

BALANCE SHEET

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

Air Carrier:
 Operation : Domestic FNQD
 AMOUNT

	ASSETS	
	CURRENT ASSETS	
1010	Cash	5,832,872
1100	Short-Term Investments	0
1200	Notes Receivable	5,949,958
1270	Accounts Receivable	53,436,252
1290	Less Allow. for Bad Debts	1,406,940
1299	Net Notes & Accounts Receivable	57,979,270
1399	Net Spare Parts & Supplies	804,483
1410	Prepaid Items	834,081
1420	Other Current Assets	0
1499	Total Current Assets	65,450,706
	INVESTMENTS IN SPECIAL FUNDS	
1510	Inv. in Associated Companies	51,479,031
1530	Other Investments & Receivables	0
1550	Special Funds	0
1599	Total Inv. & Special Funds	51,479,031
	OPERATING PROPERTY & EQUIPMENT	
1609	Flight Equipment	192,138,523
1649	Ground-Property and Equipment	6,684,739
1668	Less Allowance for Depreciation	63,455,219
1675	Property & Equipment - Net	135,368,043
1679	Land	0
1685	Purchase Dep. & Adv. Payments	0
1689	Construction Work-in-progress	0
1695	Leased Property - Cap. Leases	0
1696	Accum. Amort. Capital Leases	0
1699	Total Oper. Prop. & Equipment	135,368,043
	NONOPERATING PROP. & EQUIPMENT	
1791	Less Allow. for Depr. - Nonop.	9,700,000
1792	Net Nonoperating Prop. & Eqmt.	0
1799		9,700,000
	OTHER ASSETS	
1820	Long-term Prepayments	1,428,905
1830	Unamort. Dev. & Preop. Costs	0
1890	Other Assets and Def. Charges	10,614,271
1895	Total Other Assets	12,043,176
1899	TOTAL ASSETS	274,040,956

BALANCE SHEET

As At: June 30, 2000

Schedule B-1

ACCT# DESCRIPTION

Air Carrier:

Operation : Domestic FNQD

AMOUNT

	LIABILITIES & STOCKHOLDERS' EQ.	
	CURRENT LIABILITIES	
2000	Curr. Maturities of L-T Debt	244,601
2005	Notes Payable - Banks	34,123,288
2015	Notes Payable - Others	0
2021	Trade Accts. Payable	17,328,295
2025	Accts. Payable - Other	17,725,901
2080	Curr. Oblig. Under Cap. Leases	98,613
2110	Accrued Salaries & Wages	0
2120	Accrued Vacation Pay	0
2125	Accrued Interest	0
2130	Accrued Taxes	38,935
2140	Dividends Declared	0
2160	Air Traffic Liability	0
2190	Other Current Liabilities	5,057,676
2199	Total Current Liabilities	74,617,309
	NONCURRENT LIABILITIES	
2210	Long-term Debt	199,381,250
2240	Advances from Assoc. Companies	0
2250	Pension Liability	0
2280	Noncurrent Obgl.-Capital Leases	119,367
2290	Other Noncurrent Liabilities	0
2299	Total Noncurrent Liabilities	199,500,617
	DEFERRED CREDITS	
2340	Deferred Income Taxes	0
2345	Deferred Investment Tax Credits	0
2390	Other Deferred Credits	0
2399	Total Deferred Credits	0
	STOCKHOLDERS' EQUITY	
2820	Preferred Shares Issued	0
2840	Common Shares Issued	30
2860	Subscribed & Unissued	0
2869	Total Capital Stock	30
2890	Additional Capital Invested	0
2899	Total Paid in Capital	30
2900	Retained Earnings	-77,000
2959	Total Stockholders' Equity	-76,970
2990	Less Treasury Stock	0
2995	Net Stockholders' Equity	-76,970
2999	Total Liab. & Stockholders' Eq.	274,040,956
2820A	No. of Preferred Shares Issued	0
2840A	No. of Common Shares Issued	3,000

STATEMENT OF OPERATIONS

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

Air Carrier:
 Operation : Domestic FNQD
 AMOUNT

OPERATING REVENUES		
3901	Transport Revenues - Passenger	0
3905	Mail	14,683
3906.1	Property - Freight	1,145,000
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	0
3907.2	Charter - Property	462,100
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	197,633
4808	Public Service Subsidy	0
4898	Transport Related	2,466,361
4999	Total Operating Revenue	4,285,777
OPERATING EXPENSES		
5100	Flying Operations	1,286,246
5400	Maintenance	214,330
5500	Passenger Service	0
6400	Aircraft & Traffic Servicing	287,530
6700	Promotion & Sales	65,543
6800	General & Administrative	116,771
7000	Depreciation & Amortization	311,202
7100	Transport Related Expenses	815,938
7199	Total Operating Expenses	3,097,560
7999	Operating Profit or Loss	1,188,217
NONOPERATING EXPENSE (INCOME)		
8181	Int. Exp. (Inc.) on L-T-D & Cap.Leases	415,480
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	-52,764
8199	Nonoperating Expense (Income)	362,716
8999	Income Before Income Taxes	825,501
9100	Income Tax Expense	0
9199	Inc. Bf. Disc. Ops & Other Items	825,501
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord.Item	0
9799	Income Before Account. Changes	825,501
9800	Accounting Changes	0
9899	Net Income	825,501

STATEMENT OF OPERATIONS

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

Air Carrier:
 Operation : International FNQI
 AMOUNT

	OPERATING REVENUES	
3901	Transport Revenues - Passenger	0
3905	Mail	240,668
3906.1	Property - Freight	18,768,036
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	0
3907.2	Charter - Property	1,848,400
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	3,239,455
4808	Public Service Subsidy	0
4898	Transport Related	9,865,445
4999	Total Operating Revenue	33,962,004
	OPERATING EXPENSES	
5100	Flying Operations	19,470,366
5400	Maintenance	3,513,146
5500	Passenger Service	0
6400	Aircraft & Traffic Servicing	4,712,921
6700	Promotion & Sales	1,074,329
6800	General & Administrative	1,914,045
7000	Depreciation & Amortization	5,100,998
7100	Transport Related Expenses	3,263,762
7199	Total Operating Expenses	39,049,567
7999	Operating Profit or Loss	-5,087,563
	NONOPERATING EXPENSE (INCOME)	
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	5,049,560
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	-641,271
8199	Nonoperating Expense (Income)	4,408,289
8999	Income Before Income Taxes	-9,495,852
9100	Income Tax Expense	0
9199	Inc. Bf. Disc. Ops & Other Items	-9,495,852
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	-9,495,852
9800	Accounting Changes	0
9899	Net Income	-9,495,852

STATEMENT OF OPERATIONS

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

Air Carrier:
 Operation : System FNQS
 AMOUNT

	OPERATING REVENUES	
3901	Transport Revenues - Passenger	0
3905	Mail	255,351
3906.1	Property - Freight	19,913,036
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	0
3907.2	Charter - Property	2,310,500
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	3,437,088
4808	Public Service Subsidy	0
4898	Transport Related	12,331,806
4999	Total Operating Revenue	38,247,781
	OPERATING EXPENSES	
5100	Flying Operations	20,756,612
5400	Maintenance	3,727,476
5500	Passenger Service	0
6400	Aircraft & Traffic Servicing	5,000,451
6700	Promotion & Sales	1,139,872
6800	General & Administrative	2,030,816
7000	Depreciation & Amortization	5,412,200
7100	Transport Related Expenses	4,079,700
7199	Total Operating Expenses	42,147,127
7999	Operating Profit or Loss	-3,899,346
	NONOPERATING EXPENSE (INCOME)	
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	5,465,040
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	-694,035
8199	Nonoperating Expense (Income)	4,771,005
8999	Income Before Income Taxes	-8,670,351
9100	Income Tax Expense	0
9199	Inc. Bf. Disc. Ops & Other Items	-8,670,351
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord.Item	0
9799	Income Before Account. Changes	-8,670,351
9800	Accounting Changes	0
9899	Net Income	-8,670,351

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

Air Carrier:		Operation:	Domestic	FNOD			
		Total Exp	L-1011	DC-8-50F	DC-8-61	DC-8-63F	DC-8-62
ACCT #	DESCRIPTION	Code 9999	Code 7602	Code 8502	Code 8512	Code 8522	Code 8542
FLYING OPERATIONS							
5123	Pilots and Copilots	53,583	4,413	21,180	15,465	6,812	5,713
5124	Other Flight Personnel	0	0	0	0	0	0
5128.1	Trainees and Instructors	0	0	0	0	0	0
5136	Personnel Expenses	15,970	1,315	6,313	4,609	2,030	1,703
5141	Prof. & Tech. Fees & Exp.	0	0	0	0	0	0
5143.7	Aircraft Interch. -Outside	0	0	0	0	0	0
5145.1	Aircraft Fuel	457,010	77,103	165,839	105,349	68,069	40,650
5145.2	Aircraft Oil	0	0	0	0	0	0
5147	Aircraft Rentals	676,107	55,684	267,250	195,131	85,956	72,086
5153	Other Supplies	0	0	0	0	0	0
5155.1	Insur. Purch. - General	51,339	4,228	20,293	14,817	6,527	5,474
5157	Empl. Benefits and Pensions	0	0	0	0	0	0
5158	Injuries, Loss and Damage	0	0	0	0	0	0
5168	Taxes-Payroll	4,008	330	1,584	1,157	510	427
5169	Taxes-Other Than Payroll	0	0	0	0	0	0
5171	Other Expense	28,229	2,325	11,158	8,147	3,589	3,010
5199	Total Flying Operations	1,286,246	145,398	493,617	344,675	173,493	129,063
DIRECT MAINTENANCE-FLIGHT EQUIP							
5225.1	Maint Airf. Labor	30,277	2,494	11,968	8,738	3,849	3,228
5225.2	Maint Eng. Labor	0	0	0	0	0	0
5243.1	Maint Airf. Outside Rep.	4,351	358	1,720	1,256	553	464
5243.2	Maint Eng. Outside Rep.	56	5	22	16	7	6
5243.7	Maint AC Interch. Chrgs-O/S	0	0	0	0	0	0
5246.1	Maint Materials - Airframe	17,270	1,422	6,827	4,984	2,196	1,841
5246.2	Maint Materials - Engines	2,501	206	988	722	318	267
5272.1	Maint Airfrm Airworth. Provs.	0	0	0	0	0	0
5272.3	Maint Airfrm O/H Deferred	0	0	0	0	0	0
5272.6	Maint AC Eng. Airworth. Prov	0	0	0	0	0	0
5272.8	Maint AC Eng. O/H Def. (cr.)	0	0	0	0	0	0
5278	Total Dir Maint-Flt.Eqpt	54,455	4,485	21,525	15,716	6,923	5,806
5279.6	APPL. MAINT BURDEN FLT. EQ.	159,876	13,167	63,195	46,142	20,326	17,046
5299	Total Flt. Eq. Maint. (Memo)	214,331	17,652	84,720	61,858	27,249	22,852
7073.9	NET OBSL & DETER.- EXP. PARTS	0	0	0	0	0	0
DEPRECIATION - FLIGHT EQUIPMENT							
7075.1	Depr. Airframes	82,115	17,644	32,956	13,019	6,651	11,845
7075.2	Depr. Aircraft Engines	205,763	28,311	80,621	25,097	26,733	45,001
7075.3	Depr. Airframe Parts	0	0	0	0	0	0
7075.4	Depr. Engine Parts	0	0	0	0	0	0
7075.5	Depr. Other Flt Eqpt.	9,020	1,937	3,620	1,430	731	1,302
7076.1	Amort. Cap. Leases Flt.Eqpt.	0	0	0	0	0	0
EXPENSE OF INTERCHANGE AIRCRAFT							
7098.1	Exp. of Interch. AC- Flt. Ops	0	0	0	0	0	0
7098.2	Exp. of Interch. AC- Maint.	0	0	0	0	0	0
7098.9	Total Aircraft Operating Expens	1,797,475	210,942	695,534	446,079	234,857	210,063
OTHER DEPRECIATION & AMORTIZATI							
7074.1	Amortization Developmental & Pre	0					
7074.2	Amortization Other Intangibles	0					
7075.8	Depreciation Hangar & Maint. Eq	0					
7075.9	Depreciation Ground Property	14,304					
7076.2	Amort. Capital Leases Other	0					

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

ACCT #	DESCRIPTION	Operation: International Total Eqp Code 9999	L-1011 Code 7602	FNQ1 DC-8-50F Code 8502	DC-8-61 Code 8512	DC-8-63F Code 8522	DC-8-62 Code 8542
	FLYING OPERATIONS						
5123	Pilots and Copilots	878,306	134,283	318,064	67,820	126,471	231,668
5124	Other Flight Personnel	0	0	0	0	0	0
5128.1	Trainees and Instructors	0	0	0	0	0	0
5136	Personnel Expenses	261,783	40,024	94,800	20,214	37,695	69,050
5141	Prof. & Tech. Fees & Exp.	0	0	0	0	0	0
5143.7	Aircraft Interch. -Outside	0	0	0	0	0	0
5145.1	Aircraft Fuel	5,878,116	1,041,420	2,266,045	508,487	753,967	1,308,197
5145.2	Aircraft Oil	0	0	0	0	0	0
5147	Aircraft Rentals	11,082,273	1,694,351	4,013,262	855,738	1,595,786	2,923,136
5153	Other Supplies	0	0	0	0	0	0
5155.1	Insur. Purch. - General	841,516	128,658	304,741	64,979	121,174	221,964
5157	Empl. Benefits and Pensions	0	0	0	0	0	0
5158	Injuries, Loss and Damage	0	0	0	0	0	0
5168	Taxes-Payroll	65,694	10,044	23,790	5,073	9,459	17,328
5169	Taxes-Other Than Payroll	0	0	0	0	0	0
5171	Other Expense	462,678	70,738	167,551	35,727	66,623	122,039
5199	Total Flying Operations	19,470,366	3,119,518	7,188,253	1,558,038	2,711,175	4,893,382
	DIRECT MAINTENANCE-FLIGHT EQUIP						
5225.1	Maint Airf. Labor	496,278	75,875	179,719	38,321	71,461	130,902
5225.2	Maint Eng. Labor	0	0	0	0	0	0
5243.1	Maint Airf. Outside Rep.	71,326	10,905	25,829	5,508	10,271	18,813
5243.2	Maint Eng. Outside Rep.	903	138	327	70	130	238
5243.7	Maint AC Interch. Chrgs-O/S	0	0	0	0	0	0
5246.1	Maint Materials - Airframe	283,083	43,280	102,514	21,859	40,762	74,668
5246.2	Maint Materials - Engines	40,988	6,267	14,843	3,165	5,902	10,811
5272.1	Maint Airfrm Airworth. Provs.	0	0	0	0	0	0
5272.3	Maint Airfrm O/H Deferred	0	0	0	0	0	0
5272.6	Maint AC Eng. Airworth. Prov	0	0	0	0	0	0
5272.8	Maint AC Eng. O/H Def. (cr.)	0	0	0	0	0	0
5278	Total Dir Maint-Flt.Eqpt	892,578	136,465	323,232	68,923	128,526	235,432
5279.6	APPL. MAINT BURDEN FLT. EQ.	2,620,567	400,653	948,996	202,352	377,347	691,219
5299	Total Flt. Eq. Maint. (Memo)	3,513,145	537,118	1,272,228	271,275	505,873	926,651
7073.9	NET OBSL & DETER.- EXP. PARTS	0	0	0	0	0	0
	DEPRECIATION - FLIGHT EQUIPMENT						
7075.1	Depr. Airframes	1,345,963	289,206	540,186	213,400	109,016	194,155
7075.2	Depr. Aircraft Engines	3,372,720	464,048	1,321,477	411,376	438,192	737,627
7075.3	Depr. Airframe Parts	0	0	0	0	0	0
7075.4	Depr. Engine Parts	0	0	0	0	0	0
7075.5	Depr. Other Flt Eqp.	147,865	31,774	59,343	23,443	11,976	21,329
7076.1	Amort. Cap. Leases Flt.Eqpt.	0	0	0	0	0	0
	EXPENSE OF INTERCHANGE AIRCRAFT						
7098.1	Exp. of Interch. AC- Flt. Ops	0	0	0	0	0	0
7098.2	Exp. of Interch. AC- Maint.	0	0	0	0	0	0
7098.9	Total Aircraft Operating Expens	27,850,059	4,441,664	10,381,487	2,477,532	3,776,232	6,773,144
	OTHER DEPRECIATION & AMORTIZATI						
7074.1	Amortization Developmental &Pre	0					
7074.2	Amortization Other Intangibles	0					
7075.8	Depreciation Hangar & Maint. Eq	0					
7075.9	Depreciation Ground Property	234,450					
7076.2	Amort. Capital Leases Other	0					

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

ACCT #	DESCRIPTION	Operation: System		FNQs DC-8-50F Code 8502	DC-8-61 Code 8512	DC-8-63F Code 8522	DC-8-62 Code 8542
		Total Exp Code 9999	L-1011 Code 7602				
	FLYING OPERATIONS						
5123	Pilots and Copilots	931,889	138,696	339,244	83,285	133,283	237,381
5124	Other Flight Personnel	0	0	0	0	0	0
5128.1	Trainees and Instructors	0	0	0	0	0	0
5136	Personnel Expenses	277,753	41,339	101,113	24,823	39,725	70,753
5141	Prof. & Tech. Fees & Exp.	0	0	0	0	0	0
5143.7	Aircraft Interch. -Outside	0	0	0	0	0	0
5145.1	Aircraft Fuel	6,335,126	1,118,523	2,431,884	613,836	822,036	1,348,847
5145.2	Aircraft Oil	0	0	0	0	0	0
5147	Aircraft Rentals	11,758,380	1,750,035	4,280,512	1,050,869	1,681,742	2,995,222
5153	Other Supplies	0	0	0	0	0	0
5155.1	Insur. Purch. - General	892,855	132,886	325,034	79,796	127,701	227,438
5157	Empl. Benefits and Pensions	0	0	0	0	0	0
5158	Injuries, Loss and Damage	0	0	0	0	0	0
5168	Taxes-Payroll	69,702	10,374	25,374	6,230	9,969	17,755
5169	Taxes-Other Than Payroll	0	0	0	0	0	0
5171	Other Expense	490,907	73,063	178,709	43,874	70,212	125,049
5199	Total Flying Operations	20,756,612	3,264,916	7,681,870	1,902,713	2,884,668	5,022,445
	DIRECT MAINTENANCE-FLIGHT EQUIP						
5225.1	Maint Airfr. Labor	526,555	78,369	191,687	47,059	75,310	134,130
5225.2	Maint Eng. Labor	0	0	0	0	0	0
5243.1	Maint Airfr. Outside Rep.	75,677	11,263	27,549	6,764	10,824	19,277
5243.2	Maint Eng. Outside Rep.	959	143	349	86	137	244
5243.7	Maint AC Interch. Chrgs-O/S	0	0	0	0	0	0
5246.1	Maint Materials - Airframe	300,353	44,702	109,341	26,843	42,958	76,509
5246.2	Maint Materials - Engines	43,489	6,473	15,831	3,887	6,220	11,078
5272.1	Maint Airfrm Airworth. Provs.	0	0	0	0	0	0
5272.3	Maint Airfrm O/H Deferred	0	0	0	0	0	0
5272.6	Maint AC Eng. Airworth. Prov	0	0	0	0	0	0
5272.8	Maint AC Eng. O/H Def. (cr.)	0	0	0	0	0	0
5278	Total Dir Maint-Flt.Eqpt	947,033	140,950	344,757	84,639	135,449	241,238
5279.6	APPL. MAINT BURDEN FLT. EQ.	2,780,443	413,820	1,012,191	248,494	397,673	708,265
5299	Total Flt. Eq. Maint. (Memo)	3,727,476	554,770	1,356,948	333,133	533,122	949,503
7073.9	NET OBSL & DETER.- EXP. PARTS	0	0	0	0	0	0
	DEPRECIATION - FLIGHT EQUIPMENT						
7075.1	Depr. Airframes	1,428,078	306,850	573,142	226,419	115,667	206,000
7075.2	Depr. Aircraft Engines	3,578,483	492,359	1,402,098	436,473	464,925	782,628
7075.3	Depr. Airframe Parts	0	0	0	0	0	0
7075.4	Depr. Engine Parts	0	0	0	0	0	0
7075.5	Depr. Other Flt Eqpt.	156,885	33,711	62,963	24,873	12,707	22,631
7076.1	Amort. Cap. Leases Flt.Eqpt.	0	0	0	0	0	0
	EXPENSE OF INTERCHANGE AIRCRAFT						
7098.1	Exp. of Interch. AC- Flt. Ops	0	0	0	0	0	0
7098.2	Exp. of Interch. AC- Maint.	0	0	0	0	0	0
7098.9	Total Aircraft Operating Expens	29,647,534	4,652,606	11,077,021	2,923,611	4,011,089	6,983,207
	OTHER DEPRECIATION & AMORTIZATI						
7074.1	Amortization Developmental &Pre	0	0	0	0	0	0
7074.2	Amortization Other Intangibles	0	0	0	0	0	0
7075.8	Depreciation Hangar & Maint. Eq	0	0	0	0	0	0
7075.9	Depreciation Ground Property	248,754	0	0	0	0	0
7076.2	Amort. Capital Leases Other	0	0	0	0	0	0

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: June 30, 2000
Schedule P-6

Air Carrier:
Operation : Domestic FNQD

LINE#	DESCRIPTION	AMOUNT
	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	86,435
Line 4	Flight Personnel	53,584
Line 5	Maintenance Labor	30,277
Line 6	Aircr. & Traffic Hndl. Per.	28,547
Line 7	Other Personnel	108,953
Line 8	Total Salaries	307,796
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	33,635
Line 11	Empl. Benefits & Pensions	24,224
Line 12	Payroll Taxes	25,511
Line 13	Total Fringe Benefits	83,370
Line 14	Total Salaries & Benefits	391,166
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	457,011
Line 17	Maintenance Materials	22,050
Line 18	Passenger Food	46,916
Line 19	Other Materials	0
Line 20	Total Materials	525,977
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	308
Line 23	Communications	40,017
Line 24	Insurance	56,931
Line 25	Outside Flight Eqpt. Maint.	15,133
Line 26	Traffic Commissions - Passenger	0
Line 27	Traffic Commissions - Cargo	41,536
Line 28	Other Services	70,533
Line 29	Total Services	224,458
Line 30	LANDING FEES	45,571
Line 31	RENTALS	752,550
Line 32	DEPRECIATION	9,021
Line 33	AMORTIZATION	302,181
Line 34	OTHER	30,698
Line 35	TRANSPORT RELATED EXPENSES	815,938
Line 36	TOTAL OPERATING EXPENSES	3,097,560

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: June 30, 2000

Schedule P-6

Air Carrier:

Operation : International FNQI

LINE# DESCRIPTION

AMOUNT

	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	1,416,776
Line 4	Flight Personnel	878,306
Line 5	Maintenance Labor	496,278
Line 6	Aircr. & Traffic Hndl. Per.	467,922
Line 7	Other Personnel	1,785,874
Line 8	Total Salaries	5,045,156
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	551,323
Line 11	Empl. Benefits & Pensions	397,064
Line 12	Payroll Taxes	418,152
Line 13	Total Fringe Benefits	1,366,539
Line 14	Total Salaries & Benefits	6,411,695
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	5,878,116
Line 17	Maintenance Materials	361,423
Line 18	Passenger Food	0
Line 19	Other Materials	769,019
Line 20	Total Materials	7,008,558
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	5,055
Line 23	Communications	655,925
Line 24	Insurance	933,181
Line 25	Outside Flight Eqpt. Maint.	248,042
Line 26	Traffic Commissions - Passenger	0
Line 27	Traffic Commissions - Cargo	680,827
Line 28	Other Services	1,156,097
Line 29	Total Services	3,679,127
Line 30	LANDING FEES	746,972
Line 31	RENTALS	12,335,269
Line 32	DEPRECIATION	147,864
Line 33	AMORTIZATION	4,953,134
Line 34	OTHER	503,186
Line 35	TRANSPORT RELATED EXPENSES	3,263,762
Line 36	TOTAL OPERATING EXPENSES	39,049,567

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: June 30, 2000

Air Carrier:

Schedule P-6

Operation : System FNQS

LINE# DESCRIPTION AMOUNT

	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	1,503,211
Line 4	Flight Personnel	931,890
Line 5	Maintenance Labor	526,555
Line 6	Aircr. & Traffic Hndl. Per.	496,469
Line 7	Other Personnel	1,894,827
Line 8	Total Salaries	5,352,952
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	584,958
Line 11	Empl. Benefits & Pensions	421,288
Line 12	Payroll Taxes	443,663
Line 13	Total Fringe Benefits	1,449,909
Line 14	Total Salaries & Benefits	6,802,861
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	6,335,127
Line 17	Maintenance Materials	383,473
Line 18	Passenger Food	46,916
Line 19	Other Materials	769,019
Line 20	Total Materials	7,534,535
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	5,363
Line 23	Communications	695,942
Line 24	Insurance	990,112
Line 25	Outside Flight Eqpt. Maint.	263,175
Line 26	Traffic Commissions - Passenger	0
Line 27	Traffic Commissions - Cargo	722,363
Line 28	Other Services	1,226,630
Line 29	Total Services	3,903,585
Line 30	LANDING FEES	792,543
Line 31	RENTALS	13,087,819
Line 32	DEPRECIATION	156,885
Line 33	AMORTIZATION	5,255,315
Line 34	OTHER	533,884
Line 35	TRANSPORT RELATED EXPENSES	4,079,700
Line 36	TOTAL OPERATING EXPENSES	42,147,127