

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the Quarterly Period Ended September 30, 2025

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

For the Transition Period From to

Commission file number 1-8400

American Airlines Group Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

1 Skyview Drive, Fort Worth, Texas

(Address of principal executive offices)

75-1825172

(I.R.S. Employer Identification No.)

76155

(Zip Code)

(682) 278-9000

(Registrant's telephone number, including area code)

Commission file number 1-2691

American Airlines, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

1 Skyview Drive, Fort Worth, Texas

(Address of principal executive offices)

13-1502798

(I.R.S. Employer Identification No.)

76155

(Zip Code)

(682) 278-9000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	AAL	The Nasdaq Global Select Market
Preferred Stock Purchase Rights	—	(1)

(1) Attached to the Common Stock

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

American Airlines Group Inc. Yes No
American Airlines, Inc. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

American Airlines Group Inc. Yes No
American Airlines, Inc. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

American Airlines Group Inc. Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company
American Airlines, Inc. Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

American Airlines Group Inc.
American Airlines, Inc.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

American Airlines Group Inc.
American Airlines, Inc.

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

As of October 17, 2025, there were 660,086,495 shares of American Airlines Group Inc. common stock outstanding.

As of October 17, 2025, there were 1,000 shares of American Airlines, Inc. common stock outstanding, all of which were held by American Airlines Group Inc.

**American Airlines Group Inc.
American Airlines, Inc.
Form 10-Q
Quarterly Period Ended September 30, 2025
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General

This report is filed by American Airlines Group Inc. (AAG) and its wholly-owned subsidiary American Airlines, Inc. (American). References in this report to “we,” “us,” “our,” the “Company” and similar terms refer to AAG and its consolidated subsidiaries. References in this report to “mainline” refer to the operations of American only and exclude regional operations. Capitalized terms used but not defined herein shall have the meanings given to them in our annual report on Form 10-K for the year ended December 31, 2024 (2024 Form 10-K).

Note Concerning Forward-Looking Statements

Certain of the statements contained in this report should be considered forward-looking statements within the meaning of the Securities Act of 1933, as amended (the Securities Act), the Securities Exchange Act of 1934, as amended (the Exchange Act), 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 our 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 our 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:

- downturns in economic conditions;
- our inability to obtain sufficient financing or other capital to operate successfully;
- our high level of debt and other obligations;
- our significant pension and other postretirement benefit funding obligations;
- any deterioration of our financial condition;
- any loss of key personnel, or our inability to attract, develop and retain additional qualified personnel;
- changing economic, geopolitical, commercial, regulatory and other conditions beyond our control, including the recently announced tariffs and other global events that affect travel behavior;
- changes in current legislation, regulations and economic conditions regarding federal governmental tariffs, the implementation of federal government budget cuts, a prolonged government shutdown and the potential that any of the foregoing disrupts our operations, and affects the demand for, or restricts the use of, travel by government employees and their families or private sector enterprises that contract or otherwise interface with the federal government;
- the intensely competitive and dynamic nature of the airline industry;
- union disputes, employee strikes and other labor-related disruptions;
- problems with any of our third-party regional operators or third-party service providers;
- any damage to our reputation or brand image;
- losses and adverse publicity stemming from any public incidents involving our company, our people or our brand;
- changes to our business model that may not be successful and may cause operational difficulties or decreased demand;
- our inability to protect our intellectual property rights, particularly our branding rights;
- litigation in the normal course of business or otherwise;
- our inability to use net operating losses and other carryforwards;
- any new U.S. and international tax legislation;

- any impairment of goodwill and intangible assets or long-lived assets;
- any inability of our commercial relationships with other companies to produce the returns or results we expect;
- our dependence on price and availability of aircraft fuel;
- extensive government regulation and compliance risks;
- economic and political instability outside of the U.S. where we have significant operations;
- ongoing security concerns due to conflicts, terrorist attacks or other acts of violence, domestically or abroad;
- climate change;
- environmental and social matters, and compliance risks with environmental, health and noise regulations;
- a shortage of pilots;
- our dependence on a limited number of suppliers for aircraft, aircraft engines and parts;
- any failure of technology and automated systems, including artificial intelligence, that we rely on to operate our business;
- evolving data privacy requirements, risks from cyberattacks and data privacy incidents, and compliance risks with regulations related therewith;
- any inability to effectively manage the costs, rights and functionality of third-party distribution channels;
- any inability to obtain and maintain adequate facilities and infrastructure throughout our system and, at some airports, adequate slots;
- interruptions or disruptions in service at one or more of our key facilities;
- increases in insurance costs or reductions in insurance coverage;
- heavy taxation in the airline industry;
- risks related to ownership of AAG common stock; and

other risks as described in Part I, Item 1A. Risk Factors in our 2024 Form 10-K, Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and Part II, Item 1A. Risk Factors of this report and other risks and uncertainties listed from time to time in our filings with the Securities and Exchange Commission (the SEC).

There may be other factors of which we are 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. We do 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 such statements other than as required by law. Any forward-looking statements speak only as of the date of this report or as of the dates indicated in the statements.

PART I: FINANCIAL INFORMATION

This report on Form 10-Q is filed by both AAG and American and includes the Condensed Consolidated Financial Statements of each company in Item 1A and Item 1B, respectively.

ITEM 1A. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES GROUP INC.

AMERICAN AIRLINES GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except share and per share amounts)(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Operating revenues:				
Passenger	\$ 12,471	\$ 12,523	\$ 36,985	\$ 37,184
Cargo	212	202	612	584
Other	1,008	922	3,037	2,783
Total operating revenues	<u>13,691</u>	<u>13,647</u>	<u>40,634</u>	<u>40,551</u>
Operating expenses:				
Aircraft fuel and related taxes	2,767	2,874	8,017	8,916
Salaries, wages and benefits	4,461	4,098	13,065	11,917
Regional expenses	1,370	1,264	4,053	3,733
Maintenance, materials and repairs	1,028	989	2,876	2,823
Other rent and landing fees	906	861	2,627	2,514
Aircraft rent	310	303	910	945
Selling expenses	483	468	1,467	1,331
Depreciation and amortization	474	479	1,418	1,424
Special items, net	7	554	125	625
Other	1,734	1,668	5,061	4,843
Total operating expenses	<u>13,540</u>	<u>13,558</u>	<u>39,619</u>	<u>39,071</u>
Operating income	151	89	1,015	1,480
Nonoperating income (expense):				
Interest income	90	117	285	363
Interest expense, net	(432)	(480)	(1,294)	(1,464)
Other income (expense), net	49	18	42	(20)
Total nonoperating expense, net	<u>(293)</u>	<u>(345)</u>	<u>(967)</u>	<u>(1,121)</u>
Income (loss) before income taxes	(142)	(256)	48	359
Income tax provision (benefit)	(28)	(107)	36	103
Net income (loss)	<u>\$ (114)</u>	<u>\$ (149)</u>	<u>\$ 12</u>	<u>\$ 256</u>
Earnings (loss) per common share:				
Basic	\$ (0.17)	\$ (0.23)	\$ 0.02	\$ 0.39
Diluted	\$ (0.17)	\$ (0.23)	\$ 0.02	\$ 0.39
Weighted average shares outstanding (in thousands):				
Basic	660,358	657,424	659,788	656,745
Diluted	660,358	657,424	660,784	658,775

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In millions)(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income (loss)	\$ (114)	\$ (149)	\$ 12	\$ 256
Other comprehensive income, net of tax:				
Pension, retiree medical and other postretirement benefits	15	18	50	55
Investments	—	5	—	4
Total other comprehensive income, net of tax	<u>15</u>	<u>23</u>	<u>50</u>	<u>59</u>
Total comprehensive income (loss)	<u>\$ (99)</u>	<u>\$ (126)</u>	<u>\$ 62</u>	<u>\$ 315</u>

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share and par value amounts)

	September 30, 2025	December 31, 2024
	(Unaudited)	
ASSETS		
Current assets		
Cash	\$ 835	\$ 804
Short-term investments	6,023	6,180
Restricted cash and short-term investments	760	732
Accounts receivable, net	2,028	2,006
Aircraft fuel, spare parts and supplies, net	2,782	2,638
Prepaid expenses and other	822	794
Total current assets	13,250	13,154
Operating property and equipment		
Flight equipment	44,994	43,521
Ground property and equipment	10,366	10,202
Equipment purchase deposits	850	1,012
Total property and equipment, at cost	56,210	54,735
Less accumulated depreciation and amortization	(24,752)	(23,608)
Total property and equipment, net	31,458	31,127
Operating lease right-of-use assets	7,495	7,333
Other assets		
Goodwill	4,091	4,091
Intangibles, net of accumulated amortization of \$847 and \$841, respectively	2,038	2,044
Deferred tax asset	2,435	2,485
Other assets	1,374	1,549
Total other assets	9,938	10,169
Total assets	\$ 62,141	\$ 61,783
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Current maturities of long-term debt and finance leases	\$ 3,604	\$ 5,322
Accounts payable	2,833	2,455
Accrued salaries and wages	2,053	2,150
Air traffic liability	8,092	6,759
Loyalty program liability	3,699	3,556
Operating lease liabilities	1,143	1,092
Other accrued liabilities	3,214	2,961
Total current liabilities	24,638	24,295
Noncurrent liabilities		
Long-term debt and finance leases, net of current maturities	25,113	25,154
Pension and postretirement benefits	1,759	2,128
Loyalty program liability	6,815	6,498
Operating lease liabilities	6,204	5,976
Other liabilities	1,574	1,709
Total noncurrent liabilities	41,465	41,465
Commitments and contingencies		
Stockholders' equity (deficit)		
Common stock, \$0.01 par value; 1,750,000,000 shares authorized, 660,064,930 shares issued and outstanding at September 30, 2025; 657,566,166 shares issued and outstanding at December 31, 2024	7	7
Additional paid-in capital	7,377	7,424
Accumulated other comprehensive loss	(4,515)	(4,565)
Retained deficit	(6,831)	(6,843)
Total stockholders' deficit	(3,962)	(3,977)
Total liabilities and stockholders' equity (deficit)	\$ 62,141	\$ 61,783

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
Net cash provided by operating activities	\$ 3,373	\$ 3,585
Cash flows from investing activities:		
Capital expenditures and aircraft purchase deposits	(2,149)	(1,943)
Proceeds from sale-leaseback transactions and sale of property and equipment	243	598
Sales of short-term investments	4,944	5,901
Purchases of short-term investments	(4,801)	(6,528)
Decrease (increase) in restricted short-term investments	(20)	159
Other investing activities	279	(21)
Net cash used in investing activities	(1,504)	(1,834)
Cash flows from financing activities:		
Payments on long-term debt and finance leases	(4,087)	(2,698)
Proceeds from issuance of long-term debt	2,169	1,252
Other financing activities	85	(53)
Net cash used in financing activities	(1,833)	(1,499)
Net increase in cash and restricted cash	36	252
Cash and restricted cash at beginning of period	902	681
Cash and restricted cash at end of period ⁽¹⁾	\$ 938	\$ 933

Non-cash transactions:

Right-of-use (ROU) assets acquired through operating leases	\$ 984	\$ 775
Property and equipment acquired through finance leases and other	137	193
Operating leases converted to finance leases	104	130
Finance leases converted to operating leases	47	33

Supplemental information:

Interest paid, net	1,324	1,512
Income taxes paid	13	6

⁽¹⁾ The following table provides a reconciliation of cash and restricted cash to amounts reported within the condensed consolidated balance sheets:

Cash	\$ 835	\$ 834
Restricted cash included in restricted cash and short-term investments	103	99
Total cash and restricted cash	\$ 938	\$ 933

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(In millions, except share amounts)(Unaudited)

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total
Balance at December 31, 2024	\$ 7	\$ 7,424	\$ (4,565)	\$ (6,843)	\$ (3,977)
Net loss	—	—	—	(473)	(473)
Other comprehensive income, net	—	—	18	—	18
Settlement of PSP1 and Treasury Loan Warrants (see Note 3)	—	(79)	—	—	(79)
Issuance of 1,914,837 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(13)	—	—	(13)
Share-based compensation expense	—	16	—	—	16
Balance at March 31, 2025	7	7,348	(4,547)	(7,316)	(4,508)
Net income	—	—	—	599	599
Other comprehensive income, net	—	—	17	—	17
Issuance of 316,253 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(1)	—	—	(1)
Share-based compensation expense	—	23	—	—	23
Balance at June 30, 2025	7	7,370	(4,530)	(6,717)	(3,870)
Net loss	—	—	—	(114)	(114)
Other comprehensive income, net	—	—	15	—	15
Issuance of 267,674 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(2)	—	—	(2)
Share-based compensation expense	—	9	—	—	9
Balance at September 30, 2025	\$ 7	\$ 7,377	\$ (4,515)	\$ (6,831)	\$ (3,962)

AMERICAN AIRLINES GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(In millions, except share amounts)(Unaudited)

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total
Balance at December 31, 2023	\$ 7	\$ 7,374	\$ (4,894)	\$ (7,689)	\$ (5,202)
Net loss	—	—	—	(312)	(312)
Other comprehensive income, net	—	—	17	—	17
Issuance of 1,772,443 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(11)	—	—	(11)
Share-based compensation expense	—	28	—	—	28
Modification of share-based awards	—	(20)	—	—	(20)
Balance at March 31, 2024	<u>7</u>	<u>7,371</u>	<u>(4,877)</u>	<u>(8,001)</u>	<u>(5,500)</u>
Net income	—	—	—	717	717
Other comprehensive income, net	—	—	19	—	19
Issuance of 562,167 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(3)	—	—	(3)
Share-based compensation expense	—	21	—	—	21
Balance at June 30, 2024	<u>7</u>	<u>7,389</u>	<u>(4,858)</u>	<u>(7,284)</u>	<u>(4,746)</u>
Net loss	—	—	—	(149)	(149)
Other comprehensive income, net	—	—	23	—	23
Issuance of 495,040 shares of AAG common stock pursuant to employee stock plans net of shares withheld for cash taxes	—	(4)	—	—	(4)
Share-based compensation expense	—	22	—	—	22
Balance at September 30, 2024	<u>\$ 7</u>	<u>\$ 7,407</u>	<u>\$ (4,835)</u>	<u>\$ (7,433)</u>	<u>\$ (4,854)</u>

See accompanying notes to condensed consolidated financial statements.

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES GROUP INC.
(Unaudited)**

1. Basis of Presentation**(a) Basis of Presentation**

The accompanying unaudited condensed consolidated financial statements of American Airlines Group Inc. (we, us, our and similar terms, or AAG) should be read in conjunction with the consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2024. The accompanying unaudited condensed consolidated financial statements include the accounts of AAG and its wholly-owned subsidiaries. AAG's principal subsidiary is American Airlines, Inc. (American). All significant intercompany transactions have been eliminated.

Management believes that all adjustments necessary for the fair presentation of results, consisting of normally recurring items, have been included in the unaudited condensed consolidated financial statements for the interim periods presented. The preparation of financial statements in accordance with accounting principles generally accepted in the United States (GAAP) requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The most significant areas of judgment relate to passenger revenue recognition, the loyalty program, deferred tax assets, as well as pension and retiree medical and other postretirement benefits.

(b) Operating Property and Equipment

Effective January 1, 2025, we adjusted the estimated useful lives of our mainline and regional aircraft, engines and related rotatable parts by three years to align with the extended lives of aircraft included in our long-term fleet plan. In conjunction with this change, we also reduced the salvage values for most of these assets from 10% to 5% of original cost to more closely reflect the estimated value at the end of the useful life. Accordingly, the estimated useful lives for the principal property and equipment classification are as follows:

<u>Principal Property and Equipment Classification</u>	<u>Estimated Useful Life</u>
Aircraft, engines and related rotatable parts	20 – 33 years

The effect of these changes did not have a material impact to depreciation and amortization expense in the condensed consolidated statement of operations for the three and nine months ended September 30, 2025.

(c) Construction Projects

American's improvements to the overhaul and maintenance base at Tulsa International Airport (Tulsa Maintenance Base) include the design, construction and renovation of various facilities at the Tulsa Maintenance Base. The Tulsa Maintenance Base is American's largest maintenance facility and is an integral part of operating its mainline fleet. American has concluded that it does not control the underlying assets being constructed, and therefore, it recognizes operating lease liabilities with corresponding right-of-use assets on the condensed consolidated balance sheet as individual project stages are completed and leases commence.

In May 2025, the Tulsa Municipal Airport Trust (TMAT) issued \$400 million aggregate principal amount of special facility revenue bonds on behalf of American, with \$300 million maturing on December 1, 2035 and \$100 million maturing on December 1, 2040 (collectively, the 2025 TMAT Bonds). The 2025 TMAT Bond due December 1, 2035 was priced at 109% of par value and the 2025 TMAT Bond due December 1, 2040 was priced at 107% of par value. The gross proceeds from the issuance of the 2025 TMAT Bonds were approximately \$432 million. Of this amount, \$104 million was used to fund the redemption of the aggregate principal amount of TMAT's outstanding 2015 special facility revenue bonds (the 2015 TMAT Bonds) and the remaining \$328 million will be used to finance the cost of improvements at the Tulsa Maintenance Base. The net proceeds received from the 2025 TMAT Bonds, offset by related project spend, are reflected within other investing activities in the condensed consolidated statement of cash flows.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES GROUP INC.
(Unaudited)

The 2025 TMAT Bonds bear interest at 6.25% per annum commencing on May 8, 2025, until the day preceding the applicable maturity date, on which date the bonds will be subject to mandatory tender for purchase by American. American is required to pay rent equal to the annual principal and interest requirement on the 2025 TMAT Bonds through payments under a sublease agreement with TMAT (as amended), and AAG guarantees the 2025 TMAT Bonds. American's obligations under both the sublease agreement with TMAT and the 2025 TMAT Bonds are secured by a leasehold mortgage on American's lease of the Tulsa Maintenance Base.

(d) Recent Accounting Pronouncements

Accounting Standards Update 2025-06: Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) Targeted Improvements to the Accounting for Internal-Use Software

This standard modernizes the accounting for costs related to internal-use software by removing references to project stages and by clarifying the thresholds entities apply to begin capitalizing costs. The amendments in this update are effective for interim and annual periods beginning after December 15, 2027, and early adoption is permitted. We are currently evaluating how the adoption of this standard may impact our consolidated financial statements.

2. Special Items, Net

Special items, net in the condensed consolidated statements of operations consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Litigation reserve adjustments	\$ —	\$ —	\$ 77	\$ —
Labor contract expenses ⁽¹⁾	—	516	31	573
Severance expenses	3	—	8	13
Other operating special items, net	4	38	9	39
Mainline operating special items, net	7	554	125	625
Debt refinancing, extinguishment and other, net	—	—	17	7
Mark-to-market adjustments on equity investments, net ⁽²⁾	(4)	(27)	11	23
Nonoperating special items, net	(4)	(27)	28	30

⁽¹⁾ Labor contract expenses for the nine months ended September 30, 2025 included a one-time charge for adjustments to vacation accruals resulting from pay rate increases effective January 1, 2025, related to the ratification of the contract extension in the fourth quarter of 2024 with our mainline maintenance and fleet service team members.

Labor contract expenses for the three months ended September 30, 2024 included one-time charges resulting from the ratification of a new collective bargaining agreement with our mainline flight attendants, including a one-time payment of \$514 million. For the nine months ended September 30, 2024, labor contract expenses included one-time charges resulting from the ratification of new collective bargaining agreements with our mainline flight attendants and mainline passenger service team members.

⁽²⁾ Mark-to-market adjustments on equity investments, net included unrealized gains and losses associated with certain equity investments.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES GROUP INC.
(Unaudited)

3. Earnings (Loss) Per Common Share

The following table provides the computation of basic and diluted earnings (loss) per common share (EPS) (in millions, except share and per share amounts):

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	2025	2024	2025	2024
Basic EPS:				
Net income (loss)	\$ (114)	\$ (149)	\$ 12	\$ 256
Weighted average common shares outstanding (in thousands)	660,358	657,424	659,788	656,745
Basic EPS	<u>\$ (0.17)</u>	<u>\$ (0.23)</u>	<u>\$ 0.02</u>	<u>\$ 0.39</u>
Diluted EPS:				
Net income (loss) for purposes of computing diluted EPS	\$ (114)	\$ (149)	\$ 12	\$ 256
Share computation for diluted EPS (in thousands):				
Basic weighted average common shares outstanding	660,358	657,424	659,788	656,745
Dilutive effect of restricted stock unit awards	—	—	563	888
Dilutive effect of certain PSP Warrants and Treasury Loan Warrants	—	—	433	1,142
Diluted weighted average common shares outstanding	660,358	657,424	660,784	658,775
Diluted EPS	<u>\$ (0.17)</u>	<u>\$ (0.23)</u>	<u>\$ 0.02</u>	<u>\$ 0.39</u>

The following were excluded from the calculation of diluted EPS because inclusion of such shares would be antidilutive (in thousands):

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	2025	2024	2025	2024
6.50% convertible senior notes ⁽¹⁾	—	61,728	20,576	61,728
Restricted stock unit awards	1,873	2,862	1,424	2,717

⁽¹⁾ On March 27, 2025, we provided notice to the holders of our Convertible Notes that we would settle our Convertible Notes at their maturity in cash on July 1, 2025. As a result, for the quarterly periods ending after March 31, 2025, we have excluded the Convertible Notes from the calculation of diluted EPS.

In addition, excluded from the calculation of diluted EPS because inclusion of such shares would be antidilutive, are certain shares underlying the warrants issued pursuant to (i) the payroll support program established under the Coronavirus Aid, Relief, and Economic Security Act (PSP1 Warrants), (ii) the payroll support program established under the Subtitle A of Title IV of Division N of the Consolidated Appropriations Act, 2021 (PSP2 Warrants), (iii) the payroll support program established under the American Rescue Plan Act of 2021 (PSP3 Warrants) and (iv) the Loan and Guarantee Agreement with the U.S. Department of Treasury (Treasury Loan Warrants).

During the first quarter of 2025, all of the PSP1 Warrants and Treasury Loan Warrants, 14.0 million shares and 4.4 million shares, respectively, were exercised at an exercise price of \$12.51 per share and net settled in cash for \$79 million, reflected within other financing activities in the condensed consolidated statement of cash flows.

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The table below provides a summary of the warrants outstanding as of September 30, 2025:

Warrants	Warrants Issued (shares, in thousands) ⁽¹⁾	Exercise Price (\$)	Expiration
PSP2 Warrants	6,576	15.66	January 2026 to April 2026
PSP3 Warrants	4,407	21.75	April 2026 to June 2026

⁽¹⁾ The PSP2 Warrants and PSP3 Warrants are subject to certain anti-dilution provisions, do not have any voting rights and are freely transferable, with registration rights. Each warrant will be exercisable either through net share settlement or cash, at our option. The warrants were issued solely as compensation to the U.S. Government related to entry into the payroll support program agreements. No separate proceeds (apart from the financial assistance previously received in 2021) were received upon issuance of the warrants or will be received upon exercise thereof.

4. Revenue Recognition

Revenue

The following are the significant categories comprising our operating revenues (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Passenger revenue:				
Passenger travel	\$ 11,402	\$ 11,539	\$ 34,004	\$ 34,334
Loyalty revenue - travel ⁽¹⁾	1,069	984	2,981	2,850
Total passenger revenue	12,471	12,523	36,985	37,184
Cargo	212	202	612	584
Other:				
Loyalty revenue - marketing services	831	779	2,566	2,363
Other revenue	177	143	471	420
Total other revenue	1,008	922	3,037	2,783
Total operating revenues	\$ 13,691	\$ 13,647	\$ 40,634	\$ 40,551

⁽¹⁾ Loyalty revenue included in passenger revenue is principally comprised of mileage credit redemptions, which were earned from travel or co-branded credit card and other partners.

The following is our total passenger revenue by geographic region (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Domestic	\$ 8,723	\$ 8,681	\$ 26,010	\$ 26,285
Latin America	1,340	1,433	4,795	4,897
Atlantic	2,109	2,110	5,160	5,122
Pacific	299	299	1,020	880
Total passenger revenue	\$ 12,471	\$ 12,523	\$ 36,985	\$ 37,184

We attribute passenger revenue by geographic region based upon the origin and destination of each flight segment.

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Contract Balances

Our significant contract liabilities are comprised of (1) outstanding loyalty program mileage credits that may be redeemed for future air travel, non-air travel and other awards, reported as loyalty program liability on the condensed consolidated balance sheets and (2) ticket sales for transportation that has not yet been provided, reported as air traffic liability on the condensed consolidated balance sheets.

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
	(In millions)	
Loyalty program liability	\$ 10,514	\$ 10,054
Air traffic liability	8,092	6,759
Total	<u>\$ 18,606</u>	<u>\$ 16,813</u>

The balance of the loyalty program liability fluctuates based on seasonal patterns, which impact the volume of mileage credits issued through travel or sold to co-branded credit card and other partners (deferral of revenue) and mileage credits redeemed (recognition of revenue). Changes in loyalty program liability are as follows (in millions):

Balance at December 31, 2024	\$ 10,054
Deferral of revenue	3,362
Recognition of revenue ⁽¹⁾	(2,902)
Balance at September 30, 2025 ⁽²⁾	<u>\$ 10,514</u>

⁽¹⁾ Principally relates to revenue recognized from the redemption of mileage credits for air travel, non-air travel and other awards. Mileage credits are combined in one homogenous pool and are not separately identifiable. As such, the revenue is comprised of mileage credits that were part of the loyalty program deferred revenue balance at the beginning of the period, as well as mileage credits that were issued during the period.

⁽²⁾ Mileage credits can be redeemed at any time and generally do not expire as long as the AAdvantage member has any type of qualifying activity at least every 24 months or if the AAdvantage member is the primary holder of a co-branded credit card. As of September 30, 2025, our current loyalty program liability was \$3.7 billion and represents our current estimate of revenue expected to be recognized in the next 12 months based on historical trends, with the balance reflected in long-term loyalty program liability expected to be recognized as revenue in periods thereafter.

The air traffic liability principally represents tickets sold for future travel on American and partner airlines. The balance in our air traffic liability also fluctuates with seasonal travel patterns. The contract duration of passenger tickets is generally one year. Accordingly, any revenue associated with tickets sold for future travel will be recognized within 12 months. For the nine months ended September 30, 2025, \$5.1 billion of revenue was recognized in passenger revenue that was included in our air traffic liability at December 31, 2024.

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5. Debt

Long-term debt included in the condensed consolidated balance sheets consisted of (in millions):

	September 30, 2025	December 31, 2024
Secured		
2013 Term Loan Facility, variable interest rate of 6.50%, installments until due in February 2028	\$ 970	\$ 980
2014 Term Loan Facility, variable interest rate of 5.98%, installments until due in January 2027	1,159	1,171
2023 Term Loan Facility, variable interest rate of 6.26%, installments until due in June 2029	1,089	1,089
10.75% senior secured IP notes, interest only payments until due in February 2026	524	781
10.75% senior secured LGA/DCA notes, interest only payments until due in February 2026	105	156
7.25% senior secured notes, interest only payments until due in February 2028	750	750
8.50% senior secured notes, interest only payments until due in May 2029	1,000	1,000
5.50% senior secured notes, installments until due in April 2026 ⁽¹⁾	875	1,750
5.75% senior secured notes, installments beginning in July 2026 until due in April 2029 ⁽¹⁾	3,000	3,000
2021 AAdvantage Term Loan Facility, variable interest rate of 6.58%, installments until due in April 2028 ⁽¹⁾	2,269	2,450
2025 AAdvantage Term Loan Facility, variable interest rate of 7.58%, installments until due in May 2032 ⁽¹⁾	998	—
Enhanced equipment trust certificates (EETCs), fixed interest rates ranging from 2.88% to 7.15%, averaging 3.77%, maturing from 2025 to 2034	6,211	7,271
Equipment loans and other notes payable, fixed and variable interest rates ranging from 2.55% to 6.91%, averaging 5.94%, maturing from 2025 to 2037	4,880	4,094
Special facility revenue bonds, fixed interest rates ranging from 2.25% to 5.38%, maturing from 2026 to 2036	789	880
	<u>24,619</u>	<u>25,372</u>
Unsecured		
PSP1 Promissory Note, variable interest rate of 6.04%, interest only payments until due in April 2030	1,757	1,757
PSP2 Promissory Note, interest only payments until due in January 2031 ⁽²⁾	1,030	1,030
PSP3 Promissory Note, interest only payments until due in April 2031 ⁽²⁾	959	959
6.50% convertible senior notes	—	1,000
	<u>3,746</u>	<u>4,746</u>
Total long-term debt	28,365	30,118
Less: Total unamortized debt discount, premium and issuance costs	319	305
Less: Current maturities	3,508	5,196
Long-term debt, net of current maturities	<u>\$ 24,538</u>	<u>\$ 24,617</u>

⁽¹⁾ Collectively referred to as the AAdvantage Financing.

⁽²⁾ PSP2 and PSP3 notes bear interest at a fixed interest rate of 1.00% until the first and second quarters of 2026, respectively. Thereafter and until maturity, the notes bear interest at 2.00% plus an interest rate based on the Secured Overnight Financing Rate (SOFR).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES GROUP INC.
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As of September 30, 2025, the maximum availability under our revolving credit and other facilities is as follows (in millions):

2013 Revolving Facility ⁽¹⁾	\$	519
2014 Revolving Facility ⁽¹⁾		1,557
2023 Revolving Facility ⁽¹⁾		924
Other facilities ⁽²⁾		400
Total	\$	3,400

⁽¹⁾ On April 21, 2025, the aggregate revolving commitments under the 2013, 2014 and 2023 Revolving Facilities were increased from \$2.9 billion to \$3.0 billion upon the upsize of commitments by certain existing lenders. No other terms were changed and there are no borrowings outstanding under the facilities.

⁽²⁾ Includes a revolving credit facility that provides for borrowing capacity of up to \$350 million, maturing in March 2027 with an option to extend for an additional year. Additionally, American currently has \$50 million of available borrowing base under a cargo receivables facility that is set to expire in December 2025. There are no amounts drawn under these facilities.

Secured financings, including revolving credit and other facilities, are collateralized by assets, consisting primarily of aircraft, engines, simulators, airport gate leasehold rights, route authorities, airport slots, certain receivables, certain intellectual property and certain loyalty program assets.

AAdvantage Term Loan Facilities

On March 24, 2025, American and AAdvantage Loyalty IP Ltd. (the Borrowers) entered into a second amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Second Amendment). As a result of the Second Amendment, the term loans outstanding with a principal amount of approximately \$2.3 billion (the 2021 AAdvantage Term Loan Facility) were replaced with new term loans in the same principal amount. The terms of the new term loans are substantially similar to the prior term loans; however, the new term loans bear interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 1.25% per annum or, at the Borrowers' option, the SOFR for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. Additionally, the scheduled quarterly principal amortization amount was reduced to 0.25% of the principal amount of term loans outstanding as of March 24, 2025 (approximately \$6 million each quarter), which began in July 2025, and the remaining balance is due at maturity in April 2028. Pursuant to the Second Amendment, the new term loans are not subject to a cost spread adjustment.

On May 28, 2025, the Borrowers entered into a third amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Third Amendment). As a result of the Third Amendment, the Borrowers incurred \$1.0 billion of incremental term loans (the 2025 AAdvantage Term Loan Facility) due on May 28, 2032. The terms of the 2025 AAdvantage Term Loan Facility are substantially similar to the 2021 AAdvantage Term Loan Facility; however, the 2025 AAdvantage Term Loan Facility bears interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 2.25% per annum or, at the Borrowers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 3.25% per annum. Additionally, the scheduled quarterly principal amortization amount is equal to 0.25% of the original aggregate principal amount of the 2025 AAdvantage Term Loan Facility (approximately \$3 million each quarter), which began in July 2025, and the remaining balance is due at maturity in May 2032. Pursuant to the Third Amendment, the 2025 AAdvantage Term Loan Facility is not subject to a cost spread adjustment. The net proceeds from the 2025 AAdvantage Term Loan Facility were used to repay near term maturities, including the Convertible Notes described further below.

6.50% Convertible Senior Notes (the Convertible Notes)

On March 27, 2025, we provided notice to the holders of our Convertible Notes that we would settle our Convertible Notes at their maturity in cash (including any conversions up to a price per share of AAG common stock of approximately \$22.00) if the volume-weighted average price per share of AAG common stock did not exceed approximately \$22.00 on any trading day of the 20-trading day "observation period" over which the consideration due upon conversion is calculated and determined. On July 1, 2025, the volume-weighted average price per share of AAG common stock did not exceed \$22.00 on any trading day of the 20-trading day "observation period" and therefore the Convertible Notes were settled at their maturity in cash for \$1.0 billion.

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Equipment Loans and Other Notes Payable Issued in 2025

During the first nine months of 2025, American entered into agreements under which it borrowed \$1.2 billion in connection with the financing of certain aircraft. Debt incurred under these agreements matures in 2036 through 2037 and bears interest at variable rates (comprised of SOFR plus an applicable margin) averaging 6.05% as of September 30, 2025.

Other Financing Activities

During the first nine months of 2025, American prepaid \$487 million of the outstanding principal amounts of equipment notes issued under EETCs, and these amounts were applied to repay the related trust certificates. Additionally, American prepaid \$308 million toward portions of the outstanding principal amounts of the 10.75% senior secured IP notes and 10.75% senior secured LGA/DCA notes.

6. Income Taxes

At December 31, 2024, we had approximately \$12.9 billion of gross federal net operating losses (NOLs) and \$5.9 billion of other carryforwards available to reduce future federal taxable income, of which \$2.6 billion will expire beginning in 2033 if unused and \$16.2 billion can be carried forward indefinitely. We also had approximately \$5.2 billion of NOL carryforwards to reduce future state taxable income at December 31, 2024, which will expire in taxable years 2024 through 2044 if unused.

Our ability to use our NOLs and other carryforwards depends on the amount of taxable income generated in future periods. We provide a valuation allowance for our deferred tax assets, which include our NOLs and other carryforwards, when it is more likely than not that some portion, or all of our deferred tax assets, will not be realized. We consider all available positive and negative evidence and make certain assumptions in evaluating the realizability of our deferred tax assets. Many factors are considered that impact our assessment of future profitability, including conditions which are beyond our control, such as the health of the economy, the availability and price volatility of aircraft fuel and travel demand. We have determined that positive factors outweigh negative factors in the determination of the realizability of our deferred tax assets.

We have historically calculated the provision for income taxes during interim reporting periods by applying an estimate of the annual effective tax rate for the full year to income or loss for the reporting period. We have changed to use the discrete method to calculate income taxes for the three and nine months ended September 30, 2025. At this time, we believe that the use of the discrete method is more appropriate than the estimated annual effective tax rate method due to the fact that small changes in projected full year income could cause material fluctuations in our annual effective tax rate applied during each quarter.

During the three and nine months ended September 30, 2025, we recorded an income tax benefit of \$28 million and an income tax provision of \$36 million, respectively, which was substantially non-cash due to the utilization of the NOLs described above. Substantially all of our income or loss before income taxes is attributable to the United States.

On July 4, 2025, H.R. 1, the "One Big Beautiful Bill Act" (the OBBBA) was signed into law in the U.S. Among other changes, the OBBBA modifies key business tax provisions, including by restoring 100% bonus depreciation under Section 168(k), reverting to the higher, EBITDA-based, business interest expense limitation under Section 163(j) and changing the computation of taxes related to international operations. Based on our current analysis of these provisions, we do not believe these provisions will have a material impact on our consolidated financial statements.

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7. Fair Value Measurements
Assets Measured at Fair Value on a Recurring Basis

We utilize the market approach to measure the fair value of our financial assets. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. Our short-term investments, restricted cash and restricted short-term investments classified as Level 2 utilize significant observable inputs, other than quoted prices in active markets, for valuation of these securities. No changes in valuation techniques or inputs occurred during the nine months ended September 30, 2025.

Assets measured at fair value on a recurring basis are summarized below (in millions):

	Fair Value Measurements as of September 30, 2025			
	Total	Level 1	Level 2	Level 3
Short-term investments ^{(1), (2)} :				
Money market funds	\$ 392	\$ 392	\$ —	\$ —
Corporate obligations	3,581	—	3,581	—
Bank notes/certificates of deposit/time deposits	1,600	—	1,600	—
Repurchase agreements	450	—	450	—
	6,023	392	5,631	—
Restricted cash and short-term investments ^{(1), (3)}	760	454	306	—
Long-term investments ⁽⁴⁾	151	151	—	—
Total	\$ 6,934	\$ 997	\$ 5,937	\$ —

⁽¹⁾ All short-term investments are classified as available-for-sale and stated at fair value. Unrealized gains and losses are recorded in accumulated other comprehensive loss at each reporting period. There were no credit losses.

⁽²⁾ Our short-term investments mature in one year or less.

⁽³⁾ Restricted cash and short-term investments primarily include collateral held to support workers' compensation obligations, collateral associated with the payment of interest for the AAdvantage Financing and money market funds to be used to finance the cost of improvements at the Tulsa Maintenance Base. Restricted short-term investments mature in one year or less except for \$128 million as of September 30, 2025.

⁽⁴⁾ Long-term investments primarily include our equity investment in China Southern Airlines Company Limited (China Southern Airlines). See Note 8 for further information on our equity investments.

Fair Value of Debt

The fair value of our long-term debt was estimated using quoted market prices or discounted cash flow analyses based on our current estimated incremental borrowing rates for similar types of borrowing arrangements. The fair value of the Convertible Notes, which would have been classified as Level 2, was \$1.2 billion as of December 31, 2024.

The carrying value and estimated fair value of our long-term debt, including current maturities, were as follows (in millions):

	September 30, 2025				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	\$ 28,046	\$ 28,210	\$ —	\$ 24,743	\$ 3,467

	December 31, 2024				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	\$ 29,813	\$ 30,010	\$ —	\$ 26,402	\$ 3,608

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8. Investments

To help expand our network and as part of our ongoing commitment to sustainability, we enter into various commercial relationships or other strategic partnerships, including equity investments, with other airlines and companies. Our equity investments are reflected in other assets on our condensed consolidated balance sheets. Our share of equity method investees' financial results and changes in fair value are recorded in nonoperating other income (expense), net on the condensed consolidated statements of operations.

Our equity investment ownership interests and carrying values are as follows:

	Accounting Treatment	Ownership Interest		Carrying Value (in millions)	
		September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024
Republic Airways Holdings Inc.	Equity Method	25.0 %	25.0 %	\$ 270	\$ 253
China Southern Airlines	Fair Value	1.5 %	1.5 %	145	142
Other investments ⁽¹⁾	Various			148	120
Total				\$ 563	\$ 515

⁽¹⁾ Primarily includes our investment in JetSMART Holdings Limited, which is accounted for under the equity method.

9. Employee Benefit Plans

The following table provides the components of net periodic benefit cost (income) (in millions):

Three Months Ended September 30,	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
Service cost	\$ 1	\$ —	\$ 6	\$ 8
Interest cost	180	180	18	17
Expected return on assets	(232)	(245)	(2)	(2)
Amortization of:				
Prior service cost	—	—	4	3
Unrecognized net loss (gain)	21	26	(6)	(6)
Net periodic benefit cost (income)	\$ (30)	\$ (39)	\$ 20	\$ 20

Nine Months Ended September 30,	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
Service cost	\$ 2	\$ 1	\$ 18	\$ 23
Interest cost	547	542	53	51
Expected return on assets	(696)	(733)	(7)	(7)
Amortization of:				
Prior service cost	—	—	13	11
Unrecognized net loss (gain)	68	79	(17)	(19)
Net periodic benefit cost (income)	\$ (79)	\$ (111)	\$ 60	\$ 59

Effective November 1, 2012, substantially all of our defined benefit pension plans were frozen.

The service cost component of net periodic benefit cost (income) is included in operating expenses and the other components of net periodic benefit cost (income) are included in nonoperating other income (expense), net in the condensed consolidated statements of operations.

During the first nine months of 2025, we made required contributions of \$224 million to our defined benefit pension plans.

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10. Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss (AOCI) are as follows (in millions):

	Pension, Retiree Medical and Other Postretirement Benefits	Income Tax Provision ⁽¹⁾	Total
Balance at December 31, 2024	\$ (2,959)	\$ (1,606)	\$ (4,565)
Amounts reclassified from AOCI	64	(14) ⁽²⁾	50
Net current-period other comprehensive income (loss)	64	(14)	50
Balance at September 30, 2025	<u>\$ (2,895)</u>	<u>\$ (1,620)</u>	<u>\$ (4,515)</u>

⁽¹⁾ Relates principally to pension, retiree medical and other postretirement benefits obligations that will not be recognized in net income until the obligations are fully extinguished.

⁽²⁾ Relates to pension, retiree medical and other postretirement benefits obligations and is recognized within the income tax provision on the condensed consolidated statements of operations.

Reclassifications out of AOCI are as follows (in millions):

AOCI Components	Amounts reclassified from AOCI				Affected line items on the condensed consolidated statements of operations
	Three Months Ended September 30,		Nine Months Ended September 30,		
	2025	2024	2025	2024	
Amortization of pension, retiree medical and other postretirement benefits:					
Prior service cost	\$ 3	\$ 3	\$ 10	\$ 9	Nonoperating other income (expense), net
Actuarial loss	12	15	40	46	Nonoperating other income (expense), net
Total reclassifications for the period, net of tax	<u>\$ 15</u>	<u>\$ 18</u>	<u>\$ 50</u>	<u>\$ 55</u>	

11. Regional Expenses

Our regional carriers provide scheduled air transportation under the brand name "American Eagle." The American Eagle carriers include our wholly-owned regional carriers as well as third-party regional carriers. Our regional carrier arrangements are principally in the form of capacity purchase agreements. Expenses associated with American Eagle operations are classified as regional expenses on the condensed consolidated statements of operations.

Regional expenses for the three months ended September 30, 2025 and 2024 include \$84 million and \$80 million of depreciation and amortization, respectively, and \$2 million of aircraft rent in each period. Regional expenses for the nine months ended September 30, 2025 and 2024 include \$244 million and \$238 million of depreciation and amortization, respectively, and \$7 million of aircraft rent in each period.

During the three months ended September 30, 2025 and 2024, we recognized \$177 million and \$153 million, respectively, of expense under our capacity purchase agreement with Republic Airways Inc. (Republic). During the nine months ended September 30, 2025 and 2024, we recognized \$519 million and \$452 million, respectively, of expense under our capacity purchase agreement with Republic. We hold a 25% equity interest in Republic Airways Holdings Inc., the parent company of Republic.

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12. Legal Proceedings

Private Party Antitrust Actions Related to the Northeast Alliance (NEA). On December 5, 2022 and December 7, 2022, two private party plaintiffs filed putative class action antitrust complaints against AAG and JetBlue in the U.S. District Court for the Eastern District of New York alleging that AAG and JetBlue violated U.S. antitrust law in connection with the previously disclosed NEA. These actions were consolidated on January 10, 2023. The private party plaintiffs filed an amended consolidated complaint on February 3, 2023. On February 2, 2023 and February 15, 2023, private party plaintiffs filed two additional putative class action antitrust complaints against AAG and JetBlue in the U.S. District Court for the District of Massachusetts and the U.S. District Court for the Eastern District of New York, respectively. In March 2023, AAG filed a motion in the U.S. District Court for the District of Massachusetts case asking to transfer the case to the U.S. District Court for the Eastern District of New York and consolidate it with the cases pending in that venue. The U.S. District Court for the District of Massachusetts granted that motion. The remaining cases were consolidated with the other actions in the Eastern District of New York. In June 2023, the private party plaintiffs filed a second amended consolidated complaint, followed by a third amended complaint filed in August 2023. In September 2023, AAG, together with JetBlue, filed a motion to dismiss the third amended complaint. In September 2024, the court denied that motion. AAG and JetBlue filed answers to the private party plaintiffs' third amended complaint in October 2024, and the parties are now engaged in discovery. We believe these lawsuits are without merit and are defending against them vigorously.

Securities and Stockholder Derivative Litigation. On July 18, 2024, AAG and certain of its current and former officers were named as defendants in a putative class action lawsuit filed in the U.S. District Court for the Northern District of Texas, captioned *Qawasmi v. American Airlines Group Inc., et al.* The *Qawasmi* plaintiff purports to represent investors who acquired AAG securities between January 25, 2024 and May 28, 2024. On August 28, 2024, AAG and certain of its current and former officers were named as defendants in a second putative class action lawsuit filed in the same court, captioned *Thornburg v. American Airlines Group Inc., et al.* The *Thornburg* plaintiff purports to represent investors who acquired AAG securities between July 20, 2023 and May 28, 2024. Both the *Qawasmi* and *Thornburg* complaints assert violations of Sections 10(b) and 20(a) of the Exchange Act based on allegations that, during the relevant periods, AAG misrepresented and/or omitted material facts related to its financial outlook and certain commercial initiatives. On September 16, 2024, certain purported AAG investors moved for consolidation of the *Qawasmi* and *Thornburg* actions as well as appointment as lead plaintiff. On November 22, 2024, the *Qawasmi* and *Thornburg* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Securities Litigation*. The court also appointed co-lead plaintiffs and lead counsel to represent the putative class in the consolidated action. Plaintiffs filed a consolidated complaint on January 21, 2025, and an amended consolidated complaint on March 19, 2025. The consolidated complaint makes similar factual allegations to the prior complaints regarding AAG's financial outlook and certain commercial initiatives. AAG and the individual defendants filed a joint motion to dismiss on March 21, 2025 that was fully submitted on May 23, 2025. That motion is currently pending.

Additionally, on September 19, 2024, certain of AAG's current and former directors and officers were named as defendants in a shareholder derivative lawsuit (in which AAG is a nominal defendant) filed in the U.S. District Court for the Northern District of Texas, captioned *Hollin v. Isom, et al.* The *Hollin* complaint asserts violations of Section 10(b) of the Exchange Act, breach of fiduciary duty, and claims for unjust enrichment and corporate waste. On September 26, 2024, a second derivative complaint was filed in the same court, similarly naming certain of AAG's current and former directors and officers (as well as AAG as a nominal defendant), captioned *Leon v. Isom, et al.* The *Leon* complaint asserts violations of Section 14(a) of the Exchange Act, breaches of fiduciary duty, claims of unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and a claim for contribution. The *Hollin* and *Leon* complaints generally allege the same purported misconduct as alleged in the securities class actions. On November 25, 2024, the *Hollin* and *Leon* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Stockholder Derivative Action*. The derivative actions are currently stayed pending resolution of the securities class action. We believe both the securities class action and shareholder derivative lawsuit are without merit and intend to defend against them vigorously.

General. In addition to the specifically identified legal proceedings, we and our subsidiaries are also engaged in other legal proceedings from time to time. Legal proceedings can be complex and take many months, or even years, to reach resolution, with the final outcome depending on a number of variables, some of which are not within our control. Therefore, although we will vigorously defend ourselves in each of the actions described above and such other legal proceedings, their ultimate resolution and potential financial and other impacts on us are uncertain but could be material.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES GROUP INC.
(Unaudited)

13. Subsequent Events

In October 2025, American refinanced the \$629 million remaining outstanding principal amount of the 10.75% senior secured IP notes and the 10.75% senior secured LGA/DCA notes due February 2026 with \$629 million borrowed under a senior unsecured short-term loan facility. Term loans under the facility mature on January 21, 2026 and bear interest at SOFR for a tenor of one month plus an applicable margin of 2.375% per annum (6.40% as of the closing date). The resulting transactions also accelerated the release of the 10.75% senior secured LGA/DCA notes collateral.

ITEM 1B. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions)(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Operating revenues:				
Passenger	\$ 12,471	\$ 12,523	\$ 36,985	\$ 37,184
Cargo	212	202	612	584
Other	1,005	920	3,031	2,778
Total operating revenues	13,688	13,645	40,628	40,546
Operating expenses:				
Aircraft fuel and related taxes	2,767	2,874	8,017	8,916
Salaries, wages and benefits	4,459	4,096	13,058	11,911
Regional expenses	1,353	1,268	4,027	3,725
Maintenance, materials and repairs	1,028	989	2,876	2,823
Other rent and landing fees	906	861	2,627	2,514
Aircraft rent	310	303	910	945
Selling expenses	483	468	1,467	1,331
Depreciation and amortization	473	477	1,414	1,416
Special items, net	7	554	125	625
Other	1,735	1,665	5,065	4,844
Total operating expenses	13,521	13,555	39,586	39,050
Operating income	167	90	1,042	1,496
Nonoperating income (expense):				
Interest income	249	268	732	805
Interest expense, net	(450)	(505)	(1,343)	(1,536)
Other income (expense), net	49	18	41	(21)
Total nonoperating expense, net	(152)	(219)	(570)	(752)
Income (loss) before income taxes	15	(129)	472	744
Income tax provision (benefit)	5	(88)	128	208
Net income (loss)	<u>\$ 10</u>	<u>\$ (41)</u>	<u>\$ 344</u>	<u>\$ 536</u>

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In millions)(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 10	\$ (41)	\$ 344	\$ 536
Other comprehensive income, net of tax:				
Pension, retiree medical and other postretirement benefits	15	18	50	55
Investments	—	5	—	4
Total other comprehensive income, net of tax	<u>15</u>	<u>23</u>	<u>50</u>	<u>59</u>
Total comprehensive income (loss)	<u>\$ 25</u>	<u>\$ (18)</u>	<u>\$ 394</u>	<u>\$ 595</u>

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share and par value amounts)

	September 30, 2025 (Unaudited)	December 31, 2024
ASSETS		
Current assets		
Cash	\$ 825	\$ 795
Short-term investments	6,020	6,177
Restricted cash and short-term investments	760	732
Accounts receivable, net	1,996	1,977
Receivables from related parties, net	9,754	8,187
Aircraft fuel, spare parts and supplies, net	2,594	2,476
Prepaid expenses and other	707	675
Total current assets	22,656	21,019
Operating property and equipment		
Flight equipment	44,631	43,158
Ground property and equipment	9,849	9,709
Equipment purchase deposits	850	1,012
Total property and equipment, at cost	55,330	53,879
Less accumulated depreciation and amortization	(24,191)	(23,060)
Total property and equipment, net	31,139	30,819
Operating lease right-of-use assets	7,441	7,274
Other assets		
Goodwill	4,091	4,091
Intangibles, net of accumulated amortization of \$847 and \$841, respectively	2,038	2,044
Deferred tax asset	1,926	2,068
Other assets	1,244	1,440
Total other assets	9,299	9,643
Total assets	\$ 70,535	\$ 68,755
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities		
Current maturities of long-term debt and finance leases	\$ 3,601	\$ 4,326
Accounts payable	2,723	2,372
Accrued salaries and wages	1,875	1,995
Air traffic liability	8,092	6,759
Loyalty program liability	3,699	3,556
Operating lease liabilities	1,133	1,082
Other accrued liabilities	3,107	2,812
Total current liabilities	24,230	22,902
Noncurrent liabilities		
Long-term debt and finance leases, net of current maturities	21,369	21,410
Pension and postretirement benefits	1,749	2,115
Loyalty program liability	6,815	6,498
Operating lease liabilities	6,157	5,926
Other liabilities	1,539	1,670
Total noncurrent liabilities	37,629	37,619
Commitments and contingencies		
Stockholder's equity		
Common stock, \$1.00 par value; 1,000 shares authorized, issued and outstanding	—	—
Additional paid-in capital	17,456	17,408
Accumulated other comprehensive loss	(4,627)	(4,677)
Retained deficit	(4,153)	(4,497)
Total stockholder's equity	8,676	8,234
Total liabilities and stockholder's equity	\$ 70,535	\$ 68,755

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
Net cash provided by operating activities	\$ 2,229	\$ 3,517
Cash flows from investing activities:		
Capital expenditures and aircraft purchase deposits	(2,103)	(1,900)
Proceeds from sale-leaseback transactions and sale of property and equipment	243	598
Sales of short-term investments	4,944	5,901
Purchases of short-term investments	(4,801)	(6,527)
Decrease (increase) in restricted short-term investments	(20)	159
Other investing activities	280	(21)
Net cash used in investing activities	(1,457)	(1,790)
Cash flows from financing activities:		
Payments on long-term debt and finance leases	(3,086)	(2,691)
Proceeds from issuance of long-term debt	2,169	1,252
Other financing activities	180	(34)
Net cash used in financing activities	(737)	(1,473)
Net increase in cash and restricted cash	35	254
Cash and restricted cash at beginning of period	893	670
Cash and restricted cash at end of period ⁽¹⁾	\$ 928	\$ 924
Non-cash transactions:		
Right-of-use (ROU) assets acquired through operating leases	\$ 980	\$ 754
Property and equipment acquired through finance leases and other	137	193
Operating leases converted to finance leases	104	130
Finance leases converted to operating leases	47	33
Supplemental information:		
Interest paid, net	1,179	1,391
Income taxes paid	13	6

⁽¹⁾ The following table provides a reconciliation of cash and restricted cash to amounts reported within the condensed consolidated balance sheets:

Cash	\$ 825	\$ 825
Restricted cash included in restricted cash and short-term investments	103	99
Total cash and restricted cash	\$ 928	\$ 924

See accompanying notes to condensed consolidated financial statements.

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY
(In millions)(Unaudited)

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total
Balance at December 31, 2024	\$ —	\$ 17,408	\$ (4,677)	\$ (4,497)	\$ 8,234
Net loss	—	—	—	(384)	(384)
Other comprehensive income, net	—	—	18	—	18
Share-based compensation expense	—	15	—	—	15
Intercompany equity transfer	—	1	—	—	1
Balance at March 31, 2025	—	17,424	(4,659)	(4,881)	7,884
Net income	—	—	—	718	718
Other comprehensive income, net	—	—	17	—	17
Share-based compensation expense	—	22	—	—	22
Intercompany equity transfer	—	1	—	—	1
Balance at June 30, 2025	—	17,447	(4,642)	(4,163)	8,642
Net income	—	—	—	10	10
Other comprehensive income, net	—	—	15	—	15
Share-based compensation expense	—	9	—	—	9
Balance at September 30, 2025	\$ —	\$ 17,456	\$ (4,627)	\$ (4,153)	\$ 8,676

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total
Balance at December 31, 2023	\$ —	\$ 17,335	\$ (4,999)	\$ (5,759)	\$ 6,577
Net loss	—	—	—	(216)	(216)
Other comprehensive income, net	—	—	17	—	17
Share-based compensation expense	—	27	—	—	27
Modification of share-based awards	—	(20)	—	—	(20)
Intercompany equity transfer	—	1	—	—	1
Balance at March 31, 2024	—	17,343	(4,982)	(5,975)	6,386
Net income	—	—	—	793	793
Other comprehensive income, net	—	—	19	—	19
Share-based compensation expense	—	20	—	—	20
Intercompany equity transfer	—	1	—	—	1
Balance at June 30, 2024	—	17,364	(4,963)	(5,182)	7,219
Net loss	—	—	—	(41)	(41)
Other comprehensive income, net	—	—	23	—	23
Share-based compensation expense	—	21	—	—	21
Intercompany equity transfer	—	1	—	—	1
Balance at September 30, 2024	\$ —	\$ 17,386	\$ (4,940)	\$ (5,223)	\$ 7,223

See accompanying notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
(Unaudited)

1. Basis of Presentation

(a) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of American Airlines, Inc. (American) should be read in conjunction with the consolidated financial statements contained in American's Annual Report on Form 10-K for the year ended December 31, 2024. American is the principal wholly-owned subsidiary of American Airlines Group Inc. (AAG). All significant intercompany transactions have been eliminated.

Management believes that all adjustments necessary for the fair presentation of results, consisting of normally recurring items, have been included in the unaudited condensed consolidated financial statements for the interim periods presented. The preparation of financial statements in accordance with accounting principles generally accepted in the United States (GAAP) requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The most significant areas of judgment relate to passenger revenue recognition, the loyalty program, deferred tax assets, as well as pension and retiree medical and other postretirement benefits.

(b) Operating Property and Equipment

Effective January 1, 2025, American adjusted the estimated useful lives of its mainline and regional aircraft, engines and related rotatable parts by three years to align with the extended lives of aircraft included in American's long-term fleet plan. In conjunction with this change, American also reduced the salvage values for most of these assets from 10% to 5% of original cost to more closely reflect the estimated value at the end of the useful life. Accordingly, the estimated useful lives for the principal property and equipment classification are as follows:

<u>Principal Property and Equipment Classification</u>	<u>Estimated Useful Life</u>
Aircraft, engines and related rotatable parts	20 – 33 years

The effect of these changes did not have a material impact to depreciation and amortization expense in the condensed consolidated statement of operations for the three and nine months ended September 30, 2025.

(c) Construction Projects

American's improvements to the overhaul and maintenance base at Tulsa International Airport (Tulsa Maintenance Base) include the design, construction and renovation of various facilities at the Tulsa Maintenance Base. The Tulsa Maintenance Base is American's largest maintenance facility and is an integral part of operating its mainline fleet. American has concluded that it does not control the underlying assets being constructed, and therefore, it recognizes operating lease liabilities with corresponding right-of-use assets on the condensed consolidated balance sheet as individual project stages are completed and leases commence.

In May 2025, the Tulsa Municipal Airport Trust (TMAT) issued \$400 million aggregate principal amount of special facility revenue bonds on behalf of American, with \$300 million maturing on December 1, 2035 and \$100 million maturing on December 1, 2040 (collectively, the 2025 TMAT Bonds). The 2025 TMAT Bond due December 1, 2035 was priced at 109% of par value and the 2025 TMAT Bond due December 1, 2040 was priced at 107% of par value. The gross proceeds from the issuance of the 2025 TMAT Bonds were approximately \$432 million. Of this amount, \$104 million was used to fund the redemption of the aggregate principal amount of TMAT's outstanding 2015 special facility revenue bonds (the 2015 TMAT Bonds) and the remaining \$328 million will be used to finance the cost of improvements at the Tulsa Maintenance Base. The net proceeds received from the 2025 TMAT Bonds, offset by related project spend, are reflected within other investing activities in the condensed consolidated statement of cash flows.

The 2025 TMAT Bonds bear interest at 6.25% per annum commencing on May 8, 2025, until the day preceding the applicable maturity date, on which date the bonds will be subject to mandatory tender for purchase by American. American is required to pay rent equal to the annual principal and interest requirement on the 2025 TMAT Bonds through payments under a sublease agreement with TMAT (as amended), and AAG guarantees the 2025 TMAT Bonds. American's obligations under both the sublease agreement with TMAT and the 2025 TMAT Bonds are secured by a leasehold mortgage on American's lease of the Tulsa Maintenance Base.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
(Unaudited)

(d) Recent Accounting Pronouncements

Accounting Standards Update 2025-06: Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) Targeted Improvements to the Accounting for Internal-Use Software

This standard modernizes the accounting for costs related to internal-use software by removing references to project stages and by clarifying the thresholds entities apply to begin capitalizing costs. The amendments in this update are effective for interim and annual periods beginning after December 15, 2027, and early adoption is permitted. American is currently evaluating how the adoption of this standard may impact its consolidated financial statements.

2. Special Items, Net

Special items, net in the condensed consolidated statements of operations consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Litigation reserve adjustments	\$ —	\$ —	\$ 77	\$ —
Labor contract expenses ⁽¹⁾	—	516	31	573
Severance expenses	3	—	8	13
Other operating special items, net	4	38	9	39
Mainline operating special items, net	7	554	125	625
Debt refinancing, extinguishment and other, net	—	—	17	7
Mark-to-market adjustments on equity investments, net ⁽²⁾	(4)	(27)	11	23
Nonoperating special items, net	(4)	(27)	28	30

⁽¹⁾ Labor contract expenses for the nine months ended September 30, 2025 included a one-time charge for adjustments to vacation accruals resulting from pay rate increases effective January 1, 2025, related to the ratification of the contract extension in the fourth quarter of 2024 with American's mainline maintenance and fleet service team members.

Labor contract expenses for the three months ended September 30, 2024 included one-time charges resulting from the ratification of a new collective bargaining agreement with American's mainline flight attendants, including a one-time payment of \$514 million. For the nine months ended September 30, 2024, labor contract expenses included one-time charges resulting from the ratification of new collective bargaining agreements with American's mainline flight attendants and mainline passenger service team members.

⁽²⁾ Mark-to-market adjustments on equity investments, net included unrealized gains and losses associated with certain equity investments.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
(Unaudited)

3. Revenue Recognition

Revenue

The following are the significant categories comprising American's operating revenues (in millions):

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Passenger revenue:				
Passenger travel	\$ 11,402	\$ 11,539	\$ 34,004	\$ 34,334
Loyalty revenue - travel ⁽¹⁾	1,069	984	2,981	2,850
Total passenger revenue	<u>12,471</u>	<u>12,523</u>	<u>36,985</u>	<u>37,184</u>
Cargo	212	202	612	584
Other:				
Loyalty revenue - marketing services	831	779	2,566	2,363
Other revenue	174	141	465	415
Total other revenue	<u>1,005</u>	<u>920</u>	<u>3,031</u>	<u>2,778</u>
Total operating revenues	<u>\$ 13,688</u>	<u>\$ 13,645</u>	<u>\$ 40,628</u>	<u>\$ 40,546</u>

⁽¹⁾ Loyalty revenue included in passenger revenue is principally comprised of mileage credit redemptions, which were earned from travel or co-branded credit card and other partners.

The following is American's total passenger revenue by geographic region (in millions):

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Domestic	\$ 8,723	\$ 8,681	\$ 26,010	\$ 26,285
Latin America	1,340	1,433	4,795	4,897
Atlantic	2,109	2,110	5,160	5,122
Pacific	299	299	1,020	880
Total passenger revenue	<u>\$ 12,471</u>	<u>\$ 12,523</u>	<u>\$ 36,985</u>	<u>\$ 37,184</u>

American attributes passenger revenue by geographic region based upon the origin and destination of each flight segment.

Contract Balances

American's significant contract liabilities are comprised of (1) outstanding loyalty program mileage credits that may be redeemed for future air travel, non-air travel and other awards, reported as loyalty program liability on the condensed consolidated balance sheets and (2) ticket sales for transportation that has not yet been provided, reported as air traffic liability on the condensed consolidated balance sheets.

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
	<u>(In millions)</u>	
Loyalty program liability	\$ 10,514	\$ 10,054
Air traffic liability	8,092	6,759
Total	<u>\$ 18,606</u>	<u>\$ 16,813</u>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
(Unaudited)

The balance of the loyalty program liability fluctuates based on seasonal patterns, which impact the volume of mileage credits issued through travel or sold to co-branded credit card and other partners (deferral of revenue) and mileage credits redeemed (recognition of revenue). Changes in loyalty program liability are as follows (in millions):

Balance at December 31, 2024	\$	10,054
Deferral of revenue		3,362
Recognition of revenue ⁽¹⁾		<u>(2,902)</u>
Balance at September 30, 2025 ⁽²⁾	\$	<u>10,514</u>

⁽¹⁾ Principally relates to revenue recognized from the redemption of mileage credits for air travel, non-air travel and other awards. Mileage credits are combined in one homogenous pool and are not separately identifiable. As such, the revenue is comprised of mileage credits that were part of the loyalty program deferred revenue balance at the beginning of the period, as well as mileage credits that were issued during the period.

⁽²⁾ Mileage credits can be redeemed at any time and generally do not expire as long as the AAdvantage member has any type of qualifying activity at least every 24 months or if the AAdvantage member is the primary holder of a co-branded credit card. As of September 30, 2025, American's current loyalty program liability was \$3.7 billion and represents American's current estimate of revenue expected to be recognized in the next 12 months based on historical trends, with the balance reflected in long-term loyalty program liability expected to be recognized as revenue in periods thereafter.

The air traffic liability principally represents tickets sold for future travel on American and partner airlines. The balance in American's air traffic liability also fluctuates with seasonal travel patterns. The contract duration of passenger tickets is generally one year. Accordingly, any revenue associated with tickets sold for future travel will be recognized within 12 months. For the nine months ended September 30, 2025, \$5.1 billion of revenue was recognized in passenger revenue that was included in American's air traffic liability at December 31, 2024.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
(Unaudited)

4. Debt

Long-term debt included in the condensed consolidated balance sheets consisted of (in millions):

	September 30, 2025	December 31, 2024
Secured		
2013 Term Loan Facility, variable interest rate of 6.50%, installments until due in February 2028	\$ 970	\$ 980
2014 Term Loan Facility, variable interest rate of 5.98%, installments until due in January 2027	1,159	1,171
2023 Term Loan Facility, variable interest rate of 6.26%, installments until due in June 2029	1,089	1,089
10.75% senior secured IP notes, interest only payments until due in February 2026	524	781
10.75% senior secured LGA/DCA notes, interest only payments until due in February 2026	105	156
7.25% senior secured notes, interest only payments until due in February 2028	750	750
8.50% senior secured notes, interest only payments until due in May 2029	1,000	1,000
5.50% senior secured notes, installments until due in April 2026 ⁽¹⁾	875	1,750
5.75% senior secured notes, installments beginning in July 2026 until due in April 2029 ⁽¹⁾	3,000	3,000
2021 AAdvantage Term Loan Facility, variable interest rate of 6.58%, installments until due in April 2028 ⁽¹⁾	2,269	2,450
2025 AAdvantage Term Loan Facility, variable interest rate of 7.58%, installments until due in May 2032 ⁽¹⁾	998	—
Enhanced equipment trust certificates (EETCs), fixed interest rates ranging from 2.88% to 7.15%, averaging 3.77%, maturing from 2025 to 2034	6,211	7,271
Equipment loans and other notes payable, fixed and variable interest rates ranging from 2.55% to 6.91%, averaging 5.94%, maturing from 2025 to 2037	4,880	4,094
Special facility revenue bonds, fixed interest rates ranging from 2.25% to 5.38%, maturing from 2026 to 2036	789	880
Total long-term debt	24,619	25,372
Less: Total unamortized debt discount, premium and issuance costs	317	300
Less: Current maturities	3,508	4,196
Long-term debt, net of current maturities	\$ 20,794	\$ 20,876

⁽¹⁾ Collectively referred to as the AAdvantage Financing.

As of September 30, 2025, the maximum availability under American's revolving credit and other facilities is as follows (in millions):

2013 Revolving Facility ⁽¹⁾	\$ 519
2014 Revolving Facility ⁽¹⁾	1,557
2023 Revolving Facility ⁽¹⁾	924
Other facilities ⁽²⁾	400
Total	\$ 3,400

⁽¹⁾ On April 21, 2025, the aggregate revolving commitments under the 2013, 2014 and 2023 Revolving Facilities were increased from \$2.9 billion to \$3.0 billion upon the upsize of commitments by certain existing lenders. No other terms were changed and there are no borrowings outstanding under the facilities.

⁽²⁾ Includes a revolving credit facility that provides for borrowing capacity of up to \$350 million, maturing in March 2027 with an option to extend for an additional year. Additionally, American currently has \$50 million of available borrowing base under a cargo receivables facility that is set to expire in December 2025. There are no amounts drawn under these facilities.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
(Unaudited)

Secured financings, including revolving credit and other facilities, are collateralized by assets, consisting primarily of aircraft, engines, simulators, airport gate leasehold rights, route authorities, airport slots, certain receivables, certain intellectual property and certain loyalty program assets.

AAdvantage Term Loan Facilities

On March 24, 2025, American and AAdvantage Loyalty IP Ltd. (the Borrowers) entered into a second amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Second Amendment). As a result of the Second Amendment, the term loans outstanding with a principal amount of approximately \$2.3 billion (the 2021 AAdvantage Term Loan Facility) were replaced with new term loans in the same principal amount. The terms of the new term loans are substantially similar to the prior term loans; however, the new term loans bear interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 1.25% per annum or, at the Borrowers' option, the Secured Overnight Financing Rate (SOFR) for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 2.25% per annum. Additionally, the scheduled quarterly principal amortization amount was reduced to 0.25% of the principal amount of term loans outstanding as of March 24, 2025 (approximately \$6 million each quarter), which began in July 2025, and the remaining balance is due at maturity in April 2028. Pursuant to the Second Amendment, the new term loans are not subject to a cost spread adjustment.

On May 28, 2025, the Borrowers entered into a third amendment to the term loan credit and guaranty agreement dated March 24, 2021 (the Third Amendment). As a result of the Third Amendment, the Borrowers incurred \$1.0 billion of incremental term loans (the 2025 AAdvantage Term Loan Facility) due on May 28, 2032. The terms of the 2025 AAdvantage Term Loan Facility are substantially similar to the 2021 AAdvantage Term Loan Facility; however, the 2025 AAdvantage Term Loan Facility bears interest at a base rate (subject to a floor of 0.00%) plus an applicable margin of 2.25% per annum or, at the Borrowers' option, the SOFR rate for a tenor of three months (subject to a floor of 0.00%), plus an applicable margin of 3.25% per annum. Additionally, the scheduled quarterly principal amortization amount is equal to 0.25% of the original aggregate principal amount of the 2025 AAdvantage Term Loan Facility (approximately \$3 million each quarter), which began in July 2025, and the remaining balance is due at maturity in May 2032. Pursuant to the Third Amendment, the 2025 AAdvantage Term Loan Facility is not subject to a cost spread adjustment. The net proceeds from the 2025 AAdvantage Term Loan Facility were used to repay near term maturities, including AAG's 6.50% convertible senior notes.

Equipment Loans and Other Notes Payable Issued in 2025

During the first nine months of 2025, American entered into agreements under which it borrowed \$1.2 billion in connection with the financing of certain aircraft. Debt incurred under these agreements matures in 2036 through 2037 and bears interest at variable rates (comprised of SOFR plus an applicable margin) averaging 6.05% as of September 30, 2025.

Other Financing Activities

During the first nine months of 2025, American prepaid \$487 million of the outstanding principal amounts of equipment notes issued under EETCs, and these amounts were applied to repay the related trust certificates. Additionally, American prepaid \$308 million toward portions of the outstanding principal amounts of the 10.75% senior secured IP notes and 10.75% senior secured LGA/DCA notes.

5. Income Taxes

At December 31, 2024, American had approximately \$12.8 billion of gross federal net operating losses (NOLs) and \$4.2 billion of other carryforwards available to reduce future federal taxable income, of which \$2.9 billion will expire beginning in 2033 if unused and \$14.1 billion can be carried forward indefinitely. American is a member of AAG's consolidated federal and certain state income tax returns. American also had approximately \$5.0 billion of NOL carryforwards to reduce future state taxable income at December 31, 2024, which will expire in taxable years 2024 through 2044 if unused.

American's ability to use its NOLs and other carryforwards depends on the amount of taxable income generated in future periods. American provides a valuation allowance for its deferred tax assets, which include its NOLs and other carryforwards, when it is more likely than not that some portion, or all of its deferred tax assets, will not be realized. American considers all available positive and negative evidence and makes certain assumptions in evaluating the realizability of its deferred tax assets. Many factors are considered that impact American's assessment of future profitability, including conditions which are beyond its control, such as the health of the economy, the availability and price

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volatility of aircraft fuel and travel demand. American has determined that positive factors outweigh negative factors in the determination of the realizability of its deferred tax assets.

American has historically calculated the provision for income taxes during interim reporting periods by applying an estimate of the annual effective tax rate for the full year to income or loss for the reporting period. American has changed to use the discrete method to calculate income taxes for the three and nine months ended September 30, 2025. At this time, American believes that the use of the discrete method is more appropriate than the estimated annual effective tax rate method due to the fact that small changes in projected full year income could cause material fluctuations in American's annual effective tax rate applied during each quarter.

During the three and nine months ended September 30, 2025, American recorded an income tax provision of \$5 million and \$128 million, respectively, which was substantially non-cash due to the utilization of the NOLs described above. Substantially all of American's income or loss before income taxes is attributable to the United States.

On July 4, 2025, H.R. 1, the "One Big Beautiful Bill Act" (the OBBBA) was signed into law in the U.S. Among other changes, the OBBBA modifies key business tax provisions, including by restoring 100% bonus depreciation under Section 168(k), reverting to the higher, EBITDA-based, business interest expense limitation under Section 163(j) and changing the computation of taxes related to international operations. Based on American's current analysis of these provisions, American does not believe these provisions will have a material impact on its consolidated financial statements.

6. Fair Value Measurements

Assets Measured at Fair Value on a Recurring Basis

American utilizes the market approach to measure the fair value of its financial assets. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. American's short-term investments, restricted cash and restricted short-term investments classified as Level 2 utilize significant observable inputs, other than quoted prices in active markets, for valuation of these securities. No changes in valuation techniques or inputs occurred during the nine months ended September 30, 2025.

Assets measured at fair value on a recurring basis are summarized below (in millions):

	Fair Value Measurements as of September 30, 2025			
	Total	Level 1	Level 2	Level 3
Short-term investments ^{(1), (2)} :				
Money market funds	\$ 390	\$ 390	\$ —	\$ —
Corporate obligations	3,581	—	3,581	—
Bank notes/certificates of deposit/time deposits	1,599	—	1,599	—
Repurchase agreements	450	—	450	—
	6,020	390	5,630	—
Restricted cash and short-term investments ^{(1), (3)}	760	454	306	—
Long-term investments ⁽⁴⁾	151	151	—	—
Total	\$ 6,931	\$ 995	\$ 5,936	\$ —

⁽¹⁾ All short-term investments are classified as available-for-sale and stated at fair value. Unrealized gains and losses are recorded in accumulated other comprehensive loss at each reporting period. There were no credit losses.

⁽²⁾ American's short-term investments mature in one year or less.

⁽³⁾ Restricted cash and short-term investments primarily include collateral held to support workers' compensation obligations, collateral associated with the payment of interest for the AAdvantage Financing and money market funds to be used to finance the cost of improvements at the Tulsa Maintenance Base. Restricted short-term investments mature in one year or less except for \$128 million as of September 30, 2025.

⁽⁴⁾ Long-term investments primarily include American's equity investment in China Southern Airlines Company Limited (China Southern Airlines). See Note 7 for further information on American's equity investments.

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Fair Value of Debt

The fair value of American's long-term debt was estimated using quoted market prices or discounted cash flow analyses based on American's current estimated incremental borrowing rates for similar types of borrowing arrangements.

The carrying value and estimated fair value of American's long-term debt, including current maturities, were as follows (in millions):

	September 30, 2025				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	\$ 24,302	\$ 24,743	\$ —	\$ 24,743	\$ —

	December 31, 2024				
	Carrying Value	Fair Value			
		Total	Level 1	Level 2	Level 3
Long-term debt, including current maturities	\$ 25,072	\$ 25,234	\$ —	\$ 25,234	\$ —

7. Investments

To help expand American's network and as part of its ongoing commitment to sustainability, American enters into various commercial relationships or other strategic partnerships, including equity investments, with other airlines and companies. American's equity investments are reflected in other assets on its condensed consolidated balance sheets. American's share of equity method investees' financial results and changes in fair value are recorded in nonoperating other income (expense), net on the condensed consolidated statements of operations.

American's equity investment ownership interests and carrying values are as follows:

	Accounting Treatment	Ownership Interest		Carrying Value (in millions)	
		September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024
Republic Airways Holdings Inc.	Equity Method	25.0 %	25.0 %	\$ 270	\$ 253
China Southern Airlines	Fair Value	1.5 %	1.5 %	145	142
Other investments ⁽¹⁾	Various			148	120
Total				\$ 563	\$ 515

⁽¹⁾ Primarily includes American's investment in JetSMART Holdings Limited, which is accounted for under the equity method.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
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8. Employee Benefit Plans

The following table provides the components of net periodic benefit cost (income) (in millions):

Three Months Ended September 30,	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
Service cost	\$ 1	\$ —	\$ 6	\$ 8
Interest cost	179	178	18	17
Expected return on assets	(231)	(243)	(2)	(2)
Amortization of:				
Prior service cost	—	—	4	3
Unrecognized net loss (gain)	21	26	(6)	(6)
Net periodic benefit cost (income)	\$ (30)	\$ (39)	\$ 20	\$ 20

Nine Months Ended September 30,	Pension Benefits		Retiree Medical and Other Postretirement Benefits	
	2025	2024	2025	2024
Service cost	\$ 2	\$ 1	\$ 18	\$ 23
Interest cost	544	539	53	51
Expected return on assets	(693)	(729)	(7)	(7)
Amortization of:				
Prior service cost	—	—	13	11
Unrecognized net loss (gain)	68	79	(17)	(19)
Net periodic benefit cost (income)	\$ (79)	\$ (110)	\$ 60	\$ 59

Effective November 1, 2012, substantially all of American's defined benefit pension plans were frozen.

The service cost component of net periodic benefit cost (income) is included in operating expenses and the other components of net periodic benefit cost (income) are included in nonoperating other income (expense), net in the condensed consolidated statements of operations.

During the first nine months of 2025, American made required contributions of \$221 million to its defined benefit pension plans.

9. Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss (AOCI) are as follows (in millions):

	Pension, Retiree Medical and Other Postretirement Benefits	Income Tax Provision ⁽¹⁾	Total
Balance at December 31, 2024	\$ (2,962)	\$ (1,715)	\$ (4,677)
Amounts reclassified from AOCI	64	(14) ⁽²⁾	50
Net current-period other comprehensive income (loss)	64	(14)	50
Balance at September 30, 2025	\$ (2,898)	\$ (1,729)	\$ (4,627)

⁽¹⁾ Relates principally to pension, retiree medical and other postretirement benefits obligations that will not be recognized in net income until the obligations are fully extinguished.

⁽²⁾ Relates to pension, retiree medical and other postretirement benefits obligations and is recognized within the income tax provision on the condensed consolidated statements of operations.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
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Reclassifications out of AOCI are as follows (in millions):

AOCI Components	Amounts reclassified from AOCI				Affected line items on the condensed consolidated statements of operations
	Three Months Ended September 30,		Nine Months Ended September 30,		
	2025	2024	2025	2024	
Amortization of pension, retiree medical and other postretirement benefits:					
Prior service cost	\$ 3	\$ 3	\$ 10	\$ 9	Nonoperating other income (expense), net
Actuarial loss	12	15	40	46	Nonoperating other income (expense), net
Total reclassifications for the period, net of tax	\$ 15	\$ 18	\$ 50	\$ 55	

10. Regional Expenses

American's regional carriers provide scheduled air transportation under the brand name "American Eagle." The American Eagle carriers include AAG's wholly-owned regional carriers as well as third-party regional carriers. American's regional carrier arrangements are principally in the form of capacity purchase agreements. Expenses associated with American Eagle operations are classified as regional expenses on the condensed consolidated statements of operations.

Regional expenses for the three months ended September 30, 2025 and 2024 include \$75 million and \$70 million of depreciation and amortization, respectively, and \$2 million of aircraft rent in each period. Regional expenses for the nine months ended September 30, 2025 and 2024 include \$216 million and \$208 million of depreciation and amortization, respectively, and \$7 million of aircraft rent in each period.

During the three months ended September 30, 2025 and 2024, American recognized \$177 million and \$153 million, respectively, of expense under its capacity purchase agreement with Republic Airways Inc. (Republic). During the nine months ended September 30, 2025 and 2024, American recognized \$519 million and \$452 million, respectively, of expense under its capacity purchase agreement with Republic. American holds a 25% equity interest in Republic Airways Holdings Inc., the parent company of Republic.

11. Transactions with Related Parties

The following represents the net receivables (payables) to related parties (in millions):

	September 30, 2025	December 31, 2024
AAG ⁽¹⁾	\$ 11,818	\$ 10,258
AAG's wholly-owned subsidiaries ⁽²⁾	(2,064)	(2,071)
Total	\$ 9,754	\$ 8,187

⁽¹⁾ The increase in American's net related party receivable from AAG is due in part to American providing the cash funding for AAG's financing transactions, including the \$1.0 billion cash settlement of AAG's 6.50% convertible senior notes upon their maturity on July 1, 2025.

⁽²⁾ The net payable to AAG's wholly-owned subsidiaries consists primarily of amounts due under regional capacity purchase agreements with AAG's wholly-owned regional airlines operating under the brand name of American Eagle.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF AMERICAN AIRLINES, INC.
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12. Legal Proceedings

Private Party Antitrust Actions Related to the Northeast Alliance (NEA). On December 5, 2022 and December 7, 2022, two private party plaintiffs filed putative class action antitrust complaints against AAG and JetBlue in the U.S. District Court for the Eastern District of New York alleging that AAG and JetBlue violated U.S. antitrust law in connection with the previously disclosed NEA. These actions were consolidated on January 10, 2023. The private party plaintiffs filed an amended consolidated complaint on February 3, 2023. On February 2, 2023 and February 15, 2023, private party plaintiffs filed two additional putative class action antitrust complaints against AAG and JetBlue in the U.S. District Court for the District of Massachusetts and the U.S. District Court for the Eastern District of New York, respectively. In March 2023, AAG filed a motion in the U.S. District Court for the District of Massachusetts case asking to transfer the case to the U.S. District Court for the Eastern District of New York and consolidate it with the cases pending in that venue. The U.S. District Court for the District of Massachusetts granted that motion. The remaining cases were consolidated with the other actions in the Eastern District of New York. In June 2023, the private party plaintiffs filed a second amended consolidated complaint, followed by a third amended complaint filed in August 2023. In September 2023, AAG, together with JetBlue, filed a motion to dismiss the third amended complaint. In September 2024, the court denied that motion. AAG and JetBlue filed answers to the private party plaintiffs' third amended complaint in October 2024, and the parties are now engaged in discovery. AAG believes these lawsuits are without merit and is defending against them vigorously.

Securities and Stockholder Derivative Litigation. On July 18, 2024, AAG and certain of its current and former officers were named as defendants in a putative class action lawsuit filed in the U.S. District Court for the Northern District of Texas, captioned *Qawasmi v. American Airlines Group Inc., et al.* The *Qawasmi* plaintiff purports to represent investors who acquired AAG securities between January 25, 2024 and May 28, 2024. On August 28, 2024, AAG and certain of its current and former officers were named as defendants in a second putative class action lawsuit filed in the same court, captioned *Thornburg v. American Airlines Group Inc., et al.* The *Thornburg* plaintiff purports to represent investors who acquired AAG securities between July 20, 2023 and May 28, 2024. Both the *Qawasmi* and *Thornburg* complaints assert violations of Sections 10(b) and 20(a) of the Exchange Act based on allegations that, during the relevant periods, AAG misrepresented and/or omitted material facts related to its financial outlook and certain commercial initiatives. On September 16, 2024, certain purported AAG investors moved for consolidation of the *Qawasmi* and *Thornburg* actions as well as appointment as lead plaintiff. On November 22, 2024, the *Qawasmi* and *Thornburg* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Securities Litigation*. The court also appointed co-lead plaintiffs and lead counsel to represent the putative class in the consolidated action. Plaintiffs filed a consolidated complaint on January 21, 2025, and an amended consolidated complaint on March 19, 2025. The consolidated complaint makes similar factual allegations to the prior complaints regarding AAG's financial outlook and certain commercial initiatives. AAG and the individual defendants filed a joint motion to dismiss on March 21, 2025 that was fully submitted on May 23, 2025. That motion is currently pending.

Additionally, on September 19, 2024, certain of AAG's current and former directors and officers were named as defendants in a shareholder derivative lawsuit (in which AAG is a nominal defendant) filed in the U.S. District Court for the Northern District of Texas, captioned *Hollin v. Isom, et al.* The *Hollin* complaint asserts violations of Section 10(b) of the Exchange Act, breach of fiduciary duty, and claims for unjust enrichment and corporate waste. On September 26, 2024, a second derivative complaint was filed in the same court, similarly naming certain of AAG's current and former directors and officers (as well as AAG as a nominal defendant), captioned *Leon v. Isom, et al.* The *Leon* complaint asserts violations of Section 14(a) of the Exchange Act, breaches of fiduciary duty, claims of unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and a claim for contribution. The *Hollin* and *Leon* complaints generally allege the same purported misconduct as alleged in the securities class actions. On November 25, 2024, the *Hollin* and *Leon* complaints were consolidated into a single action bearing the caption *In re American Airlines Group Inc. Stockholder Derivative Action*. The derivative actions are currently stayed pending resolution of the securities class action. AAG believes both the securities class action and shareholder derivative lawsuit are without merit and intends to defend against them vigorously.

General. In addition to the specifically identified legal proceedings, American and its subsidiaries are also engaged in other legal proceedings from time to time. Legal proceedings can be complex and take many months, or even years, to reach resolution, with the final outcome depending on a number of variables, some of which are not within American's control. Therefore, although American will vigorously defend itself in each of the actions described above and such other legal proceedings, their ultimate resolution and potential financial and other impacts on American are uncertain but could be material.

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13. Subsequent Events

In October 2025, American refinanced the \$629 million remaining outstanding principal amount of the 10.75% senior secured IP notes and the 10.75% senior secured LGA/DCA notes due February 2026 with \$629 million borrowed under a senior unsecured short-term loan facility. Term loans under the facility mature on January 21, 2026 and bear interest at SOFR for a tenor of one month plus an applicable margin of 2.375% per annum (6.40% as of the closing date). The resulting transactions also accelerated the release of the 10.75% senior secured LGA/DCA notes collateral.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Part I, Item 2 of this report should be read in conjunction with Part II, Item 7 of AAG's and American's Annual Report on Form 10-K for the year ended December 31, 2024 (the 2024 Form 10-K). The information contained herein is not a comprehensive discussion and analysis of the financial condition and results of operations of AAG and American, but rather updates disclosures made in the 2024 Form 10-K.

Financial Overview

Business and Macroeconomic Conditions

Starting in the first quarter of 2025, the U.S. Government has promoted and implemented plans to place additional tariffs on goods imported into the U.S. from numerous countries and has pursued other trade policies intended to restrict imports and, in response, multiple nations have countered with reciprocal tariffs and other actions.

These or additional changes in U.S. or international trade policies, along with continued uncertainty surrounding such policies, could lead to further weakened business conditions for the transportation industry, which may adversely impact our operations through increased supply chain challenges, commodity price volatility and a decline in discretionary spending and consumer confidence, among others. We continue to monitor the situation.

Many aspects of our airline operations depend on the U.S. Government. The current shutdown, if it continues for an extended period of time, could strain air traffic control and security staffing, reduce air traffic capacity at key airports in the U.S. and have a material and adverse impact on our results of operations.

AAG's Third Quarter 2025 Results

The selected financial data presented below is derived from AAG's unaudited condensed consolidated financial statements included in Part I, Item 1A of this report and should be read in conjunction with those financial statements and the related notes thereto.

	Three Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Passenger revenue	\$ 12,471	\$ 12,523	\$ (52)	(0.4)
Cargo revenue	212	202	10	5.0
Other operating revenue	1,008	922	86	9.4
Total operating revenues	13,691	13,647	44	0.3
Aircraft fuel and related taxes	2,767	2,874	(107)	(3.7)
Salaries, wages and benefits	4,461	4,098	363	8.9
Total operating expenses	13,540	13,558	(18)	(0.1)
Operating income	151	89	62	69.4
Pre-tax loss	(142)	(256)	(114)	(44.7)
Income tax benefit	(28)	(107)	(79)	(74.1)
Net loss	(114)	(149)	(35)	(23.5)
Pre-tax loss – GAAP	\$ (142)	\$ (256)	\$ (114)	(44.7)
Adjusted for: pre-tax net special items ⁽¹⁾	3	527	(524)	(99.4)
Pre-tax income (loss) excluding net special items	\$ (139)	\$ 271	\$ (410)	nm ⁽²⁾

⁽¹⁾ See "Reconciliation of GAAP to Non-GAAP Financial Measures" below and Note 2 to AAG's Condensed Consolidated Financial Statements in Part I, Item 1A for details on the components of net special items.

⁽²⁾ Not meaningful or greater than 100% change.

Pre-Tax Loss and Net Loss

Pre-tax loss and net loss were \$142 million and \$114 million, respectively, in the third quarter of 2025. This compares to third quarter of 2024 pre-tax loss and net loss of \$256 million and \$149 million, respectively. The period-over-period decrease in pre-tax loss on a GAAP basis was principally driven by a decrease in pre-tax net special items and lower costs for aircraft fuel and related taxes, offset in part by increases in certain operating expenses including salaries, wages and benefits and regional expenses.

Excluding the effects of pre-tax net special items, pre-tax loss was \$139 million in the third quarter of 2025 and pre-tax income was \$271 million in the third quarter of 2024. The period-over-period decrease in our pre-tax income excluding pre-tax net special items was principally driven by increases in certain operating expenses including salaries, wages and benefits and regional expenses, offset in part by lower costs for aircraft fuel and related taxes.

Revenue

In the third quarter of 2025, we reported total operating revenues of \$13.7 billion, an increase of \$44 million, or 0.3%, from the third quarter of 2024. Passenger revenue was \$12.5 billion, a decrease of \$52 million, or 0.4%, in the third quarter of 2025 from the third quarter of 2024. Our passenger revenue in the third quarter of 2025 was impacted by weakness in international travel, primarily in the Latin America region, offset in part by improvement in domestic revenue.

Cargo revenue increased \$10 million, or 5.0%, in the third quarter of 2025 from the third quarter of 2024, primarily due to a 4.3% increase in cargo yield.

Other operating revenue increased \$86 million, or 9.4%, in the third quarter of 2025 from the third quarter of 2024, driven primarily by higher revenue associated with our loyalty program. During the three months ended September 30, 2025 and 2024, cash payments from co-branded credit card and other partners were \$1.5 billion and \$1.4 billion, respectively.

Our total revenue per available seat mile (TRASM) was 17.69 cents in the third quarter of 2025, a 1.9% decrease as compared to 18.04 cents in the third quarter of 2024.

Fuel

Aircraft fuel and related taxes was \$2.8 billion in the third quarter of 2025, which was \$107 million, or 3.7%, lower as compared to the third quarter of 2024. This was primarily due to a 5.5% decrease in the average price per gallon of aircraft fuel including related taxes to \$2.37 in the third quarter of 2025 from \$2.50 in the third quarter of 2024, offset in part by a 1.9% increase in gallons of fuel consumed due to increased capacity.

As of September 30, 2025, we did not have any fuel hedging contracts outstanding to hedge our fuel consumption. Our current policy is not to enter into transactions to hedge our fuel consumption, although we review this policy from time to time based on market conditions and other factors. As such, and assuming we do not enter into any future transactions to hedge our fuel consumption, we will continue to be fully exposed to fluctuations in fuel prices. See Part I, Item 1A. Risk Factors – *“Our business is very dependent on the price and availability of aircraft fuel. Continued periods of high volatility in fuel costs, increased fuel prices or significant disruptions in the supply of aircraft fuel could have a significant negative impact on consumer demand, our operating results and liquidity”* in our 2024 Form 10-K.

Other Costs

We remain committed to actively managing our cost structure, which we believe is necessary in an industry whose economic prospects are heavily dependent upon two variables we cannot control: general economic conditions and the price of fuel. Additionally, we continue to focus on initiatives to reengineer our business through the use of digital solutions, process enhancements and procurement transformation and we intend to continue to invest in reengineering our business through the remainder of 2025 and beyond to build an even more efficient airline and continue to manage costs while delivering a better experience for our customers and team.

Our 2025 third quarter total operating cost per available seat mile (CASM) was 17.49 cents, a decrease of 2.4% from 17.92 cents in the third quarter of 2024. The decrease in CASM was primarily driven by a decrease in operating net special items and lower aircraft fuel costs, offset in part by higher costs for salaries, wages and benefits and regional expenses.

Our 2025 third quarter CASM excluding net special items and fuel was 13.91 cents, an increase of 3.9% from 13.39 cents in the third quarter of 2024, which was primarily driven by higher costs for salaries, wages and benefits and regional expenses.

For a reconciliation of CASM to CASM excluding net special items and fuel, see “*Reconciliation of GAAP to Non-GAAP Financial Measures*” below.

Liquidity

As of September 30, 2025, we had \$10.3 billion in total available liquidity, consisting of \$6.9 billion in unrestricted cash and short-term investments, and \$3.4 billion in total undrawn capacity under revolving credit and other facilities.

During the first nine months of 2025, we completed the following financing transactions (see Note 1 and Note 5 to AAG’s Condensed Consolidated Financial Statements in Part I, Item 1A for further information on 2025 financing activities):

- amended the AAdvantage term loan credit and guaranty agreement to reduce the applicable interest rate margin and to reduce the scheduled quarterly principal amortization amount;
- issued \$1.0 billion of incremental term loans pursuant to the AAdvantage term loan credit guaranty agreement (2025 AAdvantage Term Loan Facility), as amended;
- prepaid \$487 million of the outstanding principal amounts of certain equipment notes issued under enhanced equipment trust certificates (EETCs);
- increased the aggregate revolving commitments under the 2013, 2014 and 2023 Revolving Facilities from \$2.9 billion to \$3.0 billion;
- received \$432 million of gross proceeds pursuant to special facility revenue bonds issued by the Tulsa Municipal Airport Trust (TMAT), of which a portion was used to fund the redemption of other bonds related to TMAT and the remaining amount will be used to finance the cost of improvements at American’s overhaul and maintenance base at Tulsa International Airport;
- prepaid \$308 million toward portions of the outstanding principal amounts of the 10.75% senior secured IP notes (the IP Notes) and the 10.75% senior secured LGA/DCA notes (LGA/DCA Notes); and
- issued \$1.2 billion of equipment loans and other notes payable in connection with the financing of certain aircraft.

American Eagle Flight 5342

On January 29, 2025, American Eagle flight 5342 was involved in a fatal accident in Washington, D.C. The Bombardier CRJ700 aircraft operated by PSA Airlines, Inc. was en route to Washington, D.C. from Wichita, Kansas when it was involved in a midair collision near Ronald Reagan Washington National Airport. We estimate that the accident reduced first quarter 2025 total operating revenues by approximately \$200 million, of which the impacted revenue is not covered by insurance. In September 2025, the families of two passengers on flight 5342 filed complaints against the U.S. Government, PSA Airlines, Inc. and American seeking unspecified damages, and we currently expect that additional lawsuits will be filed. While we cannot predict the outcome of these lawsuits, American has industry standard insurance coverage for this incident and is continuing to assess the full impact on its business resulting from the accident.

Reconciliation of GAAP to Non-GAAP Financial Measures

We sometimes use financial measures that are derived from the condensed consolidated financial statements but that are not presented in accordance with accounting principles generally accepted in the U.S. (GAAP) to understand and evaluate our current operating performance and to allow for period-to-period comparisons. 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. We are providing a reconciliation of reported non-GAAP financial measures to their comparable financial measures on a GAAP basis.

The following table presents the reconciliation of pre-tax income (loss) (GAAP measure) to pre-tax income (loss) excluding net special items (non-GAAP measure). Management uses this non-GAAP financial measure to evaluate our 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 provides management with an additional tool to understand our core operating performance.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(In millions)				
Reconciliation of Pre-Tax Income (Loss) Excluding Net Special Items:				
Pre-tax income (loss) – GAAP	\$ (142)	\$ (256)	\$ 48	\$ 359
Pre-tax net special items ⁽¹⁾ :				
Mainline operating special items, net	7	554	125	625
Nonoperating special items, net	(4)	(27)	28	30
Total pre-tax net special items	3	527	153	655
Pre-tax income (loss) excluding net special items	\$ (139)	\$ 271	\$ 201	\$ 1,014

⁽¹⁾ See Note 2 to AAG's Condensed Consolidated Financial Statements in Part I, Item 1A for further information on net special items.

Additionally, the table below presents the reconciliation of total operating costs (GAAP measure) to total operating costs excluding net special items and fuel (non-GAAP measure) and CASM to CASM excluding net special items and fuel. Management uses total operating costs excluding net special items and fuel and CASM excluding net special items and fuel to evaluate our current operating performance and for period-to-period comparisons. The price of fuel, over which we have no control, impacts the comparability of period-to-period financial performance. The adjustment to exclude net special items and fuel provides management with an additional tool to understand and analyze our non-fuel costs and core operating performance. Amounts may not recalculate due to rounding.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Reconciliation of CASM Excluding Net Special Items and Fuel:				
<i>(In millions)</i>				
Total operating expenses – GAAP	\$ 13,540	\$ 13,558	\$ 39,619	\$ 39,071
Operating net special items ⁽¹⁾ :				
Mainline operating special items, net	(7)	(554)	(125)	(625)
Aircraft fuel and related taxes	(2,767)	(2,874)	(8,017)	(8,916)
Total operating expenses, excluding net special items and fuel	<u>\$ 10,766</u>	<u>\$ 10,130</u>	<u>\$ 31,477</u>	<u>\$ 29,530</u>
Total available seat miles (ASM)	77,400	75,665	224,939	221,445
<i>(In cents)</i>				
CASM	17.49	17.92	17.61	17.64
Operating net special items per ASM ⁽¹⁾ :				
Mainline operating special items, net	(0.01)	(0.73)	(0.06)	(0.28)
Aircraft fuel and related taxes per ASM	(3.58)	(3.80)	(3.56)	(4.03)
CASM, excluding net special items and fuel	<u>13.91</u>	<u>13.39</u>	<u>13.99</u>	<u>13.34</u>

⁽¹⁾ See Note 2 to AAG's Condensed Consolidated Financial Statements in Part I, Item 1A for further information on net special items.

AAG's Results of Operations

Operating Statistics

The table below sets forth selected operating data for the three and nine months ended September 30, 2025 and 2024. Amounts may not recalculate due to rounding.

	Three Months Ended September 30,		Increase (Decrease)	Nine Months Ended September 30,		Increase (Decrease)
	2025	2024		2025	2024	
Revenue passenger miles (millions) ^(a)	66,580	65,502	1.6%	188,698	188,120	0.3%
Available seat miles (millions) ^(b)	77,400	75,665	2.3%	224,939	221,445	1.6%
Passenger load factor (percent) ^(c)	86.0	86.6	(0.6)pts	83.9	85.0	(1.1)pts
Yield (cents) ^(d)	18.73	19.12	(2.0)%	19.60	19.77	(0.8)%
Passenger revenue per available seat mile (cents) ^(e)	16.11	16.55	(2.7)%	16.44	16.79	(2.1)%
Total revenue per available seat mile (cents) ^(f)	17.69	18.04	(1.9)%	18.06	18.31	(1.4)%
Fuel consumption (gallons in millions)	1,169	1,147	1.9%	3,375	3,322	1.6%
Average aircraft fuel price including related taxes (dollars per gallon)	2.37	2.50	(5.5)%	2.38	2.68	(11.5)%
Total operating cost per available seat mile (cents) ^(g)	17.49	17.92	(2.4)%	17.61	17.64	(0.2)%
Aircraft at end of period ^(h)	1,555	1,546	0.6%	1,555	1,546	0.6%
Full-time equivalent employees at end of period	136,900	134,200	2.0%	136,900	134,200	2.0%

^(a) Revenue passenger mile (RPM) – A basic measure of sales volume. One RPM represents one passenger flown one mile.

^(b) Available seat mile (ASM) – A basic measure of production. One ASM represents one seat flown one mile.

^(c) Passenger load factor – The percentage of available seats that are filled with revenue passengers.

^(d) Yield – A measure of airline revenue derived by dividing passenger revenue by RPMs.

^(e) Passenger revenue per available seat mile (PRASM) – Passenger revenue divided by ASMs.

^(f) Total revenue per available seat mile (TRASM) – Total revenues divided by ASMs.

^(g) Total operating cost per available seat mile (CASM) – Total operating expenses divided by ASMs.

^(h) Includes aircraft owned and leased by American as well as aircraft operated by third-party regional carriers under capacity purchase agreements. Excluded from the aircraft count above as of September 30, 2025 are aircraft in temporary storage including two mainline Airbus A321XLR aircraft as well as four regional aircraft as follows: three Bombardier CRJ900 and one Embraer ERJ145.

Three Months Ended September 30, 2025 Compared to Three Months Ended September 30, 2024
Operating Revenues

	Three Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Passenger	\$ 12,471	\$ 12,523	\$ (52)	(0.4)
Cargo	212	202	10	5.0
Other	1,008	922	86	9.4
Total operating revenues	\$ 13,691	\$ 13,647	\$ 44	0.3

This table presents our passenger revenue and the period-over-period change in certain operating statistics:

	Three Months Ended September 30, 2025 (In millions)	Increase (Decrease) vs. Three Months Ended September 30, 2024				
		RPMs	ASMs	Load Factor	Passenger Yield	PRASM
Passenger revenue	\$ 12,471	1.6%	2.3%	(0.6)pts	(2.0)%	(2.7)%

Passenger revenue decreased \$52 million, or 0.4%, in the third quarter of 2025 from the third quarter of 2024. Our passenger revenue in the third quarter of 2025 was impacted by weakness in international travel, primarily in the Latin America region, offset in part by improvement in domestic revenue.

Cargo revenue increased \$10 million, or 5.0%, in the third quarter of 2025 from the third quarter of 2024, primarily due to a 4.3% increase in cargo yield.

Other operating revenue increased \$86 million, or 9.4%, in the third quarter of 2025 from the third quarter of 2024, driven primarily by higher revenue associated with our loyalty program. During the three months ended September 30, 2025 and 2024, cash payments from co-branded credit card and other partners were \$1.5 billion and \$1.4 billion, respectively.

Operating Expenses

	Three Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Aircraft fuel and related taxes	\$ 2,767	\$ 2,874	\$ (107)	(3.7)
Salaries, wages and benefits	4,461	4,098	363	8.9
Regional expenses	1,370	1,264	106	8.4
Maintenance, materials and repairs	1,028	989	39	3.9
Other rent and landing fees	906	861	45	5.3
Aircraft rent	310	303	7	2.4
Selling expenses	483	468	15	3.2
Depreciation and amortization	474	479	(5)	(1.1)
Mainline operating special items, net	7	554	(547)	(98.7)
Other	1,734	1,668	66	4.0
Total operating expenses	\$ 13,540	\$ 13,558	\$ (18)	(0.1)

Aircraft fuel and related taxes decreased \$107 million, or 3.7%, in the third quarter of 2025 from the third quarter of 2024, primarily due to a 5.5% decrease in the average price per gallon of aircraft fuel including related taxes to \$2.37 in the third quarter of 2025 from \$2.50 in the third quarter of 2024, offset in part by a 1.9% increase in gallons of fuel consumed due to increased capacity.

Salaries, wages and benefits increased \$363 million, or 8.9%, in the third quarter of 2025 from the third quarter of 2024, primarily due to contractual wage rate increases and higher costs for benefit-related items associated with newly ratified and extended labor agreements reached in 2024, as well as annual contractual wage rate increases in our other labor agreements.

Regional expenses increased \$106 million, or 8.4%, in the third quarter of 2025 from the third quarter of 2024, primarily due to an increase in regional flight operations as regional capacity, as measured by ASMs, increased 7.6% in the third quarter of 2025 from the third quarter of 2024.

Maintenance, materials and repairs increased \$39 million, or 3.9%, in the third quarter of 2025 from the third quarter of 2024, primarily due to increased costs for component part repairs and airframe heavy checks driven by higher volume, offset in part by a decrease in the volume of engine overhauls.

Other rent and landing fees increased \$45 million, or 5.3%, in the third quarter of 2025 from the third quarter of 2024, primarily due to rate increases at certain airports, offset in part by a decrease in leased engines.

Operating Special Items, Net

	Three Months Ended September 30,	
	2025	2024
	(In millions)	
Severance expenses	\$ 3	\$ —
Labor contract expenses ⁽¹⁾	—	516
Other operating special items, net	4	38
Mainline operating special items, net	<u>\$ 7</u>	<u>\$ 554</u>

⁽¹⁾ Labor contract expenses for the three months ended September 30, 2024 included one-time charges resulting from the ratification of a new collective bargaining agreement with our mainline flight attendants, including a one-time payment of \$514 million.

Nonoperating Results

	Three Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Interest income	\$ 90	\$ 117	\$ (27)	(22.8)
Interest expense, net	(432)	(480)	48	(10.0)
Other income, net	49	18	31	nm
Total nonoperating expense, net	<u>\$ (293)</u>	<u>\$ (345)</u>	<u>\$ 52</u>	<u>(15.3)</u>

Interest income decreased \$27 million, or 22.8%, in the third quarter of 2025 from the third quarter of 2024, primarily due to lower interest rates that reduced returns on our short-term investments. Interest expense, net decreased \$48 million, or 10.0%, in the third quarter of 2025 from the third quarter of 2024, primarily due to lower interest rates on our variable-rate debt instruments and lower outstanding debt subsequent to the third quarter of 2024, as we continue our efforts to strengthen the balance sheet.

In the third quarter of 2025, other nonoperating income, net primarily included \$31 million of net earnings related to our equity investments accounted for under the equity method and \$17 million of non-service related pension and other postretirement benefit plan income.

In the third quarter of 2024, other nonoperating income, net primarily included \$27 million of non-service related pension and other postretirement benefit plan income and \$27 million of net special credits for mark-to-market net unrealized gains associated with certain equity investments, offset in part by \$21 million of foreign currency losses.

Income Taxes

In the third quarter of 2025, we recorded an income tax benefit of \$28 million. Substantially all of our loss before income taxes is attributable to the United States.

See Note 6 to AAG's Condensed Consolidated Financial Statements in Part I, Item 1A for additional information on income taxes.

Nine Months Ended September 30, 2025 Compared to Nine Months Ended September 30, 2024

Operating Revenues

	Nine Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Passenger	\$ 36,985	\$ 37,184	\$ (199)	(0.5)
Cargo	612	584	28	4.8
Other	3,037	2,783	254	9.1
Total operating revenues	\$ 40,634	\$ 40,551	\$ 83	0.2

This table presents our passenger revenue and the period-over-period change in certain operating statistics:

	Nine Months Ended September 30, 2025 (In millions)	Increase (Decrease) vs. Nine Months Ended September 30, 2024				
		RPMs	ASMs	Load Factor	Passenger Yield	PRASM
Passenger revenue	\$ 36,985	0.3%	1.6%	(1.1)pts	(0.8)%	(2.1)%

Passenger revenue decreased \$199 million, or 0.5%, in the first nine months of 2025 from the first nine months of 2024. Our passenger revenue in the first nine months of 2025 was impacted by softness in domestic demand for air travel and the American Eagle Flight 5342 accident, offset in part by strength in international air travel, particularly in the Atlantic and Pacific regions.

Cargo revenue increased \$28 million, or 4.8%, in the first nine months of 2025 from the first nine months of 2024, primarily due to a 4.2% increase in cargo yield.

Other operating revenue increased \$254 million, or 9.1%, in the first nine months of 2025 from the first nine months of 2024, driven primarily by higher revenue associated with our loyalty program. During the nine months ended September 30, 2025 and 2024, cash payments from co-branded credit card and other partners were \$4.7 billion and \$4.4 billion, respectively.

Operating Expenses

	Nine Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Aircraft fuel and related taxes	\$ 8,017	\$ 8,916	\$ (899)	(10.1)
Salaries, wages and benefits	13,065	11,917	1,148	9.6
Regional expenses	4,053	3,733	320	8.6
Maintenance, materials and repairs	2,876	2,823	53	1.9
Other rent and landing fees	2,627	2,514	113	4.5
Aircraft rent	910	945	(35)	(3.8)
Selling expenses	1,467	1,331	136	10.2
Depreciation and amortization	1,418	1,424	(6)	(0.3)
Mainline operating special items, net	125	625	(500)	(80.0)
Other	5,061	4,843	218	4.5
Total operating expenses	\$ 39,619	\$ 39,071	\$ 548	1.4

Aircraft fuel and related taxes decreased \$899 million, or 10.1%, in the first nine months of 2025 from the first nine months of 2024, primarily due to an 11.5% decrease in the average price per gallon of aircraft fuel including related taxes to \$2.38 in the first nine months of 2025 from \$2.68 in the first nine months of 2024, offset in part by a 1.6% increase in gallons of fuel consumed due to increased capacity.

Salaries, wages and benefits increased \$1.1 billion, or 9.6%, in the first nine months of 2025 from the first nine months of 2024, primarily due to contractual wage rate increases and higher costs for benefit-related items associated with newly ratified and extended labor agreements reached in 2024, as well as annual contractual wage rate increases in our other labor agreements.

Regional expenses increased \$320 million, or 8.6%, in the first nine months of 2025 from the first nine months of 2024, primarily due to an increase in regional flight operations as regional capacity, as measured by ASMs, increased 11.3% in the first nine months of 2025 from the first nine months of 2024. In addition, higher maintenance, materials and repair costs driven by an increase in the volume of airframe heavy checks and engine overhauls also contributed to the increase in regional expenses.

Maintenance, materials and repairs increased \$53 million, or 1.9%, in the first nine months of 2025 from the first nine months of 2024, primarily due to increased costs for component part repairs and airframe heavy checks driven by higher volume, offset in part by a decrease in the volume of engine overhauls.

Other rent and landing fees increased \$113 million, or 4.5%, in the first nine months of 2025 from the first nine months of 2024, primarily due to rate increases at certain airports, offset in part by a decrease in leased engines.

Selling expenses increased \$136 million, or 10.2%, in the first nine months of 2025 from the first nine months of 2024, primarily due to an increase in commissions expense, driven by higher costs resulting from renegotiated agency contracts, as well as an increase in advertising expenses. Higher credit card fees driven by higher rates also contributed to the increase in selling expenses.

Operating Special Items, Net

	Nine Months Ended September 30,	
	2025	2024
	(In millions)	
Litigation reserve adjustments	\$ 77	\$ —
Labor contract expenses ⁽¹⁾	31	573
Severance expenses	8	13
Other operating special items, net	9	39
Mainline operating special items, net	<u>\$ 125</u>	<u>\$ 625</u>

⁽¹⁾ Labor contract expenses for the nine months ended September 30, 2025 included a one-time charge for adjustments to vacation accruals resulting from pay rate increases effective January 1, 2025, related to the ratification of the contract extension in the fourth quarter of 2024 with our mainline maintenance and fleet service team members.

Labor contract expenses for the nine months ended September 30, 2024 included one-time charges resulting from the ratification of a new collective bargaining agreement with our mainline flight attendants, including a one-time payment of \$514 million, and from the ratification of a new collective bargaining agreement with our mainline passenger service team members.

Nonoperating Results

	Nine Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Interest income	\$ 285	\$ 363	\$ (78)	(21.5)
Interest expense, net	(1,294)	(1,464)	170	(11.6)
Other income (expense), net	42	(20)	62	nm
Total nonoperating expense, net	<u>\$ (967)</u>	<u>\$ (1,121)</u>	<u>\$ 154</u>	<u>(13.7)</u>

Interest income decreased \$78 million, or 21.5%, in the first nine months of 2025 from the first nine months of 2024, primarily due to lower interest rates that reduced returns on our short-term investments. Interest expense, net decreased \$170 million, or 11.6%, in the first nine months of 2025 from the first nine months of 2024, primarily due to lower interest rates on our variable-rate debt instruments and lower outstanding debt subsequent to the third quarter of 2024, as we continue our efforts to strengthen the balance sheet.

In the first nine months of 2025, other nonoperating income, net included \$46 million of net earnings related to our equity investments accounted for under the equity method and \$39 million of non-service related pension and other postretirement benefit plan income, offset in part by \$28 million of net special charges primarily for mark-to-market net unrealized losses associated with certain equity investments and debt refinancings and extinguishments.

In the first nine months of 2024, other nonoperating expense, net included \$31 million of foreign currency losses, \$30 million of net special charges primarily for mark-to-market net unrealized losses associated with certain equity investments and \$27 million of net losses related to our equity investments accounted for under the equity method, offset in part by \$76 million of non-service related pension and other postretirement benefit plan income.

Income Taxes

In the first nine months of 2025, we recorded an income tax provision of \$36 million. Substantially all of our income before income taxes is attributable to the United States.

See Note 6 to AAG's Condensed Consolidated Financial Statements in Part I, Item 1A for additional information on income taxes.

American's Results of Operations

Three Months Ended September 30, 2025 Compared to Three Months Ended September 30, 2024

Operating Revenues

	Three Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Passenger	\$ 12,471	\$ 12,523	\$ (52)	(0.4)
Cargo	212	202	10	5.0
Other	1,005	920	85	9.4
Total operating revenues	<u>\$ 13,688</u>	<u>\$ 13,645</u>	<u>\$ 43</u>	0.3

Passenger revenue decreased \$52 million, or 0.4%, in the third quarter of 2025 from the third quarter of 2024. American's passenger revenue in the third quarter of 2025 was impacted by weakness in international travel, primarily in the Latin America region, offset in part by improvement in domestic revenue.

Cargo revenue increased \$10 million, or 5.0%, in the third quarter of 2025 from the third quarter of 2024, primarily due to an increase in cargo yield.

Other operating revenue increased \$85 million, or 9.4%, in the third quarter of 2025 from the third quarter of 2024, driven primarily by higher revenue associated with American's loyalty program. During the three months ended September 30, 2025 and 2024, cash payments from co-branded credit card and other partners were \$1.5 billion and \$1.4 billion, respectively.

Operating Expenses

	Three Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Aircraft fuel and related taxes	\$ 2,767	\$ 2,874	\$ (107)	(3.7)
Salaries, wages and benefits	4,459	4,096	363	8.9
Regional expenses	1,353	1,268	85	6.7
Maintenance, materials and repairs	1,028	989	39	3.9
Other rent and landing fees	906	861	45	5.3
Aircraft rent	310	303	7	2.4
Selling expenses	483	468	15	3.2
Depreciation and amortization	473	477	(4)	(0.9)
Mainline operating special items, net	7	554	(547)	(98.7)
Other	1,735	1,665	70	4.2
Total operating expenses	<u>\$ 13,521</u>	<u>\$ 13,555</u>	<u>\$ (34)</u>	(0.3)

Aircraft fuel and related taxes decreased \$107 million, or 3.7%, in the third quarter of 2025 from the third quarter of 2024, primarily due to a 5.5% decrease in the average price per gallon of aircraft fuel including related taxes to \$2.37 in the third quarter of 2025 from \$2.50 in the third quarter of 2024, offset in part by a 1.9% increase in gallons of fuel consumed due to increased capacity.

Salaries, wages and benefits increased \$363 million, or 8.9%, in the third quarter of 2025 from the third quarter of 2024, primarily due to contractual wage rate increases and higher costs for benefit-related items associated with newly ratified and extended labor agreements reached in 2024, as well as annual contractual wage rate increases in American's other labor agreements.

Regional expenses increased \$85 million, or 6.7%, in the third quarter of 2025 from the third quarter of 2024, primarily due to an increase in regional flight operations and costs at American's regional carriers.

Maintenance, materials and repairs increased \$39 million, or 3.9%, in the third quarter of 2025 from the third quarter of 2024, primarily due to increased costs for component part repairs and airframe heavy checks driven by higher volume, offset in part by a decrease in the volume of engine overhauls.

Other rent and landing fees increased \$45 million, or 5.3%, in the third quarter of 2025 from the third quarter of 2024, primarily due to rate increases at certain airports, offset in part by a decrease in leased engines.

Operating Special Items, Net

	Three Months Ended September 30,	
	2025	2024
	(In millions)	
Severance expenses	\$ 3	\$ —
Labor contract expenses ⁽¹⁾	—	516
Other operating special items, net	4	38
Mainline operating special items, net	<u>\$ 7</u>	<u>\$ 554</u>

⁽¹⁾ Labor contract expenses for the three months ended September 30, 2024 included one-time charges resulting from the ratification of a new collective bargaining agreement with American's mainline flight attendants, including a one-time payment of \$514 million.

Nonoperating Results

	Three Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Interest income	\$ 249	\$ 268	\$ (19)	(7.1)
Interest expense, net	(450)	(505)	55	(10.8)
Other income, net	49	18	31	nm
Total nonoperating expense, net	<u>\$ (152)</u>	<u>\$ (219)</u>	<u>\$ 67</u>	<u>(30.5)</u>

Interest income decreased \$19 million, or 7.1%, in the third quarter of 2025 from the third quarter of 2024, primarily due to lower interest rates that reduced returns on American's short-term investments. Interest expense, net decreased \$55 million, or 10.8%, in the third quarter of 2025 from the third quarter of 2024, primarily due to lower interest rates on its variable-rate debt instruments and lower outstanding debt subsequent to the third quarter of 2024, as American continues its efforts to strengthen the balance sheet.

In the third quarter of 2025, other nonoperating income, net primarily included \$31 million of net earnings related to American's equity investments accounted for under the equity method and \$17 million of non-service related pension and other postretirement benefit plan income.

In the third quarter of 2024, other nonoperating income, net primarily included \$27 million of non-service related pension and other postretirement benefit plan income and \$27 million of net special credits for mark-to-market net unrealized gains associated with certain equity investments, offset in part by \$21 million of foreign currency losses.

Income Taxes

American is a member of AAG's consolidated federal and certain state income tax returns.

In the third quarter of 2025, American recorded an income tax provision of \$5 million. Substantially all of American's income before income taxes is attributable to the United States.

See Note 5 to American's Condensed Consolidated Financial Statements in Part I, Item 1B for additional information on income taxes.

Nine Months Ended September 30, 2025 Compared to Nine Months Ended September 30, 2024
Operating Revenues

	Nine Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Passenger	\$ 36,985	\$ 37,184	\$ (199)	(0.5)
Cargo	612	584	28	4.8
Other	3,031	2,778	253	9.1
Total operating revenues	<u>\$ 40,628</u>	<u>\$ 40,546</u>	<u>\$ 82</u>	<u>0.2</u>

Passenger revenue decreased \$199 million, or 0.5%, in the first nine months of 2025 from the first nine months of 2024. American's passenger revenue in the first nine months of 2025 was impacted by softness in domestic demand for air travel and the American Eagle Flight 5342 accident, offset in part by strength in international air travel, particularly in the Atlantic and Pacific regions.

Cargo revenue increased \$28 million, or 4.8%, in the first nine months of 2025 from the first nine months of 2024, primarily due to an increase in cargo yield.

Other operating revenue increased \$253 million, or 9.1%, in the first nine months of 2025 from the first nine months of 2024, driven primarily by higher revenue associated with American's loyalty program. During the nine months ended September 30, 2025 and 2024, cash payments from co-branded credit card and other partners were \$4.7 billion and \$4.4 billion, respectively.

Operating Expenses

	Nine Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Aircraft fuel and related taxes	\$ 8,017	\$ 8,916	\$ (899)	(10.1)
Salaries, wages and benefits	13,058	11,911	1,147	9.6
Regional expenses	4,027	3,725	302	8.1
Maintenance, materials and repairs	2,876	2,823	53	1.9
Other rent and landing fees	2,627	2,514	113	4.5
Aircraft rent	910	945	(35)	(3.8)
Selling expenses	1,467	1,331	136	10.2
Depreciation and amortization	1,414	1,416	(2)	(0.1)
Mainline operating special items, net	125	625	(500)	(80.0)
Other	5,065	4,844	221	4.6
Total operating expenses	<u>\$ 39,586</u>	<u>\$ 39,050</u>	<u>\$ 536</u>	<u>1.4</u>

Aircraft fuel and related taxes decreased \$899 million, or 10.1%, in the first nine months of 2025 from the first nine months of 2024, primarily due to an 11.5% decrease in the average price per gallon of aircraft fuel including related taxes to \$2.38 in the first nine months of 2025 from \$2.68 in the first nine months of 2024, offset in part by a 1.6% increase in gallons of fuel consumed due to increased capacity.

Salaries, wages and benefits increased \$1.1 billion, or 9.6%, in the first nine months of 2025 from the first nine months of 2024, primarily due to contractual wage rate increases and higher costs for benefit-related items associated with newly ratified and extended labor agreements reached in 2024, as well as annual contractual wage rate increases in American's other labor agreements.

Regional expenses increased \$302 million, or 8.1%, in the first nine months of 2025 from the first nine months of 2024, primarily due to an increase in regional flight operations and costs at American's regional carriers.

Maintenance, materials and repairs increased \$53 million, or 1.9%, in the first nine months of 2025 from the first nine months of 2024, primarily due to increased costs for component part repairs and airframe heavy checks driven by higher volume, offset in part by a decrease in the volume of engine overhauls.

Other rent and landing fees increased \$113 million, or 4.5%, in the first nine months of 2025 from the first nine months of 2024, primarily due to rate increases at certain airports, offset in part by a decrease in leased engines.

Selling expenses increased \$136 million, or 10.2%, in the first nine months of 2025 from the first nine months of 2024, primarily due to an increase in commissions expense, driven by higher costs resulting from renegotiated agency contracts, as well as an increase in advertising expenses. Higher credit card fees driven by higher rates also contributed to the increase in selling expenses.

Operating Special Items, Net

	Nine Months Ended September 30,	
	2025	2024
	(In millions)	
Litigation reserve adjustments	\$ 77	\$ —
Labor contract expenses ⁽¹⁾	31	573
Severance expenses	8	13
Other operating special items, net	9	39
Mainline operating special items, net	\$ 125	\$ 625

⁽¹⁾ Labor contract expenses for the nine months ended September 30, 2025 included a one-time charge for adjustments to vacation accruals resulting from pay rate increases effective January 1, 2025, related to the ratification of the contract extension in the fourth quarter of 2024 with American's mainline maintenance and fleet service team members.

Labor contract expenses for the nine months ended September 30, 2024 included one-time charges resulting from the ratification of a new collective bargaining agreement with American's mainline flight attendants, including a one-time payment of \$514 million, and from the ratification of a new collective bargaining agreement with American's mainline passenger service team members.

Nonoperating Results

	Nine Months Ended September 30,		Increase (Decrease)	Percent Increase (Decrease)
	2025	2024		
	(In millions, except percentage changes)			
Interest income	\$ 732	\$ 805	\$ (73)	(9.0)
Interest expense, net	(1,343)	(1,536)	193	(12.5)
Other income (expense), net	41	(21)	62	nm
Total nonoperating expense, net	\$ (570)	\$ (752)	\$ 182	(24.2)

Interest income decreased \$73 million, or 9.0% in the first nine months of 2025 from the first nine months of 2024, primarily due to lower interest rates that reduced returns on American's short-term investments. Interest expense, net decreased \$193 million, or 12.5%, in the first nine months of 2025 from the first nine months of 2024, primarily due to lower interest rates on its variable-rate debt instruments and lower outstanding debt subsequent to the third quarter of 2024, as American continues its efforts to strengthen the balance sheet.

In the first nine months of 2025, other nonoperating income, net included \$46 million of net earnings related to American's equity investments accounted for under the equity method and \$39 million of non-service related pension and other postretirement benefit plan income, offset in part by \$28 million of net special charges primarily for mark-to-market net unrealized losses associated with certain equity investments and debt refinancings and extinguishments.

In the first nine months of 2024, other nonoperating expense, net included \$31 million of foreign currency losses, \$30 million of net special charges primarily for mark-to-market net unrealized losses associated with certain equity investments and \$27 million of net losses related to American's equity investments accounted for under the equity method, offset in part by \$75 million of non-service related pension and other postretirement benefit plan income.

Income Taxes

American is a member of AAG's consolidated federal and certain state income tax returns.

In the first nine months of 2025, American recorded an income tax provision of \$128 million. Substantially all of American's income before income taxes is attributable to the United States.

See Note 5 to American's Condensed Consolidated Financial Statements in Part I, Item 1B for additional information on income taxes.

Liquidity and Capital Resources

Liquidity

At September 30, 2025, AAG had \$10.3 billion in total available liquidity and \$760 million in restricted cash and short-term investments. Additional detail regarding our available liquidity is provided in the table below (in millions):

	AAG		American	
	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024
Cash	\$ 835	\$ 804	\$ 825	\$ 795
Short-term investments	6,023	6,180	6,020	6,177
Undrawn facilities	3,400	3,289	3,400	3,289
Total available liquidity	\$ 10,258	\$ 10,273	\$ 10,245	\$ 10,261

In the ordinary course of our business, we or our affiliates may, at any time and from time to time, seek to prepay, retire or repurchase our outstanding debt through cash purchases and/or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases, prepayments, retirements or exchanges, if any, will be conducted on such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, legal and contractual restrictions and other factors. The amounts involved may be material.

Certain Covenants

Our debt agreements contain customary terms and conditions as well as various affirmative, negative and financial covenants that, among other things, may restrict our ability and that of our subsidiaries to incur additional indebtedness, pay dividends or repurchase stock. Our debt agreements also contain customary change of control provisions, which may require us to repay or redeem such indebtedness upon certain events constituting a change of control under the relevant agreement, in certain cases at a premium. Additionally, certain of our debt financing agreements (including our secured notes, term loans, revolving credit facilities and spare engine EETCs) contain loan to value (LTV) or collateral coverage ratio covenants and certain agreements require us to appraise the related collateral annually or semiannually. Pursuant to such agreements, if the applicable LTV or collateral coverage ratio exceeds or falls below a specified threshold, as the case may be, we will be required, as applicable, to pledge additional qualifying collateral (which in some cases may include cash or investment securities), withhold additional cash in certain accounts, or pay down such financing, in whole or in part, or the interest rate for the relevant financing will be increased. Additionally, a significant portion of our debt financing agreements contain covenants requiring us to maintain an aggregate of at least \$2.0 billion of unrestricted cash and cash equivalents and amounts available to be drawn under revolving credit facilities. Our 5.50% senior secured notes due 2026, 5.75% senior secured notes due 2029 and the 2021 and 2025 AAdvantage Term Loan Facilities (collectively, the AAdvantage Financing) contain a peak debt service coverage ratio, pursuant to which failure to comply with a certain threshold may result in early repayment, in whole or in part, of the AAdvantage Financing. As of the most recent applicable measurement dates, we were in compliance with each of the foregoing covenants.

Sources and Uses of Cash

AAG

Operating Activities

Our net cash provided by operating activities was \$3.4 billion and \$3.6 billion for the first nine months of 2025 and 2024, respectively, a \$212 million period-over-period decrease driven primarily by lower profitability in the first nine months of 2025 as compared to the same period in 2024.

Investing Activities

Our net cash used in investing activities was \$1.5 billion and \$1.8 billion for the first nine months of 2025 and 2024, respectively.

Our principal investing activities in the first nine months of 2025 included \$2.1 billion of capital expenditures, which primarily related to the purchase of 13 Boeing 737 MAX aircraft, six Embraer E175 aircraft, five Bombardier CRJ900 aircraft, three Boeing 787-9 aircraft, two Airbus A321XLR aircraft, one Airbus A321neo aircraft, one Airbus A320 aircraft lease repurchase and seven aircraft engines. These cash outflows were offset in part by \$328 million in net proceeds from the issuance of the TMAT special facility revenue bonds and \$243 million in proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at Los Angeles International Airport (LAX). Additionally, we had \$143 million in net sales of short-term investments.

Our principal investing activities in the first nine months of 2024 included \$1.9 billion of capital expenditures, which primarily related to the purchase of 12 Embraer E175 aircraft, three Boeing 737 MAX aircraft, three Boeing 737-800 aircraft lease repurchases, two Airbus A321neo aircraft, 39 aircraft engines and aircraft purchase deposits. Additionally, we had \$627 million in net purchases of short-term investments. These cash outflows were offset in part by \$598 million of proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at LAX.

Financing Activities

Our net cash used in financing activities was \$1.8 billion and \$1.5 billion for the first nine months of 2025 and 2024, respectively.

Our principal financing activities in the first nine months of 2025 primarily included \$4.1 billion in debt and finance lease repayments, consisting of \$3.3 billion in scheduled repayments, including the \$1.0 billion cash settlement of AAG's 6.50% convertible senior notes. Debt and finance lease repayments also included early repayments of \$487 million for the outstanding principal amount of equipment notes issued under EETCs and \$308 million toward portions of the outstanding principal amounts of the IP Notes and LGA/DCA Notes. These cash outflows were offset in part by \$2.2 billion of proceeds from the issuance of long-term debt, consisting of \$1.0 billion from the issuance of the 2025 AAdvantage Term Loan Facility and \$1.2 billion from the issuance of equipment loans and other notes payable in connection with the financing of certain aircraft.

Our principal financing activities in the first nine months of 2024 included \$2.7 billion in scheduled repayments of debt and finance lease obligations. These cash outflows were offset in part by \$1.3 billion of proceeds from issuance of long-term debt, consisting of \$684 million from the issuance of EETCs in connection with the financing of certain aircraft that had been previously delivered and \$571 million from the issuance of equipment loans and other notes payable.

American

Operating Activities

American's net cash provided by operating activities was \$2.2 billion and \$3.5 billion for the first nine months of 2025 and 2024, respectively, a \$1.3 billion period-over-period decrease driven by a net increase in receivables from related parties, including the scheduled repayment of AAG's \$1.0 billion 6.50% convertible senior notes. Excluding this net increase in receivables from related parties, American's operating cash flow decreased \$198 million primarily due to lower profitability in the first nine months of 2025 as compared to the same period in 2024.

Investing Activities

American's net cash used in investing activities was \$1.5 billion and \$1.8 billion for the first nine months of 2025 and 2024, respectively.

American’s principal investing activities in the first nine months of 2025 included \$2.1 billion of capital expenditures, which primarily related to the purchase of 13 Boeing 737 MAX aircraft, six Embraer E175 aircraft, five Bombardier CRJ900 aircraft, three Boeing 787-9 aircraft, two Airbus A321XLR aircraft, one Airbus A321neo aircraft, one Airbus A320 aircraft lease repurchase and seven aircraft engines. These cash outflows were offset in part by \$328 million in net proceeds from the issuance of the TMAT special facility revenue bonds and \$243 million in proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at LAX. Additionally, American had \$143 million in net sales of short-term investments.

American’s principal investing activities in the first nine months of 2024 included \$1.9 billion of capital expenditures, which primarily related to the purchase of 12 Embraer E175 aircraft, three Boeing 737 MAX aircraft, three Boeing 737-800 aircraft lease repurchases, two Airbus A321neo aircraft, 39 aircraft engines and aircraft purchase deposits. Additionally, American had \$626 million in net purchases of short-term investments. These cash outflows were offset in part by \$598 million of proceeds from sale-leaseback transactions and sale of property and equipment, which primarily related to the modernization of Terminals 4 and 5 at LAX.

Financing Activities

American’s net cash used in financing activities was \$737 million and \$1.5 billion for the first nine months of 2025 and 2024, respectively.

American’s principal financing activities in the first nine months of 2025 primarily included \$3.1 billion in debt and finance lease repayments, consisting of \$2.3 billion in scheduled repayments and early repayments of \$487 million for the outstanding principal amount of equipment notes issued under EETCs and \$308 million toward portions of the outstanding principal amounts of the IP Notes and LGA/DCA Notes. These cash outflows were offset in part by \$2.2 billion of proceeds from the issuance of long-term debt, consisting of \$1.0 billion from the issuance of the 2025 AAdvantage Term Loan Facility and \$1.2 billion from the issuance of equipment loans and other notes payable in connection with the financing of certain aircraft.

American’s principal financing activities in the first nine months of 2024 included \$2.7 billion in scheduled repayments of debt and finance lease obligations. These cash outflows were offset in part by \$1.3 billion of proceeds from issuance of long-term debt, consisting of \$684 million from the issuance of EETCs in connection with the financing of certain aircraft that had been previously delivered and \$571 million from the issuance of equipment loans and other notes payable.

Commitments

Significant Indebtedness

As of September 30, 2025, AAG had \$28.4 billion in long-term debt, including current maturities of \$3.5 billion. As of September 30, 2025, American had \$24.6 billion in long-term debt, including current maturities of \$3.5 billion. All material changes in our significant indebtedness since our 2024 Form 10-K are discussed in Note 5 to AAG’s Condensed Consolidated Financial Statements in Part I, Item 1A and Note 4 to American’s Condensed Consolidated Financial Statements in Part I, Item 1B.

Aircraft and Engine Purchase Commitments

As of September 30, 2025, we had definitive purchase agreements for the acquisition of the following new aircraft ⁽¹⁾:

	Remainder of 2025	2026	2027	2028 and Thereafter	Total
Airbus					
A320 Family	3	21	24	104	152
Boeing					
737 Family	9	15	—	115	139
787 Family	3	1	3	15	22
Embraer					
E175	6	16	17	47	86
Total	21	53	44	281	399

(1) Delivery schedule represents our best estimate as of the date of this report as described in footnote (d) to the “*Contractual Obligations*” table below. Actual delivery dates are subject to change, which could be material, based on various potential factors including production delays by the manufacturer and regulatory concerns. See Part I, Item 1A. Risk Factors – “*We depend on a limited number of suppliers for aircraft, aircraft engines and parts. Delays in scheduled aircraft deliveries, unexpected grounding of aircraft or aircraft engines whether by regulators or by us, or other loss of anticipated fleet capacity, and failure of new aircraft to receive regulatory approval, be produced or otherwise perform as and when expected, adversely impacts our business, results of operations and financial condition*” in our 2024 Form 10-K.

In addition, we have committed to purchase seven used Bombardier CRJ900 aircraft which are scheduled to be delivered from the fourth quarter of 2025 through 2026. We also have agreements for 49 spare engines to be delivered in the fourth quarter of 2025 and beyond. The “*Contractual Obligations*” table below reflects these commitments.

We intend to finance future aircraft deliveries and option exercises using long-term debt.

Off-Balance Sheet Arrangements

An off-balance sheet arrangement is any transaction, agreement or other contractual arrangement involving an unconsolidated entity under which a company has (1) made guarantees, (2) a retained or a contingent interest in transferred assets, (3) an obligation under derivative instruments classified as equity or (4) any obligation arising out of a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to us, or that engages in leasing, hedging or research and development arrangements with us.

There have been no material changes in our off-balance sheet arrangements as discussed in our 2024 Form 10-K.

Contractual Obligations

The following table provides details of our estimated material cash requirements from contractual obligations as of September 30, 2025 (in millions). The table does not include commitments that are contingent on events or other factors that are uncertain or unknown at this time and is subject to other conventions as set forth in the applicable accompanying footnotes.

	Payments Due by Period						Total
	Remainder of 2025	2026	2027	2028	2029	2030 and Thereafter	
American							
Long-term debt:							
Principal amount ^{(a), (c)}	\$ 749	\$ 3,611	\$ 4,395	\$ 7,264	\$ 3,985	\$ 4,615	\$ 24,619
Interest obligations ^{(b), (c)}	340	1,251	986	690	373	807	4,447
Finance lease obligations	37	147	138	100	94	354	870
Aircraft and engine purchase commitments ^(d)	1,280	2,891	2,784	4,057	4,252	9,847	25,111
Operating lease commitments	412	1,572	1,413	1,283	1,175	3,773	9,628
Regional capacity purchase agreements ^(e)	275	1,051	1,049	976	809	808	4,968
Minimum pension obligations ^(f)	—	251	157	107	81	46	642
Retiree medical and other postretirement benefits ^(g)	34	138	135	131	128	615	1,181
Other purchase obligations ^(g)	1,401	3,122	1,811	1,285	424	3,824	11,867
Total American Contractual Obligations	4,528	14,034	12,868	15,893	11,321	24,689	83,333
AAG Parent and Other AAG Subsidiaries							
Long-term debt:							
Principal amount ^(a)	—	—	—	—	—	3,746	3,746
Interest obligations ^(b)	—	172	194	198	203	214	981
Finance lease obligations	3	—	—	—	—	—	3
Operating lease commitments	4	14	9	8	7	40	82
Minimum pension obligations ^(f)	—	2	1	1	1	2	7
Other purchase obligations	1	14	12	5	2	—	34
Total AAG Contractual Obligations	\$ 4,536	\$ 14,236	\$ 13,084	\$ 16,105	\$ 11,534	\$ 28,691	\$ 88,186

(a) Amounts represent contractual amounts due. Excludes \$317 million and \$2 million of unamortized debt discount, premium and issuance costs as of September 30, 2025 for American and AAG Parent, respectively. For additional information, see Note 5 and Note 4 to AAG's and American's Condensed Consolidated Financial Statements in Part I, Items 1A and 1B, respectively.

(b) For variable-rate debt, future interest obligations are estimated using the current forward rates at September 30, 2025.

(c) Includes \$6.2 billion of future principal payments and \$664 million of future interest payments as of September 30, 2025, related to EETCs associated with mortgage financings of certain aircraft and spare engines.

(d) See "Aircraft and Engine Purchase Commitments" above for additional information about the firm commitments for the acquisition of aircraft and engines, including the anticipated aircraft delivery schedule. Due to uncertainty surrounding the timing of delivery of certain aircraft, the amounts in the table represent our most current estimate based on contractual delivery schedules adjusted for updates and revisions to such schedules communicated to management by the applicable equipment manufacturer and certain management assumptions. However, the actual delivery schedule may differ, potentially materially, based on various potential factors including production delays by the manufacturer and regulatory concerns.

- (e) These commitments are estimates of costs based on assumed minimum levels of flying under the capacity purchase agreements and American's actual payments could differ materially. Rental payments under operating leases for certain aircraft flown under these capacity purchase agreements are reflected in the operating lease commitments line above.
- (f) Represents minimum pension contributions and expected contributions to our retiree medical and other postretirement plans based on actuarially determined estimates as of December 31, 2024 and is based on estimated payments through 2034. During the first nine months of 2025, we made required contributions of \$224 million to our defined benefit pension plans.
- (g) Includes purchase commitments for aircraft fuel, flight equipment maintenance and information technology support and excludes obligations under certain fuel offtake agreements or other agreements for which the timing of the related expenditure is uncertain, or which are subject to material contingencies, such as the construction of a production facility.

Capital Raising Activity and Other Possible Actions

In light of our significant financial commitments related to, among other things, the servicing and amortization of existing debt and equipment leasing arrangements and new flight equipment, we and our subsidiaries will regularly consider, and enter into negotiations related to, capital raising and liability management activity, which may include the entry into leasing transactions and future issuances of, and transactions designed to manage the timing and amount of, secured or unsecured debt obligations or additional equity or equity-linked securities in public or private offerings or otherwise. The cash available from operations (if any) and these sources, however, may not be sufficient to cover our cash obligations because economic factors may reduce the amount of cash generated by operations or increase costs. For instance, an economic downturn or general global instability caused by governmental actions, military actions, terrorism, disease outbreaks, natural disasters or other causes could reduce the demand for air travel, which would reduce the amount of cash generated by operations. See Part I, Item 1A. Risk Factors – *“Downturns in economic conditions could adversely affect our business”* in our 2024 Form 10-K for additional discussion. An increase in costs, either due to an increase in borrowing costs caused by a reduction in credit ratings or a general increase in interest rates, due to an increase in the cost of fuel, maintenance, aircraft, aircraft engines or parts, or due to an increase in tariffs, could decrease the amount of cash available to cover cash contractual obligations. Moreover, certain of our financing arrangements contain significant minimum cash balance or similar liquidity requirements. As a result, we cannot use all of our available cash to fund operations, capital expenditures and cash obligations without violating these requirements.

In the past, we have from time to time refinanced, redeemed or repurchased our debt and taken other steps to reduce or otherwise manage the aggregate amount and cost of our debt, lease and other obligations or otherwise improve our balance sheet. Going forward, depending on market conditions, our cash position and other considerations, we may continue to take such actions, and the amounts involved may be material.

Critical Accounting Policies and Estimates

For information regarding our critical accounting policies and estimates, see Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – *“Critical Accounting Policies and Estimates”* in our 2024 Form 10-K.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

AAG's and American's Market Risk Sensitive Instruments and Positions

Our primary market risk exposures include the price of aircraft fuel, foreign currency exchange rates and interest rate risk. Our exposure to these market risks has not changed materially from our exposure discussed in our 2024 Form 10-K except as updated below.

Aircraft Fuel

As of September 30, 2025, we did not have any fuel hedging contracts outstanding to hedge our fuel consumption. Our current policy is not to enter into transactions to hedge our fuel consumption, although we review this policy from time to time based on market conditions and other factors. As such, and assuming we do not enter into any future transactions to hedge our fuel consumption, we will continue to be fully exposed to fluctuations in fuel prices. Based on our 2025 forecasted fuel consumption, we estimate that a one cent per gallon increase in the price of aircraft fuel would increase

our 2025 annual fuel expense by approximately \$45 million. See Part I, Item 1A. Risk Factors – *“Our business is very dependent on the price and availability of aircraft fuel. Continued periods of high volatility in fuel costs, increased fuel prices or significant disruptions in the supply of aircraft fuel could have a significant negative impact on consumer demand, our operating results and liquidity”* in our 2024 Form 10-K.

Foreign Currency

We are exposed to the effect of foreign exchange rate fluctuations on the U.S. dollar value of foreign currency-denominated transactions. Our largest exposure comes from the Euro, Canadian dollar, British pound sterling and various Latin American currencies (primarily the Brazilian real). We do not currently have a foreign currency hedge program.

Generally, fluctuations in foreign currencies, including devaluations, cannot be predicted by us and can significantly affect the value of our assets located outside the United States. These conditions, devaluations or imposition of more stringent repatriation restrictions, may materially adversely affect our business, results of operations and financial condition. See Part I, Item 1A. Risk Factors – *“We operate a global business with international operations that are subject to economic and political instability and have been, and in the future may continue to be, adversely affected by numerous events, circumstances or government actions beyond our control”* in our 2024 Form 10-K for additional discussion of this and other currency risks.

Interest

Our earnings and cash flow are affected by changes in interest rates due to the impact those changes have on our interest expense from variable-rate debt instruments and our interest income from short-term, interest-bearing investments. If annual interest rates increase 100 basis points, based on our September 30, 2025 variable-rate debt and short-term investments balances, annual interest expense on variable rate debt would increase by approximately \$130 million and annual interest income on short-term investments would increase by approximately \$70 million.

ITEM 4. CONTROLS AND PROCEDURES

Management’s Evaluation of Disclosure Controls and Procedures

The term “disclosure controls and procedures” is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act). This term refers to the controls and procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC’s rules and forms, and is accumulated and communicated to the company’s management, including the principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. An evaluation of the effectiveness of AAG’s and American’s disclosure controls and procedures as of September 30, 2025 was performed under the supervision and with the participation of AAG’s and American’s management, including AAG’s and American’s principal executive officer, the Chief Executive Officer (CEO), and principal financial officer, the Chief Financial Officer (CFO). Based on that evaluation, AAG’s and American’s management, including AAG’s and American’s CEO and CFO, concluded that AAG’s and American’s disclosure controls and procedures were effective as of September 30, 2025 at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

During the quarter ended September 30, 2025, there have been no changes in AAG’s or American’s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, AAG’s and American’s internal control over financial reporting.

Limitation on the Effectiveness of Controls

We believe that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives, and, as noted above, the CEO and CFO of AAG and American believe that our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2025.

PART II: OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 12 to each of AAG and American's Condensed Consolidated Financial Statements in Part I, Item 1A and Part I, Item 1B, respectively, for information on legal proceedings.

ITEM 1A. RISK FACTORS

There have been no material changes in our risk factors as previously disclosed in Part I, Item 1A in our 2024 Form 10-K. The risks in our 2024 Form 10-K are not the only risks facing AAG and American. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, could also materially adversely affect our business, financial condition or future results.

ITEM 5. OTHER INFORMATION

Securities Trading Plans of Directors and Executive Officers

On July 28, 2025, David G. Seymour, Executive Vice President and Chief Operating Officer, adopted a Rule 10b5-1 trading agreement that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 363,193 shares of AAG's common stock until July 30, 2027.

Other than noted above, during the quarter ended September 30, 2025, none of our directors or "officers" (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of AAG securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

ITEM 6. EXHIBITS

Exhibits required to be filed by Item 601 of Regulation S-K: Where the amount of securities authorized to be issued under any of our long-term debt agreements does not exceed 10% of our assets, pursuant to paragraph (b)(4) of Item 601 of Regulation S-K, in lieu of filing such as an exhibit, we hereby agree to furnish to the Commission upon request a copy of any agreement with respect to such long-term debt.

Exhibit Number	Description
3.1	Fifth Amended and Restated Bylaws of American Airlines Group Inc. (incorporated by reference to Exhibit 3.1 to American Airlines Group Inc.'s Current Report on Form 8-K filed on August 7, 2025 (Commission File No. 1-8400)).
31.1	Certification of AAG Chief Executive Officer pursuant to Rule 13a-14(a).
31.2	Certification of AAG Chief Financial Officer pursuant to Rule 13a-14(a).
31.3	Certification of American Chief Executive Officer pursuant to Rule 13a-14(a).
31.4	Certification of American Chief Financial Officer pursuant to Rule 13a-14(a).
32.1	AAG Certification pursuant to Rule 13a-14(b) and section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code).
32.2	American Certification pursuant to Rule 13a-14(b) and section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code).
101.1	Interactive data files pursuant to Rule 405 of Regulation S-T, formatted in Inline XBRL (eXtensible Business Reporting Language).
104.1	Cover page interactive data file (formatted in Inline XBRL and contained in Exhibit 101.1).

SIGNATURES

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

American Airlines Group Inc.

Date: October 23, 2025

By: /s/ Devon E. May
Devon E. May
Executive Vice President and Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

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

American Airlines, Inc.

Date: October 23, 2025

By: /s/ Devon E. May
Devon E. May
Executive Vice President and Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

CEO CERTIFICATION

I, Robert D. Isom, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Airlines Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 23, 2025

/s/ Robert D. Isom

Name: Robert D. Isom

Title: Chief Executive Officer and President

CFO CERTIFICATION

I, Devon E. May, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Airlines Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 23, 2025

/s/ Devon E. May

Name: Devon E. May

Title: Executive Vice President and
Chief Financial Officer

CEO CERTIFICATION

I, Robert D. Isom, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Airlines, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 23, 2025

/s/ Robert D. Isom

Name: Robert D. Isom

Title: Chief Executive Officer and President

CFO CERTIFICATION

I, Devon E. May, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Airlines, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 23, 2025

/s/ Devon E. May

Name: Devon E. May

Title: Executive Vice President and
Chief Financial Officer

**Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of American Airlines Group Inc. (the "Company") for the quarterly period ended September 30, 2025 (the "Report"), Robert D. Isom, as Chief Executive Officer and President of the Company, and Devon E. May, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert D. Isom

Name: Robert D. Isom

Title: Chief Executive Officer and President

Date: October 23, 2025

/s/ Devon E. May

Name: Devon E. May

Title: Executive Vice President and
Chief Financial Officer

Date: October 23, 2025

This certification is being furnished to accompany the Report pursuant to 18 U.S.C. § 1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of American Airlines, Inc. (the "Company") for the quarterly period ended September 30, 2025 (the "Report"), Robert D. Isom, as Chief Executive Officer and President of the Company, and Devon E. May, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert D. Isom

Name: Robert D. Isom

Title: Chief Executive Officer and President

Date: October 23, 2025

/s/ Devon E. May

Name: Devon E. May

Title: Executive Vice President and
Chief Financial Officer

Date: October 23, 2025

This certification is being furnished to accompany the Report pursuant to 18 U.S.C. § 1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.