



NEWS RELEASE

# American Airlines reports fourth-quarter and full-year 2023 financial results

1/25/2024

American Airlines Group Inc. (NASDAQ: AAL) today reported its fourth-quarter and full-year 2023 financial results, including:

- Record full-year revenue of approximately \$53 billion.
- GAAP fourth-quarter and full-year net income of \$19 million and \$822 million, or \$0.03 and \$1.21 per diluted share, respectively.
- Excluding net special items<sup>1</sup>, fourth-quarter and full-year net income of \$192 million and \$1.9 billion, or \$0.29 and \$2.65 per diluted share, respectively.
- Achieved best-ever fourth-quarter and full-year completion factor.
- Generated GAAP operating cash flow of \$3.8 billion and the airline's highest full-year free cash flow<sup>2</sup> of \$1.8 billion.
- Reduced total debt<sup>3</sup> by \$3.2 billion in 2023. The company is more than 75% of the way to its 2025 total debt reduction goal.

"The American Airlines team produced an exceptionally strong performance in 2023," said American's CEO Robert Isom. "We are delivering on our commitments and remain well-positioned for the future, supported by the strength of our network and travel rewards program, our young and simplified fleet, our operational reliability, and our outstanding team. As we look forward, we remain focused on delivering a reliable operation for our customers and reengineering the business to build an even more efficient airline."





- [Fact sheet PDF »](#)
- [Earnings conference call »](#)

## OPERATIONAL RELIABILITY

American and its regional partners operated nearly 2 million flights in 2023, with an average load factor of 83.5%. The company produced its best-ever fourth-quarter and full-year completion factor, with the lowest number of cancellations annually since the merger in 2013.

The airline's strong operational momentum continued through the holiday travel period. American achieved its best-ever completion factor and on-time departures as well as its lowest mishandled baggage rate over the holidays.

## FINANCIAL PERFORMANCE

For the full year, American produced record revenue of nearly \$53 billion. In the fourth quarter, the company generated revenue of more than \$13 billion and an operating margin of 5.0% on a GAAP basis. Excluding the impact of net special items<sup>1</sup>, American produced an operating margin of 5.1% in the fourth quarter, exceeding the high end of the company's prior guidance. These results were driven by continued strong demand for American's product, record revenue from its travel rewards program, strong operational performance and effective cost control.

## LIQUIDITY AND BALANCE SHEET

Strengthening the balance sheet remains a top priority for the company. American reduced total debt<sup>3</sup> by more than \$500 million in the fourth quarter and by approximately \$3.2 billion in 2023. The company is more than 75% of the way to its goal of reducing total debt<sup>3</sup> by \$15 billion by the end of 2025. As of Dec. 31, 2023, American had reduced its total debt<sup>3</sup> by approximately \$11.4 billion from peak levels in mid-2021.

The company ended the year with approximately \$10.4 billion of total available liquidity, comprised of cash and short-term investments plus undrawn capacity under revolving and other short-term credit facilities.

## GUIDANCE AND INVESTOR UPDATE

Based on present demand trends and the current fuel price forecast and excluding the impact of special items<sup>4</sup>, the company expects its first-quarter 2024 adjusted loss per diluted share<sup>4</sup> to be between (\$0.15) and (\$0.35). American expects its full-year 2024 adjusted earnings per diluted share<sup>4</sup> to be between \$2.25 and \$3.25.

For additional financial forecasting detail, please refer to the company's investor update, furnished with this press release with the SEC on Form 8-K. This filing will also be available at [aa.com/investorrelations](https://aa.com/investorrelations).

#### CONFERENCE CALL AND WEBCAST DETAILS

The company will conduct a live audio webcast of its financial results conference call at 7:30 a.m. CT today. The call will be available to the public on a listen-only basis at [aa.com/investorrelations](https://aa.com/investorrelations). An archive of the webcast will be available on the website through Feb. 25.

#### NOTES

See the accompanying notes in the financial tables section of this press release for further explanation, including a reconciliation of all GAAP to non-GAAP financial information, including the calculation of free cash flow.

The company recognized \$173 million of net special items in the fourth quarter after the effect of taxes, which principally included \$216 million of nonoperating net special items for charges associated with debt extinguishments and mark-to-market net unrealized losses on certain equity investments. The company recognized \$1.0 billion of net special items in 2023 after the effect of taxes, which included operating net special items of \$979 million principally related to one-time charges resulting from the ratification of a new collective bargaining agreement with American's mainline pilots, as well as nonoperating net special items of \$362 million for charges associated with debt extinguishments and mark-to-market net unrealized losses on certain equity investments. Please see the accompanying notes for the company's definition of free cash flow, a non-GAAP measure. All references to total debt include debt, finance and operating lease liabilities and pension obligations. Adjusted earnings per diluted share guidance excludes the impact of net special items. The company is unable to reconcile certain forward-looking information to GAAP as the nature or amount of net special items cannot be determined at this time.

Financial results

Click the button below to download the fourth-quarter 2023 financial results.

**View the PDF**

## About American Airlines Group

To Care for People on Life's Journey®. Shares of American Airlines Group Inc. trade on Nasdaq under the ticker symbol AAL and the company's stock is included in the S&P 500. Learn more about what's happening at American by visiting [news.aa.com](https://news.aa.com) and connect with American @AmericanAir and at [Facebook.com/AmericanAirlines](https://Facebook.com/AmericanAirlines).

## Cautionary statement regarding forward-looking statements and information

Certain of the statements contained in this report should be considered forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by words such as "may," "will," "expect," "intend," "anticipate," "believe," "estimate," "plan," "project," "could," "should," "would," "continue," "seek," "target," "guidance," "outlook," "if current trends continue," "optimistic," "forecast" and other similar words. Such statements include, but are not limited to, statements about the company's plans, objectives, expectations, intentions, estimates and strategies for the future, and other statements that are not historical facts. These forward-looking statements are based on the company's current objectives, beliefs and expectations, and they are subject to significant risks and uncertainties that may cause actual results and financial position and timing of certain events to differ materially from the information in the forward-looking statements. These risks and uncertainties include, but are not limited to, those set forth herein as well as in the company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (especially in Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and Part II, Item 1A. Risk Factors), and other risks and uncertainties listed from time to time in the company's other filings with the Securities and Exchange Commission. Additionally, there may be other factors of which the company is not currently aware that may affect matters discussed in the forward-looking statements and may also cause actual results to differ materially from those discussed. The company does not assume any obligation to publicly update or supplement any forward-looking statement to reflect actual results, changes in assumptions or changes in other factors affecting these forward-looking statements other than as required by law. Any forward-looking statements speak only as of the date hereof or as of the dates indicated in the statement.