

HOLIDAY GREETINGS



December 17, 1984

TO: ALL FELLOW EMPLOYEES

FROM: ROBERT D. SWENSON
PRESIDENT & CHIEF EXECUTIVE OFFICER

Merry Christmas to you, your family and friends! The Christmas parties were a lot of fun, thanks to everyone who attended the Christmas parties for such an enjoyable time.

Northwest Orient AirlinK is moving along fine. Although we have a few areas to take care of in MSP, overall, I feel the transition has gone very well. It is going to be hard to identify our traffic increases until we get a few months in the program, but I think we will all agree that it is going well.

Bemidji and Brainerd are right on projection for us this month. It appears as though we will carry over 1,000 passengers in these markets during our first month of operations. This basically accounts for about one third of the passenger market available there and we are pleased with the progress.

December will be a record month for us if the weather will hold. We should be able to board over 9,000 passengers and could very well do much more. Let's work hard at making our departure reliability and our on-time performance the best in the business. This Friday looks as though it could be a record day in itself with over 650 passenger reservations on the books. We need some record days and a record month to help us in our growth financially.

Financially, for the three-month period ending September 30, 1984, Mesaba showed a profit of only \$68,000. Because of all of our investment spending during the last six months for the F27 operations, Minneapolis facility expansion, Northwest Orient AirlinK initial work and our new service startups, we have not been as profitable as we need to be. The months of October and November continue to show the effects of this transition program and that is why we need to see the traffic respond to all of our work and have a good December. Overall, we are projecting a breakeven third quarter, (October, November and December), and have told the stockbrokers that. We do expect this quarter to be the trough in our current earnings cycle and expect to see our expansion program results begin to pay off during the next year. We need everyone's usual help and cooperation in resuming these profitable operations by running a reliable, on-time performing airline and controlling our costs.

Our company is making great progress and your help in these efforts is greatly appreciated. We look forward to further progress being made in the New Year.

Happy New Year to you!

Best regards,

Robert D. Swenson
President & Chief Executive Officer