

**BALANCE SHEET**

Period Ended: September 30, 2006  
Schedule B-1

Air Carrier: AMERICAN TRANS AIR  
Operation: Domestic - TZD

DESCRIPTION	ACCT #	AMOUNT	DESCRIPTION	ACCT #	AMOUNT
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES:</b>		
Cash	1010	1,747	Current Maturities of LT Debt	2000	7,241
Short-Term Investments	1100	63,497	Notes Payable - Banks	2005	-
Notes Receivable	1200	-	Notes Payable - Others	2015	-
Accounts Receivable	1270	86,953	Trade Accounts Payable	2021	3,789
Less Allow. for Bad Debts	1290	(1,442)	Accounts Payable - Other	2025	-
Net Notes & Accounts Receivable	1299	85,511	Current Oblig. Under Cap. Leases	2080	785
Net Spare Parts & Supplies	1399	30,804	Accrued Salaries & Wages	2110	3,964
Prepaid Items	1410	30,522	Accrued Vacation Pay	2120	10,813
Other Current Assets	1420	2,850	Accrued Interest	2125	83
Total Current Assets	1499	214,931	Accrued Taxes	2130	107
			Dividends Declared	2140	-
<b>INVESTMENTS IN SPECIAL FUNDS:</b>			Air Traffic Liability	2160	69,999
Investments in Associated Companies	1510	18,350	Other Current Liabilities	2190	70,484
Other Investments & Receivable	1530	-	Total Current Liabilities	2199	167,265
Special Funds	1550	-			
Total Investments and Special Funds	1599	18,350	<b>NONCURRENT LIABILITIES:</b>		
			Long-Term Debt	2210	105,413
<b>OPERATING PROPERTY AND EQUIPMENT:</b>			Advances from Assoc. Companies	2240	-
Flight Equipment	1609	69,054	Pension Liability	2250	-
Ground-Property and Equipment	1649	21,635	Noncurrent Obgli. - Capital Leases	2280	34,536
Less Allowance for Depreciation	1668	(6,772)	Other Noncurrent Liabilities	2290	6,121
Property & Equipment - Net	1675	83,917	Total Noncurrent Liabilities	2299	146,070
Land	1679	-			
Purchase Dep. & Adv. Payments	1685	-	<b>DEFERRED CREDITS:</b>		
Construction Work-in-progress	1689	-	Deferred Income Taxes	2340	-
Leased Property - Cap. Leases	1695	-	Deferred Investment Tax Credits	2345	-
Accum. Amort. Capital Leases	1696	-	Other Deferred Credits	2390	-
Total Oper. Prop. & Equipment	1699	83,917	Total Deferred Credits	2399	-
<b>NON-OPERATING PROPERTY AND EQUIPMENT:</b>			<b>STOCKHOLDERS' EQUITY:</b>		
Less Allow. for Depr. - Nonop.	1791	-	Preferred Shares Issued	2820	-
Net Nonoperating Prop. & Equipment	1799	-	Common Shares Issued	2840	1
			Warrants	2860	1,434
<b>OTHER ASSETS:</b>			Total Capital Stock	2869	1,435
Long-term Prepayments	1820	-	Additional Capital Invested	2890	106,717
Unamort. Dev. & Preop. Costs	1830	-	Total Paid in Capital	2899	106,717
Other Assets and Def. Charges	1890	94,923	Retained Earnings	2900	(9,366)
Total Other Assets	1895	94,923	Total Stockholders' Equity	2959	98,786
			Less Treasury Stock	2990	-
<b>TOTAL ASSETS</b>	<b>1899</b>	<b>412,121</b>	Net Stockholders' Equity	2995	98,786
			<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>2999</b>	<b>412,121</b>

AMERICAN TRANS AIR, INC.  
STATEMENT OF CASH FLOW  
Quarter Ended: September 30, 2006  
FORM 41, B-12

September  
2006  
(000s)

OPERATING ACTIVITIES

Net Income (Loss)	826
Adjustments to Reconcile Net Income (Loss) to Net Cash	
Provided by Operating Activities:	
Depreciation and Amortization	5,350
Impairment Loss	0
Deferred Income Taxes (Credit)	0
Other Noncash Items, Net	3,173
Changes in Operating Assets and Liabilities:	
Receivables	10,100
Intercompany Note	0
Liabilities Subject to Compromise	0
Inventories	1,988
Aircraft Held for Sale	15,820
Prepaid Expenses	(2,512)
Accounts Payable	980
Air Traffic Liability	(10,651)
Accrued Expenses	(4,895)
Net Cash Provided by (Used in) Operating Activities	20,179

INVESTING ACTIVITIES

Proceeds from sales of equipment	36
Aircraft Pre-Delivery Payments	0
Capital Expenditures	(6,636)
Investment in BATA	0
Noncurrent Prepaid Aircraft Rent	0
(Additions)/Reduction to Other Assets	(410)
Net Cash Provided by (Used in) Investing Activities	(7,010)

FINANCING ACTIVITIES

Restricted Cash	2,360
Payments on Long Term Debt	(17,089)
Net Cash Provided by (Used in) Financing Activities	(14,729)

Increase (Decrease) in Cash and Cash Equivalents	(1,560)
Cash and Cash Equivalents at Beginning of Period	66,804
Cash and Cash Equivalents at End of Period	\$65,244

## STATEMENT OF OPERATIONS

Quarter Ended: September 30, 2006 Schedule P1.2 Group III	Air Carrier: AMERICAN TRANS AIR Operation:	System	TZS
<b>OPERATING REVENUE:</b>			
Passenger - Coach	3901.2		107,645,903
Charter - Passenger	3907.1		102,040,432
Reserv. Cancel Fee	3919.1		2,865,729
Miscellaneous Operating Revenue	4898		<u>2,302,748</u>
<b>TOTAL OPERATING REVENUES</b>	<b>4999</b>		<b>214,854,812</b>
<b>OPERATING EXPENSES:</b>			
Flying Operations	5100		114,210,330
Maintenance	5400		16,667,312
Passenger Services	5500		23,245,071
Aircraft and Traffic Servicing	6400		20,641,908
Promotion & Sales	6700		14,448,552
General and Administrative	6800		15,843,833
Depreciation and Amortization	7000		5,142,607
Transport Related Expenses	7100		<u>0</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>7199</b>		<b><u>210,199,611</u></b>
<b>OPERATING PROFIT &amp; LOSS</b>	<b>7999</b>		<b><u>4,655,200</u></b>
<b>NONOPERATING EXPENSE (INCOME)</b>			
Int. Exp. (Inc.) on LTD & Cap. Leases	8181		5,541,037
Other Interest Expense (Income)	8182		(1,789,621)
Foreign Exchange Gain or Loss	8185		87,097
Capital (Gains)/Losses - Op. Prop.	8188.5		(29,050)
Capital (Gains)/Losses - Other			
Other Expense (Income) - Net	8189		<u>19,404</u>
<b>NONOPERATING EXPENSE (INCOME)</b>	<b>8199</b>		<b><u>3,828,867</u></b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>8999</b>		<b>826,333</b>
Income Tax Expense	9100		<u>0</u>
<b>INC. BF. DISC. OPS &amp; OTHER ITEMS</b>	<b>9199</b>		<b>826,333</b>
Discontinued Operations	9600		0
Extraordinary Items	9796		0
Inc. Tax Appl. to Extraordinary Items	9797		0
Accounting Changes	9800		<u>0</u>
<b>NET INCOME (LOSS)</b>	<b>9899</b>		<b><u><u>\$826,333</u></u></b>

## STATEMENT OF OPERATIONS

**Quarter Ended: September 30, 2006**  
**Schedule P1.2 Group III**

**Air Carrier: AMERICAN TRANS AIR**  
**Operation: Domestic TZD**

**OPERATING REVENUE:**

Passenger - Coach	3901.2	\$100,332,350
Charter - Passenger	3907.1	7,597,060
Reserv. Cancel Fee	3919.1	2,671,029
Miscellaneous Operating Revenue	3919.2	<u>1,556,384</u>

<b>TOTAL OPERATING REVENUES</b>	<b>4999</b>	<b>112,156,823</b>
---------------------------------	-------------	--------------------

**OPERATING EXPENSES:**

Flying Operations	5100	65,177,141
Maintenance	5400	7,852,568
Passenger Services	5500	10,459,708
Aircraft and Traffic Servicing	6400	14,071,689
Promotion & Sales	6700	9,765,507
General and Administrative	6800	10,708,551
Depreciation and Amortization	7000	3,731,386
Transport Related Expenses	7100	<u>0</u>

<b>TOTAL OPERATING EXPENSES</b>	<b>7199</b>	<b><u>121,766,550</u></b>
---------------------------------	-------------	---------------------------

<b>OPERATING PROFIT &amp; LOSS</b>	<b>7999</b>	<b><u>(9,609,727)</u></b>
------------------------------------	-------------	---------------------------

**NONOPERATING EXPENSE (INCOME)**

Int. Exp. (Inc.) on LTD & Cap. Leases	8181	3,745,084
Other Interest Expense (Income)	8182	(1,209,571)
Foreign Exchange Gain or Loss	8185	58,867
Capital (Gains)/Losses - Op. Prop.	8188.5	(19,635)
Capital (Gains)/Losses - Other		
Other Expense (Income) - Net	8189	<u>13,115</u>

<b>NONOPERATING EXPENSE (INCOME)</b>	<b>8199</b>	<b><u>2,587,860</u></b>
--------------------------------------	-------------	-------------------------

<b>INCOME BEFORE INCOME TAXES</b>	<b>8999</b>	<b>(12,197,587)</b>
-----------------------------------	-------------	---------------------

Income Tax Expense	9100	<u>0</u>
--------------------	------	----------

<b>INC. BF. DISC. OPS &amp; OTHER ITEMS</b>	<b>9199</b>	<b>(12,197,587)</b>
---	-------------	---------------------

Discontinued Operations	9600	0
-------------------------	------	---

Extraordinary Items	9796	0
---------------------	------	---

Inc. Tax Appl. to Extraordinary Items	9797	0
---------------------------------------	------	---

Accounting Changes	9800	<u>0</u>
--------------------	------	----------

<b>NET INCOME (LOSS)</b>	<b>9899</b>	<b><u><u>(\$12,197,587)</u></u></b>
--------------------------	-------------	-------------------------------------