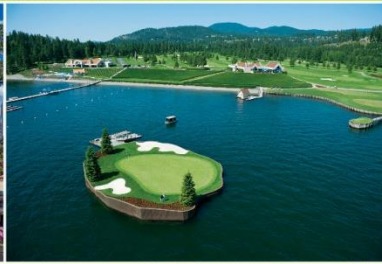
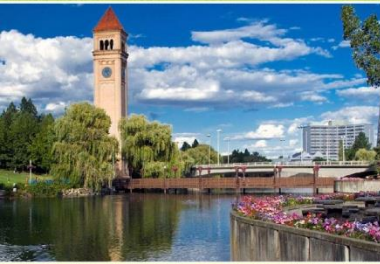




SPOKANE

INTERNATIONAL AIRPORT



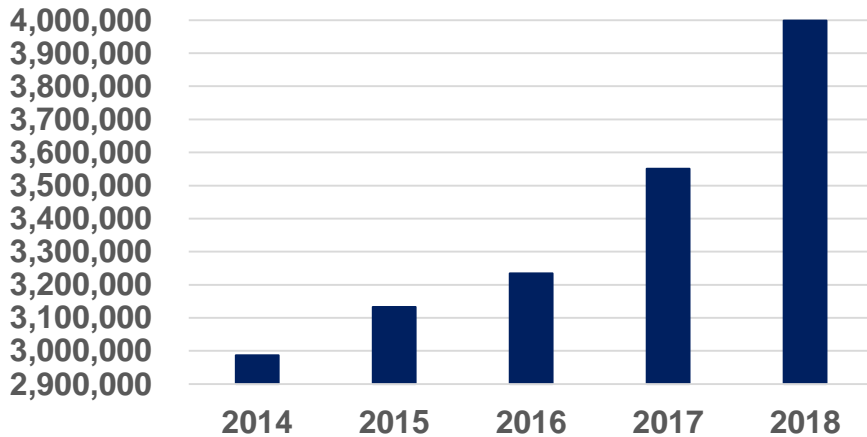
Airport & Aerospace Update presented to ESD Economic Symposium 2019



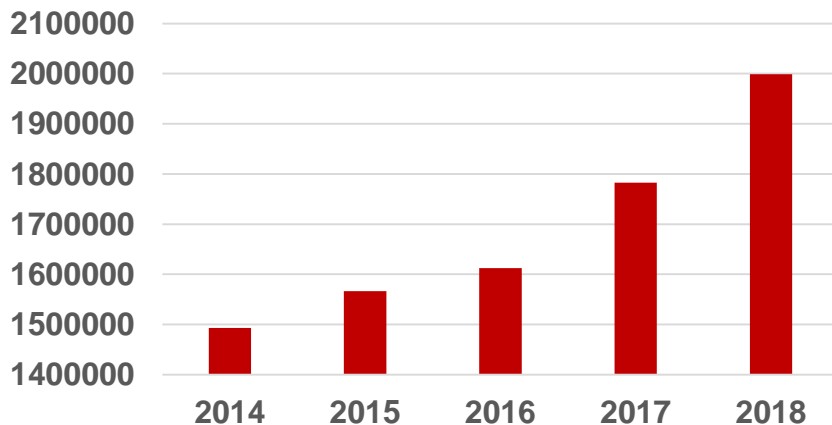
Spokane International Airport
GEG – GENERATING ECONOMIC GROWTH

SIA: A Growing Airport

GEG Total Passengers, 2014-2018



GEG Total Enplanements, 2014-2018



- Total Passenger Activity Growth:
 - 2014: 2,986,652
 - 2018: 3,998,272
- Total Enplanements Growth
 - 2014: 1,493,226
 - 2018: 1,998,949
- 33.87% increase between 2014 and 2018; 23.63% increase in last two years



Nonstop Service

6 Airlines
16 Destinations Served Nonstop
7,200 Outbound Seats/Day
63 Daily Flight Departures



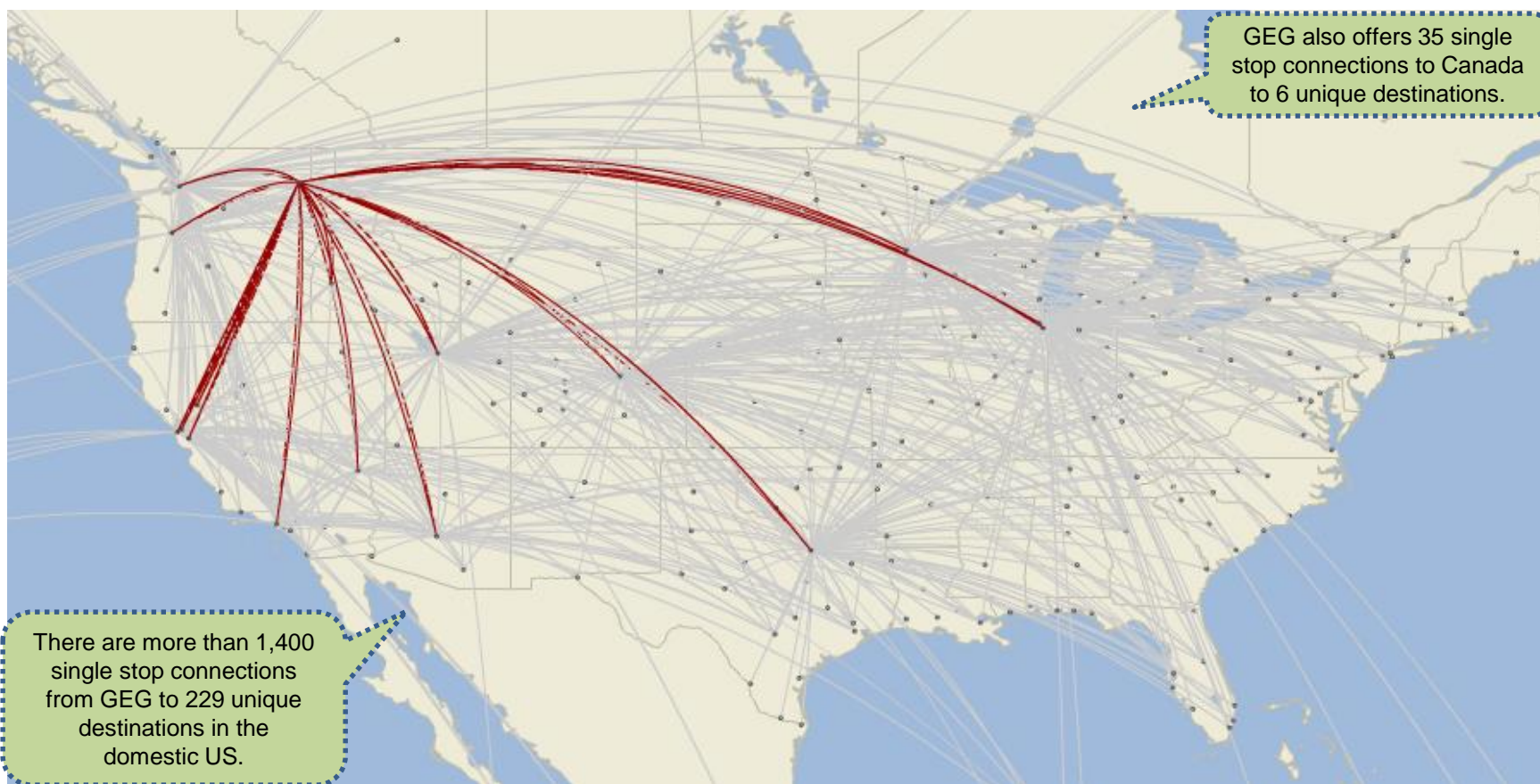
Spokane International Airport
SpokaneAirports.net

WHEN IT'S TIME TO FLY

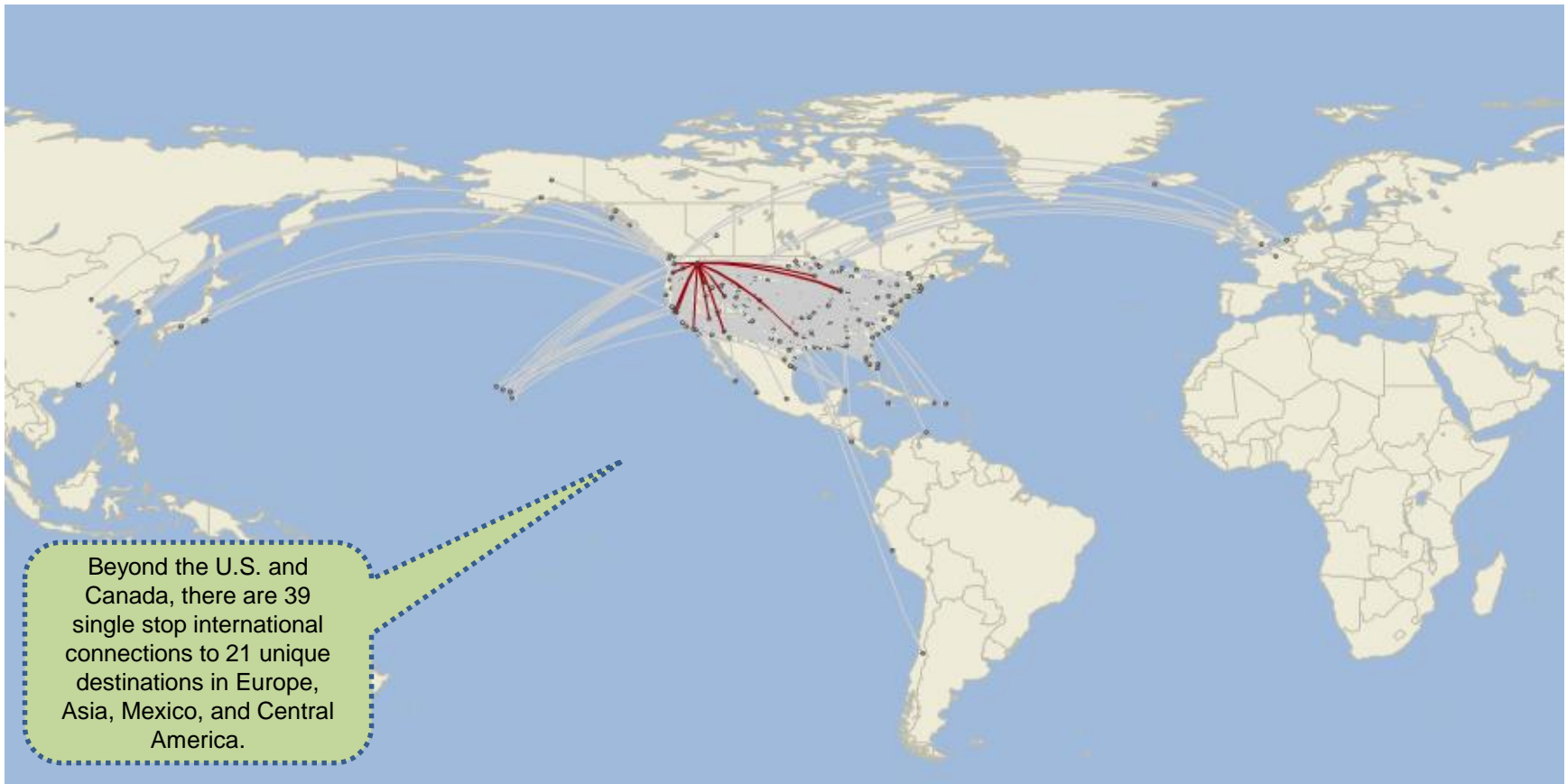
Now Offering **Nonstop Service** to
16 DESTINATIONS Throughout the US

Alaska American Airlines DELTA FRONTIER Southwest UNITED

GEG Single Stop Connections to the US and Canada



GEG Single Stop Connections to the World



Source: Diio Mi for Thursday, July 20, 2018; as of 2/6/18;
Note: Unique online cnx with low circuitry between 30 mins – 4 hrs

Top GEG O&D Passenger Markets

Rank	Airport	YE Q1 2018
		PDEW
1	Seattle	619.7
2	Portland	236.2
3	Phoenix	225.4
4	Boise	206.0
5	Las Vegas	192.9
6	Denver	177.5
7	Los Angeles	169.7
8	San Diego	150.1
9	Oakland	109.3
10	Sacramento	107.2
11	Orange County, CA	88.7
12	Salt Lake City	88.0
13	San Francisco	73.0
14	Dallas Ft. Worth	68.7
15	Minneapolis	67.8
Total		4,595.40

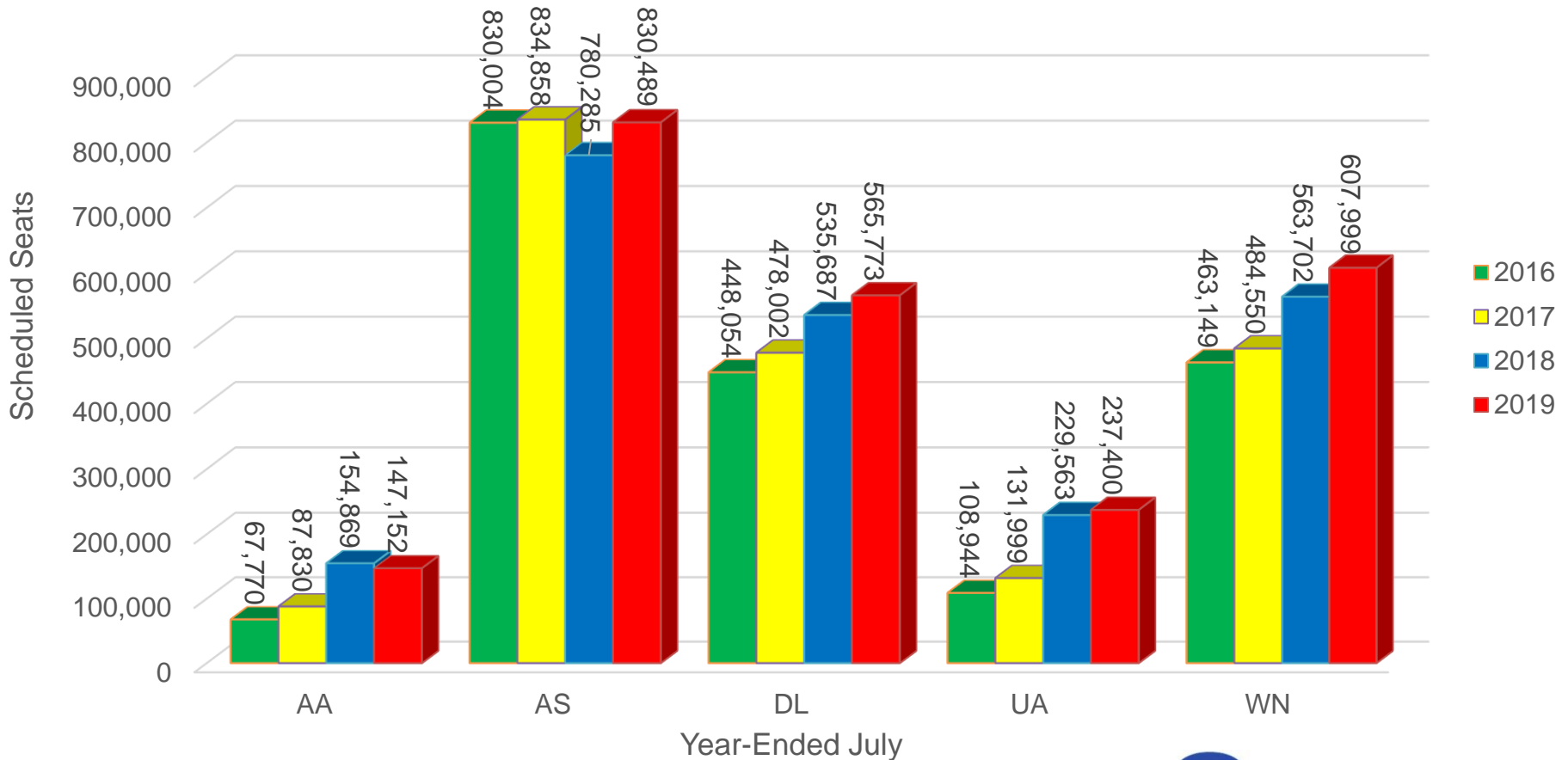
- SEA is the top O&D market by a significant margin – 13% of total O&D passengers at SIA.
- Nonstop service provided to 14 of top 15 cities
- Market Share:
 - Alaska 34%
 - Southwest 25%
 - Delta 23%
 - United 10%
 - American 7%
 - Other 1% (Frontier, charters)

GEG Single Stop International Connections

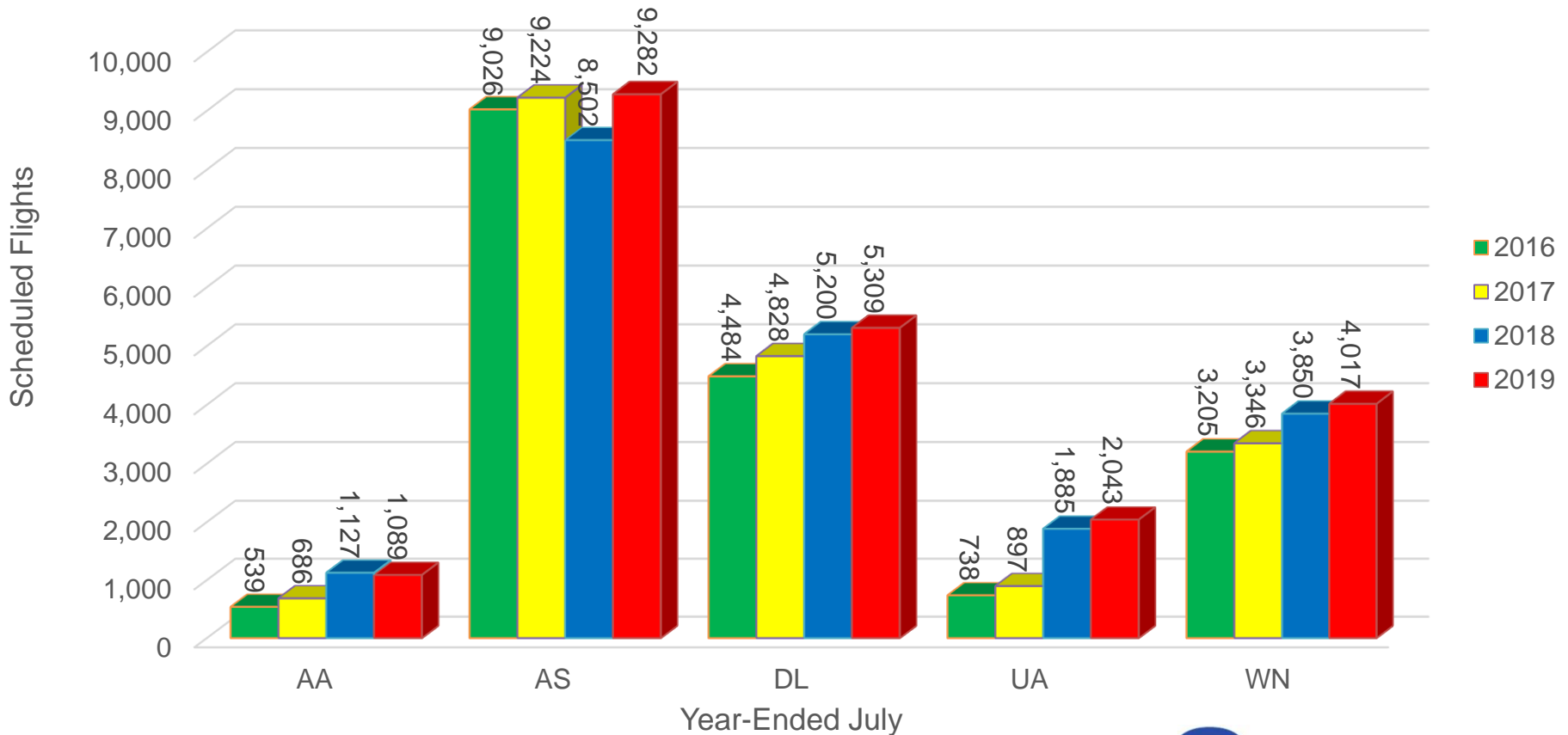
GEG Hub	International Destination
Chicago, IL (ORD)	Aruba, Aruba
	Cancun, Mexico
	Liberia, Costa Rica
	Montego Bay, Jamaica
	Montreal, Canada
	Ottawa, Canada
	Punta Cana, Dominican Republic
	Toronto, Canada
Dallas, TX (DFW)	Lima, Peru
	Santiago, Chile
Denver, CO	Cancun, Mexico
	London, UK (LHR)
	Toronto, Canada
Los Angeles, CA	Cancun, Mexico
	San Jose del Cabo, Mexico
Minneapolis, MN	Amsterdam, Netherlands
	London, UK (LHR)
	Montreal, Canada
	Paris-De Gaulle, France
	Reykjavik, Iceland
	Toronto, Canada
	Puerto Vallarta, Mexico
Oakland, CA	San Jose del Cabo, Mexico

GEG Hub	International Destination
Portland, OR	Vancouver, Canada
Salt Lake City, UT	Amsterdam, Netherlands
	Cancun, Mexico
	London, UK (LHR)
	Mexico City, Mexico
	Paris-De Gaulle, France
	San Jose del Cabo, Mexico
	Toronto, Canada
San Francisco, CA	Cancun, Mexico
	Osaka, Japan (KIX)
	Puerto Vallarta, Mexico
	Tokyo, Japan (NRT)
	Tokyo-Haneda, Japan
Seattle-Tacoma, WA	Amsterdam, Netherlands
	Beijing, China
	Edmonton, Canada
	Hong Kong, Hong Kong
	Paris-De Gaulle, France
	Seoul, South Korea
	Shanghai, China
	Tokyo, Japan (NRT)
	Vancouver, Canada
	Victoria, Canada

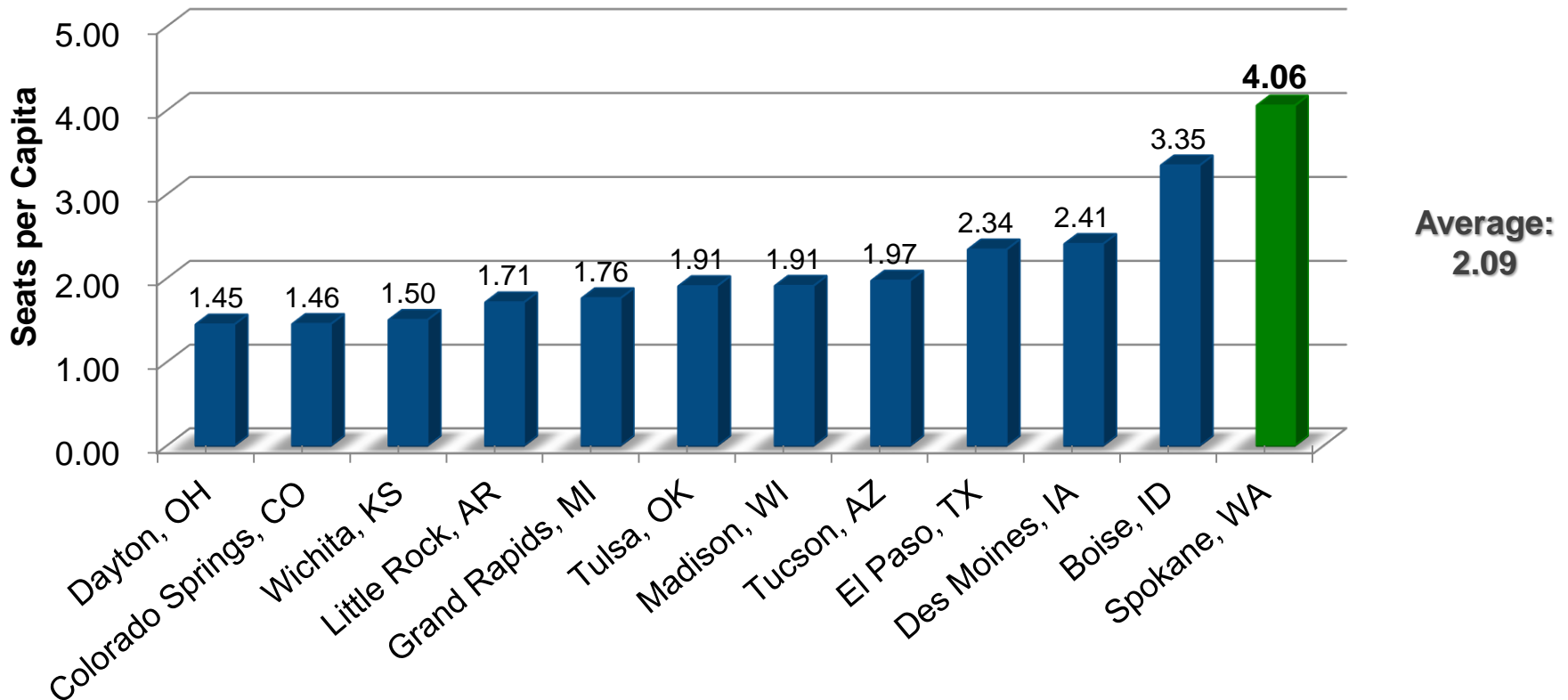
Year-Ended Seat Changes by Carrier (Outbound)



Year-Ended Flight Changes by Carrier (Outbound)

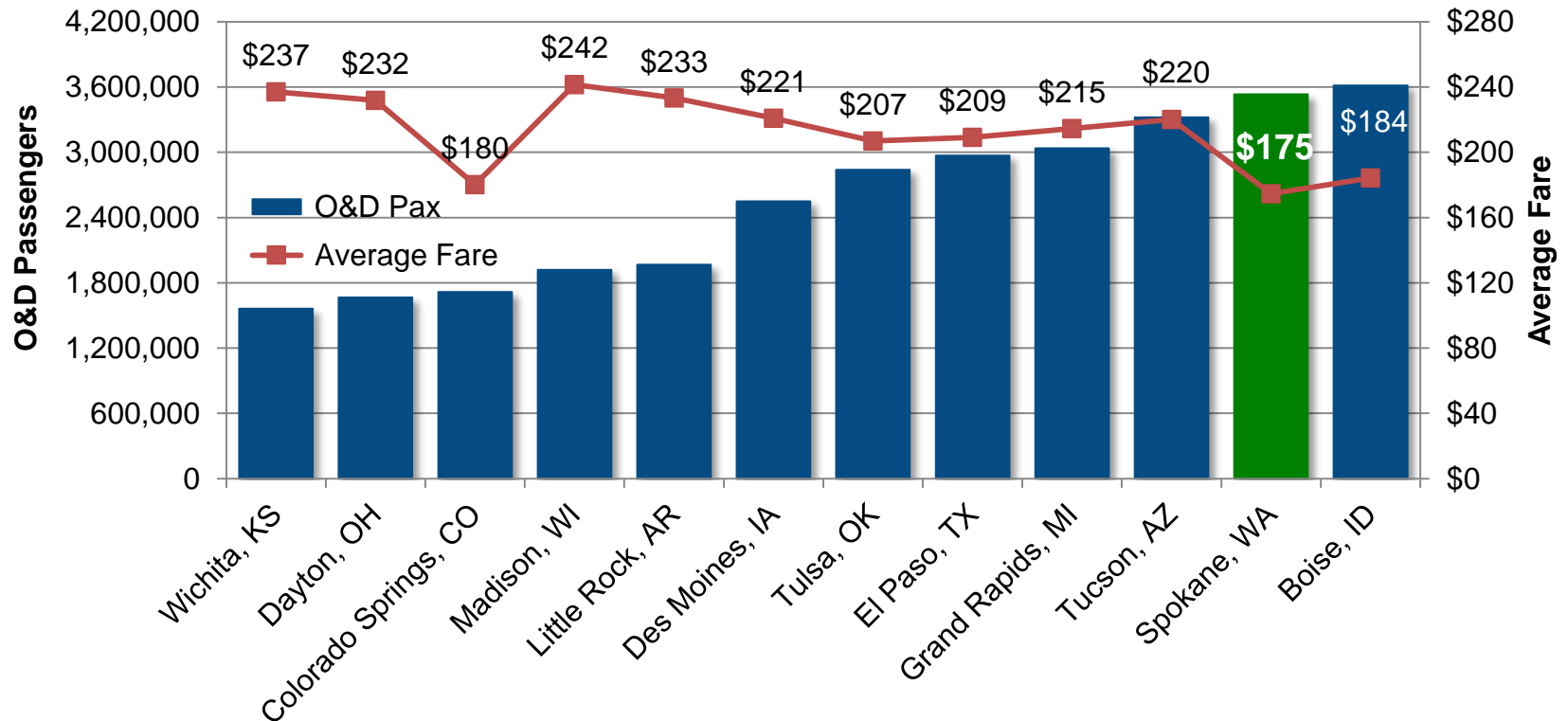


Seat Per Capita Comparisons



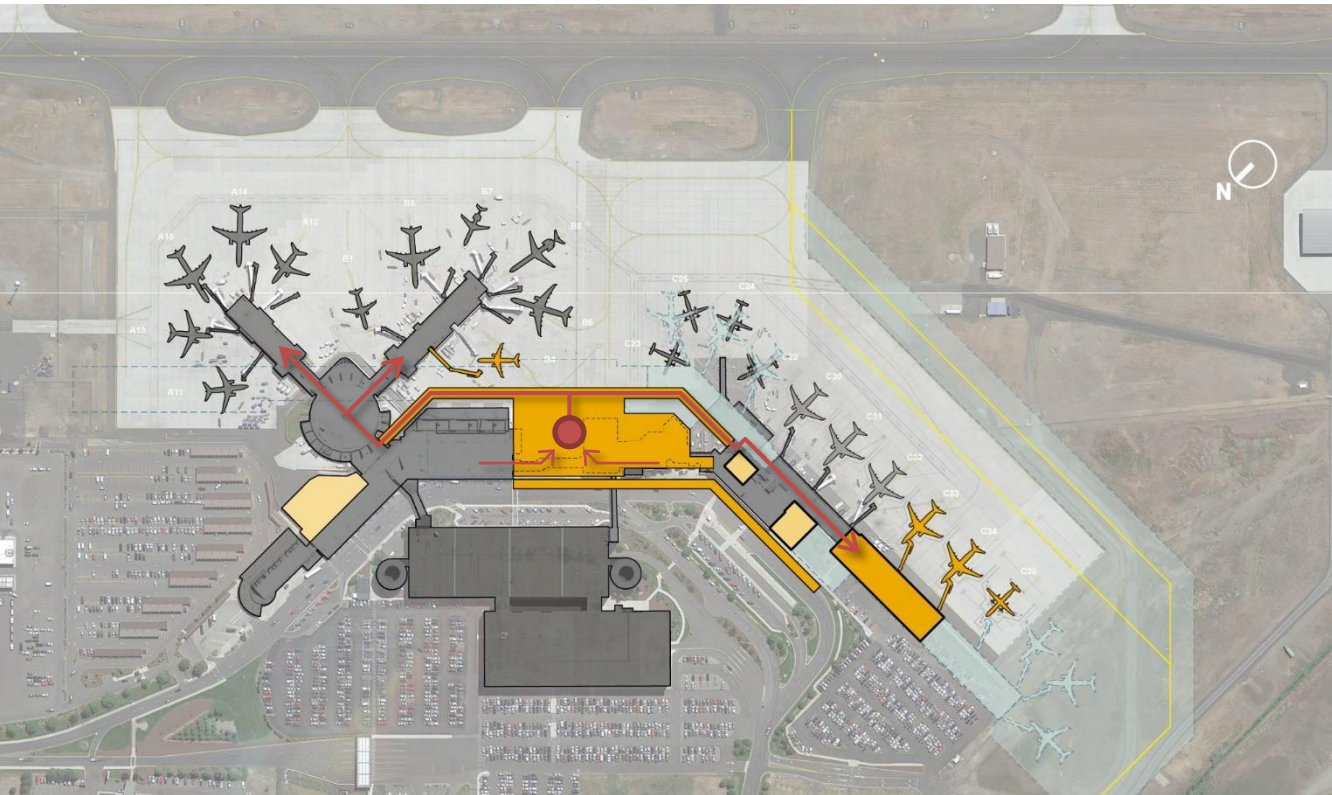
GEG continues to exceed all comparison markets in seats per capita and increased from 3.94 to 4.06 since YE Q2 2018.

O&D Passenger and Airfare Comparisons



Spokane continues to have the lowest average fare among comparison markets.

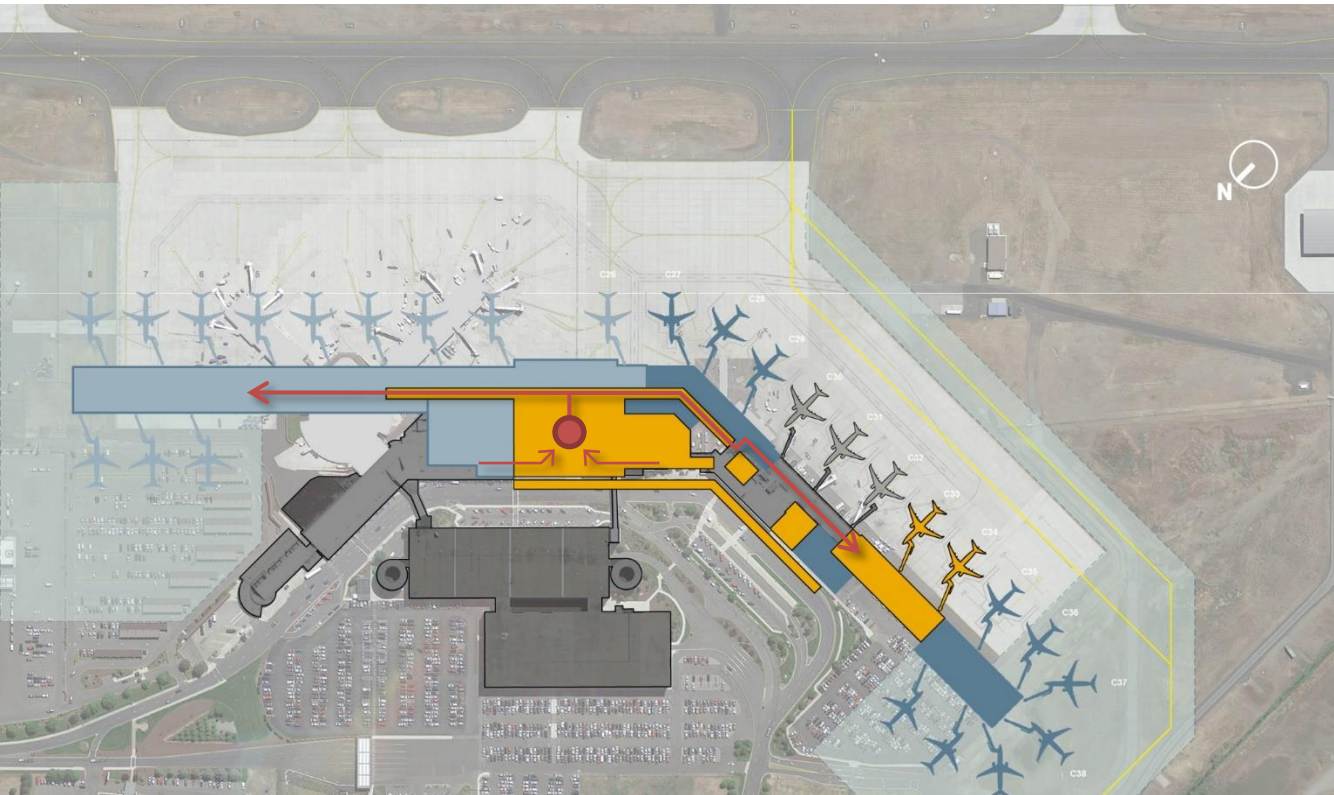
TERMINAL RENOVATION & EXPANSION (TREN) WITH CONSOLIDATED CHECKPOINT PROJECT



CONSOLIDATED CHECKPOINT PROGRAM

- Concourse C West Gate Expansion
- Central Baggage Claim Hall
- Consolidated Checkpoint
- Terminal C / Baggage Claim Connector / Cops and Ops
- Concourse Connectors
- Terminal C Ticketing Expansion
- Curbside Canopy
- 21 Gates (4 Existing Ground Board)

TREX – Long Range Plan



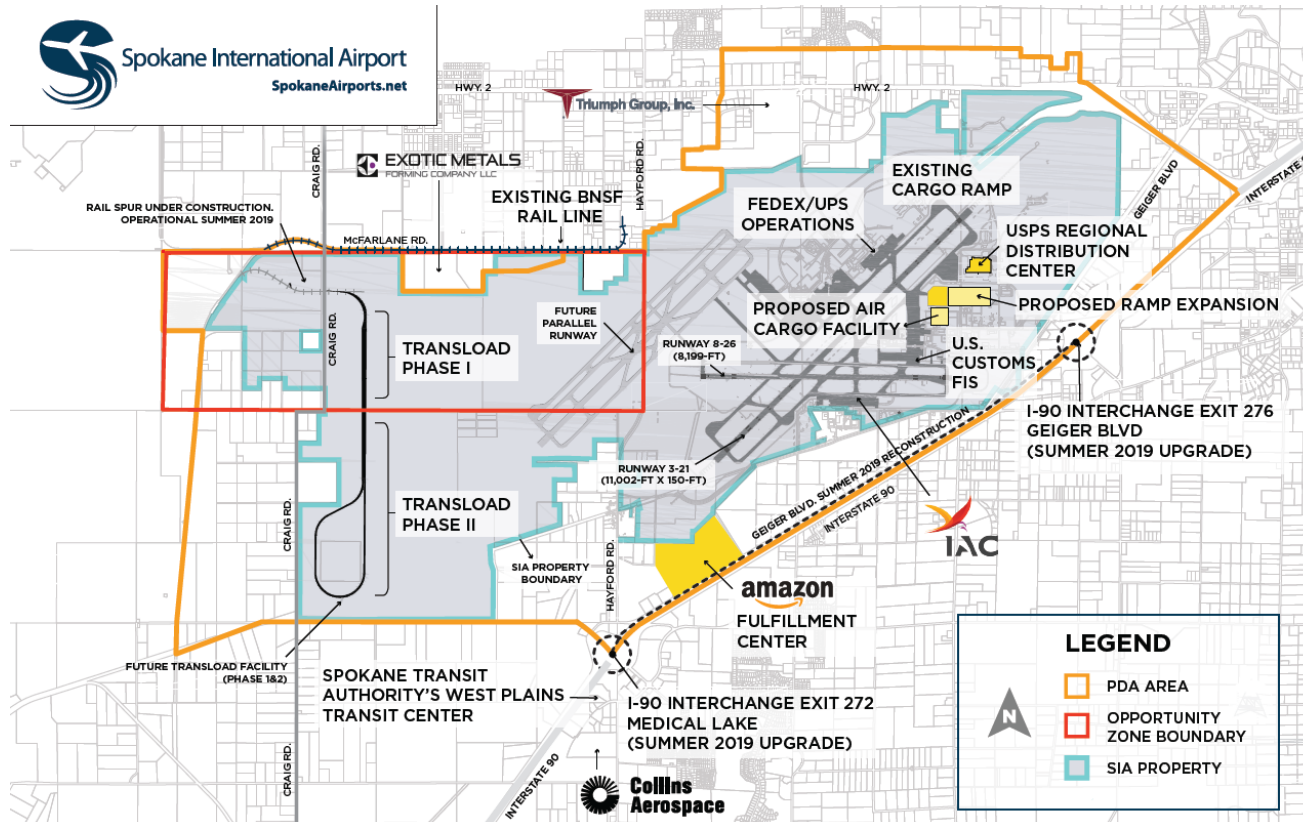
LONG-TERM EXPANSION:

- Centralized F&B Node at Consolidated Checkpoint
- Centralized Baggage Claim Expansion
- Phased Demolition and Replacement of Concourses A and B
- East Apron Expansion
- 27 Gates



Central Baggage Claim Hall

West Plains/Airport Area Public Development Authority



WPAAPDA

- City/County PDA
- Todd Coleman, Exec. Dir.
- Seven Board Members
- 9,000+ Acres
- 10 year Revenue Sharing Agreement
- Includes 1,800 Acre Opportunity Zone
 - o Deferral of payment of Federal Income Taxes until 2026
 - o If investment retained in OZ for 10 years all Capital Gains Taxes are deferred

With Boeing's proposed New Mid-Market Aircraft (NMA), there are many details from configuration to material (e.g., aluminum, composite, hybrid) choice that have yet to be announced



Generally considered a replacement for the B-757

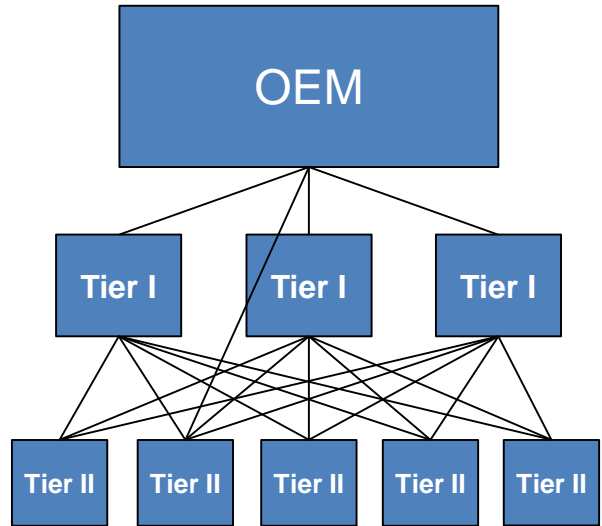
Seating: 220 – 270

Range: 5,000 Nautical Miles

The NMA's design is also rumored to be the prototype for B-737 which begins in the early 2030s

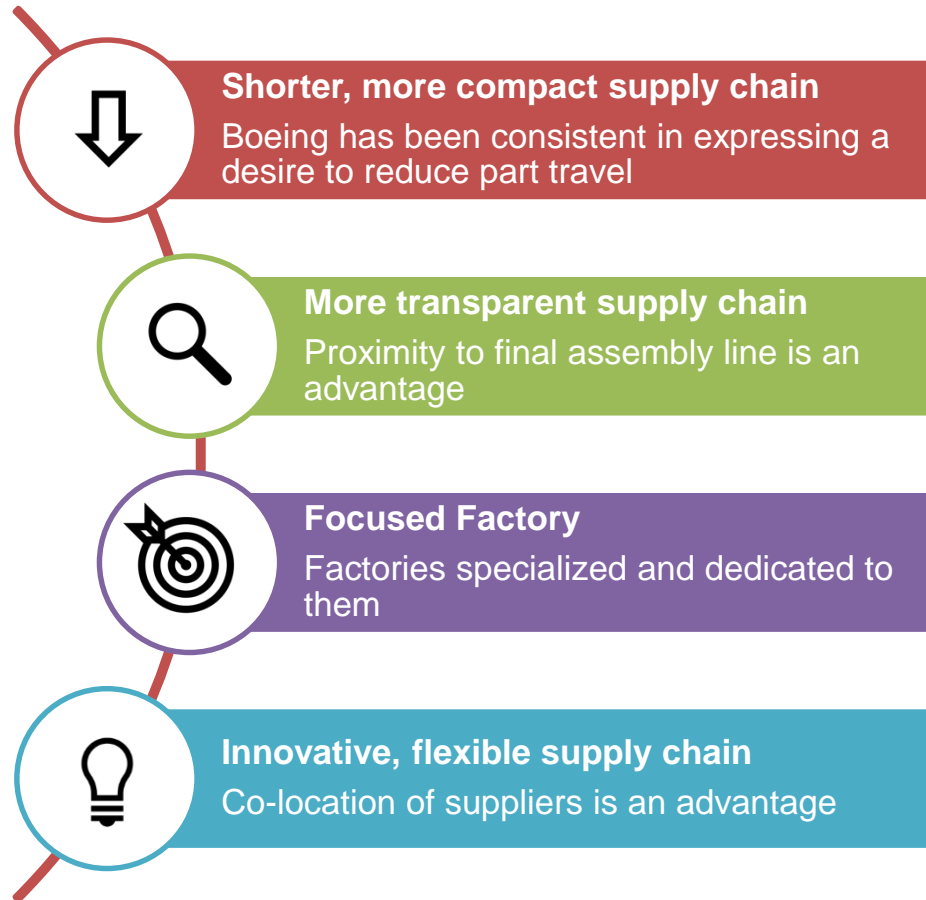
CURRENT

Boeing desired supply chain characteristics



- In the tiered supply chain model, OEMs want to manage larger amounts of spend from fewer suppliers
- Tier 1s embrace this and push it down to their suppliers, and so on

DESIRED





AEROSTRUCTURES

- Fuselage
- Wings
- Empennage
- Nacelle
- Hardware

ENGINES

- Blades and Vanes
- LLPs
- Engine Accessories
- Static Structures
- Rotor Systems

AIRFRAME SYSTEMS

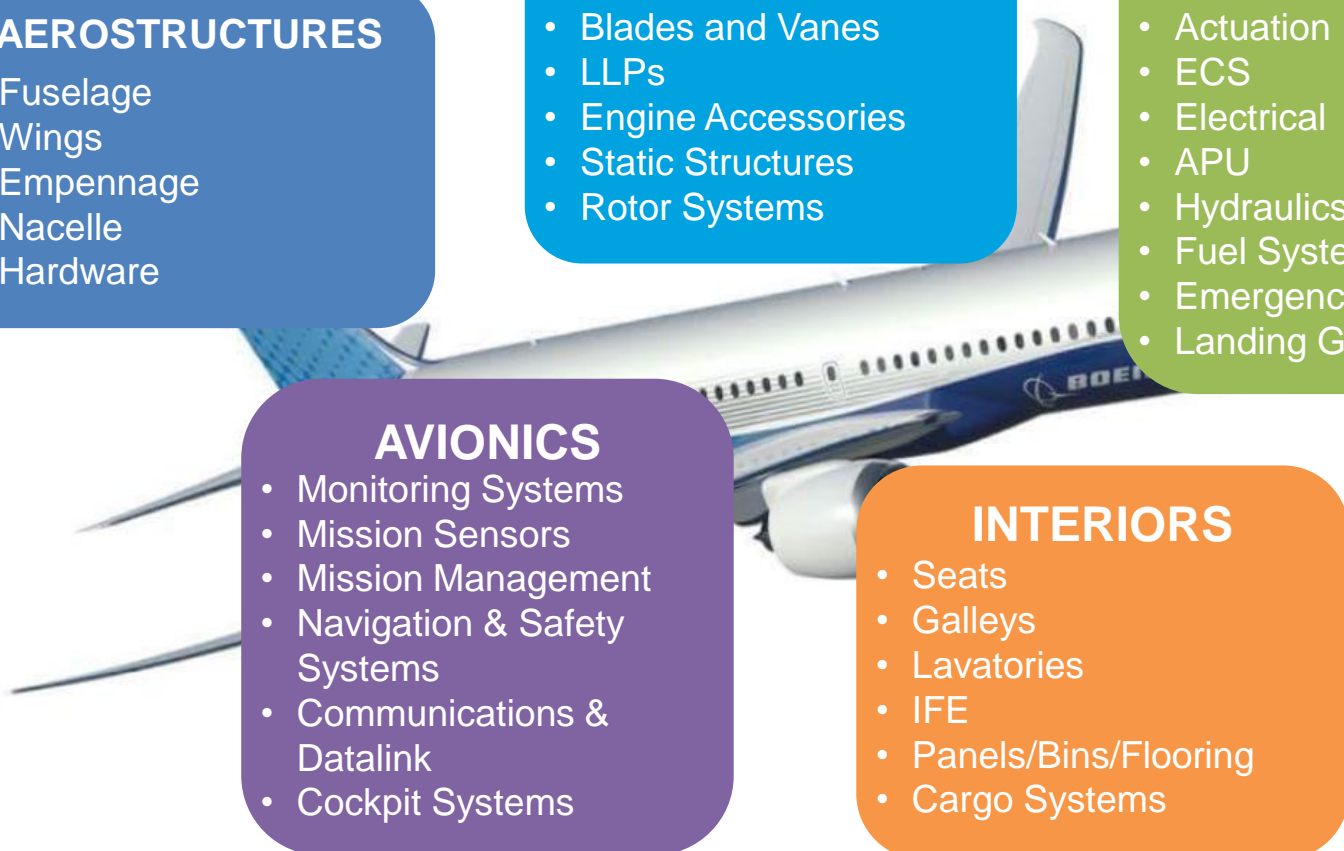
- Actuation
- ECS
- Electrical
- APU
- Hydraulics
- Fuel System
- Emergency
- Landing Gear

AVIONICS

- Monitoring Systems
- Mission Sensors
- Mission Management
- Navigation & Safety Systems
- Communications & Datalink
- Cockpit Systems

INTERIORS

- Seats
- Galleys
- Lavatories
- IFE
- Panels/Bins/Flooring
- Cargo Systems



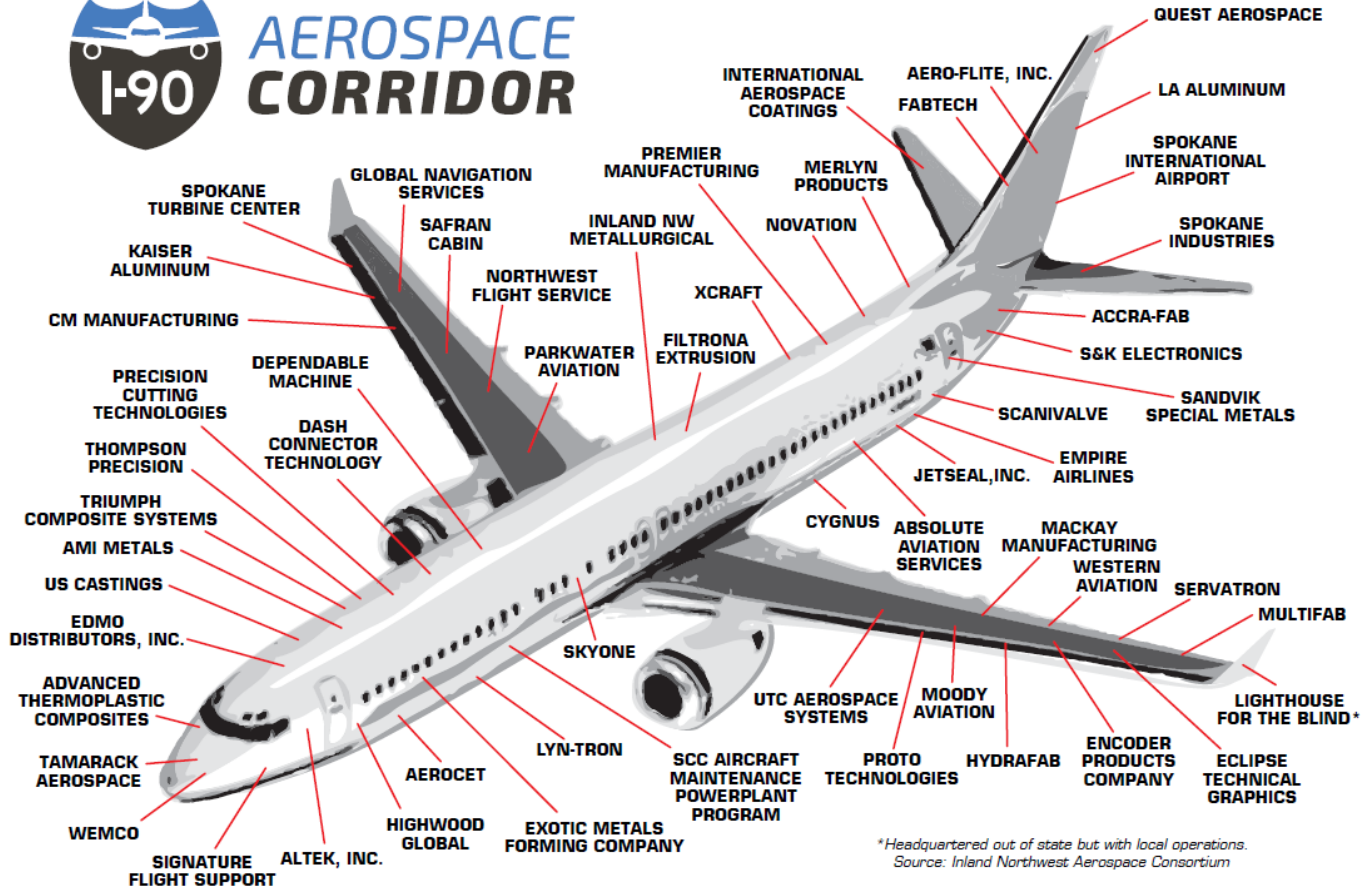
In addition to a local cluster of potential suppliers, Spokane is strategically located close to the Puget Sound cluster...

Proximity of Spokane to Puget Sound





AEROSPACE CORRIDOR



**Headquartered out of state but with local operations.
Source: Inland Northwest Aerospace Consortium*





- 2.6 Million Square Foot Fulfilment Center
- 1,800 – 2,400 Employees
- Site grading to commenced in June 2018; project completion October 2019



Rail Spur to Transload Facility Aerial Perspective







SPOKANE
INTERNATIONAL AIRPORT

Thank you!

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509-998-7265 Mobile**



Spokane International Airport
GEG – GENERATING ECONOMIC GROWTH