

AMERICAN AIRLINES, INC.
4848 WEST 63RD STREET
CHICAGO

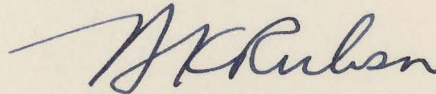
March 2, 1939

Mr. Amon G. Carter
c/o Fort Worth Star-Telegram
Fort Worth, Texas.

Dear Sir:

At the time you were forwarded a draft of the proposed report to stockholders for the year 1938, we did not have available copies of the report of Arthur Young & Company who audited our books for the year 1938. Copies of this report are now available and we are enclosing a copy of the Balance Sheet as of December 31, 1938, the Profit and Loss Statement for the year 1938 as certified to by Arthur Young & Company, together with a copy of their certificate.

Very truly yours,



H. K. Rulison
Assistant Treasurer

HKR:MEP
Encls.



ARTHUR YOUNG & COMPANY
Accountants and Auditors
1 North LaSalle Street

Chicago

February 28, 1939.

To the Board of Directors,
American Airlines, Inc.

We have made an examination of the consolidated balance sheet of American Airlines, Inc. and subsidiary companies as at December 31, 1938 and of the consolidated statement of profit and loss for the year ended that date. In connection therewith we examined or tested accounting records of the companies and other supporting evidence and obtained information and explanations from officers and employes of the companies; we also made a general review of the accounting methods and of the operating and income accounts for the year, but we did not make a detailed audit of the transactions.

In our opinion, based upon such examination, the accompanying consolidated balance sheet and related consolidated statement of profit and loss fairly present, in accordance with accepted principles of accounting consistently maintained by the companies during the year under review, their consolidated position at December 31, 1938 and the results of consolidated operations for the year ended that date.

(Signed) Arthur Young & Co.
Certified Public Accountants.

C O P Y