

BALANCE SHEET

As At: March 31, 1999
 Schedule B-1
 ACCT# DESCRIPTION

Air Carrier:
 Operation : Domestic XGD
 AMOUNT

ACCT#	DESCRIPTION	AMOUNT
ASSETS		
CURRENT ASSETS		
1010	Cash	8,624,386
1100	Short-Term Investments	0
1200	Notes Receivable	0
1270	Accounts Receivable	1,872,538
1290	Less Allow. for Bad Debts	40,000
1299	Net Notes & Accounts Receivable	1,832,538
1399	Net Spare Parts & Supplies	0
1410	Prepaid Items	199,560
1420	Other Current Assets	18,851
1499	Total Current Assets	10,675,335
INVESTMENTS IN SPECIAL FUNDS		
1510	Inv. in Associated Companies	0
1530	Other Investments & Receivables	0
1550	Special Funds	0
1599	Total Inv. & Special Funds	0
OPERATING PROPERTY & EQUIPMENT		
1609	Flight Equipment	1,789,015
1649	Ground-Property and Equipment	710,142
1668	Less Allowance for Depreciation	1,373,506
1675	Property & Equipment - Net	1,125,651
1679	Land	0
1685	Purchase Dep. & Adv. Payments	0
1689	Construction Work-in-progress	0
1695	Leased Property - Cap. Leases	0
1696	Accum. Amort. Capital Leases	0
1699	Total Oper. Prop. & Equipment	1,125,651
NONOPERATING PROP. & EQUIPMENT		
1791	Less Allow. for Depr. - Nonop.	0
1792	Net Nonoperating Prop. & Eqmt.	0
OTHER ASSETS		
1820	Long-term Prepayments	0
1830	Unamort. Dev. & Preop. Costs	0
1890	Other Assets and Def. Charges	2,915,202
1895	Total Other Assets	2,915,202
1899	TOTAL ASSETS	14,716,188

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As At: March 31, 1999

Schedule B-1

Air Carrier:

Operation : Domestic XGD

ACCT#	DESCRIPTION	AMOUNT

LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
2000	Curr. Maturities of L-T Debt	0
2005	Notes Payable - Banks	0
2015	Notes Payable - Others	0
2021	Trade Accts. Payable	6,792,832
2025	Accts. Payable - Other	0
2080	Curr. Oblig. Under Cap. Leases	0
2110	Accrued Salaries & Wages	871,930
2120	Accrued Vacation Pay	0
2125	Accrued Interest	0
2130	Accrued Taxes	679,247
2140	Dividends Declared	0
2160	Air Traffic Liability	0
2190	Other Current Liabilities	432,000
2199	Total Current Liabilities	8,776,009
NONCURRENT LIABILITIES		
2210	Long-term Debt	0
2240	Advances from Assoc. Companies	0
2250	Pension Liability	0
2280	Noncurrent Obgl.-Capital Leases	0
2290	Other Noncurrent Liabilities	0
2299	Total Noncurrent Liabilities	0
DEFERRED CREDITS		
2340	Deferred Income Taxes	0
2345	Deferred Investment Tax Credits	0
2390	Other Deferred Credits	0
2399	Total Deferred Credits	0
STOCKHOLDERS' EQUITY		
2820	Preferred Shares Issued	0
2840	Common Shares Issued	299,600
2860	Subscribed & Unissued	0
2869	Total Capital Stock	299,600
2890	Additional Capital Invested	0
2899	Total Paid in Capital	299,600
2900	Retained Earnings	5,640,579
2959	Total Stockholders' Equity	5,940,179
2990	Less Treasury Stock	0
2995	Net Stockholders' Equity	5,940,179
2999	Total Liab. & Stockholders' Eq.	14,716,188
2820A	No. of Preferred Shares Issued	0
2840A	No. of Common Shares Issued	0

STATEMENT OF OPERATIONS

Quarter Ended: March 31, 1999

Air Carrier:

Schedule P-1.2 Group I

Operation : Domestic XGD

ACCT#	DESCRIPTION	AMOUNT

OPERATING REVENUES		
3901	Transport Revenue - Passenger	0
3905	Mail	0
3906.1	Property - Freight	0
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	15,642,504
3907.2	Charter - Property	0
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	0
4808	Public Service Subsidy	0
4898	Transport Related	0
4999	Total Operating Revenue	15,642,504
OPERATING EXPENSES		
5100	Flying Operations	6,458,633
5400	Maintenance	2,628,803
6900	General Services and Administration	5,600,394
7000	Depreciation & Amortization	54,000
7100	Transport Related Expenses	0
7199	Total Operating Expenses	14,741,830
7999	Operating Profit or Loss	900,674
NONOPERATING EXPENSE (INCOME)		
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	0
8182	Other Interest Expense (Income)	-140,235
8185	Foreign Exchange (Gain) or Loss	0
8188.5	Capital (Gains)/Losses- Op.Prop.	0
	Capital (Gains)/Losses- Other	0
8189	Other Expense (Income) - Net	0
8199	Nonoperating Expense (Income)	-140,235
8999	Income Before Income Taxes	1,040,909
9100	Income Tax Expense	416,365
9199	Inc. Bf. Disc. Ops & Other Items	624,544
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	624,544
9800	Accounting Changes	0
9899	Net Income	624,544

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I > 20M Qtr: March 31, 1999

Air Carrier:

Operation: Domestic

XGD

ACCT # DESCRIPTION Total Eq Code 9999 B-737-8/9 Code 6141 B-757 Code 6221

ACCT #	DESCRIPTION	Total Eq Code 9999	B-737-8/9 Code 6141	B-757 Code 6221
	DIRECT EXPENSES:			
	FLYING OPERATIONS (Less Rentals			
3	Pilots and Copilots (S&W & Benef	1,016,136	324,906	691,230
4	Aircraft Fuel and Oil	1,295,013	293,446	1,001,567
5	Other	627,910	150,566	477,344
6	Total Flying Ops. (Less Rentals	2,939,059	768,918	2,170,141
7	Maintenance - Flight Equipment	2,628,803	634,168	1,994,635
8	Depr. & Rental - Flight Equipme	3,573,574	1,143,394	2,430,180
9	Total Direct Expenses	9,141,436	2,546,480	6,594,956

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: March 31, 1999
 Schedule P-6

Air Carrier:
 Operation : Domestic XGD

LINE#	DESCRIPTION	AMOUNT
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	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	247,613
Line 4	Flight Personnel	1,256,888
Line 5	Maintenance Labor	203,821
Line 6	Aircr. & Traffic Hndl. Per.	82,434
Line 7	Other Personnel	185,079
Line 8	Total Salaries	1,975,835
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	0
Line 11	Empl. Benefits & Pensions	858,957
Line 12	Payroll Taxes	175,538
Line 13	Total Fringe Benefits	1,034,495
Line 14	Total Salaries & Benefits	3,010,330
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	1,295,013
Line 17	Maintenance Materials	0
Line 18	Passenger Food	573,703
Line 19	Other Materials	110,963
Line 20	Total Materials	1,979,679
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	24,189
Line 23	Communications	84,788
Line 24	Insurance	232,766
Line 25	Outside Flight Eqpt. Maint.	2,628,803
Line 26	Traffic Commissions - Passenger	286,594
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	0
Line 29	Total Services	3,257,140
Line 30	LANDING FEES	1,973,693
Line 31	RENTALS	3,519,574
Line 32	DEPRECIATION	54,000
Line 33	AMORTIZATION	0
Line 34	OTHER	947,414
Line 35	TRANSPORT RELATED EXPENSES	0
Line 36	TOTAL OPERATING EXPENSES	14,741,830