

Air Carrier:	Cargo 360, Inc.
Quarter Ended:	March 31, 2007
<b>STATEMENT OF CASH FLOWS</b>	
<b>Cash flows from operating activities:</b>	
Net earnings	\$ 91,410)
Adjustments to reconcile net earnings to net cash provided by operating activities:	
Depreciation	46,389
Changes in assets and liabilities:	
(Increase) decrease in receivables	51,960
(Increase) decrease in expendable parts	(2,958)
(Increase) decrease in prepaid activities	(28,817)
(Increase) decrease in developmental costs and other assets	
Increase (decrease) in accounts payable	379,179
Increase (decrease) in accrued liability	73,574
Net cash provided(used) by operating activities	(172,083)
<b>Cash flows from investing activities:</b>	
Payments for acquisition of property and equipment	(240,620)
(Increase) decrease in advance payments	(253,155)
Net cash provided from investing activities	(493,775)
<b>Cash flows from financing activities:</b>	
Proceeds from equity issue	
Proceeds from short-term debt	
Proceeds from long-term debt	415,347
Payments for capital leases	
Increase in paid in capital	120,600
Cash dividends paid	
Net cash provided by financing activities	535,947
Net (decrease) increase in cash and cash equivalents	(129,911)
Cash and cash equivalents at beginning of period	431,543
Cash and cash equivalents at end of period	\$ 301,632

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