American Airlines Group Inc.

Deutsche Bank Leveraged Finance Conference

October 4, 2017

Tom Weir
Vice President, Treasurer

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, 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, 2017 (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

- We are making significant investments in our team and product, and it's working
  - Operational improvement
  - Product enhancement
  - Revenue gap narrowing
- Cost increases are moderating
- $3.9 billion of revenue and cost initiatives are on the horizon

Highlights of 2Q17

Profitability Highlights

- 7.2 percent top-line revenue growth, TRASM up 5.7 percent
- Pre-tax profit* of $1.5 billion, pre-tax margin* of 13.5 percent
- Earnings per share of $1.92*, up 8.5 percent year-over-year

Team member Highlights

- Accrued $94 million for profit sharing in the quarter, bringing the year-to-date accrual to $125 million
- 33,000 team members have completed Elevate the Experience

Customer Highlights

- Rolled out Basic Economy to 78 markets
- Continued successful roll-out of Premium Economy
- Debuted Flagship dining and renovated the Flagship lounge at JFK

Returning Value to Shareholders

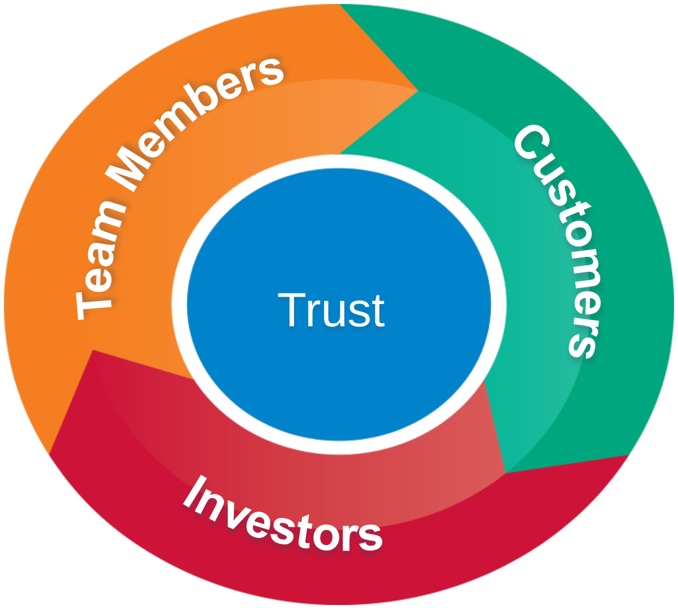
- Repurchased $450 million of AAL stock, or 10.0 million shares
- Paid more than $50 million in quarterly dividends

**Excludes net special items. Please refer to the Company's GAAP to Non-GAAP reconciliation in the appendix.*

Investing in Our Team

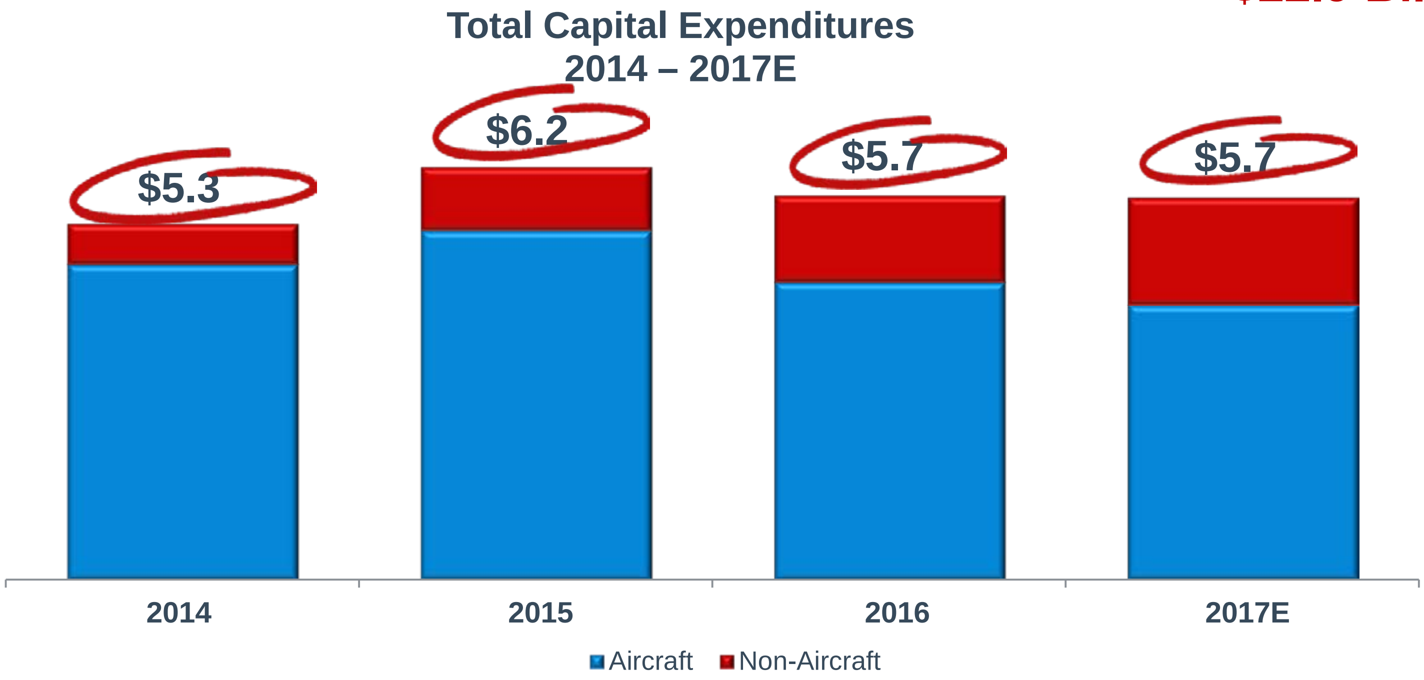
Since the merger:

- 10,000 additional team members
- 38% average pay rate increase per team member
- Unilateral implementation of profit sharing
- Elevate the Experience customer service training
- New HR team member service center
- Two positive space tickets awarded to team members for ATW Airline of the Year



Unprecedented Product Investment

$22.9 Billion



Source: SEC filings and published company guidance

Aircraft Deliveries

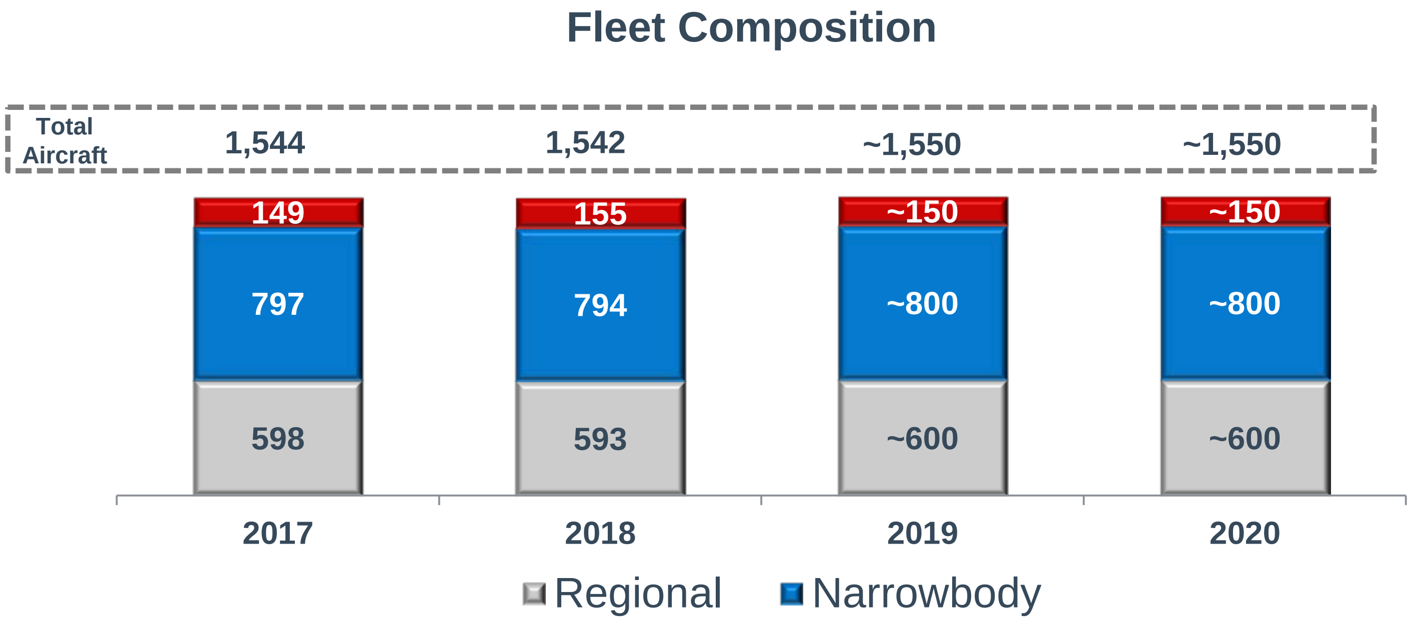
- By the end of 2017, we will have inducted 496 new aircraft into the fleet since the merger, while retiring 469 older aircraft

	2017	2018	2019	2020	Beyond 2020
A320 Family / Neo	20	-	25	25	50
A330-200	-	-	-	-	-
A350-900	-	-	-	2	20
B737-800 / Max	24	16	20	20	40
B777-300ER	-	-	-	-	-
B787 Family	13	6	2	-	-
Mainline Total	**57**	**22**	**47**	**47**	**110**
CRJ-900	-	-	-	-	-
E175	16	-	-	-	-
Regional Total	**16**	**-**	**-**	**-**	**-**
Airline Total	**73**	**22**	**47**	**47**	**110**

Note: New aircraft deliveries by type. Regional inductions include aircraft owned by third party operators.

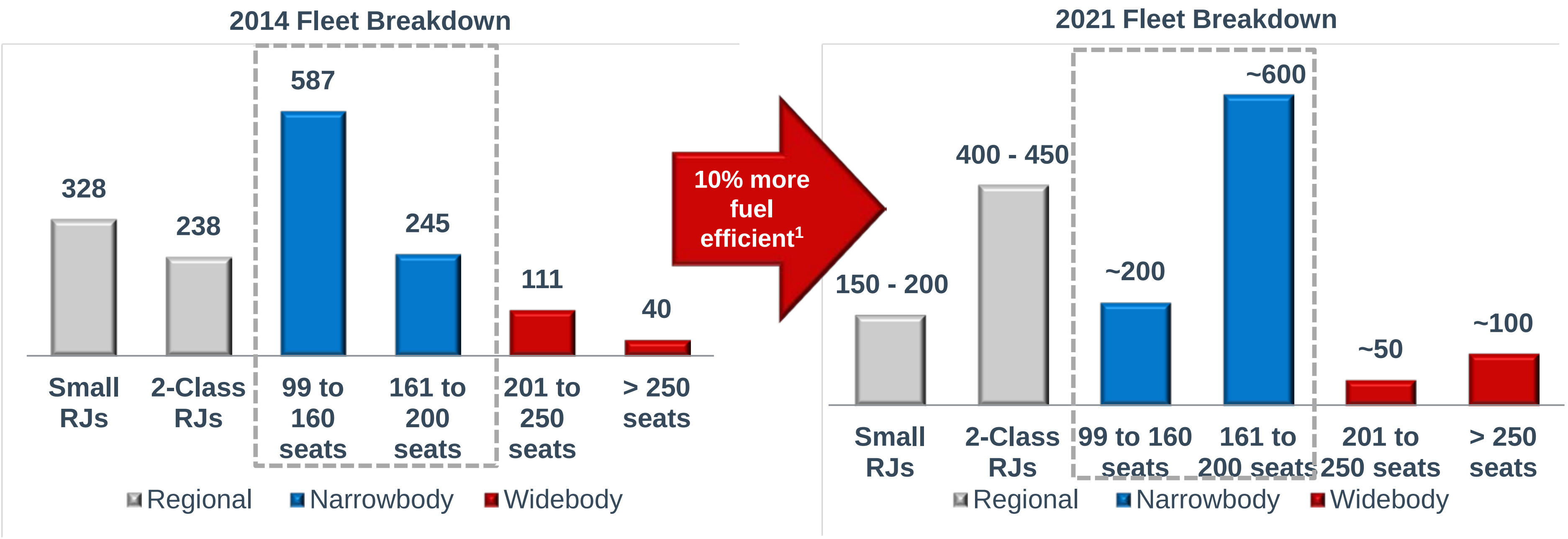
5 -Year Fleet Plan

- Future deliveries will continue to be accompanied by retirements, keeping the number of aircraft relatively flat



Fleet Transformation

- Efficient capacity growth driven by larger replacement aircraft, upgauging existing aircraft and longer stage length flying



1/ Measured in gallons per 10,000 ASMs

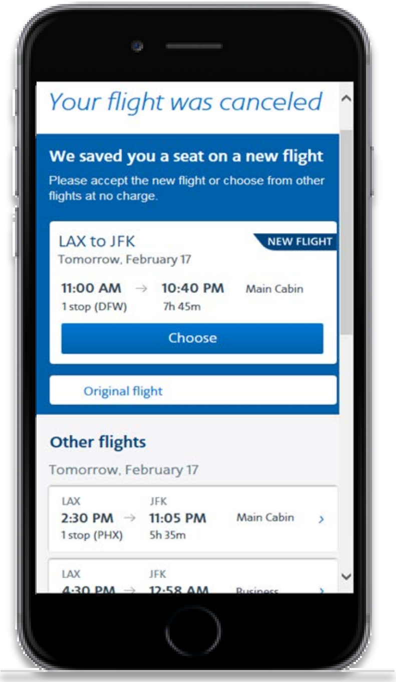
Operational Investment

- Many large operational initiatives are now complete or nearing completion
  - PSS Cut-Over
  - GSE Refresh Programs
  - Operational Staffing Increases
  - New IOC
  - FOS Integration
  - Hub Re-Banking
  - MBR Improvement Initiatives
  - New Simulators

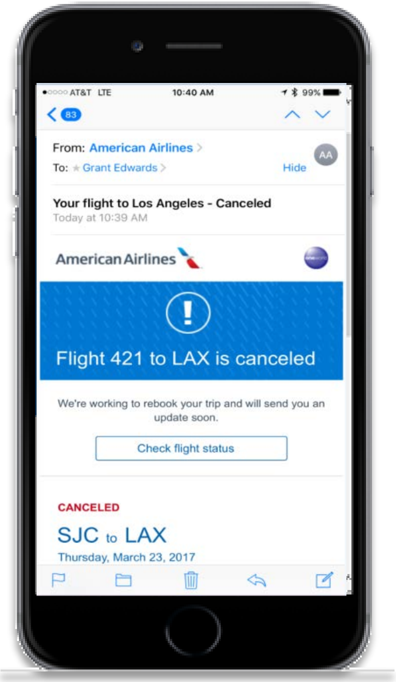
Investing in Our Operation: New Technology

Summer 2017 and beyond…

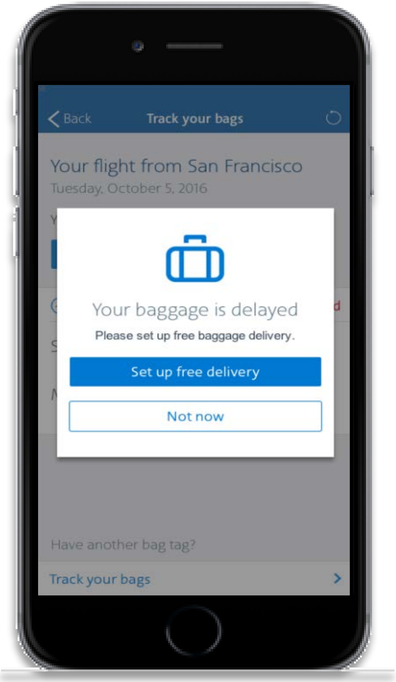
Dynamic Reaccom



Notify All



Proactive Bag Notification

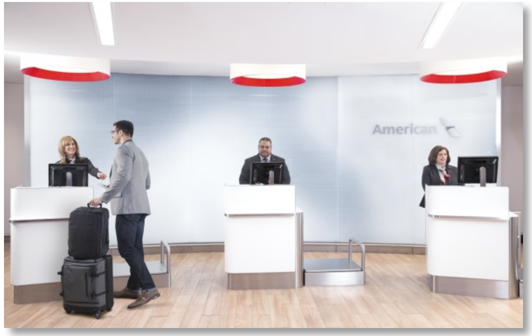


Product Investment: Better Customer Experience

- We are making a number of changes to improve the customer experience

Free Entertainment

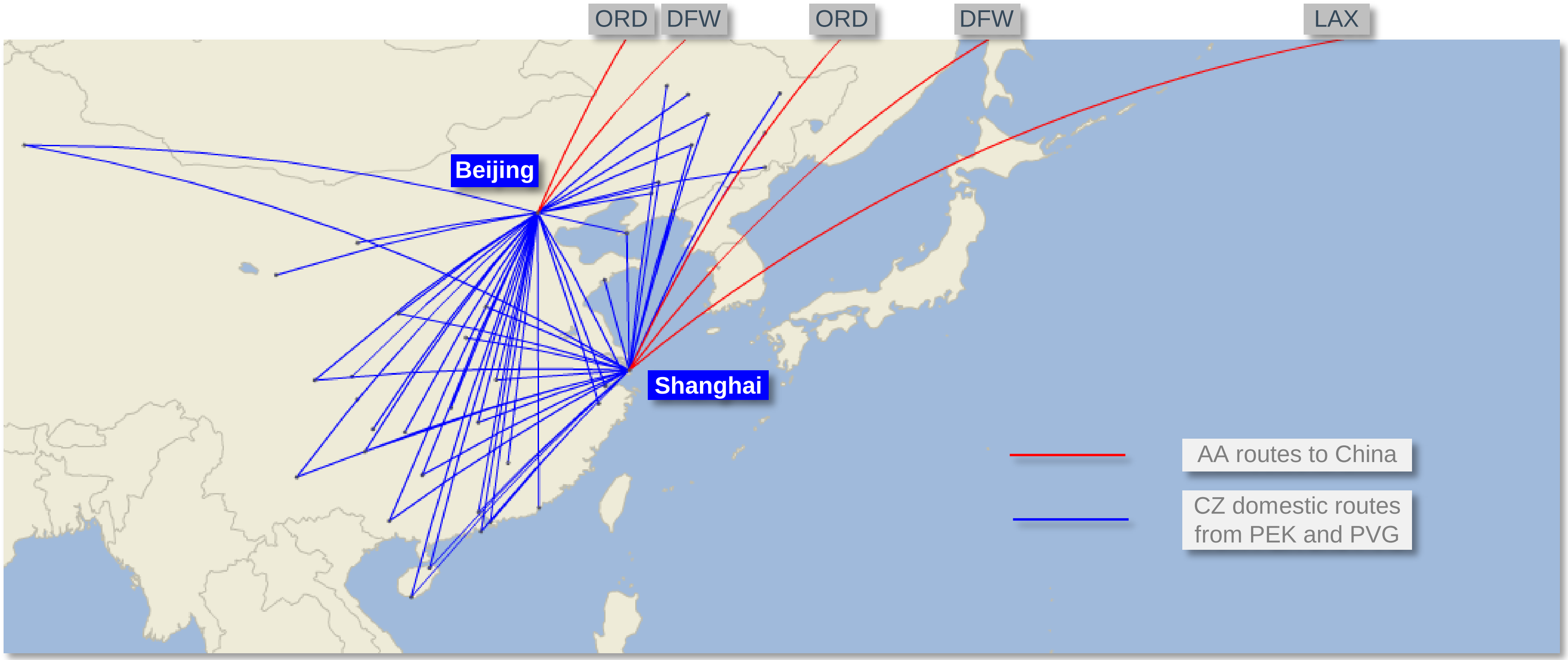
Facility Improvements



Improved Clubs and Upgraded Seats

Product Investment: China Southern

- The investment in China Southern is expected to give American customers access to 70 destinations in China



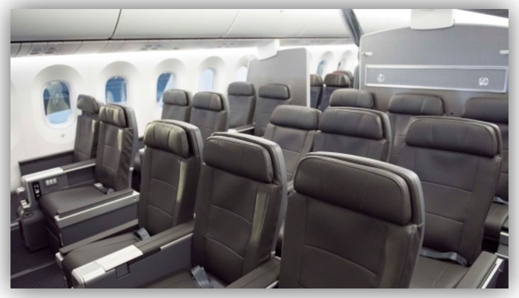
Source: Diio Mi schedule data

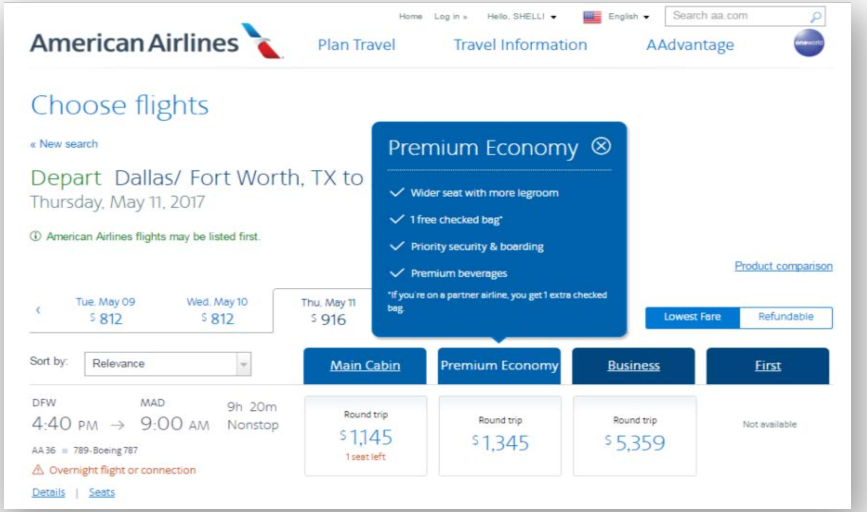
Revenue Investment

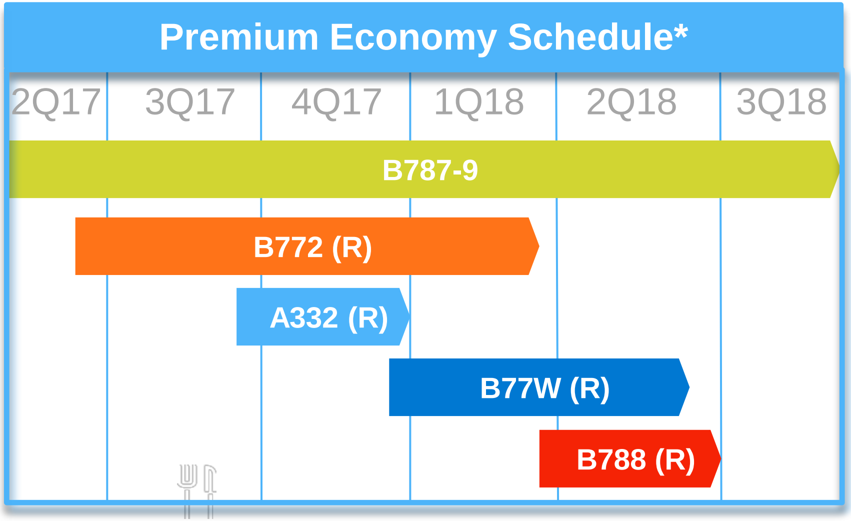
- Basic economy was launched in February
  - Initial rollout of 10 markets for travel in March
  - Performing in line with expectations – 50 percent of customers given a choice opt for a main cabin ticket
  - Rolled out to the lower 48 states on September 5th
- Aircraft reconfigurations
  - All international widebody aircraft now have lie flat seats
  - Plans to reconfigure narrowbody aircraft

Revenue Investment

- Premium Economy
  - Customers started flying the product on May 4th
  - Average upsell of over $400



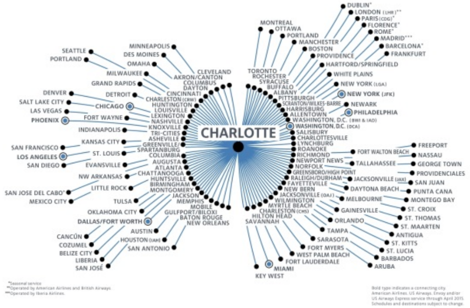




* (R) requires aircraft retrofit

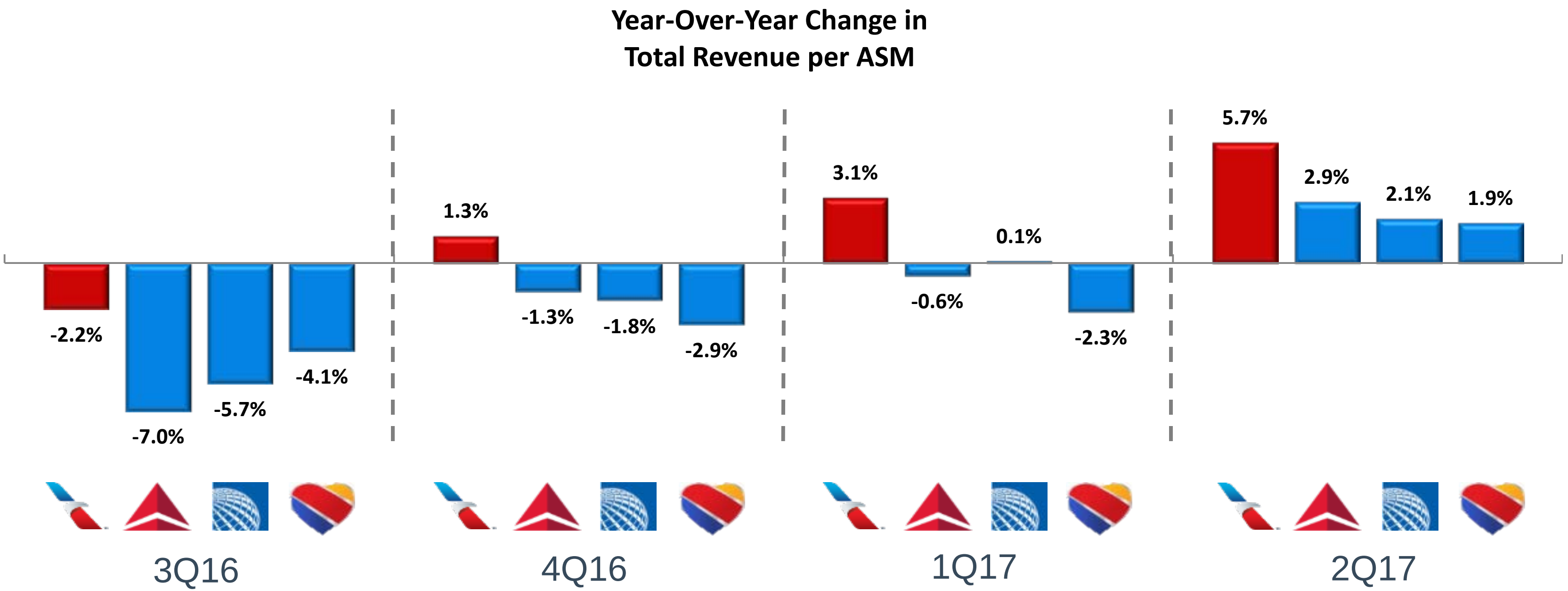
Revenue Investment

- New revenue management system
  - New inventory system and optimizer in 4Q 2016
  - Significant benefits particularly in the premium cabin year-to-date
- Adjusting the schedule to optimize connecting flows
- Revamped sales operation
  - SVP of Global Sales appointed in 3Q 2016
  - Over 100 new sales people to be appointed in 2017
  - Overhaul of core programs and infrastructure
- New credit card agreement
  - Signed in July 2016
  - Significant impact to earnings in 2017 and beyond



Revenue Trends

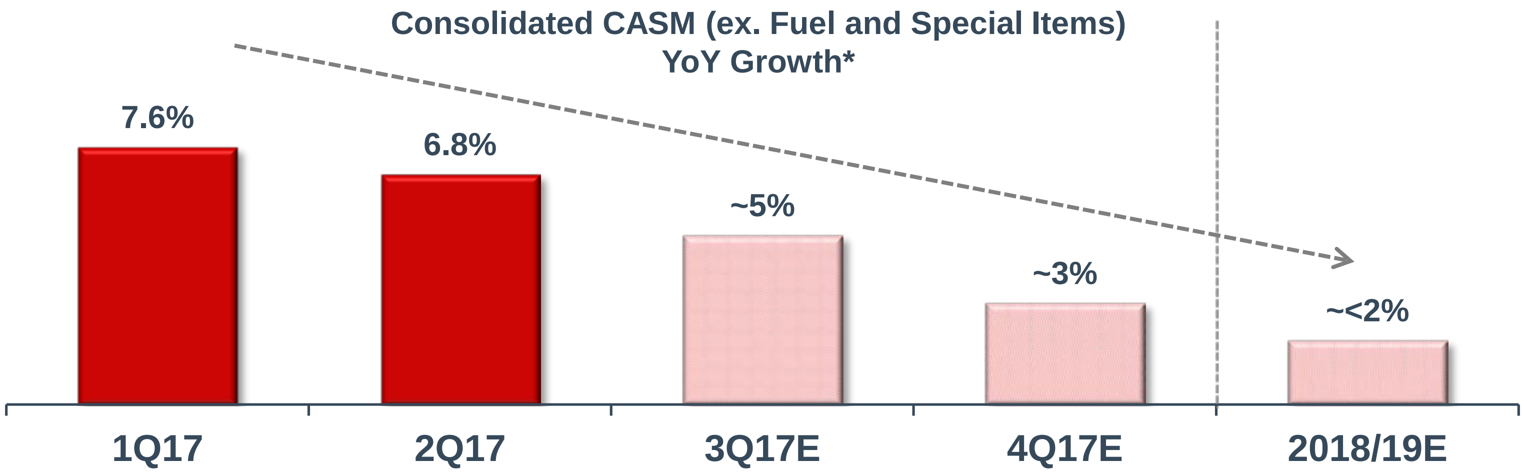
- American's 3Q 2017 TRASM growth is expected to slow due to more difficult YOY comps, however 4Q 2017 is expected to be higher than 3Q 2017



Source: Company reports

CASM Growth is Decelerating

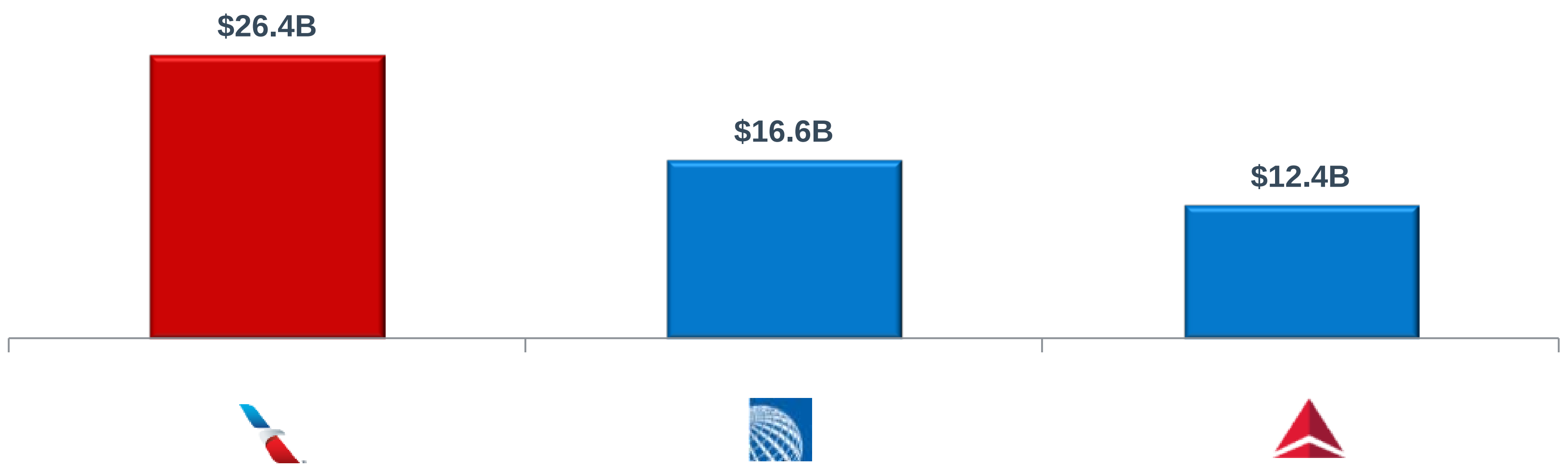
- Costs have been elevated in recent quarters, primarily due to rate increases given to our team members
- This impact will lessen throughout the year and we anticipate that the growth in consolidated CASM will be less than 2 percent* in both 2018 and 2019



Excludes net special items. Please refer to the Company's GAAP to Non-GAAP reconciliation in the appendix. 2018/19 forecast excludes the impact of any potential increases from new joint bargaining agreements.

Higher Debt Supported by Higher Asset Values

2Q 2017 Mainline Fleet Values[1]

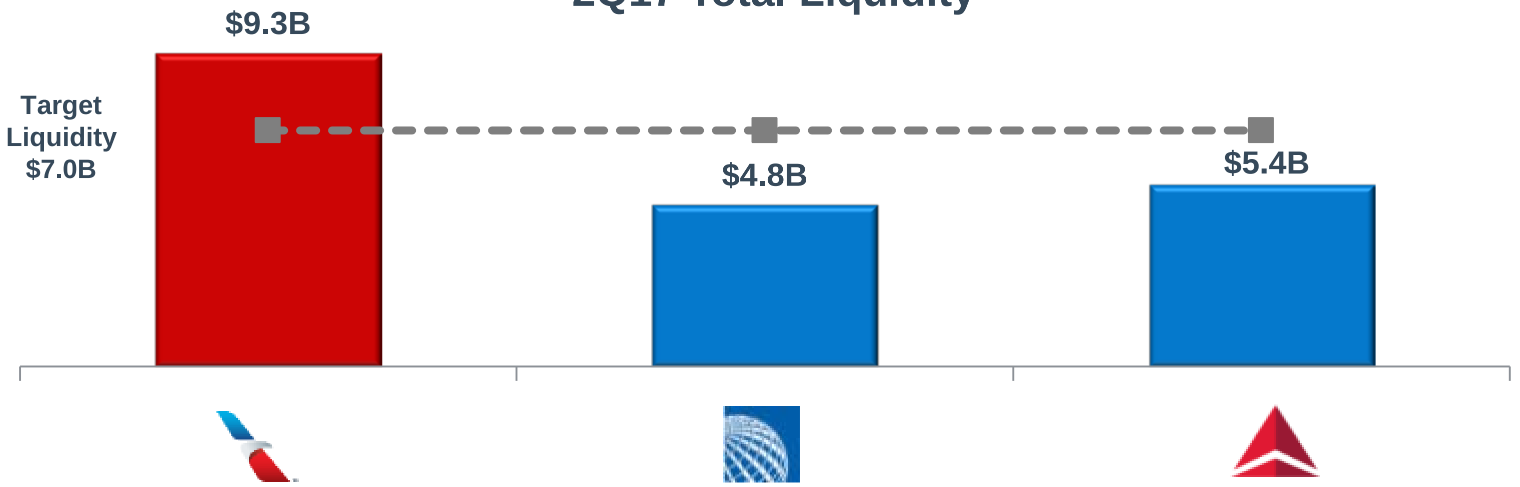


1/Data estimated from Diio and MBA Redbook values

Liquidity

- American is comfortably above its target liquidity level of $7 billion, and has higher liquidity than both the other network airlines

2Q17 Total Liquidity[1]



- Impact of 100 bps increase in interest rates ~$30M / year in net interest expense[2]

1/ Total liquidity consists of unrestricted cash and short term investments, plus available undrawn revolving credit facilities
2/ Net of an assumed 1% increase in earnings on $6.9 billion of current cash balances

Capital Allocation Strategy

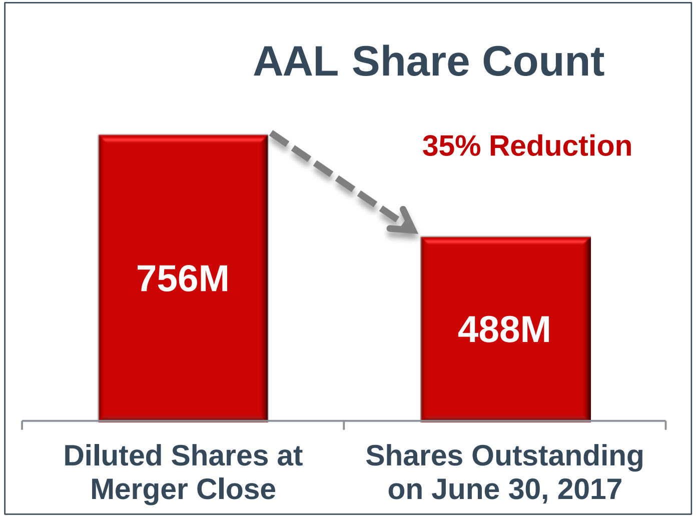
Anticipated Uses of Cash

Operational cashflow — Complete merger integration items, operate the airline, pay pension and debt obligations

Investments — Invest in our people, product and operations, while taking advantage of attractive financing options

Debt — Prepay high cost debt

Investors — Return excess above $7 billion to shareholders:
- $10 billion in share repurchases and $700m in dividends since 3Q 2014
- Expect to complete current authorization in early 2018



$3.9 Billion of Initiatives Over Next 4 Years

Estimated Program/Project Value ($ Millions)	18/17	19/18	20/19	21/20	Total
Basic and Premium Economy	650	250	50	50	**1,000**
Revenue Management Initiatives	250	100	-	-	**350**
Commercial Initiatives	150	150	25	-	**325**
Sales Initiatives	50	50	25	50	**175**
Co-branded Partnerships	250	100	200	-	**550**
Seat Harmonization	-	125	200	175	**500**
Total Revenue Opportunity from Commercial Projects	**1,350**	**775**	**500**	**275**	**2,900**
Integrated Operations	50	100	50	50	**250**
Customer Experience	60	120	120	50	**350**
Strategic Planning	40	125	10	-	**175**
Other	50	105	20	50	**225**
Total Cost Opportunity from One Airline Initiatives	**200**	**450**	**200**	**150**	**1,000**
Total Opportunity from All Initiatives	**1,550**	**1,225**	**700**	**425**	**3,900**

Looking Forward

- The investments we have made are paying off…
  - Significant pay increases for our team members
  - Youngest fleet of the big four airlines
  - Industry leading product
  - Rolling out Basic and Premium Economy
- AAL best positioned within industry
  - $3.9 billion of revenue and cost opportunities identified
  - Revenue gap closing due to product / operational improvements
  - Best assets: well ahead of group on capital spending requirements

GAAP to Non-GAAP Reconciliations

GAAP to non-GAAP Reconciliations

Reconciliation of Pre-Tax Income Excluding Special Items	3 Months Ended June 30, 2017	3 Months Ended June 30, 2016
	(in millions)	
Pre-tax income as reported	$ 1,291	$ 1,493
Pre-tax special items:		
Special items, net	202	62
Regional operating special items, net	1	3
Nonoperating special items, net	2	36
Total pre-tax special items	205	101
Pre-tax income excluding special items	$ 1,496	$ 1,594

Calculation of Pre-Tax Margin Excluding Special Items	2017	2016
Pre-tax income excluding special items	$ 1,496	$ 1,594
Total operating revenues as reported	$ 11,105	$ 10,363
Pre-tax margin excluding special items	13.5%	15.4%

Reconciliation of Net Income Excluding Special Items	2017	2016
Net income as reported	$ 803	$ 950
Special items:		
Total pre-tax special items	205	101
Net tax effect of special items	(64)	(50)
Net income excluding special items	$ 944	$ 1,001

Reconciliation of Basic and Diluted Earnings Per Share Excluding Special Items	3 Months Ended June 30, 2017	3 Months Ended June 30, 2016
	(in millions, except per share amounts)	
Net income excluding special items	$ 944	$ 1,001
Shares used for computation (in thousands):		
Basic	490,818	563,000
Diluted	492,965	566,040
Earnings per share excluding special items:		
Basic	$ 1.92	$ 1.78
Diluted	$ 1.92	$ 1.77

GAAP to non-GAAP Reconciliations

Reconciliation of Operating Cost per ASM Excluding Special Items and Fuel - Total Mainline and Regional	3 Months Ended March 31, 2017	3 Months Ended March 31, 2016	3 Months Ended June 30, 2017	3 Months Ended June 30, 2016
	(in millions)		(in millions)	
Total operating expenses as reported	$ 9,023	$ 8,100	$ 9,570	$ 8,612
Special items:				
Special items, net	(119)	(99)	(202)	(62)
Regional operating special items, net	(2)	(5)	(1)	(3)
Total operating expenses, excluding special items	8,902	7,996	9,367	8,547
Fuel:				
Aircraft fuel and related taxes - mainline	(1,402)	(1,029)	(1,510)	(1,314)
Aircraft fuel and related taxes - regional	(318)	(219)	(329)	(279)
Total operating expenses, excluding special items and fuel	$ 7,182	$ 6,748	$ 7,528	$ 6,954
	(in cents)		(in cents)	
Total operating expenses per ASM as reported	14.02	12.45	13.34	12.17
Special items per ASM:				
Special items, net	(0.18)	(0.15)	(0.28)	(0.09)
Regional operating special items, net	-	(0.01)	-	-
Total operating expenses per ASM, excluding special items	13.84	12.29	13.06	12.08
Fuel per ASM:				
Aircraft fuel and related taxes - mainline	(2.18)	(1.58)	(2.10)	(1.86)
Aircraft fuel and related taxes - regional	(0.49)	(0.34)	(0.46)	(0.39)
Total operating expenses per ASM, excluding special items and fuel	11.16	10.37	10.49	9.83

Note: Amounts may not recalculate due to rounding.