

AMERICAN AIRLINES, INC., AND CONSOLIDATED SUBSIDIARY

FINANCIAL STATEMENTS

NOVEMBER 30, 1951

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CONSOLIDATED BALANCE SHEETS

AT NOVEMBER 30, 1951 AND OCTOBER 31, 1951

ASSETS

| | Nov. 30, 1951 | Oct. 31, 1951 |
|---|----------------------|----------------------|
| CURRENT ASSETS: | | |
| Cash | \$ 14,891,688 | \$ 15,994,977 |
| U. S. Government securities (short term), at cost | 31,270,832 | 29,656,778 |
| Accounts receivable, less reserve | 23,689,196 | 23,577,953 |
| Inventories of materials and supplies, at the lower of cost or market | 1,262,397 | 1,159,259 |
| Prepaid insurance, rents, etc. | 821,446 | 836,945 |
| Total current assets | \$ 71,935,561 | \$ 71,225,914 |
| INVESTMENTS AND SPECIAL FUNDS, AT COST: | | |
| Funds for equipment additions and replacements | | |
| Deposits | \$ - | \$ 600,000 |
| U. S. Government securities | 2,900,000 | 6,500,000 |
| | \$ 2,900,000 | \$ 7,100,000 |
| Investments in and advances to subsidiary not consolidated | 900,000 | 900,000 |
| Special deposits | 148,368 | 147,014 |
| Miscellaneous investments | 519,137 | 509,440 |
| | \$ 4,467,505 | \$ 8,656,455 |
| FLIGHT EQUIPMENT, AT COST | | |
| Less: Reserve for obsolescence and depreciation | \$ 91,870,062 | \$ 88,169,570 |
| | 35,304,956 | 34,351,674 |
| | \$ 56,565,105 | \$ 53,817,895 |
| LAND, BUILDINGS AND OTHER EQUIPMENT, AT COST | | |
| Less: Reserve for depreciation | \$ 20,304,763 | \$ 20,085,099 |
| | 9,513,382 | 9,417,268 |
| | \$ 10,791,381 | \$ 10,667,830 |
| DEFERRED CHARGES: | | |
| Unamortized debenture discount and expense | \$ 395,475 | \$ 398,005 |
| Long-term prepayments, etc. | 2,418,065 | 2,409,843 |
| | \$ 2,813,541 | \$ 2,807,848 |
| | \$146,573,095 | \$147,175,945 |

LIABILITIES, CAPITAL STOCK AND SURPLUS

| | Nov. 30, 1951 | Oct. 31, 1951 |
|---|----------------------|----------------------|
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 19,147,208 | \$ 17,518,281 |
| Dividends declared | 1,614,271 | 1,963,958 |
| Accrued salaries and wages | 2,624,161 | 2,951,531 |
| Accrued Federal taxes on income (less U. S. Government savings notes: Nov. - \$14,982,707; Oct. - \$13,000,000) | 4,520,563 | 6,233,271 |
| Other accrued liabilities | 2,849,125 | 2,731,395 |
| Air travel plan subscribers' deposits | 5,961,900 | 5,887,640 |
| Unearned transportation revenue | 3,049,711 | 3,392,028 |
| Total current liabilities | \$ 39,766,942 | \$ 40,678,108 |
| 3% SINKING FUND DEBENTURES, due June 1, 1966 (sinking fund requirements - \$1,350,000 per year commencing June 1, 1954) | \$ 35,950,000 | \$ 35,950,000 |
| Less: Debentures repurchased | 5,950,000 | 5,950,000 |
| | \$ 30,000,000 | \$ 30,000,000 |
| | \$ 30,000,000 | \$ 30,000,000 |
| | Number | |
| | Of Shares | |
| CAPITAL STOCK: | | |
| Preferred stock, par value \$100 per share: | | |
| Authorized | 600,000 | |
| Issued and outstanding (3½% cumulative convertible) | 400,000 | \$ 40,000,000 |
| Common stock, par value \$1 per share: | | |
| Authorized | 12,000,000 | |
| Issued and outstanding (Oct. - 6,455,835) | 6,457,085 | 6,457,085 |
| Reserved: | | |
| For conversion of 3½% cumulative convertible preferred stock | 1,904,762 | |
| For exercise of options (Oct. - 247,000) | 245,750 | 6,455,835 |
| SURPLUS: (Per accompanying statement - Page 1A) | | |
| Paid-in | 6,205,128 | 6,191,753 |
| Earned | 24,143,939 | 23,850,248 |
| | \$146,573,095 | \$147,175,945 |

STATEMENT OF SURPLUS

AT NOVEMBER 30, 1951

Paid-in Surplus

| | |
|---|--------------------|
| Balance at beginning of year | \$6,159,653 |
| Representing the excess over par value of the proceeds from the sale of common stock upon the exercise of option. | <u>45,475</u> |
| Total Paid-in Surplus | <u>\$6,205,128</u> |

Earned Surplus

| | |
|---|---------------------|
| Balance at beginning of year | \$17,718,077 |
| Add: Net profit - year to date | <u>11,054,092</u> |
| | <u>\$28,772,169</u> |
| Deduct: Dividends paid on preferred stock | \$ 1,400,000 |
| Dividends paid and declared on common stock | <u>3,228,230</u> |
| | <u>\$ 4,628,230</u> |
| Total Earned Surplus | <u>\$24,143,939</u> |

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FOR THE MONTHS OF NOVEMBER 1951, OCTOBER 1951 AND NOVEMBER 1950
AND THE ELEVEN MONTHS ENDED NOVEMBER 30, 1951 AND NOVEMBER 30, 1950

| | Cents Per Rev. Ton Mile | | Cents Per Rev. Ton Mile | | Cents Per Rev. Ton Mile | | Cents Per Rev. Ton Mile | | Cents Per Rev. Ton Mile | |
|---|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|---------------|-------------------------|---------------|
| | Nov. 1951 | Nov. 1951 | Oct. 1951 | Oct. 1951 | Nov. 1950 | Nov. 1950 | Nov. 30, 1951 | Nov. 30, 1951 | Nov. 30, 1950 | Nov. 30, 1950 |
| OPERATING REVENUE: | | | | | | | | | | |
| Passenger | \$11,269,371 | 57.0 | \$13,255,087 | 58.7 | \$ 8,514,044 | 57.1 | \$130,042,633 | 58.1 | \$ 90,934,921 | 57.6 |
| Mail | 708,483 | 45.8 | 652,828 | 45.9 | 597,421 | 61.3 | 5,986,838 | 44.6 | 5,691,612 | 64.5 |
| Express | 271,224 | 37.9 | 258,680 | 32.7 | 299,925 | 35.3 | 2,961,633 | 36.7 | 2,204,515 | 34.4 |
| Freight | 697,758 | 21.1 | 721,232 | 21.2 | 672,856 | 19.4 | 6,949,279 | 20.8 | 6,532,934 | 19.9 |
| Excess baggage | 121,272 | 56.6 | 132,285 | 56.6 | 89,315 | 56.1 | 1,331,183 | 55.9 | 1,101,172 | 56.0 |
| Charter and special - passenger | - | - | - | - | 28,990 | 37.8 | 136,809 | 42.5 | 227,141 | 38.0 |
| Charter and special - freight | - | - | - | - | 2,697 | 30.7 | - | - | 42,585 | 31.0 |
| Incidental revenue | 42,606 | - | 39,675 | - | 86,962 | - | 973,601 | - | 709,568 | - |
| Total Operating Revenue | \$13,110,716 | 51.3 | \$15,059,790 | 53.0 | \$10,292,213 | 50.3 | \$148,381,977 | 52.7 | \$107,444,451 | 51.5 |
| OPERATING EXPENSES: | | | | | | | | | | |
| Flying operations | \$ 3,196,071 | 12.5 | \$ 3,074,388 | 10.8 | \$ 2,187,025 | 10.7 | \$ 31,525,604 | 11.2 | \$ 22,483,731 | 10.8 |
| Flight equipment maintenance - direct | 2,077,546 | 8.1 | 2,046,770 | 7.2 | 923,879 | 4.5 | 16,936,214 | 6.0 | 11,505,728 | 5.5 |
| Depreciation - flight equipment | 1,100,515 | 4.3 | 1,132,604 | 4.0 | 733,570 | 3.6 | 11,093,859 | 4.0 | 8,240,031 | 3.9 |
| Total Flying Expenses | \$ 6,374,133 | 24.9 | \$ 6,253,763 | 22.0 | \$ 3,844,474 | 18.8 | \$ 59,555,678 | 21.2 | \$ 42,229,491 | 20.2 |
| Ground operations | \$ 1,718,119 | 6.7 | \$ 1,638,059 | 5.8 | \$ 1,255,122 | 6.1 | \$ 16,588,589 | 5.9 | \$ 13,227,614 | 6.3 |
| Ground and indirect maintenance | 920,703 | 3.6 | 938,713 | 3.3 | 685,645 | 3.4 | 8,865,056 | 3.2 | 7,129,120 | 3.4 |
| Passenger service | 812,122 | 3.2 | 850,498 | 3.0 | 538,606 | 2.6 | 8,191,776 | 2.9 | 5,888,684 | 2.8 |
| Traffic and sales | 1,191,693 | 4.7 | 1,159,411 | 4.1 | 879,942 | 4.3 | 11,528,420 | 4.1 | 8,868,574 | 4.3 |
| Advertising and publicity | 241,045 | .9 | 324,385 | 1.1 | 261,519 | 1.3 | 2,634,275 | .9 | 2,491,121 | 1.2 |
| Social security taxes, retirement benefit plan, etc. | 474,987 | 1.9 | 246,191 | .9 | 91,966 | .5 | 3,304,848 | 1.2 | 1,849,313 | .9 |
| General and administrative | 587,675 | 2.3 | 575,834 | 2.0 | 432,078 | 2.1 | 5,744,118 | 2.0 | 4,179,662 | 2.0 |
| Depreciation - ground property and equipment | 129,120 | .5 | 123,865 | .4 | 127,396 | .6 | 1,357,992 | .5 | 1,413,827 | .7 |
| Loss on retirement of equipment | 106,758 | .4 | 110,175 | .4 | - | - | 1,533,379 | .5 | - | - |
| Total Ground Expenses | \$ 6,182,228 | 24.2 | \$ 5,967,135 | 21.0 | \$ 4,272,277 | 20.9 | \$ 59,748,456 | 21.2 | \$ 45,047,916 | 21.6 |
| Total Operating Expenses | \$12,556,362 | 49.1 | \$12,220,899 | 43.0 | \$ 8,116,752 | 39.7 | \$119,304,134 | 42.4 | \$ 87,277,408 | 41.8 |
| Net Operating Income | \$ 554,354 | 2.2 | \$ 2,838,891 | 10.0 | \$ 2,175,460 | 10.6 | \$ 29,077,842 | 10.3 | \$ 20,167,043 | 9.7 |
| Income deductions (net): | | | | | | | | | | |
| Interest expense | \$ 75,001 | .3 | \$ 75,318 | .3 | \$ 89,879 | .4 | \$ 825,685 | .3 | \$ 989,285 | .5 |
| Other - net | 84,651 | .3 | 25,224 | .1 | 55,576 | .3 | 481,934 | .2 | 127,590 | .1 |
| Total Income Deductions (net) | \$ 9,649 | - | \$ 50,093 | .2 | \$ 34,302 | .1 | \$ 343,750 | .1 | \$ 861,694 | .4 |
| Income before Federal taxes | \$ 564,004 | 2.2 | \$ 2,788,797 | 9.8 | \$ 2,141,157 | 10.5 | \$ 28,734,092 | 10.2 | \$ 19,305,348 | 9.3 |
| Provision for Federal taxes | 270,000 | 1.1 | 1,650,000 | 5.8 | 980,000 | 4.8 | 17,680,000 | 6.3 | 9,540,000 | 4.6 |
| Income before extraordinary item | \$ 294,004 | 1.1 | \$ 1,138,797 | 4.0 | \$ 1,161,157 | 5.7 | \$ 11,054,092 | 3.9 | \$ 9,765,348 | 4.7 |
| Loss on investment in American Overseas Airlines, Inc. | - | - | - | - | - | - | - | - | 922,728 | .5 |
| NET PROFIT CARRIED TO SURPLUS | \$ 294,004 | 1.1 | \$ 1,138,797 | 4.0 | \$ 1,161,157 | 5.7 | \$ 11,054,092 | 3.9 | \$ 8,842,620 | 4.2 |
| EARNINGS PER SHARE (AFTER PREFERRED DIVIDENDS) | | | | | | | | | | |
| OPERATING EXPENSES PER AVAILABLE TON MILE | 31.4 | | 28.6 | | 26.8 | | \$1.49 | | \$1.15 | |
| REVENUE TON MILES FLOWN | 25,533,899 | | 28,410,715 | | 20,441,773 | | 281,489,834 | | 208,589,941 | |
| PERCENT WEIGHT LOAD FACTOR | 63.9 | | 66.4 | | 67.3 | | 68.5 | | 65.9 | |
| REVENUE PASSENGERS CARRIED | 388,563 | | 461,132 | | 311,138 | | 4,554,292 | | 3,222,194 | |
| REVENUE PASSENGER MILES FLOWN | 204,210,957 | | 239,426,069 | | 154,066,003 | | 2,346,186,771 | | 1,645,873,876 | |
| PERCENT PASSENGER LOAD FACTOR | 68.0 | | 73.3 | | 68.6 | | 74.4 | | 69.0 | |
| PERCENT OPERATING FACTOR | 96.4 | | 97.0 | | 98.6 | | 98.3 | | 98.4 | |

Notes - Federal taxes on income accrued at 50-3/4% for normal and surtax and 30% for excess profits tax. Last year's figures restated to reflect actual loss on investment in American Overseas Airlines, Inc. and Federal taxes in accordance with the 1950 Revenue Act.

COMPARATIVE STATEMENT OF PROFIT AND LOSS ON ROUTE FAM 26

FORT WORTH-DALLAS-MEXICO CITY-EL PASO-MEXICO CITY

FOR THE MONTHS OF OCTOBER 1951, SEPTEMBER 1951 AND OCTOBER 1950

AND THE TEN MONTHS ENDING OCTOBER 31, 1951 & OCTOBER 31, 1950

| | Division of Expenses | | Oct. 1951 | Sept. 1951 | Oct. 1950 | Ten Months Ended Oct. 31, 1951 | Ten Months Ended Oct. 31, 1950 |
|--|-----------------------------|---|------------------|------------------|------------------|--------------------------------|--------------------------------|
| | Expenses Incurred In Mexico | Direct Charges Supervision & Allocation of Joint Expenses | | | | | |
| OPERATING REVENUES: | | | | | | | |
| Passenger | | | \$328,071 | \$329,249 | \$278,741 | \$3,553,807 | \$2,872,461 |
| Mail- U. S. Government | | | 10,836 | 9,450 | 8,670 | 98,146 | 74,466 |
| Mail- Foreign | | | 11,552 | 8,311 | 5,429 | 85,093 | 54,617 |
| Express | | | 300 | 390 | 426 | 2,997 | 3,565 |
| Freight | | | 34,071 | 24,368 | 25,431 | 280,617 | 226,570 |
| Excess baggage | | | 5,235 | 5,154 | 4,282 | 55,587 | 44,001 |
| Charter & special | | | - | - | - | - | 3,810 |
| Incid. rev.- Mexican handling, val. chgs. & delivery-net | | | 8,887 | 681 | 7,909 | 48,554 | 50,151 |
| Incid. rev.- Other | | | 7,292 | 6,742 | 5,869 | 61,497 | 57,528 |
| Total Operating Revenues | | | \$406,249 | \$384,348 | \$336,760 | \$4,186,302 | \$3,387,172 |
| OPERATING EXPENSES: | | | | | | | |
| Flying operations | \$ 34,955 | \$ 81,139 | \$116,094 | \$124,290 | \$ 85,199 | \$1,187,300 | \$ 899,526 |
| Flight equipment maintenance- direct | - | 52,149 | 52,149 | 57,507 | 28,892 | 515,755 | 390,416 |
| Depreciation- flight equipment | - | 38,228 | 38,228 | 43,132 | 24,609 | 366,276 | 283,524 |
| Total Flying Expenses | \$ 34,955 | \$171,516 | \$206,471 | \$224,930 | \$138,701 | \$2,069,333 | \$1,573,467 |
| Ground operations | \$ 27,347 | \$ 22,451 | \$ 49,799 | \$ 43,613 | \$ 37,961 | \$ 461,563 | \$ 372,843 |
| Ground and indirect maintenance | 13,243 | 14,465 | 27,709 | 24,960 | 24,485 | 251,785 | 231,014 |
| Passenger service | 6,050 | 21,285 | 27,335 | 28,742 | 21,688 | 278,291 | 229,167 |
| Traffic and sales | 9,299 | 24,091 | 33,391 | 33,419 | 27,665 | 354,354 | 322,385 |
| Advertising and publicity | 5,200 | - | 5,200 | 6,008 | 5,406 | 54,293 | 45,013 |
| General and administrative | 18,834 | 10,888 | 29,723 | 29,068 | 24,586 | 281,354 | 227,811 |
| Depreciation- ground property & equipment | 5,921 | 938 | 6,860 | 7,215 | 10,119 | 94,180 | 101,876 |
| Total Ground Expenses | \$ 85,898 | \$ 94,120 | \$180,019 | \$173,027 | \$151,913 | \$1,775,823 | \$1,530,112 |
| Total Operating Expenses | \$120,853 | \$265,637 | \$386,491 | \$397,958 | \$290,615 | \$3,845,156 | \$3,103,580 |
| Net Operating Income or Loss | | | \$ 19,757 | \$ 13,609 | \$ 46,145 | \$ 341,146 | \$ 283,592 |
| Non Operating Income or Expense | | | | | | | |
| Profit or loss on sale of equipment | | | \$ 3,111 | \$ 8,601 | \$ 6 | \$ 33,855 | \$ 7,214 |
| Foreign exchange profit or loss | | | 27 | 72 | 75 | 3,170 | 342 |
| Other deductions | | | 660 | - | 506 | 1,744 | 600 |
| Total Deductions | | | \$ 2,478 | \$ 8,673 | \$ 588 | \$ 38,770 | \$ 6,271 |
| Net Profit or Loss before Taxes | | | \$ 22,235 | \$ 4,936 | \$ 46,733 | \$ 302,375 | \$ 277,321 |
| Prior years taxes | | | - | - | - | - | 43,960 |
| Republic of Mexico income tax | | | - | - | - | 485 | - |
| NET PROFIT OR LOSS | | | \$ 22,235 | \$ 4,936 | \$ 46,733 | \$ 301,890 | \$ 233,360 |
| OPERATING EXPENSES PER AVAILABLE TON MILE | | | | | | | |
| REVENUE TON MILES FLOWN | | | 24.3 | 25.0 | 22.3 | 24.2 | 24.8 |
| PERCENT WEIGHT LOAD FACTOR | | | 905,328 | 862,492 | 748,746 | 9,275,051 | 7,429,048 |
| REVENUE PASSENGERS CARRIED | | | 56.8 | 54.1 | 59.3 | 58.4 | 59.6 |
| REVENUE PASSENGER MILES FLOWN | | | 9,457 | 9,471 | 7,686 | 97,211 | 75,312 |
| PERCENT PASSENGER LOAD FACTOR | | | 6,889,000 | 6,914,000 | 5,665,000 | 72,701,000 | 57,616,000 |
| PERCENT OPERATING FACTOR | | | 56.7 | 58.0 | 62.2 | 59.7 | 61.3 |
| | | | 99.6 | 100.0 | 100.0 | 99.9 | 98.4 |

PASSENGER, MAIL, EXPRESS AND AIRFREIGHT STATISTICS

For the Months of November 1951, October 1951 and November 1950
And the Eleven Months Ended November 30, 1951 and November 30, 1950

| | <u>Nov. 1951</u> | | <u>Oct. 1951</u> | | <u>Nov. 1950</u> | | <u>Eleven Months Ended Nov. 30, 1951</u> | | <u>Eleven Months Ended Nov. 30, 1950*</u> | |
|--|---------------------|--|------------------|--|------------------|--|--|--|---|--|
| | Revenue Miles Flown | | | | | | | | | |
| DC-6 Standard | 2,902,996 | | 3,151,356 | | 2,695,002 | | 32,931,698 | | 28,243,125 | |
| DC-6B | 875,935 | | 785,960 | | - | | 4,740,260 | | - | |
| DC-6 Coach | 304,597 | | 316,929 | | 176,547 | | 2,742,063 | | - | |
| Convair | 2,458,714 | | 2,762,347 | | 2,116,282 | | 28,140,663 | | 22,573,771 | |
| DC-4AF | 192,127 | | 222,712 | | 253,319 | | 2,266,734 | | - | |
| Total Rev. Miles | 6,734,369 | | 7,239,304 | | 5,241,150 | | 70,821,418 | | 55,197,448 | |
| Total Miles Flown | 6,849,277 | | 7,364,116 | | 5,324,241 | | 72,286,962 | | 55,996,395 | |
| Rev. Psgrs. Carried | 388,563 | | 461,132 | | 311,138 | | 4,554,292 | | 3,222,194 | |
| Rev. Psgr Miles | | | | | | | | | | |
| DC-6 Standard | 98,110,595 | | 118,267,118 | | 91,872,424 | | 1,265,556,684 | | 990,647,376 | |
| DC-6B | 30,253,855 | | 30,226,048 | | - | | 184,782,109 | | - | |
| DC-6 Coach | 15,297,707 | | 17,568,915 | | 9,276,002 | | 161,195,580 | | - | |
| Convair | 60,548,800 | | 73,363,988 | | 52,917,577 | | 734,652,398 | | 560,414,303 | |
| Total | 204,210,957 | | 239,426,069 | | 154,066,003 | | 2,346,186,771 | | 1,645,873,876 | |
| Seat Miles Operated | | | | | | | | | | |
| DC-6 Standard | 146,018,226 | | 160,507,665 | | 134,296,556 | | 1,671,137,282 | | 1,421,692,439 | |
| DC-6B | 44,146,069 | | 40,343,017 | | - | | 243,478,462 | | - | |
| DC-6 Coach | 19,726,424 | | 21,648,882 | | 11,873,047 | | 184,803,142 | | - | |
| Convair | 90,437,527 | | 104,161,439 | | 78,479,641 | | 1,052,511,569 | | 842,502,109 | |
| Total | 300,328,246 | | 326,661,003 | | 224,649,244 | | 3,151,930,455 | | 2,384,150,084 | |
| Psgr. Load Factor | | | | | | | | | | |
| DC-6 Standard | 67.2 | | 73.7 | | 68.4 | | 75.7 | | 69.7 | |
| DC-6B | 68.5 | | 74.9 | | - | | 75.9 | | - | |
| DC-6 Coach | 77.4 | | 81.2 | | 78.1 | | 83.9 | | 88.4 | |
| Convair | 67.0 | | 70.4 | | 67.4 | | 69.8 | | 66.5 | |
| System | 68.0 | | 73.3 | | 68.6 | | 74.4 | | 69.0 | |
| Ton Miles Flown | | | | | | | | | | |
| Mail | 1,545,837 | | 1,421,451 | | 974,919 | | 13,428,612 | | 8,822,551 | |
| Express | 714,491 | | 791,977 | | 850,162 | | 8,074,968 | | 6,413,921 | |
| Freight | 3,293,659 | | 3,402,699 | | 3,464,129 | | 33,444,394 | | 32,870,154 | |
| Payload Rev. Avg. Load Carried per Mile (lbs.) | 7.583 | | 7.849 | | 7.794 | | 7.948 | | 7.553 | |
| Weight Load Factor | 63.9 | | 66.4 | | 67.3 | | 68.5 | | 65.9 | |
| Operating Factor | 96.4 | | 97.0 | | 98.6 | | 98.3 | | 98.4 | |

| <u>Air</u> | | <u>Air</u> | | <u>Air</u> | | <u>Air</u> | | <u>Air</u> | |
|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|
| <u>Borne</u> | <u>R.R.</u> | <u>Borne</u> | <u>R.R.</u> | <u>Borne</u> | <u>R.R.</u> | <u>Borne</u> | <u>R.R.</u> | <u>Borne</u> | <u>R.R.</u> |

Daily Utilization

| | | | | | | | | | | |
|---------|------|-------|------|-------|------|------|------|------|------|------|
| DC-6 | 9:56 | 10:10 | 9:20 | 10:16 | 8:01 | 8:47 | 8:59 | 9:50 | 7:26 | 8:09 |
| DC-6B | 9:02 | 9:50 | 8:48 | 9:39 | - | - | 8:50 | 8:58 | - | - |
| Convair | 5:54 | 7:10 | 6:08 | 7:24 | 5:03 | 6:05 | 5:46 | 7:02 | 4:53 | 5:54 |
| DC-4AF | 5:12 | 5:45 | 5:40 | 6:23 | 4:44 | 5:28 | 5:03 | 5:39 | 3:53 | 4:23 |

* DC-4 Statistics Included In Totals

Statement of Flight Equipment
Including Spare Engines, Propellers, Radio and Spares

AT NOVEMBER 30, 1951

| <u>Type</u> | <u>Number</u> | | <u>Cost</u> | <u>Reserve</u> | <u>Net Book Value</u> |
|--|---------------|---------------|---------------------|---------------------|-----------------------|
| (1) DC-6 | 45 | Passenger | \$29,621,727 | \$14,732,279 | \$14,889,448 |
| | | Average Value | 658,261 | 327,384 | 330,877 |
| (1) DC-6 | 4 | Coaches | \$ 2,751,325 | \$ 1,373,591 | \$ 1,377,734 |
| | | Average Value | 687,831 | 343,398 | 344,433 |
| (1) DC-6B | 17 | Passenger | \$17,280,501 | \$ 1,094,887 | \$16,185,614 |
| | | Average Value | 1,016,500 | 64,405 | 952,095 |
| (1) Convair | 79 | Passenger | \$22,517,056 | \$ 7,532,542 | \$14,984,514 |
| | | Average Value | 285,026 | 95,349 | 189,677 |
| (2) DC-4 | 13 | Airfreighters | \$ 5,605,429 | \$ 5,260,909 | \$ 344,520 |
| | | Average Value | 431,187 | 404,685 | 26,502 |
| DC-6 and Convair Spare Engines | | | \$ 1,233,555 | \$ 498,722 | \$ 734,833 |
| DC-6, DC-6B & Convair Spare Propellers | | | \$ 277,035 | \$ 30,557 | \$ 246,478 |
| DC-6B Spare Engines | | | \$ 616,973 | \$ 40,908 | \$ 576,065 |
| Repair Parts and Assemblies | | | \$10,917,412 | \$ 4,717,625 | \$ 6,199,787 |
| Construction Work In Progress Flight | | | \$ 1,049,049 | \$ 22,936 | \$ 1,026,113 |
| Total Flight Equipment | | | \$91,870,062 | \$35,304,956 | \$56,565,106 |

Base of Depreciation:

| | |
|------------------------|------------------------------------|
| DC-6 Passenger | -7 years - 10% Residual Value |
| DC-6 Coaches | -7 years - 10% Residual Value |
| DC-6B Passenger | -5 years - 10% Residual Value |
| Convair Passenger (74) | -7 years - 10% Residual Value |
| Convair Passenger (5) | -5 years - 10% Residual Value |
| DC-4 Airfreighters | -5 years - \$26,000 Residual Value |

(1) Complete airplane, exclusive of spare engines and spare propellers.

(2) Includes spare engines and spare propellers.

12/26/51