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 Quarterly Period Ended June 30, 1997.

[ ]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 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 No .

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 - 91,940,107 as of August 6, 1997

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AMR CORPORATION

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements

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

	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Revenues				
Airline Group:				
Passenger - American Airlines Inc.	$3,641	$3,510	$7,031	$6,797
- AMR Eagle, Inc	256	266	504	533
Cargo	174	173	338	336
Other	221	210	425	407
	4,292	4,159	8,298	8,073
The SABRE Group	447	410	887	838
Management Services Group	151	151	312	308
Less: Intergroup revenues	(180)	(170)	(361)	(361)
Total operating revenues	4,710	4,550	9,136	8,858
Expenses				
Wages, salaries and benefits	1,556	1,497	3,096	2,984
Aircraft fuel	471	470	991	911
Commissions to agents	329	321	643	636
Depreciation and amortization	310	297	622	597
Other rentals and landing fees	227	223	445	439
Maintenance materials and repairs	219	170	414	338
Food service	173	173	334	329
Aircraft rentals	143	162	287	326
Other operating expenses	694	651	1,367	1,311
Total operating expenses	4,122	3,964	8,199	7,871
Operating Income	588	586	937	987
Other Income (Expense)				
Interest income	31	16	58	32
Interest expense	(99)	(123)	(202)	(269)
Minority interest	(10)	-	(22)	-
Miscellaneous - net	(6)	1	(10)	(5)
	(84)	(106)	(176)	(242)
Earnings Before Income Taxes	504	480	761	745
Income tax provision	202	187	307	295
Net Earnings	$ 302	$ 293	$ 454	$ 450
Earnings Per Common Share				
Primary	$ 3.26	$ 3.35	$ 4.92	$ 5.44
Fully Diluted	$ 3.26	$ 3.20	$ 4.92	$ 5.04
Number of Shares Used in Computation				
Primary	92	87	92	83
Fully Diluted	92	92	92	92

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

AMR CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET
(In millions)

	June 30, 1997 (Unaudited)	December 31, 1996 (Note 1)
Assets		
Current Assets		
Cash	$ 22	$ 68
Short-term investments	2,177	1,743
Receivables, net	1,524	1,382
Inventories, net	613	633
Deferred income taxes	404	404
Other current assets	235	240
Total current assets	4,975	4,470
Equipment and Property		
Flight equipment, net	9,048	9,251
Other equipment and property, net	1,871	1,882
	10,919	11,133
Equipment and Property Under Capital Leases		
Flight equipment, net	1,940	2,016
Other equipment and property, net	159	156
	2,099	2,172
Route acquisition costs, net	959	974
Other assets, net	1,751	1,748
	$ 20,703	$ 20,497
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 959	$ 1,068
Accrued liabilities	1,953	2,055
Air traffic liability	2,098	1,889
Current maturities of long-term debt	297	424
Current obligations under capital leases	135	130
Total current liabilities	5,442	5,566
Long-term debt, less current maturities	2,703	2,752
Obligations under capital leases, less current obligations	1,703	1,790
Deferred income taxes	802	743
Other liabilities, deferred gains, deferred credits and postretirement benefits	4,047	3,978
Stockholders' Equity		
Common stock	91	91
Additional paid-in capital	3,207	3,166
Treasury stock	(158)	-
Retained earnings	2,866	2,411
	6,006	5,668
	$ 20,703	$ 20,497

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

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

	Six Months Ended June 30,	
	1997	1996
Net Cash Provided by Operating Activities	$1,059	$1,128
Cash Flow from Investing Activities:		
Capital expenditures	(461)	(233)
Net decrease (increase) in short-term investments	(434)	11
Proceeds from sale of equipment and property	177	156
Net cash used for investing activities	(718)	(66)
Cash Flow from Financing Activities:		
Payments on long-term debt and capital lease obligations	(261)	(1,082)
Repurchases of common stock	(158)	-
Other	32	18
Net cash used for financing activities	(387)	(1,064)
Net decrease in cash	(46)	(2)
Cash at beginning of period	68	82
Cash at end of period	$ 22	$ 80
Cash Payments For:		
Interest	$ 214	$ 280
Income taxes	231	282

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. Results of operations for the periods presented herein are not necessarily indicative of results of operations for the entire year. The balance sheet at December 31, 1996 has been derived from the audited financial statements at that date. For further information, refer to the consolidated financial statements and footnotes thereto included in the AMR Corporation (AMR or the Company) Annual Report on Form 10-K for the year ended December 31, 1996.

2. Accumulated depreciation of owned equipment and property at June 30, 1997 and December 31, 1996, was $6.4 billion and $6.1 billion, respectively. Accumulated amortization of equipment and property under capital leases at June 30, 1997 and December 31, 1996, was $1.0 billion and $971 million, respectively.

3. As discussed in the notes to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1996, the Miami International Airport Authority is currently remediating various environmental conditions at Miami International Airport (Airport) and funding the remediation costs through landing fee revenues. Future costs of the remediation effort may be borne by carriers operating at the Airport, including American Airlines, Inc. (American), through increased landing fees. The ultimate resolution of this matter is not expected to have a significant impact on the financial position or liquidity of AMR.

4. On May 5, 1997, the members of the Allied Pilots Association ratified a new labor agreement that was reached with American in March 1997. The new contract becomes amendable August 31, 2001. Among other provisions, the agreement granted pilots options to buy 5.75 million shares of AMR stock at $83.375, $10 less than the average fair market value of the stock on the date of grant, May 5, 1997. The options are immediately exercisable. To offset the potential dilution from the exercise of these options, and as previously announced, the Company intends to repurchase in the open market or in private transactions from time to time up to 5.75 million shares of its common stock. A total of 1,902,575 shares had been repurchased as of June 30, 1997.

5. On May 7, 1997, American confirmed the structure of its aircraft acquisition arrangement with Boeing announced in November 1996. The arrangement includes firm orders for 75 Boeing 737s, 12 Boeing 757s and four Boeing 767-300ERs, with deliveries commencing in 1998 and continuing through 2004. In June 1997, American confirmed an order for seven Boeing 777-200IGW aircraft, to be delivered in 1999 and 2000. In addition to the firm orders, American obtained "purchase rights" for additional aircraft. Subject to the availability of delivery positions, some of which are guaranteed, American has the right to acquire, at specified prices, new standard-body aircraft with as little as 15 months prior notice; wide-bodied acquisitions will require 18 months notice.

   In April 1997, the Company announced that AMR Eagle will acquire 12 new ATR 72 (Super ATR) aircraft, with deliveries beginning in July 1997 and continuing through May 1998, and will remove its 11 remaining Shorts 360 aircraft from service by the end of September 1997. In June 1997, the Company announced that AMR Eagle will acquire 67 regional jets. This includes a firm order for 42 Embraer EMB-145 aircraft, with deliveries beginning in February 1998 and continuing through November 1999, and a firm order for 25 Bombardier CRJ-700 aircraft, with deliveries beginning in the first quarter of 2001 and continuing through the second quarter of 2003.

   Payments for the firm-order aircraft noted above will approximate $1.0 billion in 1997, $1.3 billion in 1998, $1.6 billion in 1999, and $2.3 billion in 2000 and thereafter.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. On July 16, 1997, the Company announced that its board of directors authorized management to repurchase up to an additional $500 million of its outstanding common stock in the open market or in private transactions from time to time over a 24-month period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

For the Three Months Ended June 30, 1997 and 1996

Summary AMR recorded net earnings for the three months ended June 30, 1997, of $302 million, or $3.26 per common share. This compares to net earnings of $293 million, or $3.35 per common share ($3.20 fully diluted) for the second quarter of 1996. AMR's operating income of $588 million increased slightly compared to $586 million for the same period in 1996.

AMR's operations fall within three major lines of business - 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, which are described in AMR's Annual Report on Form 10-K for the year ended December 31, 1996.

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

	Three Months Ended June 30,	
	1997	1996
Revenues		
Passenger - American Airlines, Inc.	$3,641	$3,510
- AMR Eagle, Inc.	256	266
Cargo	174	173
Other	221	210
	4,292	4,159
Expenses		
Wages, salaries and benefits	1,345	1,306
Aircraft fuel	471	470
Commissions to agents	329	321
Depreciation and amortization	260	247
Other operating expenses	1,407	1,331
Total operating expenses	3,812	3,675
Operating Income	480	484
Other Income (Expense)	(77)	(105)
Earnings Before Income Taxes	$ 403	$ 379
Average number of equivalent employees	90,500	87,800

Results of Operations (continued)

OPERATING STATISTICS

	Three Months Ended June 30, 1997	1996
American Airlines Jet Operations		
Revenue passenger miles (millions)	27,318	26,679
Available seat miles (millions)	38,738	38,440
Cargo ton miles (millions)	521	520
Passenger load factor	70.5%	69.4%
Breakeven load factor	60.0%	58.5%
Passenger revenue yield per passenger mile (cents)	13.33	13.16
Passenger revenue per available seat mile (cents)	9.40	9.13
Cargo revenue yield per ton mile (cents)	32.88	32.74
Operating expenses per available seat mile (cents)	9.15	8.84
Fuel consumption (gallons, in millions)	697	687
Fuel price per gallon (cents)	65.3	66.0
Fuel price per gallon, excluding fuel tax (cents)	60.4	61.3
Operating aircraft at period-end	644	637
AMR Eagle, Inc.		
Revenue passenger miles (millions)	652	675
Available seat miles (millions)	1,047	1,102
Passenger load factor	62.3%	61.2%
Operating aircraft at period-end	203	227

Operating aircraft at June 30, 1997, included:

Jet Aircraft:		Regional Aircraft:	
Airbus A300-600R	35	ATR 42	46
Boeing 727-200	81	Super ATR	33
Boeing 757-200	90	Saab 340B	90
Boeing 767-200	8	Saab 340B Plus	25
Boeing 767-200 Extended Range	22	Shorts 360	9
Boeing 767-300 Extended Range	41	Total	203
Fokker 100	75		
McDonnell Douglas DC-10-10	13		
McDonnell Douglas DC-10-30	5		
McDonnell Douglas MD-11	14		
McDonnell Douglas MD-80	260		
Total	644		

87.4% of the jet aircraft fleet is Stage III, a classification of aircraft meeting noise standards as promulgated by the Federal Aviation Administration.

Average aircraft age is 9.6 years for jet aircraft and 5.4 years for regional aircraft.

The Airline Group's revenues increased $133 million or 3.2 percent in the second quarter of 1997 versus the same period last year. American's passenger revenues increased by 3.7 percent, $131 million. American's yield (the average amount one passenger pays to fly one mile) of 13.33 cents increased by 1.3 percent compared to the same period in 1996. Domestic yields decreased 0.8 percent from second quarter 1996. International yields increased 6.4 percent, due to a 9.0 percent increase in Latin America, an 8.5 percent increase in the Pacific and a 3.1 percent increase in Europe.

American's traffic or revenue passenger miles (RPMs) increased 2.4 percent to 27.3 billion miles for the quarter ended June 30, 1997. American's capacity or available seat miles (ASMs) increased 0.8 percent to 38.7 billion miles in the second quarter of 1997, primarily as a result of seven additional operating aircraft. American's domestic traffic increased 1.6 percent on capacity increases of 0.6 percent and international traffic grew 4.2 percent on capacity increases of 1.3 percent. The increase in international traffic was driven by a 6.2 percent increase in traffic to Latin America on capacity growth of 4.4 percent and a 3.7 percent increase in traffic to Europe on a capacity decrease of 2.0 percent.

The Airline Group's operating expenses increased 3.7 percent, $137 million. American's Jet Operations cost per ASM increased 3.5 percent to 9.15 cents. Other operating expenses increased by $76 million, primarily as a result of a $48 million increase in maintenance materials and repairs expense due to additional aircraft check lines added at American's maintenance bases as a result of the maturing of its fleet. Aircraft rentals decreased $19 million as a result of American's decision to prepay the cancelable operating leases it had on 12 of its Boeing 767-300 aircraft during June and July 1996. Following the prepayments, these aircraft have been accounted for as capital leases and the related costs included in amortization expense.

Other Income (Expense) decreased 26.7 percent or $28 million. Interest expense decreased $27 million primarily due to the retirement of debt prior to scheduled maturity and the conversion in May 1996 of $1.02 billion in convertible subordinated debentures. Interest income increased approximately $11 million due to higher investment balances.

Results of Operations (continued)

THE SABRE GROUP
FINANCIAL HIGHLIGHTS
(Unaudited) (Dollars in millions)

	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996
Revenues	$ 447	$ 410
Operating Expenses	354	329
Operating Income	93	81
Other Income (Expense)	3	(1)
Earnings Before Income Taxes	$ 96	$ 80
Average number of equivalent employees	8,400	7,900

Revenues

Revenues for The SABRE Group increased 9.0 percent, $37 million, primarily due to growth in booking fees from associates. This growth was driven by an increase in booking volumes, primarily in Europe and Latin America, and an overall increase in the price per booking charged to associates. Revenues from technology solution services provided by The SABRE Group to its unaffiliated customers increased approximately $6 million due to an increase in software development and consulting and software license fee revenues.

Expenses

Operating expenses increased 7.6 percent, $25 million, due primarily to an increase in salaries, benefits and employee related costs, and subscriber incentive expenses. Salaries, benefits and employee related costs increased due to an increase in the average number of equivalent employees necessary to support The SABRE Group's revenue growth and to annual salary increases. Employee related costs also increased due to increased travel expenses. Subscriber incentive expenses increased in order to maintain and grow The SABRE Group's travel agency subscriber base.

Results of Operations (continued)

MANAGEMENT SERVICES GROUP
FINANCIAL HIGHLIGHTS
(Unaudited) (Dollars in millions)

	Three Months Ended June 30,	
	1997	1996
Revenues	$ 151	$ 151
Operating Expenses	136	130
Operating Income	15	21
Other Income (Expense)	-	-
Earnings Before Income Taxes	$ 15	$ 21
Average number of equivalent employees	15,500	14,800

Revenues
Revenues for the Management Services Group for the second quarter of 1997 were comparable to the same period in 1996. AMR Services Corporation experienced higher revenue as a result of increased revenues provided by its AMR Distribution Systems division and increased airline passenger, ramp and cargo handling services provided by its AMR Airline Services division. This increase was offset by lower revenue for AMR Combs due to the March 1997 sale of its aircraft parts division and a reduction in fees for services provided by Airline Management Services to Canadian Airlines International Limited.

Expenses
Operating expenses increased 4.6 percent, $6 million, due primarily to an increase in wages, salaries and benefits resulting from an increase in the average number of equivalent employees.

Results of Operations (continued)

For the Six Months Ended June 30, 1997 and 1996

Summary AMR recorded net earnings for the six months ended June 30, 1997, of $454 million, or $4.92 per common share. This compares with net earnings of $450 million, or $5.44 per common share ($5.04 fully diluted) for the same period in 1996. AMR's operating income decreased 5.1 percent or $50 million.

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

	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Revenues		
Passenger - American Airlines, Inc.	$7,031	$6,797
- AMR Eagle, Inc.	504	533
Cargo	338	336
Other	425	407
	8,298	8,073
Expenses		
Wages, salaries and benefits	2,679	2,607
Aircraft fuel	991	911
Commissions to agents	643	636
Depreciation and amortization	522	499
Other operating expenses	2,759	2,674
Total operating expenses	7,594	7,327
Operating Income	704	746
Other Income (Expense)	(157)	(239)
Earnings Before Income Taxes	$ 547	$ 507
Average number of equivalent employees	90,200	88,900

OPERATING STATISTICS

	Six Months Ended June 30,	
	1997	1996
American Airlines Jet Operations		
Revenue passenger miles (millions)	52,613	51,311
Available seat miles (millions)	76,258	75,994
Cargo ton miles (millions)	1,001	1,018
Passenger load factor	69.0%	67.5%
Breakeven load factor	61.4%	59.2%
Passenger revenue yield per passenger mile (cents)	13.36	13.25
Passenger revenue per available seat mile (cents)	9.22	8.94
Cargo revenue yield per ton mile (cents)	33.31	32.50
Operating expenses per available seat mile (cents)	9.27	8.91
Fuel consumption (gallons, in millions)	1,370	1,350
Fuel price per gallon (cents)	69.9	65.0
Fuel price per gallon, excluding fuel tax (cents)	65.0	60.2
Operating aircraft at period-end	644	637
AMR Eagle, Inc.		
Revenue passenger miles (millions)	1,254	1,311
Available seat miles (millions)	2,090	2,239
Passenger load factor	60.0%	58.6%
Operating aircraft at period-end	203	227

Results of Operations (continued)

The Airline Group's revenues increased $225 million or 2.8 percent during the first six months of 1997 versus the same period last year. American's passenger revenues increased by 3.4 percent, $234 million. American's yield (the average amount one passenger pays to fly one mile) of 13.36 cents increased by 0.8 percent compared to the same period in 1996. Domestic yields decreased 0.2 percent from the first six months of 1996. International yields increased 3.5 percent, reflecting a 4.4 percent increase in Latin America, a 1.9 percent increase in Europe and a 1.1 percent increase in the Pacific.

American's traffic or revenue passenger miles (RPMs) increased 2.5 percent to 52.6 billion miles for the six months ended June 30, 1997. American's capacity or available seat miles (ASMs) increased 0.3 percent to 76.3 billion miles in the first six months of 1997, primarily as a result of seven additional operating aircraft. American's domestic traffic increased 2.2 percent on capacity increases of 0.5 percent and international traffic grew 3.3 percent on capacity decreases of 0.1 percent. The overall increase in international traffic was driven by a 7.8 percent increase in traffic to Latin America on capacity growth of 3.2 percent, partially offset by a 9.0 percent decrease in Pacific traffic on a capacity decrease of 5.9 percent.

The Airline Group's operating expenses increased 3.6 percent, $267 million. American's Jet Operations cost per ASM increased by 4.0 percent to 9.27 cents. Aircraft fuel expense increased 8.8 percent, $80 million, due primarily to a 7.5 percent increase in American's average price per gallon including tax. Other operating expenses increased by $85 million, primarily as a result of a $75 million increase in maintenance materials and repairs expense due to additional aircraft check lines added at American's maintenance bases as a result of the maturing of its fleet. Aircraft rentals decreased $39 million as a result of American's decision to prepay the cancelable operating leases it had on 12 of its Boeing 767-300 aircraft during June and July 1996. Following the prepayments, these aircraft have been accounted for as capital leases and the related costs included in amortization expense.

Other Income (Expense) decreased 34.3 percent or $82 million. Interest expense decreased $71 million primarily due to the retirement of debt prior to scheduled maturity and the conversion in May 1996 of $1.02 billion in convertible subordinated debentures. Interest income increased approximately $20 million due to higher investment balances.

Results of Operations (continued)

THE SABRE GROUP
FINANCIAL HIGHLIGHTS
(Unaudited) (Dollars in millions)

	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Revenues	$ 887	$ 838
Operating Expenses	686	641
Operating Income	201	197
Other Income (Expense)	4	(2)
Earnings Before Income Taxes	$ 205	$ 195
Average number of equivalent employees	8,300	7,900

Revenues

Revenues for The SABRE Group increased 5.8 percent, $49 million, primarily due to growth in booking fees from associates. This growth was driven by an increase in booking volumes, primarily in Europe and Latin America, and an overall increase in the price per booking charged to associates. Revenues from technology solution services provided by The SABRE Group to its unaffiliated customers increased approximately $8 million due to an increase in software development and consulting and software license fee revenues.

Expenses

Operating expenses increased 7.0 percent, $45 million, due primarily to an increase in salaries, benefits and employee related costs, and subscriber incentive expenses. Salaries, benefits and employee related costs increased due to an increase in the average number of equivalent employees necessary to support The SABRE Group's revenue growth and to annual salary increases. Employee related costs also increased due to increased travel expenses. Subscriber incentive expenses increased in order to maintain and grow The SABRE Group's travel agency subscriber base.

Results of Operations (continued)
MANAGEMENT SERVICES GROUP
FINANCIAL HIGHLIGHTS
(Unaudited) (Dollars in millions)

	Six Months Ended June 30, 1997	1996
Revenues	$ 312	$ 308
Operating Expenses	280	264
Operating Income	32	44
Other Income (Expense)	(1)	(1)
Earnings Before Income Taxes	$ 31	$ 43
Average number of equivalent employees	15,500	14,100

Revenues
Revenues for the Management Services Group increased 1.3 percent, or $4 million. AMR Services Corporation experienced higher revenue as a result of increased revenues provided by its AMR Distribution Systems division and increased airline passenger, ramp and cargo handling services provided by its AMR Airline Services division. This increase was offset by lower revenue for AMR Combs due to the March 1997 sale of its aircraft parts division and a reduction in fees for services provided by Airline Management Services to Canadian Airlines International Limited.

Expenses
Operating expenses increased 6.1 percent, $16 million, due primarily to an increase in wages, salaries and benefits resulting from an increase in the average number of equivalent employees.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities in the six month period ended June 30, 1997, was $1.1 billion, a decrease of $69 million over the same period in 1996. Capital expenditures for the first six months of 1997 were $461 million, and included purchase deposits on new aircraft orders of $190 million. These capital expenditures were financed with internally generated cash. Proceeds from the sale of equipment and property of $177 million for the first six months of 1997 include proceeds received upon the delivery of two of American's McDonnell Douglas MD-11 aircraft to Federal Express Corporation in accordance with the 1995 agreement between the two parties.

On May 7, 1997, American confirmed the structure of its aircraft acquisition arrangement with Boeing announced in November 1996. The arrangement includes firm orders for 75 Boeing 737s, 12 Boeing 757s and four Boeing 767-300ERs, with deliveries commencing in 1998 and continuing through 2004. In June 1997, American confirmed an order for seven Boeing 777-200IGW aircraft, to be delivered in 1999 and 2000.

In April 1997, the Company announced that AMR Eagle will acquire 12 new ATR 72 (Super ATR) aircraft, with deliveries beginning in July 1997 and continuing through May 1998, and will remove its 11 remaining Shorts 360 aircraft from service by the end of September 1997. In June 1997, the Company announced that AMR Eagle will acquire 67 regional jets. This includes a firm order for 42 Embraer EMB-145 aircraft, with deliveries beginning in February 1998 and continuing through November 1999, and a firm order for 25 Bombardier CRJ-700 aircraft, with deliveries beginning in the first quarter of 2001 and continuing through the second quarter of 2003.

Results of Operations (continued)

Payments for the firm-order aircraft noted above will approximate $1.0 billion in 1997, $1.3 billion in 1998, $1.6 billion in 1999, and $2.3 billion in 2000 and thereafter.

As discussed in Note 4, in May 1997, the Company confirmed its intent to repurchase in the open market or in private transactions from time to time up to 5.75 million shares of its common stock to offset the potential dilution from the exercise of the options granted to the pilots. A total of 1,902,575 shares had been repurchased as of June 30.

In June 1997, Standard & Poor's raised its corporate credit ratings and senior debt ratings of AMR Corporation and its subsidiary American Airlines, Inc. to triple 'B' minus from double 'B' plus.

On July 16, 1997, the Company announced that its board of directors authorized management to repurchase up to an additional $500 million of its outstanding common stock in the open market or in private transactions from time to time over a 24-month period.

Other

The Federal airline passenger excise tax, which was reimposed in the first quarter of 1997, is scheduled to expire on September 30, 1997. A replacement tax mechanism will take effect on October 1, 1997. Over a five year period on a sliding scale, the airline ticket tax will be reduced from ten percent to 7.5 percent and a $3 per passenger segment fee will be phased in. Additionally, the fee for international arrivals and departures will be increased from $6 per departure to $12 for each arrival and departure and a 7.5 percent tax will be added on the purchase of frequent flyer miles. The ultimate impact of the new taxes on AMR cannot be determined at this time.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings

In January 1985, American announced a new fare category, the "Ultimate SuperSaver," a discount, advance purchase fare that carried a 25 percent penalty upon cancellation. On December 30, 1985, a class action lawsuit was filed in Circuit Court, Cook County, Illinois entitled Johnson vs. American Airlines, Inc. The Johnson plaintiffs allege that the 10 percent federal excise transportation tax should have been excluded from the "fare" upon which the 25 percent penalty was assessed. The case has not been certified as a class action. Summary judgment was granted in favor of American but subsequently reversed and vacated by the Illinois Appellate Court. American is vigorously defending the lawsuit.

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. Although the complaint originally involved numerous claims, after a January 18, 1995 preemption ruling by the U.S. Supreme Court, only the plaintiffs' breach of contract claim remains. Currently, the plaintiffs allege that in May 1988, American implemented changes that limited the number of seats available to participants traveling on certain awards and established blackout dates during which no AAdvantage seats would be available for certain awards and that these changes breached American's contracts with AAdvantage members. The case has not been certified as a class action. Although the case has been pending for numerous years, it still is in a preliminary stage. American is vigorously defending the lawsuit. Plaintiffs seek money damages for the alleged breach and attorneys' fees.

In December 1993, American announced that the number of miles required to claim a certain travel award under American's AAdvantage frequent flyer program would be increased effective February 1, 1995. On February 1, 1995, a class action lawsuit entitled Gutterman vs. American Airlines, Inc., was filed in the Circuit Court of Cook County, Illinois. The Gutterman plaintiffs claim that this increase in mileage level violated the terms and conditions of the agreement between American and AAdvantage members. On February 9, 1995, a virtually identical class action lawsuit entitled Benway vs. American Airlines, Inc., was filed in District Court, Dallas County, Texas. After limited discovery and prior to class certification, a summary judgment dismissing the Benway case was entered by the Dallas County court in July 1995. Although American's motion to dismiss the Gutterman lawsuit was denied, American's motion for summary judgment is still pending. No class has been certified in the Gutterman lawsuit and to date only very limited discovery has been undertaken. American is vigorously defending the lawsuit.

PART II

Item 4. Submission of Matters to a vote of Security Holders

The owners of 73,958,787 shares of common stock, or 81 percent of shares outstanding, were represented at the annual meeting of stockholders on May 21, 1997 at The Omni Hotel Park West, 1590 LBJ Freeway, Dallas, Texas.

Elected as directors of the Corporation, each receiving a minimum of 72,415,608 votes were:

David L. Boren	Earl G. Graves
Edward A. Brennan	Dee J. Kelly
Armando M. Codina	Ann D. McLaughlin
Robert L. Crandall	Charles H. Pistor, Jr.
Christopher F. Edley	Joe M. Rodgers
Charles T. Fisher, III	Maurice Segall

Stockholders ratified the appointment of Ernst & Young LLP as independent auditors for the Corporation for 1997. The vote was 73,843,997 in favor; 53,721 against; and 61,069 abstaining.

Item 6. Exhibits and Reports on Form 8-K

The following exhibits are included herein:

11	Computation of earnings per share.
27	Financial Data Schedule.

On April 16, 1997, AMR filed a report on Form 8-K relative to the Company's negotiations with the Allied Pilots Association and a press release announcing the Company's first quarter 1997 earnings.

On July 16, 1997, AMR filed a report on Form 8-K relative to a press release issued to report the Company's second quarter 1997 earnings and to announce that the Company's board of directors authorized management to repurchase additional shares of its outstanding common stock.

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

Date: August 13, 1997

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

EXHIBIT 11

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

	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Primary:				
Earnings applicable to common shares	$ 302	$ 293	$ 454	$ 450
Average shares outstanding	90	86	91	81
Add shares issued upon assumed conversion of dilutive options, stock appreciation rights and warrants and shares assumed issued for deferred stock granted	7	3	4	4
Less assumed treasury shares purchased	(5)	(2)	(3)	(2)
Total primary shares	92	87	92	83
Primary earnings per share	$ 3.26	$ 3.35	$ 4.92	$ 5.44
Fully diluted:				
Earnings applicable to common shares	302	293	454	450
Adjustments:				
Add interest upon assumed conversion of 6.125% convertible subordinated debentures, net of tax	-	3 (a)	-	14 (a)
Add dividends upon assumedconversion of convertible preferred stock	-	-	-	1
Earnings, as adjusted	$ 302	$ 296	$ 454	$ 465
Average shares outstanding	90	86	91	81
Add shares issued upon:				
Assumed conversion of 6.125% convertible subordinated debentures	-	4	-	8
Assumed conversion of preferred stock	-	1	-	1
Assumed conversion of dilutive options, stock appreciation rights and warrants and shares assumed issued for deferred stock granted	7	3	4	4
Less assumed treasury shares purchased	(5)	(2)	(3)	(2)
Total fully diluted shares	92	92	92	92
Fully diluted earnings per share	$ 3.26	$ 3.20	$ 4.92	$ 5.04

(a) Through date of actual conversion.

5
1,000,000

6-MOS
DEC-31-1997
JUN-30-1997
22
2,177
1,544
20
613
4,975
20,471
7,453
20,703
5,442
4,406
0
0
3,140
2,866
20,703
0
9,136
0
8,199
0
0
202
761
307
454
0
0
0
454
4.92
4.92