2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended December 31, 2011



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY



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METROPOLITAN WASHINGTON AIRPORTS AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

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METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2011

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April 30, 2012

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 Airports Authority) for the year ended December 31, 2011 is submitted herewith. The Office of Finance prepared this CAFR. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the Airports Authority. To the best of our knowledge and belief, this CAFR fairly presents and fully discloses the Airports 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 Airports Authority's financial activities. This CAFR was prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

The management of the Airports Authority is responsible for establishing and maintaining an internal control structure that is designed to ensure that the assets of the Airports Authority are safeguarded. In addition, as a recipient of federal financial assistance, the Airports Authority is responsible for ensuring that an adequate internal control structure is in place to maintain compliance with general and specific laws and regulations related to the Airport Improvement Program (AIP) and the Aviation Safety and Capacity Expansion Act as well as the Federal Transit Administration (FTA) provisions of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users with regards to the Dulles Corridor Metrorail Project (Dulles Metrorail Project).

The objectives of an internal control structure are to provide management with reasonable assurance that resources are safeguarded against waste, loss, and misuse, and that reliable data is recorded, maintained, and fairly disclosed in reports. The Airports Authority's current internal controls provide a base of reliable financial records from which the financial statements are prepared. These controls ensure that accounting data is 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.

As discussed in Note 2 to the basic financial statements, the Airports Authority has restated its 2010, 2009 and prior years' financial statements principally to correct the accrual of mark-to-market valuations for long term investments, to reclassify various long-term liabilities in the determination of net assets, to correct interest expense for non-taxable debt proceeds, and to correct various other accruals. The cumulative effect of adjustments to correct errors for 2010 is a decrease in the change in net assets for the year ended December 31, 2010, of \$3.2 million, or 1.1 percent. The cumulative effect of adjustments to correct errors for years prior to 2010 is a decrease to total beginning net assets for the 2010 year of \$59.2 million, or 3.7 percent. The Airports Authority's management determined the necessity of several of these restatements, including the corrections to mark-to-market valuations and to the proper determination of net assets, during the performance of their regular



responsibilities. These restatements have been reflected for comparative reporting in Management's Discussion & Analysis (MD&A), which immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this Transmittal Letter and should be read in conjunction with it.

As required by the Acts of the District of Columbia and the Commonwealth of Virginia (the Commonwealth), a firm of independent certified public accountants is retained each year to conduct an audit of the financial statements of the Airports 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 Airports Authority selected the firms of PricewaterhouseCoopers LLP and Bert Smith and Company to perform these audit services. PricewaterhouseCoopers LLP has issued an unqualified ("clean") opinion on the Airports Authority's financial statements for the years ended December 31, 2011 and 2010. The report from PricewaterhouseCoopers LLP is located at the front of the financial section of this CAFR. The Single Audit Report and its opinion from Bert Smith and Company are presented under separate cover.

THE AIRPORTS AUTHORITY AND ITS PURPOSE

The Airports 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 for the purpose of operating, maintaining, and improving Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International), (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 Airports Authority for an initial term of 50 years. On June 17, 2003, the Agreement and Deed of Lease was extended 30 years to June 6, 2067.

Pursuant to the Master Transfer Agreement, dated December 29, 2006 and effective November 1, 2008, the Virginia Department of Transportation (VDOT) granted a permit for the operation and maintenance of the Dulles Toll Road to the Airports Authority for a term of 50 years. As part of the agreement with the Commonwealth, the Airports Authority is constructing the Dulles Metrorail Project with an eastern terminus near the West Falls Church Metrorail Station on Interstate 66 and a western terminus of Virginia Route 772 in Loudoun County and is making other improvements in the Dulles Corridor consistent with VDOT and regional plans. The Dulles Corridor is defined as the transportation corridor with an eastern terminus of the East Falls Church Metrorail station at Interstate Route 66 and a western terminus of VA Route 772 in Loudoun County, VA.

The Airports Authority is an independent interstate agency. A 13-member Board of Directors (the Board) presently governs the Airports Authority. Five members are appointed by the Governor of Virginia subject to confirmation by the Virginia General Assembly, 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 United States Senate. Directors serve staggered, six-year terms without compensation and may be reappointed once. They establish the Airports Authority's policy and appoint the President and Chief Executive Officer. The Board annually elects a Chairman, Vice Chairman, and Secretary.

Airports Authority operations are conducted under the supervision of the Airports Authority staff. On July 18, 2011, John E. Potter was appointed by the Board as the President and Chief Executive Officer, replacing E. Lynn Hampton, who had been serving as interim Chief Executive Officer since May 8, 2010. In



this position, Mr. Potter plans and directs all programs and activities of the Airports Authority in accordance with delegated responsibilities from the Board, focusing on current operations as well as the future and the development of long-term business strategies.

Aviation Enterprise Fund

The Airports Authority operates a two-airport system that provides domestic and international air service for the mid-Atlantic region, which is accounted for within the Aviation Enterprise Fund. The Air Trade Area for the Airports Authority is comprised of the District of Columbia, five Maryland counties, nine Virginia counties, six independent Virginia cities, and one West Virginia County. The Aviation Enterprise Fund is self-supporting, using aircraft landing fees, fees from terminal and other rentals, and revenues from concessions to fund operating and maintenance expenses. The operations of the Airports Authority are not taxpayer-funded.

Reagan National opened in 1941. Located on 860 acres along the Potomac River in Arlington County, Virginia, it is the oldest commercial airport serving the Air Trade Area. Approximately three miles from downtown Washington, D.C., Reagan National is the Airports Authority's principal domestic air service airport. There were 30 airlines serving Reagan National as of December 31, 2011, providing 282 thousand takeoffs and landings during the year. There is no significant cargo transportation at Reagan National.

Dulles International, celebrating its 50th anniversary in 2012, opened for service in 1962. It is situated on approximately 11,830 acres in Fairfax and Loudoun Counties in Virginia. Dulles International is 26 miles from downtown Washington, D.C., from which it is accessible via a 17-mile dedicated four-lane (two lanes in each direction) Access Road and Interstate 66. Dulles International provides a full range of domestic and international air service, including service to destinations in Europe, Asia, South America, and Africa. There were 52 domestic and international airlines serving Dulles International as of December 31, 2011, providing 327 thousand takeoffs and landings during the year. Dulles International also provides facilities for cargo transport. There are 540 thousand square feet of cargo buildings at Dulles International, leased by airlines and other aviation support companies. Cargo operations at Dulles International are a major economic engine for the Air Trade Area.

In February 1990, the Airports Authority entered into the Airport Use Agreement and Premises Lease (Use and Lease Agreement) with the major airlines serving Reagan National and Dulles International. The Use and Lease Agreement provides the financial stability necessary for the Airports Authority to operate the Airports and access the capital markets to fund the Capital Construction Program (CCP). The Use and Lease Agreement is for a term of 25 years, subject to annual cancellation rights by the Airports Authority, which started in 2004. The Use and Lease Agreement continues a long history of a close working relationship between the Airlines and the Airports Authority and gives the Airlines interest in the positive financial performance of the Airports Authority by sharing in the net remaining revenues (see Note 3 – Airport Use Agreement and Premises Lease).

The Aviation Enterprise Fund initiated its CCP in 1988 to expand, modernize, and maintain the Airports. Under the CCP, the Airports Authority has constructed and will continue to construct many of the principal elements of the Reagan National and Dulles International Master Plans. Major projects completed under the Master Plan at Reagan National include two main terminals connected to a Metrorail station, three parking garages, an airport traffic control tower, and a consolidated communications center. Major capital projects completed under the CCP at Dulles International include expansion and rehabilitation of the Main Terminal, construction of Concourses A and B, an inter-terminal automated people mover system (the AeroTrain), the International Arrivals Building (IAB), a fourth runway, runway and road improvements, two daily parking garages, and an air traffic control tower.



Projects currently in the program at Reagan National include immediate improvements to Terminal B/C apron level holdrooms and Terminal A rehabilitation including a new loading bridge, baggage facilities, and other improvements necessary to implement approved slot reallocations. At Dulles International, projects include replacement of the generator for hot water distribution, taxiway improvements to support a maintenance hangar facility, and preservation of the historic air traffic control tower.

Dulles Corridor Enterprise Fund

Activities related to the Omer L. Hirst-Adelard L. Brault Expressway, also known as the Dulles Toll Road, and the Dulles Metrorail Project, a large capital improvement project extending the existing Metrorail system to Dulles International and beyond into Loudoun County are accounted for within the Dulles Corridor Enterprise Fund. The Dulles Corridor Enterprise Fund is self-supporting, using tolls collected to support the Dulles Toll Road's operations and maintenance and, along with grants from federal, state, and local governments, to finance the Dulles Corridor's ongoing Capital Improvement Program, which includes the construction of the Dulles Metrorail Project.

Constructed in 1984, the Dulles Toll Road is an eight-lane (four lanes in each direction) limited-access highway 13.4 miles in length. It was built in 1984 by VDOT and until November 1, 2008 had been maintained and operated solely by VDOT. It begins just inside the Capital Beltway (Interstate 495) near Falls Church, VA at the Interstate 66 connector to Washington, D.C. The Dulles Toll Road then travels westward through Fairfax County past Dulles International and terminates at the entrance to the Dulles Greenway, a privately-owned toll road. The Dulles Toll Road has one main line plaza at the eastern end near the Capital Beltway and 19 ramp plazas. In 2009, 2-axle vehicle toll rates were 75ϕ at the main toll plaza and 50ϕ at other exit and entrance locations. Effective January 1, 2010, toll rates were increased to \$1.00 at the main toll plaza and 75ϕ at other exit and entrance locations. On January 1, 2011, the toll rate at the main toll plaza was increased to \$1.50, concluding the three-year toll schedule approved by the Board in 2009. In 2012, the Board of Directors will establish toll rates for 2013 and potentially additional years.

The Dulles Toll Road has 59 toll collection lanes, including 9 E-ZPass-only collection lanes. All tollbooths are equipped with E-ZPass, an electronic toll collection system accepted in 14 contiguous states, including most states in the Virginia-to-Maine corridor.

On November 1, 2008, VDOT transferred operating and maintenance responsibility of the Dulles Toll Road to the Airports Authority through a permit and operating agreement for a period of 50 years. With the transfer of the Dulles Toll Road from VDOT, the Airports Authority committed to constructing the Dulles Metrorail Project. This 23-mile extension of the existing Metrorail system begins near the West Falls Church station, continues west through Dulles International and into Ashburn, VA in Loudoun County. The project, once completed, will be conveyed to and operated by the Washington Metropolitan Area Transit Authority (WMATA) and will provide a one-seat ride from Dulles International to downtown Washington, D.C.

The Dulles Metrorail Project is being constructed in two phases and will include the addition of 128 rail cars. Phase 1 of the Dulles Metrorail Project will extend 11.7 miles from near the West Falls Church station to Wiehle Avenue in Reston, VA. It includes five new stations and improvements to the existing WMATA service and inspection yard at the West Falls Church station. Phase 1 construction activities began in March 2009 with completion expected by December 2013, or earlier.

Phase 2 of the Dulles Metrorail Project will extend the Metrorail system an additional 11.3 miles from Wiehle Avenue in Reston to Dulles International and into Loudoun County. Phase 2 of the Metrorail Project is

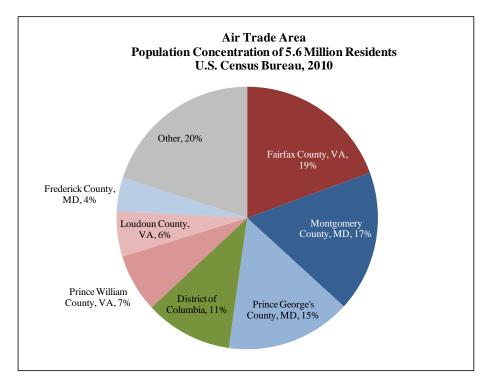


expected to include six new stations and a maintenance yard located on Dulles International property. Preliminary engineering began under the direction of the Virginia Department of Rail and Public Transportation but was deferred before the transfer of the project to the Airports Authority. Phase 2 preliminary engineering resumed in 2009 and 100 percent preliminary engineering was completed in March 2012. Procurement of the Phase 2 Design-Build contract is expected to be initiated in 2012.

AIRPORTS AUTHORITY'S ECONOMIC ENVIRONMENT

In spite of extraordinary volatility in the global economy, the Washington, D.C. region has grown steadily for the past two decades. As home to the federal government and the fifth largest regional economy in the nation, the area currently boasts the second-highest Gross Regional Product per capita in the US.¹ Citing the region's strong economy and low unemployment rate, Dow Jones & Co.'s MarketWatch named Washington the Best City for Business.²

Population growth in the metropolitan Washington area (Air Trade Area) has consistently outpaced population growth in the United States. Within the region, the largest concentrations of population are in the jurisdictions of Fairfax County, Virginia; Montgomery County, Maryland; Prince George's County, Maryland; and the District of Columbia.³



The region's median household income is 69 percent higher than the U.S. median household income, as reported in the Census Bureau's 2010 American Community Survey,⁴ and unemployment remains well below the national average. As of December 2011, the Washington Metropolitan Statistical Area had the lowest

¹ Source: Greater Washington Initiative, Greater Washington 2011-2012 Regional Report

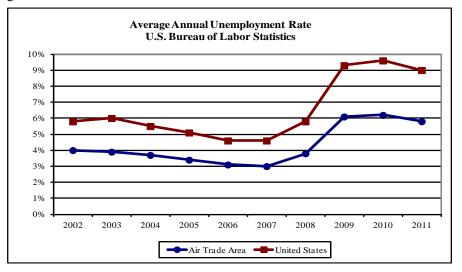
² Source: "Washington tops Best Cities for Business." MarketWatch, December 13, 2011.

³ Source: U.S. Census Bureau Population Division, May 2011

⁴ Source: U.S. Census Bureau's American Community Survey, 2010

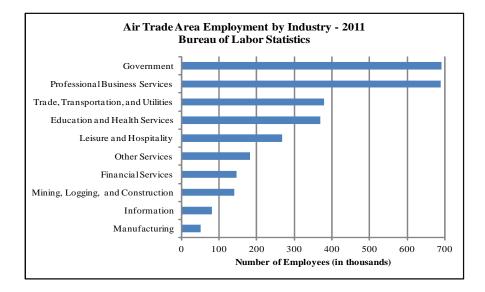


unemployment rate among the metropolitan areas with a Census 2000 population of one million or more.⁵ As of December 2011, the Air Trade Area unemployment rate of 5.8 percent was significantly lower than the 9.0 percent U.S. average.



Activity generated by the federal government provides a solid foundation and economic stimulus to the metropolitan area in both up and down cycles. The federal government's procurement spending in the Air Trade Area totaled \$78.9 billion in 2010, up \$3.3 billion or 4 percent from 2009.⁶

Employment in the region is well-diversified. In addition to the federal government sector, the Air Trade Area is also home to numerous large and small private companies, including 18 *Fortune* 500® companies by revenue⁶. In recent years, Computer Sciences Corporation, Hilton Worldwide, Volkswagen North America, and SAIC have all relocated their corporate headquarters to the Washington region. Additionally, in September 2011, Northrop Grumman moved its headquarters from Los Angeles, California to Falls Church, Virginia.



⁵ Source: U.S. Bureau of Labor Statistics

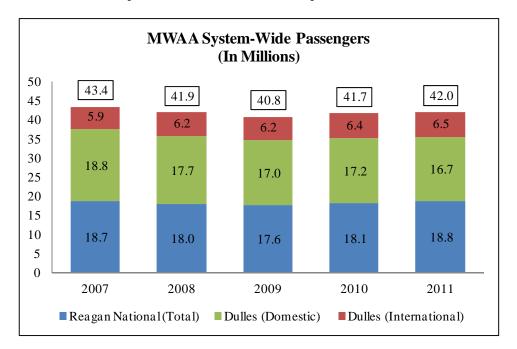
⁶ Source: Greater Washington Initiative, Greater Washington 2011-2012 Regional Report



Aviation and Toll Road Activity

Although the recent economic downturn has impacted the Air Trade Area less than the rest of the country, it has not left the region untouched. In 2011, system-wide passenger growth at Reagan National and Dulles International was 0.5 percent, marking the third consecutive year of growth. Activity levels at Reagan National reached record levels with total passengers of 18.8 million, representing a 3.9 percent increase over 2010 activity of 18.1 million. The increase in passenger traffic at Reagan National exceeded the U.S. industry average increase of 1.5 percent. Total aircraft operations at the airport increased from 271 thousand operations in 2010 to 282 thousand in 2011.

In 2011, Dulles International served 23.2 million passengers, a 1.7 percent decrease from 2010 when Dulles served 23.6 million passengers. Although domestic passengers decreased 2.9 percent to 16.6 million in 2011, international passenger traffic at Dulles International increased 1.6 percent to 6.5 million passengers. This marked the eighth consecutive year of international passenger growth at Dulles International, which included new air service to Reykjavik, Iceland. Total aircraft operations at Dulles International declined 3.0 percent in 2011 to 327 thousand operations, from 337 thousand operations in 2010.



Dulles Toll Road toll transactions totaled 100.9 million in 2011 compared to 104.1 million in 2010, which represented a 3.1 percent decline in activity. This decrease was consistent with planned projections and primarily attributed to toll increases that went into effect on January 1, 2011.

Industry Outlook

The downward trend in air traffic levels had been reversing during 2010 and through the first half of 2011. However, enplanement growth leveled off in the latter half of 2011. Continued economic instability in the U.S. and abroad, reduced federal funding, limited airline expansion capability, and volatile fuel prices may challenge future growth in airline and toll road activity.⁷ In light of these projections, the Airports Authority will

⁷ Source: "U.S. Airports: Trends Indicate Another Difficult Year Ahead." Moody's. January 25, 2012.



continue to closely manage budgeted expenditures in order to minimize increases to airline rates and charges and toll rates.

The Airports Authority's Operating Budgets

The Airports Authority's annual operating budgets are a financial planning tool outlining the estimated revenues and expenses for the Airports and for the Dulles Toll Road at certain activity levels. The budgets are prepared in a manner consistent with the Use and Lease Agreement, which is not in accordance with generally accepted accounting principles (GAAP). The President and Chief Executive Officer submits the Airports Authority's annual operating budgets to the Board for approval. Budgetary controls and evaluations are effected by comparing actual interim and annual results with the budgets, noting the actual level of activities, and ensuring compliance with the provisions of the annual operating budgets 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.

Aviation Enterprise Fund

In 2011, the Airports Authority's budget minimized increases to airline rates and charges, maintained the ability to operate the Airports in a safe and secure manner and met customer service standards, with the goal of sustaining the Airports Authority's long-term financial strength. Operating revenues reached 98.9 percent of budget expectations in 2011 and 99.4 percent in 2010. Operating expenses reached 92.8 percent of budget authorization in 2011, while in 2010 expenses reached 93.9 percent of budget authorization. The Airports Authority's 2011 budget reflected an 11.1 percent increase in revenues and a 2.3 percent increase in expenses, as compared to 2010.

	 Budget	 Actual ¹	As a Percentage of Budget
2011 Revenues	\$ 629,559,500	\$ 622,548,625	98.9%
2011 Expenses ²	\$ 325,706,000	\$ 302,182,190	92.8%
2010 Revenues	\$ 566,638,000	\$ 563,033,390	99.4%
2010 Expenses ²	\$ 318,292,000	\$ 298,743,261	93.9%

Aviation Enterprise Fund Operating Budget

¹ Actual results are stated on a budgetary basis for management purposes, which is not consistent with GAAP

² Budgeted expenses exclude depreciation expense

Dulles Corridor Enterprise Fund

The 2011 operating budget for the Dulles Corridor Enterprise Fund reflected the third full year of the Airports Authority's operations of the Dulles Toll Road. Operating revenues reached 96.7 percent of budget expectations in 2011, while in 2010, operating revenues reached 100.1 percent of budget expectations. Operating expenses reached 90.1 percent of budget authorization in 2011 and 106.5 percent in 2010. The Airports Authority's 2011 budget reflected an 11.3 percent increase in revenues, due to increases in toll rates, and a 12.9 percent increase in expenses, due to an increase in allocated costs, as compared to 2010 amended budgeted amounts.



Dulles Corridor Enterprise Fund Operating Budget

	 Budget	 Actual ¹	As a Percentage of Budget
2011 Revenues	\$ 97,847,000	\$ 94,659,538	96.7%
2011 Expenses	\$ 27,843,000	\$ 25,085,426	90.1%
2010 Revenues	\$ 87,919,000	\$ 88,038,168	100.1%
2010 Expenses	\$ 24,652,000	\$ 26,247,041	106.5%

¹Actuals are stated on a budgetary basis for management purposes, which is not consistent with GAAP

Long-Term Financial Planning

Aviation Enterprise Fund

The Airports 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 operate and maintain the Airports. Under terms of the Use and Lease 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.

It is anticipated that the major portion of future facilities development will be financed with the proceeds of bonds issued under the Master Indenture. In addition, the Airports Authority also expects to use Passenger Facility Charge (PFC) revenues, federal and state grants, and the Airports Authority's portion of net remaining revenues to finance capital development costs. Because of operating constraints at Reagan National, including slot and perimeter regulations, much of the future growth in aviation activity for the Air Trade Area is forecasted to occur at Dulles International.

Dulles Corridor Enterprise Fund

The Dulles Corridor Enterprise Fund's long-term planning includes the completion of the Dulles Metrorail Project and certain approved capital expenditures on the Dulles Toll Road and in the Dulles Corridor. The Airports Authority anticipates that funding for the capital expenditures in the Dulles Corridor will include tolls and charges collected on the Dulles Toll Road, the issuance of Dulles Toll Road revenue bonds, FTA funding, and continued receipt of state and local grants.

OTHER INFORMATION

The Airports Authority's Internet Web Page

The Airports Authority has an Internet website 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, as well as flight arrival and departure information. The Airports Authority's CAFR, Budget, Master Indenture, Official Statements, Debt Service Review, airline rates and charges, and aviation statistics are posted on the website. Since September 11, 2001, the Airports Authority has posted monthly unaudited financial statements to include discussion of results and other information for the Airports Authority's bondholders and other interested parties. The financial information for the Airports Authority is available on the website at the following address: <u>http://www.mwaa.com/311.htm</u>.



Recognition of Awards and Achievement

The GFOA has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Airports Authority for its CAFR for the year ended December 31, 2010. This was the twenty-second consecutive year that the Airports Authority has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Airports Authority has also received the GFOA's Award for Distinguished Budget Presentation eighteen times and the GFOA's Popular Annual Financial Reporting Award for the last six consecutive years.

Acknowledgments

In closing, I would like to thank the Board of Directors and the President and Chief Executive Officer for their leadership and support in planning and conducting the financial operations of the Airports Authority. Special thanks are expressed to Mark Tune, Controller; Chris Wedding, Assistant Controller; Julia Hodge, Department Manager, Financial Strategy & Analysis; Greg Cohen, Manager, Financial Strategy; and Diane Lary, Financial Technician for the preparation of this year's CAFR. I would also like to thank all personnel within the Office of Finance for their contributions, without whom this CAFR would not be completed. Finally, appreciation is expressed to the firm of PricewaterhouseCoopers LLP for their dedication to completing a timely audit and their work enabling an unqualified opinion for the 2011 Financial Statements.

Andrew T. Rountree, CPA Vice President for Finance 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, 2010

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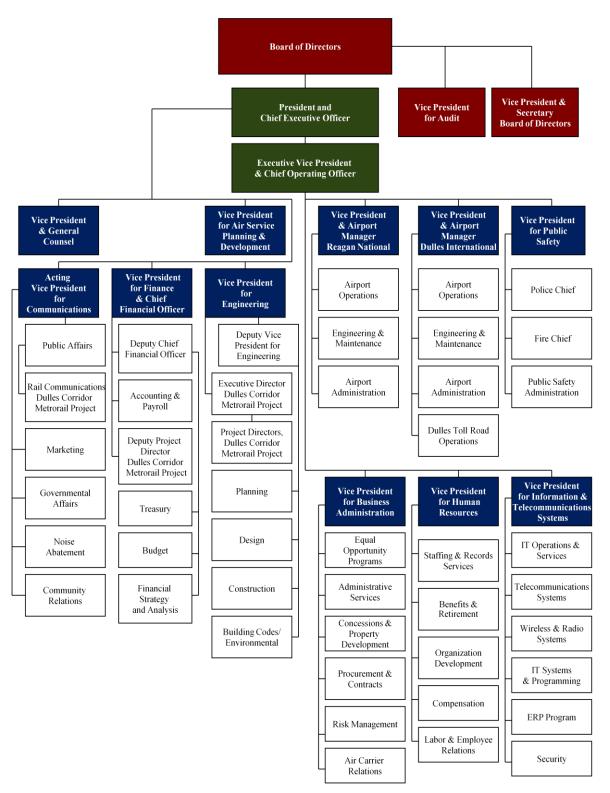


Linda C. Sandon President

Executive Director



Organization Chart As of December 31, 2011





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 of cash flows of the Metropolitan Washington Airports Authority (the "Airports Authority") i) Aviation Enterprise, ii) Dulles Corridor Enterprise and iii) Total Business-Type Activities, which collectively comprise the Airports Authority's basic financial statements, present fairly, in all material respects, the respective financial positions of each of the Aviation Enterprise, Dulles Corridor Enterprise and Total Business-Type Activities of the Airports Authority as of December 31, 2011 and December 31, 2010, and the respective changes in financial position and cash flows thereof 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 Airports Authority's management. Our responsibility is to express opinions 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 opinions.

As discussed in Note 2 to the basic financial statements, the Airports Authority has restated its 2010 financial statements to correct errors.

The Management's Discussion and Analysis (MD&A) on pages 15 through 32 is required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. The required supplementary information, although not part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in the appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audits were conducted for the purpose of forming an opinion on the Airports Authority's basic financial statements described in the first paragraph above. 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 auditing procedures and, accordingly, we express no opinion nor provide any assurance on it.

Kinewaterhouse Coopers LLP

April 30, 2012



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MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)

INTRODUCTION

The purpose of the following discussion and analysis of the financial performance and activity of the Metropolitan Washington Airports Authority (the Airports Authority) is to provide an introduction and overview of the basic financial statements of the Airports Authority for the year ended December 31, 2011 with selected comparative information for the years ended December 31, 2010 and December 31, 2009. This discussion has been prepared by 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 Airports 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 the Governmental Accounting Standards Board (GASB).

The financial statements presentation includes two enterprise funds. The Aviation Enterprise Fund encompasses the activity of Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International), collectively, the Airports. The Dulles Corridor Enterprise Fund encompasses the Airports Authority's activity within the Dulles Corridor, which includes, but is not limited to, the Dulles Toll Road and the Dulles Corridor Metrorail Project (Dulles Metrorail Project). The Dulles Corridor is the transportation corridor with an eastern terminus of the East Falls Church Metrorail station at Interstate Route 66 and a western terminus of VA Route 772 in Loudoun County, VA.

The Statements of Net Assets depict the Airports Authority's financial position as of a point in time, December 31, and include all assets and liabilities of the Airports Authority. The Statements of Net Assets demonstrate that the Airports Authority's assets equal liabilities plus net assets. Net assets represent the residual interest in the Airports 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 for a fiscal period, 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 Airports Authority's revenues, including Passenger Facility Charges (PFCs), investment income, and federal, state, and local grants are reported as non-operating revenues or capital contributions. The Airports Authority's interest expense is reported as a non-operating expense.

The Statements of Cash Flows present information showing how the Airports 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, noncapital financing activities, capital and related financing activities, and investing activities.

Prior Period Restatement

As discussed in Note 2 to the basic financial statements, the Airports Authority has restated its 2010, 2009 and prior years' financial statements principally to correct the accrual of mark-to-market valuations for



long term investments, to reclassify various long-term liabilities in the determination of net assets, to correct interest expense for non-taxable debt proceeds, and to correct various other accruals. These restatements have been reflected for comparative reporting throughout the Management's Discussion and Analysis and are indicated as such.

The Airports Authority's Activity Highlights

Aviation Enterprise Fund

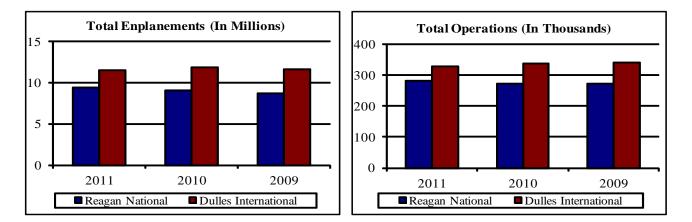
Pursuant to the Airports Authority's Airport Use Agreement and Premises Lease (Use and Lease Agreement), the Airports Authority has activity-based revenues which include non-airline fees such as those from parking, rental car activities, and other concessions and airline-based fees such as landing fees, rents, international arrival fees, and passenger conveyance fees.

There have been many factors and events that have negatively affected the air transportation industry in the recent past, such as the domestic economic downturn beginning in the latter part of 2007 and continuing through 2009 and recent economic crises in Europe. The Airports Authority's budget minimized increases to airline rates and charges, maintained the ability to operate the Airports in a safe and secure manner, and met customer service standards, with the goal of sustaining the Airports Authority's long-term financial strength. Overall system activity remained strong in the face of these economic changes. Enplanements and operations activity for the last three years follows:

	2011	2010	2009
Reagan National Enplanements			
Domestic	9,235,899	8,891,204	8,634,011
Transborder	126,064	144,340	133,232
Non-Commercial	10,398	6,511	4,651
Total Enplanements	9,372,361	9,042,055	8,771,894
Dulles International Enplanements			
Domestic	8,292,159	8,564,825	8,429,620
International	3,224,432	3,177,235	3,117,151
Non-Commercial	72,597	73,118	67,557
Total Enplanements	11,589,188	11,815,178	11,614,328
Total Operations			
Reagan National	281,770	271,097	272,146
Dulles International	327,493	336,531	340,367

Enplanements and Operations Activity for 2009 to 2011





Enplanements at Reagan National for the 12 months of 2011 were 9.4 million, compared to 9.0 million for the year 2010 and 8.8 million for the year 2009. The increase in enplanements was primarily attributable to new nonstop service that jetBlue and Delta began in November 2010 and continued into 2011. In 2010, jetBlue added air service from Regan National to Boston, Fort Lauderdale, and Orlando while Delta expanded air service to Hartford, Columbus, Jacksonville, Orlando, Miami, Tampa, and St. Louis. In 2011, Sun Country Airlines added new nonstop service to Lansing, and Spirit Airlines added service to Myrtle Beach.

Total enplanements at Dulles International for the 12 months of 2011 were 11.6 million compared to 11.8 million in 2010 and 11.6 million in 2009. The decline in domestic enplanements in 2011 was partially attributable to the consolidated operations of United and Continental Airlines, as well as the transfer of select jetBlue air service to Reagan National. In 2011, Dulles International welcomed Icelandair with service to Reykjavik. This increased international air service continued a positive trend from 2010, when Turkish Airlines began new nonstop service to Istanbul, AeroSur began weekly nonstop service to Bolivia, and Ethiopian Airlines expanded daily service to Addis Ababa. International enplanements of 3.2 million for the 12 months of 2011 represented a 1.5 percent and 3.4 percent increase over 2010 and 2009 international enplanements, respectively.

Total North American domestic and international enplanements increased by 1.5 percent in 2011. Domestic enplanements grew 1.5 percent, while international enplanements grew 1.4 percent. Reagan National exceeded the domestic growth rate by 2.4 percent, due to the aforementioned increases in air service. Dulles International's domestic passenger growth rate was -3.2 percent, which was 4.7 percent lower than the industry growth rate. This decline was primarily a result of capacity adjustments by domestic carriers. However, international enplanements growth of 1.5 percent at Dulles International outpaced the industry growth rate in 2011, further solidifying the Airport's position as the international gateway for the region.

2011 Englangements Crowth	Airports Authority	North America	Difference
2011 Enplanements Growth	Authonity	Notul America	Difference
Reagan National (Domestic)	3.9%	1.5%	2.4%
Dulles International (Domestic)	-3.2%	1.5%	-4.7%
Dulles International (International)	1.5%	1.4%	0.1%

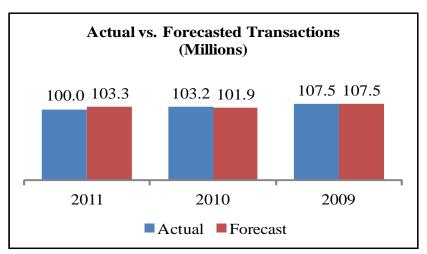


Dulles Corridor Enterprise Fund

On November 1, 2008, the Virginia Department of Transportation (VDOT) transferred operating and maintenance responsibility of the Dulles Toll Road to the Airports Authority through a permit and operating agreement for a period of 50 years. The Airports Authority contracted operations of the Dulles Toll Road to VDOT from the date of transfer until September 30, 2009. As of October 1, 2009, the employees of the Dulles Toll Road became employees of the Airports Authority, all contracts of the Dulles Toll Road became contracts of the Airports Authority, and the Airports Authority's public safety department began providing the primary police and fire service for the Dulles Toll Road. As part of the agreement with the Commonwealth of Virginia (the Commonwealth), the Airports Authority is constructing the Dulles Metrorail Project from the vicinity of the West Falls Church Metrorail station to Route 772 in Loudoun County and will make other improvements in the Dulles Corridor consistent with VDOT and regional plans, using revenues from the Dulles Toll Road to pay the resulting debt service.

The Dulles Toll Road has one main line plaza at the eastern end near the Capital Beltway and 19 ramp plazas. In 2009, 2-axle vehicle toll rates were 75ϕ at the main toll plaza and 50ϕ at other exit and entrance locations. Effective January 1, 2010, toll rates were increased to \$1.00 at the main toll plaza and 75ϕ at other exit and entrance locations. On January 1, 2011, the toll rate at the main toll plaza increased to \$1.25, and on January 1, 2012, the toll rate at the main toll plaza increased to \$1.50. These toll increases are necessary to support the financing for the Dulles Metrorail Project.

The Dulles Toll Road processed an average of 8.4 million toll transactions per month in 2011. This was a decrease from 2010 of 268 thousand transactions per month, or a 3.1 percent drop in transactions for the year. The transaction volume was largely due to higher toll rates that became effective January 1, 2011 and was approximately 97 percent of forecasted transactions.



Source: Dulles Toll Road Traffic and Revenue Study (April 15, 2010)

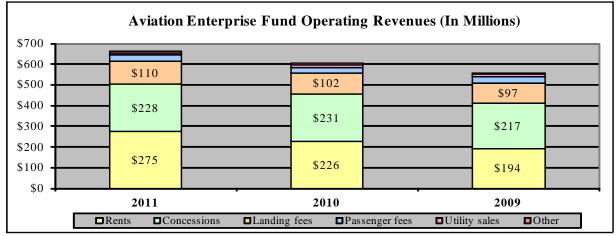
Financial Highlights - Aviation Enterprise Fund

The overall activity results of 2011 reflect the continued gradual reversal of negative trends experienced across the aviation industry as a result of the recession that started in December 2007. The Aviation Enterprise Fund recorded \$664.0 million in operating revenues for 2011. This was a total increase from 2010 of \$60.1 million and an increase from 2009 of \$105.5 million. The Aviation Enterprise Fund's revenues are primarily derived from rents and charges for the use of the Airports Authority's facilities, including landing fees received



from airlines using the Airports and concession contracts at the Airports, including parking and off-airport rental car operations. Concessions historically have accounted for a substantial portion of the Aviation Enterprise Fund's revenues and comprised 34.3 percent of total operating revenues in 2011. Signatory airlines, those that have signed the Use and Lease Agreement, are required to pay actual costs plus debt service coverage, while the majority of concessionaires pay the greater of a percentage of revenue or a minimum annual guarantee (MAG).

	Aviation Enterprise Fund				
	 2011		2010		2009
Operating revenues					
Rents	\$ 275,428,113	\$	226,375,685	\$	193,736,080
Concessions	227,599,995		230,973,498		217,461,176
Landing fees	110,255,672		101,637,867		96,934,558
Utility sales	11,979,591		12,464,920		13,227,161
Passenger fees	30,331,231		25,913,521		30,665,358
Other	8,381,229		6,509,225		6,429,128
Total operating revenues	\$ 663,975,831	\$	603,874,716	\$	558,453,461



Source: Statement of Revenues, Expenses, and Changes in Net Assets

Airline Revenues

Airlines that operate at Reagan National and Dulles International pay for the costs to operate the Airports and to service the Airports' debt. When operating costs for the Airports Authority increase, there is a corresponding increase in the rates charged to the airlines. In 2011, airline revenues, which consist of terminal rents, landing fees, and passenger fees totaled \$416.0 million. This was an increase of \$62.1 million, or 17.5 percent, compared to 2010 and an increase of \$94.7 million, or 29.5 percent, compared to 2009.

In 2011, rent revenues totaled \$275.4 million, which was an increase of \$49.1 million from 2010 and an increase of \$81.7 million from 2009. The key drivers of increased terminal rents in recent years include higher operating costs as a result of the expanded International Arrivals Building at Dulles International and increases in debt service costs resulting from Terminal A improvements at Reagan National and the Automated People Mover (AeroTrain) that was placed into service at Dulles International in early 2010. In 2011, landing fees totaled \$110.3 million, which was an increase of \$8.6 million and \$13.3 million from 2010 and 2009, respectively. The increases in total landing fees were consistent with the increase in combined operations at



both Airports. Passenger fees, including conveyance, International Arrivals fees, and fees paid by the Transportation Security Administration (TSA) increased \$4.4 million, or 17.0 percent, from 2010 and decreased \$334 thousand, or 1.1 percent, from 2009. The increase in passenger fees over 2010 was driven by an increase in international traffic and corresponding International Arrivals Building fees at Dulles International.

In 2011, prior-year transfers, which are used as an offset to revenues paid by the Airlines, remained flat at \$61.6 million. Please refer to Note 3 – Airport Use Agreement and Premises Lease for more detail.

Concessions Revenues

The Airports Authority's concession revenues totaled \$227.6 million, which was a decrease of \$3.4 million, or 1.5 percent, compared to 2010 and an increase of \$10.1 million, or 4.7 percent, from 2009. In 2011, concession revenues accounted for 34.3 percent of total operating revenues, down 3.9 percent from 2010, as a result of the overall decline in concession revenues and the aforementioned increase in airline revenues.

Car parking revenues continued to rank as the Airports Authority's largest concession in 2011, providing \$108.9 million in total revenues for the year. This was a decrease of \$1.2 million from 2010 but an increase of \$1.2 million from 2009. The decrease in parking revenues in 2011 was partially attributable to lower domestic passenger enplanements at Dulles International, which declined 3.2 percent from 2010 and 1.6 percent from 2009. In 2011, rental car revenues totaled \$38.7 million, which decreased \$5.6 million and \$159 thousand from 2010 and 2009, respectively. In July 2011, a new rental car contract was awarded at Reagan National, which provided for lower MAG amounts than the previous contract. Food and beverage revenues totaled \$17.3 million in 2011, which represented an increase of \$800 thousand from 2010 and \$1.6 million from 2009. New concepts in 2011 included Qdoba Mexican Grill at Reagan National. Fixed Base Operator (FBO) revenues of \$14.1 million in 2011 increased \$1.5 million from 2010 and \$1.8 million from 2009. Higher MAGs accounted for nearly \$1.1 million of the increase over 2010, while percentage revenues increased \$427 thousand due to higher prices on fuel sold by the FBOs.

All other areas of 2011 concession revenues accounted for a combined net increase of \$1.1 million and \$5.7 million over 2010 and 2009, respectively. These increases were largely attributable to steady increases in duty free and advertising revenues, which offset moderate declines in other concession revenues.

Concession Revenues 2010 2011 2009 \$ 108.936.324 \$ 110.150.990 107.721.718 Parking Rental cars 38,706,628 44,305,092 38,865,186 Food and beverage 17,274,882 16,474,539 15,626,929 Fixed base operator 14,109,352 12,560,170 12,353,018 Display advertising 12.061.771 11,652,665 8,243,796 Newsstand and retail 12,003,769 11,837,876 11,900,884 Ground transportation 7,787,856 8,425,163 7,315,514 7,172,499 Inflight caterers 6,768,559 6,705,056 Duty free 4,009,278 3,200,337 2,881,047 All other 5,537,636 5,598,107 5,848,028 \$ 227,599,995 \$ 230,973,498 \$ 217,461,176 Total

The following table details concession revenues by major category for the years ended December 31, 2011, December 31, 2010 and December 31, 2009:



Operating Expenses

Operating expenses for the Aviation Enterprise Fund for the fiscal year ended December 31, 2011 totaled \$578.8 million, an increase of \$4.8 million, or 0.8 percent, over 2010, and \$71.9 million, or 14.2 percent, from 2009. Materials, equipment, supplies, contract services, and other expenses increased by \$7.0 million, or 3.9 percent in 2011. This increase was largely a result of contractual spending related to the implementation of a new Oracle Enterprise Resource Planning (ERP) System. Services expenses increased by \$7.1 million in 2011, with spending on IT services accounting for \$5.2 million of the increase. Project expenses were also higher in 2011 than in 2010, increasing from \$5.6 million to \$9.6 million as a result of higher non-capitalized project costs associated with ERP implementation. Operating expenses in 2010 increased \$67.1 million from 2009 due to record snow events, new contracted operations of the AeroTrain, as well as additional depreciation and amortization expenses.

After three years of development, the Airports Authority implemented Oracle EBusiness Solutions as its new ERP System. According to accounting principles as promulgated in GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (GASB 51), the Airports Authority was in the developmental stage of the implementation program through early 2009 and expensed the costs through the Statements of Revenues, Expenses and Changes in Net Assets. From 2009 until the system was placed in service in June of 2011, applicable costs were capitalized. All related training and data conversion costs were expensed.

Salaries and related benefits expenses declined \$202 thousand from 2010 to \$148.1 million in 2011. Regular full time pay for Airports Authority employees increased by \$3.0 million, or 3.2 percent, over 2010. In 2011, The Airports Authority's health insurance expenses increased by \$1.2 million to \$15.3 million. These increases were offset by a 24.8 percent reduction in overtime costs which fell by \$2.6 million as a result of lower snowfall, as well as a decline in Other Post Retirement Employee Benefits (OPEB) expenses, which decreased by \$1.5 million to \$6.8 million in 2011. The Airports Authority recorded other post-retirement benefits expenses of \$6.8 million and \$8.3 million in 2011 and 2010, respectively. The contribution percentages to the Airports Authority's retirement plans decreased to 7.4 percent in 2011 from 7.5 percent of eligible earnings in 2010 for the general plan and decreased to 14.7 percent in 2011 from 16.0 percent of eligible earnings in 2010 for the general plan and decreased to 14.7 percent in 2011 from 16.0 percent of eligible earnings in 2010 for the general plan and decreased to 14.7 percent in 2011 from 16.0 percent of eligible earnings in 2010 for the general plan and 99.0 percent for the police and firefighters plan.

The Airports Authority's utility expenditures for 2011 were \$26.5 million, an increase of \$2.2 million from 2010. The increase in utility expenses was driven principally by higher electricity rates, which resulted in a \$3.2 million increase in electricity expense. Spending on natural gas declined by \$800 thousand in 2011 due to a decrease in rates, and helped to mitigate the increase in electricity costs. The Airports Authority's utilities expenses in 2010 totaled \$24.4 million, a decrease of \$3.8 million from 2009. In 2010, the Airports Authority joined an energy consortium, which helped reduce utility expenses.

Depreciation and amortization expense in 2011 was \$211.4 million. This was a decrease of \$4.2 million from 2010 and an increase of \$26.6 million from 2009. In January 2010, the AeroTrain became operational at Dulles International, and in November 2010, the Airports Authority completed the second phase of the International Arrivals Building (IAB). At Reagan National, the parking garage was expanded and runway and taxiway improvements were completed in 2010. In 2011, the Airports Authority completed the final phase of the IAB expansion at Dulles International and runway 1/19 improvements at Reagan National.

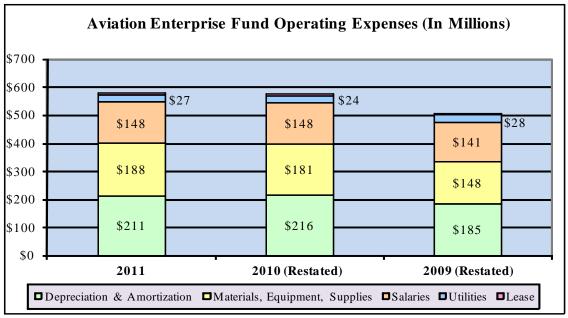
For more information on changes in capital assets, please refer to Note 10.



A cost allocation plan is used to identify and quantify all overhead and other indirect costs appropriately allocable to the Dulles Toll Road or to the Dulles Metrorail Project within the Dulles Corridor Enterprise Fund. As a result of this allocation plan, \$8.5 and \$7.3 million of Aviation Enterprise Fund operating expenses were allocated to the Dulles Corridor Enterprise Fund in 2011 and 2010, respectively.

The following presents total operating expenses for the years ended December 31, 2011, December 31, 2010 and December 31, 2009:

	Aviation Enterprise Fund		
20.		2010 (Restated)	2009 (Restated)
Operating expenses			
Materials, equipment, supplies, contract services, and other	\$ 187,607,830	180,632,889	\$ 148,303,889
Salaries and related benefits	148,072,307	148,274,437	140,545,604
Utilities	26,542,084	24,375,181	28,141,650
Lease from U.S. Government	5,180,558	5,101,119	5,066,069
Depreciation and amortization	211,365,393	215,536,523	184,798,166
Total operating expenses	\$ 578,768,172	\$ 573,920,149	\$ 506,855,378



Source: Statement of Revenues, Expenses, and Changes in Net Assets

Changes in Net Assets

Operating income was \$85.2 million in 2011, which was a \$55.3 million increase from 2010. The results primarily reflect the increase in airline and other revenues, which outpaced the increases in operational expenses. Airline rates and charges were increased in 2011, primarily as a result of increased debt service related to the completion of significant capital projects. Higher operating expenses in 2010 caused operating income of \$30.0 million in 2010 to decline \$21.6 million from 2009.

When compared to 2010, total non-operating revenues increased \$4.0 million and non-operating expenses increased \$74.1 million. Non-operating revenues in 2011 was comprised of \$24.7 million in investment income and \$0.9 million of federal, state, and local grants. Non-operating expenses totaled \$318.2



million and were comprised of interest expense of \$222.0 million and fair value losses on swaps. The change in fair value on swaps for 2011 was a loss of \$96.2 million. The change in fair value on swaps for 2010 was a loss of \$35.0 million. This indicates the amount of a payment that would be due to the counterparty by the Airports Authority if the swap is terminated in the current market. Please refer to Note 14 - Derivatives for more information on the swap portfolio.

Capital contributions include PFCs, federal, state, and local grants, and other capital property acquired. PFC revenues for 2011 was \$78.6 million, which was a decrease of \$1.5 million from 2010. PFC revenues in 2010 totaled \$80.1 million, which was an increase of \$1.6 million from \$78.5 million in 2009.

Federal, state, and local capital contribution grants were \$54.8 million in 2011, \$61.8 million in 2010, and \$24.2 million in 2009. In 2011, the Aviation Enterprise Fund received \$25.7 million in Airport Improvement Program (AIP) grants primarily to reimburse the capital cost of rehabilitating runway 1/19, improving the safety area of runway 1/19, and constructing the fourth runway at Dulles International. The Aviation Enterprise Fund also received American Recovery and Reinvestment Act (ARRA) grants of \$20.9 million for TSA surveillance closed circuit TV and in-line baggage electronic detection systems. The Aviation Enterprise Fund also received \$6.3 million from TSA for in-line baggage screening.

The change in net assets is an indicator of the overall fiscal condition of the Aviation Enterprise. Net assets decreased in 2011 by \$68.8 million and \$50.0 million in 2010. The 2011 decrease includes the \$96.2 million fair value loss on swaps and the 2010 decrease includes the \$35.0 million fair value loss on swaps.

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

	Aviation Enterprise Fund			
	2011	2010 (Restated)	2009 (Restated)	
Operating income				
Operating revenues	\$ 663,975,831	\$ 603,874,716	\$ 558,453,461	
Operating expenses	578,768,172	573,920,149	506,855,378	
Total operating income	85,207,659	29,954,567	51,598,083	
Non-operating revenues				
Investment income	24,683,618	20,367,841	12,479,026	
Federal, state and local grants	874,810	1,192,743	1,415,153	
Fair value gains on swaps			103,731,481	
Total non-operating revenues	25,558,428	21,560,584	117,625,660	
Non-operating expenses				
Interest expense	(221,951,744)	(209,147,708)	(143,365,937)	
Passenger facility charges, financing costs	-	-	(944,806)	
Fair value losses on swaps	(96,249,918)	(34,978,410)		
Total non-operating expenses	(318,201,662)	(244,126,118)	(144,310,743)	
Income/(Loss) before capital contributions	(207,435,575)	(192,610,967)	24,913,000	
Capital contributions	138,612,005	142,577,878	105,727,415	
Increase (decrease) in net assets	\$ (68,823,570)	\$ (50,033,089)	\$ 130,640,415	

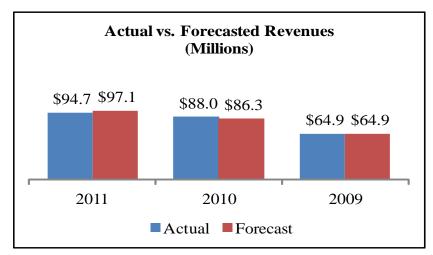


Financial Highlights - Dulles Corridor Enterprise Fund

Operating Revenues

For the year ended December 31, 2011, the Dulles Corridor Enterprise Fund recorded toll revenues of \$94.7 million, which consisted of Automated Vehicle Identification (AVI) or electronic toll collections of \$70.6 million, cash collections of \$22.9 million, and violations revenues of \$1.1 million. AVI collection as a percentage of total operating revenues was 74.6 percent. In 2010, toll revenues totaled \$88.0 million, an increase of \$23.1 million from 2009, and consisted of AVI collections of \$63.6 million, cash collections of \$23.7 million, and violations revenues of \$0.7 million. AVI collection as a percent of total operating revenues was 72.2 percent. Overall increases in total operating revenues in 2011 were primarily driven by toll rate increases that went into effect on January 1, 2011.

	Dulles Corridor Enterprise Fund				
		2011	_	2010	 2009
Operating revenues					
Cash revenues	\$	22,905,593	\$	23,715,733	\$ 19,199,661
Automated vehicle identification revenues		70,634,124		63,606,906	45,146,685
Violation revenues		1,119,821		715,529	 547,208
Total operating revenues	\$	94,659,538	\$	88,038,168	\$ 64,893,554



Source: Dulles Toll Road Traffic and Revenue Study (April 15, 2010)

Operating Expenses

For the years ended December 31, 2011, 2010, and 2009, the Dulles Corridor Enterprise Fund recorded \$35.2 million, \$34.8 million, and \$30.1 million in operating expenses, respectively. In 2011, operating expenses were primarily comprised of materials, supplies, equipment, contract services, and other, which totaled \$21.7 million and included \$5.1 million in electronic toll collection fees paid to the third party processor of AVI transactions, \$4.2 million in maintenance and repair costs, and \$1.6 million in consulting services. In 2010, materials, supplies, equipment, contract service, and other totaled \$22.8 million, which included \$6.2 million in electronic toll collection fees paid to the third party processor of AVI transactions, \$3.7 million in maintenance and repair costs, and \$1.4 million in contractual snow removal costs.



The majority of costs related to the Dulles Corridor Enterprise Fund are directly charged to the Fund. In certain instances, overhead costs for the Airports Authority are initially paid from the Aviation Enterprise Fund but are appropriately allocable to the Dulles Corridor Enterprise Fund as costs associated with operation of the Dulles Toll Road or as costs of the Dulles Metrorail Project. The Airports Authority completed its first cost allocation plan in 2009. The purpose of the cost allocation plan is to identify and quantify all indirect and overhead costs appropriately allocable to the Dulles Corridor Enterprise Fund and to appropriately allocate those costs. In 2011, \$8.5 million was allocated from the Aviation Enterprise Fund to the Dulles Corridor Enterprise Fund, with \$5.0 million allocated to the Dulles Toll Road and \$3.5 million allocated to the Dulles Corridor Enterprise Fund to the Dulles Metrorail Project. In 2010, \$7.3 million was allocated from the Aviation Enterprise Fund to the Dulles Metrorail Project. The increase in allocated costs is attributable to increases in the allocation for the Board, Information Systems and Telecommunications, Business Administration, and Finance expenses. Rail Phase 2 allocated costs increased in 2011 as preliminary engineering activities increased.

Salaries and related benefits expense increased \$1.0 million from \$8.3 million in 2010 to \$9.3 million in 2011. The increase was due to a \$978 thousand increase in allocated salaries and benefits expense. Salaries and benefits expenses increased \$4.2 million in 2010 due to a \$2.0 million increase in salaries and benefits for Dulles Toll Road and Metrorail Project employees as well as a \$2.2 million increase in allocated salaries and benefits expense.

Dulles Corridor Enterprise Fund		
2011	2010	2009
\$ 21,744,158	\$ 22,827,231	\$ 24,839,506
9,298,144	8,260,815	4,071,427
237,082	189,956	67,989
3,926,601	3,523,732	1,115,923
\$ 35,205,985	\$ 34,801,734	\$ 30,094,845
	2011 \$ 21,744,158 9,298,144 237,082 3,926,601	2011 2010 \$ 21,744,158 \$ 22,827,231 9,298,144 8,260,815 237,082 189,956 3,926,601 3,523,732



The Dulles Corridor Enterprise Fund closed 2011 with total net assets of \$1,275.1 million. The following represents a summary of the Statements of Revenues, Expenses and Changes in Net Assets of the Dulles Corridor Enterprise Fund:

	Dulles Corridor Enterprise Fund			
	2011	2010 (Restated)	2009 (Restated)	
Operating income				
Operating revenues	\$ 94,659,538	\$ 88,038,168	\$ 64,893,554	
Operating expenses	35,205,985	34,801,734	30,094,845	
Total operating income	59,453,553	53,236,434	34,798,709	
Non-operating revenues				
Investment income	10,932,190	7,419,127	1,137,968	
Federal, state and local grants	107,564	672,275		
Total non-operating revenues	11,039,754	8,091,402	1,137,968	
Non-operating expenses				
Interest expense	(18,060,020)	(31,072,729)	(11,414,822)	
Contributions to other governments	(1,297,882)	(10,086,067)	(650,244)	
Total non-operating expenses	(19,357,902)	(41,158,796)	(12,065,066)	
Income before capital contributions	51,135,405	20,169,040	23,871,611	
Capital contributions	232,311,015	315,643,190	322,501,215	
Increase in net assets	\$ 283,446,420	\$ 335,812,230	\$ 346,372,826	
Channes in Nat America				

Changes in Net Assets

The increase in net assets for the Dulles Corridor Enterprise Fund totaled \$283.4 million, \$335.8 million, and \$346.4 million for the years ended December 31, 2011, 2010, and 2009, respectively. Total operating income for the Dulles Corridor Enterprise Fund was \$59.5 million in 2011 \$53.2 million in 2010, and \$34.8 million in 2009. The 11.7 percent increase in total operating income over 2010 was largely driven by toll rate increases that became effective January 1, 2011 while the 53.0 percent increase in operating income from 2009 to 2010 was the result of toll rate increases that became effective January 1, 2010. Investment income increased \$3.5 million from 2010 as a result of unrealized gains on investments of \$3.8 million. Interest expense on bonds payable totaled \$18.1 million in 2011. Contributions to other governments in 2011 totaled \$1.3 million, a decrease of \$8.8 million from the prior year because 2010 included a one-time payment of \$6.6 million to Fairfax County, VA for the operation of the Fairfax County Express Bus Service. Fairfax County previously received funding from VDOT from Dulles Toll Road revenues, and the Board adopted a resolution to continue payment for this service in 2010. In addition, the Airports Authority contributed \$1.3 million to VDOT in 2011 for costs related to the Transportation Management Plan, which comprises a set of strategies that are being implemented by VDOT during the construction of the Dulles Metrorail Project. The Airports Authority is contributing \$12.5 million to VDOT for the Transportation Management Plan between 2007 and 2012.

Government grants for the Dulles Corridor Enterprise Fund totaled \$232.3 million for the fiscal year ending December 31, 2011 and \$315.6 million for the fiscal year ending December 31, 2010. Federal grants included \$120.0 million related to the Dulles Metrorail Project, while local government contributions totaled \$97.7 million.



Statements of Net Assets – Aviation Enterprise Fund and Dulles Corridor Enterprise Fund

The Statements of Net Assets present the financial position of the Airports Authority at the end of the fiscal year. The Statements include all assets and liabilities of the Airports Authority. Net assets are the difference between total assets and total liabilities and are an indicator of the current fiscal health of the Airports Authority. A summarized comparison of the Airports Authority's assets, liabilities and net assets on December 31, 2011, 2010, and 2009, follows:

	Total Business-Type Activities			
	2011	2010 (Restated)	2009 (Restated)	
Assets				
Current assets	\$ 690,918,140	\$ 712,984,260	\$ 653,874,894	
Non-current assets				
Restricted	999,406,543	1,328,033,151	1,270,719,633	
Unrestricted	288,588,541	239,103,998	156,999,917	
Capital assets, net	7,202,502,470	6,501,983,963	5,831,226,589	
Total Assets	\$ 9,181,415,694	\$ 8,782,105,372	\$ 7,912,821,033	
Liabilities				
Current liabilities	\$ 413,978,790	\$ 406,950,920	\$ 330,269,417	
Non-current liabilities	6,730,225,209	6,552,565,607	6,045,741,912	
Total Liabilities	\$ 7,144,203,999	\$ 6,959,516,527	\$ 6,376,011,329	
Net Assets				
Invested in capital assets, net of related debt	\$ 1,681,513,627	\$ 1,420,180,335	\$ 1,099,998,866	
Restricted	165,379,374	107,411,365	144,904,213	
Unrestricted	190,318,694	294,997,145	291,906,625	
Total Net Assets	\$ 2,037,211,695	\$ 1,822,588,845	\$ 1,536,809,704	

Current assets decreased \$22.1 million from 2010; 2010 current assets increased \$59.1 million from 2009. Current assets for the Aviation Enterprise Fund decreased \$56.8 million in 2011, primarily as a result of the \$59.1 million decrease in unrestricted investments, offset by a \$28.7 million increase in accounts receivable. Current assets for the Dulles Corridor Enterprise Fund increased 20.2 percent, or \$34.8 million, driven by increases in cash and cash equivalents (both restricted and unrestricted).

Non-current assets increased \$421.4 million from 2010, due to a \$700.5 million increase in capital assets, net of depreciation, that was largely related to the Dulles Metrorail Project, offset by a \$328.6 million decrease in restricted non-current assets. The Aviation Enterprise Fund recorded a \$100.9 million increase in restricted non-current assets primarily due to a \$53.1 million increase in investments. Similarly, unrestricted non-current assets for the Aviation Enterprise increased \$51.6 million due to a \$59.9 million increase in investments. The Dulles Corridor Enterprise Fund recorded an increase of \$750.7 million in capital assets, which was largely attributable to the \$735.4 million increase in construction in progress for the Dulles Metrorail Project. Non-current assets increased \$810.2 million from 2009 to 2010 due to a \$670.8 million increase in capital assets, net of depreciation.



Current liabilities increased \$7.0 million from 2010. The increase in current liabilities from 2010 was driven by a \$16.2 million increase in the current portion of long-term debt in the Aviation Enterprise Fund and \$5.7 million increase in the Dulles Corridor Enterprise Fund. The Aviation Enterprise Fund saw a \$30.6 million net decrease in accounts payable and accrued expenses, while the Dulles Corridor Enterprise Fund had a \$19.8 million increase due to the Dulles Metrorail Project. Current liabilities increase \$76.7 million from 2009 to 2010. This increase in current liabilities for 2010 was driven by a \$12.1 million increase in bonds payable in the Aviation Enterprise Fund and a \$71.2 million increase in accounts payable and accrued expenses for the Dulles Corridor Enterprise Fund, primarily for the Dulles Metrorail Project.

In 2011, long-term liabilities increased \$177.7 million. Non-current bonds payable increased \$100.6 million. Activity affecting this account included the issuance of \$637.1 million in Airport System Revenue Bonds less a principal payment of \$118.9 million on the outstanding bonds and the refunding of \$433.5 million in Airport System Revenue and Refunding Bonds. The Airports Authority had a net decrease of \$19.5 million in its commercial paper outstanding in 2011. Long-term liabilities increased \$506.8 million from 2009 to 2010 due to a \$629.4 million increase in non-current bonds payable that resulted from the issuance of \$979.2 million in Airport System Revenue Bonds less a principal payment of \$107.1 million on the outstanding bonds, the refunding of \$610.3 million in Airport System Revenue and Refunding Bonds.

The Dulles Corridor Enterprise Fund bonds payable balance was \$1.4 billion at December 31, 2011, that includes the \$39.1 million accretion from capital appreciation bonds. As of December 31, 2011, the Dulles Corridor Enterprise Fund liability of \$1.7 million was due to the Aviation Enterprise Fund for services provided to the Dulles Corridor Enterprise Fund in the normal course of business, including the cost allocation plan.

Total net assets, which represent the residual interest in the Airports Authority assets after liabilities are deducted, increased \$214.6 million from 2010 and \$500.4 million from 2009. The Dulles Corridor Enterprise Fund provided a \$283.4 million increase in total net assets for 2011, while the Aviation Enterprise Fund recorded a decrease of \$68.8 million in total net assets for 2011.

Net assets invested in capital assets, net of related debt increased \$261.3 million from 2010 and \$581.5 million from 2009. The increase in 2011 was attributable to a \$275.6 million increase in the Dulles Corridor Enterprise Fund.

At the year ended December 31, 2011, total restricted net assets of \$165.4 million consisted of funds restricted for construction, debt service, leases, Dulles Rail latent defects, Dulles Toll Road repairs, and Public Safety. This was an overall increase from 2010 of \$58.0 million. The Aviation Enterprise Fund's restricted net assets increased \$20.6 million to \$85.3 million, primarily due to a \$16.0 million increase in net assets restricted for construction. The Dulles Corridor Enterprise Fund's restricted net assets of \$80.1 million included \$49.9 million in funds restricted for construction at December 31, 2011. Total restricted net assets decreased \$37.5 million from 2009 to 2010 due to a \$34.8 million decrease in net assets restricted for construction in the Aviation Enterprise Fund.

Total unrestricted net assets at the end of the reporting period for the Airports Authority were \$190.3 million, which represented an overall decrease of \$104.7 million from 2010. Unrestricted net assets decreased \$75.1 million for the Aviation Enterprise Fund and \$29.5 million for the Dulles Corridor Enterprise Fund. These net assets may be used to meet any of the Airports Authority's ongoing operational needs and debt service for the Aviation Enterprise Fund and Dulles Corridor Enterprise Fund, subject to approval by the Airports Authority's Board of Directors. Unrestricted net assets increased \$3.1 million from 2009 to 2010.



Capital Financing and Debt Management

Aviation Enterprise Fund

The Airports Authority is financing its Aviation Enterprise Fund CCP through a combination of revenues, entitlements, and discretionary grants received from the Federal Aviation Administration (FAA), state grants, PFCs, and revenue bonds. Long-term debt is the principal source of funding for the CCP. Please refer to Note 15 – Capital Debt for additional detail on the Airports Authority's long-term debt activity.

In September 2011, the Airports Authority's Aviation Enterprise Fund issued \$637 million of Series 2011A-D Bonds.

The Series 2011A Alternative Minimum Tax (AMT) Airport System Revenue and Refunding Bonds' par amount was \$233.6 million. The Series 2011A Bonds were sold to Wells Fargo Bank, PNC Bank and Union Bank as direct funded indexed obligations. The proceeds were used to pay a portion of the costs of certain Capital Construction Program (CCP) projects, refund a portion of outstanding Commercial Paper One Notes (CP Notes), refund a portion of the Series 2002C Bonds, refund total outstanding Series 2009A Bonds, fund capitalized interest, fund applicable debt service reserve funds, and pay the cost of issuing the bonds. All of the Series 2011A Bonds are hedged by interest rate swap agreements; Series 2011A-1 Bonds are hedged by the 2011 Swap Agreement, Series 2011A-2 are hedged by the 2002 Swap Agreement and Series 2011A-3 are hedged by a portion of the 2009 Swap Agreement.

The Series 2011B Non-AMT Airport System Revenue and Refunding Bonds' par amount was \$207.6 million. The Series 2011B bonds were sold to Citibank as direct funded indexed obligations. The proceeds were used to pay a portion of the costs of certain CCP projects, refund a portion of the Series 2002C Bonds, fund capitalized interest, fund applicable debt service reserve funds, and pay the cost of issuing the bonds.

The Series 2011C AMT Airport System Revenue Refunding Bonds' par amount was \$185.4 million. The proceeds were used to refund the Series 1998B Bonds, refund a portion of the Series 2001A Bonds, fund applicable debt service reserve funds, and pay the cost of issuing the bonds.

The Series 2011D Non-AMT Airport System Revenue Refunding Bonds' par amount was \$10.4 million. The proceeds were used to refund the Series 2001B Bonds, fund applicable debt service reserve funds, and pay the cost of issuing the bonds.

In 2011, total available CP was reduced by \$19.5 million in recognition of the reduced capital construction program. At December 31, 2011, the Aviation Enterprise Fund had \$17.5 million outstanding in Series One CP Notes, \$21.0 million of Series Two CP Notes outstanding, and \$5.2 billion in outstanding Airport System Revenue Bonds.

The Airports Authority's Aviation Enterprise Fund's long-term uninsured bonds are rated "AA-" by Fitch, "Aa3" by Moody's, and "AA-" by Standard & Poor's Rating Services (S&P). Fitch changed the Airports Authority's rating from "AA" to "AA-" and the outlook from "Negative" to "Stable" on September 9, 2011. Moody's affirmed the "Negative" outlook on September 8, 2011. S&P affirmed the Airports Authority's "AA-" rating with a "Stable Outlook" on September 8, 2011. On July 2, 2010, S&P assigned the Airports Authority an overall Debt Derivative Profile rating of "1" on a scale of "1" to "4", with "1" representing the lowest risk and "4" representing the highest risk. The overall score of "1" reflects S&P's view that the Airports Authority's swap portfolio reflects minimal credit risk at this time.



The Airports Authority, through its Master Indenture, has agreed to maintain debt service coverage of not less than 1.25x. Debt service coverage is calculated based on a formula included in the Master Indenture and the Use and Lease Agreement with the Airlines. Historically, the Airports Authority has maintained a coverage ratio significantly higher than its requirement. During 2011 and 2010, the Airports Authority's debt service coverage was 1.37x and 1.47x, respectively.

For more information on long-term debt activity, please refer to Note 15 – Capital Debt.

Dulles Corridor Enterprise Fund

The Dulles Corridor Enterprise Fund did not issue any Bonds in 2011. In June 2011, the Airports Authority Board authorized the issuance of CP Notes for the Dulles Corridor Enterprise Fund in a not-to-exceed amount of \$300.0 million. At December 31, 2011, the Dulles Corridor Enterprise Fund had \$550 thousand outstanding in Series One CP notes and \$1.4 billion in outstanding bonds payable.

Federal and State Grant Activity

The Airports Authority receives, on a cost-reimbursement basis, grants from the United States government, the Commonwealth of Virginia, and other local grantors for certain operating and capital construction programs.

Aviation Enterprise Fund

In 2011, the Aviation Enterprise Fund received \$2.1 million in total federal, state, and local grants in support of operations. This included \$1.2 million in funding for the Law Enforcement Officer Reimbursement Program, which offsets expenses incurred by the Airports Authority's Public Safety personnel serving a support role to the Transportation Security Administration (TSA). Other federal grants included \$751 thousand from TSA, which was used to offset the expense of training and caring for canines used in explosives detection and \$106 thousand related to the Drug Seizures Program, which is a collaborative effort between the Airports Authority, the Drug Enforcement Agency, and U.S. Customs and Border Protection.

The Aviation Enterprise Fund also recognized \$54.8 million in federal, state, and local grants in support of capital programs in 2011. Federal programs, including the FAA's Airport Improvement Program, provided \$25.7 million for runway construction and rehabilitation, taxiway reconstruction, and runway safety area improvement. TSA funding included \$6.3 million for an ongoing in-line baggage screening project. ARRA funds related to capital programs for the Aviation Enterprise Fund totaled \$20.9 million in 2011 and were applied to installation of closed circuit television cameras at both Airports and in-line baggage screening.

Dulles Corridor Enterprise Fund

In 2010, the Airports Authority submitted a claim for reimbursement to the Federal Emergency Management Agency for snow removal costs incurred during the December 2009 and February 2010 severe weather/snow emergencies for the Dulles Toll Road. In 2011 and 2010, \$67 thousand and \$672 thousand, respectively, were received and accounted for as federal grants in support of operations in the Dulles Corridor Enterprise Fund. In 2011, the Dulles Corridor Enterprise Fund also received a Virginia Commonwealth grant of \$41 thousand from the Disaster Relief and Emergency Assistance Program for these snow removal costs.

The Federal Transit Authority is the primary grantor to the Dulles Metrorail Project and has committed a total of \$900.0 million in federal New Starts funding for the project. The \$900.0 million Full Funding Grant



Agreement (FFGA) was approved by the FTA on March 10, 2009 and is inclusive of all previously awarded grants for the Dulles Metrorail Project. During 2011, the Dulles Corridor Enterprise Fund recognized \$92.2 million of the FFGA award.

In 2009, USDOT allocated \$77.3 million in ARRA funding to the Dulles Metrorail Project. These funds replace Section 5309 funds that are scheduled to be received in the final year (2016) of the FFGA. As of December 17, 2009, the ARRA grant was fully drawn down by the Airports Authority. While the ARRA grant is fully expended, the grant will not be closed out until the local match requirement has been met. The FTA deferred the local match requirement under the terms and conditions of the grant until three years after August 28, 2009 (August 27, 2012); that deadline may be extended at the FTA's discretion. The Airports Authority began allocating the required local match to the ARRA grant in April 2011. The total required local share through December 2011 is \$197.5 million with a remaining balance of \$1.6 million. The local match was completed in February, 2012.

State and local funding sources for the Dulles Metrorail Project include transportation bonds issued by the Commonwealth of Virginia and a Fairfax County transportation improvement district property tax. In addition, the Virginia Transportation Act of 2000 dedicated \$75.0 million to the project from Surface Transportation Program funds. During 2011, the Dulles Corridor Enterprise Fund recognized \$97.7 million of state and local grants in support of capital programs.

Cash and Investment Management – Aviation Enterprise Fund and Dulles Corridor Enterprise Fund

The Airports Authority's cash and cash equivalents decreased \$136.5 million to \$750.4 million as of December 31, 2011. This was driven by an increase in available cash and cash equivalents, both restricted and unrestricted, of \$24.8 million in the Aviation Enterprise Fund and a decrease of \$161.3 million in the Dulles Corridor Enterprise Fund. Cash and cash equivalents with an original maturity of three months or less are considered highly liquid investments. Restricted and unrestricted investments decreased by \$176.9 million in 2011, which was attributable to a \$230.7 million decrease in the Dulles Corridor Enterprise Fund.

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

	Total Business-Type Activities					
	2011	2010	2009			
Cash received from operations	\$ 728,180,149	\$ 691,691,410	\$ 613,985,096			
Cash expended from operations	(427,944,486)	(397,287,786)	(330,043,247)			
Net cash provided by operations	300,235,663	294,403,624	283,941,849			
Net cash provided (used) by noncapital financing activities	346,296	(7,805,066)	572,387			
Net cash provided (used) by capital and related financing activities	(651,754,012)	(183,156,060)	524,417,761			
Net cash provided (used) by investing activities	214,667,578	105,118,939	(466,222,989)			
Net (decrease) increase in cash and cash equivalents	(136,504,475)	208,561,437	342,709,008			
Cash and cash equivalents, beginning of year	886,936,850	678,375,413	335,666,405			
Cash and cash equivalents, end of year	\$ 750,432,375	\$ 886,936,850	\$ 678,375,413			

Cash temporarily idle during 2011 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 Airports Authority's outstanding bonds. During 2011, the Airports Authority's Aviation



Enterprise Fund operating account average portfolio balance was \$387.2 million, and the average yield on investments was 0.31 percent. The capital funds are held by an agent for the Trustee but managed by the Airports Authority. For 2011, the capital funds had an average portfolio balance of \$525.1 million and an average yield of 3.93 percent. During 2011, the Airports Authority's Dulles Corridor Enterprise Fund operating account average portfolio balance was \$58.2 million and the average yield on investments was 0.03 percent. The capital funds are held by an agent for the Trustee, but the Airports Authority directs the investments. For 2011, the capital funds had an average portfolio balance of \$291.4 million and an average yield of 2.61 percent.

Certain Airports Authority funds that will be used for bond requirements 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 Airports Authority's Board. An investment committee meets quarterly to review the portfolios for compliance with the investment policy (see Note 5 – Deposits and Investments).

Capital Construction

During 2011, the Aviation Enterprise Fund expended \$167.4 million in its ongoing CCP compared to an expenditure budget of \$272.2 million. The Aviation Enterprise Fund capitalized \$152.4 million in projects in 2011, principally including the implementation of the Airports Authority-wide ERP system, overlay on runway 1/19 at Reagan National, the concourse C/D rehabilitation and International Arrivals Building expansion at Dulles International. The projects continuing in 2012 and beyond include completion of in-line baggage systems, additional improvements to the international arrivals building and taxiway improvements at Dulles International. At Reagan National, projects planned for 2012 and beyond include terminal modifications to accommodate in-line baggage screening systems, Terminal A improvements including improvements to baggage facilities, and runway rehabilitation and safety enhancements to main runway 1/19.

The Dulles Corridor Enterprise Fund's Renewal and Replacement program provided funds to address major maintenance requirements including overlays, sound wall repairs, bridge deck replacements, erosion and drainage control, and other maintenance projects. The Renewal and Replacement program is funded from toll road revenues. In addition, the Dulles Corridor Capital Improvement Program funds improvements related to the Dulles Toll Road, its ancillary ramps and interchanges, and the Dulles Rail Project. These projects, which are funded from bond proceeds, Federal Transit Administration grants, and contributions from Fairfax County and the Commonwealth of Virginia, include the Metrorail project, as well as the construction of an Interchange Ramp between the Dulles Corridor and I-495, and other studies and improvements. The total Capital Improvement Program expenditure budget was \$923.3 million, of which \$821.7 million was allocated for Phase 1 of the Rail project and \$46.2 million was allocated for Phase 2. The total expenditure in 2011 was \$615.3 million.

Contacting the Airports Authority's Financial Management

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



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STATEMENT OF NET ASSETS As of December 31, 2011

ASSETS	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
Current assets			
Cash and cash equivalents	\$ 99,501,09	92 \$ 52,697,660	\$ 152,198,752
Restricted cash and cash equivalents	207,629,46	152,750,501	360,379,962
Accounts receivable, net	61,761,79	382,965	62,144,758
Investments	101,610,90		101,610,902
Inventory	8,536,55	233,587	8,770,143
Prepaid expenses and other current assets	5,315,67	497,945	5,813,623
Total current assets	484,355,48	206,562,658	690,918,140
Non-current assets			
Restricted:			
Cash and cash equivalents	80,339,39	0 157,514,271	237,853,661
Accounts receivable	24,472,84	140,571,693	165,044,541
Investments	454,042,92	142,465,416	596,508,341
Total restricted	558,855,16	440,551,380	999,406,543
Unrestricted:			
Note receivable	11,876,68	- 89	11,876,689
Investments	181,174,13	- 55	181,174,135
Net pension assets	3,198,07	- 77	3,198,077
Bond issuance costs, net	53,436,25	38,289,847	91,726,103
Other assets	613,53		613,537
Total unrestricted	250,298,69	38,289,847	288,588,541
Capital assets:			
Land and other non-depreciable assets	182,730,61	- 8	182,730,618
Construction in progress	301,655,21	6 72,012,054	373,667,270
Construction in Progress - Dulles Metrorail Project		- 2,065,582,731	2,065,582,731
Buildings, systems and equipment	6,661,545,87	2,096,741	6,663,642,618
Less: accumulated depreciation	(2,082,303,66	(817,098)	(2,083,120,767)
Capital assets, net	5,063,628,04	2,138,874,428	7,202,502,470
Total non-current assets	5,872,781,89	9 2,617,715,655	8,490,497,554
Total assets	\$ 6,357,137,38	\$ 2,824,278,313	\$ 9,181,415,694

STATEMENT OF NET ASSETS (continued) As of December 31, 2011

LIABILITIES AND NET ASSETS	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
Current liabilities			
Accounts payable and accrued expenses	\$ 52,158,587	\$ 137,361,411	\$ 189,519,998
Deferred revenue	11,884,807	-	11,884,807
Accrued lease obligations	341,140	131,087	472,227
Accrued interest payable	58,220,940	12,741,238	70,962,178
Due to (due from) other funds	(1,691,965)	1,691,965	-
Current portion of long-term debt	135,395,000	5,744,580	141,139,580
Total current liabilities	256,308,509	157,670,281	413,978,790
Non-current liabilities			
Other liabilities	4,805,797	15,704,723	20,510,520
Commercial paper notes	38,500,000	550,000	39,050,000
Interest rate swaps payable	200,415,403	-	200,415,403
Bonds payable, net	5,094,962,202	1,375,287,084	6,470,249,286
Total non-current liabilities	5,338,683,402	1,391,541,807	6,730,225,209
Total liabilities	5,594,991,911	1,549,212,088	7,144,203,999
NET ASSEIS			
Invested in capital assets, net of related debt	456,739,380	1,224,774,247	1,681,513,627
Restricted for:			
Construction	42,283,653	49,878,840	92,162,493
Debt service	36,497,945	5,524,321	42,022,266
Leases	6,148,457	1,959,376	8,107,833
Dulles Rail latent defects	-	15,000,163	15,000,163
Dulles Toll Road repairs	-	7,725,294	7,725,294
Public Safety	361,325	-	361,325
Total restricted	85,291,380 220,114,710	80,087,994	165,379,374
Unrestricted	220,114,710	(29,796,016)	190,318,694
Total net assets	762,145,470	1,275,066,225	2,037,211,695
Total net assets and liabilities	\$ 6,357,137,381	\$ 2,824,278,313	\$ 9,181,415,694



STATEMENT OF NET ASSETS - Restated As of December 31, 2010

		Aviation Enterprise	Dulles Corridor Enterprise			Total usiness-Type Activities
ASSETS						
Current assets						
Cash and cash equivalents	\$	114,502,559	\$	42,352,165	\$	156,854,724
Restricted cash and cash equivalents		217,356,309		127,957,547		345,313,856
Accounts receivable, net		33,092,385		734,622		33,827,007
Investments		160,751,777		-		160,751,777
Inventory		8,655,687		77,925		8,733,612
Prepaid expenses and other current assets		6,824,163		679,121		7,503,284
Total current assets		541,182,880		171,801,380		712,984,260
Non-current assets						
Restricted:						
Cash and cash equivalents		30,812,933		353,955,337		384,768,270
Accounts receivable		26,166,420		142,911,622		169,078,042
Investments		400,985,179		373,201,660		774,186,839
Total restricted		457,964,532		870,068,619		1,328,033,151
Unrestricted:						
Note receivable		14,080,347		-		14,080,347
Investments		121,241,415		-		121,241,415
Net pension assets		2,865,462		-		2,865,462
Bond issuance costs, net		60,552,823		40,363,951		100,916,774
Total unrestricted		198,740,047		40,363,951		239,103,998
Capital assets:						
Land and other non-depreciable assets		156,407,176		_		156,407,176
Construction in progress		288,677,791		27,671,617		316,349,408
Construction in Progress - Dulles Metrorail Project		-		1,369,230,352		1,369,230,352
Buildings, systems and equipment		6,536,866,296		1,505,349		6,538,371,645
Less: accumulated depreciation		1,877,821,627)		(552,991)		(1,878,374,618)
Capital assets, net		5,104,129,636		1,397,854,327		6,501,983,963
cupitul ubbets, not		2,101,129,000		1,001,021		0,201,700,700
Total non-current assets		5,760,834,215		2,308,286,897		8,069,121,112
Total assets	\$	6,302,017,095	\$	2,480,088,277	\$	8,782,105,372



STATEMENT OF NET ASSETS - Restated (continued) As of December 31, 2010

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable and accrued expenses	\$ 82,773,857	\$ 117,570,692	\$ 200,344,549
Deferred revenue	15,837,672	-	15,837,672
Accrued lease obligations	340,890	-	340,890
Accrued interest payable	58,220,063	12,997,746	71,217,809
Due to (due from) other funds	(807,509)	807,509	-
Current portion of long-term debt	119,210,000		119,210,000
Total current liabilities	275,574,973	131,375,947	406,950,920
Non-current liabilities			
Other liabilities	4,881,771	15,375,999	20,257,770
Commercial paper notes	58,500,000		58,500,000
Interest rate swaps payable	104,165,486	-	104,165,486
Bonds payable, net	5,027,925,825	1,341,716,526	6,369,642,351
Total non-current liabilities	5,195,473,082	1,357,092,525	6,552,565,607
Total liabilities	5,471,048,055	1,488,468,472	6,959,516,527
NET ASSETS			
Invested in capital assets, net of related debt	471,019,327	949,161,008	1,420,180,335
Restricted for:			
Construction	26,274,349	30,204,608	56,478,957
Debt service	31,453,877	3,008,910	34,462,787
Leases	6,597,574	1,959,376	8,556,950
Dulles Toll Road repairs	-	7,532,133	7,532,133
Public Safety	380,538	-	380,538
Total restricted	64,706,338	42,705,027	107,411,365
Unrestricted	295,243,375	(246,230)	294,997,145
Total net assets	830,969,040	991,619,805	1,822,588,845
Total net assets and liabilities	\$ 6,302,017,095	\$ 2,480,088,277	\$ 8,782,105,372



STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS For the year ended December 31, 2011

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
OPERATING REVENUES			
Concessions	\$ 227,599,995	\$ -	\$ 227,599,995
Tolls and other	-	94,659,538	94,659,538
Rents	275,428,113	-	275,428,113
Landing fees	110,255,672	-	110,255,672
Utility sales	11,979,591	-	11,979,591
Passenger fees	30,331,231	-	30,331,231
Other	8,381,229	-	8,381,229
Total operating revenues	663,975,831	94,659,538	758,635,369
OPERATING EXPENSES			
Materials, equipment, supplies, contract			
services, and other	187,607,830	21,744,158	209,351,988
Salaries and related benefits	148,072,307	9,298,144	157,370,451
Utilities	26,542,084	237,082	26,779,166
Lease from U.S. Government	5,180,558	-	5,180,558
Depreciation and amortization	211,365,393	3,926,601	215,291,994
Total operating expenses	578,768,172	35,205,985	613,974,157
OPERATING INCOME	85,207,659	59,453,553	144,661,212
NON-OPERATING REVENUES (EXPENSES)			
Investment income	24,683,618	10,932,190	35,615,808
Interest expense	(221,951,744)	(18,060,020)	(240,011,764)
Federal, state and local grants	874,810	107,564	982,374
Fair value loss on swaps	(96,249,918)	-	(96,249,918)
Contributions to other governments	-	(1,297,882)	(1,297,882)
Total non-operating revenues (expenses)	(292,643,234)	(8,318,148)	(300,961,382)
GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(207,435,575)	51,135,405	(156,300,170)
CAPITAL CONTRIBUTIONS			
Passenger facility charges	78,626,926	-	78,626,926
Federal, state and local grants	54,805,079	232,311,015	287,116,094
Other capital property contributed	5,180,000	-	5,180,000
Total capital contributions	138,612,005	232,311,015	370,923,020
NET ASSETS			
Increase (decrease) in net assets	(68,823,570)	283,446,420	214,622,850
Total net assets, beginning of year, as restated	830,969,040	991,619,805	1,822,588,845
Total net assets, end of year	\$ 762,145,470	\$ 1,275,066,225	\$ 2,037,211,695



STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - Restated For the year ended December 31, 2010

A viation Enterprise		Dulles Corridor Enterprise	Total Business-Type Activities
Concessions	\$ 230,973,498	\$ -	\$ 230,973,498
Tolls and other	¢ 250,975,490 -	\$8,038,168	\$ 250,975,490 88,038,168
Rents	226,375,685		226,375,685
Landing fees	101,637,867	-	101,637,867
Utility sales	12,464,920	-	12,464,920
Passenger fees	25,913,521	-	25,913,521
Other	6,509,225	-	6,509,225
Total operating revenues	603,874,716	88,038,168	691,912,884
OPERATING EXPENSES			
Materials, equipment, supplies, contract			
services, and other	180,632,889	22,827,231	203,460,120
Salaries and related benefits	148,274,437	8,260,815	156,535,252
Utilities	24,375,181	189,956	24,565,137
Lease from U.S. Government	5,101,119	-	5,101,119
Depreciation and amortization	215,536,523	3,523,732	219,060,255
Total operating expenses	573,920,149	34,801,734	608,721,883
OPERATING INCOME	29,954,567	53,236,434	83,191,001
NON-OPERATING REVENUES (EXPENSES)			
Investment income	20,367,841	7,419,127	27,786,968
Interest expense	(209,147,708)	(31,072,729)	(240,220,437)
Federal, state and local grants	1,192,743	672,275	1,865,018
Fair value loss on swaps	(34,978,410)	-	(34,978,410)
Contributions to other governments		(10,086,067)	(10,086,067)
Total non-operating revenues (expenses)	(222,565,534)	(33,067,394)	(255,632,928)
GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(192,610,967)	20,169,040	(172,441,927)
CAPITAL CONTRIBUTIONS			
Passenger facility charges	80,088,350	-	80,088,350
Federal, state and local grants	61,839,528	315,643,190	377,482,718
Other capital property contributed	650,000	-	650,000
Total capital contributions	142,577,878	315,643,190	458,221,068
NET ASSETS			
Increase (decrease) in net assets	(50,033,089)	335,812,230	285,779,141
Total net assets, beginning of year, as restated	881,002,129	655,807,575	1,536,809,704
Total net assets, end of year	\$ 830,969,040	\$ 991,619,805	\$ 1,822,588,845



STATEMENT OF CASH FLOWS For the year ended December 31, 2011

					Total
		Aviation	D	ulles Corridor	Business-Type
		Enterprise		Enterprise	Activities
CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating cash receipts from customers	\$	633,557,214	\$	94,622,935	\$ 728,180,149
Cash payments to suppliers for goods and services		(251,138,052)		(19,974,782)	(271,112,834)
Cash payments to employees for services		(154,199,694)		(2,621,260)	(156,820,954)
Cash receipts (payments) for interfund services		7,645,591		(7,656,289)	(10,698)
NET CASH PROVIDED BY OPERATING ACTIVITIES		235,865,059		64,370,604	300,235,663
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	5				
Cash provided to other governments		-		(1,227,946)	(1,227,946)
Interest refunded from vendors		(479)		231	(248)
Federal, state and local grants in support of operations		1,078,665		495,825	1,574,490
NET CASH PROVIDED (USED) BY NONCAPITAL			_		
FINANCING ACTIVITIES		1,078,186		(731,890)	346,296
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Proceeds from issuance of bonds/notes		653,565,000		_	653,565,000
Proceeds from issuance of commercial paper		47,500,000		550,000	48,050,000
Payments for refunding of bond notes and commercial paper		(501,025,000)		550,000	(501,025,000)
Principal payments on bonds/notes		(135,395,000)		_	(135,395,000)
Principal payments on commercial paper		(155,575,000)		_	(155,575,000)
Payments for capital expenditures and construction		-		_	-
in progress		(147,332,558)		(650,346,417)	(797,678,975)
Proceeds from sale of capital assets		199,417		(050,540,417)	199,417
Payments of bond issuance costs		2,604,025		(1,636,193)	967,832
Interest paid on bonds and commercial paper		(238,009,844)		(52,000,899)	(290,010,743)
Federal, state and local grants in aid of construction		55,629,035		234,650,944	290,279,979
Passenger facility charge receipts		79,292,688			79,292,688
Passenger facility charge expenses and interest		790		-	790
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		(182,971,447)		(468,782,565)	(651,754,012)
		(102,971,447)		(408,782,303)	(051,754,012)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received on investments		19,215,791		4,533,397	23,749,188
Proceeds from short-term investment maturities		328,289,678		239,307,837	567,597,515
Purchase of short-term investments		(348,934,233)		-	(348,934,233)
Proceeds from long-term investment maturities		154,158,633		-	154,158,633
Purchase of long-term investments		(181,903,525)		-	(181,903,525)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		(29,173,656)		243,841,234	214,667,578
NET (DECREASE) INCREASE IN CASH AND CASH					
EQUIVALENTS		24,798,142		(161,302,617)	(136,504,475)
CASH AND CASH EQUIVALENTS, Beginning of year		362,671,801		524,265,049	886,936,850
CASH AND CASH EQUIVALENTS, End of year	\$	387,469,943	\$	362,962,432	\$ 750,432,375
	Ψ	507,107,745	Ψ	202,702,752	φ 150, r52,515

STATEMENT OF CASH FLOWS (continued) For the year ended December 31, 2011

		Aviation Enterprise	ulles Corridor Enterprise	Total Business-Type Activities		
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:						
Operating income	\$	85,207,659	\$ 59,453,553	\$	144,661,212	
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation and amortization		211,365,393	3,926,601		215,291,994	
Decrease (increase) in allowance for doubtful accounts		390,296	-		390,296	
Loss (gain) on disposal of assets		(8,930)	-		(8,930)	
Decrease (increase) in accounts receivable		(29,059,703)	(36,603)		(29,096,306)	
Decrease (increase) in inventory		119,131	(155,662)		(36,531)	
Decrease in prepaid expenses and other current assets		1,508,485	181,176		1,689,661	
Decrease in note receivable		2,203,658	-		2,203,658	
Decrease in net pension and other post-employment						
benefit assets		(332,615)	-		(332,615)	
Increase (decrease) in long-term liabilities		(75,974)	12,434		(63,540)	
Increase (decrease) in accounts payable and accrued						
expenses		(30,615,270)	104,649		(30,510,621)	
Increase (decrease) in due to/due from other funds		(884,456)	884,456		-	
Increase (decrease) in deferred revenue		(3,952,865)	-		(3,952,865)	
Increase (decrease) in operating lease obligation		250	 		250	
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$	235,865,058	\$ 64,370,604	\$	300,235,662	
NONCASH INVESTING, CAPITAL AND FINANCING ACTI	VIT	IES:				
Unrealized gain (loss) on investments	\$	5,452,358	\$ 8,704,975	\$	14,157,333	
Buildings and improvements provided by tenants	\$	5,180,000	\$ -	\$	5,180,000	
Capital construction costs payable	\$	28,243,458	\$ 136,925,883	\$	165,169,341	
Fair value loss on swaps	\$	(96,249,918)	\$ -	\$	(96,249,918)	



STATEMENT OF CASH FLOWS - Restated For the year ended December 31, 2010

				Total		
		Aviation	Dulles Corridor	r Business-Type		
		Enterprise	Enterprise	Activities		
CASH FLOWS FROM OPERATING ACTIVITIES:	<i>ф</i>		¢ 00.000 710	(b)		
Operating cash receipts from customers	\$	603,668,892	\$ 88,022,518	\$ 691,691,410		
Cash payments to suppliers for goods and services		(220,291,468)	(22,068,681)	(242,360,149)		
Cash payments to employees for services		(152,353,089)	(2,574,548)	(154,927,637)		
Cash receipts (payments) for interfund services		12,767,366	(12,767,366)			
NET CASH PROVIDED BY OPERATING ACTIVITIES		243,791,701	50,611,923	294,403,624		
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIE	S					
Cash provided to other governments		-	(9,196,341)	(9,196,341)		
Interest paid to vendors		(4,496)	(827)	(5,323)		
Federal, state and local grants in support of operations		1,396,598		1,396,598		
NET CASH PROVIDED (USED) BY NONCAPITAL						
FINANCING ACTIVITIES		1,392,102	(9,197,168)	(7,805,066)		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING						
ACTIVITIES:						
Proceeds from issuance of bonds/notes		1,078,701,343	342,614,869	1,421,316,212		
Principal payments on commercial paper		(216,500,000)	-	(216,500,000)		
Principal payments on bonds/notes		(717,405,000)	-	(717,405,000)		
Payments for capital expenditures and construction						
in progress		(385,282,449)	(529,437,260)	(914,719,709)		
Proceeds from sale of capital assets		985,912	-	985,912		
Payments of bond issuance costs		1,943,750	(4,442,496)	(2,498,746)		
Interest paid on bonds and commercial paper		(88,919,859)	(49,567,539)	(138,487,398)		
Federal, state and local grants in aid of construction		51,500,689	253,194,721	304,695,410		
Passenger facility charge receipts		79,472,218	-	79,472,218		
Passenger facility charge expenses and interest		(14,959)		(14,959)		
NET CASH PROVIDED (USED) BY CAPITAL AND						
RELATED FINANCING ACTIVITIES		(195,518,355)	12,362,295	(183,156,060)		
		(1) 1 (1) (1) (1)		(
CASH FLOWS FROM INVESTING ACTIVITIES: Interest received on investments		2,067,232	3,926,444	5,993,676		
Proceeds from short-term investment maturities		383,090,592	3,920,444 773,765,864	1,156,856,456		
Proceeds from short-term investment maturities Purchase of short-term investments				(883,223,871)		
Proceeds from long-term investment maturities		(283,300,967)	(599,922,904)			
Purchase of long-term investments		203,712,518 (268,676,272)	95,487,177 (205,030,745)	299,199,695 (473,707,017)		
i dienase of long-term investments		(200,070,272)	(203,030,743)	(475,707,017)		
NET CASH PROVIDED BY INVESTING ACTIVITIES		36,893,103	68,225,836	105,118,939		
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		86,558,551	122,002,886	208,561,437		
CASH AND CASH EQUIVALENTS, Beginning of year		276,113,250	402,262,163	678,375,413		
CASH AND CASH EQUIVALENTS, End of year	\$	362,671,801	\$ 524,265,049	\$ 886,936,850		



STATEMENT OF CASH FLOWS - Restated (continued) For the year ended December 31, 2010

RECONCILIATION OF OPERATING INCOME TO NET		Aviation Enterprise	illes Corridor Enterprise	Total siness-Type Activities
CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	\$	20,611,909	\$ 53,236,434	\$ 73,848,343
Adjustments to reconcile operating income to net cash				
provided by operating activities:				
Depreciation and amortization		224,879,181	3,523,732	228,402,913
Decrease (increase) in allowance for doubtful accounts		(106,454)	-	(106,454)
Loss (gain) on disposal of assets		(195,616)	-	(195,616)
Decrease (increase) in accounts receivable		668,691	(15,650)	653,041
Decrease (increase) in inventory		(593,701)	(45,132)	(638,833)
Decrease in prepaid expenses and other current assets		(824,548)	1,206,257	381,709
Decrease in note receivable		2,473,519	-	2,473,519
Decrease in net pension and other post-employment				
benefit assets		726,616	-	726,616
Increase (decrease) in long-term liabilities		(1,010,879)	320	(1,010,559)
Increase (decrease) in accounts payable and accrued				
expenses		(6,084,486)	(1,808,141)	(7,892,627)
Increase (decrease) in due to/due from other funds		5,485,897	(5,485,897)	-
Increase (decrease) in deferred revenue		(2,238,178)	-	(2,238,178)
Increase (decrease) in operating lease obligation		(250)	-	(250)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$	243,791,701	\$ 50,611,923	\$ 294,403,624
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIE	S:			
Unrealized gain (loss) on investments	\$	2,918,098	\$ 4,912,747	\$ 7,830,845
Buildings and improvements provided by tenants	\$	650,000	\$ -	\$ 650,000
Capital construction costs payable	\$	34,920,891	\$ 135,329,781	\$ 170,250,672
Fair value loss on swaps	\$	(34,978,411)	\$ -	\$ (34,978,411)



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NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Metropolitan Washington Airports Authority (the Airports Authority) is an independent interstate agency created by the Commonwealth of Virginia (the Commonwealth) and the District of Columbia with the consent of the United States Congress. The Commonwealth and the District of Columbia enacted essentially identical legislation creating the Airports Authority for the purpose of operating Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International) (collectively, the Airports).

Pursuant to an Agreement and Deed of Lease, effective June 7, 1987, the Airports were transferred by the U.S. Government to the Airports Authority for an initial term of 50 years. On June 17, 2003, the Agreement and Deed of Lease was extended 30 years to June 6, 2067.

On November 1, 2008, the Virginia Department of Transportation (VDOT) transferred responsibility for the operation and maintenance of the Dulles Toll Road to the Airports Authority for an initial term of 50 years. In connection with the transfer, the Airports Authority is constructing the Dulles Corridor Metrorail Project (Dulles Metrorail Project) and is making other improvements in the Dulles Corridor consistent with VDOT and regional plans.

The Airports Authority is governed by a Board of Directors (the Board) with members appointed by the governors of the Commonwealth of Virginia and the State of Maryland, the Mayor of the District of Columbia, and the President of the United States. Only the accounts of the Airports Authority are included in the reporting entity. There are no U.S. or state government agency finances that should be considered for inclusion in the Airports Authority's financial reporting entity.

B. Measurement Focus, Basis of Accounting & Financial Statement Presentation

The financial statements of the Airports Authority are presented using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Government Accounting Standards Board (GASB). Under the accrual basis of accounting, revenues are recorded when earned, and expenses are recorded when incurred.

For the year ended December 31, 2010, the Airports Authority elected early adoption of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance contained in Pre-November 30, 1989, FASB and AICPA Pronouncements* (GASB 62) and applied those standards on a retroactive basis. The new GASB codification supersedes GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting.* The implementation of the requirements of GASB 62 did not result in any financial statement impact, either for the year ended December 31, 2010, or for any other years presented for comparative purposes.

As defined by the GASB, the Airports Authority reports the operations of the Airports and their related improvements, and the Dulles Toll Road and Dulles Corridor related improvements (including the Dulles Metrorail Project) as two separate Business-Type Activities. Business-Type Activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The Airports operate as a single Business-Type Activity and are reported in the Airports Authority's Aviation Enterprise Fund. The



Dulles Toll Road, the Dulles Metrorail Project, and related improvements in the Dulles Corridor operate as a single Business-Type Activity and are reported in the Dulles Corridor Enterprise Fund. The effects of interfund activity between these two enterprise funds have been eliminated in the total columns of the financial statements.

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

C. Use of Estimates in the Preparation of the Financial Statements

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 affect 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. Significant estimates include the useful lives of capital assets and resultant accumulated depreciation, the fair value of derivative financial instruments, an allowance for doubtful accounts, other post-employment benefits obligations, and certain self-insured liabilities. Actual results could differ from those estimates.

D. Budgeting Requirements

The Airports Authority's annual budgeting process is a financial planning tool used to establish the estimated revenues and expenditures for the Aviation Enterprise Fund and Dulles Corridor Enterprise Fund. The Airports Authority is not required to demonstrate statutory compliance with its annual operating budgets. Accordingly, budgetary data is not included in the basic financial statements.

E. Net Assets

Net assets represent the residual interest in the Aviation Enterprise Fund and the Dulles Corridor Enterprise Fund assets. Net assets are reported as either: *Net assets invested in capital assets, net of related debt*, which include capital assets funded from unrestricted and restricted sources, net of accumulated depreciation and outstanding debt attributable to acquisition of the assets; *Restricted net assets* when constraints are imposed by third parties or enabling legislation on assets, net of any liabilities which will be liquidated with the restricted assets; or *Unrestricted net assets*, which include all remaining assets and liabilities not included in the preceding two categories.

The Airports Authority utilizes proceeds from debt and capital contributions from passenger facility charges and federal, state and local grants to fund capital construction projects. In accordance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the debt attributable to the unspent proceeds should be in the same net assets component as the unspent proceeds. The Airports Authority includes in the determination of the amount of unspent proceeds reimbursements of expenditures made from restricted funding sources, as these reimbursements require funds to be expended before the reimbursements are available. Such reimbursements are obtained from federal, state and local grants and from passenger facility charges.



F. Revenue Recognition

Revenues that result from providing services in connection with the principal ongoing operations of the Airports Authority's enterprises are reported as operating revenues. The Airports Authority's operating revenues are presented in eight major categories as follows:

Concessions – Concession revenues are generated from public parking facilities and from commercial tenants who provide goods and services to the public or to other tenants of the Airports. Commercial tenant operations include car rentals, food and beverage sales, retail and newsstand sales, display advertising, ground transportation, in-flight catering, fixed-based operations, and other provided services. Revenues earned by the Airports Authority for commercial tenant operations are based on negotiated agreements and are usually based on the greater of a minimum annual guarantee or a percentage of gross receipts. Parking fees are collected directly by the Airports Authority and are reported as revenues at their gross amount. Concession revenues is recognized when services are provided or goods are sold to the public or other tenants of the airport.

Tolls and other – Tolls and other revenues represent revenues collected from vehicles using the Dulles Toll Road and include automated vehicle identification or electronic toll collections, cash collections and violation revenues. Tolls and other revenues are recognized in the period in which the toll road usage occurred.

Rents – Rental revenues are earned through leases of Airports Authority terminal and non-terminal property space. Leases with the airlines are based on full cost recovery plus debt service coverage, through rates and charges as described in Note 3 – Airport Use Agreement and Premises Lease. Other leases are for terms of one or more years and include contractually established rental rates and provisions for annual rent adjustments. Rental revenues include common area maintenance charges as well as cost recovery for normal utility usage in most cases. Terminal and concourse rental rates at Dulles International include cost recovery and debt service coverage for the Automated People Mover system (the AeroTrain). Rental revenues is recognized over the life of the respective leases.

Landing Fees – Landing fees are generated principally from the airlines and are based on the landed weight of aircraft. The landing fee structure is determined annually based on full cost recovery of airside related charges pursuant to an agreement between the Airports Authority and the signatory airlines, as described in Note 3 - Airport Use Agreement and Premises Lease. Landing fees are recognized as revenues based on the airlines' operating activities at the Airports.

Utility Sales – Utility revenues are generated from metered utility usage for terminal and non-terminal tenants whose utility usage is expected to exceed certain limits. Utility revenues are recognized based on the period of actual usage.

Passenger Fees – Passenger fee revenues are comprised of fees charged to airlines for use of U.S. Customs and Border Protection Federal Inspection facilities and for use of the mobile lounge passenger conveyance system at Dulles International. Passenger fee revenues also include security fees charged to the Transportation Security Administration. Passenger fee revenues are recognized based on when the facilities and systems are used or when the security services are provided.

Customer Facility Charge – On April 1, 1993, the Airports Authority began requiring the on-airport car rental companies at Reagan National to charge a Customer Facility Charge (CFC) to be used to pay, or to reimburse the Airports Authority, for costs, fees, and expenses associated with financing, maintaining, and operating the car rental companies' Quick Turn-Around Facility, 55 percent of the cost of the south parking structure, 55 percent of the costs of busing service used to transport public parking patrons, and other costs, fees and expenses



that may be paid from CFC proceeds. The CFC is \$2.50 per rental day and is collected by the car rental companies from each of their customers and subsequently remitted to the Airports Authority. In accordance with the concessions contracts between the Airports Authority and the car rental companies, the CFC cannot be used for the Airport Authority's indirect maintenance or administrative costs. CFC revenues are included in the Statements of Revenues, Expenses and Changes in Net Assets as concessions revenues and associated assets are included in the Statements of Net Assets as unrestricted assets.

Other Revenues – The other revenues category includes employee parking fees, medical service fees, and other miscellaneous revenues. Other revenues are recognized during the period the services are provided.

Several airlines represent concentrations of revenues for the Airports Authority. At Reagan National, US Airways, Delta Air Lines (Delta), and American Airlines (American) comprised approximately 75.5 percent of airline revenues during 2011. At Dulles International, United Airlines, Delta, and British Airways comprised approximately 65.5 percent of airline revenues during 2011. Combined, these five airlines represented approximately 76.9 percent of total airline revenues during 2011 for the Airports Authority.

G. Allocations of Overhead and Other Indirect Costs and Project Costs

The majority of costs related to the Aviation Enterprise Fund and the Dulles Corridor Enterprise Fund are directly charged to the appropriate fund as a direct cost. Administrative functions, which represent overhead costs for the entire Airports Authority, as well as other indirect costs, such as Public Safety functions, are initially paid from the Aviation Enterprise Fund, but include costs which are appropriately allocable to the Dulles Corridor Enterprise Fund as costs associated with the operation of the Dulles Toll Road or as project management and administration costs for the Dulles Metrorail Project. A cost allocation plan is used to identify and quantify all overhead and other indirect costs appropriately allocable to the Dulles Toll Road or to the Dulles Metrorail Project within the Dulles Corridor Enterprise Fund.

All allocated overhead and other indirect costs charged to the Dulles Corridor Enterprise Fund are expensed, while the Aviation Enterprise Fund recognizes the allocated costs as a reduction of expenses. Costs allocated for 2011 and 2010 are recognized within *Operating Expenses* on the Statements of Revenues, Expenses and Changes in Net Assets as follows:

	Year ended December 31,					
	2011		2010			
Materials, equipment, supplies, contract services, and other	\$ 1,435,530	\$	1,465,252			
Salaries and related benefits	6,590,584		5,612,133			
Utilities	32,814		31,562			
Depreciation and amortization	481,816		172,521			
Total	\$ 8,540,744	\$	7,281,468			

The Dulles Metrorail Project is being constructed in two phases (see Note 4 – Transfer of the Dulles Toll Road and Construction of the Dulles Metrorail Project). Project overhead and other indirect costs are allocated between the two phases of the project based on a cost allocation plan and are capitalized as construction in progress.



H. 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.

I. Investments

The Airports Authority's investment policy is determined by the Board of Directors. Permitted investments are set within the policy. Written investment objectives and procedures are developed by staff in consultation with an Investment Committee. The Investment Committee meets quarterly to review the portfolio performance, confirm compliance to the policy, and formulate an investment plan for the next quarter.

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. Fair value equals quoted market prices, if available. If a quoted market value is not available, fair value is estimated based upon quoted market prices for securities with similar characteristics.

Investments consist of certificates of deposit, commercial paper, United States government and agency obligations, guaranteed investment contracts, and repurchase agreements collateralized by United States government or agency obligations with an original maturity greater than three months.

J. Accounts Receivable

Accounts receivable are reported at their gross value when earned. The Airports Authority's payment terms range from zero to 30 days (60 days for government agencies), depending on the type of service provided. An allowance for doubtful accounts pertains only to the Aviation Enterprise Fund and is based on management estimates of uncollectible revenue billings. As a customer's balance is deemed uncollectible, the receivable is offset against this allowance. Subsequent receipt of a receivable previously written off is applied to this allowance.

K. Inventory and Prepaid Items

Inventory consists of supplies, maintenance parts, and bulk materials such as sand and salt, all of which are for use at the Airports and Dulles Toll Road. Inventories of materials and supplies are determined both by physical counts and through perpetual inventory systems. Inventories are valued at cost using either the weighted average cost (regular stock inventories) or first-in first-out (FIFO) method (bulk inventories). As of June 1, 2011, the Airports Authority implemented a new inventory system and changed its inventory accounting method for inventories tracked through perpetual inventory systems (regular stock inventories) from the FIFO method to the weighted average cost method. The change in inventory accounting method did not have a material impact on the 2011 financial statements, and because the effect on prior periods presented is not material, they have not been restated.

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



L. Restricted Assets

Assets restricted to specific purposes by legally enforceable requirements are segregated on the Statement of Net Assets. Requirements include: externally imposed requirements by creditors (such as through debt covenants), grantors or contributors; laws or regulations of other governments; and constitutional provisions or enabling legislation.

The Airports Authority's restricted assets are expendable. The Airports Authority's policy is to spend restricted assets before unrestricted assets are spent when both are available for the same purpose. Restricted assets necessary to meet current liability obligations are classified as current assets. Restricted assets that are restricted for disbursement in the acquisition or construction of noncurrent assets or that are segregated for the liquidation of long-term debts are classified as noncurrent assets.

Assets restricted for construction include the funds available for the design and construction of capital improvements for the Airports and the Dulles Toll Road as well as for construction of the Dulles Metrorail Project. Assets restricted for construction includes cash, investments and receivables obtained from debt proceeds, grants and passenger facility charges.

Assets restricted for debt service includes the cash balances required to pay the semi-annual interest payments as well as the principal for the annual October bond payments. The restricted assets for debt service reserve includes cash and investments totaling 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 operating fund of the Airports Authority if the construction funds have been expended. If the debt service reserve is undervalued, the Airports Authority transfers funds into the accounts.

Assets restricted for leases represents funds which have been restricted based on operating lease agreements.

Assets restricted for Dulles Rail latent defects and for Dulles Toll Road repairs represent cash and investments which are held in accordance with contractual agreements for the construction of the Dulles Metrorail Project as well as the operation of the Dulles Toll Road (see Note 4 – Transfer of the Dulles Toll Road and Construction of the Dulles Metrorail Project).

Assets restricted for the benefit of the Airports Authority's Public Safety department represent cash funds obtained through cooperative seizure activities with federal and state justice agencies (see Note 17 - Government Grants).

M. Capital Assets

Capital assets used in operations

Capital assets are stated at historical cost, or if acquired upon termination or expiration of tenant leases, fair market value. Costs for capital assets under construction include direct and financing costs incurred. The Airports Authority does not capitalize overhead or other indirect costs in operations construction programs; such costs are expensed as incurred.

Provision for depreciation has been calculated using the straight-line method over the estimated useful lives of the assets. The cost of internally developed software and other assets, if amortized, uses the straight-line

method. The Airports Authority does identify certain intangible assets, such as permanent easements, as having indefinite lives.

The estimated useful lives and corresponding capitalization thresholds are as follows:

<u>Category</u>	Useful Life	Threshold
Equipment	3-15 years	\$ 10,000
Motor vehicles	3-15 years	\$ 10,000
Intangible assets	3-15 years	\$ 10,000
Buildings	5-50 years	\$ 25,000
Systems and structures	5-50 years	\$ 25,000

Maintenance, repairs, and minor improvements and replacements are expensed as incurred. Permanently impaired capital assets that will continue to be used by the Airports Authority are written down to their measured impaired value. Pollution remediation obligations that do not qualify for capitalization are accrued as liabilities and expensed when a range of expected outlays is reasonably estimable or upon receipt of goods and services.

Capital assets under construction to be transferred to other governmental agencies

Costs for capital assets under construction, which upon completion will be transferred to other governmental agencies, are stated at historical cost and include direct costs, indirect costs, and financing costs. Indirect costs which are capitalized as project costs only include construction administration expenses directly attributable to these specific capital asset programs.

The Airports Authority is responsible for acquiring the rights-of-way and property interest, including easements, necessary for the construction of the Dulles Metrorail Project and other projects within the Dulles Corridor. However, the Airports Authority and VDOT are coordinating the acquisition of the property and determining where property interests will be acquired by VDOT in the name of the Commonwealth either through eminent domain or through some other procedure. At the discretion of VDOT, all property in VDOT's control that is needed for these projects will be made available to the Airports Authority in the form of a land use permit. At the completion of the projects, VDOT shall transfer any property in its own name acquired for construction and operation of the projects by deed, easement, or permit to either the Airports Authority or VDOT. Although VDOT may hold the legal title to these acquired property interests, the costs incurred to acquire these property interests are included in construction in process, as the Airports Authority has control of these property interests during the construction period.

Pollution remediation liabilities associated with the capital assets under construction to be transferred to other governmental agencies are capitalized as incurred, as these liabilities are incurred to prepare the capital asset for transfer to another governmental agency and the associated property was acquired with known or suspected pollution that was expected to be remediated.

Once construction is completed and the asset is accepted by the other government agency, the Airports Authority will account for the transfer in accordance with the relevant accounting requirements.



N. Capitalization of Interest

Interest incurred during the period that relates to the construction or production of capital assets or to the construction of assets which are discrete projects and intended for donation to other entities are capitalized. For interest on tax-exempt debt, the amount of interest to be capitalized is calculated by offsetting interest expense incurred with interest earned on invested debt proceeds, from the date of the borrowing until completion of the project. This net capitalized interest is allocated to completed projects based on the completion date of each project funded with proceeds from that particular debt issue. For interest on taxable debt, the amount of interest capitalized is calculated by applying the interest rate of the debt to the average amount of the accumulated expenditures during the period.

	2011	20	2010 (Restated)		
Interest costs incurred	\$ 299,712,117	\$	298,085,474		
Less: interest costs capitalized	59,700,353		60,673,689		
Interest costs expensed	\$ 240,011,764	\$	237,411,785		
	2011		2010		
Interest income earned	\$ 5,428,425	\$	5,734,458		
Less: interest income capitalized	2,068,293		1,619,335		
Interest income recognized	\$ 3,360,132	\$	4,115,123		

O. Long-Term Debt

Debt issuance costs represent expenses incurred in the process of issuing bonds, commercial paper notes and interest rate swaps and are amortized over the life of the related debt using the effective-interest method. Original issue discounts or premiums are also amortized using the effective-interest method over the life of the related debt. Interest on capital appreciation debt is accreted using the straight-line method. For debt refundings, the difference between the reacquisition price and the net carrying amount of the refunded debt is deferred and amortized as a component of interest expense using the straight-line method over the remaining life of the refunded debt or the life of the new debt, whichever is shorter.

P. Federal, State & Local Grants

The Airports Authority receives federal, state, and local grants in support of specific operational programs, its Capital Construction Program (CCP) and the Dulles Metrorail Project. Grants are recognized as related expenditures are made and all eligibility requirements are met.

Grants recognized for services provided directly to a government entity are reported as operating revenues in the Statements of Revenues, Expenses and Changes in Net Assets. Grants for reimbursement of operating expenditures which are incurred during the normal course of operations but are not for services provided to any governmental entity are reported as non-operating revenues. Grants for capital asset acquisition, facility development, and/or rehabilitation and long-term planning are reported as capital contributions. Capital contributions are reported in the Statements of Revenues, Expenses and Changes in Net Assets after non-operating revenues and expenses.



Q. Passenger Facility Charges

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act, which authorized domestic airports to impose a Passenger Facility Charge (PFC) on enplaning passengers. 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 impact resulting from an airport; or furnish opportunities for enhanced competition between or among carriers.

The Airports Authority has imposed PFCs since November 1993 at Reagan National and since January 1994 at Dulles International. PFCs are collected by the airlines and remitted on a monthly basis to the Airports Authority. The Airports Authority accounts for PFCs on an accrual basis, based on the month the charges were collected by the airlines. Due to their restricted use, PFCs are categorized as capital contributions.

R. Lease Obligations

The Airports were transferred by the federal government to the Airports Authority under the terms of a lease (the Federal Lease) which transferred a leasehold interest in all of the Airports' then-existing real property, including access highways and related facilities, and transferred title to all equipment, materials, furnishings, and other personal property appurtenant to or located on the Airports' property (other than particular property required for federal air traffic control responsibilities). Upon expiration of the Federal Lease, the Airports, including improvements, will be returned to the United States government. Since the transfer, the Airports Authority has acquired title to land and aviation easements adjacent to Dulles International for airport expansion. All land acquired after the transfer is not subject to the Federal Lease except that, pursuant to amendments to the Federal Lease, any after-acquired land in the Airports Authority's possession at the expiration of the Federal Lease will revert to the federal government.

The Airports Authority accounts for the Federal Lease as an operating lease. The Federal Lease provides for an annual base rental payable to the United States Treasury and is subject to annual adjustment for inflation and interest. The Airports Authority invests the monthly lease payments in repurchase agreements or in certificates of deposits and makes semi-annual payments, including interest, to the United States government. In accordance with generally accepted accounting principles for an operating lease, the property originally transferred under the Federal Lease does not appear on the Statement of Net Assets.

The Dulles Toll Road is operated under a permit and operating agreement (the Permit) from VDOT. Under the terms of the Permit, the Airports Authority has the exclusive right to establish, charge, and collect tolls and other user fees for the use of the Dulles Toll Road until the expiration of the term, or earlier termination, of the Permit. Under the terms of the Permit, the revenues from the Dulles Toll Road are to pay for the operation and maintenance of the Dulles Toll Road, to pay the debt service associated with construction of the Dulles Metrorail Project and other Dulles Corridor improvements, and to fund reserves associated with maintaining and preserving the Dulles Toll Road. Any residual amounts are to be paid to VDOT within 180 days of the end of the fiscal year. Upon the expiration of the term, or earlier termination, of the Pulles Toll Road, including any improvements, will be returned to VDOT in its original or an enhanced condition.

Other than the residual amounts which may be owed by the Airports Authority to VDOT, the Permit does not require any significant consideration in exchange for the Airports Authority's access to operate and maintain the Dulles Toll Road. Only the improvements made by the Airports Authority to the Dulles Toll Road, along with related liabilities, appear on the Statement of Net Assets.



The Airports Authority has entered into leases for office space used exclusively by Dulles Metrorail Project personnel with lease terms consistent with the construction period for the Dulles Metrorail Project. The expenditures under these operating leases are capitalized as construction in progress costs of the Dulles Metrorail Project.

S. Post-employment Benefits

Post-employment benefits are accounted for under GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* (GASB 27), as amended by GASB Statement No. 50, *Pension Disclosures*. This statement establishes standards for the measurement, recognition, and display of pension expense and related liabilities, assets, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. The Airports Authority discloses the information required by GASB 27 in Note 8 – Pension Plans and Deferred Compensation Plan.

Post-employment benefits other than pension benefits are accounted for under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB 45). This statement establishes standards for the measurement, recognition, and display of other post-employment benefits (OPEB) expense and related liabilities, assets, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. The Airports Authority discloses the information required by GASB 45 in Note 9 – Post-employment Benefits.

T. Compensated Absences

Airports Authority employees are granted paid vacation at rates of 13 to 30 days per year, depending on their length of employment. General employees may accumulate up to a maximum of 30 days. Firefighters who work a 56-hour week may accumulate up to a maximum of six weeks. Executive employees exceeding a specified pay scale are entitled to accumulate up to 60 days. At management's discretion, employees may be allowed to accumulate vacation balances in excess of these limitations. The accumulated vacation is accrued when incurred, as employees will be paid for accumulated vacation either during their future service to the Airports Authority or upon their termination of service. The calculation of the liability is based on compensation rates plus related employer-paid benefits in effect as of the end of the current fiscal year. The portion of this liability expected to be paid within the next year is reflected in accrued expenses while the amount expected to be paid out after one year is included in other non-current liabilities.

Airports Authority employees earn 13 days of sick leave per year. Unused sick leave for employees enrolled in the Airports Authority's retirement plan is counted at retirement as additional time worked for calculation of the pension benefit. There is no liability for unpaid accumulated sick leave, as the Airports Authority does not pay any amounts when employees separate from service.

U. Deferred Revenues

Deferred revenues consist of deferred charges for rents, landing fees, and passenger fees to be charged to airlines at both Airports, deferred non-airline rental income at Dulles International, and deferred tenant parking permit charges at both Airports. The deferred charges for rents, landing fees, and passenger fees charged to airlines are determined by the calculation of settlement (see Note 3 - Airport Use and Lease Agreement and Premises Lease). Deferred revenues as a result of settlement are recognized on a straight-line basis over a term of one year. Deferred non-airline rental income represents lease rentals, received in advance, for certain ground leases entered into with developers. Deferred tenant parking permit charges represent amounts not yet earned for tenant employee parking permits. Deferred non-airline rental income and tenant parking permit charges are



recognized as revenue on a straight-line basis over the terms of the related leases and permits when the term is less than one year. Deferred revenues for leases with developers with terms in excess of one year are recognized using the effective-interest method over the terms of the related agreements.

V. Self-Insurance

The Airports Authority provides employee group medical and dental insurance through a combination of selfinsured and insured arrangements. Under the self-insured plans, the Airports Authority assumes the financial risk for the payment of employee medical and pharmacy claim expenses incurred by participants. Under the fully insured plans, the Airports Authority pays a fixed premium for employee health care, prescription drugs, and dental insurance, and the insurance company assumes the risk for all claims expenses.

Risk management insurance is also provided through a combination of self-insured and insured arrangements (see Note 19 – Risk Management). The cost of claims reported and an estimate of claims incurred but not reported is charged to operating expenses. Liabilities for unpaid claims are accrued based on management's estimate using actual costs, historical experience, current trends, and quarterly actuarial reviews. Liabilities for unpaid claims expected to be paid out within the next year are included on the Statements of Net Assets in accounts payable and accrued expenses, while liabilities for unpaid claims which are expected to be paid out in years subsequent to the next year are included in other long-term liabilities. The appropriateness of the self-insurance accrued liabilities is continually reviewed and updated by management.

W. Taxes

The Airports Authority is exempt from the payment of federal and state income, property, and certain other taxes.

X. Recently Issued Accounting Pronouncements

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* (GASB 60) establishes guidance for accounting and financial reporting for service concession arrangements (SCA), which are a type of public-private or public-public partnership. GASB 60 applies only to those arrangements in which specific criteria determining whether a transferor has control over the transferred facility are met. The requirements of GASB 60 are effective for fiscal year 2012 and thereafter. The requirements of GASB 60 would not currently impact the Airports Authority's financial statements, as none of the Airports Authority's existing rights and related obligations to provide public services through the use and operation of specific capital assets fulfill all of the requirements necessary to be considered an SCA in accordance with GASB 60.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus* (GASB 61) modifies certain requirements for inclusion of component units in the financial reporting entity, amends the criteria for reporting component units as if they were part of the primary government in certain circumstances, and clarifies the reporting of equity interests in legally separate organizations. The requirements of GASB 61 are effective for fiscal year 2013 and thereafter. The requirements of GASB 61 would not currently impact the Airports Authority's financial statements, as the Airports Authority does not currently have component units or equity interests in legally separate organizations.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63) provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources, which are distinct from assets and liabilities. The requirements of GASB 63 are effective for fiscal year 2012 and thereafter. The requirements of GASB 63 would not currently



impact the Airports Authority's financial statements as the Airports Authority does not currently have any deferred inflows or deferred outflows of resources.

GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions, an amendment of GASB Statement No. 53* (GASB 64) clarifies the circumstances in which hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced. The requirements of GASB 64 are effective for fiscal year 2012 and thereafter. The requirements of GASB 64 would not currently impact the Airports Authority's financial statements, as the Authority's swaps were found to be ineffective in 2008 when GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, was implemented, and therefore, hedge accounting ceased permanently for the related instruments.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65) establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. It also limits the use of the term "deferred" in financial statement presentations. The requirements for GASB 65 are effective for fiscal year 2013 and thereafter. Implementation of GASB 65 by the Airports Authority will result in the recognition as expense for bond issuance costs in the period when incurred, except for prepaid insurance costs associated with the issuance of debt. As the Airports Authority has historically recognized bond issuance costs as assets and amortized these costs over the life of the associated debt, the Airports Authority will recognize a material prior period adjustment upon the implementation of GASB 65 to write-off unamortized bond issuance costs, less any costs related to prepaid insurance costs, as the total amount of unamortized bond issuance costs associated with the issuance of debt has not been determined. The write-off of these unamortized bond issuance costs will result in a reduction of unrestricted net assets.

GASB Statement No. 66, *Technical Corrections* – 2012 (GASB 66) improves accounting and financial reporting by resolving conflicting guidance that resulted from the issuance of Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and ACIPA Pronouncements*. The requirements for GASB 66 are effective for fiscal year 2013 and thereafter. The requirements of GASB 66 would not currently impact the Airports Authority's financial statements as the amendments included in GASB 66 to previous GASB statements are not currently relevant to the financial statements of the Airports Authority.

The Airports Authority will implement these statements as of their effective dates.

2. RESTATEMENT OF PRIOR YEARS' RESULTS

The Airports Authority has restated its 2010 financial statements to correct errors identified in 2011. The cumulative effect of adjustments to correct errors for 2010 is a decrease in the change in net assets for the year ended December 31, 2010, of \$3.2 million, or 1.1 percent. The cumulative effect of adjustments to correct errors for years prior to 2010 is a decrease to total beginning net assets for the 2010 year of \$59.2 million, or 3.7 percent.

Correction of Classification Errors

Receivables totaling \$1.9 million as of December 31, 2010, have been changed for a classification error from *unrestricted current assets* to *restricted non-current assets*. These Aviation Enterprise Fund receivables are restricted for purposes of construction or for Dulles Air Traffic Control Tower expenditures. Receivables



totaling \$684 thousand have been changed for a classification error from *restricted non-current assets* to *unrestricted current assets*, as these receivables are for grant reimbursements of operating expenditures. Dulles Corridor Enterprise Fund payments in advance totaling \$180 thousand as of December 31, 2010, have been changed for a classification error from *restricted non-current assets* to *unrestricted current assets*, as only expendable assets are categorized as restricted assets.

The Aviation Enterprise Fund's interest rate swap payable of \$104.2 million as of December 31, 2010, has been changed for a classification error from inclusion in the determination of *restricted net assets* to inclusion in the determination of *unrestricted net assets*, as resources have not been restricted for possible payment of the fair value of these swaps. However, as the previous inclusion of this liability in the determination of *restricted net assets net assets* resulted in a negative amount for *restricted net assets* of \$52.2 million which was properly categorized as *unrestricted net assets*, only the partial amount of \$52.0 million of the \$104.2 million liability has been changed as a result of the correction of this classification error.

The Dulles Corridor Enterprise Fund's debt for the accretion of interest for capital appreciation debt of \$41.0 million as of December 31, 2010, has been changed for a classification error from inclusion in the determination of *invested in capital assets, net of related debt,* to inclusion in the determination of *unrestricted net assets*, as there were neither proceeds associated with this debt which were subsequently spent on the acquisition, construction or improvement of a capital asset nor any restricted resources accumulated to pay off any portion of this debt at maturity.

Debt related to unspent proceeds totaling \$449.1 million has been changed for a classification error from inclusion in the determination of *invested in capital assets, net of related debt,* to inclusion in the determination of *restricted net assets* as required by relevant accounting standards. The impact of this change is to increase the Dulles Corridor Enterprise Fund's *invested in capital assets, net of related debt,* by \$371.2 million and the Aviation Enterprise Fund's *invested in capital assets, net of related debt,* by \$77.9 million, with offsetting reductions in *restricted net assets* for each of the Funds.

Correction of Errors in the Valuation of Long-Term Investments

Long-term investments at market valuations were overstated as of December 31, 2010 by \$66.6 million, of which \$1.2 million was included in investment income for 2010 and \$65.4 million was the accumulation of amounts erroneously included in investment income in prior years since 2003 or earlier. Restatement of restricted long-term investments as of December 31, 2010, resulted in a decrease in *restricted net assets* of \$31.2 million for the Aviation Enterprise Fund and \$717 thousand for the Dulles Corridor Enterprise Fund. Restatement of unrestricted long-term investments as of December 31, 2010 resulted in a decrease in the Aviation Enterprise Fund and \$717 thousand for the Dulles Corridor Enterprise Fund. Restatement of unrestricted *long-term investments* as of December 31, 2010 resulted in a decrease in the Aviation Enterprise Fund's *unrestricted net assets* of \$34.7 million.

Correction of Errors in the Amortization of Bond Premium

The 2007-2010 amortization of bond premium for debt issued in 2006 by the Aviation Enterprise Fund was corrected, reducing long-term debt by \$14.5 million. As the proceeds of this debt were used for construction of capital assets, \$6.7 million of the correction of the bond premium amortization was a reduction to capitalizable interest and \$7.8 million was a reduction to *interest expense*, of which \$3.5 million related to interest expense recognized in 2010. The reduction in capitalizable interest of \$6.7 million further resulted in a reduction in interest costs capitalized to *building and systems* from 2007 through 2010 totaling \$4.9 million. The reduction in debt, less the reduction in capital assets, resulted in a net increase of \$7.8 million to *invested in capital assets, net of related debt. Depreciation and amortization expense* for the Aviation Enterprise Fund decreased by \$149 thousand due to the decrease in the cost basis of depreciable capital assets of \$4.9 million. Of this decrease,



\$105 thousand was recognized in 2010, with the remainder being a reduction of expense for prior years. This decrease resulted in a net increase of \$149 thousand to *invested in capital assets, net of related debt*.

Correction of Errors in Recognition of Interest Income and Interest Expense

Investment income earned by the Aviation Enterprise Fund was corrected for \$1.8 million of interest earned in years prior to 2010 on the note receivable from United Airlines (see Note 8 – Note Receivable). As this interest had previously been recorded to *construction in progress*, the correction had the effect of increasing *invested in capital assets, net of related debt.*

Interest expense of the Dulles Corridor Enterprise Fund was increased in 2010 by \$9.9 million for interest costs incurred on the unspent bond proceeds of tax-exempt debt, which previously had been included in *construction in progress – Dulles Metrorail Project*. This restatement had the effect of decreasing *invested in capital assets, net of related debt*.

Correction of Errors in Accrued Liabilities for Capital Asset Additions

Accounts payable and accrued expenses were increased in 2010 by \$5.0 million for the Aviation Enterprise Fund and \$9.0 million for the Dulles Corridor Enterprise Fund for capital asset additions in that year.

Correction of Errors in Recognition of Grant Revenues

Accrued grant proceeds due from the Federal Transit Administration and Fairfax County were increased as of December 31, 2010, to recognize \$10.7 million in additional grant revenues relating to accrued interest costs and *Dulles Metrorail Project* expenditures which are eligible for grant reimbursement. This restatement had the effect of increasing *invested in capital assets, net of related debt*.

The following table summarizes the effects of the restatements in the Statement of Net Assets as of December 31, 2010:

		Adjustments						
			Correction of					
	Total Business-	Correction of	valuation of	Correction of	Correction of	Correction of	Correction of	Total Business-
	Type Activities	classification	long-term	bond premium	interest	capital asset	grant revenue	Type Activities
	As Reported	errors	investments	amortization	recognition	additions	accrual	As Restated
ASSETS								
Total current assets	\$ 699,954,344	\$ (994,095)	\$ -	\$ -	\$-	\$14,024,011	\$ -	\$ 712,984,260
Non-current assets								
Restricted	1,362,293,005	994,095	(31,917,156)	-	-	(14,024,011)	10,687,218	1,328,033,151
Unrestricted	273,782,093		(34,678,095)	-	-	-	-	239,103,998
Capital assets:								
Land and other non-depreciable assets	156,407,176	-	-	-	-	-	-	156,407,176
Construction in progress	316,273,523	-	-	(1,747,989)	1,823,874	-	-	316,349,408
Construction in progress, Metrorail projec	t 1,370,101,206	-	-	-	(9,894,865)	9,024,011	-	1,369,230,352
Buildings, systems and equipment	6,538,271,987	-	-	(4,900,342)	-	5,000,000	-	6,538,371,645
Less: accumulated depreciation	(1,878,502,538)	-	-	148,753	-	(20,833)	-	(1,878,374,618)
Capital assets, net	6,502,551,354	-	-	(6,499,578)	(8,070,991)	14,003,178	-	6,501,983,963
Total non-current assets	8,138,626,452	994,095	(66,595,251)	(6,499,578)	(8,070,991)	(20,833)	10,687,218	8,069,121,112
Total assets	\$ 8,838,580,796	\$ -	\$ (66,595,251)	\$ (6,499,578)	\$ (8,070,991)	\$14,003,178	\$ 10,687,218	\$ 8,782,105,372
LIABILITIES AND NET ASSETS								
Total current liabilities	\$ 392.926.909	\$ -	\$-	\$ -	\$-	\$14,024,011	s -	\$ 406,950,920
Total non-current liabilities	6,567,056,962	-	÷ -	(14,491,355)	÷ -	\$11,0 <u>2</u> 1,011	÷	6,552,565,607
Total liabilities	6,959,983,871			(14,491,355)		14,024,011		6,959,516,527
	3,757,763,071			(17,771,555)		14,024,011		0,707,010,021
NET ASSETS								
Invested in capital assets, net of related debt	926,200,459	483,392,705	-	7,991,777	(8,070,991)	(20,833)	10,687,218	1,420,180,335
Total restricted	528,848,684	(389,520,163)	(31,917,156)	-	-	-		107,411,365
Unrestricted	423,547,782	(93,872,542)	(34,678,095)	-	-	-	-	294,997,145
Total net assets	1,878,596,925	-	(66,595,251)	7,991,777	(8,070,991)	(20,833)	10,687,218	1,822,588,845
Total net assets and liabilities	\$ 8,838,580,796	\$ -	\$ (66,595,251)	\$ (6,499,578)	\$ (8,070,991)	\$14,003,178	\$ 10,687,218	\$ 8,782,105,372
Total net assets and liabilities	\$ 8,838,580,796	\$ -	\$ (66,595,251)	\$ (6,499,578)	\$ (8,070,991)	\$14,003,178	\$ 10,687,218	\$ 8,782,1

The following table summarizes the effects of the restatements in the Statement of Revenues, Expenses and Changes in Net Assets for the period ended December 31, 2010:

			Correction of Correction					
	Total Business-	Correction of	valuation of	Correction of	Correction of	of capital	Correction of	Total Business-
	Type Activities	classification	long-term	bond premium	interest	asset	grant revenue	Type Activities
	As Reported	errors	investments	amortization	recognition	additions	accrual	As Restated
Total operating revenues	\$ 691,912,884	\$ -	\$-	\$-	\$-	\$-	\$-	\$ 691,912,884
Total operating expenses	608,805,797	-	-	(104,747)	-	20,833	-	608,721,883
Operating income	83,107,087	-	-	104,747	-	(20,833)	-	83,191,001
Non-operating revenues (expenses)	(248,061,815)	-	(1,220,335)	3,544,087	(9,894,865)	-	-	(255,632,928)
Total capital contributions	447,571,207		-	-	-	-	10,649,861	458,221,068
NET ASSETS								
Increase (decrease) in net assets	282,616,479	-	(1,220,335)	3,648,834	(9,894,865)	(20,833)	10,649,861	285,779,141
Total net assets, beginning of year	1,595,980,446	-	(65,374,916)	4,342,943	1,823,874	-	37,357	1,536,809,704
Total net assets, end of year	\$ 1,878,596,925	\$ -	\$ (66,595,251)	\$ 7,991,777	\$ (8,070,991)	\$ (20,833)	\$ 10,687,218	\$ 1,822,588,845



The following table summarizes the effects of the restatements in the Statement of Cash Flows for the period ended December 31, 2010:

		Adjustments Correction of												
	Total Business-		rrection of	valua	ation of		bond	Corr	rection of	Corr	ection of	Corre	ection of	Total Business-
	Type Activities	cla	assification	long	g-term	-	remium		terest	1	tal asset	0	revenue	Type Activities
	As Reported		errors	inves	stments	am	ortization	rec	ognition	ad	ditions	ac	crual	As Restated
Net cash provided by operating activities	\$ 294,403,624	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$ 294,403,624
Net cash provided (used) by noncapital financing activities	(7,805,066)													(7,805,066)
<u> </u>	(7,805,000)		-		-		-		-		-		-	(7,803,000)
Net cash provided (used) by capital and														
related financing activities	(183,156,060)		-		-		-		-		-		-	(183,156,060)
Net cash provided by investing activities	105,118,939		-		-		-		-		-		-	105,118,939
Net increase in cash and cash equivalents	208,561,437		-		-		-		-		-		-	208,561,437
Cash and cash equivalents, beginning of year	678,375,413		-		-		-		-		-		-	678,375,413
Cash and cash equivalents, end of year	\$ 886,936,850	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$ 886,936,850
N														
Noncash investing, capital and financing activities:		¢		¢ (1 ¢	20 225	¢		¢		\$		\$		¢ 7.020.045
Unrealized gain (loss) on investments	\$ 9,051,180	\$	-	\$(1,4	220,335)	Э	-	\$	-	Э	-	Ъ	-	\$ 7,830,845
Buildings and improvements provided by tenants:	\$ 650,000		-		-		-		-		-		-	\$ 650,000
Capital construction costs payable	\$ 156,226,661		-		-		-		-	14	,024,011		-	\$ 170,250,672
Fair value loss on swaps	\$ (34,978,411)		-		-		-		-		-		-	\$ (34,978,411)

3. AIRPORT USE AGREEMENT AND PREMISES LEASE

In February 1990, the Airports Authority entered into a long-term Airport Use Agreement and Premises Lease (Use and Lease Agreement) with the major airlines (Signatory Airlines) serving the Airports. The Use and Lease Agreement is for a term of 25 years, subject to unilateral termination rights by the Airports Authority beginning in 2004, and annually thereafter, at the option of the Airports Authority. Such termination rights have not been exercised, and the Use and Lease Agreement currently remains in effect.

For airline-supported cost centers, rates and charges are established to provide net revenues before the payment of debt service of at least 125 percent of debt service. The Use and Lease Agreement provides for the calculation of annual rates and charges, with rate adjustments at midyear, or any time revenues fall five percent or more below projections to provide for full cost recovery plus debt service coverage. The Use and Lease 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 airline-supported cost centers. For the years ended December 31, 2011 and 2010, the settlement resulted in a net charge to the Signatory Airlines of \$18.0 million and \$6.4 million, respectively.

At the conclusion of each year, the amount of any Net Remaining Revenue at each Airport is determined. Net Remaining Revenue is defined as revenues less all operating and maintenance expenses, debt service, deposits to specified reserves, and other requirements. Net Remaining Revenue is allocated between the Airports Authority and the Signatory Airlines in accordance with the Use and Lease Agreement. The Airports Authority's share of Net Remaining Revenue is reflected in the Airports Authority's Capital Fund and is available for repair and rehabilitation projects or any other lawful purpose. The Signatory Airlines' share of Net Remaining Revenue, called Transfers, is applied as a credit in the calculation of the ensuing year's rates and charges, in accordance with the Use and Lease Agreement.

To calculate Transfers, the Use and Lease Agreement establishes a plateau amount of \$8.0 million at Reagan National and \$12.0 million at Dulles International, escalated by the implicit price deflator index from the base



year of 1989 to the current year. Net Remaining Revenue is shared approximately 50/50 until reaching the plateau. When the Transfer amount to the Signatory Airlines reaches the plateau, the amount over the plateau is allocated 75.0 percent to the Signatory Airlines and 25.0 percent to the Airports Authority.

For the years ended December 31, 2011 and 2010, at Dulles International, the Transfer amount exceeded the plateau by \$10.0 million and \$11.3 million, respectively. For the year ended December 31, 2011 at Reagan National, the Transfer amount exceeded the plateau by \$1.7 million. For the year ended December 31, 2010, at Reagan National, the Transfer exceeded the plateau by \$1.0 million. For the years ended December 31, 2011 and 2010, at 2010, the Signatory Airlines' Transfer amount was \$61.6 million, and the Airports Authority's share of Net Remaining Revenue was \$40.2 million and \$38.6 million, respectively.

4. TRANSFER OF THE DULLES TOLL ROAD AND CONSTRUCTION OF THE DULLES METRORAIL PROJECT

Dulles Toll Road

On November 1, 2008, the Virginia Department of Transportation (VDOT) transferred operational and financial control of the Dulles Toll Road (Omer L. Hirst – Adelard L. Brault Expressway) to the Airports Authority for a term of 50 years, upon the terms and conditions set forth by the Master Transfer Agreement dated December 29, 2006, and the Permit and Operating Agreement dated December 29, 2006, each entered into by and between VDOT and the Airports Authority. Concurrent with this transfer of rights and responsibility, VDOT contributed to the Airports Authority approximately \$272.1 million of capital property, including \$254.8 million of construction in progress, for the Dulles Metrorail Project. The Airports Authority accounted for the transfer in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

In exchange for the rights to the revenues from operation of the Dulles Toll Road and certain other revenues described in the VDOT Agreements, the Airports Authority agreed to (i) operate and maintain the Dulles Toll Road, (ii) cause the design and construction of the extension of the Washington Metropolitan Area Transit Authority (WMATA) Metrorail system from the West Falls Church station in Fairfax County, along the Dulles Corridor to Dulles International and beyond into Loudoun County (the Dulles Metrorail Project) and (iii) make other improvements in the Dulles Corridor consistent with VDOT and regional plans. The Dulles Corridor is defined as the transportation corridor with an eastern terminus of the East Falls Church Metrorail station at Interstate Route 66 and a western terminus of VA Route 772 in Loudoun County, VA.

The Airports Authority is solely responsible for setting toll rates and collecting tolls on the Dulles Toll Road, following its process for issuing regulations and in consultation with the Dulles Corridor Advisory Committee. The Dulles Corridor Advisory Committee is an eight-member committee, composed of two representatives for each of the Airports Authority, Fairfax County, Loudoun County, and the Commonwealth of Virginia, to provide the Airports Authority with advice on issues related to the management, improvement, and expansion of the Dulles Corridor, as well as changes to the toll rates on the Dulles Toll Road.

The Airports Authority may not use any net revenues pledged for payment of the Airport System Revenue Bonds or Notes to support the operation of the Dulles Toll Road or to pay debt service on Dulles Toll Road Revenue Bonds. Likewise, the Airports Authority may not use any revenues pledged for payment of the Dulles Toll Road Revenue Bonds or Notes to support the operation of the Airports or to pay debt service on Airport System Revenue Bonds or Notes.



Dulles Metrorail Project

The Airports Authority is funding and constructing the 23-mile Dulles Metrorail Project in two phases. Phase 1 of the Dulles Metrorail Project will extend 11.7 miles from near the West Falls Church station to Wiehle Avenue in Reston, VA. It includes five new stations and improvements to the existing WMATA Service and Inspection Yard at the West Falls Church station. Phase 2 of the Metrorail Project will extend the Metrorail system an additional 11.3 miles from Wiehle Avenue through Dulles International and west into Loudoun County, VA. Phase 2 of the Metrorail Project is expected to include six new stations and a maintenance yard located on Dulles International Airport property.

The Metrorail Project is being funded with a combination of toll road revenue bonds secured by a pledge of Dulles Toll Road revenues, federal grants, and contributions from local jurisdictions. In addition, approximately 4.1 percent of the Phase 2 costs are expected to be paid from Passenger Facility Charges of the Airports. The current Use and Lease Agreement, as more fully described in Note 3 – Airport Use Agreement and Premises Lease, limits to \$10.0 million the amount of airport capital costs that can be incurred for construction of the Dulles Metrorail Project at Dulles International, unless otherwise agreed upon. As of December 31, 2011, the Airports Authority has issued approximately \$1.4 billion of Dulles Toll Road Revenue Bonds, including accretion of Capital Appreciation Bonds (see Note 15 – Capital Debt).

Upon completion of construction of each phase of the Dulles Metrorail Project and acceptance by WMATA into the Metrorail system, the Airports Authority will transfer, without financial retribution, ownership of the completed phase of the project to WMATA. At that point, WMATA will become the owner and operator of the completed phase and will be solely responsible for its operation and maintenance. None of the operating and maintenance expenses of the completed phase will constitute operating or maintenance expenses of the Airports Authority. Such expenses will be payable entirely from WMATA's operating and other revenues (including revenues derived from the operation of the Dulles Metrorail Project). The debt associated with construction of each phase of the Dulles Metrorail Project will remain with the Airports Authority and will not be transferred to WMATA.

Construction in progress amounts related to both phases of the Metrorail Project are disclosed in Note 10 - Changes in Capital Assets.

5. **DEPOSITS AND INVESTMENTS**

Deposits

The Airports Authority's investment policy, as approved by the Board, requires that deposits in excess of the federally insured amount be held at institutions with a Kroll Bond Rating Agency rating of B or above. In the event a financial institution's rating falls below this level, the deposits are to be reduced to the federally insured amount. The Airports Authority's practice is to sweep all demand deposits at the close of each business day into overnight repurchase agreements.

As of December 31, 2011 and 2010, the Airports Authority had various certificates of deposit in the amount of \$6.3 million and \$3.0 million, respectively, that were not covered by insurance and were not collateralized with securities held by the pledging financial institutions. These certificates of deposit were held at institutions with a Kroll Bond Rating Agency rating of B or above. These certificates of deposit were part of the Airports Authority's Linked Deposit Program, whereby a portion of the reserve funds were deposited with banks that have an "outstanding" Community Reinvestment Act rating.



The Airports Authority maintains multiple imprest cash funds in certain departments. These amounts are not covered by insurance and are not collateralized. These funds totaled \$200.3 thousand and \$189.0 thousand as of December 31, 2011 and 2010, respectively.

Investments

The carrying value, weighted average maturity and credit quality of the Airports Authority's investment portfolio, by investment type, as of December 31, 2011 was as follows:

2011 Investments	Credit Rating ¹	Carrying Value	Weighted Average Maturity (years)	% of Portfolio
Treasury		\$ 546,982,607	2.5	48.9%
Fannie Mae	Aaa/AAA	35,431,903	0.9	3.1%
Freddie Mac	Aaa/AAA	19,428,120	0.7	1.7%
Farmer Mac		19,997,333	0.2	1.8%
Home Loan	Aaa	30,378,422	0.4	2.7%
Commercial Paper	A-1/P-1	14,966,497	0.3	1.3%
MBIA GIC	B-/B2	36,274,390	22.4	3.2%
FSA GIC	AA-/Aa3	67,075,427	23.8	6.0%
BOA FPA	A-/Baa1	7,716,000	1.7	0.7%
City First Bank Repo	C (Kroll Bond Rating)	750,000	0.1	0.1%
Overnight Sweeps	A-1/P-1 to A-2/P-2	251,929,680	0.0	22.5%
Debt Service Reserve Repurchase Agreements				
BOA Repo	A-/Baa1	16,333,690	11.8	1.5%
Morgan Stanley Repo	A-/A2	72,406,627	24.4	6.5%
		\$ 1,119,670,696	5.2	100.0%

¹ The ratings in these tables are from Fitch, Moody's or S&P

² Underlying rating of the counterparties

³ Collateralized by Federal Agency Notes



The carrying value, weighted average maturity and credit quality of the Airports Authority's investment portfolio, by investment type, as of December 31, 2010 was as follows:

			Weighted Average	
	Credit	Carrying	Maturity	% of
2010 Investments	Rating ¹	Value	(years)	Portfolio
Treasury	-	\$ 504,303,391	3.51	35.1%
Fannie Mae	Aaa/AAA	140,161,531	0.52	9.8%
Farmer Mac		40,288,696	0.27	2.8%
Farm Credit		28,766,587	0.46	2.0%
Federal Home Loan Bank	Aaa	120,453,529	0.64	8.4%
Commercial Paper	P-1	9,977,676	0.21	0.7%
MBIA Guaranteed Invest Contract ²	Ba3/B-	36,274,390	23.44	2.5%
FSA Guaranteed Invest Contract ²	Aa3/AA+	67,075,427	24.77	4.7%
Bank of America-Forward Purchase Agreement	A 2/A	7,716,000	2.67	0.5%
City First Bank Repurchase Agreement	B- (LACE)	750,000	0.57	0.1%
Branch Banking and Trust Repurchase Agreement	P-1/A-1	750,000	0.09	0.1%
Overnight Repurchase Agreements ³		390,837,315	0.01	27.2%
Debt Service Reserve Repurchase				
Agreements:				
Bank of America Repo	A 2/A	16,333,690	12.75	1.1%
Morgan Stanley Repo	A 2/A	72,406,627	25.36	5.0%
		\$ 1,436,094,859	4.6	100.0%

 1 The ratings in these tables are from Fitch, Moody's or S&P

² Underlying rating of the counterparties

³ Collateralized by Federal Agency Notes

Credit Risk

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

The primary objectives of the Airports Authority's investment policy are the safety of capital, the liquidity of the portfolio and the yield of investments. Bond proceeds may be invested in securities as permitted in the bond indentures; otherwise, assets of the Airports 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 Kroll Rating Agency rating of "B" or better, or that are fully insured or collateralized; prime CP rated "A1" and "P1" by Standard & Poor's Rating Services (S&P) and Moody's Investors Service Inc. (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 Airports Authority's policy.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Airports 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. 64



Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Airports Authority and are held by either the counterparty or the counterparty's trust department or agent but not in the Airports Authority's name.

The Airports Authority's investment policy requires that securities be insured or registered investments or securities held by the Airports Authority or its agent in the Airports Authority's name. As of December 31, 2011 and 2010, all the Airports Authority's securities were held by the Airports Authority or its agent in the Airports Authority's name and were fully insured or registered investments.

Repurchase agreements and guaranteed investment contracts are required to be collateralized at 103.0 percent and require the collateral to be Authorized Investments as described in the Investment Policy and the Master Bond Indenture.

The Airports Authority's forward purchase agreement is collateralized at 100.0 percent with securities delivered monthly. The collateral is required to be an approved Airports Authority investment, as described in the Master Bond Indenture.

The fair value of the collateral for overnight repurchase agreements was \$259.4 million on December 31, 2011. The fair value of the collateral for the guaranteed investment contracts was \$119.0 million on December 31, 2011. The fair value of the collateral for the forward purchase agreements was \$7.7 million on December 31, 2011. The fair value of the collateral for the Debt Service Reserve repurchase agreements was \$92.6 million as of December 31, 2011. All the collateral for these contracts was held by the Airports Authority's agent in the Airports Authority's name.

Interest Rate Risk

The Airports Authority's investment policy as approved by the Board 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 Airports Authority's Investment Committee meets quarterly and determines the investment horizon for each fund based on current construction or operating needs and the prevailing market conditions. Each investment transaction shall seek to ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value. The Airports Authority mitigates interest rate risk by managing the weighted average maturity of each portfolio type to best meet liquidity needs.

Concentration of Credit Risk

The Airports Authority, as previously described, is limited to investments allowed by the bond indentures and the authorized investment policy. However, the policy does not limit the aggregation of investments in any one type of security. There are providers of securities in which the Airports Authority has invested individually more than 5.0 percent of the total portfolio.

In accordance with the provisions of GASB Statement No. 31, *Accounting and Reporting For Certain Investments and For External Investments Pools* (GASB 31), investments with an original maturity greater than one year are recorded at their fair value and all investment income, including changes in the fair value of investments, are reported as investment income in the financial statements. As permitted by GASB 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 Airports Authority's investments in accordance with GASB 31:

	As of December 31, 2011			
		Carrying		
	Cost	Value		
Securites with original maturity 1 year and over	\$ 669,791,638	\$ 692,454,674		
Securites with original maturity less than 1 year	427,628,410	427,216,022		
	\$ 1,097,420,048	\$ 1,119,670,696		
	As of Decemb	er 31 2010		
		Carrying		
	Cost	Value		
Securites with original maturity 1 year and over	\$ 712,177,062	\$ 720,347,380		
Securites with original maturity less than 1 year	715,824,483	715,747,479		
	\$ 1,428,030,449	\$ 1,436,094,859		
Change in fair value from December 31, 2010 to December 31, 2011:				

 Fair value at December 31, 2011
 \$ 1,119,670,696

 Add: Proceeds of investments sold in 2011
 1,101,678,120

 Less: Cost of investments purchased in 2011
 (769,762,432)

 Less: Fair value at December 31, 2010
 (1,436,094,859)

 Change in fair value of investments
 \$ 15,491,525

Change in fair value from December 31, 2009 to December 31, 2010:

Fair value at December 31, 2010	\$ 1,436,094,859
Add: Proceeds of investments sold in 2010	1,754,965,900
Less: Cost of investments purchased in 2010	(1,797,919,589)
Less: Fair value at December 31, 2009	 (1,384,089,990)
Change in fair value of investments	\$ 9,051,180

Reconciliation to Comparative Statements of Net Assets

A reconciliation of deposits and investments to the comparative Statements of Net Assets follows:

	As of December 31,			
	2011	2010 (Restated)		
Deposits	\$ 9,548,306	\$ 5,958,338		
Money market	494,256,751	495,302,392		
Certificates of deposit	6,250,000	5,761,292		
Securities	1,119,670,696	1,436,094,859		
	\$ 1,629,725,753	\$ 1,943,116,881		
Current assets				
Cash and cash equivalents	\$ 152,198,752	\$ 156,854,724		
Restricted cash and cash equivalents	360,379,962	345,313,856		
Investments	101,610,902	160,751,777		
Non-current assets				
Restricted cash and cash equivalents	237,853,661	384,768,270		
Restricted investments	596,508,341	774,186,839		
Unrestricted investments	181,174,135	121,241,415		
	\$ 1,629,725,753	\$ 1,943,116,881		

6. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following:

	As of December 31,				
	2011			2010 (Restated)	
Trade accounts receivable Less: allowance for doubtful accounts	\$	36,988,325		\$ 16,901,114	
Trade accounts receivable, net		(290,998) 36,697,327	_	(681,294) 16,219,820	
Settlement due from airline tenants		20,158,220		12,483,524	
Operating grants reimbursement receivable		602,140		684,302	
Current portion of note receivable		2,807,804		2,286,545	
Other receivables		1,879,267	_	2,152,816	
Total trade accounts receivable	\$	62,144,758	_	\$ 33,827,007	
Passenger facility charges receivable	\$	6,378,002		\$ 7,024,100	
Capital contribution grants reimbursement receivable		158,314,181		161,178,941	
Other		352,358		875,001	
Total restricted accounts receivable	\$	165,044,541	=	\$ 169,078,042	

During 2011, American Airlines, Inc. filed for Chapter 11 bankruptcy protection with a pre-petition balance of \$605 thousand. During 2010, Mesa Air Group and Sky King filed for Chapter 11 bankruptcy protection, and Mexicana Airlines filed for Chapter 15 bankruptcy protection. The Airports Authority's receivables for pre-



petition debt for the 2010 bankruptcy filings were \$479 thousand, a portion of which were written off against the allowance for doubtful accounts during 2011. As of December 31, 2011, the Airports Authority's accounts receivable included \$726 thousand of pre-petition debt. The Airports Authority anticipates collection of the majority of the remaining receivables for pre-petition debt and has not established additional reserves specifically for these account balances, as existing reserves are judged sufficient to cover any potentially uncollectible receivables.

7. NOTE RECEIVABLE

The Airports Authority has a note receivable from United Airlines (UAL). UAL agreed to reimburse the Airports Authority \$20.4 million in design fees incurred by the Airports Authority in connection with the development of a new concourse and related improvements, described and defined as the "Tier 2 Package." The terms of this note receivable specify that interest at the rate of 3.87 percent commence in March 2006; that UAL make annual payments of \$1.0 million in 2007, 2008, and 2009; and that UAL commence monthly payments in March 2008 of \$83,055, subject to annual escalations.

Amounts scheduled to be received on this note receivable are:

\$ 2,807,804
3,506,478
3,991,158
4,924,264
849,386
16,079,090
1,394,597
2,807,804
\$ 11,876,689

8. PENSION PLANS AND DEFERRED COMPENSATION PLAN

The Airports 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 costsharing, multiple-employer public employee retirement system (PERS). Employees hired before December 31, 1983 are members of the CSRS unless they elected to transfer to the FERS either before December 31, 1987 or during the special enrollment period from July 1, 1998 through December 31, 1998. Effective April 1, 1987, a Thrift Savings Plan was added whereby CSRS and FERS members can contribute a percentage of their salaries on a tax-deferred basis up to Internal Revenue Service elective deferral limits (\$16,500 in 2011).

In addition to the above described Plans, the Airports Authority maintains single-employer defined benefit pension plans that cover its regular employees and its police and fire (public safety) employees hired on or after June 7, 1987 and offers employees a deferred compensation plan and a money purchase pension plan.

Under the CSRS, employees contribute 7.0 percent of their base pay (7.5 percent for public safety employees) and the Airports 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 are eligible to retire at age 55 with 30 years of service; age 60 with 20 years of service; or age 62 with 5 years of service. Public safety employees can retire at age 50 with 20 years of service. Retirement annuities range from 7.5 percent to a



maximum 80.0 percent of the average of the employee's three highest years of base pay depending on an employee's length of service. As of December 31, 2011, there were 27 regular employees and 2 public safety employees enrolled in the CSRS.

Under the FERS, employees derive benefits from three different sources: a Basic Benefit Plan (BBP), Social Security, and a Thrift Savings Plan. Employee contributions to the BBP range from 0.8 percent of base pay for regular employees to 1.3 percent for public safety employees. The Airports Authority contribution ranges from 10.7 percent of base pay for regular employees to 23.3 percent of base pay for public safety employees. Employees are eligible to retire when they have 10 years of service and have reached a minimum retirement age based on date of birth and ranging from 55 to 57 years of age. Retirement annuities range from 1.0 percent (less than 20 years of service) to 1.1 percent (20 or more years of service) of the average of the employee's three highest years of base pay for each year of service. Public safety employees can retire at age 50 with 20 years of service or at any age with 25 years of service. These employees receive retirement benefits equal to 1.7 percent of the average of the employee's three highest years of base pay for every year of service up to 20 years plus 1.0 percent of the same average three-year high for every year of service over 20 years. As of December 31, 2011, there were 39 regular employees and 19 public safety employees enrolled in the FERS.

The Airports Authority's base pay for employees covered by the CSRS and the FERS for the year ended December 31, 2011 was \$7.7 million. Employee contributions to the federal pension plans for 2011, 2010, and 2009 were \$253 thousand, \$286 thousand, and \$304 thousand, respectively. Employer contributions to the federal pension plans for 2011, 2010, and 2009 were \$933 thousand, \$963 thousand, and \$976 thousand, respectively. These contributions represent 100 percent of required contributions for each of the respective years. The Airports Authority's total base pay for all employees, including employees covered by CSRS and FERS, was \$99.8 million and \$96.1 million in 2011 and 2010, respectively.

Plan documents and audited plan financials for the CSRS and FERS plans may be obtained by written request to: U.S. Office of Personnel Management, Retirement Operations Center, P.O. Box 45, Boyers, PA, 16017.

Airports Authority Pension Plans

Effective January 1, 1989, the Airports Authority established a retirement benefits program for employees hired on or after June 7, 1987. Employee coverage and service credit was retroactive to June 7, 1987. The program includes the Airports Authority's General Employee Retirement Plan (the "Regular Plan," covering regular employees) and the Police Officers and Firefighters Retirement Plan (the "Police and Firefighter Plan," covering public safety employees) with the exception of employees working less than 20 hours per week and other temporary employees. Collectively, these plans are referred to as "the Plans." Both are considered to be single-employer defined benefit plans. Any amendment to the Plans must be approved by the Airports Authority's Board of Directors. The Plans provide retirement and death benefits to plan members and beneficiaries. As of December 31, 2011, the number of employees participating in the Plans was:

Current Participants	Regular	Public Safety	Total
Vested	622	233	855
Non-vested	362	103	465
Retirees/disabled employees			
currently receiving benefits	224	18	242
Terminated vested participants	225	70	295
Total	1,433	424	1,857



Regular employees who retire at or after age 60 with five years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.2 percent of final-average eligible compensation up to covered compensation and 1.6 percent of final-average base pay above covered compensation for each year of credited service (maximum of 30 years). Eligible compensation includes base pay and shift differential for wage grade employees. Regular employees with at least five years of service can receive benefits starting at age 55 with a 5 percent reduction in benefits for each year the participant is younger than age 60. Employees do not contribute to the Regular Plan.

Public safety employees who retire at age 55 with five years of service or at any age with 25 years of service are entitled to an annual retirement benefit of 2.0 percent of final-average base pay for service up to 25 years and 1.0 percent of the final-average base pay for service between 25 and 30 years. Public safety employees with at least 25 years of service can receive benefits starting before age 50; however, the benefit is reduced by 5 percent for each year by which benefits begin prior to age 50. Public safety employees are required to contribute 1.5 percent of base pay per year of participation to the Police and Firefighter Plan. This contributed amount is accumulated with a 5.0 percent interest rate and is returned when a benefit is forfeited. The Airports Authority contributes the remaining amounts necessary to fund the Plans using the entry age normal actuarial method in addition to an amount necessary to amortize any unfunded liability.

For the Plans, the final-average base pay is the average of the employee's highest consecutive 36 months in the most recent 120 months, 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 participant's years of benefit service include the number of hours of accrued unused sick leave at a participant's termination. A pre-retirement surviving spouse benefit is payable in the event of death, equal to 50.0 percent of the benefit which would have been payable had the employee retired, provided the employee had at least five years of service. Retiree benefits are adjusted annually by the lesser of one-half of the Consumer Price Index or 4.0 percent.

Contributions Required and Made

The Airports 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 are approved by the Airports Authority's Board of Directors. Level percentages of payroll employer contribution rates are determined using the entry age actuarial funding method. Unfunded actuarial accrued liabilities are being amortized over a period of 30 years on an open basis.

The Airports Authority contributed 7.4 percent of the applicable base payroll to the Regular Plan and 14.7 percent of the applicable base payroll to the Police and Firefighter Plan in 2011. The Airports Authority's base payroll for employees covered by the Regular Plan was \$69.3 million and \$66.4 million for 2011 and 2010, respectively. The base payroll for employees covered by the Police and Firefighter Plan was \$22.9 million and \$21.6 million for 2011 and 2010, respectively. The Airports Authority contributed \$5.1 million and \$5.0 million to the Regular Plan and \$3.4 million and \$3.5 million to the Police and Firefighters Plan in 2011 and 2010, respectively. The following presents the required employer contributions from January 1, 2006 through December 31, 2011:



	General Employees Retirement Plan				
Calendar	Annual Required	Percentage	Annual Req	quired Percentag	ge
Year	Contribution	Contributed	Contribut	tion Contribute	ed
2005	\$2,525,154	120.0%	\$1,654,84	45 117.9%	
2006	\$3,233,610	93.9%	\$1,939,93	38 97.5%	
2007	\$3,463,046	101.3%	\$2,050,27	72 100.0%	
2008	\$4,117,347	100.0%	\$2,508,52	23 100.0%	
2009	\$4,030,946	100.0%	\$2,534,64	47 104.8%	
2010	\$4,977,049	100.0%	\$2,898,69	94 119.4%	
2011	\$5,129,216	100.0%	\$3,017,01	12 111.4%	

The contribution rates for any given year for the Plans are calculated based on the actuarial valuation done for the year two years prior to the current year. That is, the contribution rates for the 2011 year were calculating using the actuarial valuation done for year ended December 31, 2009. For this reason, the Airports Authority contribution rates will not see the activity in the current financial markets reflected in the rates for years 2011 or 2012. The contribution rate for the calendar year 2012 will incorporate changes that took place in the current market in 2011 and any corresponding economic assumptions.



Annual Pension Cost and Net Pension Obligation (Asset)

The Airports Authority's net pension obligation (asset) for the Plans as of December 31, 2011, 2010, and 2009 and for the years then ended, which are based on the then latest actuarial valuations available, were as follows:

	Year ended December 31,			
General Employees Retirement Plan	2011	2010	2009	
Annual required contribution	\$ 5,129,216	\$ 4,977,049	\$ 4,030,946	
Interest on net pension asset	(124,786)	(125,257)	(125,731)	
Adjustment to annual required contribution	131,048	131,544	132,040	
Annual pension cost	5,135,478	4,983,336	4,037,255	
Contributions made	5,129,216	4,977,049	4,030,946	
Change in net pension obligation	6,262	6,287	6,309	
Net pension obligation (asset) beginning of year	(1,663,812)	(1,670,099)	(1,676,408)	
Net pension obligation (asset) end of year	\$ (1,657,550)	\$ (1,663,812)	\$ (1,670,099)	
	Year ended December 31,			
Police Officers & Firefighters Retirement Plan	2011	2010	2009	
Annual required contribution	\$ 3,017,012	\$ 2,898,694	\$ 2,534,647	
Interest on net pension asset	(90,124)	(48,122)	(39,071)	
Adjustment to annual required contribution	94,646	50,537	41,032	
Annual pension cost	3,021,534	2,901,109	2,536,608	
Contributions made	3,360,411	3,461,127	2,657,291	
Change in net pension obligation	(338,877)	(560,018)	(120,683)	
Prior year adjustment	-	(122,644)	122,644	
Net pension obligation (asset) beginning of year	(1,201,650)	(518,988)	(520,949)	
Net pension obligation (asset) end of year	\$ (1,540,527)	\$ (1,201,650)	\$ (518,988)	

The net pension asset is reported as a non-current unrestricted asset as of December 31, 2011 and 2010 in the Statement of Net Assets.



The Airports Authority's annual pension costs, percent contributed, and net pension obligation (asset) were as follows:

				Police Officers &			
	General Employees Retirement Plan			Firefig	ghters Retiremer	it Plan	
Year	Annual	Percentage	Net Pension	Annual	Percentage	Net Pension	
Ended	Pension	of APC	Obligation	Pension	ofAPC	Obligation	
December 31,	Cost (APC)	Contributed	(Asset) Cost (APC)		Contributed	(Asset)	
2009	\$ 4,037,255	99.8%	\$ (1,670,099)	\$ 2,536,608	99.9%	\$ (518,988)	
2010	\$ 4,983,335	99.9%	\$ (1,663,812)	\$ 2,901,109	123.5%	\$ (1,201,650)	
2011	\$ 5,135,478	99.9%	\$ (1,657,550)	\$ 3,021,534	111.2%	\$ (1,540,527)	

Three-Year Trend Information

Funding Status and Funding Progress

The actuarial accrued liability (AAL) was determined from the then most recently available actual valuation of the Plans. Significant actuarial assumptions used in determining the AAL were as follows:

Valuation Date	December 31, 2011
Actuarial Cost Method	Entry-age actuarial cost method
Amortization Method	30-year level
Assets Valuation Method	5-year smooth market
Actuarial Assumptions:	
a. Investment rate of return *	7.5%
b. Projected salary increases *	Variable rate 5.5% to 6.5%
*includes inflation at	3.0%
c. Cost of living adjustments	1.5%

The following presents the funding progress from January 1, 2005 through December 31, 2010:

Schedule of Funding Progress – General Employees Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2005	\$64,087,361	\$53,833,003	(\$10,254,358)	119.0%	\$48,218,773	(21.3%)
12/31/2006	\$72,341,671	\$62,195,419	(\$10,146,252)	116.3%	\$52,985,414	(19.1%)
12/31/2007	\$82,372,511	\$68,958,757	(\$13,413,754)	119.5%	\$54,751,207	(24.5%)
12/31/2008	\$86,617,649	\$80,356,911	(\$6,260,738)	107.8%	\$63,672,545	(9.8%)
12/31/2009	\$92,271,170	\$87,564,793	(\$4,706,377)	105.4%	\$69,012,906	(6.8%)
12/31/2010	\$100,170,793	\$94,407,358	(\$5,763,435)	106.1%	\$69,900,547	(8.2%)



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
12/31/2005	\$30,730,808	\$28,546,385	(\$2,184,423)	107.7%	\$15,462,439	(14.1%)
12/31/2006	\$35,464,226	\$34,134,852	(\$1,329,374)	103.9%	\$17,799,707	(7.5%)
12/31/2007	\$41,245,955	\$39,293,637	(\$1,952,318)	105.0%	\$18,799,993	(10.4%)
12/31/2008	\$44,590,069	\$45,128,509	\$538,440	98.8%	\$20,932,221	2.6%
12/31/2009	\$49,077,816	\$49,958,724	\$880,908	98.2%	\$21,870,479	4.0%
12/31/2010	\$55,342,783	\$55,874,563	\$531,780	99.0%	\$23,749,024	2.2%

Schedule of Funding Progress – Police Officers & Firefighters Retirement Plan

Expressing the actuarial value of assets available for benefits as a percentage of the AAL provides an indication of the Plans' funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plans are becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the retirement plan. Trends in assets in excess of AAL and annual covered payroll are both affected by inflation. Expressing the AAL 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 Plans, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the AAL as a factor.

All assets of the Airports Authority pension plans are held in trust at the Bank of New York Mellon. A copy of the audited financial statements, plan documents, and required supplementary information for the Plans may be obtained by written request to: Metropolitan Washington Airports Authority, Attention: Benefits Department, 1 Aviation Circle, Washington, DC 20001-6000.

Deferred Compensation Plan

The Airports Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, effective as of July 2, 1989, is available to all full-time employees and permits the deferral of a portion of regular compensation until future years. Participation in the plan is optional. The Airports Authority matches 100 percent of participant contributions up to the first 2 percent of regular compensation and matches an additional 50 percent of participant contributions between 2 percent and 4 percent of regular compensation. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The assets of the plan are held in custodial and annuity accounts for the exclusive benefit of plan participants, and accordingly, the related assets of the plan are not reflected on the Airports Authority's Statement of Net Assets. The trust agent for the plan is the Vantage Trust Company. Investments are managed for participants by the International City/County Management Association Retirement Corporation (ICMA-RC) through one of several investment options or a combination thereof. The choice of the investment option(s) is made by each participant. Amounts contributed by participants to the deferred compensation plan, along with the Airports Authority's matching contribution, totaled \$11.4 million, \$8.7 million, and \$8.2 million in the years ended December 31, 2011, 2010, and 2009, respectively



Money Purchase Pension Plan

The Airports Authority established a Money Purchase Pension Plan (MPPP) in accordance with Internal Revenue Code 401(a)(17) effective December 18, 2007. The MPPP is available to all full-time employees. Under the terms of the MPPP, the Airports Authority makes contributions on behalf of eligible employees. The amount of contributions depends on whether the employee's pension benefit under the Airports Authority's Regular Plan or the Police and Firefighter Plan is subject to compensation limitations imposed by section 401(a)(17). Eligible employees may not defer a portion of their salary into the MPPP. The Airports Authority serves as trustee of the MPPP and has entered into an agreement with the ICMA-RC to act as an investment advisor to the MPPP and to provide record keeping services for the MPPP. The Airports Authority paid \$25 thousand, \$50 thousand, and \$57 thousand into the MPPP in the years ended December 31, 2011, 2010, and 2009, respectively.

9. POST-EMPLOYMENT BENEFITS

The Airports Authority provides post-employment group healthcare, dental, and life insurance benefits for its retired employees. The Airports Authority Retired Employees Healthcare Plan (the Healthcare Plan) is a single-employer defined benefit healthcare, dental, and life insurance plan and is administered by the Airports Authority. The Healthcare Plan provides medical, dental, and life insurance benefits to eligible retirees and their dependents (the Participants). As of December 31, 2011, 398 Participants were receiving health insurance benefits under the Healthcare Plan.

The management of the Airports Authority can establish and amend benefit provisions of the Healthcare Plan. The Airports Authority created and began funding an Employee Welfare Benefits Trust (the Trust) in February 2005 in order to provide a funding mechanism for its other post employment benefit obligations.

There are no separate stand-alone financial reports for the Healthcare Plan. A copy of the plan documents may be obtained by written request to: Metropolitan Washington Airports Authority, Attention: Benefits Manager, 1 Aviation Circle, Washington, DC 20001-6000.

Contributions Required and Made

The contribution requirements of the Healthcare Plan's Participants and the Airports Authority for health and dental insurance are established and may be amended by the management of the Airports Authority. The contribution requirements are based upon projected pay-as-you-go financing requirements and funding for future benefits. The Airports Authority pays 80.0 percent of the total health and dental premiums costs, with the retirees paying the remaining 20.0 percent. For the years ended December 31, 2011 and 2010, the Airports Authority's health and dental insurance costs totaled \$4.4 million and \$3.4 million, respectively. Plan participants contributed \$888 thousand and \$748 thousand of the total premiums for the years ended December 31, 2011 and 2010, respectively. This represented 20.0 percent of the total premiums. The monthly contribution requirements for participants in the Healthcare Plan depend on several factors including provider choices, participant age, and type of benefit coverage.



Monthly Contributions for Retirees Under 65 for 2011

			Ret	iree Plus	Reti	iree Plus		
Provider Choices	Retiree	Only	S	pouse	Ch	ild(ren)	F	Family
Aetna - HMO	\$ 11	10.00	\$	230.00	\$	209.00	\$	328.00
Aetna - PPO	\$ 12	22.00	\$	255.00	\$	231.00	\$	362.00
Kaiser Permanente HMO	\$ 9	97.00	\$	203.00	\$	184.00	\$	290.00
MetLife Dental	\$ 1	14.00	\$	29.00	\$	33.00	\$	54.00

Monthly Contributions for Retirees Over 65 for 2011

		One > Age 65	Two Party	Family
Provider Choices	Retiree Only	One < Age 65	Medicare	Medicare
Aetna - HMO	\$ 97.00	\$ 219.00	\$ 192.00	\$ 348.00
Aetna - PPO	\$ 99.00	\$ 232.00	\$ 194.00	\$ 352.00
Kaiser HMO	\$ 57.00	\$ 148.00	\$ 114.00	\$ 204.00
MetLife Dental	\$ 14.00	\$ 29.00	\$ 29.00	\$ 54.00

The Airports Authority offers two life insurance options to its Participants. Under Option 1, the Airports Authority pays 100.0 percent of the Participant's basic and supplemental life insurance cost. Basic life insurance cost is reduced to 25.0 percent of the Participant'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 Participant had selected prior to retirement. Supplemental life insurance is reduced at a rate of 2.0 percent each month so that at the end of 50 months, no supplemental life insurance coverage remains in force.

Option 2 is available to Participants who retire from the Airports Authority on or after May 1, 2007. Under Option 2, the Airports Authority pays 100.0 percent of the Participant's basic life insurance cost. Basic life insurance cost is reduced to 25.0 percent of the Participant's life insurance in force at the time of retirement. Participants pay 100.0 percent of the cost of supplemental life insurance. The amount of supplemental life insurance in force remains equal to the amount that the Participant had at the time of retirement but is reduced by 50.0 percent at age 70 and another 50.0 percent at age 75.

As of December 31, 2011, 45 out of 399 retired employees had supplemental coverage, and the cost of life insurance totaled \$203 thousand. As of December 31, 2010, 34 out of 376 retired employees had supplemental insurance coverage, and the cost of life insurance for retired employees totaled \$170 thousand.

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 as well as the historical pattern of sharing the benefit costs between the employer and plan members to that point. The actual methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities (AAL), consistent with the long-term perspectives of the calculations. The actuarial value of future assets will be determined using fair market values.

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, including but not limited to future employment, mortality, and healthcare cost trends. 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 the plan assets is increasing or decreasing over time relative to the AAL for benefits. Significant actuarial assumptions used in determining the AAL are as follows:

Valuation Date	January 1, 2011
Actuarial Cost Method	Entry age, normal
Amortization Method	30-year level dollar
Assets Valuation Method	5-year smooth market
Actuarial Assumptions:	
a. Investment rate of return	7.5%
b. Mortalilty Rates	Retirement Plans 2000 Healthy Mortality Table
c. Healthcare Cost Trend Rate	10.0% initially to ultimate rate of 5.0%
d. Payroll Growth Rate (*)	6.5% to an ultimate rate of 5.5%
e. *includes inflation at	3.0%

Other Post-employment Benefit (OPEB) Costs and Obligations

The annual non-pension post-employment benefit cost is actuarially determined as is the calculation of the annual required contribution (ARC). The ARC represents the actuarially determined level of funding that, if paid on an ongoing basis, is projected to cover annual benefit costs and the 30-year open amortization of the difference between the AAL and amounts previously recognized. The following reflects the components of the 2011 annual OPEB costs, amounts paid, and changes to the net accrued OPEB obligation based on the January 1, 2011 actuarial valuation:

	Year ended December 31,							
Medical/Dental	2011	2010	2009					
Annual required contribution	\$ 10,730,000	\$ 10,560,000	\$ 9,210,000					
Interest on net OPEB obligation (asset)	20,000	(100,000)	(190,000)					
Adjustment to annual required contribution	(30,000)	110,000	200,000					
Annual OPEB cost	10,720,000	10,570,000	9,220,000					
Contributions made	10,730,000	8,837,510	8,120,921					
Change in net OPEB obligation (asset)	(10,000)	1,732,490	1,099,079					
Net OPEB obligation (asset) beginning of year	329,499	(1,402,991)	(2,502,070)					
Net OPEB obligation (asset) end of year	\$ 319,499	\$ 329,499	\$ (1,402,991)					



		31,		
Life Insurance	2011	2010	2009	
Annual required contribution	\$ 842,100	0 \$ 823,800	\$ 811,700	
Interest on net OPEB obligation (asset)	5,700	0 4,800	(5,000)	
Adjustment to annual required contribution	(6,000	0) (5,000)	5,200	
Annual OPEB Cost	841,800	0 823,600	811,900	
Contributions made	842,100	810,564	682,026	
Change in net OPEB obligation (asset)	(300	0) 13,036	129,874	
Net OPEB obligation (asset) beginning of year	76,423	3 63,387	(66,487)	
Net OPEB obligation (asset) end of year	\$ 76,123	3 \$ 76,423	\$ 63,387	

The net OPEB obligation liabilities are reported as non-current liabilities as of December 31, 2011 and 2010 in the Statement of Net Assets.

The Airport Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended December 31, 2011 and the two preceding years, were as follows:

Three-Year Trend Information - Medical Insurance

Year		Percentage of	Ν	Net OPEB
Ended	Annual OPEB	nual OPEB Annual OPEB		Obligation
December 31,	Cost	Cost Contributed		(Asset)
2009	\$ 9,220,000	88.1%	\$	(1,402,991)
2010	\$ 10,570,000	83.6%	\$	329,499
2011	\$ 10,720,000	100.1%	\$	319,499

Three-Year Trend Information - Life Insurance

Year			Percentage of	Ne	et OPEB		
Ended	Ann	ual OPEB	Annual OPEB	Ob	oligation		
December 31,		Cost	Cost Contributed	(.	(Asset)		
2009	\$	811,900	84.0%	\$	63,387		
2010	\$	823,600	98.4%	\$	76,423		
2011	\$	841,800	100.0%	\$	76,123		

Funding Status and Funding Progress

The Airports Authority began funding the Plan in 2005, and in addition to funding insurance costs for Participants, contributed \$6.1 million, \$6.2 million, and \$5.0 million for the years ended December 31, 2011, 2010, and 2009, respectively to the Trust for medical and dental insurance. The Airports Authority also contributed \$625 thousand, \$645 thousand, and \$540 thousand for the years ended December 31, 2011, 2010, and 2009, respectively, to the Trust for life insurance.



Schedule of Funding Progress - Medical Insurance

			Actuarial					UAAL as a
Actuarial	Actuarial		Accrued				Annual	Percentage
Valuation	Value	Lia	ability (AAL)	I	Unfunded	Funded	Covered	of Covered
Date	 ofAssets		Entry Age		UAAL	Ratio	 Payroll	Payroll
1/1/2005	-	\$	65,790,000	\$	65,790,000	0.0%	\$ 58,820,000	111.8%
1/1/2006	\$ 6,500,000	\$	76,080,000	\$	69,580,000	8.5%	\$ 64,100,000	108.5%
1/1/2007	\$ 13,090,000	\$	81,930,000	\$	68,840,000	16.0%	\$ 69,770,000	98.7%
1/1/2008	\$ 19,450,000	\$	85,170,000	\$	65,720,000	22.8%	\$ 68,620,000	95.8%
1/1/2009	\$ 25,190,000	\$	103,980,000	\$	78,790,000	24.2%	\$ 73,960,000	106.5%
1/1/2010	\$ 31,420,000	\$	116,870,000	\$	85,450,000	26.9%	\$ 78,170,000	109.3%
1/1/2011	\$ 38,960,000	\$	130,230,000	\$	91,270,000	29.9%	\$ 92,170,000	99.0%

Schedule of Funding Progress - Life Insurance

Actuarial Valuation	I	Actuarial Value	Actuarial Accrued pility (AAL)	T	Infunded	Funded	Covered	UAAL as a Percentage of Covered
Date	0	of Assets	Entry Age		UAAL	Ratio	Payroll	Payroll
1/1/2005			 5 200 500	.	5 200 500		 50 520 100	
1/1/2005		-	\$ 5,380,500	\$	5,380,500	0.0%	\$ 59,739,100	9.0%
1/1/2006	\$	554,100	\$ 5,941,900	\$	5,387,800	9.3%	\$ 64,148,900	8.4%
1/1/2007	\$	1,152,000	\$ 6,722,000	\$	5,570,000	17.1%	\$ 69,770,800	8.0%
1/1/2008	\$	1,711,700	\$ 6,822,000	\$	5,110,300	25.1%	\$ 68,616,300	7.4%
1/1/2009	\$	2,217,400	\$ 7,578,300	\$	5,360,900	29.3%	\$ 73,961,700	7.2%
1/1/2010	\$	2,765,800	\$ 8,161,500	\$	5,395,700	33.9%	\$ 78,171,500	6.9%
1/1/2011	\$	3,608,900	\$ 9,777,600	\$	6,168,700	36.9%	\$ 92,169,900	6.7%



10. CHANGES IN CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2011 and 2010 was as follows:

	Balance as of January 1, 2011	Transfers and Additions	Transfers and Deletions	Balance as of December 31, 2011
Capital assets not being depreciated:				
Land and other non-depreciable assets	\$ 156,407,176	\$ 56,476,729	\$ (30,153,287)	\$ 182,730,618
Construction in progress	316,349,408	216,426,643	(159,108,781)	373,667,270
Construction in progress - Dulles Metrorail project - Phase 1	1,340,698,372	648,978,197	(15),100,701)	1,989,676,569
Construction in progress - Dulles Metrorail project - Phase 2	28,531,980	47,374,182	_	75,906,162
Total capital assets not being depreciated	1,841,986,936	969,255,751	(189,262,068)	2,621,980,619
Other capital assets:				
Buildings	3,493,305,467	168,303,711	(1,194,070,579)	2,467,538,599
Systems and structures	2,885,380,436	3,982,282,699	(2,833,435,511)	4,034,227,624
Equipment	68,543,192	37,989,254	(2,730,940)	103,801,506
Motor vehicles	91,142,550	3,198,611	(36,266,272)	58,074,889
Total other capital assets	6,538,371,645	4,191,774,275	(4,066,503,302)	6,663,642,618
Less accumulated depreciation:				
Buildings	862,032,015	(34,096,462)	-	827,935,553
Systems and structures	883,152,052	254,888,134	-	1,138,040,186
Cumulative balance for change in depreciation	-	(19,453,903)	(431,665)	(19,885,568)
Equipment	52,679,743	42,649,873	(781,731)	94,547,885
Motor vehicles	80,510,808	(36,918,486)	(1,109,611)	42,482,711
Total accumulated depreciation	1,878,374,618	207,069,156	(2,323,007)	2,083,120,767
Totals	\$ 6,501,983,963	\$ 4,953,960,870	\$ (4,253,442,363)	\$ 7,202,502,470
	Balance as of	Transfers and	Transfers and	Balance as of
	January 1, 2010	Additions	Deletions	December 31, 2010
	(Restated)	(Restated)	(Restated)	(Restated)
Capital assets not being depreciated:				
Capital assets not being depreciated: Land and other non-depreciable assets	\$ 135,842,243	\$ 20,564,933	\$ -	\$ 156,407,176
	\$ 135,842,243 1,508,361,354	\$ 20,564,933 348,733,885	\$ - (1,540,745,831)	\$ 156,407,176 316,349,408
Land and other non-depreciable assets				
Land and other non-depreciable assets Construction in progress	1,508,361,354	348,733,885	(1,540,745,831)	316,349,408
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1	1,508,361,354 735,246,791	348,733,885 605,472,943	(1,540,745,831)	316,349,408 1,340,698,372
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2	1,508,361,354 735,246,791 182,629	348,733,885 605,472,943 28,349,351	(1,540,745,831) (21,362)	316,349,408 1,340,698,372 28,531,980
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated	1,508,361,354 735,246,791 182,629	348,733,885 605,472,943 28,349,351	(1,540,745,831) (21,362)	316,349,408 1,340,698,372 28,531,980
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets:	1,508,361,354 735,246,791 182,629 2,379,633,017	348,733,885 605,472,943 28,349,351 1,003,121,112	(1,540,745,831) (21,362)	316,349,408 1,340,698,372 28,531,980 1,841,986,936
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493	(1,540,745,831) (21,362) (1,540,767,193) (3,078,723) (2,158,523)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483	(1,540,745,831) (21,362) (1,540,767,193) (3,078,723)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures Equipment	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676 68,902,437	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483 1,799,278	(1,540,745,831) (21,362) (1,540,767,193) (3,078,723) (2,158,523)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436 68,543,192
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures Equipment Motor vehicles Total other capital assets Less accumulated depreciation:	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676 68,902,437 90,424,295	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483 1,799,278 1,920,949	(1,540,745,831) (21,362) (1,540,767,193) (3,078,723) (2,158,523) (1,202,694)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436 68,543,192 91,142,550 6,538,371,645
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures Equipment Motor vehicles Total other capital assets	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676 68,902,437 90,424,295	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483 1,799,278 1,920,949	(1,540,745,831) (21,362) (1,540,767,193) (3,078,723) (2,158,523) (1,202,694)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436 68,543,192 91,142,550
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures Equipment Motor vehicles Total other capital assets Less accumulated depreciation:	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676 68,902,437 90,424,295 5,122,061,382	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483 1,799,278 1,920,949 1,422,750,203	(1,540,745,831) (21,362) (1,540,767,193) (1,540,767,193) (3,078,723) (2,158,523) (1,202,694) (6,439,940)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436 68,543,192 91,142,550 6,538,371,645
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures Equipment Motor vehicles Total other capital assets Less accumulated depreciation: Buildings Systems and structures Equipment	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676 68,902,437 90,424,295 5,122,061,382 784,157,604	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483 1,799,278 1,920,949 1,422,750,203	(1,540,745,831) (21,362) (1,540,767,193) (1,540,767,193) (3,078,723) (2,158,523) (1,202,694) (6,439,940) (1,631,027)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436 68,543,192 91,142,550 6,538,371,645 862,032,015
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures Equipment Motor vehicles Total other capital assets Less accumulated depreciation: Buildings Systems and structures Equipment Motor vehicles	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676 68,902,437 90,424,295 5,122,061,382 784,157,604 757,303,724 50,065,048 78,941,434	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483 1,799,278 1,920,949 1,422,750,203 79,505,438 123,903,960 5,479,858 2,055,478	(1,540,745,831) (21,362) (1,540,767,193) (1,540,767,193) (3,078,723) (2,158,523) (1,202,694) (6,439,940) (1,631,027) 1,944,368 (2,865,163) (486,104)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436 68,543,192 91,142,550 6,538,371,645 862,032,015 883,152,052 52,679,743 80,510,808
Land and other non-depreciable assets Construction in progress Construction in progress - Dulles Metrorail project - Phase 1 Construction in progress - Dulles Metrorail project - Phase 2 Total capital assets not being depreciated Other capital assets: Buildings Systems and structures Equipment Motor vehicles Total other capital assets Less accumulated depreciation: Buildings Systems and structures Equipment	1,508,361,354 735,246,791 182,629 2,379,633,017 3,026,522,974 1,936,211,676 68,902,437 90,424,295 5,122,061,382 784,157,604 757,303,724 50,065,048	348,733,885 605,472,943 28,349,351 1,003,121,112 466,782,493 952,247,483 1,799,278 1,920,949 1,422,750,203 79,505,438 123,903,960 5,479,858	(1,540,745,831) (21,362) (1,540,767,193) (1,540,767,193) (3,078,723) (2,158,523) (1,202,694) (6,439,940) (1,631,027) 1,944,368 (2,865,163)	316,349,408 1,340,698,372 28,531,980 1,841,986,936 3,493,305,467 2,885,380,436 68,543,192 91,142,550 6,538,371,645 862,032,015 883,152,052 52,679,743

Depreciation expense was incurred by the Business-Type Activities of the Airports Authority during the fiscal years as follows:

	2011			10 (Restated)
Aviation Enterprise Fund	\$	206,852,851	\$	210,830,619
Dulles Corridor Enterprise Fund		216,305		114,116
Total Depreciation Expense	\$	207,069,156	\$	210,944,735

The Airports Authority had active capital asset construction and development projects as of December 31, 2011. Within the Aviation Enterprise Fund the Enterprise Resource Planning system was implemented authority-wide. In addition, at Reagan National, the overlay on runway 1/19 was completed. At Dulles International, completed projects include the rehabilitation of concourse C/D and the International Arrivals Buildings expansion Phase 3. The Airports Authority also had in development as of December 31, 2011 modifications for the south baggage basement in-line baggage screening at Dulles International. As of December 31, 2011, the Aviation Enterprise Fund's commitments with contractors for capital asset construction and development projects were \$119.2 million.

Within the Dulles Corridor Enterprise Fund, these projects included the Dulles Metrorail Project, Phases 1 and 2, an Interstate 495 interchange ramp, and other Dulles Corridor mobility and capacity improvements. As of December 31, 2011, the Dulles Corridor Enterprise Fund's commitments with contractors for capital asset construction and development projects were \$960.7 million.

Services for the above amounts had not been provided as of December 31, 2011, and accordingly, no liability has been recorded in the accompanying financial statements. Construction projects are financed by revenue bonds secured by aviation and toll road revenues, passenger facility charges, and grants.

With the implementation of a new financial system in 2011, life-to-date accumulated depreciation was recalculated for all Airports Authority's capital assets. This recalculation resulted in a \$19.9 million addition to the balance of accumulated depreciation, primarily as a result of changes in prospective depreciation adjustments and estimates of useful lives. This *cumulative balance for change in depreciation* will be amortized over a future period consistent with the useful lives of the related capital assets.

11. ACCOUNTS PAYABLE

A detail of accounts payable and accrued expenses as of December 31, 2011 and 2010 follows:

	As of December 31,			
	2011	2010 (Restated)		
Trade accounts payable and accruals	\$ 173,407,527	\$ 183,319,532		
Accrued compensation and benefits	12,253,986	12,839,936		
Current portion of claims	2,619,305	2,820,687		
Security deposits	1,239,180	1,364,394		
Total accounts payable and accrued expenses	\$ 189,519,998	\$ 200,344,549		



12. LEASE COMMITMENTS

Property Held for Lease

The Airports Authority has entered into various operating leases with tenants for the use of space at the Airports Authority's facilities, including buildings, terminals, and airfield areas.

Leases with minimum annual guarantee provisions provide for minimum lease amounts as well as contingent fees based on the tenants' volume of business at the Airports. These leases have various lease terms, may include provisions for annual increases in the minimum annual guarantee amounts, and may be reviewed periodically to ensure compliance with payments of the contingent fees and other terms of the leases. Most concession leases at the Airports have minimum annual guarantee provisions.

The Use and Lease Agreement (See Note 3 – Airport Use Agreement and Premises Lease) provides for terminal and other facility and space rentals by the airlines at the Airports. Airlines that have signed the Use and Lease Agreement are responsible for full cost recovery plus debt service coverage for these facilities until the termination date of the Use and Lease Agreement. The Use and Lease Agreement is scheduled to terminate on September 30, 2014, subject to annual cancellation rights at the option of the Airports Authority. For purposes of calculating future minimum rents under the terms of the Use and Lease Agreement, estimates of future costs and debt service coverage have been used.

The Airports Authority has also entered into various fixed rate lease agreements with tenants for facilities and space at the Airports. These leases have various lease terms and usually include provisions for annual rent increases.

Minimum future rentals scheduled to be received on operating leases that have initial or remaining non-cancelable terms in excess of one year, as calculated in 2011 dollars, are:

Year ending	Min	imum Annual	Ai	rline Terminal	Fixed Rate		
December 31,	Guar	anteed Leases		Leases	 Leases		Total
2012	\$	62,654,133	\$	272,216,000	\$ 26,648,162	\$	361,518,295
2013		31,730,832		281,497,000	19,753,674		332,981,506
2014		21,857,251		215,550,000	16,190,918		253,598,169
2015		18,212,222		-	16,377,802		34,590,024
2016		6,596,915		-	6,777,153		13,374,068
2017 and thereafter		79,715,846		-	 109,940,660		189,656,506
Total minimum future rentals	\$	220,767,199	\$	769,263,000	\$ 195,688,369	\$	1,185,718,568

The above amounts do not include contingent rentals and fees in excess of minimums, which amounted to \$24.5 million and \$22.3 million for the years ended December 31, 2011 and 2010, respectively. Total income from leases, including minimum annual guarantees and contingent rentals and fees, totaled \$390.0 million and \$338.5 million for the years ended December 31, 2011 and 2010, respectively.



Property Leased from Others

The Airports Authority has an 80 year lease (the Federal Lease), with negotiable extensions, with the United States Government for the Airports. This lease is due to expire on June 6, 2067. The lease requires an annual inflation-adjusted base amount and interest earned on funds reserved monthly in a lease payment reserve account to be paid on a semi-annual basis. The Airports Authority invests the monthly lease payments in repurchase agreements or certificates of deposit. The payments to the United States Government, including interest, totaled \$5.2 million and \$5.1 million respectively, for the years ended December 31, 2011 and 2010.

The Airports Authority has entered into a non-cancellable office space leases in Vienna, Virginia. This office lease, as amended, is for 26,084 rentable square feet and 5,949 rentable square feet, with expiration dates of July 31, 2013 and February 28, 2014, respectively.

Minimum future rentals scheduled to be paid on the operating leases in effect on December 31, 2011, as calculated in 2011 dollars, are:

Year ending		Federal	Of	fice Space	
December 31,	Lease I		Lease	 Total	
2012	\$	5,180,558	\$	1,418,464	\$ 6,599,022
2013		5,180,558		948,333	6,128,891
2014		5,180,558		75,605	5,256,163
2015		5,180,558		-	5,180,558
2016		5,180,558		-	5,180,558
2017 and thereafter		264,208,454		-	 264,208,454
Total minimum future rentals	\$	290,111,244	\$	2,442,402	\$ 292,553,646

Total rental expense for the years ended December 31, 2011 and 2010 was \$5.2 million and \$5.1 million, respectively. The 2011 and 2010 capitalized expenditures related to the office space lease totaled \$1.2 million and \$0.9 million, respectively.



13. CHANGES IN NON-CURRENT NON-DEBT LIABILITIES

Activity for non-current liabilities, other than for capital debt, for the years ended December 31, 2011 and 2010 was as follows:

	Activity	during year end	1, 2011	As of December 31, 2011			
	Beginning		Ending	Due Within	Due After		
	Balance	Additions	Reductions	Balance	One Year	One Year	
Compensated absences	\$ 8,185,530	\$ 9,662,946	\$ 9,516,583	\$ 8,331,893	\$ 7,085,513	\$ 1,246,380	
Claims ¹	5,282,245	1,879,178	2,086,186	5,075,237	2,619,306	2,455,931	
Lease obligations	314,200	-	97,827	216,373	131,087	85,286	
Construction retainage	15,124,144	416,077	-	15,540,221	-	15,540,221	
Net OPEB obligation ²	405,922	-	10,300	395,622	-	395,622	
Deferred rent revenue	787,080			787,080		787,080	
	\$ 30,099,121	\$ 11,958,201	\$11,710,896	\$30,346,426	\$ 9,835,906	\$ 20,510,520	

	Activity	v during year end	1, 2010	As of December 31, 2010			
	Beginning		Ending	Due Within	Due After		
	Balance	Additions	Reductions	Balance	One Year	One Year	
Compensated absences	\$ 7,555,129	\$ 10,070,047	\$ 9,439,646	\$ 8,185,530	\$ 6,920,360	\$ 1,265,170	
Claims ¹	5,584,701	2,531,808	2,834,264	5,282,245	2,820,687	2,461,558	
Lease obligations	379,736	-	65,536	314,200	100,304	213,896	
Construction retainage	15,000,000	124,144	-	15,124,144	-	15,124,144	
Net OPEB obligation ²	63,387	342,535	-	405,922	-	405,922	
Deferred rent revenue	793,241		6,161	787,080	-	787,080	
	\$ 29,376,194	\$ 13,068,534	\$12,345,607	\$30,099,121	\$ 9,841,351	\$ 20,257,770	

¹See Note 19 - Risk Management²See Note 9 - Post-Employment Benefits

14. DERIVATIVES

In 2001, the Airports Authority began a risk management program to assist in managing the interest cost on outstanding and future debt. The Airports Authority has entered into a number of interest rate swap agreements (collectively, the Swap Agreements) to hedge against potential future increases in interest rates. All of the Airports Authority's Swap Agreements were entered into in connection with the planned issuance of variable rate debt and represent floating-to-fixed rate agreements. The agreements were written on a forward-starting basis to either hedge future new money bonds or to synthetically advance refund bonds that could not be advance refunded on a conventional basis because of their tax status.

Based on the Swap Agreements, the Airports Authority owes interest calculated at a notional amount multiplied by a fixed rate to the counterparties. In return, the counterparties owe the Airports Authority interest, based on the notional amount multiplied by a variable rate equal to 72 percent of the 1-month London International Bank Offered Rate (LIBOR). The variable rate received from the counterparties is intended to closely correlate to the interest rate the Airports Authority pays on the underlying variable rate debt. Only the net difference in interest payments is actually exchanged with the counterparties, while the Airports Authority continues to pay interest to



the bondholders at the variable rate provided by the bonds associated with the swap. During the term of the Swap Agreement, the Airports Authority pays or receives the difference between the fixed rate on the swaps and 72 percent of the 1-month LIBOR.

The chart below provides summary information with respect to the Airports Authority's Swap Agreements:

Trade Date	Effective Date	Counterparty	Ratings ¹		Original Notional Amount		utstanding ional Amount	Hedged Series	Termination Value ²		Fixed Rate
			-								
07/31/01	08/29/02	Bank of America, N.A.	A2/A/A+	\$	80,590,000	\$	51,660,000	2011A-2	\$	(9,395,591)	4.445%
06/15/06	10/01/09	J.P. Morgan Chase Bank	Aa1/A+/AA-		190,000,000		183,999,167	2011A-3		(61,679,555)	4.099%
06/15/06	10/01/09	Bank of America, N.A.	A2/A/A+		110,000,000		106,525,834	2009D/2010C-2		(35,631,785)	4.099%
06/15/06	10/01/10	Wells Fargo Bank, N.A.	Aa3/AA-/AA-		170,000,000		167,392,200	2010D		(57,733,964)	4.112%
05/13/05	10/01/11	Wells Fargo Bank, N.A.	Aa3/AA-/AA-		125,000,000		125,000,000	2011A-1		(35,974,508)	3.862%
			Total	\$	675,590,000	\$	634,577,201		\$	(200,415,403)	

¹ Long-term ratings of Moody's, S&P, and Fitch, respectively, as of December 31, 2011.

² Amounts as of December 31, 2011; A negative value represents a payment by the Airports Authority to the counterparty if the swap is terminated in the current market; a positive value represents a receipt by the Airports Authority if the swap is unwound in the current market.

As shown in the table above, the Airports Authority had five live Swap Agreements associated with various series of variable rate debt (hedging derivative instruments) as of December 31, 2011.

GASB 53, Accounting and Financial Reporting for Derivative Instruments

Beginning in 2008, the Airports Authority implemented GASB 53, *Accounting and Financial Reporting for Derivative Instruments*. According to GASB 53, all of the Aviation Enterprise's forward-starting swap transactions and those swap transactions associated with issued debt were determined to be ineffective in 2008 and are recognized at fair value on the Statements of Revenue, Expenses and Changes in Net Assets. GASB 53 requires that if a derivative instrument is found to be ineffective in the first reporting period, evaluation of effectiveness in subsequent reporting periods should not be performed. Therefore, since all of the Airports Authority's derivatives were found to be ineffective at the end of December 31, 2008, hedge accounting ceased permanently, and the changes in the value of the instruments are reported in the Statements of Revenue, Expenses and Changes in Net Assets as a fair value gain or (loss).

Derivative Fair Value Summary

For the years ended December 31, 2011 and 2010, all of the Airports Authority's interest rate swaps were recognized on the Statements of Revenue, Expenses and Changes in Net Assets in liabilities at fair value. The fair value of the swaps on December 31, 2011 and 2010 was a loss of \$200.4 million and \$104.2 million, respectively. This represents the maximum loss that would be recognized if all counterparties failed to perform as contracted. The change in fair value of the Airports Authority's swaps in 2011 and 2010 was a fair value loss of \$96.2 million and a fair value loss of \$35.0 million, respectively. Changes in the fair value of the Airports Authority's swaps are recorded as fair value gains or losses on the Statements of Revenue, Expenses and Changes in Net Assets. In addition, net interest payments to the counterparties are recorded in the financial statements.



Effective Date			Outstanding Notional Amount Maturity			Fair Value as of 12/31/2011		ir Value as of 12/31/2010	Change in Fair Value	
2002	Bank of America, N.A.	\$	51,660,000	2021	\$	(9,395,591)	\$	(7,874,294)	\$	(1,521,297)
2009	J.P. Morgan Chase Bank		183,999,167	2039		(61,679,555)		(32,431,473)		(29,248,082)
2009	Bank of America, N.A.		106,525,834	2039		(35,631,785)		(18,904,829)		(16,726,956)
2010	Wells Fargo Bank, N.A.		167,392,200	2040		(57,733,964)		(30,333,346)		(27,400,618)
2011	Wells Fargo Bank, N.A.		125,000,000	2039		(35,974,508)		(14,621,544)		(21,352,964)
Total		\$	634,577,201		\$	(200,415,403)	\$	(104,165,486)	\$	(96,249,917)

The fair value of the Airports Authority's swaps as of December 31, 2011, and 2010 was as follows:

Debt Derivative Rating

Standard & Poor's (S&P) has assigned the Airports Authority an overall Debt Derivative Profile of '1' on a scale of '1' to '4' with '1' representing lowest risk and '4' representing the highest risk.

Risks

Credit Risk – The Airports Authority is exposed to the creditworthiness of the swap counterparties. To manage this risk, the Airports Authority will only enter into Swap Agreements with counterparties having a rating of at least 'A.'

The Airports Authority's Swap Agreements do not require the Airports Authority to post collateral for any reason. The counterparties to the swaps are required to post collateral if their credit ratings fall below Aa3/AA-but only if the fair values of the swaps are positive, or in the Airports Authority's favor. As of December 31, 2011, all outstanding swap fair values were negative, or in the counterparty's favor, so no collateral has been posted.

The Airports Authority does not enter into any master netting agreements.

Interest Rate Risk – The Airports Authority is exposed to interest rate risk on its swaps. On its pay-fixed, received-variable interest rate swaps, as LIBOR decreases, the Airports Authority's net payment on the swap increases.

Basis Risk – The Airports Authority may be exposed to basis risk when the payments received from a counterparty are not sufficient to completely offset the debt service payments on the underlying variable rate bonds. As of December 31, 2011, the weighted average interest rate on the Airports Authority's hedged variable-rate debt was 0.74 percent, and 72 percent of LIBOR was 0.20 percent.

Termination Risk – The Airports Authority or its counterparties may terminate a swap if the other party fails to perform under the terms of the contract. In the event that the swap is terminated prior to maturity, the Airports Authority may owe a make-whole termination payment to a counterparty or receive a termination payment from a counterparty that could be substantial.

Tax Risk – The Airports Authority is exposed to the risk that future tax law changes or trading relationships lead to an increase in the ratio of tax-exempt to taxable yields.



15. CAPITAL DEBT

The Airports Authority issues taxable and tax-exempt debt. The Internal Revenue Service (IRS) has set up rules for the investment of bond proceeds of tax-exempt debt limiting the interest arbitrage that can be earned. All of the Airports Authority's tax-exempt debt follows the IRS rules for calculation and rebate of arbitrage. As of December 31, 2011 and 2010, the Airports Authority had liabilities of \$72 thousand and \$0, respectively, for arbitrage.

Recent Bond Issues

In September 2011, the Airports Authority's Aviation Enterprise Fund issued \$637 million of Series 2011A-D Bonds.

The Series 2011A Alternative Minimum Tax (AMT) Airport System Revenue and Refunding Bonds' par amount was \$233.6 million. The Series 2011A Bonds were sold to Wells Fargo Bank, PNC Bank, and Union Bank as direct funded indexed obligations. The proceeds were used to pay a portion of the costs of certain Capital Construction Program (CCP) projects, refund a portion of outstanding Commercial Paper One Notes (CP Notes), refund a portion of the Series 2002C Bonds, refund total outstanding Series 2009A Bonds, fund capitalized interest, fund applicable debt service reserve funds, and pay the cost of issuing the bonds. All of the Series 2011A Bonds are hedged by interest rate swap agreements; Series 2011A-1 Bonds are hedged by the 2011 Swap Agreement, Series 2011A-2 are hedged by the 2002 Swap Agreement, and Series 2011A-3 are hedged by a portion of the 2009 Swap Agreement.

The *Series 2011B Non-AMT Airport System Revenue and Refunding Bonds*' par amount was \$207.6 million. The Series 2011B bonds were sold to Citibank as direct funded indexed obligations. The proceeds were used to pay a portion of the costs of certain CCP projects, refund a portion of the Series 2002C Bonds, fund capitalized interest, fund applicable debt service reserve funds, and pay the cost of issuing the bonds.

The Series 2011C AMT Airport System Revenue Refunding Bonds' par amount was \$185.4 million. The proceeds were used to refund the Series 1998B Bonds, refund a portion of the Series 2001A Bonds, fund applicable debt service reserve funds, and pay the cost of issuing the bonds. On September 29, 2011, \$165.7 million of Series 2001A Bonds maturing 2012-2027 and \$30.2 million of outstanding Series 1998B bonds maturing 2026-2028 were refunded. The Airports Authority's present value savings of this refunding was \$19.4 million. The Airports Authority will realize cash flow savings of \$18.8 million with this transaction. The portion of the 2001A Bonds was redeemed at a price of 101.0 percent plus accrued interest. The outstanding Series 1998B Bonds were redeemed at a price of 100.0 percent plus accrued interest.

The Series 2011D Non-AMT Airport System Revenue Refunding Bonds' par amount was \$10.4 million. The proceeds were used to refund the Series 2001B Bonds, fund applicable debt service reserve funds, and pay the cost of issuing the bonds. On September 29, 2011, \$11.4 million of Series 2001B Bonds maturing 2012-2031 were refunded. The Airports Authority's present value savings of this refunding was \$1.2 million, and the Airports Authority will realize cash flow savings of \$1.5 million with this transaction. The bonds were redeemed at a price of 101.0 percent plus accrued interest.



Ratings

The Airports Authority's underlying ratings as of December 31, 2011 are depicted in the table below:

				Rating
			Rating	Moody's / S&P / Fitch
Enterprise Fund	Mode	Lien Position	Moody's / S&P ¹ / Fitch	Enhanced
Aviation	Fixed	Senior	Aa3 / AA- / AA-	
Aviation	Variable, CP ²	Senior	P-1 / A-1+ / F1+	
Aviation	Variable, VRDO ^{3,4}	Senior	Aa1/VMIG1 AAA/A-1+ AAA/F1+	
Aviation	Variable, Index Floaters ⁵	Senior	Aa3 / AA- / NR	
Dulles Corridor	Fixed	First Senior	A2 / A / NR	
Dulles Corridor	Fixed	Second Senior	Baa1 / BBB+ / NR	Aa2 / AAA / NR
Dulles Corridor	Fixed	Subordinate	Baa2 / BBB / NR	
Dulles Corridor	Variable, CP	Second Senior	P-1 / A-1+ / NR	

¹LBBW has requested that S&P withdraw their ratings on the CP One Notes

² Includes CP One and Two Notes

³ Includes Series 2003D, 2009D, and 2010C Bonds

⁴ Joint Default Analysis with Moody's, Joint Criteria Rating with S&P, Dual Party Pay Criteria with Fitch

⁵ Direct Funded Indexed Obligations, Series 2010D, 2011A (S&P rated) and 2011B (Moody's & S&P rated) Bonds

Interim Financing Instruments

<u>Aviation Enterprise Fund's Commercial Paper Notes</u>. On May 2, 2001, the Airports Authority Board adopted Resolution No. 01-6 allowing the issuance of CP Notes for the Aviation Enterprise Fund in a not-to-exceed amount of \$500.0 million. The principal purpose of the CP Notes is to pay or provide for certain capital improvements at the Airports or to refund other forms of indebtedness principal and interest. The Airports Authority had two credit facilities in place as of December 31, 2011 and 2010 to support the issuance of up to \$271 million in CP Notes for the Aviation Enterprise Fund at any given time.

The CP Notes are structured as Short-term Demand Obligations under the Amended and Restated Eleventh Supplemental Indenture and the Twenty-second Supplemental Indenture. They are collateralized by certain pledged funds, including Net Revenues on parity with the bonds. They are further collateralized by irrevocable direct pay letter of credit (LoC) facilities. The Airports Authority's obligation to repay amounts drawn under such LoCs is collateralized by a promissory note issued by the Airports Authority to each provider.

The CP Notes are issued in two series:

<u>Series One CP Notes.</u> The issuance of up to \$250 million of the Series One CP Notes was authorized in 2004, and amended in 2005, 2007, 2010 and 2011. As noted above, the Series One CP Notes are further collateralized by an irrevocable direct pay LoC issued by JP Morgan Chase Bank, which expires in March 2014. As of December 31, 2011, \$17.5 million of the Series One CP Notes was outstanding. The proceeds are being used to provide interim financing for authorized projects at Reagan National and Dulles International Airports.

<u>Series Two CP Notes</u>. The issuance of up to \$21 million of Series Two CP Notes was authorized in 2005 and amended in 2007, 2009 and 2011. The CP Notes are further collateralized by an irrevocable direct pay LoC issued by Landesbank Baden-Wurttemberg (LBBW), acting through its New York Branch. The LOC expires in



December 2015. As of December 31, 2011, the Airports Authority had \$21.0 million Series Two CP Notes outstanding.

	Series One	Series Two	Total
Balance as of December 31, 2009	\$ 90,000,000	\$ 125,000,000	\$ 215,000,000
Commercial Paper Notes Refunded	(130,000,000)	(86,500,000)	(216,500,000)
Commercial Paper Notes Issued	60,000,000		60,000,000
Balance as of December 31, 2010	\$ 20,000,000	\$ 38,500,000	\$ 58,500,000
Commercial Paper Notes Refunded	(50,000,000)	(17,500,000)	(67,500,000)
Commercial Paper Notes Issued	47,500,000		47,500,000
Balance as of December 31, 2011	\$ 17,500,000	\$ 21,000,000	\$ 38,500,000

<u>Dulles Corridor Enterprise Fund's Commercial Paper Notes</u>. On June 8, 2011, the Airports Authority Board adopted Resolution No. 11-16 allowing the issuance of CP Notes for the Dulles Corridor Enterprise Fund in a not-to-exceed amount of \$300.0 million. The principal purpose of the CP Notes is to provide funds to finance the costs of the Dulles Metrorail Project and certain Capital Improvements Program (CIP) projects, refund other forms of indebtedness principal and interest and fund costs of issuance of the CP Notes.

The CP Notes are structured as Short-term Demand Obligations under the Seventh Supplemental Indenture. They are collateralized by certain pledged funds, including Net Revenues on parity with the bonds. They are further collateralized by irrevocable direct pay LoC facilities. The Airports Authority's obligation to repay amounts drawn under such LoCs is collateralized by a promissory note issued by the Airports Authority.

<u>Series CP One Notes.</u> The CP Notes are further collateralized by an irrevocable direct pay LoC issued by J.P. Morgan Chase Bank, National Association. The LOC expires in August 2014. As of December 31, 2011, the Airports Authority had \$0.55 million Series One CP Notes outstanding.

	Series One	Total
Balance as of December 31, 2010	\$ -	\$ -
Commercial Paper Notes Refunded	-	-
Commercial Paper Notes Issued	550,000	550,000
Balance as of December 31, 2011	\$ 550,000	\$ 550,000

Bonds Payable

<u>Aviation Enterprise Fund.</u> A Master Indenture of Trust was created in 1990 to secure Airport System Revenue Bonds issued by the Aviation Enterprise of the Airports Authority. This 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 Airports 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 Airports Authority's investments. Under this amended Master Indenture, all bonds are collateralized by a pledge of Net Revenues of the Airports Authority which is "senior" to the "subordinated" pledge given by the Airports Authority in connection with the issuance of its bonds prior to 1990.



The Aviation Enterprise Fund's long-term bonds issued and outstanding as of December 31, 2011 and 2010 were as follows:

BONDS PAYABLE - AVIATION ENTERPRISE FUND

			Issue	Interest	Maturing on		Outstanding a	t December 31,
			Date	Rates	October 1	Amount	2011	2010
Series	1998B	Revenue & Refunding Bonds	06/15/98				¢	¢ 20.210.000
Series	2001A	Revenue Bonds Term	04/01/01	5.000%	2031	\$67,820,000	\$ - 67,820,000	\$ 30,210,000 239,970,000
Series	2001B	Revenue Bonds	04/01/01					
							-	11,370,000
Series	2002A	Revenue Bonds Serial Term Term	06/04/02	4.500% -5.750% 5.125% 5.250%	2012-2022 2026 2032	\$72,895,000 38,780,000 75,075,000		
							186,750,000	191,480,000
Series	2002B	Revenue Bonds Serial	06/04/02	4.300%-4.300%	2012	\$650,000	650,000	1,275,000
Series	2002C	Refunding Bonds	08/28/02					
							-	182,270,000
Series	2002D	Refunding Bonds Serial Term Term	08/28/02	4.000% -5.375% 5.000% 5.000%	2012-2020 2023 2032	\$27,240,000 12,270,000 49,685,000		
							89,195,000	91,565,000
Series	2003A	Revenue & Refunding Bonds Serial Term Term	10/01/03	4.000% -5.500% 5.125% 5.000%	2012-2025 2029 2033	\$79,900,000 34,935,000 42,590,000		
							157,425,000	161,375,000
Series	2003B	Refunding Bonds Serial	10/01/03	3.900% -5.250%	2012-2019	\$26,370,000	26,370,000	29,075,000
Series	2003C	Revenue & Refunding Bonds Serial Term Term	10/01/03	5.020% -5.390% 5.740% 6.000%	2012-2015 2019 2023	\$10,460,000 12,935,000 12,880,000	26.275.000	20.202.000
							36,275,000	38,585,000
Series	2003D-1	Revenue Bonds Term	10/01/03	Variable (0.140%) ¹	2012-2033	\$64,825,000	64,825,000	66,350,000
Series	2004A	Refunding Bonds Term Serial	08/26/04	3.750% 4.50%-5.000%	2014 2015-2022	\$30,000 13,510,000		
							13,540,000	13,550,000



BONDS PAYABLE – AVIATION ENTERPRISE FUND (continued)

			Issue Interest		Maturing on			Outstanding at December 31,				
			Date	Rates	October 1	Amount		2011		2010		
Series	2004B	Revenue Bonds Serial	05/18/04	5.000%	2027	\$25,000,000						
		Serial		5.050%	2028	7,330,000						
		Term		5.000%	2034	212,670,000	\$	245,000,000	\$	245,000,000		
							\$	245,000,000	Ф	245,000,000		
Series	2004C-1	Refunding Bonds	07/07/04									
		Serial		5.000%	2020-2021	\$31,300,000						
								31,300,000		31,300,000		
Series	2004C-2	Revenue Bonds	08/12/04			+ 						
		Term		5.000%	2022	\$32,400,000						
		Serial		5.000%	2023-2024	61,690,000		94,090,000		94,195,000		
Series	2004D	Refunding Bonds	08/26/04	4 1000/ 5 2500/	2012 2010	¢1.c9.0 7 0.000						
		Serial		4.100%-5.250%	2012-2019	\$168,070,000		168,070,000		184,875,000		
Carian	2005 4	Devenue Develo	04/12/05									
Series	2005A	Revenue Bonds Serial	04/12/05	4.375% -5.250%	2012-2020	\$91,655,000						
		Term		4.750%	2035	22,290,000						
		Term		5.000%	2035	149,740,000						
								263,685,000		272,410,000		
Series	2005B	Refunding Bonds	04/12/05									
		Serial		3.625%-5.250%	2012-2020	\$18,120,000		18,120,000		19,775,000		
Sorias	2005C	Revenue Bonds	04/12/05									
Selles	2005C	Serial	04/12/05	5.590%	2025	\$8,315,000						
		Serial		5.690%	2030	9,350,000						
		Serial		5.730%	2035	12,335,000		30,000,000		30,000,000		
								30,000,000		50,000,000		
Series	2005D	Revenue Bonds	10/12/05	5 0000/	2021 2022	\$7 650 000						
		Serial		5.000%	2021-2023	\$7,650,000		7,650,000		7,650,000		
Series	2006A	Revenue Bonds	01/25/06									
		Serial		4.750%	2030	\$12,500,000						
		Term		5.000%	2032	81,555,000						
		Term		5.000%	2035	150,945,000		245,000,000		245,000,000		
Somiar	2006B	Revenue Bonds	12/06/06					. /				
Series	20000	Serial	12/00/00	4.550%	2031	\$59,020,000						
		Serial		5.000%	2031	37,030,000						
		Term		5.000%	2036	279,270,000						
								375,320,000		375,320,000		
Series	2006C	Refunding Bonds	12/06/06									
		Serial Term		3.750% -5.000% 4.375%	2012-2026 2032	\$24,585,000						
		Tellii		4.373%	2052	11,595,000		36,180,000		36,765,000		
								20,100,000		20,702,000		



BONDS PAYABLE - AVIATION ENTERPRISE FUND (continued)

			Issue Date	Interest Rates	5		Outstanding at I 2011	Decemb	er 31, 2010
Series	2007A	Refunding Bonds Serial	07/03/07	4.750%-5.000%	2012-2023	\$134,495,000	\$ 134,495,000	\$	142,540,000
Series	2007B	Revenue Bonds Serial Serial Term Term	09/27/07	4.000%-5.000% 4.750% 5.000% 5.000%	2012-2027 2032 2032 2035	\$351,010,000 1,150,000 67,225,000 13,420,000	432,805,000		444,670,000
Series	2008A	Revenue Bonds Serial	06/24/08	4.100%-5.750%	2012-2029	\$229,965,000	229,965,000		229,965,000
Series	2009A	Revenue Bonds	04/01/09				-		58,295,000
Series	2009B	Revenue Bonds Serial Term Term	04/01/09	3.000%-5.250% 5.000% 5.000%	2012-2026 2029 2029	\$168,530,000 31,450,000 31,455,000	231,435,000		234,150,000
Series	2009C	Revenue Bonds Serial Term Term Term	07/02/09	3.000%-5.125% 5.125% 5.125% 5.625%	2012-2031 2034 2039 2039	\$171,755,000 43,405,000 34,125,000 55,000,000	304,285,000		309,435,000
Series	2009D-1-2	Revenue Bonds Term	07/02/09	Variable (4.099%) ²	2012-2039	\$132,505,000	132,505,000		134,715,000
Series	2010A	Revenue Bonds Serial Term Term Term	07/28/10	3.000% -5.000% 4.625% 5.000% 5.000%	2012-2030 2035 2035 2039	\$202,665,000 5,100,000 87,305,000 49,505,000	344,575,000		348,400,000
Series	2010B	Revenue Refunding Bonds Serial	07/28/10	3.000%-5.000%	2012-2030	\$217,720,000	217,720,000		229,005,000
Series	2010C-1-2	Revenue Refunding Bonds Term Term	09/22/10	Variable C-1 (0.090%) ³ Variable C-2 (4.099%) ⁴	2033 2039	\$62,445,000 103,250,000	165,695,000		170,000,000
Series	2010D	Revenue Bonds Term	09/22/10	Variable (4.112%) ⁵	2040	\$167,390,000	167,390,000		170,000,000



BONDS PAYABLE – AVIATION ENTERPRISE FUND (continued)

			Issue Date	Interest Rates	Maturing on October 1	Amount	Outstanding at 2011	Decemb	per 31, 2010
Series	2010F-1	Revenue Refunding Bonds Serial	11/17/10	3.410% -4.500%	2020-2031	\$61,820,000	\$ 61,820,000	\$	61,820,000
Series	2011A-1-2-3	Revenue & Refunding Bonds	09/21/11	Variable A-1 (3.862%) ⁶ Variable A-2 (4.445%) ⁷ Variable A-3 (4.099%) ⁸	2012-2039	\$233,635,000	233,635,000		-
Series	2011B	Revenue & Refunding Bonds	09/21/11	Variable (0.650%) ⁹	2012-2041	\$207,640,000	207,640,000		-
Series	2011C	Revenue Refunding Bonds Serial	09/29/11	2.000%-5.000%	2012-2028	\$185,390,000	185,390,000		-
Series	2011D	Revenue Refunding Bonds Serial	09/29/11	2.000%-5.000%	2012-2031	\$10,385,000	10,385,000		-

Plus (Less) unamortized discount/premium, net	\$ 5,217,005,000 13,352,202	\$ 5,132,360,000 14,775,825
Total Aviation Enterprise Debt	\$ 5,230,357,202	\$ 5,147,135,825

- 1 Interest rates on Series 2003D-1 are reset weekly by the Remarketing Agent. As of 12/31/11, the rate was 0.140%.
- ² Interest rates on Series 2009D-1 are reset weekly, and interest rates on Series 2009D-2 are reset daily by the Remarketing Agent. The Bonds are hedged with a Swap Agreement at a fixed rate of 4.099%. Refer to Note 14 for information on the Airports Authority's swaps.
- ^{3, 4} Interest rates on Series 2010C-1 are reset every two days, and rates on Series 2010C-2 are reset weekly by the Remarketing Agent. As of 12/31/11, the rate on Series 2010C-1 was 0.090%. The 2010C-2 Bonds are hedged with a Swap Agreement.
- ⁵ Interest rates on Series 2010D are reset weekly by the Remarketing Agent. The Bonds are hedged with a Swap Agreement at a fixed rate of 4.112%. Refer to Note 14 for information on the Airports Authority's swaps.
- ^{6,7,8} Interest rates on Series 2011A-1-2-3 Bonds are calculated weekly using 72% of the 1-month LIBOR Index Rate plus a spread of .82% rounded to five decimal points. As of 12/31/11, the rate was 0.99676%. The 2011A-1 Bonds are hedged with a Swap Agreement at a fixed rate of 3.862%. The 2011A-2 Bonds are hedged with a Swap Agreement at a fixed rate of 4.445%. The 2011A-3 Bonds are hedged with a Swap Agreement at a rate of 4.099%. Refer to Note 14 for information on the Airports Authority's swaps.
 - ⁹ Interest rates on the 2011B Bonds are calculated weekly using the 1-month SIFMA Index Rate plus a spread of .55%. As of 12/31/11, the rate was 0.65000%.

Source: Airports Authority Records



Changes to the Aviation Enterprise Fund's Bonds Payable balances during 2011 and 2010 were as follows:

Balance as of	December 31, 2009	(Restated)		\$4,880,247,581
Bonds Issued				
Series	2010A	Revenue Bonds	348,400,000	
Series	2010B	Revenue Refunding Bonds	229,005,000	
Series	2010C	Revenue Bonds	170,000,000	
Series	2010D	Revenue Refunding Bonds	170,000,000	
Series	2010F-1	Revenue Refunding Bonds	61,820,000	
		C	i	979,225,000
Bonds Refund	ed			
Series	1998B	Revenue & Refunding Bonds	(157,615,000)	
Series	1999A	Revenue Refunding Bonds	(85,195,000)	
Series	2003D	Revenue Bonds	(66,175,000)	
Series	2004B	Revenue Bonds	(5,000,000)	
Series	2004C	Revenue Bonds	(30,600,000)	
Series	2004D	Refunding Bonds	(1,010,000)	
Series	2005A	Revenue Bonds	(9,715,000)	
Series	2006A	Revenue Bonds	(55,000,000)	
Series	2006B	Revenue Bonds	(24,680,000)	
Series	2007B	Revenue Bonds	(52,885,000)	
Series	2008A	Revenue Bonds	(20,035,000)	
Series	2009A	Revenue Bonds	(102,365,000)	
				(610,275,000)
Principal Payn	nents			(107,130,000)
Change in Una	amortized Discount/	Premium		5,068,244
Balance as of	December 31, 2010) (Restated)		\$5,147,135,825
Bonds Issued				
Series	2011A-1-2-3	Revenue & Refunding Bonds	233,635,000	
Series	2011B	Revenue & Refunding Bonds	207,640,000	
Series	2011C	Revenue Refunding Bonds	185,390,000	
Series	2011D	Revenue Refunding Bonds	10,385,000	
				637,050,000
Bonds Refund				
Series	1998B		(30,210,000)	
Series	2001A		(165,670,000)	
Series	2001B		(11,370,000)	
Series	2002C		(169,300,000)	
Series	2009A		(56,975,000)	
				(433,525,000)
Principal Payn				(118,880,000)
Change in Una	amortized Discount/	Premium		(1,423,623)
Balance as of	December 31, 2011	I		\$5,230,357,202
Ralance	e as of December 3	31, 2010 - Short Term		\$135,395,000
		31, 2010 - Long Term		5,094,962,202
Datalle		1, 2010 Long Term		\$5,230,357,202
				<i>ф3,230,337,202</i>



\$ 1,381,031,664

<u>Dulles Corridor Enterprise Fund.</u> In August of 2009, a Master Indenture of Trust was created to secure Dulles Toll Road Revenue Bonds issued by the Dulles Corridor Enterprise of the Airports Authority. Under this Master Indenture, all bonds are secured by a pledge of the Toll Road Revenues derived by the Airports Authority from the operation of the Dulles Toll Road. The pledge of the Toll Road Revenues securing the Series 2009A Bonds (First Senior Lien), however, is senior to the pledge of Toll Road Revenues securing the Series 2009B-C-D Bonds and Series 2010A-B Bonds (Second Senior Lien). Following the Second Senior Lien pledge are the bonds that were issued on a Subordinate Lien, the Series 2010D Bonds.

The Dulles Corridor Enterprise Fund's long-term bonds issued and outstanding as of December 31, 2011 and 2010 were as follows:

		Issue Date	Interest Rates	Maturing on October 1	Amount	Outstanding at 2011	December 31 2010
Series 2009A	Revenue Bonds CIBs Term CIBs Term CIBs Term	08/12/09	5.125% 5.000% 5.250%	2032 2039 2044	\$22,140,000 89,735,000 86,125,000	\$ 198,000,000	\$ 198,000,000
Series 2009B	Revenue Bonds CABs	08/12/09	3.500% -7.910%	2012-2040	\$240,201,249	240,201,249	225,791,875
Series 2009C	Revenue Bonds Convertible CABs	08/12/09	6.500%	2038-2041	\$184,468,394	184,468,394	172,929,224
Series 2009D	Revenue Bonds Build America Bonds	08/12/09	7.462%	2045-2046	\$400,000,000	400,000,000	400,000,000
Series 2010A	Revenue Bonds CABs Term	05/27/10	6.625%	2029-2037	\$60,823,583	60,823,583	56,986,071
Series 2010B	Revenue Bonds Convertible CABs Term	05/27/10	6.500%	2040-2044	\$152,617,225	152,617,225	143,160,825
Series 2010D	Revenue Bonds Build America Bonds	05/27/10	8.000%	2042-2047	\$150,000,000	150,000,000	150,000,000
Plus (L	ess) unamortized discount/p	remium, ne	t			\$ 1,386,110,451 (5,078,787)	\$ 1,346,867,995 (5,151,469)

Total Dulles Corridor Enterprise Debt

\$ 1,341,716,526



Changes to the Dulles Corridor Enterprise Fund's Bonds Payable balances during 2011 and 2010 were as follows:

Balance as of December 31, 2009		\$ 967,114,881
Bonds Issued in 2010		-
Series 2010 A Revenue Bonds	54,813,219	
Series 2010 B Revenue Bonds	137,801,650	
Series 2010 C Revenue Bonds	150,000,000	
		342,614,869
Plus: Change in Accretion of Capital Appreciation Bonds		31,913,358
Change in unamortized (discount) or premium, net		 73,418
Balance as of December 31, 2010		\$ 1,341,716,526
Bonds Issued in 2011		_
Plus Change in Accretion of Capital Appreciation Bonds		39,242,456
Change in unamortized (discount) or premium, net		72,683
Balance as of December 31, 2011		\$ 1,381,031,665
Balance as of December 31, 2011 - Short Term		5,744,580
Balance as of December 31, 2011 - Long Term		1,375,287,084
Total Dulles Corridor Enterprise Debt		\$ 1,381,031,665

Insurers

The Airports Authority reviews each bond sale to determine if there is value in providing investors municipal bond insurance. As of December 31, 2011, the Airports Authority's Aviation Enterprise Fund had \$2.8 billion or 54.0 percent of its bonds insured by American Municipal Bond Assurance Corporation (Ambac), Berkshire Hathaway (BHAC), Financial Guaranty Insurance Company (FGIC), National Public Finance Guarantee Corporation, previously known as Municipal Bond Investors Assurance Corporation (MBIA), Financial Security Assurance (FSA), and Syncora Guarantee, previously known as XL Capital Assurance (XL). As of December 31, 2011, the Airports Authority's Dulles Corridor Enterprise Fund had \$401.1 million or 29.0 percent of its bonds insured by one insurance provider, Assured Guaranty (AG).

The following tables depict the Airports Authority's insured debt for each Enterprise Fund:

Aviation Enterprise Fund

	А	mount Insured	Percent of Total		
Insurer	at D	December 31, 2011	Debt Outstanding		
Ambac	\$	574,950,000	11.0%		
Berkshire Hathaway		112,200,000	2.2%		
FGIC		818,970,000	15.7%		
FSA		704,585,000	13.5%		
MBIA		541,675,000	10.4%		
XL		64,825,000	1.2%		
	\$	2,817,205,000	54.0%		
Dulles Corridor Enterpri	se Fund				
	А	mount Insured	Percent of Total		
Insurer	at D	December 31, 2011	Debt Outstanding		
Assured Guaranty	\$	401,106,736	29.0%		



Maturities and Sinking Fund Requirements

The following is a summary of the maturities and sinking fund requirements, not including any unamortized discount or premium. Scheduled principal payments on long term bonds are due annually on October 1.

Aviation Enterprise Fund Senior Debt

Year Ending			Total
December 31	Principal	Interest	Debt Service
2012	\$ 135,395,000	\$ 251,000,968	\$ 386,395,968
2013	144,995,000	244,957,815	389,952,815
2014	152,825,000	238,210,096	391,035,096
2015	161,160,000	231,112,908	392,272,908
2016	168,725,000	223,602,679	392,327,679
2017 - 2021	980,095,000	987,968,297	1,968,063,297
2022 - 2026	996,891,667	740,900,185	1,737,791,852
2027 - 2031	1,102,052,778	501,156,041	1,603,208,819
2032 - 2036	1,150,965,555	204,879,378	1,355,844,933
Thereafter	223,900,000	22,735,818	246,635,818
	\$ 5,217,005,000	\$ 3,646,524,185	\$ 8,863,529,185

Dulles Corridor Enterprise Fund Senior Debt

Year Ending			Total
December 31	Principal	Interest	Debt Service
2012	\$ 5,744,580	\$ 52,487,086	\$ 58,231,666
2013	9,041,632	52,841,154	61,882,786
2014	4,201,882	52,434,810	56,636,692
2015	8,687,272	52,964,745	61,652,017
2016	7,588,182	52,900,975	60,489,157
2017 - 2021	22,351,070	390,057,107	412,408,177
2022 - 2026	38,929,095	423,409,004	462,338,099
2027 - 2031	64,082,608	425,184,807	489,267,415
2032 - 2036	138,438,385	421,482,300	559,920,685
Thereafter	1,006,841,812	619,388,091	1,626,229,903
	\$ 1,305,906,518	\$ 2,543,150,079	\$ 3,849,056,597



16. **NET ASSETS**

Net assets consisted of the following:

				1	As of Decemb	er 31, 2011				
	Invested in			Re	stricted for					
	Capital Assets,					Dulles Rail	Dulles Toll			
	Net of Related			Debt Service		Latent	Road	Public		Total Business-
	Debt	Construction	Debt Service	Reserve	Leases	Defects	Repairs	Safety	Unrestricted	Type Activities
Current assets								.,,		
Cash and cash equivalents	s -	s -	\$ -	s -	s -	s -	s -	\$ -	\$ 152,198,752	\$ 152,198,752
Accounts receivable, net			-	· _	-	-	-	-	62,144,758	62,144,758
Investments	-	-	-	-	-	-	-	-	101.610.902	101,610,902
Inventory	-	-	-	-	-	-	-	-	8,770,143	8,770,143
Prepaid expenses and other current assets	-	-	-	-	-	-	-	-	5,813,623	5,813,623
Due to (due from) other funds	-	-	-	-	-	-	-	362,425	(362,425)	-
Non-current assets										
Restricted										
Cash and cash equivalents *	-	426.087.269	112,984,444	35,142,608	8,553,470	15.000.163	465,669	-	-	598,233,623
Accounts receivable	-	164.692.183	-	-	352,358	-	-	-	-	165,044,541
Investments	-	105,189,178	-	484.059.538	-	-	7.259.625	-	-	596,508,341
Unrestricted:							.,,			
Note receivable	-	-	-	-	-	-	-	-	11.876.689	11,876,689
Investments	-	-	-	-	-	-	-	-	181,174,135	181,174,135
Net pension assets	-	-	-	-	-	-	-	-	3,198,077	3,198,077
Bond issuance costs, net	-	-	-	-	-	-	-	-	91,726,103	91,726,103
Other assets	-	-	-	-	-	-	-	-	613,537	613,537
Capital assets	7,202,502,470	-	-	-	-	-	-	-		7,202,502,470
Total Assets	\$ 7,202,502,470	\$ 695,968,630	\$ 112,984,444	\$ 519,202,146	\$ 8,905,828	\$ 15,000,163	\$ 7,725,294	\$ 362,425	\$ 618,764,294	\$ 9,181,415,694
Current liabilities										
Accounts payable and accrued expenses	\$ 148,266,188	s -	\$ -	\$ -	\$ 10.915	\$ -	s -	\$ 1.100	\$ 41,241,795	\$ 189,519,998
Deferred revenue	\$ 140,200,100	φ -	φ -	φ -	\$ 10,715	φ -	φ -	\$ 1,100	11.884.807	11,884,807
Operating lease obligations	-	-	-	-	-	-	-	-	472,227	472.227
Accrued interest payable	-		70.962.178	-	-	-	-	-	+12,221	70.962.178
Current portion of long-term debt	141,139,580	-	70,902,178	-	-	-	-	-		141,139,580
Non-current liabilities	141,139,380	-	-	-	-	-	-	-	-	141,159,580
Other liabilities	15,665,656				787.080				4,057,784	20,510,520
Commercial paper notes	39,050,000	-	-	-	707,000	-	-	-	4,057,704	39.050.000
Interest rate swaps payable	39,030,000	-	-	-	-	-	-		200,415,403	200,415,403
Bonds payable, net	5,176,867,419	603,806,137	-	519,202,146	-		-	-	170,373,584	6,470,249,286
bonus payable, net	5,170,007,419	003,800,137	-	519,202,140	-	-	-	-	170,373,364	0,470,249,280
Total Liabilities	5,520,988,843	603,806,137	70,962,178	519,202,146	797,995	-	-	1,100	428,445,600	7,144,203,999
Net Assets	\$ 1,681,513,627	\$ 92,162,493	\$ 42,022,266	-	\$ 8,107,833	\$ 15,000,163	\$ 7,725,294	\$ 361,325	\$ 190,318,694	\$ 2,037,211,695

* Includes the portion of restricted cash and cash equivalents classified as current on the Statement of Net Assets

				As of De	cember 31, 2	010 (Restated	1)			
	Invested in	Restricted for								
	Capital Assets,					Dulles	Dulles Toll			
	Net of Related		D 1. <i>G</i> .	Debt Service		Rail Latent	Road	Public		Total Business
a	Debt	Construction	Debt Service	Reserve	Leases	Defects	Repairs	Safety	Unrestricted	Type Activities
Current assets										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156,854,724	\$ 156,854,724
Accounts receivable, net	-	-	-	-	-	-	-	-	33,827,007	33,827,00
Investments	-	-	-	-	-	-	-	-	160,751,777	160,751,77
Inventory	-	-	-	-	-	-	-	-	8,733,612	8,733,612
Prepaid expenses and other current assets	-	-	-	-	-	-	-	-	7,503,284	7,503,284
Due to (due from) other funds	-	-	-	-	-	-	-	380,538	(380,538)	
Non-current assets										
Restricted										
Cash and cash equivalents *	-	602,298,423	105,680,596	13,356,215	8,474,384	-	272,508	-	-	730,082,120
Accounts receivable	-	168,203,041			875.001	-	-	-	-	169.078.042
Investments	-	244,538,194		522,389,020	-	-	7,259,625	-	-	774,186,839
Unrestricted:		,,.		. ,,.			.,,.			,
Note receivable		-			-	_			14,080,347	14,080,34
Investments			-		_		_	_	121,241,415	121.241.41
Net pension assets	_	_	-	-	-	-	-	-	2,865,462	2,865,462
Bond issuance costs, net	-	-	-	-	-	-	-	-	100,916,774	2,803,40.
Capital assets	6.501.983.963	-	-	-	-	-	-	-	100,910,774	6,501,983,96
			-	-	-	-	-	-		
Total Assets	\$ 6,501,983,963	\$ 1,015,039,658	\$ 105,680,596	\$ 535,745,235	\$ 9,349,385	\$ -	\$ 7,532,133	\$ 380,538	\$ 606,393,864	\$ 8,782,105,372
Current liabilities										
Accounts payable and accrued expenses	\$ 154,880,692	\$-	\$-	\$ -	\$ 5,355	\$ -	\$ -	\$ -	\$ 45,458,502	\$ 200,344,549
Deferred revenue	-	-	-	-	-	-	-	-	15,837,672	15,837,672
Operating lease obligations			-	-	-	-	-	-	340,890	340,890
Accrued interest payable		-	71,217,809			-	-			71.217.80
Current portion of long-term debt	119.210.000				_	_	_	_	_	119,210,000
Non-current liabilities	119,210,000									119,210,000
Other liabilities	15,369,981				787.080				4,100,709	20.257.77
		-	-	-	787,080	-	-	-	, ,	- , ,
Commercial paper notes	58,500,000	-	-	-	-	-	-	-	-	58,500,000
Interest rate swaps payable	-	-	-	-	-	-	-	-	104,165,486	104,165,480
Bonds payable, net	4,733,842,955	958,560,701	-	535,745,235	-	-	-	-	141,493,460	6,369,642,35
Total Liabilities	5,081,803,628	958,560,701	71,217,809	535,745,235	792,435				311,396,719	6,959,516,52

 Net Assets
 § 1,420,180,335
 § 56,478,957
 \$ 34,462,787

 * Includes the portion of restricted cash and cash equivalents classified as current on the Statement of Net Assets
 Net Assets



The Aviation Enterprise Fund's debt service reserve accounts were over-funded by \$9.3 million as of December 31, 2011 and \$4.4 million as of December 31, 2010. The Dulles Corridor Enterprise Fund's debt service reserve accounts were over-funded by \$11.8 million as of December 31, 2011 and \$1.7 million as of December 31, 2010. Over-funded amounts can only be withdrawn from the Aviation Enterprise Fund's debt service reserve accounts once a year, based on balances as of October 1st, while over-funded amounts can be withdrawn from the Dulles Corridor Enterprise Fund's debt service reserve accounts twice a year, based on balances as of April 1st and October 1st.

17. GOVERNMENT GRANTS

The Airports Authority receives, on a cost-reimbursement basis, grants from the United States government, the Commonwealth of Virginia, and other local grantors for certain operating and capital construction programs. Government grants recorded by the Airports Authority during the years ended December 31, 2011 and 2010 totaled \$293.3 million and \$376.7 million, respectively. In fiscal years 2011 and 2010, the Airports Authority recognized federal, state and local grants for operating and capital programs as summarized below:

Operating Programs

The Law Enforcement Officer Reimbursement Program, which is recorded as Operating Revenue, offsets expenses incurred by the Airports Authority's Public Safety personnel serving a support role to the Transportation Security Administration (TSA). Explosives detection funds are used to offset the expense of training and caring for canines used in explosives detection. The Drug Enforcement Agency (DEA) Drug Seizures Program and the U.S. Customs (Customs) Drug Seizures Program are collaborative efforts between the Agencies and the Airports Authority's police department wherein both entities share in the proceeds from the sale of confiscated items. The Airports Authority's proceeds may only be used for certain types of expenses defined by the DEA and Customs.

	Award Re	Award	
	Year Ende	d Dec. 31,	Remaining
Grants in Support of Operations	2011	2010	Dec. 31, 2011
Operating Revenue - Passenger Fees			
TSA - Law Enforcement Officer Reimbursement Program	\$ 1,246,792	\$ 1,248,430	\$ 1,793,261
Grants recognized as operating revenues	1,246,792	1,248,430	1,793,261
Federal Grants			
TSA - National Explosive Detection Canine Team Program	750,500	396,646	900,500
FEMA - Disaster Relief and Emergency Assistance Program	66,750	672,275	-
Customs - Drug Seizure Program	106,301	365,517	-
DEA - Drug Seizure Program	-	354,179	-
State Grants			
Commonwealth of Virginia - Drug Seizure Program	805	53,792	-
Disaster Relief and Emergency Assistance Program	40,814	-	-
Local Grants			
Arlington County - HIDTA Task Force	17,204	21,546	N/A
Fairfax County - IMT support EOC		1,063	N/A
Grants recognized as non-operating revenues	982,374	1,865,018	900,500
Total federal, state, and local grants in support of operations	\$ 2,229,166	\$ 3,113,448	\$ 2,693,761



Capital Programs

The Airports Authority Dulles Corridor Enterprise Fund receives grants in support of its Dulles Metrorail Project. The Federal Transit Authority (FTA) is the primary grantor, with total federal New Starts funding commitments for the project totaling \$900 million. The state and local funding sources for the Dulles Corridor Metrorail Project include transportation bonds issued by the Commonwealth of Virginia and a Fairfax County transportation improvement district property tax. In addition, the Virginia Transportation Act of 2000 dedicated \$75 million to the project from Surface Transportation Program (STP) funds. In 2009, USDOT allocated \$77.26 million in ARRA funding to the project. These funds replace Section 5309 funds that are scheduled to be received in the final year (2016) of the FFGA. As of December 17, 2009, the ARRA grant was fully drawn down by the Airports Authority. While the ARRA grant is fully expended, the grant will not be closed out until the local match requirement has been met. The FTA deferred the local match requirement under the terms and conditions of the grant until three years after August 28, 2009 (August 27, 2012); that deadline may be extended at the FTA's discretion.

The Airports Authority began allocating the required local match to the ARRA grant in April 2011. The total required local share through December 2011 is \$197.5 million with a remaining balance of \$1.6 million.

The Airports Authority Aviation Enterprise Fund receives federal and state grants in support of its construction program. The federal programs, primarily through the FAA's Airport Improvement Program (AIP), including annual entitlement grants, 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 also provides discretionary funds for capital programs. The Airports Authority also participated in a pilot program with the TSA designed to improve the effectiveness of the TSA's baggage screening process. Current projects from the TSA include ARRA funds to install new closed circuit television cameras and provide enhancements to the east and west baggage in-line explosive detection system.



	Award R Year Ende	Award Remaining	
Grants in Support of Capital Programs	2011	2010 (Restated)	Dec. 31, 2011
Federal Grants			
Federal Aviation Administration			
AIP - 4th runway	\$ 6,662,414	\$ 10,662,414	\$ 69,000,000
AIP - Runway rehabilitation 1C/19C	-	1,761,909	91,274
ARRA - Runway rehabilitation 1C/19C	-	4,003,501	223,686
AIP - Reconstruction of south taxiway Z	292,959	1,307,039	324,384
AIP - Runway safety area improvement	-	291,136	-
AIP - Improve Runway 1/19 Safety Area (Phase 2)	8,617,821	-	1,432,179
AIP - Improve Runway 1/19 Safety Area (Phase 3)	2,086,197	200,079	2,047,147
AIP - Rehabilitate Runway Runway 1/19	8,005,672	-	2,402,654
AIP - Rehabilitate taxiways F, J, K, M, N, S and ramp 1	-	6,157,421	-
Transportation Security Administration			
ARRA Closed circuit television camera installation	5,427,183	4,263,051	1,688,472
Airport perimeter security	-	1,066,885	-
In-Line Baggage EDS project	6,263,687	15,728,462	12,386,287
ARRA In-Line Baggage EDS project	15,449,145	14,397,631	124,058,982
Federal Transit Administration			
FFGA - Dulles Corridor Metrorail Project	92,207,024	114,921,767	483,190,335
STP - Dulles Metrorail Project	27,781,891	47,218,109	-
Internal Revenue Service			
IRS - Build America Bonds Interest Subsidy	14,646,801	12,909,695	-
State Grants			
VA Department of Aviation - AeroTrain	2,000,000	2,000,000	-
VA Transportation Bonds - Dulles Corridor Metrorail Project	-	51,400,000	-
Local Grant			
Fairfax County - Dulles Corridor Metrorail Project	97,675,300	89,193,619	139,661,383
Total federal, state, and local grants in support of capital programs	\$ 287,116,094	\$ 377,482,718	\$ 836,506,783

18. PASSENGER FACILITY CHARGES

As of December 31, 2011, the Federal Aviation Administration (FAA) has approved nine Passenger Facility Charge (PFC) applications for a total authority of \$3.0 billion for the Airports Authority's Aviation Enterprise Fund. Each PFC application is approved by individual airport. However, PFC fees may be imposed at one airport and used for approved projects at either airport. PFC activity for 2010 and 2011 was as follows:

	Reagan National	Dulles International	Total
Total Applications	\$ 600,053,032	\$ 2,442,654,150	\$ 3,042,707,182
PFC Revenue 2010	\$ 36,154,641	\$ 43,933,709	\$ 80,088,350
PFC Revenue 2011	\$ 36,993,974	\$ 41,632,952	\$ 78,626,926
PFC Revenue Received Through 12/31/11	\$ 496,635,558	\$ 576,545,601	\$ 1,073,181,159
Estimated Final Collection Date	March 1, 2015	December 31, 2038	

A portion of future PFC collections has been pledged towards future debt service, with \$40.0 million pledged towards debt service payments in 2012 and \$40.0 million pledged annually toward debt service payments during the years 2013-2038.



In accordance with the regulations, based on the approval date from the FAA and continuing through the PFC collection period, the FAA reduces the Airports Authority's share of entitlement grants by 75.0 percent.

19. RISK MANAGEMENT

The Airports Authority is exposed to a variety of risks or losses related to operations (i.e., injuries to employees or to members of the public or damage to Airports Authority or public property). This exposure is managed through a combination of self-insured and insured arrangements.

Risk management insurance includes workers' compensation, airport owners' liability (inclusive of builders' risk), equipment breakdown, pollution/environmental impairment, public officials, employment practices, law enforcement, crime, fiduciary, executive risk, and automobile liability. The Airports Authority is self-insured for the first \$500,000 of each workers' compensation loss and for the first \$100,000 to \$1,000,000 (depending on type) of all other risk management insurance losses. Settlements did not exceed insurance coverage for the past three years.

Accruals are maintained to recognize the self-insured risk of loss and encompass all offices within the Airports Authority. The accruals are determined based on insurance claim practices and actuarial estimates for prior and current year claims. The appropriateness of the accruals is continually reviewed and updated by management on a quarterly basis.

The overall accrual for potential losses as of December 31, 2011 and December 31, 2010 was \$5.1 million and \$5.3 million, respectively. Changes in the claim liability accounts in fiscal years 2011, 2010 and 2009 were as follows:

		Claims and			
	Beginning	Changes in	Claim	Ending	
 Fiscal Year	Balance	Estimates	Payments	Balance	
2009	\$5,214,739	\$4,027,539	\$3,657,577	\$5,584,701	
2010	\$5,584,701	\$2,531,808	\$2,834,264	\$5,282,245	
2011	\$5,282,245	\$1,879,178	\$2,086,186	\$5,075,237	

20. OTHER COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant agencies, principally the U.S. government, the Commonwealth and Fairfax County, are subject to audit and adjustment by the grantor agencies. Any disallowed claims, including for amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Airports Authority expects such amounts, if any, to be immaterial.

Pollution Remediation

The Airports Authority continually monitors its properties to identify polluted sites for which the Airports Authority would be named a responsible party. Identified pollution remediation obligations as of December 31, 2011 and 2010 were \$210 thousand and \$0, respectively. Routine pollution prevention, control, and monitoring costs are expensed as incurred. Pollution prevention, control, and monitoring expenses for the years ended December 31, 2011 and 2010 were \$3.8 million and \$2.0 million, respectively.



Rights-of-Way Purchases

The Airports Authority acquires property interests for the Dulles Metrorail Project through negotiated settlement or through the Commonwealth of Virginia Department of Transportation's Commissioner of Highways power of eminent domain. The Airports Authority is responsible for all costs associated with such proceedings and for the payment of all compensation and damages for the properties acquired. As of December 31, 2011, the Airports Authority had acquired twenty property interests through the power of eminent domain for a total of \$12 million, and three property interests through negotiated settlement for a total of \$257 thousand, for which the final compensation and damages were not settled. No estimate of the final compensation and damages for these acquired properties was recorded as of December 31, 2011.

Northern Virginia Criminal Justice Training Academy

The Airports Authority is a member of the Northern Virginia Criminal Justice Training Academy (the Academy), which provides criminal justice training to 14 participating police and sheriff agencies from Northern Virginia. Academy members cannot withdraw from the Academy while any bonds of the Academy are issued and outstanding. As of June 30, 2010, the most recent period for which audited financials were available, the Academy had \$16.3 million in outstanding debt. Payments by the Airports Authority to the Academy for training services totaled \$276 thousand and \$265 thousand during the years ended December 31, 2011 and 2010, respectively.

21. LITIGATION

In April 2011, two users of the Dulles Toll Road filed a lawsuit in federal district court against the Airports Authority claiming that the setting of tolls by the Airports Authority violates various rights and privileges they enjoy under the United States Constitution. The plaintiffs also sought to have the district court certify a class of all current and past users of the Dulles Toll Road since May 2005 and a refund to all class members of tolls paid since May 2005 in excess of the toll rates then in effect. In July 2011, in response to the Airports Authority's motion, the district court dismissed the plaintiffs' complaint. The court initially determined that plaintiffs lacked "prudential" standing to bring any of their claims. The court then proceeded to address the claims on the merits. The court concluded, specifically as to each claim, that plaintiffs had failed, as a matter of law, to state a valid claim as to which any relief could be granted and, more generally, that the setting of tolls by the Airports Authority does not violate the federal constitution. Following the ruling, plaintiffs appealed the district court's dismissal to the United States Court of Appeals for the Federal Circuit, where the appeal is now being briefed.

22. SUBSEQUENT EVENTS

Aerosur ceased operations on March 31, 2012. The Airports Authority's accounts receivable as of this date were \$16 thousand, of which \$15 thousand related to operating activities in 2012.

Pinnacle Airlines Corporation, with operations under the names Pinnacle Airlines, Colgan Air, and Mesaba Aviation, filed for Chapter 11 bankruptcy on April 1, 2012. The Airports Authority's trade accounts receivable included \$1.0 million of pre-petition debts as of the bankruptcy filing date, of which \$422 thousand were included in trade accounts receivable as of December 31, 2011.



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Statistical

This part of the Airports Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the Airports Authority's overall financial health.

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ANNUAL REVENUES, EXPENSES AND CHANGES IN NET ASSETS (Expressed in Thousands)

	2011	2010 (Restated)	2009 (Restated)	2008	2007	2006	2005	2004	2003	2002
OPERATING REVENUES										
Concessions	\$ 227,600.0	\$ 230,973.6	\$ 217,461.2	\$ 223,710.7	\$ 217,486.8	\$ 199,011.3	\$ 198,691.2	\$ 173,962.7	\$ 146,095.9	\$ 132,817.9
Tolls and other	94,659.5	88,038.2	64,893.6	10,416.5	-	-	-	-	-	-
Rents	275,428.2	226,375.7	193,736.1	171,331.3	167,301.0	156,164.1	153,865.1	143,389.8	130,802.7	127,555.0
Design fees	0.0	-	-	20,363.2	-	-	-	-	-	-
Landing fees	110,255.7	101,637.9	96,934.6	82,289.6	78,682.5	73,375.4	76,359.1	76,274.3	67,637.2	63,967.4
Utility sales	11,979.6	12,464.9	13,227.2	13,348.6	11,778.8	11,249.0	10,934.6	12,035.2	11,868.0	10,589.1
Passenger fees	30,331.2	25,913.5	30,665.4	28,354.1	28,684.1	25,474.9	26,973.2	29,474.7	27,878.9	27,521.3
Other	8,381.2	6,509.1	6,428.9	11,547.4	6,542.9	5,893.9	10,398.5	7,149.4	5,355.6	6,387.3
TOTAL OPERATING REVENUES	758,635.4	691,912.9	623,347.0	561,361.4	510,476.1	471,168.6	477,221.7	442,286.1	389,638.3	368,838.0
OPERATING EXPENSES										
Materials, equipment, supplies,										
contract services and other	209,352.0	203,460.1	173,143.4	176,288.7	182,096.1	151,009.8	142,107.4	130,127.5	134,105.4	123,970.3
Impairment loss/design costs	-	-	-	80,027.4	-	-	-	-	-	-
Salaries and related benefits	157,370.5	156,535.3	144,617.0	136,720.6	128,465.3	113,870.9	113,878.1	98,858.6	95,192.2	91,748.0
Utilities	26,779.2	24,565.1	28,209.6	25,402.3	21,134.3	20,359.2	21,493.9	18,754.5	16,754.4	15,657.4
Lease from U.S. Government	5,180.6	5,101.1	5,066.1	4,958.3	4,830.1	4,689.9	4,505.4	4,375.4	4,303.8	4,238.2
Depreciation and amortization	215,291.9	219,060.3	185,914.1	164,863.4	142,030.3	133,106.4	132,424.5	126,177.8	114,950.5	105,035.8
TOTAL OPERATING EXPENSES	613,974.2	608,721.9	536,950.2	588,260.7	478,556.1	423,036.2	414,409.3	378,293.8	365,306.3	340,649.7
OPERATING INCOME (LOSS)	144,661.2	83,191.0	86,396.8	(26,899.3)	31,920.0	48,132.4	62,812.4	63,992.3	24,332.0	28,188.3
NON-OPERATING REVENUES (EXPENSES)										
Passenger facility charges, financing costs	-	-	(944.8)	(2,330.5)	(3,968.8)	(2,026.4)	(1,497.1)	(1,525.0)	(1,137.7)	(2,029.2)
Investment income	35,615.8	27,787.0	13,617.0	38,358.5	55,557.8	45,035.2	20,194.5	10,385.8	5,896.2	13,277.8
Interest expense	(240,011.8)		-		(111,534.1)	(96,999.8)	(103,561.3)	(89,368.8)	(95,610.1)	(98,256.1)
Federal compensation net of transfers	(240,011.0)	(240,220.4)	(154,700.0)			()0,))).0)	(105,501.5)	(0),500.0)	()5,010.1)	2,785.6
Federal, state and local grants	982.4	1.865.0	1.415.2	948.7	_	-	_	_	_	
Fair value gain (loss) on swaps	(96,249.9)	(34,978.4)		(158,374.5)	(24,577.7)	(14,572.3)	1,205.8	(2,060.7)	5,572.3	(26,024.2)
Contributions to other governments	(1,297.9)	(10,086.1)	(650.2)		-	(-		-	(,,
TOTAL NON-OPERATING REVENUES (EXPENSES)	(300,961.4)	(255,632.9)		(265,185.1)	(84,522.8)	(68,563.3)	(83,658.1)	(82,568.7)	(85,279.3)	(110,246.1)
GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(156,300.2)	(172,441.9)	48,784.6	(292,084.4)	(52,602.8)	(20,430.9)	(20,845.7)	(18,576.4)	(60,947.3)	(82,057.8)
CAPITAL CONTRIBUTIONS										
Passenger facility charges	78,626.9	80,088.4	78,520.8	78,455.2	82,858.8	81,489.7	88,315.3	76,060.2	58,438.0	59.071.3
			_		-		-		-	,
Federal, state and local grants	287,116.1	377,482.7	346,729.8	92,941.5	32,317.1	54,239.5	11,738.8	28,727.1	14,378.3	14,613.5
Other capital property acquired	5,180.0	650.0	2,978.0	267,488.2	3,498.2	1,231.6	100.054.1	104 707 0	6,044.9	-
TOTAL CAPITAL CONTRIBUTIONS	370,923.0	458,221.1	428,228.6	438,884.9	118,674.1	136,960.8	100,054.1	104,787.3	78,861.2	73,684.8
INCREASE (DECREASE) IN NET ASSETS	\$ 214,622.9	\$ 285,779.1	\$ 477,013.2	\$ 146,800.5	\$ 66,071.3	\$ 116,529.9	\$ 79,208.4	\$ 86,210.9	\$ 17,913.9	\$ (8,373.0)
NET ASSETS AT YEAR END COMPOSED OF:										
Invested in capital assets, net of related debt	1,681,513.6	1,420,180.3	1,099,998.9	638,142.1	555,206.6	598,949,4	492,384.5	344,583.6	428,497.7	418.037.8
Restricted	165,379.4	107,411.4	144,904.2	128,133.7	114,983.4	46.083.3	65,337.7	170,526.4	36,158.3	34,646.5
Unrestricted	190,318.7	294,997.1	291,906.6	351,616.0	332,778.8	291,864.8	262,645.4	226,049.3	190,292.3	184,350.1
TOTAL NET ASSETS	\$ 2,037,211.7	\$ 1,822,588.8	\$ 1,536,809.7	\$ 1,117,891.8	\$1,002,968.8	\$ 936,897.5	\$ 820,367.6	\$ 741,159.3	\$ 654,948.3	\$ 637,034.4



Exhibit S-1

The 2010, 2009 and prior years operating expenses, non-operating revenues and expenses, capital contributions, and changes in net assets have been revised as follows:

		(Expressed in thousands)					
				Years prior to 2009			
		2010	2009	(cumulative)			
Total net assets, as previously stated	_	\$ 1,878,596.9	\$ 1,595,980.4	\$ 1,117,891.8			
Increase (decrease) in operating expenses							
Depreciation and amortization ¹		(83.9)	(32.7)	(11.4)			
Total increase (decrease) in operating expenses	_	(83.9)	(32.7)	(11.4)			
Increase (decrease) in operating income	_	83.9	32.7	11.4			
Changes in non-operating revenues (expenses)							
Investment income ^{2, 3}		(1,220.3)	(2,994.5)	(60,556.5)			
Interest expense ^{4,5}		(6,350.8)	1,849.1	2,449.8			
Total increase in non-operating revenues (expenses)	_	(7,571.1)	(1,145.4)	(58,106.7)			
Increases (decreases) in capital contributions							
Federal, state and local grants ⁶		10,649.9	37.4	-			
Total increase (decrease) in capital contributions	_	10,649.9	37.4	-			
Increase (decrease) in net assets, due to restatement	_	3,162.7	(1,075.3)	(58,095.3)			
Net assets, as restated	_	\$ 1,822,588.8	\$ 1,536,809.7	\$ 1,059,796.5			
	_						

Explanations of these restatements are as follows:

¹ Capitalized interest expense for projects placed in service in prior years was reduced, resulting in reductions to depreciation expense.

² Investment income was reduced as a result of correcting mark-to-market accruals for long-term investment valuations.

³ Investment income was increased for interest income on a note receivable. This interest income had previously been capitalized as construction in progress.

⁴ Amortization of a bond premium was revised, resulting in a reduction of interest expense.

⁵ Interest expense was increased for the interest costs incurred on the unspent bond proceeds of tax-exempt debt. These interest costs had previously been capitalized.

⁶ Additional grant revenue was accrued based upon accrued interest expenses, which had been previously omitted from inclusion in the determination of costs eligible for grant reimbursement.

Source: Airports Authority Records



OPERATING EXPENSES BY BUSINESS UNIT

(Expressed in Thousands)

		2011	2010 (Restated)	2009 (Restated)	2008	2007	2006	2005	2004	2003	2002
REAGAN NATIONAL											
Materials, equipment, supplies,											
contract services, and other	\$	56,664.9	\$ 55,848.8	\$ 47,846.1	\$ 49,691.4	\$ 58,393.0			\$ 43,028.1	\$ 42,379.1	\$ 41,932.
Salaries and related benefits		59,716.2	59,799.5	56,522.7	56,112.1	53,294.8	47,818.9	47,660.8	41,725.6	40,221.7	38,727.
Utilities		8,366.0	8,063.6	9,360.5	8,687.4	7,623.1	7,083.2	6,977.5	6,042.5	5,801.8	5,402.
Travel		539.1	397.7	319.4	524.8	629.2	598.1	521.5	518.3	407.3	369.
Insurance		3,657.8	3,654.2	3,696.6	4,116.5	4,448.7	3,463.5	3,715.0	3,790.6	3,936.5	2,718.
Loss (proceeds) from disposal of capital assets		(46.8)	(116.7)	(115.4)	(132.0)	(45.1)	(67.8)	65.6	78.0	50.3	(321.
Non-capitalized facility projects		1,788.7	1,982.1	929.1	635.1	1,926.3	1,535.9	1,699.9	1,054.6	222.8	794.
Lease from U.S. Government		2,606.3	2,636.1	2,388.6	2,478.9	2,415.1	2,344.9	2,252.7	2,187.7	2,151.9	2,119.
Depreciation and amortization Total Reagan National Expenses		6,523.1 139,815.3	8,798.3 141,063.6	9,271.3 130,218.9	13,546.1 135,660.3	11,571.8 140,256.9	10,584.6 122,646.9	10,894.5 118,061.4	13,154.6 111,580.0	11,110.8 106,282.2	11,080. 102,823.
DULLES INTERNATIONAL											
Materials, equipment, supplies, contract services, and other		101,656.2	102,974.0	76,608.5	80,837.2	87,758.6	82,318.7	76,630.2	70,323.6	68,998.1	65,348
Salaries and related benefits		88,176.1	88,302.8	83,870.6	80,236.6	75,067.2	65,992.3	66,090.0	57,018.3	54,749.8	52,802
Utilities		18,010.9	16,082.5	18,562.0	16,475.0	13,301.3	13,091.7	14,321.1	12,223.2	10,756.8	10,061
Travel		541.0	458.4	358.3	583.2	670.1	647.8	517.0	485.8	371.3	316
Insurance		3,656.6	3,654.2	3,693.5	4,116.5	4,448.7	3,463.5	3,715.5	3,790.6	3,936.5	2,718
Loss (proceeds) from disposal of capital assets		(67.8)	(111.2)	(117.2)	84.3	78.4	(24.2)	129.0	122.2	109.1	717
Non-capitalized facility projects		819.3	1,205.6	(26.0)	504.6	1,583.4	740.6	601.5	556.0	630.1	102
Lease from U.S. Government		2,724.5	3,576.7	6,017.0	2,479.3	2,415.1	2,344.9	2,252.7	2,187.7	2,151.9	2,119
Depreciation and amortization		9,266.6	10,915.7	12,112.0	30,409.8	27,277.5	26,310.0	26,408.4	25,855.4	22,390.7	20,433
Total Dulles International Expenses		224,783.4	227,058.7	201,078.7	215,726.5	212,600.3	194,885.3	190,665.4	172,562.8	164,094.3	154,620
DULLES TOLL ROAD											
Materials, equipment, supplies,											
contract services, and other		17,879.1	19,130.3	22,089.6	9,424.5	0.0	0.0	0.0	0.0	0.0	0
Salaries and related benefits		6,900.2	6,421.3	2,484.8	58.2	0.0	0.0	0.0	0.0	0.0	0
Utilities		345.9	356.5	122.8	0.0	0.0	0.0	0.0	0.0	0.0	0
Travel		36.7	18.5	44.4	10.8	0.0	0.0	0.0	0.0	0.0	0
Insurance		597.4	551.5	1,069.3	177.2	0.0	0.0	0.0	0.0	0.0	0
Loss (proceeds) from disposal of capital assets		(2.7)	(6.2)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0
Non-capitalized facility projects		398.5	66.2	13.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Depreciation and amortization		345.5	178.1	141.9	3.2	0.0	0.0	0.0	0.0	0.0	0
Total Dulles Toll Road Expenses		26,500.6	26,716.2	25,965.1	9,673.9	0.0	0.0	0.0	0.0	0.0	0.
DULLES METRORAIL PROJECT											
Materials, equipment, supplies,											
contract services, and other		1,392.7	1,105.5	1,255.1	415.6	0.0	0.0	0.0	0.0	0.0	0.
Salaries and related benefits		2,398.0	1,839.6	1,586.6	154.5	0.0	0.0	0.0	0.0	0.0	0
Utilities		100.7	79.6	70.4	0.0	0.0	0.0	0.0	0.0	0.0	0
Travel		17.3	13.3	44.8	0.0	0.0	0.0	0.0	0.0	0.0	0
Insurance		17.5	5.2	16.6	0.0	0.0	0.0	0.0	0.0	0.0	0
Loss (proceeds) from disposal of capital assets		(1.4)	(2.9)	(4.2)	0.0	0.0	0.0	0.0	0.0	0.0	0
Non-capitalized facility projects		(4.4)	24.3	13.8	0.0	0.0	0.0	0.0	0.0	0.0	0
Depreciation and amortization		228.9	82.6	102.5	5.0	0.0	0.0	0.0	0.0	0.0	0
Total Dulles Metrorail Project Expenses		4,149.3	3,147.2	3,085.6	575.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0
WASHINGTON FLYER											
Washington Flyer expenses		0.00	0.00	0.00	0.00	0.00	176.50	1,428.60	1,359.70	1,477.10	1,897.
Total Washington Flyer Expenses		0.00	0.00	0.00	0.00	0.00	176.50	1,428.60	1,359.70	1,477.10	1,897.
WASHINGTON FLYER MAGAZINE ¹											
Washington Flyer Magazine expenses		0.0	0.0	0.0	0.0	0.0	0.0	0.0	352.0	905.8	728
Total Washington Flyer Magazine Expenses		0.0	0.0	0.0	0.0	0.0	0.0	0.0	352.0	905.8	728
TELECOMMUNICATIONS					1						
Telephone expenses		4,613.6	4,243.3	5,128.8	5,606.8	5,361.9	5,441.5	5,558.6	5,324.8	6,257.8	6,213
Total Telecommunication Expenses		4,613.6	4,243.3	5,128.8	5,606.8	5,361.9	5,441.5	5,558.6	5,324.8	6,257.8	6,213
EAA AID TRAFFIC CONTROL TOWER ²											
FAA AIR TRAFFIC CONTROL TOWER ²		102.2	241.0	232.1	340.7	212.2	20 <	0.0	0.0	0.0	
Air Traffic Control Tower expenses Total Air Traffic Control Tower Expenses		183.3 183.3	241.9 241.9	232.1	340.7 340.7	213.2 213.2	30.6 30.6	0.0	0.0	0.0	0
45025 AVIATION DRIVE ³											
45025 A viation Drive expenses		1,331.9	1,430.0	1,198.9	1,406.1	1,233.7	1,234.6	1,302.0	1,146.5	1,231.1	1,671
Total 45025 Aviation Drive Expenses		1,331.9	1,430.0	1,198.9	1,406.1	1,233.7	1,234.6	1,302.0	1,146.5	1,231.1	1,671
CONSTRUCTION PROGRAMS ⁴											
Financing expenses		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.1	37
Legal fees		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,434.0	0
Materials, equipment, supplies,											
contract services, and other		6,543.9	2,500.6	2,677.6	12,281.0	3,400.9	2,425.6	1,469.5	(568.0)	2,712.5	0
Loss (proceeds) from disposal of capital assets		82.0	5.9	8.4	84,776.6	12,708.7	0.0	0.0	0.0	0.0	43
Non-capitalized facility projects		7,676.2	3,866.7	3,707.4	1,960.3	242.4	652.2	1,606.9	190.8	269.6	0
Depreciation and amortization		198,294.7	198,447.8	163,648.7	120,253.6	102,538.1	95,543.0	94,316.9	86,345.2	80,628.8	72,613
Total Construction Programs Expenses		212,596.8	204,821.0	170,042.1	219,271.5	118,890.1	98,620.8	97,393.3	85,968.0	85,058.0	72,694
TOTAL EXPENSES	¢	613 974 2	\$ 608 721 9	\$ 536 950 2	\$ 588 260 9	\$ 478.556.1	1 \$ 423.036.2	\$ 414 409 3	\$ 378,293.8	\$ 365 306 3	\$ 340 649

¹ The Airports Authority converted the Washington Flyer Magazine Program to a management contract in 2005. Separate reporting has been discontinued.
 ² FAA Air Traffic Control Tower was completed in 2006.
 ³ 45025 Aviation Drive is inclusive of all expense classifications.

⁴ Construction programs consists of the Aviation Enterprise Capital Construction Program and the Dulles Corridor Capital Improvement Program



Exhibit S-2

The 2010, 2009 and prior years operating expenses have been restated as follows:

	(Expressed in thousands)				
				Years prior to 2009	
	2010		2009	(cumulative) ⁶	
Total expenses, as previously stated	\$ 608,805.8	\$	536,982.9		
Increases (decreases) in operating expenses					
Depreciation and amortization ⁵	(83.9)		(32.7)	(11.4)	
Total increase (decrease) in operating expenses	 (83.9)		(32.7)	(11.4)	
Expenses, as restated	\$ 608,721.9	\$	536,950.2		

Explanations of these restatements are as follows: ⁵ Capitalized interest expense for projects placed in service in prior years was reduced, resulting in reductions to depreciation expense. ⁶ Amounts for years prior to 2009 have been restated in total, rather than by individual year.



REVENUES BY SOURCE (Expressed in Thousands)

Exhibit S-3

	2011	2010 (Restated)	2009 (Restated)	2008	2007	2006	2005	2004	2003	2002
REAGAN NATIONAL		(Restated)	(Restated)							1
Airline:										1
Rents	\$ 85,704.4	\$ 81,175.2	\$ 73,828.0	\$ 66,302.8	\$ 67,234.1	\$ 63,938.0	\$ 63,568.0	\$ 62,236.9	\$ 53,802.5	\$ 60,453.8
Landing fees	41,756.2	40,143.3	32,928.4	32,290.3	30,149.2	32,057.9	29,445.5	31,328.2	26,455.0	27,527.4
Passenger fees/Security	-	-	-	-	-	-	-	-	-	597.0
Total Airline Revenues	127,460.6	121,318.5	106,756.4	98,593.1	97,383.3	95,995.9	93,013.5	93,565.1	80,257.5	88,578.2
Non-Airline:										1
Concessions:										1
Parking	44,853.2	43,684.4	41,764.0	43,980.2	44,569.9	40,459.6	37,647.4	35,285.0	32,381.8	26,236.4
Rental cars	21,667.9	28,169.9	23,248.3	20,736.1	19,432.8	16,411.3	16,065.9	14,566.0	15,189.2	14,239.8
Terminal concessions:										
Food and beverage	7,927.0	7,563.4	7,109.1	7,117.4	6,801.0	6,359.5	4,906.5	3,185.5	3,213.8	2,677.0
News stands	3,044.2	2,932.1	2,733.6	2,731.8	2,558.1	2,228.8	1,951.2	1,736.4	1,653.8	1,653.
Retail	2,432.4	2,362.3	2,474.8	2,531.5	2,564.3	2,601.7	2,763.8	2,493.4	1,894.1	1,640.
Display advertising	5,083.1	5,835.3	4,121.5	4,105.4	3,715.3	3,072.0	3,150.0	3,150.0	3,170.5	2,229.
Ground transportation ¹	4,807.7	4,621.0	3,745.3	3,183.1	3,373.4	-	-	-	-	- 1
Services	76.5	84.6	96.0	576.7	239.9	219.3	201.9	192.3	208.9	216.
Inflight catering	779.3	701.1	719.9	752.0	766.5	784.3	785.5	787.6	735.4	1,149.
Fixed base operator	1,039.3	780.3	739.8	282.1	205.5	134.9	0.0	0.0	0.0	473
Duty free	74.8	42.2	49.7	52.8	40.9	36.3	33.3	19.7	0.0	0.
All other	570.6	549.2	674.7	320.2	321.5	3,521.6	3,720.1	3,330.4	2,734.2	2,858.
Total Concessions	92,356.0	97,325.8	87,476.7	86,369.3	84,589.1	75,829.3	71,225.6	64,746.3	61,181.7	53,373.
n .										ł
Rents	7,769.3	9,259.1	9,368.1	7,349.9	7,254.0	7,267.2	8,424.7	9,055.5	6,570.7	4,588.
Security	853.1	854.7	866.3	878.3	888.3	898.1	854.8	843.3	1,083.0	1,197.0
Utility sales	2,218.6	2,271.8	2,401.6	2,240.1	1,990.1	1,886.5	1,939.9	1,744.7	1,731.4	1,516.
Other TALIN ANK D	2,530.0	1,681.0	1,801.5	2,651.3	1,695.5	1,553.5	4,083.1	1,650.5	694.1	1,273.
Total Non-Airline Revenue	105,727.0	111,392.4	101,914.2	99,488.9	96,417.0	87,434.6	86,528.1	78,040.3	71,260.9	61,947.4
Total Reagan National Revenues	233,187.6	232,710.9	208,670.6	198,081.9	193,800.3	183,430.5	179,541.6	171,605.4	151,518.4	150,525.0
DULLES INTERNATIONAL Airline:										
Rents	159,425.8	112,189.2	86,335.9	78,354.7	75,075.8	71,961.8	69,886.1	62,372.3	62,281.5	55,332.7
Landing fees	68,499.5	61,494.6	64,006.2	49,999.3	48,533.3	41,317.6	46,913.6	44,946.1	41,182.2	36,440.0
International Arrival Building fees	21,407.8	18,012.6	11,897.4	9,372.0	9,100.2	9,394.9	8,849.9	12,295.1	12,768.8	10,526.
Passenger Fees	7,676.6	6,652.5	17,508.0	17,703.5	18,294.4	14,777.1	16,874.0	15,950.3	12,477.8	13,256.
Design Fees	7,070.0	0,052.5	17,500.0	20,361.2	10,274.4	14,777.1	10,074.0	15,550.5	12,477.0	15,250.
Total Airline Revenues	257,009.7	198,348.9	179,747.5	175,790.7	151,003.7	137,451.4	142,523.6	135,563.8	128,710.3	115,555.4
Total Annie Revenues	257,005.7	170,540.7	179,747.5	175,790.7	151,005.7	157,451.4	142,525.0	155,505.0	120,710.5	115,555
Non-Airline:										1
Concessions:										1
Parking	64,083.1	66,466.6	65,957.7	71,125.6	71,958.9	68,608.0	75,769.0	64,396.8	47,408.0	42,923.2
Rental cars	17,038.7	16,135.2	15,616.9	15,213.1	14,985.7	13,790.7	14,484.9	13,458.5	11,313.6	11,410.8
Terminal concessions:	17,000.7	10,100.2					,		11,215.0	
Food and beverage	9,347.9	8,911.2	8,517.8	8,742.7	8,184.7	6,396.0	5,719.5	4,677.3	3,724.1	3,563.1
News stands	3,957.5	4,026.3	4,130,1	4,081.0	3,555.7	3,259.8	3,328.1	2,772.5	1,551.6	1,441.5
Retail	2,569.8	2,517.2	2,562.4	2,576.8	2,676.1	2,429.6	2,539.7	2,195.2	1,537.8	1,384.1
Display advertising	6,978.7	5,817.4	4,122.3	4,119.8	3,640.7	3,228.0	3,150.0	3,150.0	3,171.9	3,203.2
	2,980.1	3,804.2				5,220.0	5,150.0	5,150.0	5,171.5	5,205.
Ground transportation			3,570.3	3,185.6	1,410.6	5 272 2	5,293.9	4 (92 9	4 105 0	2.967
Services	3,162.0	3,260.6	3,329.6	5,515.2	5,374.0	5,372.2		4,682.8	4,195.0	3,867.1
Inflight catering	6,393.2	6,067.5	5,985.2	6,120.9	5,476.0	4,882.3	4,682.9	4,761.3	4,470.3	5,079.0
Fixed base operator	13,070.1	11,779.8	11,613.1 2,831.4	12,430.0 3,757.5	11,779.6 3,381.5	10,448.7 2,892.4	7,602.8 3,133.1	4,802.7 2,700.0	4,381.6 2,016.9	3,546.9
Duty free All other	3,934.4	3,158.1		473.3		1,843.5		1,373.4	926.4	
All other Total Concessions	1,728.5 135,244.0	1,703.6 133,647.7	1,747.7 129,984.5	4/3.3	474.2 132,897.7	1,843.5	1,464.1 127,168.0	1,3/3.4	926.4 84,697.2	1,166. 79,317.3
Total Concession8	135,244.0	133,047.7	129,984.5	157,541.5	132,897.7	123,131.2	127,108.0	100,970.5	04,097.2	/9,51/.3
Rents	10.007.0	10.050	19,372.2	14.402.2	11 017 5	11 206 1	10,358.8	8,066.0	6 117 7	4,888.4
Security	18,085.8	19,259.4	393.7	14,402.3 400.4	11,917.6 401.2	11,396.1 404.8	10,358.8 394.4	8,066.0	6,117.7 1,549.3	4,888.4
Utility sales	393.7 5,624.9	393.7 5,832.8	6,474.3	6,565.6	401.2 5,298.8	404.8 5,462.4	5,322.2	4,950.1	4,775.5	4,586.8
Other	5,624.9	5,832.8 4,828.2	4,598.3	9,039.1	5,298.8 4,668.5	5,462.4 4,254.1	5,322.2 4,668.6	4,950.1 3,884.3	4,775.5 2,980.6	4,586.
Total Non-Airline Revenues	165,199.6	4,828.2	160,823.0	167,748.9	155,183.8	144,668.6	147,912.0	126,256.9	100,120.3	93,796.1
Total Dulles International Revenues	422,209.3	362,310.7	340,570.5	343,539.6	306,187.5	282,120.0	290,435.6	261,820.7	228,830.6	209,351.5
Total Dales Inclinational Revenues		0.02,010.7	0.0,0.0	0.0,000,000	000,107.0	202,120.0	230,10010	201,020.7	220,000.0	20,0010
DULLES TOLL ROAD										ł
Tolls and other	94,659.5	88,038.2	64,893.6	10,416.5	-	-	-	-	-	i -
Total Dulles Toll Road	94,659.5	88,038.2	64,893.6	10,416.5	-	-	-	-	-	-
	.,			.,						ł
WASHINGTON FLYER										ł
Ground Transportation:	-	-	-	-	-	118.5	2,007.0	1,575.7	1,243.0	1,276.3
Total Ground Transportation	-	-	-	-	-	118.5	2,007.0	1,575.7	1,243.0	1,276.3
-										1
WASHINGTON FLYER MAGAZINE										i
Advertising - other	-	-	-	-	-	-	4.7	352.0	722.1	974.1
Total Magazine Revenues	-	-	-	-	-	-	4.7	352.0	722.1	974.
										ł
TELECOMMUNICATIONS	3,931.5	4,157.2	4,119.3	4,179.9	4,414.7	3,900.0	3,673.6	5,345.7	5,361.0	4,485.
Total Telephone Revenues	3,931.5	4,157.2	4,119.3	4,179.9	4,414.7	3,900.0	3,673.6	5,345.7	5,361.0	4,485.
										ł
		3,686.0	3,717.9	3,698.9	3,582.4	-	-	-	-	
	3,696.1									
FAA AIR TRAFFIC CONTROL TOWER Total FAA Air Traffic Control Tower Revenues	3,696.1 3,696.1	3,686.0	3,717.9	3,698.9	3,582.4	-	-	-	-	
Total FAA Air Traffic Control Tower Revenues		3,686.0	3,717.9		3,582.4		-	-	-	-
	3,696.1 951.4	3,686.0 1,009.9		3,698.9 1,444.5	3,582.4 2,491.2	- 1,599.6	-	-	1,963.1	2,225.
Total FAA Air Traffic Control Tower Revenues	3,696.1	3,686.0	3,717.9							2,225.
Total FAA Air Traffic Control Tower Revenues 45025 AVIATION DRIVE	3,696.1 951.4	3,686.0 1,009.9	3,717.9 1,375.1	1,444.5	2,491.2	1,599.6	1,559.2	1,586.6	1,963.1	

 $^{\rm l}$ Ground transportation was reported as other revenue in years prior to 2007.

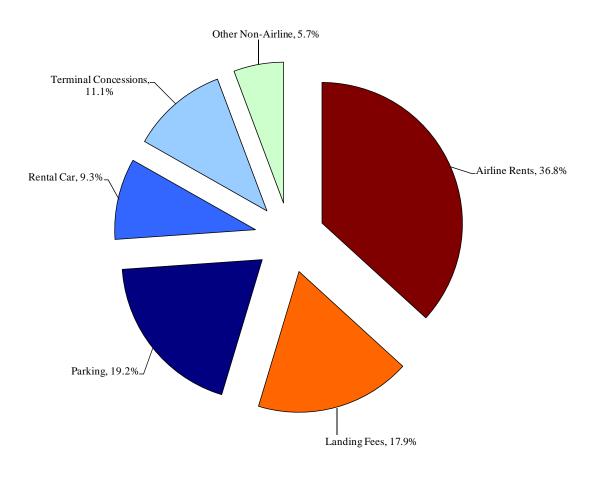
² 45025 Aviation Drive revenues include rents and utilities.

Source: Airports Authority Records



2011 REVENUES BY SOURCE - REAGAN NATIONAL

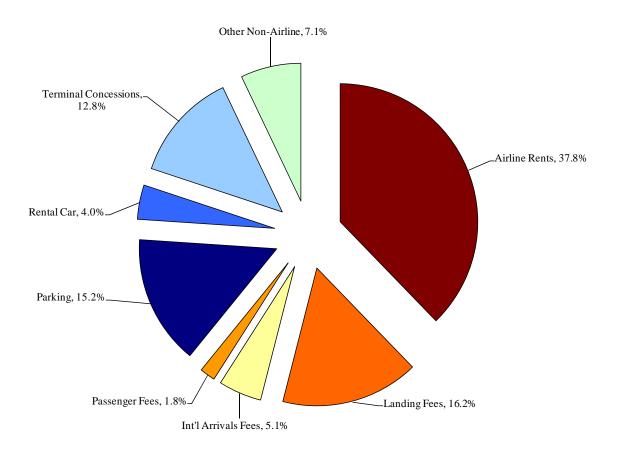






2011 REVENUES BY SOURCE - DULLES INTERNATIONAL





Source: Airports Authority Records



SCHEDULED RATES AND CHARGES

Exhibit S-6

Ronald Reagan Washington National Airport Rates

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Signatory Airline Rates										
Landing Fee	\$ 3.42	\$ 3.16	\$ 2.81	\$ 2.55	\$ 2.34	\$ 2.26	\$ 2.16	\$ 2.41	\$ 2.34	\$ 2.65
Signatory Airline Cost Per Enplanement	\$ 13.94	\$ 12.84	\$ 12.49	\$ 10.95	\$ 10.51	\$ 10.02	\$ 10.22	\$ 11.84	\$ 11.29	\$ 12.12
Terminal A - Average Rate	\$ 160.22	\$ 174.48	\$ 111.55	\$ 103.47	\$ 100.73	\$ 84.22	\$ 68.76	\$ 69.46	\$ 57.10	\$ 65.53
Terminal B & C - Average Rate	\$ 208.51	\$ 194.94	\$ 180.68	\$ 162.87	\$ 169.51	\$ 156.22	\$ 150.16	\$ 150.44	\$ 125.49	\$ 116.43
Type 6 - Covered/Unenclosed	\$ 5.55	\$ 5.42	\$ 5.35	\$ 6.00	\$ 5.85	\$ 5.68	\$ 5.49	\$ 5.21	\$ 5.09	\$ 5.32
Type 7 - Uncovered/Unenclosed	\$ 1.39	\$ 1.35	\$ 1.34	\$ 1.50	\$ 1.46	\$ 1.42	\$ 1.37	\$ 1.30	\$ 1.27	\$ 1.33
Non-Signatory Airline Rates										
General Aviation Landing Fees	\$ 3.59	\$ 3.52	\$ 2.93	\$ 2.89	\$ 2.82	\$ 2.66	\$ 2.40	\$ 2.80	\$ 2.45	\$ 3.01
Landing Fees	\$ 4.48	\$ 4.40	\$ 3.66	\$ 3.61	\$ 3.52	\$ 3.33	\$ 3.00	\$ 2.80	\$ 2.45	\$ 3.01
Terminal A	\$ 148.47	\$ 175.85	\$ 111.15	\$ 106.40	\$ 115.79	\$ 92.79	\$ 84.81	\$ 92.93	\$ 76.79	\$ 95.00
Terminal B & C	\$ 229.12	\$ 213.51	\$ 199.45	\$ 185.11	\$ 193.36	\$ 172.31	\$ 169.93	\$ 167.07	\$ 154.56	\$ 162.83
Rental Car Customer Facility Charge										
Customer Facility Charge (Per Rental Day)	\$ 2.50									

Washington Dulles International Airport Rates

	2011	2010	2009	2008	2007		2006	2005	2004	2003	2002
Signatory Airline Rates											
Landing Fee	\$ 3.50	\$ 3.44	\$ 3.14	\$ 2.60	\$ 2.37	\$	2.06	\$ 2.00	\$ 2.52	\$ 2.82	\$ 2.39
Signatory Airline Cost Per Enplanement	\$ 20.25	\$ 17.16	\$ 14.21	\$ 13.11	\$ 12.11	\$	11.57	\$ 10.40	\$ 12.34	\$ 13.30	\$ 12.81
Concourse C & D	\$ 74.24	\$ 57.12	\$ 38.37	\$ 29.14	\$ 31.43	\$	29.48	\$ 29.32	\$ 35.39	\$ 33.27	\$ 31.01
Concourse B	\$ 140.80	\$ 78.53	\$ 62.18	\$ 55.94	\$ 70.48	\$	61.39	\$ 69.94	\$ 65.24	\$ 62.53	\$ 60.32
Main Terminal	\$ 277.55	\$ 198.18	\$ 142.72	\$ 131.84	\$ 129.23	\$	125.19	\$ 128.72	\$ 120.69	\$ 103.97	\$ 93.32
Concourse A	\$ 226.91	\$ 188.48	\$ 144.38	\$ 142.05	\$ 144.59	\$	80.36	\$ 54.22	\$ 65.53	\$ 52.56	\$ 46.35
Z-Gates	\$ 153.12	\$ 172.95	\$ 57.82	\$ 81.33	\$ 258.65	\$	177.24	\$ 173.82	N/A	N/A	N/A
Type 6 - Covered/Unenclosed	\$ 5.42	\$ 5.42	\$ 5.35	\$ 6.00	\$ 5.85	\$	5.68	\$ 5.49	\$ 5.21	\$ 5.09	\$ 5.32
Type 7 - Uncovered/Unenclosed	\$ 1.36	\$ 1.35	\$ 1.34	\$ 1.50	\$ 1.46	\$	1.42	\$ 1.37	\$ 1.30	\$ 1.27	\$ 1.33
Airside Operations Building	\$ 38.38	\$ 33.77	\$ 25.28	\$ 19.97	\$ 21.52	\$	20.89	\$ 12.60	\$ 10.11	\$ 14.34	\$ 14.16
International Arrivals Building	\$ 6.59	\$ 6.55	\$ 4.10	\$ 3.53	\$ 3.61	\$	4.09	\$ 4.50	\$ 5.57	\$ 5.68	\$ 5.49
Apron Operations Building	N/A	N/A	N/A	N/A	N/A		N/A	N/A	\$ 15.25	\$ 10.90	\$ 14.39
Concourse C International Arrival Building	\$ 6.52	\$ 4.72	\$ 2.98	\$ 1.78	\$ 2.04	\$	2.33	\$ 1.73	\$ 6.53	\$ 6.79	\$ 6.30
Passenger Conveyance	\$ 2.40	\$ 2.20	\$ 2.02	\$ 2.02	\$ 1.92	\$	1.74	\$ 1.61	\$ 1.54	\$ 1.73	\$ 1.86
Non-Signatory Airline Rates											
General Aviation Landing Fees	\$ 4.23	\$ 4.09	\$ 4.32	\$ 3.54	\$ 3.20	\$	2.90	\$ 2.71	\$ 2.43	\$ 3.05	\$ 2.53
Landing Fees	\$ 5.56	\$ 5.38	\$ 5.68	\$ 4.66	\$ 4.21	\$	3.81	\$ 3.57	\$ 2.43	\$ 3.05	\$ 2.53
Concourse C & D	\$ 83.93	\$ 65.96	\$ 54.98	\$ 46.74	\$ 47.65	\$	45.32	\$ 42.08	\$ 37.96	\$ 38.43	\$ 43.65
Concourse B	\$ 155.86	\$ 95.20	\$ 81.87	\$ 67.80	\$ 83.61	\$	75.21	\$ 74.24	\$ 54.12	\$ 63.32	\$ 69.96
Main Terminal	\$ 333.25	\$ 253.13	\$ 210.52	\$ 202.98	\$ 193.65	\$	179.29	\$ 174.62	\$ 138.24	\$ 128.58	\$ 128.72
International Arrivals Building	\$ 7.61	\$ 7.18	\$ 5.28	\$ 4.74	\$ 4.72	\$	5.25	\$ 5.86	\$ 5.65	\$ 6.75	\$ 6.57
Concourse C International Arrival Building	\$ 8.40	\$ 7.71	\$ 4.80	\$ 3.43	\$ 3.81	\$	4.31	\$ 4.31	\$ 7.33	\$ 9.05	\$ 6.64
Concourse A	\$ 270.24	\$ 226.58	\$ 195.45	\$ 185.13	\$ 145.13	\$	103.08	\$ 72.46	\$ 73.69	\$ 64.23	\$ 47.68
Z-Gates	\$ 141.76	\$ 194.60	\$ 187.23	\$ 178.91	\$ 282.72	\$	226.76	\$ 173.82	N/A	N/A	N/A
Passenger Facility Charges											
	2011	2010	2009	2008	2007		2006	2005	2004	2003	2002
Washington Reagan National	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$	4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50
Washington Dulles International	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$	4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50
Dulles Toll Road Toll Rates											
Two-Axle Vehicles	2011	2010	2009	2008	2007	1	2006	2005	2004	2003	2002

Two-Axle Vehicles	2	011	2	2010	2009	2008	2007	2006	1	2005	2	2004	2003	2	002
Main Plaza	\$	1.25	\$	1.00	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.75	\$	0.75	\$	0.50	\$ 0.50	\$	0.50
Ramp Plaza	\$	0.75	\$	0.75	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$	0.50	\$	0.25	\$ 0.25	\$	0.25

Airline rates and charges are calculated pursuant to the formulas set forth in the Airport Use Agreement and Premises Lease (Use and Lease Agreement). The Use and Lease 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. The rates presented in the above tables are average rates, as calculated at the time of settlement. The cost per enplanement increased at both Airports in 2011. Terminal rents increased at Dulles International due to the opening of the AeroTrain.

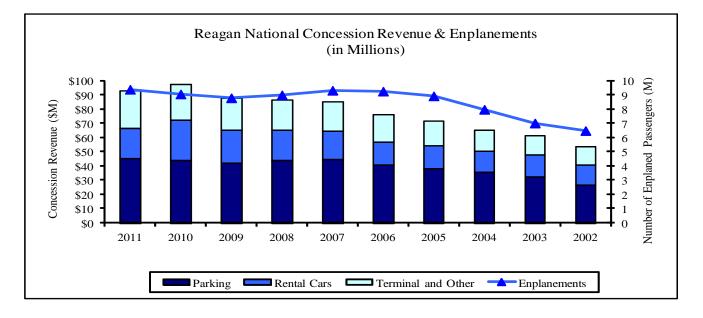
Passenger Facility Charges (PFCs) were increased from \$3.00 to \$4.50 in May 2001 and have been flat at \$4.50 at both Airports for the last eleven years. Although the rates shown are the amounts collected by the airlines on the Airport Authority's behalf, the Airports Authority records PFCs net of a handling fee which is retained by the airlines.

Toll rates were increased on the Dulles Toll Road in 2011 to \$1.25 at the mainline plaza; the ramp plaza toll rate of \$0.75 was unchanged from 2010. The increase was the second of three Board-approved increases, effective January 1 of 2010, 2011, and 2012, necessary to service debt associated with the Dulles Metrorail Project.



CONCESSION REVENUE & ENPLANEMENTS – REAGAN NATIONAL





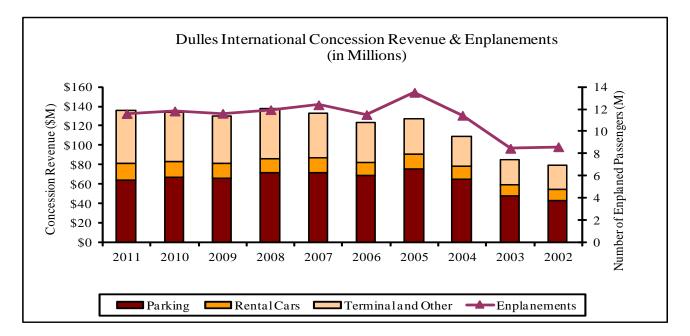
Annual enplanements include domestic and transborder passengers for both commercial and non-commercial (including military, general aviation, and charter) flights. Enplanements are a measurement of an airport's usage and are influenced by many factors including availability of air service, price of airfare, location of the airport, and macroeconomic factors. Enplanements at Reagan National set a new record in 2011.

Concession revenues make up the vast majority of the Airports Authority's non-airline revenues. The Airports Authority retains all risk related to the fluctuation of parking revenues, its largest concession revenue source. Parking revenue is highly dependent on passenger traffic and varies year to year. However, the majority of the Airports Authority's rental car and terminal concession contracts contain a fixed component as well as a variable component. In most cases, the Airports Authority is guaranteed a minimum payment by a tenant and then shares excess revenue with the tenant if sales exceed a predetermined amount. In 2011, the fixed component of the rental cars contract was renegotiated as part of a new contract, which helps to explain the decline in total concession revenue in 2011 despite the increase in passenger enplanements.

Source: Airports Authority Records



CONCESSION REVENUE & ENPLANEMENTS – DULLES INTERNATIONAL Exhibit S-8



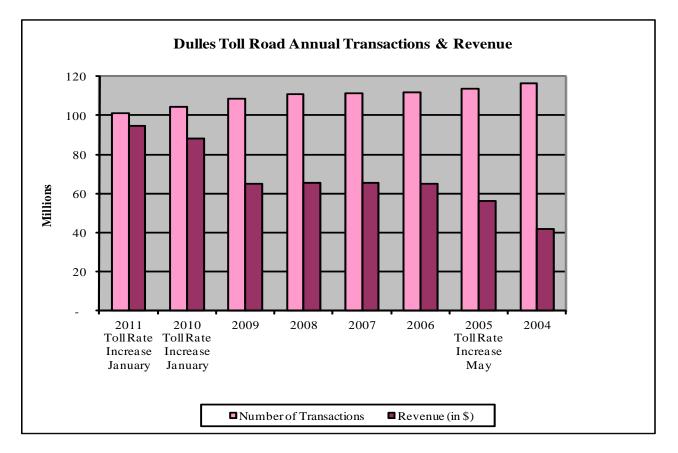
Annual enplanements include domestic and transborder passengers for both commercial and noncommercial (including military, general aviation, and charter) flights. Enplanements are a measurement of an airport's usage and are influenced by many factors including availability of air service, price of airfare, location of the airport, and macroeconomic variables. Enplanements at Dulles International fell in 2011 due to declining domestic enplanements. Enplanements grew rapidly in 2004 and 2005, largely due to Independence Air's operations but fell sharply after the airline ceased operations in 2006.

Concession revenues make up the vast majority of the Airports Authority's non-airline revenues. The Airports Authority retains all risk related to the fluctuation of parking revenues, its largest concession revenue source. Parking revenue is highly dependent on passenger traffic and varies year to year. However, the majority of the Airports Authority's rental car and terminal concession contracts contain a fixed component as well as a variable component. In most cases, the Airports Authority is guaranteed a minimum payment by a tenant and then shares excess revenue with the tenant if sales exceed a predetermined amount. This has helped the Airports Authority maintain stable concession revenue despite lower enplanement figures in recent years. Although Dulles International's all-time high enplanements of 13.5 million occurred in 2005, concession revenues peaked in 2008, when the airport served 11.9 million enplaned passengers.



DULLES TOLL ROAD ANNUAL TRANSACTIONS AND REVENUE

Exhibit S-9



Annual transactions include the number of revenue transactions (i.e., each recorded toll payment, whether mainline or ramp) and violations (i.e., each transaction where the full toll amount was not collected at the time of the transaction, whether due to avoidance, electronic misreading, or otherwise, and where the amount was subsequently collected) processed in the calendar year ending December 31.

Transactions measure roadway usage and are impacted by toll rate increases. The first toll rate increase in the roadway's history became effective in May 2005 while the Dulles Toll Road was under the operation of Virginia Department of Transportation (VDOT). A second toll rate increase became effective in January 2010, and a third in January 2011. The Dulles Toll Road was transferred to the Airports Authority on November 1, 2008.

Historical transactional and revenue data on a calendar year basis is not available prior to 2004. The chart above includes VDOT data for years 2004-2008 and Airports Authority data for years 2008-2011.

Source: Airports Authority Records, VDOT



DULLES TOLL ROAD TRANSACTIONS – MONTHLY

Exhibit S-10

	2011	2010	2009	2008	2007	2006	2005
January	7,775,951	8,251,555	8,412,824	9,207,781	9,198,057	9,109,306	9,196,216
February	7,717,175	6,619,570	8,366,392	8,709,460	8,023,545	8,422,303	8,786,162
March	8,962,370	9,298,049	9,234,614	9,351,455	9,686,308	9,941,362	10,111,654
April	8,430,331	9,147,728	9,283,838	9,585,976	9,246,736	9,120,164	9,948,766
May	8,779,051	9,065,336	9,306,946	9,578,599	9,856,502	9,779,415	9,906,511
June	8,896,641	9,338,635	9,579,031	9,385,082	9,581,354	9,756,929	9,872,015
July	8,327,582	8,963,929	9,462,994	9,478,858	9,338,507	9,192,347	9,251,263
August	8,632,451	8,985,395	9,255,019	9,158,359	9,698,127	9,706,925	9,698,296
September	8,425,345	8,698,688	9,126,570	9,185,049	9,087,941	9,066,103	9,228,605
October	8,671,364	9,089,789	9,524,392	9,731,826	9,903,111	9,692,059	9,483,395
November	8,119,289	8,373,040	8,666,127	8,482,507	9,030,545	8,976,611	9,041,300
December	8,168,916	8,290,144	8,499,460	8,943,949	8,634,873	8,959,341	8,959,171
Total	100,906,466	104,121,858	108,718,207	110,798,901	111,285,606	111,722,865	113,483,354

Notes:

1) Toll rates were adjusted in May 2005, January 2010, and January 2011

2) Non-revenue transactions such as police, emergency vehicles, military vehicles, etc. are not included in the table above.

3) Transactions includes violations

4) Monthly transactional data prior to 2005 is not available

Sources: VDOT for 2005-October 2008 data; Airports Authority Records for November 2008 - 2011



TOP 10 PAYORS

Exhibit S-11

PAYOR	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
United Airlines	\$ 132,761,970	\$ 117,389,911	\$ 97,782,264	\$ 91,135,655	\$ 84,680,832	\$ 67,790,432	\$ 56,420,978	\$ 72,633,370	\$ 61,798,327	\$ 51,105,295
US Airways	43,538,638	39,941,628	38,060,253	36,106,513	36,461,505	33,401,313	35,626,226	34,225,469	32,861,624	31,766,870
Delta Airlines	31,832,207	24,763,314	17,974,561	15,845,321	15,585,067	15,311,065	17,962,266	22,576,592	20,083,033	19,162,505
American Airlines	25,628,008	22,380,543	20,472,606	19,362,364	19,237,901	18,470,865	18,058,028	20,408,805	18,036,993	18,776,582
JC Deceaux / AK Media	11,969,794	11,751,277	8,245,804	8,364,731	*	*	7,155,910	5,775,000	6,300,000	6,055,815
Hertz Rent-A-Car	11,749,340	12,397,487	11,751,506	10,910,269	10,084,507	9,451,974	8,897,173	9,833,202	7,933,316	7,598,132
JetBlue Airways	10,399,704	*	*	*	*	*	*	*	*	*
Landmark Aviation	10,093,319	*	*	8,319,844	8,624,059	8,566,513	*	*	*	*
Continental Airlines	9,984,056	8,267,352	8,161,420	*	8,286,042	7,669,611	7,875,267	8,607,773	7,030,103	6,902,000
Signature Flight Support	9,654,269	8,282,227	9,202,521	8,904,302	8,261,740	*	*	*	*	*
Vanguard Car Rental USA	-	9,737,445	8,518,193	*	*	*	*	*	*	*
Avis Rent-A-Car	-	8,658,845	8,293,921	8,056,239	7,788,421	7,207,607	7,236,566	7,260,490	6,469,176	5,738,815
Northwest Airlines	-	*	*	8,218,269	8,173,164	7,932,314	7,531,302	9,008,103	8,702,245	9,030,783
Mesa Airlines	-	*	*	*	*	7,952,342	*	*	*	*
Atlantic Coast Airlines / Independence Air	_	*	*	*	*	*	22,306,764	13,858,908	7,726,624	11,280,089
TOTAL	\$297,611,305	\$263,570,028	\$ 228,463,047	\$215,223,507	\$ 207,183,237	\$183,754,036	\$189,070,480	\$ 204,187,712	\$176,941,441	\$167,416,886

* Payor did not comprise top ten for the given year, and as such, revenue is not presented for comparative purposes.

Source: Airports Authority Records



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RATIOS OF OUTSTANDING DEBT

AVIATION ENTERPRISE FUND	2011	2010 (Restated)	2009 (Restated)		2008
Debt Ratios					
Outstanding debt by type:					
Bonds Payable, Net	\$ 5,230,357,202	\$ 5,147,135,825	\$ 4,880,247,581	\$	4,127,965,779
Commercial Paper	38,500,000	58,500,000	215,000,000		217,500,000
Bond Anticipation Commercial Paper Notes	-		-		-
PFC Bank Participation Notes	-		-		432,000,000
Total Outstanding Debt	\$ 5,268,857,202	\$ 5,205,635,825	\$ 5,095,247,581	\$	4,777,465,779
Debt factors:					
Enplaned Passengers ¹	20,961,549	20,857,233	20,386,222		20,927,041
Operating Revenue	\$ 663,975,831	\$ 603,874,716	\$ 558,453,461	\$	550,944,844
Total Assets	\$ 6,357,137,381	\$ 6,302,017,095	\$ 6,206,328,428	\$	5,960,495,235
Total MSA Population ²	5,582,200	5,582,200	5,476,500		5,378,000
Ratios:					
Outstanding Debt per Enplaned Passenger	\$ 251.36	\$ 249.58	\$ 249.94	\$	228.29
Outstanding Debt to Operating Revenue	\$ 7.94	\$ 8.62	\$ 9.12		8.67
Outstanding Debt to Total Assets	\$ 0.83	\$ 0.83	\$ 0.82	\$	0.80
Outstanding Debt per Capita	\$ 943.87	\$ 932.54	\$ 930.38	\$	888.34
Pledged Revenue Coverage					
Gross revenue ³	\$ 688,659,449	\$ 624,242,557	\$ 570,932,487	\$	589,277,243
Operating expenses excluding depreciation & amortization	\$ (367,402,779)	(358,383,626)	(322,057,212)		(413,156,541)
Net Available Revenues	\$ 321,256,670	\$ 265,858,931	\$ 248,875,275	\$	176,120,702
Principal and interest requirement	\$ 290,663,194	\$ 237,068,089	\$ 229,060,179	\$	204,496,362
Coverage Ratio	1.11	1.12	1.09		0.86
DULLES CORRIDOR ENTERPRISE FUND					
Debt Ratios					
Outstanding debt by type:					
Bonds Payable, Net	\$ 1,381,031,664	\$ 1,341,716,526	\$ 967,114,881	\$	-
Bond Anticipation Notes	-	-	-		150,000,000
Commercial Paper	550,000				
Total Outstanding Debt	\$ 1,381,581,664	\$ 1,341,716,526	\$ 967,114,881	\$	150,000,000
Debt factors:					
Toll Road Revenue Transactions	100,906,466	104,121,858	108,718,207		110,798,901
Operating Revenue	\$ 94,659,538	\$ 88,038,168	\$ 64,893,554	\$	10,416,497
Total Assets	\$ 2,824,278,313	\$ 2,480,088,277	\$ 1,706,492,605	\$	508,649,598
Total MSA Population ²	5,582,200	5,582,200	5,476,500		5,378,000
Ratios:					
Outstanding Debt per Transaction	\$ 13.69	\$ 12.89	\$ 8.90	\$	1.35
Outstanding Debt to Operating Revenue	\$ 14.60		\$ 14.90	\$	14.40
Outstanding Debt to Total Assets	\$ 0.49	\$ 0.54	\$ 0.57	\$	0.29
Outstanding Debt per Capita	\$ 247.50	\$ 240.36	\$ 176.59	\$	27.89
Pledged Revenue Coverage					
Gross revenue ³	\$ 105,591,728		\$ 66,031,522	\$	10,442,624
Operating expenses excluding depreciation & amortization	\$ (31,279,384)	(31,278,002)	(28,978,922)		(10,240,774)
Net Available Revenues	\$ 74,312,344	\$ 64,179,293	\$ 37,052,600	\$	201,850
Principal and interest requirement ⁴	\$ 29,428,208	\$ 28,148,227	\$ 10,739,077	\$	-
Coverage Ratio	2.53	2.28	3.45		N/A
TOTAL AIRPORTS AUTHORITY DEBT					
	 6 650 100 066	\$ 6,547,352,351	\$ 6,062,362,462	\$	4,927,465,779
Total Outstanding Debt	\$ 6,650,438,866			¢	
	\$ 6,650,438,866 5,582,200	\$ 0,547,352,351 5,582,200	5,476,500	\$	4,927,465,775 5,378,000

¹ Enplaned passengers includes total commercial and non-commercial passengers.

² Total MSA population for 2011 is shown using 2010 figures, the most recent data available at the time of publication.

³ Gross Revenue includes Operating Revenues and Interest Income for Fiscal Years 2002-2011.

⁴ The principal and interest requirement shown for the Dulles Corridor Enterprise is net of the federal subsidy received for the Build America Bonds.

This Exhibit presents key ratios regarding the Airports Authority's ability to support debt issued for the Aviation and Dulles Corridor Enterprise Funds. It is important to note that this exhibit is for statistical purposes only, and revenues, expenses, and debt service coverage shown differ significantly from those used to calculate coverage according to the Master Indentures of Trust for the Aviation Enterprise and Dulles Corridor Enterprise Bonds. The Master Indentures of Trust specify specific operating expenses that are excluded when calculating debt service coverage ratios as well as additional revenues that may be pledged.

Aviation debt per enplaned passenger increased slightly in 2011 but has increased substantially from 2006 due to an increased debt burden and enplaned passengers that were only slightly higher in 2011 than they were in 2006. Outstanding debt per operating revenue declined in 2011 due a \$60 million increase in operating revenue. Debt service coverage ratio has declined in recent years due to higher debt service requirements as a result of the completion of significant capital projects.

For the Dulles Corridor Enterprise Fund, debt per transaction increased in 2011 as a 3.0% increase in total debt outstanding was coupled with a 3.1% decline in revenue transactions. Debt per dollar of operating revenue declined in 2011 due to a 7.5% increase in total operating revenue due to toll increases that went into effect January 1, 2011.

Source: Airports Authority Records



Exhibit S-12

2007	2006	2005	2004	2003	2002
\$ 3,962,873,327	\$ 3,483,377,453	\$ 2,828,462,510	\$ 2,528,738,687	\$ 2,327,168,578	\$ 2,016,923,324
\$ 3,962,873,327 260,000,000	\$ 3,483,377,453 200,000,000	5 2,828,462,510 186,000,000	5 2,528,738,087	\$ 2,327,108,578	\$ 2,016,923,324
		-	150,000,000	150,000,000	250,000,000
432,000,000	400,000,000	400,000,000	187,700,000	187,700,000	170,200,000
\$ 4,654,873,327	\$ 4,083,377,453	\$ 3,414,462,510	\$ 2,866,438,687	\$ 2,664,868,578	\$ 2,437,123,324
21,681,123	20,739,630	22,415,046	19,386,283	15,565,042	15,061,353
\$ 510,476,130	\$ 471,168,637	\$ 477,221,696	\$ 442,286,071	\$ 389,638,253	\$ 368,837,992
\$ 5,907,229,260	\$ 5,182,899,267	\$ 4,388,114,142		\$ 3,427,868,108	\$ 3,194,786,708
5,312,900	5,264,900	5,229,400	5,158,800	5,086,400	5,014,600
\$ 214.70	\$ 196.89	\$ 152.33	\$ 147.86	\$ 171.21	\$ 161.81
\$ 9.12	\$ 8.67	\$ 7.15	\$ 6.48	\$ 6.84	\$ 6.61
\$ 0.79	\$ 0.79	\$ 0.78	\$ 0.77	\$ 0.78	\$ 0.76
\$ 876.15	\$ 775.58	\$ 652.94	\$ 555.64	\$ 523.92	\$ 486.01
	1				
\$ 566,033,876	\$ 516,203,795	\$ 497,416,177	\$ 452,671,846	\$ 395,534,438	\$ 382,115,805
(336,525,796)	(289,929,805)	(281,984,780)	(252,115,995)	(250,355,746)	(235,613,837)
\$ 229,508,080		\$ 215,431,397		\$ 145,178,692	\$ 146,501,968
\$ 184,246,617	\$ 163,354,637	\$ 164,667,568	\$ 140,079,210	\$ 141,828,530	\$ 135,250,234
1.25	1.39	1.31	1.43	1.02	1.08
1.2.	1.59	1.51	1.43	1.02	1.08
\$ 4,654,873,327	\$ 4,083,377,453	\$ 3,414,462,510		\$ 2,664,868,578	\$ 2,437,123,324
5,312,900	5,264,900	5,229,400	5,158,800	5,086,400	5,014,600
\$ 876	\$ 776	\$ 653			\$ 486



OTHER DEBT SERVICE COVERAGE – AVIATION ENTERPRISE FUND

Exhibit S-13

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
NET REVENUE:										
Revenue Including Transfers	\$ 703,358,488	\$ 641,063,255	\$ 602,757,114	\$ 581,513,665	\$ 569,829,729	\$ 519,599,653	\$ 503,200,118	\$ 438,554,221	\$ 388,713,440	\$ 386,875,940
LESS: Direct Operating Expenses	(304,529,128)	(292,848,589)	(261,679,979)	(259,511,002)	(253,398,028)	(229,349,624)	(229,469,720)	(203,698,452)	(189,109,158)	(187,918,976)
Net Revenue Available for Debt Service	398,829,360	348,214,665	341,077,134	322,002,663	316,431,700	290,250,029	273,730,399	234,855,769	199,604,282	198,956,965
DEBT SERVICE										
1990A Airport System Revenue Bonds										
1992A Airport System Revenue Bonds		_	_	_	_		_	_	_	15,729,503
1993A Airport System Revenue & Refunding Bonds	_	-	-	-	-	-	-	1,993,757	4,350,565	4,903,913
1993B Airport System Revenue & Refunding Bonds	-	-	-	-	-	-	-	-	2,565,300	3,402,230
1994A Airport System Revenue Bonds	-	-	-	-	-	-	-	23,257,594	35,119,965	35,289,120
1997A Airport System Revenue Bonds	-	-	-	-	971,072	1,257,695	2,142,909	2,952,191	2,945,565	2,655,447
1997B Airport System Revenue Bonds	-	-	-	-	8,556,063	14,484,458	15,248,622	12,842,186	14,370,024	14,741,589
1997C Airport System Revenue & Refunding Bonds	-	-	-	-	-	-	-	-	-	-
1998A Airport System Revenue Bonds	-	-	-	381,282	468,826	1,287,357	1,322,236	1,318,158	1,330,610	1,297,815
1998B Airport System Revenue & Refunding Bonds	1,131,638	12,232,774	18,080,308	18,762,102	17,942,588	18,369,760	19,710,594	18,124,292	18,603,575	18,568,291
1999A Airport System Revenue & Refunding Bonds	-	3,498,470	5,533,497	5,934,291	5,891,335	5,855,002	5,946,837	5,841,298	5,874,163	5,833,633
2001A Airport System Revenue Bonds	13,958,418	17,088,664	15,642,420	15,183,505	14,291,817	13,623,715	13,976,834	6,905,090	11,718,857	13,619,313
2001B Airport System Revenue Bonds	664,264	877,895 8,959,111	765,360	741,309	651,072 8,556,496	316,128 7,794,227	366,495 6,320,872	451,143	672,953	650,327 3,022,077
2002A Airport System Revenue Bonds 2002B Airport System Revenue Bonds	10,176,763 678,816	8,959,111 678,794	8,276,261 575,748	7,647,018 555,736	8,556,496 477,883	611,720	6,320,872 789,395	5,615,081 1,085,449	6,173,644 1,515,875	3,022,077 257,284
2002C Airport System Revenue Variable Rate Refunding Bonds	12,988,294	15,543,684	16,894,925	19,909,292	477,885	19,442,226	19,758,330	19,934,028	1,515,875	5,037,925
2002D Airport System Revenue Refunding Bonds	6,539,153	5,735,734	5,653,245	5,138,941	5,267,806	4,884,026	2,596,248	2,994,667	5,739,300	1,807,184
2003A Airport System Revenue Refunding Bonds	10,759,464	9,127,960	9,204,996	9,432,168	7,490,702	5,886,411	10,185,205	9,433,874	2,841,304	-
2003B Airport System Revenue Refunding Bonds	4,090,647	4,093,404	4,080,345	4,044,855	4,000,040	4,012,211	4,050,272	2,603,708	528,739	-
2003C Taxable Airport System Revenue Refunding Bonds	3,351,651	3,355,828	3,346,857	3,304,686	3,266,384	3,275,036	3,295,935	3,330,846	1,114,077	-
2003D Airport System Revenue Variable Rate Bonds	1,047,095	1,329,203	3,033,369	4,610,424	4,754,407	3,366,517	3,230,574	2,656,903	1,227,443	-
2004A Airport System Revenue Refunding Bonds	663,340	663,704	663,053	658,543	654,853	629,037	561,894	223,643	-	-
2004B Airport System Revenue Bonds	11,074,530	10,932,881	8,513,411	2,687,609	5,104,256	1,482,108	4,819,952	2,535,517	-	-
2004C-1 Airport System Revenue Refunding Bonds	1,564,943	2,670,647	2,304,178	13,086,451	16,369,182	16,156,121	8,049,634	2,353,789	-	-
2004C-2 Airport System Revenue Refunding Bonds	4,814,541	5,042,973	4,524,687	4,951,434	4,924,855	4,992,470	14,346,612	5,161,229	-	-
2004D Airport System Revenue Refunding Bonds	26,087,988	26,108,986	24,379,800	14,950,296	11,187,696	11,219,448	11,183,139	3,885,524	-	-
2005A Airport System Revenue Bonds 2005B Airport System Revenue Bonds	19,311,222 2,517,176	17,455,181 1,276,671	18,369,390 861,656	18,734,984 855,406	16,966,776 850,174	12,701,790 852,675	9,863,398 618,617	-	-	-
2005B Auport System Revenue Bonds 2005C Taxable Airport System Revenue Bonds	1,703,567	1,703,547	1,700,941	1,085,993	289,964	1,677,884	1,647,078		-	-
2005D Airport System Revenue Bonds	382.489	1,427,855	1,773,881	1,758,877	864,492	553,486	138,752	-	-	-
2006A Airport System Revenue Bonds	9,012,953	5,311,454	8,392,188	5,604,803	5,810,728	-		-	-	-
2006B Airport System Revenue Bonds	14,347,548	10,644,288	9,946,372	5,746,532	7,854,839	-	-	-	-	-
2006C Airport System Revenue Refunding Bonds	2,259,501	2,244,344	1,903,483	1,485,981	1,732,719	-	-	-	-	-
2007A Airport System Revenue Bonds	15,102,592	15,072,933	13,723,351	13,816,874	5,557,044	-	-	-	-	-
2007B Airport System Revenue Bonds	26,508,630	19,948,918	20,751,616	14,659,468	3,194,582	-	-	-	-	-
2008A Airport System Revenue Bonds	12,508,425	9,151,564	2,495,585	6,964,179	-	-	-	-	-	-
2009A Airport System Revenue Bonds	926,568	1,777,662	3,874,659	-	-	-	-	-	-	-
2009B Airport System Revenue Bonds	11,812,024	5,874,908	3,497,817	-	-	-	-	-	-	-
2009C Airport System Revenue Bonds	747,333	-	8,278,752	-	-	-	-	-	-	-
2009D Airport System Revenue Bonds 2010A Airport System Revenue Bonds	- 13,840,460	- 5,703,441	1,200,444	-	-	-	-	-	-	-
2010B Airport System Revenue Bonds	22,718,966	7,594,350	-	-	-	-	-	-	-	-
2010C Airport System Revenue Variable Rate Refunding Bonds	3,646,635	1,077,058	-							-
2010D Airport System Revenue Variable Rate Bonds	10,159,919	1,765,403						_		_
2010F-1 Airport System Revenue Refunding Bonds	3,166,627	286,326	-	-	-	-	-	-	-	-
2011A Airport System Revenue and Refuding Bonds	2,628,205	-	-	-	-	-	-	-	-	-
2011B Airport System Revenue and Refunding Bonds	3,417,931	-	-	-	-	-	-	-	-	-
2011C Airport System Revenue Refunding Bonds	3,851,186	-	-	-	-	-	-	-	-	-
2011D Airport System Revenue Refunding Bonds	196,019	-	-	-	-	-	-	-	-	-
Series A Bond Anticipation Commercial Paper Notes	-	-	-	-	-	6,910,355	427,742	4,579,243	4,044,030	3,994,287
Series B Bond Anticipation Commercial Paper Notes	-	-	-	-	-	-	-	-	1,934,188	2,595,462
Series One Airport System Revenue Commercial Paper Notes	197,813	764,555	759,104	1,401,056	75,000	-	764,384	-	-	1,844,833
Series Two Airport System Revenue Commercial Paper Notes Net Debt Service	107,862 \$290,663,193	46,916 \$237,068,089	58,482 \$229,060,179	402,269 \$204,496,362	365,833 \$184,246,617	1,712,774 \$163,354,637	3,305,008 \$164,667,568	- \$140,079,210	- \$141,828,530	\$135,250,234
and best betvice	¢270,005,195	÷207,000,009	<i>~~~</i> ,000,179	÷204,490,302	÷ 107,240,017	÷105,554,057	÷104,007,308	÷140,079,210	÷171,020,030	÷155,250,254
DEBT SERVICE COVERAGE	1.37	1.47	1.49	1.57	1.72	1.78	1.66	1.68	1.41	1.47

This Exhibit shows debt service coverage calculations for the Aviation Enterprise Fund as defined in the Master Indenture of Trust for Airport System Revenue Bonds. The Master Indenture includes a rate covenant provision specifying that the Airports Authority will fix and adjust fees and other charges for use of the Airports Authority, including services rendered by the Airports Authority pursuant to the Airline Use Agreement and Premises Lease calculated to be at least sufficient to produce net revenues to provide for the larger of the following: (i) amounts needed for making required deposits to various accounts in the fiscal year; or (ii) an amount not less than 125 percent of the annual debt service with respect to Airport Revenue Bonds.

Debt service coverage calculations for all years shown in this Exhibit exceed the minimum requirement as defined in the Master Indenture; however, coverage levels have steadily declined over the past few years as major projects in Dulles International's Capital Construction Program have been completed. It is important to note that net revenue, revenue, and expenses are presented in this Exhibit in accordance with definitions found in the Master Indenture. Additionally, debt service does not include debt paid from bond funds for capitalized interest or debt service paid from interest earnings.

Sources: Master Indenture of Trust for Airport System Revenue Bonds and Airports Authority Records

OTHER DEBT SERVICE COVERAGE DULLES CORRIDOR ENTERPRISE FUND

Exhibit S-14

		2011	2010	2009
NET REVENUE				
Total Toll Road Gross Revenue		\$ 94,659,538	\$ 88,038,168	\$ 64,893,554
LESS: Operation and Maintenance Expenses		(25,018,410)	(26,147,421)	(25,823,259)
ADD: Interest Income		200,308	131,545	\$ 16,486
Net Revenue Available for Debt Service		69,841,436	62,022,292	39,086,781
DEBT SERVICE	LIEN			
2009A Dulles Toll Road Revenue Bonds (Current Interest Bonds)	First Senior	10,142,637	10,372,010	3,686,895
2009B Dulles Toll Road Revenue Bonds (Capital Appreciation Bonds)	Second Senior	-	-	-
2009C Dulles Toll Road Revenue Bonds (Convertible Capital Appreciation Bonds)	Second Senior	-	-	-
2009D Dulles Toll Road Revenue Bonds (Current Interest Bonds, Build America Bonds)	Second Senior	21,000,781	21,264,762	10,849,511
2009D Dulles Toll Road Revenue Bonds (35% Subsidy)	Second Senior	(6,789,836)	(7,442,667)	(3,797,329)
2010A Dulles Toll Road Revenue Bonds (Capital Appreciation Bonds)	Second Senior	-	-	-
2010B Dulles Toll Road Revenue Bonds (Convertible Capital Appreciation Bonds)	Second Senior	-	-	-
Commercial Paper Series One	Second Senior	4,808		-
2010D Dulles Toll Road Revenue Bonds (Current Interest Bonds)	Subordinate	7,799,718	6,083,263	-
2010D Dulles Toll Road Revenue Bonds (35% Subsidy)	Subordinate	(2,729,901)	(2,129,142)	-
Net Debt Service		\$29,428,207	\$28,148,226	\$ 10,739,077
	LIEN			
DEBT SERVICE COVERAGE BY LIEN	REQUIREMENT			
First Senior Lien	2.00	6.89	5.98	10.60
Second Senior Lien	1.35	2.87	2.56	3.64
Subordinate Lien	1.20	2.37	2.20	N/A

This Exhibit shows debt service coverage calculations for the Dulles Corridor Enterprise Fund as defined in the Master Indenture of Trust for Dulles Toll Road Revenue Bonds. The Airports Authority has covenanted in the Master Indenture that it will establish, charge, and collect Tolls for the privilege of traveling on the Dulles Toll Road at rates sufficient to meet the Operation and Maintenance Expenses and produce Net Revenues that are at least at the debt service levels set forth in the table above. If either (i) the annual budget adopted by the Airports Authority for any Fiscal Year is inadequate to meet the rate covenant for that year; or (ii) the audited financial statements regarding the Dulles Toll Road show that the Airports Authority did not satisfy the rate covenant for any Fiscal Year, then the Airports Authority is required to engage a Toll Road Consultant to conduct a study and take the actions recommended by the Toll Road Consultant.

Debt service coverage calculations for all years shown in this Exhibit exceed the minimum requirement as defined in the Master Indenture; however, coverage levels are expected to decline as work on the Dulles Metrorail Project continues and additional bonds are issued.

Sources: Master Indenture of Trust for Dulles Toll Road Revenue Bonds and Airports Authority Records



REVENUE BOND COVERAGE – AVIATION ENTERPRISE FUND

Exhibit S-15

	TOTAL	DIRECT OPERATING	NET REVENUE AVAILABLE FOR	DEB	I SERVICE RE	QUIREMEN	ITS
YEAR	REVENUES¹	EXPENSES ²	DEBT SERVICE	Principal	Interest	Total	Coverage
2011	703,358	304,529	398,829	107,656	183,007	290,663	1.37
2010	641,063	292,849	348,214	87,883	149,185	237,068	1.47
2009	602,757	261,680	341,077	87,306	141,754	229,060	1.49
2008	581,514	259,511	322,003	83,360	121,136	204,496	1.57
2007	569,830	253,398	316,432	110,322	73,925	184,247	1.72
2006	519,600	229,350	290,250	68,137	95,218	163,355	1.78
2005	503,200	229,470	273,730	61,384	103,284	164,668	1.66
2004	438,554	203,698	234,856	58,893	81,187	140,080	1.68
2003	388,713	189,109	199,604	51,875	89,953	141,829	1.41
2002	386,876	187,919	198,957	43,478	91,772	135,250	1.47

¹Total revenues include transfers

²Operating expenses include Telecommunications, Washington Flyer Ground Transportation subsidy, and Washington Flyer Magazine subsidy

Source: Airports Authority Records



REAGAN NATIONAL AIRPORT INFORMATION

Exhibit S-16a

	Ronald Reagan Washingto	on National	Airport
Location:	Three miles south from downtown Wa Potomac River in Arlington County, V	-	C. along the
Acres:	860 +/- acres		
Airport Code:	DCA		
Runways:	1/19 15/33 4/22	6,869 5,204 4,911	feet
Aircraft Capability:	Group IV - Boeing 767-300		
Terminal:	Terminal A Terminal B/C Total Terminal Space	1,000,000	square feet square feet square feet
	Number of Passenger Gates	44	
Parking:	Garage Parking Surface Parking Cell Phone Waiting Area Parking Total Public Parking Tenant Employee Parking Total Parking	2,483 33 9,136 3,200	spaces spaces spaces spaces spaces spaces
Cargo:	Number of Cargo Buildings Cargo Space	1 47,882	square feet
International: Tower:	No facilities TRACON - Vint Hill, VA - Operating	24 Hours/Da	ny 7 Days/Week
Intermodal Access:	George Washington Parkway, VA Sta Washington DC Metrorail System - Bl Virginia Railway Express		
Data as of December 31, 2011			

Source: Airports Authority Records



DULLES INTERNATIONAL AIRPORT INFORMATION

	Washington Dulles Int	Washington Dulles International Airport					
Location:	Twenty-six miles west from downtown Washington, D.C., located in Fairfax and Loudoun Counties, VA						
Acres:	11,830 +/- acres						
Airport Code:	IAD						
Runways:	1C/19C 1R/19L 12/30 1L/19R	11,500 11,500 10,500 9,400	feet feet				
Aircraft Capability:	Group VI - Airbus A-380						
Terminal:	Main Terminal Concourse A Concourse B Concourse C/D Total Terminal Space	412,000 546,000 608,627	square feet square feet square feet square feet square feet				
	Number of Passenger Gates	123					
Parking:	Garage Parking Surface Parking Cell Phone Waiting Area Parking Total Public Parking Tenant Employee Parking Total Parking	18,884 224 27,433 6,529	spaces spaces spaces spaces spaces				
Cargo:	Number of Cargo Buildings Cargo Space	6 540,051	square feet				
International: Tower:	с	Customs/Immigration Federal Inspection Facility TRACON - Vint Hill, VA - Operating 24 Hours/Day 7 Days/Week					
Intermodal Access:	Dulles Access Highway, VA State Routes 267 and 28 Washington Flyer Bus Service from West Falls Church Metrorail Station Metro Bus 5A - D.C Dulles Line						

Data as of December 31, 2011

Source: Airports Authority Records

Exhibit S-16b



DULLES TOLL ROAD INFORMATION

Exhibit S-17

	Dulles Toll Road						
Location:	Eight-lane limited access highway that is situated on Virginia State Route 267. The Dulles Toll Road's eastern terminus is inside the Capital Beltway (Interstate 495) and the western terminus is the Dulles Greenway.						
Roadway Length:	13.43 miles						
Year of Construction:	1984						
Toll Collection Plazas:	Mainline: 1 Exit Ramp: 19						
Toll Collection Methods:	Cash and Electronic Toll Collection	n (E-ZPass)					
Number of Toll Collection Lanes:	59	59					
E-ZPass Only Collection Lanes:	9						
Intersecting Roadways:	Chain Bridge Road (SR 123) Capital Beltway (I-495) Spring Hill Road (SR 684) Leesburg Pike (SR 7) Trap Road Hunter Mill Road (SR 674)	Wiehle Avenue (SR 828) Reston Parkway (SR 602) Fairfax County Parkway (SR 7100) Monroe Street Centreville Road (SR 657) Sully Road (SR 28)					
Parallel Roadways:	Interstate 66 US Route 29 US Route 50	Leesburg Pike (SR 7) State Route 236					
to Leesburg Compared and the second	6 7100 828 674 7 4 675 6 7100 828 674 7 4 675 Edit 11 Edit 12 Dulles Toll Road and Airport Access Highway	to MD 495 Beltway Control Plaza Control Plaza					
Data as of December 31, 2011 Source: Airports Authority Records							



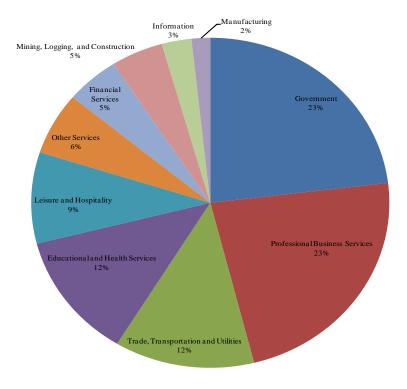
EMPLOYMENT BY INDUSTRY

Metropolitan Statistical Area – Last Ten Years

Exhibit S-18

		Annual Average Numbers of Employees (in thousands)								
Industry	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Government	691.2	687.6	674.9	659.8	646.6	640.5	632.1	623.1	616.5	600.8
Professional Business Services	688.7	680.3	674.1	681.8	675.1	664.5	646.4	619.3	590.2	563.3
Trade, Transportation and Utilities	378.8	377.2	377.6	397.9	404.8	404.7	406.5	399.6	392.0	387.7
Educational and Health Services	368.7	357.1	349.4	338.6	328.5	317.5	309.1	302.9	294.0	295.1
Leisure and Hospitality	267.6	259.9	258.1	261.8	254.3	249.4	245.2	237.7	229.6	222.4
Other Services	182.6	182.0	183.7	184.7	180.6	176.7	165.9	165.5	161.3	157.4
Financial Services	145.7	146.5	148.1	154.3	159.4	161.5	160.4	157.4	155.9	151.0
Mining, Logging, and Construction	141.5	139.9	148.7	172.4	184.9	191.5	186.6	177.3	168.1	163.4
Information	80.5	80.3	83.5	91.0	93.9	96.9	99.8	106.0	109.6	115.3
Manufacturing	50.3	52.1	55.4	60.8	62.2	63.7	65.4	66.1	67.2	72.1
Washington-Arlington-Alexandria, D.C.	Vashington-Arlington-Alexandria, D.C.									
VA-MD-WV - Metropolitan Statistical Area	2,995.6	2,962.9	2,953.5	3,003.1	2,990.3	2,966.9	2,917.4	2,854.9	2,784.4	2,728.5

Air Trade Area Employment by Sector - 2011



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



PRIVATE SECTOR EMPLOYERS IN PRIMARY AIR TRADE AREA

Exhibit S-19

Fortune 500 Companies (By Revenue) Headquartered in the Air Trade Area

	Fortu	ne 500	2010 Revenue		
Employer	2011	2010	(in \$ Billions)	State	Industry
Fannie Mae	5	81	\$153.8	DC	Financial Services
Freddie Mac	20	54	98.4	VA	Financial Services
Lockheed Martin Corp.	52	44	46.9	MD	Aerospace & Defense
Northrop Grumman	72	61	34.8	VA	Aerospace & Defense
General Dynamics Corp.	86	69	32.5	VA	Aerospace & Defense
Capital One Financial Corp.	134	144	19.1	VA	Financial Services
AES Corp.	150	156	17.1	VA	Energy
Computer Sciences Corp.	155	138	16.1	VA	Information Technology
Danaher Corp.	187	207	13.2	DC	Manufacturing
Marriott International Inc.	210	213	11.7	MD	Hospitality & Travel
Coventry Health Care Inc.	212	168	11.6	MD	Health Care
SAIC Inc.	219	215	11.1	VA	Professional Services
Pepco Holdings Inc.	335	251	7.0	DC	Energy
NII Holdings Inc.	406	468	5.6	VA	Telecommunications
Gannett Co.	415	370	5.5	VA	Media / Data
Booz Allen Hamilton	438	N/A	5.1	VA	Professional Services
The Washington Post Co.	470	455	4.8	DC	Media / Data
Host Hotels & Resorts Inc.	494	492	4.4	MD	Hospitality & Travel
			\$498.7		

Eighteen Washington-area companies were on the Fortune 500 list of the country's largest companies by revenue in 2011. This was an increase of one company compared to 2010, as Northrop Grumman relocated its headquarters to Falls Church, VA. Booz Allen Hamilton was newly-listed in 2011 and replaced Sallie Mae, which had been listed in 2010. The combined revenue of \$498.7 billion for these 18 companies in 2010 represents a 63% increase over their combined revenue in 2009.

Major Private-Sector Employers of Metro-Area Employees

Employer	Number of Metro-Area Employees	Industry
Lockheed Martin Corp.	22,500	Aerospace & Defense
Northrop Grumman Corp.	20,700	Aerospace & Defense
SAIC Inc.	18,200	Professional Services
Inova Health System	16,123	Health Care
Verizon Communications	16,100	Telecommunications
Booz Allen Hamilton	14,000	Professional Services
MedStar Health	13,852	Health Care
Marriott International Inc.	11,349	Hospitality & Travel
Computer Sciences Corp.	10,500	Information Technology
Adventist Healthcare	7,000	Health Care
BAE Systems Inc.	6,700	Aerospace & Defense
General Dynamics	6,604	Aerospace & Defense
CACI International	6,203	Aerospace & Defense
Deloitte LLP	5,678	Professional Services
Children's National Medical Center	5,542	Health Care

Source: Greater Washington Initiative 2011-2012 Regional Report



POPULATION TRENDS

Metropolitan Statistical Area – Last Ten Years (*Expressed in thousands*)

Annual Estimates of the Resident Population JURISDICTION 2010 2009 2008 2007 2006 2005 2004 2003 2002 2001 District of Columbia 601.7 599.7 590.1 586.4 584.0 582.0 579.8 577.8 579.6 578.0 Arlington County, VA 207.6 217.5 210.2 203.9 200.7 199.8 198.0 196.6 195.5 193.3 City of Alexandria, VA 140.0 150.0 144.6 140.2 138.2 137.6 136.6 135.2 134.5 133.1 **Central Juris dictions** 949.3 967.2 944.9 930.5 922.9 919.4 914.4 909.6 909.6 904.4 Fairfax County, VA 1,019.4 1,081.7 1,037.6 1,005.5 998.8 1,002.4 996.8 992.5 989.6 984.6 Montgomery County, MD 971.8 971.6 953.7 941.5 935.2 928.9 921.0 914.9 906.1 893.3 830.9 Prince George's County, MD 863.4 834.6 830.5 832.7 836.6 840.5 836.1 824.3 815.0 City of Fairfax, VA 22.6 24.7 24.123.3 22.8 22.0 22.1 22.2 22.1 21.9 City of Falls Church, VA 12.3 12.0 11.4 11.010.9 10.9 10.6 10.6 10.6 10.5 2,839.1 2,804.7 2,951.8 2,880.5 2,814.0 2,804.3 2,786.6 2,771.1 2,752.7 2,725.3 Inner Suburbs Prince William County, VA 402.0 379.2 366.1 360.6 352.8 345.9 333.8 321.5 310.0 297 7 301.2 290.1 277.5 265.2 253.3 237.2 219.6 203.1 Loudoun County, VA 312.3 189.7 Frederick County, MD 233.4 228.0 226.5 225.0 222.0 219.4 216.4 212.9 208.6 202.0 Charles County, MD 146.6 142.2 141.4 140.7 139.4 137.2 134.6 131.5 127.8 124.7 122.1 120.8 116.7 98.1 Stafford County, VA 129.0 124.2 118.5 113.3 109.1 103.7 Spotsylvania County, VA 122.4 121.0 120.0 118.9 117.7 114.9 110.6 106.6 101.9 96.4 Calvert County, MD 88.7 89.2 88.6 88.1 86.8 85.3 83.4 80.4 77.3 87.6 59.2 Fauquier County, VA 65.2 68.0 67.2 66.4 65.7 64.3 62.6 60.8 57.3 Jefferson County, WV 53.5 51.9 51.0 46.0 44.7 43.3 52.8 49.7 48.5 47.0 Warren County, VA 37.6 36.7 36.7 36.3 35.8 35.0 34.1 33.5 32.8 32.1 Manassas City, VA 37.8 36.5 34.7 34.8 35.5 36.3 36.5 36.2 35.8 35.3 24.3 23.2 22.7 22.4 22.0 21.3 21.3 20.420.3 19.9 Fredericksburg City, VA Clarke County, VA 14.0 14.6 14.6 14.4 14.3 14.0 13.7 13.3 13.1 13.0 Manassas Park City, VA 14.3 12.0 11.4 11.5 11.5 11.7 11.4 10.9 10.9 10.7 1,405.7 **Outer Suburbs** 1,681.1 1,628.8 1,594.0 1,568.4 1,537.7 1,505.3 1,457.8 1,352.3 1,297.5 DC-MD-VA-WVA 5,582.2 5,476.5 5,378.0 5,312.9 5,264.9 5,229.4 5,158.8 5,086.4 5,014.6 4,927.2 Metropolitan Statistical Area \$323,536 \$312,059 \$310,761 \$297,458 \$281,199 \$262,193 \$243,786 \$226,593 \$217,159 \$211,329 Personal Income (Millions) Per Capital Income \$ 57,959 \$ 56,984 \$ 57,784 \$ 55,986 \$ 53,409 \$ 50,140 \$ 47,259 \$ 44,549 \$ 43,306 \$ 42,890

The DC-MD-VA-WVA Metropolitan Statistical Area is the Air Trade Area for the Airports Authority. Ronald Reagan Washington National Airport is located in Arlington County, VA and Washington Dulles International Airport is located in Fairfax and Loudoun Counties, VA. The Dulles Toll Road is located in Fairfax County, VA.

The U.S. Census Bureau produces the estimates of each county's population, starting with the revised population estimate for the prior year. The Census Bureau then adds or subtracts the demographic components of population change (e.g., births, deaths, net migration) calculated for that period. Resident population estimates are revised annually, therefore, results above may not agree to estimates presented in prior years.

The U.S. Bureau of Economic Analysis uses wages from the Bureau of Labor Statistics Quarterly Census of Employment and Wages for all four quarters to estimate annual metropolitan area personal income.

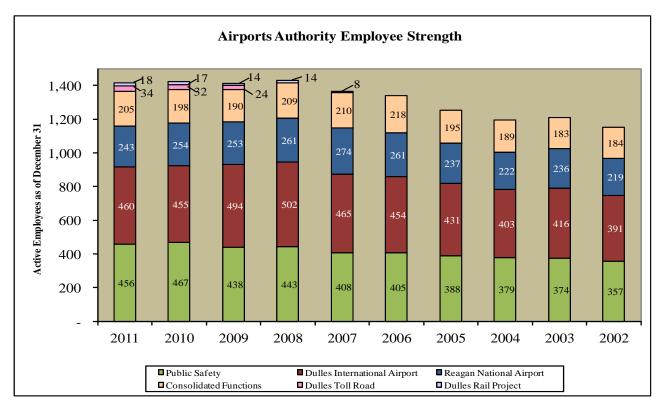
Source: U.S. Census Bureau, Population Division, Release Date: May 2011; U.S. Bureau of Economic Analysis, Release Date: August 2011

Exhibit S-20



AIRPORTS AUTHORITY EMPLOYEE STRENGTH





Employee Strength represents the number of active employees as of the last pay period of the fiscal year. It does not include members of the Student Employment Program, which offers full-time, part-time, and seasonal employment opportunities to full and part-time students. Prior year comparative amounts have been adjusted to exclude Student Employment Program participants. In addition, estimates based on historical trends have been made to the Employee Strength by functional area for 2002, as specific departmental information is not available for this year.

The Office of Public Safety has primary responsibility for assuring public safety and security at the Airports and the Dulles Toll Road. It includes the Police Department, the Fire Department, and the Public Safety Administration Department.

Consolidated Functions includes the Board Office, Executive Office, Office of Communications, Office of Finance, Office of Engineering, Office of Air Service Planning & Development, General Counsel, Office of Audit, Office of Business Administration, Office of Human Resources, and Office of Information & Telecommunications Systems. Consolidated Functions support both Airports, the Dulles Toll Road, the Dulles Metrorail Project, and Public Safety.

From November 1, 2008 to September 30, 2009, the operations of the Dulles Toll Road were contracted to Virginia Department of Transportation (VDOT). On October 1, 2009, VDOT employees of the Dulles Toll Road became Airports Authority employees.

Although the Dulles Rail Project was not an Airports Authority responsibility until November 1, 2008, the Airports Authority commenced hiring employees specifically for this function in 2007.



AIRCRAFT OPERATIONS BY AIRPORT Takeoffs and Landings

Ronald Reagan Washington National Airport

Calendar Year	Major / Nationals	Regional	General Aviation	Military	Total
2011	125,834	150,084	5,236	616	281,770
2010	124,205	140,972	4,788	1,132	271,097
2009	121,446	144,165	5,261	1,274	272,146
2008	140,564	130,541	4,914	1,279	277,298
2007	146,614	123,024	5,272	523	275,433
2006	157,536	115,087	3,172	624	276,419
2005	181,417	91,227	3,101	311	276,056
2004	154,452	111,333	2,546	245	268,576
2003	139,343	109,085	2,087	287	250,802
2002	139,259	73,078	2,255	1,099	215,691

Washington Dulles International Airport

Calendar Year	Major / Nationals	Regional	General Aviation	Military	Total
2011	123,765	156,431	46,846	451	327,493
2010	125,011	163,042	47,845	633	336,531
2009	125,531	166,046	48,221	569	340,367
2008	136,052	168,608	54,808	824	360,292
2007	141,428	176,150	64,549	816	382,943
2006	132,265	178,372	67,954	980	379,571
2005	255,442	179,492	73,629	1,089	509,652
2004	281,663	111,669	74,689	1,614	469,635
2003	232,112	27,833	73,668	1,784	335,397
2002	262,063	26,957	81,732	1,884	372,636

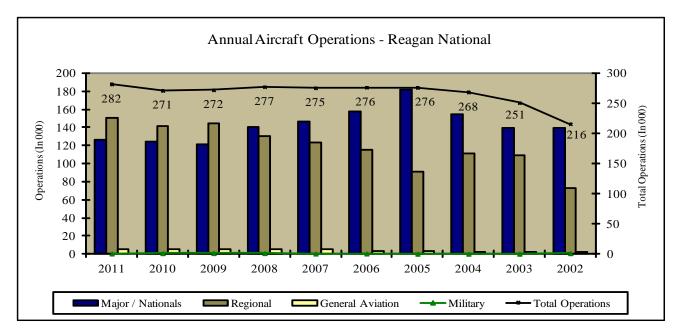
Source: Air Traffic Statistics



AIRCRAFT OPERATIONS BY AIRPORT - REAGAN NATIONAL

Exhibit S-23

This Exhibit depicts the Airport's total operations, defined as take-offs and landings, across the top of the chart, with each year's respective component operations by carrier type shown in bar graph format.



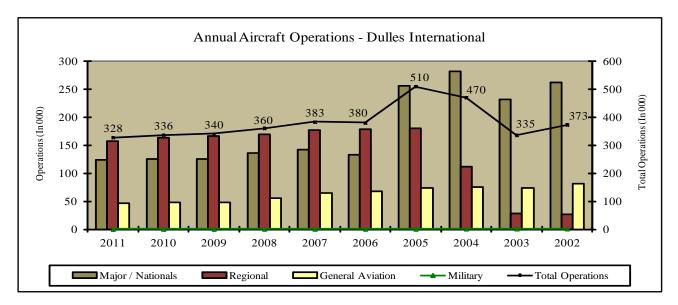
Several factors affect the activity levels at Reagan National, including the Airport is subject to the FAA's High Density Rule, which imposes limits on the number of flights, and the Perimeter Rule, which generally limits non-stop flights to a radius of 1,250 statue miles. In addition, the Airports Authority's noise abatement program includes limitations on certain aircraft operations after 9:59pm and before 7:00am. In 2011, there were 281,770 operations, compared to an average of 264,835 from 2002 through 2010.

Other factors affecting the operations at the Airport include economic conditions, the events of September 11, 2001, the decline in high-yield air travel, the financial crisis in the airline industry, and air carriers replacing many of their narrow-body jet flights with regional jets.



AIRCRAFT OPERATIONS BY AIRPORT – DULLES INTERNATIONAL Exhibit S-24

This Exhibit depicts the Airport's total operations, defined as take-offs and landings, across the top of the chart, with each year's respective component operations by carrier type shown in bar graph format.



The number of flight operations at Dulles International increased in 2004 and 2005 as new service was added, including Independence Air. In 2006, the bankruptcy of Independence Air was the primary factor underlying a sizeable reduction in passenger flight operations. In 2011, total aircraft operations dropped by 2.7 percent from 2010 levels to 327,493.



COMMERCIAL PASSENGER ENPLANEMENTS

Exhibit S-25

Domestic Enplanements

Calendar Year	DCA Domestic Passenger Enplanements	Annual Growth	IAD Domestic Passenger Enplanements	Annual Growth	Airlines for America Domestic Enplanements	Annual Growth
2011	9,235,899	3.9%	8,292,159	-3.2%	460,091,034	1.5%
2010	8,891,204	3.0%	8,564,825	1.6%	453,172,772	0.8%
2009	8,634,011	-2.3%	8,429,620	-3.6%	449,388,803	-7.4%
2008	8,836,467	-3.4%	8,742,530	-6.1%	485,280,460	-0.7%
2007	9,145,554	1.0%	9,313,161	5.9%	488,545,689	1.0%
2006	9,054,485	3.6%	8,797,384	-19.6%	483,757,968	-1.3%
2005	8,736,725	12.0%	10,947,383	21.4%	490,230,172	1.6%
2004	7,797,382	11.9%	9,014,584	41.5%	482,412,769	4.8%
2003	6,970,957	9.7%	6,371,646	-1.9%	460,169,602	-2.8%
2002	6,356,238	-1.9%	6,497,774	-6.6%	473,369,245	-5.1%

International Enplanements

Calendar Year	DCA International/ Transborder Passenger Enplanements	Annual Growth	IAD International/ Transborder Passenger Enplanements	Annual Growth	Airlines for America International/ Transborder Enplanements	Annual Growth
2011	126,064	-12.7%	3,224,432	1.5%	75,692,629	1.4%
2010	144,340	8.3%	3,177,235	1.9%	74,645,512	7.6%
2009	133,232	-5.8%	3,117,151	0.1%	69,399,251	-3.5%
2008	141,364	-4.8%	3,115,417	5.2%	71,926,015	2.8%
2007	148,523	-19.9%	2,960,345	14.1%	69,984,263	4.4%
2006	185,333	7.4%	2,594,682	5.9%	67,052,683	5.5%
2005	172,549	11.5%	2,448,994	6.0%	63,577,739	9.4%
2004	154,689	17.7%	2,309,572	15.8%	58,106,623	13.9%
2003	131,458	26.1%	1,994,840	-1.1%	51,024,475	-1.8%
2002	104,213	25.0%	2,017,724	2.9%	51,947,132	-0.2%

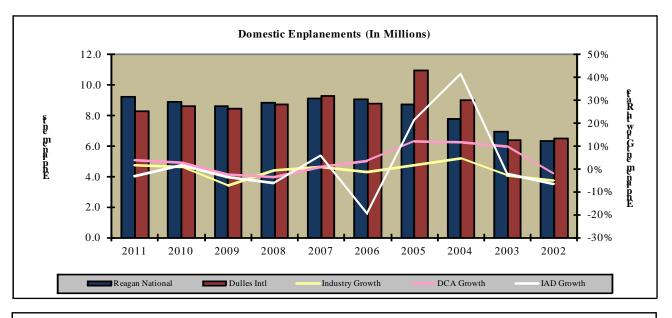
Prior years' comparative information may be adjusted for additional information or to conform with current year presentation

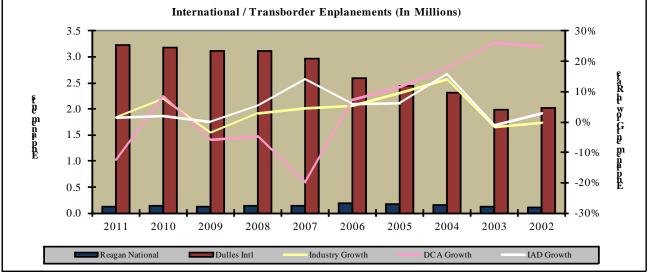
Source: Air Traffic Statistics, Airlines for America (A4A) Monthly Traffic Report- Revenue Enplanements



COMMERCIAL ENPLANEMENTS

Exhibit S-26





Commercial enplanements at Reagan National increased 3.6% in 2011 to an all-time high of nearly 9.4 million. The increase marked the second straight year of enplanement growth at DCA after declines in 2008 and 2009 following the previous record high set in 2007.

Total commerical enplanements at Dulles International declined by 1.9% in 2011. The decrease was driven by a decline in domestic commerical enplanements, which fell by 3.2%. Despite the decline in domestic enplanements, Dulles International set an all time record for international enplanements in 2011 with 3.2 million. The increase of 1.5% in 2011 was slightly higher than the industry average of 1.4%. International enplanements at Dulles International have increased every year since 2003 and now account for approximately 28% of the airport's enplanements. International traffic accounted for less than 2% of Reagan National's total enplanements in 2011.

Sources: Air Traffic Statistics Report, Airlines for America Monthly Passenger Traffic Report for December 2011



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MARKET SHARE BY LANDED WEIGHT RONALD REAGAN WASHINGTON NATIONAL AIRPORT

(Expressed in Thousands of Pounds)

	201	1	201	0	200)9	200)8
Airlines ¹	Landed	Market	Landed	Market	Landed	Market	Landed	Market
	Weights	Share	Weights	Share	Weights	Share	Weights	Share
US Airways	2,698,821	21.34%	2,867,196	23.70%	2,956,848	24.50%	3,349,614	26.40%
Delta Airlines, Inc.	1,639,911	12.97%	1,594,441	13.18%	888,197	7.36%	874,708	6.90%
American Airlines	1,338,976	10.59%	1,328,912	10.99%	1,322,046	10.95%	1,316,961	10.38%
Republic Airline (USAir Express)	1,261,456	9.97%	1,209,393	10.00%	985,480	8.17%	886,321	6.99%
Air Wisconsin (US Airways Express)	646,438	5.11%	651,796	5.39%	804,969	6.67%	951,797	7.50%
United Airlines	593,033	4.69%	688,696	5.69%	727,557	6.03%	702,636	5.54%
AirTran Airlines	471,904	3.73%	445,400	3.68%	324,784	2.69%	305,608	2.41%
Frontier Airlines Inc.	412,373	3.26%	211,315	1.75%	154,449	1.28%	153,061	1.21%
Continental Airlines, Inc	357,921	2.83%	357,161	2.95%	386,058	3.20%	479,057	3.78%
American Eagle Airlines	325,040	2.57%	426,097	3.52%	464,512	3.85%	420,394	3.31%
Shuttle America (Delta Connection)	315,279	2.49%	317,956	2.63%	354,390	2.94%	49,609	0.39%
JetBlue Airways	301,954	2.39%	48,306	0.40%	97	0.00%	-	0.00%
PSA Airlines, Inc.	287,884	2.28%	298,624	2.47%	243,601	2.02%	222,845	1.76%
Atlantic Southeast Airlines (ASA) (Delta Connection)	228,802	1.81%	59,262	0.49%	4,869	0.04%	10,045	0.08%
Comair, Inc.	219,405	1.73%	328,442	2.72%	398,162	3.30%	293,498	2.31%
Compass Airlines (Delta Connection)	174,447	1.38%	23,686	0.20%	-	0.00%	-	0.00%
Chautauqua Airlines, Inc. (US Airways Express)	174,153	1.38%	161,346	1.33%	101,169	0.84%	88,233	0.70%
Spirit Airlines	157,835	1.25%	137,342	1.14%	142,196	1.18%	130,622	1.03%
Alaska Airlines	156,081	1.23%	154,756	1.28%	156,469	1.30%	157,074	1.24%
Pinnacle (Delta Connection)	151,669	1.20%	32,618	0.27%	11,925	0.10%	8,159	0.06%
Mesaba Aviation (Delta Connection)	105,938	0.84%	56,826	0.47%	-	0.00%	-	0.00%
Air Canada	99,605	0.79%	100,936	0.83%	94,097	0.78%	112,319	0.89%
Continental Express-Express Jet	96,571	0.76%	78,203	0.65%	80,775	0.67%	88,674	0.70%
Air Canada Jazz	83,063	0.66%	80,913	0.67%	79,314	0.66%	68,770	0.54%
Chautauqua Airlines(Delta Connection)	62,462	0.49%	5,361	0.04%	6,641	0.06%	15,071	0.12%
Shuttle America (United Express)	49,388	0.39%	14,824	0.12%	-	0.00%	-	0.00%
Colgan Air (Continental Connection)	48,670	0.38%	63,364	0.52%	60,264	0.50%	23,932	0.19%
Federal Express FDX	39,798	0.31%	39,402	0.33%	39,204	0.32%	16,830	0.13%
MN Airlines, LLC	37,719	0.30%		0.00%		0.00%	-	0.00%
Signature Flight Support	34,392	0.27%	20,669	0.17%	13,811	0.11%	10,402	0.08%
Colgan Airways (US Airways Express)	26,334	0.21%	26,505	0.22%	26,933	0.22%	25.826	0.20%
Chautauqua (Continental Express)	20,253	0.16%	35,614	0.29%	43,460	0.36%	39,940	0.31%
Piedmont Airlines	19,882	0.16%	19,216	0.16%	7,348	0.06%	19,578	0.15%
SkyWest (Continental Connection)	10,904	0.09%		0.00%		0.00%		0.00%
Miami Air International	242	0.00%	897	0.01%	-	0.00%	-	0.00%
ExpressJet Airlines, Inc. (United Express)	44	0.00%	-	0.00%	-	0.00%	-	0.00%
ATA, Inc.	-	0.00%	-	0.00%	-	0.00%	-	0.00%
America West Airlines	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Delta Shuttle	-	0.00%	-	0.00%	38,870	0.32%	537,550	4.24%
Midwest Airlines, Inc.	-	0.00%	-	0.00%	47,500	0.39%	275,464	2.17%
Northwest Airlines, Inc.	_	0.00%	48,416	0.40%	802,592	6.65%	884,805	6.97%
Other ²		0.00%	,		300,067	2.49%	,	
	12 649 645		161,573	1.34%	,		166,397	1.31%
GRAND TOTAL	12,648,645	100.00%	12,095,463	100.00%	12,068,654	100.00%	12,685,799	100.00%

¹ Prior years' comparative information has been modified as necessary based on revisions from carriers.

² Includes airlines no longer serving Reagan National or carriers with insignificant activity.



200	7	200	6	200)5	200)4	200)3	200)2
Landed	Market	Landed	Market	Landed	Market	Landed	Market	Landed	Market	Landed	Market
Weights	Share	Weights	Share	Weights	Share	Weights	Share	Weights	Share	Weights	Share
3,429,981	26.97%	3,777,558	29.07%	4,437,393	34.58%	3,082,443	26.87%	3,059,815	28.24%	3,115,677	30.81%
836,226	6.57%	955,899	7.36%	984,462	7.67%	873,553	7.61%	936,778	8.65%	978,906	9.68%
1,330,575	10.46%	1,288,058	9.91%	1,277,371	9.95%	1,156,215	10.08%	1,362,246	12.57%	1,311,095	12.96%
856,710	6.74%	692,821	5.33%	26,900	0.21%	-	0.00%	-	0.00%	-	0.00%
819,586	6.44%	724,223	5.57%	52,170	0.41%	-	0.00%	-	0.00%	-	0.00%
682,154	5.36%	685,035	5.27%	671,032	5.23%	846,889	7.38%	615,931	5.69%	628,511	6.21%
245,672	1.93%	199,552	1.54%	184,624	1.44%	182,535	1.59%	36,296	0.34%	-	0.00%
141,070	1.11%	137,573	1.06%	137,474	1.07%	128,394	1.12%	47,815	0.44%	43,199	0.43%
534,727	4.20%	528,186	4.06%	506,448	3.95%	475,519	4.15%	481,828	4.45%	534,108	5.28%
396,591	3.12%	425,382	3.27%	404,211	3.15%	361,779	3.15%	363,734	3.36%	231,222	2.29%
51,703	0.41%	1,663	0.01%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
196,901	1.55%	208,700	1.61%	578,899	4.51%	302,035	2.63%	232,511	2.15%	185,006	1.83%
46,076	0.36%	43,851	0.34%	50,422	0.39%	89,497	0.78%	87,245	0.81%	5,687	0.06%
262,815	2.07%	287,789	2.21%	291,534	2.27%	417,530	3.64%	473,666	4.37%	98,888	0.98%
	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
91,790	0.72%	119,937	0.92%	213,123	1.66%	292,133	2.55%	156,538	1.44%	-	0.00%
102,376	0.80%	143,724	1.11%	182,057	1.42%	125,013	1.09%	8,060	0.07%	-	0.00%
155,172	1.22%	148,008	1.14%	142,538	1.11%	94,224	0.82%	46,770	0.43%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	100 070	0.00%	-	0.00%
109,403	0.86%	124,919	0.96%	159,966	1.25%	145,756	1.27%	129,872	1.20%	136,149	1.35%
108,012	0.85%	123,207	0.95%	116,228	0.91% 0.00%	189,110	1.65%	113,036	1.04%	67,618	0.67%
64,479 19,949	0.51%	50,044 3,147	0.39% 0.02%	-		-	0.00% 0.00%	-	0.00% 0.00%	-	0.00%
· · · · · · · · · · · · · · · · · · ·	0.16% 0.00%	,	0.02%	-	0.00% 0.00%		0.00%	-		-	0.00% 0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00% 0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00% 0.00%
13,741	0.00%	5,181	0.00%	46,982	0.00%	41,747	0.00%	30,662	0.00%	21,578	0.00%
24,935	0.11%	25,734	0.04%	40,982 31,379	0.37%	105,417	0.30%	11,258	0.28%	- 21,378	0.21%
15,713	0.12%		0.20%	51,575	0.2470		0.92%		0.10%	_	0.00%
44,670	0.12%	20,192	0.16%	11,597	0.00%	95,502	0.83%	177,332	1.64%	411,452	4.07%
	0.00%		0.10%	-	0.00%		0.00%		0.00%		0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	_	0.00%
_	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	_	0.00%
164,658	1.29%	180,125	1.39%	204,921	1.60%	214,056	1.87%	158,894	1.47%	146,007	1.44%
149,032	1.17%	215,496	1.66%	224,186	1.75%	285,361	2.49%	172,147	1.59%	189,006	1.87%
543,986	4.28%	565,122	4.35%	526,128	4.10%	537,805	4.69%	553,077	5.10%	734,688	7.26%
302,760	2.38%	303,872	2.34%	305,028	2.38%	355,080	3.10%	272,663	2.52%	286,368	2.83%
872,401	6.86%	875,902	6.74%	876,247	6.83%	842,286	7.34%	916,221	8.46%	779,922	7.71%
105,904	0.83%	135,270	1.04%	189,168	1.47%	231,920	2.02%	389,711	3.60%	207,930	2.06%
105,904 12,719,765		12,996,168		12,832,487		11,471,799		10,834,104		10,113,018	100.00%



MARKET SHARE BY LANDED WEIGHT WASHINGTON DULLES INTERNATIONAL AIRPORT

(Expressed in Thousands of Pounds)

	201	1	201	0	200	19
Airlines ¹	Landed Weights	Market Share	Landed Weights	Market Share	Landed Weights	Market Share
United Airlines	7,337,040	39.40%	7,651,068	40.38%	7,544,840	40.11%
ExpressJet Airlines, Inc. (United Express)	627,505	3.37%	310,706	1.64%	74,112	0.39%
JetBlue Airways	599,679	3.22%	693,865	3.66%	786,663	4.18%
Mesa Airlines, Inc. (United Express)	552,268	2.97%	682,887	3.60%	900,587	4.79%
Signature Flight Support	536,921	2.88%	541,417	2.86%	525,464	2.79%
Colgan Airways(United Express)	528,851	2.84%	327,123	1.73%	329,603	1.75%
American Airlines	496,227	2.66%	551,836	2.91%	501,613	2.67%
Landmark Aviation	492,519	2.64%	470,478	2.48%	403,491	2.14%
British Airways	466,634	2.51%	421,788	2.23%	467,295	2.48%
Trans States Airlines (United Express)	459,444	2.47%	593,941	3.13%	652,276	3.47%
Atlantic Southeast Airlines (ASA) (United Express)	457,639	2.46%	493,641	2.61%	-	0.00%
Delta Airlines, Inc.	416,675	2.24%	394,850	2.08%	386,054	2.05%
Lufthansa German Airline	413,765	2.22%	398,763	2.10%	336,077	1.79%
Air France	375,826	2.02%	371,939	1.96%	375,681	2.00%
Federal Express FDX	358,709	1.93%	364,829	1.93%	358,267	1.90%
Southwest Airlines Co.	353,714	1.90%	412,040	2.17%	455,344	2.42%
Shuttle America (United Express)	317,730	1.71%	541,385	2.86%	675,158	3.59%
Virgin America	284,629	1.53%	284,136	1.50%	286,088	1.52%
Go Jet Airlines	258,486	1.39%	476,839	2.52%	471,144	2.50%
All Nippon Airways, Co.	202,210	1.09%	196,664	1.04%	186,018	0.99%
Qatar Amiri Air	201,233	1.08%	201,786	1.07%	201,786	1.07%
Continental Airlines, Inc	193,486	1.04%	4,782	0.03%	3,411	0.02%
Korean Air Lines	185,572	1.00%	168,652	0.89%	167,900	0.89%
Virgin Atlantic Airways	174,018	0.93%	161,212	0.85%	193,267	1.03%
South African Airways	163,975	0.88%	172,680	0.91%	182,118	0.97%
Ethiopian Airlines	157,814	0.85%	93,882	0.50%	74,084	0.39%
KLM Royal Dutch Airlines	146,405	0.79%	149,875	0.79%	146,952	0.78%
Scandinavian Airlines System	135,797	0.73%	129,120	0.68%	124,007	0.66%
AirT ran Airlines	127,320	0.68%	137,616	0.73%	166,448	0.88%
Aer Lingus	126,487	0.68%	110,979	0.59%	57,169	0.30%
Taca International Airlines	116,870	0.63%	102,634	0.54%	100,162	0.53%
Austrian Airlines	108,354	0.58%	102,034	0.57%	107,368	0.57%
Saudi Arabian Airlines	99,610	0.53%	78,036	0.41%	67,978	0.36%
Mesa Airlines, Inc. (US Airways Exp.)	98,931	0.53%	106,653	0.56%	104,585	0.56%
Turkish Airlines, Inc.	98,474	0.53%	12,207	0.06%	101,505	0.00%
SkyWest (United Express)	98,088	0.53%	44,220	0.23%	-	0.00%
Pinnacle (Delta Connection)	88,861	0.48%	36,062	0.19%	35,475	0.19%
United Parcel Service Airlines	86,071	0.48%	83,869	0.19%	68,755	0.19%
Compass Airlines (Delta Connection)	78,481	0.40%	87,689	0.44%	08,755	0.00%
Comair, Inc.	48,961	0.42%	64,465	0.34%	30,032	0.16%
		0.26%				
C.O.P.A. Airlines Colgan Air (Continental Connection)	48,878 45,227	0.20%	42,839 7,653	0.23%	43,710	0.23%
Vision Airlines	45,026	0.24%		0.30%	56 022	0.30%
			56,722		56,032	
OpenSkies	43,641	0.23%	35,148	0.19%	21.084	0.00%
Continental Express-Express Jet	43,531	0.23%	48,161	0.25%	31,084	0.17%
PSA Airlines, Inc.	36,781	0.20%	33,381	0.18%	48,098	0.26%
Avianca	35,108	0.19%	35,635	0.19%	36,178	0.19%
Icelandair Chunturan Airliner(Dalta Compantian)	28,350	0.15%	17.072	0.00%	-	0.00%
Chautauqua Airlines(Delta Connection)	27,420	0.15%	17,062	0.09%	-	0.00%
SkyWest (Continental Connection)	26,465	0.14%	-	0.00%	-	0.00%
Mesaba Aviation (US Airways Express)	25,023	0.13%	-	0.00%	-	0.00%
US Airways	21,823	0.12%	33,782	0.18%	46,683	0.25%
Mesaba Aviation (Delta Connection)	18,250	0.10%	2,478	0.01%	-	0.00%
Air Canada Jazz	17,352	0.09%	62,418	0.33%	75,163	0.40%
Aeroflot Soviet Airlines	16,574	0.09%	16,121	0.09%	15,724	0.08%
Air Wisconsin (US Airways Express)	16,356	0.09%	8,977	0.05%	752	0.00%
Atlantic Southeast Airlines(ASA)(Delta Connection)	10,032	0.05%	11,990	0.06%	20,759	0.11%
Atlantic Coast Airlines	-	0.00%	-	0.00%	-	0.00%
BMI British Midland	-	0.00%	-	0.00%	-	0.00%
BWIA West Indies Airways	-	0.00%	-	0.00%	-	0.00%
Chautauqua Airlines, Inc. (United Express)	-	0.00%	1,191	0.01%	392,004	2.08%
Northwest Airlines, Inc.	-	0.00%	2,798	0.01%	59,556	0.32%
Other ²	48,078	0.26%	295,034	1.56%	439,247	2.33%

 $^1\,$ Prior years' comparative information has been modified as necessary based on revisions from carriers.

² Includes airlines no longer serving Dulles International or carriers with insignificant activity.



2008	8	200	7	200)6	200)5	200)4	20	03	20	02
Landed Weights	Market Share	Landed Weights	Market Share	Landed Weights	Market Share	Landed Weights	Market Share	Landed Weights	Market Share	Landed Weights	Market Share	Landed Weights	Market Share
7,435,550	38.09%	7,606,298	37.89%	7,048,694	37.76%	6,392,517	31.32%	6,557,152	34.22%	5,663,094	37.40%	6,127,511	36.96%
927,826	0.00% 4.75%	- 952,941	0.00% 4.75%	- 794,112	0.00% 4.25%	523,980	0.00% 2.57%	484,930	0.00% 2.53%	361,958	0.00% 2.39%	244,420	0.00% 1.47%
1,126,123	5.77%	1,520,846	7.58%	1,847,801	9.90%	893,675	4.38%	347,739	1.81%	-	0.00%		0.00%
462,871	2.37%	538,636	2.68%	477,555	2.56%	-	0.00%	419,380	2.19%	375,348	2.48%	382,530	2.31%
345,987	1.77%	210,455	1.05%	207,564	1.11%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
535,928	2.75% 2.57%	544,803 650,364	2.71% 3.24%	557,241 701,682	2.98% 3.76%	598,510 551,161	2.93% 2.70%	587,805 297,868	3.07% 1.55%	777,149 352,416	5.13% 2.33%	1,017,507 546,953	6.14% 3.30%
501,128 492,144	2.57%	438,467	5.24% 2.18%	458,074	2.45%	28,512	0.14%	297,868 529,004	2.76%	515,279	2.55%	564,804	3.30%
628,832	3.22%	603,260	3.01%	596,537	3.20%	678,031	3.32%	217,860	1.14%		0.00%		0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
441,899	2.26%	481,132	2.40%	497,957	2.67%	530,760	2.60%	727,540	3.80%	759,207	5.01%	985,855	5.95%
384,825 387,484	1.97% 1.98%	443,982 398,061	2.21% 1.98%	469,317 413,269	2.51% 2.21%	409,835 384,546	2.01% 1.88%	317,729 321,257	1.66%	310,526 296,325	2.05%	311,217 268,292	1.88% 1.62%
411,650	2.11%	421,845	2.10%	413,269	2.21%	384,546 401,655	1.88%	371,733	1.68% 1.94%	410,858	1.96% 2.71%	485,719	2.93%
475,884	2.44%	518,676	2.58%	130,534	0.70%		0.00%	-	0.00%		0.00%	-	0.00%
676,463	3.47%	629,476	3.14%	475,885	2.55%	370,263	1.81%	173,781	0.91%	-	0.00%	2,802	0.02%
257,399	1.32%	45,361	0.23%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
343,308 202,764	1.76% 1.04%	306,123 202,794	1.53% 1.01%	111,153 187,630	0.60% 1.01%	- 168,917	0.00% 0.83%	- 168,360	0.00% 0.88%	- 169,440	0.00%	- 168,644	0.00% 1.02%
202,704	1.04%	202,794 96,778	0.48%	187,030	0.00%	108,917	0.83%	108,500	0.88%	109,440	0.00%	108,044	0.00%
5,071	0.03%	36,415	0.18%	26,020	0.14%	37,391	0.18%	44,334	0.23%	60,142	0.40%	113,272	0.68%
118,508	0.61%	137,824	0.69%	119,136	0.64%	111,384	0.55%	108,756	0.57%	99,716	0.66%	96,944	0.58%
252,265	1.29%	245,771	1.22%	190,860	1.02%	165,869	0.81%	212,812	1.11%	181,611	1.20%	189,107	1.14%
197,826	1.01%	203,850	1.02%	169,210	0.91%	64,125	0.31%	-	0.00%	40.074	0.00%	-	0.00%
76,639 147,041	0.39% 0.75%	79,513 149,854	0.40% 0.75%	59,714 132,227	0.32% 0.71%	53,966	0.26% 0.00%	45,664	0.24% 0.00%	40,874	0.27% 0.00%	41,201	0.25% 0.00%
128,077	0.66%	126,229	0.63%	125,820	0.67%	105,126	0.51%	111,950	0.58%	114,283	0.75%	114,878	0.69%
222,712	1.14%	255,984	1.28%	267,592	1.43%	178,360	0.87%	184,808	0.96%	211,560	1.40%	214,929	1.30%
81,417	0.42%	33,729	0.17%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
118,736	0.61%	146,944	0.73%	115,978	0.62%	107,680	0.53%	94,172	0.49%	88,868	0.59%	89,792	0.54%
142,221	0.73%	137,908	0.69%	143,320	0.77%	28,800	0.14%	145,155	0.76%	143,237	0.95%	146,469	0.88% 0.47%
68,455 62,622	0.35% 0.32%	74,359 33,149	0.37% 0.17%	84,109 16,137	0.45% 0.09%	61,241 22,380	0.30% 0.11%	73,470 23,623	0.38% 0.12%	70,397 184,629	0.46% 1.22%	77,214 165,325	1.00%
	0.00%	-	0.00%	-	0.00%		0.00%	-	0.00%		0.00%		0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
14,640	0.07%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
86,359	0.44%	85,884	0.43%	83,528	0.45%	78,162	0.38%	79,917	0.42%	79,890	0.53%	76,392	0.46%
52,429	0.00% 0.27%	91,573	0.00% 0.46%	80,395	0.00% 0.43%	190,435	0.00% 0.93%	101,050	0.00% 0.53%	120,943	0.00% 0.80%	119,057	0.00% 0.72%
41,137	0.21%	20,930	0.10%	-	0.00%		0.00%	-	0.00%		0.00%		0.00%
7,195	0.04%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
25,098	0.13%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	125,000	0.00%	-	0.00%
110,616 38,205	0.57% 0.20%	145,612 27,732	0.73% 0.14%	178,176 50,049	0.95% 0.27%	197,711 30,738	0.97% 0.15%	190,639 4,973	0.99% 0.03%	135,889	0.90% 0.00%	118,366	0.71% 0.00%
19,875	0.20%		0.00%		0.00%		0.00%	-,,,,,	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	279	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
43	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
- 126,347	0.00% 0.65%	- 164,131	0.00% 0.82%	- 159,723	0.00% 0.86%	- 196,034	0.00% 0.96%	- 185,961	0.00% 0.97%	- 187,800	0.00% 1.24%	- 249,267	0.00% 1.50%
	0.00%	104,131	0.82%		0.86%		0.96%	- 105,901	0.97%		0.00%	249,207	0.00%
84,723	0.43%	94,704	0.47%	88,087	0.47%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
15,724	0.08%	15,960	0.08%	21,168	0.11%	21,168	0.10%	28,425	0.15%	37,194	0.25%	55,036	0.33%
282	0.00%	517	0.00%	893	0.00%	5,264	0.03%	-	0.00%	-	0.00%	-	0.00%
20,412	0.10%	12,267	0.06%	4,935	0.03%	15,331	0.08%	45,645	0.24%	-	0.00%	-	0.00%
-	0.00% 0.00%	-	0.00% 0.00%	-	0.00% 0.00%	15,331 496,472	0.08% 2.43%	3,403,084 123,552	17.76% 0.64%	2,035,844	13.45% 0.00%	2,217,292	13.37% 0.00%
-	0.00%	-	0.00%	20,736	0.11%	490,472	2.43%	27,216	0.04%	27,400	0.18%	33,676	0.00%
401,533	2.06%	335,329	1.67%	200,743	1.08%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
174,666	0.89%	283,572	1.41%	267,526	1.43%	289,410	1.42%	308,611	1.61%	327,689	2.16%	479,618	2.89%
440,895	2.26%	523,559	2.61%	684,215	3.66%	5,533,345	27.11%	2,095,079	10.93%	1,001,224	6.61%	875,359	5.28%
19,522,626	100.00%	20,073,594	100.00%	18,669,230	100.00%	20,413,280	100.00%	19,161,031	100.00%	15,140,790	100.00%	16,579,448	100.00%



AIRLINE MARKET SHARE BY PASSENGER ENPLANEMENTS RONALD REAGAN WASHINGTON NATIONAL AIRPORT

	2011		2010		2009		2008	
Airlines ¹	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
DOMESTIC								
US Airways	1,850,864	19.75%	1,927,713	21.32%	1,929,992	22.00%	2,132,137	23.74%
Delta Airlines, Inc.	1,251,093	13.35%	1,253,421	13.86%	728,156	8.30%	726,473	8.09%
American Airlines	1,194,779	12.75%	1,188,767	13.15%	1,143,658	13.04%	1,158,855	12.90%
United Airlines	468,066	4.99%	532,294	5.89%	522,673	5.96%	518,293	5.77%
AirTran Airlines	388,577	4.15%	381,746	4.22%	263,100	3.00%	249,030	2.77%
Frontier Airlines Inc.	357,605	3.82%	204,339	2.26%	158,734	1.81%	156,669	1.74%
Continental Airlines, Inc	269,102	2.87%	291,599	3.22%	303,467	3.46%	325,851	3.63%
JetBlue Airways	240,077	2.56%	37,103	0.41%	-	0.00%	-	0.00%
Alaska Airlines	155,454	1.66%	149,368	1.65%	144,317	1.65%	146,589	1.63%
Spirit Airlines	146,539	1.56%	123,878	1.37%	117,546	1.34%	106,483	1.19%
ATA, Inc.	-	0.00%	-	0.00%	-	0.00%	-	0.00%
America West Airlines	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Delta Shuttle	-	0.00%	-	0.00%	13,149	0.15%	206,552	2.30%
Midwest Airlines, Inc.	-	0.00%	-	0.00%	32,247	0.37%	174,737	1.95%
Northwest Airlines, Inc.	-	0.00%	28,371	0.31%	581,173	6.63%	669,821	7.46%
Other ²	26,374	0.28%	116,838	1.29%	-	0.00%	-	0.00%
REGIONALS Republic Airline (USAir Express)	915,726	9.77%	907,075	10.03%	733,136	8.36%	630,563	7.02%
Air Wisconsin (US Airways Express)	450,057	4.80%	446,339	4.94%	567,358	6.47%		7.46%
American Eagle Airlines	226,639	2.42%	292,901	3.24%	331,584	3.78%		2.99%
PSA Airlines, Inc.	203,834	2.17%	215,400	2.38%	168,781	1.92%		1.64%
Shuttle America (Delta Connection)	148,514	1.58%	164,543	1.82%	168,203	1.92%		0.26%
Comair, Inc.	147,478	1.57%	206,210	2.28%	250,061	2.85%		2.12%
Atlantic Southeast Airlines(ASA)(Delta Connection)	138,417	1.48%	31,273	0.35%	2,974	0.03%		0.06%
Compass Airlines (Delta Connection)	128,135	1.37%	20,568	0.23%	-	0.00%		0.00%
Chautauqua Airlines, Inc. (US Airways Express)	125,817	1.34%	123,584	1.37%	77,766	0.89%		0.72%
Pinnacle (Delta Connection)	98,655	1.05%	21,038	0.23%	7,844	0.09%	7,051	0.08%
Mesaba Aviation (Delta Connection)	77,491	0.83%	41,114	0.45%	-	0.00%		0.00%
Continental Express-Express Jet	62,234	0.66%	55,260	0.61%	61,874	0.71%	58,935	0.66%
Chautauqua Airlines(Delta Connection)	46,182	0.49%	2,908	0.03%	6,065	0.07%	9,881	0.11%
Shuttle America (United Express)	37,218	0.40%	10,495	0.12%	-	0.00%	-	0.00%
Colgan Air (Continental Connection)	32,047	0.34%	44,085	0.49%	44,203	0.50%	19,678	0.22%
Colgan Airways (US Airways Express)	15,493	0.17%	15,315	0.17%	13,983	0.16%	13,740	0.15%
Chautauqua (Continental Express)	14,513	0.15%	29,123	0.32%	32,401	0.37%	34,546	0.38%
Piedmont Airlines	10,183	0.11%	12,223	0.14%	4,466	0.05%	12,856	0.14%
SkyWest (Continental Connection)	8,613	0.09%	-	0	-	0.00%	-	0.00%
Other ²	-	0.00%	16,094	0.18%	224,899	2.56%	107,945	1.20%
AIR CARRIER - CHARTERED								
Miami Air International	123	0.00%	219	0.00%	-	0.00%		0.00%
Other ²	-	0.00%	-	0.00%	201	0.00%	852	0.01%
GENERAL AVIATION								
Signature Flight Support	5,235	0.06%	3,062	0.03%	1,656	0.02%	1,516	0.02%
MILITARY	5,163	0.06%	3,449	0.04%	2,995	0.03%	2,833	0.03%
TO TAL DO MESTIC	9,246,297	98.65%	8,897,715	98.40%	8,638,662	98.48%	8,840,816	98.43%
TRANSBORDER/INTERNATIO NAL								
Air Canada	58,417	0.62%	63,165	0.70%	54,701	0.62%		0.72%
US Airways	11,640	0.12%	35,663	0.39%	35,786	0.41%	38,020	0.42%
REGIONALS								
Air Canada Jazz	46,566	0.50%	45,512	0.50%	42,720	0.49%	38,313	0.43%
Republic Airline (USAir Express)	8,769	0.09%		0.00%	.2,720	0.00%		0.00%
Other ²	672	0.09%	-	0.00%	-	0.00%		0.00%
AIR CARRIER - CHARTERED								
Ryan International Airlines	-	0.00%	-	0.00%	25	0.00%	-	0.00%
TO TAL TRANSBO RDER/INTERNATIO NAL	126,064	1.35%	144,340	1.60%	133,232	1.52%	141,364	1.57%
GRAND TO TAL	9,372,361	100.00%	9,042,055	100.00%	8,771,894	100.00%	8,982,180	100.00%

¹ Prior years' comparative information has been modified as necessary based on revisions from carriers.

² Includes airlines no longer serving Reagan National or carriers with insignificant activity.



20	007		2006		2005		2004		2003		2002	
Passenge Enplaneme		Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
2.25	5,033	24.25%	2,353,896	25.47%	2,715,964	30.48%	2,087,921	26.24%	1,895,630	26.68%	1,797,035	27.79%
	4,772	7.58%	761,946	8.24%	834,287	9.36%	767,987	9.65%	692,509	9.74%	748,708	11.58%
	4,058	13.06%	1,132,839	12.26%	1,119,235	12.56%	921,936	11.59%	955,780	13.45%	921,433	14.25%
51	9,311	5.59%	511,091	5.53%	462,300	5.19%	441,683	5.55%	398,713	5.61%	392,739	6.07%
21	3,397	2.30%	172,293	1.86%	155,613	1.75%	138,707	1.74%	26,303	0.37%	-	0.00%
12	8,498	1.38%	123,223	1.33%	121,424	1.36%	72,757	0.91%	39,044	0.55%	36,058	0.56%
37	3,191	4.01%	378,298	4.09%	357,253	4.01%	309,128	3.88%	306,612	4.31%	326,253	5.05%
	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	2,567	1.53%	130,596	1.41%	116,137	1.30%	77,325	0.97%	33,895	0.48%	32,149	0.50%
	6,636	0.93%	104,988	1.14%	135,878	1.52%	110,303	1.39%	8,854	0.12%	-	0.00%
	9,377	1.71%	151,274	1.64%	145,227	1.63%	165,032	2.07%	126,474	1.78%	121,712	1.88%
	5,095 2,743	1.35% 2.72%	175,333 311,460	1.90% 3.37%	172,484 297,640	1.94% 3.34%	153,659 327,428	1.93% 4.11%	131,354 357,624	1.85% 5.03%	122,745 391,046	1.90% 6.05%
	4,583	2.72%	207,345	2.24%	187,012	2.10%	166,059	4.11% 2.09%	149,368	2.10%	142,933	2.21%
	4,383 5,764	7.27%	666,028	7.21%	643,012	7.22%	622,144	7.82%	587,036	8.26%	522,216	8.08%
07.		0.00%		0.00%	045,017	0.00%	022,144	0.00%	587,050	0.00%	19,798	0.31%
		0.00%		0.0070		0.00%		0.00%		0.00%	19,790	0.51%
59	4,411	6.39%	465,755	5.04%	14,032	0.16%	-	0.00%	_	0.00%	-	0.00%
	8,630	6.12%	460,008	4.98%	32,716	0.37%	-	0.00%	-	0.00%	-	0.00%
	8,697	2.78%	280,129	3.03%	264,758	2.97%	215,408	2.71%	198,460	2.79%	133,539	2.07%
	9,087	1.50%	152,515	1.65%	339,434	3.81%	191,904	2.41%	111,727	1.57%	128,069	1.98%
2	7,201	0.29%	269	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
17	9,534	1.93%	176,297	1.91%	158,060	1.77%	214,242	2.69%	243,627	3.43%	46,716	0.72%
2	6,268	0.28%	27,887	0.30%	35,904	0.40%	65,488	0.82%	54,430	0.77%	5,423	0.08%
	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
7	0,677	0.76%	95,080	1.03%	150,719	1.69%	225,935	2.84%	115,102	1.62%	-	0.00%
	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	-	0.00%		0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	0,791	0.87%	97,211	1.05%	90,506	1.02%	90,655	1.14%	90,836	1.28%	58,954	0.91%
1	1,009	0.12%	1,700	0.02%	-	0.00%	-	0.00% 0.00%	-	0.00%	-	0.00%
	-	0.00% 0.00%	-	0.00% 0.00%	-	0.00% 0.00%	-	0.00%	-	0.00% 0.00%	-	0.00% 0.00%
1	3,867	0.00%	13,041	0.00%	10,242	0.00%	34,500	0.00%	5,742	0.00%	-	0.00%
	4,381	0.15%	15,041	0.00%	10,242	0.00%	54,500	0.00%	5,742	0.00%		0.00%
	8,463	0.31%	11,584	0.13%	4,342	0.05%	47,334	0.59%	100,245	1.41%	189,691	2.93%
-	-	0.00%		0.00%	-	0.00%		0.00%	100,215	0.00%		0.00%
7	7,513	0.83%	92,396	1.00%	172,541	1.94%	349,438	4.39%	341,592	4.81%	219,021	3.39%
	_	0.00%	_	0.00%	_	0.00%	_	0.00%	_	0.00%	_	0.00%
1	-	0.00%	3	0.00%	-	0.00%	409	0.00%		0.00%	-	0.00%
			-									
	1,136	0.01%	536	0.01%	53	0.00%	-	0.00%	-	0.00%	-	0.00%
	3,094	0.03%	2,126	0.02%	1,906	0.02%	5,375	0.07%	3,940	0.06%	4,936	0.08%
	9,784	98.40%	9,057,147	97.99%	8,738,684	98.06%	7,802,757	98.06%	6,974,897	98.15%	6,361,174	98.39%
			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
	1,837	0.67%	76,107	0.82%	104,637	1.17%	94,135	1.18%	79,436	1.12%	83,654	1.29%
4	1,372	0.44%	48,559	0.53%	40,830	0.46%	37,625	0.47%	33,891	0.48%	11,481	0.18%
4	5,314	0.49%	36,001	0.39%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
1	-	0	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
	-	0.00%	24,666	0.27%	27,082	0.30%	22,929	0.29%	18,131	0.26%	9,078	0.14%
	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
14	8,523	1.60%	185,333	2.01%	172,549	1.94%	154,689	1.94%	131,458	1.85%	104,213	1.61%
9,29	8,307	100.00%	9,242,480	100.00%	8,911,233	100.00%	7,957,446	100.00%	7,106,355	100.00%	6,465,387	100.00%



AIRLINE MARKET SHARE BY PASSENGER ENPLANEMENTS WASHINGTON DULLES INTERNATIONAL AIRPORT

	2011		2010		2009		2008	
Airlines ¹	Passenger	Market	Passenger	Market	Passenger	Market	Passenger	Market
	Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share
DOMESTIC								
United Airlines	3,264,591	28.17%	3,430,680	29.04%	3,286,673	28.30%	3,312,845	27.73%
JetBlue Airways	495,844	4.28%	576,039	4.88%	625,519	5.39%	730,989	6.12%
American Airlines	427,886	3.69%	464,266	3.93%	409,716	3.53%	435,623	3.65%
Delta Airlines, Inc.	324,660	2.80%	317,266	2.69%	296,772	2.56%	333,445	2.79%
Southwest Airlines Co.	321,205	2.77%	374,282	3.17%	371,029	3.19%	396,298	3.32%
Virgin America	235,983	2.04%	231,889	1.96%	237,796	2.05%	194,248	1.63%
AirTran Airlines	98,207	0.85%	119,681	1.01%	127,164	1.09%	179,892	1.51%
Continental Airlines, Inc	85,485	0.74%	701	0.01%	817	0.01%	3,808	0.03%
US Airways	13,258	0.11%	22,629	0.19%	34,728	0.30%	96,997	0.81%
Other ²	-	0.00%	15,139	0.13%	49,636	0.43%	135,150	1.13%
REGIONALS								
ExpressJet Airlines, Inc. (United Express)	556,189	4.80%	277,075	2.35%	62,152	0.54%	-	0.00%
Colgan Airways(United Express)	450,143	3.88%	219,380	1.86%	221,228	1.90%	203,456	1.70%
Mesa Airlines, Inc. (United Express)	440,505	3.80%	549,219	4.65%	719,003	6.19%	906,747	7.59%
Atlantic Southeast Airlines (ASA) (United Express)	363,566	3.14%	413,277	3.50%		0.00%	-	0.00%
Trans States Airlines (United Express)	349,374	3.01%	445,031	3.77%	566,386	4.88%	545,487	4.57%
Shuttle America (United Express)	173,835	1.50%	308,225	2.61%	372,543	3.21%	369,050	3.09%
GoJet Airlines	165,390	1.43%	318,557	2.70%	352,162	3.03%	249,456	2.09%
Other ²	513,360	4.43%	470,808	3.98%	685,858	5.91%	639,141	5.35%
Other	515,500	4.4570	470,000	5.7670	000,000	5.9170	039,141	5.5570
AIR CARRIER - CHARTERED	10 (70)	0.4444	10 (01	0.0004	10,100	0.000/	0.000	0.000/
Other Charters ²	12,678	0.11%	10,681	0.09%	10,438	0.09%	9,898	0.08%
GENERAL AVIATION								
Signature Flight Support	56,171	0.48%	54,923	0.46%	49,845	0.43%	60,399	0.51%
Landmark A viation	14,419	0.12%	17,241	0.15%	16,986	0.15%	24,598	0.21%
MILITARY								
Other Military	447	0.00%	133	0.00%	36	0.00%	314	0.00%
TOTAL DOMESTIC	8,363,196	72.16%	8,637,122	73.10%	8,496,487	73.16%	8,827,841	73.90%
TRANSBORDER/INTERNATIONAL								
United Airlines	1,439,487	12.42%	1,451,292	12.28%	1,443,621	12.43%	1,401,537	11.73%
British Airways	190,445	1.64%	173,211	1.47%	182,703	1.57%	189,442	1.59%
Lufthansa German Airline	174,947	1.51%	176,179	1.49%	158,147	1.36%	173,440	1.45%
Air France	173,618	1.50%	161,910	1.37%	181,787	1.57%	176,064	1.47%
Taca International Airlines	103,804	0.90%	98,844	0.84%	95,132	0.82%	101,867	0.85%
Qatar Amiri Air	101,139	0.87%	103,078	0.87%	88,061	0.76%	85,231	0.71%
Other ²	885,188	7.64%	777,323	6.58%	705,198	6.07%	730,022	6.11%
Other	665,166	7.0470	111,323	0.5670	705,198	0.0770	730,022	0.1170
REGIONALS								
Trans States Airlines (United Express)	63,806	0.55%	81,893	0.69%	-	0.00%	-	0.00%
Shuttle America (United Express)	40,163	0.35%	68,332	0.58%	93,135	0.80%	89,225	0.75%
GoJet Airlines	25,838	0.22%	33,447	0.28%	-	0.00%	-	0.00%
Air Canada Jazz	10,623	0.09%	41,010	0.35%	43,459	0.37%	49,104	0.41%
SkyWest (United Express)	5,552	0.05%	-	0.00%	-	0.00%	-	0.00%
Other ²	-	0.00%	368	0.00%	114,906	0.99%	114,742	0.96%
AIR CARRIER - CHARTERED								
Other Charters ²	9,822	0.08%	10,348	0.09%	11,002	0.09%	4,743	0.04%
	.,				,		.,. 15	
GENERAL AVIATION								
Signature Flight Support	1,047	0.01%	377	0.00%	167	0.00%	63	0.00%
Landmark Aviation	-	0.00%	-	0.00%	-	0.00%	-	0.00%
MILITARY								
Other Military	513	0.00%	444	0.00%	523	0.00%	1,540	0.01%
TOTAL TRANSBORDER/INTERNATIONAL	3,225,992	27.84%	3,178,056	26.90%	3,117,841	26.84%	3,117,020	26.10%
	11,589,188	100.00%	11,815,178	100.00%	11,614,328	100.00%	11,944,861	100.00%

Prior years' comparative information has been modified as necessary based on revisions from carriers.
 Includes airlines no longer serving Dulles International or carriers with insignificant activity.



2007		2006		2005		2004		2003		2002	
Passenger	Market	Passenger	Market	Passenger	Market	Passenger	Market	Passenger	Market	Passenger	Market
Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share
-		•		•		· ·		-		•	
3,551,268	28.68%	3,430,537	29.84%	3,131,653	23.19%	3,064,079	26.81%	2,459,604	29.08%	2,563,838	29.83%
776,980	6.27%	666,704	5.80%	475,282	3.52%	444,592	3.89%	342,582	4.05%	2,505,658	2.55%
444,445	3.59%	450,718	3.92%	471,771	3.49%	410,792	3.59%	438,793	5.19%	511,972	5.96%
368,507	2.98%	384,682	3.35%	392,954	2.91%	474,913	4.16%	531,773	6.29%	665,661	7.74%
368,977	2.98%	80,567	0.70%	572,754	0.00%	4/4,915	0.00%	551,775	0.00%	005,001	0.00%
27,247	0.22%	30,507	0.00%		0.00%		0.00%		0.00%		0.00%
204,194	1.65%	199,898	1.74%	133,541	0.00%	129,738	1.14%	166,607	1.97%	153,497	1.79%
204,194	0.16%	15,217	0.13%	26,260	0.19%	27,616	0.24%	39,506	0.47%	71,950	0.84%
109,878	0.10%	101,772	0.13%	118,897	0.19%	97,310	0.24%	118,315	1.40%	125,972	1.47%
269,839	2.18%	332,565	2.89%	3,048,657	22.58%	2,454,140	21.47%	1,824,595	21.57%	1,860,345	21.64%
	0.000/		0.000/		0.000/		0.000/		0.000/		0.000/
154.047	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
156,967	1.27%	142,528	1.24%	22,075	0.16%	-	0.00%	-	0.00%	-	0.00%
1,279,241	10.33%	1,602,553	13.94%	730,191	5.41%	282,517	2.47%	-	0.00%	-	0.00%
-	0.00%	100 72 1	0.00%		0.00%	-	0.00%	-	0.00%	-	0.00%
528,990	4.27%	498,796	4.34%	567,626	4.20%	288,287	2.52%	2,707	0.03%	-	0.00%
375,942	3.04%	266,414	2.32%	239,948	1.78%	110,075	0.96%	-	0.00%	2,391	0.03%
227,050	1.83%	77,833	0.68%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
594,147	4.80%	541,946	4.71%	1,568,423	11.61%	1,221,446	10.69%	435,314	5.15%	301,511	3.51%
9,074	0.07%	4,654	0.04%	20,105	0.15%	9,079	0.08%	11,850	0.14%	21,502	0.25%
72,635	0.59%	66,673	0.58%	59,748	0.44%	60,106	0.53%	48,106	0.57%	37,506	0.44%
35,424	0.29%	36,105	0.31%	43,772	0.32%	39,817	0.35%	40,184	0.48%	35,567	0.41%
-	0.00%	173	0.00%	573	0.00%	698	0.01%	903	0.01%	637	0.01%
9,421,220	76.08%	8,900,335	77.41%	11,051,476	81.84%	9,115,205	79.76%	6,460,839	76.38%	6,571,484	76.45%
1,350,797	10.91%	1,105,952	9.62%	1,004,913	7.44%	932,830	8.16%	768,233	9.08%	801,230	9.32%
173,361	1.40%	182,241	1.59%	189,991	1.41%	189,690	1.66%	187,934	2.22%	181,694	2.11%
203,686	1.64%	215,272	1.87%	200,149	1.48%	163,817	1.43%	149,399	1.77%	153,186	1.78%
192,578	1.56%	201,577	1.75%	190,865	1.41%	156,142	1.37%	139,751	1.65%	127,684	1.49%
118,331	0.96%	98,628	0.86%	90,554	0.67%	81,316	0.71%	72,989	0.86%	71,528	0.83%
25,841	0.21%		0.00%		0.00%	-	0.00%		0.00%		0.00%
		(00.12)		CC0 500		722 490		(72.901		(01.240	
684,574	5.53%	609,136	5.30%	669,500	4.96%	733,480	6.42%	672,891	7.96%	681,340	7.93%
	0.000		0.000		0.000		0.000		0.000		0.000
	0.00%	- EC 105	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
74,393	0.60%	56,105	0.49% 0.00%	11,099	0.08% 0.00%	-	0.00% 0.00%	-	0.00% 0.00%	-	0.00% 0.00%
	0.00%	-		-		-		-		-	
66,344	0.54%	63,833	0.56%	-	0.00%	-	0.00% 0.00%	-	0.00% 0.00%	-	0.00% 0.00%
(0.522	0.00%	-	0.00%	- 00.270	0.00%	-		-		-	
69,523	0.56%	60,146	0.52%	88,379	0.65%	51,557	0.45%	-	0.00%	-	0.00%
917	0.01%	1,792	0.02%	3,544	0.03%	740	0.01%	3,643	0.04%	1,062	0.01%
311	0.00%	179	0.00%	363	0.00%	200	0.00%	64	0.00%	18	0.00%
137	0.00%	402	0.00%	1,333	0.01%	991	0.01%	939	0.01%	798	0.01%
803	0.01%	1,552	0.01%	1,647	0.01%	2,869	0.03%	2,005	0.02%	5,942	0.07%
2,961,596	23.92%	2,596,815	22.59%	2,452,337	18.16%	2,313,632	20.24%	1,997,848	23.62%	2,024,482	23.55%
12,382,816	100.00%	11,497,150	100.00%	13,503,813	100.00%	11,428,837	100.00%	8,458,687	100.00%	8,595,966	100.00%



AIRLINE MARKET SHARE BY ENPLANED CARGO WEIGHT RONALD REAGAN WASHINGTON NATIONAL AIRPORT

(Expressed in Pounds)

	20	11	20	10	200)9	200)8
Airlines ¹	Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market
	Weight	Share	Weight	Share	Weight	Share	Weight	Share
DOMESTIC								
American Airlines	1,115,895	33.41%	347,170	10.21%	438,101	16.27%	357,360	17.47%
Federal Express FDX	779,768	23.35%	910,324	26.78%	549,860	20.42%	313,462	15.33%
Frontier Airlines Inc.	428,095	12.82%	863,751	25.41%	499,669	18.56%	19,694	0.96%
Delta Airlines, Inc.	344,901	10.33%	286,798	8.44%	156,417	5.81%	95,744	4.68%
US Airways	253,351	7.59%	485,433	14.28%	554,872	20.61%	642,775	31.43%
Continental Airlines, Inc	95,266	2.85%	157,450	4.63%	110,081	4.09%	156,508	7.65%
Alaska Airlines	50,987	1.53%	113,101	3.33%	97,411	3.62%	106,397	5.20%
United Airlines	10,406	0.31%	18,691	0.55%	16,191	0.60%	17,874	0.87%
America West Airlines	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Midwest Airlines, Inc.	-	0.00%	-	0.00%	11,783	0.44%	102,453	5.01%
Northwest Airlines, Inc.	-	0.00%	21,974	0.65%	85,523	3.18%	83,748	4.09%
Other ²	-	0.00%	28,589	0.84%	53	0.00%	152	0.01%
REGIONALS								
PSA Airlines, Inc.	135,206	4.05%	82,369	2.42%	56,727	2.11%	23,795	1.16%
Air Wisconsin (US Airways Express)	133,200	3.73%	73,300	2.42%	63,295	2.11%	43,548	2.13%
SkyWest (Continental Connection)	525	0.02%		0.00%		0.00%		0.00%
Chautauqua (Continental Express)	340	0.02%	1,758	0.00%	1,969	0.00%	7,191	0.00%
Continental Express-Express Jet	334	0.01%	5,848	0.17%	8,900	0.33%	20,167	0.99%
Piedmont Airlines	139	0.00%	348	0.01%	412	0.02%	481	0.02%
Other ²	157	0.00%	2,130	0.06%	41,329	1.53%	14,051	0.69%
Other	-	0.00%	2,150	0.06%	41,529	1.35%	14,031	0.09%
TOTAL DOMESTIC	3,339,633	100.00%	3,399,034	99.98%	2,692,593	99.99%	2,005,400	98.05%
TRANSBORDER/INTERNATIONAL								
Air Canada	44	0.00%	180	0.01%	31	0.00%	-	0.00%
US Airways	22	0.00%	412	0.01%	169	0.01%	39,907	1.95%
REGIONALS								
Air Wisconsin (US Airways Express)	-	0.00%	-	0.00%	-	0.00%	-	0.00%
PSA Airlines, Inc.	-	0.00%	-	0.00%	-	0.00%	-	0.00%
US Airways Express (Midway)	-	0.00%	-	0.00%	-	0.00%	-	0.00%
TOTAL	66	0.00%	592	0.02%	200	0.01%	39,907	1.95%
TRANSBORDER/INTERNATIONAL							, ,	
GRAND TOTAL	3,339,699	100.00%	3,399,626	100.00%	2,692,793	100.00%	2,045,307	100.00%

¹ Prior years' comparative information has been modified as necessary based on revisions from carriers.

² Includes airlines no longer serving Reagan National or carriers with insignificant activity.



200)7	200)6	200)5	20	04	200	03	200)2
Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market
Weight	Share	Weight	Share	Weight	Share	Weight	Share	Weight	Share	Weight	Share
2,628	0.10%	4,457	0.15%	92,242	3.02%	744,151	16.38%	289,789	6.27%	399,616	9.01%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
2,856	0.10%	-	0.00%	-	0.00%	1,371	0.03%	36,318	0.79%	6,199	0.14%
107,764	3.93%	140,659	4.72%	263,842	8.65%	273,507	6.02%	315,869	6.83%	55,330	1.25%
1,661,112	60.57%	1,210,445	40.61%	1,037,946	34.03%	1,727,285	38.02%	1,832,745	39.64%	1,607,082	36.22%
163,807	5.97%	246,489	8.27%	300,118	9.84%	487,743	10.74%	437,175	9.46%	663,111	14.94%
106,366	3.88%	120,052	4.03%	43,616	1.43%	752	0.02%	22,764	0.49%	20,476	0.46%
17,631	0.64%	20,069	0.67%	76,329	2.50%	172,457	3.80%	221,887	4.80%	146,663	3.31%
86,448	3.15%	287,846	9.66%	284,665	9.33%	381,530	8.40%	499,521	10.80%	443,313	9.99%
146,642	5.35%	172,537	5.79%	143,100	4.69%	277,948	6.12%	300,996	6.51%	426,727	9.62%
69,039	2.52%	24,575	0.82%	24,992	0.82%	41,723	0.92%	239,483	5.18%	331,498	7.47%
223,372	8.14%	401,841	13.48%	620,677	20.35%	259,992	5.72%	154,414	3.34%	91,023	2.05%
27,467	1.00%	56,658	1.90%	67,526	2.21%	30,539	0.67%	20,245	0.44%	21,742	0.49%
25,796	0.94%	138,487	4.65%	23,281	0.76%	-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
3,333	0.12%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
35,974	1.31%	60,917	2.04%	43,763	1.43%	30,235	0.67%	18,279	0.40%	22,775	0.51%
2,032	0.07%	1,849	0.06%	1,089	0.04%	13,044	0.29%	54,940	1.19%	66,069	1.49%
7,024	0.26%	61,929	2.08%	10,593	0.35%	97,335	2.14%	171,700	3.71%	78,518	1.77%
2,689,291	98.06%	2,948,810	98.93%	3,033,779	99.46%	4,539,612	99.93%	4,616,125	99.84%	4,380,142	98.71%
751	0.020/	1.571	0.050	2 559	0.120/	100	0.010/	700	0.000	1 226	0.020/
751 52 526	0.03%	1,551	0.05%	3,558	0.12%	462	0.01%	708	0.02%	1,326	0.03%
52,526	1.92%	27,321	0.92%	12,198	0.40%	2,876	0.06%	6,682	0.14%	55,983	1.26%
-	0.00%	3,100	0.10%	-	0.00%	-	0.00%	_	0.00%	_	0.00%
-	0.00%	41	0.00%	656	0.02%	64	0.00%	1	0.00%	-	0.00%
-	0.00%	-	0.00%		0.00%	-	0.00%	4	0.00%	_	0.00%
	0.0070		0.0070		0.0070		0.0070	-	0.0070		0.0070
53,277	1.94%	32,013	1.07%	16,412	0.54%	3,402	0.07%	7,395	0.16%	57,309	1.29%
2,742,568	100.00%	2,980,823	100.00%	3,050,191	100.00%	4,543,014	100.00%	4,623,520	100.00%	4,437,451	100.00%



AIRLINE MARKET SHARE BY ENPLANED CARGO WEIGHT WASHINGTON DULLES INTERNATIONAL AIRPORT

(Expressed in Pounds)

	2011	1	2010)	2009)	2008	3
Airlines ¹	Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market
	Weight	Share	Weight	Share	Weight	Share	Weight	Share
DOMESTIC								
Federal Express FDX	74,823,743	24.95%	76,889,656	23.12%	83,793,859	26.97%	82,766,364	23.66%
United Airlines	34,373,835	11.46%	45,511,042	13.69%	38,771,925	12.48%	40,833,059	11.67%
United Parcel Service Airlines Continental Airlines, Inc	12,291,618	4.10%	10,519,509	3.16%	8,304,813	2.67%	8,582,825	2.45%
	1,873,912	0.62%	2,811,265	0.85%	1,949,852	0.63%	875,020	0.25%
American Airlines	793,807	0.26%	1,091,210	0.33%	1,289,901	0.42%	2,264,649	0.65%
Delta Airlines, Inc. Southwest Airlines Co.	556,270 423,510	0.19% 0.14%	539,498 316,218	0.16% 0.10%	399,477 271,671	0.13% 0.09%	420,072 560,639	0.12% 0.16%
JetBlue Airways	268,595	0.14%	386,739	0.10%	455,711	0.09%	678,715	0.10%
US Airways	12,865	0.00%	86,276	0.03%	225,628	0.07%	274,354	0.08%
ASTAR Air Cargo/DHL Airways		0.00%	00,270	0.00%	225,020	0.00%	274,004	0.00%
Airborne Express GB	_	0.00%	-	0.00%	119,843	0.04%	11,811,662	3.38%
America West Airlines	_	0.00%	-	0.00%		0.00%		0.00%
Northwest Airlines, Inc.	-	0.00%	-	0.00%	22,077	0.01%	75,020	0.02%
Other ²		0.00%		0.00%	,	0.00%		0.00%
Other	-	0.00%	-	0.00%	-	0.00%	-	0.00%
REGIONALS								
PSA Airlines, Inc.	27,339	0.01%	47,596	0.01%	29,119	0.01%	20,189	0.01%
Air Wisconsin (US Airways Express)	6,846	0.00%	10,311	0.00%	16	0.00%		0.00%
Continental Express - Express Jet		0.00%		0.00%	-	0.00%	1,179,844	0.34%
Other ²	1,133	0.00%	2,357	0.00%	9,670	0.00%	9,879	0.00%
Other	-,		_,		.,		.,	
ALL-CARGO CHARTERS								
Atlas Air Worldwide Holdings, Inc.	106,560	0.04%	-	0.00%	-	0.00%	-	0.00%
Other ²		0.00%	121,943	0.04%	8,117	0.00%	31,635	0.01%
Offici	-	0.00%	121,943	0.0470	0,117	0.00%	51,055	0.0170
MILITARY								
RAF Movements Unit	4,914	0.00%	-	0.00%	-	0.00%	-	0.00%
TOTAL DOMESTIC	125,564,947	41.87%	138,333,620	41.60%	135,651,679	43.67%	150,383,926	43.00%
TRANSBORDER/INTERNATIONAL								
United Airlines	82,974,260	27.67%	99,578,299	29.94%	85,576,244	27.55%	94,114,032	26.91%
Qatar Amiri Air	12,548,060	4.18%	13,088,631	3.94%	12,546,842	4.04%	12,987,692	3.71%
British Airways	12,424,127	4.14%	13,277,122	3.99%	14,530,288	4.68%	14,539,614	4.16%
Air France	10,212,850	3.41%	11,019,582	3.31%	6,913,773	2.23%	8,659,903	2.48%
All Nippon Airways, Co.	9,915,876	3.31%	8,964,621	2.70%	7,120,220	2.29%	10,093,321	2.89%
Lufthansa German Airline	8,568,118	2.86%	10,568,050	3.18%	16,741,822	5.39%	19,296,508	5.52%
Virgin Atlantic Airways	7,601,676	2.53%	8,028,698	2.41% 2.00%	6,908,136	2.22%	9,891,243	2.83% 1.09%
South African Airways Scandinavian Airlines System	6,367,193 5,458,393	2.12%	6,655,220	2.00%	4,687,739 5,502,209	1.51%	3,797,528 6,208,829	
KLM Royal Dutch Airlines	4,721,047	1.82% 1.57%	7,756,339 3,388,973	1.02%	4,164,994	1.77% 1.34%	5,766,904	1.78% 1.65%
Austrian Airlines	4,721,047	1.37%	5,083,851	1.53%	5,371,312	1.34%	7,344,158	2.10%
Aer Lingus	3,242,232	1.40%	2,253,950	0.68%	5,571,512 705,060	0.23%	1,129,916	0.32%
Turkish Airlines, Inc.	1,095,562	0.37%	6,036	0.08%	,05,000	0.23%	1,129,910	0.32%
Korean Air Lines	1,037,363	0.37%	681,332	0.00%	631,640	0.00%	348,966	0.00%
Ethiopian Airlines	964,461	0.32%	763,721	0.23%	571,426	0.18%	722,967	0.21%
Saudi Arabian Airlines	906,596	0.32%	1,423,270	0.43%	619,146	0.20%	697,661	0.20%
Taca International Airlines	391,626	0.13%	387,763	0.12%	452,220	0.15%	624,461	0.18%
C.O.P.A. Airlines	67,203	0.02%	44,164	0.01%	46,304	0.01%	10,013	0.00%
Aeroflot Soviet Airlines	26,752	0.01%	-	0.00%	7,193	0.00%	77,707	0.02%
Iberia Airlines	_	0.00%	156,049	0.05%	641,961	0.21%	1,388,761	0.40%
Other ²	13,342	0.00%	48,644	0.01%	15,656	0.01%	- ` `	0.00%
REGIONALS								
		0.00%	-	0.00%	-	0.00%	-	0.00%
Air Wisconsin (United Express)	-							
An wisconsin (United Express)	-							
Air Wisconsin (United Express) ALL-CARGO CHARTERS								
	563,216	0.19%	-	0.00%	-	0.00%	-	0.00%
ALL-CARGO CHARTERS	563,216 225,024	0.19% 0.08%	-	0.00% 0.00%	- 220,000	0.00% 0.07%	-	0.00% 0.00%
ALL-CARGO CHARTERS Atlas Air Worldwide Holdings, Inc.			- - 14,698		220,000 59,055		- - 112,189	
ALL-CARGO CHARTERS Atlas Air Worldwide Holdings, Inc. Evergreen International		0.08%	- 14,698	0.00%		0.07%	- - 112,189	0.00%
ALL-CARGO CHARTERS Atlas Air Worldwide Holdings, Inc. Evergreen International		0.08%	- 14,698	0.00%		0.07% 0.02%	- - 112,189	0.00%
ALL-CARGO CHARTERS Atlas Air Worldwide Holdings, Inc. Evergreen International Other ² MILITARY GAF		0.08%	- 14,698 1,026,487	0.00%		0.07%	- 112,189 1,564,128	0.00% 0.03%
ALL-CARGO CHARTERS Atlas Air Worldwide Holdings, Inc. Evergreen International Other ² MILITARY	225,024	0.08% 0.00%		0.00% 0.00%	59,055	0.07% 0.02%		0.00% 0.03% 0.45%
ALL-CARGO CHARTERS Atlas Air Worldwide Holdings, Inc. Evergreen International Other ² MILITARY GAF RAF Movements Unit	225,024 - 802,239 -	0.08% 0.00% 0.27% 0.00%	1,026,487 5,045	0.00% 0.00% 0.31% 0.00%	59,055 950,129 300	0.07% 0.02% 0.31% 0.00%	1,564,128 5,290	0.00% 0.03% 0.45% 0.00%
ALL-CARGO CHARTERS Atlas Air Worldwide Holdings, Inc. Evergreen International Other ² MILITARY GAF	225,024 - 802,239 - 174,337,898	0.08% 0.00% 0.27%	1,026,487 5,045 194,220,545	0.00% 0.00% 0.31% 0.00% 58.40%	59,055 950,129 300 174,983,669	0.07% 0.02% 0.31% 0.00% 56.33%	1,564,128 5,290 199,381,791	0.00%

¹ Prior years' comparative information has been modified as necessary based on revisions from carriers.
² Includes airlines no longer serving Dulles International or carriers with insignificant activity.



2007	7	2006	i	2005		2004		2003	3	2002	
Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market	Cargo	Market
Weight	Share	Weight	Share	Weight	Share	Weight	Share	Weight	Share	Weight	Share
90,637,340	25.35%	84,999,063	24.86%	89,954,132	29.61%	85,571,561	28.33%	72,467,555	26.61%	90,967,737	29.79%
47,996,696	13.43%	44,757,206	13.09%	42,347,957	13.94%	55,671,032	18.43%	62,396,831	22.92%	72,840,463	23.85%
9,522,514	2.66%	9,210,600	2.69%	8,522,281	2.81%	7,394,010	2.45%	7,347,070	2.70%	6,192,586	2.03%
2,296,733	0.64%	2,484,266	0.73%	2,893,214	0.95%	3,181,635	1.05%	2,811,793	1.03%	3,498,512	1.15%
1,486,544	0.42%	1,709,804	0.50%	1,441,953	0.47%	2,677,255	0.89%	4,106,286	1.51%	4,643,111	1.52%
547,443	0.15%	732,947	0.21%	1,415,717	0.47%	2,514,816	0.83%	2,557,510	0.94%	2,774,213	0.91%
585,535	0.16%	100,030	0.03%		0.00%	_,	0.00%	_,	0.00%		0.00%
138,833	0.04%	85,449	0.02%	123,565	0.04%	174,301	0.06%	86,081	0.03%	57,644	0.02%
119,368	0.03%	99,377	0.03%	83,805	0.03%	128,821	0.04%	146,319	0.05%	159,500	0.05%
-	0.00%	-	0.00%	1,738,533	0.57%	4,394,872	1.45%	1,317,691	0.48%		0.00%
13,330,418	3.73%	11,161,815	3.27%	10,135,209	3.34%	10,007,380	3.31%	8,749,084	3.21%	9,150,502	3.00%
218,379	0.06%	510,124	0.15%	390,576	0.13%	492,484	0.16%	291,963	0.11%	10,674	0.00%
96,087	0.03%	139,315	0.04%	168,907	0.06%	184,783	0.06%	641,324	0.24%	1,487,143	0.49%
20,007	0.00%			38,139		95,803			0.05%		0.03%
-	0.00%	47,768	0.01%	38,139	0.01%	95,805	0.03%	132,688	0.05%	102,495	0.05%
12.075	0.000/	15 524	0.000/	1 200	0.000/	1.45	0.000/		0.000/		0.000
13,075	0.00%	15,524	0.00%	1,299	0.00%	145	0.00%	-	0.00%	-	0.00%
29.246	0.00%	700	0.00%	170 225	0.00%	170.390	0.00%	E7 100	0.00%	67.640	0.00%
38,246 3,948	0.01% 0.00%	43,657 31,742	0.01% 0.01%	170,325 72,939	0.06% 0.02%	170,280 54,269	0.06% 0.02%	57,180 33,083	0.02% 0.01%	67,640 26,222	0.02% 0.01%
5,948	0.00%	51,742	0.01%	12,939	0.02%	54,209	0.02%	55,085	0.01%	20,222	0.01%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
2,734	0.00%	-	0.00%	-	0.00%	216,350	0.07%	294,550	0.11%	9,887	0.00%
-	0.00%	-	0.00%	200	0.00%	1,050	0.00%	-	0.00%	1,500	0.00%
167,033,893	46.72%	156,129,387	45.67%	159,498,751	52.51%	172,930,847	57.25%	163,437,008	60.02%	191,989,829	62.86%
0.000 554	27.124	100000000000	21.254	< / FOR 510		50 450 400		20.040.201	11.570	12 005 025	11.074
96,960,774	27.12%	106,822,333	31.25%	64,727,512	21.31%	50,470,602	16.71%	39,940,381	14.67%	42,985,025	14.07%
5,196,251	1.45%		0.00%	-	0.00%	-	0.00%		0.00%		0.00%
12,824,088	3.59%	11,246,501	3.29%	11,563,749	3.81%	10,578,872	3.50%	10,758,490	3.95%	9,074,725	2.97%
6,331,689	1.77%	5,570,291	1.63%	9,209,885	3.03%	8,210,094	2.72%	5,032,086	1.85%	5,552,156	1.82%
12,112,144	3.39%	9,251,189	2.71%	6,663,410	2.19%	6,707,108	2.22%	7,236,405	2.66%	8,318,691	2.72%
21,636,118	6.05%	20,128,114	5.89%	17,550,693	5.78%	14,632,524	4.84%	12,251,601	4.50%	10,364,929	3.39%
8,941,718	2.50%	7,924,997	2.32%	6,585,176	2.17%	7,404,359	2.45%	6,485,883	2.38%	7,531,089	2.47%
1,156,830	0.32%	3,342,760	0.98%	612,131	0.20%	-	0.00%	-	0.00%	-	0.00%
7,262,647	2.03%	6,616,384	1.94%	7,375,992	2.43%	6,035,730	2.00%	4,338,814	1.59%	4,874,136	1.60%
5,498,164	1.54%	4,679,652	1.37%	4,137,455	1.36%	3,599,933	1.19%	1,287,174	0.47%		0.00%
7,459,761	2.09%	4,930,035	1.44%	5,752,394	1.89%	7,593,452	2.51%	6,593,887	2.42%	5,926,046	1.94%
442,914	0.12%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
288,372	0.08%	315,087	0.09%	313,519	0.10%	208,699	0.07%	468,292	0.17%	672,406	0.22%
316,427	0.09%	109,308	0.03%	121,825	0.04%	116,894	0.04%	112,949	0.04%	172,870	0.06%
680,012	0.19%	631,037	0.18%	648,639	0.21%	875,122	0.29%	886,750	0.33%	1,225,157	0.40%
644,573	0.18%	859,922	0.25%	669,909	0.22%	873,307	0.29%	913,388	0.34%	905,820	0.30%
1,387	0.00%		0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
97,483	0.03%	180,476	0.05%	439,147	0.14%	1,027,717	0.34%	874,555	0.32%	525,752	0.17%
721,493	0.20%		0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
1,457	0.00%	1,564,238	0.46%	6,106,756	2.01%	9,011,557	2.98%	9,324,409	3.42%	13,076,371	4.28%
-	0.00%	-	0.00%	38	0.00%	140	0.00%	-	0.00%	-	0.00%
							0.00%		0.00%		0.00%
-	0.00%	-	0.00%	-	0.00%	-				-	
202,783	0.00% 0.06%	152,764	0.00% 0.04%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
202,783 399,930		152,764 350,059		481,468		157,660		265,231		-	
	0.06%		0.04%	481,468	0.00%	157,660	0.00%	265,231	0.00%	-	0.00%
	0.06%		0.04%	481,468	0.00%	157,660	0.00%	265,231	0.00%	-	0.00%
	0.06%		0.04%	481,468	0.00%	- 157,660 1,611,938	0.00%	265,231	0.00%	2,142,263	0.00%
399,930	0.06% 0.11%	350,059	0.04% 0.10%		0.00% 0.16%		0.00% 0.05%		0.00% 0.10%	2,142,263 71,078	0.00% 0.00%
399,930 1,286,551	0.06% 0.11% 0.36%	350,059 1,040,750	0.04% 0.10% 0.30%	1,185,027	0.00% 0.16% 0.39%	1,611,938	0.00% 0.05% 0.53%	1,991,730	0.00% 0.10% 0.73%		0.00% 0.00% 0.70%
399,930 1,286,551	0.06% 0.11% 0.36%	350,059 1,040,750	0.04% 0.10% 0.30%	1,185,027	0.00% 0.16% 0.39%	1,611,938	0.00% 0.05% 0.53%	1,991,730	0.00% 0.10% 0.73%		0.00% 0.00% 0.70%



PASSENGER FACILITY CHARGES

Exhibit S-33

Ronald Reagan Washington National Airport

AIRLINE ¹	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
US Airways	\$ 14,199,404	\$ 14,582,063	\$ 13,934,880	\$ 14,476,818	\$ 14,351,176	\$ 12,086,972	\$ 12,625,267	\$ 10,503,641	\$ 9,952,854	\$ 9,412,37
Delta Airlines	7,164,005	7,079,513	5,081,996	4,636,630	4,676,954	4,967,091	5,179,372	5,209,141	5,040,580	4,453,360
American Airlines	4,925,748	5,558,325	5,435,374	5,253,701	5,534,500	5,394,631	5,427,137	4,375,254	4,258,802	3,885,07
United Airlines	2,527,462	2,557,228	2,467,198	2,506,485	2,573,881	2,705,570	2,656,152	2,616,829	2,028,592	1,662,783
AirTran Airlines	1,638,033	1,632,888	1,156,620	1,075,203	854,421	814,715	695,644	615,315	108,693	
Frontier Airlines	1,481,585	809,107	628,660	625,194	535,577	514,022	504,049	303,045	165,064	149,225
Continental Airlines	1,270,792	1,622,627	1,775,593	1,750,203	1,806,768	1,856,835	1,687,362	1,464,417	1,443,269	1,366,170
JetBlue Airways	992,897	206,786	-	-	-	-	-	-	-	
Spirit Airlines	641,203	553,306	540,296	487,386	396,793	453,489	581,274	481,408	42,664	365
Alaska Airlines	547,900	480,340	432,464	437,198	465,254	425,640	413,946	296,442	135,181	119,738
Air Canada	365,562	345,315	331,797	361,106	334,925	359,440	354,705	292,456	251,533	248,983
Midwest Airlines		551,920	769,813	798,789	855,607	892,721	792,860	685,642	295,228	
Northwest Airlines		59,807	2,055,181	2,775,098	2,956,332	2,926,818	2,907,962	2,465,069	2,267,920	1,950,022
ATA		-	-	238	451,217	551,933	652,466	427,487	-	
America West Airlines			-	-	854,244	2,901,072	728,576	645,104	598,967	580,062
Midwest Express Airlines			-	-	-	-	-	-	371,564	592,832
Others	1,239,383	115,417	302,738	(146,263)	195,744	380,092	230,071	500,599	940,707	572,076
TOTAL	\$36,993,974	\$ 36,154,641	\$ 34,912,610	\$35,037,786	\$ 36,843,392	\$37,231,040	\$35,436,842	\$30,881,850	\$27,901,618	\$24,993,068

Washington Dulles International Airport

AIRLINE ¹	201	1	2010	2009	2008	2007	2006	2005	2004	2003	2002
United Airlines	\$ 21,9	72,484	\$ 24,381,322	\$ 24,188,764	\$ 24,105,856	\$ 27,004,434	\$ 25,902,234	\$ 24,377,946	\$ 24,953,913	\$ 16,620,394	\$ 18,829,384
Continental Airlines	3,0	98,744	1,260,003	536,166	435,936	619,562	661,516	837,418	813,813	503,137	635,401
Delta Airlines	2,	76,817	2,450,430	1,977,246	1,907,178	1,952,085	1,928,007	2,196,748	2,473,274	2,391,578	3,325,873
JetBlue Airways	1,9	70,568	2,525,215	2,579,607	3,055,512	3,272,345	2,840,661	2,091,638	1,949,480	1,578,953	994,902
American Airlines	1,:	47,061	1,720,637	1,686,082	1,695,527	1,943,558	2,094,490	2,372,467	1,964,577	1,825,554	2,198,347
Southwest Airlines	1,	75,840	1,482,116	1,491,052	1,591,622	1,499,638	465,784	-	-	-	-
Lufthansa German Airline	1,	24,200	1,139,039	1,256,257	1,299,418	973,447	1,130,727	1,168,401	1,063,212	862,049	967,186
US Airways	1,0	93,620	1,300,499	1,309,668	1,288,635	1,522,274	2,069,268	1,571,054	1,588,412	703,995	798,239
Virgin America	9	48,318	989,353	1,059,457	867,813	185,561	-	-	-	-	-
British Airways	1	24,845	742,379	753,116	794,545	740,442	763,123	788,243	811,730	777,962	859,368
Air France	4	66,081	585,248	622,599	593,256	640,047	673,672	595,872	404,770	404,383	452,155
Taca International Airlines	4	27,659	436,273	452,951	416,958	533,730	427,165	407,021	372,168	301,398	409,614
AirTran Airlines	3	97,335	530,408	538,680	755,506	891,901	861,884	624,016	586,399	757,141	801,013
South African Airways	3	72,074	648,930	473,554	490,495	519,315	368,339	59,444	5,315	6,727	6,148
Ethiopian Airlines	3	44,725	236,732	174,015	191,196	175,408	141,155	129,938	-	-	-
Korean Air Lines	3	27,978	354,164	286,737	226,761	246,580	216,256	223,869	224,540	180,881	175,324
Scandinavian Airlines	3	01,062	315,402	300,074	301,378	303,343	275,317	283,535	308,706	244,422	242,159
Air Canada	1	73,518	326,640	306,503	373,935	335,333	332,483	327,522	344,102	345,372	319,615
Virgin Atlantic Airways	1	69,760	295,854	345,970	389,053	345,685	332,503	276,262	321,481	230,746	274,728
All Nippon Airways	1	52,669	280,246	263,481	246,599	255,203	266,327	261,000	282,924	186,932	294,227
Austrian Airlines	1	51,019	268,722	304,465	258,781	341,175	359,218	417,492	384,484	352,009	331,885
Qatar Amiri Air	1	50,770	252,403	414,570	216,286	74,841	-	-	-	-	-
Alaska Airlines		11,284	30,905	31,546	34,970	21,156	49,074	171,266	167,221	219,560	174,086
Northwest Airlines		-	31,631	676,823	903,702	1,093,729	1,060,255	1,102,369	1,075,361	796,116	1,024,875
America West Airlines		-	-	-	-	63,575	373,922	401,961	522,655	421,309	29,534
Independence Air		-	-	-	-	-	(202,588)	11,236,855	1,899,055	-	
Others	1,8	54,521	1,349,158	1,578,771	976,514	461,086	867,872	956,131	2,660,734	825,802	934,212
TOTAL	\$41,63	2,952	\$ 43,933,709	\$ 43,608,154	\$43,417,431	\$46,015,454	\$44,258,664	\$52,878,468	\$45,178,326	\$30,536,420	\$34,078,274

¹Previous years' comparative information has been modified as necessary based on revisions from carriers. Carrier information is based on each year presented.



TOP 30 PASSENGER ORIGINATION AND DESTINATION MARKETS IN 2011 Exhibit S-34

Ronald Reagan Washington National Airport

Dom	estic			International
	Trip	Total		
2011 Market	Length*	O&D	Airport	Airport Country
Boston, MA	SH	1,004,510	Toronto, Pearson	Toronto, Pearson Canada
Chicago, O'Hare	MH	819,420	Montreal, Dorval	Montreal, Dorval Canada
Atlanta, GA	SH	746,660	Ottawa	Ottawa Canada
Orlando, FL	MH	622,970	Cancun	Cancun Mexico
Ft. Lauderdale, FL	MH	509,050	Lima	Lima Peru
New York, LaGuardia	SH	470,230	Nassau	Nassau Bahamas
Dallas/Ft. Worth, TX	MH	467,960	Vancouver	Vancouver Canada
Miami, FL	MH	419,610	San Jose	San Jose Costa Rica
Minneapolis, MN	MH	346,370	Montego Bay	Montego Bay Jamaica
Denver, CO	MH	315,270	San Salvador	San Salvador El Salvador
Houston, TX	MH	277,460	Guatemala City	Guatemala City Guatemala
Milwaukee, WI	MH	274,940	Mexico City	Mexico City Mexico
Tampa, FL	MH	271,250	Tel Aviv	Tel Aviv Israel
Seattle, WA	LH	241,940	Punta Cana	Punta Cana Dominican Rep.
Los Angeles, CA	LH	219,760	Shanghai, Pudong	Shanghai, Pudong China
Detroit, MI	SH	213,240	Manila	Manila Philippines
St. Louis, MO	MH	210,380	Calgary	Calgary Canada
Kansas City, MO	MH	207,000	Santo Domingo	Santo Domingo Dominican Rep.
New Orleans, LA	MH	196,680	Santiago	Santiago Chile
Las Vegas, NV	LH	179,030	Bogota	Bogota Colombia
Phoenix, AZ	LH	166,070	Beijing	0
Indianapolis, IN	SH	160,750	Los Cabos	
San Francisco, CA	LH	151,670	Hong Kong	Hong Kong China
West Palm Beach, FL	MH	149,700	Managua	
Jacksonville, FL	MH	149,470	Tokyo, Narita	6
Raleigh, NC	SH	142,560	London, Heathrow	
Fort Myers, FL	MH	138,710	Buenos Aires	
Charlotte, NC	SH	131,850	Panama City	8
San Diego, CA	LH	128,220	Dublin	•
Omaha, NE	MH	127,690	Port of Spain	
		127,070	I OIL OI Spani	

*Note

SH Short Haul = 0 to 600 miles

MH Medium Haul = 601 - 1,800 miles

LH Long Haul = over 1,801 miles

Sources: U.S. Department of Transportation O&D Surveys (Year Ending 3Q2011), Marketing Information Data Transfer Global Airline Database



TOP 30 PASSENGER ORIGINATION AND DESTINATION MARKETS IN 2011 Exhibit S-35

Washington Dulles International Airport

Domest	ic	
	Trip	Total
2011 Market	Length*	O&D
Los Angeles, CA	LH	879,570
San Francisco, CA	LH	826,630
Boston, MA	SH	415,960
Orlando, FL	MH	389,580
Denver, CO	MH	349,880
Atlanta, GA	SH	309,580
Las Vegas, NV	LH	240,400
San Diego, CA	LH	236,900
Dallas/Ft. Worth, TX	MH	235,630
Chicago, O'Hare	SH	218,130
Chicago, Midway	SH	191,270
Ft. Lauderdale, FL	MH	186,440
Seattle, WA	LH	183,620
Tampa, FL	MH	127,480
New York, Kennedy	SH	117,880
Long Beach, CA	LH	107,830
Minneapolis, MN	MH	104,330
Salt Lake City, UT	LH	101,120
Miami, FL	MH	98,940
Phoenix, AZ	LH	98,130
St. Louis, MO	MH	96,860
Portland, OR	LH	94,520
Oakland, CA	LH	93,390
San Juan, PR	MH	92,970
San Antonio, TX	MH	83,350
Sacramento, CA	LH	83,030
Austin, TX	MH	81,630
Detroit, MI	SH	78,220
Kansas City, MO	MH	76,550
New York, LaGuardia, NY		76,430
, , , , , , , , , , , , , , , , , , , ,		, -

*Note

SH Short Haul = 0 to 600 miles

MH Medium Haul = 601 - 1,800 miles

LH Long Haul = over 1,801 miles

Sources: U.S. Department of Transportation O&D Surveys (Year Ending 3Q2011), Marketing Information Data Transfer Global Airline Database



TOP 10 PASSENGER ORIGINATION AND DESTINATION MARKETS TEN-YEAR HISTORY

Exhibit S-36

RONALD REAGAN WASHINGTON NATIONAL AIRPORT

The following tables depict the top ten passenger origin and destination (O&D) markets for Reagan National for the past ten years. O&D data is used to determine air traffic patterns, air carrier market shares, and passenger flows. Primarily serving as a short-haul airport, Reagan National offers nonstop service to destinations no further than a 1,250 mile perimeter from Washington, D.C. as part of the federally-instituted Perimeter Rule. The federal government has granted exceptions to this rule, allowing daily flights to the following six cities beyond the perimeter: Denver, Las Vegas, Los Angeles, Phoenix, Salt Lake City, and Seattle.

2011						
Market	Passengers					
Boston, MA	1,004,510					
Chicago, O'Hare	819,420					
Atlanta, GA	746,660					
Orlando, FL	622,970					
Ft. Lauderdale, FL	509,050					
New York, LaGuardia	470,230					
Dallas/Ft. Worth, TX	467,960					
M iami, FL	419,610					
M inneapolis/St. Paul, M N	346,370					
Denver, CO	315,270					

2007	
Market	Passengers
New York, LaGuardia	988,930
Atlanta, GA	790,320
Chicago, O'Hare	775,600
Boston, M A	707,840
Dallas/Ft Worth, TX	438,900
Detroit, M I	394,760
Ft. Lauderdale, FL	392,810
M iami, FL	372,930
Orlando, FL	350,710
Denver, CO	314,810

2003	
Market	Passengers
New York, LaGuardia	1,285,410
Boston, M A	713,620
Chicago, O'Hare	571,730
Atlanta, GA	417,720
Dallas/Ft Worth, TX	354,350
M inneap olis/St. Paul, M N	277,260
Ft. Lauderdale, FL	261,260
Orlando, FL	249,700
Houston, TX	225,000
Detroit, M I	222,520

2010	
Market	Passengers
Chicago, O'Hare	822,180
Atlanta, GA	764,100
Boston, MA	647,120
New York, LaGuardia	536,050
Orlando, FL	508,730
Dallas/Ft. Worth, TX	474,090
Ft. Lauderdale, FL	466,320
M iami, FL	341,290
Denver, CO	316,990
M inneapolis/St. Paul, M N	316,560

2006	
Market	Passengers
New York, LaGuardia	1,172,490
Atlanta, GA	812,650
Chicago, O'Hare	752,350
Boston, M A	634,750
Dallas/Ft Worth, TX	423,070
Detroit, M I	416,330
M iami, FL	357,280
Orlando, FL	347,590
Ft. Lauderdale, FL	342,040
Houston, TX	329,010

2002	
Market	Passengers
New York, LaGuardia	1,291,220
Boston, M A	697,060
Chicago, O'Hare	566,480
Atlanta, GA	357,570
Dallas/Ft Worth, TX	351,590
M inneapolis/St. Paul, M N	258,500
Orlando, FL	216,540
Houston, TX	212,540
Detroit, M I	203,330
M iami, FL	203,150

2009	
Market	Passengers
Chicago, O'Hare	787,160
Atlanta, GA	781,140
Boston, M A	609,470
New York, LaGuardia	593,990
Dallas/Ft Worth, TX	473,360
Ft. Lauderdale, FL	411,630
Orlando, FL	372,820
M iami, FL	332,230
Denver, CO	324,950
M inneapolis/St. Paul, M N	322,460

2005	
Market	Passengers
New York, LaGuardia	1,147,930
Atlanta, GA	799,300
Chicago, O'Hare	779,730
Boston, MA	720,680
Dallas/Ft Worth, TX	429,530
Detroit, MI	390,590
Ft. Lauderdale, FL	384,840
Denver, CO	341,060
M inneapolis/St. Paul, M N	323,900
Houston, TX	318,170

2008	
Market	Passengers
Atlanta, GA	787,360
Chicago, O'Hare	783,330
New York, LaGuardia	754,970
Boston, MA	675,980
Dallas/Ft Worth, TX	447,430
Ft. Lauderdale, FL	396,270
Detroit, MI	386,830
M iami, FL	343,690
Denver, CO	342,290
Orlando, FL	327,740

2004	
Market	Passengers
New York, LaGuardia	1,231,600
Boston, M A	703,980
Atlanta, GA	626,910
Chicago, O'Hare	596,940
Ft. Lauderdale, FL	404,600
Dallas/Ft Worth, TX	353,740
Orlando, FL	312,960
M inneapolis/St. Paul, M N	297,110
Detroit, MI	286,850
Denver, CO	268,110

Data reported for current year reflects year-ending estimates as of the 3rd Quarter in the calendar year. Prior year results have been adjusted to reflect actual annual traffic.

Sources: U.S. Department of Transportation O&D Surveys, Marketing Information Data Transfer Global Airline Database



TOP 10 PASSENGER ORIGINATION AND DESTINATION MARKETS TEN-YEAR HISTORY

Exhibit S-37

Passengers

863,790

649,480

2008

Market

Los Angeles, CA

San Francisco, CA

WASHINGTON DULLES INTERNATIONAL AIRPORT

The following tables depict the top ten passenger origin and destination (O&D) markets for Dulles International for the past ten years. O&D data is used to determine air traffic patterns, air carrier market shares, and passenger flows. Dulles International is a major East Coast gateway for domestic and international travelers as well as cargo activities.

2011	
Market	Passengers
Los Angeles, CA	879,570
San Francisco, CA	826,630
London, Heathrow	430,194
Boston, MA	415,960
Orlando, FL	389,580
Denver, CO	349,880
Atlanta, GA	309,580
Las Vegas, NV	240,400
San Diego, CA	236,900
Dallas/Ft. Worth, TX	235,630

2007	
Market	Passengers
Los Angeles, CA	697,880
Orlando, FL	606,640
Boston, M A	521,060
San Francisco, CA	511,210
London, Heathrow	447,149
Atlanta, GA	441,950
Las Vegas, NV	405,550
Denver, CO	368,530
San Diego, CA	315,210
Oakland, CA	306,270

2003	
Market ¹	Passengers
Atlanta, GA	579,400
Los Angeles, CA	512,890
Oakland, CA	382,170
Denver, CO	349,390
Orlando, FL	324,870
San Francisco, CA	324,750
Chicago, O'Hare	281,090
Long Beach, CA	273,780
Ft. Lauderdale, FL	259,700
Dallas/Ft Worth, TX	232,490

2010		
Market	Passengers	
Los Angeles, CA	881,620	
San Francisco, CA	826,940	
Boston, M A	525,960	
London, Heathrow	433,700	
Orlando, FL	457,270	
Denver, CO	341,530	
Atlanta, GA	313,950	
Las Vegas, NV	262,030	
San Diego, CA	236,010	
Dallas/Ft. Worth. TX	230,750	

2006		
Market ¹	Passengers	
Los Angeles, CA	660,780	
Boston, M A	612,590	
Orlando, FL	496,890	
Atlanta, GA	476,330	
San Francisco, CA	417,340	
Denver, CO	364,960	
Las Vegas, NV	341,860	
Oakland, CA	331,910	
Chicago, O'Hare	324,000	
San Diego, CA	306,590	

2002	
Market ¹	Passengers
Atlanta, GA	640,400
Los Angeles, CA	484,400
Orlando, FL	371,470
San Francisco, CA	352,700
Denver, CO	343,000
Dallas/Ft Worth, TX	261,130
Chicago, O'Hare	256,770
Ft. Lauderdale, FL	242,630
Oakland, CA	230,570
Seattle/Tacoma, WA	203,490

2009	
Market	Passengers
Los Angeles, CA	921,510
San Francisco, CA	769,920
Orlando, FL	482,230
Boston, M A	473,860
London, Heathrow	419,032
Atlanta, GA	346,200
Denver, CO	320,320
Las Vegas, NV	258,860
San Diego, CA	242,610
Dallas/Ft Worth, TX	229,300

2005

Market¹ Los Angeles, CA

Atlanta, GA

Orlando, FL

Boston, M A

Oakland, CA

Denver, CO

Las Vegas, NV

Long Beach, CA

Chicago, O'Hare

San Francisco, CA

Passengers

729,040

619,240

563,380

492,590

460,710

441,730

363.730

362.470

339,420

338,840

-	•	
	Market ¹	Passengers
	2004	
_		
	Tampa, FL	261,810
	San Diego, CA	290,200
	Las Vegas, NV	313,100
	Denver, CO	364,690
	Atlanta, GA	375,670
	London, Heathrow	444,938
	Boston, MA	497,590
	Orlando, FL	588,200

2004	
Market ¹	Passengers
Los Angeles, CA	664,880
Atlanta, GA	657,680
Chicago, O'Hare	490,640
Oakland, CA	446,160
Denver, CO	419,800
Boston, M A	396,960
Orlando, FL	374,230
Ft. Lauderdale, FL	360,160
Long Beach, CA	350,480
San Francisco, CA	325,730
	,

¹ International passenger O&D data is not available before 2007. As such, 2002-2006 data includes domestic passenger O&D data only.

Data reported for current year reflects year-ending estimates as of the 3rd Quarter in the calendar year. Prior year results have been adjusted to reflect actual annual traffic.

Sources: U.S. Department of Transportation O&D Surveys, Marketing Information Data Transfer Global Airline Database



AIRLINE TENANTS - BOTH AIRPORTS As of December 31, 2011

Reagan National

Signatory Airlines

Air Canada Air Wisconsin Airlines Corp. AirTran Airways, Inc. American Airlines American Eagle Alaska Airlines Atlantic SouthEast Airlines Chautauqua Airlines Colgan Airlines Inc. Comair, Inc. Compass Airlines Continental Airlines Delta Airlines ExpressJet Airlines Federal Express Frontier Airlines Jazz Air LP Jet Blue Airways Corp Mesaba Airlines Piedmont Airlines Pinnacle Airlines, Inc. PSA Airlines Republic Airlines Shuttle America Skywest Airlines Spirit Airlines, Inc. Sun Country Airlines Trans States Airlines, Inc. United Airlines US Airways, Inc.

Exhibit S-38

Dulles International

Signatory Airlines

Aer Lingus Air France Air Wisconsin Airlines Corp. AirTran Airways, Inc. All Nippon Airways American Airlines Atlantic SouthEast Airlines Austrian Airlines Avianca Airlines British Airways Chautauqua Airlines Colgan Airlines Inc. Comair, Inc. CommutAir Compass Airlines Continental Airlines COPA Airlines Delta Airlines Ethiopian Airlines ExpressJet Airlines Federal Express GoJet Airlines Icelandair Jazz Air LP Jet Blue Airways Corp KLM Royal Dutch Airlines Korean Air Lufthansa German Airlines Mesa Airlines OpenSkies Piedmont Airlines PSA Airlines Qatar Airways Saudi Arabian Airlines Scandinavian Airlines Shuttle America Skywest Airlines South African Airways Southwest Airlines Sun Country Airlines TACA International Airlines Trans States Airlines, Inc. Turkish Airlines United Airlines United Parcel Service US Airways, Inc. Virgin America, Inc. Virgin Atlantic Airways Ltd.

Non-Signatory Airlines

Aeroflot Aerosur Cayman Airways Vision Airlines

Signatory airlines are those that have signed the Airports Authority Use and Lease Agreement & Premises Lease. Signatory status is available to all airlines providing scheduled service and offers benefits such as lower fees, sharing of Airports Authority revenue, and the right to lease space. Additional detail is provided in Note 3 - Airport Use and Lease Agreement & Premises Lease.

Source: Airports Authority Records



NON-AIRLINE TENANTS - REAGAN NATIONAL As of December 31, 2011

Retail

Accessor'ize Airport Wireless America! Arm Candy As Kindred Spirits Better Vision Group BluWire Dulles, LLC **Brooks Brothers** Brookstone Capital Image Forever Heather, Inc. Godiva Heritage Booksellers **I-Wireless** Johnston & Murphy Jos. A Banks Clothiers, Inc Knits Etc. Nobel Collections Pen & Prose PGA Tour Shop Rosetta Stone Smithsonian Museum Store Studio 925 Sunglass Hut International Taxco Sterling The Bead Factory Time Flys Touch of Color Washington Gifts

Newsstands

Capital Travelmart **CNBC** News Faber News Hudson AeroMart Hudson News Company

Duty Free Dulles Duty Free LLC.

Foreign Currency Travelex Currency Services

Parking Managed by:

Five Star U Street Metro. Wash Airport Parking

Source: Airports Authority Records

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Food and Beverage

Allie's Deli Auntie Anne's Pretzels California Tortilla Cibo Bistro & Wine Bar Cibo Express Gourmet Cinnabon Cosi DC Brewhouse **Dunkin** Donuts Einstein Bros Bagels Euro Café Fabulously Fresh Famous Famiglia Five Guys Fuddruckers Gordon Biersch Jerry's Subs and Pizza Jet Rock Bar & Grill Matsutaki Sushi May Vending Company Mayorga Coffee McDonald's National Airport Grill Panda Express Potbelly Sandwich Works Primo Cappuccino Qdoba Ranch *1 Sam Adams Brewpub Sam and Harry's Starbucks T.G.I. Fridays Tidewater Landing

Advertising

JCDeceaux Airport, Inc.

Services

AC Holdings, Inc.(CNN) C&P Shoeshine Capital One Bank Kiko's Shoeshine Pacific Telemanagement Services Smarte Carte Inc. VIP Shoeshine

Rental Cars

Avis Rent -A-Car Systems Budget Rent-A-Car **DTG** Operations Enterprise Leasing Hertz Rent-A-Car Vanguard Car Rental

Ground Transportation

Hotel Shuttles Standard Parking (Shuttle Bus Operations) Technical and Professional Services Washington Shuttle, inc. (Super Shuttle)

Commercial Aviation Services

Aircraft Service International Group, Inc. Allied Aviation Services

Fixed Based Operators

Signature Flight Support

Other Airport Tenants

Aeronautical Radio, Inc. Airport Terminal Services American Airlines Federal Credit Union Anton Enterprises, Inc. Drug Enforcement Administration Elite Line Services, LLC Federal Aviation Administration Federal Bureau of Investigation Federal Express Corporation First Transit, Inc. Flight Services and Systems GAT Airline Ground Support Inc. General Services Administration Gulf Coast Real Estate Consultants Huntleigh USA Corporation Jet Aircraft Maintenance Menzies Aviation Group, Inc. Nextel Communications of the Mid-Atlantic Siemens Government Services, Inc. Transportation Security Administration University of District of Columbia US Coast Guard Air Station Worldwide Flight Services International



NON-AIRLINE TENANTS – DULLES INTERNATIONAL As of December 31, 2011

Exhibit S-40

<u>Retail</u>

10 Minute Manicure Airport Wireless America! Appalachian Spring Authors Books Brooks Brothers Brookstone Hudson Books InMotion Entertainment Massage Bar Mindworks Rosetta Stone Smithsonian Museum Store Solstice Stellar Books Taxco Sterling Techshowcase Touch of Color Travel Comfort by Clouds

Newsstands

CNBC News Concourse Concession News DC Express Faber News Fox News Channel Hudson News News Connection News Exchange News Express Stellar News

Duty Free

Dulles Duty Free, LLC

Services

AC Holdings, Inc.(CNN) AMB/AFCO Cargo IAD, LLC Capital One Bank Exxon Gas Station Marriott Hotel at Dulles Pacific Telemanagement Services Pena Shoeshine Professional Leather Care Smarte Carte, Inc.

Foreign Currency Travelex Currency Services

Parking Managed by: Five Star U Street Metro. Wash Airport Parking

Source: Airports Authority Records

Food & Beverage

Auntie Anne's Pretzels Ben & Jerry's California Tortilla Capitol Grounds Chipotle Mexican Grill Cinnabon City Wok Cosi Dulles Gourmet Market Dulles Gourmet To Go Dunkin Donuts Famous Famiglia Firkin and the Fox Five Guys Fuddruckers Great American Bagel Bakery Gordon Biersch Green Leaf's & Bananas Guava and Java Harry's Tap Room Matsutaki Sushi Maui Wowi Max & Erma's Mayorga Coffee Moe's Grill & Bar Old Dominion Bar Potbelly Sandwich Works Starbucks Subway Tequileria Tidewater Landing Villa Pizza Vino Volo Wendy's

Advertising

JCDeceaux Airport, Inc.

Rental Cars

Avis Rent-A-Car Systems Budget Rent-A-Car DTG Operations Enterprise Leasing Hertz Rent-A-Car Vanguard Car Rental USA

In-flight Kitchens

Gate Gourmet International Sky Chefs, Inc.

Fixed Based Operators

Signature Flight Support Landmark Aviation

Ground Transportation

Capital Executive Limousine Dulles Airport Taxi Dulles Taxi Systems, Inc. Hotel Shuttles Veolia Transportation, Inc. Washington Shuttle, Inc. (Super Shuttle)

Commercial Aviation Services

Aircraft Services Int'l Air Serv Corporation Cargo Airport Services Eulen America Ground Services International, Inc. IAD Fuels, LLC National Aviation Services Swissport USA, Inc. Swissport Fueling, Inc. Tug Technologies Corporation Worldwide Flight Services, Inc.

Other Airport Tenants

Airline Tariff Publishing Company Airlogistics America Airschott, Inc. Aviation Facilities Company Delta Airline Global Services DNL Cargo, Inc. Dulles West II Associates, L.P. Federal Aviation Administration Federal Republic of Germany General Services Administration Gulf Coast Real Estate Consultants, LLC Host International, Inc. JP Morgan Chase John S. Connor, Inc. Nextel Communications of the Mid-Atlantic Parsons Management Corporation Pollo Real Quettawala Inc. D.B.A. Inter Global Systems Owest Skylink Air & Logistical Support (USA), Inc. The Smithsonian Institution Superior Aircraft Services. Inc. Technical Solutions, LLC. Timco Line Care, LLC Transportation Security Administration U.S. Fish and Wildlife Service U.S. Postal Service UPS Supply Chain Solutions V-Dulles West, LLC. Verizon South. Inc.

2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Office of Finance 1 Aviation Circle Washington, DC 20001

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