

Delta Air issues shares for disputed claims

The company is planning to issue 400 million new shares to claim holders as part of its reorganization.

July 30 2007: 10:15 AM EDT

NEW YORK (Reuters) -- Delta Air Lines Inc., which exited bankruptcy April 30, Monday said it began distributing about 21 million shares to previous debt holders, as it works through a pile of disputed claims.

The shares, which compensate creditors, were withheld from an initial distribution of about 247 million shares because the claims were disputed.

Other claims remain in dispute. The company planned to issue a total of 400 million new shares to claimholders as part of its reorganization, which means about 132 million shares have yet to be distributed.

Delta said it would distribute additional shares as it resolves the disputed claims.

In the event that these disputed claims are disallowed, the shares reserved for these claims will be doled out to other claimholders, the carrier said.

Delta emerged from a 19-month, \$3 billion reorganization at the end of April, compensating the company's creditors with new shares.

Previous shares were canceled and holders of those shares received nothing in the reorganization.

The new shares were listed on the New York Stock Exchange May 3, opening at \$21.75. [Delta's](#) (down \$0.52 to \$18.07, [Charts](#), [Fortune 500](#)) stock fell 1.1 percent Monday morning. ■