# **American Airlines**

Kurt Stache

Vice President International

### February 10, 2012

Dear Valued Travel Partner,

Recently, American Airlines outlined important new plans to restructure our costs, invest in the sustainable growth of our business, and take the steps necessary to restore our industry leadership as a new, world-class airline. While the cost-saving component of our plans is a difficult and necessary part of our renewal, there is much more to know about American's future. In light of our valued partnership, I would like to share our vision for a new American Airlines that is built on the foundation we've put in place over the past few years. Our plans for the future are intently focused on accelerating and reinforcing the many customer-focused improvements already underway at American.

#### **Our Core Commitments**

As we transform our company, we are determined to exceed our customers' expectations in all respects. In a marketplace that has changed profoundly, American has a plan to grow and become profitable again. During this time of renewal, as always, our core commitments will not change:

**Safety:** Providing a safe travel experience for all customers remains our highest priority. Just as with all other U.S.-based carriers, American's maintenance work will continue to be performed at an FAA-certified facility, using FAA-certified parts, and subject to FAA audits. American will always uphold the most stringent standards for aircraft maintenance and operation in the industry.

**Reliability:** As a sales and marketing partner, you know that customers value reliability in air travel above all else. As we bring newer aircraft into the fleet, less maintenance will be required and reliability is expected to increase. We have planned carefully, and a number of our cost reduction initiatives are not associated with staffing levels at the airport or onboard the aircraft. Thus, we expect to continue providing the customer service to which you are accustomed. In addition, *American's business plan calls for major new investments in our fleet and in our products and services for customers.* 

#### A World-Class Travel Experience

The transformation of our customers' experience will be at the center of American's wider strategic transformation in the years ahead, and our customers should expect the improvements to be continuous and highly visible:

**The Youngest Fleet in Just Five Years:** A successful financial restructuring will enable us to renew our fleet so that by 2017 American's mainline jet fleet will be the youngest in North America.

Our plan calls for investments to modernize and enhance the travel experience including the introduction of the latest wide-body models, such as the Boeing 777-300ER and 787-900. We have already announced plans to invest in fully lie-flat First and Business Class seats on the B777-300ER.

**The Strongest Network and Alliances:** We plan to increase our international flying and increase departures across American's five key markets – Dallas/Fort Worth, Chicago, Miami, Los Angeles and New York – by 20 percent over the next five years.

## **American Airlines**

We also intend to further enhance the **one**world<sup>®</sup> alliance, including our joint businesses with British Airways and Iberia, with Japan Airlines, and with Qantas. Plans were recently announced to launch American's new service between Miami and Barcelona beginning April 3 and to add a fourth flight from Dallas/Fort Worth to London beginning June 14. Iberia has announced it will be adding a second flight from Miami to Madrid four times per week in addition to American's service from Miami to Madrid. Japan Airlines will launch its new service from Tokyo's Narita International Airport to Boston this spring.

We are also growing our network in South America. American will increase the total number of weekly flights between DFW and Sao Paulo from seven to 12 times per week and flights from Miami to Brasilia and to Belo Horizonte will increase from five and three times per week, respectively, to daily beginning June 14. In addition, American will launch new service that connects its Miami hub to Manaus, Brazil.

In 2012, airberlin and Malaysia Airlines will each join **one**world – which will provide a global network covering more than 800 destinations in more than 150 countries, as well as coordinated ticketing, check-in and transfers.

**The Premier Airline for Elite Fliers:** American intends to modernize its brand, products and services by investing several hundred million dollars per year in customer experience enhancements. We plan to introduce new, customer-focused enhancements that will help our customers stay connected, productive and entertained.

We plan to expand Inflight WiFi capability to our entire domestic narrowbody fleet – that's more than 400 aircraft. In addition, by May, all WiFi-equipped aircraft will also provide our entertainment on demand service, offering streaming movies and television shows to our customers' WiFi-enabled devices – an entertainment alternative that American was first to offer to North American customers.

Last year, we also became the first domestic airline to introduce branded tablets for inflight entertainment with the launch of the Samsung Galaxy 10.1 Tab for premium class customers on select flights. Additionally, American's mobile apps keep customers connected with the airline and are available on more devices than any other airline.

American has already introduced premium service enhancements such as our joint premium lounge in Miami and our joint lounge in Tokyo's Haneda International Airport. In addition, we launched our Flagship Check-In at Los Angeles International Airport, introduced new menus inspired by internationally acclaimed chefs, and award-winning wine selections. We plan to expand our Five Star Service.

American Airlines is focused on remaining a global leader known for excellence and innovation, a travel partner customers seek out, and an airline that serves communities worldwide.

All of us on the American team appreciate your support, loyalty and business, and we look forward to continuing to strengthen our relationship well into the future.

Best regards,

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Kurt Stache Vice President – International

Trinity Square, 23-59 Staines Road, Hounslow, Middlesex, TW3 3HE, United Kingdom +44 (20) 8577 4701 E-Mail: Kurt.Stache@aa.com