Air Methods Corporation
NASDAQ: AIRM

Corporate Presentation – December 2016

Forward Looking Statements/ Non-GAAP Financial Information

- **Forward Looking Statements:** Any forward-looking statements in this presentation are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements in this presentation that are “forward-looking statements” are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors, including but not limited to, the Company’s completion of its third quarter closing and review procedures, the size, structure and growth of the Company's air medical services, United Rotorcraft Division and Tourism Division; the collection rates for patient transports; collection of future price increases for patient transports; shifts in payer mix resulting in a decrease of the number of privately insured transports, the continuation and/or renewal of air medical service contracts; weather conditions across the U.S.; development and changes in laws and regulations, including, without limitation, increased regulation of the health care and aviation industry through legislative action and revised rules and standards; and other matters set forth in the Company's filings with the SEC. The Company is under no obligation (and expressly disclaims any obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise. For additional information on these and other factors that could affect the Company’s forward looking statements, see the Company’s risk factors as they may be amended from time to time set forth in the Company’s 10-K.

- **Non-GAAP Financial Information:** This presentation may discuss Adjusted EBITDA from continuing operations and Adjusted EBITDA margin, which are not calculated in conformity with U.S. Generally Accepted Accounting Principles (GAAP). The Company defines Adjusted EBITDA from continuing operations as earnings attributable to Air Methods Corp. (AMC) and it subsidiaries before interest, income taxes, depreciation, amortization gain or loss on disposition of assets, and discontinued operations. The Company defines Adjusted EBITDA margin as Adjusted EBITDA from continuing operations divided by revenue. To supplement the Company’s consolidated financial statements presented on a GAAP basis, management believes that these non-GAAP measures provide useful information about the Company’s core operating results and thus are appropriate to enhance the overall understanding of the Company’s past financial performance and its prospects for the future. Management believes the additions and subtractions from net income used to calculate Adjusted EBITDA from continuing operations reflect the measurements that its bank creditors and third party stock analysts use in evaluating the Company. These adjustments to the Company's GAAP results are made with the intent of providing both management and investors a more complete understanding of the Company's underlying operational results and trends and performance. Management uses these non-GAAP measures to evaluate the Company's financial results. The presentation of non-GAAP measures is not meant to be considered in isolation or as a substitute for or superior to financial results determined in accordance with GAAP.

Company Profile

Air Methods Corporation (The Company, AMC or AIRM) provides air medical transportation services, helicopter tours and charter flights, and designs, manufactures, and installs aircraft medical interiors and other products.

- Its **Air Medical Services (AMS)** Division (87% of revenues) is the largest provider of air medical transport services in the estimated $5.0 billion U.S. market, transporting approximately 101,000 patients annually and operating in 42 states.
- Its **Tourism** Division (11% of revenues) is one of the largest providers of helicopter tours and charter flights in the estimated $700 million U.S. market, generating approximately $127 million of revenue annually in the Las Vegas/Grand Canyon region and Hawaii.
- Its **United Rotorcraft** Division (2% of revenues) designs, manufactures, and installs aircraft medical interiors and other aerospace or medical transport products.

Long-Term Earnings Growth Drivers

- Air Medical Services
  - Hospital Base Conversions
  - Greenfields, net
  - Acquisitions
  - Same-Base Transports
  - Pricing
  - Utilization
- Tourism
  - Organic Growth
  - Acquisitions
- Direct Patient Logistics

Air Methods Corp.

Financial Results[1,2]

	2013	2014	% Change	2015	% Change	1st 9 Months 2015	1st 9 Months 2016	% Change
Total Revenue[3]	$879.0	$1,004.8	14.3%	$1,080.4	7.5%	$808.0	$873.0	8.0%
Adjusted EBITDA[3]	$202.5	$264.5	30.6%	$282.3	6.7%	$216.7	$221.6	2.3%
Margin	23.0%	26.3%	330 bps	26.1%	-20 bps	26.8%	25.4%	-140 bps
Diluted EPS	$1.55	$2.56	65.2%	$2.66	3.9%	$2.09	$2.02	-3.3%

1. Includes Tri-State Care Flight (TSCF) operations from January 19, 2016.
2. From Continuing Operations
3. Revenue and Adjusted EBITDA are presented in millions. Revenue is net of provisions for contractual discounts and uncompensated care.

Air Medical Services
Delivery Models

Patient Transport Revenue (CBS)
TTM Revenue of $841 Million

- Typically no contract with third party
- Aviation services PLUS medical staffing, dispatch and communications, and billing and collections
- 100% variable revenue stream
- 234 Bases
- Approx. $3.9 million of revenue and $1.7 million of contribution per base before any allocation of G&A costs[1]
- Growth primarily driven from outsourced hospital programs, new base expansion and increases in reimbursement

AMS Contract Revenue (HBS)
TTM Revenue of $137 Million

- Long term contract with hospital
- Aviation services only
- Approx. 80% fixed revenue stream
- 84 Bases
- Approx. $1.6 million of revenue and $0.4 million of contribution per base before any allocation of G&A costs[1]
- Growth primarily driven from satellite expansion, new contracts and annual contractual prices

1. As of 6/30/16

Air Medical Services
Growth

	2013	2014	% Change	2015	% Change	1st 9 Months 2015	1st 9 Months 2016[1]	% Change
Patient Transport Revenue[2]	$585.3	$676.2	15.5%	$759.9	12.4%	$561.7	$643.0	14.5%
Net Revenue / Transport	$10,857	$11,643	7.2%	$12,019	3.2%	$11,855	$11,854	0.0%
Transports	53,805	57,940	7.7%	63,104	8.9%	47,287	54,143	14.5%
Transports + Weather Cancellations	72,117	76,566	6.2%	87,591	14.4%	64,646	73,160	13.2%
# Bases[3]	179	189	5.6%	209	10.6%	200	234	17.0%
AMS Contract Revenue[2]	$204.5	$176.7	(13.6%)	$153.9	(12.9%)	$119.7	$102.4	(14.5%)
# Bases[3]	109	97	(11.0%)	84	(13.4%)	93	84	(9.7%)

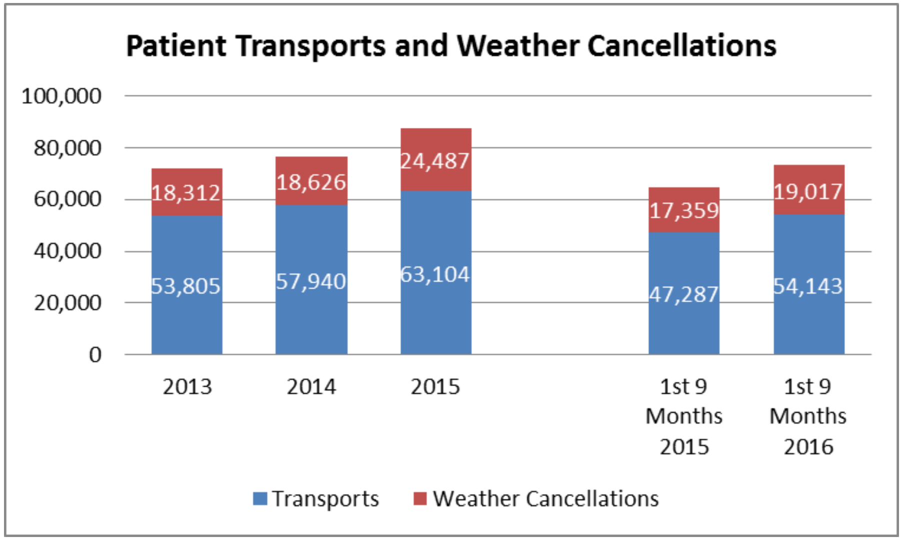
1. Includes TSCF operations from January 19, 2016.
2. Presented in millions and net of provisions for contractual discounts and uncompensated care.
3. The number of bases represents figures at the end of the period.

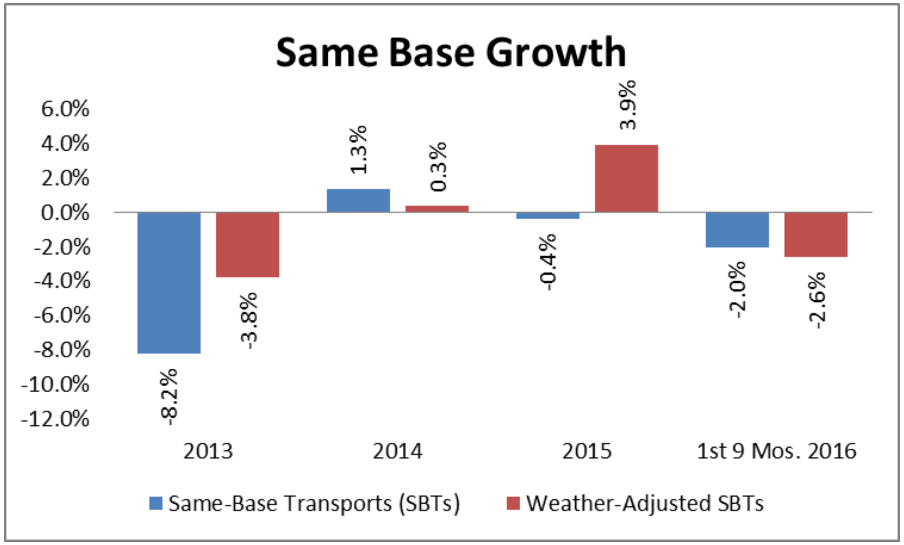
Air Medical Services
Financial Results

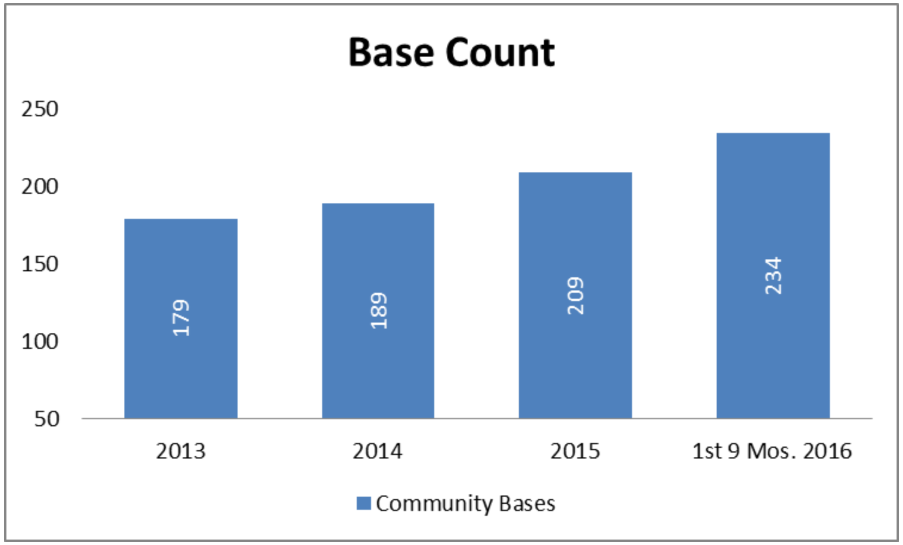
	2013	2014	% Change	2015	% Change	1st 9 Months 2015	1st 9 Months 2016[1]	% Change
Revenue[2,3]	$798.1	$863.9	8.2%	$928.2	7.4%	$692.2	$755.9	9.2%
Patient Transport	$585.3	$676.2	15.5%	$759.9	12.4%	$561.7	$643.0	14.5%
% of Total	73.4%	78.3%	490 bps	81.9%	360 bps	81.1%	85.1%	400 bps
AMS Contract	$204.5	$176.7	(13.6%)	$153.9	(12.9%)	$119.7	$102.4	(14.5%)
% of Total	25.6%	20.4%	(520 bps)	16.6%	(380 bps)	17.3%	13.5%	(380 bps)
Other	$8.3	$11.0	32.5%	$14.4	30.9%	$10.8	$10.5	(2.8%)
% of Total	1.0%	1.3%	30 bps	1.5%	20 bps	1.6%	1.4%	(20 bps)
Adjusted EBITDA[2,3,4]	$226.5	$287.2	26.8%	$302.2	5.2%	$229.4	$237.1	3.4%
Margin (%)	28.4%	33.2%	480 bps	32.6%	(60 bps)	33.1%	31.4%	(170 bps)

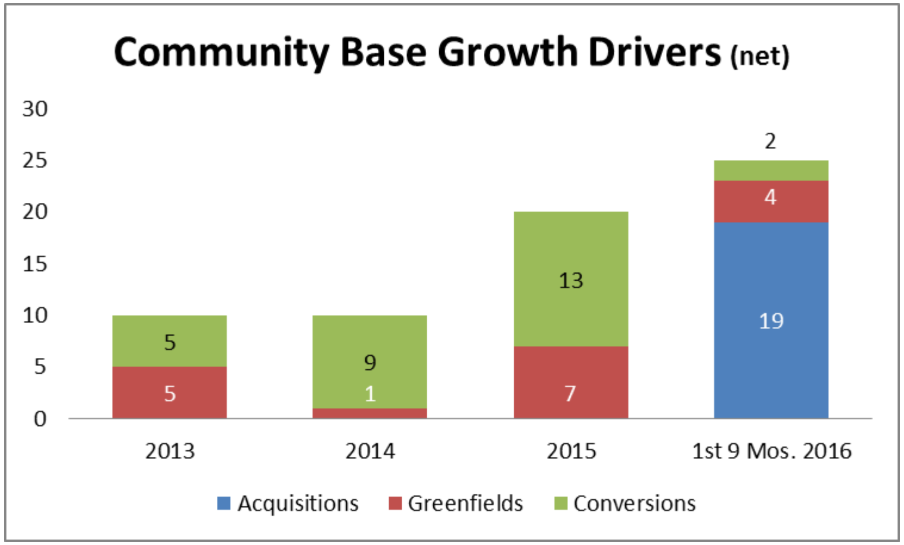
1. Includes TSCF operations from January 19, 2016.
2. Presented in millions. Revenue is net of provisions for contractual discounts and uncompensated care.
3. From Continuing Operations.
4. Segment Adjusted EBITDA is before an allocation of corporate G&A.

Patient Transport Revenue
Key Volume Statistics[1]



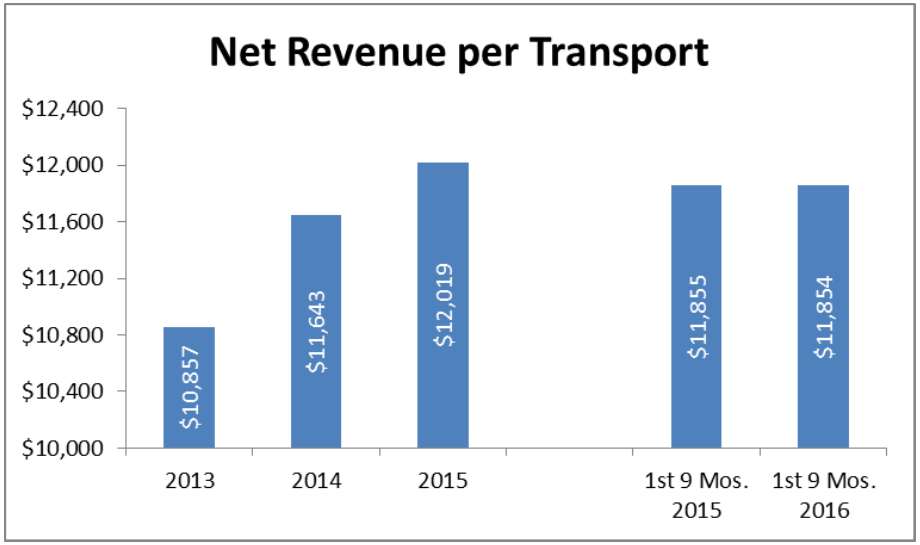


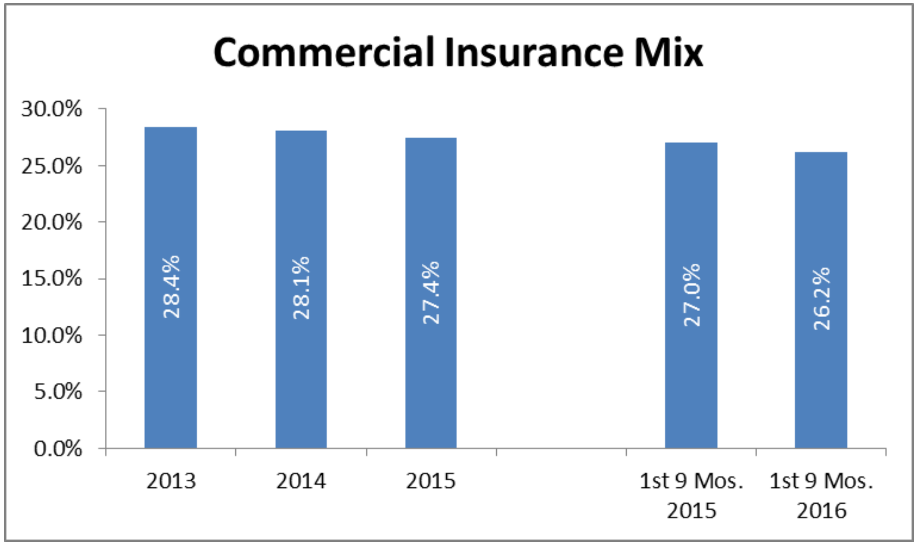




1. Key Statistics include TSCF operations from January 19, 2016.

Patient Transport Revenue
Key Pricing Statistics[1]





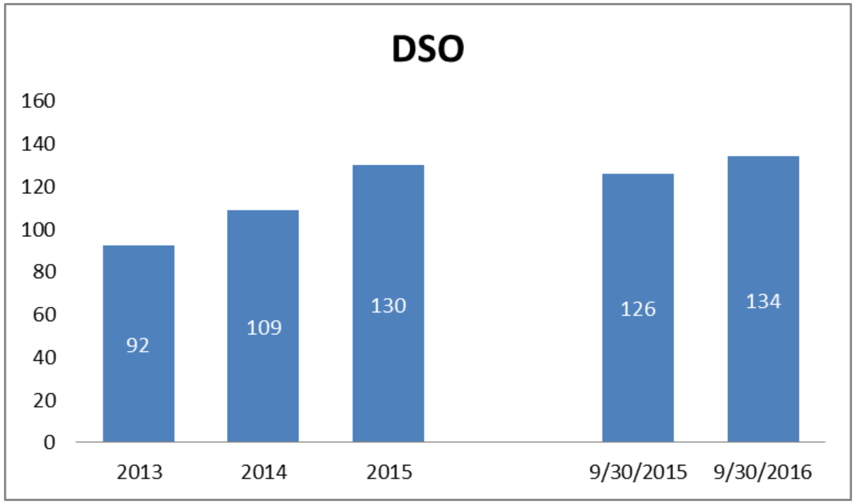
1. Key Statistics include TSCF operations from January 19, 2016.

Patient Transport Revenue
Days Sales Outstanding (DSO)[1]

- Reducing DSOs is a high priority for the Company.

- Recent changes and accomplishments include:
  - 76% increasing in staffing since 3Q15 with nearly 68% occurring in the last 6 months.
  - Improved processes reducing denial backlog and days to first bill.

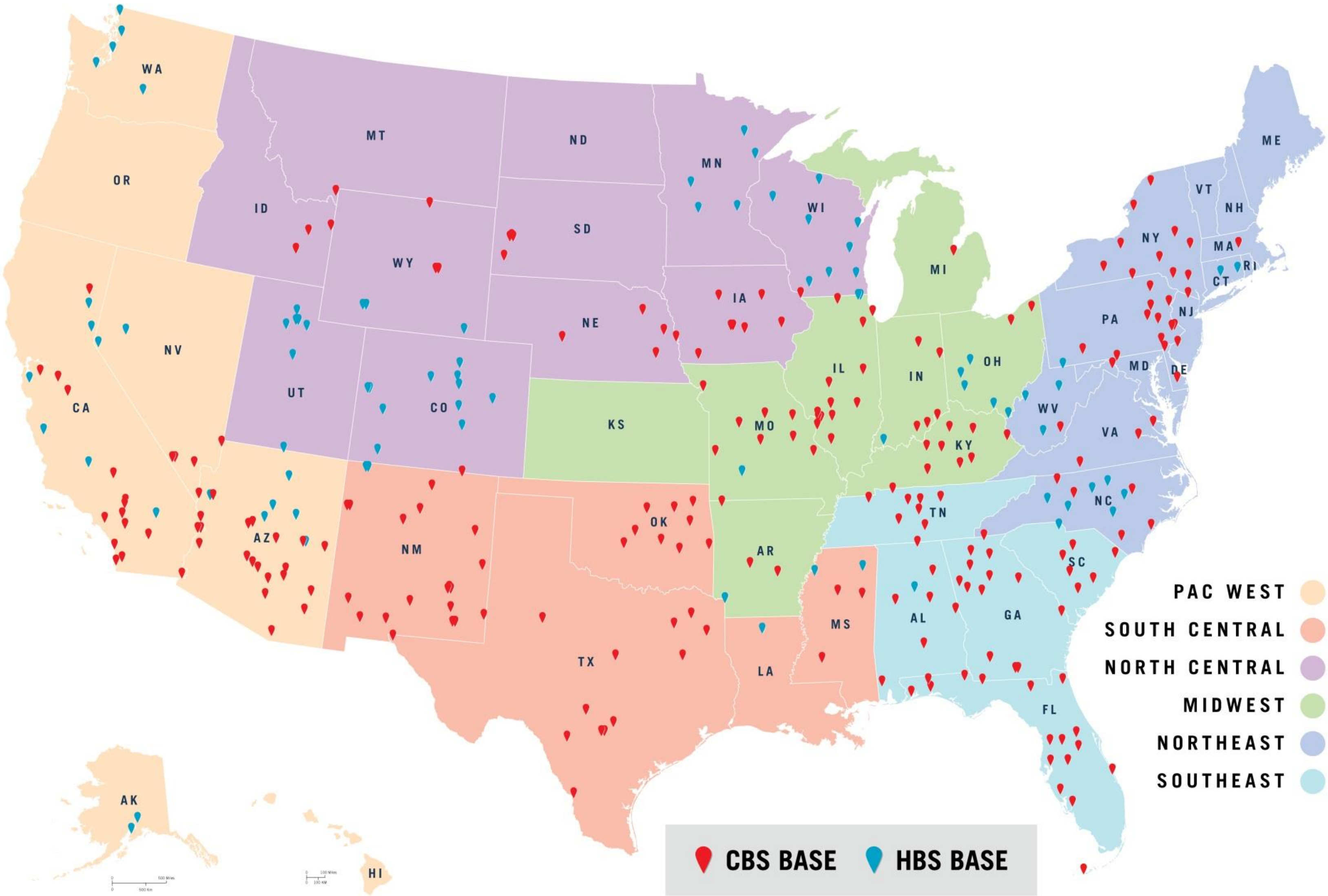
- Benefits becoming evident
  - Sequential reduction in DSO from June to September of 14 days
  - This compares favorably to the average sequential reduction from the same periods in 2011 to 2015 of 4 days



1. DSO excludes the impact of TSCF.

Air Methods

Air Medical Services
Geographic Exposure



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Tourism

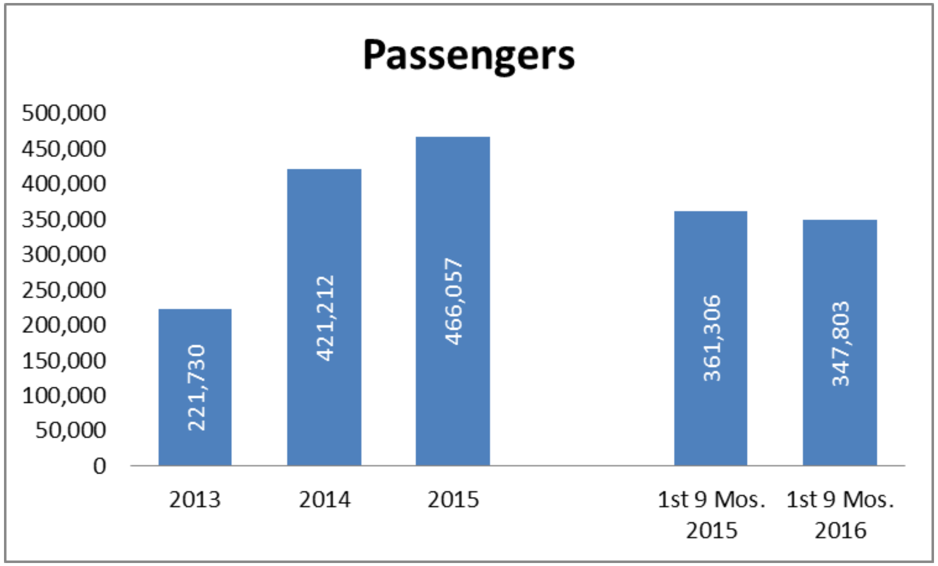
- The Company provides helicopter tours and charter flights in the Las Vegas/Grand Canyon region and Hawaii.
- It acquired Sundance Helicopters, the 3rd largest operator in Las Vegas, in December 2012 and Blue Hawaiian, the largest operator in Hawaii, in December 2013. The rationale for expanding into air tourism included:
  - Operational synergies related to fleet and spare parts procurement and hull & liability insurance
  - Talent pipeline for pilots and mechanics
  - Ability to re-deploy air medical aircraft
  - Attractive purchase price multiples
- The Tourism Division generated $127 million in TTM revenues.
- The business has low working capital requirements as most of the revenue is paid in advance.
- Operations historically have been stable.

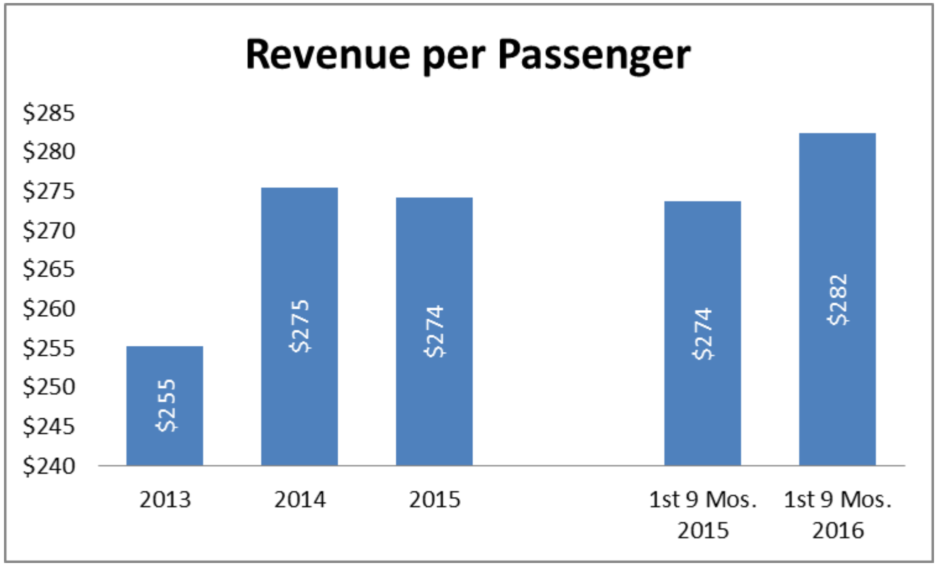
Tourism
Financial Results

	2013[1]	2014	% Change	2015	% Change	1st 9 Months 2015	1st 9 Months 2016	% Change
Revenue[2,3]	$56.6	$116.0	104.9%	$127.8	10.2%	$98.9	$98.2	(0.6%)
Adjusted EBITDA[2,3,4]	$10.3	$18.4	78.6%	$23.1	25.5%	$19.0	$19.5	2.7%
Margin (%)	18.2%	15.9%	(230 bps)	18.1%	220 bps	19.2%	19.9%	70 bps

1. Includes Blue Hawaiian operations from December 13, 2013.
2. Presented in millions.
3. From Continuing Operations.
4. Segment Adjusted EBITDA is before an allocation of corporate G&A and excludes amounts attributable to redeemable non-controlling interes

Tourism
Key Statistics[1]





1. Includes Blue Hawaiian operations from December 13, 2013.

Tourism
Geographic Exposure

Sundance

- Flights to Grand Canyon, the Strip and Hoover Dam
- 34 aircraft
- Headquarters in Las Vegas

Blue Hawaiian

- Flights to tourist attractions
- 32 aircraft
- Headquarters in Maui

Free Cash Flow

($ Millions)

	2013[1]	2014	% Change	2015	% Change	1st 9 Months 2015	1st 9 Months 2016[1]	% Change
Net Cash Provided by Continuing Operating Activities	$150.4	$177.3	17.9%	$171.4	(3.3%)	$126.2	$173.3	37.3%
Acquisition of Property and Equipment	$62.4	$119.8	92.0%	$149.0	24.4%	$95.5	$74.0	(22.5%)
Free Cash Flow	$88.0	$57.5	(34.7%)	$22.4	(61.0%)	$30.7	$99.3	223.2%
Lease Buyouts	$57.5	$28.8	(49.9%)	$17.7	(38.5%)	$9.5	$13.1	37.9%

- Capital expenditures were accelerated in 2014 and 2015 to take advantage of bonus depreciation for cash tax purposes.
- Only 4 aircraft are scheduled for delivery in 4Q16 for approximately $13 million[2].
- Average age of fleet is relatively young at approximately 10 years.

1. Includes Blue Hawaiian operations from December 13, 2013 and TSCF operations from January 19, 2016.
2. Subject to change

Free Cash Flow
Potential Uses

- Share Repurchases
  - $90.1 million remaining on $200 million program as of November 3, 2016.
  - 3.1 million shares repurchased through November 3, 2016 (7.8% of diluted shares at the time the program was implemented)
- M&A
- Aircraft Lease Buy-Outs
  - $117.1 million of lease buyouts since 2013
  - Reduces monthly capital lease payments, depreciation and interest expense.
  - Accelerated depreciation reduces cash tax rate
    - 2015 - 21.2%
    - 2014 - 9.4%
    - 2013 - 17.0%
- De-Lever
  - Leverage ratio of 3.1x as of 3Q16
  - Approximately 50% of outstanding indebtedness is variable rate debt (excluding capital leases)
- Cash Dividends (e.g., $2.33 (split-adjusted) special dividend per share paid in December 2012)

The Company has made significant investments in safety and clinical quality in recent years, including:

- Full Motion Level D Simulators
  - Flight training devices for Inadvertent Instrument Meteorological Conditions
- Installation and training on the use of
  - Night Vision Goggles
  - Autopilot
  - Helicopter Terrain Awareness and Warning Systems
  - GPS Tracking
  - Flight-Data Monitoring
- Voluntary Safety Management System Program
- Additional Oversight of Preflight Risk Assessments
- Video Laryngoscope Blades
- Cubex Machines for Narcotic Distribution
- Centralized New Clinical Hire Training
- Human Patient Simulators
- 95% of Community Bases are CAMTS-Accredited (Commission on Accreditation of Medical Transport Service)

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Adjusted EBITDA Reconciliation[1]

	Air Methods Corp.				
	2013	2014	2015	1st 9 Months 2015	1st 9 Months 2016
Net Income (Loss) attributable to AMC and subsidiaries	$62.0	$94.9	$105.4	$82.9	$78.0
Loss on Discontinued Ops, net of income taxes	$0.5	$3.9	$0.4	$0.4	-
Net Income (Loss), from cont. ops. attributable to AMC and subsidiaries	$62.5	$98.8	$105.8	$83.3	$78.0
Interest [3]	$20.3	$21.6	$21.9	$14.9	$23.9
Income Tax[2]	$39.7	$63.5	$68.2	$53.8	$49.5
D&A[3]	$79.5	$80.2	$83.1	$61.8	$69.7
Loss on Disposition of Assets[3]	$0.5	$0.4	$3.3	$2.9	$0.5
Adjusted EBITDA from Continuing Operations[3]	$202.5	$264.5	$282.3	$216.7	$221.6

1. Results are in millions.
2. Income tax expense is not allocated at the divisional level.
3. Excludes amounts attributable to redeemable, non-controlling interests.

Adjusted EBITDA Reconciliation[1]

	Air Medical Services				
	2013	2014	2015	1st 9 Months 2015	1st 9 Months 2016
Net Income (Loss) attributable to AMC and subsidiaries	$135.8	$197.0	$214.4	$164.5	$159.8
Loss on Discontinued Ops, net of income taxes	$0.5	$3.9	$0.4	$0.4	-
Net Income (Loss), from cont. ops. attributable to AMC and subsidiaries	$136.3	$200.9	$214.8	$164.9	$159.8
Interest	$16.7	$16.2	$16.6	$11.1	$19.1
Income Tax[2]	-	-	-	-	-
D&A	$73.0	$69.4	$69.7	$52.0	$58.3
Loss (Gain) on Disposition of Assets	$0.5	$0.7	$1.1	$1.4	($0.1)
Adjusted EBITDA from Continuing Operations	$226.5	$287.2	$302.2	$229.4	$237.1

1. Results are in millions.
2. Income tax expense is not allocated at the divisional level.

Adjusted EBITDA Reconciliation[1]

	Tourism				
	2013	2014	2015	1st 9 Months 2015	1st 9 Months 2016
Net Income (Loss), from cont. ops. attributable to AMC and subsidiaries	$6.3	$9.6	$10.0	$9.6	$8.7
Interest [3]	$1.1	$2.6	$3.3	$2.4	$3.2
Income Tax[2]	-	-	-	-	-
D&A[3]	$2.9	$6.4	$7.6	$5.5	$6.9
Loss (Gain) on Disposition of Assets[3]	-	($0.2)	$2.2	$1.5	$0.7
Adjusted EBITDA from Continuing Operations[3]	$10.3	$18.4	$23.1	$19.0	$19.5

1. Results are in millions.
2. Income tax expense is not allocated at the divisional level.
3. Excludes amounts attributable to redeemable, non-controlling interests.