



We closed out another incredible year of positive change and growth at CVG, and we thank you for your continued support. All of the numbers that should be up are up, including passenger traffic, destinations served, cargo volume and jobs. And, those figures that should be down, including average airfares, are down.

CVG continues to be one of fastest-growing airports in the U.S. for both passengers and cargo. We served more than 8.9 million passengers in 2018. This is exciting as we had the opportunity to welcome 1.1 million more travelers than 2017. As a result, we increased our air service goal within our five-year strategic plan from serving 9 million passengers by 2021 to serving 9.4 million.

You'll notice a lot of construction and development is taking place on CVG property. Several new buildings opened to assist our tenants in logistics. As a leader for economic development in the region, our land development program has resulted in 1,700 new jobs being added to our community's workforce in the last two to three years.

As we welcome 2019, we are embracing what's next with more development and a focused effort on building international air service. Our business and community partnerships are key in achieving the goals in our Launching Point Strategic Plan. We look forward to another phenomenal year and invite you to read more CVG updates in the pages that follow.

# 2018 | Q4 Launching Point

Embrace What's Next



**J. Michael Schlotman | Board Chairman**  
Executive VP and CFO,  
The Kroger Co.



**Candace McGraw | CEO**  
Cincinnati/Northern  
Kentucky International Airport

# THE AIRPORT OF CHOICE TO WORK FOR, FLY FROM AND DO BUSINESS WITH

## Take Flight

### Accelerating passenger growth

CVG served more local passengers in 2018 than ever before in our 71-year history. Airfares at CVG continue to be at an all-time low. We're happy to report that passengers are paying \$240 less per ticket than four years ago. This is possible because of the diverse mix of airlines that now serve CVG.

Airfares at CVG continue to be at an all-time low

Earlier in the year, our region welcomed WOW air with much fanfare. While the service did not last due to the financial constraints of the airline, the passenger response was tremendous. With planes more than 90 percent filled on average, the service demonstrated this market will respond well to more international service offerings and is a priority this year.



## Grow Business

### DHL and Amazon drive major growth

Holding the title of North America's 8th largest cargo airport, CVG cargo volumes continued to grow in 2018 with an increase of 25 percent compared to 2017. The airport handled a total of 1.1 million tons.

Throughout 2018, the Amazon Air hub development project was undergoing necessary reviews and permitting. Early this year, you can expect to see dirt start moving in support of the Amazon facility becoming operational by 2021. CVG is already the home base of 20 Amazon air freighters.

Two other major development projects began or were completed in 2018. Lynxs, a developer for the aircraft maintenance company FEAM Aero, broke ground in the fall for a \$19 million hangar that will service aircraft supporting DHL and Amazon. Additionally, DHL completed its move into 68,000 square feet of office space at CVG Centre. This expansion will support DHL's customs brokerage and operational support teams.

CVG holds the title of the 8th largest cargo airport

# Propel Community

## Positively impacting the region

While CVG has a \$4.4 billion impact on the local economy, supporting a growing workforce of more than 14,000 individuals demands creative thinking. In 2018, we launched the CVG Strategic Workforce Collaborative – a group of campus-wide employers working together on talent recruitment and retention. A partnership with Edge4Vets brought an airport career workshop to local veterans. And, more than 100 high school juniors and seniors visited and toured CVG to learn about airport careers.

CVG is committed to being a responsible neighbor



New entrance road and improved access to the airport

CVG's four key areas of innovation: transport, connect, clean and secure



U.S. Secretary of Transportation Elaine Chao and CVG CEO Candace McGraw

In our commitment to being a responsible neighbor, CVG treated 35 million gallons of wastewater, which helped contain and manage chemical runoff found in de-icing fluids. And, noise feedback from the community was also down by nearly 38 percent for the year compared to 2017.

Finally, we welcomed U.S. Secretary of Transportation Elaine Chao on two occasions last year to discuss airport priorities. We also hosted more than 30 government leaders for a briefing on CVG's growth and success.

## Go Beyond

### Obtaining real-time feedback to elevate passenger experience

CVG continues to make strides on the innovation front, leveraging partnerships to assist us in our four key areas of innovation: transport, connect, clean and secure. These partnerships include local startups, universities and BigCos (big complex organizations) – all with the goal to make travel more efficient, safe and unforgettably positive.

## Elevate Services

Major capital improvements will make travel through CVG an unforgettably positive experience

### New construction improving access to the airport

CVG is continuing a major capital improvement program, investing \$345 million over the next few years to make travel through CVG an unforgettably positive experience.

Roadway construction began in 2018 to create a new entrance road and improved access to the airport. One major change was the opening of a temporary ramp to the departures and arrivals levels. Continuing into late 2019, several projects will make way for connection to the much anticipated consolidated rental car facility, for which we will break ground in the coming months.

We are encouraging travelers to visit our website for updates and to take notice of construction signage. We appreciate the flexibility of our passengers as we go through these changes to elevate the travel experience.



Web-based, quiz-styled surveys by Wyzerr

We received feedback from more than 2,800 in-person surveys, asking passengers about their experience at specific points throughout their travel journey. We also utilized web-based, quiz-styled surveys

powered by local startup, Wyzerr, to garner real-time feedback, which collected more than 1.2 million unique responses from travelers before accessing our free Wi-Fi. We recently opened up these data streams for machine learning experts and will use the learnings for planning purposes, specifically to upgrade and improve our facilities, concessions and air service options.





# 2016-2021 Strategic Plan

## THE CVG OF TOMORROW



### TAKE FLIGHT

9.4 MILLION PASSENGERS BY 2021



### GROW BUSINESS

350 ACRES OF AIRPORT LAND  
LEASED FOR DEVELOPMENT  
BY 2021



### PROPEL COMMUNITY

\$5 BILLION ANNUAL ECONOMIC IMPACT  
BY 2021



### ELEVATE SERVICES

FUNCTIONALLY OBSOLETE TERMINAL  
FACILITIES DEMOLISHED AND STATE-OF-  
THE-ART CONSOLIDATED RENTAL CAR  
FACILITY CONSTRUCTED BY 2021



### GO BEYOND

AIRPORT SERVICE QUALITY RANKING  
SUPERIOR TO PEER AIRPORTS BY 2021

