

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 22, 2016

**AMERICAN AIRLINES GROUP INC.
AMERICAN AIRLINES, INC.**

(Exact name of registrant as specified in its charter)

Delaware

1-8400

75-1825172

Delaware

1-2691

13-1502798

(State or other Jurisdiction of
Incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

4333 Amon Carter Blvd., Fort Worth, Texas

76155

4333 Amon Carter Blvd., Fort Worth, Texas

76155

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(817) 963-1234

(817) 963-1234

N/A

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 7.01. REGULATION FD DISCLOSURE.

On April 22, 2016, American Airlines Group Inc. (the “Company”) provided an update for investors presenting information relating to its financial and operational outlook for 2016. This investor presentation is located on the Company’s website at www.aa.com under “Investor Relations.” The update is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section and shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

Exhibit No.	Description
99.1	Investor Update

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, American Airlines Group Inc. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN AIRLINES GROUP INC.

Date: April 22, 2016

By: /s/ Derek J. Kerr
Derek J. Kerr
Executive Vice President and
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, American Airlines, Inc. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN AIRLINES, INC.

Date: April 22, 2016

By: /s/ Derek J. Kerr
Derek J. Kerr
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Investor Update



Investor Relations Update
April 22, 2016

General Overview

- **Pre-tax Margin**—The Company expects its second quarter pre-tax margin excluding special charges to be approximately 14 to 16 percent.
- **Profit Sharing**—On March 23, 2016, the Company announced that it would institute a profit sharing program, retrospective to January 1, 2016. As a result, the Company will now accrue 5 percent of its pre-tax profits excluding special items for this program, with an anticipated distribution to employees in early 2017.
- **CASM**—Mainline CASM excluding fuel and special items is expected to be up approximately 3 percent to 5 percent in 2016. This forecast incorporates the impact of the joint contracts with our customer service and reservation agents and dispatchers, but does not include the impact of any future contracts that may be ratified in 2016. This guidance and the CASM guidance in the following pages includes the impact of profit sharing.
- **Capacity**—2016 total system capacity is expected to be up approximately 2.5 percent vs. 2015. Full year domestic capacity is expected to be up approximately 2.5 percent year-over-year, while international capacity is expected to be up approximately 2.5 percent vs. 2015.
- **Liquidity**—As of March 31, 2016, the Company had approximately \$9.4 billion in total available liquidity, comprised of unrestricted cash and investments of \$6.9 billion and \$2.4 billion in undrawn revolver capacity. The Company also had a restricted cash position of \$691 million.
- **Fuel**—Based on the April 18, 2016, forward curve, the Company expects to pay an average of between \$1.30 and \$1.35 per gallon of mainline jet fuel (including taxes) in the second quarter. Forecasted volume and fuel prices are provided in the following pages.
- **Cargo / Other Revenue**—Includes cargo revenue, loyalty program revenue, ticket change fees, excess/overweight baggage fees, first and second bag fees, contract services, airport clubs and inflight service revenues.
- **Taxes**—As of December 31, 2015, the Company had approximately \$8.0 billion of federal net operating losses (NOLs) and \$4.0 billion of state NOLs, substantially all of which are expected to be available in 2016 to reduce future federal and state taxable income. The Company expects to recognize a provision for income taxes in 2016 at an effective rate of approximately 38 percent, which will be substantially non-cash.

Please refer to the footnotes and the forward looking statements page of this document for additional information

Mainline Update
April 22, 2016

Mainline Comments

- All operating expenses are for mainline operated flights only. Please refer to the following page for information pertaining to regional data.
- Mainline capacity increase of approximately 2 percent for the year is comprised of a stage length related increase of approximately 3 percent, a gauge related increase of approximately 1 percent and a departure related reduction of approximately 2 percent.

	<u>1Q16A</u>	<u>2Q16E</u>	<u>3Q16E</u>	<u>4Q16E</u>	<u>FY16E1</u>
<u>Mainline Guidance</u>					
Available Seat Miles (ASMs) (bil)	57.6	~62.6	~64.8	~58.9	~243.9
CASM ex fuel and special items (YOY % change) ²	9.62	+4% to +6%	+4% to +6%	+3% to +5%	+3% to +5%
Cargo Revenues (\$ mil)	162	~170	~170	~200	~700
Other Revenues (\$ mil)	1,186	~1,180	~1,175	~1,160	~4,700
Average Fuel Price (incl. taxes) (\$/gal) (as of 4/18/2016)	1.20	1.30 to 1.35	1.36 to 1.41	1.40 to 1.45	1.31 to 1.36
Fuel Gallons Consumed (mil)	855	~931	~953	~859	~3,598
Interest Income (\$ mil)	(13)	~(12)	~(13)	~(13)	~(51)
Interest Expense (\$ mil)	239	~244	~248	~259	~990
Other Non-Operating (Income)/Expense (\$ mil) ^{3,4}	(8)	~13	~3	~3	~11
<u>CAPEX Guidance (\$ mil) Inflow/(Outflow)</u>					
Non-Aircraft CAPEX	(258)	~(290)	~(320)	~(330)	~(1,200)
Gross Aircraft CAPEX & net PDPs	(1,295)	~(1,170)	~(880)	~(1,155)	~(4,500)
Assumed Aircraft Financing ⁵	1,501	~1,090	~675	~1,260	~4,525
Net Aircraft CAPEX & PDPs ¹	206	~(80)	~(205)	~105	~25

Notes:

1. Numbers may not recalculate due to rounding.
2. CASM ex fuel and special items is a non-GAAP financial measure. Please see the GAAP to non-GAAP reconciliation at the end of this document. All CASM guidance includes the impact of profit sharing.
3. Excludes special items; please see the GAAP to non-GAAP reconciliation at the end of this document.
4. Other Non-Operating (Income)/Expense primarily includes gains and losses from foreign currency.
5. Includes financing for 2016 aircraft deliveries, as well as the \$1.1 billion of EETC financing completed in Q1 for aircraft delivered in prior years.

Please refer to the footnotes and the forward looking statements page of this document for additional information

Regional Update
April 22, 2016

Regional Comments

- The Company receives feed from 10 regional airlines, including wholly owned subsidiaries Envoy, PSA Airlines and Piedmont Airlines.
- Republic Airways Holdings Inc. filed for Chapter 11 bankruptcy on February 25, 2016 and the court-supervised restructuring of that company is underway. As part of the restructuring process, Republic capacity has been significantly reduced commencing in the second quarter.
- All operating expenses (including capacity purchase agreements) associated with regional operations are included within the regional non-fuel operating expense line item on the income statement.
- Regional capacity increase of approximately 8 percent for the year is comprised of a gauge related increase of approximately 3 percent, a stage length related increase of approximately 2 percent and a departure related increase of approximately 2 percent.

<u>Regional Guidance</u>	<u>1Q16A</u>	<u>2Q16E</u>	<u>3Q16E</u>	<u>4Q16E</u>	<u>FY16E1</u>
Available Seat Miles (ASMs) (bil)	7.50	~8.01	~8.22	~8.08	~31.81
CASM ex fuel and special items (YOY % change) ²	16.11	-4% to -6%	-3% to -5%	-3% to -5%	-3% to -5%
Average Fuel Price (incl. taxes) (\$/gal) (as of 4/18/2016)	1.24	1.35 to 1.40	1.43 to 1.48	1.47 to 1.52	1.37 to 1.42
Fuel Gallons Consumed (mil)	178	~191	~201	~197	~767

Regional Airlines

Envoy ³	Mesa Airlines, Inc.
SkyWest Airlines, Inc. ⁴	Piedmont Airlines, Inc. ³
ExpressJet Airlines, Inc. ⁴	PSA Airlines, Inc. ³
Republic Airline Inc.	Trans States Airlines, Inc.
Air Wisconsin Airlines Corporation	Compass Airlines, LLC

Notes:

1. Numbers may not recalculate due to rounding.
2. CASM ex fuel and special items is a non-GAAP financial measure. Please see the GAAP to non-GAAP reconciliation at the end of this document. All CASM guidance includes the impact of profit sharing.
3. Wholly owned subsidiary of American Airlines Group Inc.
4. Pro-rate agreement and capacity purchase agreement.

Please refer to the footnotes and the forward looking statements page of this document for additional information

Fleet Update
April 22, 2016

Fleet Comments

- In 2016, the Company expects to take delivery of 55 mainline aircraft including 25 A321 aircraft, 20 B738 aircraft, 2 B773 aircraft, 4 B788 aircraft, and 4 B789 aircraft. The Company expects to retire 86 mainline aircraft, including 4 A320 aircraft, 13 B757 aircraft, 14 B763 aircraft and 55 MD80 aircraft.
- In 2016, the Company expects to add 49 regional aircraft, including 7 CRJ700 aircraft, 18 CRJ900 aircraft and 24 E175 aircraft. The Company expects to retire 17 CRJ200 aircraft and place in temporary storage 6 ERJ140 aircraft.

	Active Mainline Ending Fleet Count					Active Regional Ending Fleet Count ¹					
	2015A	1Q16A	2Q16E	3Q16E	4Q16E	2015A	1Q16A	2Q16E	3Q16E	4Q16E	
A319	125	125	125	125	125	CRJ200	128	125	124	123	111
A320	55	51	51	51	51	CRJ700	61	61	67	68	68
A321	174	180	187	193	199	CRJ900	100	107	115	118	118
A332	15	15	15	15	15	DASH 8-100	26	26	26	26	26
A333	9	9	9	9	9	DASH 8-300	11	11	11	11	11
B738	264	269	274	279	284	E170	20	20	20	20	20
B757	64	57	54	53	51	E175	109	115	121	127	133
B763	45	40	40	35	31	ERJ140	14	14	17	8	8
B772	47	47	47	47	47	ERJ145	118	118	118	118	118
B773	18	20	20	20	20		587	597	619	619	613
B788	13	15	17	17	17						
B789	—	—	—	1	4						
E190	20	20	20	20	20						
MD80	97	94	87	50	42						
	946	942	946	915	915						

Notes:

1. At the end of the first quarter, the Company had 45 ERJ140 regional aircraft in temporary storage not included in the active regional ending fleet count.

Please refer to the footnotes and the forward looking statements page of this document for additional information

Shares Outstanding April 22, 2016

Shares Outstanding Comments

- The estimated weighted average shares outstanding for 2016 are listed below.
- On October 21, 2015, the Company's Board authorized a \$2.0 billion share repurchase program to expire by the end of 2016. In addition, on April 21, 2016, the Company's Board authorized a new \$2.0 billion share repurchase program to expire by the end of 2017. This brings the total amount authorized for share repurchase programs to \$9.0 billion since the merger.
- In the first quarter, the Company repurchased 39.3 million shares at a cost of \$1.6 billion. Including share repurchases, shares withheld to cover taxes associated with employee equity awards and share distributions, and the cash extinguishment of convertible debt, our share count has dropped 23 percent from 756.1 million at merger close to 585.7 million shares on March 31, 2016.

2016 Shares Outstanding (shares mil)¹

	Shares	
	Basic	Diluted
<u>For Q2</u>		
Earnings	587	591
Net loss	587	587
<u>For Q3-Q4 Average</u>		
Earnings	587	591
Net loss	587	587
<u>For FY 2016 Average</u>		
Earnings	592	596
Net loss	592	592

Notes:

1. *Shares outstanding are based upon several estimates and assumptions, including average per share stock price and stock award activity and do not take into consideration any share repurchase activity after the end of the first quarter 2016. The number of shares in actual calculations of earnings per share will likely be different from those set forth above.*

Please refer to the footnotes and the forward looking statements page of this document for additional information



GAAP to Non-GAAP Reconciliation
April 22, 2016

The Company is providing disclosure of the reconciliation of reported non-GAAP financial measures to their comparable financial measures on a GAAP basis. The Company believes that the non-GAAP financial measures provide investors the ability to measure financial performance excluding special items, which is more indicative of the Company's ongoing performance and is more comparable to measures reported by other major airlines. The Company believes that the presentation of mainline CASM excluding fuel and special items and regional CASM excluding fuel and special items is useful to investors because both the cost and availability of fuel are subject to many economic and political factors beyond the Company's control.

	American Airlines Group Inc GAAP to Non-GAAP Reconciliation (\$ mil except ASM and CASM data)								
	1Q16 Actual	2Q16 Range		3Q16 Range		4Q16 Range		FY16 Range	
		Low	High	Low	High	Low	High	Low	High
Mainline									
Mainline operating expenses ¹	\$6,668	\$6,920	\$7,076	\$7,065	\$7,223	\$6,796	\$6,948	\$27,421	\$27,997
Less mainline fuel	1,029	1,210	1,257	1,296	1,344	1,203	1,246	4,738	4,875
Less special items	99	—	—	—	—	—	—	99	99
Mainline operating expense excluding fuel and special items	5,540	5,710	5,819	5,769	5,880	5,593	5,702	22,584	23,023
Mainline CASM (cts) ¹	11.58	11.05	11.30	10.90	11.15	11.54	11.80	11.24	11.48
Mainline CASM excluding fuel and special items (Non-GAAP) (cts)	9.62	9.12	9.30	8.90	9.07	9.50	9.68	9.26	9.44
Mainline ASMs (bil)	57.6	62.6	62.6	64.8	64.8	58.9	58.9	243.9	243.9
Regional									
Regional operating expenses ¹	\$1,432	\$1,464	\$1,499	\$1,520	\$1,556	\$1,525	\$1,561	\$ 5,921	\$ 6,053
Less regional fuel expense	219	258	267	287	297	290	299	1,054	1,083
Less special items	5	—	—	—	—	—	—	5	5
Regional operating expenses excluding fuel and special items	1,208	1,206	1,232	1,232	1,258	1,236	1,262	4,862	4,965
Regional CASM (cts) ¹	19.10	18.28	18.72	18.49	18.93	18.88	19.32	18.61	19.03
Regional CASM excluding fuel and special items (Non-GAAP) (cts)	16.11	15.06	15.38	14.99	15.31	15.30	15.62	15.29	15.61
Regional ASMs (bil)	7.50	8.01	8.01	8.22	8.22	8.08	8.08	31.81	31.81
Other Non-Operating (Income)/Expense									
Other non-operating (income)/expense ¹	\$ (8)	\$ 13	\$ 13	\$ 3	\$ 3	\$ 3	\$ 3	\$ 11	\$ 11
Less special items	—	—	—	—	—	—	—	—	—
Other non-operating (income)/expense excluding special items	(8)	13	13	3	3	3	3	11	11

Notes: Amounts may not recalculate due to rounding.

(1) Forecasted expenses exclude special items.

Please refer to the footnotes and the forward looking statements page of this document for additional information

Forward Looking Statements April 22, 2016

Cautionary Statement Regarding Forward-Looking Statements

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 the following: significant operating losses in the future; downturns in economic conditions that adversely affect the Company’s business; the impact of continued periods of high volatility in fuel costs, increased fuel prices and significant disruptions in the supply of aircraft fuel; competitive practices in the industry, including the impact of low cost carriers, airline alliances and industry consolidation; the challenges and costs of integrating operations and realizing anticipated synergies and other benefits of the merger transaction with US Airways Group, Inc.; costs of ongoing data security compliance requirements and the impact of any significant data security breach; the Company’s substantial indebtedness and other obligations and the effect they could have on the Company’s business and liquidity; an inability to obtain sufficient financing or other capital to operate successfully and in accordance with the Company’s current business plan; increased costs of financing, a reduction in the availability of financing and fluctuations in interest rates; the effect the Company’s high level of fixed obligations may have on its ability to fund general corporate requirements, obtain additional financing and respond to competitive developments and adverse economic and industry conditions; the Company’s significant pension and other postretirement benefit funding obligations; the impact of any failure to comply with the covenants contained in financing arrangements; provisions in credit card processing and other commercial agreements that may materially reduce the Company’s liquidity; the impact of union disputes, employee strikes and other labor-related disruptions; any inability to maintain labor costs at competitive levels; interruptions or disruptions in service at one or more of the Company’s hub airports; any inability to obtain and maintain adequate facilities, infrastructure and slots to operate the Company’s flight schedule and expand or change its route network; the Company’s reliance on third-party regional operators or third-party service providers that have the ability to affect the Company’s revenue and the public’s perception about its services; any inability to effectively manage the costs, rights and functionality of third-party distribution channels on which the Company relies; extensive government regulation, which may result in increases in the Company’s costs, disruptions to the Company’s operations, limits on the Company’s operating flexibility, reductions in the demand for air travel, and competitive disadvantages; the impact of the heavy taxation on the airline industry; changes to the Company’s business model that may not successfully increase revenues and may cause operational difficulties or decreased demand; the loss of key personnel or inability to attract and retain additional qualified personnel; the impact of conflicts overseas, terrorist attacks and ongoing security concerns; the global scope of the Company’s business and any associated economic and political instability or adverse effects of events, circumstances or government actions beyond its control, including the impact of foreign currency exchange rate fluctuations and limitations on the repatriation of cash held in foreign countries; the impact of environmental and noise regulation; the impact associated with climate change, including increased regulation to reduce emissions of greenhouse gases; the Company’s reliance on technology and automated systems and the impact of any failure of these technologies or systems; challenges in integrating the Company’s computer, communications and other technology systems; losses and adverse publicity stemming from any accident involving any of the Company’s aircraft or the aircraft of its regional or codeshare operators; delays in scheduled aircraft deliveries, or other loss of anticipated fleet capacity, and failure of new aircraft to perform as expected; the Company’s dependence on a limited number of suppliers for aircraft, aircraft engines and parts; the impact of changing economic and other conditions beyond the Company’s control, including global events that affect travel behavior such as an outbreak of a contagious disease, and volatility and fluctuations in the Company’s results of operations due to seasonality; the effect of a higher than normal number of pilot retirements and a potential shortage of pilots; the impact of possible future increases in insurance costs or reductions in available insurance coverage; the effect on the Company’s financial position and liquidity of being party to or involved in litigation; an inability to use net operating losses carried forward from prior taxable years (NOL Carryforwards); any impairment in the amount of the Company’s goodwill and an inability to realize the full value of the Company’s intangible or long-lived assets and any material impairment charges that would be recorded as a result; price volatility of the Company’s common stock; the effects of the Company’s capital deployment program and the limitation, suspension or discontinuation of the Company’s share repurchase programs or dividend payments thereunder; delay or prevention of stockholders’ ability to change the composition of the Company’s board of directors and the effect this may have on takeover attempts that some of the Company’s stockholders might consider beneficial; the effect of provisions of the Company’s Restated Certificate of Incorporation and Amended and Restated Bylaws that limit ownership and voting of its equity interests, including its common stock; the effect of limitations in the Company’s Restated Certificate of Incorporation on acquisitions and dispositions of its common stock designed to protect its NOL Carryforwards and certain other tax attributes, which may limit the liquidity of its common stock; and other economic, business, competitive, and/or regulatory factors affecting the Company’s business, including those set forth in the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (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 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. Any forward-looking statements speak only as of the date hereof or as of the dates indicated in the statements. 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.

Please refer to the footnotes and the forward looking statements page of this document for additional information