

Delta Airlines 1Q results (3/31/26) and G-255 trade indicators

Delta Air Lines (DAL US Equity) 1Q Results – Reported April 8, 2026

Delta Air Lines reported Q4 2025 revenue of \$15.85 billion, up 1.9% year-over-year. The company posted a net loss of \$289 million versus net income of \$843 million in the prior-year quarter.

Operating performance weakened notably: Operating income fell to \$501 million (down \$1.22 billion or 70.8% year-over-year and down \$1.18 billion or 70.3% sequentially). Operating margin contracted sharply to 3.16% (down 7.88 percentage points year-over-year and 6.94 percentage points sequentially from 10.10%).

The gap between operating income and net loss reflects significant non-operating items totaling approximately \$790 million, primarily driven by losses on investments (mark-to-market adjustments and equity-method losses).

On the balance sheet, Delta meaningfully de-levered in the quarter: net debt fell to \$9.11 billion (down \$1.98 billion sequentially and \$4.02 billion year-over-year). Total debt stood at \$14.16 billion.

Cash flow and returns to shareholders remained resilient:

Operating cash flow (3 months) rose 2.3% year-over-year to \$2.43 billion.

Free cash flow (3 months) surged 41.2% to \$0.73 billion.

Returns to shareholders rose 38.8% to \$447 million (from \$322 million in Q4 2024).

G-255 Systematic Trade Indicators:

Delta maintains Long credit trade indicators across its senior and subordinated USD debt. All six tracked bonds now sit at fair value levels.

On the equity side, DAL registers a Long Below trade indicator. The stock closed at \$65.62, trading below the G-255 long trade indicator level of \$66.68.

Delta Air Lines Inc reported Q1 results 4/8/2026 (Fiscal Year End 12/26 Y Issuer Domiciled in UNITED STATES)										
(in millions)	31-Dec-25	30-Sep-25	31-Dec-24	YoY	QoQ	(in millions)	Q1 2025	Q1 2024		Stock Price
Net Debt	\$9,111	\$11,088	\$13,126	(\$4,015)	(\$1,977)	Revenue	\$15,854	\$15,559	+1.9%	\$65.62
Long-Term Debt	\$11,076	\$12,773	\$14,019	(\$2,943)	(\$1,697)	Net Income	(\$289)	\$843	(-134.3%)	\$61.83
Short-Term Debt	\$3,088	\$2,106	\$2,175	\$913	\$982					200-Day MA
Total Debt	\$14,164	\$14,879	\$16,194	(\$2,030)	(\$715)					30-Day Change
Mkt Securities	\$3,696	\$3,883	\$2,846	\$850	(\$187)	(in millions)	YTD 2025	YTD 2024		P/E Ratio
Operating Income	\$501	\$1,684	\$1,717	(\$1,216)	(\$1,183)	Revenue	\$15,854	\$15,559	+1.9%	16.19
Operating Margin	3.16%	10.10%	11.04%	-7.88%	-6.94%	Net Income	-\$289	\$843	(-134.3%)	P/E 7yr Range
		2026	2025			Ret to Shrh	\$129	\$97	+33.0%	Bottom
Operating Cash Flow (3mos)		\$2,432	\$2,378	2.3%		Dividend Growth Rate			█ #VALUE!	Negative
Free Cash Flow (3mos)		\$734	\$520	41.2%						Rev. Growth
1Q Operating Revenue Metrics		YoY	QoQ							Earn. Growth
Rev / Av Seat Mile		6.2%	-18.9%							P
Cost / Av Seat Mile		13.1%	58.2%							Long Below
Passenger Rev		7.0%	-4.8%							\$66.68
DELTA AIR LINES INC Senior and Subordinated USD Debt Outstanding with Systematic Trade Indicators										
	Short	Overvalued	Undervalued	Long	Avoid Long	Fair Value	TOTAL			Most Recent USD issue:
Number	0	0	0	0	0	6	6			DAL 5 1/4 07/10/30
\$USD Mkt Cap	\$0	\$0	\$0	\$0	\$0	\$3,742	\$3,742			6/5/2025
										Issue Spread
										130/5Y
										Current Spd
										79/7Y

DELTA AIR LINES INC	Issue	Market	Issue	Bid	12 mo	12mo	Trade	Attractive	Avoid	Short
Trading Indicators	Date	Cap (mm)	Spread	Spread	Wide	Tight	Indicator	Indicator	Indicator	Indicator
DELTA AIR LINES 2020-AA 1st lien FIXED Rate Notes (AA / Aa2)										
DAL 2 06/10/28	3/12/2020	\$534	#N/A N/A	45/5Y	213/5Y	49/5Y	Avoid	180/5Y	123/5Y	66/5Y
DELTA AIR LINES/SKYMILES 1st lien Notes (#N/A N/A/A3)										
DAL 4 3/4 10/20/28	9/23/2020	\$3,208	422/7Y	96/3Y	169/3Y	59/3Y	Avoid	147/3Y	109/3Y	71/3Y
DELTA AIR LINES INC Unsecured Notes										
DELTA AIR LINES INC Sr Unsecured FIXED Rate Notes (BBB- / Baa2)										
DAL 4 3/8 04/19/28	4/19/2018	\$410	155/5Y	22/3Y	148/3Y	62/3Y	Avoid	131/3Y	101/3Y	71/3Y
DAL 4.95 07/10/28	6/10/2025	\$1,000	105/5Y	83/3Y	110/3Y	61/3Y	Avoid	101/3Y	84/3Y	66/3Y
DAL 3 3/4 10/28/29	10/28/2019	\$474	200/5Y	102/3Y	207/3Y	66/3Y	Avoid	179/3Y	130/3Y	81/3Y
DAL 5 1/4 07/10/30	6/10/2025	\$1,000	130/5Y	99/7Y	137/7Y	79/7Y	Avoid	126/7Y	106/7Y	85/7Y