

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)
	2026	2025	
Operating revenues:			
Passenger	\$ 12,495	\$ 11,391	9.7
Cargo	214	189	12.9
Other	1,203	971	23.9
Total operating revenues	<u>13,912</u>	<u>12,551</u>	10.8
Operating expenses:			
Aircraft fuel and related taxes	2,928	2,587	13.2
Salaries, wages and benefits	4,674	4,222	10.7
Regional expenses:			
Regional operating expenses	1,313	1,272	3.2
Regional depreciation and amortization	91	79	15.4
Maintenance, materials and repairs	982	922	6.5
Other rent and landing fees	890	826	7.7
Aircraft rent	309	297	3.9
Selling expenses	507	450	12.8
Depreciation and amortization	475	468	1.6
Special items, net	14	70	(80.6)
Other	1,770	1,628	8.7
Total operating expenses	<u>13,953</u>	<u>12,821</u>	8.8
Operating loss	(41)	(270)	(85.0)
Nonoperating income (expense):			
Interest income	55	94	(41.3)
Interest expense, net	(397)	(428)	(7.3)
Other expense, net	(93)	(44)	nm ⁽¹⁾
Total nonoperating expense, net	<u>(435)</u>	<u>(378)</u>	15.1
Loss before income taxes	(476)	(648)	(26.6)
Income tax benefit	(94)	(175)	(46.7)
Net loss	<u>\$ (382)</u>	<u>\$ (473)</u>	(19.2)
Loss per common share:			
Basic and diluted	<u>\$ (0.58)</u>	<u>\$ (0.72)</u>	
Weighted average shares outstanding (in thousands):			
Basic and diluted	<u>661,181</u>	<u>658,880</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
	2026	2025	
Revenue passenger miles (millions)	58,551	56,356	3.9 %
Available seat miles (ASM) (millions)	72,009	69,904	3.0 %
Passenger load factor (percent)	81.3	80.6	0.7 pts
Yield (cents)	21.34	20.21	5.6 %
Passenger revenue per ASM (cents)	17.35	16.30	6.5 %
Total revenue per ASM (cents)	19.32	17.95	7.6 %
Cargo ton miles (millions)	527	483	9.0 %
Cargo yield per ton mile (cents)	40.55	39.14	3.6 %
Fuel consumption (gallons in millions)	1,066	1,042	2.3 %
Average aircraft fuel price including related taxes (dollars per gallon)	2.75	2.48	10.7 %
Operating cost per ASM (cents)	19.38	18.34	5.6 %
Operating cost per ASM excluding net special items (cents)	19.36	18.24	6.1 %
Operating cost per ASM excluding net special items and fuel (cents)	15.29	14.54	5.2 %
Operating cost per ASM excluding net special items, fuel and profit sharing (cents)	15.29	14.54	5.2 %
Passenger enplanements (thousands)	51,770	51,034	1.4 %
Departures (thousands):			
Mainline	279	278	0.6 %
Regional	255	250	1.6 %
Total	534	528	1.1 %
Average stage length (miles):			
Mainline	1,200	1,176	2.0 %
Regional	478	470	1.7 %
Total	856	841	1.7 %
Aircraft at end of period:			
Mainline ⁽²⁾	1,022	985	3.8 %
Regional ⁽³⁾	572	567	0.9 %
Total	1,594	1,552	2.7 %
Full-time equivalent employees at end of period:			
Mainline	106,400	102,400	3.9 %
Regional ⁽⁴⁾	32,500	30,700	5.9 %
Total	138,900	133,100	4.4 %

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⁾ Excluded from the aircraft count above are three Airbus A321XLR mainline aircraft that are held in temporary storage as of March 31, 2026.

⁽³⁾ 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 two Bombardier CRJ900 regional aircraft that are held in temporary storage as of March 31, 2026.

⁽⁴⁾ 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)
	2026	2025	
<u>Domestic</u> ⁽¹⁾			
Revenue passenger miles (millions)	39,167	37,693	3.9 %
Available seat miles (ASM) (millions)	48,414	46,669	3.7 %
Passenger load factor (percent)	80.9	80.8	0.1 pts
Passenger revenue (dollars in millions)	8,990	8,127	10.6 %
Yield (cents)	22.95	21.56	6.5 %
Passenger revenue per ASM (cents)	18.57	17.41	6.6 %
<u>Latin America</u> ⁽²⁾			
Revenue passenger miles (millions)	10,289	10,022	2.7 %
Available seat miles (millions)	12,403	12,004	3.3 %
Passenger load factor (percent)	83.0	83.5	(0.5) pts
Passenger revenue (dollars in millions)	1,963	1,906	3.0 %
Yield (cents)	19.07	19.01	0.3 %
Passenger revenue per ASM (cents)	15.82	15.88	(0.3) %
<u>Atlantic</u>			
Revenue passenger miles (millions)	6,213	5,934	4.7 %
Available seat miles (millions)	7,794	7,963	(2.1) %
Passenger load factor (percent)	79.7	74.5	5.2 pts
Passenger revenue (dollars in millions)	1,102	965	14.2 %
Yield (cents)	17.74	16.27	9.1 %
Passenger revenue per ASM (cents)	14.14	12.12	16.7 %
<u>Pacific</u>			
Revenue passenger miles (millions)	2,882	2,707	6.5 %
Available seat miles (millions)	3,398	3,268	4.0 %
Passenger load factor (percent)	84.8	82.8	2.0 pts
Passenger revenue (dollars in millions)	440	393	12.1 %
Yield (cents)	15.28	14.51	5.3 %
Passenger revenue per ASM (cents)	12.96	12.02	7.8 %
<u>Total International</u>			
Revenue passenger miles (millions)	19,384	18,663	3.9 %
Available seat miles (millions)	23,595	23,235	1.5 %
Passenger load factor (percent)	82.2	80.3	1.9 pts
Passenger revenue (dollars in millions)	3,505	3,264	7.4 %
Yield (cents)	18.08	17.49	3.4 %
Passenger revenue per ASM (cents)	14.85	14.05	5.7 %

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 Loss (GAAP measure) to Operating 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 provides management with 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, fuel and profit sharing (non-GAAP measure) and total operating costs per ASM (CASM) to CASM excluding net special items, fuel and profit sharing. Management uses total operating costs excluding net special items, fuel and profit sharing and CASM excluding net special items, fuel and profit sharing to evaluate the Company's current operating performance and to allow 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. Additionally, the Company excludes profit sharing to allow investors to better understand and analyze its operating cost performance and to provide a more meaningful comparison of its core operating costs to the airline industry. The adjustment to exclude net special items, fuel and profit sharing provides management with an additional tool to understand and analyze the Company's non-fuel costs and core operating performance.

Reconciliation of Operating Loss Excluding Net Special Items	3 Months Ended March 31,		Percent Decrease
	2026	2025	
	(in millions)		
Operating loss as reported	\$ (41)	\$ (270)	
Operating net special items:			
Mainline operating special items, net ⁽¹⁾	14	70	
Operating loss excluding net special items	\$ (27)	\$ (200)	(86.5%)
Calculation of Operating Margin			
Operating loss as reported	\$ (41)	\$ (270)	
Total operating revenues as reported	\$ 13,912	\$ 12,551	
Operating margin	(0.3%)	(2.2%)	
Calculation of Operating Margin Excluding Net Special Items			
Operating loss excluding net special items	\$ (27)	\$ (200)	
Total operating revenues as reported	\$ 13,912	\$ 12,551	
Operating margin excluding net special items	(0.2%)	(1.6%)	
Reconciliation of Pre-Tax Loss Excluding Net Special Items			
Pre-tax loss as reported	\$ (476)	\$ (648)	
Pre-tax net special items:			
Mainline operating special items, net ⁽¹⁾	14	70	
Nonoperating special items, net ⁽²⁾	135	48	
Total pre-tax net special items	149	118	
Pre-tax loss excluding net special items	\$ (327)	\$ (530)	(38.2%)
Calculation of Pre-Tax Margin			
Pre-tax loss as reported	\$ (476)	\$ (648)	
Total operating revenues as reported	\$ 13,912	\$ 12,551	
Pre-tax margin	(3.4%)	(5.2%)	
Calculation of Pre-Tax Margin Excluding Net Special Items			
Pre-tax loss excluding net special items	\$ (327)	\$ (530)	
Total operating revenues as reported	\$ 13,912	\$ 12,551	
Pre-tax margin excluding net special items	(2.4%)	(4.2%)	

Reconciliation of GAAP Financial Information to Non-GAAP Financial Information

Reconciliation of Net Loss Excluding Net Special Items	3 Months Ended March 31,		Percent Decrease
	2026	2025	
	(in millions, except share and per share amounts)		
Net loss as reported	\$ (382)	\$ (473)	
Net special items:			
Total pre-tax net special items ^{(1), (2)}	149	118	
Net tax effect of net special items	(34)	(31)	
Net loss excluding net special items	\$ (267)	\$ (386)	(30.8%)
Reconciliation of Basic and Diluted Loss Per Share Excluding Net Special Items			
Net loss excluding net special items	\$ (267)	\$ (386)	
Shares used for computation (in thousands):			
Basic and diluted	<u>661,181</u>	<u>658,880</u>	
Loss per share excluding net special items:			
Basic and diluted	<u>\$ (0.40)</u>	<u>\$ (0.59)</u>	
Reconciliation of Total Operating Cost per ASM Excluding Net Special Items, Fuel and Profit Sharing			
Total operating expenses as reported	\$ 13,953	\$ 12,821	
Operating net special items:			
Mainline operating special items, net ⁽¹⁾	(14)	(70)	
Total operating expenses excluding net special items	13,939	12,751	
Aircraft fuel and related taxes	(2,928)	(2,587)	
Total operating expenses excluding net special items and fuel	11,011	10,164	
Profit sharing	-	-	
Total operating expenses excluding net special items, fuel and profit sharing	\$ 11,011	\$ 10,164	
	(in cents)		
Total operating expenses per ASM as reported	19.38	18.34	
Operating net special items per ASM:			
Mainline operating special items, net ⁽¹⁾	(0.02)	(0.10)	
Total operating expenses per ASM excluding net special items	19.36	18.24	
Aircraft fuel and related taxes per ASM	(4.07)	(3.70)	
Total operating expenses per ASM excluding net special items and fuel	15.29	14.54	
Profit sharing per ASM	-	-	
Total operating expenses per ASM excluding net special items, fuel and profit sharing	15.29	14.54	

Note: Amounts may not recalculate due to rounding.

FOOTNOTES:

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

⁽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,	
	2026	2025
Net cash provided by operating activities	\$ 4,223	\$ 2,456
Cash flows from investing activities:		
Capital expenditures and aircraft purchase deposits	(811)	(824)
Purchases of short-term investments	(2,773)	(1,806)
Sales of short-term investments	1,263	1,349
Decrease in restricted short-term investments	15	85
Other investing activities	(22)	(8)
Net cash used in investing activities	(2,328)	(1,204)
Cash flows from financing activities:		
Payments on long-term debt and finance leases	(2,324)	(1,362)
Proceeds from issuance of long-term debt	997	325
Net payments on fuel financing	(554)	(74)
Other financing activities	(68)	(112)
Net cash used in financing activities	(1,949)	(1,223)
Net increase (decrease) in cash and restricted cash	(54)	29
Cash and restricted cash at beginning of period	1,056	902
Cash and restricted cash at end of period ⁽¹⁾	\$ 1,002	\$ 931

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

Cash	\$ 903	\$ 835
Restricted cash included in restricted cash and short-term investments	99	96
Total cash and restricted cash	\$ 1,002	\$ 931

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 or sales 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, 2026 (in millions)
Net cash provided by operating activities	\$ 4,223
Adjusted net cash used in investing activities ⁽¹⁾	<u>(815)</u>
Free cash flow	<u>\$ 3,408</u>

⁽¹⁾ The following table provides a reconciliation of adjusted net cash used in investing activities for the three months ended March 31, 2026 (in millions):

Net cash used in investing activities	\$ (2,328)
Adjustments:	
Net purchases of short-term investments	1,510
Decrease in restricted cash	<u>3</u>
Adjusted net cash used in investing activities	<u>\$ (815)</u>

Adjusted EBITDAR and Adjusted EBITDAR Margin

The Company's adjusted EBITDAR and adjusted EBITDAR margin are presented below, which are non-GAAP measures that management uses to evaluate the Company's current operating performance. 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.

Adjusted EBITDAR is defined as earnings excluding the impact of net special items before net interest and other nonoperating expenses, taxes, depreciation, amortization and aircraft rent.

Adjusted EBITDAR	3 Months Ended March 31, 2026
	(in millions)
Operating loss as reported	\$ (41)
Adjustments:	
Aircraft rent ⁽¹⁾	311
Depreciation and amortization ⁽¹⁾	566
EBITDAR	836
Operating special items, net	14
Adjusted EBITDAR	\$ 850

Calculation of EBITDAR Margin

EBITDAR	\$ 836
Total operating revenues as reported	\$ 13,912
EBITDAR margin	6.0%

Calculation of Adjusted EBITDAR Margin

Adjusted EBITDAR	\$ 850
Total operating revenues as reported	\$ 13,912
Adjusted EBITDAR margin	6.1%

⁽¹⁾ Includes amounts associated with regional operations that are reflected in regional expenses in the condensed consolidated statements of operations.

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

	<u>March 31, 2026</u> (unaudited)	<u>December 31, 2025</u>
Assets		
Current assets		
Cash	\$ 903	\$ 954
Short-term investments	6,391	4,882
Restricted cash and short-term investments	717	735
Accounts receivable, net	2,008	2,075
Aircraft fuel, spare parts and supplies, net	3,131	2,792
Prepaid expenses and other	834	767
Total current assets	13,984	12,205
Operating property and equipment		
Flight equipment	47,303	46,597
Ground property and equipment	10,605	10,479
Equipment purchase deposits	592	656
Total property and equipment, at cost	58,500	57,732
Less accumulated depreciation and amortization	(25,675)	(25,192)
Total property and equipment, net	32,825	32,540
Operating lease right-of-use assets	6,943	7,091
Other assets		
Goodwill	4,091	4,091
Intangibles, net	2,064	2,066
Deferred tax asset	2,457	2,368
Other assets	1,374	1,413
Total other assets	9,986	9,938
Total assets	\$ 63,738	\$ 61,774
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities		
Current maturities of long-term debt and finance leases	\$ 4,195	\$ 3,753
Accounts payable	3,610	2,840
Accrued salaries and wages	1,969	2,128
Air traffic liability	10,031	7,158
Loyalty program liability	4,210	3,725
Operating lease liabilities	1,053	1,058
Fuel financing	360	914
Other accrued liabilities	2,978	2,916
Total current liabilities	28,406	24,492
Noncurrent liabilities		
Long-term debt and finance leases, net of current maturities	23,522	25,254
Pension and postretirement benefits	1,219	1,568
Loyalty program liability	7,376	6,839
Operating lease liabilities	5,762	5,905
Other liabilities	1,530	1,443
Total noncurrent liabilities	39,409	41,009
Stockholders' equity (deficit)		
Common stock, 661,385,137 shares outstanding at March 31, 2026	7	7
Additional paid-in capital	7,402	7,387
Accumulated other comprehensive loss	(4,372)	(4,389)
Retained deficit	(7,114)	(6,732)
Total stockholders' deficit	(4,077)	(3,727)
Total liabilities and stockholders' equity (deficit)	\$ 63,738	\$ 61,774

Total Debt and Net Debt

The Company's total debt and net debt are presented below, which are non-GAAP measures that management believes are useful for assessing the Company's debt profile. Total debt is defined as debt, finance and operating lease liabilities and pension obligations, and net debt is defined as total debt, net of unrestricted cash and short-term investments.

Total Debt and Net Debt (at end of period)	March 31, 2026 (in millions)
Debt and finance leases	\$ 27,717
Operating lease liabilities	6,815
Pension obligations	<u>200</u>
Total debt	34,732
Less: cash and short-term investments	<u>7,294</u>
Net debt	\$ 27,438