

DELTA INVESTOR DAY 2011



Safe Harbor

This presentation contains various projections and other forward-looking statements which represent Delta's estimates or expectations regarding future events. All forward-looking statements involve a number of assumptions, risks and uncertainties, many of which are beyond Delta's control, that could cause the actual results to differ materially from the projected results. Factors which could cause such differences include, without limitation, business, economic, competitive, industry, regulatory, market and financial uncertainties and contingencies, as well as the "Risk Factors" discussed in Delta's Form 10-K for the year ended December 31, 2010. Caution should be taken not to place undue reliance on Delta's forward-looking statements, which represent Delta's views only as of the date of this presentation, and which Delta has no current intention to update.

In this presentation, we will discuss certain non-GAAP financial measures. You can find the reconciliations of those measures to comparable GAAP measures on our website at delta.com.

State of the Airline

Richard Anderson
Chief Executive Officer



Looking Ahead

Ed Bastian
President



2011: Solid Results In Challenging Times

Challenging Times

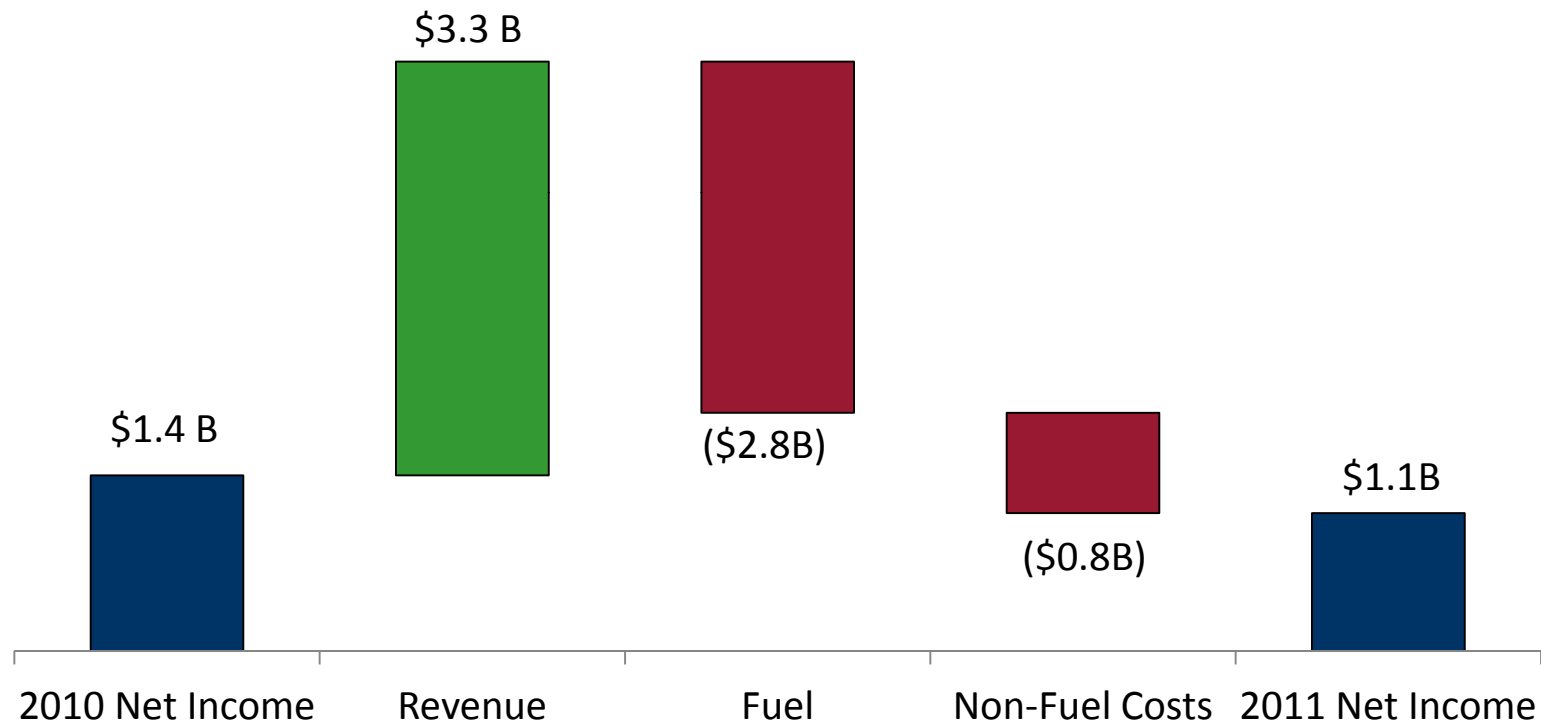
- 30% increase in fuel prices, resulting in \$3 billion higher fuel expense
- Economic weakness in the world's two largest economies
- On-going impact of the earthquake and tsunami in Japan
- War and unrest in the Middle East

Solid Results

- \$1.1 billion net profit
- Fully recovered fuel price run-up
- \$1.5 billion of free cash flow
- Adjusted net debt of \$12.9 billion, a \$4.1 billion reduction in two years
- 8.8% return on invested capital

Delta Has Built A Resilient Business Model

Capacity discipline, strength in corporate revenues and hedging strategy have mitigated high fuel costs



Note: All results exclude special items. Including special items, Delta's net income was \$0.6 billion in 2010 and is estimated to be \$0.8 billion for 2011.

Strong End To The Year

Margins will expand despite \$600 million higher fuel expense

	December quarter 2011
Operating margin	6 – 8%
Fuel price	\$2.96
Profit sharing expense	\$75 million
Non-operating expense	\$275 - \$300 million
Capital expenditures	\$375 million
Total unrestricted liquidity	\$5.3 billion

	December quarter 2011 vs. December quarter 2010
Passenger unit revenue	Up 11 – 12%
Consolidated unit cost	Up 8%
Consolidated ex-fuel unit cost	Up 2%
System capacity	Down 4-5%
Domestic	Down 3-4%
International	Down 4-5%

The Landscape Ahead For 2012


The 2012 Landscape

Industry Factors

- Slow, but positive, global GDP growth
 - Anticipate recession in Europe
- Fuel prices remain at historically high levels
- Industry restructuring and capacity discipline allows for recovery of higher fuel costs

Delta Factors

- Sustained caution on capacity, with a system reduction of 2 – 3%
 - Summer to winter variation of 20%
- Revenue momentum from corporate share gains and new merchandising revenues
 - Expect corporate travel up 6 – 8%
- Non-fuel costs remain under pressure
 - Cost advantage critical to maintain



Solid earnings growth
and continued free cash
flow generation

Delta's Path Forward

Grow Unit Revenues

Grow passenger and ancillary unit revenues through corporate revenue gains, fuel cost recovery, and technology-enabled merchandising initiatives

Improve Productivity

Focus on total cost productivity, including fuel, and implement structural initiatives needed to return non-fuel unit costs to 2010 levels

Invest in the Business

Continue investments in the network and toward consistent, high-quality products and service that earn a revenue premium

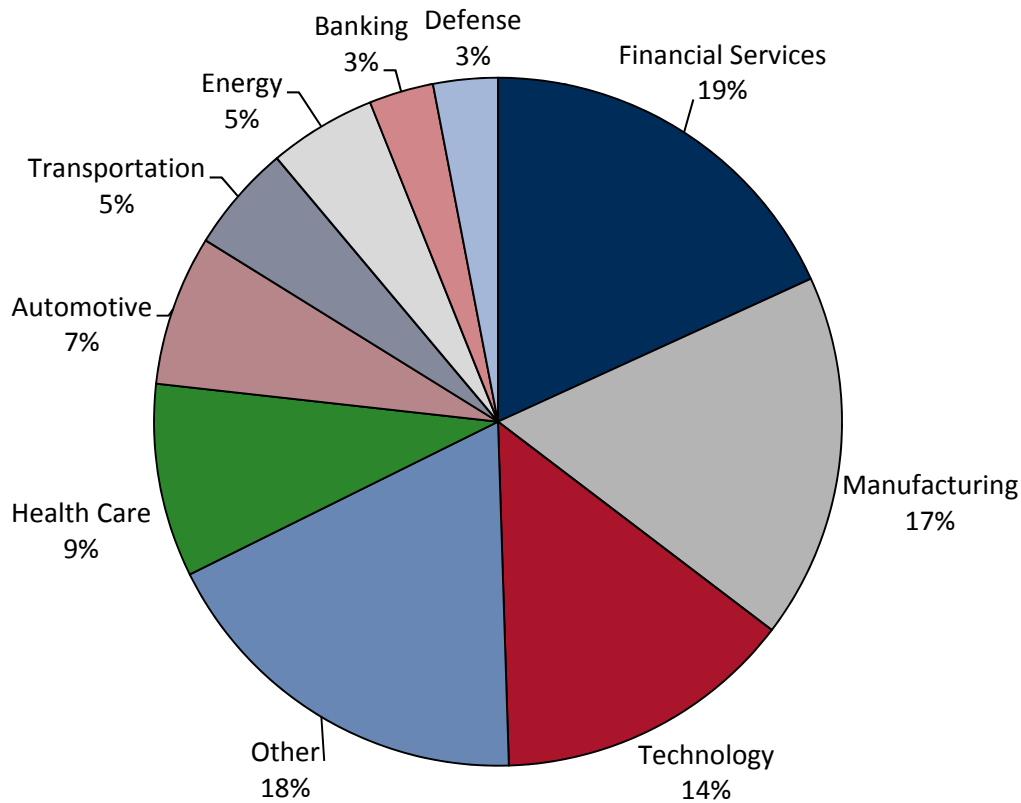
Delever the Balance Sheet

Maintain capital discipline, manage liquidity and direct free cash flow toward debt reduction

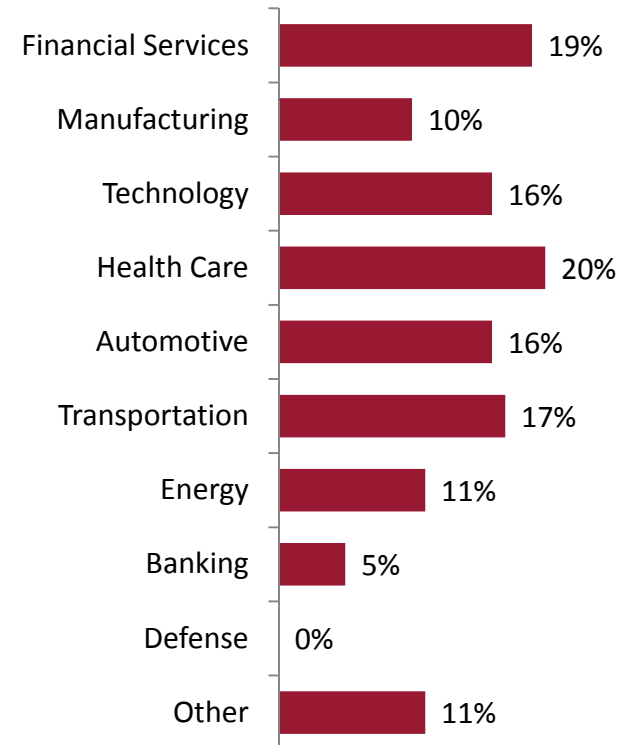
Largest Corporate Sectors Leading Growth Rates

Corporate booked revenues up 14% despite 4-5% reduction in capacity

Delta Corporate Revenue Breakdown



Last Four Weeks Booked Revenue vs. Prior Year



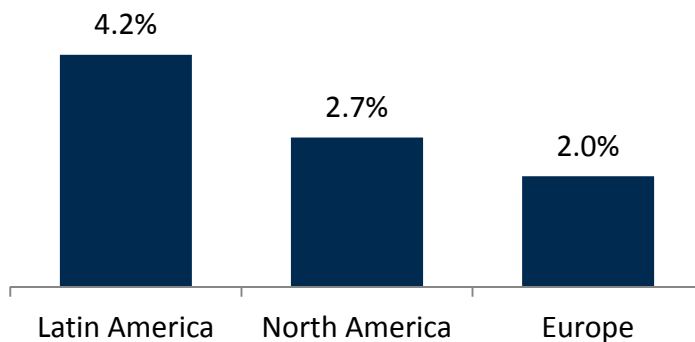
Strengthening Position In Latin America

Focused on building partnerships to leverage high growth potential in this region

Latin America Has High Growth Potential

- Latin America expected to produce GDP growth rates nearly double those of Europe and US over next two decades
- Brazil, Mexico and Argentina are among Latin America's top growth areas

Annual GDP Growth (2011-2030)

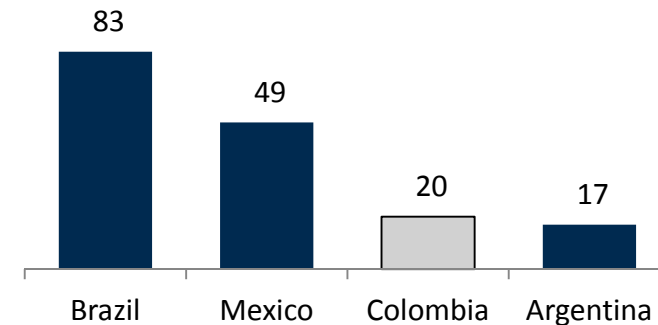


Source: Boeing 2011 Global Market Outlook

Delta's Expanded Latin America Presence

- Delta now accounts for nearly 20% of US carriers' capacity to Latin America
- Partnerships with Aeromexico, GOL and Aerolineas Argentinas give Delta access to Latin America's largest aviation markets

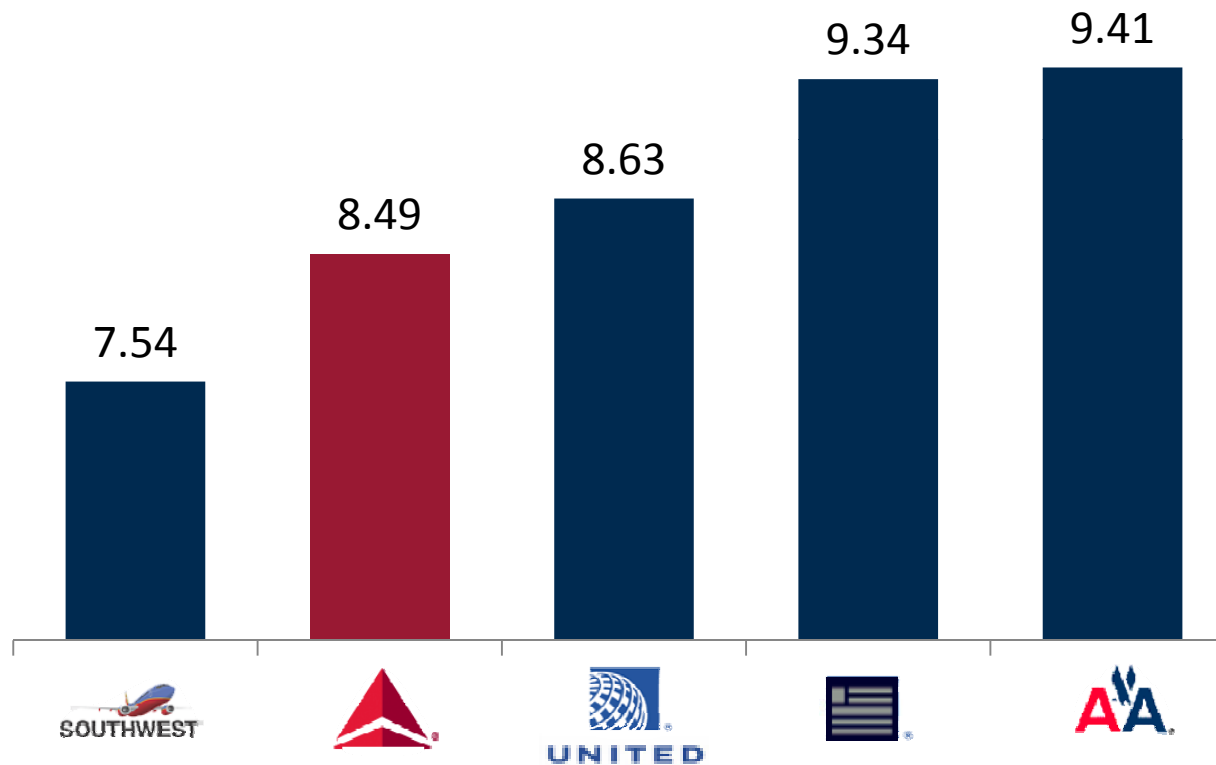
Aviation Market Size
(millions of passengers per year)



Source: IATA and Infraero

Maintaining A Competitive Cost Structure

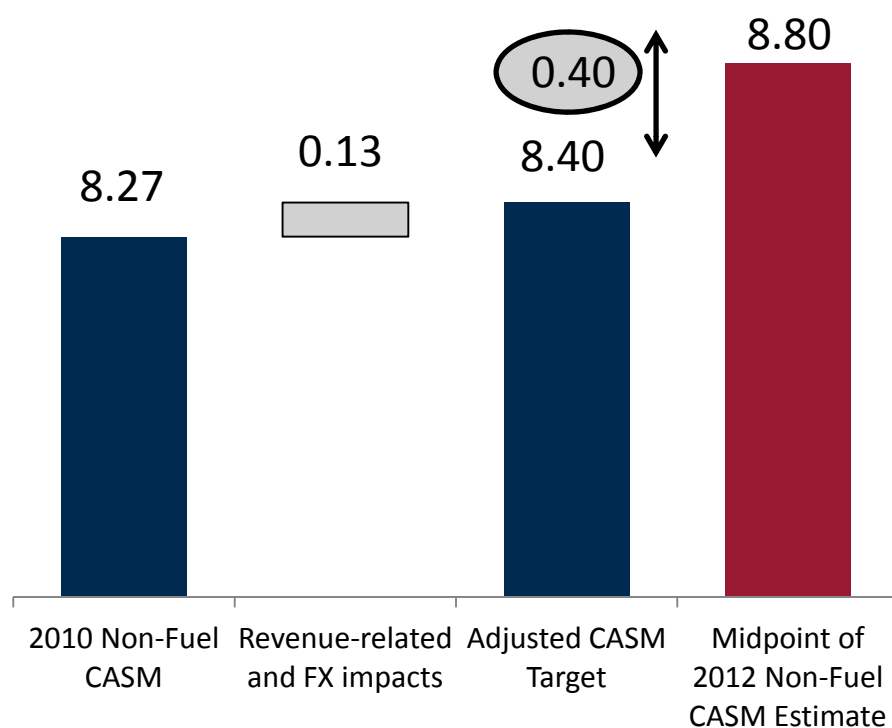
YTD-September 2011 Non-Fuel Unit Costs (cents)



Note: excludes special items, ancillary businesses, and profit sharing.

Non-Fuel Costs Present Opportunity

Structural changes needed to bring costs down to targeted levels



- Goal is to return non-fuel unit costs to adjusted 2010 levels
 - 2012 revenues expected to be ~15% higher than 2010
- 2012 non-fuel unit costs are estimated to be up 2-4% – ~4% or 0.40 cents higher than this targeted level
- Major drivers of the 0.40 cent differential:
 - Wages and benefits – wage harmonization, industry standard rates, and pension 0.23 cents
 - LaGuardia/ATL concourse F 0.05 cents
 - Capacity reduction – fixed cost impact 0.15 cents

Structural Changes Necessary To Lower Costs

Maintenance Efficiency \$200 - \$250 million

- 737-900ER deliveries will reduce overall fleet maintenance costs; maintenance reductions in advance of those deliveries to begin in late 2012
- Simplification of fleet post-integration
- Leverage AeroMexico joint venture to optimize maintenance opportunities

Employee Productivity \$250 - \$300 million

- With labor representation resolved, workrules can be harmonized and improve productivity levels for frontline employees
- Continued improvements to merit staff productivity
- Technology investments to enhance efficiencies in crew systems

Fleet Footprint \$150 - \$200 million

- Changing composition of Delta's fleet by eliminating more smaller-gauge aircraft, especially 50-seat regional jets
- Upgauging allows for more efficient capacity generation on smaller fleet count

Investments In The Business Are Paying Off

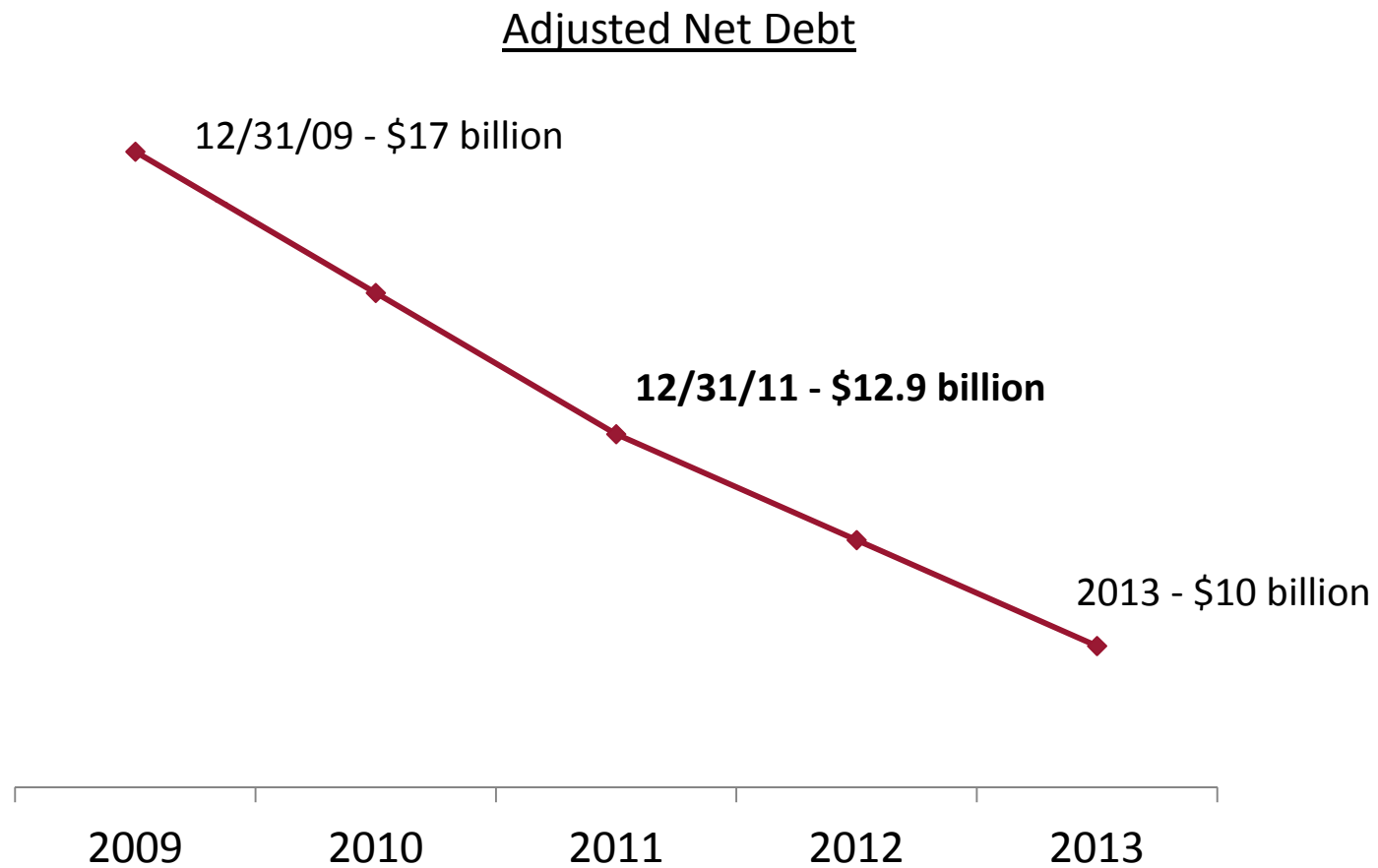
Multi-Year Investments in Products, Services and Facilities

- Flat bed seats – more than 50% of widebody international seats complete by end of 2012
- Facilities – state of the art international terminals slated for Atlanta (2012) and JFK (2013)
- Wi-Fi – entire mainline fleet complete, installation on 2-class complete by early 2012
- Economy Comfort – international fleet complete, domestic fleet (incl. 2-class RJs) for summer 2012
- Technology – enhancements to delta.com and mobile applications



Solid Progress On Debt Reduction

Strong free cash flow generation has produced \$4.1 billion net debt reduction in two years



Continued Strong Relationship with American Express



New agreement improves cash flows, extends benefits for cardholders

- New four-year agreement with American Express for annual SkyMiles pre-purchases of \$675 million
 - Reduces seasonal volatility of cash flows
 - From cash perspective, net effect is to push out amortization of existing \$1 billion agreement by two years
- SkyMiles American Express partnership is a win-win for both companies
 - Premium services for cardholders – including priority boarding, free bags and SkyClub access



Delta: Keep Climbing

Creating a solid franchise that generates strong margins and cash flow, provides for net debt reduction and investment for the future

Focus on top-line growth

Growing and diversifying revenues through a broad global network, corporate revenue gains, fuel cost recovery and improved products and services

Taking a disciplined approach

Disciplined management of capacity, costs and capital to improve profitability, generate free cash flow and invest in the business

Reducing risk across the business

Reducing labor, financial and operational risk key to creating a stable business model in a volatile industry

A Premium Revenue Carrier

Glen Hauenstein

EVP Network Planning and Revenue Management



A Premium Revenue Carrier

Elevate Delta's Brand in the Eyes of Our Customers

Product and facility enhancements targeted to making Delta the airline of choice to, from and through the U.S.

Concentrate Capacity in High Potential Markets

Schedule flexibility allows Delta to shift capacity to high potential markets and adjust quickly to changing demand dynamics

Leverage Alliances

Utilize global partnerships to expand network breadth, leverage foreign point of sale, and improve network value to the customer

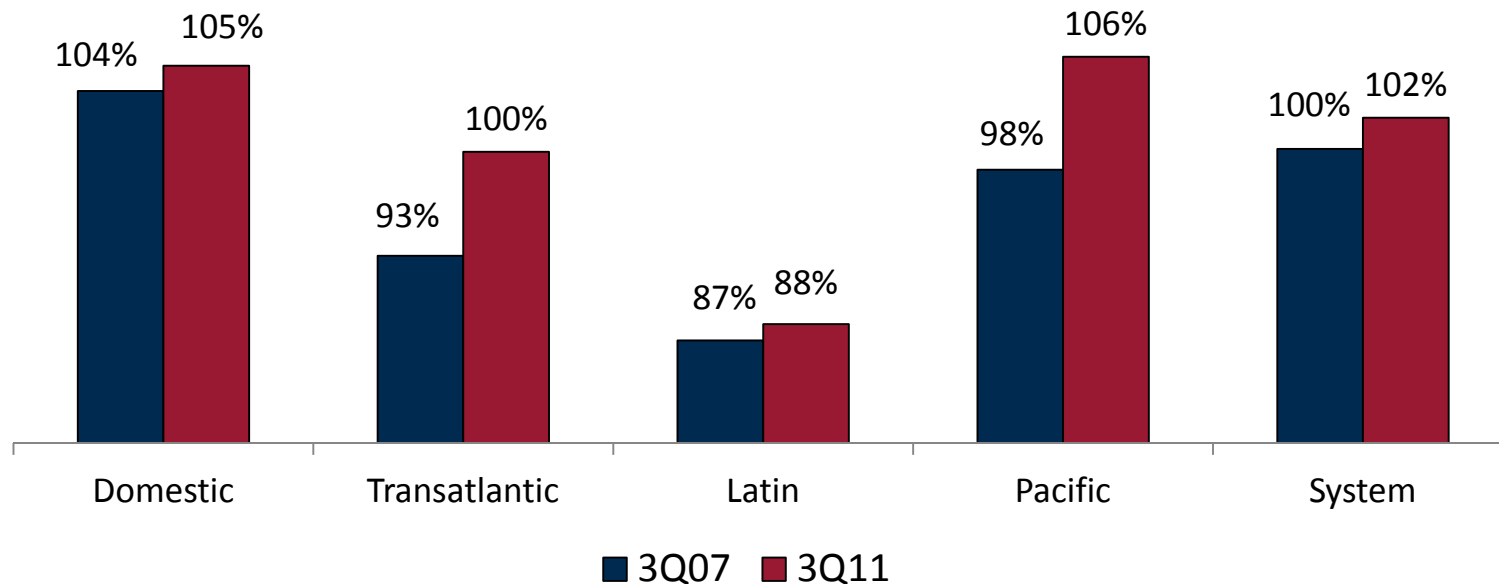
Expand Product Offerings

Grow annual merchandising revenues to \$1 billion by 2013 through new products and enhanced eCommerce platforms

Delta Achieving Revenue Premium to the Industry

Merger synergies, capacity discipline, focus on higher value customer and enhanced revenue management platforms allowing Delta to improve revenue performance versus its peers in all entities

Delta System Unit Revenue as Percentage of ATA Average



Investments Targeted at Higher Value Passenger

Continuous effort to make Delta the airline of choice for corporate and business travelers

At Booking

- Enhanced delta.com platform
- Personalized sales programs
- First Class Upsell

On the Ground

- New Atlanta international terminal opening in 2012
- JFK Terminal 4 opening in 2013
- Renewed Sky Clubs
- Ability to seamlessly rebook a flight, check itinerary and track baggage

Onboard

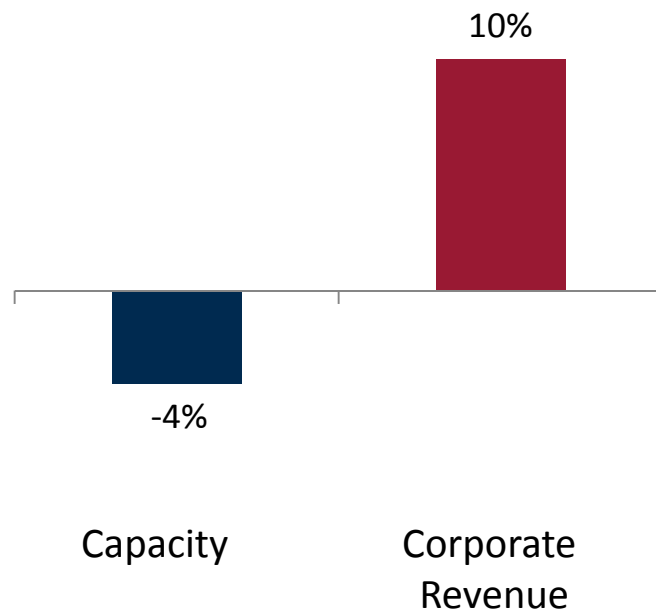
- Flat-bed seats installed on entire international fleet by Summer 2014
- International and Domestic Economy Comfort
- Most first class seats of any domestic carrier
- More than 800 Wi-Fi equipped planes

Delta named Best Overall Airline by Business Travel News

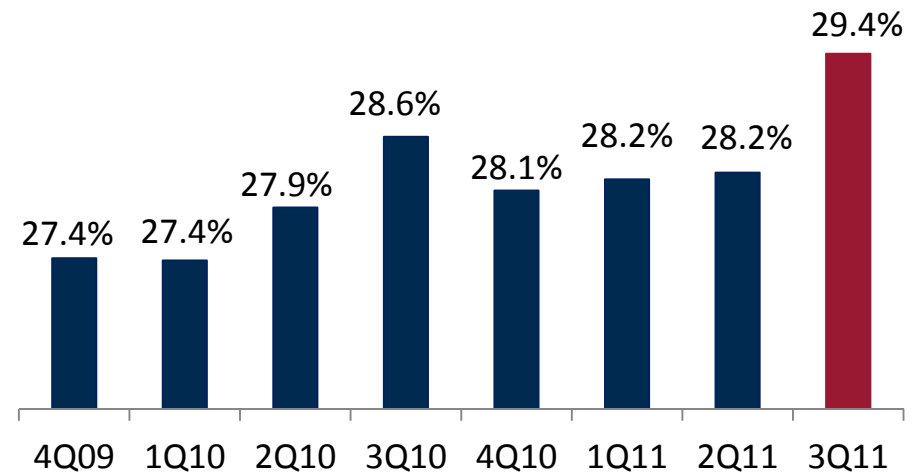
Solid Gains In Corporate Revenues

Diverse global network, combined with investments in products and services, producing solid corporate revenue gains despite lower capacity

**Quarter-to-Date Dec-11
versus Prior Year**



Delta Corporate Revenue Share



The Global Landscape

North America

- Slow, but positive, GDP growth
- Continued industry capacity discipline
- Volatility increased as competitors go through integration and restructuring
- Delta capacity down 1-2%, driven by 60 small-gauge aircraft retirements

Europe

- Anticipate recessionary climate
- Unit revenues pressured from economic uncertainty combined with unfavorable industry supply
- Delta Transatlantic JV capacity down 7-8% this year

Latin America

- 4 – 6% GDP growth
- Strongest margins in the system
- Growing Delta's Latin America presence through enhanced commercial partnerships and equity investments

Asia

- Solid GDP growth
- Japan demand returning to pre-event levels by mid-2012
- Building alliances with leading Chinese airlines to capitalize on China growth
- Annualization of 2011 additions to increase overflight capacity by 10%

Capacity Shifting to Higher Potential Markets

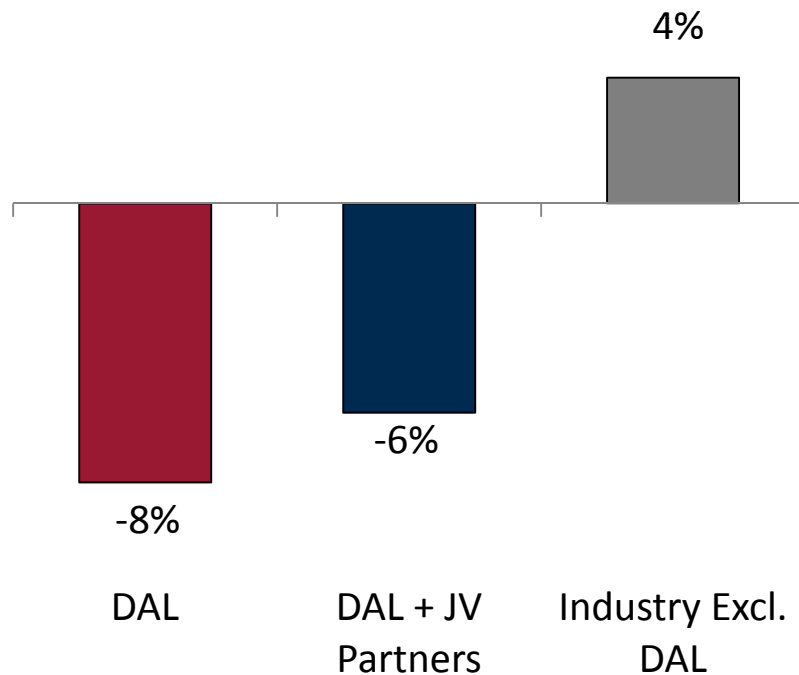
Aligning capacity with demand and reallocating assets to strategic core flying

Region	2012 Capacity Change	Action Plan
Domestic	Down 1 – 2%	<ul style="list-style-type: none"> • Focus on right-sizing capacity • Successfully implement LGA growth to reshape market and achieve top position in New York • Provide competitive first class, mainline product in core business and strategic markets
Transatlantic	Down 7 – 8%	<ul style="list-style-type: none"> • Market optimization in coordination with JV partners • Cancellation of underperforming routes
Latin	Flat to up 2%	<ul style="list-style-type: none"> • Growth to strong performing Brazil and Central America • Rationalization of leisure capacity
Pacific	Up 1 - 2%	<ul style="list-style-type: none"> • Annualization of 2011 route additions • Return to pre-earthquake Japan capacity
System	Down 2 – 3%	

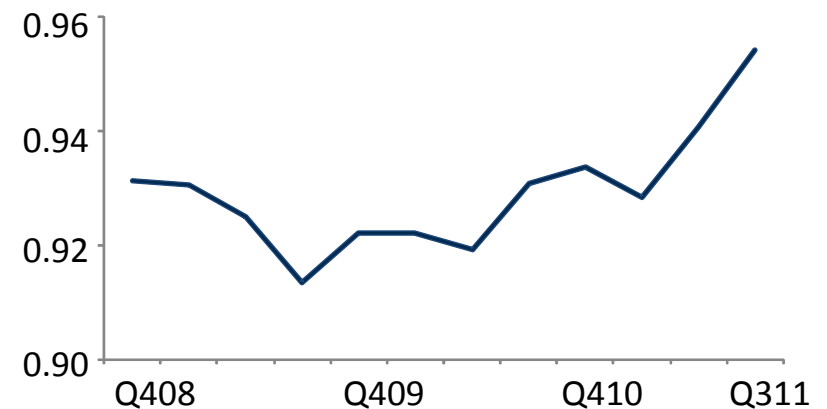
Rationalization of Transatlantic Capacity Driving Unit Revenue Improvements

Capacity discipline has translated into improved performance versus peers

**U.S.-Europe Capacity Change,
December Quarter 2011 vs Prior Year**



**Delta Atlantic RASM Index
Rolling 4 Quarters**



Alliances Expand Profit Potential

Ability to expand network breadth without significant fleet investment



	<u>Delta</u>	<u>Delta with Partners</u>
Destinations	343	1,164
Countries Served	63	187
Daily Flights	5,550	18,004

Revenue Growth from Expanded Product Offerings

Target of \$1 billion in annual merchandising revenue by 2013

Seat Related Products

- Economy Comfort
- First Class Upsell
- Sky Priority seating
- Same day Confirmed

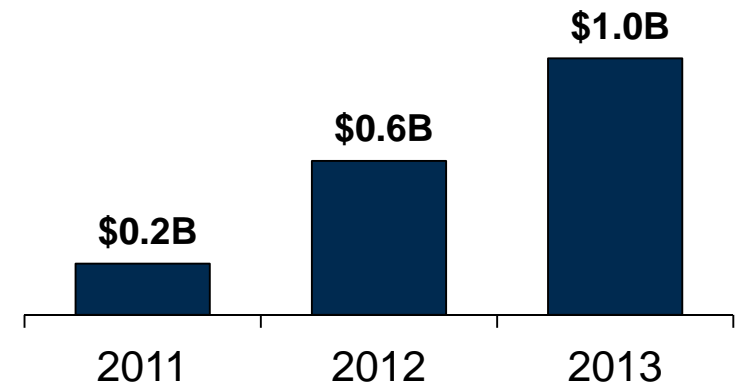
Travel Products and Services

- Hotel, car rentals and trip insurance
- Wi-Fi
- SkyClub passes
- Optional packages and services
- Other ancillary products

Technology and Product Investments

- New delta.com platform in 2012
- Booking class realignment
- Improvements to pricing and forecasting systems

Merchandising Revenue



Revenue Innovation Through Technology

Tim Mapes

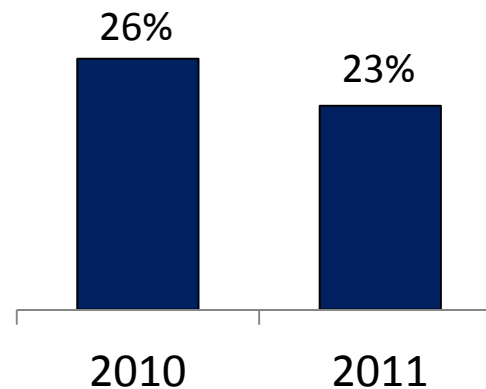
Senior Vice President - Marketing



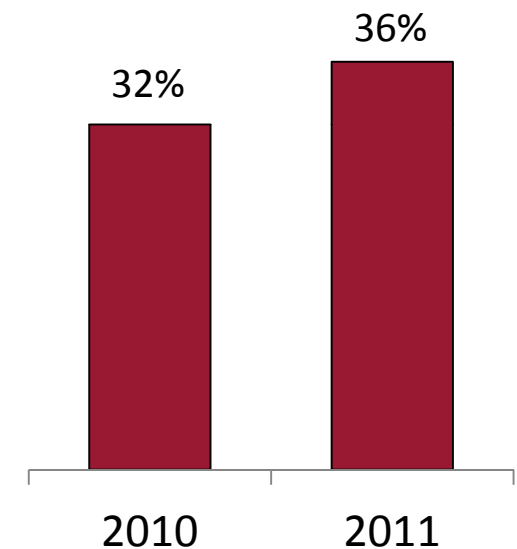
Vital Stats

- Over 1M people visit delta.com every day
- Along with Reservation Sales, 41% of customers now book directly with Delta
- 84% of Delta's 160M annual customers check in digitally
- Mobile will account for 10% of check in transactions in 2012
- 2011 revenue at delta.com will surpass \$8B

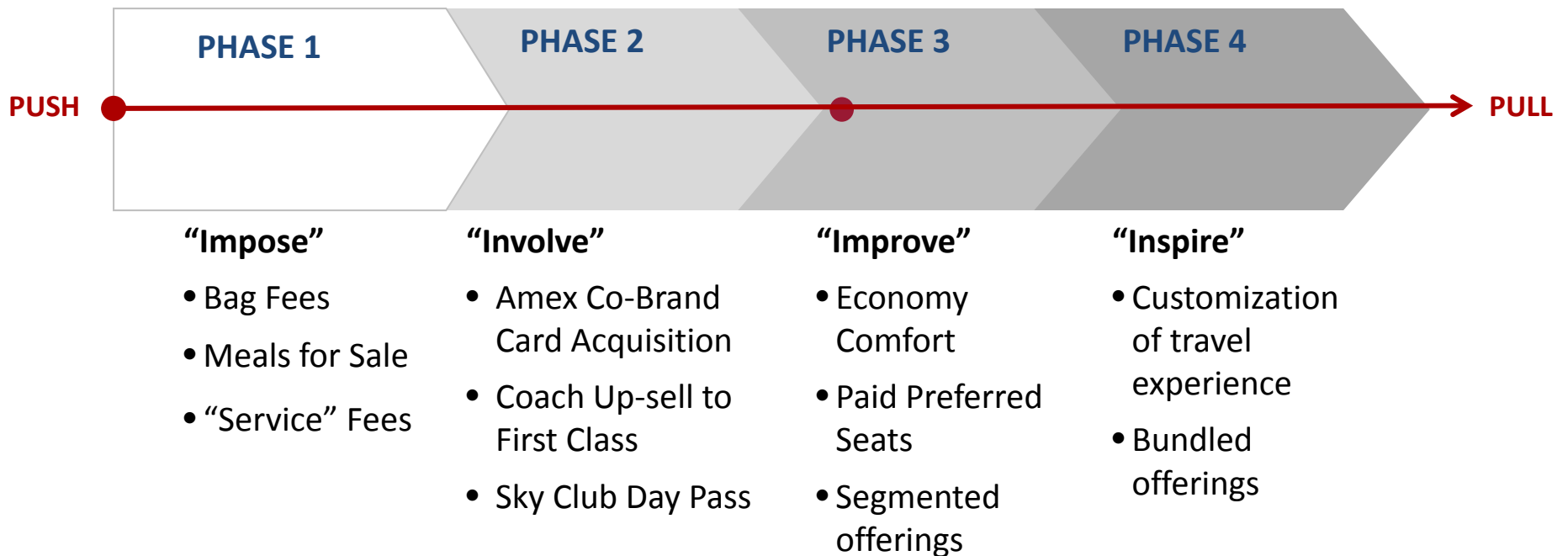
OTA Booking Share



Delta.com Booking Share



A Brief History



Strategic Building Blocks

Customer Segmentation

Enterprise-wide clarity on varying levels of customer value

Product Differentiation

Differentiated products, services based on customer value


Leveraged Technology

Simple, intuitive, reliable technology – across platforms

Global Scale

Billions of annual customer touch points, impressions

Early Success



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1

2

3

4

Search Flights
Select Trip
Verify/Purchase
Done

Trip Summary

You selected these flights:

OUTBOUND Fri 27 Jan 2012 3:25pm ATL to 6:10am CDG Nonstop DL 28								Show Details
3:25pm	ATL	6:10am Sat 28 Jan	CDG	Nonstop	8h 45m	DL 28	Economy (T)	View Seats
RETURN Tue 31 Jan 2012 11:00am CDG to 2:35pm ATL Nonstop DL 8504 ¹								Show Details
11:00am	CDG	2:35pm	ATL	Nonstop	9h 35m	DL 8504 ¹	Economy (T)	View Seats

Operated by:
¹Air France


In-Flight services and amenities may vary and are subject to change.

Price per passenger: \$522.60 (USD)

Taxes/Fees: \$531.40 (USD)

Subtotal per Passenger: \$1,054.00 (USD)

Total for all passengers (1): \$1,054.00 (USD)



Save \$50, plus earn 30,000 miles!
 Apply for the Gold Delta SkyMiles Credit Card from American Express!

- Get a **\$50 statement credit** on this flight
- Check your **first bag free** and enjoy **priority boarding** on Delta flights
- \$0 Introductory annual fee for the first year, then \$95

Yes! I would like to apply and then complete my purchase.
 I certify I am 18 years of age or older with a U.S. address.

Card statement credit*: **-\$50.00 (USD)**

Total after credit*: \$1004.00 (USD)

*Statement credit will be issued approximately 8-12 weeks after this purchase.

Improving Direct-Booking Revenue

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New York-Kennedy, NY (JFK) to Los Angeles, CA (LAX)

Fri, 09 Dec 2011 | Sun 11 Dec 2011 | 1 Passenger | First/Business

Get the best Delta fares at [delta.com](#)-or your **money back.**

Showing 4 of 4 flight results

Sort by Best Match ▾

View outbound/return together
 View outbound/return separately

Round-trip prices per person are shown below and are subject to change prior to the time you receive confirmation that your credit card has been accepted. The Total Price includes taxes and fees. There may be additional **fees for your carry-on/checked baggage** and fees may differ per operating carrier.

Business (D)	OUTBOUND	
from \$3,758.00 <small>\$3,779.40 Total Price</small> SELECT >	7:00am JFK 10:39am LAX Nonstop 6h 39m DL 27	Aircraft View Seats
Show Details		
from \$3,758.00 <small>\$3,779.40 Total Price</small> SELECT >	7:00pm JFK 10:40pm LAX Nonstop 6h 40m DL 2363	Aircraft View Seats
Only 3 tickets left at this price		
Show Details		
from \$3,758.00 <small>\$3,779.40 Total Price</small> SELECT >	9:00pm JFK 12:35am LAX Nonstop 6h 35m DL 2263 <small>Sat 10 Dec</small>	Aircraft View Seats
Show Details		

MODIFY SEARCH

From Airport: To Airport:

Dates & Times:

View flights based on:

Price (Best prices only)

Schedule (All flights for this route)

FIND FLIGHTS >

[Back to Advanced Search](#)

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FILTER RESULTS

Return to **Default Settings**


Total Price:

Desired In-Flight Services & Amenities:

- Wi-Fi
- Personal Entertainment
- 110V AC Power
- Sleeper Seat
- Sky Priority

In-flight services and amenities may vary and are subject to change.

Seizing Opportunities for Up-Sell

DELTA 

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1 Search Flights — 2 **Select Trip** — 3 Verify/Purchase — 4 Done

Trip Summary

You selected these flights:

OUTBOUND Fri 09 Dec 2011 7:40am ATL to 9:57am LGA Nonstop DL 1586  Show Details
7:40am ATL 9:57am LGA Nonstop 2h 17m DL 1586 Economy (H) View Seats
RETURN Sun 11 Dec 2011 6:00am LGA to 8:41am ATL Nonstop DL 1447  Show Details
6:00am LGA 8:41am ATL Nonstop 2h 41m DL 1447 Economy (H) View Seats

In-Flight services and amenities may vary and are subject to change.

You've earned the extra comfort.

Upgrade your flights to First Class for only \$92 more per passenger each way.

Price per passenger:	\$752.00 (USD)
Taxes/Fees:	\$21.40 (USD)
Subtotal per Passenger:	\$773.40 (USD)
Total for all passengers (1):	\$773.40 (USD)

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New York-Kennedy, NY (JFK) to Los Angeles, CA (LAX)

Fri, 09 Dec 2011 | Sun 11 Dec 2011 | 1 Passenger | Economy

ECONOMY COMFORT
 More legroom. More recline.
 Your legs will thank you.
[LEARN MORE >](#)

*subject to availability *additional fees may apply

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MODIFY SEARCH

From Airport: To Airport:

Dates & Times:
 12/09/2011 anytime ▾
 12/11/2011 anytime ▾

View flights based on:
 Price (Best prices only)
 Schedule (All flights for this route)

FIND FLIGHTS >

View outbound/return together View outbound/return

Round-trip prices per person are shown below and are subject to availability. The Total Price includes taxes and fees. There may be other operating carrier.

Economy (H)
[Upgrade Your Flight](#)

from
\$928.00
 \$949.40 Total Price

SELECT >

OUTBOUND

7:00am	JFK	10:39am	LAX	Nonstop	6h 39m	DL 27
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[Aircraft](#) | [View Seats](#)

FIRST ON. FIRST OFF. PRIORITY BAGGAGE HANDLING. [Upgrade](#) to **Business Class** and enjoy the best of Delta.

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Economy Comfort Seating
[Close](#)

Move up to **Economy Comfort*** after ticket purchase by visiting **My Trips** or during check-in at [delta.com](#) or at Delta Kiosks.

More legroom, greater recline and early boarding for purchase.

DL 27 : May be available*

*subject to availability
 *additional fees may apply.

Targeting Distinct Market Segments

Choose Your Seat

SAVE SEATS & EXIT >

Displaying flight 1-1 of 1

To: Los Angeles, CA

1 Atlanta-Intl, GA (ATL) to Los Angeles, CA (LAX)
DL 0370: Tue 15 Nov, 5h 09m

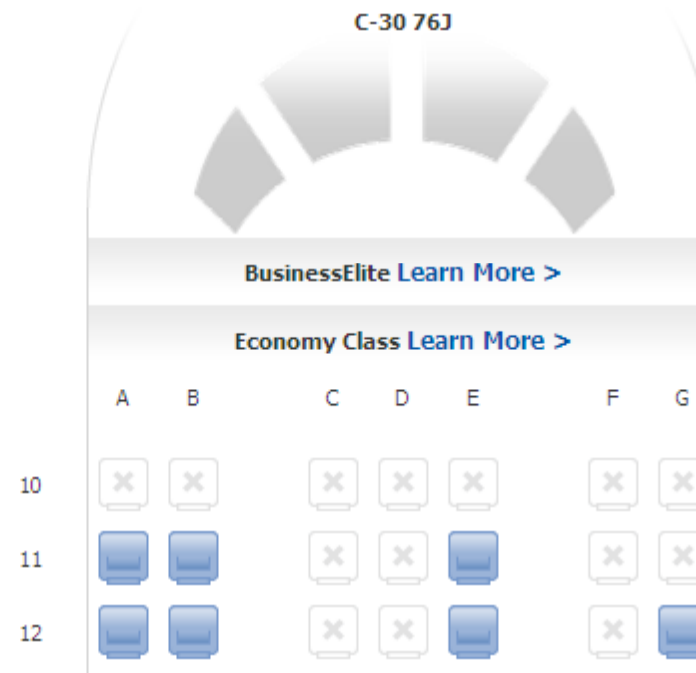
Save Seats & Exit >

Olivia Sands

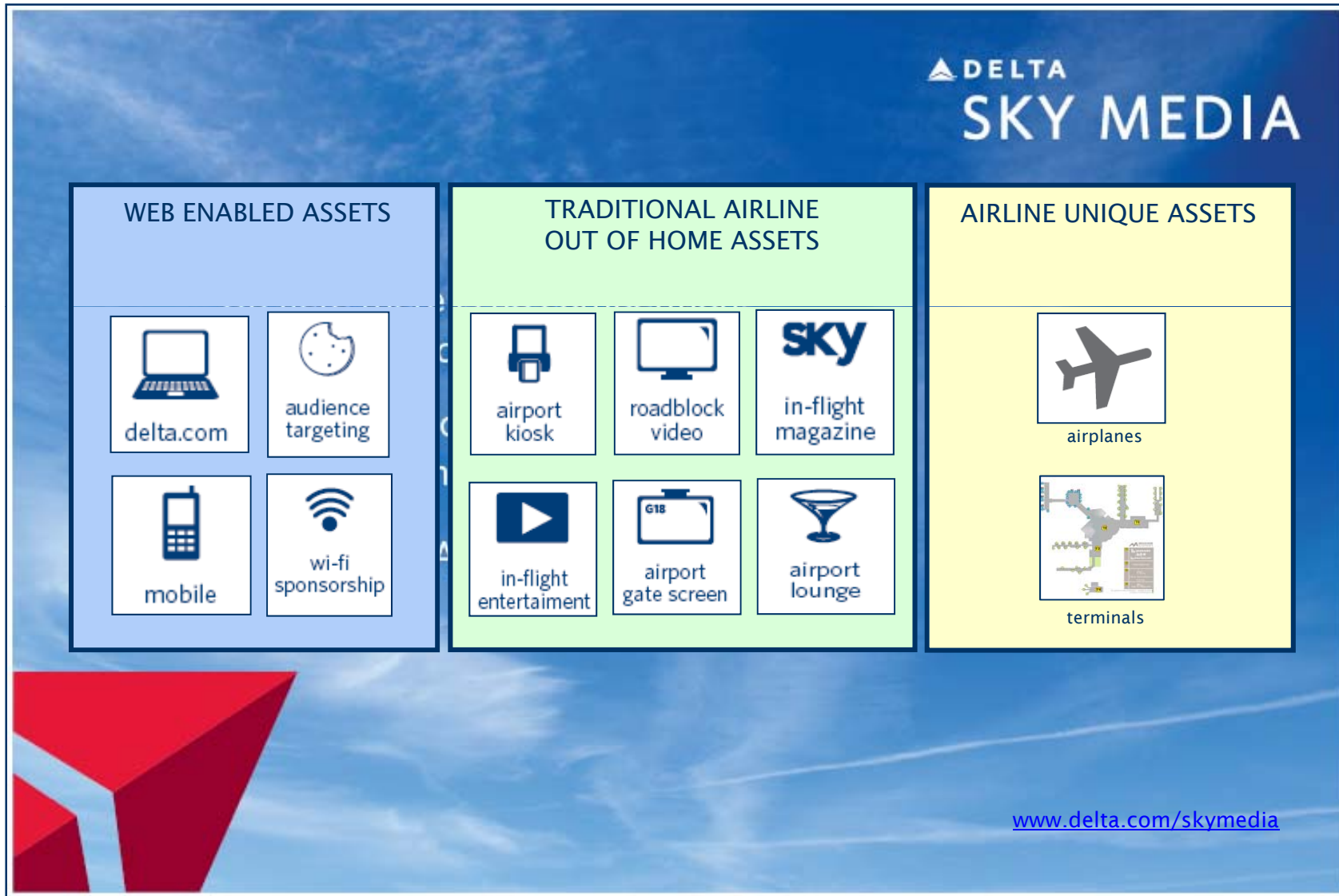
37G

-  Available
-  Selected
-  Preferred
-  Companion
- Window/Aisle 29 (USD)
- Exit Row 29 (USD)
-  Unavailable
- * Additional Information

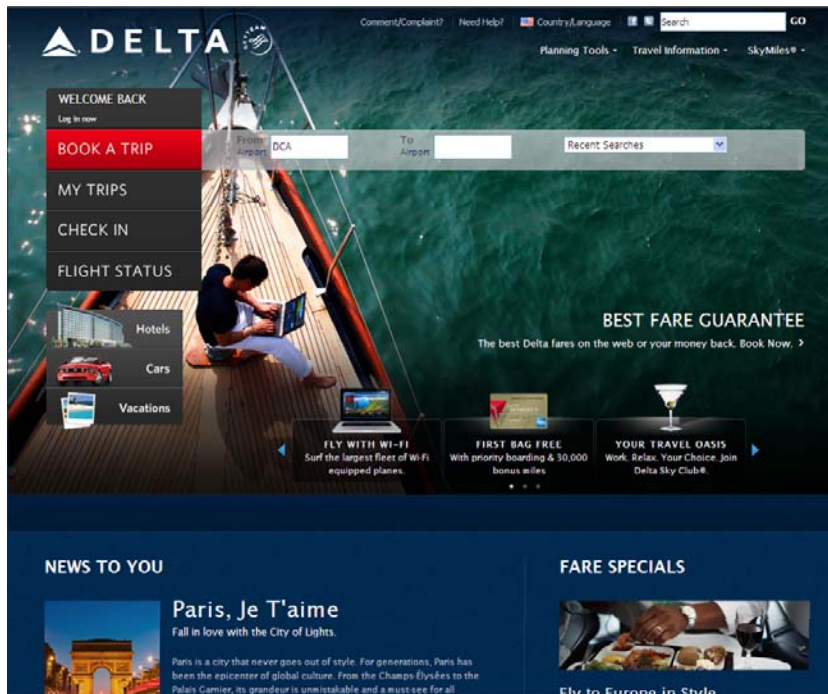
About Seat Selection >



Monetizing Delta's "Media" Audience



Delta.com As Global “Store Front”



Financial & Customer Benefits

Improved Customer Experience

A quality “base” product with a range of offerings from which to choose to enhance your experience on Delta.

Accelerated Margin Expansion

Differentiated bundles of new products and services customers want – *and will pay for.*

Monetized Customer “Audience”

Re-defined use of the term “network” in an airline to describe Delta’s ability to deliver 5 billion customer impressions/yr.



\$1 Billion of incremental revenue by 2013

Winning in New York

Gail Grimmett

Senior Vice President – New York

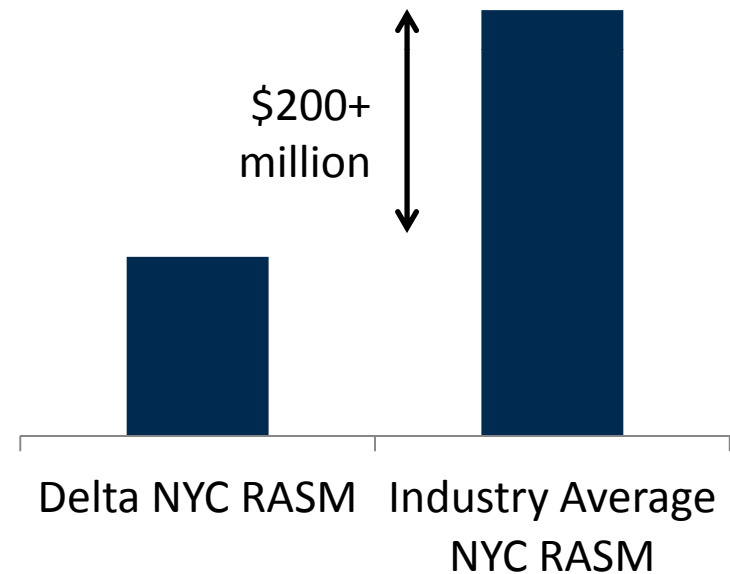


Delta's Plan To Win In New York

By simply getting a “fair share” of New York revenue, Delta’s revenue would increase by more than \$200 million.

The path to achieving this includes:

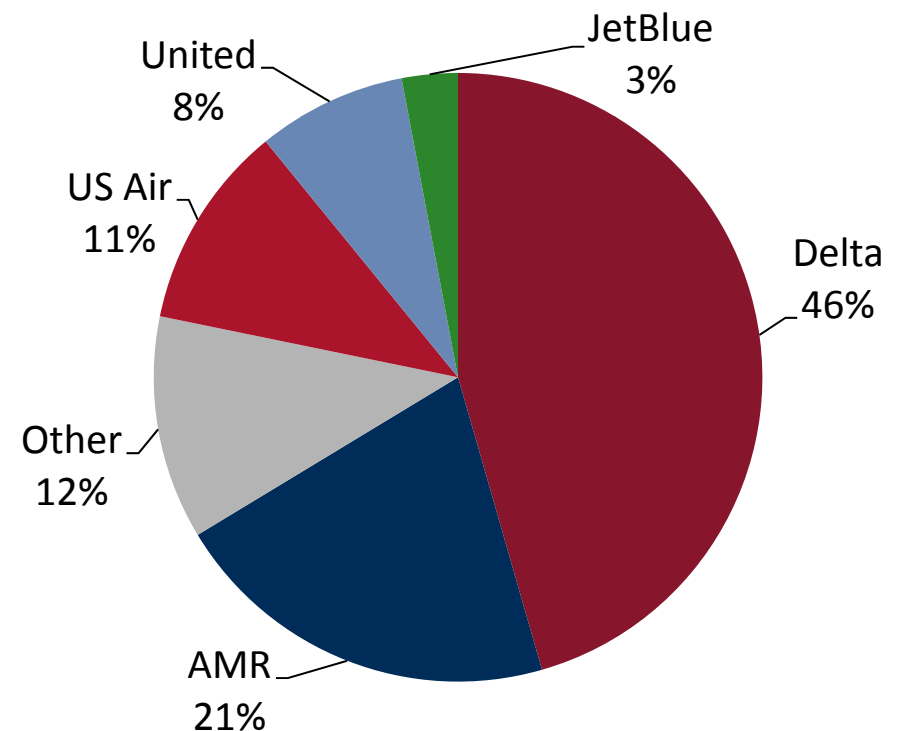
- Building a leading network position by capitalizing on the LGA expansion and more efficient use of the JFK hub
- Improving NYC corporate share, including leveraging breadth of JV partners
- Delivering a high-quality product and brand to all customers



Building New York's Leading Network Position

- With over 250 flights per day, Delta will be the premier carrier from LaGuardia
 - Nearly 50% of daily departures from New York's preferred business airport
- Improved schedule
 - New slots will allow 100 new flights and 29 new destinations
 - Adding service to key business destinations
- Improved facilities and amenities
 - Terminals C & D connect to create a 26-gate complex
 - Maintain Marine Air Terminal for high-value Shuttle customers

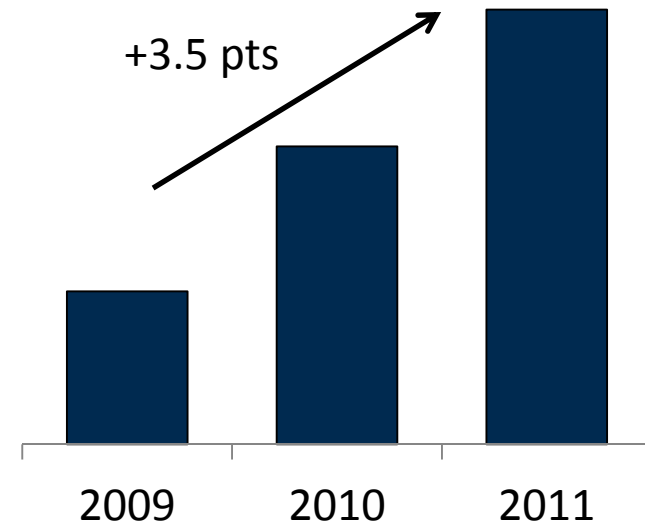
LGA Slot Position (Summer 2012)



Winning New York Corporate Customers

- In just three years, Delta has increased its corporate share in NY by 3.5 points
- Future growth will be driven by:
 - Broader network offering, with more than 500 daily flights from New York to key destinations
 - Expanded facilities with enhanced amenities at LGA and JFK
 - Premium products for premium customers such as VIP Select, SkyPriority and Business Elite and Economy Comfort for transcon flights
 - Leveraging the breadth of all joint venture relationships

New York Corporate Share



Making Significant Investments in New York



JFK Terminal 4

- Construction underway with ramp work complete, remains on target to open in Spring 2013
- Will include 9 new gates, a 23,000 sq. ft. SkyClub, and state of the art bag system

Improved Customer Products and Services

- Placing flat-bed aircraft in key international business markets
- Economy Comfort for transcon flights for sale starting Dec. 1
- Renovated SkyClub and improved food offerings



Building Brand Awareness

- Broad launch of “Keep Climbing” ad campaign
- Official airline of leading NY sports teams and Madison Square Garden, including exclusive Delta Sky360 hospitality venues
- Sponsor of New York Wine and Food Festival
- Partnering with non-profit cultural and environmental organizations throughout the NY area

Winning In New York

Leading Network Position

- With the best-positioned slot portfolio and an international gateway to all regions, Delta has built an unmatched network position in New York

Winning Corporate Customers

- Delta's improved travel offering – network, products and alliances – is gaining traction with New York corporate customers

Significant Investments Underway

- Significant investments are targeted at producing a consistently high-quality product and brand

Benefits of Operational Investment

Steve Gorman
Chief Operating Officer



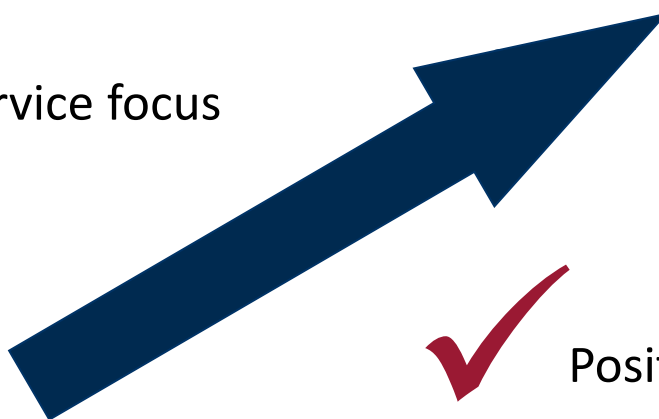
Delta: Performance Continues to Climb



Top tier completion factor,
on-time and baggage
performance



Customer service focus



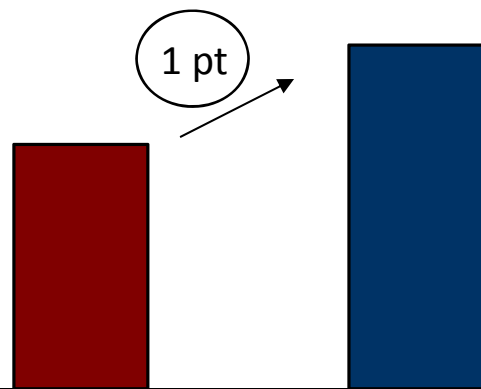
Positive feedback from
our customers

Making Delta an airline of preference

Delta: Completing Our Customers' Flights

- ✓ Tech Ops action plans
- Added stations
 - Technicians
 - Parts
 - Planning

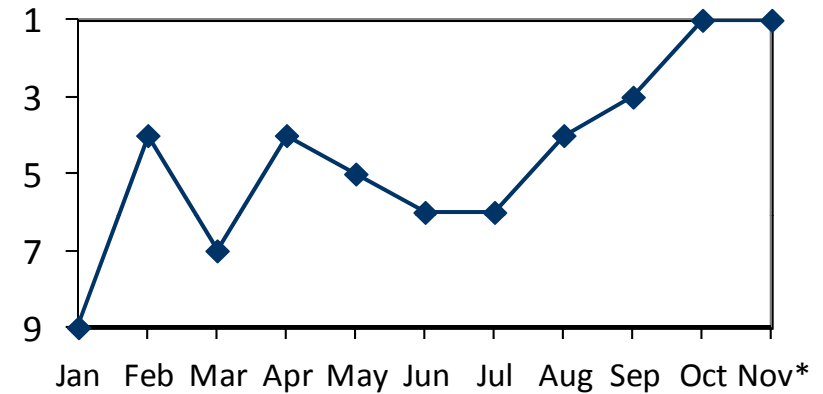
Higher Completion Factor



May - Nov 2010

May - Nov 2011

Competitive Ranking



*Preliminary

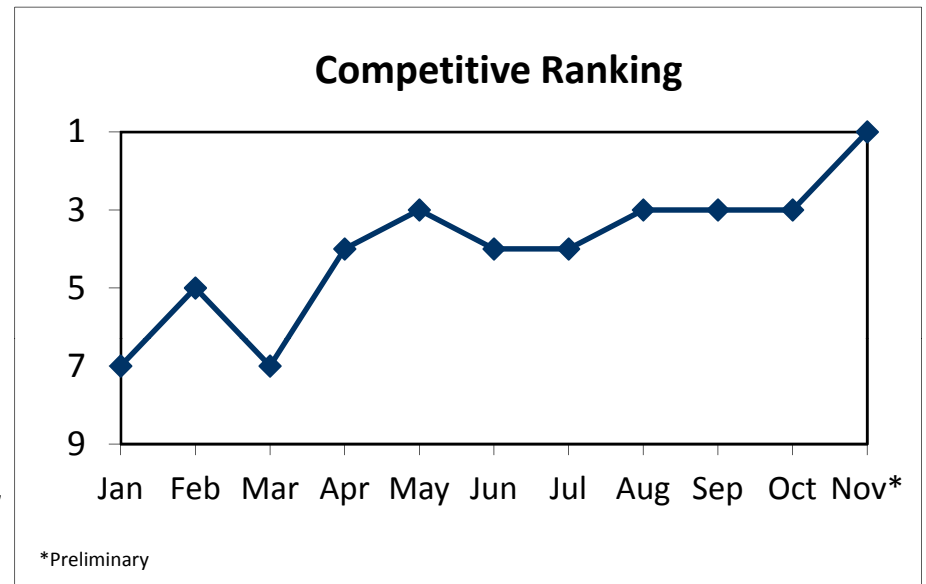
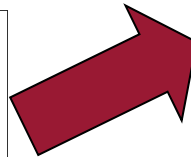
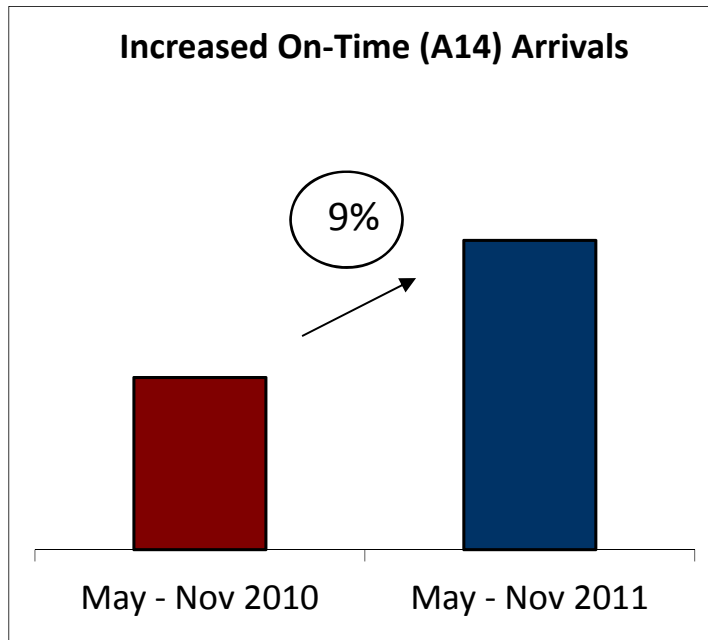


Delta: Arriving On Time



Cross-functional action team

- Awareness and promotion
- D-3 door closure
- Gate-checked bags

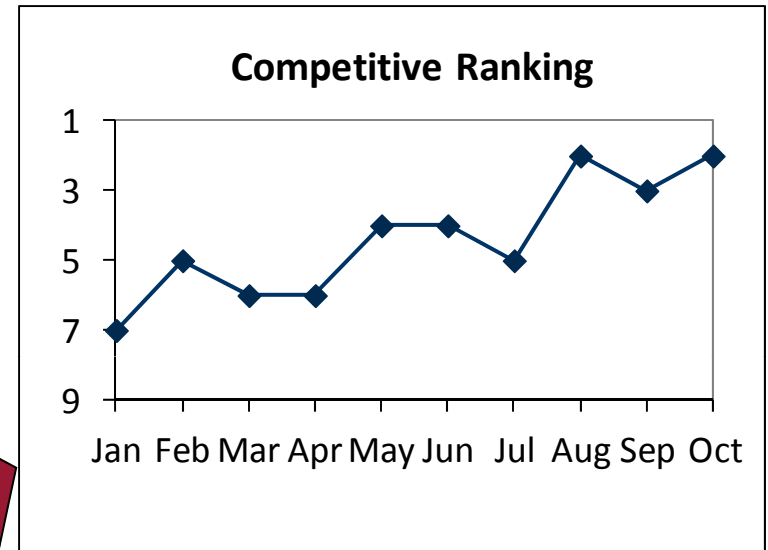
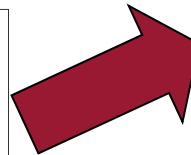
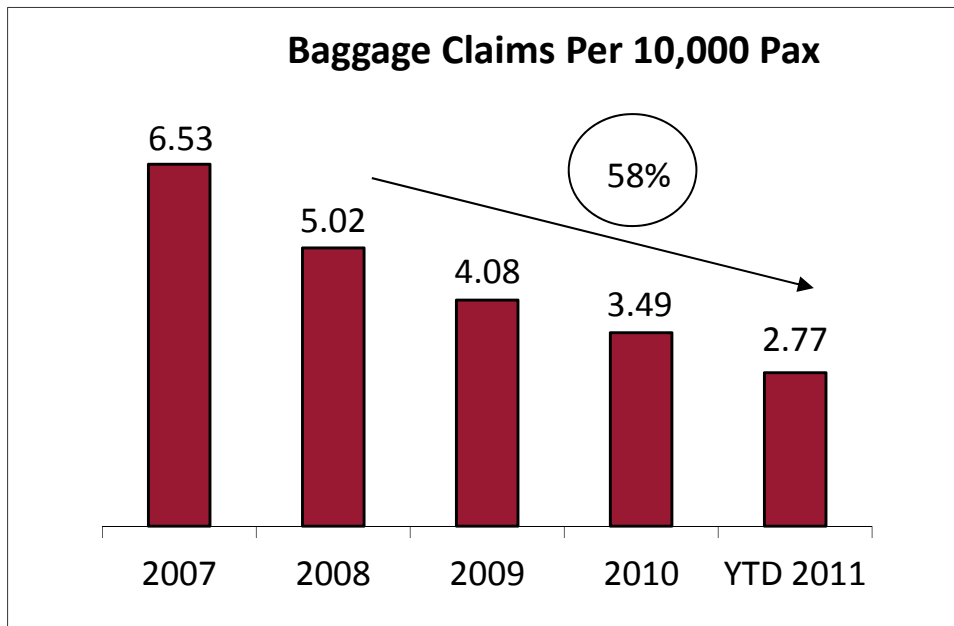


Delta: Bags Arrive with Customers



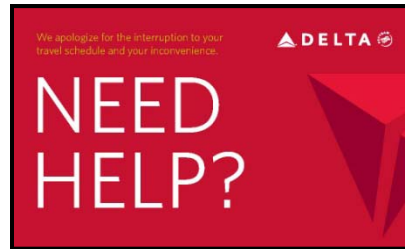
Five-year positive trend

- Infrastructure
- Technology
- Process



Delta: Customer Service Call to Action

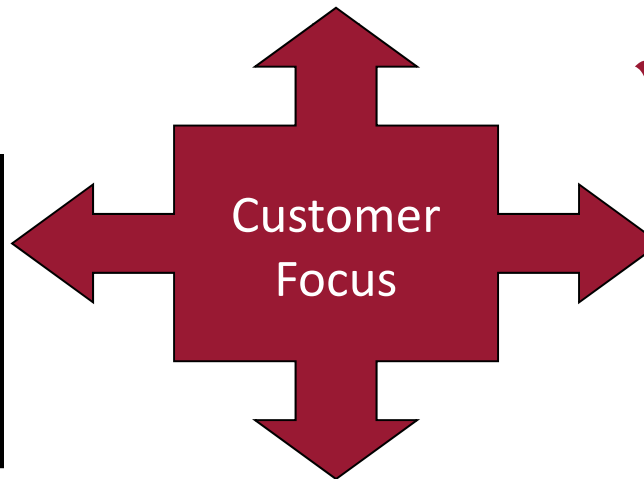
✓ Have their backs



✓ Timely, honest communication



✓ Situational Flexibility

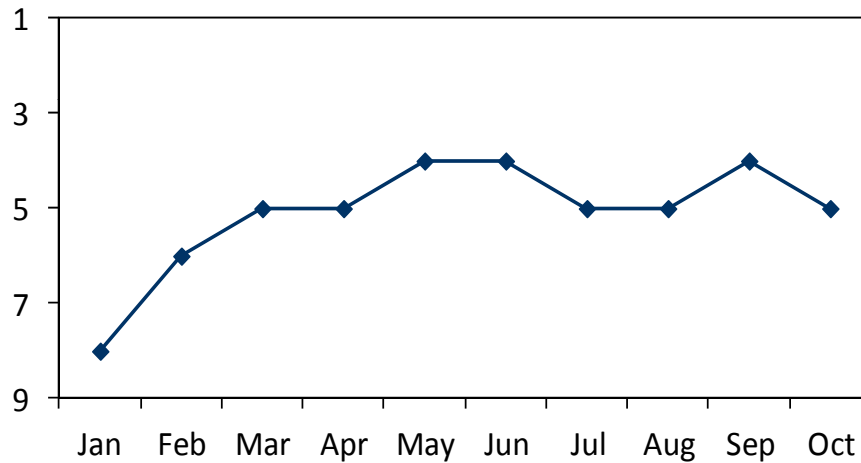


✓ E-mail surveys for direct feedback

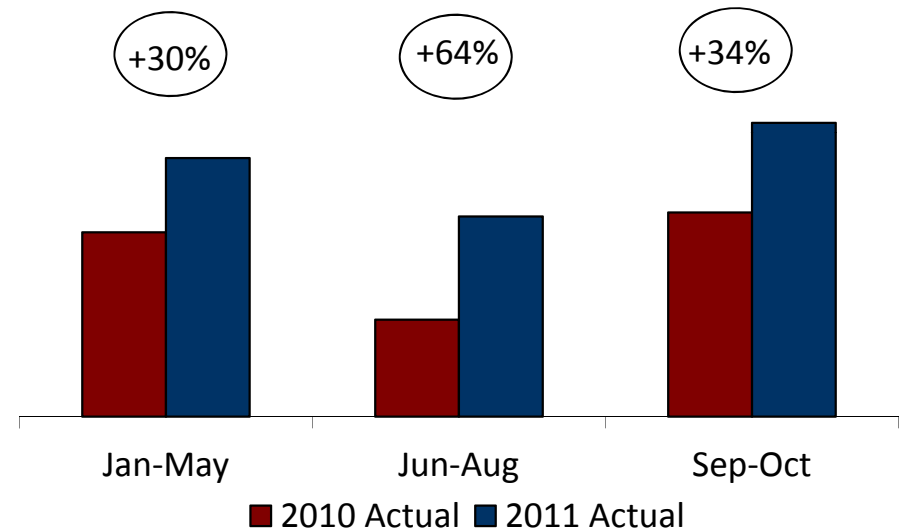
- Accountability
- Incentives

Delta: Our Customers Have Noticed

DOT Complaints Competitive Ranking



Domestic Net Promoter



Making Delta an airline customers prefer

Solid Financial Foundation

Hank Halter
Chief Financial Officer



Solid Financial Foundation

Focus on Operating Costs

- Reducing fuel price volatility through hedging and supply management
- Addressing non-fuel unit cost pressures to maintain advantage to industry peers

Disciplined Capital Spending

- Measured capital spending, with focus on projects with high rate of return

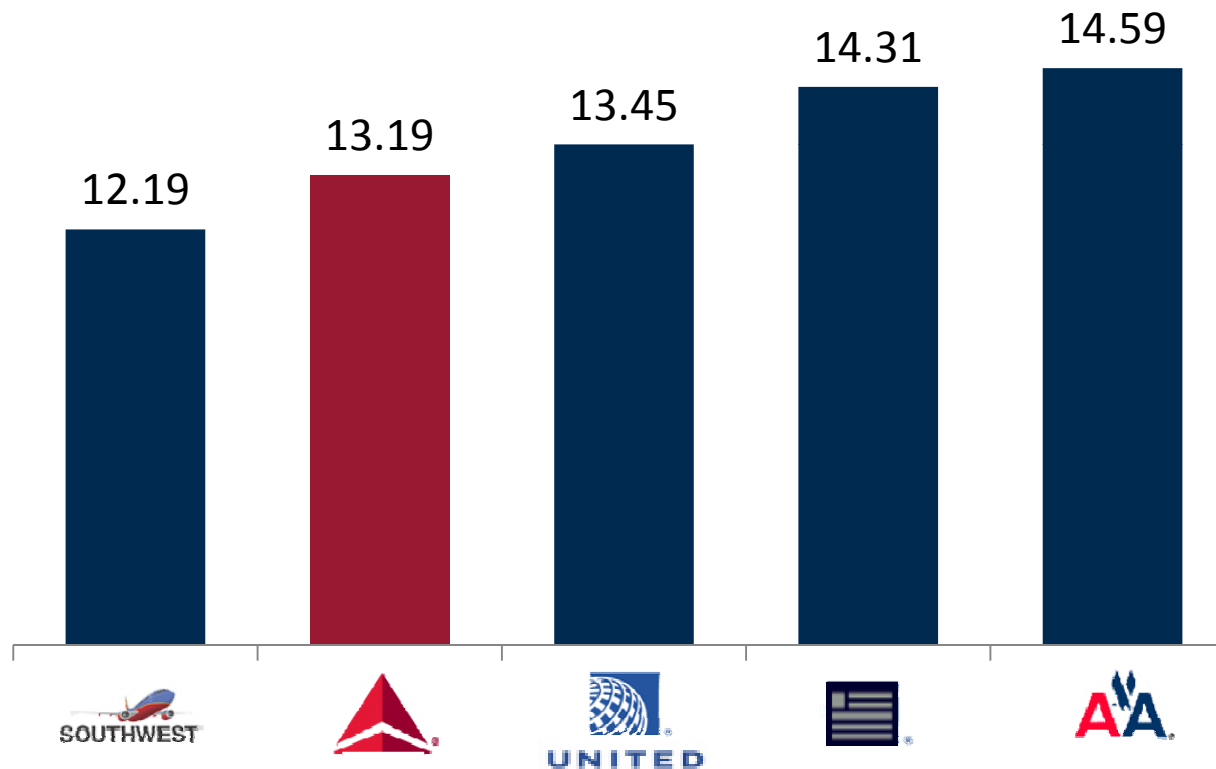
Improved Balance Sheet

- Strong free cash flow generation provides for delevering the balance sheet and derisking the business

Maintaining A Total Cost Advantage

Despite recent cost pressures, Delta maintains the lowest unit costs of the network carriers

September 2011 Quarter Unit Costs (cents)

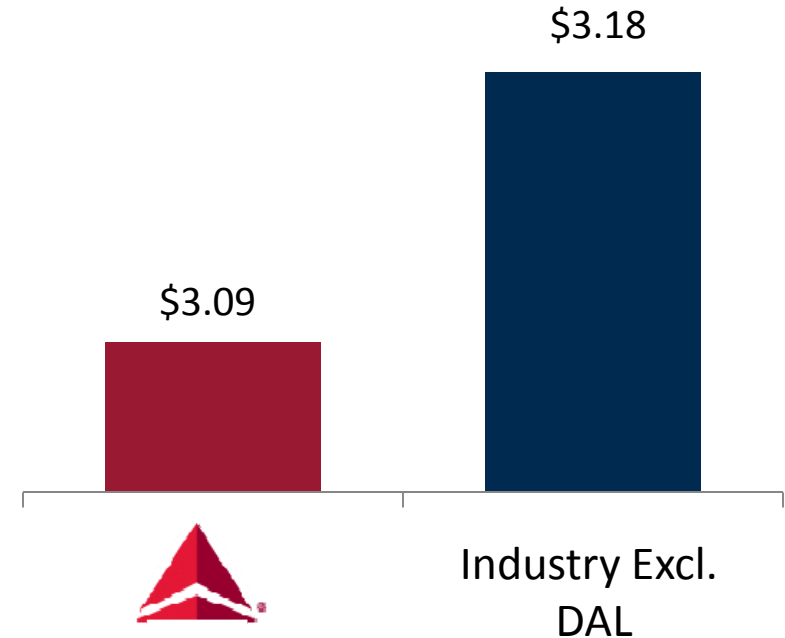


Note: excludes special items, ancillary businesses, and profit sharing.

Delta Actively Managing Fuel Cost

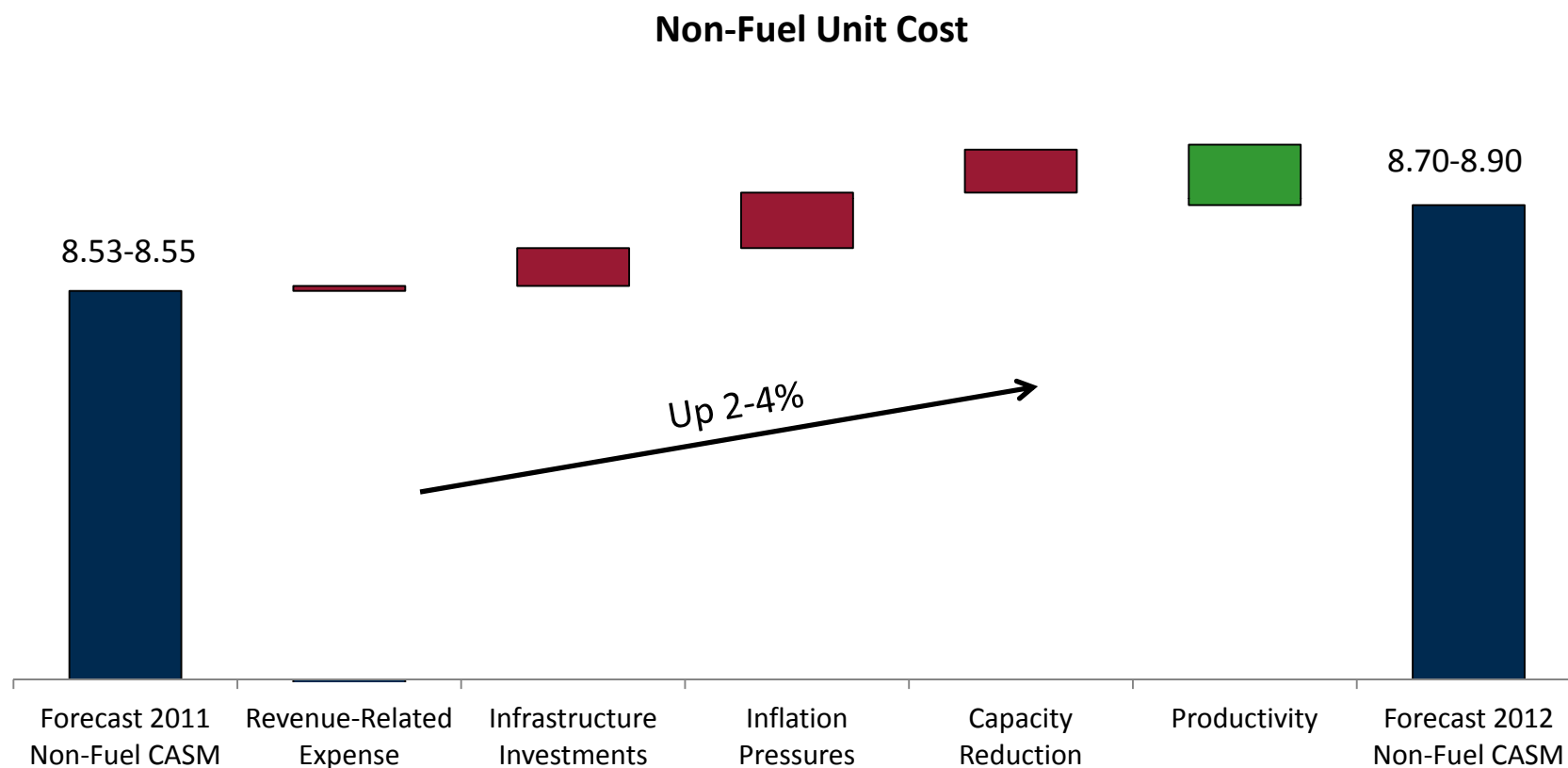
- Every cent matters – a 1¢ change in fuel price equates to \$40 million of annual fuel expense
- Utilizing a dynamic fuel hedging strategy to mitigate both price and volatility
 - More effective than previous “buy and hold” strategy
- Cost-effective hedging instruments and products
 - Lower cost approach to selecting hedging instruments and products than call options, while still retaining risk management benefits
- Proactively managed fuel procurement
 - Analyzing geographic sourcing, tax and transport expense to optimize fuel procurement process

September Quarter 2011 All-In Fuel Cost per Gallon



Pressure on 2012 Non-Fuel Unit Costs

Costs pressured by inflation, capacity reductions, and customer and operational investments



2012 Initiatives Will Partially Offset Cost Pressures

Productivity

- Increase employee productivity
- Benefits from voluntary headcount reduction
- Improve facility utilization and rates
- Streamline merit organization

Maintenance and Fleet

- Ground 140 older, less efficient aircraft over two years
- Leverage AeroMexico JV to optimize maintenance opportunities
- Greater workscope efficiencies

Distribution and Technology

- Drive channel share to lower-cost delta.com with new platform
- Improved alignment of commissions
- Renegotiate rates with GDS providers and OTAs

Delta Actively Managing Liquidity

Significant Free Cash Flow Generation

- Continued focus on generating returns from the business
- Free cash flow generation, combined with consistent access to the capital markets, reduces need to maintain high liquidity balances

\$5 Billion Targeted Liquidity

- A \$5 billion target level for total liquidity provides sufficient cushion to handle the inherent volatilities in the industry

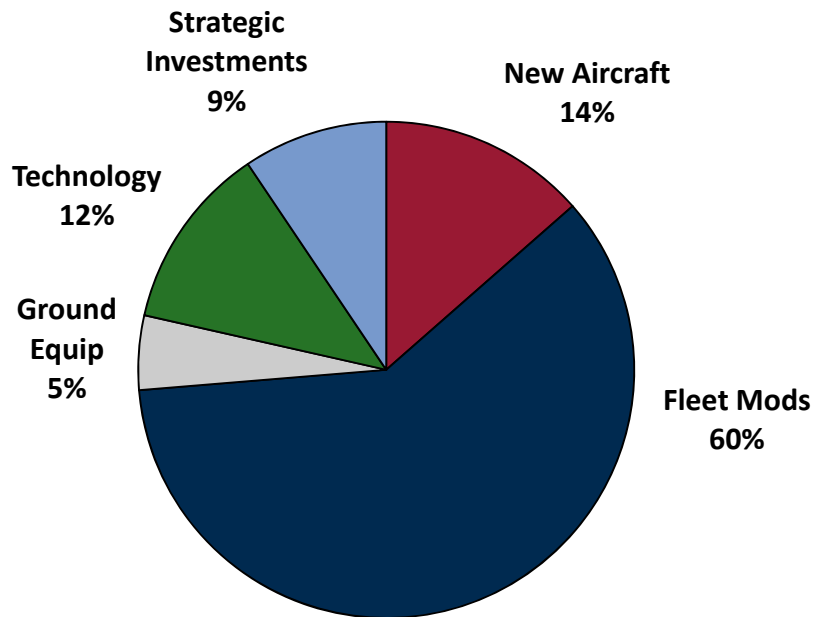
Minimize Liquidity Carrying Costs

- Industry leading \$1.8 billion of available revolvers saves over \$100 million annually

Disciplined Capital Spending

Keeping investments across the business below \$1.5 billion annually

2012 Capital Spending Projects



Continued Investment Across The Business

Fleet Modifications:

- Flat-bed seats on international aircraft
- Seat density projects
- MD90 inductions
- Winglets

Technology:

- Revenue and distribution management systems
- Direct connect
- eCommerce platform

Strategic Investments:

- International terminals at JFK and ATL
- Implementation of LGA slot swap

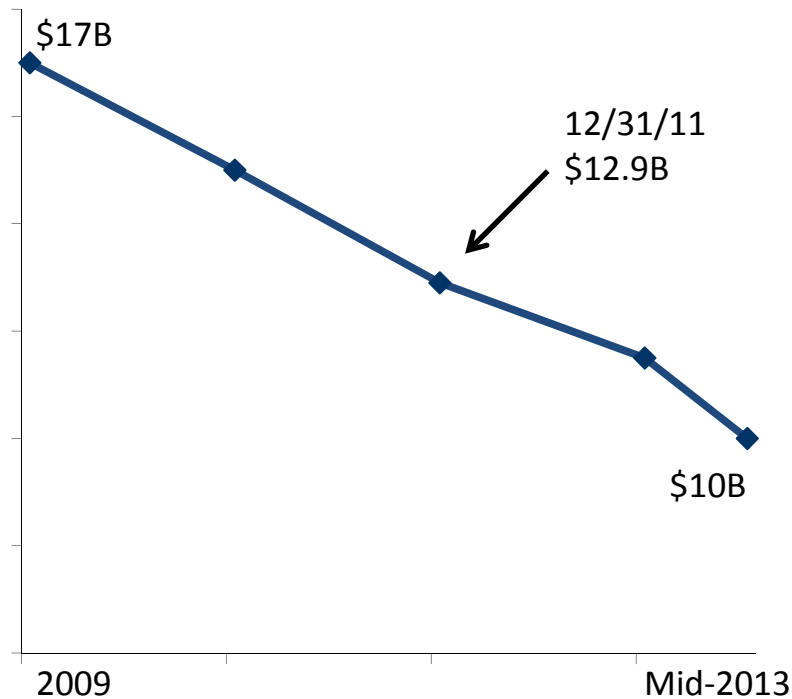
New Aircraft:

- Advance payments for 737-900ER deliveries

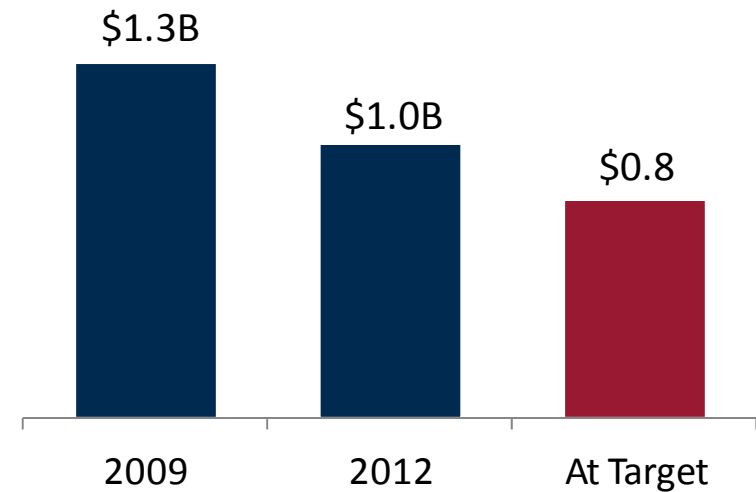
Derisking the Business through Debt Reduction

On track to achieve \$10 billion adjusted net debt target in the next 18 months

Solid Progress On Debt Reduction...



...Producing Interest Expense Savings and Enhanced Flexibility



Delta: Keep Climbing

Creating a solid franchise that generates strong margins and cash flow, provides for net debt reduction and investment for the future

Focus on top-line growth

Growing and diversifying revenues through a broad global network, corporate revenue gains, fuel cost recovery and improved products and services

Taking a disciplined approach

Disciplined management of capacity, costs and capital to improve profitability, generate free cash flow and invest in the business

Reducing risk across the business

Reducing labor, financial and operational risk key to creating a stable business model in a volatile industry

Appendix

Non-GAAP Reconciliations

Non-GAAP Financial Measures

We sometimes use information that is derived from our Consolidated Financial Statements, but that is not presented in accordance with accounting principles generally accepted in the U.S. (“GAAP”). Certain of this information is considered “non-GAAP financial measures” under the U.S. Securities and Exchange Commission rules. The non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results.

Delta is unable to reconcile certain forward-looking projections to GAAP for future periods, including projected consolidated non-fuel cost per available seat mile (CASM), as the nature or amount of special items cannot be estimated at this time.

Delta excludes special items because management believes the exclusion of these items is helpful to investors to evaluate the company’s recurring operational performance.

Delta adjusts for mark-to-market (MTM) adjustments for fuel hedges recorded in periods other than the settlement period in order to evaluate the company’s financial results in the period shown.

Delta uses adjusted total debt, including aircraft rent, in addition to long-term adjusted debt and capital leases, to present estimated financial obligations. Delta reduces adjusted total debt by cash, cash equivalents and short-term investments, resulting in adjusted net debt, to present the amount of additional assets needed to satisfy the debt.

Delta presents consolidated CASM excluding fuel expense and related taxes because management believes the volatility in fuel prices impacts the comparability of year-over-year financial performance.

Consolidated CASM excludes ancillary businesses not associated with the generation of a seat mile. These businesses include aircraft maintenance and staffing services Delta provides to third parties and Delta’s vacation wholesale operations.

Delta excludes profit sharing expense from consolidated CASM because management believes the exclusion of this item provides a more meaningful comparison of the company’s results to the airline industry and prior year results.

Delta presents free cash flow because management believes this metric is helpful to investors to evaluate the company’s ability to generate cash.

Non-GAAP Reconciliations

Net Income

(in billions)	Full Year 2011 Projection	Full Year 2010
Net income	\$ 0.8	\$ 0.6
Items excluded:		
Restructuring and other items	0.2	0.4
Loss on extinguishment of debt	0.1	0.4
MTM adjustments for fuel hedges recorded in periods other than the settlement period	-	-
Net income excluding special items	<u>\$ 1.1</u>	<u>\$ 1.4</u>

Adjusted Net Debt

(in billions)	December 31, 2011 Projection	December 31, 2009
Debt and capital lease obligations	\$ 13.6	\$ 17.2
Plus: unamortized discount, net from purchase accounting and fresh start reporting	<u>0.8</u>	<u>1.1</u>
Adjusted debt and capital lease obligations	\$ 14.4	\$ 18.3
Plus: 7x last twelve months' aircraft rent	<u>2.1</u>	<u>3.4</u>
Adjusted total debt	16.5	21.7
Less: cash, cash equivalents and short-term investments	<u>(3.6)</u>	<u>(4.7)</u>
Adjusted net debt	<u>\$ 12.9</u>	<u>\$ 17.0</u>

Non-GAAP Reconciliations

Unit Cost

	Full Year 2011 Projection	Full Year 2010	Nine Months Ended September 30, 2011	Three Months Ended September 30, 2011	% Change Three Months Ended December 31, 2011 vs. 2010 Projection
Unit Cost	14.08 to 14.10 ¢	12.69 ¢	14.18 ¢	14.16 ¢	5%
Items excluded:					
Ancillary businesses	(0.35)	(0.28)	(0.34)	(0.38)	0%
Profit sharing	(0.11)	(0.13)	(0.10)	(0.26)	0%
Restructuring and other items	(0.09)	(0.19)	(0.09)	-	1%
MTM adjustments for fuel hedges recorded in periods other than the settlement	-	-	(0.11)	(0.33)	2%
Unit Cost excluding special items	13.53 to 13.55	12.09	13.54	13.19	8%
Aircraft fuel and related taxes	(5.00)	(3.82)	(5.05)	(5.09)	-6%
Non-Fuel Unit Cost excluding special items	8.53 to 8.55 ¢	8.27 ¢	8.49 ¢	8.10 ¢	2%

Non-GAAP Reconciliations

Free Cash Flow

(in billions)	Full Year 2011 Projection	
Net cash provided by operating activities (GAAP)	\$	2.6
Net cash used in investing activities (GAAP)	\$	(1.3)
Adjustments:		
Redemption of short-term investments		(0.6)
Purchase of short-term investments		0.8
Cash used in investing		(1.1)
Total free cash flow	\$	<u>1.5</u>

Average Price Per Fuel Gallon, Adjusted

	Three Months Ended September 30, 2011	Three Months Ended December 31, 2011 Projection
Average price per fuel gallon including fuel expense incurred under contract carrier arrangements	\$ 3.29	\$ 2.75
MTM adjustments for fuel hedges recorded in periods other than the settlement period	(0.20)	0.21
Average price per fuel gallon adjusted for MTM adjustments for fuel hedges recorded in periods other than the settlement period	<u>\$ 3.09</u>	<u>\$ 2.96</u>

Non-GAAP Reconciliations

Operating Margin

	Full Year 2011 Projection
Operating Margin	7 to 9%
Items excluded:	
Restructuring and other items	1%
MTM adjustments for fuel hedges recorded in periods other than the settlement period	-2%
Operating Margin excluding special items	<u>6 to 8%</u>

Non-Operating Expense

(in millions)	Three Months Ended December 31, 2011 Projection
Non-operating expense	\$315 - \$340
Item excluded:	
Loss on extinguishment of debt	<u>40</u>
Non-operating expense excluding special items	<u>\$275 - \$300</u>