

CONFIDENTIAL

AMERICAN AIRLINES, INC.

CONSOLIDATED BALANCE SHEET
AND
COMPARATIVE STATEMENT OF PROFIT AND LOSS
MONTH OF JANUARY 1940

CONFIDENTIAL

AMERICAN AIRLINES, INC. AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

JANUARY 31, 1940

A s s e t s

CURRENT ASSETS:

Cash		\$3,488,189.50
United States Treasury notes		59,974.25
Accounts receivable - less reserve		1,265,019.95
Inventories		685,921.41
Due from employees		22,062.50
		<u>\$5,521,167.61</u>

SPECIAL FUNDS:

Cash deposited in connection with lease agreement		\$ 28,000.00
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FLYING EQUIPMENT, at cost	\$6,423,951.72	
Less: Reserve for depreciation	<u>3,747,781.13</u>	
		2,676,170.59

LAND, BUILDINGS AND OTHER EQUIPMENT, at cost	\$2,936,907.97	
Less: Reserve for depreciation	<u>1,331,859.80</u>	
		1,605,048.17

MISCELLANEOUS PHYSICAL PROPERTY NOT IN USE - at estimated realizable value		30,419.93
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DEFERRED CHARGES		
Prepaid rents and insurance	\$ 31,224.51	
Other deferred charges	<u>50,619.46</u>	
		81,843.97

\$9,942,650.27

Liabilities

CURRENT LIABILITIES:

\$3,488,189.50	Accounts payable and accrued expenses	\$1,289,267.66
59,974.25	Accrued interest	9,685.32
1,265,019.95	Accrued social security taxes	38,039.10
685,921.41	Accrued miscellaneous Federal, State and local taxes	44,929.68
22,062.50	Provision for Federal income taxes	343,700.00
<u>\$5,521,167.61</u>	Liability in connection with air travel plans	<u>1,075,666.95</u>
		<u>\$2,801,288.71</u>

\$ 28,000.00

LONG TERM DEBT:

Five year $4\frac{1}{2}\%$ convertible debentures
maturing July 1, 1941 - 2,527,850.00

2,676,170.59

CAPITAL STOCK:

Authorized - 1,000,000 shares, par value

\$10 per share

Issued 354,233 shares 3,542,330.00

1,605,048.17

Reserved for conversion of five
year $4\frac{1}{2}\%$ debentures (conversion
price \$12.50 per share)

202,228 shares

30,419.93

Reserved for exercise of options
by officers and supervisory
personnel

18,539 shares

220,767 shares

81,843.97

SURPLUS:

Paid-in surplus

\$1,353,145.00

Earned surplus (deficit)

Balance December 31,

1939

\$343,182.57

Net profit for month

of January 1940

61,219.13

281,963.44

1,071,181.56

\$9,942,650.27

\$9,942,650.27

CONFIDENTIAL

AMERICAN AIRLINES, INC. AND SUBSIDIARY COMPANIES

COMPARATIVE STATEMENT OF PROFIT AND LOSS

JANUARY 1940 AND JANUARY 1939

	<u>January 1940</u>
OPERATING REVENUE	
Passenger	\$ 873,926.19
Mail	318,373.62
Express	42,450.58
Excess baggage	8,883.59
Ground transportation	1,305.02
Other	7,135.26
Total operating revenue	<u>\$1,252,074.26</u>
OPERATING EXPENSES (Exclusive of depreciation)	
Flying - Maintenance	88,305.14
Overhaul	28,284.72
Flying personnel	177,243.82
Fuel and oil	147,057.86
Insurance	35,586.37
Damage to aircraft	139.96
Other	45,954.57
Total flying expenses	<u>\$ 522,572.44</u>
Ground - Salaries	207,871.81
Ground transportation	1,687.32
Other ground expenses	94,017.10
Total ground expenses	<u>\$ 303,576.23</u>
Sales	97,105.01
Advertising	52,649.18
Publicity	6,057.98
General and administrative	51,093.34
Total other expenses	<u>\$ 206,905.51</u>
TOTAL OPERATING EXPENSES (Exclusive of depreciation)	<u>\$1,093,054.18</u>
TOTAL INCOME (Before depreciation)	219,020.08
OTHER INCOME	4,071.83
	<u>\$ 223,091.91</u>
OTHER DEDUCTIONS	
Interest	9,644.84
Social security taxes	21,829.11
Miscellaneous	3,917.94
	<u>\$ 35,391.89</u>
PROVISION FOR OBsolescence AND DEPRECIATION	187,700.02
	<u>113,080.89</u>
NET PROFIT BEFORE PROVISION FOR FEDERAL INCOME TAXES	\$ 74,619.13
PROVISION FOR FEDERAL INCOME TAXES	13,400.00
NET PROFIT	<u>\$ 61,219.13</u>
REVENUE MILES FLOWN	1,781,571
REVENUE PASSENGERS CARRIED	45,939

January
1940

January
1939

\$ 873,926.19
 318,373.62
 42,450.58
 8,883.59
 1,305.02
 7,135.26
\$1,252,074.26

\$525,881.70
 285,956.15
 32,488.83
 5,120.29
 840.75
 8,189.02
\$858,476.74

88,305.14
 28,284.72
 177,243.82
 147,057.86
 35,586.37
 139.96
 45,954.57

85,744.21
 29,136.89
 132,160.34
 96,346.11
 26,835.36
 1,112.73
 25,098.59

\$ 522,572.44
 207,871.81
 1,687.32
 94,017.10

\$396,434.23
 143,858.74
 1,694.68
 56,983.82

\$ 303,576.23
 97,105.01
 52,649.18
 6,057.98
 51,093.34

\$202,537.24
 70,399.83
 28,831.26
 6,447.14
 31,612.41

\$ 206,905.51
 \$1,033,054.18
 219,020.08
 4,071.83

\$137,290.64
 \$736,262.11
 122,214.69
 2,127.12

\$ 223,091.91
 9,644.84
 21,829.11
 3,917.94

\$124,341.75
 13,940.60
 15,000.20
 3,149.16

\$ 35,391.89
 187,700.02
 113,080.89
 \$ 74,619.13
 13,400.00
 \$ 61,219.13

\$ 32,089.96
 92,251.79
 87,893.99
 \$ 4,357.80
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1,781,571

1,222,115

45,939

25,032