

AirTran Holdings, Inc.
Condensed Consolidated Statement of Cash Flows Q3 2007
(In thousands)
(Unaudited)

Operating activities:

Net Income	\$ 10,637
Adjustments to reconcile net income to cash provided by operating activities:	
Depreciation and amortization	13,819
Amortization of deferred gains from sale/leaseback of aircraft	(1,120)
Midwest exchange offer expense	10,650
Provisions for uncollectible accounts	570
Deferred taxes	6,440
Gain on asset disposal	761
Stock-based compensation	1,189
Changes in current operating assets and liabilities:	-
Restricted cash	1,272
Accounts receivable	(3,086)
Spare parts, materials and supplies	3,003
Other assets	(20,567)
Prepaid aircraft rent	(1,779)
Accounts payable, accrued and other liabilities	5,502
Air traffic liability	(23,085)
Net cash provided by operating activities	4,206

Investing activities:

Purchases of property and equipment	(24,382)
Return of aircraft purchase deposits	6,154
Purchases of available-for-sale securities	(578,625)
Sales of available-for-sale securities	554,350
Midwest exchange offer expense	(3,013)
Other	-
Net cash used for investing activities	(45,516)

Financing activities:

Payments of long-term debt	(27,358)
Issuance of long-term debt	3,080
Debt issuance costs	(1,821)
Proceeds from exercise of stock options and ESOP	543
Net cash used for financing activities	(25,556)

Net change in cash and cash equivalents	(66,866)
Cash and cash equivalents at beginning of period	230,804
Cash and cash equivalents at end of period	\$ 163,938

Net change in restricted cash	(1,272)
Restricted cash at the beginning of period	29,579
Restricted cash at the end of period	28,307
Total fee and restricted cash at end of period	\$ 192,245