



Monthly Statistics Report

To: Russell J. Handy, Aviation Director
From: Brian Pratte, Air Service Administrator
Copies: San Antonio Regional Stakeholders
Subject: January 2018 Monthly Statistics
Date: February 22, 2018

2018 BEGINS WITH CONTINUED RECORD PASSENGERS

SUMMARY

San Antonio International Airport (SAT) continued record passenger growth into the new year with a total of 702,546 passengers in January 2018, a notable 7.8% increase over January 2017. This represents the highest level of traffic for any January on record. This January increase also continues the ongoing trend of growth at SAT with the last 19 consecutive months experiencing record passengers.

Domestic traffic for the month climbed 7.3% compared to January 2017, due to capacity increases by most of the domestic carriers as well as new routes on Frontier. Moreover, international traffic surged 22.7% as a result of new and additional service to Toronto and Mexico City added last year.

With respect to air cargo, a total of 20,894,489 pounds moved through SAT in January 2018 representing a remarkable 14.9% increase YOY.

Please see Exhibit A for a detailed breakdown.

Since the spring of 2016, 21 new flights have either been added or announced at SAT contributing to the recent growth in passengers at the airport. As part of our expanded efforts towards air service development, SAT has developed a robust, broad air service marketing and advertising program. This program is intended to heighten awareness of options, including carriers and destinations, throughout San Antonio and the surrounding region.



DOMESTIC PASSENGERS

Scheduled domestic capacity, or seats, increased 10% or 42,108 seats in January 2018 vs. January 2017 with a total of 450,773 monthly departure seats. Airlines routinely make monthly or seasonal adjustments to the number of flights and seats available to match market demand trends.

Fall 2017, Frontier Airlines launched new non-stop service to five markets which contributed to a 243% surge in capacity for the airline in January. Furthermore, United Airlines increased their capacity nearly 15% by adding seats to almost all their markets from SAT while American Airlines grew their capacity over 14% by deploying larger aircraft to Charlotte, and Phoenix and increasing frequency to Chicago O'Hare and Miami. Southwest grew capacity by 2.3% with added seats to several markets while Delta grew capacity 2.6% by utilizing larger aircraft to Detroit, Minneapolis and Salt Lake City. Seasonal adjustments were made on Allegiant with reduced frequency to Orlando-Sanford.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	1.2%	1.4%
Allegiant Air	(47.6%)	(41.6%)
American Airlines	14.4%	8.6%
Delta Air Lines	2.6%	(-4.1%)
Frontier Airlines	242.8%	201.6%
Southwest Airlines	2.3%	4.7%
United Airlines	14.7%	3.5%

When comparing year-over-year domestic capacity changes, the results were based on the following:

- American Airlines: increased Miami service back to near daily in March 2017 and increased aircraft gauge to Charlotte, Chicago O'Hare and Phoenix in September, March and April 2017 respectively
- Frontier Airlines: added service to New Orleans, Ontario, CA, Phoenix, San Diego and Washington-Dulles in fall 2017 and suspended seasonal service to Atlanta and Philadelphia in September 2017, a month earlier than 2016. Atlanta resumed in November 2017 with Philadelphia resuming April 2018
- Southwest Airlines: Added capacity to several markets
- United Airlines: increased aircraft gauge to Chicago O'Hare, Denver and Newark in January 2018 as well as to Washington-Dulles in November 2017



INTERNATIONAL PASSENGERS

Scheduled international capacity continued its upward trend in January 2018 at 25,552 monthly departure seats or 25.1%. This increase was primarily due to Volaris' new daily service to Mexico City which began September 2017 as well as to Air Canada's inaugural service to Toronto which began May 2017 collectively adding over 7,000 seats to the international market in January.

Overall, total international passengers increased by 22.7% YOY in January 2018. As noted earlier, this increase is primarily due to new flights to Toronto and Mexico City last year. Interjet also experienced a 25.4% increase in passengers in January due to added capacity to Mexico City. Despite this growth, the low value of the Peso and current macro-level economic and political uncertainties continue to suppress demand between Mexico and SAT. While the valuation of the Peso to the U.S. Dollar improved into 2018, with an increase of 13% in January YOY, the Peso still remained over 4% less in value than it did in January 2016 and over 23% less than it did in January 2015. As the Peso continues to regain value, leisure and VFR traffic between Mexico and the U.S. is expected to continue to improve.

Airline	Seat Capacity Change	Passenger Change
Air Canada	100%	100%
Aeromexico*	(25.7%)	(33.3%)
Interjet	1.8%	25.4%
Southwest**	100%	100%
United**	N/A	N/A
Volaris	150.0%	59.6%

*Aeromexico ceased service from SAT to MTY in January 2017 **Southwest and United offer seasonal service to Cancun, Mexico.

When comparing year-over-year international capacity changes, the results were based on the following:

- Aeromexico: ceased service to MTY in January 2017
- Air Canada: new daily service to Toronto began May 2017
- Southwest & United: offers service to Cancun on a seasonal basis
- Volaris: launched daily service to Mexico City in September 2017 and decreased seasonal capacity to Guadalajara in June 2017



RECENT SCHEDULE CHANGES

In November 2017, Southwest Airlines announced **NEW** daily, year-round, non-stop service to Oakland and Fort Lauderdale beginning July 8, 2018. Prior to this announcement, Oakland was an unserved market and Fort Lauderdale was only served on a seasonal basis. Both markets will bring much needed capacity to the Bay Area and Southeast Florida and will be flown on 143-seat Boeing 737 aircraft. Southwest has also recently added additional frequencies to multiple cities, mostly during the peak summer season.

Frontier Airlines has recently added 10 **NEW** markets from SAT. Weekly service to New Orleans, Ontario, CA, Phoenix, San Diego and Washington-Dulles began in fall 2017 and service to Cincinnati, Colorado Springs, Orlando, Raleigh-Durham and San José, CA is scheduled to begin in April 2018. Prior to these announcements, Cincinnati, Colorado Springs, Ontario, Raleigh and San José were all unserved markets with many on the airport's list of top target markets. In total, these new additions bring the total number of Frontier destinations either announced or served from SAT to 14 with all to be flown on 150-180 seat Airbus A319/A320 aircraft.

In February 2018, American Airlines launched **NEW** daily, year-round, non-stop service to Philadelphia, a market previously served only seasonally by Frontier. The new service is operated on a 128-seat Airbus A319 aircraft.

Volaris recently launched **NEW** daily non-stop service to Mexico City in September 2017 flown on a 179-seat Airbus A320 aircraft. With this added service, SAT now offers four daily non-stop flights to Mexico's capital city.

In May 2017, San Antonio International Airport welcomed a **NEW** international carrier with Air Canada's daily non-stop service to Toronto, Ontario, Canada- the airport's first non-stop to Canada.

In 2018, Southwest Airlines will begin daily, direct (one-stop, no plane change) service to Ronald Reagan Washington National Airport (DCA). Though the layover city will fluctuate, the schedule will remain consistent each day.



EXHIBIT A

San Antonio International Airport Passenger & Air Cargo Activity Summary Report

	January			Calendar Year-to-Date		
	2018	2017	% Change	2018	2017	% Change
Passengers						
Domestic Enplanements	330,851	308,110	7.4%	330,851	308,110	7.4%
Domestic Deplanements	340,264	318,179	6.9%	340,264	318,179	6.9%
Total Domestic Passengers	671,115	626,289	7.2%	671,115	626,289	7.2%
Intl Enplanements	15,486	12,693	22.0%	15,486	12,693	22.0%
Intl Deplanements	16,145	13,090	23.3%	16,145	13,090	23.3%
Total Intl Passengers	31,631	25,783	22.7%	31,631	25,783	22.7%
Grand Total All Passengers	702,746	652,072	7.8%	702,746	652,072	7.8%
Air Cargo (in Pounds)						
Total Freight	15,027,086	12,700,048	18.3%	15,027,086	12,700,048	18.3%
Total Mail	5,867,403	5,491,994	6.8%	5,867,403	5,491,994	6.8%
Grand Total All Air Cargo	20,894,489	18,192,042	14.9%	20,894,489	18,192,042	14.9%

San Antonio International Airport Total Operations

	January			Calendar Year-to-Date		
	2018	2017	% Change	2018	2017	% Change
Air Carrier	7,273	7,125	2.1%	7,273	7,125	2.1%
Air Taxi	1,668	1,484	12.4%	1,668	1,484	12.4%
General Aviation	3,723	3,654	1.9%	3,723	3,654	1.9%
Military	379	483	-21.5%	379	483	-21.5%
Total Itinerant	13,043	12,746	2.3%	13,043	12,746	2.3%