



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 30, 2008

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 pages 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, 2007 to December 31, 2007**

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

A handwritten signature in black ink that reads 'Dan Thomas'.

Dan Thomas
Chief Financial Officer
Port of Seattle
PO Box 1209
Seattle, WA 98111
Voice 206-728-3000

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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”)
- Revenue Refunding Bonds, Series 2004 (“04”)
- Intermediate Lien Revenue and Refunding Bonds, Series 2005A (“05A”)
- Intermediate Lien Revenue Refunding Bonds, Series 2005B (“05B”)
- Subordinate Lien Revenue Bonds, Series 2005D (“05D”)
- Intermediate Lien Revenue Refunding Bonds, Series 2006 (“06”)
- Revenue Bonds, Series 2007A and 2007B (“07AB”)

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”)
- Limited Tax General Obligation Bonds, Series 2004A, 2004B and Limited Tax General Obligation Refunding Bonds 2004C (“04GO”)
- Limited Tax General Obligation Refunding Bonds 2006 (“06GO”)

II. Statement of Changes to Continuing Disclosure

None

III. Disclosure Items

Port Historical Operating Results as of December 31, 2007

	(in thousands)				
	2003	2004	2005	2006	2007
REVENUES:					
Operating					
Aviation					
Property Rentals	\$ 96,471	\$161,170	\$189,915	\$209,975	\$213,367
Landing Fees ⁽¹⁾	83,159	45,569	47,107	46,730	53,158
Parking ⁽²⁾	40,217	42,584	47,359	53,628	57,305
Security grants ⁽³⁾	1,575	1,196	1,162	1,276	1,467
Other Revenues	11,728	17,279	26,272	25,891	22,191
Total Aviation Revenues	233,150	267,798	311,815	337,500	347,488
Seaport					
Property rentals ⁽⁴⁾	49,699	51,119	61,086	71,314	73,746
Equipment rentals	7,433	9,922	11,244	10,441	9,689
Security grants ⁽³⁾	4,501	23,199	5,462	4,268	2,762
Other Revenues ⁽⁵⁾	26,098	24,830	26,462	24,482	26,122
Total Seaport Revenues	87,731	109,070	104,254	110,505	112,319
Other					
Other Revenues ⁽⁶⁾	872	334	456	444	1,339
TOTAL OPERATING REVENUES	\$321,753	\$377,202	\$416,525	\$448,449	\$461,146
EXPENSES:					
Operating					
Aviation	\$113,385	\$109,334	\$122,666	\$126,635	\$132,984
Seaport	48,956	63,454	46,383	46,384	45,759
Environmental	4,071	2,200	7,739	(1,262)	5,117
Administration	42,655	48,282	49,407	51,808	57,940
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	\$209,067	\$223,270	\$226,195	\$223,565	\$241,800
DEPRECIATION	85,076	110,175	129,788	140,189	141,588
TOTAL OPERATING EXPENSES	294,143	333,445	355,983	363,754	383,388
OPERATING INCOME	\$27,610	\$43,757	\$60,542	\$84,695	\$77,758

(1) Prior to 2004, the Airport operated under an Airport-wide residual agreement that, among other things, required payments by signatory airlines sufficient to meet a 1.25 to 1.35-times debt service coverage for approved projects.

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

(3) Security grants include Operation Safe Commerce and TSA operating grant revenues.

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

(5) Largest components of Other Revenues include berthage & moorage and sales of utilities.

(6) Includes combined revenues of the corporate services department and the Economic Development Division.

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 2007, the Seaport Division and the Aviation Division accounted for approximately \$112.3 million (24.4%) and approximately \$347.5 (75.6%) of the Port's total operating revenues, respectively.

Port Outstanding Debt (Amounts in \$ millions)

Type of Debt	12/31/2007	6/30/2008
General Obligation	398	398
Revenue		
Senior Parity	1316	1299
Intermediate	573	568
Subordinate		
Long-term ⁽¹⁾	593	658
Commercial Paper Authority ⁽²⁾	250	250
Other		
PFC - backed stand alone	219	219
Special Facility Revenue Bonds - Fuel	117	114
TOTAL	3,466	3,506

(1) On June 17, 2008 the Port issued \$201 million refunding bonds. As of June 30, \$135 million of the refunded bonds had been redeemed. The remainder will be redeemed on July 2.

(2) The total authorized amount of Commercial Paper is \$250 million. The actual amount outstanding as of 12/31/2007 and 6/30/2008 was \$186.250 million and \$144.795 million, respectively

Source: Port of Seattle.

Port of Seattle Estimated Debt Limit as of June 2008

Value of Taxable Property ⁽¹⁾	\$339,460,186,280
Debt Limit, Non-Voted General Obligation Bonds (.25% of Value of Taxable Property)	\$ 848,650,466
Less: Outstanding Non-Voted General Obligation Bonds	397,835
Less: Capital leases and other general obligations	-
Remaining Capacity of Non-Voted General Obligation Debt	<u>\$ 848,252,631</u>
Debt Limit, Total General Obligation Debt (.75% of Value of Taxable Property)	\$ 2,545,951,397
Less: Total Outstanding General Obligation	397,835
Less: Capital leases and other general obligations	-
Remaining Capacity of Total General Obligation Debt	<u>\$ 2,545,553,562</u>

(1) Assessed valuation figure as reported in the 2008 King County's Assessor Annual Report. This 2008 assessed valuation figure is the basis for 2008 tax collections
Source: Port of Seattle.

2007 Port of Seattle Revenue Bond Debt Service (in thousands of dollars)

First Lien Bonds	Interest	65,657.5
	Principle	37,010.0
Intermediate Lien Bonds	Interest	29,374.6
	Principle	3,260.0
Subordinate Lien Bonds	Interest	26,145.7
	Principle	8,475.0
Subordinate Lien Notes (Commercial Paper)*	Interest	9,014.5
	Principle	2,881.3

* This is based on amortization of outstanding Commercial Paper on December 31, 2007. Total CP authority is \$250 million, but actual amount outstanding varies.

2007 Port of Seattle Limited Tax G.O. Bond Debt Service (in thousands of dollars)

Year	Principal	Interest	Total Debt Service
2007	\$18,810.0	\$21,618.9	\$40,428.9

Source: Port of Seattle

Tax Levy: Recent Tax Levy Activity

2007 Tax Year

Port District Assessed Valuation	\$298,755,199,059
Maximum Levy	\$80,414,188
Total Tax Levy	\$68,841,070
Total Tax Levy Rate	0.23158
Tax Levy Allocable for Limited Tax General Obligation	\$40,428,896
Tax Levy Allocable for General Purposes	\$28,412,174

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 2007.

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>Amount Collected as of 12/31/07</u>	<u>% of Levy Collected as of 12/31/07</u>
2007	\$68,863,090.75	\$67,703,166.75	98.32%	\$67,703,166.75	98.32%
2006	62,805,612.70	61,701,749.47	98.24%	62,576,670.31	99.64%
2005	62,799,550.36	61,704,536.02	98.26%	62,702,366.90	99.85%
2004	59,680,131.74	58,630,164.78	98.24%	59,662,700.27	99.97%
2003	58,028,845.44	56,372,464.20	97.85%	58,009,845.17	99.97%

* The amount of the levy varies from the budgeted amount because of adjustments in assessed values and levy rates made by the County.
Source: Port of Seattle, from King County Tax Receivables

Port of Seattle Capital Improvement Program for Period Ending December 31, 2007^(a)

	Estimated Total Costs	Currently Funded^(b)	Future Bonds	Other^(c)
Phase 1				
Third Runway	1,083,963,000	1,001,198,000	75,350,000	7,415,000
South Terminal Expansion Program	431,861,000	431,861,000		
Terminal and Tenants	332,630,000	332,630,000		
Infrastructure	235,694,000	235,694,000		
Airfield	196,319,000	196,319,000		
Satellite Transit System	160,093,000	160,093,000		
Landside	142,399,000	142,399,000		
Aviation Division Wide	63,183,000	63,183,000		
Security	32,266,000	32,266,000		
Business Development	17,629,000	17,629,000		
	2,696,037,000	2,613,272,000	75,350,000	7,415,000
Noise	398,682,000	364,408,000		34,274,000
All Other				
Security	253,758,000	237,058,000	16,700,000	
Aviation Division Wide	279,008,000	242,065,000	36,943,000	
Landside	486,191,000	486,191,000		
South Terminal Expansion Program	135,662,000	135,662,000		
Infrastructure	166,749,000	136,236,000	30,513,000	
Stormwater	92,801,000	92,801,000		
Terminal and Tenants	121,956,000	81,267,000	40,689,000	
Airfield	146,253,000	132,171,000	14,082,000	
Business Development	39,452,000	39,452,000		
	1,721,830,000	1,582,903,000	138,927,000	
Total Aviation Division	4,816,549,000	4,560,583,000	214,277,000	41,689,000
% of Total Aviation	100.00%	94.69%	4.45%	0.87%
SEAPORT DIVISION (2008-2012)				
Total Seaport Division^(d)	259,133,000			
REAL ESTATE DIVISION (2008-2012)				
Total Real Estate Division^(d)	142,054,000			
PROFESSIONAL & TECHNICAL SERVICES (2008-2012)				
Total P&TS	53,939,000			
TOTAL PORT OF SEATTLE	\$5,271,675,000			

(a) Committed Program only.

(b) Includes existing revenue bond proceeds, PFC Bond proceeds, PFC revenues, Airport Improvement Program. (AIP) grants, Transportation Security Administration (TSA) grants, Letter of Intent grants, and the Airport Development Fund.

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

(d) The Real Estate Division was established as of 1/1/08 and certain CIP's were transferred from Seaport to Real Estate as of that date.

Source: Port of Seattle.

Historical Debt Service Coverage for Period Ending December 31, 2007

Historical Debt Service Coverage Revenue Bonds (in thousands) For the Years Ended December 31

<u>Fiscal Year</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Gross Revenue available for revenue bond debt service ^(a)	321,318	375,960	412,481	439,819	452,539
Operating Expenses	209,067	223,270	226,195	223,564	241,238
Less Port general purpose tax levy	<u>(32,772)</u>	<u>(20,865)</u>	<u>(24,233)</u>	<u>(23,828)</u>	<u>(27,928)</u>
Adjusted Operating Expenses	<u>176,295</u>	<u>202,405</u>	<u>201,962</u>	<u>199,736</u>	<u>213,310</u>
Non-operating revenue (net) ^(b)	10,262	6,053	18,776	24,659	32,195
Net revenue available for first lien debt service	<u>155,285</u>	<u>179,608</u>	<u>229,295</u>	<u>264,742</u>	<u>271,424</u>
Debt service on first lien parity bonds	78,577	75,535	84,614	87,876	87,640
Coverage on first lien parity bonds	1.98x	2.38x	2.71x	3.01x	3.10x
Net revenue available for intermediate lien debt service ^(c)	0	0	<u>144,681</u>	<u>176,866</u>	<u>183,784</u>
Debt service on intermediate lien parity ^(c)	0	0	2,167	7,269	14,079
Coverage on intermediate lien parity bonds ^(c)	0.00	0.00	66.77x	24.33x	13.05x
Net revenue available for subordinate lien debt service	<u>76,708</u>	<u>104,073</u>	<u>142,514</u>	<u>169,597</u>	<u>169,705</u>
Debt service on subordinate lien bonds	16,748	23,382	27,813	39,067	42,006
Coverage on subordinate lien bonds	4.58x	4.45x	5.12x	4.34x	4.04x

(a) Gross revenue represents total operating revenue adjusted for the following: Fuel hydrant rental income and difference of escalating rental income on straight-line basis versus contracted amount are excluded.

(b) Nonoperating revenue (net) is adjusted for the following: Interest expense on any obligations incurred in connection with and payable from gross revenue, income which is not legally pledged for revenue bond debt services namely passenger facility charges, and customer facility charges, grant and donation revenue, public expense, and non-cash items are excluded.

(c) No intermediate lien bonds were issued prior to 2005.

Changes in the Identity of the Port's Treasurer

No Change

Changes in the Port's Investment Policy

Yes.

The Commission adopted an investment policy for the Port on June 11, 2002, that was first amended on December 12, 2006, and further amended on October 23, 2007. In summary, the 2007 amendment clarified ambiguous language in the footnote following the "Diversification" section (Section 10). Previously, the footnote allowed for portfolio security class limits to be exceeded due to a sudden unexpected change in market fluctuations; but, not for any sudden unexpected change in

cash flows. The 2007 amendment changed the footnote to define a time period for returning the portfolio to its security class limits. From October 23, 2007 forward any time the portfolio experiences a security class unexpectedly exceeding its limits for any reason, staff will work towards returning the security class to its diversification limits within 15 days. If, after 15 days, a security class continues to exceed its diversification limit staff will notify the Port's Audit Committee incorporating a plan and estimated time frame for returning the security class back to its diversification limit. Weekly reports will be submitted to the Audit Committee until the affected security class(s) is within its established limits.

For the purpose of purchasing investments, the Port pools its own funds, including funds established with bond proceeds. Investment earnings from the pool are allocated monthly to each participating fund based upon the average daily balance of each fund.

The Port may invest in (i) U.S. Treasury securities; (ii) agency securities including mortgage backed securities of these agencies limited to (1) collateralized mortgage pools having a stated final maturity not exceeding the maturity limits of the policy (10 years), and (2) planned amortization and sequential pay classes of collateralized mortgage obligations collateralized by 15-year agency-issued pooled mortgage securities having a stated final maturity not exceeding the maturity limits of the policy; (iii) certificates of deposit with Washington State banks authorized by the State's Public Deposit Protection Commission; (iv) bankers' acceptances, on the secondary market, issued by any of the top 50 world banks in terms of assets; and (v) repurchase agreements, provided that (1) the repurchase agreement may not exceed 60 days; (2) the underlying collateral must be a security authorized by the investment policy for purchase; and (3) all underlying securities used for repurchase agreements are settled on a delivery versus payment basis. Securities collateralizing repurchase agreements must be marked to market daily and have a value of at least 102 percent of the cost of the repurchase agreement for terms less than 30 days and 105 percent for terms in excess of 30 days. Other permitted investments include reverse repurchase agreements with terms not exceeding 60 days, commercial paper on the secondary market, rated no lower than A1/P1 authorized by Washington State Investment Board Guidelines, and certain municipal bonds rated "A" or better by at least one nationally-recognized credit rating agency. The Port may now enter into a securities lending program through its custodian that requires all loaned securities be continuously collateralized at 102 percent. The Port's custodian, or its New York agent, must take possession of all Port securities.

Diversification parameters allow for 100 percent of the portfolio be invested in U.S. Treasury securities, 60 percent in agency securities, excluding agency discount notes, 20 percent in agency discount notes, 10 percent in agency mortgage-backed securities, 15 percent in certificates of deposit, 20 percent in bankers' acceptances, 20 percent in commercial paper, 15 percent in overnight repurchase agreements, 25 percent in term repurchase agreements, and five percent in reverse repurchase agreements.

Insurance

General Overview:

The Port of Seattle has a comprehensive risk management program that financially protects the Port against loss from adverse events to its property, operations, 3rd party liabilities, and employees. The Port's insurance year for liability coverage runs from October 1, 2007 to October 1, 2008. The Port's insurance year for property coverage runs from July 1, 2007 to July 1, 2008. The Port

utilized the services of Hugh Wood Incorporated for the placement of its liability insurance. Aon Risk Services remains as the broker for the Port's Owner Controlled Insurance Program (OCIP) for the Airport Capital Improvement Program. The OCIP program runs through 12/31/2008. The Port utilizes Alliant Insurance Services to purchase its property insurance. All of the Port's insurance carriers are rated "A" or better by the A.M. Best & Co. and includes AIG, Lexington (AIG), ACE, Darwin, State National, National Union, Illinois Union, and Lloyds of London.

Property Insurance:

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 \$ 1 Billion (\$1,000,000,000) per occurrence limit at a \$1 million per occurrence deductible. Terrorism coverage is provided with a sub-limit of \$ 100 million per occurrence. Coverage for flood is capped at an annual aggregate of \$ 25 million above a flat \$25 million deductible. Builders risk coverage for property in the course of construction is provided with a sub-limit of \$ 50 million. For 2007-2008, the Port was able to secure a \$50,000 per occurrence deductible for builders risk (course of construction) coverage. The builder risk coverage extends to both contractors and the Port for property damage to Port's Capital Improvement Program assets that are in the course of construction. In June of 2008, the Port purchased a three year stand alone builder risk property insurance policy to cover the construction of the Consolidated Rental Car Facility. The policy covers the Port and its contractor's interest in the property. Limits on this policy are \$280 million for "all-risk" coverage with separate limits to cover the perils of windstorm, flood, earthquake, and terrorism. The policy deductible is \$50,000 per occurrence. Earthquake limits are capped at \$150,000,000. The Port carries a separate employee fidelity bond for crime coverage (employee dishonesty) with a \$1 million policy limit and a \$25,000 per claim deductible.

Liability Insurance:

The Port purchases excess commercial general liability insurance which covers losses involving bodily injury and property damage that arise from claims against the Port by 3rd parties at all Port owned, rented or leased locations except the airport (which has a separate airport operator's liability policy). The excess general liability limit is \$50 million per occurrence with a \$1 million per claim retention. This excess liability coverage is for the Port's marine, automobile, employee benefits, and foreign liability exposures. Coverage includes events stemming from terrorism acts.

The Port purchases a separate airport operator's liability insurance policy which covers liability losses involving property damage and bodily injury that arise out of airport operations. The limit of liability is \$300 million with a \$50,000 per claim retention. Coverage for events stemming from terrorism and/or war is excluded. In 2007, the Port added Robinson Aviation (ramp tower control vendor) as an insured onto this policy to cover the liability exposure of aircraft movement on the ramp area.

Separate liability policies have been purchased to cover the Port's public officials' and employment practices liability (\$5 million limit/\$1 million per claim retention); fiduciary liability (\$5 million limit/no-deductible), and police professional liability (\$3 million limit/\$1 million per claim retention). The Port self-insures its workers' compensation exposure.

Third Party Agreements:

Contractors, tenants, and lessees, are required to carry at least \$1 million of commercial general 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 non-movement part of the aircraft operations area and \$10 million for automobiles operated on the aircraft movement area of the aircraft operations area). The Port requires airline tenants at Sea-Tac airport to provide between \$100 million and \$300 million per occurrence liability limits. Contractors must also provide proof of workers' compensation coverage for their employees as well as Washington State "stop-gap" coverage that covers employers' liability. The Port of Seattle requires all contractors, tenants, and lessees, to include the Port of Seattle as an "additional insured" as their interests appear for their work, operations, or other activities, on Port property. All contracts and lease agreements require that the Port, and its employees, officers, and commissioners are to be held harmless and indemnified for all actual and alleged claims that arise out of the acts of the contractors and lessees.

Owner Controlled Insurance Program:

The Airport Capital Improvement Program (ACIP) construction projects are insured against third party claims under an Owner Controlled Insurance Program (OCIP). The OCIP insures the Port, construction managers, eligible and enrolled contractors, and other designated parties for work performed under the ACIP. 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. AIG is the primary insurer for the OCIP. 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. Depending on the line of coverage, OCIP policy per occurrence limits range from \$4,000,000 up to \$300,000,000. The per claim deductible is \$250,000.

Total Annual Enplanements

<u>Year</u>	<u>Domestic</u>	<u>International</u>	<u>Total</u>	<u>Annual Increase/(Decrease)</u>
2007 (entire year)	14,313,379	1,348,292	15,661,671	4.5%
January – May 2007	5,272,611	517,571	5,790,182	-----
January – May 2008	5,627,116	590,222	6,217,338	7.4

Percentage of Domestic and International Flights

Of the approximately 15.7 million enplaned passengers served by the Airport in 2007, 8.6% were on international flights and 91.4% were on domestic flights.

Enplanement Market Share by Airline in 2007

<u>Rank</u>	<u>Airline</u>	<u>Enplaned Passengers</u>	<u>% Share</u>
1	Alaska Airlines	5,501,785	35.13%
2	Horizon Airlines	<u>2,054,540</u>	<u>13.12%</u>
	Alaska Air Group	7,556,325	48.25%
3	United Airlines ⁽¹⁾	1,417,312	9.05%
4	Southwest Airlines	1,359,622	8.68%
5	Northwest Airlines	1,055,532	6.74%
6	Delta Airlines ⁽²⁾	981,364	6.27%
7	American Airlines	806,906	5.15%
8	Continental Airlines	681,872	4.35%
9	America West Airlines ⁽³⁾	268,434	1.71%
10	US Airways ⁽⁴⁾	249,544	1.59%
11	Hawaiian Airlines	228,122	1.46%
12	Frontier Airlines	162,495	1.04%
	Others	<u>894,143</u>	<u>5.71%</u>
	Airport Total	15,661,671	100.00%

(1) United Airlines includes United Express.

(2) Delta Air Lines includes Delta Connection..

(3) America West includes America West Express

(4) US Airways Group Inc. and America West Holdings Corp. merged in 2005

Source: As reported to the Port by the airlines.

Number of U.S. Flagged and Foreign Passenger Airlines

20 U.S. flagged passenger airlines and 10 foreign flagged passenger airlines served the Airport as of December 2007.

List of Airlines Serving Seattle-Tacoma International Airport as of December 2007

Scheduled Passenger Service

United States Flag airlines
AirTran Airways
Alaska Airlines
America West Airlines
America West Express/Mesa Airlines
American Airlines
ATA Airlines
Continental Airlines
Delta Air Lines
Delta Connection/ExpressJet Airlines
Delta Connection/SkyWest Airlines
Frontier Airlines
Hawaiian Airlines
Horizon Air
JetBlue Airways
Midwest Airlines
Northwest Airlines
Southwest Airlines
Sun Country Airlines
United Airlines
United Express/SkyWest Airlines
US Airways
USA Jet
Xtra Airways

Foreign Flag Airlines

AeroMexico
Air Canada
Air Canada Jazz
Air France
Asiana Airlines
British Airways
China Airlines
EVA Air
Korean Air
SAS Scandinavian Airlines

Charter Passenger Service

Allegiant Air
Champion Airlines
Executive Flight
Miami Air
Ryan Int'l Airlines
USA Jet

All-Cargo Service

Air Transport International
Airborne Express
Cargolux International
Empire Airlines
Evergreen International
Fedex
Kalitta Air, LLC
Kitty Hawk Air Cargo
Lynden Air Cargo
Martinair Holland
UPS Air Cargo

Source: Port of Seattle records

Number of Total Airport Operations for 2007

The Airport accommodated 347,046 airline operations (takeoffs and landings) in 2007.

Primary Domestic Origin and Destination Markets 2007

Rank	Market of Origin or Destination	Air miles from Seattle	Share of market ^{(1)(a)}	Average daily non-stop departures ^(b)
1	Los Angeles ⁽²⁾	954	11.1	38
2	Bay Area ⁽³⁾	678	9.1	39
3	Las Vegas, Nevada	866	4.4	15
4	New York, New York ⁽⁴⁾	2421	4.2	11
5	Phoenix, Arizona	1107	3.8	14
6	Chicago, Illinois ⁽⁵⁾	1721	3.2	17
7	Denver, Colorado	1024	2.9	16
8	San Diego, California	1050	2.9	7
9	Spokane, Washington	224	2.6	24
10	Sacramento, California	605	2.3	10
11	Honolulu, Hawaii	2,677	2.1	4
12	Minneapolis/St. Paul, Minnesota	1,399	2.0	8
13	Washington, D.C. ⁽⁶⁾	2,306	2.0	5
14	Dallas/Ft. Worth, Texas	1,660	2.0	11
15	Salt Lake City, Utah	689	1.8	10
16	Boise, Idaho	399	1.7	10
17	Atlanta, Georgia	2,182	1.7	7
18	Anchorage, Alaska	1,449	1.7	17
19	Boston, Massachusetts	2,496	1.6	3
20	Orlando, Florida	2,553	1.4	2
21	South Florida ⁽⁷⁾	2724	1.3	1
22	Reno, Nevada	564	1.2	6
23	Houston, Texas ⁽⁸⁾	1,874	1.2	7
24	Philadelphia, Pennsylvania	2,378	1.1	2
25	Kahului, Maui	2,640	1.0	2
26	Portland, Oregon	129	1.0	37
27	Baltimore, Maryland ⁽⁹⁾	2,335	1.0	<1
28	Detroit, Michigan	1,927	1.0	3
	Sub total		73.3	326
	All other cities		26.7	148
	Total ⁽¹⁰⁾		100%	474

Note: Totals may not add to 100% as a result of rounding.

(1) Market Share based on number of enplaned passengers. Cities with at least one percent of Market Share.

(2) Los Angeles International, Bob Hope (Burbank), John Wayne (Orange County), Ontario International, and Long Beach airports.

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

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

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

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

(7) Miami, Fort Lauderdale-Hollywood, and Palm Beach International airports.

(8) George Bush Intercontinental Airport Houston.

(9) Baltimore has no direct flights, however, the market share is due to connecting flights.

(10) Remaining domestic cities and 42 nonstop international departures included in the total.

Sources: (a) U.S DOT OD1A database; (b) Official Airline Guide (OAG) schedule

Percentage of Origin and Destination (O&D) Passengers

The estimated percentage of O&D passengers is 72.5%, based upon a recent U.S. Department of Transportation survey, as of twelve months ending December 31, 2007.

Landed Weights of Top Ten Passenger Carriers for 2007

<u>Rank</u>		<u>Metric Tons</u>	<u>% of Total</u>
1	Alaska Airlines	6,603,593	31.4%
2	Horizon Airlines	2,298,004	10.9%
3	United Airlines	1,843,091	8.8%
4	Southwest Airlines	1,778,126	8.5%
5	Northwest Airlines	1,378,686	6.6%
6	Delta Airlines	1,125,489	5.4%
7	American Airlines	879,695	4.2%
8	Continental Airlines	736,042	3.5%
9	Fedex	708,232	3.4%
10	Hawaiian Airlines	371,037	1.8%
	All Others ⁽¹⁾	3,292,336	15.7%
		21,014,331	100.0%

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

¹ Includes passenger and cargo carriers

Number of Domestic Daily Non-stop Cities Served in 2007

Passenger airlines provided daily non-stop service to 74 cities.

List of International Daily Non-stop Cities Served in 2007

Non-stop daily international service was offered to 19 cities (some Mexico service is seasonal):

Amsterdam, Netherlands
Calgary, Alberta, Canada
Cancun, Mexico
Copenhagen, Denmark
Edmonton, Alberta, Canada
Kamloops, British Columbia, Canada
Kelowna, British Columbia, Canada
London, United Kingdom
Mazatlan, Mexico
Mexico City, Mexico
Paris, France
Puerto Vallarta, Mexico
San Jose Del Cabo, Mexico
Seoul, South Korea
Taipei, Taiwan
Tokyo, Japan
Toronto, Ontario, Canada
Vancouver, British Columbia, Canada
Victoria, British Columbia, Canada

Source: Official Airline Guide (OAG)

Scheduled International Service

Country	Percent of Seating Capacity
Canada	41.1%
Japan	12.8%
United Kingdom	11.0%
Taiwan	8.7%
Korea	6.9%
Mexico	6.7%
Netherlands	5.1%
Denmark	5.0%
France	2.8%
	100.0%

Source: Official Airline Guide (OAG), May 2008

Non-Stop Scheduled Departures by Airline

Airline	Number of average daily departures
Alaska Airlines	137
Horizon Air	132
Southwest Airlines	40
United Airlines	29
American Airlines	16
Northwest Airlines	16
Delta Air Lines	15
SkyWest Airlines ^a	14
Continental Airlines	13
Air Canada Jazz	6
America West Airlines ^b	6
US Airways	5
Frontier Airlines	4
Hawaiian Airlines	3
jetBlue Airways	3
AirTran Airways ^c	2
Delta Connection/ExpressJet Airline	1
Sun Country Airlines	1
British Airways	1
EVA Air	1
Midwest Airlines ^d	1
China Airlines	1
Air Canada	1
SAS Scandinavian Airlines	1
Mesa Airlines ^e	1
Korean Air	1
Asiana Airlines	1
AeroMexico ^f	<1
Air France ^g	<1
	455

(a) operates as Delta Connection and United Express carrier

(b) As of September 26, 2007, US Airways and America West Airlines are flying under a single operating certificate and report all data as US Airways

(c) operates seasonally

(d) service frequency increases during the summer months

(e) operates as America West Express

(f) service started July 2007

(g) service started June 2007

Source: Official Airline Guide (OAG), May 2008

Percentage of Enplanements Traveling to Asia

In 2007, approximately 2.6% of all enplanements, or 30% of international enplanements represented passengers traveling to Asia.

Number of Domestic and Foreign All-Cargo Airlines

13 domestic and foreign all-cargo airlines, having a market share greater than 0.5%, served the Airport in 2007 (these numbers do not include air mail).

Metric Tons of Enplaned and Deplaned Cargo

Total enplaned and deplaned cargo equaled 319,013 metric tons in 2007. 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 2007.

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⁾	\$1,008,801,000	\$93,900,000	\$202,635,256	458,707,570	139,225,174	\$114,333,000
South Terminal Expansion Program (STEP) ⁽³⁾	567,510,000			428,693,026	41,534,974	97,282,000
Passenger Conveyance System (STS) ⁽⁴⁾	159,961,000			27,697,658	83,878,342	48,385,000
Total 1998 PFC Bond Projects	\$1,736,272,000	\$93,900,000	\$202,635,256	\$915,098,254	\$264,638,490	\$260,000,000
Other--impose and use						
ARFF regional training facility ⁽⁵⁾	\$6,880,689		\$4,503,000	927,689	\$1,450,000	
Runway safety area improvements	46,286,000		25,500,000	12,286,000	8,500,000	
Access roadway improvements	73,815,316			49,650,005	24,165,311	
Security system upgrade	32,818,365			20,515,365	12,303,000	
Airfield pavement and infrastructure improvements	46,981,877		7,883,000	10,818,017	28,280,860	
Noise programs ⁽⁶⁾	137,800,000		50,000,000	37,800,000	50,000,000	
Total other--impose and use	\$344,582,247		\$87,886,000	\$131,997,076	\$124,699,171	
Total projects	\$2,080,854,247	\$93,900,000	\$290,521,256	\$1,047,095,330	\$389,337,661	\$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 \$1,128,801,000. As of 2007 total cost reduced by \$45M & \$7M in savings.

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

(4) Also known as Satellite Transit System (STS).

(5) Formally known as the "Aircraft Rescue and Fire Fighting Regional Training Facility"

(6) 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.

	<u>2007</u>
Enplaned passengers	15,661,671
Annual Percentage Increase	4.5%
Passenger Facility Charge (PFC)	\$ 4.50
Administration costs	<u>0.12</u>
Net PFC	<u>4.38</u>
PFC-eligible passengers	13,859,686
Percent of enplaned passengers	88.5%
PFC Collections	\$60,705,426

Historical Application of PFC Revenue

	<u>2007</u> ⁽¹⁾
Beginning Balance	21,950,677
Plus Deposits: Annual PFC Collections	60,705,426
Annual Interest Income	<u>2,103,038</u>
Total Deposits	<u>62,808,464</u>
Available amounts	<u>84,759,141</u>
Less withdraws: Annual Debt Services	20,425,927
Pay-as-you-go Expenditures	<u>46,342,731</u>
Total Withdraws	<u>66,768,658</u>
Ending Balances	<u>17,990,483</u>

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

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>2007</u>
PFC collections	[A]	\$60,705,426
PFC Capital and Revenue Fund interest income	[B]	<u>2,103,038</u>
PFC Revenue	[A]+[B]=[C]	\$62,808,464
First Lien PFC Reserve Account interest income	[D]	<u>1,011,432</u>
	[C]+[D]=[E]	\$63,819,896
Annual PFC Debt Service	[F]	\$20,425,927

Annual PFC Debt Service coverage

PFC collections only	[A] / [F]	2.97
PFC Revenue	[C] / [F]	3.07
PFC Revenue and First Lien PFC Reserve Account Interest Income	[E] / [F]	3.12

PFC Unspent Authority & First Lien Sufficiency Covenant

First Lien Sufficiency Covenant Coverage is 1.30 which is calculated as followed:

	<u>2007</u>
Unspent PFC Authority (see detail below)	\$424,251,211
Plus Projected Additional Pledged Revenue	
Remaining Unspent PFC Authority	<u>\$424,251,211</u>
Remaining Aggregate PFC Debt Service	\$326,779,113
First Lien Sufficiency Covenant Coverage (minimum is 1.05)	1.30
<hr/>	
<u>Unspent PFC Authority</u>	
Beginning Aggregate PFCs authorized to be collected	\$564,350,441
Plus: Net Annual Adjustment to Authorization	\$0
Less: PFC Collected and Interest Earned	<u>(\$62,808,464)</u>
Ending Aggregate PFCs authorized to be collected	<u>\$501,541,977</u>
Less Adjusted Costs	
Costs of Projects Paid	\$33,214,716
Costs of Projects Paid - Debt Service	\$20,425,928
Costs of Projects Obligated	\$63,505,173
Costs of Projects Obligated - Remaining Debt Service	\$326,779,113
Less: Projected Aggregate Debt Service	(\$326,779,113)
Less: Amount on deposit in the Funds	(\$39,855,051)
Less: Costs of Projects Paid from Bond Proceeds	\$0
Less: Costs of Projects Obligated from Bond Proceeds	\$0
Total Adjusted Costs	<u>\$77,290,766</u>
Total Unspent Authority	\$424,251,211

Airport LOI and Other Federal Grants - 2007

Operating grants:	\$200,000
Capital spending grants:	\$48,229,496

Aviation Division Operating Expenses for 2007

	2007 (in \$000's)
Direct Expense Cost Centers	
Administration salaries and benefits	25,529
Wages	52,757
Travel and other employee expenses	927
Outside services	28,900
Supplies	3,565
Utilities	12,603
Other direct expenses	18,274
Charges to capital projects	(9,445)
Total Direct Operating Expenses	<u>133,110</u>
Indirect Expense Cost Centers	
Corporate allocations	
Total Indirect Operating Expenses	<u>38,513</u>
Total Operating Expenses	<u><u>171,624</u></u>
Summary by cost center	
Aeronautical ⁽¹⁾	114,593
Landside	37,636
Business Dev & Mgmt ⁽²⁾	20,079
Utilities ⁽³⁾	(1,529)
Other	844
Total Operating Expenses	<u><u>171,624</u></u>

(1) Airfield and Air Terminal are combined to Aeronautical LOB; adjusted for the 17.8% non-aeronautical terminal costs.

(2) Included 17.8% of the non-aeronautical terminal costs for Concessions.

(3) 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.

Source: Port of Seattle, Aviation Division

Sources of Aviation Division Revenue for 2007⁽¹⁾

	2007 (in \$000's)	% of Total
Airline Revenues		
Landing Fee	53,158	15.66%
Terminal Rents	129,145	38.05%
Other	11,569	3.41%
Total Airline Revenues	<u>193,872</u>	<u>57.12%</u>
Non-Airline Revenues		
Commercial Properties		
In-Flight Kitchen	2,905	0.86%
Commercial Property Leases	2,408	0.71%
Commercial Properties Subtotal	<u>5,313</u>	<u>1.57%</u>
Landside		
Public Parking	55,463	16.34%
Rental Cars	36,408	10.73%
Employee Parking	5,436	1.60%
Ground Transportation	4,445	1.31%
Landside Subtotal	<u>101,752</u>	<u>29.98%</u>
Concessions		
Food and Beverage	10,619	3.13%
News and Gift	8,519	2.51%
Duty-Free	1,612	0.48%
Other Concessions	10,334	3.04%
Concessions Subtotal	<u>31,085</u>	<u>9.16%</u>
Utilities		
Other	5,591	1.65%
Other	235	0.07%
Total Non-Airline Revenues	<u>143,975</u>	<u>42.42%</u>
Security Grants	1,157	0.34%
Fuel Hydrant Revenue ⁽²⁾	429	0.13%
Total Aviation Division Revenues	<u><u>339,434</u></u>	<u><u>100.00%</u></u>

(1) Revenues are by business unit, and thus amounts in some categories may differ from amounts disclosed in other tables within this and other reports, which may be presented by account.

(2) Fuel Facility Revenue of \$8.05 million for the payment of Special Facility Bonds debt service is excluded.

Source: Port of Seattle, Aviation Division

Calculation of Airline Terminal Rents

Terminal Costs	2,007 (in \$000's)
Cost Element	
a) Debt Service	77,117
b) Amortization	71
c) Interim Financing Costs	1,223
d) Terminal and Allocable O&M	81,737
e) Alloc Reserve Funds Deposits	0
f) Alloc P69 Debt Service	363
Subtotal	160,510
Less:	
Common Bridge/Gate Equip Revenues	(644)
Open Storage Revenue	(420)
Capital and O&M Costs for Airlines-Specific Systems	(13,343)
TSA Check Point Reimbursement	(1,157)
Terminal Costs to Airfield	(924)
Allocable Costs	144,022
Less: Terminal Costs for the Port, Public Areas, and Non-Aero	(25,636)
Add Back: Capital and O&M Costs for Airline-Specific Systems	13,343
Required Change in Security Deposit	(165)
Terminal Revenue Requirement before FIS Cost Exclusion	131,563
Less: FIS Cost Exclusion	(3,800)
Terminal Revenues	127,763
Add Back:	
Common Bridge/Gate Equip Revenues	644
Open Storage Revenue	420
Land for Common Gates	317
Terminal Revenues Requirement	129,145
Terminal Revenues Requirement	129,145
Terminal Revenues Billed, Adjustments and prior year deficit	137,298
Surplus (Deficit)	8,153

Source: Port of Seattle, Aviation Division

Calculation of Airline Landing Fees

	2007 (in \$000's)
Landing Fee Costs	
Cost Element	
a) Debt Service - AF	14,299
b) Amortization	5
c) Airfield and Allocable O&M ⁽¹⁾	46,270
d) Interim Financing Costs	3,520
e) Alloc P69 Debt Service	181
f) Alloc Reserve Funds Deposits	-
g) Alloc Terminal Costs	924
Subtotal	<u>65,198</u>
Less:	
h) Other Airfield Revenues	
- Airfield Properties (O3330)	(6,753)
- ODP Operating Grant (O3341)	(310)
- ID Badging (O3343)	(540)
- Gate Parking & Fuel Flowage	(2,740)
- Ramp Tower Fee (O3322)	(1,203)
- Fuel Hydrant - Land Rental	(429)
Subtotal	<u>(11,975)</u>
Required Change to Security Deposit	<u>(64)</u>
Landing Fee Revenue Requirement	<u><u>53,158</u></u>
Landing Fee Revenue Requirement	53,158
Landing Fee Revenues Billed, Adjustments and prior year Surplus	<u>54,743</u>
Surplus (Deficit)	1,585
Total Landed Weight ⁽²⁾	21,014
Landing Fee Rate Billed ⁽³⁾	2.49

(1) Includes all direct charges, division and corporate allocations.

(2) In 1,000 lb. units.

(3) Per 1,000 lb. unit.

Source: Port of Seattle, Aviation Division

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

Information on the changes is reported in the “Airline Business Agreements” section.

Airline Business Agreements

No change from 2006.

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

Year	<u>International Containers</u>					<u>Domestic</u> ⁽²⁾	<u>Total</u> ⁽³⁾	
	<u>Inbound</u>		<u>Outbound</u>					
	<u>Metric Tons</u>	<u>Full TEU's</u>	<u>Metric Tons</u>	<u>Full TEU's</u> ⁽⁵⁾	<u>Empty TEU's</u>			<u>Total TEU's</u>
2007 ⁽⁴⁾	6,003	810	6,455	504	314	1,628	345	1,974

- 1) Approximate weight per TEU at the Port is seven metric tons of import cargo and 13 metric tons of export (International) 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 five months of 2008 container traffic decreased 4.8% compared to the first five months of 2007.
 - 5) Includes volumes handled by non-Port facilities in the Seattle harbor.
- 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 2007 (TEU's in thousands)

Estimates based on information publicly available from West Coast ports.

Containerized Cargo Trends and Market Share for 2007		
Seattle		
TEU's	Estimated Percent of West Coast ⁽¹⁾	Estimated Percent of Pacific Northwest ⁽²⁾
1,974	8.05%	30.52%

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

Seattle Harbor Top Ten Foreign Trade Partners Total Exports and Imports for 2007⁽¹⁾

<u>Country</u>	(in metric tons)			
	<u>Import</u>	<u>Export</u>	<u>Total</u>	<u>Market Share</u>
China	3,428,317	2,536,143	5,964,459	29.0%
Canada ⁽²⁾	3,280,185	631,344	3,911,529	19.0%
Japan	651,032	2,972,796	3,623,828	17.6%
South Korea	544,466	1,656,168	2,200,634	10.7%
Taiwan	123,026	965,267	1,088,292	5.3%
Mexico	405,497	10,722	416,219	2.0%
Thailand	154,550	217,806	372,356	1.8%
Indonesia	97,500	247,402	344,902	1.7%
India	53,519	284,164	337,683	1.6%
Philippines	28,240	307,168	335,408	1.6%
Others	630,898	1,311,734	1,942,632	9.5%
TOTAL	9,397,229	11,140,714	20,537,943	100.00%

- (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.
- Source: U.S. Department of Commerce, Bureau of Census.

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

734,661 TEU's in 2007

Seattle's Share of Puget Sound Container Traffic

Seattle's share of Puget Sound (the ports of Seattle and Tacoma combined) container traffic in 2007 was 50.6%.

Exports and Imports (in TEU's) to and from Asia in 2007

Export: 453,641 full TEU's

Import: 791,031 full TEU's

Non-Container Cargo Trends in 2007

<u>Cargo</u>	<u>Metric Tons (in 1,000's Tons)</u>
Grain	5,333
Breakbulk	117
Liquid Bulks	<u>1,111</u>
Total	6,561

PORT OF SEATTLE CONTAINER TERMINALS in 2007

Category	Terminal 5	Terminal 18	Terminal 25	Terminal 46
Primary Lessee	Eagle Marine Services, Ltd. ^(a)	SSA Terminals, LLC and SSA Containers, Inc. ^{(b) (c)}	SSA Terminals, LLC	Total Terminals International LLC ^(d)
Terminal Area	182 acres (expansion area completed 1998) <i>Leased - 158 acres</i> <i>Available for expansion - 24 acres</i>	196 acres (expansion area completed 2002) <i>Leased - 196 acres</i>	34 acres ^(e) <i>Leased - 34 acres</i>	88 acres (improvements completed in 2004) <i>Leased - 88 acres</i>
Lease Expiration	2028	2032 ^(f)	2020, plus three 5-year extensions ^(e)	2015, plus one 10-year extension
Berth Facilities	2,900 feet	4,500 feet	1,200 feet	2,780 feet
Water Depth	45 ft to 50 ft below mllw	46 ft to 50 ft below mllw	45 ft to 50 ft below mllw	50 ft below mllw
Container Cranes ^(g)	Six (6) 100-ft gauge Post-Panamax cranes ^(h) .	One (1) 50-ft gauge Panamax crane, Three (3) 50-ft gauge Post-Panamax cranes, and Three (3) 100-ft gauge Super Post-Panamax cranes ^(h) . Four (4) 100-ft gauge Super Post-Panamax cranes ⁽ⁱ⁾ .	Three (3) 50-ft gauge Panamax cranes ⁽ⁱ⁾ .	One (1) 50-ft gauge Panamax crane, Two (2) 100-ft gauge Post-Panamax cranes, and Three (3) 100-ft gauge Super Post-Panamax cranes ^(h) .
Gross Revenues	22,993,660	12,984,762 ^(j)	2,636,042	10,454,992

Notes:

- (a) Eagle Marine Services, Ltd. is a subsidiary of American President Lines, Ltd.
- (b) Original lease named SSA Terminals, LLC and Stevedoring Services of America, Inc. as Lessees. Subsequent Lessee name changes from Stevedoring Services of America, Inc. to SSA Marine, Inc., and then to SSA Containers, Inc. were solely changes in identity and not in ownership or control.
- (c) SSA Terminals, Inc. can be sole signer with consent from SSA Containers, Inc.
- (d) Total Terminals International LLC is a joint venture between Marine Terminals Corporation and Hanjin Shipping Company, Ltd.
- (e) An Amendment to the Terminal 25 lease was executed in May 2006 that will expand the site area to include Terminal 30 (an increase of approximately 38 acres) and will extend the Terminal 25/30 lease to a term of 30 years from the date of Substantial Completion of the defined Terminal 25/30 site improvements. Construction on the Terminal 25/30 site improvements commenced in late-2007, with Substantial Completion anticipated in mid-2009.
- (f) An Amendment to the Terminal 18 lease was executed in April 2007 that will automatically extend the term of the Terminal 18 lease. This automatic lease extension will extend the Terminal 18 lease to be co-terminus with the Terminal 25/30 lease, for a term of 30 years from the date the Port achieves Substantial Completion of the required improvements at Terminal 25/30 - see note (e) above.
- (g) Panamax cranes are designed to service container ships that can pass through the Panama Canal (up to a width of 106 feet). Post-Panamax cranes and Super Post-Panamax cranes are designed to service container ships with a width in excess of 106 feet that are too wide to pass through the Panama Canal. Post-Panamax cranes are able to service vessels with a width to accommodate up to 17 rows of containers. Super Post-Panamax cranes are able to service vessels with a width to accommodate 18 or more rows of containers.
- (h) Cranes owned by Port of Seattle.
- (i) Cranes owned by Lessee.
- (j) Terminal 18 revenues are reported net of debt service paid on Special Facility Revenue Bonds Series 1999.

Source: Port of Seattle

Non-Container Terminal Leases for 2007

Terminal	2007 Facility Gross Revenue	Primary Lessee	Primary Operations	Date of Lease Expiration
T-91	\$6,539,971	City Ice & Cold Storage	Cold Storage	03/31/2008 ⁽¹⁾ ; 06/30/2019 & 02/29/2024 ⁽¹⁾
		Trident Seafoods Corporation	Seafood Processing Plant	11/30/2020
		American Seafoods Company	Fishing Vessels	3/31/2012
		American Seafoods Company	Storage & Maintenance of Seafood Processing Equipment	05/31/2008 ⁽²⁾
		First Student, Inc.	Storage of School Buses	Month to Month
		Carnitech U.S., Inc.	Manufacturing & Fabrication	8/31/2017
		Arctic Storm, Inc.	Fishing Vessels	1/31/2009
		Olympic Tug & Barge	Tugs & Barges	4/30/2009
		Glacier Fish Company	Fishing Vessels	1/31/2009
		Supreme Alaskan Seafoods	Fishing Vessels	1/31/2009
T-115	4,345,647	Northland Services	Barges	12/31/2032
		Seafreeze	Seafood Processing & Storage	12/31/2017
		Arctic Circle Consulting Group, Inc.	Manufacturing, Storage & Distribution of Concrete	12/31/2009
		Shultz Distributing, Inc.	Commercial Vehicle Fueling	8/9/2011
		Sea Pac Transport Services	Storage of Materials & Equipment	11/30/2008
T-86	5,939,377	Louis Dreyfus Corporation	Bulk Grain	11/14/2010
T-102	2,207,846	Mountaineers Books	General Office & Warehouse	08/31/2008 ⁽³⁾
		Bowhead Transportation Company	General Office & Warehouse	8/31/2009
		Puget Sound Institute of Pathology	General Office & Laboratory	7/31/2011
		Department of Homeland Security	Government - General Office	1/31/2009
		Virtuoso, Inc.	General Office & Storage	8/31/2009
		ENSR Corporation.	General Office & Storage	12/31/2008
		Starbucks, Inc.	General Office and Warehouse	10/31/2008 ⁽³⁾
		AKS PS Inc.	General Office and Storage	3/14/2009
		Blockbuster Entertainment, Inc.	General Office	9/30/2008
		Japan Radio, Co. Ltd.	General Office & Warehouse	5/31/2009
		Marine Terminals Corp.	General Office	8/31/2009
T-106	679,582	Ash Grove Cement West, Inc.	Industrial Storage	12/31/2010
		Conglobal Industries, Inc.	Container Storage and Repair	3/13/2013
T-108	837,249	Conglobal Industries, Inc.	Container Storage and Repair	3/13/2013
T-104	738,204	Western Cartage, Inc.	Truck and Trailer Parking	6/30/2010
		Clear Channel Worldwide	Outdoor Advertising	11/9/2018
T-103	525,538	General Construction Company	Industrial Storage	6/30/2011
		Northwest Aggregates Company	Rock Sales, Transport & Storage	11/30/2011

(1) Expiration dates of 4 lease agreements with City Ice & Cold Storage. Two leases expire 02/29/2024 and one lease that expired on 03/31/2008 is in holdover status, but is in process of being renewed for 11 years.

(2) Leases in process of being renewed for 5 years

(3) Lease is in negotiating stage for renewal.

Source: Port of Seattle

Seaport Division Operating Revenue for 2007

Port of Seattle Seaport Division 2007 Operating Revenue

	Revenue (in millions)	% of Total
Cargo and Cruise Services		
Containers	\$49.2	43.8%
Cargo Docks	9.9	8.8%
Cruise	7.4	6.6%
Subtotal	<u>66.5</u>	<u>59.2%</u>
Non-Cargo		
Harbor Services	8.6	7.7%
Property Management/Business Development	35.9	32.0%
Security	1.3	1.2%
Subtotal	<u>45.9</u>	<u>40.8%</u>
Total Seaport Operating Revenue	<u>\$112.3</u>	<u>100.0%</u>

Note: Amounts and percentages may not foot due to rounding.
Source: Port of Seattle.

Seaport Division Revenues and Expenses for 2007

This information is reported in the table "Port Historical Operating Results as of December 31, 2007", and in the Port's Financial Statements.

Percentage of Non-Cargo Revenue

This information is included in the table "Seaport Division 2007 Operating Revenue."

Value and Type of Goods Imported and Exported Through the Port

In 2007, the value of international goods handled by the Port was approximately \$39.5 billion. In 2006, the value of international goods handled by the Port was approximately \$36.5 billion.

In terms of commodity value, leading import products include Wearing Apparel; Motor Vehicle Parts; Footwear; Electrical/Electronic Equipment, Parts; Games, Video Games; Office & DP Machines, Parts; Furniture; Audio Equipment; Heavy Machinery, Machines; Toys. Leading export products include Industrial Equipment; Oilseeds; Inorganic Chemicals; Grains, Cereals; Frozen Fish; Beef, Pork, Poultry; Paper; Animal Feeds; Tobacco; Frozen Vegetables.

Rent Schedule and Debt Service Coverage for Terminal 18

	9/1/2007
Net Revenue Available for Debt Service ⁽¹⁾	17,193,497
Series 1999 Bond Net Debt Service ⁽²⁾	7,822,835
Coverage	2.20

(1) Rent for the months of September 2006 through August 2007, net of Senior Payments

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