

# Non-GAAP Reconciliations

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Note: The following tables show reconciliations of certain financial measures. The reasons Delta uses these measures are described below.

- Because Delta completed its merger with Northwest Airlines on October 29, 2008, Delta's financial results under generally accepted accounting principles ("GAAP") for 2008 and the December 2008 quarter include the results of Northwest Airlines for the period October 30, 2008 through December 31, 2008. 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 2007 do not include the results of Northwest Airlines for that period. This impacts the comparability of Delta's financial statements under GAAP for 2008 and 2007.

Delta presents its financial results in the tables on a "combined" basis. "Combined" basis means the company combines the financial results of Delta and Northwest as if the merger had occurred at the beginning of the applicable period. For example, Delta's financial results on a combined basis for 2008 and 2007 include the financial results of Northwest Airlines for the entire periods. 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.

The guidance comparisons below assume the financial statements for the applicable periods were prepared on a combined basis, excluding special items.

# Non-GAAP Reconciliations (continued)

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- 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 excludes mark-to-market ("MTM") adjustments on fuel hedges settling in 2009 in order to more consistently reflect fuel expense for the respective period. Under normal hedge accounting, these MTM adjustments would be included within accumulated other comprehensive income and not impact the statement of operations until the month of settlement.
- Delta presents Mainline cost per available seat mile ("CASM") excluding fuel expense and related taxes because management believes the volatility in fuel prices mask the progress toward achieving business plan targets.
- Combined Mainline CASM excludes transactions with third parties that are not associated with the generation of a seat mile. These transactions include expenses related to Delta's providing maintenance services, staffing services and freight operations as well as Delta's vacation wholesale operations.
- 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.

# EBITDAR

(in millions)

## **Combined EBITDAR**

### **Pre-tax loss**

Northwest pre-tax loss January 1 to October 29, 2008

### **Combined pre-tax loss**

Depreciation and amortization

Other non-operating expense, net

Aircraft rent

Items excluded:

Impairment of goodwill and other intangible assets

Merger-related expenses

Impairment of investment in subsidiary

Restructuring and related items

MTM adjustments to fuel hedges settling in 2009

Write-down in value of auction rate securities

### **Combined EBITDAR**

**Year Ended**  
**December 31, 2008**

\$	(9,041)
	(5,673)
	<u>(14,714)</u>
	1,678
	1,011
	491
	11,779
	1,290
	213
	153
	410
	20
\$	<u><u>2,331</u></u>

# Operating Revenue

(in millions)	<u>Year Ended</u> <u>December 31, 2008</u>	<u>Year Ended</u> <u>December 31, 2007</u>	<u>Percent Change</u> <u>Year over Year</u>
<b>Operating revenue</b>			
Total operating revenue	\$ 22,697	\$ 19,154	
Northwest operating revenue January 1, 2008 to October 29, 2008 and January 1, 2007 to December 31, 2007, respectively	11,591	12,528	
<b>Combined operating revenue</b>	<u>\$ 34,288</u>	<u>\$ 31,682</u>	<u>8.2 %</u>

# Mainline Non-Fuel CASM

**Year Ended**  
**December 31, 2008**

**Combined Mainline CASM**

Mainline CASM

18.27 ¢

**Combined Mainline CASM**

19.27 ¢

Items excluded:

Impairment of goodwill and other intangible assets

(5.52)

Transactions with third parties and other

(0.67)

Merger-related items

(0.60)

MTM adjustments to fuel hedges settling in 2009

(0.19)

Restructuring and related items

(0.06)

Fuel expense and related taxes

(5.04)

**Combined Mainline CASM excluding fuel expense and related taxes,  
special items and MTM adjustments to fuel hedges settling in 2009**

7.19 ¢

# Liquidity

(in millions)	<b>December 31, 2008</b>	<b>FORECAST</b> <b>March 31, 2009</b>
<b>Total liquidity:</b>		
Cash and cash equivalents	\$ 4,255	\$ 3,800
Short-term investments	212	100
Undrawn line of credit	500	500
<b>Total liquidity</b>	<b>4,967</b>	<b>4,400</b>
Net cash collateral posted with hedge counterparties	1,139	700
<b>Total liquidity and net cash collateral     posted with hedge counterparties</b>	<b>\$ 6,106</b>	<b>\$ 5,100</b>

# Operating Margin

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**Operating margin**  
Restructuring and related items  
**Operating margin excluding special items**

<b>FORECAST</b>
<b>March 2009</b>
<b>Quarter</b>
(6) - (7) %
<u>1</u>
<u><u>(5) - (6) %</u></u>

# Passenger Unit Revenue

(in millions, except per cent data)

## **Combined passenger unit revenue**

Combined March 2009 quarter passenger unit revenue

Delta passenger revenue

Northwest passenger revenue

Total passenger revenue

Combined March 2008 quarter passenger unit revenue

**Change year-over-year in combined passenger unit revenue**

<b>FORECAST</b>	
<b>March 2009 Quarter vs.</b>	
<b>March 2008 Quarter</b>	
	10.29 ¢
\$	4,100
	2,708
\$	6,808
	11.43 ¢
	(10%)

# Mainline Non-Fuel CASM

	<u>FORECAST</u>	
	<u>March 2009 Quarter</u>	<u>March 2008 Quarter</u>
<b>Combined Mainline CASM</b>		
Mainline CASM		32.29 ¢
<b>Combined Mainline CASM</b>	12.30 ¢	<u>32.09 ¢</u>
Items excluded:		
Impairment of goodwill	-	(19.47)
Transactions with third parties and other	(0.51)	(0.75)
Restructuring and related items	(0.10)	(0.03)
Fuel expense and related taxes	(3.65)	(4.39)
<b>Combined Mainline CASM excluding fuel expense and related taxes and special items</b>	<u>8.04 ¢</u>	<u>7.45 ¢</u>
<b>Change year-over-year in Mainline CASM excluding fuel expense and related taxes and special items</b>	<u>8%</u>	