

Non-GAAP Financial Measures

Delta completed its merger with Northwest Airlines on October 29, 2008. Accordingly, Delta's financial results prepared in accordance with accounting principles generally accepted in the U.S. (GAAP) include the results of Northwest Airlines for 2009.

Under GAAP, Delta does not include in its financial results the results of Northwest Airlines prior to the completion of the merger. Accordingly, Delta's financial results under GAAP for 2008 include the results of Northwest Airlines for the period from October 30, 2008 through December 31, 2008. This impacts the comparability of Delta's financial statements under GAAP for 2009 and 2008.

Year-over-year comparisons in certain presentations assume the 2008 financial statements were prepared on a combined basis, excluding special items. "Combined basis" means the company combines the financial results of Delta and Northwest as if the merger had occurred prior to the beginning of the applicable period. Delta believes presenting this financial information on a combined basis provides a more meaningful basis for comparing Delta's year-over-year financial performance than the GAAP financial information.

Delta is unable to reconcile certain forward-looking projections to GAAP as the nature or amount of special items cannot be estimated at this time.

Delta excludes special items and fuel hedge losses because management believes the exclusion of these items is helpful to investors to evaluate the company's recurring operational performance.

Earnings before interest, taxes, depreciation, amortization and aircraft rent (EBITDAR) has been presented as management believes it is helpful to investors in utilizing EBITDAR as a proxy for operating cash flow on a period over period basis.

Delta presents capital expenditures, net investing activities and net debt issuance because management believes this metric is helpful to investors to evaluate the company's investing and financing activities.

Delta presents consolidated and Mainline cost per available seat mile (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 and Mainline CASM exclude ancillary businesses not associated with the generation of a seat mile. These businesses include expenses related to Delta's providing maintenance services (MRO), staffing services and dedicated freight operations as well as Delta's vacation wholesale operations.

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 and cash equivalents and short-term investments, to present the amount of additional assets needed to satisfy the debt.

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.

Operating Income

	Year Ended
	December 31, 2009
(in millions)	
Operating loss	\$ (324)
Item excluded:	
Restructuring and merger-related items	407
Operating income excluding special items	83
Adjustment:	
Fuel hedge losses	1,359
Operating income excluding special items and fuel hedge losses	\$ 1,442

Property and Equipment Additions

	Year Ended
	December 31, 2009
(in billions)	
Property and equipment additions (GAAP)	<u>\$ (1.2)</u>
Adjustments:	
Aircraft purchases under seller financing	(0.2)
Proceeds from sale of flight equipment	0.1
Total capital expenditures	<u><u>\$ (1.3)</u></u>

Pre-Tax Income

	Year Ended
	December 31, 2009
(in millions)	
Pre-tax loss	\$ (1,581)
Adjustments:	
Restructuring and merger-related items	407
Loss on extinguishment of debt	83
Fuel hedge losses	1,359
Pre-tax income excluding special items and fuel hedge losses	\$ 268

EBITDAR

	Year Ended
	December 31, 2009
(in millions)	
Pre-tax loss	\$ (1,581)
Depreciation and amortization	1,536
Other non-operating expense, net	1,257
Aircraft rent	480
Item excluded:	
Restructuring and merger-related items	407
EBITDAR excluding special items	<u>2,099</u>
Adjustment:	
Fuel hedge losses	1,359
EBITDAR excluding special items and fuel hedge losses	<u><u>\$ 3,458</u></u>

Net Investing Activities

	Year Ended
	December 31, 2009
(in billions)	
Cash used in investing activities (GAAP)	\$ (1.0)
Adjustments:	
Aircraft purchases under seller financing	(0.2)
Decrease in short-term investments	(0.2)
Proceeds from sale of flight equipment	0.1
Net investing activities	\$ (1.3)

Net Debt Issuance

	Year Ended
	December 31, 2009
(in billions)	
Payments on long-term debt and capital lease obligations (GAAP)	\$ (2.9)
Proceeds from long-term obligations (GAAP)	3.0
Adjustments	
Aircraft purchases under seller financing	0.2
Undrawn credit facilities	0.1
Debt issuance costs	(0.1)
Net debt issuance	\$ 0.3

Revenue

	Year Ended
	December 31, 2008
(in millions)	
Total operating revenue (GAAP)	\$ 22,697
Northwest total operating revenue for the period from January 1 to October 29, 2008	11,591
Combined 2008 total operating revenue	\$ 34,288

Non-Fuel CASM

	Year Ended December 31, 2009
CASM	12.32 ¢
Items excluded:	
Ancillary businesses	(0.31)
Restructuring and merger-related items	(0.18)
Fuel expense and related taxes	(3.55)
CASM excluding fuel expense and related taxes and special items	<u>8.28 ¢</u>
Available seat miles (in millions)	<u><u>230,331</u></u>

Mainline Non-Fuel CASM

	Year Ended December 31, 2009
(in millions, except per cent data)	
Consolidated operating expense	\$ 28,387
Less regional carriers operating expense	(5,807)
Mainline operating expense	<u>\$ 22,580</u>
Mainline CASM	11.42 ¢
Items excluded:	
Ancillary businesses	(0.38)
Restructuring and merger-related items	(0.20)
Fuel expense and related taxes	(3.44)
Mainline CASM excluding fuel expense and related taxes and special items	<u>7.40 ¢</u>
Available seat miles	<u>197,723</u>

Adjusted Net Debt

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