

Role of Airports as Partners in Inland Ports

Edmonton International Airport

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Presentation Agenda

- EIA strategic approach to inland port development
 - Edmonton attributes
 - EIA profile
 - Aerotropolis Development
 - Port Alberta
 - Results and Achievements



Strategic Approach

- EIA exists in a hybrid community relationship
- Both drive and focus on economic growth
- Collaborative stakeholder execution is key to success
- Airports and Communities achieving high levels of execution are economic growth leaders
- Aerotropolis is EIA's community engagement platform
- Port Alberta is the cargo component of Aerotropolis



Edmonton Attributes

- Metropolitan Edmonton
 - Population 1.3 Million
 - the 5th largest in Canada
 - 13% population growth from 2011, nearly 3 times of national average
 - Highest GDP growth metropolitan area, 4.6% of yearly average in the past 5 years
 - Job creation: 57% of new jobs in Alberta were from Edmonton Region (2015)
- \$500Mil investment in Downtown core infrastructure Ideal logistic location
- Industrial Warehousing space
 - Edmonton (City) 119,995,147sq.ft
 - Edmonton Metro 142,718,714 sq.ft
- Dec 2014 and Dec 2015 Edmonton added 28,700 net new jobs
- Canada Business Magazine – 2nd best city in Canada to do business 2015



Edmonton Commercial Developments

- Ice District is a \$2.5 billion mixed-use sports and entertainment district being developed in Downtown, Edmonton.
- When completed it will be Canada's largest mixed use and entertainment district.
 - at the heart of the city, will link 4 quadrants
 - Edmonton Tower
 - Stantec Tower
 - 66 stories and home to the highest residential address in Canada west of Toronto





Edmonton Commercial Developments

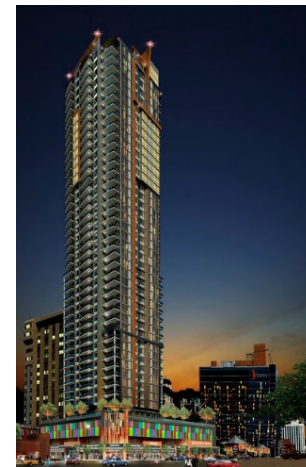
- Aurora Project - \$40M expansion & upgrading project for the Telus World of Science
- Encore Tower - The Westrich Pacific Corporation constructing an all-glass, 40 storey energy efficient building - \$325 million





Edmonton Commercial Developments

- Royal Alberta Museum - Western Canada's largest museum - \$375.5M
- Emerald Tower - Edmonton's tallest residential tower. The Emerald will stand 45 storeys with the first floor dedicated to retail space.





Edmonton Commercial Development

- Walterdale Bridge - The \$155M structure will feature three northbound traffic lanes and enhanced pedestrian & cyclist crossings
- The Funicular – The \$24M funicular will be a diagonal elevator which will make our stunning river valley more accessible to people of all ages and abilities.





EIA Profile

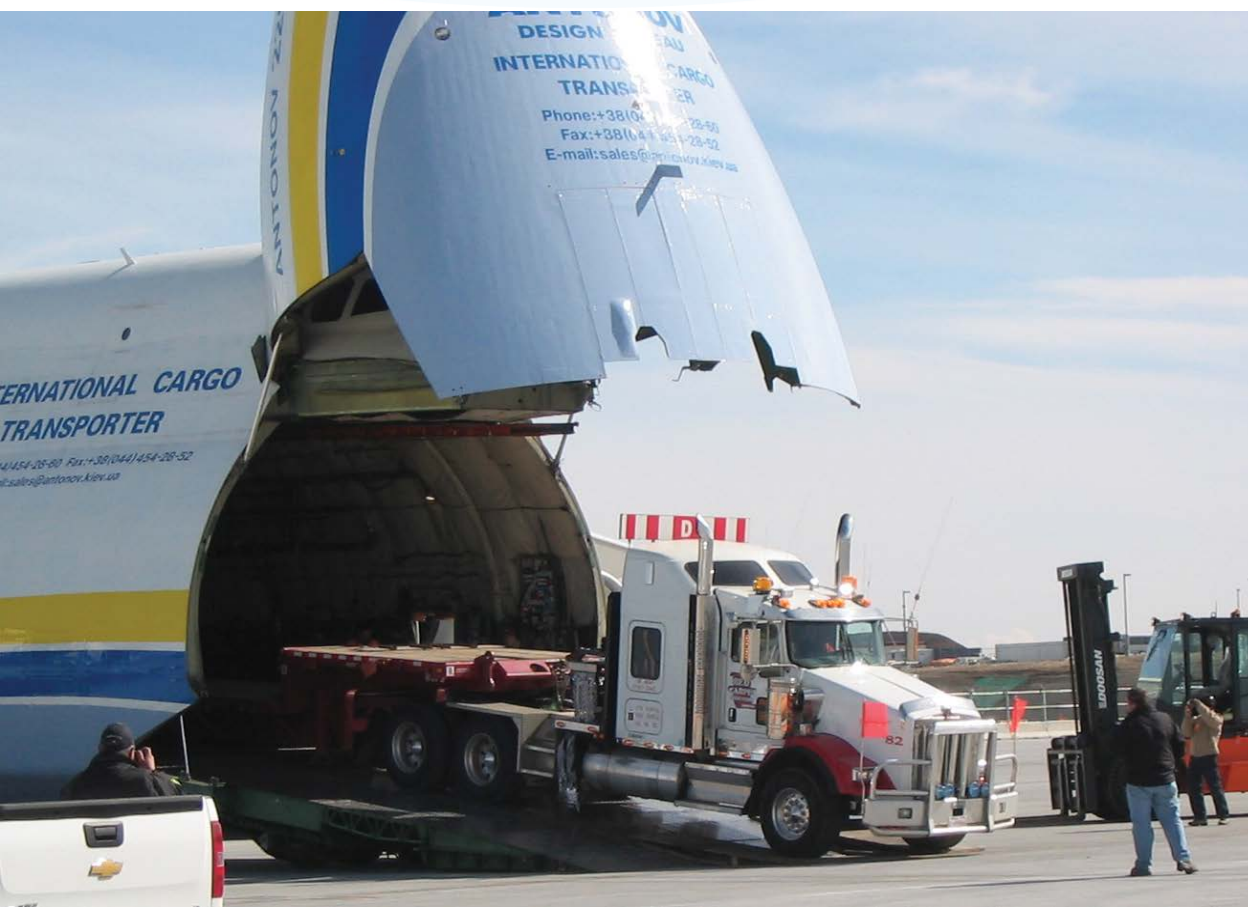


Facts

- EIA:
 - Canada's is 5th largest airport measured by passenger volume
 - Has executed 6 consecutive years of cargo volume growth = 32% and forecasted to achieve 7 consecutive years by end of 2016
 - An Industry-leader in runway availability (99.41%)
 - An Industry-leading and award winner of airport winter operations
 - Canada's most northerly 24-hour major international airport
 - A gateway airport to Canada's North and the Arctic
- EIA has invested C\$1B in infrastructure upgrades since 2009



Fact – Economic Driver



12,600 jobs \$1.1 billion GDP \$2.2 billion economic output



Vision, Mission and Goal

- Vision:
 - More flights to more places
- Mission:
 - Driving our region's economic prosperity through aviation and commercial development
- Goal:
 - 10 million annual enplaned and deplaned passengers by 2020



How We Operate

- Not-for-profit corporation
 - all earnings reinvested into the airport
- Self-funded
 - not supported by taxes or public funds
- We work to generate revenue that can be used to offset aviation costs
- Income sources are aviation fees, passenger fees (AIF), and non-aviation sources such as concessions, parking and real estate (leases)



EIA – Guiding Principles

- Operate with integrity.
- Understand the needs of our customers.
- Understand and actively develop our markets.
- Communicate the Business Case accurately.
- Invest in our customers' beliefs.
- Provide value in each customer interaction.



Aerotropolis Development



Aerotropolis

- "The 20th century was about cities building airports. The 21st century will be about airports building cities."
- Dr. John D. Kasarda
- "EIA is blessed with the largest land mass of any major airport in Canada, in excess of 7,000 acres. We are intentional in executing Aeroptropolis development"
- Myron Keehn, Vice President Commercial Development, EIA



Edmonton - An Emerging Aerotropolis

- Recognized as an Aerotropolis by Prof. John Kasarda, due to:
 - Largest airport real estate holdings in Canada.
 - Exceptional infrastructure: road, rail, & air.



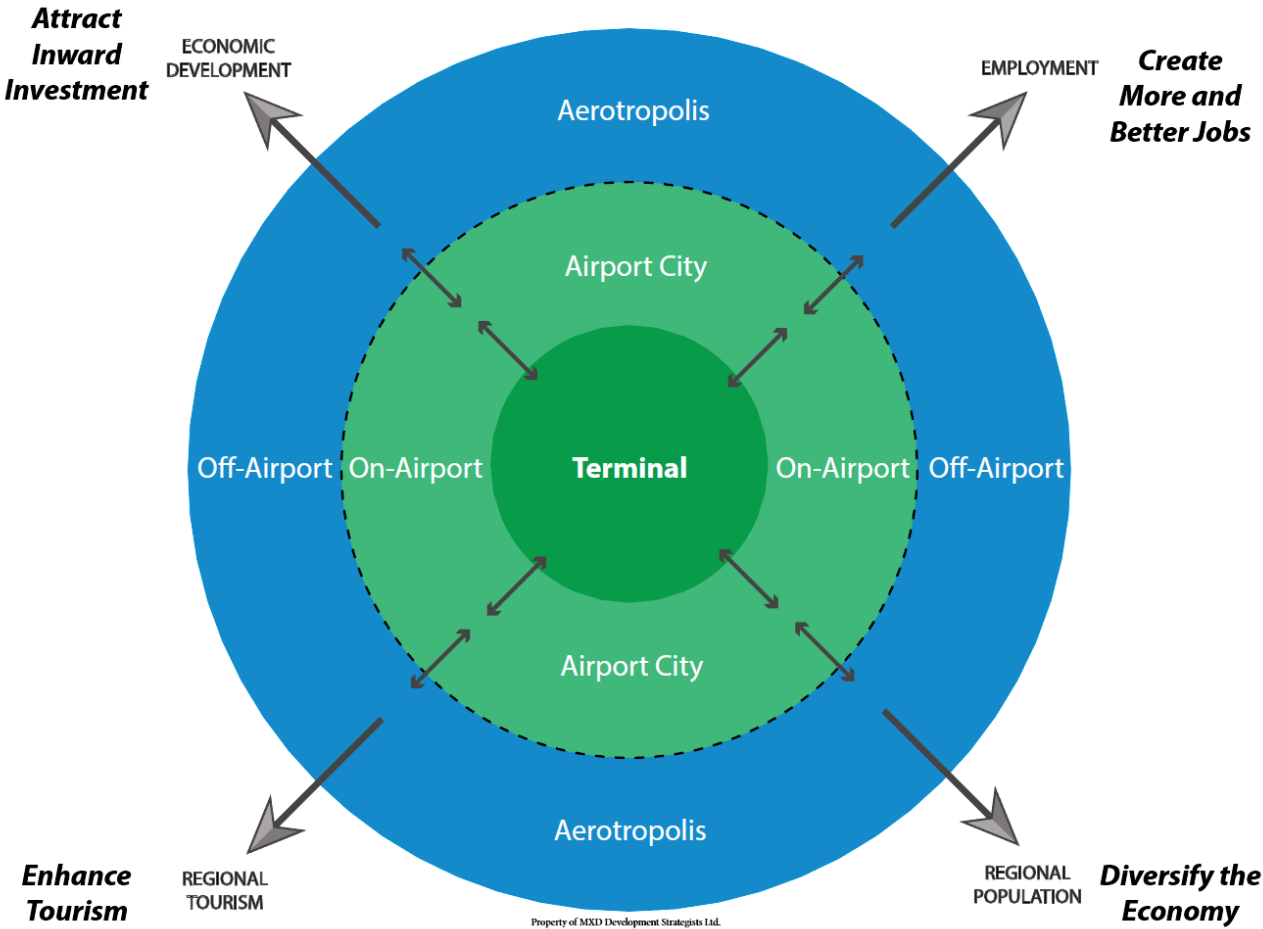


Aerotropolis

- Real estate is used to accomplish several goals:
 - Creating a destination
 - Drive economic prosperity
 - Drive passenger growth
 - Drive cargo growth
- Platform for Collaborative land development with surrounding municipalities



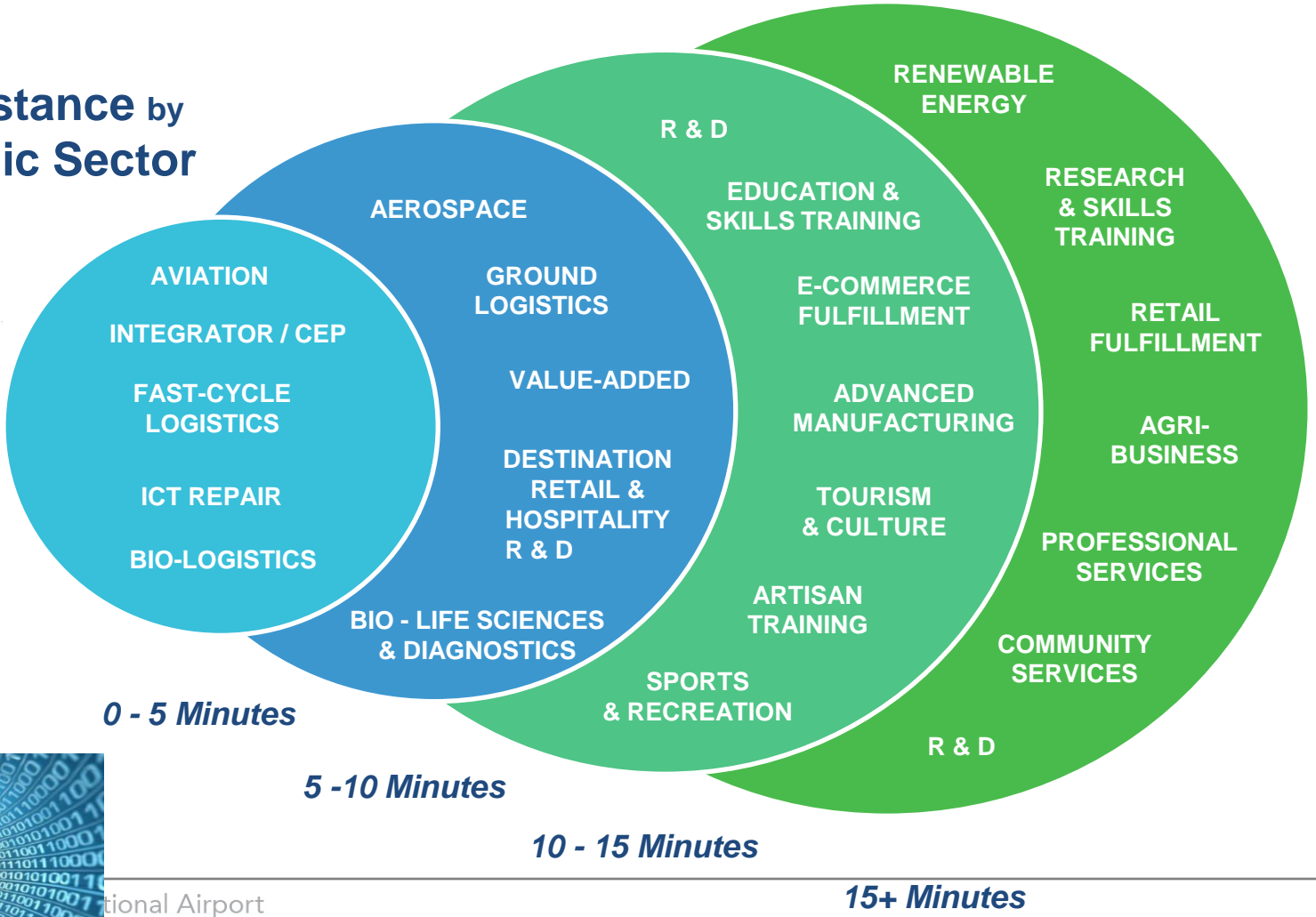
Aerotropolis





Airport-Enabled Sunrise Industry Sectors

Time-Distance by Economic Sector



International Airport



Alberta Aerospace & Technology Center

- Canadian North 737 Simulator
- HNZ Helicopter Simulator
- Road Carrier Simulator





Port Alberta EIA investments

Air Cargo Air Service & infrastructure



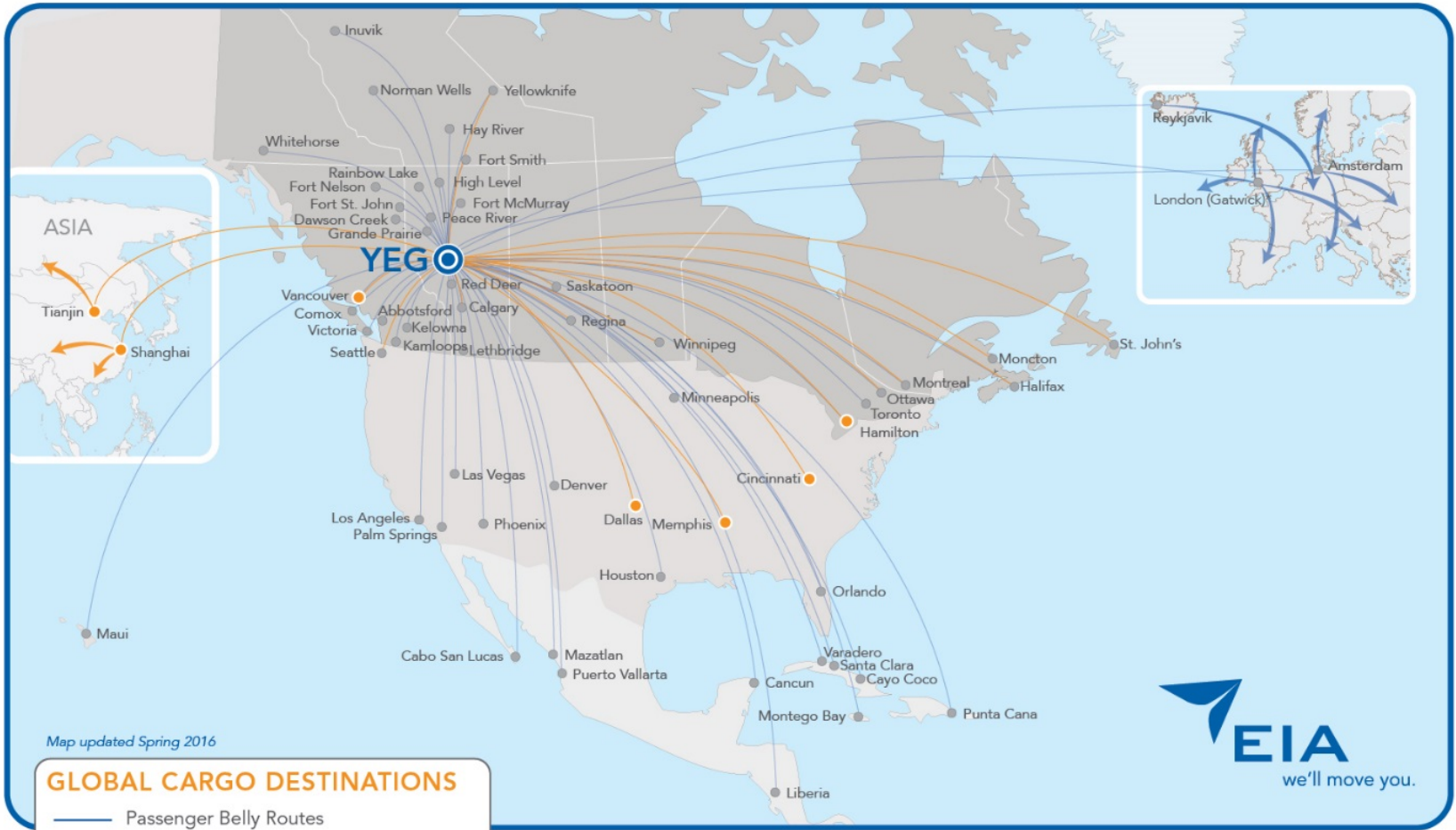
EIA – Distribution and Logistics

- Over \$500 million in private investment committed to since 2015
- Approximately \$300 million invested between 2012 and 2015
- Approximately 850,000 square feet of retail/commercial development underway
- Over 300,000 square feet of logistics development under construction
- Education facilities developed include: Canadian North 737 simulator (operating), HNZ Helicopter simulator (fall 2016), Truck driver simulator & training track (summer 2017)

CARGO

2016 AIR SERVICE

Edmonton, Alberta, Canada



flyeia.com/CARGO

EDMONTON INTERNATIONAL AIRPORT





EIA – Distribution and Logistics





EIA – Distribution and Logistics

- Open 2014 new 50,000 square foot cargo integrator building with adjacent dedicated cargo apron
 - Home to Cargojet, DHL, Purolator
- Open 2015 70,000 square foot airside cargo bonded, multi temperature warehouse
 - Home to CBSA (customs)
 - Home to Braden Bury Expediting, Air France/KLM, Westjet, Icelandair, Canadian North, First Air, Air China Cargo





EIA – Distribution and Logistics

- Open September 2016
 - On airport 211,000 square foot Acropolis Warehousing and Road Carrier hub
Rosenau Transport
- Opening 2017
 - On airport 585,000 square foot special outlet mall





EIA – Distribution and Logistics

- Opening 2017
 - On airport, airside 50,000 square foot warehouse
 - Pre leased 100%
 - Investor maintains rights for 2nd building





EIA – Air Cargo Facilities

- 24/7 operations, no curfews
- No operational restrictions
- Code F aircraft capable
- Dedicated cargo aprons
- B747-capable hangar
- Multiple fueling options
- Excellent de-icing capabilities
- Multi-temperature warehouses
- Specialized ground handling and facilities for perishable shipments
- Specialized Heavy Lift ground handling equipment and capabilities





Results



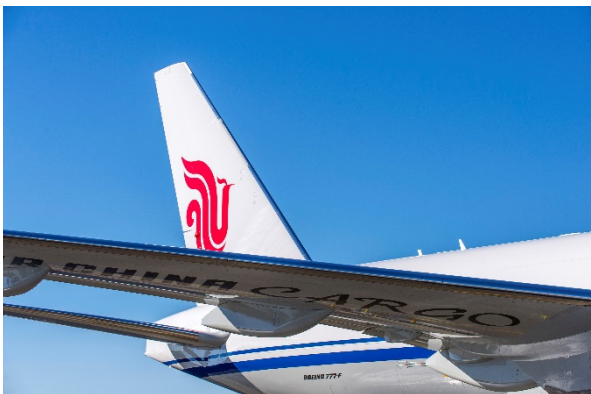
Results

- More Flights to More Places
- Passenger / Cargo growth
- Economic impact



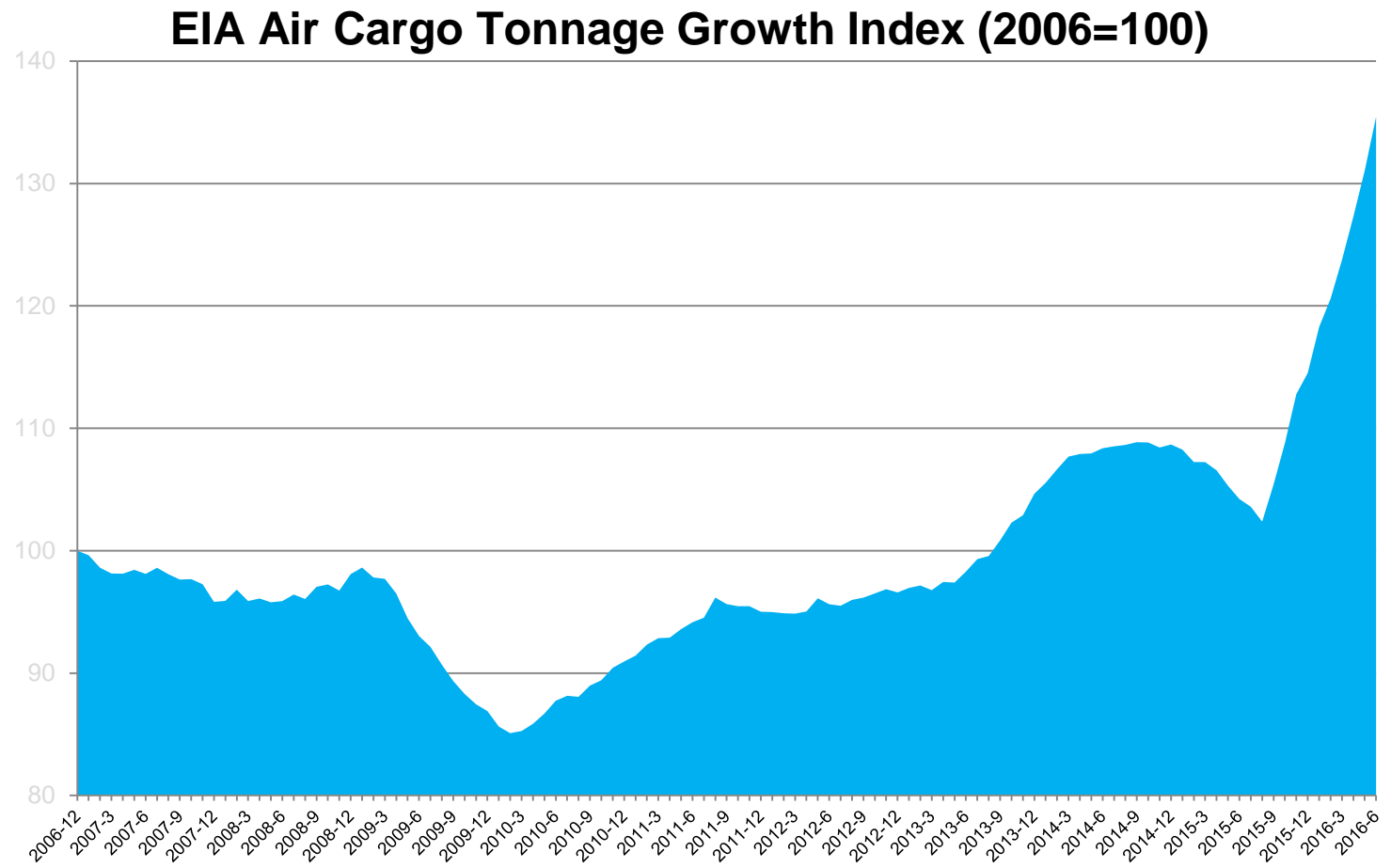


Results - Broad Air Cargo Mix





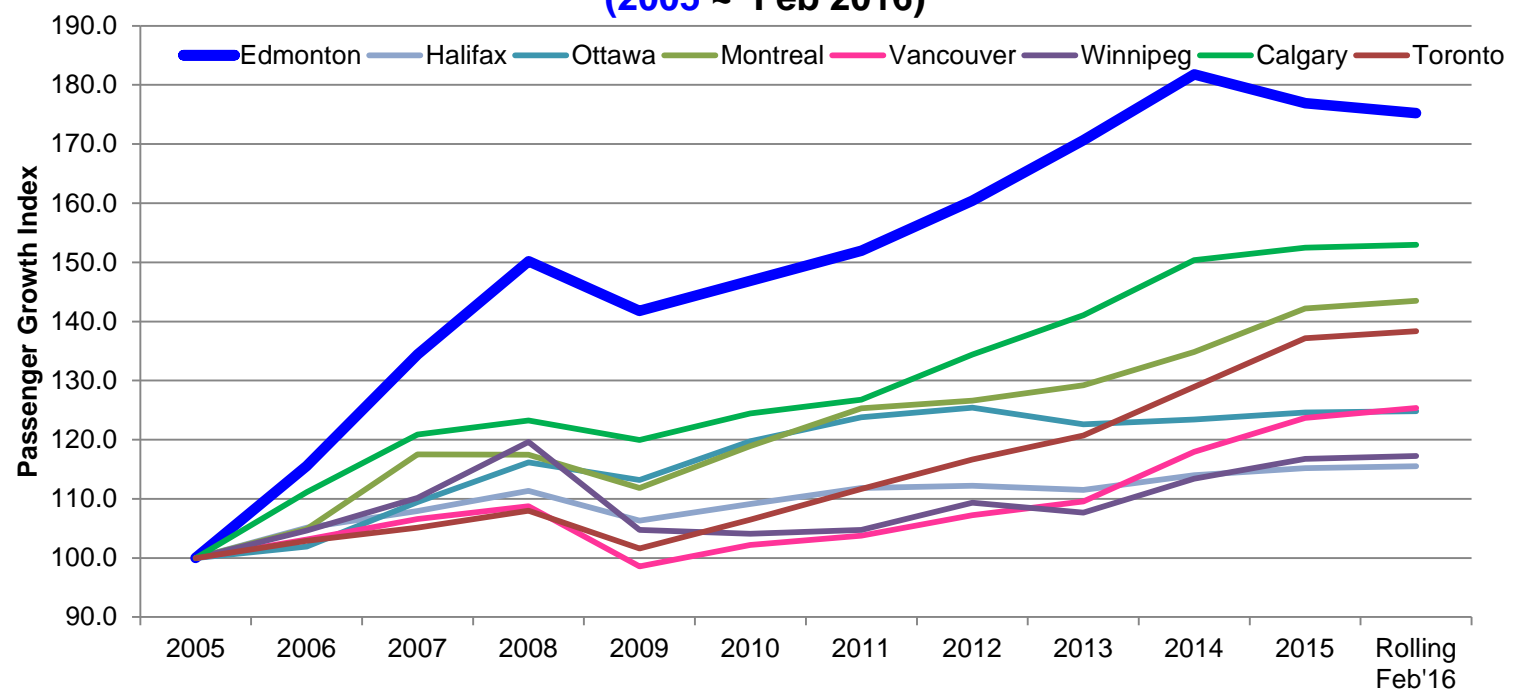
6 consecutive years of cargo volume growth





Canada's Fastest Growing Passenger Airport

Canadian Airport Passenger Growth Index (2005 ~ Feb 2016)



(2005 =

Source: Canadian Airport Information

From 5.2 million to 7.9 million passengers (52% increase in 10 years)



Awards

- 2016 Marketing Awards
- 2016 - ACI-NA Concession Awards
- 2016 – ACE (Advertising Club of Edmonton) Awards
- 2016 – LEED® Gold certification
- 2016 – BOMA Certificate of Building Excellence
- 2016 – BOMA The Outstanding Building of the Year (TOBY)
- 2016 – Airport Revenue News Awards
- 2016 – Airport Revenue News
- 2016 – Alberta's Top 70 Employer
- 2016 – Best Airport Bar / Restaurant Wait Staff: Bar Symon Wins
- 2015 – Airports Council International North America Marketing and Communications Awards
- Annual Reports (First place)
- 2015 – Building Engineering Award of Excellence
- 2015 – IABC Awards
- 2015 – ACE (Advertising Club of Edmonton) Awards
- 2015 – Certificate of Recognition
- Alberta's Best Workplace 2015 - Health & Safety
- 2015 – Alberta's Top 70 Employer
- 2014 – Airports Council International North America Marketing and Communications Awards
 - Annual Reports (First place)
 - Community Outreach (Second place)
 - Partnering with Carriers (Second place)
 - Video and Film Productions (Third place)
- 2014 – Certificate of Building Excellence – For Central Tower
- 2014 – The Outstanding Building of the Year (TOBY) – For Central Tower
- 2013 – Ad Club of Edmonton (ACE) Award of Distinction - Art Direction - Awarded to DDB Edmonton
- 2013 – Airports Council International North America Marketing and Communications Awards
 - Brochures - Three pocket-size EIA Brochures (3rd Place)
 - Creative Innovations (3rd place)
 - Marketing Campaigns - Christmas at EIA (3rd Place)
 - Social Media Campaigns (3rd Place)
- 2012 ACI Richard Griesbach Excellence in Airport Concessions – First Place Best Convenience Retail Program
- 2012 ACI Richard Griesbach Excellence in Airport Concessions – Second Place Best Specialty Retail Program Small Airport
- 2010 ACI Richard Griesbach Excellence in Airport Concessions – First Place Best Specialty Retail Program – Medium & Small Airport
- 2011 Best Airport Winner Small Airport Division – Airports with the "Best Concessions Management Team"
- 2013 – Percy Wickman Accessibility Award
- 2013 – Mayor's Award for architectural design accessibility
- Award of Merit: Edmonton International Airport – Expansion 2012
- 2011 – Balchen/Post Award for excellence in snow and ice control
- 2012 – Starnet Worldwide Commercial Flooring Design 2012
- 2012 – Alberta Venture 50 Most Influential People
- 2011 – Alberta's Top 50 Employer
- 2010 – Alberta's Top 50 Employer
- 2010 – World Routes Airport Marketing Award – Americas
- 2010 – Peggy G. Hereford Award
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- 2008 – Business of the Year
- 2007 - ACI-NA Excellence in Marketing and Communications
- 2007 – Company of the Year