

## American Airlines Group Inc NASDAQ: AAL

### Price Performance

Price on 3/4/22	\$14.59
52-Week High/Low	\$26.09 / 14.42
Volume on 3/4/22	76,388,689
10-Day Avg. Volume	44,096,674
Price 1 Month Ago	\$16.45
1 Month Price Performance	-11.3%
Price 3 Months Ago	\$16.62
3 Month Price Performance	-12.2%
Price 6 Months Ago	\$19.37
6 Month Price Performance	-24.7%
Price 12 Months Ago	\$20.45
12 Month Price Performance	-28.7%
Market Capitalization	\$9.5 Billion
Beta	1.65

### Key Statistics (Latest 4 Quarters)

EPS Growth	83.2%
EPS Growth 3 Year, annualized	NA
EPS Growth 5 Year, annualized	NA
Sales Growth	134.0%
Asset Turnover	0.4x
Inventory Turnover	15.8x
Receivables Turnover	23.6x
Effective Tax Rate	21.8%
Total Debt to Equity	-622.4x
Interest Coverage	-0.1x
Quick Ratio	0.9x
Current Ratio	1.0x
Payout Ratio	NA
Debt to Capital	1.2x

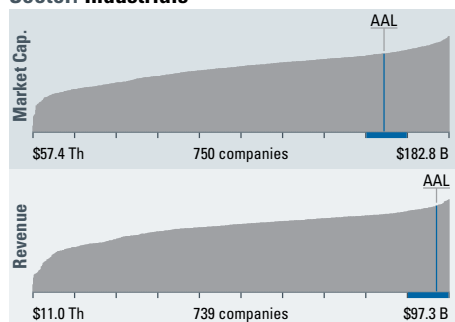
### Business Description

American Airlines Group Inc., through its subsidiaries, operates as a network air carrier.

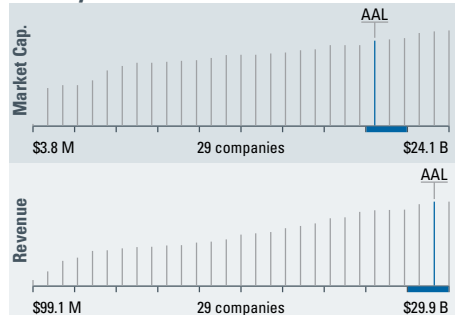
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### Company to Industry Comparisons (Using S&P GICS Groupings)

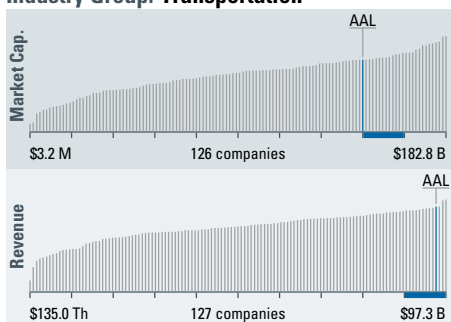
#### Sector: Industrials



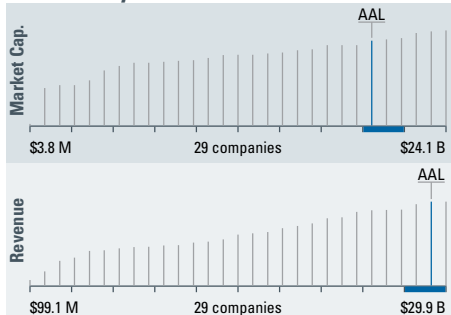
#### Industry: Airlines



#### Industry Group: Transportation



#### Sub-Industry: Airlines



### Benchmark Price Performance

Duration	Industry Group	Sub-Industry
1 Month	-0.4%	-11.2%
3 Month	-0.7%	-5.6%
6 Month	1.5%	-16.2%
12 Month	12.4%	-25.2%

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# American Airlines Group Inc NASDAQ: AAL

Mar. 5, 2022

## Price & Earnings History



## Fundamentals

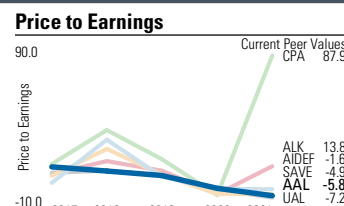
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Price/Earnings	13.6x	3.8x	9.7x	13.3x	10.6x	7.6x	-0.9x	-5.8x	--
Price/Sales	0.9x	0.6x	0.6x	0.6x	0.3x	0.3x	0.6x	0.4x	--
Price/Book Value	18.5x	4.7x	6.3x	6.3x	-87.5x	-104.1x	-1.4x	-1.6x	--
Price/Cash Flow	8.5x	2.9x	5.3x	6.3x	4.1x	3.1x	-1.5x	34.0x	--
Gross Margin	30.8%	38.0%	36.1%	33.0%	29.6%	30.0%	-28.6%	6.4%	--
Profit Margin	6.8%	18.6%	6.7%	4.5%	3.2%	3.7%	-51.2%	-6.7%	--
Sales/Employee	\$376.4 Th	\$345.9 Th	\$328.5 Th	\$333.4 Th	\$345.5 Th	\$342.3 Th	\$168.8 Th	\$242.2 Th	--
Income/Employee	\$25.4 Th	\$64.2 Th	\$21.9 Th	\$15.2 Th	\$11.0 Th	\$12.6 Th	-\$86.5 Th	-\$16.2 Th	--
Return on Equity	142.6%	135.0%	70.7%	48.9%	-835.5%	-1,428.8%	129.4%	27.2%	--
Return on Assets	6.6%	15.7%	5.2%	3.7%	2.3%	2.8%	-14.3%	-3.0%	--
PEG (Historical Growth)	-1.1x	0.2x	-0.4x	-52.3x	-0.3x	-1.0x	0.0x	-8.9x	--
Beta	2.7	3.4	3.8	3.9	1.3	1.6	1.8	1.7	--
Annual Dividend	\$0.21	\$0.45	\$0.44	\$0.42	\$0.41	\$0.42	\$0.07	\$0.00	--
Dividend Yield	0.4%	0.9%	0.9%	0.8%	1.2%	1.4%	0.6%	0.0%	--

All values in the Fundamentals table are calculated using fiscal year data unless otherwise noted

## Peer Comparison Ratios

All values are for the last fiscal year unless otherwise noted.

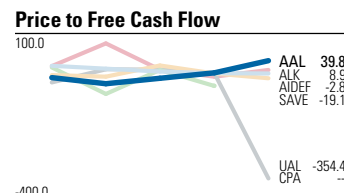
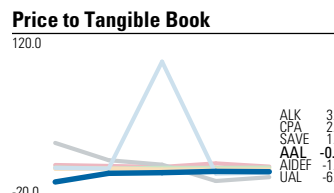
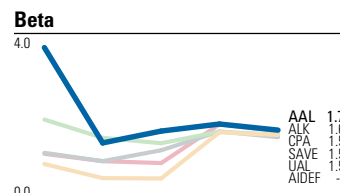
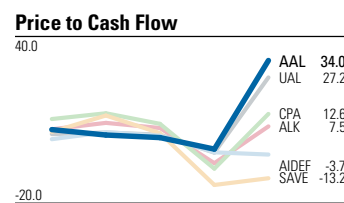
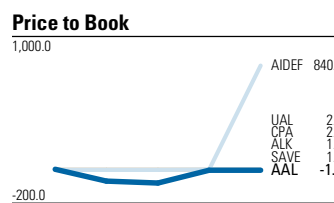
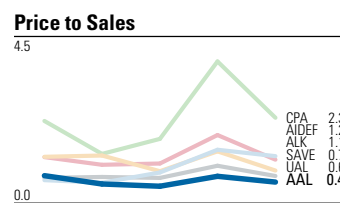
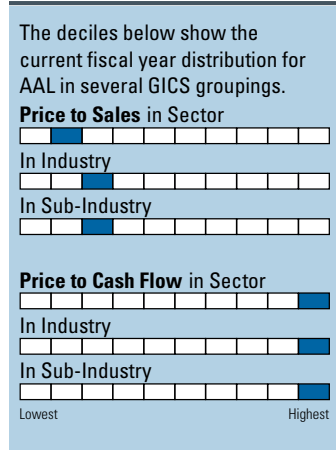
Company Name (Ticker Symbol)	P/E (3/4/22)	High P/E	Low P/E	PEG Ratio
<b>American Airlines Group Inc (AAL)</b>	<b>NA</b>	<b>-8.3</b>	<b>-4.6</b>	<b>-8.9</b>
ALASKA AIR GROUP INC (ALK)	13.1	19.8	12.3	6.0
United Airlines Holdings Inc (UAL)	NA	-10.3	-5.9	1.0
Copa Holdings SA (CPA)	78.5	103.9	68.8	-3.8
Spirit Airlines Inc (SAVE)	NA	-9.0	-4.3	-0.2
Air Canada (AIDF)	NA	-2.4	-1.4	0.0



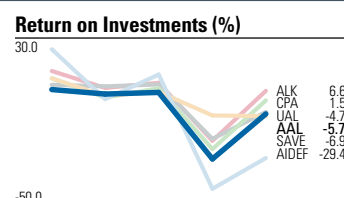
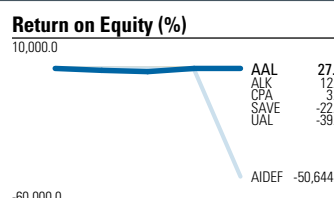
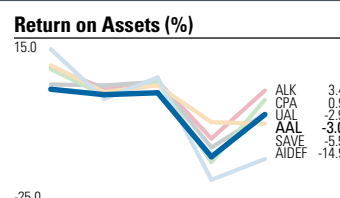
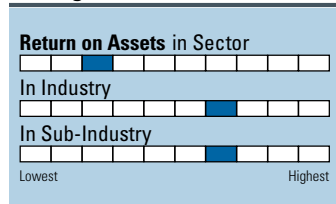
High and Low P/E are for trailing twelve months using diluted EPS excluding extraordinary items. PEG ratio is historical.

## Valuation

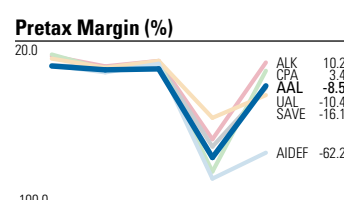
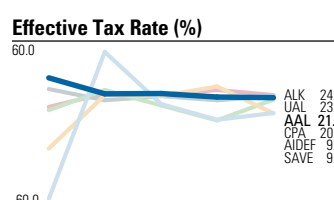
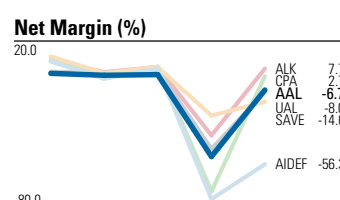
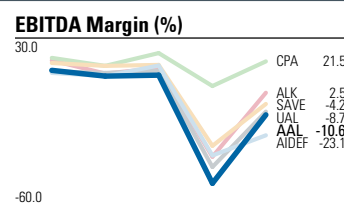
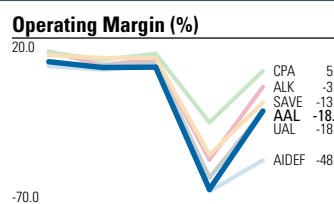
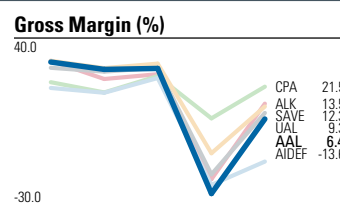
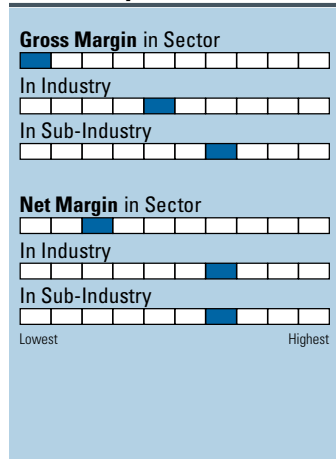
Line charts below give a 5 year history for AAL and up to 5 peers.



## Management Effectiveness



## Profitability



## Peer Comparison

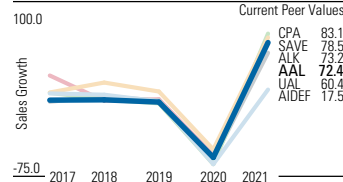
This peer comparison scatter shows a relative comparison of valuation, management effectiveness and risk for AAL and several peers.

Marker size = lower risk ■ ■ ■ ■ ■ Higher risk

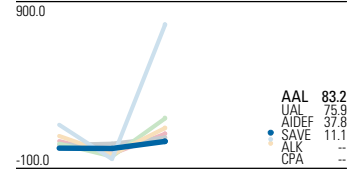


## Growth Rates

### Annual Sales Growth (%)

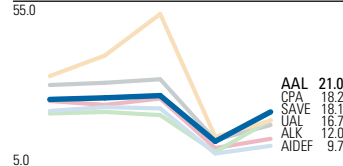


### Annual EPS Growth (%)

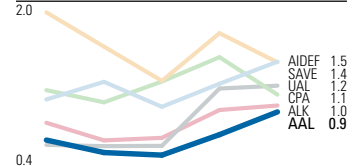


## Financial Strength

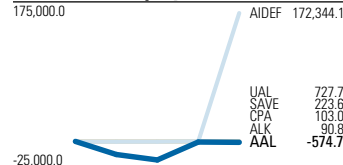
### Receivable Turnover



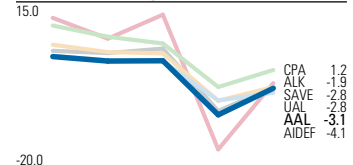
### Current Ratio



### Total Debt to Equity



### Interest Coverage



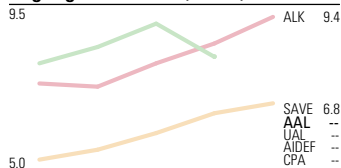
## Industry Specific Comparisons

This section compares industry specific data for AAL and 5 peers from the Airlines Industry.

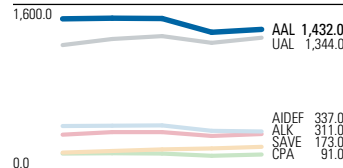
Company Name (Ticker Symbol)	Avg. Fuel Price/Gallon (\$)	Fuel Consumed	Fuel Expense (\$)	Passenger Revenue (\$)	Total Rev. per ASM (\$)	Aircraft Owned	Aircraft Leased
American Airlines Group Inc (AAL)	2.04	3.3 B	6.8 B	26.1 B	0.14	736	470
ALASKA AIR GROUP INC (ALK)	1.95	656.0 M	1.3 B	5.5 B	0.12	217	94
United Airlines Holdings Inc (UAL)	2.11	2.7 B	5.8 B	20.2 B	0.14	845	499
Copa Holdings SA (CPA)	2.14	177.4 M	383.2 M	1.4 B	0.10	NA	NA
Spirit Airlines Inc (SAVE)	2.10	435.2 M	913.9 M	3.2 B	0.08	106	67
Air Canada (AIDEF)	2.83	556.9 M	1.6 B	4.5 B	0.19	NA	NA

(Fuel Consumed is in gallons)

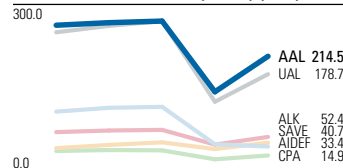
### Avg. Age of Aircraft (Years)



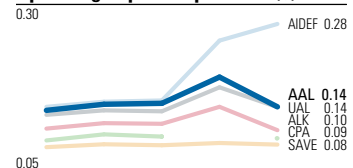
### Total Aircraft in Service



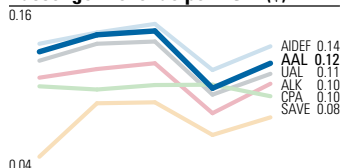
### Available Seat Miles (ASM) (Bil.)



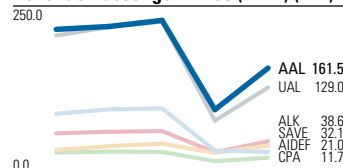
### Operating Expenses per ASM (\$)



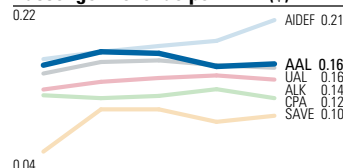
### Passenger Revenue per ASM (\$)



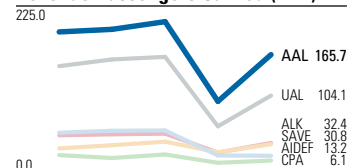
### Revenue Passenger Miles (RPM) (Bil.)



### Passenger Revenue per RPM (\$)



### Revenue Passengers Carried (Mil.)



# American Airlines Group Inc NASDAQ: AAL

## Industry Comparison

All values are for the last fiscal year unless otherwise noted.

This peer comparison table shows a list of the companies in the "Airlines" industry sorted by market capitalization.

Company Name (Ticker Symbol)	Current Market Cap. (Millions of \$)	Revenue (Millions of \$)	1 Year % Revenue Growth	1 Year % EPS Growth	Total Debt to Capital	Modified % Return on Capital	% Profit Margin
Southwest Airlines Co. (LUV)	24,087.4	15,790.0	74.5	--	0.5	-11.8	6.2
Delta Air Lines Inc (DAL)	22,091.7	29,899.0	74.9	--	0.9	-11.6	0.9
Ryanair Holdings PLC (RYAAY)	18,952.2	1,920.0	-79.4	--	0.5	-13.0	-62.1
United Airlines Holdings Inc (UAL)	11,887.1	24,634.0	60.4	75.9	0.9	-17.6	-8.0
China Southern Airlines Co Ltd (ZNH)	10,558.9	14,084.6	-36.5	--	0.7	-5.1	-11.7
<b>American Airlines Group Inc (AAL)</b>	<b>9,450.4</b>	<b>29,882.0</b>	<b>72.4</b>	<b>83.2</b>	<b>1.2</b>	<b>-21.0</b>	<b>-6.7</b>
China Eastern Airlines Corp Ltd (CEA)	6,194.7	8,936.2	-48.6	--	0.8	-8.6	-20.2
ALASKA AIR GROUP INC (ALK)	6,187.0	6,176.0	73.2	--	0.5	-4.8	7.7
Air Canada (AIDEF)	6,154.9	5,104.6	17.5	37.8	1.0	-44.6	-56.3
JetBlue Airways Corp (JBLU)	4,201.2	2,957.0	-63.5	--	0.5	-27.0	-45.8
Deutsche Lufthansa AG (DLAKY)	3,813.6	16,834.4	-59.4	--	0.9	-42.7	-48.2
Copa Holdings SA (CPA)	3,094.2	1,489.1	83.1	--	0.5	4.2	2.7
Allegiant Travel Co (ALGT)	2,830.4	990.1	-46.2	--	0.6	-7.2	-18.6
Frontier Group Holdings Inc (ULCC)	2,478.0	1,250.0	-50.2	--	0.9	-20.5	-18.0
Air France - KLM (AFLYY)	2,463.1	16,280.8	21.8	66.1	1.3	-14.9	-23.0
Spirit Airlines Inc (SAVE)	2,420.2	3,230.8	78.5	11.1	0.7	-7.5	-14.6
Controladora Vuela Compania de Aviacion SA de CV (VLRS)	1,850.8	1,105.3	-40.0	--	0.9	-12.1	-19.4
Azul SA (AZUL)	1,496.3	1,083.2	-61.9	-243.5	3.5	-191.7	-190.2
Sun Country Airlines Holdings Inc (SNCY)	1,429.0	401.5	-42.8	--	0.7	-11.4	-1.0
SkyWest Inc (SKYW)	1,287.2	2,713.5	27.6	--	0.5	-1.2	4.1
Exchange Income Corp (EIFZF)	1,185.9	856.4	-15.3	-68.7	0.6	7.3	2.4
Gol Linhas Aereas Inteligentes SA (GOL)	1,163.2	1,211.9	-64.9	-3,664.7	5.2	1,114.6	-94.0
Hawaiian Holdings Inc (HA)	861.2	1,596.6	89.0	74.3	0.8	-21.3	-9.1
Chorus Aviation Inc (CHRVF)	566.7	816.2	15.5	--	0.7	2.1	-2.0
LATAM Airlines Group SA (LTMAQ)	224.4	4,263.4	-59.1	--	1.2	-22.4	-106.6
Transat A.T. Inc (TRZBF)	145.7	99.1	-89.8	21.5	1.3	-68.5	-312.1
Mesa Air Group Inc (MESA)	144.9	503.6	-7.6	-44.9	0.6	-4.4	3.3
Harbor Diversified Inc (HRBR)	111.5	185.9	-29.5	--	0.5	1.9	21.4
ACE Aviation Holdings Inc (ACEBF)	3.8	0.0	--	0.0	0.0	--	--
International Consolidated Airlines Group SA (BAIRY)	--	9,484.0	-66.9	--	0.9	-45.7	-88.0

## Earnings History

Standard & Poor's Core Earnings is a uniform methodology for calculating operating earnings, and focuses on a company's after-tax earnings generated from its principal businesses.

Reported EPS (\$)	2014		2015		2016		2017		2018		2019		2020		2021		2022															
	0.65	1.17	1.28	0.82	1.30	2.41	2.49	5.09	1.14	1.68	1.40	0.56	0.67	1.75	1.36	-1.22	0.34	1.20	0.81	0.70	0.41	1.49	0.96	0.95	-5.26	-4.82	-4.71	-3.81	-1.97	0.03	0.25	-1.44*
S&P Operating EPS (\$)	2014		2015		2016		2017		2018		2019		2020		2021		2022															
	0.58	1.86	1.53	1.28	1.73	2.62	2.77	1.52	1.25	1.77	1.76	0.92	0.82	2.04	1.50	0.93	0.74	1.57	1.16	0.95	0.65	1.71	1.02	1.20	-2.92	-7.88	-5.52	-3.83	-4.33	-1.75	-1.02	-1.46*
Annual Earnings	2014		2015		2016		2017		2018		2019		2020		2021		2022															
Reported EPS (\$)	3.93		11.07		4.81		3.90		3.03		3.79		-18.36		-3.09		--															
S&P Operating EPS (\$)	5.25		9.12		5.71		4.88		4.43		4.57		-19.88		-8.52		--															

## Dividend Analysis

The data is not available to complete the SmartText analysis. Twenty-two of the 60 companies in the Airlines sub-industry currently pay a dividend. The list below shows which of those 22 companies have historically had the largest annual dividend payments. (The per share value shown is the indicated annual dividend. All other data in this table is from the last fiscal year).

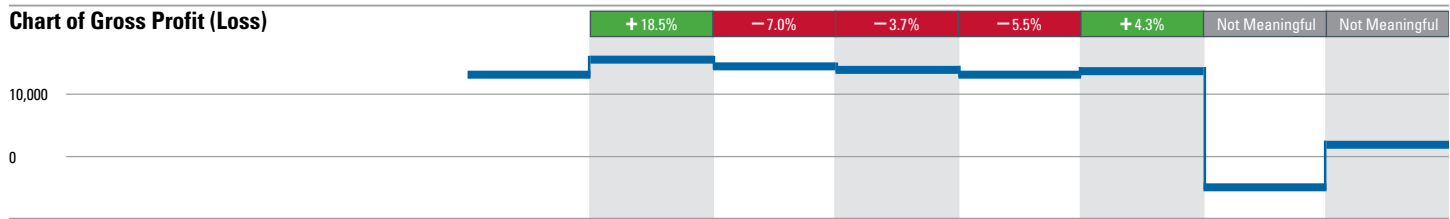
Company Name (Ticker Symbol)	Annual Dividend (\$ per share)	Payout Ratio (%)	Shares Outstanding (Millions)	Annual Cash Dividends (Millions of \$)
Copa Holdings SA (CPA)	3.20	--	41.9	--
Copa Holdings SA (CPAN)	3.20	--	41.9	--
Allegiant Travel Co (ALGT)	2.80	-0.1	16.4	11.4
Exchange Income Corp (EIF)	2.28	2.1	35.5	59.6
Exchange Income Corp (EIFZF)	2.28	2.1	35.5	59.6
Delta Air Lines Inc (DAL)	1.61	0.0	640.0	0.0
ALASKA AIR GROUP INC (ALK)	1.50	0.0	125.9	0.0
International Consolidated Airlines Group SA (ICAGY)	1.48	--	2,483.2	63.9
Deutsche Lufthansa AG (DLAKY)	0.90	0.0	597.7	0.0
Southwest Airlines Co. (LUV)	0.72	0.0	592.1	0.0
SkyWest Inc (SKYW)	0.56	0.0	50.4	0.0
Chorus Aviation Inc (CHR)	0.48	0.0	177.7	0.0
Hawaiian Holdings Inc (HA)	0.48	0.0	51.2	0.0
Chorus Aviation Inc (CRHVF)	0.48	0.0	177.7	0.0
Chorus Aviation Inc (CHRRF)	0.48	0.0	177.7	0.0
Chorus Aviation Inc (CHRVF)	0.48	0.0	177.7	0.0
American Airlines Group Inc (AAL)	0.40	0.0	647.7	0.0
American Airlines Group Inc (AAL)	0.40	0.0	647.7	0.0
ACE Aviation Holdings Inc (ACAVF)	0.37	0.0	32.5	0.0
China Southern Airlines Co Ltd (ZNH)	0.36	0.0	306.6	0.0
China Eastern Airlines Corp Ltd (CEA)	0.35	-0.1	327.6	124.6
LATAM Airlines Group SA (LTMAQ)	0.09	0.0	606.4	0.6

## Annual Income Statement

Change vs. Previous Year

**Summary:** Over the last year, AAL's revenue experienced higher growth than nearly any other company in the Airlines group. During fiscal year 2021, they recorded \$29.9B as revenues which was a 72.4% improvement from the previous year.

### Chart of Gross Profit (Loss)



Millions of \$US

	2014	2015	2016	2017	2018	2019	2020	2021
Sales/Turnover (Net)	\$42,650	\$40,990	\$40,180	\$42,207	\$44,541	\$45,768	\$17,337	\$29,882
Cost of Goods Sold	29,511	25,416	25,695	28,262	31,365	32,027	22,290	27,969
Gross Profit (Loss)	13,139	15,574	14,485	13,945	13,176	13,741	(4,953)	1,913
Selling, General and Administrative Expenses	6,554	6,683	6,652	7,136	7,570	7,717	4,069	5,092
Operating Income Before Depreciation	6,585	8,891	7,833	6,809	5,606	6,024	(9,022)	(3,179)
Amortization of Intangibles	81	55	76	44	41	41	41	41
Depreciation and Amortization - Total	1,512	1,607	1,826	2,017	2,157	2,318	2,365	2,335
Operating Income After Depreciation	5,073	7,284	6,007	4,792	3,449	3,706	(11,387)	(5,514)
Interest and Related Expense	915	932	1,036	1,102	1,056 <sup>QA</sup>	1,095 <sup>QA</sup>	1,227 <sup>QA</sup>	1,800 <sup>QA</sup>
Interest Income - Total	31	39	63	94	118	127	41	18
Other Non-Operating Income	(21)	(101)	37	34	175	(46)	154	322
Nonoperating Income (Expense) - Total	10	(62)	100	128	293	81	195	340
Special Items	(956)	(1,674)	(772)	(734)	(802)	(436)	966	4,426
Pretax Income	3,212	4,616	4,299	3,084	1,884	2,256	(11,453)	(2,548)
Income Taxes - State	--	--	--	24	3	2	0	0
Income Taxes - Foreign	--	--	--	0	29	8	0	0
Deferred Taxes-Federal	--	--	--	1,085	390	498	(2,335)	(508)
Deferred Taxes-State	--	--	--	56	50	62	(233)	(47)
Income Taxes - Deferred	346	(3,014)	1,611	1,141	440	560	(2,568)	(555)
Income Taxes - Total	330	(2,994)	1,623	1,165	472	570	(2,568)	(555)
Minority Interest - Income Account	CF	CF	CF	CF	CF	CF	CF	CF
Income Before Extraordinary Items	2,882	7,610	2,676	1,919	1,412	1,686	(8,885)	(1,993)
Net Income (Loss)	2,882	7,610	2,676	1,919	1,412	1,686	(8,885)	(1,993)

### EARNINGS PER SHARE - DETAIL (EPS data in \$US, Shares in Millions)

EPS - Basic Excluding Extraordinary Items	4.02 <sup>BJ</sup>	11.39 <sup>BJ</sup>	4.85 <sup>BJ</sup>	3.92 <sup>BJ</sup>	3.04 <sup>BJ</sup>	3.80 <sup>BJ</sup>	(18.36) <sup>BJ</sup>	(3.09) <sup>BJ</sup>
EPS - Basic Including Extraordinary Items	4.02 <sup>BJ</sup>	11.39 <sup>BJ</sup>	4.85 <sup>BJ</sup>	3.92 <sup>BJ</sup>	3.04 <sup>BJ</sup>	3.80 <sup>BJ</sup>	(18.36) <sup>BJ</sup>	(3.09) <sup>BJ</sup>
EPS - Diluted Excluding Extraordinary Items	3.93	11.07	4.81	3.90	3.03	3.79	(18.36)	(3.09)
EPS - Diluted Including Extraordinary Items	3.93	11.07	4.81	3.90	3.03	3.79	(18.36)	(3.09)
EPS from Operations - Basic	5.37 <sup>RC</sup>	9.38	5.75	4.90	4.45 <sup>RC</sup>	4.58 <sup>NR</sup>	(19.88) <sup>NR</sup>	(8.52) <sup>NR</sup>
EPS from Operations - Diluted	5.25 <sup>RC</sup>	9.12	5.71	4.88	4.43 <sup>RC</sup>	4.57 <sup>NR</sup>	(19.88) <sup>NR</sup>	(8.52) <sup>NR</sup>
Dilution Adjustment	3	0	0	0	0	0	0	0
Common Shares Used to Calculate EPS Basic	717	668	552	489	464	443	484	644
Common Shares Used to Calculate EPS Diluted	734	687	556	492	466	444	484	644
Dividends Common/Ordinary	148	278	224	198	188	180	43	0

<sup>BJ</sup> Includes equity in unconsolidated subsidiaries

<sup>NR</sup> Statutory rate used in calculation

<sup>QA</sup> Net of interest income, interest capitalized, or AFUDC

<sup>RC</sup> Earnings per Share is a calculation and may disagree with company reports.

Statutory rate used in calculation

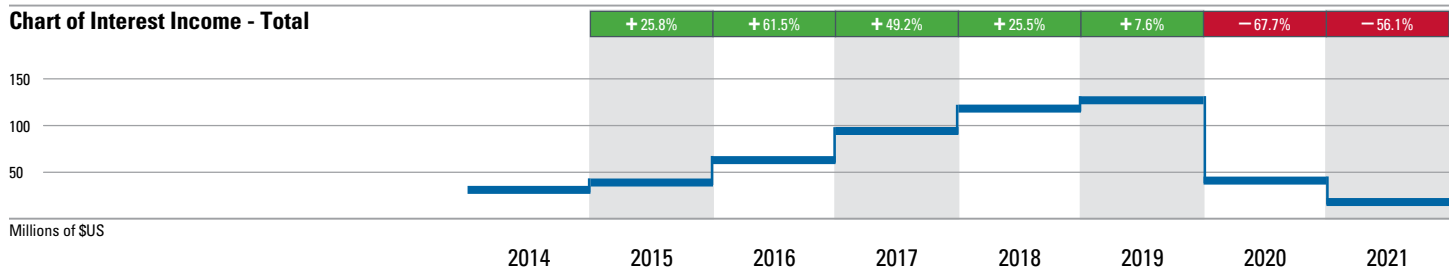
CF Combined Figure

## Annual Income Statement, continued

Change vs. Previous Year

**Summary:** In the last five years, the earnings at AAL have had above average volatility for the Airlines industry and the company was unable to consistently turn a profit. The most recent earnings were a loss of \$3.09 per share, an increase of 83.2% over the previous year.

### Chart of Interest Income - Total



### SUPPLEMENTAL ITEMS

Interest Income - Total	\$31	\$39	\$63	\$94	\$118	\$127	\$41	\$18
Interest Capitalized	61	52	45	49	CF	CF	CF	CF

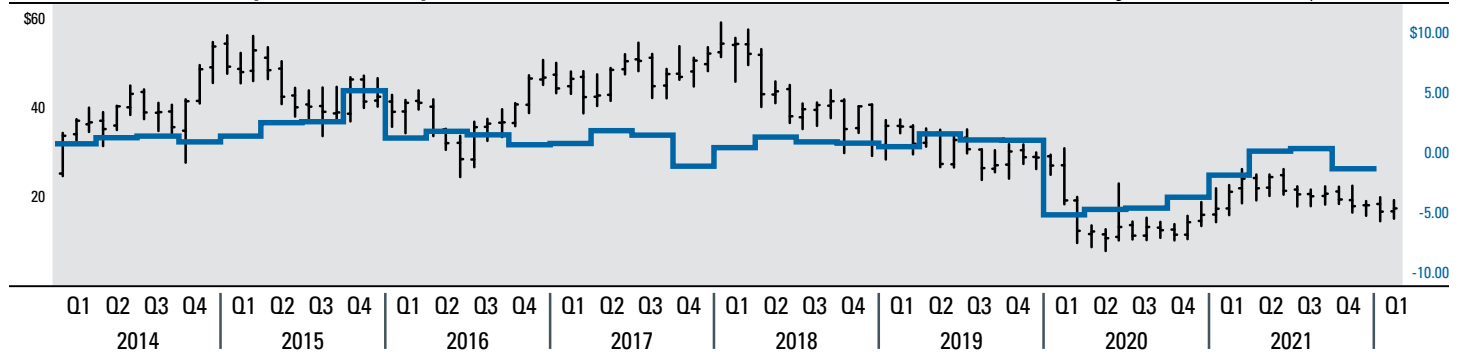
### SPECIAL ITEMS - BREAKOUT

Acquisition/Merger Pretax	(818)	(967)	(691)	CF	(268)	(191)	--	--
Gain/Loss on Sale of Assets Pretax	317	(16)	--	--	--	--	--	--
Impairment of Goodwill Pretax	--	--	--	--	(26)	--	--	--
Settlement (Litigation/Insurance) Pretax	--	66	--	--	(45)	53	--	19
Restructuring Costs Pretax	--	--	(25)	--	(480)	(282)	(1,426)	(170)
Writedowns Pretax	--	--	--	--	--	--	(1,601)	(27)
Extinguishment of Debt Pretax	(56)	(24)	(49)	CF	(13)	(16)	CF	CF
Special Items - Other Pretax	(399)	(733)	(7)	CF	30	0	CF	CF

CF Combined Figure

### Price Chart with Quarterly EPS (—) Overlay

Earnings data is shown on calendar quarters for this chart.



**Additional Summary Items:** Although AAL's three- year revenue growth is higher than nearly any other company in the Airlines group, it trades at a price below book value. Additionally, the Price to Book value was among the lowest in the industry.

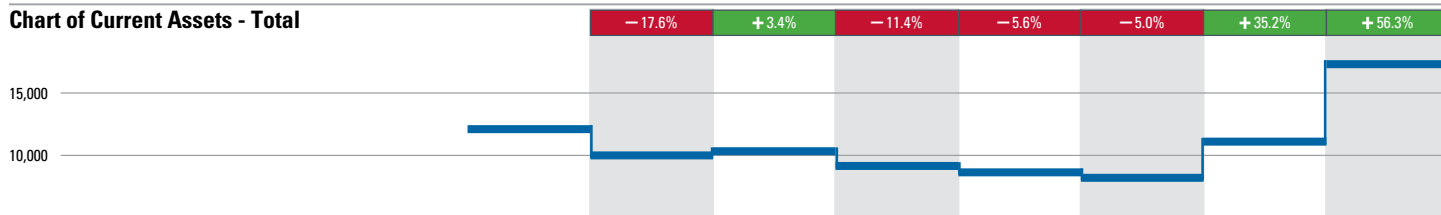


## Annual Balance Sheet

Change vs. Previous Year

**Summary:** Although AAL employs a capital structure that appears to be appropriate for its Airlines group, there may be some concern over its ability to service its debt; operating profits and cash on hand are not currently robust enough to cover interest payments. Its capital resources total \$38.8B, of which -18.9% is equity and +118.9% is attributed to debt.

### Chart of Current Assets - Total



Millions of \$US

	2014	2015	2016	2017	2018	2019	2020	2021
<b>CURRENT ASSETS</b>								
Cash	994	390	322	295	275	280	245	273
Short-Term Investments	7,083	6,559	6,675	5,089	4,639	3,704	7,228	13,148
Cash and Short-Term Investments	8,077	6,949	6,997	5,384	4,914	3,984	7,473	13,421
Receivables - Trade	1,771	1,425	1,594	1,752	1,706 <sup>AC</sup>	1,750	1,342	1,505
Receivables - Total	1,771	1,425	1,594	1,752	1,706	1,750	1,342	1,505
Inventories - Total	1,004	863	1,094	1,359	1,522	1,851	1,614	1,795
Prepaid Expense and Accrued Income	CF	CF	CF	CF	CF	CF	CF	CF
Current Assets - Other (Sundry)	1,260	748	639	651	495	621	666	615
Current Assets - Other - Total	1,260	748	639	651	495	621	666	615
Current Assets - Total	12,112	9,985	10,324	9,146	8,637	8,206	11,095	17,336
<b>NON-CURRENT ASSETS</b>								
Property Plant and Equipment - Total (Gross)	35,343	40,654	45,353	49,802	60,692	62,391	56,495	55,558
Depreciation, Depletion, and Amortization (Accumulated)	(12,259) <sup>TS</sup>	(13,144) <sup>TS</sup>	(14,194) <sup>TS</sup>	(15,646) <sup>TS</sup>	(17,443) <sup>TS</sup>	(18,659) <sup>TS</sup>	(16,757) <sup>TS</sup>	(18,171) <sup>TS</sup>
Property Plant and Equipment - Total (Net)	23,084	27,510	31,159	34,156	43,249 <sup>AC</sup>	43,732	39,738	37,387
Investment and Advances - Equity	CF	CF	CF	CF	--	--	--	--
Investment and Advances - Other	0	0	0	0	189	204	161	239
Goodwill	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091
Intangibles - Other	2,240	2,249	2,173	2,203	2,137	2,084	2,029	1,988
Intangible Assets - Total	6,331	6,340	6,264	6,294	6,228	6,175	6,120	6,079
Deferred Charges	CF	CF	CF	CF	CF	CF	CF	0
Assets - Other (Sundry)	2,244	4,580	3,527	1,800	2,277	1,678	4,894	5,426
Assets - Other - Total	2,244	4,580	3,527	1,800	2,277	1,678	4,894	5,426
Assets - Total	43,771	48,415	51,274	51,396	60,580	59,995	62,008	66,467
<b>CURRENT LIABILITIES</b>								
Long-Term Debt Due In One Year	1,708	2,231	1,855	2,554	4,948	4,569	4,448	3,996
Debt in Current Liabilities	1,708	2,231	1,855	2,554	4,948	4,569	4,448	3,996
Account Payable/Creditors - Trade	1,377	1,563	1,592	1,688	1,773	2,062	1,196	1,772
Accrued Expenses	3,291	3,539	3,724	3,953	3,769	3,679	4,135	4,255
Current Liabilities - Other (Sundry)	7,059	6,272	6,701	6,769	7,606	8,001	6,790	8,983
Current Liabilities - Other	10,350	9,811	10,425	10,722	11,375	11,680	10,925	13,238
Current Liabilities - Total	13,435	13,605	13,872	14,964	18,096	18,311	16,569	19,006
<b>LONG-TERM LIABILITIES</b>								
Long-Term Debt - Total	16,196	18,330	22,489	22,511	29,081	28,875	36,573	42,181
Deferred Taxes - Balance Sheet	CF	0	11	33	10	29	9	9
Deferred Taxes and Investment Tax Credit	CF	0	11	33	10	29	9	9
Liabilities - Other - Total	12,119	10,845	11,117	9,962	13,562	12,898	15,724	12,611
Liabilities - Total	41,750	42,780	47,489	47,470	60,749	60,113	68,875	73,807
Minority Interest - Balance Sheet	CF	0	0	0	0	0	0	0

<sup>AC</sup> Restated for/reflects an accounting change

CF Combined Figure

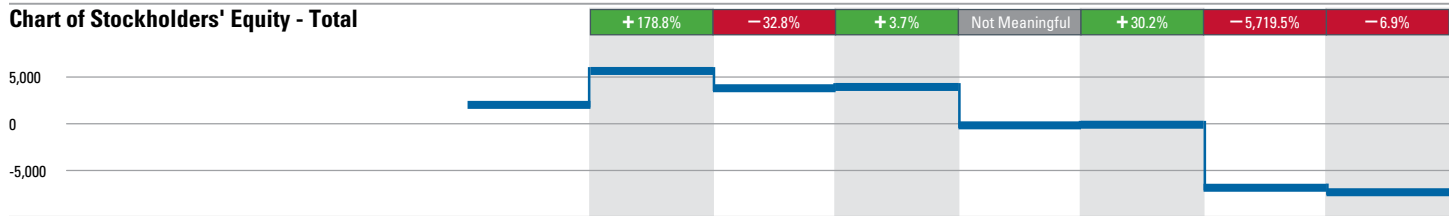
<sup>TS</sup> Computed using straight-line method

Annual Balance Sheet, continued

Change vs. Previous Year

Summary: AAL's capital structure consists of little or no debt.

Chart of Stockholders' Equity - Total



Millions of \$US

	2014	2015	2016	2017	2018	2019	2020	2021
<b>SHAREHOLDERS' EQUITY</b>								
Common/Ordinary Stock (Capital)	7	6	5	5	5	4	6	6
Capital Surplus/Share Premium Reserve	15,135	11,591	7,223	5,714	4,964	3,945	6,894	7,234
Retained Earnings	(13,121)	(5,962)	(3,443)	(1,793)	(5,138)	(4,067)	(13,767)	(14,580)
Common/Ordinary Equity - Total	2,021	5,635	3,785	3,926	(169)	(118)	(6,867)	(7,340)
Stockholders' Equity - Total	2,021	5,635	3,785	3,926	(169)	(118)	(6,867)	(7,340)
Liabilities and Stockholders' Equity - Total	43,771	48,415	51,274	51,396	60,580	59,995	62,008	66,467
Common Shares Outstanding (Millions)	697	625	507	476	461	428	621	648

DEBT COMPONENTS

Debt - Capitalized Lease Obligations	CF <sup>IB</sup>	CF <sup>IB</sup>	CF <sup>IB</sup>	CF <sup>IB</sup>	694 <sup>IB</sup>	670 <sup>IB</sup>	572 <sup>IB</sup>	737 <sup>IB</sup>
Debt - Senior Convertible	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	1,000 <sup>IB</sup>	1,000 <sup>IB</sup>
Debt - Convertible	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	0 <sup>IB</sup>	1,000 <sup>IB</sup>	1,000 <sup>IB</sup>
Debt - Debentures	1,100 <sup>IB</sup>	1,080 <sup>IB</sup>	891 <sup>IB</sup>	857 <sup>IB</sup>	798 <sup>IB</sup>	754 <sup>IB</sup>	1,064 <sup>IB</sup>	1,129 <sup>IB</sup>
Debt - Notes	1,250 <sup>IB</sup>	5,933 <sup>IB</sup>	7,093 <sup>IB</sup>	7,009 <sup>IB</sup>	6,310 <sup>IB</sup>	5,977 <sup>IB</sup>	11,132 <sup>IB</sup>	15,196 <sup>IB</sup>
Other Long-Term Debt	15,613 <sup>IB</sup>	13,794 <sup>IB</sup>	16,589 <sup>IB</sup>	17,435 <sup>IB</sup>	26,449 <sup>IB</sup>	26,254 <sup>IB</sup>	28,002 <sup>IB</sup>	28,573 <sup>IB</sup>

DEBT MATURITY TABLE

Debt - Maturing 1st Year	1,708	2,231	1,855	2,554	4,948	4,569	4,448	3,996
Debt - Maturing 2nd Year	1,662	1,598	2,454	2,868	2,440 <sup>EA</sup>	3,636 <sup>EA</sup>	2,560 <sup>EA</sup>	4,350 <sup>EA</sup>
Debt - Maturing 3rd Year	1,338	2,134	2,758	4,069	3,529 <sup>EA</sup>	1,683 <sup>EA</sup>	4,278 <sup>EA</sup>	3,647 <sup>EA</sup>
Debt - Maturing 4th Year	1,879	3,378	3,922	2,856	1,468 <sup>EA</sup>	4,182 <sup>EA</sup>	4,523 <sup>EA</sup>	9,362 <sup>EA</sup>
Debt - Maturing 5th Year	4,900	3,587	2,681	1,288	3,999 <sup>EA</sup>	1,637 <sup>EA</sup>	8,009 <sup>EA</sup>	4,499 <sup>EA</sup>

SUPPLEMENTAL

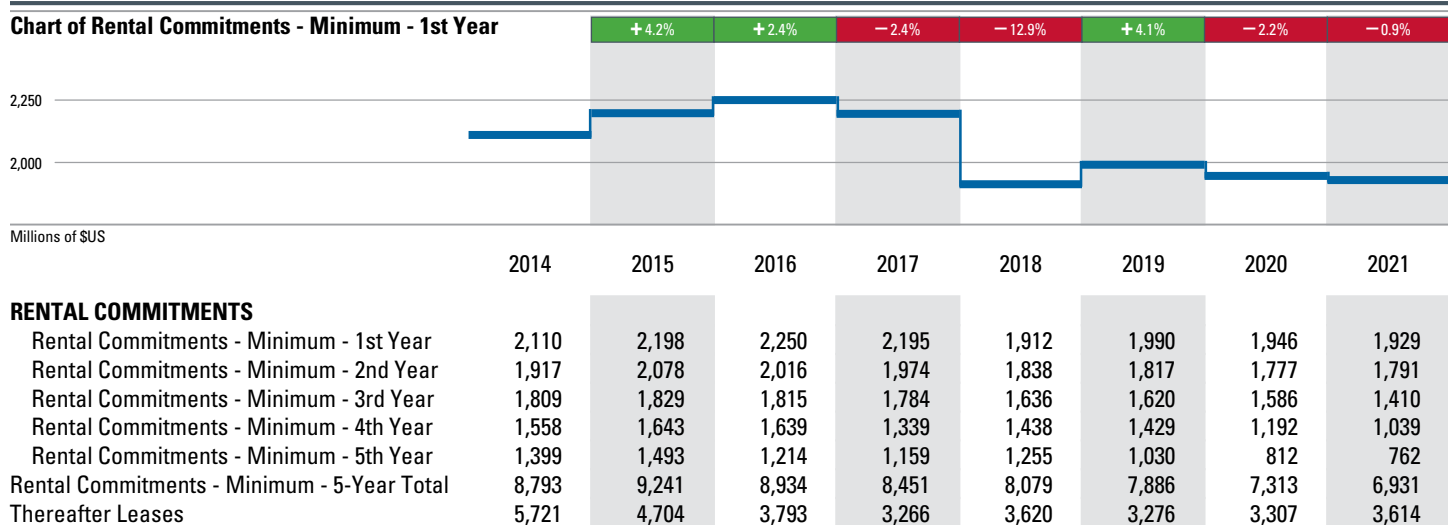
Pension Expense	38	29	155	106	(59)	68	(187)	(314)
Projected Pension Benefit Obligation	17,594	16,395	17,238	18,275	16,378	18,358	19,812	18,910
Pension Plan Assets	10,986	9,707	10,017	11,395	10,053	12,897	13,557	14,691
Accumulated Pension Benefit Obligation	17,548	16,357	17,197	18,235	--	--	--	--
Pension Plan Status - Overfunded (Underfunded)	(6,562)	(6,650)	(7,180)	(6,840)	--	--	--	--
Deferred Revenue - Current	7,059	6,272	6,701	6,769	7,606	8,001	6,790	8,983
Deferred Revenue - Long-Term	CF	CF	CF	CF	5,272	5,422	7,162	6,239
Debt - Consolidated Subsidiary	--	18,826	--	--	--	--	--	--
Debt - Mortgages and Other Secured	16,713	18,811	22,594	23,787	23,445	23,276	28,755	31,785
Debt - Unamortized Debt Discount and Other	(59)	(246)	(229)	(236)	(222)	(211)	(749)	(458)
Long-term Debt - Tied to Prime	6,455 <sup>IB</sup>	7,831 <sup>IB</sup>	10,171 <sup>IB</sup>	10,040 <sup>IB</sup>	-- <sup>IB</sup>	-- <sup>IB</sup>	-- <sup>IB</sup>	10,900 <sup>IB</sup>

<sup>EA</sup> Debt commitments include interest on Capitalized Lease Obligations.

<sup>IB</sup> Components include current portion of long-term debt and the components of long-term debt and debt tied to prime include unamortized debt discount or premium.

CF Combined Figure

Annual Balance Sheet, continued

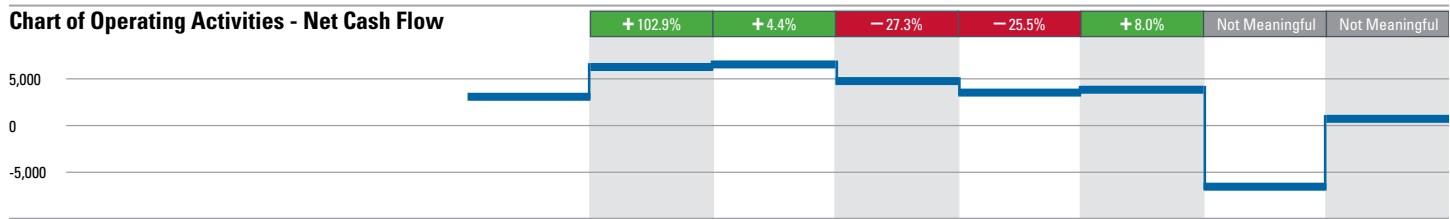


## Annual Cash Flow

Change vs. Previous Year

**Summary:** AAL generates more sales from the use of its assets than nearly any other company in the Airlines group. This is evidenced by its 2021 Total Asset Turnover of 0.4x.

### Chart of Operating Activities - Net Cash Flow



Millions of US\$

	2014	2015	2016	2017	2018	2019	2020	2021
<b>OPERATING ACTIVITIES</b>								
Income Before Extraordinary Items	\$2,882	\$7,610	\$2,676	\$1,919	\$1,412	\$1,686	(\$8,885)	(\$1,993)
Depreciation and Amortization	1,513	1,609	1,818	2,017	2,159	2,318	2,370	2,335
Deferred Taxes	346	(3,014)	1,611	1,141	440	560	(2,568)	(555)
Equity in Net Loss (Earnings)	CF	CF	CF	CF	CF	CF	CF	CF
Sale of PP&E and Investments - (Gain) Loss	0	0	0	0	0	(112)	(95)	(22)
Funds from Operations - Other excluding Option Tax Benefit	(785)	224	133	(209)	(387)	(1,000)	1,409	(349)
Funds from Operations - Other	(785)	224	133	(209)	(387)	(1,000)	1,409	(349)
Accounts Receivable - Decrease (Increase)	(160)	352	(160)	(190)	222	73	538	(304)
Inventory - Decrease (Increase)	CF	CF	CF	CF	CF	CF	CF	CF
Accounts Payable and Accrued Liabilities - Increase (Decrease)	110	173	307	299	(147)	327	(626)	461
Assets and Liabilities - Other (Net Change)	(826)	(705)	139	(233)	(166)	(37)	1,314	1,131
Operating Activities - Net Cash Flow	3,080	6,249	6,524	4,744	3,533	3,815	(6,543)	704
<b>INVESTING ACTIVITIES</b>								
Increase in Investments	0	0	0	203	0	0	0	28
Sale of Investments	0	52	0	0	207	0	41	5
Short-Term Investments - Change	2,060	470	(92)	1,601	365	957	(3,378)	(5,932)
Capital Expenditures	5,311	6,151	5,731	5,971	3,745	4,268	1,958	412 <sup>QB</sup>
Sale of Property, Plant, & Equipment	33	35	123	947	1,207	904	1,016	374
Investing Activities - Other	307	0	2	0	(7)	164	(63)	10
Investing Activities - Net Cash Flow	(2,911)	(5,594)	(5,698)	(3,626)	(1,973)	(2,243)	(4,342)	(5,983)
<b>FINANCING ACTIVITIES</b>								
Sale of Common and Preferred Stock	10	0	0	0	0	0	2,970	460
Purchase of Common and Preferred Stock	1,062	3,846	4,500	1,615	837	1,097	173	18
Cash Dividends	144	278	224	198	186	178	43	0
Long-Term Debt - Issuance	3,302	5,009	7,701	3,058	2,354	3,960	11,780	12,190
Long-Term Debt - Reduction	3,132	2,153	3,827	2,332	2,941	4,190	3,535	7,343
Changes in Current Debt	CF	CF	CF	CF	CF	CF	CF	CF
Financing Activities - Other	711	9	(44)	(58)	(62)	(63)	(5)	(1)
Financing Activities - Net Cash Flow	(315)	(1,259)	(894)	(1,145)	(1,672)	(1,568)	10,994	5,288
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>								
Cash and Cash Equivalents - Increase (Decrease)	(146)	(604)	(68)	(27)	(112)	4	109	9
<b>SUPPLEMENTAL ITEMS</b>								
Interest Paid - Net	814	873	964	1,040	1,091	1,111	944	1,632
Income Taxes Paid	7	20	16	20	18	8	6	3

<sup>QB</sup> Net of current year's sales, retirements, and/or disposals

CF Combined Figure

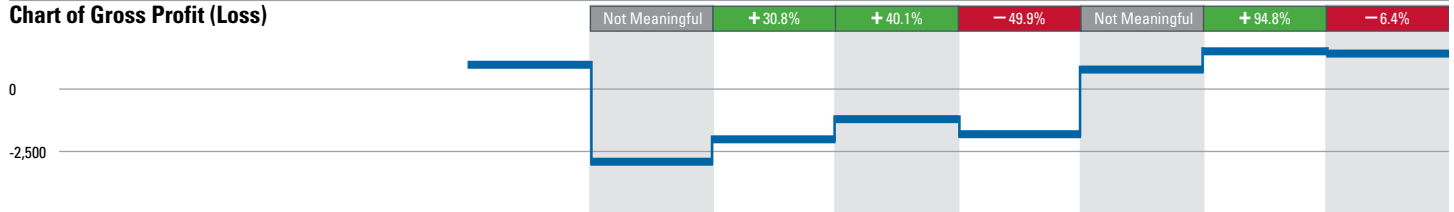
**Additional Summary Items:** AAL is less efficient at collecting its accounts receivable than nearly any other company in the Airlines group. In 2021, the average number of days its accounts receivable were outstanding was 18. However, this was -9.87 days faster than the accounts receivables collection during the previous year.

During 2021, AAL earned \$342.0M from its investing activities. This was more than almost every other company in the Airlines group. Additionally, 274.0% of its total cash flow came from the selling of Property, Plant, or Equipment.

Quarterly Income Statement

Change vs. Previous Year

Chart of Gross Profit (Loss)



Millions of \$US

Quarter Ending on	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21
Sales/Turnover (Net)	\$8,515	\$1,622	\$3,172	\$4,028	\$4,008	\$7,478	\$8,969	\$9,427
Cost of Goods Sold	7,541 <sup>AC</sup>	4,538 <sup>AC</sup>	5,191 <sup>AC</sup>	5,237 <sup>AC</sup>	5,820	6,697	7,448	8,004
Gross Profit (Loss)	974	(2,916)	(2,019)	(1,209)	(1,812)	781	1,521	1,423
Selling, General and Administrative Expenses	1,655	657	795	745	867	1,235	1,427	1,563
Operating Income Before Depreciation	(681)	(3,573)	(2,814)	(1,954)	(2,679)	(454)	94	(140)
Depreciation and Amortization - Total	643	584	577	561	559	559	557	660
Operating Income After Depreciation	(1,324)	(4,157)	(3,391)	(2,515)	(3,238)	(1,013)	(463)	(800)
Interest and Related Expense	257 <sup>QA</sup>	255 <sup>QA</sup>	339 <sup>QA</sup>	376 <sup>QA</sup>	371 <sup>QA</sup>	485 <sup>QA</sup>	476 <sup>QA</sup>	468 <sup>QA</sup>
Nonoperating Income (Expense) - Total	(84)	81	116	82	139	53	90	58
Special Items	(1,225)	1,672	519	CF	1,897	1,454	1,056	19
Pretax Income	(2,890)	(2,659)	(3,095)	(2,809)	(1,573)	9	207	(1,191)
Income Taxes - Deferred	AF	AF	AF	(2,568)	AF	AF	AF	(555)
Income Taxes - Total	(649)	(592)	(696)	(631)	(323)	(10)	37	(259)
Minority Interest - Income Account	CF	CF	CF	CF	CF	CF	CF	CF
Income Before Extraordinary Items	(2,241)	(2,067)	(2,399)	(2,178)	(1,250)	19	170	(932)
Net Income (Loss)	(2,241)	(2,067)	(2,399)	(2,178)	(1,250)	19	170	(932)

EARNINGS PER SHARE - DETAIL (EPS data in \$US, Shares in Millions)

EPS - Basic Excluding Extraordinary Items	(5.26)	(4.82)	(4.71)	(3.81)	(1.97)	0.03	0.26	(1.44)
EPS - Basic Including Extraordinary Items	(5.26)	(4.82)	(4.71)	(3.81)	(1.97)	0.03	0.26	(1.44)
EPS - Diluted Excluding Extraordinary Items	(5.26)	(4.82)	(4.71)	(3.81)	(1.97)	0.03	0.25	(1.44)
EPS - Diluted Including Extraordinary Items	(5.26)	(4.82)	(4.71)	(3.81)	(1.97)	0.03	0.25	(1.44)
EPS from Operations - Basic	(2.92) <sup>NR</sup>	(7.88) <sup>NR</sup>	(5.52) <sup>NR</sup>	(3.83) <sup>NR</sup>	(4.33) <sup>NR</sup>	(1.75) <sup>NR</sup>	(1.02) <sup>NR</sup>	(1.46) <sup>NR</sup>
EPS from Operations - Diluted	(2.92) <sup>NR</sup>	(7.88) <sup>NR</sup>	(5.52) <sup>NR</sup>	(3.83) <sup>NR</sup>	(4.33) <sup>NR</sup>	(1.75) <sup>NR</sup>	(1.02) <sup>NR</sup>	(1.46) <sup>NR</sup>
Dilution Adjustment	0	0	0	0	0	0	14	0
Common Shares Used to Calculate EPS Basic	426 <sup>ZR</sup>	429 <sup>ZR</sup>	509 <sup>ZR</sup>	572 <sup>ZR</sup>	635 <sup>ZR</sup>	644 <sup>ZR</sup>	649 <sup>ZR</sup>	649 <sup>ZR</sup>
Common Shares Used to Calculate EPS Diluted	426 <sup>ZR</sup>	429 <sup>ZR</sup>	509 <sup>ZR</sup>	572 <sup>ZR</sup>	635 <sup>ZR</sup>	656 <sup>ZR</sup>	721 <sup>ZR</sup>	649 <sup>ZR</sup>

12 MONTH MOVING EPS

EPS Basic Excl. Extraordinary Items	(1.86)	(8.17)	(13.81)	(18.36)	(15.31)	(10.44)	(5.46)	(3.09)
EPS Diluted Excl. Extraordinary Items	(1.86)	(8.17)	(13.81)	(18.36)	(15.31)	(10.44)	(5.46)	(3.09)
EPS from Operations	1.02	(8.60)	(15.15)	(19.88)	(21.56)	(15.42)	(10.90)	(8.52)
EPS from Operations - Diluted	1.01	(8.60)	(15.15)	(19.88)	(21.56)	(15.42)	(10.90)	(8.52)

<sup>AC</sup> Restated for/reflects an accounting change

<sup>NR</sup> Statutory rate used in calculation

<sup>QA</sup> Net of interest income, interest capitalized, or AFUDC

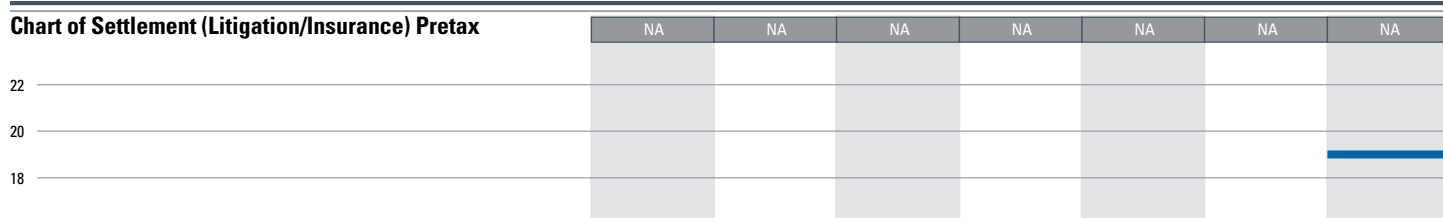
<sup>ZR</sup> Weighted Average Shares are Reported

AF Annual Figure

CF Combined Figure

Quarterly Income Statement, continued

Change vs. Previous Year



Millions of \$US

SPECIAL ITEMS - BREAKOUT

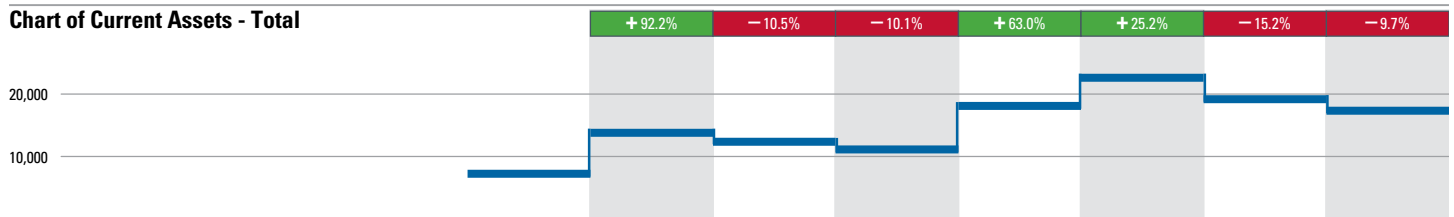
Settlement (Litigation/Insurance) Pretax	--	--	--	--	--	--	--	\$19
Restructuring Costs Pretax	(205)	(346)	(875)	0	(170)	0	0	0
Writedowns Pretax	(837)	(23)	(741)	0	(27)	0	0	0
Extinguishment of Debt Pretax	CF	CF	CF	CF	CF	CF	CF	CF
Special Items - Other Pretax	CF	CF	CF	CF	CF	CF	CF	CF

CF Combined Figure

Quarterly Balance Sheet

Change vs. Previous Year

Chart of Current Assets - Total



Millions of \$US

CURRENT ASSETS

Quarter Ending on	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21
Cash and Short-Term Investments	\$3,733	\$10,352	\$8,792	\$7,473	\$14,845	\$18,949	\$15,459	\$13,421
Receivables - Total	1,020	879	1,135	1,342	971	1,249	1,332	1,505
Inventories - Total	1,772	1,653	1,633	1,614	1,658	1,789	1,851	1,795
Current Assets - Other - Total	650	905	780	666	615	660	553	615
Current Assets - Total	7,175	13,789	12,340	11,095	18,089	22,647	19,195	17,336

NON-CURRENT ASSETS

Property Plant and Equipment - Total (Gross)	59,266	58,167	56,905	56,495	55,724	55,381	55,233	55,558
Depreciation, Depletion, and Amortization (Accumulated)	(16,441)	(16,493)	(16,670)	(16,757)	(16,827)	(17,218)	(17,632)	(18,171)
Property Plant and Equipment - Total (Net)	42,825	41,674	40,235	39,738	38,897	38,163	37,601	37,387
Goodwill	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091
Intangibles - Other	2,059	2,049	2,039	2,029	2,019	2,008	1,998	1,988
Intangible Assets - Total	6,150	6,140	6,130	6,120	6,110	6,099	6,089	6,079
Assets - Other - Total	8,580	9,081	10,198	11,175	11,663	11,654	11,641	11,744
Assets - Total	58,580	64,544	62,773	62,008	68,649	72,464	68,437	66,467

CURRENT LIABILITIES

Debt in Current Liabilities	5,270	4,379	4,446	4,448	4,039	4,385	4,040	3,996
Account Payable/Creditors - Trade	1,648	1,175	1,077	1,196	1,624	2,172	1,835	1,772
Current Liabilities - Other	12,295	12,446	11,061	10,925	11,670	14,964	13,063	13,238
Current Liabilities - Total	19,213	18,000	16,584	16,569	17,333	21,521	18,938	19,006

LONG-TERM LIABILITIES

Long-Term Debt - Total	28,803	35,670	36,759	36,573	43,985	43,912	42,615	42,181
Deferred Taxes and Investment Tax Credit	CF	CF	CF	9	CF	CF	CF	9
Liabilities - Other - Total	13,200	14,043	14,958	15,724	15,276	14,698	14,321	12,611
Liabilities - Total	61,216	67,713	68,301	68,875	76,594	80,131	75,874	73,807

SHAREHOLDERS' EQUITY

Common/Ordinary Stock (Capital)	4	5	5	6	6	6	6	6
Capital Surplus/Share Premium Reserve	3,861	5,377	5,430	6,894	6,980	7,200	7,221	7,234
Retained Earnings	(6,501)	(8,551)	(10,963)	(13,767)	(14,931)	(14,873)	(14,664)	(14,580)
Common/Ordinary Equity - Total	(2,636)	(3,169)	(5,528)	(6,867)	(7,945)	(7,667)	(7,437)	(7,340)
Stockholders' Equity - Total	(2,636)	(3,169)	(5,528)	(6,867)	(7,945)	(7,667)	(7,437)	(7,340)

Liabilities and Stockholders' Equity - Total	58,580	64,544	62,773	62,008	68,649	72,464	68,437	66,467
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Common Shares Outstanding (Millions)	423	509	509	621	641	647	647	648
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SUPPLEMENTAL

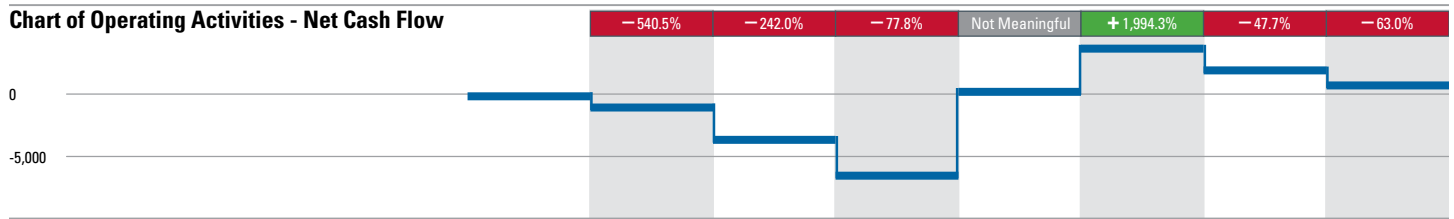
Pension Expense	(50)	(45)	(49)	(43)	(80)	(80)	(75)	(79)
Deferred Revenue - Current	8,567	7,473	6,954	6,790	7,921	9,727	9,241	8,983
Deferred Revenue - Long-Term	5,757	6,608	7,043	7,162	7,055	6,674	6,404	6,239

CF Combined Figure

Quarterly Cash Flow

Change vs. Previous Year

Chart of Operating Activities - Net Cash Flow



Millions of \$US

Quarter Ending on	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21
<b>OPERATING ACTIVITIES</b>								
Income Before Extraordinary Items	(\$2,241)	(\$2,067)	(\$2,399)	(\$2,178)	(\$1,250)	\$19	\$170	(\$932)
Depreciation and Amortization	--	--	--	2,370	--	--	--	2,335
Deferred Taxes	--	--	--	(2,568)	--	--	--	(555)
Equity in Net Loss (Earnings)	--	--	--	CF	--	--	--	CF
Sale of PP&E and Investments - (Gain) Loss	--	--	--	(95)	--	--	--	(22)
Funds from Operations - Other excluding Option Tax Benefit	--	--	--	1,409	--	--	--	(349)
Funds from Operations - Other	--	--	--	1,409	--	--	--	(349)
Accounts Receivable - Decrease (Increase)	--	--	--	538	--	--	--	(304)
Inventory - Decrease (Increase)	--	--	--	CF	--	--	--	CF
Accounts Payable and Accrued Liabilities - Increase (Decrease)	--	--	--	(626)	--	--	--	461
Assets and Liabilities - Other (Net Change)	--	--	--	1,314	--	--	--	1,131
Operating Activities - Net Cash Flow	(168)	(1,076)	(3,680)	(6,543)	174	3,644	1,904	704
<b>INVESTING ACTIVITIES</b>								
Increase in Investments	0	0	0	0	0	0	0	28
Sale of Investments	0	0	0	41	0	0	0	5
Short-Term Investments - Change	417	(6,191)	(4,800)	(3,378)	(7,336)	(11,407)	(7,949)	(5,932)
Capital Expenditures	845	1,233	1,810	1,958	(19)	(118) <sup>QB</sup>	25 <sup>QB</sup>	412 <sup>QB</sup>
Sale of Property, Plant, & Equipment	315	524	684	1,016	207	324	349	374
Investing Activities - Other	(49)	(61)	(112)	(63)	(42)	(71)	(96)	10
Investing Activities - Net Cash Flow	(162)	(6,961)	(6,038)	(4,342)	(7,152)	(11,036)	(7,721)	(5,983)
<b>FINANCING ACTIVITIES</b>								
Sale of Common and Preferred Stock	0	1,527	1,527	2,970	316	460	460	460
Purchase of Common and Preferred Stock	171	173	173	173	13	13	13	18
Cash Dividends	43	43	43	43	0	0	0	0
Long-Term Debt - Issuance	1,698	9,464	11,564	11,780	10,861	12,096	12,096	12,190
Long-Term Debt - Reduction	926	2,477	3,018	3,535	4,054	5,040	6,639	7,343
Changes in Current Debt	CF	CF	CF	CF	CF	CF	CF	CF
Financing Activities - Other	(32)	(84)	(132)	(5)	(97)	(45)	(55)	(1)
Financing Activities - Net Cash Flow	526	8,214	9,725	10,994	7,013	7,458	5,849	5,288
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>								
Cash and Cash Equivalents - Increase (Decrease)	196	177	7	109	35	66	32	9
<b>SUPPLEMENTAL ITEMS</b>								
Interest Paid - Net	239	501	715	944	479	687	1,306	1,632
Income Taxes Paid	2	2	2	6	0	1	2	3

<sup>QB</sup> Net of current year's sales, retirements, and/or disposals

CF Combined Figure



## Glossary

**Global Industry Classification Standard (GICS)** - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). A company is assigned to a single GICS sub-industry according to the definition of its principal business activity as determined by Standard & Poor's and MSCI. Revenues are a significant factor in defining principal business activity; however, earnings analysis and market perception are also important criteria.

**S&P Core Earnings** - Standard & Poor's Core Earnings is a uniform methodology for calculating operating earnings, and focuses on a company's after-tax earnings generated from its principal businesses. Included in the definition are employee stock option grant expenses, pension costs, restructuring charges from ongoing operations, writedowns of depreciable or amortizable operating assets, purchased research and development, M&A related expenses and unrealized gains/losses from hedging activities. Excluded are pension gains, impairment of goodwill charges, gains or losses from asset sales, reversal of prior-year charges and provision from litigation or insurance settlements.

**Preliminary Data** - Preliminary update indicates that the company has been updated from a source with limited financial data, but the data is expected to become available or has been available historically. Final update (not indicated) means that the company has been updated from a complete source (usually the Form 10-K or 10-Q), and no further data will be available.

**Dividends** - Values for dividends in this report are not split adjusted.

**Modified Return on Capital** - This value from page 5 is calculated using a formula that equally weights return on capital, defined as the trailing twelve months' earnings before interest and taxes, and earnings yield, defined as earnings before interest and taxes divided by market value plus net debt.

**S&P Operating EPS** - Earnings from Operations represents earnings per share that excludes the effect of all nonrecurring events. EPS is adjusted to remove the effect of all special or one-time items from the calculation.

**Value Scales** - Abbreviations for scale are as follows: Th = Thousand, M = Million, B = Billion, and T = Trillion.

**Company to Industry Comparison** - The Market Capitalization and Revenue charts on page 1 are displayed using a logarithmic scale to accommodate the large range of values that are shown.

**Balance Sheet Debt Components** - The sum of the Debt Components below the Balance Sheet may not equal "Long-Term Debt - Total" due to the fact that, for some companies, the debt component can include "Long-Term Debt Due in One Year," which is a short-term liability.

**PEG Ratio** - The computation of PEG (on pages 2 and 3) includes 3 years of compounded earnings growth.