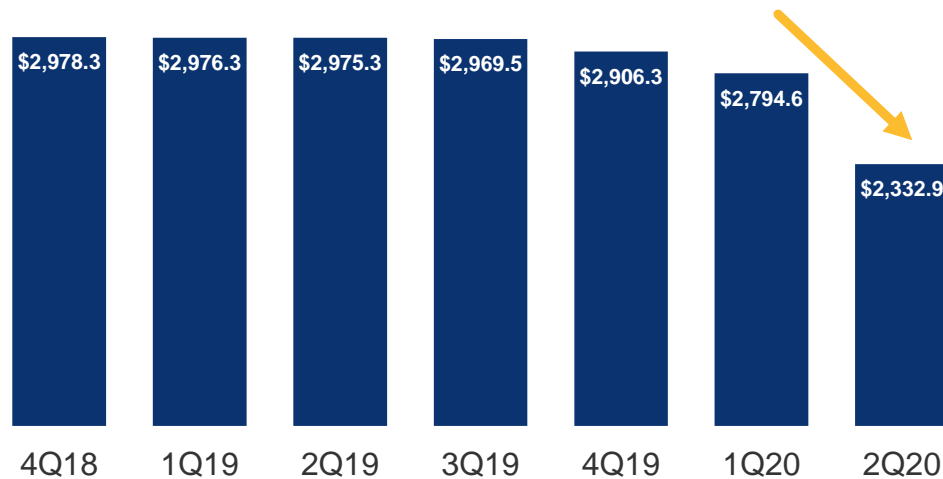
*Considering 28 tonnes max structural cargo capacity available after allocating capacity to bags carried
Sources: Atlas, Boeing

Growth by Year

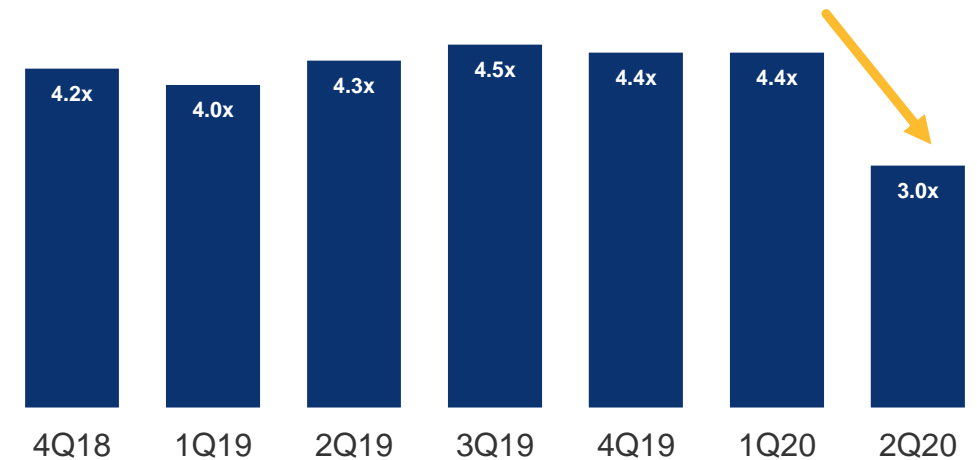


Net Debt and Net Leverage Ratio

NET DEBT*
In \$Millions



NET LEVERAGE RATIO*



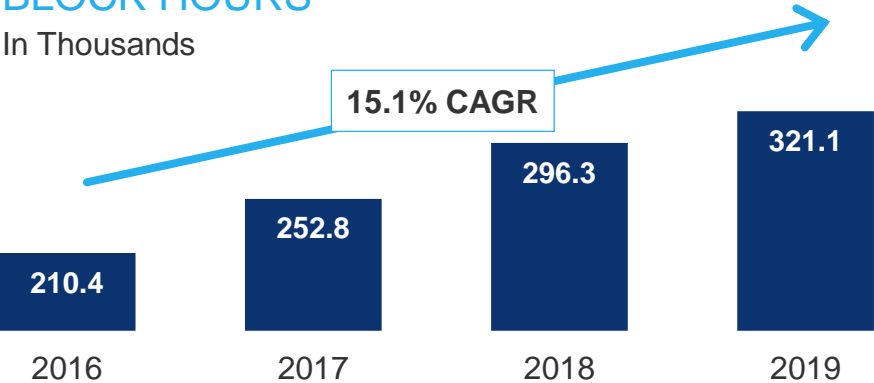
Maintaining debt payments of ~\$70 million per quarter

*See Appendix for Non-GAAP reconciliation.

Financial and Operating Trends

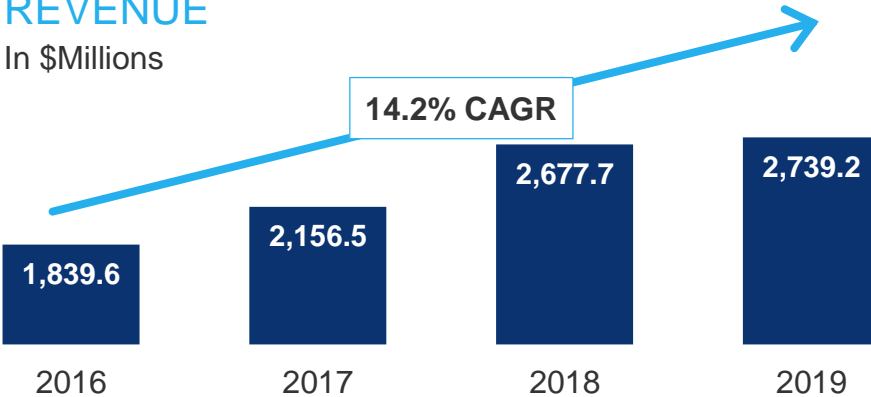
BLOCK HOURS

In Thousands



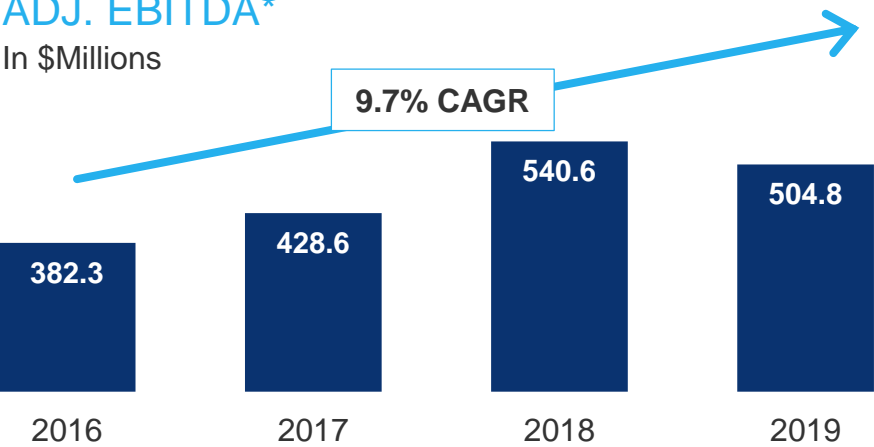
REVENUE

In \$Millions



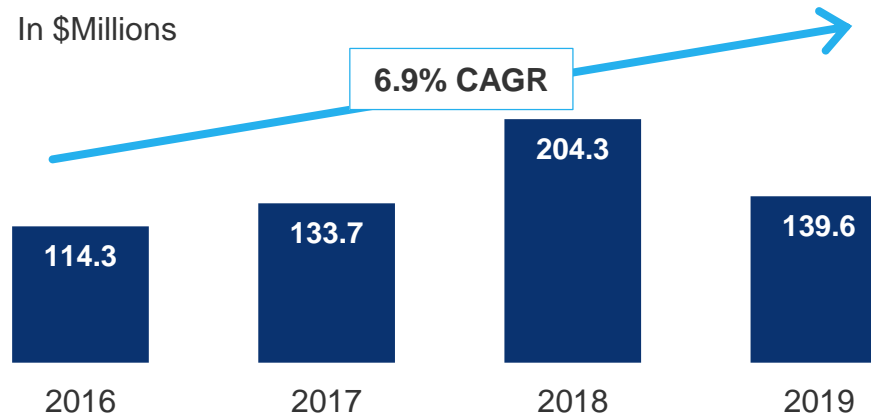
ADJ. EBITDA*

In \$Millions



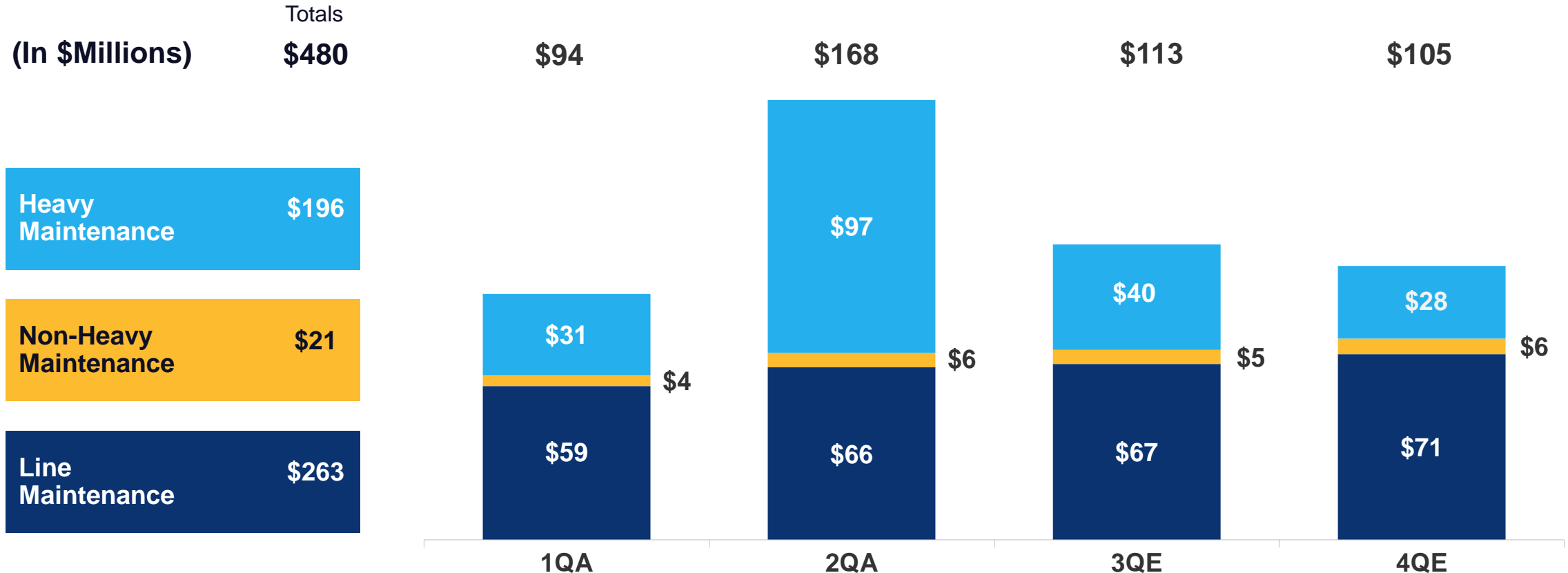
ADJ. NET INCOME*

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)	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20
FACE VALUE OF DEBT	\$ 2,601.3	\$ 2,530.4	\$ 2,511.4	\$ 2,483.4	\$ 2,484.4	\$ 2,530.0	\$ 2,606.4
PLUS: PRESENT VALUE OF OPERATING LEASES	626.0	621.8	591.9	568.8	536.2	500.2	465.7
TOTAL DEBT	\$ 3,227.3	\$ 3,152.2	\$ 3,103.3	\$ 3,052.3	\$ 3,020.6	\$ 3,030.2	\$ 3,072.1
LESS: CASH AND EQUIVALENTS	\$ 232.7	\$ 164.5	\$ 120.8	\$ 80.7	\$ 113.4	\$ 235.6	\$ 739.2
LESS: EETC ASSET	16.3	11.4	7.2	2.1	0.9	0.0	0.0
NET DEBT	\$ 2,978.3	\$ 2,976.3	\$ 2,975.3	\$ 2,969.5	\$ 2,906.3	\$ 2,794.6	\$ 2,332.9
LTM EBITDAR	\$ 711.8	\$ 736.3	\$ 687.7	\$ 659.6	\$ 658.8	\$ 642.2	\$ 789.5
NET LEVERAGE RATIO	4.2x	4.0x	4.3x	4.5x	4.4x	4.4x	3.0x

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, CARES Act grant income, 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, leadership transition costs, certain contract start-up costs, net insurance recovery and unrealized loss (gain) on financial instruments, as applicable.



Thank You