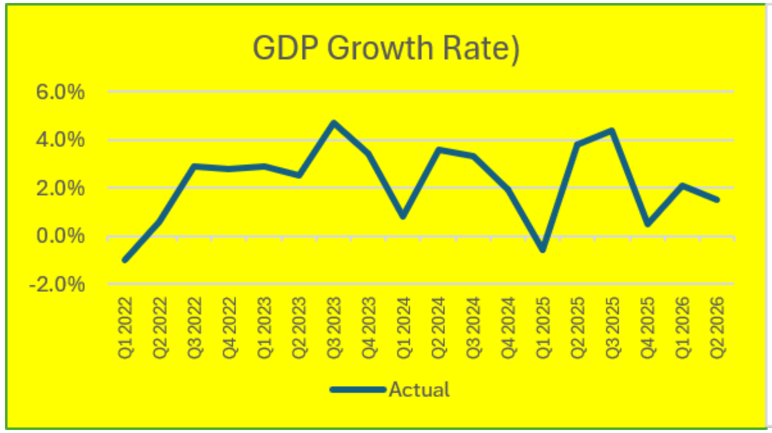
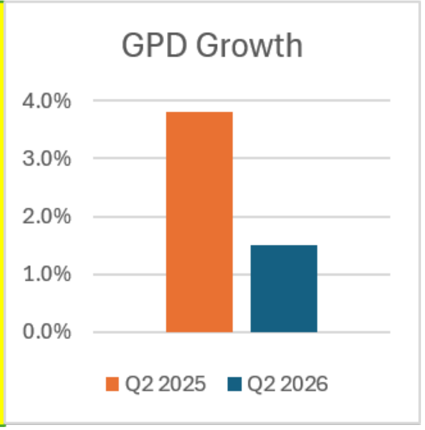
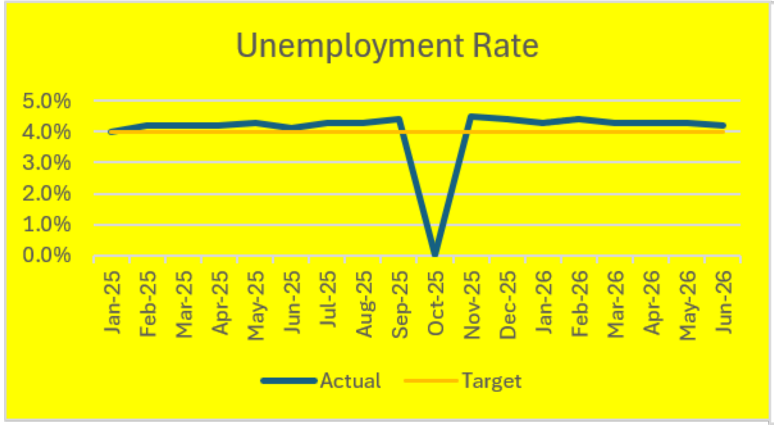
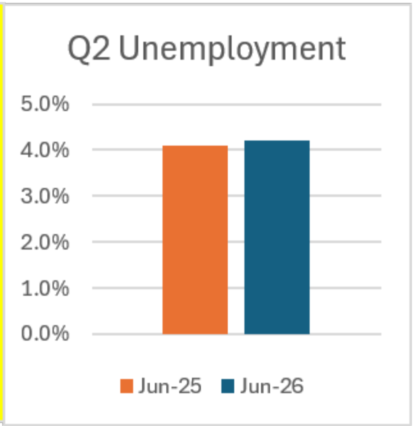
Port of Seattle
Q2 2026 Financial Performance Report

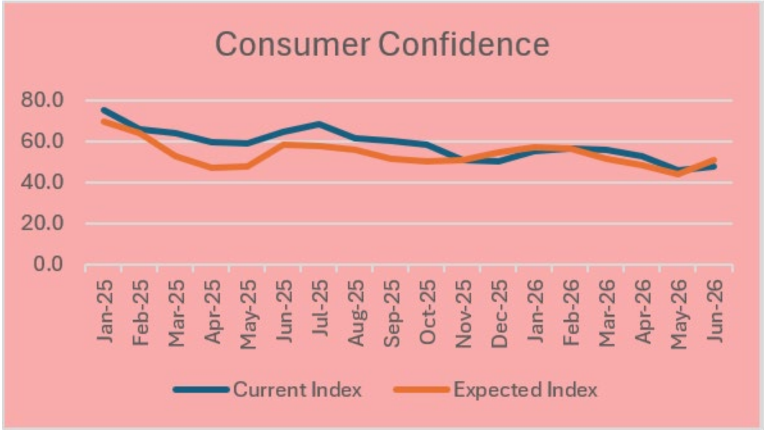
Economic Key Indicators

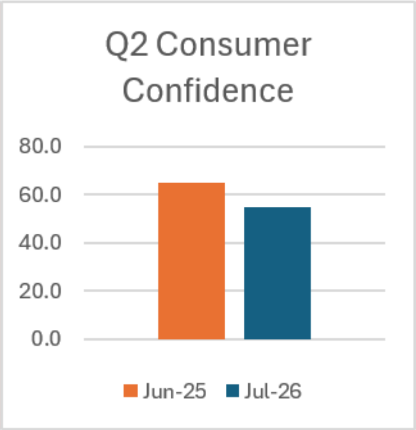


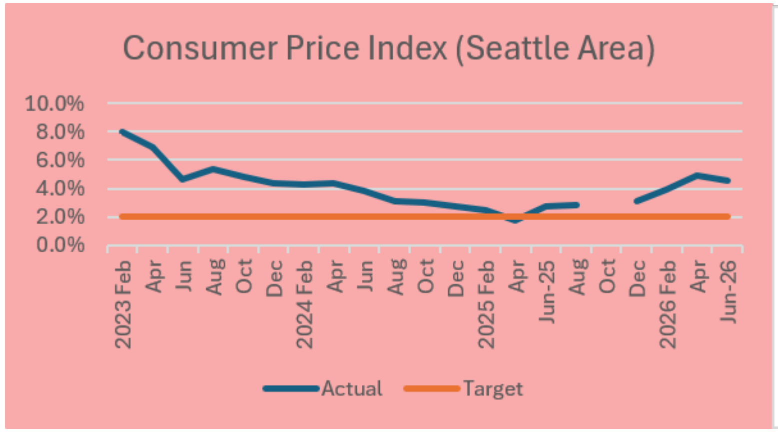


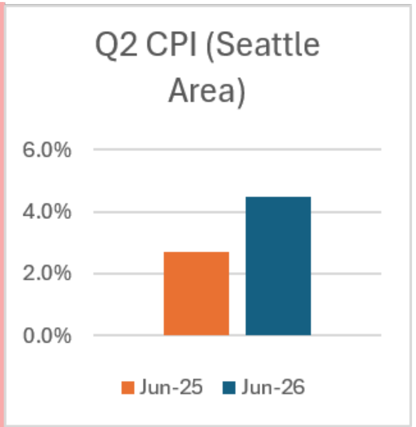








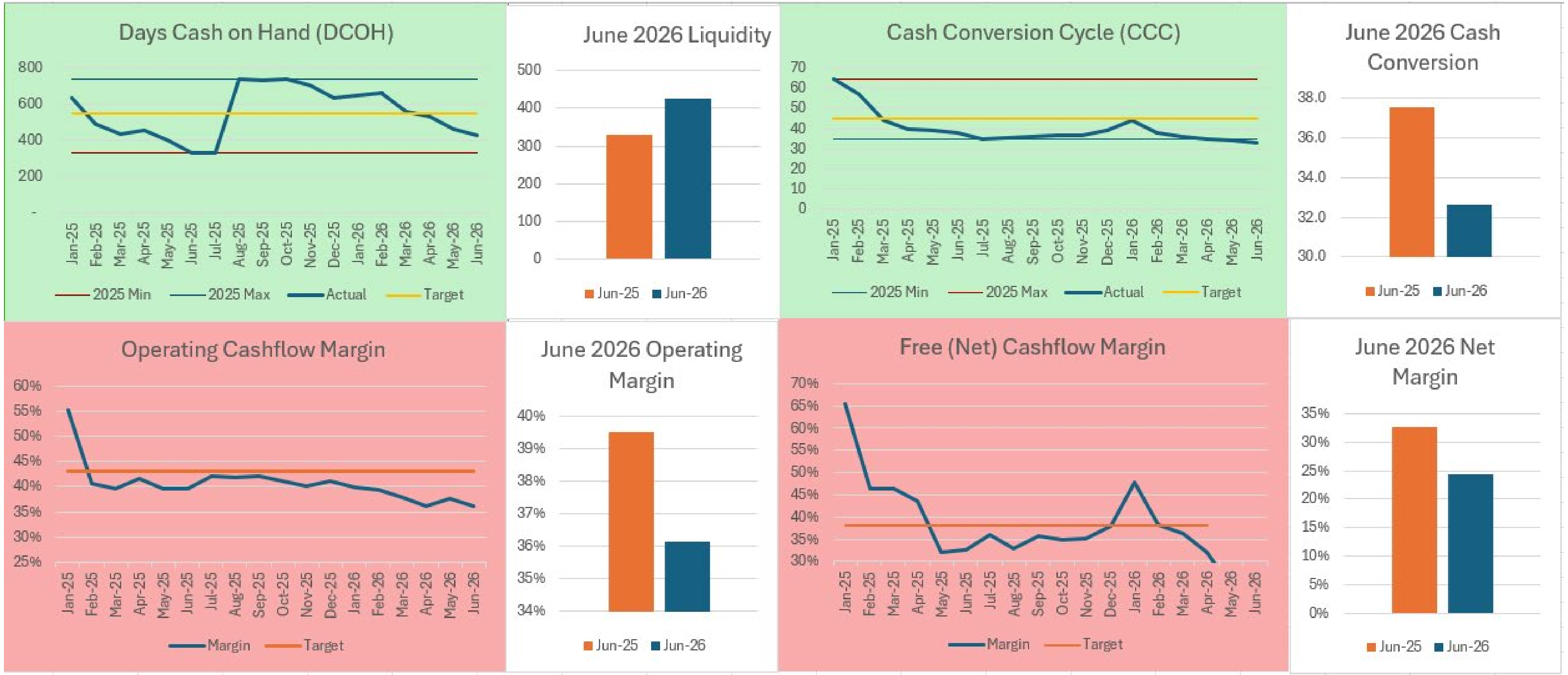




- CPI data for Oct 2025 is unavailable due to the 2025 lapse in appropriations.

* Green: Positive Signal   *Yellow: Cautious Signal   *Red: Negative Signal

Port Fiscal Health Indicators



* Green: Positive Signal *Yellow: Cautious Signal *Red: Negative Signal

Key Financial Highlights (YTD)

Total operating revenues were $1.6M or 0.3% above Revised Budget and $29.0M or 5.6% increase YoY in Q2

Total operating expenses were $14.6M or 3.9% below Revised Budget and $34.4M or 10.7% increase YoY in Q2

Total capital spending was $426M in Q2

Key Financial Highlights (YE Forecast)

Total operating revenues are projected to be $11.0M above Revised Budget and $25.1M or 2.2% increase YoY on a full-year basis

Total operating expenses are projected to be $479K above Revised Budget and 86.7M or 12.9% increase YoY on a full-year basis

Excluding the $26.0M DRS pension credit and $21.8M in legal settlement credit in 2025, total operating expenses are projected to be $38.9M or 5.4% increase

Total capital spending is projected to be $771.9M, in line with the budget for the year

Key Take Aways

Enplanements are forecasted to be 0.8% higher than 2025 and 1.8% below budget while cruise is expected to perform well compared to budget

Continue to monitor the unbudgeted or under budgeted items, such as retro tribal payments for NWSA J/V, ERL for T5, Organizational Continuity Resilience Program, and South King & Port Community Fund

Payroll expense is forecasted to be over revised budget mainly due to less Charge to Capital

Port Wide YTD Operating Expense Summary

$ in 000's	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revsd_Bud	Actual vs. Revsd_Bud Variance $	%	Change from 2025 Incr (Decr) $	%
Salaries & Benefits	103,497	118,613	122,618	121,288	121,288	(1,330)	-1.1%	4,005	3.4%
Wages & Benefits	88,341	98,903	103,307	102,669	102,669	(638)	-0.6%	4,404	4.5%
Payroll to Capital Projects	18,260	18,373	21,098	26,056	26,056	4,958	19.0%	2,725	14.8%
Outside Services	63,807	64,213	79,647	95,635	93,864	14,217	15.1%	15,434	24.0%
Utilities	17,162	18,235	16,909	17,508	17,508	599	3.4%	(1,326)	-7.3%
Equipment Expense	4,852	4,367	5,722	7,486	7,486	1,763	23.6%	1,355	31.0%
Supplies & Stock	5,686	6,204	5,994	5,688	5,688	(305)	-5.4%	(210)	-3.4%
Travel & Other Employee Expenses	2,827	3,129	2,802	5,342	5,342	2,541	47.6%	(328)	-10.5%
Third Party Mgmt Op Exp	6,110	9,669	11,808	11,177	11,177	(631)	-5.6%	2,139	22.1%
B&O Taxes	3,027	2,924	3,998	5,794	5,800	1,802	31.1%	1,074	36.7%
Other Expenses	13,261	14,149	26,893	13,051	24,483	(2,410)	-9.8%	12,745	90.1%
Charges to Capital Projects/Overhead Alloc	(37,726)	(37,576)	(45,222)	(51,225)	(51,225)	(6,003)	11.7%	(7,646)	20.3%
O&M Expenses	**289,103**	**321,204**	**355,574**	**360,470**	**370,138**	**14,563**	**3.9%**	**34,371**	**10.7%**
GASB 87_96_103 Expenses	2,499	(4,995)	4,523	13,922	4,251	(272)	-6.4%	9,518	-190.6%
Total Operating Expenses GASB Comparable Basis	**291,602**	**316,209**	**360,097**	**374,392**	**374,388**	**14,291**	**3.8%**	**43,888**	**13.9%**

- Outside Services were $14.2M under revised budget due to delay in spending
- Equipment Expense were $1.8M under revised budget due to delay in spending
- Travel & Other Employee Expenses were $2.5M under revised budget due to spending delays in training and travel
- B&O Taxes were $1.8M under revised budget
- Charges to Capital Projects/Overhead Allocations were under by ($6.0M) due to spending delays in Capital Projects

Port Wide Financial Summary (YE Forecast)

$ in 000's	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revsd_Bud	Fcst vs. Revsd_Bud Variance $	%	Change from 2025 Incr (Decr) $	%
Aeronautical Revenues	520,942	545,307	613,884	617,786	618,565	(4,681)	-0.8%	68,577	12.6%
Airport Non-Aero Revenues	340,360	363,215	357,877	367,381	344,087	13,790	4.0%	(5,338)	-1.5%
Seaport Revenues	160,537	213,924	175,747	173,728	173,827	1,920	1.1%	(38,177)	-17.8%
Operating Revenues	**1,021,838**	**1,122,446**	**1,147,508**	**1,158,895**	**1,136,479**	**11,029**	**1.0%**	**25,062**	**2.2%**
GASB 87_96_103 Revenues	29,671	12,567	24,791	1,596	24,791	-	0.0%	12,224	97.3%
Total Operating Revenues GASB Comparable Basis	**1,051,509**	**1,135,013**	**1,172,299**	**1,160,491**	**1,161,270**	**11,029**	**0.9%**	**37,285**	**3.3%**
O&M Expenses	**652,642**	**672,311**	**758,963**	**731,141**	**758,484**	**(479)**	**-0.1%**	**86,652**	**12.9%**
GASB 87_96_103 Expenses	6,731	4,698	8,521	35,864	8,521	-	0.0%	3,823	81.4%
Total Operating Expenses GASB Comparable Basis	**659,373**	**677,009**	**767,484**	**767,005**	**767,004**	**(479)**	**-0.1%**	**90,475**	**13.4%**
NOI before Depreciation	**369,196**	**450,135**	**388,545**	**427,754**	**377,995**	**10,550**	**2.8%**	**(61,590)**	**-13.7%**
Depreciation	277,917	298,355	308,165	308,165	308,165	-	0.0%	9,811	3.3%
NOI after Depreciation	**91,279**	**151,780**	**80,380**	**119,588**	**69,830**	**10,550**	**15.1%**	**(71,400)**	**-47.0%**

- Total Operating Revenues are expected to be $11.0M above revised budget due to higher Airport Non-Aero Revenues and Seaport Revenues Portfolio Management.
- Total Operating expenses are expected to be $479K above revised budget mainly due to higher Payroll and Outside Services.
- Net Operating Income before Depreciation is forecasted to be $10.5M above revised budget.

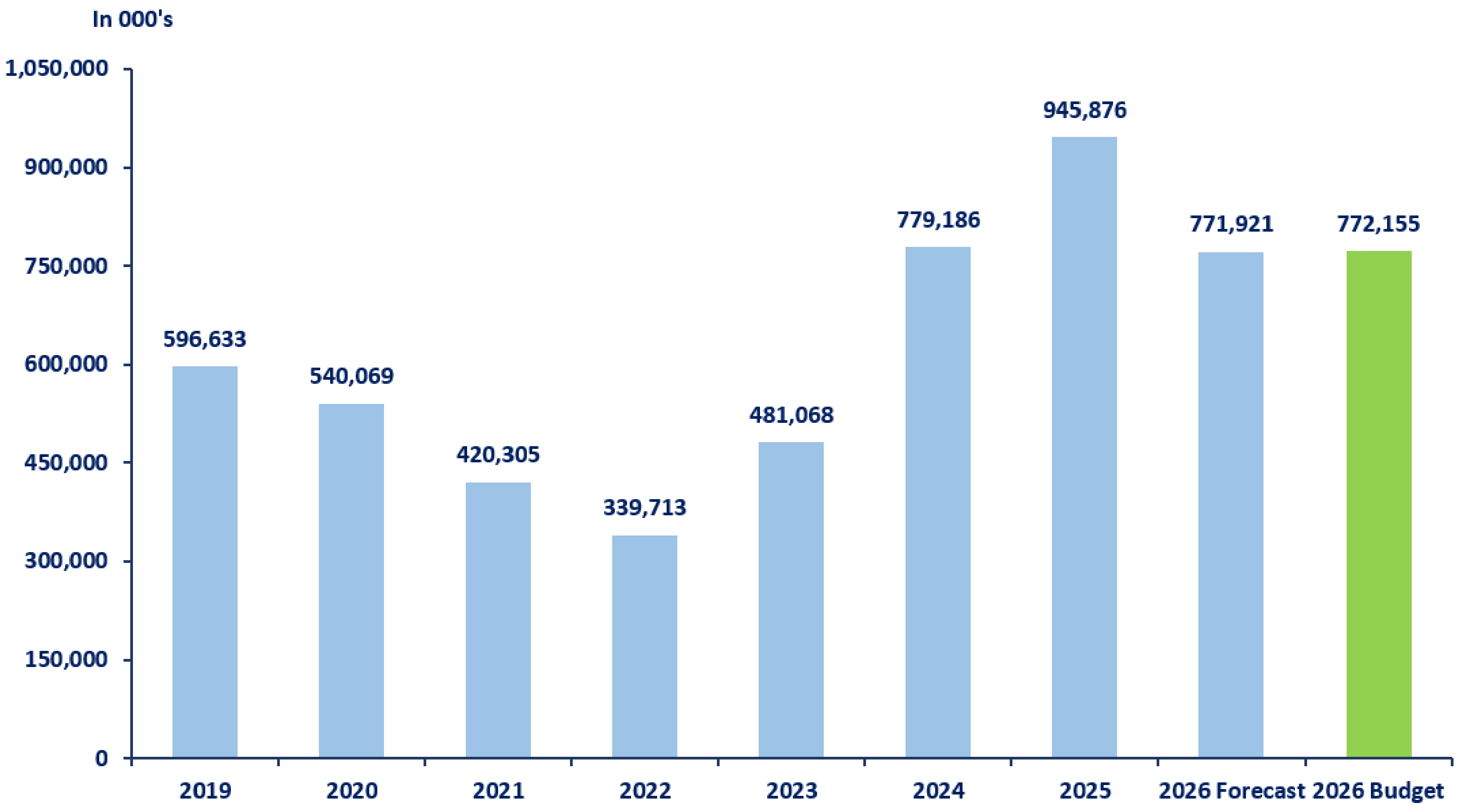
Port Wide Comprehensive Financial Summary

($ in 000s)		2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revsd_Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Revenues										
1. Operating Revenues	1)	485,638	520,555	549,539	555,392	547,950	1,589	0.3%	28,984	5.6%
2. Tax Levy		42,807	43,902	44,886	45,090	45,090	(204)	-0.5%	984	2.2%
3. Passenger Facilities Charges		58,541	55,424	58,313	51,027	51,027	7,286	14.3%	2,889	5.2%
4. Customer Facilities Charges		12,449	12,528	21,524	12,663	21,042	483	2.3%	8,996	71.8%
5. Fuel Hydrant		3,183	3,037	3,300	3,494	3,494	(194)	-5.6%	263	8.7%
6. Non-Capital Grants and Donations		301	316	1,137	1,271	1,271	(134)	-10.5%	821	260.2%
7. Capital Contributions		4,411	1,101	4,543	13,500	13,500	(8,957)	-66.3%	3,442	312.4%
8. Interest Income		33,734	37,657	38,524	31,859	31,859	6,666	20.9%	867	2.3%
9. Other Noncapital Subsidies		63	9	103	1,462	1,462	(1,359)	-93.0%	94	1021.7%
10. Lease Interest Income		8,266	12,543	14,485	12,395	12,395	2,090	16.9%	1,942	15.5%
11. Other Non-Op Revenue		(1,609)	8,912	-	(9,115)	-	-	0.0%	(8,912)	-100.0%
Total		**647,784**	**695,987**	**736,355**	**719,038**	**729,089**	**7,266**	**1.0%**	**40,368**	**5.8%**
Expenses										
1. Operating Expenses	1)	289,103	321,204	355,574	360,470	370,138	14,563	3.9%	34,371	10.7%
2. Depreciation		130,832	142,924	157,292	154,578	154,578	(2,715)	-1.8%	14,369	10.1%
3. Revenue Bond Interest Expense		70,815	79,778	94,544	95,229	95,229	685	0.7%	14,766	18.5%
4. GO Bond Interest Expense		5,013	7,692	7,328	7,471	7,471	143	1.9%	(364)	-4.7%
5. Public Expense		3,033	4,227	3,652	6,149	6,149	2,497	40.6%	(574)	-13.6%
6. Other Non-Op Expenses		140	(14,831)	4,355	4,312	4,312	(43)	-1.0%	19,186	-129.4%
Total		**498,936**	**540,993**	**622,745**	**628,208**	**637,876**	**15,130**	**2.4%**	**81,753**	**15.1%**
Change In Net Assets		**148,848**	**154,994**	**113,609**	**90,830**	**91,213**	**22,396**	**24.6%**	**(41,385)**	**-26.7%**

Notes:

1) Prior Years Actuals and Currnet Year Budget don't include the GASB 87_96_103 adjustments

Port Wide Capital Spending

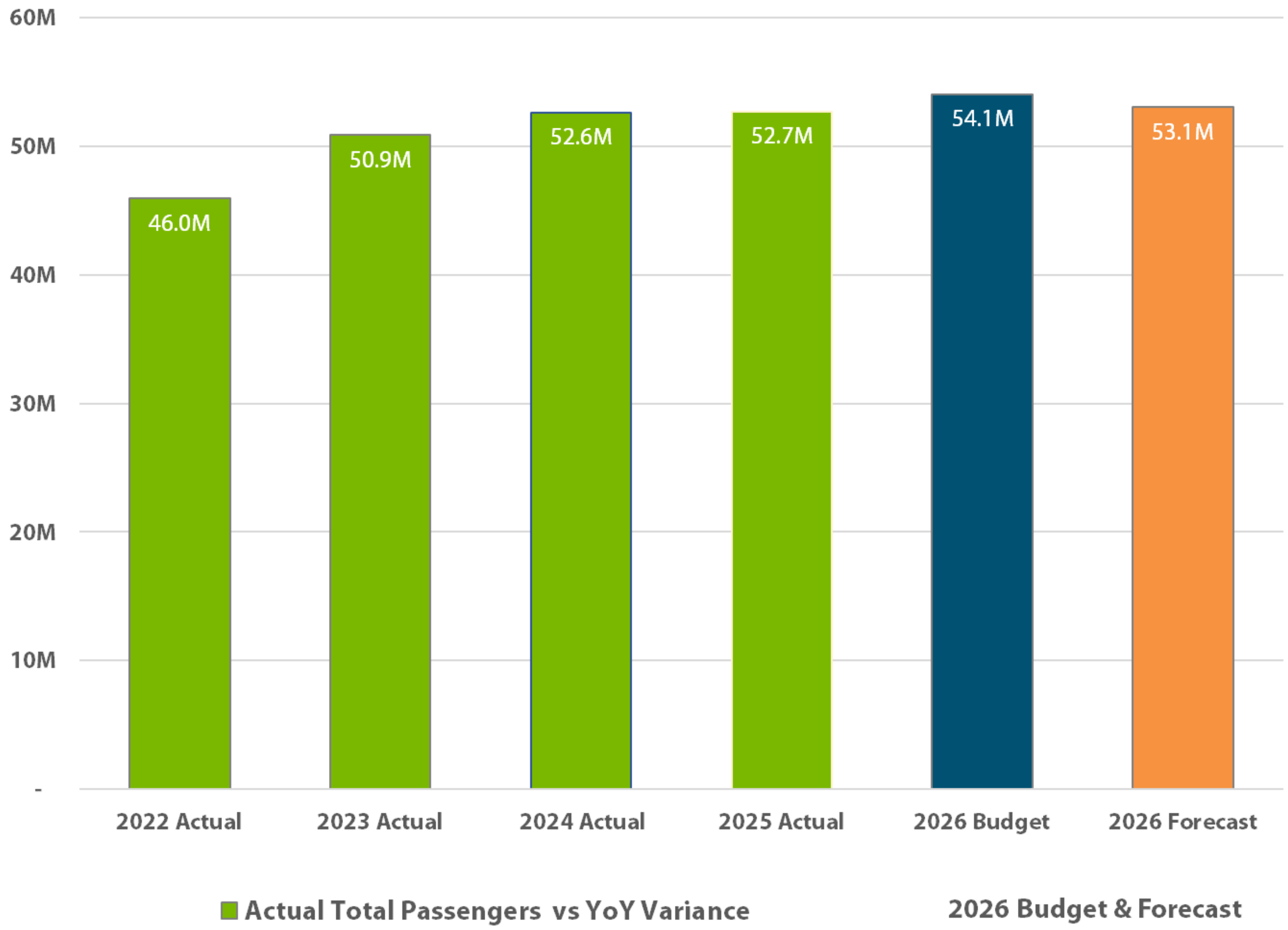


- Q2 YTD total capital spending was $426M
- Full year forecasted spending in line with budget

Aviation Division

2026 Q2 Financial Performance Report

Passenger Growth



0.8%

Forecast Growth compared to 2025 Actual

-1.8%

2026 forecast is lower than budget

2025 Actual vs. 2026 Forecast
Domestic: ▲ 0.7% growth
International: ▲ 4% growth

Financial Summary

Figures in ($ in 000's)	2026 Forecast	2026 Budget	2026 Revsd_Bud	Fcst vs. Rvsd_Bud Variance
Revenues				
Aeronautical	613,884	617,786	618,565	(4,681)
Non-Aeronautical	357,877	367,381	344,087	13,790
Operating Revenue	**971,761**	**985,167**	**962,652**	**9,109**
Total Operating Expenses	**590,810**	**588,135**	**589,858**	**(953)**
NOI w/o Pension True-Up	**380,951**	**397,032**	**372,795**	**8,157**
2026 Net Debt Service	**259,270**	**251,360**	**251,360**	**7,910**
NOI after Debt Service	**121,681**	**145,672**	**121,435**	**247**
Key Measures				
Non-Aeronautical NOI ($ in 000's)	157,488	170,452	146,253	11,235
CPE ($)	21.43	21.16	21.19	0.24
Debt Service Coverage	1.60	1.64	1.62	(0.02)
Other Information				
ADF Balance ($in 000's)	882,596	882,204	882,204	392
Capital Spending ($ in 000's)	658,616	658,954	658,954	(338)

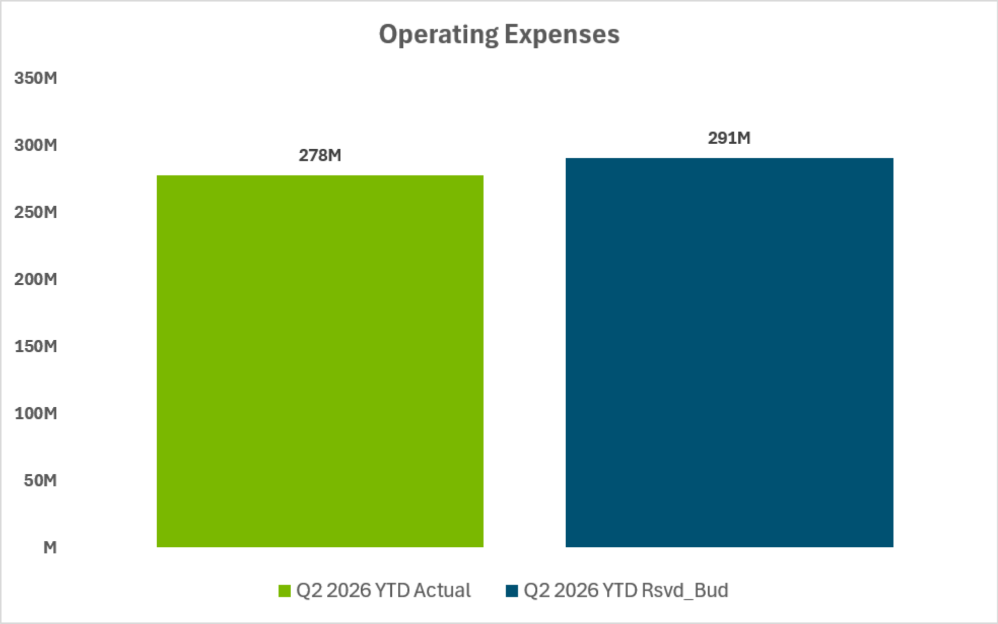
Business/Financial Highlights

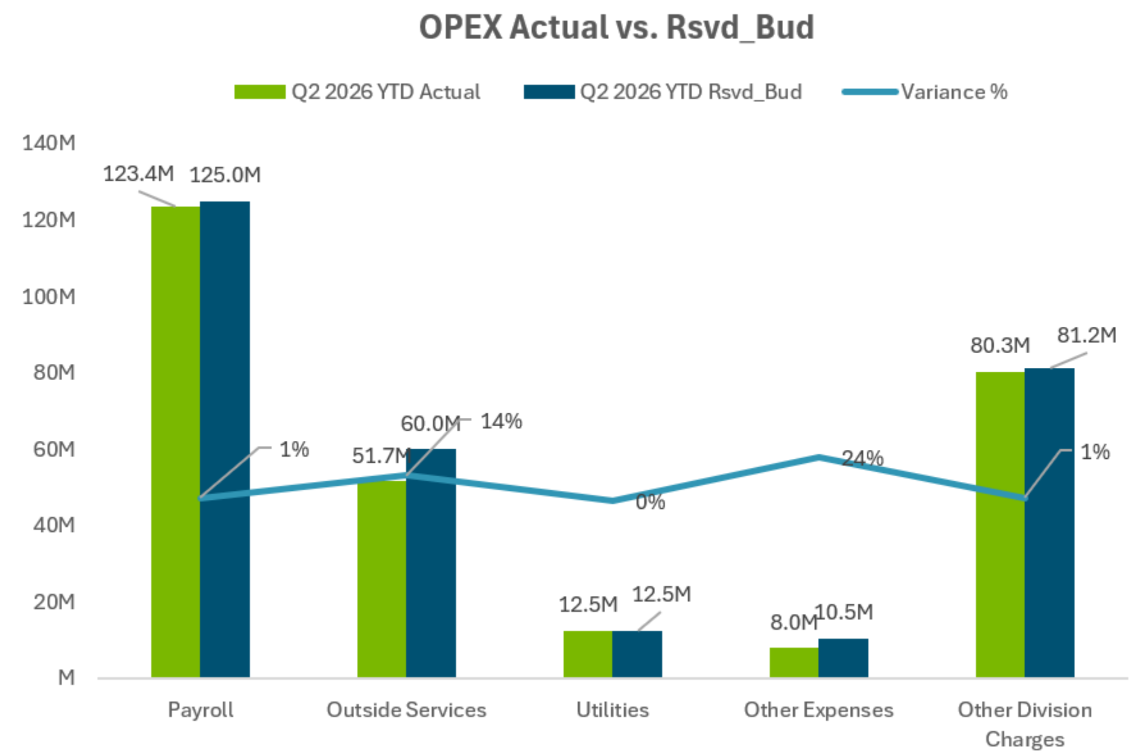
- Non-Aero revenues – increased by $13.8M compared to 2026 Revised Budget
  - Strength across Public Parking, Rental Cars, Flight Kitchens and Airport Dining and Retail.
  - The delayed construction closure for the South Concourse Lounge is providing an additional three months of operations compared to budget.
- Operating expenses are expected to be higher than the 2026 Revised Budget by $0.9M

NOI after Debt Service ensures we have 18 months of O&M and then use for capital projects to reduce issuing debt.

ADF = Airport Development Fund
CPE = Cost Per Enplanement
Fcst = Forecast
Forecast = estimate in time
NOI = Net Operating Income
Rvsd_Bud = Revised Budget
O&M = Operating & Maintenance

Operating Expenses Summary (Q2 2026)



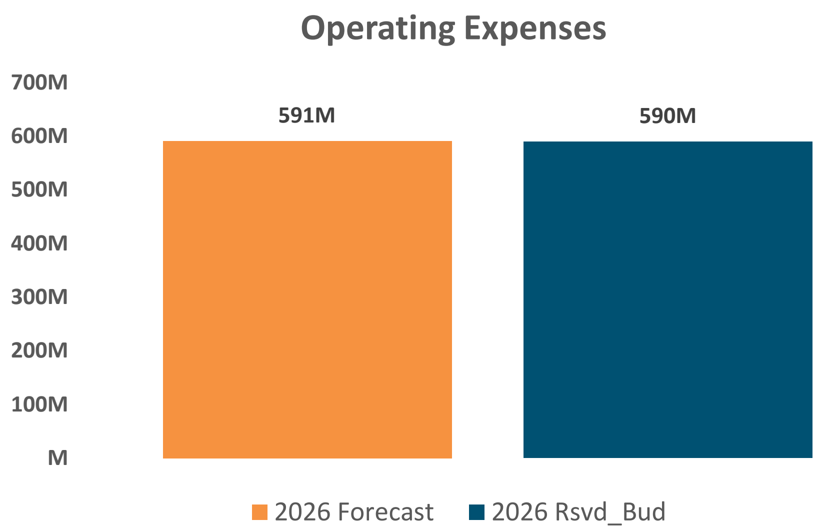


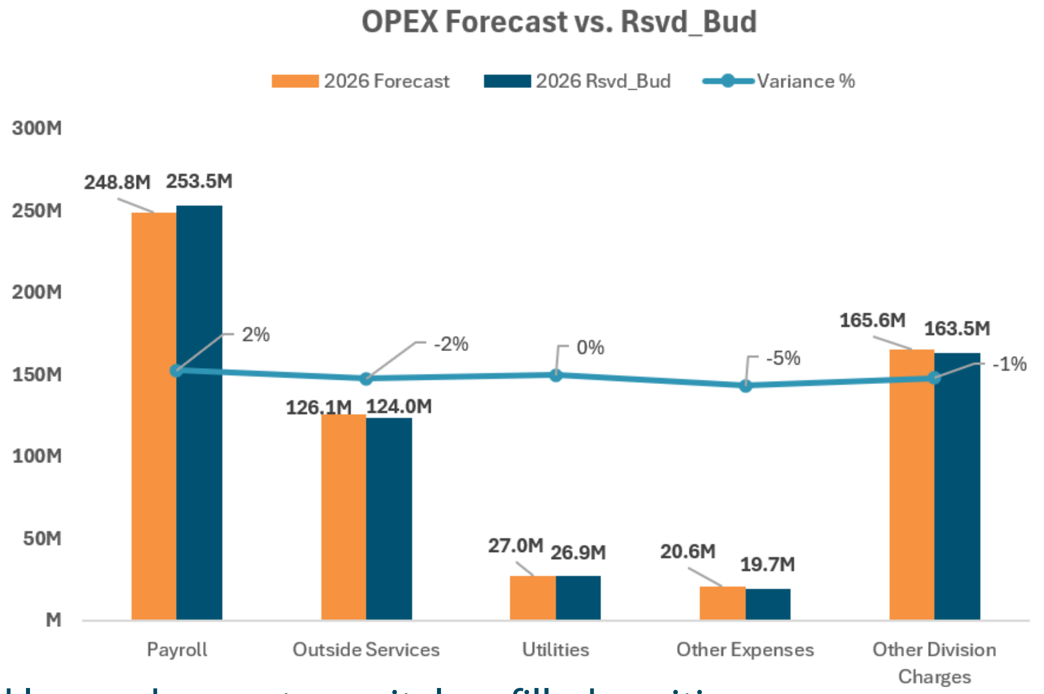
$13.2M or 4.5% under budget

- **Payroll underspent by $1.6M:** Driven by vacancy savings
- **Outside Services underspent by $8.3M:** $8.2M due to underspent in Professional, Personal, and Contracted Services due to timing between budget and actuals, missed accrual, and offset by overspend in On-site consultants ($1.3M) due to timing for projects such as the South Concourse Evolution, Emergency Repair of an Electrical Feeder, C Concourse Expansion and North Main Terminal projects, offset by Flight Corridor Safety program and Tenant projects support.
- **Other Expenses underspent by $2.5M:** Underspent in equipment, training & travel, general expenses, offset by overspent in Supplies and stock due to higher Maintenance material and charges from capital to expense.
- **Charges from other divisions underspent by $858K** mostly due to underspend in direct non-payroll and wages, offset by over allocated costs.

OPEX = Operating Expense
Rvsd_Bud = Revised Budget

Operating Expenses Summary (Full Year Forecast)





$953K or 0.2% Over budget

- **Payroll under budget by $4.6M** mostly due to vacancies and lower charges to capital on filled positions
- **Outside Service over budget by $2.1M** mostly due to $6.1M change of capital to expense for South Concourse Evolution (SCE) project Cargo 7 Hardstand/Holdroom and $1.6M onsite consultants mostly due to accelerated schedule for the SCE project, offset by projected under budget in professional, janitorial and contract other equipment expenses by $5.1M
- **Other Expenses over budget by $895K** due to maintenance material over by $1.8M, offset by savings in training and travels and lower charges to capital
- **Other Division Charges over budget by $2.2M** from Central Services due to anticipated higher costs in Legal, External Relations and Port Construction Services, offset by lower charges from HR, ICT, Risk Management and divisional allocations.

OPEX = Operating Expense
Rvsd_Bud = Revised Budget

SCE = South Concourse Evolution

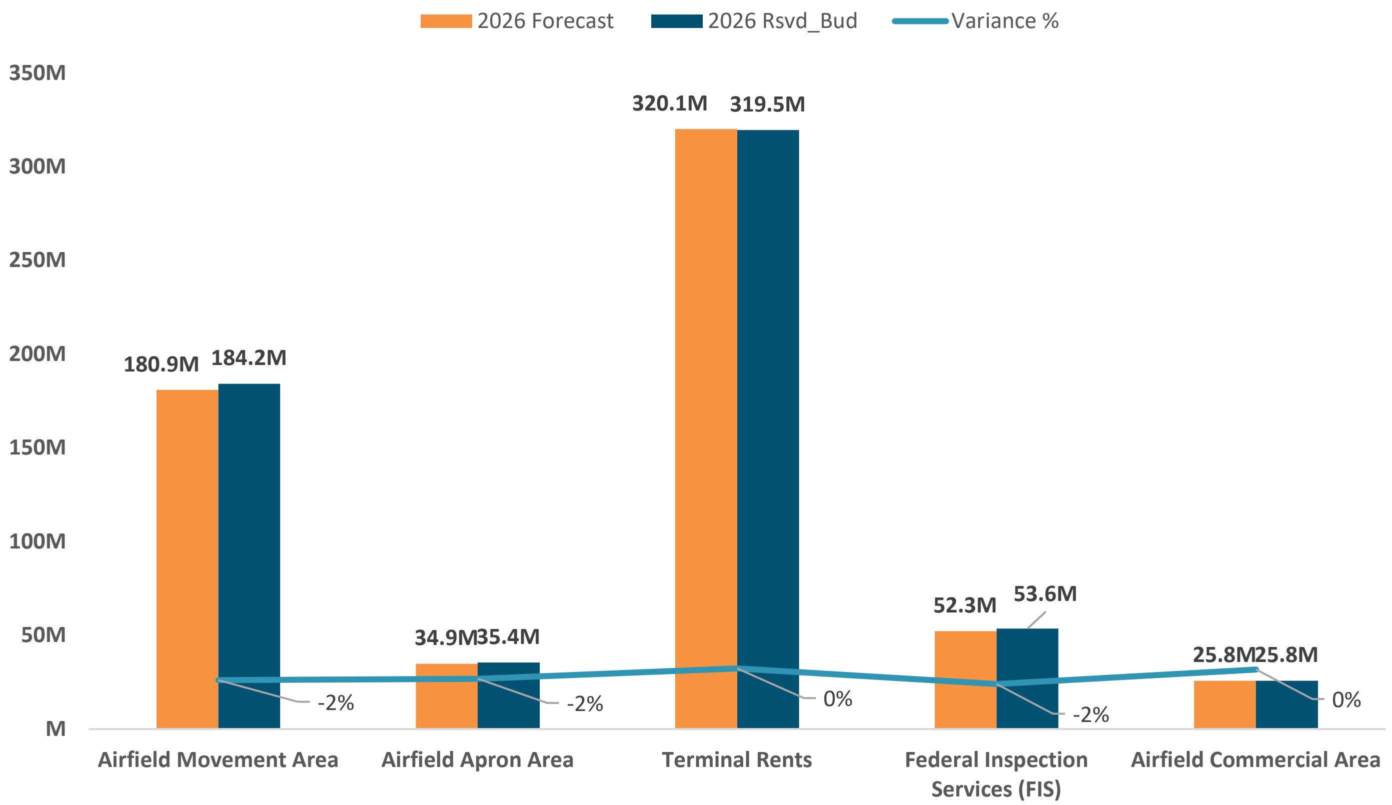
Aeronautical Revenue

Forecast

$614M

Budget

$618M



Aeronautical revenue forecast was decreased due to DS decrease, partially offset by GASB 103 adjustments and slight O&M increase.

DS = Debt Service
O&M = Operating & Maintenance
GASB = Government Accounting Standards Board
Rvsd_Bud = Revised Budget

Non-Aeronautical Revenue

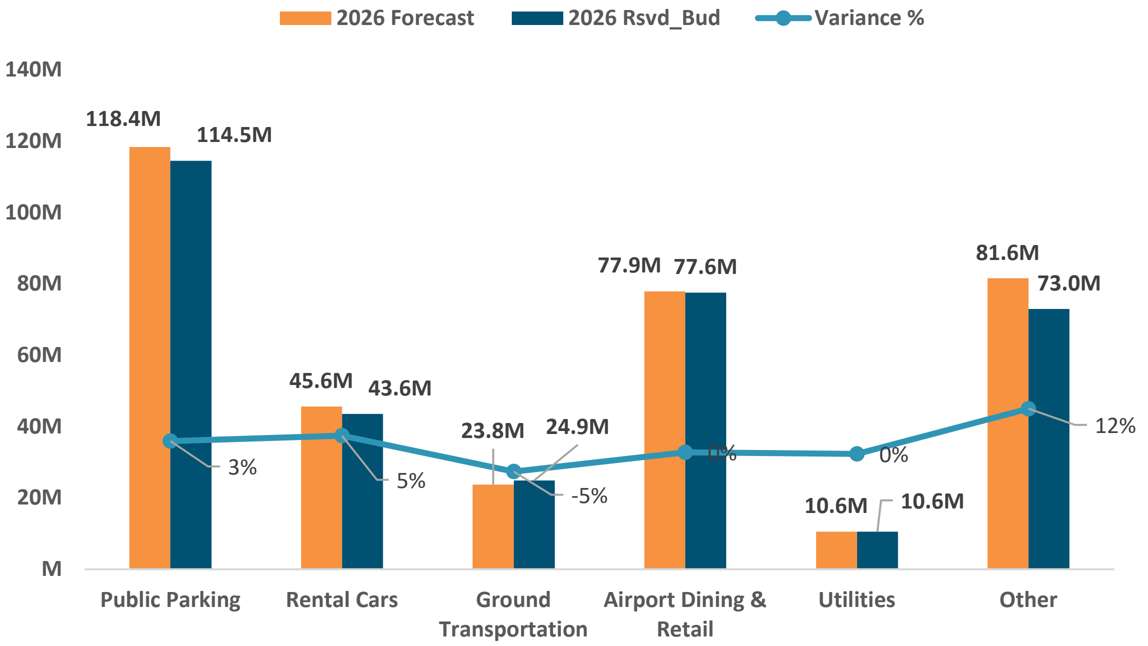
Forecast

$367.7M

$13.8M
+4.0%

Revised Budget

$353.5M



Non-Aero Revenue key drivers:

- Drive up parking revenue for longer term stays, as well as strong demand for reserved parking and an upcoming expansion of the reserved product, is accelerating Public Parking higher than budget.
- Rental Cars concessions are higher in both transaction volumes and average ticket prices.
- Flight Kitchens continues to grow and deliver strong results vs. budget.
- The delayed construction closure for the South Concourse Lounge is providing an additional three months of operations compared to the 2026 Revised Budget.

Debt Service Coverage Ratio slightly below Revised Budget

Figures in $000's	2025 Actual	2026 Forecast	2026 Budget	2026 Revised Budget	Fcst vs. Rvsd_Bud Variance
Revenues					
Aero	545,288	613,884	617,786	618,565	(4,681)
Non-aero [(a)]	374,347	357,877	367,381	344,087	13,790
Total Revenues	**919,635**	**971,761**	**985,167**	**962,652**	**9,109**
O&M	**(537,028)**	**(590,810)**	**(588,135)**	**(589,858)**	**(952)**
Net Operating Income	**382,607**	**380,951**	**397,032**	**372,795**	**8,156**
Customer Facility Charge (CFC) Excess	(9,385)	(11,657)	(11,702)	(11,702)	45
Rental Car Facility CFC Revenues [(a)]		24,307		24,307	-
Other net non-operating	25,939	20,825	26,764	20,825	-
Available for debt service	**399,160**	**414,425**	**412,094**	**406,224**	**8,201**
Debt Service					
Gross debt service (net of cap i)	335,029	384,478	376,688	376,688	7,790
CFC offset	(24,821)	(25,327)	(25,327)	(25,327)	1
PFC offset	(100,000)	(99,881)	(100,000)	(100,000)	119
Net Debt Service	**210,208**	**259,270**	**251,360**	**251,360**	**7,909**
Debt Service Coverage	1.90	1.60	1.64	1.62	(0.02)

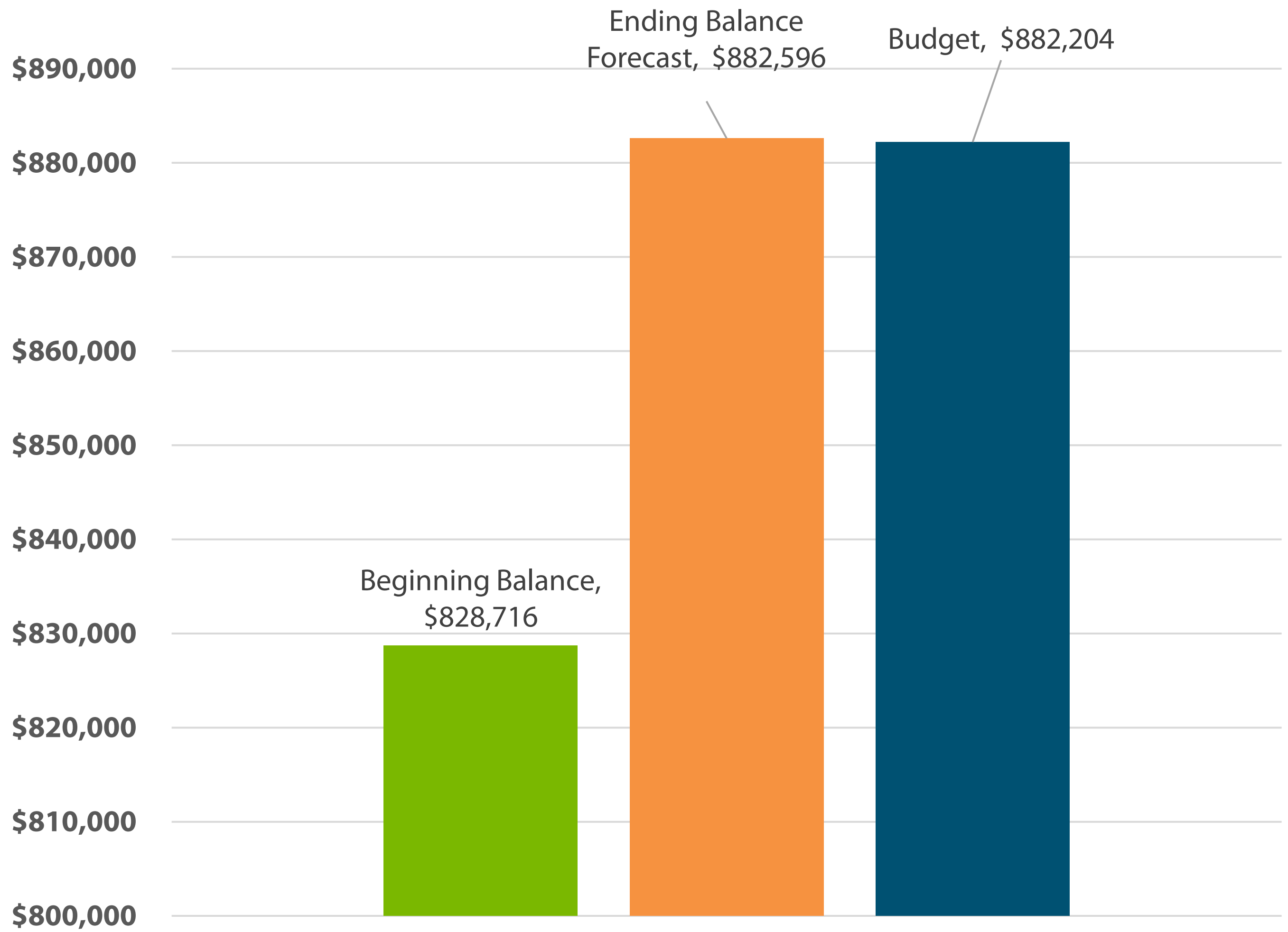
- Debt Service Coverage ratio forecast below revised budget, driven by higher net debt service.

(a) Rental Car Facility CFC Revenues are now categorized as non-operating revenues instead of operating revenue effective 1/1/2026 per Government Accounting Standard Board (GASB) 103.

CFC = Customer Facility Charge
DS = Debt Service
Fcst = Forecast
Forecast = estimate in time
O&M = Operating & Maintenance
PFC = Passenger Facility Charge
Rvsd_Bud = Revised Budget

Airport Development Fund Balance

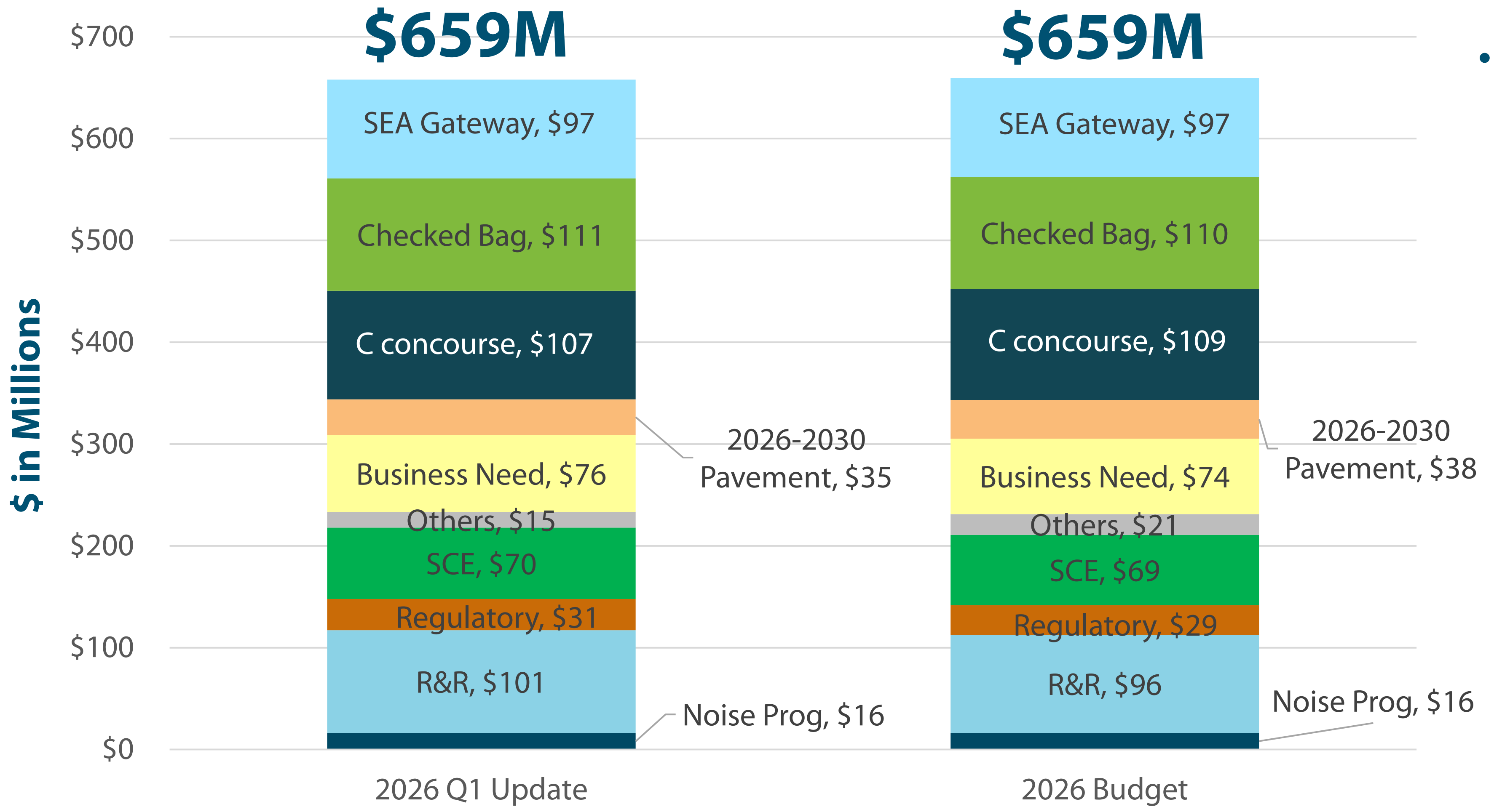
$ in 000's



- Ending balance is estimated at <u>$882M</u> which is the target of $882M (18 months of O&M in 2026).

ADF = Airport Development Fund
O&M = Operating & Maintenance

2026 Capital Spending Forecast



- 2026 capital spending forecast is $659M, and in line with the budget.
  - SCE project design spending has increased due to the accelerated scheduled.
  - SEA Gateway's spending is lower as projected savings increased.
  - CCE spending is higher due to unanticipated change orders.

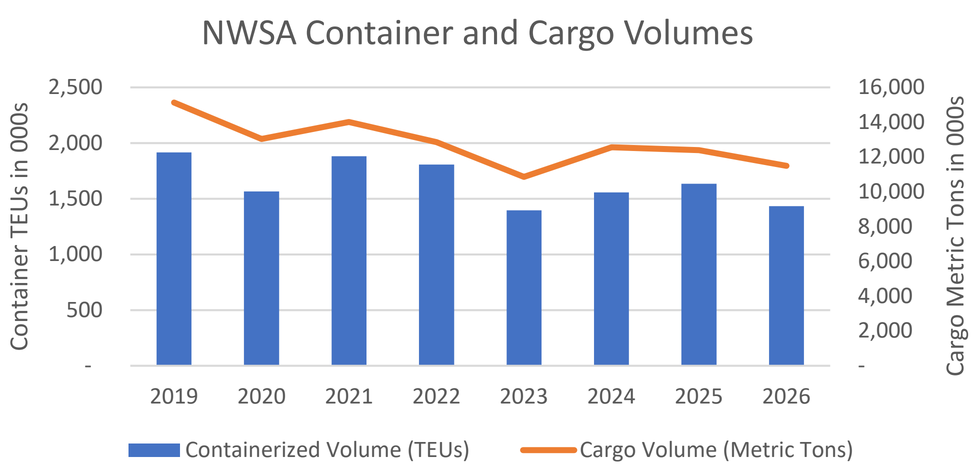
CCE = Concourse C Expansion
SEA = Seattle-Tacoma International Airport
R&R = Renewal & Replacement
SCE = South Concourse Evolution

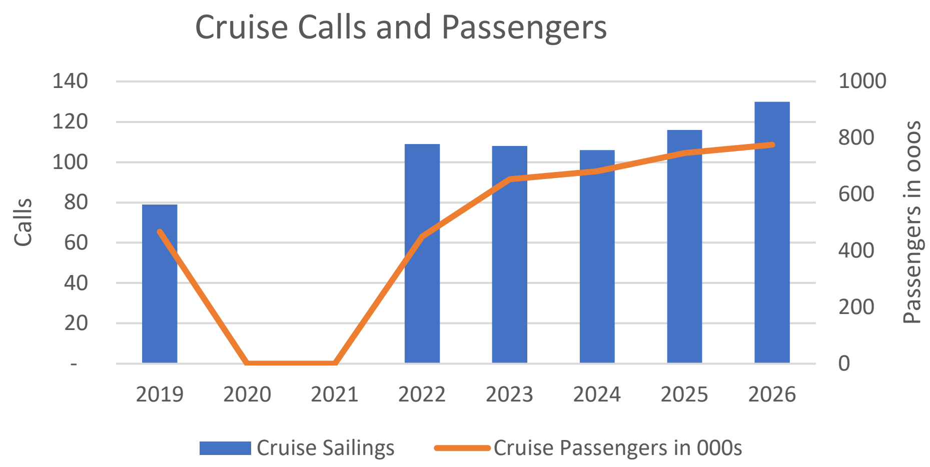
Seaport

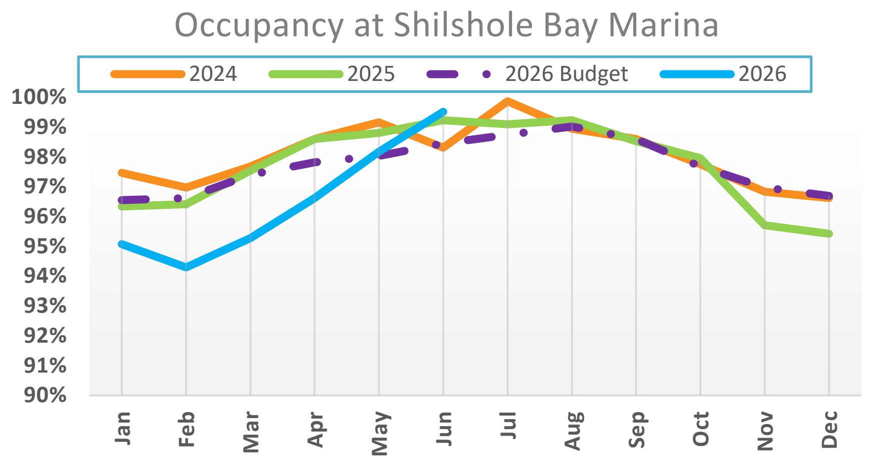
2026 Q2 Financial Performance Report

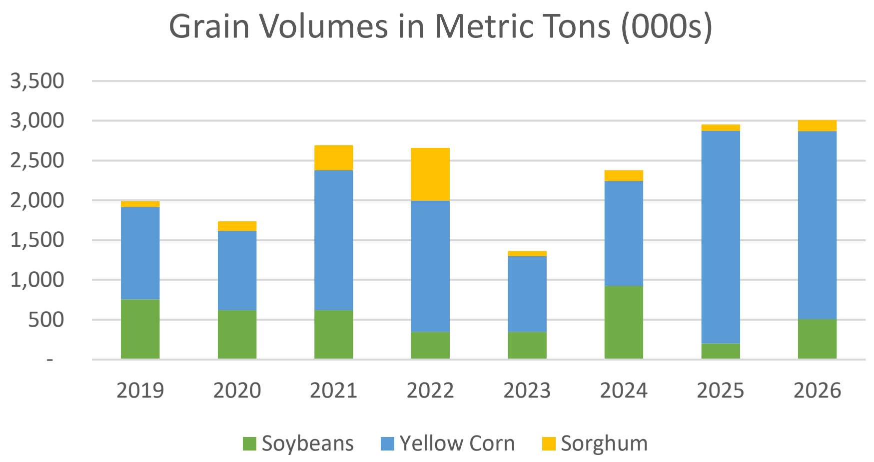
Port of Seattle®

Seaport Key Metrics
Q2 2026









Seaport Performance Summary – Q2 2026

Excludes GASB adjustments

$ in 000's	2023 YTD Actual	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Actual vs. Budget Variance $	Actual vs. Budget Variance %	Change from 2025 $	Change from 2025 %	2026 Forecast	2026 Budget	Fcst vs. Budget Variance $	Fcst vs. Budget Variance %
Revenues													
Maritime	44,209	50,915	53,905	58,474	57,814	660	1%	2,990	6%	126,589	125,344	1,245	1%
Economic Development Division	8	9	11	6	8	(2)	-28%	2	21%	16	16	0	0%
Joint Venture	14,165	14,265	31,587	26,476	28,474	(1,997)	-7%	17,322	121%	56,972	56,972	0	0%
Total Revenue	**58,382**	**65,188**	**85,502**	**84,956**	**86,295**	**(1,339)**	**-2%**	**20,314**	**31%**	**183,576**	**182,331**	**1,245**	**1%**
Expenses													
Maritime	41,350	45,668	49,998	55,907	57,568	1,662	3%	4,330	9%	120,474	124,728	4,254	3%
Economic Development Division	3,351	2,951	2,663	3,390	3,390	0	0%	(288)	-10%	3,390	3,390	0	0%
Joint Venture	472	594	903	5,966	2,777	(3,190)	-115%	309	52%	9,982	5,564	(4,419)	-79%
Total Expense	**45,174**	**49,214**	**53,565**	**65,263**	**63,735**	**(1,528)**	**-2%**	**4,351**	**9%**	**133,846**	**133,681**	**(165)**	**0%**
Total Non-Aviation Business NOI	**13,209**	**15,975**	**31,937**	**19,693**	**22,560**	**(2,867)**	**-13%**	**15,962**	**100%**	**49,730**	**48,650**	**1,080**	**2%**

Year-to-Date

Revenue under Budget by $1.3M

- Cruise Occupancy Timing
- Grant Revenue at NWSA

Expenses over Budget by $3.2M

- Maritime ERL - $1.5M
- JV ERL - $1.5M net
- Tribal Payments - $1.8M -
- Partially Offset by some delayed projects/programs

Forecast

Revenue over Budget by $1.2M

- Cruise Projecting slightly higher Occupancy.
- NWSA currently in line with budget.
  - Down significantly from 2025 that included T30 lease cancellation.

Expenses

- Maritime T91 Demo - $6M deferred to 2027 offset by ERL
- JV – Tribal Payment $1.8M (for catchup) + $1.1M (annual) and Net ERL $1.5M

Environmental Remediation Liabilities (ERL) Deeper Dive

There Are 2 types of ERL

- **Business/Capital Project Related –**
  - Driven by capital projects or business-related activities.
  - Approved in Capital Project or one-off memos
  - Shows up in Operating Budget
  - Typically, 1–5-year duration
  - Booked to Actual
- **Legacy Driven (Legal Sensitivity)**
  - Historic Contamination not tied to principal operations.
  - Driven by governing bodies from federal and state agencies (EPA, NOAA, DOE).
  - Approved in Annual ERL Authorization
  - Shows up in GASB or what was Historically Non-Operating Expense.
  - Multi-Year/Decade Duration
  - Liability exists with multiple entities
- **Both Cleanups above can be driven by both Formal Orders or Voluntary Cleanups.**

Who gets charged

- **Maritime Division–**
  - Maritime businesses with projects triggering clean-ups.
  - Limited Legacy Driven outside of Terminal 91
- **Joint Venture**
  - NWSA businesses with projects triggering clean ups.
  - Capital projects authorized by NWSA MM, with ERL authorized the by Port of Seattle.
  - *Covers most of the **Legacy ERL** starting in Q3.

*Beginning in Q3 Legacy ERL projects tied to NWSA licensed properties will be applied to the Joint Venture

Key ERL Projects

Maritime YTD

- **Business/Capital Project Related ($1.5M) –**
  T91 Uplands Abatement Phase 2 Demos $1,000K
  T91 Intérim Action $285K
  FT Minc $175K

- ***Legacy Driven Top 6**
  T-25 NRD
  Lower Duwamish Superfund
  T108 Chiyoda Sediment
  T18 Harbor Island Sediments (E Waterway)
  EWW Early Action
  T25_CERCLA

Joint Venture YTD

- **Business/Capital Project Related ($1.5M) –**
  T5 Program ERL $(6,318K) - Closed
  T5 Gate and Reefer $2,080K
  T5 Phase II Paving $2,428K
  T5 Container Yd Expansion $1,439K
  T5 SE Soil Remediation $148K
  T18 Shore Power ERL $1,702K
  T18 Maintenance Dredging $(495K)
    - Able to dispose in open water
  T18 Transtainer Runs $531K
  West Waterway High Spot Dredging $70K
  T5 Free Product Discovery $(57K)
- ***Legacy Driven NA**

*Realignment for JV vs Maritime sites in progress

Maritime Division

2026 Q2 Financial Performance Report

Maritime + NWSA/Joint Venture
Key Takeaways

<u>Maritime</u>

- Revenue YTD and Forecast tracking just ahead of budget.

- Expenses forecasted $4.3M under revised budget as **$6M in T91 demo costs moved to 2027**.

- **YTD Q2** Expenses 3% below budget from delayed project and maintenance spend, partially offset by Environmental Remediation costs and a Derelict Vessel at FT.

<u>Joint Venture with NWSA</u>

- Revenue tracking to budget but YTD and forecasted expenses higher from **Tribal Payments and Remediation.**

Maritime Division

Financial Summary

Figure in $000s	Forecast	Budget	Variance
Revenues			
Fishing, Commercial, & Recreational			
Marinas	30,172	30,152	20
Cruise	58,292	57,292	1,000
RE Portfolio Mgmt.	33,459	33,459	0
Grain / Other	4,665	4,440	225
Total	126,589	125,344	1,245
O&M Expense			
Direct	44,619	43,119	(1,500)
Support Services	45,264	50,564	5,300
Central Services and Other	30,591	31,045	454
Total	120,474	124,728	4,254
***Net Operating Income**	6,115	616	5,499
Capital Spending	98,488	93,384	(5,104)

*Excludes GASB items like legacy ERL and pension adjustments

Business Highlights

- Waterside Occupancy remains high.
- Cruise – New agreement and high July/Aug occupancy.
- Grain – Return of soybean exports.
- Capital Spending Tracking on Major Projects.
- Won $700k in commerce grant for energy compliance.

Maritime Q2 2026 Financials

Net Operating Income is $2.3M favorable to budget and $1.3M lower than 2025

- Revenue is $.7M above budget from higher grain volumes and short-term FIFA related events, offset by timing of bills at T91 cruise. Revenue up 8% from 2025 from Cruise and Conference Centers.

- Expenses $1.7M or 3% under budget driven by maintenance and delayed small works projects, offset by $1.5M in project related ERL costs and Quaker Maid derelict Vessel which will get partially reimbursed by the DNR in H2 . Expenses up $5.9M Y/Y primarily due to Payroll and one-time costs.

- YTD Capital spending was $55.6M through Q2 and in line with year-end budget.

$ in 000's	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Revised Budget	Actual vs. Budget Variance $	Actual vs. Budget Variance %	Change from 2025 $	Change from 2025 %
Total Revenues	**50,915**	**53,905**	**58,474**	**57,814**	**660**	**1%**	**4,569**	**8%**
Total Operating Expenses	**45,668**	**49,998**	**55,907**	**57,568**	**1,662**	**3%**	**5,909**	**12%**
Net Operating Income	**5,247**	**3,907**	**2,567**	**246**	**2,322**	**946%**	**(1,339)**	**-34%**
Depreciation	***11,132***	***11,897***	***13,498***	***13,539***	***41***	***0%***	***1,601***	***13%***
Net Income	**(5,885)**	**(7,990)**	**(10,931)**	**(13,294)**	**2,363**	**18%**	**(2,941)**	**-37%**

Note: *Excludes GASB items like legacy ERL and pension adjustments

NWSA Financials

NWSA Operating Income	Year-to-Date			Fav (UnFav)		Incr (Decr)	
Before GASB 87 Adjustment	2025	2026		Budget Variance		Change from 2025	
$ in 000's	Actual	Actual	Budget	$	%	$	%
Operating Revenue	133,960	133,951	128,796	5,155	4%	(9)	0%
Operating Expense	61,574	72,174	79,353	7,179	9%	10,600	17%
Operating Income*	**72,386**	**61,777**	**49,443**	**12,334**	**25%**	**(10,609)**	**-15%**
Depreciation	13,226	14,857	16,130	1,273	8%	1,631	12%
Net Operating Income	**59,160**	**46,920**	**33,313**	**13,607**	**41%**	**(12,240)**	**-21%**
Cargo TEUs	1,635,784	1,433,525				(202,259)	-12.4%
Cargo Volume (Metric Tons)	12,388,019	11,491,353				(896,666)	-7.2%
***Excludes Depreciation**							

Revenue Year to Date

- ***Budget Variance - $5.1M higher*** due to Non-Container Volume; Auto, Breakbulk, Military.
- ***Y/Y Variance Flat -*** Lower cargo offset by increased military and autos.

Operating Expense Year to Date

- ***Budget Variance – $7.2M under*** due to Maintenance project timing such as crane demo, work done in 2025 but budgeted in 2026.
- ***Y/Y Variance up 17%–*** Primarily rail incentive recognition.

Operating Income better than budget, but down from 2025

Joint Venture Q2 2026 Financials

$ in 000's	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Actual vs. Budget Variance $	Actual vs. Budget Variance %	Change from 2025 $	Change from 2025 %
Revenue							
NWSA Distributable Revenue	32,221	27,023	29,201	(2,177)	-7%	(5,198)	-16%
Contra Joint Venture Revenue	(974)	(995)	(1,077)	82	8%	(21)	-2%
Subtotal Distributable Revenue frm NWSA	31,248	26,029	28,123	(2,095)	-7%	(5,219)	-17%
						-	
Other Service Revenue Tenant Reimbursements	210	177	268	(91)	-34%	(33)	-16%
Port Revenue from NWSA Facilities	129	271	83	189	229%	142	109%
Total Revenues	**31,587**	**26,476**	**28,474**	**(1,997)**	**-7%**	**(5,110)**	**-16%**
Expenses							
Maintenance Expenses	89	256	253	(3)	-1%	166	186%
JV Direct	141	(3,013)	398	3,411	857%	(3,154)	-2239%
Security	174	117	211	94	45%	(57)	
Environmental & Sustainability	192	2,298	285	(2,013)	-706%	2,106	1095%
Finance & Cost Recovery	225	302	330	28	9%	77	34%
Seaport Project Delivery Group	77	5,933	1,292	(4,641)	-359%	5,856	7587%
Central Services / Other	4	73	6	(66)	-1028%	68	1541%
Total Expenses	**903**	**5,966**	**2,777**	**(3,190)**	**-115%**	**5,063**	**561%**
NOI Before Depreciation	**30,683**	**20,510**	**25,697**	**(5,187)**	-20%	**(10,173)**	-33%
Legacy Depreciation for NWSA Facilities	5,655	5,716	5,650	(66)	-1%	61	1%
NOI After Depreciation	**25,028**	**14,795**	**20,047**	**(5,253)**	**-26%**	**(10,234)**	**-41%**
GASB/Pension Credit Impacts							
Total Revenue		**24**		**24**		**24**	
Total Operating Expenses				**0**		**0**	
Total Depreciation				**0**	**NA**	**0**	**NA**
NOI After Depreciation with GASB	**25,028**	**14,818**	**20,047**	**(7,295)**	**34%**	**(10,210)**	**-41%**

Home Port Activities

Revenues:

- NWSA Distributable Revenue = Port's 50% share of NWSA net income. Lower than budget with higher operating more than offset by less grant income than expected
- Other Service Revenue = NWSA tenant reimbursements from Port of Seattle maintenance work.
- Port Revenue from NWSA Facilities mostly POS portion of T46 Auto roll on lease.

Expenses

- JV Direct - $1.8M Tribal Payment Catch-up
- ERL- $1.5M Net
  - JV Direct – (5.0M)
  - Project Delivery - $4.4M
  - Environmental & Sustainability - $2.1M

Maritime Capital

$ in 000's	2026 Actual	2026 YE Forecast	2026 Budget	2026 POF	Budget vs Actual $	%
T91 Berth 6 & 8 Redev	19,289	25,931	26,207	13,654	(276)	-1%
P66/P91 Shore Power Extension	6,941	19,121	17,100	9,540	2,021	12%
T91 Uplands Dev Phase I	1,277	5,518	11,000	16,524	(5,482)	-50%
MIC Electrical Replacements	5,150	9,308	10,759	9,683	(1,451)	-13%
P66 Grand Staircase Replc	4,147	4,856	4,872	5,560	(16)	0%
FT Maritime Innovation Center	3,162	4,450	4,058	2,700	392	10%
Technology Project	928	2,148	4,250	4,250	(2,102)	-49%
T91 Shore Power System Purchas	3,600	3,600	3,600	0	0	0%
T91 New Cruise Gangway	1,609	2,086	2,300	2,446	(214)	-9%
Fleet	1,247	6,929	6,928	6,648	1	0%
All Other Projects	8,261	27,202	24,840	41,890	2,362	10%
Subtotal	55,611	111,149	115,914	112,895	(4,765)	-4%
CIP CashFlow Mgt	0	(12,661)	(22,530)	(31,937)	9,869	-43.8%
Total Maritime	**55,611**	**98,488**	**93,384**	**80,958**	**5,104**	**5%**
% of Capital Budget w/out CF Mgt	48%	96%				
% of Capital Budget including CF Mgt	60%	105%				

All Other Projects:

- MIC Fire Alarm, T91 Electric, Desimone Oxbow: $4.3M new projects added
- **T91 Uplands Pad –** Overall no change. 2026 reduced to reflect coordination between Ph1&2 scope ($875k)
- **SBM Little Coney -** Construction on hold, permitting questions ($365k)
- **T91 LED Lighting –** Delayed lighting demonstration & design ($302k)
- **P66 Building Envelope –** On hold pending completion of staircase ($262k)
- **T91 A2 Cruise Roof –** Considering solar options, cruise activities ($207k)

T91 Berth 6&8 – Decrease reflects drop of risk after settlement with contractor.

Shore Power Ext – Overall increase of $58M. DU2902 and structural slab. Further refinement of means and method.

T91 Uplands – No change overall. Delayed billing and procurement pushed out to 2027.

MIC Electrical– Substantial completion date pushed out, delayed billings.

Technology– Video Camera pushing out contingencies.

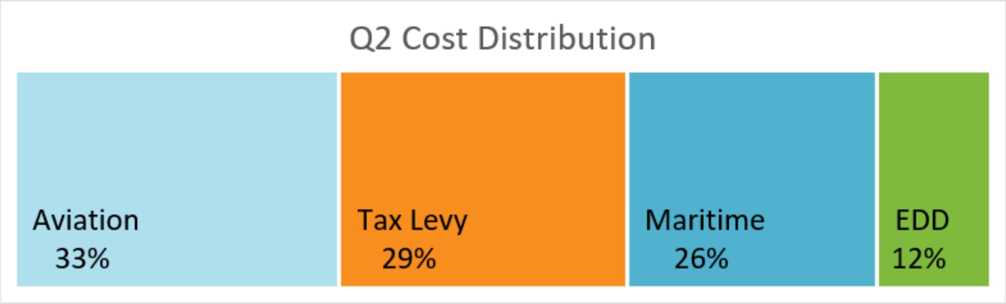
Economic Development Division

2026 Q2 Financial Performance Report

Economic Development Division – Q2 Summary

YTD Division Spend:

$ in 000s	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Actual vs. Budget Variance $	Actual vs. Budget Variance %
Workforce Development	1,336	1,496	1,880	384	20%
Small Business	952	1,052	1,239	187	15%
EDD Administration	718	891	1,014	124	12%
Tourism	757	733	902	169	19%
Real Estate Development	435	531	785	254	32%
EDD Contingency	120	80	147	67	45%
Total	**$ 4,319**	**$ 4,783**	**$ 5,967**	**$ 1,184**	**20%**



- Overall, $1.2M or 20% below budget
- Outside Services ($1M) below due to timing of invoices/payments for Workforce Development, Real Estate Development, and Diversity in Contracting
  - Payments expected to be made by Q4
- Travel & Training down $205K
  - Taking a cautious approach for 2026
- Trade Business & Community
  - Delayed 2025 contribution for Community Connector Program
  - Seattle Climate Innovation Hub

Under budget YTD but spending expected to catch-up by Year-End

Central Services

2026 Q2 Financial Performance Report

Port of Seattle®

Central Services - Key Takeaways

- Total Operating Expenses were $835K or 0.8% below revised budget and $8.8M or 9.5% higher YoY in Q2
- Total Operating Expenses are projected to be $2.6M or 1.3% over revised budget and $41.6M or 25.3% increase YoY
- Excluding the $13.2M DRS pension credit and $21.8M in legal settlement credit in 2025, total operating expenses are projected to be $6.6M or 3.3% increase YoY

Central Services YTD Expense by Category

$ in 000's	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revsd_Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Salaries & Benefits	50,380	58,122	59,155	57,346	57,346	(1,809)	-3.2%	1,033	1.8%
Wages & Benefits	20,497	21,035	22,666	21,643	21,643	(1,023)	-4.7%	1,631	7.8%
Payroll to Capital Projects	11,343	10,353	12,212	14,395	14,395	2,184	15.2%	1,859	18.0%
Equipment Expense	578	748	1,351	1,586	1,586	235	14.8%	603	80.7%
Supplies & Stock	432	550	630	577	577	(53)	-9.3%	80	14.6%
Outside Services	17,065	15,929	18,700	24,474	22,707	4,007	17.6%	2,771	17.4%
Travel & Other Employee Expenses	1,239	1,426	1,383	2,145	2,145	762	35.5%	(43)	-3.0%
Insurance Expense	2,571	2,620	3,340	3,288	3,288	(52)	-1.6%	720	27.5%
Litigated Injuries & Damages	459	537	935	-	-	(935)	0.0%	398	74.0%
Other Expenses	3,867	2,371	5,006	2,608	5,867	862	14.7%	2,635	111.1%
Charges to Capital Projects/Overhead Alloc	(21,684)	(21,185)	(24,040)	(27,382)	(27,382)	(3,343)	12.2%	(2,854)	13.5%
O&M Expenses	**86,747**	**92,506**	**101,338**	**100,681**	**102,172**	**835**	**0.8%**	**8,832**	**9.5%**
GASB 87_96_103 Expenses	1,251	1,631	355	2,474	204	(151)	-74.2%	(1,276)	-78.2%
Total Operating Expenses GASB Comparable Basis	**87,998**	**94,136**	**101,693**	**103,155**	**102,376**	**683**	**0.7%**	**7,556**	**8.0%**

Total Operating Expenses: $835K or 0.8% below revised budget

- Payroll Expenses: $2.8M over revised budget
- Payroll to Capital: $1.9M below revised budget
- Outside Services: $4.0M below revised budget
- Litigated Injuries & Damages: 935K higher than revised budget
- Travel & Other Employee Expenses: $762K below revised budget

Total Operating Expenses: $8.8M or 9.5% higher YoY

- Payroll Expenses: $2.6M higher YoY
- Payroll to Capital: $1.9M higher YoY
- Outside Services: $2.8M higher YoY
- Election Expense: $911K higher YoY (GASB 103 Change)
- Insurance Expense: $720K higher YoY

Central Service Financial Summary (YE Forecast)

$ in 000's	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revsd_Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Total Operating Revenues	**403**	**14**	**934**	**259**	**259**	**675**	**260.9%**	**920**	**6689.1%**
GASB 87_96_103 Revenues	281	1,435	-	594	-	-	0.0%	(1,435)	-100.0%
Total Operating Revenues GASB Comparable Basis	**684**	**1,449**	**934**	**853**	**259**	**675**	**260.9%**	**(516)**	**-35.6%**
Core Central Support Services	142,358	98,442	134,755	129,624	132,607	(2,148)	-1.6%	36,313	36.9%
Police	43,591	46,327	48,296	48,213	48,213	(83)	-0.2%	1,970	4.3%
Engineering/PCS	15,644	18,256	22,240	21,887	21,887	(352)	-1.6%	3,984	21.8%
GASB 87_96_103 Expenses	3,227	1,131	443	4,983	443	-	0.0%	(688)	-60.9%
Total Operating Expenses GASB Comparable Basis	**204,820**	**164,156**	**205,734**	**204,707**	**203,151**	**(2,583)**	**-1.3%**	**41,578**	**25.3%**

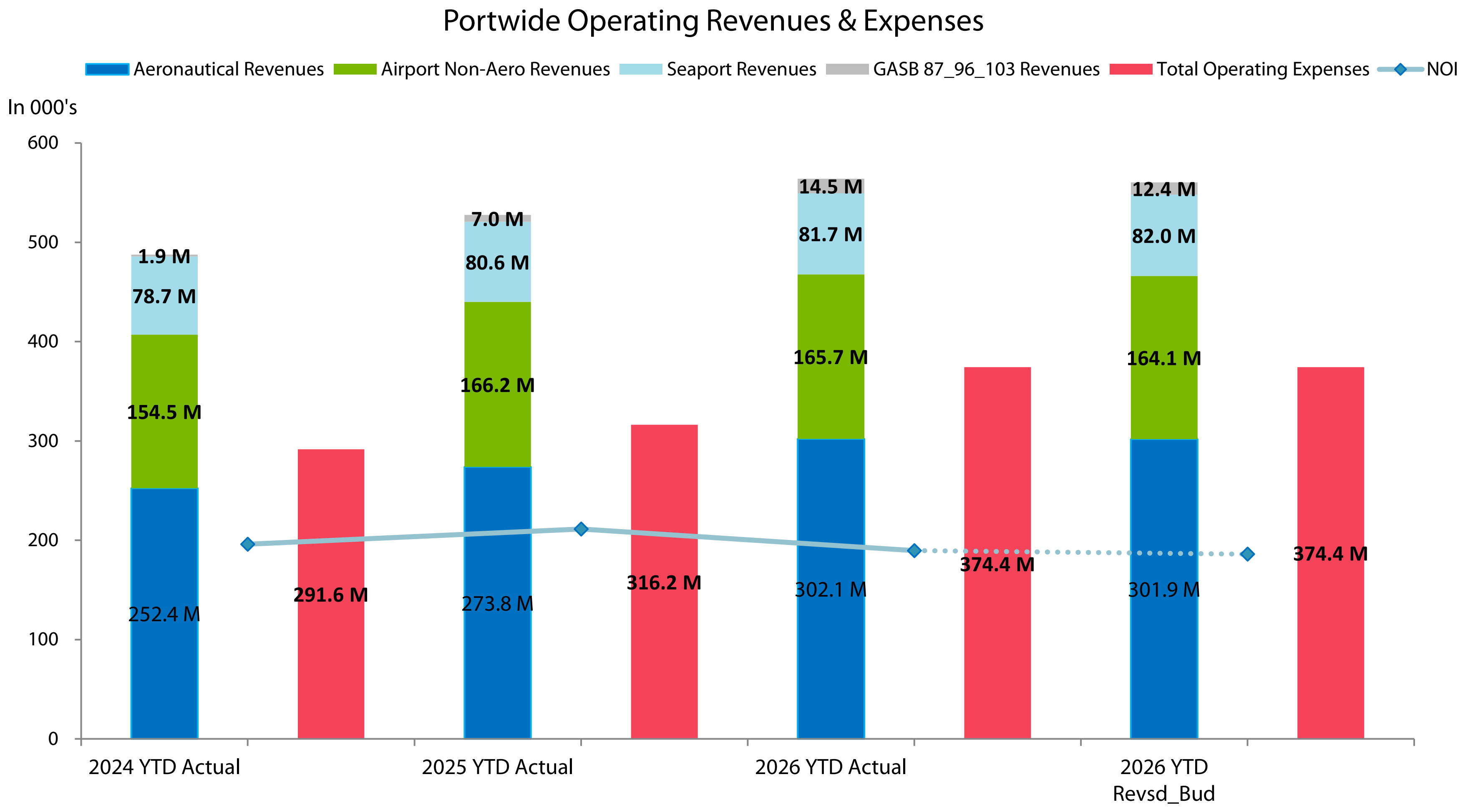
- Total Operating Expenses are projected to be $2.6M or 1.3% over revised budget and $41.6M or 25.3% increase YoY
- Excluding the $13.2M DRS pension credit and $21.8M in legal settlement credit in 2025, total operating expenses are projected to be $6.6M or 3.3% increase YoY

APPENDIX

Appendix
Portwide

2026 Q2 Financial Performance Report

Port Wide Financial Summary (YTD)



- Total Operating Revenues: $1.6M above revised budget
- Total Operating Expenses: $14.6M below revised budget
- NOI before Depreciation: $16.2M above revised budget

Port Wide Financial Summary

$ in 000's	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revsd_Bud	Act. vs. Revsd_Bud Variance $	Act. vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Aeronautical Revenues	252,437	273,752	302,116	301,475	301,855	262	0.1%	28,364	10.4%
Airport Non-Aero Revenues	154,536	166,188	165,737	172,005	164,133	1,604	1.0%	(451)	-0.3%
Seaport Revenues	78,665	80,616	81,686	81,912	81,962	(276)	-0.3%	1,070	1.3%
Operating Revenues	**485,638**	**520,555**	**549,539**	**555,392**	**547,950**	**1,589**	**0.3%**	**28,984**	**5.6%**
GASB 87_96_103 Revenues	1,875	6,969	14,485	4,573	12,395	2,090	16.9%	7,516	107.9%
Total Operating Revenues GASB Comparable Basis	**487,513**	**527,524**	**564,024**	**559,966**	**560,345**	**3,679**	**0.7%**	**36,500**	**6.9%**
O&M Expenses	**289,103**	**321,204**	**355,574**	**360,470**	**370,138**	**14,563**	**3.9%**	**34,371**	**10.7%**
GASB 87_96_103 Expenses	2,499	(4,995)	4,523	13,922	4,251	(272)	-6.4%	9,518	-190.6%
Total Operating Expenses GASB Comparable Basis	**291,602**	**316,209**	**360,097**	**374,392**	**374,388**	**14,291**	**3.8%**	**43,888**	**13.9%**
NOI before Depreciation	**196,535**	**199,352**	**193,965**	**194,923**	**177,812**	**16,153**	**9.1%**	**(5,387)**	**-2.7%**
Depreciation	130,832	142,924	157,292	154,578	154,578	(2,715)	-1.8%	14,369	10.1%
NOI after Depreciation	**65,703**	**56,428**	**36,672**	**40,345**	**23,235**	**13,438**	**57.8%**	**(19,756)**	**-35.0%**

- Total Operating Revenues: $1.6M higher than revised budget due to higher Non-Aero revenues than revised budget
- Total Operating Expenses: $14.6M lower than revised budget mainly due to delay in Outside Services spending, less Equipment purchases, Travel & Other Employee expenses, and B&O Taxes
- NOI before Depreciation: $16.2M higher than revised budget

Port Wide YTD Operating Revenues Summary

$ in 000's	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revsd_Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Aeronautical Revenues	252,437	273,752	302,116	301,475	301,855	262	0.1%	28,364	10.4%
Public Parking	58,986	58,697	59,817	57,030	57,030	2,787	4.9%	1,120	1.9%
Rental Cars - Operations	15,832	17,557	18,264	17,226	17,226	1,038	6.0%	707	4.0%
Rental Cars - Operating CFC	6,916	8,145	-	8,378	-	-	0.0%	(8,145)	-100.0%
ADR & Terminal Leased Space	35,435	36,331	39,230	40,662	40,921	(1,692)	-4.1%	2,898	8.0%
Ground Transportation	11,853	11,784	11,392	12,179	12,179	(786)	-6.5%	(391)	-3.3%
Employee Parking	5,223	6,272	6,764	6,959	6,959	(195)	-2.8%	492	7.8%
Airport Commercial Properties	7,900	8,926	8,539	9,526	9,526	(987)	-10.4%	(387)	-4.3%
Airport Utilities	4,513	5,287	5,529	4,985	4,985	544	10.9%	242	4.6%
International Place	-	4,143	6,029	5,775	5,775	253	4.4%	1,886	45.5%
Clubs and Lounges	6,753	8,859	8,916	8,633	8,633	283	3.3%	56	0.6%
Cruise	18,415	15,716	19,232	19,820	19,820	(588)	-3.0%	3,515	22.4%
Recreational Boating	8,321	9,130	9,570	9,497	9,497	73	0.8%	440	4.8%
Fishing & Operations	5,471	6,115	5,849	5,657	5,657	192	3.4%	(266)	-4.4%
Grain	2,355	2,933	2,652	2,212	2,212	440	19.9%	(280)	-9.6%
Maritime Lease Portfolio	8,341	8,182	9,090	9,099	9,099	(10)	-0.1%	908	11.1%
Conference & Event Centers	3,687	3,867	4,619	4,069	4,069	549	13.5%	752	19.4%
NWSA Distributable Revenue	29,664	32,221	27,023	29,201	29,201	(2,177)	-7.5%	(5,198)	-16.1%
Other	3,535	2,638	4,910	3,008	3,306	1,604	48.5%	2,272	86.1%
Operating Revenues (w/o Aero)	**233,201**	**246,804**	**247,423**	**253,917**	**246,095**	**1,328**	**0.5%**	**619**	**0.3%**
Total Operating Revenues	**485,638**	**520,555**	**549,539**	**555,392**	**547,950**	**1,589**	**0.3%**	**28,984**	**5.6%**
GASB 87_96_103 Revenues	1,875	6,969	14,485	4,573	12,395	2,090	16.9%	7,516	107.9%
Total Operating Revenues GASB Comparable Basis	**487,513**	**527,524**	**564,024**	**559,966**	**560,345**	**3,679**	**0.7%**	**36,500**	**6.9%**

Port Wide Capital Spending Summary

$ in 000's	2026 YTD Actual	2026 Forecast	2026 Budget	2026 Plan of Finance	Budget Variance $	Budget Variance %
Aviation	365,909	658,616	658,954	835,887	338	0.1%
Maritime	55,611	98,488	93,384	80,958	(5,104)	-5.5%
Central Services & Other (note 1)	4,430	14,817	19,817	16,088	5,000	25.2%
TOTAL	**425,950**	**771,921**	**772,155**	**932,933**	**234**	**0.0%**

Note:
(1) "Other" includes 100% Port legacy projects in the North Harbor and Storm Water Utility Small Capital projects.

Aviation Division Appendix

2026 Q2 Financial Performance Report

Financial Summary – GASB 103 Impact

Figures in $000s	2026 Budget	2026 Revised Budget	GASB 103 Impact
Revenues			
Aeronautical	617,786	618,565	779
Non-Aeronautical	367,381	344,087	(23,294)
Total Revenues	**985,167**	**962,652**	**(22,515)**
Total O&M Expenses	**588,135**	**589,858**	**(1,723)**
NOI	**397,032**	**372,795**	**(24,238)**

- Aeronautical revenue increased as a result of higher allocated expenses that changed from non-operating revenue to operating revenue due to the impact of GASB 103.
- Non-Aeronautical revenue decreased mostly due to reclassification of Customer Facility Charges from operating to non-operating revenue.

GASB = Government Accounting Standards Board
NOI = Net Operating Income
O&M = Operating & Maintenance

Airport Activity

Passengers

	2024	2025	2026	YoY Change	YoY Change %
Domestic	21,469,999	21,516,077	21,430,851	-85,226	-0.40%
International	3,027,102	3,383,247	3,481,440	98,193	2.90%
Grand Total	24,497,101	24,899,324	24,912,291	12,967	0.05%

Landing Weight

	2024	2025	2026	YoY Change	YoY Change %
All other	14,123,731	14,644,232	14,794,017	149,785	1.02%
Cargo only	1,395,113	1,240,949	1,317,973	77,024	6.21%
Grand Total	15,518,844	15,885,181	16,111,990	226,809	1.43%

Operations

	2024	2025	2026	YoY Change	YoY Change %
Total	205,871	209,440	207,630	-1,810	-0.86%

Cargo

	2024	2025	2026	YoY Change	YoY Change %
Domestic	174,322	146,307	153,274	6,968	4.76%
International	51,727	59,402	71,098	11,696	19.69%
Grand Total	226,048	205,709	224,372	18,664	9.07%

2026 Passenger volume:

- Domestic passenger volume is -0.4% lower than 2025, while international increased by 2.9%.
- Overall passenger volume is 0.1% higher than in 2025.

Total Airport YTD Summary

Total Airport Expense Summary (Q2)	2024 YTD (Q2)	2025 YTD (Q2)	2026 YTD (Q2)	2026 YTD (Q2)	2026 YTD (Q2)	Actual vs. Rvsd_Bud Variance		Change from 2025 Incr(Decr)	
Figures in ($ in 000's)	Actual	Actual	Actual	Budget	Revsd_Bud	$	%	$	%
Operating Expenses									
Payroll	102,225	117,688	123,360	124,973	124,973	1,614	1%	5,672	5%
Outside Services	42,557	43,919	51,665	59,975	59,971	8,306	14%	7,747	18%
Utilities	13,220	13,570	12,512	12,472	12,472	(39)	0%	(1,058)	-8%
Other Expenses	5,335	10,997	7,320	10,508	10,538	3,219	31%	(3,678)	-33%
Total Airport Direct Charges	**163,338**	**186,173**	**194,855**	**207,929**	**207,955**	**13,100**	**6%**	**8,682**	**5%**
Environmental Remediation Liability	1,308	1,609	1,748	1,667	1,667	(81)	-5%	139	9%
Capital to Expense	258	575	702	-	-	(702)		127	22%
Total Exceptions	**1,566**	**2,184**	**2,450**	**1,667**	**1,667**	**(783)**	**-47%**	**266**	**12%**
Total Airport Expenses	**164,904**	**188,358**	**197,306**	**209,596**	**209,622**	**12,316**	**6%**	**8,949**	**5%**
Corporate	48,404	52,966	56,664	56,075	56,907	243	0%	3,698	7%
Police	18,735	19,705	20,177	20,585	20,585	408	2%	472	2%
Maritime/Economic Development/Other	2,586	3,118	3,471	3,679	3,679	208	6%	353	11%
Total Charges from Other Divisions	**69,724**	**75,789**	**80,312**	**80,339**	**81,170**	**858**	**1%**	**4,523**	**6%**
Total Operating Expenses	**234,629**	**264,146**	**277,617**	**289,935**	**290,793**	**13,175**	**5%**	**13,472**	**5%**
						-		-	
Total Operating Expenses w/Pension True-Up	**234,629**	**264,146**	**277,617**	**289,935**	**290,793**	**13,175**	**5%**	**13,472**	**5%**
GASB 87_96_103 Expenses	1,024	1,799	4,189	4,908	4,059	(130)	-3%	2,390	133%
Total Operating Expenses GASB Comparable Basis	**235,653**	**265,945**	**281,806**	**294,843**	**294,851**	**13,045**	**4%**	**15,862**	**6%**

GASB = Government Accounting Standards Board

Total Airport Expense Summary

Total Airport Expense Summary	2024	2025	2026	2026	2026	Fcst vs. Rvsd_Bud Variance		Change from 2025 Incr(Decr)	
Figures in ($ in 000's)	Actual	Actual	Forecast	Budget	Revsd_Bud	$	%	$	%
Operating Expenses									
Payroll	223,027	243,179	248,847	253,455	253,455	4,609	2%	5,667	2%
Outside Services	104,086	115,992	126,149	124,030	124,030	(2,120)	-2%	10,158	9%
Utilities	25,543	26,959	26,992	26,936	26,936	(56)	0%	33	0%
Other Expenses	22,150	24,957	20,612	19,657	19,717	(895)	-5%	(4,345)	-17%
Total Airport Direct Charges	**374,806**	**411,087**	**422,600**	**424,077**	**424,138**	**1,538**	**0%**	**11,513**	**3%**
Environmental Remediation Liability	2,600	2,693	2,587	2,267	2,267	(320)	-14%	(106)	-4%
Total Exceptions	**3,153**	**14,477**	**9,398**	**2,267**	**2,267**	**(7,131)**	**-315%**	**(5,079)**	**-35%**
Total Airport Expenses	**377,406**	**413,780**	**425,187**	**426,344**	**426,405**	**1,218**	**0%**	**11,407**	**3%**
Corporate	124,058	93,940	118,661	114,558	116,220	(2,441)	-2%	24,721	26%
Police	39,709	42,925	39,248	39,200	39,200	(49)	0%	(3,677)	-9%
Maritime/Economic Development/Other	7,232	7,493	7,714	8,033	8,033	319	4%	221	3%
Total Charges from Other Divisions	**170,999**	**144,358**	**165,623**	**161,790**	**163,453**	**(2,170)**	**-1%**	**21,265**	**15%**
Total Operating Expenses w/o Pension True-Up	**548,405**	**558,138**	**590,810**	**588,135**	**589,858**	**(953)**	**0%**	**32,672**	**6%**
DRS Pension True-up Exp	(18,577)	(21,111)	-	-	-	-		21,111	-100%
Total Operating Expenses w/Pension True-Up	**529,828**	**537,028**	**590,810**	**588,135**	**589,858**	**(953)**	**0%**	**53,783**	**10%**
GASB 87_96_103 Expenses	2,033	5,167	8,101	9,800	8,101	-	0%	2,933	57%
Total Operating Expenses GASB Comparable Basis	**531,861**	**542,195**	**598,911**	**597,935**	**597,958**	**(953)**	**0%**	**56,716**	**10%**

DRS = Department of Retirement Systems
GASB = Government Accounting Standards Board

Airport Budget Summary and Key Indicators

Figures in ($ in 000's)	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revsd_Bud	Fcst vs. Rvsd_Bud Variance $	%	Change from 2025 Incr(Decr) $	%
Operating Revenue									
Aeronautical Revenues	520,942	545,307	613,884	617,786	618,565	(4,681)	-1%	68,577	13%
Non-Aeronautical Revenues	340,360	363,215	357,877	367,381	344,087	13,790	4%	(5,338)	-1%
Total Operating Revenue	**861,301**	**908,522**	**971,761**	**985,167**	**962,652**	**9,109**	**1%**	**63,239**	**7%**
GASB 87_96_103 Revenues	15,948	(7,646)	9,872	(13,422)	9,872	-	0%	17,518	-229%
Total Operating Revenues GASB Comparable Basis	**877,249**	**900,876**	**981,633**	**971,745**	**972,524**	**9,109**	**1%**	**80,757**	**9%**
Total Operating Expenses[1]	**529,828**	**537,028**	**590,810**	**588,135**	**589,858**	**953**	**0%**	**53,783**	**10%**
GASB 87_96_103 Expenses	2,033	5,167	8,101	9,800	8,101				
Total Operating Expenses GASB Comparable Basis	**531,861**	**542,195**	**598,911**	**597,935**	**597,958**	**953**	**0%**	**56,716**	**10%**
Net Operating Income w/o GASB Comparable Basis	**331,473**	**371,495**	**380,951**	**397,032**	**372,795**	**8,157**	**2%**	**9,456**	**3%**
Net Operating Income GASB Comparable Basis	**345,388**	**358,681**	**382,722**	**373,810**	**374,566**	**8,157**	**2%**	**24,041**	**7%**
Debt Service Coverage	1.89	1.90	1.60	1.64	1.62	(0.02)	-1%	(0.30)	-16%
ADF Balance (in 000's)	743,355	828,716	882,596	882,204	882,204	392	0%	53,880	7%
CPE	18.26	19.06	21.43	21.16	21.19	0	1%	0	12%
Non-Aeronautical NOI ($ in 000's)[2]	178,268	184,831	157,488	170,452	146,253	11,235	8%	(27,344)	-15%
Enplanned Passengers (in 000's)	26,295	26,317	26,514	27,031	27,031	(517)	-2%	197	1%
Capital Expenditures (in 000's)	**684,442**	**840,459**	**658,616**	**658,954**	**658,954**	**(338)**	**0%**	**(181,843)**	**-22%**

[1] Payroll expenses include DRS pension credits in 2024 and 2025

[2] Unadjusted - not including CFC Surplus or GASB Comparable

ADF = Airport Development Fund
CPE = Cost Per Enplanement

GASB = Government Accounting Standards Board
NOI = Net Operating Income

Aeronautical NOI – YTD

Aeronautical NOI (Q2) *Figures $ in 000's*	2024 YTD (Q2) Actual	2025 YTD (Q2) Actual	2026 YTD (Q2) Actual	2026 YTD (Q2) Budget	2026 YTD (Q2) Revsd_Bud	Actual vs. Revsd_Bud Variance $	%	Change from 2025 Incr(Decr) $	%
Rate Base Revenues									
Airfield Movement Area	74,894	80,564	89,039	88,976	89,170	(130)	0%	8,476	11%
Airfield Apron Area	13,414	15,960	16,749	17,129	17,142	(393)	-2%	789	5%
Terminal Rents	134,447	140,124	156,944	156,639	156,797	147	0%	16,820	12%
Federal Inspection Services (FIS)	19,948	24,042	25,875	25,843	25,857	17	0%	1,832	8%
Total Rate Base Revenues	**242,702**	**260,690**	**288,607**	**288,587**	**288,966**	**(359)**	**0%**	**27,917**	**11%**
Airfield Commercial Area	9,735	13,062	13,509	12,888	12,888	621	5%	447	3%
Total Aeronautical Revenues	**252,437**	**273,752**	**302,116**	**301,475**	**301,855**	**262**	**0%**	**28,364**	**10%**
GASB 87_96_103 Revenues	4	293	-	-	-	-		(293)	-100%
Total Aeronautical Revenues GASB Comparable Basis	**252,441**	**274,045**	**302,116**	**301,475**	**301,855**	**262**	**0%**	**28,071**	**10%**
Total Aeronautical Expenses	**162,767**	**180,612**	**181,616**	**194,455**	**194,864**	**(13,248)**	**-7%**	**1,003**	**1%**
GASB 87_96_103 Expenses	150	146	144	88	88	56	64%	(2)	-1%
Total Aeronautical Expenses GASB Comparable Basis	**162,917**	**180,759**	**181,760**	**194,543**	**194,951**	**(13,192)**	**-7%**	**1,001**	**1%**
Aeronautical NOI GASB Comparable Basis	**89,524**	**93,286**	**120,356**	**106,932**	**106,903**	**13,453**	**13%**	**27,070**	**29%**

FIS = Federal Inspection Services (US Customs)
GASB = Government Accounting Standards Board
NOI = Net Operating Income

Aeronautical NOI

Aeronautical NOI *Figures in ($ in 000's)*	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revsd_Bud	Fcst vs. Rvsd_Bud Variance $	 %	Change from 2025 Incr(Decr) $	 %
Rate Base Revenues									
Airfield Movement Area	170,821	164,804	180,891	183,818	184,220	(3,328)	-2%	16,087	10%
Airfield Apron Area	32,270	33,404	34,892	35,416	35,443	(552)	-2%	1,487	4%
Terminal Rents	279,722	271,462	320,057	319,223	319,543	514	0%	48,595	18%
Federal Inspection Services (FIS)	15,206	48,849	52,257	53,542	53,571	(1,314)	-2%	3,407	7%
Total Rate Base Revenues	**498,019**	**518,520**	**588,097**	**591,999**	**592,777**	**(4,681)**	**-1%**	**69,577**	**13%**
Airfield Commercial Area	22,922	26,787	25,787	25,787	25,787	-	0%	(1,000)	-4%
Total Aeronautical Revenues	**520,942**	**545,307**	**613,884**	**617,786**	**618,565**	**(4,681)**	**-1%**	**68,577**	**13%**
GASB 87_96_103 Revenues	7	415	-	-	-	-		(415)	-100%
Total Aeronautical Revenues GASB Comparable Basis	**520,949**	**545,722**	**613,884**	**617,786**	**618,565**	**(4,681)**	**-1%**	**68,162**	**12%**
Total Aeronautical Expenses	**367,736**	**358,644**	**390,421**	**391,206**	**392,023**	**1,603**	**0%**	**(31,777)**	**-9%**
GASB 87_96_103 Expenses	250	315	163	163	163	-	0%	152	48%
Total Aeronautical Expenses GASB Comparable Basis	**367,986**	**358,959**	**390,584**	**391,369**	**392,186**	**1,603**	**0%**	**(31,625)**	**-9%**
Aeronautical NOI GASB Comparable Basis	**152,956**	**186,348**	**223,300**	**226,417**	**226,378**	**(3,078)**	**-1%**	**36,952**	**20%**
Debt Service	(157,518)	(176,250)	(201,468)	(202,992)	(202,992)	1,524	-1%	(25,217)	14%
Net Cash Flow	**(4,562)**	**10,098**	**21,833**	**23,426**	**23,387**	**(1,554)**	**-7%**	**11,735**	**116%**

[1]Aeronautical revenues follow a cost recovery model under FAA regulations and the Signatory Lease & Operating Agreement. Aeronautical operating , debt services of capital costs net of grants are recovered through airlines rates and charges. Increases in revenues are tied to increases in costs.

[2]Net cash flow balance increases due to equity amortization with cash funding on capital projects.

FAA = Federal Aviation Administration
FIS = Federal Inspection Services (US Customs)
GASB = Government Accounting Standards Board
NOI = Net Operating Income

Aeronautical Cost Drivers

Aeronautical Cost Drivers ($ in 000's)	2026 Forecast	2026 Budget	2026 Revsd_Bud	Fcst vs. Rvsd_Bud Variance $	 %
O&M [(1)]	379,617	377,634	378,417	1,199	0.3%
Debt Service Before Offsets	272,098	277,614	277,614	(5,516)	-2.0%
Debt Service PFC Offset	(92,793)	(92,468)	(92,468)	(325)	0.4%
Net Debt Service	179,306	185,146	185,146	(5,841)	-3.2%
Amortization	33,879	33,685	33,685	193	0.6%
Space Vacancy	(2,916)	(2,710)	(2,714)	(203)	7.5%
Cost of Incentives	(1,225)	(1,194)	(1,196)	(30)	2.5%
Grants and Other	(563)	(563)	(563)	-	0.0%
Rate Base Revenues	**588,097**	**591,999**	**592,777**	**(4,681)**	**-1%**
Commercial area	25,787	25,787	25,787	-	0%
Total Aero Revenues	**613,884**	**617,786**	**618,565**	**(4,681)**	**-1%**

(1) O&M, Debt Service Gross, and Amortization do not include commercial area costs or the international incentive expenses

Highlights

- **Total Aero Rev: -$4.7M vs. Rev Budget**
- **O&M: +$1.2M vs. Budget –** Main driver of increase is $6M Cap to Expense impacting terminal area, partially offset by other savings across all areas
- **Net Debt Service: -$5.8M vs. Rev Budget –** Main driver of decrease is postponed in-use date of Conc A Expansion impacting Terminal area & changes in Capital Interest in several Airfield areas.
- **Amortization**: Change due to slight increase in Aero portion of TermB allocation due to space changes captured at Q2.

O&M = Operating & Maintenance
PFC = Passenger Facility Charge

Non-Aeronautical Revenue

Figures in $000s	2026 Budget	2026 Revised Budget	GASB 103 Impact $	GASB 103 Impact %
Public Parking	114,531	114,531	-	0.0%
Rental Cars	67,862	43,555	(24,307)	-35.8%
Ground Transportation	24,896	24,896	-	0.0%
Airport Dining & Retail	77,078	77,596	518	0.7%
Clubs & Lounges	16,153	16,153	-	0.0%
Other	66,862	67,358	495	0.7%
Total Non-Aero Revenue	**367,381**	**344,087**	**(23,294)**	**-6.3%**

- Rental Cars operating revenue will decrease by $24.3 million (-35.8%) due to reclassification of Customer Facility Charges from operating revenue to non-operating revenue.
- The net impact on budgeted Non-Aeronautical revenue is ($23.3) million (-6.3%)

GASB = Government Accounting Standards Board

Non-Aeronautical Revenue

Revenue Summary by Dept. (in $000s)	2024 Full Year	2025 Full Year	2026 Full Year			Revised Budget Variance		Inc/(Dec) from Prior Year Actuals	
Non-Aero Operating Revenue Subtotal	Actual	Actual	Forecast	Budget	Revised Budget	$ Var	% Var	$ Change	% Change
Last refresh: 7/16/2026									
3413-Transportation Mgmt Assoc	0	0	717	717	717	0	0.0%	717	
3420-Public Parking	116,567	116,983	118,419	114,531	114,531	3,889	3.4%	1,436	1.2%
3430-Rental Cars	64,434	67,479	45,624	67,862	43,555	2,069	4.8%	(21,854)	-32.4%
3440-Employee Parking	10,464	12,540	14,092	14,138	14,138	(46)	-0.3%	1,552	12.4%
3450-Ground Transportation	23,946	24,376	23,758	24,896	24,896	(1,138)	-4.6%	(618)	-2.5%
O3400-Landside	**215,411**	**221,378**	**202,610**	**222,144**	**197,837**	**4,773**	**2.4%**	**(18,767)**	**-8.5%**
3630-Non-Aero Commercial Properties	17,645	18,642	22,786	20,475	20,475	2,311	11.3%	4,144	22.2%
3635-SeaTac Office Center	0	10,174	12,214	11,712	11,712	503	4.3%	2,041	20.1%
3645-Non-AirlineTerminal Leased Spc	7,559	8,584	9,481	8,157	8,157	1,324	16.2%	897	10.4%
3690-Club International Lounge	16,694	19,515	19,292	16,153	16,153	3,139	19.4%	(223)	-1.1%
O3600-Airport Properties	**41,898**	**56,915**	**63,773**	**56,497**	**56,497**	**7,276**	**12.9%**	**6,859**	**12.1%**
3650-Airport Dining and Retail	72,246	73,770	77,948	77,078	77,596	352	0.5%	4,178	5.7%
3653-Tenant Marketing	902	1	1,919	503	503	1,416	281.3%	1,918	
4572-Conference Center	252	205	200	228	228	(28)	-12.3%	(5)	-2.6%
O3500-AV Commercial Management	**73,415**	**73,989**	**80,067**	**77,809**	**78,327**	**1,740**	**2.2%**	**6,078**	**8.2%**
Non-Aero Operating Revenue Subtotal	**330,724**	**352,281**	**346,450**	**356,450**	**332,661**	**13,790**	**4.1%**	**(5,831)**	**-1.7%**
Utilities and Other	**9,636**	**10,934**	**11,427**	**10,931**	**11,427**	**0**	**0.0%**	**493**	**4.5%**
Total Non-Aeronautical Revenue	**340,360**	**363,215**	**357,877**	**367,381**	**344,087**	**13,790**	**4.0%**	**(5,338)**	**-1.5%**
Total Enplanements	***26,295***	***26,317***	***26,514***	***27,031***	***27,031***	***(517)***	***-1.9%***	***197***	***0.7%***
O&D Enplanement	***18,354***	***18,316***	***18,401***	***18,760***	***18,760***	***(359)***	***-1.9%***	***84***	***0.5%***
International Enplanements	***3,276***	***3,528***	***3,788***	***3,819***	***3,819***	***(31)***	***-0.8%***	***260***	***7.4%***
GASB 103 Adj (CFC to Non-Op)									
3430-Rental Cars	43,557	44,382	45,624	67,862	43,555	2,069	4.8%	1,242	2.8%
O3400-Landside	194,535	198,281	202,610	222,144	197,837	4,773	2.4%	4,330	2.2%
Non-Aero Operating Revenue Subtotal	**309,847**	**329,185**	**346,450**	**356,450**	**332,661**	**13,790**	**4.1%**	**17,266**	**5.2%**
Total Non-Aeronautical Revenue	**319,483**	**340,118**	**357,877**	**367,381**	**344,087**	**13,790**	**4.0%**	**17,759**	**5.2%**

Highlights

- **Total Non-Aero: +$13.8M vs. Budget, +5.2% vs. 2025** (adjusted for CFC)
- **Landside: +$4.8M vs. Budget; +2.2% vs. 2025** (adjusted for CFC)
  - Public Parking +$3.9M vs. Budget, driven by Drive-Up
  - Rental Cars +$2.1M; (transactions up +1.1%, average ticket +2.7% YTD YoY)
- **Business & Properties: +$7.3M vs. Budget, +12.1% vs. 2025**
  - Comm Properties +$2.2M, driven by Flight Kitchens
  - Clubs & Lounges +$3.1M; S Lounge Q4 remaining open through Q4 for SCE
- **Commercial Management: +$1.7M vs. Budget; +8.2% vs. 2025**
  - ADR +$0.3M, driven by higher Food & Beverage
  - Tenant Marketing +$1.4M, highlighted by restarting collections in March

ADR = Airport Dining & Retail **O&D** = Origin & Destination
CFC = Customer Facility Charge

Non-Aeronautical NOI – YTD

Non-Aeronautical NOI (Q2) *Figures ($ in 000's)*	2024 YTD (Q2) Actual	2025 YTD (Q2) Actual	2026 YTD (Q2) Actual	2026 YTD (Q2) Budget	2026 YTD (Q2) Revsd_Bud	Actual vs. Rvsd_Bud Variance $	%	Change from 2025 Incr(Decr) $	%
Non-Aeronautical Revenues						-		-	
Public Parking	58,986	58,697	59,817	57,030	57,030	2,787	5%	1,120	2%
Rental Cars	22,748	25,702	18,264	25,604	17,226	1,038	6%	(7,438)	-29%
Ground Transportation	11,853	11,784	11,392	12,179	12,179	(786)	-6%	(391)	-3%
Airport Dining & Retail	31,931	32,319	34,955	36,378	36,637	(1,682)	-5%	2,636	8%
Other	29,018	37,686	41,310	40,814	41,062	248	1%	3,624	10%
Total Non-Aeronautical Revenues	**154,536**	**166,188**	**165,737**	**172,005**	**164,133**	**1,604**	**1%**	**(451)**	**0%**
GASB 87_96_103 Revenues	(2,855)	(3,286)	6,889	(3,183)	4,936	1,953	40%	10,175	-310%
Total Non-Aeronautical Revenues GASB Comparable Basis	**151,680**	**162,902**	**172,626**	**168,822**	**169,069**	**3,557**	**2%**	**9,724**	**6%**
Total Non-Aeronautical Expenses	**71,861**	**83,534**	**96,003**	**95,480**	**95,929**	**74**	**0%**	**12,469**	**15%**
GASB 87_96_103 Expenses	24	861	4,045	3,971	3,971	74	2%	3,184	370%
Total Non-Aeronautical Expenses GASB Comparable Basis	**71,886**	**84,395**	**100,047**	**99,451**	**99,900**	**148**	**0%**	**15,653**	**19%**
Non-Aeronautical NOI GASB Comparable Basis	**79,795**	**78,507**	**72,579**	**69,371**	**69,170**	**3,409**	**5%**	**(5,929)**	**-8%**

NOI = Net Operating Income

Non-Aeronautical NOI

Non-Aeronautical NOI	2024	2025	2026	2026	2026	Fcst vs. Rvsd_Bud Variance		Change from 2025 Incr(Decr)	
Figures in ($ in 000's)	Actual	Actual	Forecast	Budget	Revsd_Bud	$	%	$	%
Non-Aeronautical Revenues									
Transportation Mgmt Association	-	-	717	717	717	-	0%	717	
Public Parking	116,535	116,870	118,419	114,531	114,531	3,889	3%	1,549	1%
Rental Cars	64,434	67,479	45,624	67,862	43,555	2,069	5%	(21,854)	-32%
Ground Transportation	23,946	24,376	23,758	24,896	24,896	(1,138)	-5%	(618)	-3%
Employee Parking[1]	10,462	12,532	14,092	14,138	14,138	(46)	0%	1,560	12%
Landside Total	**215,376**	**221,256**	**202,610**	**222,144**	**197,837**	**4,773**	**2%**	**(18,646)**	**-8%**
Airport Dining & Retail[1]	72,234	73,777	77,948	77,078	77,596	352	0%	4,170	6%
Tenant Marketing	902	1	1,919	503	503	1,416	281%	1,918	279778%
AOB Conference Center	252	205	200	228	228	(28)	-12%	(5)	-3%
Commercial Management Total	**73,388**	**73,983**	**80,067**	**77,809**	**78,327**	**1,740**	**2%**	**6,084**	**8%**
Non-Aero Commercial Properties	17,639	18,625	22,786	20,475	20,475	2,311	11%	4,161	22%
International Place (STOC)	-	10,174	12,214	11,712	11,712	503	4%	2,041	20%
Clubs and Lounges	16,709	19,528	19,292	16,153	16,153	3,139	19%	(236)	-1%
Non-AirlineTerminal Leased Spc	7,559	8,584	9,481	8,157	8,157	1,324	16%	897	10%
AV Business & Properties Total	**41,907**	**56,911**	**63,773**	**56,497**	**56,497**	**7,276**	**13%**	**6,862**	**12%**
Utilities	9,578	10,837	10,551	10,551	10,551	0	0%	(286)	-3%
Other	110	228	876	381	876	(0)	0%	648	284%
Total Non-Aeronautical Revenues	**340,360**	**363,215**	**357,877**	**367,381**	**344,087**	**13,790**	**4%**	**(5,338)**	**-1%**
GASB 87_96_103 Revenues	(12,757)	(10,962)	9,872	(13,917)	9,872	-	0%	20,834	-190%
Total Non-Aeronautical Revenues GASB Comparable Basis	**327,603**	**352,253**	**367,749**	**353,464**	**353,959**	**13,790**	**4%**	**15,496**	**4%**
Total Non-Aeronautical Expenses	**162,092**	**178,384**	**200,390**	**196,929**	**197,834**	**(2,555)**	**-1%**	**22,006**	**12%**
GASB 87_96_103 Expenses	79	5,084	7,938	7,938	7,938	-	0%	2,854	56%
Total Non-Aeronautical Expenses GASB Comparable Basis	**162,170**	**183,468**	**208,327**	**204,867**	**205,772**	**(2,555)**	**-1%**	**24,859**	**14%**
Non-Aeronautical NOI	**178,268**	**184,831**	**157,488**	**170,452**	**146,253**	**11,235**	**8%**	**(27,344)**	**-15%**
Less: CFC Surplus[2]	(10,174)	(9,385)	-	(11,702)	-	-		9,385	-100%
Adjusted Non-Aeronautical NOI	**168,094**	**175,446**	**157,488**	**158,750**	**146,253**	**11,235**	**8%**	**(17,958)**	**-10%**
Non-Aeronautical NOI GASB Comparable Basis	**165,433**	**168,785**	**159,422**	**148,597**	**148,187**	**11,235**	**8%**	**(9,364)**	**-6%**
Debt Service	(43,887)	(33,957)	(57,802)	(57,369)	(57,369)	(433)	1%	(23,845)	70%
Net Cash Flow	**124,206**	**141,489**	**99,686**	**101,381**	**88,884**	**10,801**	**12%**	**(41,803)**	**-30%**

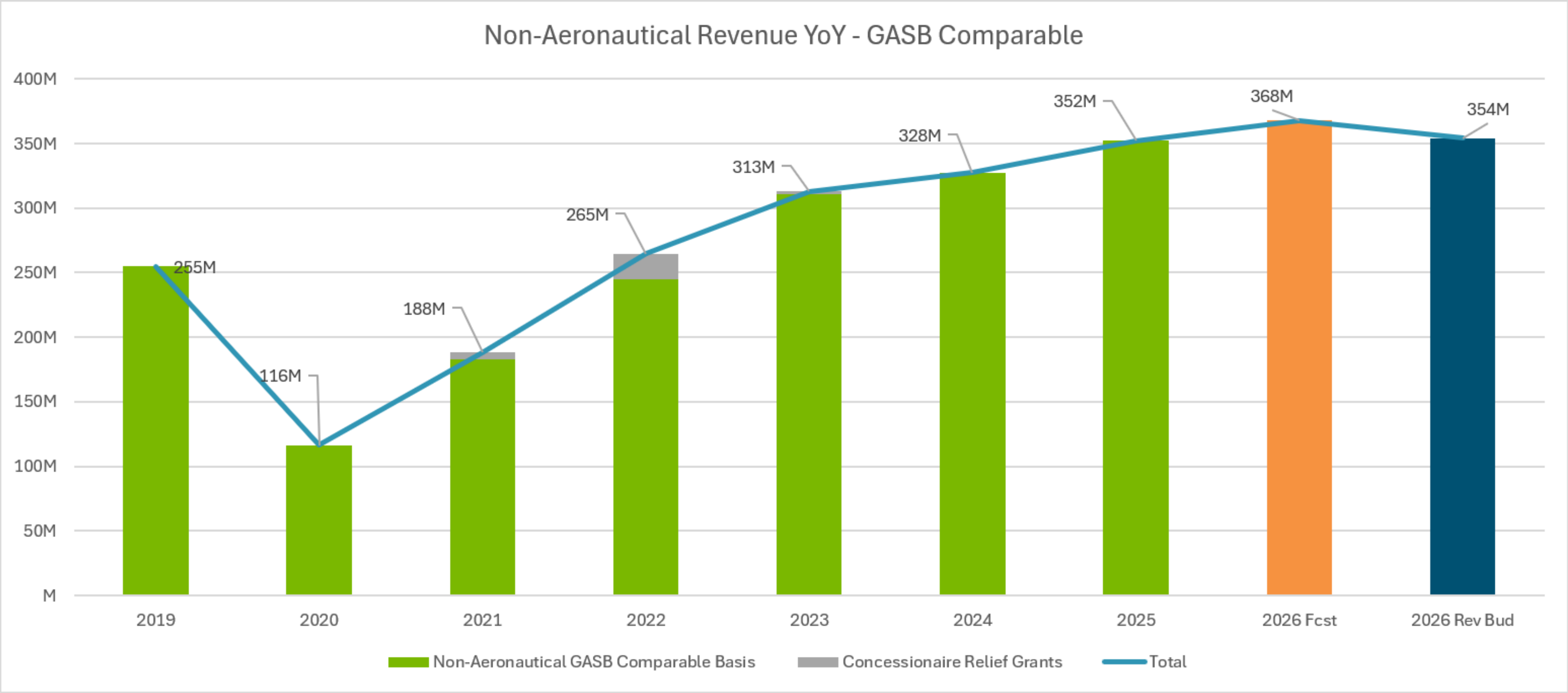
Notes:

1. Includes lease payments from tenants as non-operating interest income instead of operating revenues

2. The implementation of GASB 103 has reclassified CFC revenue from operating to non-operating, which is reflected in 2026 Forecast and Revised Budget

AOB = Airport Office Building
CFC = Customer Facility Charge
GASB = Government Accounting Standards Board
NOI = Net Operating Income

Non-Aero Revenue YoY



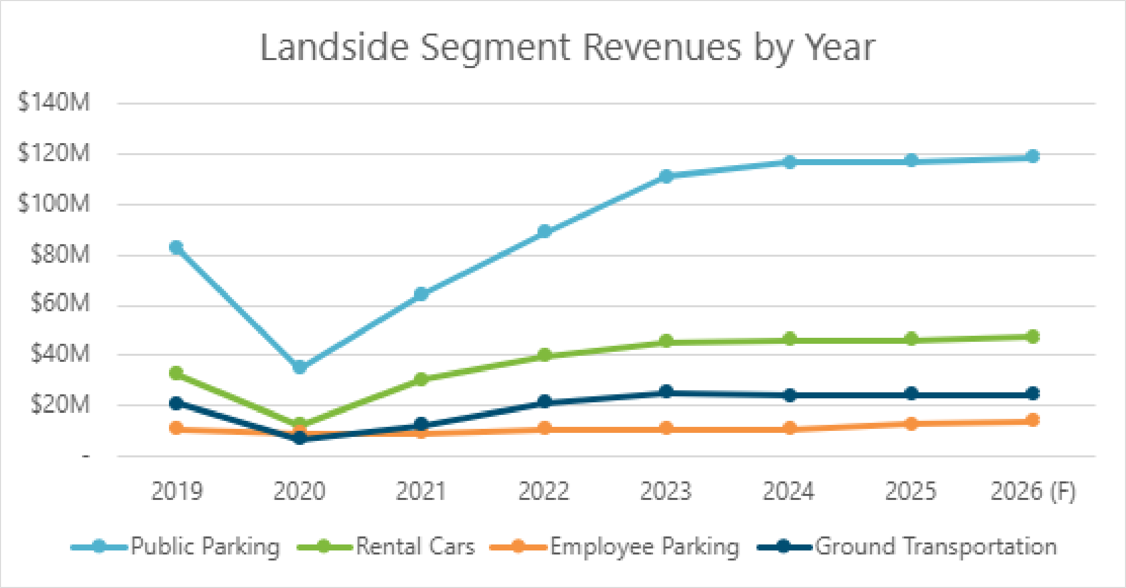
2026 Non-Aero revenue per enplanement is forecasted at $13.87, significantly higher than pre-pandemic best of $9.81 in 2019

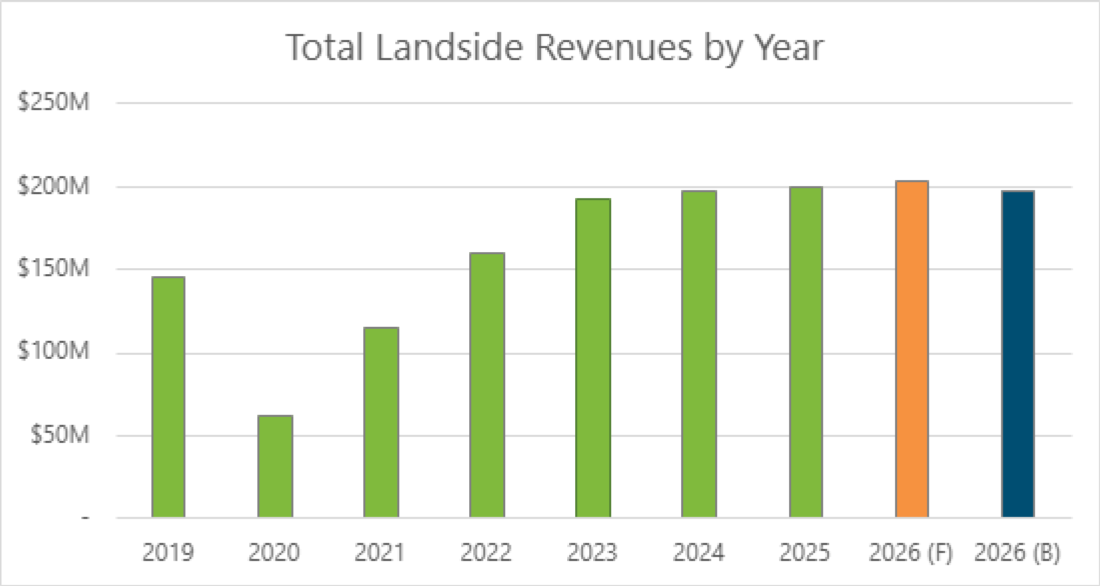
GASB = Government Accounting Standards Board

- ***All Concessionaire Relief grants fully utilized in prior years***
- ***Gross revenue; GASB Comparable***

Non-Aero Detail: Landside Revenue Trends

Each individual Landside revenue segment surpassed 2019 levels in 2022. All segments, except Ground Transportation, are all all-time highs in 2026.





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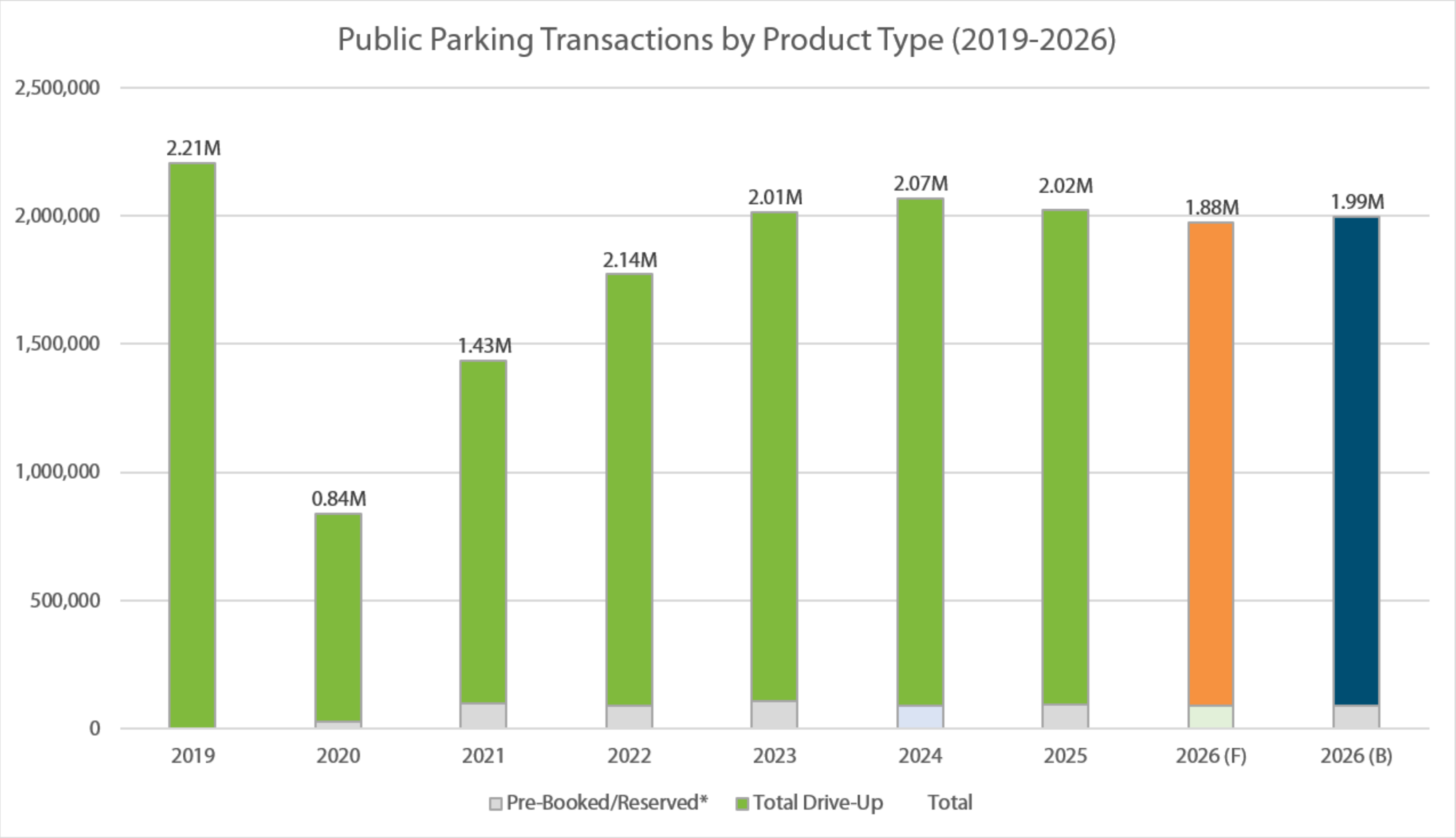
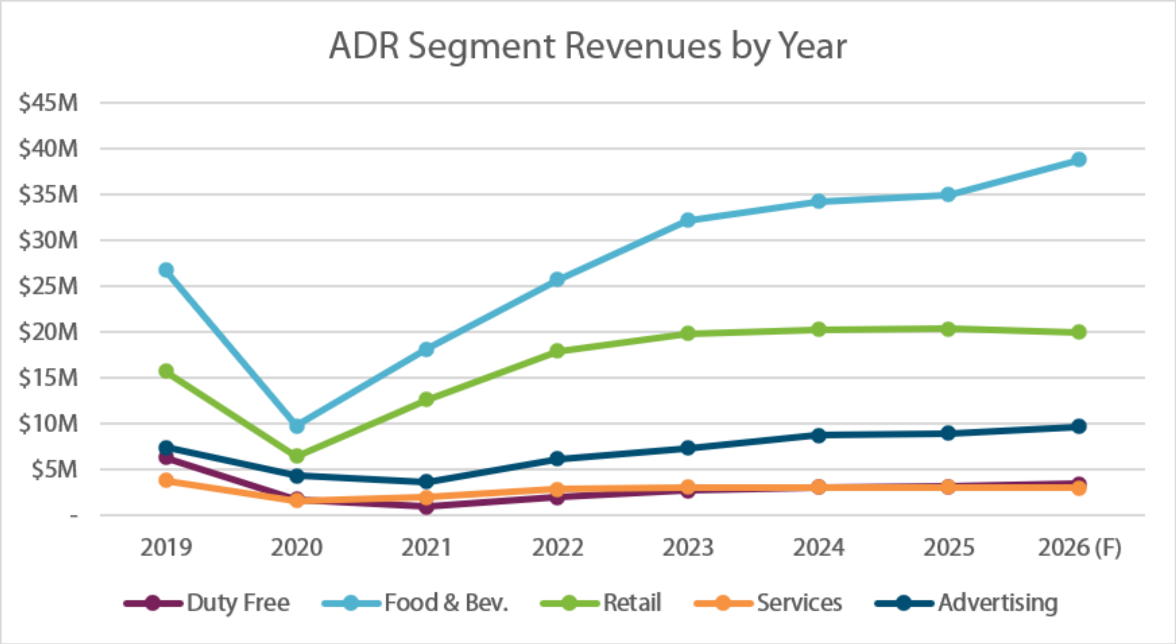
Non-Aero Detail: Public Parking Transactions

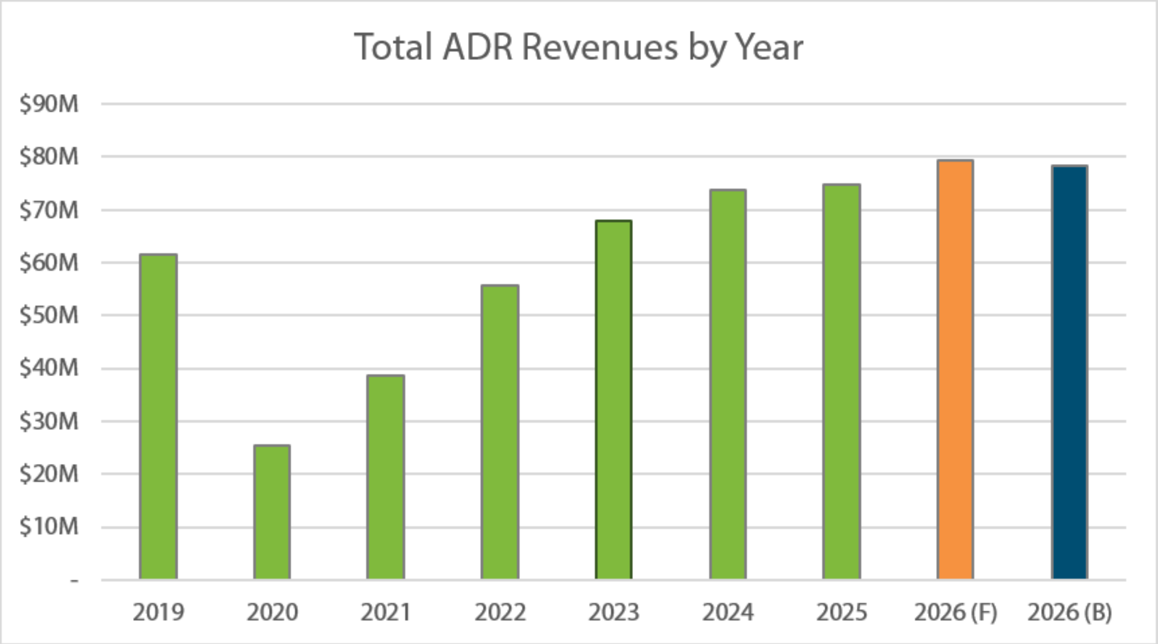
2026 annual Parking transactions are expected to be slightly below 2025 levels with <1-day transactions down, and >1-day transactions up. Resulting in less wear to the garage and increase revenue.



Non-Aero Detail: ADR Revenue Trends

Airport Dining & Retail revenues have maintained a steady upward trajectory since 2019. This momentum is projected to continue through 2026, strengthened by the opening of **Concourse C Expansion** (June 2026) and a delay in Concourse A Duty-Free unit closures.



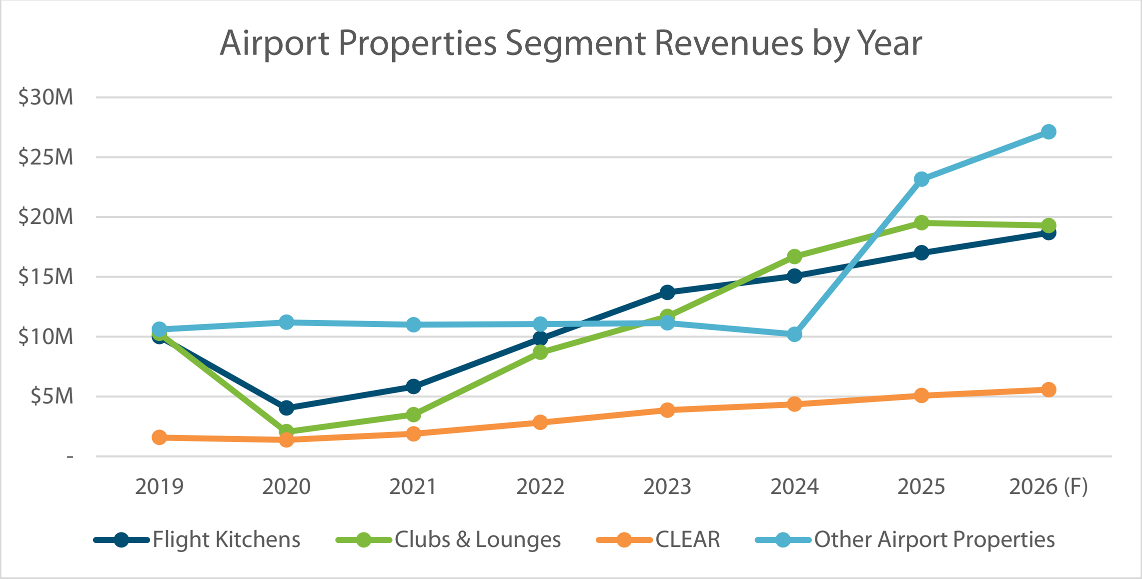


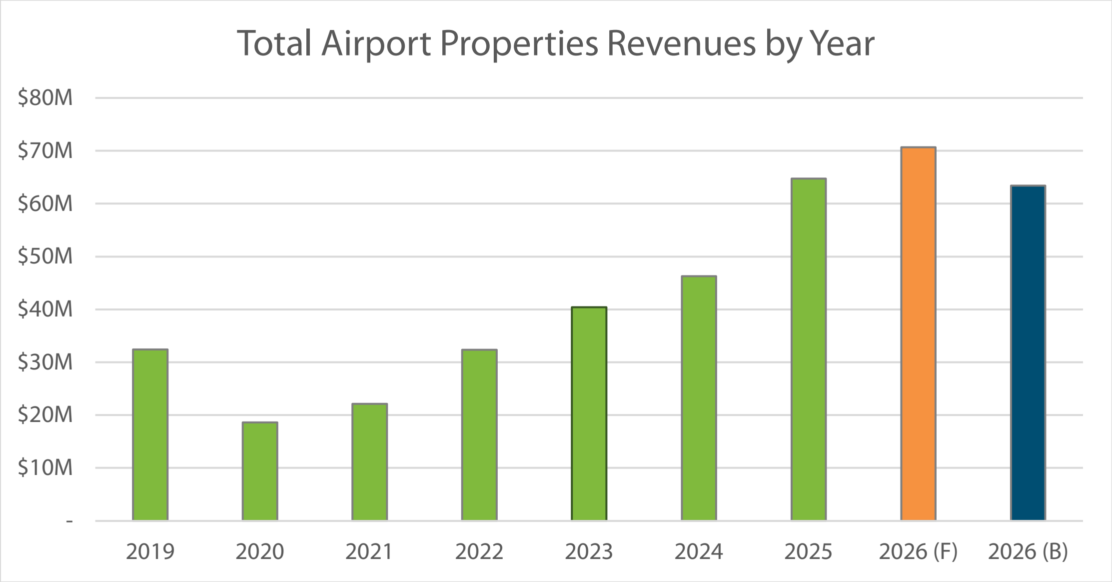
ADR = Airport Dining & Retail

Non-Aero Detail: AVBP Revenue Trends

Airport Business & Properties revenues have trended positively with solid growth across all segments the last several years. Growth accelerated in 2025 with the addition of the SeaTac Office Center (STOC) property.

2026 growth is highlighted by Flight Kitchens, Clear and land rent. The 2025 STOC acquisition fully annualizes in February, which provides two months of growth.





SEA = Seattle-Tacoma International Airport
AVBP = Aviation Business & Properties
STOC = SeaTac Office Center

2026 Capital Expenditures

$ in 000's	2026 YTD Actual	2026 Year-End Forecast	2026 Budget	2026 POF	Bud vs. Fcst $	%
SEA Gateway (1)	43,778	72,633	96,994	96,470	24,360	25.1%
S Concourse Evolution (2)	41,918	82,829	69,256	137,762	(13,573)	-19.6%
C Concourse Expansion (3)	83,689	115,689	108,970	119,813	(6,719)	-6.2%
Post IAF Airline Realignment (4)	22,147	41,579	35,377	39,040	(6,202)	-17.5%
2026-2030 AFLD PVMNTS (5)	13,770	34,012	38,287	71,507	4,275	11.2%
Checked Bag Recap/Optimization (6)	52,253	106,891	110,207	120,752	3,316	3.0%
Upgrades STS Train Control (7)	3,308	9,092	11,499	12,412	2,407	20.9%
Perimeter Intrusion Detect Sys (8)	196	2,796	5,081	6,472	2,285	45.0%
Airfield Snow Equipment (9)	5,230	6,615	4,558	915	(2,057)	-45.1%
Biffy Facility Improvement (10)	203	644	2,382	2,867	1,737	72.9%
All Other	99,417	235,835	252,696	394,832	16,861	6.7%
Subtotal	365,909	708,616	735,307	1,002,842	26,691	3.6%
CIP Cashflow Mgmt Reserve	-	(50,000)	(76,353)	(166,955)	(26,353)	34.5%
Total Spending	**365,909**	**658,616**	**658,954**	**835,887**	**338**	**0.1%**

(1) Actuals lower due to lower than expected billings, projected savings increased.

(2) Design services effort heavier/front loaded than forecasted as the scheduled accelerated. And, $4M airfield 2026 contract work transferred to SCE.

(3) The 2026 Q2 actual costs brought the project costs aligned with planned cost. Nearly $6M in unanticipated change orders for NSS spent in 2026 utilizing transferred program contingency caused overspending for the year

(4) increased construction spending to support turnovers ahead of FIFA and Unforseen conditions and abatement work increased cost. UA lounge updated Estimates show higher costs. This increase is projecting more spending in 2026 than anticipated

(5) $4M of SCE part of bid originally captured in this project was transferred to SCE

(6) Anticipate spending 98% of 2026 Baseline Forecast. Returningsome savings from Phase 2

(7) Alstom testing delayed, including delays in static and dynamic testing, resulting in lower than projected invoiced amounts than planned

(8) Schedule Delay as a result of delayed testing due to faulty equipment.

(9) During budget, estimated 80% of the invoice to be spent in 2026 until the vendor completed the work to meet the requirements. Vendor is now on track to complete it in 2026.

(10) Delays to the design periods - Construction costs pushed out along with final design costs.

AFLD PVMNTS = Airfield Pavements
IAF = International Arrivals Facility
CIP = Capital Improvement Plan
SEA = Seattle-Tacoma International Airport

Maritime Division Appendix

2026 Q2 Financial Performance Report

Maritime Q2 2026 YTD Financial Summary

$ in 000's	2023 YTD Actual	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Revised Budget	Actual vs. Budget Variance $	Actual vs. Budget Variance %	Change from 2025 $	Change from 2025 %
Ship Canal Fishing & Operations	2,651	2,650	3,027	2,443	2,513	(69)	-3%	(584)	-19%
Elliott Bay Fishing & Commercial Operations	2,829	2,872	3,132	3,397	3,167	230	7%	265	8%
Recreational Boating	7,751	8,321	9,130	9,547	9,497	51	1%	418	5%
Cruise	15,437	19,027	19,994	23,236	23,787	(551)	-2%	3,242	16%
Grain	1,964	3,079	3,643	3,342	2,905	437	15%	(301)	-8%
Conference & Event Centers	3,377	3,687	3,867	4,619	4,069	549	13%	752	19%
Leasing Portfolio	10,180	11,272	11,122	11,897	11,876	20	0%	775	7%
Other	19	6	(10)	(6)	0	(6)		4	37%
Total Revenue	**44,209**	**50,915**	**53,905**	**58,474**	**57,814**	**660**	**1%**	**4,569**	**8%**
Expenses									
Total Direct	**16,176**	**18,074**	**19,987**	**22,298**	**21,222**	**(1,076)**	**-5%**	**2,311**	**12%**
Total Support Services	**13,082**	**14,006**	**15,454**	**18,009**	**20,830**	**2,821**	**14%**	**2,555**	**17%**
Total Central Services / Other	**12,092**	**13,588**	**14,557**	**15,600**	**15,517**	**(83)**	**-1%**	**1,043**	**7%**
Total Expense	**41,350**	**45,668**	**49,998**	**55,907**	**57,568**	**1,662**	**3%**	**5,909**	**12%**
NOI Before Depreciation	**2,859**	**5,247**	**3,907**	**2,567**	**246**	**2,322**	**946%**	**(1,339)**	**-34%**
Depreciation	11,183	11,132	11,897	13,498	13,539	41	0%	1,601	13%
NOI After Depreciation	**(8,324)**	**(5,885)**	**(7,990)**	**(10,931)**	**(13,294)**	**2,363**	**18%**	**(2,941)**	**-37%**
GASB/Pension/ Legacy ERL Impacts									
Total Revenue			**(7,973)**	**(7,469)**	**(7,414)**	**55**	**1%**	**504**	**6%**
Total Operating Expenses*			**(52)**	**5,801**	**7,950**	**2,149**	**27%**	**5,854**	**11167%**
Total Depreciation			**136**	**171**	**77**	**(93)**	**-121%**	**35**	**25%**
NOI After Depreciation with GASB	**(8,324)**	**(5,885)**	**(16,047)**	**(24,372)**	**(28,735)**	**(4,363)**	**-15%**	**(8,325)**	**-52%**

* Includes primarily legacy environmental liabilities and pension related cost for both Maritime & the legacy Warehousemen's Pension Trust.

Revenue

Variance from Budget

Revenue $660K over:

- Cruise – under $551K under from timing lower P66 Occupancy and timing of passengers at T91.
- Conference Center over $549K higher from intermittent FIFA related uses.
- Grain $437K over as Soybean volumes have begun to return.
- Recreational, Fishing, and Commercial Marinas are under trending just above budget.
- Utility Revenues under from bill timing.

Direct Expenses Budget Variance ($1.1M over)

- Remediation higher by $1.5M
- CEC higher by $.35M from volumes
- Capital to Expense higher $.25M
- Shorepower and B&O taxes lower by $1.2M from billing timing

Support Svcs Budget Variance ($2.8M under)

- Maintenance below by $1.2M
- EDD below by $0.5M
- PM Group below by $1.6M mostly Outside services
- ME&S over $0.5M unplanned Derelict Vessel

Central Svcs Budget Variance ($83K over)

- Engineering and PCS $400K over.
- All other groups $300K under.

Maritime 2026 Financial Forecast

$ in 000's	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2026 Revised Budget	Forecast vs. Budget Variance $	Forecast vs. Budget Variance %	Change from 2025 $	Change from 2025 %
Ship Canal Fishing & Operations	4,592	5,076	5,169	5,562	4,504	4,684	(180)	-4%	(1,058)	-19%
Elliott Bay Fishing & Commercial Operations	5,975	6,564	6,602	6,963	6,574	6,374	200	3%	(389)	-6%
Recreational Boating	13,978	15,505	16,555	18,058	19,094	19,094	0	0%	1,036	6%
Cruise	30,469	41,726	43,145	48,853	58,292	57,292	1,000	2%	9,440	19%
Grain	5,792	3,356	5,920	6,442	4,665	4,440	225	5%	(1,777)	-28%
Conference & Event Centers	8,914	6,738	7,490	8,654	9,430	9,430	0	0%	776	9%
Leasing Portfolio	19,367	20,764	21,920	22,432	24,029	24,029	0	0%	1,597	7%
Other	10	10	8	(47)	0	0	0		47	100%
Total Revenue	**89,095**	**99,738**	**106,809**	**116,917**	**126,589**	**125,344**	**1,245**	**1%**	**9,672**	**8%**
Expenses										
Total Direct	**33,680**	**37,061**	**36,595**	**47,675**	**44,619**	**43,119**	**(1,500)**	**-3%**	**(3,056)**	**-6%**
Total Support Services	**24,948**	**29,939**	**33,193**	**36,354**	**45,264**	**50,564**	**5,300**	**10%**	**8,910**	**25%**
Total Central Services / Other	**22,972**	**26,596**	**32,202**	**27,614**	**30,591**	**31,045**	**454**	**1%**	**2,977**	**11%**
Total Expense	**81,600**	**93,596**	**101,991**	**111,643**	**120,474**	**124,728**	**4,254**	**3%**	**8,831**	**8%**
NOI Before Depreciation	**7,495**	**6,142**	**4,818**	**5,274**	**6,115**	**616**	**5,499**	**892%**	**842**	**16%**
Depreciation	21,974	22,421	23,850	24,727	27,033	27,033	0	0%	2,306	9%
NOI After Depreciation	**(14,479)**	**(16,279)**	**(19,032)**	**(19,453)**	**(20,917)**	**(26,416)**	**5,499**	**21%**	**(1,464)**	**-8%**
GASB/Pension Credit Impacts										
Total Revenue	**170**	**(90)**	**(18)**	**(15,889)**	**(14,828)**	**(14,828)**	**0**	**0%**	**1,061**	**7%**
Total Op Expenses, Pension Adj	**(2,561)**	**(3,850)**	**(3,145)**	**(4,092)**	**15,180**	**15,900**	**720**	**5%**	**19,272**	**471%**
Total Depreciation				**284**	**128**	**128**	**0**	**0%**	**(156)**	**-55%**
NOI After Depreciation with GASB	**(11,748)**	**(12,519)**	**(15,905)**	**(31,533)**	**(51,053)**	**(57,272)**	**(6,219)**	**-11%**	**(19,520)**	**62%**

Variance from Budget

- Revenue – Higher cruise occupancy expected
- Expenses – Delay in T91 Demos to 2027

Vs. 2025

Revenue **–**

- Cruise more sailings and increased rates
- Moorage Rate increases for Rec Boating
- Salmon Bay Marina Closures in Ship Canal
- Grain coming off top 10 year
- Improved use of conference and leasing facilities

Expenses **–**

- Direct – lower due to unusual one-time costs in 2025 including:
  - Salmon Bay Marina Impairment $4.5M
  - Capital to Expense $1.1M
- Support Services - higher due to:
  - Payroll
  - Increased Expense Projects
  - Derelict vessels
- GASB operating expenses are primarily pension and legacy ERL driven

Cruise

$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Revenue by Facility:	Actual	Actual	RBudget	$	%
P66 Cruise	6,065	5,417	6,320	(903)	-14%
T91 Cruise	13,425	16,893	16,195	698	4%
Utilities	505	925	1,272	(346)	-27%
Total Revenue	**19,994**	**23,236**	**23,787**	**(551)**	**-2%**
Dept Expenses:					
Staff	546	619	656	36	6%
Outside Services	65	255	519	264	51%
General Expenses	1,204	1,156	1,434	278	19%
Equipment & Supplies	410	366	311	(56)	-18%
Utilities	442	437	1,326	888	67%
Support Services:					
Maintenance	1,653	1,811	1,768	(43)	-2%
Environmental	298	870	738	(132)	-18%
PMG	535	438	834	396	48%
Planning	103	129	289	160	55%
Economic Development	225	256	342	86	25%
Police/Security	866	918	932	14	1%
Other/Central Services	4,504	5,294	5,213	(82)	-2%
Total Expense	**10,850**	**12,550**	**14,359**	**1,809**	**13%**
NOI Before Depreciation	**9,144**	**10,686**	**9,428**	**1,258**	**13%**
Depreciation	3,521	4,144	3,682	(462)	-13%
NOI After Depreciation	**5,623**	**6,542**	**5,745**	**796**	**14%**

Vs. Budget

Revenue - $555K Below
- P66: Less passengers in April & May. More in June.
- T91: Higher POS revenue-share w/ new terminal operator
- T91 shore power utilities revenue billing timing

Expenses - $1.8M Below
- Utilities - $888K
  - T91 shore power billing timing
- PMG - $396K
  - T91 West Maintenance Dredging
- General Expenses - $278K
  - B&O tax timing
- Outside Services - $264K
  - Port Valet billing timing

Depreciation - $462K Higher
- T91 shore power equipment not included in budget

Vs. 2025

Revenue - $3.8M Higher
- More sailings at T91 w/ Virgin Voyages & MSC
- Higher POS revenue-share at T91

Expenses - $1.7M Higher
- Other/Central Services - $791K
- Environmental - $572K
  - $285K environmental remediation liability for T91 West Berth Dredging

Elliott Bay Fishing & Commercial

$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Revenue by Facility:	Actual	Actual	RBudget	$	%
T91 Fishing	1,525	1,595	1,490	105	7%
T91 Vessel Ops	202	209	232	(23)	-10%
Kellogg Island	235	246	246	(0)	0%
T25 Docks	211	215	218	(3)	-1%
T18 Dolphins	166	186	177	9	5%
P34 Dolphins	166	190	126	65	52%
Other (P28, T46, T108)	291	428	286	142	50%
Utilities	335	342	394	(52)	-13%
Total Revenue	**3,132**	**3,412**	**3,167**	**244**	**8%**
Dept Expenses:					
Staff	369	377	455	78	17%
Outside Services	8	(9)	10	19	187%
General Expenses	109	90	66	(24)	-36%
Equipment & Supplies	3	1	9	8	90%
Utilities	563	413	569	156	27%
Support Services:				0	
Maintenance	779	696	813	117	14%
Environmental	762	185	235	50	21%
PMG	169	117	164	46	28%
Planning	60	72	86	14	16%
Economic Development	50	66	85	20	23%
Police/Security	323	427	393	(34)	-9%
Other/Central Services	1,246	1,559	1,502	(57)	-4%
Total Expense	**4,442**	**3,994**	**4,386**	**393**	**9%**
NOI Before Depreciation	**(1,310)**	**(582)**	**(1,219)**	**637**	**52%**
Depreciation	1,740	2,265	2,330	65	3%
NOI After Depreciation	**(3,050)**	**(2,847)**	**(3,549)**	**702**	**20%**

Vs. Budget

Revenue - $244K Higher

- T-91 Fishing Operations - $105K higher
    - Arctic Fjord and American Seafoods
- P28 & P34 Dolphins - $223K higher
    - Increased Olympic Tug & Barge activity
- Partially offset by Utilities - $52K lower

Expenses - $393K Below

- Utilities - $156K below
    - Primarily T91 billing timing
- Maintenance - $117K below
    - Mostly allocations
- Staff - $78K below
    - FTE vacancy & lower travel costs

Vs 2025

Revenue - $280K Higher

- Increased Olympic Tug & Barge activity - $204K higher
- 5% rate increases

Expenses - $448K Lower

- Environmental - $577K lower due to the T91 environmental remediation liability in 2025
- Utilities - $150K lower, mostly lower T91 sewer costs
- Partially offset by higher Central Services - $293K, due to allocation changes

Recreational Boating

$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Revenue by Facility:	Actual	Actual	RBudget	$	%
Shilshole Bay Marina	8,182	8,357	8,569	(212)	-2%
Harbor Island Marina	284	319	311	8	3%
Bell Harbor Marina	238	274	246	28	11%
Utilities	426	620	371	249	67%
Misc Revenue	0	0	0	0	NA
Total Revenue	**9,130**	**9,570**	**9,497**	**73**	**1%**
Dept Expenses:					
Staff	1,358	1,548	1,457	(91)	-6%
Outside Services	69	84	83	(2)	-2%
General Expenses	286	163	108	(54)	-50%
Equipment & Supplies	68	37	123	85	70%
Utilities	562	989	673	(316)	-47%
Support Services:					
Maintenance	2,085	2,120	2,472	352	14%
Environmental	99	479	454	(25)	-5%
PMG	162	167	267	100	38%
Planning	60	62	143	82	57%
Economic Development	130	143	185	42	23%
Police/Security	729	859	841	(18)	-2%
Other/Central Services	2,812	2,838	2,981	143	5%
Total Expense	**8,420**	**9,489**	**9,788**	**298**	**3%**
NOI Before Depreciation	**710**	**80**	**(291)**	**371**	**128%**
Depreciation	1,910	2,158	2,087	(70)	-3%
NOI After Depreciation	**(1,200)**	**(2,077)**	**(2,378)**	**301**	**13%**

Vs. Budget

Revenue - $73K Above

- SBM - $212K under
  - Lower monthly moorage occupancy - $225K
  - LAB - $51K lower due to demand
  - 31 slips at SBM used for SaBM relocation
- Utilities - $249K above
  - Primarily at SBM
- BHM - $28K over
  - Stronger guest moorage

Expenses - $298K Below

- Maintenance - $352K (allocation-driven)
- Central Services - $143K (allocation-driven)
- PMG - $100K (allocation-driven)
- Partially offset by utilities - $316K higher electricity at BHM

Vs 2025

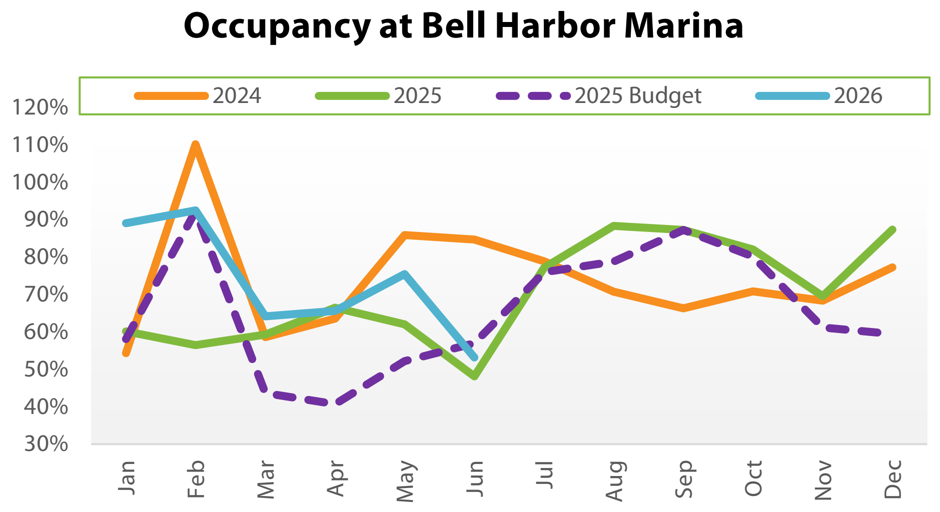
Revenue - $440K Higher

- Moorage rates increase - average of 4.7%
- Utilities at SBM - $189K higher

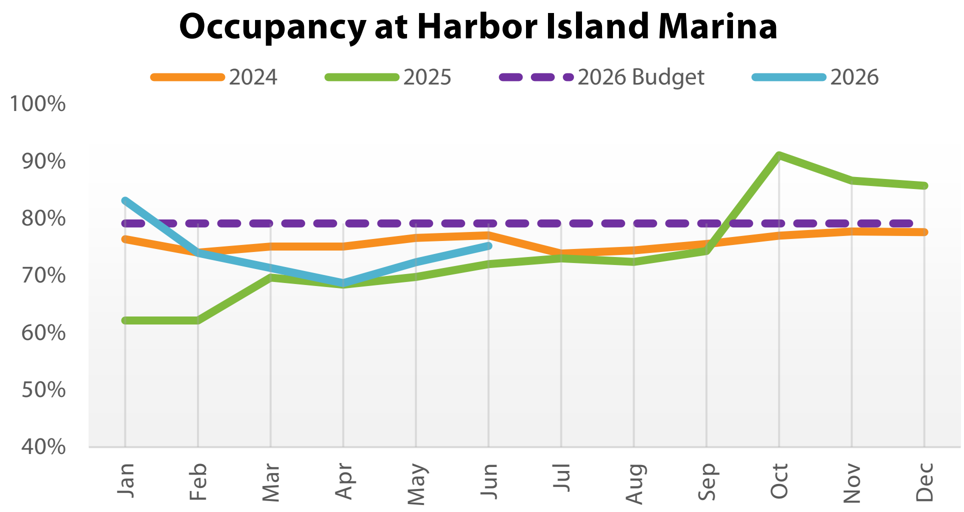
Expenses - $1,070K Higher

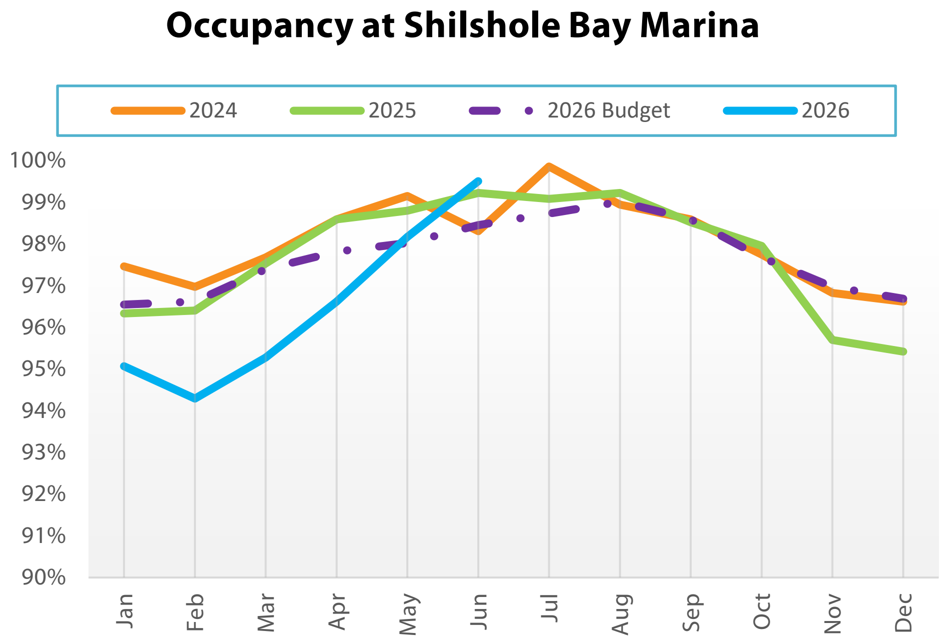
- Utilities - $428K higher, primarily due to electricity costs at BHM
- Environmental - $380K higher
  - Derelict Vessels: $220K, mainly due to a 2025 adjustment
  - Allocations: $115K
- Workers' Comp - $243K higher
- Partially offset by General Expense - $160K lower in bad debt expense

Recreational Boating Occupancy



	2026 BUD	2026 ACT	2025 ACT	Act vs Bud	'26 vs '25
SBM Occupancy	97.5%	96.5%	97.8%	-0.99%	-1.33%
BHM Occupancy	57.3%	73.3%	58.7%	16.01%	14.55%
HIM Occupancy	79.1%	74.1%	67.3%	-5.02%	6.75%
Total Recreational Marinas	**78.0%**	**81.3%**	**74.6%**	**3.33%**	**6.66%**





Ship Canal Fishing & Operations

$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Revenue by Facility:	Actual	Actual	RBudget	$	%
FT Commercial	1,590	1,536	1,600	(64)	-4%
FT Rec Boating	515	540	507	33	6%
Salmon Bay Marina	592	140	197	(57)	-29%
Maritime Industrial Center	117	115	98	17	18%
Utilities	212	119	111	8	7%
Misc Revenue	0	(12)	0	(12)	NA
Total Revenue	**3,027**	**2,443**	**2,513**	**(69)**	**-3%**
Dept Expenses:					
Staff	733	744	782	38	5%
Outside Services	11	39	46	6	14%
General Expenses	374	463	126	(337)	-268%
Equipment & Supplies	14	19	38	19	50%
Utilities	456	414	488	74	15%
Support Services:				0	
Maintenance	1,326	1,361	1,512	151	10%
Environmental	207	1,954	222	(1,732)	-781%
PMG	130	354	686	332	48%
Planning	37	80	63	(16)	-26%
Economic Development	58	65	84	19	23%
Police/Security	320	404	378	(26)	-7%
Other/Central Services	1,309	1,587	1,529	(59)	-4%
Total Expense	**4,976**	**7,484**	**5,953**	**(1,531)**	**-26%**
NOI Before Depreciation	**(1,948)**	**(5,041)**	**(3,440)**	**(1,601)**	**-47%**
Depreciation	1,268	1,274	1,291	17	1%
NOI After Depreciation	**(3,216)**	**(6,315)**	**(4,731)**	**(1,584)**	**-33%**

Vs. Budget

Revenue - $69K Below

- SaBM closure - $57K below
- Silver Bay unexpectedly vacated in Sep 2025
- 14 slips at FT Rec Boating used for SaBM relocation

Expenses - $1.5M Higher

- Environmental: $1.7M higher
  - $1M remediation liability for T91 Uplands incorrectly charged; correction pending
  - Derelict Vessel Program: $745K higher for the Quaker Maid; expect to receive a $500K reimbursement from DNR
- General Expense: $337K higher, primarily due to bad debt
- Partially offset by PMG: $332K below, primarily for FT Pile Replacement project

Vs. 2025

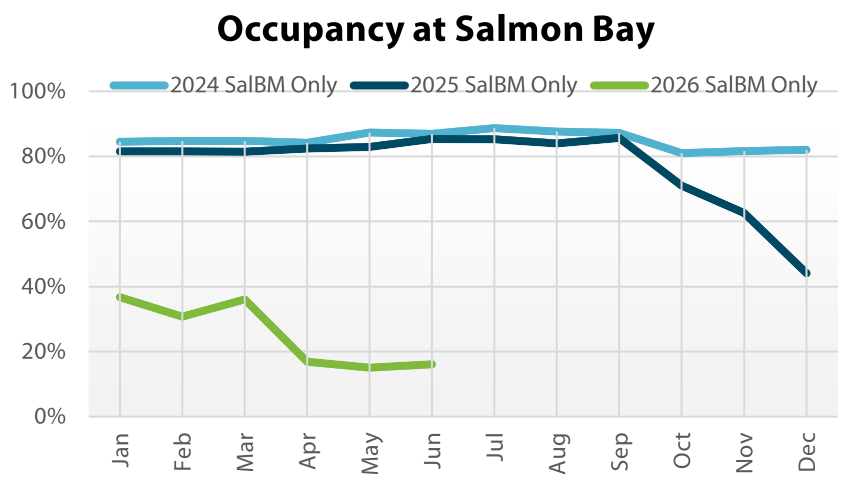
Revenue - $584K Below

- SaBM closure - $452K lower
- Silver Bay departure from - $91K lower
- Rate increases from 0% to 10% based on vessel size

Expenses - $2.5M Higher

- Environmental: $1.7M higher (see above)
- Central Service: $278K higher (allocation-driven)
- PMG: $224K higher, primarily related to the FT NW Dock Bull rail Repairs and FT Aquatic Weed Control projects
- General Expenses: $89K higher, primarily due to higher Bad Debt Exp

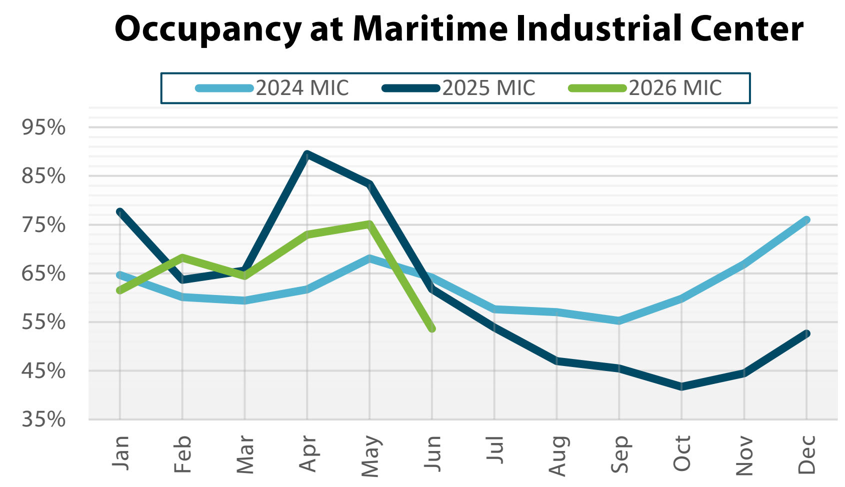
Ship Canal Fishing & Commercial Occupancy

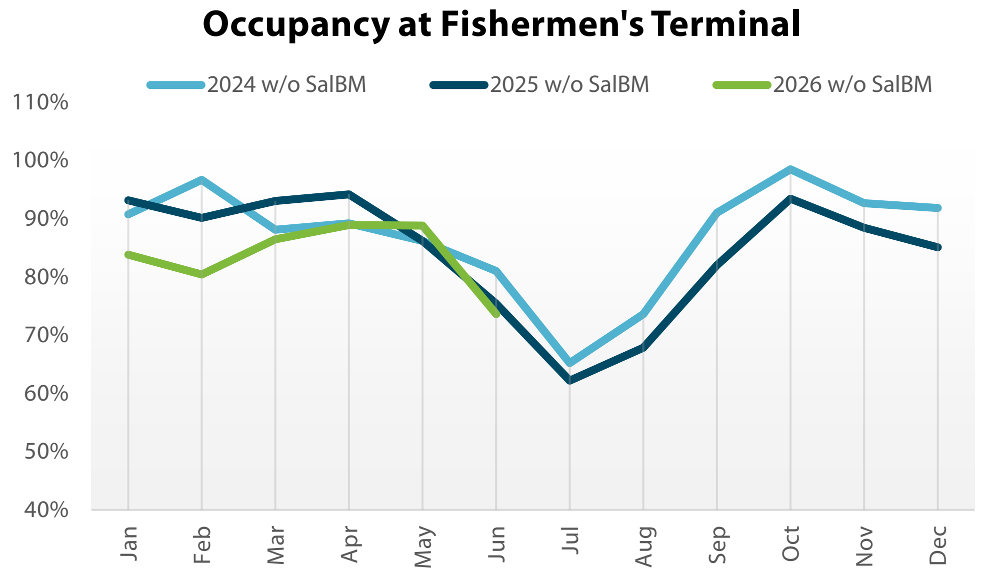


Occupancy

- Monthly occupancy rates per marina as of Q2:

✓ FT Fishing up 0.95%
✓ SaBM down -57.26%
✓ FT Rec Boating down -0.35%
✓ MIC down -7.62%





Portfolio Management

$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Revenue by Facility:	**Actual**	**Actual**	**RBudget**	$	%
T91 Industrial & Uplands	3,325	3,499	3,430	69	2%
Conference Event Centers (CEC)	3,812	4,536	4,014	522	13%
Marina Office & Retail (FT,MIC,SaBM,SBM)	1,788	1,704	1,733	(30)	(2%)
WTCW	370	437	416	21	5%
Bell Street Garage & Retail	1,047	976	1,098	(122)	(11%)
T102	1,063	964	1,140	(175)	(15%)
T106	365	1,618	1,620	(2)	(0%)
Other (FTZ, P2, P69,T108,T34,T5 Tsubota)	925	996	897	99	11%
Utilities	2,293	1,784	1,597	188	12%
Total Revenue	**14,989**	**16,515**	**15,945**	**570**	**4%**
Dept Expenses:					
Staff	1,400	1,435	1,512	76	5%
Outside Services	264	306	385	79	21%
General Expenses	4,601	5,197	4,873	(324)	(7%)
Equipment & Supplies	112	129	174	45	26%
Utilities/Telecommunications	2,378	1,868	2,392	525	22%
Support Services:					
Maintenance	3,588	3,424	4,067	643	16%
Environmental	135	707	832	125	15%
PMG	685	678	886	209	24%
Planning	161	177	363	186	51%
Economic Development	532	646	946	300	32%
Police/Security	1,097	1,482	1,535	53	3%
Other/Central Services	4,734	4,479	4,404	(75)	(2%)
Total Expense	**19,686**	**20,530**	**22,371**	**1,842**	**8%**
NOI Before Depreciation	**(4,697)**	**(4,014)**	**(6,426)**	**2,412**	**38%**
Depreciation	3,257	3,518	3,877	359	9%
NOI After Depreciation	**(7,954)**	**(7,533)**	**(10,303)**	**2,771**	**27%**

Vs. Budget

Revenue - $570K Over

- Higher business activities at Conference Event Center
- Higher rates from subtenant to direct lease conversions at T91
- Higher utilities revenue
- **Partially offset** by lease termination, CAM reconciliation & billing timing

Expenses - $1.8M Below *

- Utilities- SPU misbilling and new RNG purchase model
- MM- Lower wages & benefits; timing of maintenance materials
- EDD- Timing of T91 pre-development and P2 CEM study costs
- Lower support service allocations

Vs. 2025

Revenue - $1.5M Higher

- Increased Conference Event Center activity
- T106 full year revenue. 2025 included environmental credits

Expenses- $843K Higher *

- Higher CEC business activity increased variable expenses
- $175K ERL for MiNC related project
- Higher support service allocations, particularly Environmental, EDD, and Police

Looking forward Q3 2026

- 2 potential new tenants at WTCW

*$1M ERL expenses related T91 Upland is incorrectly booked to a wrong subclass (Ship Canal). The correction is pending.

Portfolio Management – Conference Event Center

$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Revenue by Facility:	**Actual**	**Actual**	**RBudget**	**$**	**%**
Conference Centers	3,435	4,133	3,589	544	15%
WTC	377	403	425	(23)	(5%)
Utilities	55	82	55	28	50%
Total Revenue	**3,867**	**4,619**	**4,069**	**549**	**13%**
Dept Expenses:					
Staff	1	1	1	(0)	(37%)
Outside Services	-	-	-	-	NA
General Expenses	3,797	4,393	4,031	(362)	(9%)
Equipment & Supplies	23	24	119	95	80%
Utilities/Telecommunications	76	85	106	21	19%
Support Services:					
Maintenance	447	424	493	69	14%
Environmental	19	134	206	72	35%
PMG	128	94	104	11	10%
Planning	37	28	85	57	67%
Economic Development	118	80	102	22	22%
Police/Security	152	285	293	9	3%
Other/Central Services	1,689	1,429	1,415	(14)	(1%)
Total Expense	**6,486**	**6,976**	**6,956**	**(20)**	**(0%)**
NOI Before Depreciation	**(2,619)**	**(2,357)**	**(2,887)**	**529**	**(18%)**
Depreciation	597	629	601	(28)	(5%)
NOI After Depreciation	**(3,216)**	**(2,986)**	**(3,488)**	**501**	**(14%)**

Vs. Budget

Revenue - $549K Over

- Higher short-term booking rates
- Strong demand from new and returning programs/clients
- Upsell activity

Expenses - $20K Over

- General Exp- higher variable expenses
- **Partially offset** by lower support service allocations

Vs. 2025

Revenue - $752K Higher

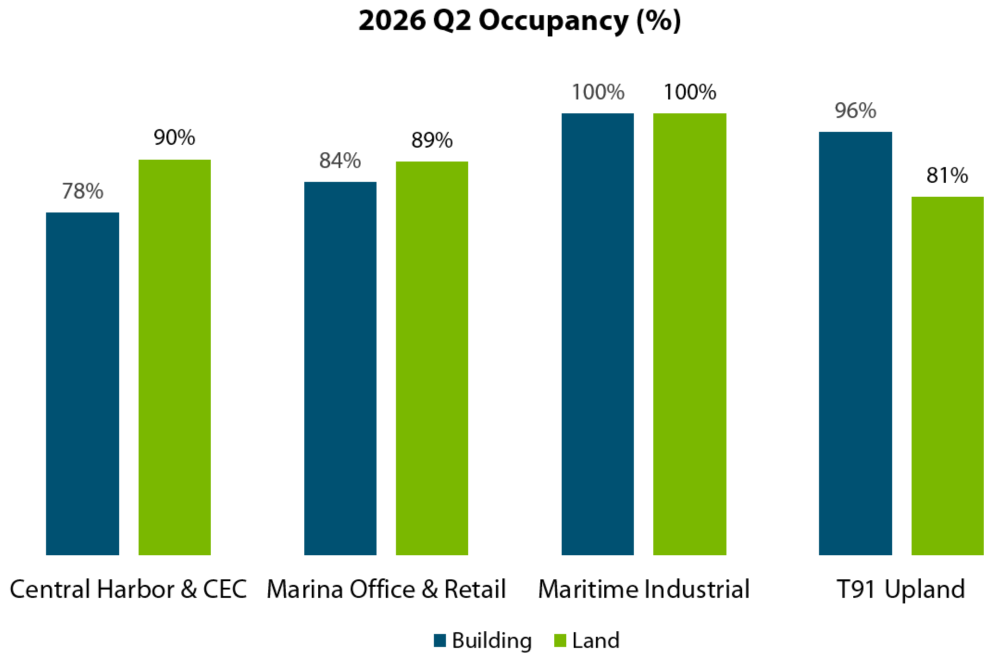
- Higher business volumes

Expenses- $490K Higher

- Higher CEC business activity increased variable expenses
- Higher allocations from Environmental and Police

Based on approved budget not revised budget

All Portfolio Management Occupancy

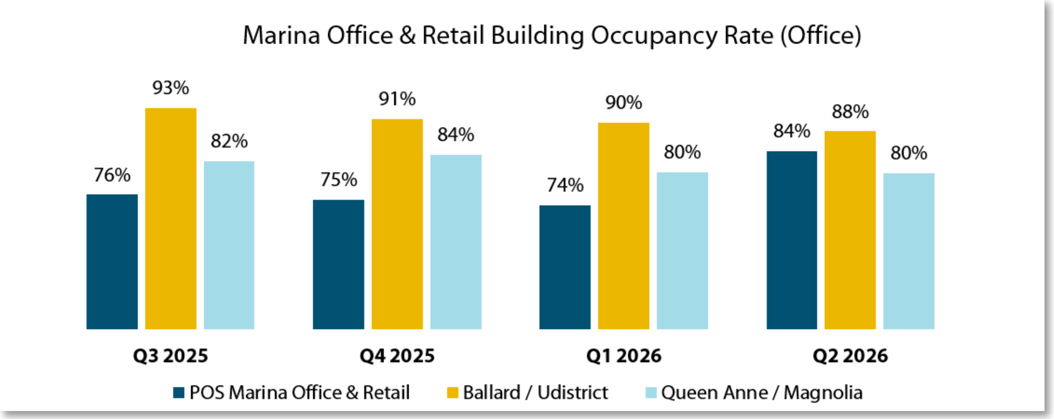


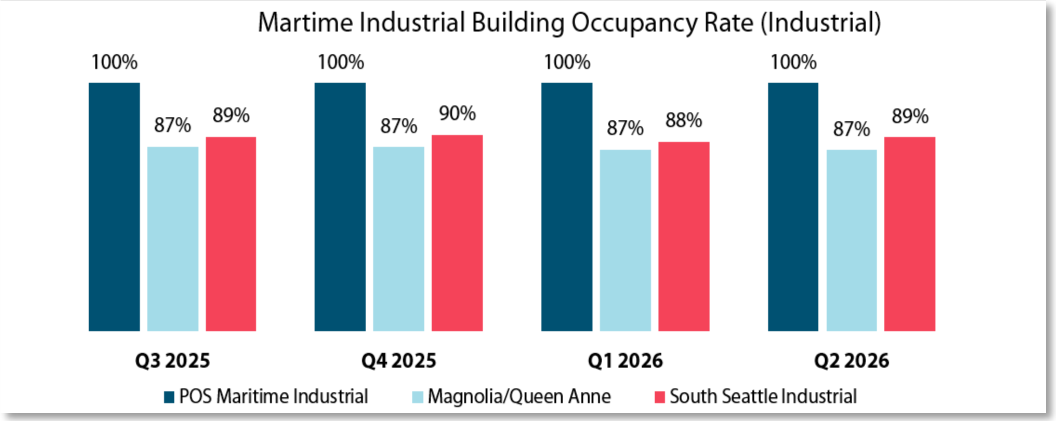
Overall, 91%: Building 87%, Land 92%

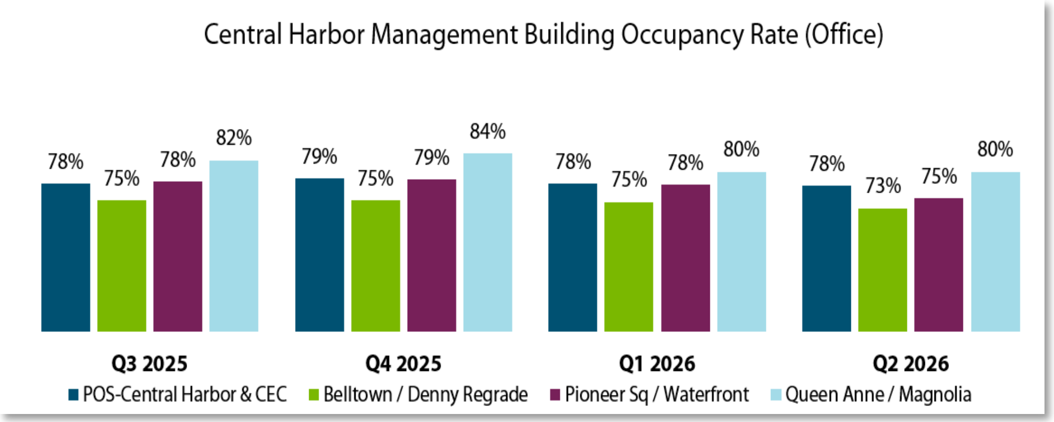
Total Available SF			**907,683**
Building	SF Occupied	SF Vacant	%Occupied
CEC	62,196	-	100%
Central Harbor	219,131	81,398	73%
Marina Office & Retail	177,512	32,678	84%
Maritime Industrial	271,370	-	100%
T91 Upland	60,706	2,692	96%
Total	**790,915**	**116,768**	87%

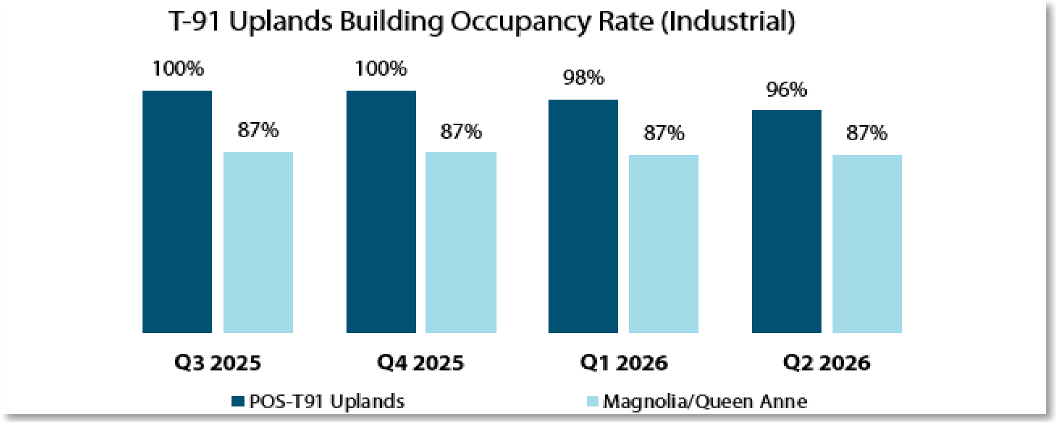
Total Available SF			**3,334,138**
Land	SF Occupied	SF Vacant	%Occupied
Central Harbor	1,235,339	143,173	90%
Marina Office & Retail	325,330	39,976	89%
Maritime Industrial	1,194,194	-	100%
T91 Upland	321,126	75,000	81%
Total	**3,075,989**	**258,149**	92%

All Portfolio Management Market Statistics









* Information source: Costar-Office & Industrial Market Averages (does not capture land only leases)

P69 Facilities

$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Dept Expenses (Org basis):	**Actual**	**Actual**	**RBudget**	$	%
Salaries & Benefits	317	300	288	(12)	(4%)
Equipment Expense	28	27	17	(10)	(61%)
Supplies and Stock	33	22	35	12	36%
Outside Services	157	145	182	37	20%
Travel & Other Employee Exp	3	4	6	2	28%
Promotional Expenses	-	-	-	-	NA
General Expenses	45	48	50	2	3%
All Other Expenses	302	271	322	51	16%
Total Expense	**885**	**818**	**900**	**82**	**9%**

Vs. Budget

$82K Below

- $12K Supplies and Stock
- $37K Outside Services, mainly due to invoice timing carpet cleaning and lower laundry cleaning/software costs
- $51K Other Expenses:
  - $43K Utilities
  - $7K Department of Natural Resources
- **Partially offset** by $17K higher equipment costs from furniture purchase timing

Vs. 2025

$67K Lower

- $11K General Supplies
- $12K Outside Services due to software invoice timing
- $31K Utilities

Marine Maintenance

Marine Maintenance					
$ in 000s	2025 YTD	2026 YTD	2026 YTD	Bud Var	
Reimbursable Revenue	Actual	Actual	RBudget	$	%
JV	210	201	268	(67)	-25%
MD	134	333	170	164	96%
Total Reimbursable Revenue	**344**	**534**	**437**	**97**	**22%**
Labor:					
Staff	8,044	8,301	8,931	630	7%
Equipment & Supplies	1,120	975	1,420	445	31%
Outside Services	143	156	270	113	42%
Utilities	150	146	122	(24)	-20%
General Expenses	(227)	50	(11)	(61)	540%
Other Expenses	652	(290)	374	664	177%
SWU	1,549	1,425	1,632	207	13%
Facilities	1,293	1,281	1,276	(5)	0%
BOST	1,155	1,155	1,200	45	4%
Fleet	1,481	1,559	1,736	176	10%
Admin	85	149	260	111	43%
Total Expense	15,444	14,908	17,209	2,302	13%
Depreciation	943	1,109	1,173	64	5%
Overhead Rate	**39.4%**	**43.8%**	**41.9%**	**-1.9%**	**-4.6%**

Vs. Budget:

Reimbursable Revenue $97K Higher

- T18 (JV) $89K Below – minimal work, regulatory & compliance
- T91 $117K Higher – New Cruise Terminal operator requested - More Electrical work, Painting, Reader Boards, Barge Breasting

Expenses $2.3M Below

- Wages - $622K Below
  - Several Vacancies Laborers, Operators, Truck Drivers
  - Electrician's contract is not settled.
  - Workers Comp - $374K reversed a 2025 payment
- Materials - $500K Below – one time, expense projects
- Outside Services - $115K Below – one time and on call services

SWU $207K Below

- Wages $150K Below.
  - 1 EH was approved April, 1 Vacancy.
  - Flatten out because of OT with end of Cruise Season.

Fleet $176K Below

- Vacancies $100K Below- Auto Machinist (12/2025) & Manager
- Fuel $52K below. Usage is 5% Decrease over 2025; Diesel is up $2.19/gal to $6.14 from Q1. Unleaded is up $1.81/Gal to $5.19.

Admin $110 Below

- Miscoded utilities budget $33K below
- Salaries and contracts $40K below due to vacancy.

Vs. 2025:

Revenue: $190K Higher

- Terminal 91 work

Expenses: $536K Below

- Workers Comp Reserve, paid $374K in 2025 reversed in 2026.

Waterfront Development Office

Accomplishments & Milestones

Achieved Substantial Completion
Elliot Bay Connections
Pier 66 Grand Staircase
T91 Cruise Gangways
T5 Intermodal Yard Compressor
T5 Roof Replacement

Construction Permit/Authorization
T18 Shore Power – Notice to Proceed
T5 Container Yard Expansion – Construction Permit
FT C15 Building Improvements – Commission Construction Authorization

Waterfront Development Office

Maritime WDO						
	2025	2026	2026	2026		
$ in 000s	Actual	Actual	Budget	Rbudget	Bud Var	
Waterfront Project Management						
Payroll	3,716	3,756	4,171	4,171	(415)	-10%
Project Allocations	(1,978)	(2,161)	(2,540)	(2,540)	379	-15%
Outside Services					0	
POS	1,192	2,556	1,961	1,961	595	30%
NWSA	37	1,524	1,277	1,277	247	19%
Travel & Employee Exp	27	19	53	53	(34)	-65%
Other/OH Allocations	55	4,415	50	50	4,365	8751%
Total Waterfront Project Management	**3,049**	**10,108**	**4,972**	**4,972**	**5,137**	**103%**
Planning						
Payroll	477	486	599	599	(112)	-19%
Outside Services	6	34	350	350	(317)	-90%
Other	8	11	16	16	(5)	-32%
Total Planning	**491**	**531**	**965**	**965**	**(434)**	**-45%**
CDO Admin	0	181	176	176	5	3%
Total CDO	3,540	10,820	6,113	6,113	4,707	77%

Program	2026 Budget	Comment
T91 Energy & IT	175	To Date: $183k in billings, $261k in fees
CW Pilot Investment Strategy	250	$190k committed SD
FT Master Plan	175	On hold by Sponsor
Additional Support	100	
Total	700	

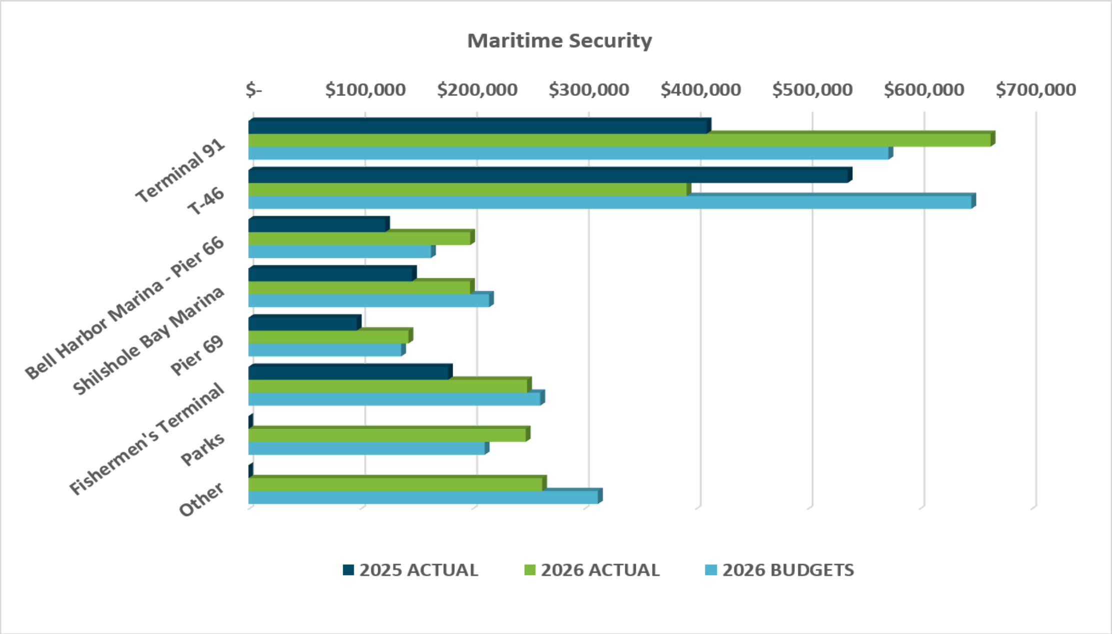
WPM:

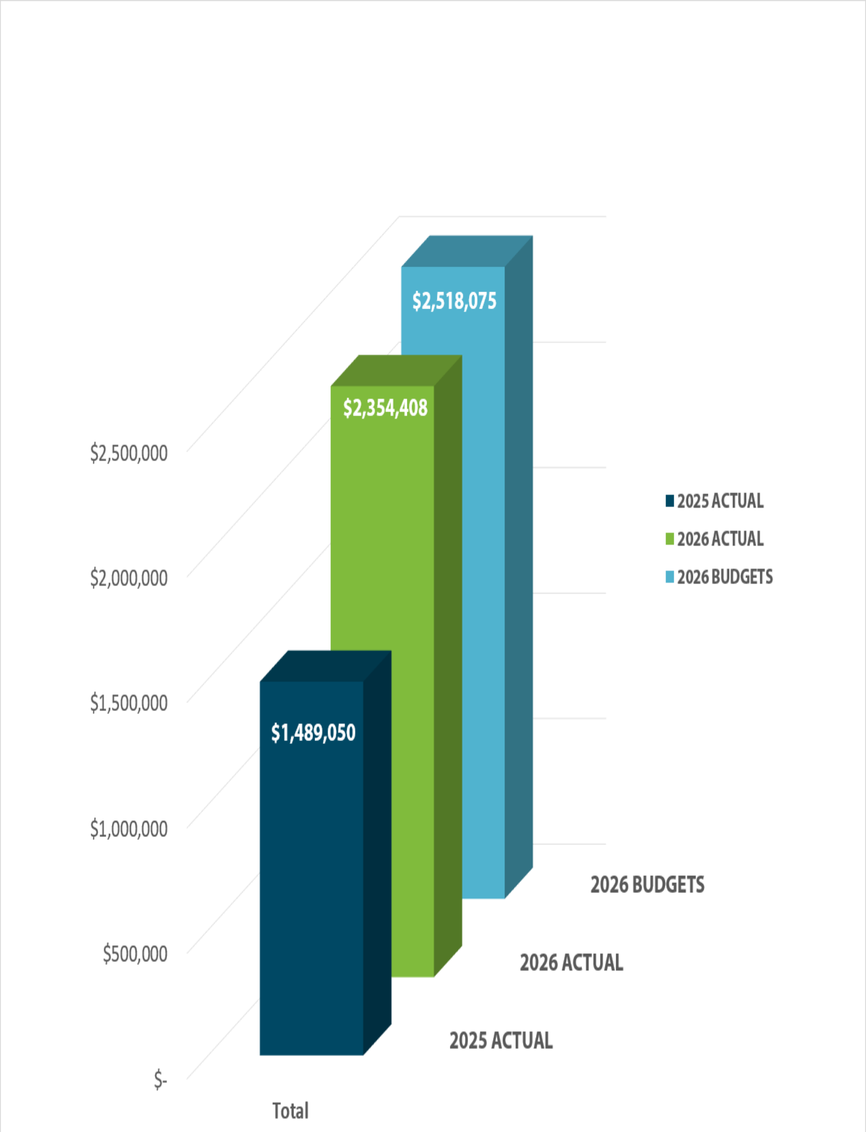
- **Payroll:**
  - Open headcount (3)
- **Project Allocations**
  - 60% utilization vs 60% budget
- **Outside Services**
  - **$1.5 Over** budget Maintenance Dredging (T18/T45/T46)
  - T91 Rail Inspect deferred 2027 (105k)
  - T91 Uplands Roadway Assess cancelled ($230k)
  - FT C15 Patio Walkway leveling on hold ($99k)
- **Other Services**
  - **$4.3 Over** Miscoded ERL entries.

Planning:

- **Payroll:**
  - Sr. Program Manager (Resiliency) Position Filled! (Laura Wolfe)
- **Outside Services:**
  - $183k billings T91 Energy & IT (expected in July).
  - $190k committed SD for CWF Master Plan
- **Other:**
  - Equipment refresh, travel, conferences, unemployment benefits

Maritime Security





Variance from Budget

- The YTD actual expenses are approximately $164K below budget, primarily due to the reduction in the number of guards and the consolidation of the supervisor position at T-46.
  - Partially offset by the addition of a second vehicle and a driving patrol at T-91.

Variance from 2025

- Beginning in July 2025, the new security contract approved by the commissioners took effect with Prosegur

Stormwater Utility

$ in 000's	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Actual vs. Budget Variance $	%	Change from 2025 $	%
Revenue								
NWSA	694	448	816	731	85	12%	368	82%
Tenants Revenue	2,131	2,530	2,604	2,826	(222)	-8%	74	3%
Port Non-tenants Revenue	814	932	1,090	966	124	13%	158	17%
Total Revenues	**3,639**	**3,909**	**4,510**	**4,523**	**(13)**	**0%**	**600**	**15%**
Expenses								
SWU	665	758	1,549	982	(567)	-58%	791	104%
Maintenance Expenses	1,918	2,231	2,114	2,627	513	20%	(117)	-5%
Central Waterfront PM	22	21	28	83	55	66%	7	30%
Environmental & Sustainability	21	73	131	190	58	31%	58	80%
Environmental Finance	25	39	47	45	(2)	-4%	8	20%
Other Central Services	500	721	666	638	(28)	-4%	(55)	-8%
Total Expenses	**3,151**	**3,844**	**4,535**	**4,565**	**29**	**1%**	**692**	**18%**
NOI Before Depreciation	**488**	**66**	**(26)**	**(42)**	**16**	**-39%**	**(91)**	**-139%**
Depreciation	631	666	715	708	(8)	-1%	49	7%
NOI After Depreciation	**(143)**	**(600)**	**(741)**	**(749)**	**8**	**-1%**	**(141)**	**23%**

- Revenue unfavorable 13K Tenant revenue unfavorable $220K and NWSA favorable $85K and Port Non-Tenant favorable $124k
- Expenses are unfavorable by 567K due primarily due to bad debt due to two NWSA tenants in default.
  - Under the SWU expenses of 585K
  - Offset by Marine Maintenance that is 513K
- Cash fund balance as of 6.30.2026 was $2.610M below the 50% revenue target of $4.543M (57% of Target met 6% lower than 63% target at end of Q01)

Maritime Division Admin

Q2 2026 came in **21% over budget,** resulting in a **($101K) overspend**

Admin - $ in 000's	2025 Actual	2026 Actual	YTD Budget	Budget Variance $	%
Salaries & Benefits	374	481	361	(120)	-33%
Travel & Other Employee Exp	40	52	85	33	39%
Outside Services	54	2	11	9	82%
Equipment Expense	19	1	2	1	59%
Promotional Expenses	(4)	33	7	(26)	-357%
All Other Expenses	7	5	7	2	29%
Total Operating Expense	**490**	**573**	**472**	**(101)**	**-21%**

Vs. Budget:

Salaries & Benefits: ($120K)
- Unbudgeted transfer of the Sr. Admin position from Fishing Ops mid-January
- Results of Compensation Project.

Travel & Other Employee Exp: $33K
- Unused budget for several international trips, includes airfare, lodging, meals, registration and local transportation.

Outside Services Exp: $9K
- Unused budget for Directors Retreat Facilitation Consultant -may be used in Q3.

Promotional Expenses: ($26K)
- Shared cost with Public Affairs for the SODO Business Improvement Area (BIA), $15K.
- 2025 invoice for the National Harbor Safety Conference meal sponsorship ($10K) was paid late due to the pause in TBC spending.

Vs. 2025:

$83K Higher
- Salary & Benefits increased due to transferred **Sr. Admin** position
- Three vacant positions moved to other LOBs in 2026.

Chief Development Officer (Transferred to Maritime Planning & Project Management Org 6260).
Innovation Program Manager & Sr. Resiliency Planner (Transferred to Seaport Strategic Plan & Policy Org 6250).

Economic Development Division Appendix

2026 Q2 Financial Performance Report

EDD Q2 2026

$ in 000's	2023 YTD Actual	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Revised Budget	Actual vs. Budget Budget Variance $	%	Change from 2025 $	%
Total Revenue	**8**	**9**	**11**	**6**	**8**	**(2)**	**1%**	**1,440**	**9%**
Expenses									
Division Admin	184	66	36	185	77	(108)	-139%	149	414%
Re Dev & Planning	0	0	(0)	25	(0)	(25)		25	
Small Business	0	0	0	0	25	25	100%	0	3%
Workforce Development	0	0	34	2	0	(2)		(32)	-95%
Tourism	524	558	757	733	902	169	19%	(24)	-3%
Total EDD	**707**	**624**	**827**	**945**	**1,004**	**59**	**6%**	**118**	**14%**
Maritime / Maintenance	10	11	22	13	13	(0)	0%	(9)	-42%
Central Services / IT	14	14	14	31	37	6	16%	17	120%
Total Support Services	**24**	**25**	**37**	**44**	**50**	**6**	**12%**	**7**	**20%**
Total Expense	**731**	**648**	**864**	**989**	**1,054**	**65**	**6%**	**125**	**15%**
NOI Before Depreciation	**(723)**	**(640)**	**(853)**	**(983)**	**(1,046)**	**63**	**6%**	**(130)**	**-15%**
Depreciation	6	5	7	14	11	(3)	-30%	7	91%
NOI After Depreciation	**(729)**	**(645)**	**(861)**	**(997)**	**(1,057)**	**59**	**6%**	**(137)**	**-16%**
GASB/Pension Credit Impacts									
Total Revenue				**0**		**(0)**		**0**	
Total Operating Expenses						**0**		**0**	
Total Depreciation						**0**		**0**	
NOI After Depreciation with GASB	**(729)**	**(645)**	**(861)**	**(997)**	**(1,057)**	**59**	**6%**	**(137)**	**-16%**

- Revenue includes Duwamish Hub rental – to be moved to MD in 2026
- Direct Charges include Tourism and EDD Tax Levy

EDD 2026 Forecast

$ in 000's	2023 Actual	2024 Actual	2025 Actual	2026 Forecast	2026 Revised Budget	Forecast vs. Budget Variance $	Forecast vs. Budget Variance %	Change from 2025 $	Change from 2025 %
Total Revenue	24	(8)	21	16	16	0	0%	(5)	-25%
Expenses									
Total Direct	3,301	2,897	2,582	3,288	3,288	0	0%	706	27%
Total Support Services	21	23	50	26	26	0	0%	(24)	-48%
Total Central Services / Other	30	31	32	76	76	0	0%	44	140%
Total Expense	3,351	2,951	2,663	3,390	3,390	0	0%	727	27%
NOI Before Depreciation	(3,328)	(2,959)	(2,643)	(3,374)	(3,374)	0	0%	(732)	-28%
Depreciation	12	14	16	21	21	0	0%	5	33%
NOI After Depreciation	(3,339)	(2,973)	(2,658)	(3,395)	(3,395)	0	0%	(737)	-28%
GASB/Pension Credit Impacts									
Total Revenue	(90)	(18)	(20)			0		20	100%
Total Op Expenses, Pension Adj	(3,850)	(3,145)	(790)			0		(790)	-100%
Total Depreciation						0		0	
NOI After Depreciation with GASB	421	153	(1,889)	(3,395)	(3,395)	0	0%	(1,507)	-80%

- Forecasting to budget as we anticipate catching up by EOY
- GASB includes legacy contra revenue for L2 Pension and POS pension credits in expense. Reduction in 2025 from 2024 driven by re-org.

Economic Development Division ~ Admin

Spending came in **19% under budget** or **$214K underspent**

$ in 000's	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Budget Variance $	Budget Variance %
Salaries & Benefits	347	380	359	(21)	-6%
Travel & Other Employee Exp	34	66	204	138	68%
Outside Services (excludes Tax Levy)	266	172	341	168	49%
Outside Services Tax Levy	45	60	90	30	33%
Promotional Expenses	1	1	7	6	81%
Trade Business & Community	18	175	23	(153)	-678%
All Other Expenses	9	36	81	45	55%
Total Operating Expense	**718**	**891**	**1,104**	**214**	**19%**

Vs. Budget:

Travel & Other Employee Expenses: Underspent by $138K driven by**:**
- Memberships
  - SAF Cascadia payment in process, $100K.
  - Mass Timber Accelerator $10K.
  - WEDA Membership Dues $5K.
- Travel, Lodging & Meals $60K underspent.

Outside Services (excludes Tax Levy): **Underspent by $168K** driven by**:**
- Timing of Greater Seattle Partners invoices, $125K.
- Teal New Deal/Industrial Lands, no spending, $50K.
- High Peak underspend $31K.

Outside Services - Tax Levy: Underspent by $30K driven by**:**
- $30K underspend due to timing of Maritime Blue invoicing.

Trade Business & Community Expenses: Underspent by ($153K) primarily due to**:**
- Unbudgeted Seattle Climate Innovation Hub Sponsorship, ($25K).
- King County MOU Sponsorship ($125K)
- Community Business Connector program (Tax Levy). Delayed 2025 payment.

Vs. 2025: Total expenses are **$172K higher** than prior year driven by:
- Trade Business & Community Sponsorships ($157K).
- Advertising ($30K).
- Travel & Other Employee expenses ($26K).
- Maritime Blue Tax Levy expense ($15K).

Mission: Support economic recovery in King County and across the state by advancing trade and travel, promoting manufacturing and maritime growth, while advancing equity and sustainability.

Diversity In Contracting (Small Business)

Spending came in **15% under budget** or **$187K underspent**

Small Business - $ in 000's	2025 YTD	2026 YTD	2026 YTD	Budget Variance	
	Actual	Actual	Budget	$	%
Salaries & Benefits	853	859	864	6	1%
Travel & Other Employee Exp	20	14	37	23	62%
Outside Services (excludes Tax Levy)	13	15	95	80	84%
Outside Services Tax Levy	0	71	100	29	29%
Advertising	39	45	60	15	25%
Promotional Expenses	6	4	8	5	59%
Trade Business & Community	7	10	64	54	84%
All Other Expenses	14	35	10	(25)	-246%
Total Operating Expense	**952**	**1,052**	**1,239**	**187**	**15%**

Vs. Budget:

Outside Services: Spending came in **$80K** under budget driven by:
- A pending invoice for Mentor Protégé programs, $50K.
- Underspend at the Tabor 100 Resource Center $39K.

Outside Services - Tax Levy: Underspent by $27K
- Funding for DBE/WMBE Training and WMBE/SBE Capacity Building. Certifications will be reallocated, $25K.

Advertising: Underspent by $15K
- Full budget is still expected to be utilized by year-end.

Trade Business & Community: Underspent by $54K primarily due to:
- $20K in unspent WMBE/Chamber Community Connections budget.
- $20K for Port Industry Day venue rental planned to be repurposed.
- $18K is underspend for Industry Partner Training Classes.

All Other Expenses: Overspent by ($25K), driven by:
- $54K Political Subdivision Fee to certify OMWBE businesses budgeted in 2025, coded and applied to Miscellaneous Expense in 2026.

Vs. 2025: $100K Higher
- 2025 South King County Tax Levy payments to Northwest Mountain Minority Supplier processed in Q3 of 2026, $23K.
- Political Subdivision Fee to certify OMWBE businesses budgeted in 2025, applied in 2026, $54K.

Purpose: Advance equity and address contracting disparities by increasing the utilization of Women Minority Business Enterprises and other disadvantaged firms.

Real Estate Development & Planning

Spending came in **32% under budget** or **$254K underspent**

$ in 000's	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Budget Variance $	Budget Variance %
Salaries & Benefits					
Aviaton Properties	*150*	*133*	*91*	(43)	-47%
Maritime Properties	*144*	*184*	*184*	0	0%
Travel & Other Employee Exp.	*1*	*8*	*14*	7	46%
Outside Services					
Aviaton Properties	132	152	161	9	6%
Maritime Properties	*9*	*105*	*334*	228	68%
All Other Expenses	*4*	*1*	*2*	1	69%
Total Operating Expense	***435***	***531***	***785***	**254**	**32%**

Vs Budget:

Salaries & Benefits: ($43K) overspent

- Overspent due to Allocation methodology

Travel & Other Employe Expenses: Underspent by $6K.

- The $7K budget for International Urban Land Institute travel was not used.

Outside Services: Total underspend of $237K,

- Maritime properties are **$228K underspent;**
    - Feasibility Analysis in progress for T91 Pre-Development efforts including communications support, $120K.
    - Feasibility Analysis/Due Diligence services in process for Bypass Road to CEM Study, $110K.
    - Strategic Development, Feasibility/Due Diligence services in process on P69 Space Planning and future planning, $15K.

Vs 2025: $96K Higher

Total spend year-over-year, primarily due to increased Outside Services costs associated with the CEM-Terminal 5 Freight Corridor spending and Salary & Benefit Allocation method.

RE Dev. & Planning: Facilitates the development of properties to maximize their mission performance and earning potential, identifies and evaluates new property acquisition opportunities and provides counsel to other divisions regarding real estate management and development.

Tourism

Spending came in **19% under budget** or **$169K underspent**

Tourism $ in 000's	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	Budget Variance $	Budget Variance %
Salaries & Benefits	331	333	316	(17)	-5%
Travel & Other Employee Exp	36	29	61	32	53%
Outside Services (excludes Tax Levy)	73	79	107	29	27%
Outside Services Tax Levy	221	196	300	104	35%
Advertising	28	14	50	36	72%
Promotional Expenses	42	44	52	8	15%
All Other Expenses	26	38	16	(22)	-141%
Total Operating Expense	**757**	**733**	**902**	**169**	**19%**

Vs. Budget:

Travel & Other Employee Expense: $32K underspent:
- The full budget is expected to be utilized, for events later in the year.

Outside Services (excludes Tax Levy): $29K underspent
- $35K budget for Responsible Tourism Data collection projects and Visitor information Chat Bot unspent.
- ($8K) overspent in Software for Simpleview License fee offset by Subscription budget.

Outside Services Tax Levy: $104K underspent on State of WA Tourism Contract.

Advertising: $36K underspent
- Budget for Marketing campaign underspent due to timing but will be utilized by year-end.

Promotional Expense: $8K underspent:
- $10K budget for State of WA Tourism annual conference.

All Other Expenses: ($22K) overspent pending Pcard expenses.

Vs. 2025 $24K Lower:

Outside Services-Tax Levy
- State of WA Tourism Contract payments will occur later in the year.

Workforce Development

Spending came in **20% under budget** or **$384K underspent**

$ in 000's	2025 YTD	2026 YTD	2026 YTD	Budget Variance	
	Actual	Actual	Budget	$	%
Salaries & Benefits	485	478	485	7	2%
Travel & Other Employee Exp	2	3	8	6	67%
Outside Services	552	417	1,074	657	61%
Airport Workforce Dev.	285	573	287	(286)	-100%
Trade Business & Community	3	18	17	(1)	-6%
All Other Expenses	8	8	9	1	10%
Total Operating Expense	**1,335**	**1,496**	**1,880**	**384**	**20%**

Vs. Budget:

Travel & Other Employee Expenses: $6K underspent

- Airfare, Registration, Lodging and meals for West Premiere Sea Servies, Safe from Hate Summit and Women on the Water Conference not used.

Outside Services: $371K underspent

- $187K underspent in Maritime Workforce investments (SSC Maritime Welding MOA)
- $127K underspent in PORT JOBS NON- AIRPORT: Airport Employment Center.
- $42K budget for WFD Strategic Planning unspent
- $32K budget for Audio visual communication unspent.
- **Airport Workforce Development: ($287K) overspent** due to budget spread and timing of when invoices are received and processed.

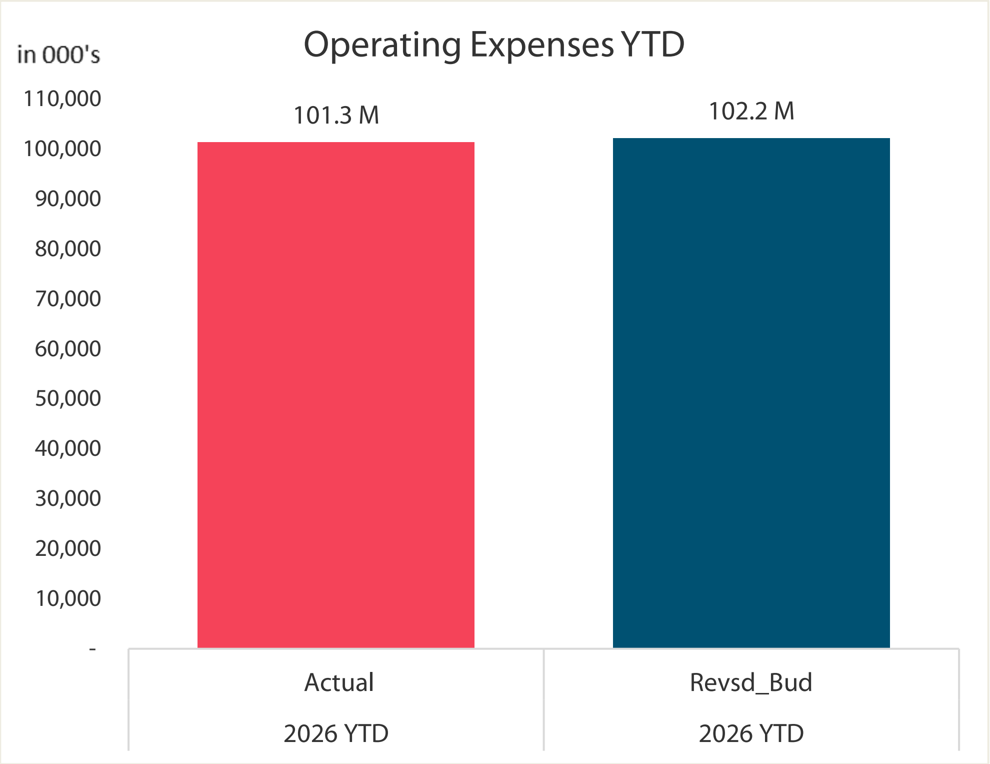
Vs. 2025: $152K Higher Outside Services

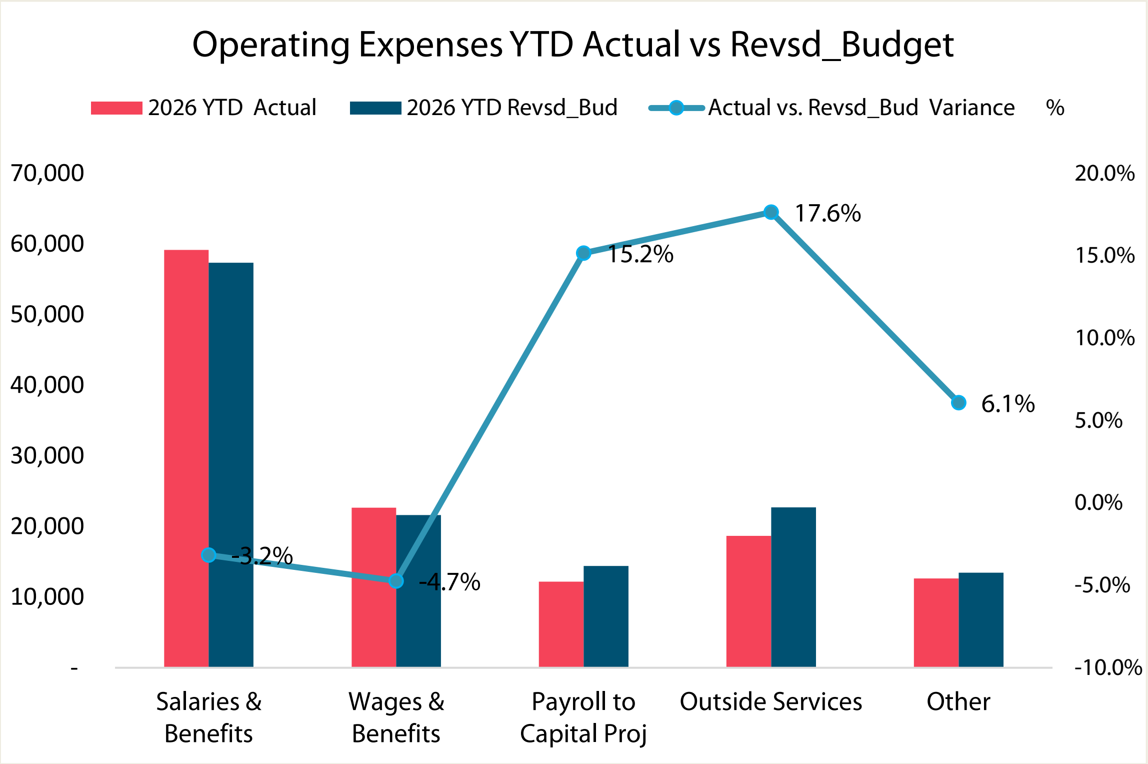
Timelier invoice processing for Port Jobs Employment Center Management and Construction Worker Outreach services.

Central Services Appendix

2026 Q2 Financial Performance Report

Operating Expenses Summary (YTD)

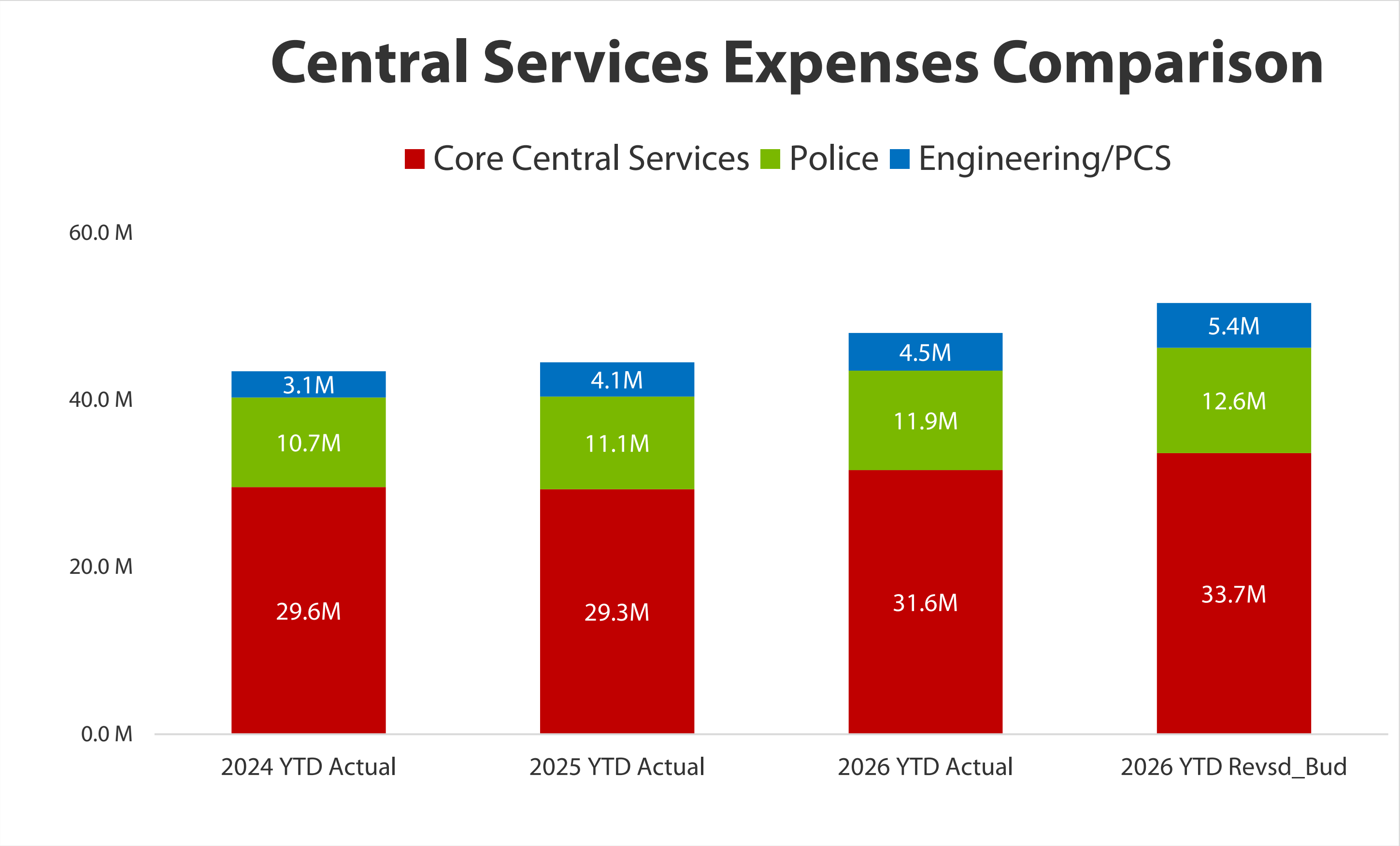




$835K or 0.8% favorable

- Payroll Expenses **$648K** higher than budget
- Outside Services **$4.0M** below budget
- Travel & Other Employee Expenses **$762K** below budget
- Litigated Injuries & Damages **935K** higher than budget
- Charges to Capital Projects **$3.3M** below budget

Central Services Financial Highlights (YTD)



2026 YTD Total Operating Expenses are **$8.8M higher** compared to 2025 due to:

- Higher Payroll, Equipment Expense, Outside Services, Insurance Expense, and General Expenses in 2025; partially offset by higher charges to Capital Projects.

Financial Forecast Summary

Figures in $000s	Forecast	Budget	Revsd_Bud	Variance
Revenues	**934**	**259**	**259**	**675**
GASB 87_96_103 Revenues	-	594	-	-
Total Operating Revenues GASB Comparable Basis	**934**	**853**	**259**	**675**
Core Central Support Services	134,755	129,624	132,607	(2,148)
Police	48,296	48,213	48,213	(83)
Engineering/PCS	22,240	21,887	21,887	(352)
GASB 87_96_103 Expenses	443	4,983	443	-
Total Operating Expenses GASB Comparable Basis	**205,734**	**204,707**	**203,151**	**(2,583)**
Capital Spending	**12,107**	**16,840**	**16,840**	**4,733**

- Core Central Services:
  - Payroll Expenses are higher than budgeted due to less Charges to Capital Projects.
  - Outside Services, Travel & Other Employee Expenses, and General Expenses are lower than budgeted.
- Police: Mainly due to higher Supplies & Stock than budgeted.
- Engineering & PCS: Mainly due to less Charges to Capital than budgeted.

Central Services YTD Financial Highlights

$ in 000's	2024 Actual	2025 Actual	2026 Forecast	2026 Budget	2026 Revsd_Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Total Operating Revenues	**403**	**14**	**934**	**259**	**259**	**675**	**260.9%**	**920**	**6689.1%**
GASB 87_96_103 Revenues	281	1,435	-	594	-	-	0.0%	(1,435)	-100.0%
Total Operating Revenues GASB Comparable Basis	**684**	**1,449**	**934**	**853**	**259**	**675**	**260.9%**	**(516)**	**-35.6%**
Core Central Support Services	142,358	98,442	134,755	129,624	132,607	(2,148)	-1.6%	36,313	36.9%
Police	43,591	46,327	48,296	48,213	48,213	(83)	-0.2%	1,970	4.3%
Engineering/PCS	15,644	18,256	22,240	21,887	21,887	(352)	-1.6%	3,984	21.8%
GASB 87_96_103 Expenses	3,227	1,131	443	4,983	443	-	0.0%	(688)	-60.9%
Total Operating Expenses GASB Comparable Basis	**204,820**	**164,156**	**205,734**	**204,707**	**203,151**	**(2,583)**	**-1.3%**	**41,578**	**25.3%**

2026 YTD Total Operating Expenses are $835K under revised budget due to:

- Payroll and General Expenses are higher than revised budget with lower charges to Capital Projects.
- Equipment Expense, Outside Services, Travel & Other Employee Expenses, and Worker's Compensation Expense are lower than revised budget due to the timely processing of actual expenses.

Central Services YTD Expense by Category

$ in 000's	2024 YTD Actual	2025 YTD Actual	2026 YTD Actual	2026 YTD Budget	2026 YTD Revsd_Bud	Actual vs. Revsd_Bud Variance $	Actual vs. Revsd_Bud Variance %	Change from 2025 Incr (Decr) $	Change from 2025 Incr (Decr) %
Salaries & Benefits	50,380	58,122	59,155	57,346	57,346	(1,809)	-3.2%	1,033	1.8%
Wages & Benefits	20,497	21,035	22,666	21,643	21,643	(1,023)	-4.7%	1,631	7.8%
Payroll to Capital Projects	11,343	10,353	12,212	14,395	14,395	2,184	15.2%	1,859	18.0%
Equipment Expense	578	748	1,351	1,586	1,586	235	14.8%	603	80.7%
Supplies & Stock	432	550	630	577	577	(53)	-9.3%	80	14.6%
Outside Services	17,065	15,929	18,700	24,474	22,707	4,007	17.6%	2,771	17.4%
Travel & Other Employee Expenses	1,239	1,426	1,383	2,145	2,145	762	35.5%	(43)	-3.0%
Insurance Expense	2,571	2,620	3,340	3,288	3,288	(52)	-1.6%	720	27.5%
Litigated Injuries & Damages	459	537	935	-	-	(935)	0.0%	398	74.0%
Other Expenses	3,867	2,371	5,006	2,608	5,867	862	14.7%	2,635	111.1%
Charges to Capital Projects/Overhead Alloc	(21,684)	(21,185)	(24,040)	(27,382)	(27,382)	(3,343)	12.2%	(2,854)	13.5%
O&M Expenses	**86,747**	**92,506**	**101,338**	**100,681**	**102,172**	**835**	**0.8%**	**8,832**	**9.5%**
GASB 87_96_103 Expenses	1,251	1,631	355	2,474	204	(151)	-74.2%	(1,276)	-78.2%
Total Operating Expenses GASB Comparable Basis	**87,998**	**94,136**	**101,693**	**103,155**	**102,376**	**683**	**0.7%**	**7,556**	**8.0%**

- Outside Services, Travel & Other Employee Expenses, and Other Expenses below revised budget due to timely processing of actual expenses.
- Litigated Injuries & Damages higher than revised budget and lower charges to Capital Projects.

Central Services Capital Spending

$ in 000's	2026 YTD Actual	2026 Year-End Forecast	2026 Budget	2026 Plan of Finance	Budget Variance $	%
Corporate Fleet Replacement	1,344	3,205	4,503	1,144	1,298	28.8%
Engineering Fleet Replacement	247	1,316	1,331	560	15	1.1%
Police Small Cap and Axon Contract	178	2,360	2,371	2,211	11	0.5%
Police IT System Upgrades	185	835	1,687	827	852	50.5%
Services Tech - Small Cap	458	854	1,500	1,388	646	43.1%
Infrastructure - Small Cap	417	2,060	1,500	1,500	(560)	-37.3%
PeopleSoft Financial System Upgrade	453	1,153	1,530	1,474	377	24.6%
Physical Access Control System Refresh	49	319	1,473	979	1,154	78.3%
Radio Microwave Redund. Loop	5	1,350	1,350	953	0	0.0%
Private Cellular Network (LTE)	0	0	1,250	2,000	1,250	100.0%
Maximo Software System Upgrade	195	645	1,200	600	555	46.3%
Other (note 1)	581	2,910	3,945	6,956	1,035	26.2%
Subtotal	4,112	17,007	23,640	20,592	6,633	28.1%
CIP Cashflow Adjustment	-	(4,900)	(6,800)	(6,400)	(1,900)	27.9%
TOTAL	**4,112**	**12,107**	**16,840**	**14,192**	**4,733**	**28.1%**

Note:

(1) "Other" includes remaining ICT projects and small capital projects/acquisitions.

Appendix – GASB 103

New Accounting Standard GASB 103

The Governmental Accounting Standards Board (GASB) requires us to implement a new reporting standard, effective for the Port of Seattle on January 1, 2026.

The purpose of the new GASB 103 is to improve financial reporting and information for users.

GASB redefined operating and non-operating revenues and expenses, leading to changes in the current account structure.

GASB 103 resulted in $23.2M reduction in Operating Revenues and $27.3M increase in Operating Expenses (and $50.5M reduction in NOI) in the 2026 budget.

New Accounting Standard GASB 103

The definition of nonoperating revenues and expenses:

- (a) **subsidies** received and provided,
- (b) **contributions** to permanent and term endowments,
- (c) revenues and expenses related to **financing**,
- (d) resources from the **disposal** of capital assets and inventory, and
- (e) **investment** income and expenses.

If it doesn't meet the definition of nonoperating, it is operating.

GASB 103 Accounts Change Summary

GASB 103 Account Crosswalk			
Type	Old Account	GASB 103 Account	Account Description
OpRev→NonOp	49164	70405	RAC CFC Revenue
OpRev→NonOp	49275	70275	Federal Forfeitures
OpRev→NonOp	49282	70282	State Forfeitures
NonOp→OpRev	70120	49151	Accts Rec Int/Penalty- B&O Tax
NonOp→OpRev	70130	49152	PFC A/R Interest Income
NonOp→OpRev	70205	49205	ENVRS Recovery of Past Costs
NonOp→OpRev	70210	49130	Misc Revenue (Wholesale)
NonOp→OpRev	70212	49140	Misc Revenue (Retail) - Sls Tx
NonOp→OpRev	70213	49155	Misc Revenue - Leasehold Tx
NonOp→OpRev	70214	49145	Misc Revenue - Retail B&O Tx
NonOp→OpRev	70215	49160	Misc Revenue - Exempt
NonOp→OpRev	70320	49180*	Cashiers Over or Short
NonOp→OpExp	70380	67180	Election Expense
NonOp→OpExp	70390	67700	Business & Occupation Taxes
NonOp→OpExp	70400	67750	Miscellaneous Expense
NonOp→OpExp	70430	67950	Environmental Remediation Liab
NonOp→OpExp	70435	64200	Outside Legal Expense
NonOp→OpExp	70700	67730*	Banking Services
NonOp→OpExp	70710	67735	DVP - Custodial Costs
NonOp→OpExp	74010	67010	WPT GASB 68 Amort & Expense
	Existing Account		
	New Account		
**Repurposed/recycled accounts 49180 and 67730*			

GASB 103 Impacts on 2026 Budget

				REVSD BDGT 2026	
Old Accounts		***New Accounts***		**Total Port of Seattle** *Changes*	**North Harbor Alliance** *Changes*
70400-Miscellaneous Expense		67750-Miscellaneous Expense		8,567,776	-
70430-Non-Op Environmental Expense		67950-Environmental Remediation Liab		14,800,000	-
70700-Banking Services		67730*-Banking Services		138,000	2,750
70710-DVP - Custodial Costs		67735-DVP - Custodial Costs		15,000	-
70380-Election Expense		67180-Election Expense		1,844,952	-
70390-Administrative B&O Tax Expense		67700-Business & Occupation Taxes		12,403	-
70435-Enviromentl Recovery Legal Exp		64200-Outside Legal Expense		465,000	-
74010-Pension Trust Fund Contributio		67010-WPT GASB 68 Amort & Expenses		1,500,000	-
70210-Miscellaneous Revenue		49130-Misc Revenue (Wholesale)		-	-
70212-Misc Revenue - ST & BO Taxable		49140-Misc Revenue (Retail) - Sls Tx		-	-
70213-Misc Non-Op Revenue - LH Tax		49155-Misc Revenue - Leasehold Tx		-	-
70214-Retail B&O Taxable		49145-Misc Revenue - Retail B&O Tx		-	-
70215-Miscellaneous Revenue - Exempt		49160-Misc Revenue - Exempt		517,776	-
70120-Accts Rec Int/Penalty- B&O Tax		49151-Accts Rec Int/Penalty-B&O Tax		594,257	-
70130-PFC A/R Interest Income		49152-PFC A/R Interest Income		-	-
70320-Cashiers Over or Short		49180*-Cashiers Oiver or Short		-	-
49275-Federal Forfeitures		70275-Federal Forfeitures		-	-
49282-State Forfeitures		70282-State Forfeitures		-	-
49164-RAC CFC Operating Rev		70405-RAC CFC Revenues**		24,306,761	-
		TOTAL OPERATING REVENUE		**(23,194,728)**	**-**
		TOTAL OPERATING EXPENSE		**27,343,131**	**2,750**