Note A: The following tables show reconciliations of non-GAAP financial measures. The reasons Delta uses these measures are described below. Reconciliations may not calculate 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. The tables below show reconciliations of non-GAAP financial measures used in this release to the most directly comparable GAAP financial measures.

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 directly related to the impact of COVID-19 and our response. These adjustments are made to provide comparability between the reported periods, if applicable, as indicated below:

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. In the December quarter 2022 and year ended December 2022, we recognized $118 million and $124 million, respectively, of net adjustments to certain of those restructuring charges, representing changes in our estimates.

Loss on extinguishment of debt. This adjustment relates to early termination of a portion of our debt.

Government grant recognition. We recognized $4.5 billion of the grant proceeds from the payroll support program extensions as contra-expense during the full year 2021. We recognized the grant proceeds as contra-expense based on the periods that the funds were intended to compensate and fully used all proceeds from the payroll support program extensions as of the end of the September quarter 2021.

Impairments and equity method losses. These adjustments relate to recording our share of the losses recorded by our equity method investees.

Special profit-sharing payment. This adjustment is exclusive to 2021. To recognize the extraordinary efforts of our employees through the pandemic, we made a special profit-sharing payment to eligible employees in February 2022, based on the adjusted pre-tax profit earned during the second half of 2021.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.

We also regularly adjust certain GAAP measures for the following items, if applicable, for the reasons indicated below:

MTM adjustments and settlements on hedges. Mark-to-market (″MTM") adjustments are defined as fair value changes recorded in periods other than the settlement period. Such 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.

MTM adjustments on investments. 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 companies without publicly-traded shares. Adjusting for these gains/losses allows investors to better understand and analyze our core operational performance in the periods shown.

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.

Delta Private Jets adjustment. Because we combined Delta Private Jets with Wheels Up in January 2020, we have excluded the impact of Delta Private Jets from 2019 results for comparability.

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.

Pre-Tax Income/(Loss), Net Income/(Loss), and Diluted Earnings/(Loss) per Share, adjusted

(in millions, except per share data)	Three Months Ended December 31, 2022 Pre-Tax Income	Income Tax	Net Income	Three Months Ended December 31, 2022 Earnings Per Diluted Share
GAAP	$ 1,120	$ (292)	$ 828	$ 1.29
Adjusted for:				
Restructuring charges	(118)			
MTM adjustments and settlements on hedges	70			
MTM adjustments on investments	170			
Non-GAAP	$ 1,242	$ (292)	$ 950	$ 1.48

(in millions, except per share data)	Year Ended December 31, 2022 Pre-Tax Income	Income Tax	Net Income	Year Ended December 31, 2022 Earnings Per Diluted Share
GAAP	$ 1,914	$ (596)	$ 1,318	$ 2.06
Adjusted for:				
Restructuring charges	(124)			
MTM adjustments and settlements on hedges	29			
Loss on extinguishment of debt	100			
MTM adjustments on investments	783			
Non-GAAP	$ 2,703	$ (650)	$ 2,053	$ 3.20

(in millions, except per share data)	Year Ended December 31, 2021 Pre-Tax Income/(Loss)	Income Tax	Net Income/(Loss)	Year Ended December 31, 2021 Earnings/(Loss) Per Diluted Share
GAAP	$ 398	$ (118)	$ 280	$ 0.44
Adjusted for:				
Restructuring charges	(19)			
Government grant recognition	(4,512)			
Impairments and equity method losses	337			
Loss on extinguishment of debt	319			
Special profit sharing payment	108			
MTM adjustments and settlements on hedges	9			
MTM adjustments on investments	(56)			
Non-GAAP	$ (3,415)	$ 817	$ (2,598)	$ (4.08)

Operating Revenue, adjusted and Total Revenue Per Available Seat Mile ("TRASM"), adjusted

(in millions)	Three Months Ended December 31, 2022	December 31, 2019	March 31, 2019	4Q22 vs 4Q19 % Change
Operating revenue	$ 13,435	$ 11,439	$ 10,472	
Adjusted for:				
Third-party refinery sales	(1,142)	(2)	(48)	
Delta Private Jets adjustment	—	(53)	(43)	
Operating revenue, adjusted	$ 12,292	$ 11,384	$ 10,381	8 %

(in millions)	Year Ended December 31, 2022	December 31, 2021	FY22 vs FY21 $ Change
Operating revenue	$ 50,582	$ 29,899	
Adjusted for:			
Third-party refinery sales	(4,977)	(3,229)	
Operating revenue, adjusted	$ 45,605	$ 26,670	$ 18,935

	Three Months Ended December 31, 2022	December 31, 2019	March 31, 2019	4Q22 vs 4Q19 % Change
TRASM (cents)	22.58	17.47	16.78	
Adjusted for:				
Third-party refinery sales	(1.92)	—	(0.08)	
Delta Private Jets adjustment	—	(0.08)	(0.07)	
TRASM, adjusted	20.66	17.39	16.63	19 %

Operating Margin, adjusted

	Three Months Ended December 31, 2022
Operating margin	10.9 %
Adjusted for:	
Restructuring charges	(0.9)
MTM adjustments and settlements on hedges	0.5
Third-party refinery sales	1.0
Operating margin, adjusted	11.6 %

	Year Ended December 31, 2022
Operating margin	7.2 %
Adjusted for:	
Restructuring charges	(0.2)
MTM adjustments and settlements on hedges	0.1
Third-party refinery sales	0.8
Operating margin, adjusted	7.8 %

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 2022 incentive compensation program. Free cash flow is defined as net cash from operating activities and net cash from investing activities, adjusted for (i) net redemptions of short-term investments, (ii) strategic investments and related, (iii) net cash flows related to certain airport construction projects and other and (iv) financed aircraft acquisitions. These adjustments are made for the following reasons:

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.

Strategic investments and related. Cash flows related to our investments in and related transactions with other airlines 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 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.

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.

	Year Ended	
(in millions)	December 31, 2022	
Net cash provided by operating activities	$	6,364
Net cash used in investing activities		(6,924)
Adjusted for:		
Net redemptions of short-term investments		(100)
Strategic investments and related		701
Net cash flows related to certain airport construction projects and other		409
Financed aircraft acquisitions		(206)
Free cash flow	$	244

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

Financed aircraft acquisitions. This adjusts capital expenditures to reflect 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.

Net cash flows related to certain airport construction projects. Cash flows related to certain airport construction projects are included in capital expenditures. We have adjusted 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.

	Year Ended	
(in millions)	December 31, 2022	
Flight equipment, including advance payments	$	4,495
Ground property and equipment, including technology		1,871
Adjusted for:		
Financed aircraft acquisitions		206
Net cash flows related to certain airport construction projects		(564)
Gross capital expenditures	$	6,008

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

(in millions)	Year Ended December 31, 2022
Operating revenue	$ 50,582
Adjusted for:	
Third-party refinery sales	(4,977)
Operating revenue, adjusted	$ 45,605
Less: main cabin revenue	(20,396)
Operating revenue, adjusted related to premium products and diverse revenue streams	$ 25,209
Percent of operating revenue, adjusted related to premium products and diverse revenue streams	55 %

Operating Cash Flow, adjusted. We present operating cash flow, adjusted because management believes adjusting for the following item provides a more meaningful measure for investors:

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. 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 operating cash flow that are core to our operations in the periods shown.

(in millions)	Year Ended December 31, 2022
Net cash provided by operating activities	$ 6,364
Adjustments:	
Net cash flows related to certain airport construction projects and other	(154)
Net cash provided by operating activities, adjusted	$ 6,210

Adjusted Net Debt. Delta uses adjusted total debt, including aircraft rent, in addition to adjusted debt and finance leases, to present estimated financial obligations. Delta reduces adjusted total debt by cash, cash equivalents and 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, 2022
Debt and finance lease obligations	$ 23,030
Plus: sale-leaseback financing liabilities	2,180
Plus: unamortized discount/(premium) and debt issue cost, net and other	138
Adjusted debt and finance lease obligations	$ 25,349
Plus: 7x last twelve months' aircraft rent	3,558
Adjusted total debt	$ 28,906
Less: cash, cash equivalents and short-term investments	(6,534)
Less: LGA restricted cash	(69)
Adjusted net debt	$ 22,303

Adjusted Debt to Earnings Before Interest, Taxes, Depreciation, Amortization and Rent ("EBITDAR"). We present adjusted debt to EBITDAR because management believes this metric is helpful to investors in assessing the company's overall debt profile. Adjusted debt includes LGA bonds and operating lease liabilities. We calculate EBITDAR by adding depreciation and amortization to GAAP operating income and adjusting for the fixed portion of operating lease expense.

(in billions)		December 31, 2022
Debt and finance lease obligations	$	23
Plus: Operating lease liability		8
Plus: Sale leaseback liability		2
Adjusted Debt	$	33

(in billions)		Year Ended December 31, 2022
GAAP operating income	$	4
Adjusted for:		
Depreciation and amortization		2
Fixed portion of operating lease expense		1
EBITDAR	$	7

Adjusted Debt to EBITDAR	5x

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 as a measure against the industry. Return on invested capital is tax-effected adjusted total pre-tax income divided by average adjusted invested capital. Average adjusted invested capital represents the sum of the adjusted book value of equity at the end of the last five quarters, adjusted for pension impacts within other comprehensive income. Average adjusted gross debt is calculated using amounts as of the end of the last five quarters. All adjustments to calculate ROIC are intended to provide a more meaningful comparison of our results to the airline industry

(in billions)		Year Ended December 31, 2022
Pre-tax income	$	1.9
Adjusted for:		
Restructuring charges		(0.1)
Loss on extinguishment of debt		0.1
MTM adjustments on investments		0.8
Amortization of retirement actuarial losses		0.3
Interest expense, net and interest expense included in aircraft rent		1.4
Pre-tax adjusted income	$	4.4
Tax effect		(1.1)
Tax-effected adjusted total pre-tax income	$	3.3
Adjusted book value of equity	$	12.1
Average adjusted gross debt		27.5
Averaged adjusted invested capital	$	39.6

After-tax Return on Invested Capital	8.4 %

Operating Income, adjusted

(in millions)	Three Months Ended December 31, 2022
Operating Income	$ 1,470
Adjusted for:	
Restructuring charges	(118)
MTM adjustments and settlements on hedges	70
Operating Income, adjusted	$ 1,422

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

	Three Months Ended		4Q22 vs 4Q19 % Change
	December 31, 2022	December 31, 2019	
CASM (cents)	20.11	15.34	
Adjusted for:			
Restructuring charges	0.20	—	
Aircraft fuel and related taxes	(4.78)	(3.08)	
Third-party refinery sales	(1.92)	—	
Profit sharing	(0.46)	(0.59)	
Delta Private Jets adjustment	—	(0.07)	
CASM-Ex	13.14	11.59	13.4 %