



AIRTING

A PORTFOLIO OF POWERFUL COMPANIES



December 31,
2024



FY25 Mountain Air Cargo Case Study: Business Unit Analysis



NASDAQ: AIRT



Statements in this document, which contain more than historical information, may be considered forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1996), which are subject to risks and uncertainties. Actual results may differ materially from those expressed in the forward-looking statements because of important potential risks and uncertainties, including, but not limited to, economic and industry conditions in the company's markets, the risk that contracts with FedEx could be terminated or adversely modified, the risk that the number of aircraft operated for FedEx will be reduced, the impact of any terrorist activities on United States soil or abroad; the shifting customer service requirements and production volume levels, the Company's ability to meet debt service covenants and to refinance existing debt obligations, the risk of injury or other damage arising from accidents involving the Company's overnight air cargo operations, competition from other providers of similar equipment and services, changes in government regulation and technology. A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. The Company is under no obligation, and it expressly disclaims any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. Potential investors should review the Company's risk factors in its reports filed with the Securities and Exchange Commission, as well as the summary Risk Factors contained herein, prior to investing.

SAFE HARBOR

CONTENTS

1. Executive Summary
2. Significant Events and Milestones
3. Financial Ratios



EXECUTIVE SUMMARY

Mountain Air Cargo ("MAC") is a business unit of the AIR T, INC. holding company (NASDAQ: AIRT).

Mission: *"Provide high quality and dependable customer service in the express air cargo industry by adding value and creating opportunities for our employees, customers, and investors."*

Vision: *"To be the leader in express air cargo industry through excellence in service and sustainable growth in a family-oriented environment."*

EXECUTIVE SUMMARY



AIR T INC

Key Points:

- Incorporated in December 1982
- FedEx Feeder Operator – 1983
- Four main Flight Crew domiciles located in Indianapolis, Memphis and Puerto Rico (San Juan and Aguadilla)
- Fleet: C208, C408, ATR 42, ATR 72, ATR 72-600f
- Over 150 Flights per day, spanning 55 destinations across Eastern U.S and Caribbean
- Overnight Air Cargo Segment
- CSA Air / WASI



Family

We respect, care and treat each other as family to overcome challenges and celebrate successes.

Commitment

Dedicated to going above and beyond for each other and our customer.

Integrity

We operate with full transparency and pledge to maintain the highest moral character, even under the challenging circumstances, in all aspects of our business.

Core Values

Innovation

Developing unique solutions to enable us to be the leader in the express air cargo industry. If there is a better way, we will find it.

Quality

We take pride in ensuring quality of life for our employees while providing high quality, safe and dependable service.

EXECUTIVE SUMMARY

KEY PEOPLE



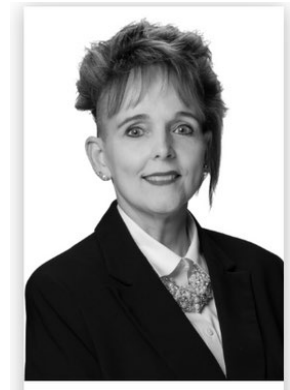
Mike Bandalan
CEO



Ken Troyer
COO



Christina McMahon
Accounting Director



**Kathy Barnette-
Novak**
Director of HR



SIGNIFICANT EVENTS & MILESTONES

1982-2019

1982: Mountain Air Cargo (“MAC”) was incorporated, which became the first investment of Air T, Inc.

1983: Became a FedEx Feeder Operator

2019: New Leadership takes place with new vision - MAC business continuing strong to this day.



2020 - 2021

“Classic MAC”: Consists of 4 core areas – FAA Compliance, Safety, Effectiveness and Reliability

Continued bottom-line performance through adversity of COVID-19

Solutions Driven / Value Added Service: C208/C408 SIC Programs, & ATR 135 Operations



2022-2023

Fleet Refreshment Programs: For C408/ATR-600 Aircraft models as well as the introduction of ATR72-600F aircraft models

Strengthen and Growth: Strong focus on employee retention and recruiting, growth of aircraft fleet, and vertical growth from the acquisition of WASI.

Expansion of Caribbean routes and fleet aircraft



2024-2025

Continuous Growth: MAC will seek additional growth through strategic acquisitions, further international expansion, and increasing aircraft count through the feeder program.



REVENUE GROWTH

Revenue Growth	Year Ended March 31,								Nine Months Ended December 31,	
<i>In Thousands</i>	2017	2018	2019	2020	2021	2022	2023	2024	2023	2024
Revenue	\$59,805	\$63,030	\$62,866	\$64,853	\$56,418	\$64,448	\$78,420	\$95,920	\$70,377	\$74,930

MAC's revenue has grown at a cumulative annual growth rate (CAGR) of 6.08% since fiscal year 2017 through fiscal year 2024.



STOCKHOLDERS' EQUITY

	As of March 31,								As of December 31,	
<i>In Thousands</i>	2017	2018	2019	2020	2021	2022	2023	2024	2023	2024
Stockholders's Equity	\$26,901	\$30,255	\$31,481	\$31,511	\$33,188	\$35,426	\$38,974	\$44,800	\$43,692	\$49,519

MAC's stockholders' equity has grown at a cumulative annual growth rate (CAGR) of 6.58% from fiscal year 2017 through fiscal year 2024.



REVENUE BY TYPE

Revenue by Type <i>In Thousands</i>	Year Ended March 31,								Nine Months Ended December 31,	
	2017	2018	2019	2020	2021	2022	2023	2024	2023	2024
Revenue - Cargo	\$38,024	\$40,140	\$42,427	\$41,031	\$36,289	\$40,132	\$50,347	\$58,767	\$43,056	\$49,122
Revenue - Maintenance	21,781	22,890	20,440	23,822	20,129	24,316	28,072	37,153	27,321	25,809
Total Revenue (Operating)	\$59,805	\$63,030	\$62,866	\$64,853	\$56,418	\$64,448	\$78,420	\$95,920	\$70,377	\$74,930

The table above represents MAC's revenue by type.



EBITDA PERFORMANCE

EBITDA Balances	Year Ended March 31,								Nine Months Ended December 31,	
	<i>In Thousands</i>	2017	2018	2019	2020	2021	2022	2023	2024	2023
Operating Income (Loss)	\$1,684	\$3,354	\$1,219	\$(11)	\$1,677	\$2,238	\$3,693	\$5,826	\$4,718	\$4,740
Depreciation	104	93	77	68	41	37	69	112	82	129
Amortization	-	-	-	-	-	-	-	11	7	13
Impairment	-	-	-	-	-	-	274	-	-	-
Loss (Gain) on Sale of Assets	4	11	1	-	4	2	1	(2)	(5)	1
Severance Expense	-	-	-	-	-	-	2	49	2	49
EBITDA*	\$1,793	\$3,458	\$1,296	\$57	\$1,722	\$2,277	\$4,039	\$5,995	\$4,803	\$4,932

MAC's EBITDA has grown at a CAGR of 16.17% from fiscal year 2017 through fiscal year 2024.

Impairment in FY23 due to a loss related to the abandonment of an ERP system that that did not meet initial requirements.

*EBITDA = Operating Income (loss) + Depreciation + Amortization + Impairment + Loss (Gain) on Sale of Assets + Severance Expense

AIRCRAFT COUNT

