

APPROVED FOR RELEASE
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THE PACIFIC CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATING RESULTS & RETAINED EARNINGS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 1973

	The Pacific Corporation	Air America, Inc. (Consolidated)	Thai Pacific Services Company Limited	Eliminations	The Pacific Corporation (Consolidated)
OPERATING REVENUES:					
Transport:					
Charter	\$	\$ 715	\$	\$	\$ 715
Contract		21,502,456			21,502,456
Sub-Contract - CAL		720,091			720,091
Total Transport Revenues		22,223,262			22,223,262
Commissions and Other Revenues		60,744	12,248		72,992
Aircraft Rental Income		227,400			227,400
Maintenance Contracts		4,521,958			4,521,958
TOTAL OPERATING REVENUES		<u>27,033,364</u>	<u>12,248</u>		<u>27,045,612</u>
OPERATING EXPENSES:					
Flying Operations		9,366,823			9,366,823
Maintenance		2,761,815			2,761,815
Passenger, Aircraft and Traffic Servicing		5,129,268			5,129,268
Promotion and Sales		13,560			13,560
General Administrative	103,774	3,309,585	7,794		3,421,153
Sub-Contract Expenses - CAL		659,652			659,652
Depreciation and Amortization		1,145,779			1,145,779
Expenses Allocated to Maintenance Contracts		4,176,401			4,176,401
TOTAL OPERATING EXPENSES	<u>103,774</u>	<u>26,562,883</u>	<u>7,794</u>		<u>26,674,451</u>
NET OPERATING INCOME	<u>(103,774)</u>	<u>470,481</u>	<u>4,454</u>		<u>371,161</u>
Interest Income	276,408	455,543			731,951
Other Income (Expense), Net		(232,401)		159,244	(73,157)
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	<u>172,634</u>	<u>693,623</u>	<u>4,454</u>	<u>159,244</u>	<u>1,029,955</u>
Provision for Income Taxes:					
United States	82,900	633,000			715,900
Foreign		3,000			3,000
NET INCOME (LOSS)	<u>89,734</u>	<u>57,623</u>	<u>4,454</u>	<u>159,244</u>	<u>311,055</u>
UNAPPROPRIATED RETAINED EARNINGS, BEGINNING OF YEAR	<u>(2,426)</u>	<u>16,017,484</u>	<u>1,994</u>	<u>114,781</u>	<u>16,131,833</u>
Dividend Income	7,007,000			(7,007,000)	
Dividends - \$35.00/share		(7,007,000)		7,007,000	
UNAPPROPRIATED RETAINED EARNINGS, END OF QUARTER	<u>\$ 7,094,308</u>	<u>\$ 9,068,107</u>	<u>\$ 6,448</u>	<u>\$ 274,025</u>	<u>\$16,442,888</u>