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FOR IMMEDIATE RELEASE

Denver International Airport Terminates Contract with Great Hall Partners

DENVER – Aug. 13, 2019 – Denver International Airport (DEN) announced today that it is terminating its contract with Great Hall Partners (GHP) for the renovation of the Great Hall. The Great Hall is the area under the tents of the airport's Jeppesen Terminal. Construction of the Great Hall began in July 2018.

"We will always prioritize passenger safety and experience and will never compromise those values. In the end, we did not have a partner who shared those values," said Mayor Michael B. Hancock. "Denver International Airport is a vital asset for our city and state, and we are taking decisive action now to protect both the public and the integrity of our airport."

Many factors contributed to the airport and city's decision. Last November, it was discovered that there were issues with the compressive strength of the airport's original concrete (placed in 1991) which required additional testing. When the contract was signed, the project was just at 30% design. Since then, a number of design decisions were made to accommodate various airport stakeholders' safety and operational needs. In addition, GHP has been unable to obtain the necessary permits to keep the project on schedule. DEN and GHP have been in mediation but have been unable to reach agreement on the cost and schedule impacts of these issues.

The original project was a public-private partnership with Great Hall Partners, comprised of Ferrovial Airports, JLC Infrastructure and Saunders Concessions. The 34-year agreement called for Great Hall Partners to design and construct all improvements followed by 30 years of operations and maintenance within specific commercial areas of the terminal. The total cost to design and build the project was estimated at $650-770 million, which included a $120 million airport-controlled contingency.

As part of this termination, GHP has no more than 90 days to vacate the project site. During that time, DEN will be identifying a new contractor to complete construction of the improvements. DEN will be assuming greater control of the project and will be prioritizing passenger flow, minimizing the impact of construction on the traveling public, airlines and other tenants. The new contractor will be responsible for construction only and not operations and maintenance or the commercial program as was the case in the original contract. DEN will operate any commercial development and will retain 100 percent of the revenues.

As is outlined in the development agreement, the payment terms of the termination are generally based on the following**:

- GHP's portion of funding they contributed to the project – approximately 25% of the design and construction cost
- Contract breakage costs which is a result of GHP's other contractual relationships
- The lost return on investment based upon the amount of equity they committed to the project

DEN will also pay GHP for any other outstanding incurred costs related to construction and design work completed to date.

The total termination payment amount has not yet been finalized and this amount is in addition to the amount DEN will pay to complete the project with a new contractor. The design and construction cost of the project will remain at the original budgeted amount of $770 million with contingency. DEN will own all design work and construction performed to date.

"We are disappointed. This is not the outcome we expected but we are fully committed to completing the work as quickly as possible. These improvements are necessary to enhance safety and accommodate the rapid growth of our airline partners ensuring the future success of this world-class airport," said CEO Kim Day, Denver International Airport."

***Development Agreement section 21.2.2 - In the event of a Termination for Convenience, the Owner shall pay compensation to Developer (or to the Collateral Agent as provided in the Direct Agreement) in an amount equal to:*

21.2.2.1 To the extent it is a positive amount, (a) all amounts shown in the Financial Model as payable by Developer from the Early Termination Date, either in dividends or other distributions on the share capital of Developer or as payments of interest or repayments of principal made by Developer under the Equity Members Funding Agreements, each amount discounted back at the Termination for Convenience Discount Rates (as of the Early Termination Date) from the date on which it is shown to be payable in the Financial Model to the Early Termination Date, minus (b) Deferred Equity Amounts as at the Early Termination Date (or the net present value of the same if termination occurs prior to the Project Substantial Completion Date); plus

21.2.2.2 Lenders' Liabilities; plus

21.2.2.3 Contractor Breakage Costs; plus

21.2.2.4 Redundancy Payments; plus

21.2.2.5 If the termination occurs during the Project Operating Period, the incremental increase, if any, in the federal and State income tax liability of the Equity Members due to payment of the Termination Compensation under this Section 21.2.2 (other than the amount contemplated in this Section 21.2.2.5) over the Base Tax Liability; minus 21.2.2.6 Account Balances; minus

21.2.2.7 Insurance Proceeds.

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