

AIR METHODS CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(Amounts in thousands)  
(unaudited)

December 31, 2015                      December 31, 2014

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 5,808	\$ 13,165
Trade receivables, net	376,300	293,985
Other current assets	91,251	92,691
	<hr/>	<hr/>

Total current assets	473,359	399,841
----------------------	---------	---------

Net property and equipment	799,656	721,981
Other assets, net	284,266	239,483
	<hr/>	<hr/>

Total assets	\$ 1,557,281	\$ 1,361,305
	<hr/> <hr/>	<hr/> <hr/>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current liabilities:

Notes payable related to aircraft pending long-term financing	\$ 2,955	\$ 11,442
Current portion of indebtedness	59,498	69,781
Accounts payable, accrued expenses and other	87,211	77,617
	<hr/>	<hr/>

Total current liabilities	149,664	158,840
---------------------------	---------	---------

Long-term indebtedness	639,994	563,373
Other non-current liabilities	185,198	160,202
	<hr/>	<hr/>

Total liabilities	974,856	882,415
-------------------	---------	---------

Redeemable non-controlling interests	8,550	6,981
--------------------------------------	-------	-------

Total stockholders' equity	573,875	471,909
	<hr/>	<hr/>

Total liabilities and stockholders' equity	\$ 1,557,281	\$ 1,361,305
	<hr/> <hr/>	<hr/> <hr/>

AIR METHODS CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
(Amounts in thousands, except share and per share amounts)  
(unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
<b>Revenue:</b>				
Patient transport revenue, net	\$ 198,207	174,343	765,125	676,213
Air medical services contract revenue	34,158	41,915	153,901	176,744
Tourism revenue	28,918	26,327	127,795	116,036
Product operations	7,513	3,383	24,479	24,844
Dispatch and billing service revenue	3,647	3,182	14,386	10,936
Total revenue	<u>272,443</u>	<u>249,150</u>	<u>1,085,686</u>	<u>1,004,773</u>
<b>Expenses:</b>				
Operating expenses	170,422	151,098	656,085	603,251
General and administrative	37,693	34,743	146,391	137,477
Depreciation and amortization	21,272	20,100	83,354	80,567
	<u>229,387</u>	<u>205,941</u>	<u>885,830</u>	<u>821,295</u>
Operating income	43,056	43,209	199,856	183,478
Interest expense	(6,954)	(5,311)	(21,995)	(21,750)
Other, net	786	522	2,056	1,110
	<u>36,888</u>	<u>38,420</u>	<u>179,917</u>	<u>162,838</u>
Income from continuing operations before income taxes	36,888	38,420	179,917	162,838
Income tax expense	(14,370)	(14,792)	(70,234)	(63,460)
Income from continuing operations	22,518	23,628	109,683	99,378
Loss on discontinued operations, net of income taxes	(20)	(1,974)	(398)	(3,908)
Net income	<u>22,498</u>	<u>21,654</u>	<u>109,285</u>	<u>95,470</u>
Income (loss) attributable to redeemable non-controlling interests	(44)	179	640	599
Net income attributable to Air Methods Corporation and subsidiaries	<u>\$ 22,542</u>	<u>21,475</u>	<u>108,645</u>	<u>94,871</u>
<b>Income per common share:</b>				
<b>Basic</b>				
Continuing operations	\$ 0.57	0.60	2.75	2.57
Discontinued operations	-	(0.05)	(0.01)	(0.10)
<b>Diluted</b>				
Continuing operations	\$ 0.57	0.59	2.74	2.56
Discontinued operations	-	(0.05)	(0.01)	(0.10)
<b>Weighted average common shares outstanding:</b>				
Basic	39,262,268	39,211,958	39,272,585	39,163,080
Diluted	39,418,254	39,367,533	39,420,963	39,348,291

AIR METHODS CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Amounts in thousands)  
(unaudited)

	Year Ended December 31,	
	2015	2014
Cash flows from operating activities:		
Net income	\$ 109,285	95,470
Loss from discontinued operations, net of income taxes	398	3,908
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	83,354	80,567
Deferred income tax expense	29,266	45,051
Stock-based compensation	7,458	4,134
Tax benefit from exercise of stock options	(312)	(1,951)
Loss on disposition of assets	3,291	455
Unrealized loss on derivative instrument	369	70
Loss from equity method investee	1,082	624
Changes in assets and liabilities, net of effects of acquisitions	(63,101)	(51,027)
	171,090	177,301
Net cash provided by continuing operating activities	(92)	(1,672)
Net cash used by discontinued operating activities	170,998	175,629
	170,998	175,629
Cash flows from investing activities:		
Acquisition of subsidiaries	-	(3,182)
Acquisition of property and equipment	(148,999)	(119,753)
Acquisition of hospital programs	(64,654)	-
Buy-out of previously leased aircraft	(17,747)	(28,751)
Proceeds from disposition of equipment	9,664	19,001
Decrease (increase) in other assets	(5,471)	1,316
	(227,207)	(131,369)
Net cash used by continuing investing activities	25	97
Net cash provided (used) by discontinued investing activities	(227,182)	(131,272)
	(227,182)	(131,272)
Cash flows from financing activities:		
Proceeds from issuance of common stock, net	610	1,422
Tax benefit from exercise of stock options	312	1,951
Payments for purchases of common stock	(13,457)	-
Net borrowings (payments) under line of credit	-	(12,000)
Payments for financing costs	(4,622)	(126)
Proceeds from long-term debt	151,701	89,911
Payment of long-term debt, notes payable, and capital lease obligations	(85,717)	(122,310)
Proceeds from non-controlling interests	-	98
	48,827	(41,054)
Net cash provided (used) by continuing financing activities	-	-
Net cash provided (used) by discontinued financing activities	48,827	(41,054)
	48,827	(41,054)
Increase (decrease) in cash and cash equivalents	(7,357)	3,303
Cash and cash equivalents at beginning of period	13,165	9,862
Cash and cash equivalents at end of period	\$ 5,808	13,165

## AIR METHODS CORPORATION AND SUBSIDIARIES

### RECONCILIATION OF NET INCOME TO EBITDA

(Amounts in thousands)

(unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Net income attributable to Air Methods Corporation and subsidiaries	\$ 22,542	21,475	108,645	94,871
Loss on discontinued operations, net of income taxes	(20)	(1,974)	(398)	(3,908)
Net income from continuing operations attributable to Air Methods Corporation and subsidiaries	22,562	23,449	109,043	98,779
Interest expense *	6,954	5,272	21,874	21,604
Income tax expense *	14,370	14,792	70,234	63,460
Depreciation and amortization *	21,272	20,013	83,072	80,225
Loss (gain) on disposition of assets, net *	415	(572)	3,292	456
EBITDA from continuing operations	\$ 65,573	62,954	287,515	264,524

\* Excludes amounts attributable to redeemable non-controlling interests