

United States Bankruptcy Court
Southern District of New York

In re AMR Corporation, et al.

Case No. 11-15463 (SHL)

Debtors.

Chapter 11

**PERIODIC REPORT REGARDING VALUE, OPERATIONS AND PROFITABILITY OF ENTITIES IN WHICH THE
DEBTORS HOLD A SUBSTANTIAL OR CONTROLLING INTEREST**

AMR Corporation, American Airlines, Inc., AMR Eagle Holding Corporation, and certain of their subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors," and together with their non-Debtor subsidiaries, "AMR"), hereby file this report, dated as of March 5, 2012 (the "Periodic Report") pursuant to Rule 2015.3 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") reporting the value, operations and profitability of certain non-debtor entities ("Non-Debtors") in which one or more Debtors hold a substantial or controlling interest. The Debtors directly hold all or substantially all of the equity interests in the following entities:

<u>Name of Entity</u>	<u>Interest of the Estate</u>	<u>Exhibit Number</u>
Avion Assurance, Ltd.	100%	B-1 and B-2
Aerodespachos Colombia, S.A. AERCOL S.A. (Columbia)	100%	B-1 and B-2
Caribbean Dispatch Services Limited (St. Lucia)	100%	B-1 and B-2
American Airlines, Division de Servicios Aeroportuarios (R.D.), S.A. (Dominican Republic)	100%	B-1 and B-2
International Ground Services, S.A. de C.V. (Mexico)	100%	B-1 and B-2
AA 2002 Class C Certificate Corporation	100%	B-1 and B-2
AA 2003-1 Class C Certificate Corporation	100%	B-1 and B-2
AA 2004-1 Class B Note Corporation	100%	B-1 and B-2
AA 2002 Class D Certificate Corporation I	100%	B-1 and B-2
AA 2003-1 Class D Certificate Corporation	100%	B-1 and B-2
AA 2005-1 Class C Certificate Corporation	100%	B-1 and B-2
American Airlines de Mexico, S.A.	100%	B-1 and B-2
American Airlines de Venezuela, S.A.	100%	B-1 and B-2
Aerosan Airport Services S.A.	50%	B-1 and B-2
Aerosan S.A.	50%	B-1 and B-2

This Periodic Report contains separate reports (the "Entity Reports") on the valuation, profitability and operations of each Non-Debtor entity listed above. The Periodic Report does not include information for five Non-Debtors in which a Debtor maintains a joint venture or minority interest and is bound by confidentiality obligations from publicly disclosing their financial statements. These entities include the following:

<u>Entities in which a joint venture or minority interest is held by Debtors</u>	<u>Interest of the Estate</u>
Texas Aero Engine Services, LLC	50%
oMC Venture, LLC	50%
oneworld Alliance, LLC	25.6%
oneworld Management Company, Inc.	25.6%
Aerolineas Pacifico Atlantico, S.A.	25%

Each Entity Report shall consist of three exhibits. Exhibit A contains a valuation estimate for the Non-Debtor entity as of a date not more than two years prior to the date of this report. It also contains a description of the valuation method used. Exhibit B contains a balance sheet (Exhibit B-1), a statement of income (loss) (Exhibit B-2), a statement of cash flows, and a statement of changes in shareholders' or partners' equity (deficit) for the period covered by the Entity Report, along with summarized footnotes. Exhibit C contains a description of the Non-Debtors' business operations.

Please note with respect to Exhibit A, it would be prohibitively expensive, unduly burdensome, and an inefficient use of estate assets for the Debtors to obtain current market valuations of the Non-Debtors in which the Debtors hold a direct interest of 20% or more; therefore, the net book value of the assets of these entities is the basis for the valuation.

With respect to Exhibit B, the balance sheet and statements of income have been included when available for each Non-Debtor entity. Statements of cash flow and statements of changes in shareholders' or partners' equity are not prepared for each Non-Debtor entity. System and resource constraints preclude the Debtors from preparing these statements at the entity level; therefore, these statements have been excluded from this report.

The financial information in this Form 26 filing is based upon the Debtor's books and records. The financial information is unaudited and does not purport to show the financial statements of any of the Non-Debtors in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), and therefore may exclude items required by U.S. GAAP, such as certain reclassifications, eliminations, accruals, valuations, and disclosure items. Although management has made reasonable efforts to ensure that the financial information is accurate and complete based on information that was available to them at the time of the preparation, subsequent information or discovery may result in material changes to the information, and inadvertent errors or omissions may exist. Moreover, because the financial information included in this filing is unaudited information that is subject to further review and potential adjustment, there can be no assurance that the information is accurate and complete. Nothing contained in this filing shall constitute a waiver of any rights of the Debtors, specifically including the Debtors' right to amend the information.

The undersigned, having reviewed the above listing of entities in which the Debtors' estates directly hold a substantial or controlling interest, and being familiar with the Debtors' financial affairs, verifies under the penalty of perjury that the listing is complete, accurate and truthful to the best of her knowledge.

Date: March 5, 2012



Isabella D. Goren
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit A
Valuation Estimate for Non-Debtor Entities

The basis for the valuation of each entity is the net book value calculated as total liabilities of each entity subtracted from its total assets as of December 31, 2011. The book balances for the assets and liabilities of each entity are maintained based on historic cost as adjusted in accordance with U.S. GAAP. The Debtors have no available analyses prepared within the past two years supporting any comprehensive alternative valuation method for the entities.

<u>Name of Entity</u>	<u>Interest of the Estate</u>	<u>Net Book Value</u>
Avion Assurance, Ltd.	100%	\$9,223,122
Aerodespachos Colombia, S.A. AERCOL S.A. (Columbia)	100%	\$2,678,340
Caribbean Dispatch Services Limited (St. Lucia)	100%	\$4,390,151
American Airlines Division de Servicios Aeroportuarios (R.D.), S.A. (Dominican Republic)	100%	\$1,978,565
International Ground Services, S.A. de C.V. (Mexico)	100%	\$1,415,276
AA 2002 Class C Certificate Corporation	100%	\$108,605,000
AA 2003-1 Class C Certificate Corporation	100%	\$100
AA 2004-1 Class B Note Corporation	100%	\$42,031,000
AA 2002 Class D Certificate Corporation I	100%	\$0
AA 2003-1 Class D Certificate Corporation	100%	\$100
AA 2005-1 Class C Certificate Corporation	100%	\$103,464,203
American Airlines de Mexico, S.A.	100%	(\$647,159)
American Airlines de Venezuela, S.A.	100%	\$0
Aerosan Airport Services S.A./Aerosan S.A.	50%	\$4,517,374

Exhibit B-1
Balance Sheet for Non-Debtor Entities
As of December 31, 2011

	Avion Assurance	Aerodespachos Colombia	Caribbean Dispatch Services	AA Division de Servicios Aeroportuarios
Assets				
Current Assets				
Cash and short-term investments	\$ 2,354,796	\$ 580,016	\$ 550,026	\$ 250,960
Other receivables, net	-	1,030,200	631,995	541,357
Other current assets	-	(24,894)	252,489	258,965
Total current assets	<u>2,354,796</u>	<u>1,585,322</u>	<u>1,434,510</u>	<u>1,051,282</u>
Other equipment and property, net	-	-	-	64,162
Intercompany receivable	7,000,000	1,072,805	3,249,163	1,213,131
Other assets	-	1	2	4
Total Assets	<u>\$ 9,354,796</u>	<u>\$ 2,658,128</u>	<u>\$ 4,683,675</u>	<u>\$ 2,328,579</u>
Liabilities and Equity (Deficit)				
Current Liabilities				
Intercompany accounts payable	\$ -	\$ -	\$ -	\$ -
Other accounts payable	-	70	226,334	168,731
Other accruals	<u>131,674</u>	<u>(20,282)</u>	<u>67,190</u>	<u>181,283</u>
Total current liabilities	<u>131,674</u>	<u>(20,212)</u>	<u>293,524</u>	<u>350,014</u>
Intercompany debt	-	-	-	-
Other non-current liabilities	-	-	-	-
Total equity (deficit)	<u>9,223,122</u>	<u>2,678,340</u>	<u>4,390,151</u>	<u>1,978,565</u>
Total liabilities and equity	<u>\$ 9,354,796</u>	<u>\$ 2,658,128</u>	<u>\$ 4,683,675</u>	<u>\$ 2,328,579</u>

Exhibit B-1 (Continued)
Balance Sheet for Non-Debtor Entities
As of December 31, 2011

	International Ground Services	AA 2002 Class C Certificate Corporation	AA 2003-1 Class C Certificate Corporation	AA 2004-1 Class B Note Corporation
Assets				
Current Assets				
Cash and short-term investments	\$ 151,537	\$ -	\$ 100	\$ -
Other receivables, net	518,430	-	-	-
Other current assets	101,248	-	-	-
Total current assets	<u>771,215</u>	-	100	-
Other equipment and property, net	676,720	-	-	-
Intercompany receivable	534,147	108,605,000	-	42,031,000
Other assets	19,400	-	-	-
Total Assets	<u>\$ 2,001,482</u>	<u>\$ 108,605,000</u>	<u>\$ 100</u>	<u>\$ 42,031,000</u>
Liabilities and Equity (Deficit)				
Current Liabilities				
Intercompany accounts payable	\$ -	\$ -	\$ -	\$ -
Other accounts payable	211,037	-	-	-
Other accruals	(54,831)	-	-	-
Total current liabilities	<u>156,206</u>	-	-	-
Intercompany debt	430,000	-	-	-
Other non-current liabilities	-	-	-	-
Total equity (deficit)	1,415,276	108,605,000	100	42,031,000
Total liabilities and equity	<u>\$ 2,001,482</u>	<u>\$ 108,605,000</u>	<u>\$ 100</u>	<u>\$ 42,031,000</u>

Exhibit B-1 (Continued)
Balance Sheet for Non-Debtor Entities
As of December 31, 2011

	AA 2002 Class D Certificate Corporation	AA 2003-1 Class D Certificate Corporation	AA 2005-1 Class C Certificate Corporation	American Airlines de Mexico
Assets				
Current Assets				
Cash and short-term investments	\$ -	\$ 100	\$ -	\$ 315,352
Other receivables, net	-	-	-	206,800
Other current assets	-	-	-	-
Total current assets	-	-	-	522,152
Other equipment and property, net	-	-	-	427,594
Intercompany receivable	-	-	103,464,203	-
Other assets	-	-	-	1
Total Assets	\$ -	\$ 100	\$ 103,464,203	\$ 949,747
Liabilities and Equity (Deficit)				
Current Liabilities				
Intercompany accounts payable	\$ -	\$ -	\$ -	\$ -
Other accounts payable	-	-	-	118,003
Other accruals	-	-	-	(17,947)
Total current liabilities	-	-	-	100,056
Intercompany debt	-	-	-	1,496,850
Other non-current liabilities	-	-	-	-
Total equity (deficit)	-	100	103,464,203	(647,159)
Total liabilities and equity	\$ -	\$ 100	\$ 103,464,203	\$ 949,747

Exhibit B-1 (Continued)
Balance Sheet for Non-Debtor Entities
As of December 31, 2011

	American Airlines de Venezuela	Aerosan Airport Services S.A.	Aerosan S.A.
Assets			
Current Assets			
Cash and short-term investments	\$ -	\$ 1,088,000	\$ 2,081,000
Other receivables, net	- -	973,000	1,608,000
Other current assets	- -	321,000	1,016,000
Total current assets	- -	2,382,000	4,705,000
Other equipment and property, net	- -	1,108,000	1,711,000
Intercompany receivable	- -	- -	- -
Other assets	- -	5,546,000	2,309,000
Total Assets	\$ - -	\$ 9,036,000	\$ 8,725,000
Liabilities and Equity (Deficit)			
Current Liabilities			
Intercompany accounts payable	\$ - -	\$ - -	\$ - -
Other accounts payable	- -	236,000	608,000
Other accruals	- -	666,000	1,605,000
Total current liabilities	- -	902,000	2,213,000
Intercompany debt	- -	- -	- -
Other non-current liabilities	- -	756,000	1,356,000
Total equity (deficit)	- -	7,378,000	5,156,000
Total liabilities and equity	\$ - -	\$ 9,036,000	\$ 8,725,000

Exhibit B-2
Statement of Income (Loss) for Non-Debtor Entities
For the year ending December 31, 2011

	Avion Assurance	Aerodespachos Colombia	Caribbean Dispatch Services	AA Division de Servicios Aeroportuarios
Revenues				
Total operating revenues	-	7,361	4,727,832	2,949,499
Expenses				
Wages, salaries and benefits	-	13,192	2,137,460	1,394,990
Maintenance, materials and repairs	-	-	198,409	139,390
Rentals and landing fees	-	-	130,505	9,990
Depreciation and amortization	-	-	-	14,646
Other operating expenses	262,717	(2,432)	871,221	1,407,799
Total operating expenses	<u>262,717</u>	<u>10,760</u>	<u>3,337,595</u>	<u>2,966,815</u>
Operating Income (Loss)	(262,717)	(3,399)	1,390,237	(17,316)
Other Income (Expense)				
Other Income (Expense)	274	(1,919)	(3,060)	(5,627)
Earnings (Loss) Before Income Taxes	(262,443)	(5,318)	1,387,177	(22,943)
Income tax	-	70,690	338,026	53,240
Net Earnings (Loss)	<u>\$ (262,443)</u>	<u>\$ (76,008)</u>	<u>\$ 1,049,151</u>	<u>\$ (76,183)</u>

	International Ground Services	AA 2002 Class C Certificate Corporation	AA 2003-1 Class C Certificate Corporation	AA 2004-1 Class B Note Corporation
Revenues				
Total operating revenues	2,321,647	-	-	-
Expenses				
Wages, salaries and benefits	1,023,008	-	-	-
Maintenance, materials and repairs	173,114	-	-	-
Rentals and landing fees	99,461	-	-	-
Depreciation and amortization	2,021	-	-	-
Other operating expenses	1,140,216	-	-	-
Total operating expenses	<u>2,437,820</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Income (Loss)	(116,173)	-	-	-
Other Income (Expense)				
Other Income (Expense)	(1,770)	-	-	-
Earnings (Loss) Before Income Taxes	(117,943)	-	-	-
Income tax	-	-	-	-
Net Earnings (Loss)	<u>\$ (117,943)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Exhibit B-2 (Continued)
Statement of Income (Loss) for Non-Debtor Entities
For the year ending December 31, 2011

	AA 2002 Class D Certificate Corporation	AA 2003-1 Class D Certificate Corporation	AA 2005-1 Class C Certificate Corporation	American Airlines de Mexico
Revenues				
Total operating revenues	-	-	-	1,085,435
Expenses				
Wages, salaries and benefits	-	-	-	-
Maintenance, materials and repairs	-	-	-	35,901
Rentals and landing fees	-	-	-	-
Depreciation and amortization	-	-	-	76,296
Other operating expenses	-	-	-	620,014
Total operating expenses	-	-	-	732,211
Operating Income (Loss)	-	-	-	353,224
Other Income (Expense)				
Other Income (Expense)	-	-	-	9,514
Earnings (Loss) Before Income Taxes	-	-	-	362,738
Income tax	-	-	-	44,328
Net Earnings (Loss)	\$ -	\$ -	\$ -	\$ 318,410

	American Airlines de Venezuela	Aerosan Airport Services S.A.	Aerosan S.A.
Revenues			
Total operating revenues	-	4,868,000	12,561,000
Expenses			
Wages, salaries and benefits	-	-	-
Maintenance, materials and repairs	-	-	-
Rentals and landing fees	-	-	-
Depreciation and amortization	-	-	-
Other operating expenses	-	4,357,000	8,808,000
Total operating expenses	-	4,357,000	8,808,000
Operating Income (Loss)	-	511,000	3,753,000
Other Income (Expense)			
Other Income (Expense)	-	810,000	84,000
Earnings (Loss) Before Income Taxes	-	1,321,000	3,837,000
Income tax	-	131,000	771,000
Net Earnings (Loss)	\$ -	\$ 1,190,000	\$ 3,066,000

Exhibit B-3

Notes to Exhibits B-1 and B-2

1. **Condensed Statements.** The condensed financial statements contained in the Periodic Report are unaudited. While management of the Debtors and their affiliates has made every reasonable effort to ensure that these financial statements are accurate and complete based upon information that was available at the time of preparation, the subsequent receipt of information may result in material changes in the data contained in these financial statements, and inadvertent errors or omissions may exist. To the extent the Debtors discover additional information that may differ materially from the information set forth in the financial statements contained herein, the Debtors may amend, supplement or otherwise modify this Periodic Report to reflect such changes. Accordingly, the Debtors reserve all rights to amend, supplement or otherwise modify this Periodic Report as they deem necessary or appropriate.
2. **Basis of Presentation.** The accompanying unaudited financial information presented on Exhibits B-1 and B-2 represents the financial position and statements of the operations (collectively, the "Financial Information") of the Non-Debtor entities in which the Debtors hold a substantial or controlling direct or indirect interest except for joint venture and minority interest entities listed in the certification to this report (the "Form 26 Reporting Entities").

The Financial Information has been assembled from the general ledgers of the Form 26 Reporting Entities and is presented on an unconsolidated separate legal entity basis. The Financial Information has generally been maintained in accordance with U.S. GAAP, except for elimination of the required footnotes.

Receivables and payables between the Non-Debtors and Debtors and/or among the Non-Debtors have not been eliminated. No conclusion as to the legal obligation related to these intercompany transactions is made by the presentation herein.

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual amounts and results could differ from those estimates.

The Financial Information contained herein was not intended to reconcile to any financial statements otherwise prepared or distributed by the Debtors or any of the Debtors' affiliates. Significant efforts have been put forth to attribute the assets and liabilities to the proper legal entity. However, because the Debtors' accounting systems, policies, and practices were developed with a view to producing consolidated reporting, rather than by legal entity, it is possible that not all assets or liabilities have been recorded in the books and records of the correct legal entity. Accordingly, the Debtors reserve all rights to supplement or amend any financial statements contained in this Periodic Report.

Exhibit B-3
Notes to Exhibits B-1 and B-2
(Continued)

Moreover, given, among other things, the uncertainty surrounding the collection and ownership of certain assets and the valuation and nature of certain liabilities, to the extent that a Non-Debtor entity shows more assets than liabilities, this is not an admission that the Non-Debtor entity was solvent on November 29, 2011 (the "Petition Date") or at any time prior to the Petition Date, including the date as of or for the period of any financial statements or other financial information included in this Periodic Report. Likewise, to the extent that a Non-Debtor entity shows more liabilities than assets, this is not an admission that the Non-Debtor entity was insolvent at the Petition Date or at any time prior to the Petition Date, including the date as of or for the period of any financial statements or other financial information included in this Periodic Report.

The accompanying Financial Information does not include all footnotes and certain financial presentations normally required by U.S. GAAP.

3. Current values. Unless otherwise indicated, the basis for all current values included in this Periodic Report was the net book value from relevant corporate books and records as of the close of business on December 31, 2011. The net book value as of December 31, 2011 may not reflect the current value of the respective assets. In particular, for amounts receivable by Non-Debtor entities from Debtor entities, no consideration has been made as to whether the chapter 11 bankruptcy filing will result in the amount ultimately receivable being less than the amount stated in the Financial Information. Additionally, interest on intercompany loans to Debtor entities are reflected at contractual amounts and not adjusted for the impact of the chapter 11 bankruptcy filing.

For the reasons discussed above, the Debtors caution readers not to place undue reliance upon the information contained in this Periodic Report. For further information, please refer to the consolidated financial statements and footnotes thereto in the Annual Report on Form 10-K for the fiscal year ended December 31, 2011, for AMR Corporation and other filings by AMR Corporation with the Securities and Exchange Commission.

Exhibit C
Description of Operations for Non-Debtor Entities

<u>Name of Entity</u>	<u>Description of Business</u>
Avion Assurance, Ltd.	Insurance related
Aerodespachos Colombia, S.A. AERCOL S.A. (Columbia)	Ground handling services
Caribbean Dispatch Services Limited (St. Lucia)	Ground handling services
American Airlines Division de Servicios Aeroportuarios (R.D.), S.A. (Dominican Republic)	Ground handling services
International Ground Services, S.A. de C.V. (Mexico)	Ground handling services
AA 2002 Class C Certificate Corporation	Dormant
AA 2003-1 Class C Certificate Corporation	Dormant
AA 2004-1 Class B Note Corporation	Dormant
AA 2002 Class D Certificate Corporation I	Dormant
AA 2003-1 Class D Certificate Corporation	Dormant
AA 2005-1 Class C Certificate Corporation	Holds beneficial interest in financing trust
American Airlines de Mexico, S.A.	Property manager
American Airlines de Venezuela, S.A.	Dormant
Aerosan Airport Services S.A.	Ground handling services
Aerosan S.A.	Cargo warehousing & processing services