

BALANCE SHEET

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

Air Carrier:
 Operation : Domestic WID

LINE#	DESCRIPTION	AMOUNT

ASSETS		
CURRENT ASSETS		
Line 1	Cash and cash equivalents	60,953
Line 2	Notes and accts receivable (net)	2,614,445
Line 3	Other current assets	4,430,175
Line 4	Total current assets	7,105,573
PROPERTY AND EQUIPMENT		
Line 5	Owned property and equipment	1,958,788
Line 6	Less: accumulated depreciation	1,307,280
Line 7	Prop. & equip. under cap. leases	0
Line 8	Less: accumulated amortization	0
Line 9	Total property & equipment	651,508
Line 10	OTHER ASSETS	0
Line 11	TOTAL ASSETS	7,757,081
LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
Line 12	Notes and accounts payable	2,018,965
Line 13	Accrued taxes	34,005
Line 14	Other current liabilities	6,274,201
Line 15	Total current liabilities	8,327,171
Line 16	LONG-TERM DEBT	260,056
Line 17	OTHER LIABILITIES	0
Line 18	DEFERRED CREDITS	0
STOCKHOLDERS' EQUITY:		
Line 19	Preferred shares outstanding	0
Line 20	Common shares outstanding	0
Line 21	Other paid in capital	988,298
Line 22	Retained Earnings	-1,818,444
Line 23	Total stockholders' equity	-830,146
Line 24	Less: Treasury stock	0
Line 25	Net stockholders' equity	-830,146
Line 26	TOTAL LIAB. & STOCKHOLDERS' EQ.	7,757,081
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, 1998
 Schedule P-1.1 Group I < 20M

Air Carrier:
 Operation : Domestic WID

LINE#	DESCRIPTION	AMOUNT
	OPERATING REVENUE	
	Transport Revenue	
	Scheduled Service	
Line 1	Passenger	0
Line 2	Other	0
Line 3	Nonscheduled Service	21,601,976
	Transport Related Revenue	
Line 4	Public Service Revenue	0
Line 5	Other	1,878,198
Line 6	Total Operating Revenue	23,480,174
	OPERATING EXPENSE	
Line 7	Flying Operations	10,618,991
Line 8	Maintenance	8,288,500
Line 9	General Services and Administration	5,768,423
	Depreciation and Amortization	
Line 10	Owned Property and Equipment	138,000
Line 11	Leased Property and Equipment	0
Line 12	Transport Related Expense	1,062,514
Line 13	Total Operating Expense	25,876,428
Line 14	OPERATING PROFIT OR LOSS	-2,396,254
	NONOPERATING EXPENSE (INCOME)	
Line 15	Interest Expense	24,731
Line 16	Other Nonoperating (Net)	0
Line 17	Income Tax	0
Line 18	Discontinued operations, extra-ordinary items or Accounting changes	0
Line 19	Net Income	-2,420,985

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I < 20M 6 Mo: December 31, 1998
 Air Carrier: Operation: Domestic MID
 Total Eqp L-1011 L-1011
 Code 9999 Code 7601 Code 7602

ACCT #	DESCRIPTION	Code 9999	Code 7601	Code 7602
	DIRECT EXPENSES:			
	FLYING OPERATIONS (Less Rentals)			
3	Pilots and Copilots (S&W & Benef)	2,293,701	1,187,254	1,106,447
4	Aircraft Fuel and Oil	3,737,573	931,930	2,805,643
5	Other	1,199,230	1,027,372	171,858
6	Total Flying Ops. (Less Rentals)	7,230,504	3,146,556	4,083,948
7	Maintenance - Flight Equipment	8,288,500	4,024,513	4,263,987
8	Depr. & Rental - Flight Equipme	3,388,487	2,578,487	810,000
9	Total Direct Expenses	18,907,491	9,749,556	9,157,935
	INDIRECT EXPENSES			
11	Flight Attendant Expense	1,205,886		
12	Traffic Related Expense	727,426		
13	Departure Related Expense	1,163,752		
14	Capacity Related Expense	2,809,359		
15	Total Indirect Expense	5,906,423		
16	Total Operating Expense	24,813,914		