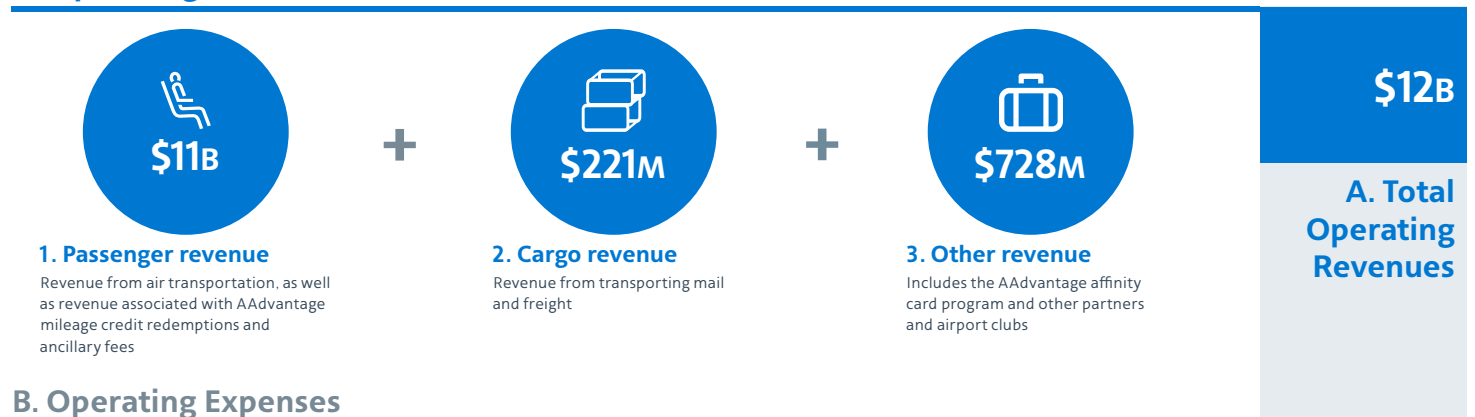
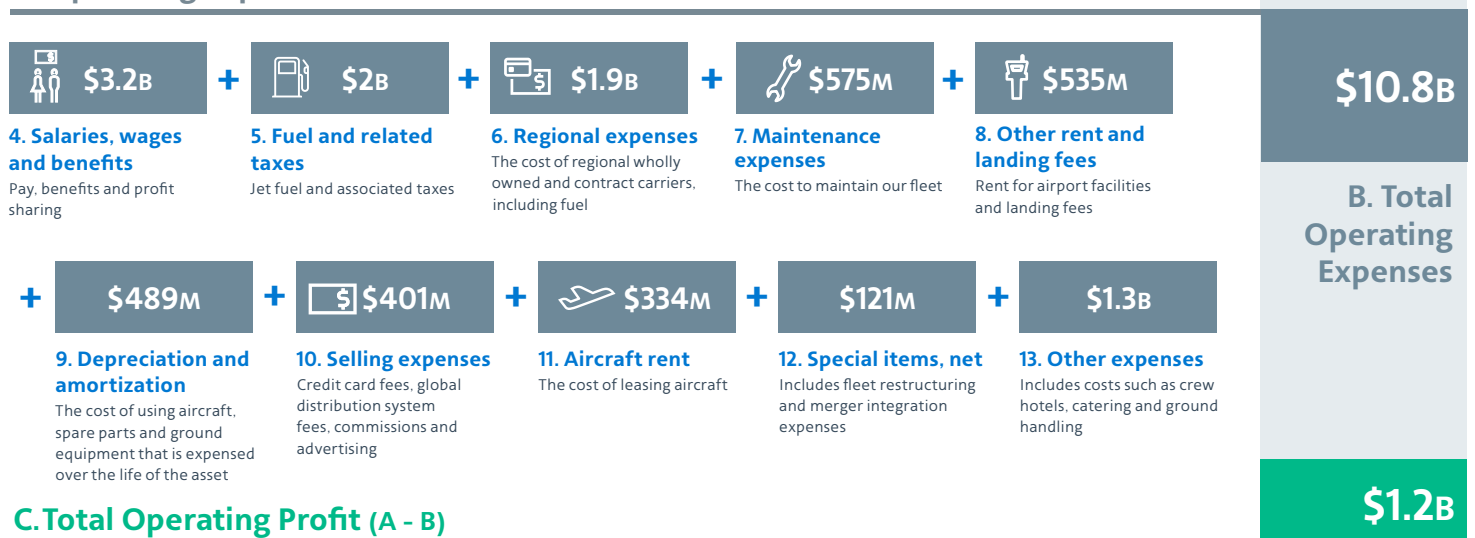


# 2Q19 What We Made

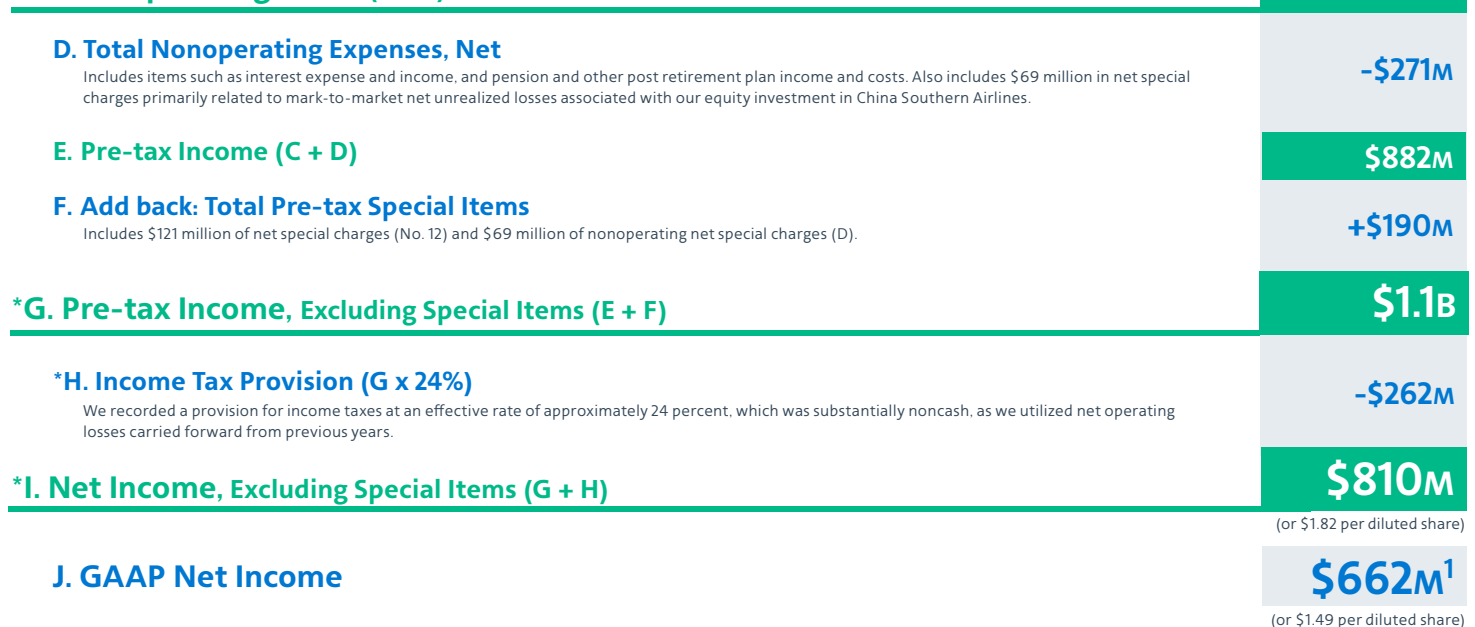
## A. Operating Revenues



## B. Operating Expenses



## C. Total Operating Profit (A - B)



<sup>1</sup>We use pre-tax income and net income excluding special items (non-GAAP financial measures) to evaluate the company's current operating performance and to allow for period-to-period comparisons. As special items may vary from period to period in nature and amount, the adjustment to exclude special items allows management an additional tool to understand the company's core operating performance. We believe 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.

### <sup>1</sup>Reconciliation to GAAP Net Income:

E. Pre-tax Income	\$882M
K. Income Tax Provision (E x 24%)	-\$220M
J. GAAP Net Income (E + K)	<b>\$662M</b>

## American's success is guided by three strategic objectives:

### Create a World-Class Customer Experience

American has invested more than \$28 billion in its people, product and fleet over the past five years — the largest investment of any carrier in commercial aviation history. In the second quarter, American:

- Continued to evolve American's fleet by taking delivery of 14 new aircraft and operating its first customer flight on the Airbus A321neo, a fuel-efficient aircraft equipped with power at every seat, larger overhead bins and free wireless entertainment to each customer's own device, including free live television.
- Completed a two-year retrofit of Premium Economy, which offers more legroom, wider seats and enhanced meal service on long-haul international flights and select flights to Alaska and Hawaii. American also took the top spot for Premium Economy service in TripAdvisor's Travelers' Choice Awards, beating all other U.S. carriers.
- Opened American's Flagship Lounge and Flagship First Dining in Terminal D at Dallas Fort Worth International Airport (DFW) providing customers with quiet spaces to rest, luxury showers and a high-end, sit-down dining experience.
- Launched DFW 900, the company's strategic growth plan that involved the opening of the airline's new Terminal E Satellite facility with 15 new gates and increased departures at its hub by more than 100 per day.
- Debuted Bang & Olufsen noise-canceling headsets for customers in first and business class.
- The AAdvantage program was named Best Elite Program for the Americas at the Freddie Awards for the eighth year in a row.
- Unveiled the new Great Hall in Terminal B at Boston Logan International Airport (BOS), providing customers with a more comfortable airport experience, local flavor and innovative technology.

### Make Culture a Competitive Advantage

Taking care of team members translates into better customer care. We continue to invest in improved tools, training and support for team members and in the second quarter, American:

- Recognized American's Maintenance team through systemwide celebrations on Aviation Maintenance Technician Day and launched the new Ken MacTiernan Excellence in Aviation Maintenance Award.
- Opened its 29th domestic Line Maintenance station at Houston's George Bush Intercontinental Airport (IAH).
- Cut the ribbon on a brand new Terminal 5 ticket counter and break room at Los Angeles International Airport (LAX), the first major milestone toward the completion of the \$1.6 billion modernization project for Terminals 4 and 5.
- Began moving team members to the expanded Robert L. Crandall Campus in Fort Worth, Texas.
- Named among the Best-of-the-Best Corporations for Inclusion by the National Gay & Lesbian Chamber of Commerce for the fourth year in a row.
- Contributed \$858 million to American's pension plans, bringing the 2019 contribution total to \$1.2 billion — \$436 million in excess of the required minimum contribution.
- Awarded \$976,000 in scholarships to 360 children of team members at a ceremony in Dallas as part of the American Airlines Education Foundation scholarship program.
- Accrued \$67 million for the company's profit-sharing program, bringing the year-to-date accrual to \$87 million.

### Build American Airlines to Thrive Forever

With a nearly 100-year legacy, American is building a company that we expect to be consistently profitable today and in the future. This long-term initiative was furthered during the second quarter as American:

- Launched 50 new routes, including the new service to Dubrovnik, Croatia, and Berlin, Germany.
- Awarded tentative approval from the U.S. Department of Transportation (DOT) for additional service to Tokyo's Haneda (HND) from LAX and DFW, providing American's customers better access to downtown Tokyo and to the domestic network of its Pacific Joint Business partner, Japan Airlines.
- Received approval from the DOT of its joint business between American and Qantas, allowing for commercial integration between the carriers on routes between the U.S. and Australia and New Zealand.
- Rolled out new technology initiatives for customers, including pre-paid bag functionality, automation to handle operationally driven overbooked flights, and instant buy-up opportunities.
- Agreed to purchase 50 Airbus A321XLR aircraft, the new longer-range version of the A321neo, with deliveries scheduled to begin in 2023. The agreement includes the conversion of 30 of American's existing A321neo slots to A321XLRs and the exercise of options for an additional 20 A321XLRs.
- Announced plans to develop a sixth terminal at DFW that could add up to 24 gates, with the first section of the terminal expected to open as soon as 2025. The plans also include investing in enhancements in Terminal C.



“Our team members did a tremendous job to deliver solid results despite a challenging start to our summer. Their extraordinary efforts led to an increase in earnings and record revenue performance, and we thank our team for their expertise and care for our customers.”

— DOUG PARKER, CHAIRMAN AND CEO

**\$12B**

IN REVENUE — A RECORD  
FOR THE SECOND QUARTER

**86.6%**

A RECORD TOTAL PASSENGER  
LOAD FACTOR



Leaders from American, Envoy and DFW Airport celebrate the opening of the Terminal E Satellite.



American opened Flagship Lounge and Flagship First Dining in Terminal D at DFW.

[See attached press release](#)