AIR TRANSPORT SERVICES GROUP
3Q2021 PRESENTATION

NOVEMBER | 05 | 2021

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WITH RESILIENCE, FLEXIBILITY AND INTEGRITY

A 360º set of top-quality capabilities and a tenacious approach that overcomes challenges and allows their opportunities to take flight

ATSG
AIR TRANSPORT SERVICES GROUP

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for historical information contained herein, the matters discussed in this presentation contain forward-looking statements that involve risks and uncertainties. These forward-looking statements are based on expectations, estimates and projections as of the date of this presentation and address activities, events or developments that we expect, believe or anticipate will or may occur in the future. Although we believe our estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. We caution all readers that the forward-looking statements contained in this presentation are not guarantees of future performance, and we cannot assure any reader that those statements will be realized, or the forward-looking events and circumstances will occur.

A number of important factors 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 the following, which relate to the current COVID-19 pandemic. The pandemic may (i) continue for a longer period, or its effect on commercial and military passenger flying may be more substantial than we currently expect; (ii) cause disruptions to our workforce and staffing capability, including through our compliance with federally mandated COVID-19 vaccination and testing requirements; (iii) cause disruptions in our ability to access airports and maintenance facilities; and (iv) adversely impact our customers' creditworthiness or the ability of our vendors and third-party service providers to maintain customary service levels.

Other factors that could cause ATSG's actual results to differ materially from those indicated by such forward-looking statements include, but are not limited to: (i) unplanned changes in the market demand for our assets and services, including the loss of customers or a reduction in the level of services we perform for customers; (ii) our operating airlines' ability to maintain on-time service and control costs; (iii) the cost and timing with respect to which we are able to purchase and modify aircraft to a cargo configuration; (iv) fluctuations in ATSG's traded share price and in interest rates, which may result in mark-to-market charges on certain financial instruments; (v) the number, timing, and scheduled routes of our aircraft deployments to customers; (vi) our ability to remain in compliance with key agreements with customers, lenders and government agencies; (vii) the impact of current supply chain constraints both within and outside the Unites States, which may be more severe or persist longer than we currently expect; (viii) the impact of a competitive labor market, which could restrict our ability to fill key positions; (ix) changes in general economic and/or industry-specific conditions; and (x) 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 presentation 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 presentation. Except as may be required by applicable law, 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.

This presentation also refers to non-GAAP financial measures from continuing operations, including adjusted earnings, adjusted earnings per share, adjusted pretax earnings, adjusted EBITDA, and adjusted free cash flow. Management believes these metrics are useful to investors in assessing ATSG's financial position and results. These non-GAAP measures are not meant to be a substitute for ATSG's GAAP financials and we advise you to refer to the reconciliations to GAAP measures, which are included in the company's 8K and accompanying earnings release furnished and dated 11/04/2021.

THIRD QUARTER HIGHLIGHTS

*Non-GAAP measure, please see the company's 8K and accompanying earnings release for GAAP reconciliation furnished and dated 11/04/2021

** Non-GAAP measure, please see enclosed GAAP reconciliation

GAAP EPS from Continuing Operations **$0.85**, vs. loss of $0.10 per share in 3Q 2020

Customer Revenues $466 million, up **15%** over 3Q 2020

Adjusted EPS* of $0.60, up $0.19 vs 3Q 2020

Record Adjusted EBITDA* **$153** million, **up $27.5 million over** 3Q 2020

Consistently strong Adjusted Free Cash Flow**
($333 million for current trailing twelve months)

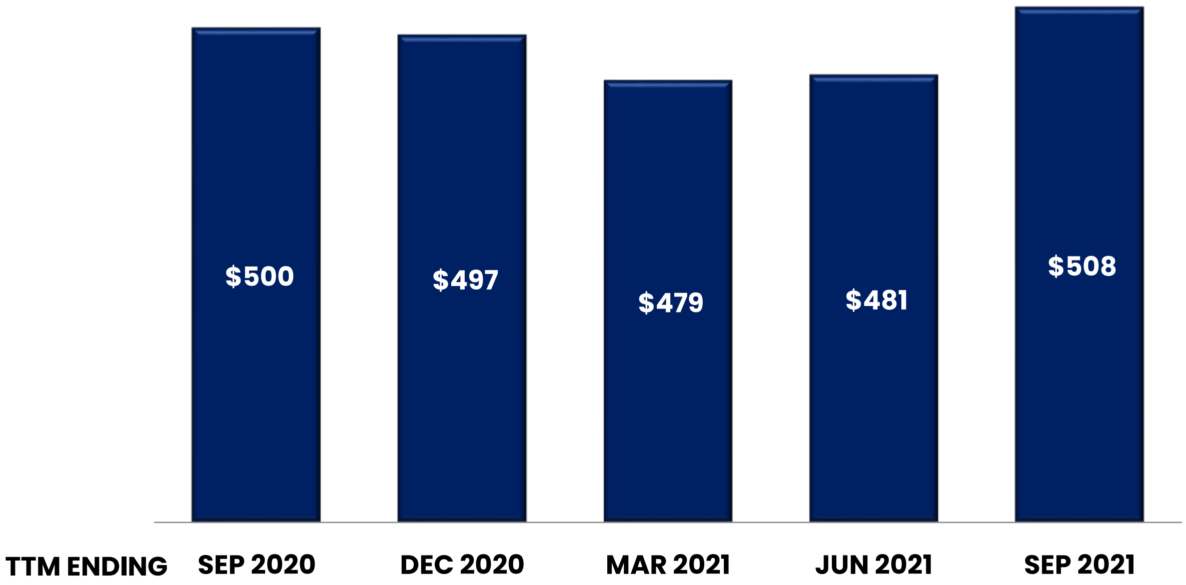
2021 Adjusted EBITDA **Outlook raised to a least $535 million**

ADJUSTED EBITDA*

-TRAILING TWELVE MONTH TREND

*Non-GAAP measure, please see the company's 8K and accompanying earnings release for GAAP reconciliation furnished and dated 11/04/2021

($ in millions)

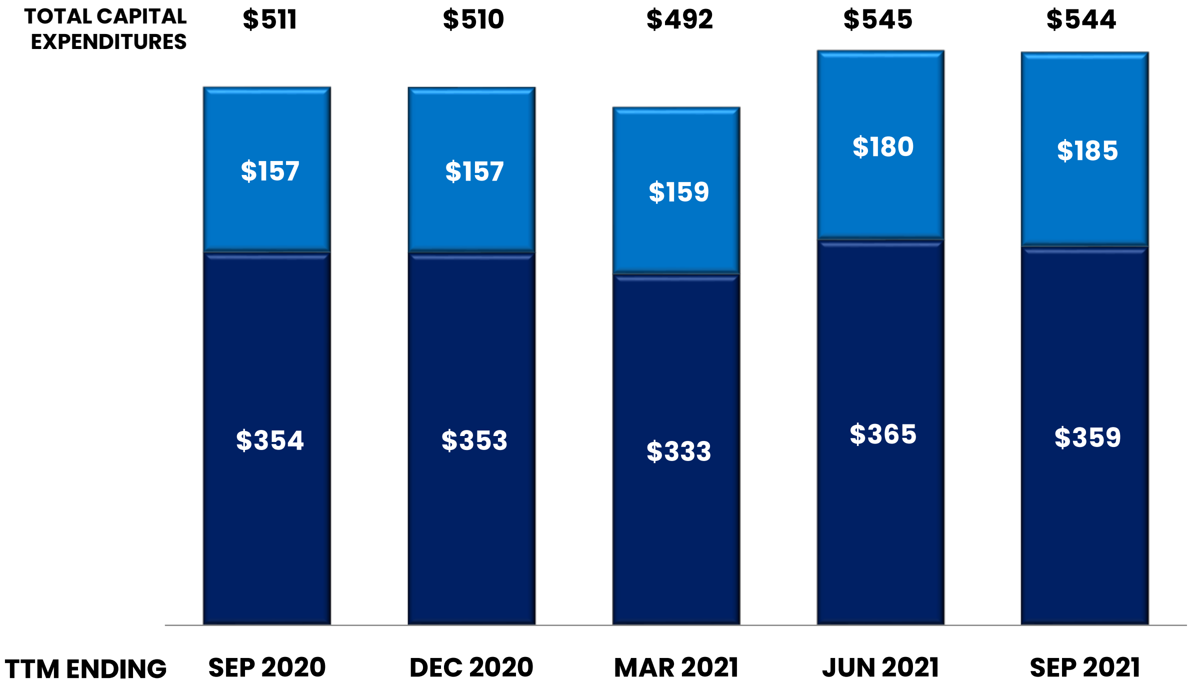


- **Adjusted EBITDA growth driven by thirteen additional Boeing 767 leases over last year**
- **ATSG airlines operated fourteen additional 767 CMI freighters since 3Q 2020**
- **3Q 2021 passenger revenues driven by Afghanistan evacuation operations**

CAPITAL EXPENDITURES

-TRAILING TWELVE MONTH TREND

($ in millions)

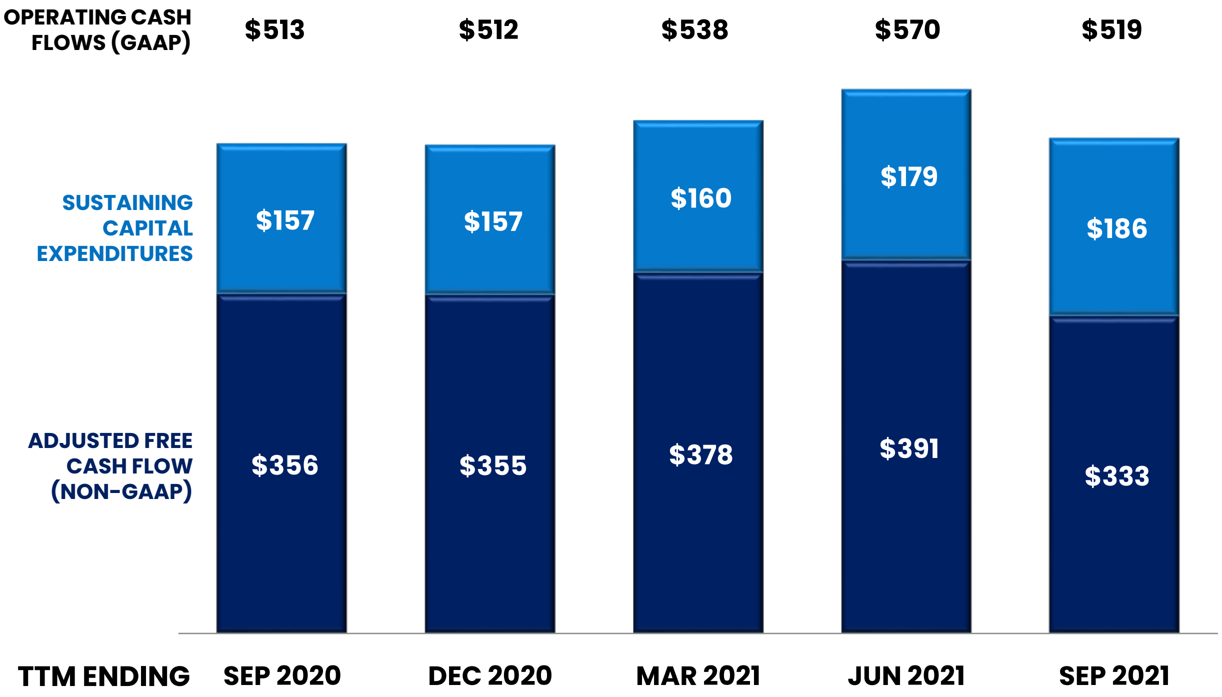


SUSTAINING CAPITAL EXPENDITURES	Cost of planned airframe maintenance, engine overhauls, technology, and other property and equipment.
GROWTH CAPITAL EXPENDITURES	Cost of aircraft acquisitions and freighter modifications.

ADJUSTED FREE CASH FLOW**

-TRAILING TWELVE MONTH TREND

($ in millions)

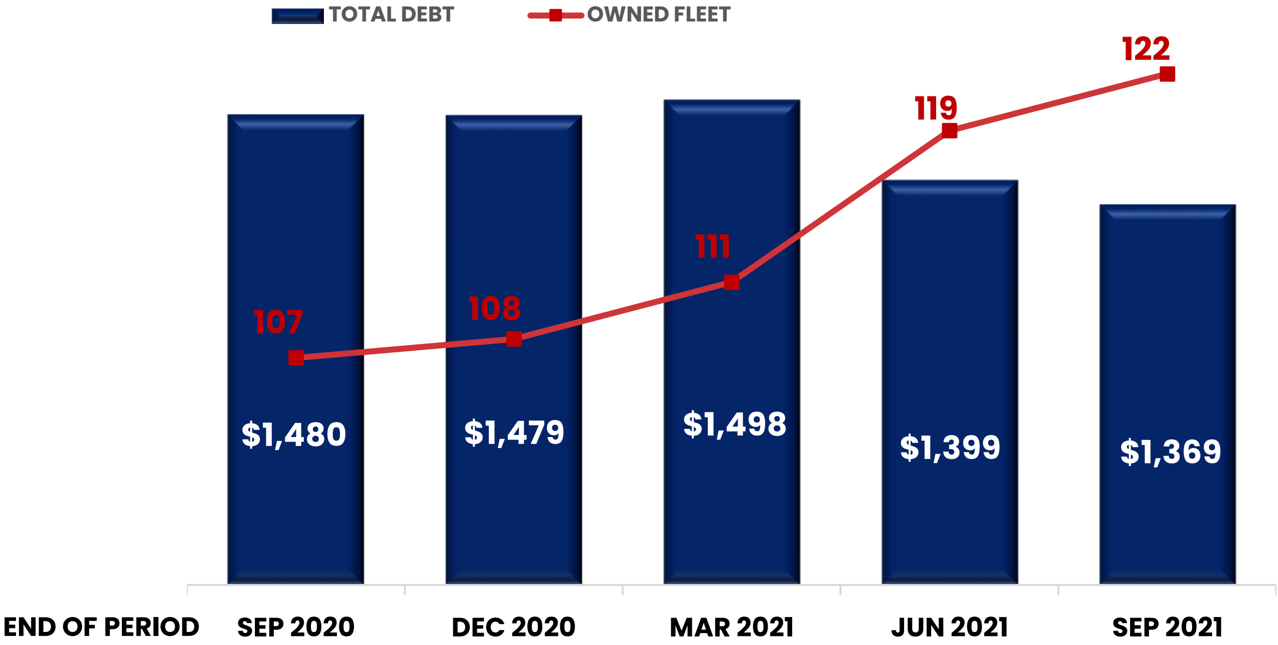


- **No PSP cash receipts related to COVID in 3Q 2021 compared to $45 million and $37 million in 2Q and 1Q 2021, respectively**

**Adjusted Free Cash Flow is a Non-GAAP measure and equals Operating Cash Flows less Sustaining Capital Expenditures.

FLEET GROWS WITHOUT ADDITIONAL DEBT

($ in millions)



Debt amounts shown reflect long term plus current portion of balance sheet debt at end of month shown.

- CAM owned 122 aircraft at 9/30/2021 including sixteen being converted to freighter
- Eighty-two CAM owned freighters were leased to external customers, thirteen more than end of 3Q 2020
- Debt leverage under bank agreement, which includes government grant proceeds, declined from 2.9x in September 2020 to 2.2x in September 2021

3Q 2021 OPERATING HIGHLIGHTS

- **Flight Control Center upgrade implemented for ATI reducing fuel burn**
- **All three ATSG airlines increased flying and combined block hours increased 17% vs 3Q 2020**
- **Opened Nashville gateway for Amazon**
- **United Airlines and Airborne Maintenance & Engineering Services announced long-term maintenance agreement**
- **Pemco Conversions selected by AAR to convert a 737-700 to a FlexCombi™ freighter for a government agency and inducted their first A321 conversion for 321 Conversions JV**

2021 OUTLOOK

- Adjusted EBITDA for 2021 to at least $535 million
- Fifteen 767-300 leases and four 767-200 aircraft re-leases
- ATSG's airlines expect to operate forty-six 767 freighters for Amazon, thirteen more than at the end of 2020
- 2021 capital spending projected approximately $530 million including $335M growth + $195M sustaining

3Q 2021 SUMMARY

REVENUE GROWTH vs 3Q 2020

+15%

ADJUSTED EBITDA GROWTH vs 3Q 2020

+22%

ADJUSTED FREE CASH FLOW 3Q 2021

$72.6 MILLION

QUESTION & ANSWER

ATSG
AIR TRANSPORT SERVICES GROUP

CAM CARGO | AIRBORNE GLOBAL SOLUTIONS | ABX AIR | AIR TRANSPORT INTERNATIONAL | OMNI AIR INTERNATIONAL

AIRBORNE TRAINING SERVICES | AIRBORNE | PEMCO CONVERSIONS | LGSTX SERVICES | TRIFACTOR SOLUTIONS

APPENDIX

NON-GAAP RECONCILIATION

-ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECATION AND AMORTIZATION

Trailing twelve months ended ($ in 000's)	3Q2020	4Q2020	1Q2021	2Q2021	3Q2021
GAAP Pre-Tax arnings (Loss) from Contg Ops	$ (3)	$ 41	$ (44)	$ 166	$ 242
Interest Income	$ -	$ -	$ -	$ -	$ -
Interest Expense	$ 63	$ 63	$ 61	$ 60	$ 59
Depreciation and Amortization	$ 273	$ 278	$ 280	$ 287	$ 297
Add customer incentive amortization	$ 20	$ 21	$ 22	$ 22	$ 23
Less government grants recognized	$ (32)	$ (47)	$ (75)	$ (104)	$ (112)
Add impairment of aircraft and related assets	$ 39	$ 39	$ 39	$ -	$ -
Add non-service components of retiree benefit	$ (6)	$ (12)	$ (14)	$ (15)	$ (17)
Less debt issuance costs	$ -	$ -	$ -	$ 7	$ 6
Less net (gain) loss on financial instruments	$ 129	$ 101	$ 198	$ 53	$ 7
Add loss from non-consolidated affiliates	$ 17	$ 13	$ 12	$ 5	$ 3
	-	-	-	-	-
Adjusted EBITDA (non-GAAP)	**$ 500**	**$ 497**	**$ 479**	**$ 481**	**$ 508**