



Ted Stevens Anchorage International Airport

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To Keep Alaska Flying and Thriving



Ted Stevens Anchorage International Airport

Fast Facts & Figures

- 2.5 million tons of cargo annually
 - Ranked #2 in North America
 - Ranked #6 in the world
- 5 million enplaned passengers per year
- 1 in 10 jobs in Anchorage are airport related
 - Over 9,000 direct jobs
 - Over 6,000 indirect jobs
 - Employment earnings \$1 billion

Self-sustaining Enterprise

- No General Funds used
- Revenue generated at the airport must be used at the airport
 - Over \$2 Million in property taxes to Municipality of Anchorage.

Interstate Destinations

18 Non-Stop Interstate Destinations

- 5 million passengers
- Top passenger markets
 - Seattle
 - Los Angeles
 - Portland
 - Phoenix
 - Minneapolis
- International non-stop
 - Air Canada
 - Icelandair
 - Frankfort
 - Condor
 - Yakutia Airlines
 - Petropavlovsk Russia



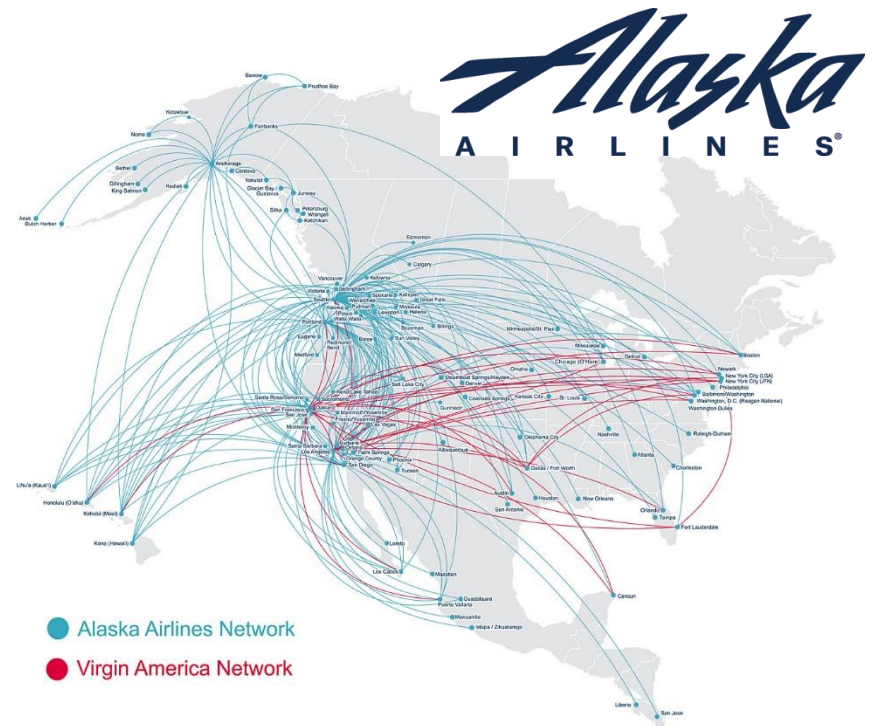
Meeting the Need

1 stop service to all top-50
large U.S. cities

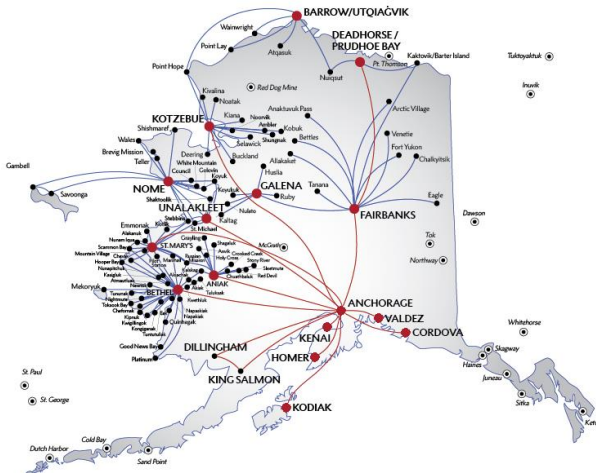
Alaska
AIRLINES®

UNITED

DELTA



Intrastate Flights

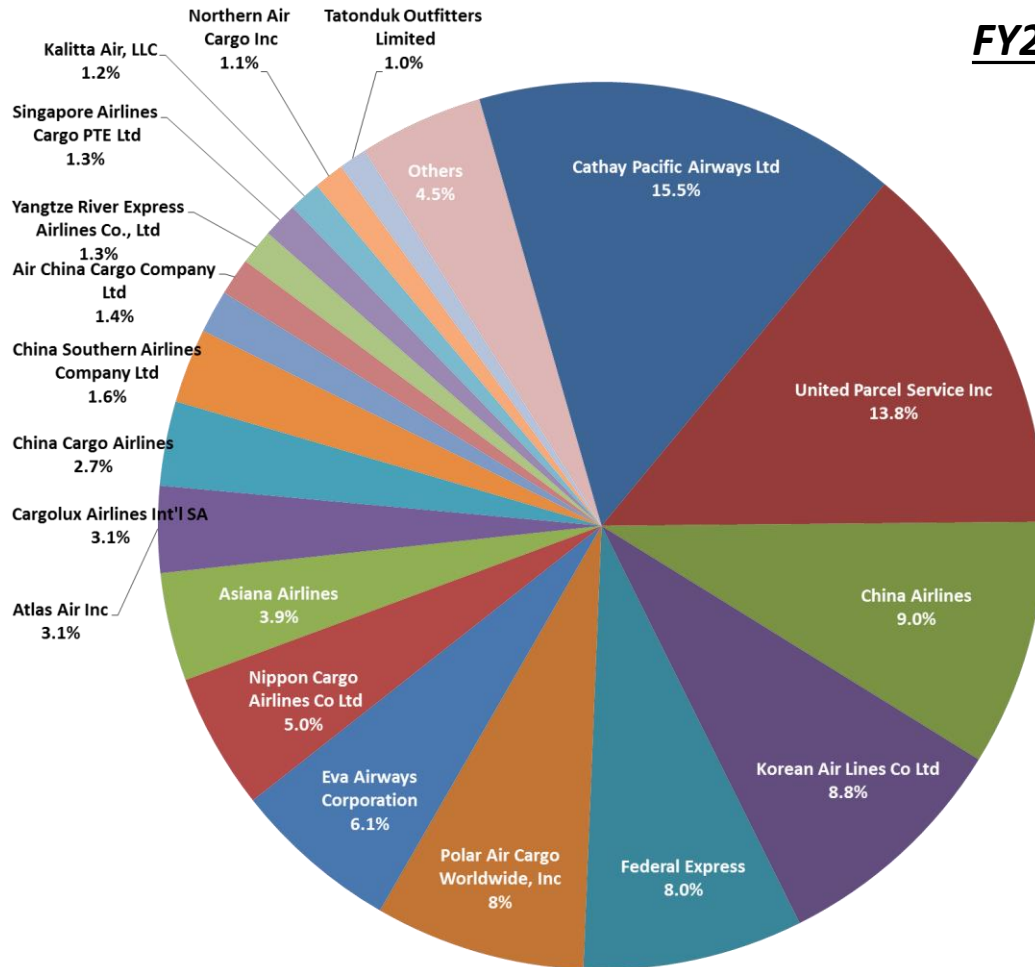


Concessions

- # 3 in the U.S. in revenue per passenger
 - \$13.93
- Alaskan businesses
 - \$13.1 million in gross sales
- Concessions are 10% of total revenue



Diversified Air Cargo Base



FY2017 Carrier Market Share by CMGTW (Certified Maximum Gross Takeoff Weight)

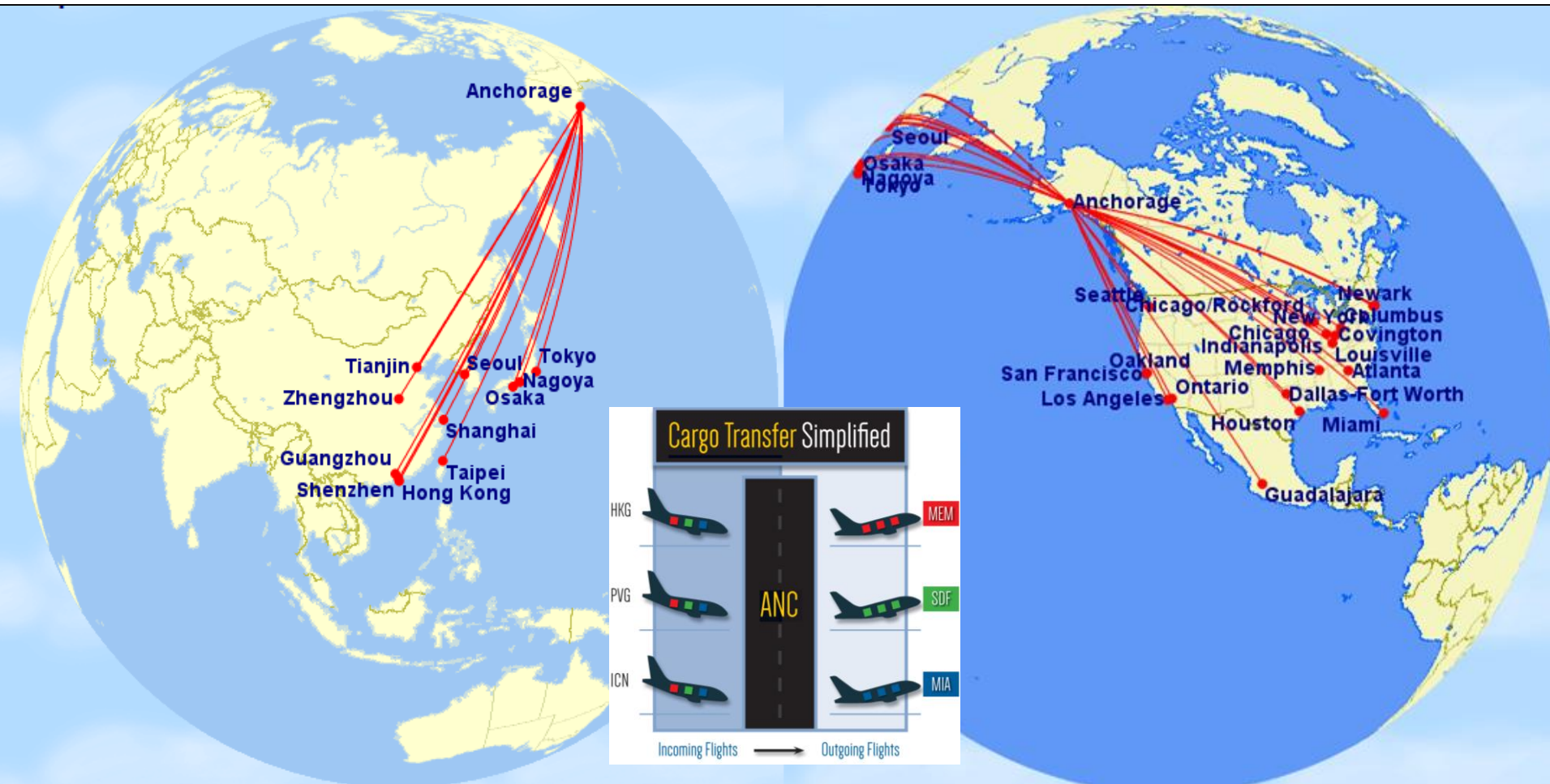
- International cargo hub for FedEx, UPS, Korean Air, Nippon, China Airlines, Polar Air Cargo and Atlas Air

5 consecutive years winning air cargo airport excellence award for North America.



(1) AIAS airline reported FY16 records. Totals may not add due to rounding.

Int'l Air Cargo Markets



* CY2015 ANC Cargo City Pairs w/frequency > 140 flights/year

Lake Hood

- World's Busiest Seaplane Base
- \$42M Economic impact
 - \$25M direct
 - \$17M indirect
- \$14M in labor income
- 230 direct and indirect jobs
- 23,000 non-Alaskan tourist purchased flightseeing tours





Future Vision

Future Development

Near Term

- New hanger
 - Alaska Airlines
 - \$40M
 - Two B737
- \$100M+ construction
- On-airport hotel
 - Spring RFP
 - 150+ rooms
- New concessions
 - Alaska focused
- Pharma Certification

Planning for the Future

- Maintenance-Repair-Overhaul (MRO) facility
 - Working with UAA and military
- New cargo development
 - Parking positions
 - Warehouses
- Supportive Development



AEDC
Anchorage Economic
Development Corporation

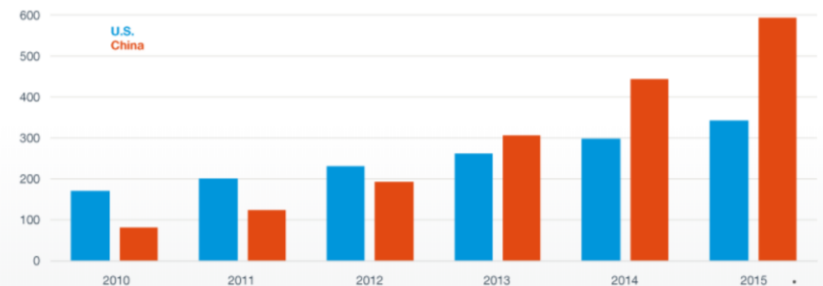


Air Cargo Forecast

- E-commerce
 - China growth
 - Larger than US market
 - Increasing 20% per year
 - US Growth
 - 17% of all retail sales by 2022
 - 13% growth in 2017

China online retail sales have overtaken the U.S. to become world's largest national e-commerce market

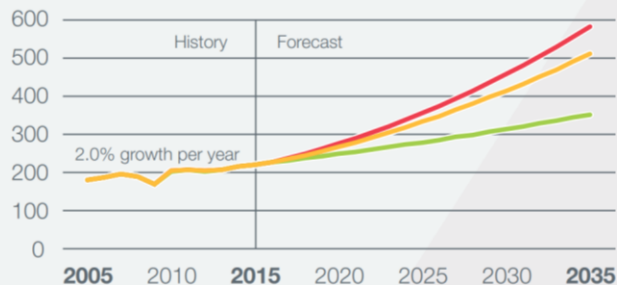
e-commerce sales, USD billions



Source: Retail Indicators Branch, U.S. Census Bureau

World air cargo traffic will more than double over the next 20 years

RTKs
in billions

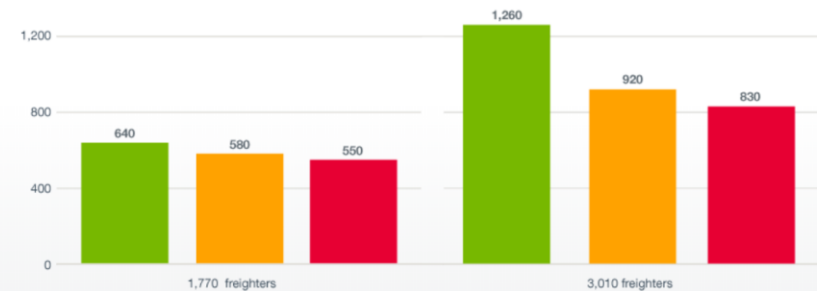


Average annual growth, 2015-2035

● High, 4.9% ● Base, 4.2% ● Low, 2.3%

Freighter fleet will increase by more than half – Standard-body freighters gain share

2015 2035
■ Standard-body (< 45 tonnes) ■ Medium-widebody (40-80 tonnes) ■ Large (>80 tonnes)

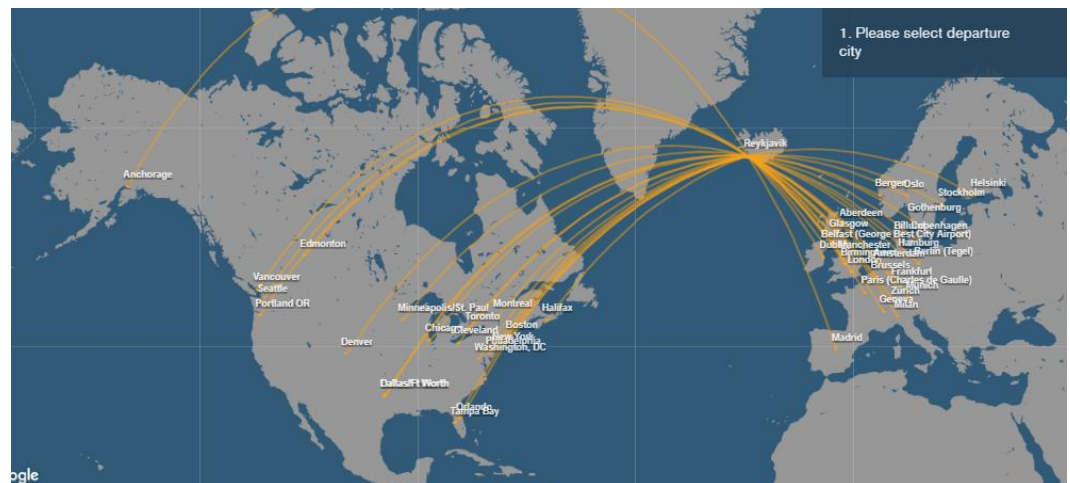


1,770 freighters

3,010 freighters

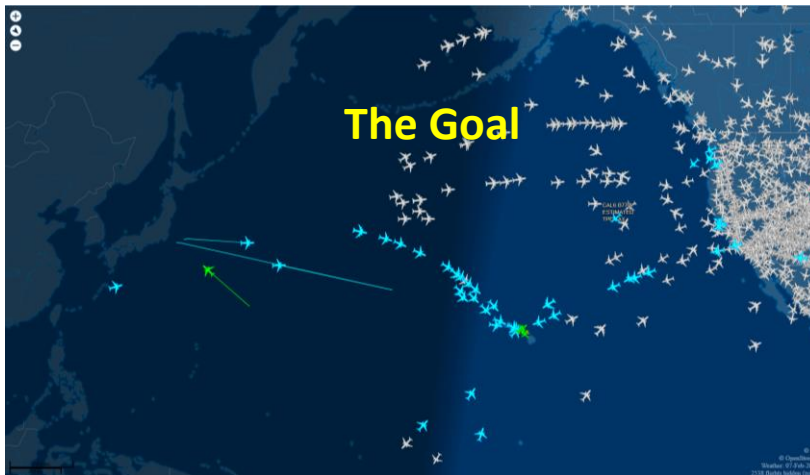
Air Service Development

- Top 10 US tourist destinations for Chinese tourists
 - 5 eco-tourism, 5 cities
- Top 5 Eco-tourism: Grand Canyon, Yellowstone, Yosemite, Niagara Falls, Hawaii
- Alaska
 - 8 National Parks
 - 2nd in US
 - 3 of which are UNESCO sites
 - Glacier Bay National Park has over 1,000 glaciers
- Top 5 Cities: New York, Washington D.C., Las Vegas, San Francisco, Orlando
- Icelandair results:
 - Passenger traffic has tripled through their airport



Asia Strategy

- Tour operators
- Consulates
- Airlines
- Governments





Questions?