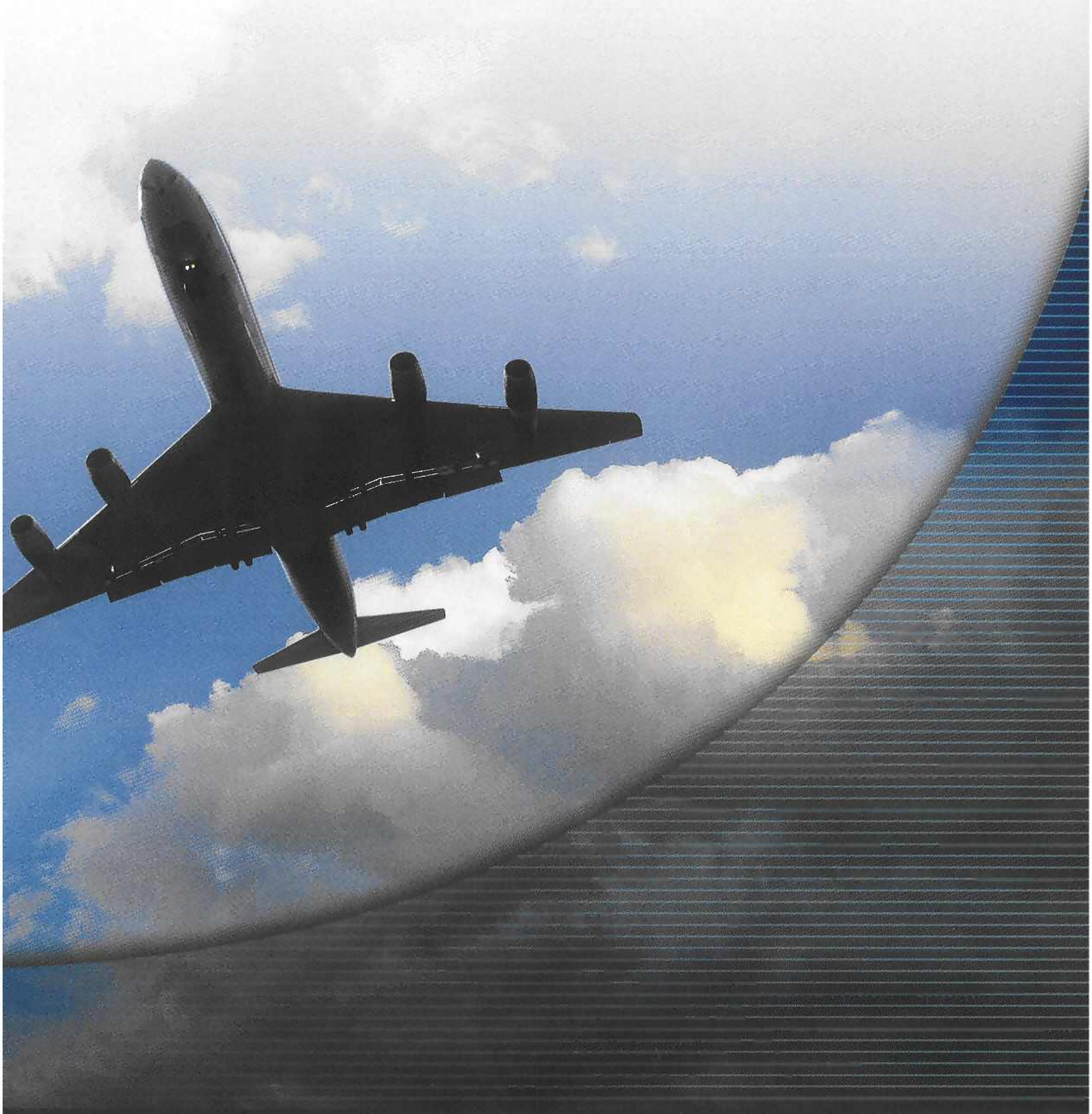
Comprehensive Annual Financial Report

Year Ended December 31, 2005



Metropolitan Washington Airports Authority

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2005

BOARD OF DIRECTORS

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EXECUTIVE STAFF

James E. Bennett, President and Chief Executive Officer

Margaret E. McKeough, Executive Vice President and Chief Operating Officer

Lynn Hampton, CPA, Vice President for Finance and Chief Financial Officer

Andrew T. Rountree, CPA, Deputy Chief Financial Officer

Anne M. Field, CPA, Controller

[1] Appointed January 25, 2006

[2] Term expired November 30, 2004

Prepared by the Office of Finance

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY
Comprehensive Annual Financial Report
for the Year Ended December 31, 2005

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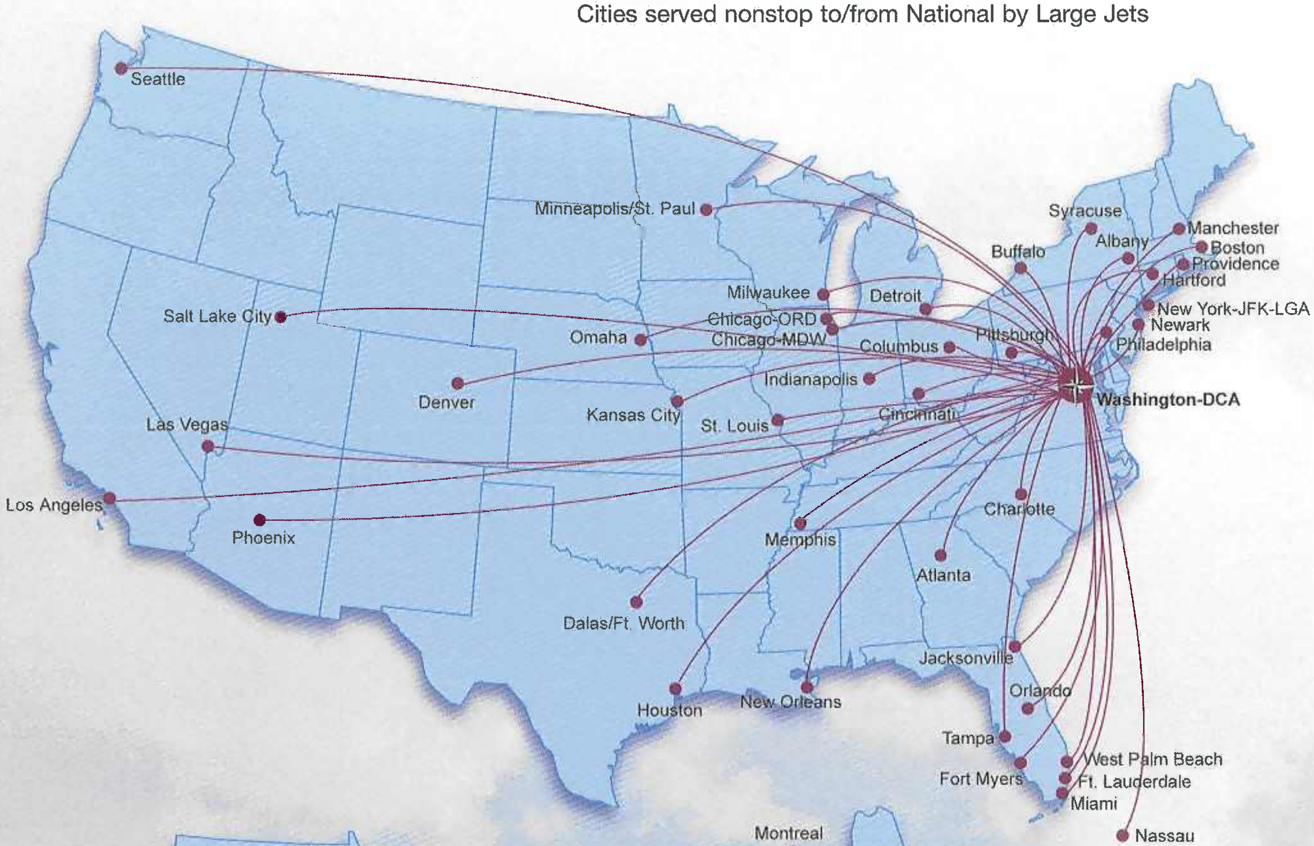
Cities served nonstop to/from National by Large Jets



REGIONAL AIR SERVICE AT NATIONAL

Cities served nonstop to/from National by Regional Jets/Turboprops

March 24, 2006

To the Board of Directors and
The President and Chief Executive Officer of the
Metropolitan Washington Airports Authority

The Comprehensive Annual Financial Report (CAFR) of the Metropolitan Washington Airports Authority (the Authority) for the year ended December 31, 2005, is submitted herewith. The Office of Finance prepared this report. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Authority's financial position, results of operations, and cash flows in accordance with accounting principles generally accepted in the United States of America. It includes disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities included within the CAFR. The report of the independent auditors on the financial statements is included on page 13.

This report was prepared following the guidelines recommended by the Government Finance Officer's Association of the United States and Canada (GFOA). The GFOA awards Certificates of Achievement to those governments whose annual financial reports are judged to conform substantially with the high standards of public financial reporting, including accounting principles generally accepted in the United States of America, promulgated by the Governmental Accounting Standards Board (GASB).

The management of the Authority is responsible for establishing and maintaining an internal control structure that is designed to ensure that the assets of the Authority are safeguarded. In addition, as a recipient of federal financial assistance, the Authority is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with general and specific laws and regulations related to the Airport Improvement Program (AIP) and the Aviation Safety and Capacity Expansion Act.

The objectives of an internal control structure are to provide management with reasonable assurance that the resources are safeguarded against waste, loss, and misuse, and reliable data are recorded, maintained, and fairly disclosed in reports. The current internal controls provide the Authority with a solid base of reliable financial records from which the financial statements are prepared. These accounting controls ensure that accounting data are reliable and available to facilitate the preparation of financial statements on a timely basis. Inherent limitations should be recognized in considering the potential effectiveness of any system of internal control. The concept of reasonable assurance is based on the recognition that the cost of a system of internal control should not exceed the benefits derived and that the evaluation of those factors requires estimates and judgment by management.

The Authority's Office of Audit functions include oversight of the annual financial statement audit performed by external auditors as well as internal audits of internal controls. The Office of Audit conducts internal audits to provide the Authority's management and the Board of Directors (the Board) with reasonable assurance that, 1) risks are being managed; 2) management and delivery capacity are being maintained; 3) adequate control is being exercised; and, 4) appropriate results are being achieved. The Office of Audit operates under the direction of Valerie Holt, CPA, Vice President for Audit. This position has dual reporting responsibilities to the President and Chief Executive Officer and the Audit Committee of the Board. The Audit Committee of the Board has an important role in the oversight of the financial reporting to ensure the Authority's financial reports are reliable, consistent and of high quality.

As required by the Acts of the District of Columbia and the Commonwealth of Virginia, a firm of independent certified public accountants is retained each year to conduct an audit of the financial statements of the Authority in accordance with auditing standards generally accepted in the United States of America and to meet the requirements of the Federal Single Audit Act of 1984 (pursuant to OMB Circular A-133). The Authority selected the firms of PricewaterhouseCoopers LLP and Bert Smith and Company, respectively, to perform these audit services. The opinion of the financial statements is presented in the financial section of this report. The Single Audit Report and its opinion are presented under separate cover. Each year, the firms meet with the Audit Committee of the Board to review the results of the audit.

The CAFR is divided into three sections. The Introductory Section contains this Transmittal Letter which includes a narrative of the Authority's history and background and an organization chart listing the principal staff of the Authority. The Financial Section begins with the Report of Independent Auditors and is followed by the required supplementary information, Management's Discussion and Analysis (MD&A) of the financial condition of the Authority, followed by the Authority's Financial Statements and Notes to the Financial Statements. The Statistical Section includes selected financial and operational information, generally presented on a multi-year basis.

REPORTING ENTITY AND ITS SERVICES

The Authority is a public body politic and corporate, created with the consent of the Congress of the United States by an Act of the District of Columbia and an Act of the Commonwealth of Virginia for the purpose of operating, maintaining, and improving Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Washington Dulles) collectively, the Airports. The Airports had historically been managed by the Federal Aviation Administration (FAA) of the United States Department of Transportation. Pursuant to an agreement and Deed of Lease, effective June 7, 1987, the Airports were transferred by the U. S. Government to the Authority for an initial term of 50 years. On June 17, 2003, the Agreement and the Deed of Lease were extended 30 years to June 6, 2067.

The Authority is an independent interstate agency. A 13-member Board presently governs the Authority. Five members are appointed by the Governor of Virginia, three are appointed by the Mayor of the District of Columbia subject to confirmation by the Council of the District of Columbia, two are appointed by the Governor of Maryland, and three are appointed by the President of the United States with the advice and consent of the Senate. Directors serve staggered, six-year overlapping terms without compensation. They establish the Authority's policy and appoint the Chief Executive Officer. The Board annually elects a Chairman, Vice Chairman, and Secretary.

James E. Bennett, became the President and Chief Executive Officer of the Authority on May 3, 2003. In this position, Mr. Bennett plans and directs all programs and activities of the Authority, focusing on the future and the development of long-term business strategies. Mr. Bennett was formerly the Executive Vice President and Chief Operating Officer of the Authority.

Margaret McKeough became the Executive Vice President and Chief Operating Officer of the Authority on April 1, 2004. In this position Ms. McKeough plans and directs the operations of the Authority, including airport management. Ms. McKeough was formerly the Vice-President for Business Administration of the Authority.

Christopher U. Browne became the Vice President and Airport Manager of Washington Dulles Airport on April 2, 2005. He was the former Vice President and Airport Manager of Reagan National. Washington Dulles, which opened in 1962, is situated on 11,000 acres in Fairfax and Loudoun Counties, Virginia. Washington Dulles is 26 miles from downtown Washington, D.C., and is accessible via a 17-mile dedicated dual-laned Access Road and Interstate Route 66. Washington Dulles is the Authority's international airport, served by 45 domestic and international airlines, providing a full range of domestic services with international service to Europe, Asia, South America, and Africa.

Mr. Harlan Byers, Manager of Engineering and Maintenance will be acting Vice President and Airport Manager of Reagan National until a replacement is found. Reagan National, which opened in 1941, is the oldest commercial airport serving the Washington, D.C. area and is located on 860 acres along the Potomac River in Arlington County, Virginia. Approximately three miles from downtown Washington, D.C., Reagan National is the Authority's principal domestic airport served by 26 airlines.

The Authority operates a two-airport system that provides domestic and international air service for the mid-Atlantic region. The Authority is self-supporting, using aircraft landing fees, fees from terminal and other rentals, and revenue from concessions to fund operating expenses. The Authority is not taxpayer-funded. The organization consists of 1193 full and part-time employees in a structure that includes central administration, airports' management and operations, and public safety.

In February 1990, the Authority entered into a long-term agreement with the major airlines serving Reagan National and Washington Dulles; the Airport Use Agreement and Premises Lease (the Agreement). The Agreement provides the financial stability necessary for the Authority to operate the airports and access the capital markets to fund the Capital Construction Program (CCP). The Agreement is for a term of 25 years, subject to annual cancellation rights by the Authority starting in 2004. In 2003, the Authority began a review of the Agreement and entered into discussions with the airlines to determine if changes could be made to improve the operations of the Airports. These discussions continue. The Agreement continues a long history of a close working relationship between the Airlines and the Authority. The Agreement gives the Airlines interest in the positive financial performance of the Authority by sharing in the net remaining revenues (NRR) (See Note L).

The Authority's mission to develop the Airports is the driving force behind its continuing aggressive efforts of air service development. While the facility and service enhancement improvements at Reagan National and Washington Dulles are notable, the Authority's goal to prepare the dual airport system for the world of tomorrow would not be fulfilled without a concentrated effort to attract airline service for new domestic and international destinations.

The Air Trade Area for the Authority is a subset of the Washington-Baltimore Consolidated Metropolitan Statistical Area and is comprised of the District of Columbia, five Maryland counties, 11 Virginia counties, five independent Virginia cities, and the West Virginia counties of Berkeley and Jefferson. There are over 77 airlines serving the Airports providing over 276,056 flights per year at Reagan National and 475,524 domestic flights per year and 34,128 international flights per year at Washington Dulles.

In addition to passenger traffic, the airports provide the facilities for cargo transport. In 2005, Reagan National handled nearly 3,969 tons of cargo, primarily mail, a 21.7% decrease in total cargo weight over the prior year. The decrease is related to the federal mandate prohibiting individual pieces of airmail over 15 oz. in the cargo area of air carrier planes. In 2005, Washington Dulles handled over 303,012 tons of cargo. Total cargo weight at Washington Dulles decreased 2.5% over the prior year.

Capital Construction Program

The Authority initiated its CCP in 1988 (formerly referred to as the Capital Development Program) to expand, modernize and maintain the Airports. In addition to renovations and modernization of certain existing facilities, the CCP includes construction of the principal elements of the Master Plan for each Airport. The Master Plans establish the framework for the CCP that is necessary for the development of the Airports. Reagan National has undergone major renovations, including the opening in July 1997, of a new terminal, which provide more comfortable and efficient passenger facilities convenient to the Metrorail station. The Washington Dulles terminal has been expanded to double its former size and a midfield concourse has been built and expanded. At Washington Dulles, an automated people mover (APM) system will replace the existing mobile lounges which will move passengers between the Main Terminal and Concourses A, B and C. In 2005, the FAA completed an environmental impact statement for the construction of two new runways to meet the need for increased capacity at Washington Dulles.

Based on expenditures to date and projected expenditures through 2011, Authority management currently estimates the cost of the 2001-2011 CCP at approximately $3.9 billion. The major portion of any facilities development is expected to be financed with the proceeds of additional bonds to be issued under the Master Indenture of Trust (Master Indenture). The Authority also expects to use PFCs, federal and state grants, and the Authority's revenues to finance a portion of the costs.

The Authority's Internet Web Page

The Authority has an Internet web site offering a wide array of information to users, including financial information and operational statistics. Users can obtain direct access to the airlines serving the Airports, and flight arrival and departure information. The Authority's CAFR, Budget, Master Indenture, Debt Service Review, airline rates and charges and aviation statistics are posted on the web site. Since September 11, 2001, the Authority has posted monthly unaudited financial statements to include discussion of results, and other information for the Authority's bondholders and other interested parties. The Authority's financial information is available at www.mwaa.com.

The Authority's Budget

The Authority's annual budget is a financial planning tool outlining the estimated revenues and expenses for the Airports at certain passenger levels. The Budget is not prepared according to generally accepted accounting principles (GAAP). The President and Chief Executive Officer submit the Authority's annual budget to the Board for approval. Budgetary controls and evaluations are affected by comparing actual interim and annual results with the budget, noting the actual level of passenger activities. The Authority conducts quarterly reviews to ensure compliance with the provisions of the annual operating budget approved by the Board. In keeping with the requirements of a proprietary fund, budgetary comparisons have not been included in the financial section of this report.

Operating revenues plus airline transfers reached 102.9% of budget expectations in 2005, while in 2004, operating revenues, airline transfers and federal compensation reached 103.4% of budget expectations. Operating expenses reached 96.7% of budget authorization in 2005, while in 2004, expenses reached 96.0% of budget authorization. The Authority's 2005 budget reflected a 9.0% increase in revenues and a 11.0% increase in expenses. The Authority removed the hiring freeze implemented in the years following the events of September 11, 2001 and increased expenses to allow for the increased costs for the anticipated growth in 2005.

	Budget	Actual[1]	As a Percentage of Budget
2005 Revenues	$418,684,000	$431,015,951	102.9%
2005 Expenses	$237,071,600	$229,162,406	96.7%
2004 Revenues	$383,904,000	$397,276,413	103.4%
2004 Expenses	$212,800,000	$204,211,273	96.0%

[1] As defined in the Agreement. Revenues do not include transfers.

AUTHORITY'S ECONOMIC CONDITION

The year 2005 presented significant challenges for the air carrier industry: increasing fuel costs, increasing operating costs, and intense competition between legacy and low-cost carriers. United has operated in bankruptcy since 2002, Northwest and Delta entered bankruptcy in September, 2005, Independence Air entered bankruptcy in November 2005 and ceased operations on January 5, 2006. U.S. Airways emerged from bankruptcy and merged with America West in September 2005. Management continues to believe in the long-term strategic importance of air service to the Washington region and expects the air service market to continue to be vibrant and expanding.

For the period ended December 31, 2005, Reagan National set a new record with 17.8 million passengers, up 11.9% over 2004. General aviation activity had been prohibited at Reagan National since the events of September 11, 2001. However, legislation passed in 2005 allowed very limited general aviation back at the Airport.

The year 2005 brought positive developments in air service activity at Washington Dulles. In 2005, Washington Dulles concluded the year with record high passenger traffic of 27.0 million passengers. Washington Dulles' year-end passenger traffic growth rate of 18.3% over 2004, easily outpaced the U.S. industry growth rate of 2.5%. Washington Dulles' year-end international and transborder passenger traffic rate increase of 6.0% was lower than the national average increase of 9.4%.

Population in the Metropolitan Washington Statistical Area has consistently outpaced population growth in the United States. Over the last 14 years, the population grew at an annual compounded rate of 1.5%, compared to 1.1% for the United States. Within the region, the largest concentration of population is in the combined jurisdictions of Fairfax County, the cities of Fairfax and Falls Church, Virginia (20.2%); Montgomery County, Maryland (18.0%); and Prince George's County, Maryland (16.5%); and the District of Columbia (10.8%). The 2004 population of the Metropolitan Statistical Area was 5.1 million. The region has grown by more than 340,000 in the past five years and is expected to reach population of 6.3 million by 2008.

The Washington Metropolitan area has emerged as one of the Nation's major economic centers. Greater Washington's region is the 4th largest regional economy in the United States and is one of the wealthiest regions in the country. The median household income, according to the Greater Washington Initiative, was $71,059 in 2004 up 10% from 2000. According to the Greater Washington Initiative in its 2005 Greater Washington Regional Report, the area gross regional product surpassed $313.0 billion in 2004, and the Greater Washington's economy grew by 19.6% (inflation adjusted) in the past five years, compared to the national growth of 14.5%.

For eight consecutive years, Greater Washington is the home of the largest number of *Inc. 500* list of fastest growing companies. The region had an employment growth of 77,100 new jobs in 2004 and 59,700 new jobs in 2003. From 1999 – 2004, only six major metro regions had positive job growth and Greater Washington ranks first on this list with 314,000 new jobs.

Federal government employment, as a percent of the total employment in the region is 11.0% in 2004 of the Greater Washington's workforce. The Greater Washington area is home to 5,942 associations, the World Bank, International Monetary Fund, Inter-American Development Bank and 607 foreign-owned companies. This region is also one of the nation's leading centers for technology. The area's number of workers in computer systems designs and related services outpaces all other major metro regions and the federal and local commercial firms have created a technology workforce approaching 333,000. The federal government is the largest single consumer of technology in the world and it is estimated the federal government spent $71 billion for Information Technology products and services nationwide in the 2005 fiscal year and the spending is projected to increase to $92 billion in fiscal year 2010.

While population has grown over 23% in the last 14 years, employment increased faster than the labor force and consequently, unemployment declined steadily. In 2004, unemployment in the Washington Metropolitan statistical area increased slightly to 3.7% which is still well below the national average of 5.5%.

Average Annual Unemployment Rate

Year	Air Trade Area	United States	Year	Air Trade Area	United States
1995	4.2%	5.6%	2000	2.4%	4.0%
1996	3.9%	5.4%	2001	3.1%	4.8%
1997	3.7%	4.9%	2002	3.7%	5.8%
1998	3.2%	4.5%	2003	3.1%	6.0%
1999	2.6%	4.2%	2004	3.7%	5.5%

Source: United States Department of Labor Bureau of Labor Statistics.

The fundamentals of the Greater Washington region economy remain strong in light of the continued effects of the events of September 11, 2001 and geopolitical risks. According to the Greater Washington Initiative 2005 Regional Report, the Greater Washington region, as home to the U.S. government, has a recession-resistant economic base that has continued to grow as federal spending has increased.

Long-Term Financial Planning

The Authority’s long term financial planning includes the completion of certain approved capital expenditures and the accumulation of sufficient resources required to service the debt issued to finance these expenditures and to operate and maintain the airports. Under terms of the agreement, fees and charges paid by the Airlines are used along with other income from the Airports to service the debt issued to finance the construction program. The airlines pay operating and maintenance expenses, by airline cost center, in addition to debt service coverage equal to 125%.

The Authority’s CCP, as discussed earlier, is expected to be $3.9 billion in years 2001-2011. It is anticipated that the major portion of the facilities development will be financed with the proceeds of bonds issued under the Master Indenture. The Authority expects to issue a total of $2.39 billion in bonds during this time frame. The Authority also expects to use PFCs, federal and state grants, and the Authority’s portion of NRR to finance a portion of these costs. The majority of the new scheduled construction activity will be at Washington Dulles.

The Authority also anticipates certain increases in airline activity. At Reagan National, an average annual increase of 1.9% in enplanements is expected from 2005-2014, with enplanement levels increasing 2.5% in 2006 then slowing to 0.7% per annum by the end of the period. The higher growth rates in the early years reflect Reagan National’s recovery of enplanements to pre-September 11, 2001 levels in 2005 and the additional slots in 2004.

At Washington Dulles, an average annual increase of 3.1% in enplanements is expected from 2005-2014, with enplanement levels estimated to decrease by 3.2% in 2006, then averaging 3.4% per annum through 2014. The growth at Washington Dulles is projected based on United continuing its hubbing operations and other low-fare carriers continuing to serve the Airport, and strong growth in international activity.

Since 1988, the Authority has participated in the AIP, the federal government's airport grant program. The AIP provides funding for airport development, airport planning and noise compatibility programs from the Airport and Airway Trust Fund. The AIP also provides both entitlement and discretionary grants for eligible projects. The Authority also receives grants from the Commonwealth of Virginia.

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act, which authorized domestic airports to impose a PFC on enplaning passengers. In May 1991, the FAA issued the regulations for the use and reporting of PFCs. PFCs may be used for airport projects which meet at least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers.

The Authority applied for, and was granted, permission to begin collecting a $3.00 PFC effective November 1993 at Reagan National and January 1994 at Washington Dulles. The Authority applied for, and received in February 2001, the approval to increase the PFC collection from $3.00 to $4.50, effective May 2001. In accordance with the regulations, based on the approval date from the FAA and continuing through the PFC collection period, the Authority's share of AIP entitlement grants was reduced by 75%.

On December 20, 2005, the Authority announced its proposal to operate the Dulles Toll Road (Toll Road) and oversee the construction of a rail line through the Dulles Corridor to Fairfax and Loudoun Counties. Under this proposal, the Authority would invest all the revenues generated from the Toll Road into road and rail projects in the Dulles Corridor. It would also sell bonds to fund construction of rail to Loudoun County and improvements to the Toll Road. The Authority, with approval of the Board of Directors, sent the proposal for the operation of the Toll Road and the construction of the rail in the Dulles Corridor to the Governor of the Commonwealth of Virginia. On March 24, 2006, the Commonwealth of Virginia and the Authority entered into a "Memorandum of Understanding Between the Commonwealth of Virginia and the Metropolitan Washington Airports Authority Concerning the Dulles Corridor Metrorail Project and Dulles Toll Road" (Memorandum). This document sets forth a general understanding between the parties and sets forth certain terms, conditions and principles which will be further defined in Project Agreements between the Authority and various agencies of the Commonwealth. The Authority will now undertake an extensive due diligence process with the Commonwealth on the operational and financial aspects of the Toll Road. The parties will now begin negotiating the terms and conditions for Project Agreements necessary to carry out the mutual understandings enclosed within the document.

OTHER INFORMATION

Recognition of Awards and Achievement

The GFOA awarded the Authority a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) for its CAFR for the year ended December 31, 2004 (page 10). The Certificate of Achievement is the highest form of recognition for excellence in state and local government reporting. This was the sixteenth consecutive year the Authority has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized financial report whose contents conform to specific program standards. Such a CAFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting this 2005 CAFR to GFOA for consideration.

The Authority has also received the GFOA's Award for Distinguished Budget Presentation for many years since 1991.

Acknowledgments

In closing, I would like to thank the President and Chief Executive Officer and the Board of Directors for their leadership and support in planning and conducting the financial operations of the Authority. Special thanks are directed to Anne M. Field, the Controller for the Authority, for the preparation of the CAFR. Additional staff that deserve recognition for their efforts in completing the CAFR are Andrew Rountree, Mark Tune, Peggy Thompson L'Hommedieu, Valerie Thompson, Teri Arnold, Nancy Edwards, David Tucker, Paula Simms, Leon Clark, Kris Wenneson, Susan Abeles and Diane Lary as well as all the personnel within the Office of Finance.

Lynn Hampton, CPA
Vice President and Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Metropolitan Washington Airports Authority, Virginia

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

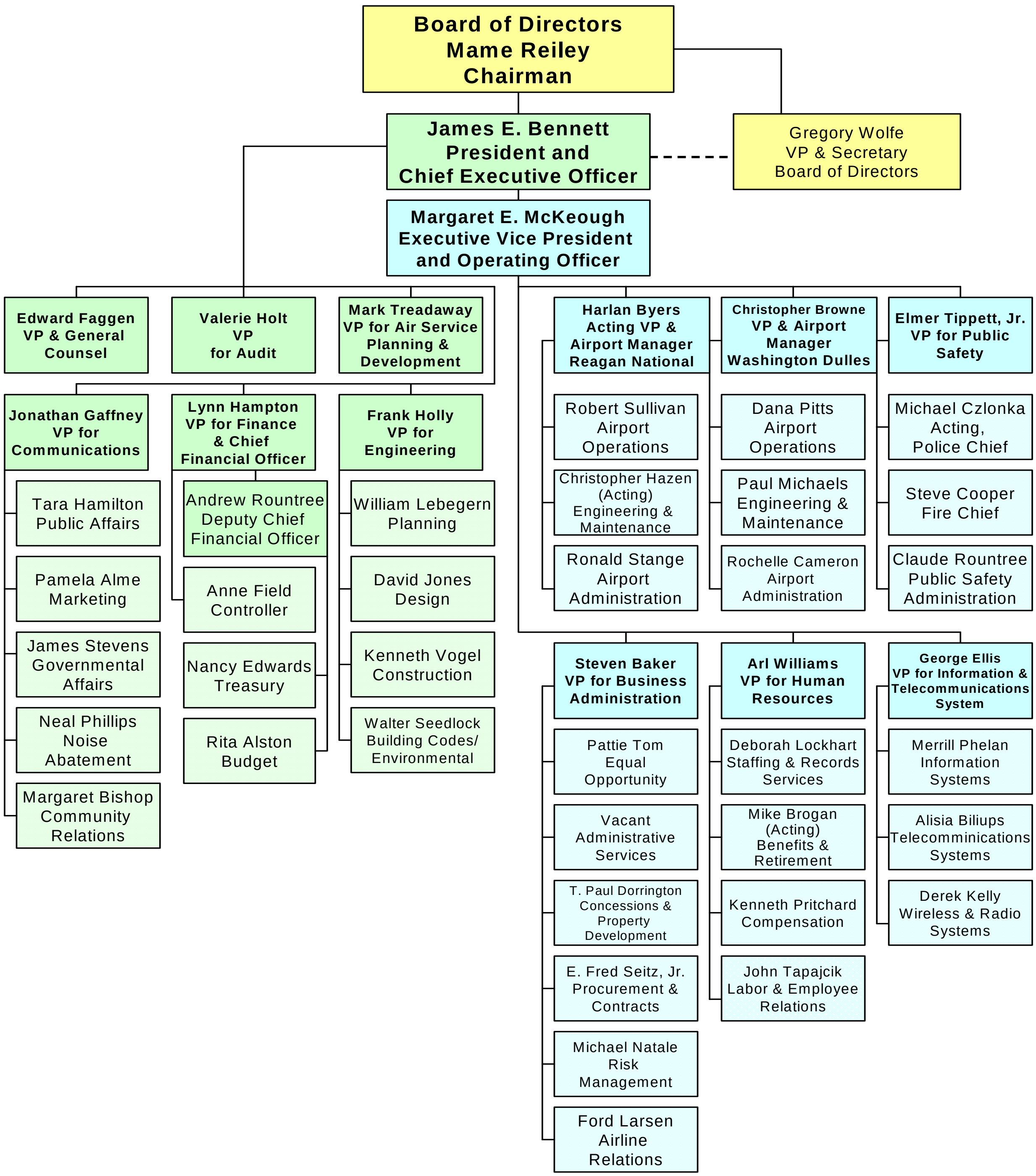
Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Metropolitan Washington Airports Authority for its comprehensive annual financial report for the year ended December 31, 2004.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Metropolitan Washington Airports Authority
Organization Chart



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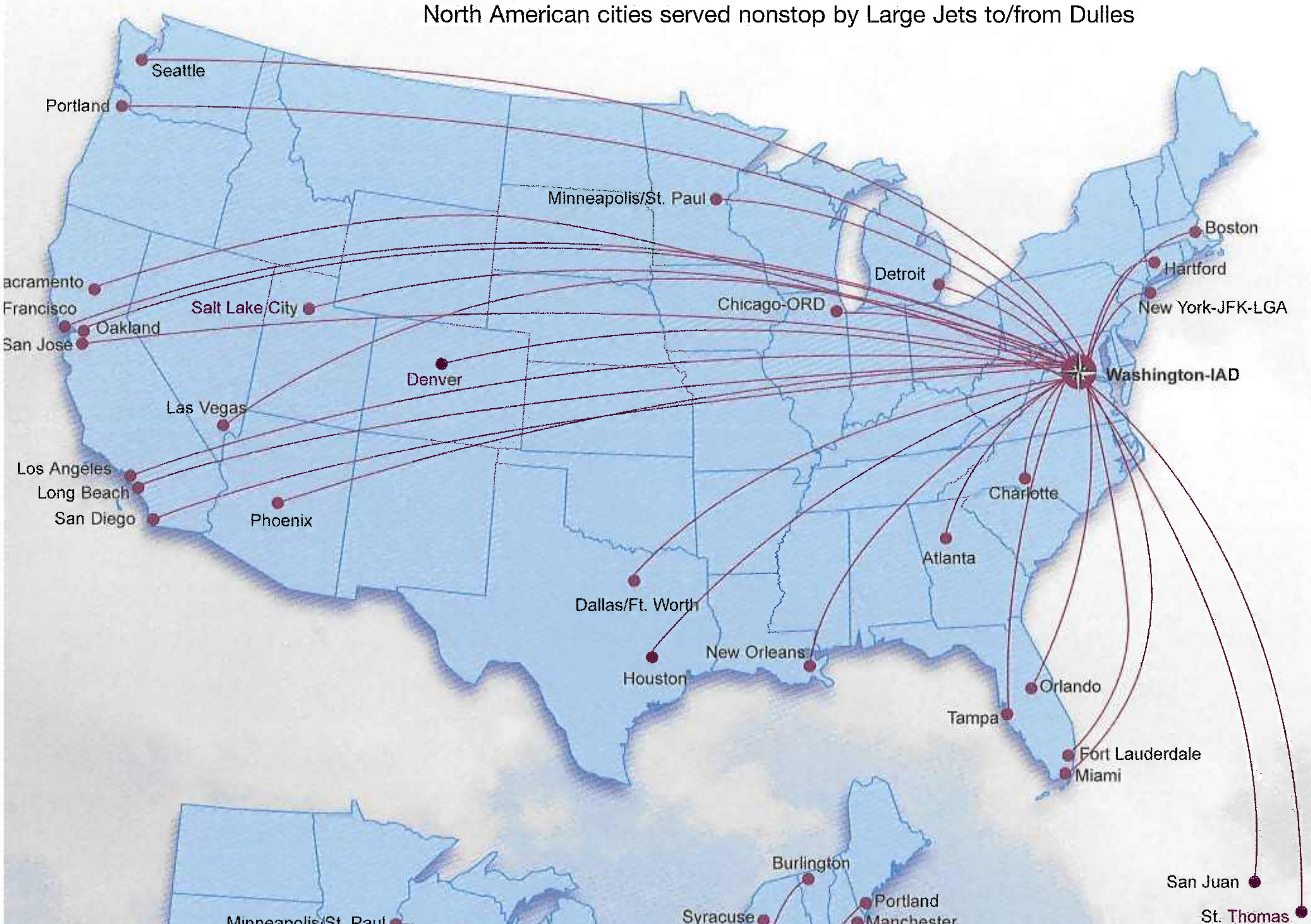
North American Jet Air Service at Dulles

North American cities served nonstop by Large Jets to/from Dulles



Regional Air Service at Dulles

North American cities served nonstop by RJ and Turboprops to/from Dulles

Financial

REPORT OF INDEPENDENT AUDITORS

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
1800 Tysons Boulevard
McLean, VA 22102-4261
Telephone (703) 918 3000
Facsimile (703) 918 3100

Report of Independent Auditors

To the Board of Directors
of the Metropolitan Washington Airports Authority:

In our opinion, the accompanying statements of net assets and the related statements of revenues, expenses, and changes in net assets and cash flows present fairly, in all material respects, the financial position of the Metropolitan Washington Airports Authority (the "Authority") as of December 31, 2005 and December 31, 2004, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The Management's Discussion and Analysis (MD&A) on pages 15 through 28 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the Authority's statements of net assets and the related statements of revenues, expenses, and changes in net assets and cash flows, which collectively comprise the Authority's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we express no opinion on it.

PricewaterhouseCoopers LLP

March 24, 2006

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MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)

INTRODUCTION

The following discussion and analysis of the financial performance and activity of the Metropolitan Washington Airports Authority (the Authority) is to provide an introduction and understanding of the basic financial statements of the Authority for the year ended December 31, 2005 with selected comparative information for the years ended December 31, 2004 and December 31, 2003. This discussion has been prepared by the management, is unaudited and should be read in conjunction with the financial statements, and the notes thereto, which follow this section.

Using the Financial Statements

The Authority's financial report includes three financial statements: the Statements of Net Assets; the Statements of Revenues, Expenses and Changes in Net Assets; and the Statements of Cash Flows. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by Governmental Accounting Standards Board (GASB) principles. In 2005, the Authority implemented GASB Statement No. 40, *Deposit and Investment Risk Disclosures* (an amendment of GASB Statement No. 3). In 2005, the Authority early implemented GASB Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans* and GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. A Voluntary Employee Beneficiary Association (VEBA) trust was established in February 2005 to account for retirees' post-employment benefits other than pensions, including retiree health insurance and retiree life insurance. Further in 2005, the Authority early implemented GASB Statement No. 44, *Economic Conditions Reporting: The Statistical Section* (an amendment of NCGA Statement 1) and GASB Statement No. 47, *Accounting for Termination Benefits*.

The Statements of Net Assets depict the Authority's financial position as of a point in time, normally December 31, and include all assets and liabilities of the Authority. The Statements of Net Assets demonstrate that the Authority's assets equal liabilities plus net assets. Net assets represent the residual interest in the Authority's assets after liabilities are deducted. Net assets are displayed in three components: invested in capital assets, net of related debt, restricted and unrestricted.

The Statements of Revenues, Expenses and Changes in Net Assets report total operating revenues, operating expenses, non-operating revenues and expenses, and other changes in net assets as of the end of a fiscal period; normally the year ended December 31. Revenues and expenses are categorized as either operating or non-operating based upon management's policy as established in accordance with definitions set forth by GASB. Significant recurring sources of the Authority's revenues, including Passenger Facility Charges (PFCs), investment income and federal, state and local grants are reported as non-operating revenues. The Authority's interest expense is reported as non-operating expense.

The Statements of Cash Flows present information showing how the Authority's cash and cash equivalents position changed during the fiscal year. The Statements of Cash Flows classify cash receipts and cash payments resulting from operating activities, capital and related financing activities, and investing activities.

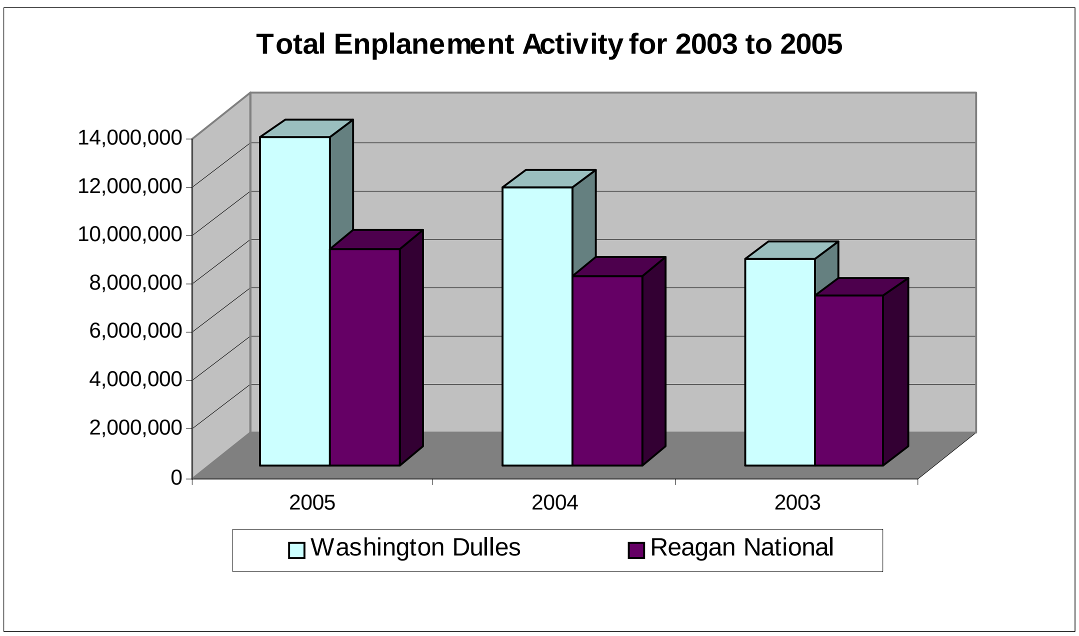
The Authority's Activity Highlights

The Authority has activity-based revenues which, in part, include parking, rental car, landing fees, international arrival fees, and passenger conveyance fees. The terrorist attacks that occurred in New York, Pennsylvania, and Washington, D.C. on September 11, 2001, resulted in reduced airport activity immediately after the attacks and consequently had a significant effect on the financial performance of the Authority. After two years of reduced enplanement activity, the monthly activity levels at Washington Dulles International Airport (Washington Dulles) and Ronald Reagan Washington National Airport (Reagan National) – (collectively, the Airports) began rebounding by year-end 2003. For the full year 2004, and again in 2005, passenger activity at the Airports exceeded passenger activity in all previous years. Independence Air, a new low-fare airline, began operations at Washington Dulles in June 2004, adding significant passenger and operations activity at the Airport. Independence Air continued operations through 2005, but ceased operating on January 5, 2006. This section includes a discussion of activity in order to better understand its affect on the financial performance of the Authority.

Enplanements at Reagan National for the 12 months of 2005 were 8,909,274, compared to 7,951,662 for the year 2004, resulting in an increase of 12.0%. After the events of September 11, 2001, general aviation activity of non-scheduled, privately owned aircraft was prohibited at Reagan National and the prohibition continued until it was lifted in part on October 18, 2005. General Aviation operations in 2005 were 3,101; an increase of 555 over 2004. Total enplanements at Washington Dulles for the 12 months of 2005 were 13,396,377 compared to 11,324,186 in 2004, resulting in an 18.3% increase. International enplanements for the 12 months of 2005 were 2,448,994 compared to 2,309,602 in 2004, a 6.0% increase.

Enplanements and Operations Activity for 2003 to 2005

	2005	2004	2003
Enplanements			
Washington Dulles Domestic	10,947,383	9,014,584	6,371,646
Washington Dulles International	2,448,994	2,309,602	1,994,840
Washington Dulles Non-Commercial	107,436	104,681	92,201
Reagan National Domestic	8,736,725	7,796,973	6,970,957
Reagan National Transborder	172,549	154,689	131,458
Operations			
Washington Dulles	509,652	469,634	335,397
Reagan National	276,056	268,556	250,802



In comparing Reagan National and Washington Dulles to the North American aviation industry, the Airports exceeded domestic industry trends. In 2005, domestic passenger traffic exceeded trends by 9.6% at Reagan National. In 2005, domestic traffic growth at Washington Dulles of 21.4% exceeded the trends by 18.9% while the international passenger traffic growth of 6.0% was 3.4% lower than the North American industry trend.

Enplanements Growth	MWAA	North America	Difference
Washington Dulles Domestic	21.4%	2.5%	18.9%
Washington Dulles International	6.0%	9.4%	(3.4)%
Reagan National	12.1%	2.5%	9.6%

At Reagan National, by year-end 2005, daily departures increased to 481 from 476 departures and includes an increase of 19 daily air carrier departures and a decrease of 14 daily regional departures. At Washington Dulles, by year-end 2005, daily domestic air carrier departures of 462 decreased from 671 in 2004. International weekly departures increased from 309 in 2004 to 314 in 2005, and are relatively stable.

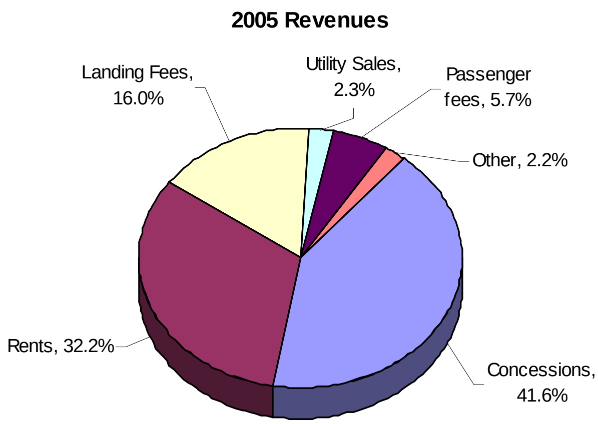
Financial Highlights

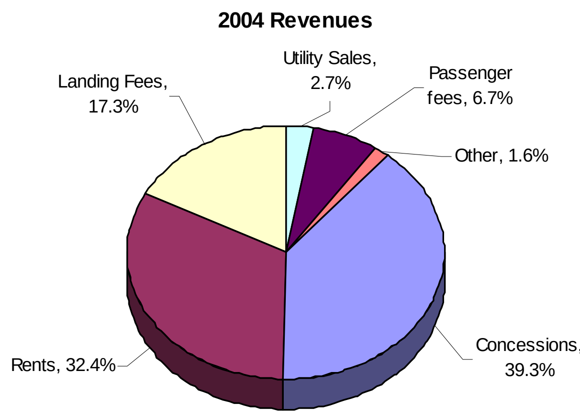
The financial results in 2005 reflect the growth in passenger and airline activity. The majority of the operating revenues at the Airports are directly related to the number of passengers and aircraft operations. Operating revenues in 2005 of $477.2 million were $34.9 million greater than operating revenues in 2004, and reflect the introduction of additional low cost service at the Airports plus increased international activity at Washington Dulles. The Authority's revenues are derived primarily from rents and charges for the use of the Airport's facilities, including landing fees received from both signatory and non-signatory airlines using the Airports, and concession contracts at the Airports, including off-airport rental car operations. Revenues from concessions historically have accounted for a substantial portion of the Authority's revenues. The Airport Use Agreement and Premises Lease (the Agreement) requires the Signatory Airlines to pay actual costs while the majority of concessionaires pay a percentage of revenue or a minimum annual guarantee payment.

In 2005, landing fees increased approximately $85,000 to $76.4 million. Rents revenue increased $10.5 million, a 7.3% increase over 2004, reflecting the recovery of the cost of the new T-Gates and expanded Southeast baggage basement at Washington Dulles. Utility sales revenue increased as a result of higher gas and electric fees. Passenger fees now include fees paid by the Transportation Security Administration (TSA). Passenger fees at Washington Dulles decreased $2.5 million over 2004, reflecting the final recovery of capital cost in the midfield International Arrivals Facility and the containment of costs of operations of the mobile lounges.

Classifications	2005 Revenue Amount	2004 Revenue Amount	Increase (Decrease) from 2004	Percent of Increase from 2004
Concessions	$ 198,691,232	$ 173,962,671	$ 24,728,561	14.2%
Rents	153,865,079	143,389,783	10,475,296	7.3%
Landing fees	76,359,090	76,274,293	84,797	0.1%
Utility sales	10,934,616	12,035,206	(1,100,590)	(9.1)%
Passenger fees	26,973,143	29,474,743	(2,501,600)	(8.5)%
Other	10,398,536	7,149,375	3,249,161	45.4%
Total	$ 477,221,696	$ 442,286,071	$ 34,935,625	7.9%

The following is a graphic illustration of operating revenues by source for the years ended December 31, 2005 and 2004:





Concession Revenue

In 2005, concession revenue of $198.7 million increased $24.7 million or 14.2% from 2004, and as a percent of operating revenues, increased to 41.6% from 39.3% in 2004. Automobile parking revenue and rental car revenue represented 72.5% of concession revenue and 30.2% of operating revenues. The average daily occupancy of the new parking garages at Washington Dulles increased from 54.5% in December of 2004 to 64.2% in December of 2005. There are 25,223 parking spaces at Washington Dulles: 2,516 hourly, 8,325 daily, 1,427 valet, and 12,955 economy. An overflow economy lot provides an additional 3,800 parking spaces during peak holiday periods. The parking garages at Reagan National had an average occupancy of 84.7%. There are 8,015 parking spaces at Reagan National: 455 hourly, 4,888 daily, and 2,672 economy. Average occupancy for all public parking at Reagan National was 84.8%. The following table details concession revenues by major category for the past two years:

Concession Revenues
(in thousands)

	2005	2004	Increase (Decrease) from 2004	Percent of Increase (Decrease) from 2004
Parking	$ 113,417,802	$ 99,681,836	$13,735,966	13.8%
Rental cars	30,550,848	28,024,443	2,526,405	9.0%
Food and beverage	10,626,038	7,862,790	2,763,248	35.1%
Newsstand and retail	10,582,645	9,197,498	1,385,147	15.1%
Duty free	3,166,433	2,719,808	446,625	16.4%
Display advertising	6,300,000	6,300,000	-	0.0%
Inflight caterers	5,468,402	5,548,906	(80,504)	(1.5)%
Fixed base operator	7,602,839	4,802,663	2,800,176	58.3%
All other	10,976,225	9,824,727	1,151,498	11.7%
Total	$ 198,691,232	$173,962,671	$24,728,561	14.2%

Operating Expense

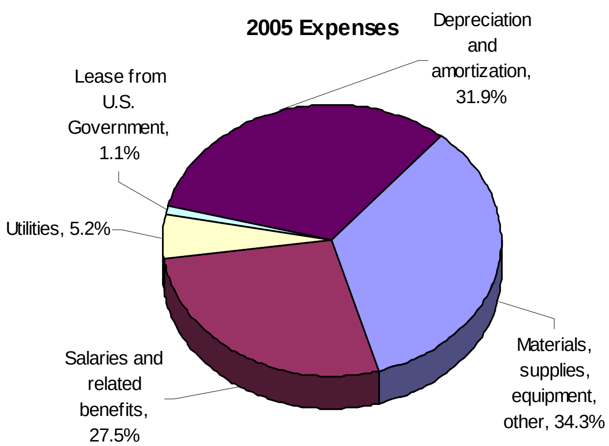
Operating expenses for fiscal year-ended December 31, 2005 was $414.4 million, an increase of $36.1 million or 9.5% over 2004. Depreciation and amortization expense of $132.4 million, an increase of $6.2 million over 2004, accounted for 32.0% of operating expenses. Depreciation and amortization expense increased 5.0%, primarily from the capitalization of projects completed in 2005. Operating expenses, other than security related expenditures, at both Airports were considerably reduced immediately following September 11, 2001. A hiring freeze implemented in September of 2001 was discontinued in 2005. All operational expenses are carefully reviewed during the budget development and procurement processes.

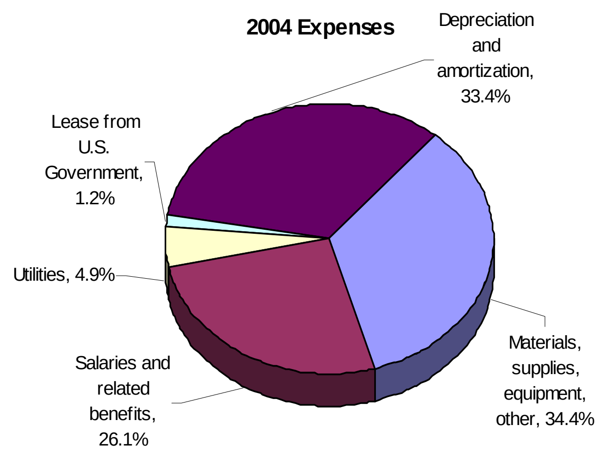
The increases in salaries and related benefits for 2005 and 2004 were principally related to the early implementation of GASB 43 and GASB 45, which requires the Authority to measure and disclose an amount for annual other postemployment benefits cost (OPEB) on the accrual basis of accounting. Annual OPEB cost is equal to the employer's annual required contribution to the plan, with certain adjustments if the employer has a net OPEB obligation for past under- or over-contributions. The annual required contribution for retirees' health and life insurance was $7.1 million or 46.9% of the increase in benefits. Additionally, increased security needs for additional public safety personnel, and related overtime, plus increases in the normal cost of health insurance contributed to the 15.2% increase in salaries and related benefits. Utility costs increased 14.6% because of higher utility rates for water, sewage, natural gas and electricity.

Increased claims in the insurance market since September 11, 2001, resulted in insurance quotes that were significantly higher than in prior years. The Authority responded to the increase in insurance cost by negotiating higher retention levels while increasing related insurance reserves. By 2005, insurance costs reached their peak and the Authority's cost of insurance declined slightly. General liability, property insurance, and workers compensation insurance costs in 2005 and 2004 were $5.4 million and $5.6 million, respectively. The claims paid directly by the Authority increased slightly in 2005 to $2.1 million from $2.0 million in 2004.

Expense Classification	2005	2004	Increase (Decrease) from 2004	Percent of Increase (Decrease) from 2004
Materials, supplies, equipment, contract services and other	$ 142,107,372	$130,127,540	$ 11,979,832	9.2%
Salaries and related benefits	113,878,086	98,858,597	15,019,489	15.2%
Utilities	21,493,887	18,754,511	2,739,376	14.6%
Lease from United States Government	4,505,435	4,375,347	130,088	3.0%
Depreciation and amortization	132,424,537	126,177,767	6,246,770	5.0%
Total	$ 414,409,317	$378,293,762	$ 36,115,555	9.5%

The following is a graphic illustration of the total operating expenses by source for the years ended December 31, 2005 and 2004:





Changes in Net Assets

Fiscal year 2005 operating income was $62.8 million, a decrease of $1.2 million compared to 2004. The operating results of 2005 reflect both the increased activity at the Airports and the Authority's efforts to maintain conservative airline rates and charges and increase concession revenues.

In 2005, non-operating revenues of $126.3 million were $9.5 million higher than in 2004, principally because of increased PFCs related to the increased enplanement activity and a gain in interest rate swap transactions.

In 2001, the Authority began a risk management program to assist in managing the interest cost on outstanding and future debt. In August 2001, the Authority entered into a swap transaction to assure that the interest on bonds issued to refund the Series 1992A Bonds would not exceed an interest rate of 5.0%. In May 2005, the Authority entered into four interest rate swap transaction (2005 Swaps) to hedge against rising interest rates. The following table shows the details of the 2005 Swaps:

Effective Date	Counter Party	Notional Amount
October 1, 2006	Wachovia Bank, NA	$65 million
October 1, 2006	Bank of Montreal	$35 million
October 1, 2007	Wachovia Bank, NA	$125 million
October 1, 2007	Bank of Montreal	$75 million

The change in the market value of the swaps in 2005 was an unrealized gain of $6.1 million, compared to an unrealized gain of $1.6 million, in 2004. The combined market value of the swaps on December 31, 2005 was $14.4 million (See Note C).

In 2005, non-operating expenses of $109.9 million increased by $15.4 million from 2004, as a result of increased interest rates on commercial paper and other variable rate debt plus additional debt. (See Note J).

Capital contributions include PFCs, federal and state grants, and other capital property acquired. PFC revenue in 2005 was $88.3 million; $12.3 million higher than in 2004, and reflected the increased passenger activity at the Airports. PFCs are imposed when an airline ticket is purchased and they do not mirror the enplanement activity of an airport. Federal and state grants of $11.7 million were $17 million lower than 2004 grant revenues, and reflected the Authority's decision to focus future Federal Aviation Administration (FAA) Airport Improvement entitlement and discretionary grants toward funding the fourth runway at Washington Dulles. Construction of the new runway is scheduled to begin in the spring of 2006. Grants received in 2005 include $7.9 million in FAA Airport Improvement Program grants, $1.6 million from the Department of Homeland Security received through the Virginia Emergency Management Administration, and $1.7 million in Virginia Aviation grants. PFCs and federal and state grants provide partial funding for certain capital construction projects. (See Note P)

The change in net assets is an indicator of whether the overall fiscal condition of the Authority has improved or declined during the year. The change in net assets for the years ended December 31, 2005 and 2004 was an increase of $79.2 million and an increase of $86.2 million, respectively.

The following represents a summary of the Statements of Revenues, Expenses and Changes in Net Assets:

	2005	2004	2003
Operating revenues			
Concessions	$ 198,691,232	$ 173,962,671	$ 146,095,903
Rents	153,865,079	143,389,783	130,802,693
Landing fees	76,359,090	76,274,293	67,637,206
Utility sales	10,934,616	12,035,206	11,867,943
Passenger fees	26,973,143	29,474,743	27,878,919
Other	10,398,536	7,149,375	5,355,589
Total operating revenues	477,221,696	442,286,071	389,638,253
Operating expenses			
Material, equipment, supplies contract services, and others	142,107,372	130,127,540	134,105,363
Salaries and related benefits	113,878,086	98,858,597	95,192,233
Utilities	21,493,887	18,754,511	16,754,386
Lease from U.S. Government	4,505,435	4,375,347	4,303,764
Depreciation and amortization	132,424,537	126,177,767	114,950,487
Total operating expenses	414,409,317	378,293,762	365,306,233
Operating income	62,812,379	63,992,309	24,332,020
Non-operating revenues			
Investment income	20,194,481	10,385,775	5,896,185
Unrealized swap gain	6,062,129	1,601,347	5,572,334
Total non-operating revenues	26,256,610	11,987,122	11,468,519
Non-operating expenses			
Interest expense	(105,058,427)	(90,893,805)	(96,747,842)
Realized swap loss	(4,856,288)	(3,662,018)	-
Total non-operating expenses	(109,914,715)	(94,555,823)	(96,747,842)
Capital contributions	100,054,076	104,787,341	78,861,263
Increase in net assets	$ 79,208,350	$ 86,210,949	$ 17,913,960

Statements of Net Assets

The Statements of Net Assets present the financial position of the Authority at the end of the fiscal year. The Statements include all assets and liabilities of the Authority. Net assets are the difference between total assets and total liabilities and are an indicator of the current fiscal health of the Authority. A summarized comparison of the Authority's assets, liabilities and net assets on December 31, 2005, 2004, and 2003 is as follows:

Assets	2005	2004	2003
Current assets	$ 678,298,711	$ 510,421,819	$ 449,659,857
Non-current assets			
Capital assets, net	3,443,263,293	2,997,283,774	2,744,063,040
Other non-current assets	266,552,138	224,960,011	234,145,211
Total Assets	4,388,114,142	3,732,665,604	3,427,868,108
Liabilities			
Current liabilities	222,205,610	183,448,198	162,645,717
Non-current liabilities			
Long-term debt outstanding and other restricted	3,345,227,510	2,807,403,687	2,608,973,128
Other non-current liabilities, unrestricted	313,399	654,446	1,300,939
Total Liabilities	3,567,746,519	2,991,506,331	2,772,919,784
Net Assets			
Invested in capital assets, net of debt	492,384,514	344,583,615	428,497,669
Restricted	65,337,686	170,526,342	36,158,318
Unrestricted	262,645,423	226,049,316	190,292,337
Total Net Assets	$ 820,367,623	$ 741,159,273	$ 654,948,324

For the year-ended December 31, 2005, and in its eighteenth full year of operations, the Authority's financial position remained strong with total assets of $4.4 billion and liabilities of $3.6 billion. Current assets increased by $167.9 million from 2004. Since September 11, 2001, the Authority has maintained five months of its operating cash portfolio in securities that mature within six months to provide extra liquidity. At December 31, 2005, the Authority had $3.4 billion in capital assets (net of depreciation), an increase of $446.0 million from December 31, 2004.

For the year-ended December 31, 2005, the Authority's accounts receivable included $4 million in pre-petition debt and certain post-petition administrative claims against United Airlines (United). On March 19, 2004, the bankruptcy court approved United's assumption of leases and its plan to cure all defaults at the Airports. In February 2006, United exited bankruptcy and paid its pre-petition debt on March 3, 2006. In September 2005, US Airways exited bankruptcy and had paid all pre-petition debt by year-end 2005. On September 14, 2005, Delta Airlines and Northwest Airlines filed for bankruptcy protection. The Authority's accounts receivable for the year-ended December 31, 2005, included $1.4 million and $183,000 in pre-petition debt owed to the Authority by Delta and Northwest, respectively. The Authority has not established a reserve for United, Delta, or Northwest pre-petition debt. (United, Delta, and Northwest are current on their post-bankruptcy obligations). The Authority's expectation regarding Delta and Northwest is influenced by the Authority's experience with other large airline bankruptcies. In the cases of Eastern Airlines, Pan American, TWA, and most recently US Airways and Independence Air, the airlines cured their defaults in order to assume and operate or assume and then transfer their leasehold assets to other carriers as part of their liquidation. Based upon its experience and its judgment of the posture of United, Delta and Northwest, the Authority has concluded that reserves need not be established.

Current liabilities increased by $38.8 million, principally from a $21.4 million increase in unrestricted and restricted accounts payable related to increased construction activity and an increase of $10.2 million in the current portion of bonds payable.

Net assets, which represent the residual interest in the Authority's assets after liabilities are deducted, were $820.4 million on December 31, 2005, an increase of $79.2 million from 2004 and a $86.2 million increase from 2003. The account "Invested in Capital Assets, Net of Related Debt" increased by $147.8 million to $492.4 million because the increase in total liabilities related to the Capital Construction Program (CCP) did not exceed the increase in the assets in the CCP. This was caused by the increase in unspent construction proceeds at December 31, 2005, as compared to December 31, 2004. As of December 31, 2005, $213.5 million in unspent proceeds were reclassified to "Restricted Assets" to offset the assets still available from the bond proceeds. The restricted and unrestricted remaining net assets are derived from the Authority operations since the Authority's inception in 1987, as well as grant and PFC collections. The 2005 restricted net assets of $65.3 million are subject to external restrictions on how they may be used under the Master Indenture of Trust (Master Indenture) and federal regulations. A debt service reserve of $206.5 million, maintained in accounts held by the Authority's Trustee offset by the corresponding debt, is included in Restricted Net Assets. The remaining 2005 unrestricted assets of $262.6 million, an increase of $36.6 million from 2004, may be used to meet any of the Authority's ongoing operations, subject to approval by the Authority's Board of Directors.

Capital Financing and Debt Management

The Authority's long-term uninsured bonds are rated "AA-" by Fitch, "Aa3 " by Moody's, and "A+" by Standard & Poor's Rating Services (S&P). Moody's assigned the Authority an Aa3 rating with "Negative Outlook" on August 27, 2003, and then changed the outlook to "Stable" on April 14, 2004. S&P assigned the Authority's debt an "A+" with "Stable Outlook," effective February 28, 2002 and changed the outlook to "Positive" on March 15, 2005. Fitch assigned the Authority an "AA-" rating with "Stable Outlook" on August 25, 2003.

As of December 31, 2005, the Authority had $2.9 billion outstanding Airport System Revenue Bonds, $90.0 million in outstanding Commercial Paper Series One, $96.0 million in outstanding Commercial Paper Series Two, and $400.0 million in PFC notes (See Note J). Of the $2.9 billion in outstanding Senior Bonds, $2.7 billion is insured and $203.9 million is uninsured. The insured debt is rated "AAA" by S&P and Fitch and "Aaa" by Moody's. Additionally, S&P assigned the Authority an overall Debt Derivative Profile rating of "1" on a scale of "1" to "5", with "1" representing the lowest risk and "5" representing the highest risk.

The Authority is financing its construction program through a combination of revenues, entitlement, and discretionary grants received from the FAA, state grants, PFCs, and revenue bonds. Long-term debt is the principal source of funding for the CCP. The Authority, through its Master Indenture, has agreed to maintain a debt service coverage of not less than 1.25. Debt service coverage is calculated based on a formula included in the Master Indenture and the Agreement with the Airlines. Historically, the Authority has maintained a coverage ratio significantly higher than its requirement. During 2005 and 2004, the Authority's debt service coverage was 1.66 and 1.68, respectively.

During 2005, the Authority issued four series of bonds: $320.0 million Series 2005A Revenue Bonds, $19.8 million Series 2005B Revenue Refunding Bonds, and $30.0 million Series 2005C Taxable Revenue Bonds in March 2005 and $11.5 million Series 2005D Revenue Refunding Bonds in September 2005. Also in September 2005, the Authority contracted to issue and deliver $164.4 Series 2007A Revenue Refunding Bonds. The Series 2005B Revenue Refunding Bonds refunded certain of the outstanding Series 1997A Bonds and the Authority estimates that the net present value savings refunding is $870,344. The Series 2005D Revenue Refunding Bonds refunded certain other maturities of the outstanding Series 1997A Bonds and the Authority estimates that the net present value savings refunding is $609,892. The Series 2007A Revenue Refunding Bonds, when issued, will refund certain maturities of the outstanding Series 1997B Bonds and the Authority estimates that the net present value savings refunding will be $6.9 million. In addition to refunding certain outstanding debt, the Series 2005 Revenue Bonds collectively provide additional funding for capital improvements at Washington Dulles and Reagan National.

In November 2005, the Authority authorized $495.9 million in Flexible Term PFC Revenue Notes (PFC Notes-2), refunding the outstanding $147.7 million PFC Notes-1 and providing partial funding for the Automated People Mover (APM) project at Washington Dulles. The PFC notes were issued in four Series totaling $400 million and there remains $95.9 million in authorized but not used PFC Notes-2. The four Series and original issue is shown in the table below:

Series	Amount	Syndication and Remarketing Agent
Series A	$190,000,000	Banc of America Securities LLC
Series B	$110,000,000	Wachovia Bank, National Association
Series C	$70,000,000	SunTrust Capital Markets, Inc.
Series D	$30,000,000	Morgan Keegan & Company, Inc.

As of the year ended December 31, 2005, the Authority had outstanding $90.0 million CP Series One, $96.0 million CP Series Two, and $400.0 million PFC Notes. Additionally, the Authority had $234.0 million authorized but not issued CP available for construction needs. As a result of these transactions, as well as principal payments of $59.0 million, long-term debt outstanding increased by $537.8 million and short-term CP Notes and PFC Notes outstanding of $400.0 increased $212.3 million. Detailed information on the long-term debt of the Authority can be found in the Notes to Financial Statements. (See Note J).

Federal and State Grant Activity

During 2005, the Authority applied for and received approval to impose and use $672.9 million in PFCs at Washington Dulles. The Authority applied for a $146.6 million PFC application at National Airport and received approval in March 2006.

The Authority applied for a $207.0 million Letter of Intent (LOI) with the FAA to issue grants to fund the fourth runway at Dulles. On February 21, 2006, the Authority received approval of a $200.2 million LOI.

Cash and Investment Management

The Authority's cash and cash equivalents increased $197.3 million to $382.0 million for the year ended December 31, 2005, from $184.7 million for the year-ended December 31, 2004, as a result of improved cash flows for operating activities and increased investment activity during the year. Cash and cash equivalents with an original maturity of three months or less are considered highly liquid investments. Unrestricted investments increased by $41.0 million from 2004 and restricted investments decreased by $34.3 million.

The following summary shows the major sources and use of cash:

	2005	2004
Cash received from operations	$ 472,275,452	$ 442,774,218
Cash expended from operations	(285,713,779)	(234,503,850
Net cash provided by operations	186,561,673	208,270,368
Net cash provided (used) in capital and related financing activities	(12,403,499)	(184,865,715)
Net cash provided (used) by investing activities	23,187,221	(127,821,507)
Net cash provided (used) by capital financing and investing activities	10,783,722	(312,687,222)
Net increase (decrease) in cash and cash equivalents	197,345,395	(104,416,854)
Cash and cash equivalents, beginning of year	184,670,030	289,086,884
Cash and cash equivalents, end of year	$ 382,015,425	$ 184,670,030

Cash temporarily idle during 2005 was invested in demand deposits, certificates of deposit, commercial paper, United States Government and agency obligations, mutual funds, repurchase agreements collateralized by the United States Government or agency obligations, and other permitted investments as listed in the Master Indenture for the Authority's outstanding bonds. During 2005, the Authority's operating account average portfolio balance was $231.5 million and the average yield on investments was 3.1%. The capital funds are held by an agent for the Trustee, but managed by the Authority. For 2005, the capital funds had an average portfolio balance of $276.2 million and an average yield of 3.3%.

Certain Authority funds that will be used for bond requirements (See Note E) and capital projects are invested in long-term instruments. An annual cash flow projection for capital projects is developed for all bond proceeds and investments are matched to maximize investment income while ensuring cash is available for capital project expenses. All investments must be made following the investment policy that was adopted by the Authority's Board. An investment committee meets quarterly to review the portfolios for compliance with the investment policy (See Note B).

Capital Construction

During 2005, the Authority expended $555.8 million in its ongoing CCP compared to an amended budget of $574.5 million. The Authority capitalized $278.5 million in projects in 2005, including the Southeast Baggage Basement, Z-Gates, North Area Roads, New Cooling and Heating System at Washington Dulles. Projects that are continuing in 2006, and scheduled for completion in 2006, or beyond, include the security mezzanine, the automated people mover (APM) and related stations, a twelve-gate addition to Concourse B and a new Air Traffic Control Tower. Average monthly capital construction spending in 2005 was approximately $46.3 million (See Note F.)

Contacting the Authority's Financial Management

The financial report is designed to provide the Authority's Board, management, investors, creditors and customers with a general view of the Authority's finances and to demonstrate the Authority's accountability for the funds it receives and expends. For additional information about this report, or for additional financial information, please contact Lynn Hampton, Vice President and Chief Financial Officer, 1 Aviation Circle, Washington, DC, 20001-6000, or e-mail BondholdersInformation@mwaa.com.

STATEMENTS OF NET ASSETS (continued)
As of December 31

	2005	2004
ASSETS		
Current assets		
Unrestricted assets:		
Cash and cash equivalents	$ 23,143,483	$ 33,832,942
Investments	233,116,586	197,182,141
Accounts receivables, net	26,796,500	20,033,378
Inventory	3,432,469	3,633,515
Prepaid expenses and other current assets	5,817,971	3,855,483
Total unrestricted assets	292,307,009	258,537,459
Restricted assets:		
Cash and cash equivalents, restricted	324,714,977	97,351,250
Passenger facility charges, restricted cash	34,156,965	53,485,838
Accounts receivables, passenger facility charges and other, restricted	9,866,152	15,386,313
Investments, restricted	17,253,608	85,660,959
Total restricted assets	385,991,702	251,884,360
Total current assets	678,298,711	510,421,819
Non-current assets		
Capital assets:		
Land	105,349,826	49,069,234
Construction in progress	978,540,556	746,007,372
Buildings, systems and equipment	3,423,920,109	3,141,673,453
Less: accumulated depreciation	(1,064,547,198)	(939,466,285)
Capital assets, net	3,443,263,293	2,997,283,774
Long-term investments	14,582,506	9,470,986
Long-term investments, restricted	206,461,249	172,324,761
Other long-term assets	301,865	-
Net pension asset	1,628,205	1,750,497
Bond issuance costs, net	43,578,313	41,413,767
Total non-current assets	3,709,815,431	3,222,243,785
Total assets	$ 4,388,114,142	$ 3,732,665,604

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF NET ASSETS

	2005	2004
LIABILITIES AND NET ASSETS		
Current liabilities		
Payable from unrestricted:		
Accounts payable and accrued expenses	$ 45,519,623	$ 42,714,040
Operating lease obligations	341,140	341,140
Total unrestricted	45,860,763	43,055,180
Current liabilities payable from restricted assets:		
Accounts payable and accrued expenses	70,383,936	51,765,780
Accrued interest payable	36,725,911	29,592,238
Bonds payable	69,235,000	59,035,000
Total restricted	176,344,847	140,393,018
Total current liabilities	222,205,610	183,448,198
Non-current liabilities		
Payable from unrestricted:		
Other liabilities	313,399	654,446
Payable from restricted:		
Passenger facility charge bank participation notes	400,000,000	187,700,000
Commercial paper notes	186,000,000	150,000,000
Bonds payable, net	2,759,227,510	2,469,703,687
Total restricted	3,345,227,510	2,807,403,687
Total non-current liabilities	3,345,540,909	2,808,058,133
Total liabilities	3,567,746,519	2,991,506,331
NET ASSETS		
Invested in capital assets, net of related debt	492,384,514	344,583,615
Restricted	65,337,686	170,526,342
Unrestricted	262,645,423	226,049,316
Total net assets	$ 820,367,623	$ 741,159,273

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	Years Ended	
	December 31, 2005	December 31, 2004
OPERATING REVENUES		
Concessions	$ 198,691,232	$ 173,962,671
Rents	153,865,079	143,389,783
Landing fees	76,359,090	76,274,293
Utility sales	10,934,616	12,035,206
Passenger fees	26,973,143	29,474,743
Other	10,398,536	7,149,375
Total operating revenues	477,221,696	442,286,071
OPERATING EXPENSES		
Materials, equipment, supplies, contract services, and other	142,107,372	130,127,540
Salaries and related benefits	113,878,086	98,858,597
Utilities	21,493,887	18,754,511
Lease from U. S. Government	4,505,435	4,375,347
Depreciation and amortization	132,424,537	126,177,767
Total operating expenses	414,409,317	378,293,762
OPERATING INCOME	62,812,379	63,992,309
NON-OPERATING REVENUES (EXPENSES)		
Passenger facility charges, financing costs	(1,497,097)	(1,525,026)
Investment income	20,194,481	10,385,775
Interest expense	(103,561,330)	(89,368,779)
Realized swap loss	(4,856,288)	(3,662,018)
Unrealized swap gain	6,062,129	1,601,347
Total non-operating revenues (expenses)	(83,658,105)	(82,568,701)
LOSS BEFORE CAPITAL CONTRIBUTIONS	(20,845,726)	(18,576,392)
CAPITAL CONTRIBUTIONS		
Passenger facility charges	88,315,311	76,060,174
Federal and state grants	11,738,765	28,727,167
Total capital contributions	100,054,076	104,787,341
NET ASSETS		
Increase in net assets	79,208,350	86,210,949
Total net assets, beginning of year	741,159,273	654,948,324
Total net assets, end of year	$ 820,367,623	$ 741,159,273

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (continued)

	Years Ended December 31, 2005	Years Ended December 31, 2004
NET CASH FROM OPERATING ACTIVITIES:		
Operating cash receipts from customers	$ 472,275,452	$ 442,774,218
Cash payments to suppliers for goods and services	(169,470,007)	(136,926,922)
Cash payments to employees for services	(116,243,772)	(97,576,928)
NET CASH PROVIDED BY OPERATING ACTIVITIES	186,561,673	208,270,368
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from issuance of bonds	387,913,460	693,419,749
Proceeds from the issuance of commercial paper	36,000,000	-
Principal payments on bonds	(90,345,000)	(494,830,000)
Payments for capital expenditures and construction in progress	(514,947,551)	(337,279,253)
Proceeds from sale of capital assets	104,303	80,881
Payments of bond issuance costs	(6,938,663)	(10,367,120)
Interest paid on bonds	(137,230,374)	(130,407,797)
Government grants in aid of construction	15,088,672	26,220,996
Passenger facility charge receipts	90,487,112	71,768,588
Borrowing on passenger facility charge bank participation notes	212,300,000	-
Passenger facility charge expenses and other	(4,835,458)	(3,471,759)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(12,403,499)	(184,865,715)
NET CASH FROM INVESTING ACTIVITIES:		
Interest received on investments	11,321,074	15,932,840
(Increase) decrease in short term investments, net	39,940,506	(160,583,704)
Proceeds from long-term investment maturities	348,115,258	211,789,746
Purchase of long-term investments	(376,189,617)	(194,960,389)
NET CASH PROVIDED OR (USED) BY INVESTING ACTIVITIES	23,187,221	(127,821,507)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	197,345,395	(104,416,854)
CASH AND CASH EQUIVALENTS, Beginning of year	184,670,030	289,086,884
CASH AND CASH EQUIVALENTS, End of year	$ 382,015,425	$ 184,670,030

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

	Years Ended December 31, 2005	Years Ended December 31, 2004
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$ 62,812,379	$ 63,992,309
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	132,424,537	126,177,767
(Decrease) in allowance for doubtful accounts	(21,343)	(289,170)
(Gain) on sale of assets	(79,371)	(70,222)
Decrease (increase) in accounts receivable	(4,639,854)	1,053,313
Decrease (increase) in inventory	201,046	(1,743,452)
(Increase) in prepaid expenses and other current assets	(1,962,489)	(213,526)
Decrease (increase) in other long-term assets	(179,573)	2,410,099
(Decrease) in long-term liabilities	(341,047)	(646,493)
(Decrease) increase in accounts payable and accrued expenses	(1,652,612)	17,599,743
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 186,561,673	$ 208,270,368
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Unrealized gain	$ 11,173,649	$ 3,471,364
Capital construction costs payable	$ 69,850,299	$ 50,024,028

The accompanying notes are an integral part of these financial statements.

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NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Metropolitan Washington Airports Authority (the Authority) is an independent interstate agency created by the Commonwealth of Virginia and the District of Columbia with the consent of the United States Congress. The Commonwealth of Virginia and the District of Columbia enacted essentially identical legislation creating the Authority for the purpose of operating Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Washington Dulles)— collectively the Airports. The Authority is governed by a Board of Directors (Board) with members from the Commonwealth of Virginia, the District of Columbia, the State of Maryland, and three members appointed by the President of the United States.

On June 7, 1987, Reagan National's and Washington Dulles' properties were transferred to the Authority under a long-term lease authorized by the Metropolitan Washington Airports Act of 1986, Title VI of Public Law 99-500 (See Note L). All personal property was transferred to the Authority without condition. Prior to the transfer, the Airports were operated by the Federal Aviation Administration (FAA) of the United States Department of Transportation.

Only the accounts of the Authority are included in the reporting entity. There are no U.S. government agency finances that should be considered for inclusion in the Authority's financial reporting entity.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis. The Authority reports as a Business Type Activity, as defined by the Governmental Accounting Standards Board (GASB). Business Type Activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The Authority's activities are accounted for similar to those often found in the private sector using the flow of an economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, net assets, revenues, and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred. Current assets include cash and amounts convertible to cash during the next normal operating cycle, or one year. Current liabilities include those obligations to be liquidated with current assets.

Revenues from airlines, concessions, rental cars and parking are reported as operating revenues. Capital, grants, financing or investing related transactions are reported as non-operating revenues. All expenses related to operating the Authority are reported as operating expenses. Interest expense and financing costs are reported as non-operating.

Net Assets

Net assets represent the residual interest in the Authority's assets after liabilities are deducted and consists of three sections: Invested in capital assets, net of related debt; Restricted; and Unrestricted. Net assets invested in capital assets, net of related debt includes capital assets, restricted and unrestricted, net of accumulated depreciation, reduced by outstanding debt attributable to acquisition. Net assets are reported as restricted when constraints are imposed by third parties or enabling legislation. The Authority's restricted assets are expendable. All other net assets are unrestricted.

Proprietary Accounting and Financial Reporting

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Authority follows all GASB pronouncements issued on, before, or after November 30, 1989, as well as all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principal Board Opinions and Accounting Research Bulletins issued on, before, or after November 30, 1989, unless they contradict GASB guidance.

Budgeting Requirements

The Authority's annual budgeting process is a financial planning tool used to establish the estimated revenues and expenditures for both Airports. The Authority's annual budget is not prepared in accordance with generally accepted accounting principles (GAAP). In keeping with the requirements of a proprietary fund, budget comparisons have not been included in the financial section of this report.

Revenue Recognition

Rentals and concession fees are generated from airlines, parking structures and lots, food, rental cars, fixed base operators, and other commercial tenants. Leases with the airlines are based on full cost recovery, through rates and charges as described below. Other leases are for terms from one to 15 years and generally require rentals based on the volume of business, with specified minimum rentals. Rental revenue is recognized over the life of the respective leases, and concession revenue is recognized partially based on reported concession revenue and partially based on minimum rental guarantee. Rental revenue and concession revenue are recognized as operating revenues on the Statements of Revenues, Expenses and Changes in Net Assets.

Landing fees are principally generated from scheduled airlines and non-scheduled commercial aviation and are based on the landed weight of aircraft. The scheduled airline fee structure is determined annually based on full cost recovery pursuant to an agreement between the Authority and the Signatory Airlines. Landing fees are recognized as part of operating revenues when airline related facilities are utilized.

Several airlines represent concentrations of revenues for the Authority. At Reagan National, US Airways, Delta Air Lines, and American Airlines comprise approximately 70.8% of annual airline revenues. At Washington Dulles, United, Delta Air Lines and Independence Air comprise approximately 62.0% of annual airline revenues. These airlines combined represent approximately 65.5% of the total annual airline revenues for the Authority. Actual airline revenues for 2005 represent approximately 49.3% of the Authority's total revenues.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits, certificates of deposit, commercial paper, United States Government and agency obligations, mutual funds, and repurchase agreements collateralized by United States Government or agency obligations with an original maturity of three months or less, including restricted assets.

Investments

Investments with an original maturity greater than one year are recorded at their fair value with all investment income, including changes in the fair value of investments, reported as investment income in the financial statements. Investments with an original maturity of less than one year are carried at amortized cost which approximates fair value.

Investments consist of certificates of deposit, commercial paper, United States Government and agency obligations, interest rate swaps, and repurchase agreements collateralized by United States Government or agency obligations, with an original maturity greater than three months.

Swaps

The Authority enters into interest rate swap agreements to modify interest rates on outstanding debt. The Swaps are recognized at fair value on the Statements of Net Assets in investments. Changes in the fair value of the Swaps are recorded as unrealized gains or losses on the Statements of Revenues, Expenses and Changes in Net Assets. In addition, net interest expenditures are also recorded in the Statements of Revenues, Expenses and Changes in Net Assets.

Inventory and Prepaid Items

Inventory consists of spare parts and is stated at the lower of cost or market value, using the first-in, first-out method. Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

Capital Assets

Personal property, the ownership of which was transferred from the United States Government to the Authority on June 7, 1987, is recorded at fair value at the date of transfer. Assets acquired subsequent to the transfer are stated at historical cost and include the expense of federal grants to construct and improve the facilities of the Authority. The costs for property and facilities include net interest expense incurred from the date of issuance of the debt to finance construction until the completion of the capital project (See Notes F and J). Tenants have funded construction and improvements of airport facilities from their own working capital. Under agreements with the Authority, the property reverts to the Authority upon termination or expiration of the Airport Use Agreement and Premises Lease (the Agreement). Terms range from 15 to 40 years. These assets obtained by the Authority are recorded at fair market value as of date of transfer. Major improvements and replacements of property are capitalized. Maintenance, repairs, and minor improvements and replacements are expensed as incurred.

Provision for depreciation has been calculated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives and corresponding capitalization thresholds are as follows:

		Threshold
Equipment	5-7 years	$10,000
Motor Vehicles	3-5 years	10,000
Buildings	20-40 years	25,000
Systems and Structures	10-40 years	25,000

Impaired Capital Assets

For the year ended December 31, 2004, the Authority early implemented GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. Capital assets that have potential for meeting the definition of impairment are identified and tested for impairment. Permanently impaired capital assets that will continue to be used by the Authority are written down to the measured impaired value. The carrying amount of impaired capital assets that are idle are disclosed in the notes to the financial statements and impaired capital assets that are no longer used by the Authority are reported at the lower of carrying value or fair value.

Bond Issuance Costs

Bond issuance costs represent expenses incurred in the process of issuing bonds and are amortized over the life of the related bond issue, using the interest method.

Long-Term Debt Refundings

The Authority periodically refunds its debt. The difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the life of the old or new debt, whichever is shorter. The amount deferred is reported as a deduction from the new debt liability.

Compensated Absences

The Authority employees are granted paid vacation at rates of 13 to 30 days per year, depending on their length of employment and may accumulate up to a maximum of 30 days or 240 hours. Upon termination, employees are paid for any unused accumulated vacation. The accumulated vacation is recorded as a liability when earned and is reflected in accrued expenses. The calculation of the liability is based on the pay or salary rates in effect as of the end of the fiscal period, normally the year ended December 31. An additional amount has been accrued for the liability of salary related payments. Such salary related payments include the employer's share of social security, medicare and unemployment taxes and the employer's contributions to the Authority retirement and pension plans.

Balance as of December 31, 2004	$ 5,599,399
Vacation used during the year	(5,612,869)
Vacation earned during the year	5,975,424
Balance as of December 31, 2005	$ 5,961,954

The Authority employees earn 13 days of sick leave per year. Unused sick leave for employees enrolled in the Authority's retirement plan is counted at retirement as additional time worked for calculation of the pension benefit.

Arbitrage - Rebate Liability

The United States Treasury has issued regulations on calculating the rebate due to the United States Government on arbitrage profits and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage profits arise when the Authority temporarily invests the proceeds of tax exempt debt in securities with higher yields. The Authority had no estimated liability on December 31, 2005 and no estimated liability on December 31, 2004.

Capital Contributions - Passenger Facility Charges (PFCs)

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act which authorized domestic airports to impose a PFC on enplaning passengers. In May 1991, the FAA issued the regulations for the use and reporting of PFCs. PFCs may be used for airport projects that meet at least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers.

The Authority was granted permission to begin collecting a $3.00 PFC effective November 1, 1993, at Reagan National and January 1, 1994, at Washington Dulles. The charges, less an administrative fee charged by the airlines for processing, are collected by the airlines and remitted on a monthly basis to the Authority. Due to their restricted use, PFCs are categorized as non-operating revenues and are accounted for on the accrual basis. The Authority applied for and received approval in February 2001, to increase the PFC collection from $3.00 to $4.50, effective May 2001.

Capital Contributions - Federal and State Grants

The Authority receives federal and state grants in support of its Capital Construction Program (CCP). The federal program provides funding for airport development, airport planning and noise compatibility programs from the Airport and Airways Trust Fund in the form of both entitlement and discretionary grants for eligible projects. The Commonwealth of Virginia also provides discretionary funds for capital programs.

Grants for capital asset acquisition, facility development, rehabilitation of facilities and long-term planning are reported in the Statements of Revenues, Expenses and Changes in Net Assets, after non-operating revenues and expenses as capital contributions.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management, where necessary, to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. DEPOSITS AND INVESTMENTS

For the year ended December 31, 2005, the Authority has implemented GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, for financial reporting of deposit and investments.

Deposits

The Authority's investment policy requires that deposits in excess of the federally insured amount be held at institutions with a LACE (Liquidity, Asset Quality, Capital and Earnings) Financial Institutions Rating service rating B or above. In the event a financial institution's rating falls below this level, the deposits are reduced to the federally insured amount. The Authority's practice is to sweep all demand deposits at the close of each business day into overnight repurchase agreements.

As of December 31, 2005 the Authority had various Certificates of Deposit in the amount of $5,400,000 that were not covered by insurance and were not collateralized with securities held by the pledging financial institutions. These Certificates of Deposit are held at institutions with a LACE Financial Institutions Rating service of B or above. These Certificates of Deposit are part of the Authority's Link Deposit Program whereby a portion of the reserves funds are deposited with banks that have an "outstanding" Community Reinvestment Act rating.

The Authority maintains multiple imprest cash funds in certain departments at each airport. These amounts are not covered by insurance and are not collateralized. These funds totaled $123,900 as of December 31, 2005.

Investments

The Authority had the following investments in its portfolio as of December 31, 2005:

Investments	Credit Rating[1]	Fair Value	Weighted Average Maturity (years)	% of Portfolio
U.S. Treasury Bonds/Notes		$ 39,650,000	1.9863	5.82%
Fannie Mae	Aaa/AAA	251,689,000	0.4326	36.92%
Freddie Mac	Aaa/AAA	192,660,000	0.6554	28.26%
Farmer Mac	Aaaa/AAA	7,000,000	0.2466	1.03%
Federal Home Loan Bank	Aaa/AAA	78,350,000	1.4766	11.49%
Commercial Paper	P-1/A-1	6,230,000	0.1364	0.91%
MBIA Guaranteed Invest Contract[2]	Aa2/AA	36,274,390	28.4415	5.32%
FSA Guaranteed Invest Contract[2]	Aaa/AAA	25,849,890	29.7727	3.79%
Bank of America	AA2/AA-	7,716,000	7.6768	1.13%
Repurchase Agreements[3]	P-1/A-1	36,315,711	0.0110	5.33%

1 The ratings in this table are from Moody's and S&P, respectively.
2 Underlying rating of the counterparties.
3 Collateralized by Federal Agency Notes.

Credit Risk

Credit Risk is the risk that the Authority will lose money because of the default of the security of the issuer or investment counterparty.

The primary objectives of the Authority's investment policy are the safety of capital, the liquidity of the portfolio and the yield of investments. Bond proceeds (See Note E) may be invested in securities as permitted in the bond indentures, otherwise, assets of the Authority may be invested in United States Treasury securities; short-term obligations of the United States Government agencies; short term obligations of the Commonwealth of Virginia, the State of Maryland, and the District of Columbia; certificates of deposit with banks that have a LACE rating of "B" or better, or that are fully insured or collateralized; prime commercial paper rated A1 and P1 by Standard & Poor's Rating Services (S&P) and Moody's, respectively; prime bankers' acceptance notes; repurchase agreements whose underlying collateral consists of the foregoing; money market or mutual funds or other such securities or obligations that may be approved by the Finance Committee by modification of the Authority's policy.

The table above shows the fair value and the credit quality of the Authority's investment portfolio, by investment type as of December 31, 2005.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Authority would not be able to recover the value of its deposits, investments or collateral securities that were in the possession of an outside party. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Authority and are held by either the counterparty or the counterparty's trust department or agent but not in the Authority's name.

The Authority's investment policy requires securities be insured or registered investments, or securities held by the Authority or its agent in the Authority's name. As of December 31, 2005, all the Authority's securities are held by the Authority or its agent in the Authority's name and are fully insured or registered investments.

Repurchase agreements and guaranteed investment contracts are required to be collateralized at 103% and require the collateral to be Authorized Investments as described in the Investment Policy and the Master Bond Indenture.

The Authority's forward purchase agreement is collateralized at 100% with securities delivered monthly. The collateral is required to be approved Authority Investments as described in the Master Bond Indenture.

The fair value of the collateral for repurchase agreements was $36,989,454 on December 31, 2005. The fair value of the collateral for the guaranteed investment contracts was $68,297,124 on December 31, 2005. The fair value of the collateral for the forward purchase agreements was $7,716,000 on December 31, 2005. All the collateral for these contracts was held by the Authority's agent in the Authority's name.

Interest Rate Risk

The Authority's investment policy is designed to maximize investment earnings, while protecting the security of the principal and providing adequate liquidity. The overriding policy for investment decisions is to have funds available as needed for construction and general operating expenses. The Authority's investment committee meets quarterly and determines the investment horizon for each fund based on the current construction or operating needs and the prevailing market conditions. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value. The Authority manages interest rate risk by managing the weighted average maturity of the each type of the portfolio to best meet liquidity needs.

The Bank of America Forward Purchase Agreement pays a variable interest rate of 75.5 basis points over the BMA Municipal Swap Index yield and is reset weekly. The collateral is comprised of Federal Agency notes maturing monthly on the variable rate's (Series 2003D Bonds) interest payment date.

Concentration of Credit Risk

The Authority as detailed above is limited to investments allowed by the bond indentures and the investment policy. However, the Investment Policy does not limit the aggregation of investments in any one type of security. There are providers of securities in which the Authority has invested individually more than 5% of the total portfolio.

During 1998, the Authority implemented GASB Statement No. 31, *Accounting and Reporting For Certain Investments and For External Investments Pools.* In accordance with the provisions of this pronouncement, investments with an original maturity greater than one year are recorded at their fair value with all investment income, including changes in the fair value of investments, reported as investment income in the financial statements. As permitted by GASB Statement No. 31, investments with an original maturity of less than one year are carried at amortized cost. Fair values are determined through quoted market prices.

The tables below present the Authority's investments in accordance with GASB Statement No. 31:

	December 31, 2005	
	Cost	Carrying Value
Securities with original maturity 1 year and over	$ 211,040,280	$ 209,365,320
Securities with original maturity less than 1 year	470,694,711	466,621,725
	$ 681,734,991	$ 675,987,045

	December 31, 2004	
	Cost	Carrying Value
Securities with original maturity 1 year and over	$ 169,240,390	$ 170,949,593
Securities with original maturity less than 1 year	356,075,236	354,502,190
	$ 525,315,626	$ 525,451,783

Change in carrying value from December 2004 to December 2005

Carrying value at December 31, 2005	$ 675,987,045
Add: Proceeds from investments sold in 2005	1,031,570,829
Less: Cost of investments purchased in 2005	(1,176,994,571)
Less: Carrying value at December 31, 2004	(525,451,783)
Change in carrying value of investments	$ 5,111,520

Change in carrying value from December 2003 to December 2004

Carrying value at December 31, 2004	$ 525,451,783
Add: Proceeds from investments sold in 2004	1,503,410,946
Less: Cost of investments purchased in 2004	(1,696,704,627)
Less: Carrying value at December 31, 2003	(330,318,086)
Change in carrying value of investments	$ 1,840,016

Reconciliation to Comparative Statements of Net Assets

A reconciliation of deposits and investments to the comparative statements of net assets is as follows:

	December 31, 2005	December 31, 2004
Deposits	$ 5,015,216	$ 5,752,661
Investments	848,414,158	643,556,216
	$ 853,429,374	$ 649,308,877
Cash and cash equivalents	$ 23,143,483	$ 33,832,942
Cash and cash equivalents, restricted	324,714,977	97,351,250
Passenger facility charges, restricted cash	34,156,965	53,485,838
Investments	233,116,586	197,182,141
Investments, restricted	17,253,608	85,660,959
Long-term investments	14,582,506	9,470,986
Long-term investments, restricted	206,461,249	172,324,761
	$ 853,429,374	$ 649,308,877

C. INTEREST RATE SWAP

During the year ended December 31, 2001, the Authority entered into two forward starting interest rate swap agreements (the 2001 Swaps) to modify interest rates on future outstanding debt. In 2002, the 2001 Swaps were used to hedge $241.8 million of the Series 2002C Bonds. Based on the swap agreement, the Authority owes interest calculated at a fixed rate of 4.45% and 4.46% to the counter parties to the 2001 Swap, Lehman Brothers and Merrill Lynch. In return, the counter parties owe the Authority interest based on a variable rate equal to 72% of LIBOR (London International Bank Offered Rate). Only the net difference in interest payments is actually exchanged with the counter parties. The Authority continues to pay interest to the bondholders at the variable rate provided by the Bonds, and during the term of the swap agreement, the Authority pays the difference between the fixed rate on the 2001 Swaps and 72% of LIBOR.

On May 13, 2005, the Authority entered into forward floating-to-fixed interest rate swap agreements (collectively, the “2005 Swaps”) with Wachovia Bank, N.A. and Bank of Montreal to provide protection against rising interest rates for a portion of the financings the Authority expects to undertake in 2006 and 2007 to fund ongoing capital needs. The 2005 Swaps that have an effective date of October 1, 2006, have notional amounts of $65.0 million and $35.0 million, respectively. Based on the Swap agreement, the Authority owes interest calculated at a fixed rate of 3.5% to the counter parties of the 2005 Swaps, Wachovia Bank, N.A. and Bank of Montreal. In return, the counter parties owe the Authority interest based on a variable rate equal to 72.0% of the one month U.S. dollar LIBOR-BBA. Only the net difference in interest payments is actually exchanged with the counter parties. The 2005 Swaps that have an effective date of October 1, 2007, have notional amounts of $125.0 million and $75.0 million, respectively. Based on the Swap agreement, the Authority owes interest calculated at a fixed rate of 3.6% to the counter parties of the 2005 Swaps, Wachovia Bank, N.A. and Bank of Montreal. In return, the counter parties owe the Authority interest based on a variable rate equal to 72.0% of the one month U.S. dollar LIBOR-BBA. Only the net difference in interest payments is actually exchanged with the counter parties.

In connection with the Swaps, the Authority implemented Financial Accounting Standard No. 133, *Accounting for Derivative Instruments and Hedging Activities* (FAS 133), on January 1, 2001.

All the Authority's interest rate swap agreements are recognized on the Statement of Net Assets in investments at fair value. Changes in the fair value of the Authority's interest rate swap agreements are recorded as unrealized gains or losses on the Statements of Revenue, Expenses and Changes in Net Assets. As of December 31, 2005, the fair value of the 2001 Swaps was an unrealized loss of $15,178,212, compared to an unrealized loss for the year ended December 31, 2004, of $20,417,526. An unrealized gain of $5,239,314 was recognized for the year ended December 31, 2005. In addition, net interest expenditures, which began in October 2002, are recorded in the financial statements. As of December 31, 2005, the fair value of the 2005 Swaps that have an effective date of October 1, 2006 was an unrealized gain of $475,170. As of December 31, 2005, the fair value of the 2005 Swaps that have an effective date of October 1, 2007 was an unrealized gain of $347,645.

D. ACCOUNTS RECEIVABLE

Trade accounts receivable consists of the following:

	December 31,	
	2005	2004
Trade accounts receivable	$ 27,856,560	$ 21,114,781
Less: allowance for doubtful accounts	(1,060,060)	(1,081,403)
	$ 26,796,500	$ 20,033,378

For the years ended December 31, 2005 and December 31, 2004, the Authority's accounts receivable included $4.0 million petition debt from United. On March 19, 2004, the U.S. Bankruptcy Court for the Northern District of Illinois, Eastern Division, approved UAL Corporation's assumption of leases and cure of all defaults at Reagan National and Washington Dulles. The court's order among other things approved payment of $4,476,143 by United to the Authority to cure all defaults under these leases; $500,000 of this payment was paid within 60 days of this court order, with the remainder due within 30 days of United's final court approved plan of reorganization. On February 1, 2006, United received a final and non-appealable court approved plan of reorganization. This event requires among other things a payment within 30 days to the Authority of $3,976,143 which will completely satisfy the remainder of United's pre-petition debt. This payment was received by the Authority on March 3, 2006. The Authority had not established a reserve for the United pre-petition debt. United is current on its post bankruptcy obligations.

On November 7, Independence Air filed for bankruptcy protection and discontinued operations on January 5, 2006. The Authority's accounts receivable included $996,401 in pre-petition debt. On January 31, 2006 Independence Air signed a court approved agreement to assume their lease for their gates in Concourse A at Washington Dulles and then immediately assign that lease over to United Airlines. United Airlines paid the Authority a court approved amount which satisfied a significant portion of Independence Air's pre-petition debt. The Authority has not established a reserve for this pre-petition obligation.

The Authority's accounts receivables are 70% trade receivables due from concessionaires and airlines. The remaining 30% are notes and other receivables such as interest receivable.

E. RESTRICTED ASSETS

The Master Indenture securing the Revenue Bonds of the Authority, requires segregation of certain assets into restricted accounts. The Authority has also included PFC assets in restricted assets. Restricted assets consist of the following:

	December 31, 2005	December 31, 2004
Construction	$ 287,390,839	$ 128,736,558
Debt service reserve accounts	206,461,249	172,324,761
Interest accounts	35,586,688	28,522,863
Sinking fund accounts	18,991,057	25,752,788
Passenger facility charge accounts	34,156,965	53,485,838
Passenger facility charges and grant receivables	9,866,152	15,386,313
	$ 592,452,950	$ 424,209,121

The construction accounts include the funds available for the design and construction of capital improvements for the Airports. The debt service reserve accounts contain the maximum amount of required principal payments for the bonds scheduled to come due in one year. The debt service reserve accounts are revalued each year in October. Any amounts in excess of the debt service requirements are transferred to the applicable construction fund or taken into the revenue funds of the Authority if the construction funds have been expended. If the debt service reserve is undervalued, the Authority transfers funds into the accounts. The debt service reserve accounts were over funded by approximately $660,820 and $1,802,223, as of December 31, 2005 and December 31, 2004, respectively. The interest account contains the interest amounts required for the semi-annual interest payments. The sinking fund accounts represent the principal for the annual October bond payments. The PFC and grant receivables represent amounts collectable at the years ended December 31, 2005 and 2004.

F. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for the years ended December 31, 2005 and 2004 are as follows:

	Beginning Balance January 1, 2005	Transfers and Additions	Transfers and Deletions	Ending Balance December 31, 2005
Capital assets not being depreciated				
Construction in progress	$ 746,007,372	$ 511,225,411	$ (278,692,227)	$ 978,540,556
Land	49,069,234	56,281,671	(1,079)	105,349,826
Total capital asset not being depreciated	795,076,606	567,507,082	(278,693,306)	1,083,890,382
Other capital assets				
Equipment	46,516,905	2,992,694	(757,000)	48,752,599
Motor vehicles	80,150,658	2,975,437	(1,837,439)	81,288,656
Buildings	1,950,902,381	151,563,741	-	2,102,466,122
Systems and structures	1,064,103,509	127,309,223	-	1,191,412,732
Total other capital assets	3,141,673,453	284,841,095	(2,594,439)	3,423,920,109
Less accumulated depreciation:				
A/D equipment	37,273,293	3,444,705	(794,555)	39,923,443
A/D motor vehicles	67,260,515	5,081,285	(1,774,952)	70,566,848
A/D buildings	399,748,768	60,339,539	-	460,088,307
A/D systems & structures	435,183,709	58,784,891	-	493,968,600
Total accumulated depreciation	939,466,285	127,650,420	(2,569,507)	1,064,547,198
Other capital assets, net	2,202,207,168	157,190,675	(24,932)	2,359,372,911
Totals	$ 2,997,283,774	$ 724,697,757	$ (278,718,238)	$ 3,443,263,293

	Beginning Balance January 1, 2004	Transfers and Additions	Transfers and Deletions	Ending Balance December 31, 2004
Capital assets not being depreciated				
Construction in progress	$ 619,050,895	$ 370,117,910	$ (243,161,433)	$ 746,007,372
Land	49,066,610	37,718	(35,094)	49,069,234
Total capital asset not being depreciated	668,117,505	370,155,628	(243,196,527)	795,076,606
Other capital assets				
Equipment	43,228,998	3,940,932	(653,025)	46,516,905
Motor vehicles	76,732,693	4,160,481	(742,516)	80,150,658
Buildings	1,837,274,423	115,397,821	(1,769,863)	1,950,902,381
Systems and structures	937,395,979	126,707,530	-	1,064,103,509
Total other capital assets	2,894,632,093	250,206,764	(3,165,404)	3,141,673,453
Less accumulated depreciation:				
A/D equipment	33,647,086	4,206,361	(580,154)	37,273,293
A/D motor vehicles	62,279,397	5,590,800	(609,682)	67,260,515
A/D buildings	341,209,896	59,002,850	(463,978)	399,748,768
A/D systems & structures	381,550,179	53,633,530	-	435,183,709
Total accumulated depreciation	818,686,558	122,433,541	(1,653,814)	939,466,285
Other capital assets, net	2,075,945,535	127,773,223	(1,511,590)	2,202,207,168
Totals	$ 2,744,063,040	$ 497,928,851	$ (244,708,117)	$ 2,997,283,774

For the year ended December 31, 2005, interest costs of $19,540,303 less interest earned of $4,070,122 were capitalized as part of the cost of construction in progress. For the year ended December 31, 2004 interest costs of $10,037,007 less interest earned of $3,081,027 were capitalized as part of the cost of construction in progress. Depreciation and amortization expense for the years ended December 31, 2005 and 2004 was $132,424,537 and $126,177,767, respectively, which includes amortization associated with bond issuance costs of $4,774,118 and $3,744,226, respectively.

As of December 31, 2005, the Authority's construction in progress account includes only costs expended on work for projects that are in an active status. In 2000, as part of its CCP, the Authority approved an expansion of the CCP for Washington Dulles, referred to as the d^2 Program.

In the aftermath of September 11, 2001, and in the face of the deteriorating financial condition of many airlines, the Authority reexamined plans for the CCP in the spring of 2002. As a result, the Authority delayed the start dates of several projects, deferred some projects until it determined that demand and circumstances warranted reactivation of each project, and added three new projects to the CCP. This active portion of the CCP is referred to as the 2001-2011 CCP.

In connection with the Authority's routine reviews of the CCP, the Authority has made certain adjustments to the 2001-2011 CCP since the spring of 2002, including adding new projects, deferring some active projects, reactivating some projects that were deferred and deleting certain projects from the CCP entirely.

Based on expenditures to date and projected expenditures through 2011, Authority management currently estimates the cost of the 2001-2011 CCP at approximately $3.9 billion.

The major projects deferred as a result of the events of September 11, 2001, relate primarily to the planned Tier 2 Concourse and associated facilities and the 12-gate addition to Concourse B. A significant majority of these design plans and costs were reevaluated in 2004 and it was determined that the projects should go forward with an estimated completion date of 2011.

Of the remaining projects, design plans and costs are evaluated on a periodic basis and should it be determined that the projects will not go forward or the designs are no longer usable, the associated costs will be written off.

For the year ended December 31, 2004, the Authority early implemented GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*.

G. ACCOUNTS PAYABLE

The accounts payable and accrued expenses balance is 60.7% payable from restricted funds and 39.3% payable from the general operating fund. The restricted fund payables are primarily trade accounts payable related to the Authority's ongoing construction program. Building construction costs payable are $50.0 million as of December 31, 2005 and $69.9 million as of December 31, 2004. The unrestricted accounts payables and accrued expenses are 8.0% accrued salaries and benefits, 75.5% payables to vendors, 13.0% deferred revenue and expenses, with the remaining 3.5% reserves for insurance claims.

H. PENSION PLANS

The Authority participates in two United States Government pension plans: the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS). Each is considered a cost-sharing multiple employer public employee retirement system. Employees hired before December 31, 1983 are members of the CSRS unless they elected to transfer to FERS either before December 31, 1987 or during the special enrollment period from July 1, 1998, through December 31, 1998. In addition, the Authority maintains single employer-defined benefit pension plans that cover all of its police and fire employees and its regular employees hired on or after June 7, 1987, excluding employees working less than 20 hours a week and other temporary employees.

Government Pension Plans

Under the CSRS, employees contribute 7.0% of their base pay (7.5% for firefighters) and the Authority matches the employees' contributions. Retirement benefits are based on length of service and the average of the employee's three highest years of base pay. Employees can retire at age 55 with 30 years of service; age 60 with 20 years of service; or age 62 with five years of service. Firefighters can retire at age 50 with 20 years of firefighting service. Retirement annuities range from 7.5% of the average high three-year base pay to a maximum of 80.0% depending on years of service. Effective April 1, 1987, the CSRS added a Thrift Savings Plan where CSRS participants can now contribute up to 10.0% of their salary on a tax-deferred basis up to the statutory limit of $14,000 in 2005. There are 63 regular employees and 11 police and firefighter employees currently enrolled in CSRS, as of December 31, 2005.

The FERS provides benefits from three different sources: a Basic Benefit Plan, Social Security, and the Thrift Savings Plan. The Basic Benefit Plan employees' deduction ranges from 0.8% of base pay for regular employees to 1.3% for firefighters. The Authority contributes from 10.7% for regular employees to 23.3% for firefighters. There are 48 regular employees and 35 police and firefighter employees currently enrolled in the FERS, as of December 31, 2005.

Employees retiring under the FERS are entitled to annual maximum retirement benefits equal to 1.1% of the employee's highest three-year average salary for every year of service. Regular employees are eligible for retirement when they have 10 years of service and have reached the minimum retirement age (ranging from 55 to 57 years old), based on a birth date. Firefighters can retire at age 50 with 20 years of firefighting service or at any age with 25 years of service. These employees are entitled to an annual retirement benefit of 1.7% of the employee's highest three-year average salary for every year of service up to 20 years and 1.0% for years of service over 20. FERS participants enrolled in the Thrift Savings Plan can now contribute up to 15.0% of their salary on a tax-deferred basis.

The Authority's base payroll for employees covered by the CSRS and the FERS for the year ended December 31, 2005 was approximately $11,178,303. The Authority's total base payroll for all employees was approximately $67,929,206. Employee contributions for these federal pension plans were $462,373 (5.0% of covered payroll for 2005) and $503,334 (5.0% of covered payroll for 2004).

The employer contributions for these plans were $1,307,589 for 2005, $1,349,444 for 2004, and $1,425,519 for 2003. These contributions represent 100% of required contributions for each of the respective years.

In March 2003, the United States Office of Personnel Management (OPM) notified the Authority that they had completed the calculation of the cost of providing enhanced retirement benefits to the Authority's police officers under Public Law 106-554. Provisions of this law allowed the Authority's police officers that were employed while the Authority was part of the United States Department of Transportation, to elect to be treated as "law enforcement officers" for purposes of retirement. OPM calculated that the past service cost with interest is $2.9 million and according to the law, is payable in five annual installments with the first payment of $646,493, which was made on May 31, 2003, the second payment of $646,493, which was made on February 11, 2004, and the third payment of $646,493, which was made on June 15, 2005. The fourth annual installment of $646,493 will be made in early 2006.

The U.S. Office of Personnel Management administers both the CSRS and the FERS. Copies of the financial statements of these pension plans may be obtained from the United States OPM. Actuarial information for these federal pension plans is not available.

The Authority Pension Plans

Effective January 1, 1989, the Authority established a retirement benefits program for employees hired on or after June 7, 1987, which provides income in the event of retirement or death where a surviving spouse remains. Employee coverage and service credit was retroactive to June 7, 1987. The program includes the Authority Retirement Plan (covering regular employees) and the Authority Retirement Plan for Police Officers and Firefighters (the Plans), both single employer defined benefit plans. Any amendment to these plans must be approved by the Authority's Board. As of December 31, 2005, the number of employees participating in the Plans was:

Current participants	Regular	Police/Fire	Total
Vested	539	149	688
Non-vested	251	140	391
Retirees/disabled employees currently receiving benefits	96	7	103
Terminated vested participants	257	57	314
Total	1,143	353	1,496

The Authority contributed 7.2% to the Regular Plan and 13.2% to the Police and Fire Plan in 2005. The Authority's base payroll in 2005 for the Regular Plan was approximately $43,284,456 and $13,466,447 for the Police and Fire Plan. The Authority's base payroll in 2004 for the Regular Plan was approximately $39,812,800 and $12,162,155 for the Police and Fire Plan. In 2005, the Authority contributed $3,116,481 to the Regular Plan and $1,775,171 to the Police and Fire Plan. In 2004, the Authority contributed $2,786,896 to the Regular Plan and $1,568,918 to the Police and Fire Plan. Employees do not contribute to the Regular Plan.

The Plans provide retirement benefits as well as death benefits. Regular employees who retire at or after age 60 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.2% of final-average salary up to covered compensation and 1.6% of final-average salary which is above covered compensation for each year of credited service (maximum 30 years).

Final-average salary is the average of the employee's highest consecutive 78 pay periods in the most recent 260 pay periods, while covered compensation is the 35-year average of the Social Security Wage Bases ending with the year in which the participant attains Social Security normal retirement age. A pre-retirement surviving spouse benefit is payable in the event of death, equal to 50.0% of the benefit which would have been payable had the participant retired, provided the participant had at least five years of service. Benefits can be received as early as age 55 with five years of service with a 5.0% reduction for each year the participant is younger than age 60. Benefits are also adjusted to the lesser of one-half of the CPI or 4.0%.

The benefits to police officers and firefighters become payable at age 55 with five years of service or at any age with 25 years of service. Benefits are not reduced if retirement is at or after age 50. The benefit is 2.0% of the final average earnings for service up to 25 years, and 1.0% of the final average earnings for service between 25 and 30 years. Withdrawal, death, and cost of living benefits are similar to those available to regular employees. Police officers and firefighters are required to contribute 1.5% of base pay per year of participation, which is accumulated with a 5.0% interest rate and returned when a benefit is forfeited.

The Authority contributes the remaining amounts necessary to fund the Plans using the entry age normal actuarial method in addition to an amount to amortize any unfunded liability.

Contributions Required and Made

The Authority's funding policy is to provide for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. Employer contributions are determined in accordance with the plan provisions and approved by the Authority's Board. Level percentages of payroll employer contribution rates are determined using the entry age actuarial funding method shown in dollars in the following table. Unfunded actuarial accrued liabilities are being amortized over a period of 30 years on an open basis.

Annual Pension Cost and Net Pension Obligation

The Authority's annual pension obligation (asset) for its General Employees and Police and Firefighters pension plans for fiscal 2004, 2003 and 2002, the latest years for which data is available, were as follows:

	2004	
	General Employees	Police and Firefighters
Annual required contribution	$ 2,755,413	$ 1,723,233
Interest on net pension obligation (asset)	(107,114)	(24,173)
Adjustment to annual required contribution	112,489	25,386
Annual pension cost	2,760,788	1,724,446
Contributions made	2,678,873	1,684,069
Increase in net pension obligation (asset)	81,915	40,377
Net pension obligation (asset) beginning of year	(1,428,185)	(322,312)
Net pension obligation (asset) end of year	$ (1,346,270)	$ (281,935)

	2003	
	General Employees	Police and Firefighters
Annual required contribution	$ 2,593,255	$ 1,577,901
Interest on net pension obligation (asset)	(124,254)	(34,394)
Adjustment to annual required contribution	130,488	36,120
Annual pension cost	2,599,489	1,579,627
Contributions made	2,370,976	1,443,352
Increase in net pension obligation (asset)	228,513	136,275
Net pension obligation (asset) beginning of year	(1,656,698)	(458,587)
Net pension obligation (asset) end of year	$ (1,428,185)	$ (322,312)

	2002 General Employees	2002 Police and Firefighters
Annual required contribution	$ 2,084,956	$ 1,280,205
Interest on net pension obligation (asset)	(106,714)	(30,680)
Adjustment to annual required contribution	109,712	31,542
Annual pension cost	2,087,954	1,281,067
Contributions made	2,410,730	1,356,150
Increase in net pension obligation (asset)	(322,776)	(75,083)
Net pension obligation (asset) beginning of year	(1,333,922)	(383,504)
Net pension obligation (asset) end of year	$ (1,656,698)	$ (458,587)

Three year trend information is as follows:

	General Employees Retirement Plan			Police Officers and Firefighters Plan		
Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligations (Assets)	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligations (Assets)
2002	$2,087,954	115.6%	($1,656,698)	$1,281,067	105.9%	($458,587)
2003	$2,599,489	91.2%	($1,428,185)	$1,579,627	91.4%	($322,312)
2004	$2,760,788	97.0%	($1,346,270)	$1,724,446	97.7%	($281,935)

Funding Status

The actuarial accrued liability was determined as part of an actuarial valuation of the Plans at December 31, 2004. Significant actuarial assumptions used in determining the actuarial accrued liability include: (a) a rate of return on the investment of the present and future assets of 7.5% per year compounded annually, (b) projected salary increases ranging from 5.5% to 9.5% based on years of service and anticipated inflation, (c) post-retirement benefit increases of 1.75% per year, (d) for inflation rate, CPI increases of 3.5% per year (e) amortization method of percentage of projected payroll, and (f) amortization period of 30 years, open. The actuarial value of assets is determined using fair market values with changes smoothed over a five-year period. A copy of the actuarial valuation and plan document may be obtained by written request to: MWAA, Benefits Department, 1 Aviation Circle, Washington, DC 20001-6000. There are no separate stand alone financial reports issued.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
General Employees Retirement Plan						
12/31/00	$39,569,099	$29,069,920	$(10,499,179)	136.1%	$34,926,769	(30.1)%
12/31/01	44,776,250	33,126,203	(11,650,047)	135.2%	37,458,710	(31.1)%
12/31/02	48,332,275	37,975,594	(10,356,681)	127.3%	39,377,221	(26.3)%
12/31/03	53,164,834	43,202,420	(9,962,414)	123.1%	41,524,933	(24.0)%
12/31/04	58,126,517	46,229,931	(11,896,586)	125.7%	43,199,684	(27.5)%
Police Officers and Firefighters Retirement Plan						
12/31/00	$17,262,191	$14,026,353	$(3,235,838)	123.1%	$8,882,707	(36.4)%
12/31/01	19,772,489	16,145,289	(3,627,200)	122.5%	9,705,378	(37.4)%
12/31/02	21,744,019	19,020,653	(2,723,366)	114.3%	11,487,047	(23.7)%
12/31/03	24,294,170	21,873,198	(2,420,972)	111.1%	12,679,387	(19.1)%
12/31/04	27,168,047	24,474,697	(2,693,350)	111.0%	14,298,016	(18.8)%

Net Pension Obligation

	General Employees Retirement Plan			Police Officers and Firefighters Retirement Plan		
Calendar Year	Annual Required Contribution	Actual Contribution	Percentage Contribution	Annual Required Contribution	Actual Contribution	Percentage Contribution
2000	$2,093,484	$2,505,837	119.7%	$1,055,348	$1,214,980	115.1%
2001	2,321,148	2,602,499	112.1%	1,232,277	1,294,409	105.0%
2002	2,084,956	2,410,730	115.6%	1,280,205	1,356,150	105.9%
2003	2,593,255	2,370,976	91.4%	1,577,901	1,443,352	91.5%
2004	2,755,413	2,678,873	97.2%	1,723,233	1,684,069	97.7%

Expressing the actuarial value of assets available for benefits as a percentage of the actuarial accrued liability provides an indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the retirement plan. Trends in assets in excess of actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the actuarial accrued liability in excess of assets as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the lower this percentage, the stronger the retirement plan.

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, the size or composition of the population covered by the

Plan, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the AAL as a factor.

I. POSTEMPLOYMENT BENEFITS AND DEFERRED COMPENSATION PLAN

The Authority Plans

In addition to pension benefits, the Authority provides post employment benefits of health, dental and life insurance. The Metropolitan Washington Airports Authority Retired Employees Healthcare Plan (the Plan) is a single-employer defined benefit healthcare, dental and life insurance plan administered by the Metropolitan Washington Airports Authority (the Authority). The Plan provides medical, dental and life insurance benefits to eligible retirees and their spouses.

The Authority's Board initially provided the benefits package to meet requirements of the federal enabling legislation which created the Authority in 1987. Through the budget approval process, the Authority has continued to provide these benefits of insurance to retired employees under the Authority group plans for health, dental and life insurance. The Authority can establish and amend benefit provisions of the Plan. As of December 31, 2005, 266 retired employees were receiving life insurance benefits and 257 retired employees were receiving health insurance benefits under these Authority programs.

In accordance with GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Authority created in February 2005 an Employee Welfare Benefits Trust. This trust will provide a funding mechanism for retiree health, dental and life insurance coverage and other post employment benefits other than pensions. The Authority began funding the trust and fully implemented GASB Statement No. 43 and GASB Statement No. 45 in 2005.

The contribution requirements of plan members and the Authority for the health and dental insurance are established and may be amended by the management of the Authority. The required contribution is based upon projected pay-as-you-go financing requirements and funding for future benefits. The Authority pays 80% of the total health insurance premiums costs with the remainder paid by the retired employee. For the years ended December 31, 2004 and December 31, 2005 the Authority's health insurance costs for retired employees totaled $1,952,465 and $2,246,082, respectively.

Plan participants contributed $464,848 million for fiscal year 2005 and $388,399 million for fiscal year 2004, or 20 percent of the total premiums, through their required monthly contributions:

Monthly Contributions for Retirees Under 65 for 2005

Provider Choices	Retiree Only	Retiree Plus Spouse	Retiree Plus Child(ren)	Family
Care First BC/BS PPO	$79.17	$164.68	$150.43	$235.94
Kaiser Permanente Select HMO	$69.59	$146.14	$132.22	$208.77
Care First BC/BS Dental	$17.86	$37.15	$33.93	$53.22

Monthly Contributions for Retirees Over 65 for 2005

Provider Choices	Retiree Only	One > 65 One < 65	Two Party Medicare	Family Medicare
Care First BC/BS PPO	$64.92	$189.22	$129.84	$236.73
Kaiser Permanente				
Non-Senior Advantage	$50.09	$119.68	$100.18	$169.77
Care First BC/BS Dental	$16.99	$31.56	$26.13	$42.75

The Authority pays 100% of the retired employee's reduced basic and supplemental life insurance. Basic life insurance coverage is reduced to 25% of the employee's life insurance in force at the time of retirement. Supplemental life insurance is a multiple of the basic life insurance (1 to 5 times) that the employee had selected prior to retirement. The supplemental life insurance is reduced at a rate of 2.0% each month so that at the end of 50 months, no supplemental life insurance coverage is in force. Of the 266 retired employees, 45 had supplemental insurance coverage as of December 31, 2005. For the year ended December 31, 2005 the life insurance costs for retired employees totaled $308,988 Of the 247 retire employees, 40 had supplemental insurance coverage as of December 31, 2004. For the year ended December 31, 2004, the life insurance costs for retired employees totaled $265,248.

Annual Other Post Employment Cost and Obligation

The Authority's annual other post employment obligations for its plans as of January 2, 2005, the latest date for which data is available, is as follows:

	Jan. 1, 2005 Medical and Dental	Jan 1, 2005 Life Insurance
Annual required contribution	$ 6,390,000	$ 679,900
Interest on net other post employment obligation	-	-
Adjustment to annual required contribution	-	-
Annual other post employment benefit cost	6,390,000	679,900
Contributions made	-	-
Increase in net other post employment obligation	6,390,000	679,900
Net other post employment obligation January 1, 2005	$ 6,390,000	$ 679,900

Two year trend information is not available at this time based on an implementation date of January 1, 2005.

Funding Status

As of January 2, 2005 the most recent actuarial valuation date, the plan was not funded. The Authority, however, in February 2005 established an Employee Welfare Benefits Trust (Trust). This trust will provide a funding mechanism for retiree health coverage and other post employment benefits other than pensions.

The Authority began funding the plan in 2005 and contributed $6,500,000 to the Trust for Medical and Dental Insurance and $544,200 for Life Insurance.

Schedule of Funding Progress for Medical Insurance

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/01/05	$0.00	$65,790,000	$65,790,000	0.00	$58,820,000	111.9%

Schedule of Funding Progress for Life Insurance

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/01/05	$0.00	$5,380,500	$5,380,500	0.00	$59,739,100	9.0%

Net Other Post Employment Obligation – Medical & Dental

Calendar Year	Annual Required Contribution	Actual Contribution	Percentage Contribution
2005	$6,390,000	$6,500,000	101.7%

Net Other Post Employment Obligation – Life Insurance

Calendar Year	Annual Required Contribution	Actual Contribution	Percentage Contribution
2005	$679,900	$544,200	80.0%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial value of future assets will be determined using fair market values.

In the January 2, 2005 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 7.5% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 14.0% initially, reduced by decrements to an ultimate rate of 5.0% after ten years. The Life Insurance rate includes a 3.5% inflation assumption. The initial unfunded actuarial accrued liability is being amortized as a level dollar amount over a period of 30 years. A copy of the actuarial valuation and plan document may be obtained by written request to: MWAA, Benefits Department, 1 Aviation Circle, Washington, DC 20001-6000. There are no separate stand alone financial reports issued.

Deferred Compensation Plan

Effective July 2, 1989, the Authority offered its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits employees to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is available to employees at termination, retirement, death, or an unforeseeable emergency.

Effective January 1, 1997, the Board voted to enter into a trust agreement with Allfirst Trust (now Manufacturers and Traders Trust Company) (M&T) for the assets of the Deferred Compensation Plan. All assets were transferred to Allfirst Trust during 1997 and accordingly, are not included in the Authority's assets and liabilities.

Investments are managed for participants by ICMARC under one of several investment options, or a combination thereof. The choice of the investment option(s) is made by the participant. The investments are held in trust by M&T.

J. CAPITAL DEBT

Bond Anticipation Commercial Paper Notes

The Authority issued Bond Anticipation Commercial Paper Notes pursuant to Resolution No. 00-1 adopted by the Board of the Authority on April 5, 2000, with a principal amount not to exceed $250,000,000 outstanding at any time. In 2000, the Authority sold the $150,000,000 of Series A commercial paper. The Notes were issued to provide interim financing for authorized projects at Reagan National and Washington Dulles and to refund a portion of the Series 1990A senior bonds. The Notes were supported by a Liquidity Agreement between the Authority and Westdeutsche Landesbank Girozentrale, New York Branch (WestLB), in the amount of $150,000,000 dated April 1, 2000 that would have expired on April 18, 2005. The source of payment are proceeds of Notes sold, Take-Out Bonds, Construction Account funds, Liquidity Facility and other funds determined by the Authority to be legally available.

The Notes were issued and remarketed under Commercial Paper Dealer Agreements between the Authority, Merrill Lynch and M.R. Beal & Company. The Notes were variable rate based on the current market rate. On January 12, 2005 the Authority issued Airport System Revenue Commercial Paper Notes, Series Two.

The proceeds of this issue along with other Authority funds were used to refund all $150,000,000 of the outstanding Series A Bond Anticipation Notes.

Changes in Bond Anticipation Commercial Paper Notes Balances

Balance as of December 31, 2004	$ 150,000,000
Commercial Paper Notes Issued	-
	150,000,000
Commercial Paper Notes Refunded	
Series A Bond Anticipation Commercial Paper Notes	(150,000,000)
Balance as of December 31, 2005	$ -

Commercial Paper Notes

Resolution No. 01-6 was adopted by the Board on May 2, 2001, authorizing an additional $250,000,000 of Commercial Paper Notes. With this resolution the Commercial Paper Notes were authorized to an amount not to exceed $500,000,000.

On March 11, 2002, the Authority issued Airport System Revenue Commercial Paper Notes, Series One, in the amount of $100,000,000. All $100,000,000 of the Notes were sold through Bear, Stearns & Co. Inc., on April 14, 2002. The Notes are issued to provide financing for authorized projects at Reagan National and Washington Dulles. The Notes were backed by a direct pay Letter of Credit between the Authority and JP Morgan Chase Bank that would have expired on March 13, 2005, with provisions for extensions. In August 2002, the Authority issued Series 2002D Refunding Bonds which were used to refund the Series One Notes. All $100,000,000 of the Series One Notes were repaid as of November 11, 2002. The weighted average interest rate on the Notes at the time of repayment was 1.43%. In November 2004 the Authority extended the Letter of Credit on the Commercial Paper Notes, Series One with JP Morgan Chase Bank to March 13, 2008 and increased the amount to $150,000,000. On March 1, 2005 the Letter of Credit with JP Morgan Chase Bank was increased to $220,000,000. Utilizing some of the capacity from the previous refunding, the Authority issued $90,000,000 of Series One Commercial Paper on October 5, 2005. The proceeds will be used to provide interim financing for authorized projects at National and Dulles airports.

On January 12, 2005 the Authority authorized and issued Airport System Revenue Commercial Paper Notes, Series Two, up to $200,000,000. In January, 2005 $141,000,000 was issued through Merrill Lynch and M.R. Beal & Company. The Notes were issued to refund the outstanding Bond Anticipation Commercial Paper Notes Series A. The Notes are backed by a direct pay Letter of Credit between the Authority and WestLB AG and Landesbank Baden-Wurttemberg that expires on December 29, 2015. On March 14, 2005 the Authority issued an additional $59,000,000 of Series Two Commercial Paper Notes to provide interim financing for authorized projects at National and Dulles. A portion of Series Two Notes, $144,000,000 on April 13, 2005 and $35,000,000 on May 25, 2005 were repaid by Series 2005A Airport System Revenue Bonds. Utilizing some of the capacity from the previous refundings the Authority issued $75,000,000 of Series Two Commercial Paper on August 3, 2005. The proceeds will be used to provide interim financing for authorized projects at National and Dulles.

All of the Authority's Commercial Paper Notes are rated "P-1" short-term by Moody's, "A-1+" short-term by S&P, and "F1+" short-term by Fitch.

Changes in Commercial Paper Notes Balances

Balance as of December 31, 2004	$ -
Commercial Paper Notes Issued	
Series ONE Commercial Paper Notes	90,000,000
Series TWO Commercial Paper Notes	275,000,000
	365,000,000
Commercial Paper Notes Refunded	
Series TWO Commercial Paper Notes	(179,000,000)
Balance as of December 31, 2005	$ 186,000,000

PFC Bank Participation Notes

The Authority issued Flexible Term PFC Revenue Notes (bank participation notes) of $495,900,000 to finance PFC approved projects. The bank participation notes have various maturity dates and interest rates that vary from 1.39% to 2.10%. The bank participation notes require the Authority to maintain a reserve account. The reserve account at December 31, 2005 and 2004 was $3,260,274 and $1,529,885, respectively, and is included in PFCs, cash, restricted on the Statements of Net Assets. The bank participation notes are backed by a Bank of America, N.A. letter of credit that expires on November 16, 2008. Bank participation notes outstanding at December 31, 2005 and 2004 were $400,000,000 and $187,700,000, respectively. Total interest cost for the years ended December 31, 2005 and 2004 were $4,834,032 and $3,571,826, respectively.

Bonds Payable (continued)

The Authority's long-term bonds issued and outstanding as of December 31, 2005 and 2004 were as follows:

Airport System Senior Debt	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31, 2005	2004
Series 1997A Revenue Bonds	05/15/97					
Serial		4.800%-4.900%	2006-2007	$ 2,415,000		
					$ 2,415,000	$ 34,850,000
Series 1997B Revenue Bonds	05/15/97					
Serial		5.000%-6.000%	2006-2014	$ 66,565,000		
Term		5.500%	2016	19,735,000		
Term		5.750%	2020	46,590,000		
Term		5.500%	2023	42,350,000		
					$ 175,240,000	$ 180,805,000
Series 1998A Revenue Bonds	06/15/98					
Serial		4.200%-4.700%	2006-2013	$ 4,250,000		
Term		5.000%	2018	3,560,000		
Term		5.000%	2023	4,540,000		
Term		5.000%	2028	5,795,000		
					$ 18,145,000	$ 18,580,000
Series 1998B Revenue & Refunding Bonds	06/15/98					
Serial		4.400%-5.500%	2006-2014	$ 92,160,000		
Term		5.000%	2018	56,040,000		
Term		5.000%	2028	85,660,000		
					$ 233,860,000	$ 241,715,000
Series 1999A Revenue Refunding Bonds	04/15/99					
Serial		4.125%-4.500%	2006-2010	$ 7,525,000		
Term		5.250%	2012	3,510,000		
Term		5.250%	2014	3,885,000		
Term		5.250%	2016	4,300,000		
Serial		5.000%	2017-2019	7,320,000		
Term		5.000%	2027	66,180,000		
					$ 92,720,000	$ 94,050,000
Series 2001A Revenue Bonds	04/01/01					
Serial		3.850%-5.500%	2006-2022	$133,090,000		
Term		5.500%	2027	67,190,000		
Term		5.000%	2031	67,820,000		
					$ 268,100,000	$ 272,950,000
Series 2001B Revenue Bonds	04/01/01					
Serial		3.625%-4.750%	2006-2017	$ 4,075,000		
Term		5.000%	2021	1,920,000		
Term		5.000%	2026	3,005,000		
Term		5.000%	2031	3,830,000		
					$ 12,830,000	$ 13,095,000
Series 2002A Revenue Bonds	06/04/02					
Serial		3.500%-5.750%	2006-2022	$ 98,050,000		
Term		5.125%	2026	38,780,000		
Term		5.250%	2032	75,075,000		
					$ 211,905,000	$ 215,435,000

Airport System Senior Debt	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31, 2005	2004
Series 2002B Revenue Bonds	06/04/02					
Serial		3.250%-5.200%	2006-2024	$ 14,790,000		
Term		5.250%	2032	11,650,000		
					$ 26,440,000	$ 26,945,000
Series 2002C Refunding Bonds	08/28/02					
Term		Variable	2006-2021	$ 238,750,000		
					$ 238,750,000	$ 248,545,000
Series 2002D Refunding Bonds	08/28/02					
Serial		3.250%-5.375%	2006-2020	$ 40,260,000		
Term		5.000%	2023	12,270,000		
Term		5.000%	2032	49,685,000		
					$ 102,215,000	$ 104,115,000
Series 2003A Revenue & Refunding Bonds	10/01/03					
Serial		2.125%-5.500%	2006-2025	$ 101,210,000		
Term		5.125%	2029	34,935,000		
Term		5.000%	2033	42,590,000		
					$ 178,735,000	$ 181,915,000
Series 2003B Refunding Bonds	10/01/03					
Serial		2.000%-5.250%	2006-2019	$ 41,480,000		
					$ 41,480,000	$ 43,800,000
Series 2003C Revenue & Refunding Bonds	10/01/03					
Serial		2.900%-5.390%	2006-2015	$ 23,035,000		
Term		5.740%	2019	12,935,000		
Term		6.000%	2023	12,880,000		
					$ 48,850,000	$ 50,725,000
Series 2003D Revenue Bonds	10/01/03					
Term		Variable	2006-2033	$ 145,575,000		
					$ 145,575,000	$ 147,775,000
Series 2004A Refunding Bonds	08/26/04					
Term		3.750%	2014	$ 90,000		
Serial		4.50%-5.000%	2015-2022	13,510,000		
					$ 13,600,000	$ 13,600,000
Series 2004B Revenue Bonds	05/18/04					
Serial		5.000%	2027	$ 25,000,000		
Serial		5.050%	2028	7,330,000		
Term		5.000%	2034	217,670,000		
					$ 250,000,000	$ 250,000,000
Series 2004C-1 Refunding Bonds	07/07/04					
Serial		5.000%	2006-2008	$ 40,830,000		
Serial		5.000%	2020-2021	56,900,000		
					$ 97,730,000	$ 97,730,000

Airport System Senior Debt	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31, 2005	2004
Series 2004C-2 Revenue Bonds	08/12/04					
Term		5.000%	2022	32,970,000		
Serial		5.000%	2023-2024	66,690,000		
					$ 99,660,000	$ 111,545,000
Series 2004D Refunding Bonds	08/26/04					
Serial		2.000%-5.250%	2006-2019	$ 218,435,000		
					$ 218,435,000	$ 218,855,000
Series 2005A Revenue Bonds	04/12/05					
Serial		3.000%-5.250%	2006-2020	$ 147,970,000		
Term		4.750%	2035	22,290,000		
Term		5.000%	2035	149,740,000		
					$ 320,000,000	$ -
Series 2005B Refunding Bonds	04/12/05					
Serial		3.500%-5.250%	2011-2020	$ 19,775,000		
					$ 19,775,000	$ -
Series 2005C Revenue Bonds	04/12/05					
Serial		5.590%	2025	$ 8,315,000		
Serial		5.690%	2030	9,350,000		
Serial		5.730%	2035	12,335,000		
					$ 30,000,000	$ -
Series 2005D Revenue Bonds	10/12/05					
Serial		5.000%	2008-2010	$ 3,800,000		
Serial		5.000%	2021-2023	7,650,000		
					$ 11,450,000	$ -
					2,857,910,000	2,567,030,000
Less unamortized discount/premium					29,447,490	38,291,312
					$ 2,828,462,510	$ 2,528,738,688

* Portions of Series 1997A Revenue Bonds were refunded on October 1, 2005, with fixed rate debt.

Changes in Long Term Liability Balances

Balance as of December 31, 2004			$ 2,528,738,688
Bonds issued			
Series 2005A	Revenue Bonds	$ 320,000,000	
Series 2005B	Revenue Refunding Bonds	19,775,000	
Series 2005C	Revenue Bonds	30,000,000	
Series 2005D	Revenue Refunding Bonds	11,450,000	
			381,225,000
Bonds refunded			
Series 1997A	Revenue Bonds	(19,210,000)	
Series 1997A	Revenue Bonds	(12,100,000)	
			(31,310,000)
Principal payments			(59,035,000)
Change in unamortized discount/premium, net			8,843,822
Balance as of December 31, 2005 - short-term			69,235,000
Balance as of December 31, 2005 - long-term			2,759,227,510
			$ 2,828,462,510

Senior Debt

A Master Indenture was created in 1990 for the Authority. The Master Indenture was amended effective September 1, 2001, to in part, change the definition of Annual Debt Service to accommodate the issuance of secured commercial paper, to permit the Authority to release certain revenues from the definition of revenues, and to expand the list of permitted investments to include new, safe investment vehicles designed to increase the return on the Authority investments. Under this amended Master Indenture, all bonds are collateralized by a pledge of Net Revenues of the Authority which is "senior" to the "subordinated" pledge given by the Authority in connection with the issuance of its bonds prior to 1990.

The Authority refunds outstanding bonds when permitted, a savings can be achieved or when variable bonds are converted to fixed rate. Portions of the Series 1997C Bonds were used to retire the Authority's Series 1989A Subordinated Bonds. Portions of the Series 1998B Bonds were used to retire the Authority's Series 1988A Subordinated Bonds. The proceeds of the Series 1999A Bonds were used to refund the Authority's Series 1997C Senior Bonds. The proceeds of the Series 2002C Bonds were used to refund the outstanding Series 1992A Senior Bonds. Proceeds of the Series 2002D Bonds were used to repay the outstanding Series One Commercial Paper Notes. A portion of the Series 2003A Bonds were used to repay all of the Authority's Series B Bond Anticipation Commercial Paper Notes. Proceeds of the Series 2003B Bonds were used to refund a portion of the Authority's Series 1993A Bonds. Proceeds of the Series 2003C Bonds were used to refund all of the Authority's outstanding Series 1993B Bonds and provide reimbursement for the Vastera Office Building at Washington Dulles.

During 2004 the Authority issued $250,000,000 of Airport System Revenue Bonds Series 2004B and $441,730,000 of Airport System Revenue Refunding Bonds, Series 2004A, C-1, C-2 and D. The proceeds of Series 2004B Bonds, issued on May 18, 2004, will be used to finance capital improvements at Reagan National and Washington Dulles. The proceeds of $13,600,000 of the Series 2004A Bonds, issued August

26, 2004, together with other available funds (the Debt Service Interest Account of the refunded Bonds) were used to refund the Authority's outstanding Airport System Revenue and Refunding Bonds, Series 1993A. The outstanding bonds maturing 2020 through 2022 of Series 1993A, $13,440,000, were refunded on October 31, 2004. The Authority's present value savings of this refunding was $0.8 million. The Authority will realize cash flow savings of $745,484 with this transaction. The refunded Series 1993A Bonds in this series were scheduled to mature on October 1, 2020 through 2022 and were subject to optional redemption on October 1, 2003. The bonds were redeemed at a price of 101% plus accrued interest. The proceeds of $97,730,000 of the Series 2004C-1 Bonds, issued July 7, 2004, together with other available funds (the Debt Service Interest Account of the refunded Bonds) were used to refund a portion of the Authority's outstanding Airport System Revenue Bonds, Series 1994A. The outstanding bonds maturing 2006 through 2008 and 2020 through 2021 of Series 1994A Bonds, $96,360,000, were refunded on October 31, 2004. The Authority's present value savings of this refunding was $3.9 million. The Authority will realize cash flow savings of $5,950,254 with this transaction. The refunded Series 1994A Bonds were scheduled to mature on October 1,2006 through 2008 and 2020 through 2021 were subject to optional redemption on October 1, 2004. The bonds were redeemed at a price of 102% plus accrued interest. The proceeds of $111,545,000 of the Series 2004C-2 Bonds, issued August 12, 2004, together with other available funds (the Debt Service Interest Account of the refunded Bonds) were used to refund a portion of the Authority's outstanding Airport System Revenue Bonds, Series 1994A. The outstanding bonds maturing 2005 and 2022 through 2024 of Series 1994A Bonds, $109,430,000, were refunded on October 31, 2004. The Authority's present value savings of this refunding was $3.5 million. The Authority will realize cash flow savings of $5,708,002 with this transaction. The refunded Series 1994A Bonds were scheduled to mature on October 1,2005 and 2022 through 2024 were subject to optional redemption on October 1, 2004. The bonds were redeemed at a price of 102% plus accrued interest. The proceeds of $218,855,000 of the Series 2004D Bonds, issued August 26, 2004, together with other available funds (the Debt Service Interest Account and the Debt Service Reserve Account of the refunded Bonds) were used to refund a portion of the Authority's outstanding Airport System Revenue Bonds, Series 1994A. The outstanding bonds maturing 2009 through 2019 of Series 1994A Bonds, $219,495,000, were refunded on October 31, 2004. The Authority's present value savings of this refunding was $14.6 million. The Authority will realize cash flow savings of $20,743,430 with this transaction. The refunded Series 1994A Bonds were scheduled to mature on October 1, 2009 through 2019 were subject to optional redemption on October 1, 2004. The bonds were redeemed at a price of 102% plus accrued interest.

During 2005 the Authority issued $320,000,000 of Airport System Revenue Bonds, Series 2005A, $19,775,000 of Airport System Revenue Refunding Bonds, Series 2005B, $30,000,000 of Taxable Airport System Revenue Bonds, Series 2005C and $11,450,000 of Airport System Revenue Refunding Bonds, Series 2005D. The proceeds of Series 2005A Bonds, issued on April 12, 2005, together with other available funds (the Debt Service Interest Account and the Debt Service Principle Account of the refunded Commercial Paper) were used to refund a portion of the Authority's outstanding Airport System Revenue Commercial Paper Notes, Series Two and finance capital improvements at Reagan National and Washington Dulles. The outstanding Series Two Notes, $144,000,000 were repaid on April 13, 2005 and $35,000,000 were repaid on May 25, 2005. The commercial paper notes were repaid at par plus accrued interest. The proceeds of $19,775,000 of the Series 2005B Bonds, issued April 12, 2005, together with other available funds (the Debt Service Interest Account of the refunded Bonds) were used to advance refund a portion of the Authority's outstanding Airport System Revenue Bonds, Series 1997A. The outstanding bonds maturing 2011 through 2020 of Series 1997A, $19,210,000, will be refunded on October 1, 2007. The Authority's present value savings of this refunding was $0.9 million. The Authority will realize cash flow savings of $870,344 with this transaction. The refunded Series 1993A Bonds in this series were scheduled to mature on October 1, 2011 through 2020 and were subject to optional redemption on October 1, 2007. The bonds were redeemed at a price of 101% plus accrued interest. The proceeds of $30,000,000 of the Series 2005C Bonds, issued April 12, 2005, will be used to finance capital improvements at Reagan National and Washington Dulles. The proceeds of $11,450,000 of the Series 2005D Bonds, issued October 12, 2005, together with other available funds (the Debt Service Interest Account and Debt Service Reserve Account of the refunded Bonds) were used to advance refund a portion of the Authority's outstanding Airport System Revenue Bonds, Series 1997A. The outstanding bonds maturing 2008 through 2010 and 2021 through 2023 of Series 1997A, $12,100,000, will be refunded on October 1, 2007. The Authority's present value savings of this refunding was $1.0 million. The Authority will realize cash flow savings of $609,892 with this transaction. The refunded Series 1997 Bonds were scheduled to mature on October 1, 2008 through 2010 and 2021 through 2023 and were subject to optional redemption on October 1, 2007. The bonds were redeemed at a price of 101% plus accrued interest.

The Authority reviews each bond sale to determine if there is value in providing investors municipal bond insurance. Insurance is provided in part by Financial Guaranty Insurance Company (FGIC), Municipal Bond Investors Assurance Corporation (MBIA), Financial Security Assurance (FSA), and XLCapital Assurance (XL). The following table details the Authority's outstanding debt noting insured and uninsured bonds.

Bond Series	Principal Outstanding	Uninsured Bonds	Insured Bonds	Insurance Provider
1997A	$ 2,415,000	$ -	$ 2,415,000	FGIC
1997B	175,240,000	134,505,000	40,735,000	FGIC
1998A	18,145,000	18,145,000	-	n/a
1998B	233,860,000	16,995,000	216,865,000	MBIA
1999A	92,720,000	-	92,720,000	FGIC
2001A	268,100,000	-	268,100,000	MBIA
2001B	12,830,000	-	12,830,000	MBIA
2002A	211,905,000	-	211,905,000	FGIC
2002B	26,440,000	-	26,440,000	FGIC
2002C	238,750,000	-	238,750,000	FSA
2002D	102,215,000	-	102,215,000	FSA
2003A	178,735,000	-	178,735,000	FGIC
2003B	41,480,000	9,785,000	31,695,000	FGIC
2003C	48,850,000	3,885,000	44,965,000	FGIC
2003D	145,575,000	-	145,575,000	XL
2004A	13,600,000	-	13,600,000	MBIA
2004B	250,000,000	-	250,000,000	FSA
2004C-1	97,730,000	-	97,730,000	FSA
2004C-2	99,660,000	-	99,660,000	FSA
2004D	218,435,000	20,570,000	197,865,000	MBIA
2005A	320,000,000	-	320,000,000	MBIA
2005B	19,775,000	-	19,775,000	MBIA
2005C	30,000,000	-	30,000,000	MBIA
2005D	11,450,000	-	11,450,000	Ambac
	$2,857,910,000	$203,885,000	$2,654,025,000	

The following is a summary of the maturities and sinking fund requirements not including any unamortized discount or premium:

Year ending December 31	Principal	Interest	Total Debt Service
2006	$ 69,235,000	$ 141,930,068	$ 211,165,068
2007	72,460,000	138,778,296	211,238,296
2008	75,870,000	135,370,122	211,240,122
2009	79,305,000	131,781,341	211,086,341
2010	83,165,000	128,039,000	211,204,000
2011 - 2015	483,030,000	575,494,841	1,058,524,841
2016 - 2020	604,660,000	441,674,963	1,046,334,963
2021 - 2025	511,900,000	290,863,161	802,763,161
2026-2030	457,880,000	177,075,458	634,955,458
Thereafter	420,405,000	52,474,245	472,879,245
	$ 2,857,910,000	$ 2,213,481,495	$ 5,071,391,495

Total interest costs for the years ended December 31, 2005and 2004 were $138,020,872 and $122,852,625, respectively. The current portion of the Authority's bonds payable, in the amount of $69,235,000, is due on October 1, 2005.

2007A Forward Delivery Bonds

The Authority expects to issue and deliver $164,460,000 Airport System Refunding Bonds, Series 2007A ("the Series 2007A Bonds") on or about July 3, 2007 (the "Series 2007A Issuance Date"). The Authority anticipates that the Series 2007A Bonds will bear interest from their date of delivery and be payable beginning on October 1, 2007, and semiannually thereafter on each April 1 and October 1. A portion of the proceeds of the Series 2007A Bonds will be deposited into a Redemption Account held by the Trustee to legally defease a portion of the Authority's outstanding Airport System Revenue Bonds, Series 1997B Bonds. Issuance and delivery of the Series 2007A Bonds will be dependent upon the receipt of the opinion of Co-Bond Counsel and the receipt of certain other documents required by the Forward Delivery Bond Purchase Agreement dated September 15, 2005. In addition, satisfaction of certain other conditions is required, including issuance by Ambac Assurance Corporation of the Bond Issuance Policy with respect to the Series 2007A Bonds, and payment of the purchase price by the underwriters of the Series 2007A Bonds in accordance with such Forward Delivery Bond Purchase Agreement.

The Authority assumes various risks associated with the Series 2007A Bonds. For instance, the Authority's Co-Bond Counsel could be prevented from rendering their opinions with respect to the Series 2007A Bonds as a result of changes or proposed changes in federal or state laws, court decisions, regulations or proposed regulations or rulings of administrative agencies, or the failure of the Authority to provide satisfactory closing documents. No assurance can be given that on the issuance date of the Series 2007A Bonds Issuance Date the rating assigned to the Series 2007A Bonds will be the same as the ratings currently assigned to the Series 2007A Bonds. The underwriters may terminate their obligations under the Forward Delivery Bond Purchase Agreement, without any liability, if at any time prior to the issuance date of the Series 2007A Bonds any of a number of events occur which materially and adversely affect the market price or marketability of the Series 2007A Bonds or the ability of the underwriters to enforce contracts for sale of the Series 2007A Bonds.

Special Facility Revenue Bonds

In March 1991, the Authority issued $14,200,000 of Special Facility Revenue Bonds on behalf of Caterair International Corporation (Caterair). The bonds were issued to finance the construction of an Inflight Kitchen Facility at Reagan National.

The Special Facility Revenue Bonds and related costs are payable only with funds from Caterair. Since these bonds do not represent a claim on the Authority's assets, nor do they require the Authority to incur future obligations, they have not been recorded in the Authority's financial statements.

K. OTHER LONG TERM LIABILITIES

Other long term liabilities include amounts due to the Office of Personnel Management for the Authority's portion of the enhanced retirement benefits to Authority police officers under Public Law 106-554. Under § 636(f) the Authority must reimburse the Civil Service Retirement and Disability Fund and the Federal Employees' Retirement System for supplemental liability resulting from the enactment of the enhanced retirement provisions. The total estimated liability is $3,148,656.

Total estimated liability	$ 3,148,656	
Less officer's not contributing	(249,284)	
Payment year 2003	(646,493)	
Payment year 2004	(646,493)	
Balance as of December 31, 2004	1,606,386	
Payment year 2005	(646,493)	
Balance as of December 31, 2005	646,494	(Short Term)
	313,399	(Long Term)
	$ 959,893	

L. AIRPORT USE AGREEMENT AND PREMISES LEASE

In February 1990, the Authority entered into a long-term agreement with the major airlines serving the Airports. The Agreement is for a term of 25 years, subject to cancellation rights by the Authority after 15 years, and annually thereafter, at the option of the Authority. The Agreement provides for the calculation of annual rates and charges, with rate adjustments at midyear, or any time revenues fall 5% or more below projections. The Agreement also provides for an annual "settlement" whereby the rates and charges are recalculated using audited financial data to determine any airline over/underpayment. For the year ended December 31, 2005, the settlement resulted in a credit to the airlines of $73,530 which was reflected in accounts payable and accrued expenses. For the year ended December 31, 2004, the settlement resulted in a credit to the airlines of $856,126 which is reflected in accounts payable and accrued expenses.

Rates and charges are established to provide net revenues of at least 125% of debt service. Net remaining revenues (NRR) are defined as revenues less all operating and maintenance expenses, debt service, specified reserves, and other requirements. Subsequent to the final determination, NRR is allocated between the Authority and the Airlines in accordance with the Agreement which shares NRR approximately 50/50 between the Authority and the Airlines. The Authority's share of NRR is reflected in the Authority's Capital Fund as a reservation of retained earnings in the subsequent year, and is available for repair and rehabilitation projects or any other lawful purpose. The Airlines' share of NRR is recorded prospectively and reduces the subsequent year's rates and charges. All calculations are done in accordance with the Agreement.

In addition, the Agreement establishes an index amount at each Airport. When the transfer amount to the airlines reaches this level, the amount over the plateau is allocated 75% to the Airlines and 25% to the Authority. For the years ended December 31, 2005 and 2004, at Washington Dulles, the transfer amount exceeded the plateau amount by $34,295,026 and $30,739,487, respectively. This amount was allocated accordingly and is included in the Airlines' and the Authority's share. For the years ended December 31, 2005 and 2004, at Reagan National, the transfer amount was less than the plateau amount by $203,412 and $2,826,273, respectively. For the years ended December 31, 2005 and 2004, the Airlines' share of NRR was $61,131,417 and $53,981,019, respectively, and the Authority's share was $39,380,645 and $35,285,468, respectively.

M. NET ASSETS

Net assets consists of the following:

Invested in Capital Assets Net of Related Debt consists of the following:

	2005	2004
Long-term assets		
Capital assets		
Land	$ 105,349,826	$ 49,069,234
Construction in progress	978,540,556	746,007,372
Buildings, systems and equipment	3,423,920,109	3,141,673,453
Less: accumulated depreciation	(1,064,547,198)	(939,466,285)
Capital assets, net	3,443,263,293	2,997,283,774
Bond issuance costs, net	43,578,313	41,413,767
Total capital assets	3,486,841,606	3,038,697,541
Less: related liabilities		
Current portion bonds payable	69,235,000	59,035,000
PFC bank participation notes	400,000,000	187,700,000
Commercial paper notes	186,000,000	150,000,000
Bonds payable, net	2,339,222,092	2,297,378,926
Total liabilities	2,994,457,092	2,694,113,926
Invested in capital assets, net of related debt	$ 492,384,514	$ 344,583,615

Restricted assets consists of the following:

	2005	2004
Restricted assets		
Cash and cash equivalents, restricted	$ 324,714,977	$ 97,351,250
Passenger facility charges, restricted	34,156,965	53,485,838
Accounts receivables, passenger facility charges and other, restricted	9,866,152	15,386,313
Long-term investments, restricted	206,461,249	172,324,761
Investments, restricted	17,253,608	85,660,959
Total assets	592,452,951	424,209,121
Less: liabilities from restricted assets		
Accounts payable and accrued expenses	70,383,936	51,765,780
Debt related to unspent bond proceeds	420,005,418	172,324,761
Accrued interest payable	36,725,911	29,592,238
Total liabilities	527,115,265	253,682,779
Restricted net assets	$ 65,337,686	$ 170,526,342

Unrestricted assets consists of the following:

	2005	2004
Current assets		
Cash and cash equivalents	$ 23,143,483	$ 33,832,942
Investments	233,116,586	197,182,141
Accounts receivables, net	26,796,500	20,033,378
Inventory	3,432,469	3,633,515
Prepaid expenses and other current assets	5,817,971	3,855,483
Total current assets	292,307,009	258,537,459
Long-term assets		
Long-term investments	14,582,506	9,470,986
Net pension asset	1,628,205	1,750,497
Other long-term assets	301,865	-
Total unrestricted assets	308,819,585	269,758,942
Less: current liabilities		
Accounts payable and accrued expenses	45,519,623	42,714,040
Operating lease obligations	341,140	341,140
Total current liabilities	45,860,763	43,055,180
Less: other liabilities	313,399	654,446
Total liabilities payable from unrestricted assets	46,174,162	43,709,626
Unrestricted assets	$ 262,645,423	$ 226,049,316

N. LEASE COMMITMENTS

Property Held for Lease

The Authority has entered into various operating leases with tenants for the use of space at the Authority's facilities including buildings, terminals, and customer service areas. The lease terms include a minimum fixed fee as well as contingent fees based on the tenants' volume of business. All the leases provide for a periodic review and redetermination of the rental amounts. Minimum future rentals scheduled to be received on operating leases that have initial or remaining noncancelable terms in excess of one year are:

Year ending December 31,	
2006	$ 226,331,150
2007	240,326,018
2008	247,517,327
2009	294,214,699
2010	334,143,490
2011 and thereafter	1,722,697,547
Total minimum future rentals	$ 3,065,230,231

The above amounts do not include contingent rentals and fees in excess of minimums, which amounted to $25,030,041 for the year ended December 31, 2005. The portion of property associated with minimum rentals derived from operating leases was capitalized prior to June 7, 1987, and ownership was retained by the United States Government. Use of this property is provided to the Authority under its operating lease with the United States Government. Accordingly, the cost of this property is not reflected in the financial statements of the Authority.

On December 15, 2003, the operating period of the lease of land and provision for services to the Stephen F. Udvar-Hazy Center (Center) began. The lease agreement grants the Smithsonian Institute the right to occupy, develop, operate, control and use the Center premises located on land at Washington Dulles and obtain services from the Authority for police, fire, emergency, and ambulance needs. This lease expires in 2054. The operating period was preceded by a construction period. Commencing with the operating period the Smithsonian Institute will pay the Authority for the services provided. The lease provides for periodic reconciliation payments and updated payments for services provided.

Property Leased from Others

On June 7, 1987, the United States Government transferred Reagan National's and Washington Dulles' real properties to the Authority under a 50-year lease, with extensions negotiable. The lease was amended effective June 17, 2003, to extend the term from 50 to 80 years, with an expiration date of June 6, 2067. Upon expiration of the lease, the Airports and facilities, including improvements, will be returned to the United States Government. The lease requires annual rental payments of $3,000,000, with subsequent annual rental payments adjusted for inflation. The 2005 federal lease expense was $4,534,314. The Authority invests monthly lease payments in Repurchase Agreements or Certificates of Deposit and makes semi-annual payments, including interest, to the United States Government.

Minimum future rentals scheduled to be paid on operating lease in effect on December 31, 2005, as calculated in 2005 dollars are:

Year ending December 31,	
2006	$ 4,505,435
2007	4,505,435
2008	4,505,435
2009	4,505,435
2010	4,505,435
2011 and thereafter	256,809,797
Total minimum future rentals	$279,336,972

Total rental expense for the years ended December 31, 2005 and 2004 were $4,505,435 and $4,375,347, respectively.

O. OTHER COMMITMENTS AND CONTINGENCIES

Construction Commitments

At December 31, 2005, the Authority had outstanding commitments for capital expenditures in connection with its CCP in the amount of $814.3 million. However, services have not been provided as of December 31, 2005, and accordingly no liability has been recorded in the financial statements. In connection with the CCP and Capital, Operating and Maintenance Investment Programs (COMIP), and normal operations of Reagan National and Washington Dulles, the Authority recognizes the need to address environmental concerns and currently oversees a number of ongoing environmental projects. Management has estimated that the cost to continuously monitor and inspect these environmental concerns ranges between $20 million and $25 million, of which a portion is expected to be funded by the FAA. The Authority has budgeted and expects to fund any remaining costs principally through the CCP.

P. GOVERNMENT GRANTS

In Aid of Construction

The Authority receives, on a reimbursement basis, grants from the Commonwealth of Virginia and the United States Government for certain capital construction projects through the Airport Improvement Program (AIP). As a recipient of state and federal financial assistance, the Authority is responsible for maintaining an internal control structure that ensures compliance with all laws and regulations related to this program. Total federal and state grant work performed for years ended December 31, 2005 and 2004 was $11,205,852 and $28,194,097, respectively. All grants are subject to financial and compliance audits by the grantors. However, the Authority estimates that no material disallowances will result from such audits.

Federal and State Grants

The Authority received federal and state grants for operating and capital programs as summarized in the tables below:

Operating Programs

	2005	2004
FAA K-9 Program	$ 483,400	$ 400,500
Drug Enforcement Agency (DEA) Drug Seizures Program	77,241	9,521
Federal Emergency Management Agency (FEMA)	17,894	102,396
Arlington County grant	31,620	-
U.S. Customs Drug Seizures Program	51,265	50,238

The FAA K-9 program funds are used to offset expenses of training and caring for the explosive detection dogs. The Drug Enforcement Agency Drug Seizures Program, and the U.S. Customs Drug Seizures Program are collaborative efforts between the agencies and the Authority's police department wherein both entities share in the proceeds from the sale of confiscated items. The Authority's proceeds may only be used for certain types of expenses defined by the DEA and Customs. In 2003, the Greater Washington area was struck by Hurricane Isabel on September 18. The Authority was reimbursed by FEMA, $102,396, for expenses such as overtime, supplies and equipment related to this weather event in 2004 and $17,894 in 2005. All of the amounts above were reported as grant revenue in the Statements of Revenues, Expenses and Changes in Net Assets for year ended December 31, 2005 and 2004.

Capital Program

	2005	2004
Federal grants for construction	$ 7,943,426	$26,199,254
State grants for construction	1,706,332	1,701,500
Dept. Homeland Security	1,556,094	293,343

The Authority receives federal and state grants in support of its CCP. The federal programs provide funding for airport development, airport planning and noise compatibility programs from the Airports and Airways Trust Funds in the form of entitlement and discretionary grants for eligible projects. The Commonwealth of Virginia also provides discretionary funds for capital programs.

Grants for capital asset acquisition, facility development, rehabilitation of facilities and long-term planning are reported in the Statements of Revenues, Expenses and Changes in Net Assets as Capital Contributions.

Q. LITIGATION

The Authority is a defendant in multiple suits arising from the September 11, 2001, terrorist hijacking and crash of an airplane into the Pentagon. In accordance with federal law, these suits have been consolidated into a single proceeding in the Southern District of New York. The Authority is defending itself vigorously in this litigation against the allegations that it had a legal duty to prevent terrorists from hijacking American Airlines Flight 77 from Dulles. Also, the Authority believes that under Section 201 of the Aviation Security Act, the liability of the Authority for all claims, whether compensatory or punitive, arising from the terrorist related aircraft crash of September 11, 2001, cannot be an amount greater than the liability insurance coverage maintained by the Authority on the date of the event. The Authority is not able to predict the outcome of such litigation or the extent to which such litigation may have a material impact on the financial condition of the Authority.

Legal counsel has advised that, while a number of claims in the normal course of business are outstanding, there were no matters outstanding which could have a material adverse effect on the financial statements of the Authority.

R. PASSENGER FACILITY CHARGES

As described in Note A, PFCs are collected in accordance with the FAA regulations allowing airports to impose a $4.50 PFC. For the years ended December 31, 2005 and 2004, the Authority earned PFCs of $35,436,842 and $30,881,848 for Reagan National, respectively, and $52,878,469 and $45,178,326 for Washington Dulles, respectively. In accordance with the regulations, based on the approval date from the FAA and continuing through the PFC collection period, the Authority's share of entitlement grants will be reduced 75%.

S. RISK MANAGEMENT

The Authority is exposed to a variety of risks or losses related to operations (i.e., injuries to employees, injuries to members of the public or damage to their property, and damage to the Authority’s property). Since 2002, the Authority has maintained accruals to finance its self-insured risk of loss. The Authority purchases commercial insurance for claims in excess of amounts provided by these accounts.

All offices within the Authority are covered under these accounts. The accruals are determined by the Risk Management Department based on insurance claim practices and actuarial estimates for prior and current-year claims. The overall accrual for losses was $4,114,449 as of December 31, 2005, and is included in the accounts payable and accrued expenses line item. This is based on the requirements of GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the claim liability accounts in fiscal year 2005 and 2004 were:

Fiscal Year	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
2005	$3,814,673	$1,793,168	$1,493,392	$4,114,449
2004	$3,206,795	$2,032,614	$1,424,736	$3,814,673

Settlements did not exceed insurance coverages for the past three years.

T. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Short Term Investments

The carrying amount approximates the fair value because of the short maturity of those instruments (See Note B).

Long-Term Investments

For securities held as long-term investments, fair value equals quoted market prices, if available. If a quoted market price is not available, fair value is estimated based upon quoted market prices for securities with similar characteristics (See Note B).

Long-Term Debt

The fair value of the Authority's long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to the Authority for debt of the same remaining maturities.

The carrying value of the Authority's Bonds Payable and CP Notes Payable as of December 31, 2005, is $3,043,910,000 with an estimated market value of $3,178,778,282.

Interest Rate SWAP

The fair value of the interest rate swap is the estimated amount that the Authority would pay (or receive) to terminate the swap agreements at the reporting date, taking into account current interest rates and the current creditworthiness of the swap counter parties (See Note C).

U. SUBSEQUENT EVENTS

On November 2, 2005, the Board of Directors of the Authority issued Resolution No. 05-25 authorizing the issuance of a Series of Airport System Revenue Bonds in an amount not to exceed $300,000,000 to finance or refinance certain capital improvements at Ronald Reagan Washington National Airport and Washington Dulles International Airport with the proceeds of tax-exempt bonds. On January 25, 2006, The Authority closed on Series 2006A Airport System Revenue Bonds as allowed by Resolution 05-25 in the amount of $300,000,000. A majority of the proceeds from this issuance will be used to refund CP Series One Program and CP Series Two Program, with the remaining amount used for construction expenditures.

On January 31, 2006 Independence Air signed a court approved agreement to assume their lease for their gates in Concourse A at Washington Dulles and then immediately assign that lease over to United Airlines. United Airlines paid the Authority a court approved amount which satisfied a significant portion of Independence Air's pre-petition debt.

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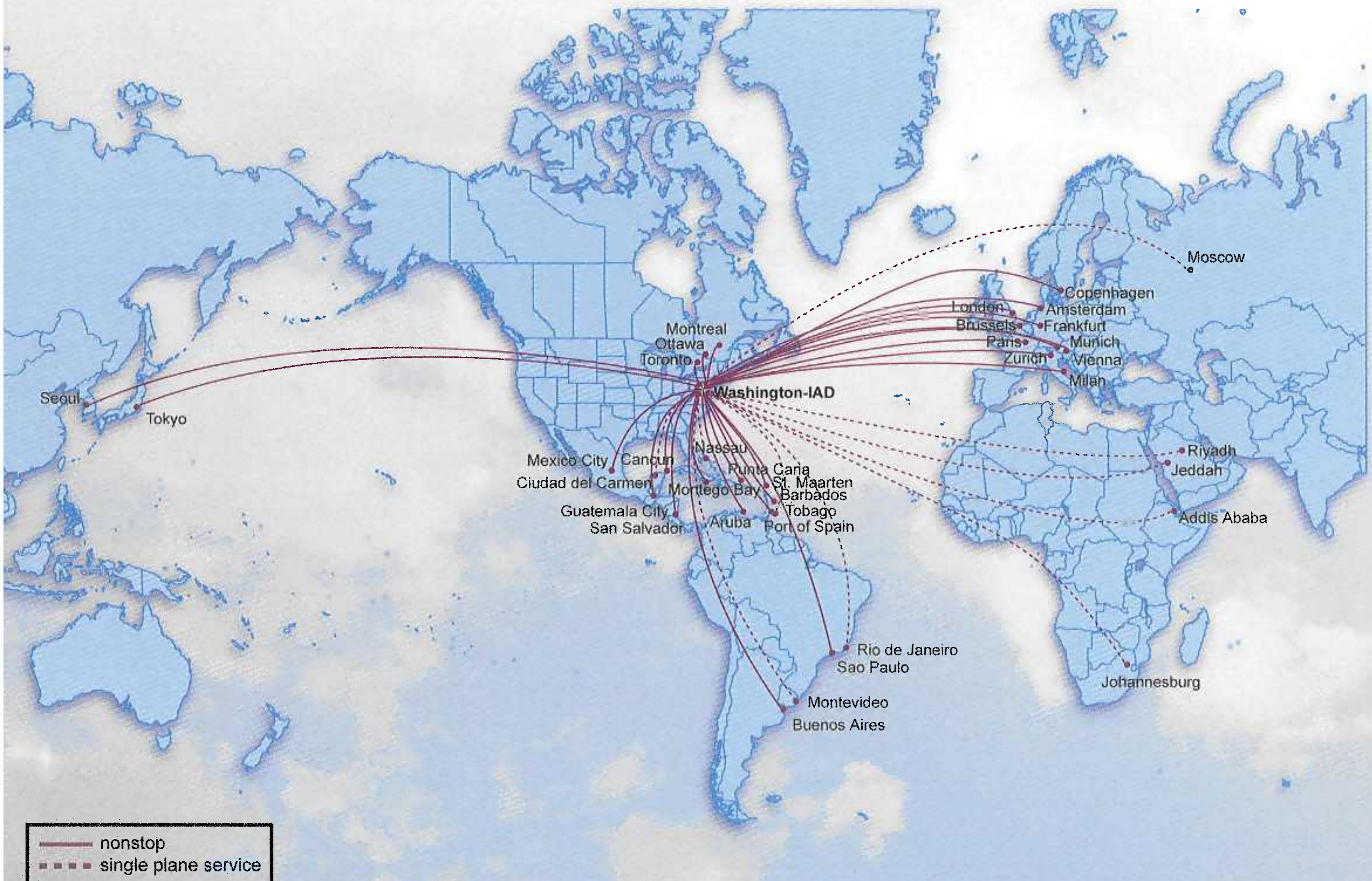
INTERNATIONAL JET AIR SERVICE AT DULLES

Nonstop and single plane cities served to/from Dulles



STATISTICAL

ANNUAL REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Exhibit S-1

(Expressed in Thousands)

	2005	2004	2003	2002	2001	2000
TOTAL REVENUES						
OPERATING REVENUES						
Concessions	$ 198,691,232	$ 173,962,671	$ 146,095,903	$ 132,817,916	$ 92,378,269	$ 114,466,859
Rents	153,865,079	143,389,783	130,802,693	127,554,998	122,382,146	119,658,542
Landing fees	76,359,090	76,274,293	67,637,206	63,967,382	55,780,359	58,757,490
Utility sales	10,934,616	12,035,206	11,867,943	10,589,091	12,322,825	13,113,004
Passenger fees	26,973,143	29,474,743	27,878,919	27,521,305	24,445,948	24,898,129
Other	10,398,536	7,149,375	5,355,589	6,387,300	7,242,324	10,000,628
TOTAL OPERATING REVENUES	477,221,696	442,286,071	389,638,253	368,837,992	314,551,871	340,894,652
NON-OPERATING REVENUES						
Investment income	20,194,481	10,385,775	5,896,185	13,277,813	17,536,753	25,551,888
Unrealized swap income	6,062,129	1,601,347	5,572,334	-	-	-
Federal compensation	-	-	-	3,064,970	40,000,000	-
TOTAL NON-OPERATING REVENUES	26,256,610	11,987,122	11,468,519	16,342,783	57,536,753	25,551,888
TOTAL REVENUES	503,478,306	454,273,193	401,106,772	385,180,775	372,088,624	366,446,540
TOTAL EXPENSES						
OPERATING EXPENSES						
Materials, equipment, supplies, contract services and other	142,107,372	130,127,540	134,105,363	123,970,251	81,659,446	76,795,781
Salaries and related benefits	113,878,086	98,858,597	95,192,233	91,748,027	84,481,594	78,970,537
Utilities	21,493,887	18,754,511	16,754,386	15,657,374	17,568,654	21,592,399
Lease from U.S. Government	4,505,435	4,375,347	4,303,764	4,238,185	4,169,260	4,058,360
Depreciation and amortization	132,424,537	126,177,767	114,950,487	105,035,788	99,325,739	93,726,636
TOTAL OPERATING EXPENSES	414,409,317	378,293,762	365,306,233	340,649,625	287,204,693	275,143,713
NON-OPERATING EXPENSES						
Passenger facility charges, financing costs	1,497,097	1,525,026	1,137,715	2,029,218	4,537,821	7,028,863
Interest expense	103,561,330	89,368,779	95,610,127	98,256,099	93,132,374	96,627,010
Federal Compensation Transfer	-	-	-	279,370	1,651,663	-
Realized swap loss	4,856,288	3,662,018	-	-	-	-
Unrealized swap loss	-	-	-	26,024,249	1,566,958	-
TOTAL NON-OPERATING EXPENSES	109,914,715	94,555,823	96,747,842	126,588,936	100,888,816	103,655,873
TOTAL EXPENSES	524,324,032	472,849,585	462,054,075	467,238,561	388,093,509	378,799,586
CAPITAL CONTRIBUTIONS						
Passenger facility charges	88,315,311	76,060,174	58,438,038	59,071,341	47,233,127	48,367,121
Federal and state grants	11,738,765	28,727,167	14,378,325	14,613,471	16,819,846	15,351,455
Other capital property acquired			6,044,900	-	237,237	
TOTAL CAPITAL CONTRIBUTIONS	100,054,076	104,787,341	78,861,263	73,684,812	64,290,210	63,718,576
INCREASE IN NET ASSETS	$ 79,208,350	$ 86,210,949	$ 17,913,960	$ (8,372,974)	$ 48,285,325	$ 51,365,530
NET ASSETS AT YEAR END COMPOSED OF:						
Invested in capital assets, net of related debt	$ 492,384,514	$ 344,583,615	$ 428,497,669	$ 418,037,820	$ 418,474,478	$ 388,552,054
Restricted	65,337,686	170,526,342	36,158,318	34,646,503	44,033,502	53,927,290
Unrestricted	262,645,423	226,049,316	190,292,337	184,350,041	182,899,358	154,642,669
TOTAL NET ASSETS	$ 820,367,623	$ 741,159,273	$ 654,948,324	$ 637,034,364	$ 645,407,338	$ 597,122,013

Source: Authority's audited financial statements.
Note: The Authority implemented GASB Statements 34 and 35 beginning in 2000.

OPERATING EXPENSES BY FUNCTION

Exhibit S-2

(Expressed in Thousands)

	CY 2005	CY 2004	CY 2003*	CY 2002*	CY 2001*	CY 2000*	CY 1999*	CY 1998	CY 1997	OCT. 1 1996- DEC. 31 1996	FY 1996
NATIONAL											
Materials, equipment, supplies, contract services, and other	$44,273.9	$43,028.1	$42,379.1	$41,932.7	$38,775.9	$39,825.9	$39,163.7	$23,498.0	$18,760.7	$3,589.4	$16,332.7
Salaries and related benefits	47,660.8	41,725.6	40,221.7	38,727.9	35,314.3	33,439.0	32,105.9	30,302.1	29,304.6	7,289.3	28,316.9
Utilities	6,977.5	6,042.5	5,801.8	5,402.1	5,490.5	5,417.3	4,552.0	4,797.6	6,441.9	1,524.2	3,963.7
Travel	521.5	518.3	407.3	369.9	536.3	415.9	309.5	429.2	309.3	77.1	314.3
Insurance	3,715.0	3,790.6	3,936.5	2,718.5	1,558.8	1,550.1	1,860.3	1,961.3	2,067.6	452.7	1,879.8
Non-Cash expenses	65.6	78.0	50.3	(321.6)	646.0	(269.6)	193.7	(228.5)	(168.9)	78.3	316.3
Non-Capitalized facility projects	1,699.9	1,054.6	222.8	794.5	710.1	1,077.3	680.3	278.2	235.3	83.6	818.2
Lease from U.S. Government	2,252.7	2,187.7	2,151.9	2,119.1	2,084.6	2,029.2	2,039.1	2,040.6	2,000.9	494.2	1,957.4
Depreciation and amortization	10,894.5	13,154.6	11,110.8	11,080.6	10,710.3	9,349.4	8,323.8	7,345.9	5,423.9	1,245.6	3,840.9
Total National Expenses	**$118,061.4**	**$111,580.0**	**$106,282.2**	**$102,823.7**	**$95,826.8**	**$92,834.5**	**$89,228.3**	**$70,424.4**	**$64,375.3**	**$14,834.4**	**$57,740.2**
DULLES											
Materials, equipment, supplies, contract services, and other	$76,630.2	$70,323.6	$68,998.1	$65,348.7	$56,719.3	$55,616.5	$52,689.2	$26,748.6	$19,712.1	$4,576.3	$18,316.9
Salaries and related benefits	66,090.0	57,018.3	54,749.8	52,802.3	48,619.6	44,981.1	41,444.7	37,879.9	35,395.7	8,830.7	35,091.5
Utilities	14,321.1	12,223.2	10,756.8	10,061.6	11,895.2	10,734.9	7,938.1	8,390.9	9,052.1	1,928.8	7,304.9
Travel	517.0	485.8	371.3	316.1	523.0	385.8	313.8	402.3	308.6	75.9	294.3
Insurance	3,715.5	3,790.6	3,936.5	2,718.5	1,558.8	1,550.1	1,860.3	1,961.3	2,067.6	452.8	1,879.8
Non-Cash expenses	129.0	122.2	109.1	717.6	1,054.4	(333.4)	225.6	300.3	401.4	42.8	202.5
Non-Capitalized facility projects	601.5	556.0	630.1	102.8	182.5	302.6	321.5	122.1	90.2	47.1	199.5
Lease from U.S. Government	2,252.7	2,187.7	2,151.9	2,119.1	2,084.6	2,029.2	2,039.1	2,040.6	2,000.9	494.2	1,957.4
Depreciation and amortization	26,408.4	25,855.4	22,390.7	20,433.3	20,458.8	18,925.2	18,872.0	16,335.8	13,045.8	4,219.9	11,034.7
Total Dulles Expenses	**$190,665.4**	**$172,562.8**	**$164,094.3**	**$154,620.0**	**$143,096.2**	**$134,192.0**	**$125,704.3**	**$94,181.8**	**$82,074.4**	**$20,668.5**	**$76,281.5**
WASHINGTON FLYER											
Materials, equipment, supplies, contract services, and other	$1,114.4	$1,034.8	$1,088.9	$1,208.1	$3,480.3	$4,108.8	$4,185.9	$4,076.0	$4,066.5	$1,027.2	$4,345.0
Salaries and related benefits	43.3	30.7	162.1	139.2	442.0	470.1	518.4	489.8	476.9	122.3	558.0
Telecommunications	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	51.7	70.1	24.1	76.3
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	2.0	2.0
Insurance	111.8	92.3	23.9	42.9	131.7	194.1	279.4	135.8	231.7	70.7	203.6
Non-Cash expenses	0.1	(2.9)	0.1	217.7	(11.4)	(3.4)	(17.4)	(113.5)	2.8	0.6	0.8
Non-Capitalized facility projects	0.0	0.0	0.0	0.0	0.0	0.0	2.2	0.0	0.0	0.0	0.0
Depreciation	159.0	204.4	202.1	290.0	640.2	651.0	752.1	761.3	310.3	31.0	124.2
Total Washington Flyer Expenses	**$1,428.6**	**$1,359.7**	**$1,477.1**	**$1,897.9**	**$4,682.8**	**$5,420.6**	**$5,720.6**	**$5,401.1**	**$5,158.9**	**$1,277.9**	**$5,309.9**
WASHINGTON FLYER MAGAZINE[1]											
Materials, equipment, supplies, contract services, and other	$0.0	$351.8	$905.1	$969.6	$1,546.6	$1,784.4	$1,890.3	$1,084.4	$997.0	$213.2	$924.7
Salaries and related benefits	0.0	0.0	0.0	0.0	26.8	31.0	120.9	406.5	427.0	93.3	425.3
Utilities	0.0	0.0	0.0	0.0	0.0	0.0	3.4	13.0	27.7	4.7	16.9
Travel	0.0	0.0	0.0	0.0	0.0	0.0	1.0	4.3	8.1	3.2	1.1
Insurance	0.0	0.0	0.0	0.0	7.7	26.0	0.0	0.0	0.0	0.0	0.0
Non-Cash expenses	0.0	0.2	0.7	(241.1)	(74.3)	140.8	64.0	46.2	88.7	21.1	(18.0)
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Washington Flyer Magazine Expenses	**$0.0**	**$352.0**	**$905.8**	**$728.5**	**$1,506.8**	**$1,982.2**	**$2,079.6**	**$1,554.4**	**$1,548.5**	**$335.5**	**$1,350.0**
BOND FUNDS											
Financing expenses	$0.0	$0.0	$13.1	$37.5	$75.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.8
Legal Fees	0.0	0.0	1,434.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials, Equipment, Supplies Contract services, and other	1,469.5	(568.0)	2,712.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-Cash expenses	0.0	0.0	0.0	43.5	178.9	(1.0)	0.0	2,272.7	865.0	0.0	0.0
Non-Capitalized facility projects	1,606.9	190.8	269.6	0.0	0.0	0.0	0.0	0.0	22.9	0.0	0.0
Depreciation and amortization	94316.9	86,345.2	80,628.8	72,613.9	66,895.3	64,398.7	60,794.3	57,688.6	44,605.3	9,717.0	31,862.6
Total Bond Expenses	**$97,393.3**	**$85,968.0**	**$85,058.0**	**$72,694.9**	**$67,149.2**	**$64,397.7**	**$60,794.3**	**$59,961.3**	**$45,493.2**	**$9,717.0**	**$31,863.4**
TELECOMMUNICATIONS											
Telephone expenses	5558.6	5,324.8	$6,257.8	$6,213.1	$5,917.2	$5,039.3	$4,306.6	$5,069.3	$0.0	$0.0	$0.0
Total Telecommunication Exp	**$5,558.6**	**$5,324.8**	**$6,257.8**	**$6,213.1**	**$5,917.2**	**$5,039.3**	**$4,306.6**	**$5,069.3**	**$0.0**	**$0.0**	**$0.0**
VASTERA BUILDING[2]											
Vastera Building Expenses	1,302.0	1,146.5	$1,231.1	$1,671.5	$1,288.8	$871.3	$0.0	$0.0	$0.0	$0.0	$0.0
Total Vastera Building Exp	**$1,302.0**	**$1,146.5**	**$1,231.1**	**$1,671.5**	**$1,288.8**	**$871.3**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**
TOTAL EXPENSES	**$414,409.3**	**$378,293.8**	**$365,306.3**	**$340,649.6**	**$319,467.8**	**$304,737.6**	**$287,833.7**	**$236,592.3**	**$198,650.3**	**$46,833.3**	**$172,545.0**

Source: Office of Finance

[1] The Authority converted the Washington Flyer Magazine Program to a management contract in 2005. Separate reporting has been discontinued.

[2] Vastera Building is inclusive of all expense classifications.

* Concession management expenses included in Materials, equipment, supplies and contract services for years 2004, 2003, 2002, 2001, 2000 and 1999. (See Note T). All other years remain unchanged.

REVENUES BY SOURCE

Exhibit S-3

(Expressed in Thousands)

	CY 2005	CY 2004	CY 2003*	CY 2002*	CY 2001*	CY 2000*	CY 1999*	CY 1998	CY 1997	OCT. 1 1996- DEC. 31 1996	FY 1996
NATIONAL											
Airline:											
Rents	$63,568.0	$62,236.9	$53,802.5	$60,453.8	$62,948.2	$60,659.8	$54,567.9	$57,865.6	$39,322.3	$6,811.3	$24,337.6
Landing fees	29,445.5	31,328.2	26,455.0	27,527.4	25,548.0	28,392.1	25,533.6	24,417.4	22,693.2	6,871.6	23,032.7
Passenger fees/Security		0.0	0.0	597.0	2,496.4	1,943.4	1,890.7	1,729.4	1,514.1	402.7	1,344.0
Total Airline Revenues	**$93,013.5**	**$93,565.1**	**$80,257.5**	**$88,578.2**	**$90,992.6**	**$90,995.3**	**$81,992.2**	**$84,012.4**	**$63,529.6**	**$14,085.6**	**$48,714.3**
Non-Airline:											
Concessions:											
Parking	$37,647.4	$35,285.0	$32,381.8	$26,236.4	$27,289.8	$32,954.1	$26,250.6	$17,269.0	$13,753.9	$2,913.6	$10,555.2
Rental cars	16,065.9	14,566.0	15,189.2	14,239.8	9,627.4	13,232.6	13,335.0	14,672.2	13,969.2	3,077.8	11,610.5
Terminal concessions											
Food and beverage	4,906.5	3,185.5	3,213.8	2,677.0	1,582.3	2,645.9	2,581.0	2,103.1	1,929.5	356.4	1,677.7
News stands	1,951.2	1,736.4	1,653.8	1,653.1	726.2	1,514.7	1,371.6	987.8	853.8	53.2	207.2
Retail	2,763.8	2,493.4	1,894.1	1,640.7	1,465.7	2,115.6	2,478.7	2,180.8	1,864.1	118.4	461.1
Display advertising	3,150.0	3,150.0	3,170.5	2,229.0	2,194.6	855.0	835.6	641.2	943.2	235.6	908.2
Services	201.9	192.3	208.9	216.5	53.4	337.4	259.2	120.1	1,047.6	366.9	1,088.9
Inflight catering	785.5	787.6	735.4	1,149.1	1,811.6	1,907.0	1,768.3	1,578.0	1,439.6	345.1	1,529.7
Fixed base operator	0.0	0.0	0.0	473.4	1,591.7	2,433.3	2,316.7	1,178.3	464.7	201.1	770.1
Duty free	33.3	19.7	0.0	0.1	2.8	6.2	7.2	36.0	412.0	144.2	427.8
All other	3,720.1	3,330.4	2,734.2	2,858.0	2,135.9	3,117.1	2,161.1	506.9	415.0	144.1	427.8
Total Concessions	**$71,225.6**	**$64,746.3**	**$61,181.7**	**$53,373.1**	**$48,481.4**	**$61,118.9**	**$53,365.0**	**$41,273.4**	**$37,092.6**	**$7,956.4**	**$29,664.2**
Rents	8,424.7	9,055.5	6,570.7	4,588.1	3,308.4	7,219.3	11,700.5	6,816.5	7,322.3	1,690.2	3,075.2
Security	854.8	843.3	1,083.0	1,197.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utility sales	1,939.9	1,744.7	1,731.4	1,516.1	2,216.8	3,175.6	2,715.2	3,296.6	3,396.4	978.8	3,533.4
Other	4,083.1	1,650.5	694.1	1,273.1	1,235.0	1,679.9	1,717.3	541.1	685.5	408.9	802.2
Total Non-Airline Revenue	**$86,528.1**	**$78,040.3**	**$71,260.9**	**$61,947.4**	**$55,241.6**	**$73,193.7**	**$69,498.0**	**$51,927.6**	**$48,496.8**	**$11,034.3**	**$37,075.0**
Total National Revenues	**$179,541.6**	**$171,605.4**	**$151,518.4**	**$150,525.6**	**$146,234.2**	**$164,189.0**	**$151,490.2**	**$135,940.0**	**$112,026.4**	**$25,119.9**	**$85,789.3**
DULLES											
Airline:											
Rents	69,886.1	$62,372.3	$62,281.5	$55,332.7	$48,685.3	$46,686.0	$45,596.7	$38,674.3	$32,392.7	$6,995.2	$25,038.5
Landing fees	46,913.6	44,946.1	41,182.2	36,440.0	30,232.4	30,365.4	20,418.5	22,764.4	17,111.2	4,222.6	19,595.0
International Arrival Building fees	8,849.9	12,295.1	12,768.8	10,526.6	10,107.2	9,274.6	9,988.4	7,465.5	5,090.7	1,540.0	7,312.5
Passenger Fees	16,874.0	15,950.3	12,477.8	13,256.1	11,842.3	13,680.0	13,495.3	12,989.7	9,621.6	2,425.0	8,536.1
Total Airline Revenues	**$142,523.6**	**$135,563.8**	**$128,710.3**	**$115,555.4**	**$100,867.2**	**$100,006.0**	**$89,498.9**	**$81,893.9**	**$64,216.2**	**$15,182.8**	**$60,482.1**
Non-Airline:											
Concessions:											
Parking	$ 75,769.0	$64,396.8	$47,408.0	$42,923.2	$39,942.8	$46,411.9	$46,331.4	$23,584.2	$19,551.1	$4,338.9	$17,440.1
Rental cars	14,484.9	13,458.5	11,313.6	11,410.8	11,686.7	13,177.5	13,013.2	10,621.2	9,389.5	1,736.4	8,095.2
Terminal concessions											
Food and beverage	5,719.5	4,677.3	3,724.1	3,563.1	3,557.6	3,751.0	3,666.3	2,348.2	1,960.7	423.3	1,802.6
News stands	3,328.1	2,772.5	1,551.6	1,441.5	1,431.6	1,442.1	1,330.6	1,103.5	604.6	187.7	681.4
Retail	2,539.7	2,195.2	1,537.8	1,384.1	1,802.8	1,477.8	1,488.0	668.2	253.2	80.4	292.1
Display advertising	3,150.0	3,150.0	3,171.9	3,203.2	3,350.0	645.0	645.0	645.0	717.6	188.9	666.5
Services	5,293.9	4,682.8	4,195.0	3,867.1	4,073.3	4,058.9	4,249.7	2,325.5	2,022.5	679.1	2,164.9
Inflight catering	4,682.9	4,761.3	4,470.3	5,079.0	5,268.6	5,499.3	4,886.9	4,144.2	3,776.5	666.9	3,594.0
Fixed base operator	7,602.8	4,802.7	4,381.6	3,546.9	2,646.6	2,414.5	2,635.3	2,488.6	1,339.6	314.9	1,016.8
Duty free	3,133.1	2,700.0	2,016.9	1,732.3	1,916.6	2,455.2	2,830.9	2,534.0	2,104.7	695.2	2,216.4
All other	1,464.1	1,373.4	926.4	1,166.1	100.1	1,101.5	387.6	40.3	722.2	242.5	773.1
Total Concessions	**$127,168.0**	**$108,970.5**	**$84,697.2**	**$79,317.3**	**$75,776.7**	**$82,434.7**	**$81,464.9**	**$50,502.9**	**$42,442.2**	**$9,554.2**	**$38,743.1**
Rents	$10,358.8	8,066.0	6,117.7	4,888.4	4,943.6	3,987.5	5,772.4	4,393.6	3,451.6	845.2	6,145.8
Security	394.4	386.0	1,549.3	1,944.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utility sales	5,322.2	4,950.1	4,775.5	4,586.8	4,261.6	4,305.0	4,040.2	4,335.7	2,983.7	967.0	3,999.7
Other	4,668.6	3,884.3	2,980.6	3,058.9	2,606.0	3,299.5	854.7	1,434.7	1,074.2	349.2	685.4
Total Non-Airline Revenues	**$147,912.0**	**$126,256.9**	**$100,120.3**	**$93,796.1**	**$87,587.9**	**$94,026.7**	**$92,132.2**	**$60,666.9**	**$49,951.7**	**$11,715.6**	**$49,574.0**
Total Dulles Revenues	**$290,435.6**	**$261,820.7**	**$228,830.6**	**$209,351.5**	**$188,455.1**	**$194,032.7**	**$181,631.1**	**$142,560.8**	**$114,167.9**	**$26,898.4**	**$110,056.1**
WASHINGTON FLYER											
Ground Transportation:											
Rents	$67.2	$67.2	$67.2	$67.2	$67.2	$63.3	$71.5	$84.3	$69.9	$4.2	$17.0
Concessions	297.6	245.9	217.0	127.5	383.3	500.0	478.9	281.7	129.0	0.0	0.0
Ground Transportation - other	1,642.2	1,262.6	958.8	1,081.6	2,250.4	3,431.8	3,788.2	4,464.4	4,751.8	1,205.4	5,381.0
Total Ground Transportation	**$2,007.0**	**$1,575.7**	**$1,243.0**	**$1,276.3**	**$2,700.9**	**$3,995.1**	**$4,338.6**	**$4,830.4**	**$4,950.7**	**$1,209.6**	**$5,398.0**
Magazine											
Advertising - other	$4.7	$352.0	$722.1	$974.1	$1,151.0	**$1,576.1**	$1,509.8	$1,041.7	$928.7	$104.1	$776.9
Total Magazine Revenues	**$4.7**	**$352.0**	**$722.1**	**$974.1**	**$1,151.0**	**$1,576.1**	**$1,509.8**	**$1,041.7**	**$928.7**	**$104.1**	**$776.9**
TELECOMMUNICATIONS											
Total Telephone Revenues	**$3,673.6**	**$5,345.7**	**$5,361.0**	**$4,485.5**	**$5,835.7**	**$5,632.7**	**$3,710.8**	**$3,171.7**	**$0.0**	**$0.0**	**$0.0**
VASTERA BUILDING											
Total Vastera Bldg. Revenues[1]	**$1,559.2**	**$1,586.6**	**$1,963.1**	**$2,225.0**	**$2,438.1**	**$1,062.9**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**
TOTAL REVENUES	**$477,221.7**	**$442,286.1**	**$389,638.2**	**$368,838.0**	**$346,815.0**	**$370,488.5**	**$342,680.5**	**$287,544.6**	**$232,073.7**	**$53,332.0**	**$202,020.3**

Source: Office of Finance

* Concession Management expenses included as operating expenses for years 2003, 2002, 2001, 2000 and 1999. (See Note T)
All other years remain unchanged.

[1] Vastera Building revenues include rents and utilities.

Exhibit S-4

2005 RONALD REAGAN WASHINGTON NATIONAL AIRPORT REVENUES

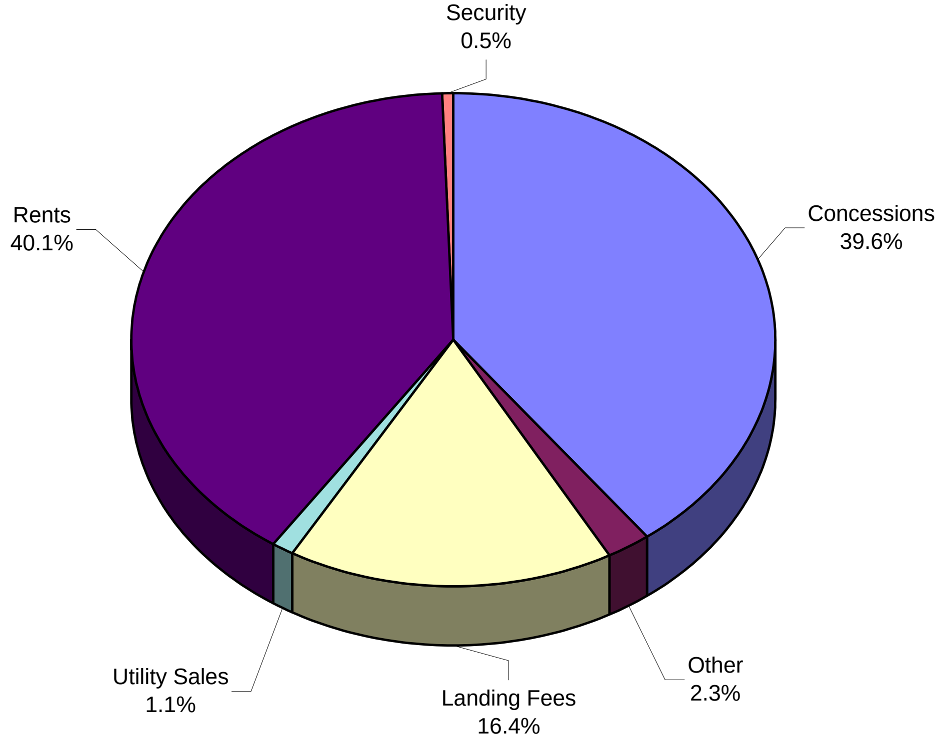
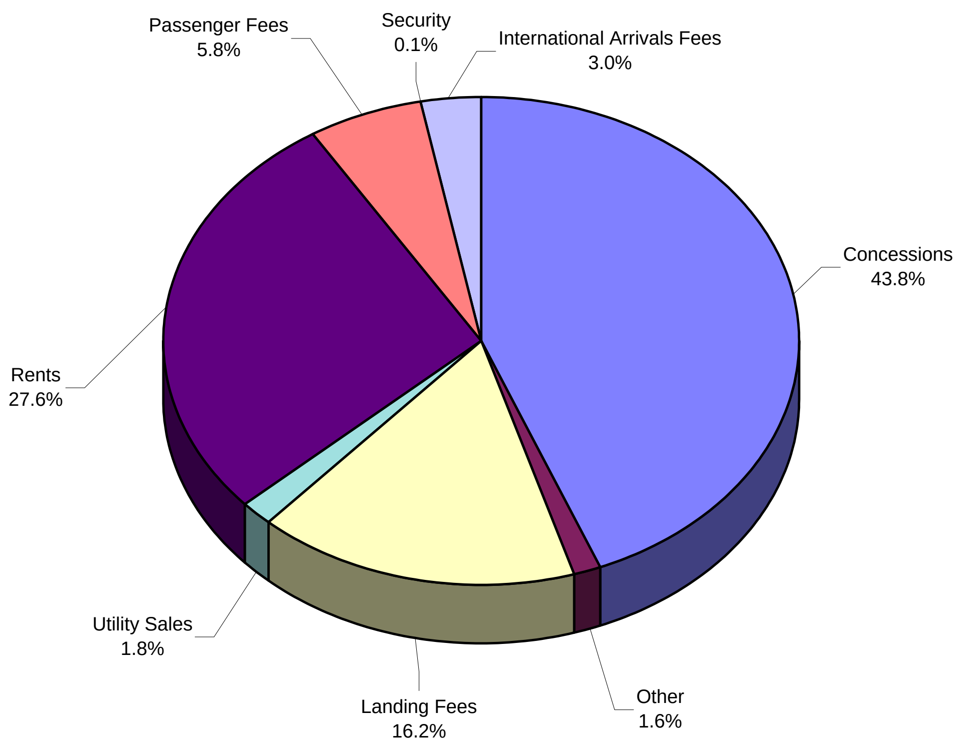


Exhibit S-5

2005 Washington Dulles International Airport Revenues



Scheduled Airlines Rates and Charges

Exhibit S-6

Ronald Reagan Washington National Airport

	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Signatory Airline Rates										
Landing Fee	$ 2.16	$ 2.41	$ 2.34	$ 2.65	$ 2.68	$ 2.12	$ 2.13	$ 2.02	$ 1.99	$ 1.83
Signatory Airline Cost Per Enplanement	$ 10.22	$ 11.84	$ 11.29	$ 12.12	$ 14.16	$ 11.65	$ 11.21	$ 10.30	$ 6.99	$ 5.47
Terminal A - Average Rate	$ 68.76	$ 69.46	$ 57.10	$ 65.53	$ 85.07	$ 102.63	$ 86.07	$ 59.42	$ 39.74	$ 48.48
Terminal B & C - Average Rate	$ 150.16	$ 150.44	$ 125.49	$ 116.43	$ 121.14	$ 138.54	$ 135.90	$ 138.31	$120.11	$ 72.92
Type 6 - Covered/Unenclosed	$ 5.49	$ 5.21	$ 5.09	$ 5.32	$ 5.28	$ 5.15	$ 5.02	$ 5.07	$ 5.07	$ 4.92
Type 7 - Uncovered/Unenclosed	$ 1.37	$ 1.30	$ 1.27	$ 1.33	$ 1.32	$ 1.29	$ 1.26	$ 1.27	$ 1.27	$ 1.23
NonSignatory Airline Rates										
General Aviation Landing Fees	$ 2.40	$ 2.80	$ 2.45	$ 3.01	$ 2.94	$ 2.34	N/A	N/A	N/A	N/A
Landing Fees	$ 3.00	$ 2.80	$ 2.45	$ 3.01	$ 2.94	$ 2.34	$ 2.48	$ 2.24	$ 1.95	$ 1.93
Terminal A	$ 84.81	$ 92.93	$ 76.79	$ 95.00	$ 96.47	$ 85.20	$ 100.18	$ 93.44	$ 61.90	$ 58.53
Terminal B & C	$ 169.93	$ 167.07	$ 154.56	$ 162.83	$ 158.83	$ 155.67	$ 150.35	$ 136.18	$ 122.63	$ 79.18

Washington Dulles International Airport

	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Signatory Airline Rates										
Landing Fee	$ 2.00	$ 2.52	$ 2.82	$ 2.39	$ 1.78	$ 1.45	$ 1.00	$ 1.30	$ 1.14	$ 1.48
Signatory Airline Cost Per Enplanement	$ 10.40	$ 12.34	$ 13.30	$ 12.81	$ 11.30	$ 8.48	$ 8.83	$ 9.66	$ 10.29	$ 9.87
Concourse C&D	$ 29.32	$ 35.39	$ 33.27	$ 31.01	$ 30.93	$ 22.61	$ 20.98	$ 20.18	$ 25.66	$ 43.93
Concourse B	$ 69.94	$ 65.24	$ 62.53	$ 60.32	$ 61.04	$ 45.23	$ 49.37	$ 50.68	N/A	N/A
Main Terminal	$ 128.72	$ 120.69	$ 103.97	$ 93.32	$ 94.44	$ 85.49	$ 80.65	$ 60.48	$ 63.77	$ 43.77
Concourse A	$ 54.22	$ 65.53	$ 52.56	$ 46.35	$ 44.85	$ 46.93	$ 25.82	N/A	N/A	N/A
Z-Gates	$ 173.82	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Type 6 - Covered/Unenclosed	$ 5.49	$ 5.21	$ 5.09	$ 5.32	$ 5.28	$ 5.15	$ 5.02	$ 5.07	$ 5.07	$ 4.92
Type 7 - Uncovered/Unenclosed	$ 1.37	$ 1.30	$ 1.27	$ 1.33	$ 1.32	$ 1.29	$ 1.26	$ 1.27	$ 1.27	$ 1.23
Airside Operations Building	$ 12.60	$ 10.11	$ 14.34	$ 14.16	$ 16.62	$ 12.37	$ 8.31	$ 10.84	$ 18.06	$ 9.19
International Arrivals Building	$ 4.50	$ 5.57	$ 5.68	$ 5.49	$ 5.80	$ 3.82	$ 4.47	$ 2.84	$ 4.05	$ 6.08
Apron Operations Building	N/A	$ 15.25	$ 10.90	$ 14.39	$ (1.66)	$ 9.66	$ 9.06	$ 8.19	$ 8.93	$ 11.23
Concourse C International Arrival Building	$ 1.73	$ 6.53	$ 6.79	$ 6.30	$ 5.55	$ 5.69	$ 4.35	$ 5.44	N/A	N/A
Passenger Conveyance	$ 1.34	$ 1.32	$ 1.29	$ 1.38	$ 1.39	$ 1.39	$ 1.44	$ 1.55	$ 1.15	$ 1.18
NonSignatory Airline Rates										
General Aviation Landing Fees	$ 2.71	$ 2.43	$ 3.05	$ 2.53	$ 2.16	$ 1.90	N/A	N/A	N/A	N/A
Landing Fees	$ 3.57	$ 2.43	$ 3.05	$ 2.53	$ 2.16	$ 1.90	$ 1.52	$ 1.86	$ 1.67	$ 1.87
Concourse C&D	$ 42.08	$ 37.96	$ 38.43	$ 43.65	$ 38.33	$ 40.10	$ 36.86	$ 34.47	$ 36.47	$ 50.44
Concourse B	$ 74.24	$ 54.12	$ 63.32	$ 69.96	$ 67.16	$ 55.92	$ 52.94	$ 50.68	N/A	N/A
Main Terminal	$ 174.62	$ 138.24	$ 128.58	$ 128.72	$ 121.67	$ 113.54	$ 111.14	$ 91.44	$ 80.10	$ 57.25
International Arrivals Building	$ 5.86	$ 5.65	$ 6.75	$ 6.57	$ 7.45	$ 5.68	$ 8.19	$ 7.14	$ 8.11	$ 7.79
Concourse C International Arrival Building	$ 4.31	$ 7.33	$ 9.05	$ 6.64	$ 6.53	$ 6.91	$ 5.95	$ 5.44	N/A	N/A
Concourse A	$ 72.46	$ 73.69	$ 64.23	$ 47.68	$ 44.89	$ 44.18	$ 25.82	N/A	N/A	N/A
Z-Gates	$ 173.82	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Passenger Conveyance	$ 1.61	$ 1.54	$ 1.73	$ 1.86	$ 1.61	$ 1.63	$ 1.63	$ 2.02	$ 1.61	$ 1.58

Note* Rates and Charges are calculated pursuant to the formulas set forth in the Airport Use Agreement and Premises Lease. The agreement provides the calculation of the annual rates and charges, with rate adjustments at midyear, or any time revenues fall 5% or more below projections.

Note* Rates as presented are average rates as calculated at settlement.

Source: Authority's rates and charges reports.

Ratio's of Outstanding Debt

	2005	2004	2003	2002
Outstanding Debt per Enplaned Passenger				
Outstanding debt by type:				
General Airport Revenue Bonds (GARB)	$ 2,828,462,510	$ 2,528,738,687	$ 2,327,168,578	$2,016,923,324
Commercial Paper	186,000,000	-	-	-
Bond Anticipation Commercial Paper Notes	-	150,000,000	150,000,000	250,000,000
PFC Bank Participation Notes	400,000,000	187,700,000	187,700,000	170,200,000
Total Outstanding Debt	3,414,462,510	2,866,438,687	2,664,868,578	2,437,123,324
Enplaned Passengers	22,415,046	19,385,904	15,565,042	15,061,353
Outstanding Debt per Enplaned Passenger	$ 152.33	$ 147.86	$ 171.21	$ 161.81
Debt Service Per Enplaned Passenger				
Net Debt Service (1)	$ 164,667,568	$ 140,079,210	$ 141,828,530	$ 135,250,234
Enplaned Passengers	22,415,046	19,385,904	15,565,042	15,061,353
Debt Service per Enplaned Passenger	$ 7.35	$ 7.23	$ 9.11	$ 8.98
Pledged Revenue Coverage - Flexible Term PFC Notes (Bank Participation Notes) (2)				
Passenger Facility Revenues	$ 88,315,311	$ 76,060,174	$ 58,438,038	$ 59,071,341
Passenger Facility Interest Earnings	743,458	198,989	48,075	215,471
Net Available Revenues	$ 89,058,769	$ 76,259,163	$ 58,486,113	$ 59,286,812
Outstanding Bank Participation Notes	400,000,000	187,700,000	187,700,000	170,200,000
Total Available	495,900,000	252,900,000	252,900,000	252,900,000
10% of Outstanding	40,000,000	18,770,000	18,770,000	17,020,000
Loan Fees & Interest Expense	4,834,032	3,571,826	2,316,822	3,186,897
Total Debt Coverage Requirements	$ 44,834,032	$ 22,341,826	$ 21,086,822	$ 20,206,897
Debt Service Coverage	1.99	3.41	2.77	2.93
Less Passenger Facility Expenditures	$ 241,850,339	$ 33,883,482	$ 67,871,550	$ 68,222,443

(1) Debt Service paid from operating accounts. Net Debt Service does not include debt service paid from bond funds for capitalized interest and debt service paid from interest earnings.

(2)The Authority issued Flexible Term PFC Revenue Notes to finance PFC approved projects. The bank participation notes have various maturity dates and interest rates that vary from 1.39% to 2.10%.

Exhibit S-7

2001	2000	1999	1998	1997	1996
$ 1,695,065,930	$ 1,439,881,951	$ 1,668,553,357	$ 1,701,084,134	$ 1,542,062,143	$ 1,261,156,235
-	-	-	-	-	-
206,000,000	190,000,000	-	-	-	-
170,200,000	170,200,000	162,600,000	153,100,000	150,400,000	99,500,000
2,071,265,930	1,800,081,951	1,831,153,357	1,854,184,134	1,692,462,143	1,360,656,235
15,599,674	17,973,986	17,459,321	15,839,281	14,821,425	14,051,590
$ 132.78	$ 100.15	$ 104.88	$ 117.06	$ 114.19	$ 96.83
$ 122,585,407	$ 123,179,914	$ 115,181,177	$ 95,932,778	$ 69,294,828	$ 67,350,064
15,599,674	17,973,986	17,459,321	15,839,281	14,821,425	14,051,590
$ 7.86	$ 6.85	$ 6.60	$ 6.06	$ 4.68	$ 4.79
$ 47,233,127	$ 48,367,121	$ 42,609,759	$ 39,649,263	$ 36,348,558	$ 43,801,637
378,474	458,998	152,481	101,323	62,396	88,636
$ 47,611,601	$ 48,826,119	$ 42,762,240	$ 39,750,586	$ 36,410,954	$ 43,890,273
170,200,000	170,200,000	162,600,000	153,100,000	150,400,000	99,500,000
252,900,000	252,900,000	252,900,000	155,000,000	155,000,000	155,000,000
17,020,000	17,020,000	16,260,000	15,310,000	15,040,000	9,950,000
6,167,172	7,933,004	6,800,065	6,436,800	5,148,921	4,787,786
$ 23,187,172	$ 24,953,004	$ 23,060,065	$ 21,746,800	$ 20,188,921	$ 14,737,786
2.05	1.96	1.85	1.83	1.80	2.98
$ 41,949,627	$ 42,228,527	$ 19,227,303	$ 25,048,450	$ 77,976,093	$ 102,615,728

Revenue Bond Debt Service Coverage

	2005	2004	2003
NET REVENUES			
Airline Revenue	$ 233,326,267	$ 225,134,652	$ 202,331,669
Non-Airline Revenue	200,409,975	178,783,727	148,840,418
Interest Income	14,337,950	8,356,729	8,727,243
Other Revenues & Prior Year Transfers	60,358,771	33,211,382	36,138,404
Total Revenues	508,432,963	445,486,490	396,037,734
LESS: Operating Expenses	(234,702,564)	(210,630,721)	(196,433,452)
Net Revenues	$ 273,730,399	$ 234,855,769	$ 199,604,282
DEBT SERVICE			
1988A General Airport Subordinated Revenue Bonds	$ -	$ -	$ -
1988C General Airport Subordinated Revenue Bonds	-	-	-
1988D General Airport Subordinated Revenue Bonds	-	-	-
1989A General Airport Subordinated Revenue Bonds	-	-	-
1990A Airport System Revenue Bonds	-	-	-
1992A Airport System Revenue Bonds	-	-	-
1993A Airport System Revenue & Refunding Bonds	-	1,993,757	4,350,565
1993B Airport System Revenue & Refunding Bonds	-	-	2,565,300
1994A Airport System Revenue Bonds	-	23,257,594	35,119,965
1997A Airport System Revenue Bonds	2,142,909	2,952,191	2,945,565
1997B Airport System Revenue Bonds	15,248,622	12,842,186	14,370,024
1997C Airport System Revenue & Refunding Bonds	-	-	-
1998A Airport System Revenue Bonds	1,322,236	1,318,158	1,330,610
1998B Airport System Revenue & Refunding Bonds	19,710,594	18,124,292	18,603,575
1999A Airport System Revenue & Refunding Bonds	5,946,837	5,841,298	5,874,163
2001A Airport System Revenue Bonds	13,976,834	6,905,090	11,718,857
2001B Airport System Revenue Bonds	366,495	451,143	672,953
2002A Airport System Revenue Bonds	6,320,872	5,615,081	6,173,644
2002B Airport System Revenue Bonds	789,395	1,085,449	1,515,875
2002C Airport System Revenue Variable Rate Refunding Bonds	19,758,330	19,934,028	19,158,357
2002D Airport System Revenue Refunding Bonds	2,596,248	2,994,667	5,739,300
2003A Airport System Revenue Refunding Bonds	10,185,205	9,433,874	2,841,304
2003B Airport System Revenue Refunding Bonds	4,050,272	2,603,708	528,739
2003C Taxable Airport System Revenue Refunding Bonds	3,295,935	3,330,846	1,114,077
2003D Airport System Revenue Variable Rate Bonds	3,230,574	2,656,903	1,227,443
2004A Airport System Revenue Refunding Bonds	561,894	223,643	-
2004B Airport System Revenue Bonds	4,819,952	2,535,517	-
2004C-1 Airport System Revenue Refunding Bonds	8,049,634	2,353,789	-
2004C-2 Airport System Revenue Refunding Bonds	14,346,612	5,161,229	-
2004D Airport System Revenue Refunding Bonds	11,183,139	3,885,524	-
2005A Airport System Revenue Bonds	9,863,398	-	-
2005B Airport System Revenue Bonds	618,617	-	-
2005C Taxable Airport System Revenue Bonds	1,647,078	-	-
2005D Airport System Revenue Bonds	138,752	-	-
Series A Bond Anticipation Commercial Paper Notes	427,742	4,579,243	4,044,030
Series B Bond Anticipation Commercial Paper Notes	-	-	1,934,188
Series One Airport System Revenue Commercial Paper Notes	764,384	-	-
Series Two Airport System Revenue Commercial Paper Notes	3,305,008	-	-
Net Debt Service	$ 164,667,568	$ 140,079,210	$ 141,828,530
DEBT SERVICE COVERAGE	1.66	1.68	1.41

Note: Net Revenues are calculated in accordance with Authority Airport Use Agreement and Premises Lease. Debt Service does not include debt paid from bond funds for capitalized interest or debt service paid from interest earnings.

Exhibit S-8

2002	2001	2000	1999	1998	1997	1996
$ 195,780,109	$ 181,891,097	$ 184,187,568	$ 169,033,644	$ 159,350,131	$ 121,230,824	$ 130,294,215
135,030,371	128,871,384	146,143,142	137,290,816	120,346,707	103,203,704	115,135,296
9,642,956	15,472,164	16,161,118	13,202,961	16,386,425	12,347,704	15,352,942
53,132,972	65,104,145	44,655,603	46,904,252	35,745,580	28,789,122	31,754,762
393,586,408	391,338,790	391,147,431	366,431,673	331,828,843	265,571,354	292,537,215
(194,629,440)	(187,047,571)	(180,595,115)	(171,979,528)	(152,010,792)	(129,271,303)	(155,176,642)
$ 198,956,968	$ 204,291,219	$ 210,552,316	$ 194,452,145	$ 179,818,051	$ 136,300,051	$ 137,360,573
$ -	$ -	$ -	$ -	$ 3,724,808	$ 10,077,823	$ 12,857,141
-	-	-	-	1,949,346	2,746,905	3,289,446
-	-	-	-	648,607	917,769	1,099,552
-	-	-	-	-	2,109,805	3,513,137
-	275,787	15,069,038	19,108,263	17,769,553	16,525,690	18,840,828
15,729,503	22,856,951	22,655,731	21,120,185	19,071,482	12,234,676	12,030,970
4,903,913	4,794,599	4,903,808	4,850,857	4,794,336	4,669,161	6,026,594
3,402,230	3,345,168	3,383,814	3,362,031	3,356,384	3,357,352	4,166,025
35,289,120	34,485,341	34,776,289	33,727,975	30,811,993	15,389,806	5,526,372
2,655,447	2,213,032	2,580,111	1,384,999	1,235,188	59,660	-
14,741,589	14,241,097	14,198,177	12,630,866	6,760,318	988,685	-
-	-	-	219,723	924,634	217,496	-
1,297,815	1,086,168	1,123,553	391,923	47,548	-	-
18,568,291	17,552,433	16,759,523	15,172,783	4,838,581	-	-
5,833,633	5,631,732	5,912,982	3,211,571	-	-	-
13,619,313	5,754,121	-	-	-	-	-
650,327	182,684	-	-	-	-	-
3,022,077	-	-	-	-	-	-
257,284	-	-	-	-	-	-
5,037,925	-	-	-	-	-	-
1,807,184	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,994,287	7,005,927	1,527,800	-	-	-	-
2,595,462	3,160,367	289,087	-	-	-	-
1,844,833	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 135,250,234	$ 122,585,407	$ 123,179,914	$ 115,181,177	$ 95,932,777	$ 69,294,828	$ 67,350,065
1.47	1.67	1.71	1.69	1.87	1.97	2.04

Airport Information

Exhibit S-9

Ronald Reagan Washington National Airport

As of December 31, 2005

Location:	3 miles south from downtown Washington D.C. along the Potomac River in Arlington County, VA		
Acres:	860 +/- acres		
Airport Code:	DCA		
Runways:	1/19 15/33 4/22		
Terminal:	Terminal A	59,488	sq ft
	Terminal B/C	370,613	sq ft
	Tenants	97,093	sq ft
	Public/Common	482,844	sq ft
	Mechanical	153,685	sq ft
	Total Terminal Sq. Ft.	**1,163,723**	sq ft
	Number of Passenger Gates:	44	
	Number of Loading Bridges:	44	
	Number of Concessionaires in Terminal:	83	
	Number of Rental Car Agencies in Garage A:	5	
Airfield:	Runways	3,345,338	sq ft
	Taxiways	2,349,483	sq ft
	Ramps	3,941,137	sq ft
	Total	**9,635,958**	
Parking:			
	Spaces Assigned:		
	Garage A	872	
	Lot 2-A	115	
	Garage B & C Daily	3,902	
	Garage B & C Hourly	455	
	Economy Lot	2,672	
	Total Spaces	**8,016**	
Cargo:	Air Cargo Building	47,000	sq ft
International:	N/A		
Tower(s):	TRACON 24 / 7 365		
FBO's	Signature Flight Support in Hanger 7		

Airport Information

Exhibit S-10

Washington Dulles International Airport

As of December 31, 2005

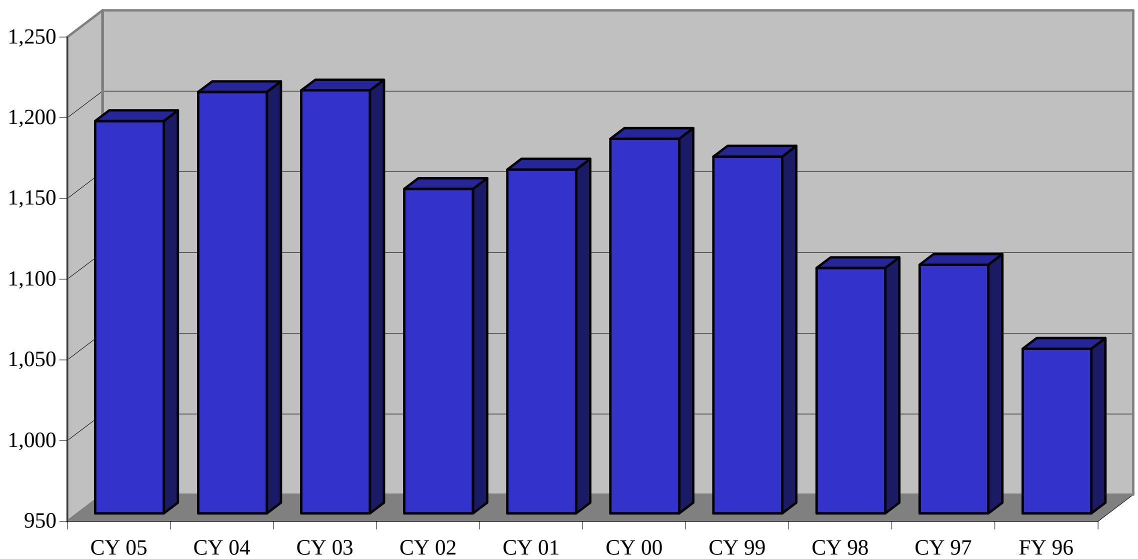
Location:	26 miles west from downtown Washington D.C., Located in Fairfax and Loudoun Counties, VA		
Acres:	11,000 +/- Acres		
Airport Code:	IAD		
Runways:	12/30		
	1L/19R		
	1R/19L		
Terminal:	Signatory Airlines	936,008	sq ft
	Tenants / Concessions	116,632	sq ft
	Public/Common	972,282	sq ft
	Mechanical	253,209	sq ft
	Total	**2,278,131**	sq ft
	Number of Passenger Gates:	151	
	Number of Loading Bridges:	37	
	Number of Concessionaires in Terminal:	93	
	Number of Rental Car Agencies on Airport:	7	
Airfield	Runways	5,025,000	sq ft
	Taxiways	11,803,835	sq ft
	Ramps/Aprons	11,883,629	sq ft
	Shoulders & Blast Pads	8,276,194	sq ft
Parking:	Spaces Assigned		
	Daily Garage 1	4,680	
	Daily Garage 2	3,645	
	Hourly Parking Lot	2,516	
	Economy	12,955	
	Valet	1,457	spaces
	Total	**25,253**	
Roadways	Lane mileage	211	miles
Cargo:	Cargo 1 & 2	53,231	sq ft
	Cargo 3 & 4	59,287	sq ft
	Cargo 5	284,928	sq ft
	Cargo 6	117,736	sq ft
International:	Customs/Immigration F.I.S. Facility		
Tower(s):	TRACON 24 / 7/ 365		
FBO's	Piedmont Hawthorne General Aviation		
	Signature		

Notes:

Passenger Gates - includes 62 commuter gates and 11 hard stand parking positions
Loading Bridges - includes 5 temporarily moved for construction
Connessionaires - includes food, retail, duty free, banking/currency exchange. Does not include ATMs, pay phones and dioramas.

Exhibit S-11

AIRPORTS AUTHORITY EMPLOYEE STRENGTH



POPULATION TRENDS

Exhibit S-12

Metropolitan Statistical Area - Last Ten Years

(Expressed in Thousands)

JURISDICTION	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
District of Columbia	553.5	528.8	570.9	571.8	572.1	570.2	565.2	567.7	572.4	580.5
Arlington County, VA	186.1	187.4	188.7	189.5	189.4	188.7	186.7	184.8	182.8	181.7
City of Alexandria, VA	128.2	128.7	129.8	130.4	128.3	125.7	122.1	119.9	118.2	117.9
Central Jurisdictions	**867.8**	**844.9**	**889.4**	**891.7**	**889.8**	**884.6**	**874.0**	**872.4**	**873.4**	**880.1**
Fairfax County, VA	1003.2	996.8	992.4	986.3	969.7	955.6	936.9	924.2	906.9	891.4
Montgomery County, MD	921.7	915.1	906.0	893.1	873.3	862.4	847.6	835.4	824.8	815.0
Prince George's County, MD	843.0	836.4	827.7	817.3	801.5	795.1	789.0	780.7	774.0	765.7
City of Fairfax, VA	22.1	22	21.8	21.8	21.5	21.5	21.4	21.1	21.2	21.0
City of Falls Church, VA	11.0	10.6	10.6	10.5	10.4	10.2	9.9	9.6	9.6	9.5
Inner Suburbs	**2,801.0**	**2,780.9**	**2,758.5**	**2,729.0**	**2,676.4**	**2,644.8**	**2,604.8**	**2,571.0**	**2,536.5**	**2,502.6**
Prince William County, VA	336.6	323.9	310.8	297.6	280.8	272.7	263.9	256.9	251.9	243.6
Loudoun County, VA	239.2	221.1	203.8	190.1	169.6	158.1	146.1	135.4	125.0	116.9
Frederick County, MD	217.7	213.6	209.1	202.4	195.3	191.6	187.1	183.3	179.3	175.9
Charles County, MD	135.8	132.3	128.2	125.0	120.5	118.6	116.2	113.6	111.6	110.2
Stafford County, VA	114.8	110.2	104.3	98.4	92.4	89.4	86.3	83.0	82.0	78.4
Spotsylvania County, VA	111.9	107.7	102.6	96.7	90.4	87.2	83.6	80.3	77.4	73.8
Calvert County, MD	86.5	84.2	80.9	77.7	74.6	72.9	71.0	68.6	66.2	63.9
Fauquier County, VA	63.3	61.2	59.5	57.4	55.1	54.0	52.9	52.0	50.8	50.4
Manassas City, VA	37.6	37.1	36.6	35.9	35.1	34.6	33.7	33.0	32.6	32.3
Warren County, VA	34.4	33.8	33.1	32.2	31.6	31.1	30.5	30.3	30.1	29.4
Jefferson County, WVA	47.7	46.4	45.0	43.4	42.1	41.6	40.8	40.2	39.7	39.2
Fredericksburg City, VA	20.5	20.2	20.0	19.7	19.3	19.5	19.6	21.5	20.7	20.7
Clarke County, VA	13.9	13.4	13.2	13.1	12.7	12.5	12.4	12.5	12.3	12.2
Manassas Park City, VA	11.5	11.0	10.9	10.8	10.3	10.0	9.5	9.0	8.6	8.3
Outer Suburbs	**1,471.4**	**1,416.1**	**1,358.0**	**1,300.4**	**1,229.8**	**1,193.8**	**1,153.6**	**1,119.6**	**1,088.2**	**1,055.2**
DC-MD-VA-WVA Metropolitan Statistical Area	**5,140.2**	**5,041.9**	**5,005.9**	**4,921.1**	**4,796.0**	**4,723.2**	**4,632.4**	**4,563.0**	**4,498.1**	**4,437.9**

Source: Years 1995-1999 - Time Series of Maryland Intercensal Population Estimates by County: April 1, 1990 through April 1, 2000.
Source: Years 2000-2005 - Population Estimates Program, US Census Bureau.

Source: Metropolitan Washington Council of Governments
Prepared by the Office of Finance

AIRCRAFT OPERATIONS BY AIRPORT

Exhibit S-13

Takeoff and Landing Operations

Ronald Reagan Washington National Airport

FISCAL YEAR	MAJOR/ NATIONALS	REGIONAL/ COMMUTERS	GENERAL AVIATION	MILITARY	TOTAL
2005	181,417	91,227	3,101	311	276,056
2004	154,432	111,333	2,546	245	268,556
2003	139,343	109,085	2,087	287	250,802
2002	139,259	73,078	2,255	1,099	215,691
2001	159,347	47,650	32,290	4,721	244,008
2000	188,285	59,695	44,592	5,307	297,879
1999	182,589	54,664	48,557	5,955	291,765
1998	185,926	56,274	49,290	5,603	297,093
1997	185,334	63,808	50,212	5,282	304,636
1996	179,852	64,861	48,503	4,834	298,050

Washington Dulles International Airport

FISCAL YEAR	MAJOR/ NATIONALS	REGIONAL/ COMMUTERS	GENERAL AVIATION	MILITARY	TOTAL
2005	255,442	179,492	73,629	1,089	509,652
2004	281,662	111,669	74,689	1,614	469,634
2003	232,112	27,833	73,668	1,784	335,397
2002	262,063	26,957	81,732	1,884	372,636
2001	300,051	27,548	62,643	6,634	396,876
2000	336,467	52,847	59,417	7,705	456,436
1999	346,683	49,782	64,429	8,192	469,086
1998	283,115	25,754	65,842	7,431	382,142
1997	240,861	29,238	62,402	7,063	339,564
1996	231,120	27,561	54,565	6,976	320,222

Source: Office of Finance
Prepared by the Office of Finance

LANDED WEIGHTS

(Expressed in Thousands of Pounds)

Ronald Reagan Washington National Airport

AIRLINE	CY 2005 Landed Weights	CY 2005 Share	CY 2004 Landed Weights[3]	CY 2004 Share[3]	CY 2003 Landed Weights[3]	CY 2003 Share[3]	CY 2002 Landed Weights[3]	CY 2002 Share[3]	CY 2001 Landed Weights[3]	CY 2001 Share[3]
US Airways	4,481,809	34.65%	3,332,495	28.11%	3,059,815	27.81%	3,115,677	30.24%	3,615,979	32.63%
Delta Airlines	1,514,466	11.71%	1,484,028	12.52%	1,489,855	13.54%	1,713,594	16.63%	2,191,172	19.77%
American Airlines	1,281,360	9.91%	1,228,007	10.36%	1,362,246	12.38%	1,311,095	12.72%	1,187,911	10.72%
Northwest Airlines	882,019	6.82%	912,146	7.69%	916,221	8.33%	779,922	7.57%	741,852	6.69%
United Airlines	674,178	5.21%	643,107	5.42%	615,931	5.60%	628,511	6.10%	598,303	5.40%
PSA Airlines	578,429	4.47%	316,644	2.67%	177,332	1.61%	185,006	1.80%	58,305	0.53%
Continental Airlines	506,542	3.92%	507,510	4.28%	481,828	4.38%	534,108	5.18%	684,300	6.18%
American Eagle(Flagship)	404,842	3.13%	375,294	3.17%	363,734	3.31%	231,222	2.24%	127,751	1.15%
Midwest Express	306,356	2.37%	302,383	2.55%	272,663	2.48%	286,368	2.78%	224,447	2.03%
Comair	293,414	2.27%	410,498	3.46%	473,666	4.31%	98,888	0.96%	-	-
America West Airlines	223,628	1.73%	200,093	1.69%	172,147	1.56%	189,006	1.83%	213,416	1.93%
Chautauqua	210,503	1.63%	335,600	2.83%	178,015	1.62%	15,615	0.15%	-	-
American Trans Air	206,091	1.59%	231,136	1.95%	158,894	1.44%	146,007	1.42%	138,567	1.25%
AirTran	186,208	1.44%	187,928	1.58%	36,296	0.33%	-	-	-	-
Spirit Airlines	183,343	1.42%	127,920	1.08%	8,060	0.07%	-	-	56,651	0.51%
Air Canada	157,765	1.22%	143,051	1.21%	129,872	1.18%	136,149	1.32%	122,533	1.11%
Alaska Airlines	142,925	1.11%	100,905	0.85%	46,770	0.43%	47,158	0.46%	4,642	0.04%
Frontier Airlines	137,877	1.07%	90,522	0.76%	47,815	0.43%	43,199	0.42%	30,727	0.28%
Continental Express	117,345	0.91%	122,697	1.03%	113,036	1.03%	67,618	0.66%	10,110	0.09%
Pinnacle Airlines	108,805	0.84%	22,795	0.19%	-	-	-	-	-	-
Mesa-US Airway Expr.	84,538	0.65%	403,708	3.40%	203,087	1.85%	165,325	1.60%	316,156	2.85%
Air Wisconsin	52,170	0.40%	-	-	-	-	-	-	-	-
Atlantic Southeast	50,720	0.39%	89,497	0.75%	87,245	0.79%	5,687	0.06%	-	-
Mesaba Airlines	45,220	0.35%	-	-	-	-	-	-	-	-
Trans States	32,252	0.25%	58,080	0.49%	-	-	-	-	431	0.00%
Colgan Air	31,493	0.24%	77,121	0.65%	11,258	0.10%	-	-	-	-
Republic Airlines	26,900	0.21%	-	-	-	-	-	-	-	-
Piedmont Aviation	11,697	0.09%	103,954	0.88%	232,511	2.11%	411,452	3.99%	160,547	1.45%
Allegheny Commuter			44,409	0.37%	152,041	1.38%	116,819	1.13%	13,153	0.12%
Atlantic Coast	-	-	5,742	0.05%	11,008	0.10%	15,196	0.15%	1,174	0.01%
Mesa-Air Midwest	-	-	-	-	-	-	-	-	11,487	0.10%
Mesa-America West Exp.	-	-	-	-	-	-	16,403	0.16%	15,416	0.14%
Midway Airlines	-	-	-	-	189,034	1.72%	38,243	0.37%	69,962	0.63%
National Airlines	-	-	-	-	-	-	-	-	49,698	0.45%
Shuttle Inc.	-	-	-	-	-	-	-	-	-	-
Skyway Airlines	-	-	-	-	11,555	0.11%	5,654	0.05%	16,619	0.15%
Trans World Airlines	-	-	-	-	-	-	-	-	290,335	2.62%
Other 1/	-	-	-	-	-	-	-	-	129,594	1.17%
Total 2/	**12,932,895**	**100.00%**	**11,857,270**	**100.00%**	**11,001,935**	**100.00%**	**10,303,922**	**100.00%**	**11,081,238**	**100.00%**

1/ Includes airlines no longer serving National or carriers with insignificant activity.
2/ Percentage may not add to 100 percent due to individual rounding.
3/ Prior year amounts have been adjusted for corrections or additional information.

Source: Office of Finance

Exhibit S-14

CY 2000		CY 1999		FY 1998		FY 1997		FY 1996	
Landed Weights[3]	Share[3]	Landed Weights[3]	Share[3]	Landed Weights[3]	Share[3]	Landed Weights[3]	Share[3]	Landed Weights[3]	Share[3]
3,952,238	30.94%	3,257,041	26.96%	3,539,036	28.35%	3,546,565	27.72%	3,461,176	27.01%
2,415,506	18.91%	2,346,724	19.42%	2,253,345	18.05%	2,290,648	17.90%	2,257,071	17.62%
1,449,620	11.35%	1,487,965	12.31%	1,512,085	12.11%	1,556,567	12.17%	1,516,618	11.84%
901,926	7.06%	898,284	7.43%	855,381	6.85%	928,769	7.26%	955,079	7.45%
689,184	5.40%	727,179	6.02%	836,657	6.70%	880,094	6.88%	852,152	6.65%
140,293	1.10%	141,752	1.17%	126,089	1.01%	121,451	0.95%	48,663	0.38%
852,278	6.67%	866,443	7.17%	865,589	6.93%	851,780	6.66%	935,240	7.30%
83,298	0.65%	71,832	0.59%	86,888	0.70%	87,476	0.68%	85,204	0.66%
215,212	1.68%	175,712	1.45%	166,201	1.33%	166,793	1.30%	148,697	1.16%
-	-	-	-	-	-	-	-	-	-
125,394	0.98%	95,195	0.79%	110,890	0.89%	147,801	1.16%	146,947	1.15%
-	-	-	-	-	-	-	-	-	-
156,211	1.22%	-	-	-	-	155	0.00%	-	-
-	-	-	-	-	-	-	-	-	-
12,848	0.10%	-	-	-	-	-	-	-	-
171,101	1.34%	174,237	1.44%	169,863	1.36%	147,991	1.16%	127,100	0.99%
-	-	-	-	-	-	-	-	-	-
10,260	0.08%	-	-	-	-	-	-	-	-
1,809	0.01%	11,735	0.10%	11,137	0.09%	11,017	0.09%	3,146	0.02%
-	-	-	-	-	-	-	-	-	-
199,255	1.56%	73,130	0.61%	68,132	0.55%	15,571	0.12%	14,444	0.11%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
85,704	0.67%	76,476	0.63%	77,053	0.62%	80,432	0.63%	58,367	0.46%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
352,055	2.76%	368,258	3.05%	368,369	2.95%	466,736	3.65%	624,106	4.87%
19,425	0.15%	25,832	0.21%	64,546	0.52%	65,936	0.52%	63,190	0.49%
-	-	-	-	-	-	-	-	-	-
16,308	0.13%	697	0.01%	-	-	-	-	-	-
15,604	0.12%	14,570	0.12%	564	0.00%	-	-	-	-
97,939	0.77%	79,116	0.65%	117,203	0.94%	125,004	0.98%	129,559	1.01%
13,068	0.10%	-	-	-	-	-	-	-	-
388,448	3.04%	749,640	6.20%	761,700	6.10%	777,600	6.08%	737,310	5.75%
13,016	0.10%	-	-	-	-	-	-	-	-
395,454	3.10%	431,724	3.57%	436,226	3.49%	445,878	3.48%	555,584	4.34%
-	-	9,386	0.08%	55,874	0.45%	80,038	0.63%	93,203	0.73%
12,773,454	**100.00%**	**12,082,928**	**100.00%**	**12,482,829**	**100.00%**	**12,794,302**	**100.00%**	**12,812,858**	**100.00%**

LANDED WEIGHTS

(Expressed in Thousands of Pounds)

Washington Dulles International Airport

AIRLINE	2005 Landed Weights	2005 Share	2004 Landed Weights	2004 Share	2003 Landed Weights	2003 Share	2002 Landed Weights	2002 Share	2001 Landed Weights	2001 Share
United Airlines	6,392,517	31.75%	6,557,152	35.34%	5,663,094	39.46%	6,127,511	39.28%	7,019,527	42.08%
Flyi /3	3,787,081	18.81%	3,403,084	18.34%	2,035,844	14.18%	2,217,292	14.21%	2,367,578	14.19%
Mesa Airlines	916,055	4.55%	371,362	2.00%	85	0.00%	-	-	3,359	0.02%
Air Wisconsin	901,336	4.48%	840,831	4.53%	227,378	1.58%	57,340	0.37%	-	-
Trans States Airlines	678,031	3.37%	319,524	1.72%	5,767	0.04%	-	-	27,933	0.17%
American Airlines	598,510	2.97%	587,805	3.17%	777,149	5.41%	1,017,507	6.52%	858,456	5.15%
Chautauqua Airlines	532,334	2.64%	246,305	1.33%	8,455	0.06%	-	-	21,147	0.13%
Delta Airlines	530,760	2.64%	727,540	3.92%	759,207	5.29%	985,854	6.32%	864,294	5.18%
JetBlue Airways	523,980	2.60%	484,930	2.61%	361,958	2.52%	244,420	1.57%	-	-
British Airways	496,472	2.47%	529,004	2.85%	515,279	3.59%	564,804	3.62%	403,510	2.42%
Lufthansa	409,835	2.04%	317,729	1.71%	310,526	2.16%	311,217	2.00%	375,212	2.25%
Federal Express	401,655	1.99%	371,733	2.00%	410,858	2.86%	485,719	3.11%	465,973	2.79%
Air France	384,546	1.91%	321,257	1.73%	296,325	2.06%	268,292	1.72%	252,435	1.51%
Shuttle America	370,263	1.84%	173,781	0.94%	-	-	2,802	0.02%	-	-
Northwest Airlines	289,410	1.44%	308,611	1.66%	327,689	2.28%	479,618	3.07%	524,895	3.15%
Continental Express	197,711	0.98%	190,639	1.03%	135,889	0.95%	118,366	0.76%	103,267	0.62%
US Airways	196,034	0.97%	185,961	1.00%	187,800	1.31%	249,266	1.60%	508,258	3.05%
Comair	190,435	0.95%	101,050	0.54%	120,943	0.84%	119,057	0.76%	76,563	0.46%
AirTrans (Valujet)	178,360	0.89%	184,808	1.00%	211,560	1.47%	214,929	1.38%	235,026	1.41%
All Nippon	168,917	0.84%	168,360	0.91%	169,440	1.18%	168,644	1.08%	197,512	1.18%
Virgin Atlantic	165,869	0.82%	212,812	1.15%	181,611	1.27%	189,107	1.21%	217,233	1.30%
America West	146,936	0.73%	175,731	0.95%	126,018	0.88%	8,813	0.06%	-	-
Austrian Airlines	143,173	0.71%	145,155	0.78%	143,237	1.00%	135,226	0.87%	120,737	0.72%
KLM	121,058	0.60%	111,689	0.60%	63,524	0.44%	-	-	-	-
Alitalia Airlines	112,171	0.56%	90,061	0.49%	-	-	-	-	-	-
Korean Air	111,384	0.55%	108,756	0.59%	99,716	0.69%	96,944	0.62%	80,003	0.48%
Taca International	107,680	0.53%	94,172	0.51%	88,868	0.62%	89,792	0.58%	70,489	0.42%
Scandinavian	105,126	0.52%	111,950	0.60%	114,283	0.80%	114,878	0.74%	68,159	0.41%
Airborne Express	101,567	0.50%	116,481	0.63%	115,109	0.80%	114,811	0.74%	111,900	0.67%
Colgan	99,277	0.49%	38,262	0.21%	33,716	0.23%	66,624	0.43%	109,330	0.66%
Air Canada	94,946	0.47%	150,749	0.81%	166,472	1.16%	180,561	1.16%	217,438	1.30%
United Parcel Service	78,162	0.39%	79,916	0.43%	79,890	0.56%	76,392	0.49%	66,928	0.40%
bmi british midland	75,502	0.38%	123,552	0.67%	71,280	0.50%	113,652	0.73%	78,012	0.47%
American Eagle	69,347	0.34%	69,164	0.37%	69,219	0.48%	54,241	0.35%	27,897	0.17%
Saudi Arabian	61,241	0.30%	73,470	0.40%	70,397	0.49%	77,214	0.50%	89,230	0.53%
Ethiopian Airlines	53,966	0.27%	45,664	0.25%	40,874	0.28%	41,201	0.26%	42,492	0.25%
Alaska Airlines	48,834	0.24%	69,285	0.37%	94,726	0.66%	73,532	0.47%	11,111	0.07%
Continental Airlines	37,391	0.19%	44,334	0.24%	60,142	0.42%	113,272	0.73%	143,190	0.86%
Pinnacle Airlines	33,182	0.16%	50,995	0.27%	-	-	-	-	-	-
PSA Airlines	30,738	0.15%	4,973	0.03%	-	-	-	-	2,187	0.01%
South African Airways	29,148	0.14%	-	-	-	-	-	-	-	-
ASTAR Air Cargo/DHL	28,800	0.14%	40,881	0.22%	9,463	0.07%	-	-	-	-
BWIA	28,512	0.14%	27,216	0.15%	27,400	0.19%	33,676	0.22%	33,983	0.20%
LAB Airlines	25,807	0.13%	31,751	0.17%	-	-	-	-	-	-
Aeroflot Soviet Airlines	21,168	0.11%	28,425	0.15%	37,194	0.26%	55,036	0.35%	42,848	0.26%
TransMeridian	18,164	0.09%	656	0.00%	892	0.01%	2,928	0.02%	39,282	0.24%
Atlantic Southeast	15,331	0.08%	45,645	0.25%	-	-	-	-	-	-
Other /1	24,460	0.12%	72,261	0.39%	133,393	0.93%	327,753	2.10%	804,009	4.82%
TOTAL 2/	**20,133,182**	**100.00%**	**18,555,472**	**100.00%**	**14,352,670**	**100.00%**	**15,598,291**	**100.00%**	**16,681,403**	**100.00%**

1/ Includes airlines no longer serving National or carriers with insignificant activity.
2/ Percentage may not add to 100 percent due to individual rounding.
3/ FLYi includes both Atlantic Coast and Independence Air.

Source: Office of Finance

Exhibit S-15

2000		1999		1998		1997		1996	
Landed Weights	Share	Landed Weights	Share	Landed Weights	Share	Landed Weights	Share	Landed Weights	Share
7,384,117	41.83%	7,280,373	41.78%	5,604,481	38.90%	5,026,791	40.07%	4,980,045	41.84%
2,251,159	12.75%	2,088,662	11.99%	1,743,644	12.10%	1,216,429	9.70%	1,123,480	9.44%
106,597	0.60%	17,245	0.10%	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
805,479	4.56%	806,544	4.63%	827,159	5.74%	826,114	6.59%	837,080	7.03%
12,262	0.07%	-	-	-	-	-	-	-	-
838,037	4.75%	954,291	5.48%	1,011,874	7.02%	961,575	7.66%	697,707	5.86%
-	-	-	-	-	-	-	-	-	-
426,999	2.42%	396,288	2.27%	403,397	2.80%	325,860	2.60%	304,188	2.56%
339,781	1.92%	224,334	1.29%	224,563	1.56%	212,679	1.70%	213,246	1.79%
482,391	2.73%	517,919	2.97%	548,681	3.81%	427,701	3.41%	358,658	3.01%
298,118	1.69%	248,597	1.43%	220,667	1.53%	216,790	1.73%	179,421	1.51%
-	-	-	-	-	-	-	-	-	-
474,675	2.69%	451,588	2.59%	386,365	2.68%	380,488	3.03%	366,698	3.08%
100,403	0.57%	102,885	0.59%	133,675	0.93%	168,219	1.34%	82,536	0.69%
1,446,769	8.19%	2,054,387	11.79%	639,162	4.44%	539,267	4.30%	657,535	5.52%
112,474	0.64%	-	-	-	-	-	-	-	-
244,114	1.38%	334,026	1.92%	521,334	3.62%	376,101	3.00%	610,886	5.13%
203,232	1.15%	197,392	1.13%	162,292	1.13%	121,836	0.97%	115,300	0.97%
222,620	1.26%	187,022	1.07%	149,672	1.04%	188,558	1.50%	45,549	0.38%
1,667	0.01%	41,109	0.24%	82,484	0.57%	49,558	0.40%	-	-
99,507	0.56%	81,022	0.46%	95,985	0.67%	88,114	0.70%	49,683	0.42%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
104,536	0.59%	122,056	0.70%	120,888	0.84%	122,056	0.97%	106,872	0.90%
52,878	0.30%	56,041	0.32%	107,483	0.75%	199,947	1.59%	183,180	1.54%
-	-	-	-	-	-	-	-	-	-
116,868	0.66%	128,035	0.73%	127,845	0.89%	92,476	0.74%	82,894	0.70%
58,181	0.33%	19,356	0.11%	24,369	0.17%	4,167	0.03%	266	0.00%
189,526	1.07%	120,821	0.69%	116,732	0.81%	98,381	0.78%	86,735	0.73%
58,705	0.33%	5,141	0.03%	55,871	0.39%	41,115	0.33%	45,515	0.38%
-	-	-	-	-	-	-	-	-	-
-	-	14,165	0.08%	-	-	-	-	-	-
85,632	0.49%	96,405	0.55%	98,296	0.68%	73,722	0.59%	73,092	0.61%
44,353	0.25%	34,727	0.20%	18,969	0.13%	-	-	-	-
-	-	-	-	-	-	-	-	-	-
99,723	0.56%	75,143	0.43%	78,479	0.54%	83,489	0.67%	47,315	0.40%
-	-	-	-	-	-	-	-	-	-
52,559	0.30%	58,538	0.34%	20,767	0.14%	23,100	0.18%	45,005	0.38%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
26,382	0.15%	4,343	0.02%	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
25,672	0.15%	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
889,074	5.04%	707,932	4.06%	881,038	6.12%	680,814	5.43%	610,563	5.13%
17,654,490	**100.00%**	**17,426,387**	**100.00%**	**14,406,169**	**100.00%**	**12,545,346**	**100.00%**	**11,903,447**	**100.00%**

ENPLANEMENTS

Exhibit S-16

Ronald Reagan Washington National Airport

Domestic

YEAR	NATIONAL COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. COMMERCIAL PASSENGER ENPLANEMENTS 1/		ANNUAL GROWTH
CY 2005	8,736,725	12.1%	662,094,700	3/	4.3%
CY 2004	7,796,973	11.8%	634,545,805		8.0%
CY 2003	6,970,957	9.7%	587,445,625		6.0%
CY 2002	6,356,238	-1.9%	553,975,672		-1.1%
CY 2001	6,480,154	-17.5%	560,377,486		-6.6%
CY 2000	7,855,373	4.7%	599,909,724		4.7%
CY 1999	7,500,866	-5.0%	573,211,800		3.6%
CY 1998	7,895,144	0.3%	553,445,800		2.7%
CY 1997	7,875,228	3.8%	538,890,666		3.2%
FY 1996	7,583,770	-1.7%	522,426,032		6.1%

Transborder/International

YEAR	NATIONAL COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. COMMERCIAL PASSENGER ENPLANEMENTS 2/		ANNUAL GROWTH
CY 2005	172,549	11.5%	73,478,442	4/	9.7%
CY 2004	154,689	17.7%	66,994,192		8.8%
CY 2003	131,458	26.1%	61,551,268		-0.1%
CY 2002	104,213	25.0%	61,640,428		-3.3%
CY 2001	83,350	-35.5%	63,737,009		-9.3%
CY 2000	129,280	14.7%	70,247,880		7.5%
CY 1999	112,703	7.9%	65,341,137		6.0%
CY 1998	104,466	-8.3%	61,643,755		3.9%
CY 1997	113,949	-16.4%	59,324,682		6.6%
FY 1996	136,335	102.1%	55,651,713		7.1%

1/ Per Bureau of Transportation Statistics "Air Carriers: T-100 Domestic Market." This source replaces the FAA, which had been used as the source for this information in prior years.
2/ Per Bureau of Transportation Statistics "Air Carriers: T-100 International Market." This source replaces the FAA, which had been used as the source for this inforamtion in prior years.
3/ Based on January through November with estimate for December.
4/ Estimated based on actual information through August.

Sources: Office of Finance, Bureau of Transportation Statistics
Prepared by the Office of Finance

ENPLANEMENTS

Exhibit S-17

Washington Dulles International Airport

Domestic Activity

YEAR	DULLES DOMESTIC COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. COMMERCIAL PASSENGER ENPLANEMENTS	1/	ANNUAL GROWTH
CY 2005	10,947,383	21.4%	662,094,700	3/	4.3%
CY 2004	9,014,584	41.5%	634,845,805		8.1%
CY 2003	6,371,646	-1.9%	587,445,625		6.0%
CY 2002	6,497,774	-6.6%	553,975,672		-1.1%
CY 2001	6,958,802	-11.8%	560,377,486		-6.6%
CY 2000	7,888,431	-1.0%	599,909,724		4.7%
CY 1999	7,967,779	28.7%	573,211,800		3.6%
CY 1998	6,188,759	16.4%	553,445,800		2.7%
CY 1997	5,318,459	6.3%	538,890,666		3.2%
FY 1996	5,002,343	4.5%	522,426,032		6.1%

International Activity

YEAR	DULLES INTERNATIONAL COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. ENPLANEMENTS	1/	ANNUAL GROWTH
CY 2005	2,448,994	6.0%	73,478,442	4/	9.7%
CY 2004	2,309,602	15.8%	66,994,192		8.8%
CY 2003	1,994,840	-1.1%	61,551,268		-0.1%
CY 2002	2,017,724	2.9%	61,640,428		-3.3%
CY 2001	1,961,394	-5.8%	63,737,009		-9.3%
CY 2000	2,083,201	13.1%	70,247,880		7.5%
CY 1999	1,841,705	14.0%	65,341,137		6.0%
CY 1998	1,615,194	9.0%	61,643,755		3.9%
CY 1997	1,481,781	8.3%	59,324,682		6.6%
FY 1996	1,367,959	0.6%	55,651,713		7.1%

1/ Per Bureau of Transportation Statistics "Air Carriers: T-100 Domestic Market." This source replaces the FAA, which had been used as the source for this information in prior years.
2/ Per Bureau of Transportation Statistics "Air Carriers: T-100 International Market." This source replaces the FAA, which had been used as the source for this information in prior years.
3/ Based on January through November with estimate for December.
4/ Estimated based on actual information through August.

Sources: MWAA Office of Finance, Bureau of Transportation Statistics
Prepared by the Office of Finance

ENPLANEMENT MARKET SHARE

Ronald Reagan Washington National Airport

	CY 2005		CY 2004		CY 2003		CY 2002		CY 2001	
AIRLINE	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
DOMESTIC AIR CARRIERS										
US Airways+US Airways Shuttle	2,715,964	34.13%	2,087,921	26.24%	1,895,630	26.68%	1,797,035	27.79%	2,049,010	30.99%
Delta+Delta Shuttle	1,131,927	14.23%	1,095,415	13.77%	1,050,133	14.78%	1,139,754	17.63%	1,247,114	18.86%
American	1,119,235	14.07%	921,936	11.59%	955,780	13.45%	921,433	14.25%	771,529	11.67%
Northwest	643,017	8.08%	622,144	7.82%	587,036	8.26%	522,216	8.08%	480,359	7.27%
United	462,300	5.81%	441,683	5.55%	398,713	5.61%	392,739	6.07%	372,984	5.64%
Continental	357,253	4.49%	309,128	3.88%	306,612	4.31%	326,253	5.05%	409,712	6.20%
Midwest	187,012	2.35%	166,059	2.09%	149,368	2.10%	142,933	2.21%	109,329	1.65%
America West	172,484	2.17%	153,659	1.93%	131,354	1.85%	122,745	1.90%	122,536	1.85%
AirTran	155,613	1.96%	138,707	1.74%	26,303	0.37%	-	-	-	-
ATA	145,227	1.83%	165,032	2.07%	126,474	1.78%	121,712	1.88%	105,944	1.60%
Spirit	135,878	1.71%	110,303	1.39%	8,854	0.12%	-	-	46,762	0.71%
Frontier	121,424	1.53%	72,757	0.91%	39,044	0.55%	36,058	0.56%	24,879	0.38%
Alaska	116,137	1.46%	77,325	0.97%	33,895	0.48%	32,149	0.50%	3,019	0.05%
Midway	-	-	-	-	-	-	19,798	0.31%	46,088	0.70%
National	-	-	-	-	-	-	-	-	28,938	0.44%
Trans World	-	-	-	-	-	-	-	-	173,781	2.63%
Other Air Carriers 1/	-	-	-	-	-	-	-	-	-	-
									-	-
REGIONALS									-	-
PSA	339434	4.27%	191,904	2.41%	111,727	1.57%	128,069	1.98%	34,511	0.52%
American Eagle	264758	3.33%	215,408	2.71%	198,460	2.79%	133,539	2.07%	66,060	1.00%
Comair (Delta Connection)	158060	1.99%	214,242	2.69%	243,627	3.43%	46,716	0.72%	-	-
Chautauqua (US Airways Express)	150719	1.89%	225,935	2.84%	115,102	1.62%	-	-	-	-
Continental Express	90506	1.14%	90,655	1.14%	90,836	1.28%	58,954	0.91%	10,735	0.16%
Pinnacle	62386	0.78%	10,455	0.13%	-	-	-	-	-	-
Mesa (US Airways Express)	58990	0.74%	265,276	3.33%	113,511	1.60%	122,977	1.90%	227,204	3.44%
ASA (Delta Connection)	35904	0.45%	65,488	0.82%	54,430	0.77%	5,423	0.08%	-	-
Air Wisconsin (US Airways Express)	32716	0.41%	-	-	-	-	-	-	-	-
Mesaba (Northwest Airlink)	25724	0.32%	-	-	-	-	-	-	-	-
Trans States (American Connection)	25230	0.32%	42,617	0.54%	3,622	0.05%	-	-	-	-
Republic (US Airways Express)	14032	0.18%	-	-	-	-	-	-	-	-
Piedmont	4342	0.05%	47,334	0.59%	100,245	1.41%	189,691	2.93%	70,872	1.07%
Allegheny	-	-	24,344	0.31%	86,410	1.22%	66,799	1.03%	2,933	0.04%
Midway (US Airways Express)	-	-	-	-	110,303	1.55%	-	-	-	-
Other Regionals 1/	10453	0.13%	41,246	0.52%	33,488	0.47%	29,245	0.45%	72,429	1.10%
AIR CARRIER -- CHARTERED										
Other Charters 1/	-	-	-	-	-	-	-	-	3,426	0.04%
GENERAL AVIATION										
Other General Aviation 1/	53	0.00%	-	-	-	-	-	-	46,433	0.70%
MILITARY										
Other Military 1/	1906	0.02%	5,375	0.07%	3,940	0.06%	4,936	0.08%	849	0.01%
TOTAL	**8,738,684**	**98.06%**	**7,802,348**	**98.06%**	**6,974,897**	**98.15%**	**6,361,174**	**98.39%**	**6,527,436**	**98.74%**
TRANSBORDER/INTERNATIONAL AIR CARRIERS										
Air Canada	104,637	1.32%	94,135	1.18%	79,436	1.12%	83,654	1.29%	78,937	1.19%
US Airways	40,830	0.51%	37,625	0.47%	33,891	0.48%	11,481	0.18%	-	0.00%
REGIONALS										
Other Regionals 1/	27,082	0.34%	22,929	0.29%	18,131	0.26%	9,078	0.14%	4,413	0.07%
GENERAL AVIATION										
Other General Aviation 1/	-	-	-	-	-	-	-	-	32	0.00%
TOTAL	**172,549**	**2.17%**	**154,689**	**1.94%**	**131,458**	**1.85%**	**104,213**	**1.61%**	**83,382**	**1.26%**
GRAND TOTAL	**8,911,233**	**100.00%**	**7,957,037**	**100.00%**	**7,106,355**	**100.00%**	**6,465,387**	**100.00%**	**6,610,818**	**100.00%**

1/ Includes airlines no longer serving National or airlines with insignificant activity.

Note: Prior years' schedules have been adjusted to include charter, general aviation and military passengers.

Exhibit S-18

CY 2000		CY 1999		CY 1998		CY 1997		CY 1996	
Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
2,569,040	32.37%	2,435,988	32.13%	2,813,779	35.28%	2,727,821	34.31%	2,463,395	32.30%
1,458,645	18.38%	1,381,439	18.22%	1,347,212	16.89%	1,344,958	16.92%	1,319,528	17.30%
1,013,424	12.77%	995,915	13.14%	1,046,727	13.13%	1,070,476	13.47%	1,012,309	13.28%
580,364	7.31%	574,881	7.58%	528,412	6.63%	595,703	7.49%	599,496	7.86%
411,947	5.19%	462,826	6.10%	528,282	6.62%	511,556	6.43%	513,148	6.73%
544,747	6.86%	571,279	7.53%	562,575	7.05%	536,822	6.75%	557,119	7.31%
105,799	1.33%	95,873	1.26%	88,573	1.11%	82,272	1.03%	73,575	0.96%
55,432	0.70%	35,442	0.47%	42,712	0.54%	72,975	0.92%	77,856	1.02%
-	-	-	-	-	-	-	-	-	-
99,549	1.25%	-	-	-	-	-	-	-	-
10,161	0.13%	-	-	-	-	-	-	-	-
10,511	0.13%	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
64,629	0.81%	43,641	0.58%	61,901	0.78%	64,360	0.81%	69,293	0.91%
6,459	0.08%	-	-	-	-	-	-	-	-
252,161	3.18%	268,939	3.55%	241,883	3.03%	244,878	3.08%	257,538	3.38%
-	-	-	-	-	-	-	-	-	-
95,775	1.21%	102,252	1.35%	92,746	1.16%	80,315	1.01%	41,542	0.54%
70,044	0.88%	70,084	0.92%	74,830	0.94%	74,060	0.93%	68,247	0.89%
22,759	0.29%	10,998	0.15%	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
1,593	0.02%	6,695	0.09%	8,119	0.10%	7,928	0.10%	4,020	0.05%
-	-	-	-	-	-	-	-	-	-
126,588	1.59%	86,262	1.14%	45,250	0.57%	8,795	0.11%	7,003	0.09%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
164,970	2.08%	184,440	2.43%	209,232	2.62%	224,924	2.83%	251,982	3.30%
5,058	0.06%	9,528	0.13%	34,841	0.44%	31,918	0.40%	27,064	0.35%
-	-	-	-	-	-	-	-	-	-
53,627	0.68%	49,906	0.66%	61,986	0.78%	81,518	1.03%	77,869	1.02%
2,811	0.04%	1,775	0.02%	1,618	0.02%	1,859	0.02%	3,019	0.04%
81,183	1.02%	81,203	1.07%	79,517	1.00%	72,702	0.91%	65,124	0.85%
-	-	-	-	-	-	-	-	-	-
7,807,276	**98.37%**	**7,469,366**	**98.51%**	**7,870,195**	**98.69%**	**7,835,840**	**98.57%**	**7,489,127**	**98.21%**
108,709	1.37%	111,794	1.47%	104,466	1.31%	92,403	1.16%	80,033	1.05%
-	-	-	-	-	-	21,546	0.27%	56,302	0.74%
20,571	0.26%	909	0.01%	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
129,280	**1.63%**	**112,703**	**1.49%**	**104,466**	**1.31%**	**113,949**	**1.43%**	**136,335**	**1.79%**
7,936,556	**100.00%**	**7,582,069**	**100.00%**	**7,974,661**	**100.00%**	**7,949,789**	**100.00%**	**7,625,462**	**100.00%**

ENPLANEMENT MARKET SHARE

Washington Dulles International Airport

	CY 2005		CY 2004		CY 2003		CY 2002		CY 2001	
AIRLINE	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
DOMESTIC										
AIR CARRIERS										
United	3,131,653	23.19%	3,064,079	26.81%	2,459,604	29.08%	2,563,838	29.83%	3,065,872	34.19%
Independence Air	2,690,638	19.93%	1,221,575	10.69%	-	-	-	-	-	-
JetBlue	475,282	3.52%	444,592	3.89%	342,582	4.05%	219,135	2.55%	8,948	0.10%
American	471,771	3.49%	410,792	3.59%	438,793	5.19%	511,972	5.96%	433,586	4.84%
Delta	392,954	2.91%	474,913	4.16%	531,773	6.29%	665,661	7.74%	604,116	6.74%
Northwest	220,105	1.63%	204,563	1.79%	174,280	2.06%	189,204	2.20%	235,265	2.62%
AirTran	133,541	0.99%	129,738	1.14%	166,607	1.97%	153,497	1.79%	190,661	2.13%
US Airways	118,897	0.88%	97,310	0.85%	118,315	1.40%	125,972	1.47%	303,648	3.39%
America West	98,160	0.73%	120,987	1.06%	85,113	1.01%	5,551	0.06%	-	-
Alaska	37,093	0.27%	48,612	0.43%	64,502	0.76%	48,727	0.57%	7,349	0.08%
Continental	26,260	0.19%	27,616	0.24%	39,506	0.47%	71,950	0.84%	89,553	1.00%
Frontier	2,661	0.02%	40,950	0.36%	-	-	-	-	-	-
Atlantic Coast	-	-	817,453	7.15%	1,500,700	17.74%	1,583,496	18.42%	1,602,357	17.87%
Trans World	-	-	-	-	-	-	-	-	67,245	0.75%
Other Air Carriers 1/	-	-	-	-	-	-	33,367	0.39%	89,194	0.99%
REGIONALS										
Mesa (United Express)	730,191	5.41%	282,517	2.47%	-	-	-	-	-	-
Air Wisconsin (United Express)	681,692	5.05%	641,015	5.61%	179,975	2.13%	49,376	0.57%	-	-
Trans States (United Express)	567,626	4.20%	288,287	2.52%	2,707	0.03%	-	-	-	-
Chautauqua (United Express)	389,987	2.89%	154,760	1.35%	-	-	-	-	-	-
Shuttle America (United Express)	239,948	1.78%	110,075	0.96%	-	-	2,391	0.03%	-	-
Continental Express	166,745	1.23%	153,109	1.34%	92,012	1.09%	69,276	0.81%	66,287	0.74%
Comair (Delta Connection)	126,213	0.93%	73,264	0.64%	83,012	0.98%	74,551	0.87%	50,640	0.56%
American Eagle	66,266	0.49%	59,727	0.52%	50,993	0.60%	33,351	0.39%	13,074	0.15%
Chautauqua (American Connection)	41,675	0.31%	35,389	0.31%	4,588	0.05%	-	-	-	-
Colgan Air (US Airways Express)	24,781	0.18%	20,463	0.18%	17,983	0.21%	34,321	0.40%	56,210	0.63%
Colgan Air (United Express)	22,075	0.16%	-	-	-	-	-	-	-	-
PSA	20,372	0.15%	3,207	0.03%	-	-	-	-	893	0.01%
Pinnacle	18,624	0.14%	25,726	0.23%	-	-	-	-	-	-
Mesa (US Airways Express)	15,509	0.11%	19,969	0.17%	-	-	-	-	1,394	0.02%
ASA (Delta Connection)	14,221	0.11%	34,090	0.30%	-	-	-	-	-	-
Other Regionals 1/	2,338	0.02%	727	0.01%	6,751	0.08%	40,636	0.47%	41,413	0.46%
AIR CARRIER -- CHARTERED										
Other Charters 1/	20,105	0.15%	9,079	0.08%	11,850	0.14%	21,502	0.25%	9,828	0.11%
GENERAL AVIATION										
Other General Aviation 1/	103,520	0.77%	99,923	0.87%	88,290	1.04%	73,073	0.85%	51,974	0.58%
MILITARY										
Other Military 1/	573	0.00%	698	0.01%	903	0.01%	637	0.01%	470	0.01%
TOTAL	**11,051,476**	**81.84%**	**9,115,205**	**79.76%**	**6,460,839**	**76.38%**	**6,571,484**	**76.45%**	**6,989,977**	**77.95%**
TRANSBORDER/INTERNATIONAL										
AIR CARRIERS										
United	1,004,913	7.44%	932,830	8.16%	768,233	9.08%	801,230	9.32%	739,139	8.24%
British Airways	200,149	1.48%	189,690	1.66%	187,934	2.22%	181,694	2.11%	155,961	1.74%
Lufthansa	190,865	1.41%	163,817	1.43%	149,399	1.77%	153,186	1.78%	174,875	1.95%
Air France	189,991	1.41%	156,142	1.37%	139,751	1.65%	127,684	1.49%	119,792	1.34%
Air Canada	90,554	0.67%	95,776	0.84%	95,265	1.13%	110,409	1.28%	126,224	1.41%
Virgin Atlantic	81,580	0.60%	92,312	0.81%	82,415	0.97%	91,551	1.07%	105,259	1.17%
Austrian	75,626	0.56%	82,215	0.72%	76,242	0.90%	74,721	0.87%	58,962	0.66%
Taca International	74,016	0.55%	81,316	0.71%	72,989	0.86%	71,528	0.83%	57,470	0.64%
KLM Royal Dutch	73,253	0.54%	70,856	0.62%	39,718	0.47%	-	-	-	-
All Nippon	69,791	0.52%	68,744	0.60%	62,181	0.74%	65,680	0.76%	59,254	0.66%
SAS	68,507	0.51%	68,727	0.60%	58,086	0.69%	60,007	0.70%	31,423	0.35%
Korean Air	60,604	0.45%	58,695	0.51%	46,316	0.55%	45,177	0.53%	37,840	0.42%
BMI	44,670	0.33%	54,386	0.48%	30,482	0.36%	44,047	0.51%	26,094	0.29%
Alitalia	36,944	0.27%	42,678	0.37%	-	-	-	-	-	-
Atlantic Coast	29,812	0.22%	41,414	0.36%	73,145	0.86%	6,655	0.08%	-	-
BWIA West Indies	17,167	0.13%	17,452	0.15%	15,665	0.19%	17,694	0.21%	18,268	0.20%
Ethiopian Airlines	13,254	0.10%	13,422	0.12%	7,672	0.09%	7,331	0.09%	6,839	0.08%
Aeroflot	8,634	0.06%	9,916	0.09%	8,605	0.10%	10,972	0.13%	9,643	0.11%
Saudi Arabian	8,028	0.06%	8,750	0.08%	8,637	0.10%	12,393	0.14%	15,984	0.18%
Lloyd Aereo Boliviano - LAB	7,614	0.06%	8,167	0.07%	-	-	-	-	-	-
Northwest	-	-	-	-	25,068	0.30%	77,183	0.90%	72,763	0.81%
Other Air Carriers 1/	-	-	-	-	43,394	0.51%	57,520	0.67%	134,461	1.50%
REGIONALS										
Air Wisconsin (United Express)	81,885	0.61%								
Other Regionals 1/	17,593	0.13%	51,557	0.45%	-	-	-	-	-	-
AIR CARRIER -- CHARTERED										
Other Charters 1/	3,544	0.03%	740	0.01%	3,643	0.04%	1,062	0.01%	11,143	0.12%
GENERAL AVIATION										
Other General Aviation 1/	1,696	0.01%	1,191	0.01%	1,003	0.01%	816	0.01%	1,523	0.02%
MILITARY										
Other Military 1/	1,647	0.01%	2,869	0.03%	2,005	0.02%	5,942	0.07%	14,693	0.16%
TOTAL	**2,452,337**	**18.16%**	**2,313,662**	**20.24%**	**1,997,848**	**23.62%**	**2,024,482**	**23.55%**	**1,977,610**	**22.05%**
GRAND TOTAL	**13,503,813**	**100.00%**	**11,428,867**	**100.00%**	**8,458,687**	**100.00%**	**8,595,966**	**100.00%**	**8,967,587**	**100.00%**

1/ Includes airlines no longer serving Dulles or airlines with insignificant activity.

Note: Prior years' schedules have been adjusted to include passengers from charters, general aviation and military.

Exhibit S-19

CY 2000		CY 1999		CY 1998		CY 1997		CY 1996	
Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
3,392,374	33.80%	3,262,281	32.94%	2,451,367	31.17%	2,251,346	32.76%	2,221,101	34.54%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
461,054	4.59%	449,534	4.54%	472,059	6.00%	463,455	6.74%	444,329	6.91%
639,591	6.37%	668,321	6.75%	693,946	8.82%	591,023	8.60%	395,422	6.15%
207,152	2.06%	182,022	1.84%	140,604	1.79%	142,323	2.07%	141,200	2.20%
195,219	1.94%	204,057	2.06%	343,519	4.37%	250,144	3.64%	279,941	4.35%
757,791	7.55%	1,164,790	11.76%	444,029	5.65%	391,558	5.70%	474,261	7.37%
321	0.00%	15,836	0.16%	42,332	0.54%	24,660	0.36%	-	-
-	-	-	-	-	-	-	-	-	-
66,623	0.66%	47,708	0.48%	48,769	0.62%	40,770	0.59%	30,070	0.47%
-	-	-	-	-	-	-	-	-	-
1,592,006	15.86%	1,493,213	15.08%	1,242,590	15.80%	796,682	11.59%	728,815	11.33%
85,591	0.85%	99,973	1.01%	74,033	0.94%	76,914	1.12%	80,288	1.25%
91,011	0.91%	33,981	0.34%	22,434	0.29%	95,434	1.39%	41,656	0.65%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-		-
63,648	0.63%	67,391	0.68%	82,380	1.05%	88,422	1.29%	57,776	0.90%
86,885	0.87%	75,290	0.76%	24,297	0.31%	12,620	0.18%	7,489	0.12%
-	-	9,389	0.09%	16,279	0.21%	16,006	0.23%	13,953	0.22%
-	-	-	-	-	-	-	-	-	-
30,045	0.30%	4,525	0.05%	5,497	0.07%	577	0.01%	6	0.00%
-	-	-	-	-	-	-	-	-	-
33,152	0.33%	35,327	0.36%	15,337	0.20%	17,453	0.25%	31,346	0.49%
-	-	-	-	-	-	-	-	-	-
80,350	0.80%	23,259	0.23%	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
94,433	0.94%	121,169	1.22%	45,106	0.57%	35,721	0.52%	30,067	0.47%
11,185	0.11%	35,207	0.36%	24,181	0.31%	23,351	0.34%	28,098	0.44%
42,888	0.43%	39,857	0.40%	39,581	0.50%	44,426	0.65%	29,708	0.46%
370	0.00%	77	0.00%	27	0.00%	33	0.00%	79	0.00%
7,931,689	**79.02%**	**8,033,207**	**81.12%**	**6,228,367**	**79.19%**	**5,362,918**	**78.04%**	**5,035,605**	**78.30%**
850,389	8.47%	866,108	8.75%	737,107	9.37%	681,268	9.91%	629,948	9.80%
192,643	1.92%	186,970	1.89%	183,516	2.33%	156,157	2.27%	155,848	2.42%
166,574	1.66%	122,189	1.23%	116,014	1.48%	114,357	1.66%	102,138	1.59%
124,421	1.24%	107,560	1.09%	91,166	1.16%	99,787	1.45%	89,513	1.39%
114,982	1.15%	84,121	0.85%	65,844	0.84%	61,579	0.90%	51,724	0.80%
115,034	1.15%	96,554	0.98%	76,742	0.98%	85,573	1.25%	36,604	0.57%
47,454	0.47%	48,481	0.49%	53,094	0.68%	44,551	0.65%	33,725	0.52%
42,694	0.43%	41,880	0.42%	42,397	0.54%	33,612	0.49%	28,587	0.44%
-	-	-	-	-	-	-	-	-	-
77,451	0.77%	66,969	0.68%	55,261	0.70%	44,249	0.64%	42,698	0.66%
-	-	-	-	-	-	-	-	-	-
50,041	0.50%	27,179	0.27%	22,431	0.29%	21,956	0.32%	19,634	0.31%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
12,885	0.13%	1,997	0.02%	-	-	-	-	-	-
8,428	0.08%	9,263	0.09%	5,056	0.06%	-	-	-	-
9,150	0.09%	8,489	0.09%	9,591	0.12%	10,580	0.15%	11,398	0.18%
15,139	0.15%	14,615	0.15%	12,199	0.16%	11,814	0.17%	11,292	0.18%
-	-	-	-	-	-	-	-	-	-
81,650	0.81%	84,592	0.85%	76,783	0.98%	80,178	1.17%	77,541	1.21%
163,199	1.63%	56,401	0.57%	52,779	0.67%	24,945	0.36%	66,345	1.03%
-	-	-	-	-	-	-	-	2,991	0.05%
11,067	0.11%	18,337	0.19%	15,214	0.19%	11,175	0.16%	9,540	0.15%
1,024	0.01%	636	0.01%	558	0.01%	282	0.00%	419	0.01%
21,516	0.21%	27,198	0.27%	20,501	0.26%	26,655	0.39%	25,620	0.40%
2,105,741	**20.98%**	**1,869,539**	**18.88%**	**1,636,253**	**20.81%**	**1,508,718**	**21.96%**	**1,395,565**	**21.70%**
10,037,430	**100.00%**	**9,902,746**	**100.00%**	**7,864,620**	**100.00%**	**6,871,636**	**100.00%**	**6,431,170**	**100.00%**

CARGO MARKET SHARE ENPLANED
(Expressed in Pounds)

Ronald Reagan Washington National Airport

	CY 2005		CY 2004		CY 2003		CY 2002		CY 2001	
AIRLINE	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share
DOMESTIC										
AIR CARRIERS										
US Airways + US Airways Shuttle	1,037,946	34.03%	1,727,285	38.02%	1,832,745	39.64%	1,607,082	36.22%	8,306,573	24.78%
ATA	589,871	19.34%	225,601	4.97%	87,735	1.90%	807	0.02%	561,322	1.67%
Continental	300,118	9.84%	487,743	10.74%	437,175	9.46%	663,111	14.94%	3,054,482	9.11%
America West	284,665	9.33%	381,530	8.40%	499,521	10.80%	443,313	9.99%	1,059,059	3.16%
Delta+Delta Shuttle	264,623	8.68%	275,700	6.07%	379,496	8.21%	143,774	3.24%	3,905,915	11.65%
Midwest	143,100	4.69%	277,948	6.12%	300,996	6.51%	426,727	9.62%	1,202,290	3.59%
American	92,242	3.02%	744,151	16.38%	289,789	6.27%	399,616	9.01%	5,278,460	15.75%
United	76,329	2.50%	172,457	3.80%	221,887	4.80%	146,663	3.31%	2,559,076	7.63%
Alaska	43,616	1.43%	752	0.02%	22,764	0.49%	20,476	0.46%	-	-
Northwest	24,992	0.82%	41,723	0.92%	239,483	5.18%	331,498	7.47%	4,717,567	14.07%
AirTran	21,234	0.70%	-	-	-	-	-	-	-	-
Spirit	8,791	0.29%	32,198	0.71%	3,052	0.07%	-	-	2,319	0.01%
Frontier	-	-	1,371	0.03%	36,318	0.79%	6,199	0.14%	37,684	0.11%
Midway	-	-	-	-	-	-	1,772	0.04%	16,331	0.05%
National	-	-	-	-	-	-	-	-	339,724	1.01%
Trans World	-	-	-	-	-	-	-	-	2,352,248	7.02%
Other Air Carriers 1/	-	-	-	-	-	-	-	-	-	-
REGIONALS										
PSA	67,526	2.21%	30,539	0.67%	20,245	0.44%	21,742	0.49%	12,634	0.04%
Continental Express	43,763	1.43%	30,235	0.67%	18,279	0.40%	22,775	0.51%	4,179	0.01%
Air Wisconsin (US Airways Express)	23,281	0.76%	-	-	-	-	-	-	-	-
Comair (Delta Connection)	7,082	0.23%	32,909	0.72%	56,881	1.23%	87	0.00%	-	-
ASA (Delta Connection)	1,530	0.05%	40,939	0.90%	38,554	0.83%	-	-	-	-
Piedmont	1,089	0.04%	13,044	0.29%	54,940	1.19%	66,069	1.49%	51,767	0.15%
Chautauqua (US Airways Express)	1,028	0.03%	16,677	0.37%	28,477	0.62%	-	-	-	-
Republic (US Airways Express)	901	0.03%	-	-	-	-	-	-	-	-
American Eagle	52	0.00%	789	0.02%	2,800	0.06%	1,627	0.04%	-	-
Allegheny	-	-	6,021	0.13%	31,054	0.67%	8,927	0.20%	1,027	0.00%
Mesa (America West Express)	-	-	-	-	-	-	58,562	1.32%	4,693	0.01%
Mesa (US Airways Express)	-	-	-	-	-	-	-	-	-	-
Midway (US Airways Express)	-	-	-	-	11,004	0.24%	-	-	-	-
Other Regionals 1/	-	-	-	-	2,930	0.06%	9,315	0.21%	55,587	0.17%
TOTAL	**3,033,779**	**99.46%**	**4,539,612**	**99.93%**	**4,616,125**	**99.84%**	**4,380,142**	**98.71%**	**33,522,937**	**100.00%**
TRANSBORDER/INTERNATIONAL										
AIR CARRIERS										
Air Canada	3,558	0.12%	462	0.01%	708	0.02%	1,326	0.03%	1,100	0.00%
US Airways	12,198	0.40%	2,876	0.06%	6,682	0.14%	55,983	1.26%	-	-
REGIONALS										
PSA	656	0.02%	64	0.00%	1	0.00%	-	-	-	-
Other Regionals 1/	-	-	-	-	4	0.00%	-	-	-	-
TOTAL	**16,412**	**0.54%**	**3,402**	**0.07%**	**7,395**	**0.16%**	**57,309**	**1.29%**	**1,100**	**0.00%**
GRAND TOTAL	**3,050,191**	**100.00%**	**4,543,014**	**100.00%**	**4,623,520**	**100.00%**	**4,437,451**	**100.00%**	**33,524,037**	**100.00%**

1/ Includes airlines no longer serving National or airlines with insignificant activity.
Note: Prior years' comparative information has been corrected for omitted and/or erroneous information.

Exhibit S-20

CY 2000		CY 1999		CY 1998		CY 1997		CY 1996	
Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share
13,348,951	26.99%	13,900,674	28.40%	17,687,888	30.64%	18,419,473	30.03%	18,890,813	28.88%
527,952	1.07%	-	-	-	-	-	-	-	-
4,247,501	8.59%	4,626,236	9.45%	4,840,915	8.39%	5,186,862	8.46%	4,718,585	7.21%
571,123	1.15%	235,044	0.48%	624,255	1.08%	889,130	1.45%	809,041	1.24%
7,200,187	14.56%	8,100,191	16.55%	8,876,752	15.38%	7,841,267	12.78%	9,433,316	14.42%
1,326,932	2.68%	1,446,392	2.95%	2,147,757	3.72%	2,145,325	3.50%	2,016,078	3.08%
7,621,476	15.41%	7,199,838	14.71%	7,909,600	13.70%	8,090,434	13.19%	9,112,673	13.93%
3,902,016	7.89%	3,759,316	7.68%	4,235,067	7.34%	4,083,807	6.66%	2,994,436	4.58%
-	-	-	-	-	-	-	-	-	-
7,312,454	14.79%	6,928,705	14.15%	7,876,111	13.64%	10,006,025	16.31%	10,918,151	16.69%
-	-	-	-	-	-	-	-	-	-
2,454	0.00%	-	-	-	-	-	-	-	-
54,064	0.11%	-	-	-	-	-	-	-	-
86,034	0.17%	113,819	0.23%	579,763	1.00%	138,239	0.23%	399,268	0.61%
153,174	0.31%	-	-	-	-	-	-	-	-
2,861,483	5.79%	2,359,544	4.82%	2,500,830	4.33%	3,230,088	5.27%	4,093,094	6.26%
-	-	-	-	-	-	-	-	-	-
48,357	0.10%	38,543	0.08%	81,942	0.14%	36,292	0.06%	28,889	0.04%
1,868	0.00%	451	0.00%	-	-	-	-	90	0.00%
-	-	-	-	-	-	-	-	-	-
337	0.00%	78	0.00%	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
171,159	0.35%	205,141	0.42%	240,043	0.42%	473,644	0.77%	488,328	0.75%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
2,725	0.01%	4,456	0.01%	7,175	0.01%	6,999	0.01%	3,898	0.01%
1,704	0.00%	3,787	0.01%	4,873	0.01%	14,005	0.02%	21,944	0.03%
3,689	0.01%	23,673	0.05%	2,510	0.00%	-	-	-	-
-	-	5,097	0.01%	16,676	0.03%	1,522	0.00%	2,975	0.00%
-	-	-	-	-	-	-	-	-	-
3,326	0.01%	12	0.00%	3,194	0.01%	1,402	0.00%	462	0.00%
49,448,966	**100.00%**	**48,950,997**	**100.00%**	**57,635,351**	**99.84%**	**60,564,514**	**98.73%**	**63,932,041**	**97.74%**
771	0.00%	208	0.00%	89,643	0.16%	3,795	0.01%	46	0.00%
-	-	-	-	-	-	772,182	1.26%	1,479,274	2.26%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
771	**0.00%**	**208**	**0.00%**	**89,643**	**0.16%**	**775,977**	**1.27%**	**1,479,320**	**2.26%**
49,449,737	**100.00%**	**48,951,205**	**100.00%**	**57,724,994**	**100.00%**	**61,340,491**	**100.00%**	**65,411,361**	**100.00%**

CARGO MARKET SHARE ENPLANED

(Expressed in Pounds)

Washington Dulles International Airport

AIRLINE	CY 2005 Cargo Weight	CY 2005 Share	CY 2004 Cargo Weight	CY 2004 Share	CY 2003 Cargo Weight	CY 2003 Share	CY 2002 Cargo Weight	CY 2002 Share	CY 2001 Cargo Weight	CY 2001 Share
DOMESTIC										
AIR CARRIERS										
Federal Express	89,954,132	29.61%	85,571,561	28.64%	72,467,555	26.61%	90,967,737	29.79%	88,358,150	26.80%
United	42,347,957	13.94%	55,671,032	18.63%	62,396,831	22.92%	72,840,463	23.85%	81,358,395	24.67%
Airborne Express	10,135,209	3.34%	10,007,380	3.35%	8,749,084	3.21%	9,150,502	3.00%	9,941,637	3.01%
United Parcel Service	8,522,281	2.81%	7,394,010	2.47%	7,347,070	2.70%	6,192,586	2.03%	5,974,164	1.81%
Continental	2,893,214	0.95%	3,181,635	1.06%	2,811,793	1.03%	3,498,512	1.15%	3,271,626	0.99%
DHL Airways	1,738,533	0.57%	4,394,872	1.47%	1,317,691	0.48%	-	-	-	-
American	1,441,953	0.47%	2,677,255	0.90%	4,106,286	1.51%	4,643,111	1.52%	6,992,499	2.12%
Delta	1,415,717	0.47%	2,514,816	0.84%	2,557,510	0.94%	2,774,213	0.91%	2,577,754	0.78%
America West	390,576	0.13%	492,484	0.16%	291,963	0.11%	10,674	0.00%	-	-
Northwest	168,907	0.06%	184,783	0.06%	641,324	0.24%	1,487,143	0.49%	1,483,469	0.45%
JetBlue	123,565	0.04%	174,301	0.06%	86,081	0.03%	57,644	0.02%	8,929	0.00%
US Airways	83,805	0.03%	128,821	0.04%	146,319	0.05%	159,500	0.05%	469,911	0.14%
Alaska	37,191	0.01%	58,215	0.02%	132,688	0.05%	36,119	0.01%	-	-
Frontier	948	0.00%	37,588	0.01%	-	-	-	-	-	-
Emery Worldwide	-	-	-	-	-	-	-	-	10,319,760	3.13%
Midwest	-	-	-	-	-	-	27,773	0.01%	194,658	0.06%
Mountain Air Cargo	-	-	-	-	-	-	-	-	-	-
Trans World	-	-	-	-	-	-	-	-	666,631	0.20%
Other 1/	-	-	-	-	-	-	38,603	0.01%	63,131	0.02%
ALL-CARGO CHARTERS										
Other 1/	-	-	216,350	0.07%	294,550	0.11%	9,887	0.00%	96,561	0.03%
REGIONALS										
Other 1/	244,563	0.08%	224,694	0.08%	90,263	0.03%	93,862	0.03%	209,186	0.06%
MILITARY										
Other 1/	200	0.00%	1,050	0.00%	-	0.00%	1,500	0.00%	-	-
TOTAL	**159,498,751**	**52.51%**	**172,930,847**	**57.87%**	**163,437,008**	**60.02%**	**191,989,829**	**62.86%**	**211,986,461**	**64.29%**
TRANSBORDER/INTERNATIONAL										
AIR CARRIERS										
United	64,727,512	21.31%	50,470,602	16.89%	39,940,381	14.67%	42,985,025	14.07%	42,534,428	12.90%
Lufthansa	17,550,693	5.78%	14,632,524	4.90%	12,251,601	4.50%	10,364,929	3.39%	12,650,701	3.84%
British Airways	11,563,749	3.81%	10,578,872	3.54%	10,758,490	3.95%	9,074,725	2.97%	10,258,786	3.11%
Air France	9,209,885	3.03%	8,210,094	2.75%	5,032,086	1.85%	5,552,156	1.82%	5,858,226	1.78%
SAS	7,375,992	2.43%	6,035,730	2.02%	4,338,814	1.59%	4,874,136	1.60%	2,397,403	0.73%
All Nippon	6,663,410	2.19%	6,707,108	2.24%	7,236,405	2.66%	8,318,691	2.72%	8,235,468	2.50%
Virgin Atlantic	6,585,176	2.17%	5,528,243	1.85%	6,485,883	2.38%	7,531,089	2.47%	8,130,042	2.47%
Austrian	5,752,394	1.89%	7,593,452	2.54%	6,593,887	2.42%	5,926,046	1.94%	4,704,800	1.43%
KLM Royal Dutch	4,137,455	1.36%	3,599,933	1.20%	1,287,174	0.47%	-	-	-	0.00%
Alitalia	3,552,226	1.17%	1,175,758	0.39%	-	-	-	-	-	0.00%
BMI	2,502,224	0.82%	6,395,026	2.14%	1,949,612	0.72%	3,015,126	0.99%	1,377,792	0.42%
Taca International	669,909	0.22%	873,307	0.29%	913,388	0.34%	905,820	0.30%	940,378	0.29%
Saudi Arabian	648,639	0.21%	875,122	0.29%	886,750	0.33%	1,225,157	0.40%	1,672,694	0.51%
South African	612,131	0.20%								
Aeroflot	439,147	0.14%	1,027,717	0.34%	874,555	0.32%	525,752	0.17%	546,684	0.17%
Korean Air	313,519	0.10%	208,699	0.07%	468,292	0.17%	672,406	0.22%	257,662	0.08%
Ethiopian Airlines	121,825	0.04%	116,894	0.04%	112,949	0.04%	172,870	0.06%	226,948	0.07%
BWIA West Indies	26,921	0.01%	29,303	0.01%	20,688	0.01%	19,258	0.01%	35,878	0.01%
Air Canada	25,385	0.01%	30,738	0.01%	123,219	0.05%	79,789	0.03%	43,395	0.01%
Northwest	-	-	-	-	1,340,944	0.49%	3,042,907	1.00%	3,355,483	1.02%
Sabena	-	-	-	-	-	-	-	-	3,477,123	1.05%
Spanair	-	-	-	-	-	-	-	-	2,690,300	0.82%
Swiss + Swiss Air	-	-	-	-	5,889,946	2.16%	6,919,291	2.27%	5,230,183	1.59%
Other 1/	-	-	-	-	-	-	-	-	-	0.00%
ALL- CARGO CHARTERS										
Other 1/	481,468		157,660	0.05%	265,231	0.10%	-	-	95,156	0.03%
REGIONALS										
Other 1/	38		140	0.00%	-	-	-	-	-	0.00%
MILITARY										
Other 1/	1,318,272		1,650,338	0.55%	2,088,322	0.77%	2,213,341	0.72%	3,049,885	0.92%
TOTAL	**144,277,970**	**47.49%**	**125,897,260**	**42.13%**	**108,858,617**	**39.98%**	**113,418,514**	**37.14%**	**117,769,415**	**35.71%**
GRAND TOTAL	**303,776,721**	**100.00%**	**298,828,107**	**100.00%**	**272,295,625**	**100.00%**	**305,408,343**	**100.00%**	**329,755,876**	**100.00%**

1/ Includes airlines no longer serving National or carriers with insignificant activity.
Note: Previous years' comparative information has been modified to include military cargo enplanements.
Source: Office of Air Service Development
Prepared by the Office of Finance

Exhibit S-21

CY 2000		CY 1999		CY 1998		CY 1997		CY 1996	
Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share
91,583,330	23.43%	90,136,461	23.70%	93,270,356	23.90%	78,194,811	20.21%	72,857,802	21.04%
109,265,864	27.95%	111,121,495	29.21%	116,328,506	29.81%	128,079,471	33.10%	118,330,545	34.17%
11,066,441	2.83%	12,033,717	3.16%	11,515,092	2.95%	9,673,211	2.50%	9,581,389	2.77%
7,401,171	1.89%	6,403,285	1.68%	5,921,373	1.52%	4,697,438	1.21%	5,422,662	1.57%
4,597,958	1.18%	4,361,175	1.15%	5,518,200	1.41%	3,784,584	0.98%	1,390,121	0.40%
-	-	-	-	-	-	-	-	-	-
12,123,012	3.10%	13,606,248	3.58%	14,335,222	3.67%	15,314,212	3.96%	16,026,421	4.63%
2,547,541	0.65%	3,255,877	0.86%	6,560,333	1.68%	6,484,383	1.68%	5,833,306	1.68%
3,350	0.00%	85,452	0.02%	806,871	0.21%	680,464	0.18%	-	-
1,403,491	0.36%	2,254,044	0.59%	1,903,569	0.49%	1,728,771	0.45%	2,201,417	0.64%
-	-	-	-	-	-	-	-	-	-
877,779	0.22%	1,196,697	0.31%	1,938,734	0.50%	2,079,372	0.54%	1,795,384	0.52%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
16,957,159	4.34%	17,866,435	4.70%	10,139,665	2.60%	4,524,438	1.17%	3,886,558	1.12%
484,585	0.12%	131,958	0.03%	-	-	-	-	-	-
-	-	-	-	-	-	3,117,529	0.81%	2,674,493	0.77%
1,562,073	0.40%	1,398,551	0.37%	1,388,380	0.36%	1,552,073	0.40%	1,741,655	0.50%
588,275	0.15%	473,157	0.12%	753,438	0.19%	1,765,804	0.46%	293,296	0.08%
113,036	0.03%	120,822	0.03%	1,025,160	0.26%	12,885	0.00%	4,744	0.00%
383,186	0.10%	183,600	0.05%	287,778	0.07%	328,834	0.08%	85,864	0.02%
-	-	-	-	-	-	-	-	-	-
260,958,251	**66.75%**	**264,628,974**	**69.57%**	**271,692,677**	**69.62%**	**262,018,280**	**67.72%**	**242,125,657**	**69.92%**
52,268,673	13.37%	50,440,079	13.26%	52,070,537	13.34%	58,308,192	15.07%	43,465,516	12.55%
12,760,821	3.26%	8,286,771	2.18%	7,320,791	1.88%	8,929,602	2.31%	10,358,879	2.99%
16,391,775	4.19%	12,596,636	3.31%	17,888,716	4.58%	15,994,118	4.13%	11,893,884	3.43%
5,187,814	1.33%	5,909,117	1.55%	5,757,639	1.48%	8,532,199	2.21%	10,250,434	2.96%
-	-	-	-	-	-	-	-	-	-
9,533,827	2.44%	8,981,294	2.36%	8,166,266	2.09%	7,281,914	1.88%	6,740,120	1.95%
9,283,100	2.37%	10,319,735	2.71%	8,929,461	2.29%	9,116,767	2.36%	4,351,111	1.26%
1,795,376	0.46%	-	-	-	-	601,079	0.16%	3,269,924	0.94%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
926,524	0.24%	847,477	0.22%	996,678	0.26%	800,962	0.21%	703,755	0.20%
954,181	0.24%	1,342,072	0.35%	1,154,359	0.30%	1,466,118	0.38%	1,252,545	0.36%
245,341	0.06%	150,249	0.04%	215,381	0.06%	149,533	0.04%	161,618	0.05%
386,414	0.10%	922,158	0.24%	772,920	0.20%	892,027	0.23%	458,587	0.13%
259,152	0.07%	204,779	0.05%	220,411	0.06%	-	-	-	-
53,687	0.01%	9,212	0.00%	-	-	-	-	-	-
76,599	0.02%	70,321	0.02%	447,059	0.11%	337,052	0.09%	-	0.00%
2,835,503	0.73%	2,466,950	0.65%	2,461,898	0.63%	3,974,719	1.03%	2,998,074	0.87%
4,549,426	1.16%	568,829	0.15%	-	-	-	-	-	-
5,056,162	1.29%	4,108,794	1.08%	4,319,526	1.11%	411,123	0.11%	-	-
5,145,354	1.32%	5,309,308	1.40%	5,588,629	1.43%	5,212,118	1.35%	2,803,581	0.81%
-	-	85,645	0.02%	418,523	0.11%	988,183	0.26%	2,958,174	0.85%
-	-	-	-	-	-	77,000	0.02%	-	-
-	-	-	-	-	-	-	-	117,817	0.03%
2,269,449	0.58%	3,128,554	0.82%	1,840,376	0.47%	1,845,213	0.48%	2,383,089	0.69%
129,979,178	**33.25%**	**115,747,980**	**30.43%**	**118,569,170**	**30.38%**	**124,917,919**	**32.28%**	**104,167,108**	**30.08%**
390,937,429	**100.00%**	**380,376,954**	**100.00%**	**390,261,847**	**100.00%**	**386,936,199**	**100.00%**	**346,292,765**	**100.00%**

PASSENGER FACILITY CHARGES

Exhibit S-22

Ronald Reagan Washington National Airport

AIRLINE	CY 2005	Share	CY 2004	Share	CY 2003	Share	CY 2002	Share	CY 2001	Share
US Airways	$ 12,625,267	35.63%	$ 10,510,075	34.03%	$ 10,062,187	36.06%	$ 8,571,068	37.50%	$ 8,772,883	39.54%
American	5,427,137	15.31%	4,375,203	14.17%	4,359,403	15.62%	3,563,335	15.59%	2,416,394	10.89%
Delta	5,179,372	14.62%	5,175,527	16.76%	5,065,142	18.15%	3,973,817	17.38%	3,733,822	16.83%
Northwest	2,907,961	8.21%	2,448,027	7.93%	2,304,019	8.26%	1,901,629	8.32%	1,597,090	7.20%
United Airlines	2,656,151	7.50%	2,640,443	8.55%	2,027,118	7.27%	1,523,849	6.67%	1,351,483	6.09%
Continental	1,687,361	4.76%	1,407,857	4.56%	1,446,918	5.19%	1,210,423	5.30%	1,326,599	5.98%
Midwest Express	792,859	2.24%	677,249	2.19%	678,250	2.43%	553,236	2.42%	452,258	2.04%
America West	728,575	2.06%	697,471	2.26%	604,056	2.16%	537,107	2.35%	490,270	2.21%
AirTran	695,643	1.96%	616,678	2.00%	151,189	0.54%	-	-	-	-
Spirit Airlines	581,274	1.64%	494,135	1.60%	67,207	0.24%	-	-	159,829	0.72%
American Trans Air	568,931	1.61%	709,364	2.30%	539,905	1.94%	453,007	1.98%	439,834	1.98%
Frontier	504,048	1.42%	321,065	1.04%	168,595	0.60%	152,539	0.67%	93,941	0.42%
Air Canada	354,688	1.00%	292,223	0.95%	277,365	0.99%	213,027	0.93%	232,780	1.05%
Other	727,576	2.05%	516,531	1.67%	150,270	0.54%	205,768	0.90%	1,120,885	5.05%
TOTAL 1/	**$ 35,436,843**	**100.00%**	**$ 30,881,848**	**100.00%**	**$ 27,901,624**	**100.00%**	**$ 22,858,805**	**100.00%**	**$ 22,188,067**	**100.00%**

Washington Dulles International Airport

AIRLINE	CY 2005	Share	CY 2004	Share	CY 2003	Share	CY 2002	Share	CY 2001	Share
United	$ 24,377,946	46.10%	$ 22,323,049	49.41%	$ 16,620,394	54.43%	$ 18,829,384	55.25%	$ 14,219,769	56.78%
Independence Air	11,236,855	21.25%	5,919,138	13.10%	-	-	-	-	-	-
American	2,372,467	4.49%	1,960,873	4.34%	1,825,554	5.98%	2,198,347	6.45%	1,153,186	4.60%
Delta	2,196,748	4.15%	2,476,560	5.48%	2,391,578	7.83%	3,325,873	9.76%	1,993,875	7.96%
JetBlue	2,091,638	3.96%	1,985,061	4.39%	1,578,953	5.17%	994,902	2.92%	-	-
US Airways	1,571,054	2.97%	1,714,257	3.79%	703,995	2.31%	798,239	2.34%	1,212,691	4.84%
Lufthansa	1,168,401	2.21%	1,058,229	2.34%	862,049	2.82%	967,186	2.84%	774,855	3.09%
Northwest	1,102,369	2.08%	1,096,370	2.43%	796,116	2.61%	1,024,875	3.01%	802,912	3.21%
Continental	837,418	1.58%	818,758	1.81%	503,137	1.65%	635,401	1.86%	509,821	2.04%
British Airways	788,243	1.49%	750,607	1.66%	777,962	2.55%	859,368	2.52%	462,819	1.85%
AirTran (Valujet)	624,016	1.18%	581,509	1.29%	757,141	2.48%	801,013	2.35%	652,447	2.61%
Air France	595,872	1.13%	410,472	0.91%	404,383	1.32%	452,155	1.33%	366,442	1.46%
Austrian Airlines	417,492	0.79%	393,564	0.87%	352,009	1.15%	331,885	0.97%	177,174	0.71%
Taca International	407,021	0.77%	367,941	0.81%	301,398	0.99%	409,614	1.20%	199,903	0.80%
America West	401,961	0.76%	519,724	1.15%	421,309	1.38%	29,534	0.09%	(383)	0.00%
Air Canada	327,522	0.62%	346,176	0.77%	345,372	1.13%	319,615	0.94%	284,810	1.14%
Scandinavian	283,535	0.54%	307,449	0.68%	244,422	0.80%	242,159	0.71%	123,456	0.49%
Virgin Atlantic	276,262	0.52%	324,787	0.72%	230,746	0.76%	274,728	0.81%	352,758	1.41%
All Nippon	261,000	0.49%	287,081	0.64%	186,932	0.61%	294,227	0.86%	134,575	0.54%
Korean Airlines	223,869	0.42%	227,130	0.50%	180,881	0.59%	175,324	0.51%	153,538	0.61%
Alaska Airlines	171,266	0.32%	158,452	0.35%	219,560	0.72%	174,086	0.51%	40,584	0.16%
Alitalia	163,781	0.31%	190,703	0.42%	-	-	-	-	-	-
KLM Royal Dutch	143,954	0.27%	45,600	0.10%	165,952	0.54%	157,156	0.46%	116,007	0.46%
BMI Airlines	142,019	0.27%	186,542	0.41%	78,840	0.26%	77,099	0.23%	45,585	0.18%
Ethiopian	129,938	0.25%	68,416	0.15%	41,407	0.14%	39,387	0.12%	22,713	0.09%
BWIA International	69,040	0.13%	80,881	0.18%	30,443	0.10%	48,560	0.14%	39,675	0.16%
South African Airways	59,444	0.11%	5,539	0.01%	6,727	0.02%	6,148	0.02%	2,943	0.01%
Aeroflot	34,263	0.06%	48,271	0.11%	65,476	0.21%	52,285	0.15%	33,848	0.14%
Saudi Arabian Airlines	10,623	0.02%	12,293	0.03%	20,084	0.07%	15,210	0.04%	7,680	0.03%
Swiss Air	4,425	0.01%	(6,635)	-0.01%	(25,392)	-0.08%	192,731	0.57%	156,272	0.62%
Other	388,025	0.73%	519,528	1.15%	448,991	1.47%	351,785	1.03%	1,005,107	4.01%
TOTAL 1/	**$ 52,878,468**	**100.00%**	**$ 45,178,326**	**100.00%**	**$ 30,536,420**	**100.00%**	**$ 34,078,276**	**100.00%**	**$ 25,045,060**	**100.00%**

1/ Percentage may not add to 100 percent due to individual rounding.

Prepared by the Office of Finance

Exhibit S-23

PRIMARY ORIGINATION AND DESTINATION PASSENGER MARKETS

Ronald Reagan Washington National Airport

Market	Trip Length*	Total O&D Passengers
New York, NY	SH	1,210,110
Boston, MA	SH	717,600
Atlanta, GA	SH	658,500
Chicago, IL	MH	616,830
Fort Lauderdale, FL	MH	399,130
Dallas/Ft. Worth, TX	MH	358,000
Orlando, FL	MH	306,700
Detroit, MI	SH	305,430
Minneapolis/St. Paul, MN	MH	300,310
Denver, CO	MH	295,130
Houston, TX	MH	237,790
Tampa, FL	MH	236,240
Miami, FL	MH	217,890
Kansas City, MO	MH	207,930
Los Angelese, CA	LH	196,610
Seattle/Tacoma, WA	LH	193,470
Las Vegas, NV	LH	164,550
Chicago, IL	MH	162,920
Phoenix, AZ	LH	160,550
New Orleans, LA	MH	160,540
Milwaukee, WI	MH	156,420
St. Louis, MO	MH	154,690
West Palm Beach, FL	MH	148,370
Raleigh/Durham, NC	SH	135,280
San Francisco, CA	LH	124,150
Indianapolis, IN	SH	124,150
Fort Myers FL	MH	124,100
San Diego, CA	LH	122,280
Providence, RI	SH	114,770
Newark, NJ	SH	112,060

Note*
SH Short Haul = 0 to 600 miles
MH Medium Haul = 601 - 1,800 miles
LH Long Haul = over 1,801 miles

Traffic Source: Year Ending 1q2005 U.S. DOT O&D Survey
Schedule Source: October 2005 OAG Schedule

Primary Origination and Destination Passenger Markets

Exhibit S-24

Washington Dulles International Airport

	Trip Length*	Total O&D Passengers
Los Angelos, CA	LH	698,170
Atlanta, GA	SH	686,300
Chicago, IL	MH	517,620
Oakland, CA	LH	446,330
Boston, MA	SH	435,700
Orlando, FL	MH	432,110
Denver, CO	MH	414,430
Fort Lauderdale, FL	MH	389,340
Long Beach, CA	LH	351,690
San Francisco, CA	LH	344,760
Newark, NJ	SH	281,480
Tampa, FL	MH	255,580
Las Vegas, NV	LH	244,530
Dallas/Ft. Worth, TX	MH	231,900
Seattle/Tacoma, WA	LH	223,800
New York, NY	SH	205,690
Detroit, MI	SH	203,850
San Diego, CA	LH	176,330
Charlotte, NC	SH	171,930
Jacksonville, FL	MH	165,330
Raleigh/Durham, NC	SH	160,430
Sacramento, CA	LH	149,630
Charleston, SC	SH	147,440
Columbia, SC	SH	131,350
Pittsburgh, PA	SH	130,450
Hartford, CT	SH	129,480
Miami, FL	MH	126,760
Greenville/Spartanburg,	SH	125,730
Nashville, TN	SH	124,590
Cleveland, OH	SH	124,230

Note*
SH Short Haul = 0 to 600 miles
MH Medium Haul = 601 - 1,800 miles
LH Long Haul = over 1,801 miles

Traffic Source: Year Ending 1q2005 U.S. DOT O&D Survey
Schedule Source: October 2005 OAG Schedule

Major Private Employers in Primary Air Trade Area

Exhibit S-25

Employer	City	State	Regional Employees	Industry
Verizon Communications	Reston	VA	16,000	Telecommunications
Ahold USA	Landover	MD	14,000	Retail, Grocery
Northrop Grumman	Arlington	VA	10,447	IT, Defense
Lockheed Martin Corp.	Bethesda	MD	10,000	IT, Defense
Safeway	Lanham	MD	9,000	Retail, Grocery
University of Maryland, College Park	College Park	MD	8,822	Public University
Computer Sciences Corporation	Arlington	VA	8,606	Information Technology
Booz Allen Hamilton	McLean	VA	7,800	Information Technology
The World Bank	Washington	DC	7,490	International Finance
Kaiser Permanente	Rockville	MD	6,700	Health Care
Washington Hospital Center	Washington	DC	5,390	Health Care
BAE Systems	Rockville	MD	5,000	Information Technology
Walter Reed Army Medical Center	Washington	DC	4,900	Health Care
Fannie Mae	Washington	DC	4,800	Finance
America Online	Dulles	VA	4,700	Online Media
MCI	Ashburn	VA	4,700	Telecommunications
Inova Fairfax Hospital	Fairfax	VA	4,545	Health care
Howard University	Washington	DC	4,200	Private University
Georgetown University Hospital	Washington	DC	3,951	Health Care
Georgetown University	Washington	DC	3,909	Private University
Freddie Mac	McLean	VA	3,800	Finance
Chevy Chase Bank	Bethesda	MD	3,697	Banking
George Mason University	Fairfax	VA	3,669	Private University
Children's National Medical Center	Washington	DC	3,626	Health Care
George Washington University	Washington	DC	3,566	Private University
Exxon Mobile	Fairfax	VA	3,500	Energy
Turner Construction	Arlington	VA	3,360	Construction
AT&T	Vienna	VA	3,300	Telecommunications
CACI International Inc.	Arlington	VA	3,125	Information technology
Suntrust Bank	Washington	DC	3,115	Banking
American Management Systems Inc.	Fairfax	VA	3,020	Information Technology
Guest Services	Fairfax	VA	3,000	Hospitality & Resort Management
The Washington Post Co.	Washington	DC	3,000	Media
Holy Cross Hospital	Silver Spring	MD	2,924	Health Care
Gannett Co.	McLean	VA	2,900	Media
American Chemical Society	Washington	DC	2,700	Association
George Washington University Hospital	Washington	DC	2,697	Health Care
Mid-Atlantic Medical Services	Rockville	MD	2,558	Health Care
Sport & Health Company	Vienna	VA	2,500	Fitness
Titan Systems	Fairfax	VA	2,500	Information technology
Providence Hospital	Washington	DC	2,450	Health Care
Pepco	Washington	DC	2,425	Utility
Securitas Security Services USA	Annandale	VA	2,400	Security
Prince George's Hospital Center	Cheverly	MD	2,272	Health Care
Virginia Hospital Center - Arlington	Arlington	VA	2,250	Health Care
Interstate Hotels and Resorts	Washington	DC	2,200	Hospitality
MVM Security and Staffing	Vienna	VA	2,100	Security
SRA International	Fairfax	VA	2,070	Information technology
US Airways Group	Arlington	VA	2,049	Airline
Comcast	Silver Spring	MD	2,000	Communications
Hughes Network Systems	Germantown	MD	2,000	Telecommunications

Source: Washington Business Journal, Book of Lists 2004

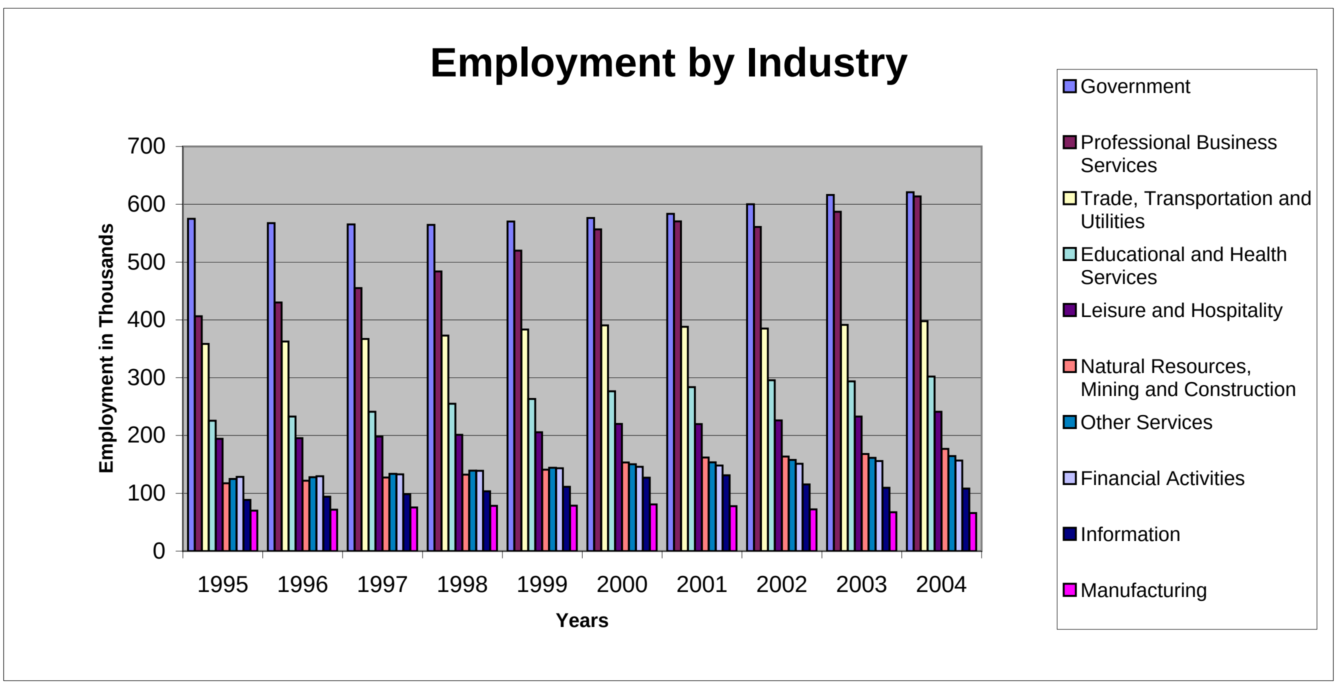
Employment by Industry

Exhibit S-26

Metropolitan Statistical Area - Last Ten Years

	Yearly Annual Average Numbers of Employees (in thousands)									
Industry Type	**2004**	**2003**	**2002**	**2001**	**2000**	**1999**	**1998**	**1997**	**1996**	**1995**
Government	620.9	616.2	600.2	583.5	576.2	570.1	564.5	565.1	567.3	574.9
Professional Business Services	613.6	587.1	560.7	570.5	556.5	519.9	483.8	455.0	430.0	406.2
Trade, Transportation and Utilities	397.7	391.3	384.9	388.1	390.6	383.3	372.8	367.1	362.5	358.4
Educational and Health Services	302.1	293.7	295.6	283.8	276.5	263.1	255.0	241.1	232.7	225.7
Leisure and Hospitality	241.2	232.9	226.1	219.7	220.0	205.6	201.1	198.2	195.4	194.2
Natural Resources, Mining and Construction	176.9	168.1	163.7	161.9	153.4	141.0	132.2	127.4	121.9	117.3
Other Services	164.5	161.4	157.8	153.5	150.4	144.3	139.1	133.6	127.9	124.8
Financial Activities	156.7	155.9	151.2	148.0	145.8	143.3	138.9	132.8	129.4	128.4
Information	108.1	109.6	115.5	131.2	127.0	111.3	103.5	98.6	94.2	88.6
Manufacturing	65.8	67.2	72.2	77.8	80.8	78.7	78.2	75.5	71.8	70.1
Washington-Arlington-Alexandria, D.C.-Md-Va-W.Va Metropolitan Statistical Area	**2847.5**	**2783.4**	**2727.9**	**2718.0**	**2677.2**	**2560.6**	**2469.1**	**2394.4**	**2333.1**	**2288.6**

Source: U.S. Department of Labor, Bureau of Labor Statistics



REVENUE BOND COVERAGE

Exhibit S-27

For Years 1996 - 2005

(Dollars in Thousands)

YEAR	TOTAL REVENUES 1/	DIRECT OPERATING EXPENSES 2/	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			
				Principal	Interest	Total	Coverage
CY 2005	$508,433	$234,703	$273,730	$61,384	$103,284	$164,668	1.66
CY 2004	445,486	210,630	234,856	58,893	81,187	140,080	1.68
CY 2003	396,038	196,434	199,604	51,875	89,953	141,829	1.41
CY 2002	393,586	194,629	198,957	43,478	91,772	135,250	1.47
CY 2001	391,339	187,048	204,291	35,202	87,383	122,585	1.67
CY 2000	391,147	180,595	210,552	34,839	88,341	123,180	1.71
CY 1999	366,432	171,979	194,453	83,238	31,943	115,181	1.69
CY 1998	331,829	152,011	179,818	69,077	26,856	95,933	1.87
CY 1997	265,571	129,271	136,300	44,770	24,525	69,295	1.97
FY 1996	292,537	155,177	137,361	21,988	45,362	67,350	2.03

1/ Total Revenues including transfers

2/ Operating expenses include Telecommunications, Washington Flyer Ground Transportation Subsidy, and Washington Flyer Magazine Subsidy.

Note: Calculated based on Authority Agreed Upon Procedures, not in accordance with generally accepted accounting principles (GAAP).

INSURANCE PROGRAM FOR OPERATIONS

Exhibit S-28

POLICY 10/01/05 - 10/01/06	CARRIER	LIMITS	RETENTION/ UNDERLYING
Airport Liability	ACE USA	$500,000,000	$200,000/$2,000,000
War Risk	Lloyd's of London ACE USA	$50,000,000	$200,000/$2,000,000
Vehicle Liability (Excess Layer)	ACE USA	$50,000,000	$1,000,000
Washington Flyer/Bus Liability (Excess Layer)	National Interstate ACE USA	$10,000,000 $50,000,000	$25,000 $10,000,000
Public Officials Liability	ACE USA	$10,000,000	$3,000,000
Law Enforcement Liability	ACE USA	$10,000,000	$3,000,000
Employment Practices Liability	Colony	$10,000,000	$1,000,000
Property (All Risk)	FM Global	$750,000,000	$100,000
Tunnel Collapse			$250,000
Flood		$50,000,000	$500,000
Earth Movement		$200,000,000	
Boiler & Machinery			$100,000
Mycom Turbo System			$500,000
Terrorism (TRIA)	FM Global	$750,000,000	$100,000
Noncertified Terrorism	FM Global	$100,000,000	$100,000
Workers' Compensation (Employer's Liability & Jones Act)	Insurance Co. PA (AIG)	VA Statutory $1,000,000 (Acc./Dis.)	$250,000/$1,000,000 $250,000/$1,000,000
Business Travel Coverage (Including Foreign)	AIG	$500,000/$1,000,000 $5,000,000	$0 $0
Pollution (10/30/02-10/30/05)	Indian Harbor (XL)	$5,000,000	$1,000,000
Fiduciary Liability	Chubb	$5,000,000	$5,000
Crime	National Union Fire	$10,000,000	$75,000
Special Coverage	Chubb	$5,000,000	$0
Long-Term Disability	Hartford	60% of Base Salary	N/A

Source: Office of Business Administration

INSURANCE PROGRAM FOR CONSTRUCTION

Exhibit S-29

Owner Controlled Wrap-up Insurance Program

POLICY	COVERAGE DATE	CARRIER	LIMIT	RETENTION
Builder's Risk (includes Terrorism)	10/05 - 10/06	FM Global	$700,000,000	$100,000
Earthquake			$200,000,000	
Flood			$50,000,000	
Debris Removal			Blanket	
Contractor's General Liability	06/05 - 06/06	St. Paul Fire & Marine Insurance Company	$200,000,000	$1,000,000
Each Occurrence			$2,000,000	
General Aggregate (per project)			$4,000,000	
Products & Completed Operations Aggregate			$4,000,000	
Personal & Advertising Liability			$2,000,000	
Medical Expense			$10,000	
Premises Damage Limit			$250,000	
Automobile Liability (on-site)	06/01 - 06/08	St. Paul Fire & Marine Insurance Company	$2,000,000	$1,000,000 Per occurrence
Workers' Compensation & Employers Liability	06/05 - 06/06	St. Paul Guardian Insurance Company	VA Statutory	$1,000,000 Per occurrence
Each Accident			$2,000,000	
Each Employee			$2,000,000	
Policy Limit			$2,000,000	
Umbrella Liability	06/01 - 06/08	National Union Fire Insurance Company-AIG		$10,000 Self insured retention
Each occurrence			$ 50,000,000	
General Aggregate			$ 50,000,000	
Products & Completed Operations Aggregate			$ 50,000,000	
Excess Liability	06/01 - 06/08	St. Paul Fire & Marine Insurance Company		$0
Each occurrence			$ 25,000,000	
Aggregate per Umbrella Liability			$ 25,000,000	
Excess Liability	06/01 - 06/08	Starr Excess Liability Insurance Int'l Ltd		$0
Each Occurrence			$ 125,000,000	
Aggregate per Umbrella Liability			$ 125,000,000	
Excess Liability	04/08/05-06/08	XL Eruope, Ltd	$ 50,000,000	$0
		Wellington 2020	$ 25,000,000	
		Aspen Insurance (UK) Ltd.	$ 25,000,000	
Each Occurrence			$ 100,000,000	
Aggregate per Umbrella Liability			$ 100,000,000	
Contractor's Pollution Liability Includes Coverage for: *bodily injury, property damage and clean-up costs related to on-site construction projects*	06/04 - 06/06	American International Speciality Lines Insurance Company - AIG	$10,000,000	$50,000

Source: Office of Business Administration

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METROPOLITAN WASHINGTON AIRPORTS AUTHORITY