

BALANCE SHEET

As At: march 31, 1999

Schedule B-1

Air Carrier:

Operation : Domestic NCD

ACCT#	DESCRIPTION	AMOUNT

	ASSETS	
	CURRENT ASSETS	
1010	Cash	174,278
1100	Short-Term Investments	330,762
1200	Notes Receivable	0
1270	Accounts Receivable	4,372,127
1290	Less Allow. for Bad Debts	179,370
1299	Net Notes & Accounts Receivable	4,192,757
1399	Net Spare Parts & Supplies	1,500,722
1410	Prepaid Items	486,287
1420	Other Current Assets	1,459,896
1499	Total Current Assets	8,144,702
	INVESTMENTS IN SPECIAL FUNDS	
1510	Inv. in Associated Companies	221,575
1530	Other Investments & Receivables	0
1550	Special Funds	0
1599	Total Inv. & Special Funds	221,575
	OPERATING PROPERTY & EQUIPMENT	
1609	Flight Equipment	21,471,948
1649	Ground-Property and Equipment	8,587,202
1668	Less Allowance for Depreciation	11,651,017
1675	Property & Equipment - Net	18,408,133
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	18,408,133
	NONOPERATING PROP. & EQUIPMENT	
1791	Less Allow. for Depr. - Nonop.	1,234,077
1792	Net Nonoperating Prop. & Eqmt.	1,234,077
1799		0
	OTHER ASSETS	
1820	Long-term Prepayments	0
1830	Unamort. Dev. & Preop. Costs	0
1890	Other Assets and Def. Charges	294,350
1895	Total Other Assets	294,350
1899	TOTAL ASSETS	27,068,760

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As At: march 31, 1999

Air Carrier:

Schedule B-1

Operation : Domestic NCD

ACCT# DESCRIPTION

AMOUNT

LIABILITIES & STOCKHOLDERS' EQ.

CURRENT LIABILITIES

2000	Curr. Maturities of L-T Debt	1,084,225
2005	Notes Payable - Banks	0
2015	Notes Payable - Others	0
2021	Trade Accts. Payable	1,730,557
2025	Accts. Payable - Other	0
2080	Curr. Oblig. Under Cap. Leases	0
2110	Accrued Salaries & Wages	458,592
2120	Accrued Vacation Pay	302,867
2125	Accrued Interest	18,964
2130	Accrued Taxes	146,857
2140	Dividends Declared	0
2160	Air Traffic Liability	315,217
2190	Other Current Liabilities	275
2199	Total Current Liabilities	4,057,554

NONCURRENT LIABILITIES

2210	Long-term Debt	8,953,063
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	8,953,063

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	200,000
2860	Subscribed & Unissued	0
2869	Total Capital Stock	200,000
2890	Additional Capital Invested	0
2899	Total Paid in Capital	200,000
2900	Retained Earnings	13,858,143
2959	Total Stockholders' Equity	14,058,143
2990	Less Treasury Stock	0
2995	Net Stockholders' Equity	14,058,143
2999	Total Liab. & Stockholders' Eq.	27,068,760
2820A	No. of Preferred Shares Issued	0
2840A	No. of Common Shares Issued	0

STATEMENT OF OPERATIONS

Quarter Ended: march 31, 1999

Air Carrier:

Schedule P-1.2 Group I

Operation : Domestic NCD

ACCT#	DESCRIPTION	AMOUNT
	OPERATING REVENUES	
3901	Transport Revenue - Passenger	0
3905	Mail	0
3906.1	Property - Freight	3,093,557
3906.2	Property - Excess Baggage	3,116,592
3907.1	Charter - Passenger	0
3907.2	Charter - Property	2,645,638
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	0
4808	Public Service Subsidy	0
4898	Transport Related	746,494
4999	Total Operating Revenue	9,602,281
	OPERATING EXPENSES	
5100	Flying Operations	3,032,591
5400	Maintenance	2,755,975
6900	General Services and Administration	2,751,332
7000	Depreciation & Amortization	1,094,512
7100	Transport Related Expenses	246,309
7199	Total Operating Expenses	9,880,719
7999	Operating Profit or Loss	-278,438
	NONOPERATING EXPENSE (INCOME)	
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	210,736
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	39,270
8199	Nonoperating Expense (Income)	250,006
8999	Income Before Income Taxes	-528,444
9100	Income Tax Expense	0
9199	Inc. Bf. Disc. Ops & Other Items	-528,444
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	-528,444
9800	Accounting Changes	0
9899	Net Income	-528,444

IRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I > 20M
Air Carrier:

Qtr: march 31, 1999
Operation: Domestic
Total Eqp DC-6
Code 9999 Code 2162

NCD

ACCT #	DESCRIPTION		
	DIRECT EXPENSES:		
	FLYING OPERATIONS (Less Rentals		
3	Pilots and Copilots (S&W &Benef	610,948	275,726
4	Aircraft Fuel and Oil	1,775,080	713,074
5	Other	535,143	187,257
6	Total Flying Ops. (Less Rentals	2,921,171	1,176,057
7	Maintenance - Flight Equipment	2,689,651	1,200,386
8	Depr. & Rental - Flight Equipme	1,144,149	0
9	Total Direct Expenses	6,754,971	2,376,443

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I > 20M Qtr: march 31, 1999
Air Carrier:

Operation: Domestic
L-382E B-727-QC
Code 5562 Code 7112

NCD

ACCT # DESCRIPTION

	DIRECT EXPENSES:		
	FLYING OPERATIONS (Less Rentals		
3	Pilots and Copilots (S&W &Benef	0	335,222
4	Aircraft Fuel and Oil	0	1,062,006
5	Other	0	347,886
6	Total Flying Ops. (Less Rentals	0	1,745,114
7	Maintenance - Flight Equipment	0	1,489,265
8	Depr. & Rental - Flight Equipme	111,420	1,032,729
9	Total Direct Expenses	111,420	4,267,108

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: march 31, 1999

Air Carrier:

Schedule P-6

Operation : Domestic NCD

LINE#	DESCRIPTION	AMOUNT
	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	-50,221
Line 4	Flight Personnel	853,504
Line 5	Maintenance Labor	1,094,086
Line 6	Aircr. & Traffic Hndl. Per.	608,871
Line 7	Other Personnel	344,478
Line 8	Total Salaries	2,850,718
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	261,234
Line 11	Empl. Benefits & Pensions	-150,489
Line 12	Payroll Taxes	210,369
Line 13	Total Fringe Benefits	321,114
Line 14	Total Salaries & Benefits	3,171,832
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	1,775,080
Line 17	Maintenance Materials	558,532
Line 18	Passenger Food	0
Line 19	Other Materials	229,870
Line 20	Total Materials	2,563,482
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	42,472
Line 23	Communications	52,743
Line 24	Insurance	229,983
Line 25	Outside Flight Eqpt. Maint.	760,504
Line 26	Traffic Commissions - Passenger	0
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	1,256,673
Line 29	Total Services	2,342,375
Line 30	LANDING FEES	66,603
Line 31	RENTALS	212,988
Line 32	DEPRECIATION	1,094,512
Line 33	AMORTIZATION	0
Line 34	OTHER	182,618
Line 35	TRANSPORT RELATED EXPENSES	246,309
Line 36	TOTAL OPERATING EXPENSES	9,880,719