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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM 10-Q

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

For the quarter ended: March 31, 1994

[ ] Transition Report Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

For the transition period from

__________________________________ to______________________________________

Commission file number: 1-8400

AMR CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	75-1825172
(State or other jurisdiction of incorporation or organization)	(IRS Employer identification No.)

4333 AMON CARTER BLVD.
FORT WORTH, TEXAS 76155
(Address of principal executive offices)
(Zip Code)

Registrant's telephone number, including area code: (817) 963-1234

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, $1 Par Value - 75,824,591 shares outstanding as of May 10, 1994

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AMR CORPORATION

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PART I

Item 1. Consolidated Financial Statements

AMR CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS

(Unaudited) (in millions, except per share amounts)	Three Months Ended March 31, 1994	1993
Revenues		
Air Transportation Group:		
Passenger - American Airlines, Inc.	$ 3,028	$ 3,127
- AMR Eagle, Inc.	181	165
Cargo	156	152
Other	139	138
	3,504	3,582
The SABRE Group	386	330
AMR Management Services Group	131	105
Less: Intergroup revenues	(213)	(203)
Total operating revenues	3,808	3,814
Expenses		
Wages, salaries and benefits	1,368	1,312
Aircraft fuel	395	475
Commissions to agents	326	335
Depreciation and amortization	320	292
Other rentals and landing fees	211	213
Aircraft rentals	179	186
Food service	162	168
Maintenance materials and repairs	143	175
Other operating expenses	545	542
Total operating expenses	3,649	3,698
Operating Income	159	116
Other Income (Expense)		
Interest income	6	18
Interest expense	(152)	(175)
Interest capitalized	7	17
Miscellaneous - net	(18)	(4)
	(157)	(144)
Earnings (Loss) Before Income Taxes	2	(28)
Income tax provision (benefit)	9	(6)
Net Loss	(7)	(22)
Preferred stock dividends	16	10

Loss Applicable to Common Shares	$ (23)	$ (32)
Loss Per Common Share (Primary and Fully Diluted)	$ (0.30)	$(0.43)
Number of common shares used in computations	76	75

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See accompanying notes.

AMR CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET

(Unaudited) (in millions)	March 31, 1994	December 31, 1993
Current Assets		
Cash	$ 75	$ 63
Short-term investments	669	523
Receivables, net	1,056	910
Inventories, net	700	688
Other current assets	539	506
Total current assets	3,039	2,690
Equipment and Property		
Flight equipment, net	10,005	9,783
Purchase deposits for flight equipment	218	350
	10,223	10,133
Other equipment and property, net	2,094	2,128
	12,317	12,261
Equipment and Property Under Capital Leases		
Flight equipment, net	1,585	1,543
Other equipment and property, net	172	173
	1,757	1,716
Route acquisition costs, net	1,053	1,061
Other assets, net	1,608	1,598
	$ 19,774	$ 19,326
Current Liabilities		
Accounts payable	$ 927	$ 921
Accrued liabilities	1,626	1,726
Air traffic liability	1,587	1,460
Short-term borrowings	400	-
Current maturities of long-term debt	79	200
Current obligations under capital leases	119	110
Total current liabilities	4,738	4,417
Long-term debt	5,492	5,431
Obligations under capital leases	2,157	2,123
Deferred income taxes	314	310
Other liabilities, deferred gains, deferred credits and postretirement benefits	2,816	2,769
Stockholders' Equity		
Convertible preferred stock	1,081	1,081
Common stock	76	76
Additional paid-in capital	2,038	2,035
Retained earnings	1,062	1,084
	4,257	4,276
	$ 19,774	$ 19,326

See accompanying notes.

AMR CORPPORATION

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited) (in millions)	Three Months Ended March 31, 1994	1993
Net Cash Provided by Operating Activities	$ 202	$ 256
Cash Flow from Investing Activities:		
Capital expenditures	(341)	(719)
Net increase in short-term investments	(146)	(349)
Other, net	3	3
Net cash used for investing activities	(484)	(1,065)
Cash Flow from Financing Activities:		
Proceeds from:		
Issuance of long-term debt	72	53
Issuance of preferred stock	-	1,081
Net short-term borrowings (repayments) with maturities of 90 days or less	200	(204)
Other short-term borrowings	200	29
Payments on other short-term borrowings	-	(59)
Payments on long-term debt and capital lease obligations	(162)	(58)
Payment of dividends on preferred stock	(16)	-
Net cash provided by financing activities	294	842
Net increase in cash	12	33
Cash at beginning of period	63	45
Cash at end of period	$ 75	$ 78
Cash Payments (Refunds) For:		
Interest (net of amounts capitalized)	$ 144	$ 131
Income taxes	(59)	(122)
Financing Activities not Affecting Cash:		
Capital lease obligations incurred	$ 72	$ 21

See accompanying notes.

AMR CORPORATION

Notes to Financial Statements

1. In the opinion of management, these financial statements contain all adjustments, consisting of normal recurring accruals, necessary to present fairly the financial position, results of operations and cash flows for the periods indicated. These financial statements and related notes should be read in conjunction with the financial statements and notes included in AMR's Annual Report on Form 10-K for the year ended December 31, 1993.

2. Accumulated depreciation of owned equipment and property at March 31, 1994 and December 31, 1993 was $5.0 billion and $4.9 billion, respectively. Accumulated amortization of equipment and property under capital leases at March 31, 1994 and December 31, 1993 was $792 million and $760 million, respectively.

3. American has renewed a $1.0 billion credit facility which expired in early April 1994 in the amount of $750 million. The renewal extends the term of the facility to 1997, and borrowings thereunder may require collateralization under certain circumstances. No borrowings were outstanding under this facility at March 31, 1994.

Item 2. MANAGEMENT'S DISCUSSION AND
ANALYSIS OF FINANCIAL CONDITION

RESULTS OF OPERATIONS

For the Three Months Ended March 31, 1994 and 1993

Summary AMR's net loss for the three months ended March 31, 1994, was $7 million ($0.30 per common share, both primary and fully diluted). This compares to a net loss of $22 million ($0.43 per common share, both primary and fully diluted) for the first quarter of 1993. AMR's operating income improved 37.1 percent or $43 million. First quarter 1994 operating revenues decreased 0.2 percent or $6 million.

AMR's performance continues to be hampered by inadequate yields in the domestic markets, which represent over 70 percent of American's traffic. American's domestic yields decreased 3.7 percent due to the continuation of fare discounts of many types, while international yields increased 5.2 percent. American's operations were also impacted by unusually severe winter weather in the first quarter of 1994.

The following sections provide a discussion of AMR's results by reporting segment. A description of the businesses in each reporting segment is included in AMR's Annual Report on Form 10-K for the year ended December 31, 1993.

AIR TRANSPORTATION GROUP
FINANCIAL HIGHLIGHTS
(in millions)

	Three Months Ended March 31, 1994	1993
Revenues		
Passenger - American Airlines, Inc.	$ 3,028	$ 3,127
- AMR Eagle, Inc.	181	165
Cargo	156	152
Other	139	138
	3,504	3,582
Expenses		
Wages, salaries and benefits	1,211	1,185
Aircraft fuel	395	475
Commission to agents	326	335
Depreciation and amortization	264	239
Other operating expenses	1,262	1,316
Total operating expenses	3,458	3,550
Operating Income	46	32
Other Income (Expense)	(147)	(136)
Loss Before Income Taxes	$ (101)	$ (104)

Air Transportation Group's revenues decreased 2.2 percent or $78 million. American's passenger revenues decreased by 3.2 percent, $99 million. American's yield (the average amount one passenger pays to fly one mile) of 13.53 cents decreased by 1.7 percent compared to the same period in 1993. Domestic yields decreased 3.7 percent while international yields increased 4.3 percent in Latin America and 4.5 percent in Europe.

RESULTS OF OPERATIONS (CONTINUED)

American's traffic or revenue passenger miles (RPMs) decreased 1.5 percent to 22.38 billion miles for the quarter ended March 31, 1994. This decrease is primarily due to reductions in capacity. Year over year for the first quarter 1994, American's domestic traffic decreased 2.6 percent on capacity reductions of 7.0 percent and international traffic grew 1.1 percent on a capacity reduction of 5.2 percent. The change in international traffic was driven by an 11.2 percent growth in Latin America with capacity growth of 2.9 percent, offset by a 9.1 percent decrease in traffic to Europe primarily driven by a capacity reduction of 14.0 percent.

Passenger revenues of the AMR Eagle carriers increased 9.7 percent, $16 million, primarily due to the expansion of regional operations into larger markets. Traffic on the AMR Eagle carriers increased 21.1 percent to 540 million RPMs, while capacity grew 10.8 percent to 993 million available seat miles (ASMs).

Cargo revenues increased 2.6 percent, $4 million, driven by an 8.0 percent increase in American's domestic and international cargo volumes, partially offset by decreasing yields brought about by strong price competition resulting from excess industry capacity.

American's capacity or ASMs decreased 6.3 percent to 36.72 billion miles in the first quarter of 1994 primarily as a result of the retirement of 29 DC-10 aircraft and 30 Boeing 727 aircraft partially offset by the addition of 43 new aircraft: 28 Fokker F100s, seven Boeing 757s, six Boeing 767s and two McDonnell Douglas MD11 aircraft since March 31, 1993. Air Transportation Group's operating expenses decreased 2.6 percent, $92 million. Because capacity decreased more rapidly than expenses, American's passenger division cost per ASM increased by 3.1 percent to 8.66 cents. Wages, salaries and benefits rose 2.2 percent, $26 million, due primarily to salary adjustments for existing employees, partially offset by a 3.3 percent reduction in the average number of equivalent employees. Aircraft fuel expense decreased 16.8 percent, $80 million, due to a 9.6 percent decrease in American's average price per gallon, combined with an 8.5 percent decrease in gallons consumed by American. Commissions to agents decreased 2.7 percent, $9 million, due principally to decreased passenger revenues. New aircraft acquisitions and other capital improvements raised depreciation and amortization costs 10.5 percent, $25 million. Other operating expenses, consisting of aircraft rentals, other rentals and landing fees, food service costs, maintenance costs and other miscellaneous operating expenses decreased 4.1 percent, $54 million, primarily due to reductions in food service costs and landing fees as a result of capacity reductions and lower maintenance expenses realized upon the retirement of older DC-10 and Boeing 727 aircraft as well as operating efficiencies.

RESULTS OF OPERATIONS (CONTINUED)

THE SABRE GROUP
FINANCIAL HIGHLIGHTS

(in millions)	Three Months Ended March 31, 1994	1993
Revenues	$ 386	$ 330
Expenses		
Wages, salaries and benefits	120	101
Depreciation and amortization	45	44
Other operating expenses	118	110
Total operating expenses	283	255
Operating Income	103	75
Other Income (Expense)	(4)	(2)
Income Before Taxes	$ 99	$ 73

Revenues

Revenues for The SABRE Group increased 17.0 percent, $56 million, primarily due to increased booking fee revenues resulting from growth in booking volumes, increases in average fees per booking collected from participating vendors and the introduction of a premium priced product.

Expenses
Wages, salaries and benefits increased 18.8 percent, $19 million, due to wage and salary increases and a 4.5 percent increase in the average number of equivalent employees. Other operating expenses increased 7.3 percent, $8 million, due to higher incentive payments to travel agents and costs associated with international expansion.

AMR MANAGEMENT SERVICES GROUP
FINANCIAL HIGHLIGHTS

(in millions)

	Three Months Ended March 31, 1994	1993
Revenues	$ 131	$ 105
Expenses		
Wages, salaries and benefits	37	26
Other operating expenses	84	70
Total operating expenses	121	96
Operating Income	10	9
Other Income (Expense)	(6)	(6)
Income Before Income Taxes	$ 4	$ 3

RESULTS OF OPERATIONS (CONTINUED)

Revenues
Revenues for the AMR Management Service Group increased 24.8 percent or $26 million. AMR Services' revenues increased 18.3 percent, $13 million, primarily as a result of strong domestic fuel and deicing service sales, expansion of European operations, and the acquisition of an additional domestic fixed-base operator in November 1993. Americas Ground Services, which began operations in the second quarter of 1993, contributed $6 million in revenues. AMR Training and Consulting Group, which began operations in the first quarter of 1993 improved to approximately $7 million in revenues in the first quarter of 1994.

Expenses
Wages, salaries and benefits increased 42.3 percent, $11 million, due primarily to a 37.3 percent increase in the average number of equivalent employees. Other operating expenses increased 20.0 percent, $14 million, due primarily to the startup of operations for Americas Ground Services and AMR Training and Consulting Group and the expansion of AMR Services.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities in the three month period ended March 31, 1994 was $202 million compared to $256 million in 1993. Capital expenditures for the first quarter of 1994 were $341 million and included the acquisition of 11 passenger aircraft by American: two Boeing 757-200 and nine Fokker 100s. Also AMR Eagle acquired five turboprop aircraft, three Super ATRs and two SAAB 340Bs. These capital expenditures as well as expansion of airport facilities were financed through the issuance of long-term debt and internally generated cash.

OTHER

In April 1994 AMR signed a comprehensive 20-year services agreement with Canadian Airlines International (CAI). Among the services AMR will provide CAI are accounting, data processing and communications operations, operations planning, pricing and yield management, international services, passenger services procedures training, and U. S. originating reservations activity. Revenues from the contract are expected to exceed $100 million in the first full year and exceed $2.0 billion over the 20-year contract. In April 1994 AMR also made a $177 million investment in CAI, giving it approximately a one-third economic interest in the company.

PART II

Item 2. Legal Proceedings

In December 1992, the U.S. Department of Justice filed an antitrust lawsuit in the U.S. District Court for the District of Columbia under Section 1 of the Sherman Act against several airlines, including the Company, alleging price fixing based upon the industry's exchange of fare information through the Airline Tariff Publishing Company. In March 1994, the Company and the remaining defendants in the case agreed to settle the lawsuit without admitting liability by entering into a stipulated final judgment that prohibits or restricts certain pricing practices including the announcement of fare increases before their effective date. The proposed final judgment is subject to approval by the Court following a public notice and comment period prescribed by statute. The Company does not anticipate a material financial impact from the settlement or compliance with the stipulated judgment. Private class action claims with similar allegations were settled by the Company and other airlines which became final in March 1993. Prior to the private class action settlement becoming final, the Company and several other airlines voluntarily altered certain pricing practices at issue in the lawsuits to avoid exposure to additional claims.

American has been sued in two class action cases that have been consolidated in the Circuit Court of Cook County, Illinois, in connection with certain changes made to American's AAdvantage frequent flyer program in May, 1988. (Wolens, et al v. American Airlines, Inc., No. 88 CH 7554, and Tucker v. American Airlines, Inc., No. 89 CH 199.) In both cases, the plaintiffs seek to represent all persons who joined the AAdvantage program before May 1988. The complaints allege that, on that date, American implemented changes that limited the number of seats available to participants traveling on certain awards and established holiday blackout dates during which no AAdvantage seats would be available for certain awards. The plaintiffs allege that these changes breached American's contracts with AAdvantage members and were in violation of the Illinois Consumer Fraud and Deceptive Business Practices Act (Consumer Fraud Act). Plaintiffs seek money damages of an unspecified sum, punitive damages, costs, attorneys fees and an injunction preventing the Company from making any future changes that would reduce the value of AAdvantage benefits. American moved to dismiss both complaints, asserting that the claims are preempted by the Federal Aviation Act and barred by the Commerce Clause of the U.S. Constitution.

The trial court denied American's preemption motions, but certified its decision for interlocutory appeal. In December 1990, the Illinois Appellate Court held that plaintiffs' claims for an injunction are preempted by the Federal Aviation Act, but that plaintiffs' claims for money damages could proceed. On March 12, 1992, the Illinois Supreme Court affirmed the decision of the Appellate Court. American sought a writ of certiorari from the U.S. Supreme Court; and on October 5, 1992, that Court vacated the decision of the Illinois Supreme Court and remanded the cases for reconsideration in light of the U.S. Supreme Court's decision in Morales v. TWA, et al, which interpreted the preemption provisions of the Federal Aviation Act very broadly. On December 16, 1993, the Illinois Supreme Court rendered its decision on remand, holding that plaintiffs' claims seeking an injunction were preempted, but that identical claims for compensatory and punitive damages were not preempted. On February 8, 1994, American filed petition for a writ of certiorari in the U.S. Supreme Court. The Illinois Supreme Court granted American's motion to stay the state court proceeding pending disposition of American's petition in the U.S. Supreme Court. On April 4, 1994 the Supreme Court granted American's writ of certiorari.

AMR and American are vigorously defending all of the above claims.

PART II

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits filed with this report:

Part I - Exhibit 11(a): Computation of primary loss per common share for the three months ended March 31, 1994 and 1993.

Part I - Exhibit 11(b): Computation of loss per common share assuming full dilution for the three months ended March 31, 1994 and 1993.

Part I - Exhibit 12: Computation of ratio of earnings to fixed charges for the three months ended March 31, 1994 and 1993.

(b) Reports on Form 8-K:

None

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMR CORPORATION

BY: /s/ Donald J. Carty
Donald J. Carty
Executive Vice President and
Chief Financial Officer

DATE: May 12, 1994

PART I - EXHIBIT 11 (a)

AMR CORPORATION
Computation of Primary Loss Per Share
(in millions, except per share amounts)

	Three Months Ended March 31, 1994	1993
Loss, as adjusted:		
Net Loss	$ (7)	$ (22)
Less: Preferred dividend requirements	16	10
Loss applicable to common shares	$ (23)	$ (32)
Shares, as adjusted:		
Average number of shares outstanding	76	75
Add shares issued upon assumed exercise of dilutive options, stock appreciation rights and warrants and shares assumed issued for deferred stock granted	-	-
Less assumed treasury shares purchased	-	-
Shares, as adjusted	76	75
PRIMARY LOSS PER SHARE	$(0.30)	$(0.43)

PART I - EXHIBIT 11 (b)

AMR CORPORATION
Computation of Loss Per Share
Assuming Full Dilution
(in millions, except per share amounts)

	Three Months Ended March 31, 1994	1993
Loss, as adjusted:		
Net Loss	$ (7)	$ (22)
Less: Preferred dividend requirements	16	10
Loss applicable to common shares	$ (23)	$ (32)
Shares, as adjusted:		
Average number of shares outstanding	76	75
Add shares issued upon assumed exercise of dilutive options, stock appreciation rights and warrants and shares assumed issued for deferred stock granted	-	-
Less assumed treasury shares purchased	-	-

Shares, as adjusted	76	75
LOSS PER SHARE, ASSUMING FULL DILUTION	$ (0.30)	$ (0.43)

PART I - EXHIBIT 12

AMR CORPORATION

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Three Months Ended March 31, 1994	1993
	(in millions)	
Earnings:		
Earnings (loss) before income taxes and cumulative effect of accounting changes	$ 2	$ (28)
Add: Total fixed charges (per below)	318	343
Less: Interest capitalized	7	17
Total earnings	$ 313	$ 298
Fixed charges:		
Interest	$ 152	$ 175
Portion of rental expense representative of the interest factor	164	166
Amortization of debt expense	2	2
Total fixed charges	$ 318	$ 343
Ratio of earnings to fixed charges	-	-
Coverage deficiency	$ 5	$ 45