

2002 AIRPORT ROAD GRAND RAPIDS, MN 55744 218/326-6657

March 13, 1985

TO:

ALL FELLOW EMPLOYEES

FROM:

ROBERT D. SWENSON

PRESIDENT & CHIEF EXECUTIVE OFFICER

Our reliability and on-time performance record is improving. During the month of February, we greatly reduced the number of cancellations and late arrivals for factors that we could control, but, we still have further to go. In February, we operated 78.46% of our flights on time, (up from 71.90% in January), however, I intend for us to operate over 90% of our flights on time. For us to do this, we must continue forward with the progress recently made.

We set a new boarding record in January of 9,682, up from December's record of 9,625 and February was only 7,784. We need to top 10,000 plus for a Mesaba new all time record and we may have a chance of doing that this month. Our additional F27 services in South Dakota will help in breaking 10,000, as will improving loads in Bemidji, Brainerd and across the system.

Financially, we have not been profitable recently and we must do everything possible to improve the situation. We are looking at every route that is not producing and are studying ways of improving our efficiencies. So far, we have increased fares, reduced some service to Iowa, increased service Pierre—MSP and reduced service Pierre—Rapid City. In Iowa, this will decrease expenses and in South Dakota, there should be increased passengers and decreased PIR—RAP expenses.

Your continued support, help and input as we return to a profitable situation is greatly appreciated. Our passengers are everything to us and to the company's ability to succeed in this competitive business. The first class treatment given to our customers by you is incredibly important to our eventual success. Let us work even harder to earn the respect of all the travelers in this region and be the preferred carrier here.

We are pleased to welcome and recognize the following employees who have joined our Company since November 19, 1984. Thank you for selecting Mesaba as your place of employment.

Full Time -	11/19	Kimberly Lawton	PSA	FOD
	11/23	Mark Bialon	Pilot	MSP
	11/23	Marliss Eisel	Pilot	MSP
	11/23	Joel Frana	Pilot	MSP
	11/27	Dennis Dickinson	Pilot	MSP
	12/7	Dan Pickerign	PSA	BJI
	12/10	Darwin Ruyter	Mtnce	MSP
	12/10	Peter Johnson	Pilot	MSP
	12/10	John Swanson	Pilot	MSP
	12/10	Mike Brown	Pilot	MSP
	1.2/14	Jeff Ranney	Pilot	MSP
	12/16	Eric Clausen	PSA	MSP
	12/17	Neil Chapel	PSA	MSP
	12/17	Barry Verzina	Mtnce	GPZ
	12/20	John Fuller	PSA	MSP
	12/20	Kathleen Regan	PSA	MSP
	12/30	Dennis Hausinger	PSA	MSP
	1/2	James Nolan	PSA	MSP

	1/13 1/22 2/5 2/5 2/6 2/10	Anthony Launer (from PT) John Burnette John Hooks Dave Simonson Brian Olwin Mat Hoolihan	PSA Parts Mgr. Pilot Pilot Mtnce PSA	MSP MSP MSP MSP MSP
Part Time	11/6 11/6 11/24 11/24 11/24 11/24 12/10 12/10 12/10 12/14 12/27 1/1	John Fritze Greg Falvey Gary Schaack Kristin Koehnen Todd Larson Charles Lundblad Bradley Horn Mark Friedel Carey Rasinski Lisa Palmer Anthony Launer Brad Osborn Kay Novodorsky Ray Ragsdahl	PSA	MSP MSP MKT MKT MKT MSP BKX DVL MHE BRD GPZ MSP (To FT 1/13) OTG BJI MSP
	2/18 2/18 3/11 3/11	Doug Lind Leslie Getting James Mikolich Keith Mitzefelt	PSA PSA PSA PSA	MSP OTG MSP MSP

We are pleased to announce that our Board of Directors has approved an Employee Stock Purchase Plan for our employees. All full time employees who have been continuously employed by the Company for six months, (except officers), are eligible to participate in the plan. The plan is structured so that employees desiring to purchase Mesaba stock may do so by a payroll deduction of a minimum of \$5 per pay period or through a special purchase in the form of cash in the minimum amount of \$25. The Company will collectively use all payroll deduction amounts and special purchase amounts each month to buy Mesaba stock through a broker for the account of Mesaba Aviation, Inc. Employee Stock Purchase Plan. Individual stock certificates will only be issued to employees after accumulation of shares are at 50 or 100 or upon an employee's withdrawal from the plan. The broker selected at this time to be the custodian for this account is Craig Hallum. Our Accounting Department will issue statements to each participating employee each month itemizing each employee's stock activity through this account. All of the exact details of this plan, (the document called Employee Stock Purchase Plan), will be made available to all employees interested in the plan. This plan will be effective for the first pay period in April, 1985 and forms will be available from our Payroll Department for enrollment. Brokerage commissions, if there are any, will be deducted from employee contribution, but the Company will absorb all costs to administer the plan. Please see Dave Knudson if you have any questions about the plan.

Let's continue with progress this month in our reliability and on-time performance. We need every passenger possible across the system, now and the next time he or she decides to fly, so let's be the best!

Sincerely,

Robert D. Swenson

President & Chief Executive Officer