Delta Finance Insights

Jill Greer, Vice President – Investor Relations

Julie Stewart, Managing Director – Investor Relations

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 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 availability of aircraft fuel; 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 party regional carriers; 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, 2017 and our Quarterly Report on Form 10-Q for the period ended March 31, 2018. Caution should be taken not to place undue reliance on our forward-looking statements, which represent our views only as of December 12, 2018, and which we have no current intention to update.

Addressing New Topics and Commonly Asked Modeling Questions

Lease Accounting	Impact of new accounting standard
Revenue Disclosures	An increasingly diverse top line
Joint Ventures & Equity Investments	Core to Delta's international strategy
Profit Sharing	Aligns employee incentives with owners' interests
Refinery	Vertically integrated fuel supply chain
Ancillary Businesses & DGS Transaction	Complementary businesses that benefit earnings and cash flows
Taxes	Differences between cash and book tax rates
Airport Investments	Delta-led projects versus airport-financed projects

Enhanced Disclosures Providing Better Transparency

Committed to improving level of detail

- Delta Finance Insights is intended to provide additional commentary on newer and unique financial considerations
- We are committed to providing transparency for investors through our disclosures
- In the March quarter, we provided two new disclosures:
  - New line item for ancillary expenses, formerly a footnote
  - Improved breakout of revenue, including loyalty revenue, in conjunction with implementation of new revenue recognition standard
- In the September quarter, we presented disaggregation of ticket revenue in two categories:
  - Main cabin
  - Business cabin and premium products

Delta 1Q18 Press Release:

Operating Expense:
Salaries and related costs
Aircraft fuel and related taxes
Regional carriers expense, excluding fuel
Depreciation and amortization
Contracted services
Ancillary businesses and refinery
Aircraft maintenance materials and outside repairs
Passenger commissions and other selling expenses
Landing fees and other rents
Passenger service
Profit sharing
Aircraft rent
Other
Total operating expense

Delta 3Q18 Press Release:

(in millions)
Ticket- Main cabin
Ticket- Business cabin and premium products
Loyalty travel awards
Travel-related services
Total passenger revenue

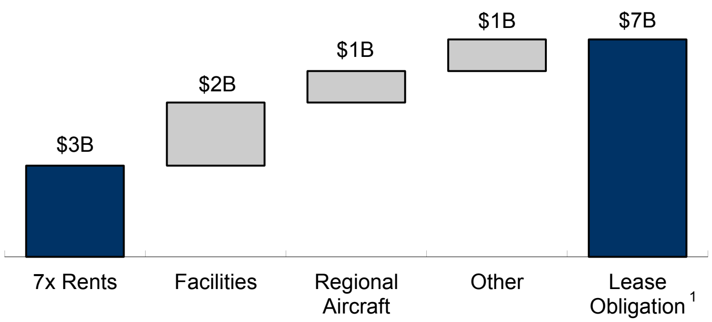
Lease Accounting

Early Adoption of Lease Accounting Standard in the December Quarter

Impact primarily on balance sheet with modest P&L adjustment

- Effects of new standard will be reflected as of January 1, 2018 by recasting the March, June and September quarters of 2018
- New standard requires leases to be recorded on the balance sheet as lease liabilities with corresponding right-of-use assets

Lease Obligation vs. 7x Mainline Aircraft Rent



Balance Sheet

- Recognition of ~$6 billion incremental lease liabilities and right-of-use assets will be recorded on balance sheet
- Adjustment to equity as of January 1, 2018 of ~$350 million
- 2018E Adjusted Debt / EBITDAR[2] of 1.9x includes ~0.4x impact from inclusion of fixed lease liability

Income Statement

- Increases 2018 pre-tax income by ~$50 million after adjusting for profit sharing with no material impact to non-fuel CASM or margins
- 5-cent impact on full-year 2018 EPS, with ~1-cent in 4Q18
- No year-over-year impact in 2019 after 2018 is recast

[1] *~$7B obligation includes ~$0.7B JFK construction obligation currently on the balance sheet as a liability to be included in operating lease liabilities in the future*
[2] *Adjusted Debt / EBITDAR is calculated as on balance sheet debt plus estimated operating lease liabilities divided by TTM EBITDAR. Adjusted for special items; non-GAAP financial measures reconciled in Appendix*

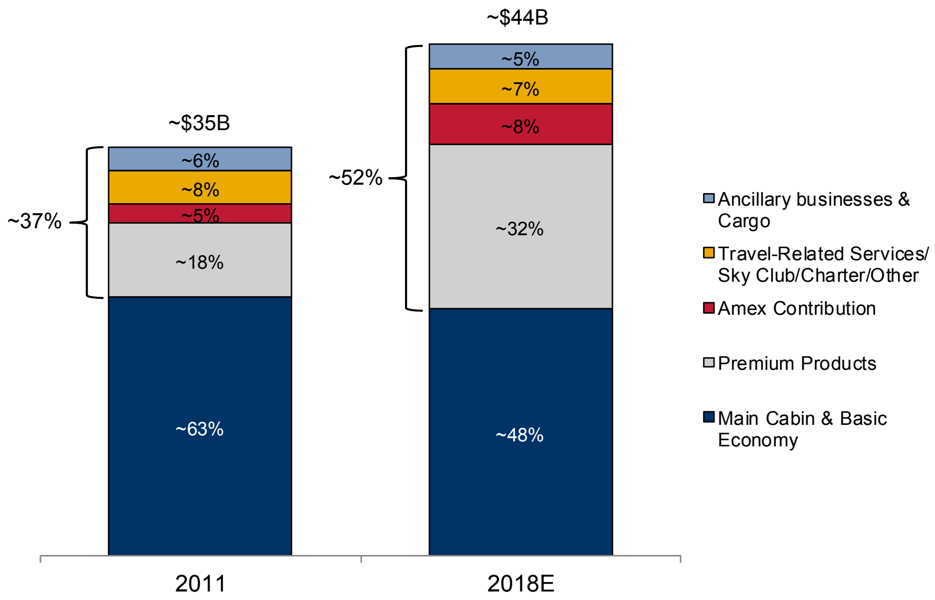
Revenue Disclosures

More Diversified Top Line

Momentum across the business with less reliance on Main Cabin product

- A larger portion of our revenue is now generated by more diverse, higher-margin revenue streams that are growing faster than Main Cabin ticket sales
- Since 2011, both premium ticket and American Express revenue have more than doubled, with strong future growth prospects
- Over 60% of international revenue benefits from joint ventures, up 20 points versus 2011, with geographic diversity among partners
- Ancillary businesses are increasing in importance given strong growth potential and above-average margins, up 30% since 2011 to over $1 billion in 2018

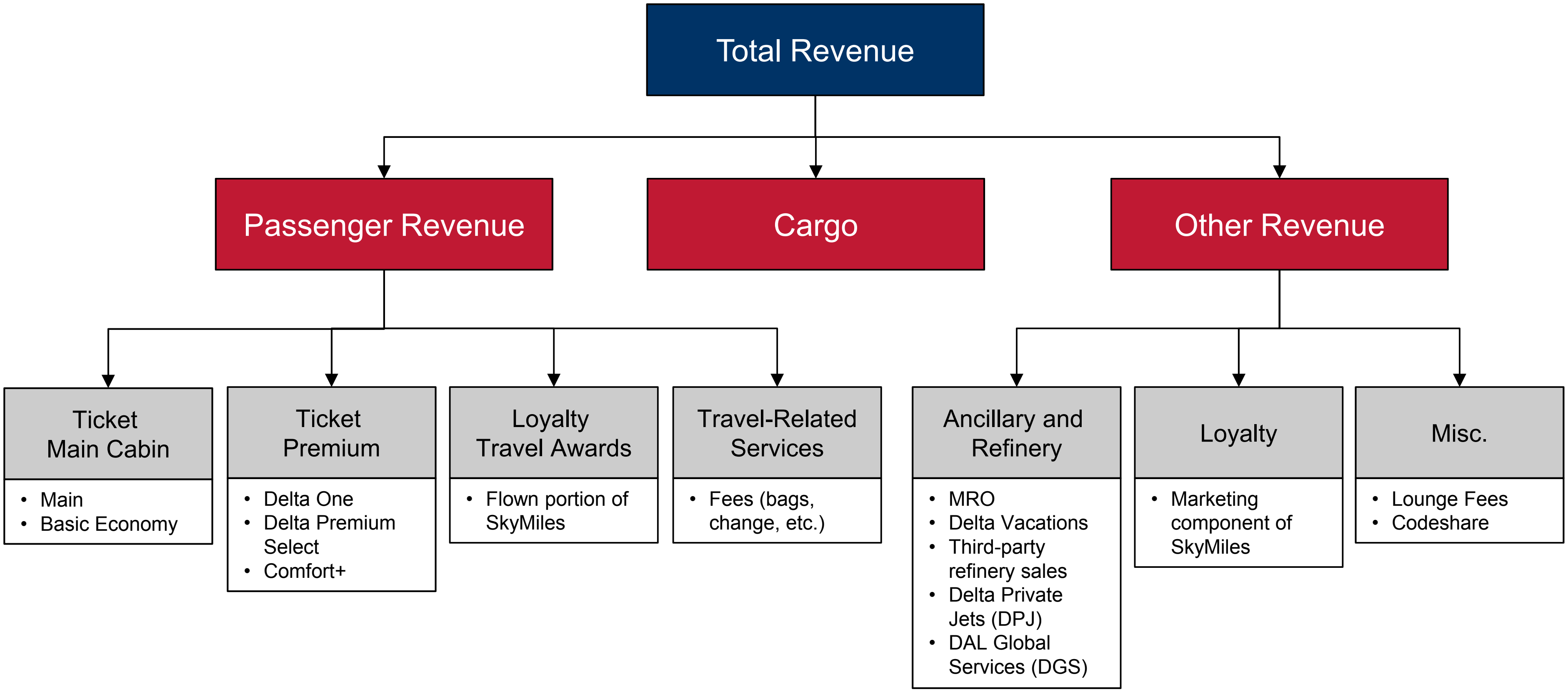
Total Revenue Components



Note: Ancillary businesses include MRO, DAL Global Services, Delta Private Jets, Delta Vacations, Delta Material Services, and Delta Flight Products
Premium Products and Main Cabin & Basic Economy revenue percentages represent lift revenue component of ticket revenue
2018E reflects new accounting standards

DELTA

Revenue Components of Disclosed Categories



Note: Premium revenue based on cabin flown

Methodology for Premium Revenue Disclosure

Premium revenue has become a larger driver of Delta's revenue performance

- Premium revenue growth driven by fleet transformation, branded fares, and improved upsell capabilities
- Classification of ticket revenue determined by cabin flown
  - Use of miles as payment allocates portion to loyalty-related revenue
  - Post-ticketing upgrades shift original fare to premium ticket revenue

Premium Revenue Allocation

Purchase Examples	Main - Ticket	Premium - Ticket	Loyalty
$200 Main Cabin Fare	$200 fare		
20,000 Mile Main Cabin Fare			$200 fare
$250 Premium Fare		$250 fare	
25,000 Mile Premium Fare			$250 fare
$200 Main Cabin Fare and $50 Upgrade to Premium	~~$200~~ →	$200 fare $50 upgrade	
$200 Main Cabin Fare and 5,000 Mile Upgrade to Premium	~~$200~~ →	$200 fare	$50 upgrade
20,000 Mile Main Cabin Fare and 5,000 Mile Upgrade to Premium			$200 fare $50 upgrade
20,000 Mile Main Cabin Fare and $50 Upgrade to Premium		$50 upgrade	$200 fare

DELTA

Methodology for Premium Revenue Disclosure (continued)

Reclassifying portion of 2017 Comfort+ revenue

- Since 2016, premium ticket revenues have grown 24% as of September 30, 2018
- In 2018, Comfort+ revenue is automatically included in premium revenue given enhanced revenue reporting capabilities
- Prior to this, base fares associated with upgrades to Comfort+ were included in Main Cabin
- For comparative purposes, revenue from base fares associated with upgrades to Comfort+ in 2017 is being reclassified to premium revenue
  - 3Q18 year-over-year premium revenue growth rate is 13% as reclassified, compared to 19% previously reported
  - Year-to-date (through September 30, 2018) growth rate is 15% as reclassified, compared to 20% previously reported

Updated 2017 Main Cabin and Premium Revenue

	Three Months Ended September 30,				Nine Months Ended September 30,			
(in millions)	2018	2017	$ Change	% Change	2018	2017	$ Change	% Change
Ticket- Main cabin	$ 5,873	$ 5,546	$ 327	6%	$ 16,139	$ 15,495	$ 644	4%
Ticket- Business cabin and premium products	3,680	3,266	414	13%	10,376	9,028	1,348	15%
Loyalty travel awards	678	622	56	9%	1,976	1,826	150	8%
Travel-related services	565	545	20	4%	1,617	1,576	41	3%
Total passenger revenue	$ 10,796	$ 9,979	$ 817	8%	$ 30,107	$ 27,924	$ 2,183	8%

Joint Ventures & Equity Investments

Delta's Joint Ventures and Equity Investments are Unique

Comprehensive portfolio of global partnerships expands Delta's global reach

Note: WestJet JV and proposed combined trans-Atlantic JV subject to completion and government approvals

JVs and Equity Investments Create Strong Commercial Cooperation

Partner agreements ensure alignment of incentives

Joint Ventures

- Allow close cooperation and provide more choice for customers
- Sharing of economic benefits drives customer-focused partner alignment
- Antitrust immunity allows partners to legally coordinate, forming a fully cooperative partnership

Equity Investments

- Reinforce commitment to relationship with board-level participation
- In addition to any joint venture contribution in operating results, Delta’s portion of partner results is recognized in the non-operating line when ownership stake is greater than 20%

Driving Value Through Joint Ventures and Equity Investments

Benefits from improved revenues, cost efficiencies and consolidation of partner earnings

Revenue for Delta-operated flights in JV flow through passenger revenue

JV settlements flow through other revenue

Delta realizes cost efficiencies through scale & scope – expenses for DL-operated flights in JV flow through operating expenses

49% of net income for Aeromexico and Virgin Atlantic flow through non-op, giving Delta effectively 75% of the JV economics

Equity changes for <20% stakes are mark-to-market and flow through non-op, and are excluded from adjusted earnings

Delta 3Q18 Press Release

DELTA AIR LINES, INC.
Consolidated Statements of Operations
(Unaudited)

(in millions, except per share data)	Three Months Ended September 30, 2018	2017	$ Change	% Change
Operating Revenue:				
Passenger	10,796	9,979	817	8 %
Cargo	226	191	35	19 %
Other	931	891	40	4 %
Total operating revenue	11,953	11,061	892	8 %
Operating Expense:				
Salaries and related costs	2,753	2,619	134	5 %
Aircraft fuel and related taxes	2,498	1,785	713	40 %
Regional carriers expense, excluding fuel	903	887	16	2 %
Depreciation and amortization	580	571	9	2 %
Contracted services	562	543	19	3 %
Passenger commissions and other selling expenses	535	499	36	7 %
Ancillary businesses and refinery	410	387	23	6 %
Aircraft maintenance materials and outside repairs	371	390	(19)	(5)%
Landing fees and other rents	421	392	29	7 %
Profit sharing	395	314	81	26 %
Passenger service	329	331	(2)	(1)%
Aircraft rent	99	89	10	11 %
Other	455	431	24	6 %
Total operating expense	10,311	9,238	1,073	12 %
Operating Income	1,642	1,823	(181)	(10)%
Non-Operating Expense:				
Interest expense, net	(84)	(100)	16	(16)%
Unrealized gain/(loss) on investments, net	50	—	50	NM
Miscellaneous, net	66	53	13	25 %
Total non-operating income/(expense), net	32	(47)	79	NM
Income Before Income Taxes	1,674	1,776	(102)	(6)%
Income Tax Provision	(362)	(617)	255	(41)%
Net Income	$ 1,312	$ 1,159	$ 153	13 %
Basic Earnings Per Share	$ 1.91	$ 1.62		
Diluted Earnings Per Share	$ 1.91	$ 1.61		

Joint Venture Settlements Balance Profits

Economics of joint ventures determined by pre-set baselines

- Baseline profitability is set for each carrier at the start of the joint venture contract
- Current year profits are measured against the established baseline and incremental profits are split proportionately through a settlement mechanism
- Joint venture settlements are accrued quarterly as part of other revenue based on full year expected settlement

JV Settlement - Sample Calculation for a 50/50 Split

($M)	Delta	Partner	Total
Baseline Year Profit (A)	100	60	160
Total Year 2 Profit (B)	250	220	470
Incremental Value (C = B-A)	150	160	310
50/50 Split of Value (D)	155	155	310
Settlement (E = D - C)	**5**	**(5)**	**0**

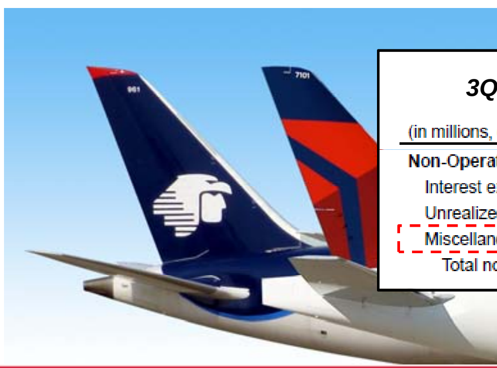
3Q18 Earnings Press Release:

	Three Months Ended September 30,			
(in millions, except per share data)	2018	2017	$ Change	% Change
Operating Revenue:				
Passenger	10,796	9,979	817	8 %
Cargo	226	191	35	19 %
Other	931	891	40	4 %
Total operating revenue	11,953	11,061	892	8 %

Accounting for Ownership Stakes

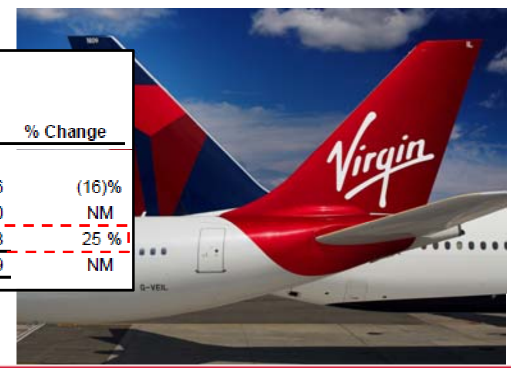
Delta currently owns 49% of Virgin Atlantic and Aeromexico

- Delta recognizes its 49% share of Aeromexico and Virgin Atlantic in miscellaneous non-operating
- Fluctuations in partner profitability driven by economic factors, seasonality and currency need to be considered when modeling Delta's non-operating expense
  - Virgin Atlantic and Aeromexico often earn the majority of their annual profits in the September quarter



3Q18 Earnings Press Release:

(in millions, except per share data)	Three Months Ended September 30, 2018	2017	$ Change	% Change
Non-Operating Expense:				
Interest expense, net	(84)	(100)	16	(16)%
Unrealized gain/(loss) on investments, net	50	—	50	NM
Miscellaneous, net	66	53	13	25 %
Total non-operating income/(expense), net	32	(47)	79	NM

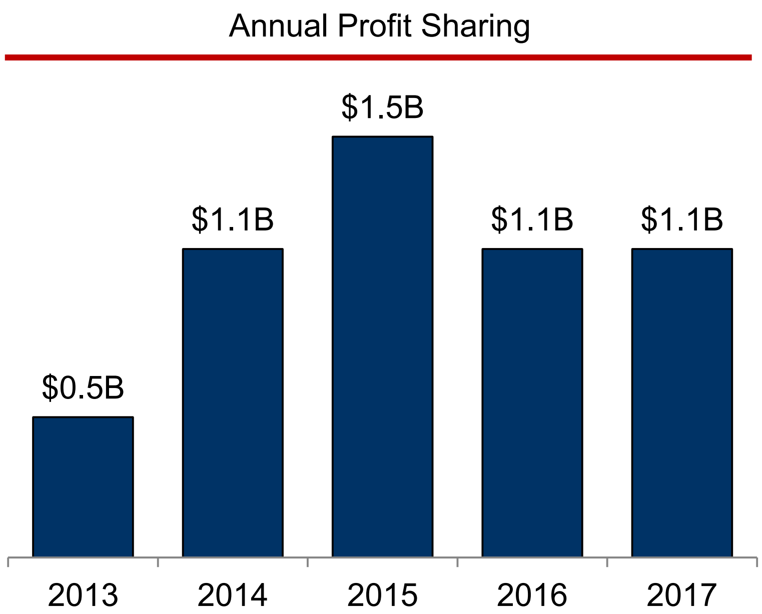


Profit Sharing

Understanding Delta's Employee Profit Sharing Program

Rewarding employees through profit sharing is a unifying force

- Eligible profit sharing pool is determined by Delta's adjusted pre-tax profits
  - Employees receive 10% of first $2.5 billion of eligible profits and 20% above that
  - Delta incurs employer taxes and other costs which add 2% to 2.5% at 10% level and 3% to 4% at 20% level
- Profit sharing accrual is updated monthly



Calculating Profit Sharing

Illustrative profit sharing calculation using $5 billion of pre-tax income

Profit Sharing Pool

Revenue:	$ 44.0B
Expenses (excluding profit sharing):	$ 37.8B
Revenue – Expenses = Profit Sharing Pool:	$ 6.2B

Profit Sharing Total

$2.5B threshold	=	$2.5B x ~12.5%	=	$0.3B
Above threshold	=	$3.7B x ~23.5%	=	$0.9B
Profit Sharing Pool	=	$6.2B Total	=	$1.2B

Pre-Tax Income

Revenue	$ 44.0B
Expenses (excluding profit sharing)	$ 37.8B
Profit Sharing	$ 1.2B
Pre-Tax Income	$ 5.0B

Blended Average Profit Sharing Rate

$$\frac{\text{Profit Sharing Total}}{\text{Profit Sharing Pool}} = \frac{\$1.2B}{\$6.2B} = \sim 20\%$$

Refinery

Financial Statement Impact of the Refinery

Refinery results reflected in fuel expense

- The refinery provides ~200,000 barrels per day for the airline through production or exchange, approximately 80% of Delta's domestic consumption
  - Provides ~30% natural offset to rising jet crack spreads as the crack spread is the primary profit source for the refinery
- Refinery segment profits are netted against the fuel purchase cost
  - The impact of pricing arrangements between the airline and the refinery with respect to the refinery's inventory price risk hedges are reflected as airline segment fuel hedges

3Q18 Press Release:

(in millions, except per gallon data)	Three Months Ended September 30, 2018	2017
Fuel purchase cost	$ 2,526	$ 1,822
Airline segment fuel hedge impact	(16)	–
Refinery segment impact	(12)	(37)
Total fuel expense	$ 2,498	$ 1,785
MTM adjustments and settlements	16	74
Total fuel expense, adjusted	$ 2,514	$ 1,859
Change year-over-year	$ 655	
Percent change year-over-year	35%	

Note: Adjusted for special items

Financial Statement Impact of the Refinery (continued)

Third-party sales are profit neutral; excluded from unit revenue

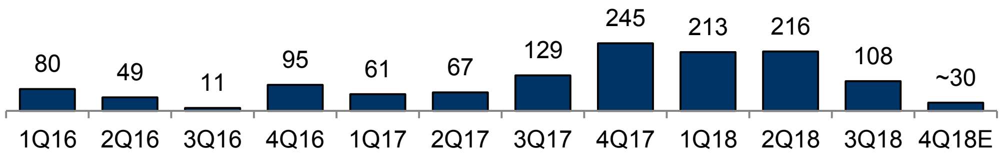
- Roughly $300-$500 million per year in products are sold to third parties at zero margin
- Sales are recorded in other revenue with a corresponding expense in ancillary business expense
- Delta's TRASM and adjusted margin figures exclude the impact of third-party refinery sales

3Q18 Press Release:

(in millions)	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017
Operating revenue	$ 11,953	$ 11,061
Adjusted for:		
Third-party refinery sales	(108)	(129)
Operating revenue, adjusted	$ 11,845	$ 10,933
Year-over-year change	$ 912	

	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017
TRASM (cents)	16.40	15.77
Adjusted for:		
Third-party refinery sales	(0.15)	(0.18)
TRASM, adjusted	16.25	15.58

Third-Party Refinery Sales ($M)



Ancillary Businesses & DGS Transaction

Impact of Delta's Ancillary Businesses

Ancillary businesses are complementary to the airline and are earnings and cash flow positive

- Delta's ancillary businesses include MRO, DAL Global Services (DGS), Delta Vacations, Delta Private Jets (DPJ) and Delta Material Services (DMS)
- Ancillary business are complementary to the airline operation, but have different seasonality and trends
- Delta excludes expenses related to its ancillary businesses from CASM-ex fuel to allow for a clean comparison of the cost performance of the airline, as these costs are not directly impacted by capacity

Delta's CASM-ex Calculation		
3Q18	**($M)**	**(¢)**
Total Operating Expenses	10,311	14.15
Less: Aircraft Fuel	(2,498)	(3.43)
Less: Ancillary Businesses and Refinery	(410)	(0.56)
Less: Profit Sharing	(395)	(0.54)
NF-CASM Expense Base	7,008	9.62
Capacity (ASMs)	72,875	
NF-CASM excluding profit sharing	9.62¢	

DAL Global Services Transaction Overview

- DGS will be combined by year-end 2018 with a subsidiary of Argenbright Holdings to create a premier aviation and ground handling service provider
  - Delta will be an equity partner with a 49% stake in the combined company
  - Better positions DGS to grow aviation, security, and ground support equipment maintenance services

Financial Impact:

2018: One-time gain in non-operating, finalized at transaction close

2019: Results from 49% equity interest stake to be recorded in operating expense as an offset to contracted services

- Reduction in other revenue and ancillary expense
- Minimal CASM impact due to shifting of certain expenses to contracted services

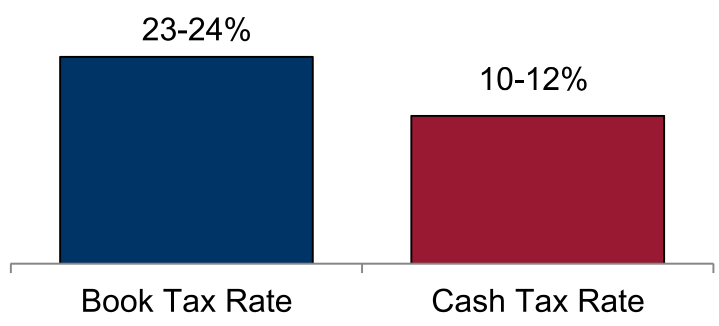
Taxes

Delta's Cash Tax Rate is Below Book Tax Rate

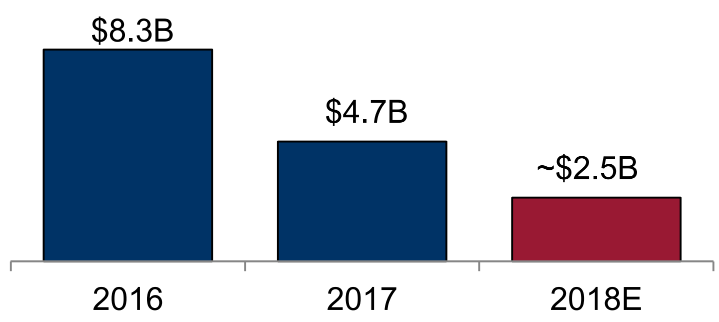
Expect to be full cash taxpayer in 2020

- Delta's cash tax rate is significantly below its ~23-24% book tax rate due to:
  - Accelerated depreciation
  - Pension funding
  - Permanently reinvested foreign earnings
- Under current tax law, Delta does not expect to be a full cash taxpayer until 2020
  - Cash tax rate is expected to remain roughly 10 points below the book tax rate

Expected 2018 Book vs. Cash Tax Rate (Ex. N.O.L.'s)



Net Operating Loss Carry Forwards



Airport Investments

Delta's Airport Investments

Renovation funding of key airports including ATL, LAX, LGA, SEA, and SLC

- Delta approaches each construction project individually, working closely with airport partners
- Airports have different structures for how they charge airlines fees and rents
  - Landing fees are assessed by landed weight and pay for airfield-related costs to construct, maintain, and operate runways and taxiways
  - Rents cover the cost to construct, maintain and operate landside assets (primarily terminals and concourses), assessed by square feet leased or enplaned passengers

Delta Managed / Financed

- Delta maintains project control over cost and timeline
- Cash or debt financing by Delta locks in ownership costs and avoids periodic rent increases
- Provides greater control of customer service and operational disruption
- Facility rents decline, depreciation increases (and interest expense, if financed)
- Example: LGA

Delta Managed / Airport Financed

- Delta maintains project control over cost and timeline
- Costs paid up front or reimbursed by airport
- Provides greater control of customer service and operational disruption
- Airport issues bonds to fund construction
- Airport recovers costs through rents/fees over lease term
- Examples: ATL – Delta concourses, LAX

Airport Managed / Financed

- Airport manages project and finances through bond offerings
- Delta engages with airport to mitigate potential customer impact from construction
- Delta has less input on costs, design
- Airport recovers costs through rents/fees over lease term
- Examples: ATL – Airfield, SLC, SEA

Taking a Closer Look at the Financial Impact of LGA

Self-funded renovation of Delta's LGA terminals drives greater certainty in long-term cost structure

- Benefits to self-funding LGA:
  - Lock in majority of long-term ownership cost, avoiding periodic rent increases
  - Added control over product decisions, such as concessionaires and finishes, provides competitive advantage over common-use carriers
  - Significant control over construction schedule
- $3.3 billion funded by Delta, with $1.5 billion already on hand
  - 2018 bond issuance matures between 2022 and 2036 with a blended average interest rate of 3.8%
- ~$600 million funded by Port Authority
- Project milestones: Concourse G opens late 2019, Concourse E and head house completed late 2021

Income Statement

- Pay same landing fees as Central Terminal occupants
- Facilities rent declines, depreciation increases
- Capitalized interest expense straight-lined over lease term
- Interest expense increases as portions of the facility open

Balance Sheet

- Municipal bonds as debt, funds as long-term restricted cash
- Long-term restricted cash decreases, lease hold improvements increase as ground assets are added
- City leases assets to Port Authority; Delta subleases from Port Authority with a ground lease agreement through 2050

Non-GAAP Reconciliations

Non-GAAP Financial Measures

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 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. While we are able to reconcile forward looking non-GAAP financial measures related to 2018, we do not reconcile future period measures (i.e., beyond 2018) because mark-to-market ("MTM") adjustments and settlements will not be known until the end of the period and could be significant.

Adjusted Debt to EBITDAR, adjusted

Delta presents adjusted debt to EBITDAR, adjusted because management believes this metric is helpful to investors in assessing the company's overall debt profile. Adjusted debt includes an estimate of the operating lease liability that will be on the balance sheet upon adoption of the new lease accounting standard. We adjust EBITDAR for an estimate of the fixed portion of operating leases to determine EBITDAR, adjusted.

(in billions)	(Projected) December 31, 2018
Debt and capital lease obligations	~ $8
Plus: LGA bonds	~ 1
Plus: Operating lease liability	~ 7
Adjusted debt and capital lease obligations	~ $16

(in billions)	(Projected) Year Ended December 31, 2018
GAAP operating income	~ $5
Adjusted for:	
Depreciation and amortization	~ 3
Fixed portion of operating lease expense	~ 1
EBITDAR, adjusted	~ $9
Adjusted Debt to EBITDAR, adjusted	~1.9x