



through New Leadership and Growth

WAYNE COUNTY AIRPORT AUTHORITY
Report to Key Stakeholders

VISION STATEMENT

"To be the best major hub and reliever airports in the world."

MISSION STATEMENT

"To build and maintain, through teamwork, innovation and dedication, the safest, friendliest, cleanest, most convenient airports in the world."

VALUES

Safety and Security

We maintain our facilities and conduct our operations in the safest possible manner. We are vigilant about the safety and security of the traveling public, our tenants and our employees.

Quality/Customer Service

We provide world-class facilities that are properly maintained to ensure a positive travel experience. Employees are respectful, courteous and helpful at all times to our customers.

Professionalism (Learning/Conduct/Work Ethic/Respect/Attitude)

We employ, develop and retain employees motivated to achieve the mission and vision of the organization. We treat each employee with the same respect that we expect to receive. We recognize and embrace our common interests as well as our differences.

Integrity/Honesty

We will perform our duties in an exemplary manner, making the best possible business decisions for the users and stakeholders of the Airports.

Efficiency (Cost Effective/Streamlined Processes)

We manage the facilities and operations of the Airports in a manner that is consistent with the best practices of the industry. We strive to provide a seamless experience for the traveling public, ensure value and quality for our tenants, and meet the needs of our employees.

Innovation (Best Practices)

We establish and use the best practices and standards available. We are committed to using our resources to provide the best possible travel experience and highest level of customer satisfaction.

Enthusiasm/Passion

We encourage our peers and our leaders to make decisions that promote the Authority's mission and vision. We are committed to ensuring the success of the Airport Authority in achieving our goals. We debate and discuss those things in which we believe. We understand that our meaning and purpose is found more in the path to the decision than in the decision itself.

Teamwork

We work together, across departments and divisions in conjunction with our airline, tenant and stakeholder partners to identify, develop and implement solutions to those challenges that arise. We share information in order to improve our facilities, operations and procedures to help achieve the desired results for the organization.



WAYNE COUNTY AIRPORT AUTHORITY Report to Key Stakeholders

A Message from the Wayne County Airport Authority Board

WCAA in Action

Our Airports—
Powerhouses for Southeast
Michigan's Economy
12

Gateway to the World—
Detroit Metropolitan Wayne
County Airport
14

Willow Run Airport— Poised for Growth 22

Final Thoughts—
Watching Our Vision Gain
Altitude
24



A Message from the Wayne County Airport Authority Board



A Message from the Board

The time since the establishment of the new Wayne County Airport Authority (WCAA)—has been memorable in the history of two of Southeast Michigan's most important transportation gateways, Detroit Metropolitan Wayne County Airport (DTW) and Willow Run Airport (YIP).

In a period marked by change and challenge for the entire air transportation industry, our two airports have experienced a number of successes that are helping to transform the face of air travel and establish a new standard for our industry.

One of the most important and fundamental changes for our two airports, has been the establishment of the WCAA. Our seven board members, appointed by elected leadership ranging from Michigan's Governor, to the executive and legislative branches of Wayne County, have put a focus on the regional importance of our two vital airports.

In March 2002, then Michigan governor, John Engler signed legislation into state law creating a new

airport authority board to oversee the management of Detroit Metro and Willow Run Airports. The goal was to ensure that our airports operate more efficiently, like businesses, instead of government bureaucracies. On April 24, 2002, the WCAA held its first meeting, and on August 9, 2002 the Federal Aviation Administration (FAA) made the change official by granting airport operating certificates for DTW and YIP to the newly established airport authority.

Although the board was unable to take any official actions due to a series of legal and procedural challenges made by the Wayne County Commission, the WCAA board held its first meeting on April 24, 2002 to officially adopt a name for the authority, adopt bylaws, elect officers and appoint a Chief Executive Officer, among other actions.

Since that time, all substantive legal and procedural matters have been resolved in favor of the Authority, and the board has continued to move forward in the airports' operation and development programs.

- ▶ The Wayne County Airport Authority Board has passed more than 250 resolutions since receiving governance authority for Detroit Metro and Willow Run Airports
- New Procurement & Ethics Ordinances that have streamlined the airports' purchasing process and have eliminated potential conflicts of interest among employees and board members
- Approved reorganization of airport management and new strategic plan, which included new airport Mission, Vision, Values, Strategic Goals and Objectives
- Opened eight new shops and restaurants in the McNamara Terminal
- Increased airport restaurant & retail revenue by approximately 75%
 (Jan – Dec 2001 vs. March 2002 – Feb 2003)
- Opened Detroit Metro Airport's beautiful new 400room Westin Hotel, connected to the McNamara Terminal and approved several contracts to ensure the hotel's financial success.

- ▶ Reduced 2004 budget by \$3.25 million
- State-of-the-art financial and human resource management system implemented
- Eliminated 82 budgeted positions and nine executive level employees from the airport's payroll
- Reduced contracted custodial employees by 35%
- ▶ Eliminated non-essential services such as a new document management system and economic impact study
- Consolidated DTW's parking operation to cut expenses: lowered rates in underutilized parking areas: and aggressively marketed parking to boost utilization and revenue
- ▶ Began charging off-airport commercial vehicles a facility use fee
- ▶ Approval of debt management plan that will save Detroit Metro Airport \$15 – \$20 million over the next 13 – 17 years
- Hired financial advisors and bond counsel to assist airport in future capital improvement plans

The Authority has adopted new procurement and ethics ordinances aimed at streamlining the airports' purchasing processes and eliminating potential conflicts of interest among the airports' employees and our Authority board members. The Authority has also passed many resolutions that are continuing to improve the service, amenities, and business opportunities available at Detroit Metro and Willow Run Airports, such as:

- approval of new shops and restaurants for DTW
- purchase of a new state-of-the-art financial and human resources management system
- continuation of the sound insulation program for homeowners in DTW's Neighborhood Compatibility Program
- the hiring of bond counsel and financial advisors to assist airport management in financial planning for future capital improvement programs
- approval of construction of a new remote deicing pad at DTW

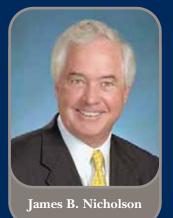
These changes, and the many others you will see in this report, are helping to reshape the role Southeast Michigan plays in the global transportation industry. Through new leadership and growth we are *Gaining Altitude* among the best airports in the world.

As our nation and the world celebrated the centennial of flight on December 17, 2003—marking 100 years since the historic first powered flight by the Wright brothers at Kitty Hawk, North Carolina—we are reminded of how far air transportation has come. It is fitting at this time, to look at what we have achieved in Southeast Michigan, at how our two airports have succeeded in the pursuit of our goals and at what lies ahead for our travelers, visitors, employees and communities served by Detroit Metro and Willow Run Airports, under the leadership and direction of our new Authority.

- Improved uniforms and appearance of Airport Police Officers
- ▶ Hosted six area Business Opportunity/Local Outreach Forums to provide procurement information and attract new companies interested in doing business with the Wayne County Airport Authority
- Accelerated pace of DTW's Sound Insulation Program
- Authorized the sale of up to \$825 million in bonds to fund future airport expansion projects
- Partnered with Henry Ford Heart & Vascular Institute to offer healthy food [HeartSmart®] choices at Detroit Metro Airport
- Implementation of a series of interim improvements at the aging L.C. Smith Terminal, including replacement of more than 70 automatic entry doors, new carpeting and lighting, painting, improved signage, additional seating, and analysis of how to better improve elevator and escalator performance
- ▶ International carrier Royal Jordanian and low fare airline USA 3000 began new scheduled service from Detroit Metro Airport

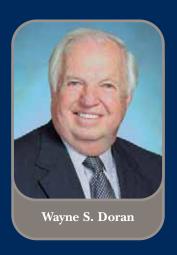
- Detroit Metro Airport received many awards and acknowledgements for the improvements its new terminal and capital program have brought to the airport, including:
 - I Tied for 2nd place among large U.S. airports in J.D. Power and Associates 2002 Global Passenger Satisfaction Study
 - I Only US airport to finish in "Top Five" best airports as ranked by Netherlands-based TravelQuality.com
 - I 2002 New Construction Award for the McNamara Terminal from *Buildings Magazine*, plus 13 other design awards received by the terminal's architect, the SmithGroup
- Willow Run Airport received the American Association of Airport Executive's (AAAE's) 2003 Balchan/Post Award for excellence in snow removal

WCAA BOARD



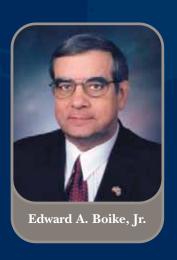










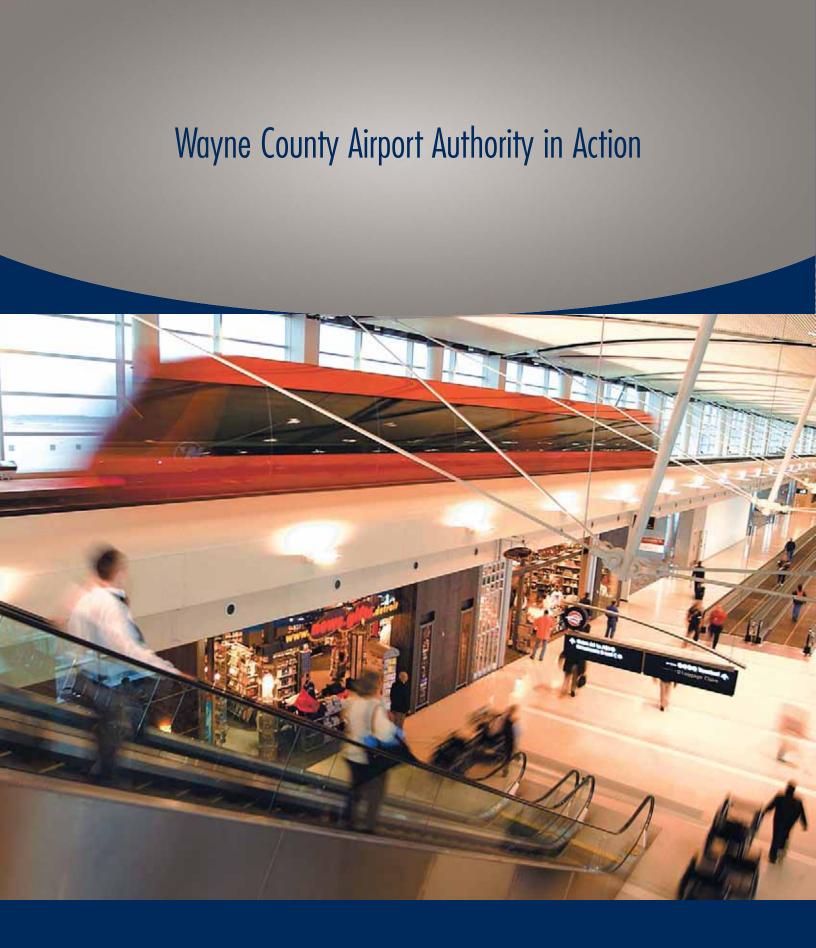


DETROIT METRO AIRPORT



WILLOW RUN AIRPORT





Safety and security—our first priority

Nothing is of greater importance at Detroit Metro and Willow Run Airports than the safety and security of our passengers and visitors. Detroit Metro Airport's new McNamara Terminal was the first major terminal project to open in the United States in the post - 9/11 era. Although the terminal's design was essentially complete before 9/11, many steps were taken by the airport and the terminal's primary tenant and construction manager, Northwest Airlines, to ensure that the building operated not only safely, but efficiently as well.

The Wayne County Airport Authority exceeds federal security requirements in many areas including availability of medical, police, fire and safety personnel and equipment; enhanced perimeter monitoring and fencing at both airports, and utilization of state-of the-art airport surveillance systems.

With 24 passenger screening checkpoint lanes at the new McNamara Terminal alone, DTW boasts an increase of approximately 40 percent in passenger screening capacity, helping to reduce traveler waits in security lines.

In addition, the airport works cooperatively with the new federal Transportation Security Administration (TSA), which now operates as a division of the U.S. Department of Homeland Security. Since 9/11, the TSA has made many strides in improving security, not just at DTW, but at all of our nation's airports. Below are just a few of the initiatives that have helped increase the security of our nation's air transportation system:

- Thousands of federal air marshals are flying on tens of thousands of flights each month.
- Airports and TSA together, are tapping innovations in technology, such as a more robust passenger pre-screening system and 100 percent screening of all checked luggage.
- Better perimeter security and hardened cockpit doors are in place.
- ▶ Dedicated TSA screeners, 48,000 in number, have been hired, trained and deployed to all 429 commercial airports. On average, they move about 2 million air travelers and more than 2 million pieces of luggage safely through security every day.

Travelers can also do their part to ensure the safety and efficiency of the air transportation system by being prepared and using common sense when flying through our nation's airports. Security related travel information and travel tips can be found at www.metroairport.com and www.tsatraveltips.us.







Better business practices in a challenging environment

Because Detroit Metro and Willow Run Airports are such important economic generators for our community, as well as catalysts for future development, the Wayne County Airport Authority is committed to managing both airports as efficiently as possible.

Factors such as the downturn in the economy, the impact of the tragic terrorist attacks on September 11, 2001, military action in Iraq and the SARS outbreak in Asia have made the last two years incredibly challenging for the entire aviation industry. Airlines and airports are struggling to maintain solvency, while operating with a reduced number of passengers and increasing costs as a result of security changes.

Austerity measures

To assist the struggling network carriers, the WCAA has enacted several austerity measures to mitigate the reduction in airport revenue associated with the decrease in passenger traffic. These tough but necessary actions have helped keep the airport's budget balanced, while minimizing the financial impact on DTW's airlines.

"There is no question that the aviation industry today is experiencing significant turbulence. However, I am very confident that the members of the new Wayne County Airport Authority Board will provide the necessary leadership to steer Detroit Metro and Willow Run Airports to a prosperous future. The impact these two facilities have on the economy and image of the Detroit region cannot be overestimated."

Richard E. Blouse Jr., CCE, President and CEO
 Detroit Regional Chamber

In November 2002, nine management employees were terminated, followed by a reduction of 82 positions in the airport's budget in the spring of 2003. Total savings in salaries and wages from these measures was approximately \$4.9 million.

The airport has reduced contracted custodial employees by more than 35 percent and consolidated management of parking operations, resulting in significant savings. The airport has also postponed certain professional service contracts, such as a new document management system and economic impact study.





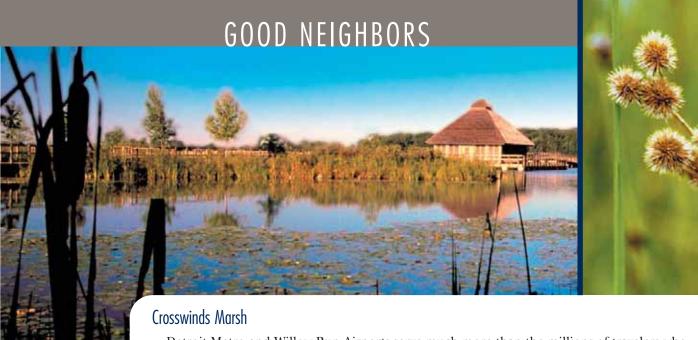
New revenue sources

In addition to cutting costs, the airport authority has also taken steps to increase non-airline revenue sources, as well as create new ones. On May 1, 2003, DTW began charging off-airport commercial shuttles to access DTW's ground transportation facilities for passenger pickup. This program is expected to generate approximately \$1 million in new revenue for Detroit Metro Airport. The airport also began aggressively marketing its parking operation at the north end of the airport and lowered many of its parking prices to attract new customers.

New restaurant and retail offerings continue to open in the beautiful new McNamara Terminal. Four new restaurants, in particular—Chili's Too!, National Coney Island, National Coney Island Express and Slapshotz Bar—are expected to return more than \$466,000 to the airport by the end of 2003. The terminal also houses a new Motown Harley Davidson shop, a CNBC News Detroit store and Erwin Pearl fashion jewelry store, with additional shops and restaurants scheduled to open in late 2003 and early 2004.

To help increase non-airline revenue, Detroit Metro Airport opened several new restaurants and shops in 2003, with more on the way.





Detroit Metro and Willow Run Airports serve much more than the millions of travelers who take to the skies each year. The airports also play an important role in the economic growth and development of local communities. The Authority takes its responsibility to act as good neighbors seriously.

Nowhere is this responsibility more evident than at one of Southeast Michigan's hidden jewels—Crosswinds Marsh. This 1,000-acre nature preserve located in Sumpter Township is a shining example of how a growing airport can meet the needs, not only of travelers and the business community, but of the larger environment as well. Crosswinds Marsh was named for one of Detroit Metro Airport's crosswind runways constructed in the early 1990s. It was developed by the airport to meet state environmental requirements and to replace wetland areas displaced by several airport projects, including the McNamara Terminal and DTW's newest runway.

The airport went far beyond its requirements when it created a multi-use habitat teeming with a diversity of plants and wildlife. The area's more than 200 species of birds includes a pair of nesting bald eagles. Managed by the Wayne County park system, the marsh offers miles of boardwalks and hiking trails, two fishing piers and a canoe livery, providing visitors with ample opportunities to enjoy nature and witness a different side of the airport community.

Recycling deicing fluid

The Wayne County Airport Authority is on the leading edge of another kind of environmental initiative—the recycling of used deicing fluid. Detroit Metro Airport leads the world's airports in recycling propylene glycol, the primary component of aircraft deicing fluid.

Over the past five years, the airport has been implementing a comprehensive deicing management program that is a win-win solution for the airport and airlines alike. The program includes the construction of four runwayend deicing pads to collect spent deicing fluid and separate it from the rest of the airfield's runoff. The deicing fluid is collected by a local

company which recycles the glycol for other industrial applications, such as components in automotive antifreeze, paints and even shirt buttons. The new process allows the airlines to operate more efficiently, reduces treatment fees for the airport and allows used fluid to be recycled.



During the winter of 2002-2003, airlines at Detroit Metro Airport sprayed approximately two million gallons of deicing fluid onto airplane surfaces to help melt snow and ice. That same winter, the new program enabled DTW to recycle more than 850,000 gallons of the fluid and set a new one-day record by harvesting 63,000 gallons after a heavy snow-storm.



Noise abatement

As the 10^{th} busiest airport in North America,

Detroit Metro Airport recognizes that its growth and economic benefit to the community are accompanied by some less desirable by-products, especially for residents who live closest to the airfield. As the airport has grown and neighborhoods around the airport have developed, the issue of aircraft noise has become a concern for some residents.

To address these concerns, the airport conducted an airport-related noise study in 1993 under the Federal Aviation Regulation (FAR) Part 150 guidelines. Based on the results of the study, DTW launched an aggressive noise mitigation initiative, the Neighborhood Compatibility Program.

Since the program began, seven schools in five communities near the airport have received special sound insulation treatments. More than 750 homes in the surrounding communities have also been sound insulated. Residents living closest to the airport qualified to have their homes purchased by the airport and converted to land uses more suitable for the airport environment. Of these, some also qualified for Purchase Assurance, which guarantees a fair market value to a homeowner who may want to sell his/her property in the future.

Over the past two years, the airport has streamlined and accelerated the pace of its sound insulation program. In 2002, approximately 350 homes went through the design process and are currently receiving sound installation treatments. The airport plans to add 500 homes in 2003 and another 600 homes in 2004.

The airport continues to lobby for the ultimate solution to aircraft noise—quieter airplanes. In the meantime, WCAA management is working with the airlines and the FAA to implement other aircraft-related noise reduction measures. Some of these programs include preferential runway use, recommended arrival and departure flight patterns and restrictions on some aircraft maintenance activities.

To keep the program current, this year the airport has undertaken the monumental task of conducting another FAR Part 150 study. Expected to be completed within the next two years, the new study will ensure that mitigation efforts continue to be focused in those communities most in need.

Communication with our Customers

One of the goals of the new Wayne County Airport Authority is to improve communication between the Authority and key stakeholders of Detroit Metro and Willow Run Airports. In addition to holding regularly scheduled public meetings, the airport authority has redeveloped, updated and enhanced its airport websites. By simply visiting www.metroairport.com or www.willowrunairport.com, travelers, job seekers, airport neighbors, citizens, entrepreneurs and business people can obtain a wealth of information about Detroit Metro and Willow Run Airports and the WCAA.

The Authority has also begun holding local outreach forums to provide information to businesses from all over the region on how to work with the WCAA airports. In 2003, the WCAA co-sponsored six area Business Opportunity Forums with the State of Michigan. Information about the forums and other business opportunity tools is available at www.metroairport.com.

For the public, information about Detroit Metro can be accessed on 920AM radio by motorists who are within 3-4 miles of the airport. A hotline (1-800-642-1978) is also available 24 hours a day, seven days a week with the latest on parking at Detroit Metro. Other general airport information can be obtained by calling (734) AIR-PORT.

OUR AIRPORTS Powerhouses for Southeast Michigan's Economy



"Detroit Metro Airport is one of the most significant generators of jobs and economic prosperity in the State of Michigan. We collectively believe that creation of this airport authority will allow Wayne County to run this multi-million dollar operation more efficiently and ensure its standing as one of the nation's leading airport facilities. This will lead to new jobs and help secure the economic well-being of our state."

—Former Governor John Engler and County Executive Edward McNamara in a letter proposing the new authority.



In a single day of operation,

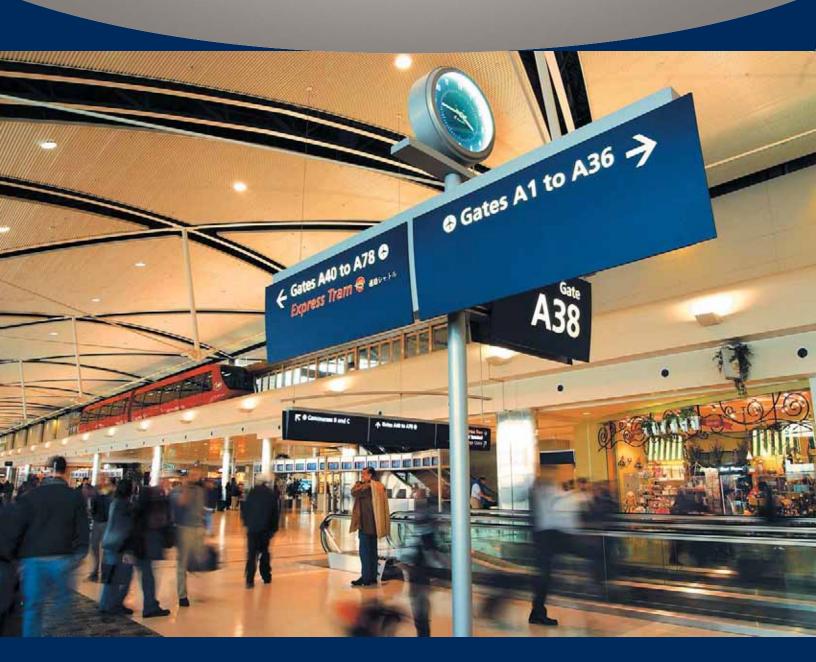
tremendous impact on the economy of Southeast Michigan. It is estimated that Detroit Metro Airport alone pumps more than \$5.1 billion into the area's economy and generates an annual payroll of approximately \$2 billion. While the WCAA employs only about 700 people, more than 17,000 others work directly on airport property as airline and concession employees, air traffic controllers, security screeners, parking attendants, shuttle drivers, architects, engineers and construction workers. When freight forwarders, travel agents, cargo brokers, hotel and restaurant employees are factored in, that number climbs to more than 71,000 employees in our area who have jobs tied to Detroit Metro Airport.

Detroit Metro Airport:

- pumps more than \$14.2 million into Southeast Michigan's economy
- generates an employee payroll of \$5.4 million
- sees nearly 1,400 airplanes take off or land
- accommodates nearly 90,000 passengers in its terminals

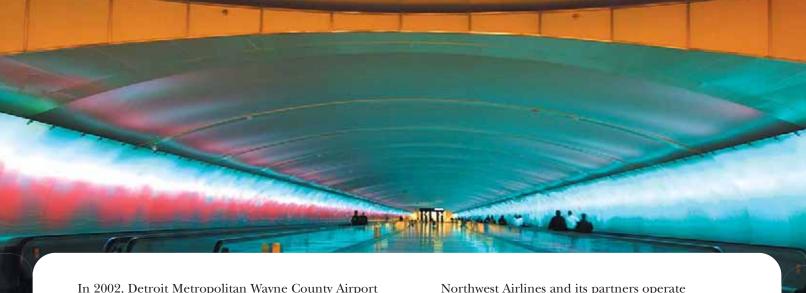


GATEWAY TO THE WORLD Detroit Metropolitan Wayne County Airport



"For those of us who travel often, we can all agree that the 'airport experience' is usually not the highlight of the trip. But then again, when's the last time your journey included Detroit? For a refreshing change of pace, check out the McNamara Terminal at the Northwest WorldGateway."

—Architectural Lighting magazine, January 2003



In 2002, Detroit Metropolitan Wayne County Airport served nearly 32.5 million passengers, more than three times the population of the state of Michigan. Although passenger volume remains approximately 8 percent below DTW's record set in 2000, the airport has experienced a gradual recovery in air travel. For the first half of 2003, passenger traffic increased 1.5 percent over the same period in the previous year.

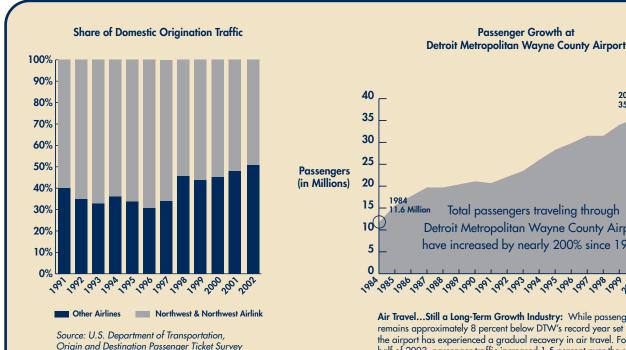
As a major hub airport, Detroit Metro serves as a gateway to the world for much more than our own community. DTW's hub carrier, Northwest Airlines, manufactures "connections" through Detroit, much like the automobile companies manufacture vehicles. The result of these manufactured connections is tremendous availability of nonstop air service, the creation of tens of thousands of jobs, and business and economic development opportunities that would otherwise not be possible.

Northwest Airlines and its partners operate approximately 75 percent of the flights from DTW, providing nonstop access to more than 130 destinations around the globe. However, only about 33 percent of Northwest Airline's passengers through Detroit are from Detroit or are traveling to Detroit. In other words, 67 percent of Northwest's passengers are connecting, that is, just passing through and using our airport as a gateway to the rest of the world.

While this is a vitally important service for all of the reasons listed above, equally important is the fact that DTW has air service available from every other major domestic airline, including three low-fare carriers and four foreign flag carriers. These airlines help provide competition and choice for travelers and serve approximately 48 percent of Detroit's local origination/destination (O&D) market.

Source: U.S. Department of Transportation, Origin and Destination Passenger Ticket Survey

DETROIT METRO AIRPORT'S OTHER AIRLINES SERVE NEARLY HALF OF DETROIT'S LOCAL (0&D) TRAVELERS



2000

Awards Received by SmithGroup for the Design of the New McNamara Terminal/Northwest WorldGateway

- 2001 Design Awards Program, Unique Project category, First Place
 Steel Joist Institute
- 2002 Honor Award, Steel
 —American Institute of Architects Michigan Chapter
- I.D.E.A.S. Award for Innovative Design and Excellence Architecture Using Structural Steel

-American Institute of Steel Construction

- 2002 Globe Award
 - —American Road & Transportation Builders Association
- 2002 Design Awards, Honorable Mention—Metal Roofing Category
 —Metal Architecture magazine/Metal Construction Association
- 2002 New Construction Award, Public/Government
 —Buildings magazine
- 2002 Honor Award for Architecture
 —American Institute of Architects Detroit Chapter
- 2002 Project of the Year, Institutional Category
 —Consulting-Specifying Engineer magazine
- 2002 Merit Winner, Public Spaces/Institutional Category
 —Dupont Antron Design Award Competition
- 2003 Engineering Excellence Award

 American Council for Engineering Council
 - —American Council for Engineering Companies/ Michigan Society of Professional Engineers
- 2003 National Engineering Excellence Award
 —American Council for Engineering Companies
- 2003 Award for Systems Excellence
 —Great Lakes Fabricators & Erectors Association
- 2003 Archi-Tech AV Award—Archi-Tech magazine
- 2003 International Illumination Design Award, Edwin Guth
 Memorial Award for Interior Lighting Design, Award of Distinction
 —Illuminating Engineering Society of North America

Recent improvements, achievements and recognition

Over the last two years, Detroit Metro Airport has undergone one of the most dramatic transformations of any airport anywhere, with multiple, major projects. Any one of these projects would have been the story-of-the-year at most other airports. At DTW, they were all completed and opened literally within months of each other.

International praise for the new McNamara Terminal

Since its opening in February 2002, the McNamara Terminal has received much positive attention and recognition. In its 2002 Global Airport Satisfaction Study, a survey of more than 10,000 passengers worldwide, J.D. Power and Associates reported a dramatic increase in customer satisfaction at Detroit Metro Airport. Of the

large (more than 30 million passengers) U.S. airports surveyed, Detroit tied for second place with Minneapolis and Phoenix,



with Las Vegas McCarran Airport in first place.

In January 2003, as a result of a survey of more than 21,000 people, Netherlands-based TravelQuality.com recognized Detroit Metro as one of the five best airports in the world. It was the only U.S. airport among the top five international airports.

The design of the two-million-square-foot facility has earned praise for Detroit-based architecture, engineering and planning firm, SmithGroup, and their client, Northwest Airlines, from an impressive list of professional architecture, design, engineering and transportation organizations and publications. The August 2003 issue of *Architectural Record* magazine, for example, cites these pacesetting design features of the new terminal:

- ▶ a linear layout that promotes easy passenger circulation
- the mezzanine-level Express Tram that enables passengers to quickly reach any gate in the mile-long main concourse
- the soaring arc-like roof system
- open and spacious light-filled gate areas
- an innovative passenger tunnel that treats passengers to a relaxing sound and light show

Most recently, SmithGroup received the international Illuminating Engineering Society of North America (IESNA) highest Award of Distinction for design of the terminal's innovative, one-of-a-kind passenger tunnel connecting the east and west concourses. The tunnel's custom-designed LED technology and materials create an ever-changing light, sound, and art-filled sensory experience, one that delights travelers from around the world.

MORE THAN 130 NONSTOP DESTINATIONS!



Preparing for the future

"The entire industry...airports, airlines and others must remain dynamic...because in airport development if you aren't constantly under construction...the world will pass you by."— James M. Davey, a key figure in the development of Detroit Metro Airport.

Although air travel has slowed in the post - 9/11 era, the FAA estimates that more than 600 million people will fly through U.S. airports in 2003, a number expected to grow to one billion passengers by 2014.

True to the spirit of Jim Davey, Detroit Metro Airport continues to forge ahead. With the paint barely dry on the new McNamara Terminal, runway and other projects, the airport is already planning additional expansion to meet the aviation industry's growth in the years ahead.

North terminal redevelopment

One of the most significant upcoming DTW projects is the redevelopment of the former J.M. Davey Terminal vacated when former occupant, Northwest Airlines, moved to the McNamara Terminal. On September 26, 2003 the WCAA board authorized airport management to sell bonds to finance construction of a new facility.

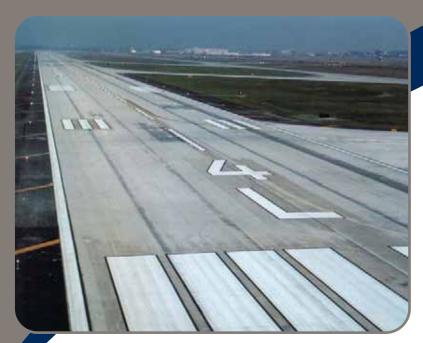
Once completed, the new north terminal complex will serve many of DTW's other major carriers which are currently operating out of the outdated L.C. Smith Terminal. The goal is to have a new facility at the north end of the airport that offers comparable features and amenities available to travelers in the McNamara Terminal, such as new shops and restaurants, shorter walking distances and a more contemporary atmosphere.

Terminal expansion

As Northwest Airlines and its partners continue to adjust to a slow recovery in post - 9/11 travel, plans are already underway to expand the new McNamara Terminal. To the current 97-gate facility, the airline plans to add 25 gates to the West Concourse (Concourses B and C). The expansion will include a brand new Concourse C featuring higher ceilings, fit and finish similar to the terminal's main concourse (Concourse A), additional restrooms, moving walkways and concession areas, as well as dedicated gate areas that can better accommodate Northwest's growing fleet of regional jet aircraft. The project will also increase to 12 the number of international gates available at the McNamara Terminal.

"This new runway will give Detroit Metropolitan Airport one of the most efficient airfields in the country. And the airport's development is an excellent example of a collaborative public-private effort to meet the long-term aviation needs of business and vacation travelers."

—Jane F. Garvey, Former Administrator, Federal Aviation Administration

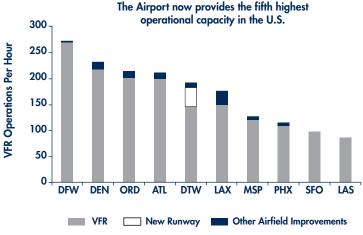


A new runway raises capacity and efficiency

In December 2001, Detroit Metro Airport increased its airfield capacity by more than 25 percent with the opening of its new 10,000-foot runway, 4L/22R, the only runway project to open at a major U.S. airport in 2001 or 2002. Only a handful of airfields in the world provide the capacity and efficiency of Detroit Metro Airport.

"The recent improvements at Detroit Metro will make it a worldclass airport with the new road giving travelers faster and less congested access to the airport's state-of-the-art facilities. This road is critical to future job creation and economic growth in our area, and that's why I fought for this project."

-U.S. Congressman John Dingell



Note: VFR=Visual Flight Rule–Flights per hour in good weather Source: FAA Airport Capacity Benchmark Report, 2001

Dingell Drive increases airport access

On opening day of the new McNamara Terminal, the airport also opened its new south access road. Dingell Drive allows motorists to access the airport from I-275 and Eureka Road to the south, as well as from I-94 to the north. The four-mile-long road is expected to handle up to 60 percent of future roadway traffic coming into Detroit Metro Airport. The road is named after long-time U.S. Congressman and airport development advocate John Dingell, who helped secure \$50 million for the road's construction.

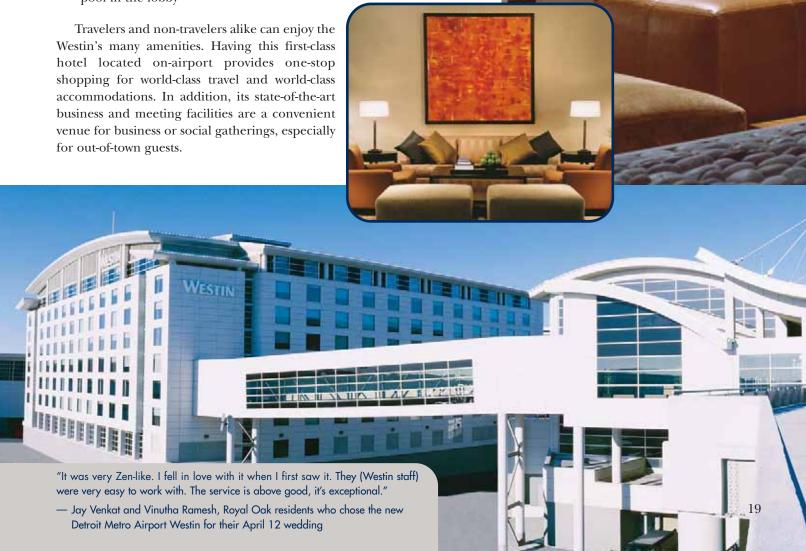
New structure doubles parking capacity

Detroit Metro Airport also made history in February 2002 when it opened the largest parking structure ever constructed at one time—the 11,500-space parking garage connected to the new McNamara Terminal. The short-term, long-term and valet parking at the new garage nearly doubles the amount of available on-airport parking. Customer-friendly amenities include efficient Fast Pay machines that automate checkout and exiting, and luggage check-in and e-ticketing for Northwest Airlines customers.

New Westin Hotel adds luxury and jobs

One of the most recent additions to Detroit Metro Airport's facility is the airport Westin Hotel connected to the McNamara Terminal/Northwest WorldGateway. This stunning 404-room facility, which has added 400 new jobs to Southeast Michigan's economy, has been receiving rave reviews from guests and visitors since it opened in December 2002. The first luxury class hotel to open in the Metro Detroit area in the last 15 years, the Westin features:

- more than 25,000 square feet of meeting room space
- ▶ Westin's signature Heavenly Bed
- a 7,600-square-foot ballroom
- a state-of-the-art fitness center
- ▶ a fine-dining, atrium-style restaurant
- a jet observation lounge
- a heated indoor pool
- glass enclosed elevators
- a 5,000-square-foot reflecting pool in the lobby





People-pleasing shops and concessions

The airport's concession program is an extremely important source of revenue for Detroit Metro Airport. As a user-funded facility, DTW is not supported by local tax dollars, but relies instead on revenue streams from concessions, parking and other airport services to help pay for airport operation and maintenance. In just the first year since the opening of the McNamara Terminal, the airport grew its concession revenue by nearly 75 percent, generating \$15.2 million from the program. This accomplishment is even more impressive considering the decrease in passengers, state of the economy and the fact that several shops and restaurants now in the new terminal were not yet operating.

Visitors to the new terminal can choose from a wide variety of concessions, from fast food and fine dining to gifts, gadgets and even a relaxing massage. The Wayne

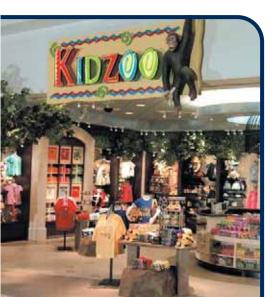
County Airport Authority ensures that concessionaires keep prices competitive. It also has encouraged many of its restaurants to offer healthy menu items that meet the Henry Ford Heart & Vascular Institute's HeartSmart® criteria.





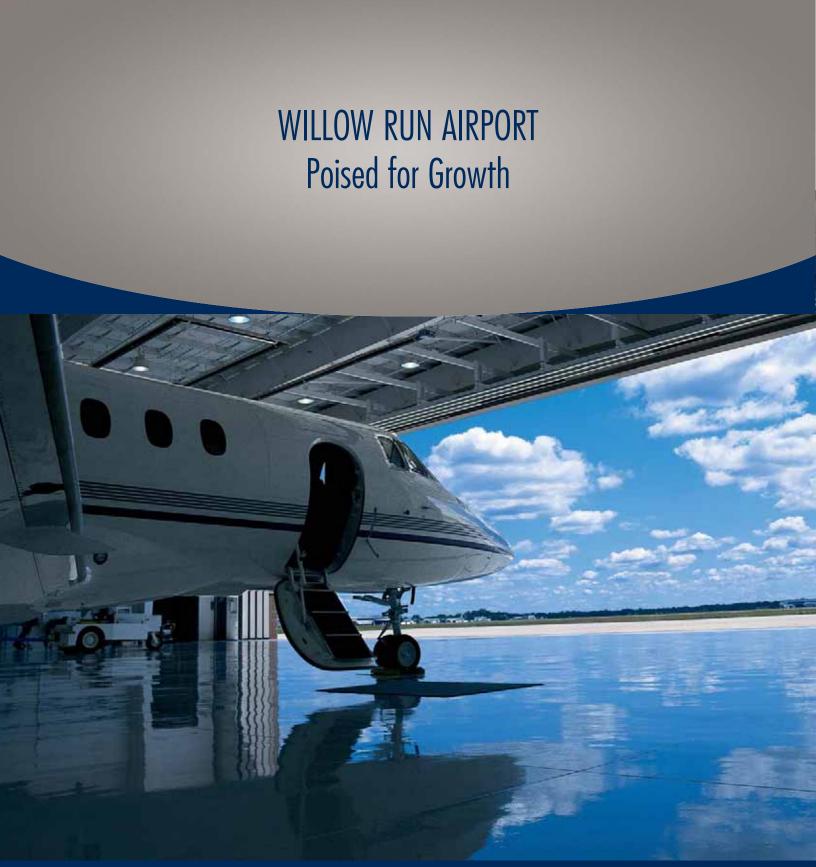
Although air travel has slowed in the post - 9/11 era, the FAA estimates that more than 600 million people will fly through U.S. airports in 2003, a number expected to grow to one billion passengers by 2014.











[&]quot;Willow Run is back. The huge and underused airport is getting international attention as the possible site of a new Boeing Aircraft plant to build the next generation of jetliners."

[—]Detroit News Editorial, June 30, 2003





Located just seven miles west of Detroit Metropolitan Airport is WCAA's Willow Run Airport (YIP). Combining the advantages of a large airport with the conveniences of a small one, Willow Run is an attractive alternative to busy Metro Airport for cargo, corporate and general aviation clients. Every year, approximately 100 million pounds of air cargo—from medical supplies to automotive components—are transferred through Willow Run.

Willow Run has a rich aviation heritage dating back to World War II, when it was a site for the country's largest B-24 Liberator bomber plant. After the war, the airport served as Detroit's principal commercial airport until passenger traffic began moving to Detroit Metro in the 1950s. Today, with numerous full-time operating benefits and a planned multi-million-dollar capital improvement program in place, Michigan's third busiest airport is thriving and poised for growth.

Willow Run is an integral part of the Wayne County Airport Authority's "system of airports." Its links by a major interstate highway and Class A roads to Detroit Metro promise some exciting growth opportunities in the coming years for the two airports.

Recent expansion

Since 2002 alone, Willow Run has opened a new row of general aviation hangars, completed an attached pilot/briefing room, added 110 new hangar bays and increased its number of based aircraft by more than 50 percent to nearly 400 aircraft.

A major recent addition is the new Eagle Flight Center which, in partnership with Eastern Michigan University, offers a college accredited flight training program. More than 70 students are currently enrolled in the program, which accounts for more than 20,000 flight operations at YIP each year.

In August 2003, Pfizer Corp. initiated a new corporate shuttle program at the airport. The shuttle operates four times a day from Willow Run and expects to carry more than 50,000 people just in the first year. This new tenant will boost airport revenue by approximately \$50,000.

Perhaps Willow Run's greatest endeavor this past year was its bid, under the governance of the Wayne County Airport Authority, to be the future home of the Boeing 250-seat 7E7 jetliner assembly plant. More than 30 other airports from 12 states competed for the new plant, which will employ 1,200 workers. Although Boeing ultimately selected Everett, WA as the site for its new plant, Willow Run's airfield capacity and development opportunity made it a formidable competitor.

2003 awards and activities

In 2003, Willow Run was proud to receive the American Association of Airport Executives (AAAE) Colonel Bernt Balchen/Wilfred M. Post award for excellence in snow removal at a large general aviation airport. Despite receiving more than 42 inches of snowfall during the 2002–2003 snow season, the airport's small crew of only six maintenance personnel and one operations agent managed to keep the 2,600-acre airfield open and operating efficiently throughout the winter.

Willow Run also recently served as the host airport for the start and finish of the National Air Tour, a reenactment of the national air races that took place between 1927 and 1935.

FINAL THOUGHTS Watching Our Vision Gain Altitude



"Today, the McNamara Terminal/Northwest WorldGateway is positioned to catapult Detroit Metro to a new status as a world-class international gateway for business and vacation travelers."

[—]Buildings Magazine, October 2002



Lester W. Robinson, CEO Wayne County Airport Authority

At the dedication ceremony for the opening of Detroit Metro Airport's first terminal building on September 6, 1930, almost 27 years after the first powered flight at Kitty Hawk, then Wayne County Road Commissioner Edward N. Hines described man's newfound ability to fly:

"For millions of years back to the beginning of existence, mankind has moved and lived on a horizontal plane. All of history's pages have recorded man's activities on the face of the earth and on the waters thereon. Now in the last decade, we have found a new unlimited, unexplored sphere of being—the air. After uncounted generations of earth-dwellers, this one has ascended into the skies."

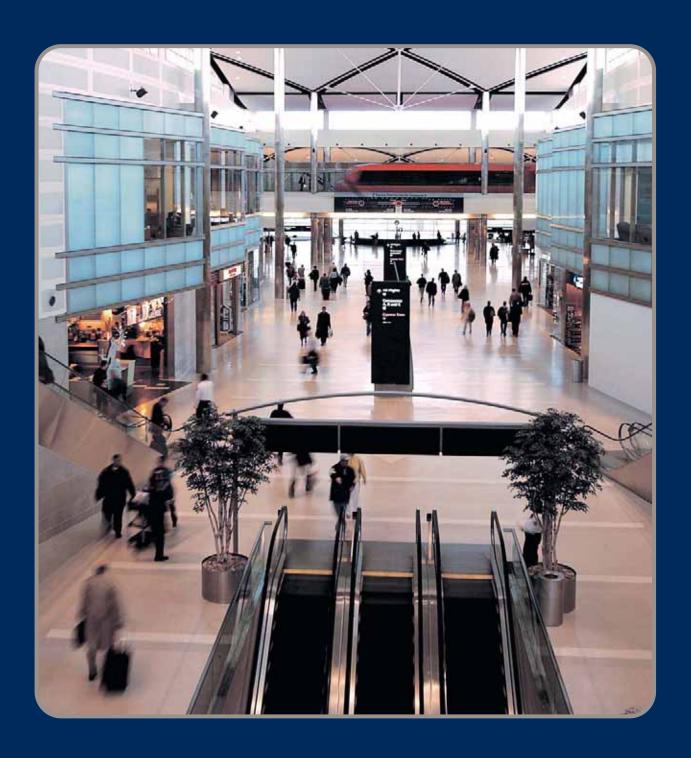
While much has changed since the days of the Wright Brothers and Edward Hines, that same spirit of exploration and achievement can still be found at the Wayne County Airport Authority.

Our beautiful new terminal, runway, access road, hotel and parking facilities, combined with many additional improvements that have already been made or are now underway, put our airports and our region at a better competitive advantage for new growth and economic development. These projects also make our airports more attractive to new carriers and air service, which helps stimulate competition, and provides our travelers and business community with additional choices in air transportation.

It is exciting to watch as Detroit Metro and Willow Run soar to new heights as each new airport project takes flight. As we move into the future under the direction of the Wayne County Airport Authority, we are planning even greater achievements.

Our goals remain much the same as they were back then, to provide travelers with the choices and the ability to go wherever their dreams take them, and to create an infrastructure that helps connect our communities to the world while ensuring the future economic success of our region.

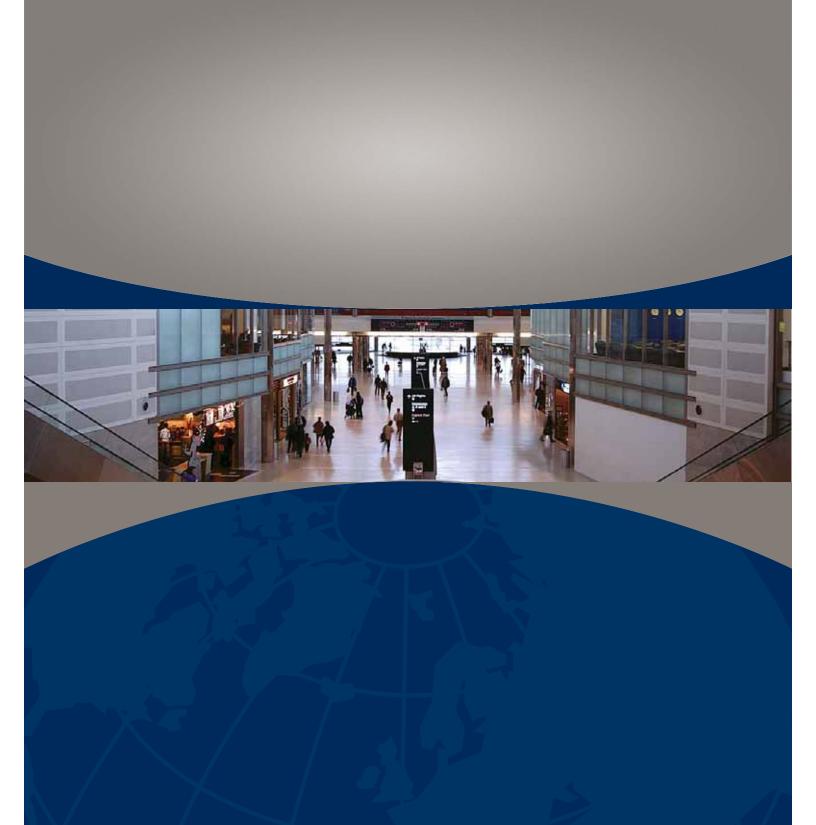
Set Wobin



"The new runway has improved on-time performance. The new road has made access easy, and the beautiful, new terminal has been tremendous for the image of Detroit and for our ability to interest conventions and meetings in this increasingly competitive environment. Now, under the leadership of the new Wayne County Airport Authority, Detroit Metropolitan Airport is soaring to the next level, with exciting plans for the future!"

—Larry Alexander President and CEO Detroit Metropolitan Convention and Visitors Bureau







www.metroairport.com www.willowrunairport.com