

BALANCE SHEET

As At: June 30, 2000

Air Carrier:

Schedule B-1

Operation : Domestic YXD

ACCT#

DESCRIPTION

AMOUNT

ACCT#	DESCRIPTION	AMOUNT
	ASSETS	
	CURRENT ASSETS	
1010	Cash	26,395,781
1100	Short-Term Investments	0
1200	Notes Receivable	0
1270	Accounts Receivable	10,299,827
1290	Less Allow. for Bad Debts	132,562
1299	Net Notes & Accounts Receivable	10,167,265
1399	Net Spare Parts & Supplies	5,674,983
1410	Prepaid Items	3,392,592
1420	Other Current Assets	8,693,000
1499	Total Current Assets	54,323,621
	INVESTMENTS IN SPECIAL FUNDS	
1510	Inv. in Associated Companies	1,000
1530	Other Investments & Receivables	0
1550	Special Funds	0
1599	Total Inv. & Special Funds	1,000
	OPERATING PROPERTY & EQUIPMENT	
1609	Flight Equipment	226,410,294
1649	Ground-Property and Equipment	39,248,082
1668	Less Allowance for Depreciation	93,758,860
1675	Property & Equipment - Net	171,899,516
1679	Land	815,631
1685	Purchase Dep. & Adv. Payments	2,000,000
1689	Construction Work-in-progress	36,264,348
1695	Leased Property - Cap. Leases	0
1696	Accum. Amort. Capital Leases	0
1699	Total Oper. Prop. & Equipment	210,979,495
	NONOPERATING PROP. & EQUIPMENT	
1791	NONOPERATING PROP. & EQUIPMENT	0
1792	Less Allow. for Depr. - Nonop.	0
1799	Net Nonoperating Prop. & Eqmt.	0
	OTHER ASSETS	
1820	Long-term Prepayments	0
1830	Unamort. Dev. & Preop. Costs	0
1890	Other Assets and Def. Charges	7,205,063
1895	Total Other Assets	7,205,063
1899	TOTAL ASSETS	272,509,179

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ACCT#	DESCRIPTION	AMOUNT
LIABILITIES & STOCKHOLDERS' EQ.		
CURRENT LIABILITIES		
2000	Curr. Maturities of L-T Debt	151,567
2005	Notes Payable - Banks	0
2015	Notes Payable - Others	0
2021	Trade Accts. Payable	6,547,573
2025	Accts. Payable - Other	11,132,678
2080	Curr. Oblig. Under Cap. Leases	0
2110	Accrued Salaries & Wages	646,840
2120	Accrued Vacation Pay	4,737,370
2125	Accrued Interest	0
2130	Accrued Taxes	1,348,403
2140	Dividends Declared	0
2160	Air Traffic Liability	58,669,253
2190	Other Current Liabilities	20,592,383
2199	Total Current Liabilities	103,826,067
NONCURRENT LIABILITIES		
2210	Long-term Debt	2,987,126
2240	Advances from Assoc. Companies	0
2250	Pension Liability	10,774,430
2280	Noncurrent Obgl.-Capital Leases	0
2290	Other Noncurrent Liabilities	17,474,400
2299	Total Noncurrent Liabilities	31,235,956
DEFERRED CREDITS		
2340	Deferred Income Taxes	12,470,000
2345	Deferred Investment Tax Credits	0
2390	Other Deferred Credits	0
2399	Total Deferred Credits	12,470,000
STOCKHOLDERS' EQUITY		
2820	Preferred Shares Issued	0
2840	Common Shares Issued	145,495
2860	Subscribed & Unissued	0
2869	Total Capital Stock	145,495
2890	Additional Capital Invested	11,351,617
2899	Total Paid in Capital	11,497,112
2900	Retained Earnings	126,161,914
2959	Total Stockholders' Equity	137,659,026
2990	Less Treasury Stock	12,681,870
2995	Net Stockholders' Equity	124,977,156
2999	Total Liab. & Stockholders' Eq.	272,509,179
2820A	No. of Preferred Shares Issued	0
2840A	No. of Common Shares Issued	0

STATEMENT OF OPERATIONS

Quarter Ended: June 30, 2000

Air Carrier:

Schedule P-1.2 Group II

Operation : Domestic YXD

ACCT#	DESCRIPTION	AMOUNT
OPERATING REVENUES		
3901	Transport Revenues - Passenger	100,325,287
3905	Mail	1,683,576
3906.1	Property - Freight	865,164
3906.2	Property - Excess Baggage	12,689
3907.1	Charter - Passenger	1,488,031
3907.2	Charter - Property	0
3919.1	Reserv. Cancellation Fees	804,210
3919.2	Misc. Operating Revenues	1,495,641
4808	Public Service Subsidy	0
4898	Transport Related	4,432,756
4999	Total Operating Revenue	111,107,354
OPERATING EXPENSES		
5100	Flying Operations	32,945,770
5400	Maintenance	18,704,027
5500	Passenger Service	11,748,080
6400	Aircraft & Traffic Servicing	14,456,063
6700	Promotion & Sales	13,545,577
6800	General & Administrative	2,906,112
7000	Depreciation & Amortization	3,756,557
7100	Transport Related Expenses	27,101
7199	Total Operating Expenses	98,089,287
7999	Operating Profit or Loss	13,018,067
NONOPERATING EXPENSE (INCOME)		
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	0
8182	Other Interest Expense (Income)	-618,884
8185	Foreign Exchange (Gain) or Loss	0
8188.5	Capital (Gains)/Losses- Op.Prop.	94,685
	Capital (Gains)/Losses- Other	
8189	Other Expense (Income) - Net	181,765
8199	Nonoperating Expense (Income)	-342,434
8999	Income Before Income Taxes	13,360,501
9100	Income Tax Expense	4,940,000
9199	Inc. Bf. Disc. Ops & Other Items	8,420,501
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	8,420,501
9800	Accounting Changes	0
9899	Net Income	8,420,501

AIRCRAFT OPERATING EXP. - Sch. P-5.2 Grp II & III Qtr: June 30, 2000					
Air Carrier:		Operation: Domestic		YTD	
ACCT #	DESCRIPTION	Total Eqp Code 9999	DC-9-10 Code 6301	DC-9-30 Code 6401	MD-80 Code 6551
FLYING OPERATIONS					
5123	Pilots and Copilots	7,823,935	1,864,904	3,729,807	2,229,224
5124	Other Flight Personnel	0	0	0	0
5128.1	Trainees and Instructors	0	0	0	0
5136	Personnel Expenses	406,099	96,797	193,595	115,707
5141	Prof. & Tech. Fees & Exp.	224,958	53,621	107,241	64,096
5143.7	Aircraft Interch. -Outside	0	0	0	0
5145.1	Aircraft Fuel	16,524,396	3,316,777	7,929,021	5,278,598
5145.2	Aircraft Oil	50,007	10,037	23,995	15,975
5147	Aircraft Rentals	3,967,076	91,793	2,339,669	1,535,614
5153	Other Supplies	40,363	9,233	20,019	11,111
5155.1	Insur. Purch. - General	111,285	20,072	40,144	51,069
5157	Empl. Benefits and Pensions	1,633,645	389,394	778,787	465,464
5158	Injuries, Loss and Damage	0	0	0	0
5168	Taxes-Payroll	610,665	145,557	291,115	173,993
5169	Taxes-Other Than Payroll	1,462,810	293,615	701,911	467,284
5171	Other Expense	90,531	20,709	44,900	24,922
5199	Total Flying Operations	32,945,770	6,312,509	16,200,204	10,433,057
DIRECT MAINTENANCE-FLIGHT EQUIP					
5225.1	Maint Airfr. Labor	2,124,147	485,900	1,053,494	584,753
5225.2	Maint Eng. Labor	0	0	0	0
5243.1	Maint Airfr. Outside Rep.	3,665,015	1,000,002	2,168,135	496,878
5243.2	Maint Eng. Outside Rep.	2,472,412	780,401	1,692,011	0
5243.7	Maint AC Interch. Chrgs-O/S	0	0	0	0
5246.1	Maint Materials - Airframe	2,549,232	583,138	1,264,320	701,774
5246.2	Maint Materials - Engines	0	0	0	0
5272.1	Maint Airfrm Airworth. Provs.	0	0	0	0
5272.3	Maint Airfrm O/H Deferred	62,955	20,985	41,970	0
5272.6	Maint AC Eng. Airworth. Prov	0	0	0	0
5272.8	Maint AC Eng. O/H Def. (cr.)	2,256,524	590,318	1,181,035	484,971
5278	Total Dir Maint-Flt.Eqpt	13,130,285	3,460,944	7,400,965	2,268,376
5279.6	APPL. MAINT BURDEN FLT. EQ.	1,487,901	340,358	737,941	409,602
5299	Total Ft. Eq. Maint. (Memo)	14,618,186	3,801,302	8,138,906	2,677,978
7073.9	NET OBSL & DETER. - EXP. PARTS	0	0	0	0
DEPRECIATION - FLIGHT EQUIPMENT					
7075.1	Depr. Airframes	1,035,089	0	240,352	794,737
7075.2	Depr. Aircraft Engines	0	0	0	0
7075.3	Depr. Airframe Parts	1,747,809	409,258	1,276,512	62,039
7075.4	Depr. Engine Parts	0	0	0	0
7075.5	Depr. Other Ft. Eqp.	0	0	0	0
7076.1	Amort. Cap. Leases Ft. Eqpt.	0	0	0	0
EXPENSE OF INTERCHANGE AIRCRAFT					
7098.1	Exp. of Interch. AC- Ft. Ops	0	0	0	0
7098.2	Exp. of Interch. AC- Maint.	0	0	0	0
7098.9	Total Aircraft Operating Expens	50,346,854	10,523,069	25,855,974	13,967,811
OTHER DEPRECIATION & AMORTIZATI					
7074.1	Amortization Developmental &Pre	0			
7074.2	Amortization Other Intangibles	246,291			
7075.8	Depreciation Hangar & Maint. Eq	85,967			
7075.9	Depreciation Ground Property	641,401			
7076.2	Amort. Capital Leases Other	0			

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: June 30, 2000
 Schedule P-6

Air Carrier:
 Operation : Domestic YXD

LINE#	DESCRIPTION	AMOUNT

	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	2,210,963
Line 4	Flight Personnel	11,012,190
Line 5	Maintenance Labor	2,909,140
Line 6	Aircr. & Traffic Hndl. Per.	7,394,785
Line 7	Other Personnel	2,942,612
Line 8	Total Salaries	26,469,690
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	1,474,389
Line 11	Empl. Benefits & Pensions	6,484,944
Line 12	Payroll Taxes	610,665
Line 13	Total Fringe Benefits	8,569,998
Line 14	Total Salaries & Benefits	35,039,688
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	18,037,213
Line 17	Maintenance Materials	3,983,486
Line 18	Passenger Food	5,793,498
Line 19	Other Materials	1,341,340
Line 20	Total Materials	29,155,537
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	2,119,997
Line 23	Communications	765,409
Line 24	Insurance	527,518
Line 25	Outside Flight Eqpt. Maint.	7,418,881
Line 26	Traffic Commissions - Passenger	5,787,337
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	6,992,314
Line 29	Total Services	23,611,456
Line 30	LANDING FEES	1,929,575
Line 31	RENTALS	6,132,976
Line 32	DEPRECIATION	3,510,266
Line 33	AMORTIZATION	246,291
Line 34	OTHER	-1,563,603
Line 35	TRANSPORT RELATED EXPENSES	27,101
Line 36	TOTAL OPERATING EXPENSES	98,089,287