

Edgar Filing: DELTA AIR LINES INC /DE/ - Form 11-K

DELTA AIR LINES INC /DE/  
Form 11-K  
June 28, 2004

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

For the Year Ended December 31, 2003

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

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 SUPPLEMENTAL SCHEDULE

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as of December 31, 2003

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Administrative Committee of  
Delta Air Lines, Inc. and the participants of the Delta Family-Care Savings  
Plan:

We have audited the accompanying statements of net assets available for benefits of Delta Family-Care Savings Plan as of December 31, 2003 and 2002, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's Management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (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 audits provide 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, 2003 and 2002, and the changes in its net assets available for benefits for the years ended December 31, 2003 and 2002 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental Schedule of

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Assets (Held at End of Year) as of December 31, 2003 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's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's Management. Such schedule has been subjected to the auditing procedures applied in the audit of the basic 2003 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 28, 2004

DELTA FAMILY-CARE SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2003

(IN THOUSANDS)

	NONPARTICIPANT-DIRECTED		PARTICIPANT-DIRECTED	
	ALLOCATED	UNALLOCATED		
<b>ASSETS:</b>				
Cash	\$ -	\$ -	\$ 1,715	\$ -
Investments, at fair value as determined by quoted market prices (Note 4)	400,466	151,847	3,288,139	3,439,452
Investments, at contract value (Note 3)	-	-	705,175	705,175
Total investments	400,466	151,847	3,993,314	4,144,727
<b>Receivables:</b>				
Employer contributions	3,049	-	20,226	23,275
Interest and dividends and other	42	-	-	42
Total receivables	3,091	-	20,226	23,317
Total assets	403,557	151,847	4,015,255	4,168,044
<b>LIABILITIES:</b>				
<b>ESOP notes:</b>				
Current	-	36,449	-	36,449
Noncurrent	-	191,884	-	191,884
Interest payable	-	9,247	-	9,247

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Other payables	90	1,796	7,161	
	-----	-----	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$ 403,467	\$ (87,529)	\$4,008,094	\$4,008,094
	=====	=====	=====	=====

See notes to financial statements.

DELTA FAMILY-CARE SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2002

(IN THOUSANDS)

	NONPARTICIPANT-DIRECTED		PARTICIPANT-DIRECTED	
	ALLOCATED	UNALLOCATED	DIRECTED	
	-----	-----	-----	-----
ASSETS:				
Cash	\$ -	\$ 13,121	\$ 1,938	\$ -
	-----	-----	-----	-----
Investments, at fair value as determined by quoted market prices (Note 4)	353,703	175,639	2,559,767	3,089,019
Investments, at contract value (Note 3)	-	-	723,287	-
	-----	-----	-----	-----
Total investments	353,703	175,639	3,283,054	3,089,019
	-----	-----	-----	-----
Receivables:				
Employer contributions	3,036	-	21,167	-
Interest and dividends and other	-	1	46	-
	-----	-----	-----	-----
Total receivables	3,036	1	21,213	-
	-----	-----	-----	-----
Total assets	356,739	188,761	3,306,205	3,089,019
	-----	-----	-----	-----
LIABILITIES:				
ESOP notes:				
Current	-	32,655	-	-
Noncurrent	-	228,333	-	-
Interest payable	-	10,570	-	-
Other payables	13	2,826	538	-
	-----	-----	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$356,726	\$ (85,623)	\$3,305,667	\$3,089,019
	=====	=====	=====	=====

See notes to financial statements.

DELTA FAMILY-CARE SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2003

(IN THOUSANDS)

	NONPARTICIPANT-DIRECTED		PARTICIPANT-DIRECTED
	ALLOCATED	UNALLOCATED	
CONTRIBUTIONS:			
Participant	\$ -	\$ -	\$ 289,275
Employer	22,384	27,756	30,156
INVESTMENT INCOME:			
Net appreciation in fair value of investments	10,897	4,425	614,982
Interest and dividends	8,107	12,928	61,476
ALLOCATION OF SHARES, AT FAIR VALUE	27,198	(27,198)	-
BENEFITS PAID TO PARTICIPANTS	(20,597)	-	(293,664)
INTERFUND TRANSFERS	(1,211)	-	1,211
ADMINISTRATIVE EXPENSES	(37)	-	(1,009)
INTEREST EXPENSE ON ESOP NOTES	-	(19,817)	-
NET INCREASE (DECREASE)	46,741	(1,906)	702,427
NET ASSETS AVAILABLE FOR BENEFITS:			
Beginning of year	356,726	(85,623)	3,305,667
End of year	\$ 403,467	\$ (87,529)	\$ 4,008,094

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See notes to financial statements.

## 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-DIRECTED
	ALLOCATED	UNALLOCATED	
CONTRIBUTIONS:			
Participant	\$ -	\$ -	\$ 301,927
Employer	26,238	39,491	37,626
INVESTMENT INCOME:			
Net depreciation in fair value of investments	(122,716)	(41)	(590,250)
Interest and dividends	15,518	19,164	60,984
ALLOCATION OF SHARES, AT FAIR VALUE	26,601	(26,601)	-
BENEFITS PAID TO PARTICIPANTS	(23,394)	-	(273,183)
INTERFUND TRANSFERS	(1,395)	-	1,395
ADMINISTRATIVE EXPENSES	(44)	-	(1,262)
INTEREST EXPENSE ON ESOP NOTES	-	(22,323)	-
NET INCREASE (DECREASE)	(79,192)	9,690	(462,763)
NET ASSETS AVAILABLE FOR BENEFITS:			
Beginning of year	435,918	(95,313)	3,768,430
End of year	\$ 356,726	\$ (85,623)	\$ 3,305,667

See notes to financial statements.

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## DELTA FAMILY-CARE SAVINGS PLAN

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2003 AND DECEMBER 31, 2002

#### 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. ("Delta"). Substantially all Delta, Delta Technology, Inc. ("Delta Technology"), and Song Airways, LLC ("Song") 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 as amended ("ERISA"), 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.

Eligible U.S.-based nonpilot participants, including Song and 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. 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 eligible earnings which may be deferred into the Plan. For both calendar year 2003 and 2002, the limit is 12%. Pre-tax contributions are subject to the limits under Section 402(g) of the Code.

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

Delta pilots 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.

Effective April 1, 2003, Song participants who were employed on April 1, 2003 or who have completed 12 months of service, receive a matching contribution each payroll period of \$1 for every \$1 contributed by the participant, up to 3% of the participant's eligible earnings for such payroll period, plus \$.50 for every \$1 contributed by the participant above 3% (not to exceed 6%) of the participant's eligible earnings for such

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payroll period, with the total matching contribution no greater than 4.5% of the participant's eligible earnings for such payroll period, as defined in the Plan document. Employer contributions to Song participants are 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.

For Delta and Delta Technology participants, the first \$1,700 (\$1,650 for the year ended December 31, 2002 and increased by \$50 per Plan year) of these employer contributions (the "Annual Cap") to a participant's account is invested in the Delta ESOP 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 the employer'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, employer contributions in excess of the Annual Cap shall be made in Common Stock for non-collectively bargained, highly compensated employees, as determined under the Code, as amended.

Non-highly compensated Delta Technology participants may receive an additional annual profit-sharing employer contribution equal to 5% of their Delta Technology earnings, as defined in the Plan.

Song participants, who are Founders, as defined in the Plan document, may receive an additional annual employer contribution known as the Founders contribution which is equal to 3% of their earnings (as defined in the Plan) for the year, while a Song employee.

### 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 as provided in the Plan document.

### 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. Song participants, who are Founders, are immediately vested in all contributions to their accounts. Song participants, who are not Founders, become 100% vested after three years of service. At December 31, 2003 and 2002, forfeitures totaled approximately \$58,000 and \$34,000, respectively. Forfeitures from the Delta Technology participants' accounts were used to offset the 2003 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 employer 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



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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 installments for a definite period not to exceed life expectancy, monthly installments to be paid over the life expectancy of the participant and the participant's spouse, or the participant may defer distribution to a later date.

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 and Delta Technology rollover 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, catch-up contributions and certain rollover and elective transfer contributions.

### LOANS TO PARTICIPANTS

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. The rates are reset quarterly and ranged from 9% to 11% for the year ended December 31, 2003 and were 10% for the year ended December 31, 2002.

### FINANCIAL CONDITION OF DELTA AIR LINES, INC.

Delta reported a net loss of \$773 million for the year ended December 31, 2003, and an unaudited net loss of \$383 million for the March 2004 quarter. In its Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2004, Delta said that continued losses of the magnitude experienced in 2003 and the March 2004 quarter are unsustainable over the long term, and that Delta has significant obligations due in 2005 and thereafter. Delta further said that, if it cannot achieve a competitive cost structure, regain sustained profitability and access the capital markets on acceptable terms, it will need to pursue alternative courses of action intended to make it viable for the long-term, including the possibility of seeking to restructure its costs under Chapter 11 of the U.S. Bankruptcy Code.

## 2. INVESTMENT OPTIONS

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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 and a brokerage window. 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 ESOP 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 accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America.

#### USE OF ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires Plan management to use estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from these estimates. The Plan utilizes various investment vehicles, including mutual funds, investment contracts, common stock, preferred stock, and collective trust funds. 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, including Delta's Common Stock and Preferred Stock, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

#### INVESTMENT VALUATION AND INCOME RECOGNITION

Investments, except for investment contracts and loans, are stated at fair value. Participant loans are valued at the outstanding loan balances. 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) or (b) \$72 per share, plus accrued dividends.

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 Plan's investment contracts are fully benefit-responsive and,

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therefore, are presented at contract value (cost plus accrued income). The fair value of the investment contracts held by the Plan at December 31, 2003 and December 31, 2002 was approximately \$657,917,000 and \$673,955,000, respectively. The average yield rates for the investment contracts for the years ended December 31, 2003 and December 31, 2002 were 4.65% and 5.46%, respectively. The weighted average crediting rates for the investment contracts for the years ended December 31, 2003 and December 31, 2002 were 4.72% and 5.17%, 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, 2003, the fair value of the assets underlying the synthetic GICs and the value of the related wrapper contracts was \$611,763,000 and \$(17,284,000), respectively. 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. 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, 2003 and 2002 are separately identified as follows (in thousands, except for share amounts):

#### December 31, 2003:

Fidelity Contrafund, 5,506,404 shares	\$271,741
Fidelity U.S. Equity Index Commingled Fund, 7,578,044 shares	255,911
FMTC Select Equity Portfolio, 6,382,131 shares	218,588
Delta Preferred Stock, 5,839,708 shares	433,365**

#### 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**

\* Partially nonparticipant-directed

\*\*Nonparticipant-directed

During the years ended December 31, 2003 and 2002, the Plan's investments appreciated (depreciated) in fair value as follows (in thousands):

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	2003 -----	2002 -----
Mutual funds	\$ 536,062	\$ (488,101)
Delta Common Stock	1,580	(204,515)
Delta Preferred Stock	12,838	117
Commingled funds	79,824	(20,508)
	-----	-----
	\$630,304	\$ (713,007)
	=====	=====

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, 2003 and 2002 (in thousands):

	----- 2003 -----	----- 2002 -----
Investments:		
Delta Common Stock	\$118,860	\$ 92,361
Delta Preferred Stock	433,365	436,958
Money Market fund	88	23
	-----	-----
	\$552,313	\$529,342
	=====	=====

5. TAX STATUS

The Plan 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. The Plan also received a favorable determination letter applicable to the amendment executed November 12, 2003. As a result of certain plan administration and operational concerns, Delta has

sought relief under Revenue Procedure 2001-17. This relief was granted in early 2004. Delta and the plan administrator believe that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

6. PLAN TERMINATION

Although it has not expressed any intent to do so at this time, Delta has

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the right under the Plan to discontinue its contributions at any time and to amend or terminate the Plan. 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.

In 1990, the Plan issued \$481.4 million principal amount of its Guaranteed Serial ESOP notes ("ESOP Notes") 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, Delta is obligated to make annual contributions sufficient to fund principal and interest payments on the ESOP Notes. At December 31, 2003 and 2002, respectively, Delta held \$210.2 million and \$168.8 million of the principal amount of the ESOP Notes, and acquired the remaining \$18.1 million of the principal amount of the ESOP Notes during the first quarter of 2004.

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 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 non-elective 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 non-elective 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, other than Song employees, making contributions to the Plan at that time.

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The ESOP Notes will be repaid primarily from the Delta'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.

In July 2003, Delta's Board of Directors discontinued the payment of quarterly cash dividends on Common Stock. Effective December 2003, Delta's Board of Directors suspended indefinitely the payment of dividends on the Preferred Stock to comply with Delaware law. Dividends on Preferred Stock continue to accrue, and the Preferred Stock value reflected in the statement of net assets includes accrued but unpaid dividends.

As of December 31, 2003, 3,793,686 shares of Preferred Stock with a market value, as defined, of approximately \$281,530,000 had been allocated to participants' accounts, and 2,046,022 shares of Preferred Stock with a market value, as defined, of approximately \$151,835,000 were held in the unallocated account.

### 8. LONG-TERM DEBT

At December 31, 2003, the Plan's long-term debt, including current maturities of \$36,449,000, consisted of \$228,333,000 aggregate principal amount of ESOP Notes with final maturity dates ranging from July 1, 2004 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.

At December 31, 2003, the annual maturities of the ESOP Notes for the next five years and thereafter are as follows (in thousands):

Years ending December 31:	
2004	36,449
2005	40,621
2006	45,209
2007	50,254
2008	37,240
After 2008	18,560
	-----
Total	\$ 228,333
	=====

### 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. Fees paid by the Plan to an affiliate of the Trustee for record keeping services totaled approximately \$433,000 and \$454,000 for the years ended December 31, 2003 and December 31, 2002, respectively. Fees paid by the Plan for investment management vary by fund and are generally reflected as a reduction in fund earnings.

DELTA FAMILY-CARE SAVINGS PLAN

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SCHEDULE H, PART IV, LINE 4I - ASSETS (HELD AT END OF YEAR)  
DECEMBER 31, 2003

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	860,159
* FMTC Select International Portfolio	1,005,187
Delta U.S. Equity Pool:	
* Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund	828,735
* Fidelity Management & Research Company, FMTC Select Equity Portfolio	4,225,542
RS Investment, RS Small Company Growth	854,575
Total	
DELTA COMMINGLED BOND FUND:	
* FMTC Broad Market Duration	5,048,937
Total	
DELTA COMMON STOCK FUND:	
* Delta Air Lines, Inc. Common Stock	7,155,409
* Fidelity Institutional Cash Portfolio: Money Market	1,444,588
Total	
INSURANCE CONTRACT/STABLE VALUE FUND:	
* Fidelity Management Trust Company, Short-Term Investment Fund	4,400,889
GUARANTEED INVESTMENT CONTRACTS:	
Allstate Life Insurance Company:	
#GAC-6324, 5.93%, due April 19, 2005	
GE Life & Annuity Assurance Company:	
# GS-3448, 7.38%, due August 16, 2004	
# GS-3529, 5.55%, due March 29, 2004	
John Hancock Life Insurance:	
# 15133, 5.95%, due January 18, 2005	
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	
New York Life Insurance Company:	
# GA-31314, 5.25%, due August 10, 2004	
# GA31199 7.15%, due November 8, 2004	
SunAmerica Life Insurance Company:	
# 4888, 8.23%, due January 2, 2004	
SYNTHETIC INSURANCE CONTRACTS:	
Bank of America	
Wrapper Contract # 03-080, 4.56%	
ING Life & Annuity	

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Wrapper Contract # 60082, 4.53%  
 Monumental Life Insurance Company  
 Wrapper Contract # MDA -00594TR, 4.49%  
 Rabobank Nederland

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT	PRINCIPAL AMOUNT OR NUMBER OF SHARES
Wrapper Contract # DAL100301, 3.86% State Street Bank	
Wrapper Contract #103019, 4.00% UBS AG	
Wrapper Contract #5158, 4.47% Monumental Life Insurance Company	
Wrapper Contract #MDA-00580TR	
GLOBAL WRAP:	
CWHL 02-25 2A1 5.5%, November, 2017	
Accredited Mortgage Loan Trust 4.23%, October 25, 2033	
Accredited Mortgage Loan Trust 4.23%, January 25, 2034	
ABN-AMRO Bank (Chicago) 7.25%, May 31, 2005	
ACE Securities Corp June 25,2033	
ACE Securities Corp June 25,2033	
ACE Securities Corp July 25,2033	
ACE Securities Corp October 25,2033	
ACE Securities Corp October 25,2033	
ACE Securities Corp July 25,2032	
American Express Credit Account Master TR Series 2001-1 September 17, 2007	
American General Finance Corp. SR MTN 2.75%, June 15, 2008	
Americredit Auto Rec TR Series 2002 4.61%, January, 2009	
Americredit Auto Rec TR Series 2002 3.78%, February, 2007	
Americredit Auto Rec TR Series 2002 4.46%, April, 2009	
Americredit Auto Rec TR Series 2002 3.32%, June, 2009	
Americredit Auto Rec TR Series 2002 2.11%, August, 2007	
Americredit Auto Rec TR Series 2002 2.72%, January, 2010	
Americredit Auto Rec TR Series 2002 2.75%, October, 2007	
Ameriquest Mortgage Securities, Series 2002 September 2032	
Ameriquest Mortgage Securities, Series 2002 February 2033	
Ameriquest Mortgage Securities, Series 2002 February 2033	
Ameriquest Mortgage Securities, Series 2002 March 2033	
Ameriquest Mortgage Securities, Series 2002 August 2033	
Ameriquest Mortgage Securities, Series 2002 May 2033	
Ameriquest Mortgage Securities, Series 2002 August 2033	
Amvescap PLC 6.6%, May 15, 2005	
Argent Securities Inc., Series 2003-W3, September 2033	
Argent Securities Inc., Series 2003-W3, September 2033	
Asset Backed Securities Corporation Home Equity Loan Trust 2002-HE3 October 2032	
Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE1 January 2033	
Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE3 June 2033	
Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE3 June 2033	
Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE4	



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August 2033  
 Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE4  
 August 2033  
 Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE5  
 August 2033  
 Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE6  
 November 2033  
 Asset Backed Securities Corporation Home Equity Loan Trust 2003-HE7  
 December 2033  
 Bank One Corp., 6.00%, August 1, 2008  
 Bank One Issuance Trust ONEseries 4.16%, May 15, 2005  
 Bank One Issuance Trust ONEseries February 17,2009

PRINCIPAL AMOUNT  
 OR NUMBER  
 OF SHARES

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT

Bank of America, 4.375%, December, 2010  
 Bank of America GBLB 3.875%, January 15, 2008  
 BMW Vehicle Owner Trust Series 2002-A 3 3.8%, May 2006  
 Bank America MH Contract 1998-2 6.24%, July 10,2011  
 Bayview Financial Mortgage Pass-Through Trust, Series 2003-F  
 September 28, 2043  
 Bear Stearns Co. 5.7% January 15, 2007  
 British Columbia (Province of) Canada 7.25%, February 8, 2005  
 British Telecommunications 7.825%, December 15, 2005  
 CDC Mortgage Capital Trust 2002-HE3, March, 2033  
 CDC Mortgage Capital Trust 2003-HE1, August, 2033  
 CDC Mortgage Capital Trust 2003-HE2, October, 2033  
 CDC Mortgage Capital Trust 2003-HE3, November, 2033  
 CDC Mortgage Capital Trust 2003-HE3, November, 2033  
 CWABS, Inc. Asset Backed Certificates, Series 2002-5, March 2033  
 Capital One Auto Finance Trust Series 2002-2, 4.03%, August, 2006  
 Capital One Auto Finance Trust Series 2001-B, 4.88%, September, 2008  
 Capital One Auto Finance Trust Series 2002-B, 2.71%, October, 2016  
 Capital One Auto Finance Trust Series 2003-A, 1.83%, October, 2007  
 Capital One Master TR Series 2001-8, 4.6%, August, 2009  
 Capital One Master TR Series 2001-7, 3.85%, August, 2007  
 Capital One Multi-Asset Execution TR Card Series, July, 2008  
 Capital One Multi-Asset Execution TR Card Series, February, 2009  
 Capital One Multi-Asset Execution TR Card Series, July, 2011  
 Chase Credit Card Owner Trust 2003-6, February, 2011  
 Consolidated Natural Gas Company 5.375%, November 2006  
 Chile (Republic of), 5.625%, July 23, 2007  
 Citibank CC Issuance Trust Series, December, 2008  
 Citibank CC Issuance Trust Series, December, 2006  
 Citibank Credit Card Master Trust Series 1997-7 Class A, 6.65%,  
 November 15, 2006  
 Citibank Credit Card Master Trust Series 1999-1 Class-A, 5.5%  
 February 15, 2006  
 Citigroup Inc, 5.75%, May 10, 2006  
 Citigroup Inc, 5% March 6, 2007  
 Citigroup Inc, 3.5% February 1, 2008  
 Countrywide Home Loan, 5.25%, June 15, 2004  
 Countrywide Home Loan, 5.5%, February 1, 2007

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Countrywide Home Loan, 5.625%, March 15, 2007  
 CS First Boston Group Inc Series 1997-C2 Class A2, 6.52%, January, 2035  
 CSFB Commercial Mortgage Trust 2002-CKP1, 4.627%, December, 2035  
 CSFB Coml Mtg PTC 1999-C1 Tranche A-1, 6.91%, September, 2041  
 CSFB Coml Mtg PTC 2003-C4, 4.7%, August, 2036  
 CSFB Mortgage Securities Corp. Series 2003-3, August, 2033  
 CSFB Mortgage Securities Corp. Series 2003-4, October, 2033  
 CSFB Mortgage Securities Corp. Series 2003-5, December, 2033  
 CSFB Mortgage Securities Corp. Series 2003-5, December, 2033  
 Daimler Chrysler, 7.4%, January 20, 2005  
 DaimlerChrysler Nth America Hldgs, 6.4%, May 15, 2006  
 DaimlerChrysler Nth America Hldgs, 4.75%, January 15, 2008  
 Deere John Cap Corp Series Mtnd, 4.125%, July 15, 2005  
 Deere John Cap Corp Series Mtnd, 3.9%, July 15, 2008  
 Deutsche Mortgage & Asset Receiving Corp. 1998-C1 6.538%, June, 2031  
 Discover Card Mstr Tr 96-3 Series A, 6.05%, August, 2008  
 Discover Card Mstr Tr 2003-4 Series A, May, 2011  
 Export Development Corp 2.375%, April 2006  
 FPL Group Capital 3.25%, April, 2006  
 FPL Group Capital 1.875%, March, 2005  
 FHR 1198, February 2007

### IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT

PRINCIPAL AMOUNT  
 OR NUMBER  
 OF SHARES

FHR 1634, November 2022  
 FHR 1610 6.25%, April 2022  
 FHR 1652 6.6%, August 2022  
 FHR 1650 6.25%, October 2022  
 FHR 1702 6.5%, April 2022  
 FHR 1680 6.25% January 2023  
 FHR 1708 July 2008  
 FHR 1803, December 2008  
 FHLB 2.875%, September 15, 2006  
 FHLMC Global 2.875%, December 15, 2006  
 FNR 93-225 6.3%, October, 2022  
 FNR 94-50 5.5%, January 2023  
 FNR 96-40 6%, December 2008  
 FNR 97- 6.5%, October, 2022  
 FNR 01-17 6.5%, June, 2029  
 FNR 02-52 6%, April 2031  
 FHR 2473 5.5%, February 2029  
 FNR 03-128 4%, January 2019  
 FHR 2707 4.5%, November 2018  
 FHR 2707 5%, November 2018  
 Federal National Mortgage Association 15yr, 6.5%, January, 2019  
 Federal National Mortgage Association 15yr, 7.0%, January, 2019  
 Federal Home Loan Mortgage Corporation, 2.75%, October, 2006  
 Federal Home Loan Mortgage Corporation, 5.25%, January, 2006  
 Federal National Mortgage Association, 2.625%, November, 2006  
 Federal National Mortgage Association 15yr, 6.5%, January, 2009  
 Federal National Mortgage Association 15yr, 6.5%, November, 2007  
 Federal National Mortgage Association 15yr, 6.5%, December, 2008  
 Federal National Mortgage Association 15yr, 6.5%, November, 2008

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Federal National Mortgage Association 15yr, 6.5%, June, 2008  
 Federal National Mortgage Association 15yr, 6.0%, July, 2012  
 Federal National Mortgage Association 15yr, 6.5%, April, 2013  
 Federal National Mortgage Association 15yr, 7.0%, May, 2017  
 Federal National Mortgage Association 15yr, 6.5%, February, 2009  
 Federal National Mortgage Association 15yr, 6.5%, April, 2009  
 Federal National Mortgage Association 15yr, 6.5%, April, 2009  
 Federal National Mortgage Association 15yr, 7.0%, March, 2011  
 Federal National Mortgage Association 15yr, 7.0%, June, 2010  
 Federal National Mortgage Association 15yr, 6.0%, September, 2012  
 Federal National Mortgage Association 15yr, 6.5%, December, 2010  
 Federal National Mortgage Association 15yr, 6.0%, June, 2014  
 Federal National Mortgage Association 15yr, 6.5%, June, 2014  
 Federal National Mortgage Association 15yr, 7.0%, December, 2010  
 Federal National Mortgage Association 15yr, 6.0%, January, 2012  
 Federal National Mortgage Association 15yr, 6.0%, February, 2012  
 Federal National Mortgage Association 15yr, 6.0%, March, 2013  
 Federal National Mortgage Association 15yr, 6.5%, December, 2012  
 Federal National Mortgage Association 15yr, 6.5%, May, 2011  
 Federal National Mortgage Association 15yr, 6.5%, March, 2013  
 Federal National Mortgage Association 15yr, 6.0%, April, 2013  
 Federal National Mortgage Association 15yr, 6.0%, June, 2013  
 Federal National Mortgage Association 15yr, 6.0%, May, 2014  
 Federal National Mortgage Association 15yr, 6.0%, August, 2014  
 Federal National Mortgage Association 15yr, 6.5%, July, 2014  
 Federal National Mortgage Association 15yr, 6.0%, November, 2014  
 Federal National Mortgage Association 15yr, 6.5%, April, 2013  
 Federal National Mortgage Association 15yr, 6.0%, November, 2015  
 Federal National Mortgage Association 15yr, 6.5%, March, 2016  
 Federal National Mortgage Association 15yr, 6.5%, November, 2015

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OF SHARES

Federal National Mortgage Association 15yr, 6.0%, August, 2016  
 Federal National Mortgage Association 15yr, 7.0%, March, 2017  
 Federal National Mortgage Association 15yr, 6.5%, October, 2017  
 Federal National Mortgage Association 15yr, 6.0%, July, 2015  
 Federal National Mortgage Association 15yr, 6.5%, November, 2017  
 Federal National Mortgage Association 15yr, 6.5%, June, 2015  
 Federal National Mortgage Association 15yr, 7.0%, February, 2016  
 Federal National Mortgage Association 15yr, 6.0%, April, 2016  
 Federal National Mortgage Association 15yr, 6.0%, April, 2016  
 Federal National Mortgage Association 15yr, 6.5%, July, 2016  
 Federal National Mortgage Association 15yr, 6.0%, May, 2016  
 Federal National Mortgage Association 15yr, 6.0%, September, 2016  
 Federal National Mortgage Association 15yr, 6.0%, October, 2016  
 Federal National Mortgage Association 15yr, 6.0%, January, 2017  
 Federal National Mortgage Association 15yr, 6.5%, February, 2017  
 Federal National Mortgage Association 15yr, 6.0%, March, 2017  
 Federal National Mortgage Association 15yr, 6.0%, March, 2017  
 Federal National Mortgage Association 15yr, 6.5%, March, 2017  
 Federal National Mortgage Association 15yr, 6.0%, April, 2017  
 Federal National Mortgage Association 15yr, 6.0%, April, 2017  
 Federal National Mortgage Association 15yr, 6.0%, July, 2017  
 Federal National Mortgage Association 15yr, 6.0%, May, 2017  
 Federal National Mortgage Association 15yr, 6.5%, June, 2017

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Federal National Mortgage Association 15yr, 6.0%, August, 2017  
 Federal National Mortgage Association 15yr, 6.0%, July, 2017  
 Federal National Mortgage Association 15yr, 6.0%, February, 2018  
 Federal National Mortgage Association 15yr, 6.0%, August, 2017  
 Federal National Mortgage Association 15yr, 6.0%, August, 2017  
 Federal National Mortgage Association 15yr, 6.0%, September, 2017  
 Fieldstone Mortgage Investment Corp 2003-1  
 Fleet Financial Bank 8%, September 2004  
 First Union - Lehman Brothers 7.3%, April 2029  
 First Union Corp, 5.8%, December, 2008  
 Fleet Credit Card Master Trust II, 3.86%, March 2007  
 Fleet Financial Bank 7.25%, September 2005  
 Ford Auto Credit 2.85%, October, 2007  
 Ford Motor Credit 6.875%, February, 2006  
 Franklin Resources 3.7%, April 15, 2008  
 GSMS 03-C1 3.59%, January 2040  
 GSAMP Trust 02-HE, November 2032  
 GE Cap Corp 7.25%, February 2005  
 Goldman Sachs 4.125%, January 2008  
 GNR 02-37 A 4.538%, October, 2013  
 GNR 02-53 AL 4.402%, January, 2017  
 GNR 02-53 AL 4.402%, April, 2020  
 GNR 02-25 AL 5.161%, May, 2015  
 Gracechurch Card Funding, August 2008  
 Gracechurch Card Funding, 2.7% August 2009  
 Hartford Financial 2.375%, June 2006  
 Heller Comm Mtg 2000-PH-1 Tranche A-1, 7.715%, January, 2034  
 Hewlett-Packard Co, 7.15%, June 15, 2005  
 Household Automotive Trust Flt Rt, 2.75%, June, 2007  
 Household Automotive Trust Series 2002-CL A3, 2.85%, March, 2007  
 Household Automotive Trust Flt Rt, 1.73%, December, 2007  
 Household Fin Corp, 4.625%, January 15, 2008  
 Household International, 8.875%, February 15, 2008  
 Household Home Equity 02-2 A, April 2032  
 Household Home Equity 03-1 A, October 2032  
 Household Home Equity 03-1 M, October 2032

### IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT

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 OR NUMBER  
 OF SHARES

Household Home Equity 03-2 M, September 2033  
 Household Prvt Label Credit Master Note, 4.95%, August 2008  
 Household Home Mortgage Loan Trust 02-HC1, May 2032  
 Household Home Mortgage Loan Trust 03-HC1, February 2033  
 Household Home Mortgage Loan Trust 03-HC1, February 2033  
 Household Home Mortgage Loan Trust 03-HC2, June 2033  
 Household Home Mortgage Loan Trust 03-HC2, June 2033  
 International Lease Financial, 4.375%, November 01, 2009  
 JP Morgan Chase 5.25%, May 30, 2007  
 Kraft Foods 5.25%, June 1, 2007  
 Keyspan Corp, 7.25%, November 15, 2005  
 Lehman Brothers Holdings, 4.0%, January 22, 2008  
 Long Beach Mortgage Loan Trust, June, 2033  
 Long Beach Mortgage Loan Trust, July, 2033

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Merrill Lynch Mortgage Investors Trust, September, 2029  
Merrill Lynch Mortgage Investors Trust, March, 2028  
Merrill Lynch & Co, 4.125%, January 15, 2009  
Merrill Lynch & Co, Inc, 4%, November 15, 2007  
Morgan Stanley Dean Witter, 6.1%, April 15, 2006  
Morgan Stanley Dean Witter, 5.8%, April 01, 2007  
Morgan Stanley Dean Witter, 3.625%, April 01, 2008  
Morgan Stanley ABS Capital I Inc. 2002-NC6, November, 2032  
Morgan Stanley ABS Capital I Inc. 2003-NC6, June, 2033  
Morgan Stanley ABS Capital I Inc. 2003-HE1, June, 2033  
Morgan Stanley ABS Capital I Inc. 2003-NC7, June, 2033  
Morgan Stanley ABS Capital I Inc. 2003-NC7, June, 2033  
Morgan Stanley ABS Capital I Inc. 2003-NC8, September, 2033  
Morgan Stanley ABS Capital I Inc. 2003-NC10, September, 2033  
Morgan Stanley Dean Witter 03-NC2 February, 2033  
Morgan Stanley Dean Witter 01-NC3 October 2031  
Morgan Stanley Dean Witter 01-NC4 January 2032  
Morgan Stanley Dean Witter 02-HE1 July 2032  
Morgan Stanley Dean Witter 02-OP1 September 2032  
Morgan Stanley Dean Witter 02-NC5 October, 2032  
National Rural Utilities Co-op 3.24%, July 22, 2007  
New Century Home Equity Loan Trust, Series 2003-6, January, 2034  
Nissan Auto Lease Trust 2.57%, June 2009  
NovaStar Mortgage Funding Trust, Series 2003-2, September 2033  
Ontario (Province of), 7.625%, June 22, 2004  
Ontario (Province of), 6%, February 21, 2006  
Onyx Accept Owner Tr 2002-A Series A-3, 3.75%, April, 2006  
Onyx Accept Owner Tr 2002-B Series A-3, 3.94%, June, 2006  
Onyx Accept Owner Tr 2002-C Series A-3, 3.29%, September, 2006  
Onyx Accept Owner Tr 2002-D Series A-3, 2.47%, December, 2006  
Onyx Accept Owner Tr 2003-C Series A-3, 1.87%, August, 2007  
Onyx Accept Owner Tr 2003-D Series A-3, 2.4%, December, 2007  
Peco Energy Transition Trust 1999-A Series A-4, 5.8%, March 2007  
Philip Morris, 6.375%, February 1, 2006  
Phillip Morris Global BD, 7%, July 15, 2005  
Phillips Petroleum, 8.5%, May 25, 2005  
Phillips Petroleum, 8.75%, May 25, 2010  
PNC Bank N.A., 7.88%, April 15, 2005  
Powergen US Funding LLC, 4.5%, October 15, 2004  
Quebec (providence of) 7.0% January 30, 2007  
Quebec (providence of) 5.625% January 19, 2005  
Prudential Secur Fin Secs Secd Fing Coml Mtg 7.617%, May 2032  
Quebec Global 5.5%, April 11, 2006  
Reed Elsevier Capital, 6.125%, August 1, 2006  
RAMP 03-SL1 7.125% April 2031

PRINCIPAL AMOUNT  
OR NUMBER  
OF SHARES

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT

RAMP 03-RZ2 3.6% April 2033  
SLM Corporation 3.625%, March 2008  
Citibank Home Equity Loan Trust, April 2033  
Citibank Omni-S Master Trust 5.25%, October 2008  
Salomon Smith Barney Hld, 5.875%, March 15, 2006  
Amortizing Residential Collateral Trust  
Telefonica Europe, 7.35%, September 15, 2005

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Terwin Mortgage Trust, November 2033  
 Textron Financial 2.75%, June 2006  
 Toyota 4.35%, December 15, 2010  
 USAA Auto Owner Trust 1.58%, June 15, 2007  
 U.S. Government Treasury Notes, 11.75%, February 15, 2010  
 U.S. Government Treasury Notes, 10%, May 15, 2010  
 U.S. Government Treasury Notes, 7%, July 15, 2006  
 U.S. Government Treasury Notes, 1.875%, December 31, 2005  
 Verizon Global Funding Corp, 6.125%, June 15, 2007  
 Verizon Wireless Inc, 4%, January 15, 2008  
 Verizon Wireless Inc, 5.375%, December 15, 2006  
 Viacom Inc, 7.75%, June 1, 2005  
 Vodafone Group, 7.625%, February 15, 2005  
 WFS Financial Owner TR Series 2002-1 CL A3A, 4.15%, December, 2006  
 WFS Financial Owner Trust Series 2002-2 Class A3, 3.81%, February 2007  
 Washington Mutual 7.5%, August 15, 2006  
 Washington Mutual 5.625%, January 15, 2007  
 WAMMS 03-MS9 7.5%, December 2033  
 CIT Group Inc 3.875%, November 3, 2008  
 GMAC Global 7.5%, July 15, 2005  
 PCCMT 00-1 A 6.7%, October 2009  
 \* Fidelity Management Trust Company, Short-Term Investment Fund  
 Wrapper Contracts, 4.47%

Total

### DELTA AIRLINES BALANCED FUND:

Delta U.S. Equity Pool:

*	Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund	4,817
*	Fidelity Management & Research Company, FMTC Select Equity Portfolio	24,563
*	RS Investment, RS Small Company Growth	4,968
*	FMTC Broad Market Duration	39,727

Total

### DELTA CONSERVATIVE BALANCED FUND:

Delta U.S. Equity Pool:

*	Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund	63,548
*	Fidelity Management & Research Company, FMTC Select Equity Portfolio	324,017
*	RS Investment, RS Small Company Growth	65,529
*	FMTC Broad Market Duration	1,495,898

Total

### DELTA GROWTH BALANCED FUND:

Delta U.S. Equity Pool:

	PRINCIPAL AMOUNT OR NUMBER OF SHARES	
IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT		
*	Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund	354,596
*	Fidelity Management & Research Company, FMTC Select Equity Portfolio	1,808,009
*	RS Investment, RS Small Company Growth	365,652

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\* FMTC Broad Market Duration 950,466

Total

DELTA ESOP STOCK FUND:

\* Delta Air Lines, Inc. Common Stock 10,064,408  
 \* Delta Air Lines, Inc. Convertible Preferred Series B 5,839,708  
 \* Fidelity Institutional Cash Portfolio--Money Market 87,941

Total

MUTUAL AND COMMINGLED FUNDS:

\* Fidelity Management & Research Company, Fidelity Fund 236,749  
 \* Fidelity Management & Research Company, Fidelity Puritan Fund 330,518  
 \* Fidelity Management & Research Company, Fidelity Trend Fund 4,413  
 \* Fidelity Management & Research Company, Fidelity Ginnie Mae Fund 849,843  
 \* Fidelity Management & Research Company, Fidelity Magellan Fund 1,605,146  
 \* Fidelity Management & Research Company, Fidelity Contra fund 5,506,404  
 \* Fidelity Management & Research Company, Fidelity Equity-Income Fund 1,113,984  
 \* Fidelity Management & Research Company, Fidelity Growth Company Fund 478,727  
 \* Fidelity Management & Research Company, Fidelity Investment-Grade Bond Fund 561,087  
 \* Fidelity Management & Research Company, Fidelity Growth & Income Portfolio 3,038,076  
 \* Fidelity Management & Research Company, Fidelity Intermediate Bond Fund 323,951  
 \* Fidelity Management & Research Company, Fidelity Capital & Income Fund 971,965  
 \* Fidelity Management & Research Company, Fidelity Value Fund 488,167  
 \* Fidelity Management & Research Company, Fidelity Government Income Fund 560,875  
 \* Fidelity Management & Research Company, Fidelity Independence Fund 206,894  
 \* Fidelity Management & Research Company, Fidelity OTC Portfolio 1,297,208  
 \* Fidelity Management & Research Company, Fidelity Overseas Fund 52,897  
 \* Fidelity Management & Research Company, Fidelity Europe Fund 150,155  
 \* Fidelity Management & Research Company, Fidelity Pacific Basin Fund 269,782  
 \* Fidelity Management & Research Company, Fidelity Real Estate Investment Fund 1,661,599  
 \* Fidelity Management & Research Company, Fidelity Balanced Fund 750,097  
 \* Fidelity Management & Research Company, Fidelity International Growth & Income Fund 71,487  
 \* Fidelity Management & Research Company, Fidelity Capital Appreciation Fund 500,302  
 \* Fidelity Management & Research Company, Fidelity Convertible Securities Fund 318,061  
 \* Fidelity Management & Research Company, Fidelity Canada Fund 94,237  
 \* Fidelity Management & Research Company, Fidelity Utilities Fund 284,408  
 \* Fidelity Management & Research Company, Fidelity Blue Chip Growth Fund 509,322

PRINCIPAL AMOUNT  
OR NUMBER  
OF SHARES

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT

\* Fidelity Management & Research Company, Fidelity Asset Manager 190,065  
 \* Fidelity Management & Research Company, Fidelity Disciplined Equity Fund 43,234  
 \* Fidelity Management & Research Company, Fidelity Low-Priced Stock Fund 2,512,922  
 \* Fidelity Management & Research Company, Spartan Market Index Fund 544,884  
 \* Fidelity Management & Research Company, Fidelity Worldwide Fund 94,396  
 \* Fidelity Management & Research Company, Fidelity Equity-Income II Fund 300,800  
 \* Fidelity Management & Research Company, Fidelity Stock Selector Fund 21,743  
 \* Fidelity Management & Research Company, Fidelity Asset Manager: Growth 140,245

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*	Fidelity Management & Research Company, Fidelity Emerging Markets Fund	253,994
*	Fidelity Management & Research Company, Fidelity Aggressive Growth Fund	2,024,990
*	Fidelity Management & Research Company, Fidelity Diversified International Fund	916,018
*	Fidelity Management & Research Company, Fidelity Asset Manager: Income	90,890
*	Fidelity Management & Research Company, Fidelity Dividend Growth Fund	1,248,876
*	Fidelity Management & Research Company, Fidelity New Markets Income Fund	976,228
*	Fidelity Management & Research Company, Fidelity Export & Multinational Fund	329,181
*	Fidelity Management & Research Company, Fidelity Focused Stock Fund	63,861
*	Fidelity Management & Research Company, Fidelity Global Balanced Fund	33,386
*	Fidelity Management & Research Company, Fidelity International Value Fund	103,834
*	Fidelity Management & Research Company, Fidelity Small-Cap Selector Fund	122,729
*	Fidelity Management & Research Company, Fidelity Mid-Cap Stock Fund	1,206,142
*	Fidelity Management & Research Company, Fidelity Large-Cap Stock Fund	195,867
*	Fidelity Management & Research Company, Fidelity Discovery Fund	85,411
*	Fidelity Management & Research Company, Fidelity Small-Cap Stock Fund	672,867
*	Fidelity Management & Research Company, Fidelity Europe Capital Appreciation Fund	10,044
*	Fidelity Management & Research Company, Fidelity Nordic Fund	137,698
*	Fidelity Management & Research Company, Fidelity Latin America Fund	165,997
*	Fidelity Management & Research Company, Fidelity Japan Fund	373,824
*	Fidelity Management & Research Company, Fidelity Southeast Asia Fund	253,184
*	Fidelity Management & Research Company, Fidelity China Region Fund	341,250
*	Fidelity Management & Research Company, Fidelity Four in One Index Fund	80,121
*	Fidelity Management & Research Company, Fidelity Japan Small Companies Fund	1,935,245

	PRINCIPAL AMOUNT OR NUMBER OF SHARES
IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT	
* Fidelity Management & Research Company, Fidelity Growth & Income Portfolio II	155,142
* Fidelity Management & Research Company, Fidelity Strategic Income Fund	386,288
* Strategic Advisors, Fidelity Freedom Income Fund	56,607
* Self-directed investments, publicly traded	
* Strategic Advisors, Fidelity Freedom 2000 Fund	89,662
* Strategic Advisors, Fidelity Freedom 2010 Fund	481,821
* Strategic Advisors, Fidelity Freedom 2020 Fund	600,729
* Strategic Advisors, Fidelity Freedom 2030 Fund	374,008
* Fidelity Management & Research Company, Fidelity Short-Term Bond Fund	338,735
* Fidelity Management & Research Company, Fidelity Fifty Fund	408,102
* Fidelity Management & Research Company, Fidelity Retirement Money Market Portfolio	55,919,659
* Fidelity Management & Research Company, Fidelity Retirement Government Money Market Portfolio	17,345,431
* Fidelity Management & Research Company, Spartan U.S. Equity Index Fund	491,558
* Fidelity Management & Research Company, Fidelity U.S. Bond Index Fund	896,857
* Fidelity Management & Research Company, Fidelity Institutional Short-Intermediate Government Portfolio	148,931
* Fidelity Management & Research Company, Fidelity Freedom Fund	76,527
* Fidelity Management Trust Company, Fidelity U.S. Equity Index Commingled Fund	7,578,044
INVESCO Funds Group, Inc., INVESCO Total Return Fund	72,125
Janus Capital Corporation, Janus Worldwide Fund	1,179,713



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Neuberger & Berman Management, Inc., Neuberger & Berman Guardian Trust	52,398
Scudder International Fund S	4,093
Domini Social Equity Fund	7,114
INVESCO Funds Group, Inc., INVESCO Equity Income Fund	55,699
Scudder Global Discovery Fund	13,681
Janus Adviser Growth Fund	5,221
Janus Adv Aggr Growth Fund	26,194
Janus Adv Cap Appreciation Fund	49,672
Janus Adviser International Fund	11,562
Scudder Growth & Income Fund	12,391
Pacific Investment Management Company, PIMCO Total Return Fund--Administrative Class	4,743,676
Tmpl Foreign Sm Co A Fund	821,873
MSI Equity Growth B Fund	151,035
Mutual Discovery A Fund	366,529
Baron Growth Fund	362,120
Baron Asset Fund	16,319
Calvert Asset Management Company, Inc., Calvert New Vision Small-Cap Fund--Class A	48,803
Calvert Asset Management Company, Inc., Calvert Social Investment Balanced Fund--Class A	4,381
Calvert Asset Management Company, Inc., Calvert Social Investment Equity Fund--Class A	985
Calvert Asset Management Company, Inc., Calvert Capital Accumulation Fund--Class A	22,799
Calvert Asset Management Company, Inc., Calvert World Values International Equity Fund--Class A	28,497
American Century Mutual Funds, Inc., American Century Select Fund	306,730
Delaware Management Company, Delaware Trend Fund--Class A	1,526,945

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT	PRINCIPAL AMOUNT OR NUMBER OF SHARES
Merrill Lynch Asset Management, Merrill Lynch Capital Fund (Class A)	220,622
UAM/FMA Sm Company Fund	47,853
UAM/FMA Small Cap Fund	239,519
Templeton Investment Counsel, Institutional Foreign Equity Series	2,280,093
American Century Mutual Funds, Inc., Century Ultra Fund	3,120,005
Pilgrim Baxter & Associates, PBHG Emerging Growth Fund	465,622
Ariel Fund	490,881
Ariel Appreciation Fund	482,183
Ariel Premier Bond Fund	53,413
Alger Cap Appreciation Fund	97,074
Alger Mid Cap Growth Fund	455,262
Alger Small Cap RTM Fund	47,907
Founders Asset Management, Founders Balanced Fund	34,248
Founders Asset Management, Founders Growth and Income Fund	76,630
Founders Asset Management, Founders Growth Fund	99,108
Founders Asset Management, Founders Mid-Cap Growth Fund	2,027,297
Founders Asset Management, Founders Worldwide Growth Fund	38,250
Franklin Small Cap Growth Fund	25,820
Pilgrim Baxter & Associates, PBHG Growth Fund	241,067
INVESCO Funds Group, Inc., INVESCO Dynamics Fund	601,158
INVESCO Funds Group, Inc., INVESCO Small Company Growth Fund	508,127

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Janus Capital Corporation, Janus Balanced Fund	856,390
Janus Capital Corporation, Janus Enterprise Fund	1,067,386
Janus Capital Corporation, Janus Flexible Income Fund	586,375
Janus Capital Corporation, Janus Fund	844,164
Janus Capital Corporation, Janus Mercury Fund	3,539,314
Janus Capital Corporation, Janus Twenty Fund	2,094,419
Templeton Global Advisors, Templeton Foreign Fund A	2,823,877
Founders Asset Management, Founders Discovery Fund	154,436
MSI International Magnum B Fund	3,707
Morgan Stanley Dean Witter Asset Management, Morgan Stanley Institutional Fund Global Equity Portfolio (Class B)	108,833
Miller, Anderson & Sherrerd, MAS Balanced Portfolio--Advisor Share Class	10,082
Miller, Anderson & Sherrerd, MAS Funds Fixed-Income Portfolio--Advisor Share Class	63,631
Miller, Anderson & Sherrerd, MAS Funds High-Yield Portfolio--Advisor Share Class	204,447
Miller, Anderson & Sherrerd, MAS Funds Mid-Cap Growth Portfolio--Advisor Share Class	436,576
Miller, Anderson & Sherrerd, MAS Funds Value Portfolio--Advisor Share Class	387,150
Morgan Stanley Dean Witter Asset Management, Morgan Stanley Institutional Fund Emerging Growth Portfolio (Class B)	915,143
Morgan Stanley Dean Witter Asset Management, Morgan Stanley Institutional Fund Active Country Allocation Portfolio (Class B)	19,796
Morgan Stanley Dean Witter Asset Management, Morgan Stanley Institutional Fund Emerging Markets Portfolio (Class B)	115,658
Mutual Shares CL A Fund	773,743
Managers Special EQ Fund	186,611
Neuberger & Berman Management, Inc., Neuberger & Berman Focus Trust	384,557
Neuberger & Berman Management, Inc., Neuberger & Berman Genesis Trust	875,466
Neuberger & Berman Management, Inc., Neuberger & Berman Manhattan Trust	39,150

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT	PRINCIPAL AMOUNT OR NUMBER OF SHARES
Neuberger & Berman Management, Inc., Neuberger & Berman Partners Trust	83,322
NB Socially Resp TR Fund	13,247
Oakmark Select I	900,096
Oakmark Fund I	21,150
Pacific Investment Management Company, PIMCO Capital Appreciation Fund--Administrative Class	230,069
Pacific Investment Management Company, PIMCO Mid-Cap Growth Fund--Administrative Class	256,473
Pacific Investment Management Company, PIMCO Global Bond Fund--Administrative Class	454,561
Pacific Investment Management Company, PIMCO High-Yield Fund--Administrative Class	1,817,386
Pacific Investment Management Company, PIMCO Low Duration Fund--Administrative Class	878,184
Pacific Investment Management Company, PIMCO LT US Govt Adm	475,207
Strong Capital Management, Strong Advantage Fund	129,932
Strong Capital Management, Strong Short-Term Bond Fund	74,094
Strong Capital Management, Strong Discovery Fund	59,618
Strong Capital Management, Strong Growth Fund	355,616
Strong Adv Com Stock Z Fund	47,051
Strong Capital Management, Strong Opportunity Fund	203,346
Strong Capital Management, Strong Large Cap Growth Fund	102,101
Strong Capital Management, Strong Government Securities Fund	657,335

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Templeton Asset Management Hong Kong, Templeton Developing Markets Trust A	1,913,784
Templeton Global Advisors, Templeton Growth Fund A	403,879
Templeton Global Bond Managers, Templeton Global Bond Fund A	522,823
Templeton Global Advisors, Templeton World Fund A	254,605
USAA Investment Management, USAA Cornerstone Strategy Fund	21,219
USAA Investment Management, USAA GNMA Trust	253,883
USAA Investment Management, USAA Income Fund	496,884
USAA Investment Management, USAA Income Stock Fund	77,988
USAA Investment Management, USAA International Fund	61,657
USAA Investment Management, USAA Growth Fund	70,618
USAA Investment Management, USAA Emerging Markets Fund	147,034
Warburg Pincus Counselors, Warburg Pincus Capital Appreciation Fund	164,856
Warburg Pincus Counselors, Warburg Pincus Emerging Growth Fund	54,603
Warburg Pincus Counselors, Warburg Pincus Global Fixed Income Fund	93,473
RS Investment, RS Emerging Growth Fund	71,144
Artisan International	21,686
Morgan Stanley Institutional Fund, Inc., International Equity Portfolio, Class B shares	93,614
TCW Funds Management, TCW Galileo Small Cap Growth Fund, Class N shares	65,783
TCW Funds Management, TCW Galileo Small Cap Aggressive Growth Fund, Class N shares	108,467
Zurich Scudder Investments, Scudder 21st Century Growth Fund	5,139
Morgan Stanley Institutional Fund, Inc., Value Equity Portfolio, Class B shares	123,616
Managers Funds, Managers Bond Fund	226,005
Managers Funds, Managers Capital Appreciation Fund	35,308
Managers Funds, Managers Income Equity Fund	864,665
RS Investment, RS MicroCap Growth Fund	247,412
TCW Funds Management, TCW Galileo Select Equity Fund, Class N shares	1,197,501

IDENTITY OF ISSUER AND DESCRIPTION OF INVESTMENT	PRINCIPAL AMOUNT OR NUMBER OF SHARES
	65,356
LM Value Trust FI CL	84,121
Artisan Mid Cap	20,416
Oakmark Equity & Income I	367,702
Pilgrim Baxter & Associates, PBHG Large Cap Value Fund	95,682
Pilgrim Baxter & Associates, PBHG Mid Cap Value Fund	85,939
Pilgrim Baxter & Associates, PBHG Strategic Small Company Fund	48,907
Strong Capital Management, Strong Advisor Small Cap Value Fund, Class Z shares	169,375
VK Growth & Income	34,238
Scudder High Return	11,439
AIM Midcap Core Equity	2,982
CS Intl Focus COM	21,579
Pimco NFJ Small Cap Value	8,697
Lord Abbett Mid-Cap Value	30,588
* Delta Employees' Credit Union Fund	8,723,191

Total mutual and commingled funds

### PARTICIPANT LOANS:

\* Participant loans, interest rate 9% to 11%

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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/ James B. Taylor

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By: James B. Taylor  
Chief Investment Officer  
Delta Air Lines Benefits Trusts  
Delta Air Lines, Inc.

Date: June 28, 2004

EXHIBIT INDEX

Exhibit 23

Consent of Deloitte & Touche LLP