



Q3 2021 Financial Results

As of September 30, 2021

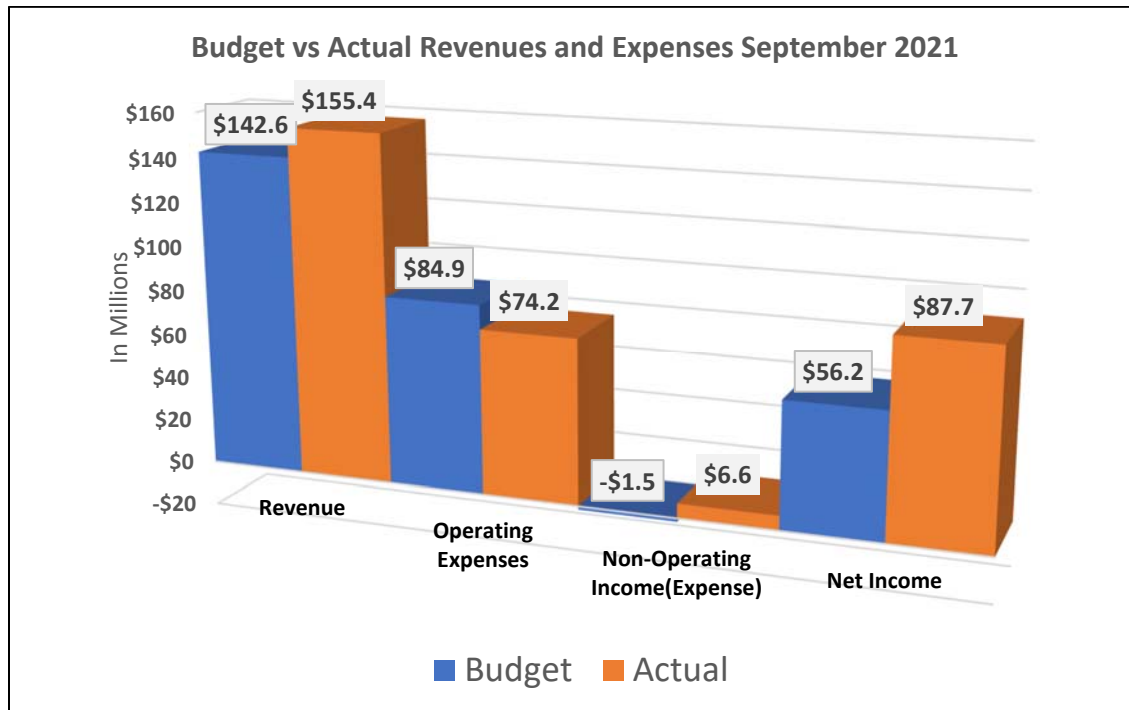
October 18, 2021

September 2021 Financial Summary

Note: In 2021, the NWSA adopted the new lease accounting standard, GASB 87, which reduced operating revenues and increased interest for the same amount, resulting in no overall impact on net income. Therefore, our internal statements of revenue and expenses will exclude the impact of GASB 87.

Executive Summary

Actual vs Budget



Year to date revenue of \$155.4 million was \$12.8 million and 9% above budget as all business lines were ahead of budgeted targets: containers by \$11.2 million, non-containers by \$1.5 million and real estate by \$0.1 million. The container (containers and intermodal) revenue increase was driven by higher T-18 revenue of \$11.2 million from lift and vessel shortfall revenue of \$3.9 million (APL termination agreement) and \$7.2 million from SSA meeting their MAG which triggered the billing of September through December rents and rent above MAG. Intermodal and straddled revenues were above budget by \$1.2 million on higher TEU volume (year over year increase of 16%). Non-Container (autos and breakbulk) revenues of \$15.0 million were above budget \$1.5 million, with breakbulk revenue above budget \$1.3 million on higher tonnage and military cargoes, and auto revenue above budget by \$0.2 million.

Total Operating expense before depreciation of \$63.2 million was \$7.7 million, 11% below budget driven by lower maintenance costs of \$7.6 million due to lower maintenance spending and timing on maintenance projects (paving at container and non-container terminals, pier repairs at W. Sitcum, main breaker repair at T46 will not be done, T5 reefer plugs capitalized, and contingency placeholder).

Q3 2021 Financial Results

Administrative support services costs and consulting were under budget by \$2.4 million and environmental spending was below budget by \$0.6 million due to timing of spending, offset by higher operations expense variances of \$2.8 million from generator rentals at T30, T5 rail switches and rail incentives.

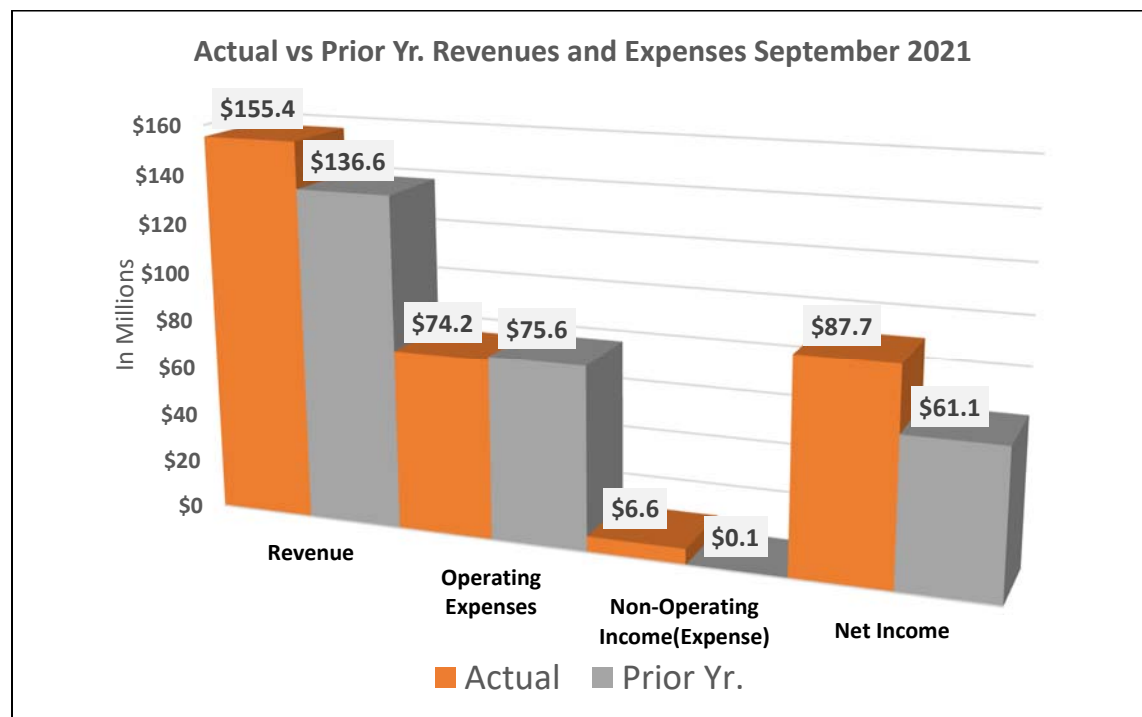
Depreciation was \$2.9 million below budget due to timing of capital spending at Terminal 5 and lower asset capitalizations at Terminal 46.

As a result, operating income of \$81.1 million was \$23.4 million, 41%, above budget.

Net non-operating income was \$8.1 million above budget, primarily due to the receipt of the APL termination payment for the prior year of \$3.8 million and timing on T5 public expenses of \$4.5 million. Grant income of \$2.1 million was \$1.2 million below budget, with \$1.1 million unbudgeted grant income from the TIGER grant at T46, offset by timing on shore power grants at Husky of \$1.4 million and Ecology stormwater grant at T5 for \$0.8 million.

As a result, net income of \$87.7 million was \$31.5 million, 56%, above budget and will be split 50/50. Each homeport recorded income from the NWSA JV of \$43.8 million (rounded).

Current Year Actual (YTD) vs Prior Year Actual (YTD)



Revenue through September of \$155.4 million was \$18.8 million, 14% above the prior year.

Container revenue increased \$17.3 million due to increases in T18 revenues of \$11.2 million from the lift and vessels shortfall from the APL agreement of \$3.9 million and the acceleration of the remaining three months of rent and MAG revenue totaling \$7.2 million triggered by the customer meeting the container



Q3 2021 Financial Results

MAG. Intermodal revenue increased by \$4.1 million due to 15% higher volumes and lease escalations and additional acreage leased to existing customers increased revenue by \$2.0 million. Non-container business revenue of \$15.0 million increased by \$1.3 million over the prior year driven by higher breakbulk revenue of \$0.9 million (tonnage up 34%), and auto revenue increased by \$0.4 million over the prior year (units up 9%). Real estate revenues of \$9.9 million were \$0.2 million higher than the prior year.

Operating expense before depreciation of \$63.2 million was \$2.1 million, 3% below the prior year. Administrative expenses (commercial and support services allocations) declined by \$1.6 million due to lower consulting and revisions to support services agreements. Security expenses also declined by \$0.9 million due to the revised support services agreements and maintenance expenses were down by \$0.9 million. Prior year one-time expenses included crane removal of \$1.7 million at Husky, \$0.9 million at T5 and pavement repairs of \$1.6 million at T46. Offsetting expense increases were the rail incentives of \$1.9 million (offset by lower rent at the SIM of \$0.4 million structured to fund incentives), higher longshore labor to support revenue increases of \$1.0 million and generator rentals of \$0.7 million at T30.

Depreciation of \$11.0 million increased \$0.7 million over the prior year from new asset additions.

As a result, operating income was \$81.1 million and \$20.2 million, 33% above the prior year.

Net non-operating income increased by \$6.4 million over the prior year due to the receipt of the APL termination payment of \$3.8 million, lower T5 public expenses of \$1.0 million, grant income was \$2.0 million from receipt of \$0.9 million from Pierce County Flood District for the Wapato Creek culvert project and TIGER grant proceeds of \$1.1 million. Interest income declined by \$0.6 million due to lower interest rates and a reduction in the non-cash market value on investments.

This resulted in net income of \$87.7 million, which was \$26.6 million, 44%, above the prior year.

Balance Sheet and Cashflow: Cash and investments totaled \$50.6 million at the end of September, compared to \$45.6 million at the beginning of the year. The increase of \$5.0 million is primarily attributable to the receipt of Harbor Maintenance Tax funds in the amount of \$5.5 million and changes in other payables and receivables balances. Cash distributions to homeports were \$94.8 million compared to \$100.2 million in the prior year, the decrease is due to the distribution of accumulated grant and investment income in the prior year of \$10.2 million. Homeport capital contributions through September were \$74.1 million of which \$5.5 million will be received in October.

NOTE: An objective of operating statements would be to associate and reflect periodic depreciation expense with the related revenue generation, when calculating the Net Income earned by the NWSA (and subsequently distributed to the homeports). In accordance with the NWSA Charter, capital assets of the homeports existing at the start of the Alliance remain with the homeports. Thus, the depreciation expense for these capital assets, now licensed to the NWSA and relevant toward generating NWSA revenues, is not reflected in the NWSA Statement of Revenue and Expenses. Rather, the depreciation expense is recorded in the respective homeports' financial statements. Capital assets completed by the NWSA since the start of the Alliance and the related depreciation expense, however, are reflected in the NWSA operating statements.

Q3 2021 Financial Results

	2021				2020		
	BUDGET	ACTUAL	VARIANCE FAV/(UNFAV)	%	ACTUAL	VARIANCE FAV/(UNFAV)	%
Operating Revenue	\$ 142,590	\$ 155,376	\$ 12,786	9%	\$ 136,600	\$ 18,776	14%
Operating Expenses	70,872	63,200	7,672	11%	65,251	2,051	3%
Depreciation	13,989	11,043	2,946	21%	10,392	(651)	-6%
Total Operating Expenses	84,861	74,243	10,618	13%	75,643	1,400	2%
Operating Income	57,729	81,133	23,404	41%	60,957	20,176	33%
Non-Operating Income(Expense)							
Interest Income	328	561	233	71%	1,185	(624)	-53%
Non-Operating Income(Expense)	(5,205)	3,877	9,082	174%	(1,153)	5,030	436%
Grant income	3,324	2,109	(1,215)	-37%	102	2,007	0%
Total Non-Operating Income(Expense)	(1,553)	6,547	8,100	522%	134	6,413	4786%
Net Income	\$ 56,176	\$ 87,680	\$ 31,504	56%	\$ 61,091	\$ 26,589	44%
NOTE: Operating revenue and non-operating expenses excludes G87 lease interest.							

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(Dollars in Thousands)		2021				2020			
DESCRIPTION	BUDGET	ACTUAL	FAV/(UNFAV)		%	ACTUAL	FAV/(UNFAV)		%
			\$				\$		
Container									
Operating Revenue	\$119,285	\$130,484	\$11,199		9%	\$113,193	\$17,291		15%
Operations	17,593	20,354	(2,761)		-16%	19,387	(967)		-5%
Maintenance	11,014	7,133	3,881		35%	8,027	894		11%
Depreciation	12,791	9,930	2,861		22%	9,464	(466)		-5%
Total Operating Expense	41,398	37,417	3,981		10%	36,878	(539)		-1%
Operating Income - Container	77,887	93,067	15,180		19%	76,315	16,752		22%
Non- Container									
Operating Revenue	13,457	14,951	1,494		11%	13,686	1,265		9%
Operations	6,736	6,996	(260)		-4%	6,739	(257)		-4%
Maintenance	1,911	1,216	695		36%	1,177	(39)		-3%
Depreciation	754	723	31		4%	614	(109)		-18%
Total Operating Expense	9,401	8,935	466		5%	8,530	(405)		-5%
Operating Income - Non-Container	4,056	6,016	1,960		48%	5,156	860		17%
Real Estate									
Operating Revenue	9,848	9,941	93		1%	9,721	220		2%
Operations	154	222	(68)		-44%	177	(45)		-25%
Maintenance	522	134	388		74%	116	(18)		-16%
Depreciation	87	75	12		14%	75	0		0%
Total Operating Expense	763	431	332		44%	368	(63)		-17%
Operating Income - Real Estate	9,085	9,510	425		5%	9,353	157		2%
Other Expenses									
Commercial Administration	9,433	8,099	1,334		14%	9,096	997		11%
Infrastructure and Administration Expense	23,866	19,361	4,505		19%	20,770	1,409		7%
Total Operating Income	\$57,729	\$81,133	\$23,404		41%	\$60,957	\$20,176		33%

* This table excludes lease interest.

Q3 2021 Financial Results

Operating Income by Line of Business

Actual vs Budget

Container Business (Container Terminals and Intermodal)

Container business (containers and intermodal) revenues of \$130.5 million were above budget by \$11.2, 9%. Operating expenses of \$37.4 million were below budget by \$4.0 million, 10%. This resulted in container business operating income of \$93.1 million that was \$15.2 million above budget.

Operating revenues of \$130.5 million were above budget \$11.2 million.

- T-18 revenue was above budget by \$11.2 million for lift and vessel minimum annual guarantee from APL termination agreement of \$3.9 million and from the acceleration of the remaining three months of rent (\$6.7 million) and rent above MAG (\$0.5 million) triggered by the SSA meeting the container MAG.
- Husky crane and straddle rents were above budget by \$0.8 million driven by higher TEU's than expected.
- Total intermodal revenue was above budget by \$1.2 million – SIM revenue increased by \$0.9 million (volume up 18%). NIM revenue up \$0.7 million as lift revenue was up \$1.7 million (volumes up 15%) offset by lift minimum guarantee down \$1.0 million. HIM lift revenues were up \$0.2 million (volume up 11%). PIM revenue down \$0.6 million as lift revenues were down \$0.7 million (volumes down 54%) offset by lift minimum guarantee up \$0.1 million.
- Revenue up \$0.4 million at E. Sitcum for Husky and Military short-term leases.
- T-5 revenue was below budget by \$2.3 million due to timing of lease, commencement now expected in 2022.

Operating expenses of \$37.4 million were \$4.0 million and 10% below budget.

- Depreciation down \$2.9 million versus budget due to timing of asset additions at Terminal 5 and Terminal 46.
- Maintenance was under budget \$3.9 million due to the timing of expenses including, timing of paving at PCT of \$1.3 million, the reefer-plug repair project at T5 for \$1.3 million that will be capitalized, W. Sitcum pier repairs of \$0.8 million which has been moved to 2022 and WUT down \$0.4 million at WUT for dredging and paving.
- Operations expense was \$2.8 million over budget, driven by the IPI incentive of \$0.7 million (net of SIM rent incentive from the City of Tacoma) and higher revenue related intermodal operating costs of \$1.0 million to support the revenue increases, T-30 expense up \$0.7 million (for generator rentals and portable switchgear lease) and T-5 expense up \$0.5 million (for BNSF switch upgrade and T-5 Gate Complex pavement repair); offset by T-18 operations expense down \$0.3 million and T-46 down \$0.4 million due to timing of paving expenses.

Non-Container Business (Autos and Breakbulk)

Non-Container (autos and breakbulk) revenues of \$15.0 million were above budget \$1.5 million, made up of the positive breakbulk variance of \$1.3 million and positive auto variance of \$0.2 million.



Q3 2021 Financial Results

Operating expenses were below budget by \$0.5 million mainly due to lower auto drayage and longshore costs associated with storage yards as autos were immediately moved to retailers, as well as lower maintenance costs due to timing. This resulted in Non-Container operating income of \$6.0 million to be \$2.0 million higher than budget.

Operating Revenues of \$15.0 million were above budget \$1.5 million.

- Breakbulk revenues of \$8.4 million were above budget by \$1.3 million due to 10% higher tonnage volume, more military cargoes, an increase lay berth revenue at the Log Yard, and unbudgeted storage revenue (new tariff charged in 2021).
- Auto revenues of \$6.5 million were above budget \$0.2 million (unit volume on budget) mainly due to higher dockage and security revenues tied to the higher vessel counts as well as vessels in port longer to discharge units.

Operating Expenses of \$8.9 million were \$0.5 million and 5% below budget.

- Breakbulk expenses of \$7.0 million were \$0.5 million above budget from higher longshore labor of \$0.7 million to support the higher volume, offset by timing on pier maintenance.
- Auto expenses of \$2.0 million were below budget \$1.0 million mainly driven by lower longshore costs of \$0.2 million for the E. Sitcum Yard that is not in use, lower drayage costs of \$0.3 million as units were discharged off vessels and moved directly to retailers, and lower Maintenance costs due to timing of projects for paving at E. Sitcum and Marshall Avenue terminal, pushed to 2022.

Real Estate

Operating revenues of \$9.9 million were on budget and operating expenses of \$0.4 million were \$0.3 million below budget mostly due to timing maintenance spending.

- Revenue at the T18 bulk facilities for petroleum and molasses were \$0.1 million lower than budget with petroleum and molasses volume decreasing by 22% and 37%, respectively.

Other (not LOB-specific) Operating Expenses

Commercial Administrative expenses (Commercial and Operations teams costs) of \$8.1 million were below budget by \$1.3 million, primarily due to timing on the inception of SH customs lease of \$0.5 million and timing on consulting costs of \$0.3 million. Travel and hosting were below budget by \$0.3 million and lower headcount drove labor costs below budget by \$0.3 million.

Infrastructure and Other Administration expenses of \$19.4 million were below budget by \$4.5 million as administration costs were below plan \$2.2 million due to lower homeport support service agreement allocations (driven by consulting services, IT data services and hardware/software maintenance spending below plan). Environmental costs were below budget by \$0.6 million primarily due to timing on stormwater compliance spending and the maintenance contingency was below budget by \$1.7 million.

Year to Date vs. Prior Year

Container Business (Container Terminals and Intermodal)

Container business (containers and intermodal) revenue of \$130.5 million increased by \$17.3 million, 15% from the prior year. Operating expenses of \$37.4 million increased by \$0.5 million, 1% over the prior year. This resulted in container business operating income of \$93.1 million which was \$16.8 million higher than the prior year.

Operating Revenues of \$130.5 million increased \$17.3 million and 15% versus the prior year.

- T-18 revenue up \$11.6 million from lift and vessel shortfall (APL termination agreement) of \$3.9 million and \$7.3 million from SSA as the remaining rent for the year as well as rent over MAG became due as they met their minimum annual guarantee.
- T-5 revenue declined by \$1.3 million due to prior year interim use revenue.
- Husky crane and strad revenue increased \$0.3 million due to higher TEU volume (year over year TEU volume increased 17%). West Sitcum revenue increased \$1.8 million from SSA's expanded lease area (effective date September 2020).
- Total intermodal lift revenue increased \$4.1 million. NIM revenue increased by \$1.6 million (lift revenue up \$0.8 million and lift minimum guarantee of \$0.8 million), SIM revenue increased \$0.9 million, HIM revenue increased by \$1.3 million (volumes up 2%, 14% and 84%, respectively), and PIM revenue was up \$0.3 million due to the lift minimum up \$0.7 million offset by lower lift revenue of \$0.4 million, volume down 41%).

Operating Expenses of \$37.4 million increased \$0.5 million and 1% from the prior year.

- The IPI Rail Incentive expense through September was \$1.9 million and was offset by lower rent at the SIM of \$0.4 million which contractually funded part of the incentive.
- Revenue related operating expenses for labor and equipment at the NIM and SIM increased by \$1.0 million.
- T-5 operations expenses increased by \$0.6 million for BNSF switch upgrade and Gate Complex repair and T-30 operations expenses increased \$0.7 million for the rental of generator and related power equipment.
- Husky operations expenses down \$1.1 million due to 2020 crane disposal costs.
- PCT maintenance down \$0.7 million due to 2020 paving expenses (current year paving repairs are under way).
- T-46 operations expense down \$1.5 million for 2020 pavement rehabilitation.

Non-Container Business (Autos and Breakbulk)

Non-container business (autos and breakbulk) revenue of \$15.0 million increased by \$1.3 million over the prior year from increases in breakbulk revenue of \$0.9 million and auto revenue of \$0.4 million. Operating expenses increased \$0.4 million over the prior year. This resulted in Non-Container business operating income of \$6.0 million, which was \$0.9 million higher than the prior year.

Operating Revenues of \$15.0 million were \$1.3 million more than the prior year.



Q3 2021 Financial Results

- Breakbulk revenues increased by \$0.9 million as volumes increased by 34%.
- Auto revenues increased by \$0.4 million as units increased by 9%.

Operating Expenses of \$8.9 million were up \$0.4 million compared with the prior year.

- Longshore labor and vessel related operating expenses were up \$0.5 million due to higher breakbulk volume.
- Breakbulk Equipment Rentals decreased \$0.1 million over the prior year due to more efficient planning of equipment.

Real Estate

Operating Revenues of \$9.9 million increased \$0.1 million and 2% compared to the prior year.

- Revenue at T115 increased by \$0.2 million from a rent abatement agreement that ended.
- Revenue at the T18 bulk facilities for petroleum and molasses were \$0.2 million lower than prior year with petroleum and molasses volume decreasing by 26% and 37%, respectively.

Operating Expenses of \$0.4 million were \$0.1million higher than the prior year.

Operating Income of \$9.5 million was \$0.2 million above the prior year.

Other (not LOB-specific) Operating Expenses

Commercial Administration of \$8.1 million decreased by \$1.0 million, primarily due to lower consulting expenses of \$1.0 million.

Infrastructure and Other Administration expenses of \$19.4 million decreased by \$1.4 million due to revisions of support services agreements that decreased administrative and security overhead allocations by \$0.6 million and \$0.9 million, respectively, offset by consulting and legal expenses that increased by \$0.4 million.

NOTE: An objective of operating statements would be to associate and reflect periodic depreciation expense with the related revenue generation, when calculating the Net Income earned by the NWSA (and subsequently distributed to the homeports). In accordance with the NWSA Charter, capital assets of the homeports existing at the start of the Alliance remain with the homeports. Thus, the depreciation expense for these capital assets, now licensed to the NWSA and relevant toward generating NWSA revenues, is not reflected in the NWSA Statement of Revenue and Expenses. Rather, the depreciation expense is recorded in the respective homeports' financial statements. Capital assets completed by the NWSA since the start of the Alliance and the related depreciation expense, however, are reflected in the NWSA operating statements.

NW Seaport Alliance Scorecard 2021 vs 2020



CARGO VOLUME

	2021 YTD Actuals	2021 YTD Budget	2020 Total	2021 Budget
<u>Containers (TEUs)</u>				
International	2.2M	2.2M	2.6M	2.9M
Domestic	567k	544k	685k	698k
Break Bulk (Metric Tons)	265k	206K	292k	263k
Autos (Units) <small>NWSA/POT</small>	128k	136k	156k	183k



JOB CREATION

	2020 Total	2020 YTD Actuals	2021 YTD Actuals
ILWU Hours	3.8M	2.7M	3.3M



MARKET SHARE

	2020 YTD July	2021 YTD July
Trans-Pacific Trade	7.6%	7.3%
West Coast Ports	12.3%	11.7%



FINANCIAL RETURNS

\$ in millions

	2021 YTD Actuals	2021 YTD Budget	2020 Total Actuals	2021 Total Budget
Distributable Cash	\$94.8	\$81.1	\$122.2	\$114.7
Return on Revenue	45%	39%	42%	41%



ENVIRONMENTAL STEWARDSHIP

	2020 Results	2021 Actuals	2021 Target
Water Quality (Acres of Improve Source Control)	79 Acres	110 acres	100 acres
Air Quality (Diesel Particulate Matter - reduced)	0.23 Tons	0.34 Tons	1.7 Tons
Greenhouse Gas Emissions - (reduced)	0 Ton	0 Ton	250 Tons



OPERATIONS

	2021 Q3 Actuals	2020 Q3 Actuals	2020 Results	2021 Target
Avg Crane Production	28.5	29.9	29.3	32
Net moves per hour (mph)				
Truck Turn Time	81.4	68.5	66.4	< 90 Minute Turn Time
Avg total experience in minutes				



THE NORTHWEST
SEAPORT ALLIANCE

NW Seaport Alliance Scorecard 2021 vs 2019



CARGO VOLUME

	2021 YTD Actuals	2019 YTD Actuals	2019 Total	2021 Budget
<u>Containers (TEUs)</u>				
International	2.2M	2.4M	3.1M	2.9M
Domestic	567k	556k	776k	698k
Break Bulk (Metric Tons)	265k	201K	246k	263k
Autos (Units) <small>NWSA/POT</small>	206K	230k	155k	183k



JOB CREATION

	2019 Total	2019 YTD Actuals	2021 YTD Actuals
ILWU Hours	4.7M	3.6M	3.3M



MARKET SHARE

	2019 YTD July	2021 YTD July
Trans-Pacific Trade	8.4%	7.3%
West Coast Ports	13.8%	11.7%



FINANCIAL RETURNS

\$ in millions

	2021 YTD Actuals	2019 YTD Actuals	2019 Total Actuals	2021 Total Budget
Distributable Cash	\$94.8	\$72.9	\$115.2	\$114.7
Return on Revenue	45%	50%	48%	41%



ENVIRONMENTAL STEWARDSHIP

	2019 Results	2021 Actuals	2021 Target
Water Quality (Acres of Improve Source Control)	195 Acres	110 acres	100 acres
Air Quality (Diesel Particulate Matter - reduced)	N/A	0.34 Tons	1.7 Tons
Greenhouse Gas Emissions - (reduced)		0 Ton	250 Tons



OPERATIONS

	2021 Q3 Actuals	2019 Q3 Actuals	2019 Results	2021 Target
Avg Crane Production <small>Net moves per hour (mph)</small>	28.5	26.9	27.2	32
Truck Turn Time <small>Avg total experience in minutes</small>	81.4	58.9	65.7	< 90 Minute Turn Time

NORTHWEST SEAPORT ALLIANCE
Statement of Revenue and Expense
North & South Harbor
September 30, 2021

CURRENT MONTH					YEAR TO DATE				
BUDGET	ACTUAL	VARIANCE	%	DESCRIPTION	BUDGET	ACTUAL	VARIANCE	%	PRIOR YEAR
17,055,763	24,569,888	7,514,125	44.1%	Operating Revenues	142,590,411	155,376,097	12,785,686	9.0%	136,600,152
17,055,763	24,569,888	7,514,125	44.1%	Total Revenue	142,590,411	155,376,097	12,785,686	9.0%	136,600,152
3,567,557	4,609,928	(1,042,371)	-29.2%	Operations	30,656,278	33,561,705	(2,905,427)	-9.5%	33,519,086
4,413,012	1,609,541	2,803,471	63.5%	Maintenance	19,455,428	11,832,411	7,623,017	39.2%	12,824,412
1,827,178	1,666,018	161,160	8.8%	Administration	15,989,684	13,622,177	2,367,507	14.8%	14,054,229
337,488	336,802	686	0.2%	Security	3,022,257	2,994,181	28,076	0.9%	3,943,150
1,738,606	1,257,939	480,667	27.6%	Depreciation	13,989,057	11,043,525	2,945,532	21.1%	10,392,333
515,779	125,335	390,444	75.7%	Environmental	1,748,282	1,189,288	558,994	32.0%	909,923
12,399,620	9,605,563	2,794,057	22.5%	Total Operating Expense	84,860,986	74,243,287	10,617,699	12.5%	75,643,133
4,656,143	14,964,325	10,308,182	221.4%	Operating Income	57,729,425	81,132,810	23,403,385	40.5%	60,957,019
42,500	348	(42,152)	-99.2%	Interest Income	382,500	633,675	251,175	65.7%	1,064,361
-	(97,590)	(97,590)	0.0%	Market Value Adjustment	-	(28,406)	(28,406)	0.0%	120,730
(5,973)	(6,173)	(200)	-3.3%	Interest Expense	(55,014)	(43,612)	11,402	20.7%	-
700,000	-	(700,000)	-100.0%	Grant Income	3,324,000	2,108,721	(1,215,279)	-36.6%	102,006
(2,847,000)	(55,618)	2,791,382	98.0%	Misc. Non Op Income(Expense)	(5,188,000)	3,892,991	9,080,991	175.0%	(1,136,831)
(2,416)	4,747	7,163	296.5%	Other Non Operating	(17,242)	(16,452)	790	4.6%	(16,540)
(2,112,889)	(154,286)	1,958,603	92.7%	Non-Operating Revenue (Expense)	(1,553,756)	6,546,917	8,100,673	521.4%	133,726
2,543,254	14,810,039	12,266,785	482.3%	Income Before Levy & Expense	56,175,669	87,679,727	31,504,058	56.1%	61,090,745
<u>2,543,254</u>	<u>14,810,039</u>	<u>12,266,785</u>	<u>482.3%</u>	Net Income/(Loss)	<u>56,175,669</u>	<u>87,679,727</u>	<u>31,504,058</u>	<u>56.1%</u>	<u>61,090,745</u>

NORTHWEST SEAPORT ALLIANCE
North & South Harbor
Trended Statement of Revenue and Expense
September 30, 2021
(Dollars in Thousands)

	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Operating Revenue	16,949	15,844	16,976	14,907	15,451	13,656	14,740	14,763	15,852	16,292	20,932	19,118	24,570
Total Operating Revenue	16,949	15,844	16,976	14,907	15,451	13,656	14,740	14,763	15,852	16,292	20,932	19,118	24,570
Operations	6,746	4,124	3,425	12,025	2,692	2,924	3,271	4,211	3,348	5,085	3,302	4,119	4,610
Maintenance	1,267	1,513	1,153	447	1,001	1,160	1,291	1,422	1,284	1,371	1,288	1,405	1,610
Administration	1,508	1,559	1,593	1,008	1,369	1,354	1,520	1,540	1,502	1,632	1,578	1,461	1,666
Security	483	438	441	319	324	315	262	368	311	386	338	353	337
Depreciation	1,166	1,191	1,192	1,034	1,195	1,200	1,213	1,225	1,230	1,233	1,235	1,256	1,258
Environmental	81	99	83	317	67	139	120	168	127	183	188	71	125
Total Operating Expense	11,251	8,925	7,887	15,150	6,649	7,091	7,678	8,934	7,802	9,890	7,928	8,665	9,606
Operating Income	5,698	6,919	9,089	(243)	8,802	6,565	7,062	5,829	8,050	6,402	13,004	10,453	14,964
Interest Income	213	111	116	113	113	105	(199)	93	84	81	254	102	-
Market Value Adjustment	(33)	(24)	76	28	43	(173)	(103)	97	78	(13)	156	(17)	(98)
Interest Expense	-	-	-	-	-	-	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Grant Income	-	776	216	1,035	-	-	300	1,007	1	227	-	573	-
Misc. Non Op Income/(Expense)	(6)	11	(24)	(1,726)	(3)	(33)	212	(139)	(8)	(126)	4,059	(35)	(51)
Non-Operating Revenue (Expense)	174	874	384	(549)	152	(101)	205	1,052	149	163	4,463	618	(154)
Net Income/(Loss)	5,873	7,793	9,473	(793)	8,955	6,464	7,267	6,882	8,199	6,566	17,467	11,070	14,810

NORTHWEST SEAPORT ALLIANCE
North & South Harbor
Commercial Team
Statement of Revenue - Operating Income
Year to Date September 30, 2021 Actual to Budget
(Dollars in Thousands)

Description	Containers			Non-Containers			Real Estate	Other Admin	Total
	Container Terminals	Intermodal	Total Containers	Autos	Breakbulk	Total Non-Containers			Commercial Team
ACTUAL									
Operating Revenues	\$101,499	\$28,985	\$130,484	\$6,502	\$8,449	\$14,951	\$9,941	-	\$155,376
Operating Expenses	7,127	13,227	20,354	948	6,069	7,016	222	-	27,593
Maintenance	6,690	443	7,133	476	740	1,216	134	-	8,484
Depreciation	9,557	373	9,930	544	158	702	75	-	10,707
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	23,374	14,043	37,417	1,967	6,967	8,934	432	-	46,784
Contribution Margin	78,124	14,942	93,066	4,535	1,482	6,017	9,510	-	108,592
Commercial Administration	2,262	666	2,928	-	1,851	1,851	1,033	2,287	8,099
Commercial Operating Income	75,862	14,276	90,138	4,535	(369)	4,166	8,477	(2,287)	100,494
Infrastructure and Other Administration	-	-	-	-	-	-	-	19,361	19,361
Operating Income	75,862	14,276	90,138	4,535	(369)	4,166	8,477	(21,648)	81,133
BUDGET									
Operating Revenues	\$91,527	\$27,758	\$119,285	\$6,261	\$7,196	\$13,457	\$9,848	-	\$142,590
Operating Expenses	6,517	11,076	17,593	1,504	5,231	6,736	154	-	24,483
Maintenance	10,407	606	11,014	867	1,045	1,911	522	-	13,447
Depreciation	12,410	381	12,791	586	168	754	87	-	13,631
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	29,335	12,063	41,398	2,957	6,444	9,401	763	-	51,562
Contribution Margin	62,192	15,695	77,887	3,304	752	4,057	9,085	-	91,029
Commercial Administration	2,384	727	3,111	-	1,868	1,868	1,044	3,410	9,433
Commercial Operating Income	59,808	14,969	74,777	3,304	(1,116)	2,188	8,041	(3,410)	81,596
Infrastructure and Other Administration	-	-	-	-	-	-	-	23,866	23,866
Operating Income	59,808	14,969	74,777	3,304	(1,116)	2,188	8,041	(27,276)	57,729
VARIANCE									
Operating Revenues	\$9,972	\$1,227	\$11,198	\$241	\$1,253	\$1,494	\$93	-	\$12,786
Operating Expenses	(610)	(2,151)	(2,761)	556	(837)	(281)	(68)	-	(3,110)
Maintenance	3,717	164	3,881	391	304	695	388	-	4,964
Depreciation	2,853	8	2,861	42	10	52	11	-	2,924
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	5,960	(1,980)	3,981	989	(523)	466	331	-	4,778
Contribution Margin	15,932	(753)	15,179	1,230	730	1,960	425	-	17,564
Commercial Administration	122	61	183	-	17	17	11	1,123	1,334
Commercial Operating Income	16,054	(693)	15,362	1,230	747	1,977	436	1,123	18,898
Infrastructure and Other Administration	-	-	-	-	-	-	-	4,506	4,506
Operating Income	16,054	(693)	15,362	1,230	747	1,977	436	5,628	23,403

NORTHWEST SEAPORT ALLIANCE
North & South Harbor
Commercial Team
Statement of Revenue - Operating Income
Year to Date September 30, 2021 Actual to Prior Year
(Dollars in Thousands)

Description	Containers			Non-Containers			Real Estate	Other Admin	Total
	Container Terminals	Intermodal	Total Containers	Autos	Breakbulk	Total Non-Containers			Commercial Team
ACTUAL									
Operating Revenues	\$101,499	\$28,985	\$130,484	\$6,502	\$8,449	\$14,951	\$9,941	-	\$155,376
Operating Expenses	7,127	13,227	20,354	948	6,069	7,016	222	-	27,593
Maintenance	6,690	443	7,133	476	740	1,216	134	-	8,484
Depreciation	9,557	373	9,930	544	158	702	75	-	10,707
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	23,374	14,043	37,417	1,967	6,967	8,934	432	-	46,784
Contribution Margin	78,124	14,942	93,066	4,535	1,482	6,017	9,510	-	108,592
Commercial Administration	2,262	666	2,928	-	1,851	1,851	1,033	2,287	8,099
Commercial Operating Income	75,862	14,276	90,138	4,535	(369)	4,166	8,477	(2,287)	100,494
Infrastructure and Other Administration	-	-	-	-	-	-	-	19,361	19,361
Operating Income	75,862	14,276	90,138	4,535	(369)	4,166	8,477	(21,648)	81,133
PRIOR YEAR									
Operating Revenues	\$88,310	\$24,883	\$113,193	\$6,148	\$7,538	\$13,686	\$9,721	-	\$136,600
Operating Expenses	8,683	10,704	19,387	1,018	5,721	6,739	177	-	26,302
Maintenance	7,361	666	8,027	440	737	1,177	116	-	9,321
Depreciation	9,096	368	9,464	509	106	614	75	-	10,154
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	25,140	11,738	36,878	1,966	6,564	8,530	369	-	45,777
Contribution Margin	63,170	13,145	76,315	4,182	974	5,157	9,352	-	90,823
Commercial Administration	2,960	672	3,631	-	1,839	1,839	1,312	2,314	9,096
Commercial Operating Income	60,210	12,473	72,683	4,182	(865)	3,317	8,040	(2,314)	81,727
Infrastructure and Other Administration	-	-	-	-	-	-	-	20,770	20,770
Operating Income	60,210	12,473	72,683	4,182	(865)	3,317	8,040	(23,084)	60,957
VARIANCE									
Operating Revenues	\$13,189	\$4,102	\$17,290	\$354	\$911	\$1,265	\$221	-	\$18,776
Operating Expenses	1,556	(2,524)	(967)	70	(347)	(278)	(45)	-	(1,290)
Maintenance	671	224	895	(36)	(3)	(40)	(18)	-	837
Depreciation	(462)	(5)	(466)	(35)	(53)	(87)	-	-	(554)
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	1,766	(2,305)	(539)	(1)	(404)	(405)	(63)	-	(1,007)
Contribution Margin	14,954	1,797	16,752	353	507	860	157	-	17,769
Commercial Administration	698	6	703	-	(12)	(12)	279	27	997
Commercial Operating Income	15,652	1,803	17,455	353	496	848	437	27	18,767
Infrastructure and Other Administration	-	-	-	-	-	-	-	1,409	1,409
Operating Income	15,652	1,803	17,455	353	496	848	437	1,436	20,176

NORTHWEST SEAPORT ALLIANCE
Statement of Net Position
North & South Harbor
September 30, 2021
(Dollars in Thousands)

	<u>Current Year</u>	<u>9/30/2020</u>
ASSETS		
CURRENT ASSETS		
Cash	\$6,610	\$3,583
Investments, at fair value	44,022	36,822
Net Trade A/R	26,992	16,433
Lease Receivable - Current	0	8
Prepayments and other current assets	1,059	416
Related Party Receivable - JV	0	727
Total Current Assets	78,683	57,989
NON-CURRENT ASSETS		
Capital Assets	296,637	280,674
Construction in Process	229,968	130,347
Total cost	526,605	411,021
Less: Accumulated Depreciation	43,614	30,468
Capital Assets, Net	482,991	380,553
Lease Receivable - GASB 87	1,171,362	102
Total Non-Current Assets	1,171,362	102
Total Assets	\$1,733,036	\$438,644
Deferred Outflows of Resources		
Pension Deferred Outflow	1,377	1,488
Total Assets and Deferred Outflows	\$1,734,413	\$440,132
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts Payable and accrued liabilities	\$13,685	\$13,931
Related Party Payable - JV	2,981	2,970
Payroll and Benefits Liabilities	1,836	1,560
Total Current Liabilities	18,502	18,461
NON-CURRENT LIABILITIES		
Rent Deposits	2,677	1,261
Net Pension Liability	2,232	2,316
Other Noncurrent Liabilities	5,511	4,119
Total Non-Current Liabilities	10,420	7,696
Total Liabilities	28,922	26,157
Deferred Inflows of Resources		
Lease Deferred Inflows - GASB 87	1,171,362	0
Pension Deferred Inflow	758	1,395
Total Equity	533,371	412,580
Total Liabilities, Deferred Inflows & Equity	\$1,734,413	\$440,132

NORTHWEST SEAPORT ALLIANCE
Summary of Cash Activities
September 30, 2021
(Dollars in Thousands)

	2021	2020
Operating Income	\$ 81,140	\$ 60,974
Less: Non-cash income/expense items		
Depreciation	11,044	10,392
Cash earned in the current year	<u>92,183</u>	<u>71,366</u>
Adjustments		
Return of SSA Deposit	-	(13,321)
Increases/decreases in payables and receivables	(12,391)	3,335
Net cash provided by operating activities	<u>79,792</u>	<u>61,380</u>
Membership interest affirmation payment rec'd from Port of Seattle	11,000	11,000
Distribution of membership interest affirmation payment	(11,000)	(11,000)
Current year distributable cash	(83,832)	(79,008)
Timing on current year distributions	6,050	6,390
Prior Year distributable cash paid in current year	(10,340)	(18,270)
Cash received from Capital HMT Funds	5,526	-
Distribution of accumulated interest and grants 2016-2019	-	(10,228)
Cash received from federal and state grants	-	19
Net cash provided by non-capital & related financing activities	<u>(82,596)</u>	<u>(101,097)</u>
Cash received from Homeports for Capital Construction Fund	81,309	95,013
Cash received from federal grants	2,782	1,869
Acquisition and construction of capital assets (net)	(76,896)	(95,275)
Net cash provided/(used) from Capital & Financing Activities	<u>7,195</u>	<u>1,607</u>
Cash from/(to) investments	(3,076)	40,610
Net cash from/(to) investments	<u>(3,076)</u>	<u>40,610</u>
Total Increase(Decrease) in Cash	1,315	2,500
Plus: Beginning Cash Balance	5,295	1,083
Ending Cash	<u>\$ 6,610</u>	<u>\$ 3,583</u>

The Northwest Seaport Alliance
Statement of Managing Members' Equity
September 30, 2021
(Dollars in Thousands)

Description	12/31/2020	2021 Changes	Ending Balance 9/30/21
Working capital contributions	\$ 62,000	\$ -	\$ 62,000
Capital construction contributions	426,815	68,656	495,471
Non-cash capital work-in-process	16,792	-	16,792
HMT Contributions	-	5,526	5,526
Affirmation Payment	11,000	11,000	22,000
Total Contributions	<u>\$ 516,608</u>	<u>\$ 85,182</u>	<u>\$ 601,790</u>
 Affirmation Distribution	 \$ (11,000)	 \$ -	 \$ (11,000)
GASB 87 Adjustment		\$ (110)	\$ (110)
Net income from JV	518,524	87,680	606,204
Cash distributions	(574,730)	(88,782)	(663,512)
End Balance	<u><u>\$ 449,401</u></u>	<u><u>\$ 83,970</u></u>	<u><u>\$ 533,371</u></u>



Northwest Seaport Alliance
Managing Members Cash Distribution Report
September 30, 2021

The cash distributions per Article IV of the Charter are shared 50/50 by each homeport. Homeports will receive 50% of the \$6,050,000 or \$3,025,000 each.

Distribution Date*	Fiscal Month/Yr.	Amount	YTD Distributions
10/28/21	September 2021	\$6,050,000	\$94,832,000

*Distribution date is approximate, actual cash transfer date is determined by NWSA Treasurer and is typically one week prior to month-end.

Note:

- This report is per Article IV cash distributions, reserves and member bond obligations, section 4.1(a)
- The PDA through the CEO will make distributions of all Distributable Cash to the Managing Members as soon as practicable after each Calculation Period. Prior to executing any distribution, the CEO shall provide a report of planned distributions to Managing Members."

NORTHWEST SEAPORT ALLIANCE
Capital Investment Plan Actual vs Original Budget by LOB
Year-to-Date Spending through September 30, 2021

LOB	Actual YTD	Budget 2021	Variance (over)/under
Automobiles	\$305,103	\$300,000	(\$5,103)
Container Business	\$56,628,961	\$130,969,000	\$74,340,039
Industrial-Commercial Real Estate			
Intermodal	\$316,786	\$492,000	\$175,214
Port-Operated Facilities	\$263,960	\$826,000	\$562,040
Port-Wide Infrastructure		\$3,000,000	\$3,000,000
Grand Total	\$57,514,810	\$135,587,000	\$78,072,190

Project Breakdown by LOB - Material Projects (Projects \$300k and up)

LOB	Actual YTD
Automobiles →	
201104.01 Blair Dock Fender Replacement	305,103
Other Automobiles	
Total	<u>\$305,103</u>
Container Business →	
U00100 T5 Berth Construction	37,065,276
U00572 T5 Stormwater Treatment System	4,284,970
U00568 T5 Marine Building North	3,509,245
201029.07 Husky Tenant Improvements	1,940,251
104827 T46 Dock Rehabilitation	1,809,439
U00347 T46 Stormwater Improvements	1,661,787
201112.01 SH CBP Office Improvements	1,355,839
201107.01 WUT Fender System Replacement	1,326,195
201070.01 Wapato Creek Bridge & Culvert Removal	728,458
201090.01 WUT Utility Vault Upgrades	486,020
106159 T5 South Reefer Plug Restoration	314,862
U00649 T5 Reefer Design & Construction North	336,829
U00684 T5 IY NWSA Switch Upgrades	302,000
Other Container Business	1,507,790
Total	<u>\$56,628,961</u>
Industrial-Commercial Real Estate →	
Other Industrial-Commercial Real Estate	
Total	
Intermodal →	
2011127.01 NIM LED Lighting Retrofit	316,786
Other Container Business	
Total	<u>\$316,786</u>
Port-Operated Facilities →	
Other Port-Operated Facilities	263,960
Total	<u>\$263,960</u>
Port-Wide Infrastructure →	
Other Port-Wide Infrastructure	
Total	
Grand Total	\$57,514,810



The Northwest Seaport Alliance 5-Year Cargo Volume History:

CONTAINERIZED VOLUME (TEUs)											
	2015	2016	2017	2018	2019	2020	YTD Sep 2019	YTD Sep 2020	YTD Sep 2021	% Change Y-O-Y (2019 vs 2021)	% Change Y-O-Y (2020 vs 2021)
Int'l Import full TEUs	1,308,214	1,391,590	1,380,785	1,452,623	1,369,251	1,253,818	1,058,981	899,629	1,101,725	4.0%	22.5%
Int'l Export full TEUs	871,522	984,274	964,067	953,495	913,332	790,620	684,556	589,744	522,767	-23.6%	-11.4%
Int'l Empty TEUs	581,072	482,951	650,459	705,114	775,763	591,197	610,011	411,701	611,954	0.3%	48.6%
Total International TEUs	2,760,808	2,858,815	2,995,311	3,111,232	3,058,346	2,635,635	2,353,548	1,901,074	2,236,446	-5.0%	17.6%
Total Domestic TEUs	768,633	756,938	706,863	686,394	716,957	684,744	556,058	518,667	566,909	2.0%	9.3%
Grand Total TEUs	3,529,441	3,615,752	3,702,174	3,797,626	3,775,303	3,320,379	2,909,606	2,419,741	2,803,355	-3.7%	15.9%
CARGO VOLUME (METRIC TONS)											
Container Cargo	24,965,859	26,766,258	26,105,730	28,868,125	28,671,813	25,508,550	21,984,569	18,742,376	19,928,372	-9.4%	6.3%
Breakbulk	235,476	181,372	210,725	249,055	246,412	291,623	200,503	216,900	264,909	32.1%	22.1%
Grain	6,344,796	8,615,691	9,027,128	9,000,753	6,460,563	9,197,211	4,608,969	5,819,839	6,933,397	50.4%	19.1%
Gypsum	223,436	186,626	229,084	221,054	251,342	153,858	190,360	118,468	181,256	-4.8%	53.0%
Logs	236,557	176,928	278,078	116,790	75,757	0	75,757	0	0	-100.0%	0.0%
Petroleum	815,380	612,224	715,546	665,670	636,150	677,469	409,094	520,933	384,820	-5.9%	-26.1%
Molasses	43,731	43,666	35,980	45,686	46,661	42,400	36,663	35,951	32,729	-10.7%	-9.0%
Grand Total (Metric Tons)	32,865,234	36,582,765	36,602,271	39,167,133	36,388,697	35,871,112	27,505,916	25,454,468	27,725,484	0.8%	8.9%
Autos (Units)	183,305	165,687	146,885	141,143	155,930	156,205	144,747	108,628	127,562	-11.9%	17.4%
Market Share Aug YTD (most recent data available for competing ports)*	14.1%	14.3%	13.6%	13.4%	13.6%	12.0%	13.8%	12.3%	11.7%	-2.1%	-0.6%

*Los Angeles, Long Beach, Oakland, Vancouver, Prince Rupert, NWSA
 Auto unit count includes units handled at Port of Tacoma (POT)
 facilities Includes volume from a privately-operated domestic container facility

*Breakbulk volume includes both North and South Harbor

NORTHWEST SEAPORT ALLIANCE
SOUTH HARBOR
Intermodal Lifts, Crane & Strad Hours
September 30, 2021

Volume Activity	Year to Date				Prior Year		
	Budget	Actual	Fav/ (Unfav)	%	Prior Yr.	Fav/ (Unfav)	%
CRANE HOURS							
Husky	9,696	9,883	187	1.9%	9,632	251	2.6%
East Sitcum	-	-	-	0.0%	548	(548)	-100.0%
CRANE HOURS	9,696	9,883	187	2%	10,180	(296)	-3%
STRAD HOURS							
Husky	5,506	8,344	2,838	51.5%	5,605	2,739	48.9%
East Sitcum	-	-	-	0.0%	2,305	(2,305)	-100.0%
NIM	8,018	9,629	1,611	20.1%	9,541	88	0.9%
STRAD HOURS	13,524	17,972	4,448	33%	17,451	522	3%
INTERMODAL LIFTS (South Harbor only)							
NIM	108,009	124,247	16,238	15.0%	121,407	2,840	2.3%
SIM/SIM-UP	61,887	73,296	11,409	18.4%	64,209	9,087	14.2%
HIM	87,525	96,959	9,434	10.8%	52,692	44,267	84.0%
PIM	47,104	21,599	(25,505)	-54.1%	36,305	(14,706)	-40.5%
INTERMODAL LIFTS (South Harbor only)	304,525	316,101	11,576	4%	274,613	41,488	15%