

## BALANCE SHEET

As At: December 31, 2003  
 Schedule B-1.1 for Group I < 20M

Air Carrier: Sierra Pacific  
 Operation : Domestic SID

LINE#	DESCRIPTION	AMOUNT
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ASSETS		
CURRENT ASSETS		
Line 1	Cash and cash equivalents	1,376,311
Line 2	Notes and accts receivable (net)	324,920
Line 3	Other current assets	206,226
Line 4	Total current assets	1,907,457
PROPERTY AND EQUIPMENT		
Line 5	Owned property and equipment	16,003,484
Line 6	Less: accumulated depreciation	7,206,544
Line 7	Prop. & equip. under cap. leases	0
Line 8	Less: accumulated amortization	0
Line 9	Total property & equipment	8,796,940
Line 10	OTHER ASSETS	958,000
Line 11	TOTAL ASSETS	11,662,397
LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
Line 12	Notes and accounts payable	326,973
Line 13	Accrued taxes	-71,454
Line 14	Other current liabilities	1,074,404
Line 15	Total current liabilities	1,329,923
Line 16	LONG-TERM DEBT	2,021,672
Line 17	OTHER LIABILITIES	2,417,868
Line 18	DEFERRED CREDITS	0
STOCKHOLDERS' EQUITY:		
Line 19	Preferred shares outstanding	0
Line 20	Common shares outstanding	12,500
Line 21	Other paid in capital	0
Line 22	Retained Earnings	5,880,434
Line 23	Total stockholders' equity	5,892,934
Line 24	Less: Treasury stock	0
Line 25	Net stockholders' equity	5,892,934
Line 26	TOTAL LIAB. & STOCKHOLDERS' EQ.	11,662,397
Line 19A	No. of Preferred shares outstanding	0
Line 20A	No. of Common shares outstanding	0

I, the undersigned, (Title) \_\_\_\_\_  
 of the above-named air carrier certify that the above report and  
 the attached Financial Schedules, Statement of Operations, and  
 Traffic and Capacity Statistics, including the T-100 report and  
 Passenger Origin-Destination Survey, have been examined by me and  
 to the best of my knowledge and belief are true, correct and  
 complete reports for the period stated.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (Please Type or Print) \_\_\_\_\_

## STATEMENT OF OPERATIONS

Six Months Ended: December 31, 2003  
 Schedule P-1.1 Group I < 20M

Air Carrier: Sierra Pacific  
 Operation : Domestic SID

LINE#	DESCRIPTION	AMOUNT
	OPERATING REVENUE	
	Transport Revenue	
	Scheduled Service	
Line 1	Passenger	0
Line 2	Other	0
Line 3	Nonscheduled Service	5,875,467
	Transport Related Revenue	
Line 4	Public Service Revenue	0
Line 5	Other	48,118
Line 6	Total Operating Revenue	5,923,585
	OPERATING EXPENSE	
Line 7	Flying Operations	2,336,988
Line 8	Maintenance	982,071
Line 9	General Services and Administration	468,377
	Depreciation and Amortization	
Line 10	Owned Property and Equipment	750,000
Line 11	Leased Property and Equipment	0
Line 12	Transport Related Expense	0
Line 13	Total Operating Expense	4,537,436
Line 14	OPERATING PROFIT OR LOSS	1,386,149
	NONOPERATING EXPENSE (INCOME)	
Line 15	Interest Expense	93,711
Line 16	Other Nonoperating (Net)	238
Line 17	Income Tax	563,867
Line 18	Discontinued operations, extra-ordinary items or Accounting changes	0
Line 19	Net Income	728,333

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I < 20M 6 Mo: December 31, 2003  
 Air Carrier: Sierra Pacific Operation: Domestic SID

ACCT # DESCRIPTION  
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 Code 9999 B-737-1/2  
 Code 6201

DIRECT EXPENSES:

FLYING OPERATIONS (Less Rentals  
 3 Pilots and Copilots (S&W &Benef 361,785 361,785  
 4 Aircraft Fuel and Oil 1,146,243 1,146,243  
 5 Other 320,163 320,163  
 6 Total Flying Ops. (Less Rentals 1,828,191 1,828,191  
 7 Maintenance - Flight Equipment 982,071 982,071  
 8 Depr. & Rental - Flight Equipme 750,000 750,000  
 9 Total Direct Expenses 3,560,262 3,560,262

INDIRECT EXPENSES

11 Flight Attendant Expense 164,226  
 12 Traffic Related Expense 344,571  
 13 Departure Related Expense 311,786  
 14 Capacity Related Expense 156,591  
 15 Total Indirect Expense 977,174  
 16 Total Operating Expense 4,537,436

17 Total Aircraft Hours (Airborne) 1,213 1,213  
 18 Aircraft Days Assigned 203 203  
 19 Aircraft Fuels Issued (gallons) 1,076,356 1,076,356