

Fort Lauderdale-Hollywood International Airport September Traffic Recap Fiscal Year 2011 Recap

Total traffic for September 2011 was 1,463,791, up 1.1% over September last year. September marked the 25th consecutive month of positive growth in enplaned passengers, up 1.4% over 2010. (Total traffic was down in August 2011, but enplaned passengers were up .1%)

September commercial operations totaled 15,324, down 2.5%. General Aviation totaled 2,474, down 6.9% over September of last year. Total aircraft movements for the period were 17,798, down 3.4% over last year.

Total traffic for Fiscal Year (FY) 2011 was 23,370,694, up 6.8% over FY 2010. Domestic traffic for the period was up 6% and international traffic saw double digit growth, up 11% over FY 2010. The Fiscal Year runs from October 1 through September 30.

FY 2011 Recap

FY 2011 saw commercial operations up only .6%. Despite this modest growth, traffic was up 6.8% for the fiscal year and available seats were up 4.3%. The growth in traffic versus the growth in seats was due primarily to a significant increase in load factor for the first half of the fiscal year.

The two charts below illustrate the impact of load factor on traffic and available capacity. The chart on the left compares the load factors of FY 2011 versus FY 2010. The chart on the right depicts the impact of increased load factors on traffic growth compared to growth in available seats. The data is based on published airline schedules and airline self-reports. LF is the Load Factor.

| Time Period | LF FY 11 | LF FY10 | Points Diff | Time Period | % Traffic | % Seats | Points Diff |
|---------------|--------------|--------------|--------------|---------------|--------------|-------------|--------------|
| Oct | 84.0% | 78.1% | 5.9% | Oct | 10.7% | 2.9% | 7.8% |
| Nov | 83.8% | 79.4% | 4.4% | Nov | 10.1% | 4.5% | 5.6% |
| Dec | 81.5% | 77.7% | 3.8% | Dec | 10.3% | 5.2% | 5.1% |
| AVG | 83.1% | 78.4% | 4.7% | AVG | 10.4% | 4.2% | 6.2% |
| Jan | 80.5% | 79.9% | 0.6% | Jan | 5.2% | 4.4% | 0.8% |
| Feb | 81.5% | 77.9% | 3.6% | Feb | 8.9% | 4.1% | 4.8% |
| Mar | 86.7% | 84.7% | 2.0% | Mar | 8.3% | 5.9% | 2.4% |
| AVG | 82.9% | 80.9% | 2.0% | AVG | 7.5% | 4.8% | 2.7% |
| Apr | 84.0% | 83.7% | 0.3% | Apr | 9.3% | 8.9% | 0.4% |
| May | 83.6% | 84.1% | -0.4% | May | 4.6% | 5.2% | -0.6% |
| Jun | 84.3% | 80.3% | 4.0% | Jun | 8.7% | 3.5% | 5.2% |
| AVG | 84.0% | 82.7% | 1.3% | AVG | 7.5% | 5.9% | 1.7% |
| Jul | 87.0% | 86.3% | 0.7% | Jul | 4.4% | 3.5% | 0.9% |
| Aug | 82.6% | 85.7% | -3.1% | Aug | -0.1% | 3.7% | -3.8% |
| Sep | 76.8% | 75.5% | 1.2% | Sep | 1.1% | -0.5% | 1.6% |
| AVG | 82.1% | 82.5% | -0.4% | AVG | 1.8% | 2.3% | -0.4% |
| Annual | 83.0% | 81.1% | 1.9% | Annual | 6.8% | 4.3% | 2.5% |

During the first six months of FY 2011, very high load factors drove passenger growth and outpaced the increase in available seats. Load factor gains began to level off in the 3rd and 4th quarters. It is unclear at this time whether this trend will continue.

Also contributing to passenger growth compared to growth in commercial operations is the average seat per departure. The most recent Florida Department of Transportation data (YE April 2011) shows our fleet wide average seat per departure was 140 seats versus 135 seats for the previous year. The combination of larger aircraft and higher load factors drove passenger growth for the year.

Outlook for FY 2012

New service in Quarter 1 and Quarter 2:

- American - to LAX in November and additional flights to Chicago and Dallas in February
- Vision - to Freeport in November
- Allegiant - to Bangor, Lexington, and Grand Rapids (seasonal) in November
- Southwest - to Milwaukee and Manchester in February
- Cuba service will increase to two weekly flights
- Both Spirit and JetBlue have been given rights to additional flights to Bogota which should begin in the first few months of 2012. These schedules have not been published and this growth is not factored into this discussion.

Spirit's reduction in available seats will continue to impact traffic to mid 2012. Spirit's executive staff has advised us that new aircraft will be delivered and in service by mid 2012. They advise that capacity will be at 2011 levels at that time.

The chart below shows the percent change in available seats for our top carriers for the first two quarters of FY 2012 compared to FY 2011.

| Airline | FY 2011 Q1 | FY 2012 Q1 | % Change | FY 2011 Q2 | FY 2012 Q2 | % Change |
|-------------|---------------|---------------|-------------|---------------|---------------|-------------|
| American | 256,896 | 320,780 | 24.9% | 363,440 | 452,200 | 24.4% |
| Air Canada | 117,050 | 128,902 | 10.1% | 227,432 | 254,796 | 12.0% |
| JetBlue | 1,040,600 | 1,142,500 | 9.8% | 1,174,500 | 1,224,400 | 4.2% |
| Continental | 401,612 | 433,432 | 7.9% | 457,018 | 468,716 | 2.6% |
| Southwest | 1,118,034 | 1,105,080 | -1.2% | 1,251,198 | 1,211,656 | -3.2% |
| AirTran | 346,846 | 340,662 | -1.8% | 367,116 | 343,212 | -6.5% |
| US Airways | 489,692 | 471,554 | -3.7% | 545,240 | 530,366 | -2.7% |
| Delta | 929,824 | 841,572 | -9.5% | 1,108,756 | 957,786 | -13.6% |
| Spirit | 1,457,646 | 1,230,728 | -15.6% | 1,457,442 | 1,325,862 | -9.0% |
| TTL | 6,894,210 | 6,715,016 | -2.6% | 7,647,644 | 7,557,442 | -1.2% |

The impact of Spirit's reductions is partially offset by gains by other carriers, particularly American and JetBlue. Total seats will be down 2.6% for FYQ1 and 1.2% for FYQ2. If the load factor trend discussed above continues, it is estimated that traffic will be down by approximately the same percentages.

Based on present published schedules and Spirit's anticipated return to 2011, capacity levels by midyear, traffic should improve for the 3rd and 4th quarters. However, it is estimated that FY 2012 will show minimal growth over FY 2011.

Marketing efforts will continue to focus on Western Europe, select Latin American destinations, underserved US markets, and support of existing carriers.