

STATEMENT OF INCOME

OPERATING REVENUES	1957	1956
Passenger.....	\$ 86,523,981	\$ 74,478,516
Mail.....	9,662,585	8,869,934
Air Express and Freight.....	6,392,156	6,010,397
Excess Baggage.....	893,968	758,998
Charter.....	280,155	253,011
Incidental Services—Net.....	1,242,862	935,190
Total.....	<u>\$104,995,707</u>	<u>\$ 91,306,046</u>
OPERATING EXPENSES		
Flying Operations.....	\$ 23,837,126	\$ 19,890,279
Maintenance.....	28,721,065	25,356,118
Passenger Service.....	6,452,870	5,390,667
Aircraft and Traffic Servicing.....	19,090,650	16,196,418
Sales and Promotion.....	15,036,818	12,490,785
General and Administrative.....	3,541,824	2,901,273
Total.....	<u>\$ 96,680,353</u>	<u>\$ 82,225,540</u>
INCOME FROM OPERATIONS.....	\$ 8,315,354	\$ 9,080,506
Provision for Depreciation.....	6,819,160	6,971,575
	<u>\$ 1,496,194</u>	<u>\$ 2,108,931</u>
NON-OPERATING INCOME—NET		
Interest and Discounts.....	324,196	370,375
Sale of Aircraft.....	120,875	250,000
Miscellaneous.....	154,228	113,958
INCOME BEFORE INTEREST EXPENSE.....	\$ 2,095,493	\$ 2,843,264
Interest on Capital Invested.....	1,690,819	1,287,052
NET INCOME.....	<u>\$ 404,674</u>	<u>\$ 1,556,212</u>

NOTES:—No provision for Income Taxes has been made in 1957 by reason of expenses charged to the Insurance Reserve which are deductible for tax purposes.

For comparative purposes, 1956 operating expenses have been restated to conform with a reclassification of accounts in 1957. This has no effect on the net operating results for either year.