

**Note: The following tables show reconciliations of non-GAAP financial measures. The reasons Delta uses these measures are described below.**

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

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

Delta presents consolidated and Mainline CASM excluding 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 adjusts for MTM adjustments for fuel hedges recorded in periods other than the settlement period in order to evaluate the company's financial results related to operations in the period shown.

Delta presents net debt payments because management believes this metric is helpful to investors to evaluate the company's debt-related activities.

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

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

**Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures  
June 30, 2011**

	<u>Three Months Ended June 30,</u>	
	<u>2011</u>	<u>2010</u>
(in millions)		
Net income	\$ 198	\$ 467
Items excluded:		
Restructuring and other items	144	82
Loss on extinguishment of debt	13	-
MTM adjustments for fuel hedges recorded in periods other than the settlement period	11	-
Net income excluding special items	<u>\$ 366</u>	<u>\$ 549</u>

	<u>Three Months Ended</u>	
	<u>June 30, 2011</u>	
Net income per diluted share	\$ 0.23	
Items excluded:		
Restructuring and other items	0.17	
Loss on extinguishment of debt	0.02	
MTM adjustments for fuel hedges recorded in periods other than the settlement period	0.01	
Net income per diluted share excluding special items	<u>\$ 0.43</u>	

	<u>Three Months Ended</u>	
	<u>June 30, 2011</u>	
(in billions)		
Net cash provided by operating activities (GAAP)	\$ 1.0	
Net cash used in investing activities (GAAP)	(0.3)	
Adjustments:		
Redemption of short-term investments	(0.2)	
Purchase of short-term investments	0.2	
Cash used in investing	(0.3)	
Total free cash flow	<u>\$ 0.7</u>	

	<u>June 30, 2011</u>		<u>March 31, 2011</u>		<u>December 31, 2009</u>	
	(in billions)					
Debt and capital lease obligations	\$ 14.7		\$ 15.2		\$ 17.2	
Plus: unamortized discount, net from purchase accounting and fresh start reporting	0.6		0.6		1.1	
Adjusted debt and capital lease obligations	\$ 15.3		\$ 15.8		\$ 18.3	
Plus: 7x last twelve months' aircraft rent	2.3		2.5		3.4	
Adjusted total debt	17.6		18.3		21.7	
Less: cash, cash equivalents and short-term investments	(3.8)		(3.8)		(4.7)	
Adjusted net debt	<u>\$ 13.8</u>		<u>\$ 14.5</u>		<u>\$ 17.0</u>	

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
CASM	14.42 ¢	12.46 ¢	14.19 ¢	12.59 ¢
Items excluded:				
Aircraft fuel and related taxes	(5.31)	(3.81)	(5.02)	(3.73)
Ancillary businesses	(0.38)	(0.28)	(0.35)	(0.28)
MTM adjustments for fuel hedges recorded in periods other than the settlement period	(0.02)	-	0.02	-
Profit sharing	(0.01)	(0.15)	(0.01)	(0.08)
Restructuring and other items	(0.24)	(0.14)	(0.13)	(0.12)
CASM excluding fuel and special items	<u>8.46 ¢</u>	<u>8.08 ¢</u>	<u>8.70 ¢</u>	<u>8.38 ¢</u>

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Mainline CASM	13.29 ¢	11.47 ¢	13.03 ¢	11.54 ¢
Items excluded:				
Aircraft fuel and related taxes	(4.93)	(3.58)	(4.66)	(3.49)
Ancillary businesses	(0.39)	(0.28)	(0.34)	(0.28)
MTM adjustments for fuel hedges recorded in periods other than the settlement period	(0.02)	-	0.02	-
Profit sharing	(0.02)	(0.18)	(0.01)	(0.09)
Restructuring and other items	(0.23)	(0.16)	(0.12)	(0.13)
Mainline CASM excluding fuel and special items	<u>7.70 ¢</u>	<u>7.27 ¢</u>	<u>7.92 ¢</u>	<u>7.55 ¢</u>

	<b>Three Months Ended June 30, 2011</b>	<b>Six Months Ended June 30, 2011</b>
Average price per fuel gallon including fuel expense incurred under contract carrier arrangements	\$ 3.23	\$ 3.05
MTM adjustments for fuel hedges recorded in periods other than the settlement period	(0.01)	0.01
Average price per fuel gallon adjusted for MTM adjustments for fuel hedges recorded in periods other than the settlement period	<u>\$ 3.22</u>	<u>\$ 3.06</u>

	<b>Three Months Ended June 30, 2011</b>	<b>Six Months Ended June 30, 2011</b>
Mainline average price per fuel gallon	\$ 3.19	\$ 3.01
MTM adjustments for fuel hedges recorded in periods other than the settlement period	(0.01)	0.01
Mainline average price per fuel gallon adjusted for MTM adjustments for fuel hedges recorded in periods other than the settlement period	<u>\$ 3.18</u>	<u>\$ 3.02</u>

	<b>Three Months Ended June 30, 2011</b>
(in millions)	
Fuel hedge gains	\$ 107
MTM adjustments for fuel hedges recorded in periods other than the settlement period	11
Fuel hedge gains adjusted for MTM adjustments for fuel hedges recorded in periods other than the settlement period	<u>\$ 118</u>

	<b>Three Months Ended June 30, 2011</b>
(in millions)	
Net cash used in financing activities (GAAP)	\$ 714
Availability under credit facilities	(206)
Net debt payments	<u>\$ 508</u>

	<b>Three Months Ended June 30,</b>	
	<b>2011</b>	<b>2010</b>
(in millions)		
Non-operating expense	\$ 286	\$ 384
Item excluded:		
Loss on extinguishment of debt	(13)	-
Non-operating expense excluding special items	<u>\$ 273</u>	<u>\$ 384</u>

	<b>Three Months Ended June 30,</b>	
	<b>2011</b>	<b>2010</b>
(in millions)		
Operating margin	5.3%	10.4%
Item excluded:		
Restructuring and other items	1.6%	1.0%
Operating margin excluding special items	<u>6.9%</u>	<u>11.4%</u>

	<b>Three Months Ended June 30, 2011</b>	<b>Last Twelve Months Ended June 30, 2011</b>
(in billions)		
Pre-tax income	\$ 0.2	\$ 0.2
Other non-operating expense, net	0.3	1.5
Depreciation and amortization	0.4	1.5
Aircraft rent	0.1	0.3
Item excluded:		
Restructuring and other items	0.1	0.5
EBITDAR	<u>\$ 1.1</u>	<u>\$ 4.0</u>

	<b>Three Months Ended June 30,</b>	
	<b>2011</b>	<b>2010</b>
(in millions)		
Operating expense	\$ 8,672	\$ 7,316
Items excluded:		
MTM adjustments for fuel hedges recorded in periods other than the settlement period	(11)	-
Restructuring and other items	(144)	(82)
Operating expense excluding special items	<u>\$ 8,517</u>	<u>\$ 7,234</u>