



MUNICIPAL SECONDARY MARKET DISCLOSURE INFORMATION COVER SHEET

Submitted to
Nationally Recognized Municipal Securities Information Repositories
pursuant to Securities and Exchange Commission rule 15c2-12
June 28, 2004

Issuer's Name: **Port of Seattle**

CUSIP Numbers: Information relates to **all securities** issued by the issuer having the following six-digit number(s): **735387, 735388, 735389, 735371, 735397**

Description of information attached: **Annual Disclosure Report**

Number of pages of attached information: **36 in this document including cover sheet. The Audited Financial Statements, as required under SEC rule 15c2-12, are filed separately.**

Fiscal Period Covered: **January 1, 2003 to December 31, 2003**

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

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Source is Port of Seattle if not otherwise indicated

I. Issues Covered in this Annual Disclosure Report:

Six-digit CUSIP Number **735388**

- Revenue Bonds Series, 1996A and 1996B (“96AB”)
- Revenue Bonds Series, 1997A and 1997B (“97AB”)
- Revenue Refunding Bonds, Series 1998A (“98A”)
- Subordinate Lien Revenue Refunding Bonds, 1998 (“98SL”)
- Subordinate Lien Revenue Bonds Series 1997 (“97SL”)
- Subordinate Lien Revenue Bonds Series 1999A and 1999B (“99AB”)
- Revenue Bonds, Series 2000A and 2000B, and Revenue Refunding Bonds, Series 2000C and 2000D (“00ABCD”)
- Revenue Bonds, Series 2001A and 2001B, and Revenue Refunding Bonds, Series 2001C and 2001D (“01ABCD”)
- Revenue Bonds, Series 2003A and 2003B (“03AB”)

Six-digit CUSIP Number **735389**

- Subordinate Lien Revenue Bonds, Series 2003C (“03C”)

Six-digit CUSIP Number **735387**

- Passenger Facility Charges Revenue Bonds Series 1998A and 1998B (“98PFC”)

Six-digit CUSIP Number **735397**

- Special Facility Revenue Bonds (Terminal 18 Project) Series 1999A, 1999B, and 1999C (“99SF”)
- Special Facility Revenue Bonds (SEATAC Fuel Facilities LLC) Series 2003 (“03SF”)

Six-digit CUSIP Number **735371**

- Limited Tax General Obligation Bonds, Series 2000A and 2000B (“00GO”)

II. Statement of Changes to Continuing Disclosure

Information provided in Port of Seattle Limited Tax G.O. Bond Debt Service is now provided on a combined basis including the Series 2000 bonds.

Information provided in Seaport Division Operating Revenues and Expenses is now provided in the Port's Annual Financial Statements Segments footnote

Information provided in Seaport Percentage of Non-Container Revenue is now provided in Seaport Division Operating Revenue.

III. Disclosure Items

Port Historical Operating Results as of December 31, 2003 (in thousands of dollars)

	1999	2000	2001	2002	2003
REVENUES:					
Operating					
Aviation					
Property Rentals ⁽⁵⁾	\$ 79,877	\$ 89,394	\$ 90,440	\$ 89,844	\$ 96,471
Landing Fees	46,628	59,217	71,790	73,250	83,159
Parking ⁽¹⁾	40,830	49,159	46,475	40,233	40,217
Security grants ⁽⁸⁾				4,972	1,575
Other Revenues	7,021	9,146	11,487	10,734	11,728
Total Aviation Revenues	174,356	206,916	220,192	219,033	233,150
Seaport					
Property rentals ^{(4) (6)}	44,714	63,922	49,645	41,100	49,699
Equipment rentals	13,486	13,503	12,566	7,588	7,433
Distribution and Storage ⁽⁷⁾	14,167	11,480	9,749	4,762	19
Security grants ⁽⁸⁾				379	4,501
Other Revenues ⁽⁴⁾	25,921	10,345	28,665	34,497	26,951
Total Seaport Revenues	98,288	99,250	100,625	88,326	88,603
TOTAL OPERATING REVENUES	272,644	306,166	320,817	307,360	321,753
EXPENSES:					
Operating					
Aviation					
Seaport	93,323	114,114	116,000	113,063	113,385
Environmental	58,473	55,423	66,554	53,722	48,956
Administration ⁽³⁾	3,383	2,421	(1,033)	8,607 (2)	4,071
	22,468	21,615	38,401	45,547	42,655
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	177,647	193,573	219,922	220,939	209,067
DEPRECIATION	70,209	76,826	81,115	84,853	85,076
TOTAL OPERATING EXPENSES	247,856	270,399	301,037	305,792	294,143
OPERATING INCOME	24,788	35,767	19,780	1,568	27,610

(1) Includes public parking and employee parking. Revenues derived from car rental companies are included as "property rentals."

(2) Environmental expense for 2002 represents establishment of a reserve for mandated feasibility studies and the minimum amount of probable and estimable cleanup costs.

(3) Beginning in 2001, Aviation police services were moved to Administrative Expense from Aviation Operating Expenses.

(4) For the year 2000, Property Rentals includes revenues from tenants that are in addition to space rent. These non-space rent revenues were included as Other Revenues in prior and subsequent years.

(5) In 2003, Aviation Division operating revenues increased due to an increase in debt service costs for the year resulting in increased revenues from the airlines to the Port under the residual airline agreement.

(6) In 2003, Seaport had an increase in container terminal rental revenues from an increase in the blended rate charged to tenants and increased T-18 net revenues, resulting from a bond defeasance completed in 2002.

(7) Starting in 2002, Seaport had a decline in distribution and storage expenses from the closure of the warehouse and chill lines of business in May, 2002.

(8) Security grants includes Operation Safe Commerce and Transportation Security Administration grant revenues.

Source: Port of Seattle.

Management Discussion of Historical Financial Results

Per GASB 34, the Port's Audited Financial Statements now include Management's Discussion and Analysis (MD&A). Please see this section of the Statements for the Management Discussion of Historical Financial Results.

Management Discussion of Expected Results

Information presented in this section is found elsewhere in this disclosure document so has not been separately repeated here.

Amount and Percentage of Operating Revenues by Division

In 2003, the Seaport Division and the Aviation Division accounted for approximately \$88 million (27%) and approximately \$233 (72%) of the Port's total operating revenues, respectively.

Port Debt as of December 31, 2003

<u>Type of Debt</u>	<u>Amount Outstanding (\$ mil.)</u>
General Obligation	217
Revenue	
Senior Parity	1,589
Subordinate	
Long-term	561
Commercial Paper Authority	250 *
Other	
PFC – backed stand alone	250
Special Facility Revenue Bonds – Fuel	<u>121</u>
TOTAL	2,990

* The total authorized amount of Commercial Paper is \$250 million. The actual outstanding on 12/31/03 was \$105 million and as of 6/1/04 was \$43.685 million.

Port of Seattle Estimated Debt Limit as of April 1, 2004

Value of Taxable Property*	\$ 234,880,125,895
Debt Limit, nonvoted debt, including limited tax general obligation bonds (.25% of Value of Taxable Property)	587,200,315
Less: Outstanding Limited Tax General Obligation Bonds	(408,700,000)
Less: Capital leases and other general obligations	<u>(0)</u>
Remaining Capacity Limited Tax General Obligation Debt	178,500,315
Debt Limit, Total General Obligation Debt (.75% of Value of Taxable Property)	1,761,600,944
Less: Total Limited Tax General Obligation Bonds and capital leases	(408,700,000)
 Remaining Capacity: Total General Obligation Debt	 <u>\$ 1,352,900,944</u>

* This 2003 assessed valuation figure is the basis for 2004 tax collections.

Source: Port of Seattle.

2003 Port of Seattle Revenue Bond Debt Service (in thousands of dollars)

First Lien Revenue Bonds	Interest	\$ 71,411
	Principal	\$ 35,176
Subordinate Lien Revenue Bonds	Interest	\$ 12,677
	Principal	\$ 1,080
Subordinate Lien Notes (Commercial Paper) *	Interest	\$ 5,179
	Principal	\$ 1,600

* This is based on amortization of outstanding Commercial Paper on December 31, 2003. Total CP authority is \$250 million, but actual amount outstanding varies.

2003 Port of Seattle Limited Tax G.O. Bond Debt Service (in thousands of dollars)]

Year	Principal	Interest	Total Debt Service
2003	\$11,745.0	\$12,568.8	\$24,313.8

Source: Port of Seattle

Tax Levy: Recent Tax Levy Activity

2003 Tax Year

Port District Assessed Valuation	\$224,994,598,210
Maximum Levy	\$72,093,461
Total Tax Levy	\$58,003,521
Total Tax Levy Rate	0.25895
Tax Levy Allocable for Limited Tax General Obligation Bonds	\$24,313,767
Tax Levy Allocable for General Purposes	\$33,689,754

Source: King County Assessor's Office and Port of Seattle

Industrial Development Levy or Dredging Levy

The Port did not levy the Industrial Development Levy or the Dredging Levy in 2003.

Tax Levy: "Tax Collection Record"

<u>Year</u>	<u>Amount of Levy</u>	<u>Amount Collected in Year Due</u>	<u>% Collected in Year Due</u>	<u>Collected as of 12/31/03</u>	<u>% of Levy Collected as 12/31/03</u>
2003	\$58,028,845	\$56,778,764	97.85%	\$56,778,764	97.85%
2002	39,818,501	38,972,071	97.87	39,575,077	99.39
2001	35,664,620	34,899,756	97.86	35,567,549	99.73
2000	35,665,753	34,910,452	97.88	35,647,682	99.95
1999	35,679,029	34,901,226	97.84	35,661,083	99.97

Source: Port of Seattle

Port of Seattle Capital Improvement Program for Period Ending December 31, 2003

AVIATION DIVISION	Future Funding			
Phase 1	Estimated Total Costs	Currently Funded (a)	Future Bonds	Other (b)
Third Runway	1,128,881	776,345	334,247	18,289
Airfield	226,893	226,893	-	-
Terminal	230,380	205,342	25,038	-
South Terminal Expansion Program	445,930	445,931	-	-
Satellite Transit System (c)	164,866	162,094	-	2,772
Landside	152,555	152,555	-	-
Infrastructure	351,899	328,962	22,937	-
Division Wide	13,661	13,661	-	-
Core	57,929	24,007	33,922	-
Subtotal - Phase 1	2,772,994	2,335,790	416,144	21,061
Noise	328,077	322,803	1,257	4,017
Phase 2 (d)				
Airfield	83,302	49,870	33,432	-
Terminal	62,139	39,501	22,638	-
Landside	29,532	25,841	3,691	-
Infrastructure	93,494	68,452	25,042	-
Security	38,908	24,651	14,257	-
STEP (includes Security)	144,021	117,073	26,948	-
Storm Water	30,326	14,092	16,234	-
Core	20,000	7,815	12,185	-
Division Wide	70,515	59,200	11,315	-
Subtotal Phase 2	572,237	406,495	165,742	-
Total Aviation Division	3,673,308	3,065,088	583,143	25,078
Percent of total - Aviation	100%	83%	16%	1%

SEAPORT DIVISION (2004-2008)

Total Seaport Division 361,464

PROFESSIONAL AND TECHNICAL SERVICES AND ECONOMIC DEVELOPMENT (2004-2008)

Total P&TS and Economic Development 32,697

Total Port of Seattle 4,067,469

(a) Includes existing MII-approved revenue bond proceeds, PFC Bond proceeds, PFC revenues, Airport Improvement Program (AIP) grants, Letter of Intent grants, and the Airport Development Fund.

(b) Includes expected future AIP grants, PFC revenues, and other/equity.

(c) The FAA refers to this program as the Passenger Conveyance System

(d) Committed Phase 2 Program only

Source: Port of Seattle.

Historical Debt Service Coverage for Period Ending December 31, 2003

	1999 (as restated)	2000 (as restated)	2001 (as restated)	2002 (as restated)	2003
Gross Revenue ⁽¹⁾	\$282,940	\$318,818	\$335,867	\$325,042	\$327,269
Net gain from sale of assets	998	—	—	—	—
Exclude: Net unrealized (gain)/loss from Investments ⁽²⁾	1,382	(2,465)	(5,046)	(4,327)	8,339
Total revenue	\$285,320	\$316,353	\$330,821	\$320,715	\$335,608
Total expense before depreciation and interest ⁽³⁾	183,551	206,983	227,904	228,562	225,613
Less Port general purpose tax levy	(20,285)	(15,865)	(11,395)	(15,131)	(32,772)
Less/plus amortization of bond discount, premium and deferred financing costs, net	(1,337)	(1,195)	(933)	(71)	1,504
Less net loss on sale and abandonment of assets	—	(6,710)	(4,353)	(5,819)	(14,022)
Net expense payable from revenue	\$161,929	\$183,213	\$211,223	\$207,541	\$180,323
Net revenue available for debt service	\$123,391	\$133,140	\$119,598	\$113,174	\$155,285
Debt service on First Lien Bonds ⁽⁴⁾	\$66,581	\$67,271	\$68,399	\$67,782	\$78,577
Coverage on First Lien Bonds ⁽⁴⁾	1.85x	1.98x	1.75x	1.67x	1.98x

(1) Net of Fuel Facility Revenues of \$435,000 in 2003.

(2) Restated to exclude the net unrealized (gain)/loss from valuing investments to market value at year-end.

(3) Restated to include commercial paper fees.

(4) Net of interest payable from First Lien Bond proceeds (capitalized interest).

Source: Port of Seattle

Changes in the Identity of the Port's Treasurer

No Change

Changes in the Port's Investment Policy

No Change

Insurance: Historical Financial Information

The Port of Seattle has a comprehensive risk management program that financially protects the Port against loss from adverse events to its property, operations and employees and against loss from claims by third parties.

The Port maintains an “all-risk” property insurance program for loss of and damage to Port property, including business interruption and equipment breakdown with a \$250 million per occurrence limit (including excess coverage) and a \$1 million deductible. Terrorism coverage is excluded. Coverage limits for earthquake and flood are capped at \$25 million above a flat \$25 million deductible. Builder’s Risk coverage for property in the course of construction is

provided with a sub-limit of \$25 million and covers work at any Port property. The Port carries a separate fidelity bond for crime coverage with a \$750,000 limit.

Commercial general liability insurance for the Port covers losses involving bodily injury and property damage arising from claims against the Port by third parties at all Port owned, rented or leased locations except the Airport (which has a separate aviation liability policy). The commercial general liability limit, including excess coverage for automobile, employee benefits, workers compensation and foreign liability, is \$100 million, with a \$100,000 deductible. The Port's aviation liability insurance program provides third-party property damage and bodily injury arising from premises and completed operations up to \$300 million, with a \$50,000 deductible per occurrence (\$250,000 aggregate). Coverage under all liability policies excludes losses resulting from war or terrorism. The Port elected to purchase the terrorism endorsement for its Seaport general liability policy, which gives the Port coverage for terrorism capped at \$50 million per year.

Separate liability policies have been purchased to cover claims against the Port's public officials (\$5 million limit), fiduciary liability (\$5 million) and police professional liability (\$3 million). The Port self-insures its workers' compensation exposure.

Contractors, tenants and lessees are required to carry at least \$1 million general commercial liability insurance (\$10 million for large construction projects and higher-risk projects) and automobile liability insurance of at least \$1 million (\$5 million for automobiles operated on the aircraft operations area and \$10 million for automobiles operated on the aircraft movement area of the airport). The Port requires airline tenants to provide \$300 million liability limits. Contractors, tenants and lessees must also provide proof of workers' compensation coverage for their employees. The Port requires all contractors, tenants and lessees to include the Port as an "additional insured" as its interest appears for their work, operations or other activities on Port property.

The Airport capital improvement program construction projects are insured under an Owner Controlled Insurance Program ("OCIP"), which insures the Port, construction managers, eligible and enrollee contractors and other designated parties for work performed under the capital improvement program. Certain contractors and subcontractors and their employees are excluded from this program, as defined by the scope of their operations.

Coverage under the OCIP includes General Commercial Liability, Excess Liability, Stop-Gap Employer's Liability, Excess Automobile Liability, Professional Liability Insurance and Contractor's Pollution Liability insurance. The OCIP excludes workers compensation coverage for all contractors. The policy period for the OCIP insurance program runs from December 31, 2000 to December 31, 2008 (except the excess automobile policy, which expires December 31, 2006). Depending upon the line of coverage, OCIP policy limits range on a per-occurrence basis from \$4,000,000 up to \$300,000,000.

The Port utilizes the services of Aon Risk Services as its insurance broker for its overall insurance program and all of the Port's insurance carriers are rated "A" or better by A.M. Best & Co.

Total Annual Enplanements

<u>Year</u>	<u>Domestic</u>	<u>International</u>	<u>Total</u>	<u>Annual Increase/(Decrease)</u>
2003 (entire year)	12,250,155	1,105,512	13,355,667	(0.0%)
Jan - April 2003	3,478,053	335,576	3,813,629	
Jan - April 2004	3,773,246	382,993	4,156,239	8.9%

Percentage of Domestic and International Flights

Of the approximately 13.4 million enplaned passengers served by the Airport in 2003, 8.3% were on international flights and 91.7% were on domestic flights.

Enplanement Market Share by Airline¹ in 2003

<u>Rank</u>	<u>Airline</u>	<u>Enplaned Passengers</u>	<u>Share</u>
1	Alaska Airlines ⁽²⁾	4,453,168	33.3%
2	Horizon Airlines ⁽²⁾	1,738,140	13.0
3	United Airlines ⁽³⁾	1,650,034	12.4
4	Southwest Airlines	1,079,994	8.1
5	Northwest Airlines	991,319	7.4
6	Delta Airlines	783,590	5.9
7	American Airlines	766,690	5.7
8	Continental Airlines	447,588	3.4
9	America West Airlines	339,416	2.5
10	US Airways	235,308	1.8
11	Hawaiian Airlines ⁽⁴⁾	158,147	1.2
12	American Trans Air	137,399	1.0
13	Other ⁽⁵⁾	<u>574,874</u>	<u>4.3</u>
	Airport Total ⁽⁶⁾	13,355,667	100.0%

(1) Includes airlines with over one percent share of passengers in 2003.

(2) Alaska Airlines and Horizon Airlines are wholly-owned subsidiaries of Alaska Air Group, Inc.

(3) Includes United Express, operated by Skywest under a contract with United Airlines, Inc. ("United"). On December 9, 2002, UAL Corporation and 26 of its subsidiaries, including United, filed for bankruptcy.

(4) On March 21, 2003, Hawaiian Airlines Inc. filed for bankruptcy.

(5) Includes passenger airlines with shares of less than one percent, charter airlines and air taxis and airlines that no longer operate at the Airport.

(6) Shares total less than 100.0% due to rounding.

Sources: As reported to the Port by the airlines.

Number of U.S. Flagged and Foreign Passenger Airlines

19 U.S. flagged passenger airlines and seven foreign flagged passenger airlines served the Airport as of April 2004.

List of Airlines Serving Seattle-Tacoma International Airport as of April 2004

Scheduled Passenger Airlines (1)

Aeroflot Russian Airlines
Air Canada
Air Canada Jazz
Alaska Airlines
America West Airlines
America West Express/Mesa
American Airlines
ATA Airlines
Asiana Airlines
Big Sky Airlines
British Airways
Continental Airlines
Delta Air Lines
Delta Connection/Comair
EVA Air
Frontier Airlines
Hawaiian Airlines
Horizon Air
JetBlue Airways
Northwest Airlines
Scandinavian Airlines
Southwest Airlines
Sun Country Airlines
United Airlines
United Express/SkyWest
US Airways

Charter Airlines (2)

Casino Express
World Airways

Cargo Airlines (3)

Ameriflight
Cargolux
China Airlines

China Eastern Airlines
DHL Airways
Emery Worldwide
Empire Airlines
Fedex Express
Kitty Hawk Air Cargo
Martinair Holland
Western Express Airlines

Notes:

1. Scheduled passenger airlines include carriers active in April 2004 that carried at least 0.1% of all passengers in 2003 (carriers which have served Sea-Tac less than one year are automatically included).
2. Charter airlines include carriers active in April 2004 that carried at least 1,000 passengers in 2003.
3. Cargo airlines include all-cargo carriers active in April 2004 that had a minimum 0.5% market share in 2003 based on all-cargo landed weight.

Number of Total Airport Operations for 2003

The Airport accommodated 354,770 airline operations (takeoffs and landings) in 2003.

Primary Domestic Origin and Destination Markets

Seattle-Tacoma International Airport Domestic Passenger Origin-Destination Patterns and Airline Service Markets 2003

<u>Rank</u>	<u>Market of Origin or Destination ⁽¹⁾</u>	<u>Approximate air miles from the Airport</u>	<u>% of domestic passengers ⁽²⁾</u>
1.	Los Angeles, California ⁽³⁾	954	11.1%
2.	San Francisco, California ⁽⁴⁾	678	9.7
3.	Las Vegas, Nevada	866	4.7
4.	New York, New York ⁽⁵⁾	2,412	3.9
5.	Phoenix, Arizona	1,107	3.8
6.	Chicago, Illinois ⁽⁶⁾	1,721	3.4
7.	San Diego, California	1,050	3.0
8.	Spokane, Washington	224	2.8
9.	Denver, Colorado	1,024	2.7
10.	Sacramento, California	605	2.3
11.	Washington, D.C. ⁽⁷⁾	2,329	2.0
12.	Salt Lake City, Utah	689	1.9
13.	Anchorage, Alaska	1,449	1.8
14.	Honolulu, Hawaii	2,677	1.7
15.	Dallas/Fort Worth, Texas ⁽⁸⁾	1,660	1.7
16.	Boise, Idaho	399	1.7
17.	Minneapolis-St. Paul, Minnesota	1,399	1.6
18.	Reno, Nevada	564	1.5
19.	Atlanta, Georgia	2,182	1.5
20.	Orlando, Florida	2,553	1.4
21.	Boston, Massachusetts	2,496	1.3
22.	Baltimore, Maryland	2,778	1.2
23.	Philadelphia, Pennsylvania	2,378	1.0
24.	Houston, Texas ⁽⁹⁾	1,874	<u>1.0</u>
	Subtotal		70.2%
	All Other Cities		<u>29.8</u>
	Total Domestic Cities		100.0%

(1) Cities with one percent or more of domestic origin and destination passengers at the Airport.

(2) Official Airline Guides, Inc., 12 months ended December 31, 2003.

(3) Los Angeles International, Burbank-Glendale-Pasadena, John Wayne (Orange County), Ontario International and Long Beach airports.

(4) San Francisco, Oakland and Mineta San Jose International airports.

(5) John F. Kennedy International, LaGuardia and Newark Liberty International airports.

(6) Chicago O'Hare International and Midway airports.

(7) Washington Dulles International and Reagan Washington National airports.

(8) Dallas/Fort Worth International Airport and Love Field.

(9) George Bush Intercontinental and William P. Hobby airports.

Source: Port of Seattle.

Percentage of Origin and Destination (O&D) Passengers

The percentage of O&D passengers is 76%, according to an analysis done by the Port of Seattle's Aviation Planning department, based on 2001 data. This is the latest available analysis.

Domestic Passenger Origin-Destination Patterns and Airline Service Markets

Seattle-Tacoma International Airport
12 months ended December 31, 2003

Rank	City of origin or destination (a)	Air miles from Seattle- Tacoma	Percent of domestic O&D passengers	Daily scheduled nonstop departures (b)
1	Los Angeles, California (c)	954	11.1%	37
2	Bay Area, California (d)	678	9.7%	39
3	Las Vegas, Nevada	866	4.7%	14
4	New York City, New York (e)	2411	3.9%	10
5	Phoenix, Arizona	1107	3.8%	14
6	Chicago, Illinois (f)	1727	3.4%	17
7	San Diego, California	1050	3.0%	8
8	Spokane, Washington	224	2.8%	26
9	Denver, Colorado	1024	2.7%	15
10	Sacramento, California	605	2.3%	9
11	Washington, D.C. (g)	2318	2.0%	6
12	Salt Lake City, Utah	689	1.9%	8
13	Anchorage, Alaska	1449	1.8%	18
14	Honolulu, Hawaii	2677	1.7%	3
15	Dallas/Fort Worth, Texas	1660	1.7%	11
16	Boise, Idaho	399	1.7%	9
17	Minneapolis-St.Paul, Minnesota	1399	1.6%	6
18	Reno, Nevada	564	1.5%	6
19	Atlanta, Georgia	2182	1.5%	5
20	Orlando, Florida	2553	1.4%	1
21	Boston, Massachusetts	2496	1.3%	3
22	Baltimore, Maryland	2335	1.2%	--
23	Philadelphia, Pennsylvania	2378	1.0%	3
24	Houston, Texas	1874	1.0%	5

(a) Cities where passenger traffic made up at least 1.0% of total domestic O&D passengers in 2003

(b) Represents the annual average number of daily nonstop departures

(c) Includes Los Angeles International, Burbank-Glendale-Pasadena, Orange County,Ontario, and Long Beach airports

(d) Includes San Francisco International, Oakland, and San Jose airports

(e) Includes JFK and Newark airports

(f) Includes O'Hare and Midway airports

(g) Includes Dulles and Reagan National airports

Landed Weights of Top Ten Passenger Carriers for 2003

RANK	AIRLINE	METRIC TONS	PERCENT OF TOTAL
1	Alaska Airlines	6,000,698	28.9%
2	Horizon Airlines	2,275,094	10.9%
3	United Airlines	2,198,743	10.6%
4	Southwest Airlines	1,585,278	7.6%
5	Northwest Airlines	1,549,500	7.5%
6	Delta Airlines	1,227,342	5.9%
7	American Airlines	1,010,729	4.9%
8	Continental Airlines	619,988	3.0%
9	America West Airlines	435,871	2.1%
10	US Airways	301,621	1.5%
	All Others (1)	3,585,387	17.2%
	Total	20,790,251	100.0%

⁽¹⁾ Includes passenger and cargo carriers

Source: As reported to Port of Seattle by the airlines.

Number of Daily Non-stop Cities Served

Passenger airlines provided daily non-stop service to 73 cities as of April 2004.

List of International Daily Non-stop Cities Served

Non-stop daily international service was offered to 18 cities as of April 2004:

- Amsterdam, Netherlands
- Calgary, Alberta, Canada
- Campbell River, British Columbia, Canada
- Copenhagen, Denmark
- Edmonton, Alberta, Canada
- Kamloops, British Columbia, Canada
- Kelowna, British Columbia, Canada
- London, England
- Los Cabos, Mexico
- Mazatlan, Mexico
- Moscow, Russia
- Puerto Vallarta, Mexico
- Seoul, Korea
- Taipei, Taiwan
- Tokyo, Japan
- Toronto, Ontario, Canada
- Vancouver, British Columbia, Canada
- Victoria, British Columbia, Canada

Scheduled International Service

<u>Country</u>	<u>Percent of Seating Capacity</u>
Canada	47.0%
Japan	16.8%
United Kingdom	9.6%
Taiwan	6.9%
Netherlands	6.7%
Denmark	6.0%
Korea	3.6%
Russia	2.4%
Mexico	0.9%
	<hr/>
	100.0%

Source: Official Airline Guide, May 2004

Non-Stop Scheduled Departures by Airline

<u>Airline</u>	<u>Number of average daily departures</u>
Alaska Airlines	139
Horizon Air	137
United Airlines	37
Southwest Airlines	34
American Airlines	19
Delta Air Lines	16
United Express/SkyWest Airlines	16
Northwest Airlines	14
Continental Airlines	12
America West Airlines	9
Air Canada Jazz	5
US Airways	5
ATA Airlines	4
Frontier Airlines	4
Big Sky Airlines	2
Hawaiian Airlines	2
EVA Airways	2
JetBlue Airways	1
Air Canada	1
British Airways	1
America West Express/Freedom Airlines	1
Delta Connection/Comair	1
Delta Connection/SkyWest Airlines	1
SAS Scandinavian Airlines	1
Sun Country	1
	<hr/>
	464

Source: Official Airline Guide, May 2004

Percentage of Enplanements Traveling to Asia

In 2003, approximately 2.1% of all enplanements, or 25.7% of international enplanements represented passengers traveling to Asia.

Number of Domestic and Foreign All-Cargo Airlines

12 domestic and foreign all-cargo airlines, having a market share greater than 0.5%, served the Airport in 2003 (these numbers do not include air mail).

Metric Tons of Enplaned and Deplaned Cargo

Total enplaned and deplaned cargo equaled 351,418 metric tons in 2003, a decrease of 6.2% over 2002. This includes Domestic and International Air Freight and Domestic and International Air Mail.

Additional Pledged Revenue and any Changes of PFC Authorization

There were no changes in 2003.

Projects to be Funded with PFC Revenue -- Costs and Sources of Funds

PROJECTS TO BE FUNDED WITH PFC REVENUE--ESTIMATED COSTS AND SOURCES OF FUNDS
 Port of Seattle, Washington
 Seattle-Tacoma International Airport

	Gross project costs	Sources of funds				
		Federal grants-in-aid		Port funds (1)	Pay-as-you-go PFC Revenue	1998 PFC Bond proceeds
		Entitlement	Discretionary			
1998 PFC Bond Projects						
Third runway (2)	\$1,128,881,000	\$65,900,000	\$113,735,256	720,579,744	\$114,333,000	\$114,333,000
South Terminal Expansion Program (3)	588,460,000			454,473,568	36,704,432	97,282,000
Passenger conveyance system (4)	164,866,000			39,762,355	76,718,645	48,385,000
Total 1998 PFC Bond Projects	\$1,882,207,000	\$65,900,000	\$113,735,256	\$1,214,815,667	\$227,756,077	\$260,000,000
Other--impose and use						
ARFF regional training facility	\$6,886,000		\$4,503,000	933,000	\$1,450,000	
Runway safety area improvements	46,286,000		25,500,000	12,286,000	8,500,000	
Access roadway improvements	20,968,000			(782,000)	21,750,000	
Security system upgrade	\$20,519,000			8,216,000	\$12,303,000	
Airfield pavement and infrastructure improvements	45,646,000		15,820,000	1,511,000	28,315,000	
Noise programs (5)	137,800,000		50,000,000	37,800,000	50,000,000	
Total other--impose and use	\$278,105,000		\$95,823,000	\$59,964,000	\$122,318,000	
Total projects	\$2,160,312,000	\$65,900,000	\$209,558,256	\$1,274,779,667	\$350,074,077	\$260,000,000

(1) Including, but not limited to, Airport Development Fund moneys and revenue bond and commercial paper proceeds.

(2) Excludes some associated costs - \$33 million for Safety Area and \$35 million for Noise projects. When these costs are included, total Third runway project costs are \$1,288,881,000.

(3) Formally known as "Terminal expansion--Concourse A" & includes associated security systems

(4) The Port refers to this program as the Satellite Transit System (STS)

(5) Total Noise project costs associated with the PFC Record of Decision (ROD)

Source: Port of Seattle.

Historical PFC Collection and Percentage of PFC Eligible Enplaned Passengers

Note that PFC collections figures are based on "PFC Quarterly Status Report – Revenue and Expenditures" filed with FAA and reported on a cash basis; thus PFC collections do not match the amounts reported in the Port of Seattle Financial Statements.

2003

Enplaned passengers	13,355,667
Annual Percentage Increase	0.0%
Passenger Facility Charge (PFC)	\$ 4.50
Administration costs	<u>0.08</u>
Net PFC	<u>4.42</u>
PFC-eligible passengers	11,577,950
Percent of enplaned passengers	86.7%
PFC Collections	\$51,174,541

Historical Application of PFC Revenue

	<u>2003 (1)</u>
Beginning Balance	40,537,970
Plus Deposits: Annual PFC Collections	51,174,541
Annual Interest Income	<u>2,079,997</u>
Total Deposits	<u>53,254,538</u>
Available amounts	<u>93,792,508</u>
Less withdraws: Annual Debt Services (2)	22,823,368
Pay-as-you-go Expenditures	<u>45,402,193</u>
Total Withdraws	<u>68,225,561</u>
Ending Balances	<u>25,566,947</u>

⁽¹⁾ figures are based on "PFC Quarterly Status Report - Revenue and Expenditures" filed with FAA

⁽²⁾ Includes \$2.4 million arbitrage rebate payment

Annual PFC Debt Service Coverage

Note that PFC collections figures are based on “PFC Quarterly Status Report – Revenue and Expenditures” filed with FAA and reported on a cash basis; thus PFC collections do not match the amounts reported in the Port of Seattle Financial Statements.

		<u>2003</u>
PFC collections	[A]	\$51,174,541
PFC Capital and Revenue Fund interest income	[B]	<u>1,180,865</u>
PFC Revenue	[A]+[B]=[C]	\$52,355,406
First Lien PFC Reserve Account interest income	[D]	<u>899,132</u>
	[C]+[D]=[E]	\$53,254,538
Annual PFC Debt Service (1)	[F]	\$22,823,368

Annual PFC Debt Service coverage

PFC collections only	[A] / [F]	2.24
PFC Revenue	[C] / [F]	2.29
PFC Revenue and First Lien PFC Reserve Account Interest Income	[E] / [F]	2.33

(1) Includes \$2.4 million of arbitrage rebate payment

PFC Unspent Authority & First Lien Sufficiency Covenant

First Lien Sufficiency Covenant Coverage is 1.25 which is calculated as followed:

	<u>2003</u>
Unspent PFC Authority (see detail below)	\$512,028,806
Plus Projected Additional Pledged Revenue	
Remaining Unspent PFC Authority	<u>\$ 512,028,806</u>
Remaining Aggregate PFC Debt Service	\$408,474,573
First Lien Sufficiency Covenant Coverage (minimum is 1.05)	1.25

<u>Unspent PFC Authority</u>	
Beginning Aggregate PFCs authorized to be collected	\$791,327,461
Plus: Net Annual Adjustment to Authorization	\$0
Less: PFC Collected and Interest Earned	(\$53,254,539)
Ending Aggregate PFCs authorized to be collected	<u>\$738,072,922</u>
Less: Adjusted Costs	
Costs of Projects Paid	\$45,402,193
Costs of Projects Paid - Debt Service *	\$22,823,368
Costs of Projects Obligated	\$201,529,000
Costs of Projects Obligated - Remaining Debt Service	\$408,474,573
Less: Projected Aggregate Debt Service	(\$408,474,573)
Less: Amount on deposit in the Funds	(\$43,710,444)
Less: Costs of Projects Paid from Bond Proceeds	\$0
Less: Costs of Projects Obligated from Bond Proceeds	\$0
Total Adjusted Costs	<u>\$226,044,117</u>
Total Unspent Authority	\$512,028,806

* Included \$2,400,190 payment to IRS for Arbitrage Liability

The LOI and Other Federal Grants - 2003

Operating grants:	\$67,500
Capital spending grants:	\$65,363,000

Aviation Division Operating Expenses for 2003

	2003
<i>Direct Expense Cost Centers</i>	(in \$000's)
Administration salaries and benefits	9,177
Wages	21,984
Travel and other employee expenses	11
Outside services	19,221
Supplies	1,863
Utilities	12,506
Other direct expenses	6,280
Charges to capital projects	<u>(1,723)</u>
Total Direct Operating Expenses	69,321
 <i>Indirect Expense Cost Centers</i>	
Divisional allocations	43,276
Corporate allocations	<u>27,092</u>
Total Indirect Operating Expenses	70,367
 Total Operating Expenses	 <u><u>139,688</u></u>
 <i>Summary by cost center</i>	
Aeronautical LOB ¹	106,710
Landside LOB	36,621
Business Dev & Mgmt	8,135
Utilities ²	(13,331)
Other ³	<u>1,553</u>
Total Operating Expenses	<u><u>139,688</u></u>

1. Airfield and Air Terminal are combined to Aeronautical LOB.

2. The cost center summary shows utilities O&M expense as a negative amount due to other charges such as depreciation and capital costs included in the rate base for the purpose of internal and external billing.

3. Includes Check Point Security to capture the costs for operating grant reimbursement from TSA.

Source: Port of Seattle, Aviation Division

Sources of Aviation Division Revenue for 2003¹

	2003	
	Amount (in \$000's)	Percent of Total
Airline Revenues		
Airfield		
Total Landing Fees	83,159	35.7%
Other	1,860	0.8%
Air Terminal		
Space Rentals	40,215	17.2%
Other	3,112	1.3%
Total Airline Revenues	128,346	55.0%
Non-Airline Revenues		
Airfield		
Airfield Property Leases	3,509	1.5%
Aviation Fees	0	0.0%
Airfield Subtotal	3,509	1.5%
Aviation Properties		
In-Flight Kitchen	3,240	1.4%
Commercial Property Leases	892	0.4%
Aviation Properties Subtotal	4,132	1.8%
Landside		
Public Parking	39,191	16.8%
Employee Parking	4,325	1.9%
Rental Cars	22,795	9.8%
Ground Transportation	2,986	1.3%
Landside Subtotal	69,297	29.7%
Concessions		
Food and Beverage	6,036	2.6%
News and Gift	3,699	1.6%
Duty-Free	1,232	0.5%
Other Concessions	7,849	3.4%
Concessions Subtotal	18,815	8.1%
Utilities	6,717	2.9%
Other	173	0.1%
Total Non-Airline Revenues	102,643	44.0%
Security Grants	1,574	0.7%
Fuel Hydrant Revenue	587	0.3%
Total Aviation Division Revenues	233,150	100.0%

1. Revenues are by business unit, and thus amounts in some categories may differ from amounts disclosed in other tables within this report.

Source: Port of Seattle, Aviation Division

Calculation of Airline Terminal Rents

	<u>2003</u>
Asset recovery	
Existing asset base	342,580,536
Add, new assets (retirements/transfers)	<u>51,362,589</u>
Net asset to recover upon	393,943,125
Contractual recovery of 80%	315,154,500
Amortization in years	40
Amortization rate	<u>8.5%</u>
Asset recovery	27,853,987
Expense Recovery	
Expenses	66,970,824
Less, concessions and rental car revenue	<u>(41,190,807)</u>
Expenses to recover	25,780,017
Land Recovery	
Land value	6,052,860
Rate of return	<u>8.5%</u>
	514,493
Total amount to recover	<u><u>54,148,497</u></u>
Rentable sq.ft.	819,728
Average terminal rental rate	\$ 66.06

Calculation of Airline Landing Fees Under Current Airline Agreements

	<u>2003</u>
Aviation Division Expenses	
Total O&M Expense ¹	112,596,239
Allocations ²	<u>27,091,528</u>
Total Aviation Division Operating Expenses	139,687,767
Allocated Corporate Facility Expenses	968,616
Total Aviation Division Expenses	<u>140,656,383</u>
Plus:	
Aviation Division Debt Service ³	68,191,345
Debt Service Coverage ⁴	23,866,971
Additions	<u>-</u>
Total Debt Service Allocated to Landing Fee	92,058,316
Total Expenses	232,714,699
Less:	
Non-Airline Revenues	102,643,027
Security Grants	1,574,490
Other Airline Revenues ⁵	45,337,813
Non-Signatory Airline Landing Fees	<u>3,380,856</u>
Total Offsets	152,936,186
Total Signatory Airline Landing Fee Requirement	79,778,513
Signatory Airline Landed Weight ⁶	19,911,460
Landing Fee Rate ⁷	\$4.01
Non-Signatory Airline Landing Fee Revenues	3,380,856
Total Landing Fee Revenues	\$83,159,369

1. Includes all direct charges and division allocation.

2. Includes all Corporate allocations.

3. Includes debt service for only MII-approved revenue bonds.

4. Coverage of 35%.

5. Net of nonsignatory airline landing fees but includes the landing fee annuity adjustment.

6. In 1,000 lb. units.

7. Per 1,000 lb. unit.

Source: Port of Seattle, Aviation Division

Changes in the Method of Charging for the Use of Airport Facilities

No Change for 2003.

Changes in the Type of Airline Agreements

The Airport has entered into new airline agreements effective January 1, 2004 (the “New Airline Agreements”). The term of each of the New Airline Agreements expires on December 31, 2005, unless terminated earlier. Unlike the prior airline agreements, which provided for a residual rate-setting methodology for the entire Airport, the New Airline Agreements provide for rates based upon a modified compensatory rate-setting methodology, with some potential for landing fee and rental rate reductions, through “revenue sharing,” for signatory airlines. Under the New Airline Agreements, except for the revenue sharing credit, landing fees charged to nonsignatory airlines are to be based upon the same rates as the signatory landing fee rate and terminal rents to be charged to any nonsignatory airline are to be the same as the charges by the Port for the use of facilities in the terminal on a common-use basis. The New Airline Agreements also provide that gates are to be assigned on a preferential-use basis, not on an exclusive-use basis. The New Airline Agreements include a list of capital improvements and costs that have been pre-approved by signers of the New Airline Agreements. For capital improvements of \$2 million or more, the New Airline Agreements require that signatory airlines be given notice and the opportunity to object to capital improvements that have not been pre-approved in the New Airline Agreements and to object to cost increases of more than 10 percent (unless that capital improvement is required by a federal or state authority). Objections by a majority-in-interest require the Port to delay the commencement of that project for 180 days. However, the New Airline Agreements do not require signatory airline approval of capital improvements or the issuance of debt as a condition to including the cost of the capital improvement or the debt service in the Airport’s rate base. A majority-in-interest consists of air carriers that account for more than 55 percent in number of the signatory airlines and that also account for more than 55 percent of the terminal rents and landing fees paid by all signatory airlines at the Airport during the immediately preceding fiscal year.

Port of Seattle Container Volumes⁽¹⁾ (in thousands)

<u>Year</u>	<u>International Containers</u>						<u>Domestic</u>	<u>TOTAL</u>
	<u>Inbound</u>	<u>Outbound</u>				<u>(2)</u>	<u>(3)</u>	
	<u>Metric</u>	<u>Full</u>	<u>Metric</u>	<u>Full</u>	<u>Empty</u>	<u>Total</u>		
	<u>Tons</u>	<u>TEU’s</u>	<u>Tons</u>	<u>TEU’s</u>	<u>TEU’s</u>	<u>TEU’s</u>	<u>TEU’s</u>	<u>TEU’s</u>
2003 ⁽⁴⁾	3,524	543	4,367	349	293	1,185	302	1,486

- 1) Approximate weight per TEU at the Port is eight metric tons of import cargo and 13 metric tons of export cargo.
- 2) Includes volumes handled by non-Port facilities in the Seattle harbor. Includes full and empty containers.
- 3) Total for the Seattle harbor. Total might not equal the sum of component parts due to rounding.
- 4) For the first four months of 2004 container traffic increased 4.3% compared to the first four months of 2003.

Note: This table was called “International Containerized Trade” in Series 1996A&B and 1997A&B.

Source: Port of Seattle Container and Tonnage Statistics Reporting System.

Containerized Cargo Trends and Market Share for 2003
 (TEU's in thousands)

<u>Seattle</u>		<u>Pacific Northwest¹</u>		<u>Los Angeles and Long Beach</u>		<u>West Coast²</u>
TEU's	Percent of West Coast	Percent of Pacific Northwest	TEU's	Percent of West Coast	TEU's	TEU's
1,486	7.9%	29.1%	5,103	27.1%	11,837	18,863

1. Pacific Northwest is Seattle, Tacoma, Portland and Vancouver, BC.
2. West Coast is Seattle, Tacoma, Portland, Oakland, Los Angeles, Long Beach, and Vancouver, BC.

Seattle Harbor Top Ten Foreign Trade Partners Total Exports and Imports for 2002 ⁽¹⁾

(in metric tons)

<u>Country</u>	<u>Import</u>	<u>Export</u>	<u>Total</u>	<u>Market Share</u>
CANADA (2)	2,872,213	103,262	2,975,475	26.0%
JAPAN	597,152	1,708,620	2,305,772	20.2%
CHINA	1,314,376	802,630	2,117,006	18.5%
SOUTH KOREA	281,831	412,234	694,065	6.1%
TAIWAN	256,249	382,832	639,081	5.6%
THAILAND	308,303	113,930	422,233	3.7%
MEXICO	417,159	775	417,934	3.7%
INDONESIA	109,499	197,375	306,874	2.7%
HONG KONG	56,933	193,172	250,105	2.2%
MALAYSIA	74,024	155,431	229,455	2.0%
Other	434,410	645,569	1,079,979	9.4%
TOTAL	6,722,149	4,715,830	11,437,979	100.0%

(1) This table includes all cargoes that pass through the Seattle harbor, including cargoes handled by non-Port operators. Totals may not add to 100 percent due to rounding

(2) Canadian imports are primarily minerals, a bulk cargo not handled by the Port.

Annual Throughput Volume (in TEU's) at Terminal 18

627,000 TEU's in 2003

Port's Share of Puget Sound Container Traffic

The Port's share of Puget Sound (the ports of Seattle and Tacoma combined) container traffic in 2003 was 46.1%.

Exports and Imports (in TEU's) to and from Asia in 2003

Export: 325,997 full TEU's

Import: 531,263 full TEU's

Non-Container Cargo Trends in 2003

<u>Cargo</u>	<u>Metric Tons (in 1000's Tons)</u>
Grain	3,108
Breakbulk	118
Liquid Bulks	<u>957</u>
Total	4,183

PORT OF SEATTLE CONTAINER TERMINALS in 2003

<u>Category</u>	<u>Terminal 5</u>	<u>Terminal 18</u>	<u>Terminal 46</u>
Primary Lessee	Eagle Marine Services/APL (1)	SSA Marine, Inc. and SSA Terminals LLC	Total Terminals Inc./Hanjin Shipping (2)
Terminal Area	158 acres (24 additional acres available for expansion)	196 acres	70 acres leased (18 additional acres to be leased 10/1/2004) (3)
Berth Facilities	2,900 feet	5,000 feet (4)	2,724 feet
Water Depth	-45 ft. to -50 ft. @ mllw	-46 ft. to -50 ft. @ mllw	-44 ft. to -46 ft. @ mllw
Container Cranes (5)	Five 100-ft. gauge (post Panamax)	Five 50-ft. gauge (3 post Panamax) and three new 100-ft. gauge (super post-Panamax)	Three 50-ft. gauge (Panamax) and three super post-Panamax 100-ft. gauge cranes
Net Revenue	\$16,079,858	\$12,113,848	\$6,581,128

- (1) Eagle Marine is a subsidiary of APL (formerly American President Lines).
- (2) Hanjin Shipping may assign the lease to its subsidiary Total Terminals Inc.
- (3) Under the terms of the lease, the Port is expanding Terminal 46 to include 18 acres formerly part of Terminal 37.
- (4) An additional 1200 ft. of breakbulk berth space is available.
- (5) Post-Panamax cranes are designed to service "post-Panamax" container ships; generally container ships with a width in excess of 106 feet (with a maximum of 13 container rows wide) and that are too wide to pass through the Panama Canal. Post-Panamax cranes are able to accommodate vessels with 17 rows of containers. Super post-Panamax cranes are able to accommodate vessels with 22 rows of containers.

Source: Port of Seattle.

Non-Container Terminal Leases for 2003

Terminal	2003 Facility Revenue ⁽¹⁾	Primary Lessee	Primary Operations	Date of Lease Expiration
T-91	\$364,291	City Ice & Cold Storage	Cold Storage	6/30/2019
		American Seafood	Fishing Vessels	5/31/2008
		First Student Inc.		7/31/2005
		Premier Pacific Seafoods		
		Trident Seafoods Corp.		11/30/2020
		Supreme Alaska Seafoods		10/31/2004
		Arctic Storm Inc.		9/30/2004
T-115	2,790,286	International Terminal Co.	Steel Imports	⁽²⁾
		Northland Terminal Services, Inc. ⁽³⁾	Barge	12/31/2017
		NW Container	Container Repair	
		Sea Pac Service Company	Seafood Processing & Storage	Monthly lease
		Seafreeze		12/31/2017
T-86	2,557,076	Louis Dreyfus Group	Bulk Grain	11/14/2005
T-102	1,559,932	Puget Sound Institute of Pathology	Office tenants & marina	1/31/2006
		The Mountaineers Books		3/31/2008
		The Retch Group Inc.		12/31/2006
		Blockbuster Entertainment		9/30/2005
		Virtuoso Inc.		1/31/2007
		Dept. of Homeland Security	Government	
		Bowhead Transportation		11/30/2004
		AKS PS Inc.		3/14/2006
		Sprint Communications Co.		7/23/2004
		Kelley-Clarke Inc.		7/30/2004
Japan Radio Co. LTD		Monthly lease		
		Marine Terminals Corp.		8/31/2006
T-106	(952,379)	Ash Grove Cement	Land Storage	12/31/2005
		Container Care International	Container Repair	7/31/2006
		UPS Supply Chain Solutions		7/31/2006
T-108	837,795	Container Care International	Container Repair	8/18/2007
T-104	175,522	Western Cartrage Inc.		9/14/2006

(1) Terminal facility revenue (net of terminal operating expense before depreciation and overhead) includes all property and equipment lease revenues and all other revenues associated with the terminal and may include net revenue from non-primary lessees.

(2) International Terminal Co. may be relocating to Terminal 28.

(3) Formerly Jore Corporation. Jore Corp. was acquired by Northland Terminal Services, Inc. in June 2002.

Source: Port of Seattle

Seaport Division Operating Revenue for 2003

Port of Seattle Seaport Division 2003 Operating Revenue

	Revenue (in millions)	Percentage
Cargo and Cruise Services		
Containers	\$38.1	43.5%
Cargo Docks	5.2	6.0
Cruise	1.7	1.9
Warehouse	0.3	0.3
Subtotal	45.3	51.7
Non-cargo		
Harbor Services	9.2	10.4
Property Management	25.5	29.0
Business Development	3.3	3.7
Security ⁽¹⁾	<u>4.5</u>	<u>5.1</u>
Subtotal	42.4	48.3
Total Seaport Operating Revenue	\$87.7	100%

(1) Represents security grants awarded in 2003

Note: Amounts and percentages may not foot due to rounding.

Source: Port of Seattle.

Seaport Division Revenues and Expenses for 2002

This information is report in the Port's Financial Statements, Segments footnote.

Percentage of Non-Cargo Revenue

This information is included in the table "Seaport Division Operating Revenue for 2003."

Value and Type of Goods Imported and Exported Through the Port

In 2002 (the year for which the most current data is available), the value of international goods handled by the Port was approximately \$23.75 billion.

In terms of commodity value, leading import products include wearing apparel, games and video games, footwear, office and data processing machines and parts, motor vehicle parts, electrical & electronic equipment and parts, audio equipment, toys, furniture, and telecommunications and sound and recording equipment. Export products include: industrial equipment, meat (beef, pork, and poultry), inorganic chemicals, frozen fish, engines, hides, paper, motor vehicle parts, animal feeds, and frozen vegetables.

Rent Schedule and Debt Service Coverage for Terminal 18

	9/1/2003
Net Revenue Available for Debt Service (1)	15,328,225.12
Series 1999 Bond Net Debt Service (2)	11,407,236.00
Coverage	1.34

(1) Rent for the months of September 2003 through August 2003, net of Senior Payments

(2) Debt Service paid Net Revenue Available (excludes debt service paid from escrow for defeased bonds)