

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of earliest event
reported: October 19, 1994

AMR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State of Incorporation) No.)	1-8400 (Commission File Number)	75-1825172 (IRS Employer Identification
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4333 Amon Carter Blvd. (Address of principal executive offices)	Fort Worth, Texas	76155 (Zip Code)
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(817) 963-1234
(Registrant's telephone number)

Item 5. Other Events.

Registrant issued a press release, dated October 19, 1994, reporting its financial results for the third quarter of 1994 and certain financial information for the Registrant.

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Item 7. Financial Statements and Exhibits
(c) Exhibits

Exhibit No.	Description
28	Press release dated October 19, 1994, reporting Registrant's financial results for the third quarter of 1994 and certain financial information for the Registrant.

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FOR RELEASE: Wednesday, October 19, 1994

Buoyed by a stronger U.S. economy, as well as rebounding economic growth abroad, AMR Corporation, parent company of American Airlines, Inc., today reported third quarter net earnings of \$205 million (\$188 million after preferred stock dividends), or \$2.47 per common share (\$2.27 fully diluted).

The third quarter 1994 results compare with net earnings of \$118 million, or \$1.33 per common share after preferred stock dividends, for the same period in 1993. The 1993 results include an extraordinary after-tax loss of \$7 million related to the early retirement of debt.

In addition to improving global economies, AMR attributed the substantial year-over-year earnings gain to strong showings on both the revenue and cost sides of the ledger. Operating revenues increased 0.8 percent to \$4.23 billion despite a 5.0 percent year-over-year capacity decline at AMR's largest unit, American Airlines' Passenger Division. The company cited the strength of its marketing programs, its

extensive route network, and the superior performance of its employees as key factors in mitigating the effects of sub-optimal industry pricing.

AMR's revenue performance was also enhanced by a 15.2 percent revenue increase at AMR Eagle, Inc., the company's regional airline affiliate, as well as by a 4.5 percent revenue increase at the Cargo Division. Additionally, the company's information technology unit, The SABRE Group, boosted its revenues by 10.4 percent, and its Management Services Group increased revenues by 13.3 percent.

AMR's operating expenses declined 2.2 percent in the quarter to \$3.74 billion, due largely to aggressive cost control efforts and a 3.2 percent drop in the price of jet fuel. However, pay and benefit costs per employee continued to rise.

The combination of improved revenues and lower costs led to operating earnings of \$489 million in the quarter, an improvement of 31.5 percent year over year.

"We are heartened by these improved results," said AMR's Chairman, Robert L. Crandall. "They are a reflection of great progress in many parts of our operation. Most explicitly, they are a commentary on the hard work and commitment of our people, who are offering our customers first-rate service.

"In light of our earnings, some may ask if the company still needs to change," he said. "The answer is that it clearly does."

Crandall noted that low-cost carriers now compete with American Airlines for almost 40 percent of its domestic traffic on nonstop routes, a figure which he said is still growing rapidly. Thus, he said, "Our biggest challenge still lies ahead. To be successful in the long term, we must structure our company to be much more cost competitive than it is today. Our objective must be to report satisfactory financial results, not just in a single quarter, but on a regular basis."

For the first nine months of 1994, AMR recorded net earnings of \$351 million, or \$3.95 per common share after preferred stock dividends. This compares with net earnings of \$143 million, or a \$1.30 per common share after preferred stock dividends, for the same nine-month period in 1993.

For the nine months, the 1994 results include a favorable adjustment to revenues of \$35 million (\$22 million after tax, or \$0.28 per common share) produced by a change in the company's estimate of the usage patterns of miles awarded by participating companies in American's AAdvantage frequent flyer program. The nine-month results for 1993 include a \$125 million charge (\$79 million after-tax) for the retirement of DC-10 aircraft, and a positive \$115 million adjustment to revenues (\$67 million net of related commission expense and taxes) for a change in estimate related to passenger revenues.

Segment Information

Pre-tax earnings for third quarter 1994 in the Air Transportation Group, which includes American Airlines, Inc.'s Passenger and Cargo Divisions and AMR Eagle, Inc. were \$226 million, which produced a pre-tax margin of 5.8 percent; The SABRE Group, which includes AMR's information technology businesses, had pre-tax earnings of \$98 million, a pre-tax margin of 24.9 percent; and the Management Services Group, which includes AMR's airline management, aviation services, training, consulting and investment service activities, posted pre-tax income of \$12 million, resulting in a pre-tax margin of 8.8 percent for that unit.

These results compare with third quarter 1993 pre-tax earnings of \$134 million in the Air Transportation Group, a margin of 3.4 percent; pre-tax earnings of \$84 million in The SABRE Group, a margin of 23.6 percent; and pre-tax earnings of \$5 million in the

Management Services Group, which resulted in a pre-tax margin of 4.2 percent.

For the nine-month period in 1994, pre-tax earnings for the Air Transportation Group were \$274 million, a margin of 2.4 percent; The SABRE Group had pre-tax earnings of \$292 million, a margin of 25.0 percent; and the Management Services Group recorded pre-tax earnings of \$20 million, a margin of 5.1 percent.

Results for January-September 1993 included pre-tax earnings of \$24 million in the Air Transportation Group, a pre-tax margin of 0.2 percent; pre-tax earnings of \$237 million in The SABRE Group, a margin of 22.9 percent; and \$13 million pre-tax earnings in the Management Services Group, a margin of 3.9 percent.

American Airlines' Passenger and Cargo Division Results

American's Passenger Division available seat miles (ASMs, a measure of capacity) decreased 5.0 percent, from 41.81 billion in third quarter 1993 to 39.74 billion this year. For the nine months, ASMs decreased 6.3 percent, from 122.15 billion in 1993 to 114.40 billion in 1994.

American's Passenger Division flew 27.01 billion revenue passenger miles (RPMs, the number of seats per mile filled by passengers), in 1994's third quarter, up 1.5 percent from the 26.62 billion flown in third quarter 1993. For the nine months, RPMs decreased 1.1 percent, from 74.66 billion in 1993 to 73.83 billion in 1994.

American's Passenger Division third quarter load factor (the percentage of seats filled with passengers) of 68.0 percent was above the 63.7 percent reported for

the same period in 1993. For the nine-month period, load factor increased from 61.1 percent in 1993 to 64.5 percent this year.

American's Passenger Division yield (the average amount one passenger pays to fly one mile), decreased 3.6 percent, from 12.95 cents in third quarter 1993 to 12.48 cents for the same period this year. For the nine months, yield fell to 13.09 cents in 1994 compared with 13.47 cents for the same period in 1993.

American's Passenger Division passenger revenue per available seat mile (the average amount of revenue earned per seat, per mile) increased 2.9 percent in the third quarter, from 8.24 cents in 1993 to 8.48 cents this year. For the nine months, passenger revenue per available seat mile was 8.45 cents in 1994, a 2.7 percent increase from 8.23 cents in 1993.

American's Passenger Division operating expense per available seat mile (the average cost to fly one seat for one mile) in third quarter 1994 was 8.08 cents, a 0.2 percent increase from the same period a year ago. For the nine-month period, operating expenses per available seat mile rose 1.5 percent, from 8.24 cents in 1993 to 8.36 cents this year.

Cargo ton miles increased from 454 million in third quarter 1993 to 504 million this year. For the nine months, cargo ton miles were 1.44 billion in 1994, up 8.5 percent from 1.33 billion last year.

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

	Three Months Ended September 30,		
	1994	1993	Percent Change
Revenues			
Air Transportation Group:			
Passenger - American Airlines	\$ 3,370	\$ 3,447	(2.2)
- AMR Eagle	220	191	15.2
Cargo	163	156	4.5
Other	170	134	26.9
	3,923	3,928	(0.1)
The SABRE Group	393	356	10.4
AMR Management Services Group	136	120	13.3
Less: Intergroup revenues	(219)	(205)	6.8
Total operating revenues	4,233	4,199	0.8
Expenses			
Wages, salaries and benefits	1,391	1,332	4.4
Aircraft fuel	421	464	(9.3)
Commissions to agents	346	401	(13.7)
Depreciation and amortization	298	293	1.7
Other rentals and landing fees	216	226	(4.4)
Aircraft rentals	172	186	(7.5)
Food service	172	187	(8.0)
Maintenance materials and repairs	149	160	(6.9)
Other operating expenses	579	578	0.2
Total operating expenses	3,744	3,827	(2.2)
Operating Income	489	372	31.5
Other Income (Expense)			
Interest income	13	13	-
Interest expense	(157)	(164)	(4.3)
Interest capitalized	6	11	(45.5)
Miscellaneous - net	(15)	(9)	66.7
	(153)	(149)	2.7
Earnings Before Income Taxes	336	223	50.7
Income tax provision	131	98	33.7
Net Earnings Before	205	125	64.0
Extraordinary Loss Net of Tax	-	(7)	(100.0)
Net Earnings	205	118	73.7
Preferred stock dividends	17	16	6.2
Earnings Applicable to Common Shares	\$ 188	\$ 102	84.3
Earnings Per Common Share:			
Primary:			
Before Extraordinary Loss	\$ 2.47	\$ 1.43	
Extraordinary Loss	-	(0.10)	
Net Earnings	\$ 2.47	\$ 1.33	
Fully diluted:			
Before Extraordinary Loss	\$ 2.27	\$ 1.34	
Extraordinary Loss	-	(0.08)	
Net Earnings	\$ 2.27	\$ 1.26	
Number of Shares Used in Computation:			
Primary	76	76	
Fully diluted	90	98	

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

	Nine Months Ended September 30,		Percent
	1994	1993	Change
Revenues			
Air Transportation Group:			
Passenger - American Airlines(1)	\$ 9,665	\$ 10,058	(3.9)
- AMR Eagle	608	536	13.4
Cargo	484	472	2.5
Other	458	402	13.9
	11,215	11,468	(2.2)
The SABRE Group	1,167	1,033	13.0
AMR Management Services Group	394	331	19.0
Less: Intergroup revenues	(634)	(607)	4.4
Total operating revenues	12,142	12,225	(0.7)
Expenses			
Wages, salaries and benefits	4,155	4,008	3.7
Aircraft fuel	1,204	1,434	(16.0)
Commissions to agents	1,011	1,112	(9.1)
Depreciation and amortization	938	889	5.5
Other rentals and landing fees	633	652	(2.9)
Aircraft rentals	523	556	(5.9)
Food service	505	537	(6.0)
Maintenance materials and repairs	441	506	(12.8)
Other operating expenses	1,683	1,679	0.2
Total operating expenses	11,093	11,373	(2.5)
Operating Income	1,049	852	23.1
Other Income (Expense)			
Interest income	26	45	(42.2)
Interest expense	(463)	(507)	(8.7)
Interest capitalized	17	41	(58.5)
Miscellaneous - net (2)	(43)	(157)	(72.6)
	(463)	(578)	(19.9)
Earnings Before Income Taxes	586	274	*
Income tax provision	235	124	89.5
Net Earnings Before Extraordinary Loss	351	150	*
Extraordinary Loss Net of Tax(3)	-	(7)	(100.0)
Net Earnings	351	143	*
Preferred stock dividends	50	43	16.3
Earnings Applicable to Common Shares	\$ 301	\$ 100	*
Earnings Per Common Share			
Primary:			
Before Extraordinary Loss	\$ 3.95	\$ 1.40	
Extraordinary Loss	-	(0.10)	
Net Earnings	\$ 3.95	\$ 1.30	
Fully diluted:			
Before Extraordinary Loss	\$ 3.89	\$ 1.40	
Extraordinary Loss	-	(0.10)	
Net Earnings	\$ 3.89	\$ 1.30	
Number of Shares Used in Computation			
Primary	76	76	
Fully diluted	90	76	

* Exceeds 100%.

AMR CORPORATION
FINANCIAL HIGHLIGHTS
(in millions)
(Unaudited)

	ATG	TSG	MSG	AMR
Three Months Ended				
September 30, 1994:				
Revenues	\$ 3,923	\$ 393	\$ 136	\$ 4,233
Earnings Before Income Taxes	226	98	12	336
Pre-tax Margin	5.8%	24.9%	8.8%	7.9%
Three Months Ended				
September 30, 1993:				
Revenues	\$ 3,928	\$ 356	\$ 120	\$ 4,199
Earnings Before Income Taxes	134	84	5	223
Pre-tax Margin	3.4%	23.6%	4.2%	5.3%
Nine Months Ended				
September 30, 1994:				
Revenues	\$ 11,215	\$ 1,167	\$ 394	\$ 12,142
Earnings Before Income Taxes	274	292	20	586
Pre-tax Margin	2.4%	25.0%	5.1%	4.8%
Nine Months Ended				
September 30, 1993:				
Revenues	\$ 11,468	\$ 1,033	\$ 331	\$ 12,225
Earnings Before Income Taxes	24	237	13	274
Pre-tax Margin	0.2%	22.9%	3.9%	2.2%

AMR CORPORATION
FINANCIAL HIGHLIGHTS
(in millions)
(Unaudited)

	Three Months Ended September 30,		Percent
	1994	1993	Change
Air Transportation Group			
Revenues			
Passenger - American Airlines	\$ 3,370	\$ 3,447	(2.2)
- AMR Eagle	220	191	15.2
Cargo	163	156	4.5
Other	170	134	26.9
	3,923	3,928	(0.1)
Expenses			
Wages, salaries and benefits	1,226	1,200	2.2
Aircraft fuel	421	464	(9.3)
Commissions to agents	346	401	(13.7)
Depreciation and amortization	242	238	1.7
Other operating expenses	1,323	1,352	(2.1)
Total operating expenses	3,558	3,655	(2.7)
Operating Income	365	273	33.7
Other Income (Expense)	(139)	(139)	-
Earnings Before Income Taxes	\$ 226	\$ 134	68.7
The SABRE Group			
Revenues	\$ 393	\$ 356	10.4
Expenses			
Wages, salaries and benefits	124	105	18.1
Depreciation and amortization	44	44	-
Other operating expenses	115	122	(5.7)
Total operating expenses	283	271	4.4
Operating Income	110	85	29.4
Other Income (Expense)	(12)	(1)	*
Earnings Before Income Taxes	\$ 98	\$ 84	16.7
AMR Management Services Group			
Revenues	\$ 136	\$ 120	13.3
Expenses			
Wages, salaries and benefits	41	27	51.9
Other operating expenses	81	79	2.5
Total operating expenses	122	106	15.1
Operating Income	14	14	-
Other Income (Expense)	(2)	(9)	(77.8)
Earnings Before Income Taxes	\$ 12	\$ 5	*

* Exceeds 100%.

AMR CORPORATION
FINANCIAL HIGHLIGHTS
(in millions)
(Unaudited)

	Nine Months Ended September 30,		Percent
	1994	1993	Change
Air Transportation Group			
Revenues			
Passenger - American Airlines(1)	\$ 9,665	\$ 10,058	(3.9)
- AMR Eagle	608	536	13.4
Cargo	484	472	2.5
Other	458	402	13.9
	11,215	11,468	(2.2)
Expenses			
Wages, salaries and benefits	3,669	3,622	1.3
Aircraft fuel	1,204	1,434	(16.0)
Commissions to agents	1,011	1,112	(9.1)
Depreciation and amortization	768	728	5.5
Other operating expenses	3,865	3,996	(3.3)
Total operating expenses	10,517	10,892	(3.4)
Operating Income	698	576	21.2
Other Income (Expense) (2)	(424)	(552)	23.2
Earnings Before Income Taxes	\$ 274	\$ 24	*
The SABRE Group			
Revenues	\$ 1,167	\$ 1,033	13.0
Expenses			
Wages, salaries and benefits	367	309	18.8
Depreciation and amortization	135	131	3.1
Other operating expenses	351	352	(0.3)
Total operating expenses	853	792	7.7
Operating Income	314	241	30.3
Other Income (Expense)	(22)	(4)	*
Earnings Before Income Taxes	\$ 292	\$ 237	23.2
AMR Management Services Group			
Revenues	\$ 394	\$ 331	19.0
Expenses			
Wages, salaries and benefits	119	77	54.5
Other operating expenses	238	219	8.7
Total operating expenses	357	296	20.6
Operating Income	37	35	5.7
Other Income (Expense)	(17)	(22)	22.7
Earnings Before Income Taxes	\$ 20	\$ 13	53.8

* Exceeds 100%.

AMR CORPORATION
NOTES TO CONDENSED CONSOLIDATED
STATEMENT OF OPERATIONS

1. Included in Passenger Revenues for the nine months ended September 30, 1994, is a favorable adjustment of \$35 million produced by a change in the Company's estimate of the usage patterns of miles awarded by participating companies in American's AAdvantage frequent flyer program. Included in Passenger Revenues for the nine months ended September 30, 1993, is a favorable adjustment of \$115 million resulting from a change in estimate relating to certain earned passenger revenues.
2. Included in Miscellaneous - net for the nine months ended September 30, 1993, is a \$125 million charge related to the retirement of 31 DC-10 aircraft. The charge represents the Company's best estimate of the expected loss based upon the anticipated method of disposition. However, should the ultimate method of disposition differ, the actual loss could be different than the amount estimated.
3. In the third quarter of 1993 AMR retired prior to maturity \$59 million in face value of long-term debt. The retirement resulted in an extraordinary loss of \$7 million, net of tax benefit of \$5 million.

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 Air Transportation Group
 Operating Statistics
 (Unaudited)

	Three Months Ended September 30,		Percent
	1994	1993	Change
American Airlines Passenger Division:			
Revenue passenger miles (millions)	27,011	26,622	1.5
Available seat miles (millions)	39,736	41,812	(5.0)
Passenger load factor	68.0%	63.7%	4.3 pts.
Passenger revenue yield per passenger mile (cents)	12.48	12.95	(3.6)
Passenger revenue per available seat mile (cents)	8.48	8.24	2.9
Operating expenses per available seat mile (cents)	8.08	8.06	0.2
Fuel consumption (gallons, in millions)	711	765	(7.1)
Fuel price per gallon (cents)	56.9	58.8	(3.2)
American Airlines Cargo Division:			
Cargo ton miles (millions)	504	454	11.0
Revenue yield per ton mile (cents)	31.96	34.14	(6.4)
AMR Eagle, Inc.			
Revenue passenger miles (millions)	692	595	16.3
Available seat miles (millions)	1,192	998	19.4
Passenger load factor	58.1%	59.6%	(1.5) pts.

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Air Transportation Group
Operating Statistics
(Unaudited)

	Nine Months Ended		Percent
	September 30,		Change
	1994	1993	
American Airlines Passenger Division:			
Revenue passenger miles (millions)	73,833	74,656	(1.1)
Available seat miles (millions)	114,404	122,149	(6.3)
Passenger load factor	64.5%	61.1%	3.4 pts.
Passenger revenue yield per passenger mile (cents)	13.09	13.47	(2.8)
Passenger revenue per available seat mile (cents)	8.45	8.23	2.7
Operating expenses per available seat mile (cents)	8.36	8.24	1.5
Fuel consumption (gallons, in millions)	2,055	2,244	(8.4)
Fuel price per gallon (cents)	56.5	62.0	(8.9)
Operating aircraft at period-end	650	681	(4.6)
American Airlines Cargo Division:			
Cargo ton miles (millions)	1,441	1,328	8.5
Revenue yield per ton mile (cents)	33.17	35.27	(6.0)
AMR Eagle, Inc.			
Revenue passenger miles (millions)	1,874	1,572	19.2
Available seat miles (millions)	3,308	2,850	16.1
Passenger load factor	56.7%	55.2%	1.5 pts.
Operating aircraft at period-end	275	275	-
AMR Corporation			
Average Number of Equivalent Employees			
Air Transportation Group	90,600	94,100	(3.7)
The SABRE Group	11,800	11,200	5.4
AMR Management Services Group	7,300	5,500	32.7
Total	109,700	110,800	(1.0)

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

/s/ Charles D. MarLett
Charles D. MarLett
Corporate Secretary

Dated: October 19, 1994

