

American Airlines Group Inc. J.P. Morgan Industrials Conference

March 11, 2025

Robert Isom
Chief Executive Officer



Forward-looking statements

Certain of the statements contained in this presentation should be considered forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and 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 the Company’s plans, objectives, expectations, 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 herein as well as in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 (especially in Part I, Item 1A. Risk Factors and Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations), and other risks and uncertainties listed from time to time in the Company’s other filings with the Securities and Exchange Commission. Additionally, 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 statement.



REMEMBERING PSA AIRLINES FLIGHT 5342

- American remains focused on **taking care of the affected families**
- NTSB investigation is currently underway
- Committed to continuing our long history of working with the U.S. government and the industry to make our **aviation system even safer**
- **Do not expect a long-term financial impact** on the industry or our business



Q1 2025 revenue environment

- Wildfires
- Sunbelt weather
- Flight 5342
- Increasing macroeconomic uncertainty
- Softness in the domestic leisure segment, primarily in March

Q1 2025 updated guidance

- We now expect first-quarter 2025 loss per diluted share to be (\$0.60) to (\$0.80) on lower revenue

	Q1 2025E	
	Current	Previous
Total capacity (ASMs) (vs. Q1 2024)	No change	~ Flat to -2%
Total revenue (vs. Q1 2024)	~ Flat	~ +3% to +5%
CASM-ex ¹ (vs. Q1 2024)	No change	Up high single digits
Adjusted loss per diluted share ¹	~ (\$0.60) to (\$0.80)	~ (\$0.20) to (\$0.40)

1. CASM-ex is cost per available seat mile (CASM) excluding fuel and net special items and is a non-GAAP measure. Adjusted loss per diluted share guidance excludes the impact of net special items and is a non-GAAP measure. The Company is unable to reconcile certain forward-looking information to GAAP as the nature or amount of net special items cannot be determined at this time.

American is set up well in any demand environment

- **Capacity growth in-line with real economic growth** and we are able to **adjust quickly** based on the demand environment
- **Revenue and earnings upside** as we work to **rebuild the network** and **restore indirect revenue share**
- **Limited aircraft capex requirements** (2025E: ~\$2-\$2.5B)
- **Well laddered debt maturity towers**

Focus stays the same

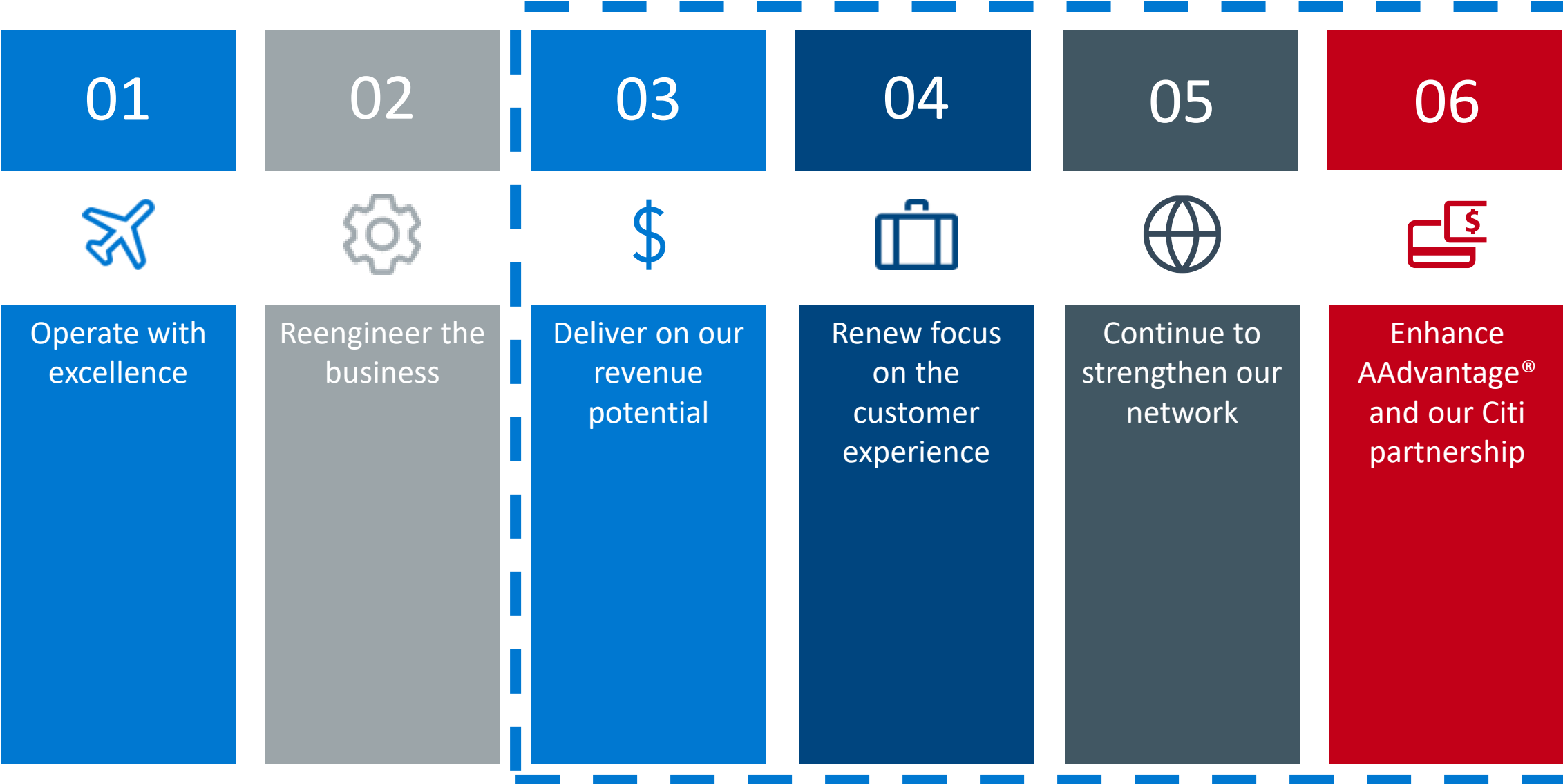
Long-term free cash
flow generation

Balance sheet
strengthening

Margin
expansion



2025 priorities to drive long-term margin expansion

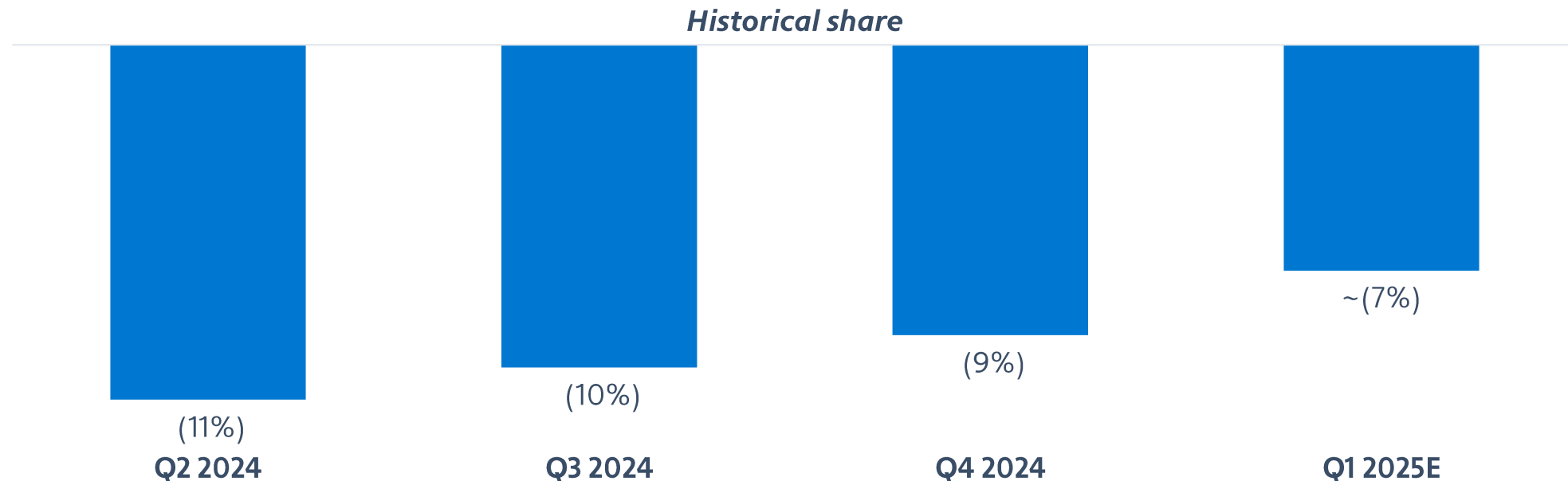


Delivering on our revenue potential

- Looking ahead, we are on track to regain historical share of indirect revenue by year-end 2025 and expect other commercial initiatives to drive further revenue growth

Sales and distribution progress

Indirect channel flown revenue performance¹



¹ Indirect revenue channels contributed over \$14B in annual revenue in 2023. Q1 2025 based on current expectations.
Source: Internal data.

Renew focus on the customer experience



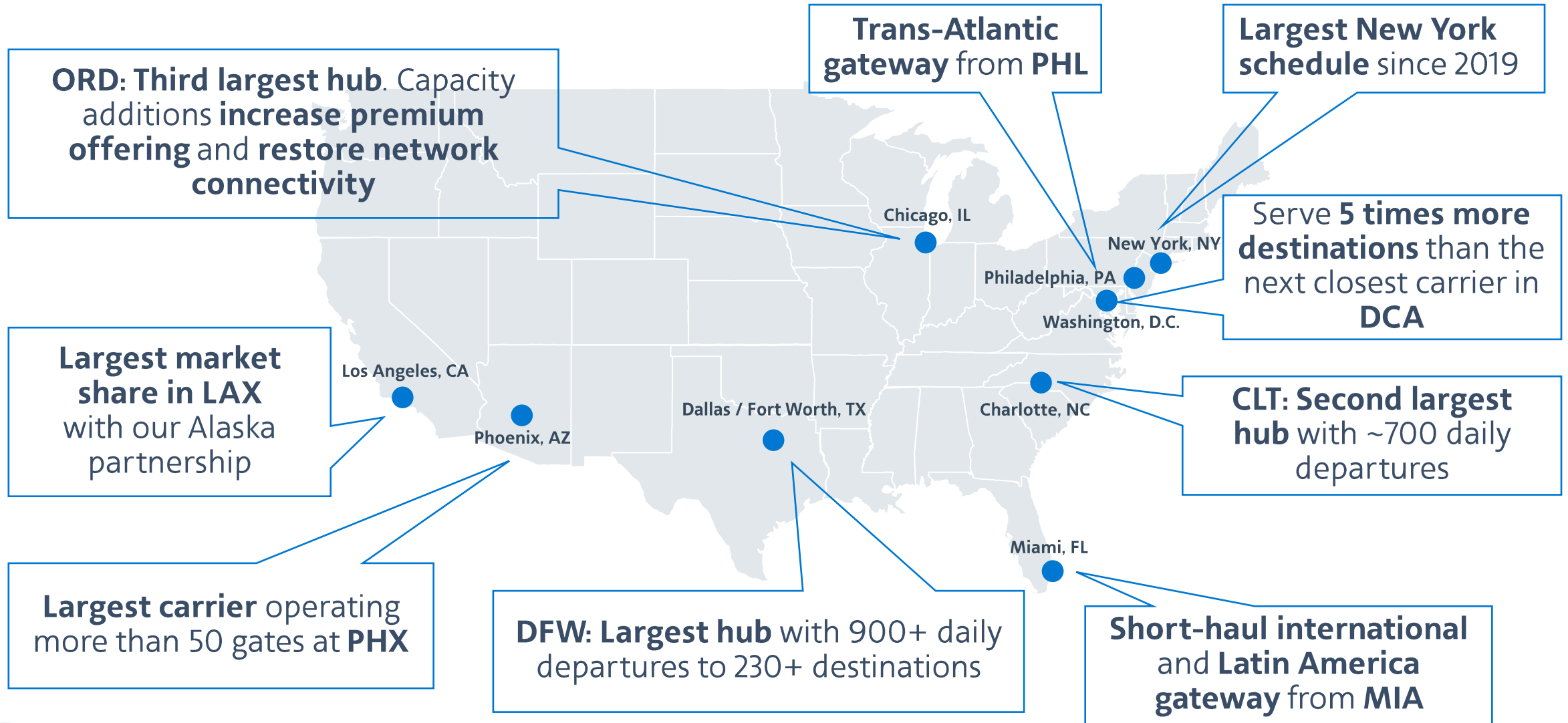
Capitalize on enhanced premium offering

- **Growing long-haul international capable fleet¹** – Growth of ~60% by 2029
- **Airbus A321XLR** and **Boeing 787-9** – Flagship Suite[®] with privacy doors starting in 2025
- **Boeing 777-300ER, A319, and A320 retrofits** – Adding over 25% more premium seats



1. American's long-haul international capable fleet considers B777, B787 and A321 XLR aircraft.
Source: Company filings and Cirium.

Continue to strengthen our network



Enhance AAdvantage[®] and our Citi partnership



- Citi to become the exclusive U.S. issuer of AAdvantage[®] co-branded credit cards in 2026.
- 10-year agreement expected to expand loyalty and rewards offering for AAdvantage[®] members and Citi-branded cardmembers.
- Combined Citi[®]/AAdvantage[®] card portfolio projected to drive incremental value for both companies.

Conclusion

- **Margin expansion – Cost initiatives**
 - Operate with excellence
 - Re-engineering the business
 - Labor cost certainty through 2027
- **Margin expansion – Commercial initiatives**
 - Deliver on revenue potential and recover sales and distribution share
 - Renew focus on customer experience and enhance premium product
 - Continue to strengthen our network
 - Enhance AAdvantage® and our Citi co-branded credit card partnership
- **Free cash flow¹ generation – Long-term and sustainable**
 - Limited aircraft capex requirements
- **Further strengthening of the balance sheet**
 - Total debt² expected to be less than \$35B by year end 2027



1. Free cash flow is a non-GAAP measure. The Company defines free cash flow as net cash provided by operating activities less net cash used in investing activities, adjusted for (1) net sales of short-term investments and (2) change in restricted cash.

2. Total debt includes debt, finance and operating lease liabilities and pension obligations.

Q&A

