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News Release

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AIRPORT COMMISSIONERS INVEST IN FUTURE OF LAX WITH APPROVAL OF NEW STATE-OF-THE-ART CONCOURSE DESIGNED TO UPGRADE EVERY ELEMENT OF THE GUEST EXPERIENCE

(Los Angeles, California – November 18, 2016) The Los Angeles Board of Airport Commissioners continued its commitment to reinvent Los Angeles International airport (LAX) as the premier U.S. gateway, by voting unanimously to invest in airport infrastructure that will be at the forefront of innovation and technology.

With current and future passenger growth at record levels, and an objective to provide a “top tier” passenger experience, commissioners agreed to appropriate funds for a Midfield Satellite Concourse (MSC) and a related Baggage Optimization Project (BOP). The world-class concourse, designed as an addition to the Tom Bradley International Terminal (TBIT), will include 12 gates in its first phase of construction. The MSC will provide the flexibility and gate space that LAX needs, and reduce the reliance on the LAX remote gates where passengers are currently bused to board aircraft.

“At LAX we are always striving to do a better job getting passengers to their gates as quickly as possible after landing,” said Board of Airport Commissioners President Sean Burton. “The board’s support for the midfield concourse is indicative of our desire to continue to improve the passenger experience and provide a welcoming front door for visitors to Los Angeles.”

“Those of us who operate airports expect, and our customers expect, a great experience. One that is safe, and one that is adapted to what passengers require today, which is a technologically advanced and efficient experience” said Los Angeles World Airports Chief Executive Officer Deborah Flint. “We will design a concourse with our passengers and their needs, top of mind, and deliver an innovative experience that is first-class.” To provide a vision of what awaits passengers when the concourse becomes operational in about three years, a conceptual video featuring a fly-through from the Central Terminal Area through TBIT into the new concourse is available on YouTube at <https://youtu.be/L-YenoF-RD8>.

Thursday's board action enables construction of the MSC North and the BOP, which will improve the capacity to handle baggage at both the MSC and TBIT. The MSC that costs 1.3 billion, will be funded through a combination of revenue bonds and cash. Payments of future years' debt service on those bonds will be recovered primarily through airline terminal rates and fees, non-aeronautical revenues, and passenger facility charges.

The North Gates phase of the MSC will include two gates for Group VI aircraft like the Airbus 380 super-jumbo and the Boeing 747-8 Intercontinental, while the remaining 10 gates will be able to handle Group V aircraft, such as the Boeing 777 and 787, and Airbus 330. The concourse will also include a wide variety of exciting food and retail options for passengers, as well as additional space for airline clubs.

The new concourse will connect to TBIT via a 1,000-foot-long passenger tunnel that will start in a new gateway facility built adjacent to the terminal. The tunnel will feature 42-inch-thick walls and roof designed to withstand more than 660 tons, the equivalent of a fully loaded A380.

Sustainability will also be a key feature of the new concourse, which has been designed to achieve LEED Silver certification and CAL Green Tier 1 status. Substantial completion of the new concourse is anticipated in late 2019, at which time operational activities will begin.

A second phase will add additional gates on the south end of the terminal. Site preparation for the new concourse has already begun with the demolition of the former TWA hangar, to be followed soon with demolition of the former U.S. Coast Guard hangar. In addition to the MSC contract, the board approved several other items associated with the new concourse and the BOP. They include a three-year lease worth an estimated \$7,473 million with Turner-PCL for off-field commercial land to be used for construction laydown; amendments to the lease with the Tom Bradley International Terminal Equipment Company (TBITEC) that includes procurement of equipment necessary for the BOP; and contracts with TBITEC to acquire and install the baggage handling equipment at both the MSC and TBIT, totaling \$260 million.

About Los Angeles International Airport (LAX)

LAX is the seventh busiest airport in the world and third in the United States. LAX served more than 74.9 million passengers in 2015. LAX offers 742 daily nonstop flights to 101 cities in the U.S. and 1,273 weekly nonstop flights to 76 cities in 41 countries on 64 commercial air carriers. LAX ranks 14th in the world and fifth in the U.S. in air cargo tonnage processed, with more than 2.1 million tons of air cargo valued at over \$101.4 billion. LAX handled 655,564 operations (landings and takeoffs) in 2015.

An economic study based on 2014 operations reported LAX generated 620,610 jobs in Southern California with labor income of \$37.3 billion and economic output (business revenues) of more than \$126.6 billion. This activity added \$6.2 billion to local and state revenues and \$8.7 billion in federal tax revenues. The study also reported that LAX's ongoing capital-improvement program creates an additional 121,640 annual jobs with labor income of \$7.6 billion and economic output of \$20.3 billion, \$966 million in state and local taxes, and \$1.6 billion in federal tax revenues.

LAX is part of a system of two Southern California airports – along with Van Nuys general aviation – that are owned and operated by Los Angeles World Airports, a proprietary department of the City of Los Angeles that receives no funding from the City's general fund.

For more information about LAX, please visit www.lawa.aero/lax or follow on Twitter [@flyLAXAirport](https://twitter.com/flyLAXAirport), on Facebook at www.facebook.com/LAInternationalAirport, and on YouTube at www.YouTube.com/laxairport1. Information about LAX's ongoing multi-billion-dollar LAX Modernization Program, as well as tips and shortcuts to help navigate LAX during construction, are available at www.LAXisHappening.com.

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