



NEWS RELEASE

American Airlines reports fourth-quarter and full-year 2025 financial results

2026-01-27

FORT WORTH, Texas — American Airlines Group Inc. (NASDAQ: AAL) today reported its fourth-quarter and full-year 2025 financial results, including:

- Record fourth-quarter revenue of \$14.0 billion and record full-year revenue of \$54.6 billion
- The government shutdown negatively impacted revenue in the fourth quarter by approximately \$325 million
- Fourth-quarter and full-year GAAP net income of \$99 million and \$111 million, or \$0.15 and \$0.17 per diluted share, respectively
- Excluding net special items¹, fourth-quarter and full-year net income of \$106 million and \$237 million, or \$0.16 and \$0.36 per diluted share, respectively
- Reduced total debt² by \$2.1 billion in 2025
- Full-year 2026 adjusted EPS³ expected to be between \$1.70 and \$2.70
- Company expects free cash flow⁴ of more than \$2 billion in 2026



1. Passenger revenue
Revenue from air transportation, as well as revenue associated with AAdvantage® mileage credit redemptions and ancillary fees

2. Cargo revenue
Revenue from transporting freight and mail

3. Other revenue
Includes the AAdvantage® affinity card program and other partners and airport lounges

A. Total operating revenues

B. Operating expenses

4. Fuel and related taxes
Aircraft fuel and related taxes

5. Salaries, wages and benefits
Pay and benefits

6. Regional expenses
Cost of regional carriers, as well as \$3 million of regional operating net special charges

7. Maintenance expenses
The cost to maintain our fleet

8. Other rent and landing fees
Rent for airport facilities and landing fees

9. Aircraft rent
The cost of leasing aircraft

10. Selling expenses
Credit card fees, global distribution system fees, commissions and advertising

11. Depreciation and amortization
The cost of using aircraft, spare parts and ground equipment that is expensed over the life of the asset

12. Other expenses and special items, net
Includes costs such as catering, crew travel, airport lounge operations and ground handling, as well as \$159 million of mainline operating net special charges

\$53.2B

B. Total operating expenses

C. Total operating income (A - B)

D. Total nonoperating expenses, net

Includes items such as interest expense and income, pension and other post-retirement benefit plan income and costs

E. Pretax income (C + D)

*F. Total pretax net special items

Includes \$159 million of mainline operating net special charges (No. 12) and \$3 million of regional operating net special charges (No. 6)

*G. Pretax income, excluding net special items (E + F)

*H. Income tax provision

We recorded a provision for income taxes, which was substantially noncash.

*I. Net income, excluding net special items (G - H)

J. GAAP net income

(or earnings of \$0.36 per diluted share)

(or earnings of \$0.17 per diluted share)

*We use pretax income excluding net special items and net income excluding net special items (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. 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.

Note: Amounts may not recalculate due to rounding.

¹Reconciliation to GAAP net income:

E. Pretax income	\$190M
K. Income tax provision	\$79M
J. GAAP net income (E - K)	\$111M

Resources

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

"American Airlines is positioned for significant upside in 2026 and beyond," said American's CEO Robert Isom. "We have built a strong foundation, and we look forward to taking advantage of the investments we have made in our customer experience, network, fleet, partnerships and loyalty program. The strategy we have in place will put

American in the right position as we celebrate our centennial and embark on our next 100 years as a premium global airline."

Delivering on revenue potential

American delivered record fourth-quarter revenue of \$14.0 billion, despite the \$325 million negative impact from the government shutdown. Year-over-year passenger unit revenue performance improved sequentially versus the third quarter in each of the international entities. The majority of the impact from the government shutdown was felt in the domestic entity, where passenger unit revenue was down 2.5% year over year. Excluding the negative impact from the government shutdown, year-over-year domestic passenger unit revenue would have been positive for the quarter. Premium product offerings continued to perform exceptionally well, with year-over-year premium unit revenue outperforming the main cabin in the fourth quarter. Following softer-than-expected bookings late in the fourth quarter, bookings strengthened meaningfully in January. Systemwide revenue intakes for the first three weeks of 2026 are up double digits year over year, driven by strong performance in the premium cabins and corporate channels. Based on these bookings, the company expects solidly positive first-quarter unit revenue for the domestic entity and the system, with total revenue growing 7.0%-10.0%.

Delivering a consistent, elevated customer experience

American is elevating every step of the travel journey for its customers. The Flagship Suite® product, introduced in June 2025, has set a new industry standard for luxury in long-haul travel and continues to lead in customer satisfaction since entering service. American offers the industry's most extensive premium lounge network and continues to make significant investments in its Flagship® and Admirals Club® lounges.

American is improving the inflight experience with the rollout of free high-speed satellite Wi-Fi, sponsored by AT&T, for AAdvantage® members starting this month. The airline also recently announced new enhancements to its mobile app to give customers real-time solutions all in one place to self-serve their itineraries for a smoother, more autonomous travel experience during irregular operations. The American team delivered a resilient operation in the fourth quarter despite disruptions from the government shutdown and severe winter weather in the Northeast and Chicago during the holiday travel period.

American knows the most valuable form of customer service is an on-time operation. The company is investing in strengthening its schedules across the system and re-banking Dallas Fort Worth International Airport (DFW), its largest and most impactful hub, to a 13-bank structure, providing more certainty for customers. This is expected to help ensure customers experience more on-time departures, more on-time arrivals, fewer delays and an overall smoother travel experience.

Maximizing the power of its network and fleet

American operates the strongest network in the U.S. — the world's most important aviation market — with eight

hubs in the 10 largest metropolitan areas. This network, combined with the global reach of its partners, connects more people to more places than any other airline. Looking ahead, the company expects to continue to expand its partnerships, including its global joint business partners and the oneworld alliance.

The company has increased its investment in the new Terminal F at DFW, positioning that airport to become the largest single-carrier hub in the world and deliver unmatched connectivity for customers. American also announced plans to retrofit its Boeing 777-300ERs, 777-200ERs, Airbus A319s and A320s, which, alongside the premium 787-9 and A321XLR deliveries, are expected to drive premium seating growth throughout the decade.

Building partnerships that deepen loyalty and lifetime value

American invented airline loyalty and continues to lead the industry by delivering more value per mile, more rewards and more reasons for customers to return. Enrollments in the AAdvantage® program grew 7% year over year, resulting in the highest number of annual enrollments in the airline's history. In 2025, spending on co-branded credit cards increased 8% year over year. During the fourth quarter, American successfully transitioned inflight and airport credit card acquisition channels to Citi as part of its exclusive and expanded partnership, which took effect at the beginning of 2026.

Advancing sales, distribution and revenue management efforts

Exiting 2025, the company has successfully restored its historical share of indirect channel revenue and is focused on further growth in 2026. American is also enhancing its fare products and making improvements across commercial processes and technology to support stronger revenue performance.

Balance sheet and liquidity

The company reduced total debt² by \$2.1 billion in 2025 and ended the year with \$36.5 billion of total debt² and \$30.7 billion of net debt⁵. At the midpoint of the company's adjusted earnings per diluted share and capital expenditures guide, the company expects to achieve its total debt² goal of less than \$35 billion in 2026, a year ahead of schedule. The company ended the year with \$9.2 billion of total available liquidity, comprised of cash and short-term investments plus undrawn capacity under revolving credit and other facilities.

Financial guidance

The guidance below reflects the company's preliminary estimate of the impact from the ongoing Winter Storm Fern. The storm has resulted in more than 9,000 flight cancellations to date, making it the largest weather-related operational disruption in American's history. As a result, the company's first-quarter 2026 guidance incorporates approximately a 1.5-point reduction to capacity, an estimated negative revenue impact of \$150-\$200 million and approximately a 1.5-point increase in CASM-ex⁶.

The company is committed to delivering on its revenue potential through four strategic pillars of delivering a

consistent, elevated customer experience, maximizing the power of its network and fleet, building partnerships that deepen loyalty and lifetime value and advancing sales, distribution and revenue management efforts. We expect this multiyear effort to begin delivering results in 2026, and the company expects to deliver nearly \$2.00 of improvement in adjusted earnings per diluted share versus 2025 at the midpoint of the guidance range.

FY 2026E	
Adjusted earnings per diluted share ³	\$1.70 - \$2.70
Free cash flow ⁴	Greater than \$2 billion
Q1 2026E (vs. Q1 2025)	
Available seat miles (ASMs)	Up 3.0% - 5.0%
Total revenue	Up 7.0% - 10.0%
CASM excluding fuel, profit sharing and net special items ⁶	Up 3.0% - 5.0%
Adjusted loss per diluted share ³	(\$0.10) - (\$0.50)

Note: The full-year tax rate is expected to be 25%. This rate may vary by quarter and is sensitive to fluctuations in pretax earnings due to certain permanent book differences that are not tax deductible. The company expects its full-year total adjusted nonoperating expense⁶ to be approximately \$1.25 billion.

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 and archived at aa.com/investorrelations.

Notes

See the accompanying notes in the financial tables section of this press release for further explanation, including reconciliations of certain GAAP to non-GAAP financial information.

The company recognized \$7 million of net special items in the fourth quarter and \$126 million of net special items in 2025 after the effect of taxes.

All references to total debt include debt, finance and operating lease liabilities and pension obligations.

Adjusted earnings (loss) per diluted share guidance excludes the impact of net special items and represents an absolute number, not a year over year comparison. 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.

Free cash flow is a non-GAAP measure. The company defines free cash flow 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. The company is unable to reconcile forward-looking free cash flow to the most directly comparable GAAP measure as the nature or amount of items that impact net cash provided by operating activities cannot be determined at this time.

Net debt is defined as total debt net of unrestricted cash and short-term investments.

Cost per available seat mile (CASM) excluding fuel, profit sharing and net special items is a non-GAAP measure.

Adjusted nonoperating expense excludes the impact of net special items and is a non-GAAP measure. 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 and full-year 2025 financial results.

View the PDF

About American Airlines Group (NASDAQ: AAL)

American Airlines is a premium global airline connecting more of the U.S. to the world. With roots tracing back to an air mail carrier in the Midwestern United States in 1926, American now operates more than 6,000 daily flights to more than 350 destinations in more than 60 countries and serves more than 200 million customers annually.

Powered by a proud and talented team of 130,000 aviation professionals, American's team lives out the airline's purpose of caring for people on life's journey every day.

The world's largest airline proudly celebrates its centennial year in 2026, reaching a milestone that reflects a century of innovation and the Forever ForwardSM spirit that changed the industry and the world. American introduced the first scheduled air cargo service, the first airport lounge and the first airline loyalty program and continues to reinvent the customer experience today. The airline is also a founding member of the oneworld alliance, whose members serve more than 900 destinations around the globe.

Get the latest about American at news.aa.com and [@AmericanAir](https://twitter.com/AmericanAir).

Use of websites and social media to disclose information

American routinely uses the investor relations section of its website as well as its social media sites, including Facebook and X, and its newsroom at news.aa.com, to disclose important information about American Airlines Group Inc. and its subsidiaries and comply with its disclosure obligations under Regulation Fair Disclosure. The information contained on, or that may be accessed through, the company's website, social media channels or newsroom is not incorporated by reference into, and is not a part of, this document, and all website addresses in this document are intended to be inactive textual references only.

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, downturns in economic conditions; our inability to obtain sufficient financing or other capital to operate successfully; our high level of debt and other obligations; our significant pension and other postretirement benefit funding obligations; any deterioration of our financial condition; any loss of key personnel, or our inability to attract, develop and retain additional qualified personnel; changing economic, geopolitical, commercial, regulatory and other conditions beyond our control, including any potential impact from the Credit Card Competition Act, if enacted, or any proposed cap on credit card interest rates, the recently announced tariffs and other global events that affect travel behavior; changes in current legislation, regulations and economic conditions regarding federal governmental tariffs, the implementation of federal government budget cuts, a prolonged government shutdown and the potential that any of the foregoing affects the demand for, or restricts the use of, travel by government employees and their families or private sector enterprises that contract or otherwise interface with the federal government; the intensely competitive and dynamic nature of the airline industry; union disputes, employee strikes and other labor-related disruptions; problems with any of our third-party regional operators or third-party service providers; any damage to our reputation or brand image; losses and adverse publicity stemming from any public incidents involving our company, our people or our brand; changes to our business model that may not be successful and may cause operational difficulties or decreased demand; our inability to protect our intellectual property rights, particularly our branding rights; litigation in the normal course of business or otherwise; our inability to use net operating losses and other carryforwards; any new U.S. and international tax legislation; any impairment of goodwill and intangible assets or long-lived assets; any inability of our commercial relationships with other companies to produce the returns or results we expect; our dependence on price and availability of aircraft fuel; extensive government regulation and compliance risks; economic and political instability outside of the U.S. where we have significant operations; ongoing security concerns due to conflicts, terrorist attacks or other acts of violence, domestically or abroad; climate change; environmental and social matters, and compliance risks with environmental, health and noise regulations; a shortage of pilots; our dependence on a limited number of suppliers for aircraft, aircraft engines and parts; any failure of technology and automated systems, including artificial intelligence, that we rely on to operate our business; evolving data privacy requirements, risks from cyberattacks and data privacy incidents, and compliance risks with regulations related therewith; any inability to effectively manage the costs, rights and functionality of third-party distribution channels;

any inability to obtain and maintain adequate facilities and infrastructure throughout our system and, at some airports, adequate slots; interruptions or disruptions in service at one or more of our key facilities; increases in insurance costs or reductions in insurance coverage; heavy taxation in the airline industry; risks related to ownership of American Airlines Group Inc. common stock; and other risks set forth herein as well as in the company's latest annual report on Form 10-K for the year ended December 31, 2024 (especially in Part I, Item 1A. Risk Factors and Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations) and subsequent quarterly reports on Form 10-Q (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.