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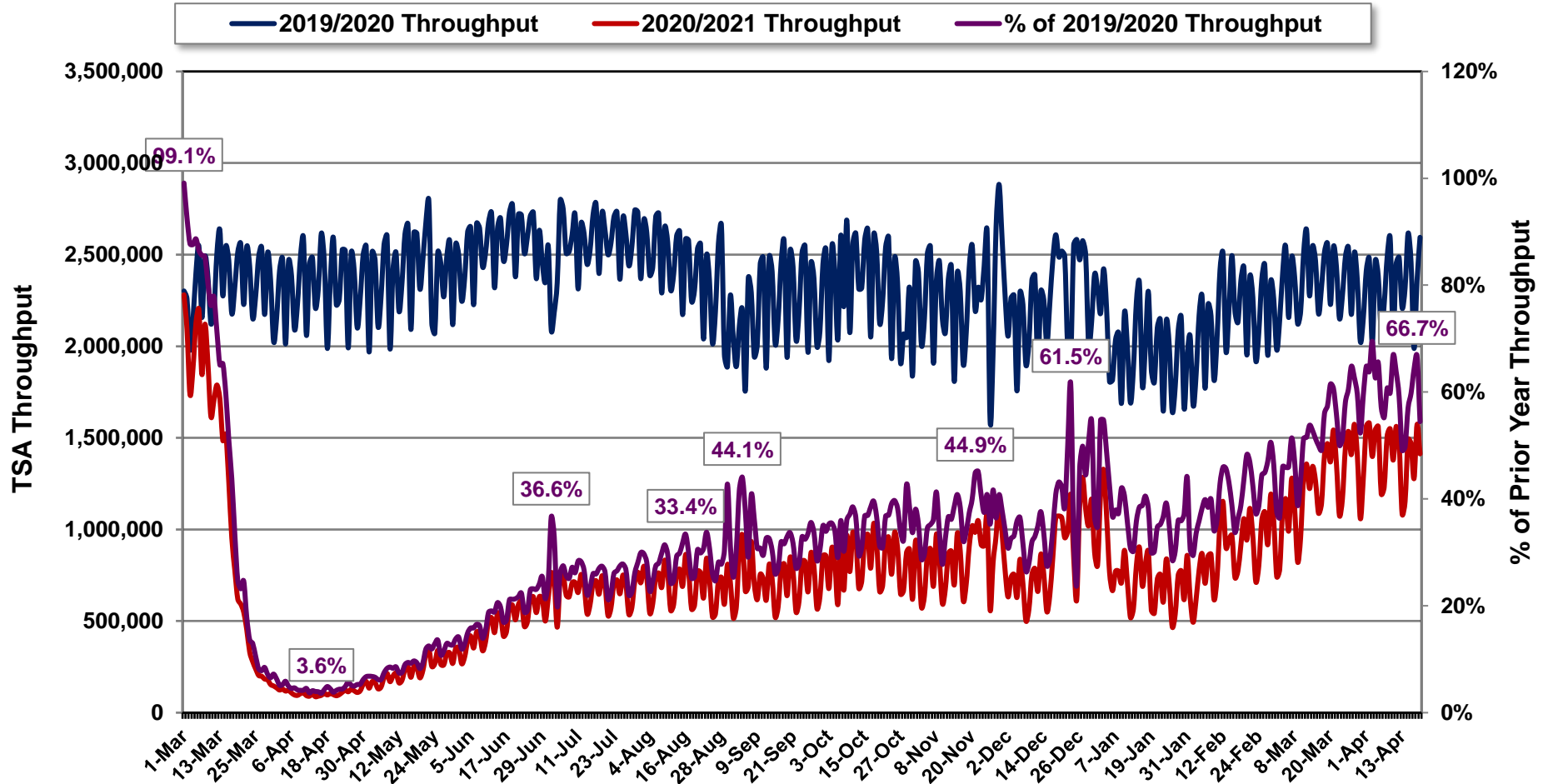
Airline Industry Update and the Future of Key West International Airport

April 27, 2021

Relative Strength in U.S. Domestic Leisure Traffic Caused TSA Throughput to Accelerate throughout the Spring, but It Will Plateau until Memorial Day

U.S. Airport TSA Throughput as a Percent of Year Ago/Two Years Ago Throughput

March 1, 2020 through April 19, 2021

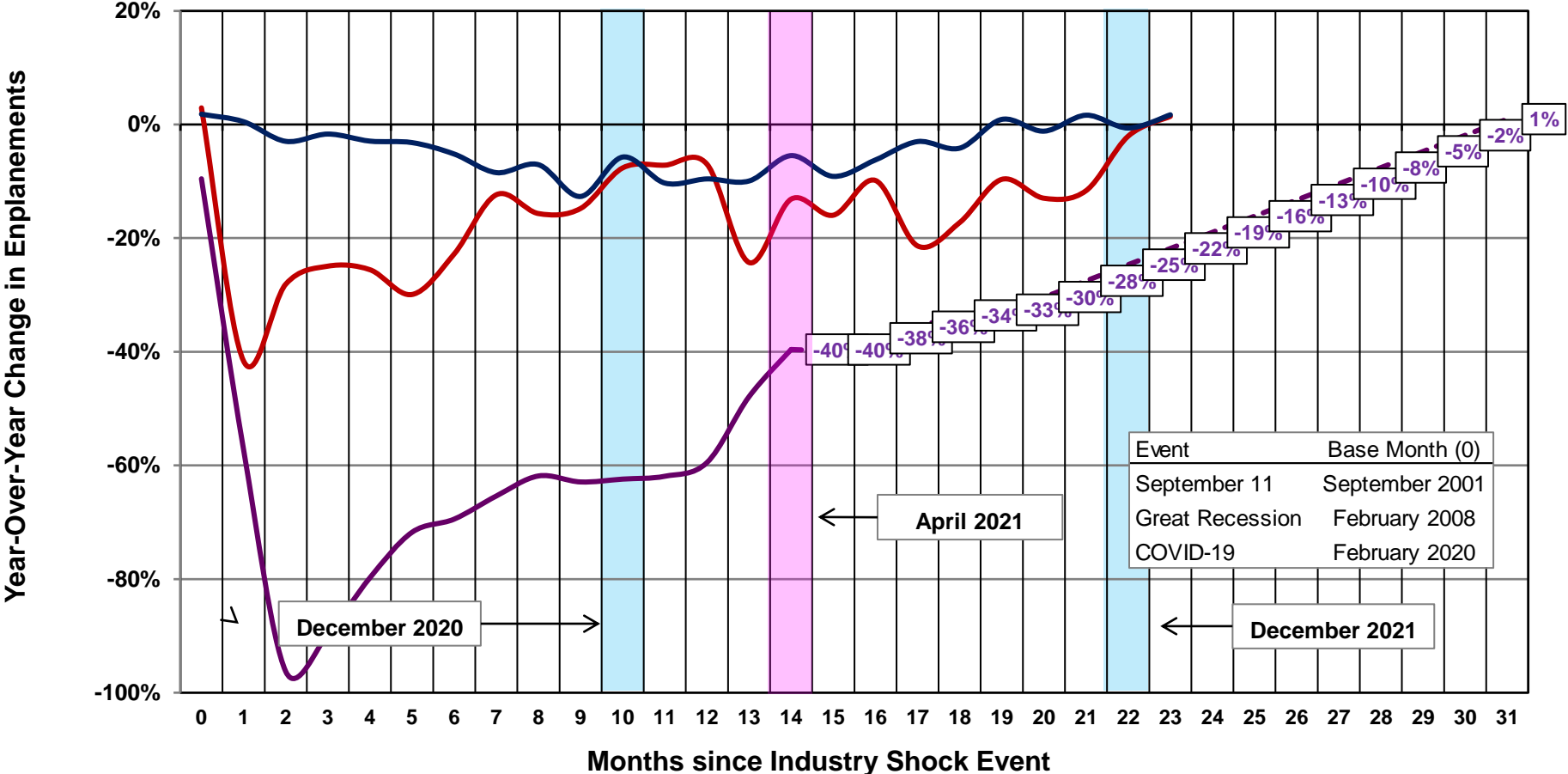


COVID-19 Is a Greater Shock to the Industry than September 11 or the Great Recession; the Earliest Case for Traffic to Recover to Pre-COVID Levels Is Late Summer 2022

Year-Over-Year Change in U.S. Enplanements for September 11, Great Recession and COVID-19

Base Month (0) and Months since Each Event

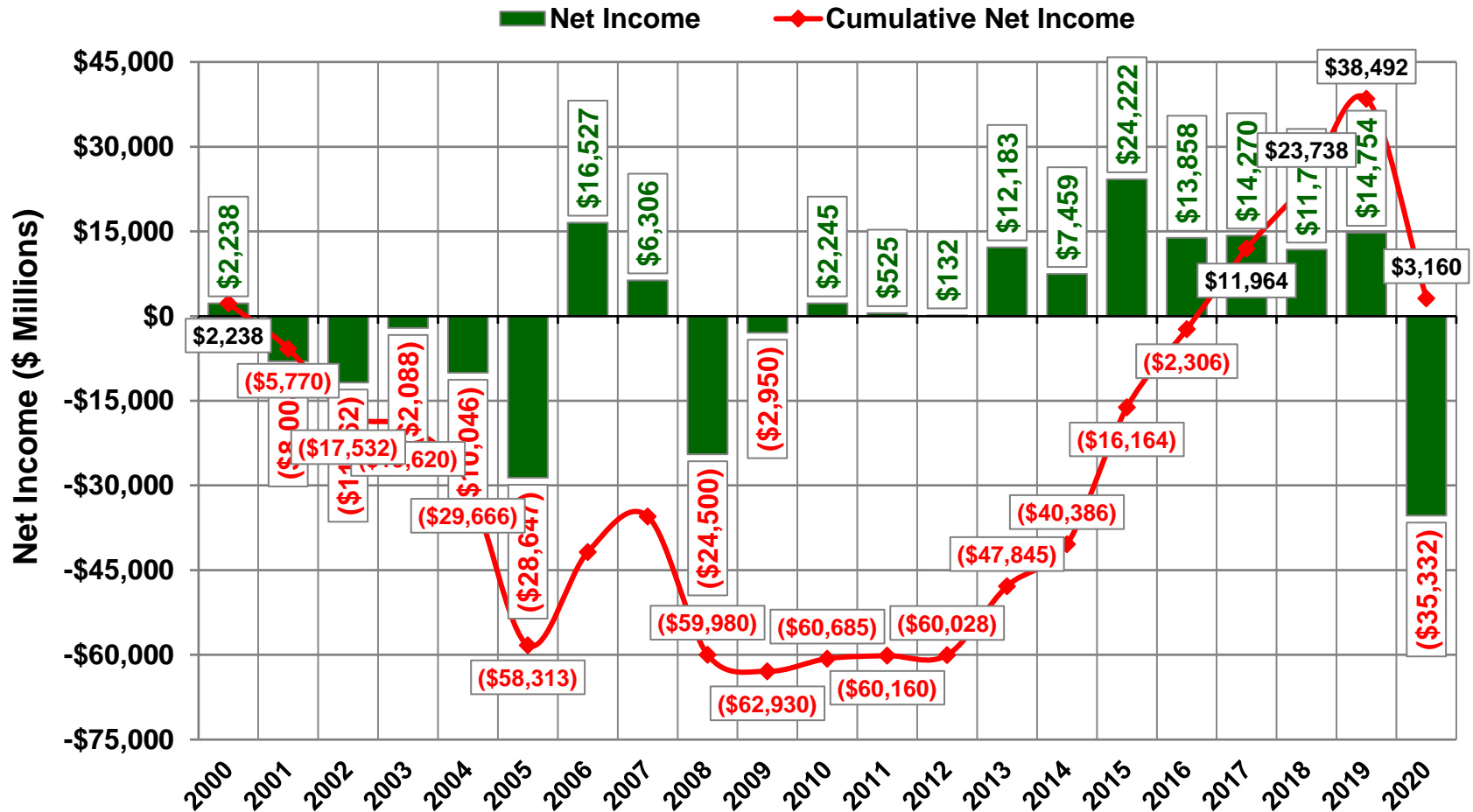
September 11 Great Recession COVID-19 COVID-19 Linear Regression



U.S. Airline Industry Net Income Was Positive from 2010 through 2019; the Impact of the Pandemic Resulted in a Net Loss of \$35.3 Billion in 2020

U.S. Airline Industry Net Income and Cumulative Net Income (\$ Millions)

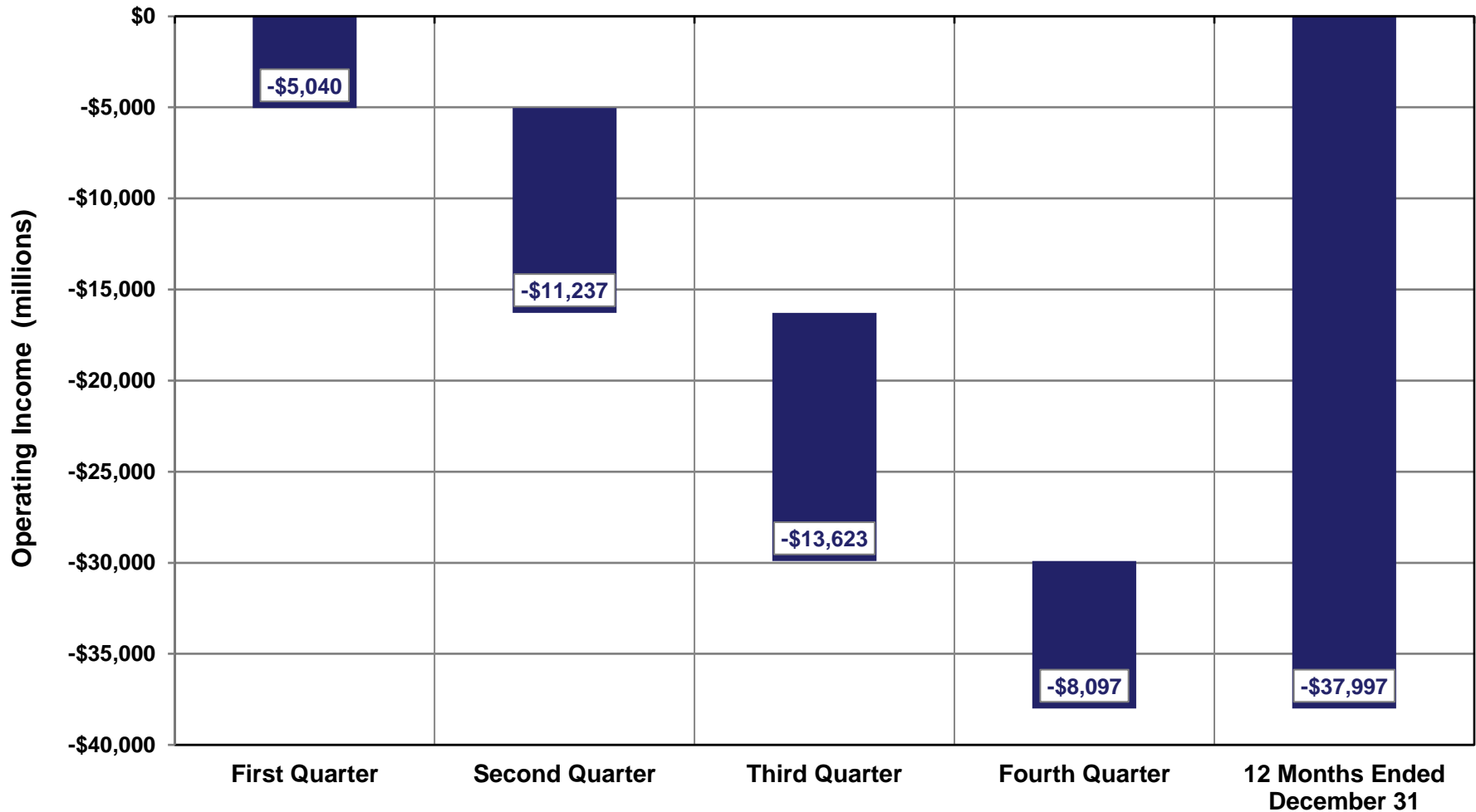
Full Year 2000 – 2020



The U.S. Airline Industry Lost \$38 Billion in 2020

2020 U.S. Airline Operating Income by Quarter

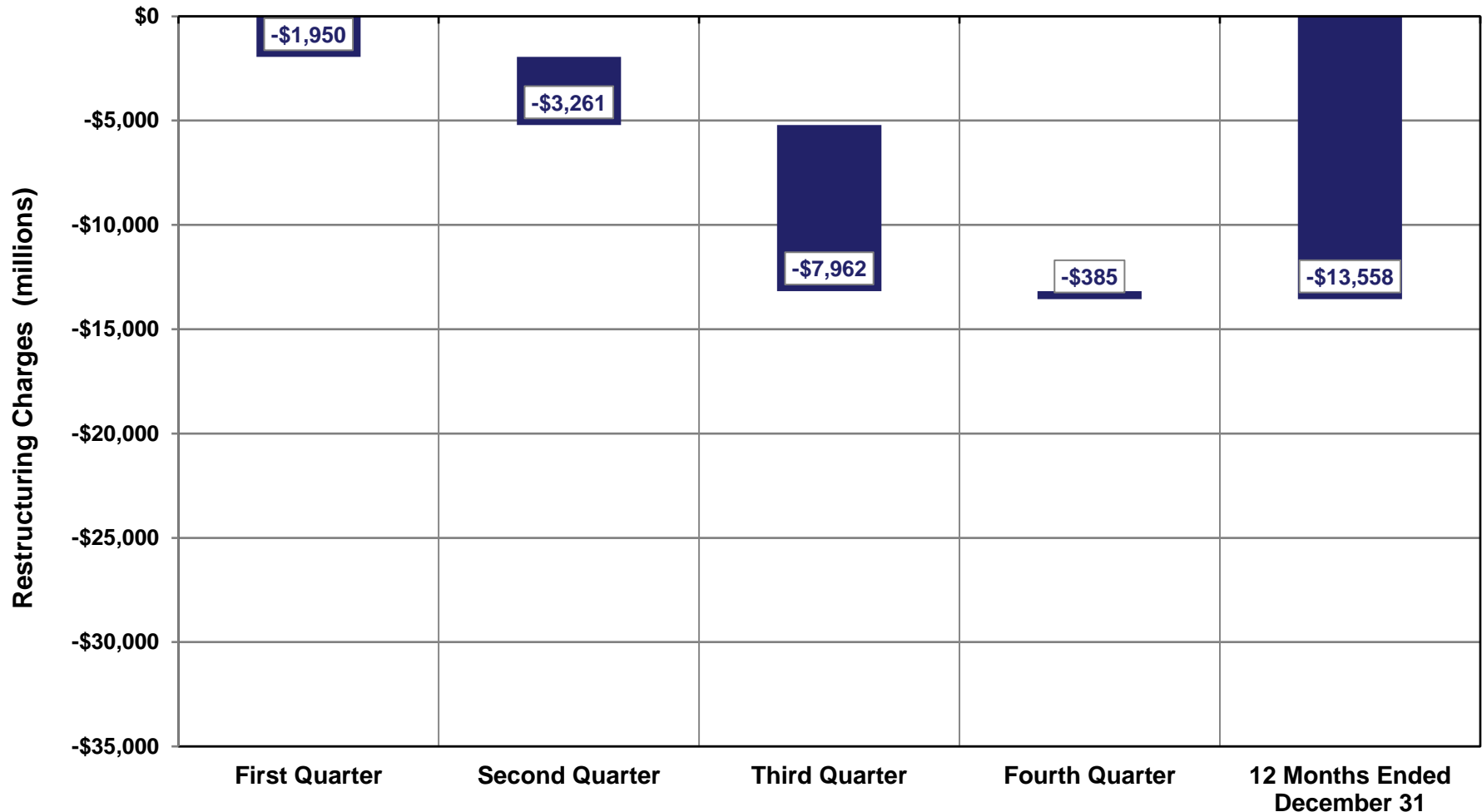
First Quarter 2020 through Fourth Quarter 2020



The Operating Losses Include \$13.6 Billion in Restructuring Charges – Expenses Mostly Associated with Early Aircraft Retirements and Workforce Reductions

2020 U.S. Airline Restructuring Charges by Quarter

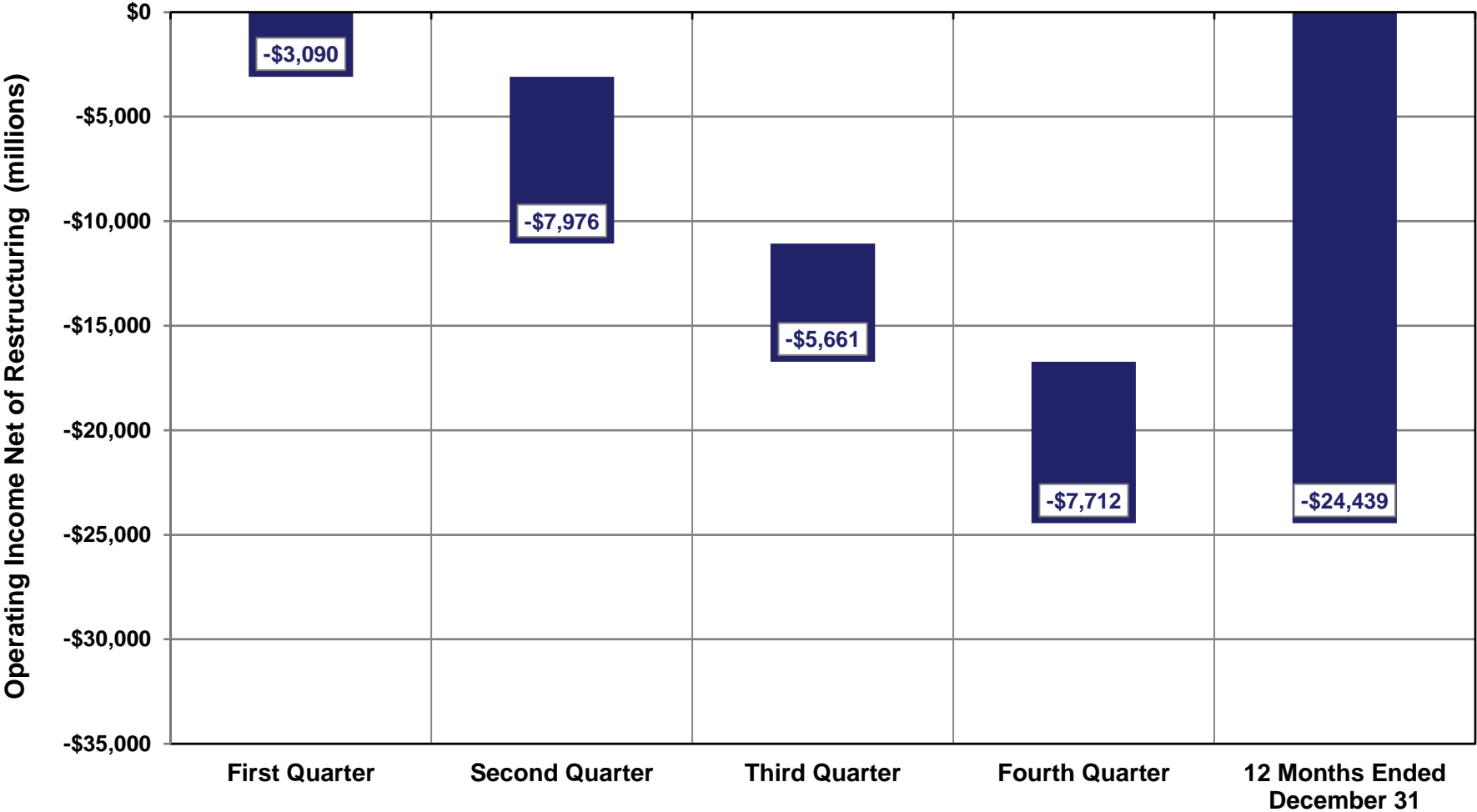
First Quarter 2020 through Fourth Quarter 2020



Net of the Restructuring Charges, the Industry Lost \$24.4 Billion in 2020

2020 U.S. Airline Operating Income (Net of Restructuring Charges) by Quarter

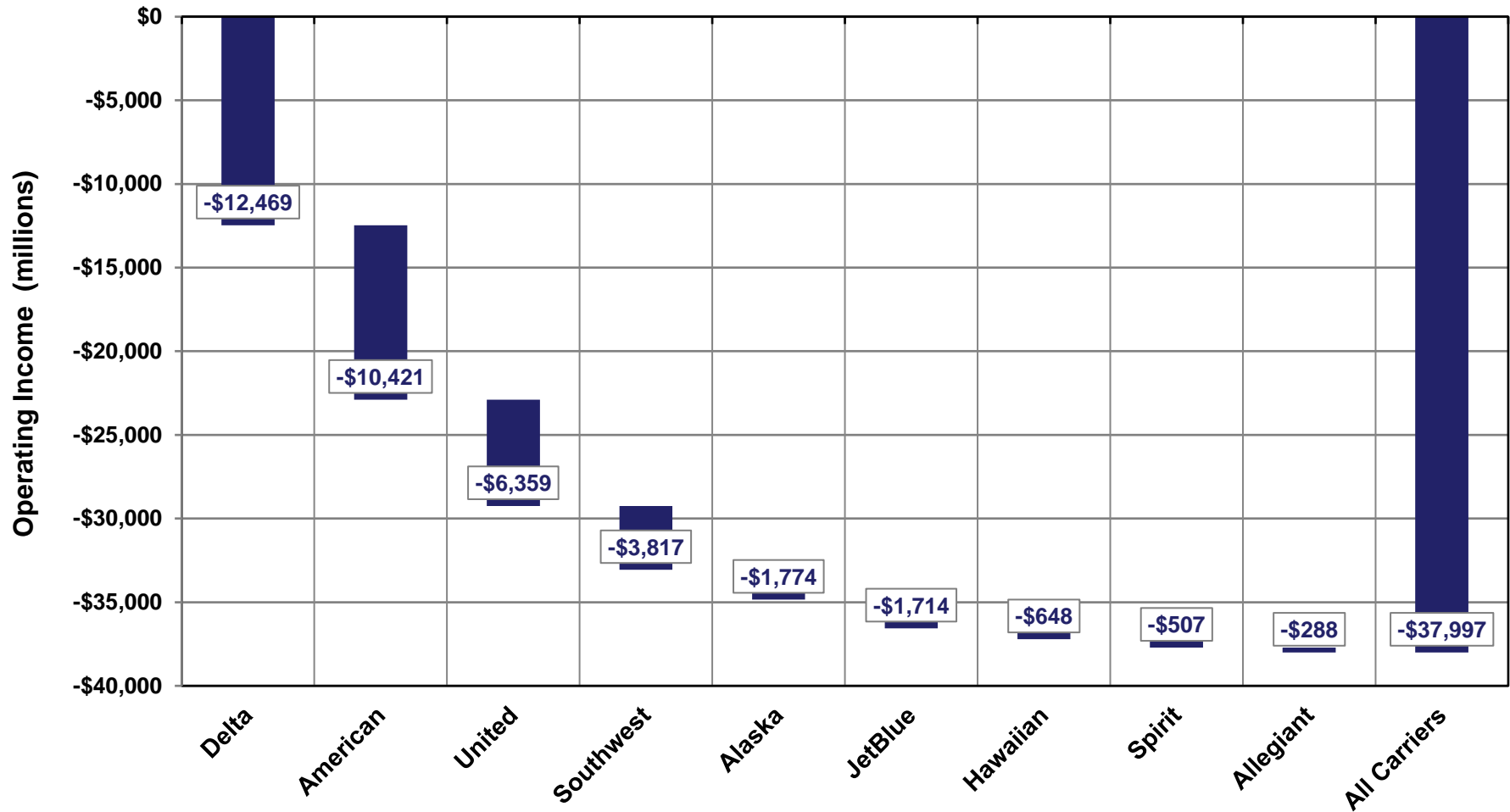
First Quarter 2020 through Fourth Quarter 2020



Delta, American, United and Southwest Account for 87% of the \$38.0 Billion Loss

2020 U.S. Airline Operating Income by Airline

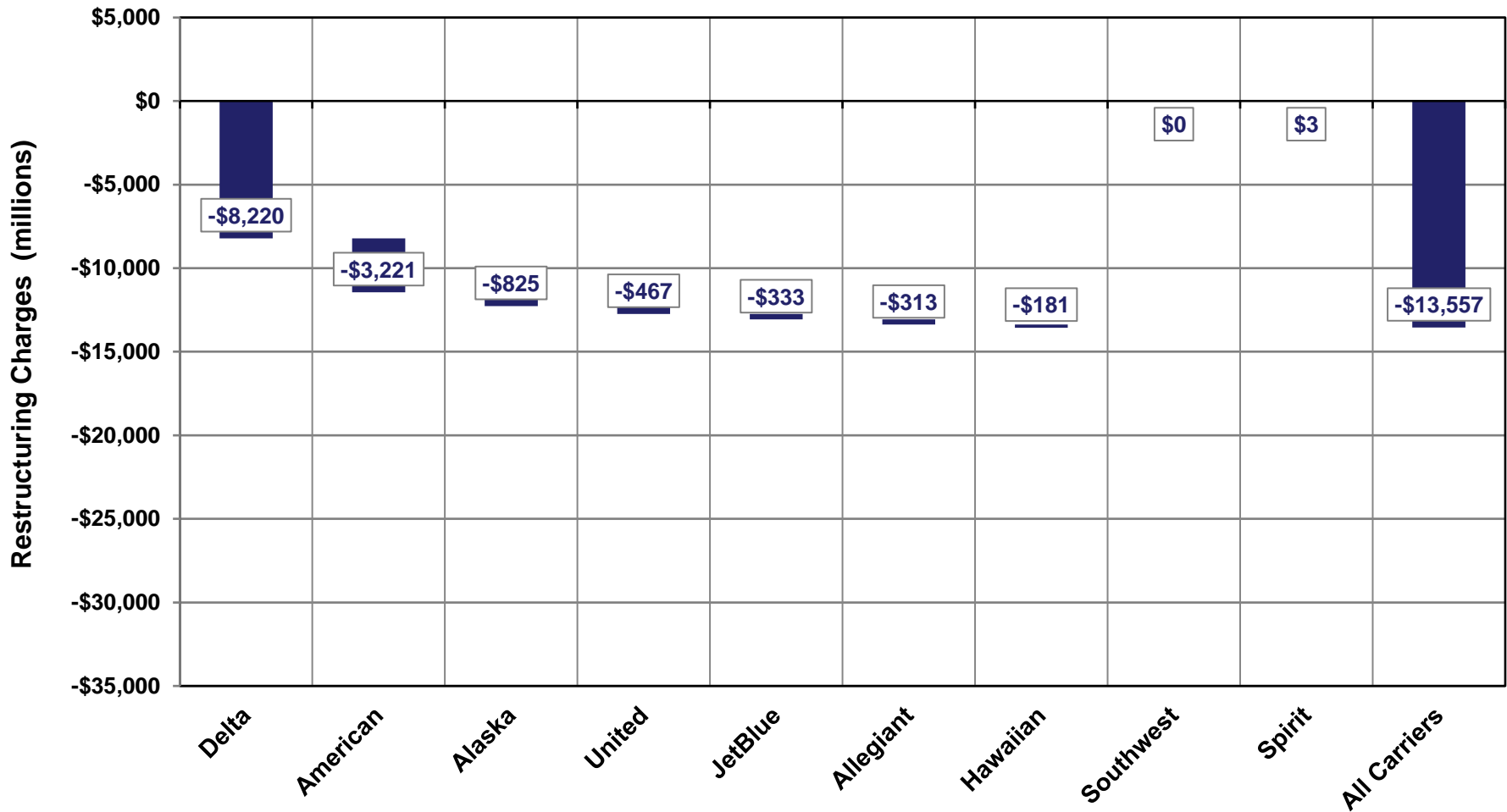
First Quarter 2020 through Fourth Quarter 2020



Delta and American Retired the Most Aircraft and Had the Largest Workforce Reductions and Therefore Incurred the Largest Restructuring Charges

2020 U.S. Airline Restructuring Charges by Airline

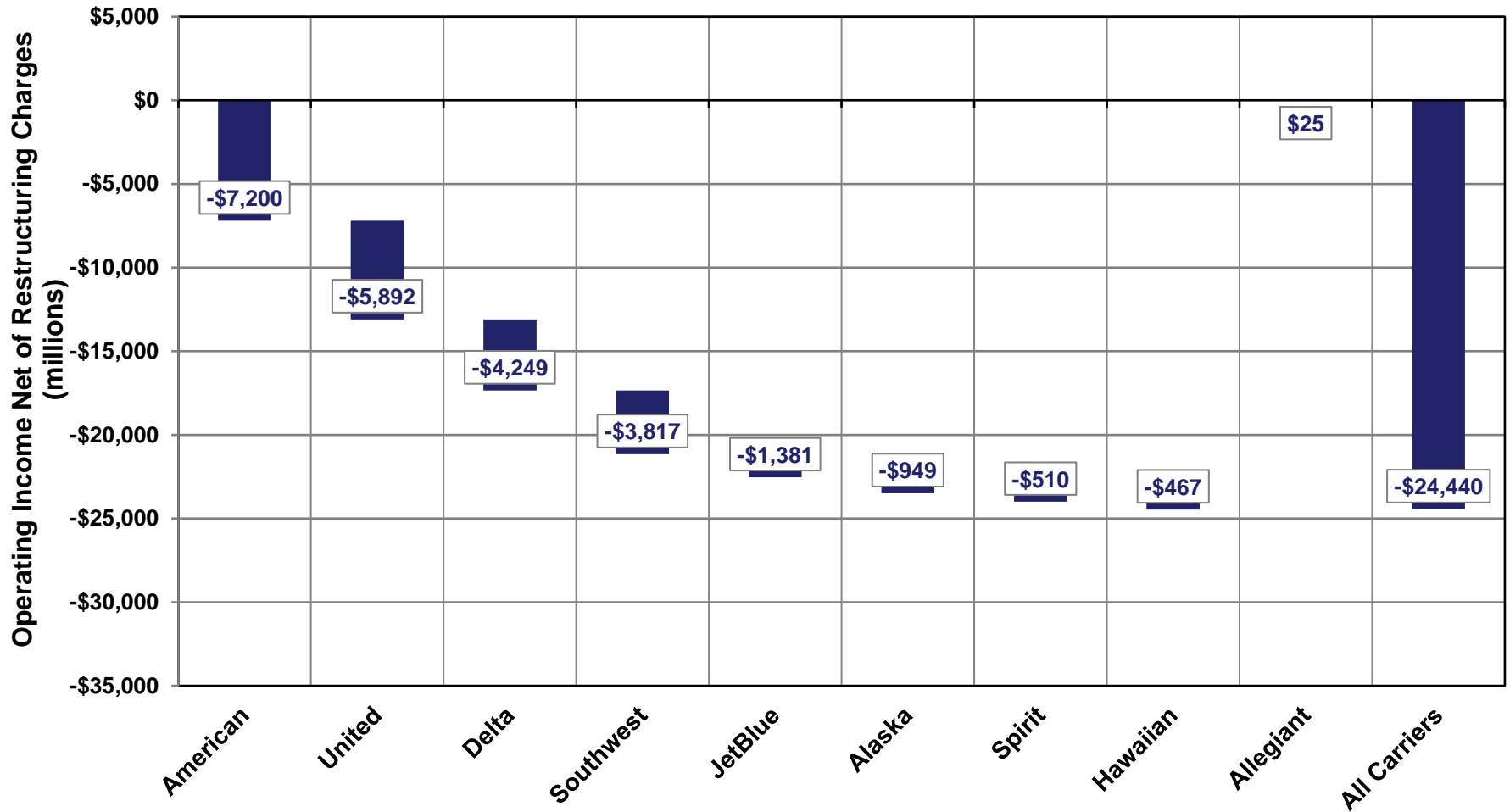
First Quarter 2020 through Fourth Quarter 2020



Excluding Restructuring Charges, the Industry Lost \$24.4 Billion in 2020 (Restructuring Charges Are \$13.6 Billion)

2020 U.S. Airline Operating Income (Net of Restructuring Charges)

First Quarter 2020 through Fourth Quarter 2020

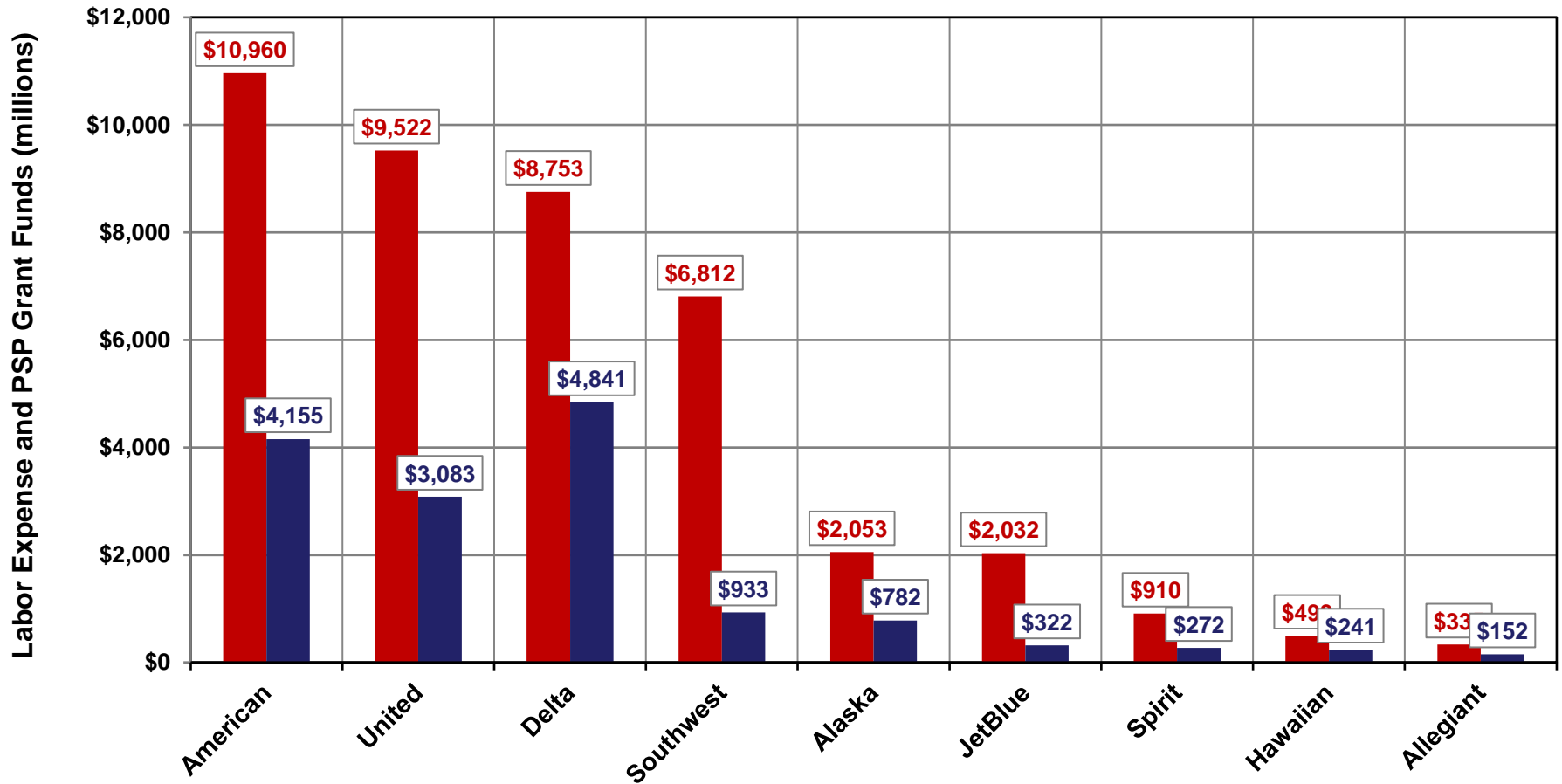


Payroll Support Program Grants Covered 35.3% of Airline Labor Expenses in 2020

Labor Expense and Payroll Support Program Grant Funding by Airline

Second Quarter 2020 through Fourth Quarter 2020

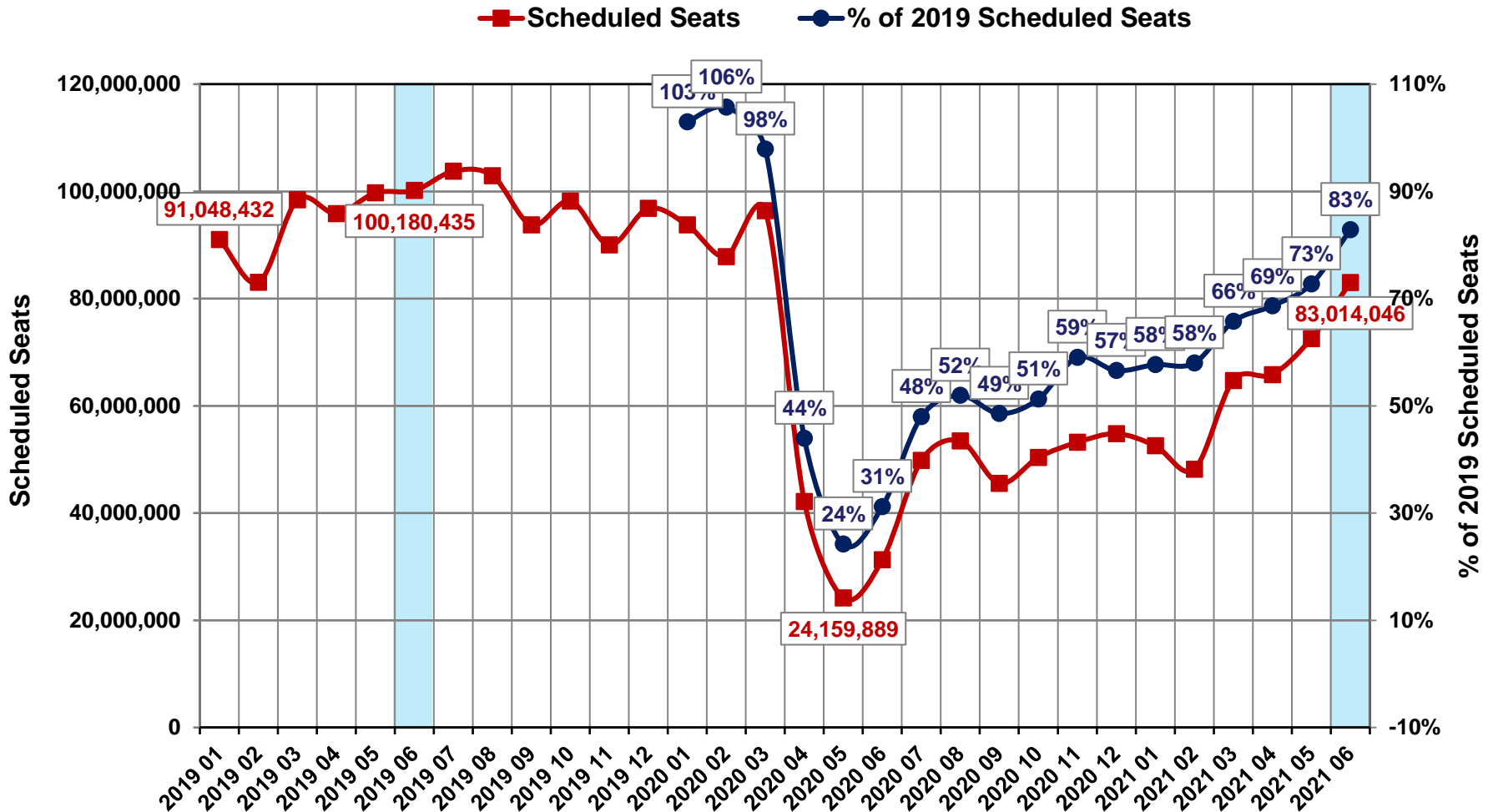
■ Labor Expense ■ PSP Grant Funding



U.S. Airline Capacity Is Slowly Recovering; June 2021 Capacity Will Be at 83% of June 2019 Capacity

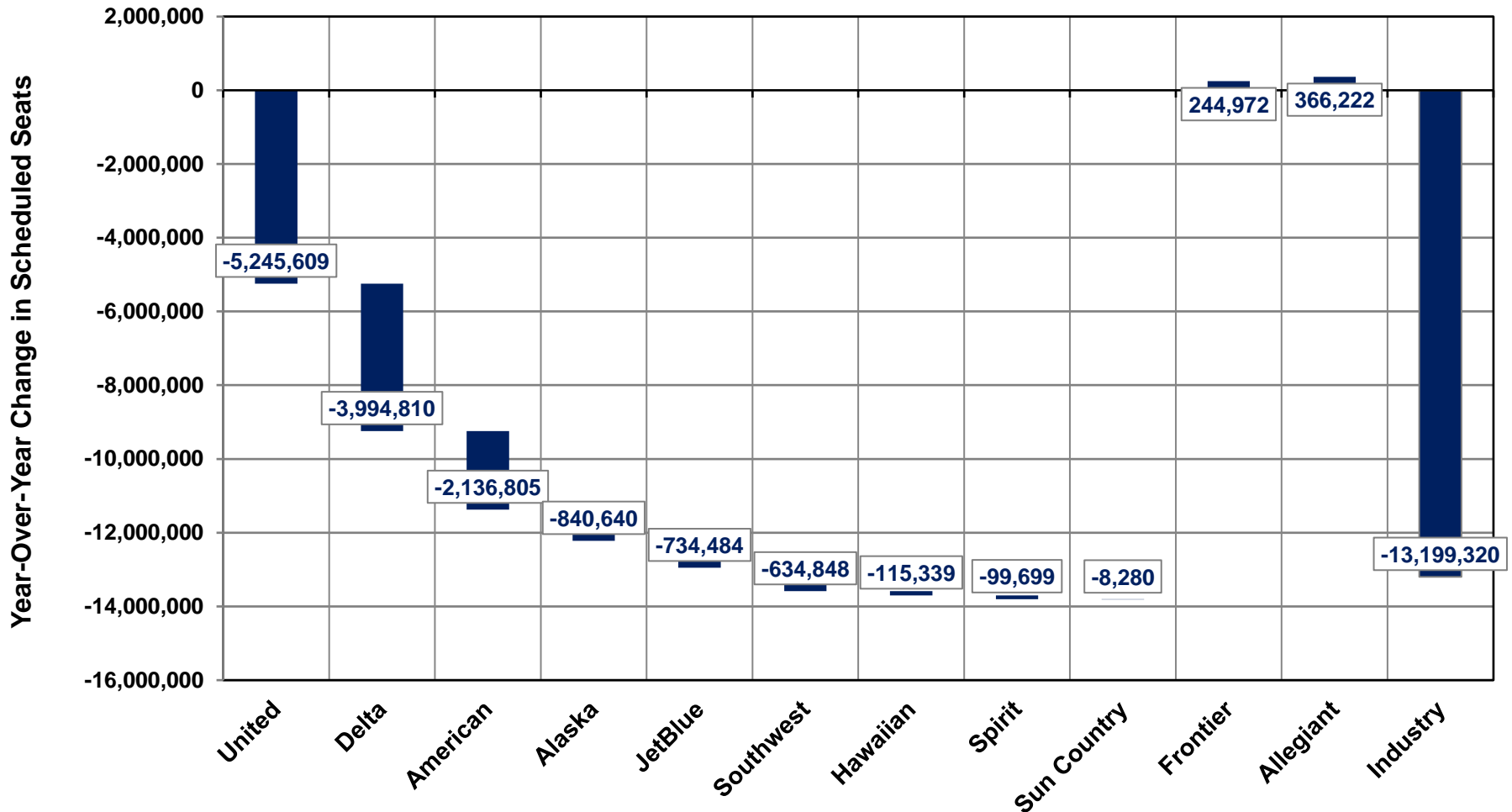
U.S. Airport Scheduled Seats per Month

January 2019 through June 2021



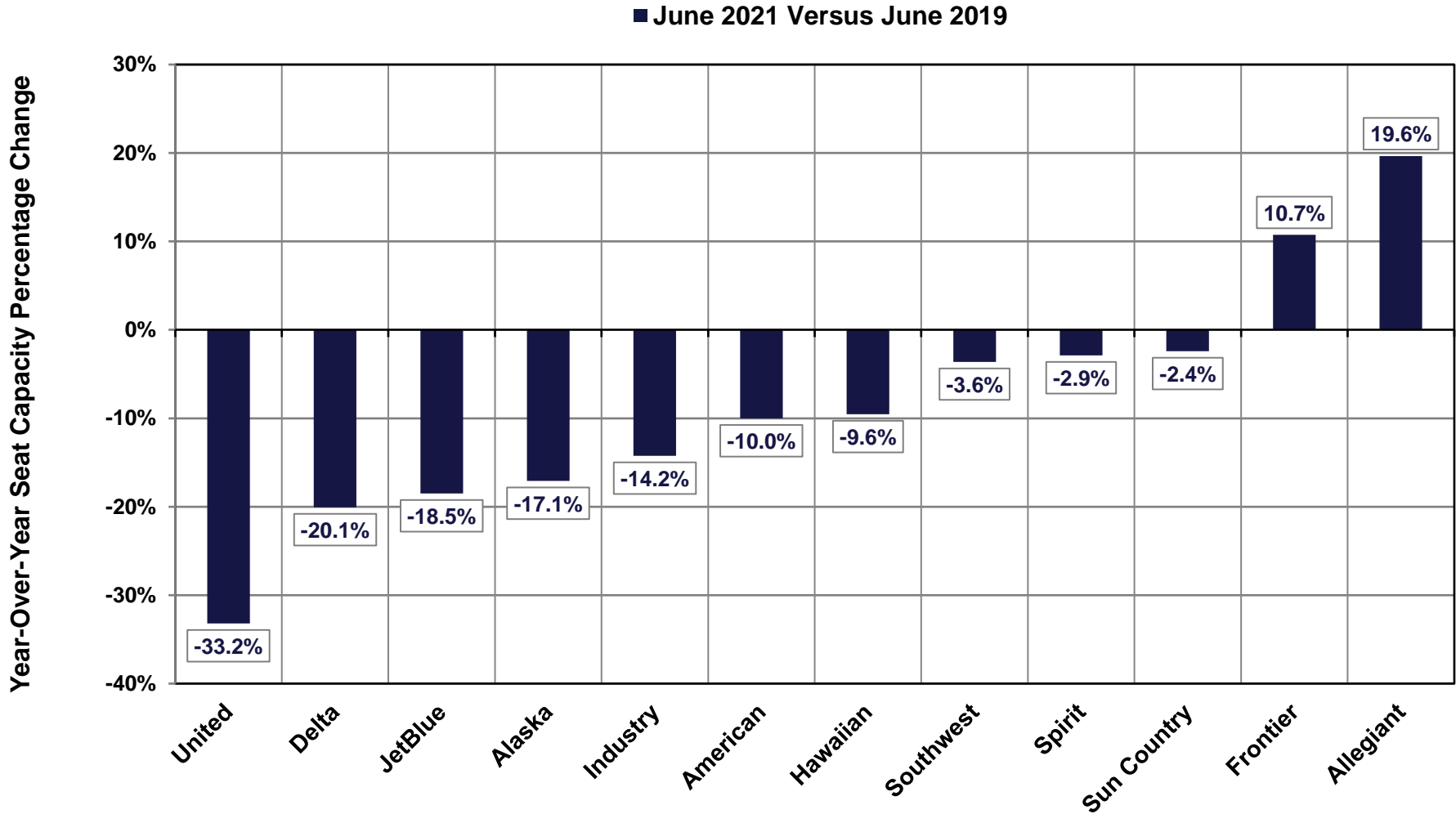
Airlines Have Scheduled 13.2 Million Fewer Seats in June 2021 Versus June 2019; Only Frontier and Allegiant Have Scheduled More Seats

Year-Over-Year Change in Scheduled Seats at U.S. Airports by Airline
June 2021 Versus June 2019

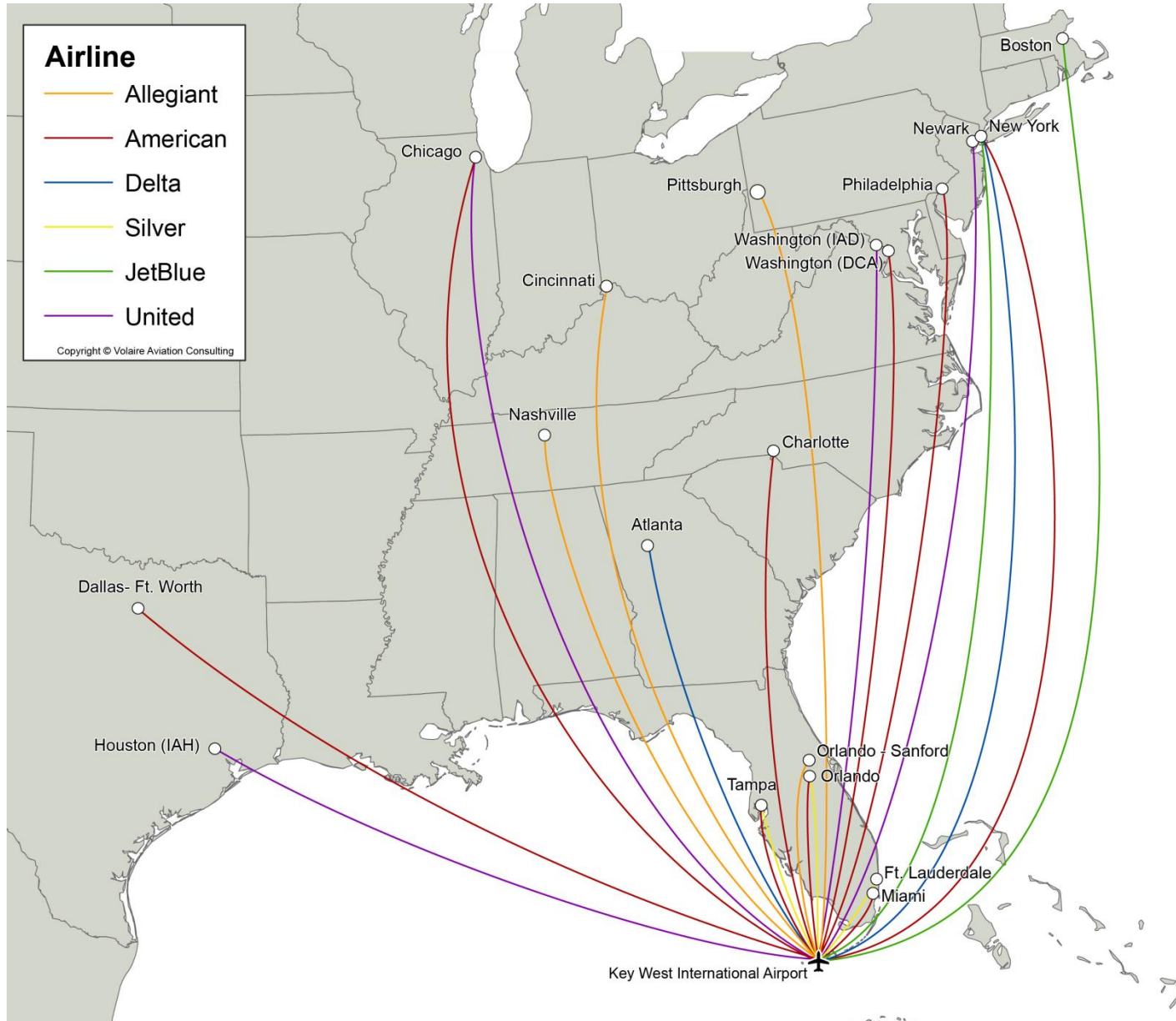


Low-Cost Carriers – Historically Less Dependent on Business and International Traffic – Are Scheduling More Capacity in June 2021 Relative to June 2019

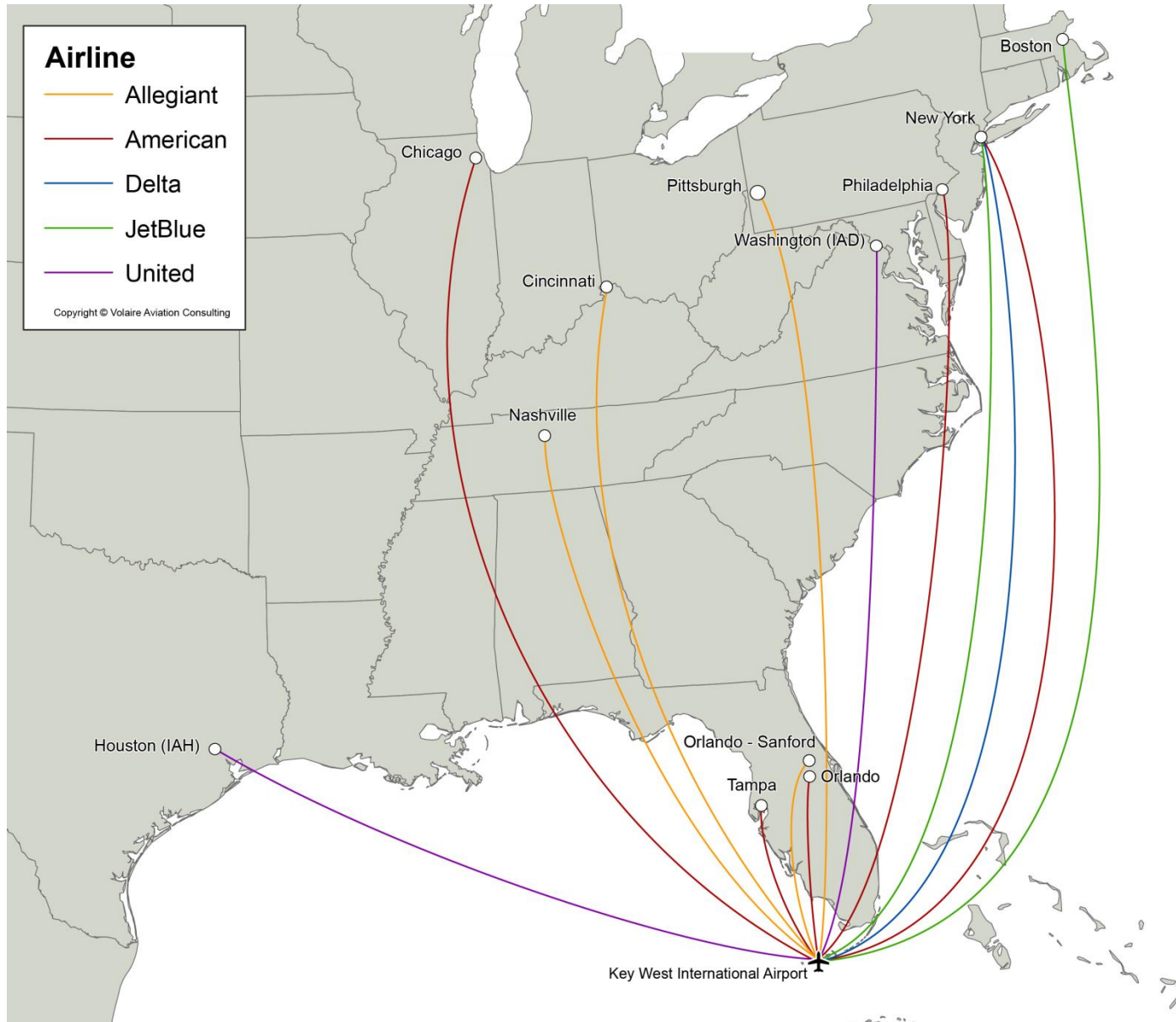
Year-over-Year Seat Capacity Change at U.S. Airports by Airline
June 2021 Versus June 2019



Six Airlines Will Operate 24 Routes to Key West in June 2021



14 Routes Have Been Added at Key West since January 2019



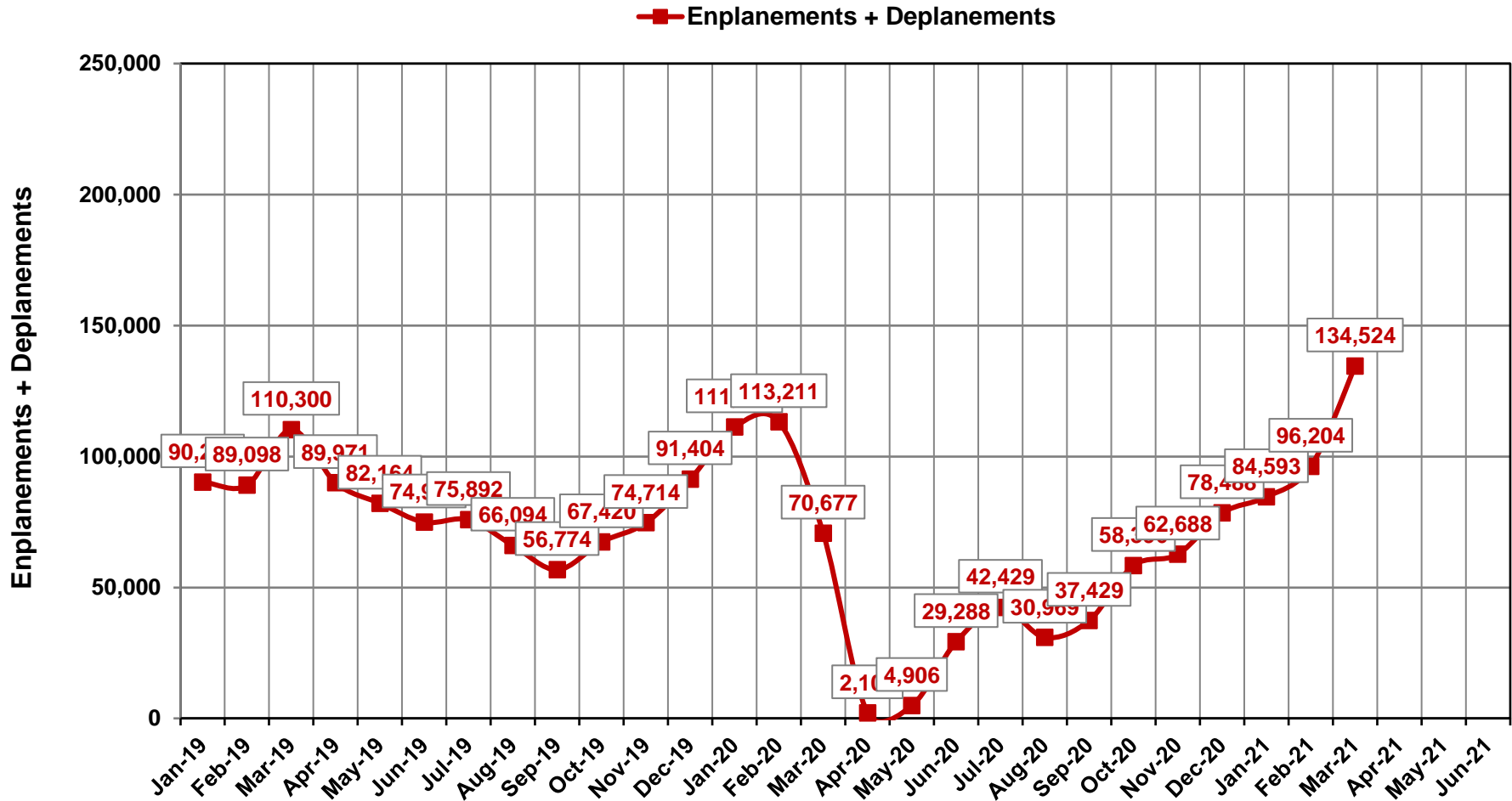
JetBlue and Allegiant Are New to Key West



Enplanements and Deplanements at Key West Have Rebounded Sharply and Increased to a New Record High in March 2021

Monthly Enplanements + Deplanements at Key West International Airport

January 2019 through March 2021

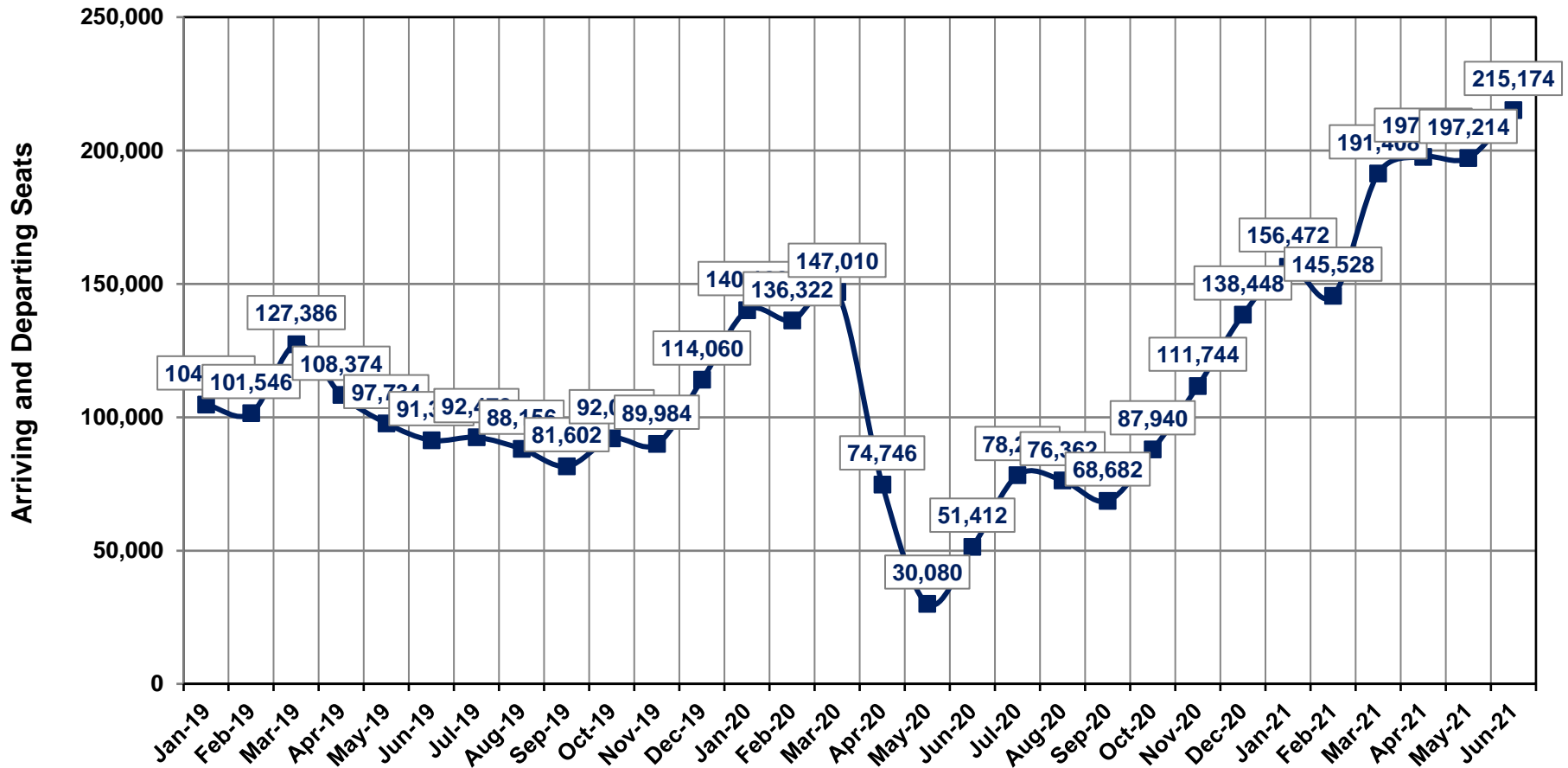


Scheduled Seats Will Increase to a New Record High of More than 215,000 Seats in June 2021

Monthly Scheduled Arriving and Departing Seats at Key West International Airport

January 2019 through June 2021

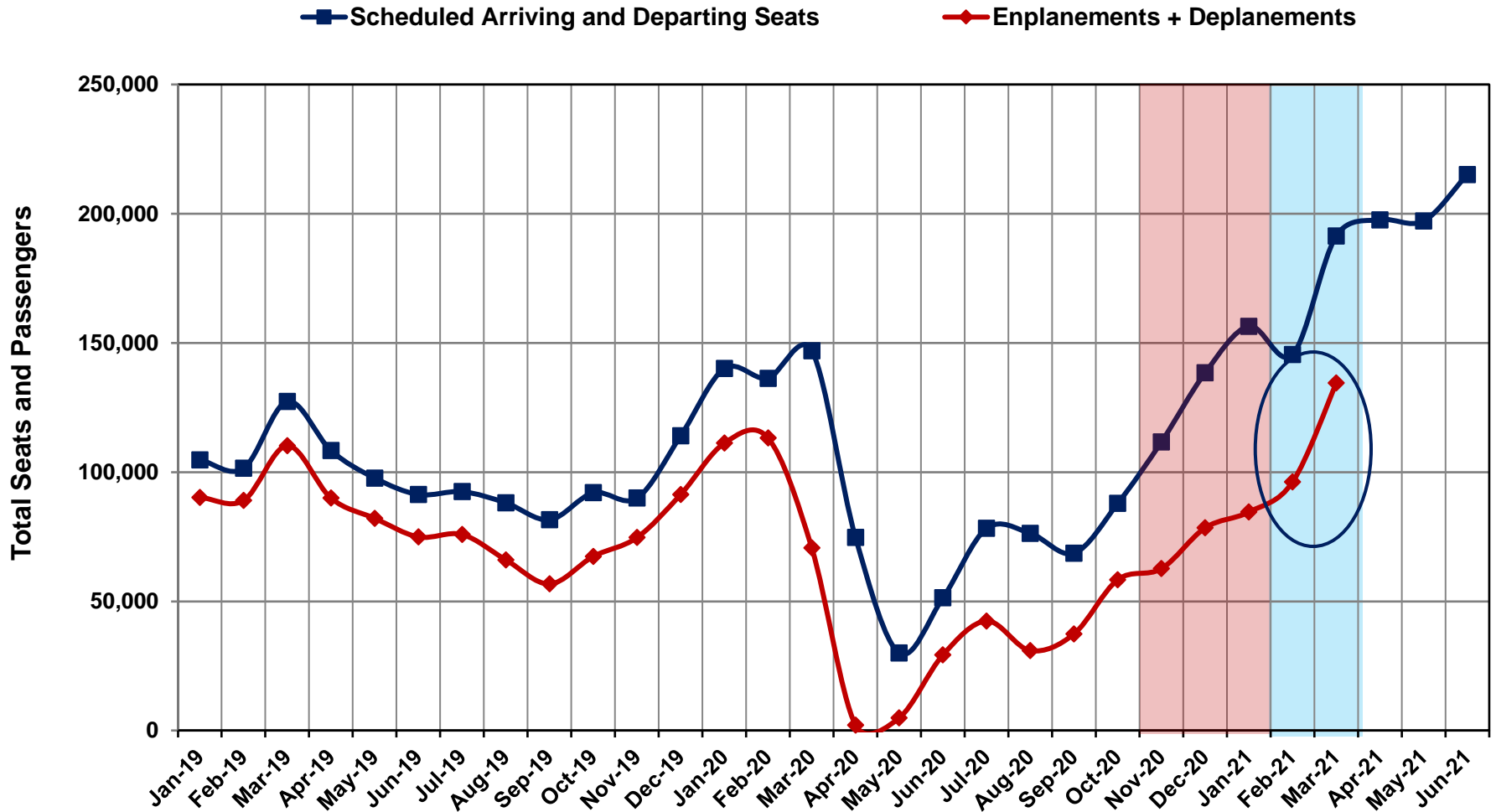
—■— Scheduled Arriving and Departing Seats



Passenger Growth Lagged Seat Growth from November through January, but Passenger Growth Increased Dramatically in February and March

Monthly Scheduled Total Seats and Total Passengers at Key West International Airport

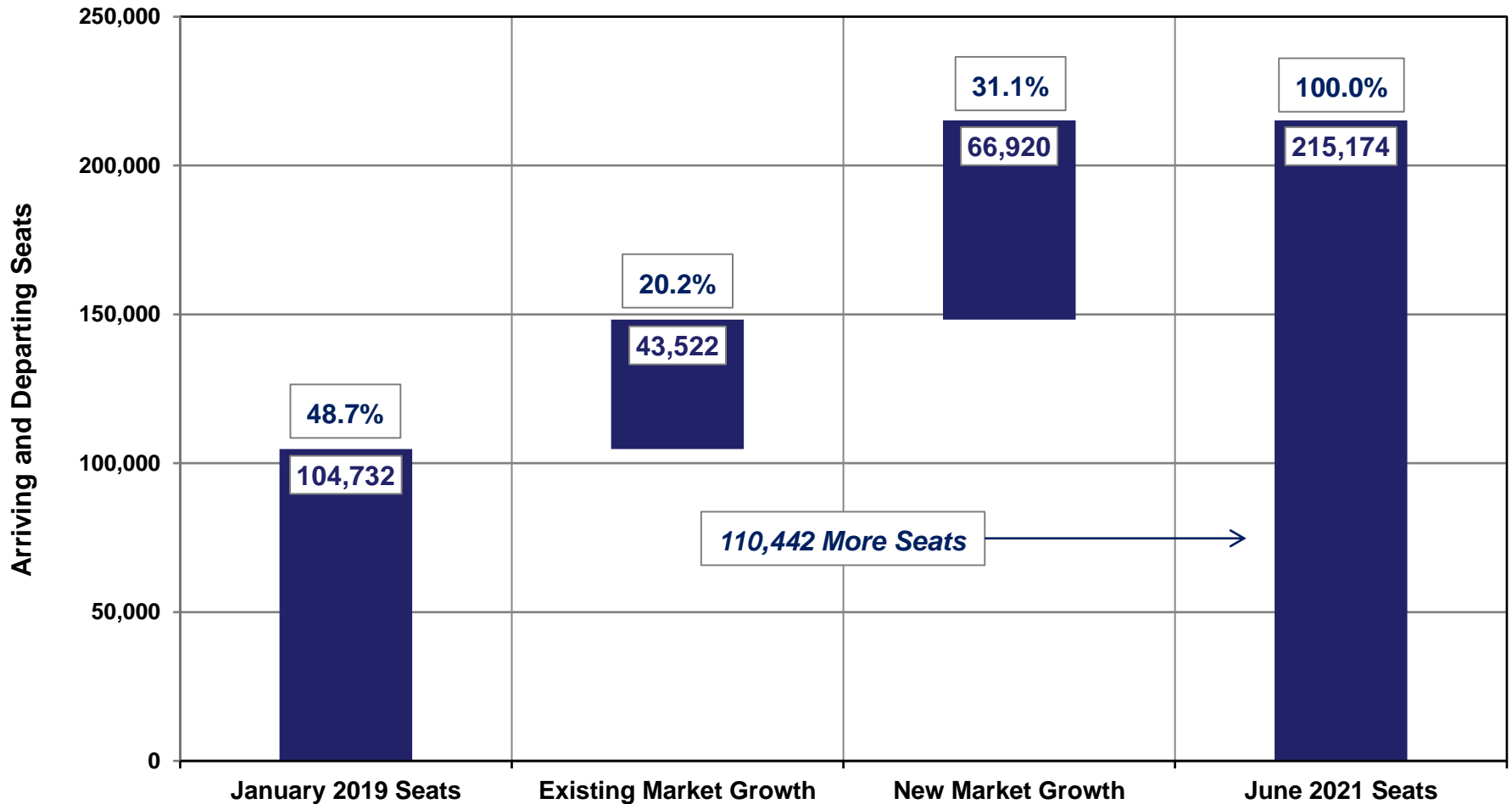
January 2019 through June 2021



New Markets Will Account for 31.1% of Scheduled Seats in June 2021; Seat Growth in Existing Markets Will Account for 20.2% of Scheduled Seats

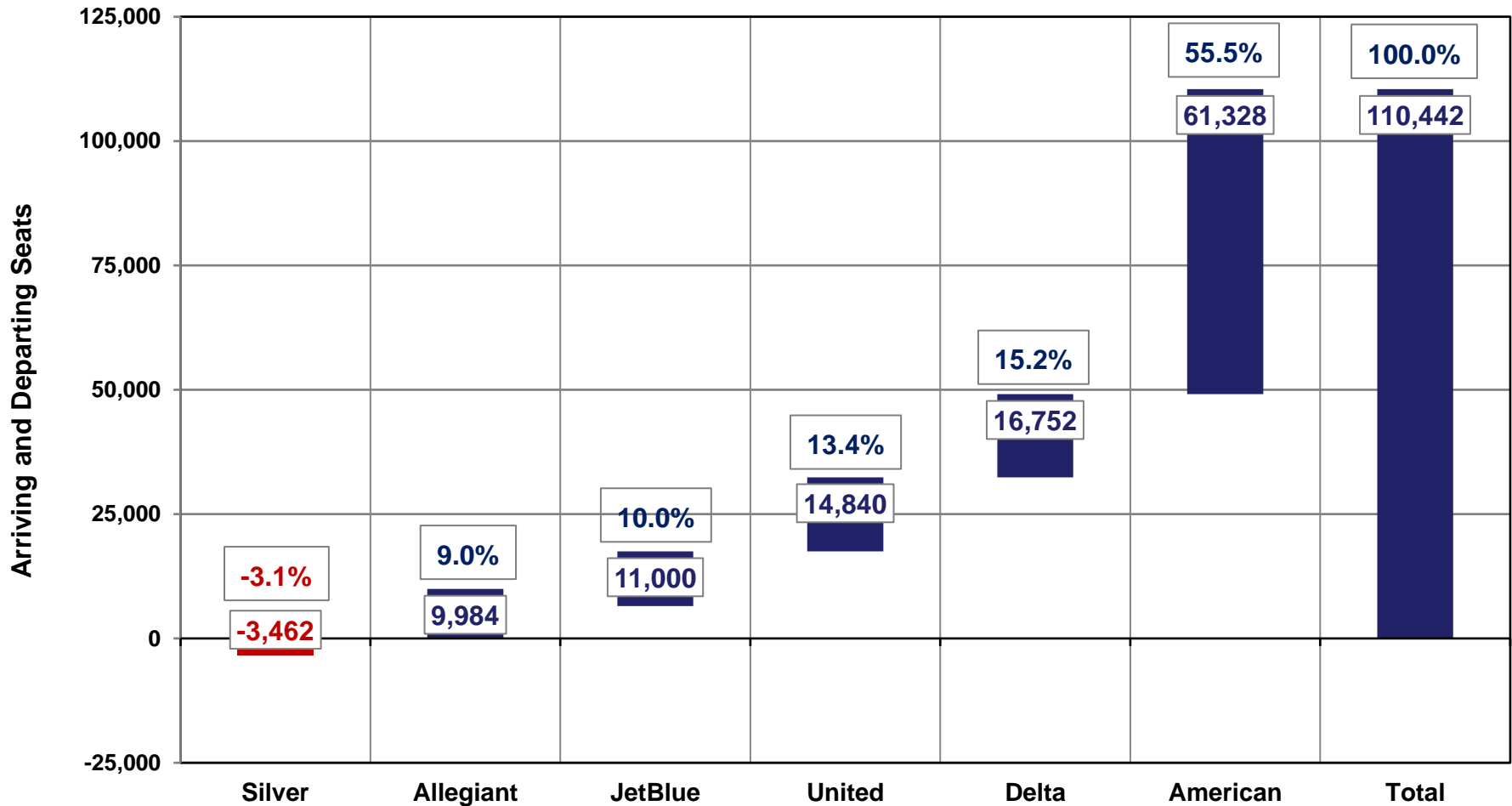
Scheduled Seats at Key West International Airport

January 2019 through June 2021



American Accounts for 55.5% of the 110,442 Additional Seats from January 2019 to June 2021

Scheduled Seat Growth at Key West International Airport
January 2019 through June 2021

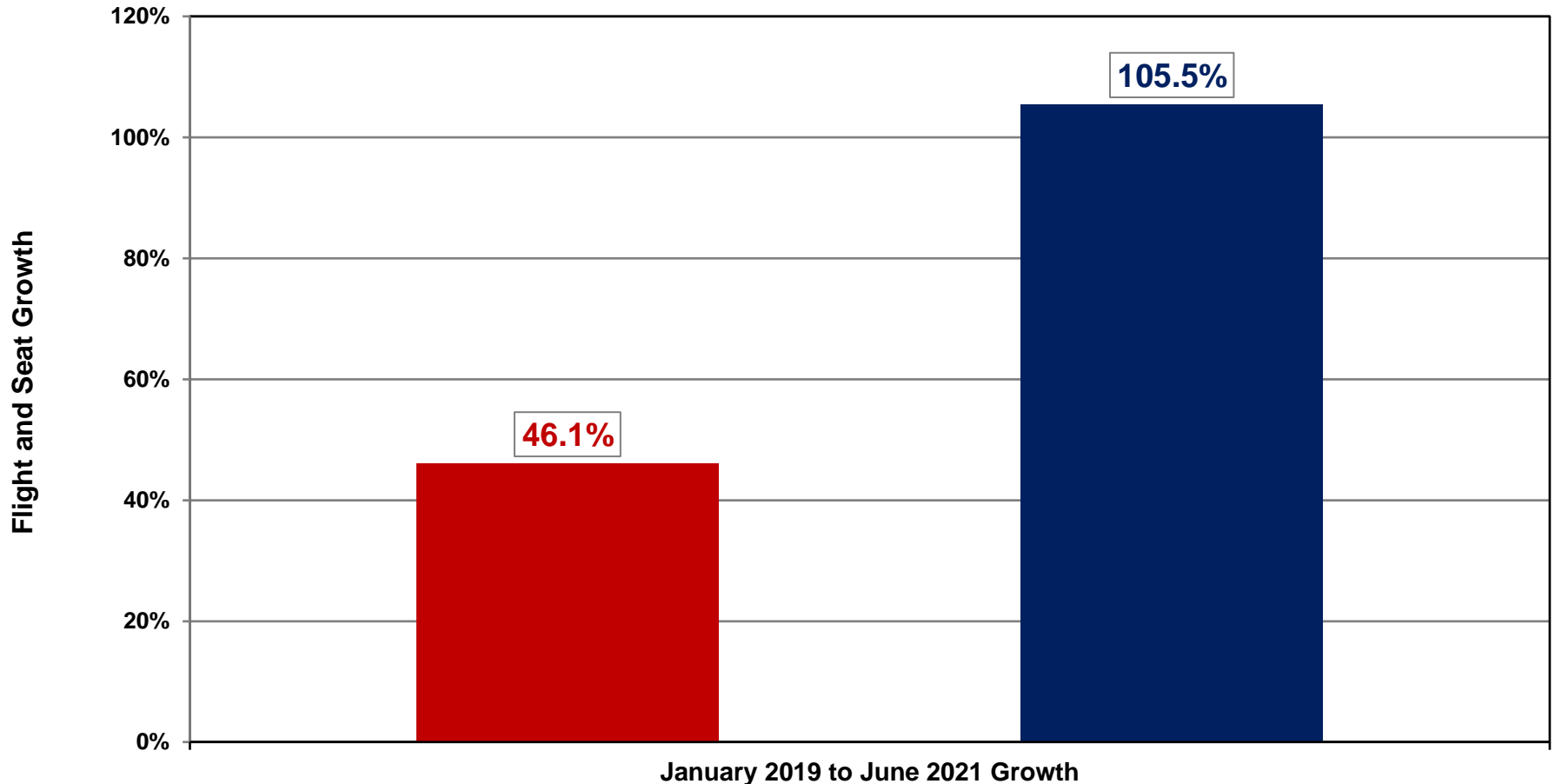


In the 30 Month Period from January 2019 through June 2021,
Scheduled *Flights* Will Increase 46.1%; Scheduled *Seats* Will Increase 105.5%

Flight and Seat Growth Key West International Airport

January 2019 to June 2021

■ Flight Growth ■ Seat Growth



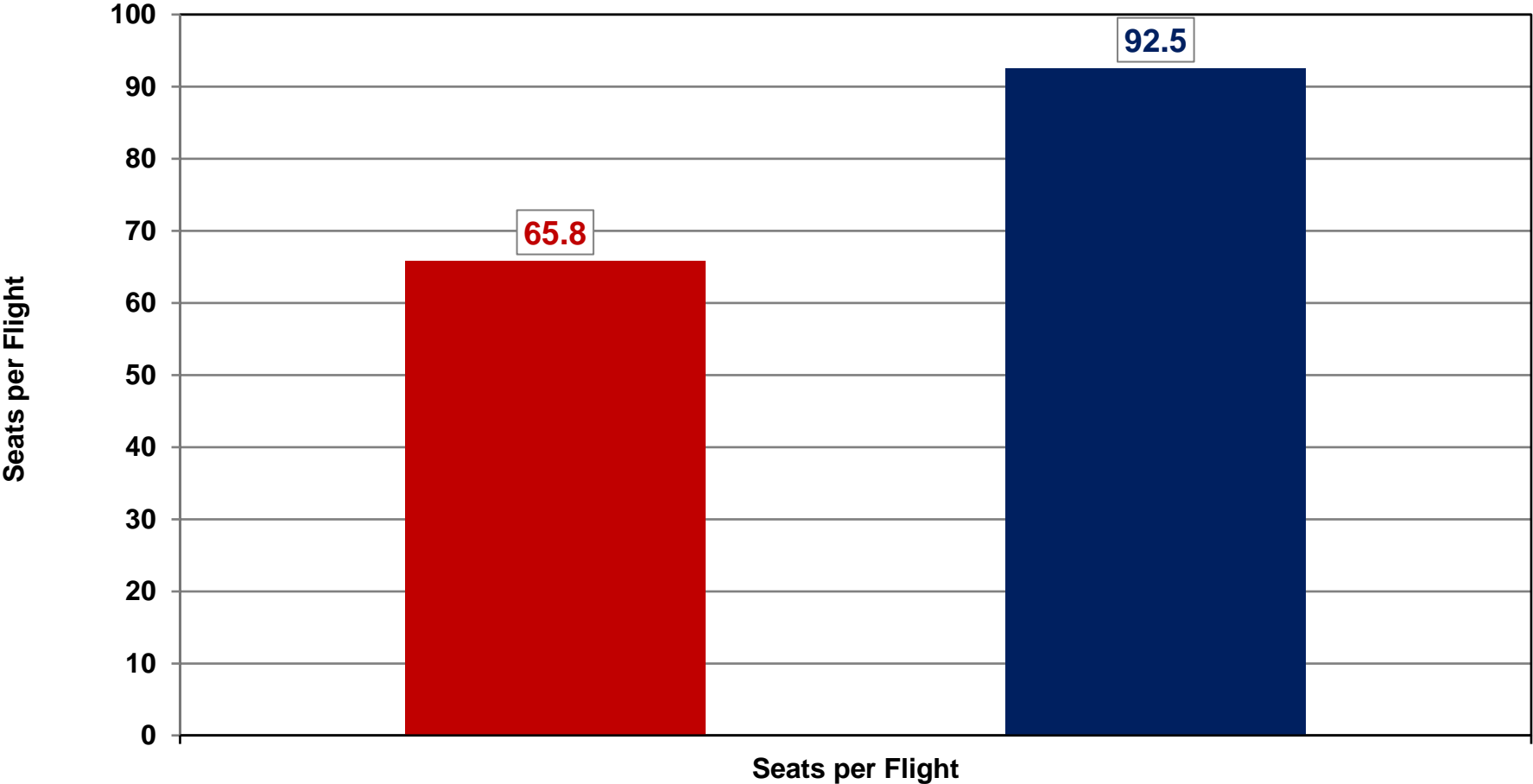
Scheduled Seats Increased at a Faster Rate than Scheduled Flights Because Airlines Are Serving Key West with Larger Aircraft

Seats per Flight Key West International Airport

January 2019 to June 2021

■ January 2019

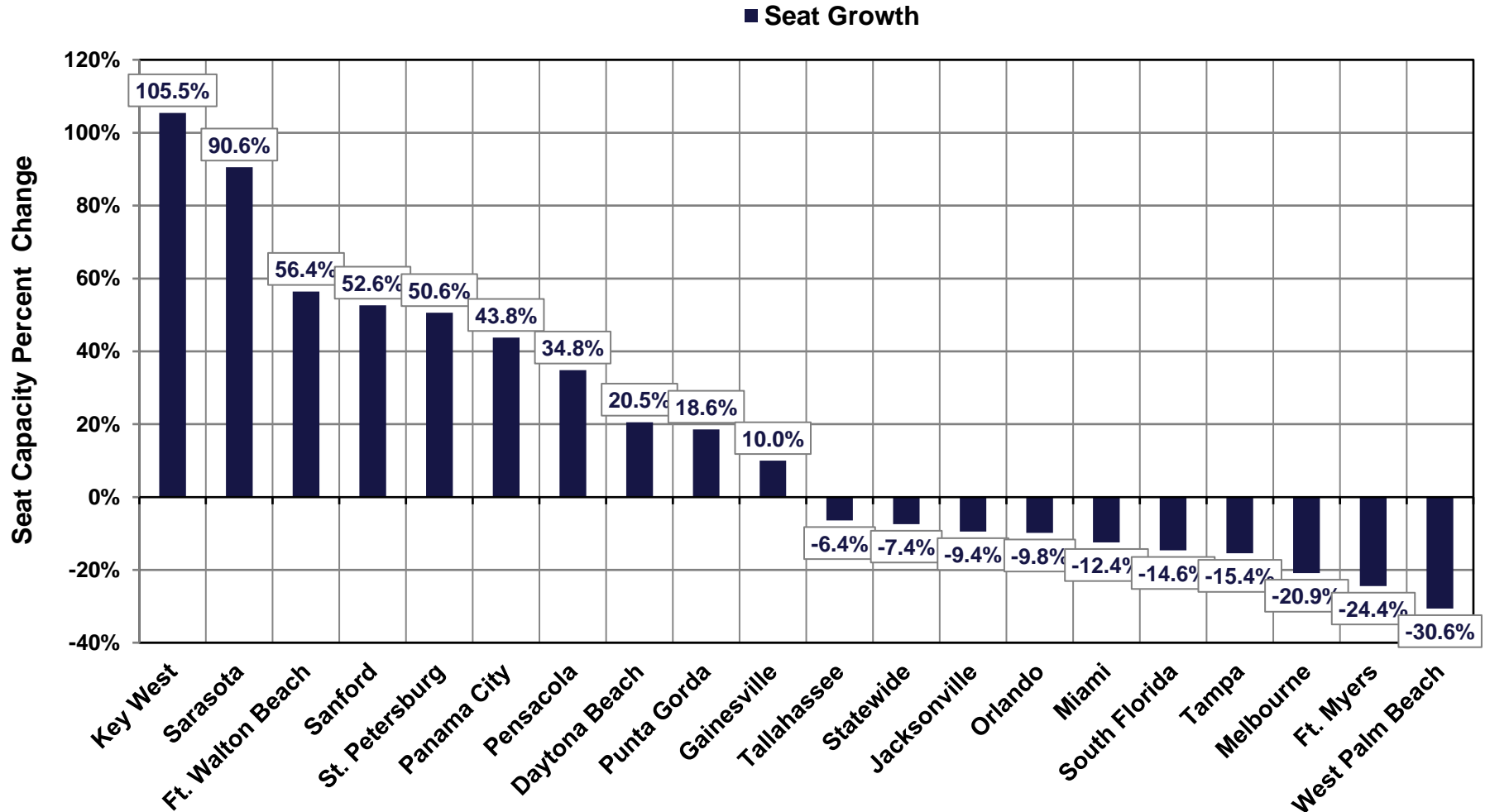
■ June 2021



Key West Has the Highest Seat Growth among All Florida Airports from January 2019 through June 2021

Seat Growth at Florida Airports

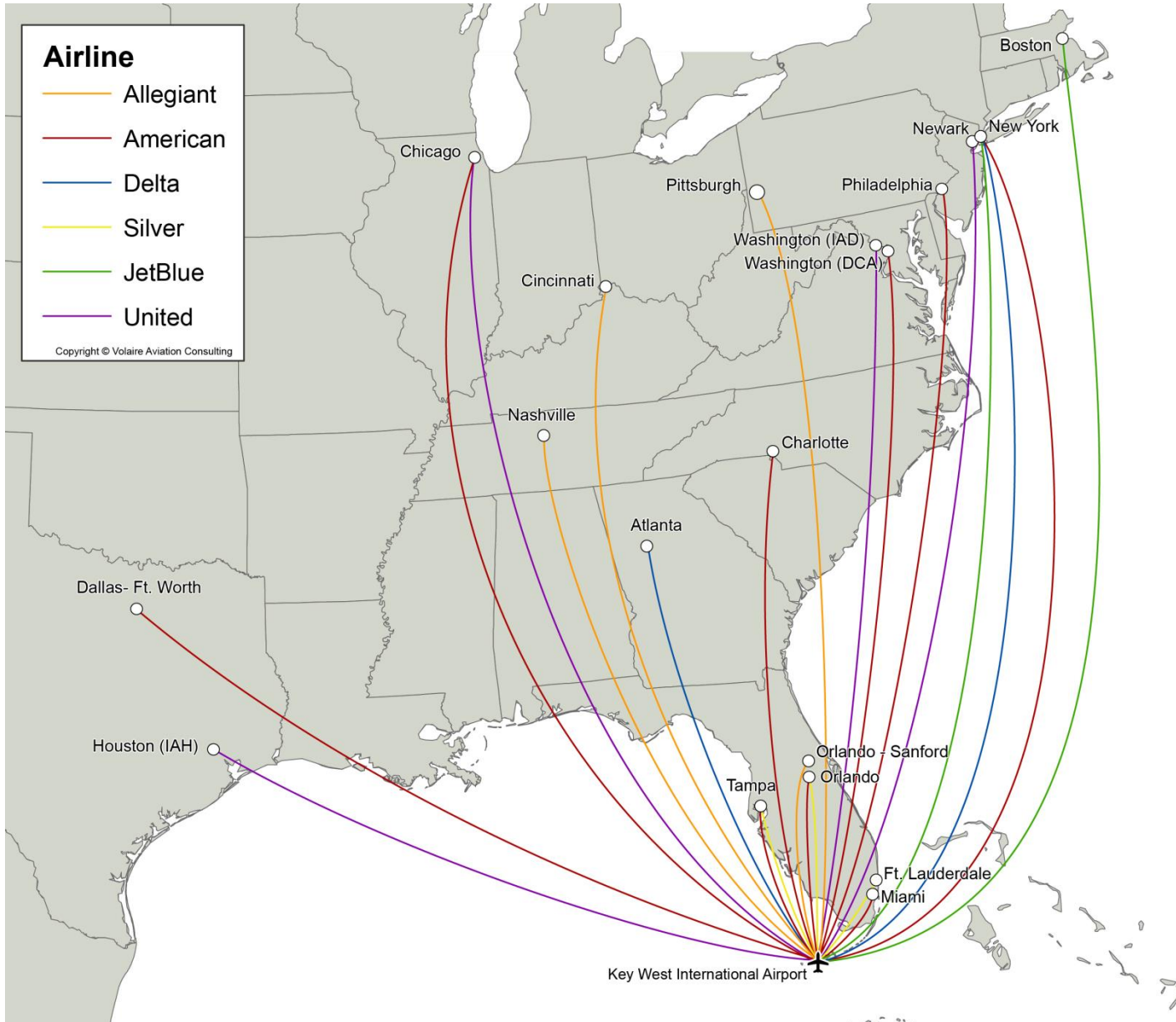
January 2019 to June 2021



PNS, VPS and ECP comparisons are June 2019 to June 2021



The June 2021 Routes Will Likely Be Year-Round Routes



The Next Generation of Aircraft Are Quieter and More Fuel Efficient; JetBlue Has Taken Delivery of Its First Airbus A220

*Up to 75% quieter than similar sized mainline aircraft
20% more fuel efficient than similar sized aircraft*



Republic and SkyWest Have Ordered the Next Generation of Embraer Regional Jets and Will Operate the Aircraft for American, Delta and United

Up to 75% quieter than similar sized regional jets

17.3% more fuel efficient than the first generation of Embraer regional jets



Concourse A

Coming October 2024



Concourse A

Enhanced Customer Experience



Concourse A

New Security Checkpoint
New Hold Room
New Bag Claim





Concourse A – Passenger Experience Includes New Concessions



Concourse A – Enhanced Customer Experience Seating – Walking - Space



Concourse A – Enhanced Customer Experience Spacious and Beautiful



Closing

New Air Service

New Concourse

Questions?