Cautionary Statement Regarding Forward-Looking Statements and Information

This document includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by words such as “may,” “will,” “expect,” “intend,” “anticipate,” “believe,” “estimate,” “plan,” “project,” “could,” “should,” “would,” “continue,” “seek,” “target,” “guidance,” “outlook,” “if current trends continue,” “optimistic,” “forecast” and other similar words. Such statements include, but are not limited to, statements about future financial and operating results, the Company’s plans, objectives, estimates, expectations, and intentions, estimates and strategies for the future, and other statements that are not historical facts. These forward-looking statements are based on the Company’s current objectives, beliefs and expectations, and they are subject to significant risks and uncertainties that may cause actual results and financial position and timing of certain events to differ materially from the information in the forward-looking statements. These risks and uncertainties include, but are not limited to, those set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018 (especially in Part I, Item 1A, Risk Factors and Part II, Item 7 Management’s Discussion and Analysis of Financial Condition and Results of Operations) and in the Company’s other filings with the Securities and Exchange Commission (“SEC”), and other risks and uncertainties listed from time to time in the Company’s other filings with the SEC. There may be other factors of which the Company is not currently aware that may affect matters discussed in the forward-looking statements and may also cause actual results to differ materially from those discussed. The Company does not assume any obligation to publicly update or supplement any forward-looking statement to reflect actual results, changes in assumptions or changes in other factors affecting these forward-looking statements other than as required by law. Any forward-looking statements speak only as of the date hereof or as of the dates indicated in the statements.
Overview

• Integration largely complete, now focusing on cost and revenue opportunities:
  - Fleet changes to reduce complexity and enable efficient, low-cost growth
  - Product improvements to ensure industry-leading travel experience while remaining competitive and growing revenue
  - Network optimization will add margin-accretive flying at our most profitable hubs starting in the second quarter
• Innovation and investments in product and people are designed to create long-term margin expansion
Transformational Change – Investments

Over the past five years, more than $25 billion invested

- Nearly 600 new replacement aircraft; youngest average fleet age of the network airlines at 10.6 yrs
- Investments in product include:
  - All lie-flat seating on international widebody aircraft
  - New and refurbished clubs
  - Premium Economy Seats
  - Satellite wi-fi across the fleet by the end of the second quarter
- Over $1.6 billion in pension contributions
Investments Driving Revenue Performance

Investments in our product have driven revenue higher

- New aircraft, retrofits to our older aircraft and new product innovations have transformed our product and driven growth in unit revenue for nine consecutive quarters
Future Revenue Opportunities

- Expanding on initiatives to drive revenue improvements totaling $3.2 billion by year end 2021

<table>
<thead>
<tr>
<th>Network</th>
<th>Segmentation</th>
<th>Merchandising</th>
<th>RM</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabin standardization</td>
<td>Basic Economy</td>
<td>Main Cabin Extra relaunch</td>
<td>Load factor gap closure</td>
<td>Loyalty initiatives</td>
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<tr>
<td>DFW 900</td>
<td>Premium Economy</td>
<td>Pre-paid bags</td>
<td>Denied boarding automation</td>
<td>Sales initiatives</td>
</tr>
<tr>
<td>International restructure</td>
<td></td>
<td>Instant upsell / Basic Economy buy-up</td>
<td>Big data applications</td>
<td>Cargo initiatives</td>
</tr>
</tbody>
</table>

Approximately $1 billion expected in 2019
Future Cost Opportunities

- One Airline projects expected to achieve $1.0 billion in run rate cost saving efficiencies by 2021

### Integrated Ops
- Aircraft taxi management technologies
- Hotel booking management
- Fuel initiatives
- Flight and route planning systems
- Optimize aircraft warranty recoveries

### Customer Experience
- New airport ramp technologies
- New cargo operating system
- New airport overtime assignment system
- New IROPS voucher system
- Flight Attendant integration

### Strategic Planning
- Utilize wholly owned pilot capacity to insource flying
- Improved asset/gate utilization at hub airports
- Fleet simplification
- Further shift to dual-class regional jets

### Other
- Improve workers’ comp case management
- Health plan optimization
- Hotel procurement improvement
- Expand direct connect technology

$300 million expected in 2019
Fleet Transformation—Optimized Fleet Mix

Changes to fleet improve revenue and reduce operational complexity

- Aircraft order book now better matches deliveries with fleet needs
  - Deferred 40 Boeing 737 MAX aircraft and 22 A321neo aircraft
  - Cancelled order with Airbus for 22 A350 aircraft

- Other actions:
  - Acquired an additional 47 Boeing 787-8 and 787-9 aircraft for delivery between 2020 and 2026
  - Ordered 15 Bombardier CRJ900 regional jets for delivery in 2019 and 2020
  - Ordered an additional 30 Embraer E175 regional jets for delivery in 2019 and 2020
Fleet Transformation – Better Mix of Aircraft

- Two year seat harmonization project completes fleet transformation, resulting in a more efficient fleet better suited to the network

### 2014 Fleet Breakdown

<table>
<thead>
<tr>
<th>Aircraft Type</th>
<th>Seats</th>
<th>99 to 160 seats</th>
<th>161 to 200 seats</th>
<th>201 to 250 seats</th>
<th>&gt; 250 seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small RJs</td>
<td>328</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-Class RJs</td>
<td>238</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 2020E Fleet Breakdown

<table>
<thead>
<tr>
<th>Aircraft Type</th>
<th>Seats</th>
<th>99 to 160 seats</th>
<th>161 to 200 seats</th>
<th>201 to 250 seats</th>
<th>&gt; 250 seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small RJs</td>
<td>173</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-Class RJs</td>
<td>435</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Network growth plans enabled by fleet growth of only 15 aircraft between 2014 and 2020
Fleet Transformation– Reducing Sub-fleets

- Less fleet complexity improves customer experience and reduces operational friction

Number of Aircraft Sub-fleets 2016 – 2022E

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Sub-fleets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>52</td>
</tr>
<tr>
<td>2018</td>
<td>42</td>
</tr>
<tr>
<td>2022E</td>
<td>30</td>
</tr>
</tbody>
</table>

42% Reduction
# Product Transformation – Product Segmentation

<table>
<thead>
<tr>
<th>Basic Economy</th>
<th>Economy</th>
<th>Main Cabin Extra</th>
<th>Premium Economy</th>
<th>Domestic First</th>
<th>Business</th>
<th>Flagship First</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not changeable or upgradeable</td>
<td>Standard seats</td>
<td>More leg room</td>
<td>Distinct cabin</td>
<td>Distinct cabin</td>
<td>Private cabin</td>
<td>Exclusive</td>
</tr>
<tr>
<td>No seat selection</td>
<td>Preferred seats free snacks</td>
<td>Complimentary drink</td>
<td>More leg room</td>
<td>More leg room</td>
<td>Lie-flat seats</td>
<td>Lie-flat seats</td>
</tr>
<tr>
<td>Limited mileage</td>
<td>Wi-fi &amp; in-flight entertainment</td>
<td>Dedicated bag space</td>
<td>Better recline</td>
<td>Premium service</td>
<td>Premium service</td>
<td>All-aisle access</td>
</tr>
<tr>
<td>Board last</td>
<td></td>
<td>Meal service</td>
<td>Meal service</td>
<td>Priority privileges</td>
<td>Unique amenities</td>
<td>Premium markets</td>
</tr>
<tr>
<td>Wi-fi &amp; in-flight entertainment</td>
<td></td>
<td>Amenity kit</td>
<td>Amenity kit</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Product Transformation – Premium Product

Customers enjoy an industry-leading product

- Only major US airline with long-haul international and transcontinental First Class
- Largest widebody fleet among US carriers, with fully-flat, 100% aisle access business class seats
- First to offer premium economy, with the largest premium economy fleet
- Activated free live TV, now on 270 Aircraft
Satellite based in-flight internet enables a significantly improved user experience
- All Gogo 2Ku retrofits are complete – continue to expect all Viasat installations by summer 2019
- Streaming capable service for all onboard

American is the only US carrier with Live TV on both domestic and international flights
- Customers can also access movies and TV shows from our online library for free
- Continuing to identify ways to improve the service – recently announced the ability to stream Apple Music onboard for free

Product Transformation – Fast Wi-Fi & Live TV

Fast Wi-Fi installations expected to be complete by summer 2019
AAdvantage evolves and continues to lead the industry

- AAdvantage program can be further leveraged and monetized, helping American win customer preference in both the short and long term
- Launched new elite tier in 2018 – Platinum Pro
- More members qualifying for elite status despite higher requirements
- Revenue growth continues from co-brand card programs
- Launch of new no-fee MileUp card targets a new customer segment – extending the reach and building loyalty
Revenue opportunity post booking, pre-travel

- Accurate descriptions and pictures of the customer experience
- Consistency across distribution channels to ensure product value is correctly communicated
- Improved targeting and self-serve up-sell options – including post-purchase opportunities
- Leveraging our mobile app to reach customers at the right time
Network Transformation – Play to Our Strengths

• Uniquely positioned to grow feed at our most profitable hubs, adding high margin flying to the network

- Dallas-Fort Worth
  - Access to 15 additional gates in 2Q 2019

- Charlotte
  - Access to 5 additional gates by YE 2019 and a further 2 by 2021

- Washington, D.C.
  - 14 up-gauged gates in 2021
Network Transformation – DFW 900

**Attractive Location**
Strong and growing local market, ability to connect traffic

**Competitive Environment**
American has the most departures out of DFW

**Breadth**
25 new spokes, 1,600 additional O&Ds on peak day

**Statistics**

<table>
<thead>
<tr>
<th></th>
<th>July 2018</th>
<th>July 2019</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departures (Peak Day)</td>
<td>809</td>
<td>905</td>
<td>+96</td>
</tr>
<tr>
<td>Gates</td>
<td>119</td>
<td>134</td>
<td>+15</td>
</tr>
</tbody>
</table>
Best Liquidity Amongst Network Airlines

- American continues to maintain the highest liquidity level of the network airlines

2018 Total Available Unrestricted Liquidity\(^1\)
As a Percentage of LTM Revenues

- American: 17.2%
- Other Network Airlines: 14.4%
- Other Network Airlines: 11.0%

1/ Total liquidity consists of unrestricted cash and short term investments, plus available undrawn revolving credit facilities
2018 Financing Transactions

2018 Aircraft Financing Transactions

- 2018 mainline aircraft deliveries financed primarily through Sale Leaseback transactions at attractive pricing comparable to investment grade levels
- Refinanced ~$600 million of existing aircraft debt using the private placement and JOLCO markets, generating $22 million in NPV savings
- Continued to efficiently utilize term loan portfolio and executed two transactions last year:
  - Extended the term of its $1.9B 2013 facility to 2025 and reduced the margins by 25bps to Libor +175bps
  - Raised an incremental $500 million under the 2014 credit facility
Our Long-Term Vision

- Make Team Culture a Competitive Advantage
- Build American Airlines to Thrive Forever
- Create a World-Class Customer Experience
Looking Forward

• American achievements post merger…
  - Successful integration
  - Significant investment leading to a transformed product offering
  - Investments in our team

• …now well-positioned for future success
  - Youngest fleet of the network carriers enables efficient future growth
  - Product changes improving both customer and team member experience
  - On track to achieve more than $3.2 billion in revenue benefits and $1 billion in cost improvements by 2021
  - Completion of the re-fleeting initiative will contribute to higher free cash flow beginning in 2020
  - Network optimization around most profitable hubs designed to grow margins

• Playing the long game and building for a sustainable and successful future
Questions?