



## Indianapolis Airport Authority

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11/16/2020

**The Indianapolis Airport Authority (IAA or Authority) published a statement on EMMA that alerts the investment community that IAA will be providing information to the market by posting such information on this website. On a periodic basis, IAA intends to provide historical information about recent economic and financial performance and important actions taken by the IAA to address current circumstances. In addition, because of the desire of the investment community to receive even more information during the COVID-19 pandemic, IAA is also providing planning information to describe some of the impacts that COVID-19 has had or may be expected to have on passenger traffic, airport finances and operations, and to describe some of the actions that the Authority is taking in response. All forward-looking information is necessarily preliminary and only projected and estimated for management purposes but is provided to address the investment community's desire for such information. IAA is particularly uncertain of the duration of the impact of COVID-19 on its business operations, which uncertainty increases the likelihood that actual results are materially different than shown here. The current operating environment is fluid and changing rapidly; as a result, the projections and estimates may not reflect actual results.**

### Summary of links to IAA Operating and Financial Data:

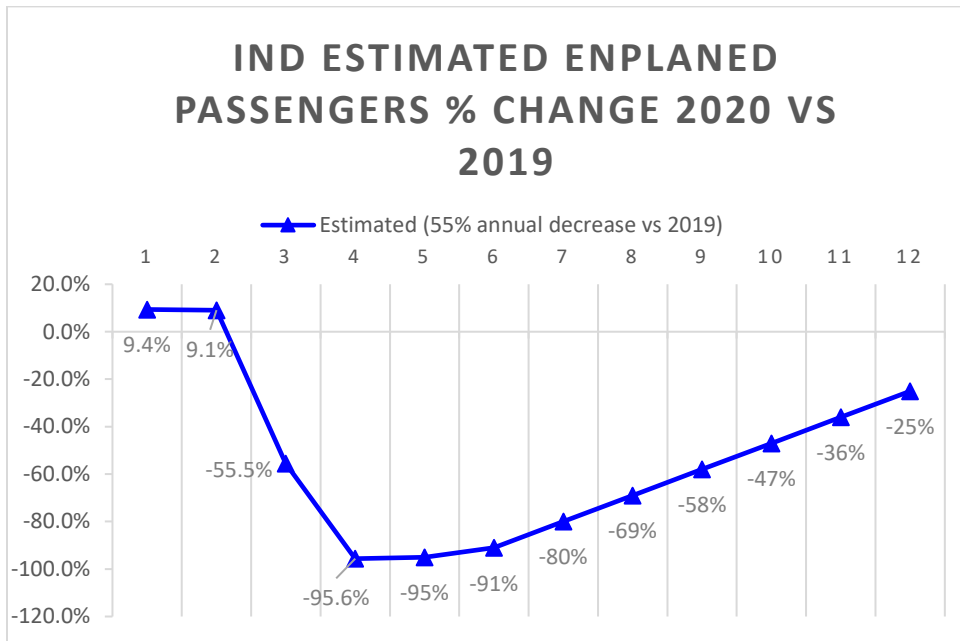
- [Media Releases](#)
  - [Traveler Updates on and IND Response to COVID-19](#)
  - [Airports Council International Airport Health Accreditation](#)
  - [Impact of Federal CARES Act on Indy Airport \\$52 million to address IND operational needs](#)
- [Investors, Financials & Reports](#)
  - [Facts, statistics, and percentages for airline activity at Indianapolis International Airport, including domestic, international, and cargo operations, passenger enplanement figures, landed weight, and more \(Airline Activity Reports – all reports may contain preliminary figures subject to change\)](#)
  - [Monthly Financial Reports \(Unaudited\)](#)
  - [Budgets](#)
  - [Annual Financial Reports \(Audited\)](#)

### Scenarios for Internal Planning Purposes

IAA is utilizing the cashflow model (“Cashflow Model”) described in the June 1, 2020 voluntary disclosure (“June Voluntary Disclosure”), developed to project key metrics and use of CARES Act funding, to track progress and inform adjustments to the projected 2020 use of CARES Act funding. This tracking is published monthly in the monthly financial reports (unaudited) for which a link is provided above in the summary of links to IAA operating and financial data.

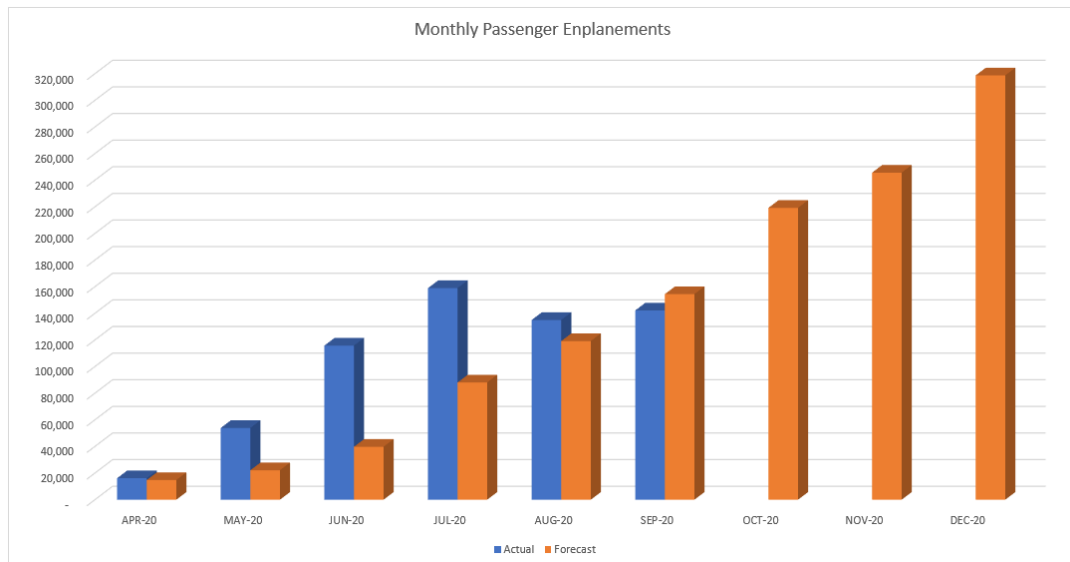
Passenger Traffic

IAA's enplaned passenger recovery estimates used for the base case Cashflow Model planning, disclosed in the June Voluntary Disclosure:



Months 5-12 represent planning estimates and are subject to change

IAA's actual performance in comparison to the estimated enplaned passenger recovery estimates, disclosed in the June Voluntary Disclosure:



The current operating environment remains fluid and changing rapidly. While various sources have predicted different scenarios for recovery from the pandemic, no one can predict the future. The above diagrams may not reflect passenger levels achievable October through December 2020, and the actual results may differ materially. IAA has not created new projections for October through December 2020.

## Financial Condition and Liquidity

IAA is current and has made all year-to-date required 2020 debt service deposits or payments, and IAA expects to be able to continue to make all remaining 2020 monthly deposits as required.

IAA continues to expect the estimated 1.52x debt service coverage in 2020 to be achieved. See the June Voluntary Disclosure for additional details on that calculation.

Below is a summary of IAA's 9/30/2020 on-hand sources available to pay operating expenses and debt service.

Balances at 9/30/2020

	Total
Unrestricted	
Airport System Fund	\$ 75,808,497
Customer Facility Charge	16,433,807 <sup>1</sup>
Land Sale Reserve (CIFR) -uncommitted	43,312,978 <sup>4</sup>
	135,555,282
Restricted for operating/general restriction	
Renewal & Replacement reserve	2,867,531
Operation & Maintenance reserve	14,270,397
	17,137,929
Restricted for debt service	
Rolling Coverage Fund	17,354,537
Principal & Interest Fund	32,506,149
PFC Fund	16,131,003
Debt Service Reserve Fund	56,060,197
	122,051,886
Capital Funds	
Land Sale Reserve (CIFR) -committed	75,161
Capital Improvement Fund	34,474,545
	34,549,706
Subtotal	309,294,803
Debt issue construction fund(s)	13,136,004 <sup>2</sup>
CARES Act available (26.8% of total)	14,096,612 <sup>3</sup>
Total	\$ 336,527,418

1 - IAA has unrestricted use authority of approximately \$25 million of CFC funds

2 - Funding to complete stormwater expansion project (mainly retainage)

3 - CARES Act funded AIP grant amounts available to draw:

Indianapolis International Airport	\$13,839,612
Eagle Creek Airpark	69,000.00
Indianapolis Metropolitan	69,000.00
Indianapolis Regional	69,000.00
Hendricks County Gordon Graham Field	30,000.00
Downtown Heliport	20,000.00
	\$14,096,612

4 - IAA closed on sale of old parking garage to City of Indianapolis on 9/1/2020 for \$22.125m.

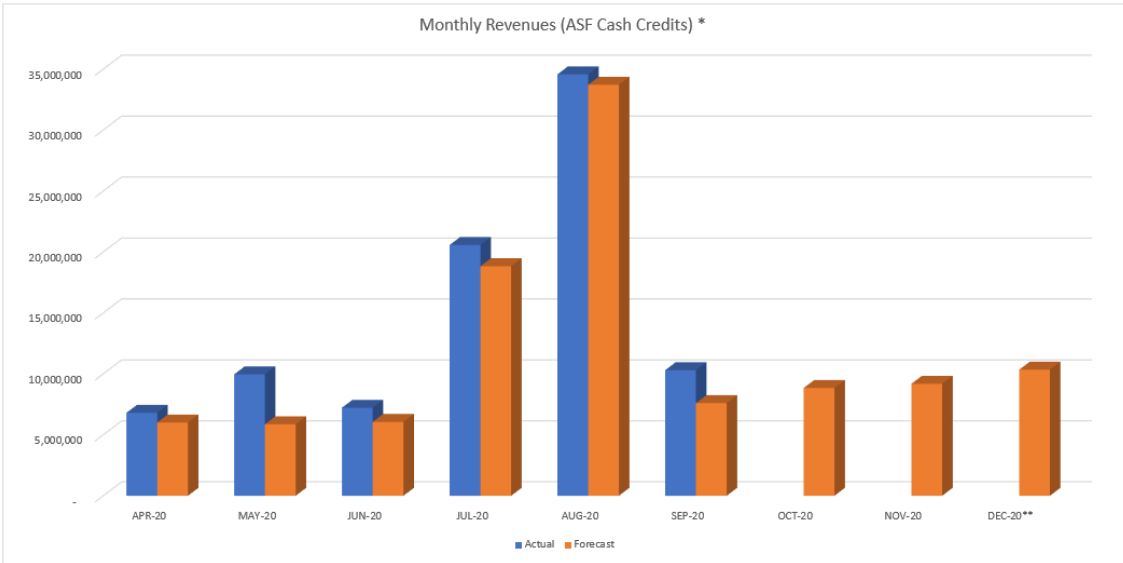
Total CARES Act funded AIP grants	\$ 52,532,549
Remaining CARES Act funded AIP grants % available	26.8%

Operating results in comparison to the estimates made in the Cashflow Model:

Aircraft landed weight:

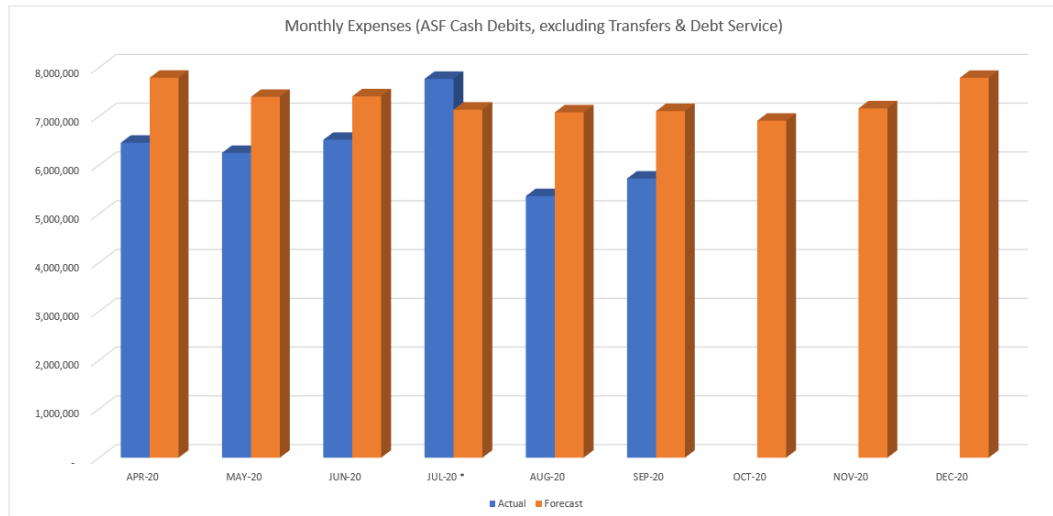


Revenue from operations & CARES Act grant draws (on a cash basis):



\* Does not include CFC and PFC receipts or proceeds from sale of the old parking garage.  
 \*\* No additional CARES Act funded grant draws are expected to be made in 2020.

## Operating expenses (on a cash basis):



For the base case Cashflow Model scenario, IAA had not included any estimates for operating expense savings. However, IAA management reduced all non-essential operating and maintenance expenses, deferred all planned 2020 staff merit increases, and is holding open about 10% of the budgeted headcount. IAA's highest priority remains to provide a safe and secure airport and travel experience.

### Operations and Assistance to Concessionaires

No additional actions have been approved by IAA's Board beyond the amendments disclosed in the June Voluntary Disclosure to concessionaire and rental car agreements to abate the MAG fee for April, May and June 2020, and instead, base fees on the actual percentage of sales activity as provided in each agreement for those months.

The posting of this information does not constitute or imply any representation (i) that all of the foregoing is material to investors, (ii) regarding any other financial, operating or other information about the Authority, the Airport or its bonds or (iii) that no other circumstances or events have occurred or that no other information exists concerning the Authority, its bonds or the Airport which may have a bearing on the financial condition of the Authority, the security for its bonds, or an investor's decision to buy, sell or hold any bonds.

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