

Figure 1: Delta Air Lines, Inc. Actual and Projected Income Statement (\$ in millions)

	2012		2013				2014				2014E				2015E												
	YEAR	%CHG	1ST Q	%CHG	2ND Q	%CHG	3RD Q	%CHG	4TH Q	%CHG	YEAR	%CHG	1ST Q	%CHG	2ND Q	%CHG	3RD Q	%CHG	4TH Q	%CHG	YEAR	%CHG	YEAR	%CHG			
REVENUE																											
Passenger	\$25,226	5.8%	\$5,860	3.3%	\$6,796	2.7%	\$7,566	7.8%	\$6,312	0.7%	\$26,534	5.2%	\$6,224	6.2%	\$7,432	9.4%	\$7,930	4.8%	\$6,619	4.9%	\$28,204	6.3%	\$29,397	6.4%			
Regional Affiliates Passenger	6,561	2.4%	1,460	-5.9%	1,698	-6.2%	1,688	0.6%	1,562	2.5%	6,406	-2.3%	1,453	-0.5%	1,899	11.8%	1,866	10.6%	1,722	10.3%	6,940	8.3%	7,418	6.9%			
Cargo & Freight	990	-3.8%	238	-2.5%	232	-11.5%	229	-5.8%	238	-1.2%	937	-5.4%	217	-0.8%	245	5.6%	240	4.8%	250	5.0%	952	1.6%	1,055	10.8%			
Other	3,653	1.6%	942	-0.1%	981	-5.6%	1,007	1.9%	964	4.4%	3,894	0.0%	1,622	8.5%	1,100	12.1%	1,100	9.2%	1,050	8.9%	4,272	9.7%	4,650	7.7%			
TOTAL REVENUE	36,570	4.4%	8,500	1.0%	9,707	-10.3%	10,490	5.7%	9,076	5.5%	37,773	3.0%	8,916	4.9%	10,675	10.0%	11,136	6.2%	9,641	6.2%	40,368	6.9%	43,070	6.7%			
OPERATING EXPENSES:																											
Salaries & Benefits	7,266	5.4%	1,911	9.4%	1,922	5.3%	1,976	6.8%	1,911	4.5%	7,720	6.2%	1,969	3.0%	1,995	3.8%	2,027	2.6%	1,980	3.7%	7,973	3.3%	8,239	3.3%			
Aircraft Fuel	10,178	4.9%	2,313	-3.0%	2,470	-10.0%	2,576	-3.2%	2,314	-3.1%	9,873	-4.9%	2,192	-5.2%	2,441	-1.2%	2,780	7.9%	2,372	2.5%	9,784	1.2%	10,313	5.4%			
Commissions	1,590	-5.5%	367	-6.1%	408	3.8%	447	1.6%	391	3.7%	1,603	0.8%	373	4.5%	448	9.8%	465	4.1%	425	8.6%	1,712	6.8%	1,815	6.0%			
Aircraft Maintenance	1,955	10.8%	491	-12.5%	472	-13.9%	474	-3.9%	415	17.6%	1,852	-5.3%	448	-0.8%	475	0.7%	481	1.4%	410	-1.2%	1,814	-2.0%	1,939	6.9%			
Aircraft Rent	272	-8.7%	60	-20.0%	55	-19.1%	47	-27.7%	47	-26.6%	209	-23.2%	51	-15.0%	49	-10.2%	49	5.0%	58	23.6%	208	-0.5%	210	4.9%			
Rentals & Landing Fees	1,336	4.3%	323	5.9%	359	3.5%	378	5.0%	350	0.8%	1,410	5.5%	341	5.6%	364	1.5%	377	-0.3%	347	-0.7%	1,430	1.4%	1,454	1.7%			
Depreciation & Amortization	1,585	2.8%	405	4.9%	415	7.0%	418	6.6%	420	5.3%	1,658	5.5%	442	9.1%	426	2.7%	422	1.0%	399	-5.1%	1,889	1.3%	1,696	0.4%			
Contract Carrier Arrangements	5,647	3.2%	1,399	1.7%	1,444	2.0%	1,459	0.6%	1,367	-3.0%	5,689	0.4%	1,319	-5.7%	1,495	3.5%	1,526	4.6%	1,467	7.3%	5,908	2.5%	6,280	8.3%			
Employee Profit Sharing	372	40.9%	20	NM	118	-12.6%	249	43.1%	119	NM	506	36.0%	99	NM	350	NM	347	-0.7%	238	NM	934	NM	1,158	24.0%			
Other Airline	3,890	-2.5%	921	-4.6%	971	-0.9%	1,082	5.7%	973	5.6%	3,947	1.5%	979	6.3%	1,016	4.6%	1,091	0.9%	997	2.4%	4,083	3.4%	4,175	2.3%			
Non-Recurring	425	NM	70	NM	159	NM	(173)	-38.0%	68	-45.6%	126	NM	83	6.4%	0	NM	0	NM	0	NM	83	-34.1%	0	NM			
TOTAL OPERATING EXPENSES:	34,694	4.1%	8,278	3.1%	8,793	-8.4%	8,527	3.6%	6,375	1.5%	34,733	-0.4%	8,296	0.2%	9,559	3.0%	9,466	6.0%	8,596	3.6%	35,517	3.3%	37,295	5.0%			
OPER. INCOME (Margins in Box):	2,176	5.9%	222	2.6%	914	9.4%	1,563	14.9%	701	7.7%	3,400	9.0%	620	7.0%	1,616	15.1%	1,670	15.0%	945	9.6%	4,851	12.0%	5,775	13.4%			
Op. Income Excl. Non-Recurring	2,601	7.1%	300	3.5%	1,079	11.1%	1,884	13.2%	769	8.3%	3,608	8.3%	703	7.0%	1,616	15.1%	1,670	15.0%	945	9.6%	4,834	12.2%	5,775	13.4%			
OTHER INCOME (EXPENSE):																											
Interest Income	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Interest Expense	(1,015)		(220)		(213)		(213)		(206)		(852)		(186)		(200)		(190)		(180)		(756)		(780)				
Non-Recurring	(118)		0		0		(22)		0		(22)		(26)		0		0		0		(26)		0				
Other	(28)		1		(15)		36		(20)		1		(73)		38		40		30		35		(30)				
TOTAL OTHER INCOME:	(1,151)		(219)		(228)		(200)		(226)		(873)		(285)		(162)		(150)		(150)		(747)		(810)				
PRETAX INCOME (Margins in Box):	1,025	2.8%	3	0.0%	686	7.1%	1,363	13.0%	475	5.2%	2,527	6.7%	335	3.8%	1,454	13.6%	1,520	13.6%	795	8.2%	4,104	10.2%	4,965	11.5%			
P-T Income Excl. Non-Recurring	1,569	4.3%	49	1.0%	645	8.7%	1,308	11.5%	549	6.0%	2,675	7.7%	444	5.0%	1,464	13.6%	1,520	13.6%	795	8.2%	4,219	10.4%	4,965	11.5%			
INCOME TAXES (CREDIT):	15		(4)		1		(6)		(8,913)		122		560		585		366		366		1,573		1,936				
Tax Rate	1.5%	-133.3%	0.1%	-0.4%	-1885.1%		-317.1%		36.4%		36.5%		36.5%		36.5%		36.5%		36.3%		39.0%		39.0%				
NET INCOME Before Extraord. Items	1,010		7		685		1,369		8,479		10,540		213		864		935		469		2,531		3,028				
Extraordinary Items	0		0		0		0		0		0		0		0		0		0		0		0				
NET INCOME After Extraord. Items	\$1,010		\$7		\$685		\$1,369		\$8,479		\$10,540		\$213		\$864		\$935		\$469		\$2,531		\$3,028				
NET INCOME TO COMMON SH:	\$1,010		\$7		\$685		\$1,369		\$8,479		\$10,540		\$213		\$864		\$935		\$469		\$2,531		\$3,028				
PRO FORMA NET TO COMMON SH:	\$1,353	4.2%	\$89	1.0%	\$844	8.7%	\$1,212	11.6%	\$558	6.1%	\$2,898	7.7%	\$281	3.2%	\$894	8.4%	\$935	8.4%	\$488	5.1%	\$2,989	6.4%	\$3,828	7.0%			
Shares Outstanding - Basic	845		840		850		851		848		849		844		844		844		844		844		844		844		
Shares Outstanding - Diluted	849		855		859		861		858		858		844		844		844		844		844		844		844		
GAAP EPS - Basic	\$1.20		\$0.01		\$0.81		\$1.61		\$10.82		\$12.42		\$0.25		\$1.06		\$1.11		\$0.58		\$3.86		\$3.59				
GAAP EPS - Diluted	\$1.19		\$0.01		\$0.80		\$1.59		\$10.88		\$12.28		\$0.25		\$1.05		\$1.10		\$0.57		\$3.87		\$3.55				
Pro Forma EPS - Diluted	\$1.83		\$0.18		\$0.98		\$1.41		\$8.65		\$9.14		\$0.33		\$1.85		\$1.10		\$0.57		\$3.85		\$3.55				
OPERATING STATISTICS:																											
Matlines																											
RPMs	169,504	0.8%	38,018	0.8%	44,978	1.6%	49,120	2.9%	40,603	2.5%	172,917	2.0%	39,567	4.1%	47,487	5.6%	50,508	2.8%	42,156	3.3%	179,718	3.9%	186,317	3.7%			
ASMs	209,872	-1.3%	46,202	-1.6%	52,540	1.6%	56,483	3.2%	48,978	3.3%	204,203	1.7%	47,361	2.5%	54,116	3.0%	57,300	1.5%	49,713	1.5%	208,520	2.1%	212,891	2.0%			
Load Factor (%)	84.4%	1.7pp	82.3%	1.9pp	85.6%	0.0pp	87.0%	-0.3pp	83.3%	-0.7pp	94.7%	0.3pp	83.5%	1.3pp	87.8%	2.1pp	88.1%	1.1pp	86.8%	1.5pp	86.2%	1.5pp	87.6%	1.4pp			
Yield (c)	14.88	5.0%	15.41	2.5%	15.11	1.1%	15.40	4.8%	15.47	4.2%	15.34	3.2%	15.73	2.1%	15.85	3.6%	15.70	1.9%	15.70	1.5%	15.69	2.3%	16.10	2.8%			
Passenger Revenue/ASM (c)	12.56	7.1%	12.88	4.9%	12.93	1.1%	13.40	4.5%	12.99	3.4%	12.99	3.5%	13.14	3.6%	13.73	6.2%	13.83	3.3%	13.31	3.3%	13.53	4.1%	14.10	4.3%			
Cost/ASM (c)	13.12	3.8%	14.03	3.8%	12.96	-1.9%	12.51	-0.7%	13.34	-1.8%	13.24	0.9%	13.99	-0.3%	12.08	-6.7%	12.39	-0.9%	13.02	-2.4%	12.79	-3.4%	13.01	1.7%			
Cost/ASM ex-fuel and profit sharing (c)	8.13	1.2%	9.03	5.5%	9.26	3.2%	7.96	1.9%	8.63	2.1%	8.51	4.7%	9.30	3.0%	7.58	-8.3%	7.55	-5.2%	8.25	-4.4%	8.68	-5.1%	8.17	1.0%			
Regionals (including Affiliates)																											
RPMs	23,390	-4.5%	5,060	-10.0%	5,805	-7.1%	5,819	-4.2%	5,387	-1.2%	22,071	-5.6%	5,034	-0.5%	6,225	7.											