

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

**FORM 8-K**

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **July 25, 2019**

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

(Exact name of registrant as specified in its charter)

**Delaware  
Delaware**

(State or other Jurisdiction of Incorporation)

**1-8400  
1-2691**

(Commission File Number)

**75-1825172  
13-1502798**

(IRS Employer Identification No.)

**4333 Amon Carter Blvd., Fort Worth, Texas  
4333 Amon Carter Blvd., Fort Worth, Texas**

(Address of principal executive offices)

**76155  
76155**

(Zip Code)

**Registrant's telephone number, including area code:**

**(817) 963-1234  
(817) 963-1234**

**N/A**

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

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

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

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

**Title of each class**

**Common Stock, \$0.01 par value per share**

**Trading  
Symbol(s)**

**AAL**

**Name of each exchange  
on which registered**

**The Nasdaq Global Select Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

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.

**ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.**

On July 25, 2019, American Airlines Group Inc. (the “Company”) issued a press release reporting financial results for the three and six months ended June 30, 2019. The press release is furnished as Exhibit 99.1.

**ITEM 7.01. REGULATION FD DISCLOSURE.**

On July 25, 2019, the Company provided an update for investors presenting information relating to its financial and operational outlook for 2019. This investor update is located on the Company’s website at [www.aa.com](http://www.aa.com) under “Investor Relations.” The investor update is furnished as Exhibit 99.2.

The information in Items 2.02 and 7.01 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section and shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

**(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release, dated July 25, 2019.</a>
99.2	<a href="#">Investor Update, dated July 25, 2019.</a>

**SIGNATURES**

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

**AMERICAN AIRLINES GROUP INC.**

Date: July 25, 2019

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

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

**AMERICAN AIRLINES, INC.**

Date: July 25, 2019

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

**PRESS RELEASE**

Corporate Communications  
817-967-1577  
[mediarelations@aa.com](mailto:mediarelations@aa.com)

FOR RELEASE: Thursday, July 25, 2019

**AMERICAN AIRLINES GROUP REPORTS  
SECOND QUARTER 2019 PROFIT**

FORT WORTH, Texas – American Airlines Group Inc. (NASDAQ: AAL) today reported its second quarter 2019 results, including these highlights:

- **Reported second quarter 2019 pre-tax income of \$882 million and net income of \$662 million. Excluding net special items, pre-tax income and net income rose more than 5% to \$1.1 billion and \$810 million,<sup>1</sup> respectively.**
- **Second quarter earnings were \$1.49 per diluted share. Excluding net special items, earnings per share grew 10% year over year to \$1.82 per diluted share<sup>1</sup>.**
- **Reported record second quarter revenue of \$12 billion. Also reported record second quarter total revenue per available seat mile (TRASM) – the 11th consecutive quarter of TRASM growth.**

“Our team members did a tremendous job to deliver solid results despite a challenging start to our summer,” said Chairman and CEO Doug Parker. “Their extraordinary efforts led to an increase in earnings and record revenue performance, and we thank our team for their expertise and care for our customers.”

“These strong results in the face of near-term adversity, coupled with our ongoing initiatives, give us great confidence in the future of American Airlines.”

**Second Quarter Revenue and Expenses**

Pre-tax earnings excluding net special items for the second quarter of 2019 were \$1.1 billion, a 5% increase from the second quarter of 2018. Excluding net special items, earnings were \$1.82 per diluted share, up 10% year over year.

	GAAP		Non-GAAP <sup>1</sup>	
	2Q19	2Q18	2Q19	2Q18
Operating income (\$ mil)	1,153	1,004	1,274	1,186
Pre-tax income (\$ mil)	882	756	1,072	1,018
Pre-tax margin	7.4%	6.5%	9.0%	8.7%
Net income (\$ mil)	662	556	810	770
Earnings per diluted share	\$ 1.49	\$ 1.20	\$ 1.82	\$ 1.66

Continued strength in passenger demand drove a 2.7% year-over-year increase in second quarter 2019 total revenue to \$12 billion, a record for the quarter. Driven by a record second quarter total passenger load factor of 86.6%, passenger revenue per available seat mile (PRASM) grew 4% to a record 15.22 cents. Cargo revenue decreased 15.4% to \$221 million due primarily to a 16.2% decrease in cargo ton miles. Other revenue was up 2.9% to \$728 million due primarily to higher revenue from the company's loyalty program. Marking the 11th consecutive quarter of growth, second quarter TRASM increased by 3.5% to a record 16.54 cents on a 0.8% decrease in total available seat miles.

Total second quarter 2019 operating expenses were \$10.8 billion, up 1.6% year over year. Total operating cost per available seat mile (CASM) was 14.94 cents in the second quarter of 2019, up 2.4% from second quarter 2018. Excluding fuel and special items, second quarter CASM was 11.34 cents, up 4.8% year over year, driven primarily by lower than planned capacity due to the Boeing 737 MAX grounding and operational disruptions related to an illegal work slowdown by our mechanics' union in an effort to influence contract talks.

### **Fleet Update**

On March 13, the Federal Aviation Administration (FAA) grounded all U.S.-registered Boeing 737 MAX aircraft. The American fleet currently includes 24 MAX aircraft with an additional 76 aircraft on order, of which seven were scheduled to be delivered in the second quarter. The company now estimates that the cancellations in the second quarter negatively impacted pre-tax income by approximately \$175 million.

The company has removed all MAX flying from its flight schedule through Nov. 2. With the flight cancellations extending an additional two months, the company now expects the MAX cancellations will negatively impact its full year 2019 pre-tax earnings by approximately \$400 million.

### **Strategic Objectives**

American's success is guided by three strategic objectives: Create a world-class customer experience, make culture a competitive advantage and build American Airlines to thrive forever.

#### **Create a world-class customer experience**

American has invested more than \$28 billion in its people, product and fleet over the past five years – the largest investment of any carrier in commercial aviation history. In the second quarter, American:

- Continued to evolve American's fleet by taking delivery of 14 new aircraft and operating its first customer flight on the Airbus A321neo, a fuel-efficient aircraft equipped with power at every seat, larger overhead bins and free wireless entertainment to each customer's own device, including free live television.
- Completed a two-year retrofit of Premium Economy, which offers more legroom, wider seats and enhanced meal service on long-haul international flights and select flights to Alaska and Hawaii. American also took the top spot for Premium Economy service in TripAdvisor's Travelers' Choice Awards, beating all other U.S. carriers.
- Opened American's Flagship Lounge and Flagship First Dining in Terminal D at Dallas Fort Worth International Airport (DFW) providing customers with quiet spaces to rest, luxury showers and a high-end, sit-down dining experience.
- Launched DFW 900, the company's strategic growth plan that involved the opening of the airline's new Terminal E Satellite facility with 15 new gates and increased departures at its hub by more than 100 per day.
- Debuted Bang & Olufsen noise-cancelling headsets for customers in first and business class.
- The AAdvantage program was named Best Elite Program for the Americas at the Freddie Awards, for the eighth year in a row.

- Unveiled the new Great Hall in Terminal B at Boston Logan International Airport (BOS), providing customers with a more comfortable airport experience, local flavor and innovative technology.

### **Make culture a competitive advantage**

Taking care of team members translates into better customer care. We continue to invest in improved tools, training and support for team members and in the second quarter, American:

- Recognized American's Maintenance team through systemwide celebrations on Aviation Maintenance Technician Day and launched the new Ken MacTiernan Excellence in Aviation Maintenance Award.
- Opened its 29th domestic Line Maintenance station at Houston's George Bush Intercontinental Airport (IAH).
- Cut the ribbon on a brand new Terminal 5 ticket counter and break room at Los Angeles International Airport (LAX), the first major milestone toward the completion of the \$1.6 billion modernization project for Terminals 4 and 5.
- Began moving team members to the expanded Robert L. Crandall Campus in Fort Worth, Texas.
- Named among the Best-of-the-Best Corporations for Inclusion by the National Gay & Lesbian Chamber of Commerce for the fourth year in a row.
- Contributed \$858 million to American's pension plans, bringing the 2019 contribution total to \$1.2 billion – \$436 million in excess of the required minimum contribution.
- Awarded \$976,000 in scholarships to 360 children of team members at a ceremony in Dallas as part of the American Airlines Education Foundation scholarship program.
- Accrued \$67 million for the company's profit-sharing program, bringing the year-to-date accrual to \$87 million.

### **Build American Airlines to thrive forever**

With a nearly 100-year legacy, American is building a company that we expect to be consistently profitable today and in the future. This long-term initiative was furthered during the second quarter as American:

- Launched 50 new routes, including new service to Dubrovnik, Croatia, and Berlin, Germany.
- Awarded tentative approval from the U.S. Department of Transportation (DOT) for additional service to Tokyo's Haneda (HND) from LAX and DFW, providing American's customers better access to downtown Tokyo and to the domestic network of its Pacific Joint Business partner, Japan Airlines.
- Received approval from the DOT of its joint business between American and Qantas, allowing for commercial integration between the carriers on routes between the U.S. and Australia and New Zealand.
- Rolled out new technology initiatives for customers, including pre-paid bag functionality, automation to handle operationally driven overbooked flights and instant buy-up opportunities.
- Agreed to purchase 50 Airbus A321XLR aircraft, the new longer-range version of the A321neo, with deliveries scheduled to begin in 2023. The agreement includes the conversion of 30 of American's existing A321neo slots to A321XLRs and the exercise of options for an additional 20 A321XLRs.
- Announced plans to develop a sixth terminal at DFW that could add up to 24 gates, with the first section of the terminal expected to open as soon as 2025. The plans also include investing in enhancements in Terminal C.

## **Quarterly Dividend**

American declared a dividend of \$0.10 per share to be paid on Aug. 21, 2019, to stockholders of record as of Aug. 7, 2019.

## **Guidance and Investor Update**

American expects its third quarter 2019 TRASM to be up 1% to 3% year over year. The company also expects its third quarter 2019 pre-tax margin excluding net special items to be between 5.5% and 7.5%<sup>2</sup>. Based on today's guidance, American now expects its 2019 diluted earnings per share excluding net special items to be between \$4.50 and \$6<sup>2</sup>.

For additional financial forecasting detail, please refer to the company's investor update, filed with this release with the SEC on Form 8-K. This filing will be available at [aa.com/investorrelations](http://aa.com/investorrelations).

## **Conference Call/Webcast Details**

The company will conduct a live audio webcast of its earnings call today at 7:30 a.m. CT, which will be available to the public on a listen-only basis at [aa.com/investorrelations](http://aa.com/investorrelations). An archive of the webcast will be available on the website through Aug. 26.

## **Notes**

See the accompanying notes in the Financial Tables section of this press release for further explanation, including a reconciliation of all GAAP to non-GAAP financial information.

<sup>1</sup>Second quarter 2019 operating special items principally included \$77 million of fleet restructuring expenses (non-cash) and \$39 million of merger integration expense. Nonoperating special items principally included \$52 million of mark-to-market net unrealized losses (non-cash) primarily associated with the company's equity investment in China Southern Airlines.

<sup>2</sup>American is unable to reconcile certain forward-looking projections to GAAP, as the nature or amount of special items cannot be determined at this time.

## **About American Airlines Group**

American Airlines offers customers 6,800 daily flights to more than 365 destinations in 61 countries from its hubs in Charlotte, Chicago, Dallas-Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix and Washington, D.C. With a shared purpose of caring for people on life's journey, American's 130,000 global team members serve more than 200 million customers annually. Since 2013, American has invested more than \$28 billion in its product and people and now flies the youngest fleet among U.S. network carriers, equipped with industry-leading high-speed Wi-Fi, lie-flat seats, and more inflight entertainment and access to power. American also has enhanced food and beverage options in the air and on the ground in its world-class Admirals Club and Flagship lounges. American was recently named a Five Star Global Airline by the Airline Passenger Experience Association and Airline of the Year by *Air Transport World*. American is a founding member of **oneworld**<sup>®</sup>, whose members serve 1,100 destinations in 180 countries and territories. Shares of American Airlines Group Inc. trade on Nasdaq under the ticker symbol AAL and the company's stock is included in the S&P 500. Learn more about what's happening at American by visiting [news.aa.com](http://news.aa.com) and connect with American on Twitter [@AmericanAir](https://twitter.com/AmericanAir) and at [Facebook.com/AmericanAirlines](https://Facebook.com/AmericanAirlines).

### **Cautionary Statement Regarding Forward-Looking Statements and Information**

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, those set forth in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 (especially in Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations, and Part II, Item 1A. Risk Factors), and other risks and uncertainties listed from time to time in our other filings with the Securities and Exchange Commission. 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 these forward-looking statements other than as required by law. Any forward-looking statements speak only as of the date hereof or as of the dates indicated in the statement.



**American Airlines Group Inc.**  
**Condensed Consolidated Statements of Operations**  
(In millions, except share and per share amounts)  
(Unaudited)

	3 Months Ended June 30,		Percent Change	6 Months Ended June 30,		Percent Change
	2019	2018 <sup>(1)</sup>		2019	2018 <sup>(1)</sup>	
<b>Operating revenues:</b>						
Passenger	\$ 11,011	\$ 10,674	3.2	\$ 20,669	\$ 20,154	2.6
Cargo	221	261	(15.4)	439	488	(10.1)
Other	728	708	2.9	1,436	1,402	2.4
<b>Total operating revenues</b>	<b>11,960</b>	<b>11,643</b>	<b>2.7</b>	<b>22,544</b>	<b>22,044</b>	<b>2.3</b>
<b>Operating expenses:</b>						
Aircraft fuel and related taxes	1,995	2,103	(5.1)	3,722	3,866	(3.7)
Salaries, wages and benefits	3,200	3,095	3.4	6,290	6,111	2.9
<b>Regional expenses:</b>						
Fuel	487	465	4.7	909	863	5.4
Depreciation and amortization	83	82	0.5	162	165	(1.9)
Other	1,316	1,246	5.7	2,577	2,462	4.7
Maintenance, materials and repairs	575	505	13.9	1,136	973	16.7
Other rent and landing fees	535	495	8.2	1,039	962	8.0
Aircraft rent	334	311	7.7	661	621	6.6
Selling expenses	401	385	3.9	771	742	3.9
Depreciation and amortization	489	457	7.0	969	898	8.0
Special items, net	121	182	(33.6)	259	407	(36.5)
Other	1,271	1,313	(3.2)	2,521	2,574	(2.0)
<b>Total operating expenses</b>	<b>10,807</b>	<b>10,639</b>	<b>1.6</b>	<b>21,016</b>	<b>20,644</b>	<b>1.8</b>
<b>Operating income</b>	<b>1,153</b>	<b>1,004</b>	<b>14.8</b>	<b>1,528</b>	<b>1,400</b>	<b>9.1</b>
<b>Nonoperating income (expense):</b>						
Interest income	35	30	15.2	68	55	23.6
Interest expense, net	(275)	(263)	4.5	(546)	(525)	3.9
Other income (expense), net	(31)	(15)	97.8	78	64	22.1
<b>Total nonoperating expense, net</b>	<b>(271)</b>	<b>(248)</b>	<b>9.0</b>	<b>(400)</b>	<b>(406)</b>	<b>(1.7)</b>
<b>Income before income taxes</b>	<b>882</b>	<b>756</b>	<b>16.7</b>	<b>1,128</b>	<b>994</b>	<b>13.5</b>
Income tax provision	220	200	10.5	281	278	0.9
<b>Net income</b>	<b>\$ 662</b>	<b>\$ 556</b>	<b>18.9</b>	<b>\$ 847</b>	<b>\$ 716</b>	<b>18.4</b>
<b>Earnings per common share:</b>						
Basic	\$ 1.49	\$ 1.20		\$ 1.89	\$ 1.53	
Diluted	\$ 1.49	\$ 1.20		\$ 1.88	\$ 1.52	
<b>Weighted average shares outstanding (in thousands):</b>						
Basic	445,008	463,533		448,479	467,915	
Diluted	445,587	464,618		449,508	469,608	

<sup>(1)</sup> In the fourth quarter of 2018, the company adopted Accounting Standards Update (ASU) 2016-02: Leases (Topic 842) (the New Lease Standard) as of January 1, 2018. In accordance with the New Lease Standard, the company has recast its 2018 financial information included herein to reflect the effects of adoption. For additional information, see Note 1(b) to AAG's Consolidated Financial Statements in Part II, Item 8A of its 2018 Form 10-K filed on February 25, 2019.

**Note: Percent change may not recalculate due to rounding.**

**American Airlines Group Inc.  
Consolidated Operating Statistics  
(Unaudited)**

	3 Months Ended June 30,			6 Months Ended June 30,		
	2019	2018	Change	2019	2018	Change
<b>Mainline</b>						
Revenue passenger miles (millions)	55,277	54,118	2.1%	103,758	101,126	2.6%
Available seat miles (ASM) (millions)	63,195	64,452	(2.0)%	121,518	122,416	(0.7)%
Passenger load factor (percent)	87.5	84.0	3.5pts	85.4	82.6	2.8pts
Passenger enplanements (thousands)	40,007	38,574	3.7%	76,553	73,414	4.3%
Departures (thousands)	279	280	(0.4)%	550	543	1.2%
Aircraft at end of period	966	955	1.2%	966	955	1.2%
Block hours (thousands)	877	900	(2.6)%	1,712	1,731	(1.1)%
Average stage length (miles)	1,219	1,254	(2.8)%	1,199	1,236	(3.0)%
Fuel consumption (gallons in millions)	938	944	(0.6)%	1,791	1,789	0.1%
Average aircraft fuel price including related taxes (dollars per gallon)	2.13	2.23	(4.6)%	2.08	2.16	(3.9)%
Full-time equivalent employees at end of period	106,100	106,600	(0.5)%	106,100	106,600	(0.5)%
<b>Regional (1)</b>						
Revenue passenger miles (millions)	7,381	6,661	10.8%	13,702	12,599	8.8%
Available seat miles (millions)	9,127	8,441	8.1%	17,478	16,301	7.2%
Passenger load factor (percent)	80.9	78.9	2.0pts	78.4	77.3	1.1pts
Passenger enplanements (thousands)	15,457	14,486	6.7%	28,845	27,272	5.8%
Aircraft at end of period	613	604	1.5%	613	604	1.5%
Fuel consumption (gallons in millions)	220	203	8.8%	420	388	8.2%
Average aircraft fuel price including related taxes (dollars per gallon)	2.21	2.29	(3.7)%	2.17	2.22	(2.7)%
Full-time equivalent employees at end of period (2)	27,700	25,000	10.8%	27,700	25,000	10.8%
<b>Total Mainline &amp; Regional</b>						
Revenue passenger miles (millions)	62,658	60,779	3.1%	117,460	113,725	3.3%
Available seat miles (millions)	72,322	72,893	(0.8)%	138,996	138,717	0.2%
Passenger load factor (percent)	86.6	83.4	3.2pts	84.5	82.0	2.5pts
Yield (cents)	17.57	17.56	0.1%	17.60	17.72	(0.7)%
Passenger revenue per ASM (cents)	15.22	14.64	4.0%	14.87	14.53	2.4%
Total revenue per ASM (cents)	16.54	15.97	3.5%	16.22	15.89	2.1%
Cargo ton miles (millions)	644	768	(16.2)%	1,269	1,455	(12.8)%
Cargo yield per ton mile (cents)	34.29	34.00	0.8%	34.57	33.54	3.1%
Passenger enplanements (thousands)	55,464	53,060	4.5%	105,398	100,686	4.7%
Aircraft at end of period	1,579	1,559	1.3%	1,579	1,559	1.3%
Fuel consumption (gallons in millions)	1,158	1,147	1.1%	2,211	2,177	1.6%
Average aircraft fuel price including related taxes (dollars per gallon)	2.14	2.24	(4.4)%	2.09	2.17	(3.6)%
Full-time equivalent employees at end of period	133,800	131,600	1.7%	133,800	131,600	1.7%
Operating cost per ASM (cents)	14.94	14.59	2.4%	15.12	14.88	1.6%
Operating cost per ASM excluding special items (cents)	14.78	14.34	3.0%	14.93	14.59	2.4%
Operating cost per ASM excluding special items and fuel (cents)	11.34	10.82	4.8%	11.60	11.18	3.8%

(1) Regional includes wholly owned regional airline subsidiaries and operating results from capacity purchase carriers.

(2) Regional full-time equivalent employees only include our wholly owned regional airline subsidiaries.

**Note: Amounts may not recalculate due to rounding.**

**American Airlines Group Inc.  
Consolidated Revenue Statistics by Region  
(Unaudited)**

	3 Months Ended June 30,			6 Months Ended June 30,		
	2019	2018	Change	2019	2018	Change
<b>Domestic <sup>(1)</sup></b>						
Revenue passenger miles (millions)	41,477	40,067	3.5%	79,194	76,328	3.8%
Available seat miles (ASM) (millions)	47,050	46,817	0.5%	92,332	90,709	1.8%
Passenger load factor (percent)	88.2	85.6	2.6pts	85.8	84.1	1.7pts
Passenger revenue (dollars in millions)	8,009	7,685	4.2%	15,235	14,648	4.0%
Yield (cents)	19.31	19.18	0.7%	19.24	19.19	0.2%
Passenger revenue per ASM (cents)	17.02	16.41	3.7%	16.50	16.15	2.2%
<b>Latin America <sup>(2)</sup></b>						
Revenue passenger miles (millions)	7,829	7,903	(0.9)%	16,179	15,988	1.2%
Available seat miles (millions)	9,157	9,894	(7.4)%	19,364	20,133	(3.8)%
Passenger load factor (percent)	85.5	79.9	5.6pts	83.6	79.4	4.2pts
Passenger revenue (dollars in millions)	1,241	1,284	(3.4)%	2,612	2,729	(4.3)%
Yield (cents)	15.85	16.25	(2.5)%	16.14	17.07	(5.4)%
Passenger revenue per ASM (cents)	13.55	12.98	4.4%	13.49	13.55	(0.5)%
<b>Atlantic</b>						
Revenue passenger miles (millions)	9,763	8,855	10.3%	14,806	13,521	9.5%
Available seat miles (millions)	11,898	11,306	5.2%	18,724	18,052	3.7%
Passenger load factor (percent)	82.1	78.3	3.8pts	79.1	74.9	4.2pts
Passenger revenue (dollars in millions)	1,407	1,298	8.4%	2,080	1,967	5.8%
Yield (cents)	14.41	14.66	(1.7)%	14.05	14.55	(3.4)%
Passenger revenue per ASM (cents)	11.83	11.48	3.0%	11.11	10.90	2.0%
<b>Pacific</b>						
Revenue passenger miles (millions)	3,589	3,954	(9.2)%	7,281	7,888	(7.7)%
Available seat miles (millions)	4,217	4,876	(13.5)%	8,576	9,823	(12.7)%
Passenger load factor (percent)	85.1	81.1	4.0pts	84.9	80.3	4.6pts
Passenger revenue (dollars in millions)	354	407	(13.1)%	742	810	(8.5)%
Yield (cents)	9.86	10.29	(4.3)%	10.18	10.27	(0.9)%
Passenger revenue per ASM (cents)	8.39	8.35	0.5%	8.65	8.25	4.8%
<b>Total International</b>						
Revenue passenger miles (millions)	21,181	20,712	2.3%	38,266	37,397	2.3%
Available seat miles (millions)	25,272	26,076	(3.1)%	46,664	48,008	(2.8)%
Passenger load factor (percent)	83.8	79.4	4.4pts	82.0	77.9	4.1pts
Passenger revenue (dollars in millions)	3,002	2,989	0.4%	5,434	5,506	(1.3)%
Yield (cents)	14.17	14.43	(1.8)%	14.20	14.72	(3.6)%
Passenger revenue per ASM (cents)	11.88	11.46	3.6%	11.64	11.47	1.5%

(1) Domestic results include Canada, Puerto Rico, and U.S. Virgin Islands.

(2) Latin America results include the Caribbean.

**Note: Amounts may not recalculate due to rounding.**



**American Airlines Group Reports Second Quarter 2019 Profit**

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<b>Reconciliation of Operating Income Excluding Special Items</b>	<b>3 Months Ended June 30,</b>		<b>6 Months Ended June 30,</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>(in millions)</b>		<b>(in millions)</b>	
Operating income as reported	\$ 1,153	\$ 1,004	\$ 1,528	\$ 1,400
Special items:				
Special items, net <sup>(1)</sup>	121	182	259	407
Operating income excluding special items	\$ 1,274	\$ 1,186	\$ 1,787	\$ 1,807
<b>Reconciliation of Total Operating Cost per ASM Excluding Special Items and Fuel</b>				
Total operating expenses as reported	\$ 10,807	\$ 10,639	\$ 21,016	\$ 20,644
Special items:				
Special items, net <sup>(1)</sup>	(121)	(182)	(259)	(407)
Total operating expenses, excluding special items	10,686	10,457	20,757	20,237
Fuel:				
Aircraft fuel and related taxes - mainline	(1,995)	(2,103)	(3,722)	(3,866)
Aircraft fuel and related taxes - regional	(487)	(465)	(909)	(863)
Total operating expenses, excluding special items and fuel	\$ 8,204	\$ 7,889	\$ 16,126	\$ 15,508
	<b>(in cents)</b>		<b>(in cents)</b>	
Total operating expenses per ASM as reported	14.94	14.59	15.12	14.88
Special items per ASM:				
Special items, net <sup>(1)</sup>	(0.17)	(0.25)	(0.19)	(0.29)
Total operating expenses per ASM, excluding special items	14.78	14.34	14.93	14.59
Fuel per ASM:				
Aircraft fuel and related taxes - mainline	(2.76)	(2.89)	(2.68)	(2.79)
Aircraft fuel and related taxes - regional	(0.67)	(0.64)	(0.65)	(0.62)
Total operating expenses per ASM, excluding special items and fuel	11.34	10.82	11.60	11.18

**Note: Amounts may not recalculate due to rounding.**

**FOOTNOTES:**

<sup>(1)</sup> The 2019 second quarter mainline operating special items principally included \$77 million of fleet restructuring expenses and \$39 million of merger integration expenses. The 2019 six month period mainline operating special items principally included \$160 million of fleet restructuring expenses and \$76 million of merger integration expenses.

The 2018 second quarter mainline operating special items principally included \$113 million of fleet restructuring expenses, \$60 million of merger integration expenses, a \$26 million non-cash charge to write-off the company's Brazil route authority intangible asset as a result of the U.S.-Brazil open skies agreement, offset in part by a \$57 million net credit resulting from mark-to-market adjustments on bankruptcy obligations. The 2018 six month period mainline operating special items principally included \$226 million of fleet restructuring expenses, \$120 million of merger integration expenses, a \$45 million litigation settlement and the \$26 million non-cash Brazil route impairment charge mentioned above, offset in part by a \$56 million net credit resulting from mark-to-market adjustments on bankruptcy obligations.

Fleet restructuring expenses principally included accelerated depreciation and rent expense for aircraft and related equipment grounded or expected to be grounded earlier than planned. Merger integration expenses included costs associated with integration projects, principally the company's technical operations, flight attendant, human resources and payroll systems.

<sup>(2)</sup> The 2019 second quarter nonoperating special items principally included \$52 million of mark-to-market net unrealized losses primarily associated with the company's equity investment in China Southern Airlines.

The 2018 second quarter and six month period nonoperating special items principally included \$66 million of mark-to-market net unrealized losses primarily associated with the company's equity investment in China Southern Airlines.

<sup>(3)</sup> The 2018 second quarter income tax special items included an \$18 million charge related to an international income tax matter. In addition to this charge, the 2018 six month period included a \$22 million charge to income tax expense to establish a required valuation allowance related to the company's estimated refund for Alternative Minimum Tax (AMT) credits.

**American Airlines Group Reports Second Quarter 2019 Profit**

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**American Airlines Group Inc.**  
**Condensed Consolidated Balance Sheets**  
(In millions)

	June 30, 2019	December 31, 2018 <sup>(1)</sup>
	(unaudited)	
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 319	\$ 275
Short-term investments	5,088	4,485
Restricted cash and short-term investments	157	154
Accounts receivable, net	1,943	1,706
Aircraft fuel, spare parts and supplies, net	1,708	1,522
Prepaid expenses and other	635	495
<b>Total current assets</b>	<b>9,850</b>	<b>8,637</b>
<b>Operating property and equipment</b>		
Flight equipment	42,437	41,499
Ground property and equipment	9,007	8,764
Equipment purchase deposits	1,372	1,278
<b>Total property and equipment, at cost</b>	<b>52,816</b>	<b>51,541</b>
Less accumulated depreciation and amortization	(18,114)	(17,443)
<b>Total property and equipment, net</b>	<b>34,702</b>	<b>34,098</b>
<b>Operating lease right-of-use assets</b>	<b>9,102</b>	<b>9,151</b>
<b>Other assets</b>		
Goodwill	4,091	4,091
Intangibles, net	2,105	2,137
Deferred tax asset	792	1,145
Other assets	1,325	1,321
<b>Total other assets</b>	<b>8,313</b>	<b>8,694</b>
<b>Total assets</b>	<b>\$ 61,967</b>	<b>\$ 60,580</b>
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
<b>Current liabilities</b>		
Current maturities of long-term debt and finance leases	\$ 3,500	\$ 3,294
Accounts payable	2,118	1,773
Accrued salaries and wages	1,304	1,427
Air traffic liability	5,956	4,339
Loyalty program liability	3,310	3,267
Operating lease liabilities	1,639	1,654
Other accrued liabilities	2,296	2,342
<b>Total current liabilities</b>	<b>20,123</b>	<b>18,096</b>
<b>Noncurrent liabilities</b>		
Long-term debt and finance leases, net of current maturities	21,791	21,179
Pension and postretirement benefits	5,641	6,907
Loyalty program liability	5,249	5,272
Operating lease liabilities	7,818	7,902
Other liabilities	1,367	1,393
<b>Total noncurrent liabilities</b>	<b>41,866</b>	<b>42,653</b>
<b>Stockholders' equity (deficit)</b>		
Common stock	5	5
Additional paid-in capital	4,386	4,964
Accumulated other comprehensive loss	(5,927)	(5,896)
Retained earnings	1,514	758
<b>Total stockholders' deficit</b>	<b>(22)</b>	<b>(169)</b>
<b>Total liabilities and stockholders' equity (deficit)</b>	<b>\$ 61,967</b>	<b>\$ 60,580</b>

<sup>(1)</sup> On January 1, 2019, the company adopted ASU 2018-02: Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income. In accordance with the transition provisions of this new standard, the company has recast its 2018 balance sheet to reflect the effects of adoption. For additional information, see Note 1(b) to AAG's Condensed Consolidated Financial Statements in Part I, Item 1A of its second quarter 2019 Form 10-Q filed on July 25, 2019.



## Investor Relations Update July 25, 2019

### General Overview

- **Fleet and operation** - On March 13, 2019, a directive from the Federal Aviation Administration (FAA) grounded all U.S.-registered Boeing 737 MAX aircraft. The American Airlines fleet currently includes 24 Boeing 737 MAX 8 aircraft with an additional 76 aircraft on order (seven of which were due to have been delivered in the second quarter).

The company has cancelled all 737 MAX flying through November 2, 2019. In total, the company presently expects the 737 MAX cancellations, which are assumed to extend through November 2, 2019, to negatively impact its 2019 pre-tax earnings by approximately \$400 million.

In addition, in May, the company initiated litigation against the Transport Workers Union of America, AFL-CIO, International Association of Machinists and Aerospace Workers, and Airline Mechanic and Related Employee Association TWU/IAM, claiming that the unions have been engaged in an illegal work slowdown in an effort to influence contract negotiations. That slowdown has significantly impacted the company's operation and caused a significant number of flight cancellations and delays. A temporary restraining order enjoining the slowdown and further interruption to the company's operations was granted by U.S. District Court for the Northern District of Texas on June 14, 2019. The court conducted a trial on the company's request for a permanent injunction against the continuation of these illegal activities and the company is currently awaiting the court's decision.

- **Capacity** - The company now expects its 2019 full year capacity to be up approximately 1.5 percent (gauge up approximately 0.5 percent, departures up approximately 3.5 percent and stage length down approximately 2.5 percent) year-over-year. This reduction from previous guidance is due to the reduction in flying primarily as a result of the grounding of the company's 737 MAX aircraft. For the third quarter, the company expects system capacity to be up approximately 1.5 percent year-over-year.
- **Revenue** - The company expects its third quarter total revenue per available seat mile (TRASM) to be up approximately 1.0 to 3.0 percent year-over-year.
- **CASM<sup>1</sup>** - The company now expects its 2019 full year total cost per available seat mile (CASM)<sup>2</sup> to be up between 3.5 and 4.5 percent year-over-year. The increase from previous guidance is primarily due to the capacity reduction associated with the grounding of the company's 737 MAX fleet. Total CASM in the third quarter<sup>2</sup> is expected to be up between 4.0 and 6.0 percent year-over-year driven by the reduction in ASMs referenced above.
- **Fuel** - Based on the July 22, 2019 forward curve, the company expects to pay an average of between \$2.05 and \$2.10 per gallon of consolidated jet fuel (including taxes) in the third quarter. Forecasted volume and fuel prices for the remainder of the year are provided on the following page.
- **Liquidity** - As of June 30, 2019, the company had approximately \$8.2 billion in total available liquidity, comprised of unrestricted cash and investments of \$5.4 billion and \$2.8 billion in undrawn revolver capacity. The company also had a restricted cash position of \$157 million.
- **Capital Expenditures** - The company continues to expect \$4.4 billion in capex in 2019, including \$2.7 billion in aircraft and \$1.7 billion in non-aircraft capex. In 2020, the company now expects total capex to decline by approximately \$850 million year-over-year with aircraft capex spend of \$1.85 billion and non-aircraft capex spend of \$1.7 billion. For 2021, total capex is expected to fall by a further \$1.4 billion year-over-year with aircraft capex spend expected to be \$0.9 billion and non-aircraft capex expected to be \$1.2 billion.
- **Taxes** - As of December 31, 2018, the company had approximately \$10.2 billion of federal net operating losses (NOLs) and \$3.2 billion of state NOLs, substantially all of which are expected to be available in 2019 to reduce future federal and state taxable income. The company expects to recognize a provision for income taxes in 2019 at an effective rate of approximately 24 percent, which will be substantially non-cash.

- **Pre-tax Margin and EPS** - Based on the assumptions outlined above, the company presently expects its third quarter pre-tax margin excluding special items to be approximately 5.5 to 7.5 percent<sup>2</sup>. The company now expects to report full year 2019 earnings per diluted share excluding special items of between \$4.50 and \$6.00<sup>2</sup>.

### Notes:

1. All CASM guidance excludes the impact of fuel, special items and new labor agreements
2. The company is unable to reconcile certain forward-looking projections to GAAP as the nature or amount of special items cannot be determined at this time.

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



## Financial Update July 25, 2019

### Financial Comments

	1Q19	2Q19	3Q19E	4Q19E	FY19E <sup>2</sup>
<b>Total Mainline and Regional Guidance<sup>1</sup></b>					
Available Seat Miles (ASMs) (bil)	66.7	72.3	~76.1	~70.8	~285.9
Cargo Revenues (\$ mil) <sup>3</sup>	218	221	~220	~230	~890
Other Revenues (\$ mil) <sup>3</sup>	708	728	~715	~700	~2,850
Average Fuel Price (incl. taxes) (\$/gal) (as of 7/22/2019)	2.04	2.14	2.05 to 2.10	1.99 to 2.04	2.04 to 2.09
Fuel Gallons Consumed (mil)	1,053	1,158	~1,208	~1,112	~4,531
CASM ex fuel and special items (guidance is YOY % change) <sup>4</sup>	11.88	11.34	+4% to +6%	+2% to +4%	+3.5% to +4.5%
Interest Income (\$ mil)	(33)	(35)	~(37)	~(33)	~(138)
Interest Expense (\$ mil)	271	275	~287	~264	~1,097
Other Non-Operating (Income)/Expense (\$ mil) <sup>5</sup>	(39)	(38)	~(44)	~(44)	~(164)
<b>Capex Guidance (\$ mil) Inflow/(Outflow)</b>					
Non-Aircraft Capex	(528)	(382)	~(395)	~(395)	~(1,700)
Gross Aircraft Capex & net PDPs	(777)	(636)	~(539)	~(765)	~(2,718)
Assumed Aircraft Financing	752	392	~317	~1,168	~2,629
Net Aircraft Capex & PDPs <sup>2</sup>	(26)	(244)	~(222)	~403	~(89)

### Notes:

1. Includes guidance on certain non-GAAP measures, which exclude special items. The company is unable to reconcile certain forward-looking projections to GAAP as the nature or amount of special items cannot be determined at this time. Please see the GAAP to non-GAAP reconciliation at the end of this document.
2. Numbers may not recalculate due to rounding.
3. Cargo/Other revenue includes cargo revenue, loyalty program revenue, and contract services.
4. CASM ex fuel and special items is a non-GAAP financial measure.
5. Other Non-Operating (Income)/Expense primarily includes non-service related pension and retiree medical benefit income/costs, gains and losses from foreign currency, and income/loss from the company's approximate 25% ownership interest in Republic Airways Holdings Inc.

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

## Fleet Update July 25, 2019

### Fleet Comments

- On March 13, 2019, the FAA grounded all U.S.-registered Boeing 737 MAX aircraft. We currently have 76 Boeing 737 MAX 8 aircraft on order and the table below reflects the contractual delivery schedule. However, we have not taken delivery of any Boeing 737 MAX 8 aircraft since the grounding, and the timing of future deliveries cannot presently be forecasted.
- In 2019, the company expects to take delivery of 41 mainline aircraft comprised of 12 A321neo aircraft, 20 B738 MAX aircraft, 2 B789 aircraft and 7 used A319 aircraft. The company also expects to retire 45 mainline aircraft, including 9 B763 aircraft, 6 E190 aircraft and 30 MD80 aircraft.
- In 2019, the company expects to increase the regional fleet count by a net of 8 aircraft, resulting from the net addition of 2 CRJ700 aircraft, 7 CRJ900 aircraft and 20 E175 aircraft, as well as the reduction of 16 CRJ200 and 5 ERJ140 aircraft.
- The company now expects to extend the operating life of some of its A320, B737 and B757 aircraft. These extensions will allow more flexibility in dealing with the grounding of the 737 MAX and the late delivery of some A321neo aircraft, as well as providing modest and efficient growth in the fleet.

Active Mainline Year Ending Fleet Count

	2018A	2019E	2020E	2021E
A319	126	133	133	133
A320	48	48	48	48
A321	219	219	219	219
A321neo	—	12	32	50
A332	15	15	15	15
A333	9	9	9	9
B738	304	304	304	304
B738 MAX	20	40	50	60
B757	34	34	34	24
B763	24	15	6	—
B772	47	47	47	47
B773	20	20	20	20
B788	20	20	32	42
B789	20	22	22	22
E190	20	14	—	—
MD80	30	—	—	—
	<b>956</b>	<b>952</b>	<b>971</b>	<b>993</b>

Active Regional Year Ending Fleet Count<sup>1</sup>

	2018A	2019E	2020E	2021E
CRJ200	35	19	15	15
CRJ700	119	121	121	121
CRJ900	118	125	129	129
E175	154	174	189	189
ERJ140	51	46	34	34
ERJ145	118	118	118	118
	<b>595</b>	<b>603</b>	<b>606</b>	<b>606</b>

### Notes:

- At the end of the second quarter of 2019, the company had 7 ERJ140 regional aircraft in temporary storage, which are not included in the active regional ending fleet count.

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

## Shares Outstanding July 25, 2019

### Shares Outstanding Comments

- The estimated weighted average shares outstanding for 2019 are listed below.
- On April 25, 2018, the company's Board authorized a \$2.0 billion share repurchase program to expire by the end of 2020, of which \$1.1 billion remained available for use as of June 30, 2019. The total amount authorized for share repurchase programs since the merger is \$13.0 billion. All previous repurchase programs had been fully expended as of March 31, 2018.
- Including share repurchases, shares withheld to cover taxes associated with employee equity awards and share distributions, and the cash extinguishment of convertible debt, the company's share count has dropped 41 percent from 756.1 million shares at merger close to 445 million shares outstanding on June 30, 2019.

### 2019 Shares Outstanding (shares mil)<sup>1</sup>

	Shares	
	Basic	Diluted
<b>For Q3</b>		
Earnings	445	446
Net loss	445	445
	Shares	
	Basic	Diluted
<b>For Q4</b>		
Earnings	445	446
Net loss	445	445
	Shares	
	Basic	Diluted
<b>For FY 2019 Average</b>		
Earnings	447	448
Net loss	447	447

### **Notes:**

1. Shares outstanding are based upon several estimates and assumptions, including average per share stock price and stock award activity and does not assume any future share repurchases. The number of shares in actual calculations of earnings per share will likely be different from those set forth above.

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

## GAAP to Non-GAAP Reconciliation July 25, 2019

The company sometimes uses financial measures that are derived from the consolidated financial statements but that are not presented in accordance with GAAP to understand and evaluate its current operating performance and to allow for period-to-period comparisons. The company believes 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. The company is providing a reconciliation of reported non-GAAP financial measures to their comparable financial measures on a GAAP basis. The table below presents the reconciliation of total operating costs (GAAP measure) to total operating costs excluding special items and fuel (non-GAAP measure). Management uses total operating costs excluding special items and fuel to evaluate the company's current operating performance and for period-to-period comparisons. The price of fuel, over which the company has no control, impacts the comparability of period-to-period financial performance. Additionally, special items may vary from period-to-period in nature and amount. These adjustments to exclude aircraft fuel and special items allow management an additional tool to understand and analyze the company's non-fuel costs and core operating performance. Additionally, the table below presents the reconciliation of other non-operating expense (GAAP measure) to other non-operating expense excluding special items (non-GAAP measure). Management uses this non-GAAP financial measure to evaluate the company's current performance and to allow for period-to-period comparisons. As special items may vary from period-to-period in nature and amount, the adjustment to exclude special items allows management an additional tool to understand the company's core operating performance.

### American Airlines Group Inc. GAAP to Non-GAAP Reconciliation<sup>1</sup> (\$ mil except ASM and CASM data)

	1Q19	2Q19	3Q19 Range		4Q19 Range		FY19 Range	
	Actual	Actual	Low	High	Low	High	Low	High
Total operating expenses	\$ 10,209	\$ 10,807	\$ 10,866	\$ 11,087	\$ 10,388	\$ 10,604	\$ 42,307	\$ 42,739
Less fuel expense	2,149	2,482	2,476	2,537	2,213	2,268	9,320	9,436
Less special items	138	121	—	—	—	—	259	259
Total operating expense excluding fuel and special items	7,922	8,204	8,389	8,551	8,175	8,335	32,727	33,043
Total CASM (cts)	15.31	14.94	14.28	14.57	14.67	14.98	14.80	14.95
Total CASM excluding fuel and special items (Non-GAAP) (cts)	11.88	11.34	11.02	11.24	11.55	11.77	11.45	11.56
YOY (%)	2.7%	4.8%	4.0%	6.0%	2.0%	4.0%	3.5%	4.5%
Total ASMs (bil)	66.7	72.3	76.1	76.1	70.8	70.8	285.9	285.9
<b>Other non-operating (income)/expense</b>								
Other non-operating (income)/expense	\$ (108)	\$ 31	\$ (44)	\$ (44)	\$ (44)	\$ (44)	\$ (164)	\$ (164)
Less special items	(69)	69	—	—	—	—	—	—
Other non-operating (income)/expense excluding special items	(39)	(38)	(44)	(44)	(44)	(44)	(164)	(164)

Notes: Amounts may not recalculate due to rounding.

- Certain of the guidance provided excludes special items. The company is unable to fully reconcile such forward-looking guidance to the corresponding GAAP measure because the full nature and amount of the special items cannot be determined at this time. Special items for this period may include, among others, fleet restructuring expenses, merger integration expenses and mark-to-market adjustments for equity investments.

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

## Forward Looking Statements July 25, 2019

### Cautionary Statement Regarding Forward-Looking Statements

This document includes forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by words such as “may,” “will,” “expect,” “intend,” “anticipate,” “believe,” “estimate,” “plan,” “project,” “could,” “should,” “would,” “continue,” “seek,” “target,” “guidance,” “outlook,” “if current trends continue,” “optimistic,” “forecast” and other similar words. Such statements include, but are not limited to, statements about future financial and operating results, the company’s plans, objectives, estimates, expectations and intentions, and other statements that are not historical facts. These forward-looking statements are based on the company’s current objectives, beliefs and expectations, and they are subject to significant risks and uncertainties that may cause actual results and financial position and timing of certain events to differ materially from the information in the forward-looking statements. These risks and uncertainties include, but are not limited to, those set forth in the company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 (especially in Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations and Part II, Item 1A. Risk Factors), and other risks and uncertainties listed from time to time in the company’s other filings with the Securities and Exchange Commission. There may be other factors of which the company is not currently aware that may affect matters discussed in the forward-looking statements and may also cause actual results to differ materially from those discussed. The company does not assume any obligation to publicly update or supplement any forward-looking statement to reflect actual results, changes in assumptions or changes in other factors affecting these forward-looking statements other than as required by law. Any forward-looking statements speak only as of the date hereof or as of the dates indicated in the statements.

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