

April 18, 2013

Dear American Team:

Thanks to all of you, the first quarter of 2013 was a pivotal start to the year for American. Putting customers first, you delivered results over the past year that positioned us well for one of the most significant events in our history – a transformational merger with our partners at US Airways that will create the world's leading airline.

The events of the quarter underscore both the success of our restructuring to date and the promise and potential of the new American. Here are some of the highlights:

- We reported record revenues and a net first quarter profit of \$8 million (excluding special items), the first since 2007 and a \$256 million improvement over last year. Operating profit was \$125 million and our earnings momentum is building.
- With our financial restructuring nearly complete, we have built a competitive cost structure and a financial foundation for a successful future. Our non-fuel unit costs were down 3.2 percent.
- We are rapidly transforming our fleet with the introduction of 59 new aircraft into our fleet this year, 12 in the first quarter, including our new flagship Boeing 777-300ER, a first for a U.S. airline.
- We are strengthening our network with the announcement of a major expansion of our hub at LAX. We are expanding internationally with new flying to Lima, Dublin, Düsseldorf and our first ever service to Seoul.
- We announced a very big win in our alliance strategy with LATAM's decision to join **oneworld** and to strengthen its ties with American throughout growing Latin American markets.
- We launched a modernization of our iconic American brand for the first time in over 40 years.

None of this would have been possible without the hard work of everyone on the American team staying focused on our customers. I am proud of our people companywide who worked diligently this week to get our operations back on track after a network outage, doing their best to minimize the effect on our customers.

As we look back on the past months, the results of our restructuring have been extraordinary, particularly for American's owners. Typically in a court restructuring, the bondholders, to whom the company owes money, recover only a fraction of their investment, if anything, and the shareholders lose everything. That will not be the case at American. It now appears that our bondholders may fully recover their investment and our shareholders will receive substantial value. In fact, since the day we entered restructuring, the value of our bonds has risen fivefold and our stock price has risen fifteenfold. This is unprecedented and serves as a yardstick of the turnaround of American and all we've accomplished together.

We all know that the restructuring of American hasn't been easy, and that we have much hard work ahead with our partners at US Airways to prepare for a successful integration of our two great airlines. But together, we have created a strong and vibrant American, which will again lead the industry with great promise for our people, our customers and our investors.

I look forward to sharing updates on our progress in the months ahead. Thanks for all you do!

Sincerely,

