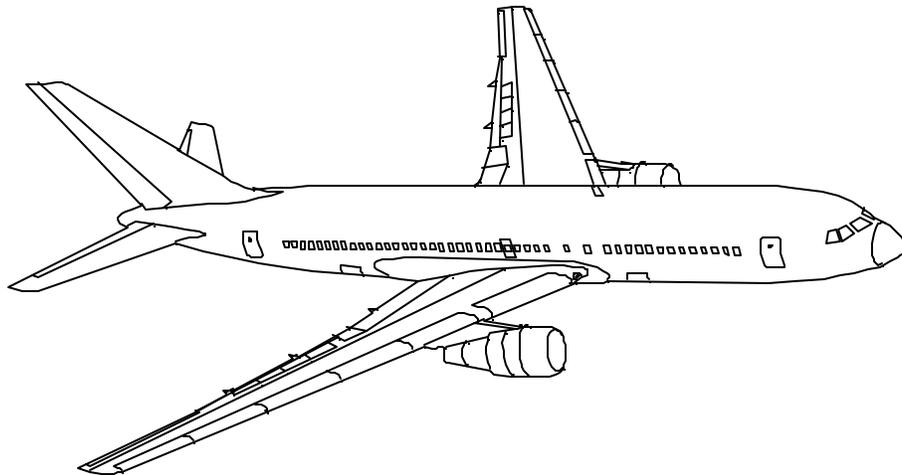


# AIRLINE QUARTERLY FINANCIAL REVIEW

FOURTH QUARTER 2000



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 included in this review for the first time. 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 fourth quarter 2000, operating revenues rose 7.5 percent, but operating expenses grew 9.4 percent, resulting in a \$444.4 million drop in operating profit to \$278.9 million. The passenger major group declined \$338.2 million to \$35.7 million, while the all-cargo major group fell \$106.3 million to \$243.2 million.
- Total fuel expense jumped 49.8 percent (\$1.36 billion) as fuel consumption rose 8.9 percent and unit fuel prices jumped 37.5 percent. Fuel expense as a percent of total operating expenses rose from 10.2 percent a year ago to 14 percent.
- Net income dropped \$998.2 million to a loss of \$194.1 million. The passenger major group was down \$873.6 million to a loss of \$297.3 million, and the all-cargo group slid \$124.7 million to \$103.1 million.

OPERATING PROFIT (LOSS) AND NET INCOME (LOSS) 1/ (\$MILLIONS)						
CARRIER	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)		
	4Q 1999	4Q 2000	\$CHANGE	4Q 1999	4Q 2000	\$CHANGE
TOTAL ALL MAJORS	723.3	278.9	-444.4	804.1	-194.1	-998.2
TOTAL PASSENGER MAJORS	373.9	35.7	-338.2	576.3	-297.3	-873.6
ALASKA	18.8	-39.7	-58.5	15.3	-22.5	-37.8
AMERICA WEST	36.1	-72.9	-109.0	28.9	-43.6	-72.5
AMERICAN	244.0	71.0	-173.0	155.8	33.2	-122.6
AMERICAN EAGLE	19.2	-1.3	-20.5	6.3	-16.8	-23.1
AMERICAN TRANS AIR	-0.3	-26.7	-26.4	-22.9	-6.1	16.8
CONTINENTAL	-38.7	99.3	138.0	150.2	39.5	-110.7
DELTA	-27.5	132.1	159.6	352.4	-37.4	-389.8
NORTHWEST	103.9	5.6	-98.3	17.4	-44.8	-62.2
SOUTHWEST	154.2	250.3	96.1	93.8	154.7	60.9
TRANS WORLD	-264.5	-133.1	131.4	-271.9	-151.6	120.3
UNITED	179.9	-168.4	-348.3	111.6	-87.0	-198.6
US AIRWAYS	-51.1	-80.5	-29.4	-77.5	-98.1	-20.6
TOTAL ALL-CARGO MAJORS	349.5	243.2	-106.3	227.8	103.1	-124.7
DHL AIRWAYS	20.2	-24.9	-45.1	12.6	-34.8	-47.4
FEDERAL EXPRESS	241.9	245.7	3.8	140.9	137.4	-3.5
UNITED PARCEL SERVICE	87.3	22.4	-64.9	74.3	0.5	-73.8

- The passenger load factor climbed 0.9 percentage points to 70.2 percent, as RPM traffic, up 3.7 percent, grew faster than ASM capacity, up 2.4 percent.
- Passenger (RPM) yield rose 5.6 percent to 13.49 cents.
- Interest expense jumped \$88.8 million to \$546.2 million.
- The debt-to-investment ratio rose 4.7 percentage points to 51.9 percent.

**12-MONTH RESULTS**

- Operating results declined from a year ago for the ninth consecutive period, while net results again turned down for the third consecutive period.
- Operating profit dropped \$517.2 million to \$6.54 billion. The passenger group declined \$497.9 million to \$5.49 billion, while the all-cargo group declined \$19.3 million to \$1.04 billion. American, American Eagle, Continental, Delta, Federal Express, Southwest, and Trans World reported a year-to-year improvements.
- Net results fell \$2.42 billion to \$2.65 billion. The passenger group declined \$2.41 billion to \$2.13 billion, and the all-cargo group dipped \$14.7 million to \$515.7 million.

Note: Beginning in 1998, The Airline Quarterly Financial Review of the Majors includes DHL Airways, which achieved major airline status (*i.e.*, annual operating revenues exceeding \$1 billion), effective January 1, 1997. Beginning January 1, 2000, American Eagle and American Trans Air achieved major airline status and are included.

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	29,194.0	27,150.0	117,714.1	115,670.1	112,886.7	109,982.9	107,636.3
2	Operating Expenses	28,915.0	26,426.7	111,171.4	108,683.1	105,897.1	103,221.7	100,576.4
3	Operating Profit (Loss)	278.9	723.3	6,542.7	6,987.1	6,989.6	6,761.2	7,059.9
4	Net Income (Loss)	-194.1	804.1	2,651.3	3,649.5	4,143.5	4,540.7	5,075.2
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	157.02	151.39	651.79	646.16	637.85	624.32	616.78
6	ASMs - Scheduled Rev. Svc.	223.55	218.34	894.93	889.72	883.55	875.30	863.70
7	Overall RTMs (All Svc.)	22.10	21.57	91.20	90.66	89.53	87.59	85.07
8	Overall ATMs (All Svc.)	38.81	37.52	154.10	152.80	151.26	149.02	146.30
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	132.1	125.9	129.1	127.6	126.1	125.6	126.5
10	Operating Expense per RTM	130.8	122.5	121.9	119.9	118.3	117.8	118.2
11	Operating Profit (Loss) per RTM	1.3	3.4	7.2	7.7	7.8	7.7	8.3
12	Operating Expense per ATM	74.5	70.4	72.1	71.1	70.0	69.3	68.7
13	Passenger Revenue per RPM	13.49	12.78	13.33	13.16	12.98	12.82	12.71
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.67	1.68	1.69	1.69	1.73
15	Times Interest Earned	*	*	3.85	4.77	5.25	5.88	6.46
16	Current Assets to Current Liabilities	*	*	0.71	0.70	0.70	0.71	0.77
17	No. of Days Cash Coverage of Cash Exp.	*	*	33.4	33.6	35.6	34.2	33.0
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	1.0	2.7	5.6	6.0	6.2	6.1	6.6
19	Net Income to Stockholders Equity	*	*	7.3	10.1	11.7	13.1	15.1
20	Corporate Return on Investment	*	*	6.4	8.0	8.8	9.5	10.6
21	Debt to Total Investment	*	*	51.9	47.4	47.8	48.7	47.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	70.2	69.3	72.8	72.6	72.2	71.3	71.4
23	Breakeven	71.5	69.6	69.2	68.7	68.3	68.0	67.9
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	559,937	535,262	558,518	553,787	549,027	533,965	525,514
25	Overall RTM's per Employee (000)	39.5	40.3	163.3	163.7	163.1	164.0	161.9

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	7.5	6.8	9.4	9.2	8.0	5.9	4.1
27	Operating Expenses (%)	9.4	10.0	10.5	10.7	9.8	8.0	6.2
28	Operating Profit (Loss) (in Millions \$)	-444.4	-678.7	-517.2	-751.5	-1,088.4	-1,513.8	-1,666.7
29	Net Income (Loss)(in Millions \$)	-998.2	198.6	-2,423.9	-1,227.1	-770.1	82.1	394.9
30	RPMs (Sch. Svc.) (%)	3.7	5.1	5.7	6.0	6.4	4.8	4.4
31	ASMs (Sch. Svc.) (%)	2.4	4.0	3.6	4.0	5.1	5.1	4.2
32	Operating Revenues per RTM (%)	4.9	-0.4	2.1	0.7	-1.0	-1.4	-0.8
33	Operating Expense per RTM (%)	6.8	2.5	3.1	2.1	0.7	0.4	1.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	5.6	1.2	4.9	3.8	2.0	0.4	-1.1

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED				
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12
<u>FINANCIAL RESULTS: (\$Millions)</u>							
1 Operating Revenues	22,161.3	20,767.5	89,293.6	87,899.8	86,164.2	84,226.0	82,611.7
2 Operating Expenses	21,966.3	20,285.0	84,204.1	82,522.8	80,800.1	78,942.6	76,916.3
3 Operating Profit (Loss)	194.9	482.5	5,089.5	5,377.1	5,364.1	5,283.4	5,695.4
4 Net Income (Loss)	-195.4	667.0	2,054.3	2,916.8	3,498.9	3,868.7	4,338.9
<u>TRAFFIC: (Billions)</u>							
5 RPMs - Scheduled Rev. Svc.	113.83	111.37	470.50	468.04	463.56	455.03	449.11
6 ASMs - Scheduled Rev. Svc.	163.99	162.79	657.13	655.93	653.16	648.74	639.03
7 Overall RTMs (All Svc.)	14.45	14.40	60.28	60.23	59.81	58.77	56.88
8 Overall ATMs (All Svc.)	25.91	25.60	103.02	102.71	102.02	100.80	98.80
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>							
9 Operating Revenue per RTM	153.4	144.2	148.1	145.9	144.1	143.3	145.2
10 Operating Expense per RTM	152.0	140.9	139.7	137.0	135.1	134.3	135.2
11 Operating Profit (Loss) per RTM	1.3	3.4	8.4	8.9	9.0	9.0	10.0
12 Operating Expense per ATM	84.8	79.2	81.7	80.3	79.2	78.3	77.9
13 Passenger Revenue per RPM	14.58	13.68	14.38	14.17	13.99	13.80	13.70
<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	0.9	2.3	5.7	6.1	6.2	6.3	6.9
19 Net Income to Stockholders Equity	*	*	**	**	**	**	**
20 Corporate Return on Investment	*	*	6.6	8.3	9.6	10.4	11.6
21 Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22 Actual	69.4	68.4	71.6	71.4	71.0	70.1	70.3
23 Breakeven	70.5	68.9	67.9	67.5	67.2	66.8	66.6
<u>Employment &amp; Productivity:</u>							
24 Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25 Overall RTM's per Employee (000)	*	*	**	**	**	**	**

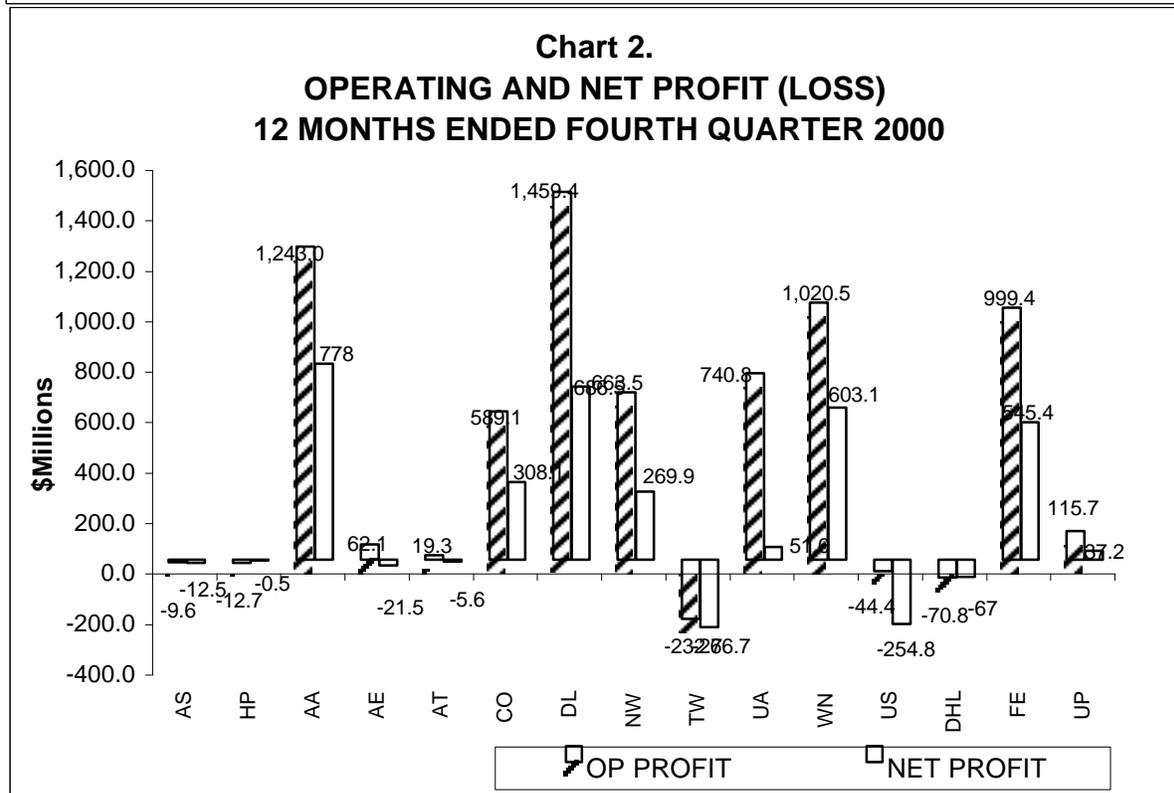
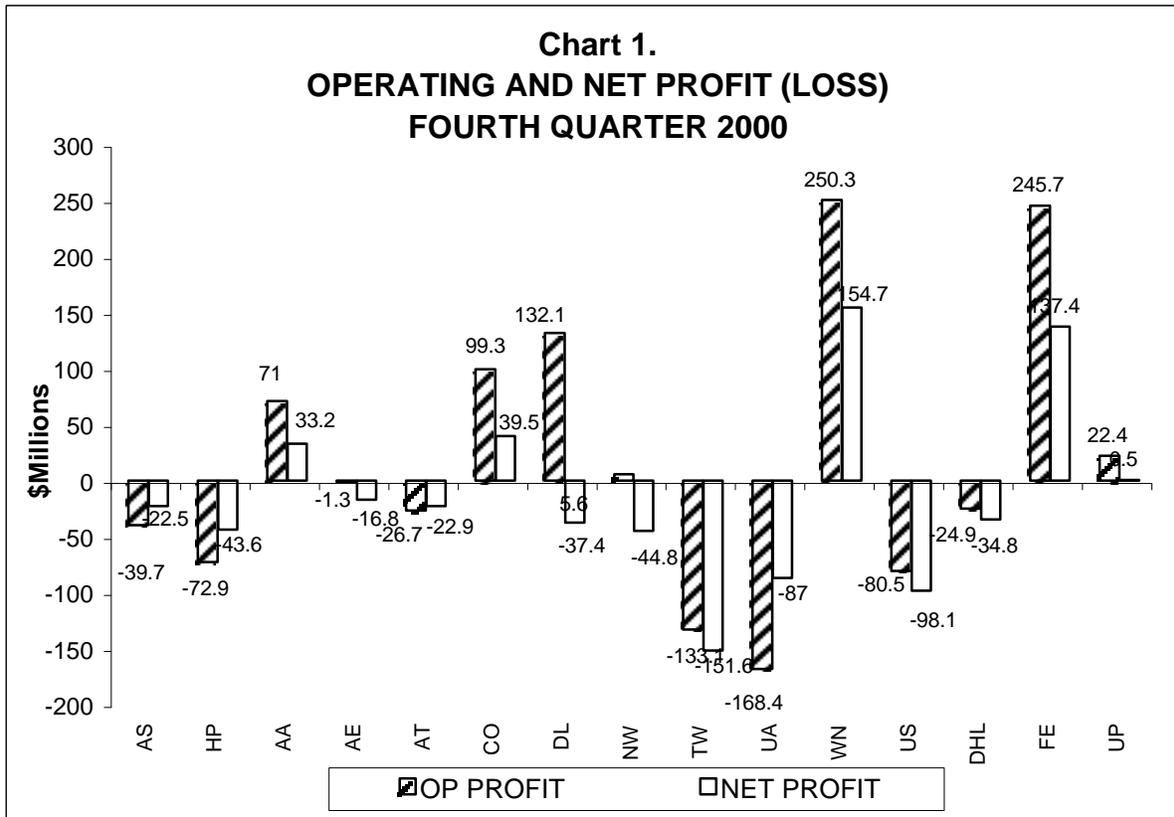
	CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12
26 Operating Revenues (%)	6.7	5.8	8.1	7.9	7.0	5.6	4.3
27 Operating Expenses (%)	8.3	11.3	9.5	10.2	10.2	9.1	7.6
28 Operating Profit (Loss) (in Millions \$)	-287.6	-920.9	-605.9	-1,239.2	-1,859.8	-2,111.0	-2,040.7
29 Net Income (Loss)(in Millions \$)	-862.4	-37.9	-2,284.6	-1,460.0	-874.3	-105.8	155.0
30 RPMs (Sch. Svc.) (%)	2.2	5.4	4.8	5.6	6.0	4.9	4.6
31 ASMs (Sch. Svc.) (%)	0.7	5.0	2.8	3.9	5.5	6.1	5.2
32 Operating Revenues per RTM (%)	6.4	-0.3	2.0	0.4	-1.1	-1.4	-0.1
33 Operating Expense per RTM (%)	7.9	5.0	3.3	2.6	1.8	1.9	3.1
34 Passenger Revenue per RPM (Sch. Svc.)(%)	6.6	1.0	5.0	3.7	2.1	0.7	-0.7

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

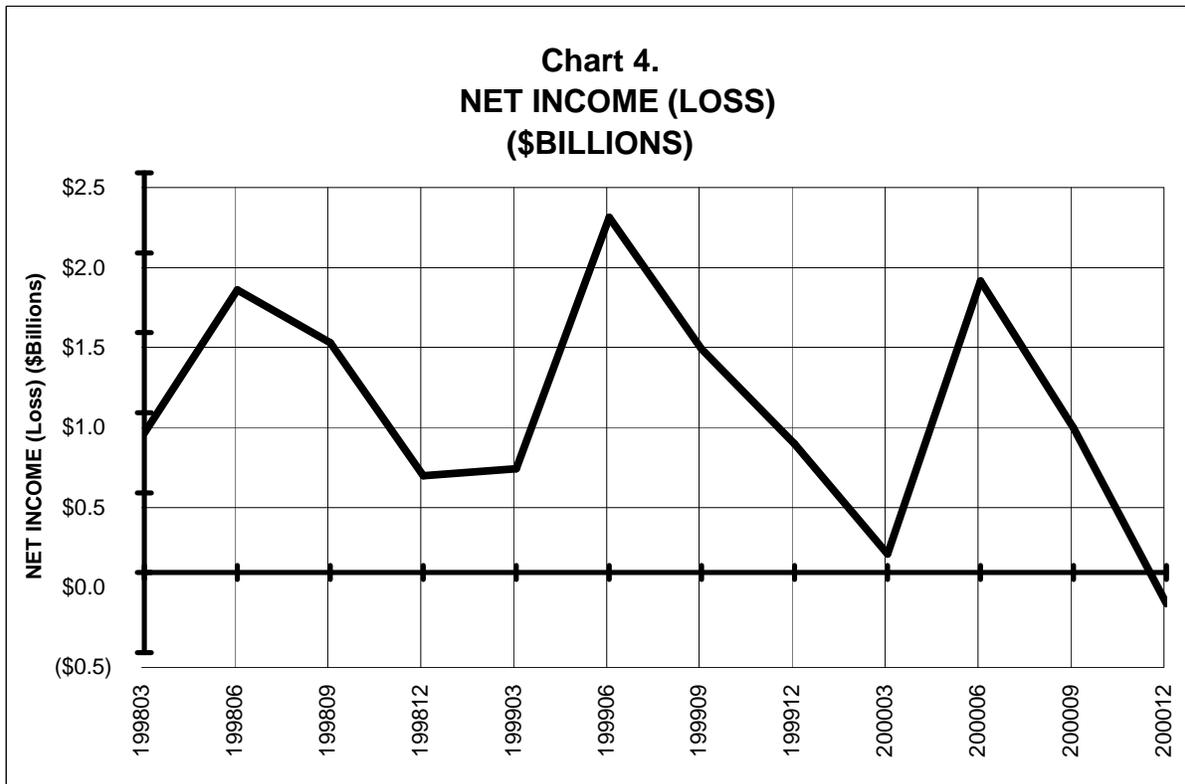
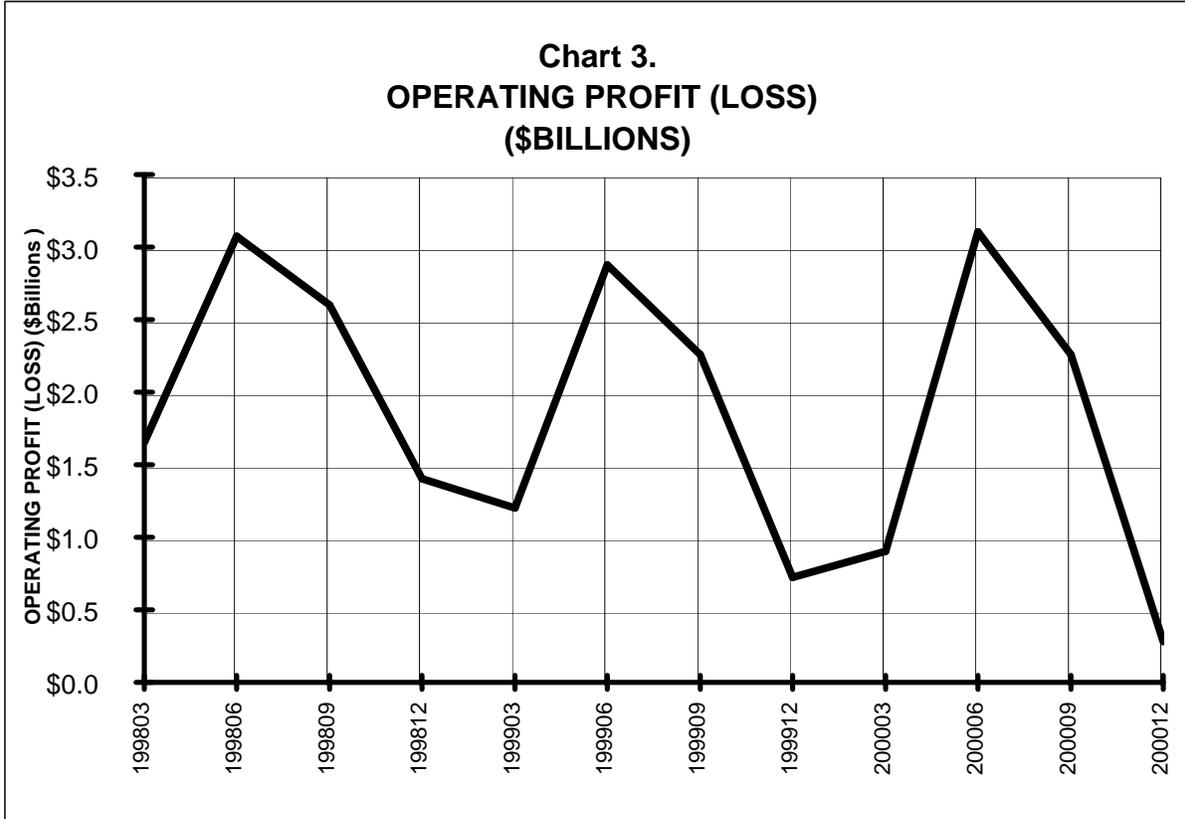
ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	7,032.7	6,382.5	28,420.5	27,770.3	26,722.5	25,756.9	25,024.6
2	Operating Expenses	6,948.7	6,141.7	26,967.3	26,160.3	25,097.0	24,279.1	23,660.1
3	Operating Profit (Loss)	84.0	240.8	1,453.2	1,610.0	1,625.5	1,477.8	1,364.5
4	Net Income (Loss)	1.2	137.1	596.9	732.8	644.6	672.0	736.3
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	43.19	40.02	181.29	178.11	174.29	169.30	167.67
6	ASMs - Scheduled Rev. Svc.	59.55	55.55	237.79	233.78	230.39	226.55	224.67
7	Overall RTMs (All Svc.)	7.65	7.17	30.92	30.44	29.72	28.83	28.18
8	Overall ATMs (All Svc.)	12.90	11.92	51.08	50.10	49.24	48.22	47.50
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	91.9	89.1	91.9	91.2	89.9	89.3	88.8
10	Operating Expense per RTM	90.8	85.7	87.2	86.0	84.4	84.2	83.9
11	Operating Profit (Loss) per RTM	1.1	3.4	4.7	5.3	5.5	5.1	4.8
12	Operating Expense per ATM	53.9	51.5	52.8	52.2	51.0	50.4	49.8
13	Passenger Revenue per RPM	10.60	10.28	10.58	10.51	10.32	10.17	10.07
<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	1.2	3.8	5.1	5.8	6.1	5.7	5.5
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	5.9	6.8	6.4	6.8	7.4
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	72.5	72.1	76.2	76.2	75.7	74.7	74.6
23	Breakeven	74.7	71.8	73.2	72.5	71.7	71.5	71.8
<u>Employment &amp; 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 (%)	10.2	10.3	13.6	13.7	11.2	6.9	3.5
27	Operating Expenses (%)	13.1	6.1	14.0	12.2	8.3	4.6	2.1
28	Operating Profit (Loss) (in Millions \$)	-156.8	242.2	88.7	487.7	771.4	597.1	374.0
29	Net Income (Loss)(in Millions \$)	-135.9	236.5	-139.4	233.0	104.2	187.9	239.9
30	RPMs (Sch. Svc.) (%)	7.9	4.4	8.1	7.3	7.3	4.6	4.1
31	ASMs (Sch. Svc.) (%)	7.2	1.2	5.8	4.4	4.0	2.2	1.6
32	Operating Revenues per RTM (%)	3.1	0.5	3.5	2.8	0.4	-1.4	-2.4
33	Operating Expense per RTM (%)	6.0	-3.4	3.9	1.7	-2.2	-3.6	-3.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	3.1	1.5	5.1	4.7	2.1	-0.8	-2.9

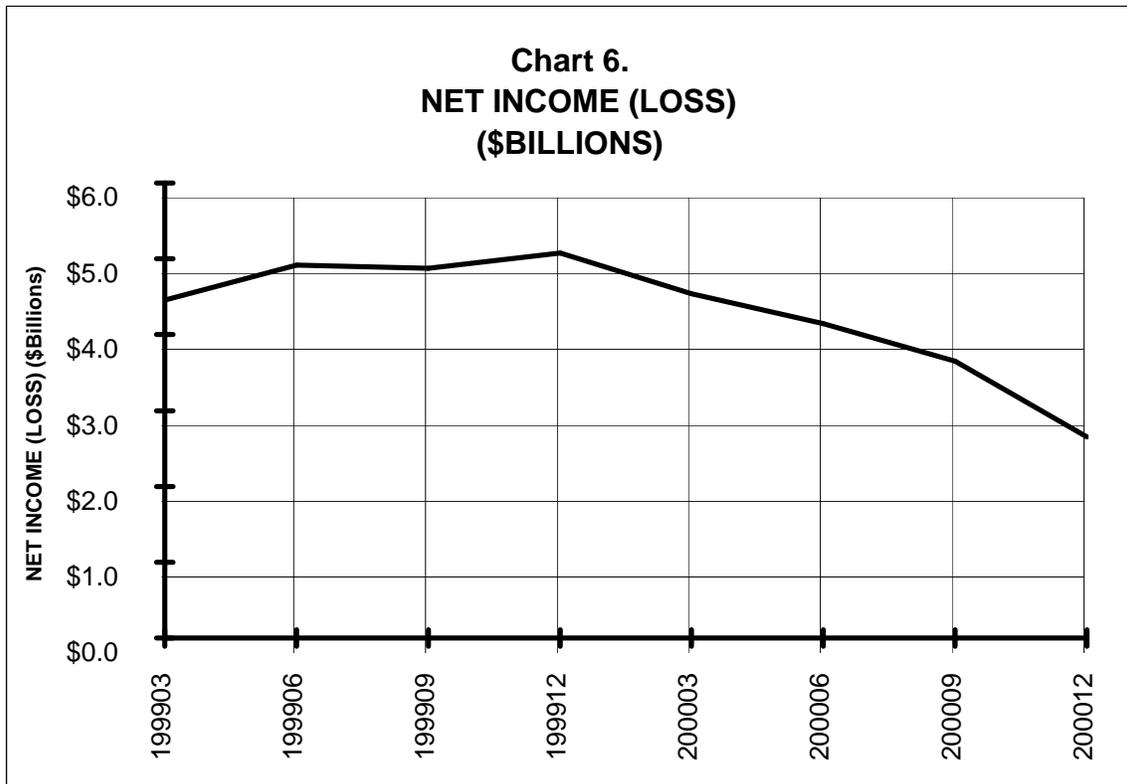
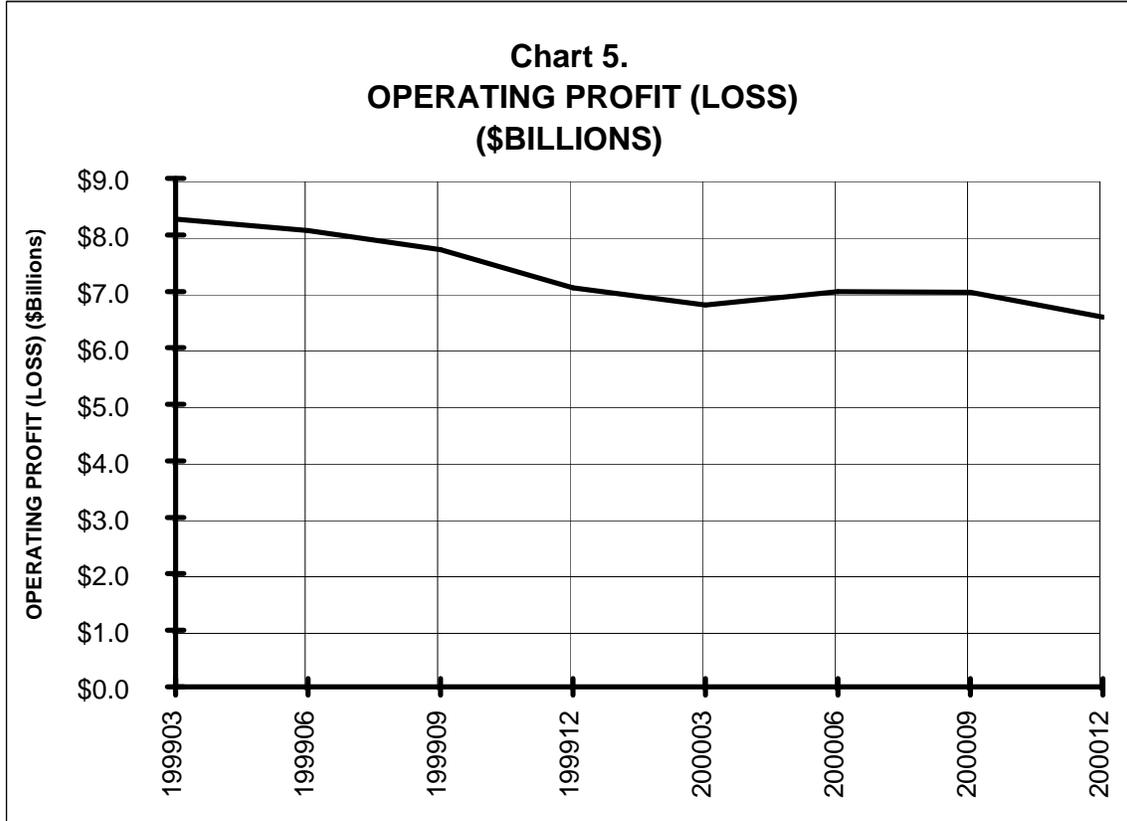
# COMPARISONS AMONG MAJOR GROUP AIRLINES



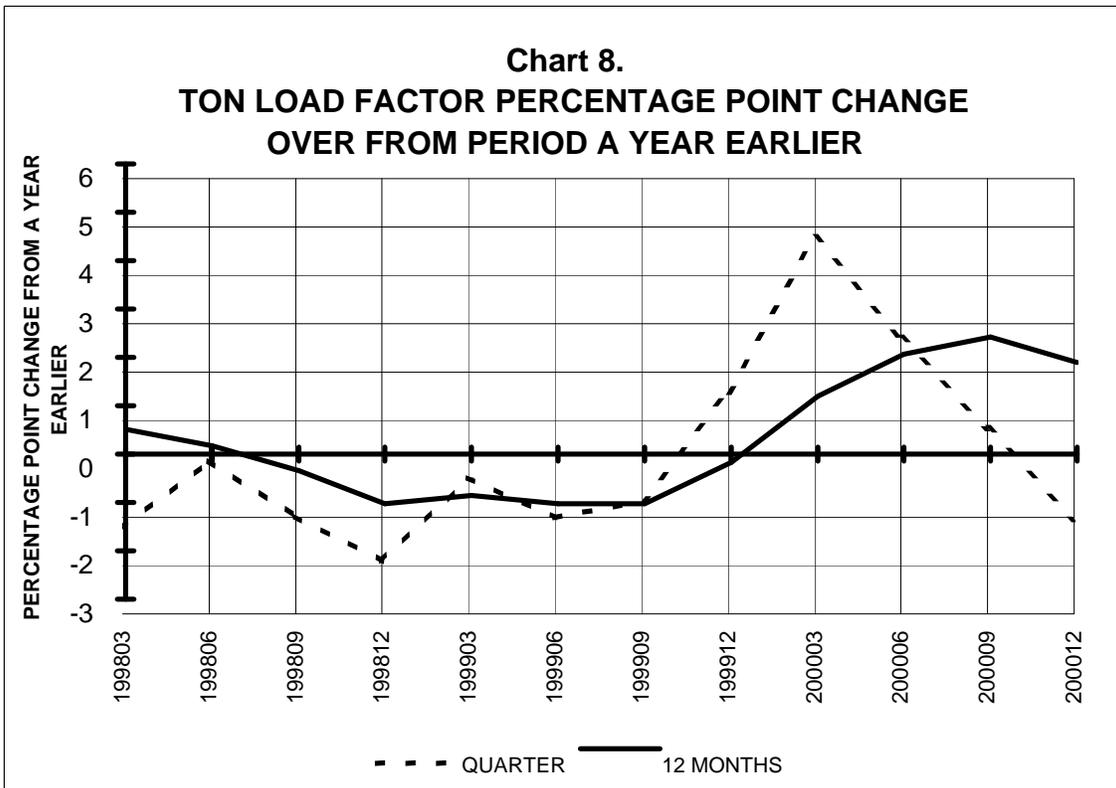
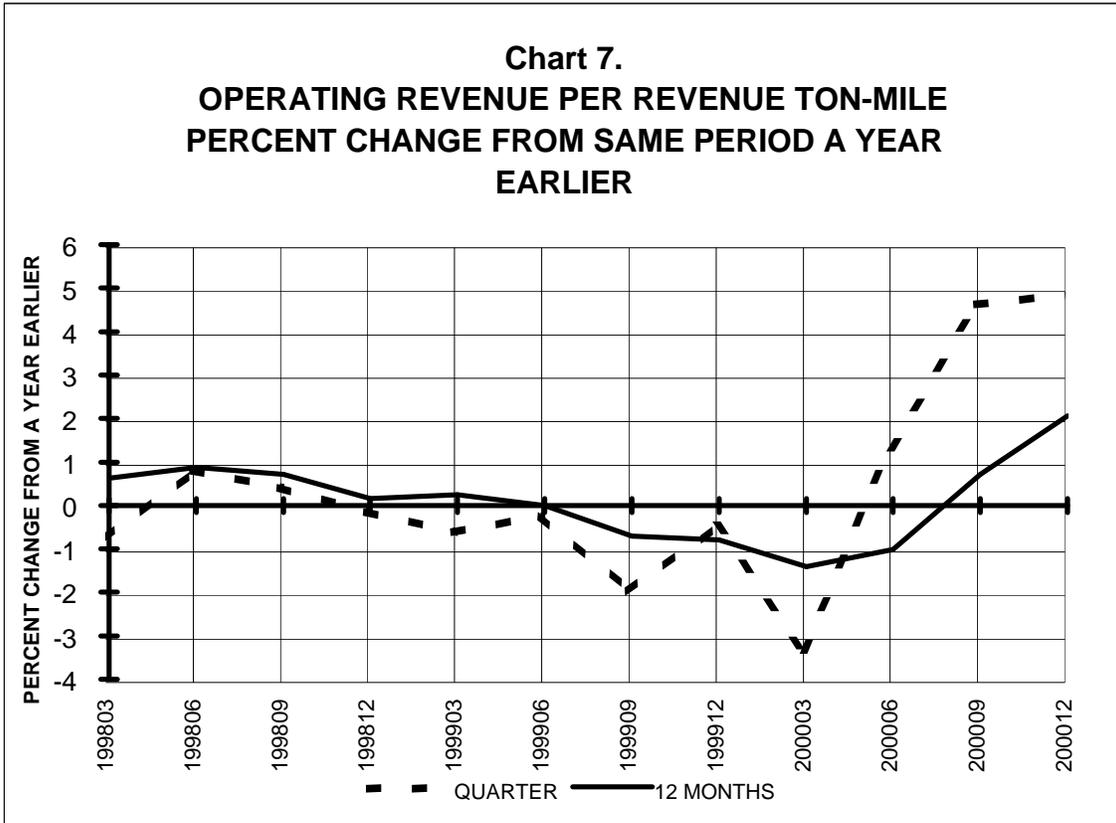
**TOTAL ALL MAJORS (SYSTEM)  
BY QUARTER**



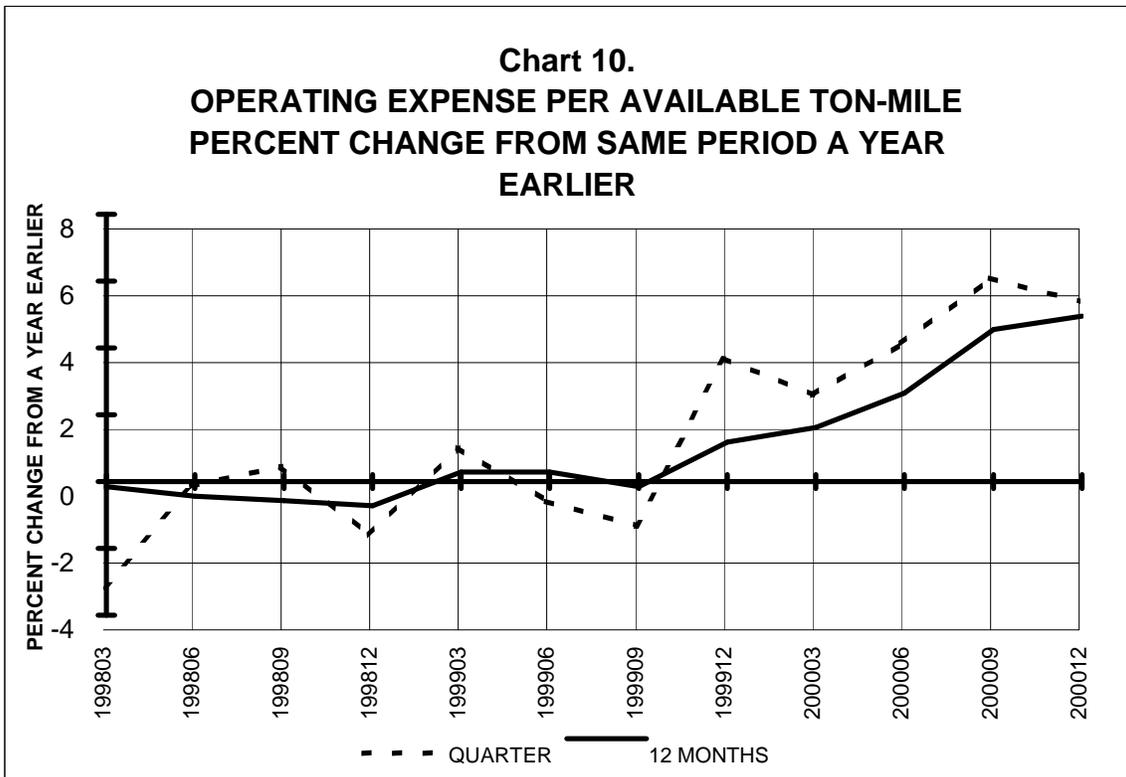
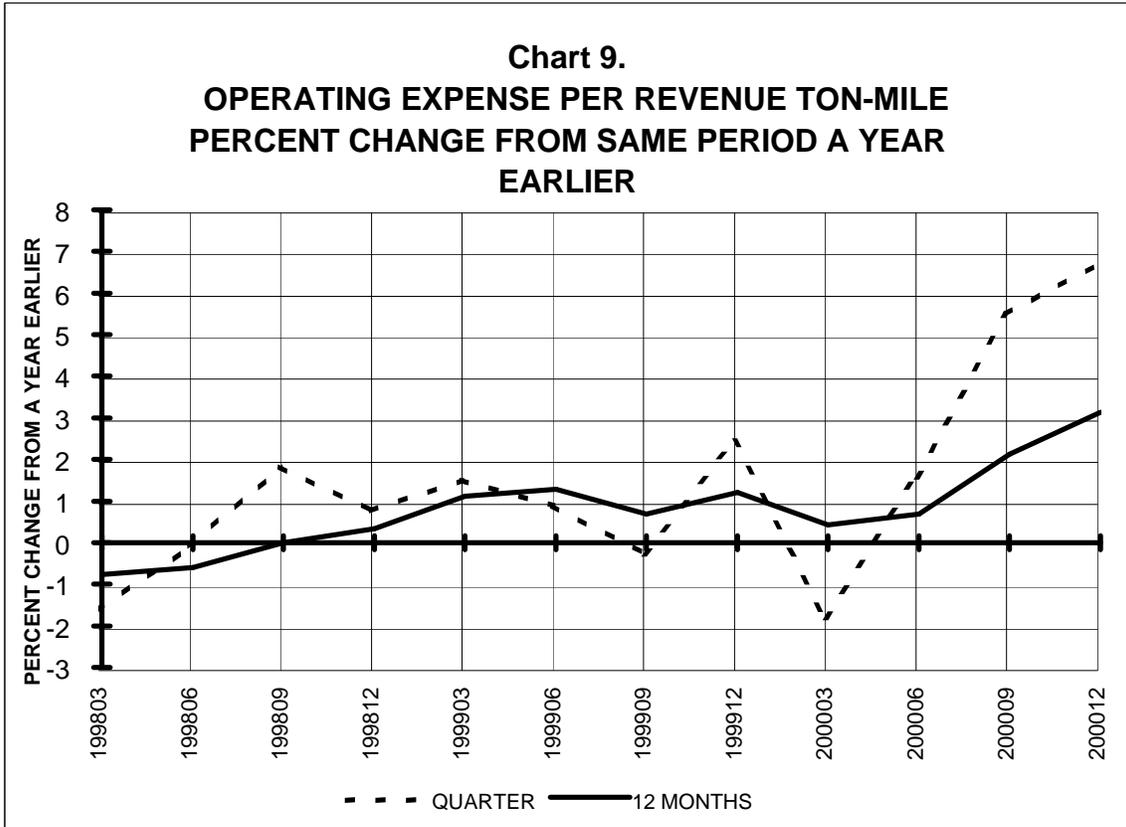
**TOTAL ALL MAJORS (SYSTEM)  
BY 12-MONTH ENDING PERIODS**



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



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



**QUARTERLY FINANCIAL & TRAFFIC REVIEW**  
**TOTAL PASSENGER MAJORS 1/**

**QUARTERLY RESULTS**

- For the quarter ended December 2000, five passenger majors – American, Continental, Delta, Northwest and Southwest -- reported an operating profit and three – American, Continental and Southwest – reported a net profit.
- Only Southwest and Trans World experienced gains in operating results, while Continental and Delta showed higher net results.
- For the group, operating expenses, up 10.2 percent, grew slightly faster than operating revenues, up 8.5 percent, resulting in a decline of \$338.2 million in operating profit to \$35.7 million.
- All majors experienced a sharp increase in total fuel expense, which soared \$1.19 billion (48.6 percent) from a year ago, as fuel consumption rose 9.4 percent and unit fuel prices jumped 35.8 percent to an average of 82.39 cents.
- Net income fell into the red, down \$873.6 million to a loss of \$297.3 million

Quarter Ended	\$ Millions					
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)		
	LAST YEAR 1999	THIS YEAR 2000	\$ Change	LAST YEAR 1999	THIS YEAR 2000	\$ Change
March	986.5	714.9	-271.6	576.1	33.3	-542.8
June	2,590.4	2,803.9	213.6	2,079.7	1,656.4	-423.3
Sept.	2,045.6	1,943.8	-101.7	1,312.7	743.2	-569.5
Dec.	373.9	35.7	-338.2	576.3	-297.3	-873.6

- RPM traffic, up 3.7 percent, grew faster than ASM capacity, up 2.4 percent, causing the passenger load factor to rise 0.9 percentage points to 70.2 percent.
- Passenger (RPM) yield rose 5.6 percent to 13.49 cents. America West and US Airways reported the only declines from a year ago.
- Only the Pacific entity reported a gain in either operating or net results but only the Latin entity had both an operating and net profit. Domestic operations, although down sharply from a year ago, also reported an operating profit.

ENTITY	\$ Millions						TRAFFIC (Billions)			CAPACITY (Billions)			PAX. L.F.
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)			RPMs (Sch. Svc.)			ASMs (Sch. Svc.)			
	1999	2000	\$ Change	1999	2000	\$ Change	1999	2000	Change %	1999	2000	Change %	
Domestic	333.5	85.9	-247.6	582.8	-209.3	-792.2	111.4	113.8	2.2	162.8	164.0	0.7	69.4%
Int'l	40.4	-50.2	-90.6	-6.6	-88.0	-81.4	40.0	43.2	7.9	55.5	59.6	7.2	72.5%
Atlantic	43.0	-51.5	-94.5	3.1	-82.8	-85.9	19.0	20.4	7.2	25.5	27.6	8.3	73.7%
Latin	20.5	3.2	-17.3	8.2	0.7	-7.5	8.2	8.7	6.4	12.6	13.1	3.8	66.7%
Pacific	-23.1	-1.9	21.2	-17.8	-5.9	12.0	12.8	14.1	10.0	17.4	18.8	8.1	74.8%
System	373.9	35.7	-338.2	576.3	-297.3	-873.6	151.4	157.0	3.7	218.3	223.5	2.4	70.2%

- The operating profit margin was barely positive, down 1.6 percentage points to 0.1 percent. America West suffered the largest decline, down 19.4 percentage points while Trans World jumped 17.3 percentage points.

**12-MONTH RESULTS**

- All majors, except for Trans World and US Airways, reported an operating profit for 12-months ended September 2000. Seven passenger majors – American, American Eagle, Continental, Delta, Northwest, Southwest and United reported a net profit for the period.
- Operating expense growth, up 10.7 percent, exceeded operating revenue growth, up 9.5 percent, resulting in a decline in operating profit of \$497.9 million to \$5.5 billion.
- Net income fell by more than half, down \$2.4 billion to \$2.1 billion.
- The passenger load factor climbed 1.4 percentage points to 72.8 percent as RPM traffic grew 5.76 percent, and ASM capacity rose a lesser 3.6 percent.
- Passenger (RPM) yield was up from the same period a year earlier, rising 4.9 percent to 13.33 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				
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12
<u>FINANCIAL RESULTS: (\$Millions)</u>							
1 Operating Revenues	24,162.5	22,271.1	98,090.4	96,198.9	93,892.5	91,433.1	89,605.2
2 Operating Expenses	24,126.8	21,897.2	92,592.0	90,362.4	87,954.2	85,708.4	83,609.0
3 Operating Profit (Loss)	35.7	373.9	5,498.4	5,836.5	5,938.3	5,724.7	5,996.3
4 Net Income (Loss)	-297.3	576.3	2,135.6	3,009.2	3,578.7	4,002.0	4,544.8
<u>TRAFFIC: (Billions)</u>							
5 RPMs - Scheduled Rev. Svc.	157.02	151.39	651.79	646.16	637.85	624.32	616.78
6 ASMs - Scheduled Rev. Svc.	223.55	218.34	894.93	889.72	883.55	875.30	863.70
7 Overall RTMs (All Svc.)	18.82	18.34	78.51	78.04	77.17	75.52	73.39
8 Overall ATMs (All Svc.)	33.50	32.21	133.68	132.39	130.89	128.81	126.51
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>							
9 Operating Revenue per RTM	128.4	121.4	124.9	123.3	121.7	121.1	122.1
10 Operating Expense per RTM	128.2	119.4	117.9	115.8	114.0	113.5	113.9
11 Operating Profit (Loss) per RTM	0.2	2.0	7.0	7.5	7.7	7.6	8.2
12 Operating Expense per ATM	72.0	68.0	69.3	68.3	67.2	66.5	66.1
13 Passenger Revenue per RPM	13.49	12.78	13.33	13.16	12.98	12.82	12.71
<u>FINANCIAL RATIOS:</u>							
14 Operating Revenues to Total Investment	*	*	1.60	1.62	1.63	1.65	1.69
15 Times Interest Earned	*	*	3.56	4.45	5.00	5.70	6.33
16 Current Assets to Current Liabilities	*	*	0.67	0.67	0.66	0.67	0.73
17 No. of Days Cash Coverage of Cash Exp.	*	*	39.6	40.0	42.5	40.7	39.2
<u>FINANCIAL PERCENTAGES:</u>							
18 Operating Profit (Loss) to Operating Revenue	0.1	1.7	5.6	6.1	6.3	6.3	6.7
19 Net Income to Stockholders Equity	*	*	6.9	9.7	11.7	13.5	15.9
20 Corporate Return on Investment	*	*	6.4	7.9	9.1	10.0	11.2
21 Debt to Total Investment	*	*	52.7	47.6	48.1	49.5	47.6
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22 Actual	70.2	69.3	72.8	72.6	72.2	71.3	71.4
23 Breakeven	71.9	70.5	69.4	69.0	68.7	68.4	68.3
<u>Employment &amp; Productivity:</u>							
24 Employment, Total Weighted Avg CY	452,926	428,840	451,813	447,230	442,501	428,159	420,723
25 Overall RTM's per Employee (000)	41.6	42.8	173.8	174.5	174.4	176.4	174.4

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER							
26 Operating Revenues (%)	8.5	6.4	9.5	9.0	7.8	5.6	3.7
27 Operating Expenses (%)	10.2	10.1	10.7	10.7	9.7	7.9	6.2
28 Operating Profit (Loss) (in Millions \$)	-338.2	-680.3	-497.9	-840.1	-1,024.5	-1,445.9	-1,668.4
29 Net Income (Loss)(in Millions \$)	-873.6	80.2	-2,409.2	-1,455.4	-875.8	-16.0	302.8
30 RPMs (Sch. Svc.) (%)	3.7	5.1	5.7	6.0	6.4	4.8	4.4
31 ASMs (Sch. Svc.) (%)	2.4	4.0	3.6	4.0	5.1	5.1	4.2
32 Operating Revenues per RTM (%)	5.8	-0.2	2.3	1.0	-1.0	-1.6	-1.1
33 Operating Expense per RTM (%)	7.4	3.4	3.5	2.6	0.8	0.6	1.2
34 Passenger Revenue per RPM (Sch. Svc.)(%)	5.6	1.2	4.9	3.8	2.0	0.4	-1.1

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED				
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12
<u>FINANCIAL RESULTS: (\$Millions)</u>							
1 Operating Revenues	18,544.9	17,205.9	75,098.8	73,759.8	72,268.8	70,539.6	69,165.6
2 Operating Expenses	18,459.0	16,872.4	70,520.5	68,933.9	67,343.5	65,711.3	64,008.9
3 Operating Profit (Loss)	85.9	333.5	4,578.3	4,825.9	4,925.3	4,828.3	5,156.7
4 Net Income (Loss)	-209.3	582.8	1,846.5	2,638.7	3,145.4	3,472.5	3,966.5
<u>TRAFFIC: (Billions)</u>							
5 RPMs - Scheduled Rev. Svc.	113.83	111.37	470.50	468.04	463.56	455.03	449.11
6 ASMs - Scheduled Rev. Svc.	163.99	162.79	657.13	655.93	653.16	648.74	639.03
7 Overall RTMs (All Svc.)	12.48	12.35	52.54	52.40	52.04	51.12	49.40
8 Overall ATMs (All Svc.)	22.56	22.05	90.07	89.57	88.75	87.54	85.70
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>							
9 Operating Revenue per RTM	148.6	139.3	142.9	140.8	138.9	138.0	140.0
10 Operating Expense per RTM	147.9	136.6	134.2	131.5	129.4	128.6	129.6
11 Operating Profit (Loss) per RTM	0.7	2.7	8.7	9.2	9.5	9.4	10.4
12 Operating Expense per ATM	81.8	76.5	78.3	77.0	75.9	75.1	74.7
13 Passenger Revenue per RPM	14.58	13.68	14.38	14.17	13.99	13.80	13.70
<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	0.5	1.9	6.1	6.5	6.8	6.8	7.5
19 Net Income to Stockholders Equity	*	*	**	**	**	**	**
20 Corporate Return on Investment	*	*	6.9	8.8	10.1	11.0	12.6
21 Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22 Actual	69.4	68.4	71.6	71.4	71.0	70.1	70.3
23 Breakeven	70.4	69.1	67.6	67.3	67.0	66.6	66.5
<u>Employment &amp; Productivity:</u>							
24 Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25 Overall RTM's per Employee (000)	*	*	**	**	**	**	**

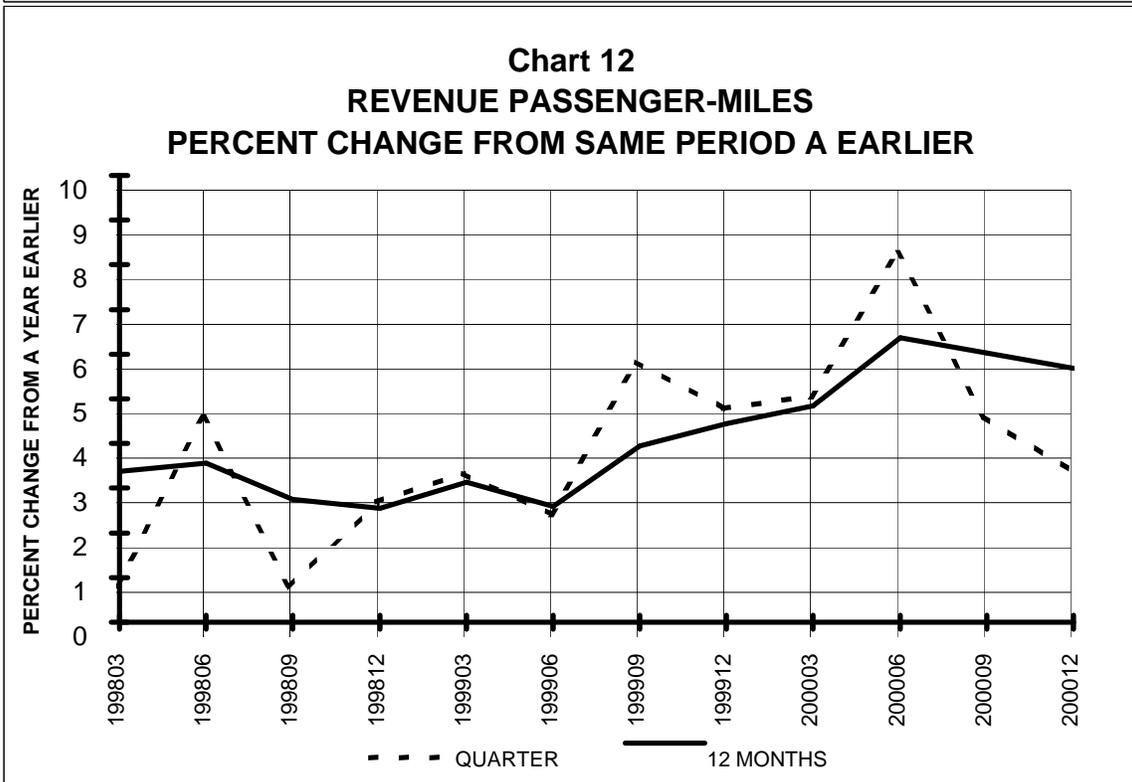
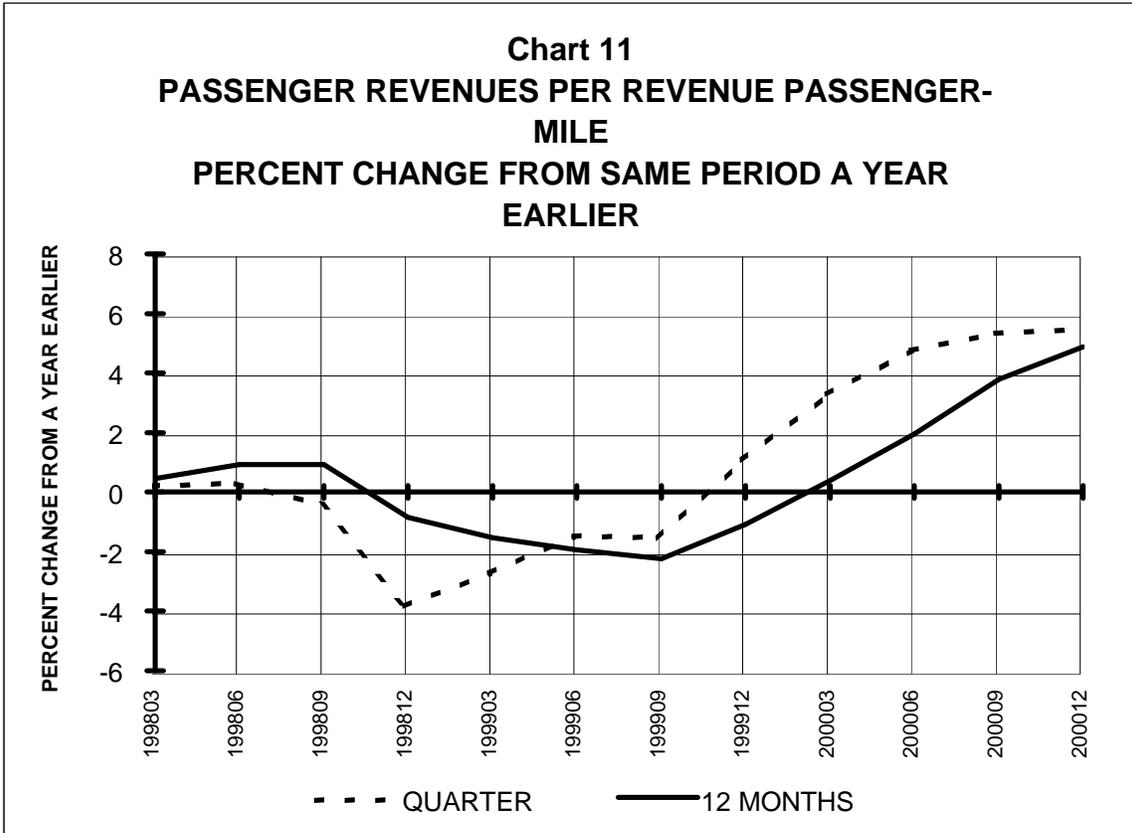
	CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26 Operating Revenues (%)	7.8	6.5	8.6	8.3	7.5	5.9	4.4
27 Operating Expenses (%)	9.4	12.3	10.2	10.9	10.8	9.5	8.0
28 Operating Profit (Loss) (in Millions \$)	-247.6	-803.0	-578.4	-1,133.7	-1,538.5	-1,774.3	-1,777.6
29 Net Income (Loss)(in Millions \$)	-792.1	-58.3	-2,120.0	-1,386.0	-970.9	-323.4	40.7
30 RPMs (Sch. Svc.) (%)	2.2	5.4	4.8	5.6	6.0	4.9	4.6
31 ASMs (Sch. Svc.) (%)	0.7	5.0	2.8	3.9	5.5	6.1	5.2
32 Operating Revenues per RTM (%)	6.7	0.8	2.1	0.8	-0.9	-1.2	0.1
33 Operating Expense per RTM (%)	8.3	6.3	3.5	3.1	2.2	2.3	3.5
34 Passenger Revenue per RPM (Sch. Svc.)(%)	6.6	1.0	5.0	3.7	2.1	0.7	-0.7

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

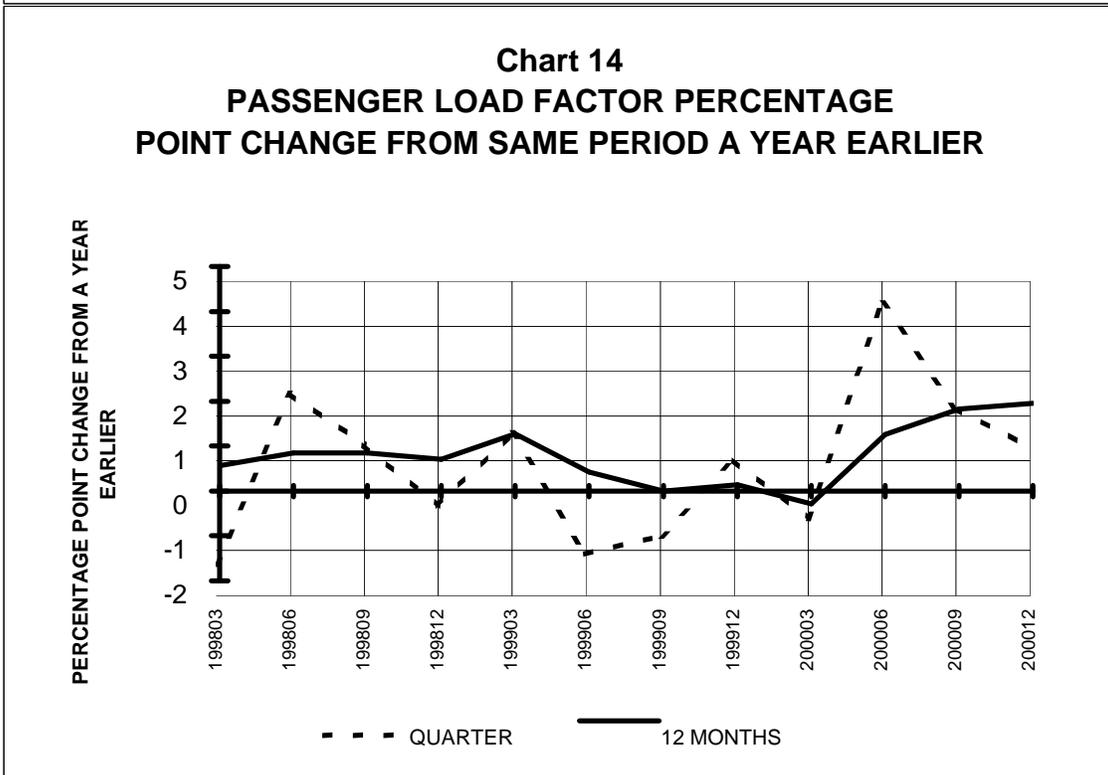
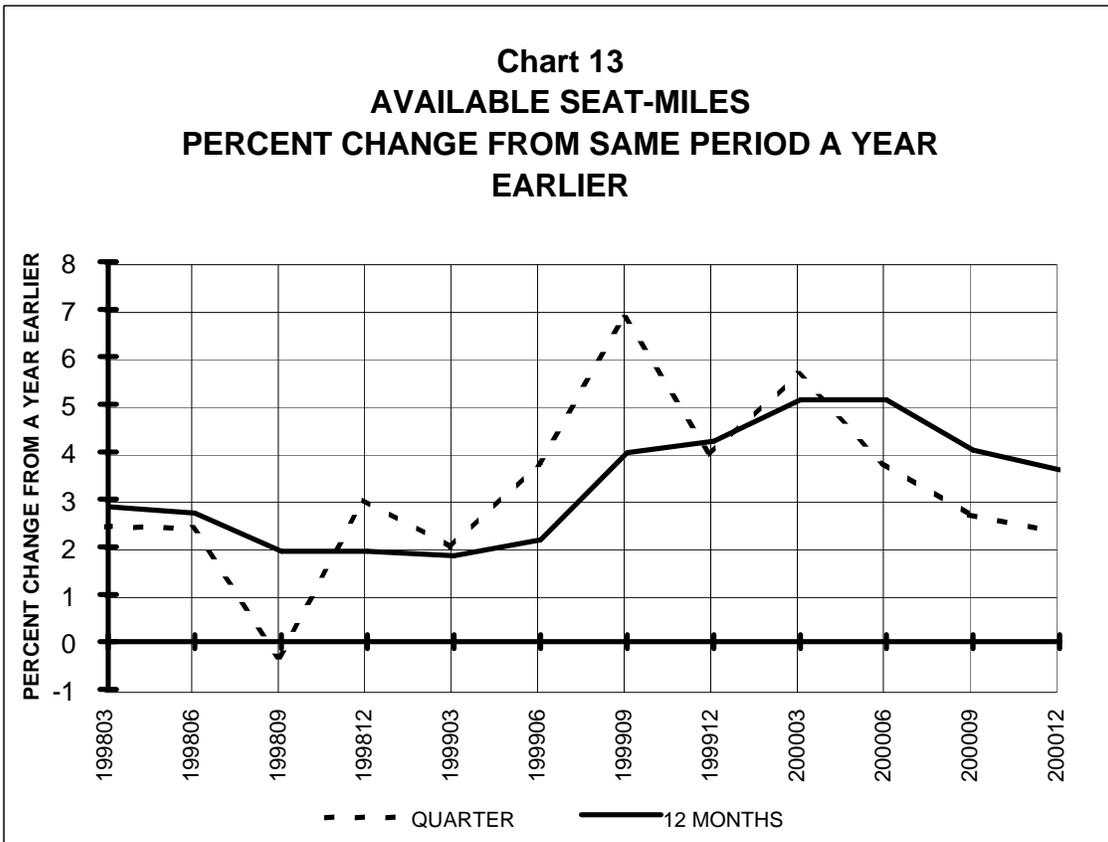
ITEMS	QUARTER ENDED		12 MONTHS ENDED				
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12
<u>FINANCIAL RESULTS: (\$Millions)</u>							
1 Operating Revenues	5,617.6	5,065.2	22,991.5	22,439.1	21,623.7	20,893.5	20,439.7
2 Operating Expenses	5,667.8	5,024.9	22,071.5	21,428.5	20,610.7	19,997.1	19,600.1
3 Operating Profit (Loss)	-50.2	40.4	920.0	1,010.6	1,013.0	896.4	839.6
4 Net Income (Loss)	-88.0	-6.6	289.1	370.5	433.3	529.5	578.3
<u>TRAFFIC: (Billions)</u>							
5 RPMs - Scheduled Rev. Svc.	43.19	40.02	181.29	178.11	174.29	169.30	167.67
6 ASMs - Scheduled Rev. Svc.	59.55	55.55	237.79	233.78	230.39	226.55	224.67
7 Overall RTMs (All Svc.)	6.34	5.99	25.98	25.63	25.12	24.40	23.99
8 Overall ATMs (All Svc.)	10.95	10.16	43.60	42.82	42.13	41.27	40.82
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>							
9 Operating Revenue per RTM	88.6	84.5	88.5	87.5	86.1	85.6	85.2
10 Operating Expense per RTM	89.4	83.8	85.0	83.6	82.0	81.9	81.7
11 Operating Profit (Loss) per RTM	-0.8	0.7	3.5	3.9	4.0	3.7	3.5
12 Operating Expense per ATM	51.8	49.4	50.6	50.0	48.9	48.5	48.0
13 Passenger Revenue per RPM	10.60	10.28	10.58	10.51	10.32	10.17	10.07
<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	-0.9	0.8	4.0	4.5	4.7	4.3	4.1
19 Net Income to Stockholders Equity	*	*	**	**	**	**	**
20 Corporate Return on Investment	*	*	4.6	5.2	5.7	6.6	7.2
21 Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22 Actual	72.5	72.1	76.2	76.2	75.7	74.7	74.6
23 Breakeven	77.1	75.1	75.2	74.7	74.2	74.2	74.2
<u>Employment &amp; 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 (%)	10.9	6.0	12.5	11.3	8.9	4.4	1.3
27 Operating Expenses (%)	12.8	3.3	12.6	10.2	6.4	2.9	0.8
28 Operating Profit (Loss) (in Millions \$)	-90.6	122.7	80.4	293.6	514.0	328.4	109.2
29 Net Income (Loss)(in Millions \$)	-81.4	138.4	-289.2	-69.4	95.1	307.4	262.1
30 RPMs (Sch. Svc.) (%)	7.9	4.4	8.1	7.3	7.3	4.6	4.1
31 ASMs (Sch. Svc.) (%)	7.2	1.2	5.8	4.4	4.0	2.2	1.6
32 Operating Revenues per RTM (%)	4.9	-2.3	3.9	2.1	-0.8	-3.0	-4.4
33 Operating Expense per RTM (%)	6.7	-4.8	4.0	1.2	-3.2	-4.4	-4.9
34 Passenger Revenue per RPM (Sch. Svc.)(%)	3.1	1.5	5.1	4.7	2.1	-0.8	-2.9

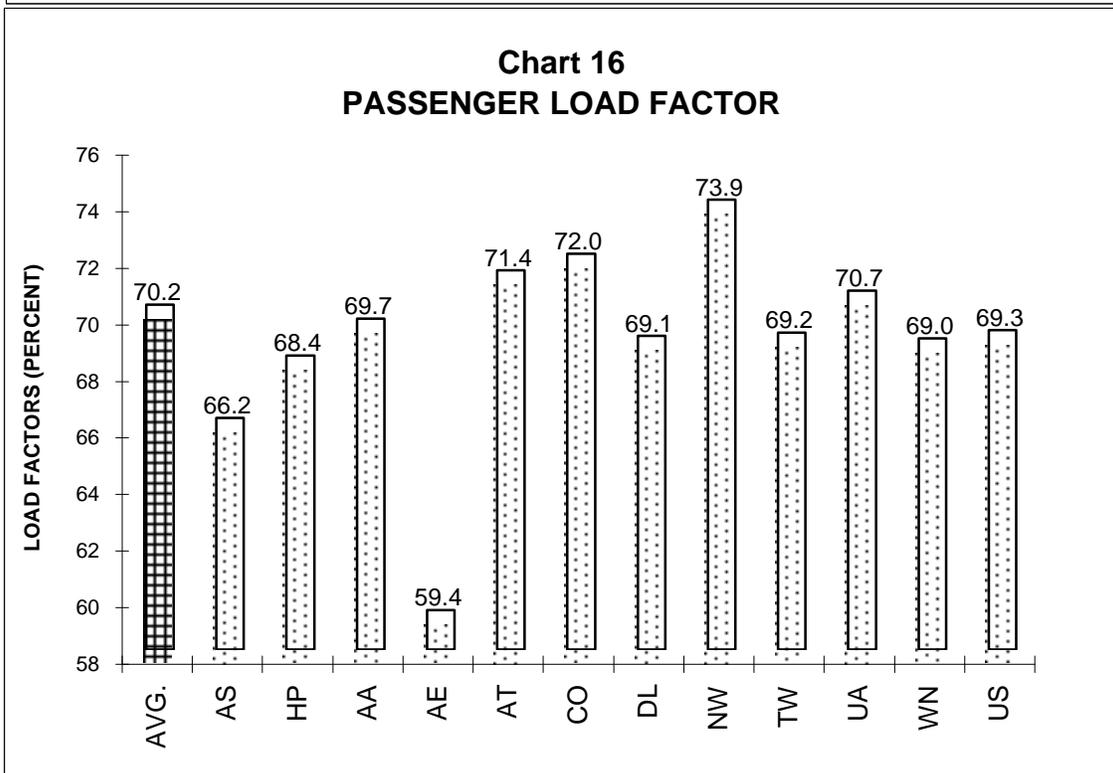
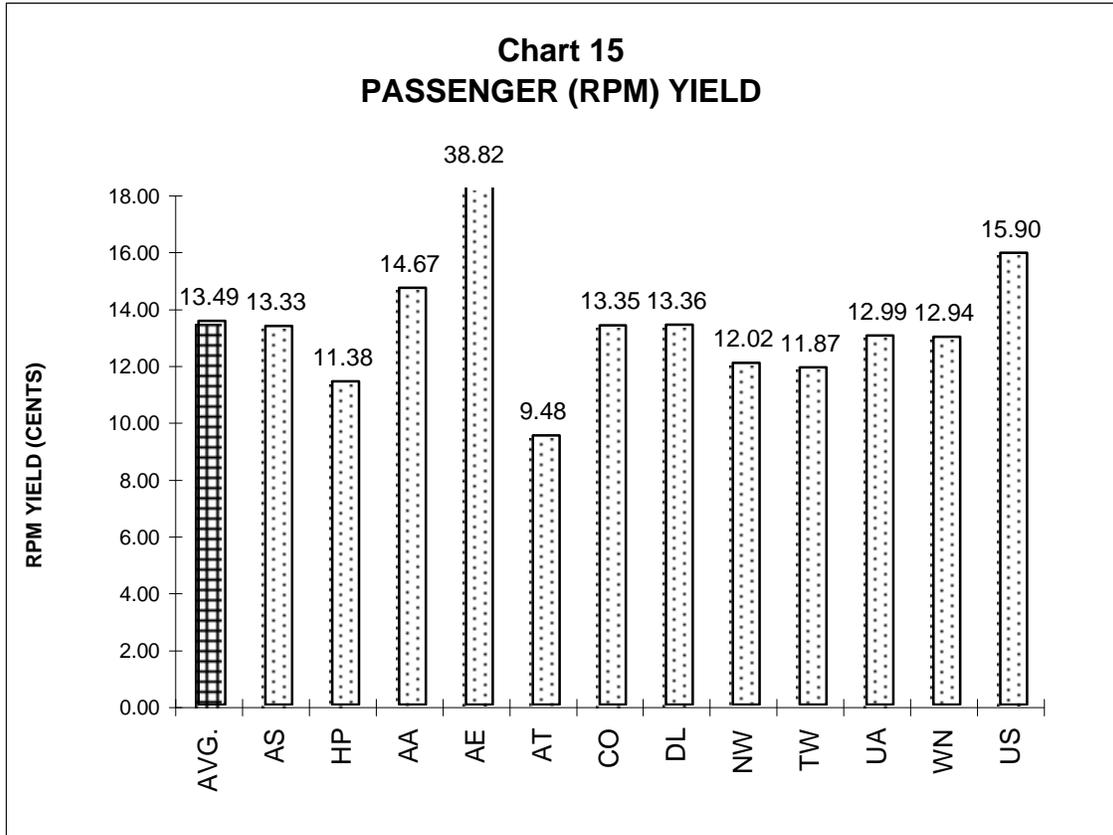
**TOTAL PASSENGER MAJORS (SYSTEM)  
QUARTERLY AND 12-MONTH BASIS (SCH. SVC.)**



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



**TOTAL PASSENGER MAJORS (SYSTEM)  
FOURTH QUARTER 2000 (SCH. SVC.)**



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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	431.3	409.7	1,762.6	1,741.0	1,732.4	1,716.9	1,695.6
2	Operating Expenses	470.9	390.9	1,772.2	1,692.2	1,641.4	1,578.6	1,518.9
3	Operating Profit (Loss)	-39.7	18.8	-9.6	48.8	91.0	138.3	176.7
4	Net Income (Loss)	-22.5	15.3	-12.5	25.3	56.7	94.2	119.4
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	2.90	2.83	11.98	11.91	11.95	11.88	11.77
6	ASMs - Scheduled Rev. Svc.	4.38	4.31	17.30	17.23	17.37	17.43	17.31
7	Overall RTMs (All Svc.)	0.31	0.30	1.27	1.26	1.27	1.26	1.25
8	Overall ATMs (All Svc.)	0.57	0.57	2.27	2.26	2.28	2.29	2.27
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	141.3	136.5	139.3	138.1	136.6	136.0	135.5
10	Operating Expense per RTM	154.2	130.2	140.0	134.3	129.5	125.1	121.4
11	Operating Profit (Loss) per RTM	-13.0	6.3	-0.8	3.9	7.2	11.0	14.1
12	Operating Expense per ATM	82.4	69.1	78.1	74.7	71.9	69.0	66.9
13	Passenger Revenue per RPM	13.33	12.44	13.13	12.92	12.75	12.64	12.58
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.56	1.71	1.82	1.90	2.01
15	Times Interest Earned	*	*	0.77	4.04	8.11	12.83	20.44
16	Current Assets to Current Liabilities	*	*	1.24	0.84	0.75	0.77	0.83
17	No. of Days Cash Coverage of Cash Exp.	*	*	99.8	86.7	65.1	66.0	82.7
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-9.2	4.6	-0.5	2.8	5.3	8.1	10.4
19	Net Income to Stockholders Equity	*	*	-1.9	3.9	8.9	14.9	19.6
20	Corporate Return on Investment	*	*	1.0	4.4	7.5	11.9	15.4
21	Debt to Total Investment	*	*	49.0	44.5	38.9	37.5	37.6
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	66.2	65.7	69.3	69.1	68.8	68.2	68.0
23	Breakeven	76.3	66.4	72.7	70.1	68.0	65.4	63.1
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	9,032	8,380	8,687	8,524	8,455	8,399	8,312
25	Overall RTM's per Employee (000)	33.8	35.8	145.7	147.8	149.9	150.3	150.5

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	5.3	7.7	4.0	4.5	5.8	6.6	7.2
27	Operating Expenses (%)	20.5	13.3	16.7	14.9	14.0	11.8	9.6
28	Operating Profit (Loss) (in Millions \$)	-58.5	-16.4	-186.3	-144.3	-105.6	-60.4	-18.3
29	Net Income (Loss)(in Millions \$)	-37.8	-9.5	-131.9	-103.6	-64.0	-26.4	2.9
30	RPMs (Sch. Svc.) (%)	2.4	3.0	1.8	2.0	2.9	3.2	4.4
31	ASMs (Sch. Svc.) (%)	1.6	2.6	-0.1	0.1	1.0	2.0	3.2
32	Operating Revenues per RTM (%)	3.5	4.7	2.8	3.0	3.2	3.7	3.3
33	Operating Expense per RTM (%)	18.4	10.1	15.3	13.3	11.2	8.8	5.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	7.2	5.2	4.4	3.9	4.1	4.2	3.4

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	566.8	557.1	2,309.3	2,299.6	2,255.0	2,203.4	2,164.0
2	Operating Expenses	639.7	521.0	2,322.1	2,203.3	2,118.9	2,042.5	1,966.1
3	Operating Profit (Loss)	-72.9	36.1	-12.7	96.3	136.1	160.9	197.9
4	Net Income (Loss)	-43.6	28.9	-0.5	71.9	94.0	107.2	116.6
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	4.73	4.54	19.10	18.91	18.55	17.99	17.69
6	ASMs - Scheduled Rev. Svc.	6.90	6.57	27.08	26.74	26.40	26.07	25.87
7	Overall RTMs (All Svc.)	0.49	0.48	1.99	1.98	1.94	1.89	1.87
8	Overall ATMs (All Svc.)	0.89	0.84	3.48	3.43	3.38	3.32	3.28
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	114.7	116.5	115.9	116.3	116.0	116.4	116.0
10	Operating Expense per RTM	129.5	109.0	116.5	111.5	109.0	107.9	105.4
11	Operating Profit (Loss) per RTM	-14.8	7.6	-0.6	4.9	7.0	8.5	10.6
12	Operating Expense per ATM	71.6	62.0	66.6	64.2	62.8	61.6	59.9
13	Passenger Revenue per RPM	11.38	11.44	11.39	11.40	11.39	11.45	11.44
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.04	2.06	2.02	1.97	1.95
15	Times Interest Earned	*	*	1.66	6.69	7.37	7.76	7.85
16	Current Assets to Current Liabilities	*	*	1.08	1.09	1.10	1.14	1.12
17	No. of Days Cash Coverage of Cash Exp.	*	*	30.8	22.2	34.3	22.3	23.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-12.9	6.5	-0.6	4.2	6.0	7.3	9.1
19	Net Income to Stockholders Equity	*	*	-0.1	8.0	10.7	12.6	14.1
20	Corporate Return on Investment	*	*	2.0	8.5	10.7	12.0	13.2
21	Debt to Total Investment	*	*	25.7	17.9	20.2	18.4	18.5
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	68.4	69.1	70.5	70.7	70.3	69.0	68.4
23	Breakeven	80.4	65.6	72.7	69.0	67.1	64.9	62.9
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	10,992	9,966	10,518	10,262	10,100	9,922	9,749
25	Overall RTM's per Employee (000)	45.0	48.0	189.4	192.6	192.5	190.7	191.3

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	1.7	12.2	6.7	9.3	9.8	9.1	9.1
27	Operating Expenses (%)	22.8	12.8	18.1	15.5	14.2	12.2	10.1
28	Operating Profit (Loss) (in Millions \$)	-109.0	1.3	-210.6	-100.3	-63.1	-38.0	0.1
29	Net Income (Loss)(in Millions \$)	-72.5	9.8	-117.1	-35.0	-10.9	3.7	13.6
30	RPMs (Sch. Svc.) (%)	4.2	12.6	8.0	10.0	9.5	7.4	8.2
31	ASMs (Sch. Svc.) (%)	5.1	5.5	4.7	4.8	5.1	5.5	6.6
32	Operating Revenues per RTM (%)	-1.6	0.3	-0.1	0.3	1.0	2.3	1.8
33	Operating Expense per RTM (%)	18.8	0.9	10.5	6.1	5.2	5.2	2.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-0.5	-0.5	-0.4	-0.4	0.4	1.6	1.0

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	4,472.3	4,135.0	18,117.1	17,779.8	17,198.6	16,671.5	16,085.5
2	Operating Expenses	4,401.3	3,891.0	16,874.1	16,363.8	15,917.5	15,509.5	15,082.6
3	Operating Profit (Loss)	71.0	244.0	1,243.0	1,416.0	1,281.1	1,162.0	1,002.9
4	Net Income (Loss)	33.2	155.8	778.0	900.6	806.9	697.2	625.8
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	27.52	27.52	116.51	116.51	114.76	112.53	110.15
6	ASMs - Scheduled Rev. Svc.	39.47	40.81	160.91	162.25	162.35	161.60	158.22
7	Overall RTMs (All Svc.)	3.34	3.37	13.95	13.97	13.89	13.61	13.26
8	Overall ATMs (All Svc.)	6.52	6.40	25.95	25.84	25.75	25.38	24.76
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	133.8	122.8	129.9	127.2	123.8	122.5	121.3
10	Operating Expense per RTM	131.7	115.5	121.0	117.1	114.6	114.0	113.8
11	Operating Profit (Loss) per RTM	2.1	7.2	8.9	10.1	9.2	8.5	7.6
12	Operating Expense per ATM	67.5	60.8	65.0	63.3	61.8	61.1	60.9
13	Passenger Revenue per RPM	14.67	13.57	14.05	13.79	13.52	13.32	13.12
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.62	1.60	1.60	1.62	1.63
15	Times Interest Earned	*	*	-190.98	-52.92	-84.99	-72.81	-42.47
16	Current Assets to Current Liabilities	*	*	0.65	0.85	0.85	0.89	0.92
17	No. of Days Cash Coverage of Cash Exp.	*	*	37.8	54.0	57.1	48.0	44.4
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	1.6	5.9	6.9	8.0	7.4	7.0	6.2
19	Net Income to Stockholders Equity	*	*	10.7	12.2	11.3	10.1	9.3
20	Corporate Return on Investment	*	*	6.9	7.8	7.4	6.6	6.1
21	Debt to Total Investment	*	*	38.8	32.7	33.8	34.5	35.4
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	69.7	67.4	72.4	71.8	70.7	69.6	69.6
23	Breakeven	70.9	64.1	69.3	67.5	67.0	66.3	66.8
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	85,802	81,471	83,855	82,772	81,612	80,238	78,757
25	Overall RTM's per Employee (000)	39.0	41.3	166.3	168.8	170.3	169.6	168.3

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	8.2	6.7	12.6	12.4	8.5	4.5	-1.3
27	Operating Expenses (%)	13.1	7.8	11.9	10.5	8.7	6.5	3.7
28	Operating Profit (Loss) (in Millions \$)	-173.0	-18.9	240.1	394.3	85.3	-228.9	-745.5
29	Net Income (Loss)(in Millions \$)	-122.6	-9.6	152.2	265.2	48.4	-178.3	-437.1
30	RPMs (Sch. Svc.) (%)	0.0	3.9	5.8	6.8	5.9	4.1	1.2
31	ASMs (Sch. Svc.) (%)	-3.3	5.2	1.7	3.9	5.1	4.9	2.0
32	Operating Revenues per RTM (%)	9.0	-0.3	7.1	4.8	-0.2	-2.2	-4.1
33	Operating Expense per RTM (%)	14.0	0.6	6.3	3.1	-0.1	-0.3	0.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	8.1	4.1	7.1	6.2	3.1	0.5	-2.7

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	318.4	268.7	1,245.8	1,196.0	1,135.2	1,084.9	1,036.5
2	Operating Expenses	319.7	249.5	1,183.7	1,113.5	1,068.9	1,026.3	982.1
3	Operating Profit (Loss)	-1.3	19.2	62.1	82.5	66.2	58.5	54.4
4	Net Income (Loss)	-16.8	6.3	-21.5	1.7	4.4	8.2	18.4
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	0.79	0.72	3.14	3.07	2.94	2.83	2.70
6	ASMs - Scheduled Rev. Svc.	1.33	1.18	5.15	4.99	4.78	4.58	4.37
7	Overall RTMs (All Svc.)	0.08	0.07	0.32	0.31	0.30	0.28	0.27
8	Overall ATMs (All Svc.)	0.15	0.13	0.59	0.57	0.54	0.52	0.49
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	400.4	372.4	394.4	387.7	384.0	381.8	381.5
10	Operating Expense per RTM	402.0	345.9	374.8	361.0	361.6	361.2	361.5
11	Operating Profit (Loss) per RTM	-1.7	26.6	19.7	26.8	22.4	20.6	20.0
12	Operating Expense per ATM	211.8	186.7	201.4	195.2	196.5	197.4	198.7
13	Passenger Revenue per RPM	38.82	35.91	38.14	37.45	37.05	36.79	36.70
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.56	0.63	0.73	0.82	1.18
15	Times Interest Earned	*	*	0.69	1.52	1.57	1.80	2.53
16	Current Assets to Current Liabilities	*	*	1.03	1.30	1.30	1.38	1.34
17	No. of Days Cash Coverage of Cash Exp.	*	*	65.9	78.6	76.8	75.4	78.8
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-0.4	7.1	5.0	6.9	5.8	5.4	5.2
19	Net Income to Stockholders Equity	*	*	-8.0	0.6	1.7	3.1	7.1
20	Corporate Return on Investment	*	*	1.0	2.1	2.4	2.7	4.6
21	Debt to Total Investment	*	*	90.0	89.3	89.4	89.2	75.1
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	59.4	61.0	61.1	61.5	61.6	61.7	61.9
23	Breakeven	59.7	56.0	57.6	56.6	57.4	57.8	58.1
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	8,120	7,334	13,796	13,599	13,400	7,122	6,948
25	Overall RTM's per Employee (000)	9.8	9.8	22.9	22.7	22.1	39.9	39.1

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	18.5	7.5	20.2	17.5	11.4	6.7	13.6
27	Operating Expenses (%)	28.1	9.5	20.5	15.9	13.7	11.7	23.1
28	Operating Profit (Loss) (in Millions \$)	-20.5	-2.9	7.7	25.2	-13.0	-39.2	-60.8
29	Net Income (Loss)(in Millions \$)	-23.1	-2.9	-39.9	-19.6	-31.0	-39.3	-41.0
30	RPMs (Sch. Svc.) (%)	10.5	7.3	16.3	15.6	12.7	17.2	26.9
31	ASMs (Sch. Svc.) (%)	13.4	9.5	17.8	16.9	15.3	19.1	28.4
32	Operating Revenues per RTM (%)	7.5	-0.1	3.4	1.5	-1.2	-4.2	-5.2
33	Operating Expense per RTM (%)	16.2	1.8	3.7	0.2	0.8	0.3	2.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	8.1	0.4	3.9	2.1	-0.8	-8.8	-10.5

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	264.2	226.4	1,182.1	1,144.2	1,096.5	1,041.7	1,001.3
2	Operating Expenses	290.9	226.7	1,162.8	1,098.5	1,037.7	976.5	915.0
3	Operating Profit (Loss)	-26.7	-0.3	19.3	45.7	58.7	65.2	86.3
4	Net Income (Loss)	-22.9	-6.1	-5.6	11.3	22.6	28.8	43.3
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	1.82	1.60	7.49	7.27	7.29	7.04	6.81
6	ASMs - Scheduled Rev. Svc.	2.55	2.14	9.80	9.39	9.36	9.09	8.78
7	Overall RTMs (All Svc.)	0.23	0.22	1.17	1.16	1.12	1.07	1.05
8	Overall ATMs (All Svc.)	0.34	0.31	1.61	1.58	1.53	1.46	1.42
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	113.0	103.0	101.1	99.0	97.6	97.1	95.4
10	Operating Expense per RTM	124.5	103.2	99.4	95.1	92.4	91.0	87.2
11	Operating Profit (Loss) per RTM	-11.4	-0.2	1.7	4.0	5.2	6.1	8.2
12	Operating Expense per ATM	86.6	73.4	72.4	69.6	67.9	66.7	64.3
13	Passenger Revenue per RPM	9.48	8.79	10.02	9.88	9.55	9.38	9.91
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.44	2.54	2.60	2.67	2.81
15	Times Interest Earned	*	*	0.83	2.13	2.96	3.74	5.86
16	Current Assets to Current Liabilities	*	*	0.63	0.90	0.92	0.90	0.89
17	No. of Days Cash Coverage of Cash Exp.	*	*	46.8	48.2	48.9	54.7	54.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-10.1	-0.2	1.6	4.0	5.4	6.3	8.6
19	Net Income to Stockholders Equity	*	*	-5.2	10.5	22.6	31.6	53.5
20	Corporate Return on Investment	*	*	4.1	7.5	10.3	12.1	16.5
21	Debt to Total Investment	*	*	82.6	75.5	76.2	78.0	77.3
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	71.4	75.1	76.4	77.4	77.9	77.4	77.6
23	Breakeven	87.2	78.0	75.1	72.5	71.2	70.1	67.9
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	6,912	5,758	6,488	6,199	5,892	5,500	5,296
25	Overall RTM's per Employee (000)	33.8	38.2	180.3	186.4	190.7	195.1	198.2

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	16.7	13.9	18.1	17.5	18.0	14.9	14.0
27	Operating Expenses (%)	28.3	17.3	27.1	24.6	22.7	18.3	14.6
28	Operating Profit (Loss) (in Millions \$)	-26.4	-5.8	-67.0	-46.4	-24.9	-15.7	6.2
29	Net Income (Loss)(in Millions \$)	-16.8	-6.7	-48.9	-38.7	-21.4	-14.7	-0.1
30	RPMs (Sch. Svc.) (%)	13.6	12.5	10.0	9.7	23.9	25.1	26.0
31	ASMs (Sch. Svc.) (%)	19.4	6.9	11.7	8.7	21.5	22.3	22.4
32	Operating Revenues per RTM (%)	9.7	8.6	6.0	5.7	4.8	5.7	4.4
33	Operating Expense per RTM (%)	20.6	11.9	14.0	12.1	9.0	8.7	4.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	7.8	-0.8	1.1	-0.8	-9.3	-10.0	5.0

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	2,310.5	2,062.7	9,449.2	9,201.4	8,892.3	8,558.2	8,381.5
2	Operating Expenses	2,211.2	2,101.4	8,860.0	8,750.3	8,521.2	8,213.5	7,932.5
3	Operating Profit (Loss)	99.3	-38.7	589.1	451.1	371.0	344.7	449.1
4	Net Income (Loss)	39.5	150.2	308.1	418.8	381.3	372.4	449.6
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	15.18	14.81	63.53	63.16	62.17	60.57	59.49
6	ASMs - Scheduled Rev. Svc.	21.07	20.68	84.85	84.46	83.67	82.46	80.95
7	Overall RTMs (All Svc.)	1.78	1.76	7.40	7.38	7.26	7.05	6.90
8	Overall ATMs (All Svc.)	2.74	2.72	11.18	11.16	10.99	10.77	10.56
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	129.9	117.4	127.7	124.7	122.4	121.4	121.5
10	Operating Expense per RTM	124.3	119.6	119.8	118.6	117.3	116.5	115.0
11	Operating Profit (Loss) per RTM	5.6	-2.2	8.0	6.1	5.1	4.9	6.5
12	Operating Expense per ATM	80.6	77.2	79.2	78.4	77.5	76.3	75.1
13	Passenger Revenue per RPM	13.35	12.13	13.11	12.82	12.49	12.25	12.16
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.85	1.81	1.75	1.71	1.75
15	Times Interest Earned	*	*	3.48	3.47	3.24	3.33	4.23
16	Current Assets to Current Liabilities	*	*	0.85	0.68	0.69	0.72	0.79
17	No. of Days Cash Coverage of Cash Exp.	*	*	60.1	50.4	59.0	65.5	76.5
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	4.3	-1.9	6.2	4.9	4.2	4.0	5.4
19	Net Income to Stockholders Equity	*	*	19.1	24.9	22.6	22.5	28.2
20	Corporate Return on Investment	*	*	10.2	12.8	12.0	11.7	13.4
21	Debt to Total Investment	*	*	74.0	65.5	66.5	68.7	67.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	72.0	71.6	74.9	74.8	74.3	73.5	73.5
23	Breakeven	70.4	75.6	71.4	72.5	73.2	73.1	72.3
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	35,969	35,264	35,588	35,412	35,248	34,924	34,438
25	Overall RTM's per Employee (000)	49.4	49.8	207.9	208.3	206.1	201.8	200.2

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	12.0	6.9	12.7	11.6	9.0	6.0	6.0
27	Operating Expenses (%)	5.2	15.4	11.7	14.4	12.3	10.2	8.9
28	Operating Profit (Loss) (in Millions \$)	138.0	-147.6	140.0	-145.6	-201.0	-274.0	-171.6
29	Net Income (Loss)(in Millions \$)	-110.7	87.6	-141.5	56.8	62.4	21.6	103.8
30	RPMs (Sch. Svc.) (%)	2.5	10.3	6.8	8.7	8.6	7.5	8.4
31	ASMs (Sch. Svc.) (%)	1.9	7.0	4.8	6.1	6.7	6.5	6.3
32	Operating Revenues per RTM (%)	10.6	-4.5	5.1	1.4	-1.2	-2.1	-1.9
33	Operating Expense per RTM (%)	3.9	3.1	4.2	3.9	1.8	1.7	0.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	10.1	-1.5	7.8	5.1	1.6	-0.9	-2.3

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	3,713.6	3,572.3	15,320.9	15,179.6	14,983.6	14,929.6	14,901.4
2	Operating Expenses	3,581.4	3,599.8	13,861.5	13,879.8	13,837.7	13,748.3	13,640.3
3	Operating Profit (Loss)	132.1	-27.5	1,459.4	1,299.7	1,146.0	1,181.3	1,261.1
4	Net Income (Loss)	-37.4	352.4	686.5	1,076.3	1,371.7	1,301.6	1,285.6
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	25.19	25.14	107.78	107.74	106.79	104.87	104.70
6	ASMs - Scheduled Rev. Svc.	36.46	36.17	147.06	146.76	146.42	145.31	144.65
7	Overall RTMs (All Svc.)	3.01	2.99	12.62	12.60	12.50	12.28	12.23
8	Overall ATMs (All Svc.)	5.51	5.32	22.18	21.99	21.75	21.36	21.03
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	123.5	119.3	121.4	120.4	119.8	121.6	121.9
10	Operating Expense per RTM	119.1	120.3	109.9	110.1	110.7	112.0	111.6
11	Operating Profit (Loss) per RTM	4.4	-0.9	11.6	10.3	9.2	9.6	10.3
12	Operating Expense per ATM	65.0	67.6	62.5	63.1	63.6	64.4	64.9
13	Passenger Revenue per RPM	13.36	12.53	13.12	12.92	12.80	12.63	12.61
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.41	1.51	1.61	1.74	1.93
15	Times Interest Earned	*	*	4.11	5.98	7.29	8.19	10.37
16	Current Assets to Current Liabilities	*	*	0.40	0.44	0.44	0.51	0.70
17	No. of Days Cash Coverage of Cash Exp.	*	*	22.4	30.6	33.5	38.8	48.5
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	3.6	-0.8	9.5	8.6	7.6	7.9	8.5
19	Net Income to Stockholders Equity	*	*	13.3	21.3	28.3	27.6	28.3
20	Corporate Return on Investment	*	*	10.1	14.5	18.5	18.6	19.6
21	Debt to Total Investment	*	*	55.1	50.2	52.6	52.2	51.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	69.1	69.5	73.3	73.4	72.9	72.2	72.4
23	Breakeven	66.0	73.1	64.2	65.8	66.7	67.9	67.8
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	66,618	63,891	65,837	65,156	64,592	64,050	63,799
25	Overall RTM's per Employee (000)	45.1	46.8	191.7	193.4	193.6	191.7	191.7

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	4.0	1.5	2.8	2.2	0.7	1.1	1.9
27	Operating Expenses (%)	-0.5	12.4	1.6	4.8	6.1	6.1	6.3
28	Operating Profit (Loss) (in Millions \$)	159.6	-345.5	198.3	-306.8	-685.2	-631.2	-532.0
29	Net Income (Loss)(in Millions \$)	-389.8	158.9	-599.1	-50.4	270.6	203.1	208.0
30	RPMs (Sch. Svc.) (%)	0.2	1.4	2.9	3.2	2.5	0.6	1.4
31	ASMs (Sch. Svc.) (%)	0.8	0.9	1.7	1.7	2.2	1.8	1.9
32	Operating Revenues per RTM (%)	3.5	-1.1	-0.4	-1.5	-2.5	-0.2	0.4
33	Operating Expense per RTM (%)	-1.0	9.7	-1.5	1.0	2.8	4.9	4.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	6.6	-0.6	4.0	2.3	0.5	-0.8	-1.2

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	2,638.6	2,476.7	10,956.6	10,794.8	10,466.1	10,142.1	9,868.1
2	Operating Expenses	2,633.0	2,372.8	10,293.1	10,032.9	9,692.2	9,370.4	9,099.2
3	Operating Profit (Loss)	5.6	103.9	663.5	761.9	773.8	771.7	768.8
4	Net Income (Loss)	-44.8	17.4	269.9	332.1	313.3	305.3	287.8
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	18.55	17.78	79.10	78.34	77.23	75.60	74.14
6	ASMs - Scheduled Rev. Svc.	25.11	24.37	103.32	102.58	101.87	100.92	99.41
7	Overall RTMs (All Svc.)	2.53	2.46	10.43	10.36	10.21	9.98	9.76
8	Overall ATMs (All Svc.)	4.11	3.97	16.52	16.38	16.27	16.07	15.81
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	104.3	100.6	105.1	104.2	102.5	101.7	101.1
10	Operating Expense per RTM	104.1	96.4	98.7	96.8	94.9	93.9	93.2
11	Operating Profit (Loss) per RTM	0.2	4.2	6.4	7.4	7.6	7.7	7.9
12	Operating Expense per ATM	64.1	59.7	62.3	61.2	59.6	58.3	57.5
13	Passenger Revenue per RPM	12.02	11.85	12.04	12.00	11.81	11.69	11.58
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.27	1.24	1.19	1.14	1.10
15	Times Interest Earned	*	*	2.41	2.66	2.53	2.46	2.37
16	Current Assets to Current Liabilities	*	*	0.52	0.63	0.60	0.56	0.54
17	No. of Days Cash Coverage of Cash Exp.	*	*	25.0	37.4	41.5	35.1	31.8
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	0.2	4.2	6.1	7.1	7.4	7.6	7.8
19	Net Income to Stockholders Equity	*	*	5.5	6.8	6.6	6.6	6.3
20	Corporate Return on Investment	*	*	6.8	7.6	7.4	7.3	7.1
21	Debt to Total Investment	*	*	41.0	41.6	42.6	44.5	45.4
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	73.9	73.0	76.6	76.4	75.8	74.9	74.6
23	Breakeven	76.4	71.6	72.9	71.7	71.0	69.9	69.6
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	49,925	48,424	49,478	49,102	48,768	48,573	48,483
25	Overall RTM's per Employee (000)	50.7	50.8	210.7	211.0	209.4	205.4	201.4

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	6.5	15.7	11.0	13.3	21.1	18.8	13.3
27	Operating Expenses (%)	11.0	2.4	13.1	10.9	10.3	6.2	3.0
28	Operating Profit (Loss) (in Millions \$)	-98.3	280.5	-105.3	273.6	914.2	1,054.4	898.2
29	Net Income (Loss)(in Millions \$)	-62.2	179.6	-17.9	223.9	588.6	645.2	529.1
30	RPMs (Sch. Svc.) (%)	4.3	7.9	6.7	7.5	15.1	14.1	11.1
31	ASMs (Sch. Svc.) (%)	3.0	3.4	3.9	4.0	10.8	11.5	8.9
32	Operating Revenues per RTM (%)	3.7	4.9	4.0	4.2	3.7	2.3	0.3
33	Operating Expense per RTM (%)	8.0	-7.2	5.9	2.0	-5.6	-8.6	-8.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.4	8.4	4.0	5.5	6.4	5.4	2.8

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,467.4	1,204.4	5,649.6	5,386.6	5,143.0	4,902.7	4,735.6
2	Operating Expenses	1,217.1	1,050.2	4,629.1	4,462.2	4,311.9	4,132.2	3,954.1
3	Operating Profit (Loss)	250.3	154.2	1,020.5	924.4	831.0	770.5	781.5
4	Net Income (Loss)	154.7	93.8	603.1	542.2	484.9	452.0	474.4
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	10.84	9.35	42.23	40.74	39.38	37.89	36.48
6	ASMs - Scheduled Rev. Svc.	15.71	13.90	59.94	58.12	56.43	54.66	52.90
7	Overall RTMs (All Svc.)	1.12	0.97	4.37	4.22	4.08	3.92	3.78
8	Overall ATMs (All Svc.)	1.98	1.75	7.55	7.33	7.12	6.90	6.68
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	130.8	124.1	129.4	127.8	126.2	124.9	125.2
10	Operating Expense per RTM	108.5	108.2	106.0	105.8	105.8	105.3	104.5
11	Operating Profit (Loss) per RTM	22.3	15.9	23.4	21.9	20.4	19.6	20.7
12	Operating Expense per ATM	61.5	59.9	61.3	60.9	60.6	59.9	59.2
13	Passenger Revenue per RPM	12.94	12.25	12.78	12.62	12.45	12.31	12.33
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.43	1.43	1.43	1.42	1.43
15	Times Interest Earned	*	*	25.03	24.87	26.04	29.97	34.81
16	Current Assets to Current Liabilities	*	*	0.64	0.62	0.68	0.62	0.66
17	No. of Days Cash Coverage of Cash Exp.	*	*	44.1	50.6	57.4	51.4	41.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	17.1	12.8	18.1	17.2	16.2	15.7	16.5
19	Net Income to Stockholders Equity	*	*	19.7	18.5	17.2	16.6	17.9
20	Corporate Return on Investment	*	*	16.4	15.5	14.4	13.9	15.0
21	Debt to Total Investment	*	*	20.1	21.3	22.5	23.7	23.7
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	69.0	67.3	70.5	70.1	69.8	69.3	69.0
23	Breakeven	55.2	57.1	55.5	55.9	56.5	56.5	55.6
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	28,605	27,153	27,830	27,467	27,209	26,880	26,506
25	Overall RTM's per Employee (000)	39.2	35.8	156.9	153.5	149.8	146.0	142.7

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	21.8	15.0	19.3	17.6	15.9	14.1	13.7
27	Operating Expenses (%)	15.9	18.2	17.1	17.7	18.0	16.1	13.6
28	Operating Profit (Loss) (in Millions \$)	96.1	-5.2	239.0	137.7	46.9	32.1	97.8
29	Net Income (Loss)(in Millions \$)	60.9	-6.6	128.7	61.2	1.3	-7.3	41.0
30	RPMs (Sch. Svc.) (%)	15.9	19.4	15.8	16.5	16.4	16.3	16.1
31	ASMs (Sch. Svc.) (%)	13.1	13.1	13.3	13.3	13.0	12.3	11.3
32	Operating Revenues per RTM (%)	5.4	-3.1	3.4	1.3	0.1	-1.3	-1.3
33	Operating Expense per RTM (%)	0.3	-0.3	1.4	1.2	1.9	0.5	-1.5
34	Passenger Revenue per RPM (Sch. Svc.)(%)	5.6	-3.7	3.6	1.4	-0.2	-1.9	-2.2

**QUARTERLY FINANCIAL & TRAFFIC REVIEW  
SYSTEM OPERATIONS  
TRANS WORLD AIRLINES**

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	848.0	801.7	3,584.6	3,538.3	3,442.0	3,353.1	3,308.7
2	Operating Expenses	981.1	1,066.2	3,817.3	3,902.4	3,854.1	3,762.1	3,651.4
3	Operating Profit (Loss)	-133.1	-264.5	-232.7	-364.1	-412.1	-409.0	-342.7
4	Net Income (Loss)	-151.6	-271.9	-266.7	-387.1	-406.0	-408.0	-353.4
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	6.36	6.22	27.21	27.08	26.59	26.31	26.01
6	ASMs - Scheduled Rev. Svc.	9.20	9.03	37.63	37.46	37.00	36.30	35.59
7	Overall RTMs (All Svc.)	0.70	0.70	4.09	4.09	4.04	4.01	2.93
8	Overall ATMs (All Svc.)	1.33	1.27	5.55	5.49	5.38	5.24	5.02
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	121.0	115.0	87.6	86.6	85.3	83.6	113.0
10	Operating Expense per RTM	140.0	152.9	93.3	95.5	95.5	93.8	124.8
11	Operating Profit (Loss) per RTM	-19.0	-37.9	-5.7	-8.9	-10.2	-10.2	-11.7
12	Operating Expense per ATM	73.5	83.7	68.8	71.1	71.6	71.7	72.7
7	Passenger Revenue per RPM	11.87	11.46	11.92	11.82	11.68	11.45	11.39
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	7.18	5.83	4.80	4.05	3.52
15	Times Interest Earned	*	*	-1.78	-3.03	-3.42	-3.34	-2.62
16	Current Assets to Current Liabilities	*	*	0.32	0.48	0.51	0.49	0.51
17	No. of Days Cash Coverage of Cash Exp.	*	*	10.1	15.2	19.1	16.6	18.8
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-15.7	-33.0	-6.5	-10.3	-12.0	-12.2	-10.4
19	Net Income to Stockholders Equity	*	*	96.6	229.7	508.0	0.0	-387.9
20	Corporate Return on Investment	*	*	-35.2	-48.6	-43.5	-37.6	-27.3
21	Debt to Total Investment	*	*	213.0	162.6	150.9	148.4	125.8
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	69.2	69.0	72.3	72.3	71.9	72.5	73.1
23	Breakeven	84.0	99.2	79.3	82.8	84.0	85.1	84.3
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	18,849	19,466	19,079	19,233	19,311	19,393	19,466
25	Overall RTM's per Employee (000)	37.2	35.8	214.4	212.5	209.1	206.8	150.4

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	5.8	7.3	8.3	8.7	6.2	2.9	1.5
	Operating Expenses (%)	-8.0	31.2	4.5	14.8	16.7	14.3	9.8
28	Operating Profit (Loss) (in Millions \$)	131.4	-198.8	110.0	-220.3	-350.9	-375.0	-277.5
29	Net Income (Loss)(in Millions \$)	120.3	-192.8	86.7	-226.5	-293.8	-321.5	-232.9
30	RPMs (Sch. Svc.) (%)	2.2	15.0	4.6	7.5	8.1	7.9	6.5
31	ASMs (Sch. Svc.) (%)	1.9	8.6	5.7	7.4	7.7	5.9	3.3
32	Operating Revenues per RTM (%)	5.2	-6.0	-22.5	-24.4	-26.9	-29.2	-5.9
33	Operating Expense per RTM (%)	-8.4	14.9	-25.3	-20.2	-19.6	-21.3	1.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	3.6	-5.8	4.7	2.4	-0.7	-3.8	-3.9

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	4,784.6	4,453.1	19,331.3	18,999.8	18,917.7	18,350.2	17,966.7
2	Operating Expenses	4,953.0	4,273.2	18,590.5	17,910.7	17,189.9	16,843.5	16,608.8
3	Operating Profit (Loss)	-168.4	179.9	740.8	1,089.1	1,727.8	1,506.6	1,357.9
4	Net Income (Loss)	-87.0	111.6	51.6	250.2	715.3	1,048.0	1,203.8
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	30.99	30.51	126.88	126.40	127.39	125.25	125.37
6	ASMs - Scheduled Rev. Svc.	43.81	43.88	175.40	175.47	176.43	176.82	176.54
7	Overall RTMs (All Svc.)	3.90	3.89	15.84	15.83	15.91	15.66	15.61
8	Overall ATMs (All Svc.)	6.90	6.82	27.56	27.48	27.46	27.31	27.13
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	122.8	114.4	122.1	120.0	118.9	117.2	115.1
10	Operating Expense per RTM	127.1	109.8	117.4	113.1	108.1	107.6	106.4
11	Operating Profit (Loss) per RTM	-4.3	4.6	4.7	6.9	10.9	9.6	8.7
12	Operating Expense per ATM	71.8	62.7	67.5	65.2	62.6	61.7	61.2
13	Passenger Revenue per RPM	12.99	12.28	13.09	12.91	12.80	12.56	12.32
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.66	1.70	1.71	1.70	1.74
15	Times Interest Earned	*	*	2.25	3.31	5.80	7.51	7.35
16	Current Assets to Current Liabilities	*	*	0.73	0.58	0.58	0.54	0.55
17	No. of Days Cash Coverage of Cash Exp.	*	*	44.0	23.4	25.5	16.6	12.2
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-3.5	4.0	3.8	5.7	9.1	8.2	7.6
19	Net Income to Stockholders Equity	*	*	0.9	4.4	12.7	19.9	24.8
20	Corporate Return on Investment	*	*	3.4	5.1	9.2	12.5	14.5
21	Debt to Total Investment	*	*	57.3	50.3	46.8	49.4	49.3
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	70.7	69.5	72.3	72.0	72.2	70.8	71.0
23	Breakeven	76.4	69.6	70.8	69.1	66.4	66.4	67.5
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	90,576	88,469	89,635	89,108	88,409	87,673	86,611
25	Overall RTM's per Employee (000)	43.0	44.0	176.7	177.7	179.9	178.6	180.3

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	7.4	4.3	7.6	6.8	6.7	4.1	2.6
27	Operating Expenses (%)	15.9	4.4	11.9	9.0	5.5	4.2	3.3
28	Operating Profit (Loss) (in Millions \$)	-348.3	1.5	-617.1	-267.4	300.3	49.3	-77.3
29	Net Income (Loss)(in Millions \$)	-198.6	63.6	-1,152.2	-890.0	-490.7	228.0	401.2
30	RPMs (Sch. Svc.) (%)	1.6	-0.7	1.2	0.7	1.1	-0.6	0.7
31	ASMs (Sch. Svc.) (%)	-0.2	0.1	-0.7	-0.6	0.0	1.1	1.5
32	Operating Revenues per RTM (%)	7.3	3.0	6.1	5.0	4.7	3.5	1.3
33	Operating Expense per RTM (%)	15.8	3.1	10.3	7.1	3.4	3.6	2.0
34	Passenger Revenue per RPM (Sch. Svc.)(%)	5.8	3.0	6.3	5.6	5.1	3.4	0.9

**QUARTERLY FINANCIAL & TRAFFIC REVIEW  
SYSTEM OPERATIONS  
US AIRWAYS**

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	2,346.9	2,103.4	9,181.2	8,937.8	8,630.2	8,478.8	8,460.4
2	Operating Expenses	2,427.4	2,154.5	9,225.6	8,952.7	8,762.7	8,504.8	8,258.0
3	Operating Profit (Loss)	-80.5	-51.1	-44.4	-15.0	-132.5	-26.0	202.3
4	Net Income (Loss)	-98.1	-77.5	-254.8	-234.2	-266.4	-5.0	273.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	12.16	10.36	46.83	45.03	42.83	41.57	41.47
6	ASMs - Scheduled Rev. Svc.	17.55	15.32	66.49	64.26	61.48	60.05	59.12
7	Overall RTMs (All Svc.)	1.33	1.13	5.09	4.89	4.64	4.50	4.49
8	Overall ATMs (All Svc.)	2.46	2.10	9.24	8.88	8.44	8.20	8.04
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	176.4	186.0	180.5	182.9	186.0	188.3	188.6
10	Operating Expense per RTM	182.5	190.6	181.4	183.2	188.8	188.8	184.1
11	Operating Profit (Loss) per RTM	-6.1	-4.5	-0.9	-0.3	-2.9	-0.6	4.5
12	Operating Expense per ATM	98.7	102.6	99.9	100.8	103.8	103.8	102.7
13	Passenger Revenue per RPM	15.90	16.28	16.14	16.23	16.36	16.53	16.51
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.06	2.09	2.09	2.12	2.20
15	Times Interest Earned	*	*	0.15	0.18	-0.19	1.99	3.59
16	Current Assets to Current Liabilities	*	*	0.91	0.83	0.81	0.79	0.93
17	No. of Days Cash Coverage of Cash Exp.	*	*	52.3	50.3	43.6	60.0	39.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-3.4	-2.4	-0.5	-0.2	-1.5	-0.3	2.4
19	Net Income to Stockholders Equity	*	*	-14.5	-13.2	-14.9	-0.3	15.0
20	Corporate Return on Investment	*	*	-0.4	-0.2	-1.5	4.5	11.7
21	Debt to Total Investment	*	*	62.6	59.6	61.6	63.9	54.8
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	69.3	67.6	70.4	70.1	69.7	69.2	70.1
23	Breakeven	75.4	75.2	74.2	74.2	75.7	74.5	73.5
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	41,526	39,022	41,022	40,396	39,505	38,481	37,589
25	Overall RTM's per Employee (000)	32.0	29.0	124.0	121.0	117.5	117.0	119.3

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	11.6	0.8	8.5	5.8	0.9	-1.0	-1.1
27	Operating Expenses (%)	12.7	12.5	11.7	11.6	13.0	10.9	9.2
28	Operating Profit (Loss) (in Millions \$)	-29.4	-222.6	-246.7	-439.9	-927.8	-919.5	-787.7
29	Net Income (Loss)(in Millions \$)	-20.6	-191.2	-528.3	-698.9	-935.3	-530.3	-285.6
30	RPMs (Sch. Svc.) (%)	17.3	3.7	12.9	9.6	3.5	0.5	0.5
31	ASMs (Sch. Svc.) (%)	14.5	6.0	12.5	10.3	6.4	5.1	4.2
32	Operating Revenues per RTM (%)	-5.2	-2.8	-4.3	-3.7	-2.6	-1.4	-1.2
33	Operating Expense per RTM (%)	-4.3	8.5	-1.5	1.6	9.0	10.3	9.1
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-2.3	-3.7	-2.2	-2.6	-3.0	-2.4	-3.0

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

**QUARTERLY RESULTS**

- All major cargo carriers except for DHL Airways reported an operating and net profit for the fourth quarter 2000, but both DHL and UPS experienced declines in both operating and net results.
- For the all-cargo group, operating expenses, up 5.7 percent, grew faster than operating revenues, up 3.1 percent, resulting in a \$106.3 million drop in operating profit to \$243.2 million.
- Total fuel expense jumped 60.2 percent (\$165.2 million) as fuel consumption rose 3.4 percent and unit fuel prices jumped 54.8 percent.
- Net income fell \$124.7 million to \$103.1 million.

Quarter Ended	\$ Millions					
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)		
	LAST YEAR	THIS YEAR	\$	LAST YEAR	THIS YEAR	\$
1999	2000	Change	1999	2000	Change	
March	213.6	186.5	-27.1	74.0	82.3	8.3
June	285.7	300.6	14.9	141.8	167.9	26.1
Sept.	214.8	314.0	99.2	86.8	162.3	75.6
Dec.	349.5	243.2	-106.3	227.8	103.1	-124.7

- Only the Latin entity reported a gain in either operating or net results but the only loss was an operating loss reported by the Pacific entity. For the Latin entity, operating results gained \$19.9 million to \$73.8 million and net results were up \$21.2 million to \$53.8 million.

ENTITY	\$ Millions						TRAFFIC (Billions)			CAPACITY (Billions)			TON L.F.
	OPERATING PROFIT (LOSS)			NET INCOME (LOSS)			RTMs (All Svc.)			ATMs (All Svc.)			
	1999	2000	\$	1999	2000	\$	1999	2000	Change %	1999	2000	Change %	
			Change			Change							
Domestic	149.0	109.0	-40.0	84.2	13.9	-70.2	2.1	2.0	-4.1	3.6	3.4	-5.4	58.7%
Int'l	200.4	134.2	-66.2	143.6	89.2	-54.4	1.2	1.3	11.9	1.8	2.0	11.1	67.1%
Atlantic	105.9	70.1	-35.9	73.5	12.4	-61.1	0.4	0.4	8.9	0.5	0.6	5.4	68.5%
Latin	53.9	73.8	19.9	32.6	53.8	21.2	0.1	0.1	80.2	0.1	0.2	63.2	60.1%
Pacific	40.6	-9.6	-50.3	37.5	23.0	-14.5	0.7	0.8	6.3	1.1	1.2	7.1	67.8%
System	349.5	243.2	-106.2	227.8	103.1	-124.7	3.2	3.3	1.8	5.3	5.3	0.1	61.8%

- Although RTM traffic rose only 1.8 percent, ATM capacity was relatively unchanged causing the ton load factor to rise 1.1 percentage points to 61.8 percent.
- Profitability eroded as RTM unit cost rose 3.8 percent while RTM yield rose a lesser 1.4 percent.

**12-MONTH RESULTS**

- For the twelve months ended December 2000, Federal Express and UPS reported an operating and net profit, while DHL reported both an operating and net loss.
- Operating expense growth, up 9.5 percent, slightly exceeded operating revenue growth, up 8.8 percent, resulting in a \$19.3 million decline in operating profit rose \$1.04 billion.
- Net income slid \$14.7 million to \$515.7 million.
- Interest on debt declined \$5.7 million to \$95.7 million.
- The ton load factor rose 3.1 percentage points to 62.1 percent as RTM traffic growth, up 8.6 percent, more than doubled ATM capacity growth, up 3.2 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					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	5,031.4	4,878.9	19,623.7	19,471.2	18,994.3	18,549.8	18,031.0
2	Operating Expenses	4,788.2	4,529.5	18,579.4	18,320.7	17,942.9	17,513.3	16,967.4
3	Operating Profit (Loss)	243.2	349.5	1,044.3	1,150.5	1,051.4	1,036.5	1,063.6
4	Net Income (Loss)	103.1	227.8	515.7	640.3	564.8	538.7	530.4
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	2.47	2.33	9.37	9.23	9.03	8.83	8.53
6	ATMs - Scheduled Rev. Svc.	3.89	3.68	14.81	14.60	14.47	14.35	14.04
7	Overall RTMs (All Services)	3.28	3.22	12.68	12.63	12.37	12.08	11.68
8	Overall ATMs (All Services)	5.31	5.31	20.42	20.42	20.37	20.21	19.78
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	153.4	151.3	154.7	154.2	153.6	153.6	154.4
10	Operating Expense per RTM	145.9	140.5	146.5	145.1	145.1	145.0	145.3
11	Operating Profit (Loss) per RTM	7.4	10.8	8.2	9.1	8.5	8.6	9.1
12	Operating Expense per ATM	90.2	85.3	91.0	89.7	88.1	86.7	85.8
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.09	2.07	2.02	1.96	1.92
15	Times Interest Earned	*	*	7.92	9.12	8.59	8.11	7.78
16	Current Assets to Current Liabilities	*	*	1.26	1.18	1.15	1.21	1.14
17	No. of Days Cash Coverage of Cash Exp.	*	*	2.3	2.0	1.9	2.0	2.5
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	4.8	7.2	5.3	5.9	5.5	5.6	5.9
19	Net Income to Stockholders Equity	*	*	10.1	12.5	11.1	10.6	10.7
20	Corporate Return on Investment	*	*	6.8	8.1	7.3	7.0	7.1
21	Debt to Total Investment	*	*	46.6	45.7	46.2	44.0	45.0
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	61.8	60.7	62.1	61.8	60.7	59.8	59.0
23	Breakeven	++	++	++	++	++	++	++
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	107,011	106,422	106,705	106,557	106,526	105,806	104,791
25	Overall RTM's per Employee (000)	30.7	30.3	118.9	118.5	116.1	114.1	111.5

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	3.1	9.0	8.8	10.4	9.0	7.7	6.0
27	Operating Expenses (%)	5.7	9.7	9.5	10.6	10.0	8.7	6.4
28	Operating Profit (Loss) (in Millions \$)	-106.3	1.7	-19.3	88.6	-63.8	-68.0	1.7
29	Net Income (Loss)(in Millions \$)	-124.7	118.4	-14.7	228.3	105.7	98.1	92.2
30	RTMs (All Svc.) (%)	1.8	11.8	8.6	11.4	10.3	8.9	5.5
31	ATMs (All Svc.) (%)	0.1	5.5	3.2	4.7	5.4	5.8	4.2
32	Operating Revenues per RTM (%)	1.4	-2.6	0.2	-0.8	-1.2	-1.1	0.5
33	Operating Expense per RTM (%)	3.8	-1.9	0.8	-0.7	-0.4	-0.3	0.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

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

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	3,616.3	3,561.6	14,194.7	14,140.0	13,895.4	13,686.4	13,446.1
2	Operating Expenses	3,507.4	3,412.6	13,683.6	13,588.9	13,456.5	13,231.3	12,907.4
3	Operating Profit (Loss)	109.0	149.0	511.2	551.2	438.9	455.1	538.7
4	Net Income (Loss)	13.9	84.2	207.8	278.1	353.5	396.3	372.4
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	1.22	1.22	4.72	4.71	4.65	4.57	4.47
6	ATMs - Scheduled Rev. Svc.	2.05	2.02	7.83	7.80	7.75	7.71	7.59
7	Overall RTMs (All Services)	1.97	2.05	7.74	7.83	7.77	7.65	7.48
8	Overall ATMs (All Services)	3.35	3.55	12.95	13.14	13.26	13.26	13.10
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	183.8	173.7	183.3	180.7	178.8	178.9	179.7
10	Operating Expense per RTM	178.3	166.4	176.7	173.6	173.2	173.0	172.5
11	Operating Profit (Loss) per RTM	5.5	7.3	6.6	7.0	5.6	5.9	7.2
12	Operating Expense per ATM	104.6	96.3	105.7	103.4	101.4	99.8	98.5
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	3.0	4.2	3.6	3.9	3.2	3.3	4.0
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	4.3	5.3	6.2	6.8	6.5
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	58.7	57.8	59.8	59.6	58.6	57.7	57.1
23	Breakeven	++	++	++	++	++	++	++
<u>Employment &amp; 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 (%)	1.5	2.6	5.6	5.9	4.7	4.1	3.3
27	Operating Expenses (%)	2.8	6.5	6.0	7.0	7.6	7.1	5.7
28	Operating Profit (Loss) (in Millions \$)	-40.0	-117.9	-27.5	-105.5	-321.2	-336.7	-263.1
29	Net Income (Loss)(in Millions \$)	-70.3	20.4	-164.6	-74.0	96.6	217.7	114.3
30	RTMs (All Svc.) (%)	-4.1	8.8	3.5	6.9	7.3	6.5	4.5
31	ATMs (All Svc.) (%)	-5.4	4.3	-1.2	1.4	3.2	4.4	4.0
32	Operating Revenues per RTM (%)	5.8	-5.7	2.0	-1.0	-2.4	-2.2	-1.1
33	Operating Expense per RTM (%)	7.2	-2.2	2.4	0.1	0.3	0.6	1.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,415.1	1,317.3	5,429.0	5,331.2	5,098.9	4,863.3	4,584.9
2	Operating Expenses	1,280.9	1,116.8	4,895.8	4,731.8	4,486.3	4,281.9	4,060.0
3	Operating Profit (Loss)	134.2	200.4	533.2	599.4	612.5	581.4	524.9
4	Net Income (Loss)	89.2	143.6	307.8	362.3	211.2	142.4	158.0
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	1.24	1.11	4.65	4.52	4.38	4.26	4.06
6	ATMs - Scheduled Rev. Svc.	1.84	1.66	6.98	6.80	6.73	6.64	6.45
7	Overall RTMs (All Services)	1.31	1.17	4.94	4.80	4.60	4.43	4.20
8	Overall ATMs (All Services)	1.96	1.76	7.48	7.28	7.11	6.94	6.69
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	107.7	112.2	109.9	111.0	111.0	109.9	109.3
10	Operating Expense per RTM	97.5	95.2	99.1	98.6	97.6	96.7	96.8
11	Operating Profit (Loss) per RTM	10.2	17.1	10.8	12.5	13.3	13.1	12.5
12	Operating Expense per ATM	65.4	63.4	65.5	65.0	63.1	61.7	60.7
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	9.5	15.2	9.8	11.2	12.0	12.0	11.4
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	13.8	16.4	10.6	7.9	9.0
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	67.1	66.6	66.1	66.0	64.7	63.7	62.8
23	Breakeven	++	++	++	++	++	++	++
<u>Employment &amp; 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 (%)	7.4	31.0	18.4	24.8	22.5	19.3	14.7
27	Operating Expenses (%)	14.7	20.8	20.6	22.3	17.8	13.7	8.7
28	Operating Profit (Loss) (in Millions \$)	-66.2	119.6	8.3	194.1	257.4	268.7	264.8
29	Net Income (Loss)(in Millions \$)	-54.4	98.0	149.8	302.4	9.0	-119.6	-22.1
30	RTMs (All Svc.) (%)	11.9	17.6	17.8	19.4	16.0	13.5	7.3
31	ATMs (All Svc.) (%)	11.1	8.0	11.8	11.1	9.8	8.6	4.6
32	Operating Revenues per RTM (%)	-4.0	11.4	0.5	4.4	5.6	5.2	6.9
33	Operating Expense per RTM (%)	2.4	2.8	2.4	2.5	1.6	0.2	1.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

**QUARTERLY FINANCIAL & TRAFFIC REVIEW  
SYSTEM OPERATIONS  
DHL AIRWAYS**

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	388.3	370.6	1,497.3	1,479.5	1,453.8	1,420.9	1,369.8
2	Operating Expenses	413.2	350.4	1,568.0	1,505.2	1,456.1	1,402.9	1,333.0
3	Operating Profit (Loss)	-24.9	20.2	-70.8	-25.7	-2.3	18.0	36.8
4	Net Income (Loss)	-34.8	12.6	-67.0	-19.6	9.8	20.9	31.8
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	0.12	0.12	0.45	0.44	0.43	0.42	0.41
6	ATMs - Scheduled Rev. Svc.	0.22	0.20	0.85	0.83	0.79	0.76	0.72
7	Overall RTMs (All Services)	0.13	0.12	0.49	0.48	0.46	0.46	0.45
8	Overall ATMs (All Services)	0.23	0.20	0.90	0.87	0.81	0.78	0.75
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	300.8	310.2	304.8	307.2	313.8	311.7	305.7
10	Operating Expense per RTM	320.1	293.3	319.2	312.5	314.3	307.7	297.5
11	Operating Profit (Loss) per RTM	-19.3	16.9	-14.4	-5.3	-0.5	3.9	8.2
12	Operating Expense per ATM	180.4	172.3	174.7	172.6	179.7	180.5	177.6
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	10.95	8.34	7.00	7.46	7.50
15	Times Interest Earned	*	*	-5.16	-1.57	1.97	2.99	3.80
16	Current Assets to Current Liabilities	*	*	0.00	0.00	1.03	1.04	1.04
17	No. of Days Cash Coverage of Cash Exp.	*	*	0.0	0.0	0.3	0.6	1.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-6.4	5.5	-4.7	-1.7	-0.2	1.3	2.7
19	Net Income to Stockholders Equity	*	*	-83.4	-18.3	7.3	15.5	22.6
20	Corporate Return on Investment	*	*	-36.6	-3.4	11.4	19.3	27.1
21	Debt to Total Investment	*	*	0.0	0.0	46.5	40.8	36.4
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	56.4	58.7	54.7	55.2	57.2	58.7	59.7
23	Breakeven	++	++	++	++	++	++	++
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	8,889	8,245	8,633	8,472	8,347	8,257	8,163
25	Overall RTM's per Employee (000)	14.5	14.5	56.9	56.8	55.5	55.2	54.9

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	4.8	-3.7	9.3	6.9	6.3	4.9	1.6
27	Operating Expenses (%)	17.9	8.3	17.6	15.2	13.9	10.5	6.1
28	Operating Profit (Loss) (in Millions \$)	-45.1	-41.2	-107.6	-103.7	-91.1	-67.4	-55.8
29	Net Income (Loss)(in Millions \$)	-47.4	20.5	-98.8	-30.8	6.8	32.7	37.0
30	RTMs (Sch. Svc.) (%)	8.1	8.1	9.6	9.7	9.0	11.0	12.0
31	ATMs (Sch. Svc.) (%)	12.6	9.5	19.5	18.9	12.6	10.6	9.9
32	Operating Revenues per RTM (%)	-3.0	-10.9	-0.3	-2.5	-2.5	-5.5	-9.3
33	Operating Expense per RTM (%)	9.1	0.2	7.3	5.1	4.5	-0.4	-5.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

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

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	3,978.5	3,855.9	15,596.5	15,473.9	15,196.8	14,876.4	14,508.4
2	Operating Expenses	3,732.8	3,614.0	14,597.2	14,478.4	14,249.3	13,965.4	13,598.5
3	Operating Profit (Loss)	245.7	241.9	999.4	995.5	947.5	911.0	909.9
4	Net Income (Loss)	137.4	140.9	545.4	548.9	496.3	459.9	432.4
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	1.93	1.88	7.44	7.39	7.29	7.16	6.93
6	ATMs - Scheduled Rev. Svc.	3.10	2.96	11.83	11.68	11.57	11.49	11.24
7	Overall RTMs (All Services)	2.03	1.97	7.83	7.77	7.59	7.38	7.09
8	Overall ATMs (All Services)	3.28	3.11	12.46	12.30	12.07	11.87	11.52
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	196.0	195.9	199.1	199.1	200.3	201.6	204.6
10	Operating Expense per RTM	183.9	183.6	186.3	186.3	187.9	189.2	191.7
11	Operating Profit (Loss) per RTM	12.1	12.3	12.8	12.8	12.5	12.3	12.8
12	Operating Expense per ATM	113.8	116.0	117.1	117.7	118.1	117.7	118.1
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.04	3.01	2.96	2.87	2.84
15	Times Interest Earned	*	*	12.20	11.88	11.51	10.72	9.94
16	Current Assets to Current Liabilities	*	*	1.16	1.19	1.11	1.18	1.12
17	No. of Days Cash Coverage of Cash Exp.	*	*	2.4	2.1	2.0	2.1	2.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	6.2	6.3	6.4	6.4	6.2	6.1	6.3
19	Net Income to Stockholders Equity	*	*	13.5	13.6	12.4	11.5	11.1
20	Corporate Return on Investment	*	*	12.2	12.3	11.3	10.5	10.1
21	Debt to Total Investment	*	*	20.6	21.1	22.0	19.9	21.8
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	61.9	63.2	62.9	63.2	62.8	62.2	61.6
23	Breakeven	++	++	++	++	++	++	++
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	92,937	93,379	93,062	93,172	93,334	92,753	91,868
25	Overall RTM's per Employee (000)	21.8	21.1	84.2	83.4	81.3	79.6	77.2

		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	3.2	7.8	7.5	8.7	8.2	7.4	6.2
27	Operating Expenses (%)	3.3	9.6	7.3	9.0	8.9	8.2	6.6
28	Operating Profit (Loss) (in Millions \$)	3.8	-39.4	89.5	46.2	-21.4	-37.7	2.6
29	Net Income (Loss)(in Millions \$)	-3.5	10.4	113.0	126.9	36.0	17.4	-3.0
30	RTMs (Sch. Svc.) (%)	3.1	12.9	10.5	13.2	11.2	8.7	3.7
31	ATMs (Sch. Svc.) (%)	5.4	8.0	8.2	9.0	7.7	6.9	3.6
32	Operating Revenues per RTM (%)	0.1	-4.5	-2.7	-3.9	-2.7	-1.2	2.5
33	Operating Expense per RTM (%)	0.2	-2.9	-2.8	-3.7	-2.0	-0.5	2.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

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

ITEMS	QUARTER ENDED		12 MONTHS ENDED					
	2000/12	1999/12	2000/12	2000/09	2000/06	2000/03	1999/12	
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	664.6	652.5	2,530.0	2,517.8	2,343.7	2,252.5	2,152.9
2	Operating Expenses	642.2	565.1	2,414.2	2,337.1	2,237.5	2,145.0	2,036.0
3	Operating Profit (Loss)	22.4	87.3	115.7	180.7	106.2	107.5	116.9
4	Net Income (Loss)	0.5	74.3	37.2	111.0	58.6	57.9	66.3
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Rev. Svc.	0.41	0.34	1.48	1.40	1.31	1.24	1.18
6	ATMs - Scheduled Rev. Svc.	0.56	0.52	2.13	2.08	2.11	2.11	2.08
7	Overall RTMs (All Services)	1.12	1.14	4.36	4.37	4.32	4.24	4.14
8	Overall ATMs (All Services)	1.80	1.99	7.06	7.25	7.49	7.56	7.52
<u>YIELD &amp; UNIT COST &amp; PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	59.2	57.4	58.1	57.6	54.3	53.1	52.0
10	Operating Expense per RTM	57.3	49.8	55.4	53.5	51.8	50.6	49.2
11	Operating Profit (Loss) per RTM	2.0	7.7	2.7	4.1	2.5	2.5	2.8
12	Operating Expense per ATM	35.7	28.4	34.2	32.2	29.9	28.4	27.1
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.61	0.62	0.57	0.55	0.53
15	Times Interest Earned	*	*	3.46	5.98	3.18	3.17	3.62
16	Current Assets to Current Liabilities	*	*	2.28	1.11	2.64	2.22	1.56
17	No. of Days Cash Coverage of Cash Exp.	*	*	3.7	2.6	3.0	2.9	4.4
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	3.4	13.4	4.6	7.2	4.5	4.8	5.4
19	Net Income to Stockholders Equity	*	*	3.8	11.3	6.1	6.1	7.0
20	Corporate Return on Investment	*	*	1.5	3.4	2.1	2.1	2.3
21	Debt to Total Investment	*	*	77.6	75.7	75.3	75.6	75.7
<u>TON LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	62.3	57.1	61.7	60.3	57.6	56.1	55.1
23	Breakeven	++	++	++	++	++	++	++
<u>Employment &amp; Productivity:</u>								
24	Employment, Total Weighted Avg CY	5,185	4,798	5,010	4,913	4,845	4,796	4,760
25	Overall RTM's per Employee (000)	216.3	236.7	869.9	889.9	891.1	883.9	869.6

CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	1.9	26.7	17.5	24.9	16.4	11.8	7.8
27	Operating Expenses (%)	13.6	10.8	18.6	18.0	14.4	10.4	5.2
28	Operating Profit (Loss) (in Millions \$)	-64.9	82.2	-1.2	146.1	48.6	37.1	54.9
29	Net Income (Loss)(in Millions \$)	-73.8	87.5	-29.1	132.2	62.8	48.0	58.4
30	RTMs (Sch. Svc.) (%)	-1.3	10.5	5.3	8.5	9.1	9.1	8.0
31	ATMs (Sch. Svc.) (%)	-9.5	1.4	-6.1	-3.3	1.3	3.6	4.6
32	Operating Revenues per RTM (%)	3.1	14.6	11.7	15.2	6.7	2.5	-0.2
33	Operating Expense per RTM (%)	15.1	0.4	12.6	9.0	4.9	1.2	-2.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

**COMPARISON OF SELECTED FINANCIAL AND TRAFFIC STATISTICS  
FOR INDIVIDUAL MAJORS  
QUARTER AND 12 MONTHS ENDED DECEMBER 2000**

<b>Operating Profit (Loss) (\$Millions)</b>						
<b>Group/Carrier</b>	<b>Quarterly Data</b>			<b>12 Month Ended Data</b>		
	<b>12/1999</b>	<b>12/2000</b>	<b>\$Chg</b>	<b>12/1999</b>	<b>12/2000</b>	<b>\$Chg</b>
<b>System Passenger Majors</b>	373.9	35.7	(338.2)	5,996,281.0	5,498,362.0	(497.9)
US Airways	(51.1)	(80.5)	(29.4)	202.3	(44.4)	(246.7)
Alaska	18.8	(39.7)	(58.5)	176.7	(9.6)	(186.3)
American Trans Air	(0.3)	(26.7)	(26.4)	86.3	19.3	(67.0)
America West	36.1	(72.9)	(109.0)	197.9	(12.7)	(210.6)
Southwest	154.2	250.3	96.1	781.5	1,020.5	239.0
American Eagle	19.2	(1.3)	(20.5)	54.4	62.1	7.7
American	244.0	71.0	(173.0)	1,002.9	1,243.0	240.1
Continental	(38.7)	99.3	138.0	449.1	589.1	140.0
Delta	(27.5)	132.1	159.6	1,261.1	1,459.4	198.3
Northwest	103.9	5.6	(98.3)	768.8	663.5	(105.3)
Trans World	(264.5)	(133.1)	131.4	(342.7)	(232.7)	110.0
United	179.9	(168.4)	(348.3)	1,357.9	740.8	(617.1)
<b>System Cargo Majors</b>	349.5	243.2	(106.3)	1,063.6	1,044.3	(19.3)
DHL Airways	20.2	(24.9)	(45.1)	36.8	(70.8)	(107.6)
Federal Express	241.9	245.7	3.8	909.9	999.4	89.5
United Parcel Service	87.3	22.4	(64.9)	116.9	115.7	(1.2)
<b>System Total Majors</b>	723.3	278.9	(444.4)	7,059.9	6,542.7	(517.2)

<b>Net Income (Loss) (\$Millions)</b>						
<b>Group/Carrier</b>	<b>Quarterly Data</b>			<b>12 Month Ended Data</b>		
	<b>12/1999</b>	<b>12/2000</b>	<b>\$Chg</b>	<b>12/1999</b>	<b>12/2000</b>	<b>\$Chg</b>
<b>System Passenger Majors</b>	576.3	(297.3)	(873.6)	4,544.8	2,135.6	(2,409.2)
US Airways	(77.5)	(98.1)	(20.6)	273.5	(254.8)	(528.3)
Alaska	15.3	(22.5)	(37.8)	119.4	(12.5)	(131.9)
American Trans Air	(6.1)	(22.9)	(16.8)	43.3	(5.6)	(48.9)
America West	28.9	(43.6)	(72.5)	116.6	(0.5)	(117.1)
Southwest	93.8	154.7	60.9	474.4	603.1	128.7
American Eagle	6.3	(16.8)	(23.1)	18.4	(21.5)	(39.9)
American	155.8	33.2	(122.6)	625.8	778.0	152.2
Continental	150.2	39.5	(110.7)	449.6	308.1	(141.5)
Delta	352.4	(37.4)	(389.8)	1,285.6	686.5	(599.1)
Northwest	17.4	(44.8)	(62.2)	287.8	269.9	(17.9)
Trans World	(271.9)	(151.6)	120.3	(353.4)	(266.7)	86.7
United	111.6	(87.0)	(198.6)	1,203.8	51.6	(1,152.2)
<b>System Cargo Majors</b>	227.8	103.1	(124.7)	530.4	515.7	(14.7)
DHL Airways	12.6	(34.8)	(47.4)	31.8	(67.0)	(98.8)
Federal Express	140.9	137.4	(3.5)	432.4	545.4	113.0
United Parcel Service	74.3	0.5	(73.8)	66.3	37.2	(29.1)
<b>System Total Majors</b>	804.1	(194.1)	(998.2)	5,075.2	2,651.3	(2,423.9)

**COMPARISON OF SELECTED FINANCIAL AND TRAFFIC STATISTICS  
FOR INDIVIDUAL MAJORS  
QUARTER AND 12 MONTHS ENDED DECEMBER 2000**

<b>Passenger Load Factor (Percent)</b>						
<b>Group/Carrier</b>	<b>Quarterly Data</b>			<b>12 Month Ended Data</b>		
	<b>12/1999</b>	<b>12/2000</b>	<b>Pt.Chg.</b>	<b>12/1999</b>	<b>12/2000</b>	<b>Pt.Chg.</b>
System Passenger Majors	69.3	70.2	0.9	71.4	72.8	1.4
Alaska	65.7	66.2	0.5	68.0	69.3	1.3
America West	69.1	68.4	(0.7)	68.4	70.5	2.1
American	67.4	69.7	2.3	69.6	72.4	2.8
American Eagle	61.0	59.4	(1.6)	61.9	61.1	(0.8)
American Trans Air	75.1	71.4	(3.7)	77.6	76.4	(1.2)
Continental	71.6	72.0	0.4	73.5	74.9	1.4
Delta	69.5	69.1	(0.4)	72.4	73.3	0.9
Northwest	73.0	73.9	0.9	74.6	76.6	2.0
Southwest	67.3	69.0	1.7	69.0	70.5	1.5
Trans World	69.0	69.2	0.2	73.1	72.3	(0.8)
United	69.5	70.7	1.2	71.0	72.3	1.3
US Airways	67.6	69.3	1.7	70.1	70.4	0.3
System Cargo Majors	60.7	61.8	1.1	59.0	62.1	3.1
DHL	58.7	56.4	(2.3)	59.7	54.7	(5.0)
Federal Express	63.2	61.9	(1.3)	61.6	62.9	1.3
UPS	57.1	62.3	5.2	55.1	61.7	6.6
System Total Majors	69.3	70.2	0.9	71.4	72.8	1.4

<b>Scheduled Passenger Yield (Cents)</b>						
<b>Group/Carrier</b>	<b>Quarterly Data</b>			<b>12 Month Ended Data</b>		
	<b>12/1999</b>	<b>12/2000</b>	<b>Pct.Chg.</b>	<b>12/1999</b>	<b>12/2000</b>	<b>Pct.Chg.</b>
System Passenger Majors	12.78	13.49	5.6	12.71	13.33	4.9
Alaska	12.44	13.33	7.2	12.58	13.13	4.4
America West	11.44	11.38	(0.5)	11.44	11.39	(0.4)
American	13.57	14.67	8.1	13.12	14.05	7.1
American Eagle	35.91	38.82	8.1	36.70	38.14	3.9
American Trans Air	8.79	9.48	7.8	9.91	10.02	1.1
Continental	12.13	13.35	10.1	12.16	13.11	7.8
Delta	12.53	13.36	6.6	12.61	13.12	4.0
Northwest	11.85	12.02	1.4	11.58	12.04	4.0
Southwest	12.25	12.94	5.6	12.33	12.78	3.6
Trans World	11.46	11.87	3.6	11.39	11.92	4.7
United	12.28	12.99	5.8	12.32	13.09	6.3
US Airways	16.28	15.90	(2.3)	16.51	16.14	(2.2)
System Cargo Majors	-	-	-	-	-	-
DHL	-	-	-	-	-	-
Federal Express	-	-	-	-	-	-
UPS	-	-	-	-	-	-
System Total Majors	12.78	13.49	5.6	12.71	13.33	4.9

**COMPARISON OF SELECTED FINANCIAL AND TRAFFIC STATISTICS  
FOR INDIVIDUAL MAJORS  
QUARTER AND 12 MONTHS ENDED DECEMBER 2000**

Group/Carrier	Operating Profit Margin (Percent)					
	Quarterly Data			12 Month Ended Data		
	12/1999	12/2000	Pt. Chg	12/1999	12/2000	Pt. Chg.
System Passenger Majors	1.7	0.1	(1.6)	6.7	5.6	(1.1)
Alaska	4.6	(9.2)	(13.8)	10.4	(0.5)	(10.9)
America West	6.5	(12.9)	(19.4)	9.1	(0.6)	(9.7)
American	5.9	1.6	(4.3)	6.2	6.9	0.7
American Eagle	7.1	(0.4)	(7.5)	5.2	5.0	(0.2)
American Trans Air	(0.2)	(10.1)	(9.9)	8.6	1.6	(7.0)
Continental	(1.9)	4.3	6.2	5.4	6.2	0.8
Delta	(0.8)	3.6	4.4	8.5	9.5	1.0
Northwest	4.2	0.2	(4.0)	7.8	6.1	(1.7)
Southwest	12.8	17.1	4.3	16.5	18.1	1.6
Trans World	(33.0)	(15.7)	17.3	(10.4)	(6.5)	3.9
United	4.0	(3.5)	(7.5)	7.6	3.8	(3.8)
US Airways	(2.4)	(3.4)	(1.0)	2.4	(0.5)	(2.9)
System Cargo Majors	7.2	4.8	(2.4)	5.9	5.3	(0.6)
DHL	5.5	(6.4)	(11.9)	2.7	(4.7)	(7.4)
Federal Express	6.3	6.2	(0.1)	6.3	6.4	0.1
UPS	13.4	3.4	(10.0)	5.4	4.6	(0.8)
System Total Majors	2.7	1.0	(1.7)	6.6	5.6	(1.0)

Group/Carrier	Debt To Investment (Percent)			Total Debt (\$Millions)		
	Quarterly Data			Quarterly Data		
	12/1999	12/2000	Pt.Chg.	12/1999	12/2000	\$ Chg.
System Passenger Majors	47.6	52.7	5.1	27,977.8	33,915.3	5,937.5
Alaska	37.6	49.0	11.4	403.6	675.9	272.3
America West	18.5	25.7	7.2	200.3	305.2	104.9
American	35.4	38.8	3.4	3,916.9	4,073.0	156.1
American Eagle	75.1	90.0	14.9	828.9	2,394.8	1,565.9
American Trans Air	77.3	82.6	5.3	347.9	457.9	110.0
Continental	67.2	74.0	6.8	3,533.3	3,757.2	223.9
Delta	51.2	55.1	3.9	5,418.4	6,503.8	1,085.4
Northwest	45.4	41.0	-4.4	3,944.8	3,495.4	(449.4)
Southwest	23.7	20.1	-3.6	879.6	869.7	(9.9)
Trans World	125.8	213.0	87.2	833.8	815.0	(18.8)
United	49.3	57.3	8.0	5,454.2	7,595.4	2,141.2
US Airways	54.8	62.6	7.8	2,216.1	2,971.9	755.8
System Cargo Majors	45.0	46.6	1.6	4,348.2	4,418.3	70.1
DHL	36.4	0.0	-36.4	82.0	-	(82.0)
Federal Express	21.8	20.6	-1.2	1,161.7	1,060.9	(100.8)
UPS	75.7	77.6	1.9	3,104.5	3,357.4	252.9
System Total Majors	47.2	51.9	4.7	32,326.0	38,333.6	6,007.6

## 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 style="text-align: center;">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>