Delta: Leading the Way

J.P. Morgan Aviation, Transportation & Industrials Conference

March 5, 2019

Safe Harbor

Statements in this presentation that are not historical facts, including statements regarding our estimates, expectations, beliefs, intentions, projections or strategies for the future, may be "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. All forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from the estimates, expectations, beliefs, intentions, projections and strategies reflected in or suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the cost of aircraft fuel; the availability of aircraft fuel; the impact of fuel hedging activity including rebalancing our hedge portfolio, recording mark-to-market adjustments or posting collateral in connection with our fuel hedge contracts; the performance of our significant investments in airlines in other parts of the world; the possible effects of accidents involving our aircraft; breaches or security lapses in our information technology systems; disruptions in our information technology infrastructure; our dependence on technology in our operations; the restrictions that financial covenants in our financing agreements could have on our financial and business operations; labor issues; the effects of weather, natural disasters and seasonality on our business; the effects of an extended disruption in services provided by third parties; failure or inability of insurance to cover a significant liability at Monroe's Trainer refinery; the impact of environmental regulation on the Trainer refinery, including costs related to renewable fuel standard regulations; our ability to retain senior management and key employees; damage to our reputation and brand if we are exposed to significant adverse publicity through social media; the effects of terrorist attacks or geopolitical conflict; competitive conditions in the airline industry; interruptions or disruptions in service at major airports at which we operate; the effects of extensive government regulation on our business; the sensitivity of the airline industry to prolonged periods of stagnant or weak economic conditions; uncertainty in economic conditions and regulatory environment in the United Kingdom related to the exit of the United Kingdom from the European Union; and the effects of the rapid spread of contagious illnesses.

Additional information concerning risks and uncertainties that could cause differences between actual results and forward-looking statements is contained in our Securities and Exchange Commission filings, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2018. Caution should be taken not to place undue reliance on our forward-looking statements, which represent our views only as of March 5, 2019, and which we have no current intention to update.



Current State of the Business

Reaffirming Full Year Earnings Per Share Guidance of $6 to $7

- On track to deliver March quarter margin and earnings guidance
  - March quarter fuel price trending higher than $1.95 to $2.05 guidance
- Consistently running the industry's best operation with highest March quarter-to-date completion factor since merger
  - Unit cost growth benefiting from strong cost controls and higher completion factor
- Solid revenue environment with 4% to 6% top-line growth expected in March quarter and full year
  - Overall demand remains healthy led by corporate
- Strong brand momentum and growing loyalty base

Delivering Against Our Investor Day Priorities

1	Delivering superior financial results – 2019 expected to deliver profits over $5 billion for a 5th consecutive year, with return to margin expansion driving double-digit EPS growth and 15% after-tax ROIC
2	A powerful consumer brand rooted in a unique culture, with building momentum and a sustainable revenue premium
3	Increasingly diverse revenue stream with less than half of revenues from main cabin and strong growth prospects from premium products
4	Non-fuel unit cost trajectory below inflation as efficiency initiatives gain momentum and fleet transformation continues
5	Pipeline of opportunity to drive top-line growth and margin expansion from fleet transformation, technology innovation, joint ventures, loyalty program, and MRO expansion

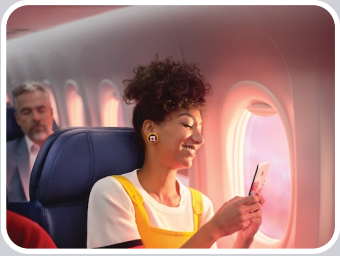
Continuing to Set the Bar

Industry-leading performance, reliability, and record customer satisfaction



Best completion factor

99.8% DOT Completion Factor



More customers arrive on-time than any other airline

85.8% On-Time Arrivals



Record bag performance

1.5x Fewer lost bags versus industry



Lowest level of maintenance cancellations in history

99% Reduction in maintenance cancellations since 2010



Record customer satisfaction scores

49% Domestic NPS

Note: DOT completion factor, on-time arrivals (DOT A14) and maintenance cancellations are preliminary last twelve month results as of January 2019; DOT missed bag ratio (MBR) is last twelve months as of November 2018; Domestic NPS is as of January 2019

Fleet Transformation Benefits Extend into Next Decade

Maintaining flexibility and balanced capital deployment, with reinvestment targeted at 50% of operating cash flow

Creating Value from Existing Fleet

Cabin Segmentation
Supports revenue premium through seat mix and customer satisfaction

Deployment Optimization
Drive efficiency through better asset deployment

Interior Investments
Improve customer experience through new interiors

Sizable Fleet Replacement Opportunity

Fleet Simplification
Reducing complexity with fewer aircraft types

Gauge Growth
Network enables unique upgauging opportunity

Next-Gen Technology
Best-in-class economics and leading product

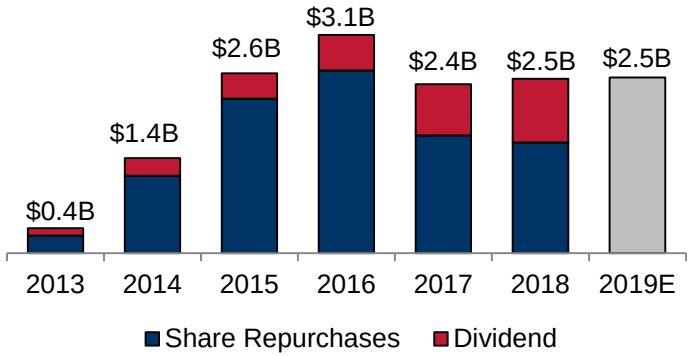
Evolving from legacy to optimal fleet generates substantial efficiency benefit and contributes to sustained margin advantage

Accelerating Share Repurchases with $1.3 Billion in March Quarter

Enabled by strong cash generation and fortress balance sheet

- Opportunistic share repurchase funded by $1 billion short-term loan to be repaid by year end
  - Plan to return ~$2.5 billion to shareholders through dividends and buybacks in 2019 unchanged
  - Total of 26 million shares repurchased in the quarter
- Committed to consistent shareholder returns
  - Reduced share count by ~20% since 2013, while significantly reducing debt
  - Five consecutive annual dividend increases, with current dividend yield ~2.8%

Total Shareholder Returns



2019 Setting Up Well

On track to deliver top-line growth and margin expansion



WORLD'S BEST-RUN AIRLINE

- Industry-leading operational performance continues to improve: 143 cancel-free days across system in 2018
- March quarter expected to have highest completion factor since merger
- Strong brand momentum with record customer satisfaction: Domestic NPS 49% in January



DELIVERING TOP-LINE GROWTH

- Solid demand environment and diversification of revenue stream drives confidence in 4-6% top-line growth
- Segmentation benefits continue to grow through premium mix and upsell
- Growing, high-margin loyalty revenue stream from American Express



IMPROVING COST TRAJECTORY

- Committed to 1% non-fuel unit cost growth in 2019
- 80 aircraft deliveries expected to produce significant efficiency gains
- One Delta initiative expected to produce $500 million of savings this year and $1 billion by 2020



STRONG BALANCE SHEET AND CASH GENERATION

- Expect $8 billion of operating cash flow in 2019
- Enables fleet transformation and technology investment
- Opportunistically repurchased $1.3 billion of stock in March quarter


Q&A
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