



THE NORTHWEST
SEAPORT ALLIANCE

2023 Financial Results

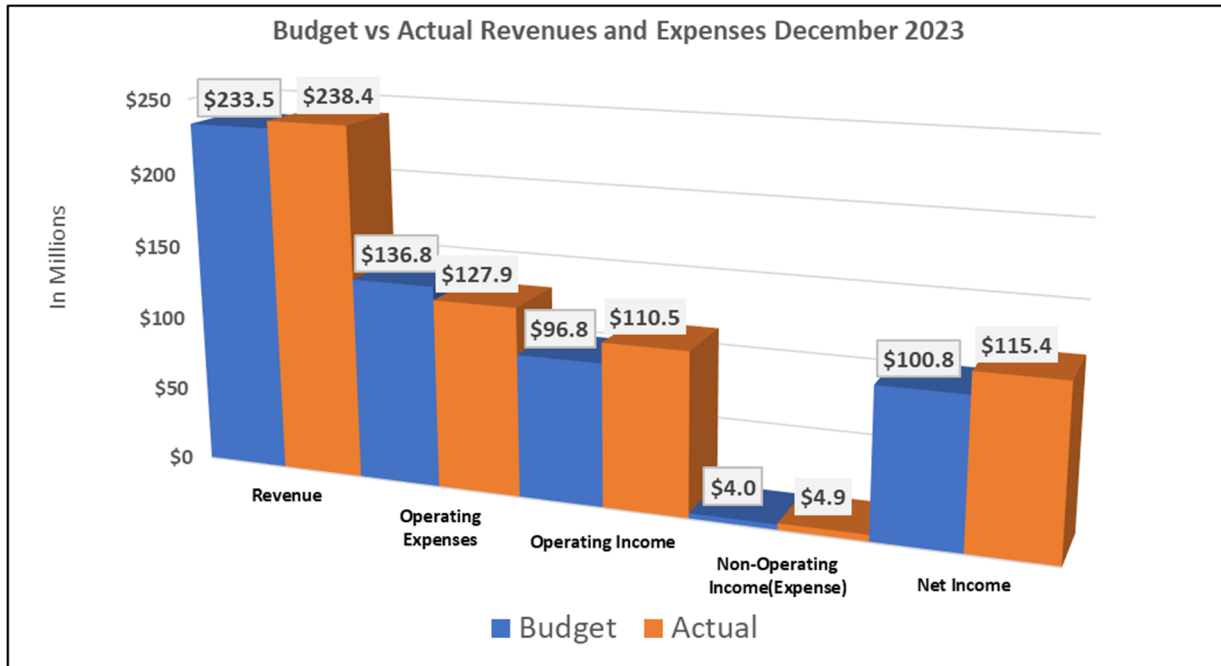
As of December 31, 2023

February 29, 2023

December 2023 Financial Summary

NWSA

December Operating Results



Revenue of \$238.4 million was \$4.9 million above budget. Container and Intermodal revenue was above budget by \$1.3 million primarily due to recognizing a shipping line Minimum Annual Guarantee (MAG) shortfall of \$5.9 million offset by lower intermodal lift volume below budget by 13% and revenue under budget by \$5.0 million Lower TEU volume (0.9 million) negatively impacted crane hours and revenue, however the minimum annual crane guarantee pushed crane revenue \$0.8 million above budget.

Non-Container revenue of \$22.1 million was \$4.1 million above budget. Breakbulk revenue was above budget by \$4.1 million primarily from nine military vessel operations (two budgeted); auto revenue was \$11.3 million, which was flat to budget primarily due to longer vessel discharge periods and heavier vehicles which offset lower unit volume of 18%.

Real Estate and Bulk revenue of \$18.3 million was under budget by \$0.5 million due to timing on lease renewal with Pacific Coast Container at T18 and T104 and lease of the Log Dock, offset by rent escalation at T115 leases and lease of Portac to Port of Tacoma.

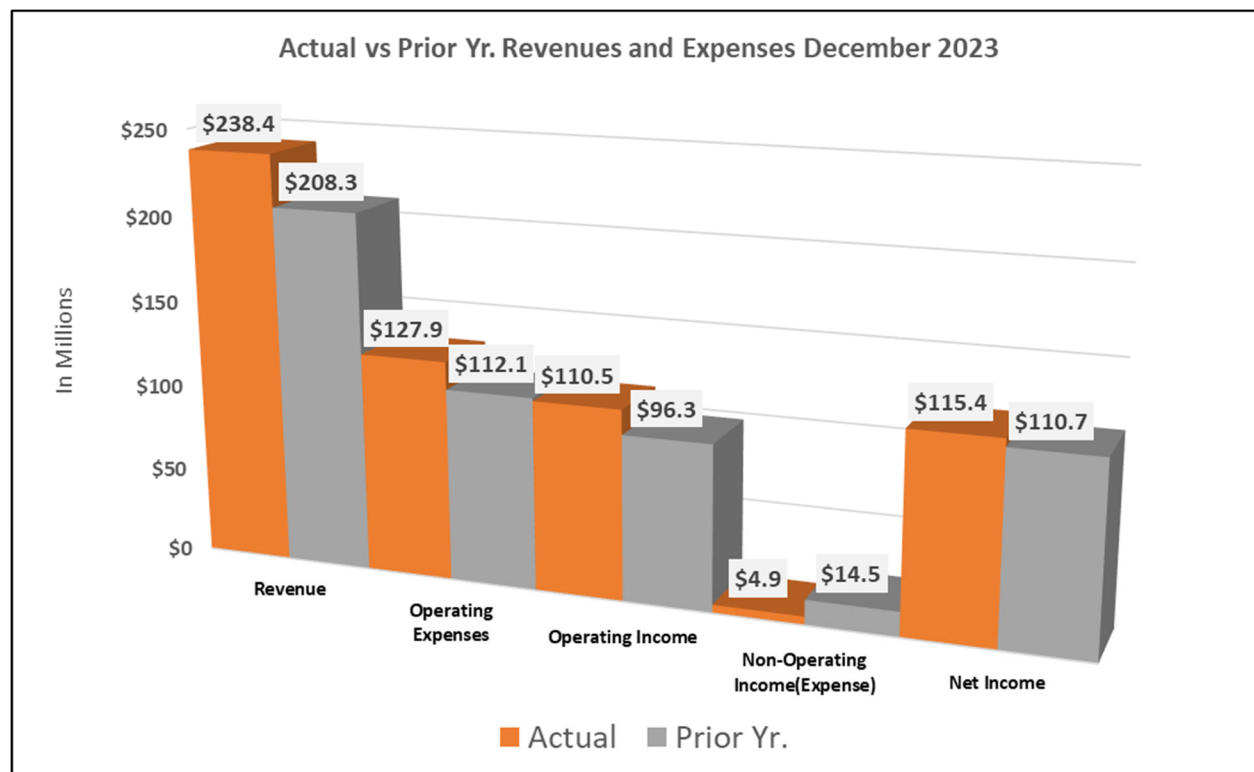
Total operating expense of \$128.0 million was \$8.9 million, or 7% below budget. Maintenance was below budget by \$9.7 million due to timing of maintenance project spending of \$7.1 million (Container and Intermodal terminals \$3.4 million and non-container terminals \$1.8 million), and higher straddle carrier maintenance of \$1.9 million.

Administration expense was \$2.4 million below budget, primarily from lower IT, Finance and HR support services of \$1.5 million and consulting and legal were below budget by \$0.9 million. Further, environmental was below budget by \$0.4 million due to timing on air quality spending and depreciation was below budget by \$2.9 million due to timing on T5 phase 2 construction. As a result of the above, operating income of \$110.5 million was \$13.8 million, or 14% above budget.

Net non-operating income of \$4.9 million was \$0.9 million above the budget, primarily due to timing on T5 public expenses of \$4.5 million (rail quiet zone, W. Marginal Way improvements, access Rd. improvements), higher interest income of \$1.8 million, and miscellaneous income of \$0.8 million, offset by timing on grant income of \$6.3 million (T5 substation, intermodal yard & paving).

As a result of the above, net income of \$115.4 million was \$14.6 million, or 14.5% above budget and will be split 50/50 by the homeports.

December Operating Results vs. Prior Year



Year to date revenue of \$238.4 million was \$30.1 million and 14% above the prior year. Container revenue of \$139.3 million increased \$16.5 million. Husky TEU volume increased 3% over the prior year and revenue increased by \$6.1 primarily from variable equipment revenue (strad, crane and crane minimum guarantee); Terminal 46 revenue increased by \$1.7 million from the Coast Guard lease; a shipping line MAG shortfall of \$5.9M; and rent escalations at the other container terminals increased by \$2.2 million. Overall intermodal revenue increased by \$5.7 million driven by revenue increases at the NIM, the new SIM BNSF yard and WUT IM of \$3.6 million, \$2.5 million and \$1.5 million, respectively, these increases offset the lower revenue at SIM UP and T5 intermodal yards totaling \$2.0 million.

Non-container business revenue of \$33.4 million increased by \$5.1 million, or 18% above the prior year. Auto revenues were \$11.3 million, which was \$3.4 million higher than the previous year. This was primarily due to an increase in auto units of 33%, heavier vehicles imported, longer discharge periods, and higher storage revenue; the increase was offset by the higher revenue sharing resulting from the customer volume incentives. Breakbulk revenue was \$22.19.7 million, which was \$1.7 million higher than the previous year due to a higher cargo volume at EB1 which increased revenue by \$2.1 million. IReal Estate revenue increased by \$2.3 million from new leases at Terminal 10 and Portac as well as rent escalations at Terminal 115 (Lineage, Northland) and various locations.

Net non-operating income of \$4.9 million was \$9.6 million lower than the prior year. Non-operating income decreased \$5.2 million in total mainly due to one-time income items in 2022 including stormwater contributions by T18 tenant and West Sitcum settlement payment totaling \$10.7 million not

repeated in 2023. This decrease in non-operating income was partially offset by investment gains and interest higher by \$4.5 million and an increase in grants of \$0.3 million. Non-operating expenses increased \$4.4 million due to a \$3.2M increase in public investment expense related to the T5 development and a \$1.2 million one-time write-off of project design work.

Operating expenses of \$127.9 million were \$15.9 million above the prior year; operating expenses before depreciation were \$15.6 million or 17% above the prior year and depreciation was above the prior year by \$0.3 million due to new asset additions. The increase in operating expenses before depreciation was driven by Operations expense of \$128.0 million was \$15.9 million above the prior year. Maintenance costs were \$6.9 million more than the prior year primarily for T46 crane rehabilitation and facility repairs of \$1.8 million, Pier 16/17 repairs of \$0.7 million, EB1 vault repairs of \$0.6 million, facility maintenance for \$2.1 million, offset prior year paving and pier repairs. Operations and security expenses increased by \$6.3 million primarily to support the higher auto, breakbulk and intermodal activity.

Administration costs were \$1.3 million more than the prior year as support services increased by \$1.3 million due to higher allocations from homeports (Port of Tacoma IT costs and filling of open positions) Environmental increased by \$0.9 million driven by higher air quality spending and depreciation increased by \$0.4 million primarily due to T5 asset additions.

This resulted in net income of \$115.3 million, which was \$4.7 million, and 4.2% above the prior year.

Operating Income by Line of Business

Actual vs Budget

Container Business (Container Terminals and Intermodal)

Operating revenues of \$186.7 million were above budget \$1.2 million.

- Intermodal revenue was below budget by \$5.0 million; Intermodal load/unload revenue down \$3.4 million at one terminal (volume 81% below budget), \$3.9 million down at another (volume down 8%), \$0.8 million down at another terminal (volume down 7%), offset by an increase of \$1.7 million at a terminal (volumes up 63%). Lift minimums guarantee up \$1.3 million at one terminal and down \$0.1 million at another.
- Crane revenue above budget by \$0.9 million due to crane minimum guarantee of \$4.3 million (hours down 16%) and strad revenue up \$0.4 million (hours up 15%).
- T46 revenue down \$1.4 million (wharfage down \$4.2M – budgeted for a potential customer and rent up \$2.8M for POS lease that was expected to end 3/2023)
- T30 revenue down \$0.6 million for budgeted easement.
- PCT non-leasehold rent down \$0.2 million for pending SR167 easement.
- A terminal rent revenue up \$0.4 million and up \$5.9 million other revenue for a shipping company MAG payment.

Total Operating expenses of \$61.5 million were \$6.3 million, or 9% below budget.

- Maintenance of \$14.8 million, down \$3.9 million.
 - PCT down \$0.7 million for pavement repair and lower facility and equipment repairs.
 - T46 down \$0.3 million for timing of crane maintenance project.
 - W. Sitcum down \$0.4 million for timing of crane rail rehabilitation.
 - T30 down \$0.7 million for central substation temporary power.
 - SIM UP down \$0.5 million for Milwaukee Way crossing paving repairs.
 - WUT down \$0.2 million for timing of paving repairs and lower facility maintenance.
 - T18 down \$0.8 million for electrical substation repairs.
 - NIM down \$0.1 million for building and facility repairs.
 - E. Sitcum up \$0.7 million for paving and crane repairs.
 - T5 down \$0.6 million for repairs
- Intermodal yard longshore labor down \$0.5 million and strad rental expense down \$1.6 million due to lower volume.
- Rail services down \$1.4 million at one domestic IY yard and down \$0.3 million at the other domestic yard, due to volumes.

Operating Income of \$125.3 million was \$37.5 million, or 3.4% above budget, with the shipping line MAG shortfall payment a significant contributor

Non-Container Business (Autos and Breakbulk)

- 1) Operating Revenue: Operating revenues for the period were \$33.4 million, which was \$4.1 million above budget. Auto revenues were \$11.3 million, which was flat to budget. This was

primarily due to longer vessel discharge periods and heavier vehicles that offset lower unit volume by 18%. Breakbulk revenue was \$4.1 million above budget primarily from more military vessel operations.

- 2) Operating Expenses: Operating Expenses for the period were \$23.1 million, which was \$4.5 million above budget. Auto expenses were \$5.7 million, which was \$0.3 million below budget. This was mainly driven by lower drayage costs of \$1.1 million as units were discharged off vessels and moved directly to retailers, as well as units down 18%. The decreases were offset by the additional rent at 1202 POT Rd. which is an unplanned lease with POT where the NWSA uses approximately 5.8 acres of land in support of NWSA business, which could include leasing the Premises to NWSA customers. Breakbulk expenses were \$17.4 million, which was \$4.8 million above budget from increases in longshore labor to support higher breakbulk and military cargo volume of \$2.6 million, and unbudgeted rent for additional acreage of \$0.9 million.

Real Estate & Bulk

Operating revenues of \$18.3 million were \$0.5 million, or 3%, below budget due to a tenant not have a new lease executed partially offset by another tenants rent escalation.. Operating expenses of \$2.1 million were in line with budget of \$2.3 million. Operating income of \$16.2 million was \$0.3 million, or 1.8%, below budget.

Actual vs. Prior Year

Container Business (Container Terminals and Intermodal)

Operating revenues of \$186.7 million increased \$22.5 million, or 13.7%, from the prior year.

- A terminal revenue up \$6.7 million due to crane revenue of \$5.6 million from crane and crane minimum guarantee (hours up 6%), higher rent revenue of \$0.6 million for lease escalations and strad revenue up \$0.5 million (hours up 14%).
- T46 rent up \$1.7 million due to new US Coast Guard lease.
- Rent revenue up \$0.8 million at one terminal, \$0.6 million at another and up \$0.4 million at another.
- Revenue up \$6.5 million due to rent escalation and a shipping line MAG payment at a terminal.
- Intermodal revenue up \$5.7 million.
- Total Operating expenses of \$61.4 million was \$4.8 million higher than the prior year.
- A terminal increase of \$0.7 million due primarily to rail incentive of \$0.5 million
- A terminal increase of \$2.0 million due to crane and stormwater system maintenance
- A Terminal increase of \$0.8 million primarily due to equipment maintenance expense and projects
- A rail yard Increase of \$1.7 million due to rail incentive of \$1.1 million and increased longshore labor expenses

- An Intermodal increase of \$1 million due to rail incentive of \$1.1 million
- A terminal decrease of \$0.9 million due primarily to stormwater projects completed in 2022
- A domestic rail yard increase of 0.8 million due to increased outsourced rail service expense due to higher volumes.
- Another domestic rail yard decrease of \$1.3 million due to decreased outsourced rail service expense due to lower volumes.
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Non-Container Business (Autos and Breakbulk)

- 1) Operating Revenue: Operating revenues for the period were \$33.4 million, which was \$5.1 million above prior year. Auto revenues were \$11.3 million, which was \$3.4 million higher than the previous year. This was primarily due to an increase in auto units of 33%, heavier vehicles imported, longer discharge periods, and higher storage revenue; the increase was offset by the higher revenue sharing resulting from the customer volume incentives. Breakbulk revenue was \$22.1 million, which was \$1.8 million higher than prior year due to revenue nine military vessel calls this year compared to three military vessels in the prior year.
- 2) Operating Expenses: Operating Expenses for the period were \$23.1 million, which was \$5.2 million above the prior year. Auto expenses were \$5.7 million, which was \$2.6 million above the prior year. This was mainly driven by higher drayage costs of \$1.9 million as units were discharged off vessels and moved directly to retailers, as well as units increased by 33%, and rent and security for additional acreage at 1202 POT Rd which is a lease with POT where the NWSA uses approximately 5.8 acres of land in support of NWSA business, which could include leasing the Premises to NWSA customers to support more units increased by \$0.8 million. Breakbulk expenses were \$17.4 million, which was \$2.6 million above the prior year from increases in longshore labor to support higher breakbulk and military cargo volume and maintenance, \$0.6M and \$1.0M respectively.

Real Estate & Bulk

Operating revenues of \$18.3 million increased \$2.5 million, or 15.6%, compared to the prior year.

Operating expenses of \$2.1 million increased \$1.1 million over the prior year mainly due to higher maintenance costs.

Operating income of \$16.2 million and \$1.4 million above the prior year.

NW Seaport Alliance Scorecard 2023 vs 2022



CARGO VOLUME

	2023 Total	2022 Total	2023 Budget
<u>Containers (TEUs)</u>			
International	2.2M	2.6M	3.113M
Domestic	738k	734k	756k
Break Bulk (Metric Tons)	453k	478K	455k
Autos (Units) <small>NWSA/POT</small>	338k	173k	213k



JOB CREATION

	2023 Actuals	2022 Actuals	2023 Budget
ILWU Hours	4.2M	4.6M	4.5M



MARKET SHARE

	2023 YTD Actuals (2023)**	2022 YTD Actuals (2022)**
Trans-Pacific Trade (Oct)	6.2%	6.3%
West Coast Ports (Nov)	11.6%	11.4%



FINANCIAL RETURNS

<i>\$ in millions</i>	2023 Actuals	2022 Actuals	2023 Budget
Distributable Cash	\$125.3*	\$128.0	\$124.6
Return on Revenue	47%	46%	41%



ENVIRONMENTAL STEWARDSHIP

	2023 Actuals	2022 Results	2023 Target
Water Quality (Acres of Improve Source Control)	412.4 acres	162.3 acres	180 acres
Air Quality (Diesel Particulate Matter - reduced)	1.146 Ton	0.6 Ton	0.6 Ton
Greenhouse Gas Emissions - (reduced)	433 Tons	260 Tons	700 Tons



OPERATIONS

	2023 Actuals	2022 Actuals	2023 Q4 Actuals	2022 Q4 Actuals	2023 Target
Avg Crane Production <small>Net moves per hour (mph)</small>	27.1	28.3	27.0	28.3	28.5
Truck Turn Time <small>Avg total experience in minutes</small>	90	80	97	80	< 90 Minute Turn Time

*Subject to change, based on preliminary Statement of Cash Flows.

**West coast port and Trans-Pacific Trade volumes through December were not available by the time of the distribution of this report. West coast and Trans-Pacific are through Nov and Oct, respectively.

NORTHWEST SEAPORT ALLIANCE
Statement of Revenue and Expense
December 31, 2023

(Dollars in Thousands)	2023				2022		
	BUDGET	ACTUAL	VARIANCE		ACTUAL	VARIANCE	
			FAV/(UNFAV)	%		FAV/(UNFAV)	%
Operating Revenue	\$ 233,534	\$ 238,438	\$ 4,904	2%	\$ 208,308	\$ 30,130	14%
Operating Expenses	112,760	106,637	6,123	5%	91,051	(15,586)	-17%
Depreciation	23,953	21,277	2,676	11%	20,992	(285)	-1%
Total Operating Expenses	136,713	127,914	8,799	6%	112,043	(15,871)	-14%
Operating Income	96,821	110,524	13,703	14%	96,265	14,259	15%
Non-Operating Income(Expense)							
Interest Income (expense)	936	3,544	2,608	279%	(1,031)	4,575	444%
Non-Operating Income(Expense)	(9,485)	(4,934)	4,551	48%	9,530	(14,464)	-152%
Grant income	12,525	6,236	(6,289)	0%	5,942	294	5%
Total Non-Operating Income(Expense)	3,976	4,846	870	22%	14,441	(9,595)	-66%
Net Income	\$ 100,797	\$ 115,370	\$ 14,573	14%	\$ 110,706	\$ 4,664	4%

NOTE: Operating revenue and non-operating expenses excludes G87 lease interest.

Revenue & Expense by Line of Business (dollars in thousands)	2023				2022			
	DESCRIPTION	BUDGET	ACTUAL	FAV/(UNFAV)		ACTUAL	FAV/(UNFAV)	
				\$	%		\$	%
Container								
Operating Revenue	\$185,453	\$186,724	\$1,271	1%	\$164,214	\$22,510	14%	
Operations	26,770	27,011	(241)	-1%	24,537	(2,474)	-10%	
Maintenance	18,511	14,759	3,752	20%	12,782	(1,977)	-15%	
Depreciation	22,244	19,677	2,567	12%	19,277	(400)	-2%	
Total Operating Expense	67,525	61,447	6,078	9%	56,596	(4,851)	-9%	
Operating Income - Container	117,928	125,277	7,349	6%	107,618	17,659	16%	
Non-Container								
Operating Revenue	29,296	33,424	4,128	14%	28,277	5,147	18%	
Operations	14,898	19,055	(4,157)	-28%	14,504	(4,551)	-31%	
Maintenance	2,705	3,080	(375)	-14%	2,345	(735)	-31%	
Depreciation	927	924	3	0%	997	73	7%	
Total Operating Expense	18,530	23,059	(4,529)	-24%	17,846	(5,213)	-29%	
Operating Income - Non-Container	10,766	10,365	(401)	-4%	10,431	(66)	-1%	
Real Estate								
Operating Revenue	18,785	18,290	(495)	-3%	15,816	2,474	16%	
Operations	365	445	(80)	-22%	348	(97)	-28%	
Maintenance	1,839	1,559	280	15%	602	(957)	-159%	
Depreciation	104	101	3	3%	101	0	0%	
Total Operating Expense	2,308	2,105	203	9%	1,051	(1,054)	-100%	
Operating Income - Real Estate	16,477	16,185	(292)	-2%	14,765	1,420	10%	
Other Expenses								
Commercial Administration+	12,171	10,460	1,711	14%	11,661	1,201	10%	
Infrastructure and Administration Expense	36,180	30,844	5,336	15%	24,890	(5,954)	-24%	
Commercial Administration & Infrastructure	48,351	41,304	7,047	15%	36,551	(4,753)	-13%	
Total Operating Income	\$96,821	\$110,524	\$13,703	14%	\$96,265	\$14,259	15%	

* This table excludes lease interest.

NORTHWEST SEAPORT ALLIANCE
Statement of Revenue and Expense
North & South Harbor
December 31, 2023

CURRENT MONTH				YEAR TO DATE					
BUDGET	ACTUAL	VARIANCE	%	DESCRIPTION	BUDGET	ACTUAL	VARIANCE	%	PRIOR YEAR
19,527,279	26,374,841	6,847,562	35.1%	Operating Revenues	233,533,560	238,437,735	4,904,176	2.1%	208,307,664
19,527,279	26,374,841	6,847,562	35.1%	Revenue Before Lease Interest	233,533,560	238,437,735	4,904,176	2.1%	208,307,664
-	(4,788,194)	(4,788,194)	0.0%	Lease Interest	-	(57,938,614)	(57,938,614)	0.0%	(58,927,802)
19,527,279	21,586,647	2,059,369	10.5%	Total Revenue	233,533,560	180,499,121	(53,034,439)	-22.7%	149,379,861
4,029,947	8,055,468	(4,025,522)	-99.9%	Operations	48,828,986	53,388,318	(4,559,333)	-9.3%	47,357,969
4,007,756	2,975,611	1,032,145	25.8%	Maintenance	35,532,128	27,049,617	8,482,511	23.9%	20,126,893
1,801,097	1,198,741	602,356	33.4%	Administration	21,344,588	18,935,181	2,409,407	11.3%	17,565,380
331,446	467,247	(135,801)	-41.0%	Security	4,032,827	4,634,897	(602,071)	-14.9%	4,283,431
2,353,779	1,819,416	534,363	22.7%	Depreciation	23,953,192	21,277,290	2,675,903	11.2%	20,992,091
565,135	410,518	154,617	27.4%	Environmental	3,021,723	2,629,190	392,533	13.0%	1,717,630
13,089,159	14,927,001	(1,837,842)	-14.0%	Total Operating Expense	136,713,444	127,914,493	8,798,951	6.4%	112,043,394
6,438,120	6,659,647	221,526	3.4%	Operating Income	96,820,116	52,584,628	(44,235,488)	-45.7%	37,336,467
-	4,788,194	4,788,194	0.0%	Lease Interest Revenue	-	57,938,614	57,938,614	0.0%	58,927,802
77,960	263,971	186,011	238.6%	Interest Income	935,520	2,793,723	1,858,203	198.6%	977,746
-	242,552	242,552	0.0%	Market Value Adjustment	-	750,413	750,413	0.0%	(1,936,630)
-	(4,741)	(4,741)	0.0%	Interest Expense	-	(60,711)	(60,711)	0.0%	(72,497)
2,530,108	873,990	(1,656,118)	-65.5%	Grant Income	12,524,914	6,236,310	(6,288,604)	-50.2%	5,942,267
(1,328,000)	(4,761,191)	(3,433,191)	-258.5%	Misc. Non Op Income(Expense)	(9,460,000)	(4,844,739)	4,615,261	48.8%	9,552,485
(1,802)	3,298	5,100	283.1%	Other Non Operating	(24,574)	(27,925)	(3,351)	-13.6%	(22,555)
1,278,266	1,406,073	127,806	10.0%	Non-Operating Revenue (Expense)	3,975,860	62,785,686	58,809,827	1479.2%	73,368,617
7,716,386	8,065,719	349,333	4.5%	Income Before Levy & Expense	100,795,976	115,370,315	14,574,339	14.5%	110,705,085
7,716,386	8,065,719	349,333	4.5%	Net Income/(Loss)	100,795,976	115,370,315	14,574,339	14.5%	110,705,085

NORTHWEST SEAPORT ALLIANCE
North & South Harbor
Trended Statement of Revenue and Expense
December 31, 2023
(Dollars in Thousands)

	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>
Operating Revenue	17,597	19,511	17,369	17,871	16,998	19,240	22,643	19,120	20,278	22,069	19,182	17,781	26,375
Revenue Before Lease Interest	17,597	19,511	17,369	17,871	16,998	19,240	22,643	19,120	20,278	22,069	19,182	17,781	26,375
Lease Interest	(4,836)	(4,892)	(4,892)	(4,892)	(4,722)	(4,809)	(4,790)	(4,935)	(4,924)	(4,782)	(4,765)	(4,749)	(4,788)
Total Operating Revenue	12,761	14,619	12,477	12,979	12,277	14,431	17,853	14,185	15,354	17,287	14,418	13,032	21,587
Operations	4,116	3,053	3,477	4,454	4,000	5,077	3,965	3,962	3,464	4,741	5,217	4,116	8,073
Maintenance	1,595	1,808	1,549	2,275	2,423	2,493	2,195	1,950	2,303	2,012	3,030	2,036	2,976
Administration	850	1,449	1,489	1,629	1,555	1,715	1,613	1,618	1,621	1,537	1,665	1,654	1,181
Security	375	417	288	383	346	450	374	395	380	366	417	352	467
Depreciation	1,814	1,742	1,678	1,822	1,735	1,785	1,721	1,772	1,678	1,942	1,792	1,792	1,819
Environmental	134	124	(42)	182	183	(15)	421	212	242	205	288	419	411
Total Operating Expense	8,884	8,592	8,439	10,743	10,241	11,504	10,289	9,910	9,687	10,803	12,409	10,370	14,927
Operating Income	3,877	6,027	4,038	2,236	2,035	2,927	7,564	4,275	5,667	6,484	2,009	2,662	6,660
<i>Memo Line: Op. Income excluding Lease Interest</i>	<i>8,713</i>	<i>10,919</i>	<i>8,930</i>	<i>7,128</i>	<i>6,757</i>	<i>7,736</i>	<i>12,354</i>	<i>9,210</i>	<i>10,591</i>	<i>11,266</i>	<i>6,773</i>	<i>7,411</i>	<i>11,448</i>
Lease Interest	4,836	4,892	4,892	4,892	4,722	4,809	4,790	4,935	4,924	4,782	4,765	4,749	4,788
Interest Income	190	220	240	214	217	210	205	202	235	251	270	265	264
Market Value Adjustment	(40)	306	(303)	378	47	(102)	(54)	26	(5)	(166)	(19)	399	243
Interest Expense	(6)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Grant Income	860	(202)	196	-	2,502	19	122	988	289	-	1,423	25	874
Misc. Non Op Income/(Expense)	5,878	28	(4)	(32)	17	(83)	(37)	(76)	(23)	(38)	(3)	137	(4,758)
Non-Operating Revenue (Expense)	11,718	5,238	5,015	5,447	7,500	4,849	5,021	6,070	5,416	4,824	6,430	5,570	1,406
Net Income/(Loss)	15,595	11,266	9,053	7,683	9,535	7,775	12,585	10,345	11,083	11,308	8,439	8,232	8,066

NORTHWEST SEAPORT ALLIANCE
North & South Harbor
Commercial Team
Statement of Revenue - Operating Income
Year to Date December 31, 2023 Actual to Budget
(Dollars in Thousands)

Description	Containers			Non-Containers			Real Estate	Other Admin	Total Commercial Team
	Container Terminals	Intermodal	Total Containers	Autos	Breakbulk	Total Non-Containers			
ACTUAL									
Operating Revenues	\$143,829	\$42,895	\$186,724	\$11,316	\$22,108	\$33,424	\$18,290	-	\$238,438
Operating Expenses	10,424	16,643	27,067	4,239	14,871	19,110	445	-	46,622
Maintenance	14,039	720	14,759	748	2,332	3,080	1,559	-	19,398
Depreciation	18,994	626	19,621	715	154	869	101	-	20,590
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	43,457	17,990	61,447	5,702	17,357	23,059	2,104	-	86,610
Contribution Margin	100,372	24,905	125,277	5,614	4,751	10,365	16,185	-	151,827
Commercial Administration	2,361	692	3,053	-	3,020	3,020	1,012	3,376	10,460
Commercial Operating Income	98,012	24,213	122,224	5,614	1,732	7,345	15,174	(3,376)	141,367
Infrastructure and Other Administration	-	-	-	-	-	-	-	30,844	30,844
Operating Income	98,012	24,213	122,224	5,614	1,732	7,345	15,174	(34,220)	110,523
BUDGET									
Operating Revenues	\$137,588	\$47,865	\$185,453	\$11,300	\$17,996	\$29,296	\$18,785	-	\$233,534
Operating Expenses	9,194	17,576	26,770	4,354	10,544	14,898	365	-	42,033
Maintenance	16,972	1,539	18,511	906	1,800	2,705	1,839	-	23,055
Depreciation	21,436	808	22,244	732	195	927	104	-	23,275
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	47,602	19,923	67,525	5,992	12,538	18,530	2,308	-	88,363
Contribution Margin	89,986	27,942	117,928	5,307	5,459	10,766	16,477	-	145,171
Commercial Administration	2,164	1,062	3,226	-	3,390	3,390	1,382	4,173	12,171
Commercial Operating Income	87,822	26,880	114,703	5,307	2,068	7,376	15,095	(4,173)	133,000
Infrastructure and Other Administration	-	-	-	-	-	-	-	36,180	36,180
Operating Income	87,822	26,880	114,703	5,307	2,068	7,376	15,095	(40,353)	96,820
VARIANCE									
Operating Revenues	\$6,242	(\$4,970)	\$1,271	\$16	\$4,112	\$4,128	(\$495)	-	\$4,904
Operating Expenses	(1,231)	933	(297)	115	(4,327)	(4,212)	(79)	-	(4,589)
Maintenance	2,933	819	3,752	158	(532)	(375)	279	-	3,657
Depreciation	2,442	181	2,623	18	40	58	3	-	2,685
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	4,145	1,933	6,078	290	(4,819)	(4,529)	204	-	1,753
Contribution Margin	10,387	(3,037)	7,349	306	(707)	(401)	(291)	-	6,657
Commercial Administration	(197)	370	173	-	371	371	370	798	1,711
Commercial Operating Income	10,189	(2,668)	7,522	306	(337)	(30)	79	798	8,368
Infrastructure and Other Administration	-	-	-	-	-	-	-	5,335	5,335
Operating Income	10,189	(2,668)	7,522	306	(337)	(30)	79	6,133	13,703

NORTHWEST SEAPORT ALLIANCE
North & South Harbor
Commercial Team
Statement of Revenue - Operating Income
Year to Date December 31, 2023 Actual to Prior Year
(Dollars in Thousands)

Description	Containers			Non-Containers			Real Estate	Other Admin	Total Commercial Team
	Container Terminals	Intermodal	Total Containers	Autos	Breakbulk	Total Non-Containers			
ACTUAL									
Operating Revenues	\$143,829	\$42,895	\$186,724	\$11,316	\$22,108	\$33,424	\$18,290	-	\$238,438
Lease Interest	(54,122)	(295)	(54,417)	(296)	-	(296)	(3,226)	-	(57,939)
Operating Expenses	10,424	16,643	27,067	4,239	14,871	19,110	445	-	46,622
Maintenance	14,039	720	14,759	748	2,332	3,080	1,559	-	19,398
Depreciation	18,994	626	19,621	715	154	869	101	-	20,590
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	43,457	17,990	61,447	5,702	17,357	23,059	2,104	-	86,610
Contribution Margin	46,250	24,610	70,860	5,318	4,751	10,069	12,960	-	93,889
Commercial Administration	2,361	692	3,053	-	3,020	3,020	1,012	3,376	10,460
Commercial Operating Income	43,890	23,917	67,807	5,318	1,732	7,049	11,948	(3,376)	83,429
Infrastructure and Other Administration	-	-	-	-	-	-	-	31,311	31,311
Operating Income	43,890	23,917	67,807	5,318	1,732	7,049	11,948	(34,686)	52,118
Lease Interest Revenue	54,122	295	54,417	296	-	296	3,226	-	57,939
Operating Income with Lease Interest Revenue	\$98,012	\$24,213	\$122,224	\$5,614	\$1,732	\$7,345	\$15,174	(\$34,686)	\$110,057
PRIOR YEAR									
Operating Revenues	\$127,057	\$37,157	\$164,214	\$7,942	\$20,335	\$28,277	\$15,816	-	\$208,308
Lease Interest	(55,265)	(343)	(55,608)	(345)	-	(345)	(2,974)	-	(58,928)
Operating Expenses	10,544	14,162	24,705	1,362	13,195	14,557	348	-	39,610
Maintenance	11,661	1,121	12,782	1,037	1,308	2,345	602	-	15,730
Depreciation	18,570	538	19,109	719	225	944	101	-	20,153
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	40,775	15,821	56,596	3,118	14,728	17,846	1,051	-	75,493
Contribution Margin	31,017	20,993	52,010	4,479	5,607	10,086	11,791	-	73,887
Commercial Administration	4,010	812	4,822	-	2,728	2,728	1,239	2,872	11,661
Commercial Operating Income	27,007	20,181	47,188	4,479	2,879	7,358	10,553	(2,872)	62,226
Infrastructure and Other Administration	-	-	-	-	-	-	-	25,281	25,281
Operating Income	27,007	20,181	47,188	4,479	2,879	7,358	10,553	(28,153)	36,945
Lease Interest Revenue	55,265	343	55,608	345	-	345	2,974	-	58,928
Operating Income with Lease Interest Revenue	\$82,272	\$20,524	\$102,796	\$4,824	\$2,879	\$7,703	\$13,527	(\$28,153)	\$95,873
VARIANCE									
Operating Revenues	\$16,772	\$5,738	\$22,510	\$3,373	\$1,773	\$5,146	\$2,474	-	\$30,130
Lease Interest	1,143	48	1,191	49	-	49	(251)	-	989
Operating Expenses	119	(2,481)	(2,362)	(2,878)	(1,676)	(4,554)	(96)	-	(7,012)
Maintenance	(2,378)	401	(1,977)	289	(1,024)	(734)	(957)	-	(3,668)
Depreciation	(424)	(88)	(512)	5	71	75	0	-	(437)
Environmental	-	-	-	-	-	-	-	-	-
Total Expenses	(2,682)	(2,169)	(4,851)	(2,584)	(2,629)	(5,213)	(1,054)	-	(11,117)
Contribution Margin	15,233	3,617	18,851	839	(856)	(17)	1,169	-	20,002
Commercial Administration	1,649	120	1,769	-	(292)	(292)	227	(503)	1,201
Commercial Operating Income	16,883	3,737	20,620	839	(1,148)	(309)	1,395	(503)	21,203
Infrastructure and Other Administration	-	-	-	-	-	-	-	(6,030)	(6,030)
Operating Income	16,883	3,737	20,620	839	(1,148)	(309)	1,395	(6,533)	15,173
Lease Interest Revenue	(1,143)	(48)	(1,191)	(49)	-	(49)	251	-	(989)
Operating Income with Lease Interest Revenue	\$15,740	\$3,689	\$19,428	\$790	(\$1,148)	(\$358)	\$1,647	(\$6,533)	\$14,183

NORTHWEST SEAPORT ALLIANCE
Statement of Net Position
North & South Harbor
December 31, 2023
(Dollars in Thousands)

	Current Year	12/31/2022
ASSETS		
CURRENT ASSETS		
Cash	\$6,497	\$5,937
Investments, at fair value	61,098	57,866
Net Trade A/R	13,824	12,057
Grants Receivable	817	296
Lease Receivable - Current	66,717	61,062
Prepayments and other current assets	2,139	2,532
Related Party Receivable - JV	14,274	7,586
Total Current Assets	165,366	147,336
NON-CURRENT ASSETS		
Capital Assets	503,589	478,849
Construction in Process	164,629	139,173
Total cost	668,217	618,021
Less: Accumulated Depreciation	89,434	68,533
Capital Assets, Net	578,784	549,488
Other Deferred Assets	98	82
Lease Receivable - GASB 87	1,390,949	1,434,819
Pension Asset	1,194	838
Total Non-Current Assets	1,392,241	1,435,739
Total Assets	\$2,136,391	\$2,132,562
Deferred Outflows of Resources		
Pension Deferred Outflow	1,766	2,207
Total Assets and Deferred Outflows	\$2,138,157	\$2,134,770
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts Payable and accrued liabilities	\$23,790	\$26,195
Related Party Payable - JV	14,279	18,360
Payroll and Benefits Liabilities	1,939	1,609
Lease Liability - Current	180	261
Total Current Liabilities	40,188	46,425
NON-CURRENT LIABILITIES		
Rent Deposits	7,703	8,260
Other Noncurrent Liabilities	2,830	3,410
Total Non-Current Liabilities	10,532	11,669
Total Liabilities	50,721	58,095
Deferred Inflows of Resources		
Lease Deferred Inflows - GASB 87	1,457,666	1,495,881
Pension Deferred Inflow	1,136	2,047
Total Equity	628,634	578,748
Total Liabilities, Deferred Inflows & Equity	\$2,138,157	\$2,134,770

NORTHWEST SEAPORT ALLIANCE
Summary of Cash Activities
December 31, 2023
(Dollars in Thousands)

	2023	2022
Operating Income	\$ 110,524	\$ 96,316
Less: Non-cash income/expense items		
Depreciation	21,277	20,509
Cash earned in the current year	<u>131,801</u>	<u>116,825</u>
Adjustments		
Increases/decreases in payables and receivables	(12,619)	5,872
Net cash provided by operating activities	<u>119,182</u>	<u>122,697</u>
Current year distributable cash	(125,586)	(127,950)
Timing on current year distributions	10,656	16,020
Prior Year distributable cash paid in current year	(16,020)	(5,876)
Cash from Homeport for HMT expense project backfund	796	-
Cash received from federal and state grants	-	-
Net cash provided by non-capital & related financing activities	<u>(130,154)</u>	<u>(117,806)</u>
Cash received from Homeports for Capital Construction Fund	53,850	50,852
Cash received from federal grants	5,715	8,991
Acquisition and construction of capital assets (net)	(51,710)	(59,227)
Cash received from Capital HMT Funds	3,364	5,526
Net cash provided/(used) from Capital & Financing Activities	<u>11,219</u>	<u>6,142</u>
Cash from/(to) investments	313	(12,236)
Net cash from/(to) investments	<u>313</u>	<u>(12,236)</u>
Total Increase(Decrease) in Cash	560	(1,203)
Plus: Beginning Cash Balance	5,937	7,140
Ending Cash	<u>\$ 6,497</u>	<u>\$ 5,937</u>

The Northwest Seaport Alliance
Statement of Managing Members' Equity
December 31, 2023
(Dollars in Thousands)

Description	12/31/2022	2023 Changes	Ending Balance 12/31/23
Working capital contributions	\$ 62,000	\$ -	\$ 62,000
Capital construction contributions	568,046	54,025	622,071
Non-cash capital work-in-process	16,792	-	16,792
HMT Contributions	11,052	6,078	17,130
Affirmation Payment	22,000	-	22,000
Total Contributions	<u>\$ 679,890</u>	<u>\$ 60,103</u>	<u>\$ 739,993</u>
Affirmation Distribution	\$ (11,000)	\$ -	\$ (11,000)
GASB 87 Adjustment	(110)	-	(110)
Net income from JV	741,224	115,371	856,595
Cash distributions	(831,258)	(125,586)	(956,844)
End Balance	<u><u>\$ 578,746</u></u>	<u><u>\$ 49,889</u></u>	<u><u>\$ 628,634</u></u>

NORTHWEST SEAPORT ALLIANCE
Capital Investment Plan Actual vs Original Budget by LOB
Year-to-Date Spending through Dec, 2023

LOB	Actual YTD	2023	(over)/under
Automobiles	\$14,641	\$1,036,000	\$1,021,359
Container Business	\$53,305,953	\$142,485,400	\$89,179,447
Industrial-Commercial Real Estate	\$1,503	\$70,000	\$68,497
Intermodal	\$533,315	\$1,775,000	\$1,241,685
Port-Operated Facilities	\$662,377	\$4,334,000	\$3,671,623
Port-Wide Infrastructure			
Grand Total	\$54,517,789	\$149,700,400	\$95,182,611

Project Breakdown by LOB - Material Projects (Projects \$300k and up)

LOB	Actual YTD		
Automobiles →			
Other Automobiles	14,641		
Total	\$14,641		
Container Business →			
U00100 T5 Berth Construction - Phase 2 (1,450' south)	22,792,908		
U00572 T5 Stormwater Treatment System	8,974,458		
201100.01 Terminal 3/4 Shorepower	4,900,826		
U00568 T5 Marine Building South	4,629,331		
U00690 T106 CBP Office & Facility Renovation (NWSA 87%, POS 13%)	2,017,910		
U00705 T5 Transtainer Runs (SSA will do work)	1,812,290		
N06555 T46 Storm Vault Reconfiguration	1,501,236		
U00671 T46 N. Substation #1 Replacement (NWSA 80%, POS 20%)	1,406,811		
U00649 T5 Reefer High Voltage Distribution (SSA will do work)	1,203,921		
U00673 T5 Gate Complex (SSA will do work)	860,623		
U00670 T18 Shore Power Design & Construction	498,947		
U00687 T18 Full Dock Rehabilitation Design Only (HMT eligible)	421,144		
Other Container Business	2,285,550		
Total	\$53,305,953		
Industrial-Commercial Real Estate →			
Other Industrial-Commercial Real Estate	1,503		
Total	\$1,503		
Intermodal →			
201148.01 Wooden Light Pole Replacement Program	425,369		
Other Intermodal	107,947		
Total	\$533,315		
Port-Operated Facilities →			
Other Port-Operated Facilities	662,377		
Total	\$662,377		
Port-Wide Infrastructure →			
Other Port-Wide Infrastructure			
Total			
Grand Total	\$54,517,789		



NWSA, Seattle, Tacoma 5-Year Cargo Volume History:

CONTAINERIZED VOLUME (TEUs)										
	2018	2019	2020	2021	2022	YTD Q4 2021	YTD Q4 2022	YTD Q4 2023	2023 vs. 2021	2023 vs. 2022
Int'l Import full TEUs	1,452,623	1,369,251	1,253,818	1,464,662	1,249,746	1,464,662	1,249,746	1,078,005	-26.4%	-13.7%
Int'l Export full TEUs	953,495	913,332	790,620	691,446	561,244	691,446	561,244	588,744	-14.9%	4.9%
Int'l Empty TEUs	705,114	775,763	591,197	836,012	838,552	836,012	838,552	570,018	-31.8%	-32.0%
Total International TEUs	3,111,232	3,058,346	2,635,635	2,992,120	2,649,542	2,992,120	2,649,542	2,236,767	-25.2%	-15.6%
Total Domestic TEUs	686,394	716,957	684,744	744,086	734,477	744,086	734,477	737,649	-0.9%	0.4%
Grand Total TEUs	3,797,626	3,775,303	3,320,379	3,736,206	3,384,018	3,736,206	3,384,018	2,974,416	-20.4%	-12.1%
CARGO VOLUME (METRIC TONS)										
Container Cargo	28,868,125	28,671,813	25,508,550	26,177,940	23,043,960	26,177,940	23,043,960	21,961,111	-16.1%	-4.7%
Breakbulk	249,055	246,412	291,623	366,184	478,455	366,184	478,455	453,249	23.8%	-5.3%
Autos	228,295	305,816	244,612	262,289	288,365	262,289	288,365	565,378	115.6%	96.1%
Grain (Homeport)	9,000,753	6,460,563	9,197,211	10,106,512	8,971,124	10,106,512	8,971,124	5,037,500	-50.2%	-43.8%
Gypsum (Homeport)	221,054	251,342	153,858	220,172	201,421	220,172	201,421	54,753	-75.1%	-72.8%
Logs	116,790	75,757	0	0	0	0	0	0	0.0%	0.0%
Petroleum	665,670	636,150	677,469	524,332	708,619	524,332	708,619	784,932	49.7%	10.8%
Molasses	45,686	46,661	42,400	32,729	31,769	32,729	31,769	39,362	20.3%	23.9%
Grand Total (Metric Tons)	39,395,428	36,694,513	36,115,724	37,690,159	33,723,712	37,690,159	33,723,712	28,896,283	-23.3%	-14.3%
Autos (Units)	141,143	155,930	156,205	162,484	172,979	162,484	172,979	338,330	108.2%	95.6%
YTD Market Share Nov (most recent data available for competing ports)*	13.4%	13.6%	12.0%	12.0%	11.5%	12.1%	11.44%	11.58%	-4.3%	0.14%

*Los Angeles, Long Beach, Oakland, Vancouver, Prince Rupert, NWSA, Portland
 Auto unit count includes units handled at Port of
 Includes volume from a privately-operated domestic container facility