

**MUNICIPAL SECONDARY MARKET DISCLOSURE**

**INFORMATION COVER SHEET**

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

\* \* \*

Issuer's and/or Other Obligated Person's Name: Department of Airports of the City of Los Angeles, California (Los Angeles International Airport)

**CUSIP\* Numbers** (attach additional sheet if necessary):

Nine-digit number(s) to which the information relates: Please see Exhibit A.

Information relates to **all securities** issued by the issuer having the following six-digit number(s):

\* \* \*

Number of pages of attached information: Annual Financial Information: 20.

Description of Material Event Notice/Financial Information (Check One):

1.  Principal and interest payment delinquencies
2.  Non-payment related defaults
3.  Unscheduled draws on debt service reserves reflecting financial difficulties
4.  Unscheduled draws on credit enhancements reflecting financial difficulties
5.  Substitution of credit or liquidity providers, or their failure to perform
6.  Adverse tax opinions or events affecting the tax-exempt status of the security
7.  Modifications to rights of security holders
8.  Bond calls
9.  Defeasances
10.  Release, substitution, or sale of property securing repayment of the securities
11.  Rating changes
12.  Failure to provide annual financial information as required
13.  Other material event notice (specify) \_\_\_\_\_
14.  Financial information: Please check all appropriate boxes:  
Audited Financial Statements: Yes  No   
Annual Financial Information: Yes  No   
Fiscal Period Covered: Fiscal Year 2007-08

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\* CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is set forth for convenience of reference only. The Department assumes no responsibility for the accuracy of such data.

**EXHIBIT A**  
**MUNICIPAL SECONDARY MARKET DISCLOSURE**  
**INFORMATION COVER SHEET**  
**CUSIP NUMBERS**

**\$32,450,000**

**Department of Airports of the City of Los Angeles, California**  
**Los Angeles International Airport**  
**Revenue Bonds**  
**2002 Series A**

544435VE7	544435VG2	544435VJ6
544435VF4	544435VH0	

**\$103,625,000**

**Department of Airports of the City of Los Angeles, California**  
**Los Angeles International Airport**  
**Refunding Revenue Bonds**  
**2003 Series B**

544435WK2	544435WM8	544435WP1	544435WR7
544435WL0	544435WN6	544435WQ9	

**\$602,075,000**

**Department of Airports of the City of Los Angeles, California**  
**Los Angeles International Airport**  
**Senior Revenue Bonds**  
**2008 Series A**

544435XQ8	544435XX3	544435YE4	544435YM6	544435YU8
544435XR6	544435XY1	544435YF1	544435YN4	544435YV6
544435XS4	544435XZ8	544435YG9	544435YP9	544435YW4
544435XT2	544435YA2	544435YH7	544435YQ7	
544435XU9	544435YB0	544435YJ3	544435YR5	
544435XV7	544435YC8	544435YK0	544435YS3	
544435XW5	544435YD6	544435YL8	544435YT1	

**\$7,875,000**

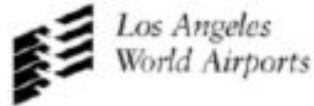
**Department of Airports of the City of Los Angeles, California**  
**Los Angeles International Airport**  
**Senior Refunding Revenue Bonds**  
**2008 Series B**

544435YX2	544435YZ7	544435ZB9	544435ZD5
544435YY0	544435ZA1	544435ZC7	

**\$243,350,000**

**Department of Airports of the City of Los Angeles, California**  
**Los Angeles International Airport**  
**Subordinate Revenue Bonds**  
**2008 Series C**

544435ZE3	544435ZL7	544435ZS2	544435ZY9	544435A67
544435ZF0	544435ZM5	544435ZT0	544435ZZ6	544435A75
544435ZG8	544435ZN3	544435ZU7	544435A26	544435A83
544435ZH6	544435ZP8	544435ZV5	544435A34	544435A91
544435ZJ2	544435ZQ6	544435ZW3	544435A42	544435B25
544435ZK9	544435ZR4	544435ZX1	544435A59	544435B33



ANNUAL FINANCIAL INFORMATION  
for the Fiscal Year Ended June 30, 2008

Relating to:

DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES  
(LOS ANGELES WORLD AIRPORTS)

\$32,450,000 Revenue Bonds 2002 Series A

\$103,625,000 Refunding Revenue Bonds 2003 Series B

\$602,075,000 Senior Revenue Bonds 2008 Series A (AMT)

\$7,875,000 Senior Refunding Revenue Bonds 2008 Series B (AMT)

\$243,350,000 Subordinate Revenue Bonds 2008 Series C (Non-AMT)

Dated as of:

December 23, 2008

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## **INTRODUCTION**

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This Annual Financial Information (this “Report”), including the cover page, is being furnished by the Department of Airports of the City of Los Angeles (the “Department”) to provide updated financial and operating information of the Department of the type included in the final official statements for the:

- \$32,450,000 aggregate principal amount of Los Angeles International Airport Revenue Bonds 2002 Series A (the “2002A Bonds”);
- \$103,625,000 aggregate principal amount of Los Angeles International Airport Refunding Revenue Bonds 2003 Series B (the “2003B Bonds”);
- \$602,075,000 aggregate principal amount of Los Angeles International Airport Senior Revenue Bonds 2008 Series A (AMT) (the “2008A Bonds”);
- \$7,875,000 aggregate principal amount of Los Angeles International Airport Senior Refunding Revenue Bonds 2008 Series B (AMT) (the “2008B Bonds”); and
- \$243,350,000 aggregate principal amount of Los Angeles International Airport Subordinate Revenue Bonds 2008 Series C (Non-AMT) (the “2008C Bonds” and together with the 2008A Bonds and the 2008B Bonds, the “2008 Bonds”). The 2002A Bonds, 2003B Bonds and the 2008 Bonds are referred to herein as the “Bonds.”

This Report is provided pursuant to covenants made by the Department in connection with the issuance of the Bonds pursuant to (i) that certain continuing disclosure certificate dated December 19, 2002 executed in connection with the 2002A Bonds, (ii) that certain continuing disclosure certificate dated May 7, 2003 executed in connection with the issuance of 2003B Bonds and (iii) that certain continuing disclosure certificate dated August 6, 2008 executed in connection with the issuance of the 2008 Bonds (collectively, the “Continuing Disclosure Certificates”).

### **Official Statements and Prior Reports**

For further information and a more complete description of the Department, the City of Los Angeles (the “City”) and the Bonds, reference is made to (i) the Official Statement for the 2002A Bonds dated December 12, 2002 (the “2002A Official Statement”), (ii) the Official Statement for the 2003B Bonds dated April 22, 2003 (the “2003B Official Statement”), (iii) the Official Statement for the 2008 Bonds dated July 23, 2008 (the “2008 Official Statement” and together with the 2002A Official Statement and the 2003B Official Statement, the “Official Statements”) and (iv) the Department’s previous reports of annual financial information beginning with the report for the Fiscal Year ended June 30, 2003 (the “Prior Reports”), all of which speak only as of their respective dates. Capitalized terms used but not defined herein have the meanings given to them in the Official Statements.

### **Disclaimers**

To the extent the Department provides information herein that the Department is not obligated to present or update, the Department is not obligated to present or update such information in future reports of annual financial information. Except as set forth herein, the Department has not updated any information contained in the Prior Reports.

Investors are advised to refer to the Official Statements for information concerning the initial issuance of and security for the Bonds. THE BONDS DO NOT CONSTITUTE GENERAL OBLIGATIONS OF THE CITY, THE STATE OF CALIFORNIA (THE “STATE”) OR ANY POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTION, CHARTER OR STATUTORY LIMITATION OF THE CITY OR THE STATE. NEITHER THE FAITH AND THE CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE OR ANY PUBLIC AGENCY, OTHER THAN THE DEPARTMENT, TO THE EXTENT DESCRIBED IN THE OFFICIAL STATEMENTS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE DEPARTMENT HAS NO POWER OF TAXATION. NO OBLIGATION ISSUED OR INCURRED BY THE DEPARTMENT UNDER THE INDENTURE SHALL CONSTITUTE OR EVIDENCE AN INDEBTEDNESS OF THE CITY OR A LIEN OR CHARGE ON ANY PROPERTY OR THE GENERAL REVENUES OF THE CITY, BUT SHALL CONSTITUTE AND EVIDENCE AN OBLIGATION OF THE DEPARTMENT AS DESCRIBED IN THE OFFICIAL

STATEMENTS. THE DEPARTMENT IS UNDER NO OBLIGATION TO PAY THE BONDS, EXCEPT AS DESCRIBED IN THE OFFICIAL STATEMENTS.

By providing the information herein, the Department does not imply or represent (a) that all information provided herein is material to investors' decisions regarding investment in the Bonds, (b) the completeness or accuracy of any financial, operational, or other information not included herein or in the Official Statements, (c) that no changes, circumstances or events have occurred since the end of the Fiscal Year ended June 30, 2008 (other than as contained herein) or (d) that no other information exists which may have a bearing on the Department's financial condition, the security for the Bonds or an investor's decision to buy, sell or hold the Bonds.

The information set forth herein and incorporated hereby has been furnished by the Department and is believed to be accurate and reliable but is not guaranteed as to accuracy or completeness. Statements contained in or incorporated by this Report which involve estimates, forecasts or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, expressions of opinion contained herein or incorporated hereby are subject to change without notice and the delivery of this Report will not, under any circumstances, create any implication that there has been no change in the affairs of the Department.

No statement contained herein should be construed as a prediction or representation about future financial performance of the Department. Historical results presented herein may not be indicative of future operating results.

## **DISCUSSION OF EVENTS**

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### **Listed Events**

Except as described below, the Department hereby reports no events with respect to the Bonds that are referred to in Section 3(a) of the Continuing Disclosure Certificates:

- principal and interest payment delinquencies;
- non-payment related defaults;
- modifications to rights of bond holders;
- optional, contingent or unscheduled bond calls;
- defeasances;
- rating changes;
- adverse tax opinions or events adversely affecting the tax exempt status of the Bonds;
- unscheduled draws on the debt service reserves reflecting financial difficulties;
- unscheduled draws on the credit enhancements reflecting financial difficulties;
- substitution of credit or liquidity providers, or any failure by any credit or liquidity provider to perform;
- release, substitution or sale of property securing repayment of the Bonds.

Notice Regarding Change in Ratings dated March 11, 2008, filed in connection with changes in the insured ratings of the 2002A Bonds and the \$30,275,000 aggregate original principal amount of Los Angeles International Airport Refunding Revenue Bonds Series C (the "1995C Bonds") based on a change in the rating of the insurer of the 2002A Bonds and 1995C Bonds;

Notice Regarding Change in Ratings dated May 15, 2008, filed in connection with changes in the insured ratings of the 1995C Bonds and the 2003B Bonds based on changes in the ratings of the insurers of such bonds; and

Notice Regarding Change in Ratings dated August 13, 2008, filed in connection with a change in the insured rating of the 2003B Bonds based on a change in the rating of the insurer of the 2003B Bonds.

Copies of the foregoing notices may be obtained from the Department. The content of the foregoing notices is not incorporated herein.

## Recent Events

### *Economic Volatility*

The aviation industry as a whole and the level of aviation activity and enplaned passenger traffic at LAX specifically are dependent upon a variety of factors, including: (i) airline industry economics, including the cost and availability of labor, fuel, aircraft and insurance, (ii) competition among airlines and airports, including with respect to service, routes and ticket pricing and (iii) passenger demand for air travel. The economic condition of the industry is volatile, and the aviation industry has undergone significant changes, including mergers, acquisitions, bankruptcies and closures in recent years. Passenger airlines and global air cargo have been impacted by downturns in the global economy, increasing fuel costs, instability in the U.S. dollar, uncertainties in the Middle East and elsewhere and new security regulations. Aviation activity at LAX has slowed, or even decreased in recent months due to these issues.

Unless otherwise noted, the information provided in this Report is as of the Fiscal Year ended June 30, 2008. As of June 30, 2008, the global economy, the national economy and the economy of the region served by LAX showed signs of decline. Since June 30, 2008, these declines have increased significantly. As a result, commerce generally and aviation activity specifically, have experienced notable reductions since June 30, 2008. For example, total enplanements and deplanements at LAX for the ten months ended October 31, 2008 (partial calendar year 2008) as compared to the ten months ended October 31, 2007 (partial calendar year 2007) have decreased approximately 2.7% and for the same period, total air cargo has decreased approximately 9.2%. Also, total enplanements and deplanements at LAX for the period from July 1, 2008 to October 31, 2008 (partial fiscal year) as compared to July 1, 2007 to October 31, 2008 (partial fiscal year) have decreased approximately 5.6% and for the same period total air cargo has decreased by approximately 13.1%. See Table – “AIR TRAFFIC DATA,” Table – “TOTAL REVENUE LANDED WEIGHT,” Table – “CARGO TRAFFIC DATA AIR CARGO ON AND OFF,” Table – “ENPLANED AND DEPLANED GARGO,” Table – “HISTORICAL OPERATING STATEMENTS.”

**FURTHER INFORMATION**

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For further information regarding this Report, please address your questions to:

City of Los Angeles  
Department of Airports  
P.O. Box 92216  
Los Angeles, CA 90009-2216  
Attn: Ryan Yakubik, Finance & Budget Division  
Manager  
(310) 417-2931

City of Los Angeles  
Department of Airports  
P.O. Box 92216  
Los Angeles, CA 90009-2216  
Attn: Marla Bleavins, Debt Management Section  
Manager  
(310) 417-6110

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## **FINANCIAL AND OPERATING INFORMATION**

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### **Outstanding Bonds**

The following table presents the original principal amounts, principal amounts outstanding and final maturity dates for existing Senior Lien Bonds.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES  
LOS ANGELES INTERNATIONAL AIRPORT  
EXISTING SENIOR LIEN BONDS\*  
AS OF DECEMBER 1, 2008**

<b>Series</b>	<b>Original Principal Amount</b>	<b>Principal Amount Outstanding</b>	<b>Final Maturity (May 15)</b>
Series 2002A	\$32,450,000	\$32,450,000	2019
Series 2003B	103,625,000	83,120,000	2015
Series 2008A	602,075,000	602,075,000	2038
Series 2008B	<u>7,875,000</u>	<u>7,875,000</u>	2015
Total	\$746,025,000	\$725,520,000	

\* Shown as Table 2 in the 2002A Official Statement, Table 3 in the 2003B Official Statement and Table 1 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

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The following table presents the original principal amounts, principal amounts outstanding and final maturity dates for Existing Subordinate Bonds and the Subordinate Commercial Paper Notes.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES  
LOS ANGELES INTERNATIONAL AIRPORT  
EXISTING SUBORDINATE BONDS AND SUBORDINATE  
COMMERCIAL PAPER NOTES\*  
AS OF DECEMBER 1, 2008**

<b>Subordinated Obligation</b>	<b>Original Principal Amount</b>	<b>Principal Amount Outstanding</b>	<b>Final Maturity Date</b>
Existing Subordinate Bonds			
- Subseries 2002C1	\$37,400,000	\$37,400,000	5/15/2020
- Subseries 2002C2	20,000,000	20,000,000	5/15/2020
- Series 2003A	23,700,000	23,700,000	5/15/2016
- Series 2008C	<u>243,350,000</u>	<u>243,350,000</u>	5/15/2038
Total Existing Subordinate Bonds	\$324,450,000	\$324,450,000	
Subordinate Commercial Paper Notes <sup>(1)</sup>			
- Series A	Various <sup>(1)</sup>	\$0	Various <sup>(2)</sup>
- Series B	Various <sup>(1)</sup>	0	Various <sup>(2)</sup>
- Series C <sup>(3)</sup>	Various <sup>(1)</sup>	<u>96,969,000</u>	Various <sup>(2)</sup>
Total Subordinate Commercial Paper Notes		\$96,969,000	
Total Existing Subordinate Bonds and Subordinate Commercial Paper Notes		\$421,419,000	

<sup>(1)</sup> Pursuant to the Parity Subordinate Indenture, the Department is authorized to issue and have outstanding, from time to time, a maximum of \$500,000,000 aggregate principal amount of its Subordinate Commercial Paper Notes. The Subordinate Commercial Paper Notes may be issued as tax-exempt or taxable and in various series designated Series A through C.

<sup>(2)</sup> The Subordinate Commercial Paper Notes have rolling maturities of 270 days or less.

<sup>(3)</sup> The Series C Subordinate Commercial Paper Notes are issued as original issue discount obligations.

\* Shown as Table 2 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles

## Debt Service Requirements

The following table sets forth the debt service requirements on all outstanding Senior Lien Bonds and Subordinate Bonds:

<b>DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES LOS ANGELES INTERNATIONAL AIRPORT DEBT SERVICE REQUIREMENTS<sup>(1)*</sup></b>			
<b>Fiscal Year</b>	<b>Total Debt Service on Outstanding Senior Bonds</b>	<b>Total Debt Service on Outstanding Subordinate Bonds<sup>(2)</sup></b>	<b>Total Fiscal Year Debt Service</b>
2009	\$43,408,334	\$14,926,599	\$58,334,933
2010	51,228,183	18,987,699	70,215,881
2011	61,319,933	18,990,949	80,310,881
2012	61,315,183	18,995,371	80,310,554
2013	61,323,233	18,982,802	80,306,034
2014	61,321,733	18,985,918	80,307,650
2015	48,215,258	32,067,428	80,282,685
2016	50,175,313	30,566,491	80,741,803
2017	50,174,113	30,698,217	80,872,329
2018	50,175,238	30,732,746	80,907,984
2019	53,415,275	30,853,646	84,268,921
2020	42,079,438	32,747,301	74,826,739
2021	42,074,463	15,980,131	58,054,594
2022	42,077,738	15,978,406	58,056,144
2023	42,076,238	15,980,956	58,057,194
2024	42,078,113	15,978,519	58,056,631
2025	42,074,588	15,981,519	58,056,106
2026	42,078,031	15,980,719	58,058,750
2027	42,077,888	15,978,969	58,056,856
2028	42,076,200	15,981,469	58,057,669
2029	42,074,744	15,981,969	58,056,713
2030	42,075,025	15,979,469	58,054,494
2031	42,078,281	15,980,306	58,058,588
2032	42,075,481	15,979,494	58,054,975
2033	42,077,863	15,980,750	58,058,613
2034	42,075,856	15,982,538	58,058,394
2035	42,075,163	15,982,850	58,058,013
2036	42,075,944	15,979,038	58,054,981
2037	42,078,094	15,979,525	58,057,619
2038	42,076,238	15,982,213	58,058,450
	<b>\$1,391,527,182</b>	<b>\$585,184,007</b>	<b>\$1,976,711,178</b>

<sup>(1)</sup> Totals may not add due to rounding.

<sup>(2)</sup> Based on actual interest rates through December 17, 2008 and assumed rates of 3.65% (Series 2002 C-1) 3.65% (Series 2002 C-2) and 3.85% (Series 2003 A) thereafter.

\* Shown as Table 3 – “Debt Service Requirements” in the Official Statement for the 2002A Bonds, Table 4 – “Senior Lien Bonds Debt Service Requirements” in the Official Statement for the 2003B Bonds and Table 3 – “Senior Bonds and Subordinate Bonds Debt Service Requirements” in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California

## Air Carriers Serving LAX

The following table sets forth the air carriers serving LAX as of July 1, 2008.

### DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES LOS ANGELES INTERNATIONAL AIRPORT AIR CARRIERS SERVING LAX<sup>(1)\*</sup> AS OF JULY 1, 2008

Scheduled U.S. Carriers (23)	Non-Scheduled Carriers (10)	Scheduled Foreign Flag Carriers (47)	All-Cargo Carriers (39)		
Airtran Airways Inc.	Belair Airlines Ltd	Aer Lingus Shannon Ltd.	Copa Airlines	Aeromexpress SA De CV	Lineas Aereas Azteca SA de CV
Alaska Airlines Inc.	Clay Lacy Aviation Inc.	Aero California S A de C V	El Al Israel Airlines Ltd.	Aerotransporte De Carga Union SA de CA	Murray Air Inc.
American Airlines Inc.	Falcon Air Express	Aeroflot Russian International	Emirates	Aerotransportes Mas De Carga SA	Nippon Cargo Airlines
American Eagle Airlines Inc.	Flugfelagid Atlanta Hf	Aerolitoral Airlines	Eva Airways Corporation	Air Cargo Carriers	Polar Air Cargo
Continental Airlines Inc.	Grand Holdings Inc	Aerovias De Mexico SA DE CV	Japan Airlines Intl. Company Ltd.	Air Transport Int'l LLC	Polet/Dateline Overseas Ltd.
Delta Air Lines Inc. <sup>(2)</sup>	JetBlue Airways Corporation	Aerovias del Continente Americano	Jazz Air Holding GP Inc.	Airborne Express Inc.	Shanghai Airlines Cargo Intl. Co Ltd
Expressjet Airlines, Inc.	North American Airlines	Air Canada	KLM Royal Dutch Airlines	Ameriflight LLC.	Singapore Airlines Cargo Pte Ltd.
Frontier Airlines Inc. <sup>(3)</sup>	Omni Air International Inc	Air China	Korean Airlines	Amerijet International Inc.	Southern Air Inc.
Hawaiian Airlines Inc.	Principal Air Service	Air France	Lan Airlines S A	Ameristar Air Cargo Inc.	Tampa Cargo S A
Horizon Air Industries Inc.	Skybird Aviation Inc	Air India Limited	Lan Peru SA	Arrow Air	Tradewinds Airlines Inc.
Mesa Airlines Inc.		Air Jamaica Holdings Ltd.	Lineas Aereas Costarricenses SA	Astar Air Cargo Inc.	United Parcel Service
Miami Air International Inc		Air New Zealand	Lufthansa German Airlines	Atlas Air Inc.	USA Jet Airlines Inc.
Midwest Express Airlines		Air Pacific Ltd.	Luftransport-Unternehmen	Capital Cargo International	Volga-Dnepr
MN Airlines LLC		Air Tahiti Nui	Malaysian Airline System	Cargolux Airlines International SA	West Air
Northwest Airlines Inc. <sup>(2)</sup>		Alitalia Airlines	Martinair Holland	China Cargo Airlines LTD.	Yangtze River Express Airlines Co. Ltd.
Pace Airlines		All Nippon Airways Co Ltd.	Philippine Airlines	Evergreen International Aviation, Inc.	
SkyWest Airlines Inc.		Asiana Airlines	Qantas Airways Ltd.	Federal Express Corp	
Southwest Airlines Co		British Airways PLC	Singapore Airlines Ltd.	Florida West International Airways Inc	
Spirit Airlines Inc.		Cathay Pacific Airways Ltd.	Swiss International Airlines	Gemini Air Cargo LLC	
United Air Lines Inc.		China Airlines Ltd.	TACA International Airlines SA	Gulf & Caribbean Cargo Inc.	
US Airways Inc.		China Eastern Airlines	Thai Airways International Ltd.	IFL Group Inc	
Virgin America Inc		China Southern Airlines	Virgin Atlantic Airways Ltd.	Kalitta Air LLC	
Worldcorp Inc		CMA Mexicana Airlines	Westjet	Kitty Hawk Cargo Inc.	
		Consorcio Aviaca S A de cv		Lan Cargo S A	

<sup>(1)</sup> For those airlines that were party to a merger or acquisition, only the surviving entity is presented in this table. However, the activity for the airlines that are now a part of the surviving airline is included in the information presented.

<sup>(2)</sup> On April 14, 2008, Delta Air Lines Inc. and Northwest Airlines Inc. announced plans to merge. On October 29, 2008, the United States Department of Justice approved the merger. Finalization of the merger is pending the grant of a single Federal Aviation Administration operating certificate and the resolution of non-governmental antitrust litigation.

<sup>(3)</sup> Frontier Airlines Inc. filed for bankruptcy protection on April 11, 2008 but continues to operate at LAX.

\* Shown as Table 6 in the Official Statement for the 2002A Bonds, Table 7 in the Official Statement for the 2003B Bonds and Table 6 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

## Air Traffic Data

Historical LAX air traffic data from Fiscal Years 1999 to 2008 are presented in the table below.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES  
LOS ANGELES INTERNATIONAL AIRPORT  
AIR TRAFFIC DATA<sup>(1)\*</sup>**

Fiscal Year	Revenue Operations		Enplanements and Deplanements			Passenger Growth
	Total Operations	Operations Growth	Domestic	International	Total	
1999	769,938	4.7%	47,173,340	15,404,356	62,577,696	2.6%
2000	745,421	-3.2	49,570,344	16,510,467	66,080,811	5.6
2001	795,723	6.7	49,639,031	17,553,941	67,192,972	1.7
2002	625,457	-21.4	41,490,373	14,623,209	56,113,582	-16.5
2003	605,514	-3.2	40,761,700	14,571,467	55,333,167	-1.4
2004	596,915	-1.4	42,335,711	15,704,827	58,040,538	4.9
2005	616,482	3.3	44,240,522	17,024,908	61,265,430	5.6
2006	606,277	-1.7	44,058,954	17,376,983	61,435,937	0.3
2007	614,335	1.3	44,691,774	16,842,864	61,534,638	0.2
2008	629,724	2.5	44,834,824	17,427,929	62,262,753	1.2

<sup>(1)</sup> See "DISCUSSION OF EVENTS – Recent Events – Economic Volatility."

\* Shown as Table 8 in the Official Statement for the 2002A Bonds, Table 9 in the Official Statement for the 2003B Bonds and Table 8 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

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## Enplanements and Market Share

Enplanements at LAX for the largest air carriers for the previous five Fiscal Years are shown in the table below.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES  
LOS ANGELES INTERNATIONAL AIRPORT  
HISTORICAL TOTAL ENPLANEMENTS BY AIRLINE<sup>(1)\*</sup>  
(RANKED BY FISCAL YEAR 2008 RESULTS)**

Airline	Fiscal Year 2004		Fiscal Year 2005		Fiscal Year 2006		Fiscal Year 2007		Fiscal Year 2008	
	Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share
1 American Airlines Inc.	3,927,869	13.5%	4,492,113	14.7%	4,642,853	15.1%	4,679,905	15.2%	4,611,217	14.8%
2 United Air Lines	4,871,677	16.8	4,858,603	15.9	4,825,156	15.7	4,826,434	15.7	4,360,069	14.0
3 Southwest Airlines Co.	3,589,396	12.3	3,763,817	12.3	3,930,014	12.8	3,817,855	12.4	3,851,867	12.4
4 Delta Air Lines Inc. <sup>(2)</sup>	2,266,517	7.8	2,329,863	7.6	2,230,835	7.3	2,312,650	7.5	2,358,251	7.6
5 Alaska Airlines Inc.	1,333,670	4.6	1,436,584	4.7	1,459,669	4.8	1,479,679	4.8	1,409,966	4.5
6 SkyWest Airlines Inc.	1,215,879	4.2	1,277,811	4.2	1,317,516	4.3	1,425,685	4.6	1,383,225	4.4
7 Continental Airlines Inc.	885,956	3.0	970,303	3.2	1,085,628	3.5	1,170,936	3.8	1,143,870	3.7
8 Northwest Airlines Inc. <sup>(2)</sup>	1,026,338	3.5	1,103,405	3.6	1,118,732	3.6	1,129,526	3.7	1,133,442	3.6
9 US Airways Inc.	1,328,661	4.6	1,506,080	4.9	1,287,043	4.2	1,238,267	4.0	1,110,117	3.6
10 CMA Mexicana Airlines	505,384	1.7	618,550	2.0	712,492	2.3	572,616	1.9	636,272	2.0
11 Qantas Airways Ltd.	553,265	1.9	569,952	1.9	594,801	1.9	620,142	2.0	614,211	2.0
12 Expressjet Airlines Inc. <sup>(3)</sup>	--	--	15,652	0.1	28,315	0.1	33,165	0.1	514,509	1.7
13 American Eagle Airlines Inc.	520,660	1.8	512,923	1.7	502,148	1.6	509,076	1.7	485,023	1.6
14 Air Canada	434,406	1.5	449,757	1.5	487,446	1.6	508,083	1.7	477,779	1.5
15 Air New Zealand	464,886	1.6	441,285	1.4	433,578	1.4	381,369	1.2	386,452	1.2
16 Horizon Air Industries Inc.	91,152	0.3	128,627	0.4	202,763	0.7	252,551	0.8	373,233	1.2
17 Virgin America Inc. <sup>(4)</sup>	--	--	--	--	--	--	--	--	343,589	1.1
18 Korean Airlines	327,165	1.1	344,808	1.1	356,190	1.2	338,740	1.1	335,803	1.1
19 Cathay Pacific Airways Ltd.	191,058	0.7	215,110	0.7	301,119	1.0	312,261	1.0	326,263	1.1
20 British Airways PLC	232,513	0.8	254,371	0.8	289,601	0.9	274,435	0.9	296,390	1.0
Other	5,313,395	18.2	5,258,637	17.2	4,849,247	15.8	4,899,634	15.9	4,990,791	16.0
Airport Total <sup>(5)</sup>	29,079,847	100.0%	30,548,251	100.0%	30,655,146	100.0%	30,783,009	100.0%	31,142,339	100.0%

<sup>(1)</sup> For those airlines that were party to a merger or acquisition, only the surviving entity is presented in this table. However, the activity for the airlines that are now a part of the surviving airline is included in the information presented.

<sup>(2)</sup> On April 14, 2008, Delta Air Lines Inc. and Northwest Airlines Inc. announced plans to merge. On October 29, 2008, the United States Department of Justice approved the merger. Finalization of the merger is pending the grant of a single Federal Aviation Administration operating certificate and the resolution of non-governmental antitrust litigation.

<sup>(3)</sup> Expressjet Airlines Inc. began operating at LAX in Fiscal Year 2005.

<sup>(4)</sup> Virgin America Inc. began operating at LAX in Fiscal Year 2008.

<sup>(5)</sup> Totals may not add due to rounding.

\* Shown as Table 9 in the Official Statement for the 2002A Bonds, Table 10 in the Official Statement for the 2003B Bonds and Table 9 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

## Revenue Landed Weight by Airline

The following table presents the total revenue landed weight for the largest air carriers serving LAX for the previous five Fiscal Years.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES  
LOS ANGELES INTERNATIONAL AIRPORT  
TOTAL REVENUE LANDED WEIGHT<sup>(1)(2)\*</sup>  
(RANKED ON FISCAL YEAR 2008 RESULTS)  
(IN THOUSANDS OF LBS.)**

Airline	2004	2005	2006	2007	2008	% of 2008 Total <sup>(3)</sup>
1. United Air Lines	7,740,449	7,255,290	7,261,268	7,144,632	6,558,553	12.61%
2. American Airlines Inc.	6,513,413	6,530,522	6,216,216	6,327,454	6,182,921	11.89
3. Southwest Airlines Co.	4,634,360	4,880,226	5,004,196	4,982,430	5,092,746	9.79
4. Delta Air Lines Inc. <sup>(4)</sup>	3,535,878	3,277,142	2,990,123	3,116,374	3,033,961	5.83
5. SkyWest Airlines Inc.	1,502,103	1,579,730	1,640,735	1,748,625	1,784,746	3.43
6. Federal Express Corp.	1,840,006	1,956,507	1,936,856	1,876,769	1,775,030	3.41
7. Alaska Airlines Inc.	1,785,885	1,747,446	1,714,678	1,831,490	1,684,252	3.24
8. Northwest Airlines Inc. <sup>(4)</sup>	1,635,986	1,644,806	1,698,251	1,650,884	1,572,378	3.02
9. Qantas Airways Ltd.	1,223,094	1,338,635	1,409,692	1,435,397	1,442,048	2.77
10. Continental Airlines Inc.	1,330,107	1,292,606	1,329,656	1,421,707	1,387,393	2.67
11. US Airways Inc.	1,020,905	1,186,957	1,003,338	907,645	1,315,542	2.53
12. Korean Airlines	1,041,396	1,166,751	1,147,742	1,116,542	1,137,760	2.19
13. Cathay Pacific Airways	629,371	693,234	909,054	926,376	929,710	1.79
14. CMA Mexicana Airlines	717,313	871,919	955,836	842,123	844,061	1.62
15. Eva Airways Corporation	687,792	749,455	793,100	776,928	769,663	1.48
16. Air New Zealand	940,778	860,046	851,797	732,190	740,537	1.42
17. China Airlines Ltd.	685,940	685,498	719,650	728,974	738,316	1.42
18. Expressjet Airlines Inc. <sup>(5)</sup>	--	22,836	34,364	43,251	717,278	1.38
19. British Airways PLC	467,460	515,340	594,090	594,090	679,770	1.31
20. Air Canada	624,295	601,590	647,190	668,138	617,503	1.19
All Others	13,009,412	13,371,194	12,928,549	13,256,688	13,005,654	25.01%
<b>TOTAL</b>	<b>51,565,943</b>	<b>52,227,730</b>	<b>51,786,381</b>	<b>52,128,707</b>	<b>52,009,822</b>	<b>100.00%</b>

<sup>(1)</sup> See "DISCUSSION OF EVENTS – Recent Events – Economic Volatility."

<sup>(2)</sup> For those airlines that were party to a merger or acquisition, only the surviving entity is presented in this table. However, the activity for the airlines that are now a part of the surviving airline is included in the information presented.

<sup>(3)</sup> Totals may not add due to rounding.

<sup>(4)</sup> On April 14, 2008, Delta Air Lines Inc. and Northwest Airlines Inc. announced plans to merge. On October 29, 2008, the United States Department of Justice approved the merger. Finalization of the merger is pending the grant of a single Federal Aviation Administration operating certificate and the resolution of non-governmental antitrust litigation.

<sup>(5)</sup> Expressjet Airlines Inc. began operating at LAX in Fiscal Year 2005.

\* Shown as Table 10 in the Official Statement for the 2002A Bonds, Table 11 in the Official Statement for the 2003B Bonds and Table 10 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

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## Cargo Traffic

The following charts provide information concerning cargo traffic data over the last ten Fiscal Years.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES**  
**LOS ANGELES INTERNATIONAL AIRPORT**  
**CARGO TRAFFIC DATA**  
**AIR CARGO ON AND OFF<sup>(1)\*</sup>**  
**(TONS)**

<b>Fiscal Year</b>	<b>Total Freight</b>	<b>Total Mail</b>	<b>Total Cargo</b>
1999	1,832,131	253,645	2,085,776
2000	1,977,945	251,238	2,229,183
2001	1,905,916	239,146	2,145,062
2002	1,761,336	121,055	1,882,391
2003	1,927,650	89,107	2,016,757
2004	1,969,880	91,960	2,061,840
2005	2,042,865	93,507	2,136,373
2006	2,033,124	84,040	2,117,164
2007	2,009,418	72,214	2,081,633
2008	1,900,590	72,139	1,972,728

<sup>(1)</sup> See "DISCUSSION OF EVENTS – Recent Events – Economic Volatility."

\* Shown as Table 11 in the Official Statement for the 2002A Bonds and Table 12 in the Official Statement for the 2003B Bonds.

Source: Department of Airports of the City of Los Angeles, California.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES**  
**LOS ANGELES INTERNATIONAL AIRPORT**  
**ENPLANED AND DEPLANED CARGO<sup>(1)\*</sup>**  
**(TONS)**

<b>Fiscal Year</b>	<b>Domestic Cargo</b>	<b>Annual Growth</b>	<b>International Cargo</b>	<b>Annual Growth</b>	<b>Total Cargo</b>	<b>Annual Growth</b>
1999	1,197,765	0.8%	888,012	2.0%	2,085,776	1.3%
2000	1,263,279	5.5	965,904	8.8	2,229,183	6.9
2001	1,112,803	(11.9)	1,032,259	6.9	2,145,062	(3.8)
2002	953,264	(14.3)	929,127	(10.0)	1,882,391	(12.2)
2003	1,015,712	6.6	1,001,045	7.7	2,016,757	7.1
2004	1,032,947	1.7	1,028,893	2.8	2,061,840	2.2
2005	1,051,046	1.8	1,085,327	5.5	2,136,373	3.6
2006	994,637	(5.4)	1,122,527	3.4	2,117,164	(0.9)
2007	975,734	(1.9)	1,105,899	(1.5)	2,081,633	(1.7)
2008	877,455	(10.1)	1,095,274	(1.0)	1,972,728	(5.2)

<sup>(1)</sup> See "DISCUSSION OF EVENTS – Recent Events – Economic Volatility."

\* Shown as Table 11 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

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## Summary of Operating Statements

The following tables summarize the financial results from operations for LAX for the five fiscal periods ended June 30, 2008.

### DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES LOS ANGELES INTERNATIONAL AIRPORT HISTORICAL OPERATING STATEMENTS\* (DOLLARS IN THOUSANDS)<sup>(1)(2)</sup>

	2004	2005	2006	2007	2008 <sup>(3)</sup>
Operating revenues:					
Aviation revenue					
Landing fees	\$ 139,890	\$ 134,015	\$ 146,019	\$ 148,937	\$ 171,822
Building rentals	92,206	101,153	119,271	107,338	146,206
Other aviation revenue <sup>(5)</sup>	54,875 <sup>(4)</sup>	49,876 <sup>(4)</sup>	51,428	61,689	61,932
Concession revenue	171,192	194,386	200,564	227,177	275,659
Airport sales and services	2,389	1,978	2,034	2,824	2,577
Miscellaneous revenue	3,585	1,234	1,451	2,012	2,030
Total operating revenue	\$ 464,137	\$ 482,642	\$ 520,767	\$ 549,977	\$ 660,226
Operating expenses:					
Salaries and benefits	\$ 175,493	\$ 199,238	\$ 231,313	\$ 255,536	\$ 291,015
Contractual services	123,692	135,313	148,606	141,306	151,155
Administrative expense	2,909	3,970	1,787	725	1,665
Materials and supplies	36,178	37,692	34,043	43,313	37,870
Utilities	19,799	24,378	23,633	20,101	27,674
Advertising and public relations	6,527	8,820	9,843	10,015	8,286
Other operating expenses	13,636	(1,458)	2,099	(2,472)	67
Total operating expenses before depreciation and amortization	\$ 378,234	\$ 407,953	\$ 451,324	\$ 468,524	\$ 517,732
Income from operations before depreciation and amortization	\$ 85,903	\$ 74,689	\$ 69,443	\$ 81,453	\$ 142,379
Depreciation and amortization	(60,432)	(59,710)	(64,571)	(72,438)	(83,908)
Operating Income	\$ 25,471	\$ 14,979	\$ 4,872	\$ 9,015	\$ 58,586
Non-Operating revenues (expenses):					
Passenger facility charges <sup>(4)</sup>	\$ 106,958	\$ 113,739	\$ 114,694	\$ 116,083	\$ 116,705
Interest income	29,825	28,668	33,902	39,502	49,477
Change in fair value of investments	(15,107)	(2,978)	(15,292)	10,386	19,117
Gain (loss) on sale of securities	988	3,867	217	1,082	3,090
Other non-operating revenue	293	6,457	1,209	810	1,096
Interest expense	(18,980)	(16,998)	(12,155)	(15,266)	(18,278)
Bond expense	(328)	(302)	(364)	(345)	(428)
Other non-operating expenses	(2,159)	(29)	(6,600)	--	294
Net non-operating revenue (expenses)	101,490	132,424	115,611	152,252	171,073
Income before capital grant contributions	126,961	147,403	120,483	161,267	229,659
Capital grant contributions	4,390	791	32,064	62,947	34,555
TSA Contributions <sup>(6)</sup>	--	--	--	11,094	52,330
Inter-agency transfers	406	(3,410)	--	(43,511)	(7,188)
Change in net assets	131,757	144,784	152,547	191,797	309,356
Residual equity transfers (to) from other funds	--	--	--	--	--
Net assets, beginning of year	\$ 1,747,995	\$ 1,879,752	\$ 2,024,536	\$ 2,177,083	\$ 2,368,880
Net assets, end of year	\$ 1,879,752	\$ 2,024,536	\$ 2,177,083	\$ 2,368,880	\$ 2,678,236

<sup>(1)</sup> See "DISCUSSION OF EVENTS – Recent Events – Economic Volatility."

<sup>(2)</sup> Totals may not add due to independent rounding.

<sup>(3)</sup> Unaudited.

<sup>(4)</sup> Includes certain TSA grant receipts and certain Federal grant receipts.

<sup>(5)</sup> Provided in compliance with Section 4(a)(ii)(N) of the Continuing Disclosure Certificate executed in connection with the 2008 Bonds.

<sup>(6)</sup> In the two Fiscal Years ended June 30, 2005, TSA Contributions were included in Other aviation revenue.

\* Shown as Table 12 in the Official Statement for the 2002A Bonds, Table 13 in the Official Statement for the 2003B Bonds and Table 12 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

## Revenue Diversity

The following table sets forth the top ten revenue providers for LAX for Fiscal Year 2008.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES**  
**LOS ANGELES INTERNATIONAL AIRPORT**  
**TOP TEN REVENUE PROVIDERS (LAX)\***  
**FISCAL YEAR 2008**  
**(DOLLARS IN THOUSANDS)<sup>(1)</sup>**

1.	New South Parking California <sup>(2)</sup>	\$ 70,306,393
2.	United Air Lines	57,167,552
3.	American Airlines Inc.	55,508,007
4.	Southwest Airlines Co.	45,164,542
5.	DFS Group LP	38,121,958
6.	Delta Air Lines Inc. <sup>(3)</sup>	27,710,652
7.	The Hertz Corporation	23,092,735
8.	Host International Inc.	21,601,579
9.	Alaska Airlines Inc.	20,052,063
10.	Continental Airlines Inc.	18,362,691

<sup>(1)</sup> Unaudited. Net of rental credits. Excludes revenue from Federal Government.

<sup>(2)</sup> New South Parking California succeeded handling parking operations at LAX from Five Star Parking on July 10, 2007.

<sup>(3)</sup> On April 14, 2008, Delta Air Lines Inc. and Northwest Airlines Inc. announced plans to merge. On October 29, 2008, the United States Department of Justice approved the merger. Finalization of the merger is pending the grant of a single Federal Aviation Administration operating certificate and the resolution of non-governmental antitrust litigation.

\* Shown as Table 13 in the Official Statement for the 2002A Bonds, Table 14 in the Official Statement for the 2003B Bonds and Table 13 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

The following table sets forth the top ten revenue sources for LAX for Fiscal Year 2008.

**DEPARTMENT OF AIRPORTS**  
**TOP TEN REVENUE SOURCES (LAX)**  
**FISCAL YEAR 2008<sup>(1)</sup>**  
**(DOLLARS IN THOUSANDS)**

1.	Landing Fees	\$ 171,822,321
2.	Building Rentals	146,205,912
3.	Auto Parking	74,003,834
4.	Car Rentals	55,336,558
5.	Lease of Ground Areas	47,739,758
6.	Duty Free Sales	35,379,531
7.	Food & Beverage	30,080,481
8.	On Airport Customer Facilities Charge	24,964,160
9.	Gifts & News	17,598,667
10.	Advertisement Revenue <sup>(2)</sup>	13,768,301

<sup>(1)</sup> Unaudited.

<sup>(2)</sup> The Department entered into an advertising contract with JCDecaux in April 2007.

\* Shown as Table 15 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

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## Debt Service Coverage

The following table shows historical debt service coverage for Fiscal Years 2004 through 2008.

**DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES  
LOS ANGELES INTERNATIONAL AIRPORT  
HISTORICAL DEBT SERVICE COVERAGE\***  
**FISCAL YEARS 2004-2008**  
**(DOLLARS IN THOUSANDS)**

	2004	2005	2006	2007	2008
Pledged Revenues <sup>(1)</sup>					
Total Operating Revenues	\$ 462,157	\$ 480,575	\$ 518,053	\$ 546,688	\$ 658,472
Interest Income	23,185	20,118	25,366	26,026	31,409
Total Pledged Revenues	<u>\$ 485,702</u>	<u>\$ 500,693</u>	<u>\$ 543,419</u>	<u>\$ 572,714</u>	<u>\$ 689,881</u>
LAX Maintenance and Operations Expenses <sup>(2)</sup>	(373,988)	(406,274)	(447,136)	(466,668)	(515,025)
Net Pledged Revenues <sup>(3)</sup>	<u>\$ 111,714</u>	<u>\$ 94,418</u>	<u>\$ 96,283</u>	<u>\$ 106,046</u>	<u>\$ 174,856</u>
Total Senior Lien Debt Service	\$ 34,699	\$ 32,326	\$ 29,852	\$ 19,306	\$ 19,300
Coverage of Senior Lien Debt Service	3.22x	2.92x	3.23x	5.49x	9.06x
Total Subordinate Lien Debt Service	\$ 967	\$ 1,613	\$ 2,622	\$ 6,356	\$ 10,640
Coverage of Subordinate Debt Service	79.69x	38.49x	25.34x	13.65x	14.62x
Total Debt Service Coverage	3.13x	2.78x	2.96x	4.13x	5.84x

<sup>(1)</sup> As defined in the Master Indenture, as amended.

<sup>(2)</sup> As defined in the Master Indenture, as amended. Excludes depreciation and expenses of LAX payable from sources other than Pledged Revenues.

<sup>(3)</sup> As defined in the Master Indenture, as amended. Equals Pledged Revenues less LAX Maintenance and Operations Expenses.

\* Shown as Table 1 in the Official Statement for the 2002A Bonds, Table 2 in the Official Statement for the 2003B Bonds and Table 17 in the 2008 Official Statement.

Source: Department of Airports of the City of Los Angeles, California.

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## Investment Practices of the City Treasurer

The City Treasurer invests temporarily idle cash for the City, including that of the Department, as part of a pooled investment program (the "Pool") which combines general receipts with special funds for investment purposes and allocates interest earnings on a *pro rata* basis when the interest is earned and distributes interest receipts based on the previously established allocations.

**CITY OF LOS ANGELES POOLED INVESTMENT FUND<sup>(1)\*</sup>**  
**ASSETS AS OF JUNE 30, 2008**  
**(Dollars in Millions)**

	<b>Book (Carrying) Value<sup>(2)</sup></b>	<b>Percent of Total</b>	<b>Department (LAWA) Carrying Value<sup>(3)</sup></b>	<b>LAX Carrying Value<sup>(4)</sup></b>
Deposits	\$ 249	4.36	\$ 59	\$ 53
US Treasury Securities	1,571	27.49	373	337
Federal Agency Securities	1,033	18.08	246	221
Commercial Paper – Discounts	1,672	29.27	397	358
Medium Term Corporate Notes	1,188	20.80	283	255
<b>Total</b>	<b>\$ 5,713</b>	<b>100.0%</b>	<b>\$ 1,358<sup>(5)</sup></b>	<b>\$ 1,224<sup>(5)</sup></b>

<sup>(1)</sup> Unaudited; based on General Pool 9218 – Combined, Portfolio Management Report provided by City Treasurer's Office.

<sup>(2)</sup> Total amount held by the City in the Pool, including the funds of other departments.

<sup>(3)</sup> The Department's share of the Pool, including restricted assets.

<sup>(4)</sup> Unaudited; inclusive of restricted cash; fund not segregated from other funds in the Pool.

<sup>(5)</sup> Unaudited; includes securities lending collateral and effect of change in market valuation of investments.

\* Shown as Table 14 in the 2002A Official Statement, Table 15 in the 2003B Official Statement and Table 18 in the 2008 Official Statement.  
Source: City Treasurer, City of Los Angeles and Department of Airports of the City of Los Angeles, California.

The average life of the investment portfolio in the Pool as of June 30, 2008 was 664 days.

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**AUDITED FINANCIAL STATEMENTS**

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The Los Angeles World Airports (Department of Airports of The City of Los Angeles, California) Los Angeles International Airport Financial Statements for the Fiscal Year Ended June 30, 2008 and 2007 (With Independent Auditors' Report Thereon) are not complete as of the date of this Report and will be filed when complete.

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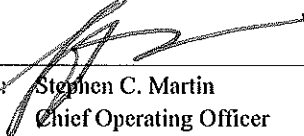
**CERTIFICATION**

---

The undersigned hereby states and certifies that:

1. I am the duly appointed, qualified, and acting Chief Operating Officer of the Department, familiar with the facts herein certified, and I am authorized to certify the same on behalf of the Department.
2. The execution and delivery of this Report to the Texas Municipal Advisory Council through the facilities at website <http://www.disclosureusa.org> for filing with the repositories identified by the Securities and Exchange Commission as "Nationally Recognized Municipal Securities Information Repositories" have been duly authorized by the Department.
3. This certification is being provided in connection with this Report being delivered by the Department pursuant to the Continuing Disclosure Certificates.
4. The statements and information contained in this Report are true, correct, and complete in all material respects and, as of the date hereof, this Report does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

THE DEPARTMENT OF AIRPORTS OF THE CITY OF  
LOS ANGELES

By:   
Name: Stephen C. Martin  
Its: Chief Operating Officer