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

FORM 10-Q

[x]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 1-2691.

American Airlines, Inc.
(Exact name of registrant as specified in its charter)

Delaware	13-1502798
(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 - 1,000 as of October 19,1995

The registrant meets the conditions set forth in, and is filing this form with the reduced disclosure format prescribed by, General Instructions H(1)(a) and H(1)(b) of Form 10-Q.

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AMERICAN AIRLINES , INC.

PART I: FINANCIAL INFORMATION

PART 1. FINANCIAL INFORMATION

AMERICAN AIRLINES, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited) (In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1995	1994	1995	1994
Revenues				
Airline Group:				
Passenger	$3,513	$3,370	$10,051	$9,665
Cargo	165	162	497	479
Other	158	148	502	443
	3,836	3,680	11,050	10,587
Information Services Group	396	348	1,123	1,009
Less: Intergroup revenues	(136)	(138)	(420)	(435)
Total operating revenues	4,096	3,890	11,753	11,161
Expenses				
Wages, salaries and benefits	1,311	1,255	3,890	3,758
Aircraft fuel	401	405	1,151	1,160
Commissions to agents	325	329	939	964
Depreciation and amortization	285	271	859	852
Other rentals and landing fees	212	196	605	581
Food service	178	170	503	500
Aircraft rentals	150	155	454	467
Maintenance materials and repairs	130	114	367	341
Other operating expenses	626	524	1,800	1,590
Total operating expenses	3,618	3,419	10,568	10,213
Operating Income	478	471	1,185	948
Other Income (Expense)				
Interest income	6	3	17	4
Interest expense	(134)	(113)	(431)	(302)
Interest capitalized	3	5	11	16
Miscellaneous - net	(3)	(8)	(16)	(32)
	(128)	(113)	(419)	(314)
Earnings Before Income Taxes	350	358	766	634
Income tax provision	138	138	306	245
Net Earnings	$ 212	$ 220	$ 460	$ 389

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

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(In millions)

	September 30, 1995 (Unaudited)	December 31, 1994 (Note)
Assets		
Current Assets		
Cash	$ 94	$ 13
Short-term investments of affiliates	1,072	744
Receivables, net	1,264	877
Receivables from affiliates	333	493
Inventories, net	534	590
Other current assets	431	385
Total current assets	3,728	3,102
Equipment and Property		
Flight equipment, net	9,267	9,132
Purchase deposits for flight equipment	62	105
	9,329	9,237
Other equipment and property, net	1,820	1,866
	11,149	11,103
Equipment and Property Under Capital Leases		
Flight equipment, net	1,298	1,370
Other equipment and property, net	165	172
	1,463	1,542
Route acquisition costs, net	1,011	1,032
Other assets, net	1,047	1,037
	$ 18,398	$ 17,816

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.

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(In millions)

	September 30, 1995 (Unaudited)	December 31, 1994 (Note)
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts payable	$ 862	$ 831
Payables to affiliates	1,465	759
Accrued liabilities	1,752	1,434
Air traffic liability	1,701	1,473
Current maturities of long-term debt	64	49
Current obligations under capital leases	122	110
Total current liabilities	5,966	4,656
Long-term debt, less current maturities	1,331	1,518
Long-term debt due to Parent	1,953	3,196
Obligations under capital leases, less current obligations	1,857	1,964
Deferred income taxes	463	268
Other liabilities, deferred gains, deferred credits and postretirement benefits	3,130	2,981
Stockholder's Equity		
Common stock	-	-
Additional paid-in capital	1,699	1,699
Retained earnings	1,999	1,534
	3,698	3,233
	$ 18,398	$ 17,816

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.

AMERICAN AIRLINES, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited) (In millions)

	Nine Months Ended September 30, 1995	1994
Net Cash Provided by Operating Activities	$1,736	$1,702
Cash Flow from Investing Activities:		
Capital expenditures	(744)	(585)
Net increase in short-term investments	(328)	(502)
Other	62	12
Net cash used for investing activities	(1,010)	(1,075)
Cash Flow from Financing Activities:		
Proceeds from issuance of long-term debt	-	130
Other short-term borrowings	-	200
Payments on other short-term borrowings	-	(200)
Payments on long-term debt and capital lease obligations	(268)	(121)
Funds transferred to affiliates, net	(377)	(664)
Net cash used for financing activities	(645)	(655)
Net increase (decrease) in cash	81	(28)
Cash at beginning of period	13	55
Cash at end of period	$ 94	$ 27
Cash Payments For:		
Interest (net of amounts capitalized)	$ 411	$ 275
Income taxes	51	26
Financing Activities not Affecting Cash:		
Capital lease obligations incurred	$ -	$ 280

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

AMERICAN AIRLINES, INC.
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 American Airlines, Inc. annual report on Form 10-K for the year ended December 31, 1994.

2. Certain amounts from 1994 have been reclassified to conform with the 1995 presentation, including cash flows resulting from certain transactions with affiliates.

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 $5.6 billion and $5.2 billion, respectively. Accumulated amortization of equipment and property under capital leases at September 30, 1995 and December 31, 1994, was $779 million and $823 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 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

For the Nine Months Ended September 30, 1995 and 1994

American recorded net earnings for the first nine months of 1995 of $460 million. This compares to net earnings of $389 million for the same period last year. American's operating income was $1.19 billion for the first nine months of 1995 compared to $948 million for the first nine months of 1994.

American's passenger revenues increased by 4.0 percent, $386 million during the first nine months of 1995 versus the same period last year. 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.

Other Airline Group revenues increased 13.2 percent, $59 million, primarily due to contract maintenance work performed by American for other airlines.

Information Services Group revenues increased 11.3 percent, $114 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..

On April 29, 1995 a hailstorm at American's Dallas/Fort Worth hub temporarily disabled approximately ten percent of American's fleet, forcing American to reduce scheduled service during the entire month of May. This adversely impacted the carrier's revenue and cost performance. The impact of the hailstorm reduced American's second quarter net income by approximately $17 million.

American's operating expenses increased 3.5 percent, $355 million. Passenger Division cost per ASM increased by 0.6 percent to 8.41 cents. Wages, salaries and benefits rose 3.5 percent, $132 million, due primarily to an increase in provisions for profit sharing and salary adjustments for existing employees , partially offset by a 1.0 percent reduction in the average number of equivalent employees. Aircraft fuel expense decreased 0.8 percent, $9 million, due to a 1.4 percent decrease in American's average price per gallon. Commissions to agents decreased 2.6 percent, $25 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 increased 13.2 percent, $210 million, primarily due to increased traffic driven expenses and increases in contract maintenance expenses.

Other Income (Expense) increased 33.4 percent or $105 million. Interest expense (net of amounts capitalized) increased $134 million due primarily to the effect of rising interest rates on floating rate debt and interest rate swap agreements and a change in the terms of the subordinated note agreement with AMR.

Effective September 30, 1994, the subordinated promissory note bears interest based on the weighted average rate on AMR's long-term debt and preferred stock. Prior to September 30, 1994, interest on the subordinated note was based on the London Interbank Offered Rate (LIBOR). The increase in interest expense was partially offset by a $13 million increase in interest income attributable to higher average investment balances and higher average rates.

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 American to record a significant charge in the fourth quarter. In addition, consistent with its Transition Plan, American 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 American.

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:

Statement re: computation of ratio of earnings to fixed charges

The Company filed the following reports on Form 8-K during the three months ended September 30,1995.

On September 28, 1995, American 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 American 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.

AMERICAN AIRLINES, INC.

Date: October 19, 1995

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

EXHIBIT 12

AMERICAN AIRLINES, INC.
Computation of Ratio of Earnings to Fixed Charges
(Dollars in millions)

	Nine Months Ended September 30, 1995	Nine Months Ended September 30, 1994
Earnings:		
Earnings before income taxes	$ 766	$ 634
Add: Total fixed charges (per below)	874	740
Less: Interest capitalized capitalized	(11)	(16)
Total earnings	$1,629	$1,358
Fixed charges:		
Interest	$ 431	$ 302
Portion of rental expense representative of the interest factor	441	435
Amortization of debt expense	2	3
Total fixed charges	$ 874	$ 740
Ratio of earnings to fixed charges	1.86	1.84

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