



2025

AIAS ANNUAL REPORT

TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT
FAIRBANKS INTERNATIONAL AIRPORT



A MESSAGE FROM OUR DIRECTOR

Honorable Governor Dunleavy, State Legislators, and the People of Alaska,

I am proud to present the 2025 Alaska International Airport System (AIAS) Annual Report — a reflection of a year that demanded adaptability, focus, and teamwork across every level of our organization. Building on the transformational progress of 2024, AIAS entered 2025 stronger, more coordinated, and better positioned to serve Alaska and the world.

In 2025, we experienced and weathered considerable internal and external changes including a comprehensive reorganization, statewide funding challenges, and significant political uncertainty. Despite these pressures, our focus never wavered. Together with our airline partners, we delivered meaningful progress in air service development, financial stability, capital investment, and operational efficiency.



Strength Through Reorganization and Resilience

The reorganization completed in 2025 produced measurable results this year. Communication across Ted Stevens Anchorage International Airport (ANC) and Fairbanks International Airport (FAI) is stronger than ever, and our teams are working with greater unity and purpose. The structure we built now allows us to respond faster, operate smarter, and better support Alaska’s leadership role in both passenger and cargo aviation.

Financial Stability and Continued Growth

AIAS remains financially self-sustaining and stable. The 10-year Operating Agreement and Passenger Terminal Lease (OAPTL) with our 33 Signatory Airlines continues to serve as a foundation of predictability and partnership. That collaboration remains vital to our shared long-term success.

Key Wins and Milestones

- Record-setting revenue: Generated \$193 million, the highest in AIAS history.
- Operational improvements: Implemented new badging and Certified Activity Report (CAR) systems that are already saving both time and money.
- Winter readiness: Continued hosting our annual Winter Storm Working Group—bringing together all airside partners from both airports to review external studies, share lessons, and plan for the season ahead.
- Tenant accountability: Completed a full ANC terminal concessionaire audit to reconcile accounts, strengthen relationships, and enhance transparency.

Expanding Passenger Service and Connectivity

2025 also brought meaningful growth in passenger service. ANC welcomed a new passenger carrier, expanding options for Alaskans and visitors while deepening our global connections.

FAI advanced work under its federal Small Community Air Service Development Grant, moving closer to establishing long-range service to major domestic hubs.

Cargo Leadership and System Capacity

Cargo continues to anchor the strength of AIAS. ANC remains the fourth-busiest cargo airport in the world and second in North America, while FAI continues to serve as a vital relief and diversion hub. Together, they form one of the most efficient and strategically located air logistics systems in global aviation.

Economic Impact and Sustainability

AIAS generates more than \$2.3 billion annually in economic activity and supports approximately 26,000 Alaska jobs.

- ANC supports 1 in 7 jobs in the greater Anchorage region.
- FAI supports 1 in 8 jobs in the Fairbanks North Star Borough.

Our commitment to sustainability also continues to grow. Both airports are advancing initiatives around sustainable aviation fuel (SAF), solar feasibility, and the transition to non-fluorinated firefighting foam. FAI remains a national leader in PFAS remediation, and ANC has advanced design work for its new cogeneration facility to improve efficiency and resiliency.

Development and Investment

Private-sector investment remains strong. At ANC, Anchorage Airport Partners LLC, NorthLink Aviation, FedEx, and Alaska Cargo and Cold Storage each advanced major projects that will strengthen our cargo infrastructure for years to come. At FAI, we are partnering with the Department of Natural Resources on a new joint-use firefighting base — the largest aviation project of its kind in Alaska.

Looking Ahead

At the start of 2026, both airports are positioned for another year of smart growth and modernization. The International Airport Revenue Fund remains strong, and our partnerships with airlines and industry continue to drive shared success. Aviation is, and always will be, Alaska’s lifeline — connecting people, communities, and opportunities across this state and the world, and AIAS will remain at its heart.

I could not be prouder of our teams at ANC and FAI. Their professionalism, dedication, and innovation have carried us through a year of change and challenge and positioned AIAS to lead from a place of strength.

Thank you for your continued support and confidence as we move forward together.

Sincerely,



Angie Spear,
AIAS Director

CONTENTS



YEAR IN REVIEW	6
2025 OBJECTIVES	6
PASSENGER SERVICE BUSINESS GROWTH	7
THE STRENGTH OF AIR CARGO ACTIVITY	8
TRAVELER EXPERIENCE	9
MAINTENANCE EXCELLENCE	10
FAI DIVERSIONS	10
OPERATIONAL FIRSTS	11
PREFERENTIAL CARGO HARDSTANDS	11
2025 TRIENNIAL EXERCISE	11
AIAS REBRANDING	11
HIDDEN DISABILITIES SUNFLOWER PROGRAM.....	12
PRIVATE INVESTMENT	12
ENVIRONMENTAL SUSTAINABILITY	13
GENERAL AVIATION	14
LAKE HOOD SEAPLANE BASE	14
FAI EAST RAMP	14
COMMUNITY.....	14
ENGAGEMENT WITH STAKEHOLDERS	15
OUR PEOPLE	17
THE DRIVING FORCE OF AIAS SUCCESS	17
EMPOWERING A STRONG TEAM CULTURE.....	17
AIAS INTERNS	17
FINANCIAL REPORT	19
OPERATING REVENUE AND EXPENSES	19
CAPITAL CONTRIBUTIONS AND EXPENDITURES	19
FINANCIAL INITIATIVES	20
LOOKING AHEAD: BUILDING A THRIVING FUTURE	23



YEAR IN REVIEW



YEAR IN REVIEW

This year, the AIAS achieved significant milestones through the efforts of its employees, who overcame complex challenges to ensure both airports delivered exceptional service to air carriers, leaseholders, concessionaires, passengers, and other stakeholders. These accomplishments reflect the System's dedication to operational resilience, financial sustainability, and growth.

2025 Objectives

- Operationalize recent air service gains by focusing on reliability, performance, and long-term sustainability of new and expanded passenger routes.
- Transition from planning to delivery on major terminal and customer-experience investments, with visible, passenger-facing improvements at ANC and FAI.
- Execute priority cargo and development projects that convert planning, entitlements, and agreements into active construction and operational capacity improvements.
- Stabilize and mature the AIAS workforce model through full implementation of new classifications, leadership depth, and succession planning.
- Deliver federally funded capital projects on time and on budget, emphasizing readiness, grant compliance, and accelerated project delivery.
- Leverage AIAS's strengthened financial position to support strategic investments, disciplined debt management, and long-term rate stability.
- Institutionalize systemwide efficiencies and governance improvements to ensure consistent operations, decision-making, and accountability across ANC and FAI.



In 1961, the Alaska State Legislature established the Alaska International Airport System (AIAS or Airport System) as a major state enterprise. The System is comprised of Ted Stevens Anchorage International Airport (ANC) and Fairbanks International Airport (FAI). The State manages the AIAS through the Alaska Department of Transportation and Public Facilities. Although owned and operated by the State, the AIAS is financially independent and does not rely on General Fund or other state funds. It is self-sustaining, with revenue from rents and fees paid by users of the ANC and FAI facilities funding the International Airport Revenue Fund (IARF), which covers its operating expenses.

PASSENGER SERVICE BUSINESS GROWTH

2025 was a strong year for passenger air service development at ANC. Alaska Airlines and Delta Air Lines added flights in the third and fourth quarters, resulting in ANC ranking as the fifth fastest-growing airport in the United States by added seat capacity in Q4. Alaska Airlines

expanded capacity across several markets, including additional service to Honolulu and Portland, as well as intra-Alaska routes. Delta introduced a new year-round nonstop flight to Atlanta, marking ANC's first year-round nonstop connection to the U.S. East Coast.

Commuter and Part 135 airline activity at ANC reflected a year of deliberate growth, operational realignment, and long-term commitment to regional connectivity. The Airport supported existing operators such as 40-Mile Air, Alaska Central Express (ACE), Aleutian Airways, Kenai Air, and



Grant Aviation through operating agreement actions, facility adjustments, and terminal planning to improve safety, efficiency, and passenger experience, including Aleutian Airways' transition to signatory airline status. A key milestone this year was the successful relocation of ACE from the North Terminal to the South Terminal A Concourse, aligning the carrier more closely with operational, security, and gate management needs. New and expanding carriers, including Arctic Legacy Aviation and Paklook Air dba Yute Commuter Service, were onboarded through operating permits and terminal and ramp coordination to support increased scheduled and charter service to rural Alaska communities. Collectively, these actions strengthened ANC's role as a regional aviation hub while positioning the Airport to support future growth in commuter and Part 135 operations.

ANC is positioned for continued growth through expanded air service and strengthened airline partnerships. In 2026, Southwest Airlines will introduce daily seasonal service connecting Anchorage with Denver (DEN) and Las Vegas (LAS), along with Alaska Airlines expanding its summer seasonal network in 2026 with the addition of three new nonstop routes from Anchorage to Boise (BOI), Boston (BOS), and Spokane (GEG), reinforcing ANC's role as a critical gateway for passengers traveling to and from Alaska.



THE STRENGTH OF AIR CARGO ACTIVITY

In 2025, the AIAS maintained its position as a premier global air cargo gateway. While many factors out of AIAS’ control, such as continued high inflation and political unrest both at home and abroad can negatively impact AIAS activity levels, AIAS’ partnerships with its Signatory Airlines, commitment to reasonable fees for carriers, and strong financials helped it weather the ups and downs of global trans-Pacific trade.

Cargo Landings

	FY24	FY25	%Change	CY24	CY25	%Change
ANC	53,029	54,824	3.4%	54,547	54,607	0.1%
FAI	2,237	2,521	12.7%	2,296	2,707	17.9%
Totals	55,266	57,345	3.8%	56,843	57,310	0.8%

For calendar year 2025, AIAS cargo landings were steady despite industry-wide operational fluctuations, demonstrating both increased reliance on Alaska as a technical stop and the importance of redundancy within long-haul Asia-North America cargo routings. FAI demonstrated notable operational growth and strategic value within the System. FAI recorded a 17.9 percent increase in cargo operations over 2024, underscoring its expanding role in network flexibility and resilience as a critical diversionary hub.

Cargo Metric Tons

	FY24	FY25	%Change	CY24	CY25	%Change
ANC	3,574,887	3,751,049	4.9%	3,705,834	3,854,614	4.0%
FAI	19,540	23,233	18.9%	20,776	26,505	27.6%
Totals	3,594,427	3,774,282	5.0%	3,726,610	3,881,119	4.1%

ANC remained the fourth-busiest cargo airport in the world and the second busiest in North America, facilitating the transit, on-loading, and off-loading of more than 3.5 million metric tons of air freight annually. AIAS experienced a 4.1 percent increase in total cargo volume compared to 2024, underscoring consumers’ reliance on e-commerce, air cargo’s importance to supporting the business of two-day or less delivery times, and AIAS’ vital role in supporting the air cargo industry.

The combined performance of ANC and FAI illustrates Alaska’s geographic advantage for trans-Pacific operations, fuel stop efficiency, and cargo transfer capabilities. The System continues to support higher-value, time sensitive freight segments and to provide critical diversionary capacity for global carriers.

AIAS’s operational resilience, particularly its ability to sustain uninterrupted service through Alaska’s severe winter conditions and low-visibility environments, continues to differentiate the System globally. Reliable ground handling, efficient refueling operations, and rapid technical turn capabilities reinforce ANC and FAI’s reputation as a dependable and strategically indispensable cargo platform. Despite evolving tariff structures and shifting trade flows, AIAS remains a dynamic engine of global connectivity and a key contributor to Alaska’s economic vitality.

TRAVELER EXPERIENCE

Airport Experience News (AXN) evaluates airports across the country using metrics such as concessions sales, revenue per enplaned passenger, and overall program effectiveness. ANC’s leading rankings reflect its strong concessions performance, its focus on delivering high-quality food, retail, and service options, and its continued commitment to enhancing the passenger experience.



Food, Beverage & Retail	
#1 ANC	\$20.36
1 BNA	\$17.93
2 JFK	\$17.46
3 SEA	\$16.49
4 MCO	\$15.09
5 DTW	\$14.84
6 RDU	\$13.88
7 PHX	\$13.63
8 ATL	\$13.15
9 ATL	\$13.15
10 CLT	\$12.35

All Categories*	
#1 ANC	\$20.77
1 JFK	\$18.55
2 BNA	\$17.80
3 MSP	\$16.97
4 MCO	\$16.45
5 SEA	\$15.98
6 IAH	\$14.96
7 LAX	\$14.84
8 PHX	\$14.56
9 DEN	\$14.40
10	

* Lounges, Suites & Passenger Services Included
Source: Airport Experience Fact Book 2025 (AXN)

MAINTENANCE EXCELLENCE



Winter weather continued to challenge AIAS airport operations throughout 2025, marked by an exceptionally severe start to the season across Alaska. December 2025 ranked among the coldest on record in Fairbanks and was also one of the top five Decembers for snow accumulation. Fairbanks experienced a record-breaking 33 consecutive days of temperatures at or below -15°F, while Anchorage endured repeated snow events, freezing rain, and sustained subzero conditions. Anchorage faced multiple high-impact winter storms requiring prolonged snow removal and ice mitigation efforts. Despite these conditions, maintenance and operations teams at both airports maintained safe, continuous service for passenger, cargo, and tenant aircraft, including the successful management of diversion and air freighter operations, with exceptional professionalism and a strong focus on safety.

As Alaska’s primary aviation and logistics hubs, the AIAS’s ability to operate through extreme winter conditions remain critical. The coordinated response between ANC and FAI

during these severe weather events demonstrated the strength of the dual-airport system and the high level of expertise within AIAS maintenance and operations teams. Their efforts ensured continuity of service and reinforced the confidence air carriers place in AIAS as a reliable partner in global transportation and logistics operations.

FAI DIVERSIONS

Throughout 2025, FAI staff and tenants successfully managed a diverse mix of diversion activity while maintaining safe, efficient operations. Cargo and military diversions remained stable reflecting strong coordination and operational reliability, while an increase in passenger diversions was handled seamlessly through effective collaboration across airport teams. These outcomes highlight the professionalism, preparedness, and adaptability of FAI’s workforce and tenant partners in supporting a wide range of aviation needs under dynamic conditions.

FAI AIRCRAFT DIVERSIONS 2025

67 Total Diversions



28

Cargo Diversions



19

Passenger Diversions



20

Military Diversions

2024 Comparison (63)

38 Cargo diversions

3 Passenger diversions

22 Military diversions

*There was a significant increase in Passenger Diversions in 2025 due to weather impacts across the state.

AIAS ensures seamless coordination and operational reliability across Alaska’s international airports, enabling safe and efficient aircraft diversions to Fairbanks.

OPERATIONAL FIRSTS

Preferential Cargo Hardstands

Extending the pilot program for an additional winter season in response to requests from signatory airline partners, the AIAS preferentially leased five cargo aircraft hardstands at ANC from October 2025 through March 2026, based on operational activity levels. While preferential leasing of terminal gate areas has long been part of AIAS operations, preferential leasing of cargo hardstands is a new concept. Operational impacts associated with these leases are being closely evaluated and will inform planning and decision-making for the upcoming winter season.

2025 TRIENNIAL EXERCISE



In June, the Fairbanks Airport Police & Fire Department conducted its Triennial disaster drill, bringing together more than 120 participants from multiple regional agencies. The exercise simulated a midair collision resulting in aircraft wreckage on both sides of the Tanana River. Response operations included boat deployments, off-road vehicles, rope rescues, and standard fire apparatus to access, triage, and treat over 60 volunteer role-playing victims. The drill successfully tested interagency coordination, emergency response capabilities, and overall preparedness for a large-scale aviation incident.

AIAS REBRANDING

In 2025, the AIAS completed a organizational rebranding, including the introduction of a new logo and mission statement. This effort was intentionally collaborative, with input from AIAS employees across the System, reflecting leadership's commitment to inclusive engagement during a significant organizational evolution.

The refreshed brand identity clearly conveys AIAS's purpose and values, reinforcing its dedication to excellence in service to customers, employees, and industry partners. Together, the new logo and mission statement represent both who AIAS is today and its vision for the future.

Mission Statement: Delivering World-Class Cargo and Passenger Services as Alaska's Gateway to the World.



Hidden Disabilities Sunflower Program

ANC now participates in the Hidden Disabilities Sunflower Program, helping support travelers with non-visible disabilities. Wearing the green sunflower lanyard discreetly signals you may need extra time, assistance, or understanding. Free lanyards are available at your airline's customer service desk in the South Terminal check-in area or the Visit Anchorage Information Center. FAI continues to be an active participant in the program.

The infographic features a dark blue header with the title "HIDDEN DISABILITIES SUNFLOWER PROGRAM" in white. Below the header, a white background is decorated with several yellow sunflower icons. A central blue banner reads "Now at ANC!". The content is organized into five sections, each with a blue header and an icon:

- What is it:** Icon of a hand pointing. Text: "A GLOBAL PROGRAM THAT SUPPORTS TRAVELERS WITH NON-VISIBLE DISABILITIES".
- How it works:** Icon of a green sunflower lanyard. Text: "WEAR A GREEN SUNFLOWER LANYARD TO DISCREETLY LET STAFF KNOW YOU MAY NEED EXTRA TIME OR ASSISTANCE".
- Who it supports:** Icon of a person with a crossed-out eye. Text: "SUPPORTS MANY NON-VISIBLE DISABILITIES—AUTISM, DEMENTIA, SENSORY IMPAIRMENTS, CHRONIC CONDITIONS, AND MORE.".
- Why it matters:** Icon of hands holding a heart. Text: "26% OF U.S. ADULTS LIVE WITH A DISABILITY—MANY ARE NOT IMMEDIATELY VISIBLE (CDC)".
- FAI:** Icon of a green sunflower lanyard. Text: "FAI REMAINS AN ACTIVE PARTICIPANT IN THE PROGRAM".

PRIVATE INVESTMENT

AIAS continued to see growth in private-sector investments at both ANC and FAI, reflecting a robust aviation economy. Several developments are progressing through various permitting and environmental processes to move toward construction:

ANC

- **NorthLink Aviation's** cargo development broke ground in 2023, with construction ongoing. The project will be phased, with six hardstands planned by the end of 2026.
- **FedEx** continues to finish construction, with anticipated activation in October 2026, of its expanded regional operations and aircraft parking apron.
- **Alaska Cargo and Cold Storage** wrapped up their environmental permitting and is planning to break ground this spring to include an aircraft parking apron and a warehousing facility.
- **Anchorage Airport Partners, LLC** has acquired a parcel in West Airpark to construct a minimum of four hardstand parking positions and accompanying taxiways, with the first phase of project completion set for the fall of 2026.
- **Chugach Electric** has signed a 50 year lease for a non-aeronautical utility substation at the corner of Raspberry Road and Sand Lake Road. The 10 million dollar substation will provide power to the Airport and surrounding neighborhoods and businesses. The 62,500 square feet lease will bring in about \$21,000 annually to the Airport but is expected to increase over the years as fair market values rent in the area increases.

FAI

- FAI is designated to be the new home of the DNR/BLM Firefighting Services complex consisting of tankers and a helipad. The design and environmental phases are underway. Completion is expected to be within the next five to seven years once funding is secured.
- Montibus Enterprises, LLC has signed a 50-year lease on Block 104, Lot 5 consisting of 60,000 square feet for private hangar and will start construction in Spring of 2026.
- Tanana Chiefs Conference (TCC) installed a patient informational kiosk for travelling TCC beneficiaries in the terminal near baggage claim.



ENVIRONMENTAL SUSTAINABILITY

In service to Alaskans and future generations, the AIAS is moving forward with understanding and implementing improvements through research and technology to sustain its airports and the environments they serve. In progress now or planned for the short-term future are sustainability initiatives directed at reducing the negative impacts of airport operations on the environment while still supporting the air service so essential to Alaska:

- Alternative Energy Generation Study
- Point Woronzof Reroute Erosion Project
- ANC Airport Master Plan Update
- ANC Airfield Lighting Control System Reliability and Resiliency Improvements
- ANC North Terminal (NT110) Combine Heat and Power
- ANC Airport Master Plan Update
- ANC Resilience and Sustainability Plan
- FAI Airport Master Plan Update
- ANC Part 150 Noise Compatibility Study Update
- Airport Carbon Accreditation
- Sustainable Aviation Fuel (SAF) Availability (in coordination with AIAS signatory carriers)
- An RFI was initiated to seek information on photovoltaic (PV) systems at both AIAS airports.

ENVIRONMENTAL SUSTAINABILITY

Ensuring responsible growth while protecting the environment for future generations of Alaskans.



GENERAL AVIATION

Lake Hood Seaplane Base

Lake Hood (LHD), which is adjacent to ANC and managed as part of ANC, is a historical general aviation airport and known as one of the most active and largest seaplane bases in the world. LHD has a gravel runway and two adjoining lakes with a total of three water lanes that support private and commercial general aviation on a year-round basis. A taxiway connects LHD to ANC. LHD has parking for 400 float-equipped aircraft and 500 wheeled aircraft.

More than \$65 million in investments and development activity is underway at Lake Hood Airport, reflecting strong demand for long-term aviation infrastructure. Current efforts emphasize permanent improvements, facility remodels, and tenant-driven capital investment, including projects by Alaska Aircraft Sales, Airplane Hangars Inc., Lake Hood Air Harbor, and K Lot LLC. Lake Hood Airport continues to attract regular interest for land and aviation-related development opportunities and remains one of the most highly sought-after locations for tenant investment.

FAI EAST RAMP

FAI continues to support a vibrant general aviation community, anchored by the East Ramp, which handles more than 120,000 aircraft operations each year. This area features two runways—one 4,500-foot paved and one 2,900-foot gravel—along with an active floatplane base, collectively supporting more than 500 based aircraft. In addition to serving as a hub for general aviation activity, the East Ramp also accommodates scheduled air service operating from paved, gravel, and water surfaces.



COMMUNITY

Over the past year, both airports hosted high-profile events and meaningful community engagement. AIAS coordinated a press conference with Southwest Airlines leadership announcing plans to begin service to Anchorage in summer 2026. AIAS also welcomed U.S. Transportation Secretary Duffy and U.S. Senator Dan Sullivan for a press conference highlighting the importance of sustained aviation funding to address Alaska's unique challenges. Following that visit, ANC served as the coordination hub for the Last Frontier Honor Flight to Washington, D.C., supporting veterans traveling at no cost to visit the memorials. Statewide Aviation partnered with AIAS and DOT&PF to host the NASAO national conference at the Dena'ina Center, welcoming more than 400 aviation leaders to share best practices and explore emerging technologies that support a safe, reliable aviation system.



ENGAGEMENT WITH STAKEHOLDERS

ANC is thrilled to share that Southwest Airlines will launch seasonal service from Anchorage beginning in May 2026! As one of the nation’s largest and most recognized carriers, Southwest will bring its signature low fares, friendly service, and convenient connections to Alaska travelers—opening new opportunities for seamless, affordable travel and expanding choices for our community and visitors alike.



In June 2025, ANC welcomed WestJet Airlines as it launched its inaugural service to Alaska. The new route connected Anchorage with Calgary International Airport (YYC), strengthening air service ties between Alaska and Canada while expanding travel options for both regions. WestJet operated twice-weekly nonstop flights between Anchorage and Calgary. As a major hub within WestJet’s network, Calgary provided convenient onward connections to destinations throughout Canada, the United States, Europe, and Asia, improving global accessibility for Alaskans.





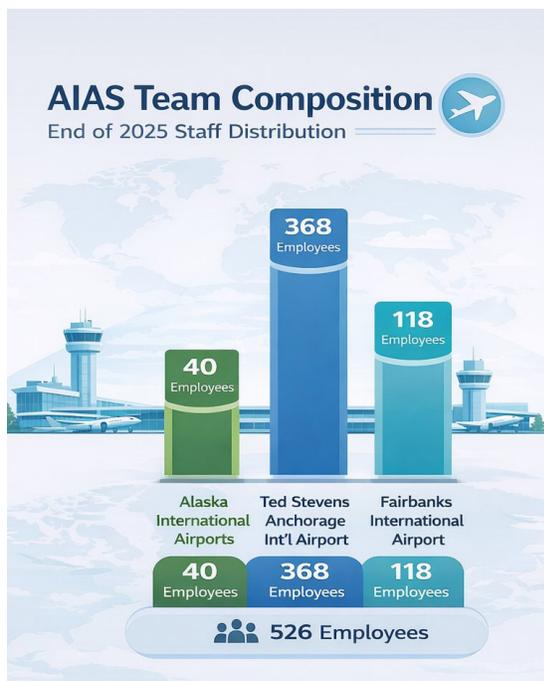
OUR PEOPLE



OUR PEOPLE

The Driving Force of AIAS Success

AIAS proudly recognizes that its success is rooted in the dedication, professionalism, and expertise of its workforce. Across ANC and FAI, 526 full-time employees serve in essential general labor, technical, and administrative roles, each contributing to the safe and efficient operation of Alaska’s critical aviation system. Their commitment keeps our airports moving every day, and we remain grateful for the skill, resilience, and teamwork they bring to our mission.



Empowering a Strong Team Culture

AIAS continues to strengthen its team-oriented culture by empowering employees to deliver exceptional customer service across our 24/7/365 operations. The expertise and real-time decision-making of on-the-ground staff remain essential to ensuring safe, seamless, and efficient service at both commercial-service airports. Building on the recruitment momentum established in 2024, AIAS has expanded its efforts to attract and retain top talent, utilizing industry-specific platforms, partnering with the Alaska Department of Transportation and Public Facilities to broaden job visibility, and deploying targeted social media outreach to engage prospective candidates.

AIAS INTERNS

ANC and FAI welcomed a successful cohort of summer interns, gaining fresh energy and hands-on support across multiple airport departments. Interns contributed in areas such as operations and engineering, helping advance key projects, and gaining valuable real-world experience in Alaska’s aviation industry.





FINANCIAL REPORT



FINANCIAL REPORT

Operating Revenue and Expenses

In fiscal year 2025, the AIAS generated approximately \$193 million in revenue from operations and passenger facility charges. This represents a significant increase of \$20 million, driven by higher passenger and cargo activity.

Operating expenses and debt-service payments for AIAS totaled \$152 million. As a recipient of federal grant funding, AIAS is required by the Federal Aviation Administration (FAA) to operate as self-sufficiently as possible. Through effective management and strong partnerships with its signatory airlines, AIAS successfully covers all operational and capital costs for both ANC and FAI through rates and fees paid by airport users.

Capital Contributions and Expenditures

In FY2025, AIAS received additional \$71.2 million in revenue from sources outside its operations:

- \$2.8 million – Pandemic relief, bringing the total Pandemic Relief monies AIAS received to \$103.8 million
- \$61.1 million – FAA Grants, including Airport Improvement Program (AIP) and Infrastructure Investments and Jobs Act (IIJA) grants
- \$7.2 million – Passenger Facility Charges (PFCs)

This revenue, along with \$62.1 million additional International Airport Revenue Fund monies allocated for non-operating expenditures by AIAS signatory airlines, was used to execute various capital projects and programs, including but not limited to the design and construction of various buildings, infrastructure, and land-improvement projects as well as the purchase of equipment:

- ANC Passenger Boarding Bridge Replacement Program
- ANC Taxilane E&M Improvements
- LHD Aircraft & Lakeshore Drive Rehabilitation
- ANC RON 12-14 Rehabilitation
- ANC ALCS Resilience & Reliability Study
- ANC North Terminal Cogeneration Power Facility
- FAI Acquire Snow Removal Equipment
- ANC Passenger Boarding Bridge Replacement Program

Financial Initiatives

In FY 2025, ANC collected \$5.3 million in PFCs toward its Passenger Boarding Bridge Replacement Program, which is projected to total \$29 million by its expiration in 2029. FAI collected \$1.9 million under its legacy PFC application, expected to conclude in 2026 with \$33.2 million in approved collections. To ensure uninterrupted funding, the AIAS Planning Team is preparing projects for Signatory Airline review ahead of submitting a new PFC application. AIAS also partnered with the State of Alaska Department of Revenue to complete a bond refund and forward delivery for its Series 2016 A and B bonds, resulting in Series 2025A and 2025B and generating \$9.5 million in net present value savings.



**Operating Revenues and PFCs do not include interest revenues, capital grant receipts, Pandemic Relief funds, and losses on investments.*



**Expenses do not include capital costs or depreciation*

AIAS advanced several financial and operational efficiency initiatives in FY 2025, including a reconciliation of 36 ANC concessionaire accounts dating back to 2019, which resulted in an additional \$860,461 in net revenue. The AIAS also completed development of a new CAR process that uses Excel automation and artificial intelligence to convert airline data into upload-ready files. This modernization has reduced manual workload and improved accuracy across AIAS activity reporting and billing functions.

FINANCIAL INITIATIVES

Delivering responsible financial management while supporting long-term airport growth.

INFRASTRUCTURE INVESTMENT

PASSENGER BOARDING BRIDGE REPLACEMENT
Collected in Passenger Facility Charges to sup.

FINANCIAL STEWARDSHIP

BOND SAVINGS
Strategic bond refinancing generated in net present value savings

REVENUE OPTIMIZATION

CONCENSSION RECONCILIATION
Audit of concessionaire accounts produced in recovered revenue

OPERATIONAL MODERNIZATION

CERTIFIED ACTIVITY REPORT AUTOMATION
New AI-enabled reporting system improves billing accuracy & reduces processing time

PASSENGER FACILITY CHARGES

FAI PASSENGER FACILITY CHARGES
Collected in FY25, contributing to \$33.2M





LOOKING AHEAD





LOOKING AHEAD: BUILDING A THRIVING FUTURE

Building on a year of significant progress, the AIAS enters 2026 focused on execution, reliability, and long-term resilience. ANC and FAI continue to leverage Alaska’s strategic geographic position, established global cargo gateway status, and growing visitor economy to strengthen their roles as critical connectors for passengers and freight. Both airports remain internationally recognized for safety, operational reliability, and cost efficiency—attributes that continue to underpin AIAS’s competitiveness in a dynamic global aviation environment.

With new and expanded passenger service, AIAS’s focus in 2026 shifts to sustaining performance, improving operational consistency, and delivering visible enhancements to terminal facilities and the overall customer experience. Passenger activity is expected to continue tracking long-range planning assumptions, while air cargo volumes remain stable with modest long-term growth, reinforcing ANC’s role as a premier global cargo hub and FAI’s importance as a strategic operational and diversion airport.

AIAS will continue to advance priority cargo, general aviation, and passenger-supporting developments by moving projects from planning into construction and active use. These efforts are supported by disciplined capital delivery, strong partnerships with private-sector tenants, and continued success in securing and deploying federal funding.

As a financially self-sustaining enterprise, AIAS remains committed to maintaining world-class facilities and services without relying on State general funds. In 2025, this included leveraging the System’s strong financial position to support strategic investment, maintaining affordability for airline partners, and preserving long-term financial stability.

Strategic Focus Areas

- Delivering infrastructure and development projects that expand operational capacity and improve System reliability, safety, and efficiency.
- Enhancing passenger experience and terminal functionality through targeted, high-impact improvements.
- Strengthening partnerships with airlines and tenants to support sustainable growth and operational efficiency.
- Maintaining strong financial stewardship to ensure long-term resilience and competitiveness.

Through disciplined execution and strategic investment, AIAS is well positioned to meet evolving aviation demands while continuing to serve as a powerful economic engine for Alaska. The System’s focus on reliability, efficiency, sustainability, growth, and collaboration ensures that ANC and FAI will remain essential gateways for global commerce and travel well into the future.



**Delivering World-Class Cargo and Passenger Services as
Alaska's Gateway to the World**

The production and printing of this document was paid by the Alaska International Airport Revenue Fund. No public monies were used for its production.