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 Period Ended June 30, 1995.

[ ]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	13-1502798
(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 periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No .

Applicable Only to Corporate Issuers

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock, $1 par value - 1,000 as of August 7,1995

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 H(1)(b) of Form 10-Q.

INDEX

AMERICAN AIRLINES , INC.

PART I: FINANCIAL INFORMATION

PART II: OTHER INFORMATION

PART 1. FINANCIAL INFORMATION

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

	Three Months Ended June 30, 1995	Three Months Ended June 30, 1994	Six Months Ended June 30, 1995	Six Months Ended June 30, 1994
Revenues				
Airline Group:				
Passenger	$3,395	$3,267	$6,538	$6,295
Cargo	176	163	332	317
Other	186	153	344	295
	3,757	3,583	7,214	6,907
Information Services Group	363	328	727	661
Less: Intergroup revenues	(142)	(148)	(284)	(297)
Total operating revenues	3,978	3,763	7,657	7,271
Expenses				
Wages, salaries and benefits	1,316	1,262	2,579	2,503
Aircraft fuel	385	373	750	755
Commissions to agents	307	324	614	635
Depreciation and amortization	287	292	574	581
Other rentals and landing fees	198	192	393	385
Food service	167	169	325	330
Aircraft rentals	151	155	304	312
Maintenance materials and repairs	119	113	237	227
Other operating expenses	592	510	1,174	1,066
Total operating expenses	3,522	3,390	6,950	6,794
Operating Income	456	373	707	477
Other Income (Expense)				
Interest income	6	-	11	1
Interest expense	(148)	(92)	(297)	(189)
Interest capitalized	4	5	8	11
Miscellaneous - net	(2)	(15)	(13)	(24)
	(140)	(102)	(291)	(201)
Earnings Before Income Taxes	316	271	416	276
Income tax provision	124	99	168	107
Net Earnings	$ 192	$ 172	$ 248	$ 169

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

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

	June 30, 1995 (Unaudited)	December 31, 1994 (Note)
Assets		
Current Assets		
Cash	$ 49	$ 13
Short-term investments of affiliates	800	744
Receivables, net	1,161	877
Receivables from affiliates	321	493
Inventories, net	536	590
Other current assets	448	385
Total current assets	3,315	3,102
Equipment and Property		
Flight equipment, net	9,385	9,132
Purchase deposits for flight equipment	29	105
	9,414	9,237
Other equipment and property, net	1,851	1,866
	11,265	11,103
Equipment and Property Under Capital Leases		
Flight equipment, net	1,323	1,370
Other equipment and property, net	167	172
	1,490	1,542
Route acquisition costs, net	1,018	1,032
Other assets, net	1,062	1,037
	$ 18,150	$ 17,816

Note: The balance sheet at December 31, 1994 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

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

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

	June 30, 1995 (Unaudited)	December 31, 1994 (Note)
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts payable	$ 835	$ 831
Payables to affiliates	1,129	759
Accrued liabilities	1,667	1,434
Air traffic liability	1,666	1,473
Current maturities of long-term debt	52	49
Current obligations under capital leases	141	110
Total current liabilities	5,490	4,656
Long-term debt, less current maturities	1,478	1,518
Long-term debt due to Parent	2,406	3,196
Obligations under capital leases,less currrent obligations	1,934	1,964
Deferred income taxes	327	268
Other liabilities, deferred gains, deferred credits and postretirement benefits	3,030	2,981
Stockholder's Equity		
Common stock	-	-
Additional paid-in capital	1,699	1,699
Retained earnings	1,786	1,534
	3,485	3,233
	$ 18,150	$ 17,816

Note: The balance sheet at December 31, 1994 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

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

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

	Six Months Ended June 30,	
	1995	1994
Net Cash Provided by Operating Activities	$ 991	$1,035
Cash Flow from Investing Activities:		
Capital expenditures	(626)	(486)
Net increase in short-term investments	(56)	(32)
Other	61	9
Net cash used for investing activities	(621)	(509)
Cash Flow from Financing Activities:		
Proceeds from issuance of long-term debt	-	93
Other short-term borrowings	-	200
Payments on other short-term borrowings	-	(200)
Payments on long-term debt and capital lease obligations	(86)	(45)
Funds transferred to affiliates, net	(248)	(570)
Net cash used for financing activities	(334)	(522)
Net increase in cash	36	4
Cash at beginning of period	13	55
Cash at end of period	$ 49	$ 59
Cash Payments For:		
Interest (net of amounts capitalized)	$ 270	$ 172
Income taxes	40	2
Financing Activities not Affecting Cash:		
Capital lease obligations incurred	$ -	$ 190

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

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, necessary to present fairly the financial position, results of operations and cash flows for the periods indicated. 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, 1994.

2. Certain amounts from 1994 have been reclassified to conform with the 1995 presentation, including cash flows resulting from certain transactions with affiliates.

3. In July 1991, American entered into a five-year agreement whereby American transfers, on a continuing basis and with recourse to the receivables, an undivided interest in a designated pool of receivables. Undivided interests in new receivables are transferred daily as collections reduce previously transferred receivables. At December 31, 1994, receivables are presented net of approximately $112 million of such transferred receivables. At June 30, 1995, no receivables were transferred under the terms of the agreement.

4. Accumulated depreciation of owned equipment and property at June 30, 1995 and December 31, 1994, was $5.4 billion and $5.2 billion, respectively. Accumulated amortization of equipment and property under capital leases at June 30, 1995 and December 31, 1994, was $862 million and $823 million, respectively.

5. In April 1995, American announced an agreement to sell 12 of its McDonnell Douglas MD-11 aircraft to Federal Express Corporation (FedEx), with delivery of the aircraft between 1996 and 1999. In addition, American has the option to sell its remaining seven MD-11 aircraft to FedEx with deliveries between 2000 and 2002. At the same time the two companies signed a separate six-year maintenance contract under the terms of which American will perform work on FedEx's aircraft fleet.

6. Included in Passenger Revenues for the three and six months ended June 30, 1994, is a favorable adjustment of $35 million produced by a change in the Company's estimate of the usage patterns of miles awarded by participating companies in American's AAdvantage frequent flyer program.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Six Months Ended June 30, 1995 and 1994

American recorded net earnings for the first six months of 1995 of $248 million. This compares to a net earnings of $169 million for the same period last year. American's operating income was $707 million for the first six months of 1995 compared to $477 million for the first six months of 1994.

American's passenger revenues increased by 3.9 percent, $243 million during the first six months of 1995 versus the same period last year. American's yield (the average amount one passenger pays to fly one mile) of 13.12 cents decreased by 2.4 percent compared to the same period in 1994. Domestic yields decreased 4.2 percent from the first six months of 1994. International yields increased 2.3 percent over the first six months of 1994, due principally to a 10.1 percent increase in Europe partially offset by a 4.6 percent decrease in Latin America.

American's traffic or revenue passenger miles (RPMs) increased 6.5 percent to 49.8 billion miles for the six months ended June 30, 1995. American's capacity or available seat miles (ASMs) increased 2.0 percent to 76.1 billion miles in the first six months of 1995, primarily as a result of increases in jet stage length and aircraft productivity. Jet stage length increased 8.4 percent and aircraft productivity, as measured by miles flown per aircraft per day, increased 5.5 percent compared with the first six months of 1994. American's domestic traffic increased 5.2 percent on capacity decreases of 0.7 percent and international traffic grew 9.7 percent on capacity increases of 9.1 percent. The change in international traffic was driven by a 13.6 percent increase in traffic to Latin America on capacity growth of 12.4 percent, and a 7.1 percent increase in traffic to Europe on a capacity increase of 6.7 percent.

Other Airline Group revenues increased 16.6 percent, $49 million, primarily due to contract maintenance work performed by American for other airlines.

Information Services Group revenues increased 10.0 percent, $66 million, primarily due to increased booking fee volume, which was positively impacted by international expansion in Europe, Latin America and India, and increased sales of premium priced products.

On April 29, 1995 a hailstorm at American's Dallas/Fort Worth hub temporarily disabled approximately ten percent of American's fleet, forcing American to reduce scheduled service during the entire month of May. This adversely impacted the carrier's revenue and cost performance. The impact of the hailstorm reduced American's second quarter net income by approximately $17 million.

American's operating expenses increased 2.3 percent, $156 million. Passenger Division cost per ASM increased by 0.5 percent to 8.46 cents. Wages, salaries and benefits rose 3.0 percent, $76 million, due primarily to provisions for profit sharing and salary adjustments for existing employees , partially offset by a 2.0 percent reduction in the average number of equivalent employees. Aircraft fuel expense decreased 0.7 percent, $5 million, due to a 1.3 percent decrease in American's average price per gallon partially offset by a 0.7 percent increase in gallons consumed by American. Commissions to agents decreased 3.3 percent, $21 million, due principally to a lower percentage of revenue subject to agent commissions combined with a reduction in average rates paid to agents attributable primarily to the change in commission structure implemented in February 1995. Other operating expenses, consisting of aircraft rentals, other rentals and landing fees, food service costs, maintenance costs and other miscellaneous operating expenses increased 10.1 percent, $108 million, primarily due to increases in contract maintenance expenses and increases in landing fees at certain locations.

Other Income (Expense) increased 44.8 percent or $90 million. Interest expense (net of amounts capitalized) increased $111 million due primarily to the effect of rising interest rates on floating rate debt and interest rate swap agreements and a change in the terms of the subordinated note agreement with AMR. Effective September 30, 1994, the subordinated promissory note bears interest based on the weighted average rate on AMR's long-term debt and preferred stock. Prior to September 30, 1994, interest on the subordinated note was based on the London Interbank Offered Rate (LIBOR). The increase in interest expense was partially offset by a $10 million increase in interest income attributable to higher average investment balances and higher average rates.

PART II

Item 1. Legal Proceedings

American has been sued in two class action cases that have been consolidated in the Circuit Court of Cook County, Illinois, in connection with certain changes made to American's AAdvantage frequent flyer program in May, 1988. (Wolens, et al v. American Airlines, Inc., No. 88 CH 7554, and Tucker v. American Airlines, Inc., No. 89 CH 199.) In both cases, the plaintiffs seek to represent all persons who joined the AAdvantage program before May 1988. The complaints allege that, on that date, American implemented changes that limited the number of seats available to participants traveling on certain awards and established holiday blackout dates during which no AAdvantage seats would be available for certain awards. The plaintiffs allege that these changes breached American's contracts with AAdvantage members and were in violation of the Illinois Consumer Fraud and Deceptive Business Practice Act (Consumer Fraud Act). Plaintiffs seek money damages of an unspecified sum, punitive damages, costs, attorneys fees and an injunction preventing the Company from making any future changes that would reduce the value of AAdvantage benefits. American moved to dismiss both complaints, asserting that the claims are preempted by the Federal Aviation Act and barred by the Commerce Clause of the U.S. Constitution.

The trial court denied American's preemption motions, but certified its decision for interlocutory appeal. In December 1990, the Illinois Appellate Court held that plaintiffs' claims for an injunction are preempted by the Federal Aviation Act, but that plaintiffs' claims for money damages could proceed. On March 12, 1992, the Illinois Supreme Court affirmed the decision of the Appellate Court. American sought a writ of certiorari from the U.S. Supreme Court; and on October 5, 1992, that Court vacated the decision of the Illinois Supreme Court and remanded the cases for reconsideration in light of the U.S. Supreme Court's decision in Morales v. TWA, et al, which interpreted the preemption provisions of the Federal Aviation Act very broadly. On December 16, 1993, the Illinois Supreme Court rendered its decision on remand, holding that plaintiffs' claims seeking an injunction were preempted, but that identical claims for compensatory and punitive damages were not preempted. On February 8, 1994, American filed petition for a writ of certiorari in the U.S. Supreme Court. The Illinois Supreme Court granted American's motion to stay the state court proceeding pending disposition of American's petition in the U.S. Supreme Court. The matter was argued before the U.S. Supreme Court on November 1, 1994, and on January 18, 1995, the U.S. Supreme Court issued its opinion ending a portion of the suit against American. The U.S. Supreme Court held that a) plaintiffs' claim for violation of the Illinois Consumer Fraud Act was preempted by federal law -- entirely ending that part of the case and eliminating plaintiffs' claim for punitive damages; and b) certain breach of contract claims would not be preempted by federal law. The Court did not determine, however, whether the contract claims asserted by the plaintiffs in Wolens were preempted, and therefore remanded the case to the state court for further proceedings. In the event that the plaintiffs' breach of contract claim is eventually permitted to proceed in the state court, American intends to vigorously defend the case.

PART II

Item 6. Exhibits and Reports on Form 8-K

The following exhibits are included herein:

Statement re: computation of ratio of earnings to fixed charges

The Company filed the following reports on Form 8-K during the three months ended June 30, 1995.

On June 2, 1995 the Company filed Exhibit 12 computation of ratio of earnings to fixed charges

On June 2, 1995 the Company filed Amended Bylaws of American Airlines, Inc.

Signatures

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: August 10, 1995

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

Exhibit 12

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

	Six Months Ended June 30,	
	1995	1994
Earnings:		
Earnings before income taxes	$416	$276
Add: Total fixed charges (per below)	591	482
Less: Interest capitalized	8	11
Total earnings	$999	$747
Fixed charges:		
Interest	$297	$189
Portion of rental expense representative of the interest factor	292	291
Amortization of debt expense	2	2
Total fixed charges	$591	$482
Ratio of earnings to fixed charges	1.69	1.55

5
1,000,000
6-MOS
DEC-31-1995
JUN-30-1995
49
800
1,495
13
536
3,315
18,999
6,244
18,150
5,490
0
1,699
0
0
1,786
18,150
0
7,657
0
6,950
0
0
297
416
168
248
0
0
0
248
0
0