

## BALANCE SHEET

As At: December 31, 1998  
 Schedule B-1.1 for Group I < 20M

Air Carrier:  
 Operation : Domestic 3KD

LINE#	DESCRIPTION	AMOUNT
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ASSETS		
CURRENT ASSETS		
Line 1	Cash and cash equivalents	142,918
Line 2	Notes and accts receivable (net)	1,666,434
Line 3	Other current assets	1,072,644
Line 4	Total current assets	2,881,996
PROPERTY AND EQUIPMENT		
Line 5	Owned property and equipment	5,850,388
Line 6	Less: accumulated depreciation	985,731
Line 7	Prop. & equip. under cap. leases	40,643
Line 8	Less: accumulated amortization	13,792
Line 9	Total property & equipment	4,891,508
Line 10	OTHER ASSETS	48,333
Line 11	TOTAL ASSETS	7,821,837
LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
Line 12	Notes and accounts payable	482,388
Line 13	Accrued taxes	0
Line 14	Other current liabilities	67,505
Line 15	Total current liabilities	549,893
Line 16	LONG-TERM DEBT	3,807,394
Line 17	OTHER LIABILITIES	0
Line 18	DEFERRED CREDITS	0
STOCKHOLDERS' EQUITY:		
Line 19	Preferred shares outstanding	0
Line 20	Common shares outstanding	120,415
Line 21	Other paid in capital	0
Line 22	Retained Earnings	3,344,135
Line 23	Total stockholders' equity	3,464,550
Line 24	Less: Treasury stock	0
Line 25	Net stockholders' equity	3,464,550
Line 26	TOTAL LIAB. & STOCKHOLDERS' EQ.	7,821,837
Line 19A	No. of Preferred shares outstanding	0

## STATEMENT OF OPERATIONS

Six Months Ended: December 31, 1998  
 Schedule P-1.1 Group I < 20M

Air Carrier:  
 Operation : Domestic 3KD

LINE#	DESCRIPTION	AMOUNT
	OPERATING REVENUE	
	Transport Revenue	
	Scheduled Service	
Line 1	Passenger	44,245
Line 2	Other	6,505,441
Line 3	Nonscheduled Service	1,789,693
	Transport Related Revenue	
Line 4	Public Service Revenue	0
Line 5	Other	111,126
Line 6	Total Operating Revenue	8,450,505
	OPERATING EXPENSE	
Line 7	Flying Operations	2,861,421
Line 8	Maintenance	1,628,794
Line 9	General Services and Administration	2,789,688
	Depreciation and Amortization	
Line 10	Owned Property and Equipment	235,000
Line 11	Leased Property and Equipment	4,698
Line 12	Transport Related Expense	97,200
Line 13	Total Operating Expense	7,616,801
Line 14	OPERATING PROFIT OR LOSS	833,704
	NONOPERATING EXPENSE (INCOME)	
Line 15	Interest Expense	186,336
Line 16	Other Nonoperating (Net)	-12,253
Line 17	Income Tax	0
Line 18	Discontinued operations, extra-ordinary items or Accounting changes	0
Line 19	Net Income	659,621

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I < 20M 6 Mo: December 31, 1998

Air Carrier:

Operation:

Domestic

3K0

Total Eqp

CES-206/7

PA-32

C-46

DC-6A

UC-6B

C-208

ACCI #

DESCRIPTION

Code 9999

Code 0352

Code 0792

Code 1502

Code 2182

Code 2202

Code 4162

ACCI #	DESCRIPTION	Code 9999	Code 0352	Code 0792	Code 1502	Code 2182	Code 2202	Code 4162
	DIRECT EXPENSES:							
	FLYING OPERATIONS (Less Rentals)							
3	Pilots and Copilots (S&W & Benef	662,160	7,880	88,278	24,064	500,893	211,255	29,790
4	Aircraft Fuel and Oil	2,125,355	5,753	56,376	30,293	1,154,703	830,803	47,427
5	Other	73,906	1,250	7,910	6,275	18,825	14,641	25,005
6	Total Flying Ops. (less Rentals)	2,861,421	14,883	152,564	60,632	1,474,421	1,056,699	102,222
7	Maintenance - Flight Equipment	1,628,794	13,202	137,533	26,640	831,512	583,799	36,108
8	Deor. & Rental - Flight Equiome	277,573	3,645	12,236	3,932	47,917	64,842	145,001
9	Total Direct Expenses	4,767,788	31,730	302,333	91,204	2,333,850	1,705,340	283,331
	INDIRECT EXPENSES							
11	Flight Attendant Expense	0						
12	Traffic Related Expense	100,365						
13	Departure Related Expense	1,274,378						
14	Capacity Related Expense	1,377,070						
15	Total Indirect Expense	2,751,813						
16	Total Operating Expense	7,519,601						