

The following tables show reconciliations of non-GAAP financial measures discussed in Delta's quarterly earnings call to the most directly comparable GAAP financial measures. The reasons Delta uses these measures are described below. Reconciliations may not calculate exactly due to rounding.

Delta sometimes uses information ("non-GAAP financial measures") that is derived from the Consolidated Financial Statements, but that is not presented in accordance with accounting principles generally accepted in the U.S. ("GAAP"). Under the Securities and Exchange Commission rules, non-GAAP financial measures may be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results.

Forward Looking Projections. Delta is not able to reconcile forward looking non-GAAP financial measures without unreasonable effort because the adjusting items such as those used in the reconciliations below will not be known until the end of the period and could be significant.

Adjustments. These reconciliations include certain adjustments to GAAP measures that are made to provide comparability between the reported periods, if applicable, and for the reasons indicated below:

Third-party refinery sales. Refinery sales to third parties, and related expenses, are not related to our airline segment. Excluding these sales therefore provides a more meaningful comparison of our airline operations to the rest of the airline industry.

MTM adjustments on investments. Mark-to-market ("MTM") adjustments are defined as fair value changes recorded in periods other than the settlement period. Unrealized gains/losses result from our equity investments that are accounted for at fair value in non-operating expense. The gains/losses are driven by changes in stock prices, foreign currency fluctuations and other valuation techniques for investments in certain companies, particularly those without publicly-traded shares. Adjusting for these gains/losses allows investors to better understand and analyze our core operational performance in the periods shown.

MTM adjustments and settlements on hedges. MTM fair value changes are not necessarily indicative of the actual settlement value of the underlying hedge in the contract settlement period, and therefore we remove this impact to allow investors to better understand and analyze our core performance. Settlements represent cash received or paid on hedge contracts settled during the applicable period.

Loss on extinguishment of debt. This adjustment relates to early termination of a portion of our debt. Adjusting for these losses allows investors to better understand and analyze our core operational performance in the periods shown.

Operating Revenue, adjusted

(in millions)	Three Months Ended			4Q25 vs 4Q24 % Change
	December 31, 2025	March 31, 2025	December 31, 2024	
Operating revenue	\$ 16,003	\$ 14,040	\$ 15,559	
Adjusted for:				
Third-party refinery sales	(1,397)	(1,062)	(1,122)	
Operating revenue, adjusted	\$ 14,606	\$ 12,978	\$ 14,437	1.2 %

(in millions)	Year Ended		% Change
	December 31, 2025	December 31, 2024	
Operating revenue	\$ 63,364	\$ 61,643	
Adjusted for:			
Third-party refinery sales	(5,077)	(4,642)	
Operating revenue, adjusted	\$ 58,287	\$ 57,001	2.3 %

	Three Months Ended	March 31, 2025
TRASM (cents)		20.53
Adjusted for:		
Third-party refinery sales		(1.55)
TRASM, adjusted		18.97

	Year Ended	December 31, 2025
TRASM (cents)		21.26
Adjusted for:		
Third-party refinery sales		(1.70)
TRASM, adjusted		19.56

Operating Margin, adjusted

	Three Months Ended	
	December 31, 2025	March 31, 2025
Operating margin	9.2 %	4.0 %
Adjusted for:		
Third-party refinery sales	0.9	0.3
MTM adjustments and settlements on hedges	—	0.2
Operating margin, adjusted	10.1 %	4.6 %

	Year Ended	
	December 31, 2025	
Operating margin	9.2 %	
Adjusted for:		
Third-party refinery sales	0.8	
Operating margin, adjusted	10.0 %	

Pre-Tax Income, Net Income, and Diluted Earnings per Share, adjusted

(in millions, except per share data)	Three Months Ended			Three Months Ended	
	Pre-Tax	Income	Net	December 31, 2025	
	Income	Tax	Income	Earnings	
GAAP	\$ 1,513	\$ (294)	\$ 1,219	\$ 1,219	\$ 1.86
Adjusted for:					
MTM adjustments on investments	(205)				
MTM adjustments and settlements on hedges	3				
Non-GAAP	\$ 1,311	\$ (297)	\$ 1,015	\$ 1,015	\$ 1.55

(in millions, except per share data)	Three Months Ended			Three Months Ended	
	Pre-Tax	Income	Net	March 31, 2025	
	Income	Tax	Income	Earnings	
GAAP	\$ 320	\$ (80)	\$ 240	\$ 240	\$ 0.37
Adjusted for:					
MTM adjustments on investments	40				
MTM adjustments and settlements on hedges	22				
Non-GAAP	\$ 382	\$ (84)	\$ 298	\$ 298	\$ 0.46

(in millions, except per share data)	Year Ended			Year Ended	
	Pre-Tax	Income	Net	December 31, 2025	
	Income	Tax	Income	Earnings	
GAAP	\$ 6,185	\$ (1,180)	\$ 5,005	\$ 5,005	\$ 7.66
Adjusted for:					
MTM adjustments on investments	(1,212)				
MTM adjustments and settlements on hedges	(17)				
Loss on extinguishment of debt	26				
Non-GAAP	\$ 4,981	\$ (1,179)	\$ 3,802	\$ 3,802	\$ 5.82

Free Cash Flow. We present free cash flow because management believes this metric is helpful to investors to evaluate the company's ability to generate cash that is available for use for debt service or general corporate initiatives. Free cash flow is also used internally as a component of our incentive compensation programs. Free cash flow is defined as net cash from operating activities and net cash from investing activities, adjusted for (i) pension plan contributions, (ii) net cash flows related to certain airport construction projects, (iii) strategic investments and related, (iv) net redemptions of short-term investments, (v) financed aircraft acquisitions and (vi) pilot agreement payment. These adjustments are made for the following reasons:

Pension plan contributions. Cash flows related to pension funding are included in our GAAP operating activities. We adjust to exclude these contributions to allow investors to understand the cash flows related to our core operations.

Net cash flows related to certain airport construction projects and other. Cash flows related to certain airport construction projects are included in our GAAP operating activities and capital expenditures. We have adjusted for these items, which were primarily funded by cash restricted for airport construction, to provide investors a better understanding of the company's free cash flow and capital expenditures that are core to our operations in the periods shown.

Strategic investments and related. Certain cash flows related to our investments in and related transactions with other airlines and associated companies are included in our GAAP investing activities. We adjust for this activity because it provides a more meaningful comparison to our airline industry peers.

Net redemptions of short-term investments. Net redemptions of short-term investments represent the net purchase and sale activity of investments and marketable securities in the period, including gains and losses. We adjust for this activity to provide investors a better understanding of the company's free cash flow generated by our operations.

Financed aircraft acquisitions. This adjustment reflects aircraft deliveries that are leased as capital expenditures. The adjustment is based on their original contractual purchase price or an estimate of the aircraft's fair value and provides a more meaningful view of our investing activities.

Pilot agreement payment. In the March 2023 quarter, Delta pilots ratified a new four-year Pilot Working Agreement effective January 1, 2023. The agreement includes a provision for a one-time payment made upon ratification in the March 2023 quarter of \$735 million. We adjust for this item to provide investors a better understanding of our recurring free cash flow generated by our operations.

(in millions)	Year Ended				Total
	December 31, 2025	December 31, 2024	December 31, 2023		
Net cash provided by operating activities	\$ 8,342	\$ 8,025	\$ 6,464		
Net cash used in investing activities	(4,186)	(3,739)	(3,148)		
Adjusted for:					
Pension plan contributions	70	—	—		
Net cash flows related to certain airport construction projects and other	141	276	496		
Strategic investments and related	276	—	152		
Net redemptions of short-term investments	—	(1,137)	(2,235)		
Financed aircraft acquisitions	—	—	(461)		
Pilot agreement payment	—	—	735		
Free cash flow	\$ 4,643	\$ 3,424	\$ 2,003	\$ 10,070	

Adjusted Debt to Earnings Before Interest, Taxes, Depreciation, Amortization and Rent ("EBITDAR"). We present adjusted debt to EBITDAR ("gross leverage") because management believes this metric is helpful to investors in assessing the company's overall debt profile. Adjusted debt includes total operating lease liabilities (including fleet, ground and other), sale-leaseback financing liabilities and unfunded pension liabilities. We calculate EBITDAR by adding depreciation and amortization to operating income, adjusted and adjusting for the fixed portion of operating lease expense.

Restructuring charges. During 2020, we recorded restructuring charges for items such as fleet impairments and voluntary early retirement and separation programs following strategic business decisions in response to the COVID-19 pandemic. During 2022, we recognized adjustments to certain of those restructuring charges, representing changes in our estimates.

(in millions)	December 31, 2025	December 31, 2022
Debt and finance lease obligations	\$ 14,113	\$ 23,030
Plus: operating lease liabilities	6,162	7,580
Plus: sale-leaseback financing liabilities	1,779	2,180
Plus: unamortized discount/(premium) and debt issue cost, net and other	(6)	138
Plus: unfunded pension liabilities	—	89
Adjusted debt	\$ 22,047	\$ 33,018

(in millions)	Year Ended		% Change
	December 31, 2025	December 31, 2022	
GAAP operating income	\$ 5,822	\$ 3,661	
Adjusted for:			
MTM adjustments and settlements on hedges	(17)	29	
Restructuring charges	—	(124)	
Operating income, adjusted	5,804	3,566	
Adjusted for:			
Depreciation and amortization	2,443	2,107	
Fixed portion of operating lease expense	979	949	
EBITDAR	\$ 9,226	\$ 6,622	
Adjusted Debt to EBITDAR	2.4x	5.0x	(52)%

After-tax Return on Invested Capital ("ROIC"). We present after-tax return on invested capital as management believes this metric is helpful to investors in assessing the company's ability to generate returns using its invested capital. Return on invested capital is tax-effected adjusted operating income (using our effective tax rate for each respective period) divided by average adjusted invested capital. Average stockholders' equity and average adjusted gross debt are calculated using amounts as of the end of the current period and comparable period in the prior year. All adjustments to calculate ROIC are intended to provide a more meaningful comparison of our results to comparable companies.

Interest expense included in aircraft rent. This adjustment relates to interest expense related to operating lease transactions. Adjusting for these results allows investors to better understand our core operational performance in the periods shown as it neutralizes the effect of lease financing structure.

(in millions)	Year Ended
	December 31, 2025
Operating income	\$ 5,822
Adjusted for:	
MTM adjustments and settlements on hedges	(17)
Interest expense included in aircraft rent	140
Adjusted operating income	\$ 5,944
Tax effect	(1,404)
Tax-effected adjusted operating income	\$ 4,540
Average stockholders' equity	\$ 18,023
Average adjusted gross debt	19,949
Average adjusted invested capital	\$ 37,972
After-tax Return on Invested Capital	12.0 %

Operating revenue, adjusted related to premium products and diverse revenue streams

(in millions)	Three Months Ended		% Change
	December 31, 2025	December 31, 2024	
Operating revenue	\$ 16,003	\$ 15,559	
Adjusted for:			
Third-party refinery sales	(1,397)	(1,122)	
Operating revenue, adjusted	\$ 14,606	\$ 14,437	
Less: main cabin revenue	(5,620)	(6,047)	
Operating revenue, adjusted related to premium products and diverse revenue streams	\$ 8,986	\$ 8,390	7 %

(in millions)	Year Ended	
	December 31, 2025	
Operating revenue	\$ 63,364	
Adjusted for:		
Third-party refinery sales	(5,077)	
Operating revenue, adjusted	\$ 58,287	
Less: main cabin revenue	(23,391)	
Operating revenue, adjusted related to premium products and diverse revenue streams	\$ 34,896	
Percent of operating revenue, adjusted related to premium products and diverse revenue streams	60 %	

Non-Fuel Unit Cost or Cost per Available Seat Mile ("CASM-Ex")

We adjust CASM for certain items described above, as well as the following items and reasons described below:

Aircraft fuel and related taxes. The volatility in fuel prices impacts the comparability of year-over-year financial performance. The adjustment for aircraft fuel and related taxes allows investors to better understand and analyze our non-fuel costs and year-over-year financial performance.

Profit sharing. We adjust for profit sharing because this adjustment allows investors to better understand and analyze our recurring cost performance and provides a more meaningful comparison of our core operating costs to the airline industry.

As described in the earnings call, beginning in the March quarter 2026, we will also adjust CASM for the following item:

MRO expense. We adjust for MRO expenses because this adjustment allows investors to better understand and analyze the airline's recurring cost performance and provides a more meaningful comparison of our core operating costs to the airline industry.

	Three Months Ended			% Change
	December 31, 2025	March 31, 2025	December 31, 2024	
CASM (cents)	19.93	19.69	19.22	
Adjusted for:				
Aircraft fuel and related taxes	(3.26)	(3.52)	(3.34)	
Third-party refinery sales	(1.92)	(1.55)	(1.56)	
Profit sharing	(0.48)	(0.18)	(0.59)	
CASM-Ex	14.27	14.44	13.72	4.0 %
MRO expense		(0.20)		
CASM-Ex, excluding MRO expense		14.23		

	Year Ended		% Change
	December 31, 2025	December 31, 2024	
CASM (cents)	19.31	19.30	
Adjusted for:			
Aircraft fuel and related taxes	(3.29)	(3.66)	
Third-party refinery sales	(1.70)	(1.61)	
Profit sharing	(0.45)	(0.48)	
CASM-Ex	13.86	13.54	2.4 %
MRO expense	(0.25)	(0.21)	
CASM-Ex, excluding MRO expense	13.61	13.33	2.1 %

Gross Capital Expenditures. We adjust capital expenditures for the following item to determine gross capital expenditures for the reason described below:

Net cash flows related to certain airport construction projects. Cash flows related to certain airport construction projects are included in capital expenditures. We adjust for these items because management believes investors should be informed that a portion of these capital expenditures from airport construction projects are either funded with restricted cash specific to these projects or reimbursed by a third party.

(in millions)	Year Ended	
	December 31, 2025	
Flight equipment, including advance payments	\$	3,521
Ground property and equipment, including technology		978
Adjusted for:		
Net cash flows related to certain airport construction projects		(167)
Gross capital expenditures	\$	4,333

Adjusted Net Debt. Delta uses adjusted gross debt, including fleet operating leases (comprised of aircraft and engine leases and regional aircraft leases embedded within our capacity purchase agreements) and unfunded pension liabilities, in addition to adjusted debt and finance leases, to present estimated financial obligations. Delta reduces adjusted total debt by cash, cash equivalents, short-term investments and LGA restricted cash, resulting in adjusted net debt, to present the amount of assets needed to satisfy the debt. Management believes this metric is helpful to investors in assessing the company's overall debt profile.

(in millions)	December 31, 2025	
Debt and finance lease obligations	\$	14,113
Plus: sale-leaseback financing liabilities		1,779
Plus: unamortized discount/(premium) and debt issue cost, net and other		(6)
Adjusted debt and finance lease obligations	\$	15,885
Plus: fleet operating leases		2,780
Adjusted gross debt	\$	18,665
Less: cash, cash equivalents and short-term investments		(4,310)
Less: LGA restricted cash		(56)
Adjusted net debt	\$	14,300