UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[]Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Period Ended September 30, 1995.

[ ]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)	(I.R.S. 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

Not Applicable
(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 periods 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 practical date.

Common Stock, $1 par value - 76,351,889 as of October 13, 1995

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AMR CORPORATION

PART 1. FINANCIAL INFORMATION

AMR CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited) (In millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1995	1994	1995	1994
Revenues				
Airline Group:				
Passenger - American Airlines, Inc.	$3,513	$3,370	$10,051	$9,665
- AMR Eagle, Inc.	217	220	575	608
Cargo	167	163	503	484
Other	188	170	523	458
	4,085	3,923	11,652	11,215
The SABRE Group	418	376	1,232	1,107
Management Services Group	133	127	398	383
Less: Intergroup revenues	(191)	(193)	(560)	(563)
Total operating revenues	4,445	4,233	12,722	12,142
Expenses				
Wages, salaries and benefits	1,465	1,383	4,334	4,136
Aircraft fuel	416	421	1,193	1,204
Commissions to agents	340	346	981	1,011
Depreciation and amortization	314	297	947	936
Other rentals and landing fees	229	216	661	632
Aircraft rentals	167	172	504	523
Food service	179	172	507	505
Maintenance materials and repairs	170	149	478	441
Other operating expenses	644	588	1,862	1,705
Total operating expenses	3,924	3,744	11,467	11,093
Operating Income	521	489	1,255	1,049
Other Income (Expense)				
Interest income	15	13	42	26
Interest expense	(166)	(157)	(524)	(463)
Interest capitalized	3	6	11	17
Miscellaneous - net	12	(15)	(5)	(43)
	(136)	(153)	(476)	(463)
Earnings Before Income Taxes and Extraordinary Loss	385	336	779	586
Income tax provision	150	131	314	235
Earnings Before Extraordinary Loss	235	205	465	351
Extraordinary Loss, Net of Tax Benefit	(4)	-	(17)	-
Net Earnings	231	205	448	351
Preferred stock dividends	2	17	4	50
Earnings Applicable to Common Shares	$ 229	$ 188	$ 444	$ 301

Continued on next page.

AMR CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS (CONTINUED)
(Unaudited) (In millions, except per share amounts)

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	1995	1994	1995	1994
Earnings (Loss) Per Common Share				
Primary:				
Before extraordinary loss	$ 3.01	$ 2.47	$ 6.00	$ 3.95
Extraordinary loss	(0.05)	-	(0.23)	-
Net Earnings	$ 2.96	$ 2.47	$ 5.77	$ 3.95
Fully Diluted:				
Before extraordinary loss	$ 2.68	$ 2.27	$ 5.45	$ 3.89
Extraordinary loss	(0.04)	-	(0.19)	-
Net Earnings	$ 2.64	$ 2.27	$ 5.26	$ 3.89
Number of common shares used in computations				
Primary	77	76	77	76
Fully diluted	91	90	91	90

The accompanying notes are an integral part of these financial statements.

AMR CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET
(In millions)

	September 30, 1995 (Unaudited)	December 31, 1994 (Note)
Assets		
Current Assets		
Cash	$ 108	$ 23
Short-term investments	1,082	754
Receivables, net	1,560	1,206
Inventories, net	614	678
Other current assets	499	457
Total current assets	3,863	3,118
Equipment and Property		
Flight equipment, net	10,053	9,888
Purchase deposits for flight equipment	62	116
	10,115	10,004
Other equipment and property, net	1,960	2,016
	12,075	12,020
Equipment and Property Under Capital Leases		
Flight equipment, net	1,617	1,705
Other equipment and property, net	165	173
	1,782	1,878
Route acquisition costs, net	1,011	1,032
Other assets, net	1,337	1,438
	$ 20,068	$ 19,486

Note: The balance sheet at December 31, 1994 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

The accompanying notes are an integral part of these financial statements.

AMR CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET
(In millions)

	September 30, 1995 (Unaudited)	December 31, 1994 (Note)
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 929	$ 920
Accrued liabilities	2,148	1,803
Air traffic liability	1,701	1,473
Current maturities of long-term debt	563	590
Current obligations under capital leases	142	128
Total current liabilities	5,483	4,914
Long-term debt, less current maturities	5,003	5,603
Obligations under capital leases, less current obligations	2,155	2,275
Deferred income taxes	447	279
Other liabilities, deferred gains, deferred credits and postretirement benefits	3,182	3,035
Stockholders' Equity		
Convertible preferred stock	78	78
Common stock	76	76
Additional paid-in capital	2,235	2,212
Retained earnings	1,409	1,014
	3,798	3,380
	$ 20,068	$ 19,486

Note: The balance sheet at December 31, 1994 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

The accompanying notes are an integral part of these financial statements.

AMR CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited) (In millions)

	Nine Months Ended September 30, 1995	1994
Net Cash Provided by Operating Activities	$1,918	$1,674
Cash Flow from Investing Activities:		
Capital expenditures	(813)	(745)
Net increase in short-term investments	(328)	(503)
Investment in Canadian Airlines International, Ltd.	-	(177)
Other, net	67	18
Net cash used for investing activities	(1,074)	(1,407)
Cash Flow from Financing Activities:		
Proceeds from issuance of long-term debt	-	146
Other short-term borrowings	-	200
Payments on other short-term borrowings	-	(200)
Payments on long-term debt and capital lease obligations	(755)	(396)
Payment of preferred stock dividends	(4)	(49)
Net cash used for financing activities	(759)	(299)
Net increase (decrease) in cash	85	(32)
Cash at beginning of period	23	63
Cash at end of period	$ 108	$ 31
Cash Payments (Refunds) For:		
Interest (net of amounts capitalized)	$ 503	$ 428
Income taxes	(44)	(32)
Financing Activities not Affecting Cash:		
Capital lease obligations incurred	$ -	$ 280

The accompanying notes are an integral part of these financial statements.

AMR CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. 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. For further information, refer to the consolidated financial statements and footnotes thereto included in the AMR Corporation annual report on Form 10-K for the year ended December 31, 1994.

2. Certain amounts from 1994 have been reclassified to conform with 1995 presentation. Beginning January 1, 1995, the results of two AMR units -- TeleService Resources (TSR) and Data Management Services (DMS) -- are reported in the Management Services Group and the results of AMR Training and Consulting Group (AMRTCG) are reported in The SABRE Group. Previously, the results of TSR and DMS had been included in The SABRE Group, and the results of AMRTCG had been included in the Management Services Group.

   Effective July 1, 1995, the results of AMR Leasing Corporation (AMRLC) are reported in the Airline Group. Previously, the results of AMRLC had been included in the Management Services Group. The results for the nine months ended September 30, 1995, have been restated to reflect this change.

3. In July 1991, American entered into a five-year agreement whereby American transfers, on a continuing basis and with recourse to the receivables, an undivided interest in a designated pool of receivables. Undivided interests in new receivables are transferred daily as collections reduce previously transferred receivables. At December 31, 1994, receivables are presented net of approximately $112 million of such transferred receivables. At September 30, 1995, no receivables were transferred under the terms of the agreement.

4. Accumulated depreciation of owned equipment and property at September 30, 1995 and December 31, 1994, was $5.9 billion and $5.5 billion, respectively. Accumulated amortization of equipment and property under capital leases at September 30, 1995 and December 31, 1994, was $870 million and $898 million, respectively.

5. In April 1995, American announced an agreement to sell 12 of its McDonnell Douglas MD-11 aircraft to Federal Express Corporation (FedEx), with delivery of the aircraft between 1996 and 1999. In addition, American has the option to sell its remaining seven MD-11 aircraft to FedEx with deliveries between 2000 and 2002. At the same time the two companies signed a separate six-year maintenance contract under the terms of which American will perform work on FedEx's aircraft fleet.

6. During the nine months ended September 30, 1995, AMR repurchased and retired prior to scheduled maturity $362 million in face value of long-term debt, net of sinking funding balances. The repurchases and retirements resulted in an extraordinary loss of $6 million ($4 million net of tax benefit) and $27 million ($17 million net of tax benefit) for the three and nine months ended September 30, 1995, respectively.

7. During 1994, the Company changed its estimate of the usage patterns of miles awarded by participating companies in American's AAdvantage frequent flyer program. The positive impact of the change in estimate on passenger revenues for the nine months ended September 30, 1994, was $49 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

For the Three Months Ended September 30, 1995 and 1994

Summary AMR recorded net earnings for the three months ended September 30, 1995, of $229 million after preferred stock dividends, or $2.96 per common share primary, $2.64 fully diluted. This compares with net earnings of $188 million after preferred stock dividends, or $2.47 per common share primary, $2.27 fully diluted for the third quarter of 1994. Included in net earnings for the three months ended September 30, 1995, is an extraordinary loss of $6 million ($4 million net of tax benefit) resulting from the retirement of $123 million of debt (net of sinking fund balances of $23 million) prior to scheduled maturity. AMR's operating income improved 6.5 percent or $32 million.

AMR's improved results for the third quarter reflect better performance by each of the Company's three business units - the Airline Group, which includes American Airlines, Inc.'s Passenger and Cargo Divisions and AMR Eagle, Inc.; The SABRE Group, which includes AMR's information technology and consulting businesses; and the Management Services Group, which includes AMR's airline management, aviation services, and investment service activities.

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, 1994.

AIRLINE GROUP
FINANCIAL HIGHLIGHTS
(Unaudited) (Dollars in millions)

	Three Months Ended September 30, 1995	1994
Revenues		
Passenger - American Airlines, Inc.	$3,513	$3,370
- AMR Eagle, Inc.	217	220
Cargo	167	163
Other	188	170
	4,085	3,923
Expenses		
Wages, salaries and benefits	1,290	1,226
Aircraft fuel	416	421
Commission to agents	340	346
Depreciation and amortization	268	251
Other operating expenses	1,375	1,307
Total operating expenses	3,689	3,551
Operating Income	396	372
Other Income (Expense)	(136)	(144)
Earnings Before Income Taxes	$ 260	$ 228
Average number of equivalent employees	89,700	90,200

Results of Operations (continued)

OPERATING STATISTICS

	Three Months Ended September 30, 1995	Three Months Ended September 30, 1994
American Airlines, Inc.		
Passenger Division		
Revenue passenger miles (millions)	27,814	27,011
Available seat miles (millions)	40,376	39,736
Passenger revenue yield per passenger mile (cents)	12.63	12.48
Passenger revenue per available seat mile (cents)	8.70	8.48
Operating expenses per available seat mile (cents)	8.31	8.08
Passenger load factor	68.9%	68.0%
Breakeven load factor	61.6%	60.8%
Fuel consumption (gallons, in millions)	712	711
Fuel price per gallon (cents)	56.3	56.9
Operating aircraft at period-end	646	650
Cargo Division		
Cargo ton miles (millions)	498	504
Revenue yield per ton mile (cents)	33.09	31.96
AMR Eagle, Inc.		
Revenue passenger miles (millions)	693	692
Available seat miles (millions)	1,230	1,192
Passenger load factor	56.3%	58.1%
Operating aircraft at period-end	267	275

Operating aircraft at September 30, 1995, included:

Jet Aircraft:	<	Regional Aircraft:	
Airbus A300-600R	35	ATR 42	46
Boeing 727-200	77	Super ATR	33
Boeing 757-200	87	Jetstream 32	46
Boeing 767-200	8	Saab 340A	15
Boeing 767-200 ER	22	Saab 340B	102
Boeing 767-300 ER	41	Shorts 360	25
Fokker 100	75	Total	267
McDonnell Douglas DC-10-10	17		
McDonnell Douglas DC-10-30	5		
McDonnell Douglas MD-11	19		
McDonnell Douglas MD-80	260		
Total	646		

88.0% of the jet aircraft fleet is Stage III, a classification of aircraft meeting the most stringent noise standards promulgated by the Federal Aviation Administration.

Average aircraft age is 8 years for jet aircraft and 4 years for regional aircraft.

Results of Operations (continued)

The Airline Group's revenues increased $162 million or 4.1 percent in the third quarter of 1995 versus the same period last year. American's passenger revenues increased by 4.2 percent, $143 million. American's yield (the average amount one passenger pays to fly one mile) of 12.63 cents increased by 1.2 percent compared to the same period in 1994. Domestic yields increased 1.2 percent from third quarter 1994. International yields increased 1.3 percent from third quarter 1994, due principally to a 7.0 percent increase in Europe partially offset by a 5.5 percent decrease in Latin America.

American's traffic or revenue passenger miles (RPMs) increased 3.0 percent to 27.8 billion miles for the quarter ended September 30, 1995. American's capacity or available seat miles (ASMs) increased 1.6 percent to 40.4 billion miles in the third quarter of 1995, primarily as a result of increases in jet stage length and aircraft productivity. Jet stage length increased 9.9 percent and aircraft productivity, as measured by miles flown per aircraft per day, increased 2.4 percent compared with third quarter 1994. American's domestic traffic decreased 0.6 percent on capacity decreases of 1.7 percent and international traffic grew 11.1 percent on capacity increases of 10.0 percent. The change in international traffic was driven by a 17.4 percent increase in traffic to Latin America on capacity growth of 12.3 percent, and a 7.0 percent increase in traffic to Europe on a capacity increase of 8.7 percent.

Other revenues increased 10.6 percent, $18 million, primarily due to contract maintenance work performed by American for other airlines and increases in airport ground services provided by American to other airlines.

The Airline Group's operating expenses increased 3.9 percent, $138 million. American's Passenger Division cost per ASM increased 2.8 percent to 8.31 cents. Wages, salaries and benefits rose 5.2 percent, $64 million, due primarily to an increase in provisions for profit sharing and salary adjustments for existing employees, partially offset by a 0.6 percent reduction in the average number of equivalent employees. Aircraft fuel expense decreased 1.2 percent, $5 million, due primarily to a 1.1 percent decrease in American's average price per gallon. Commissions to agents decreased 1.7 percent, $6 million, due principally to a reduction in average rates paid to agents attributable primarily to the change in commission structure implemented in February 1995, offset by an increase in passenger revenues. Other operating expenses, consisting of aircraft rentals, other rentals and landing fees, food service costs, maintenance costs and other miscellaneous operating expenses increased 5.2 percent, $68 million, primarily due to increased traffic driven expenses, increases in contract maintenance expenses and foreign currency exchange losses attributable to unfavorable exchange rates primarily in Latin America.

Other Income (Expense) decreased 5.6 percent or $8 million. Interest expense (net of amounts capitalized) increased $18 million due primarily to the issuance of $1.02 billion of convertible debentures in exchange for 2.04 million preferred shares in 1994, and the effect of rising interest rates on floating rate debt and interest rate swap agreements. These increases were partially offset by decreases in interest expense attributable to scheduled debt repayments and the repurchase and retirement of debt prior to scheduled maturity. Interest income increased due to higher average investment balances and higher average rates.

Results of Operations (continued)

THE SABRE GROUP
FINANCIAL HIGHLIGHTS
(Dollars in millions)

	Three Months Ended September 30, 1995	1994
Revenues	$ 418	$ 376
Expenses		
Wages, salaries and benefits	112	99
Depreciation and amortization	42	42
Other operating expenses	156	126
Total operating expenses	310	267
Operating Income	108	109
Other Income (Expense)	1	(12)
Income Before Income Taxes	$ 109	$ 97
Average number of equivalent employees	7,500	7,200

Revenues
Revenues for The SABRE Group increased 11.2 percent, $42 million, primarily due to increased booking fee volume, which was positively impacted by international expansion in Europe, Latin America and India, booking fee price increases and AMR's services agreement with Canadian Airlines International, Inc. (CAI).

Expenses
Wages, salaries and benefits increased 13.1 percent, $13 million, due to wage and salary adjustments for existing employees and an increase in the average number of equivalent employees. Other operating expenses increased 23.8 percent, $30 million, due primarily to costs associated with international expansion and the CAI agreement.

MANAGEMENT SERVICES GROUP
FINANCIAL HIGHLIGHTS
(Dollars in millions)

	Three Months Ended September 30, 1995	1994
Revenues	$ 133	$ 127
Expenses		
Wages, salaries and benefits	64	58
Other operating expenses	53	61
Total operating expenses	117	119
Operating Income	16	8
Other Income (Expense)	-	3
Income Before Income Taxes	$ 16	$ 11
Average number of equivalent employees	13,700	12,400

Results of Operations (continued)

Revenues
Revenues for the AMR Management Services Group increased 4.7 percent, or $6 million. Revenues for Airline Management Services, which was formed in 1994 to manage the Company's service contracts with other airlines including CAI, contributed $7 million to the increase. This increase was partially offset by reduced sales of aviation services.

Expenses
Wages, salaries and benefits increased 10.3 percent, $6 million, due primarily to an increase in the average number of equivalent employees. Other operating expenses decreased 13.1 percent, $8 million due primarily to lower cost of goods sold attributed to reduced sales of aviation services.

For the Nine Months Ended September 30, 1995 and 1994

Summary AMR recorded net earnings for the nine months ended September 30, 1995, of $444 million after preferred stock dividends, or $5.77 per common share primary, $5.26 fully diluted. This compares with net earnings of $301 million after preferred stock dividends, or $3.95 per common share primary, $3.89 fully diluted for the same period in 1994. Included in net earnings for the nine months ended September 30, 1995, is an extraordinary loss of $27 million ($17 million net of tax benefit) resulting from the repurchase and retirement of $362 million of debt (net of sinking fund balances of $23 million) prior to scheduled maturity. AMR's operating income improved 19.6 percent or $206 million.

AMR's improved results for the nine months ended September 30, 1995 reflect better performance by each of the Company's three business units - the Airline Group, which includes American Airlines, Inc.'s Passenger and Cargo Divisions and AMR Eagle, Inc.; The SABRE Group, which includes AMR's information technology and consulting businesses; and the Management Services Group, which includes AMR's airline management, aviation services, and investment service activities.

AIRLINE GROUP
FINANCIAL HIGHLIGHTS
(Unaudited) (Dollars in millions)

	Nine Months Ended September 30, 1995	1994
Revenues		
Passenger - American Airlines, Inc.	$10,051	$9,665
- AMR Eagle, Inc.	575	608
Cargo	503	484
Other	523	458
	11,652	11,215
Expenses		
Wages, salaries and benefits	3,823	3,669
Aircraft fuel	1,193	1,204
Commission to agents	981	1,011
Depreciation and amortization	804	794
Other operating expenses	3,976	3,820
Total operating expenses	10,777	10,498
Operating Income	875	717
Other Income (Expense)	(465)	(441)
Income Before Income Taxes	$ 410	$ 276

Results of Operations (continued)

OPERATING STATISTICS

	Nine Months Ended September 30, 1995	1994
American Airlines, Inc.		
Passenger Division		
Revenue passenger miles (millions)	77,660	73,833
Available seat miles (millions)	116,516	114,404
Passenger revenue yield per passenger mile (cents)	12.94	13.09
Passenger revenue per available seat mile (cents)	8.63	8.45
Operating expenses per available seat mile (cents)	8.41	8.36
Passenger load factor	66.7%	64.5%
Breakeven load factor	61.4%	61.0%
Fuel consumption (gallons, in millions)	2,065	2,055
Fuel price per gallon (cents)	55.7	56.5
Operating aircraft at period-end	646	650
Cargo Division		
Cargo ton miles (millions)	1,519	1,441
Revenue yield per ton mile (cents)	32.71	33.17
AMR Eagle, Inc.		
Revenue passenger miles (millions)	1,834	1,874
Available seat miles (millions)	3,316	3,308
Passenger load factor	55.3%	56.7%
Operating aircraft at period-end	267	275

The Airline Group's revenues increased $437 million or 3.9 percent during the first nine months of 1995 versus the same period last year. American's passenger revenues increased by 4.0 percent, $386 million. American's yield (the average amount one passenger pays to fly one mile) of 12.94 cents decreased by 1.1 percent compared to the same period in 1994. Domestic yields decreased 2.3 percent from the first nine months of 1994. International yields increased 1.9 percent over the first nine months of 1994, due principally to an 8.8 percent increase in Europe partially offset by a 4.9 percent decrease in Latin America.

American's traffic or revenue passenger miles (RPMs) increased 5.2 percent to 77.7 billion miles for the nine months ended September 30, 1995. American's capacity or available seat miles (ASMs) increased 1.8 percent to 116.5 billion miles in the first nine months of 1995, primarily as a result of increases in jet stage length and aircraft productivity. Jet stage length increased 5.9 percent and aircraft productivity, as measured by miles flown per aircraft per day, increased 4.6 percent compared with the first nine months of 1994. American's domestic traffic increased 3.1 percent on capacity decreases of 1.0 percent and international traffic grew 10.2 percent on capacity increases of 9.4 percent. The change in international traffic was driven by a 14.9 percent increase in traffic to Latin America on capacity growth of 12.4 percent, and a 7.1 percent increase in traffic to Europe on a capacity increase of 7.4 percent.

Passenger revenues of the AMR Eagle carriers decreased 5.4 percent, $33 million, due principally to a reduction in traffic of 2.1 percent to 1.8 billion RPMs. In the first quarter AMR Eagle redeployed its fleet of ATR aircraft in response to the FAA's temporary restrictions on the operation of ATR aircraft. The fleet disruption adversely impacted AMR Eagle's results in the first and second quarter of 1995. As of June 30, 1995, the Eagle aircraft had returned to their original locations.

On April 29, 1995 a hailstorm at American's Dallas/Fort Worth hub temporarily disabled approximately ten percent of American's fleet and approximately nine percent of AMR Eagle's fleet, forcing the carriers to reduce scheduled service during the entire month of May. This adversely impacted the Airline Group's revenue and cost performance. The combined impact of the hailstorm and the Eagle redeployment reduced AMR's first half net income by approximately $33 million.

Other revenues increased 14.2 percent, $65 million, primarily due to contract maintenance work performed by American for other airlines and increases in airport ground services provided by American to other airlines.

The Airline Group's operating expenses increased 2.7 percent, $279 million. American's Passenger Division cost per ASM increased by 0.6 percent to 8.41 cents. Wages, salaries and benefits rose 4.2 percent, $154 million, due primarily to an increase in provisions for profit sharing and salary adjustments for existing employees, partially offset by a 1.3 percent reduction in the average number of equivalent employees. Aircraft fuel expense decreased 0.9 percent, $11 million, due to a 1.4 percent decrease in American's average price per gallon, partially offset by an 0.5 percent increase in gallons consumed by American. Commissions to agents decreased 3.0 percent, $30 million, due principally to a reduction in average rates paid to agents attributable primarily to the change in commission structure implemented in February 1995, offset by an increase in passenger revenues. Other operating expenses, consisting of aircraft rentals, other rentals and landing fees, food service costs, maintenance costs and other miscellaneous operating expenses increased 4.1 percent, $156 million, primarily due to increased traffic and increases in contract maintenance expenses.

Other Income (Expense) increased 5.4 percent or $24 million. Interest expense (net of amounts capitalized) increased $80 million due primarily to the issuance of $1.02 billion of convertible debentures in exchange for 2.04 million preferred shares in 1994, and the effect of rising interest rates on floating rate debt and interest rate swap agreements. These increases were partially offset by decreases in interest expense attributable to scheduled debt repayments and the repurchase and retirement of debt prior to scheduled maturity. Interest income increased $25 million attributable to higher average investment balances and higher average rates.

Results of Operations (continued)

THE SABRE GROUP
FINANCIAL HIGHLIGHTS
(Dollars in millions)

	Nine Months Ended September 30, 1995	1994
Revenues	$1,232	$1,107
Expenses		
Wages, salaries and benefits	328	297
Depreciation and amortization	130	130
Other operating expenses	446	381
Total operating expenses	904	808
Operating Income	328	299
Other Income (Expense)	(10)	(23)
Income Before Income Taxes	$ 318	$ 276

Revenues
Revenues for The SABRE Group increased 11.3 percent, $125 million, primarily due to increased booking fee volume, which was positively impacted by international expansion in Europe, Latin America and India, booking fee price increases and AMR's services agreement with Canadian Airlines International, Inc. (CAI).

Expenses
Wages, salaries and benefits increased 10.4 percent, $31 million, due primarily to an increase in the average number of equivalent employees. Other operating expenses increased 17.0 percent, $65 million, due primarily to costs associated with international expansion and the CAI agreement.

MANAGEMENT SERVICES GROUP
FINANCIAL HIGHLIGHTS
(Dollars in millions)

	Nine Months Ended September 30, 1995	1994
Revenues	$ 398	$ 383
Expenses		
Wages, salaries and benefits	183	169
Other operating expenses	163	181
Total operating expenses	346	350
Operating Income	52	33
Other Income (Expense)	(1)	1
Income Before Income Taxes	$ 51	$ 34

Results of Operations (continued)

Revenues
Revenues for the AMR Management Services Group increased 3.9 percent, or $15 million. Revenues for Airline Management Services, which was formed in 1994 to manage the Company's service contracts with other airlines including CAI, contributed $22 million to the increase. This increase was partially offset by reduced sales of aviation services.

Expenses
Wages, salaries and benefits increased 8.3 percent, $14 million, due primarily to an increase in the average number of equivalent employees. Other operating expenses decreased 9.9 percent, $18 million, due primarily to lower cost of goods sold attributed to reduced sales of aviation services.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities in the nine month period ended September 30, 1995, was $1.9 billion, compared to $1.7 billion in 1994. Capital expenditures for the first nine months of 1995 were $813 million, and included the acquisition of six Boeing 757-200 and four Boeing 767-300 aircraft by American and the acquisition of eight Super ATR turboprop aircraft by AMR Leasing. In addition to the purchase of new aircraft by American, seven Boeing 727 aircraft, formerly recorded as capital lease assets, were purchased upon the expiration of their lease terms. These capital expenditures, as well as the expansion of certain airport facilities, were funded with internally generated cash.

Other
In the third quarter, the Transport Workers Union (TWU) informed American that its members had ratified seven of its eight labor contracts. The TWU and American also reached tentative agreement on the eighth contract, which covers fleet service workers. This tentative agreement has been submitted to the fleet service membership for a vote, with results expected in late October 1995. In addition to the TWU labor contracts, a binding arbitration settlement regarding the labor contract between American and the Association of Professional Flight Attendants was announced on October 10, 1995. These contracts include one-time early retirement programs, which will require AMR to record a significant charge in the fourth quarter. In addition, consistent with its Transition Plan, AMR continues to rationalize its route network, which may result in additional charges for the 1995 fourth quarter. At the present time the amount of these charges cannot be reasonably estimated. However, while it is expected that these charges will have a significant impact on fourth quarter results of operations, they are not expected to have a significant impact on the financial position or liquidity of AMR.

PART II

Item 1. Legal Proceedings

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 Practice 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. The matter was argued before the U.S. Supreme Court on November 1, 1994, and on January 18, 1995, the U.S. Supreme Court issued its opinion ending a portion of the suit against American. The U.S. Supreme Court held that a) plaintiffs' claim for violation of the Illinois Consumer Fraud Act was preempted by federal law -- entirely ending that part of the case and eliminating plaintiffs' claim for punitive damages; and b) certain breach of contract claims would not be preempted by federal law. The Court did not determine, however, whether the contract claims asserted by the plaintiffs in Wolens were preempted, and therefore remanded the case to the state court for further proceedings. In the event that the plaintiffs' breach of contract claim is eventually permitted to proceed in the state court, American intends to vigorously defend the case.

On February 10, 1995, American capped travel agency commissions for one-way and round trip domestic tickets at $25 and $50, respectively Immediately thereafter, numerous travel agencies, and two travel agency trade association groups filed class action lawsuits against American and other major air carriers (Continental, Delta, Northwest, United, USAir and TWA) that had independently imposed similar limits on travel agency commissions. The suits were transferred to the United States District Court for the District of Minnesota, and consolidated as a multi-district litigation captioned In Re: Airline Travel Agency Commission Antitrust Litigation. The plaintiffs assert that the airline defendants conspired to reduce travel agency commissions and to monopolize air travel in violation of sections 1 and 2 of the Sherman Act. The case has been certified as a class action on behalf of approximately 40,000 domestic travel agencies and two travel agency trade associations. In June 1995 after extensive, expedited discovery, the travel agents moved for a preliminary injunction to enjoin the commission caps, and the defendants simultaneously moved for summary judgment. On August 31, 1995, Judge Rosenbaum denied both motions. Pre-trial activities against the defendants, including American, are continuing. American is vigorously defending the lawsuit.

PART II

Item 6. Exhibits and Reports on Form 8-K

The following exhibits are included herein:

11 Statement re: computation of earnings per share

12 Statement re: computation of ratio of earnings to fixed charges

On September 28, 1995, AMR filed a report on Form 8-K relative to the status of the Company's labor negotiations with the Transport Workers Union.

On October 12, 1995 AMR filed a report on Form 8-K relative to the status of the Company's labor negotiations with the Transport Workers Union, as well as the Company's labor negotiations with the Association of Professional Flight Attendants.

Signatures

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

Date: October 18, 1995

BY: /s/ Gerard J. Arpey
Gerard J. Arpey
Senior Vice President and Chief Financial Officer

AMR CORPORATION
Computation of Earnings Per Share
(In millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1995	1994	1995	1994
Primary:				
Average shares outstanding	76	76	76	76
Add shares issued upon assumed conversion of dilutive options, stock appreciation rights and warrants and shares assumed issued for deferred stock granted	4	3	3	2
Less assumed treasury shares purchased	(3)	(3)	(2)	(2)
Totals	77	76	77	76
Earnings	$ 231	$ 205	$ 448	$ 351
Less: Preferred dividend requirements	(2)	(17)	(4)	(50)
Earnings applicable to common shares	$ 229	$ 188	$ 444	$ 301
Per share amount	$ 2.96	$ 2.47	$ 5.77	$ 3.95
Fully diluted:				
Average shares outstanding	76	76	76	76
Add shares issued upon:				
Assumed conversion of 6.125% convertible subordinated debentures	13	-	13	-
Assumed conversion of preferred stock	1	14	1	14
Assumed conversion of dilutive options, stock appreciation rights and warrants and shares assumed issued for deferred stock granted	4	3	4	2
Less assumed treasury shares purchased	(3)	(3)	(3)	(2)
Totals	91	90	91	90
Earnings	$ 231	$ 205	$ 448	$ 351
Less: Preferred dividend requirements	(2)	(17)	(4)	(50)
Earnings applicable to common shares	229	188	444	301
Adjustments:				
Add interest upon assumed conversion of 6.125% convertible subordinated debentures, net of tax	10	-	31	-
Add dividends upon assumed conversion of convertible stock	2	17	4	50
Earnings as adjusted	$ 241	$ 205	$ 479	$ 351
Per share amount	$ 2.64	$ 2.27	$ 5.26	$ 3.89

EXHIBIT 12

AMR CORPORATION
Computation of Ratio of Earnings to Fixed Charges
(Dollars in millions)

	Nine Months Ended September 30, 1995	1994
Earnings:		
Earnings before income taxes and extraordinary loss	$ 779	$586
Add: Total fixed charges (per below)	1,014	949
Less: Interest capitalized	11	17
Total earnings	$1,782	$ 1,518
Fixed charges:		
Interest	$524	$463
Portion of rental expense representative of the interest factor	486	481
Amortization of debt expense	4	5
Total fixed charges	$1,014	$949
Ratio of earnings to fixed charges	1.76	1.60

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78
1409
20068
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12722
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11467
0
0
524
779
314
465
0
(17)
0
448
5.77
5.26