2Q 2020 Financial Results

A. Operating Revenues

1. Passenger revenue
   Revenue from air transportation, as well as revenue associated with AAdvantage mileage credit redemptions and ancillary fees
   $1.1B

2. Cargo revenue
   Revenue from transporting mail and freight
   $130M

3. Other revenue
   Includes the AAdvantage affinity card program and other partners and airport lounges
   $384M

A. Total Operating Revenues
   $1.6B

B. Operating Expenses

4. Salaries, wages and benefits
   Pay and benefits
   $2.5B

5. Fuel and related taxes
   Jet fuel and associated taxes
   $217M

6. Regional expenses
   Cost of regional wholly owned and contract carriers, including fuel and $178 million in net special credits primarily related to the Payroll Support Program (PSP) financial assistance
   $801M

7. Maintenance expenses
   The cost to maintain our fleet
   $287M

8. Other rent and landing fees
   Rent for airport facilities and landing fees
   $315M

9. Depreciation and amortization
   The cost of using aircraft, spare parts and ground equipment that is expensed over the life of the asset
   $499M

10. Selling expenses
    Credit card fees, global distribution system fees, commissions and advertising
    $43M

11. Aircraft rent
    The cost of leasing aircraft
    $334M

12. Special items, net
    Includes a credit for PSP financial assistance, offset in part by charges associated with certain team member voluntary early outs
    $-1.5B

13. Other expenses
    Includes costs such as crew hotels, catering and ground handling
    $568M

B. Total Operating Expenses
   $4.1B

C. Total Operating Loss (A - B)
   $-2.5B

D. Total Nonoperating Expenses, Net
   Includes items such as interest expense and income, pension and other post-retirement benefit plan income and costs. Also includes $11 million in net special items primarily related to debt refinancings and extinguishments.
   $-173M

E. Pre-tax Loss (C + D)
   $-2.7B

F. Subtract: Total Pre-tax Net Special Items
   Includes $1.5 billion of mainline operating net special credits (No. 12), $178 million of regional operating net special credits (No. 6) and $11 million of non-operating net special items (D).
   $-1.7B

G. Pre-tax Loss, Excluding Net Special Items (E + F)
   $-4.3B

H. Income Tax Benefit (G x 22%)
   We recorded a benefit for income taxes at an effective rate of approximately 22%, which was substantially noncash.
   $966M

I. Net Loss, Excluding Net Special Items (G + H)
   (or -$3.4B

J. GAAP Net Loss
   (or -$2.1B

*We use pre-tax loss and net loss 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 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.

Note: Amounts may not recalculate due to rounding.

1Reconciliation to GAAP Net Loss:

E. Pre-tax Loss
   $-2.7B

K. Income Tax Benefit (E x 22%)
   $592M

J. GAAP Net Loss (E + K)
   $-2.1B

(or -$2.1B per diluted share)