

**OTC BB: APNX**  
**February 2009**



# Safe Harbor Statement

*This document may contain forward-looking statements including the company's beliefs about its business prospects and future results of operations. These statements involve risks and uncertainties. Among the important additional factors that could cause actual results to differ materially from those forward-looking statements are risks associated with the overall economic environment, changes in anticipated earnings of the company and other factors detailed in the company's filings with the SEC. In addition, the factors underlying company forecasts are dynamic and subject to change and therefore those forecasts speak only as of the date they are given. The company does not undertake to update them; however, it may choose from time to time to update them and if it should do so, it will disseminate the updates to the investing public.*

# Company Overview

- One of America's largest all cargo regional airline
- Focused on high growth secondary markets in the Western United States & Hawaii
- Competitively well positioned
- Financially solid
- Significant growth opportunities organically and through strategic acquisitions

# Over 35 Years of Service

**1972:**  
Alpine Air  
Commences  
Operations

**1986:**  
Current Management  
Assumed Leadership

**2003:**  
Purchased 26  
Beech 99 and  
Beech 1900  
aircraft

**2004:**  
Commenced Air  
Cargo  
Operations in  
Hawaii

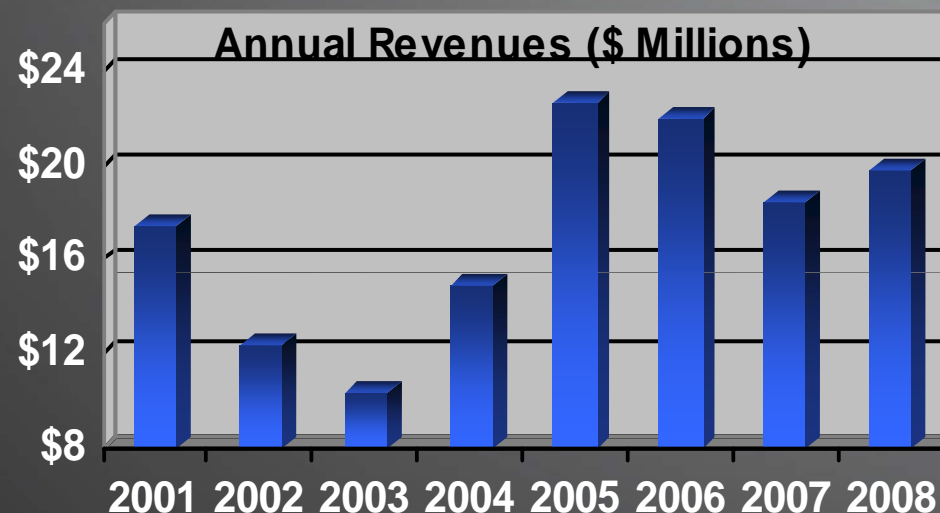
**August 2001:**  
Began Trading as a  
Public Company

**2008:**  
Begins new  
contract in  
Montana – adds  
20% to revenue

**2007:**  
\$18 million in revenue and \$3.9 million in net  
income before taxes and preferred dividends

# Select Financial Highlights

Symbol:	OTC BB: APNX
Fiscal Year End:	October 31 <sup>st</sup>
Current Price (2/2/09):	\$0.22
Shares Outstanding:	36 million
Market Cap:	\$7.9 million
52-Week Trading Range:	\$0.15 - \$0.55
Revenue (As of 10/31/2008):	\$19.8 million
EBITDA (As of 10/31/2008):	\$4.6 million
Book Value per Share (As of 10/31/2008):	\$0.38



## Key Recent Events

- **Feb 1, 2009** – Alpine Air Express Reports Financial Results for the Fourth Quarter and Year Ended October 31, 2008
- **Nov 12, 2008** – Alpine Air Rated as One of Utah's Top Public Companies
- **Sept 25, 2008** – Alpine Air Expands Beech 1900 Fleet

# Why Alpine Air? Why Now?

- State of the Art Air Cargo companies are having financial difficulties due to the volatile fuel prices.
- Why then is regional Air Cargo a growth market? How is APNX doing well?
  - Profit margins are greater than major cargo integrators.
  - We have figured out how to stay ahead of fuel prices.
    - Added additional routes during times when aircraft were previously idle.
    - Profits from these routes offset corporate wide fuel expense.
    - Diversified our client base with many new routes, which include all the fuel needed to fly the routes.
    - Considered escalating fuel costs when it negotiated all remaining contracts with the U.S. Postal Service.
    - Custom built a special maintenance program with the FAA enabling reduced operating expenses.

The Result: Higher Profits For Now And The Future

# Operational Highlights

- 50 Daily Departures:
  - North Dakota & South Dakota
  - Montana
  - Hawaii
  - Nebraska
  - Colorado
  - Wyoming
- Top USPS performer with multi year contracts.
- 29 Aircraft
- 112 employees - 54 full time, 10 administration and 63 in flight operations, which includes 26 pilots
- Acquisition Targets - Identified 6 cargo airlines in order to further expand profitable cargo opportunities over the next several years
- Organic Growth Opportunities

# Managing Cost of Fuel

- New routes with international freight and logistics company
  - Adding routes when aircraft are normally idle adds profit which is used to offset company wide fuel costs
  - These contracts include fuel thus preserving profits when fuel is priced higher
- USPS contracts are negotiated with rising fuel prices built into the bid
  - Existing USPS contracts include amounts for fuel above actual fuel fees
    - Additional fees help offset future fuel pricing
  - Currently negotiating several USPS contract renewals
    - New bids include amounts accounting for future rising fuel costs

# Operational Advantages

- Strong employee relations (Non Union)
- Robust Client Relationship
- Good USPS reputation & service record
- Top 10% on-time performance with USPS
- Low cost fleet
- FAA approved, in-house, First Officer Training Program
- Strong Financial condition
- Unique engine extension program
- All mainland USPS contracts are secured with 3 one year option renewals

# Industry Overview

- According to RACCA (Regional Air Cargo Carriers Association), the average load for North American regional air cargo is 2,500 lbs with a stage length of 110 miles
- Approximately 1,065 regional freighters in North America flying over 750,000 hours annually
- APNX owns 2.5% of the regional air cargo market with significant growth opportunities available
- Identified several air cargo companies as acquisition targets in order to further expand profitable cargo opportunities over the next several years

# APNX Competitive Advantages

- USPS requires sophisticated and expensive scanning systems, calibrated scales, software and hardware systems required to interact with USPS databases
  - One of a select few regional cargo carriers who operates such a system
  - Often requested to bid on new contracts where others do not have the scanning system capability
- Long history as an on-time supplier servicing the USPS having achieved a superior service rating
- Larger commercial carriers do not operate regional USPS transport as it is too expensive
- 2<sup>nd</sup> tier cargo growth can be found by forging new and additional relationships with the USPS and major other carriers desiring to use air cargo to regional locations
  - Recently awarded new service contract with international freight logistics company in MT, WY, CO and NE

# Our Air Cargo Network

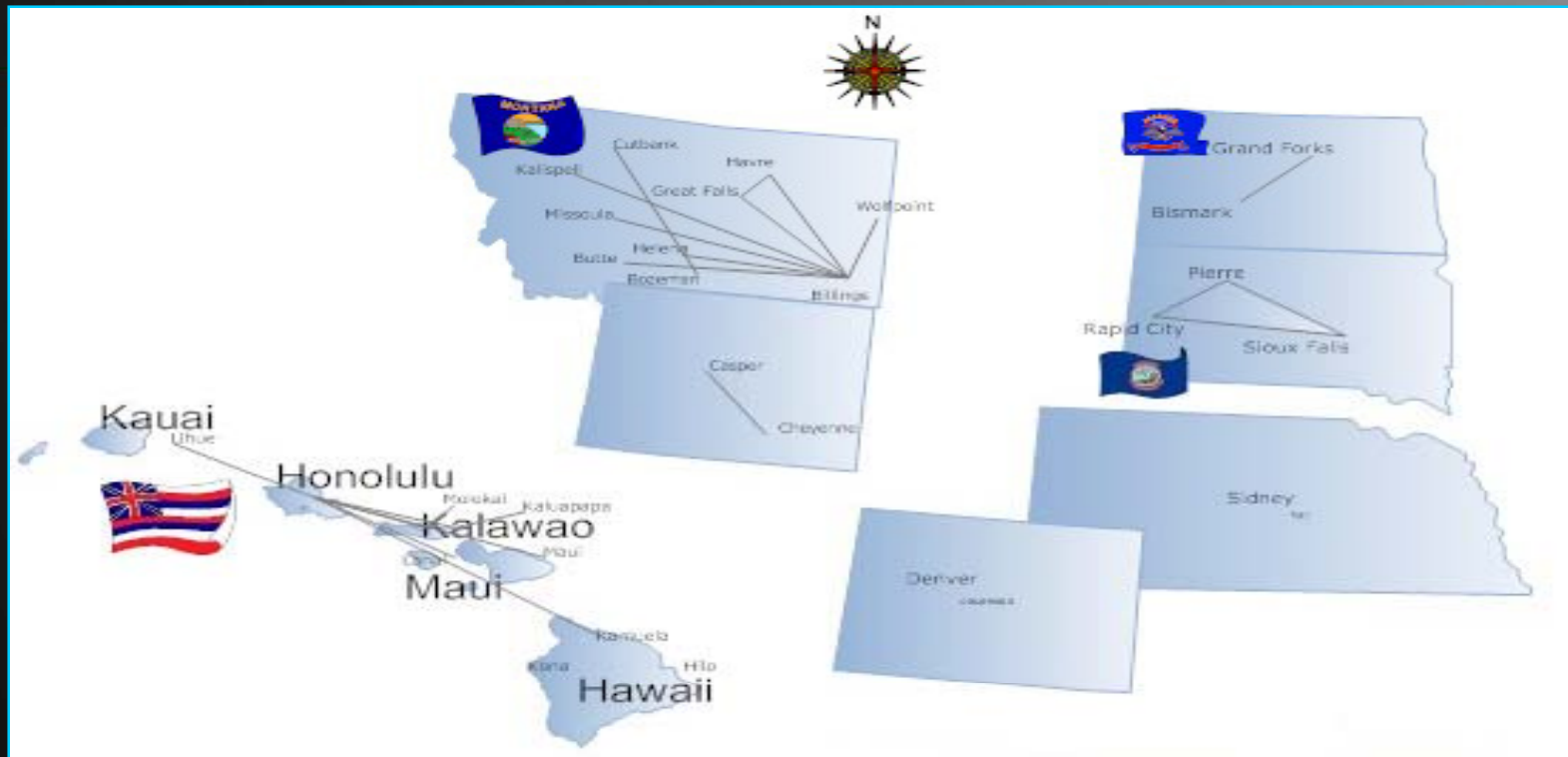


Beech 1900: 14 in fleet  
with 6,200 pound  
capacity

Beech 99: 15 in fleet  
with 3,400 pound  
capacity



# Demand Driven Route Schedule

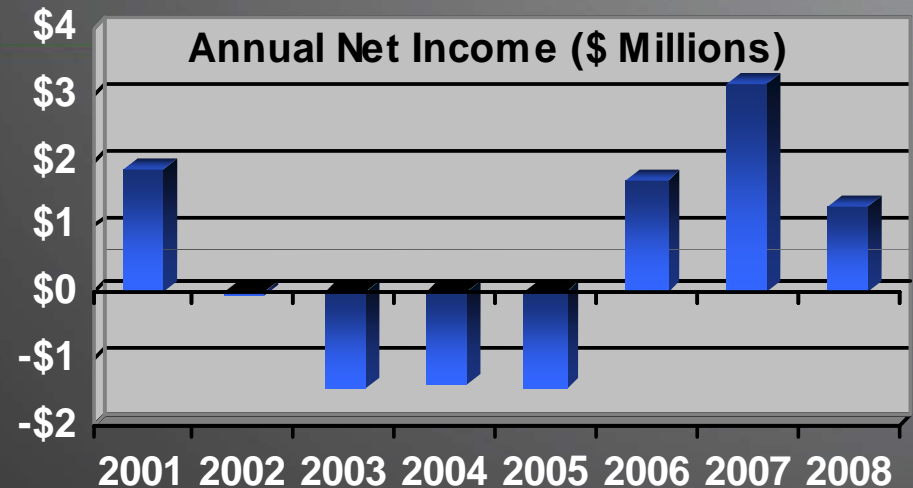
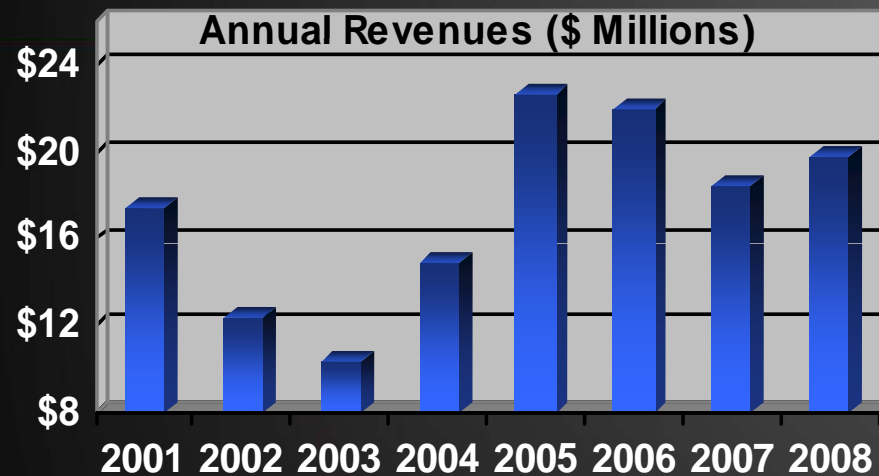


50 departures daily including routes in Hawaii, North and South Dakota, Montana, Wyoming, Nebraska and Colorado

# Our Competition

Description	Market Cap	P/E	ROE %	Debt to Equity	Net Profit Margin
Air Delivery & Freight Services (AIR)	\$691M	9.45	14.37%	.85	5.4%
Air T Inc. (AIRT)	15M	3	26.5%	.025	5.27%
Alpine Air Express Inc. (APNX)	6M	4.7	9.3%	.86	6.6%
CH Robinson Worldwide Inc. (CHRW)	8.4B	24	33.4%	N/A	4.2%
Expeditors International of Wa (EXPD)	6.45B	22.85	23.2%	NA	5.1%
FedEx Corporation (FDX)	17.23B	16.8	7%	.13	2.65%
Hub Group Inc. (HUBG)	954M	16.1	20.9%	N/A	3.2%
Janel World Trade Ltd. (JLWT)	17.6M	N/A	-35.23%	.886	-1.99%
Pacer International Inc. (PACR)	358M	5.14	22%	.135	3.25%
Radiant Logistics, Inc.	NA	NA	17.365	0.38	5.73%
United Parcel Service, Inc. (UPS)	46.95B	453	.81%	.987	.21%
UTI Worldwide, Inc. (UTIW)	1.28B	12.55	12.35%	.469	2.12%

# Financial Highlights



- 2001 - Resulted in sweeping changes in the air cargo industry
- 2006 - Posted \$5.4 M profit increase from 2005
- 2007 - Fully recovered posted strongest annual profit in history of \$3.9M
- 2007 - Renegotiated new long term USPS contracts
- 2007 - New contracts will increase revenues 20%
- 2008 - Sales increased YOY, but bottom line was impacted by increase in energy prices

# Growth Strategy

- Reduce aircraft per mile fixed operating expense
- Expand markets & customer base
  - USPS demand is steadily growing
  - Other customer potential
    - Freight forwarders
    - Overnight Shippers
    - Logistics (Brokerage and Charter flights)
- Maximize fleet usage by adding daytime services
- Strong organic growth
- Strategic Acquisitions Opportunities Identified
  - Acquisition Targets could potentially add between 28% - 60% to combined company's net income.
  - With in-house maintenance, APNX can convert passenger configurations on acquired aircraft into cargo configurations to add cargo carrying capacity for itself or outside clients.

# Management Team

- **Eugene Mallette** (President and CEO)
  - Joined Alpine Air in 1979 as Sales Manager
  - Mr. Mallette acquired all of the outstanding shares of the company in 1986
  - Mallette continues to be engaged in day to day operations of each of the Company's divisions.
  - Duties include business development and long range planning
  - With a Bachelor of Science degree in Business Administration with special interest in finance and accounting, Mallette is uniquely prepared to lead the Company's continued growth
  - Mallette is the single largest shareholder of Alpine Air holding nearly 75% of the Company's stock.
- **Don Squire** (Chief Financial Officer)
  - Served as a consultant in finance and accounting leadership capacities in private industry for the past 16 years
  - His most recent consulting assignment prior to coming to Alpine involved the restructuring of Sheaffer Pen (a BIC, Inc. subsidiary)
  - He has served as a Controller and Finance Manager for Rehab Designs of America, Oriflame USA, Priority Dispatch Corp. (formerly Medical Priority Consultants), Infinity Nutritionals, and other organizations.

# Management Team

- **Bill Distefano** (Alpine Air General Manager)
  - More than 30 years of service to the Company
  - Has intimate knowledge of all facets of Company's operations
  - Distefano is responsible for the maintenance and management of the Company's aircraft
    - Increased aircraft utilization and limited extensive maintenance down time as a direct result of a Pratt & Whitney PT-6 turbine engine service time extension's, granted to the Company by the FAA
    - Holds an Aircraft and Engine Repair certificate and is an Airframe Inspector
- **Max A. Hansen** (General Counsel, Secretary - Treasurer & Director)
  - Since 1986 Mr. Hansen has been a trusted counselor and Member of the Board of Directors of the Company. As an actively practicing attorney, Mr. Hansen is Alpine's General Counsel and acts as an advisor to Mr. Mallette. Mr. Hansen is an accomplished attorney and is a past President of the Montana Bar Association and is currently a member of the American Bar Association House of Delegates. Admitted to the bar in the states of Utah, Montana and California Mr. Hansen is a valued member of the Company's executive advisory management team.
  - Mr. Hansen earned a Juris Doctorate degree from the University of San Diego, School of Law in 1976 where he was a member of Law Review. He has maintained an active law practice for 31 years and has earned various honors and awards including Distinguished Service Awards from the Montana State Bar Association and Montana State Supreme Court.
  - Mr. Hansen is President and CEO of the firm, Max A. Hansen & Associates, P.C. with principal offices in Montana. He resides and operates his offices in both Montana and Northern Utah.

# Investment Highlights

- In business for more than 35 years, APNX has become one of the largest regional air cargo providers by volume in the United States.
- Major customers include the United States Postal Service (USPS) and other major international transportation and logistic companies.
- Currently have 50 daily departures covering 16 cities in 6 western states and the Hawaiian Islands.
- Currently operate 29 aircraft.
- Enjoys a 2.5% regional air cargo market share, with significant growth opportunities available through organic growth and strategic acquisitions.
- Active fuel hedging programs have continuously added to the bottom-line.
- Strong, experienced management team
  - Mr. Eugene Mallette, CEO, has been with Alpine Air since 1979 and has a significant equity position. Mr. Bill Distefano, General Manager, has been with the Company since 1972.

# Contact Us

## Corporate Headquarters

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