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DELTA AIR LINES INC /DE/
Form 11-K
June 26, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the Year Ended December 31, 2002

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

COMMISSION FILE NO. 1-5424

A. Full title of the plan and address of the plan if different from that of
the issuer named below:

DELTA FAMILY-CARE SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address
of its principal executive office:

DELTA AIR LINES, INC.
P.O. Box 20706
Atlanta, Georgia 30320-6001

DELTA FAMILY-CARE SAVINGS PLAN

FINANCIAL STATEMENTS AND SCHEDULE

DECEMBER 31, 2002 AND DECEMBER 31, 2001

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

Statement of Net Assets Available for Benefits-- December 31, 2002

Statement of Net Assets Available for Benefits-- December 31, 2001

Statement of Changes in Net Assets Available for Benefits for the Year
Ended December 31, 2002

Statement of Changes in Net Assets Available for Benefits for the
Six-Month Period Ended December 31, 2001

NOTES TO FINANCIAL STATEMENTS

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SUPPLEMENTAL SCHEDULE

Schedule 1: Schedule H, Line 4i--Assets (Held at End of
Year)--December 31, 2002

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
Delta Air Lines, Inc.:

We have audited the accompanying statement of net assets available for benefits of the Delta Family-Care Savings Plan (the "Plan") as of December 31, 2002, and the related statement of changes in net assets available for benefits for the year ended December 31, 2002. These financial statements are the responsibility of the Administrative Committee of Delta Air Lines, Inc. in its capacity as administrator of the Plan. Our responsibility is to express an opinion on these financial statements and the schedule based on our audit. The financial statements of the Plan as of December 31, 2001 and for the six-month period ended December 31, 2001 were audited by other auditors who have ceased operations. Those auditors expressed an unqualified opinion on those financial statements in their report dated April 22, 2002.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2002, and the changes in its net assets available for benefits for the year ended December 31, 2002 in conformity with accounting principles generally accepted in the United States.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Administrative Committee of Delta Air Lines, Inc. The schedule has been subjected to the auditing procedures applied in the audit of the basic 2002 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP

Atlanta, Georgia
June 20, 2003

DELTA FAMILY-CARE SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

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DECEMBER 31, 2002

(IN THOUSANDS)

| | NONPARTICIPANT-DIRECTED | | PARTICIPANT DIRECTED |
|--|-------------------------|-------------|-------------------------|
| | ALLOCATED | UNALLOCATED | |
| ASSETS: | | | |
| Cash | \$ - | \$ 13,121 | \$ 1,9 |
| Investments, at fair value as determined by quoted market prices (Note 4) | 353,703 | 175,639 | 2,559,7 |
| Investments, at contract value (Note 3) | - | - | 723,2 |
| Total investments | 353,703 | 175,639 | 3,283,0 |
| Receivables: | | | |
| Employer contributions | 3,036 | - | 21,1 |
| Interest and dividends and other | - | 1 | - |
| Total receivables | 3,036 | 1 | 21,2 |
| Total assets | 356,739 | 188,761 | 3,306,2 |
| LIABILITIES: | | | |
| ESOP notes: | | | |
| Current | - | 32,655 | - |
| Noncurrent | - | 228,333 | - |
| Interest payable | - | 10,570 | - |
| Other payables | 13 | 2,826 | 5 |
| NET ASSETS AVAILABLE FOR BENEFITS | \$ 356,726 | \$ (85,623) | \$ 3,305,6 |

The accompanying notes are an integral part of this statement.

DELTA FAMILY-CARE SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2001

(IN THOUSANDS)

| | NONPARTICIPANT-DIRECTED | | PARTICIPANT DIRECTED |
|----------------|-------------------------|-------------|-------------------------|
| | ALLOCATED | UNALLOCATED | |
| ASSETS: | | | |
| Cash | \$ 7,559 | \$ - | \$ 7 |

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| | | | |
|--|------------|-------------|------------|
| Investments, at fair value as determined by quoted market prices (Note 4) | 418,466 | 206,634 | 3,092,4 |
| Investments, at contract value (Note 3) | - | - | 660,6 |
| | ----- | ----- | ----- |
| Total investments | 418,466 | 206,634 | 3,753,0 |
| | ----- | ----- | ----- |
| Receivables: | | | |
| Employer contributions | 9,891 | - | 13,5 |
| Interest and dividends and other | 2 | 1 | 9 |
| | ----- | ----- | ----- |
| Total receivables | 9,893 | 1 | 14,5 |
| | ----- | ----- | ----- |
| Total assets | 435,918 | 206,635 | 3,768,4 |
| | ----- | ----- | ----- |
| LIABILITIES: | | | |
| ESOP notes: | | | |
| Current | - | 29,207 | |
| Noncurrent | - | 260,988 | |
| Interest payable | - | 11,753 | |
| Other payables | - | - | |
| | ----- | ----- | ----- |
| NET ASSETS AVAILABLE FOR BENEFITS | \$ 435,918 | \$ (95,313) | \$ 3,768,4 |
| | ===== | ===== | ===== |

The accompanying notes are an integral part of this statement.

DELTA FAMILY-CARE SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2002

(IN THOUSANDS)

| | NONPARTICIPANT-DIRECTED | | PARTICIPANT |
|---|-------------------------|-------------|-------------|
| | ALLOCATED | UNALLOCATED | DIRECTED |
| | ----- | ----- | ----- |
| CONTRIBUTIONS: | | | |
| Participant | \$ - | \$ - | \$ 301,92 |
| Employer | 26,238 | 39,491 | 37,62 |
| INVESTMENT INCOME: | | | |
| Net depreciation in fair value of investments | (122,716) | (41) | (590,25 |
| Interest and dividends | 15,518 | 19,164 | 60,98 |
| ALLOCATION OF SHARES, AT FAIR VALUE | 26,601 | (26,601) | |
| BENEFITS PAID TO PARTICIPANTS | (23,394) | - | (273,18 |
| INTERFUND TRANSFERS | (1,395) | - | 1,39 |
| ADMINISTRATIVE EXPENSES | (44) | - | (1,26 |
| INTEREST EXPENSE ON ESOP NOTES | - | (22,323) | |
| | ----- | ----- | ----- |

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| | | | |
|------------------------------------|------------|-------------|-------------|
| NET INCREASE (DECREASE) | (79,192) | 9,690 | (462,76) |
| NET ASSETS AVAILABLE FOR BENEFITS: | | | |
| Beginning of year | 435,918 | (95,313) | 3,768,43 |
| End of year | \$ 356,726 | \$ (85,623) | \$ 3,305,66 |

The accompanying notes are an integral part of this statement.

DELTA FAMILY-CARE SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2001

(IN THOUSANDS)

| | NONPARTICIPANT-DIRECTED | | PARTICIPANT |
|---|-------------------------|-------------|-------------|
| | ALLOCATED | UNALLOCATED | DIRECTED |
| CONTRIBUTIONS: | | | |
| Participant | \$ - | \$ - | \$ 163,68 |
| Employer | 9,964 | 30,619 | 22,08 |
| INVESTMENT INCOME: | | | |
| Net depreciation in fair value of investments | (97,550) | (11,518) | (258,18 |
| Interest and dividends | 7,852 | 6,560 | 42,73 |
| ALLOCATION OF SHARES, AT FAIR VALUE | 25,213 | (25,213) | |
| BENEFITS PAID TO PARTICIPANTS | (6,979) | - | (106,31 |
| INTERFUND TRANSFERS | (925) | - | 92 |
| ADMINISTRATIVE EXPENSES | (9) | - | (22 |
| INTEREST EXPENSE ON ESOP NOTES | - | (11,753) | |
| NET DECREASE | (62,434) | (11,305) | (135,29 |
| NET ASSETS AVAILABLE FOR BENEFITS: | | | |
| Beginning of period | 498,352 | (84,008) | 3,903,72 |
| End of period | \$ 435,918 | \$ (95,313) | \$ 3,768,43 |

The accompanying notes are an integral part of this statement.

DELTA FAMILY-CARE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

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DECEMBER 31, 2002 AND DECEMBER 31, 2001

1. DESCRIPTION OF PLAN

The following description of the Delta Family-Care Savings Plan (the "Plan") provides only general information. Participants should refer to the plan document for a complete description of the Plan's provisions.

The Plan is a defined contribution plan established by Delta Air Lines, Inc. (the "Company" or "Delta"). Substantially all Delta and Delta Technology, Inc. ("Delta Technology") personnel who are paid on the United States domestic payroll or employed in the Commonwealth of Puerto Rico are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, and is intended to qualify under Section 404(c) of ERISA.

CONTRIBUTIONS

Employee contributions may be made, at the option of the employee, as pre-tax contributions or after-tax contributions or as a combination of both pre-tax and after-tax contributions.

Effective September 1, 2002, eligible U.S.-based nonpilot participants, including Delta Technology participants, who are not highly compensated employees may contribute up to 35% of eligible earnings to the Plan. Prior to September 1, 2002 the limit was 23% for Delta employees and 18% for Delta Technology employees. Eligible nonpilot participants who are highly compensated may contribute up to 13% of eligible earnings to the Plan. Puerto Rico-based employees may contribute up to 10% of eligible earnings. Eligible pilot participants who are not highly compensated employees and eligible pilot participants who are highly compensated employees may contribute up to 18% and 13%, respectively, of eligible earnings to the Plan. Effective July 1, 2001, pilots who exceed the Internal Revenue Code (the "Code") Section 401(a)(17) limit in the prior plan year are subject to further restriction of the percentage of earnings which may be deferred into the Plan. For calendar year 2002 and 2001, the limit is 12%. Pre-tax contributions are subject to the limits under Section 402(g) of the Code.

For nonpilot participants who have completed 12 months of service, Delta makes a monthly matching contribution to a participant's account of \$.50 for every \$1 contributed by the participant, up to 2% of the participant's annual earnings, as defined in the plan document. Prior to October 2002, matching contributions were made on a quarterly basis.

Effective July 1, 2001, the pilots are no longer eligible for the matching contribution, but receive an employer contribution on a monthly basis equal to 3% of eligible earnings. Pilots are eligible for the contribution as of their hire date.

The first \$1,650 (\$1,600 for the six-months ended December 31, 2001 and increased by \$50 per plan year) of these company contributions (the "Annual Cap") to a participant's account is invested in the Delta Preferred Stock Fund, which consists of both Delta Series B ESOP Convertible Preferred Stock ("Preferred Stock") and Delta Common Stock ("Common Stock"). The remainder, if any, of Delta's contributions to a participant's account during a plan year will be allocated among investment options chosen by the participant (Note 2) in the same proportion as the participant directs for his/her own contributions to these options. However, Delta's matching contributions in excess of the

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Annual Cap shall be made in Common Stock for noncollectively bargained, highly compensated employees, as determined under the Code, as amended.

Delta Technology participants may receive an additional annual profit-sharing employer contribution equal to 5% of their annual salary.

ADMINISTRATIVE EXPENSES

Certain administrative functions of the Plan are performed by officers or employees of Delta. No such officer or employee receives compensation from the Plan. All other administrative expenses of the Plan are paid by the Plan.

VESTING

Delta participants are immediately vested in all contributions to their accounts plus actual earnings thereon. Delta Technology participants are immediately vested in contributions to their accounts with the exception of the additional annual profit-sharing contribution they receive, which vests ratably over a three-year period. At December 31, 2002, forfeitures totaled \$34,000. These forfeitures from the Delta Technology participants' accounts were used to offset the 2002 Delta Technology profit-sharing employer contribution to the Plan.

PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings (losses) in the manner described in the plan document, as well as any withdrawals made. Participant's accounts are also charged with an allocation of administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

ACCOUNT DISTRIBUTIONS

Upon retirement or eligibility for long-term disability, a participant's non-Employee Stock Ownership Plan ("ESOP") account balance may be distributed in the form of a single-sum cash payment, cash payments in monthly variable installments for a definite period not to exceed life expectancy, or variable monthly installments to be paid over the life expectancy of the participant and the participant's spouse.

Upon termination of employment for reasons other than retirement or long-term disability, a participant's non-ESOP account balance may be distributed as a lump-sum cash payment or the participant may elect to defer distribution.

A participant's ESOP account balance may be distributed as a lump-sum cash payment or, at the participant's election, in Common Stock when distribution of the non-ESOP portion of the account begins.

While employed, a participant may elect to withdraw all after-tax contributions, pre-1989 matching contributions, and the earnings thereon. Under certain hardship circumstances, a participant may also make an in-service withdrawal of pre-tax contributions.

LOANS TO PARTICIPANTS

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Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of (1) \$50,000, reduced by the highest outstanding balance of loans for that participant during the previous one year period, or (2) 50% of their account value not to exceed the total value of their non-ESOP account. The loans are repaid, generally through regular payroll deductions, over a period not to exceed four years. The principal amounts of the loans are assets of the Plan and earn interest, which represents income to the borrowing participant, at a fixed rate equal to the average of the secured loan interest rate and the unsecured loan interest rate of the Delta Employees' Credit Union at the initiation of the loan (10% for the year ended December 31, 2002).

2. INVESTMENT OPTIONS

The investment options available to participants consist of numerous mutual funds and several actively managed portfolios, including the Delta Common Stock Fund which invests primarily in Common Stock. A brokerage window was added to the Plan effective October 1, 2001. The brokerage window provides access to mutual funds available through the Fidelity Funds Network(R).

All available investment options are participant-directed except the Delta Preferred Stock Fund, which consists of employer contributions (both Preferred Stock and Common Stock) only. Participants who are age 55 and have completed ten years of participation in the Plan may diversify their account out of Delta stock held in their ESOP account annually over a six year period.

Accounts are limited to 30 investment options at any time (excluding individual mutual funds purchased through the brokerage window), and new contributions are required to be allocated in increments no smaller than 5% (to no more than 20 investment options at a time). Participants are not permitted to allocate more than 50% of their contributions to the Delta Common Stock Fund.

3. SUMMARY OF ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements of the Plan are prepared under the accrual method of accounting. The year-end for the Plan changed from June 30 to December 31 effective December 31, 2001. Therefore, the accompanying financial statements present the Plan's net assets available for benefits as of December 31, 2002 and December 31, 2001 and the changes in net assets available for benefits for the year ended December 31, 2002 and for the six-month period ended December 31, 2001.

USE OF ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires plan management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates. The Plan utilizes various investment vehicles. Investment securities, in general, are exposed to various risks, including interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of

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investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments, except for investment contracts and Preferred Stock, are stated at fair value as determined from the publicly stated price information at the end of each trading day.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The Preferred Stock is stated at fair value, which is determined based on the greater of (a) the market price of the Delta Common Stock into which each preferred share is convertible (Note 7) and (b) \$72 per share, plus accrued dividends.

The Plan's investment contracts are fully benefit-responsive and, therefore, are presented at contract value (cost plus accrued income). The fair value of the investment contracts held by the Plan at December 31, 2002 and December 31, 2001 was approximately \$673,955,000 and \$580,875,000, respectively. The average yield rates for the investment contracts for the year ended December 31, 2002 and for the six-month period ended December 31, 2001 were 5.46% and 2.91%, respectively. The

weighted average crediting rates for the investment contracts for the year ended December 31, 2002 and for the six-month period ended December 31, 2001 were 5.17% and 5.63%, respectively. Certain guaranteed investment contracts ("GICs") held by the Plan are synthetic; that is, the Plan owns certain fixed income marketable securities, and a third party provides a "wrapper" that guarantees a minimum rate of return and provides benefit responsiveness. At December 31, 2002, the fair value of the underlying assets of the synthetic GICs and the value of the related wrapper contracts was \$598,508,000 and \$(26,721,000), respectively. At December 31, 2001, the fair value of the assets underlying the synthetic GICs and the value of the related wrapper contracts was \$505,799,000 and \$(14,425,000), respectively. Interest rates on the synthetic GICs are generally reset quarterly by the issuer and are guaranteed to be set at a rate not less than 0%.

PAYMENT OF BENEFITS

Benefits are recorded when paid.

4. INVESTMENTS

The fair values of individual investments that represent 5% or more of the Plan's total net assets as of December 31, 2002 and December 31, 2001 are separately identified as follows (in thousands, except for share amounts):

December 31, 2002:

| | |
|--|------------|
| Fidelity Contrafund, 5,561,056 shares | \$ 214,657 |
| Fidelity U.S. Equity Index Commingled Fund, 7,755,585 shares | 203,739 |
| Delta Common Stock, 14,836,337 shares | 179,520* |
| Delta Preferred Stock, 6,065,489 shares | 436,958** |

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December 31, 2001:

| | |
|--|-----------|
| Fidelity Magellan Fund, 2,404,613 shares | 250,654 |
| Fidelity Contrafund, 5,927,068 shares | 253,501 |
| Fidelity U.S. Equity Index Commingled Fund, 8,274,589 shares | 279,267 |
| Delta Common Stock, 10,259,277 shares | 300,188* |
| Delta Preferred Stock, 6,173,307 shares | 444,787** |

* Partially nonparticipant-directed

**Nonparticipant-directed

The net appreciation (depreciation) in fair value of investments includes both net unrealized appreciation (depreciation) on assets held during the year and net realized gains (losses) from the sale of investments.

During the year ended December 31, 2002 and the six-month period ended December 31, 2001, the Plan's investments appreciated (depreciated) in fair value as follows (in thousands):

| | DECEMBER 31, 2002 | December 31, 2001 |
|-----------------------|----------------------|----------------------|
| | ----- | ----- |
| Mutual funds | \$ (488,101) | \$ (210,527) |
| Delta Common Stock | (204,515) | (126,491) |
| Delta Preferred Stock | 117 | (23,308) |
| Commingled funds | (20,508) | (6,927) |
| | ----- | ----- |
| | \$ (713,007) | \$ (367,253) |
| | ===== | ===== |

NONPARTICIPANT-DIRECTED INVESTMENTS

Information about the type of investments included in the nonparticipant-directed portion of the net assets available for benefits is as follows as of December 31, 2002 and December 31, 2001 (in thousands):

| | DECEMBER 31, 2002 | December 31, 2001 |
|-----------------------|----------------------|----------------------|
| | ----- | ----- |
| Investments: | | |
| Delta Common Stock | \$ 92,361 | \$ 166,707 |
| Delta Preferred Stock | 436,958 | 444,787 |
| Money market fund | 23 | 13,606 |
| | ----- | ----- |
| | \$ 529,342 | \$ 625,100 |
| | ===== | ===== |

5. TAX STATUS

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The Plan has received a letter of determination dated May 29, 2003 from the Internal Revenue Service, which states that the Plan, as amended through February 25, 2002, is tax-qualified under the appropriate sections of the Code, and therefore the trust established under the Plan is tax-exempt. As a result of certain plan administration and operational concerns, the Company has sought relief under Revenue Procedure 2001-17. Subject to this relief, in the opinion of Delta's management, the Plan, as of December 31, 2002, continues to be in compliance with Section 401(a) and applicable subsections of Sections 409, 401(k), and 4975(e)(7) and continues to be entitled to an exemption from federal income taxation under Section 501(a).

6. PLAN TERMINATION

Although it has not expressed any intent to do so at this time, Delta has the right under the Plan to discontinue its contributions at any time and to amend or terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

7. EMPLOYEE STOCK OWNERSHIP PLAN

The Plan includes a leveraged ESOP. In connection with the establishment of the ESOP in 1989, Delta sold 6,944,450 shares of Preferred Stock to the ESOP trustee for \$72 per share, or approximately \$500 million. The ESOP trustee initially financed this purchase by borrowing \$493 million from Delta and approximately \$7 million from a bank. The unallocated shares of Preferred Stock are pledged as security on the borrowings.

In 1990, the Plan issued \$481.4 million principal amount of its Guaranteed Serial ESOP notes ("ESOP Notes") to third-party lenders and repaid the outstanding principal balances of the original loans. The ESOP Notes and certain related tax indemnities are guaranteed by Delta (Note 8). Therefore, the Company is obligated to make annual contributions sufficient to fund principal and interest payments on the ESOP Notes.

Each share of Preferred Stock has a stated value of \$72; bears an annual cumulative cash dividend of 6.00% or \$4.32; is convertible into 1.7155 shares of Common Stock, subject to adjustment in certain circumstances; and has a liquidation preference of \$72 plus any accrued and unpaid dividends. Generally, the Preferred Stock shareholders vote together as a single class with the Common Stock

shareholders on matters upon which the Common Stock shareholders are entitled to vote. The Preferred Stock has two votes per share, subject to adjustment in certain circumstances.

The number of shares of Preferred Stock released from the unallocated account for a plan year will generally be the number of shares of Preferred Stock held in the unallocated account multiplied by the ratio that the amount of principal and interest paid on the ESOP Notes, with respect to such plan year, bears to the total amount of principal and interest remaining to be paid (including payments with respect to such plan year). Once shares are released from the unallocated account, they are available to be allocated to participants' accounts as company contributions and dividends on Preferred Stock.

The number of shares of Preferred Stock allocated to participant

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accounts will be based on a value equal to the higher of \$72 per share or the market value of the shares of Preferred Stock, as defined in the Plan. If, during the plan year, the value of the Preferred Stock released from the unallocated account as a result of the repayment of the ESOP Notes is less than Delta's matching or nonelective contributions made in preferred stock to the Plan for that year, this difference will be made up by Delta through (a) prepaying the ESOP Notes to release additional shares of Preferred Stock, (b) contributing cash to the Plan so the Plan's trustee can purchase Common Stock, or (c) contributing shares of Common Stock to the Plan, in each case for allocation to participants' accounts. However, if at the end of the plan year the value of the Preferred Stock released from the unallocated account as a result of the scheduled repayment of the ESOP Notes during that plan year is greater than Delta's matching or nonelective contributions made in preferred stock to the Plan for that plan year then the excess will be allocated as of the end of the plan year among all participants making contributions to the Plan at that time.

The ESOP Notes will be repaid primarily from the Company's contributions and dividends on the Preferred Stock. If dividends on allocated shares are used to repay the ESOP Notes, additional shares of Preferred Stock and Common Stock equal in value to such dividends will be allocated to the accounts of participants who otherwise would have received such dividends.

As of December 31, 2002, 3,627,412 shares of Preferred Stock with a market value, as defined, of approximately \$261,319,000 had been allocated to participants' accounts, and 2,438,077 shares of Preferred Stock with a market value, as defined, of approximately \$175,639,000 were held in the unallocated account.

8. LONG-TERM DEBT

At December 31, 2002, the Plan's long-term debt, including current maturities of \$32,655,000, consisted of \$260,988,000 aggregate principal amount of ESOP Notes with final maturity dates ranging from July 1, 2003 to January 1, 2009 and an interest rate of 8.10%. The interest rates on the ESOP Notes are subject to adjustment in the event of certain changes in the federal income tax laws. Subject to certain restrictions, the ESOP Notes may be prepaid at the option of the Plan at any time in whole or in part. Delta may be required to purchase the ESOP Notes at the option of the holders in certain circumstances.

At December 31, 2002, the annual maturities of the ESOP Notes for the next five years and thereafter are as follows (in thousands):

Years ending December 31:

| | |
|------------|------------|
| 2003 | \$ 32,655 |
| 2004 | 36,449 |
| 2005 | 40,621 |
| 2006 | 45,209 |
| 2007 | 50,254 |
| After 2007 | 55,800 |
| | ----- |
| Total | \$ 260,988 |
| | ===== |

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9. RELATED-PARTY TRANSACTIONS

Certain of the Plan's investments are shares of mutual funds, collective trusts, or interests in cash reserve accounts managed by Fidelity Management Trust Company (the "Trustee") or affiliates of the Trustee. Transactions related to such investments qualify as permissible party-in-interest transactions under ERISA. Amounts held in such investments at December 31, 2002 are included in Schedule 1. Fees paid by the Plan to an affiliate of the Trustee for record keeping services totaled \$454,000 and \$231,000 for the year ended December 31, 2002 and for the six-month period ended December 31, 2001, respectively. Fees paid by the Plan for investment management vary by fund and are generally reflected as a reduction in fund earnings.

Schedule 1
Page 1 of 11

DELTA FAMILY-CARE SAVINGS PLAN
SCHEDULE H, LINE 4i - ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2002

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--|
| DELTA COMMINGLED STOCK FUND: | |
| Delta International Equity Pool: | |
| * Fidelity Management & Research Company, Fidelity Overseas Fund | 602,852 |
| * FMTC Select International Portfolio | 1,354,218 |
| Delta U.S. Equity Pool: | |
| * Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund | 969,980 |
| * Fidelity Management & Research Company, FMTC Select Equity Portfolio | 4,695,938 |
| RS Investment, RS Mid Cap Growth Fund | 1,161,344 |
| Total | |
| DELTA COMMINGLED BOND FUND: | |
| * FMTC Broad Market Duration | 6,379,341 |
| Total | |
| DELTA COMMON STOCK FUND: | |
| * Delta Air Lines, Inc. Common Stock | 7,203,210 |
| * Fidelity Institutional Cash Portfolio: Money Market | 1,050,326 |
| Total | |
| INSURANCE CONTRACT/STABLE VALUE FUND: | |
| * Fidelity Management Trust Company, Short-Term Investment Fund | 15,752,568 |
| GUARANTEED INVESTMENT CONTRACTS: | |

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Allstate Life Insurance Company:
 GAC-6324, 5.93%, due April 19, 2005
 Business Men's Assurance Company:
 #1308, 5.41%, due June 2, 2003
 Caisse des Depots:
 BR-261-02, 5.36%, due October 15, 2003
 GE Life & Annuity Assurance Company:
 GS-3448, 7.38%, due August 16, 2004
 GS-3442, 7.49%, due July 21, 2003
 GS-3529, 5.55%, due March 29, 2004
 John Hancock Life Insurance:
 #15133, 5.95%, due January 18, 2005
 #15096-GAC, variable rate 1.96%, due December 1, 2003
 Metropolitan Life Insurance Company:
 GAC-25642, 7.17%, due September 20, 2004
 GAC-25701, 7.09%, due November 1, 2004
 GAC-28206, 5.42%, due July 27, 2004
 Monumental Life Insurance Company:
 #00200FR, 7.18%, due October 4, 2004
 #MDA221FR, 6.56%, due December 15, 2003
 New York Life Insurance Company:
 #06494-002, 6.78%, due February 20, 2003
 GA-31314, 5.25%
 GA-31199, 7.15%, due November 8, 2004
 Prudential Insurance Company:
 #10009-212, 6.15%, due June 18, 2003
 SunAmerica Life Insurance Company:
 #4888, 8.41%, due January 2, 2004
 SYNTHETIC INSURANCE CONTRACTS:
 Allstate Life Insurance Company:
 ANRC Auto Owner Trust 2001-A, Class A-4 Certificates, 2.17%,
 June 16, 2008

Schedule 1
 Page 2 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--|
| BMW Vehicle Owner Trust 2001-A, Class A-4 Certificates, 2.12% May 25, 2006 | |
| DiamlerChrysler Auto Trust 2001-A, Class A-4, Certificates, 2.06%, March 6, 2006 | |
| Ford Credit Auto Owners Trust 2001-E, Class A-4 Certificates, 1.92%, March 15, 2006 | |
| GE Capital Commercial Mortgage Corp. 2001-2, Class A1 Certificates, 2.91%, August 11, 2033 | |
| U.S. Treasury Note, 2.2%, due May 15, 2007 | |
| Wrapper contract #77141, 5.18% | |
| Allstate Life Insurance Company: INVESCO Group Trust Gamma Fund Wrapper contract #77140, 5.84% | |
| Bank of America: INVESCO Group Trust Lambda II Fund Wrapper contract #01-044, 5.23% | |
| Bank of America: | |

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INVESCO Group Trust Intermediate Government Credit Fund
 Wrapper contract #01-098, 4.59%

Caisse des Depots:
 INVESCO Group Trust High Quality Structured Services Fund
 Wrapper contract #1261-01, 4.35%

GLOBAL WRAP:
 Abbey National Yank., 8.2%, October 15, 2004
 ABN-AMRO Bank (Chicago) 7.25%, May 31, 2005
 Alabama Power Company, 4.88%, September 1, 2004
 American Express Credit Account Master TR Series 2001-1 CL A 7.2%
 February 15, 2005
 American General Finance Corp. SR MTN 4.5%, November 15, 2007
 Americredit Auto Rec TR Series 2002-EM CL A4A 3.32%,
 August 6, 2007
 Amvescap PLC 6.6%, May 15, 2005
 Arcadia Automobile Receivables Trust 1998-C, Class A-3 Certificates,
 5.67%, August 15, 2006
 AT & T Corp., 6.375%, March 15, 2004
 Bank of Boston 8%, September 15, 2004
 Bank One Corp., 7.63%, August 1, 2005
 Bank One Issuance Trust Series 2002-A@ CL A2 4.16%,
 May 15, 2005
 Bank of America, 7.88%, May 16, 2005
 Bank of America GLBL 3.875%, January 15, 2008
 BankAmerica Manufactured HSG Contract TR V 6.24%,
 December 10, 2003
 BMW Vehicle Owner Trust Series 2002-A CL A 3 3.8%,
 December 25, 2004
 British Columbia (Province of) Canada 7.25%, February 8, 2005
 CSXT Trade Receivables Master Trust, Series 1998-1, 6.00%, June 25, 2003
 Capital One Auto Finance Trust Series 2002-2, 4.03%, January 15, 2005
 Capital One Auto Finance Trust Series 2002-B Class A3A FLT RT, 2.71%
 May 15, 2005
 Capital One Master TR Series 2001-7A, 3.85%, October 15, 2004
 Capital One Multi-Asset Execution TR FLT RT, 1ML+68, September 15, 2005
 Caterpillar Financial Services Medium terms NTS, 4.69%, April 25, 2002
 Chase Manhattan Corp, 6.75%, December 1, 2004
 Chile (Republic of), 5.625%, July 23, 2007
 Citibank CC Issuance Trust Series 2001-AS NT, 4.1%, December 7, 2004
 Citibank Credit Card Master Trust Series 1997-7 Class A, 6.65%,
 November 15, 2004
 Citibank Credit Card Master Trust Series 1999-1 Class-A, 5.5%
 February 15, 2004
 Citicorp, 6.75%, August 15, 2005

Schedule 1
 Page 3 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|---|--|
| Citigroup Inc, 5.75%, May 10, 2006 | |
| Citigroup Inc, 5% March 6, 2007 | |
| CIT Group Holdings Inc., 5.63%, May 17, 2004 | |
| COMM 2000-FL3 2000-FL3 Tranche A 144A Var RT, 1ML+22, October 15, 2003 | |

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Computer Science Corp Notes, 7.5%, August 8, 2005
Countrywide Home Loan, 5.25%, June 15, 2004
Credit Suisse First Boston USA, Inc, 5.875%, August 1, 2006
CS First Boston Group Inc Series 1997-C2 Class A2, 6.52%, July 17, 2007
CSFB ABS Trust Series 2002-CKP1 CL A1, 4.627%, November 15, 2006
CSFB Coml Mtg PTC 1999-C1 Tranche A-1, 6.91%, January 15, 2008
Daimler Chrysler, 7.4%, January 20, 2005
DaimlerChrysler Nth America Hldgs, 6.4%, May 15, 2006
DaimlerChrysler North American Hldg Series Medium Term NTS, 3.4%,
December 15, 2004
Dayton Hudson Credit Card Master Trust Series 1998-1 Class A, 5.9%
July 25, 2003
Deere John Cap Corp Series Mtnd, 4.125%, July 15, 2005
Discover Card Mstr Tr 96-3 Series A, 6.05%, February 15, 2006
Fannie Mae, 2.75%, December 16, 2003
Federal Home Loan Banks, 4.875%, April 16, 2004
Federal Home Loan Banks, 3.375%, May 14, 2004
Federal Home Loan Mortgage Corporation, 4.125%, February 4, 2003
Federal Home Loan Mortgage Corporation, 7%, July 15, 2005
Federal Home Loan Mortgage Corp, 6.5%, October 15, 2004
Federal Home Loan Mortgage Corporation 1198 Tranche 1198-J, 7%
February 15, 2007
Federal National Mortgage Association Pool #545172, 6%, February 25, 2016
Federal National Mortgage Association Pool # 630950, 6.5%
November 25, 2016
Federal National Mortgage Association Pool # 649154, 6%, June 25, 2017
FHLMC Series 1610 Tranche PM, 6.25%, August 15, 2006
FHLMC Series 1634 Tranche PW, 4%, December 15, 2005
FHLMC Series 1650 Tranche H 6.25%, September 15, 2005
FHLMC Series 1652 Tranche PJ, 6.6%, September 15, 2004
FHLMC Series 1680 Tranche PH, 6.25%, December 15, 2005
FHLMC Series 1708 Tranche D, 6%, January 15, 2005
FHLMC Series 1803 Tranche AB, 6%, January 15, 2007
First Data Corp, 4.7%, November 1, 2006
First Union Corp, 7.1%, August 15, 2004
First Union Corp, 7.55%, August 18, 2005
First Union-Lehman Bros 97-C1 Tranche A-2, 7.3%, November 18, 2006
Fleet Financial Group Notes, 7.25%, September 15, 2005
Florida Power & Light Co, 6.875%, December 1, 2005
FNMA Remic Series 1997-9 Tranche B, 6.49999%, June 25, 2005
FNMA Remic Trust 2001-16 Tranche Pd, 5.25%, November 25, 2003
FNMA Series 93-225 Tranche OH, 6.3%, July 25, 2005
FNMA Series 94-050 Tranche PH, 5.5%, October 25, 2005
FNMA Series 1996-28 Tranche PG, 6.5%, November 25, 2003
FNR 1996-40 Tranche J, 6%, November 25, 2007
Gannett Inc, 4.95%, April 1, 2005
GCB Morgan Stanley, 5.625%, January 20, 2004
General Elec Cap Corp Mtn Be, 7.25%, February 1, 2005
General Electric Capital Co, 7.25%, May 3, 2004
General Motors Accep Corp, 7.5%, July 15, 2005
GNMA Remic Tr Series 2002-25 CL A, 5.161%, March 16, 2008
Goldman Sachs Group, 7.625%, August 17, 2005
Government National Mortgage Association Series 2002-37 Class A, 4.538%
May 16, 2009
Government National Mortgage Association Series 2002-53 Class AL, 4.402%
September 16, 2012
GS Mortgage Secs Corp 1997-GL Tranche A-2B December 13, 2003

Schedule 1

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--|
| Heller Comm Mtg 2000-PH-1 Tranche A-1, 7.715%, September 15, 2008 | |
| Hewlett-Packard Co, 7.15%, June 15, 2005 | |
| Hewlett Packard Company, 5.75%, December 15, 2006 | |
| Household Automotive Trust Flt Rt, 2.75%, June 17, 2005 | |
| Household Automotive Trust Series 2002-CL A3, 2.85%, April 17, 2005 | |
| Household Fin Corp, 8%, May 9, 2005 | |
| Household Home Equity Loan Trust Series 2002-2 CL A Fltg Rate, 1ML+30, February 22, 2011 | |
| Household Prvt Label Credit Master C Ser 2001-2 CL A, 4.95% August 15, 2004 | |
| HSBC Bank, 8.625%, December 15, 2004 | |
| International Bank for Rec & Dev Series Mtn, 3.5%, October 22, 2004 | |
| Keycorp Medium Terms Nts, 4.625%, May 16, 2005 | |
| Keyspan Corp, 7.25%, November 15, 2005 | |
| Lehman Brothers Holdings, 7.75%, January 15, 2005 | |
| MBNA Master Credit Card Trust Series 2000-1 CL A, 6.9%, August 15, 2005 | |
| Merrill Lynch & Co Series B, 5.35%, June 15, 2004 | |
| Merrill Lynch & Co, Inc, 4%, November 15, 2007 | |
| Morgan Stanley Dean Witter, 6.1%, April 15, 2006 | |
| Newcourt Credit Group Inc Series B, 6.875%, February 16, 2005 | |
| Ontario (Province of), 7.625%, June 22, 2004 | |
| Onyx Accept Owner Tr 2002-A Series A-3, 3.75%, October 15, 2004 | |
| Onyx Accept Owner Tr 2002-B Series A-3, 3.94%, December 15, 2004 | |
| Onyx Accept Owner Tr 2002-C Series A-3, 3.29%, April 15, 2005 | |
| Onyx Acceptance Auto Trust Flt Rt, 2.47%, May 15, 2005 | |
| Peco Energy Transition Trust 1999-A Series A-4, 5.8%, March 1, 2005 | |
| Philip Morris, 6.375%, February 1, 2006 | |
| Phillip Morris Global BD, 7%, July 15, 2005 | |
| Phillips Petroleum, 8.5%, May 25, 2005 | |
| PNC Bank N.A., 7.88%, April 15, 2005 | |
| Powergen US Funding LLC, 4.5%, October 15, 2004 | |
| PP&L Transition Bond Company LLC 1999-1 Tranche, 6.72% December 25, 2003 | |
| Prime CC Master Tr Series 2000-1 Class A, 6.7%, November 15, 2002 | |
| Prudential Secur Fin Secs Secd Fing Coml Mtg Passthru Ctf 2000-Key1 CL-A, 7.617%, June 15, 2009 | |
| Quebec Prov Cda Series NS, 8.625%, January 19, 2005 | |
| Reed Elsevier Capital, 6.25%, March 31, 2005 | |
| Royal Bank of Scotland, 8.817%, March 31, 2005 | |
| Royal Bank of Scotland Series 3, 7.816% | |
| Salomon Smith Barney Hld, 5.875%, March 15, 2006 | |
| Sears Cr Acct Master Tr 1998-2 Series A, 5.25%, October 15, 2004 | |
| Telefonica Europe, 7.35%, September 15, 2005 | |
| United States Treas Nts, 1.75%, December 31, 2004 | |
| U.S. Government Treasury Notes, 6.875%, May 15, 2006 | |
| Verizon Global Funding Corp, 6.75%, December 1, 2005 | |
| Verizon Wireless Inc, 5.375%, December 15, 2006 | |
| Viacom Inc, 7.75%, June 1, 2005 | |
| Vodafone Group, 7.625%, February 15, 2005 | |
| Wells Fargo & Co., 4.8%, July 29, 2005 | |
| WFS Financial Owner TR Series 2002-1 CL A3A, 4.15%, March 20, 2005 | |
| WFS Financial Owner Trust Series 2002-2 Class A3, 3.81% November 20, 2005 | |
| Wrapper Contracts, 5.2% | |

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ING Life Insurance & Annuity Company:
 ING Separate Account #431
 Wrapper contract #14617, 5.17%
 Metropolitan Life Insurance Company:
 Case Equipment Loan Trust 1999-A, Class A-4 Certificates, 2.02%
 U.S. Treasury Note, 5.75%, due November 2004
 FNMA Grantor Trust 2001-T7, Class A-1 Certificates, 4.7%

Schedule 1
 Page 5 of 11

PRINCIPAL AMOUNT
 OR NUMBER OF
 SHARES

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT

Commercial Mortgage Trust 1999-C1, Class A-1 Pass Through
 Certificates, 2.97%
 Goldman Sachs Mortgage Sec. Corp. II, 1996-PL, Class A-1
 Certificates, 2.28%
 Wrapper contract #28441, 5.15%
 Monumental Life Insurance Company:
 INVESCO Group Trust High Quality Structured Services Fund
 Wrapper contract #00446TR, 3.53%
 Monumental Life Insurance Company:
 EquiCredit HEQ Loan, EQCC 99-1 A3F, 2.15%
 Fannie Mae Whole Loan, FNMA 9-09, 3.69%
 Ford Auto Owners Trust, FORDO 01-C A5, 1.81%
 Hancock Separate Acct, HANC S.A. #48, 5.57%
 Home Ownership Fund CO., HOFK 97-1 A, 3.62%
 Merrill Lynch Mgt Invstr, MLMI 97-C1 A1, 1.95%
 Morgan Stanely DW Cap., MSDWC 01-TOP3, 2.74%
 PNC Student Loan, PNCSL 97-2 A6, 2.46%
 Wrapper contract # 00283TR, 5.60%
 Rabobank Netherland:
 Short-term Bond Fund - INVESCO, IGT Short-term Bond Fund
 Wrapper contract #DAL070201, 2.9%
 State Street Bank and Trust Co.:
 CIT Equipment Collateral Trust 2001-A, Class A-4 Certificates, 2.69%
 Federal Home Loan Mortgage Corporation, 3.21%, due April 2008
 U.S. Treasury Note, 2.90%, due May 2008
 WFS Financial Owners Trust 2001-C, Class A-4 Certificates, 2.16%
 Wrapper contract, 5.42%, due July 2, 2001
 Union Bank of Switzerland AG:
 Fannie Mae Whole Loan, FN 375171, 3.74%
 Fannie Mae Whole Loan, FN 375087, 3.84%
 Fannie Mae Whole Loan, FNMA 6.625 9-09, 3.69%
 Federal Home Loan Mtge, FHLMC 5.5 07-06, 2.55%
 Hancock Separate Acct., HANC S.A. #48, 5.57%
 Wrapper contract #5010, 5.89%

Total

DELTA AIRLINES BALANCED FUND:

| | | |
|-------------------------|--|--------|
| Delta U.S. Equity Pool: | | |
| * | Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund | 5,176 |
| * | Fidelity Management & Research Company, FMTC Select Equity Portfolio | 25,059 |
| | RS Investment, RS Mid Cap Growth Fund | 6,197 |

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| | |
|--|-----------|
| * FMTC Broad Market Duration | 40,357 |
| Total | |
| DELTA CONSERVATIVE BALANCED FUND: | |
| Delta U.S. Equity Pool: | |
| * Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund | 71,626 |
| * Fidelity Management & Research Company, FMTC Select Equity Portfolio | 346,760 |
| RS Investment, RS Mid Cap Growth Fund | 85,756 |
| * FMTC Broad Market Duration | 1,788,594 |
| Total | |
| DELTA GROWTH BALANCED FUND: | |
| Delta U.S. Equity Pool: | |
| * Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund | 422,105 |

Schedule 1
Page 6 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--|
| * Fidelity Management & Research Company, FMTC Select Equity Portfolio | 2,043,524 |
| RS Investment, RS Mid Cap Growth Fund | 505,380 |
| * FMTC Broad Market Duration | 1,014,295 |
| Total | |
| DELTA PREFERRED STOCK FUND: | |
| * Delta Air Lines, Inc. Common Stock | 7,633,127 |
| * Delta Air Lines, Inc. Convertible Preferred Series B | 6,065,489 |
| * Fidelity Institutional Cash Portfolio--Money Market | 23,389 |
| Total | |
| MUTUAL AND COMMINGLED FUNDS: | |
| * Delta Employees' Credit Union Fund | 6,652,596 |
| * Fidelity Management & Research Company, Fidelity Aggressive Growth Fund | 2,025,313 |
| * Fidelity Management & Research Company, Fidelity Asset Manager | 156,589 |
| * Fidelity Management & Research Company, Fidelity Asset Manager: Growth | 125,577 |
| * Fidelity Management & Research Company, Fidelity Asset Manager: Income | 47,319 |
| * Fidelity Management & Research Company, Fidelity Balanced Fund | 528,506 |
| * Fidelity Management & Research Company, Fidelity Blue Chip Growth Fund | 432,212 |
| * Fidelity Management & Research Company, Fidelity Canada Fund | 35,566 |
| * Fidelity Management & Research Company, Fidelity Capital & Income Fund | 378,519 |
| * Fidelity Management & Research Company, Fidelity Capital Appreciation Fund | 105,585 |
| * Fidelity Management & Research Company, Fidelity Contrafund | 5,561,056 |
| * Fidelity Management & Research Company, Fidelity Contrafund II | 91,550 |
| * Fidelity Management & Research Company, Fidelity Convertible Securities | |

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| | | | |
|---|---|---|-----------|
| | Fund | | 236,596 |
| * | Fidelity Management & Research Company, | Fidelity Disciplined Equity Fund | 43,770 |
| * | Fidelity Management & Research Company, | Fidelity Diversified International Fund | |
| | | | 435,331 |
| * | Fidelity Management & Research Company, | Fidelity Dividend Growth Fund | 1,162,741 |
| * | Fidelity Management & Research Company, | Fidelity Emerging Markets Fund | 202,869 |
| * | Fidelity Management & Research Company, | Fidelity Equity-Income Fund | 1,055,143 |
| * | Fidelity Management & Research Company, | Fidelity Equity-Income II Fund | 199,400 |
| * | Fidelity Management & Research Company, | Fidelity Europe Capital Appreciation Fund | 126,165 |
| * | Fidelity Management & Research Company, | Fidelity Europe Fund | 126,673 |
| * | Fidelity Management & Research Company, | Fidelity Export & Multinational Fund | 271,709 |
| * | Fidelity Management & Research Company, | Fidelity Fifty Fund | 386,438 |
| * | Fidelity Management & Research Company, | Fidelity Four in One Index Fund | 53,972 |
| * | Fidelity Management & Research Company, | Fidelity Freedom Fund | 30,728 |
| * | Fidelity Management & Research Company, | Fidelity Fund | 248,405 |
| * | Fidelity Management & Research Company, | Fidelity Ginnie Mae Fund | 1,150,776 |
| * | Fidelity Management & Research Company, | Fidelity Global Balanced Fund | 20,434 |
| * | Fidelity Management & Research Company, | Fidelity Government Income Fund | 644,399 |

Schedule 1
Page 7 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | | | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|---|--|--------------------------------------|
| * | Fidelity Management & Research Company, | Fidelity Growth & Income Portfolio | 3,075,398 |
| * | Fidelity Management & Research Company, | Fidelity Growth & Income Portfolio II | 47,918 |
| * | Fidelity Management & Research Company, | Fidelity Growth Company Fund | 499,179 |
| * | Fidelity Management & Research Company, | Fidelity Hong Kong & China Fund | 165,304 |
| * | Fidelity Management & Research Company, | Fidelity Institutional Short-Intermediate Government Portfolio | 307,765 |
| * | Fidelity Management & Research Company, | Fidelity Intermediate Bond Fund | 325,054 |
| * | Fidelity Management & Research Company, | Fidelity International Bond Fund | - |
| * | Fidelity Management & Research Company, | Fidelity International Growth & Income Fund | 42,546 |
| * | Fidelity Management & Research Company, | Fidelity International Value Fund | 99,558 |
| * | Fidelity Management & Research Company, | Fidelity Investment-Grade Bond Fund | 588,970 |
| * | Fidelity Management & Research Company, | Fidelity Japan Fund | 302,410 |
| * | Fidelity Management & Research Company, | Fidelity Japan Small Companies Fund | 1,467,664 |
| * | Fidelity Management & Research Company, | Fidelity Large-Cap Stock Fund | 186,580 |
| * | Fidelity Management & Research Company, | Fidelity Latin America Fund | 79,383 |
| * | Fidelity Management & Research Company, | Fidelity Low-Priced Stock Fund | 2,309,942 |
| * | Fidelity Management & Research Company, | Fidelity Magellan Fund | 1,612,350 |
| * | Fidelity Management & Research Company, | Fidelity Mid-Cap Stock Fund | 1,184,485 |
| * | Fidelity Management & Research Company, | Fidelity New Markets Income Fund | 354,561 |
| * | Fidelity Management & Research Company, | Fidelity Nordic Fund | 135,439 |
| * | Fidelity Management & Research Company, | Fidelity OTC Portfolio | 1,397,064 |
| * | Fidelity Management & Research Company, | Fidelity Overseas Fund | 52,716 |
| * | Fidelity Management & Research Company, | Fidelity Pacific Basin Fund | 1,288,461 |
| * | Fidelity Management & Research Company, | Fidelity Puritan Fund | 420,270 |
| * | Fidelity Management & Research Company, | Fidelity Real Estate Investment | |

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| | |
|---|-------------|
| Fund | 1,714,625 |
| * Fidelity Management & Research Company, Fidelity Retirement Government Money Market Portfolio | 14,278,051 |
| * Fidelity Management & Research Company, Fidelity Retirement Growth Fund | 236,040 |
| * Fidelity Management & Research Company, Fidelity Retirement Money Market Portfolio | 112,372,342 |
| * Fidelity Management & Research Company, Fidelity Short-Term Bond Fund | 283,867 |
| * Fidelity Management & Research Company, Fidelity Small-Cap Selector Fund | 163,382 |
| * Fidelity Management & Research Company, Fidelity Small-Cap Stock Fund | 549,958 |
| * Fidelity Management & Research Company, Fidelity Southeast Asia Fund | 200,255 |
| * Fidelity Management & Research Company, Fidelity Stock Selector Fund | 20,247 |
| * Fidelity Management & Research Company, Fidelity TechnoQuant Growth Fund | 88,077 |
| * Fidelity Management & Research Company, Fidelity Trend Fund | 3,872 |
| * Fidelity Management & Research Company, Fidelity U.S. Bond Index Fund | 993,830 |
| * Fidelity Management & Research Company, Fidelity Utilities Fund | 249,340 |

Schedule 1
Page 8 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--------------------------------------|
| * Fidelity Management & Research Company, Fidelity Value Fund | 380,995 |
| * Fidelity Management & Research Company, Fidelity Worldwide Fund | 63,846 |
| * Fidelity Management & Research Company, Spartan Market Index Fund | 227,613 |
| * Fidelity Management & Research Company, Spartan U.S. Equity Index Fund | 424,992 |
| * Fidelity Management Trust Company, Fidelity U.S. Equity Index Commingled Fund | 7,755,585 |
| * Fidelity Strategy Inc. | 102,169 |
| * Self-directed investments, publicly traded | 9,297,755 |
| * Strategic Advisors, Fidelity Freedom 2000 Fund | 64,150 |
| * Strategic Advisors, Fidelity Freedom 2010 Fund | 333,158 |
| * Strategic Advisors, Fidelity Freedom 2020 Fund | 402,390 |
| * Strategic Advisors, Fidelity Freedom 2030 Fund | 259,702 |
| * Strategic Advisors, Fidelity Freedom Income Fund | 58,873 |
| American Century Mutual Funds, Inc., American Century Select Fund, Investor shares | 309,688 |
| American Century Mutual Funds, Inc., Century Ultra Fund, Investor shares | 3,133,756 |
| Ariel Capital Management, Ariel Appreciation Fund | 430,501 |
| Ariel Capital Management, Ariel Fund | 365,821 |
| Ariel Capital Management, Ariel Premier Bond Fund, Institutional Shares | 94,501 |
| Baron Funds, Baron Asset Fund | 13,898 |
| Baron Funds, Baron Growth Fund | 724,167 |
| Calvert Asset Management Company, Inc., Calvert Capital Accumulation Fund, Class A Shares | 24,269 |
| Calvert Asset Management Company, Inc., Calvert New Vision Small-Cap Fund, Class A Shares | 64,461 |
| Calvert Asset Management Company, Inc., Calvert Social Investment Balanced Fund, Class A Shares | 9,375 |
| Calvert Asset Management Company, Inc., Calvert World Values International Equity Fund, Class A Shares | 15,824 |
| Credit Suisse Asset Management, CS Warburg Pincus Emerging Growth Fund, common shares | 41,628 |
| Credit Suisse Asset Management, CS Warburg Pincus Global Fixed Income Fund, common shares | 47,853 |
| Credit Suisse Asset Management, CS Warburg Pincus Value II Fund, common | |

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| | |
|--|-----------|
| shares | 93,782 |
| Credit Suisse Asset Managemnet, CS Warburg Pincus Capital Appreciation Fund, common shares | 183,038 |
| CS Intl Focus COM | 26,141 |
| Delaware Management Company, Delaware Trend Fund, Class A shares | 1,988,697 |
| Domini Social Investments, Domini Social Equity Fund | 57,236 |
| Fiduciary Management Associates, UAM/FMA Small Company Portfolio, Institutional Shares | 52,183 |
| Founders Asset Management, Founders Balanced Fund, Class F shares | 31,195 |
| Founders Asset Management, Founders Discovery Fund, Class F shares | 181,959 |
| Founders Asset Management, Founders Growth and Income Fund, Class F shares | 70,461 |
| Founders Asset Management, Founders Growth Fund, Class F shares | 96,783 |
| Founders Asset Management, Founders Mid-Cap Growth Fund, Class F shares | 64,818 |
| Founders Asset Management, Founders Worldwide Growth Fund, Class F Shares | 36,377 |
| Franklin Advisers, Franklin Small Cap Growth Fund, Class A shares | 19,916 |
| Franklin Advisers, Templeton Foreign Smaller Companies Fund, Class A shares | 48,993 |
| Franklin Mutual Advisers, Mutual Discovery Fund, Class A shares | 143,349 |
| Franklin Mutual Advisers, Mutual Shares Fund, Class A shares | 175,784 |
| INVESCO Funds Group, Inc., INVESCO Blue Chip Growth Fund, Investor shares | 1,635,865 |

Schedule 1
Page 9 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--------------------------------------|
| INVESCO Funds Group, Inc., INVESCO Dynamics Fund, Investor shares | 765,756 |
| INVESCO Funds Group, Inc., INVESCO Equity Income Fund, Investor shares | 54,738 |
| INVESCO Funds Group, Inc., INVESCO High-Yield Fund, Investor shares | 522,747 |
| INVESCO Funds Group, Inc., INVESCO Select Income Fund, Investor shares | 392,378 |
| INVESCO Funds Group, Inc., INVESCO Small Company Growth Fund | 577,258 |
| INVESCO Funds Group, Inc., INVESCO Total Return Fund, Investor shares | 62,204 |
| INVESCO Funds Group, Inc., INVESCO Value Equity Fund, Investor shares | 48,666 |
| Janus Capital Corporation, Janus Adviser Aggressive Growth Fund | 20,054 |
| Janus Capital Corporation, Janus Adviser Capital Appreciation Fund | 31,479 |
| Janus Capital Corporation, Janus Adviser Growth Fund | 2,628 |
| Janus Capital Corporation, Janus Adviser International Fund | 10,446 |
| Janus Capital Corporation, Janus Balanced Fund | 897,598 |
| Janus Capital Corporation, Janus Enterprise Fund | 1,665,917 |
| Janus Capital Corporation, Janus Flexible Income Fund | 535,554 |
| Janus Capital Corporation, Janus Fund | 918,245 |
| Janus Capital Corporation, Janus Mercury Fund | 3,981,457 |
| Janus Capital Corporation, Janus Twenty Fund | 2,346,237 |
| Janus Capital Corporation, Janus Worldwide Fund | 1,813,106 |
| LM Value Trust FI CL | 13,558 |
| Managers Funds, Managers Bond Fund | 255,160 |
| Managers Funds, Managers Capital Appreciation Fund | 11,637 |
| Managers Funds, Managers Income Equity Fund | 44,738 |
| Managers Funds, Managers Special Equity Fund | 46,033 |
| Merrill Lynch Asset Management, Merrill Lynch Capital Fund, Class A shares | 218,160 |
| Montgomery Asset Management, Montgomery Global 20 Portfolio, Class | |

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| | |
|--|-----------|
| R shares | 1,682 |
| Morgan Stanley Institutional Fund Trust, Balanced Fund, Advisor Class shares | 12,800 |
| Morgan Stanley Institutional Fund Trust, Fixed Income Fund, Advisor Class shares | 67,617 |
| Morgan Stanley Institutional Fund Trust, High Yield Portfolio, Advisor Class shares | 94,010 |
| Morgan Stanley Institutional Fund Trust, Mid Cap Growth Fund, Advisor Class shares | 609,212 |
| Morgan Stanley Institutional Fund Trust, Value Fund, Advisor Class shares | 1,395,101 |
| Morgan Stanley Institutional Fund, Inc., Active International Allocation Portfolio, Class B shares | 19,828 |
| Morgan Stanley Institutional Fund, Inc., Emerging Markets Portfolio, Class B shares | 90,952 |
| Morgan Stanley Institutional Fund, Inc., Equity Growth Portfolio, Class B shares | 24,200 |
| Morgan Stanley Institutional Fund, Inc., Global Value Portfolio, Class B shares | 102,266 |
| Morgan Stanley Institutional Fund, Inc., International Equity Portfolio, Class B shares | 34,900 |
| Morgan Stanley Institutional Fund, Inc., International Magnum Portfolio, Class B shares | 6,261 |
| Morgan Stanley Institutional Fund, Inc., Small Company Growth Portfolio, Class B shares | 948,262 |
| Morgan Stanley Institutional Fund, Inc., Value Equity Portfolio, Class B shares | 84,029 |
| Neuberger & Berman Management, Inc., Neuberger Berman Focus Trust | 277,490 |
| Neuberger & Berman Management, Inc., Neuberger Berman Genesis Trust | 1,067,781 |

Schedule 1
Page 10 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--------------------------------------|
| Neuberger & Berman Management, Inc., Neuberger Berman Guardian Trust | 39,101 |
| Neuberger & Berman Management, Inc., Neuberger Berman Manhattan Trust | 54,306 |
| Neuberger & Berman Management, Inc., Neuberger Berman Partners Trust | 75,968 |
| Neuberger & Berman Management, Inc., Neuberger Berman Socially Responsive Fund | 237 |
| Oakmark Equity & Income I | 74,638 |
| Oakmark Select I | 589,828 |
| Pacific Investment Management Company, PIMCO Capital Appreciation Fund, administrative shares | 224,958 |
| Pacific Investment Management Company, PIMCO Global Bond Fund, administrative shares | 436,252 |
| Pacific Investment Management Company, PIMCO High-Yield Fund, administrative shares | 2,091,315 |
| Pacific Investment Management Company, PIMCO Long-Term U.S. Government Fund, administrative shares | 758,111 |
| Pacific Investment Management Company, PIMCO Low Duration Fund, administrative shares | 321,182 |
| Pacific Investment Management Company, PIMCO Mid-Cap Fund, administrative shares | 285,189 |
| Pacific Investment Management Company, PIMCO Total Return Fund, administrative shares | 2,138,405 |

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| | |
|---|-----------|
| Pilgrim Baxter & Associates, PBHG Emerging Growth Fund | 145,121 |
| Pilgrim Baxter & Associates, PBHG Growth Fund | 328,481 |
| Pilgrim Baxter & Associates, PBHG Large Cap Value Fund | 35,329 |
| Pilgrim Baxter & Associates, PBHG Mid Cap Value Fund | 31,189 |
| Pilgrim Baxter & Associates, PBHG Strategic Small Company Fund | 1,995 |
| Rice Hall James & Associates, UAM Rice Hall James Small Cap Portfolio | 151,131 |
| RS Investment, RS Emerging Growth Fund | 41,464 |
| RS Investment, RS MicroCap Growth Fund | 58,889 |
| Scudder Kemper Investments, Scudder Global Discovery Fund | 10,669 |
| Strong Capital Management, Strong Advantage Fund, Investor Class | 151,268 |
| Strong Capital Management, Strong Advisor Common Stock Fund, Class Z shares | 34,828 |
| Strong Capital Management, Strong Advisor Small Cap Value Fund, Class Z shares | 29,651 |
| Strong Capital Management, Strong Discovery Fund | 32,841 |
| Strong Capital Management, Strong Government Securities Fund, Investor Class | 807,697 |
| Strong Capital Management, Strong Growth Fund, Investor Class | 404,586 |
| Strong Capital Management, Strong Large Cap Growth Fund | 116,614 |
| Strong Capital Management, Strong Opportunity Fund, Investor Class | 317,102 |
| Strong Capital Management, Strong Short-Term Bond Fund, Investor class | 94,823 |
| TCW Funds Management, TCW Galileo Aggressive Growth Equities Fund, Class N shares | 57,427 |
| TCW Funds Management, TCW Galileo Select Equity Fund, Class N shares | 16,601 |
| TCW Funds Management, TCW Galileo Small Cap Growth Fund, Class N shares | 19,649 |
| Templeton Asset Management, Templeton Developing Markets Fund, Class A shares | 170,833 |
| Templeton Global Advisors, Templeton Foreign Fund, Class A shares | 472,464 |
| Templeton Global Advisors, Templeton Growth Fund, Class A shares | 285,890 |
| Templeton Global Advisors, Templeton World Fund, Class A shares | 226,992 |
| Templeton Global Bond Managers, Templeton Global Bond Fund, Class A shares | 408,675 |
| Templeton Investment Counsel, Institutional Foreign Equity Fund | 2,350,490 |
| The Alger Fund, Alger Capital Appreciation Retirement Portfolio | 75,052 |

Schedule 1
Page 11 of 11

| IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT | PRINCIPAL AMOUNT OR NUMBER OF SHARES |
|--|--|
| The Alger Fund, Alger MidCap Growth Retirement Portfolio | 271,262 |
| The Alger Fund, Alger Small Capitalization Retirement Fund | 15,306 |
| USAA Investment Management, USAA Cornerstone Strategy Fund | 13,415 |
| USAA Investment Management, USAA Emerging Markets Fund | 114,462 |
| USAA Investment Management, USAA GNMA Trust | 429,472 |
| USAA Investment Management, USAA Growth Fund | 40,149 |
| USAA Investment Management, USAA Income Fund | 526,061 |
| USAA Investment Management, USAA Income Stock Fund | 78,255 |
| USAA Investment Management, USAA International Fund | 46,382 |
| Zurich Scudder Investments, Scudder 21st Century Growth Fund | 4,687 |
| Zurich Scudder Investments, Scudder Growth & Income Fund, Class S shares | 6,810 |
| Zurich Scudder Investments, Scudder International Fund, Class S shares | 3,421 |

Total mutual and commingled funds

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Participant loans, interest rate 10%

Total investments

(a) Cost information is not required to be presented for these participant-directed investments.

*Represents a party in interest.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrative Committee of Delta Air Lines, Inc. has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

DELTA FAMILY-CARE SAVINGS PLAN

/s/ Leon Piper

By: Leon Piper
Chairman, Administrative Committee
Delta Air Lines, Inc.

Date: June 26, 2003

Exhibit Index

EX-23 Consent of Deloitte & Touche LLP

Ex-99 Section 906 Certification pursuant to 18 U.S.C. Section 1350