

BALANCE SHEET

As At: March 31, 1999

Schedule B-1

Air Carrier:

Operation : Domestic SPQD

ACCT# DESCRIPTION

AMOUNT

	ASSETS	
	CURRENT ASSETS	
1010	Cash	-244,443
1100	Short-Term Investments	631,961
1200	Notes Receivable	0
1270	Accounts Receivable	904,292
1290	Less Allow. for Bad Debts	99,029
1299	Net Notes & Accounts Receivable	805,263
1399	Net Spare Parts & Supplies	0
1410	Prepaid Items	0
1420	Other Current Assets	277,786
1499	Total Current Assets	1,470,567
	INVESTMENTS IN SPECIAL FUNDS	
1510	Inv. in Associated Companies	0
1530	Other Investments & Receivables	0
1550	Special Funds	9,995
1599	Total Inv. & Special Funds	9,995
	OPERATING PROPERTY & EQUIPMENT	
1609	Flight Equipment	10,263,435
1649	Ground-Property and Equipment	245,038
1668	Less Allowance for Depreciation	870,517
1675	Property & Equipment - Net	9,637,956
1679	Land	28,063
1685	Purchase Dep. & Adv. Payments	0
1689	Construction Work-in-progress	0
1695	Leased Property - Cap. Leases	567,404
1696	Accum. Amort. Capital Leases	229,987
1699	Total Oper. Prop. & Equipment	10,003,436
	NONOPERATING PROP. & EQUIPMENT	
1791	Less Allow. for Depr. - Nonop.	0
1792	Net Nonoperating Prop. & Eqmt.	0
	OTHER ASSETS	
1820	Long-term Prepayments	0
1830	Unamort. Dev. & Preop. Costs	0
1890	Other Assets and Def. Charges	625,420
1895	Total Other Assets	625,420
1899	TOTAL ASSETS	12,109,418

BALANCE SHEET

As At: March 31, 1999

Schedule B-1

Air Carrier:

Operation : Domestic SPQD

ACCT# DESCRIPTION

AMOUNT

	LIABILITIES & STOCKHOLDERS' EQ.	
	CURRENT LIABILITIES	
2000	Curr. Maturities of L-T Debt	1,583,380
2005	Notes Payable - Banks	0
2015	Notes Payable - Others	5,051,093
2021	Trade Accts. Payable	3,298,961
2025	Accts. Payable - Other	1,082,506
2080	Curr. Oblig. Under Cap. Leases	270,843
2110	Accrued Salaries & Wages	217,413
2120	Accrued Vacation Pay	0
2125	Accrued Interest	0
2130	Accrued Taxes	0
2140	Dividends Declared	0
2160	Air Traffic Liability	628,471
2190	Other Current Liabilities	2,138,294
2199	Total Current Liabilities	14,270,961
	NONCURRENT LIABILITIES	
2210	Long-term Debt	38,259
2240	Advances from Assoc. Companies	0
2250	Pension Liability	0
2280	Noncurrent Obgl.-Capital Leases	132,103
2290	Other Noncurrent Liabilities	30,101
2299	Total Noncurrent Liabilities	200,463
	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	1,006,819
2860	Subscribed & Unissued	0
2869	Total Capital Stock	1,006,819
2890	Additional Capital Invested	148,087
2899	Total Paid in Capital	1,154,906
2900	Retained Earnings	-3,516,912
2959	Total Stockholders' Equity	-2,362,006
2990	Less Treasury Stock	0
2995	Net Stockholders' Equity	-2,362,006
2999	Total Liab. & Stockholders' Eq.	12,109,418
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 SPQD

ACCT# DESCRIPTION

AMOUNT

	OPERATING REVENUES	
3901	Transport Revenue - Passenger	0
3905	Mail	0
3906.1	Property - Freight	0
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	2,011,318
3907.2	Charter - Property	0
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	0
4808	Public Service Subsidy	0
4898	Transport Related	1,033,344
4999	Total Operating Revenue	3,044,662
	OPERATING EXPENSES	
5100	Flying Operations	1,361,586
5400	Maintenance	952,621
6900	General Services and Administration	2,057,258
7000	Depreciation & Amortization	162,966
7100	Transport Related Expenses	-355
7199	Total Operating Expenses	4,534,076
7999	Operating Profit or Loss	-1,489,414
	NONOPERATING EXPENSE (INCOME)	
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	193,461
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	-253,770
8199	Nonoperating Expense (Income)	-60,309
8999	Income Before Income Taxes	-1,429,105
9100	Income Tax Expense	0
9199	Inc. Bf. Disc. Ops & Other Items	-1,429,105
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	-1,429,105
9800	Accounting Changes	0
9899	Net Income	-1,429,105

STATEMENT OF OPERATIONS

Quarter Ended: March 31, 1999

Air Carrier:

Schedule P-1.2 Group I

Operation : International SPQI

ACCT#	DESCRIPTION	AMOUNT

	OPERATING REVENUES	
3901	Transport Revenue - Passenger	0
3905	Mail	0
3906.1	Property - Freight	0
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	1,771,750
3907.2	Charter - Property	0
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	0
4808	Public Service Subsidy	0
4898	Transport Related	292,576
4999	Total Operating Revenue	2,064,326
	OPERATING EXPENSES	
5100	Flying Operations	322,877
5400	Maintenance	250,808
6900	General Services and Administration	484,081
7000	Depreciation & Amortization	43,320
7100	Transport Related Expenses	-58
7199	Total Operating Expenses	1,101,028
7999	Operating Profit or Loss	963,298
	NONOPERATING EXPENSE (INCOME)	
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	51,426
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	-67,458
8199	Nonoperating Expense (Income)	-16,032
8999	Income Before Income Taxes	979,330
9100	Income Tax Expense	0
9199	Inc. Bf. Disc. Ops & Other Items	979,330
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord.Item	0
9799	Income Before Account. Changes	979,330
9800	Accounting Changes	0
9899	Net Income	979,330

STATEMENT OF OPERATIONS

Quarter Ended: March 31, 1999

Air Carrier:

Schedule P-1.2 Group I

Operation : System SPQS

ACCT#	DESCRIPTION	AMOUNT

	OPERATING REVENUES	
3901	Transport Revenue - Passenger	0
3905	Mail	0
3906.1	Property - Freight	0
3906.2	Property - Excess Baggage	0
3907.1	Charter - Passenger	3,783,068
3907.2	Charter - Property	0
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	0
4808	Public Service Subsidy	0
4898	Transport Related	1,325,920
4999	Total Operating Revenue	5,108,988
	OPERATING EXPENSES	
5100	Flying Operations	1,684,463
5400	Maintenance	1,203,429
6900	General Services and Administration	2,541,339
7000	Depreciation & Amortization	206,286
7100	Transport Related Expenses	-413
7199	Total Operating Expenses	5,635,104
7999	Operating Profit or Loss	-526,116
	NONOPERATING EXPENSE (INCOME)	
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	244,887
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	-321,228
8199	Nonoperating Expense (Income)	-76,341
8999	Income Before Income Taxes	-449,775
9100	Income Tax Expense	0
9199	Inc. Bf. Disc. Ops & Other Items	-449,775
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	-449,775
9800	Accounting Changes	0
9899	Net Income	-449,775

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

Operation: Domestic
Total Eqp 8-727-2
Code 9999 Code 7151

ACCT #	DESCRIPTION		
	DIRECT EXPENSES:		
	FLYING OPERATIONS (Less Rentals		
3	Pilots and Copilots (S&W & Benef	294,914	294,914
4	Aircraft Fuel and Oil	340,485	340,485
5	Other	129,341	129,341
6	Total Flying Ops. (Less Rentals	764,740	764,740
7	Maintenance - Flight Equipment	952,621	952,621
8	Depr. & Rental - Flight Equipme	595,976	595,976
9	Total Direct Expenses	2,313,337	2,313,337

AIRCRAFT OPERATING EXP. - Sch. P-5.1 Grp I > 20M Qtr: March 31, 1999
 Air Carrier: Operation: International SPQI
 Total Eqp 8-727-2
 Code 9999 Code 7151

ACCT #	DESCRIPTION		
	DIRECT EXPENSES:		
	FLYING OPERATIONS (Less Rentals		
3	Pilots and Copilots (S&W &Benef	77,795	77,795
4	Aircraft Fuel and Oil	55,428	55,428
5	Other	30,448	30,448
6	Total Flying Ops. (Less Rentals	163,671	163,671
7	Maintenance - Flight Equipment	250,808	250,808
8	Depr. & Rental - Flight Equipme	158,424	158,424
9	Total Direct Expenses	572,903	572,903

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

ACCT # DESCRIPTION

Total Eqp B-727-2
Code 9999 Code 7151

	DIRECT EXPENSES:		
	FLYING OPERATIONS (Less Rentals		
3	Pilots and Copilots (S&W &Benef	372,709	372,709
4	Aircraft Fuel and Oil	395,913	395,913
5	Other	159,789	159,789
6	Total Flying Ops. (Less Rentals	928,411	928,411
7	Maintenance - Flight Equipment	1,203,429	1,203,429
8	Depr. & Rental - Flight Equipme	754,400	754,400
9	Total Direct Expenses	2,886,240	2,886,240

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: March 31, 1999

Air Carrier:

Schedule P-6

Operation : Domestic SPQD

LINE#	DESCRIPTION	AMOUNT

	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	105,662
Line 4	Flight Personnel	416,225
Line 5	Maintenance Labor	224,690
Line 6	Aircr. & Traffic Hndl. Per.	193,874
Line 7	Other Personnel	94,382
Line 8	Total Salaries	1,034,833
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	484,743
Line 11	Empl. Benefits & Pensions	54,849
Line 12	Payroll Taxes	97,061
Line 13	Total Fringe Benefits	636,653
Line 14	Total Salaries & Benefits	1,671,486
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	340,485
Line 17	Maintenance Materials	423,414
Line 18	Passenger Food	82,297
Line 19	Other Materials	57,389
Line 20	Total Materials	903,585
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	0
Line 23	Communications	26,941
Line 24	Insurance	326,894
Line 25	Outside Flight Eqpt. Maint.	220,955
Line 26	Traffic Commissions - Passenger	126,225
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	401,911
Line 29	Total Services	1,102,926
Line 30	LANDING FEES	65,210
Line 31	RENTALS	595,976
Line 32	DEPRECIATION	162,966
Line 33	AMORTIZATION	0
Line 34	OTHER	32,282
Line 35	TRANSPORT RELATED EXPENSES	-355
Line 36	TOTAL OPERATING EXPENSES	4,534,076

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: March 31, 1999

Air Carrier:

Schedule P-6

Operation : International SPQI

LINE#	DESCRIPTION	AMOUNT

	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	28,088
Line 4	Flight Personnel	110,642
Line 5	Maintenance Labor	59,727
Line 6	Aircr. & Traffic Hndl. Per.	51,529
Line 7	Other Personnel	25,089
Line 8	Total Salaries	275,075
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	100,993
Line 11	Empl. Benefits & Pensions	14,580
Line 12	Payroll Taxes	25,801
Line 13	Total Fringe Benefits	141,374
Line 14	Total Salaries & Benefits	416,449
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	55,428
Line 17	Maintenance Materials	112,553
Line 18	Passenger Food	21,877
Line 19	Other Materials	15,255
Line 20	Total Materials	205,113
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	0
Line 23	Communications	7,161
Line 24	Insurance	86,896
Line 25	Outside Flight Eqpt. Maint.	58,735
Line 26	Traffic Commissions - Passenger	33,553
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	74,526
Line 29	Total Services	260,871
Line 30	LANDING FEES	10,616
Line 31	RENTALS	158,424
Line 32	DEPRECIATION	43,320
Line 33	AMORTIZATION	0
Line 34	OTHER	6,293
Line 35	TRANSPORT RELATED EXPENSES	-58
Line 36	TOTAL OPERATING EXPENSES	1,101,028

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: March 31, 1999
Schedule P-6

Air Carrier:
Operation : System SPQS

LINE#	DESCRIPTION	AMOUNT
	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	133,750
Line 4	Flight Personnel	526,867
Line 5	Maintenance Labor	284,417
Line 6	Aircr. & Traffic Hndl. Per.	245,403
Line 7	Other Personnel	119,471
Line 8	Total Salaries	1,309,908
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	585,736
Line 11	Empl. Benefits & Pensions	69,429
Line 12	Payroll Taxes	122,862
Line 13	Total Fringe Benefits	778,027
Line 14	Total Salaries & Benefits	2,087,935
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	395,913
Line 17	Maintenance Materials	535,967
Line 18	Passenger Food	104,174
Line 19	Other Materials	72,644
Line 20	Total Materials	1,108,698
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	0
Line 23	Communications	34,102
Line 24	Insurance	413,790
Line 25	Outside Flight Eqpt. Maint.	279,690
Line 26	Traffic Commissions - Passenger	159,778
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	476,437
Line 29	Total Services	1,363,797
Line 30	LANDING FEES	75,826
Line 31	RENTALS	754,400
Line 32	DEPRECIATION	206,286
Line 33	AMORTIZATION	0
Line 34	OTHER	38,575
Line 35	TRANSPORT RELATED EXPENSES	-413
Line 36	TOTAL OPERATING EXPENSES	5,635,104