

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

| | 3 Months Ended December 31, | | Percent Increase (Decrease) | 12 Months Ended December 31, | | Percent Increase (Decrease) |
|------------------------------------------------------------|--------------------------------|----------------|-----------------------------------|---------------------------------|----------------|-----------------------------------|
| | 2024 | 2023 | | 2024 | 2023 | |
| Operating revenues: | | | | | | |
| Passenger | \$ 12,402 | \$ 12,010 | 3.3 | \$ 49,586 | \$ 48,512 | 2.2 |
| Cargo | 220 | 199 | 10.5 | 804 | 812 | (0.9) |
| Other | <u>1,038</u> | <u>853</u> | 21.8 | <u>3,821</u> | <u>3,464</u> | 10.3 |
| Total operating revenues | <u>13,660</u> | <u>13,062</u> | 4.6 | <u>54,211</u> | <u>52,788</u> | 2.7 |
| Operating expenses: | | | | | | |
| Aircraft fuel and related taxes | 2,502 | 3,159 | (20.8) | 11,418 | 12,257 | (6.8) |
| Salaries, wages and benefits | 4,104 | 3,689 | 11.2 | 16,021 | 14,580 | 9.9 |
| Regional expenses: | | | | | | |
| Regional operating expenses | 1,228 | 1,101 | 11.5 | 4,723 | 4,325 | 9.2 |
| Regional depreciation and amortization | 81 | 79 | 2.0 | 319 | 318 | 0.3 |
| Maintenance, materials and repairs | 971 | 875 | 10.9 | 3,794 | 3,265 | 16.2 |
| Other rent and landing fees | 789 | 714 | 10.5 | 3,303 | 2,928 | 12.8 |
| Aircraft rent | 297 | 338 | (12.2) | 1,242 | 1,369 | (9.2) |
| Selling expenses | 480 | 443 | 8.7 | 1,812 | 1,799 | 0.7 |
| Depreciation and amortization | 503 | 480 | 4.7 | 1,926 | 1,936 | (0.5) |
| Special items, net | (14) | 9 | nm ⁽¹⁾ | 610 | 971 | (37.2) |
| Other | <u>1,585</u> | <u>1,519</u> | 4.4 | <u>6,429</u> | <u>6,006</u> | 7.0 |
| Total operating expenses | <u>12,526</u> | <u>12,406</u> | 1.0 | <u>51,597</u> | <u>49,754</u> | 3.7 |
| Operating income | 1,134 | 656 | 72.7 | 2,614 | 3,034 | (13.9) |
| Nonoperating income (expense): | | | | | | |
| Interest income | 106 | 136 | (22.2) | 468 | 591 | (20.8) |
| Interest expense, net | (470) | (519) | (9.5) | (1,934) | (2,145) | (9.9) |
| Other income (expense), net | <u>25</u> | <u>(241)</u> | nm | <u>6</u> | <u>(359)</u> | nm |
| Total nonoperating expense, net | <u>(339)</u> | <u>(624)</u> | (45.7) | <u>(1,460)</u> | <u>(1,913)</u> | (23.7) |
| Income before income taxes | 795 | 32 | nm | 1,154 | 1,121 | 2.9 |
| Income tax provision | <u>205</u> | <u>13</u> | nm | <u>308</u> | <u>299</u> | 2.9 |
| Net income | <u>\$ 590</u> | <u>\$ 19</u> | nm | <u>\$ 846</u> | <u>\$ 822</u> | 2.9 |
| Earnings per common share: | | | | | | |
| Basic | <u>\$ 0.90</u> | <u>\$ 0.03</u> | | <u>\$ 1.29</u> | <u>\$ 1.26</u> | |
| Diluted | <u>\$ 0.84</u> | <u>\$ 0.03</u> | | <u>\$ 1.24</u> | <u>\$ 1.21</u> | |
| Weighted average shares outstanding (in thousands): | | | | | | |
| Basic | <u>657,746</u> | <u>654,725</u> | | <u>656,996</u> | <u>653,612</u> | |
| Diluted | <u>723,690</u> | <u>657,079</u> | | <u>721,300</u> | <u>719,669</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 December 31, | | | 12 Months Ended December 31, | | |
|--------------------------------------------------------------------------|--------------------------------|---------|------------------------|---------------------------------|---------|------------------------|
| | 2024 | 2023 | Increase (Decrease) | 2024 | 2023 | Increase (Decrease) |
| Revenue passenger miles (millions) | 60,676 | 58,331 | 4.0 % | 248,795 | 231,926 | 7.3 % |
| Available seat miles (ASM) (millions) | 71,503 | 69,773 | 2.5 % | 292,948 | 277,723 | 5.5 % |
| Passenger load factor (percent) | 84.9 | 83.6 | 1.3 pts | 84.9 | 83.5 | 1.4 pts |
| Yield (cents) | 20.44 | 20.59 | (0.7) % | 19.93 | 20.92 | (4.7) % |
| Passenger revenue per ASM (cents) | 17.34 | 17.21 | 0.8 % | 16.93 | 17.47 | (3.1) % |
| Total revenue per ASM (cents) | 19.10 | 18.72 | 2.0 % | 18.51 | 19.01 | (2.6) % |
| Cargo ton miles (millions) | 526 | 501 | 5.0 % | 2,067 | 1,840 | 12.3 % |
| Cargo yield per ton mile (cents) | 41.85 | 39.74 | 5.3 % | 38.92 | 44.13 | (11.8) % |
| Fuel consumption (gallons in millions) | 1,070 | 1,033 | 3.6 % | 4,391 | 4,140 | 6.1 % |
| Average aircraft fuel price including related taxes (dollars per gallon) | 2.34 | 3.06 | (23.5) % | 2.60 | 2.96 | (12.2) % |
| Operating cost per ASM (cents) | 17.52 | 17.78 | (1.5) % | 17.61 | 17.92 | (1.7) % |
| Operating cost per ASM excluding net special items (cents) | 17.49 | 17.77 | (1.6) % | 17.39 | 17.56 | (1.0) % |
| Operating cost per ASM excluding net special items and fuel (cents) | 13.99 | 13.24 | 5.7 % | 13.50 | 13.15 | 2.6 % |
| Passenger enplanements (thousands) | 55,806 | 53,567 | 4.2 % | 226,405 | 210,692 | 7.5 % |
| Departures (thousands): | | | | | | |
| Mainline | 291 | 285 | 1.9 % | 1,191 | 1,145 | 4.0 % |
| Regional | 256 | 222 | 15.1 % | 972 | 855 | 13.6 % |
| Total | 547 | 507 | 7.7 % | 2,163 | 2,000 | 8.1 % |
| Average stage length (miles): | | | | | | |
| Mainline | 1,147 | 1,157 | (0.9) % | 1,154 | 1,147 | 0.6 % |
| Regional | 461 | 458 | 0.6 % | 459 | 463 | (0.7) % |
| Total | 826 | 851 | (3.0) % | 842 | 855 | (1.5) % |
| Aircraft at end of period: | | | | | | |
| Mainline | 977 | 965 | 1.2 % | 977 | 965 | 1.2 % |
| Regional ⁽²⁾ | 585 | 556 | 5.2 % | 585 | 556 | 5.2 % |
| Total | 1,562 | 1,521 | 2.7 % | 1,562 | 1,521 | 2.7 % |
| Full-time equivalent employees at end of period: | | | | | | |
| Mainline | 102,700 | 103,200 | (0.5) % | 102,700 | 103,200 | (0.5) % |
| Regional ⁽³⁾ | 30,600 | 28,900 | 5.9 % | 30,600 | 28,900 | 5.9 % |
| Total | 133,300 | 132,100 | 0.9 % | 133,300 | 132,100 | 0.9 % |

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 seven regional aircraft in temporary storage as of December 31, 2024 as follows: five Embraer 145 and two Bombardier CRJ 900.

⁽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 | | | 12 Months Ended | | |
|-----------------------------------------|----------------|--------|------------|-----------------|---------|------------|
| | December 31, | | Increase | December 31, | | Increase |
| | 2024 | 2023 | (Decrease) | 2024 | 2023 | (Decrease) |
| Domestic ⁽¹⁾ | | | | | | |
| Revenue passenger miles (millions) | 41,203 | 39,610 | 4.0 % | 166,302 | 155,374 | 7.0 % |
| Available seat miles (ASM) (millions) | 48,495 | 46,805 | 3.6 % | 195,250 | 185,206 | 5.4 % |
| Passenger load factor (percent) | 85.0 | 84.6 | 0.4 pts | 85.2 | 83.9 | 1.3 pts |
| Passenger revenue (dollars in millions) | 9,051 | 8,744 | 3.5 % | 35,336 | 34,592 | 2.1 % |
| Yield (cents) | 21.97 | 22.08 | (0.5) % | 21.25 | 22.26 | (4.6) % |
| Passenger revenue per ASM (cents) | 18.66 | 18.68 | (0.1) % | 18.10 | 18.68 | (3.1) % |
| Latin America ⁽²⁾ | | | | | | |
| Revenue passenger miles (millions) | 8,860 | 8,570 | 3.4 % | 35,438 | 33,337 | 6.3 % |
| Available seat miles (millions) | 10,405 | 9,950 | 4.6 % | 40,889 | 38,531 | 6.1 % |
| Passenger load factor (percent) | 85.2 | 86.1 | (0.9) pts | 86.7 | 86.5 | 0.2 pts |
| Passenger revenue (dollars in millions) | 1,662 | 1,674 | (0.7) % | 6,560 | 6,719 | (2.4) % |
| Yield (cents) | 18.76 | 19.53 | (3.9) % | 18.51 | 20.16 | (8.2) % |
| Passenger revenue per ASM (cents) | 15.98 | 16.82 | (5.0) % | 16.04 | 17.44 | (8.0) % |
| Atlantic | | | | | | |
| Revenue passenger miles (millions) | 8,013 | 8,307 | (3.5) % | 38,407 | 36,581 | 5.0 % |
| Available seat miles (millions) | 9,573 | 10,728 | (10.8) % | 46,574 | 46,056 | 1.1 % |
| Passenger load factor (percent) | 83.7 | 77.4 | 6.3 pts | 82.5 | 79.4 | 3.1 pts |
| Passenger revenue (dollars in millions) | 1,324 | 1,330 | (0.5) % | 6,445 | 6,205 | 3.9 % |
| Yield (cents) | 16.52 | 16.02 | 3.1 % | 16.78 | 16.96 | (1.1) % |
| Passenger revenue per ASM (cents) | 13.82 | 12.40 | 11.5 % | 13.84 | 13.47 | 2.7 % |
| Pacific | | | | | | |
| Revenue passenger miles (millions) | 2,600 | 1,844 | 41.0 % | 8,648 | 6,634 | 30.4 % |
| Available seat miles (millions) | 3,030 | 2,290 | 32.3 % | 10,235 | 7,930 | 29.1 % |
| Passenger load factor (percent) | 85.8 | 80.5 | 5.3 pts | 84.5 | 83.7 | 0.8 pts |
| Passenger revenue (dollars in millions) | 365 | 262 | 39.4 % | 1,245 | 996 | 25.0 % |
| Yield (cents) | 14.03 | 14.19 | (1.1) % | 14.39 | 15.00 | (4.1) % |
| Passenger revenue per ASM (cents) | 12.04 | 11.43 | 5.3 % | 12.16 | 12.55 | (3.1) % |
| Total International | | | | | | |
| Revenue passenger miles (millions) | 19,473 | 18,721 | 4.0 % | 82,493 | 76,552 | 7.8 % |
| Available seat miles (millions) | 23,008 | 22,968 | 0.2 % | 97,698 | 92,517 | 5.6 % |
| Passenger load factor (percent) | 84.6 | 81.5 | 3.1 pts | <u>\$ 84</u> | 82.7 | 1.7 pts |
| Passenger revenue (dollars in millions) | 3,351 | 3,266 | 2.6 % | 14,250 | 13,920 | 2.4 % |
| Yield (cents) | 17.21 | 17.45 | (1.4) % | 17.27 | 18.18 | (5.0) % |
| Passenger revenue per ASM (cents) | 14.56 | 14.22 | 2.4 % | 14.59 | 15.05 | (3.1) % |

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 (GAAP measure) to Operating Income Excluding Net Special Items (non-GAAP measure)
- Operating Margin (GAAP measure) to Operating Margin Excluding Net Special Items (non-GAAP measure)
- Pre-Tax Income (GAAP measure) to Pre-Tax Income Excluding Net Special Items (non-GAAP measure)
- Pre-Tax Margin (GAAP measure) to Pre-Tax Margin Excluding Net Special Items (non-GAAP measure)
- Net Income (GAAP measure) to Net Income Excluding Net Special Items (non-GAAP measure)
- Basic and Diluted Earnings Per Share (GAAP measure) to Basic and Diluted Earnings 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 December 31, | | Percent Increase (Decrease) | 12 Months Ended December 31, | | Percent Increase (Decrease) |
|-----------------------------------------------------------------------|--------------------------------|-----------|-----------------------------------|---------------------------------|-----------|-----------------------------------|
| | 2024 | 2023 | | 2024 | 2023 | |
| Reconciliation of Operating Income Excluding Net Special Items | | | | | | |
| | (in millions) | | | (in millions) | | |
| Operating income as reported | \$ 1,134 | \$ 656 | | \$ 2,614 | \$ 3,034 | |
| Operating net special items: | | | | | | |
| Mainline operating special items, net ⁽¹⁾ | (14) | 9 | | 610 | 971 | |
| Regional operating special items, net ⁽²⁾ | 33 | - | | 33 | 8 | |
| Operating income excluding net special items | \$ 1,153 | \$ 665 | 73.3% | \$ 3,257 | \$ 4,013 | (18.8%) |
| Calculation of Operating Margin | | | | | | |
| Operating income as reported | \$ 1,134 | \$ 656 | | \$ 2,614 | \$ 3,034 | |
| Total operating revenues as reported | \$ 13,660 | \$ 13,062 | | \$ 54,211 | \$ 52,788 | |
| Operating margin | 8.3% | 5.0% | | 4.8% | 5.7% | |
| Calculation of Operating Margin Excluding Net Special Items | | | | | | |
| Operating income excluding net special items | \$ 1,153 | \$ 665 | | \$ 3,257 | \$ 4,013 | |
| Total operating revenues as reported | \$ 13,660 | \$ 13,062 | | \$ 54,211 | \$ 52,788 | |
| Operating margin excluding net special items | 8.4% | 5.1% | | 6.0% | 7.6% | |
| Reconciliation of Pre-Tax Income Excluding Net Special Items | | | | | | |
| Pre-tax income as reported | \$ 795 | \$ 32 | | \$ 1,154 | \$ 1,121 | |
| Pre-tax net special items: | | | | | | |
| Mainline operating special items, net ⁽¹⁾ | (14) | 9 | | 610 | 971 | |
| Regional operating special items, net ⁽²⁾ | 33 | - | | 33 | 8 | |
| Nonoperating special items, net ⁽³⁾ | (6) | 216 | | 24 | 362 | |
| Total pre-tax net special items | 13 | 225 | | 667 | 1,341 | |
| Pre-tax income excluding net special items | \$ 808 | \$ 257 | nm | \$ 1,821 | \$ 2,462 | (26.0%) |
| Calculation of Pre-Tax Margin | | | | | | |
| Pre-tax income as reported | \$ 795 | \$ 32 | | \$ 1,154 | \$ 1,121 | |
| Total operating revenues as reported | \$ 13,660 | \$ 13,062 | | \$ 54,211 | \$ 52,788 | |
| Pre-tax margin | 5.8% | 0.2% | | 2.1% | 2.1% | |
| Calculation of Pre-Tax Margin Excluding Net Special Items | | | | | | |
| Pre-tax income excluding net special items | \$ 808 | \$ 257 | | \$ 1,821 | \$ 2,462 | |
| Total operating revenues as reported | \$ 13,660 | \$ 13,062 | | \$ 54,211 | \$ 52,788 | |
| Pre-tax margin excluding net special items | 5.9% | 2.0% | | 3.4% | 4.7% | |

Reconciliation of GAAP Financial Information to Non-GAAP Financial Information

| Reconciliation of Net Income Excluding Net Special Items | 3 Months Ended December 31, | | Percent Increase (Decrease) | 12 Months Ended December 31, | | Percent Increase (Decrease) |
|---------------------------------------------------------------------------------------------|---------------------------------------------------|-----------|-----------------------------------|---------------------------------------------------|-----------|-----------------------------------|
| | 2024 | 2023 | | 2024 | 2023 | |
| | (in millions, except share and per share amounts) | | | (in millions, except share and per share amounts) | | |
| Net income as reported | \$ 590 | \$ 19 | | \$ 846 | \$ 822 | |
| Net special items: | | | | | | |
| Total pre-tax net special items ⁽¹⁾ ⁽²⁾ ⁽³⁾ | 13 | 225 | | 667 | 1,341 | |
| Net tax effect of net special items | 6 | (52) | | (151) | (304) | |
| Net income excluding net special items | \$ 609 | \$ 192 | nm | \$ 1,362 | \$ 1,859 | (26.7%) |
| Reconciliation of Basic and Diluted Earnings Per Share Excluding Net Special Items | | | | | | |
| Net income excluding net special items | \$ 609 | \$ 192 | | \$ 1,362 | \$ 1,859 | |
| Shares used for computation (in thousands): | | | | | | |
| Basic | 657,746 | 654,725 | | 656,996 | 653,612 | |
| Diluted | 723,690 | 718,807 | | 721,300 | 719,669 | |
| Earnings per share excluding net special items: | | | | | | |
| Basic | \$ 0.93 | \$ 0.29 | | \$ 2.07 | \$ 2.84 | |
| Diluted ⁽⁴⁾ | \$ 0.86 | \$ 0.29 | | \$ 1.96 | \$ 2.65 | |
| Reconciliation of Total Operating Costs per ASM Excluding Net Special Items and Fuel | | | | | | |
| Total operating expenses as reported | \$ 12,526 | \$ 12,406 | | \$ 51,597 | \$ 49,754 | |
| Operating net special items: | | | | | | |
| Mainline operating special items, net ⁽¹⁾ | 14 | (9) | | (610) | (971) | |
| Regional operating special items, net ⁽²⁾ | (33) | - | | (33) | (8) | |
| Total operating expenses excluding net special items | 12,507 | 12,397 | | 50,954 | 48,775 | |
| Aircraft fuel and related taxes | (2,502) | (3,159) | | (11,418) | (12,257) | |
| Total operating expenses excluding net special items and fuel | \$ 10,005 | \$ 9,238 | | \$ 39,536 | \$ 36,518 | |
| | (in cents) | | | (in cents) | | |
| Total operating expenses per ASM as reported | 17.52 | 17.78 | | 17.61 | 17.92 | |
| Operating net special items per ASM: | | | | | | |
| Mainline operating special items, net ⁽¹⁾ | 0.02 | (0.01) | | (0.21) | (0.35) | |
| Regional operating special items, net ⁽²⁾ | (0.05) | - | | (0.01) | - | |
| Total operating expenses per ASM excluding net special items | 17.49 | 17.77 | | 17.39 | 17.56 | |
| Aircraft fuel and related taxes per ASM | (3.50) | (4.53) | | (3.90) | (4.41) | |
| Total operating expenses per ASM excluding net special items and fuel | 13.99 | 13.24 | | 13.50 | 13.15 | |

Note: Amounts may not recalculate due to rounding.

FOOTNOTES:

⁽¹⁾ The 2024 twelve month period mainline operating special items, net included \$605 million of one-time charges resulting from the ratifications of new collective bargaining agreements with our mainline flight attendants and passenger service team members.

The 2023 twelve month period mainline operating special items, net principally included \$989 million of one-time charges resulting from the ratification of a new collective bargaining agreement with our mainline pilots, including a one-time payment of \$754 million as well as adjustments to other benefit-related items of \$235 million.

⁽²⁾ The 2024 three and twelve month period regional operating special items, net included a \$33 million non-cash write down of regional aircraft resulting from the decision to permanently park 43 Embraer 145 aircraft.

⁽³⁾ Principally included charges associated with debt refinancings and extinguishments as well as mark-to-market net unrealized gains and losses associated with certain equity investments.

⁽⁴⁾ The 2024 three and twelve month period diluted earnings per share gives effect to, among other things, the Company's outstanding 6.5% senior convertible notes by (a) adding back to earnings \$15 million and \$51 million of interest expense, respectively, related to such convertible notes, net of estimated profit sharing and tax effects and (b) including in the diluted shares outstanding, 61.7 million shares issuable in respect to such convertible notes.

The 2023 three and twelve month period diluted earnings per share gives effect to, among other things, the Company's outstanding 6.5% senior convertible notes by (a) adding back to earnings \$13 million and \$47 million of interest expense, respectively, related to such convertible notes, net of estimated profit sharing, short-term incentive and tax effects and (b) including in the diluted shares outstanding, 61.7 million shares issuable in respect to such convertible notes.

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

| | Year Ended December 31, | |
|------------------------------------------------------------------------------|----------------------------|----------|
| | 2024 | 2023 |
| Net cash provided by operating activities | \$ 3,983 | \$ 3,803 |
| Cash flows from investing activities: | | |
| Capital expenditures and aircraft purchase deposits | (2,683) | (2,596) |
| Proceeds from sale-leaseback transactions and sale of property and equipment | 654 | 230 |
| Sales of short-term investments | 8,013 | 8,861 |
| Purchases of short-term investments | (7,194) | (7,323) |
| Decrease in restricted short-term investments | 177 | 51 |
| Other investing activities | 65 | 275 |
| Net cash used in investing activities | (968) | (502) |
| Cash flows from financing activities: | | |
| Payments on long-term debt and finance leases | (4,467) | (7,718) |
| Proceeds from issuance of long-term debt | 1,670 | 4,822 |
| Other financing activities | 3 | (310) |
| Net cash used in financing activities | (2,794) | (3,206) |
| Net increase in cash and restricted cash | 221 | 95 |
| Cash and restricted cash at beginning of year | 681 | 586 |
| Cash and restricted cash at end of year ⁽¹⁾ | \$ 902 | \$ 681 |

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

| | | |
|------------------------------------------------------------------------|--------|--------|
| Cash | \$ 804 | \$ 578 |
| Restricted cash included in restricted cash and short-term investments | 98 | 103 |
| Total cash and restricted cash | \$ 902 | \$ 681 |

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 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.

| | <u>Year Ended</u> <u>December 31, 2024</u> (in millions) |
|----------------------------------------------------------------------|----------------------------------------------------------------|
| Net cash provided by operating activities | \$ 3,983 |
| Adjusted net cash used in investing activities ⁽¹⁾ | <u>(1,782)</u> |
| Free cash flow | <u>\$ 2,201</u> |

⁽¹⁾ The following table provides a reconciliation of adjusted net cash used in investing activities for the year ended December 31, 2024 (in millions):

| | |
|------------------------------------------------|-------------------|
| Net cash used in investing activities | \$ (968) |
| Adjustments: | |
| Net sales of short-term investments | (819) |
| Decrease in restricted cash | <u>5</u> |
| Adjusted net cash used in investing activities | <u>\$ (1,782)</u> |

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

| | <u>December 31, 2024</u> | <u>December 31, 2023</u> |
|-------------------------------------------------------------------|--------------------------|--------------------------|
| | (unaudited) | |
| Assets | | |
| Current assets | | |
| Cash | \$ 804 | \$ 578 |
| Short-term investments | 6,180 | 7,000 |
| Restricted cash and short-term investments | 732 | 910 |
| Accounts receivable, net | 2,006 | 2,026 |
| Aircraft fuel, spare parts and supplies, net | 2,638 | 2,400 |
| Prepaid expenses and other | <u>794</u> | <u>658</u> |
| Total current assets | 13,154 | 13,572 |
| Operating property and equipment | | |
| Flight equipment | 43,521 | 41,794 |
| Ground property and equipment | 10,202 | 10,307 |
| Equipment purchase deposits | <u>1,012</u> | <u>760</u> |
| Total property and equipment, at cost | 54,735 | 52,861 |
| Less accumulated depreciation and amortization | <u>(23,608)</u> | <u>(22,097)</u> |
| Total property and equipment, net | 31,127 | 30,764 |
| Operating lease right-of-use assets | 7,333 | 7,939 |
| Other assets | | |
| Goodwill | 4,091 | 4,091 |
| Intangibles, net | 2,044 | 2,051 |
| Deferred tax asset | 2,485 | 2,888 |
| Other assets | <u>1,549</u> | <u>1,753</u> |
| Total other assets | <u>10,169</u> | <u>10,783</u> |
| Total assets | <u>\$ 61,783</u> | <u>\$ 63,058</u> |
| Liabilities and Stockholders' Equity (Deficit) | | |
| Current liabilities | | |
| Current maturities of long-term debt and finance leases | \$ 5,014 | \$ 3,632 |
| Accounts payable | 2,455 | 2,353 |
| Accrued salaries and wages | 2,150 | 2,377 |
| Air traffic liability | 6,759 | 6,200 |
| Loyalty program liability | 3,556 | 3,453 |
| Operating lease liabilities | 1,092 | 1,309 |
| Other accrued liabilities | <u>2,961</u> | <u>2,738</u> |
| Total current liabilities | 23,987 | 22,062 |
| Noncurrent liabilities | | |
| Long-term debt and finance leases, net of current maturities | 25,462 | 29,270 |
| Pension and postretirement benefits | 2,128 | 3,044 |
| Loyalty program liability | 6,498 | 5,874 |
| Operating lease liabilities | 5,976 | 6,452 |
| Other liabilities | <u>1,709</u> | <u>1,558</u> |
| Total noncurrent liabilities | 41,773 | 46,198 |
| Stockholders' equity (deficit) | | |
| Common stock, 657,566,166 shares outstanding at December 31, 2024 | 7 | 7 |
| Additional paid-in capital | 7,424 | 7,374 |
| Accumulated other comprehensive loss | (4,565) | (4,894) |
| Retained deficit | <u>(6,843)</u> | <u>(7,689)</u> |
| Total stockholders' deficit | <u>(3,977)</u> | <u>(5,202)</u> |
| Total liabilities and stockholders' equity (deficit) | <u>\$ 61,783</u> | <u>\$ 63,058</u> |