

DFW Airport Board of Directors Board Meeting

Thursday, January 6, 2022 – 8:30 a.m.

Online viewers: to enable audio:

Please dial 800-779-1640 on your phone, then enter the code 1158861#.

For Agendas and Actions:

Please visit dfwairport.com/board and click on the "Official Postings" Tab.

The meeting will begin shortly.
Thank you for joining us today!

Board Announcements

January 6, 2022





Outstanding Achievement Award

Future Travel Experience
Global 2021

Salvation Army Angel Tree Program





WELCOME

Maruchy Cantu
Executive Vice President,
Administration, Diversity,
Equity and Inclusion



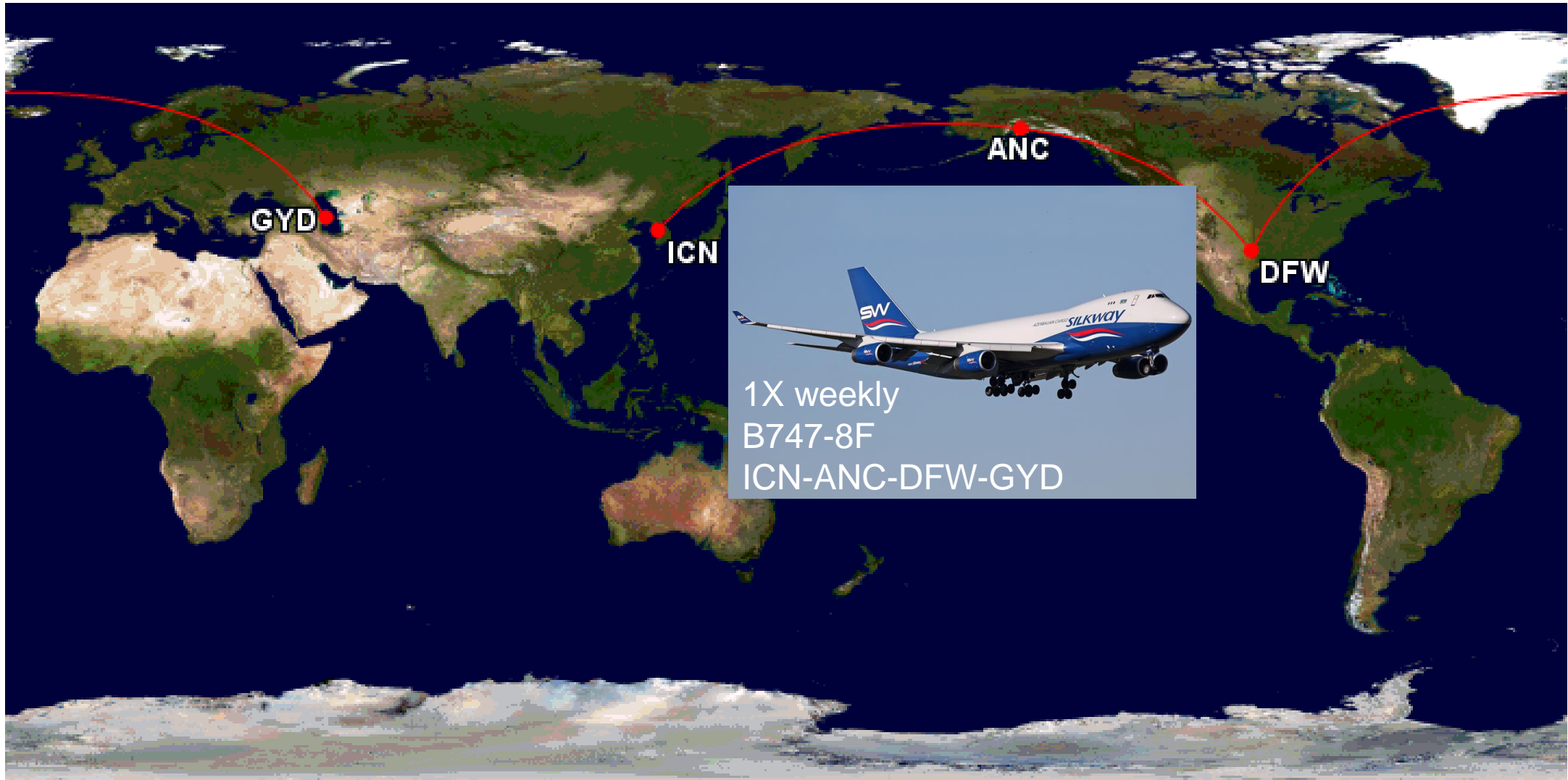
DFW Cargo update

John Ackerman, EVP Global Strategy & Development

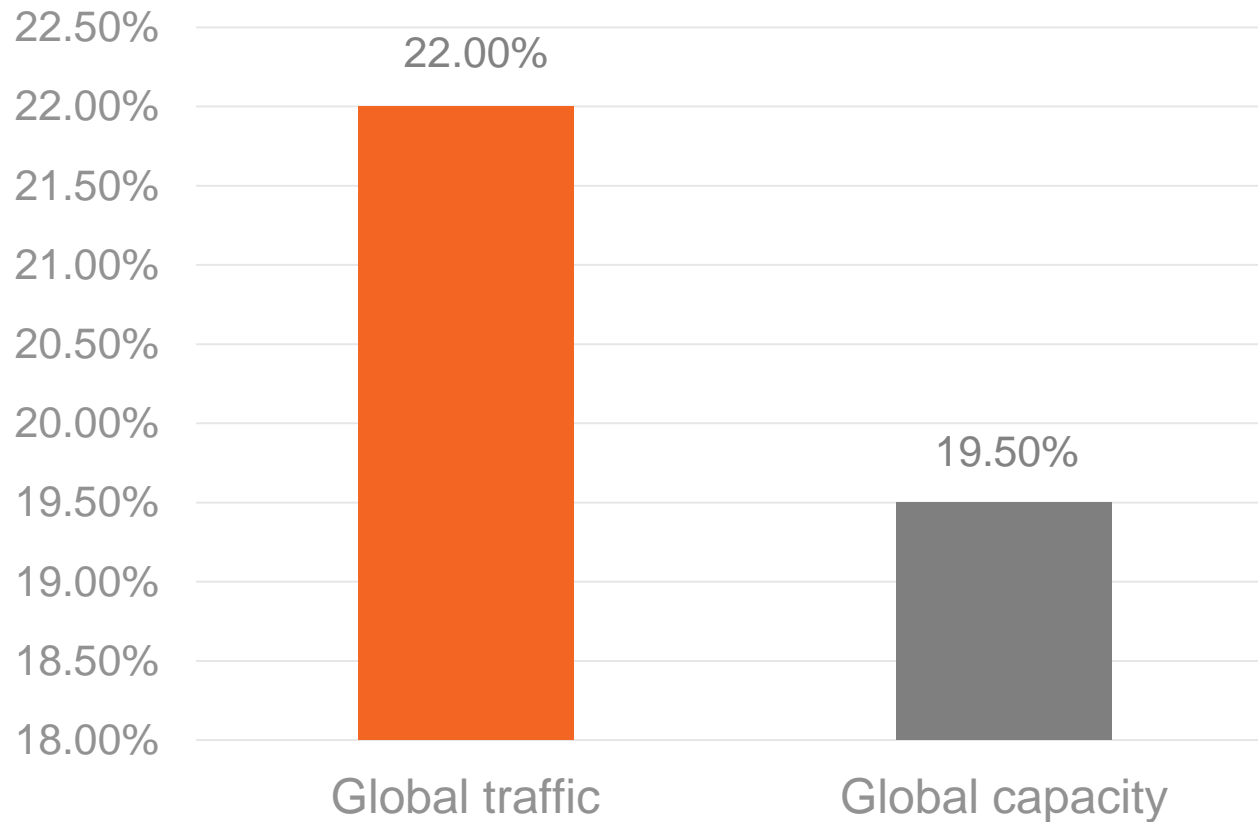


Silk Way West Airlines

New air cargo service launch January 16



Global air cargo YOY comparison Aug '21 YTD



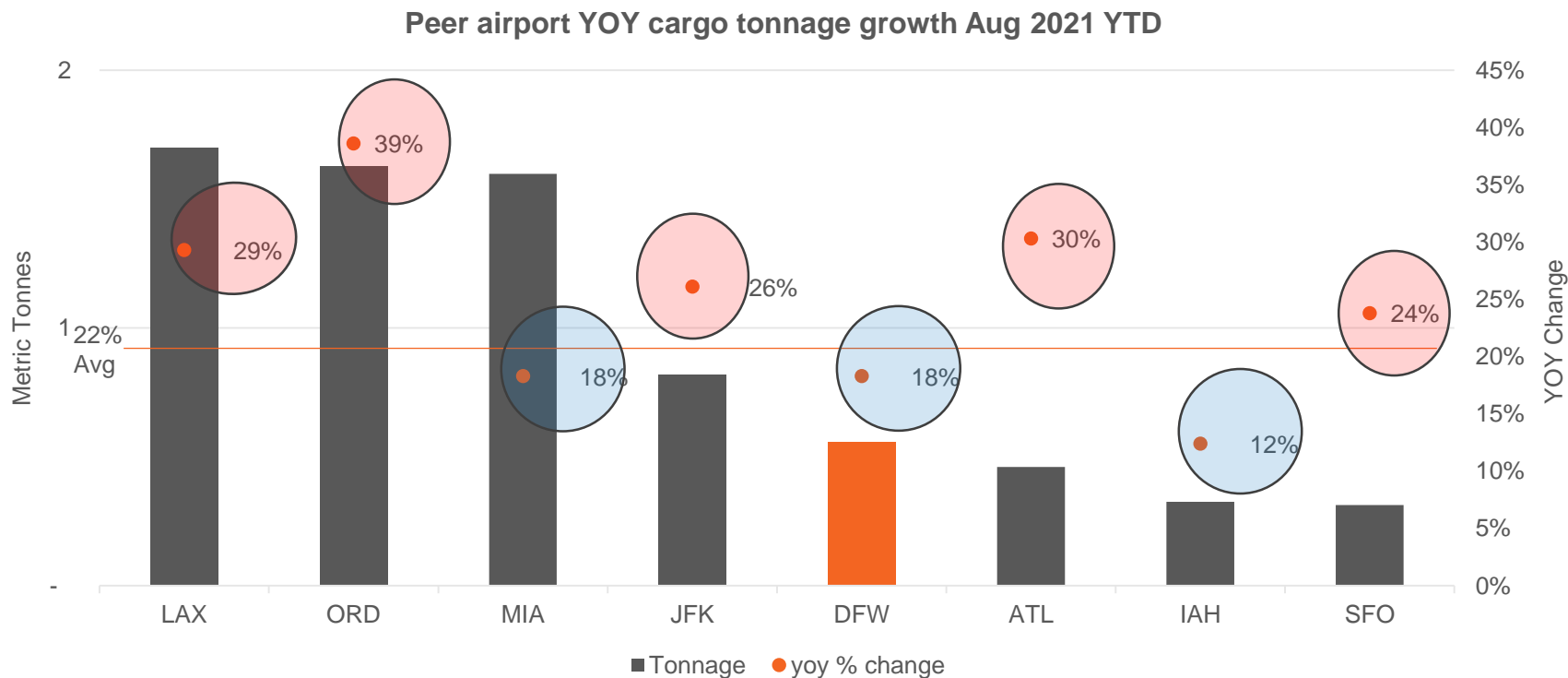
Global air cargo market

Supply chain disruptions give air cargo a boost

- Global capacity still down (12.2%) compared to Aug 2019
- IATA forecasts 4.9% growth in volume 2022
- E-commerce will become 20% of air cargo by 2022 and grow at a 15% CAGR from 2022 to 2028

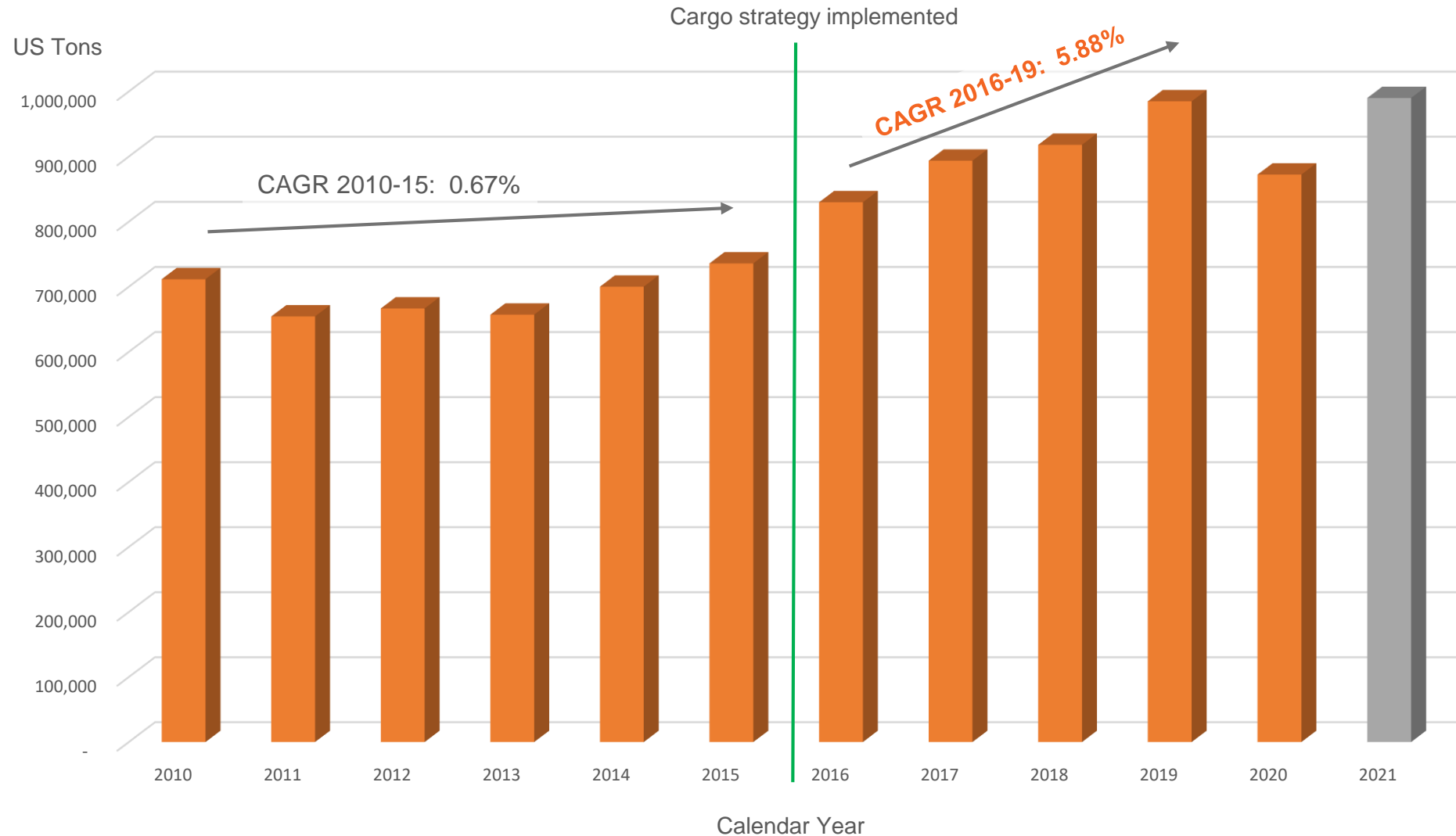
US cargo market in 2021

DFW has grown at a slower rate than rest of world and U.S. peers



- LAX, ORD, & JFK clear 98.5% of import e-commerce volumes
- Air cargo volumes spiked in March 2021 and have remained consistently high
- DFW has averaged 85,500 US tons since March
- DFW has become **constrained on both freighter parking and ground handler throughput in existing facilities**

Pre-pandemic DFW cargo was growing at double the rest of the world



Cargo strategy review



Grow specialty verticals

- ✓ Opened cold chain facility
- ✓ IATA CEIV Pharma Community
- ✓ CES approved by CBP for expedited e-commerce clearance



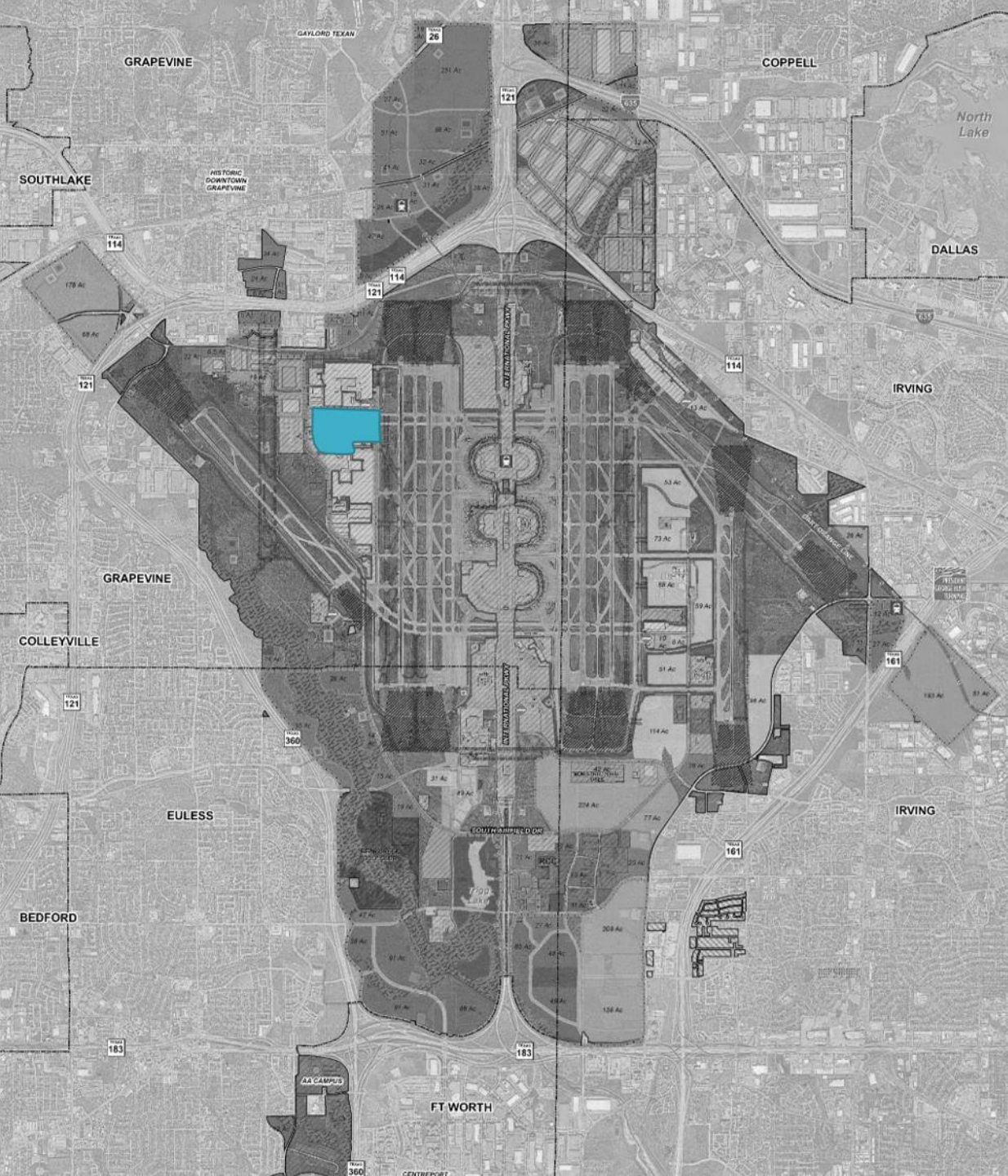
Asia-Latin America transit freight

- ✓ 2 freighters from South America
- ✓ Increased transit freight from Mexico
- ✓ Connected Asian forwarders with South American producers



Digital Transformation

- ✓ Launched DFW Cargo data sharing platform
- ✓ Truck slot booking app implemented
- ✓ Grew slot bookings to average of 100+ per week

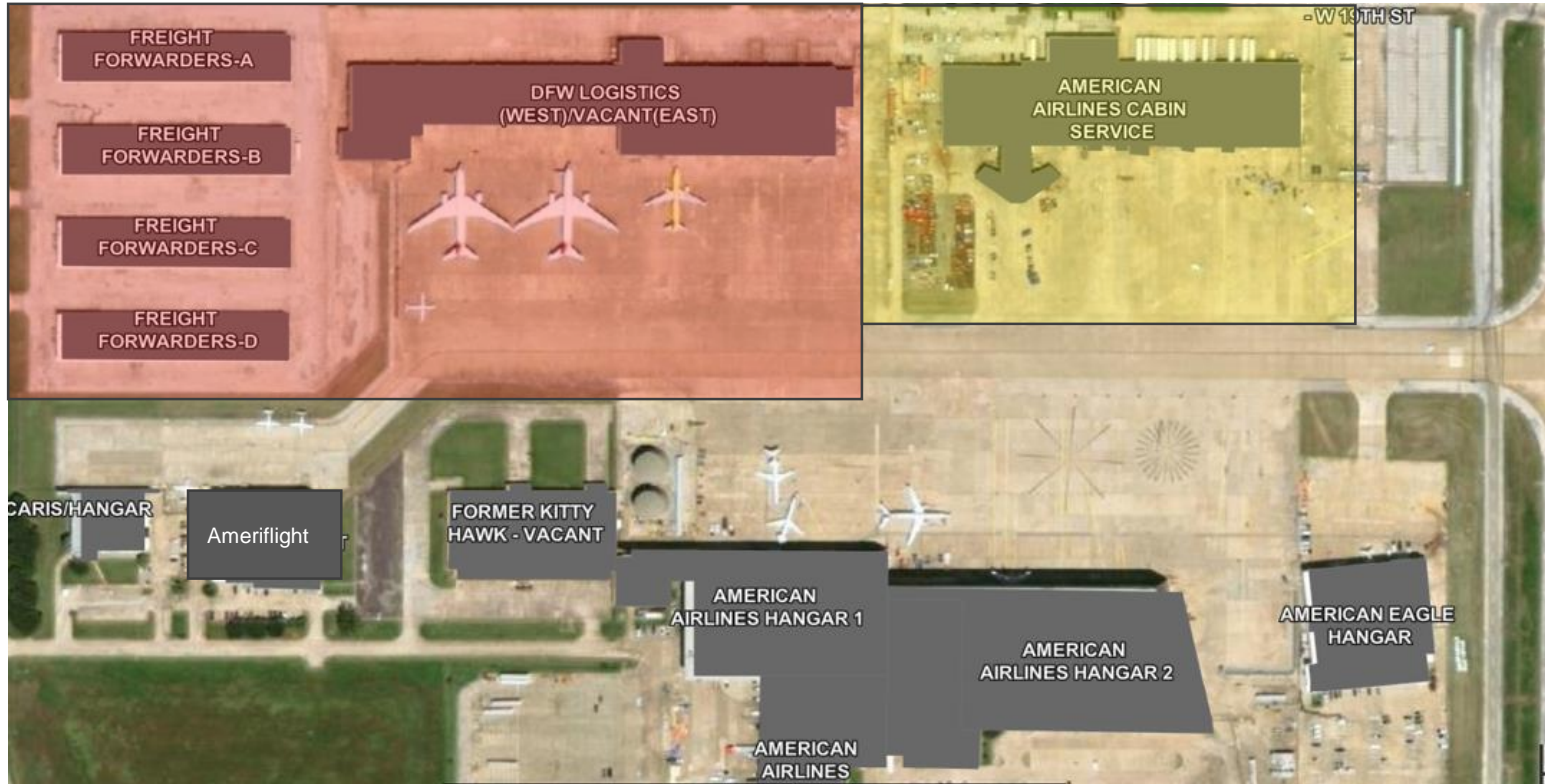


Planning for the future

Addressing needs to fuel continued growth

- Cargo master plan implementation continues
- Increase market share in catchment area
- Become cargo gateway in southern U.S.
 - E-commerce key element of strategy
- Facility additions
 - High demand for airside facilities
 - Potential tenants identified

Existing – 19th Street demo update



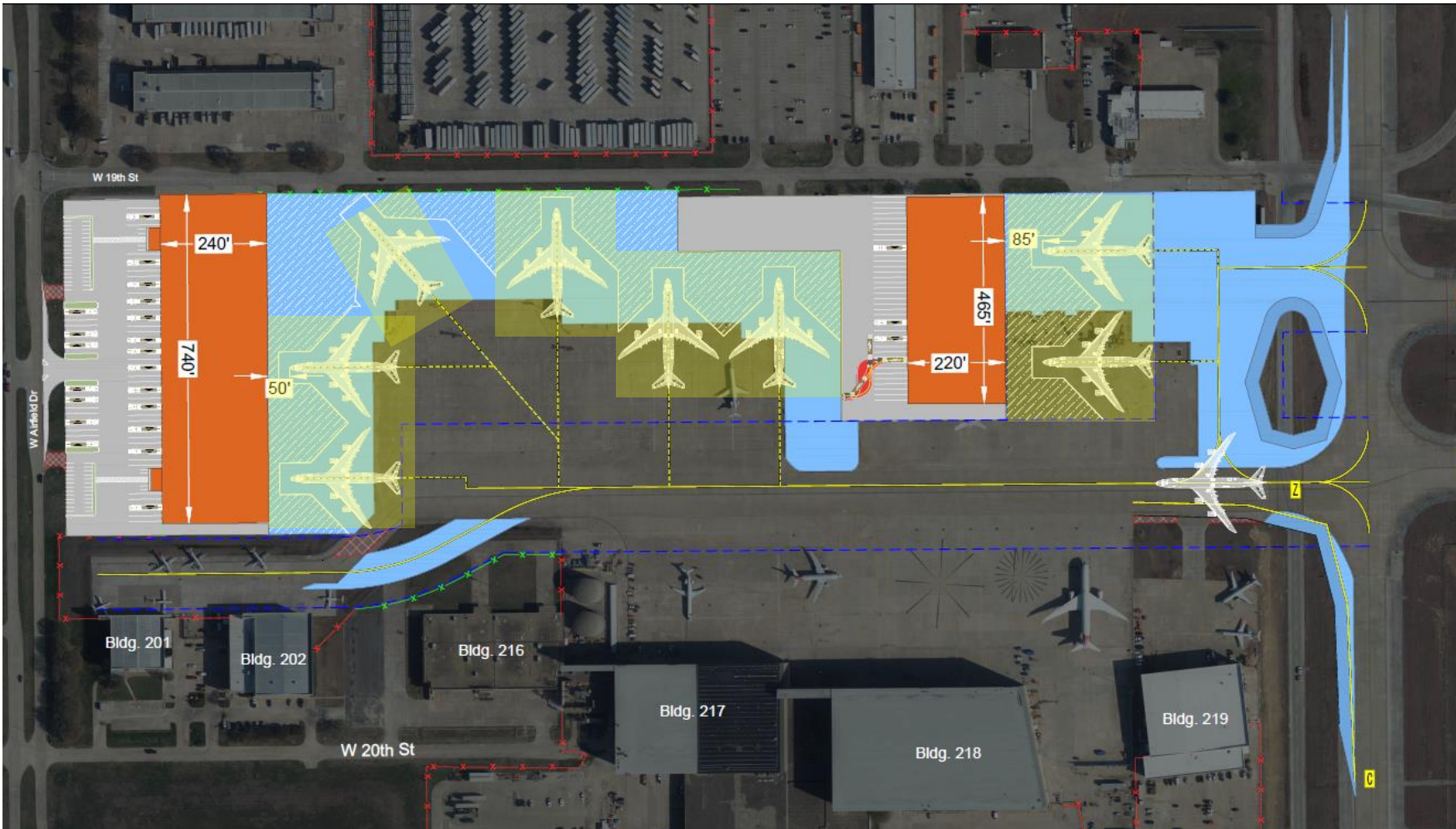
Building 1 & ramp area (orange)

- Freight forwarder buildings A-D demo completed
- DFW Logistics building demo currently in process
- Demo scheduled to be completed February 2022

Building 2 & ramp area (yellow)

- AA temporary facility with lease expiring next year

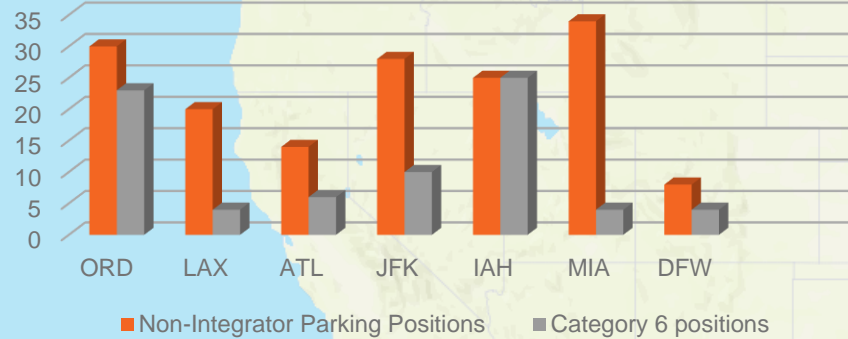
Development triggered by accelerated demand



- International e-commerce companies are seeking central U.S. airside facilities
- Once established, the cost of switching will be high
- DFW geography is ideal for a U.S. / Latin America hub

Competitors are investing in cargo infrastructure

Aircraft Parking Positions



#7
LAX
\$0.0M

#6
DFW
\$1.5M

#4
IAH
\$30.0M

#5
ATL
\$26.0M

#2
ORD
\$220M

#3
JFK
\$132.2M

#1
MIA
\$500M

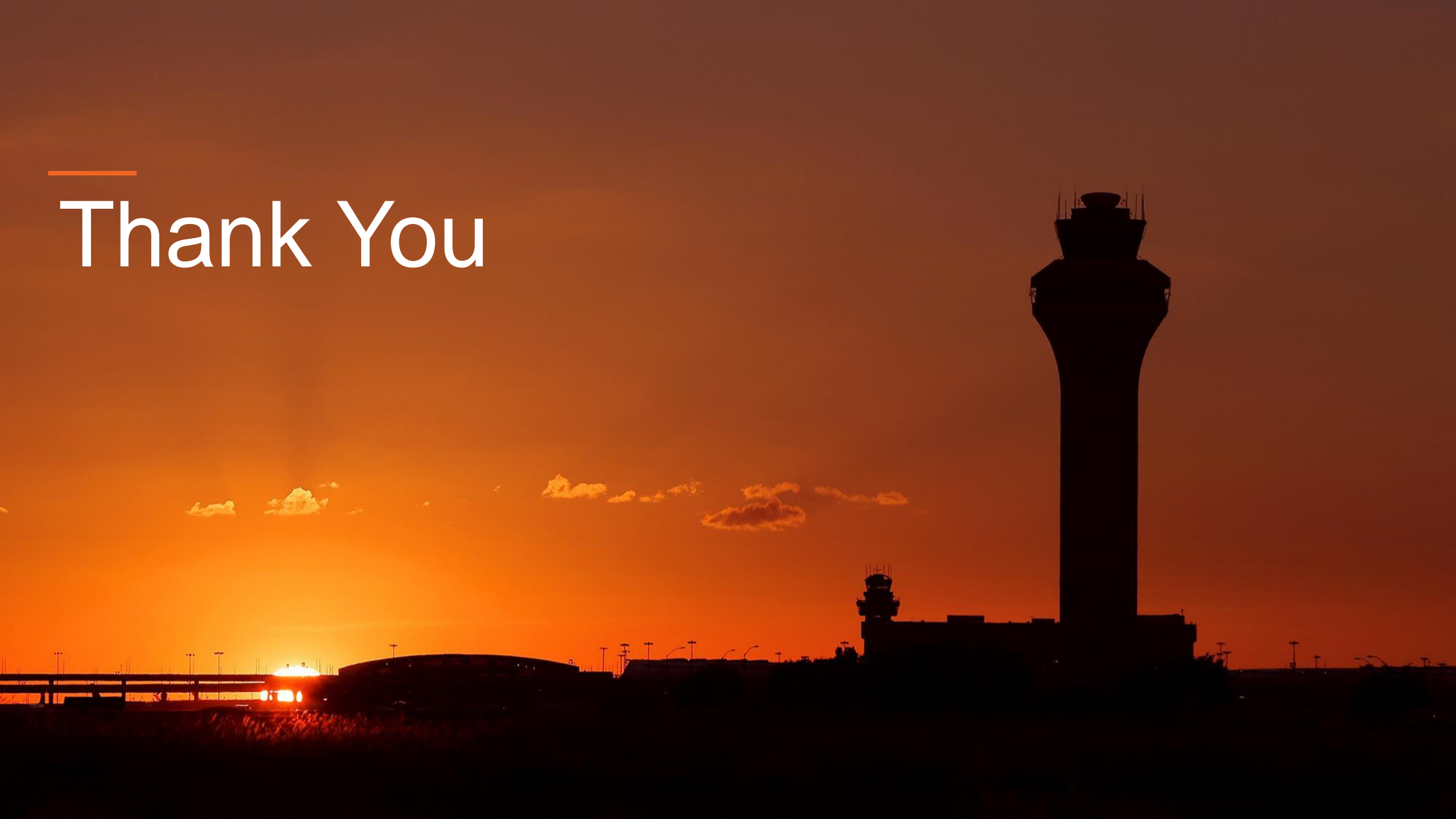
(Bubble size represents Investment \$)



Summary

- DFW growth since 2016 has outpaced the industry
- Future growth depends on removing constraints
- High demand for airside facilities and increased freighter parking positions
- Future OBA to be presented for new facilities

Thank You





KPIs and Financial Report – FY 2022

Two months ending November 30, 2021 - Unaudited

Key Performance Indicator Scorecard

Two months ending November 30, 2021 – Unaudited

(\$ in millions)

Key Performance Indicator	Year-To-Date						FY 2022
	FY 2021 Actuals	FY 2022 Actuals	FY 2022 Budget	Actuals vs. Budget Increase/(Decrease)			Annual Budget
DFWCC Total Revenues before FRP	\$40.1	\$69.8	\$59.7	\$10.1	16.8%	■	\$370.5
Total Expenditure Budget	\$151.1	\$165.0	\$169.5	(\$4.4)	(2.6%)	■	\$1,036.4
Application of Federal Relief Proceeds	\$6.8	\$6.6	\$18.7	(\$12.1)	(64.7%)	■	\$112.4
Total Passengers (Ms)	7.2	11.8	10.1	1.7	16.8%	■	67.2
Total Landed Weights (Bs)	5.7	7.6	7.2	0.4	5.6%	■	44.6

Results Status Bar

- Improved/Constant
- Worse

DFW Cost Center

Two months ending November 30, 2021 – Unaudited

	Year-To-Date					FY 2022
	FY 2021 Actuals	FY2022 Actuals	FY 2022 Budget	Actuals vs. Budget Increase/(Decrease)		Annual Budget
Revenues						
Parking	\$12.6	\$30.1	\$23.5	\$6.6	28.2%	\$145.1
Concessions	8.7	15.7	15.0	0.7	4.9%	95.1
Rental Car	3.9	7.3	5.5	1.8	33.0%	33.4
Commercial Development	9.6	11.0	10.9	0.1	0.9%	64.4
Other Revenues	5.2	5.8	5.0	0.8	16.1%	32.5
Total Revenues before FRP	40.1	69.8	59.7	10.1	16.8%	370.5
DFW CC Expenditures						
Operating Expenditures	16.5	21.9	22.6	(0.6)	(2.8%)	141.2
Debt Service, net	10.3	7.9	8.8	(0.9)	(10.5%)	50.8
Total Expenditures	26.9	29.8	31.4	(1.6)	(5.0%)	192.0
Gross Margin - DFW Cost Center	13.2	40.0	28.4	11.6	41.0%	178.5
Less Transfers and Skylink						
DFW Terminal Contribution	0.5	0.5	0.5	0.0	0.0%	2.8
Skylink Costs	7.7	8.5	10.1	(1.6)	(15.7%)	53.7
Net Revenues before FRP	5.1	31.0	17.8	13.2	74.0%	122.0
Federal Relief Proceeds (FRP)	5.9	0.0	6.8	(6.8)	(100.0%)	41.1
Net Revenues	\$11.0	\$31.0	\$24.7	\$6.4	25.7%	\$163.1

Airfield and Terminal Cost Centers

Two months ending November 30, 2021 – Unaudited

	Year-To-Date				FY 2022	
	FY 2021 Actuals	FY2022 Actuals	FY 2022 Budget	Actuals vs. Budget Increase/(Decrease)		Annual Budget
Revenues						
Landing Fees	\$12.5	\$16.9	\$16.0	\$0.9	5.6%	\$99.4
Other Airfield	2.0	2.5	1.9	0.5	28.2%	12.0
Transfer from DFW Cost Center	11.7	16.0	11.2	4.8	42.4%	67.5
Total Airfield Revenue	26.1	35.4	29.2	6.2	21.3%	178.8
Terminal Leases	55.3	54.0	53.9	0.1	0.1%	326.7
FIS Fees	1.6	3.2	2.4	0.8	31.4%	17.4
Turn Fees	1.8	3.4	3.0	0.4	12.7%	22.4
Other Terminal	2.8	3.8	3.4	0.4	12.1%	21.7
Total Terminal Revenues	61.6	64.4	62.8	1.6	2.6%	388.2
DFW Terminal Contributions	0.5	0.5	0.5	0.0	0.0%	2.8
Total Revenues before FRP	88.2	100.3	92.5	7.8	8.5%	569.9
Expenditures						
Operating Expenditures	50.8	58.8	60.4	(1.6)	(2.7%)	376.5
Debt Service, net	45.8	40.2	43.6	(3.4)	(7.9%)	264.6
Total Expenditures	96.5	99.0	104.0	(5.0)	(4.8%)	641.2
Net Income/(Loss) before FRP	(8.4)	1.3	(11.6)	12.9	(111.1%)	(71.3)
Federal Relief Proceeds (FRP)	0.9	6.6	11.9	(5.3)	(44.4%)	71.3
Net Income/(Loss)	(\$7.5)	\$7.9	\$0.3	\$7.6	2612.0%	\$0.0

Operating Fund – Total Expenditures

Two months ending November 30, 2021 – Unaudited

	Year-To-Date					FY 2022
	FY 2021 Actuals	FY2022 Actuals	FY 2022 Budget	Actuals vs. Budget Increase/(Decrease)		Annual Budget
Operating Expenditures						
Salaries and Wages	\$26.5	\$24.2	\$25.1	(\$0.9)	(3.7%)	\$164.9
Benefits	11.1	11.8	12.3	(0.5)	(4.1%)	72.6
Facility Maintenance Contracts	12.2	13.4	14.4	(1.0)	(7.2%)	104.6
Other Contract Services	13.4	16.6	17.2	(0.6)	(3.5%)	132.4
Utilities	4.0	4.5	4.6	(0.1)	(1.8%)	28.4
Equipment and Other Supplies	2.3	2.4	2.7	(0.3)	(10.1%)	21.0
Insurance	1.3	2.0	1.9	0.1	4.5%	12.1
Fuels	0.3	0.5	0.5	0.0	4.8%	2.6
General, Administrative, and Other	0.6	0.6	1.0	(0.4)	(38.3%)	15.7
Change in Operating Reserves	2.2	12.6	12.6	(0.0)	(0.0%)	12.6
Total Operating Expenditures	73.8	88.6	92.3	(3.7)	(4.0%)	566.9
Debt Service, gross	77.3	76.5	77.2	(0.8)	(1.0%)	469.5
Total Operating Fund Expenditures	\$151.1	\$165.0	\$169.5	(\$4.4)	(2.6%)	\$1,036.4

