

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 13, 2020

DELTA AIR LINES, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-05424	58-0218548
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

P.O. Box 20706, Atlanta, Georgia 30320-6001
(Address of principal executive offices)

Registrant's telephone number, including area code: (404) 715-2600

Registrant's Web site address: www.delta.com

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	DAL	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.06 Material Impairments.

The board of directors of Delta Air Lines, Inc. (“Delta,” “we,” or “our”) on May 13, 2020 authorized a plan to retire our Boeing 777 aircraft and remove them from service by the end of 2020. We also previously determined to accelerate the retirement of our MD-90 aircraft, which will exit the fleet effective June 2020. These decisions are intended to better align our network with lower passenger demand stemming from the COVID-19 pandemic, streamline and modernize our fleet, and generate cost savings.

As a result of these decisions, we evaluated our Boeing 777 and MD-90 aircraft for impairment and concluded that the carrying value of these aircraft was no longer recoverable when compared to their estimated remaining future cash flows. Consequently, during the June 2020 quarter, we expect to record non-cash impairment charges associated with these aircraft. Although the actual amount of the charges has not yet been finalized, we expect the aggregate impairment charges to range from \$1.4 billion to \$1.7 billion, before tax. An immaterial amount associated with the impairment charges is expected to result in future cash expenditures. We plan to continue to consider further opportunities for early aircraft retirements in an effort to modernize and simplify our fleet in the future.

Item 7.01 Regulation FD Disclosure.

On May 14, 2020, we released a memo from Ed Bastian, our Chief Executive Officer, to all employees of Delta. A copy of that memo is attached.

In accordance with general instruction B.2 of Form 8-K, the information in this report that is being furnished pursuant to Item 7.01 of Form 8-K (including the exhibit) shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liabilities of that section, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth in such filing. This report will not be deemed an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Statements in this Form 8-K and Exhibit 99.1 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 material adverse effect that the COVID-19 pandemic is having on our business; the impact of incurring significant debt in response to the pandemic; 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 performance of our significant investments in airlines in other parts of the world; the restrictions that financial and other 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 parties; the cost of aircraft fuel; the availability of aircraft fuel; 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; 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 impact of environmental regulation on our business; the sensitivity of the airline industry to prolonged periods of stagnant or weak economic conditions; and uncertainty in economic conditions and regulatory environment in the United Kingdom related to the exit of the United Kingdom from the European Union.

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 Dec. 31, 2019 and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020. Caution should be taken not to place undue reliance on our forward-looking statements, which represent our views only as of May 14, 2020, and which we have no current intention to update except to the extent required by law.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 99.1 [May 14, 2020 Memo to Delta Colleagues Worldwide](#)

Exhibit 104 The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DELTA AIR LINES, INC.

By: /s/ Paul A. Jacobson
Paul A. Jacobson,
Executive Vice President and Chief Financial Officer

Date: May 14, 2020



Internal Memorandum
Date: Thursday, May 14, 2020

To: Delta Colleagues Worldwide
From: Ed Bastian, CEO
Subject: PROTECTING OUR FUTURE

With the unprecedented drop in travel demand amid the COVID-19 pandemic and global economic slowdown, we continue to take action to protect Delta's cash, Delta jobs and Delta's future. Our principal financial goal for 2020 is to reduce our cash burn to zero by the end of the year, which will mean, for the next two to three years, a smaller network, fleet and operation in response to substantially reduced customer demand.

An important tool to help us achieve these goals is retiring older aircraft and modernizing our fleet as we plan for the future. We've already accelerated the retirement plan for the MD-88s and MD-90s, and parked more than 650 jets total. With international travel expected to return slowly, we've also made the difficult decision to permanently retire our Boeing 777 fleet – 18 aircraft – by the end of the year. Our A330s and A350-900s, which are more fuel-efficient and cost-effective, will perform long-haul flying as international demand returns.

Retiring a fleet as iconic as the 777 is not an easy decision – I know it has a direct impact on many of you who fly, crew and service these jets. The 777 played an important role with Delta since 1999, allowing us to open new long-haul markets and grow our international network as we transformed into a global airline. I've flown on that plane often and I love the customer experience it has delivered over the years.

However, parking this fleet will provide significant cost savings over the next several years. Delta is currently burning about \$50 million every day, and steps like this help us stem the bleeding, in an effort to safeguard Delta jobs and our future. Delta went into this crisis in a position of strength, and this will be an important step to ensure we remain in a relatively strong industry position as demand recovers.

We continue to hear from our customers about the great work you are doing every day. I've received many emails and messages in recent weeks thanking us for the amazing work of our Reservations and Customer Care professionals, particularly as they've assisted with processing refunds.

Delta has refunded more than \$1.2 billion to our customers since the pandemic began, including \$160 million so far this month. It reflects an enormous volume of cash refunds that our people have handled with their renowned professionalism and empathy.

As one customer put it in a survey response, "I was anticipating a hassle from previous customer support experiences with other companies, but my concern was addressed in a way that felt very good as a consumer. This was my best support experience ever."

Thanks to the reservations and care team – you are the best in the business.

In addition to protecting our cash and positioning Delta for the future, our other top priority – and the most important one – is protecting the health and safety of our people and customers. That includes mental as well as physical health. May is Mental Health Awareness Month, and in stressful times like these, we should be particularly mindful of our mental and emotional well-being. Delta has resources available, including our Employee Assistance Program, that can help with almost any mental health issue or concern. There's information available on Deltanet on how to access these programs, or you can contact the Human Resources department.

I want to thank you all for the hard work and sacrifices you are making to secure the future of our airline. That includes those who have taken voluntary leaves of absence – more than 41,000 so far - as well as our people on the front lines taking care of our customers during this stressful period. You continue to inspire me every day as we work to build Delta's future together.

Please continue to stay healthy and safe, physically and mentally, at work and in your personal lives. Nothing is more important. I'll be in touch soon with another update, and will continue to answer your questions at our virtual Town Halls on SkyHub.

It's my honor to serve alongside you.

Ed