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Press Release

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Alaska International Airport System receives, maintains outstanding ratings in a weak economy

(JUNEAU, Alaska) – Fitch Ratings-New York has assigned an AA- rating, and Moody's Investors Service has assigned an Aa3 to \$50 million of Alaska International Airport System (AIAS) variable rate demand bonds, series 2009A.

Fitch affirms the outstanding underlying long-term ratings with rating outlook on the underlying long-term rating stable. On Thursday, Moody's also affirmed the Aa3 rating on the system's outstanding parity debt totaling \$596.5 million. The rating outlook is stable.

"Our continued good rating is outstanding news in the weak economy," said Christine Klein, Deputy Commissioner of Aviation in the Department of Transportation and Public Facilities. "The Department of Revenue (DOR), airport finance, and others on the team all worked very hard for this rating success. Our airline partners challenge us to be extremely business competitive on a daily basis, and the result is our airport being able to keep rates low and stable. Rural and world aviation connections in Alaska are such an essential part of our lives, that it keeps our revenue base solid and much more diverse than any other system in the U.S."

The rating outlook is based on the airport system's strong natural advantage located on the great circle route, diverse group of cargo operators (36 total), near monopoly and essential role of commercial air transportation to the state's rural communities, wide diversity of revenue sources with no one tenant accounting for more than 12 percent of revenue which is uncommon to most U.S. airports, and a strong financial liquidity. The AIAS includes the Ted Stevens Anchorage International Airport and the Fairbanks International Airport.

"Even in these turbulent times, the strength of the AIAS has been maintained.... it is a great airport system," said the DOR's Deven Mitchell.

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