

# 1Q19 What We Made

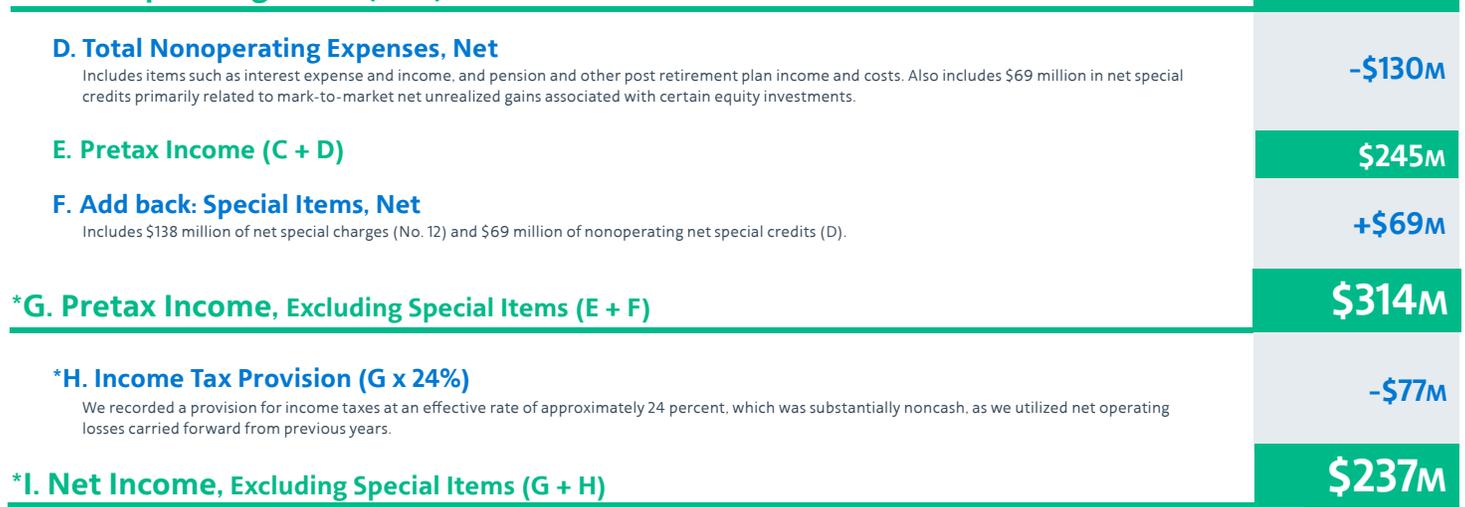
## A. Operating Revenues



## B. Operating Expenses



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



(or \$0.52 per diluted share)

## J. GAAP Net Income

**\$185M<sup>1</sup>**

(or \$0.41 per diluted share)

<sup>1</sup>We use pretax profit and net profit 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. Pretax Income	\$245M
K. Income Tax Provision (E x 24%)	-\$60M
J. GAAP Net Income (E + K)	<b>\$185M</b>

We are focused on our long-term strategic objectives and during the first three months of 2019, American:

### Make Culture a Competitive Advantage

- Opened a new 191,000-square-foot hangar in Chicago (ORD), reopened Tulsa Hangar 2 Dock 2D following its modification to accommodate larger aircraft and announced plans to hire 250 new aviation maintenance technicians (AMTs) this summer.
- Hosted more than 5,000 leaders at the airline's Annual Leadership Conference in Dallas. Team members who oversee people spent a full day learning about American's mission to care for people on life's journey.
- Accrued \$20 million for the company's profit-sharing program.
- Honored 100 team members at the company's Annual Chairman's Award celebration in Dallas earlier this month.
- Raised \$1.4 million for the Cystic Fibrosis Foundation.
- Received recognition as a leader among U.S. companies in LGBTQ workplace policies for the 17th year in a row through the airline's highest rating from the Human Rights Campaign in the 2019 Corporate Equality Index.

### Create a World-Class Customer Experience

- Took delivery of 15 new aircraft, including its first two Airbus A321neos, a fuel-efficient aircraft that has power at every seat, larger overhead bins and free wireless entertainment to each customer's own device, including free live television.
- Partnered with Apple Music to offer complimentary Wi-Fi access for customers to stream from their personal Apple Music accounts. Customers with Apple Music subscriptions can access their playlists for free onboard any domestic flight equipped with ViaSat satellite Wi-Fi.
- Introduced a new partnership with Blade, offering helicopter transfers in Los Angeles (LAX) and New York (JFK).
- Opened a newly renovated Terminal B in Boston (BOS) and a newly renovated Admirals Club in Concourse B in Charlotte (CLT).
- Provided AAdvantage® members more ways to earn miles with its enhanced relationship with Hyatt Hotels. Through this relationship, elite members in both the AAdvantage and World of Hyatt loyalty programs will be rewarded with more ways to earn points, miles and status on qualifying American flights and stays at Hyatt Hotels.

### Build American Airlines to Thrive Forever

- Returned \$646 million to shareholders through the repurchase of 16.7 million shares and the payment of \$46 million in dividends. The company has \$1.1 billion remaining of its existing \$2 billion share repurchase authorization.
- Expanded the codeshare and began offering reciprocal frequent flyer benefits with China Southern Airlines.
- Submitted an application to the U.S. Department of Transportation (DOT) that proposes additional service to Tokyo Haneda (HND) from LAX, Dallas-Fort Worth (DFW) and Las Vegas (LAS). These slots would provide American's customers better access to downtown Tokyo and to the domestic network of its Pacific Joint Business partner, Japan Airlines.
- Announced a planned co-location with British Airways at Terminal 8 at JFK giving customers a unified experience. American and British Airways will invest \$344 million in Terminal 8 over the next three years to prepare for the co-location expected in 2022.
- Resubmitted an application to the DOT seeking approval of its joint business agreement with LATAM Airlines Group.



“We want to thank our 130,000 team members for the outstanding job they did to take care of our customers, despite the challenges with our fleet during the quarter. Their hard work led American to record revenue performance under difficult operating conditions.”

— DOUG PARKER, CHAIRMAN AND CEO

82.2%

TOTAL PASSENGER LOAD FACTOR

~1,200 flights

CANCELED RELATED TO THE MANDATORY BOEING 737 MAX 8 GROUNDING



American's first Airbus A321neo touched down at Pittsburgh International Airport shortly before noon on Feb. 1.

[See attached press release](#)