

U.S. Department of Transportation

Air Carrier: Northwest Airlines, Inc.

Research and Special Programs  
Administration

Period Ended: March 31, 2007

**STATEMENT OF CASH FLOWS**

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<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net loss - excluding reorganization items	(289,405)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Reorganization items, net	393,150
Depreciation and amortization	115,480
Loss on disposal of property, equipment and other assets	813
Deferred income taxes	(36)
Decrease in long-term pension and other postretirement employee benefit liabilities	(10,412)
Sale proceeds of frequent flyer miles in excess of revenue	1,848
Change in due to/from affiliates - long-term	(42,053)
Other operating activities	186,205
Change in working capital:	
Increase in accounts receivable	(73,049)
Decrease in flight equipment spare parts	2,511
Increase in prepaid expenses and other	(76,146)
Decrease in accounts payable	(19,985)
Increase in air traffic liability	316,170
Decrease in accrued compensation and benefits	(19,066)
Increase in other liabilities	72,231
Change in due to/from affiliates - short-term	114
Net cash provided by operating activities	<u>558,370</u>
<b>CASH FLOWS FROM REORGANIZATION ACTIVITIES</b>	
Net cash provided by reorganization activities	32,927
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Capital expenditures	(71,843)
Net increase in short-term investments	(21,117)
Net increase in restricted cash, cash equiv & s-t invest	(90,880)
Proceeds from sale of property and equipment	692
Other investing activities	428
Net cash used in investing activities	<u>(182,720)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Change in due to/from affiliates	77,893
Proceeds from long-term debt	-
Payment of long-term debt and capital lease obligations	(146,203)
Payment of short-term borrowings	-
Other financing activities	(17)
Net cash used in financing activities	<u>(68,327)</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>340,250</u>
Cash and cash equivalents, December 31	1,434,519
Cash and cash equivalents, March 31	<u><u>1,774,769</u></u>