

Response to Question Regarding Differences in Funding Percentages

There are a number of ways and reasons to measure the funded status of a defined benefit pension plan. Each measurement in itself is complex, and having a variety of measurements, unfortunately makes a complex topic even more difficult to communicate. As such, we are providing some background on the various measurements of funded status, in addition to addressing the specific questions that were raised.

Background

The two key measurements of the funded status of a defined benefit pension plan, such as the Pilots Retirement Plan, are the ERISA funding measurements and the GAAP accounting measurements. The following table highlights some of the key differences between these two measurements.

	ERISA FUNDING	GAAP ACCOUNTING
Measurement Date - Each measurement is performed once per year	July 1	September 30
Basis of Measurement	<ul style="list-style-type: none"> • Computed for each qualified defined benefit plan individually • Compares current plan liability to assets at July 1 	<ul style="list-style-type: none"> • Reported on a consolidated basis for all the Company's defined benefit plans (qualified and non-qualified) • Compares projected plan liability to assets at September 30
General Intent	Ensure sufficient funding to pay projected benefits over the long-term. Rules recognize the long-term nature of pension benefits and therefore, do not require 100% funded status at all times.	Provide sufficient information for readers of corporate financial statements to be able to assess the financial status of the company.
Publicly Disclosed	Pilot Retirement Plan Annual Report on Form 5500 Schedule B (filed April for the prior plan year ending June 30).	Delta Air Lines, Inc. annual 10-K filing (filed in March for the prior calendar year). Individual plan information is not disclosed publicly.
Funding Status	July 1, 2003 current liability funded status for the Pilot Retirement Plan was	September 30, 2003 accounting funded status for all qualified and

	approximately 83%.	nonqualified plans combined was approximately 55%.
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The 10-K filed in March of this year, does report the consolidated Master Trust assets at September 30. This is reported in connection with the GAAP requirements and as such, is reported only on a consolidated basis for all Delta sponsored defined benefit plans. Therefore, individual plan specific information is not publicly available.

The Annual Report for the Pilot Retirement Plan year ended June 30, 2003, was finalized and filed with the DOL on April 15, 2004, the required filing date. This report contains plan specific asset and liability information. A summary of this filing will be provided to each plan participant no later the June 15, 2004. The Department of Labor is supposed to make the Annual Report available electronically. However, they apparently have not yet done so.

We cannot speak to the accuracy or validity of any information provided to you by ALPA, but hope that the above information, helps address any questions or concerns you have.