

MESABA HOLDINGS, INC.

2 0 0 3 A n n u a l R e p o r t



MESABA
AIRLINES

M E S A B A H O L D I N G S

L e t t e r t o t h e S h a r e h o l d e r s

Mesaba Holdings, Inc. recorded a profit for fiscal 2003 in the face of the difficult conditions that persisted throughout the year. This protracted industry downturn is expanding the role of regional carriers, which poses both increased opportunity and competition for us.

One way we increased our competitiveness in fiscal 2003 was to acquire Big Sky Transportation Company. We are working with Big Sky's Board and management team to improve operations, strengthen financial performance and pursue new partnerships and markets.

We also continue to work with Mesaba Aviation's Board and management to maximize its performance under its contract with Northwest Airlines. Mesaba Aviation continues to post outstanding operational results; its fiscal 2003 completion factor of 98.3 percent ranks among the leaders in its peer group, as does its 86.9 percent on-time arrival performance. Mesaba Aviation also has received its second consecutive Diamond Award, the Federal Aviation Administration's recognition for 100 percent participation in FAA-accepted training programs.

This important award reminds us that both Big Sky and Mesaba Aviation are staffed with exceptional people on the ground and in the air. Their focus on the fundamentals of safety, operational excellence and rigorous cost control through a disciplined focus on continuous process improvement, helped the company remain profitable in fiscal 2003 and set the stage for further success at both the operating and holding company levels. I salute them for their commitment and accomplishment during this period of challenge and change.

We are a significantly different – and more competitive – company than a year ago. To mark this, we are asking for shareholder approval at our August 2003 annual meeting to change the name of the holding company to MAIR Holdings, Inc. We believe the new name will better emphasize our holding company structure while lessening any confusion between us and our Aviation subsidiary.

We thank you for your support and pledge to you our best efforts to earn your continued investment.

Paul F. Foley
President and CEO



M E S A B A H O L D I N G S

C o r p o r a t e I n f o r m a t i o n

ADDRESS

Mesaba Holdings, Inc.
150 South Fifth Street
Suite 1720
Minneapolis, Minnesota 55402

TRANSFER AGENT

Wells Fargo Shareowner Services
South St. Paul, Minnesota

CORPORATE COUNSEL

Briggs and Morgan
Minneapolis, Minnesota

AUDITORS

Deloitte & Touche LLP
Minneapolis, Minnesota

FORM 10-K

A copy of the Company's annual report on Form 10-K will be provided free of charge to any shareholder upon written request to:

Mesaba Holdings, Inc.
Attn: Investor Relations
150 South Fifth Street
Suite 1720
Minneapolis, Minnesota 55402

ANNUAL MEETING

The annual meeting of shareholders will be held at 9:30 a.m. on Thursday, August 21, 2003, at the Marriott City Center, Minneapolis, Minnesota.

CORPORATE OFFICERS

Carl R. Pohlاد
Chairman of the Board

Paul F. Foley
President and Chief Executive Officer

Robert E. Weil
Chief Financial Officer

BOARD OF DIRECTORS

Carl R. Pohlاد
Chairman of the Board,
President and Director
Marquette Financial Companies

Paul F. Foley
President and Chief Executive Officer
Mesaba Holdings, Inc.

Richard H. Anderson
Chief Executive Officer
Northwest Airlines, Inc.

Donald E. Benson
Executive Vice President and Director
Marquette Financial Companies

Pierson M. Grieve
Member
Palladium Equity Partners, LLC

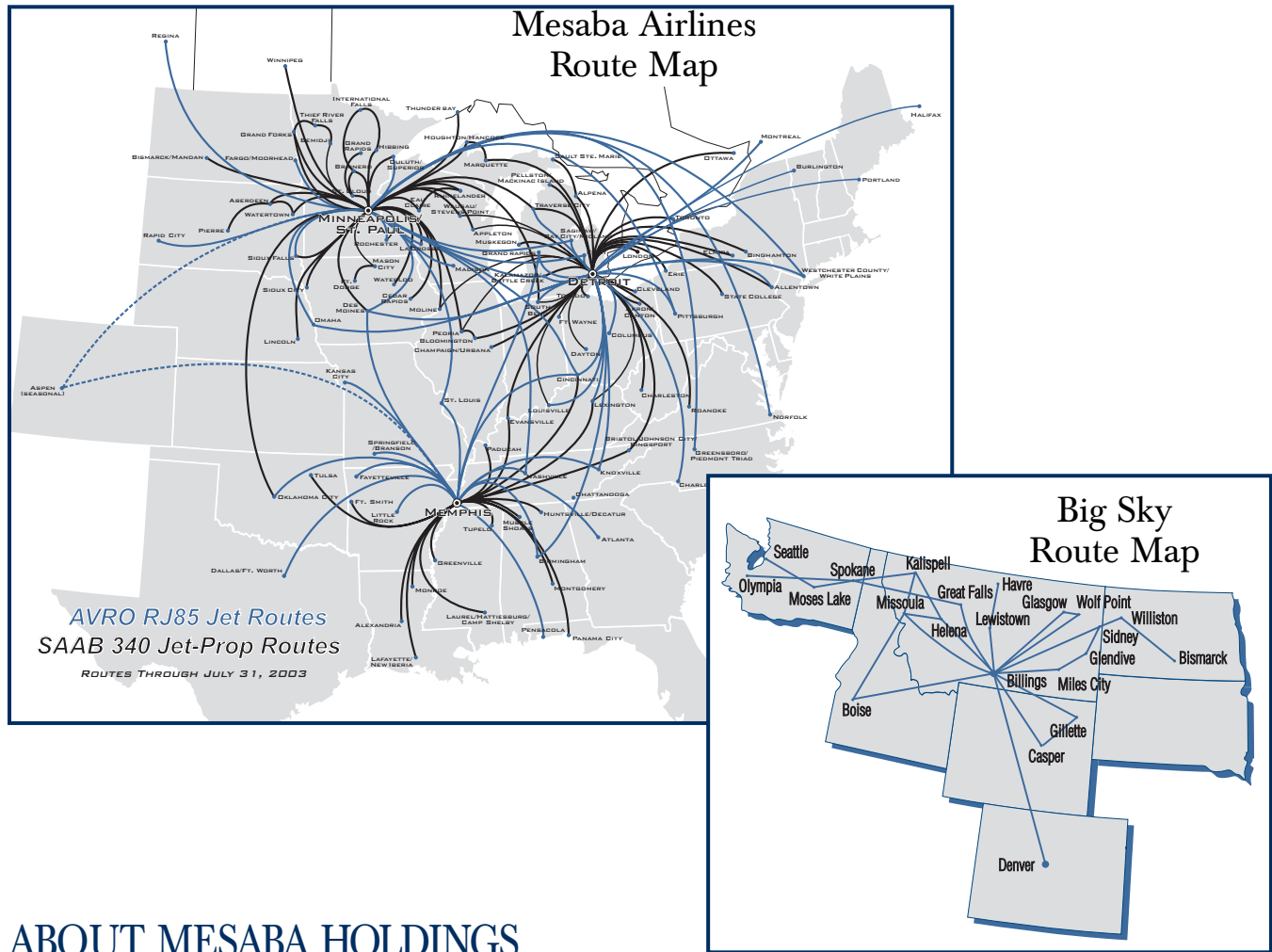
Robert C. Pohlاد
Chairman and Chief Executive Officer
PepsiAmericas, Inc.

Douglas M. Steenland
President
Northwest Airlines, Inc.

Raymond W. Zehr, Jr.
Executive Vice President
Pohlاد Companies

MESABA HOLDINGS, INC.

150 South Fifth Street, Suite 1720 • Minneapolis, Minnesota 55402 • Telephone (612) 333-0021



ABOUT MESABA HOLDINGS

Mesaba Holdings, Inc. is traded under the symbol MAIR on the NASDAQ National Market. More information about Mesaba Holdings is available on the Internet at <http://www.mairholdings.com>. Mesaba Holdings' subsidiaries include Mesaba Aviation, Inc., and Big Sky Transportation Company.

Mesaba Aviation, d.b.a. Mesaba Airlines, operates as a Northwest Jet Airliner and Airliner partner under service agreements with Northwest Airlines. Currently, the airline serves 106 cities in 24 states and Canada from Northwest's and Mesaba Aviation's three major hubs: Detroit, Minneapolis/St. Paul, and Memphis. Mesaba Aviation operates a fleet of regional jet and

jet-prop aircraft, consisting of the 69 passenger Avro RJ85 and the 30-34 passenger Saab SF340. Mesaba Aviation maintains a Web site at <http://www.mesaba.com>.

Big Sky serves 20 cities in Montana, North Dakota, Washington, Wyoming, Colorado and Idaho using 15 Fairchild Metro III, 19 seat aircraft. Big Sky is based in Billings, Montana and has codeshare agreements with Northwest Airlines, Alaska Airlines, America West Airlines and Horizon Airlines. Big Sky maintains a Web site at <http://www.bigskyair.com>. Big Sky is a significant provider of air service under the Essential Air Service program administered by the Department of Transportation.