Cautionary Statement Regarding Forward-Looking Statements and Information

This document includes forward-looking statements within the meaning of 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 future financial and operating results, the Company’s plans, objectives, estimates, expectations, and 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 in the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 (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 in the Company’s other filings with the Securities and Exchange Commission (“SEC”), and other risks and uncertainties listed from time to time in the Company’s other filings with the SEC. 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 statements.
Overview

• Integration successful and continuing; well positioned to execute on transformative initiatives:
  - Fleet changes to reduce complexity and enable efficient, low-cost growth
  - Network optimization adds margin-accrative flying at our most profitable hubs
  - Product improvements to ensure industry-leading travel experience while remaining competitive and growing revenue

• Innovation and investments in product and people are designed to create long-term margin expansion
Achieved a single operating certificate on schedule

Combined frequent flier programs and merged reservation systems with zero customer impact

Opened state-of-the-art combined integrated operations center

Re-banked DFW, MIA and ORD hubs

Signed JCBAs with six unionized groups

Adjusted compensation for all team members with average salary increases of 41%

Merged over 1,300 IT systems

Co-located operations at more than 140 airports

Moved all pilots and aircraft onto a single operating platform
Transformational Change – Investments

Over the past five years, more than $25 billion invested

- 500 new replacement aircraft; youngest average fleet age of the network airlines at 10 yrs
- Investments in product include:
  - All lie-flat seating on international widebody aircraft
  - New and refurbished clubs
  - Revenue-based AAdvantage program
- Over $1.0 billion in pension contributions
Fleet Transformation – Optimized Fleet Mix

Changes to fleet improve revenue and reduce operational complexity

• Aircraft order book now better matches deliveries with fleet needs
  - Deferred 40 Boeing 737 MAX aircraft and 22 A321neo aircraft
  - Cancelled order with Airbus for 22 A350 aircraft

• Other actions:
  - Acquired an additional 47 Boeing 787-8 and 787-9 aircraft for delivery between 2020 and 2026
  - Acquired 15 Bombardier CRJ900 regional jets for delivery in 2019 and 2020
  - Acquired an additional 15 Embraer E175 regional jets for delivery in 2019
Fleet Transformation

- Two year seat harmonization project completes fleet transformation, resulting in a more efficient fleet better suited to the network

Network growth plans enabled by fleet growth of only 14 aircraft between 2014 and 2020

2014 Fleet Breakdown

<table>
<thead>
<tr>
<th>Small RJs</th>
<th>2-Class RJs</th>
<th>99 to 160 seats</th>
<th>161 to 200 seats</th>
<th>201 to 250 seats</th>
<th>&gt; 250 seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>328</td>
<td>238</td>
<td>587</td>
<td>245</td>
<td>111</td>
<td>40</td>
</tr>
</tbody>
</table>

2020E Fleet Breakdown

<table>
<thead>
<tr>
<th>Small RJs</th>
<th>2-Class RJs</th>
<th>99 to 160 seats</th>
<th>161 to 200 seats</th>
<th>201 to 250 seats</th>
<th>&gt; 250 seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>188</td>
<td>181</td>
<td>624</td>
<td>52</td>
<td>98</td>
<td></td>
</tr>
</tbody>
</table>
Fleet Transformation – Reducing Sub-fleets

- Less fleet complexity improves customer experience and reduces operational friction

Number of Aircraft Sub-fleets 2016 – 2022E

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2018E</th>
<th>2022E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>52</td>
<td>42</td>
<td>30</td>
</tr>
</tbody>
</table>

42% Reduction
Network Transformation – International Changes

Network profitability always under review

• Strong alliance network serves key destinations and enables route prioritization to improve our overall profitability

Recent Reductions (include)
• Chicago – Beijing
• Chicago – Shanghai
• Miami – Belo Horizonte
• DFW – Quito

Recent Additions (include)
• Charlotte – Munich
• Phoenix – London
• DFW – Dublin
• Philadelphia – Berlin
Network Transformation – International Changes

International network adjustments designed to improve margins

- International changes re-allocate capacity and create a more profitable and focused network

Annualized Impact of International Network Changes (% Pre-tax Margin)*

-5%  
-3%

Combined impact: (3%)

17%

Margin of ORD-China Cancels  Margin of Other Cancels  Projected Margin of New Routes

*Combined pre-tax margin contribution of cancellations and projected margin contribution of network additions.
Network Transformation – Play to Our Strengths

• Post merger, network strength and growth was primarily focused outside core hubs

• 2019 and beyond, growth opportunity at most profitable hubs: Dallas-Fort Worth, Charlotte, and Washington, D.C.

![Pre-tax Hub Margins* (LTM 2Q18)]

13.1%

DFW/CLT/DCA Margin

7.5%

System Average

*Combined pre-tax margin of DFW, CLT and DCA and pre-tax margin of all hubs combined.
Network Transformation – Play to Our Strengths

- Uniquely positioned to grow feed at our most profitable hubs, adding high margin flying to the network
Network Transformation – Play to Our Strengths

- Uniquely positioned to grow feed at our most profitable hubs, adding high margin flying to the network.

1. Access to 15 additional gates in 2019
2. Access to 7 additional gates in 2020
3. 14 upgauged gates in 2021
Network Transformation – Play to Our Strengths

- Uniquely positioned to grow feed at our most profitable hubs, adding high margin flying to the network

New routes added in 2018 from CLT and DFW to the contiguous 48 states.
Network Transformation – Play to our Strengths

Improving feed at CLT and DFW produces superior margins

- New 2018 hub additions generate above system median RASM
- Network changes fund profitable opportunities from less profitable strategic flying

<table>
<thead>
<tr>
<th></th>
<th>DFW</th>
<th>CLT</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of system median pre-tax margin of new domestic additions* (LTM 2Q 2018)</td>
<td>115.5%</td>
<td>109.1%</td>
</tr>
</tbody>
</table>

*Estimated pre-tax margin of new flights compared to system average.
Product Transformation – Premium Product

Customers enjoy an industry-leading product

- Only major US airline with long-haul international and transcontinental First Class
- Largest widebody fleet among U.S. carriers, with fully-flat, 100% aisle access business class seats
- First to offer premium economy, with the largest premium economy fleet
- Only US airline offering live TV internationally
Product Transformation - Satellite WiFi

Widebody Installation Progress

Narrowbody Installation Progress

Complete

Estimated Completion 2Q19

32% Complete*

*As of August 2018
Product Transformation: Segmentation

- Product segmentation offers right product at right price for every potential customer
Premium Economy installed on 87 aircraft; expected completion in 2Q19.

Average Premium Economy seat sells for more than double the main cabin fare.
Product Transformation: Segmentation

- Relaunched Main Cabin Extra with enhanced attributes, including a free drink and dedicated bin space
Product Transformation: Segmentation

- Trans-Atlantic Basic Economy rolled out in the second quarter
- Eliminated carry-on bag restriction domestically in the third quarter
Product Transformation – Loyalty Program

AAdvantage evolves and continues to lead the industry

- AAdvantage program can be further leveraged and monetized, helping American win customer preference in both the short and long term
- Launched new elite tier – Platinum Pro
- More members qualifying for elite status despite higher requirements
- Revenue growth continues from co-brand card programs
- Launch of new no-fee MileUp card targets a new customer segment – extending the reach and building loyalty
Product Transformation - Ancillaries

Executing on a number of opportunities to grow revenue

- Post-purchase opportunities for customers
  - Includes upsell to premium cabins
  - Already rolled out by peers

- Ancillary bundles and third party placements
  - Sale of bundled ancillary add-ons
  - Better enabling sale of third party products
  - Already rolled out by peers
Pursuing Efficiencies

- One Airline project to manage costs over the next few years

<table>
<thead>
<tr>
<th>Integrated Ops</th>
<th>Customer Experience</th>
<th>Strategic Planning</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Aircraft taxi management technologies</td>
<td>• New airport ramp technologies</td>
<td>• Utilize wholly owned pilot capacity to insource flying from affiliate partners</td>
<td>• Improve workers’ compensation case management</td>
</tr>
<tr>
<td>• Hotel booking management</td>
<td>• New cargo operating system</td>
<td>• Improved asset/gate utilization at hub airports</td>
<td>• Medical &amp; pharmacy plan optimization</td>
</tr>
<tr>
<td>• Fuel initiatives – RAF, APU, single engine taxi and other</td>
<td>• New airport overtime assignment system</td>
<td>• Fleet simplification</td>
<td>• Hotel procurement improvements</td>
</tr>
<tr>
<td>• Flight, route and re-routing planning systems</td>
<td>• New IROPS voucher system</td>
<td>• Further shift to dual-class regional jets, primarily at wholly owned carriers</td>
<td>• Expand direct connect technology</td>
</tr>
<tr>
<td>• Optimize aircraft warranty recoveries</td>
<td>• Flight Attendant integration</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$250 million

$300 million

$200 million

$250 million

Estimated opportunity of $1.0 billion by 2021
Efficiencies Drive CASM Growth Lower

- Consolidated CASM now projected to be up approximately 1.5 percent in 2018

Consolidated CASM (ex. Fuel and Special Items) YoY Growth*

- 2016: 4.8%
- 2017: 5.6%
- 2018E: ~1.5%
- 2019E: ~+1.0% to +2.0%
- 2020E: ~+1.0% to +2.0%

*On January 1, 2018, the Company adopted Accounting Standards Update (“ASU”): ASU 2014-09: Revenue from Contracts with Customers (the “New Revenue Standard”) and ASU 2017-07: Compensation Retirement Benefits (the “New Retirement Standard”). The 2016 and 2017 data presented above does not reflect the effects of adopting the New Revenue Standard and the New Retirement Standard. For additional information, see Note 1(b) to the Company’s Condensed Consolidated Financial Statements in Part I, Item 1A of its second quarter 2018 Form 10-Q. Excludes net special items. Please refer to the Company’s GAAP to Non-GAAP reconciliation in the appendix. Forecast data excludes the impact of special items and any potential increases from new joint bargaining agreements.
We still expect significant benefits from our investor day initiatives

- On track to achieve more than $4.2 billion in revenue and cost improvements by the end of 2021
- Timing expectations adjusted as cost improvements come in faster than projected and Basic Economy slightly underperforms in 2018

<table>
<thead>
<tr>
<th>Estimated Program/Project Value ($ Millions)</th>
<th>18/17</th>
<th>19/18</th>
<th>20/19</th>
<th>21/20</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue Opportunity from Commercial Projects</td>
<td>1,135</td>
<td>990</td>
<td>695</td>
<td>425</td>
<td>3,245</td>
</tr>
<tr>
<td>Total Cost Opportunity from One Airline Projects</td>
<td>300</td>
<td>300</td>
<td>200</td>
<td>200</td>
<td>1,000</td>
</tr>
<tr>
<td>Total Opportunity from All Initiatives</td>
<td>1,435</td>
<td>1,290</td>
<td>895</td>
<td>625</td>
<td>4,245</td>
</tr>
</tbody>
</table>
Our Long-Term Vision

Create a World Class Customer Experience
- Deliver value to all customers, especially premium customers
- Drive operational excellence
- Strengthen our network: Grow where we have a competitive advantage

Ensure Long-Term Financial Strength
- Finish integration and capture the efficiencies created
- Manage our assets like owners

Make Culture a Competitive Advantage
- Create an environment that cares for frontline team members
- Invest in our team: Provide the right tools, training and facilities
- Develop innovative, inspiring, and caring leaders

Think Forward, Lead Forward
- Create a vibrant future; dream and deliver the right future products, partners and network
- Be nimble: Set a new standard for delivering value to market quickly
Looking Forward

- American achievements post merger…
  - Successful integration
  - Significant investment
  - Transformed product offering
  - Investments in our team

- …now well-positioned for future success
  - Youngest fleet of the network carriers enables very low-cost future growth
  - Network optimization around most profitable hubs designed to grow margins
  - Product changes improving both customer and team member experience
  - On track to achieve more than $3.2 billion in revenue benefits and $1 billion in cost improvements by 2021

- Playing the long game and building for a sustainable and successful future
GAAP to Non-GAAP Reconciliations
Note: On January 1, 2018, the Company adopted the New Revenue Standard and the New Retirement Standard. The 2017, 2016 and 2015 data presented above does not reflect the effects of adopting the New Revenue Standard and the New Retirement Standard. For additional information, see Note 1(b) to the Company’s Condensed Consolidated Financial Statements in Part I, Item 1A of its second quarter 2018 Form 10-Q.

### Reconciliation of Operating Cost per ASM Excluding Special Items and Fuel - Total Mainline and Regional

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating expenses per ASM as reported</td>
<td>13.80</td>
<td>12.76</td>
<td>12.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special items per ASM:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special items, net</td>
<td>(0.26)</td>
<td>(0.26)</td>
<td>(0.39)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional operating special items, net</td>
<td>(0.01)</td>
<td>(0.01)</td>
<td>(0.01)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total operating expenses per ASM, excluding special items</td>
<td>13.53</td>
<td>12.50</td>
<td>12.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel per ASM:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aircraft fuel and related taxes - mainline</td>
<td>(2.22)</td>
<td>(1.85)</td>
<td>(2.32)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aircraft fuel and related taxes - regional</td>
<td>(0.50)</td>
<td>(0.41)</td>
<td>(0.46)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total operating expenses per ASM, excluding special items and fuel</td>
<td>10.82</td>
<td>10.24</td>
<td>5.6%</td>
<td>9.77</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

Note: Amounts may not recalculate due to rounding.