

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

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
For the Quarterly Period Ended March 31, 2004.

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 (State or other jurisdiction of incorporation or organization)	13-1502798 (I.R.S. Employer Identification No.)
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4333 Amon Carter Blvd. Fort Worth, Texas (Address of principal executive offices)	76155 (Zip Code)
--	---------------------

Registrant's telephone number, (817) 963-1234
including area code

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 X No .

Indicate by check mark whether the registrant is an accelerated
filer (as defined in Exchange Act Rule 12b-2). Yes X 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 - 1,000 shares as of April 16, 2004.

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 (b) of Form 10-Q.

INDEX

AMERICAN AIRLINES, INC.

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements

Consolidated Statements of Operations -- Three months ended March 31, 2004 and 2003

Condensed Consolidated Balance Sheets -- March 31, 2004 and December 31, 2003

Condensed Consolidated Statements of Cash Flows -- Three months ended March 31, 2004 and 2003

Notes to Condensed Consolidated Financial Statements -- March 31, 2004

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

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Item 4. Controls and Procedures

PART II: OTHER INFORMATION

Item 1. Legal Proceedings

Item 6. Exhibits and Reports on Form 8-K

SIGNATURE

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements

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

Three Months
Ended March
31, 2004
2003

Revenues

Passenger \$

~~3,678~~ \$

~~3,394~~

Regional

Affiliates

~~420~~ ~~326~~

Cargo ~~148~~

~~134~~ Other

~~257~~ ~~254~~

Total

operating

revenues

~~4,503~~ ~~4,108~~

Expenses

Wages,

salaries and

benefits

~~1,521~~ ~~1,989~~

Aircraft

fuel ~~748~~ ~~682~~

Regional

payments ~~433~~

~~371~~

Depreciation

and

amortization

~~285~~ ~~297~~

Other

rentals and

landing fees

~~275~~ ~~268~~

Commissions,

booking fees

and credit

card expense

~~288~~ ~~255~~

Maintenance,

materials

and repairs

~~196~~ ~~195~~

Aircraft

~~rentals 148~~
~~184 Food~~
~~service 136~~
~~148 Other~~
~~operating~~
~~expenses 498~~
~~597 Special~~
~~charges 25~~
~~Total~~
~~operating~~
~~expenses~~
~~4,528 5,011~~
~~Operating~~
~~Loss (25)~~
~~(903) Other~~
~~Income~~
~~(Expense)~~
~~Interest~~
~~income 14 13~~
~~Interest~~
~~expense~~
~~(160) (149)~~
~~Interest~~
~~capitalized~~
~~17 18~~
~~Related~~
~~party~~
~~interest~~
~~net 3~~
~~Miscellaneous~~
~~net (28)~~
~~(14) (157)~~
~~(129) Loss~~
~~Before~~
~~Income Taxes~~
~~(182)~~
~~(1,032)~~
~~Income tax~~
~~Net Loss \$~~
~~(182) \$~~
~~(1,032)~~

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

-1-

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

March 31,
 December 31,
 2004 2003
 Assets
 Current
~~Assets Cash \$~~
~~149 \$ 118~~
~~Short term~~
~~investments~~
~~3,058 2,474~~
~~Restricted~~
~~cash and~~
~~short term~~
~~investments~~
~~501 527~~
~~Receivables,~~
~~net 929 760~~
~~Inventories,~~
~~net 451 475~~
~~Other current~~
~~assets 221~~
~~232 Total~~
~~current~~
~~assets 5,309~~
~~4,586~~
~~Equipment and~~
~~Property~~
~~Flight~~
~~equipment,~~

~~net 12,670~~
~~12,803 Other~~
~~equipment and~~
~~property, net~~
~~2,317 2,344~~
~~Purchase~~
~~deposits for~~
~~flight~~
~~equipment 277~~
~~277 15,264~~
~~15,424~~
~~Equipment and~~
~~Property~~
~~Under Capital~~
~~Leases Flight~~
~~equipment,~~
~~net 1,262~~
~~1,279 Other~~
~~equipment and~~
~~property, net~~
~~82 86 1,344~~
~~1,365 Route~~
~~acquisition~~
~~costs and~~
~~airport~~
~~operating and~~
~~gate lease~~
~~rights, net~~
~~1,214 1,221~~
~~Other assets~~
~~3,879 3,875 \$~~
~~27,010 \$~~
~~26,471~~
~~Liabilities~~
~~and~~
~~Stockholder's~~
~~Equity~~
~~Current~~
~~Liabilities~~
~~Accounts~~
~~payable \$ 960~~
~~\$ 910 Accrued~~
~~liabilities~~
~~1,919 1,840~~
~~Air traffic~~
~~liability~~
~~3,201 2,799~~
~~Payable to~~
~~affiliates,~~
~~net 168 153~~
~~Current~~
~~maturities of~~
~~long-term~~
~~debt 467 465~~
~~Current~~
~~obligations~~
~~under capital~~
~~leases 164~~
~~170 Total~~
~~current~~
~~liabilities~~
~~6,879 6,337~~
~~Long-term~~
~~debt, less~~
~~current~~
~~maturities~~
~~9,177 9,073~~
~~Obligations~~
~~under capital~~
~~leases, less~~
~~current~~
~~obligations~~
~~1,111 1,156~~
~~Pension and~~
~~postretirement~~
~~benefits~~
~~4,720 4,803~~
~~Other~~
~~liabilities,~~
~~deferred~~
~~gains and~~

~~deferred~~
~~credits 4,671~~
~~4,757~~
~~Stockholder's~~
~~Equity Common~~
~~stock —~~
~~Additional~~
~~paid-in~~
~~capital 3,329~~
~~3,023~~
~~Accumulated~~
~~other~~
~~comprehensive~~
~~loss (910)~~
~~(893)~~
~~Retained~~
~~deficit~~
~~(1,967)~~
~~(1,785) 452~~
~~345 \$ 27,010~~
~~\$ 26,471~~

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

-2-

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

Three Months
 Ended March
 31, 2004
 2003 Net
 Cash
 Provided
 (Used) by
 Operating
 Activities \$
 298 \$ (614)
 Cash Flow
 from
 Investing
 Activities:
 Capital
 expenditures,
 including
 purchase
 deposits for
 flight
 equipment
 (79) (158)
 Net
 (increase)
 decrease in
 short-term
 investments
 (584) 730
 Net decrease
 in
 restricted
 cash and
 short-term
 investments
 26 233
 Proceeds
 from sale of
 equipment
 and property
 10 28 Other
 (12) 22 Net
 cash (used)
 provided by
 investing
 activities
 (639) 855
 Cash Flow
 from
 Financing
 Activities:
 Payments on
 long-term

debt and
 capital
 lease
 obligations
 (129) (190)
 Proceeds
 from
 issuance of
 long-term
 debt 180 -
 Funds
 transferred
 from
 affiliates,
 net 321 5
 Net cash
 provided
 (used)
 provided by
 financing
 activities
 372 (185)
 Net increase
 in cash 31
 56 Cash at
 beginning of
 period 118
 100 Cash at
 end of
 period \$ 149
 \$ 156
 Activities
 Not
 Affecting
 Cash Flight
 equipment
 acquired
 through
 seller
 financing \$
 - \$ 134

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

-3-

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 unless otherwise disclosed, 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. American Airlines, Inc. (American or the Company) is a wholly owned subsidiary of AMR Corporation

(AMR). 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, 2003 (2003 Form 10-K). Certain amounts have been reclassified to conform with the 2004 presentation.

2. The Company accounts for its participation in AMR's stock-based compensation plans in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25) and related Interpretations. Under APB 25, no compensation expense is recognized for stock option grants if the exercise price of the Company's stock option grants is at or above the fair market value of the underlying stock on the date of grant. The Company has adopted the pro forma disclosure features of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS 123), as amended by Statement of Financial Accounting Standards No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure." The following table illustrates the effect on net loss if the Company had applied the fair value recognition provisions of SFAS 123 to stock-based employee compensation (in millions):

Three
Months
Ended March
31, 2004
2003 Net
loss, as
reported
\$(182)
\$(1,032)
Add: Stock-
based
employee
compensation
expense
included in
reported
net loss 11
(3) Deduct:
Total
stock-based
employee
compensation
expense
determined
under fair
value-based
methods for
all awards
(27) (7)
Pro forma
net loss
\$(198)
\$(1,042)

3. As of March 31, 2004, the Company had commitments to acquire 47 Boeing 737-800s and nine Boeing 777-200ERs in 2006 through 2010. Future payments for all aircraft, including the estimated amounts for price escalation, will approximate \$106 million in 2005, \$654 million in 2006 and an aggregate of approximately \$2.0 billion in 2007 through 2010.

The Company is subject to environmental issues at various airport and non-airport locations for which it has accrued, in Accrued liabilities on the accompanying condensed consolidated balance sheets, \$75 million and \$72 million at March 31, 2004 and December 31, 2003, respectively. Management believes, after considering a number of factors, that the ultimate disposition of these environmental issues is not expected to materially affect the Company's consolidated financial position, results of operations or cash flows. Amounts recorded for environmental issues are based on the Company's current assessments of the ultimate outcome and, accordingly, could increase or decrease as these assessments change.

In 2003, the Company reached concessionary agreements with certain lessors. Certain of these agreements provide that the Company's obligations under the related leases revert to the original terms if certain events occur prior to December 31, 2005, including: (i) an event of default under the related lease (which generally occurs only if a payment default occurs), (ii) an event of loss with respect to the related aircraft, (iii) rejection by the Company of the lease under the provisions of Chapter 11 of the U.S. Bankruptcy Code or (iv) the Company's filing for bankruptcy under Chapter 7 of the U.S. Bankruptcy Code. If any one of these events were to occur, the Company would be responsible for approximately \$45 million in additional operating lease payments and \$65 million in additional payments related to capital leases as of March 31, 2004. This amount will increase to approximately \$119 million in operating lease payments and \$111 million in payments related to capital leases prior to the expiration of the provision on December 31, 2005. These amounts are being accounted for as contingent rentals and will only be recognized if they become payable.

Financial Accounting Standards Board Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" (Interpretation 45), requires disclosures in interim and annual financial statements about obligations under certain guarantees issued by the Company. The disclosures required by Interpretation 45 were included in Notes 4, 5 and 6 to the consolidated financial statements in the 2003 Form 10-K. There have been no significant changes to such disclosures.

4. Accumulated depreciation of owned equipment and property at March 31, 2004 and December 31, 2003 was \$8.0 billion and \$7.8 billion, respectively. Accumulated amortization of equipment and property under capital leases at March 31, 2004 and December 31, 2003 was \$1.1 billion.
5. As discussed in Note 8 to the consolidated financial statements in the 2003 Form 10-K, the Company has a valuation allowance against the full amount of its net deferred tax asset. The Company's deferred tax asset valuation allowance increased \$71 million during the three months ended March 31, 2004 to \$1.1 billion as of March 31, 2004.
6. In February 2004, American issued \$180 million of Fixed Rate Secured Notes due 2009. These notes are secured by certain spare parts (with a net book value of \$224 million as of March 31, 2004) and bear interest at 7.25 percent.

Also in February 2004, AMR issued \$324 million principal amount of 4.50 percent senior convertible notes due 2024. Each note is convertible into AMR common stock at a conversion rate of 45.3515 shares per \$1,000 principal amount of notes (which represents an equivalent conversion price of \$22.05 per share), subject to adjustment in certain circumstances. The notes are convertible under certain circumstances, including if (i) the closing sale price of AMR's common stock reaches a certain level for a specified period of time, (ii) the trading price of the notes as a percentage of the closing sale price of AMR's common stock falls below a certain level for a specified period of time, (iii) AMR calls the notes for redemption, or (iv) certain corporate transactions occur. Holders of the notes may require AMR to repurchase all or any portion of the notes on February 15, 2009, 2014 and 2019 at a purchase price equal to the principal amount of the notes being purchased plus accrued and unpaid interest to the date of purchase. AMR may pay the purchase price in cash, common stock or a combination of cash and common stock. After February 15, 2009, AMR may redeem all or any portion of the notes for cash at a price equal to the principal amount of the notes being redeemed plus accrued and unpaid interest as of the redemption date. These notes are guaranteed by American. If the holders of these notes or AMR's 4.25 percent senior convertible notes due 2023 require AMR to repurchase all or any portion of the notes on the repurchase dates, it is AMR's present intention to satisfy the requirement in cash.

As of March 31, 2004, AMR has issued guarantees covering approximately \$932 million of American's tax-exempt bond debt and American has issued guarantees covering approximately \$1.3 billion of AMR's unsecured debt. In addition, as of March 31, 2004, AMR and American have issued guarantees covering approximately \$484 million of AMR Eagle's secured debt.

AMERICAN AIRLINES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Unaudited)

7. The following table provides the components of net periodic benefit cost for the three months ended March 31, 2004 and 2003 (in millions):

Other		
Postretirement		
Pension		
Benefits		
Benefits 2004		
2003		
2004		
Components of		
net periodic		
benefit cost		
Service cost		
\$ 89	\$ 109	\$
19	\$ 24	
Interest cost		
142	152	51
56		
Expected		
return on		
assets (142)		
(118)	(3)	(2)
Amortization		
of: Prior		
service cost		
4	7	(3)
(2)		
Unrecognized		
net loss 14		
32	2	5
Net		
periodic		
benefit cost		
\$ 107	\$ 182	\$
66	\$ 81	

The Company expects to contribute a minimum of approximately \$433 million and \$412 million to its defined benefit pension plans in 2004 and 2005, respectively. The Company's estimates of its defined benefit pension plan contributions reflect the provisions of the Pension Funding Equity Act of 2004, which was enacted in April 2004. Of the \$433 million minimum amount the Company expects to contribute to its defined benefit pension plans in 2004, the Company contributed approximately \$213 million during the three months ended March 31, 2004 and an additional \$106 million on April 15, 2004.

In December 2003, the President signed the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Modernization Act), which introduces a prescription drug benefit under Medicare into law. In January 2004, the Financial Accounting Standards Board (FASB) issued a FASB Staff Position which permits companies to elect to defer accounting for the effects of the Modernization Act. The Company has not elected this deferral and has recognized the effect of the Modernization Act in the calculation of its postretirement benefit liability as of December 31, 2003. The effect of the Modernization Act was to reduce the Company's accumulated postretirement benefit obligation (APBO) by \$415 million by decreasing unrecognized net actuarial losses. This decrease is due to a reduction in the expected per capita claims cost along with a reduction in the expected rates of participation in the plan. The decrease in the APBO is reflected in the Company's 2004 postretirement benefits expense through amortization of unrecognized gains/losses. Additionally, the service and interest cost components of the Company's 2004 postretirement benefits expense have been reduced as a result of the Modernization Act. The effect of the Modernization Act was to decrease the Company's full year 2004 postretirement benefits expense by approximately \$60 million. Final authoritative guidance on accounting for the Modernization Act has not been issued and could require the Company to change previously reported information.

8. During the last three years, as a result of the events of September 11, 2001 and the Company's continuing restructuring activities, the Company has recorded a number of special charges related to aircraft charges, facility exit costs and employee charges. Special charges for the three months ended March 31, 2003 included employee severance charges related to the Company's 2002 restructuring initiatives. The following table summarizes the changes in the remaining accruals for these charges (in millions):

Aircraft	
Facility	
Employee	
Charges	
Exit	
Costs	
Charges	
Total	
Remaining	
accrual	
at	
December	
31, 2003	
\$ 194	
\$ 56	
\$ 26	
\$ 276	
Payments	
(27)	(2)
(4)	(33)
Remaining	
accrual	
at March	
31, 2004	
\$ 167	
\$ 54	
\$ 243	

Cash outlays related to the accruals, as of March 31, 2004, for aircraft charges, facility exit costs and employee charges will occur through 2014, 2018 and 2004, respectively.

9. The Company includes changes in the fair value of certain derivative financial instruments that qualify for hedge accounting, changes in minimum pension liabilities and unrealized gains and losses on available-for-sale securities in comprehensive loss. For the three months ended March 31, 2004 and 2003, comprehensive loss was \$199 million and \$1.1 billion, respectively. The difference between net loss and comprehensive loss for the three months ended March 31, 2004 and 2003 is due primarily to the accounting for the Company's derivative financial instruments.

10. American classifies certain receivables from its parent and affiliates against paid-in-capital. In February 2004, AMR transferred the proceeds from its 4.5 percent senior convertible notes due 2024 to American, reducing American's receivable from AMR by approximately \$315 million. As of March 31, 2004, the Company classified a \$77 million receivable from its parent against paid-in-capital on the accompanying condensed consolidated balance sheet. Comparatively, as of December 31, 2003, the Company classified a \$383 million receivable from its parent against paid-in-capital on the accompanying condensed consolidated balance sheet.

Statements in this report 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 document and in documents incorporated herein by reference, the words "expects," "plans," "anticipates," "believes," and similar expressions are intended to identify forward-looking statements. Forward-looking statements include, without limitation, the Company's expectations concerning operations and financial conditions, including changes in capacity, revenues, and costs, future financing needs, overall economic conditions, plans and objectives for future operations, and the impact on the Company of its results of operations for the past three years and the sufficiency of its financial resources to absorb that impact. Other forward-looking statements include statements which do not relate solely to historical facts, such as, without limitation, statements which discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. All forward-looking statements in this report are based upon information available to the Company on the date of this report. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. Forward-looking statements are subject to a number of risk factors that could cause actual results to differ materially from our expectations. The following factors, in addition to other possible factors not listed, could cause the Company's actual results to differ materially from those expressed in forward-looking statements: changes in economic, business and financial conditions; the Company's substantial indebtedness; high fuel prices and the availability of fuel; the residual effects of the war in Iraq; conflicts in the Middle East or elsewhere; the highly competitive business environment faced by the Company, with increasing competition from low cost carriers and historically low fare levels; the ability of the Company to implement its restructuring program and the effect of the program on operational performance and service levels; uncertainties with respect to the Company's international operations; changes in the Company's business strategy; actions by U.S. or foreign government agencies; the possible occurrence of additional terrorist attacks; another outbreak of a disease (such as SARS) that affects travel behavior; uncertainties with respect to the Company's relationships with unionized and other employee work groups; the inability of the Company to satisfy existing financial or other covenants in certain of its credit agreements; the availability of future financing; and increased insurance costs and potential reductions of available insurance coverage. Additional information concerning these and other factors is contained in the Company's Securities and Exchange Commission filings, including but not limited to the Company's Annual Report on Form 10-K for the year ended December 31, 2003.

Overview

American's net loss was \$182 million for the first quarter of 2004, an improvement of \$850 million over its \$1.0 billion net loss for the first quarter of 2003. American's operating loss was \$25 million for the first quarter of 2004, an improvement of \$878 million over its operating loss of \$903 million for the first quarter of 2003.

The year-over-year improvement in the Company's operating results reflects the benefit of the cost reduction initiatives in the Company's restructuring program, which is described more fully under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended December 31, 2003. In addition, passenger traffic (revenue passenger miles) in the first quarter of 2004 exceeded the Company's expectations, reflecting continuing improvement in the U.S. economy and increasing demand for air travel. However, yield and unit revenues (passenger revenues per available seat mile) remain depressed relative to historical measures because of the Company's reduced pricing power, resulting mainly from greater cost sensitivity on the part of travelers, especially business travelers, and intensifying competition arising in part from the growth of low-cost carriers and in part from the effects of significant increases in overall industry capacity in 2004. In addition, fuel prices remained high relative to the past several years.

The Company continues to need to see improvement in the revenue environment, additional cost reductions and further productivity improvements before it can return to sustained profitability at acceptable levels. In addition, the Company's ability to return to sustained profitability at acceptable levels will depend on a number of risk factors, many of which are largely beyond the Company's control. Some of the risk factors that have had and/or may have a negative impact on the Company's business and financial results are referred to under "Forward-Looking Information" above and are discussed in the Risk Factors listed in Item 7 (on pages 26-29) in the Company's Annual Report on Form 10-K for the year ended December 31, 2003. In particular, if the revenue environment deteriorates beyond normal seasonal trends, or the Company is unable to access the capital markets to raise additional capital, it may be unable to fund its obligations and sustain its operations in the long-term.

OTHER INFORMATION

Significant Indebtedness and Future Financing

During 2001, 2002 and 2003, the Company raised an aggregate of approximately \$8.4 billion of financing mostly to fund capital commitments (mainly for aircraft and ground properties) and operating losses. During the three months ended March 31, 2004, the Company raised an additional \$180 million of financing to fund capital commitments and for general corporate purposes, and ended the quarter with \$3.2 billion of unrestricted cash and short-term investments. The Company believes that it has sufficient liquidity to fund its operations for the foreseeable future, including capital expenditures and other contractual obligations. However, to maintain sufficient liquidity over the long-term as the Company seeks to return to sustained profitability at acceptable levels, the Company will need continued access to additional funding. The Company's possible future financing sources include: (i) a limited amount of additional secured aircraft debt (virtually all of the Company's Section 1110-eligible aircraft are encumbered), (ii) debt secured by other assets, (iii) securitization of future operating receipts, (iv) sale-leaseback transactions of owned aircraft and (v) the potential sale of certain non-core assets. However, the availability and level of these financing sources cannot be assured, particularly in light of the fact that the Company has fewer unencumbered assets available than it has had in the past.

The Company's significant indebtedness could have important future consequences, such as (i) limiting the Company's ability to obtain additional financing for working capital, capital expenditures, acquisitions and general corporate purposes, (ii) requiring the Company to dedicate a substantial portion of its cash flow from operations to payments on its indebtedness, (iii) making the Company more vulnerable to economic downturns, (iv) limiting its ability to withstand competitive pressures and reducing its flexibility in responding to changing business and economic conditions, and (v) limiting the Company's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates.

Credit Facility Covenants

American has a fully drawn \$834 million bank credit facility secured by aircraft that expires December 15, 2005, which contains a liquidity covenant and an EBITDAR (generally, earnings before interest, taxes, depreciation, amortization and rentals, adjusted for certain non-cash items) to fixed charges (generally, interest and total rentals) ratio covenant. The required EBITDAR to fixed charges ratio was 1.1 to 1.0

for the three-month period ending March 31, 2004, and increases on a quarterly basis up to 1.5 to 1.0 for each four consecutive quarters ending after December 31, 2004. The liquidity covenant requires American to maintain a minimum level of \$1.0 billion of unrestricted cash and short-term investments. The Company was in compliance with these covenants as of March 31, 2004 and expects to be able to continue to comply with these covenants. However, there are no assurances that it will continue to be able to do so through the expiration of the facility. Failure to comply with these covenants would result in a default under this facility and could result in a default under a significant amount of the Company's other debt.

Financing Activity

In February 2004, American issued \$180 million of Fixed Rate Secured Notes due 2009. These notes are secured by certain spare parts and bear interest at 7.25 percent.

In addition, in February 2004, AMR transferred \$315 million in proceeds from its 4.5 percent senior convertible notes to American.

See Note 6 to the accompanying condensed consolidated financial statements for additional information regarding debt guarantees.

Other Operating and Investing Activities

The Company's cost savings initiatives resulted in improved cash flow from operations during the three months ended March 31, 2004, compared to the same period in 2003. Net cash provided by operating activities in the three-month period ended March 31, 2004 was \$298 million, an increase of \$912 million over the same period in 2003. Net cash used for operating activities for the three months ended March 31, 2003 included the receipt of a \$515 million federal tax refund offset by \$216 million of redemption payments under operating leases for special facility revenue bonds.

Pension Funding Obligation

The Company expects to contribute a minimum of approximately \$433 million and \$412 million to its defined benefit pension plans in 2004 and 2005, respectively. The Company's estimates of its defined benefit pension plan contributions reflect the provisions of the Pension Funding Equity Act of 2004, which was enacted in April 2004. Of the \$433 million minimum amount the Company expects to contribute to its defined benefit pension plans in 2004, the Company contributed approximately \$213 million during the three months ended March 31, 2004 and an additional \$106 million on April 15, 2004.

-10-

RESULTS OF OPERATIONS

For the Three Months Ended March 31, 2004 and 2003

Revenues

The Company's revenues increased approximately \$395 million, or 9.6 percent, to \$4.5 billion in the first quarter of 2004 from the same period last year. American's passenger revenues increased by 8.4 percent, or \$284 million, on a capacity (available seat mile) (ASM) increase of 5.8 percent. American's passenger load factor increased 2.0 points to 71.1 percent while passenger revenue yield per passenger mile decreased by 0.4 percent to 12.14 cents. This resulted in an increase in revenue per available seat mile (RASM) of 2.5 percent to 8.64 cents. Following is additional information regarding American's domestic and international RASM and capacity:

Three Months
Ended March
31, 2004
RASM Y-O-Y
ASMs Y-O-Y
(cents)
Change
(billions)
Change
Domestic

~~8.53~~ ~~1.3%~~
~~29.5~~ ~~2.5%~~
International
~~8.86~~ ~~5.2~~
~~13.1~~ ~~13.9~~
Latin
America ~~9.40~~
~~(0.2)~~ ~~7.1~~
~~21.8~~ Europe
~~8.21~~ ~~8.0~~ ~~4.9~~
~~5.8~~ Pacific
~~8.36~~ ~~25.1~~
~~1.1~~ ~~6.1~~

Regional affiliates' passenger revenues, which are based on industry standard mileage proration agreements for flights connecting to American flights, increased \$94 million, or 28.8 percent, to \$420 million as a result of increased capacity and load factors. Regional affiliates' traffic increased 32.1 percent to 1.5 billion revenue passenger miles (RPMs), while capacity increased 23.5 percent to 2.5 billion ASMs, resulting in a 4.1 point increase in the passenger load factor to 62.7 percent.

Cargo revenues increased 10.4 percent, or \$14 million, due to a 6.3 percent increase in cargo ton miles and a 4.0 percent increase in cargo revenue yield per ton mile.

Operating Expenses

The Company's total operating expenses decreased 9.6 percent, or \$483 million, to \$4.5 billion in the first quarter of 2004 compared to the first quarter of 2003. American's mainline operating expenses per ASM in the first quarter of 2004 decreased 16.7 percent compared to the first quarter of 2003 to 9.49 cents. These decreases are due primarily to the Company's cost savings initiatives. The decrease in operating expenses occurred despite a 7.4 percent increase in American's price per gallon of fuel in the first quarter of 2004 relative to the first quarter of 2003. The Company's operating and financial results are significantly affected by the price and availability of jet fuel. Additional increases in the price of fuel, or limits in the supply of fuel, would adversely affect the Company's financial condition and results of operations.

-11-

(in
millions)
Three
Months
Ended
Change
Percentage
Operating
Expenses
March 31,
2004 from
2003 Change
Wages,
salaries
and
benefits \$
1,521
\$(468)
(23.5)% (a)
Aircraft
fuel 748 66
9.7 (b)
Regional
payments
433 62 16.7
(c)
Depreciation
and
amortization
285 (12)
(4.0) Other
rentals and
landing

~~fees 275.7~~
~~2.6~~
~~Commissions,~~
~~booking~~
~~fees and~~
~~credit card~~
~~expense 288~~
~~33 12.9 (d)~~
~~Maintenance,~~
~~materials~~
~~and repairs~~
~~196 1 0.5~~
~~Aircraft~~
~~rentals 148~~
~~(36) (19.6)~~
~~(e) Food~~
~~service 136~~
~~(12) (8.1)~~
~~Other~~
~~operating~~
~~expenses~~
~~498 (99)~~
~~(16.6) (f)~~
~~Special~~
~~charges —~~
~~(25) NM (g)~~
~~Total~~
~~operating~~
~~expenses \$~~
~~4,528~~
~~\$(483)~~
~~(9.6)%~~

- (a) Wages, salaries and benefits decreased primarily due to lower wage rates and reduced headcount primarily as a result of the Labor Agreements and Management Reductions, discussed in the Company's 2003 Form 10-K, which became effective in the second quarter of 2003.
- (b) Aircraft fuel expense increased primarily due to a 7.4 percent increase in American's price per gallon of fuel (net of the impact of fuel hedging) and a 2.2 percent increase in American's fuel consumption.
- (c) Regional payment increased primarily due to the 23.5 percent increase in regional affiliates' capacity.
- (d) Commissions, booking fees and credit card expense increased due primarily to an 8.4 percent increase in the Company's passenger revenues, particularly the 19.7 percent increase in American's international passenger revenue, and a 28.8 percent increase in Regional Affiliates' revenue.
- (e) Aircraft rentals decreased due primarily to the removal of leased aircraft from the fleet in the second half of 2003 as part of the Company's restructuring initiatives and concessionary agreements with certain lessors, which reduced future lease payment amounts and resulted in the conversion of 30 operating leases to capital leases in the second quarter of 2003.
- (f) Other operating expenses decreased primarily due to decreases in (i) technical and professional fees of \$39 million, (ii) data processing expenses of \$16 million due primarily to introducing further efficiencies into data processing environments resulting in reduced consumption, and negotiating more favorable terms with vendors in the second quarter of 2003; (iii) travel and incidental costs of \$12 million due primarily to decreased overnight stays for pilots and flight attendants as a result of changes in the scheduling of flights, lower average hotel rates, work rule changes and lower per diem reimbursements; and increases in (iv) gains (or decreases in losses) on disposal of assets of \$14 million and (v) foreign exchange gains in the first quarter of 2004 of \$15 million.
- (g) Special charges for 2003 included \$25 million in severance charges related to the Company's 2002 restructuring initiatives.

Other Income (Expense)

Other income (expense), historically a net expense, increased \$28 million due primarily to the following: Interest expense increased \$11 million, or 7.4 percent, resulting primarily from the increase in the Company's long-term debt. Miscellaneous-net increased \$14 million, due primarily to the accrual during the first quarter of 2004 of a \$23 million award rendered by an independent arbitrator and relating to a grievance filed by the Allied Pilots Association, somewhat offset by the write-down during the first quarter of 2003 of certain investments held by the Company.

The Company did not record a net tax benefit associated with its first quarter 2004 and 2003 losses due to the Company providing a valuation allowance, as discussed in Note 5 to the accompanying condensed consolidated financial statements.

-12-

Outlook

Capacity for American's mainline jet operations is expected to increase about eight percent in the second quarter of 2004 compared to the second quarter of 2003 and about six percent for the full year 2004 compared to 2003, despite removing aircraft from the fleet and reducing mainline departures. This is due to increased efficiencies, driven by three factors: (i) American operated with a low base number of flights in 2003 as a result of the war in Iraq and SARS, (ii) American has added seats back to its Boeing 757 and Airbus A300 aircraft and (iii) as American realigns its mid-continent hubs and de-peaks its Miami schedule, its aircraft productivity levels will improve.

American previously stated a goal of improving its mainline unit costs by ten percent for the full year, compared to 2003. However, based on various factors, including primarily the Company's expectation that fuel prices will remain high during 2004 compared to 2003, the Company expects that its mainline unit costs will improve by approximately eight percent for the full year compared to 2003 to approximately 9.3 cents for the full year. Although American will have a full year of labor savings from its Labor Agreements and Management Reductions and more fully realize the savings from its other strategic cost savings initiatives, in addition to high fuel prices, there are significant cost challenges in 2004 that may affect the Company's cost reduction efforts. These challenges include medical benefits costs, airport fees and maintenance, materials and repairs costs (due to flight hour agreement contractual rate increases and the benefit from retiring aircraft subsidizing).

Item 3. Quantitative and Qualitative Disclosures about Market Risk

As of March 31, 2004, the Company had hedged, with option contracts, approximately 16 percent of its estimated second quarter 2004 fuel requirements, nine percent of its estimated third quarter 2004 fuel requirements, four percent of its estimated fourth quarter 2004 fuel requirements and an insignificant percentage of its estimated 2005 and 2006 fuel requirements.

There have been no material changes in market risk from the information provided in Item 7A. Quantitative and Qualitative Disclosures About Market Risk of the Company's 2003 Form 10-K.

Item 4. Controls and Procedures

The term "disclosure controls and procedures" is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, or the Exchange Act. This term refers to the controls and procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission. An evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the Company's disclosure controls and procedures as of March 31, 2004. Based on that evaluation, the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures were effective as of March 31, 2004. During the quarter ending on March 31, 2004, there was no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings

On July 26, 1999, a class action lawsuit was filed, and in November 1999 an amended complaint was filed, against AMR Corporation, American Airlines, Inc., AMR Eagle Holding Corporation, Airlines Reporting Corporation, and the Sabre Group Holdings, Inc. in the United States District Court for the Central District of California, Western Division (Westways World Travel, Inc. v. AMR Corp., et al.). The lawsuit alleges that requiring travel agencies to pay debit memos to American for violations of American's fare rules (by customers of the agencies): (1) breaches the Agent Reporting Agreement between American and AMR Eagle and the plaintiffs; (2) constitutes unjust enrichment; and (3) violates the Racketeer Influenced and Corrupt Organizations Act of 1970 (RICO). The certified class includes all travel agencies who have been or will be required to pay money to American for debit memos for fare rules violations from July 26, 1995 to the present. The plaintiffs seek to enjoin American from enforcing the pricing rules in question and to recover the amounts paid for debit memos, plus treble damages, attorneys' fees, and costs. The Company intends to vigorously defend the lawsuit. Although the Company believes that the litigation is without merit, a final adverse court decision could impose restrictions on the Company's relationships with travel agencies, which could have an adverse impact on the Company.

On May 17, 2002, the named plaintiffs in Hall, et al. v. United Airlines, et al., pending in the United States District Court for the Eastern District of North Carolina, filed an amended complaint alleging that between 1995 and the present, American and over 15 other defendant airlines conspired to reduce commissions paid to U.S.-based travel agents in violation of Section 1 of the Sherman Act. The plaintiffs are seeking monetary damages and injunctive relief. The court granted class action certification to the plaintiffs on September 17, 2002, defining the plaintiff class as all travel agents in the United States, Puerto Rico, and the United States Virgin Islands, who, at any time from October 1, 1997 to the present, issued tickets, miscellaneous change orders, or prepaid ticket advices for travel on any of the defendant airlines. The case is stayed as to US Airways and United Air Lines, since they filed for bankruptcy. American is vigorously defending the lawsuit. Defendant carriers filed a motion for summary judgment on December 10, 2002, which the court granted on October 30, 2003. Plaintiffs have appealed that order to the 4th Circuit Court of Appeals, and that appeal remains pending. A final adverse court decision awarding substantial money damages or placing restrictions on the Company's commission policies or practices would have an adverse impact on the Company.

Between April 3, 2003 and June 5, 2003, three lawsuits were filed by travel agents some of whom have opted out of the Hall class action (above) to pursue their claims individually against American Airlines, Inc., other airline defendants, and in one case against certain airline defendants and Orbitz LLC. (Tam Travel et. al., v. Delta Air Lines et. al., in the United States District Court for the Northern District of California - San Francisco (51 individual agencies), Paula Fausky d/b/a Timeless Travel v. American Airlines, et. al, in the United States District Court for the Northern District of Ohio Eastern Division (29 agencies) and Swope Travel et al. v. Orbitz et. al. in the United States District Court for the Eastern District of Texas Beaumont Division (6 agencies)). Collectively, these lawsuits seek damages and injunctive relief alleging that the certain airline defendants and Orbitz LLC: (i) conspired to prevent travel agents from acting as effective competitors in the distribution of airline tickets to passengers in violation of Section 1 of the Sherman Act; (ii) conspired to monopolize the distribution of common carrier air travel between airports in the United States in violation of Section 2 of the Sherman Act; and that (iii) between 1995 and the present, the airline defendants conspired to reduce commissions paid to U.S.-based travel agents in violation of Section 1 of the Sherman Act. These cases have been consolidated in the United States District Court for the Northern District of Ohio Eastern Division. American is vigorously defending these lawsuits. A final adverse court decision awarding substantial money damages or placing restrictions on the Company's distribution practices would have an adverse impact on the Company.

On April 25, 2002, a Quebec travel agency filed a motion seeking a declaratory judgment of the Superior Court in Montreal, Canada (Voyages Montambault (1989) Inc. v. International Air Transport Association, et al.), that American and the other airline defendants owe a "fair and reasonable commission" to the agency, and that American and the other airline defendants breached alleged contracts with the agency by adopting policies of not paying base commissions. The motion was subsequently amended to add 40 additional travel agencies as petitioners. The current defendants are the International Air Transport Association, the Air Transport Association of Canada, Air Canada, American, America West Airlines, Delta Air Lines, Grupo TACA, Northwest Airlines/KLM Airlines, and Continental Airlines. American is vigorously defending the lawsuit. Although the Company believes that the litigation is without merit, a final adverse court decision granting declaratory relief could expose the Company to claims for substantial money damages or force the Company to pay agency commissions, either of which would have an adverse impact on the Company.

On May 13, 2002, the named plaintiffs in Always Travel, et. al. v. Air Canada, et. al., pending in the Federal Court of Canada, Trial Division, Montreal, filed a statement of claim alleging that between 1995 and the present, American, the other defendant airlines, and the International Air Transport Association conspired to reduce commissions paid to Canada-based travel agents in violation of Section 45 of the Competition Act of Canada. The named plaintiffs seek monetary damages and injunctive relief and seek to certify a nationwide class of travel agents. Plaintiffs have filed a motion for class certification, but that motion has not yet been decided. American is vigorously defending the lawsuit. A final adverse court decision awarding substantial money damages or placing restrictions on the Company's commission policies would have an adverse impact on the Company.

On August 14, 2002, a class action lawsuit was filed against American Airlines, Inc. in the United States District Court for the Central District of California, Western Division (All World Professional Travel Services, Inc. v. American Airlines, Inc.). The lawsuit alleges that requiring travel agencies to pay debit memos for refunding tickets after September 11, 2001: (1) breaches the Agent Reporting Agreement between American and plaintiff; (2) constitutes unjust enrichment; and (3) violates the Racketeer Influenced and Corrupt Organizations Act of 1970 (RICO). The alleged class includes all travel agencies who have or will be required to pay moneys to American for an "administrative service charge," "penalty fee," or other fee for processing refunds on behalf of passengers who were unable to use their tickets in the days immediately following the resumption of air carrier service after the tragedies on September 11, 2001. On April 1, 2004, the court denied plaintiff's motion for class certification. The plaintiff seeks to enjoin American from collecting the debit memos and to recover the amounts paid for the debit memos, plus treble damages, attorneys' fees, and costs. The Company intends to vigorously defend the lawsuit. Although the Company believes that the litigation is without merit, a final adverse court decision could impose restrictions on the Company's relationships with travel agencies which could have an adverse impact on the Company.

On August 19, 2002, a class action lawsuit seeking monetary damages was filed, and on May 7, 2003 an amended complaint was filed in the United States District Court for the Southern District of New York (Power Travel International, Inc. v. American Airlines, Inc., et al.) against American, Continental Airlines, Delta Air Lines, United Airlines, and Northwest Airlines, alleging that American and the other defendants breached their contracts with the agency and were unjustly enriched when these carriers at various times reduced their base commissions to zero. The as yet uncertified class includes all travel agencies accredited by the Airlines Reporting Corporation "whose base commissions on airline tickets were unilaterally reduced to zero by" the defendants. The case is stayed as to United Air Lines, since it filed for bankruptcy. American is vigorously defending the lawsuit. Although the Company believes that the litigation is without merit, a final adverse court decision awarding substantial money damages or forcing the Company to pay agency commissions would have an adverse impact on the Company.

Miami-Dade County (the County) is currently investigating and remediating various environmental conditions at the Miami International Airport (MIA) and funding the remediation costs through landing fees and various cost recovery methods. American Airlines, Inc. and AMR Eagle have been named as potentially responsible parties (PRPs) for the contamination at MIA. During the second quarter of 2001, the County filed a lawsuit against 17 defendants, including American Airlines, Inc., in an attempt to recover its past and future cleanup costs (Miami-Dade County, Florida v. Advance Cargo Services, Inc., et al. in the Florida Circuit Court). In addition to the 17 defendants named in the lawsuit, 243 other agencies and companies were also named as PRPs and contributors to the contamination. American's and AMR Eagle's portion of the cleanup costs cannot be reasonably estimated due to various factors, including the unknown extent of the remedial actions that may be required, the proportion of the cost that will ultimately be recovered from the responsible parties, and uncertainties regarding the environmental agencies that will ultimately supervise the remedial activities and the nature of that supervision. The Company is vigorously defending the lawsuit.

In April 2004, a lawsuit was filed against American captioned Kimmell v. AMR, et al. This is a purported class action filed in federal district court in Dallas. The suit arises from the disclosure of passenger name records by a vendor of American Airlines. It alleges various causes of action, including but not limited to violations of the Electric Communications Privacy Act, negligent misrepresentation, breach of contract, and violation of alleged common law rights of privacy. American has not yet been served with the suit.

Item 6. Exhibits and Reports on Form 8-K

The following exhibits are included herein:

- 10.1 American Airlines, Inc. 2004 Employee Profit Sharing Plan, incorporated by reference to Exhibit 10.1 to AMR's report on Form 10-Q for the quarterly period ended March 31, 2004.
- 10.2 American Airlines, Inc. 2004 Annual Incentive Plan, incorporated by reference to Exhibit 10.2 to AMR's report on Form 10-Q for the quarterly period ended March 31, 2004.
- 10.3 Amended and Restated Executive Termination Benefits Agreement between AMR, American Airlines and Jeffrey J. Brundage dated April 1, 2004, incorporated by reference to Exhibit 10.5 to AMR's report on Form 10-Q for the quarterly period ended March 31, 2004.

12 Computation of ratio of earnings to fixed charges for the three

months ended March 31, 2004 and 2003.

31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a).

31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a).

32 Certification pursuant to Rule 13a-14(b) and section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code).

Form 8-Ks filed under Item 5 - Other Events

On March 18, 2004, American filed an amended report on Form 8-K (Form 8-K/A No. 1) to provide actual fuel cost, unit cost and capacity and traffic information for January and February as well as current fuel cost, unit cost and capacity and traffic expectations for March, the first quarter and the full year 2004.

Form 8-Ks filed under Item 7 - Financial Statements and Exhibits

On February 25, 2004, American filed a report on Form 8-K to provide Exhibits with reference to the Registration Statement on Form S-3 (Registration No. 333-110760-01) of American Airlines, Inc.

Form 8-Ks furnished under Item 9 - Regulation FD Disclosure

On March 17, 2004, American furnished a report on Form 8-K to furnish actual fuel cost, unit cost and capacity and traffic information for January and February as well as current fuel cost, unit cost and capacity and traffic expectations for March, the first quarter and the full year 2004.

Form 8-Ks filed under Item 12 - Disclosure of Results of Operations and Financial Condition

On January 21, 2004, American furnished a report on Form 8-K to furnish a press release issued by AMR to announce AMR's and American's fourth quarter and full year 2003 results.

-17-

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.

AMERICAN AIRLINES, INC.

Date: April 23, 2004

BY: /s/ James A. Beer
James A. Beer
Senior Vice President and Chief
Financial Officer
(Principal Financial and Accounting Officer)

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

Three Months	
Ended March	
31, 2004	2003
Earnings	
(loss):	Loss
before income	
taxes	\$ (182)
\$ (1,032)	Add:
Total fixed	
charges (per	
below)	368
385	Less:
Interest	
capitalized	
17-18	Total
earnings	
(loss) before	
income taxes	
\$ 169	\$ (665)
Fixed	
charges:	
Interest	\$
160	\$ 150
Portion of	
rental	
expense	
representative	
of the	
interest	
factor	206
233	
Amortization	
of debt	
expense	2-2
Total fixed	
charges	\$ 368
\$ 385	
Coverage	
deficiency	\$
199	\$ 1,050

Note: As of March 31, 2004, American has guaranteed approximately \$1.3 billion of AMR's unsecured debt and approximately \$484 million of AMR Eagle's secured debt. The impact of these unconditional guarantees is not included in the above computation.

I, Gerard J. Arpey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Airlines, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2004

/s/ Gerard J. Arpey
Gerard J. Arpey
President and Chief Executive Officer

I, James A. Beer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Airlines, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2004

/s/ James A. Beer
James A. Beer
Senior Vice President and Chief
Financial Officer

American Airlines, Inc.

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18,
United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of American Airlines, Inc., a Delaware corporation (the Company), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2004 (the Form 10-Q) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 23, 2004 /s/ Gerard J. Arpey
Gerard J. Arpey
President and Chief Executive Officer

Date: April 23, 2004 /s/ James A. Beer
James A. Beer
Senior Vice President and Chief
Financial Officer

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document.