

Below are answers to additional questions employees may have about the recent DHL announcement. *We are still gathering information, and we will provide answers to additional questions in future communications.* Please remind employees to work safe, be compliant, and take care of each other.

Q12. What will happen to ABX Air as a company if DHL's plan goes through?

A12. ABX Air expects to remain in business even if DHL's plan goes through, though ABX may end up becoming a much smaller company. Such a change will take some time, since DHL cannot rearrange its network overnight. Meanwhile ABX Air will continue to provide reliable, cost-effective services to DHL for as long as it is able to do so profitably.

Q13. What will happen to the regional hubs under DHL's plan?

A13. DHL has indicated that they will assume control of the hubs and continue to operate them as part of their ground network. We do not have a timeline for such transitions. For the time being, the hubs will continue to operate as they always have.

Q14. What will happen to the postal hubs?

A14. ABX Air expects to continue operating the postal hubs. We will work aggressively to renew our contracts with customers such as the U.S. Postal Service as well as pursue new contracts.

Q15. What will happen to the Night Sort?

A15. DHL's plan calls for UPS to handle all of its express, deferred, and international package shipments within the U.S. Most likely this means the freight normally handled by our Night Sort will instead be routed through the existing UPS network, and the Night Sort will no longer be needed at ILN. We do not have a timeline for this transition.

Q16. What will happen to the Day Sort?

A16. DHL Chief Operating Officer John Cameron indicated that DHL will need ABX Air to continue operating a Day Sort at ILN for the foreseeable future, but until we have a better understanding of DHL's plan, we cannot say for certain what that operation will look like.

Q17. Can ABX submit another bid to DHL on the outsourcing of their air express network?

A17. Earlier in the year we proposed a plan that would have resulted in ABX Air supporting DHL to a greater extent by becoming its sole airlift provider. DHL declined the proposal at that time. DHL has not solicited any bids nor has it indicated that it would consider another one from ABX Air. However, ABX Air will continue to compete for DHL's business.

Q18. Can we move the DC-9s into charter operations?

A18. Unfortunately the demand for that type of aircraft in the charter segment is not strong enough to justify putting those planes into service there. A DC-9 costs about \$2,900 per hour to operate, so customers do not find it a cost-effective option.

Q19. Does UPS have enough airlift capacity to handle DHL's freight?

A19. We do not know whether UPS has enough airlift capacity to handle DHL's freight.

Q20. Can ABX Air take over the Airborne Express name? Can ABX Air start building a delivery network?

A20. As was evident in DHL's case, trying to gain market share in the domestic express delivery market is very difficult and expensive. ABX Air is not in a position to compete in that business.

Q21. How many positions will be affected by the reduction of the 39 DC-9s?

A21. We estimate that around 500 employees may be affected, most of them pilots, aircraft technicians, and support personnel. We will not be able to give details of personnel reductions until we know DHL's full schedule of DC-9 reductions.

Q22. Will DHL or UPS be offering positions to any ABX Air employees at ILN?

A22. We have not seen anything to indicate that such an offer will take place.

Q23. How much notification will employees be given before their positions are eliminated?

A23. We hope to provide as much notice as possible to employees affected by reductions.

Q24. What is the benefit of staying with ABX until my services are no longer needed?

A24. ABX Air is working on a retention package to encourage employees to stay with ABX until their position is eliminated.

Q25. Will early retirements, voluntary lay-off, or severance packages be offered?

A25. We are evaluating options that may help lessen the impact of workforce reductions. At this point, we don't have any details, but when we do, we will share them with you.

Q26. Can I apply for Unemployment Compensation if my job is eliminated?

A26. The decision to award unemployment compensation is made by the state agency, and not ABX. The state makes such decisions based on individual earnings and eligibility. ABX will supply the state with factual information regarding your separation and, if you stay through the transition period, will not contest your application for unemployment benefits.

Q27. Why is ABX still hiring if there will be a reduction of staffing coming?

A27. ABX Air must continue to run a top-notch operation based on our current ACMI and Hub Services agreements. To do so, we must meet the day-to-day staffing needs required by a large organization. Keep in mind that DHL's deal with UPS is not finalized, and we need to provide the best possible service as we attempt to keep DHL's business and secure additional business from other customers.

Many of the answers to these questions are contingent upon DHL's negotiations with UPS. Benefits information is specific to non-bargaining unit employees.

Please continue to forward your questions to your management, Employee Relations, our CEO Joe.Hete@abxair.com, our President John.Graber@abxair.com, or our Vice President of Human Resources John.Starkovich@abxair.com.