



ASA AFRA 2023 CONFERENCE

JUNE 5, 2023



AIRLINE IMPACT & RESPONSE



STATE OF THE INDUSTRY



MRO MARKET





STATE OF THE INDUSTRY

Where are we now and what
challenges are we facing?

TODAY

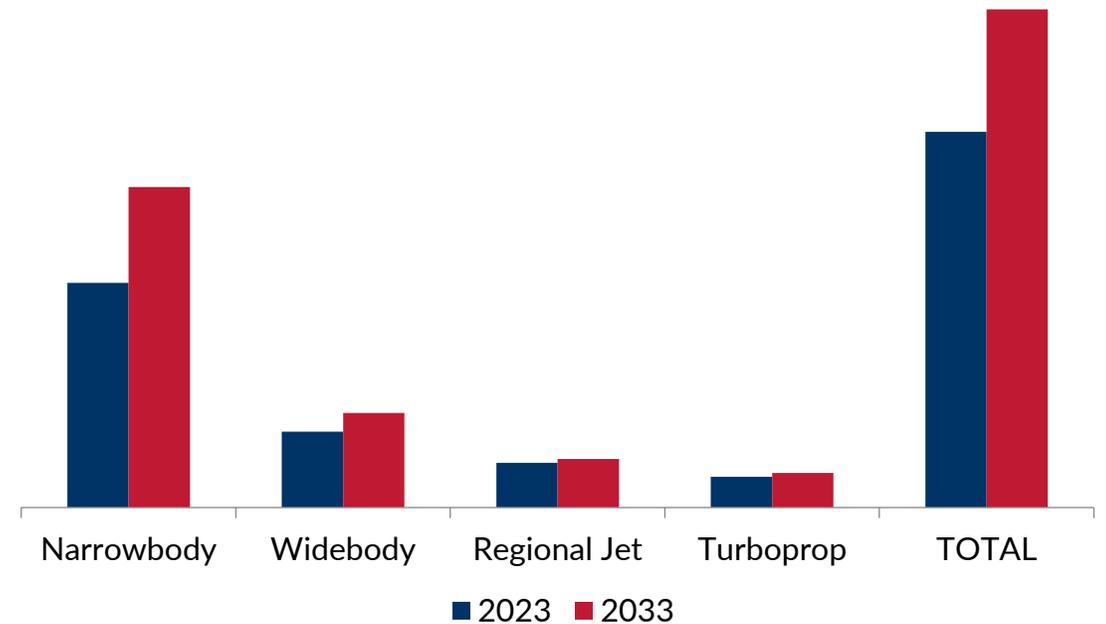
Post-pandemic rebound

High travel demand and forward bookings

Fleet retirements and introduction of new,
more fuel-efficient aircraft

Forecasted Worldwide Fleet Growth 2023-2033

	2023	2033
Narrowbody	16,369	23,364
Widebody	5,522	6,884
Regional Jet	3,254	3,538
Turboprop	2,240	2,519
TOTAL	27,385	36,305



INDUSTRY CHALLENGES

① SUPPLY CHAIN

Suppliers unable to fulfill orders and provide products or services in a timely manner has affected aircraft production, deliveries and maintenance.

② WORKFORCE & LABOR

During COVID, the aviation industry lost thousands of years of talent and will continue to battle workforce challenges in mainly two areas, airline crews (pilots and flight attendants) and aircraft mechanics.

③ HIGH OPERATING COSTS

With less readily available in the market, cost of goods and operating costs have risen across the industry.



AIRLINE IMPACT & RESPONSE

What does the current state of the industry mean for airlines?
How are they responding to challenges?

KEY AREAS OF FOCUS

Delta continuously strives to provide the best experience for customers throughout their entire travel journey. By focusing on several key areas of the business we can continue to enhance the customer experience while maintaining a strong operation.

01

LONGER
TERM
PLANNING

02

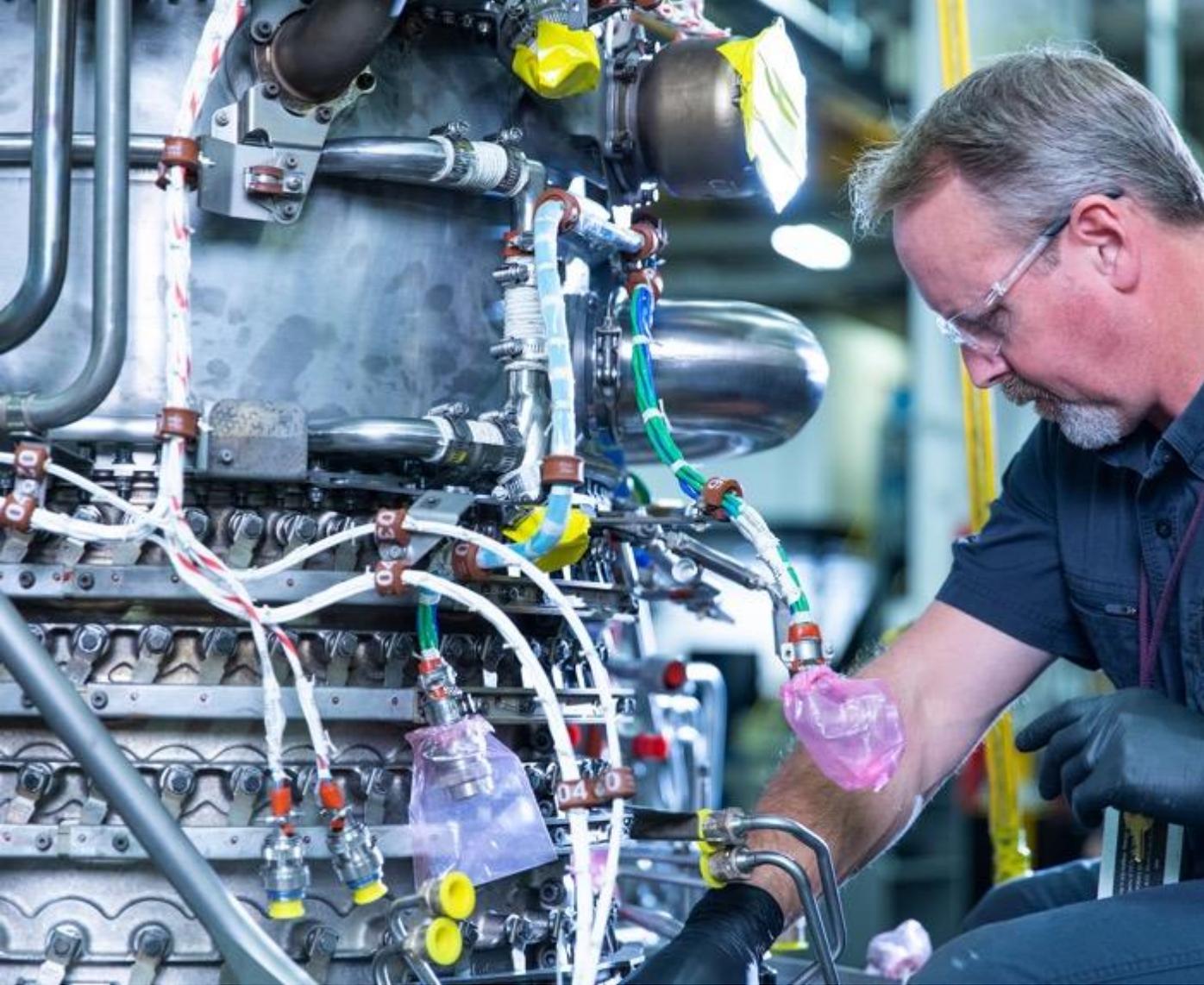
HIRING &
TRAINING

03

TAPPING
INTO
BUSINESS
UNITS

04

ALLIANCE
PARTNERSHIP
BEST
PRACTICES



MRO MARKET

What does the MRO market look like and what does it mean for airlines and suppliers?

MRO MARKET



RISING DEMAND



SHOP CAPACITY CONSTRAINTS

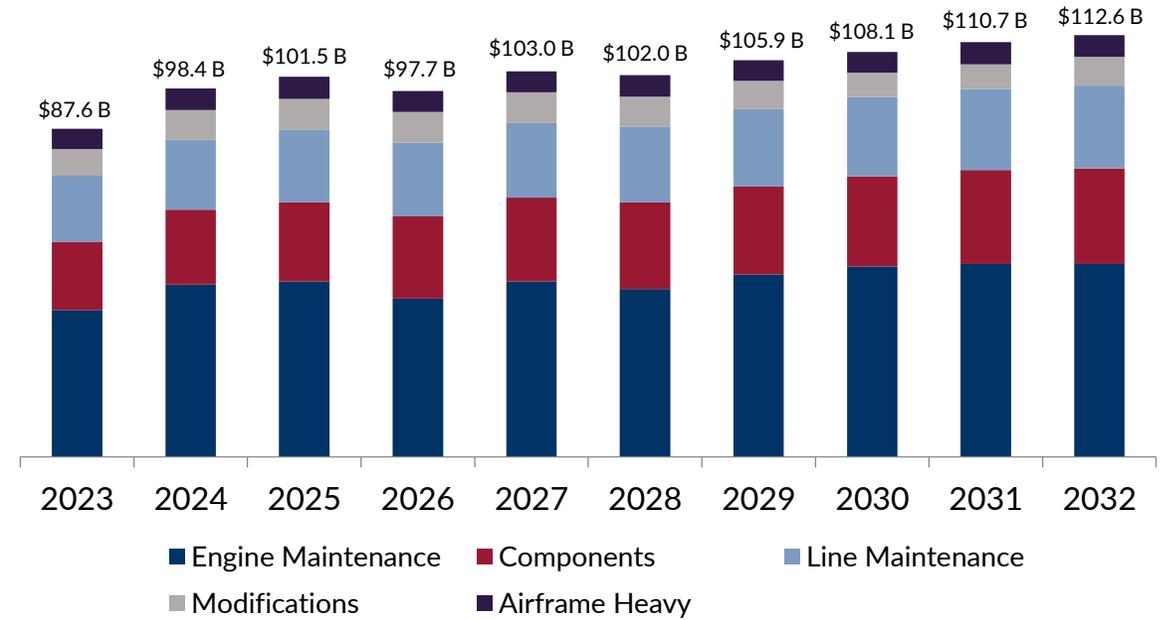


COMPETITIVE PRICING



PARTS SHORTAGE

Annual MRO Demand Forecast 2023-2032





Delta TechOps

Tap into operational expertise of a global airline.

Continually assess processes and implement lean and 5S initiatives across shops.

Remain competitive on core competencies, while industrializing for next-gen platforms.

STRATEGIC PARTNERSHIPS



ROLLS-ROYCE

2015 | DTO announced it would become an authorized maintenance center for Rolls-Royce Trent products, including the Trent 1000, 7000, and XWB



PRATT & WHITNEY

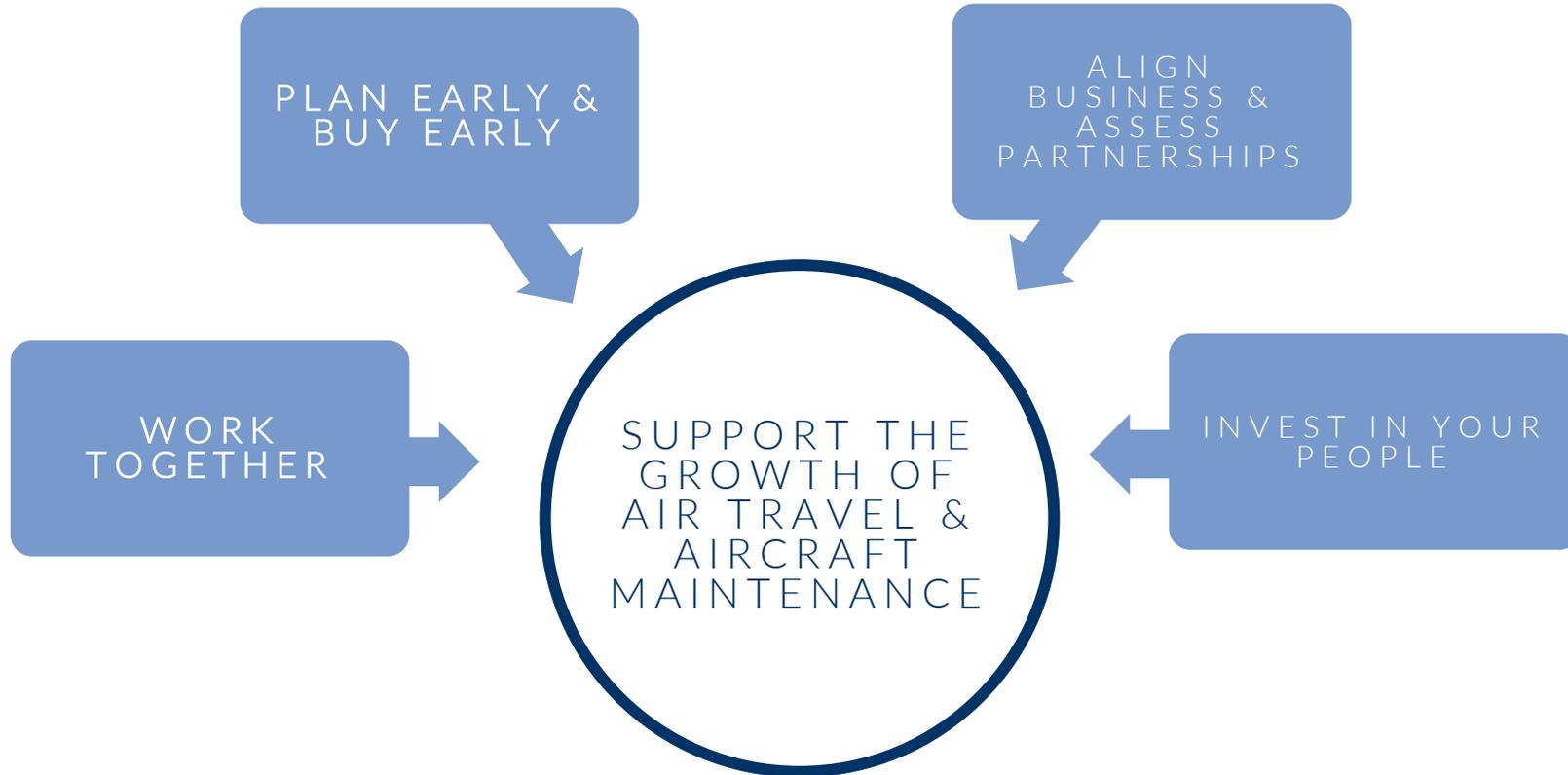
2019 | DTO announced a partnership with Pratt & Whitney on their geared turbofan (GTF), including repairs on its PW1100G and PW1500G engines



CFM INTERNATIONAL

2022 | DTO announced capabilities on the CFMI LEAP engine, beginning with the LEAP-1B

KEY TAKEAWAYS



“The Wright Brothers created the single greatest cultural force since the invention of writing. The airplane became the first World Wide Web, bringing people, languages, ideas, and values together.”

– Bill Gates