

AIR TRANSPORT

	INDUSTRY SEGMENT		PAGE
	MAJOR PASSENGER	NON-MAJOR PASSENGER	
EQUITY RATE	15.0%	14.1%	
Yield Capitalization			
CAPM - ex post - Ibbotson Rm	8.72%	8.06%	5
CAPM - ex ante	10.80%	9.90%	6
CAPM - ex ante Guideline Companies Smoothed Premiurr	12.70%	12.40%	7
CAPM - ex ante High Financial risk portfolio	15.00%	14.10%	
Build-Up Method			
Guideline Companies Smoothed Premium	12.00%	12.10%	9
High Financial risk portfolio	15.60%	15.60%	9
Dividend Growth Models			
Value Line, based on Dividends Growth	NMF	NMF	10
Value Line, based on Earnings Growth	NMF	NMF	11

	INDUSTRY SEGMENT		
	MAJOR PASSENGER	NON-MAJOR PASSENGER	
DEBT RATE	14.0%	14.0%	12

MAJOR PASSENGER

Equity	25%	x	15.0%	=	3.8%
Operating Leases	25%	x	15.0%	=	3.8%
Debt	50%	x	14.0%	=	7.0%
Subtotal Financing portion of structure					10.8%
Marginal Tax Rate	38%	=	(1-.38)	x	10.8%
					<u>6.7%</u>

WEIGHTED AVERAGE COST OF CAPITAL

10.4%

NON-MAJOR PASSENGER

Equity	10%	x	14.1%	=	1.4%
Operating Leases	55%	x	14.1%	=	7.8%
Debt	35%	x	14.0%	=	4.9%
Subtotal Financing portion of structure					12.7%
Marginal Tax Rate	38%	=	(1-.38)	x	12.7%
					<u>7.8%</u>

WEIGHTED AVERAGE COST OF CAPITAL

9.3%

SUPPORT FOR GUIDELINE COMPANIES

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

	Company	Ticker	Beta	P/E Ratio	Div'd Yield
MP	AirTran Hldgs Inc	AAI	1.20	9.5	NIL
MP	Alaska Air Group Inc	ALK	1.20	7.7	NIL
RP	Allegiant Travel	ALGT	0.85	19.3	NIL
MP	AMR Corp	AMR	1.65	6.5	NIL
RF	Atlas Air Worldwide	AAWW	1.50	6.2	NIL
MP	Continental Airlines Inc	CAL	1.60	4.6	NIL
MP	Delta Air Lines	DAL	NMF	14.9	NIL
RP	Express Jet	XJT	1.50	NMF	NIL
MF	FedEx Corporation	FDX	0.85	11.5	0.9%
MP	Hawaiian Holdings	HA	0.95	NMF	NIL
MP	JetBlue Airways	JBLU	1.05	14.3	NIL
MP	Mesa Air Group	MESA	1.15	NMF	NIL
RP	Pinnacle Airlines	PNCL	1.15	1.7	NIL
RP	Republic Airways Holdings, Inc.	RJET	0.70	3.3	NIL
RP	Sky West	SKYW	1.15	6.8	1.4%
MP	Southwest Airlines Co.	LUV	0.90	14.3	30.0%
MP	United Airlines, Inc.	UAUA	1.65	NMF	NIL
MF	United Parcel Svc	UPS	0.75	15.3	4.2%
		Mean	1.16	9.7	9.1%

MAJOR PASSENGER

	Company	Ticker	Beta	P/E Ratio	Div'd Yield
MP	AirTran Hldgs Inc	AAI	1.20	9.5	NIL
MP	Alaska Air Group Inc	ALK	1.20	7.7	NIL
MP	AMR Corp	AMR	1.65	6.5	NIL
MP	Continental Airlines Inc	CAL	1.60	4.6	NIL
MP	Delta Air Lines	DAL	NMF	14.9	NIL
MP	Hawaiian Holdings	HA	0.95	NMF	NIL
MP	JetBlue Airways	JBLU	1.05	14.3	NIL
MP	Southwest Airlines Co.	LUV	0.90	14.3	30.0%
MP	United Airlines, Inc.	UAUA	1.65	NMF	NIL
		Mean	1.28	10.25	NIL

NON-MAJOR PASSENGER

	Company	Ticker	Beta	P/E Ratio	Div'd Yield
RP	Express Jet	XJT	1.50	NMF	NIL
RP	Pinnacle Airlines	PNCL	1.15	1.7	NIL
RP	Republic Airways Holdings, Inc.	RJET	0.70	3.3	NIL
RP	Sky West	SKYW	1.15	6.8	1.4%
		Mean	1.12	2.50	NIL

Source: ValueLine

SUPPORT FOR CAPITAL STRUCTURE

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

Company	Ticker	Stock Average	Common Shares	Common Stock	%	Preferred Stock	%	Long Term Debt	%	Operating Leases	%	Total Debt & Op Leases & Equity
MP AirTran Hldgs Inc	AAI	3.38	119,550,000	403,879,750	12.6%	-	0.0%	956,600,000	29.9%	1,834,000,000	57.4%	3,194,479,750
MP Alaska Air Group Inc	ALK	22.56	36,208,917	816,993,864	23.3%	-	0.0%	1,613,100,000	45.9%	1,082,300,000	30.8%	3,512,393,864
RP Allegiant Travel	ALGT	37.92	20,325,454	770,673,464	92.8%	-	0.0%	48,000,000	5.8%	11,800,000	1.4%	830,473,464
MP AMR Corp	AMR	8.97	251,147,538	2,252,793,416	21.0%	-	0.0%	7,227,000,000	67.2%	1,273,100,000	11.8%	10,752,893,416
RF Atlas Air Worldwide	AAWW	19.83	21,762,292	431,473,709	17.5%	-	0.0%	590,600,000	23.9%	1,450,400,000	58.7%	2,472,473,709
MP Continental Airlines Inc	CAL	15.29	123,264,534	1,884,303,843	15.0%	-	0.0%	5,371,000,000	42.7%	5,314,500,000	42.3%	12,569,803,843
MP Delta Air Lines	DAL	9.12	308,542,158	2,814,418,718	18.8%	-	0.0%	9,274,000,000	61.8%	2,912,400,000	19.4%	15,000,818,718
RP Express Jet	XJT	1.43	18,945,532	26,997,383	10.4%	-	0.0%	49,100,000	19.0%	182,500,000	70.6%	258,597,383
MF FedEx Corporation	FDX	65.95	311,291,988	20,530,225,429	86.3%	-	0.0%	918,000,000	3.9%	2,350,800,000	9.9%	23,799,025,429
MP Hawaiian Holdings	HA	5.90	51,467,364	303,571,669	30.4%	-	0.0%	207,300,000	20.7%	489,100,000	48.9%	999,971,669
MP JetBlue Airways	JBLU	5.04	271,755,006	1,369,192,305	23.4%	-	0.0%	2,883,000,000	49.3%	1,600,200,000	27.3%	5,852,392,305
MP Mesa Air Group	MESA	0.33	26,773,479	8,790,626	0.4%	-	0.0%	420,900,000	20.2%	1,650,300,000	79.3%	2,079,990,626
RP Pinnacle Airlines	PNCL	2.95	22,514,782	66,343,558	4.1%	-	0.0%	573,700,000	35.7%	966,500,000	60.2%	1,606,543,558
RP Republic Airways Holdings, Inc.	RJET	12.11	34,169,683	413,851,811	12.3%	-	0.0%	1,955,300,000	58.1%	993,800,000	29.6%	3,362,951,811
RP Sky West	SKYW	14.71	56,946,090	837,392,253	14.7%	-	0.0%	1,681,700,000	29.4%	3,192,800,000	55.9%	5,711,892,253
MP Southwest Airlines Co.	LUV	10.21	740,146,494	7,555,662,126	63.3%	-	0.0%	3,498,000,000	29.3%	883,300,000	7.4%	11,936,962,126
MP United Airlines, Inc.	UAUA	10.88	128,836,041	1,401,521,399	12.4%	-	0.0%	7,194,000,000	63.9%	2,667,200,000	23.7%	11,262,721,399
MF United Parcel Svc	UPS	53.89	995,184,648	53,632,159,322	86.3%	-	0.0%	8,064,000,000	13.0%	458,400,000	0.7%	62,154,559,322
			Mean		30.3%		0.0%		34.4%		35.3%	
			Weighted Mean	95,520,244,645	53.9%	-	0.0%	52,525,300,000	29.6%	29,313,400,000	16.5%	177,358,944,645
			Median		18.1%		0.0%		29.7%		30.2%	

MAJOR PASSENGER

Company	Ticker	Stock Average	Common Shares	Common Stock	%	Preferred Stock	%	Long Term Debt	%	Operating Leases	%	Total Debt & Op Leases & Equity
MP AirTran Hldgs Inc	AAI	3.38	119,550,000	403,879,750	12.6%	-	0.0%	956,600,000	29.9%	1,834,000,000	57.4%	3,194,479,750
MP Alaska Air Group Inc	ALK	22.56	36,208,917	816,993,864	23.3%	-	0.0%	1,613,100,000	45.9%	1,082,300,000	30.8%	3,512,393,864
MP AMR Corp	AMR	8.97	251,147,538	2,252,793,416	21.0%	-	0.0%	7,227,000,000	67.2%	1,273,100,000	11.8%	10,752,893,416
MP Continental Airlines Inc	CAL	15.29	123,264,534	1,884,303,843	15.0%	-	0.0%	5,371,000,000	42.7%	5,314,500,000	42.3%	12,569,803,843
MP Delta Air Lines	DAL	9.12	308,542,158	2,814,418,718	18.8%	-	0.0%	9,274,000,000	61.8%	2,912,400,000	19.4%	15,000,818,718
MP Hawaiian Holdings	HA	5.90	51,467,364	303,571,669	30.4%	-	0.0%	207,300,000	20.7%	489,100,000	48.9%	999,971,669
MP JetBlue Airways	JBLU	5.04	271,755,006	1,369,192,305	23.4%	-	0.0%	2,883,000,000	49.3%	1,600,200,000	27.3%	5,852,392,305
MP Southwest Airlines Co.	LUV	10.21	740,146,494	7,555,662,126	63.3%	-	0.0%	3,498,000,000	29.3%	883,300,000	7.4%	11,936,962,126
MP United Airlines, Inc.	UAUA	10.88	128,836,041	1,401,521,399	12.4%	-	0.0%	7,194,000,000	63.9%	2,667,200,000	23.7%	11,262,721,399
			Mean:		24.5%		0.0%		45.6%		29.9%	
			Weighted Mean:	18,802,337,090	25.0%	-	0.0%	38,224,000,000	50.9%	18,056,100,000	24.0%	75,082,437,090
			Median:		21.0%		0.0%		45.9%		27.3%	
			Estimated Capital Structure		25.0%		0.0%		50.0%		25.0%	

NON-MAJOR PASSENGER

Company	Ticker	Stock Average	Common Shares	Common Stock	%	Preferred Stock	%	Long Term Debt	%	Operating Leases	%	Total Debt & Op Leases & Equity
RP Express Jet	XJT	1.43	18,945,532	26,997,383	10.4%	-	0.0%	49,100,000	19.0%	182,500,000	70.6%	258,597,383
RP Pinnacle Airlines	PNCL	2.95	22,514,782	66,343,558	4.1%	-	0.0%	573,700,000	35.7%	966,500,000	60.2%	1,606,543,558
RP Republic Airways Holdings, Inc.	RJET	12.11	34,169,683	413,851,811	12.3%	-	0.0%	1,955,300,000	58.1%	993,800,000	29.6%	3,362,951,811
RP Sky West	SKYW	14.71	56,946,090	837,392,253	14.7%	-	0.0%	1,681,700,000	29.4%	3,192,800,000	55.9%	5,711,892,253
			Mean:		10.4%		0.0%		35.6%		54.0%	
			Weighted Mean:	1,344,585,005	12.3%	-	0.0%	4,259,800,000	38.9%	5,335,600,000	48.8%	10,939,985,005
			Median:		11.4%		0.0%		32.6%		58.0%	
			Estimated Capital Structure		10.0%		0.0%		35.0%		55.0%	

Source: ValueLine

SUPPORT FOR MARKET MULTIPLES

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

Company	Ticker	Stock Avg	Revenues	Multiple	Cash Flow	Multiple	Earnings	Multiple	Divds Decld	Multiple	Book Value	Multiple	
MP	AirTran Hldgs Inc	AAI	3.38	21.35	0.2	(0.45)	NMF	(1.32)	NMF	NIL	NMF	2.06	1.6
MP	Alaska Air Group Inc	ALK	22.56	100.55	0.2	4.05	5.6	0.18	125.4	NIL	NMF	18.40	1.2
RP	Allegiant Travel	ALGT	37.92	24.78	1.5	2.90	13.1	1.73	21.9	NIL	NMF	11.50	3.3
MP	AMR Corp	AMR	8.97	95.05	0.1	0.05	179.4	(4.61)	NMF	NIL	NMF	5.85	1.5
RF	Atlas Air Worldwide	AAWW	19.83	75.25	0.3	3.38	5.9	1.56	12.7	NIL	NMF	27.30	0.7
MP	Continental Airlines Inc	CAL	15.29	123.64	0.1	0.71	21.5	(3.32)	NMF	NIL	NMF	0.85	18.0
MP	Delta Air Lines	DAL	9.12	33.40	0.3	1.10	8.3	(1.08)	NMF	NIL	NMF	1.25	7.3
RP	Express Jet	XJT	1.43	323.93	0.0	(7.88)	NMF	(8.51)	NMF	NIL	NMF	44.67	0.0
MF	FedEx Corporation	FDX	65.95	122.04	0.5	12.13	5.4	5.83	11.3	0.40	164.9	46.71	1.4
MP	Hawaiian Holdings	HA	5.90	23.50	0.3	1.06	5.6	(0.00)	NMF	NIL	NMF	1.04	5.7
MP	JetBlue Airways	JBLU	5.04	12.47	0.4	0.67	7.5	(0.10)	NMF	NIL	NMF	4.64	1.1
MP	Mesa Air Group	MESA	0.33	49.53	0.0	0.08	4.1	(1.31)	NMF	NIL	NMF	4.10	0.1
RP	Pinnacle Airlines	PNCL	2.95	47.87	0.1	2.04	1.4	0.34	8.6	NIL	NMF	2.69	1.1
RP	Republic Airways Holdings, Inc.	RJET	12.11	35.51	0.3	5.20	2.3	2.42	5.0	NIL	NMF	11.70	1.0
RP	Sky West	SKYW	14.71	61.61	0.2	5.87	2.5	1.93	7.6	0.12	122.5	22.48	0.7
MP	Southwest Airlines Co.	LUV	10.21	14.90	0.7	1.21	8.4	0.40	25.5	0.02	510.4	6.69	1.5
MP	United Airlines, Inc.	UAUA	10.88	155.35	0.1	(6.10)	NMF	(13.63)	NMF	NIL	NMF	3.20	3.4
MF	United Parcel Svc	UPS	53.89	50.38	1.1	5.30	10.2	3.50	15.4	1.77	30.4	12.20	4.4
Mean					0.4		18.8		25.9		207.1		3.0
Median					0.2		5.9		12.7		143.7		1.5

MAJOR PASSENGER

Company	Ticker	Stock Avg	Revenues	Multiple	Cash Flow	Multiple	Earnings	Multiple	Divds Decld	Multiple	Book Value	Multiple		
MP	AirTran Hldgs Inc	AAI	3.38	21.35	0.2	(0.45)	NMF	(1.32)	NMF	NIL	NMF	2.06	1.6	
MP	Alaska Air Group Inc	ALK	22.56	100.55	0.2	4.05	5.6	0.18	125.4	NIL	NMF	18.40	1.2	
MP	AMR Corp	AMR	8.97	95.05	0.1	0.05	179.4	(4.61)	NMF	NIL	NMF	5.85	1.5	
MP	Continental Airlines Inc	CAL	15.29	123.64	0.1	0.71	21.5	(3.32)	NMF	NIL	NMF	0.85	18.0	
MP	Delta Air Lines	DAL	9.12	33.40	0.3	1.10	8.3	(1.08)	NMF	NIL	NMF	1.25	7.3	
MP	Hawaiian Holdings	HA	5.90	23.50	0.3	1.06	5.6	(0.00)	NMF	NIL	NMF	1.04	5.7	
MP	JetBlue Airways	JBLU	5.04	12.47	0.4	0.67	7.5	(0.10)	NMF	NIL	NMF	4.64	1.1	
MP	Southwest Airlines Co.	LUV	10.21	14.9	0.7	1.21	8.4	0.4	25.52	0.02	510.42	6.69	1.5	
MP	United Airlines, Inc.	UAUA	10.88	155.35	0.1	(6.10)	NMF	(13.63)	NMF	NIL	NMF	3.20	3.4	
Mean					0.3		33.8		75.4		510.4		4.6	
Weighted Mean				91.3	580.2	0.2	8.8	8.7	0.6	56.5	0.02	510.4	44.0	2.1
Median						0.2		8.3			510.4		1.6	
Estimated						0.2		8.3		NMF		NMF	2.0	

NON-MAJOR PASSENGER

Company	Ticker	Stock Avg	Revenues	Multiple	Cash Flow	Multiple	Earnings	Multiple	Divds Decld	Multiple	Book Value	Multiple		
RP	Express Jet	XJT	1.43	323.93	0.0	(7.88)	NMF	(8.51)	NMF	NIL	NMF	44.67	0.0	
RP	Pinnacle Airlines	PNCL	2.95	47.87	0.1	2.04	1.4	0.34	8.6	NIL	NMF	2.69	1.1	
RP	Republic Airways Holdings, Inc.	RJET	12.11	35.51	0.3	5.20	2.3	2.42	5.0	NIL	NMF	11.70	1.0	
RP	Sky West	SKYW	14.71	61.61	0.2	5.87	2.5	1.93	7.6	0.12	122.54	22.48	0.7	
Mean					0.2		2.1		7.1		122.5		0.7	
Weighted Mean				31.2	468.9	0.1	13.1	2.3	4.7	6.3	0.12	122.5	81.5	0.4
Median						0.2		2.3			122.5		0.8	
Estimated						0.2		2.3		7.0		NMF	0.9	

Source: ValueLine, 10-k's

Note: Average Stock Price = 4th 1/4 High/Low common stock price averages.

**SUPPORT FOR EQUITY RATE - YIELD CAPITALIZATION
CAPITAL ASSET PRICING MODEL**

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

Ex Post

$$K_e = R_f + B (R_m - R_f)$$

Ke = Cost of Equity

		INDUSTRY SEGMENT		
		MAJOR PASSENGER	NON-MAJOR PASSENGER	
Rf =	risk free rate	3.00%		
Rp =	risk premium	4.4%		
B =	Beta			
		1.30	1.15	page 8
Ke =		8.7%	8.1%	to page 1

Rp = Risk Premium (Rm-Rf) 4.4%
to above

Ibbotson SBBI, Risk Premia Over Time Report 2009, page 4

Ibbotson, SBBI, Large Co. Stocks, Total Return
9.6% Rm

Ibbotson SBBI, Risk Premia Over Time Report 2009, page 4

Ibbotson, SBBI, Long Term Government Bond, Income Return
5.2% Historical Rf

Rf = Risk Free Rate 3.00%
to above

Ibbotson SBBI, Risk Premia Over Time Report 2009, Table C1 page 5

Long Term (20 years) US Treasury Bond Yield 3.0%

Value Line Investment Survey, Selected Yields January 9, 2009, page 3757

US Treasury Securities year end data		
5 year		1.44%
10 year		2.05%
30 year		2.56%
30 year Zero		2.42%

Federal Reserve Statistical Release (<http://www.federalreserve.gov/Releases/H15/Current/>)

Treasury Constant Maturities			
5 year		1.55%	
10 year		2.25%	
20 year		3.05%	
20 year TIPS		2.36%	
		0.69%	Inflation Indication
30 year		2.69%	

**SUPPORT FOR EQUITY RATE - YIELD CAPITALIZATION
CAPITAL ASSET PRICING MODEL**

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

Ex Ante
Ke = Rf + B (Rp)

Ke = Cost of Equity

		INDUSTRY SEGMENT	
		MAJOR PASSENGER	NON-MAJOR PASSENGER
Rm =	rate of return	9.0%	
Rf =	risk free rate	3.0%	
Rp =	risk premium	6.0%	
B =	Beta		
		1.30	1.15
Ke =		10.8%	9.9%

page 8
to page 1

Rp = Risk Premium

		6.0%	
		to above	
Shannon Pratt and Roger Grabowski	3.5 - 6%		
Cost of Capital, Applications and Examples, Third Edition, 2008, Page 113	(est. 5%)		
Dr. Aswath Damodaran	6.43%		
http://pages.stern.nyu.edu/~adamodar/2008 Implied Premium			
Ibbotson	5.7%		
2009 Risk Premia Over Time Report, Page 5			
Long-horizon expected ERP (supply side)			
John Graham and Campbell Harvey	4.12%	November 2008	
The Equity Risk Premium in January 2008: Evidence from the Global CEO Outlook Survey	3.46%	10 year average	
	2.39 - 4.65%	10 year average range	

Rf = Risk Free Rate

3.00%

to above

Ibbotson SBBI, Risk Premia Over Time Report 2008, Table C1 page 5

Long Term (20 years) US Treasury Bond Yield 3.0%

Value Line Investment Survey, Selected Yields January 9, 2009, page 3757

US Treasury Securities year end data

5 year	1.44%
10 year	2.05%
30 year	2.56%
30 year Zero	2.42%

Federal Reserve Statistical Release (<http://www.federalreserve.gov/Releases/H15/Current/>)

Treasury Constant Maturities

5 year	1.55%	
10 year	2.25%	
20 year	3.05%	
20 year TIPS	<u>2.36%</u>	
	0.69%	Inflation Indication
30 year	2.69%	

**SUPPORT FOR EQUITY RATE - YIELD CAPITALIZATION
CAPITAL ASSET PRICING MODEL-SIZE AND INDUSTRY PREMIUMS**

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

Company	Ticker	Market value of equity in millions \$	ERP1	Book Value of Equity in Million \$	ERP2	5 Yr Ave Net Income in Million \$	ERP3	Market value of Invested Capital in millions \$	ERP4	Total Assets in millions \$	ERP5	5 yr Ave EBITDA in millions \$	ERP6	Sales in millions \$	ERP7	Number of employees	ERP8	
MP	AirTran Hldgs Inc	AAI	403.9	5.52%	246.0	4.38%	(14.1)	NMF	1,521.2	4.03%	246	5.32%	66.48	4.75%	2,552	3.47%	7,700	3.40%
MP	Alaska Air Group Inc	ALK	817.0	4.63%	662.0	3.49%	57.5	4.02%	2,785.7	3.34%	666	4.48%	51.93	4.94%	3,641	3.25%	14,710	2.93%
RP	Allegiant Travel	ALGT	770.7	4.70%	233.9	4.43%	25.2	4.69%	840.8	4.69%	234	5.36%	48.24	5.00%	504	4.48%	1,348	4.65%
MP	AMR Corp	AMR	2,252.8	3.36%	1,465.0	2.77%	(372.1)	NMF	10,519.8	1.85%	1,469	3.82%	531.25	3.12%	23,872	2.08%	88,400	1.65%
RF	Atlas Air Worldwide	AAWW	431.5	5.43%	580.0	3.61%	64.1	3.93%	1,066.1	4.43%	594	4.58%	222.09	3.81%	1,638	3.75%	1,840	4.43%
MP	Continental Airlines Inc	CAL	1,884.3	3.58%	105.0	5.15%	6.2	5.84%	7,774.3	2.19%	105	6.03%	211.50	3.84%	15,240	2.36%	42,500	2.17%
MP	Delta Air Lines	DAL	2,814.4	3.08%	848.0	3.26%	(754.0)	NMF	12,953.4	1.61%	386	4.94%	3,592.50	1.63%	10,305	2.60%	55,044	1.99%
RP	Express Jet	XJT	27.0	8.92%	232.4	4.43%	60.8	3.97%	79.6	7.35%	846	4.28%	126.06	4.25%	6,137	2.93%	8,000	3.37%
MP	FedEx Corporation	FDX	20,530.2	0.58%	14,526.0	0.70%	1,659.6	1.26%	22,537.2	0.99%	14,540	1.90%	4,604.00	1.43%	37,990	1.79%	290,000	0.80%
MP	Hawaiian Holdings	HA	303.6	5.88%	53.3	5.76%	(3.7)	NMF	536.5	5.20%	53	6.60%	19.12	5.73%	1,210	3.94%	3,700	3.92%
MP	JetBlue Airways	JBLU	1,369.2	3.98%	1,261.0	2.90%	5.1	6.01%	4,524.2	2.80%	1,261	3.95%	278.50	3.63%	3,389	3.30%	11,852	3.09%
MP	Mesa Air Group	MESA	8.8	10.33%	109.7	5.11%	2.0	6.78%	567.7	5.14%	110	5.99%	97.24	4.45%	1,326	3.88%	4,113	3.85%
RP	Pinnacle Airlines	PNCL	66.3	7.79%	48.6	5.84%	31.3	4.52%	765.8	4.80%	61	6.49%	78.43	4.62%	1,078	4.01%	5,553	3.63%
RP	Republic Airways Holdings, Inc.	RJET	413.9	5.49%	426.1	3.88%	66.9	3.89%	2,576.8	3.43%	400	4.91%	275.03	3.64%	1,213	3.94%	4,670	3.76%
RP	Sky West	SKYW	837.4	4.60%	1,275.5	2.89%	122.5	3.40%	2,648.9	3.40%	1,280	3.93%	480.04	3.20%	3,508	3.28%	14,544	2.94%
MP	Southwest Airlines Co.	LUV	7,555.7	1.84%	4,953.0	1.67%	427.8	2.37%	11,216.7	1.77%	4,952	2.80%	1,244.75	2.46%	11,028	2.56%	35,499	2.30%
MP	United Airlines, Inc.	UAUA	1,401.5	3.95%	(2,020.0)	NMF	(618.6)	NMF	9,460.5	1.97%	412	4.89%	174.67	3.99%	20,015	2.19%	55,000	1.99%
MP	United Parcel Svc	UPS	53,632.2	-0.63%	12,450.0	0.84%	3,851.4	0.57%	64,591.2	-0.20%	12,141	2.05%	6,422.25	1.17%	50,137	1.62%	425,300	0.52%
			Mean	4.61%		3.59%		3.94%		3.27%		4.57%		3.65%		3.08%		2.85%
			Median	4.62%		3.61%		3.97%		3.37%		4.73%		3.82%		3.26%		3.02%

MAJOR PASSENGER

Company	Ticker	Market value of equity in millions \$	ERP1	Book Value of Equity in Million \$	ERP2	5 Yr Ave Net Income in Million \$	ERP3	Market value of Invested Capital in millions \$	ERP4	Total Assets in millions \$	ERP5	5 yr Ave EBITDA in millions \$	ERP6	Sales in millions \$	ERP7	Number of employees	ERP8	Means	Medians	Final Estimated	
MP	AirTran Hldgs Inc	AAI	404	5.52%	246	4.38%	(14)	NMF	1,521	4.03%	246	5.32%	66	4.75%	2,552	3.47%	7,700	3.40%	4.41%	4.38%	
MP	Alaska Air Group Inc	ALK	817	4.63%	662	3.49%	57	4.02%	2,786	3.34%	666	4.48%	52	4.94%	3,641	3.25%	14,710	2.93%	3.89%	3.75%	
MP	AMR Corp	AMR	2,253	3.36%	1,465	2.77%	(372)	NMF	10,520	1.85%	1,469	3.82%	531	3.12%	23,872	2.08%	88,400	1.65%	2.66%	2.77%	
MP	Continental Airlines Inc	CAL	1,884	3.58%	105	5.15%	6	5.84%	7,774	2.19%	105	6.03%	212	3.84%	15,240	2.36%	42,500	2.17%	3.90%	3.71%	
MP	Delta Air Lines	DAL	2,814	3.08%	848	3.26%	(754)	NMF	12,953	1.61%	386	4.94%	3,593	1.63%	10,305	2.60%	55,044	1.99%	2.73%	2.60%	
MP	Hawaiian Holdings	HA	304	5.88%	53	5.76%	(4)	NMF	536	5.20%	53	6.60%	19	5.73%	1,210	3.94%	3,700	3.92%	5.29%	5.73%	
MP	JetBlue Airways	JBLU	1,369	3.98%	1,261	2.90%	5	6.01%	4,524	2.80%	1,261	3.95%	279	3.63%	3,389	3.30%	11,852	3.09%	3.71%	3.46%	
MP	Southwest Airlines Co.	LUV	7,556	1.84%	4,953	1.67%	428	2.37%	11,217	1.77%	4,952	2.80%	1,245	2.46%	11,028	2.56%	35,499	2.30%	2.22%	2.34%	
MP	United Airlines, Inc.	UAUA	1,402	3.95%	(2,020)	NMF	(619)	NMF	9,461	1.97%	412	4.89%	175	3.99%	20,015	2.19%	55,000	1.99%	3.16%	3.07%	
			Mean	3.98%		3.67%		4.56%		2.75%		4.76%		3.79%		2.86%		2.60%		3.55%	3.53%
			Median	3.95%		3.37%		4.93%		2.19%		4.89%		3.84%		2.60%		2.30%		3.71%	3.46%
Estimated regression smoothed size premium			4.00%		3.40%		4.75%		2.50%		4.80%		3.80%		2.70%		2.40%		3.54%	3.60%	3.60%
add: Rf + adjusted IRP			9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%
Ke			13.11%		12.51%		13.86%		11.61%		13.91%		12.91%		11.81%		11.51%		12.65%	12.71%	12.70%
High Financial Risk Portfolio size premium			5.67%		5.56%		5.94%		5.67%		5.94%		5.94%		5.94%		6.30%		5.87%	5.94%	5.90%
add: Rf + adjusted IRP			9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%		9.11%
Ke			14.78%		14.67%		15.05%		14.78%		15.05%		15.05%		15.05%		15.41%		14.98%	15.05%	15.00%

NON-MAJOR PASSENGER

Company	Ticker	Market value of equity in millions \$	ERP1	Book Value of Equity in Million \$	ERP2	5 Yr Ave Net Income in Million \$	ERP3	Market value of Invested Capital in millions \$	ERP4	Total Assets in millions \$	ERP5	5 yr Ave EBITDA in millions \$	ERP6	Sales in millions \$	ERP7	Number of employees	ERP8	Means	Medians	Final Estimated	
RP	Express Jet	XJT	27	8.92%	232	4.43%	61	3.97%	80	7.35%	846	4.28%	126	4.25%	6,137	2.93%	8,000	3.37%	4.94%	4.27%	
RP	Pinnacle Airlines	PNCL	66	7.79%	49	5.84%	31	4.52%	766	4.80%	61	6.49%	78	4.62%	1,078	4.01%	5,553	3.63%	5.21%	4.71%	
RP	Republic Airways Holdings, Inc.	RJET	414	5.49%	426	3.88%	67	3.89%	2,577	3.43%	400	4.91%	275	3.64%	1,213	3.94%	4,670	3.76%	4.12%	3.89%	
RP	Sky West	SKYW	837	4.60%	1,276	2.89%	122	3.40%	2,649	3.40%	1,280	3.93%	480	3.20%	3,508	3.28%	14,544	2.94%	3.46%	3.34%	
			Mean	6.70%		4.26%		3.94%		4.75%		4.91%		3.93%		3.54%		3.43%		4.43%	4.05%
			Median	6.64%		4.16%		3.93%		4.12%		4.60%		3.94%		3.61%		3.50%		4.53%	4.08%
Estimated regression smoothed size premium			6.70%		4.20%		3.90%		4.25%		4.75%		3.90%		3.60%		3.50%		4.35%	4.05%	4.20%
add: Rf + adjusted IRP			8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%
Ke			14.91%		12.41%		12.11%		12.46%		12.96%		12.11%		11.81%		11.71%		12.56%	12.26%	12.40%
High Financial Risk Portfolio size premium			5.67%		5.56%		5.94%		5.67%		5.94%		5.94%		5.94%		6.30%		5.87%	5.94%	5.90%
add: Rf + adjusted IRP			8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%		8.21%
Ke			13.88%		13.77%		14.15%		13.88%		14.15%		14.15%		14.15%		14.51%		14.08%	14.15%	14.10%

SBBI IRP adjustment to Risk Premium data

Sic code 4512 2008 year end	IRP	SBBI ERP	F1-beta	ex-ante ERP	New IRP
	-1.83%	6.50%	0.71846	6%	-1.69%

Source: ValueLine, 10-K's, yahoo, marketwatch.com, Duff & Phelps Risk Premium Report 2009, Ibbotson 2009 SBBI Valuation Yearbook

BETA CALCULATION FOR CAPM

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

	Company	Ticker	ValueLine
MP	AirTran Hldgs Inc	AAI	1.20
MP	Alaska Air Group Inc	ALK	1.20
RP	Allegiant Travel	ALGT	0.85
MP	AMR Corp	AMR	1.65
RF	Atlas Air Worldwide	AAWW	1.50
MP	Continental Airlines Inc	CAL	1.60
MP	Delta Air Lines	DAL	NMF
RP	Express Jet	XJT	1.50
MF	FedEx Corporation	FDX	0.85
MP	Hawaiian Holdings	HA	0.95
MP	JetBlue Airways	JBLU	1.05
MP	Mesa Air Group	MESA	1.15
RP	Pinnacle Airlines	PNCL	1.15
RP	Republic Airways Holdings, Inc.	RJET	0.70
RP	Sky West	SKYW	1.15
MP	Southwest Airlines Co.	LUV	0.90
MP	United Airlines, Inc.	UAUA	1.65
MF	United Parcel Svc	UPS	0.75
		Mean	1.16
		Median	1.15

MAJOR PASSENGER

	Company	Ticker	ValueLine
MP	AirTran Hldgs Inc	AAI	1.20
MP	Alaska Air Group Inc	ALK	1.20
MP	AMR Corp	AMR	1.65
MP	Continental Airlines Inc	CAL	1.60
MP	Delta Air Lines	DAL	NMF
MP	Hawaiian Holdings	HA	0.95
MP	JetBlue Airways	JBLU	1.05
MP	Southwest Airlines Co.	LUV	0.90
MP	United Airlines, Inc.	UAUA	1.65
		Mean	1.28
		Median	1.20
		Min	0.90
		Max	1.65
		Estimated	1.30

NON-MAJOR PASSENGER

	Company	Ticker	ValueLine
RP	Express Jet	XJT	1.50
RP	Pinnacle Airlines	PNCL	1.15
RP	Republic Airways Holdings, Inc.	RJET	0.70
RP	Sky West	SKYW	1.15
		Mean	1.13
		Median	1.15
		Min	0.70
		Max	1.50
		Estimated	1.15

source: ValueLine

**SUPPORT FOR EQUITY RATE - YIELD CAPITALIZATION
BUILD-UP METHOD**

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

Company	Ticker	Market value of equity in millions \$	ERP1	Book Value of Equity in Million \$	ERP2	5 Yr Ave Net Income in Million \$	ERP3	Market value of Invested Capital in millions \$	ERP4	Total Assets in millions \$	ERP5	5 yr Ave EBITDA in millions \$	ERP6	Sales in millions \$	ERP7	Number of employees	ERP8	
MP	AirTran Hldgs Inc	AAI	404	10.37%	246	9.12%	(14)	NMF	1,521	8.60%	246	10.40%	66	9.51%	2,552	7.77%	7,700	7.75%
MP	Alaska Air Group Inc	ALK	817	9.29%	662	7.89%	57	8.45%	2,786	7.72%	666	9.22%	52	7.79%	3,641	7.46%	14,710	7.21%
RP	Allegiant Travel	ALGT	771	9.38%	234	9.18%	25	9.40%	841	9.46%	234	10.46%	48	9.87%	504	9.17%	1,348	9.22%
MP	AMR Corp	AMR	2,253	7.73%	1,465	6.90%	(372)	NMF	10,520	5.79%	1,469	8.28%	531	7.16%	23,872	5.84%	88,400	5.70%
RF	Atlas Air Worldwide	AAWW	431	10.27%	580	8.05%	64	8.33%	1,066	9.12%	594	9.35%	222	8.14%	1,638	8.15%	1,840	8.96%
MP	Continental Airlines Inc	CAL	1,884	8.00%	105	10.18%	6	11.02%	7,774	6.23%	105	11.41%	212	8.20%	15,240	6.23%	42,500	6.32%
MP	Delta Air Lines	DAL	2,814	7.38%	848	7.58%	(754)	NMF	12,953	5.49%	386	9.87%	3,593	4.99%	10,305	6.57%	55,044	6.10%
RP	Express Jet	XJT	27	14.53%	232	9.19%	61	8.39%	80	12.88%	846	8.93%	126	8.78%	6,137	7.01%	8,000	7.72%
MF	FedEX Corporation	FDX	20,530	4.33%	14,526	4.05%	1,660	4.57%	22,537	4.68%	14,540	5.56%	4,604	4.71%	37,990	5.44%	290,000	4.71%
MP	Hawaiian Holdings	HA	304	10.81%	53	11.02%	(4)	NMF	536	10.11%	53	12.21%	19	10.92%	1,210	8.41%	3,700	8.37%
MP	JetBlue Airways	JBLU	1,369	8.49%	1,261	7.09%	5	11.25%	4,524	7.02%	1,261	8.46%	279	7.89%	3,389	7.52%	11,852	7.39%
MP	Mesa Air Group	MESA	9	16.26%	110	10.12%	2	12.33%	568	10.03%	110	11.36%	97	9.08%	1,326	8.33%	4,113	8.28%
RP	Pinnacle Airlines	PNCL	66	13.15%	49	11.14%	31	9.15%	766	9.60%	61	12.06%	78	9.32%	1,078	8.51%	5,553	8.03%
RP	Republic Airways Holdings, Inc.	RJET	414	10.33%	426	8.44%	67	8.28%	2,577	7.83%	400	9.82%	275	7.90%	1,213	8.41%	4,670	8.17%
RP	Sky West	SKYW	837	9.25%	1,276	7.07%	122	7.58%	2,649	7.79%	1,280	8.44%	480	7.27%	3,508	7.49%	14,544	7.22%
MP	Southwest Airlines Co.	LUV	7,556	5.86%	4,953	5.39%	428	6.14%	11,217	5.70%	4,952	6.84%	1,245	6.19%	11,028	6.51%	35,499	6.47%
MP	United Airlines, Inc.	UAUA	1,402	8.46%	(2,020)	NMF	(619)	NMF	9,461	5.95%	412	9.79%	175	8.41%	20,015	5.99%	55,000	6.10%
MF	United Parcel Svc	UPS	53,632	2.85%	12,450	4.24%	3,851	3.60%	64,591	3.16%	12,141	5.77%	6,422	4.34%	50,137	5.20%	425,300	4.38%
			Mean	9.26%		8.04%		8.35%		7.62%		9.35%		7.92%		7.22%		7.12%
			Median	9.27%		8.05%		8.39%		7.76%		9.57%		8.17%		7.48%		7.31%

MAJOR PASSENGER

Company	Ticker	Market value of equity in millions \$	ERP1	Book Value of Equity in Million \$	ERP2	5 Yr Ave Net Income in Million \$	ERP3	Market value of Invested Capital in millions \$	ERP4	Total Assets in millions \$	ERP5	5 yr Ave EBITDA in millions \$	ERP6	Sales in millions \$	ERP7	Number of employees	ERP8	Means	Medians	Final Estimated	
MP	AirTran Hldgs Inc	AAI	404	10.37%	246	9.12%	(14)	NMF	1,521	8.60%	246	10.40%	66	9.51%	2,552	7.77%	7,700	7.75%	9.07%	9.12%	
MP	Alaska Air Group Inc	ALK	817	9.29%	662	7.89%	57	8.45%	2,786	7.72%	666	9.22%	52	7.79%	3,641	7.46%	14,710	7.21%	8.38%	8.17%	
MP	AMR Corp	AMR	2,253	7.73%	1,465	6.90%	(372)	NMF	10,520	5.79%	1,469	8.28%	531	7.16%	23,872	5.84%	88,400	5.70%	6.77%	6.90%	
MP	Continental Airlines Inc	CAL	1,884	8.00%	105	10.18%	6	11.02%	7,774	6.23%	105	11.41%	212	8.20%	15,240	6.23%	42,500	6.32%	8.45%	8.10%	
MP	Delta Air Lines	DAL	2,814	7.38%	848	7.58%	(754)	NMF	12,953	5.49%	386	9.87%	3,593	4.99%	10,305	6.57%	55,044	6.10%	6.85%	6.57%	
MP	Hawaiian Holdings	HA	304	10.81%	53	11.02%	(4)	NMF	536	10.11%	53	12.21%	19	10.92%	1,210	8.41%	3,700	8.37%	10.27%	10.81%	
MP	JetBlue Airways	JBLU	1,369	8.49%	1,261	7.09%	5	11.25%	4,524	7.02%	1,261	8.46%	279	7.89%	3,389	7.52%	11,852	7.39%	8.14%	7.71%	
MP	Southwest Airlines Co.	LUV	7,556	5.86%	4,953	5.39%	428	6.14%	11,217	5.70%	4,952	6.84%	1,245	6.19%	11,028	6.51%	35,499	6.47%	6.14%	6.17%	
MP	United Airlines, Inc.	UAUA	1,402	8.46%	(2,020)	NMF	(619)	NMF	9,461	5.95%	412	9.79%	175	8.41%	20,015	5.99%	55,000	6.10%	7.45%	7.26%	
			Mean	8.49%		8.15%		9.22%		6.96%		9.61%		8.12%		6.92%		6.82%	7.95%	7.87%	
			Median	8.46%		7.73%		9.74%		6.23%		9.79%		8.20%		6.57%		6.47%	8.14%	7.71%	
			Regression Smoothed Premium Estimated RPm+s	8.50%		8.00%		9.50%		6.50%		9.70%		8.20%		6.60%		6.50%	7.94%	8.10%	8.50%
			add: Rf + adjustment for ERP + adjusted IRP	3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%			
			Ke	11.97%		11.47%		12.97%		9.97%		13.17%		11.67%		10.07%		9.97%	11.41%	11.57%	12.00%
			High Financial Risk Portfolio RPm+s	11.90%		11.73%		12.18%		11.90%		12.18%		12.18%		12.18%		12.55%	12.10%	12.18%	12.10%
			add: Rf + adjustment for ERP + adjusted IRP	3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%			
			Ke	15.37%		15.20%		15.65%		15.37%		15.65%		15.65%		15.65%		16.02%	15.57%	15.65%	15.60%

NON-MAJOR PASSENGER

Company	Ticker	Market value of equity in millions \$	ERP1	Book Value of Equity in Million \$	ERP2	5 Yr Ave Net Income in Million \$	ERP3	Market value of Invested Capital in millions \$	ERP4	Total Assets in millions \$	ERP5	5 yr Ave EBITDA in millions \$	ERP6	Sales in millions \$	ERP7	Number of employees	ERP8	Means	Medians	Final Estimated	
RP	Express Jet	XJT	27	14.53%	232	9.19%	61	8.39%	80	12.88%	846	8.93%	126	8.78%	6,137	7.01%	8,000	7.72%	9.68%	8.86%	
RP	Pinnacle Airlines	PNCL	66	13.15%	49	11.14%	31	9.15%	766	9.60%	61	12.06%	78	9.32%	1,078	8.51%	5,553	8.03%	10.12%	9.46%	
RP	Republic Airways Holdings, Inc.	RJET	414	10.33%	426	8.44%	67	8.28%	2,577	7.83%	400	9.82%	275	7.90%	1,213	8.41%	4,670	8.17%	8.65%	8.34%	
RP	Sky West	SKYW	837	9.25%	1,276	7.07%	122	7.58%	2,649	7.79%	1,280	8.44%	480	7.27%	3,508	7.49%	14,544	7.22%	7.77%	7.54%	
			Mean	11.81%		8.96%		8.35%		9.53%		9.81%		8.32%		7.86%		7.79%	9.05%	8.55%	
			Median	11.74%		8.81%		8.33%		8.72%		9.38%		8.34%		7.95%		7.87%	9.16%	8.60%	
			Regression Smoothed Premium Estimated RPm+s	11.75%		8.80%		8.30%		9.00%		9.40%		8.30%		7.90%		7.80%	8.91%	8.55%	8.60%
			add: Rf + adjustment for ERP + adjusted IRP	3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%			
			Ke	15.22%		12.27%		11.77%		12.47%		12.87%		11.77%		11.37%		11.27%	12.38%	12.02%	12.10%
			High Financial Risk Portfolio RPm+s	11.90%		11.73%		12.18%		11.90%		12.18%		12.18%		12.18%		12.55%	12.10%	12.18%	12.10%
			add: Rf + adjustment for ERP + adjusted IRP	3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%		3.47%			
			Ke	15.37%		15.20%		15.65%		15.37%		15.65%		15.65%		15.65%		16.02%	15.57%	15.65%	15.60%

SBBI IRP adjustment to Risk Premium data					
Sic code 4512	IRP	SBBI ERP	F1-beta	ex-ante ERP	New IRP
2008 year end	-1.83%	6.50%	0.71846	6%	-1.69%

Source: ValueLine, 10-k's, yahoo, marketwatch.com, Duff & Phelps Risk Premium Report 2009, Ibbotson 2009 SBBI Valuation Yearbook

SUPPORT FOR YIELD CAPITALIZATION EQUITY COMPONENT DIVIDEND GROWTH MODEL

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

Based on Dividends Growth

$$K_e = D1 / P_o + G$$

Ke = Cost of Equity
D1 = Expected Dividends
Po = Current Price
G = Sustainable Growth

INDUSTRY OVERALL

Company	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/Po)	Dividend Growth (G)	Ke	
MP	AirTran Hldgs Inc	AAI	3.38	NIL		NMF	
MP	Alaska Air Group Inc	ALK	22.56	NIL		NMF	
RP	Allegiant Travel	ALGT	37.92	NIL		NMF	
MP	AMR Corp	AMR	8.97	NIL		NMF	
RF	Atlas Air Worldwide	AAWW	19.83	NIL		NMF	
MP	Continental Airlines Inc	CAL	15.29	NIL		NMF	
MP	Delta Air Lines	DAL	9.12	NIL		NMF	
RP	Express Jet	XJT	1.43	NIL		NMF	
MF	FedEx Corporation	FDX	65.95	0.40	0.6%	7.5%	8.1%
MP	Hawaiian Holdings	HA	5.90	NIL		NIL	NMF
MP	JetBlue Airways	JBLU	5.04	NIL		NIL	NMF
MP	Mesa Air Group	MESA	0.33	NIL		NIL	NMF
RP	Pinnacle Airlines	PNCL	2.95	NIL		NIL	NMF
RP	Republic Airways Holdings, Inc.	RJET	12.11	NIL		NIL	NMF
RP	Sky West	SKYW	14.71	0.12	0.8%	4.0%	4.8%
MP	Southwest Airlines Co.	LUV	10.21	0.02	0.2%	4.0%	4.2%
MP	United Airlines, Inc.	UAUA	10.88	NIL		NIL	NMF
MF	United Parcel Svc	UPS	53.89	1.77	3.3%	3.5%	6.8%
						Median	5.8%
						Mean	6.0%

MAJOR PASSENGER

Company	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/Po)	Dividend Growth (G)	Ke	
MP	AirTran Hldgs Inc	AAI	3.38	NIL		NMF	
MP	Alaska Air Group Inc	ALK	22.56	NIL		NMF	
MP	AMR Corp	AMR	8.97	NIL		NMF	
MP	Continental Airlines Inc	CAL	15.29	NIL		NMF	
MP	Delta Air Lines	DAL	9.12	NIL		NMF	
MP	Hawaiian Holdings	HA	5.90	NIL		NMF	
MP	JetBlue Airways	JBLU	5.04	NIL		NMF	
MP	Southwest Airlines Co.	LUV	10.21	0.02	0.2%	4.0%	4.2%
MP	United Airlines, Inc.	UAUA	10.88	NIL		NIL	NMF
						Median	4.2%
						Mean	4.2%
						Estimated	NMF

NON-MAJOR PASSENGER

Company	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/Po)	Dividend Growth (G)	Ke	
RP	Express Jet	XJT	1.43	NIL		NMF	
RP	Pinnacle Airlines	PNCL	2.95	NIL		NMF	
RP	Republic Airways Holdings, Inc.	RJET	12.11	NIL		NMF	
RP	Sky West	SKYW	14.71	0.12	0.8%	4.0%	4.8%
						Median	4.8%
						Mean	4.8%
						Estimated	NMF

source: ValueLine and yahoo finance

Note: Stock Price = 4th 1/4 High / Low average

SUPPORT FOR YIELD CAPITALIZATION EQUITY COMPONENT DIVIDEND GROWTH MODEL

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

Based on Earnings Growth

$$K_e = D1 / P_o + G$$

K_e = Cost of Equity

D1 = Expected Dividends

P_o = Current Price

G = Sustainable Growth

INDUSTRY OVERALL

Company	Ticker	Stock Price (P _o)	Expected Dividend (D1)	Dividend Yield (D1/P _o)	Earnings Growth (G)	K _e
MP	AirTran Hldgs Inc	AAI	3.38	NIL	12.0%	12.0%
MP	Alaska Air Group Inc	ALK	22.56	NIL	11.0%	11.0%
RP	Allegiant Travel	ALGT	37.92	NIL	NMF	NMF
MP	AMR Corp	AMR	8.97	NIL	NMF	NMF
RF	Atlas Air Worldwide	AAWW	19.83	NIL	14.0%	14.0%
MP	Continental Airlines Inc	CAL	15.29	NIL	23.5%	23.5%
MP	Delta Air Lines	DAL	9.12	NIL	NMF	NMF
RP	Express Jet	XJT	1.43	NIL	NMF	NMF
MF	FedEx Corporation	FDX	65.95	0.40	0.6%	7.0%
MP	Hawaiian Holdings	HA	5.90	NIL	NMF	NMF
MP	JetBlue Airways	JBLU	5.04	NIL	NMF	NMF
MP	Mesa Air Group	MESA	0.33	NIL	NMF	NMF
RP	Pinnacle Airlines	PNCL	2.95	NIL	NMF	NMF
RP	Republic Airways Holdings, Inc.	RJET	12.11	NIL	NMF	NMF
RP	Sky West	SKYW	14.71	0.12	0.8%	0.5%
MP	Southwest Airlines Co.	LUV	10.21	0.02	0.2%	13.0%
MP	United Airlines, Inc.	UAUA	10.88	NIL	NMF	NMF
MF	United Parcel Svc	UPS	53.89	1.77	3.3%	6.0%
Median						11.5%
Mean						11.5%

MAJOR PASSENGER

Company	Ticker	Stock Price (P _o)	Expected Dividend (D1)	Dividend Yield (D1/P _o)	Earnings Growth (G)	K _e
MP	AirTran Hldgs Inc	AAI	3.38	NIL	12.0%	12.0%
MP	Alaska Air Group Inc	ALK	22.56	NIL	11.0%	11.0%
MP	AMR Corp	AMR	8.97	NIL	NMF	NMF
MP	Continental Airlines Inc	CAL	15.29	NIL	23.5%	23.5%
MP	Delta Air Lines	DAL	9.12	NIL	NMF	NMF
MP	Hawaiian Holdings	HA	5.90	NIL	NMF	NMF
MP	JetBlue Airways	JBLU	5.04	NIL	NMF	NMF
MP	Southwest Airlines Co.	LUV	10.21	0.02	0.2%	13.0%
MP	United Airlines, Inc.	UAUA	10.88	NIL	NMF	NMF
Median						12.6%
Mean						14.9%
Estimated						NMF

NON-MAJOR PASSENGER

Company	Ticker	Stock Price (P _o)	Expected Dividend (D1)	Dividend Yield (D1/P _o)	Earnings Growth (G)	K _e
RP	Express Jet	XJT	1.43	NIL	NMF	NMF
RP	Pinnacle Airlines	PNCL	2.95	NIL	NMF	NMF
RP	Republic Airways Holdings, Inc.	RJET	12.11	NIL	NMF	NMF
RP	Sky West	SKYW	14.71	0.12	0.8%	0.5%
Median						1.3%
Mean						1.3%
Estimated						NMF

Source: ValueLine and yahoo finance

Note: Stock Price = 4th ¼ High / Low average

SUPPORT FOR DEBT RATING AND DEBT YIELD RATE

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

	Company	Ticker	Mergent's Ratings	S&P Ratings
MP	AirTran Hldgs Inc	AAI	Caa2	CCC+
MP	Alaska Air Group Inc	ALK	B1	B
RP	Allegiant Travel	ALGT	NRL	NRL
MP	AMR Corp	AMR	Caa2	B-
RF	Atlas Air Worldwide	AAWW	NRL	NRL
MP	Continental Airlines Inc	CAL	B2	B
MP	Delta Air Lines	DAL	B2	B
RP	Express Jet	XJT	NRL	NRL
MF	FedEx Corporation	FDX	Baa2	BBB
MP	Hawaiian Holdings	HA	NRL	NRL
MP	JetBlue Airways	JBLU	Caa2	B-
MP	Mesa Air Group	MESA	NRL	NRL
RP	Pinnacle Airlines	PNCL	NRL	NRL
RP	Republic Airways Holdings, Inc.	RJET	NRL	NRL
RP	Sky West	SKYW	NRL	NRL
MP	Southwest Airlines Co.	LUV	Baa1	BBB+
MP	United Airlines, Inc.	UAUA	Caa1	B-
MF	United Parcel Svc	UPS	Aa2	AA-
Overall Average Debt Rating			B1	BB-

MAJOR PASSENGER

	Company	Ticker	Mergent's Ratings	S&P Ratings
MP	AirTran Hldgs Inc	AAI	Caa2	CCC+
MP	Alaska Air Group Inc	ALK	B1	B
MP	AMR Corp	AMR	Caa2	B-
MP	Continental Airlines Inc	CAL	B2	B
MP	Delta Air Lines	DAL	B2	B
MP	Hawaiian Holdings	HA	NRL	NRL
MP	JetBlue Airways	JBLU	Caa2	B-
MP	Southwest Airlines Co.	LUV	Baa1	BBB+
MP	United Airlines, Inc.	UAUA	Caa1	B-
Overall Average Debt Rating			B2	B

DEBT YIELD RATE 14.0%

NON-MAJOR PASSENGER

	Company	Ticker	Mergent's Ratings	S&P Ratings
RP	Express Jet	XJT	NRL	NRL
RP	Pinnacle Airlines	PNCL	NRL	NRL
RP	Republic Airways Holdings, Inc.	RJET	NRL	NRL
RP	Sky West	SKYW	NRL	NRL
Overall Average Debt Rating			NRL	NRL

DEBT YIELD RATE 14.0%

Mergent's Bond Record*

	Aaa	Aa	A	Baa
October	6.28%	6.79%	7.58%	8.88%
November	6.12%	6.73%	7.68%	9.21%
December	5.06%	5.81%	6.70%	8.45%
Average	5.82%	6.44%	7.32%	8.85%

Bonds Online Rating Spreads**

	B2/B--30 yr	12/31/08	Cost of Debt (Spread plus Rf)	12/2008 Average	Cost of Debt (Spread plus Rf)
Industrial		1200	1469	975	1297
Transportation		1050	1319	1000	1322
Utility		1300	1569	1300	1622

*Jan. 2009 Mergent's data for non-investment grade debt produces an inverted yield curve with few or no data points for long term yields.

**Spread values represent basis points (bps) over a US Treasury security of the same maturity, or the closest matching maturity. Cost of Debt is calculated by using 30 yr Treasury yield (12/31/2008 Rf=2.69%, 12/2008 Rf=3.22%).

Sources:

Standard & Poor's Bond Guide, January, 2009 and <http://www.standardandpoors.com>

Mergent's and <http://www.moodys.com>

<http://www.bondsonline.com/>

SUPPORT FOR DIRECT CAPITALIZATION EQUITY COMPONENT

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

INDUSTRY OVERALL

Company	Ticker	Stock Price (Po)	2008 Cash		2009 Cash		Actual		Projected		
			Flow	Ratio	Flow	Ratio	Earnings	Ratio	Earnings Ratio (PEPS/Po)		
MP	AirTran Hldgs Inc	AAI	3.38	(0.45)	NMF	1.00	29.6%	(1.32)	NMF	0.55	16.3%
MP	Alaska Air Group Inc	ALK	22.56	4.05	17.9%	8.55	37.9%	0.18	0.8%	3.20	14.2%
RP	Allegiant Travel	ALGT	37.92	2.90	7.6%	N/A	NMF	1.73	4.6%	3.98	10.5%
MP	AMR Corp	AMR	8.97	0.05	0.6%	6.35	70.8%	(4.61)	NMF	1.55	17.3%
RF	Atlas Air Worldwide	AAWW	19.83	3.38	17.0%	4.90	24.7%	1.56	7.9%	3.10	15.6%
MP	Continental Airlines Inc	CAL	15.29	0.71	4.6%	8.00	52.3%	(3.32)	NMF	3.70	24.2%
MP	Delta Air Lines	DAL	9.12	1.10	12.1%	3.50	38.4%	(1.08)	NMF	1.05	11.5%
RP	Express Jet	XJT	1.43	(7.88)	NMF	N/A	NMF	(8.51)	NMF	N/A	NMF
MF	FedEx Corporation	FDX	65.95	12.13	18.4%	10.60	16.1%	5.83	8.8%	4.25	6.4%
MP	Hawaiian Holdings	HA	5.90	1.06	17.9%	N/A	NMF	(0.00)	NMF	1.40	23.7%
MP	JetBlue Airways	JBLU	5.04	0.67	13.3%	1.35	26.8%	(0.10)	NMF	0.45	8.9%
MP	Mesa Air Group	MESA	0.33	0.08	24.4%	N/A	NMF	(1.31)	NMF	N/A	NMF
RP	Pinnacle Airlines	PNCL	2.95	2.04	69.4%	N/A	NMF	0.34	11.6%	1.75	59.4%
RP	Republic Airways Holdings, Inc.	RJET	12.11	5.20	42.9%	N/A	NMF	2.42	20.0%	2.31	19.1%
RP	Sky West	SKYW	14.71	5.87	39.9%	5.75	39.1%	1.93	13.1%	1.75	11.9%
MP	Southwest Airlines Co.	LUV	10.21	1.21	11.9%	1.25	12.2%	0.40	3.9%	0.50	4.9%
MP	United Airlines, Inc.	UAUA	10.88	(6.10)	NMF	8.50	78.1%	(13.63)	NMF	1.75	16.1%
MF	United Parcel Svc	UPS	53.89	5.30	9.8%	4.70	8.7%	3.50	6.5%	2.80	5.2%
			Mean		20.5%		36.2%		8.6%		16.6%
			Median		17.0%		33.7%		7.9%		14.9%

MAJOR PASSENGER

Company	Ticker	Stock Price (Po)	2008 Cash		2009 Cash		Actual		Projected			
			Flow	Ratio	Flow	Ratio	Earnings	Ratio	Earnings Ratio (PEPS/Po)			
MP	AirTran Hldgs Inc	AAI	3.38	(0.45)	NMF	1.00	29.6%	(1.32)	NMF	0.55	16.3%	
MP	Alaska Air Group Inc	ALK	22.56	4.05	17.9%	8.55	37.9%	0.18	1%	3.20	14.2%	
MP	AMR Corp	AMR	8.97	0.05	0.6%	6.35	70.8%	(4.61)	NMF	1.55	17.3%	
MP	Continental Airlines Inc	CAL	15.29	0.71	4.6%	8.00	52.3%	(3.32)	NMF	3.70	24.2%	
MP	Delta Air Lines	DAL	9.12	1.10	12.1%	3.50	38.4%	(1.08)	NMF	1.05	11.5%	
MP	Hawaiian Holdings	HA	5.90	1.06	17.9%	N/A	NMF	(0.00)	NMF	1.40	23.7%	
MP	JetBlue Airways	JBLU	5.04	0.67	13.3%	1.35	26.8%	(0.10)	NMF	0.45	8.9%	
MP	Southwest Airlines Co.	LUV	10.21	1.21	11.9%	1.25	12.2%	0.40	4%	0.50	4.9%	
MP	United Airlines, Inc.	UAUA	10.88	(6.10)	NMF	8.50	78.1%	(13.63)	NMF	1.75	16.1%	
			Mean		11.2%		43.3%		2.4%		15.2%	
			Weighted Mean	91.34	8.85		38.50		0.58	1.8%	14.15	15.5%
			Median		12.1%		38.1%		2.4%		16.1%	
			Estimated		12.0%		45.0%		NMF		15.5%	

NON-MAJOR PASSENGER

Company	Ticker	Stock Price (Po)	2008 Cash		2009 Cash		Actual		Projected			
			Flow	Ratio	Flow	Ratio	Earnings	Ratio	Earnings Ratio (PEPS/Po)			
RP	Express Jet	XJT	1.43	NMF	NMF	N/A	NMF	NMF	NMF	N/A	NMF	
RP	Pinnacle Airlines	PNCL	2.95	2.04	69.4%	N/A	NMF	0.34	12%	1.75	NMF	
RP	Republic Airways Holdings, Inc.	RJET	12.11	5.20	42.9%	N/A	NMF	2.42	20%	2.31	19.1%	
RP	Sky West	SKYW	14.71	5.87	39.9%	5.75	39.1%	1.93	13%	1.75	11.9%	
			Mean		50.7%		39.1%		14.9%		15.5%	
			Weighted Mean	31.19	13.11		5.75	39.1%	4.69	15.8%	4.06	15.1%
			Median		42.9%		39.1%		13.1%		15.5%	
			Estimated		45.0%		NMF		15.0%		15.5%	

sources: ValueLine

WASHINGTON STATE DEPARTMENT OF REVENUE
Assessment Year 2009 ASSESSMENT YEAR
Industry AIR TRANSPORT

	Guideline Companies	Ticker	Stock Price (4th 1/4 average)	Common Shares	Preferred \$ Stock \$	LTD + OP Lease	Long Term \$ Debt \$	Operating Leases
MP	AirTran Hldgs Inc	AAI	3.38	119,550,000	-	2,790,600,000	956,600,000	1,834,000,000
MP	Alaska Air Group Inc	ALK	22.56	36,208,917	-	2,695,400,000	1,613,100,000	1,082,300,000
RP	Allegiant Travel	ALGT	37.92	20,325,454	-	59,800,000	48,000,000	11,800,000
MP	AMR Corp	AMR	8.97	251,147,538	-	8,500,100,000	7,227,000,000	1,273,100,000
RF	Atlas Air Worldwide	AAWW	19.83	21,762,292	-	2,041,000,000	590,600,000	1,450,400,000
MP	Continental Airlines Inc	CAL	15.29	123,264,534	-	10,685,500,000	5,371,000,000	5,314,500,000
MP	Delta Air Lines	DAL	9.12	308,542,158	-	12,186,400,000	9,274,000,000	2,912,400,000
RP	Express Jet	XJT	1.43	18,945,532	-	231,600,000	49,100,000	182,500,000
MF	FedEx Corporation	FDX	65.95	311,291,988	-	3,268,800,000	918,000,000	2,350,800,000
MP	Hawaiian Holdings	HA	5.90	51,467,364	-	696,400,000	207,300,000	489,100,000
MP	JetBlue Airways	JBLU	5.04	271,755,006	-	4,483,200,000	2,883,000,000	1,600,200,000
MP	Mesa Air Group	MESA	0.33	26,773,479	-	2,071,200,000	420,900,000	1,650,300,000
RP	Pinnacle Airlines	PNCL	2.95	22,514,782	-	1,540,200,000	573,700,000	966,500,000
RP	Republic Airways Holdings, Inc.	RJET	12.11	34,169,683	-	2,949,100,000	1,955,300,000	993,800,000
RP	Sky West	SKYW	14.71	56,946,090	-	4,874,500,000	1,681,700,000	3,192,800,000
MP	Southwest Airlines Co.	LUV	10.21	740,146,494	-	4,381,300,000	3,498,000,000	883,300,000
MP	United Airlines, Inc.	UAUA	10.88	128,836,041	-	9,861,200,000	7,194,000,000	2,667,200,000
MF	United Parcel Svc	UPS	53.89	995,184,648	-	8,522,400,000	8,064,000,000	458,400,000

Value Line March 6, 2009

Yahoo

Value Line

Value Line

Value Line

See AC Leases worksheet

WASHINGTON STATE DEPARTMENT OF REVENUE
Assessment Year 2009 ASSESSMENT YEAR
Industry AIR TRANSPORT

	Guideline Companies	Ticker	Total Revenues-2008	Revenues Per Share	Cash Flow Per Share	2009 Cash Flow	Earnings Per Share	Next Years EPS	Further Projected EPS	Dividends Per Share	BV per share
MP	AirTran Hldgs Inc	AAI	2,552,392,500	21.35	(0.45)	1.00	(1.32)	0.55	1.15	NIL	2.06
MP	Alaska Air Group Inc	ALK	3,640,806,604	100.55	4.05	8.55	0.18	3.20	5	NIL	18.40
RP	Allegiant Travel	ALGT	503,664,750	24.78	2.90	N/A	1.73	3.98	N/A	NIL	11.50
MP	AMR Corp	AMR	23,871,573,487	95.05	0.05	6.35	(4.61)	1.55	3	NIL	5.85
RF	Atlas Air Worldwide	AAWW	1,637,612,473	75.25	3.38	4.90	1.56	3.10	6.1	NIL	27.30
MP	Continental Airlines Inc	CAL	15,240,426,984	123.64	0.71	8.00	(3.32)	3.70	5.15	NIL	0.85
MP	Delta Air Lines	DAL	10,305,308,077	33.40	1.10	3.50	(1.08)	1.05	2.6	NIL	1.25
RP	Express Jet	XJT	6,137,026,181	323.93	(7.88)	N/A	(8.51)	N/A	N/A	NIL	44.67
MF	FedEx Corporation	FDX	37,990,074,216	122.04	12.13	10.60	5.83	4.25	9.15	0.40	46.71
MP	Hawaiian Holdings	HA	1,209,688,923	23.50	1.06	N/A	(0.00)	1.40	N/A	NIL	1.04
MP	JetBlue Airways	JBLU	3,388,784,925	12.47	0.67	1.35	(0.10)	0.45	1.15	NIL	4.64
MP	Mesa Air Group	MESA	1,326,090,415	49.53	0.08	N/A	(1.31)	N/A	N/A	NIL	4.10
RP	Pinnacle Airlines	PNCL	1,077,827,644	47.87	2.04	N/A	0.34	1.75	N/A	NIL	2.69
RP	Republic Airways Holdings, Inc.	RJET	1,213,365,443	35.51	5.20	N/A	2.42	2.31	N/A	NIL	11.70
RP	Sky West	SKYW	3,508,448,605	61.61	5.87	5.75	1.93	1.75	2.3	0.12	22.48
MP	Southwest Airlines Co.	LUV	11,028,182,761	14.90	1.21	1.25	0.40	0.50	1.25	0.02	6.69
MP	United Airlines, Inc.	UAUA	20,014,678,969	155.35	(6.10)	8.50	(13.63)	1.75	4.6	NIL	3.20
MF	United Parcel Svc	UPS	50,137,402,566	50.38	5.30	4.70	3.50	2.80	5.45	1.77	12.20
	Value Line March 6, 2009		Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line

WASHINGTON STATE DEPARTMENT OF REVENUE
Assessment Year 2009 ASSESSMENT YEAR
Industry AIR TRANSPORT

	Guideline Companies	Ticker	Beta	P/E Ratio	Div'd Yield	Earnings Growth	Dividends Growth	share equity	2004 Net Profit	2005 Net Profit	2006 Net Profit	2007 Net Profit	2008 Net Profit
MP	AirTran Hldgs Inc	AAI	1.20	9.5	NIL	12%	NIL	246	12	2	16	55	(155)
MP	Alaska Air Group Inc	ALK	1.20	7.7	NIL	11%	NIL	662	9	47	130	95	7
RP	Allegiant Travel	ALGT	0.85	19.3	NIL	NMF	NIL	234	NMF	NMF	45	38	36
MP	AMR Corp	AMR	1.65	6.47	NIL	NMF	NIL	1,465	(894)	(678)	281	624	(1,194)
RF	Atlas Air Worldwide	AAWW	1.50	6.2	NIL	14.0%	NIL	580	NMF	74	60	89	33
MP	Continental Airlines Inc	CAL	1.60	4.6	NIL	23.5%	NIL	105	(255)	(205)	304	538	(351)
MP	Delta Air Lines	DAL	NMF	14.9	NIL	NMF	NIL	848	NMF	(2,934)	3	418	(503)
RP	Express Jet	XJT	1.50	NMF	NIL	NMF	NIL	232	123	98	93	(70)	NMF
MF	FedEx Corporation	FDX	0.85	11.5	0.9%	7.0%	8%	14,526	1,070	1,479	1,855	2,073	1,821
MP	Hawaiian Holdings	HA	0.95	NMF	NIL	NMF	NIL	53	(7)	(12)	(6)	7	(0)
MP	JetBlue Airways	JBLU	1.05	14.3	NIL	NMF	NIL	1,261	47	(10)	(7)	18	(23)
MP	Mesa Air Group	MESA	1.15	NMF	NIL	NMF	NIL	110	34	57	26	(72)	(35)
RP	Pinnacle Airlines	PNCL	1.15	1.7	NIL	NMF	NIL	49	41	26	49	35	6
RP	Republic Airways Holdings, Inc.	RJET	0.70	3.3	NIL	NMF	NIL	426	45	61	80	83	NMF
RP	Sky West	SKYW	1.15	6.8	1.4%	0.5%	4%	1,276	82	112	146	159	113
MP	Southwest Airlines Co.	LUV	0.90	14.3	30.0%	13.0%	4%	4,953	313	469	592	471	294
MP	United Airlines, Inc.	UAUA	1.65	NMF	NIL	NMF	NIL	(2,020)	(1,110)	(557)	(19)	318	(1,725)
MF	United Parcel Svc	UPS	0.75	15.3	4.2%	6.0%	4%	12,450	3,238	3,870	4,202	4,369	3,578
	Value Line March 6, 2009		Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line	Value Line

WASHINGTON STATE DEPARTMENT OF REVENUE
Assessment Year 2009 ASSESSMENT YEAR
Industry AIR TRANSPORT

	Guideline Companies	Ticker	5 yr Ave Net Profit	TOTAL DEBT	# EMPLOYEES	EBITDA 12/2008	EBITDA 12/2007	EBITDA 12/2006	EBITDA 12/2005	EBITDA 12/2004	Average EBITDA
MP	AirTran Hldgs Inc	AAI	(14)	1,117	7,700	-26.53	183.88	68.15	40.42		66.48
MP	Alaska Air Group Inc	ALK	57	1,969	14,710	-433.10	389.40	95.00	156.40		51.93
RP	Allegiant Travel	ALGT	25	70	1,348	125.63	60.05	33.68	13.59	8.26	48.24
MP	AMR Corp	AMR	(372)	8,267	88,400	-3334.00	2167.00	2217.00	1075.00		531.25
RF	Atlas Air Worldwide	AAWW	64	635	1,840	254.59	196.62	197.49	239.64		222.09
MP	Continental Airlines Inc	CAL	6	5,890	42,500	-1570.00	1113.00	886.00	417.00		211.50
MP	Delta Air Lines	DAL	(754)	10,139	55,044	5611.00	1574.00				3592.50
RP	Express Jet	XJT	61	53	8,000	-39.90M	-77.62	169.36	183.54	228.96	126.06
MF	FedEx Corporation	FDX	1,660	2,007	290,000	4903.00	5018.00	4562.00	3933.00		4604.00
MP	Hawaiian Holdings	HA	(4)	233	3,700	94.14M	61.26	14.65	7.82	-7.27	19.12
MP	JetBlue Airways	JBLU	5	3,155	11,852	319.00	349.00	281.00	165.00		278.50
MP	Mesa Air Group	MESA	2	559	4,113	16.58	80.90	120.53	170.95		97.24
RP	Pinnacle Airlines	PNCL	31	700	5,553	90.07M	61.88	89.39	91.89	70.57	78.43
RP	Republic Airways Holdings, Inc.	RJET	67	2,163	4,670	393.05M	341.98	301.90	281.57	174.68	275.03
RP	Sky West	SKYW	122	1,812	14,544	475.43	553.47	555.57	335.68		480.04
MP	Southwest Airlines Co.	LUV	428	3,661	35,499	1036.00	1332.00	1433.00	1178.00		1244.75
MP	United Airlines, Inc.	UAUA	(619)	8,059	55,000	-2629.00	1870.00	1283.00			174.67
MF	United Parcel Svc	UPS	3,851	10,959	425,300	7196.00	2323.00	8383.00	7787.00		6422.25
	Value Line March 6, 2009		Value Line	Value Line	Value Line	marketwatch	marketwatch	marketwatch	marketwatch	marketwatch	marketwatch

AVERAGE FOURTH QUARTER STOCK PRICE

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

AirTran Hldgs Inc		AAI						
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	3.330	4.600	2.900	4.500	2,326,700	4.500	Q4 Average	3.378
Nov-08	4.260	4.420	2.540	3.410	2,784,300	3.410		
Oct-08	2.450	4.310	1.500	4.090	3,830,500	4.090		
Sep-08	2.850	3.210	2.200	2.430	3,829,200	2.430		
Aug-08	3.050	3.690	2.100	2.400	3,899,100	2.400		
Jul-08	2.010	3.490	1.280	2.920	4,939,400	2.920		
Jun-08	3.050	3.440	1.970	2.040	3,398,500	2.040		
May-08	3.500	3.760	2.730	3.000	3,481,200	3.000		
Apr-08	6.870	6.950	3.030	3.410	6,298,400	3.410		
Mar-08	7.240	7.250	5.610	6.600	2,667,300	6.600		
Feb-08	8.660	9.130	7.220	7.220	1,386,700	7.220		
Jan-08	7.150	8.990	6.010	8.620	2,594,500	8.620		

Alaska Air Group Inc		ALK						
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	22.310	29.370	20.810	28.810	937,000	28.810	Q4 Average	22.563
Nov-08	24.890	27.740	18.570	22.950	1,151,300	22.950		
Oct-08	20.760	26.000	12.890	24.700	1,123,200	24.700		
Sep-08	22.290	24.680	18.620	20.390	1,097,600	20.390		
Aug-08	18.250	23.250	16.930	21.010	1,048,300	21.010		
Jul-08	15.120	19.830	10.100	17.880	1,335,100	17.880		
Jun-08	19.670	21.220	15.340	15.340	941,800	15.340		
May-08	21.600	23.000	17.330	19.530	567,800	19.530		
Apr-08	19.990	22.270	17.510	21.480	660,600	21.480		
Mar-08	24.580	24.720	17.440	19.620	1,145,000	19.620		
Feb-08	25.410	28.560	24.320	24.400	783,900	24.400		
Jan-08	24.820	25.540	21.110	25.300	892,600	25.300		

Allegiant Travel		ALGT						
Date	Open	High	Low	Close	Volume	Adj Close		
08-Dec	42.01	48.92	37.07	48.5	397,300	48.5	Q4 Average	37.917
08-Nov	40.84	44.58	32.42	43.14	346,700	43.14		
08-Oct	34.45	40.99	23.52	39.83	362,100	39.83		
08-Sep	31.9	35.94	30.28	35.32	345,300	35.32		
08-Aug	24.58	32.14	23.29	31.01	331,500	31.01		
08-Jul	18.26	25.48	15.89	24.68	392,300	24.68		
08-Jun	20.88	24.43	18.52	18.59	315,700	18.59		
08-May	27.13	28.93	20.35	20.9	194,000	20.9		
08-Apr	26.86	28.72	19.65	27.25	163,300	27.25		
08-Mar	27.65	28.44	22.52	26.42	120,000	26.42		
08-Feb	31.56	32.18	27.01	27.21	163,000	27.21		
08-Jan	32.07	32.46	19.97	31.28	194,900	31.28		

AMR Corp		AMR						
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	8.510	11.000	7.550	10.410	7,930,200	10.410	Q4 Average	8.970
Nov-08	10.900	11.690	6.210	8.780	12,736,800	8.780		
Oct-08	9.930	12.370	5.000	10.210	20,221,700	10.210		
Sep-08	11.820	13.330	7.960	9.820	22,135,600	9.820		
Aug-08	9.330	13.410	8.500	10.330	23,871,300	10.330		
Jul-08	5.020	10.660	4.000	9.030	27,510,300	9.030		
Jun-08	7.350	8.050	4.790	5.120	22,714,300	5.120		
May-08	9.040	10.150	6.000	7.190	17,899,300	7.190		
Apr-08	9.430	10.400	6.810	8.770	14,668,200	8.770		
Mar-08	12.800	12.970	8.100	9.020	13,845,500	9.020		
Feb-08	14.070	16.490	12.750	12.810	8,604,400	12.810		
Jan-08	13.700	14.340	10.950	13.940	11,628,800	13.940		

Atlas Air Worldwide		AAWW						
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	14.72	17.96	11.73	17.31	236,300	17.31	Q4 Average	19.827
Nov-08	19.3	23.33	8.99	15.3	446,600	15.3		
Oct-08	39.64	39.79	17.16	19.32	390,200	19.32		
Sep-08	58.25	59.03	37.78	40.31	369,100	40.31		
Aug-08	48.26	57.99	45.65	57.74	249,500	57.74		
Jul-08	47.89	51	43.86	48.13	280,400	48.13		
Jun-08	61.71	62.78	49.41	49.46	212,900	49.46		
May-08	60.76	66.45	58.8	61.9	210,900	61.9		
Apr-08	55.77	62.26	55.77	60.68	171,400	60.68		
Mar-08	50.7	55.18	49.75	55	159,800	55		
Feb-08	50.19	54.31	46.77	50.6	158,700	50.6		
Jan-08	54.03	54.5	46.52	49.94	225,800	49.94		

Continental Airlines Inc		CAL						
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	13.990	18.040	13.010	17.590	6,532,900	17.590	Q4 Average	15.287
Nov-08	19.820	20.890	10.220	14.680	8,090,300	14.680		
Oct-08	16.870	20.070	9.490	18.920	11,491,100	18.920		
Sep-08	18.060	21.400	13.440	16.680	14,480,800	16.680		
Aug-08	14.200	19.040	12.480	16.250	14,555,600	16.250		
Jul-08	9.750	15.200	5.910	13.730	14,643,300	13.730		
Jun-08	14.720	15.970	9.700	10.110	8,286,200	10.110		
May-08	18.190	19.790	12.800	14.410	6,998,800	14.410		
Apr-08	19.900	23.420	15.820	17.980	5,910,500	17.980		
Mar-08	24.390	25.890	17.870	19.230	4,493,100	19.230		
Feb-08	27.190	31.250	24.050	24.180	3,747,300	24.180		
Jan-08	21.800	28.000	17.190	27.280	5,821,000	27.280		

AVERAGE FOURTH QUARTER STOCK PRICE

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

Delta Air Lines		DAL						Q4 Average
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	8.600	11.640	7.800	10.920	11,718,900	10.920	9.122	
Nov-08	11.140	12.000	6.290	8.810	13,715,700	8.810		
Oct-08	7.640	11.900	5.100	10.980	20,503,700	10.980		
Sep-08	9.320	10.100	6.460	7.450	20,205,100	7.450		
Aug-08	7.810	10.260	6.920	8.130	17,943,800	8.130		
Jul-08	5.470	8.790	4.000	7.540	19,549,600	7.540		
Jun-08	6.250	7.030	4.800	5.700	14,508,700	5.700		
May-08	8.640	9.020	5.370	6.150	10,667,600	6.150		
Apr-08	8.940	10.890	6.500	8.510	12,479,500	8.510		
Mar-08	13.270	14.600	7.940	8.600	8,135,600	8.600		
Feb-08	16.800	18.990	13.240	13.350	4,592,300	13.350		
Jan-08	14.730	17.000	11.500	16.820	6,082,000	16.820		

Express Jet		XJT						Q4 Average
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	1.230	2.000	1.150	1.700	147,900	1.700	1.425	
Nov-08	1.780	2.030	0.860	1.250	218,600	1.250		
Oct-08	0.200	2.330	0.180	1.730	266,600	1.730		
Sep-08	0.230	0.300	0.170	0.190	1,925,300	0.190		
Aug-08	0.350	0.350	0.160	0.200	2,462,600	0.200		
Jul-08	0.550	0.670	0.270	0.310	2,010,700	0.310		
Jun-08	2.060	2.240	0.550	0.550	2,180,600	0.550		
May-08	3.000	3.150	1.460	2.030	1,098,800	2.030		
Apr-08	2.500	3.390	1.790	3.030	598,500	3.030		
Mar-08	2.400	2.950	1.500	2.630	615,500	2.630		
Feb-08	2.780	3.540	2.410	2.430	709,800	2.430		
Jan-08	2.540	3.020	2.010	2.740	737,100	2.740		

FedEx Corporation		FDX						Q4 Average
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	69.500	76.940	57.330	62.220	3,660,300	62.220	65.952	
Nov-08	65.370	70.650	55.420	70.650	3,428,500	70.530		
Oct-08	78.390	81.470	53.900	65.370	4,644,100	65.260		
Sep-08	86.080	96.650	78.690	79.040	3,867,300	79.040		
Aug-08	79.000	90.160	76.110	82.820	2,760,600	82.710		
Jul-08	78.040	83.470	71.330	78.840	3,211,700	78.730		
Jun-08	91.170	93.690	76.310	78.790	4,367,900	78.680		
May-08	95.590	99.460	86.580	91.710	2,808,800	91.480		
Apr-08	93.900	99.000	92.150	95.870	2,436,500	95.630		
Mar-08	88.000	93.140	82.500	92.670	3,218,800	92.430		
Feb-08	93.690	94.130	86.440	88.130	2,397,400	87.810		
Jan-08	88.570	94.300	80.000	93.320	4,262,300	92.980		

Hawaiian Holdings		HA						Q4 Average
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	4.380	6.420	3.800	6.380	924,900	6.380	5.898	
Nov-08	7.000	7.400	3.500	4.480	883,800	4.480		
Oct-08	9.270	9.360	4.910	7.000	875,300	7.000		
Sep-08	9.200	11.100	8.600	9.280	986,400	9.280		
Aug-08	8.800	9.730	7.190	9.030	734,200	9.030		
Jul-08	6.980	9.860	6.600	8.820	1,112,100	8.820		
Jun-08	7.350	7.420	6.500	6.950	636,900	6.950		
May-08	8.000	8.900	6.180	7.320	921,900	7.320		
Apr-08	5.960	8.090	5.950	7.950	1,032,700	7.950		
Mar-08	5.150	6.450	4.350	6.000	2,947,000	6.000		
Feb-08	5.070	5.250	4.650	5.200	936,000	5.200		
Jan-08	5.190	5.340	4.500	5.070	1,529,000	5.070		

JetBlue Airways		JBLU						Q4 Average
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	5.120	6.820	4.630	6.820	4,633,100	6.820	5.038	
Nov-08	5.610	6.150	3.630	5.240	5,754,000	5.240		
Oct-08	4.990	5.910	3.090	5.550	6,687,600	5.550		
Sep-08	6.460	6.750	4.520	4.950	9,072,900	4.950		
Aug-08	5.420	6.180	5.090	6.070	6,697,300	6.070		
Jul-08	3.630	5.600	3.040	5.270	10,345,900	5.270		
Jun-08	3.980	4.370	3.520	3.730	6,920,300	3.730		
May-08	5.030	5.120	3.900	3.970	8,417,700	3.970		
Apr-08	5.900	5.990	4.500	5.040	5,999,100	5.040		
Mar-08	5.480	6.000	4.420	5.800	5,806,800	5.800		
Feb-08	7.040	7.330	5.430	5.450	5,105,400	5.450		
Jan-08	5.940	7.000	4.300	6.910	8,172,400	6.910		

Mesa Air Group		MESA						Q4 Average
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	0.220	0.560	0.130	0.260	279,400	0.260	0.328	
Nov-08	0.380	0.410	0.160	0.200	120,500	0.200		
Oct-08	0.350	0.460	0.250	0.370	260,000	0.370		
Sep-08	0.540	0.540	0.310	0.330	223,300	0.330		
Aug-08	0.440	0.570	0.400	0.450	334,800	0.450		
Jul-08	0.500	0.590	0.290	0.460	525,800	0.460		
Jun-08	0.680	0.770	0.440	0.510	590,100	0.510		
May-08	0.740	1.380	0.420	0.720	2,080,000	0.720		
Apr-08	2.260	2.510	0.440	0.660	1,849,800	0.660		
Mar-08	2.450	2.730	2.210	2.350	258,100	2.350		
Feb-08	3.530	3.720	2.400	2.420	307,100	2.420		
Jan-08	3.040	3.800	2.290	3.510	444,300	3.510		

Pinnacle Airlines		PNCL						Q4 Average
Date	Open	High	Low	Close	Volume	Adj Close		
Dec-08	3.260	3.400	1.600	1.690	98,900	1.690	2.947	
Nov-08	2.650	3.850	2.650	3.260	121,700	3.260		
08-Oct	4.02	4.29	1.89	2.73	141,000	2.73		
08-Sep	4.95	5.26	3.9	3.98	167,400	3.98		
08-Aug	5.91	7.1	4.14	4.76	298,100	4.76		
08-Jul	3.06	6.45	2.95	5.94	312,800	5.94		
08-Jun	6.51	6.86	3.08	3.16	574,100	3.16		
08-May	8.33	8.85	6.37	6.51	397,400	6.51		
08-Apr	8.97	9.64	7.6	8.32	474,700	8.32		
08-Mar	11.22	11.36	8.44	8.73	376,300	8.73		
08-Feb	13.43	14.4	10.93	11.21	303,200	11.21		
08-Jan	15.28	16.09	12.42	13.44	284,300	13.44		

AVERAGE FOURTH QUARTER STOCK PRICE

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

Republic Airways Holdings, Inc. RJET

Date	Open	High	Low	Close	Volume	Adj Close	
Dec-08	13.600	14.430	9.190	9.960	472,400	9.960	Q4 Average 12.112
Nov-08	14.930	15.510	11.450	13.970	383,400	13.970	
Oct-08	10.070	15.720	6.370	14.950	563,900	14.950	
Sep-08	9.040	12.770	8.750	10.190	775,800	10.190	
Aug-08	9.620	11.400	7.470	8.640	607,500	8.640	
Jul-08	9.100	9.750	6.680	9.610	620,200	9.610	
Jun-08	12.120	13.610	8.660	8.660	608,900	8.660	
May-08	16.820	17.930	10.640	12.180	485,400	12.180	
Apr-08	21.920	22.640	11.230	16.860	495,400	16.860	
Mar-08	19.550	22.500	19.020	21.660	323,300	21.660	
Feb-08	20.000	21.880	19.100	19.550	333,400	19.550	
Jan-08	19.460	21.600	19.040	19.960	393,800	19.960	

Sky West SKYW

Date	Open	High	Low	Close	Volume	Adj Close	
Dec-08	14.780	18.610	13.850	18.570	600,900	18.570	Q4 Average 14.705
Nov-08	15.560	16.570	11.280	15.200	663,900	15.170	
Oct-08	15.700	16.840	11.080	15.410	831,300	15.370	
Sep-08	17.480	20.700	15.190	15.980	937,200	15.980	
Aug-08	15.520	19.770	14.990	17.090	839,300	17.060	
Jul-08	12.570	16.380	10.840	15.220	964,200	15.190	
Jun-08	15.420	16.960	12.530	12.650	938,700	12.630	
May-08	18.560	19.950	14.840	15.460	732,100	15.400	
Apr-08	21.440	21.910	16.530	19.030	715,400	18.950	
Mar-08	22.220	22.890	20.000	21.120	841,500	21.040	
Feb-08	25.990	26.630	22.100	22.120	636,800	22.000	
08-Jan	26.72	27.19	23.55	26.02	616,100	25.88	

Southwest Airlines Co. LUV

Date	Open	High	Low	Close	Volume	Adj Close	
Dec-08	8.500	9.100	7.050	8.380	10,626,500	8.380	Q4 Average 10.208
Nov-08	11.990	12.190	7.680	8.650	11,957,700	8.650	
Oct-08	14.390	14.970	10.260	11.780	13,662,700	11.770	
Sep-08	15.830	16.770	13.820	14.510	12,880,100	14.500	
Aug-08	15.640	16.490	14.500	15.230	11,520,900	15.220	
Jul-08	12.910	16.090	12.680	15.590	11,560,600	15.580	
Jun-08	13.080	14.890	12.820	13.040	11,601,200	13.030	
May-08	13.190	13.660	12.210	13.060	7,023,900	13.040	
Apr-08	12.520	13.500	11.750	13.240	8,441,400	13.220	
Mar-08	12.220	13.010	11.120	12.400	9,053,400	12.380	
Feb-08	11.750	13.100	11.620	12.260	7,961,700	12.240	
Jan-08	12.180	12.770	11.020	11.720	11,267,400	11.700	

United Airlines, Inc. UAA

Date	Open	High	Low	Close	Volume	Adj Close	
Dec-08	10.77	12.37	8.42	10.74	6,972,200	10.74	Q4 Average 10.878
Nov-08	15.45	16.73	7	11.25	10,057,300	11.25	
Oct-08	8.84	16.2	4.55	14.56	17,361,600	14.56	
Sep-08	13.42	14.29	3	8.79	18,880,900	8.79	
Aug-08	8.89	15.84	7.68	11.11	31,685,200	11.11	
Jul-08	5.01	10.2	2.8	8.31	17,988,800	8.31	
Jun-08	8.49	10.43	5.22	5.22	11,822,000	5.22	
May-08	15	16.46	7.36	8.54	6,492,800	8.54	
Apr-08	22.1	24.87	12.78	14.9	6,978,300	14.9	
Mar-08	30.13	30.58	19.71	21.53	4,730,900	21.53	
Feb-08	38.13	41.47	30.14	30.3	3,185,500	30.3	
Jan-08	35.25	38.05	23.53	37.95	5,749,100	37.95	

United Parcel Svc UPS

Date	Open	High	Low	Close	Volume	Adj Close	
Dec-08	56.16	59.48	50.06	54.18	5,873,600	54.18	Q4 Average 53.892
Nov-08	52.52	57.74	48.31	57.6	7,642,000	57.6	
Oct-08	62.5	64.44	43.32	52.78	8,875,100	52.32	
Sep-08	64.99	70	61.58	62.89	6,938,000	62.34	
Aug-08	62.67	66.86	60.99	64.12	4,576,900	63.56	
Jul-08	60.42	64.85	56.1	63.08	7,020,600	62.08	
Jun-08	71.02	71.74	59.3	61.47	6,746,900	60.5	
May-08	72.17	74.14	66.8	71.02	5,245,000	69.89	
Apr-08	73.17	75.08	70.02	72.41	5,449,200	70.81	
Mar-08	70.01	73.74	68.36	73.02	6,296,200	71.41	
Feb-08	73.03	73.95	69.93	70.24	4,672,400	68.69	
Jan-08	70.55	73.52	64.01	72.97	7,573,700	70.91	

SUPPORT FOR OPERATING LEASE VALUE IN CAPITAL STRUCTURE

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

	AirTran Hldgs*	Alaska Air Group	Allegiant Travel*	AMR*	Atlas Air Worldwide	Continental (a)	Delta (b)	ExpressJet	FedEx
Value ₁ =2009 scheduled payment/ Cap rate ₁	2,178,788,126	1,180,223,472	22,935,292	2,728,270,231	1,425,841,439	8,768,321,638	7,147,974,651	182,500,000	2,112,828,207
Value ₂ =2008 income statement rental payment/ Cap rate ₂	1,833,980,821	1,082,311,121	11,751,032	1,273,064,569	1,450,380,770	5,314,516,378	2,912,369,228		2,350,783,217
Value ₃ =2009 scheduled payment/ Cap rate ₂	2,178,646,437	1,138,052,466	16,000,606	2,582,354,552	1,324,211,319	5,548,660,030	10,473,145,366		779,847,391
2007 Income statement-rental expense	242,764,000	178,400,000	3,004,000	591,000,000	155,575,000	994,000,000	246,000,000	344,166,000	1,610,000,000
2008 Income statement-rental expense	242,464,000	163,100,000	2,815,000	492,000,000	157,063,000	976,000,000	307,000,000	197,122,000	1,673,000,000
2008 10K op lease payment schedule									
2009	288,031,000	171,500,000	3,833,000	998,000,000	143,400,000	1,019,000,000	1,104,000,000	21,900,000	555,000,000
2010	275,985,000	169,200,000	3,763,000	932,000,000	282,500,000	998,000,000	1,040,000,000	21,900,000	544,000,000
2011	263,684,000	145,000,000	3,729,000	922,000,000	282,500,000	939,000,000	822,000,000	21,900,000	526,000,000
2012	262,020,000	149,500,000	3,560,000	739,000,000	282,500,000	894,000,000	703,000,000	21,900,000	504,000,000
2013	256,901,000	123,100,000	2,405,000	652,000,000	282,500,000	871,000,000	592,000,000	21,900,000	499,000,000
Thereafter	1,778,897,000	302,100,000	10,291,000	4,944,000,000	1,327,300,000	4,001,000,000	3,641,000,000	32,800,000	2,931,000,000

Cap rate ₁ = 2008ay APG / payments from 2008ay annual report
Cap rate ₂ = 2008ay APG / 2007 10K rental payments

*Various types of operating leases were not segregated.

(a) Continental payments also include lease payments related to aircraft operated by ExpressJet.-Excludes \$3.8 billion of projected sublease income to be received from ExpressJet.

(b) Excludes Delta's payments per contract carrier agreements (lease payments).

(1) Aircraft ownership costs including depreciation and interest expense on owned aircraft and rental payments on operating leased aircraft of aircraft flown pursuant to our guaranteed-revenue agreements are reimbursed by the applicable code-share partner.

SUPPORT FOR OPERATING LEASE VALUE IN CAPITAL STRUCTURE

WASHINGTON STATE DEPARTMENT OF REVENUE

2009 ASSESSMENT YEAR

AIR TRANSPORT

	Hawaiian	JetBlue	Mesa Air Group	Pinnacle Airlines	Republic	SkyWest*	Southwest*	United	UPS*
Value ₁ =2009 scheduled payment/ Cap rate ₁	552,397,454	1,468,965,974	1,650,274,330	966,508,333	993,783,333	3,372,252,416	2,132,753,830	6,190,698,139	3,103,075,098
Value ₂ =2008 income statement rental payment/ Cap rate ₂	489,149,811	1,600,182,581				3,192,805,265	883,298,590	2,667,234,064	458,388,181
Value ₃ =2009 scheduled payment/ Cap rate ₂	449,489,678	2,220,408,387				3,509,620,355	2,156,625,128	5,164,912,906	189,071,384
2007 Income statement-rental expense	97,626,000	124,000,000		138,661,000	124,961,000	294,443,000	156,000,000	406,000,000	896,000,000
2008 Income statement-rental expense	99,803,000	129,000,000		128,559,000	134,206,000	295,784,000	154,000,000	409,000,000	834,000,000
2008 10K op lease payment schedule									
2009	91,711,000	179,000,000	199,000,000	115,981,000	119,254,000	325,134,000	376,000,000	792,000,000	344,000,000
2010	106,708,000	158,000,000	198,000,000	113,323,000	105,648,000	309,593,000	324,000,000	764,000,000	288,000,000
2011	112,189,000	146,000,000	204,000,000	113,088,000	96,860,000	300,221,000	249,000,000	751,000,000	217,000,000
2012	100,433,000	130,000,000	206,000,000	113,088,000	94,354,000	300,596,000	203,000,000	695,000,000	147,000,000
2013	94,143,000	109,000,000	208,000,000	113,088,000	91,671,000	292,941,000	152,000,000	658,000,000	109,000,000
Thereafter	561,367,000	719,000,000	877,000,000	452,352,000	468,854,000	1,477,811,000	728,000,000	1,745,000,000	423,000,000

Cap rate ₁ = 2008ay APG / payments from 2008ay annual report
Cap rate ₂ = 2008ay APG / 2007 10K rental payments

IMPLIED PREMIUMS FOR US MARKET

Last updated January 5, 2009

These implied premiums are calculated using the S&P 500.

Year	Earnings Yield	Dividend Yield	S&P 500	Earnings	Dividends	Change in Earnings	Change in Dividends	T. Bill Rate	T. Bond Rate	Bond-Bill	Boothed Growth	Premium	Est Growth Es	Implied Premium (FCFE)	ERP/Riskfree Rate
1960	5.34%	3.41%	58.11	3.1	1.98			0.0266	2.76%	0.10%	2.45%				
1961	4.71%	2.85%	71.55	3.37	2.04	8.60%	2.91%	2.13%	2.35%	0.22%	2.41%	2.92%		2.92%	1.24
1962	5.81%	3.40%	63.1	3.67	2.15	8.79%	5.21%	2.73%	3.85%	1.12%	4.05%	3.56%		3.56%	0.92
1963	5.51%	3.13%	75.02	4.13	2.35	12.75%	9.45%	3.12%	4.14%	1.02%	4.96%	3.38%		3.38%	0.82
1964	5.62%	3.05%	84.75	4.76	2.58	15.23%	10.08%	3.54%	4.21%	0.67%	5.13%	3.31%		3.31%	0.79
1965	5.73%	3.06%	92.43	5.3	2.83	11.20%	9.42%	3.93%	4.65%	0.72%	5.46%	3.32%		3.32%	0.71
1966	6.74%	3.59%	80.33	5.41	2.88	2.23%	1.96%	4.76%	4.64%	-0.12%	4.19%	3.68%		3.68%	0.79
1967	5.66%	3.09%	96.47	5.46	2.98	0.85%	3.37%	4.21%	5.70%	1.49%	5.25%	3.20%		3.20%	0.56
1968	5.51%	2.93%	103.86	5.72	3.04	4.81%	2.09%	5.21%	6.16%	0.95%	5.32%	3.00%		3.00%	0.49
1969	6.63%	3.52%	92.06	6.1	3.24	6.66%	6.49%	6.58%	7.88%	1.30%	7.55%	3.74%		3.74%	0.47
1970	5.98%	3.46%	92.15	5.51	3.19	-9.72%	-1.61%	6.53%	6.50%	-0.03%	4.78%	3.41%		3.41%	0.52
1971	5.46%	3.10%	102.09	5.57	3.16	1.15%	-0.74%	4.39%	5.89%	1.50%	4.57%	3.09%		3.09%	0.52
1972	5.23%	2.70%	118.05	6.17	3.19	10.76%	0.71%	3.84%	6.41%	2.57%	5.21%	2.72%		2.72%	0.42
1973	8.16%	3.70%	97.55	7.96	3.61	28.93%	13.24%	6.93%	6.90%	-0.03%	8.30%	4.30%		4.30%	0.62
1974	13.64%	5.43%	68.56	9.35	3.72	17.48%	3.14%	8.00%	7.40%	-0.60%	6.42%	5.59%		5.59%	0.76
1975	8.55%	4.14%	90.19	7.71	3.73	-17.54%	0.30%	5.80%	7.76%	1.96%	5.99%	4.13%		4.13%	0.53
1976	9.07%	3.93%	107.46	9.75	4.22	26.39%	13.10%	5.08%	6.81%	1.73%	8.19%	4.55%		4.55%	0.67
1977	11.43%	5.11%	95.1	10.87	4.86	11.53%	15.07%	5.12%	7.78%	2.66%	9.52%	5.92%		5.92%	0.76
1978	12.11%	5.39%	96.11	11.64	5.18	7.07%	6.60%	7.18%	9.15%	1.97%	8.48%	5.72%		5.72%	0.63
1979	13.48%	5.53%	107.94	14.55	5.97	25.01%	15.23%	10.38%	10.33%	-0.05%	11.70%	6.45%		6.45%	0.62
1980	11.04%	4.74%	135.76	14.99	6.44	3.01%	7.81%	11.24%	12.43%	1.19%	11.01%	5.03%		5.03%	0.4
1981	12.39%	5.57%	122.55	15.18	6.83	1.31%	6.08%	14.71%	13.98%	-0.73%	11.42%	5.73%		5.73%	0.41
1982	9.83%	4.93%	140.64	13.82	6.93	-8.95%	1.58%	10.54%	10.47%	-0.07%	7.96%	4.90%		4.90%	0.47
1983	8.06%	4.32%	164.93	13.29	7.12	-3.84%	2.76%	8.80%	11.80%	3.00%	9.09%	4.31%		4.31%	0.37
1984	10.07%	4.68%	167.24	16.84	7.83	26.69%	9.85%	9.85%	11.51%	1.66%	11.02%	5.11%		5.11%	0.44
1985	7.42%	3.88%	211.28	15.68	8.2	-6.91%	4.74%	7.72%	8.99%	1.27%	7.89%	4.03%	6.75%	3.84%	0.43
1986	5.96%	3.38%	242.17	14.43	8.19	-7.93%	-0.15%	6.16%	7.22%	1.06%	5.54%	3.36%	6.96%	3.58%	0.5
1987	6.49%	3.71%	247.08	16.04	9.17	11.10%	11.99%	5.47%	8.86%	3.39%	9.66%	4.18%	8.58%	3.99%	0.45
1988	8.20%	3.68%	277.72	24.12	10.22	50.42%	11.49%	6.35%	9.14%	2.79%	9.76%	4.12%	7.67%	3.77%	0.41
1989	6.80%	3.32%	353.4	24.32	11.73	0.83%	14.80%	8.37%	7.93%	-0.44%	9.58%	3.85%	7.46%	3.51%	0.44
1990	6.58%	3.74%	330.22	22.65	12.35	-6.87%	5.26%	7.81%	8.07%	0.26%	7.39%	3.92%	7.19%	3.89%	0.48
1991	4.58%	3.11%	417.09	19.3	12.97	-14.79%	5.03%	7.00%	6.70%	-0.30%	6.34%	3.27%	7.81%	3.48%	0.52
1992	4.16%	2.90%	435.71	20.87	12.64	8.13%	-2.59%	5.30%	6.68%	1.38%	4.67%	2.83%	9.83%	3.55%	0.53
1993	4.25%	2.72%	466.45	26.9	12.69	28.89%	0.41%	3.50%	5.79%	2.29%	4.73%	2.74%	8.00%	3.17%	0.55
1994	5.89%	2.91%	459.27	31.75	13.36	18.03%	5.34%	5.00%	7.82%	2.82%	7.23%	3.06%	7.17%	3.55%	0.45
1995	5.74%	2.30%	615.93	37.7	14.17	18.74%	6.00%	3.50%	5.57%	2.07%	5.65%	2.44%	6.50%	3.29%	0.59
1996	4.83%	2.01%	740.74	40.63	14.89	7.77%	5.10%	5.00%	6.41%	1.41%	6.13%	2.11%	7.92%	3.20%	0.5
1997	4.08%	1.60%	970.43	44.09	15.52	8.52%	4.25%	5.35%	5.74%	0.39%	5.45%	1.67%	8.00%	2.73%	0.48
1998	3.11%	1.32%	1229.23	44.27	16.2	0.41%	4.37%	4.33%	4.65%	0.32%	4.60%	1.38%	7.20%	2.26%	0.49
1999	3.07%	1.14%	1469.25	51.68	16.71	16.74%	3.16%	5.37%	6.44%	1.07%	5.75%	1.20%	12.50%	2.05%	0.32
2000	3.94%	1.23%	1320.28	56.13	16.27	8.61%	-2.65%	5.73%	5.11%	-0.62%	3.71%	1.65%	12.00%	2.87%	0.56
2001	3.85%	1.37%	1148.09	38.85	15.74	-30.79%	-3.24%	1.80%	5.05%	3.25%	3.56%	1.73%	10.30%	3.62%	0.72
2002	5.23%	1.83%	879.82	46.04	16.08	18.51%	2.15%	1.20%	3.81%	2.61%	3.57%	2.29%	8.00%	4.10%	1.08
2003	4.87%	1.61%	1111.91	54.69	17.88	18.79%	11.19%	1.00%	4.25%	3.25%	5.35%	2.12%	11.00%	3.69%	0.87
2004	5.58%	1.60%	1211.92	67.68	19.407	23.75%	8.54%	2.18%	4.22%	2.04%	4.90%	2.02%	8.50%	3.65%	0.86
2005	5.47%	1.79%	1248.29	76.45	22.38	12.96%	15.32%	4.31%	4.39%	0.08%	6.16%	2.20%	8.00%	4.08%	0.93
2006	6.18%	1.77%	1418.3	87.72	25.05	14.74%	11.93%	4.88%	4.70%	-0.18%	5.93%	1.97%	12.50%	4.16%	0.89
2007	5.62%	1.89%	1468.36	82.54	27.73	-5.91%	10.70%	3.31%	4.02%	0.71%	5.03%	2.06%	5.00%	4.37%	1.09
2008	7.24%	3.11%	903.25	65.39	28.05	-20.78%	1.15%	1.59%	2.21%	0.62%	2.11%	2.06%	4.00%	6.43%	2.91

Source: http://pages.stern.nyu.edu/~adamodar/New_Home_Page/