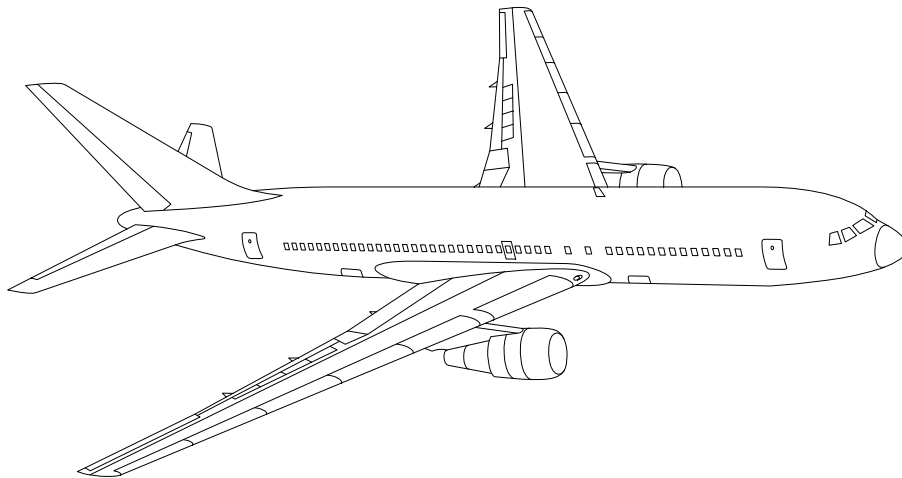


AIRLINE QUARTERLY FINANCIAL REVIEW

FOURTH QUARTER 2003



MAJORS



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

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INTRODUCTION

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

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

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

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

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
System All Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	25,874.1	23,762.6	100,841.3	98,729.8	97,159.9	97,196.0	96,133.4
2	Operating Expenses	26,210.1	26,333.7	104,284.0	104,407.6	105,366.7	106,282.9	104,765.0
3	Operating Profit (Loss)	-336.0	-2,571.1	-3,442.6	-5,677.7	-8,206.8	-9,086.9	-8,631.6
4	Net Income (Loss)	-356.5	-3,921.5	-2,483.8	-6,048.8	-8,119.4	-9,802.9	-11,042.8
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Rev. Svc.	143.4	140.3	575.9	572.8	574.9	584.7	585.8
6	ASMs - Scheduled Rev. Svc.	196.1	199.1	781.9	784.9	797.9	811.8	811.2
7	Overall RTMs (All Svc.)	20.5	20.3	74.8	74.6	81.2	82.2	82.0
8	Overall ATMs (All Svc.)	35.7	36.5	129.1	129.9	143.7	146.6	146.6
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	126.0	116.9	134.9	132.4	119.7	118.2	117.2
10	Operating Expense per RTM	127.7	129.6	139.5	140.0	129.8	129.3	127.7
11	Operating Profit (Loss) per RTM	-1.6	-12.6	-4.6	-7.6	-10.1	-11.1	-10.5
12	Operating Expense per ATM	73.4	72.1	80.8	80.4	73.3	72.5	71.5
13	Passenger Revenue per RPM	11.63	11.44	11.46	11.41	11.34	11.40	11.44
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.46	1.33	1.27	1.24	1.12
15	Times Interest Earned	*	*	0.16	-0.96	-1.75	-2.63	-3.45
16	Current Assets to Current Liabilities	*	*	0.78	0.82	0.82	0.71	0.73
17	No. of Days Cash Coverage of Cash Exp.	*	*	60.7	62.1	59.3	43.9	47.8
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-1.3	-10.8	-3.4	-5.8	-8.4	-9.3	-9.0
19	Net Income to Stockholders Equity	*	*	-19.5	-39.5	-44.1	-45.4	-44.2
20	Corporate Return on Investment	*	*	2.2	-3.9	-6.4	-8.4	-9.3
21	Debt to Total Investment	*	*	83.3	83.7	82.6	81.7	68.8
<u>LOAD FACTOR: (%)</u>								
22	Passenger Load Factor (Sch. Svc.)	73.1	70.5	73.7	73.0	72.1	72.0	72.2
23	Ton Load Factor (All Svc.)	57.5	55.7	57.9	57.4	56.5	56.1	56.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	657,438	543,011	542,237	383,043	398,834	411,134	547,622
25	Overall RTM's per Employee (000)	31.2	37.4	137.9	194.7	203.6	199.9	149.8
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	8.9	12.0	4.9	5.5	3.1	-0.7	-6.7
27	Operating Expenses (%)	-0.5	4.2	-0.5	0.7	-0.6	-2.5	-6.7
28	Operating Profit (Loss) (in Millions \$)	2,235.1	1,496.9	5,188.9	4,450.8	3,632.1	2,079.1	598.6
29	Net Income (Loss)(in Millions \$)	3,565.0	-791.2	8,559.0	4,202.8	1,900.7	-462.6	-4,108.9
30	RPMS (Sch. Svc.) (%)	2.2	11.8	-1.7	0.3	0.4	-0.9	-3.4
31	ASMs (Sch. Svc.) (%)	-1.5	4.8	-3.6	-2.1	-1.4	-2.6	-6.0
32	Operating Revenues per RTM (%)	7.8	-1.4	15.1	12.6	0.7	-2.4	-6.0
33	Operating Expense per RTM (%)	-1.5	-8.3	9.2	7.5	-3.0	-4.2	-6.0
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.7	0.1	0.1	-0.3	-2.0	-3.8	-6.9

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Domestic All Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	19,562.8	17,680.7	76,432.3	74,550.2	72,720.5	72,301.7	71,625.7
2	Operating Expenses	20,189.5	19,612.0	79,613.1	79,035.6	79,386.6	79,926.9	79,092.9
3	Operating Profit (Loss)	-626.7	-1,931.3	-3,180.8	-4,485.4	-6,666.1	-7,625.2	-7,467.2
4	Net Income (Loss)	-499.4	-2,915.5	-1,594.2	-4,010.3	-5,696.5	-7,396.2	-9,050.4
<u>TRAFFIC: (Millions)</u>								
5	RTMs - Scheduled Svc.	104.0	101.7	423.1	420.8	421.2	423.7	424.0
6	ATMs - Scheduled Svc.	145.7	146.7	580.0	581.1	590.1	599.4	600.5
7	Overall RTMs (All Svc.)	13.5	13.3	50.1	49.8	53.9	54.2	54.2
8	Overall ATMs (All Svc.)	24.3	24.6	88.2	88.5	97.6	99.1	99.4
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	144.5	133.0	152.7	149.7	134.9	133.5	132.2
10	Operating Expense per RTM	149.1	147.6	159.1	158.7	147.3	147.5	146.0
11	Operating Profit (Loss) per RTM	-4.6	-14.5	-6.4	-9.0	-12.4	-14.1	-13.8
12	Operating Expense per ATM	83.1	79.6	90.3	89.3	81.3	80.6	79.6
13	Passenger Revenue per RPM	12.31	12.14	12.06	12.02	11.92	12.02	12.08
<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	-3.2	-10.9	-4.2	-6.0	-9.2	-10.5	-10.4
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	3.5	-2.8	-5.6	-8.4	-10.8
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>LOAD FACTOR: (%)</u>								
22	Passenger Load Factor (Sch. Svc.)	83.3	80.9	83.3	83.7	82.6	81.7	95.4
23	Ton Load Factor (All Svc.)	71.4	69.3	72.9	72.4	71.4	70.7	70.6
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	10.6	8.4	6.7	6.1	2.4	-2.5	-8.5
27	Operating Expenses (%)	2.9	0.5	0.7	0.1	-1.4	-3.7	-7.4
28	Operating Profit (Loss) (in Millions \$)	1,304.6	1,261.3	4,286.4	4,243.1	2,892.1	1,223.7	-334.2
29	Net Income (Loss)(in Millions \$)	2,416.1	-277.3	7,456.2	4,762.8	2,657.0	233.7	-3,337.5
30	RPMS (Sch. Svc.) (%)	2.3	8.1	-0.2	1.0	1.1	-1.0	-3.4
31	ASMs (Sch. Svc.) (%)	-0.7	3.8	-3.4	-2.4	-1.4	-2.4	-5.2
32	Operating Revenues per RTM (%)	8.6	-1.4	15.5	12.9	0.1	-3.6	-7.9
33	Operating Expense per RTM (%)	1.0	-8.5	8.9	6.4	-3.7	-4.8	-6.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.4	0.1	-0.1	-0.5	-2.9	-5.1	-8.3

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Int'l All Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	6,311.4	6,082.0	24,409.0	24,608.7	24,439.4	24,894.3	24,507.7
2	Operating Expenses	6,020.6	6,721.7	24,670.9	25,767.0	25,980.1	26,356.0	25,672.1
3	Operating Profit (Loss)	290.8	-639.7	-261.8	-1,158.3	-1,540.7	-1,461.7	-1,164.3
4	Net Income (Loss)	142.9	-1,006.0	-889.6	-2,019.4	-2,422.9	-2,406.7	-1,992.4
<u>TRAFFIC: (Millions)</u>								
5	RTMs - Scheduled Svc.	39.4	38.6	152.8	152.0	153.8	161.0	161.8
6	ATMs - Scheduled Svc.	50.4	52.4	201.9	203.8	207.8	212.5	210.7
7	Overall RTMs (All Svc.)	7.0	7.0	24.7	25.2	27.3	28.0	27.9
8	Overall ATMs (All Svc.)	11.4	11.9	40.9	42.3	46.0	47.5	47.2
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	90.3	86.4	98.7	97.6	89.5	88.8	88.0
10	Operating Expense per RTM	86.1	95.5	99.8	102.2	95.2	94.0	92.1
11	Operating Profit (Loss) per RTM	4.2	-9.1	-1.1	-4.6	-5.6	-5.2	-4.2
12	Operating Expense per ATM	52.8	56.5	60.3	60.9	56.4	55.5	54.4
13	Passenger Revenue per RPM	9.83	9.59	9.79	9.73	9.75	9.79	9.78
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	4.6	-10.5	-1.1	-4.7	-6.3	-5.9	-4.8
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	-2.1	-7.0	-8.8	-8.4	4.5
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>LOAD FACTOR: (%)</u>								
22	Passenger Load Factor (Sch. Svc.)	78.2	73.7	75.7	74.6	74.0	75.8	76.8
23	Ton Load Factor (All Svc.)	61.3	59.2	60.4	59.6	59.3	59.0	59.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	3.8	24.2	-0.4	5.5	5.3	4.8	-1.0
27	Operating Expenses (%)	-10.4	16.4	-3.9	4.2	1.9	1.1	-4.4
28	Operating Profit (Loss) (in Millions \$)	930.5	235.6	902.5	241.6	740.0	855.4	932.8
29	Net Income (Loss)(in Millions \$)	1,148.9	-513.8	1,102.8	-540.8	-756.3	-696.3	-771.4
30	RTMs (All Svc.) (%)	2.1	23.0	-5.5	-1.7	-1.6	-0.9	-3.3
31	ATMs (All Svc.) (%)	-3.7	7.7	-4.2	-1.5	-1.3	-3.2	-8.2
32	Operating Revenues per RTM (%)	4.5	2.3	12.2	11.5	2.8	2.1	-0.1
33	Operating Expense per RTM (%)	-9.8	-4.0	8.3	10.1	-0.5	-1.5	-3.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	2.6	2.9	0.2	0.0	0.6	0.6	-2.2

COMPARISONS AMONG MAJOR GROUP AIRLINES

Chart 1.
Operating and Net Profit (Loss)
For the Quarter Ended December 2003

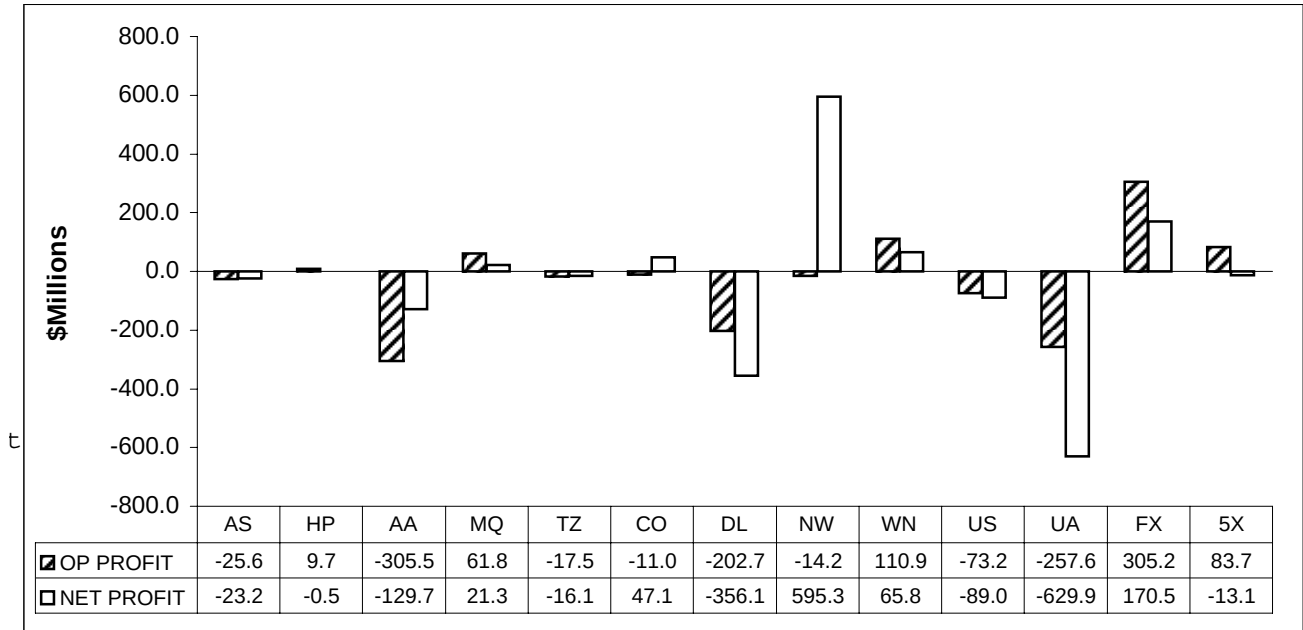
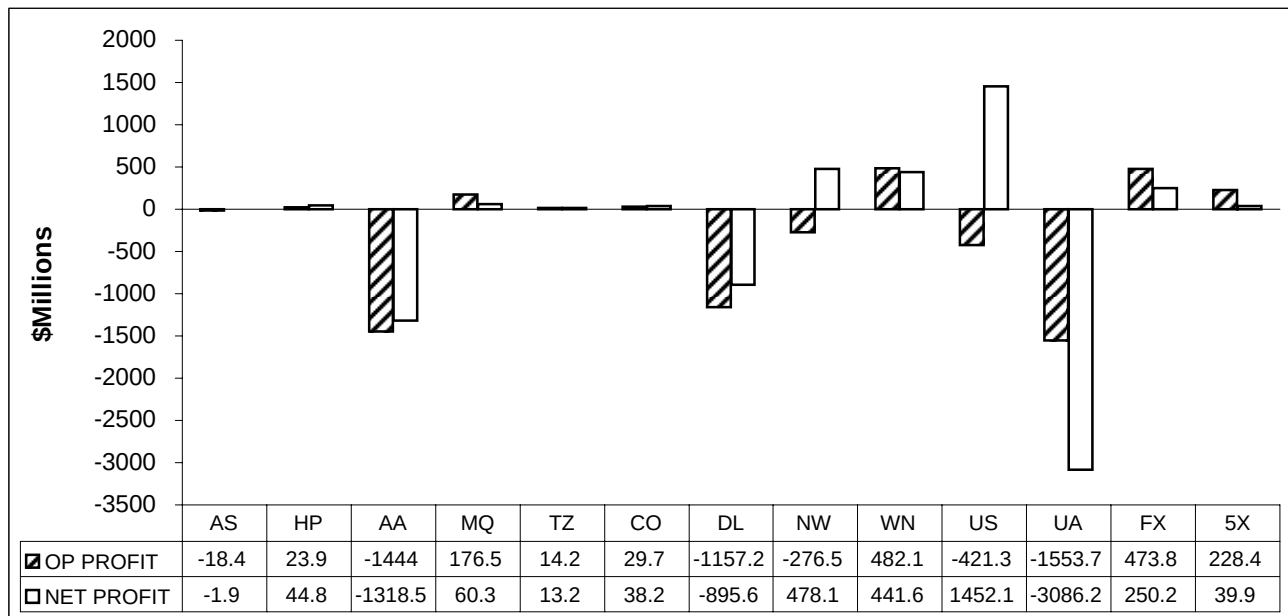
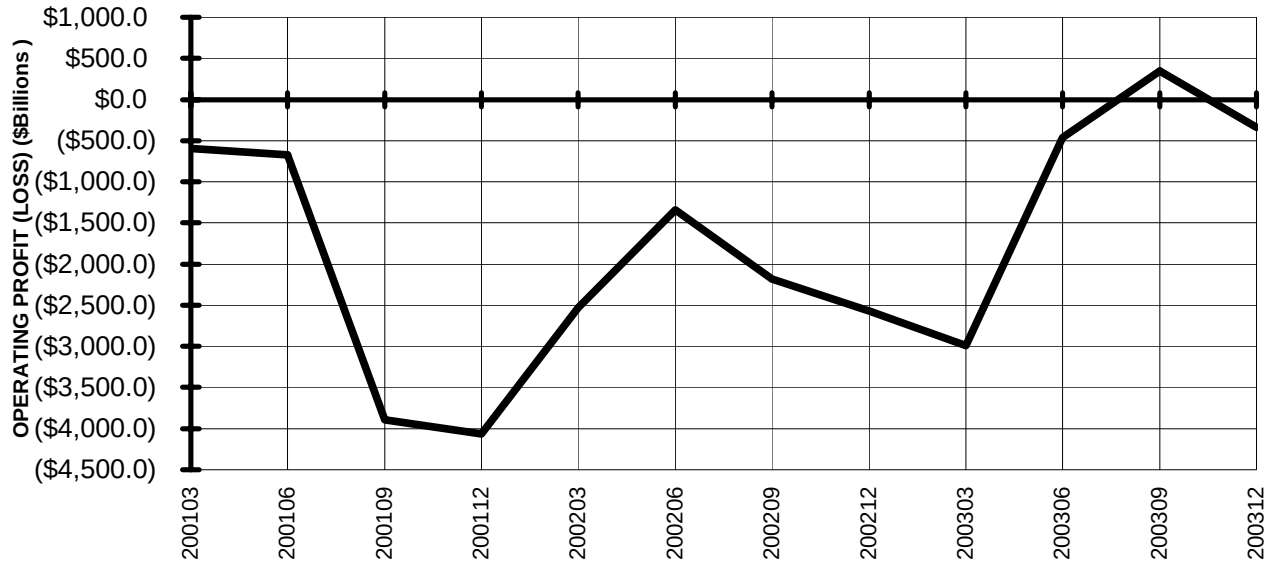


Chart 2
Operating and Net Profit (Loss)
For the 12 Months Ended December 2003

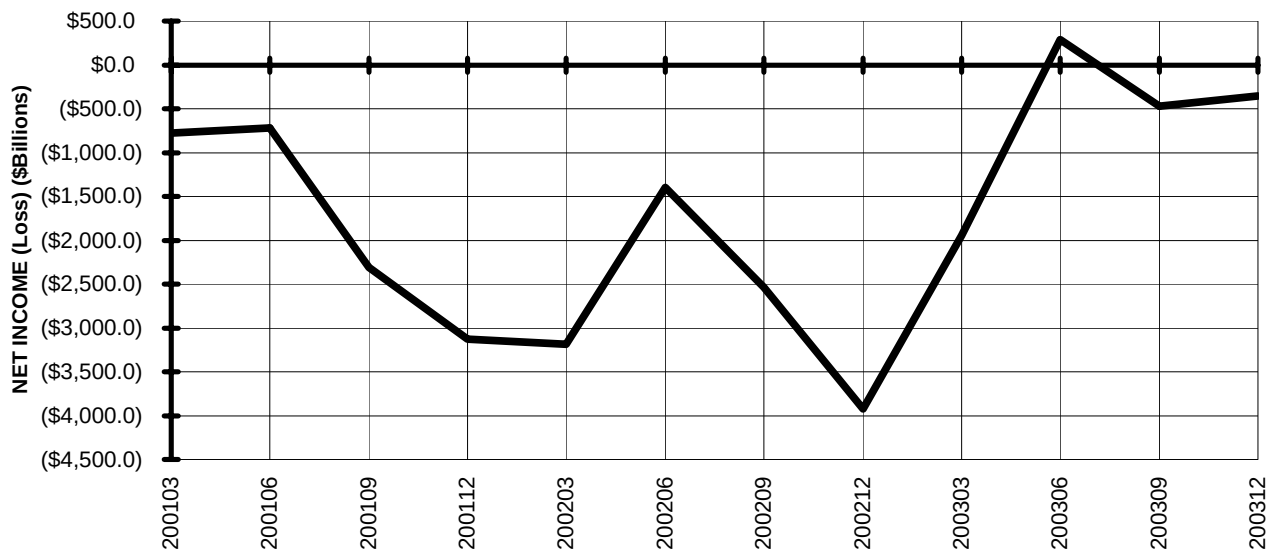


TOTAL ALL MAJORS (SYSTEM) BY QUARTER

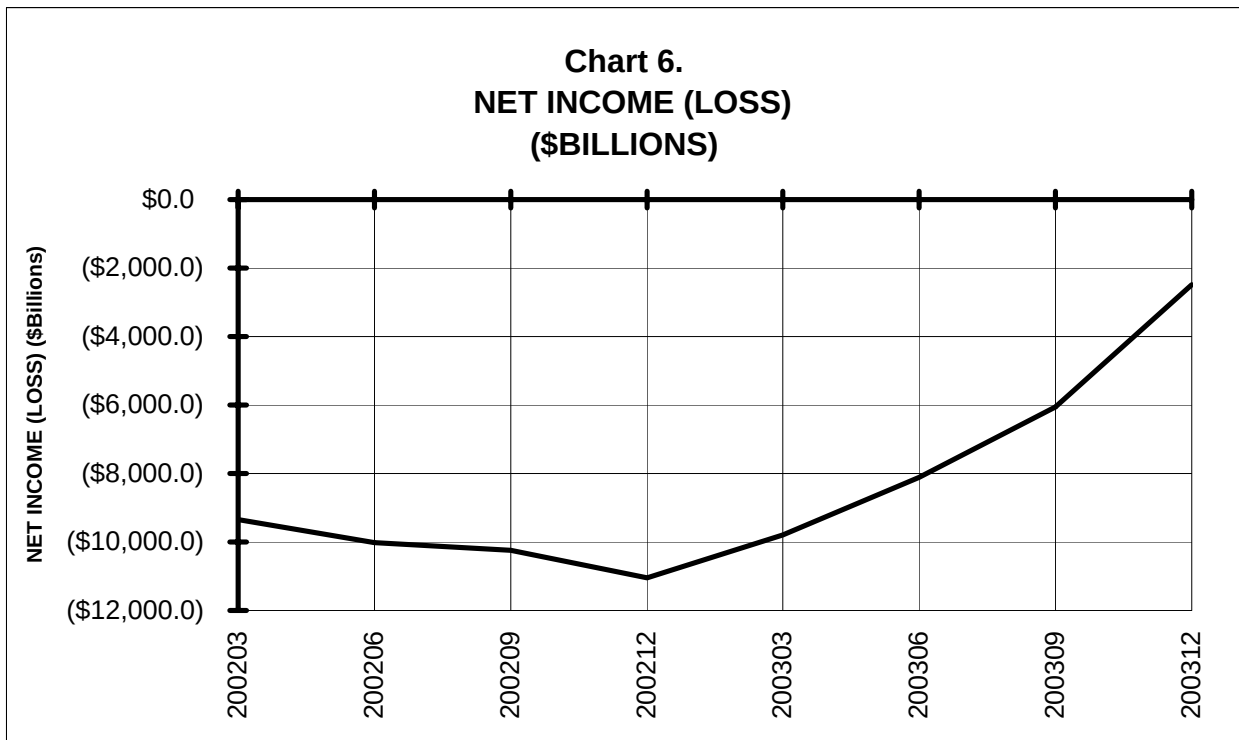
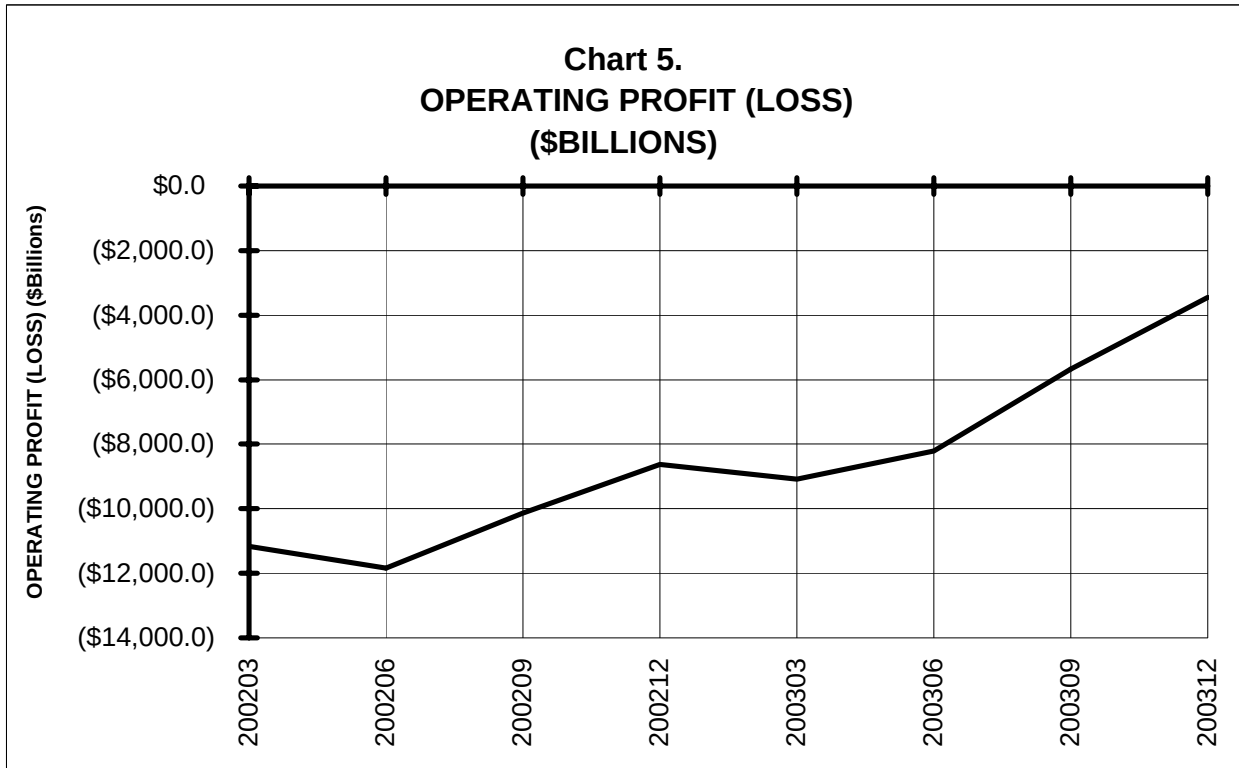
**Chart 3.
OPERATING PROFIT (LOSS)
(\$BILLIONS)**



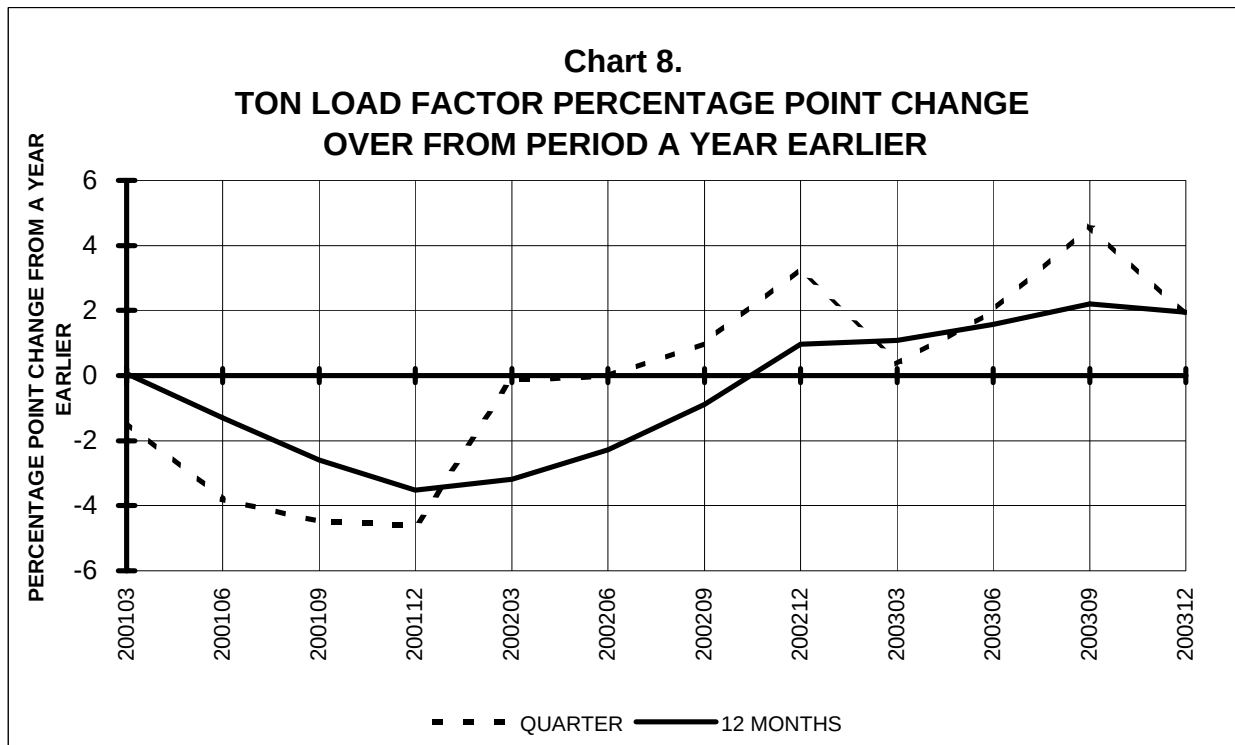
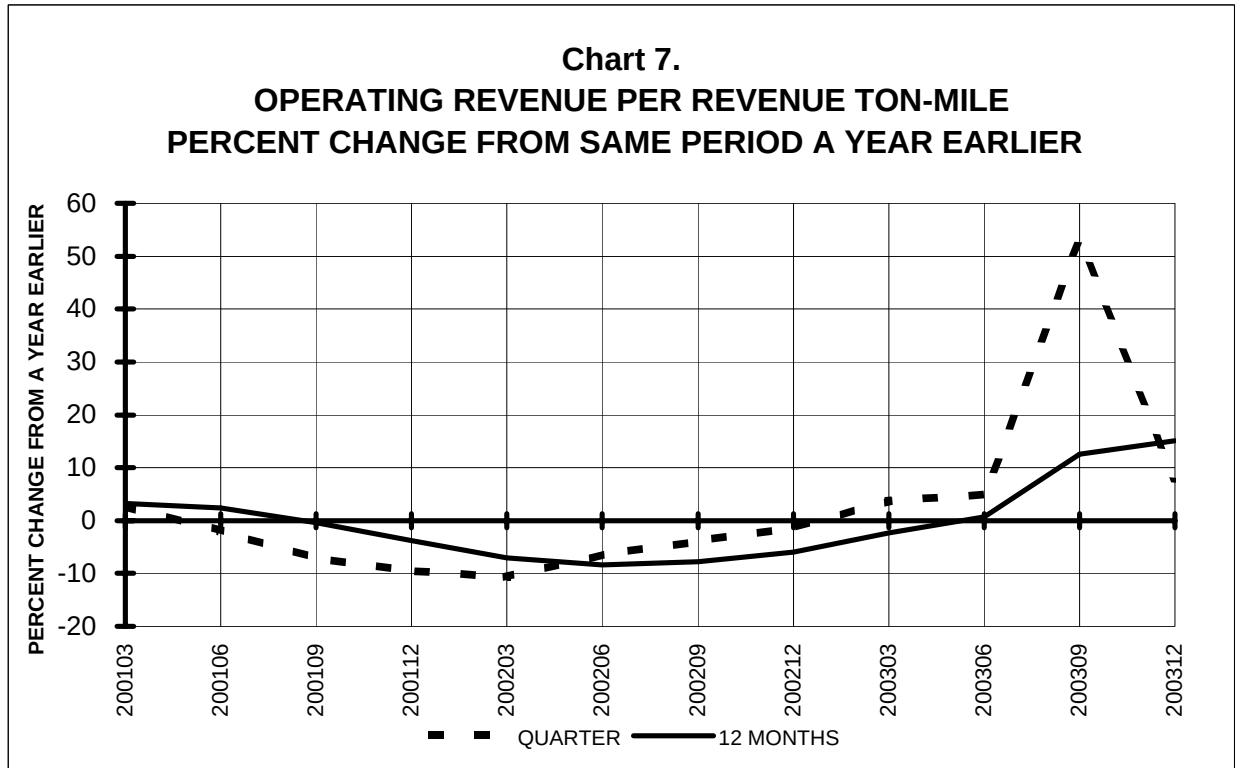
**Chart 4.
NET INCOME (LOSS)
(\$BILLIONS)**



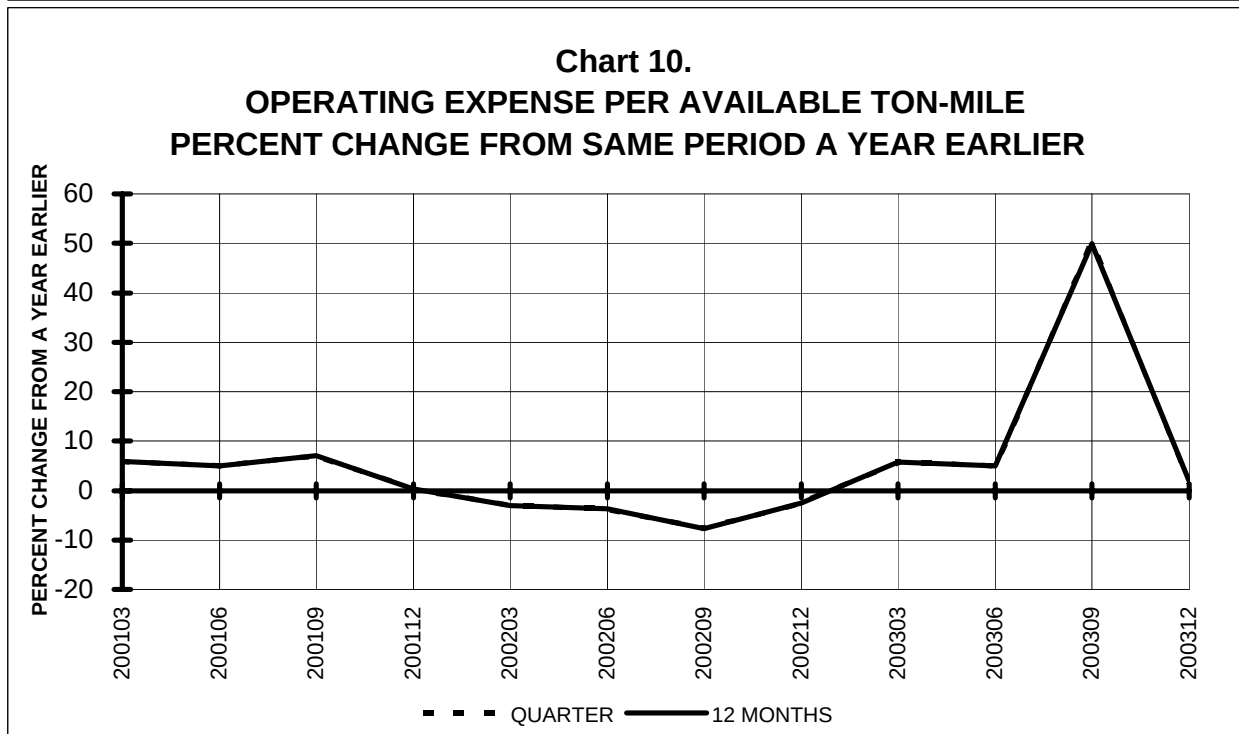
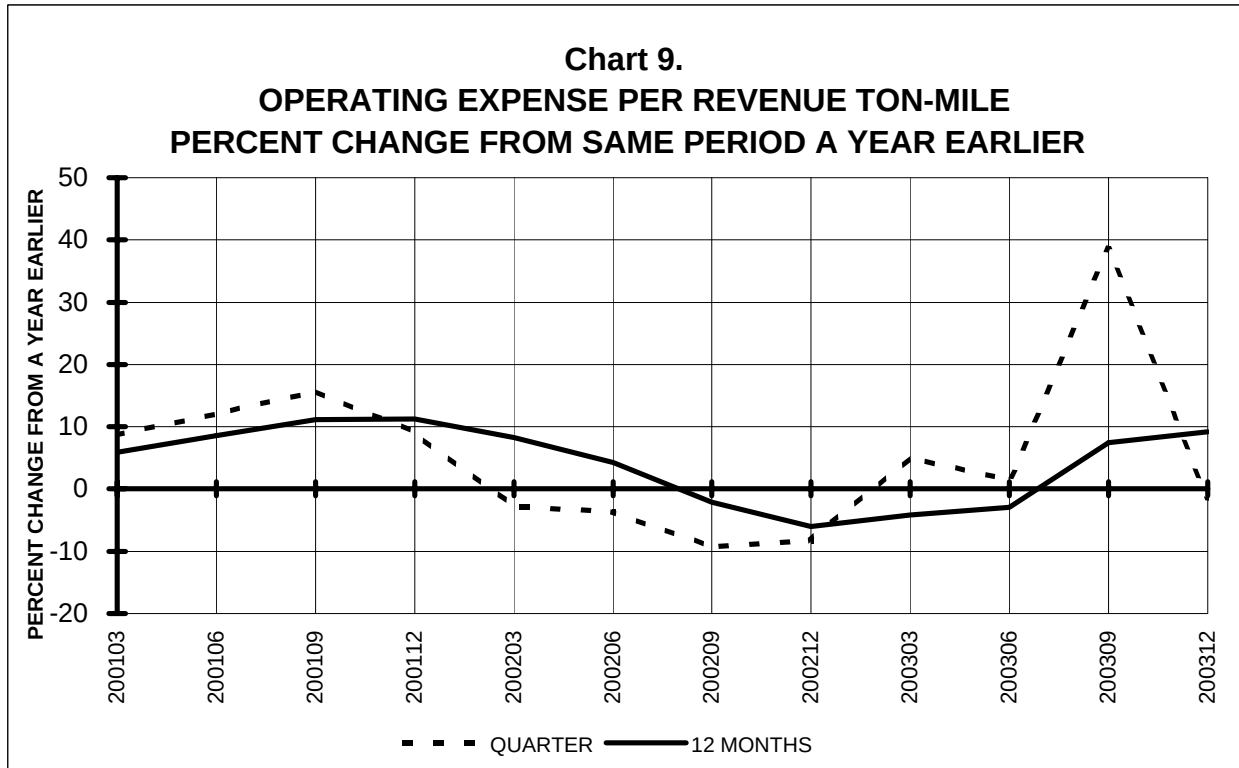
TOTAL ALL MAJORS (SYSTEM) BY 12-MONTH ENDING PERIODS



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



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



QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
System Pax. Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	20,665.8	18,810.9	80,988.4	79,133.4	77,731.4	78,078.7	77,340.3
2	Operating Expenses	21,390.7	21,710.1	85,133.3	85,452.7	86,979.0	88,073.0	86,912.3
3	Operating Profit (Loss)	-724.9	-2,899.3	-4,144.9	-6,319.3	-9,247.6	-9,994.3	-9,572.0
4	Net Income (Loss)	-513.9	-4,081.6	-2,774.0	-6,341.6	-8,643.1	-10,242.8	-11,491.6
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	143.4	140.3	575.9	572.8	574.9	584.7	585.8
6	ASMs - Scheduled Svc.	196.1	199.1	781.9	784.9	797.9	811.8	811.2
7	Overall RTMs (All Svc.)	16.8	16.7	61.8	61.7	67.3	68.4	68.4
8	Overall ATMs (All Svc.)	29.8	30.5	108.3	109.1	120.9	123.9	124.0
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	123.2	113.0	131.0	128.2	115.6	114.1	113.1
10	Operating Expense per RTM	127.5	130.4	137.7	138.5	129.3	128.7	127.1
11	Operating Profit (Loss) per RTM	-4.3	-17.4	-6.7	-10.2	-13.7	-14.6	-14.0
12	Operating Expense per ATM	71.9	71.2	78.6	78.4	71.9	71.1	70.1
13	Passenger Revenue per RPM	11.63	11.44	11.46	11.41	11.34	11.40	11.44
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.27	1.24	1.18	1.15	1.15
15	Times Interest Earned	*	*	-0.02	-1.18	-2.13	-2.99	-3.85
16	Current Assets to Current Liabilities	*	*	0.76	0.80	0.80	0.68	0.69
17	No. of Days Cash Coverage of Cash Exp.	*	*	73.4	75.1	71.1	52.3	57.0
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-3.5	-15.4	-5.1	-8.0	-11.9	-12.8	-12.4
19	Net Income to Stockholders Equity	*	*	-42.4	-68.8	-69.7	-65.2	-59.9
20	Corporate Return on Investment	*	*	1.0	-5.1	-8.4	-10.5	-12.6
21	Debt to Total Investment	*	*	90.7	90.8	89.6	88.5	81.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	73.1	70.5	73.7	73.0	72.1	72.0	72.2
23	Breakeven	76.5	86.3	78.5	81.0	84.1	85.2	85.3
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	514,225	421,477	415,820	292,320	307,918	320,030	425,983
25	Overall RTM's per Employee (000)	32.6	39.5	148.7	211.1	218.5	213.8	160.6
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	9.9	13.4	4.7	5.4	2.1	-2.5	-9.2
27	Operating Expenses (%)	-1.5	2.8	-2.0	-1.0	-2.2	-4.3	-8.8
28	Operating Profit (Loss) (in Millions \$)	2,174.4	1,626.7	5,427.1	4,879.4	3,523.8	1,960.1	537.7
29	Net Income (Loss)(in Millions \$)	3,567.6	-750.8	8,717.6	4,399.2	1,834.7	-536.2	-4,090.8
30	RPMS (Sch. Svc.) (%)	2.2	11.8	-1.7	0.3	0.4	-0.9	-3.4
31	ASMs (Sch. Svc.) (%)	-1.5	4.8	-3.6	-2.1	-1.4	-2.6	-6.0
32	Operating Revenues per RTM (%)	9.0	1.0	15.8	13.7	1.4	-1.9	-5.8
33	Operating Expense per RTM (%)	-2.2	-8.4	8.4	6.8	-2.8	-3.7	-5.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.7	0.1	0.1	-0.3	-2.0	-3.8	-6.9

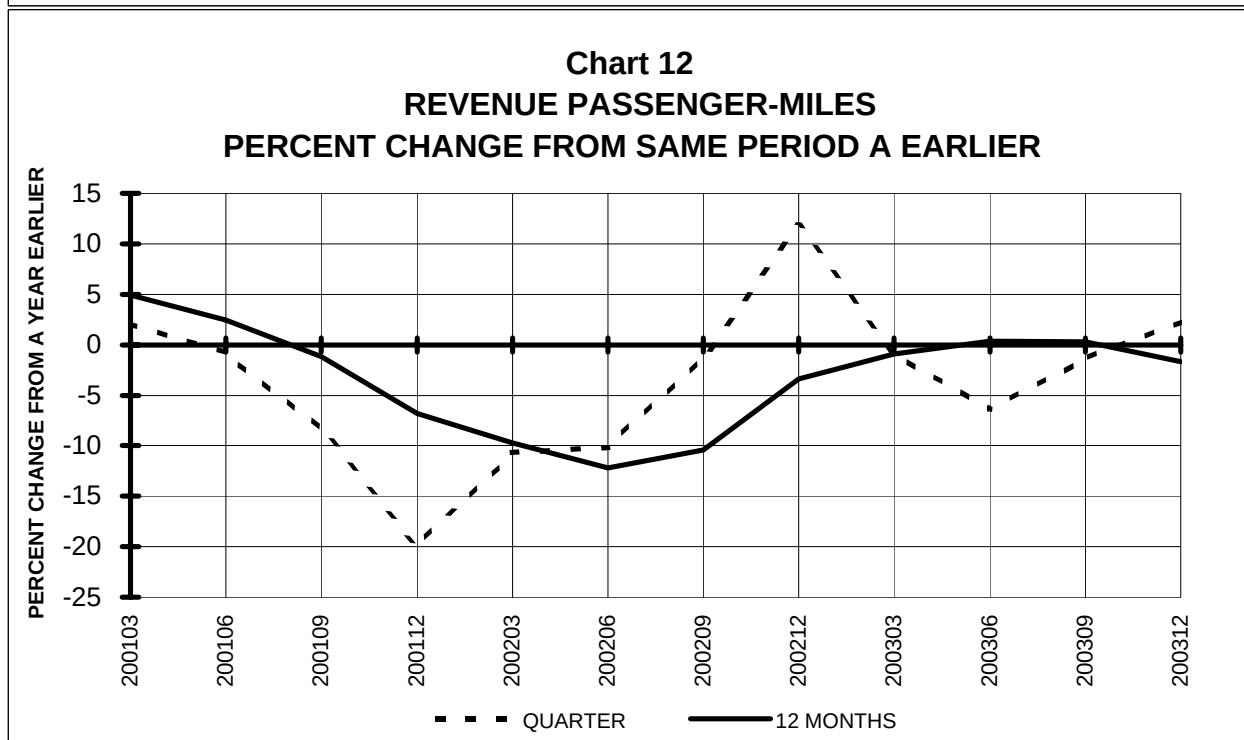
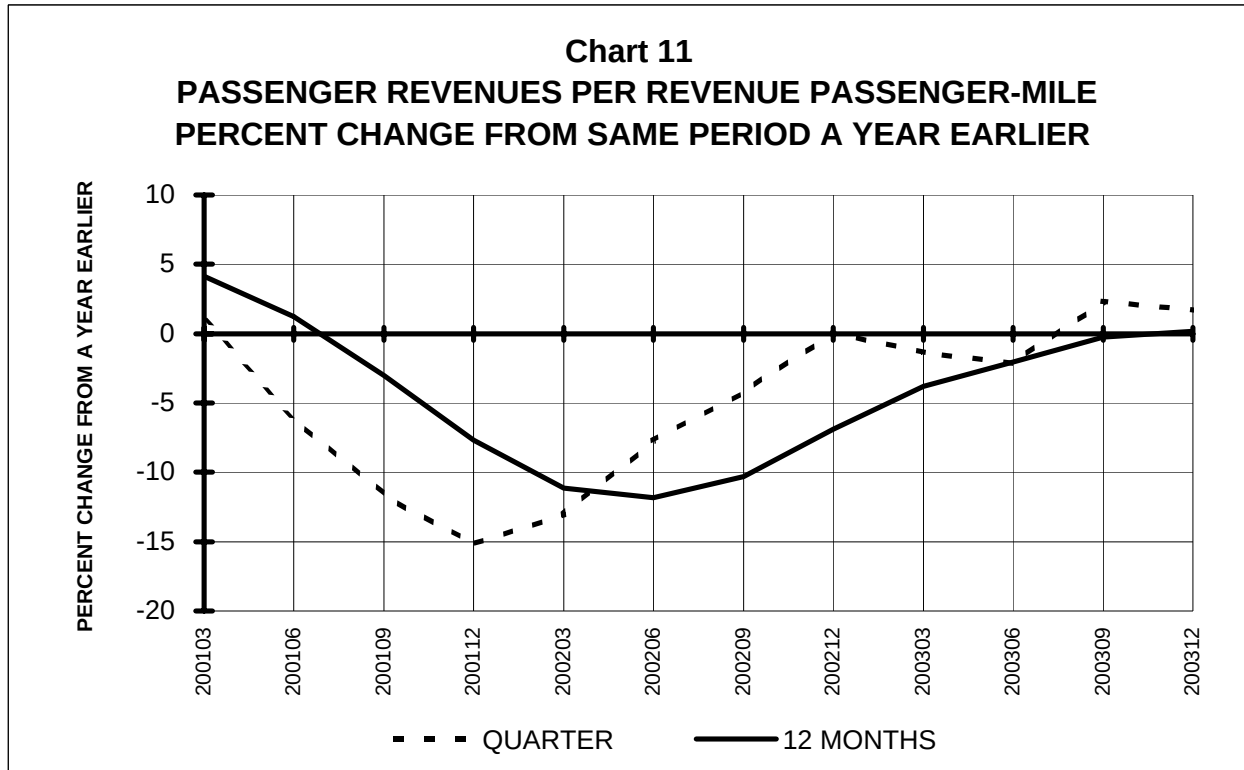
QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Dom. Pax. Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	15,782.2	14,211.4	62,298.6	60,727.7	59,159.5	58,876.8	58,331.3
2	Operating Expenses	16,655.3	16,312.3	65,852.6	65,509.6	66,361.9	66,921.7	66,219.0
3	Operating Profit (Loss)	-873.1	-2,101.0	-3,554.0	-4,781.9	-7,202.4	-8,044.9	-7,887.7
4	Net Income (Loss)	-594.7	-3,001.5	-1,726.2	-4,133.0	-5,957.7	-7,585.3	-9,228.3
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	104.0	101.7	423.1	420.8	421.2	423.7	424.0
6	ASMs - Scheduled Svc.	145.7	146.7	580.0	581.1	590.1	599.4	600.5
7	Overall RTMs (All Svc.)	11.2	11.0	42.0	41.8	45.2	45.5	45.5
8	Overall ATMs (All Svc.)	20.4	20.7	74.6	74.9	82.8	84.3	84.6
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	141.0	129.5	148.3	145.3	130.9	129.4	128.1
10	Operating Expense per RTM	148.9	148.6	156.8	156.8	146.8	147.1	145.4
11	Operating Profit (Loss) per RTM	-7.8	-19.1	-8.5	-11.4	-15.9	-17.7	-17.3
12	Operating Expense per ATM	81.7	78.9	88.3	87.4	80.1	79.4	78.3
13	Passenger Revenue per RPM	12.31	12.14	12.06	12.02	11.92	12.02	12.08
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.21	1.23	1.16	1.13	1.18
15	Times Interest Earned	*	*	0.18	-0.88	-1.92	-2.99	-4.12
16	Current Assets to Current Liabilities	*	*	0.76	0.80	0.80	0.68	0.69
17	No. of Days Cash Coverage of Cash Exp.	*	*	94.7	97.6	92.9	68.6	74.5
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-5.5	-14.8	-5.7	-7.9	-12.2	-13.7	-13.5
19	Net Income to Stockholders Equity	*	*	9.4		-24,000.5	-252.7	-118.8
20	Corporate Return on Investment	*	*	3.0	-3.6	-7.1	-10.1	-14.1
21	Debt to Total Investment	*	*	90.7	90.8	89.6	88.5	111.1
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	71.4	69.3	72.9	72.4	71.4	70.7	70.6
23	Breakeven	75.5	83.7	77.6	79.6	83.0	83.9	83.9
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	11.1	10.0	6.8	6.5	2.2	-3.4	-10.1
27	Operating Expenses (%)	2.1	-0.5	-0.6	-1.2	-2.3	-4.9	-9.0
28	Operating Profit (Loss) (in Millions \$)	1,227.9	1,364.3	4,333.7	4,470.1	2,856.3	1,331.9	-42.7
29	Net Income (Loss)(in Millions \$)	2,406.8	-238.9	7,502.1	4,856.4	2,713.9	368.1	-3,062.4
30	RPMS (Sch. Svc.) (%)	2.3	8.1	-0.2	1.0	1.1	-1.0	-3.4
31	ASMs (Sch. Svc.) (%)	-0.7	3.8	-3.4	-2.4	-1.4	-2.4	-5.2
32	Operating Revenues per RTM (%)	8.9	1.3	15.8	13.8	1.3	-2.1	-6.5
33	Operating Expense per RTM (%)	0.2	-8.3	7.8	5.7	-3.2	-3.6	-5.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.4	0.1	-0.1	-0.5	-2.9	-5.1	-8.3

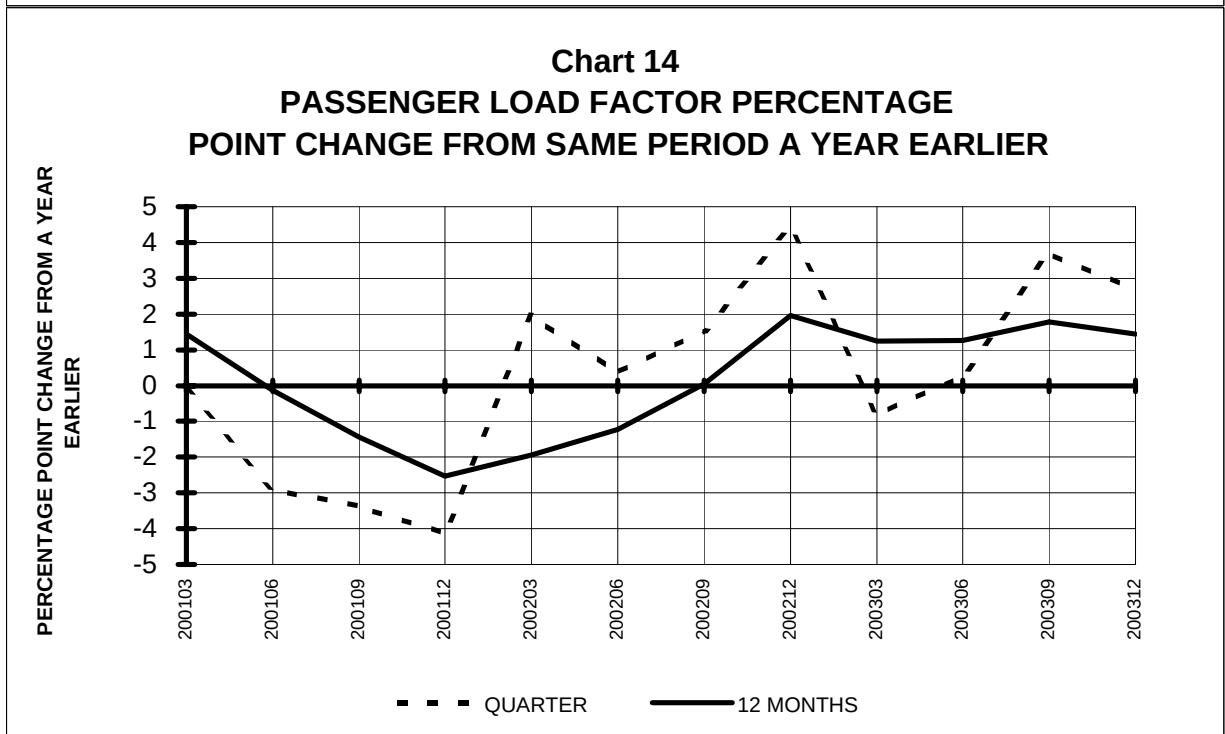
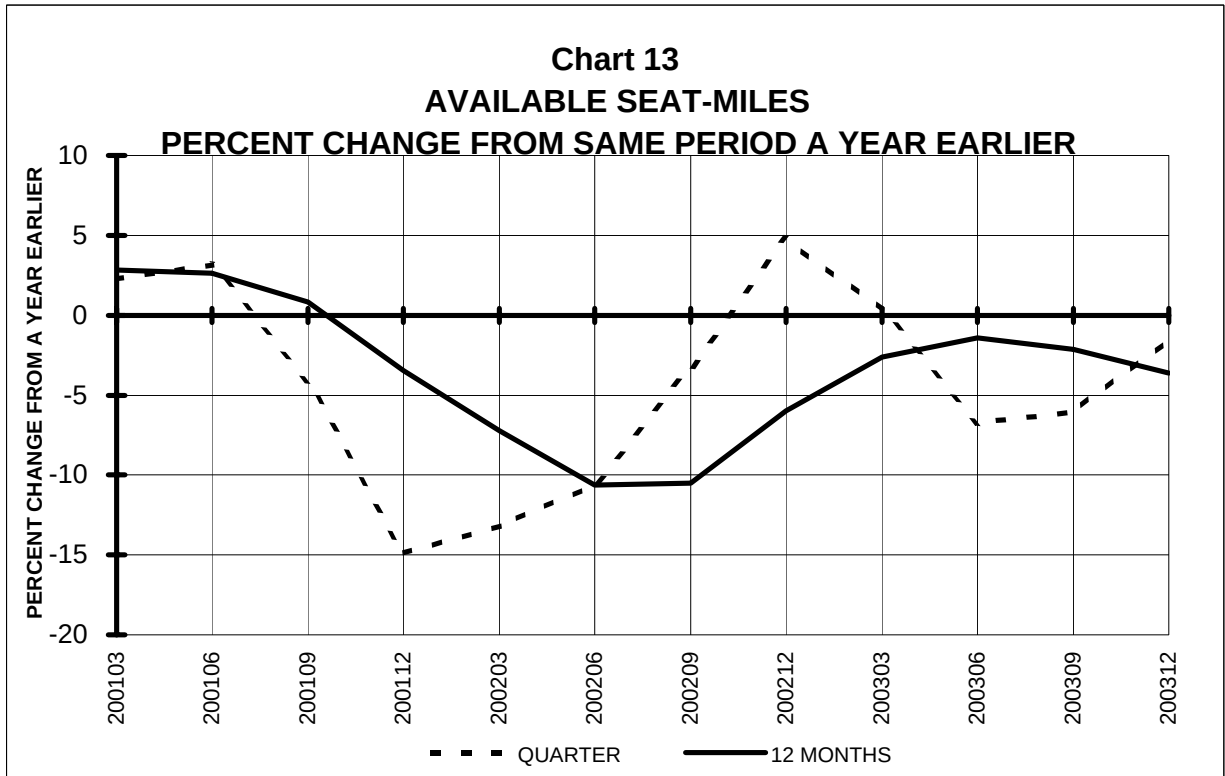
QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Int'l Pax. Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	4,883.6	4,599.5	18,689.8	18,405.7	18,572.0	19,201.9	19,009.0
2	Operating Expenses	4,735.4	5,397.8	19,280.7	19,943.1	20,617.2	21,151.3	20,693.3
3	Operating Profit (Loss)	148.1	-798.3	-590.9	-1,537.4	-2,045.2	-1,949.3	-1,684.3
4	Net Income (Loss)	80.8	-1,080.1	-1,047.8	-2,208.6	-2,685.4	-2,657.4	-2,263.3
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	39.4	38.6	152.8	152.0	153.8	161.0	161.8
6	ASMs - Scheduled Svc.	50.4	52.4	201.9	203.8	207.8	212.5	210.7
7	Overall RTMs (All Svc.)	5.6	5.7	19.8	19.9	22.1	22.9	22.9
8	Overall ATMs (All Svc.)	9.4	9.8	33.7	34.1	38.1	39.6	39.4
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	87.5	81.1	94.2	92.4	84.1	83.8	83.2
10	Operating Expense per RTM	84.8	95.2	97.2	100.1	93.4	92.3	90.5
11	Operating Profit (Loss) per RTM	2.7	-14.1	-3.0	-7.7	-9.3	-8.5	-7.4
12	Operating Expense per ATM	50.5	54.9	57.2	58.4	54.1	53.4	52.5
13	Passenger Revenue per RPM	9.83	9.59	9.79	9.73	9.75	9.79	9.78
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.46	1.29	1.22	1.19	0.99
15	Times Interest Earned	*	*	-0.64	-2.18	-2.78	-2.98	-2.98
16	Current Assets to Current Liabilities	*	*	1.34	0.52	0.53	0.50	0.51
17	No. of Days Cash Coverage of Cash Exp.	*	*	0.0	0.0	0.0	0.0	0.0
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	3.0	-17.4	-3.2	-8.4	-11.0	-10.2	-8.9
19	Net Income to Stockholders Equity	*	*	9.4		-24,000.5	-252.7	-118.8
20	Corporate Return on Investment	*	*	-6.2	-10.5	-12.9	-12.0	-19.5
21	Debt to Total Investment	*	*	23.3	166.3	152.9	124.7	108.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	78.2	73.7	75.7	74.6	74.0	75.8	76.8
23	Breakeven	78.6	94.4	81.3	85.3	87.4	88.4	88.7
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	6.2	25.7	-1.7	1.9	1.7	0.7	-6.0
27	Operating Expenses (%)	-12.3	14.4	-6.8	-0.4	-1.7	-2.3	-8.0
28	Operating Profit (Loss) (in Millions \$)	946.5	262.4	1,093.4	409.3	667.5	628.3	580.4
29	Net Income (Loss)(in Millions \$)	1,160.8	-511.9	1,215.5	-457.3	-879.2	-904.3	-1,028.4
30	RPMS (Sch. Svc.) (%)	2.1	23.0	-5.5	-1.7	-1.6	-0.9	-3.3
31	ASMs (Sch. Svc.) (%)	-3.7	7.7	-4.2	-1.5	-1.3	-3.2	-8.2
32	Operating Revenues per RTM (%)	7.8	4.3	13.3	12.0	1.4	-0.2	-3.3
33	Operating Expense per RTM (%)	-10.9	-5.1	7.4	9.5	-2.0	-3.2	-5.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	2.6	2.9	0.2	0.0	0.6	0.6	-2.2

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

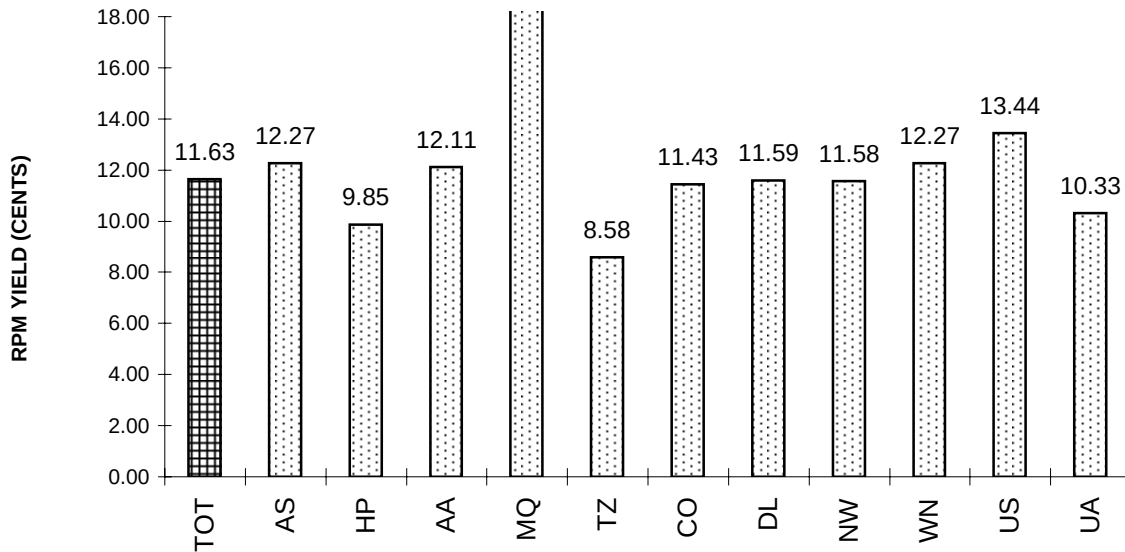


TOTAL PASSENGER MAJORS (SYSTEM) QUARTERLY AND 12-MONTH BASIS (SCH. SVC.)

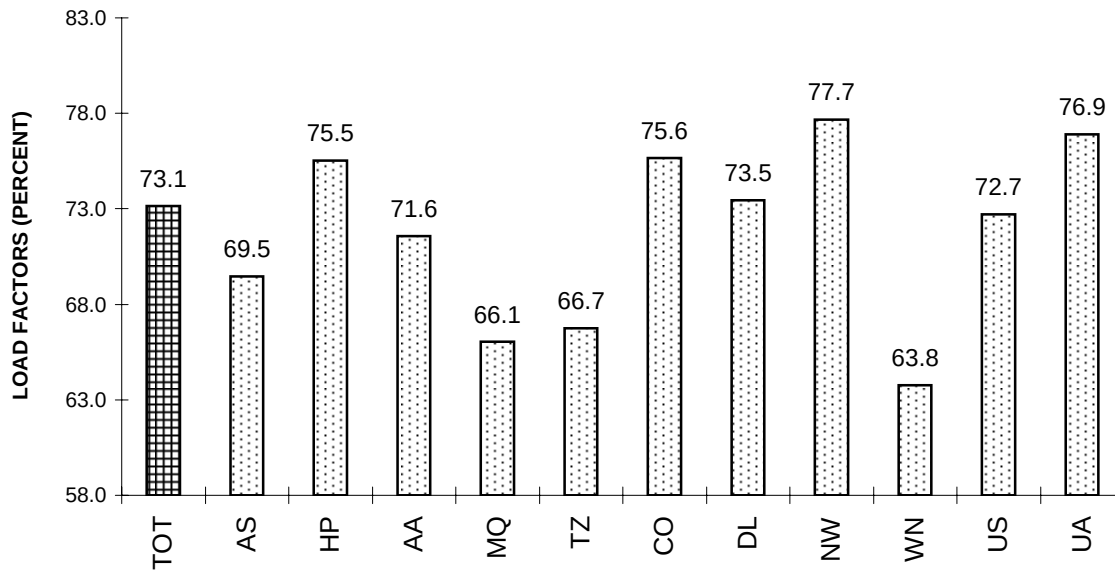


TOTAL PASSENGER MAJORS (SYSTEM) FOURTH QUARTER 2003

**Chart 15
PASSENGER (RPM) YIELD**



**Chart 16
PASSENGER LOAD FACTOR**



QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Alaska Airlines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	496.0	429.8	2,019.0	1,952.7	1,878.9	1,847.0	1,832.4
2	Operating Expenses	521.6	482.8	2,037.3	1,998.5	1,967.3	1,947.4	1,913.2
3	Operating Profit (Loss)	-25.6	-53.0	-18.4	-45.8	-88.4	-100.4	-80.8
4	Net Income (Loss)	-23.2	-50.6	-1.9	-29.3	-51.7	-91.9	-75.0
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	3.6	3.2	14.6	14.1	13.7	13.4	13.2
6	ASMs - Scheduled Svc.	5.2	4.8	20.8	20.4	19.9	19.6	19.4
7	Overall RTMs (All Svc.)	0.4	0.3	1.4	1.4	1.4	1.4	1.4
8	Overall ATMs (All Svc.)	0.7	0.6	2.5	2.4	2.6	2.6	2.5
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	131.9	129.4	142.8	142.5	130.8	131.6	132.4
10	Operating Expense per RTM	138.7	145.3	144.1	145.9	136.9	138.8	138.2
11	Operating Profit (Loss) per RTM	-6.8	-16.0	-1.3	-3.3	-6.2	-7.2	-5.8
12	Operating Expense per ATM	77.5	77.9	82.2	82.4	76.1	76.3	75.8
13	Passenger Revenue per RPM	12.27	12.07	12.28	12.24	12.18	12.26	12.33
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.22	1.24	1.20	1.19	1.17
15	Times Interest Earned	*	*	1.09	0.56	-0.36	-1.81	-1.13
16	Current Assets to Current Liabilities	*	*	1.18	1.38	1.32	1.30	1.32
17	No. of Days Cash Coverage of Cash Exp.	*	*	154.5	145.1	142.2	122.5	128.9
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-5.2	-12.3	-0.9	-2.3	-4.7	-5.4	-4.4
19	Net Income to Stockholders Equity	*	*	-0.3	-4.7	-8.2	-14.4	-11.3
20	Corporate Return on Investment	*	*	6.8	0.9	-0.5	-3.1	-1.9
21	Debt to Total Investment	*	*	58.2	60.9	61.5	61.4	61.4
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	69.5	66.5	70.0	69.3	68.7	68.1	68.1
23	Breakeven	78.5	80.9	75.6	76.1	77.4	77.2	76.4
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	13,992	10,178	10,604	7,114	7,164	7,666	10,124
25	Overall RTM's per Employee (000)	26.9	32.6	26.9	31.5	47.6	0.0	136.7
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	15.4	12.1	10.2	9.3	6.8	5.3	3.9
27	Operating Expenses (%)	8.0	8.6	6.5	6.6	6.4	6.4	4.7
28	Operating Profit (Loss) (in Millions \$)	27.4	8.1	62.4	43.1	1.3	-25.5	-16.0
29	Net Income (Loss)(in Millions \$)	27.5	-36.1	73.1	9.5	-27.0	-75.2	-64.9
30	RPMS (Sch. Svc.) (%)	14.0	16.1	10.5	10.8	10.2	8.4	7.8
31	ASMs (Sch. Svc.) (%)	9.1	16.0	7.6	9.0	9.4	9.4	8.2
32	Operating Revenues per RTM (%)	2.0	-2.9	7.9	6.9	-3.1	-0.1	-0.5
33	Operating Expense per RTM (%)	-4.5	-5.9	4.3	4.3	-3.5	1.0	0.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.7	-1.9	-0.3	-1.2	-2.8	-2.8	-3.7

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
America West Airlines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	556.2	516.8	2,223.3	2,183.9	2,112.7	2,081.4	2,021.0
2	Operating Expenses	546.5	555.3	2,199.5	2,208.2	2,226.2	2,210.0	2,185.1
3	Operating Profit (Loss)	9.7	-38.5	23.9	-24.3	-113.5	-128.6	-164.2
4	Net Income (Loss)	0.5	-53.1	44.8	-8.9	-90.3	-183.1	-377.0
<u>TRAFFIC: (Mllions)</u>								
5	RPMS - Scheduled Svc.	5.3	5.1	21.3	21.1	20.8	20.5	19.9
6	ASMs - Scheduled Svc.	7.0	6.9	27.8	27.8	27.9	27.7	27.0
7	Overall RTMs (All Svc.)	0.6	0.5	2.0	2.0	2.2	2.1	2.1
8	Overall ATMs (All Svc.)	0.9	0.9	3.4	3.4	3.7	3.7	3.6
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	101.9	98.4	109.5	108.7	98.3	98.3	98.2
10	Operating Expense per RTM	100.2	105.7	108.4	109.9	103.5	104.4	106.2
11	Operating Profit (Loss) per RTM	1.8	-7.3	1.2	-1.2	-5.3	-6.1	-8.0
12	Operating Expense per ATM	58.4	60.6	64.3	64.9	60.1	60.1	61.2
13	Passenger Revenue per RPM	9.85	9.73	9.91	9.89	9.70	9.70	9.67
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	5.07	2.06	1.99	1.88	1.71
15	Times Interest Earned	*	*	1.52	0.89	-0.12	-1.27	-1.76
16	Current Assets to Current Liabilities	*	*	1.21	1.14	1.15	1.04	1.20
17	No. of Days Cash Coverage of Cash Exp.	*	*	86.8	71.6	64.2	51.4	60.7
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	1.7	-7.5	1.1	-1.1	-5.4	-6.2	-8.1
19	Net Income to Stockholders Equity	*	*	14.2	-2.8	-27.4	-52.6	-84.7
20	Corporate Return on Investment	*	*	30.0	6.9	-0.9	-9.3	-25.2
21	Debt to Total Investment	*	*	69.4	69.7	69.4	74.6	71.1
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	75.5	73.2	76.4	75.8	74.6	73.8	73.6
23	Breakeven	76.8	82.1	78.3	79.6	82.0	81.8	83.2
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	14,771	11,645	12,039	8,379	8,581	8,710	11,500
25	Overall RTM's per Employee (000)	36.9	45.1	36.9	37.7	51.9	0.0	179.0
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	7.6	31.1	10.0	15.0	13.1	8.9	-0.7
27	Operating Expenses (%)	-1.6	4.3	0.7	2.1	1.6	-3.4	-7.2
28	Operating Profit (Loss) (in Millions \$)	48.2	99.6	188.0	239.4	208.9	248.6	156.0
29	Net Income (Loss)(in Millions \$)	53.6	7.8	421.8	376.0	273.8	208.9	-228.6
30	RPMS (Sch. Svc.) (%)	4.3	25.9	7.1	11.9	12.7	10.9	4.2
31	ASMs (Sch. Svc.) (%)	1.1	17.7	3.3	7.1	9.3	8.6	1.7
32	Operating Revenues per RTM (%)	3.6	4.4	11.6	11.7	0.6	-1.3	-4.3
33	Operating Expense per RTM (%)	-5.3	-16.9	2.1	-0.8	-9.6	-12.5	-10.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.3	4.4	2.5	3.2	0.6	-1.6	-4.7

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
American Airlines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	4,383.4	3,825.1	17,403.3	16,845.0	16,376.3	16,170.7	15,870.6
2	Operating Expenses	4,688.9	4,533.4	18,847.3	18,691.9	19,570.2	19,664.3	19,183.5
3	Operating Profit (Loss)	-305.5	-708.4	-1,444.0	-1,846.9	-3,193.9	-3,493.6	-3,312.9
4	Net Income (Loss)	-129.7	-727.6	-1,318.5	-1,916.3	-2,743.0	-3,095.8	-3,495.7
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	29.6	29.4	120.0	119.9	120.3	121.6	121.7
6	ASMs - Scheduled Svc.	41.3	42.2	164.8	165.7	168.6	172.2	172.1
7	Overall RTMs (All Svc.)	3.5	3.5	13.0	13.0	14.1	14.2	14.2
8	Overall ATMs (All Svc.)	6.8	7.0	24.8	25.1	27.8	28.5	28.4
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	125.5	110.1	134.1	130.0	116.4	113.7	111.9
10	Operating Expense per RTM	134.3	130.5	145.2	144.2	139.1	138.3	135.2
11	Operating Profit (Loss) per RTM	-8.7	-20.4	-11.1	-14.3	-22.7	-24.6	-23.4
12	Operating Expense per ATM	69.2	64.9	75.9	74.6	70.4	69.1	67.5
13	Passenger Revenue per RPM	12.11	11.72	11.86	11.76	11.69	11.76	11.85
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.66	1.41	1.32	1.25	1.05
15	Times Interest Earned	*	*	-2.55	-3.39	-6.80	-9.11	-12.93
16	Current Assets to Current Liabilities	*	*	0.72	0.73	0.68	0.59	0.77
17	No. of Days Cash Coverage of Cash Exp.	*	*	64.6	67.9	47.0	36.0	55.2
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-7.0	-18.5	-8.3	-11.0	-19.5	-21.6	-20.9
19	Net Income to Stockholders Equity	*	*	-231.7	-156.5	-127.5	-100.2	-83.3
20	Corporate Return on Investment	*	*	-19.4	-12.3	-18.7	-20.9	-20.9
21	Debt to Total Investment	*	*	96.9	101.7	97.9	93.8	86.0
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	71.6	69.8	72.8	72.4	71.3	70.6	70.7
23	Breakeven	82.7	89.2	85.5	87.1	93.2	93.4	92.2
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	110,658	96,943	93,331	66,530	70,930	73,507	97,760
25	Overall RTM's per Employee (000)	31.6	35.8	31.6	33.0	40.1	0.0	145.1
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	14.6	9.2	9.7	8.3	3.2	-4.4	-13.1
27	Operating Expenses (%)	3.4	-2.3	-1.8	-3.1	-0.2	-5.1	-10.7
28	Operating Profit (Loss) (in Millions \$)	402.9	427.8	1,868.9	1,893.7	546.7	310.1	-110.6
29	Net Income (Loss)(in Millions \$)	597.8	49.6	2,177.2	1,628.9	241.2	-146.4	-1,766.3
30	RPMS (Sch. Svc.) (%)	0.4	15.9	-1.4	1.9	1.9	-0.7	-4.1
31	ASMs (Sch. Svc.) (%)	-2.1	6.2	-4.2	-2.3	-1.1	-2.4	-6.7
32	Operating Revenues per RTM (%)	14.0	-6.1	19.8	14.5	1.0	-3.7	-8.7
33	Operating Expense per RTM (%)	2.9	-15.9	7.4	2.4	-2.3	-4.4	-6.1
34	Passenger Revenue per RPM (Sch. Svc.)(%)	3.4	-5.6	0.1	-2.0	-4.1	-5.7	-8.5

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
American Eagle Airlines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	300.0	292.0	1,128.0	1,120.0	1,158.9	1,199.0	1,199.2
2	Operating Expenses	238.1	267.0	951.5	980.4	1,135.8	1,203.2	1,249.4
3	Operating Profit (Loss)	61.8	25.0	176.5	139.6	23.1	-4.2	-50.2
4	Net Income (Loss)	21.3	-6.2	60.3	32.8	-45.6	-97.7	-118.5
<u>TRAFFIC: (Mllions)</u>								
5	RPMS - Scheduled Svc.	1.2	0.9	4.2	4.0	3.9	3.8	3.7
6	ASMs - Scheduled Svc.	1.8	1.5	6.5	6.2	6.1	5.9	5.8
7	Overall RTMs (All Svc.)	0.1	0.1	0.4	0.4	0.4	0.4	0.4
8	Overall ATMs (All Svc.)	0.2	0.2	0.7	0.7	0.7	0.7	0.7
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	257.4	310.7	290.2	305.9	300.1	318.1	324.8
10	Operating Expense per RTM	204.4	284.1	244.8	267.7	294.1	319.3	338.4
11	Operating Profit (Loss) per RTM	53.1	26.6	45.4	38.1	6.0	-1.1	-13.6
12	Operating Expense per ATM	112.1	150.5	133.7	144.8	156.3	169.0	179.2
13	Passenger Revenue per RPM	25.58	29.79	26.46	27.50	29.21	30.81	31.26
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.89	0.37	0.40	0.42	0.41
15	Times Interest Earned	*	*	1.56	1.32	0.25	-0.31	-0.74
16	Current Assets to Current Liabilities	*	*	0.17	0.13	0.14	0.12	0.15
17	No. of Days Cash Coverage of Cash Exp.	*	*	0.0	0.0	0.0	0.0	0.7
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	20.6	8.5	15.6	12.5	2.0	-0.4	-4.2
19	Net Income to Stockholders Equity	*	*	206.2				-2,714.4
20	Corporate Return on Investment	*	*	13.3	4.6	2.1	0.2	-0.7
21	Debt to Total Investment	*	*	97.3	98.8	99.0	100.4	100.0
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	66.1	62.8	65.1	64.2	63.4	63.2	63.1
23	Breakeven	50.8	56.6	53.6	55.2	62.0	63.5	66.2
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	10,772	7,871	8,333	5,668	6,018	6,224	8,347
25	Overall RTM's per Employee (000)	10.8	11.9	10.8	10.8	13.9	0.0	44.2
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	2.7	15.6	-5.9	-3.4	1.2	0.0	-3.6
27	Operating Expenses (%)	-10.8	-16.4	-23.8	-24.7	-13.6	-18.0	-16.7
28	Operating Profit (Loss) (in Millions \$)	36.9	91.9	226.7	281.7	193.3	265.0	205.8
29	Net Income (Loss)(in Millions \$)	27.5	50.7	178.8	202.0	140.9	144.1	107.7
30	RPMS (Sch. Svc.) (%)	24.1	19.6	15.1	13.7	13.6	12.2	11.9
31	ASMs (Sch. Svc.) (%)	18.1	9.4	11.7	9.4	7.7	4.7	2.5
32	Operating Revenues per RTM (%)	-17.1	-3.3	-10.7	-6.7	-10.7	-10.9	-13.9
33	Operating Expense per RTM (%)	-28.1	-30.1	-27.7	-27.2	-23.8	-27.0	-25.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-14.1	-2.9	-15.3	-12.8	-9.9	-10.6	-14.2

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
American Trans Air, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	336.5	278.1	1,398.4	1,340.0	1,270.4	1,200.0	1,150.0
2	Operating Expenses	354.0	321.8	1,384.2	1,352.1	1,352.3	1,352.1	1,290.7
3	Operating Profit (Loss)	-17.5	-43.7	14.2	-12.0	-81.9	-152.1	-140.8
4	Net Income (Loss)	-16.1	-52.4	13.2	-23.1	-90.0	-184.6	-169.4
<u>TRAFFIC: (Mllions)</u>								
5	RPMS - Scheduled Svc.	2.9	2.4	11.8	11.3	10.7	9.9	9.4
6	ASMs - Scheduled Svc.	4.3	3.5	16.4	15.5	14.7	13.7	12.9
7	Overall RTMs (All Svc.)	0.4	0.3	1.4	1.3	1.3	1.2	1.2
8	Overall ATMs (All Svc.)	0.6	0.5	1.9	1.9	2.0	2.0	2.0
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	94.3	95.2	103.6	104.3	96.5	96.8	96.1
10	Operating Expense per RTM	99.2	110.1	102.5	105.2	102.8	109.1	107.9
11	Operating Profit (Loss) per RTM	-4.9	-15.0	1.0	-0.9	-6.2	-12.3	-11.8
12	Operating Expense per ATM	64.5	59.1	74.0	72.5	67.1	67.8	63.8
13	Passenger Revenue per RPM	8.58	8.57	8.49	8.49	8.43	8.56	8.71
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	9.64	3.71	3.47	2.95	2.51
15	Times Interest Earned	*	*	1.19	0.47	-1.75	-4.88	-4.92
16	Current Assets to Current Liabilities	*	*	0.82	0.62	0.90	0.86	1.10
17	No. of Days Cash Coverage of Cash Exp.	*	*	45.3	57.7	56.2	48.4	63.0
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-5.2	-15.7	1.0	-0.9	-6.4	-12.7	-12.2
19	Net Income to Stockholders Equity	*	*					
20	Corporate Return on Investment	*	*	39.0	5.1	-14.3	-36.6	-29.8
21	Debt to Total Investment	*	*	136.7	130.2	130.9	145.8	140.1
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	66.7	67.7	72.3	72.8	72.6	72.3	73.0
23	Breakeven	72.0	84.1	71.2	73.9	80.0	86.7	87.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	10,640	6,646	8,128	5,377	5,177	5,109	6,826
25	Overall RTM's per Employee (000)	33.5	44.0	33.5	37.3	51.4	0.0	175.3
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	21.0	24.2	21.6	22.3	15.1	5.1	-0.4
27	Operating Expenses (%)	10.0	-4.0	7.2	3.7	7.8	11.0	4.2
28	Operating Profit (Loss) (in Millions \$)	26.2	67.7	154.9	196.4	69.2	-75.8	-56.2
29	Net Income (Loss)(in Millions \$)	36.3	26.2	182.6	172.5	41.4	-114.7	-91.4
30	RPMS (Sch. Svc.) (%)	22.8	31.4	25.8	27.7	25.5	18.6	13.1
31	ASMs (Sch. Svc.) (%)	24.6	39.9	27.0	30.4	29.8	24.6	19.1
32	Operating Revenues per RTM (%)	-0.9	0.3	7.8	8.5	0.5	-1.9	-3.9
33	Operating Expense per RTM (%)	-9.9	-22.5	-5.0	-8.0	-5.9	3.6	0.5
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.2	0.6	-2.5	-2.6	-4.9	-6.9	-6.8

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Continental Air Lines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,842.7	1,768.0	7,333.4	7,258.7	7,249.8	7,332.0	7,352.8
2	Operating Expenses	1,853.7	1,858.9	7,303.7	7,308.9	7,422.5	7,853.0	7,833.5
3	Operating Profit (Loss)	-11.0	-90.9	29.7	-50.2	-172.7	-521.0	-480.8
4	Net Income (Loss)	47.1	-108.6	38.2	-117.6	-288.0	-505.7	-451.0
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	14.2	13.4	56.9	56.1	55.6	56.4	57.0
6	ASMs - Scheduled Svc.	18.8	18.8	75.0	75.0	75.6	76.9	76.8
7	Overall RTMs (All Svc.)	1.7	1.6	6.1	6.1	6.5	6.6	6.6
8	Overall ATMs (All Svc.)	2.5	2.5	9.2	9.1	10.0	10.1	10.1
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	111.5	111.8	119.8	120.0	111.4	111.7	111.6
10	Operating Expense per RTM	112.2	117.6	119.4	120.9	114.0	119.6	118.9
11	Operating Profit (Loss) per RTM	-0.7	-5.7	0.5	-0.8	-2.7	-7.9	-7.3
12	Operating Expense per ATM	73.5	75.3	79.6	80.1	74.6	77.6	77.5
13	Passenger Revenue per RPM	11.43	11.69	11.52	11.59	11.60	11.63	11.55
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.77	1.12	1.12	1.13	1.14
15	Times Interest Earned	*	*	1.28	0.56	-0.30	-1.35	-1.22
16	Current Assets to Current Liabilities	*	*	0.91	0.88	0.89	0.70	0.77
17	No. of Days Cash Coverage of Cash Exp.	*	*	84.6	76.3	78.7	50.9	59.9
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-0.6	-5.1	0.4	-0.7	-2.4	-7.1	-6.5
19	Net Income to Stockholders Equity	*	*	5.4	-15.3	-34.1	-55.0	-43.4
20	Corporate Return on Investment	*	*	14.3	3.4	0.7	-2.6	-2.0
21	Debt to Total Investment	*	*	88.3	88.7	90.2	91.1	88.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	75.6	71.5	75.9	74.8	73.6	73.3	74.2
23	Breakeven	78.6	75.4	75.6	74.8	74.7	78.3	79.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	45,947	36,360	37,856	26,517	27,088	27,497	36,497
25	Overall RTM's per Employee (000)	36.0	43.5	36.0	37.3	47.2	0.0	180.5
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	4.2	17.3	-0.3	2.3	1.8	-1.7	-7.8
27	Operating Expenses (%)	-0.3	1.2	-6.8	-6.4	-4.9	-0.5	-3.2
28	Operating Profit (Loss) (in Millions \$)	79.9	238.2	510.4	668.8	511.9	-85.2	-360.6
29	Net Income (Loss)(in Millions \$)	155.7	40.5	489.2	373.9	163.1	-235.1	-355.9
30	RPMS (Sch. Svc.) (%)	5.7	9.2	-0.2	0.5	-0.8	-2.1	-2.9
31	ASMs (Sch. Svc.) (%)	-0.1	7.4	-2.4	-0.7	-1.1	-2.1	-5.3
32	Operating Revenues per RTM (%)	-0.3	5.5	7.4	8.8	0.6	-1.3	-5.5
33	Operating Expense per RTM (%)	-4.6	-8.9	0.4	-0.5	-6.1	-0.1	-0.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-2.2	5.1	-0.2	1.4	1.0	-0.9	-5.2

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Delta Air Lines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	3,647.1	3,072.3	14,203.0	13,628.1	13,132.5	12,836.6	12,410.4
2	Operating Expenses	3,849.8	3,316.8	15,360.2	14,827.2	14,399.0	13,989.5	13,445.8
3	Operating Profit (Loss)	-202.7	-244.6	-1,157.2	-1,199.1	-1,266.5	-1,152.9	-1,035.4
4	Net Income (Loss)	-356.1	-351.2	-895.6	-890.7	-1,040.1	-1,373.0	-1,295.0
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	22.6	22.2	89.2	88.8	90.4	93.3	94.3
6	ASMs - Scheduled Svc.	30.7	30.8	119.9	120.1	123.6	128.4	130.0
7	Overall RTMs (All Svc.)	2.6	2.6	9.5	9.5	10.5	10.8	10.9
8	Overall ATMs (All Svc.)	4.7	4.8	17.0	17.0	19.1	19.9	20.1
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	139.2	118.6	149.7	144.1	125.7	118.9	114.1
10	Operating Expense per RTM	147.0	128.0	161.9	156.8	137.8	129.6	123.6
11	Operating Profit (Loss) per RTM	-7.7	-9.4	-12.2	-12.7	-12.1	-10.7	-9.5
12	Operating Expense per ATM	81.5	69.3	90.6	87.1	75.3	70.4	67.0
13	Passenger Revenue per RPM	11.59	11.89	11.66	11.74	11.61	11.59	11.42
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	3.40	1.20	1.12	1.09	0.97
15	Times Interest Earned	*	*	-0.89	-0.96	-1.33	-2.14	-2.17
16	Current Assets to Current Liabilities	*	*	0.81	0.81	0.84	0.57	0.63
17	No. of Days Cash Coverage of Cash Exp.	*	*	53.8	59.1	66.2	39.3	45.9
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-5.6	-8.0	-8.1	-8.8	-9.6	-9.0	-8.3
19	Net Income to Stockholders Equity	*	*	-145.8	-66.5	-54.8	-55.7	-41.5
20	Corporate Return on Investment	*	*	-3.8	-1.5	-2.8	-5.7	-5.1
21	Debt to Total Investment	*	*	105.0	93.9	92.3	92.5	88.9
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	73.5	71.8	74.3	73.9	73.1	72.6	72.5
23	Breakeven	65.1	79.7	69.6	73.4	76.8	78.8	81.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	82,880	64,959	65,590	45,607	47,397	49,096	65,567
25	Overall RTM's per Employee (000)	31.6	39.9	31.6	32.8	42.6	0.0	166.0
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	18.7	14.9	14.4	13.5	8.7	2.2	-6.1
27	Operating Expenses (%)	16.1	2.6	14.2	11.0	6.5	1.2	-5.2
28	Operating Profit (Loss) (in Millions \$)	41.9	313.5	-121.8	149.8	167.8	101.7	-63.4
29	Net Income (Loss)(in Millions \$)	-4.9	353.9	399.4	758.1	504.3	-5.4	-187.9
30	RPMS (Sch. Svc.) (%)	1.8	8.3	-5.4	-4.1	-2.7	-2.2	-3.4
31	ASMs (Sch. Svc.) (%)	-0.5	-3.9	-7.8	-8.5	-7.2	-6.3	-8.0
32	Operating Revenues per RTM (%)	17.4	6.5	31.3	28.3	11.7	4.4	-2.2
33	Operating Expense per RTM (%)	14.8	-4.9	31.1	25.5	9.5	3.4	-1.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-2.5	4.0	2.1	3.7	1.2	-1.2	-6.1

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Northwest Airlines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	2,347.5	2,264.5	9,183.8	9,100.8	9,136.3	9,236.6	9,151.6
2	Operating Expenses	2,361.7	2,823.6	9,460.4	9,922.2	10,084.3	10,153.9	9,935.1
3	Operating Profit (Loss)	-14.2	-559.1	-276.5	-821.4	-948.0	-917.3	-783.5
4	Net Income (Loss)	595.3	-440.9	478.1	-558.1	-666.7	-990.6	-766.4
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	16.6	17.1	68.5	69.0	69.8	72.0	72.0
6	ASMs - Scheduled Svc.	21.4	23.1	88.6	90.2	92.0	94.2	93.4
7	Overall RTMs (All Svc.)	2.3	2.3	8.3	8.4	9.2	9.5	9.4
8	Overall ATMs (All Svc.)	3.6	3.8	13.3	13.6	15.0	15.3	15.2
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	104.3	97.1	110.5	108.4	99.3	97.7	97.0
10	Operating Expense per RTM	105.0	121.1	113.8	118.2	109.6	107.5	105.3
11	Operating Profit (Loss) per RTM	-0.6	-24.0	-3.3	-9.8	-10.3	-9.7	-8.3
12	Operating Expense per ATM	66.2	74.0	71.1	73.2	67.4	66.3	65.2
13	Passenger Revenue per RPM	11.58	10.81	11.13	10.94	10.90	10.79	10.77
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.25	0.94	0.94	0.94	0.86
15	Times Interest Earned	*	*	2.00	-0.89	-1.25	-2.22	-1.97
16	Current Assets to Current Liabilities	*	*	0.88	0.92	0.81	0.70	0.73
17	No. of Days Cash Coverage of Cash Exp.	*	*	113.2	113.3	111.3	86.7	84.1
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-0.6	-24.7	-3.0	-9.0	-10.4	-9.9	-8.6
19	Net Income to Stockholders Equity	*	*	18.1	-20.2	-21.7	-29.1	-19.6
20	Corporate Return on Investment	*	*	22.7	-1.2	-2.4	-5.8	-3.4
21	Debt to Total Investment	*	*	69.1	74.2	72.7	77.9	72.1
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	77.7	74.4	77.3	76.5	75.9	76.5	77.1
23	Breakeven	83.1	102.7	84.1	89.0	89.8	89.7	88.7
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	56,009	43,779	43,894	30,291	31,929	33,305	44,255
25	Overall RTM's per Employee (000)	40.2	53.3	40.2	44.9	56.2	0.0	213.2
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	3.7	17.4	0.4	3.2	3.4	1.0	-4.6
27	Operating Expenses (%)	-16.4	21.4	-4.8	5.1	4.9	2.5	-4.4
28	Operating Profit (Loss) (in Millions \$)	544.9	-162.5	506.9	-200.5	-165.1	-160.5	13.1
29	Net Income (Loss)(in Millions \$)	1,036.2	-258.8	1,244.5	-50.5	-224.5	-589.5	-348.3
30	RPMS (Sch. Svc.) (%)	-3.1	16.8	-4.9	-0.8	0.4	0.9	-1.5
31	ASMs (Sch. Svc.) (%)	-7.2	9.2	-5.2	-1.3	-0.4	-1.0	-5.0
32	Operating Revenues per RTM (%)	7.4	0.3	13.9	11.8	2.0	-1.1	-4.1
33	Operating Expense per RTM (%)	-13.3	3.7	8.1	13.9	3.4	0.4	-3.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	7.1	0.5	3.3	1.7	0.9	-1.4	-4.2

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Southwest Airlines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,516.9	1,400.6	5,936.7	5,820.3	5,658.1	5,615.8	5,521.8
2	Operating Expenses	1,406.0	1,313.0	5,454.6	5,361.6	5,293.5	5,202.4	5,104.3
3	Operating Profit (Loss)	110.9	87.6	482.1	458.7	364.7	413.4	417.6
4	Net Income (Loss)	65.8	42.4	441.6	418.3	387.0	243.4	241.0
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	11.7	11.1	47.9	47.4	46.5	45.9	45.4
6	ASMs - Scheduled Svc.	18.3	17.6	71.8	71.1	70.5	69.8	68.9
7	Overall RTMs (All Svc.)	1.2	1.1	4.6	4.5	4.8	4.7	4.7
8	Overall ATMs (All Svc.)	2.5	2.4	9.0	8.9	9.6	9.5	9.4
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	125.7	122.5	129.8	129.1	118.2	118.8	118.1
10	Operating Expense per RTM	116.5	114.9	119.3	118.9	110.6	110.0	109.1
11	Operating Profit (Loss) per RTM	9.2	7.7	10.5	10.2	7.6	8.7	8.9
12	Operating Expense per ATM	56.6	54.8	61.0	60.5	55.2	54.7	54.3
13	Passenger Revenue per RPM	12.27	12.00	11.71	11.64	11.54	11.60	11.54
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.34	0.93	0.93	0.94	0.94
15	Times Interest Earned	*	*	13.35	10.56	8.88	5.58	5.40
16	Current Assets to Current Liabilities	*	*	1.34	1.53	1.55	1.46	1.55
17	No. of Days Cash Coverage of Cash Exp.	*	*	134.3	149.0	163.6	142.5	139.5
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	7.3	6.3	8.1	7.9	6.4	7.4	7.6
19	Net Income to Stockholders Equity	*	*	9.4	9.2	8.7	5.7	5.7
20	Corporate Return on Investment	*	*	19.7	7.8	7.6	5.5	5.6
21	Debt to Total Investment	*	*	23.3	25.4	26.1	27.3	27.6
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	63.8	63.0	66.8	66.6	65.9	65.8	65.9
23	Breakeven	58.2	58.4	60.4	60.4	60.9	60.1	60.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	48,446	33,862	36,898	24,911	25,110	25,074	33,057
25	Overall RTM's per Employee (000)	24.9	33.8	24.9	28.8	39.2	0.0	141.5
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	8.3	13.2	7.5	8.6	6.7	4.3	-0.6
27	Operating Expenses (%)	7.1	9.4	6.9	7.4	7.3	5.9	3.7
28	Operating Profit (Loss) (in Millions \$)	23.4	50.4	64.5	91.6	-4.3	-57.4	-213.6
29	Net Income (Loss)(in Millions \$)	23.4	-21.1	200.7	156.2	48.9	-168.1	-270.2
30	RPMS (Sch. Svc.) (%)	5.2	2.9	5.6	5.1	4.5	3.8	2.0
31	ASMs (Sch. Svc.) (%)	4.0	5.4	4.2	4.5	5.6	5.6	5.4
32	Operating Revenues per RTM (%)	2.6	9.7	10.0	11.8	2.1	0.6	-2.6
33	Operating Expense per RTM (%)	1.4	6.0	9.3	10.6	2.6	2.1	1.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	2.3	9.9	1.5	3.2	1.8	0.2	-3.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
US Airways, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,741.0	1,594.6	6,761.6	6,615.2	6,601.5	6,732.5	6,914.9
2	Operating Expenses	1,814.3	1,786.7	7,183.0	7,155.5	7,287.4	7,485.0	7,834.3
3	Operating Profit (Loss)	-73.2	-192.1	-421.3	-540.2	-685.9	-752.5	-919.3
4	Net Income (Loss)	-89.0	-778.0	1,452.1	763.0	492.7	251.9	-1,658.8
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	9.4	8.8	37.7	37.1	37.5	38.7	40.0
6	ASMs - Scheduled Svc.	12.9	12.8	51.5	51.4	52.9	54.5	56.3
7	Overall RTMs (All Svc.)	1.0	1.0	3.8	3.8	4.2	4.3	4.4
8	Overall ATMs (All Svc.)	1.9	1.9	7.0	7.0	7.8	8.0	8.3
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	169.8	162.6	176.5	174.7	159.0	157.3	156.8
10	Operating Expense per RTM	176.9	182.1	187.5	188.9	175.5	174.8	177.7
11	Operating Profit (Loss) per RTM	-7.1	-19.6	-11.0	-14.3	-16.5	-17.6	-20.8
12	Operating Expense per ATM	95.3	94.1	102.8	102.5	93.3	93.1	94.7
13	Passenger Revenue per RPM	13.44	13.36	13.05	13.03	13.01	13.01	13.05
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	7.89	2.41	2.43	2.52	2.47
15	Times Interest Earned	*	*	7.11	3.70	2.46	1.41	-4.87
16	Current Assets to Current Liabilities	*	*	0.79	0.91	0.98	0.91	0.38
17	No. of Days Cash Coverage of Cash Exp.	*	*	67.1	72.6	73.5	63.8	30.3
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-4.2	-12.0	-6.2	-8.2	-10.4	-11.2	-13.3
19	Net Income to Stockholders Equity	*	*					
20	Corporate Return on Investment	*	*	197.3	37.2	28.8	21.4	-47.5
21	Debt to Total Investment	*	*	97.1	92.5	90.8	94.5	314.4
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	72.7	68.3	73.3	72.2	70.9	70.9	71.0
23	Breakeven	81.0	82.2	83.6	83.9	84.1	84.5	86.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	37,278	31,523	29,503	21,154	22,925	24,760	33,322
25	Overall RTM's per Employee (000)	27.5	31.1	27.5	30.6	40.2	0.0	132.3
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	9.2	2.6	-2.2	-3.8	-7.3	-12.7	-16.2
27	Operating Expenses (%)	1.5	-26.2	-8.3	-15.5	-16.1	-17.5	-17.0
28	Operating Profit (Loss) (in Millions \$)	118.9	674.1	498.0	1,053.2	877.1	603.3	262.1
29	Net Income (Loss)(in Millions \$)	689.0	276.0	3,110.9	2,697.8	2,825.5	2,376.4	330.6
30	RPMS (Sch. Svc.) (%)	7.0	-1.4	-5.7	-7.6	-9.8	-12.3	-12.9
31	ASMs (Sch. Svc.) (%)	0.6	-8.8	-8.6	-10.7	-11.4	-14.0	-15.5
32	Operating Revenues per RTM (%)	4.4	3.9	12.5	12.4	2.0	-1.7	-4.5
33	Operating Expense per RTM (%)	-2.9	-25.2	5.5	-1.3	-7.7	-7.1	-5.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.6	-0.8	0.0	-0.4	-1.7	-5.5	-8.9

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
United Air Lines, Inc.

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	3,498.4	3,369.3	13,397.7	13,268.6	13,155.9	13,827.2	13,915.6
2	Operating Expenses	3,756.0	4,450.8	14,951.5	15,646.3	16,240.5	17,012.3	16,937.4
3	Operating Profit (Loss)	-257.6	-1,081.5	-1,553.7	-2,377.6	-3,084.6	-3,185.1	-3,021.8
4	Net Income (Loss)	-629.9	-1,555.3	-3,086.2	-4,011.6	-4,507.3	-4,215.9	-3,325.8
<u>TRAFFIC: (Millions)</u>								
5	RPMS - Scheduled Svc.	26.6	26.8	103.9	104.1	105.9	109.3	109.4
6	ASMs - Scheduled Svc.	34.5	37.2	138.9	141.5	146.3	148.9	148.6
7	Overall RTMs (All Svc.)	3.1	3.3	11.4	11.5	12.8	13.2	13.2
8	Overall ATMs (All Svc.)	5.4	5.9	19.6	20.1	22.7	23.7	23.7
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	111.8	102.1	118.1	115.2	102.7	104.4	105.3
10	Operating Expense per RTM	120.0	134.8	131.8	135.8	126.8	128.5	128.2
11	Operating Profit (Loss) per RTM	-8.2	-32.8	-13.7	-20.6	-24.1	-24.0	-22.9
12	Operating Expense per ATM	69.2	75.4	76.2	77.9	71.7	71.9	71.6
13	Passenger Revenue per RPM	10.33	10.03	10.22	10.15	10.03	10.28	10.53
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	4.11	1.43	1.20	1.11	0.99
15	Times Interest Earned	*	*	-5.04	-6.09	-6.17	-5.85	-4.77
16	Current Assets to Current Liabilities	*	*	0.46	0.52	0.53	0.50	0.51
17	No. of Days Cash Coverage of Cash Exp.	*	*	48.7	48.2	44.3	25.6	33.8
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	-7.4	-32.1	-11.6	-17.9	-23.4	-23.0	-21.7
19	Net Income to Stockholders Equity	*	*			-24,000.5	-252.7	-118.8
20	Corporate Return on Investment	*	*	-79.1	-37.6	-36.1	-29.2	-19.5
21	Debt to Total Investment	*	*	175.8	166.3	152.9	124.7	108.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	76.9	72.0	74.8	73.5	72.4	73.4	73.6
23	Breakeven	84.6	105.7	87.2	92.6	96.8	97.9	96.3
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	82,832	77,711	69,644	50,772	55,599	59,082	78,728
25	Overall RTM's per Employee (000)	37.8	42.5	37.8	37.9	45.0	0.0	167.9
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	3.8	15.2	-3.7	-1.5	-5.5	-7.0	-13.5
27	Operating Expenses (%)	-15.6	16.4	-11.7	-4.1	-10.4	-9.9	-14.6
28	Operating Profit (Loss) (in Millions \$)	823.9	-181.9	1,468.1	462.3	1,116.8	835.8	721.3
29	Net Income (Loss)(in Millions \$)	925.4	-1,239.4	239.6	-1,925.3	-2,153.1	-1,931.2	-1,215.6
30	RPMS (Sch. Svc.) (%)	-0.8	13.0	-5.0	-2.1	-1.6	-2.8	-6.2
31	ASMs (Sch. Svc.) (%)	-7.1	6.2	-6.5	-3.4	-2.3	-5.1	-9.8
32	Operating Revenues per RTM (%)	9.5	1.0	12.1	9.5	-4.6	-5.1	-8.0
33	Operating Expense per RTM (%)	-11.0	2.0	2.8	6.7	-9.5	-8.1	-9.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	3.0	-2.1	-2.9	-4.2	-6.8	-6.9	-8.8

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
System Cargo Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	5,208.3	4,951.8	19,853.0	19,596.4	19,428.5	19,117.3	18,793.1
2	Operating Expenses	4,819.4	4,623.6	19,150.7	18,954.9	18,387.7	18,209.9	17,852.7
3	Operating Profit (Loss)	388.9	328.2	702.3	641.5	1,040.8	907.3	940.4
4	Net Income (Loss)	157.4	160.0	290.2	292.8	523.7	439.9	448.8
<u>TRAFFIC: (Mllions)</u>								
5	RTMs - Scheduled Svc.	3.7	3.7	12.7	12.6	13.1	12.3	11.5
6	ATMs - Scheduled Svc.	5.9	6.0	22.6	22.6	21.4	20.1	18.6
7	Overall RTMs (All Svc.)	3.8	3.7	13.0	12.9	13.9	13.8	13.6
8	Overall ATMs (All Svc.)	5.9	6.0	20.8	20.9	22.7	22.7	22.6
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	138.6	134.5	153.4	152.3	139.6	138.7	137.9
10	Operating Expense per RTM	128.2	125.6	147.9	147.3	132.1	132.1	131.0
11	Operating Profit (Loss) per RTM	10.3	8.9	5.4	5.0	7.5	6.6	6.9
12	Operating Expense per ATM	81.3	76.9	92.1	90.8	81.0	80.1	79.1
13	Passenger Revenue per RPM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	4.61	1.82	1.84	1.83	1.01
15	Times Interest Earned	*	*	5.04	5.68	8.99	8.16	8.10
16	Current Assets to Current Liabilities	*	*	0.96	1.00	1.11	1.10	1.12
17	No. of Days Cash Coverage of Cash Exp.	*	*	4.5	4.2	3.9	3.6	3.6
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	7.5	6.6	3.5	3.3	5.4	4.7	5.0
19	Net Income to Stockholders Equity	*	*	4.7	4.8	8.7	7.5	7.8
20	Corporate Return on Investment	*	*	9.3	3.7	6.0	5.2	3.0
21	Debt to Total Investment	*	*	42.5	44.1	43.8	43.4	23.8
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	62.1	61.1	56.1	55.8	61.0	61.3	61.8
23	All Services	63.4	61.2	62.2	61.6	61.3	60.6	60.4
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	143,213	121,534	126,417	90,723	90,916	91,104	121,639
25	Overall RTM's per Employee (000)	26.2	30.3	102.4	141.8	153.1	151.3	112.0
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	5.2	6.9	5.6	6.1	7.5	7.2	5.1
27	Operating Expenses (%)	4.2	10.8	7.3	8.9	7.3	6.9	5.0
28	Operating Profit (Loss) (in Millions \$)	60.7	-129.8	-238.2	-428.7	108.3	119.0	60.9
29	Net Income (Loss)(in Millions \$)	-2.6	-40.4	-158.6	-196.4	66.1	73.6	-18.1
30	RTMs (All Svc.) (%)	0.8	47.2	10.0	22.1	33.5	33.2	28.8
31	ATMs (All Svc.) (%)	-0.7	47.8	21.2	35.5	34.0	31.5	25.8
32	Operating Revenues per RTM (%)	3.0	-10.6	11.2	7.4	-3.6	-6.7	-9.8
33	Operating Expense per RTM (%)	2.1	-7.4	12.9	10.2	-3.8	-7.0	-9.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Dom. Cgo. Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	3,780.5	3,469.3	14,133.7	13,822.5	13,561.1	13,424.9	13,294.4
2	Operating Expenses	3,534.2	3,299.7	13,760.5	13,526.0	13,024.7	13,005.2	12,873.9
3	Operating Profit (Loss)	246.3	169.6	373.2	296.5	536.4	419.7	420.5
4	Net Income (Loss)	95.3	86.0	132.0	122.7	261.2	189.1	177.9
<u>TRAFFIC: (Millions)</u>								
5	RTMs - Scheduled Svc.	2.3	2.3	8.0	8.0	8.0	7.3	6.6
6	ATMs - Scheduled Svc.	3.9	3.9	14.7	14.8	13.5	12.3	11.0
7	Overall RTMs (All Svc.)	2.4	2.3	8.1	8.0	8.7	8.7	8.6
8	Overall ATMs (All Svc.)	3.9	4.0	13.6	13.6	14.8	14.8	14.8
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	160.8	150.1	175.5	172.4	155.9	154.7	154.1
10	Operating Expense per RTM	150.3	142.7	170.8	168.7	149.7	149.8	149.3
11	Operating Profit (Loss) per RTM	10.5	7.3	4.6	3.7	6.2	4.8	4.9
12	Operating Expense per ATM	90.5	83.6	101.3	99.3	88.0	87.6	87.0
13	Passenger Revenue per RPM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<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	6.5	4.9	2.6	2.1	4.0	3.1	3.2
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	6.9	2.6	4.7	3.7	2.0
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	59.6	58.5	54.1	53.9	59.0	59.4	60.0
23	All Services	60.2	58.6	59.3	58.9	58.8	58.5	58.3
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	9.0	2.2	6.3	4.6	3.4	2.1	-0.4
27	Operating Expenses (%)	7.1	5.7	6.9	6.5	3.2	3.1	1.9
28	Operating Profit (Loss) (in Millions \$)	76.7	-103.0	-47.3	-227.0	35.8	-108.2	-291.5
29	Net Income (Loss)(in Millions \$)	9.2	-38.5	-46.0	-93.7	-56.9	-134.4	-275.0
30	RTMs (All Svc.) (%)	1.1	65.1	20.8	39.5	50.6	50.9	45.6
31	ATMs (All Svc.) (%)	-0.7	65.8	33.7	56.0	52.4	49.2	41.6
32	Operating Revenues per RTM (%)	7.2	-12.4	13.8	8.2	-6.7	-12.7	-17.9
33	Operating Expense per RTM (%)	5.3	-9.4	14.5	10.2	-6.9	-11.9	-16.0
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Int'l Cgo. Majors

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,427.8	1,482.5	5,719.2	6,203.0	5,867.4	5,692.4	5,498.7
2	Operating Expenses	1,285.2	1,323.9	5,390.1	5,823.9	5,362.9	5,204.7	4,978.8
3	Operating Profit (Loss)	142.6	158.6	329.1	379.1	504.5	487.6	520.0
4	Net Income (Loss)	62.1	74.0	158.2	189.2	262.5	250.8	270.8
<u>TRAFFIC: (Millions)</u>								
5	RTMs - Scheduled Svc.	1.4	1.4	4.7	5.1	5.1	5.0	4.9
6	ATMs - Scheduled Svc.	2.0	2.0	7.9	8.6	7.9	7.8	7.6
7	Overall RTMs (All Svc.)	1.4	1.4	4.9	5.3	5.2	5.1	5.0
8	Overall ATMs (All Svc.)	2.0	2.1	7.2	8.2	7.9	7.9	7.8
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	101.4	108.3	116.9	117.4	112.5	111.5	109.9
10	Operating Expense per RTM	91.3	96.7	110.2	110.3	102.8	101.9	99.5
11	Operating Profit (Loss) per RTM	10.1	11.6	6.7	7.2	9.7	9.5	10.4
12	Operating Expense per ATM	63.5	64.1	74.7	71.4	67.7	65.9	64.0
13	Passenger Revenue per RPM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<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	10.0	10.7	5.8	6.1	8.6	8.6	9.5
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	14.2	6.1	8.5	8.3	0.7
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	66.5	66.2	59.6	58.9	64.5	64.3	64.4
23	All Services	69.5	66.3	67.7	64.8	65.9	64.7	64.4
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	-3.7	19.7	4.0	18.1	18.4	21.6	21.2
27	Operating Expenses (%)	-2.9	25.7	8.3	23.7	18.6	17.7	14.0
28	Operating Profit (Loss) (in Millions \$)	-16.0	-26.8	-190.9	-167.7	72.5	227.2	352.4
29	Net Income (Loss)(in Millions \$)	-11.9	-1.9	-112.6	-83.5	122.9	208.0	256.9
30	RTMs (All Svc.) (%)	0.3	24.2	-4.5	9.2	13.3	13.7	11.5
31	ATMs (All Svc.) (%)	-0.7	22.3	3.2	19.1	10.9	10.7	8.3
32	Operating Revenues per RTM (%)	-6.3	-4.1	6.4	5.7	5.1	9.1	11.2
33	Operating Expense per RTM (%)	-5.6	0.8	10.7	10.8	5.2	5.6	4.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
Federal Express Corporation

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	4,412.9	4,222.0	16,806.5	16,615.6	16,435.3	16,192.2	15,941.2
2	Operating Expenses	4,107.6	3,950.1	16,332.7	16,175.2	15,620.1	15,470.8	15,205.0
3	Operating Profit (Loss)	305.2	271.9	473.8	440.5	815.2	721.4	736.2
4	Net Income (Loss)	170.5	156.6	250.2	236.3	451.3	395.1	402.2
<u>TRAFFIC: (Millions)</u>								
5	RTMs - Scheduled Svc.	2.4	2.4	8.5	8.5	9.2	9.1	9.0
6	ATMs - Scheduled Svc.	3.8	3.9	14.8	14.8	14.8	14.8	14.5
7	Overall RTMs (All Svc.)	2.5	2.4	8.7	8.7	9.3	9.2	9.1
8	Overall ATMs (All Svc.)	3.8	3.9	13.6	13.7	14.9	14.9	14.7
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	177.4	173.0	193.0	191.9	176.1	175.3	175.3
10	Operating Expense per RTM	165.1	161.8	187.6	186.8	167.4	167.5	167.2
11	Operating Profit (Loss) per RTM	12.3	11.1	5.4	5.1	8.7	7.8	8.1
12	Operating Expense per ATM	107.8	101.1	120.1	118.1	104.9	103.9	103.1
13	Passenger Revenue per RPM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	6.86	2.79	2.82	2.84	2.87
15	Times Interest Earned	*	*	10.62	11.72	16.19	13.82	12.91
16	Current Assets to Current Liabilities	*	*	1.12	1.16	1.21	1.19	1.19
17	No. of Days Cash Coverage of Cash Exp.	*	*	4.2	4.0	3.5	3.1	3.1
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	6.9	6.4	2.8	2.7	5.0	4.5	4.6
19	Net Income to Stockholders Equity	*	*	4.9	4.7	9.2	8.2	8.6
20	Corporate Return on Investment	*	*	11.9	4.5	8.6	7.8	8.2
21	Debt to Total Investment	*	*	19.7	20.3	17.0	14.6	14.8
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	63.3	62.4	57.2	57.0	61.8	61.8	61.7
23	All Services	65.3	62.5	64.0	63.2	62.7	62.0	61.7
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	134,289	115,635	119,606	86,198	86,441	86,688	115,811
25	Overall RTM's per Employee (000)	18.5	21.1	18.5	14.1	20.5	0.0	78.5
CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER								
26	Operating Revenues (%)	4.5	6.6	5.4	6.0	7.0	6.9	5.1
27	Operating Expenses (%)	4.0	12.2	7.4	9.5	7.4	7.1	5.7
28	Operating Profit (Loss) (in Millions \$)	33.4	-168.0	-262.3	-463.7	-5.6	19.0	-42.3
29	Net Income (Loss)(in Millions \$)	13.9	-38.3	-151.9	-204.1	8.9	18.2	-50.8
30	RTMs (All Svc.) (%)	0.0	13.0	-5.7	-2.7	11.2	17.8	20.5
31	ATMs (All Svc.) (%)	-1.4	9.1	1.7	4.4	9.1	14.0	16.3
32	Operating Revenues per RTM (%)	2.5	-6.1	10.1	7.7	-4.2	-8.6	-12.1
33	Operating Expense per RTM (%)	2.0	-1.1	12.2	11.3	-3.8	-8.4	-11.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW
SYSTEM OPERATIONS
United Parcel Service

ITEMS		QUARTER ENDED		12 MONTHS ENDED				
		2003/12	2002/12	2003/12	2003/09	2003/06	2003/03	2002/12
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	795.5	729.8	3,046.4	2,980.8	2,993.2	2,925.1	2,851.9
2	Operating Expenses	711.8	673.5	2,818.0	2,779.7	2,767.6	2,739.2	2,647.7
3	Operating Profit (Loss)	83.7	56.3	228.4	201.0	225.6	185.9	204.3
4	Net Income (Loss)	-13.1	3.4	39.9	56.5	72.4	44.8	46.6
<u>TRAFFIC: (Millions)</u>								
5	RTMs - Scheduled Svc.	1.3	1.2	4.2	4.2	3.9	3.2	2.6
6	ATMs - Scheduled Svc.	2.1	2.1	7.8	7.8	6.6	5.4	4.1
7	Overall RTMs (All Svc.)	1.3	1.2	4.2	4.2	4.6	4.6	4.5
8	Overall ATMs (All Svc.)	2.1	2.1	7.2	7.2	7.8	7.9	7.8
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	62.6	58.9	71.9	70.8	65.3	64.3	62.9
10	Operating Expense per RTM	56.0	54.3	66.5	66.0	60.4	60.2	58.4
11	Operating Profit (Loss) per RTM	6.6	4.5	5.4	4.8	4.9	4.1	4.5
12	Operating Expense per ATM	33.6	32.0	39.2	38.7	35.4	34.9	33.8
13	Passenger Revenue per RPM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.64	0.62	0.63	0.62	0.22
15	Times Interest Earned	*	*	1.72	2.55	3.23	2.87	2.99
16	Current Assets to Current Liabilities	*	*	0.34	0.39	0.57	0.57	0.70
17	No. of Days Cash Coverage of Cash Exp.	*	*	5.9	5.5	6.7	6.8	7.1
<u>FINANCIAL PERCENTAGES:</u>								
18	Operating Profit (Loss) to Operating Revenue	10.5	7.7	7.5	6.7	7.5	6.4	7.2
19	Net Income to Stockholders Equity	*	*	3.5	5.1	6.6	4.1	4.3
20	Corporate Return on Investment	*	*	5.8	2.6	2.8	2.1	0.7
21	Debt to Total Investment	*	*	74.4	75.5	77.7	77.7	76.3
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	59.9	58.8	54.0	53.7	59.3	60.1	62.1
23	All Services	59.9	58.9	58.9	58.6	58.6	58.0	58.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	8,924	5,899	6,811	4,525	4,475	4,416	5,828
25	Overall RTM's per Employee (000)	142.3	210.2	142.3	127.4	185.2	0.0	778.0
		CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER						
26	Operating Revenues (%)	9.0	8.8	6.8	6.7	10.4	9.2	5.0
27	Operating Expenses (%)	5.7	3.2	6.4	5.8	6.5	5.6	1.3
28	Operating Profit (Loss) (in Millions \$)	27.4	38.2	24.2	35.0	113.8	99.9	103.2
29	Net Income (Loss)(in Millions \$)	-16.5	-2.1	-6.7	7.7	57.1	55.4	32.7
30	RTMs (All Svc.) (%)	2.4	257.8	65.0	151.6	152.2	110.8	69.6
31	ATMs (All Svc.) (%)	0.7	322.6	90.3	211.6	174.5	127.6	77.2
32	Operating Revenues per RTM (%)	6.4	-18.6	14.3	7.0	-0.8	-1.6	-5.2
33	Operating Expense per RTM (%)	3.2	-22.8	13.8	6.1	-4.3	-4.8	-8.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Comparison of Operating Profit (Loss) and Net Income (Loss)
For Individual Passenger and All-Cargo Majors
Quarterly and 12-Month Ended Periods
December 2002 and 2003

Operating Profit (Loss) (\$Millions)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	12/2002	12/2003	\$Chg	12/2002	12/2003	\$Chg
System Passenger Majors	(2,899.3)	(724.9)	2,174.4	(9,572.0)	(4,144.9)	5,427.1
Alaska	(53.0)	(25.6)	27.4	(80.8)	(18.4)	62.4
America West	(38.5)	9.7	48.2	(164.2)	23.9	188.0
American	(708.4)	(305.5)	402.9	(3,312.9)	(1,444.0)	1,868.9
American Eagle	25.0	61.8	36.9	(50.2)	176.5	226.7
American Trans Air	(43.7)	(17.5)	26.2	(140.8)	14.2	154.9
Continental	(90.9)	(11.0)	79.9	(480.8)	29.7	510.4
Delta	(244.6)	(202.7)	41.9	(1,035.4)	(1,157.2)	(121.8)
Northwest	(559.1)	(14.2)	544.9	(783.5)	(276.5)	506.9
Southwest	87.6	110.9	23.4	417.6	482.1	64.5
United	(1,081.5)	(257.6)	823.9	(3,021.8)	(1,553.7)	1,468.1
US Airways	(192.1)	(73.2)	118.9	(919.3)	(421.3)	498.0
System Cargo Majors	328.2	388.9	60.7	940.4	702.3	(238.2)
Federal Express	271.9	305.2	33.4	736.2	473.8	(262.3)
UPS	56.3	83.7	27.4	204.3	228.4	24.2
System Total Majors	(2,571.1)	(336.0)	2,235.1	(8,631.6)	(3,442.6)	5,188.9

Net Income (Loss) (\$Millions)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	12/2002	12/2003	\$Chg	12/2002	12/2003	\$Chg
System Passenger Majors	(4,081.6)	(513.9)	3,567.6	(11,491.6)	(2,774.0)	8,717.6
Alaska	(50.6)	(23.2)	27.5	(75.0)	(1.9)	73.1
America West	(53.1)	0.5	53.6	(377.0)	44.8	421.8
American	(727.6)	(129.7)	597.8	(3,495.7)	(1,318.5)	2,177.2
American Eagle	(6.2)	21.3	27.5	(118.5)	60.3	178.8
American Trans Air	(52.4)	(16.1)	36.3	(169.4)	13.2	182.6
Continental	(108.6)	47.1	155.7	(451.0)	38.2	489.2
Delta	(351.2)	(356.1)	(4.9)	(1,295.0)	(895.6)	399.4
Northwest	(440.9)	595.3	1,036.2	(766.4)	478.1	1,244.5
Southwest	42.4	65.8	23.4	241.0	441.6	200.7
United	(1,555.3)	(629.9)	925.4	(3,325.8)	(3,086.2)	239.6
US Airways	(778.0)	(89.0)	689.0	(1,658.8)	1,452.1	3,110.9
System Cargo Majors	160.0	157.4	(2.6)	448.8	290.2	(158.6)
Federal Express	156.6	170.5	13.9	402.2	250.2	(151.9)
UPS	3.4	(13.1)	(16.5)	46.6	39.9	(6.7)
System Total Majors	(3,921.5)	(356.5)	3,565.0	(11,042.8)	(2,483.8)	8,559.0

**Comparison of Passenger Load Factors and Passenger Yields
For Individual Passenger and All-Cargo Majors
Quarterly and 12-Month Ended Periods
December 2002 and 2003**

Passenger Load Factor (Percent)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	12/2002	12/2003	Pt.Chg.	12/2002	12/2003	Pt.Chg.
System Passenger Majors	70.5	73.1	2.7	72.2	73.7	1.4
Alaska	66.5	69.5	3.0	68.1	70.0	1.8
America West	73.2	75.5	2.3	73.6	76.4	2.7
American	69.8	71.6	1.8	70.7	72.8	2.1
American Eagle	62.8	66.1	3.2	63.1	65.1	1.9
American Trans Air	67.7	66.7	(0.9)	73.0	72.3	(0.7)
Continental	71.5	75.6	4.2	74.2	75.9	1.7
Delta	71.8	73.5	1.7	72.5	74.3	1.9
Northwest	74.4	77.7	3.3	77.1	77.3	0.2
Southwest	63.0	63.8	0.7	65.9	66.8	0.9
United	72.0	76.9	4.9	73.6	74.8	1.2
US Airways	68.3	72.7	4.4	71.0	73.3	2.2
System Cargo Majors	-	-	-	-	-	-
Federal Express	-	-	-	-	-	-
UPS	-	-	-	-	-	-
System Total Majors	70.5	73.1	2.7	72.2	73.7	1.4

Scheduled Passenger Yield (Cents)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	12/2002	12/2003	Pct.Chg.	12/2002	12/2003	Pct.Chg.
System Passenger Majors	11.4	11.6	1.7	11.4	11.5	0.1
Alaska	12.1	12.3	1.7	12.3	12.3	(0.3)
America West	9.7	9.9	1.3	9.7	9.9	2.5
American	11.7	12.1	3.4	11.9	11.9	0.1
American Eagle	29.8	25.6	(14.1)	31.3	26.5	(15.3)
American Trans Air	8.6	8.6	0.2	8.7	8.5	(2.5)
Continental	11.7	11.4	(2.2)	11.6	11.5	(0.2)
Delta	11.9	11.6	(2.5)	11.4	11.7	2.1
Northwest	10.8	11.6	7.1	10.8	11.1	3.3
Southwest	12.0	12.3	2.3	11.5	11.7	1.5
United	10.0	10.3	3.0	10.5	10.2	(2.9)
US Airways	13.4	13.4	0.6	13.1	13.1	0.0
System Cargo Majors	-	-	-	-	-	-
Federal Express	-	-	-	-	-	-
UPS	-	-	-	-	-	-
System Total Majors	11.4	11.6	1.7	11.4	11.5	0.1

**Comparison of Operating Profit Margin, Debt-to-Investment and Total Debt
For Individual Passenger and All-Cargo Majors
Quarterly and 12-Month Ended Periods
December 2002 and 2003**

Operating Profit Margin (Percent)						
Group/Carrier	Quarterly Data			12 Month Ended Data		
	12/2002	12/2003	Pt. Chg	12/2002	12/2003	Pt. Chg.
System Passenger Majors	(15.4)	(3.5)	11.9	(12.4)	(5.1)	7.3
Alaska	(12.3)	(5.2)	7.2	(4.4)	(0.9)	3.5
America West	(7.5)	1.7	9.2	(8.1)	1.1	9.2
American	(18.5)	(7.0)	11.6	(20.9)	(8.3)	12.6
American Eagle	8.5	20.6	12.1	(4.2)	15.6	19.8
American Trans Air	(15.7)	(5.2)	10.5	(12.2)	1.0	13.3
Continental	(5.1)	(0.6)	4.5	(6.5)	0.4	6.9
Delta	(8.0)	(5.6)	2.4	(8.3)	(8.1)	0.2
Northwest	(24.7)	(0.6)	24.1	(8.6)	(3.0)	5.6
Southwest	6.3	7.3	1.1	7.6	8.1	0.6
United	(32.1)	(7.4)	24.7	(21.7)	(11.6)	10.1
US Airways	(12.0)	(4.2)	7.8	(13.3)	(6.2)	7.1
System Cargo Majors	6.6	7.5	0.8	5.0	3.5	(1.5)
Federal Express	6.4	6.9	0.5	4.6	2.8	(1.8)
UPS	7.7	10.5	2.8	7.2	7.5	0.3
System Total Majors	(10.8)	(1.3)	9.5	(9.0)	(3.4)	5.6

Group/Carrier	Debt To Investment (Percent)			Total Debt (\$Millions)		
	Quarterly Data			Quarterly Data		
	12/2002	12/2003	Pt.Chg.	12/2002	12/2003	\$ Chg.
System Passenger Majors	87.3	90.7	3.4	54,708.3	55,630.3	922.0
Alaska	61.4	58.2	(3.2)	905.3	963.5	58.2
America West	71.1	69.4	(1.7)	735.2	804.8	69.6
American	86.0	96.9	10.9	10,779.8	10,863.2	83.4
American Eagle	100.0	97.3	(2.7)	2,927.2	3,303.0	375.8
American Trans Air	140.1	136.7	(3.5)	509.4	494.7	(14.7)
Continental	88.2	88.3	0.1	5,708.9	5,980.2	271.3
Delta	88.9	105.0	16.0	9,638.9	10,550.4	911.5
Northwest	72.1	69.1	(3.0)	6,723.9	7,678.8	954.8
Southwest	27.6	23.3	(4.2)	1,683.2	1,538.1	(145.2)
United	108.2	175.8	67.6	11,146.2	10,513.4	(632.8)
US Airways	314.4	97.1	(217.3)	3,950.1	2,940.2	(1,009.9)
System Cargo Majors	42.3	42.5	0.2	4,421.8	4,715.3	293.5
Federal Express	14.8	19.7	4.9	857.0	1,272.5	415.5
UPS	76.3	74.4	(1.9)	3,564.8	3,442.9	(121.9)
System Total Majors	80.9	83.3	2.4	59,130.1	60,345.6	1,215.6

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	$\frac{\text{Operating revenues (Account 4999)}}{\text{Overall revenue ton-miles (Item Z-240)}}$
10	Operating expense per revenue ton-mile	$\frac{\text{Operating expenses (Account 7199)}}{\text{Overall revenue ton-miles (Item Z-240)}}$
11	Operating profit per revenue ton-mile	$\frac{\text{Operating profit (Account 7999)}}{\text{Overall revenue ton-miles (Item Z-240)}}$
12	Operating expense per available ton-mile	$\frac{\text{Operating expenses (Account 7199)}}{\text{Overall available ton-miles (Item Z-280)}}$
13	Passenger revenue per revenue passenger-mile (scheduled service)	$\frac{\text{Passenger revenues (scheduled service) (Account 3901)}}{\text{Total revenue passenger-miles (scheduled service) (Item K-140)}}$
14	Operating revenues to total investment	$\frac{\text{Operating revenue (Account 4999)}}{\text{Total investment (See line 20)}}$
15	Times interest earned	$\frac{\text{Income Before income taxes (Account 8999) + interest on long-term debt and capital leases (Account 8181) + Other interest expense (Account 8182)}}{\text{Interest on long-term debt and capital leases (Account 8181) + Other interest expense (Account 8182)}}$
16	Current assets to current liabilities	$\frac{\text{Current assets (Account 1499)}}{\text{Current liabilities (Account 2199)}}$
17	Number of days coverage of cash operating expenses	$\frac{\text{Cash (Account 1010) + short-term investments (Account 1100)}}{[\text{Total operating expenses (Account 7199) less depreciation and amortization (Account 7000)}]/365}$
18	Operating Profit to operating revenues	$\frac{\text{Operating profit (Account 7999)}}{\text{Operating revenues (Account 4999)}}$
19	Net income to stockholders' equity	$\frac{\text{Net income (Account 9999)}}{\text{Stockholders' equity (Account 2995) (5 Quarter average)}}$

EXPLANATION OF LINE ITEMS

LINE #	DESCRIPTION OF LINE ITEM	DERIVATION OF LINE ITEM
20	Overall corporate rate of return	Net income plus interest expense Total investment 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). 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).
21	Debt to total investment (end of period)	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) Total investment (See line 20)
22	Actual passenger load factor (scheduled service)	Revenue passenger-miles (scheduled service (Item K-140) Available seat-miles (scheduled service (Item K-280)
23	Operating breakeven load factor (scheduled service)	Capacity operating expense, scheduled service (passenger) [Scheduled passenger revenue (Account 3901) - Traffic operating expense, passenger scheduled service] / Actual passenger load factor, scheduled service
24	Difference, actual-breakeven load factor	Actual (Line 22) - Breakeven (Line 23)
25	Employees	Number of full time employees (Average for 12-month ended period)
26	Overall revenue ton-miles per employee	Overall revenue ton-miles (Item Z-240) Average # of employees (See Line 25)