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

FORM 10-Q

[X]Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Quarterly Period Ended September 30, 2000.

[ ]Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Transition Period From to .

Commission file number 1-8400.

AMR Corporation
(Exact name of registrant as specified in its charter)

Delaware	75-1825172
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4333 Amon Carter Blvd. Fort Worth, Texas	76155
(Address of principal executive offices)	(Zip Code)

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

Not Applicable
(Former name, former address and former fiscal year , if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes 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 - 150,689,302 as of October 19, 2000

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AMR CORPORATION

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
Revenues				
Passenger - American Airlines Inc.	$4,385	$3,900	$12,341	$10,971
- American Eagle	390	352	1,096	963
Cargo	183	160	530	469
Other revenues	298	283	877	840
Total operating revenues	5,256	4,695	14,844	13,243
Expenses				
Wages, salaries and benefits	1,721	1,533	5,012	4,561
Aircraft fuel	648	456	1,768	1,219
Depreciation and amortization	307	276	889	797
Maintenance, materials and repairs	278	263	821	743
Commissions to agents	266	314	796	900
Other rentals and landing fees	250	248	743	718
Food service	204	196	587	548
Aircraft rentals	151	161	455	483
Other operating expenses	859	822	2,472	2,388
Total operating expenses	4,684	4,269	13,543	12,357
Operating Income	572	426	1,301	886
Other Income (Expense)				
Interest income	42	21	108	62
Interest expense	(119)	(108)	(353)	(295)
Interest capitalized	36	27	110	89
Miscellaneous - net	(6)	(9)	38	15
	(47)	(69)	(97)	(129)
Income From Continuing Operations Before Income Taxes and Extraordinary Loss	525	357	1,204	757
Income tax provision	203	144	472	311
Income From Continuing Operations Before Extraordinary Loss	322	213	732	446
Income From Discontinued Operations, net of applicable income taxes and minority interest	-	66	43	195
Gain on Sale of Discontinued Operations, net of applicable income taxes	-	-	-	64
Income Before Extraordinary Loss	322	279	775	705
Extraordinary Loss, net of applicable income taxes	(9)	-	(9)	-
Net Earnings	$ 313	$ 279	$ 766	$ 705

Continued on next page.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
Earnings Applicable to Common Shares	$ 313	$ 279	$ 766	$ 705
Earnings Per Common Share				
Basic				
Income from Continuing Operations	$ 2.14	$ 1.42	$ 4.89	$ 2.90
Discontinued Operations	-	0.44	0.30	1.68
Extraordinary Loss	(0.06)	-	(0.06)	-
Net Earnings	$ 2.08	1.86	5.13	4.58
Diluted				
Income from Continuing Operations	$ 1.96	$1.38	$4.55	$2.81
Discontinued Operations	-	0.38	0.27	1.63
Extraordinary Loss	(0.05)	-	(0.05)	-
Net Earnings	$ 1.91	$1.76	$4.77	$4.44
Number of Shares Used in Computation				
Basic	150	150	149	154
Diluted	164	155	161	159

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

AMR CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited) (In millions)

	September 30, 2000	December 31, 1999
Assets		
Current Assets		
Cash	$ 171	$ 85
Short-term investments	2,163	1,706
Receivables, net	1,496	1,134
Inventories, net	730	708
Deferred income taxes	612	612
Other current assets	180	179
Total current assets	5,352	4,424
Equipment and Property		
Flight equipment, net	13,037	11,323
Other equipment and property, net	1,603	1,433
Purchase deposits for flight equipment	1,630	1,582
	16,270	14,338
Equipment and Property Under Capital Leases		
Flight equipment, net	1,680	1,851
Other equipment and property, net	97	98
	1,777	1,949
Route acquisition costs, net	865	887
Other assets, net	1,635	2,776
	$ 25,899	$ 24,374
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 1,299	$ 1,115
Accrued liabilities	2,284	1,956
Air traffic liability	2,929	2,255
Current maturities of long-term debt	495	302
Current obligations under capital leases	273	236
Total current liabilities	7,280	5,864
Long-term debt, less current maturities	3,795	4,078
Obligations under capital leases, less current obligations	1,403	1,611
Deferred income taxes	2,164	1,846
Other liabilities, deferred gains, deferred credits and postretirement benefits	4,164	4,117
Stockholders' Equity		
Common stock	182	182
Additional paid-in capital	2,974	3,061
Treasury stock	(1,968)	(2,101)
Accumulated other comprehensive income	(2)	(2)
Retained earnings	5,907	5,718
	7,093	6,858
	$ 25,899	$ 24,374

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

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

	Nine Months Ended September 30, 2000	1999
Net Cash Provided by Operating Activities	$2,732	$1,846
Cash Flow from Investing Activities:		
Capital expenditures, including net change in purchase deposits for purchase deposits	(2,792)	(2,751)
Net increase in short-term investments	(457)	(14)
Acquisitions and other investments	(41)	(99)
Proceeds from:		
Dividend from Sabre, Inc. (Sabre)	559	-
Sale of equipment and property	239	55
Sale of other investments	94	31
Sale of discontinued operations	-	259
Other	-	18
Net cash used for investing activities	(2,398)	(2,501)
Cash Flow from Financing Activities:		
Payments on long-term debt and capital lease obligations	(628)	(214)
Repurchases of common stock	-	(871)
Proceeds from:		
Issuance of long-term debt	351	1,367
Exercise of stock options	29	18
Short-term loan from Sabre	-	300
Sale-leaseback transactions	-	54
Net cash provided by (used for) financing activities	(248)	654
Net increase (decrease) in cash	86	(1)
Cash at beginning of period	85	87
Cash at end of period	$ 171	$ 86
Activities Not Affecting Cash:		
Distribution of Sabre shares to AMR shareholders	$ 581	$ -
Payment of short-term loan from Sabre against receivable from Sabre	-	300
Capital lease obligations incurred	-	54

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

AMR CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, these financial statements contain all adjustments, consisting of normal recurring accruals, necessary to present fairly the financial position, results of operations and cash flows for the periods indicated. Results of operations for the periods presented herein are not necessarily indicative of results of operations for the entire year. The balance sheet at December 31, 1999 has been derived from the audited financial statements at that date. The results of operations, cash flows and net assets for Sabre, Inc. (Sabre), AMR Services, AMR Combs and TeleService Resources have been reflected in the consolidated financial statements as discontinued operations (see Note 7 below), and accordingly, related information previously reported in the September 30, 1999 Form 10-Q has been restated. For further information, refer to the consolidated financial statements and footnotes thereto included in the AMR Corporation (AMR or the Company) Annual Report on Form 10-K for the year ended December 31, 1999.

2. Accumulated depreciation of owned equipment and property at September 30, 2000 and December 31, 1999, was $8.0 billion and $7.4 billion, respectively. Accumulated amortization of equipment and property under capital leases at September 30, 2000 and December 31, 1999, was $1.4 billion and $1.3 billion, respectively.

3. As discussed in the notes to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1999, the Miami International Airport Authority is currently remediating various environmental conditions at Miami International Airport (Airport) and funding the remediation costs through landing fee revenues. Future costs of the remediation effort may be borne by carriers operating at the Airport, including American Airlines, Inc. (American), a wholly-owned subsidiary of the Company, through increased landing fees and/or other charges. In addition, the Company is subject to environmental issues at various other airport and non-airport locations. 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.

4. As of October 2, 2000, the Company had commitments to acquire the following aircraft: 67 Boeing 737-800s, 21 Boeing 777-200IGWs, 20 Boeing 757-200s, 153 Embraer regional jets and 25 Bombardier CRJ-700s. Deliveries of these aircraft extend through 2006. Payments for these aircraft will approximate $600 million during the remainder of 2000, $2.5 billion in 2001, $1.25 billion in 2002 and an aggregate of approximately $1.7 billion in 2003 through 2006.

5. During the third quarter of 2000, AMR repurchased prior to scheduled maturity approximately $167 million in face value of long-term debt. Cash from operations provided the funding for the repurchases. These transactions resulted in an extraordinary loss of $14 million ($9 million after-tax).

6. During 1999, the Company entered into an agreement with priceline.com Incorporated (priceline) whereby ticket inventory provided by the Company may be sold through priceline's e-commerce system. In conjunction with this agreement, the Company received warrants to purchase approximately 5.5 million shares of priceline common stock. In the second quarter of 2000, the Company sold these warrants for proceeds of approximately $94 million, and recorded a pre-tax gain of $57 million ($36 million after-tax), which is included in Miscellaneous - net on the consolidated statements of operations.

7. During the first quarter of 1999, the Company completed the sales of AMR Services, AMR Combs and TeleService Resources. As a result of these sales, the Company recorded a gain of approximately $64 million, net of income taxes of approximately $19 million.

Effective after the close of business on March 15, 2000, AMR distributed 0.722652 shares of Sabre Class A common stock for each share of AMR stock owned by AMR's shareholders. The record date for the dividend of Sabre stock was the close of business on March 1, 2000. In addition, on February 18, 2000, Sabre paid a special one-time cash dividend of $675 million to shareholders of record of Sabre common stock at the close of business on February 15, 2000. Based upon its approximate 83 percent interest in Sabre, AMR received approximately $559 million of this dividend. These funds will be used for general corporate purposes, including the acquisition of aircraft. The dividend of AMR's entire ownership interest in Sabre's common stock resulted in a reduction to AMR's retained earnings in March of 2000 equal to the carrying value of the Company's investment in Sabre on March 15, 2000, which approximated $581 million. In addition, effective March 15, 2000, the Company reduced the exercise price and increased the number of stock options and other stock-based awards by approximately 18 million to offset the dilution to the holders, which occurred as a result of the spin-off. These changes were made to keep the holders in the same economic position as before the spin-off. This dilution adjustment was determined in accordance with Emerging Issues Task Force Consensus No. 90-9, "Changes to Fixed Employee Stock Option Plans as a Result of Equity Restructuring," and accordingly, had no impact on earnings.

The results of operations for Sabre, AMR Services, AMR Combs and TeleService Resources have been reflected in the consolidated statements of operations as discontinued operations. The net assets of Sabre of approximately $1.0 billion were classified in the condensed consolidated balance sheet as of December 31, 1999 in other assets. Other summarized financial information of the discontinued operations is as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
Sabre				
Revenues	$ -	$ 617	$ 542	$1,894
Minority interest	-	13	10	40
Income taxes	-	47	36	139
Net income	-	66	43	195
AMR Services, AMR Combs and TeleService Resources				
Revenues	$ -	$ -	$ -	$ 97
Income taxes	-	-	-	-
Net income	-	-	-	-

8. In connection with a secondary offering by Equant N.V. in February 1999, the Company sold approximately 923,000 depository certificates for a pre-tax gain of $66 million ($37 million after-tax). Of this amount, approximately 489,000 depository certificates, or a pre-tax gain of $35 million, related to depository certificates held by the Company on behalf of Sabre and is included in income from discontinued operations on the consolidated statements of operations. The remaining $31 million is included in Miscellaneous - net on the consolidated statements of operations.

AMR CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Unaudited)

9. The following table sets forth the computations of basic and diluted earnings per share from continuing operations before extraordinary loss (in millions, except per share data):

	Three Months Ended September 30, 2000	Three Months Ended September 30, 1999	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
Numerator:				
Income from continuing operations before extraordinary loss- numerator for basic and diluted earnings per share	$ 322	$ 213	$ 732	$ 446
Denominator:				
Denominator for basic earnings per share - weighted-average shares	150	150	149	154
Effect of dilutive securities:				
Employee options and shares	31	12	26	12
Assumed treasury shares purchased	(17)	(7)	(14)	(7)
Dilutive potential common shares	14	5	12	5
Denominator for diluted earnings per share adjusted weighted-average shares	164	155	161	159
Basic earnings per share from continuing operations before extraordinary loss	$ 2.14	$ 1.42	$ 4.89	$ 2.90
Diluted earnings per share from continuing operations before extraordinary loss	$ 1.96	$ 1.38	$ 4.55	$ 2.81

10. Financial Accounting Standards Board Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133), as amended, is required to be adopted in fiscal years beginning after June 15, 2000. SFAS 133 will require the Company to recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges must be adjusted to fair value through income. If the derivative is a hedge, depending on the nature of the hedge, changes in the fair value of derivatives will either be offset against the change in fair value of the hedged assets, liabilities, or firm commitments through earnings or recognized in other comprehensive income until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value will be immediately recognized in earnings. The Company will adopt SFAS 133 in the first quarter of fiscal year 2001. The Company is currently evaluating the impact of SFAS 133 on the Company's financial condition and results of operations.

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

RESULTS OF OPERATIONS

For the Three Months Ended September 30, 2000 and 1999

Summary AMR's income from continuing operations before extraordinary loss during the third quarter of 2000 was $322 million, or $1.96 per common share diluted, as compared to $213 million, or $1.38 per common share diluted, for the same period in 1999. AMR's operating income of $572 million increased $146 million compared to the same period in 1999. AMR's third quarter 2000 results from continuing operations include the effect of a labor disruption at one of the Company's major competitors which positively impacted the Company's net earnings by an estimated $0.22 to $0.28 per common share diluted.

The Company's revenues increased $561 million, or 11.9 percent, in the third quarter of 2000 versus the same period last year. American's passenger revenues increased by 12.4 percent, or $485 million, compared to the third quarter of 1999. American's yield (the average amount one passenger pays to fly one mile) of 13.88 cents increased by 7.9 percent compared to the same period in 1999. Domestic yields increased 7.9 percent from the third quarter of 1999. International yields increased 8.1 percent, reflecting an increase of 13.3 percent, 4.8 percent and 4.5 percent in Europe, Latin American and Pacific yields, respectively. The increase in revenues was due primarily to a strong U.S. economy, which led to strong demand for air travel both domestically and internationally, a favorable pricing climate, and a labor disruption at one of the Company's major competitors which positively impacted the Company's revenues by approximately $80 million to $100 million.

American's traffic or revenue passenger miles (RPMs) increased 4.2 percent to 31.6 billion miles for the quarter ended September 30, 2000. American's capacity or available seat miles (ASMs) decreased 2.0 percent to 41.4 billion miles in the third quarter of 2000. American's domestic traffic increased 3.3 percent on a capacity decrease of 3.4 percent and international traffic increased 5.9 percent on capacity increases of 1.1 percent. The decrease in domestic capacity was due primarily to the Company's "More Room Throughout Coach" initiative. The increase in international traffic was driven by an 8.7 percent increase in traffic to Europe on capacity growth of 4.6 percent, a 7.1 percent increase in traffic to the Pacific on a capacity increase of 0.4 percent and a 2.9 percent increase in traffic to Latin America on a capacity decrease of 1.8 percent.

American Eagle's passenger revenues increased 10.8 percent, or $38 million. American Eagle's traffic increased to 1.0 billion RPMs, up 10.3 percent, while capacity increased to 1.6 billion ASMs, or 8.6 percent, in the third quarter of 2000.

Cargo revenues increased $23 million, or 14.4 percent, due primarily to a fuel surcharge implemented in February 2000, the Company's increase in cargo capacity from the addition of new aircraft in late 1999 and 2000, and a labor disruption at one of the Company's major competitors.

The Company's operating expenses increased 9.7 percent, or $415 million. American's cost per ASM increased 11.9 percent to 10.31 cents. Wages, salaries and benefits increased 12.3 percent, or $188 million, primarily due to an increase in the average number of equivalent employees, contractual wage rate and seniority increases that are built into the Company's labor contracts and an increase of approximately $75 million in the provision for profit-sharing. Aircraft fuel expense increased 42.1 percent, or $192 million, due to a 38.3 percent increase in the Company's average price per gallon and a 2.7 percent increase in the Company's fuel consumption. The increase in fuel expense is net of gains of approximately $159 million recognized during the third quarter of 2000 related to the Company's fuel hedging program. Depreciation and amortization expense increased $31 million, or 11.2 percent, due primarily to the addition of new aircraft. Commissions to agents decreased 15.3 percent, or $48 million, despite an increase of approximately 12.3 percent in passenger revenues, due primarily to the benefit from the international base commission structure changes implemented in October 1999 and January 2000, respectively, and a decrease in commissionable transactions.

Interest income increased $21 million due primarily to higher investment balances. Interest expense increased $11 million, or 10.2 percent, due to an increase in the average outstanding long-term debt balance in 2000. Interest capitalized increased 33.3 percent, or $9 million, due primarily to an increase in purchase deposits for flight equipment.

RESULTS OF OPERATIONS (continued)

OPERATING STATISTICS

	Three Months Ended September 30, 2000	1999
American Airlines		
Revenue passenger miles (millions)	31,584	30,325
Available seat miles (millions)	41,418	42,245
Cargo ton miles (millions)	576	541
Passenger load factor	76.3%	71.8%
Breakeven load factor	65.4%	63.3%
Passenger revenue yield per passenger mile (cents)	13.88	12.86
Passenger revenue per available seat mile (cents)	10.59	9.23
Cargo revenue yield per ton mile (cents)	31.60	29.22
Operating expenses per available seat mile (cents)	10.31	9.21
Fuel consumption (gallons, in millions)	796	780
Fuel price per gallon (cents)	77.3	55.9
Fuel price per gallon, excluding fuel taxes (cents)	71.7	51.0
Operating aircraft at period-end	720	701
AMR Eagle		
Revenue passenger miles (millions)	998	905
Available seat miles (millions)	1,631	1,502
Passenger load factor	61.2%	60.2%
Operating aircraft at period-end	270	268

Operating aircraft at September 30, 2000 included:

American Airlines Aircraft:		AMR Eagle Aircraft:	
Airbus A300-600R	35	ATR 42	31
Boeing 727-200	63	Embraer 135	26
Boeing 737-800	45	Embraer 145	50
Boeing 757-200	102	Super ATR	43
Boeing 767-200	8	Saab 340	95
Boeing 767-200 Extended Range	22	Saab 340B Plus	25
Boeing 767-300 Extended Range	49	Total	270
Boeing 777-200IGW	24		
Fokker 100	75		
McDonnell Douglas DC-10-10	3		
McDonnell Douglas DC-10-30	5		
McDonnell Douglas MD-11	8		
McDonnell Douglas MD-80	276		
McDonnell Douglas MD-90	5		
Total	720		

Average aircraft age is 10.8 years for American's aircraft and 6.4 years for AMR Eagle aircraft.

For the Nine Months Ended September 30, 2000 and 1999

Summary AMR's income from continuing operations before extraordinary loss for the nine months ended September 30, 2000 was $732 million, or $4.55 per common share diluted. This compares with income from continuing operations of $446 million, or $2.81 per common share diluted, for the same period in 1999. AMR's operating income of $1.3 billion increased 46.8 percent, or $415 million, compared to the same period in 1999. AMR's 2000 results from continuing operations include the effect of a labor disruption at one of the Company's major competitors which positively impacted the Company's net earnings by an estimated $0.22 to $0.28 per common share diluted and an approximate $36 million after-tax gain, or $0.22 per common share diluted, related to the sale of the Company's warrants to purchase 5.5 million shares of priceline.com Incorporated (priceline) common stock. AMR's 1999 results from continuing operations include a labor disagreement that disrupted the Company's operations and negatively impacted the Company's 1999 net earnings by an estimated $140 million, or $0.87 per common share diluted, partially offset by an approximate $19 million after-tax gain, or $0.12 per common share diluted, related to the sale of a portion of American's holdings in Equant, N.V. (Equant).

The Company's revenues increased approximately $1.6 billion, or 12.1 percent, during the first nine months of 2000 versus the same period last year. American's passenger revenues increased by 12.5 percent, or approximately $1.4 billion. American's yield of 13.86 cents increased by 6.8 percent compared to the same period in 1999. Domestic yields increased 6.6 percent from the first nine months of 1999. International yields increased 7.5 percent, reflecting an increase of 12.0 percent, 10.4 percent and 4.8 percent in Pacific, Europe and Latin American yields, respectively. The increase in revenues was due primarily to a strong U.S. economy, which led to strong demand for air travel both domestically and internationally, a favorable pricing climate, and a labor disruption at one of the Company's major competitors which positively impacted the Company's revenues by approximately $80 million to $100 million. The first quarter of 1999 includes a schedule disruption which negatively impacted the Company's operations.

American's traffic or revenue passenger miles (RPMs) increased 5.4 percent to 89.1 billion miles for the nine months ended September 30, 2000. American's capacity or available seat miles (ASMs) increased 1.0 percent to 121.5 billion miles in the first nine months of 2000. American's domestic traffic increased 4.2 percent on a capacity decrease of 0.5 percent and international traffic increased 7.8 percent on capacity increases of 4.2 percent. The decrease in domestic capacity was due primarily to the Company's "More Room Throughout Coach" initiative. The increase in international traffic was driven by a 12.7 percent increase in traffic to the Pacific on capacity growth of 3.5 percent, a 10.1 percent increase in traffic to Europe on a capacity increase of 7.9 percent and a 4.6 percent increase in traffic to Latin America on capacity growth of 1.4 percent.

American Eagle's passenger revenues increased 13.8 percent, or $133 million. American Eagle's traffic increased to 2.8 billion RPMs, up 13.1 percent, while capacity increased to 4.7 billion ASMs, or 13.4 percent, in the first nine months of 2000.

Cargo revenues increased $61 million, or 13.0 percent, due primarily to a fuel surcharge implemented in February 2000, the Company's increase in cargo capacity from the addition of new aircraft in late 1999 and 2000, and a labor disruption at one of the Company's major competitors.

The Company's operating expenses increased 9.6 percent, or approximately $1.2 billion. American's cost per ASM increased by 8.4 percent to 10.17 cents. Wages, salaries and benefits increased $451 million, or 9.9 percent, primarily due to an increase in the average number of equivalent employees, contractual wage rate and seniority increases that are built into the Company's labor contracts and an increase of approximately $114 million in the provision for profit-sharing. Aircraft fuel expense increased 45.0 percent, or $549 million, due to a 39.7 percent increase in the Company's average price per gallon and a 4.1 percent increase in the Company's fuel consumption. The increase in fuel expense is net of gains of approximately $391 million recognized during the nine months ended September 30, 2000 related to the Company's fuel hedging program. Depreciation and amortization expense increased $92 million, or 11.5 percent, due primarily to the addition of new aircraft.

Maintenance, materials and repairs expense increased 10.5 percent, or $78 million, due primarily to an increase in airframe and engine maintenance volumes at the Company's maintenance bases and an approximate $17 million one-time credit the Company received in the second quarter of 1999. Commissions to agents decreased 11.6 percent, or $104 million, despite an increase of approximately 12.6 percent in passenger revenues, due primarily to the benefit from the international base commission structure changes implemented in October 1999 and January 2000, respectively, and a decrease in commissionable transactions.

Interest income increased 74.2 percent, or $46 million, due primarily to higher investment balances. Interest expense increased $58 million, or 19.7 percent, due to an increase in the average outstanding long-term debt balance in 2000. Interest capitalized increased 23.6 percent, or $21 million, due to an increase in purchase deposits for flight equipment. Miscellaneous - net increased $23 million due primarily to the gain on sale of the Company's warrants to purchase 5.5 million shares of priceline common stock in the second quarter of 2000, which resulted in a $57 million gain. In the first quarter of 1999, the Company recorded an approximate $31 million gain on the sale of a portion of the Company's interest in Equant.

OPERATING STATISTICS

	Nine Months Ended September 30, 2000	1999
American Airlines		
Revenue passenger miles (millions)	89,055	84,522
Available seat miles (millions)	121,533	120,354
Cargo ton miles (millions)	1,693	1,483
Passenger load factor	73.3%	70.2%
Breakeven load factor	64.9%	64.3%
Passenger revenue yield per passenger mile (cents)	13.86	12.98
Passenger revenue per available seat mile (cents)	10.15	9.12
Cargo revenue yield per ton mile (cents)	31.00	31.21
Operating expenses per available seat mile (cents)	10.17	9.38
Fuel consumption (gallons, in millions)	2,285	2,212
Fuel price per gallon (cents)	73.6	52.7
Fuel price per gallon, excluding fuel taxes (cents)	68.2	48.1
Operating aircraft at period-end	720	701
AMR Eagle		
Revenue passenger miles (millions)	2,822	2,496
Available seat miles (millions)	4,691	4,135
Passenger load factor	60.1%	60.4%
Operating aircraft at period-end	270	268

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities in the nine-month period ended September 30, 2000 was $2.7 billion, an increase of $886 million over the same period in 1999. This increase resulted primarily from an increase in the air traffic liability due to higher advanced sales and an increase in income from continuing operations. Capital expenditures for the first nine months of 2000 were $2.8 billion, and included the acquisition of 13 Boeing 777-200IGWs, 21 Boeing 737-800s, 17 Embraer 135 aircraft and five Embraer 145 aircraft. These capital expenditures were financed with internally generated cash and the $559 million of cash received from the Sabre dividend, except for the Embraer aircraft acquisitions which were funded through secured debt agreements.

As of October 2, 2000, the Company had commitments to acquire the following aircraft: 67 Boeing 737-800s, 21 Boeing 777-200IGWs, 20 Boeing 757-200s, 153 Embraer regional jets and 25 Bombardier CRJ-700s. Deliveries of these aircraft extend through 2006. Payments for these aircraft will approximate $600 million during the remainder of 2000, $2.5 billion in 2001, $1.25 billion in 2002 and an aggregate of approximately $1.7 billion in 2003 through 2006. The Company expects to fund these capital expenditures from the Company's existing cash and short-term investments, internally generated cash, and new financing depending upon market conditions and the Company's evolving view of its long-term needs.

During the third quarter of 2000, AMR repurchased prior to scheduled maturity approximately $167 million in face value of long-term debt. Cash from operations provided the funding for the repurchases.

OTHER INFORMATION

Dallas Love Field

In 1968, as part of an agreement between the cities of Fort Worth and Dallas to build and operate Dallas/Fort Worth Airport (DFW), a bond ordinance was enacted by both cities (the Bond Ordinance). The Bond Ordinance required both cities to direct all scheduled interstate passenger operations to DFW and was an integral part of the bonds issued for the construction and operation of DFW. In 1979, as part of a settlement to resolve litigation with Southwest Airlines, the cities agreed to expand the scope of operations allowed under the Bond Ordinance at Dallas' Love Field. Congress enacted the Wright Amendment to prevent the federal government from acting inconsistent with this agreement. The Wright Amendment limited interstate operations at Love Field to the four states contiguous to Texas (New Mexico, Oklahoma, Arkansas, and Louisiana) and prohibited through ticketing to any destination outside that perimeter. In 1997, without the agreement of the cities, Congress amended the Wright Amendment by (i) adding three states (Kansas, Mississippi, and Alabama) to the perimeter and (ii) removing some federal restrictions on large aircraft configured with 56 seats or fewer.

From October 1997 through May 2000, American, the cities of Fort Worth and Dallas, and other parties were involved in litigation regarding flight restrictions at Love Field. On May 1, 2000, American commenced service from Love Field to Chicago and Los Angeles using Fokker 100 aircraft reconfigured to hold 56 seats. These flights depart from terminal space leased from Continental Express on a short-term basis. On August 31, 2000, American commenced service from Love Field to New York's LaGuardia airport using the same facilities. American is seeking long-term facilities at Love Field from the City of Dallas for its Love Field operations. Consultants for the City of Dallas are drafting a master plan for Love Field and expect to make recommendations to the City of Dallas by the end of November 2000. As a result of the foregoing, an increase in operations at Love Field and/or the inability of American to obtain adequate facilities to compete effectively at Love Field could adversely impact American's business.

Industry Consolidation

Two competitors of the Company, UAL Corporation and US Airways Group, Inc., recently announced that they have entered into a definitive merger agreement. The Company is considering its strategic response to the possibility of industry consolidation, and from time to time is engaged in discussions with other carriers regarding potential significant business combinations and acquisitions of assets. To date these discussions have not resulted in a definitive agreement between the Company and any other carrier to enter into such a business combination or asset acquisition; however, there can be no assurance that the Company will not enter into such a transaction in the future. If any significant airline industry consolidation were to occur, including any business combination involving the Company or significant asset acquisition by the Company, the financial condition and prospects of the Company or the resulting corporation could be materially different from those of the Company currently.

FORWARD-LOOKING INFORMATION

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 report, the words "expects," "plans," "anticipates," and similar expressions are intended to identify forward-looking statements. 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 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 for the year ended December 31, 1999.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

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 Annual Report on Form 10-K for the year ended December 31, 1999 except as discussed below.

Based on projected fuel usage for the next twelve months, a hypothetical 10 percent increase in the September 29, 2000 cost per gallon of fuel would result in an increase to American's aircraft fuel expense of approximately $192 million for the next twelve months, net of fuel hedge instruments outstanding at September 30, 2000. The change in market risk from December 31, 1999 is due primarily to the increase in fuel prices. As of September 30, 2000, the Company has hedged approximately 70 percent of its remaining 2000 fuel requirements and approximately 35 percent of its 2001 fuel requirements.

During 2000, the Company terminated interest rate swap agreements on notional amounts of approximately $425 million which had effectively converted a portion of its fixed-rate obligations to floating-rate obligations. The cost of terminating these interest rate swap agreements was not material and the impact of the termination of these interest rate swap agreements on the Company's interest rate market risk was not significant.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings

In connection with its frequent flyer program, American was sued in several purported class action cases currently pending in the Circuit Court of Cook County, Illinois. In Wolens et al. v. American Airlines, Inc. and Tucker v. American Airlines, Inc. (hereafter, "Wolens"), plaintiffs seek money damages and attorneys' fees claiming that a change made to American's AAdvantage program in May 1988, which limited the number of seats available to participants travelling on certain awards, breached American's agreement with its AAdvantage members. (Although the Wolens complaint originally asserted several state law claims, only the plaintiffs' breach of contract claim remains after the U.S. Supreme Court ruled that the Airline Deregulation Act preempted the other claims). In Gutterman et al. v. American Airlines, Inc. (hereafter, "Gutterman"), plaintiffs also seek money damages and attorneys' fees claiming that the February 1995 increase in the award mileage required to claim a certain AAdvantage travel award breached the agreement between American and its AAdvantage members. On June 23, 1998, the court certified the Gutterman case as a class action.

In February 2000, American and the Wolens and Gutterman plaintiffs reached a settlement of both lawsuits. Pursuant to the agreement, American and the plaintiffs agreed to ask the court to consolidate the Wolens and Gutterman lawsuits for purposes of settlement. Further, American and the Wolens plaintiffs agreed to ask the court to certify a Wolens class of AAdvantage members who had at least 35,000 unredeemed AAdvantage miles as of December 31, 1988. In addition, American and the Gutterman plaintiffs agreed to ask the court to decertify the existing Gutterman class and to certify a new Gutterman class of AAdvantage members who as of December 31, 1993 (a) had redeemed 25,000 or 50,000 AAdvantage miles for certain AAdvantage awards and/or (b) had between 4,700 and 24,999 unredeemed miles in his or her account that were earned in 1992 or 1993. Depending upon certain factors, Wolens and Gutterman class members will be entitled to receive certificates entitling them to mileage off certain AAdvantage awards or dollars off certain American fares.

As part of the settlement, American agreed to pay the Wolens and Gutterman plaintiffs' attorneys fees and the cost of administering the settlement, which amounts were accrued as of December 31, 1999. In consideration for the relief provided in the settlement agreement, Wolens and Gutterman class members will release American from all claims arising from any changes that American has made to the AAdvantage program and reaffirming American's right to make changes to the AAdvantage program in the future. On May 2, 2000, the court preliminarily approved the settlement and authorized sending notice of the settlement to class members. On September 28, 2000, the court heard arguments from a number of class members who are objecting to various terms of the settlement. The court did not rule on the merits of any objections, and therefore has not yet decided whether it will finally approve the settlement agreement.

On August 7, 1998, a purported class action was filed against American Airlines in state court in Travis County, Texas (Boon Ins. Agency v. American Airlines, Inc., et al.) claiming that the $75 reissuance fee for changes to non-refundable tickets is an unenforceable liquidated damages clause and seeking a refund of the fee on behalf of passengers who paid it, as well as interest and attorneys' fees. On September 23, 1998, Continental, Delta, and America West were added as defendants to the lawsuit. On February 2, 1999, prior to any discovery being taken and a class being certified, the court granted the defendants' motion for summary judgment holding that plaintiff's claims are preempted by the Airline Deregulation Act. Plaintiff appealed and on March 30, 2000, the Texas Court of Appeals in Austin affirmed the granting of defendants' motion for summary judgment. On August 17, 2000, the Texas Supreme Court denied the plaintiff's petition for review.

PART II

Item 1. Legal Proceedings (continued)

On May 20, 1999, several class action lawsuits filed against the Allied Pilots Association (APA) seeking compensation for passengers and cargo shippers adversely affected by a labor disagreement that disrupted operations in February 1999 were consolidated in the United States District Court for the Northern District of Texas, Dallas Division (In re Allied Pilots Association Class Action Litigation). Although American was named as a defendant, plaintiffs were not seeking to hold American independently liable. Instead, Plaintiffs named American as a defendant because American has a $45.5 million judgment against the APA, the value of which is believed to exceed the APA's total assets. The APA moved to dismiss all claims alleged against it, and on September 26, 2000, the court dismissed all of the Plaintiffs' claims against the APA. In so doing, however, the court refused to dismiss certain state law claims with prejudice, but instead concluded that these state law claims were not preempted by federal law and could proceed in a state court. On October 3, 2000, Plaintiffs filed a complaint in Texas state court against the APA. In the complaints, Plaintiffs allege that in the event the APA does not have enough assets to satisfy American's $45.5 million judgment and any judgment the Plaintiffs' recover, any judgment in their case should be considered equal to or superior to American's interest in the $45.5 million judgment against the APA. American intends to vigorously defend all claims against it in this action.

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 American Eagle and plaintiffs, (2) constitutes unjust enrichment, and (3) violates the Racketeer Influenced and Corrupt Organizations Act of 1970 (RICO). The as yet uncertified class includes all travel agencies who have been or will be required to pay monies to American for debit memos for fare rules violations from July 26, 1995 to the present. 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. Defendants' motion to dismiss all claims is pending. American intends to vigorously defend the lawsuit.

On May 13, 1999, the United States (through the Antitrust Division of the Department of Justice) sued AMR Corporation, American Airlines, Inc., and AMR Eagle Holding Corporation in federal court in Wichita, Kansas. The lawsuit alleges that American unlawfully monopolized or attempted to monopolize airline passenger service to and from Dallas/Fort Worth International Airport (DFW) by increasing service when new competitors began flying to DFW, and by matching these new competitors' fares. The Department of Justice seeks to enjoin American from engaging in the alleged improper conduct and to impose restraints on American to remedy the alleged effects of its past conduct. The case has been set for trial on May 22, 2001. American intends to defend the lawsuit vigorously.

Between May 14, 1999 and June 7, 1999, seven class action lawsuits were filed against AMR Corporation, American Airlines, Inc., and AMR Eagle Holding Corporation in the United States District Court in Wichita, Kansas seeking treble damages under federal and state antitrust laws, as well as injunctive relief and attorneys' fees. (King v. AMR Corp., et al.; Smith v. AMR Corp., et al.; Team Electric v. AMR Corp., et al.; Warren v. AMR Corp., et al.; Whittier v. AMR Corp., et al.; Wright v. AMR Corp., et al.; and Youngdahl v. AMR Corp., et al.). Collectively, these lawsuits allege that American unlawfully monopolized or attempted to monopolize airline passenger service to and from DFW by increasing service when new competitors began flying to DFW, and by matching these new competitors' fares. Two of the suits (Smith and Wright) also allege that American unlawfully monopolized or attempted to monopolize airline passenger service to and from DFW by offering discounted fares to corporate purchasers, by offering a frequent flyer program, by imposing certain conditions on the use and availability of certain fares, and by offering override commissions to travel agents. The suits propose to certify several classes of consumers, the broadest of which is all persons who purchased tickets for air travel on American into or out of DFW since 1995 to the present. On November 10, 1999, the District Court stayed all of these actions pending developments in the case brought by the Department of Justice. As a result, to date no class has been certified. American intends to defend these lawsuits vigorously.

PART II

Item 1. Legal Proceedings (continued)

On March 1, 2000, American was served with a federal grand jury subpoena calling for American to produce documents relating to de-icing operations at DFW since 1992. American has produced documents to the grand jury, but is not able at this time to determine either the full scope of the grand jury's investigation or American's role in the investigation. American intends to cooperate fully with the government's investigation.

Item 6. Exhibits and Reports on Form 8-K

The following exhibits are included herein:

12 Computation of ratio of earnings to fixed charges for the three and nine months ended September 30, 2000 and 1999.

27.1 Financial Data Schedule as of September 30, 2000.

27.2 Restated Financial Data Schedule as of September 30, 1999.

On July 20, 2000, AMR filed a report on Form 8-K relative to a press release issued to report the Company's second quarter 2000 earnings.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMR CORPORATION

Date: October 26, 2000

BY: /s/ Thomas W. Horton
Thomas W. Horton
Senior Vice President and Chief
Financial Officer

Exhibit 12

AMR CORPORATION
Computation of Ratio of Earnings to Fixed Charges
(in millions)

	Three Months Ended September 30, 2000	Three Months Ended September 30, 1999	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
Earnings:				
Earnings from continuing operations before income taxes and extraordinary loss	$525	$357	$1,204	$757
Add: Total fixed charges (per below)	327	323	986	933
Less: Interest capitalized	36	27	110	89
Total earnings	$816	$653	$2,080	$1,601
Fixed charges:				
Interest, including interest capitalized	$114	$105	$ 340	$ 288
Portion of rental expense representative of the interest factor	208	215	633	637
Amortization of debt expense	5	3	13	8
Total fixed charges	$327	$323	$986	$933
Ratio of earnings to fixed charges	2.50	2.02	2.11	1.72

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9-MOS
DEC-31-2000
SEP-30-2000
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5

1,000,000

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259
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0
705
4.58
4.44