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## **LAWA, AMERICAN AIRLINES ANNOUNCE NEW LETTER OF INTENT**

American Commits \$1.6 Billion Investment, Will Continue to Grow Presence at LAX

LOS ANGELES – Los Angeles World Airports (LAWA) and American Airlines announced today that American would continue its investment in LAX with more than \$1.6 billion committed over the next 15 years to dramatically improve Terminals 4 and 5.

American's letter of intent that sets the framework for negotiation of a new 15-year lease agreement features airport improvement projects that would be made possible by this investment and would happen over the next 7-10 years, including:

- A new vertical circulation core with connection to the landside Automated People Mover (APM) train system
- Unifying the passenger check-in and baggage claim areas
- Improving check-in facilities in T5
- Centralizing the T4 and T5 security screening checkpoint at the APM level
- Connecting T4 and T5 on both the landside and airside of the building, including an above-ground connection extending from the T4/TBIT Connector to T5 on the airside

These improvements would essentially be made by tearing down the lobby areas of T4 and T5 one small section at a time and building a new, state-of-the-art facility, all while keeping the airport up and running.

The agreement also paves the way for American to receive additional gates as they continue to grow their operation and add destinations.

“This is a substantial commitment on the part of American, and our Board of Airport Commissioners will soon be reviewing the details of the new lease,” said Deborah Flint, Chief Executive Officer of LAWA. “Today we want to make sure American knows we are so appreciative of their support and willingness to support our efforts to make LAX and Los Angeles a preeminent destination in the world. I’m so pleased that American shares our excitement for the future of this great airport, and wants to partner with us to achieve our vision to create a world-class airport.”

“This investment will not only improve the customer experience, but it will also give our employees a better place to work every day while allowing us to continue to grow in the marketplace,” said Doug Parker, Chairman and CEO of American Airlines. “We are committed to being the preferred airline at LAX, and we couldn’t do that without the more than 6,500 American Airlines team members making sure our 225 flights a day get out safely and on time. Our customers are counting on these team members to validate the trust they place in us each time they step onboard one of our aircraft.”

“This deal with American to dramatically improve terminals 4 and 5 along with projects like the new Midfield Satellite Concourse, the Automated People Mover, the consolidated rental car facility, and the renovation of terminals 2 and 3 are to deliver on our top priority - giving our passengers the world class experience they expect and deserve,” said Sean Burton, President of LAWA Board of Commissioners.

#### **About Los Angeles International Airport (LAX)**

LAX is the fourth busiest airport in the world, second in the United States, and was named Skytrax’ 2017 Top 10 Most Improved Airports. LAX served more than 80.9 million passengers in 2016. LAX offers 742 daily nonstop flights to 101 cities in the U.S. and 1,280 weekly nonstop flights to 77 cities in 42 countries on 64 commercial air carriers. LAX ranks 14th in the world and fifth in the U.S. in air cargo tonnage processed, with more than 2.2 million tons of air cargo valued at over \$101.4 billion. LAX handled 697,138 operations (landings and takeoffs) in 2016.

An economic study based on 2014 operations reported LAX generated 620,610 jobs in Southern California with labor income of \$37.3 billion and economic output (business revenues) of more than \$126.6 billion. This activity added \$6.2 billion to local and state revenues and \$8.7 billion in federal tax revenues. The study also reported that LAX’s ongoing capital-improvement program creates an additional 121,640 annual jobs with labor income of \$7.6 billion and economic output of \$20.3 billion, \$966 million in state and local taxes, and \$1.6 billion in federal tax revenues.

LAX is part of a system of two Southern California airports – along with Van Nuys general aviation – that are owned and operated by Los Angeles World Airports, a proprietary department of the City of Los Angeles that receives no funding from the City’s general fund.

For more information about LAX, please visit [www.lawa.aero/lax](http://www.lawa.aero/lax) or follow on Twitter [@flyLAXAirport](https://twitter.com/flyLAXAirport), on Facebook at [www.facebook.com/LAInternationalAirport](http://www.facebook.com/LAInternationalAirport), and on YouTube at [www.YouTube.com/laxairport1](http://www.YouTube.com/laxairport1). Information about LAX’s ongoing multi-billion-dollar LAX Modernization Program, as well as tips and shortcuts to help navigate LAX during construction, are available at [www.LAXisHappening.com](http://www.LAXisHappening.com).

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**About American Airlines Group**

American Airlines Group (NASDAQ: AAL) is the holding company for American Airlines. Together with regional partners operating as American Eagle, American offers an average of nearly 6,700 flights per day to nearly 350 destinations in more than 50 countries. American is a founding member of the **oneworld** alliance, whose members and members-elect serve nearly 1,000 destinations with 14,250 daily flights to 150 countries. This year American Airlines Group Inc. topped Fortune Magazine's list of best business turnarounds and its stock joined the S&P 500 index. Connect with American on Twitter @AmericanAir and at Facebook.com/AmericanAirlines.

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