

American Airlines Group Inc.
Condensed Consolidated Statements of Operations
(In millions, except share and per share amounts)
(Unaudited)

	3 Months Ended March 31,		Percent Increase (Decrease)
	2025	2024	
Operating revenues:			
Passenger	\$ 11,391	\$ 11,458	(0.6)
Cargo	189	187	1.1
Other	971	925	5.0
Total operating revenues	12,551	12,570	(0.2)
Operating expenses:			
Aircraft fuel and related taxes	2,587	2,980	(13.2)
Salaries, wages and benefits	4,222	3,867	9.2
Regional expenses:			
Regional operating expenses	1,272	1,122	13.4
Regional depreciation and amortization	79	79	0.2
Maintenance, materials and repairs	922	884	4.2
Other rent and landing fees	826	819	0.9
Aircraft rent	297	328	(9.4)
Selling expenses	450	408	10.1
Depreciation and amortization	468	470	(0.4)
Special items, net	70	70	0.6
Other	1,628	1,536	6.0
Total operating expenses	12,821	12,563	2.1
Operating income (loss)	(270)	7	nm ⁽¹⁾
Nonoperating income (expense):			
Interest income	94	118	(20.2)
Interest expense, net	(428)	(497)	(13.8)
Other expense, net	(44)	(41)	7.7
Total nonoperating expense, net	(378)	(420)	(10.0)
Loss before income taxes	(648)	(413)	56.9
Income tax benefit	(175)	(101)	73.2
Net loss	<u><u>\$ (473)</u></u>	<u><u>\$ (312)</u></u>	51.6
Loss per common share:			
Basic and diluted	<u><u>\$ (0.72)</u></u>	<u><u>\$ (0.48)</u></u>	
Weighted average shares outstanding (in thousands):			
Basic and diluted	<u><u>658,880</u></u>	<u><u>655,847</u></u>	

Note: Percent change may not recalculate due to rounding.

⁽¹⁾ Not meaningful or greater than 100% change.

American Airlines Group Inc.
Consolidated Operating Statistics ⁽¹⁾
(Unaudited)

	3 Months Ended March 31,		Increase (Decrease)
	2025	2024	
Revenue passenger miles (millions)	56,356	57,473	(1.9) %
Available seat miles (ASM) (millions)	69,904	70,516	(0.9) %
Passenger load factor (percent)	80.6	81.5	(0.9) pts
Yield (cents)	20.21	19.94	1.4 %
Passenger revenue per ASM (cents)	16.30	16.25	0.3 %
Total revenue per ASM (cents)	17.95	17.83	0.7 %
Cargo ton miles (millions)	483	484	(0.2) %
Cargo yield per ton mile (cents)	39.14	38.64	1.3 %
Fuel consumption (gallons in millions)	1,042	1,042	0.1 %
Average aircraft fuel price including related taxes (dollars per gallon)	2.48	2.86	(13.3) %
Operating cost per ASM (cents)	18.34	17.82	2.9 %
Operating cost per ASM excluding net special items (cents)	18.24	17.72	3.0 %
Operating cost per ASM excluding net special items and fuel (cents)	14.54	13.49	7.8 %
Passenger enplanements (thousands)	51,034	52,766	(3.3) %
Departures (thousands):			
Mainline	278	290	(4.3) %
Regional	250	219	14.3 %
Total	528	509	3.7 %
Average stage length (miles):			
Mainline	1,176	1,156	1.8 %
Regional	470	465	1.3 %
Total	841	858	(2.0) %
Aircraft at end of period:			
Mainline	985	967	1.9 %
Regional ⁽²⁾	567	550	3.1 %
Total	1,552	1,517	2.3 %
Full-time equivalent employees at end of period:			
Mainline	102,400	103,600	(1.2) %
Regional ⁽³⁾	30,700	29,200	5.1 %
Total	133,100	132,800	0.2 %

Note: Amounts may not recalculate due to rounding.

⁽¹⁾ Unless otherwise noted, operating statistics include mainline and regional operations. Regional includes wholly-owned regional airline subsidiaries and operating results from capacity purchase carriers.

⁽²⁾ Includes aircraft owned and leased by American as well as aircraft operated by third-party regional carriers under capacity purchase agreements. Excluded from the aircraft count above are six regional aircraft in temporary storage as of March 31, 2025 as follows: four Bombardier CRJ 900 and two Embraer 145.

⁽³⁾ Regional full-time equivalent employees only include our wholly-owned regional airline subsidiaries.

American Airlines Group Inc.
Consolidated Revenue Statistics by Region
(Unaudited)

	3 Months Ended March 31,		Increase (Decrease)
	2025	2024	
<u>Domestic</u> ⁽¹⁾			
Revenue passenger miles (millions)	37,693	38,812	(2.9) %
Available seat miles (ASM) (millions)	46,669	47,102	(0.9) %
Passenger load factor (percent)	80.8	82.4	(1.6) pts
Passenger revenue (dollars in millions)	8,127	8,262	(1.6) %
Yield (cents)	21.56	21.29	1.3 %
Passenger revenue per ASM (cents)	17.41	17.54	(0.7) %
<u>Latin America</u> ⁽²⁾			
Revenue passenger miles (millions)	10,022	10,096	(0.7) %
Available seat miles (millions)	12,004	11,739	2.3 %
Passenger load factor (percent)	83.5	86.0	(2.5) pts
Passenger revenue (dollars in millions)	1,906	1,902	0.2 %
Yield (cents)	19.01	18.84	0.9 %
Passenger revenue per ASM (cents)	15.88	16.20	(2.0) %
<u>Atlantic</u>			
Revenue passenger miles (millions)	5,934	6,455	(8.1) %
Available seat miles (millions)	7,963	9,042	(11.9) %
Passenger load factor (percent)	74.5	71.4	3.1 pts
Passenger revenue (dollars in millions)	965	992	(2.7) %
Yield (cents)	16.27	15.37	5.9 %
Passenger revenue per ASM (cents)	12.12	10.97	10.5 %
<u>Pacific</u>			
Revenue passenger miles (millions)	2,707	2,110	28.3 %
Available seat miles (millions)	3,268	2,633	24.1 %
Passenger load factor (percent)	82.8	80.1	2.7 pts
Passenger revenue (dollars in millions)	393	302	30.2 %
Yield (cents)	14.51	14.30	1.5 %
Passenger revenue per ASM (cents)	12.02	11.46	4.9 %
<u>Total International</u>			
Revenue passenger miles (millions)	18,663	18,661	- %
Available seat miles (millions)	23,235	23,414	(0.8) %
Passenger load factor (percent)	80.3	79.7	0.6 pts
Passenger revenue (dollars in millions)	3,264	3,196	2.1 %
Yield (cents)	17.49	17.13	2.1 %
Passenger revenue per ASM (cents)	14.05	13.65	2.9 %

Note: Amounts may not recalculate due to rounding.

⁽¹⁾ Domestic results include Canada, Puerto Rico and U.S. Virgin Islands.

⁽²⁾ Latin America results include the Caribbean.

Reconciliation of GAAP Financial Information to Non-GAAP Financial Information

American Airlines Group Inc. (the Company) sometimes uses financial measures that are derived from the condensed consolidated financial statements but that are not presented in accordance with GAAP to understand and evaluate its current operating performance and to allow for period-to-period comparisons. The Company believes these non-GAAP financial measures may also provide useful information to investors and others. These non-GAAP measures may not be comparable to similarly titled non-GAAP measures of other companies, and should be considered in addition to, and not as a substitute for or superior to, any measure of performance, cash flow or liquidity prepared in accordance with GAAP. The Company is providing a reconciliation of reported non-GAAP financial measures to their comparable financial measures on a GAAP basis.

The tables below present the reconciliations of the following GAAP measures to their non-GAAP measures:

- Operating Income (Loss) (GAAP measure) to Operating Income (Loss) Excluding Net Special Items (non-GAAP measure)
- Operating Margin (GAAP measure) to Operating Margin Excluding Net Special Items (non-GAAP measure)
- Pre-Tax Loss (GAAP measure) to Pre-Tax Loss Excluding Net Special Items (non-GAAP measure)
- Pre-Tax Margin (GAAP measure) to Pre-Tax Margin Excluding Net Special Items (non-GAAP measure)
- Net Loss (GAAP measure) to Net Loss Excluding Net Special Items (non-GAAP measure)
- Basic and Diluted Loss Per Share (GAAP measure) to Basic and Diluted Loss Per Share Excluding Net Special Items (non-GAAP measure)

Management uses these non-GAAP financial measures to evaluate the Company's current operating performance and to allow for period-to-period comparisons. As net special items may vary from period-to-period in nature and amount, the adjustment to exclude net special items allows management an additional tool to understand the Company's core operating performance.

Additionally, the tables below present the reconciliations of total operating costs (GAAP measure) to total operating costs excluding net special items and fuel (non-GAAP measure) and total operating costs per ASM (CASM) to CASM excluding net special items and fuel. Management uses total operating costs excluding net special items and fuel and CASM excluding net special items and fuel to evaluate the Company's current operating performance and for period-to-period comparisons. The price of fuel, over which the Company has no control, impacts the comparability of period-to-period financial performance. The adjustment to exclude fuel and net special items allows management an additional tool to understand and analyze the Company's non-fuel costs and core operating performance.

	3 Months Ended March 31,		Percent Increase (Decrease)
	2025	2024	
Reconciliation of Operating Income (Loss) Excluding Net Special Items			
	(in millions)		
Operating income (loss) as reported	\$ (270)	\$ 7	
Operating net special items:			
Mainline operating special items, net ⁽¹⁾	70	70	
Operating income (loss) excluding net special items	\$ (200)	\$ 77	nm
Calculation of Operating Margin			
Operating income (loss) as reported	\$ (270)	\$ 7	
Total operating revenues as reported	\$ 12,551	\$ 12,570	
Operating margin	(2.2%)	0.1%	
Calculation of Operating Margin Excluding Net Special Items			
Operating income (loss) excluding net special items	\$ (200)	\$ 77	
Total operating revenues as reported	\$ 12,551	\$ 12,570	
Operating margin excluding net special items	(1.6%)	0.6%	
Reconciliation of Pre-Tax Loss Excluding Net Special Items			
Pre-tax loss as reported	\$ (648)	\$ (413)	
Pre-tax net special items:			
Mainline operating special items, net ⁽¹⁾	70	70	
Nonoperating special items, net ⁽²⁾	48	46	
Total pre-tax net special items	118	116	
Pre-tax loss excluding net special items	\$ (530)	\$ (297)	78.1%
Calculation of Pre-Tax Margin			
Pre-tax loss as reported	\$ (648)	\$ (413)	
Total operating revenues as reported	\$ 12,551	\$ 12,570	
Pre-tax margin	(5.2%)	(3.3%)	
Calculation of Pre-Tax Margin Excluding Net Special Items			
Pre-tax loss excluding net special items	\$ (530)	\$ (297)	
Total operating revenues as reported	\$ 12,551	\$ 12,570	
Pre-tax margin excluding net special items	(4.2%)	(2.4%)	

Reconciliation of GAAP Financial Information to Non-GAAP Financial Information

	3 Months Ended March 31,		Percent Increase (Decrease)
	2025	2024	
Reconciliation of Net Loss Excluding Net Special Items	(in millions, except share and per share amounts)		
Net loss as reported	\$ (473)	\$ (312)	
Net special items:			
Total pre-tax net special items ^{(1), (2)}	118	116	
Net tax effect of net special items	(31)	(30)	
Net loss excluding net special items	\$ (386)	\$ (226)	71.0%
Reconciliation of Basic and Diluted Loss Per Share Excluding Net Special Items			
Net loss excluding net special items	\$ (386)	\$ (226)	
Shares used for computation (in thousands):			
Basic and diluted	658,880	655,847	
Loss per share excluding net special items:			
Basic and diluted	\$ (0.59)	\$ (0.34)	
Reconciliation of Total Operating Costs per ASM Excluding Net Special Items and Fuel			
Total operating expenses as reported	\$ 12,821	\$ 12,563	
Operating net special items:			
Mainline operating special items, net ⁽¹⁾	(70)	(70)	
Total operating expenses excluding net special items	12,751	12,493	
Aircraft fuel and related taxes	(2,587)	(2,980)	
Total operating expenses excluding net special items and fuel	\$ 10,164	\$ 9,513	
	(in cents)		
Total operating expenses per ASM as reported	18.34	17.82	
Operating net special items per ASM:			
Mainline operating special items, net ⁽¹⁾	(0.10)	(0.10)	
Total operating expenses per ASM excluding net special items	18.24	17.72	
Aircraft fuel and related taxes per ASM	(3.70)	(4.23)	
Total operating expenses per ASM excluding net special items and fuel	14.54	13.49	

Note: Amounts may not recalculate due to rounding.

FOOTNOTES:

⁽¹⁾ The 2025 first quarter mainline operating special items, net included a one-time charge for adjustments to vacation accruals resulting from pay rate increases effective January 1, 2025, related to the ratification of the contract extension in the fourth quarter of 2024 with our mainline maintenance and fleet service team members and an adjustment to litigation reserves.

The 2024 first quarter mainline operating special items, net principally included \$57 million of one-time charges resulting from the ratification of a new collective bargaining agreement with our mainline passenger service team members, including a one-time signing bonus.

⁽²⁾ Principally included mark-to-market net unrealized gains and losses associated with certain equity investments as well as charges associated with debt refinancings and extinguishments.

American Airlines Group Inc.
Condensed Consolidated Statements of Cash Flows
(In millions)(Unaudited)

	3 Months Ended March 31,	
	2025	2024
Net cash provided by operating activities	\$ 2,456	\$ 2,180
Cash flows from investing activities:		
Capital expenditures and aircraft purchase deposits	(824)	(824)
Purchases of short-term investments	(1,806)	(3,287)
Sales of short-term investments	1,349	2,585
Decrease in restricted short-term investments	85	12
Other investing activities	(8)	(2)
Net cash used in investing activities	(1,204)	(1,516)
Cash flows from financing activities:		
Payments on long-term debt and finance leases	(1,362)	(873)
Proceeds from issuance of long-term debt	325	248
Other financing activities	(186)	(17)
Net cash used in financing activities	(1,223)	(642)
Net increase in cash and restricted cash	29	22
Cash and restricted cash at beginning of period	902	681
Cash and restricted cash at end of period ⁽¹⁾	<u>\$ 931</u>	<u>\$ 703</u>

⁽¹⁾ The following table provides a reconciliation of cash and restricted cash to amounts reported within the condensed consolidated balance sheets:

Cash	\$ 835	\$ 604
Restricted cash included in restricted cash and short-term investments	<u>96</u>	<u>99</u>
Total cash and restricted cash	<u>\$ 931</u>	<u>\$ 703</u>

Free Cash Flow

The Company's free cash flow summary is presented in the table below, which is a non-GAAP measure that management believes is useful information to investors and others in evaluating the Company's ability to generate cash from its core operating performance that is available for use to reinvest in the business or to reduce debt. The Company defines free cash flows as net cash provided by operating activities less net cash used in investing activities, adjusted for (1) net purchases of short-term investments and (2) change in restricted cash. We believe that calculating free cash flow as adjusted for these items is more useful for investors because short-term investment activity and restricted cash are not representative of activity core to our operations.

This non-GAAP measure may not be comparable to similarly titled non-GAAP measures of other companies, and should be considered in addition to, and not as a substitute for or superior to, any measure of performance, cash flow or liquidity prepared in accordance with GAAP. Our calculation of free cash flow is not intended, and should not be used, to measure the residual cash flow available for discretionary expenditures because, among other things, it excludes mandatory debt service requirements and certain other non-discretionary expenditures.

	3 Months Ended March 31, 2025 (in millions)
Net cash provided by operating activities	\$ 2,456
Adjusted net cash used in investing activities ⁽¹⁾	<u>(745)</u>
Free cash flow	<u><u>\$ 1,711</u></u>

⁽¹⁾ The following table provides a reconciliation of adjusted net cash used in investing activities for the three months ended March 31, 2025 (in millions):

Net cash used in investing activities	\$ (1,204)
Adjustments:	
Net purchases of short-term investments	457
Decrease in restricted cash	<u>2</u>
Adjusted net cash used in investing activities	<u><u>\$ (745)</u></u>

American Airlines Group Inc.
Condensed Consolidated Balance Sheets
(In millions, except shares)

	<u>March 31, 2025</u> (unaudited)	<u>December 31, 2024</u>
Assets		
Current assets		
Cash	\$ 835	\$ 804
Short-term investments	6,631	6,180
Restricted cash and short-term investments	647	732
Accounts receivable, net	1,928	2,006
Aircraft fuel, spare parts and supplies, net	2,653	2,638
Prepaid expenses and other	909	794
Total current assets	<u>13,603</u>	<u>13,154</u>
Operating property and equipment		
Flight equipment	43,738	43,521
Ground property and equipment	10,306	10,202
Equipment purchase deposits	1,063	1,012
Total property and equipment, at cost	<u>55,107</u>	<u>54,735</u>
Less accumulated depreciation and amortization	<u>(23,792)</u>	<u>(23,608)</u>
Total property and equipment, net	31,315	31,127
Operating lease right-of-use assets	7,442	7,333
Other assets		
Goodwill	4,091	4,091
Intangibles, net	2,042	2,044
Deferred tax asset	2,655	2,485
Other assets	1,461	1,549
Total other assets	<u>10,249</u>	<u>10,169</u>
Total assets	<u><u>\$ 62,609</u></u>	<u><u>\$ 61,783</u></u>
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities		
Current maturities of long-term debt and finance leases	\$ 4,729	\$ 5,322
Accounts payable	3,114	2,455
Accrued salaries and wages	1,827	2,150
Air traffic liability	8,932	6,759
Loyalty program liability	3,663	3,556
Operating lease liabilities	1,096	1,092
Other accrued liabilities	2,751	2,961
Total current liabilities	<u>26,112</u>	<u>24,295</u>
Noncurrent liabilities		
Long-term debt and finance leases, net of current maturities	24,713	25,154
Pension and postretirement benefits	1,869	2,128
Loyalty program liability	6,708	6,498
Operating lease liabilities	6,062	5,976
Other liabilities	1,653	1,709
Total noncurrent liabilities	<u>41,005</u>	<u>41,465</u>
Stockholders' equity (deficit)		
Common stock, 659,481,003 shares outstanding at March 31, 2025	7	7
Additional paid-in capital	7,348	7,424
Accumulated other comprehensive loss	(4,547)	(4,565)
Retained deficit	(7,316)	(6,843)
Total stockholders' deficit	<u>(4,508)</u>	<u>(3,977)</u>
Total liabilities and stockholders' equity (deficit)	<u><u>\$ 62,609</u></u>	<u><u>\$ 61,783</u></u>