

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: January 20, 1999

AMR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware State of Incorporation)	1-8400 (Commission File Number)	75-1825172 (IRS Employer Identification No.)
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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

AMR Corporation (the "Company") is filing herewith a press release issued today (January 20, 1999) by the Company as Exhibit 99.1 which is included herein. This press release was issued to report fourth quarter and full year 1998 earnings.

Item 7. Financial Statements and Exhibits

The following exhibit is included herein:

99.1 Press Release

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 hereunto duly authorized.

AMR CORPORATION

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

Dated: January 20, 1999

EXHIBIT INDEX

Exhibit	Description
99.1	Press Release

Contact: Corporate Communications
Fort Worth, Texas
817-967-1577

AMR REPORTS FOURTH QUARTER EARNINGS OF \$182 MILLION

1998 EARNINGS OF \$1.3 BILLION AN ALL-TIME RECORD

FOR RELEASE: Wednesday, Jan. 20, 1999

FORT WORTH, Texas -- AMR Corporation, parent company of American Airlines Inc., today reported fourth quarter net earnings of \$182 million (\$1.09 per common share diluted) after a special item for the fourth quarter, as compared to \$208 million (\$1.16 per common share diluted, adjusted for last year's 2-for-1 stock split) after special items in the same period in 1997.

Excluding a special item totaling \$15 million after taxes, AMR reported fourth quarter earnings of \$167 million (\$1.00 per common share diluted). This compares with net earnings of \$195 million (\$1.09 per common share diluted and adjusted for the stock split), excluding certain special items, during the same period in 1997.

AMR's fourth quarter results brought the company's full-year 1998 net earnings to a record \$1.3 billion (\$7.52 per common share diluted), including the special item. This compares with net earnings including special items of \$985 million (\$5.39 per common share diluted and adjusted for the stock split) in 1997.

"As the numbers clearly demonstrate, we had an outstanding year in 1998, thanks in large part to the hard work of our employees, management's dedicated focus on the airline and related technology businesses, and very favorable external factors such as the strong domestic economy and lower fuel prices," said Donald J. Carty, AMR's Chairman and CEO. "We've worked hard to build shareholder value for our investors, and our great performance last year will mean another record pay-out this March for American's employee profit sharing plans."

Carty added that although 1998 was an excellent year, AMR's fourth quarter earnings were down year-over-year, largely due to decreased yields, especially in international markets.

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"We are cautiously optimistic about 1999, as we carefully monitor the balance of supply and demand in the marketplace and continue our cost-containment initiatives," Carty said. "However, there's no question that 1999 will be a very good year for American's customers as we take delivery of 45 new Boeing aircraft and 31 regional jets, upgrade airport facilities, refurbish aircraft interiors, continue network expansion, and enhance passenger service."

Among AMR's fourth quarter highlights:

- o AA announced and completed the tender offer for Reno Air and American Eagle announced it would buy Business Express to strengthen the overall network and boost presence in the western U.S. and New England.
- o AA welcomed Finnair to the oneworld alliance.
- o AA announced a frequent flyer plan partnership with Alaska Airlines and Horizon Air.
- o AA reduced slightly its 1999 growth plan to reflect changing global economic conditions, through increased aircraft retirements and deferred international service. The additional aircraft retirements should save an estimated \$40 million in associated maintenance costs during the next three years. Sixteen 727-200, DC-10-10 and MD-11 aircraft will leave the fleet in 1999.
- o AMR announced sales agreements for three non-airline businesses -- AMR Services, AMR Combs and TeleService Resources (TSR) -- to better focus on core airline and related technology businesses.
- o AA announced the launch of Nexos, a new Latin inflight magazine as part of the airline's overall \$11.5-million initiative to improve service for Latin customers. The airline also observed the 10th anniversary of its Latin Desk, celebrating a decade of reservations services to Spanish-speaking customers.
- o AA introduced voice recognition technology to its automated flight information system.
- o AA launched new DFW-Osaka service and announced new Los Angeles-Paris (Orly) service, starting June 1.
- o AMR completed Aerolineas Argentinas and Austral equity transactions.
- o American Eagle began new regional jet service to Abilene, Texas; Houston (Hobby); Montgomery, Ala.; the new Northwest Arkansas Regional Airport; and between Columbus, Ohio and Miami. The regional airline also announced new jet service to Long Island-Islip (MacArthur), N.Y.; Jackson, Miss.; Memphis, Tenn.; and Peoria, Ill.

Statements in this news release contain various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which represent the Company's expectations or beliefs concerning future events. When used in this release, the word "expects" and similar expressions are intended to identify forward-looking statements. All forward-looking statements in this release are based upon information available to the Company on the date of this release. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements are subject to a number of factors that could cause actual results to differ materially from our expectations. Additional information concerning these and other factors is contained in the Company's Securities and Exchange Commission filings, included but not limited to the Form 10-K/A No. 1 for the year ended Dec. 31, 1997.

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

	Three Months Ended December 31,		Percent Change
	1998	1997	
Revenues			
Airline Group			
Passenger- American Airlines	\$3,457	\$3,566	(3.1)
- AMR Eagle	272	251	8.4
Cargo	166	180	(7.8)
Other	257	231	11.3
	4,152	4,228	(1.8)
The SABRE Group	571	443	28.9
Management Services Group	33	22	50.0
Less: Intergroup revenues	(155)	(152)	2.0
Total operating revenues	4,601	4,541	1.3
Expenses			
Wages, salaries and benefits	1,690	1,576	7.2
Aircraft fuel	385	466	(17.4)
Depreciation and amortization	321	306	4.9
Commissions to agents	292	303	(3.6)
Maintenance, materials and repairs	233	230	1.3
Other rentals and landing fees	208	218	(4.6)
Food service	152	167	(9.0)
Aircraft rentals	142	144	(1.4)
Other operating expenses	844	751	12.4
Total operating expenses	4,267	4,161	2.5
Operating Income	334	380	(12.1)
Other Income (Expense)			
Interest income	37	40	(7.5)
Interest expense	(92)	(110)	(16.4)
Interest capitalized	33	10	*
Minority interest	(3)	(4)	(25.0)
Miscellaneous - net	(3)	24	*
	(28)	(40)	(30.0)
Income From Continuing Operations			
Before Income Taxes	306	340	(10.0)
Income tax provision	124	132	(6.1)
Income From Continuing Operations	182	208	(12.5)
Income From Discontinued Operations (net of applicable income taxes)			
	-	-	-
Net Earnings	\$ 182	\$ 208	(12.5)

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* Greater Than 100%

AMR CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS (CONTINUED)

(Unaudited) (In millions, except per share amounts)

	Three Months Ended	
	December 31,	
	1998	1997
Earnings Per Common Share		
Basic		
Before Discontinued Operations	\$ 1.12	\$ 1.20
Discontinued Operations	-	-
Net Earnings	\$ 1.12	\$ 1.20
Diluted		
Before Discontinued Operations	\$ 1.09	\$ 1.16
Discontinued Operations	-	-
Net Earnings	\$ 1.09	\$ 1.16
Number of Shares Used in Computation		
Basic	162	173
Diluted	167	179

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

	Twelve Months Ended December 31,		Percent Change
	1998	1997	
Revenues			
Airline Group			
Passenger- American Airlines	\$14,695	\$14,310	2.7
- AMR Eagle	1,121	1,017	10.2
Cargo	656	687	(4.5)
Other	977	889	9.9
	17,449	16,903	3.2
The SABRE Group	2,306	1,789	28.9
Management Services Group	119	95	25.3
Less: Intergroup revenues	(669)	(603)	10.9
Total operating revenues	19,205	18,184	5.6
Expenses			
Wages, salaries and benefits	6,507	6,056	7.4
Aircraft fuel	1,604	1,923	(16.6)
Depreciation and amortization	1,287	1,225	5.1
Commissions to agents	1,226	1,278	(4.1)
Maintenance, materials and repairs	937	863	8.6
Other rentals and landing fees	875	876	(0.1)
Food service	675	677	(0.3)
Aircraft rentals	569	574	(0.9)
Other operating expenses	3,187	2,805	13.6
Total operating expenses	16,867	16,277	3.6
Operating Income	2,338	1,907	22.6
Other Income (Expense)			
Interest income	140	140	-
Interest expense	(372)	(420)	(11.4)
Interest capitalized	104	20	*
Minority interest	(40)	(36)	11.1
Miscellaneous - net	(6)	13	*
	(174)	(283)	(38.5)
Income From Continuing Operations			
Before Income Taxes	2,164	1,624	33.3
Income tax provision	858	651	31.8
Income From Continuing Operations	1,306	973	34.2
Income From Discontinued Operations (net of applicable income taxes)			
	8	12	(33.3)
Net Earnings	\$1,314	\$ 985	33.4

Continued on next page

* Greater Than 100%

AMR CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS (CONTINUED)

(Unaudited) (In millions, except per share amounts)

	Twelve Months Ended December 31,	
	1998	1997
Earnings Per Common Share		
Basic		
Before Discontinued Operations	\$ 7.73	\$ 5.45
Discontinued Operations	0.05	0.07
Net Earnings	\$ 7.78	\$ 5.52
Diluted		
Before Discontinued Operations	\$ 7.48	\$ 5.32
Discontinued Operations	0.04	0.07
Net Earnings	\$ 7.52	\$ 5.39
Number of Shares Used in Computation		
Basic	169	178
Diluted	175	183

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AMR CORPORATION
BUSINESS SEGMENT FINANCIAL HIGHLIGHTS
(Unaudited) (In millions)

	Three Months Ended		Percent Change
	December 31, 1998	1997	
Airline Group			
Revenues			
Passenger - American Airlines	\$3,457	\$3,566	(3.1)
- AMR Eagle	272	251	8.4
Cargo	166	180	(7.8)
Other	257	231	11.3
	4,152	4,228	(1.8)
Expenses			
Wages, salaries and benefits	1,486	1,421	4.6
Aircraft fuel	385	466	(17.4)
Commissions to agents	292	303	(3.6)
Depreciation and amortization	257	257	-
Maintenance, materials and repairs	232	229	1.3
Other rentals and landing fees	195	207	(5.8)
Food service	152	167	(9.0)
Aircraft rentals	142	144	(1.4)
Other operating expenses	716	678	5.6
Total operating expenses	3,857	3,872	(0.4)
Operating Income	295	356	(17.1)
Other Income (Expense)			
Interest income	34	37	(8.1)
Interest expense	(93)	(110)	(15.5)
Interest capitalized	33	10	*
Miscellaneous - net	(3)	20	*
	(29)	(43)	(32.6)
Earnings Before Income Taxes	\$ 266	\$ 313	(15.0)
Pre-tax Margin	6.4%	7.4%	(1.0) pts.
The SABRE Group			
Revenues	\$ 571	\$ 443	28.9
Operating Expenses	543	422	28.7
Operating Income	28	21	33.3
Other Income	3	6	(50.0)
Earnings Before Income Taxes	\$ 31	\$ 27	14.8
Pre-tax Margin	5.4%	6.1%	(0.7) pts.
Management Services Group			
Revenues	\$ 172	\$ 147	17.0
Less: Revenues From Discontinued Operations	(139)	(125)	11.2
Revenues From Continuing Operations	33	22	50.0
Operating Expenses	158	143	10.5
Less: Expenses From Discontinued Operations	(136)	(124)	9.7
Operating Expenses From Continuing Operations	22	19	15.8
Operating Income From Continuing Operations	11	3	*
Other Income From Continuing Operations	1	1	-
Earnings From Continuing Operations Before Income Taxes	\$ 12	\$ 4	*
Pre-tax Margin From Continuing Operations	36.4%	18.2%	18.2 pts.

* Greater Than 100%

AMR CORPORATION
 BUSINESS SEGMENT FINANCIAL HIGHLIGHTS
 (Unaudited) (In millions)

	Twelve Months Ended December 31,		Percent Change
	1998	1997	
Airline Group			
Revenues			
Passenger- American Airlines	\$14,695	\$14,310	2.7
- AMR Eagle	1,121	1,017	10.2
Cargo	656	687	(4.5)
Other	977	889	9.9
	17,449	16,903	3.2
Expenses			
Wages, salaries and benefits	5,763	5,480	5.2
Aircraft fuel	1,604	1,923	(16.6)
Commissions to agents	1,226	1,278	(4.1)
Depreciation and amortization	1,038	1,038	-
Maintenance, materials and repairs	934	861	8.5
Other rentals and landing fees	833	836	(0.4)
Food service	675	677	(0.3)
Aircraft rentals	569	574	(0.9)
Other operating expenses	2,856	2,667	7.1
Total operating expenses	15,498	15,334	1.1
Operating Income	1,951	1,569	24.3
Other Income (Expense)			
Interest income	131	133	(1.5)
Interest expense	(375)	(423)	(11.3)
Interest capitalized	104	20	*
Miscellaneous - net	(20)	4	*
	(160)	(266)	(39.8)
Earnings Before Income Taxes	\$1,791	\$1,303	37.5
Pre-tax Margin	10.3%	7.7%	2.6 pts.
The SABRE Group			
Revenues	\$2,306	\$1,789	28.9
Operating Expenses	1,956	1,476	32.5
Operating Income	350	313	11.8
Other Income	21	11	90.9
Earnings Before Income Taxes	\$ 371	\$ 324	14.5
Pre-tax Margin	16.1%	18.1%	(2.0) pts.
Management Services Group			
Revenues	\$ 632	\$ 610	3.6
Less: Revenues From Discontinued Operations	(513)	(515)	(0.4)
Revenues From Continuing Operations	119	95	25.3
Operating Expenses	577	561	2.9
Less: Expenses From Discontinued Operations	(495)	(491)	0.8
Operating Expenses From Continuing Operations	82	70	17.1
Operating Income From Continuing Operations	37	25	48.0
Other Income From Continuing Operations	5	8	(37.5)
Earnings From Continuing Operations Before Income Taxes	\$ 42	\$ 33	27.3
Pre-tax Margin From Continuing Operations	35.3%	34.7%	0.6 pts.

* Greater Than 100%

AMR CORPORATION

NOTES TO CONSOLIDATED STATEMENT OF OPERATIONS AND
BUSINESS SEGMENT FINANCIAL HIGHLIGHTS

1. All share and earnings per share amounts for 1997 have been restated to give effect to the stock split on June 9, 1998. The 1997 earnings per share amounts also have been restated as required to comply with Statement of Financial Accounting Standards No. 128, "Earnings Per Share."
2. On September 29, 1998, the Company announced its plan to sell most of the companies that comprise the largest unit of the Management Services Group - AMR Global Services. The companies to be disposed of include AMR Services, AMR Combs and TeleService Resources. Accordingly, the results of operations for these companies have been reflected in the consolidated statement of operations as income from discontinued operations for all periods presented.
3. The minority interest in the earnings of consolidated subsidiaries has not been allocated to a reporting segment.
4. Certain amounts from 1997 have been reclassified to conform with 1998 presentation.

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 Airline Group
 Operating Statistics
 (Unaudited)

	Three Months Ended		Percent Change
	December 31, 1998	1997	
American Airlines Jet Operations:			
Revenue passenger miles (millions)	26,512	25,913	2.3
Available seat miles (millions)	38,821	38,281	1.4
Cargo ton miles (millions)	489	525	(6.9)
Passenger load factor	68.3%	67.7%	0.6 pts.
Breakeven load factor	62.1%	60.1%	2.0 pts.
Passenger revenue yield per passenger mile (cents)	13.04	13.76	(5.2)
Passenger revenue per available seat mile (cents)	8.91	9.32	(4.4)
Cargo revenue yield per ton mile (cents)	33.50	34.13	(1.8)
Operating expenses per available seat mile (cents)*	9.20	9.39	(2.0)
Fuel consumption (gallons, in millions)	706	691	2.2
Fuel price per gallon (cents)	52.7	65.2	(19.2)
Fuel price per gallon, excluding fuel taxes (cents)	47.9	60.1	(20.3)
Operating aircraft at period-end	648	641	1.1
AMR Eagle:			
Revenue passenger miles (millions)	712	629	13.2
Available seat miles (millions)	1,145	1,058	8.2
Passenger load factor	62.1%	59.5%	2.6 pts.
Operating aircraft at period-end	209	199	5.0
AMR Corporation			
Average Equivalent Number of Employees			
Airline Group:			
AA Jet Operations	81,700	80,000	
Other	10,700	10,000	
Total Airline Group	92,400	90,000	
The SABRE Group	11,800	8,800	
Management Services Group	12,700	12,700	
Total	116,900	111,500	

* 1998 amount not adjusted for the impact of the special item

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 Airline Group
 Operating Statistics
 (Unaudited)

	Twelve Months Ended December 31,		Percent Change
	1998	1997	
American Airlines Jet Operations:			
Revenue passenger miles (millions)	108,955	107,026	1.8
Available seat miles (millions)	155,297	153,917	0.9
Cargo ton miles (millions)	1,974	2,032	(2.9)
Passenger load factor	70.2%	69.5%	0.7 pts.
Breakeven load factor	59.9%	61.0%	(1.1)pts.
Passenger revenue yield per passenger mile (cents)	13.49	13.37	0.9
Passenger revenue per available seat mile (cents)	9.46	9.30	1.7
Cargo revenue yield per ton mile (cents)	32.85	33.78	(2.8)
Operating expenses per available seat mile (cents)*	9.25	9.27	(0.2)
Fuel consumption (gallons, in millions)	2,826	2,773	1.9
Fuel price per gallon (cents)	54.9	67.1	(18.2)
Fuel price per gallon, excluding fuel taxes (cents)	50.1	62.1	(19.3)
Operating aircraft at period-end	648	641	1.1
AMR Eagle:			
Revenue passenger miles (millions)	2,788	2,553	9.2
Available seat miles (millions)	4,471	4,218	6.0
Passenger load factor	62.4%	60.5%	1.9 pts.
Operating aircraft at period-end	209	199	5.0
AMR Corporation			
Average Equivalent Number of Employees			
Airline Group:			
AA Jet Operations	81,600	80,500	
Other	10,400	10,100	
Total Airline Group	92,000	90,600	
The SABRE Group	11,400	8,500	
Management Services Group	12,900	14,800	
Total	116,300	113,900	

* 1998 amount not adjusted for the impact of the special item