

STATEMENT OF CASH FLOW  
Carrier: Shuttle America Corporation  
Quarter Ended: 9/30/2008  
FORM 41, B-12

OPERATING ACTIVITIES

Net Income (Loss)	5,791,566
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	10,994,587
Impairment Loss	0
Deferred Income Taxes (Credit)	3,539,135
Other Noncash Items, Net	(153,166)
Changes in Operating Assets and Liabilities:	
Receivables	505,716
Intercompany Note	(8,703,963)
Inventories	0
Aircraft Held for Sale	0
Prepaid Expenses	697,677
Accounts Payable	(185,351)
Air Traffic Liability	0
Accrued Expenses	4,655,616
	<hr/>
Net Cash Provided by (Used in) Operating Activities	17,141,816

INVESTING ACTIVITIES

Proceeds from sales of equipment	0
Aircraft Pre-Delivery Payments	17,400,198
Capital Expenditures	(23,201,032)
Investment in BATA	0
Noncurrent Prepaid Aircraft Rent	0
(Additions)/Reduction to Other Assets	(1,116,059)
	<hr/>
Net Cash Provided by (Used in) Investing Activities	(6,916,893)

FINANCING ACTIVITIES

Restricted Cash	0
Short Term Borrowings (Payments)	(9,292,580)
Proceeds from Sale/Leaseback Transactions	0
Proceeds from Short Term Debt	0
Proceeds from Long Term Debt	0
Intercompany Notes Receivable	0
Intercompany Notes Payable	0
Payments on Long Term Debt	0
I/C Dividend Distribution	0
Paydown INB	0
Issuance of Stock	0
Purchase of Treasury Stock	0
	<hr/>
Net Cash Provided by (Used in) Financing Activities	(9,292,580)

Increase (Decrease) in Cash and Cash Equivalents	932,343
Cash and Cash Equivalents at Beginning of Period	(1,076,143)
	<hr/>
Cash and Cash Equivalents at End of Period	<u>(143,800)</u>

CONFIDENTIAL