Setting A New Standard

Stifel Transportation & Logistics Conference

February 10, 2015

Safe Harbor

This presentation contains various projections and other forward-looking statements which represent Delta's estimates or expectations regarding future events. All forward-looking statements involve a number of assumptions, risks and uncertainties, many of which are beyond Delta's control, that could cause the actual results to differ materially from the projected results. Factors which could cause such differences include, without limitation, business, economic, competitive, industry, regulatory, market and financial uncertainties and contingencies, as well as the "Risk Factors" discussed in Delta's SEC filings. Caution should be taken not to place undue reliance on Delta's forward-looking statements, which represent Delta's views only as of the date of this presentation, and which Delta has no current intention to update.

In this presentation, we will discuss certain non-GAAP financial measures. You can find the reconciliations of those measures to comparable GAAP measures on our website at delta.com.

Setting A New Standard

Building on our strengths to expand margins and cash flow in order to reduce debt, return capital to shareholders and invest in the future

2015: Building On Our Momentum

- Improving on all aspects of our financial performance in 2015 as a solid revenue environment and lower fuel prices, coupled with Delta-specific initiatives, are expected to produce improvements to pre-tax income

Continuing To Expand Margins

- Capacity growth, pricing improvement and cost productivity combine to generate long-term revenue growth, margin expansion and greater cash generation

Balanced Capital Deployment

- Balanced capital allocation drives value to shareholders by de-risking the enterprise and returning cash to shareholders

Note: All results exclude special items

Outpacing The Airline Industry

Delta is the industry leader

2014 Pre-Tax Income ($M)



Record 2014

- Generated more than $4.5 billion in pre-tax income in 2014, almost $1.9 billion higher than 2013
- $3.7 billion of free cash flow, ~$7 billion of adjusted net debt, $900 million contributed to the pension plans, and more than $1.3 billion returned to shareholders
- Industry-leading operational reliability with the highest customer satisfaction of the network carriers

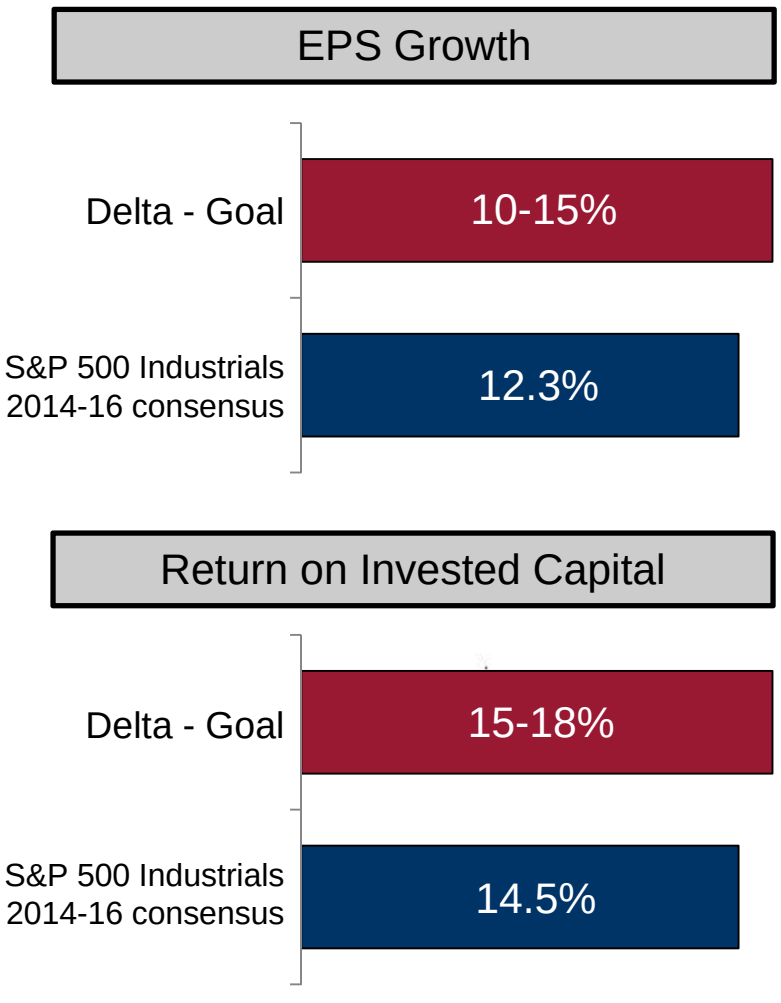
Excludes special items

A High-Quality Company

Continuing progress toward our long-term goals of generating solid margins and cash flow, an investment grade balance sheet and sustainable shareholder returns

Long-Term Goals

Operating Margin	•11-14% operating margins •*2014: 13.1%*
EPS Growth	• Annual EPS growth of 10%-15% after 2014 • *2014: 70% on pre-tax basis*
ROIC	• 15-18% return on invested capital • *2014: 20.7%*
Cash Flow	•$6 billion annual operating cash flow and $3 billion free cash flow •*2014: $5.8 billion operating cash flow and $3.7 billion free cash flow*
Balance Sheet	•$5 billion adjusted net debt by 2016 and pension at 80% funded status by 2020 •*2014: $7.3 billion adj. net debt at year-end*



Note: All results exclude special items; Delta ROIC reflects benefits of NOLs

Continuing To De-Risk The Business

Taking risk out of the business produces more sustainable, consistent results

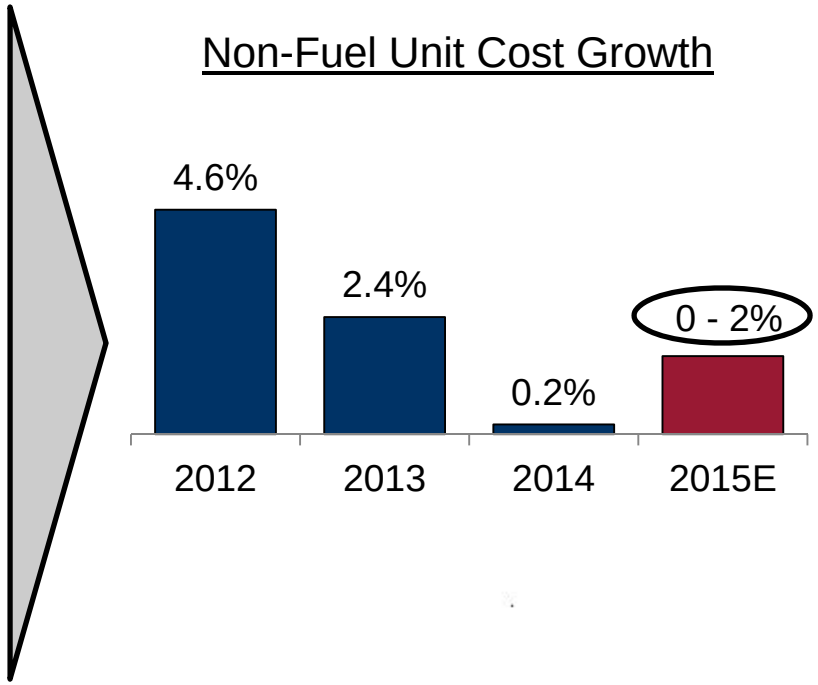
Lower Business Risk	Lower Labor Risk	Lower Fuel Risk	Lower Financial Risk
• Better revenue generation through capacity discipline, top line diversification and international joint ventures • Lower fixed cost structure	• Industry-leading labor relations with a strong pay-for-performance culture	• Vertically integrated approach to fuel expense management	• Reduced debt by nearly $10 billion over past five years while also proactively addressing pension obligations

A company positioned to produce solid profitability and cash flows throughout the business cycle

Maintaining Our Cost Performance

Pipeline of initiatives in place to maintain non-fuel unit cost growth below 2% annually

- Benefits from upgauging, maintenance savings and commercial productivity initiatives provide foundation to build upon in 2015
  - Upgauging: Improved operating leverage to be achieved as modifications continue next year and increase the gauge on over 110 aircraft
  - Refleeting: Retirement of 747s, older 757s , domestic 767s and nearly 50 50-seaters drive almost $200 million of maintenance savings in 2015
  - Maintenance: Ongoing utilization of part-out materials
  - Supply Chain: Leveraging scale to improve contract terms
  - Technology: Improves front-line productivity and delivers an improved customer experience
- Additional focus on keeping fixed cost base low
  - Nearly 60% of all-in unit costs (including fuel) are variable



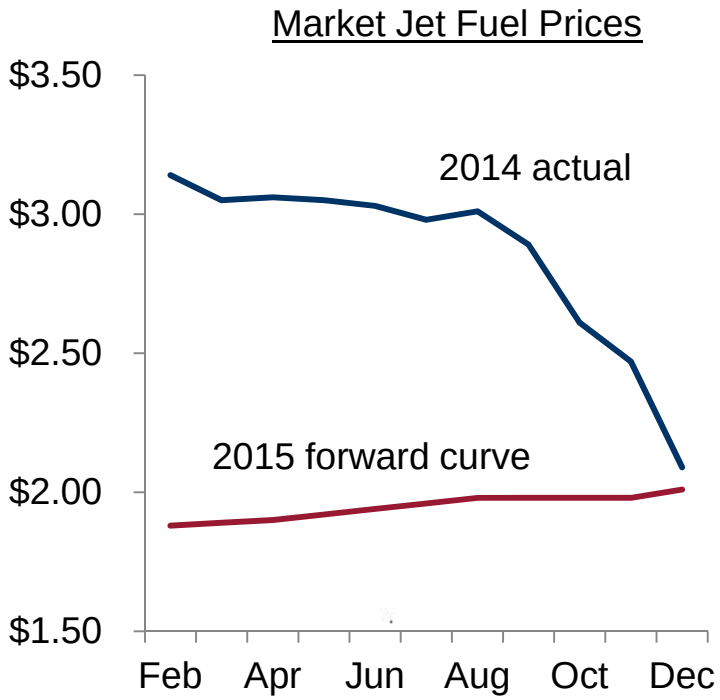
Solid financial plan in place to deliver second consecutive year of sub-2% unit cost growth

Excludes special items

Fuel Declines Provide Earnings Tailwind

Fuel declines expected to provide significant benefit to Delta

- At January 16th forward curve, Delta's 2015 all-in fuel price was forecasted at $2.25 – $2.35 per gallon, including hedge and refinery impact
- Commercial organization focused on bringing fuel savings to the bottom line
  - No change to 2015 capacity plans in light of lower fuel prices
- Hedge book allows for ~80% downward participation in 2015 with modest upside protection
  - Well positioned for full downside participation in 2016
- Refinery benefits from rising jet cracks
  - On track to produce a healthy profit in March quarter



Note: Market fuel prices include taxes and transportation costs

Balanced Capital Deployment Drives Value

Balanced approach to capital deployment has driven significant value for shareholders in the past two years

Reinvest In The Business

- ~50% of operating cash flow reinvested in the business
- Plan to invest $2 - $3 billion annually into fleet, products, facilities and technology

Strengthen The Balance Sheet

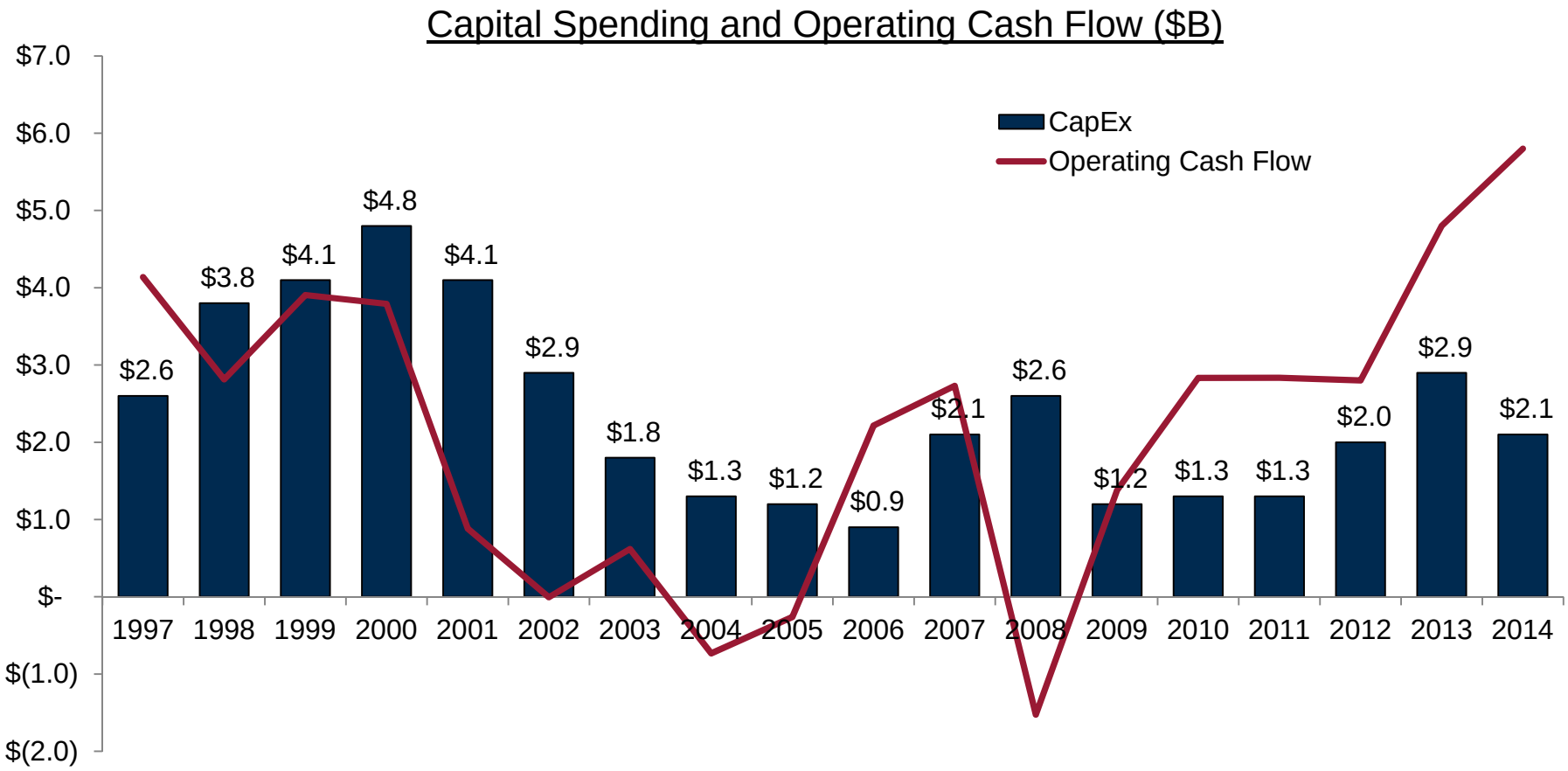
- Over $4 billion in debt reduction in last two years
- Addressing pension with $500 million in excess contributions made to date
- Moving toward investment grade with three S&P upgrades in last 18 months
- Only two notches away from achieving investment grade

Return Cash To Shareholders

- Returned $1.7 billion in first 18 months of program, including $1.35 billion in 2014
- On track to complete $2 billion repurchase authorization by end of 2015, one year ahead of expiration

Generating Solid Cash Flows From The Business

Maintaining our focus on managing the business to generate free cash flow



Note: Includes pre-merger NWA; Excludes special items

Disciplined Reinvestment In The Business

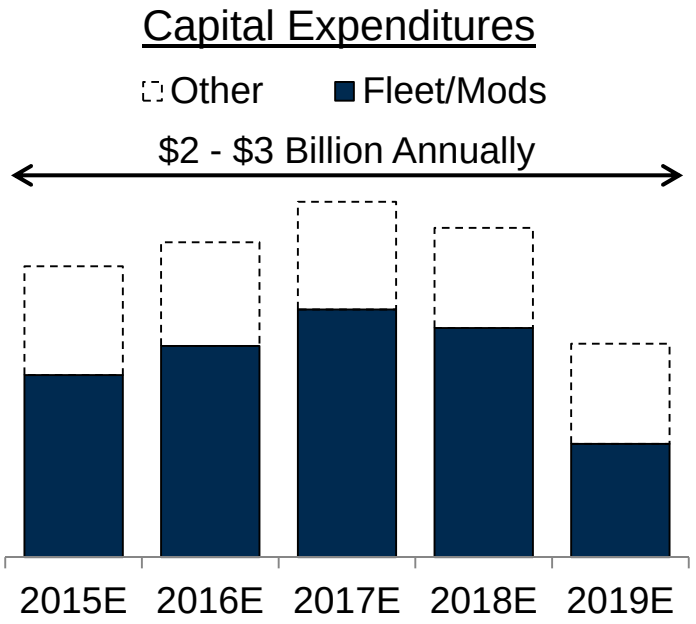
Strong operating cash flow funds appropriate level of reinvestment while allowing for significant free cash flow generation

- Disciplined capital process with senior management approval for capital requests greater than $1 million ensuring that investments meet 15 – 18% return on invested capital target with a typical payback of less than 2 years

- Capital expenditures projected at $2 - $3 billion per year or ~50% of operating cash flow
  - Targeting $2.8 billion of capital expenditures for 2015

- Capital spend 2015 – 2019 primarily focused on new aircraft
  - Capital plans include flexibility to adjust spending levels if necessary

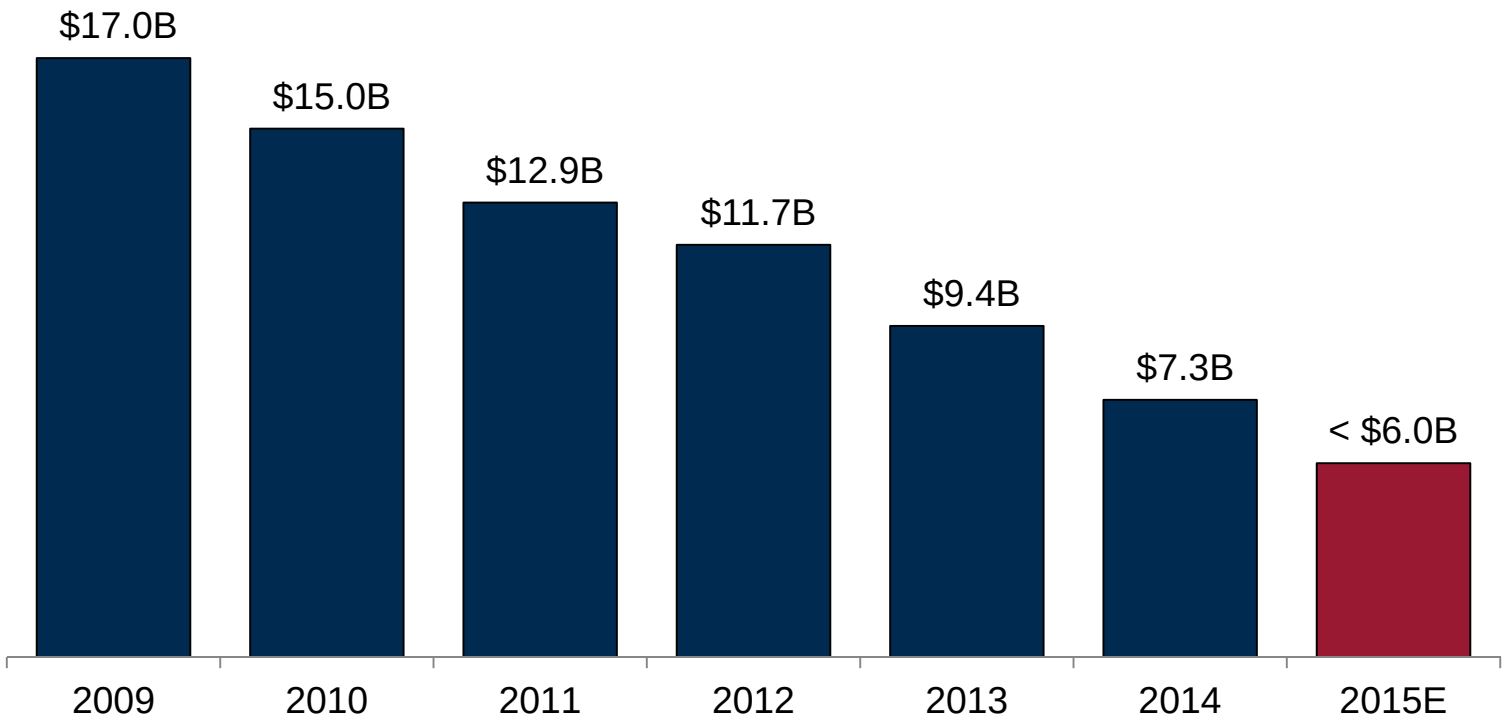
- Deliveries cover refleeting of widebodies and large narrowbodies
  - 186 aircraft to be delivered over next five years, including widebodies needed for Pacific restructuring
  - Maintain diversified fleet strategy consisting of new and opportunistic purchase of used aircraft



	2015E	2016E	2017E	2018E	2019E
Aircraft Deliveries	61	38	42	36	9

Paying Down Debt Remains A Priority

Clear path to achieve $5 billion debt target in 2016, resulting in $1 billion of run-rate interest savings versus 2009



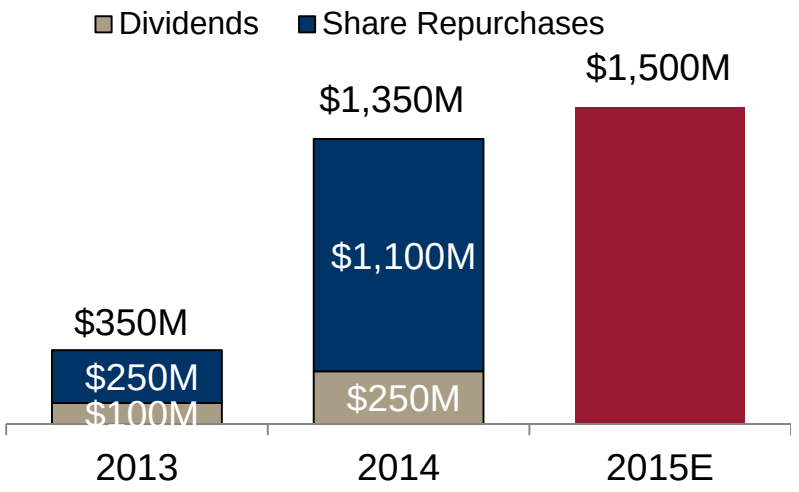
Interest Expense	$1.3B	$1.2B	$1.1B	$1.0B	$850M	$650M	$475M

Strong Commitment To Returning Cash To Shareholders

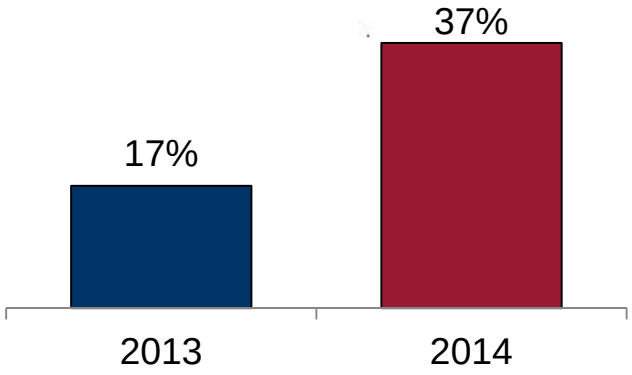
Returned more than 35% of free cash flow to shareholders in 2014

- Returned $1.35 billion to shareholders in 2014, a $1 billion increase over 2013
- $250 million returned through dividends
  - Represents our long-term commitment to return cash to our shareholders
  - 50% increase to dividend during 2014
- $1.1 billion returned through share repurchases
  - Completed $850 million of $2 billion repurchase authorization in 2014
  - Plan to complete remainder of current authorization by end of 2015, one year ahead of schedule
  - Share repurchase program provides flexibility to return additional cash to shareholders
- Minimum of $1.5 billion to be returned in 2015
  - Will update in May 2015

Cash Returned To Shareholders



Capital Returns As A Percentage Of Free Cash Flow

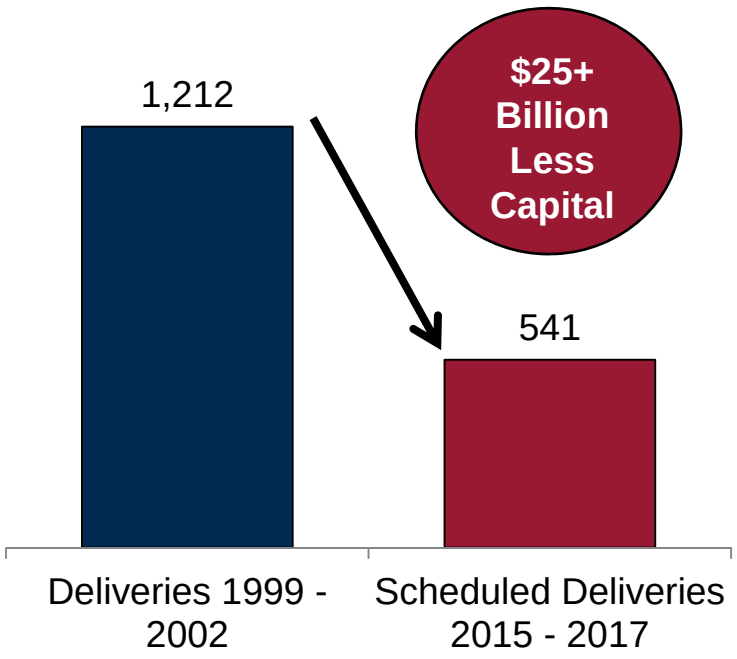


An Industry Focused On Capital Returns

The landscape of the U.S. airline industry has undergone a significant transformation

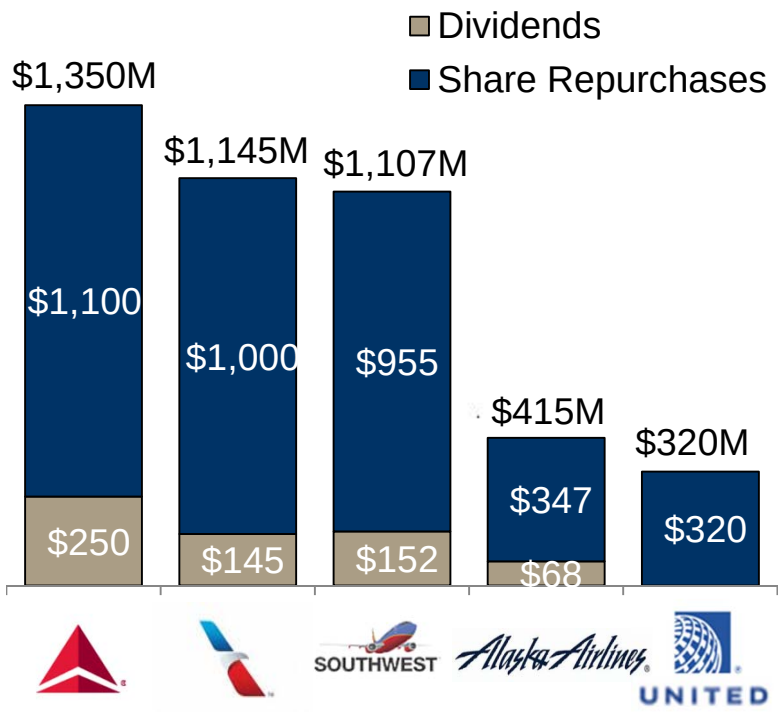
An industry that historically competed on market share…

Mainline Aircraft Deliveries for Major U.S. Carriers



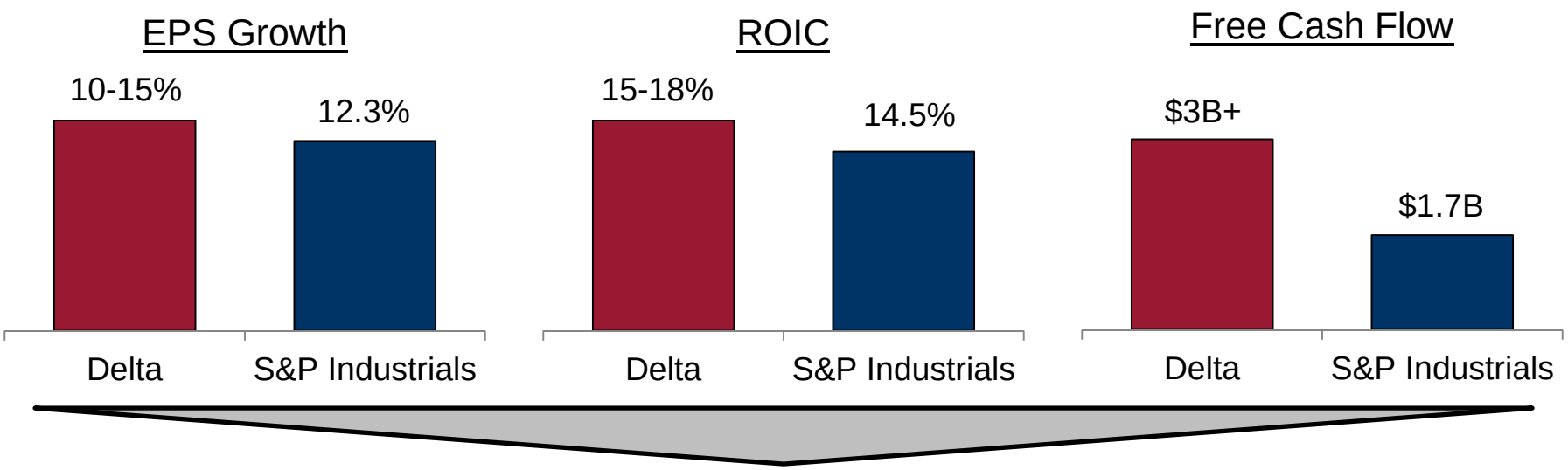
…Is now competing on capital returns

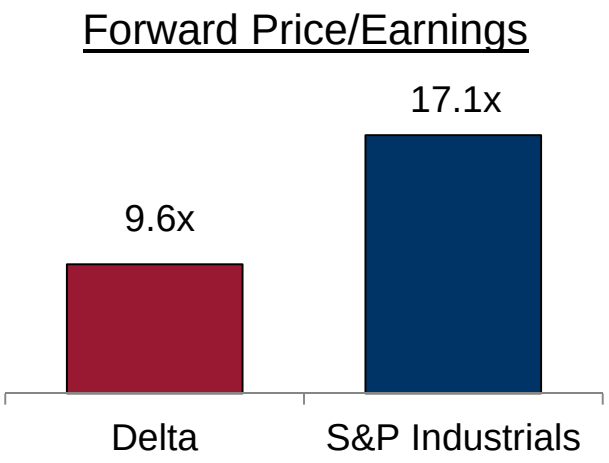
2014 Capital Returns

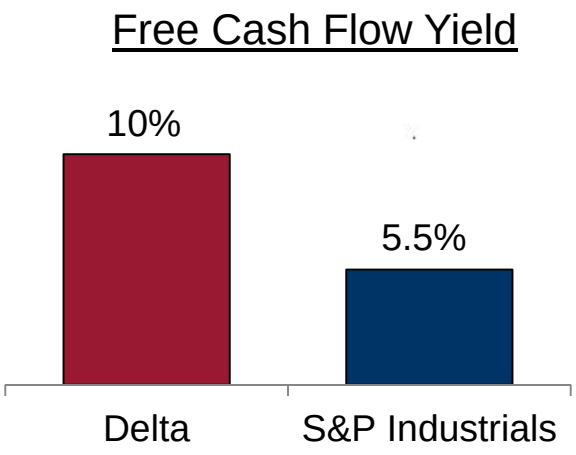


The Path to Value Creation

Achieving our long-term goals and lowering risk across the business should result in improved valuation







Note: S&P Industrials are 2014-16 consensus estimates obtained from FactSet. Delta P/E reflects benefit of NOLs.


THANK YOU
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DELTA

Non-GAAP Reconciliations

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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 presentation to the most directly comparable GAAP financial measures.

Forward Looking Projections. Delta is unable to reconcile certain forward-looking projections to GAAP as the nature or amount of special items cannot be estimated at this time.

Non-GAAP Reconciliations

Pre-Tax Income, Excluding Special Items

Delta excludes special items from pre-tax income because management believes the exclusion of these items is helpful to investors to evaluate the company's recurring core operational performance in the periods shown. Therefore, we adjust for these amounts to arrive at more meaningful financial measures. Special items excluded in the tables below showing the reconciliation of pre-tax income are:

Mark-to-market adjustments for fuel hedges recorded in periods other than the settlement period ("MTM adjustments"). MTM adjustments are based on market prices at the end of the reporting period for contracts settling in future periods. Such market prices are not necessarily indicative of the actual future value of the underlying hedge in the contract settlement period. Therefore, excluding these adjustments allows investors to better understand and analyze the company's core operational performance in the periods shown.

Restructuring and other. Restructuring and other includes fleet and other charges, severance and related costs, an insurance settlement and a litigation settlement. Because of the variability in restructuring and other, the exclusion of this item is helpful to investors to analyze the company's recurring core operational performance in the periods shown.

Loss on extinguishment of debt. Because of the variability in loss on extinguishment of debt, the exclusion of this item is helpful to investors to analyze the company's recurring core operational performance in the periods shown.

Virgin Atlantic MTM Adjustments. We record our proportionate share of earnings from our equity investment in Virgin Atlantic in other expense. We exclude Virgin Atlantic's MTM adjustments to allow investors to better understand and analyze the company's financial performance in the periods shown.

	Year Ended December 31,	
(in millions)	2014	2013
Pre-tax income	$ 1,072	$ 2,527
Items excluded:		
MTM adjustments	2,346	(276)
Restructuring and other	716	424
Loss on extinguishment of debt	268	-
Virgin Atlantic MTM adjustments	134	-
Pre-tax income, excluding special items	$ 4,536	$ 2,675

	Year Ended December 31,		
(in millions, except per share data)	2014	2013	Change
Pre-tax income, excluding special items	$ 4,536	$ 2,675	
Weighted average diluted shares	845	858	
Pre-tax income per diluted share	$ 5.37	$ 3.12	70%

Non-GAAP Reconciliations

Free Cash Flow

Delta presents 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. This metric is adjusted for the posting of hedge margin as we believe this inclusion removes the impact of current market volatility on our unsettled hedges and allows investors to better understand and analyze the company's core operational performance in the periods shown.

	Year Ended December 31,	
(in billions)	2014	2013
Net cash provided by operating activities	$ 4.9	$ 4.5
Net cash used in investing activities	(2.5)	(2.7)
Adjustments:		
Net purchases of short-term investments and other	0.4	-
Hedge margin	0.9	-
SkyMiles used pursuant to advance purchase under AMEX agreement	-	0.3
Total free cash flow	$ 3.7	$ 2.1
Capital Returns	$ 1.35	$ 0.35
Capital Returns as a % of free cash flow	37%	17%

Adjusted Net Debt

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 debt by cash, cash equivalents, short-term investments and hedge margin receivable, 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. Management has reduced adjusted debt by the amount of hedge margin receivable, which reflects cash posted to counterparties, as we believe this removes the impact of current market volatility on our unsettled hedges and is a better representation of the continued progress we have made on our debt initiatives.

(in billions)	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009
Debt and capital lease obligations	$ 9.8	$ 11.3	$ 12.7	$ 13.8	$ 15.3	$ 17.2
Plus: unamortized discount, net from purchase accounting and fresh start reporting	0.1	0.4	0.5	0.6	0.6	1.1
Adjusted debt and capital lease obligations	$ 9.9	$ 11.7	$ 13.2	$ 14.4	$ 15.9	$ 18.3
Plus: 7x last twelve months' aircraft rent	1.6	1.5	1.9	2.1	2.7	3.4
Adjusted total debt	11.5	13.2	15.1	16.5	18.6	21.7
Less: cash, cash equivalents and short-term investments	(3.3)	(3.8)	(3.4)	(3.6)	(3.6)	(4.7)
Less: hedge margin receivable	(0.9)	-	-	-	-	-
Adjusted net debt	$ 7.3	$ 9.4	$ 11.7	$ 12.9	$ 15.0	$ 17.0

Non-GAAP Reconciliations

Operating Margin, Adjusted

Delta excludes MTM adjustments and restructuring and other from operating margin for the reasons described above under the heading Pre-Tax Income, excluding special items.

	Year Ended December 31, 2014
Operating margin	5.5%
Items excluded:	
MTM adjustments	5.8%
Restructuring and other	1.8%
Operating margin, adjusted	13.1%

Return On Invested Capital

Delta presents 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 and as a measure against the industry. Return on invested capital is adjusted total operating income divided by average invested capital.

(in billions, except % of return)	Year Ended December 31, 2014
Adjusted book value of equity	$ 18.5
Average adjusted net debt	8.2
Average invested capital	$ 26.7
Adjusted total operating income	$ 5.5
Return on invested capital	20.7%

Non-GAAP Reconciliations

Operating Cash Flow, Adjusted

Delta presents operating cash flow, adjusted because management believes adjusting for these amounts provides a more meaningful financial measure for investors. This metric is adjusted for the posting of hedge margin for the same reason described under the heading Free Cash Flow. Other adjustments include:

Reimbursements related to build-to-suit facilities and other. Management believes investors should be informed that these reimbursements for build-to-suit leased facilities effectively reduce net cash provided by operating activities and related capital expenditures.

Northwest operating cash flow. Included the Northwest Airlines operating cash flow as if the company's merger with Northwest Airlines had occurred at the beginning of the period presented because management believes this metric is helpful to investors to evaluate the company's combined operating cash flows and provide a more meaningful comparison to our post-merger amounts.

(in millions)	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2008
Net cash provided by operating activities (GAAP)	$ 4,947	$ 4,504	$ 2,476	$ (1,707)
Adjustments:				
Hedge margin	925	-	-	-
Reimbursements related to build-to-suit leased facilities and other	(92)	-	-	-
SkyMiles used pursuant to advance purchase under AMEX agreement	-	333	333	-
Northwest operating cash flow	-	-	-	181
Operating cash flow, adjusted	$ 5,780	$ 4,837	$ 2,809	$ (1,526)

Non-GAAP Reconciliations

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

We exclude the following items from consolidated CASM to evaluate the company's core unit cost performance:

Aircraft fuel and related taxes. The volatility in fuel prices impacts the comparability of year-over-year financial performance. The exclusion of aircraft fuel and related taxes from this measure (including our regional carriers) allows investors to better understand and analyze our non-fuel costs and our year-over-year financial performance.

Profit sharing. We exclude profit sharing because this exclusion 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.

Restructuring and other. We exclude restructuring and other from CASM for the same reasons described above under the heading Pre-Tax Income, excluding special items.

Other expenses. Other expenses include aircraft maintenance and staffing services we provide to third parties, our vacation wholesale operations and refinery cost of sales to third parties. Because these businesses are not related to the generation of a seat mile, we exclude the costs related to these sales to provide a more meaningful comparison of the costs of our airline operations to the rest of the airline industry.

	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
CASM (cents)	15.92	14.77	14.97	14.12
Items excluded:				
Aircraft fuel and related taxes	(5.64)	(4.92)	(5.31)	(5.01)
Profit sharing	(0.45)	(0.22)	(0.16)	(0.11)
Restructuring and other	(0.30)	(0.17)	(0.20)	(0.10)
Other expenses	(0.37)	(0.32)	(0.38)	(0.37)
CASM-Ex	9.16	9.14	8.92	8.53
Year-over-year change	0.2%	2.4%	4.6%	

Non-GAAP Reconciliations

Capital Expenditures, Net

Delta presents net capital expenditures because management believes adjusting for these amounts provides a more meaningful financial measure for investors. This metric is adjusted for reimbursements related to build-to-suit facilities and other for the reasons described above under the heading Operating Cash Flow, adjusted. Delta also presents combined capital expenditures, net as if the company's merger with Northwest Airlines had occurred at the beginning of the period presented because management believes this metric is helpful to investors to evaluate the company's combined investing activities and provide a more meaningful comparison to our post-merger amounts.

(in billions)	Year Ended December 31,2014	Year Ended December 31,2013	Year Ended December 31,2008
Delta capital expenditures (GAAP)	$ 2.2	$ 2.6	$ 1.5
Reimbursements related to build-to-suit leased facilities and other	$ (0.1)		$ -
Investment in Virgin Atlantic	$ -	$ 0.3	$ -
Northwest capital expenditures	-	-	1.1
Total combined capital expenditures, net	$ 2.1	$ 2.9	$ 2.6