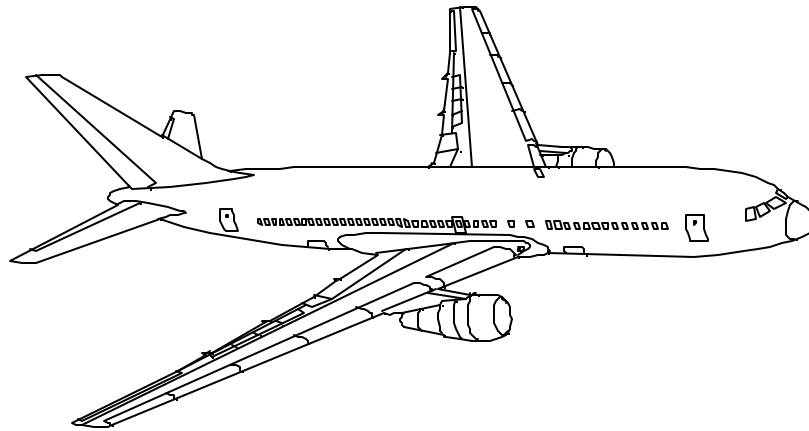


AIRLINE QUARTERLY FINANCIAL REVIEW

FIRST QUARTER 2001



MAJORS



DEPARTMENT OF TRANSPORTATION
OFFICE OF AVIATION ANALYSIS
ECONOMIC AND FINANCIAL ANALYSIS DIVISION

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INTRODUCTION

This report contains staff comments, tables and charts on the financial condition of the U.S. major airlines.

The data are presented on both a carrier group and an individual carrier basis, but the primary focus is on the individual major carrier and its performance. Data are presented for the most recent quarterly period and the comparable quarter a year earlier and also on a 12-month ended basis as at the end of the five most recent quarters. In addition, data on charges over comparable periods 12-months earlier are presented. A graphic presentation of comparative trends, on a carrier group basis, is made for several unit and overall financial indicators. In the case of merged carriers, data for the carriers involved have been combined and presented under the name of the surviving carrier so that meaningful comparisons could be made.

All data presented in this financial and traffic review are derived from data reported to the U.S. Department of Transportation on Form 41 Schedules by Large Certificated Air Carriers. For comparison purposes, this analysis is limited to the major scheduled passenger and all-cargo air carriers only. Alaska Airlines, with revenues exceeding \$1 billion in calendar year 1995, became a major airline effective January 1, 1996, and is now included in this review. All financial and traffic results have been retroactively restated to include the operations of Alaska. Certain data in this review is classified in two broad categories: namely "domestic" and "international". "Domestic" encompasses operations within and between the 50 states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands. It also encompasses Canadian transborder operations and for certain carriers Mexican transborder operations. All other operations are considered "international", which is separated into Atlantic, Latin, and Pacific.

Suggestions from users for the improving either the scope, presentation, or utility of this review are invited. It will also be appreciated if suggestions, discrepancies, and errors in the data are called to the attention of the Economic & Financial Division, Office of Aviation Analysis, Office of the Secretary, U.S. Department of Transportation, Washington, D.C. 20590.

QUARTERLY FINANCIAL & TRAFFIC REVIEW

TOTAL SYSTEM PASSENGER & ALL-CARGO MAJORS

QUARTERLY RESULTS

- American Eagle and American Trans Air achieved major airline status effective January 1, 2000. Beginning with the first quarter 2000, this report will include the results of these carriers. For comparison purposes, all prior period results have been adjusted to include these carriers as well.
- For the first quarter 2001, operating revenues increased 3 percent, but operating expenses nearly three times as fast, rising 8.9 percent, resulting in a \$1.53 billion plunge in operating profit to a loss of \$630.5 million. This was the first quarterly operating loss for the group since December 1994. The passenger major group tumbled \$1.57 billion to a loss of \$858.5 million, but the all-cargo major group reported a gain of \$41.6 million to \$228.1 million.
- Total fuel expense rose 17.2 percent (\$549.7 million) as fuel consumption rose 4.2 percent and unit fuel prices jumped 12.5 percent. Unit fuel prices averaged nearly 82 cents.
- Net income dropped \$948.6 million to a loss of \$833 million. The passenger major group was down \$988.9 million to a loss of \$955.6 million, while the all-cargo group rose \$40.3 million to \$122.6 million.

OPERATING PROFIT (LOSS) AND NET INCOME (LOSS) 1/ (\$MILLIONS)						
CARRIER	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)		
	1Q 2000	1Q 2001	\$CHANGE	1Q 2000	1Q 2001	\$CHANGE
TOTAL ALL MAJORS	901.4	-630.5	-1531.9	115.6	-833.0	-948.6
TOTAL PASSENGER MAJORS	714.9	-858.5	-1573.4	33.3	-955.6	-988.9
ALASKA	-12.2	-31.6	-19.4	-6.6	-21.6	-15.0
AMERICA WEST	11.9	-25.3	-37.2	15.5	-13.1	-28.6
AMERICAN	185.9	4.9	-181.0	105.1	-54.8	-159.9
AMERICAN EAGLE	-1.1	-6.6	-5.5	-15.8	-17.6	-1.8
AMERICAN TRANS AIR	4.3	-0.7	-5.0	-7.0	-0.8	6.2
CONTINENTAL	31.9	97.1	65.2	4.5	6.1	1.6
DELTA	273.4	-127.2	-400.6	232.5	-137.5	-370.0
NORTHWEST	17.5	-230.6	-248.1	-5.9	-190.1	-184.2
SOUTHWEST	155.5	209.9	54.4	73.5	121.0	47.5
TRANS WORLD	-103.9	-126.0	-22.1	-76.1	-156.7	-80.6
UNITED	287.2	-428.1	-715.3	-81.1	-321.4	-240.3
US AIRWAYS	-135.4	-194.3	-58.9	-211.5	-163.1	48.4
TOTAL ALL-CARGO MAJORS	186.5	228.1	41.6	82.3	122.6	40.3
DHL AIRWAYS	-15.0	-44.8	-29.8	-10.1	-49.9	-39.8
FEDERAL EXPRESS	201.3	225.7	24.4	101.7	151.5	49.8
UNITED PARCEL SERVICE	0.1	47.1	47.0	-9.3	21.0	30.3

- The passenger load factor dipped 0.2 percentage points to 68.4 percent, as RPM traffic rose 2 percent and ASM capacity increased 2.2 percent.
- Passenger (RPM) yield rose 1 percent to 13.55 cents.
- Interest expense jumped \$45 million to \$581.1 million.
- Total debt surged more than \$5 billion boosting the debt-to-investment ratio 4.5 percentage points to 53.2 percent.

12-MONTH RESULTS

- Operating results declined from a year ago for the tenth consecutive period, while net results were down for the fourth consecutive period.
- Operating profit fell \$1.75 billion to \$5.01 billion. The passenger group declined \$1.8 billion to \$3.92 billion, while the all-cargo group gained \$49.4 million to \$1.08 billion. Only Continental, Federal Express, Southwest, Trans World and UPS reported a year-to-year improvement.
- Net results fell \$2.84 billion to \$1.7 billion. The passenger group declined \$2.86 billion to \$1.15 billion, and the all-cargo group rose \$17.3 million to a profit of \$556 million.

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
TOTAL PASSENGER & ALL-CARGO MAJORS

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	28,176.4	27,344.4	118,546.1	117,714.1	115,670.1	112,886.7	109,982.9
2	Operating Expenses	28,806.9	26,443.0	113,535.3	111,171.4	108,683.1	105,897.1	103,221.7
3	Operating Profit (Loss)	-630.5	901.4	5,010.8	6,542.7	6,987.1	6,989.6	6,761.2
4	Net Income (Loss)	-833.0	115.6	1,702.7	2,651.3	3,649.5	4,143.5	4,540.7
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	150.69	147.80	654.67	651.79	646.16	637.85	624.32
6	ASMs - Scheduled Rev. Svc.	220.25	215.53	899.64	894.93	889.72	883.55	875.30
7	Overall RTMs (All Svc.)	20.78	21.84	90.14	91.20	90.66	89.53	87.59
8	Overall ATMs (All Svc.)	37.88	36.95	155.03	154.10	152.80	151.26	149.02
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	135.6	125.2	131.5	129.1	127.6	126.1	125.6
10	Operating Expense per RTM	138.6	121.1	126.0	121.9	119.9	118.3	117.8
11	Operating Profit (Loss) per RTM	-3.0	4.1	5.6	7.2	7.7	7.8	7.7
12	Operating Expense per ATM	76.1	71.6	73.2	72.1	71.1	70.0	69.3
13	Passenger Revenue per RPM	13.55	13.42	13.36	13.33	13.16	12.98	12.82
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.65	1.67	1.68	1.69	1.69
15	Times Interest Earned	*	*	2.77	3.85	4.77	5.25	5.88
16	Current Assets to Current Liabilities	*	*	0.70	0.71	0.70	0.70	0.71
17	No. of Days Cash Coverage of Cash Exp.	*	*	32.6	33.4	33.6	35.6	34.2
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-2.2	3.3	4.2	5.6	6.0	6.2	6.1
19	Net Income to Stockholders Equity	*	*	4.7	7.3	10.1	11.7	13.1
20	Corporate Return on Investment	*	*	5.1	6.4	8.0	8.8	9.5
21	Debt to Total Investment	*	*	53.2	51.9	47.4	47.8	48.7
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	68.4	68.6	72.8	72.8	72.6	72.2	71.3
23	Breakeven	73.0	67.8	70.6	69.2	68.7	68.3	68.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	563,885	538,999	563,230	558,518	553,787	549,027	533,965
25	Overall RTM's per Employee (000)	36.9	40.5	160.0	163.3	163.7	163.1	164.0

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	3.0	9.4	7.8	9.4	9.2	8.0	5.9
27	Operating Expenses (%)	8.9	11.1	10.0	10.5	10.7	9.8	8.0
28	Operating Profit (Loss) (in Millions \$)	-1,531.9	-298.6	-1,750.4	-517.2	-751.5	-1,088.4	-1,513.8
29	Net Income (Loss)(in Millions \$)	-948.6	-534.5	-2,838.0	-2,423.9	-1,227.1	-770.1	82.1
30	RPMs (Sch. Svc.) (%)	2.0	5.4	4.9	5.7	6.0	6.4	4.8
31	ASMs (Sch. Svc.) (%)	2.2	5.7	2.8	3.6	4.0	5.1	5.1
32	Operating Revenues per RTM (%)	8.3	-3.3	4.7	2.1	0.7	-1.0	-1.4
33	Operating Expense per RTM (%)	14.5	-1.7	7.0	3.1	2.1	0.7	0.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.0	3.4	4.2	4.9	3.8	2.0	0.4

QUARTERLY FINANCIAL & TRAFFIC REVIEW
DOMESTIC OPERATIONS
TOTAL PASSENGER & ALL-CARGO MAJORS

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	21,443.8	21,079.4	89,658.0	89,293.6	87,899.8	86,164.2	84,226.0
2	Operating Expenses	21,933.3	20,255.4	85,881.9	84,204.1	82,522.8	80,800.1	78,942.6
3	Operating Profit (Loss)	-489.4	824.0	3,776.1	5,089.5	5,377.1	5,364.1	5,283.4
4	Net Income (Loss)	-744.1	217.5	1,092.8	2,054.3	2,916.8	3,498.9	3,868.7
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	109.22	108.80	470.92	470.50	468.04	463.56	455.03
6	ASMs - Scheduled Rev. Svc.	162.37	160.86	658.64	657.13	655.93	653.16	648.74
7	Overall RTMs (All Svc.)	13.67	14.97	58.98	60.28	60.23	59.81	58.77
8	Overall ATMs (All Svc.)	25.46	25.24	103.24	103.02	102.71	102.02	100.80
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	156.9	140.8	152.0	148.1	145.9	144.1	143.3
10	Operating Expense per RTM	160.5	135.3	145.6	139.7	137.0	135.1	134.3
11	Operating Profit (Loss) per RTM	-3.6	5.5	6.4	8.4	8.9	9.0	9.0
12	Operating Expense per ATM	86.2	80.2	83.2	81.7	80.3	79.2	78.3
13	Passenger Revenue per RPM	14.63	14.49	14.41	14.38	14.17	13.99	13.80
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-2.3	3.9	4.2	5.7	6.1	6.2	6.3
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	4.7	6.6	8.3	9.6	10.4
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	67.3	67.6	71.5	71.6	71.4	71.0	70.1
23	Breakeven	71.8	66.1	69.3	67.9	67.5	67.2	66.8
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**

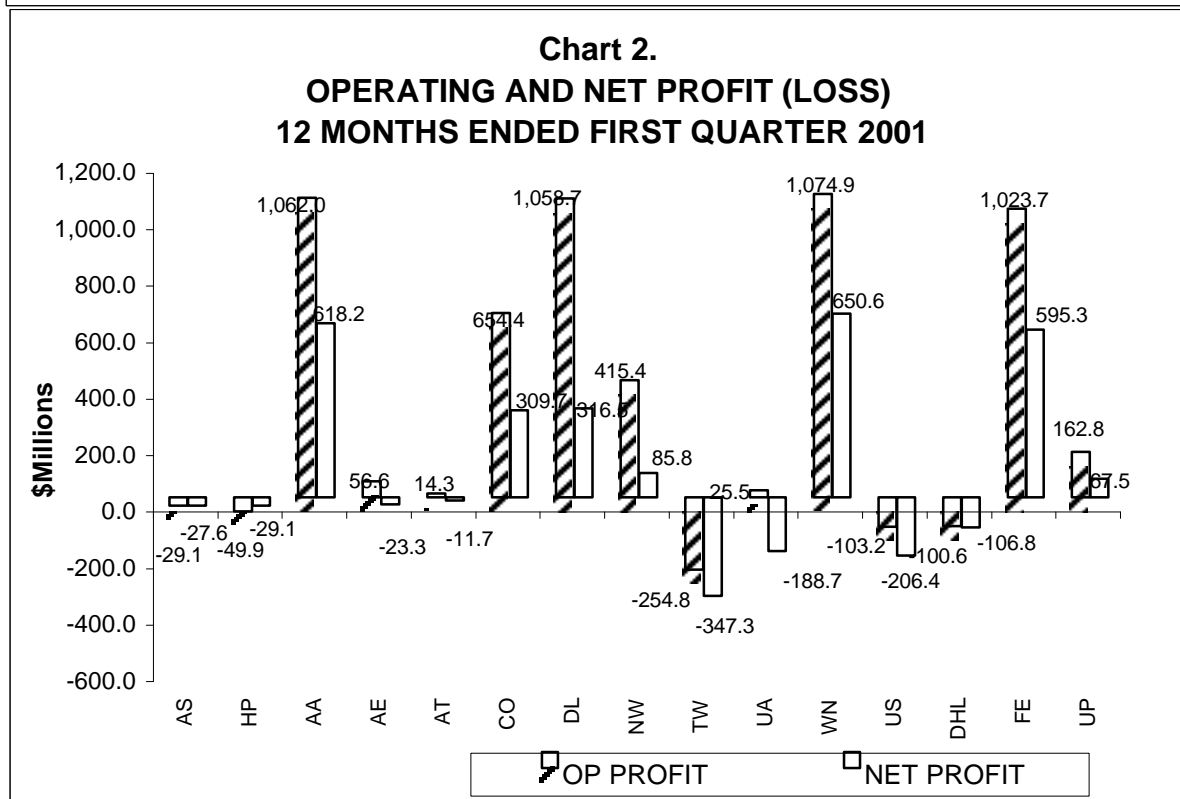
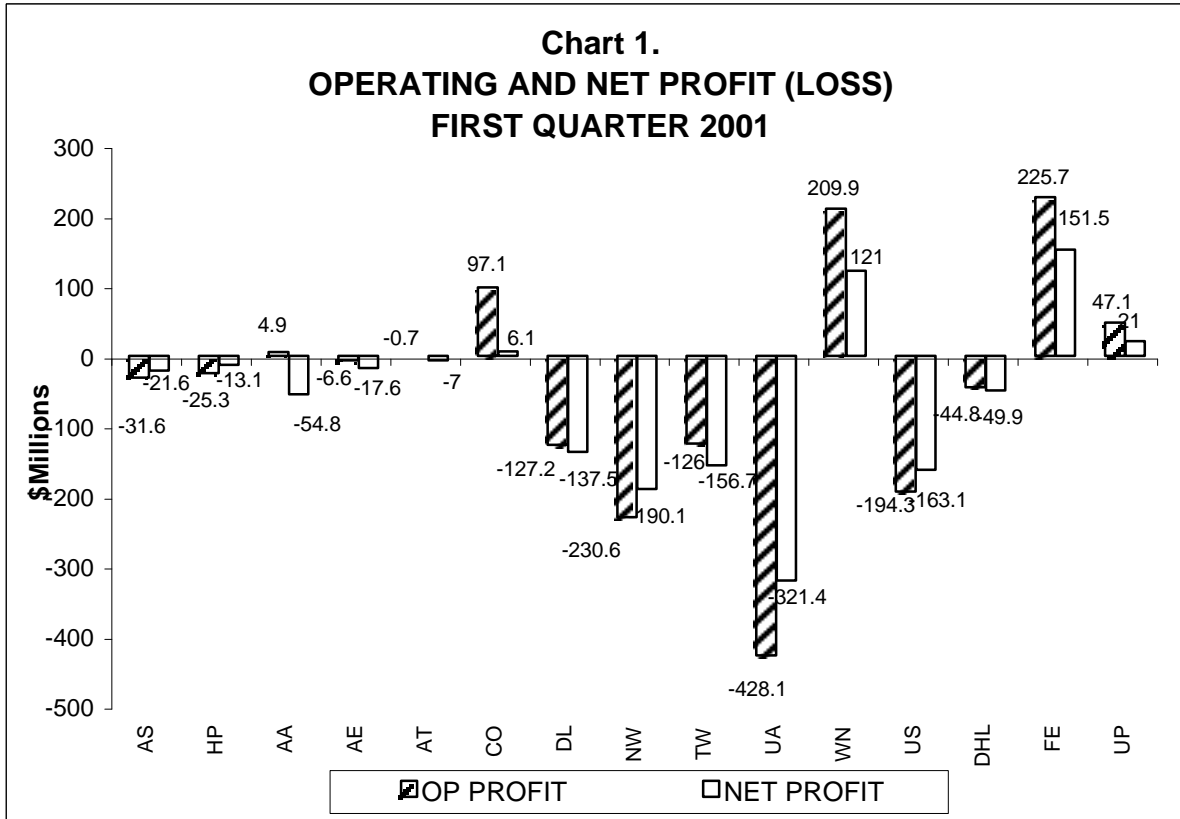
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	1.7	8.3	6.4	8.1	7.9	7.0	5.6
27	Operating Expenses (%)	8.3	11.1	8.8	9.5	10.2	10.2	9.1
28	Operating Profit (Loss) (in Millions \$)	-1,313.4	-412.0	-1,507.3	-605.9	-1,239.2	-1,859.8	-2,111.0
29	Net Income (Loss)(in Millions \$)	-961.6	-470.2	-2,775.9	-2,284.6	-1,460.0	-874.3	-105.8
30	RPMs (Sch. Svc.) (%)	0.4	5.7	3.5	4.8	5.6	6.0	4.9
31	ASMs (Sch. Svc.) (%)	0.9	6.4	1.5	2.8	3.9	5.5	6.1
32	Operating Revenues per RTM (%)	11.4	-5.3	6.1	2.0	0.4	-1.1	-1.4
33	Operating Expense per RTM (%)	18.6	-2.9	8.4	3.3	2.6	1.8	1.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.0	3.1	4.4	5.0	3.7	2.1	0.7

QUARTERLY FINANCIAL & TRAFFIC REVIEW
INTERNATIONAL OPERATIONS
TOTAL PASSENGER & ALL-CARGO MAJORS

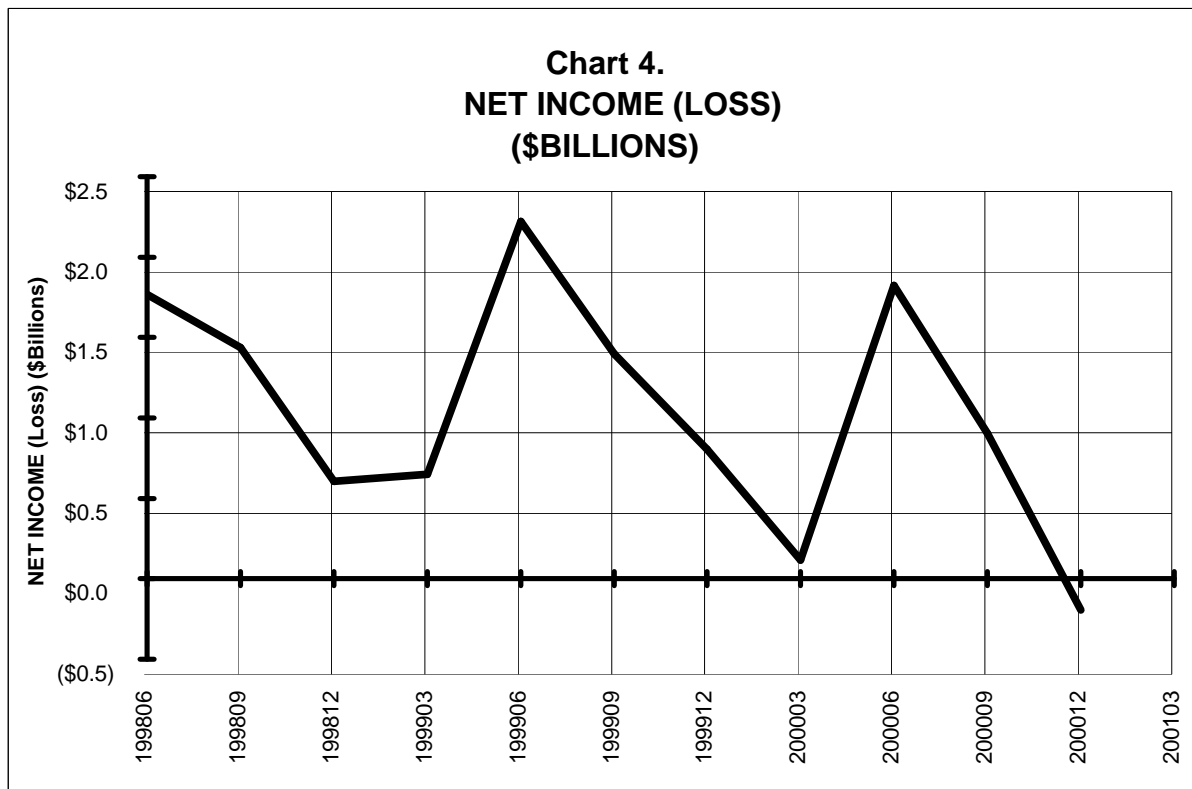
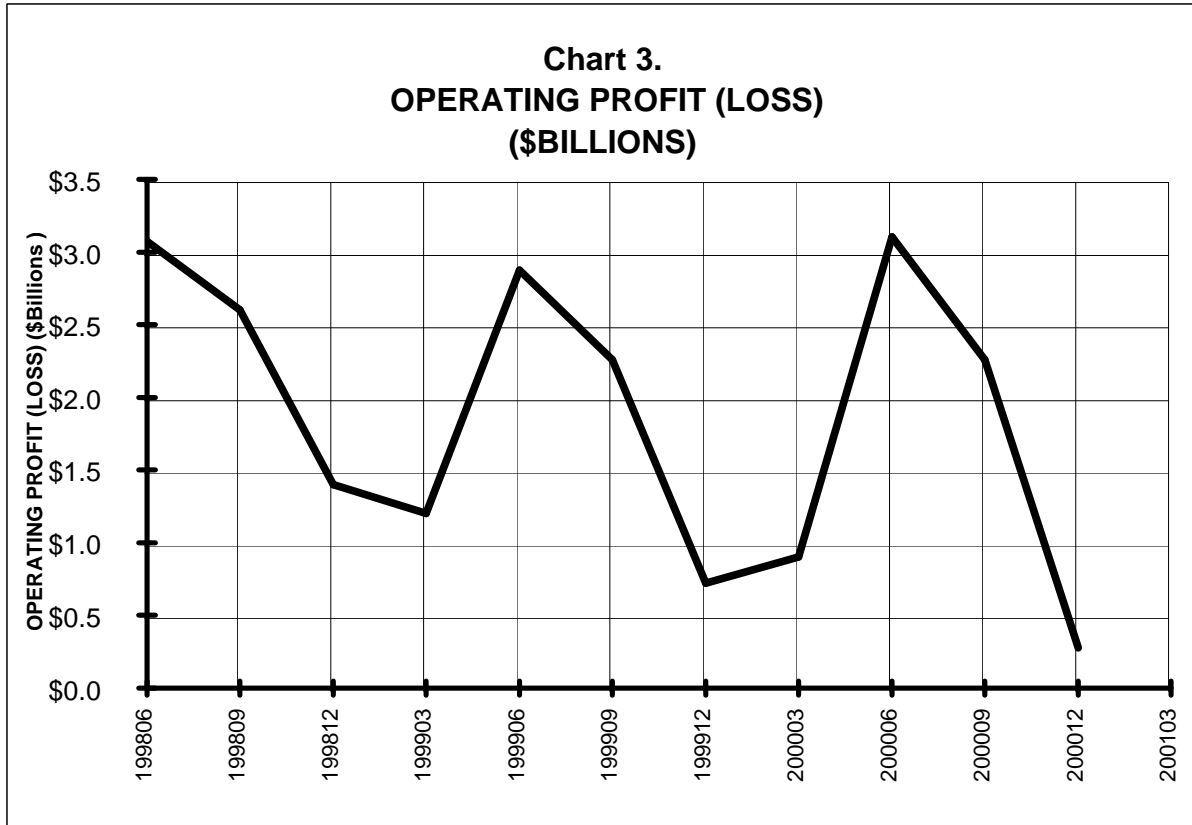
ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	6,732.6	6,265.0	28,888.0	28,420.5	27,770.3	26,722.5	25,756.9
2	Operating Expenses	6,873.6	6,187.6	27,653.3	26,967.3	26,160.3	25,097.0	24,279.1
3	Operating Profit (Loss)	-141.1	77.4	1,234.7	1,453.2	1,610.0	1,625.5	1,477.8
4	Net Income (Loss)	-88.9	-101.9	609.9	596.9	732.8	644.6	672.0
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	41.46	39.00	183.75	181.29	178.11	174.29	169.30
6	ASMs - Scheduled Rev. Svc.	57.88	54.67	241.00	237.79	233.78	230.39	226.55
7	Overall RTMs (All Svc.)	7.12	6.87	31.17	30.92	30.44	29.72	28.83
8	Overall ATMs (All Svc.)	12.42	11.71	51.79	51.08	50.10	49.24	48.22
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	94.6	91.2	92.7	91.9	91.2	89.9	89.3
10	Operating Expense per RTM	96.6	90.1	88.7	87.2	86.0	84.4	84.2
11	Operating Profit (Loss) per RTM	-2.0	1.1	4.0	4.7	5.3	5.5	5.1
12	Operating Expense per ATM	55.3	52.9	53.4	52.8	52.2	51.0	50.4
13	Passenger Revenue per RPM	10.70	10.42	10.64	10.58	10.51	10.32	10.17
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-2.1	1.2	4.3	5.1	5.8	6.1	5.7
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	6.0	5.9	6.8	6.4	6.8
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	71.6	71.3	76.2	76.2	76.2	75.7	74.7
23	Breakeven	76.4	73.5	73.9	73.2	72.5	71.7	71.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	7.5	13.2	12.2	13.6	13.7	11.2	6.9
27	Operating Expenses (%)	11.1	11.1	13.9	14.0	12.2	8.3	4.6
28	Operating Profit (Loss) (in Millions \$)	-218.5	113.3	-243.1	88.7	487.7	771.4	597.1
29	Net Income (Loss)(in Millions \$)	13.0	-64.3	-62.1	-139.4	233.0	104.2	187.9
30	RPMs (Sch. Svc.) (%)	6.3	4.4	8.5	8.1	7.3	7.3	4.6
31	ASMs (Sch. Svc.) (%)	5.9	3.6	6.4	5.8	4.4	4.0	2.2
32	Operating Revenues per RTM (%)	3.7	2.6	3.8	3.5	2.8	0.4	-1.4
33	Operating Expense per RTM (%)	7.2	0.7	5.3	3.9	1.7	-2.2	-3.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	2.7	4.2	4.6	5.1	4.7	2.1	-0.8

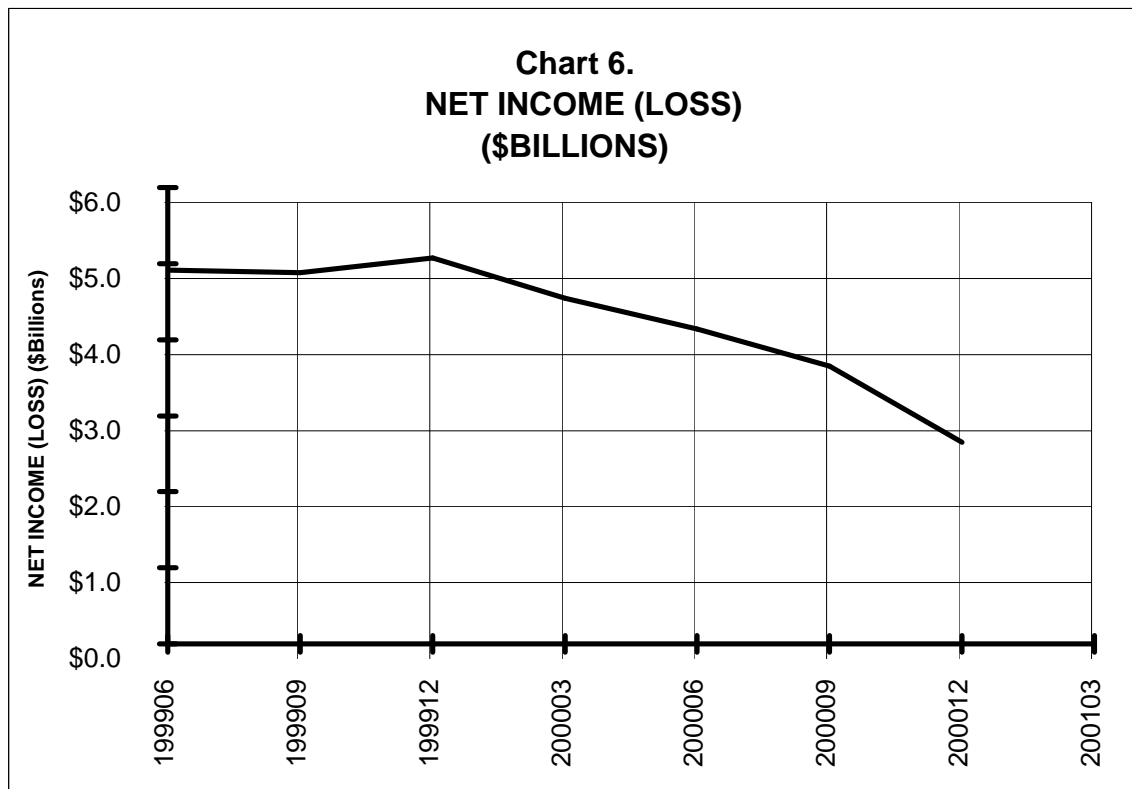
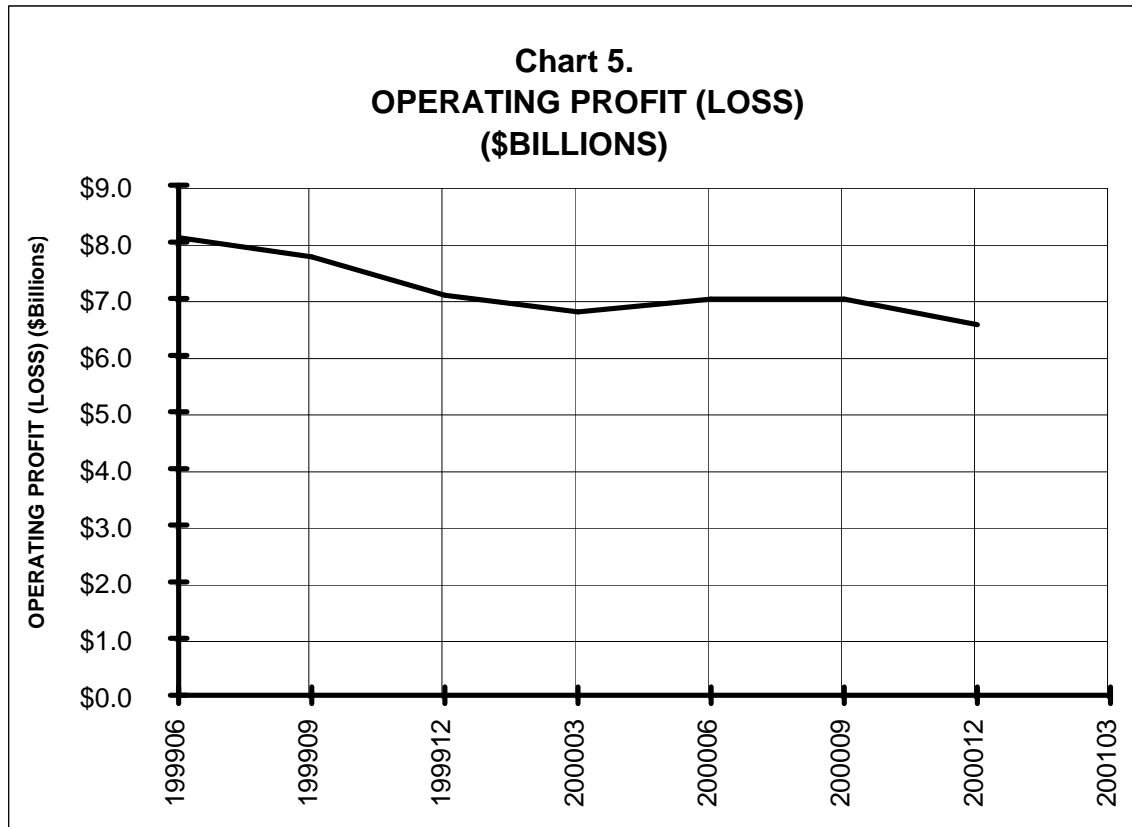
COMPARISONS AMONG MAJOR GROUP AIRLINES



TOTAL ALL MAJORS (SYSTEM) BY QUARTER



**TOTAL ALL MAJORS (SYSTEM)
BY 12-MONTH ENDING PERIODS**



TOTAL ALL MAJORS (SYSTEM) **QUARTERLY AND 12-MONTH BASIS**

Chart 7.
OPERATING REVENUE PER REVENUE TON-MILE
PERCENT CHANGE FROM SAME PERIOD A YEAR
EARLIER

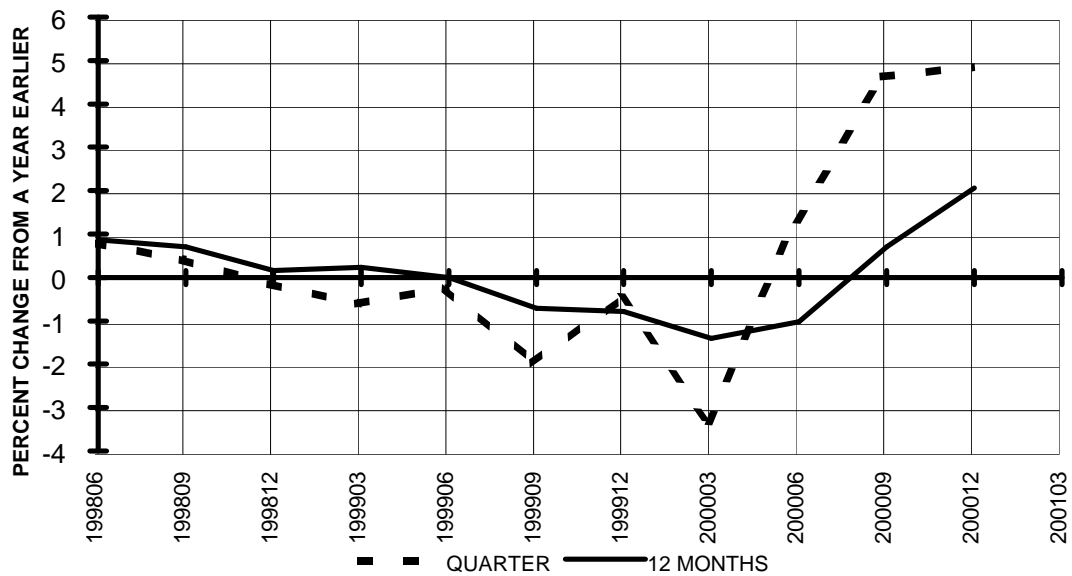
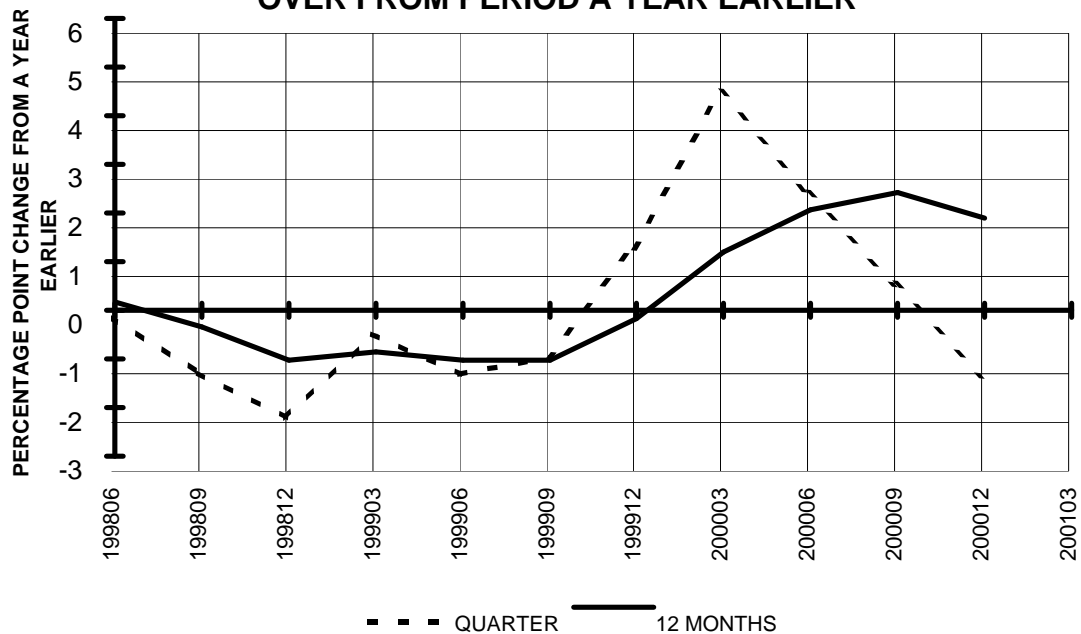
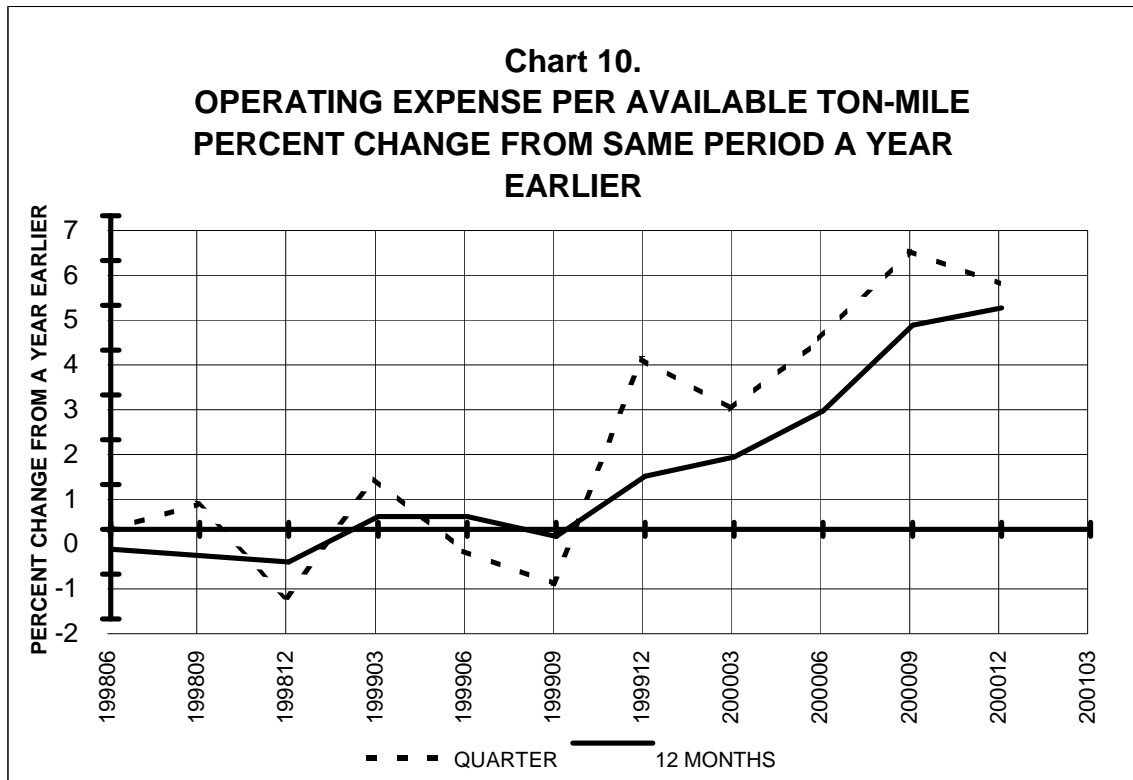
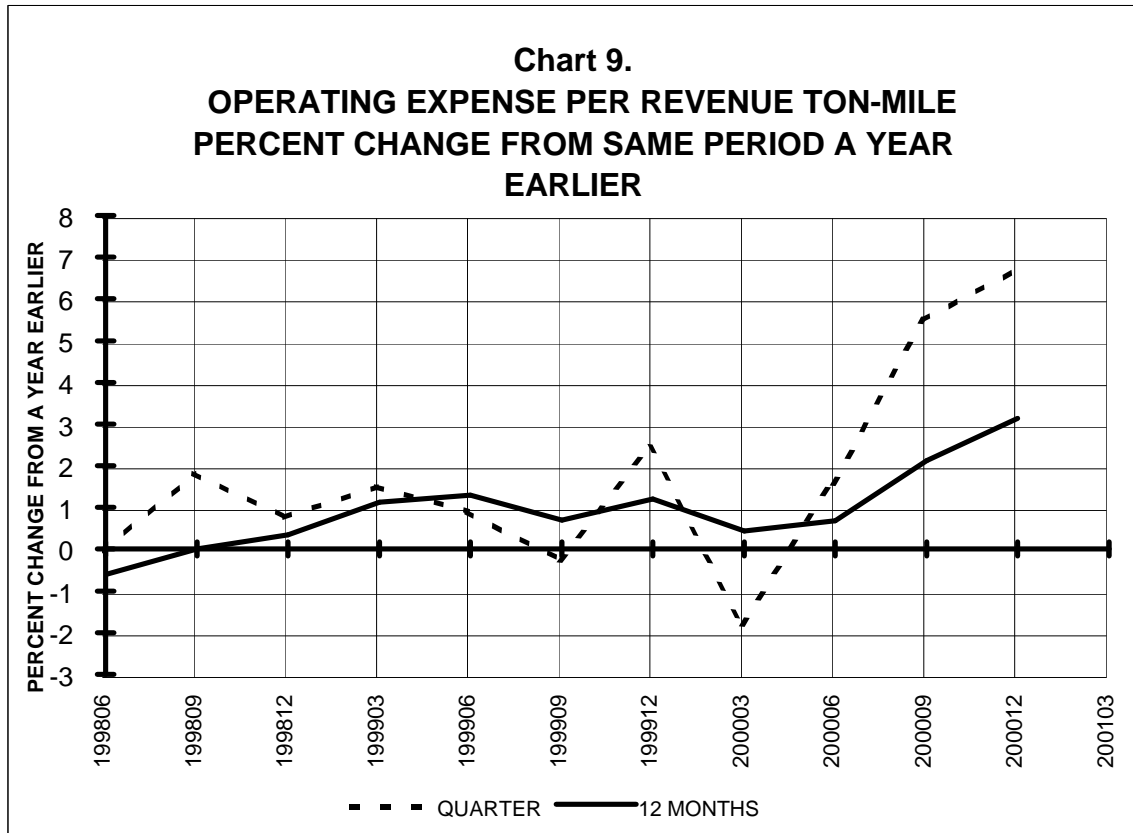


Chart 8.
TON LOAD FACTOR PERCENTAGE POINT CHANGE
OVER FROM PERIOD A YEAR EARLIER



TOTAL ALL MAJORS (SYSTEM) **QUARTERLY AND 12-MONTH BASIS**



QUARTERLY FINANCIAL & TRAFFIC REVIEW
TOTAL PASSENGER MAJORS 1/

QUARTERLY RESULTS

- For the quarter ended March 2001, only Continental and Southwest reported an improvement in operating profit from a year ago. All other passenger majors fell into the red with the exception of American, which managed a small operating profit. For net results, Continental and Southwest had the only gains and were the only carriers to remain in the black.
- For the group, operating expenses, up 10.4 percent, grew much faster than operating revenues, up 3.1 percent, resulting in a sharp drop of \$1.57 billion in operating results to a loss of \$858.5 million. This was the first quarterly loss in more than six years.
- Except for Alaska and Continental, all majors continued to experience sharp increases in total fuel expense, which for the group jumped \$502.2 million (17.4 percent) from a year ago. Fuel consumption rose 4.3 percent and unit fuel prices increased 12.5 percent to an average of 81.96 cents.
- Net income fell into the red, down \$988.9 million to a loss of \$955.6 million

Quarter Ended	\$ Millions					
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)		
	LAST YEAR 2000	THIS YEAR 2001	\$ Change	LAST YEAR 2000	THIS YEAR 2001	\$ Change
March	714.9	-858.5	-1,573.4	33.3	-955.6	-988.9
June	2,803.9	0.0	-	1,656.4	0.0	-
Sept.	1,943.8	0.0	-	743.2	0.0	-
Dec.	35.7	0.0	-	-297.3	0.0	-

- RPM traffic climbed 2 percent as ASM capacity increased 2.2 percent causing the passenger load factor to slip 0.2 percentage points to 68.4 percent.
- Passenger (RPM) yield rose 1 percent to 13.55 cents. America West, American Trans Air, TWA, United and US Airways reported the only declines from a year ago.
- Only the Latin entity reported an operating or net profit as all entities were down sharply from a year ago in both operating and net results.

ENTITY	\$ Millions						TRAFFIC (Billions)			CAPACITY (Billions)			PAX. L.F.
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)			RPMs (Sch. Svc.)			ASMs (Sch. Svc.)			
	2000	2001	\$ Change	2000	2001	\$ Change	2000	2001	Change %	2000	2001	Change %	
Domestic	804.2	-605.1	-1,409.3	190.3	-756.9	-947.3	108.8	109.2	0.4	160.9	162.4	0.9	67.3%
Int'l	-89.3	-253.4	-164.1	-157.0	-198.6	-41.6	39.0	41.5	6.3	54.7	57.9	5.9	71.6%
Atlantic	-130.2	-142.5	-12.3	-114.4	-133.7	-19.3	17.0	18.2	7.3	24.0	26.1	8.5	69.9%
Latin	74.4	67.0	-7.4	32.8	62.2	29.4	9.0	9.6	6.1	13.0	13.6	4.3	70.5%
Pacific	-33.6	-177.9	-144.3	-75.4	-127.2	-51.8	13.0	13.7	5.2	17.6	18.2	3.4	75.0%
System	714.9	-858.5	-1,573.4	33.3	-955.6	-988.9	147.8	150.7	2.0	215.5	220.2	2.2	68.4%

- The operating profit margin reversed from a year ago, dropping from a positive 3.2 percent to a negative 3.7 percent. Southwest, however, rose 2.2 percentage points to 14.7 percent.

12-MONTH RESULTS

- Despite large declines from the same period a year earlier, many of the passenger majors remained positive in both operating and/or net results. Five majors – American, Continental, Delta, Northwest, and Southwest – reported both an operating and net profit for the 12 months ended March 2001.
- Operating revenues rose a strong 8.1 percent, but operating expenses grew faster, up 10.7 percent, resulting in a decline in operating profit of \$1.8 billion to \$3.92 billion.
- Net income tumbled from \$4 billion a year ago to \$1.15 billion, a drop of \$2.85 billion.
- The passenger load factor rose 1.5 percentage points to 72.8 percent as RPM traffic grew 4.9 percent, and ASM capacity rose a lesser 2.8 percent.
- Passenger (RPM) yield was up from the same period a year earlier, rising 4.2 percent to 13.36 cents.

1/ American Trans Air and American Eagle became major air carriers effective January 1, 2000. For comparison purposes, all financial and traffic results for prior periods have been revised to reflect the inclusion of these two carriers.

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
TOTAL PASSENGER MAJORS

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	23,270.8	22,564.7	98,796.5	98,090.4	96,198.9	93,892.5	91,433.1
2	Operating Expenses	24,129.4	21,849.8	94,871.5	92,592.0	90,362.4	87,954.2	85,708.4
3	Operating Profit (Loss)	-858.5	714.9	3,924.9	5,498.4	5,836.5	5,938.3	5,724.7
4	Net Income (Loss)	-955.6	33.3	1,146.7	2,135.6	3,009.2	3,578.7	4,002.0
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	150.69	147.80	654.67	651.79	646.16	637.85	624.32
6	ASMs - Scheduled Rev. Svc.	220.25	215.53	899.64	894.93	889.72	883.55	875.30
7	Overall RTMs (All Svc.)	17.80	18.80	77.51	78.51	78.04	77.17	75.52
8	Overall ATMs (All Svc.)	32.85	31.91	134.62	133.68	132.39	130.89	128.81
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	130.7	120.0	127.5	124.9	123.3	121.7	121.1
10	Operating Expense per RTM	135.5	116.2	122.4	117.9	115.8	114.0	113.5
11	Operating Profit (Loss) per RTM	-4.8	3.8	5.1	7.0	7.5	7.7	7.6
12	Operating Expense per ATM	73.5	68.5	70.5	69.3	68.3	67.2	66.5
13	Passenger Revenue per RPM	13.55	13.42	13.36	13.33	13.16	12.98	12.82
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.59	1.60	1.62	1.63	1.65
15	Times Interest Earned	*	*	2.37	3.56	4.45	5.00	5.70
16	Current Assets to Current Liabilities	*	*	0.66	0.67	0.67	0.66	0.67
17	No. of Days Cash Coverage of Cash Exp.	*	*	38.5	39.6	40.0	42.5	40.7
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-3.7	3.2	4.0	5.6	6.1	6.3	6.3
19	Net Income to Stockholders Equity	*	*	3.7	6.9	9.7	11.7	13.5
20	Corporate Return on Investment	*	*	4.7	6.4	7.9	9.1	10.0
21	Debt to Total Investment	*	*	53.5	52.7	47.6	48.1	49.5
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	68.4	68.6	72.8	72.8	72.6	72.2	71.3
23	Breakeven	73.6	68.1	70.9	69.4	69.0	68.7	68.4
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	455,786	431,772	456,308	451,813	447,230	442,501	428,159
25	Overall RTM's per Employee (000)	39.1	43.5	169.9	173.8	174.5	174.4	176.4

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	3.1	8.8	8.1	9.5	9.0	7.8	5.6
27	Operating Expenses (%)	10.4	10.6	10.7	10.7	10.7	9.7	7.9
28	Operating Profit (Loss) (in Millions \$)	-1,573.4	-271.6	-1,799.8	-497.9	-840.1	-1,024.5	-1,445.9
29	Net Income (Loss)(in Millions \$)	-988.9	-542.8	-2,855.3	-2,409.2	-1,455.4	-875.8	-16.0
30	RPMs (Sch. Svc.) (%)	2.0	5.4	4.9	5.7	6.0	6.4	4.8
31	ASMs (Sch. Svc.) (%)	2.2	5.7	2.8	3.6	4.0	5.1	5.1
32	Operating Revenues per RTM (%)	8.9	-3.5	5.3	2.3	1.0	-1.0	-1.6
33	Operating Expense per RTM (%)	16.6	-2.0	7.8	3.5	2.6	0.8	0.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.0	3.4	4.2	4.9	3.8	2.0	0.4

QUARTERLY FINANCIAL & TRAFFIC REVIEW
DOMESTIC OPERATIONS
TOTAL PASSENGER MAJORS

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	17,922.4	17,628.9	75,392.3	75,098.8	73,759.8	72,268.8	70,539.6
2	Operating Expenses	18,527.5	16,824.7	72,223.3	70,520.5	68,933.9	67,343.5	65,711.3
3	Operating Profit (Loss)	-605.1	804.2	3,169.0	4,578.3	4,825.9	4,925.3	4,828.3
4	Net Income (Loss)	-756.9	190.3	899.3	1,846.5	2,638.7	3,145.4	3,472.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	109.22	108.80	470.92	470.50	468.04	463.56	455.03
6	ASMs - Scheduled Rev. Svc.	162.37	160.86	658.64	657.13	655.93	653.16	648.74
7	Overall RTMs (All Svc.)	11.89	13.07	51.35	52.54	52.40	52.04	51.12
8	Overall ATMs (All Svc.)	22.33	21.97	90.43	90.07	89.57	88.75	87.54
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	150.8	134.9	146.8	142.9	140.8	138.9	138.0
10	Operating Expense per RTM	155.9	128.7	140.6	134.2	131.5	129.4	128.6
11	Operating Profit (Loss) per RTM	-5.1	6.2	6.2	8.7	9.2	9.5	9.4
12	Operating Expense per ATM	83.0	76.6	79.9	78.3	77.0	75.9	75.1
13	Passenger Revenue per RPM	14.63	14.49	14.41	14.38	14.17	13.99	13.80
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-3.4	4.6	4.2	6.1	6.5	6.8	6.8
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	4.9	6.9	8.8	10.1	11.0
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	67.3	67.6	71.5	71.6	71.4	71.0	70.1
23	Breakeven	72.0	65.6	69.2	67.6	67.3	67.0	66.6
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**

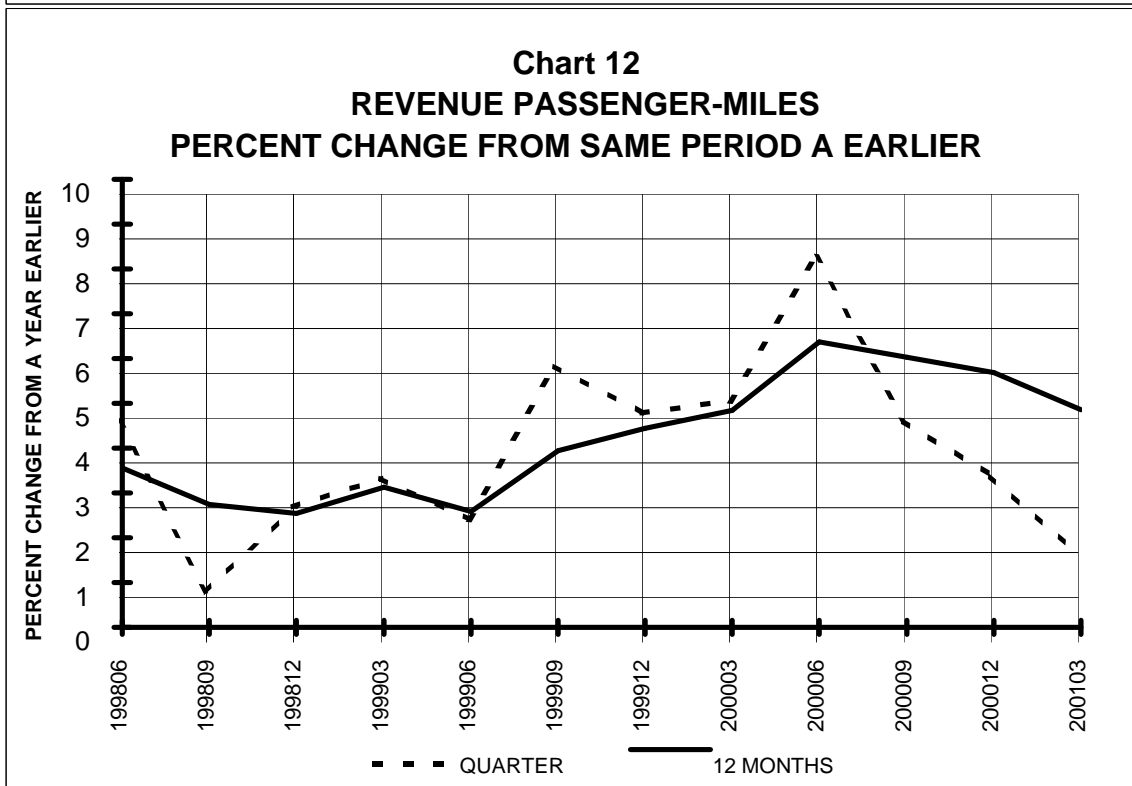
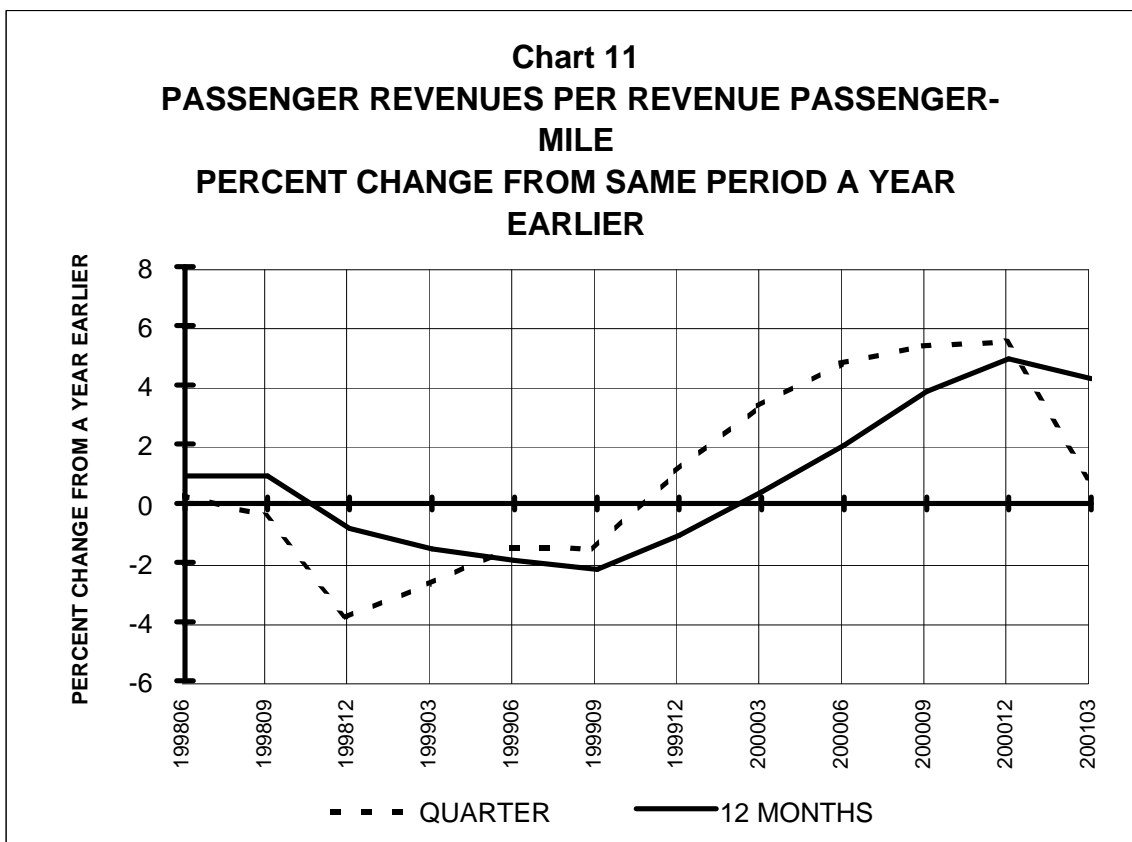
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	1.7	8.5	6.9	8.6	8.3	7.5	5.9
27	Operating Expenses (%)	10.1	11.3	9.9	10.2	10.9	10.8	9.5
28	Operating Profit (Loss) (in Millions \$)	-1,409.3	-328.4	-1,659.3	-578.4	-1,133.7	-1,538.5	-1,774.3
29	Net Income (Loss)(in Millions \$)	-947.2	-494.0	-2,573.2	-2,120.0	-1,386.0	-970.9	-323.4
30	RPMs (Sch. Svc.) (%)	0.4	5.7	3.5	4.8	5.6	6.0	4.9
31	ASMs (Sch. Svc.) (%)	0.9	6.4	1.5	2.8	3.9	5.5	6.1
32	Operating Revenues per RTM (%)	11.8	-5.7	6.4	2.1	0.8	-0.9	-1.2
33	Operating Expense per RTM (%)	21.1	-3.4	9.3	3.5	3.1	2.2	2.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.0	3.1	4.4	5.0	3.7	2.1	0.7

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
INTERNATIONAL OPERATIONS
TOTAL PASSENGER MAJORS**

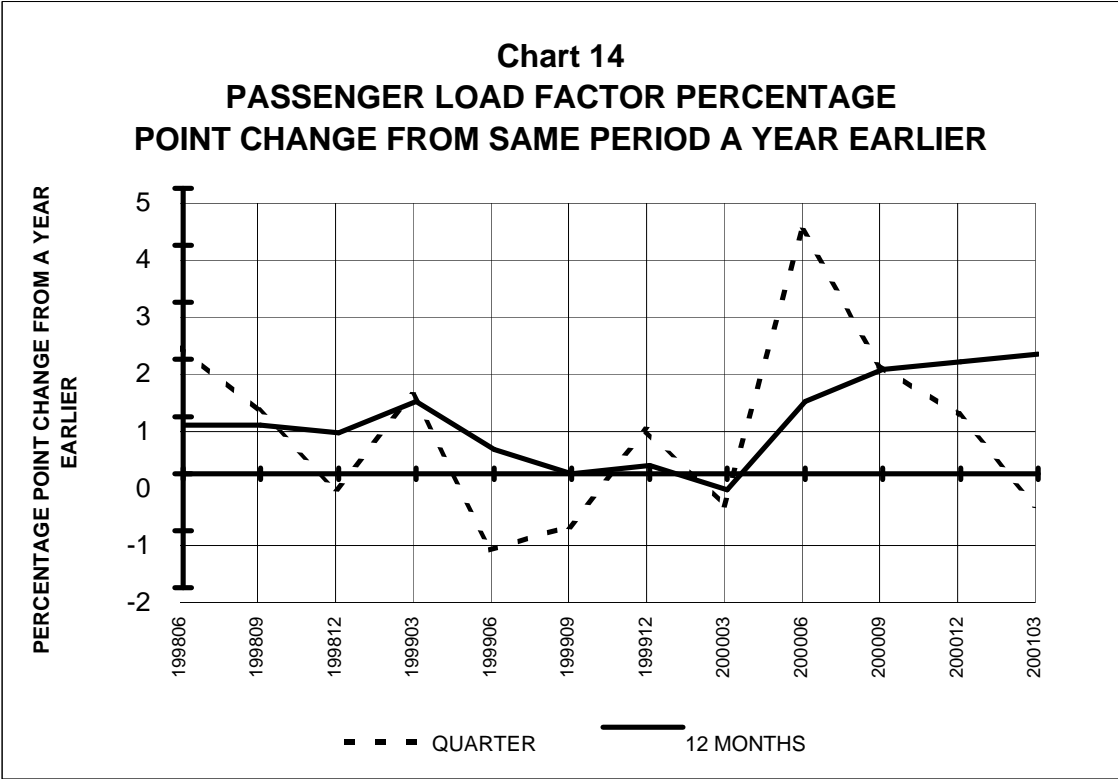
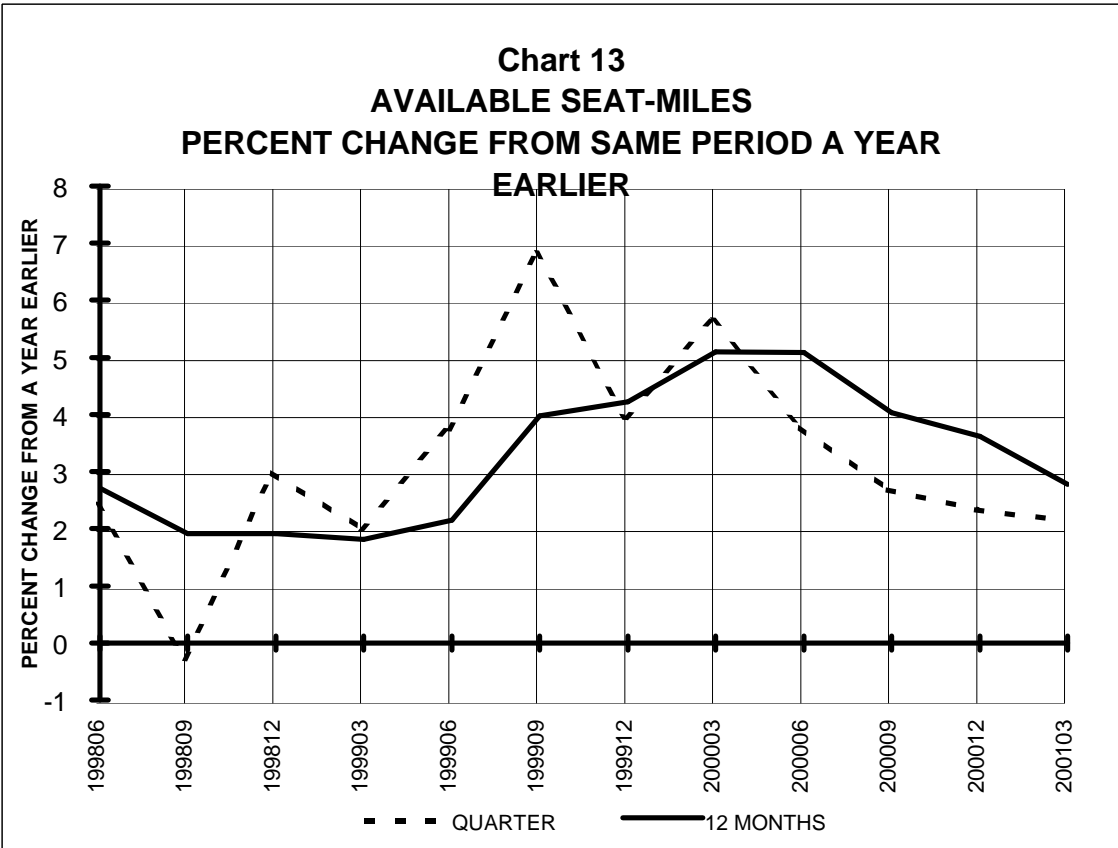
ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	5,348.4	4,935.7	23,404.2	22,991.5	22,439.1	21,623.7	20,893.5
2	Operating Expenses	5,601.9	5,025.1	22,648.3	22,071.5	21,428.5	20,610.7	19,997.1
3	Operating Profit (Loss)	-253.4	-89.3	755.9	920.0	1,010.6	1,013.0	896.4
4	Net Income (Loss)	-198.6	-157.0	247.5	289.1	370.5	433.3	529.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	41.46	39.00	183.75	181.29	178.11	174.29	169.30
6	ASMs - Scheduled Rev. Svc.	57.88	54.67	241.00	237.79	233.78	230.39	226.55
7	Overall RTMs (All Svc.)	5.92	5.73	26.16	25.98	25.63	25.12	24.40
8	Overall ATMs (All Svc.)	10.53	9.95	44.18	43.60	42.82	42.13	41.27
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	90.4	86.1	89.5	88.5	87.5	86.1	85.6
10	Operating Expense per RTM	94.7	87.7	86.6	85.0	83.6	82.0	81.9
11	Operating Profit (Loss) per RTM	-4.3	-1.6	2.9	3.5	3.9	4.0	3.7
12	Operating Expense per ATM	53.2	50.5	51.3	50.6	50.0	48.9	48.5
13	Passenger Revenue per RPM	10.70	10.42	10.64	10.58	10.51	10.32	10.17
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-4.7	-1.8	3.2	4.0	4.5	4.7	4.3
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	4.4	4.6	5.2	5.7	6.6
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	71.6	71.3	76.2	76.2	76.2	75.7	74.7
23	Breakeven	78.8	76.5	75.8	75.2	74.7	74.2	74.2
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	8.4	10.1	12.0	12.5	11.3	8.9	4.4
27	Operating Expenses (%)	11.5	8.6	13.3	12.6	10.2	6.4	2.9
28	Operating Profit (Loss) (in Millions \$)	-164.1	56.8	-140.5	80.4	293.6	514.0	328.4
29	Net Income (Loss)(in Millions \$)	-41.6	-48.7	-282.0	-289.2	-69.4	95.1	307.4
30	RPMs (Sch. Svc.) (%)	6.3	4.4	8.5	8.1	7.3	7.3	4.6
31	ASMs (Sch. Svc.) (%)	5.9	3.6	6.4	5.8	4.4	4.0	2.2
32	Operating Revenues per RTM (%)	5.0	2.1	4.6	3.9	2.1	-0.8	-3.0
33	Operating Expense per RTM (%)	8.0	0.8	5.7	4.0	1.2	-3.2	-4.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	2.7	4.2	4.6	5.1	4.7	2.1	-0.8

**TOTAL PASSENGER MAJORS (SYSTEM)
QUARTERLY AND 12-MONTH BASIS (SCH. SVC.)**

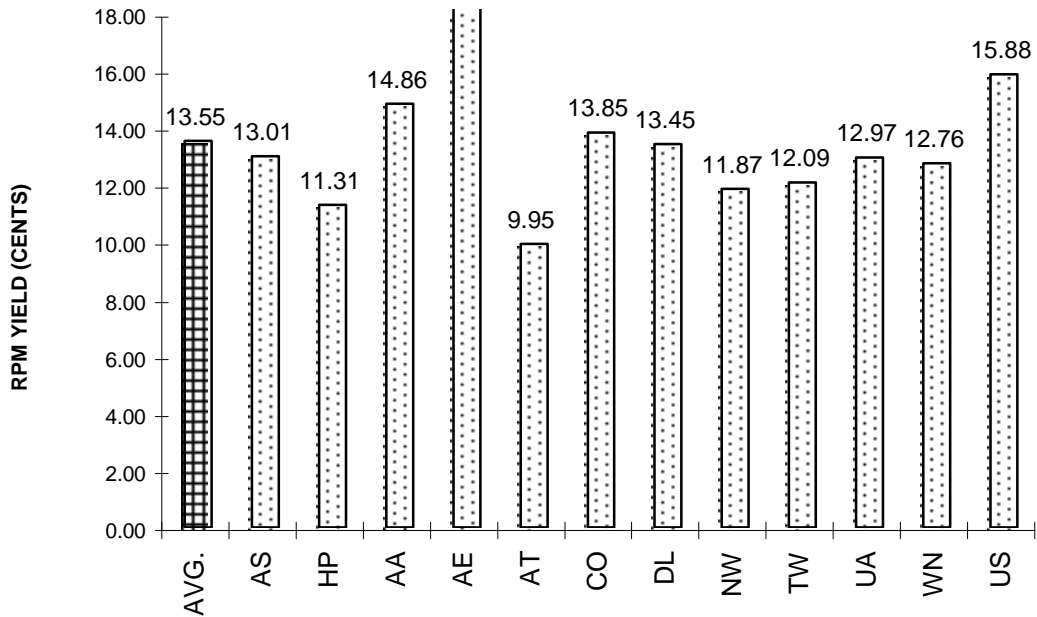


**TOTAL PASSENGER MAJORS (SYSTEM)
QUARTERLY AND 12-MONTH BASIS (SCH. SVC.)**

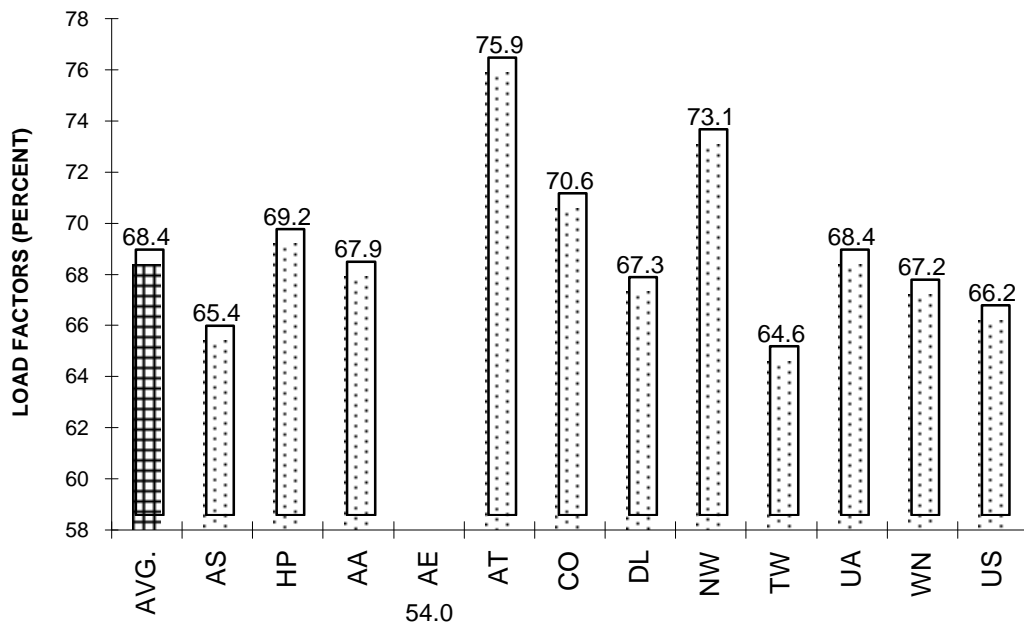


TOTAL PASSENGER MAJORS (SYSTEM) FIRST QUARTER 2001 (SCH. SVC.)

**Chart 15
PASSENGER (RPM) YIELD**



**Chart 16
PASSENGER LOAD FACTOR**



**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
ALASKA AIRLINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	420.7	397.9	1,785.5	1,762.6	1,741.0	1,732.4	1,716.9
2	Operating Expenses	452.4	410.1	1,814.5	1,772.2	1,692.2	1,641.4	1,578.6
3	Operating Profit (Loss)	-31.6	-12.2	-29.1	-9.6	48.8	91.0	138.3
4	Net Income (Loss)	-21.6	-6.6	-27.6	-12.5	25.3	56.7	94.2
	<u>TRAFFIC: (Billions)</u>							
5	RPMs - Scheduled Rev. Svc.	2.89	2.81	12.06	11.98	11.91	11.95	11.88
6	ASMs - Scheduled Rev. Svc.	4.42	4.22	17.49	17.30	17.23	17.37	17.43
7	Overall RTMs (All Svc.)	0.30	0.30	1.27	1.27	1.26	1.27	1.26
8	Overall ATMs (All Svc.)	0.58	0.56	2.29	2.27	2.26	2.28	2.29
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	138.1	133.9	140.3	139.3	138.1	136.6	136.0
10	Operating Expense per RTM	148.5	138.0	142.5	140.0	134.3	129.5	125.1
11	Operating Profit (Loss) per RTM	-10.4	-4.1	-2.3	-0.8	3.9	7.2	11.0
12	Operating Expense per ATM	78.4	73.6	79.2	78.1	74.7	71.9	69.0
13	Passenger Revenue per RPM	13.01	12.34	13.28	13.13	12.92	12.75	12.64
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	1.52	1.56	1.71	1.82	1.90
15	Times Interest Earned	*	*	0.00	0.77	4.04	8.11	12.83
16	Current Assets to Current Liabilities	*	*	1.12	1.24	0.84	0.75	0.77
17	No. of Days Cash Coverage of Cash Exp.	*	*	82.8	99.8	86.7	65.1	66.0
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	-7.5	-3.1	-1.6	-0.5	2.8	5.3	8.1
19	Net Income to Stockholders Equity	*	*	-4.2	-1.9	3.9	8.9	14.9
20	Corporate Return on Investment	*	*	0.1	1.0	4.4	7.5	11.9
21	Debt to Total Investment	*	*	47.4	49.0	44.5	38.9	37.5
	<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	65.4	66.6	68.9	69.3	69.1	68.8	68.2
23	Breakeven	74.3	73.6	72.9	72.7	70.1	68.0	65.4
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	9,313	8,376	8,921	8,687	8,524	8,455	8,399
25	Overall RTM's per Employee (000)	32.7	35.5	142.7	145.7	147.8	149.9	150.3

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	5.7	5.7	4.0	4.0	4.5	5.8	6.6
27	Operating Expenses (%)	10.3	17.0	14.9	16.7	14.9	14.0	11.8
28	Operating Profit (Loss) (in Millions \$)	-19.4	-38.4	-167.4	-186.3	-144.3	-105.6	-60.4
29	Net Income (Loss)(in Millions \$)	-15.0	-25.3	-121.8	-131.9	-103.6	-64.0	-26.4
30	RPMs (Sch. Svc.) (%)	2.9	4.2	1.5	1.8	2.0	2.9	3.2
31	ASMs (Sch. Svc.) (%)	4.7	2.8	0.4	-0.1	0.1	1.0	2.0
32	Operating Revenues per RTM (%)	3.1	1.7	3.2	2.8	3.0	3.2	3.7
33	Operating Expense per RTM (%)	7.6	12.7	13.9	15.3	13.3	11.2	8.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	5.4	2.2	5.1	4.4	3.9	4.1	4.2

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
AMERICA WEST AIRLINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	581.0	549.9	2,340.4	2,309.3	2,299.6	2,255.0	2,203.4
2	Operating Expenses	606.3	538.1	2,390.3	2,322.1	2,203.3	2,118.9	2,042.5
3	Operating Profit (Loss)	-25.3	11.9	-49.9	-12.7	96.3	136.1	160.9
4	Net Income (Loss)	-13.1	15.5	-29.1	-0.5	71.9	94.0	107.2
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	4.88	4.32	19.66	19.10	18.91	18.55	17.99
6	ASMs - Scheduled Rev. Svc.	7.05	6.48	27.65	27.08	26.74	26.40	26.07
7	Overall RTMs (All Svc.)	0.51	0.45	2.05	1.99	1.98	1.94	1.89
8	Overall ATMs (All Svc.)	0.92	0.83	3.57	3.48	3.43	3.38	3.32
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	113.9	121.1	114.2	115.9	116.3	116.0	116.4
10	Operating Expense per RTM	118.8	118.5	116.7	116.5	111.5	109.0	107.9
11	Operating Profit (Loss) per RTM	-5.0	2.6	-2.4	-0.6	4.9	7.0	8.5
12	Operating Expense per ATM	66.1	64.8	66.9	66.6	64.2	62.8	61.6
13	Passenger Revenue per RPM	11.31	11.89	11.26	11.39	11.40	11.39	11.45
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.07	2.04	2.06	2.02	1.97
15	Times Interest Earned	*	*	-0.61	1.66	6.69	7.37	7.76
16	Current Assets to Current Liabilities	*	*	1.08	1.08	1.09	1.10	1.14
17	No. of Days Cash Coverage of Cash Exp.	*	*	20.7	30.8	22.2	34.3	22.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-4.4	2.2	-2.1	-0.6	4.2	6.0	7.3
19	Net Income to Stockholders Equity	*	*	-3.2	-0.1	8.0	10.7	12.6
20	Corporate Return on Investment	*	*	-0.4	2.0	8.5	10.7	12.0
21	Debt to Total Investment	*	*	20.5	25.7	17.9	20.2	18.4
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	69.2	66.7	71.1	70.5	70.7	70.3	69.0
23	Breakeven	74.5	66.8	74.6	72.7	69.0	67.1	64.9
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	11,393	10,134	10,833	10,518	10,262	10,100	9,922
25	Overall RTM's per Employee (000)	44.8	44.8	189.1	189.4	192.6	192.5	190.7

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	5.6	7.7	6.2	6.7	9.3	9.8	9.1
27	Operating Expenses (%)	12.7	16.6	17.0	18.1	15.5	14.2	12.2
28	Operating Profit (Loss) (in Millions \$)	-37.2	-37.0	-210.8	-210.6	-100.3	-63.1	-38.0
29	Net Income (Loss)(in Millions \$)	-28.6	-9.4	-136.3	-117.1	-35.0	-10.9	3.7
30	RPMs (Sch. Svc.) (%)	12.9	7.5	9.3	8.0	10.0	9.5	7.4
31	ASMs (Sch. Svc.) (%)	8.8	3.2	6.1	4.7	4.8	5.1	5.5
32	Operating Revenues per RTM (%)	-6.0	1.3	-1.9	-0.1	0.3	1.0	2.3
33	Operating Expense per RTM (%)	0.3	9.6	8.2	10.5	6.1	5.2	5.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-4.9	0.3	-1.7	-0.4	-0.4	0.4	1.6

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
AMERICAN AIRLINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	4,377.6	4,202.0	18,292.7	18,117.1	17,779.8	17,198.6	16,671.5
2	Operating Expenses	4,372.7	4,016.2	17,230.7	16,874.1	16,363.8	15,917.5	15,509.5
3	Operating Profit (Loss)	4.9	185.9	1,062.0	1,243.0	1,416.0	1,281.1	1,162.0
4	Net Income (Loss)	-54.8	105.1	618.2	778.0	900.6	806.9	697.2
	<u>TRAFFIC: (Billions)</u>							
5	RPMs - Scheduled Rev. Svc.	26.43	27.00	115.95	116.51	116.51	114.76	112.53
6	ASMs - Scheduled Rev. Svc.	38.94	39.98	159.87	160.91	162.25	162.35	161.60
7	Overall RTMs (All Svc.)	3.20	3.25	13.89	13.95	13.97	13.89	13.61
8	Overall ATMs (All Svc.)	6.45	6.24	26.16	25.95	25.84	25.75	25.38
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	137.0	129.3	131.7	129.9	127.2	123.8	122.5
10	Operating Expense per RTM	136.8	123.5	124.0	121.0	117.1	114.6	114.0
11	Operating Profit (Loss) per RTM	0.2	5.7	7.6	8.9	10.1	9.2	8.5
12	Operating Expense per ATM	67.8	64.4	65.9	65.0	63.3	61.8	61.1
13	Passenger Revenue per RPM	14.86	13.95	14.26	14.05	13.79	13.52	13.32
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	1.64	1.62	1.60	1.60	1.62
15	Times Interest Earned	*	*	53.14	-190.98	-52.92	-84.99	-72.81
16	Current Assets to Current Liabilities	*	*	0.65	0.65	0.85	0.85	0.89
17	No. of Days Cash Coverage of Cash Exp.	*	*	32.6	37.8	54.0	57.1	48.0
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	0.1	4.4	5.8	6.9	8.0	7.4	7.0
19	Net Income to Stockholders Equity	*	*	8.7	10.7	12.2	11.3	10.1
20	Corporate Return on Investment	*	*	5.7	6.9	7.8	7.4	6.6
21	Debt to Total Investment	*	*	41.0	38.8	32.7	33.8	34.5
	<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	67.9	67.5	72.5	72.4	71.8	70.7	69.6
23	Breakeven	71.1	67.5	70.2	69.3	67.5	67.0	66.3
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	86,458	81,981	84,974	83,855	82,772	81,612	80,238
25	Overall RTM's per Employee (000)	37.0	39.7	163.5	166.3	168.8	170.3	169.6

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	4.2	16.2	9.7	12.6	12.4	8.5	4.5
27	Operating Expenses (%)	8.9	11.9	11.1	11.9	10.5	8.7	6.5
28	Operating Profit (Loss) (in Millions \$)	-181.0	159.1	-100.0	240.1	394.3	85.3	-228.9
29	Net Income (Loss)(in Millions \$)	-159.9	71.4	-79.0	152.2	265.2	48.4	-178.3
30	RPMs (Sch. Svc.) (%)	-2.1	9.7	3.0	5.8	6.8	5.9	4.1
31	ASMs (Sch. Svc.) (%)	-2.6	9.2	-1.1	1.7	3.9	5.1	4.9
32	Operating Revenues per RTM (%)	6.0	3.6	7.5	7.1	4.8	-0.2	-2.2
33	Operating Expense per RTM (%)	10.8	-0.3	8.8	6.3	3.1	-0.1	-0.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	6.5	6.3	7.1	7.1	6.2	3.1	0.5

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
AMERICAN EAGLE AIRLINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	318.0	276.8	1,286.9	1,245.8	1,196.0	1,135.2	1,084.9
2	Operating Expenses	324.6	277.9	1,230.3	1,183.7	1,113.5	1,068.9	1,026.3
3	Operating Profit (Loss)	-6.6	-1.1	56.6	62.1	82.5	66.2	58.5
4	Net Income (Loss)	-17.6	-15.8	-23.3	-21.5	1.7	4.4	8.2
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	0.75	0.71	3.18	3.14	3.07	2.94	2.83
6	ASMs - Scheduled Rev. Svc.	1.38	1.20	5.33	5.15	4.99	4.78	4.58
7	Overall RTMs (All Svc.)	0.07	0.07	0.32	0.32	0.31	0.30	0.28
8	Overall ATMs (All Svc.)	0.16	0.14	0.61	0.59	0.57	0.54	0.52
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	424.6	389.2	402.7	394.4	387.7	384.0	381.8
10	Operating Expense per RTM	433.4	390.8	384.9	374.8	361.0	361.6	361.2
11	Operating Profit (Loss) per RTM	-8.8	-1.5	17.7	19.7	26.8	22.4	20.6
12	Operating Expense per ATM	203.8	203.2	201.6	201.4	195.2	196.5	197.4
13	Passenger Revenue per RPM	40.91	37.54	38.93	38.14	37.45	37.05	36.79
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.50	0.56	0.63	0.73	0.82
15	Times Interest Earned	*	*	0.59	0.69	1.52	1.57	1.80
16	Current Assets to Current Liabilities	*	*	0.88	1.03	1.30	1.30	1.38
17	No. of Days Cash Coverage of Cash Exp.	*	*	43.4	65.9	78.6	76.8	75.4
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-2.1	-0.4	4.4	5.0	6.9	5.8	5.4
19	Net Income to Stockholders Equity	*	*	-8.9	-8.0	0.6	1.7	3.1
20	Corporate Return on Investment	*	*	0.9	1.0	2.1	2.4	2.7
21	Debt to Total Investment	*	*	90.7	90.0	89.3	89.4	89.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	54.0	59.0	59.7	61.1	61.5	61.6	61.7
23	Breakeven	55.3	59.3	56.7	57.6	56.6	57.4	57.8
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	8,266	7,560	13,972	13,796	13,599	13,400	7,122
25	Overall RTM's per Employee (000)	9.1	9.4	22.9	22.9	22.7	22.1	39.9

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	14.9	21.1	18.6	20.2	17.5	11.4	6.7
27	Operating Expenses (%)	16.8	18.9	19.9	20.5	15.9	13.7	11.7
28	Operating Profit (Loss) (in Millions \$)	-5.5	4.1	-1.9	7.7	25.2	-13.0	-39.2
29	Net Income (Loss)(in Millions \$)	-1.8	-10.2	-31.5	-39.9	-19.6	-31.0	-39.3
30	RPMs (Sch. Svc.) (%)	5.4	21.1	12.6	16.3	15.6	12.7	17.2
31	ASMs (Sch. Svc.) (%)	15.2	21.5	16.3	17.8	16.9	15.3	19.1
32	Operating Revenues per RTM (%)	9.1	0.0	5.5	3.4	1.5	-1.2	-4.2
33	Operating Expense per RTM (%)	10.9	-1.9	6.6	3.7	0.2	0.8	0.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	9.0	0.6	5.8	3.9	2.1	-0.8	-8.8

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
AMERICAN TRANS AIR**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	306.4	286.5	1,202.0	1,182.1	1,144.2	1,096.5	1,041.7
2	Operating Expenses	307.1	282.2	1,187.6	1,162.8	1,098.5	1,037.7	976.5
3	Operating Profit (Loss)	-0.7	4.3	14.3	19.3	45.7	58.7	65.2
4	Net Income (Loss)	-7.0	-0.8	-11.7	-5.6	11.3	22.6	28.8
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	2.04	1.76	7.77	7.49	7.27	7.29	7.04
6	ASMs - Scheduled Rev. Svc.	2.69	2.31	10.18	9.80	9.39	9.36	9.09
7	Overall RTMs (All Svc.)	0.29	0.29	1.17	1.17	1.16	1.12	1.07
8	Overall ATMs (All Svc.)	0.38	0.40	1.59	1.61	1.58	1.53	1.46
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	105.7	99.8	102.5	101.1	99.0	97.6	97.1
10	Operating Expense per RTM	106.0	98.3	101.3	99.4	95.1	92.4	91.0
11	Operating Profit (Loss) per RTM	-0.2	1.5	1.2	1.7	4.0	5.2	6.1
12	Operating Expense per ATM	79.9	70.2	74.8	72.4	69.6	67.9	66.7
13	Passenger Revenue per RPM	9.95	10.20	9.96	10.02	9.88	9.55	9.38
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.35	2.44	2.54	2.60	2.67
15	Times Interest Earned	*	*	0.52	0.83	2.13	2.96	3.74
16	Current Assets to Current Liabilities	*	*	0.60	0.63	0.90	0.92	0.90
17	No. of Days Cash Coverage of Cash Exp.	*	*	43.5	46.8	48.2	48.9	54.7
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-0.2	1.5	1.2	1.6	4.0	5.4	6.3
19	Net Income to Stockholders Equity	*	*	-11.2	-5.2	10.5	22.6	31.6
20	Corporate Return on Investment	*	*	2.9	4.1	7.5	10.3	12.1
21	Debt to Total Investment	*	*	84.1	82.6	75.5	76.2	78.0
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	75.9	76.2	76.3	76.4	77.4	77.9	77.4
23	Breakeven	76.2	74.3	75.6	75.1	72.5	71.2	70.1
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	7,203	6,032	6,781	6,488	6,199	5,892	5,500
25	Overall RTM's per Employee (000)	40.2	47.6	172.9	180.3	186.4	190.7	195.1

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	6.9	16.4	15.4	18.1	17.5	18.0	14.9
27	Operating Expenses (%)	8.8	27.8	21.6	27.1	24.6	22.7	18.3
28	Operating Profit (Loss) (in Millions \$)	-5.0	-21.1	-50.9	-67.0	-46.4	-24.9	-15.7
29	Net Income (Loss)(in Millions \$)	-6.2	-14.5	-40.5	-48.9	-38.7	-21.4	-14.7
30	RPMs (Sch. Svc.) (%)	15.8	15.4	10.3	10.0	9.7	23.9	25.1
31	ASMs (Sch. Svc.) (%)	16.2	15.8	11.9	11.7	8.7	21.5	22.3
32	Operating Revenues per RTM (%)	5.9	7.1	5.6	6.0	5.7	4.8	5.7
33	Operating Expense per RTM (%)	7.8	17.6	11.3	14.0	12.1	9.0	8.7
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-2.5	-19.8	6.2	1.1	-0.8	-9.3	-10.0

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
CONTINENTAL AIR LINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	2,320.2	2,193.2	9,576.3	9,449.2	9,201.4	8,892.3	8,558.2
2	Operating Expenses	2,223.1	2,161.3	8,921.9	8,860.0	8,750.3	8,521.2	8,213.5
3	Operating Profit (Loss)	97.1	31.9	654.4	589.1	451.1	371.0	344.7
4	Net Income (Loss)	6.1	4.5	309.7	308.1	418.8	381.3	372.4
	<u>TRAFFIC: (Billions)</u>							
5	RPMs - Scheduled Rev. Svc.	14.77	14.82	63.48	63.53	63.16	62.17	60.57
6	ASMs - Scheduled Rev. Svc.	20.93	20.65	85.13	84.85	84.46	83.67	82.46
7	Overall RTMs (All Svc.)	1.71	1.73	7.37	7.40	7.38	7.26	7.05
8	Overall ATMs (All Svc.)	2.70	2.70	11.18	11.18	11.16	10.99	10.77
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	135.9	126.6	129.9	127.7	124.7	122.4	121.4
10	Operating Expense per RTM	130.3	124.8	121.0	119.8	118.6	117.3	116.5
11	Operating Profit (Loss) per RTM	5.7	1.8	8.9	8.0	6.1	5.1	4.9
12	Operating Expense per ATM	82.4	80.0	79.8	79.2	78.4	77.5	76.3
13	Passenger Revenue per RPM	13.85	13.00	13.31	13.11	12.82	12.49	12.25
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	1.87	1.85	1.81	1.75	1.71
15	Times Interest Earned	*	*	3.63	3.48	3.47	3.24	3.33
16	Current Assets to Current Liabilities	*	*	0.65	0.85	0.68	0.69	0.72
17	No. of Days Cash Coverage of Cash Exp.	*	*	40.1	60.1	50.4	59.0	65.5
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	4.2	1.5	6.8	6.2	4.9	4.2	4.0
19	Net Income to Stockholders Equity	*	*	20.2	19.1	24.9	22.6	22.5
20	Corporate Return on Investment	*	*	10.1	10.2	12.8	12.0	11.7
21	Debt to Total Investment	*	*	75.0	74.0	65.5	66.5	68.7
	<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	70.6	71.8	74.6	74.9	74.8	74.3	73.5
23	Breakeven	69.1	72.8	70.5	71.4	72.5	73.2	73.1
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	36,378	35,124	35,902	35,588	35,412	35,248	34,924
25	Overall RTM's per Employee (000)	46.9	49.3	205.3	207.9	208.3	206.1	201.8

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	5.8	8.8	11.9	12.7	11.6	9.0	6.0
27	Operating Expenses (%)	2.9	14.9	8.6	11.7	14.4	12.3	10.2
28	Operating Profit (Loss) (in Millions \$)	65.2	-104.4	309.7	140.0	-145.6	-201.0	-274.0
29	Net Income (Loss)(in Millions \$)	1.6	-77.2	-62.7	-141.5	56.8	62.4	21.6
30	RPMs (Sch. Svc.) (%)	-0.3	7.9	4.8	6.8	8.7	8.6	7.5
31	ASMs (Sch. Svc.) (%)	1.4	7.9	3.2	4.8	6.1	6.7	6.5
32	Operating Revenues per RTM (%)	7.3	-0.9	7.0	5.1	1.4	-1.2	-2.1
33	Operating Expense per RTM (%)	4.4	4.9	3.9	4.2	3.9	1.8	1.7
34	Passenger Revenue per RPM (Sch. Svc.)(%)	6.5	2.5	8.7	7.8	5.1	1.6	-0.9

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
DELTA AIR LINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	3,569.1	3,595.6	15,294.4	15,320.9	15,179.6	14,983.6	14,929.6
2	Operating Expenses	3,696.3	3,322.2	14,235.6	13,861.5	13,879.8	13,837.7	13,748.3
3	Operating Profit (Loss)	-127.2	273.4	1,058.7	1,459.4	1,299.7	1,146.0	1,181.3
4	Net Income (Loss)	-137.5	232.5	316.5	686.5	1,076.3	1,371.7	1,301.6
	<u>TRAFFIC: (Billions)</u>							
5	RPMs - Scheduled Rev. Svc.	24.06	24.48	107.36	107.78	107.74	106.79	104.87
6	ASMs - Scheduled Rev. Svc.	35.73	35.46	147.34	147.06	146.76	146.42	145.31
7	Overall RTMs (All Svc.)	2.84	2.89	12.57	12.62	12.60	12.50	12.28
8	Overall ATMs (All Svc.)	5.39	5.29	22.28	22.18	21.99	21.75	21.36
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	125.8	124.5	121.7	121.4	120.4	119.8	121.6
10	Operating Expense per RTM	130.2	115.0	113.3	109.9	110.1	110.7	112.0
11	Operating Profit (Loss) per RTM	-4.5	9.5	8.4	11.6	10.3	9.2	9.6
12	Operating Expense per ATM	68.5	62.8	63.9	62.5	63.1	63.6	64.4
13	Passenger Revenue per RPM	13.45	13.24	13.17	13.12	12.92	12.80	12.63
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	1.40	1.41	1.51	1.61	1.74
15	Times Interest Earned	*	*	2.76	4.11	5.98	7.29	8.19
16	Current Assets to Current Liabilities	*	*	0.57	0.40	0.44	0.44	0.51
17	No. of Days Cash Coverage of Cash Exp.	*	*	21.0	22.4	30.6	33.5	38.8
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	-3.6	7.6	6.9	9.5	8.6	7.6	7.9
19	Net Income to Stockholders Equity	*	*	6.1	13.3	21.3	28.3	27.6
20	Corporate Return on Investment	*	*	6.4	10.1	14.5	18.5	18.6
21	Debt to Total Investment	*	*	52.2	55.1	50.2	52.6	52.2
	<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	67.3	69.0	72.9	73.3	73.4	72.9	72.2
23	Breakeven	71.2	64.1	66.0	64.2	65.8	66.7	67.9
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	66,547	64,448	66,362	65,837	65,156	64,592	64,050
25	Overall RTM's per Employee (000)	42.6	44.8	189.4	191.7	193.4	193.6	191.7

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	-0.7	0.8	2.4	2.8	2.2	0.7	1.1
27	Operating Expenses (%)	11.3	3.4	3.5	1.6	4.8	6.1	6.1
28	Operating Profit (Loss) (in Millions \$)	-400.6	-79.8	-122.6	198.3	-306.8	-685.2	-631.2
29	Net Income (Loss)(in Millions \$)	-370.0	16.1	-985.1	-599.1	-50.4	270.6	203.1
30	RPMs (Sch. Svc.) (%)	-1.7	0.7	2.4	2.9	3.2	2.5	0.6
31	ASMs (Sch. Svc.) (%)	0.8	1.9	1.4	1.7	1.7	2.2	1.8
32	Operating Revenues per RTM (%)	1.0	-0.9	0.1	-0.4	-1.5	-2.5	-0.2
33	Operating Expense per RTM (%)	13.2	1.6	1.2	-1.5	1.0	2.8	4.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.6	0.7	4.3	4.0	2.3	0.5	-0.8

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
NORTHWEST AIRLINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	2,510.9	2,419.2	11,048.3	10,956.6	10,794.8	10,466.1	10,142.1
2	Operating Expenses	2,741.5	2,401.7	10,632.9	10,293.1	10,032.9	9,692.2	9,370.4
3	Operating Profit (Loss)	-230.6	17.5	415.4	663.5	761.9	773.8	771.7
4	Net Income (Loss)	-190.1	-5.9	85.8	269.9	332.1	313.3	305.3
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	18.26	17.77	79.59	79.10	78.34	77.23	75.60
6	ASMs - Scheduled Rev. Svc.	24.98	24.53	103.78	103.32	102.58	101.87	100.92
7	Overall RTMs (All Svc.)	2.37	2.35	10.45	10.43	10.36	10.21	9.98
8	Overall ATMs (All Svc.)	4.03	3.87	16.67	16.52	16.38	16.27	16.07
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	105.9	103.1	105.7	105.1	104.2	102.5	101.7
10	Operating Expense per RTM	115.7	102.3	101.7	98.7	96.8	94.9	93.9
11	Operating Profit (Loss) per RTM	-9.7	0.7	4.0	6.4	7.4	7.6	7.7
12	Operating Expense per ATM	68.1	62.0	63.8	62.3	61.2	59.6	58.3
13	Passenger Revenue per RPM	11.87	11.85	12.04	12.04	12.00	11.81	11.69
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.29	1.27	1.24	1.19	1.14
15	Times Interest Earned	*	*	1.51	2.41	2.66	2.53	2.46
16	Current Assets to Current Liabilities	*	*	0.71	0.52	0.63	0.60	0.56
17	No. of Days Cash Coverage of Cash Exp.	*	*	81.2	25.0	37.4	41.5	35.1
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-9.2	0.7	3.8	6.1	7.1	7.4	7.6
19	Net Income to Stockholders Equity	*	*	1.7	5.5	6.8	6.6	6.6
20	Corporate Return on Investment	*	*	4.6	6.8	7.6	7.4	7.3
21	Debt to Total Investment	*	*	42.3	41.0	41.6	42.6	44.5
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	73.1	72.5	76.7	76.6	76.4	75.8	74.9
23	Breakeven	84.4	74.2	75.3	72.9	71.7	71.0	69.9
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	50,104	48,783	49,808	49,478	49,102	48,768	48,573
25	Overall RTM's per Employee (000)	47.3	48.1	209.8	210.7	211.0	209.4	205.4

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	3.8	12.8	8.9	11.0	13.3	21.1	18.8
27	Operating Expenses (%)	14.1	12.7	13.5	13.1	10.9	10.3	6.2
28	Operating Profit (Loss) (in Millions \$)	-248.1	2.9	-356.3	-105.3	273.6	914.2	1,054.4
29	Net Income (Loss)(in Millions \$)	-184.2	17.5	-219.5	-17.9	223.9	588.6	645.2
30	RPMs (Sch. Svc.) (%)	2.8	8.9	5.3	6.7	7.5	15.1	14.1
31	ASMs (Sch. Svc.) (%)	1.9	6.6	2.8	3.9	4.0	10.8	11.5
32	Operating Revenues per RTM (%)	2.7	2.5	3.9	4.0	4.2	3.7	2.3
33	Operating Expense per RTM (%)	13.1	2.4	8.3	5.9	2.0	-5.6	-8.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.2	4.1	3.0	4.0	5.5	6.4	5.4

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
SOUTHWEST AIRLINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	1,428.6	1,242.7	5,835.6	5,649.6	5,386.6	5,143.0	4,902.7
2	Operating Expenses	1,218.7	1,087.2	4,760.7	4,629.1	4,462.2	4,311.9	4,132.2
3	Operating Profit (Loss)	209.9	155.5	1,074.9	1,020.5	924.4	831.0	770.5
4	Net Income (Loss)	121.0	73.5	650.6	603.1	542.2	484.9	452.0
	<u>TRAFFIC: (Billions)</u>							
5	RPMs - Scheduled Rev. Svc.	10.67	9.46	43.44	42.23	40.74	39.38	37.89
6	ASMs - Scheduled Rev. Svc.	15.87	14.16	61.65	59.94	58.12	56.43	54.66
7	Overall RTMs (All Svc.)	1.10	0.98	4.49	4.37	4.22	4.08	3.92
8	Overall ATMs (All Svc.)	2.00	1.78	7.76	7.55	7.33	7.12	6.90
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	129.7	126.8	130.0	129.4	127.8	126.2	124.9
10	Operating Expense per RTM	110.7	110.9	106.1	106.0	105.8	105.8	105.3
11	Operating Profit (Loss) per RTM	19.1	15.9	23.9	23.4	21.9	20.4	19.6
12	Operating Expense per ATM	61.0	60.9	61.3	61.3	60.9	60.6	59.9
13	Passenger Revenue per RPM	12.76	12.52	12.83	12.78	12.62	12.45	12.31
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	1.42	1.43	1.43	1.43	1.42
15	Times Interest Earned	*	*	25.64	25.03	24.87	26.04	29.97
16	Current Assets to Current Liabilities	*	*	0.70	0.64	0.62	0.68	0.62
17	No. of Days Cash Coverage of Cash Exp.	*	*	55.9	44.1	50.6	57.4	51.4
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	14.7	12.5	18.4	18.1	17.2	16.2	15.7
19	Net Income to Stockholders Equity	*	*	20.2	19.7	18.5	17.2	16.6
20	Corporate Return on Investment	*	*	16.9	16.4	15.5	14.4	13.9
21	Debt to Total Investment	*	*	19.2	20.1	21.3	22.5	23.7
	<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	67.2	66.8	70.5	70.5	70.1	69.8	69.3
23	Breakeven	55.5	57.0	55.2	55.5	55.9	56.5	56.5
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	29,037	27,433	28,231	27,830	27,467	27,209	26,880
25	Overall RTM's per Employee (000)	37.9	35.7	159.0	156.9	153.5	149.8	146.0

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	15.0	15.5	19.0	19.3	17.6	15.9	14.1
27	Operating Expenses (%)	12.1	19.6	15.2	17.1	17.7	18.0	16.1
28	Operating Profit (Loss) (in Millions \$)	54.4	-11.0	304.4	239.0	137.7	46.9	32.1
29	Net Income (Loss)(in Millions \$)	47.5	-22.3	198.6	128.7	61.2	1.3	-7.3
30	RPMs (Sch. Svc.) (%)	12.8	17.5	14.6	15.8	16.5	16.4	16.3
31	ASMs (Sch. Svc.) (%)	12.1	14.2	12.8	13.3	13.3	13.0	12.3
32	Operating Revenues per RTM (%)	2.3	-1.2	4.1	3.4	1.3	0.1	-1.3
33	Operating Expense per RTM (%)	-0.2	2.2	0.8	1.4	1.2	1.9	0.5
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.9	-1.2	4.2	3.6	1.4	-0.2	-1.9

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
TRANS WORLD AIRLINES

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	788.0	809.0	3,563.6	3,584.6	3,538.3	3,442.0	3,353.1
2	Operating Expenses	914.0	912.9	3,818.4	3,817.3	3,902.4	3,854.1	3,762.1
3	Operating Profit (Loss)	-126.0	-103.9	-254.8	-232.7	-364.1	-412.1	-409.0
4	Net Income (Loss)	-156.7	-76.1	-347.3	-266.7	-387.1	-406.0	-408.0
	<u>TRAFFIC: (Billions)</u>							
5	RPMs - Scheduled Rev. Svc.	5.78	6.02	26.97	27.21	27.08	26.59	26.31
6	ASMs - Scheduled Rev. Svc.	8.95	9.01	37.56	37.63	37.46	37.00	36.30
7	Overall RTMs (All Svc.)	0.63	1.78	2.94	4.09	4.09	4.04	4.01
8	Overall ATMs (All Svc.)	1.29	1.42	5.42	5.55	5.49	5.38	5.24
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	124.8	45.4	121.2	87.6	86.6	85.3	83.6
10	Operating Expense per RTM	144.7	51.2	129.9	93.3	95.5	95.5	93.8
11	Operating Profit (Loss) per RTM	-20.0	-5.8	-8.7	-5.7	-8.9	-10.2	-10.2
12	Operating Expense per ATM	70.9	64.4	70.5	68.8	71.1	71.6	71.7
7	Passenger Revenue per RPM	12.09	12.17	11.90	11.92	11.82	11.68	11.45
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	7.95	7.18	5.83	4.80	4.05
15	Times Interest Earned	*	*	-2.15	-1.78	-3.03	-3.42	-3.34
16	Current Assets to Current Liabilities	*	*	0.36	0.32	0.48	0.51	0.49
17	No. of Days Cash Coverage of Cash Exp.	*	*	7.0	10.1	15.2	19.1	16.6
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	-16.0	-12.8	-7.1	-6.5	-10.3	-12.0	-12.2
19	Net Income to Stockholders Equity	*	*	96.5	96.6	229.7	508.0	0.0
20	Corporate Return on Investment	*	*	-55.2	-35.2	-48.6	-43.5	-37.6
21	Debt to Total Investment	*	*	243.8	213.0	162.6	150.9	148.4
	<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	64.6	66.8	71.8	72.3	72.3	71.9	72.5
23	Breakeven	78.6	78.7	79.3	79.3	82.8	84.0	85.1
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	18,396	19,254	18,864	19,079	19,233	19,311	19,393
25	Overall RTM's per Employee (000)	34.3	92.6	155.9	214.4	212.5	209.1	206.8

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	-2.6	5.8	6.3	8.3	8.7	6.2	2.9
	Operating Expenses (%)	0.1	13.8	1.5	4.5	14.8	16.7	14.3
28	Operating Profit (Loss) (in Millions \$)	-22.1	-66.3	154.2	110.0	-220.3	-350.9	-375.0
29	Net Income (Loss)(in Millions \$)	-80.6	-54.5	60.7	86.7	-226.5	-293.8	-321.5
30	RPMs (Sch. Svc.) (%)	-4.1	5.3	2.5	4.6	7.5	8.1	7.9
31	ASMs (Sch. Svc.) (%)	-0.8	8.6	3.5	5.7	7.4	7.7	5.9
32	Operating Revenues per RTM (%)	174.9	-58.5	45.0	-22.5	-24.4	-26.9	-29.2
33	Operating Expense per RTM (%)	182.6	-55.4	38.5	-25.3	-20.2	-19.6	-21.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-0.7	2.2	3.9	4.7	2.4	-0.7	-3.8

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
UNITED AIR LINES**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	4,417.7	4,533.0	19,216.0	19,331.3	18,999.8	18,917.7	18,350.2
2	Operating Expenses	4,845.8	4,245.8	19,190.5	18,590.5	17,910.7	17,189.9	16,843.5
3	Operating Profit (Loss)	-428.1	287.2	25.5	740.8	1,089.1	1,727.8	1,506.6
4	Net Income (Loss)	-321.4	-81.1	-188.7	51.6	250.2	715.3	1,048.0
	<u>TRAFFIC: (Billions)</u>							
5	RPMs - Scheduled Rev. Svc.	28.76	29.00	126.65	126.88	126.40	127.39	125.25
6	ASMs - Scheduled Rev. Svc.	42.08	42.50	174.98	175.40	175.47	176.43	176.82
7	Overall RTMs (All Svc.)	3.52	3.66	15.70	15.84	15.83	15.91	15.66
8	Overall ATMs (All Svc.)	6.52	6.61	27.47	27.56	27.48	27.46	27.31
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	125.4	123.9	122.4	122.1	120.0	118.9	117.2
10	Operating Expense per RTM	137.6	116.0	122.2	117.4	113.1	108.1	107.6
11	Operating Profit (Loss) per RTM	-12.2	7.8	0.2	4.7	6.9	10.9	9.6
12	Operating Expense per ATM	74.3	64.2	69.9	67.5	65.2	62.6	61.7
13	Passenger Revenue per RPM	12.97	13.40	12.99	13.09	12.91	12.80	12.56
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	1.60	1.66	1.70	1.71	1.70
15	Times Interest Earned	*	*	0.18	2.25	3.31	5.80	7.51
16	Current Assets to Current Liabilities	*	*	0.63	0.73	0.58	0.58	0.54
17	No. of Days Cash Coverage of Cash Exp.	*	*	29.3	44.0	23.4	25.5	16.6
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	-9.7	6.3	0.1	3.8	5.7	9.1	8.2
19	Net Income to Stockholders Equity	*	*	-3.3	0.9	4.4	12.7	19.9
20	Corporate Return on Investment	*	*	1.5	3.4	5.1	9.2	12.5
21	Debt to Total Investment	*	*	59.1	57.3	50.3	46.8	49.4
	<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	68.4	68.2	72.4	72.3	72.0	72.2	70.8
23	Breakeven	79.3	64.5	74.4	70.8	69.1	66.4	66.4
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	90,795	88,784	90,138	89,635	89,108	88,409	87,673
25	Overall RTM's per Employee (000)	38.8	41.2	174.2	176.7	177.7	179.9	178.6

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	-2.6	9.2	4.7	7.6	6.8	6.7	4.1
27	Operating Expenses (%)	14.1	5.9	13.9	11.9	9.0	5.5	4.2
28	Operating Profit (Loss) (in Millions \$)	-715.3	148.7	-1,481.1	-617.1	-267.4	300.3	49.3
29	Net Income (Loss)(in Millions \$)	-240.3	-155.8	-1,236.7	-1,152.2	-890.0	-490.7	228.0
30	RPMs (Sch. Svc.) (%)	-0.8	-0.4	1.1	1.2	0.7	1.1	-0.6
31	ASMs (Sch. Svc.) (%)	-1.0	0.7	-1.1	-0.7	-0.6	0.0	1.1
32	Operating Revenues per RTM (%)	1.2	7.8	4.4	6.1	5.0	4.7	3.5
33	Operating Expense per RTM (%)	18.6	4.5	13.6	10.3	7.1	3.4	3.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-3.2	8.4	3.4	6.3	5.6	5.1	3.4

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
US AIRWAYS

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	2,232.6	2,058.9	9,355.0	9,181.2	8,937.8	8,630.2	8,478.8
2	Operating Expenses	2,426.9	2,194.3	9,458.2	9,225.6	8,952.7	8,762.7	8,504.8
3	Operating Profit (Loss)	-194.3	-135.4	-103.2	-44.4	-15.0	-132.5	-26.0
4	Net Income (Loss)	-163.1	-211.5	-206.4	-254.8	-234.2	-266.4	-5.0
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	11.40	9.66	48.57	46.83	45.03	42.83	41.57
6	ASMs - Scheduled Rev. Svc.	17.23	15.03	68.68	66.49	64.26	61.48	60.05
7	Overall RTMs (All Svc.)	1.26	1.05	5.29	5.09	4.89	4.64	4.50
8	Overall ATMs (All Svc.)	2.44	2.06	9.61	9.24	8.88	8.44	8.20
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	177.7	195.2	176.9	180.5	182.9	186.0	188.3
10	Operating Expense per RTM	193.2	208.1	178.9	181.4	183.2	188.8	188.8
11	Operating Profit (Loss) per RTM	-15.5	-12.8	-2.0	-0.9	-0.3	-2.9	-0.6
12	Operating Expense per ATM	99.6	106.5	98.4	99.9	100.8	103.8	103.8
13	Passenger Revenue per RPM	15.88	17.44	15.82	16.14	16.23	16.36	16.53
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.03	2.06	2.09	2.09	2.12
15	Times Interest Earned	*	*	-0.17	0.15	0.18	-0.19	1.99
16	Current Assets to Current Liabilities	*	*	0.85	0.91	0.83	0.81	0.79
17	No. of Days Cash Coverage of Cash Exp.	*	*	42.6	52.3	50.3	43.6	60.0
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-8.7	-6.6	-1.1	-0.5	-0.2	-1.5	-0.3
19	Net Income to Stockholders Equity	*	*	-12.1	-14.5	-13.2	-14.9	-0.3
20	Corporate Return on Investment	*	*	1.0	-0.4	-0.2	-1.5	4.5
21	Debt to Total Investment	*	*	66.3	62.6	59.6	61.6	63.9
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	66.2	64.2	70.7	70.4	70.1	69.7	69.2
23	Breakeven	76.5	72.5	75.0	74.2	74.2	75.7	74.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	41,896	39,895	41,522	41,022	40,396	39,505	38,481
25	Overall RTM's per Employee (000)	30.0	26.4	127.3	124.0	121.0	117.5	117.0

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	8.4	0.9	10.3	8.5	5.8	0.9	-1.0
27	Operating Expenses (%)	10.6	12.7	11.2	11.7	11.6	13.0	10.9
28	Operating Profit (Loss) (in Millions \$)	-58.9	-228.3	-77.2	-246.7	-439.9	-927.8	-919.5
29	Net Income (Loss)(in Millions \$)	48.4	-278.5	-201.4	-528.3	-698.9	-935.3	-530.3
30	RPMs (Sch. Svc.) (%)	18.0	1.1	16.8	12.9	9.6	3.5	0.5
31	ASMs (Sch. Svc.) (%)	14.6	6.6	14.4	12.5	10.3	6.4	5.1
32	Operating Revenues per RTM (%)	-9.0	-0.8	-6.1	-4.3	-3.7	-2.6	-1.4
33	Operating Expense per RTM (%)	-7.2	10.8	-5.3	-1.5	1.6	9.0	10.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-8.9	0.3	-4.3	-2.2	-2.6	-3.0	-2.4

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
TOTAL ALL-CARGO MAJORS 1/

QUARTERLY RESULTS

- Among the all-cargo carrier, only DHL Airways reported any deterioration or loss in either operating or net results for the first quarter 2001.
- For the all-cargo group, operating revenues, up 2.6 percent, grew faster than operating expenses, up 1.8 percent, resulting in a \$41.6 million improvement in operating profit to \$228.1 million.
- Total fuel expense rose 15.4 percent (\$47.4 million) as fuel consumption rose 2.5 percent and unit fuel prices jumped 12.5 percent.
- Net income increased \$40.3 million to \$122.6 million.

Quarter Ended	\$ Millions					
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)		
	LAST YEAR 2000	THIS YEAR 2001	\$ Change	LAST YEAR 2000	THIS YEAR 2001	\$ Change
March	186.5	228.1	41.6	82.3	122.6	40.3
June	300.6	0.0	-	167.9	0.0	-
Sept.	314.0	0.0	-	162.3	0.0	-
Dec.	243.2	0.0	-	103.1	0.0	-

- Only the Latin entity reported a gain in both operating and net results, although domestic operations reported an improved operating profit and Pacific operations reported an improved net income. For the Latin entity, operating results gained \$33.6 million to \$74.7 million and net results were up \$21.5 million to \$55.6 million.

ENTITY	\$ Millions						TRAFFIC (Billions)			CAPACITY (Billions)			TON
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)			RTMs (All Svc.)			ATMs (All Svc.)			
	2000	2001	\$ Change	2000	2001	\$ Change	2000	2001	Change %	2000	2001	Change %	
Domestic	19.7	115.7	95.9	27.2	12.8	-14.3	1.9	1.8	-6.2	3.3	3.1	-4.4	56.8%
Int'l	166.8	112.4	-54.4	55.1	109.8	54.7	1.1	1.2	5.6	1.8	1.9	7.6	63.4%
Atlantic	99.7	40.0	-59.7	48.2	42.3	-5.9	0.4	0.4	12.3	0.5	0.6	11.5	66.5%
Latin	41.1	74.7	33.6	34.1	55.6	21.5	0.1	0.1	33.5	0.2	0.2	26.6	54.8%
Pacific	26.0	-2.3	-28.3	-27.3	11.8	39.1	0.7	0.7	-1.9	1.0	1.1	2.1	63.6%
System	186.5	228.1	41.6	82.3	122.6	40.3	3.0	3.0	-1.8	5.0	5.0	-0.2	59.3%

- Although ATM capacity dipped 0.2 percent, RTM traffic was down 1.8 percent producing a 1 percentage point decline in the ton load factor to 59.3 percent.
- Profitability was enhanced as RTM yield, up 4.5 percent, grew faster than RTM unit costs, up 3.6 percent.

12-MONTH RESULTS

- For the twelve months ended March 2001, DHL Airways was the only all-cargo carrier to report a decline or a loss in either operating or net results.
- Operating expense growth, up 6.6 percent, slightly exceeded operating revenue growth, up 6.5 percent, but operating profit still rose \$49.4 million to \$1.09 billion.
- Net income increased \$17.3 million to \$556 million.
- Interest on debt declined \$6.7 million to \$90.2 million.
- The ton load factor rose 2.1 percentage points to 61.9 percent as RTM traffic growth, up 4.6 percent, rose much faster than ATM capacity growth, up 1 percent.

1/ On January 1, 1997, DHL Airways became a major airline with annual operating revenues exceeding \$1 billion.

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
TOTAL ALL-CARGO MAJORS**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	4,905.6	4,779.7	19,749.6	19,623.7	19,471.2	18,994.3	18,549.8
2	Operating Expenses	4,677.5	4,593.2	18,663.7	18,579.4	18,320.7	17,942.9	17,513.3
3	Operating Profit (Loss)	228.1	186.5	1,085.9	1,044.3	1,150.5	1,051.4	1,036.5
4	Net Income (Loss)	122.6	82.3	556.0	515.7	640.3	564.8	538.7
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	2.28	2.23	9.41	9.37	9.23	9.03	8.83
6	ATMs - Scheduled Rev. Svc.	3.77	3.59	14.99	14.81	14.60	14.47	14.35
7	Overall RTMs (All Services)	2.98	3.04	12.63	12.68	12.63	12.37	12.08
8	Overall ATMs (All Services)	5.03	5.04	20.41	20.42	20.42	20.37	20.21
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	164.5	157.4	156.4	154.7	154.2	153.6	153.6
10	Operating Expense per RTM	156.8	151.3	147.8	146.5	145.1	145.1	145.0
11	Operating Profit (Loss) per RTM	7.6	6.1	8.6	8.2	9.1	8.5	8.6
12	Operating Expense per ATM	93.0	91.2	91.4	91.0	89.7	88.1	86.7
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.11	2.09	2.07	2.02	1.96
15	Times Interest Earned	*	*	8.99	7.92	9.12	8.59	8.11
16	Current Assets to Current Liabilities	*	*	1.29	1.26	1.18	1.15	1.21
17	No. of Days Cash Coverage of Cash Exp.	*	*	3.0	2.3	2.0	1.9	2.0
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	4.6	3.9	5.5	5.3	5.9	5.5	5.6
19	Net Income to Stockholders Equity	*	*	11.2	10.1	12.5	11.1	10.6
20	Corporate Return on Investment	*	*	7.2	6.8	8.1	7.3	7.0
21	Debt to Total Investment	*	*	51.4	46.6	45.7	46.2	44.0
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	59.3	60.3	61.9	62.1	61.8	60.7	59.8
23	Breakeven	++	++	++	++	++	++	++
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	108,099	107,227	106,922	106,705	106,557	106,526	105,806
25	Overall RTM's per Employee (000)	27.6	28.3	118.1	118.9	118.5	116.1	114.1

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	2.6	12.2	6.5	8.8	10.4	9.0	7.7
27	Operating Expenses (%)	1.8	13.5	6.6	9.5	10.6	10.0	8.7
28	Operating Profit (Loss) (in Millions \$)	41.6	-27.1	49.4	-19.3	88.6	-63.8	-68.0
29	Net Income (Loss)(in Millions \$)	40.3	8.3	17.3	-14.7	228.3	105.7	98.1
30	RTMs (All Svc.) (%)	-1.8	15.0	4.6	8.6	11.4	10.3	8.9
31	ATMs (All Svc.) (%)	-0.2	9.2	1.0	3.2	4.7	5.4	5.8
32	Operating Revenues per RTM (%)	4.5	-2.5	1.8	0.2	-0.8	-1.2	-1.1
33	Operating Expense per RTM (%)	3.6	-1.3	1.9	0.8	-0.7	-0.4	-0.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW
DOMESTIC OPERATIONS
TOTAL ALL-CARGO MAJORS

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	3,521.4	3,450.4	14,265.7	14,194.7	14,140.0	13,895.4	13,686.4
2	Operating Expenses	3,405.8	3,430.7	13,658.7	13,683.6	13,588.9	13,456.5	13,231.3
3	Operating Profit (Loss)	115.7	19.7	607.1	511.2	551.2	438.9	455.1
4	Net Income (Loss)	12.8	27.2	193.5	207.8	278.1	353.5	396.3
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	1.12	1.15	4.69	4.72	4.71	4.65	4.57
6	ATMs - Scheduled Rev. Svc.	1.97	1.94	7.86	7.83	7.80	7.75	7.71
7	Overall RTMs (All Services)	1.78	1.90	7.63	7.74	7.83	7.77	7.65
8	Overall ATMs (All Services)	3.13	3.28	12.80	12.95	13.14	13.26	13.26
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	197.7	181.7	187.1	183.3	180.7	178.8	178.9
10	Operating Expense per RTM	191.2	180.7	179.1	176.7	173.6	173.2	173.0
11	Operating Profit (Loss) per RTM	6.5	1.0	8.0	6.6	7.0	5.6	5.9
12	Operating Expense per ATM	108.7	104.7	106.7	105.7	103.4	101.4	99.8
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	3.3	0.6	4.3	3.6	3.9	3.2	3.3
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	4.0	4.3	5.3	6.2	6.8
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	56.8	57.9	59.6	59.8	59.6	58.6	57.7
23	Breakeven	++	++	++	++	++	++	++
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	2.1	7.5	4.2	5.6	5.9	4.7	4.1
27	Operating Expenses (%)	-0.7	10.4	3.2	6.0	7.0	7.6	7.1
28	Operating Profit (Loss) (in Millions \$)	96.0	-83.7	152.0	-27.5	-105.5	-321.2	-336.7
29	Net Income (Loss)(in Millions \$)	-14.4	23.9	-202.8	-164.6	-74.0	96.6	217.7
30	RTMs (All Svc.) (%)	-6.2	9.6	-0.3	3.5	6.9	7.3	6.5
31	ATMs (All Svc.) (%)	-4.4	5.3	-3.5	-1.2	1.4	3.2	4.4
32	Operating Revenues per RTM (%)	8.8	-2.0	4.6	2.0	-1.0	-2.4	-2.2
33	Operating Expense per RTM (%)	5.8	0.7	3.5	2.4	0.1	0.3	0.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
INTERNATIONAL OPERATIONS
TOTAL ALL-CARGO MAJORS**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	1,384.1	1,329.3	5,483.8	5,429.0	5,331.2	5,098.9	4,863.3
2	Operating Expenses	1,271.7	1,162.5	5,005.0	4,895.8	4,731.8	4,486.3	4,281.9
3	Operating Profit (Loss)	112.4	166.8	478.8	533.2	599.4	612.5	581.4
4	Net Income (Loss)	109.8	55.1	362.5	307.8	362.3	211.2	142.4
	<u>TRAFFIC: (Billions)</u>							
5	RTMs - Scheduled Rev. Svc.	1.16	1.08	4.72	4.65	4.52	4.38	4.26
6	ATMs - Scheduled Rev. Svc.	1.81	1.66	7.13	6.98	6.80	6.73	6.64
7	Overall RTMs (All Services)	1.20	1.14	5.00	4.94	4.80	4.60	4.43
8	Overall ATMs (All Services)	1.89	1.76	7.61	7.48	7.28	7.11	6.94
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	115.3	116.8	109.6	109.9	111.0	111.0	109.9
10	Operating Expense per RTM	105.9	102.2	100.0	99.1	98.6	97.6	96.7
11	Operating Profit (Loss) per RTM	9.4	14.7	9.6	10.8	12.5	13.3	13.1
12	Operating Expense per ATM	67.1	66.0	65.8	65.5	65.0	63.1	61.7
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	8.1	12.5	8.7	9.8	11.2	12.0	12.0
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	15.6	13.8	16.4	10.6	7.9
21	Debt to Total Investment	*	*	**	**	**	**	**
	<u>TON LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	63.4	64.6	65.8	66.1	66.0	64.7	63.7
23	Breakeven	++	++	++	++	++	++	++
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	4.1	26.5	12.8	18.4	24.8	22.5	19.3
27	Operating Expenses (%)	9.4	23.6	16.9	20.6	22.3	17.8	13.7
28	Operating Profit (Loss) (in Millions \$)	-54.4	56.6	-102.6	8.3	194.1	257.4	268.7
29	Net Income (Loss)(in Millions \$)	54.7	-15.6	220.1	149.8	302.4	9.0	-119.6
30	RTMs (All Svc.) (%)	5.5	25.3	13.1	17.8	19.4	16.0	13.5
31	ATMs (All Svc.) (%)	7.6	17.2	9.6	11.8	11.1	9.8	8.6
32	Operating Revenues per RTM (%)	-1.3	0.9	-0.3	0.5	4.4	5.6	5.2
33	Operating Expense per RTM (%)	3.6	-1.4	3.4	2.4	2.5	1.6	0.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
DHL AIRWAYS

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	370.5	370.5	1,497.2	1,497.3	1,479.5	1,453.8	1,420.9
2	Operating Expenses	415.3	385.4	1,597.9	1,568.0	1,505.2	1,456.1	1,402.9
3	Operating Profit (Loss)	-44.8	-15.0	-100.6	-70.8	-25.7	-2.3	18.0
4	Net Income (Loss)	-49.9	-10.1	-106.8	-67.0	-19.6	9.8	20.9
	<u>TRAFFIC: (Billions)</u>							
5	RTMs - Scheduled Rev. Svc.	0.11	0.11	0.45	0.45	0.44	0.43	0.42
6	ATMs - Scheduled Rev. Svc.	0.22	0.20	0.87	0.85	0.83	0.79	0.76
7	Overall RTMs (All Services)	0.12	0.11	0.50	0.49	0.48	0.46	0.46
8	Overall ATMs (All Services)	0.23	0.21	0.92	0.90	0.87	0.81	0.78
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	314.2	328.3	301.7	304.8	307.2	313.8	311.7
10	Operating Expense per RTM	352.2	341.5	321.9	319.2	312.5	314.3	307.7
11	Operating Profit (Loss) per RTM	-38.0	-13.3	-20.3	-14.4	-5.3	-0.5	3.9
12	Operating Expense per ATM	182.3	186.8	173.9	174.7	172.6	179.7	180.5
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	28.49	10.95	8.34	7.00	7.46
15	Times Interest Earned	*	*	-5.94	-5.16	-1.57	1.97	2.99
16	Current Assets to Current Liabilities	*	*	1.20	0.00	0.00	1.03	1.04
17	No. of Days Cash Coverage of Cash Exp.	*	*	0.2	0.0	0.0	0.3	0.6
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	-12.1	-4.0	-6.7	-4.7	-1.7	-0.2	1.3
19	Net Income to Stockholders Equity	*	*	172.3	-83.4	-18.3	7.3	15.5
20	Corporate Return on Investment	*	*	-165.4	-36.6	-3.4	11.4	19.3
21	Debt to Total Investment	*	*	-190.6	0.0	0.0	46.5	40.8
	<u>TON LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	51.8	54.7	54.0	54.7	55.2	57.2	58.7
23	Breakeven	++	++	++	++	++	++	++
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	9,078	8,354	8,814	8,633	8,472	8,347	8,257
25	Overall RTM's per Employee (000)	13.0	13.5	56.3	56.9	56.8	55.5	55.2

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	0.0	16.0	5.4	9.3	6.9	6.3	4.9
27	Operating Expenses (%)	7.7	22.2	13.9	17.6	15.2	13.9	10.5
28	Operating Profit (Loss) (in Millions \$)	-29.8	-18.9	-118.6	-107.6	-103.7	-91.1	-67.4
29	Net Income (Loss)(in Millions \$)	-39.8	-10.9	-127.7	-98.8	-30.8	6.8	32.7
30	RTMs (Sch. Svc.) (%)	4.5	7.4	8.9	9.6	9.7	9.0	11.0
31	ATMs (Sch. Svc.) (%)	10.4	14.7	18.3	19.5	18.9	12.6	10.6
32	Operating Revenues per RTM (%)	-4.3	8.0	-3.2	-0.3	-2.5	-2.5	-5.5
33	Operating Expense per RTM (%)	3.1	13.8	4.6	7.3	5.1	4.5	-0.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
FEDERAL EXPRESS CORP.**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	3,835.0	3,825.3	15,606.2	15,596.5	15,473.9	15,196.8	14,876.4
2	Operating Expenses	3,609.2	3,624.0	14,582.4	14,597.2	14,478.4	14,249.3	13,965.4
3	Operating Profit (Loss)	225.7	201.3	1,023.7	999.4	995.5	947.5	911.0
4	Net Income (Loss)	151.5	101.7	595.3	545.4	548.9	496.3	459.9
	<u>TRAFFIC: (Billions)</u>							
5	RTMs - Scheduled Rev. Svc.	1.78	1.80	7.42	7.44	7.39	7.29	7.16
6	ATMs - Scheduled Rev. Svc.	2.98	2.88	11.93	11.83	11.68	11.57	11.49
7	Overall RTMs (All Services)	1.83	1.87	7.79	7.83	7.77	7.59	7.38
8	Overall ATMs (All Services)	3.09	3.01	12.54	12.46	12.30	12.07	11.87
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	209.6	204.1	200.3	199.1	199.1	200.3	201.6
10	Operating Expense per RTM	197.3	193.4	187.2	186.3	186.3	187.9	189.2
11	Operating Profit (Loss) per RTM	12.3	10.7	13.1	12.8	12.8	12.5	12.3
12	Operating Expense per ATM	116.9	120.4	116.3	117.1	117.7	118.1	117.7
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	3.05	3.04	3.01	2.96	2.87
15	Times Interest Earned	*	*	14.88	12.20	11.88	11.51	10.72
16	Current Assets to Current Liabilities	*	*	1.18	1.16	1.19	1.11	1.18
17	No. of Days Cash Coverage of Cash Exp.	*	*	3.3	2.4	2.1	2.0	2.1
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	5.9	5.3	6.6	6.4	6.4	6.2	6.1
19	Net Income to Stockholders Equity	*	*	14.7	13.5	13.6	12.4	11.5
20	Corporate Return on Investment	*	*	13.0	12.2	12.3	11.3	10.5
21	Debt to Total Investment	*	*	20.0	20.6	21.1	22.0	19.9
	<u>TON LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	59.3	62.3	62.1	62.9	63.2	62.8	62.2
23	Breakeven	++	++	++	++	++	++	++
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	93,667	94,012	92,975	93,062	93,172	93,334	92,753
25	Overall RTM's per Employee (000)	19.5	19.9	83.8	84.2	83.4	81.3	79.6

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	0.3	10.6	4.9	7.5	8.7	8.2	7.4
27	Operating Expenses (%)	-0.4	11.3	4.4	7.3	9.0	8.9	8.2
28	Operating Profit (Loss) (in Millions \$)	24.4	1.1	112.7	89.5	46.2	-21.4	-37.7
29	Net Income (Loss)(in Millions \$)	49.8	27.5	135.4	113.0	126.9	36.0	17.4
30	RTMs (Sch. Svc.) (%)	-2.4	18.2	5.5	10.5	13.2	11.2	8.7
31	ATMs (Sch. Svc.) (%)	2.6	13.3	5.7	8.2	9.0	7.7	6.9
32	Operating Revenues per RTM (%)	2.7	-6.4	-0.7	-2.7	-3.9	-2.7	-1.2
33	Operating Expense per RTM (%)	2.0	-5.9	-1.1	-2.8	-3.7	-2.0	-0.5
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

**QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
UNITED PARCEL SERVICE**

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2001/03	2000/03	2001/03	2000/12	2000/09	2000/06	2000/03
	<u>FINANCIAL RESULTS: (\$Millions)</u>							
1	Operating Revenues	700.1	583.9	2,646.2	2,530.0	2,517.8	2,343.7	2,252.5
2	Operating Expenses	653.0	583.8	2,483.4	2,414.2	2,337.1	2,237.5	2,145.0
3	Operating Profit (Loss)	47.1	0.1	162.8	115.7	180.7	106.2	107.5
4	Net Income (Loss)	21.0	-9.3	67.5	37.2	111.0	58.6	57.9
	<u>TRAFFIC: (Billions)</u>							
5	RTMs - Scheduled Rev. Svc.	0.39	0.32	1.55	1.48	1.40	1.31	1.24
6	ATMs - Scheduled Rev. Svc.	0.57	0.51	2.19	2.13	2.08	2.11	2.11
7	Overall RTMs (All Services)	1.03	1.05	4.34	4.36	4.37	4.32	4.24
8	Overall ATMs (All Services)	1.71	1.82	6.95	7.06	7.25	7.49	7.56
	<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9	Operating Revenue per RTM	67.7	55.6	60.9	58.1	57.6	54.3	53.1
10	Operating Expense per RTM	63.1	55.6	57.2	55.4	53.5	51.8	50.6
11	Operating Profit (Loss) per RTM	4.6	0.0	3.7	2.7	4.1	2.5	2.5
12	Operating Expense per ATM	38.1	32.1	35.7	34.2	32.2	29.9	28.4
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
	<u>FINANCIAL RATIOS:</u>							
14	Operating Revenues to Total Investment	*	*	0.63	0.61	0.62	0.57	0.55
15	Times Interest Earned	*	*	5.13	3.46	5.98	3.18	3.17
16	Current Assets to Current Liabilities	*	*	2.90	2.28	1.11	2.64	2.22
17	No. of Days Cash Coverage of Cash Exp.	*	*	3.1	3.7	2.6	3.0	2.9
	<u>FINANCIAL PERCENTAGES:</u>							
18	Operating Profit (Loss) to Operating Revenue	6.7	0.0	6.2	4.6	7.2	4.5	4.8
19	Net Income to Stockholders Equity	*	*	6.9	3.8	11.3	6.1	6.1
20	Corporate Return on Investment	*	*	2.3	1.5	3.4	2.1	2.1
21	Debt to Total Investment	*	*	78.3	77.6	75.7	75.3	75.6
	<u>TON LOAD FACTOR: (Sch. Svc. %)</u>							
22	Actual	60.4	57.6	62.5	61.7	60.3	57.6	56.1
23	Breakeven	++	++	++	++	++	++	++
	<u>Employment & Productivity:</u>							
24	Employment, Total Weighted Avg CY	5,354	4,861	5,133	5,010	4,913	4,845	4,796
25	Overall RTM's per Employee (000)	193.3	215.9	846.2	869.9	889.9	891.1	883.9

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	19.9	20.6	17.5	17.5	24.9	16.4	11.8
27	Operating Expenses (%)	11.9	23.0	15.8	18.6	18.0	14.4	10.4
28	Operating Profit (Loss) (in Millions \$)	47.0	-9.4	55.3	-1.2	146.1	48.6	37.1
29	Net Income (Loss)(in Millions \$)	30.3	-8.3	9.6	-29.1	132.2	62.8	48.0
30	RTMs (Sch. Svc.) (%)	-1.4	10.5	2.5	5.3	8.5	9.1	9.1
31	ATMs (Sch. Svc.) (%)	-6.0	2.3	-8.1	-6.1	-3.3	1.3	3.6
32	Operating Revenues per RTM (%)	21.8	9.0	14.7	11.7	15.2	6.7	2.5
33	Operating Expense per RTM (%)	13.5	11.2	13.0	12.6	9.0	4.9	1.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

**COMPARISON OF OPERATING PROFIT (LOSS) AND NET INCOME (LOSS)
FOR INDIVIDUAL MAJORS
QUARTER AND 12 MONTHS ENDED MARCH 2001**

Operating Profit (Loss) (\$Millions)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	3/2000	3/2001	\$Chg	3/2000	3/2001	\$Chg
System Passenger Majors	714.9	(858.5)	(1,573.4)	5,724.7	3,924.9	(1,799.8)
US Airways	(135.4)	(194.3)	(58.9)	(26.0)	(103.2)	(77.2)
Alaska	(12.2)	(31.6)	(19.4)	138.3	(29.1)	(167.4)
American Trans Air	4.3	(0.7)	(5.0)	65.2	14.3	(50.9)
America West	11.9	(25.3)	(37.2)	160.9	(49.9)	(210.8)
Southwest	155.5	209.9	54.4	770.5	1,074.9	304.4
American Eagle	(1.1)	(6.6)	(5.5)	58.5	56.6	(1.9)
American	185.9	4.9	(181.0)	1,162.0	1,062.0	(100.0)
Continental	31.9	97.1	65.2	344.7	654.4	309.7
Delta	273.4	(127.2)	(400.6)	1,181.3	1,058.7	(122.6)
Northwest	17.5	(230.6)	(248.1)	771.7	415.4	(356.3)
Trans World	(103.9)	(126.0)	(22.1)	(409.0)	(254.8)	154.2
United	287.2	(428.1)	(715.3)	1,506.6	25.5	(1,481.1)
System Cargo Majors	186.5	228.1	41.6	1,036.5	1,085.9	49.4
DHL Airways	(15.0)	(44.8)	(29.8)	18.0	(100.6)	(118.6)
Federal Express	201.3	225.7	24.4	911.0	1,023.7	112.7
United Parcel Service	0.1	47.1	47.0	107.5	162.8	55.3
System Total Majors	901.4	(630.5)	(1,531.9)	6,761.2	5,010.8	(1,750.4)

Net Income (Loss) (\$Millions)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	3/2000	3/2001	\$Chg	3/2000	3/2001	\$Chg
System Passenger Majors	33.3	(955.6)	(988.9)	4,002.0	1,146.7	(2,855.3)
US Airways	(211.5)	(163.1)	48.4	(5.0)	(206.4)	(201.4)
Alaska	(6.6)	(21.6)	(15.0)	94.2	(27.6)	(121.8)
American Trans Air	(0.8)	(7.0)	(6.2)	28.8	(11.7)	(40.5)
America West	15.5	(13.1)	(28.6)	107.2	(29.1)	(136.3)
Southwest	73.5	121.0	47.5	452.0	650.6	198.6
American Eagle	(15.8)	(17.6)	(1.8)	8.2	(23.3)	(31.5)
American	105.1	(54.8)	(159.9)	697.2	618.2	(79.0)
Continental	4.5	6.1	1.6	372.4	309.7	(62.7)
Delta	232.5	(137.5)	(370.0)	1,301.6	316.5	(985.1)
Northwest	(5.9)	(190.1)	(184.2)	305.3	85.8	(219.5)
Trans World	(76.1)	(156.7)	(80.6)	(408.0)	(347.3)	60.7
United	(81.1)	(321.4)	(240.3)	1,048.0	(188.7)	(1,236.7)
System Cargo Majors	82.3	122.6	40.3	538.7	556.0	17.3
DHL Airways	(10.1)	(49.9)	(39.8)	20.9	(106.8)	(127.7)
Federal Express	101.7	151.5	49.8	459.9	595.3	135.4
United Parcel Service	(9.3)	21.0	30.3	57.9	67.5	9.6
System Total Majors	115.6	(833.0)	(948.6)	4,540.7	1,702.7	(2,838.0)

**COMPARISON OF PASSENGER LOAD FACTOR AND PASSENGER YIELD
FOR INDIVIDUAL MAJORS
QUARTER AND 12 MONTHS ENDED MARCH 2001**

Passenger Load Factor (Percent)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	3/2000	3/2001	Pt.Chg.	3/2000	3/2001	Pt.Chg.
System Passenger Majors	68.6	68.4	(0.2)	71.3	72.8	1.5
Alaska	66.6	65.4	(1.2)	68.2	68.9	0.7
America West	66.7	69.2	2.5	69.0	71.1	2.1
American	67.5	67.9	0.4	69.6	72.5	2.9
American Eagle	59.0	54.0	(5.0)	61.7	59.7	(2.0)
American Trans Air	76.2	75.9	(0.3)	77.4	76.3	(1.1)
Continental	71.8	70.6	(1.2)	73.5	74.6	1.1
Delta	69.0	67.3	(1.7)	72.2	72.9	0.7
Northwest	72.5	73.1	0.6	74.9	76.7	1.8
Southwest	66.8	67.2	0.4	69.3	70.5	1.2
Trans World	66.8	64.6	(2.2)	72.5	71.8	(0.7)
United	68.2	68.4	0.2	70.8	72.4	1.6
US Airways	64.2	66.2	2.0	69.2	70.7	1.5
System Cargo Majors	-	-	-	-	-	-
DHL	-	-	-	-	-	-
Federal Express	-	-	-	-	-	-
UPS	-	-	-	-	-	-
System Total Majors	68.6	68.4	(0.2)	71.3	72.8	1.5

Scheduled Passenger Yield (Cents)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	3/2000	3/2001	Pct.Chg.	3/2000	3/2001	Pct.Chg.
System Passenger Majors	13.42	13.55	1.0	12.82	13.36	4.2
Alaska	12.34	13.01	5.4	12.64	13.28	5.1
America West	11.89	11.31	(4.9)	11.45	11.26	(1.7)
American	13.95	14.86	6.5	13.32	14.26	7.1
American Eagle	37.54	40.91	9.0	36.79	38.93	5.8
American Trans Air	10.20	9.95	(2.5)	9.38	9.96	6.2
Continental	13.00	13.85	6.5	12.25	13.31	8.7
Delta	13.24	13.45	1.6	12.63	13.17	4.3
Northwest	11.85	11.87	0.2	11.69	12.04	3.0
Southwest	12.52	12.76	1.9	12.31	12.83	4.2
Trans World	12.17	12.09	(0.7)	11.45	11.90	3.9
United	13.40	12.97	(3.2)	12.56	12.99	3.4
US Airways	17.44	15.88	(8.9)	16.53	15.82	(4.3)
System Cargo Majors	-	-	-	-	-	-
DHL	-	-	-	-	-	-
Federal Express	-	-	-	-	-	-
UPS	-	-	-	-	-	-
System Total Majors	13.42	13.55	1.0	12.82	13.36	4.2

**COMPARISON OF OPERATING PROFIT MARGIN, DEBT TO INVESTMENT AND TOTAL DEBT
FOR INDIVIDUAL MAJORS
QUARTER AND 12 MONTHS ENDED MARCH 2001**

Group/Carrier	Operating Profit Margin (Percent)					
	Quarterly Data			12 Month Ended Data		
	3/2000	3/2001	Pt. Chg	3/2000	3/2001	Pt. Chg.
System Passenger Majors	3.2	(3.7)	(6.9)	6.3	4.0	(2.3)
Alaska	(3.1)	(7.5)	(4.4)	8.1	(1.6)	(9.7)
America West	2.2	(4.4)	(6.6)	7.3	(2.1)	(9.4)
American	4.4	0.1	(4.3)	7.0	5.8	(1.2)
American Eagle	(0.4)	(2.1)	(1.7)	5.4	4.4	(1.0)
American Trans Air	1.5	(0.2)	(1.7)	6.3	1.2	(5.1)
Continental	1.5	4.2	2.7	4.0	6.8	2.8
Delta	7.6	(3.6)	(11.2)	7.9	6.9	(1.0)
Northwest	0.7	(9.2)	(9.9)	7.6	3.8	(3.8)
Southwest	12.5	14.7	2.2	15.7	18.4	2.7
Trans World	(12.8)	(16.0)	(3.2)	(12.2)	(7.1)	5.1
United	6.3	(9.7)	(16.0)	8.2	0.1	(8.1)
US Airways	(6.6)	(8.7)	(2.1)	(0.3)	(1.1)	(0.8)
System Cargo Majors	3.9	4.6	0.7	5.6	5.5	(0.1)
DHL	(4.0)	(12.1)	(8.1)	1.3	(6.7)	(8.0)
Federal Express	5.3	5.9	0.6	6.1	6.6	0.5
UPS	-	6.7	6.7	4.8	6.2	1.4
System Total Majors	3.3	(2.2)	(5.5)	6.1	4.2	(1.9)

Group/Carrier	Debt To Investment (Percent)			Total Debt (\$Millions)		
	Quarterly Data			Quarterly Data		
	3/2000	3/2001	Pt.Chg.	3/2000	3/2001	\$ Chg.
System Passenger Majors	49.5	53.5	4.0	29,631.7	34,371.8	4,740.1
Alaska	37.5	47.4	9.9	397.2	614.3	217.1
America West	18.4	20.5	2.1	202.9	224.0	21.1
American	34.5	41.0	6.5	3,822.8	4,506.4	683.6
American Eagle	89.2	90.7	1.5	2,134.3	2,444.0	309.7
American Trans Air	78.0	84.1	6.1	359.0	488.9	129.9
Continental	68.7	75.0	6.3	3,536.4	4,032.1	495.7
Delta	52.2	52.2	0.0	5,413.4	5,795.4	382.0
Northwest	44.5	42.3	-2.2	3,800.5	3,576.5	(224.0)
Southwest	23.7	19.2	-4.5	875.3	864.8	(10.5)
Trans World	148.4	243.8	95.4	755.7	998.8	243.1
United	49.4	59.1	9.7	5,472.5	7,652.0	2,179.5
US Airways	63.9	66.3	2.4	2,861.8	3,174.5	312.7
System Cargo Majors	44.0	51.4	7.4	4,224.9	4,878.4	653.5
DHL	40.8	0.0	-40.8	91.8	372.5	280.7
Federal Express	19.9	20.0	0.1	1,060.7	1,058.1	(2.6)
UPS	75.6	78.3	2.7	3,072.4	3,447.8	375.4
System Total Majors	48.7	53.2	4.5	33,856.6	39,250.2	5,393.6

FOOTNOTES

- * Not calculated on a quarterly basis.
- ** Cannot be calculated because balance sheet data not presented on an entity basis.
Data presented only on a system basis.
- ++ Not calculated for all-cargo carriers.
- # Meaningful calculation cannot be made because of negative data.
- & Over +/- 500 percent.

EXPLANATION OF LINE ITEMS

LINE #	DESCRIPTION OF LINE ITEM	DERIVATION OF LINE ITEM
1	Operating Revenues	Operating Revenues (Account 4999)
2	Operating Expenses	Operating Expenses (Account 7199)
3	Operating Profit or Loss	Operating Profit (Account 7999)
4	Net Income or Loss	Net Income (Account 9899)
5	Overall Revenue Ton-miles	Overall Revenue Ton-miles (Item Z-240)
6	Overall Available Ton-miles	Overall Available Ton-miles (Item Z-280)
7	Revenue Passenger-Miles (Scheduled Service)	Total scheduled revenue passenger-miles (Item K-140)
8	Available Seat-Miles (Scheduled Service)	Total scheduled available seat-miles (Item K-280)
9	Operating revenue per revenue ton-mile	<u>Operating revenues (Account 4999)</u> Overall revenue ton-miles (Item Z-240)
10	Operating expense per revenue ton-mile	<u>Operating expenses (Account 7199)</u> Overall revenue ton-miles (Item Z-240)
11	Operating profit per revenue ton-mile	<u>Operating profit (Account 7999)</u> Overall revenue ton-miles (Item Z-240)
12	Operating expense per available ton-mile	<u>Operating expenses (Account 7199)</u> Overall available ton-miles (Item Z-280)
13	Passenger revenue per revenue passenger-mile (scheduled service)	<u>Passenger revenues (scheduled service) (Account 3901)</u> Total revenue passenger-miles (scheduled service (Item K-140)
14	Operating revenues to total investment	<u>Operating revenue (Account 4999)</u> Total investment (See line 20)
15	Times interest earned	<u>Income Before income taxes (Account 8999) + interest on long-term debt and capital leases (Account 8181) + Other interest expense (Account 8182)</u> Interest on long-term debt and capital leases (Account 8181) + Other interest expense (Account 8182)
16	Current assets to current liabilities	<u>Current assets (Account 1499)</u> Current liabilities (Account 2199)
17	Number of days coverage of cash operating expenses	<u>Cash (Account 1010) + short-term investments (Account 1100)</u> [Total operating expenses (Account 7199) less depreciation and amortization (Account 7000)]/365
18	Operating Profit to operating revenues	<u>Operating profit (Account 7999)</u> Operating revenues (Account 4999)
19	Net income to stockholders' equity	<u>Net income (Account 9999)</u> Stockholders' equity (Account 2995) (5 Quarter average)

EXPLANATION OF LINE ITEMS

LINE #	DESCRIPTION OF LINE ITEM	DERIVATION OF LINE ITEM
20	Overall corporate rate of return	<p>Net income plus interest expense</p> <hr/> <p>Total investment</p> <p>Net income plus interest expense is: Net income (Account 9899) + interest on long-term debt and capital leases (Account 8181) + other interest expense (Account 8182) + amortization of debt discount, premium and expense (Account 8184).</p> <p>Total investment is: Current maturities of long-term debt (Account 2000) + current obligations under capital leases (Account 2080) + long-term debt (Account 2210) + advances from associated companies (Account 2240) + noncurrent obligations under capital leases (Account 2280) + stockholders' equity (Account 2995) - unamortized debt expense (Account 1840). (A five-quarter average is used).</p>
21	Debt to total investment (end of period)	<p>Current maturities of long-term debt (Account 2000) + current obligations under capital leases (Account 2080) + long-term debt (Account 2210) + advances from associated companies (Account 2240) + noncurrent obligations under capital leases (Account 2280) - unamortized debt expense (Account 1840)</p> <hr/> <p>Total investment (See line 20)</p>
22	Actual passenger load factor (scheduled service)	<p>Revenue passenger-miles (scheduled service (Item K-140)</p> <hr/> <p>Available seat-miles (scheduled service (Item K-280)</p>
23	Operating breakeven load factor (scheduled service)	<p>Capacity operating expense, scheduled service (passenger)</p> <hr/> <p>[Scheduled passenger revenue (Account 3901) - Traffic operating expense, passenger scheduled service] / Actual passenger load factor, scheduled service</p>
24	Difference, actual-breakeven load factor	<p>Actual (Line 22) - Breakeven (Line 23)</p>
25	Employees	<p>Number of full time employees (Average for 12-month ended period)</p>
26	Overall revenue ton-miles per employee	<p>Overall revenue ton-miles (Item Z-240)</p> <hr/> <p>Average # of employees (See Line 25)</p>