

U.S. Department of Transportation
Research and Special Programs
Administration

REPORT OF FINANCIAL
AND OPERATING STATISTICS FOR
LARGE CERTIFICATED
AIR CARRIERS

Period ended JUNE 30, 192000

USA JET AIRLINES

(Full name of reporting company)

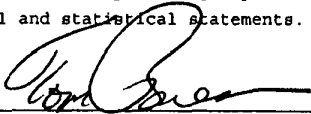
CERTIFICATION*

I, the undersigned CONTROLLER
(Title of officer in charge of accounts)

of the USA JET AIRLINES, INC
(Full name of reporting company)

U7 ✓

do certify that this report and all schedules, ADP-media submissions, Passenger Origin-Destination Survey submissions and supporting documents which are submitted herewith or have been submitted heretofore as parts of this report filed for the above indicated period have been prepared under my direction; that I have carefully examined them and declare that they correctly reflect the accounts and records of the company, and to the best of my knowledge and belief are a complete and accurate statement, after adjustments to reflect full accruals, of the operating revenues and expenses, income items, assets, liabilities, capital, retained earnings, and operating statistics for the periods reported in the several schedules, the Schedule T-100 ADP-media submissions, and the Passenger Origin-Destination Survey; that the various items herein reported were determined in accordance with the Uniform System of Accounts and Reports for Large Certificated Air Carriers prescribed by the Department of Transportation; and that the data contained herein are reported on a basis consistent with that of the preceding report except as specifically noted in the financial and statistical statements.


(Signature)

(Air Carrier Post Office Address)

Dated 8/31, 192000

*Title 18 U.S.C. Sec. 1001, Crimes and Criminal Procedure, makes it a criminal offense subject to a maximum fine of \$10,000 or imprisonment for not more than 5 years, or both, to knowingly and willfully make or cause to be made any false or fraudulent statements or representations in any matter within jurisdiction of any agency of the United States.

BALANCE SHEET

As At: June 30, 2000

Air Carrier: USA Jet
Operation : Domestic U7D

Schedule B-1

ACCT# DESCRIPTION

AMOUNT

ACCT#	DESCRIPTION	AMOUNT
	ASSETS	
	CURRENT ASSETS	
1010	Cash	459,593
1100	Short-Term Investments	0
1200	Notes Receivable	19,433
1270	Accounts Receivable	22,734,698
1290	Less Allow. for Bad Debts	300,000
1299	Net Notes & Accounts Receivable	22,454,131
1399	Net Spare Parts & Supplies	0
1410	Prepaid Items	330,559
1420	Other Current Assets	18,137,929
1499	Total Current Assets	41,382,212
	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	100,125,279
1649	Ground-Property and Equipment	10,968,976
1668	Less Allowance for Depreciation	48,552,711
1675	Property & Equipment - Net	62,541,544
1679	Land	0
1685	Purchase Dep. & Adv. Payments	0
1689	Construction Work-in-progress	1,116,031
1695	Leased Property - Cap. Leases	0
1696	Accum. Amort. Capital Leases	0
1699	Total Oper. Prop. & Equipment	63,657,575
	NONOPERATING PROP. & EQUIPMENT	
1791	Less Allow. for Depr. - Nonop.	2,542,047
1792	Net Nonoperating Prop. & Eqmt.	743,153
1799		1,798,894
	OTHER ASSETS	
1820	Long-term Prepayments	0
1830	Unamort. Dev. & Preop. Costs	0
1890	Other Assets and Def. Charges	6,062,829
1895	Total Other Assets	6,062,829
1899	TOTAL ASSETS	112,901,510

REVISED JUN 7 2001

BALANCE SHEET

As At: June 30, 2000
 Schedule B-1
 ACCT# DESCRIPTION

Air Carrier: USA Jet
 Operation : Domestic U7D
 AMOUNT

LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
2000	Curr. Maturities of L-T Debt	18,975,000
2005	Notes Payable - Banks	1,000,000
2015	Notes Payable - Others	0
2021	Trade Accts. Payable	24,026,430
2025	Accts. Payable - Other	0
2080	Curr. Oblig. Under Cap. Leases	0
2110	Accrued Salaries & Wages	898,002
2120	Accrued Vacation Pay	450,000
2125	Accrued Interest	0
2130	Accrued Taxes	1,081,330
2140	Dividends Declared	0
2160	Air Traffic Liability	0
2190	Other Current Liabilities	264,566
2199	Total Current Liabilities	46,695,328
NONCURRENT LIABILITIES		
2210	Long-term Debt	85,025,000
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	85,025,000
DEFERRED CREDITS		
2340	Deferred Income Taxes	6,517,038
2345	Deferred Investment Tax Credits	0
2390	Other Deferred Credits	0
2399	Total Deferred Credits	6,517,038
STOCKHOLDERS' EQUITY		
2820	Preferred Shares Issued	0
2840	Common Shares Issued	4,820
2860	Subscribed & Unissued	0
2869	Total Capital Stock	4,820
2890	Additional Capital Invested	0
2899	Total Paid in Capital	4,820
2900	Retained Earnings	-25,340,676
2959	Total Stockholders' Equity	-25,335,856
2990	Less Treasury Stock	0
2995	Net Stockholders' Equity	-25,335,856
2999	Total Liab. & Stockholders' Eq.	112,901,510
2820A	No. of Preferred Shares Issued	0
2840A	No. of Common Shares Issued	0

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AIRFRAME AND AIRCRAFT ENGINE ACQUISITIONS AND RETIREMENTS

Air Carrier USA Jet Airlines
 Quarter Ended 6-30, 2000

Line #	Year of First Delivery (Airframe) (1)	Airframe Manufacturer's Serial Number (2)	Date Acquired or Retired (3)	Acquisition or Retirement "A" or "R" (4)	Airframe License Number (5)	Number of Engines Acquired/Retired (6)	Type, Model and Cabin Design (7)	Maximum Seating Capacity (8)	Cost (9)	Amortized/Depreciated Cost (10)	Realization (11)	Acquired From/Disposition (12)
1												
2			4-00	A	N205US		DC9-30 Series		2,659,000.			Spain
3			6-00	A	N207US		DC9-30 Series		6,500,000.			Evergreen
4			6-00	A	N208US		DC9-30 Series		6,500,000.			Evergreen
5			6-00	A	N327US		DC9-30 Series		6,500,000.			Evergreen
6			5-00	A			N205US Hushkit		1,527,255.			
7			5-00	A			DC9 REC Kit		650,000.			
8		665243	5-00	A			Engine		158,333.			Dodson
9		665425	5-00	A			Engine		158,333.			Dodson
10			6-00	A			Engine		158,333.			Dodson
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												

RSPA Form 41 Schedule B-7

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USA Jet Airlines, Inc. (Carrier Code - U7)
Schedule B-12

Statement of Cash Flows

(for the three month period ended June 30, 2000)

Cash flows from operating activities:

Net income	\$	(2,518,182)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization		4,688,919
Loss on disposal of equipment		-
Changes in operating assets and liabilities:		
Accounts receivable		(5,615,195)
Work in process and inventory		(15,350,805)
Prepaid expenses and other		707,146
Accounts payable		16,513,191
Accrued expenses		556,541
Deferred Taxes		6,215,043

Net cash provided by operating activities 5,196,658

Cash flows from investing activities:

Proceeds from equipment sale	436,765
Purchase of property and equipment	(24,827,019)
Acquisition of intangible assets	(5,033,921)

Net cash used investing activities (29,424,176)

Cash flows from financing activities:

Increase in line of credit	1,000,000
Principal payments on long term debt	(25,769,231)
Issuance of new debt	104,000,000
Dividends Paid Out	(3,584,502)
Redemption of Stock	(77,743,952)
Issuance of new stock	24,897,348

Net cash used in financing activities 22,799,663

Net increase in cash (1,427,854)

Cash - beginning of period 1,887,448

Cash - end of period \$ 459,594

STATEMENT OF OPERATIONS

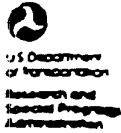
Quarter Ended: June 30, 2000
 Schedule P-1.2 Group II
 ACCT# DESCRIPTION

Air Carrier: USA Jet
 Operation : Domestic U7D
 AMOUNT

ACCT#	DESCRIPTION	AMOUNT
OPERATING REVENUES		
3901	Transport Revenues - Passenger	0
3905	Mail	0
3906.1	Property - Freight	0
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	0
3907.2	Charter - Property	29,176,116
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	0
4808	Public Service Subsidy	0
4898	Transport Related	15,319,724
4999	Total Operating Revenue	44,495,840
OPERATING EXPENSES		
5100	Flying Operations	6,183,054
5400	Maintenance	3,265,501
5500	Passenger Service	0
6400	Aircraft & Traffic Servicing	636,006
6700	Promotion & Sales	61,425
6800	General & Administrative	5,295,299
7000	Depreciation & Amortization	4,688,919
7100	Transport Related Expenses	20,458,693
7199	Total Operating Expenses	40,588,897
7999	Operating Profit or Loss	3,906,943
NONOPERATING EXPENSE (INCOME)		
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	570,832
8182	Other Interest Expense (Income)	0
8185	Foreign Exchange (Gain) or Loss	0
8188.5	Capital (Gains)/Losses- Op.Prop.	0
	Capital (Gains)/Losses- Other	
8189	Other Expense (Income) - Net	-360,750
8199	Nonoperating Expense (Income)	210,082
8999	Income Before Income Taxes	3,696,861
9100	Income Tax Expense	6,215,043
9199	Inc. Bf. Disc. Ops & Other Items	-2,518,182
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	-2,518,182
9800	Accounting Changes	0
9899	Net Income	-2,518,182

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Air Carrier USA JET AIRLINES
 Operation DOMESTIC UFD
 Period Ended JUNE 30, 2000

NOTES TO RSPA FORM 41 REPORT

On June 29, 2000 the Company increased its authorized share capital as follows:

Class A Common Stock (voting)	650,000 shares
Class B Common Stock (non-voting)	53,000 shares
Class C Common Stock (voting)	27,000 shares
Class A Preferred Stock (non-voting fully participating)	27,000 shares

Pursuant to a plan of recapitalization (the "Company") reallocated the existing issued share capital to these classes.

On June 30, 2000 the Company executed a stock purchase and redemption agreement resulting in the redemption of 255,000 shares of Class A common stock from existing shareholders at approximately \$300 per share.

The Company then issued 255,000 shares of Class A common stock to new shareholders for \$100 per share.

In conjunction with the above transaction the Company issued new debt of approximately \$104 million and redeemed debt of approximately \$46 million.

In the event of liquidation, shareholders of series A preferred stock shall be paid in full prior to distribution to shareholders of common stock. If the assets of the Corporation available for distribution to shareholders are insufficient for payment in full to shareholders of Series "A" preferred stock, the assets will be distributed ratably to holders of shares of Series "A" preferred stock.

In the event there are assets remaining after full payment has been made to holders of Series "A" preferred stock, shareholders of Series "A" preferred stock are entitled to participate in the distribution of the Corporation's remaining assets pro rata with shareholders of Class A common stock.

AIRCRAFT OPERATING EXP. - Sch. P-5.2 Grp II & III Qtr: June 30, 2000

Air Carrier: USA Jet

Operation: Domestic

U7D

Total Eqp DC-9-15 FALCON

ACCT # DESCRIPTION Code 9999 Code 6352 Code 6812

ACCT #	DESCRIPTION	Code 9999	Code 6352	Code 6812
FLYING OPERATIONS				
5123	Pilots and Copilots	1,322,227	719,255	602,972
5124	Other Flight Personnel	0	0	0
5128.1	Trainees and Instructors	0	0	0
5136	Personnel Expenses	0	0	0
5141	Prof. & Tech. Fees & Exp.	0	0	0
5143.7	Aircraft Interch. -Outside	0	0	0
5145.1	Aircraft Fuel	3,542,695	2,397,870	1,144,825
5145.2	Aircraft Oil	0	0	0
5147	Aircraft Rentals	0	0	0
5153	Other Supplies	0	0	0
5155.1	Insur. Purch. - General	340,138	170,069	170,069
5157	Empl. Benefits and Pensions	272,929	156,682	116,247
5158	Injuries, Loss and Damage	0	0	0
5168	Taxes-Payroll	130,195	74,742	55,453
5169	Taxes-Other Than Payroll	0	0	0
5171	Other Expense	574,870	425,983	148,887
5199	Total Flying Operations	6,183,054	3,944,601	2,238,453
DIRECT MAINTENANCE-FLIGHT EQUIP				
5225.1	Maint Airf. Labor	1,034,816	550,700	484,116
5225.2	Maint Eng. Labor	258,554	97,182	161,372
5243.1	Maint Airf. Outside Rep.	710,921	239,687	471,234
5243.2	Maint Eng. Outside Rep.	83,082	12,971	70,111
5243.7	Maint AC Interch. Chrgs-O/S	0	0	0
5246.1	Maint Materials - Airframe	1,001,099	596,363	404,736
5246.2	Maint Materials - Engines	170,638	103,743	66,895
5272.1	Maint Airfrm Airworth. Provs.	0	0	0
5272.3	Maint Airfrm O/H Deferred	0	0	0
5272.6	Maint AC Eng. Airworth. Prov	0	0	0
5272.8	Maint AC Eng. O/H Def. (cr.)	0	0	0
5278	Total Dir Maint-Flt. Eqpt	3,259,110	1,600,646	1,658,464
5279.6	APPL. MAINT BURDEN FLT. EQ.	0	0	0
5299	Total Flt. Eq. Maint. (Memo)	3,259,110	1,600,646	1,658,464
7073.9	NET OBSL & DETER.- EXP. PARTS	0	0	0
DEPRECIATION - FLIGHT EQUIPMENT				
7075.1	Depr. Airframes	1,317,275	790,365	526,910
7075.2	Depr. Aircraft Engines	978,649	587,189	391,460
7075.3	Depr. Airframe Parts	381,217	337,430	43,787
7075.4	Depr. Engine Parts	1,338,097	506,144	831,953
7075.5	Depr. Other Flt Eqp.	0	0	0
7076.1	Amort. Cap. Leases Flt. Eqpt.	0	0	0
EXPENSE OF INTERCHANGE AIRCRAFT				
7098.1	Exp. of Interch. AC- Flt. Ops	0	0	0
7098.2	Exp. of Interch. AC- Maint.	0	0	0
7098.9	Total Aircraft Operating Expens	13,457,402	7,766,375	5,691,027
OTHER DEPRECIATION & AMORTIZATI				
7074.1	Amortization Developmental &Pre	0		
7074.2	Amortization Other Intangibles	363,505		
7075.8	Depreciation Hangar & Maint. Eq	99,399		
7075.9	Depreciation Ground Property	210,778		
7076.2	Amort. Capital Leases Other	0		

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OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: June 30, 2000
 Schedule P-6

Air Carrier: USA Jet
 Operation : Domestic U7D

LINE#	DESCRIPTION	AMOUNT

	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	0
Line 4	Flight Personnel	1,322,227
Line 5	Maintenance Labor	1,102,818
Line 6	Aircr. & Traffic Hndl. Per.	542,303
Line 7	Other Personnel	2,879,641
Line 8	Total Salaries	5,846,989
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	0
Line 11	Empl. Benefits & Pensions	591,977
Line 12	Payroll Taxes	418,306
Line 13	Total Fringe Benefits	1,010,283
Line 14	Total Salaries & Benefits	6,857,272
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	3,542,694
Line 17	Maintenance Materials	1,952,651
Line 18	Passenger Food	0
Line 19	Other Materials	107,819
Line 20	Total Materials	5,603,164
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	61,425
Line 23	Communications	0
Line 24	Insurance	373,020
Line 25	Outside Flight Eqpt. Maint.	0
Line 26	Traffic Commissions - Passenger	0
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	0
Line 29	Total Services	434,445
Line 30	LANDING FEES	413,983
Line 31	RENTALS	42,683
Line 32	DEPRECIATION	4,325,414
Line 33	AMORTIZATION	363,505
Line 34	OTHER	2,089,739
Line 35	TRANSPORT RELATED EXPENSES	20,458,692
Line 36	TOTAL OPERATING EXPENSES	40,588,897

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JUN 7 2001