



2009 Fourth Quarter and Year-end
Investor Conference Call
April 1, 2010, 10:00 am EDT

Except for historical information contained herein, the matters discussed in this release contain forward-looking statements that involve risks and uncertainties. There are a number of important factors that could cause Air Transport Services Group's ("ATSG's") actual results to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to, changes in market demand for our assets and services, the timely completion of 767 freighter modifications as anticipated under ABX Air's new operating agreement with DHL, ABX Air's ability to maintain on-time service and control costs under its new operating agreement with DHL, and other factors that are contained from time to time in ATSG's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Readers should carefully review this release and should not place undue reliance on ATSG's forward-looking statements. These forward-looking statements were based on information, plans and estimates as of the date of this release. ATSG undertakes no obligation to update any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes.

ATSG, Inc. Non-GAAP Reconciliation

Earnings from Continuing Operations Before Interest, Taxes, Depreciation, and Amortization (Adjusted EBITDA) (Unaudited)

Reconciliation Statement (\$ in 000s)	2007	2008	2009
GAAP Earnings (Loss) from Cont.	14,823	(62,848)	28,202
Income Tax Expense	10,898	6,229	17,156
Interest Income	(4,557)	(2,335)	(449)
Interest Expense	14,067	37,002	26,881
Depreciation and amortization	51,635	93,752	83,964
EBITDA from Cont. Oper.	86,866	71,800	155,754
Impairment of goodwill and intangibles	0	91,241	0
Adjusted EBITDA from Cont. Oper.	86,866	163,041	155,754

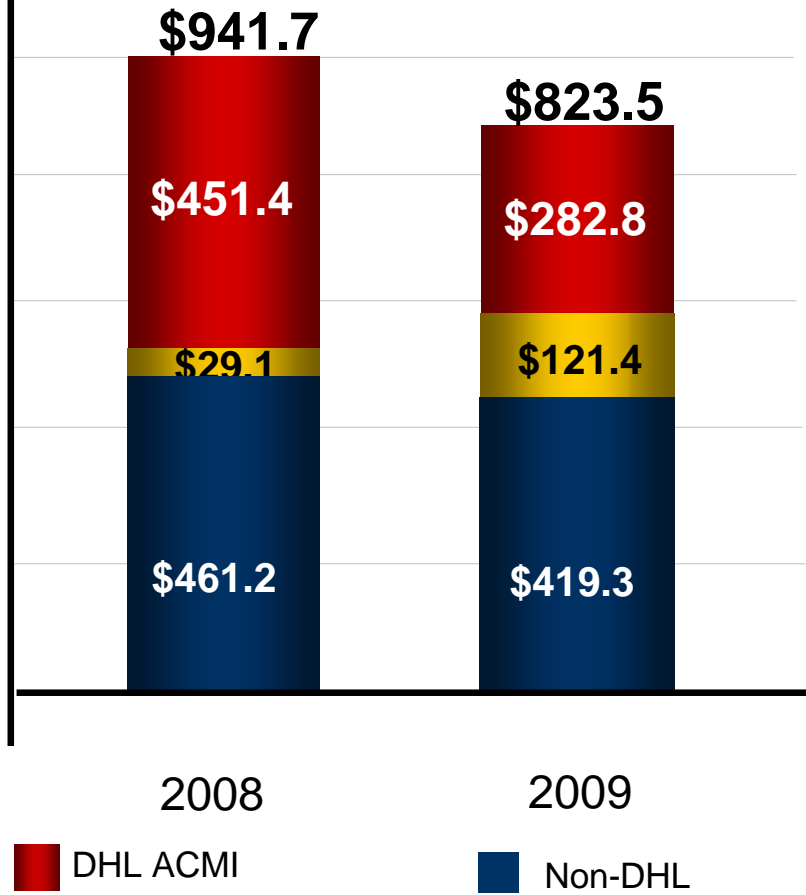
EBITDA and Adjusted EBITDA are non-GAAP financial measures and should not be considered alternatives to net income (loss) or any other performance measure derived in accordance with GAAP. EBITDA is defined as income (loss) from operations plus net interest expense, provision for income taxes, depreciation and amortization. The Company's management uses these adjusted financial measures in conjunction with GAAP finance measures to monitor and evaluate the performance of the Company, including as a measure of liquidity. EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP, or as alternative measures of liquidity.

\$ in millions

Annual Results

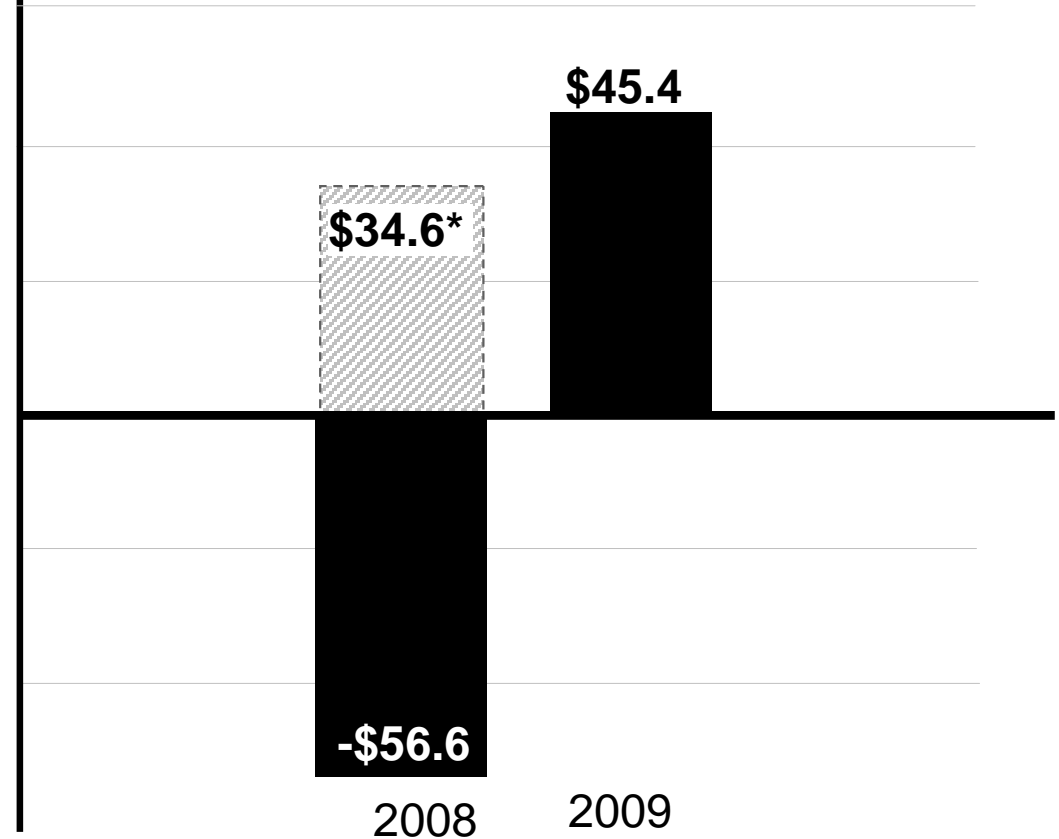
Revenues

from Continuing Operations



Pre-tax Earnings

From Continuing Operations

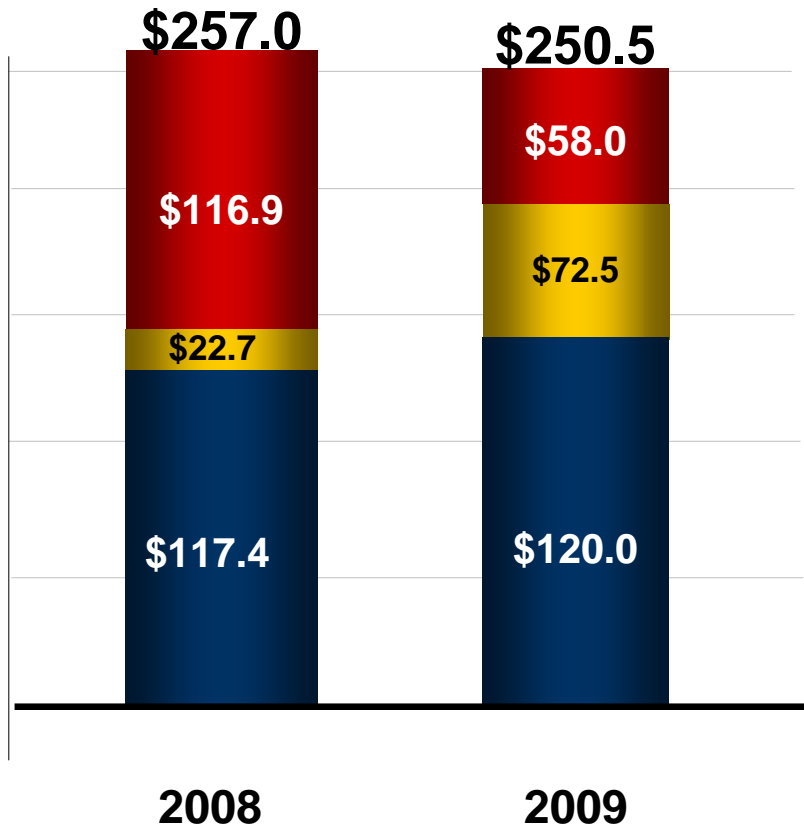


* Excluding goodwill and intangible impairment charges

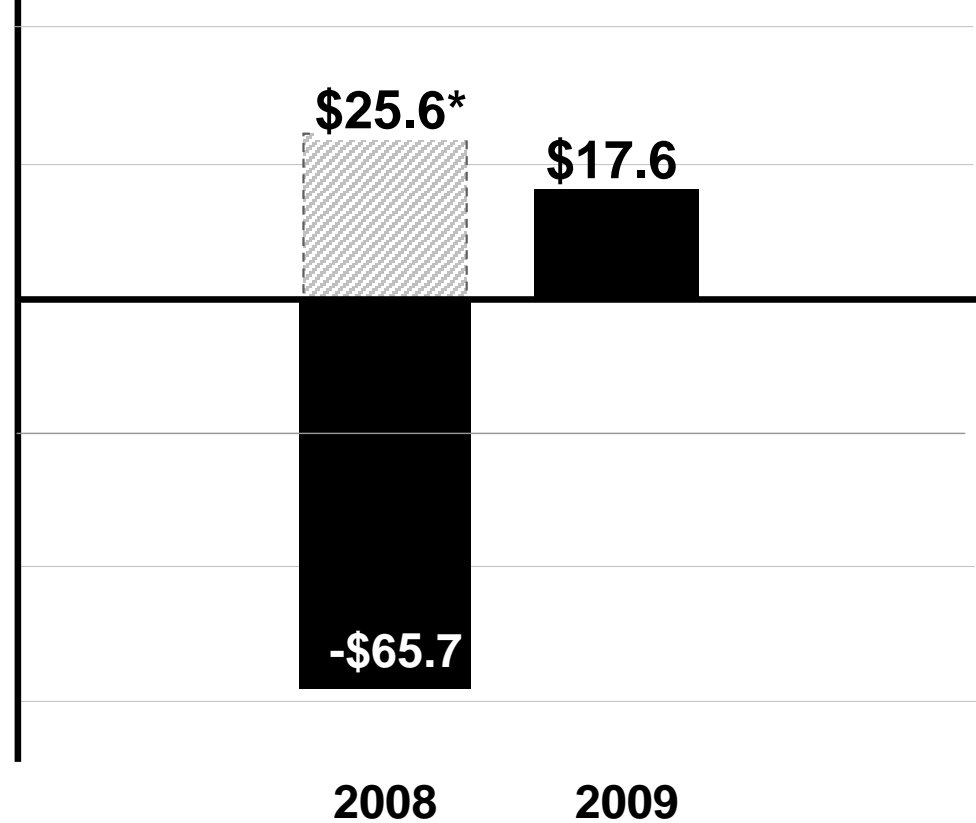
\$ in millions

Fourth Quarter Results

Revenues
from Continuing Operations



Pre-tax Earnings
from Continuing Operations

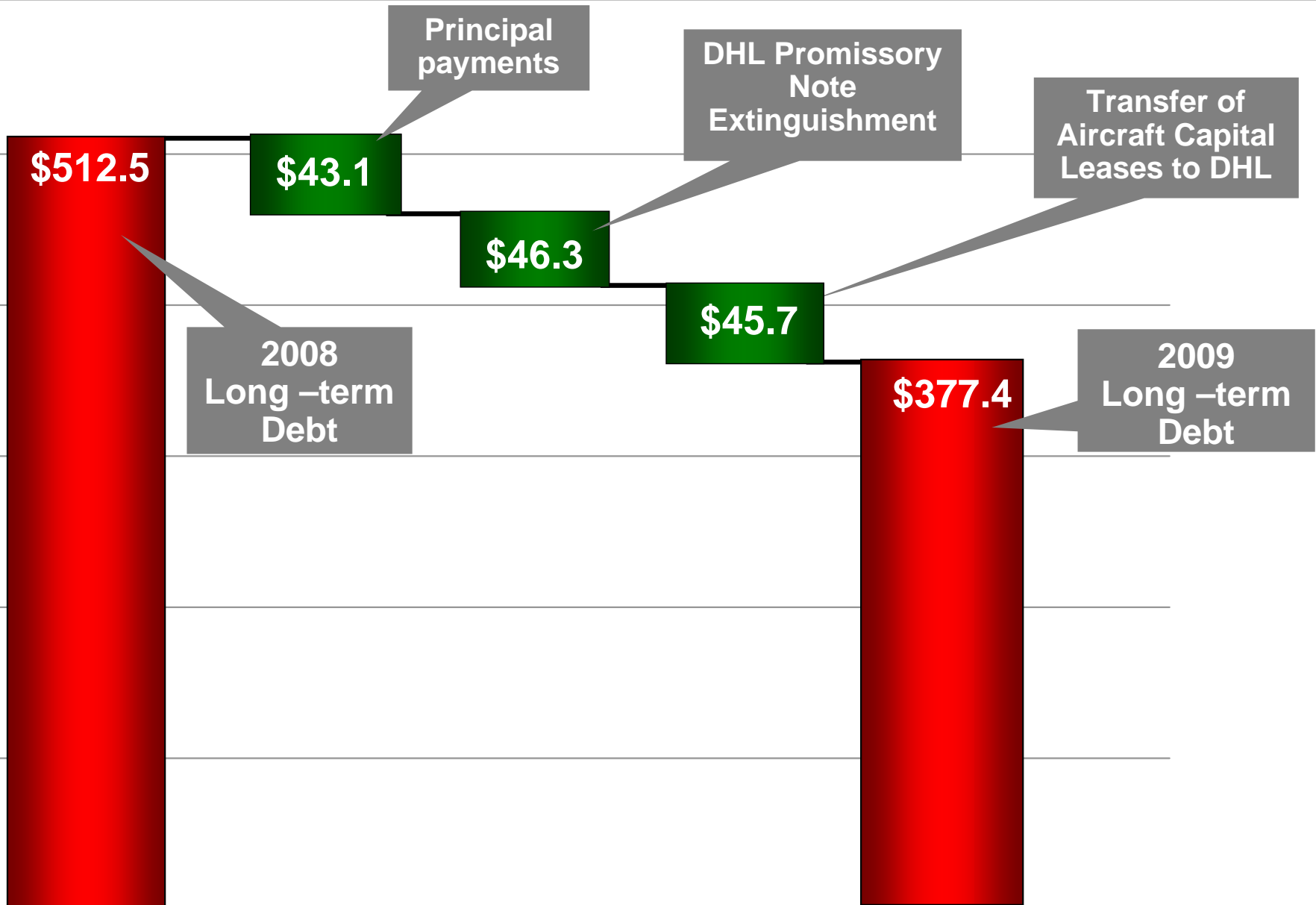


■ DHL ACMI ■ Non-DHL
■ DHL S&R Agreement

* Excluding goodwill and intangible impairment charges

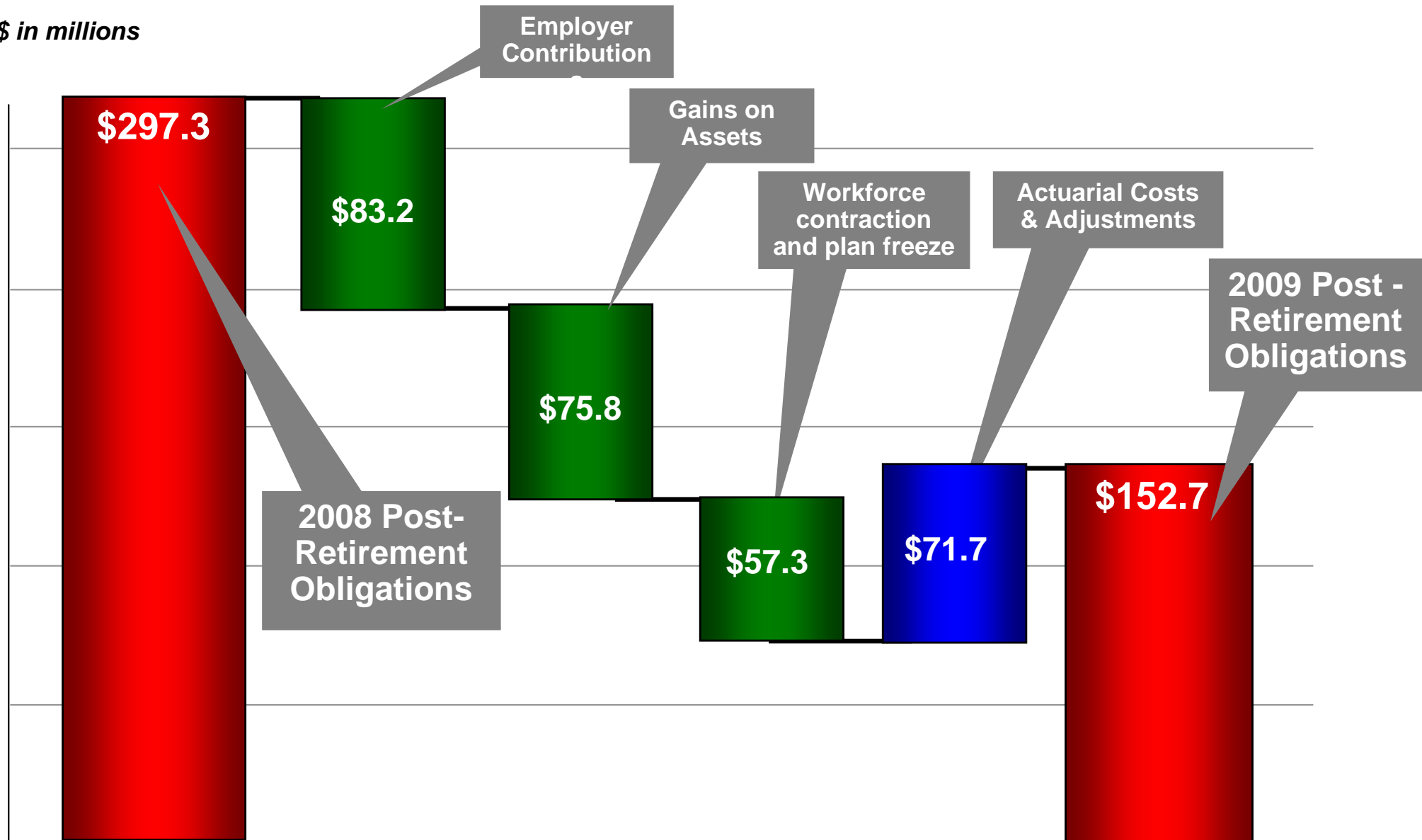
Debt declines \$135.1m, 26.4%

\$ in millions

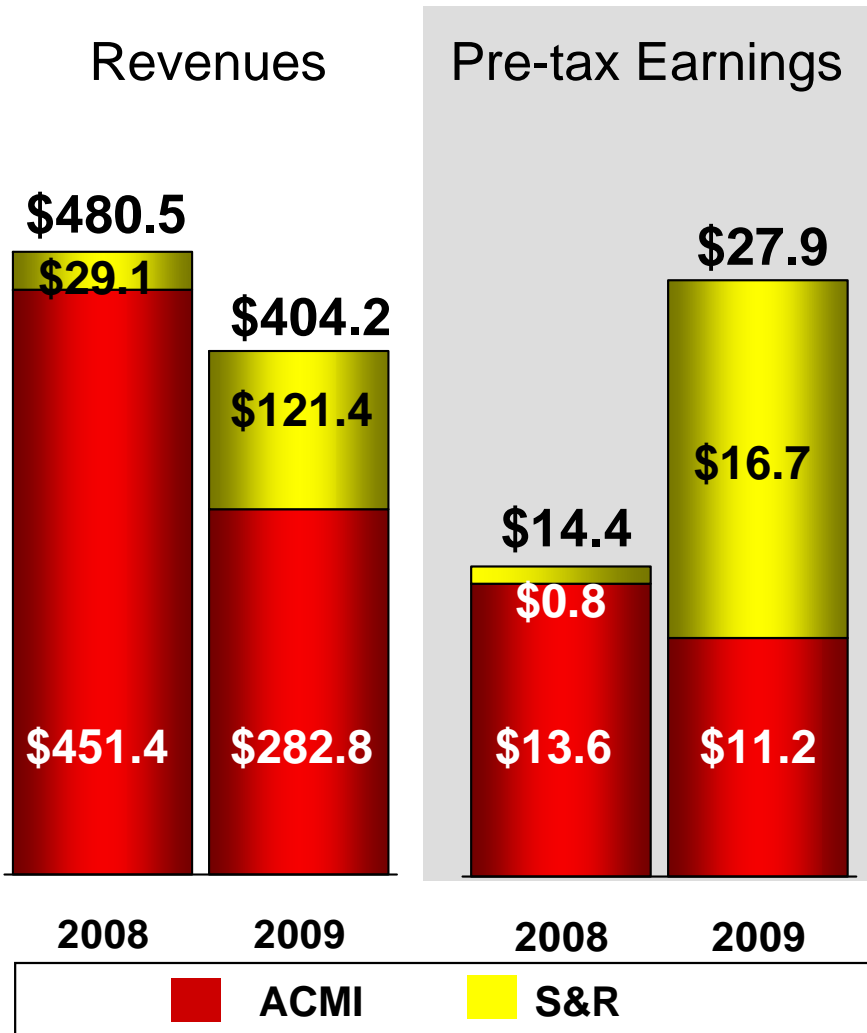


Post-retirement obligations decline \$144.6m, 48.6%

\$ in millions



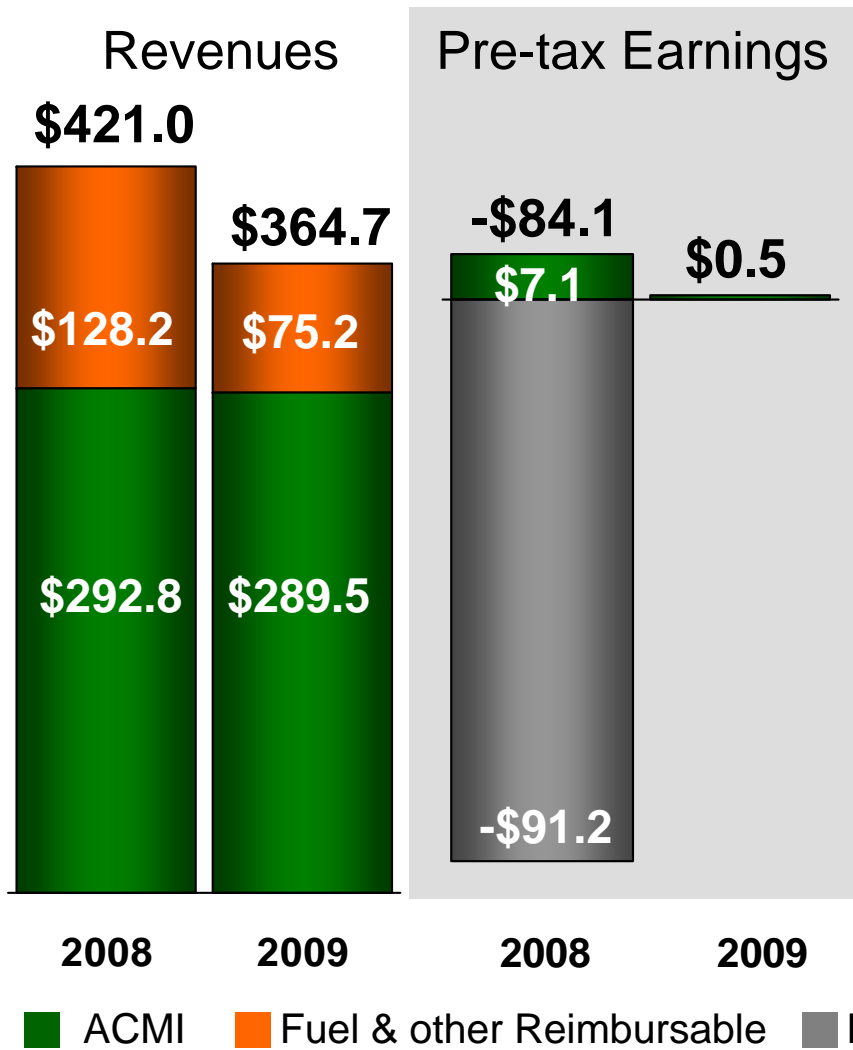
2009 Results – DHL Segment*



- Block hours down 78% as DHL converted U.S. to international-only service in January 2009
- Severance & retention includes gains on pilot S&R, vacation reimbursement.
- Excludes discontinued operations (Hub Services and fuel)

* From continuing operations

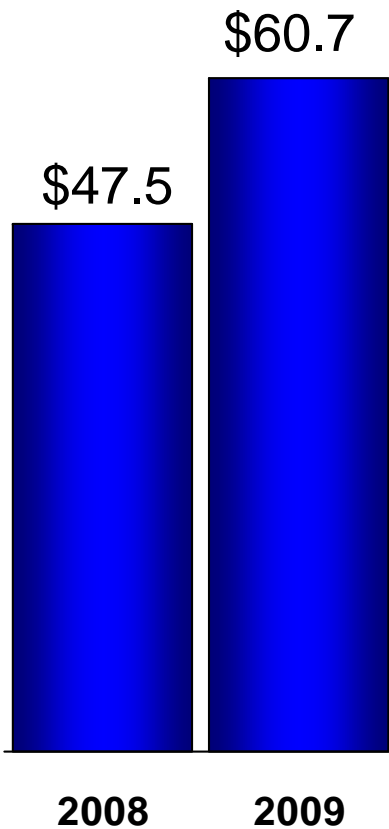
2009 Results – ACMI Services*



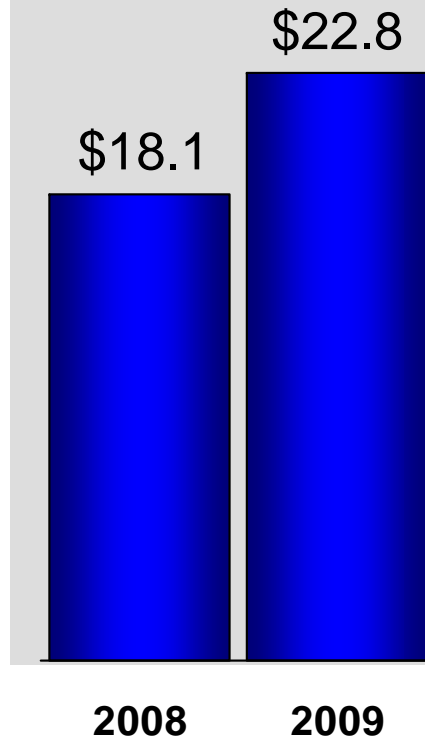
- 11% increase in block hours reflect additional 767s in service
- Fuel costs down 42%, lowering reimbursement revenues
- ABX Air ACMI losses, including transatlantic scheduled service

* Earnings include intangible charges totaling \$91.2 million pre-tax for goodwill, customer intangibles

Revenues

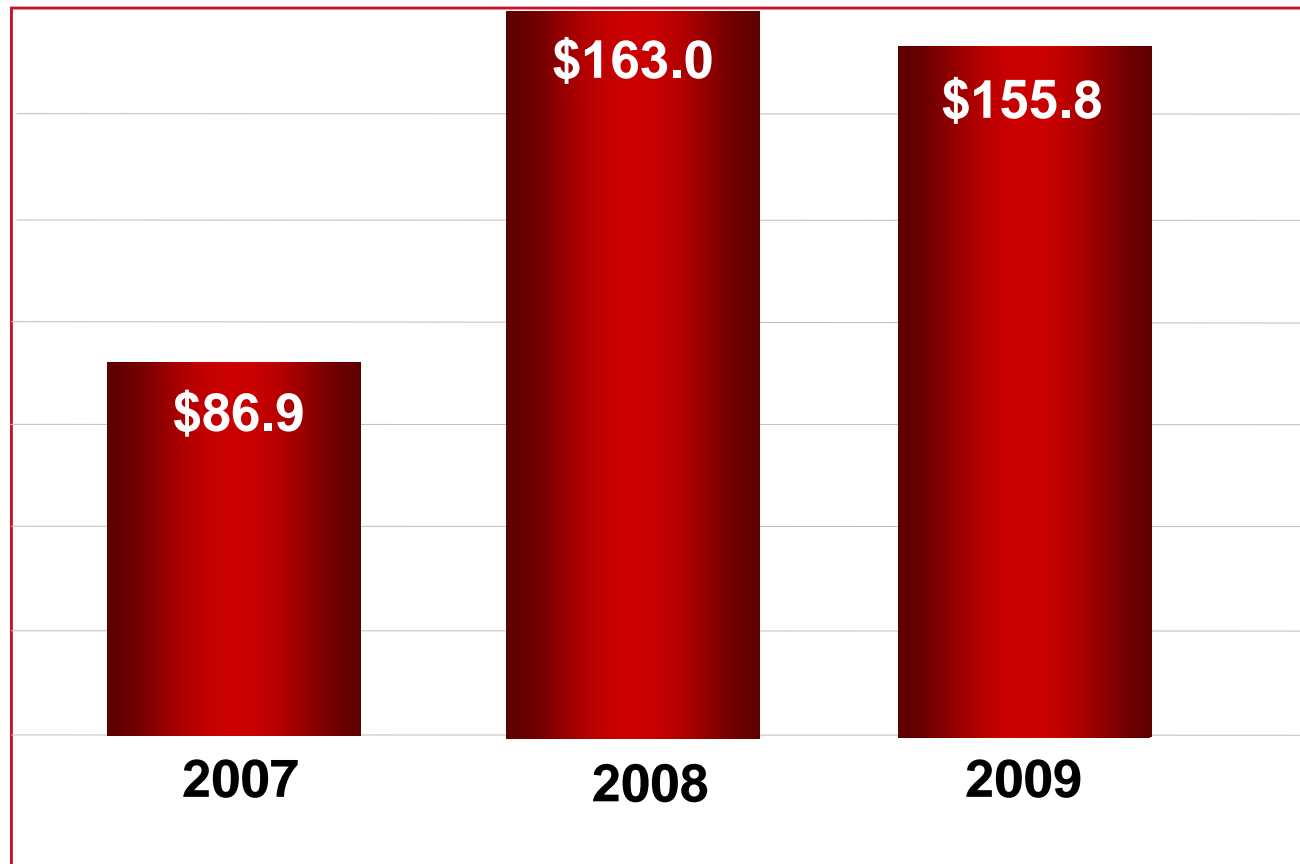


Pre-tax Earnings



- Seven 767 aircraft added during 2009
- 767 conversion program on track with seven of 14 now completed or in mod
- Amerijet completes leases for first of two 767s in March 2010 including certification, pilot training, maintenance, etc.

Adjusted EBITDA from Continuing Operations*



*Adjusted EBITDA from Continuing Operations is a non-GAAP financial measure and should not be considered as an alternative to net income (loss) or any other performance measure derived in accordance with GAAP. 2008 amounts exclude impairment charges totaling \$91.2 million related to goodwill and customer intangibles. Please refer to Slide 2 for a statement showing a reconciliation of Adjusted EBITDA from Continuing Operations to GAAP Net Income."

- ❑ **Settle DC-9 and B767 PC puts at \$31.1 million**
- ❑ **\$15 million pre-payment on DHL Promissory note**
 - ✓ Remaining \$31 million note balance amortized over 5 years, with any outstanding balance forgiven if CMI contract terminated
- ❑ **DHL pays \$14.4 million under S&R agreement**
 - ✓ \$3.2 million previously paid by DHL
 - ✓ \$11.2 million to be paid per agreement in 2Q

- Minimum 13 B767SF aircraft for seven years**
- Seven on day one, remainder by April 2011**
- Interim 767s supplied under similar economic terms**
- Leases guaranteed by Deutsche Post AG, DHL's parent**
- DHL responsible for routine airframe heavy maintenance**

Crew, Maintenance and Insurance (CMI) Agreement

Five year agreement through March 2015

- ✓ Two year extension right at DHL's option; Five year mutual
- ✓ Fixed price with escalators through 2012; thereafter U.S. CPI-U

Exclusive operator first 13 767SFs in DHL network

- ✓ ABX Air provides 767s as backup support

Monthly incentives for on-time performance

- ✓ penalty for service below target

Heavy maintenance provided by AMES

Termination provisions

- ✓ Material fee paid by DHL for termination for convenience
- ✓ Material fee paid by ABX Air if DHL terminates due to ABX Air default

❑ **New DHL agreements demonstrate flexibility**

- ✓ Lease/CMI approach an option for new customer relationships
- ✓ Unlocks value of aircraft from ACMI
- ✓ Provides long-term platform for crew, maintenance value-adds

❑ **More focused marketing strategy**

- ✓ Unique solutions for customers drawing on strengths of multiple ATSG businesses
- ✓ Amerijet an example of ATSG's ability to offer aircraft, crew, airframe and engine maintenance, certification, training, and logistics in a single turnkey package

❑ **Market begins to take note of the new ATSG**

- ✓ Uncertainty lifted
- ✓ Asset quality and cash flow capability clearly evident