

**Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
Calendar Year 2001**

| Financial Information (in millions except per share data) | Operating Expenses | Operating Loss | Pretax Loss | Net Loss (\$M) | Diluted EPS |
|---|---------------------------|-----------------------|--------------------|-----------------------|--------------------|
| GAAP | \$ 15,481 | \$ (1,602) | \$ (1,864) | \$ (1,216) | \$ (9.99) |
| Items excluded: | | | | | |
| Severance costs | (566) | 566 | 566 | 351 | 2.85 |
| Asset impairments | (363) | 363 | 363 | 225 | 1.83 |
| Surplus pilots / grounded aircraft | (30) | 30 | 30 | 19 | 0.15 |
| Restructuring and other reserve reversals | (7) | 7 | 7 | 4 | 0.03 |
| Discontinued capital projects and contracts | (144) | 144 | 144 | 90 | 0.73 |
| Stabilization Act compensation | 634 | (634) | (634) | (392) | (3.18) |
| Fair value adjustments of SFAS 133 derivatives | - | - | (68) | (41) | (0.33) |
| Net gain on sale of investments | - | - | (119) | (73) | (0.59) |
| Other | (9) | 9 | 9 | 6 | 0.04 |
| Non-GAAP | <u>\$ 14,996</u> | <u>\$ (1,117)</u> | <u>\$ (1,566)</u> | <u>\$ (1,027)</u> | <u>\$ (8.46)</u> |

| Operating Statistics | Operating Margin | CASM (cents) | Non-Fuel CASM (cents) | Breakeven Passenger Load Factor |
|---|-------------------------|---------------------|------------------------------|--|
| GAAP | -11.5% | 10.47 | 9.24 | 77.31% |
| Items excluded: | | | | |
| Severance costs | 4.1% | (0.38) | (0.38) | -3.00% |
| Asset impairments | 2.6% | (0.25) | (0.25) | -1.94% |
| Surplus pilots / grounded aircraft | 0.2% | (0.02) | (0.02) | -0.15% |
| Restructuring and other reserve reversals | 0.1% | (0.01) | (0.01) | -0.05% |
| Discontinued capital projects and contracts | 1.0% | (0.10) | (0.10) | -0.78% |
| Stabilization Act compensation | -4.6% | 0.43 | 0.43 | 3.35% |
| Non-GAAP | <u>-8.1%</u> | <u>10.14</u> | <u>8.91</u> | <u>74.73%</u> |

Fuel price neutralized CASM:
(in millions, except where noted)

| | |
|---|------------------|
| Operating expenses | \$ 15,481 |
| Less fuel expense | (1,817) |
| Plus current year fuel gallons x prior year fuel price ¹ | 1,785 |
| Fuel price neutralized operating expenses | <u>\$ 15,449</u> |
| ASMs | 147,837 |
| Fuel price neutralized CASM (cents) | <u>10.45</u> |
| vs. 2000 CASM (cents) | <u>9.75</u> |
| Change | <u>7.2%</u> |

Fuel price neutralized CASM - excluding:
(in cents, except where noted)

| | |
|---|--------------|
| Fuel price neutralized CASM | 10.45 |
| Items excluded: | |
| Severance costs | (0.38) |
| Asset impairments | (0.25) |
| Surplus pilots / grounded aircraft | (0.02) |
| Restructuring and other reserve reversals | (0.01) |
| Discontinued capital projects and contracts | (0.10) |
| Stabilization Act compensation | 0.43 |
| Fuel price neutralized CASM - excluding | <u>10.12</u> |
| vs. 2000 CASM - excluding | <u>9.68</u> |
| Change | <u>4.6%</u> |

¹ 2,649 million gallons x 67.38 cents/gallon

**Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
December 2001 Quarter**

| Financial Information | Operating Expenses | Operating Loss | Pretax Loss | Net Loss (\$M) | Diluted EPS |
|--|---------------------------|-----------------------|--------------------|-----------------------|--------------------|
| <i>(in millions except per share data)</i> | | | | | |
| GAAP | \$ 3,985 | \$ (1,122) | \$ (1,135) | \$ (734) | \$ (5.98) |
| Items excluded: | | | | | |
| Severance costs | (498) | 498 | 498 | 309 | 2.51 |
| Asset impairments | (303) | 303 | 303 | 188 | 1.53 |
| Surplus pilots / grounded aircraft | (30) | 30 | 30 | 19 | 0.15 |
| Restructuring and other reserve reversals | (7) | 7 | 7 | 4 | 0.03 |
| Discontinued capital projects and contracts | (144) | 144 | 144 | 90 | 0.73 |
| Stabilization Act compensation | 463 | (463) | (463) | (288) | (2.34) |
| Fair value adjustments of SFAS 133 derivatives | - | - | (24) | (15) | (0.12) |
| Net gain on sale of investments | - | - | (108) | (66) | (0.53) |
| Other | (9) | 9 | 9 | 7 | 0.05 |
| Non-GAAP | <u>\$ 3,457</u> | <u>\$ (594)</u> | <u>\$ (739)</u> | <u>\$ (486)</u> | <u>\$ (3.97)</u> |

| Operating Statistics | Operating Margin | CASM (cents) | Non-Fuel CASM (cents) | Breakeven Passenger Load Factor |
|---|-------------------------|---------------------|------------------------------|--|
| GAAP | -39.2% | 11.67 | 10.59 | 90.69% |
| Items excluded: | | | | |
| Severance costs | 17.4% | (1.46) | (1.46) | -12.01% |
| Asset impairments | 10.6% | (0.89) | (0.89) | -7.31% |
| Surplus pilots / grounded aircraft | 1.0% | (0.09) | (0.09) | -0.73% |
| Restructuring and other reserve reversals | 0.2% | (0.02) | (0.02) | -0.16% |
| Discontinued capital projects and contracts | 5.0% | (0.42) | (0.42) | -3.48% |
| Stabilization Act compensation | -16.2% | 1.36 | 1.36 | 11.17% |
| Other | 0.3% | (0.03) | (0.02) | -0.22% |
| Non-GAAP | <u>-20.7%</u> | <u>10.12</u> | <u>9.05</u> | <u>77.96%</u> |

Fuel price neutralized CASM:

(in millions, except where noted)

| | |
|---|--------------|
| Operating expenses | 3,985 |
| Less fuel expense | (368) |
| Plus current year fuel gallons x prior year fuel price ⁽¹⁾ | 445 |
| Fuel price neutralized operating expenses | <u>4,062</u> |
| ASMs | 34,141 |
| Fuel price neutralized CASM (cents) | <u>11.90</u> |
| vs. December 2000 quarter CASM (cents) | <u>9.96</u> |
| Change | <u>19.4%</u> |

Fuel price neutralized CASM - excluding:

(in cents, except where noted)

| | |
|---|--------------|
| Fuel price neutralized CASM | 11.90 |
| Items excluded: | |
| Severance costs | (1.46) |
| Asset impairments | (0.89) |
| Surplus pilots / grounded aircraft | (0.09) |
| Restructuring and other reserve reversals | (0.02) |
| Discontinued capital projects and contracts | (0.42) |
| Stabilization Act compensation | 1.36 |
| Other | (0.03) |
| Fuel price neutralized CASM - excluding | <u>10.35</u> |
| vs. 2000 CASM - excluding | <u>9.96</u> |
| Change | <u>3.9%</u> |

⁽¹⁾ 592.9 million gallons x 75.05 cents/gallon

Net Debt-to-Capital Ratio

(in millions)

| | |
|---|------------------|
| LT debt (including current maturities) and short-term obligations | \$ 9,304 |
| Capital leases (including current) | 99 |
| Net implied debt ⁽²⁾ | 6,701 |
| Net total debt | <u>16,104</u> |
| Net total debt | 16,104 |
| ESOP preferred stock | 255 |
| Shareowners' equity | 3,769 |
| Total capital | <u>\$ 20,128</u> |
| Net debt-to-capital ratio | <u>80%</u> |

⁽²⁾ Net implied debt represents the present value of our obligations under operating leases, net of cash, cash equivalents and short term investments.

**Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
September 2001 Quarter**

| Financial Information (in millions except per share data) | Operating Expenses | Operating Loss | Pretax Loss | Net Loss (\$M) | Diluted EPS |
|---|---------------------------|-----------------------|--------------------|-----------------------|--------------------|
| GAAP | \$ 3,649 | \$ (251) | \$ (408) | \$ (259) | \$ (2.13) |
| Items excluded: | | | | | |
| Severance costs | (68) | 68 | 68 | 42 | 0.34 |
| Stabilization Act compensation | 171 | (171) | (171) | (104) | (0.85) |
| Fair value adjustments of SFAS 133 derivatives | - | - | 54 | 33 | 0.27 |
| Net gain on sale of investments | - | - | (11) | (7) | (0.06) |
| Non-GAAP | <u>\$ 3,752</u> | <u>\$ (354)</u> | <u>\$ (468)</u> | <u>\$ (295)</u> | <u>\$ (2.43)</u> |

| Operating Statistics | Operating Margin | CASM (cents) | Non-Fuel CASM (cents) | Breakeven Passenger Load Factor |
|--------------------------------|-------------------------|---------------------|------------------------------|--|
| GAAP | -7.4% | 9.67 | 8.42 | 76.86% |
| Items excluded: | | | | |
| Severance costs | 2.0% | (0.18) | (0.18) | -1.51% |
| Stabilization Act compensation | -5.0% | 0.45 | 0.45 | 3.82% |
| Non-GAAP | <u>-10.4%</u> | <u>9.94</u> | <u>8.69</u> | <u>79.16%</u> |

Net Debt-to-Capital Ratio

(in millions)

| | |
|---|------------------|
| LT debt (including current maturities) and short-term obligations | \$ 8,953 |
| Capital leases (including current) | 116 |
| Net implied debt ⁽¹⁾ | 6,440 |
| Net total debt | <u>15,509</u> |
| Net total debt | 15,509 |
| ESOP preferred stock | 256 |
| Shareowners' equity | 4,635 |
| Total capital | <u>\$ 20,400</u> |
| Net debt-to-capital ratio | <u>76%</u> |

⁽¹⁾ Net implied debt represents the present value of our obligations under operating leases, net of cash, cash equivalents and short term investments.

**Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
June 2001 Quarter**

| Financial Information (in millions except per share data) | Operating Expenses | Operating Loss | Pretax Loss | Net Loss (\$M) | Diluted EPS |
|---|---------------------------|-----------------------|--------------------|-----------------------|--------------------|
| GAAP | \$ 3,890 | \$ (114) | \$ (99) | \$ (90) | \$ (0.76) |
| Items excluded: | | | | | |
| Asset impairments | (60) | 60 | 60 | 36 | 0.30 |
| Fair value adjustments of SFAS 133 derivatives | - | - | (112) | (69) | (0.57) |
| Non-GAAP | <u>\$ 3,830</u> | <u>\$ (54)</u> | <u>\$ (151)</u> | <u>\$ (123)</u> | <u>\$ (1.03)</u> |

| Operating Statistics | Operating Margin | CASM (cents) | Non-Fuel CASM (cents) | Breakeven Passenger Load Factor |
|-----------------------------|-------------------------|---------------------|------------------------------|--|
| GAAP | -3.0% | 10.17 | 8.96 | 75.12% |
| Items excluded: | | | | |
| Asset impairments | 1.7% | (0.15) | (0.15) | -1.24% |
| Non-GAAP | <u>-1.3%</u> | <u>10.02</u> | <u>8.81</u> | <u>73.88%</u> |

Net Debt-to-Capital Ratio

(in millions)

| | |
|---|------------------|
| LT debt (including current maturities) and short-term obligations | \$ 6,711 |
| Capital leases (including current) | 130 |
| Net implied debt ⁽¹⁾ | <u>7,721</u> |
| Net total debt | <u>14,562</u> |
| Net total debt | 14,562 |
| ESOP preferred stock | 231 |
| Shareowners' equity | <u>5,030</u> |
| Total capital | <u>\$ 19,823</u> |
| Net debt-to-capital ratio | <u>73%</u> |

⁽¹⁾ Net implied debt represents the present value of our obligations under operating leases, net of cash, cash equivalents and short term investments.

Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
March 2001 Quarter

| Financial Information | Operating Expenses | Operating Loss | Pretax Loss | Net Loss (\$M) | Diluted EPS |
|--|---------------------------|-----------------------|--------------------|-----------------------|--------------------|
| (in millions except per share data) | | | | | |
| GAAP | \$ 3,957 | \$ (115) | \$ (222) | \$ (133) | \$ (1.11) |
| Items excluded: | | | | | |
| Fair value adjustments of SFAS 133 derivatives | - | - | 17 | 11 | 0.09 |
| Non-GAAP | <u>\$ 3,957</u> | <u>\$ (115)</u> | <u>\$ (205)</u> | <u>\$ (122)</u> | <u>\$ (1.02)</u> |

Net Debt-to-Capital Ratio

(in millions)

| | |
|---|------------------|
| LT debt (including current maturities) and short-term obligations | \$ 5,959 |
| Capital leases (including current) | 134 |
| Net implied debt ⁽¹⁾ | 8,054 |
| Net total debt | <u>14,147</u> |
| Net total debt | 14,147 |
| ESOP preferred stock | 233 |
| Shareowners' equity | 5,128 |
| Total capital | <u>\$ 19,508</u> |
| Net debt-to-capital ratio | <u>73%</u> |

⁽¹⁾ Net implied debt represents the present value of our obligations under operating leases, net of cash, cash equivalents and short term investments.