

U.S. Department of Transportation
Bureau of Transportation Statistics

REPORT OF FINANCIAL
AND OPERATING STATISTICS FOR
LARGE CERTIFICATED
AIR CARRIERS

Period ended September 30, ~~19~~ 2000

Atlantic Southeast Airlines, Inc.
(Full name of reporting company)

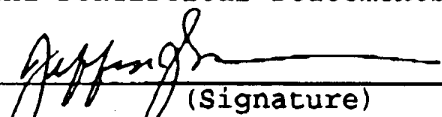
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CERTIFICATION*

I, the undersigned Vice President/Chief Financial Officer
(Title of officer in charge of accounts)

of the Atlantic Southeast Airlines, Inc.
(Full name of reporting company)

do certify that this report and all schedules, ADP-media submissions, Passenger Origin-Destination Survey submissions and supporting documents which are submitted herewith or have been submitted heretofore as parts of this report filed for the above indicated period have been prepared under my direction; that I have carefully examined them and declare that they correctly reflect the accounts and records of the company, and to the best of my knowledge and belief are a complete and accurate statement, after adjustments to reflect full accruals, of the operating revenues and expenses, income items, assets, liabilities, capital, retained earnings, and operating statistics for the periods reported in the several schedules, the Schedule T-100 ADP-media submissions, and the Passenger Origin-Destination Survey; that the various items herein reported were determined in accordance with the Uniform System of Accounts and Reports for Large Certificated Air Carriers prescribed by the Department of Transportation; and that the data contained herein are reported on a basis consistent with that of the preceding report except as specifically noted in the financial and statistical statements.


(Signature)
100 Hartsfield Centre Pky, Suite 800
Atlanta, GA 30354-1356

(Air Carrier Post Office Address)

Dated November 28, ~~19~~ 2000

*Title 18 U.S.C. Sec. 1001, Crimes and Criminal Procedure, makes it a criminal offense subject to a maximum fine of \$10,000 or imprisonment for not more than 5 years, or both, to knowingly and willfully make or cause to be made any false or fraudulent statements or representations in any matter within jurisdiction of any agency of the United States.

BTS Form 41 Schedule A

BALANCE SHEET

As At: September 30, 2000

Air Carrier:

Schedule B-1

Operation : Domestic EVD

ACCT# DESCRIPTION

AMOUNT

	ASSETS	
	CURRENT ASSETS	
1010	Cash	244,692,405
1100	Short-Term Investments	0
1200	Notes Receivable	0
1270	Accounts Receivable	-3,333,752
1290	Less Allow. for Bad Debts	187,025
1299	Net Notes & Accounts Receivable	-3,520,777
1399	Net Spare Parts & Supplies	7,755,626
1410	Prepaid Items	-3,118,726
1420	Other Current Assets	234,398
1499	Total Current Assets	246,042,926
	INVESTMENTS IN SPECIAL FUNDS	
1510	Inv. in Associated Companies	0
1530	Other Investments & Receivables	0
1550	Special Funds	265,237
1599	Total Inv. & Special Funds	265,237
	OPERATING PROPERTY & EQUIPMENT	
1609	Flight Equipment	247,561,799
1649	Ground-Property and Equipment	31,572,926
1668	Less Allowance for Depreciation	34,852,749
1675	Property & Equipment - Net	244,281,976
1679	Land	0
1685	Purchase Dep. & Adv. Payments	41,145,875
1689	Construction Work-in-progress	2,050,226
1695	Leased Property - Cap. Leases	0
1696	Accum. Amort. Capital Leases	0
1699	Total Oper. Prop. & Equipment	287,478,077
	NONOPERATING PROP. & EQUIPMENT	
1791	Less Allow. for Depr. - Nonop.	2,797,314
1792	Net Nonoperating Prop. & Eqmt.	3,796,614
1799		-999,300
	OTHER ASSETS	
1820	Long-term Prepayments	0
1830	Unamort. Dev. & Preop. Costs	515,788,000
1890	Other Assets and Def. Charges	699,306
1895	Total Other Assets	516,487,306
1899	TOTAL ASSETS	1,049,274,246

STATEMENT OF OPERATIONS

Quarter Ended: September 30, 2000

Air Carrier:

Schedule P-1.2 Group II

Operation : Domestic EVD

ACCT#	DESCRIPTION	AMOUNT
	OPERATING REVENUES	
3901	Transport Revenues - Passenger	153,490,779
3905	Mail	148,013
3906.1	Property - Freight	746,936
3906.2	Property - Excess Baggage	123,246
3907.1	Charter - Passenger	0
3907.2	Charter - Property	0
3919.1	Reserv. Cancellation Fees	0
3919.2	Misc. Operating Revenues	0
4808	Public Service Subsidy	0
4898	Transport Related	1,373,860
4999	Total Operating Revenue	155,882,834
	OPERATING EXPENSES	
5100	Flying Operations	54,039,927
5400	Maintenance	21,177,910
5500	Passenger Service	7,780,434
6400	Aircraft & Traffic Servicing	22,044,070
6700	Promotion & Sales	11,646,810
6800	General & Administrative	4,890,382
7000	Depreciation & Amortization	9,966,030
7100	Transport Related Expenses	46,821
7199	Total Operating Expenses	131,592,384
7999	Operating Profit or Loss	24,290,450
	NONOPERATING EXPENSE (INCOME)	
8181	Int. Exp. (Inc.) on L-T-D & Cap. Leases	-2,730,508
8182	Other Interest Expense (Income)	-710,813
8185	Foreign Exchange (Gain) or Loss	0
8188.5	Capital (Gains)/Losses- Op.Prop.	500,217
	Capital (Gains)/Losses- Other	
8189	Other Expense (Income) - Net	-14,135
8199	Nonoperating Expense (Income)	-2,955,239
8999	Income Before Income Taxes	27,245,689
9100	Income Tax Expense	11,970,986
9199	Inc. Bf. Disc. Ops & Other Items	15,274,703
9600	Discontinued Operations	0
9796	Extraordinary Items	0
9797	Inc. Tax Appl. To Extraord. Item	0
9799	Income Before Account. Changes	15,274,703
9800	Accounting Changes	0
9899	Net Income	15,274,703

STATEMENT OF CASH FLOWS	
Air Carrier:	Atlantic Southeast Airlines
Quarter Ended:	September 30, 2000
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income (or Loss)	\$ 15,274,702
Adjustments to reconcile net income to net cash provided (used) by operating activities:	
Cumulative effect of accounting changes	-
Restructuring Charges	-
Depreciation & Amortization	9,967,284
Deferred Income Taxes	-
Change in Fair Values - FAS133	-
Amortization of deferred gain on sale/leaseback transactions	-
Postemployment benefit expense in excess of (less than) payments	-
Pension Expense in Excess of (less than) funding	-
Compensation under ESOP	-
PostRetirement Benefit Expense in Excess of Payments	-
Income Tax Benefit from exercise of Stock Options	-
CHANGES IN CERTAIN ASSETS AND LIABILITIES	-
Increase (decrease) in receivables	8,591,921
Decrease (increase) in other current assets	9,527,346
Increase (decrease) in air traffic liabilities	1,143,921
Increase (decrease) in accounts payable	32,592,956
Increase (decrease) in other non current liabilities	280,234
Other, net	2,224,998
Net cash provided (used) by operating activities	77,603,362
CASH FLOWS FROM INVESTING ACTIVITIES:	
Acquisition of property and equipment	(44,696,775)
Proceeds from disposition of property and equipment	35,057,345
Decrease (increase) in short-investments	221,853
Proceeds received from sale of investments	-
Other	-
Net cash provided (used) by investing activities	(9,417,577)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Issuance of Common Stock	-
Repurchase of common stock	-
Payments on long-term debt and cap. lease obligations	(3,209,545)
Net short-term borrowings	-
Issuance of long-term obligations	-
Cash Dividends	-
Other	-
Net cash provided (used) by financing activities	(3,209,545)
INCREASE (DECREASE) IN CASH & EQUIVALENTS	64,976,240
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	179,716,165
CASH AND CASH EQUIVALENTS AT END OF PERIOD	244,692,405

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US Department
of Transportation

Air Carrier Atlantic Southeast Airlines, Inc.

Operation Domestic

Period Ended September 30, 2000

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NOTES TO FORM 41 REPORT

- 1 Delta Air Lines, Inc. collects the passenger facility charges and reports them for Atlantic Southeast Airlines, Inc.

AIRCRAFT OPERATING EXP. - Sch. P-5.2 Grp II & III		Qtr: September 30, 2000			
Air Carrier:		Operation: Domestic		EVD	
ACCT #	DESCRIPTION	Total Eqp Code 9999	ATR-72 Code 4421	EMB-120 Code 4611	Canadair Code 6291
5123	FLYING OPERATIONS	10,160,589	1,847,435	4,191,423	4,121,731
5124	Pilots and Copilots	0	0	0	0
5128.1	Other Flight Personnel	2,814,060	483,721	1,502,286	828,053
5136	Trainees and Instructors	3,099,337	324,277	2,091,526	683,534
5141	Personnel Expenses	2,191,069	385,517	928,953	876,599
5143.7	Prof. & Tech. Fees & Exp.	0	0	0	0
5145.1	Aircraft Interch. -Outside	19,215,312	2,576,739	4,411,620	12,226,953
5145.2	Aircraft Fuel	1,346	237	571	538
5147	Aircraft Oil	13,884,827	4,519,418	37,473	9,327,936
5153	Aircraft Rentals	0	0	0	0
5155.1	Other Supplies	0	0	0	0
5157	Insur. Purch. - General	298,828	51,895	127,945	118,988
5158	Empl. Benefits and Pensions	0	0	0	0
5168	Injuries, Loss and Damage	486,717	85,596	210,817	190,304
5169	Taxes-Payroll	1,887,842	257,211	410,787	1,219,844
5171	Other Expense	0	0	0	0
5199	Total Flying Operations	54,039,927	10,532,046	13,913,401	29,594,480
5225.1	DIRECT MAINTENANCE-FLIGHT EQUIP				
5225.2	Maint Airf. Labor	1,938,770	313,188	825,338	800,244
5243.1	Maint Eng. Labor	334,998	49,771	197,138	88,089
5243.2	Maint Airf. Outside Rep.	7,875,046	2,104,757	4,295,953	1,474,336
5243.7	Maint Eng. Outside Rep.	3,400,764	1,133,493	2,188,515	78,756
5246.1	Maint AC Interch. Chrgs-O/S	0	0	0	0
5246.2	Maint Materials - Airframe	4,226,820	1,114,855	2,259,969	851,996
5272.1	Maint Materials - Engines	330,907	37,381	264,225	29,301
5272.3	Maint Airfrm Airworth. Provs.	0	0	0	0
5272.6	Maint Airfrm O/H Deferred	0	0	0	0
5272.8	Maint AC Eng. Airworth. Prov	0	0	0	0
5278	Maint AC Eng. O/H Def. (cr.)	0	0	0	0
5279.6	Total Dir Maint-Flt. Eqpt	18,107,305	4,753,445	10,031,138	3,322,722
5299	APPL. MAINT BURDEN FLT. EQ.	2,342,057	502,857	706,129	1,133,071
5299	Total Flt. Eq. Maint. (Memo)	20,449,362	5,256,302	10,737,267	4,455,793
7073.9	NET OBSL & DETER.- EXP. PARTS	69,469	47,558	2,448	19,463
7075.1	DEPRECIATION - FLIGHT EQUIPMENT				
7075.2	Depr. Airframes	4,621,023	678,058	3,264,720	678,245
7075.3	Depr. Aircraft Engines	0	0	0	0
7075.4	Depr. Airframe Parts	1,277,249	376,870	384,663	515,716
7075.5	Depr. Engine Parts	66,437	9,211	22,816	34,410
7076.1	Depr. Other Flt Eqp.	0	0	0	0
7098.1	Amort. Cap. Leases Flt. Eqpt.	0	0	0	0
7098.2	EXPENSE OF INTERCHANGE AIRCRAFT				
7098.2	Exp. of Interch. AC- Flt. Ops	0	0	0	0
7098.2	Exp. of Interch. AC- Maint.	0	0	0	0
7098.9	Total Aircraft Operating Expens	80,523,467	16,900,045	28,325,315	35,298,107
7074.1	OTHER DEPRECIATION & AMORTIZATI				
7074.2	Amortization Developmental & Pre	3,417,392			
7075.8	Amortization Other Intangibles	0			
7075.9	Depreciation Hangar & Maint. Eq	538			
7076.2	Depreciation Ground Property	513,922			
7076.2	Amort. Capital Leases Other	0			

OPERATING EXPENSES BY OBJECTIVE GROUPING

Quarter Ended: September 30, 2000

Air Carrier:

Schedule P-6

Operation : Domestic EVD

LINE#	DESCRIPTION	AMOUNT
	SALARIES & REL. FRINGE BENEFIT	
	SALARIES:	
Line 3	General Mgmt. Per.	263,848
Line 4	Flight Personnel	10,160,590
Line 5	Maintenance Labor	2,400,776
Line 6	Aircr. & Traffic Hndl. Per.	8,901,186
Line 7	Other Personnel	7,591,592
Line 8	Total Salaries	29,317,992
	RELATED FRINGE BENEFITS	
Line 10	Personnel Expense	4,474,961
Line 11	Empl. Benefits & Pensions	2,526,027
Line 12	Payroll Taxes	2,224,483
Line 13	Total Fringe Benefits	9,225,471
Line 14	Total Salaries & Benefits	38,543,463
	MATERIALS PURCHASED	
Line 16	Aircraft Fuel & Oil	19,216,658
Line 17	Maintenance Materials	4,670,697
Line 18	Passenger Food	425,341
Line 19	Other Materials	1,240,207
Line 20	Total Materials	25,552,903
	SERVICES PURCHASED	
Line 22	Advertising & Other Promotion	191,190
Line 23	Communications	273,843
Line 24	Insurance	204,796
Line 25	Outside Flight Eqpt. Maint.	12,000,938
Line 26	Traffic Commissions - Passenger	4,787,998
Line 27	Traffic Commissions - Cargo	0
Line 28	Other Services	16,542,909
Line 29	Total Services	34,001,674
Line 30	LANDING FEES	1,854,771
Line 31	RENTALS	16,468,180
Line 32	DEPRECIATION	6,548,638
Line 33	AMORTIZATION	3,417,392
Line 34	OTHER	5,158,542
Line 35	TRANSPORT RELATED EXPENSES	46,821
Line 36	TOTAL OPERATING EXPENSES	131,592,384