

## **Delta President and CFO Provides Update on Response to Record Fuel Prices and the Ongoing Steps to Build Industry-Leading Global Airline**

At a recent conference, Chief Financial Officer Ed Bastian provided updated guidance on the company's efforts to fight rising fuel costs and its long-term approach to building a sustainable, profitable business model.

By successfully realigning its network to rationalize domestic capacity while expanding globally, Bastian said that Delta's revenue per available seat mile has improved from 86 percent of industry average in 2005 to 102 percent of industry average through the first four months of 2008. International flying continues to be a strong component of the carrier's business plan with service to five continents and 20 new international routes launched in 2008. International capacity for the year is expected to be up 15-17 percent – in line with previous guidance.

In response to rising fuel costs, the company is adding to previously announced plans to reduce domestic capacity by 10 percent year over year in the second half this year and now plans for total domestic capacity reductions of 13 percent in the second half of 2008.

"The diversity of Delta's network has provided the financial balance we need to counteract the soft U.S. economy and tough fuel environment. International routes continue to be a boon for us as we carefully manage domestic capacity. While it's important to maintain a broad domestic presence for our customers and employees, as well as to feed international routes, we remain flexible and will make additional adjustments if needed," said Bastian.

Delta continues to focus on the proposed merger with Northwest Airlines to create a global airline better positioned for strength and profitability over the long term with greater customer preference and a worldwide, geographically balanced network.

"The unique advantages created by the combination of Delta and Northwest are even more compelling as fuel costs continue to rise," Bastian said.

A merger of strength, the airlines will combine best-in-class cost structures, industry-leading balance sheets and complementary networks. With integration planning under way, Delta and Northwest expect to find opportunities to both reduce one-time costs and increase synergies. Delta expects the merger to receive required regulatory approvals by the end of the year.

## **June Traffic Report Sees Record International Boardings**

International traffic remained strong in June, increasing 13.9 percent year over year on a 14.1 percent increase in capacity. Delta's international load factor was 83.3 percent. The load factor for Latin America was 81.6 percent, higher than any previous June on record for Delta.

In addition, a record number of passengers flew internationally on Delta during June. The number of passengers for international, Latin America and Atlantic increased 9.3 percent, 5.1 percent and 10.6 percent, respectively, versus the same period last year.

"Delta delivered another month of solid year-over-year gains in unit revenues," said Glen Hauenstein, Delta's executive vice president – Network Planning and Revenue Management. "Importantly, the growing mix of unique international destinations that Delta's customers value, combined with domestic capacity rationalization, provides the network balance necessary to help mitigate the financial impact of record high fuel prices."

## **Delta Reaches Unprecedented Joint, Pre-Merger Agreement with Delta, Northwest Unites of Air Line Pilots Association.**

A tentative agreement has been reached between Delta Air Lines and Northwest Airlines units of the Air Line Pilots Association (ALPA) on a joint contract to take effect upon closing of the Delta-Northwest merger, expected later this year. The pilot groups also have established a separate process designed to establish a single pilot seniority list by the close of the merger.

## Aiming High: Delta Air Lines Releases 2007 Path to Corporate Responsibility Report

Delta Air Lines has issued the 2007 Path to Corporate Responsibility Report, an overview of the airline's commitment to environmental protection, safety and social responsibility, and it is now available at [delta.com](http://delta.com). Delta continues to demonstrate this commitment through partnerships with employees, vendors, customers, civic and non-profit organizations that are designed to make a significant and lasting difference in the communities the airline serves worldwide. The report details the airline's ongoing programs and achievements in environmental conservation and stewardship, operational excellence in safety and compliance, and community stewardship.

"Delta aims high to achieve unsurpassed excellence in its commitment to safety and environmental health for the passengers, employees, vendors, investors, and communities we serve worldwide," said Michael Quiello, Delta's vice president of Corporate Safety, Compliance and Environmental Programs. "This Report recognizes milestones, including Delta's receipt of the prestigious National Safety Council's Green Cross for Safety Medal."

### The report highlights accomplishments in 2007 including:

- Reducing the airline's fuel consumption by 40 million gallons in 2007 vs. 2006 through fuel conservation initiatives, with a corresponding reduction in aircraft engine emissions;
- Partnering with The Conservation Fund to become the first U.S. airline to offer customers a carbon offset program;
- Aggressively incorporating electric ground support equipment into the airline's fleet;
- Expanding the airline's comprehensive onboard recycling program to include 13 cities Delta serves within the U.S. Since its launch in June 2007, the onboard recycling program has diverted more than 322 tons of materials from local landfills. The more than \$80,000 in proceeds from last year's program will be used to build an EarthCraft-style home for community partner Habitat for Humanity this Fall, the first Delta house ever to be funded entirely from recycling proceeds;
- Continuing the airline's partnership with the Occupational Safety and Health Administration (OSHA) to participate in Voluntary Protection Programs (VPP) including 10 locations thus far;
- Demonstrating the airline's proven industry leadership through Award-winning safety programs;
- Expanding and formalizing Delta's history of doing good and helping others on a global scale with the creation of Delta's Force for Global Good, the airline's program that unites Delta employees and customers in philanthropic and social responsibility efforts throughout the world. The program leverages Delta's global network of employees who volunteer, as well as assets of The Delta Foundation, the airline's charitable organization supporting communities where Delta customers and employees live and work worldwide.

The complete report is available at:

[http://images.delta.com.edgesuite.net/delta/pdfs/corporate\\_responsibility\\_report.pdf](http://images.delta.com.edgesuite.net/delta/pdfs/corporate_responsibility_report.pdf).

### SkyTeam Statement following Continental's Announcement to form a marketing Alliance with United Airlines.

The members of SkyTeam, which include Delta Air Lines, are disappointed by Continental's decision; however SkyTeam will remain a leading global airline alliance that is focused on providing our customers with worldwide access to the destinations they want to reach.

SkyTeam customers in the U.S. and globally will continue to enjoy the high-quality service they have come to know and expect from SkyTeam alliance members. Alliance members will continue to operate as usual, and will take all possible precautions to minimize any impact to passengers.

SkyTeam's network remains strong, with leading member airlines in North America, Asia and Europe, plus an unparalleled hub network across those continents. With pending enhancements, such as the newly granted anti-trust immunity between six of its members, the potential four-way joint venture between Air France, KLM and Delta and Northwest and the pending merger of Delta and Northwest, the alliance is well-positioned to thrive in the current industry conditions.



### **Delta Air Lines Offers Two Nonstop Flights between the U.S. and Ecuador: One to Quito, One to Guayaquil**

Delta Air Lines has announced changes to its Ecuador schedule to offer nonstop flights between Atlanta and Quito, as well as Guayaquil. This is great for international passengers connecting through Atlanta onto South America.

Delta currently offers one daily flight from Atlanta to Ecuador that stops in both Quito and Guayaquil before returning to Atlanta. Starting Sept. 5, 2008, Delta will split the route and offer nonstop service in each direction between Atlanta and Quito. Nonstop service in each direction between Atlanta and Guayaquil starts Dec. 1, 2008.

“Both of these nonstop flights to Ecuador will help our passengers save time, while giving them a more pleasant, hassle-free travel experience,” said Christophe Didier, vice president of Sales and Government Affairs in Latin America and the Caribbean for Delta Air Lines. “The nonstop flight to Guayaquil will launch in December to capitalize on peak demand during the holiday season.”

### **Delta Partners with TSA to Launch Paperless Mobile Check-in at New York-La Guardia**

Delta Air Lines is putting even greater convenience in the hands of its New York-La Guardia customers by partnering with the Transportation Security Administration (TSA) to launch paperless mobile check-in for domestic travel on Delta and Delta Connection flights departing from Delta's main terminal at La Guardia Airport.

Customers will have the option of using their mobile device to check-in and receive an electronic boarding pass via their web-enabled devices.

“Delta's time-saving technology puts customers in control of their experience and provides them with valuable convenience,” said Steve Gorman, Delta's executive vice president – Operations. “Passengers can now quickly check in for their flight while en route to the airport in a taxi or walking from the parking lot to the terminal. The check-in process now can take place from anywhere, any time within 24 hours of flight departure.”

### **Delta's Domestic First Class Service, Worldwide Airport Lounges and Frequent Flyer Program Rated the Best**

Readers of *Executive Travel* magazine rate Delta Air Lines' domestic first class service, worldwide Crown Room Clubs® and SkyMiles frequent flyer program the best in the 2008 Leading Edge Awards. Readers also said they prefer to fly Delta more than any other U.S. airline when they travel to Africa, the Middle East and Canada.

“Delta's more than 45,000 employees worldwide are committed to offering our global customers a world-class travel experience when they fly with us,” said Richard Anderson, Delta's chief executive officer. “Their efforts, along with investments we continue to make to improve our product and service offerings, both on the ground and in the air, are clearly resonating with our passengers. We're thrilled to be recognized by the readers of *Executive Travel* magazine, many of whom are our most loyal and frequent flyers.”

Honours Delta received include:

- Best Domestic Airline for First Class Service;
- Best Airline for Airport Lounges in the world;
- Best U.S.-based Airline for Flights to Africa, and No. 3 in the world;
- Best U.S.-based Airline for Flights to the Middle East, and No. 3 in the world; and
- Best U.S.-based Airline for Flights to Canada, and No. 2 in the world.
- Best Frequent Flyer Program - Domestic;