



JOINT UNION STATEMENT

Fort Worth, Texas (March 28, 2006) -- The three unions at American Airlines (NYSE: AMR) -- the Allied Pilots Association, the Association of Professional Flight Attendants and the Transport Workers Union -- filed a consolidated presidential grievance regarding executive compensation in January. The arbitration panel met March 8 to March 10 and a decision was expected today. Arbitrator Mr. Robert O. Harris, Chairman of the System Board, has deferred issuing a decision until after the AMR Board of Directors Compensation Committee meets this week. Mr. Harris issued the following statement this afternoon:

“The Chairman of the System Board has determined that it would be most efficacious for the Board to defer a decision in this matter until after the scheduled meeting of the AMR Corporation Board of Directors. The Chairman will reconvene the System Board by conference call with counsel for the parties on the afternoon of Friday March 31, 2006 to determine what further steps are necessary.”

As part of the 2003 restructuring agreements, labor and management agreed to an Annual Incentive Program, or AIP, which, among other things, included limitations regarding the amount of cash compensation that could be paid to management in excess of salary. In January, it was learned that the Performance Unit Plan may pay out additional cash compensation to management in excess of \$100 million. The three unions believe that payment of this money will far exceed the additional cash compensation limits of the AIP.

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