

Delta Air Lines

Bernstein Strategic Decisions Conference

Ed Bastian – CEO

June 3, 2021

Forward-looking Statement Disclaimer

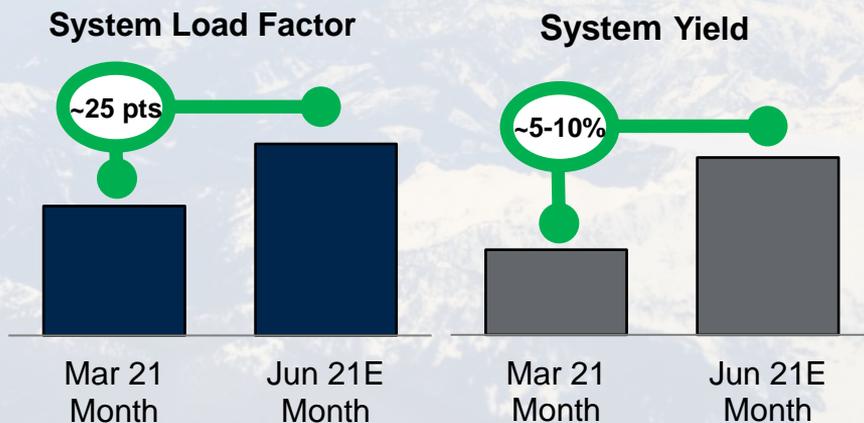
The statements in this presentation that are not historical facts, including statements regarding our estimates, expectations, beliefs, intentions, projections, goals, aspirations, commitments or strategies for the future, should be considered “forward-looking statements” under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements are not guarantees or promised outcomes and should not be construed as such. 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, goals, aspirations, commitments and strategies reflected in or suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the material adverse effect that the COVID-19 pandemic is having on our business; the impact of incurring significant debt in response to the pandemic; failure to comply with the financial and other covenants in our financing agreements; the possible effects of accidents involving our aircraft; breaches or security lapses in our information technology systems; breaches or lapses in the security of technology systems on which we rely; disruptions in our information technology infrastructure; our dependence on technology in our operations; our commercial relationships with airlines in other parts of the world and the investments we have in certain of those airlines; the effects of a significant disruption in the operations or performance of third parties on which we rely; failure to realize the full value of intangible or long-lived assets; labor issues; the effects of weather, natural disasters and seasonality on our business; the cost of aircraft fuel; the availability of aircraft fuel; 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, key employees and our culture; significant damage to our reputation and brand, including from exposure to significant adverse publicity; 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 or significant problems associated with types of aircraft or engines we operate; the effects of extensive government regulation on our business; the impact of environmental regulation and climate change risks on our business; and unfavorable economic or political conditions in the markets in which we operate.

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, 2020 and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021. Caution should be taken not to place undue reliance on our forward-looking statements, which represent our views only as of June 3, 2021, except as otherwise indicated, and which we undertake no obligation to update except to the extent required by law.

Continued Steady Demand Recovery in the June Quarter

- **Domestic leisure** travel expected to be more than 100% restored in June month, up from 60% in March
- Forward **premium revenue** growth is outpacing main cabin and **upsell** rates are improving
- Continued **leisure**, growing **corporate**, and initial **Transatlantic** demand drive next leg of recovery in the second half of 2021, with remaining **long-haul international** expected to recover in 2022

Load Factor & Yield Improving Through the Quarter



Improved June Quarter Outlook

- Expect June quarter pre-tax loss of \$1.0 - \$1.2 billion¹ vs. prior guidance for pre-tax loss of \$1.0 - \$1.5 billion
 - Progressive improvement through the quarter expected to drive pre-tax profitability¹ in the month of June
- Expect to generate pre-tax profit¹ for second half of 2021

% vs. June Quarter 2019

Scheduled Capacity

Sellable Capacity

Total Revenue, Adjusted^{1, 2}

Fuel Price (\$/gal)¹

CASM-Ex¹

Capital Expenditures

Adjusted Net Debt¹

Updated Guidance

Down ~32%

Down ~40%

\$6.0 - \$6.2 billion
(Down 50% - 52%)

\$2.10 - \$2.15

Up ~9%

~\$550 million

<\$19.0 billion

April 15th Guidance

Down ~32%

Down ~40%

Down 50% - 55%

\$1.85 - \$1.95

Up 6% - 9%

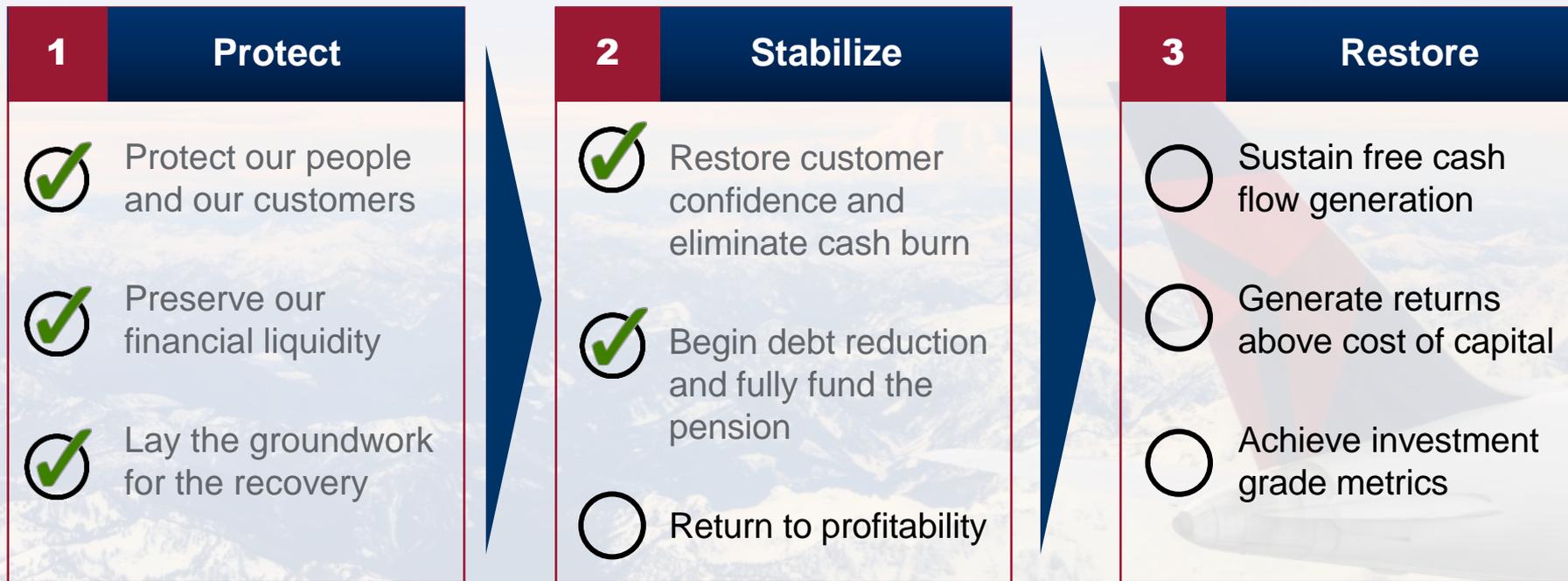
~\$550 million

\$19.0 - \$19.5 billion

¹ Non-GAAP measure

² Excludes refinery sales and DPJ revenue

Restoring Financial Strength as Recovery Progresses



Our Recovery Path is Underpinned by Key Focus Areas

Leveraging Brand Loyalty

Enhancing customer trust and increasing value proposition enhances brand and product affinity

Restoring our Balance Sheet

Initial phase of debt reduction completed, evaluating additional opportunities to de-lever

Driving Efficiency

Targeting non-fuel CASM below 2019 by December quarter and accelerated fleet renewal efforts

Positioned to achieve 2019 revenues no later than 2023 on more efficient cost structure

Our Journey to Reclaim Investment Grade Metrics Has Begun

Paying down debt

Fully funding our pension on a PPA¹ basis

Rebuilding our unencumbered asset base



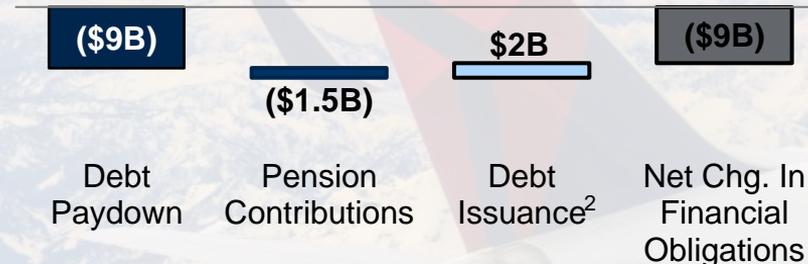
Reduction in non-op expense

Elimination of future material pension contributions

Protection of equity holder upside during recovery

Delta's Chg. in Financial Obligations

(Chg. from end of 3Q20 to end of 2Q21E)



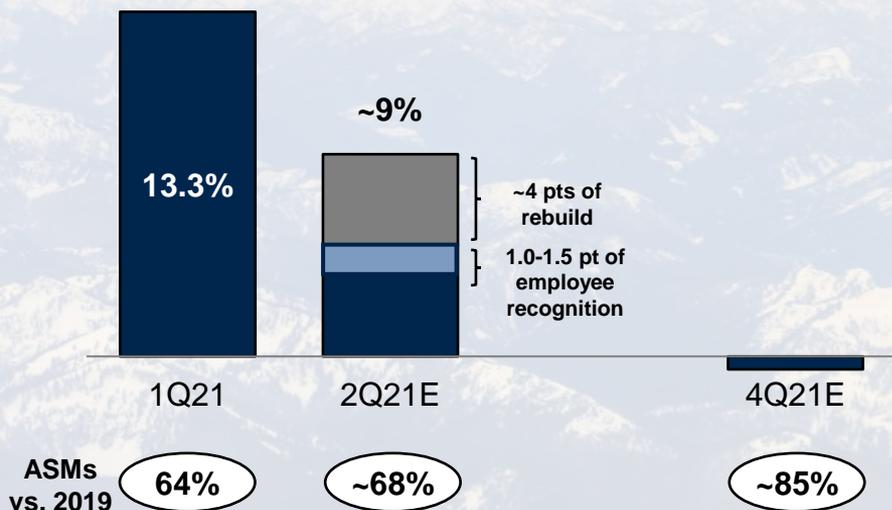
Significantly improved pension funding position reduces overall debt, lowers risk and is expected to eliminate future material cash contributions

¹ Pension Protection Act, ² Largely from loan components of PSP2 and PSP3

Unit Cost Trajectory Improving as We Return to Scale

- Driving volume leverage and productivity to preserve structural cost reductions achieved in 2020
- Continue to target non-fuel unit costs below 2019 in December quarter 2021

Expected CASM-Ex¹ Progression to 2019 Levels



¹ Non-GAAP measure

Tailwinds

- Scale – return to scale and asset utilization
- Mix – progressive return of long-haul international
- Fleet – simplification and upgauging

Headwinds

Rebuild Expense

- Aircraft maintenance
- Frontline hiring
- Crew training

Volume/Mix Expense

- Customer-facing products and services
- Selling costs as revenue recovers

Fleet Renewal Builds a Simpler, More Sustainable Fleet

Fleet Strategy Guideposts

Scale

Creates a younger mainline fleet with an improved customer experience through renewal efforts

Simplification

Reduces mainline pilot categories from 10 to 7

Gauge

Leveraging larger gauge¹ aircraft to drive greater seat cost efficiency

Sustainability

Replacing older aircraft with aircraft that are 25% or more efficient

Fleet Simplification and Gauge Growth

- Preserving optionality with levers to flex our capacity restoration depending on the shape of the recovery

2019

13 Fleet Families

2025

9 Fleet Families

Aircraft gauge estimated to increase 10+ points by 2025



¹ Average seats per aircraft

Competitive Advantages Demonstrated Resiliency Through Crisis



People

At the core of Delta's culture are passionate and determined professionals with an innate sense of caring for our customers



Operational Reliability

America's best-run airline, consistently delivering industry-leading operational results and driving further improvement and efficiencies through innovation



Network

Best domestic connecting hub complex – including the world's most efficient hub in Atlanta – and a premier network of international partners with strong global coverage



Customer Loyalty

Delta's ascending brand and strong partnership with American Express combine to produce high-value loyalty program



Balance Sheet

Strength of our balance sheet enabled us to manage through the worst crisis in our history without issuing equity. Journey of restoring our balance sheet to investment grade metrics has begun

Strong Brand and Competitive Advantages Enable Value Creation

Powerful Brand
Drives Revenue
Premium

Resilient
Competitive
Advantages

Strong Partner
Portfolio and
Global Scale

Proven Track Record
of Execution &
Reinvestment

Commitment to Carbon Neutrality and Environmental Sustainability

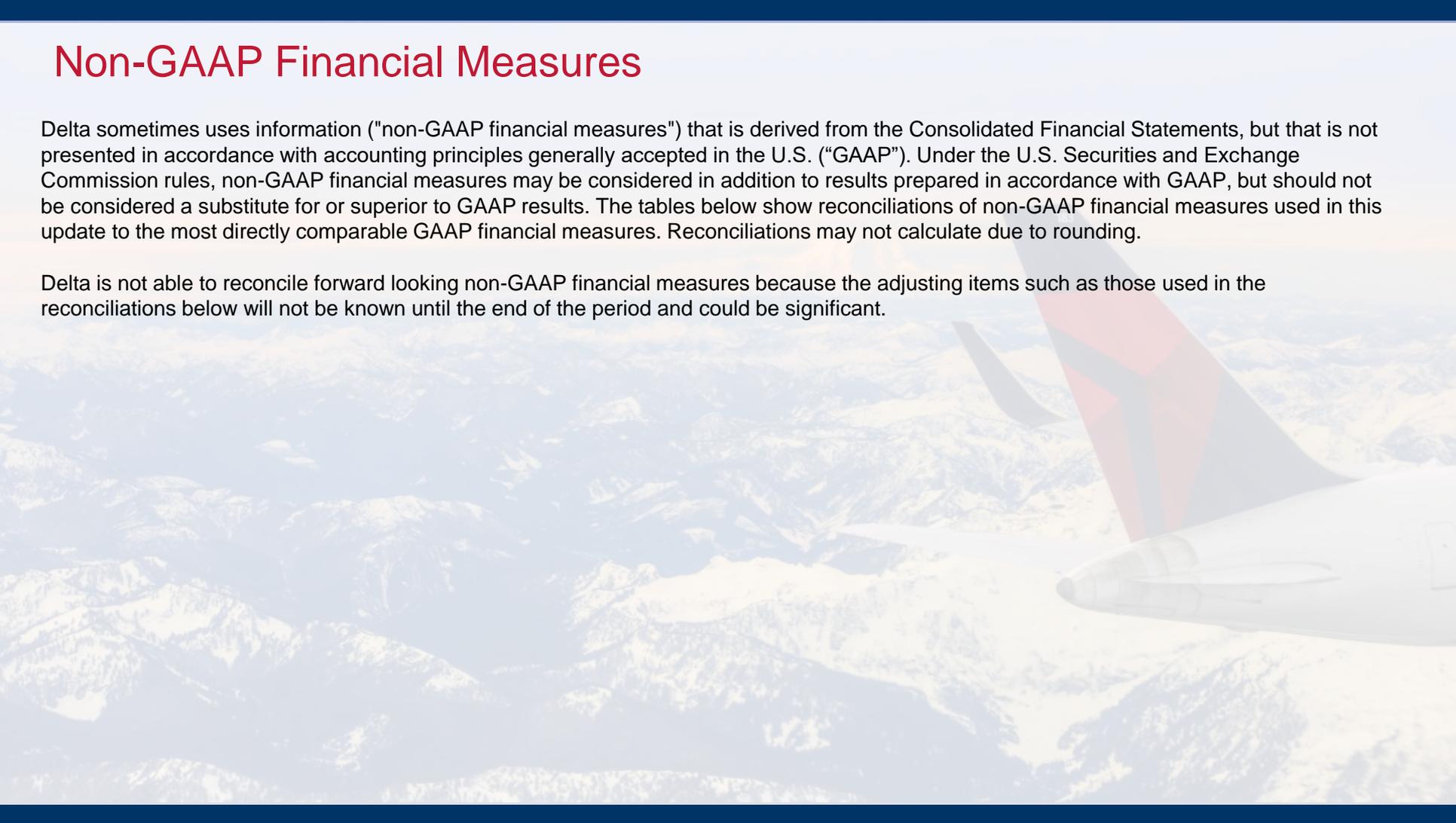
TIME 100
MOST INFLUENTIAL
COMPANIES



Non-GAAP Financial Measures

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 U.S. 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 update to the most directly comparable GAAP financial measures. Reconciliations may not calculate due to rounding.

Delta is not able to reconcile forward looking non-GAAP financial measures 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.



Non-GAAP Reconciliations

Operating Revenue, adjusted. We adjust operating revenue for third party refinery sales and Delta Private Jets for the reasons described below.

Third-party refinery sales. We adjust operating revenue for refinery sales to third parties to determine operating revenue, adjusted because these revenues are not related to our airline segment. Operating revenue, adjusted therefore provides a more meaningful comparison of revenue from 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.

(in millions)	Three Months Ended
	June 30, 2019
Operating Revenue	\$12,536
Adjusted for:	
Third-party refinery sales	(40)
Delta Private Jets adjustment	(49)
Operating Revenue, adjusted	\$12,448

Non-GAAP Reconciliations

Non-Fuel Unit Cost or Cost per Available Seat Mile, ("CASM-Ex"). In the 2021 period, CASM-Ex excludes the following items directly related to the impact of COVID-19 and our response:

Restructuring charges. During 2020, we recorded restructuring charges, including certain accruals, following strategic business decisions in response to the COVID-19 pandemic. In the March quarter 2021, we recognized \$44 million of adjustments to certain of those restructuring charges, representing changes in our estimates.

Government grant recognition. We recognized \$1.2 billion of the grant proceeds from the first payroll support program extension as a contra-expense. We are recognizing the grant proceeds as contra-expense based on the periods that the funds are intended to compensate and expect to use all proceeds from the first payroll support program extension by the end of the June quarter 2021.

We adjust for refinery sales and Delta Private Jets for the same reason described above under the heading operating revenue, adjusted. We also adjust CASM for the following items to determine CASM-Ex for the 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 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.

(in cents)	Three Months Ended March 31, 2021	Three Months Ended December 31, 2019	Year Ended December 31, 2019	Three Months Ended June 30, 2019	Three Months Ended March 31, 2019
CASM	13.83	15.34	14.67	14.51	15.14
Adjusted for:					
Restructuring charges	0.11	-	-	-	-
Government grant recognition	2.96	-	-	-	-
Aircraft fuel and related taxes	(2.54)	(3.08)	(3.10)	(3.19)	(3.17)
Third-party refinery sales	(1.35)	-	(0.04)	(0.06)	(0.08)
Profit Sharing	-	(0.59)	(0.60)	(0.72)	(0.35)
Delta Private Jets adjustment	-	(0.07)	(0.06)	(0.06)	(0.05)
Operating Revenue, adjusted	13.01	11.59	10.88	10.47	11.49