



Monthly Statistics Report

To: Tom Jones, Aviation Director; Tim O'Krongley, Deputy Director

From: Brian Pratte, Air Service Administrator

Copies: San Antonio Regional Stakeholders

Subject: May 2016 Monthly Statistics

Date: June 29, 2016

SUMMARY

San Antonio International Airport served 754,257 total passengers in May 2016, a 1.5% increase as compared to May 2015. The increase can largely be attributed to the launch of Frontier's new nonstop service to four markets: Atlanta, Denver, Las Vegas and Philadelphia and Allegiant Air's new services to Fort Lauderdale, Las Vegas and Orlando/Sanford. However, that increase was counteracted with a decline in international traffic driven by capacity and currency issues. Some of the international capacity was moved from San Antonio to Houston Hobby as part of Southwest's efforts to expand international service in Houston. As such, some of the international traffic may now be flowing over Houston Hobby, thus being reflected as a domestic connecting passenger, rather than international on a nonstop flight. Calendar year-to-date (CYTD) traffic increased slightly by 0.33%, representing a total of 3,400,956 total passengers. In May, total air cargo had to be estimated due to an internal reporting issue with FedEx. Based on that estimate, air cargo increased 1.7% year-over-year to 19,073,828 pounds. CYTD total cargo softened slightly versus the same period in 2015 to 92,633,553 pounds, or (2.7%). Please see Exhibit A for a detailed breakdown.

As part of our expanded efforts towards air service development, the San Antonio International Airport is also in the final stages of developing a cohesive air service marketing and advertising program. This program will broaden awareness of options, including carriers and destinations, throughout San Antonio and the surrounding region.

DOMESTIC PASSENGERS

Scheduled domestic capacity, or seats, increased in May 2016 year-over-year to 434,720 monthly departure seats, an increase of 9,663 seats, approximately 2.3%. As previously mentioned, this increase was largely driven by the launch of Frontier service

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to four destinations in addition to Allegiant service to three nonstop markets. On a monthly basis, airlines may make adjustments to the number of flights and seats available to match any seasonality or market demand trends. Total domestic passengers trended up 4.1%, exceeding the increase in capacity. The passenger traffic reported by the airlines tended to trend with the change in capacity.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	2.4%	4.9%
Allegiant Air*	100.0%	100.0%
American Airlines	(10.6%)	(6.0%)
Delta Air Lines	1.0%	7.0%
Frontier Airlines**	100.0%	100.0%
Southwest Airlines	5.1%	5.6%
United Airlines	(0.6%)	(2.4%)

*Allegiant Air began service from SAT to FLL, LAS and SFB in November 2015; **Frontier service to/from ATL, DEN, LAS and PHL began in May 2016

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

- Alaska Airlines: used larger equipment on their SEA route
- Allegiant Air: started new service to FLL, LAS and SFB in November 2015
- American Airlines
 - DFW and LAX: made day-of-week adjustments starting in November 2015
 - PHL: post-merger with US Airways, service to PHL was eliminated in October 2015
- Southwest Airlines: added a second daily flight to BNA in June 2015
- United Airlines: primarily adjusted gauge of aircraft across multiple markets

INTERNATIONAL PASSENGERS

Scheduled international capacity, or seats, decreased in May 2016 year-over-year to 17,795 monthly departure seats, a decrease of 14,286 seats, approximately (44.5%). This is in line with the decline in total international passengers, which decreased (37.9%). The passenger traffic reported by the airlines tended to trend with the change in capacity with the exception of Volaris. In addition to capacity adjustments, the continuing devaluation of the Peso to the US Dollar may be contributing to decreased leisure travel between the two countries. In May 2016, the Peso had 16% less value than the same time in 2015, and 29% less value than two years prior to that.

Airline	Seat Capacity Change	Passenger Change
Aeromexico	(42.1%)	(34.5%)
Interjet	3.8%	(7.9%)
Southwest (International)	(100.0%)	(95.3%)

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VivaAerobus**	(100.0%)	(100.0%)
Volaris	(18.0%)	39.1%

#Southwest discontinued SAT to MEX service in March 2016 **VivaAerobus ceased service from SAT to MTY in August 2015

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

- Aeromexico: reduced frequencies to MEX from twice to once daily in September 2015, except for peak travel periods
- Southwest: ceased service from SAT to MEX in March 2016, and did not operate SAT to CUN in May 2016.
- VivaAerobus: ceased service from SAT to MTY in August 2015.

UPCOMING SCHEDULE CHANGES

Frontier Airlines launched new nonstop service to four destinations in May 2016.

- Atlanta, GA (ATL): effective May 13th, four times per week utilizing 150-seat Airbus A319 aircraft
- Denver, CO (DEN): effective May 13th, daily service utilizing 150-seat Airbus A319 aircraft
- Las Vegas, NV (LAS): effective May 15th, three times per week utilizing 150-seat Airbus A319 aircraft
- Philadelphia, PA (PHL): effective May 13th, four times per week utilizing 150-seat Airbus A319 aircraft.

On May 19th, Southwest Airlines announced **NEW** nonstop service to Kansas City, MO effective November 6th, 2016. The daily flight will be operated with a 143-seat Boeing B737-700 aircraft. In addition, Southwest will be adding a fifth daily departure to Houston Hobby on the same day.

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EXHIBIT A

San Antonio International Airport Passenger & Air Cargo Activity Summary Report

	May			Calendar Year-to-Date		
	2016	2015	% Change	2016	2015	% Change
Passengers						
Domestic Enplanements	366,765	352,629	4.01%	1,626,885	1,593,917	2.07%
Domestic Deplanements	358,787	344,137	4.26%	1,625,563	1,597,819	1.74%
Total Domestic Passengers	725,552	696,766	4.13%	3,252,448	3,191,736	1.90%
Intl Enplanements	14,437	23,967	-39.76%	73,766	101,199	-27.11%
Intl Deplanements	14,268	22,220	-35.79%	74,742	96,751	-22.75%
Total Intl Passengers	28,705	46,187	-37.85%	148,508	197,950	-24.98%
Grand Total All Passengers	754,257	742,953	1.52%	3,400,956	3,389,686	0.33%
Air Cargo (in Pounds)						
Domestic Freight Enplaned	5,566,044	5,350,507	4.03%	26,575,793	26,831,208	-0.95%
Domestic Freight Deplaned	6,925,008	6,889,746	0.51%	34,298,997	35,997,576	-4.72%
Total Domestic Freight	12,491,052	12,240,253	2.05%	60,874,790	62,828,784	-3.11%
Intl Freight Enplaned	589,741	419,947	40.43%	2,798,668	2,550,482	9.73%
Intl Freight Deplaned	165,456	250,378	-33.92%	955,731	880,444	8.55%
Total Intl Freight	755,197	670,325	12.66%	3,754,399	3,430,926	9.43%
Total Freight	13,246,249	12,910,578	2.60%	64,629,189	66,259,710	-2.46%
Mail Enplaned	2,975,440	2,958,546	0.57%	13,901,553	14,607,283	-4.83%
Mail Deplaned	2,852,139	2,880,856	-1.00%	14,102,811	14,334,023	-1.61%
Total Mail	5,827,579	5,839,402	-0.20%	28,004,364	28,941,306	-3.24%
Grand Total All Air Cargo	19,073,828	18,749,980	1.73%	92,633,553	95,201,016	-2.70%

San Antonio International Airport Aircraft Operations

	May			Calendar Year-to-Date		
	2016	2015	% Change	2016	2015	% Change
Air Carrier	7,538	7,843	-3.89%	36,055	36,493	-1.20%
Air Taxi	1,631	1,834	-11.07%	8,475	9,874	-14.17%
General Aviation	3,869	3,759	2.93%	20,787	20,385	1.97%
Military	358	498	-28.11%	2,228	2,228	0.00%
Total Itinerant	13,396	13,934	-3.86%	67,545	68,980	-2.08%

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