



NEWS RELEASE

American sets new revenue records amid historic fuel cost pressure

2026-10-22

FORT WORTH, Texas — American Airlines Group Inc. (NASDAQ: AAL) today reported its third-quarter 2026 financial results, reflecting execution of its commercial strategy and the benefits of long-term investments in its customers, team members, network, fleet and technology.

Third-quarter financial highlights:

- Total revenue of \$16.3 billion, up 19.3% year over year, above the high end of the previously announced guidance range.
- Delivered the best unit cost performance among the network carriers, with CASM-ex1 up 3.0%.
- Fuel expense for the quarter increased \$1.9 billion, or 67.5%, year over year.
- GAAP net loss of \$269 million, or (\$0.41) per diluted share.
- Adjusted net loss of \$182 million², or (\$0.28) per diluted share. Adjusted net loss was only \$71 million below third quarter 2025 despite the \$1.9 billion increase in fuel expense.



Resources

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

"American delivered record third-quarter revenue and the strongest year-over-year revenue growth in my career, with premium performance leading the way," said American's CEO Robert Isom. "The investments we are making across the four pillars of our commercial strategy are working, and we expect another quarter of record revenue growth to close out the year. While historically high fuel prices significantly impacted our financial results, our focus

remains on restoring profitability and building a stronger American for the long term. I'm grateful to the American Airlines team for making this progress possible."

The company's third-quarter results were driven by strong revenue performance across all geographies and cabins:

- Premium revenue increased 22.9%, and Main Cabin revenue increased 19.5% year over year.
- Total unit revenue increased 14.5% year over year, reflecting continued strength in demand for travel.
- Domestic passenger unit revenue increased 13.6% year over year in the third quarter.
- International passenger unit revenue increased 16.4%, with the Latin America entity up 21.1%, the Atlantic entity up 14.5% and the Pacific entity up 11.3% compared to the third quarter of 2025.
- AAdvantage® enrollments increased 27.4% year over year.
- Demand for business travel remained strong, with managed corporate revenue increasing 27.6% year over year, marking the sixth consecutive quarter of double-digit growth.

This revenue performance was a result of the company's continued focus on its four commercial pillars: elevate the customer experience, grow the global network, drive premium revenue and lead in loyalty.

1) Elevate the customer experience

American's investments in high-speed connectivity, lounges, seatback entertainment, airport facilities and fleet modernization are creating the foundation for a best-in-class customer experience.

In May, American announced plans to equip more than 500 aircraft with high-speed Starlink Wi-Fi, representing the largest in-flight connectivity upgrade in the airline's history. Building on that commitment, the company announced on Oct. 8 that it plans to expand Starlink installation across its entire mainline fleet, bringing the technology to more than 1,000 aircraft. Once installation is complete, American will offer one of the largest fleets of Starlink-connected aircraft in the world.

The company also continues to grow its Admirals Club® and premium lounge network with more lounges opening or being renovated than at any point in company history. Additionally, American announced the expansion of seatback entertainment to the narrowbody fleet, including screens on new deliveries beginning in 2028. With these foundational investments underway, American remains focused on further improving customer satisfaction through enhanced operational reliability, better disruption management and a more consistent travel experience.

2) Grow the global network

American continues to strengthen its global network, offering customers more destinations, better connectivity and greater schedule utility. At Dallas Fort Worth International Airport (DFW), this year's rebank produced record passenger volumes, fewer misconnections and mishandled bags, and unit revenue that outpaced the rest of the

system. In Chicago, Miami, Philadelphia and Phoenix, American is building stronger schedules for local customers.

3) Drive premium revenue

American continues to see momentum in premium demand, demonstrating the benefits of recent investments across its premium products and customer experience. Premium passenger unit revenue increased 18.5% year over year during the third quarter, compared with an increase of 14.4% in Main Cabin.

American plans to continue expanding premium seating through the delivery of new aircraft and the retrofit of existing aircraft. Premium products generate roughly half of the company's ticket revenue on approximately 30% of seats today. Through the recently announced narrowbody retrofit program, American expects premium seats on narrowbody aircraft to increase to 40% in the coming years.

The company also continues to take actions to improve revenue quality and provide customers with a broader range of choices. These initiatives contributed to a 6-point increase in the upsell rate from Basic Economy to Main Cabin during the quarter.

4) Lead in loyalty

The AAdvantage® program remains one of American's strongest competitive advantages, driving customer engagement, premium demand and long-term value creation. The program continues to benefit from strong member activity, increased engagement and enhancements to American's co-branded credit card program.

Enrollments in the AAdvantage® program increased 27.4% year over year in the third quarter. American's co-branded credit card partnership with Citi saw year-over-year third-quarter card spend growth of nearly 10%.

Efficiency and cost performance

American continues to benefit from long-term investments in technology, procurement and other initiatives designed to build a more efficient and resilient airline. The company is reengineering how work gets done across the business, improving productivity and simplifying processes while continuing to invest in the customer and team member experience.

By the end of 2026, the company expects to have achieved nearly \$1 billion in annual run rate savings and more than \$900 million in working capital improvements through its multiyear reengineering efforts. American continues to identify opportunities to use technology, automation and artificial intelligence to simplify the business and equip team members with better tools to improve decision-making.

"We remain focused on the factors that drive the most value," said American's Chief Financial Officer Devon May. "Our long-term focus on efficiency supported industry-leading unit cost results in the quarter, with CASM-ex

increasing 3.0% year over year. For the full year, we expect to lead the network carriers in the spread between year-over-year unit revenue and CASM-ex growth.”

Overall financial results were pressured by a significant increase in fuel costs. American paid an average of \$3.85 per gallon in the third quarter, which increased fuel expense by \$1.9 billion year over year.

Balance sheet and liquidity

American ended the third quarter with \$11.8 billion of total available liquidity and more than \$26 billion of unencumbered assets and first-lien capacity. The company remains committed to reducing debt, lowering interest expense and achieving its target of 3.0x net debt³ to EBITDAR, in line with BB credit metrics.

Outlook and financial guidance

In the fourth quarter, the company expects continued revenue strength, with year-over-year revenue growth between 19.5% and 22.5%. Based on the forward fuel curve as of Oct. 19, American anticipates an average fuel price of approximately \$4.70 per gallon, nearly double the price paid in the fourth quarter of 2025. At that price, fuel expense is expected to increase approximately \$2.8 billion versus the fourth quarter of 2025.

Given elevated fuel prices, American expects network growth in 2027 to slow from 2026 levels.

4Q 2026E (vs. 4Q 2025)		
Available seat miles		+5.5% - +6.5%
Total revenue		+19.5% - +22.5%
CASM excluding net special items, fuel and profit sharing ¹		+2.5% - +3.5%
Adjusted loss per diluted share ⁴		(\$1.10) - (\$0.50)
FY 2026E		
Adjusted loss per diluted share ⁴		(\$1.60) - (\$1.00)

Conference call and webcast

American will host a conference call at 7:30 a.m. CT today. A live webcast and replay will be available at American’s **investor relations website**.

Notes

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

Cost per available seat mile excluding net special items, fuel and profit sharing, or CASM-ex, is a non-GAAP



measure. The company is unable to reconcile certain forward-looking information to GAAP because the nature or amount of net special items cannot be determined at this time.

Adjusted net loss is a non-GAAP financial measure and excludes \$87 million of net special items after the effect of taxes that the company recognized in the third quarter.

Net debt includes debt, finance and operating lease liabilities and pension obligations less unrestricted cash and short-term investments.

Adjusted 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.

Other: Third-quarter revenue growth of 19.3% is the highest in company history excluding the years following the pandemic.

Financial results

Click the button below to download the third-quarter 2026 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 140,000 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 pages, including on Facebook and X, and its newsroom at news.aa.com, to disclose important information about American Airlines Group Inc. and its subsidiaries and to 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 document 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 could adversely affect our business; we will need to obtain sufficient financing or other capital to operate successfully; our high level of debt and other obligations may limit our ability to fund general corporate requirements and obtain additional financing, may limit our flexibility in responding to competitive developments and may cause our business to be vulnerable to adverse economic and industry conditions; if our financial condition worsens, provisions in our credit card processing and other commercial agreements may adversely affect our liquidity; the loss of key personnel whom we depend on to operate our business, or the inability to attract, develop and retain additional qualified personnel could adversely affect our business; our business has been and will continue to be materially affected by many changing economic, geopolitical, commercial, regulatory and other conditions beyond our control, including global events that affect travel behavior; the airline industry is intensely competitive and dynamic; union disputes, employee strikes and other labor-related disruptions may adversely affect our operations and financial performance; if we encounter problems with any of our third-party regional operators or third-party service providers, our operations could be adversely affected by a resulting decline in revenue or negative public perception about our services; any damage to our reputation or brand image could adversely affect our business or financial results; risks of losses and adverse publicity from any public incidents involving our company, people or brand; changes to our business model that are designed to increase revenues and reduce costs may not be successful and may cause operational difficulties or decreased demand; our intellectual property rights, particularly our branding rights, are valuable, and any inability to protect them may adversely affect our business and financial results; we may be a party to litigation in the normal course of business or otherwise, which could affect our financial position and liquidity; we rely heavily on technology and automated systems, including artificial intelligence, to operate our business, and any failures could harm our business, results of operations and financial condition; evolving data privacy requirements could increase our costs, and any significant cybersecurity incident could disrupt our operations, harm our reputation,

expose us to legal risks and otherwise materially adversely affect our business, results of operations and financial condition; we are exposed to risks from cyberattacks, and any cybersecurity incidents involving us, our third-party service providers, or one of our AAdvantage partners or other business partners; we have a significant amount of goodwill, which is assessed for impairment at least annually. We may never realize the full value of our intangible or long-lived assets, causing us to record material impairment charges; the commercial relationships that we have with other companies, including any related equity investments, may not produce the returns or results we expect; our business is very dependent on the price and availability of aircraft fuel. Continued periods of high volatility in fuel costs, increased fuel prices or significant disruptions in the supply of aircraft fuel could have a significant negative impact on consumer demand, our operating results and liquidity; our business is subject to extensive government regulation; we can be adversely affected by any prolonged partial or full U.S. Government shutdown; we operate a global business with international operations that are subject to economic and political instability and have been, and in the future may continue to be, adversely affected by numerous events, circumstances or government actions beyond our control; we may be adversely affected by conflicts overseas, terrorist attacks or other acts of violence, domestically or abroad; the travel industry continues to face ongoing security concerns; we are subject to risks associated with climate change, including increased regulation of our greenhouse gas emissions, changing consumer preferences and the potential for increased impacts of severe weather events on our operations and infrastructure; we are subject to various risks associated with environmental and social matters, and many forms of environmental and noise regulation; a shortage of pilots or other personnel could materially adversely affect our business; we depend on a limited number of suppliers for aircraft, aircraft engines and parts. Delays in scheduled aircraft deliveries, unexpected grounding of aircraft or aircraft engines whether by regulators or by us, or other loss of anticipated fleet capacity, and failure of new aircraft to receive regulatory approval, be produced or otherwise perform as and when expected, adversely impacts our business, results of operations and financial condition; we rely on third-party distribution channels and must effectively manage the costs, rights and functionality of these channels; if we are unable to obtain and maintain adequate facilities and infrastructure throughout our system and, at some airports, adequate slots, we may be unable to operate our existing flight schedule and to expand or change our route network in the future; interruptions or disruptions in service at one of our key facilities; increases in insurance costs or reductions in insurance coverage, and heavy taxation of the airline industry; risks related to ownership of AAG 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, 2025 (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.