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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2019

OR

☐ **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	Exact Name of Registrant as Specified in its Charter, Principal Executive Office Address and Telephone Number	State of Incorporation	I.R.S. Employer Identification No.
001-06033	**United Airlines Holdings, Inc.** 233 South Wacker Drive, Chicago, Illinois 60606 (872) 825-4000	Delaware	36-2675207
001-10323	**United Airlines, Inc.** 233 South Wacker Drive, Chicago, Illinois 60606 (872) 825-4000	Delaware	74-2099724

Securities registered pursuant to Section 12(b) of the Act

Registrant	Title of Each Class	Trading Symbol	Name on Each Exchange on Which Registered
United Airlines Holdings, Inc.	Common Stock, $0.01 par value	UAL	The Nasdaq Stock Market LLC
United Airlines, Inc.	None	None	None

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.

United Airlines Holdings, Inc. Yes ☒ No ☐ United Airlines, Inc. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

United Airlines Holdings, Inc. Yes ☒ No ☐ United Airlines, Inc. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

United Airlines Holdings, Inc.	Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐
United Airlines, Inc.	Large accelerated filer	☐	Accelerated filer	☐	Non-accelerated filer	☒	Smaller reporting company	☐	Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

United Airlines Holdings, Inc. ☐

United Airlines, Inc. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

United Airlines Holdings, Inc. Yes ☐ No ☒

United Airlines, Inc. Yes ☐ No ☒

The number of shares outstanding of each of the issuer's classes of common stock as of October 11, 2019 is shown below:

United Airlines Holdings, Inc.	253,043,650	shares of common stock ($0.01 par value)
United Airlines, Inc.	1,000	shares of common stock ($0.01 par value) (100% owned by United Airlines Holdings, Inc.)

OMISSION OF CERTAIN INFORMATION

This combined Quarterly Report on Form 10-Q is separately filed by United Airlines Holdings, Inc. and United Airlines, Inc. United Airlines, Inc. meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this form with the reduced disclosure format allowed under that General Instruction.

United Airlines Holdings, Inc.
United Airlines, Inc.

Quarterly Report on Form 10-Q
For the Quarterly Period Ended September 30, 2019

Table of Contents

Table of Contents

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

UNITED AIRLINES HOLDINGS, INC.
STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)
(In millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018 (a)	2019	2018 (a)
Operating revenue:				
Passenger revenue	$ 10,481	$ 10,120	$ 29,692	$ 28,150
Cargo	282	296	863	903
Other operating revenue	617	587	1,816	1,759
Total operating revenue	11,380	11,003	32,371	30,812
Operating expense:				
Salaries and related costs	3,063	2,930	8,993	8,534
Aircraft fuel	2,296	2,572	6,704	6,927
Regional capacity purchase	721	676	2,124	1,999
Landing fees and other rent	645	618	1,893	1,822
Depreciation and amortization	575	545	1,682	1,607
Aircraft maintenance materials and outside repairs	490	455	1,319	1,333
Distribution expenses	432	427	1,234	1,162
Aircraft rent	67	109	221	355
Special charges	27	17	116	186
Other operating expenses	1,591	1,467	4,645	4,293
Total operating expenses	9,907	9,816	28,931	28,218
Operating income	1,473	1,187	3,440	2,594
Nonoperating income (expense):				
Interest expense	(191)	(172)	(570)	(497)
Interest capitalized	22	16	65	46
Interest income	36	28	103	70
Miscellaneous, net	9	(1)	32	(118)
Total nonoperating expense, net	(124)	(129)	(370)	(499)
Income before income taxes	1,349	1,058	3,070	2,095
Income tax expense	325	225	702	434
Net income	$ 1,024	$ 833	$ 2,368	$ 1,661
Earnings per share, basic	$ 4.01	$ 3.06	$ 9.07	$ 6.00
Earnings per share, diluted	$ 3.99	$ 3.05	$ 9.04	$ 5.98

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES HOLDINGS, INC.
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (UNAUDITED)
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018 (a)	2019	2018 (a)
Net income	$ 1,024	$ 833	$ 2,368	$ 1,661
Other comprehensive income (loss), net of tax:				
Employee benefit plans	304	12	294	54
Investments and other	(1)	1	5	(3)
Total other comprehensive income (loss), net of tax	303	13	299	51
Total comprehensive income, net	$ 1,327	$ 846	$ 2,667	$ 1,712

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	September 30, 2019	December 31, 2018 (a)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,959	$ 1,694
Short-term investments	2,167	2,256
Receivables, less allowance for doubtful accounts (2019 — $11; 2018 — $8)	1,617	1,426
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2019 — $403; 2018 — $412)	1,065	985
Prepaid expenses and other	725	733
Total current assets	8,533	7,094
Operating property and equipment:		
Flight equipment	34,413	32,599
Other property and equipment	7,626	6,889
Purchase deposits for flight equipment	1,446	1,177
Total operating property and equipment, at cost	43,485	40,665
Less — Accumulated depreciation and amortization	(14,153)	(13,266)
Total operating property and equipment, net	29,332	27,399
Operating lease right-of-use assets	4,937	5,262
Other assets:		
Goodwill	4,523	4,523
Intangibles, less accumulated amortization (2019 — $1,425; 2018 — $1,380)	3,114	3,159
Restricted cash	100	105
Notes receivable, net	529	516
Investments in affiliates and other, net	1,131	966
Total other assets	9,397	9,269
Total assets	$ 52,199	$ 49,024

(continued on next page)

UNITED AIRLINES HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	September 30, 2019	December 31, 2018 (a)
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Advance ticket sales	$ 5,515	$ 4,381
Accounts payable	2,848	2,363
Frequent flyer deferred revenue	2,537	2,286
Accrued salaries and benefits	2,104	2,184
Current maturities of long-term debt	1,243	1,230
Current maturities of finance leases	92	123
Current maturities of operating leases	778	719
Other	574	553
Total current liabilities	15,691	13,839
Long-term debt	12,900	12,215
Long-term obligations under finance leases	186	224
Long-term obligations under operating leases	4,941	5,276
Other liabilities and deferred credits:		
Frequent flyer deferred revenue	2,682	2,719
Postretirement benefit liability	836	1,295
Pension liability	1,087	1,576
Deferred income taxes	1,594	828
Other	981	1,010
Total other liabilities and deferred credits	7,180	7,428
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	—	—
Common stock at par, $0.01 par value; authorized 1,000,000,000 shares; outstanding 253,624,406 and 269,914,769 shares at September 30, 2019 and December 31, 2018, respectively	3	3
Additional capital invested	6,111	6,120
Retained earnings	9,075	6,715
Stock held in treasury, at cost	(3,384)	(1,993)
Accumulated other comprehensive loss	(504)	(803)
Total stockholders' equity	11,301	10,042
Total liabilities and stockholders' equity	$ 52,199	$ 49,024

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES HOLDINGS, INC.
CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS (UNAUDITED)
(In millions)

	Nine Months Ended September 30,	
	2019	**2018 (a)**
Cash Flows from Operating Activities:		
Net cash provided by operating activities	$ 5,728	$ 5,035
Cash Flows from Investing Activities:		
Capital expenditures	(3,336)	(2,496)
Purchases of short-term and other investments	(2,168)	(1,975)
Proceeds from sale of short-term and other investments	2,282	1,979
Investment in affiliates	(36)	(139)
Proceeds from sale of property and equipment	47	30
Loans made to affiliates	(10)	(10)
Other, net	(10)	104
Net cash used in investing activities	(3,231)	(2,507)
Cash Flows from Financing Activities:		
Proceeds from issuance of long-term debt	1,109	1,241
Payments of long-term debt	(726)	(1,519)
Repurchases of common stock	(1,431)	(1,010)
Principal payments under finance leases	(105)	(57)
Capitalized financing costs	(51)	(31)
Other, net	(29)	(17)
Net cash used in financing activities	(1,233)	(1,393)
Net increase in cash, cash equivalents and restricted cash	1,264	1,135
Cash, cash equivalents and restricted cash at beginning of the period	1,799	1,591
Cash, cash equivalents and restricted cash at end of the period (b)	$ 3,063	$ 2,726
Investing and Financing Activities Not Affecting Cash:		
Property and equipment acquired through the issuance of debt	$ 306	$ 125
Operating lease conversions to finance lease	36	52
Right-of-use assets acquired through operating leases	344	537
Property and equipment acquired through finance leases	8	—

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

(b) The following table provides a reconciliation of cash, cash equivalents and restricted cash to amounts reported within the consolidated balance sheet:

Cash and cash equivalents	$ 2,959	$ 2,621
Restricted cash (included in Prepaid expenses and other)	4	—
Restricted cash	100	105
Total cash, cash equivalents and restricted cash	$ 3,063	$ 2,726

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES HOLDINGS, INC.
STATEMENTS OF CONSOLIDATED STOCKHOLDERS' EQUITY
(In millions)

	Common Stock		Additional Capital Invested	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount					
Balance at June 30, 2019	257.7	$ 3	$ 6,096	$ (3,022)	$ 8,050	$ (807)	$ 10,320
Net income	—	—	—	—	1,024	—	1,024
Other comprehensive loss	—	—	—	—	—	303	303
Stock settled share-based compensation	—	—	18	—	—	—	18
Repurchases of common stock	(4.1)	—	—	(363)	—	—	(363)
Net treasury stock issued for share-based awards	—	—	(3)	1	1	—	(1)
Balance at September 30, 2019	253.6	$ 3	$ 6,111	$ (3,384)	$ 9,075	$ (504)	$ 11,301
Balance at December 31, 2018 (a)	269.9	$ 3	$ 6,120	$ (1,993)	$ 6,715	$ (803)	$ 10,042
Net income	—	—	—	—	2,368	—	2,368
Other comprehensive loss	—	—	—	—	—	299	299
Stock settled share-based compensation	—	—	49	—	—	—	49
Repurchases of common stock	(16.8)	—	—	(1,426)	—	—	(1,426)
Net treasury stock issued for share-based awards	0.5	—	(58)	35	(8)	—	(31)
Balance at September 30, 2019	253.6	$ 3	$ 6,111	$ (3,384)	$ 9,075	$ (504)	$ 11,301
Balance at June 30, 2018 (a)	273.0	$ 3	$ 6,091	$ (1,720)	$ 5,419	$ (1,102)	$ 8,691
Net income (a)	—	—	—	—	833	—	833
Other comprehensive income	—	—	—	—	—	13	13
Stock settled share-based compensation	—	—	16	—	—	—	16
Repurchases of common stock	(0.5)	—	—	(34)	—	—	(34)
Net treasury stock issued for share-based awards	—	—	(2)	1	—	—	(1)
Balance at September 30, 2018 (a)	272.5	$ 3	$ 6,105	$ (1,753)	$ 6,252	$ (1,089)	$ 9,518
Balance at December 31, 2017 (a)	287.0	$ 3	$ 6,098	$ (769)	$ 4,603	$ (1,147)	$ 8,788
Net income (a)	—	—	—	—	1,661	—	1,661
Other comprehensive income	—	—	—	—	—	51	51
Stock settled share-based compensation	—	—	45	—	—	—	45
Repurchases of common stock	(14.7)	—	—	(1,010)	—	—	(1,010)
Net treasury stock issued for share-based awards	0.2	—	(38)	26	(5)	—	(17)
Adoption of accounting standard related to equity investments	—	—	—	—	(7)	7	—
Balance at September 30, 2018 (a)	272.5	$ 3	$ 6,105	$ (1,753)	$ 6,252	$ (1,089)	$ 9,518

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES, INC.
STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018 (a)	2019	2018 (a)
Operating revenue:				
Passenger revenue	$ 10,481	$ 10,120	$ 29,692	$ 28,150
Cargo	282	296	863	903
Other operating revenue	617	587	1,816	1,759
Total operating revenue	11,380	11,003	32,371	30,812
Operating expense:				
Salaries and related costs	3,063	2,930	8,993	8,534
Aircraft fuel	2,296	2,572	6,704	6,927
Regional capacity purchase	721	676	2,124	1,999
Landing fees and other rent	645	618	1,893	1,822
Depreciation and amortization	575	545	1,682	1,607
Aircraft maintenance materials and outside repairs	490	455	1,319	1,333
Distribution expenses	432	427	1,234	1,162
Aircraft rent	67	109	221	355
Special charges	27	17	116	186
Other operating expenses	1,590	1,467	4,643	4,292
Total operating expense	9,906	9,816	28,929	28,217
Operating income	1,474	1,187	3,442	2,595
Nonoperating income (expense):				
Interest expense	(191)	(172)	(570)	(497)
Interest capitalized	22	16	65	46
Interest income	36	28	103	70
Miscellaneous, net	9	(1)	32	(118)
Total nonoperating expense, net	(124)	(129)	(370)	(499)
Income before income taxes	1,350	1,058	3,072	2,096
Income tax expense	326	224	703	434
Net income	$ 1,024	$ 834	$ 2,369	$ 1,662

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES, INC.
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (UNAUDITED)
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	**2018 (a)**	**2019**	**2018 (a)**
Net income	$ 1,024	$ 834	$ 2,369	$ 1,662
Other comprehensive income (loss), net of tax:				
Employee benefit plans	304	12	294	54
Investments and other	(1)	1	5	(3)
Total other comprehensive income (loss), net of tax	303	13	299	51
Total comprehensive income, net	$ 1,327	$ 847	$ 2,668	$ 1,713

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	September 30, 2019	December 31, 2018 (a)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,953	$ 1,688
Short-term investments	2,167	2,256
Receivables, less allowance for doubtful accounts (2019 — $11; 2018 — $8)	1,617	1,426
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2019 — $403; 2018 — $412)	1,065	985
Prepaid expenses and other	725	733
Total current assets	8,527	7,088
Operating property and equipment:		
Flight equipment	34,413	32,599
Other property and equipment	7,626	6,889
Purchase deposits for flight equipment	1,446	1,177
Total operating property and equipment, at cost	43,485	40,665
Less — Accumulated depreciation and amortization	(14,153)	(13,266)
Total operating property and equipment, net	29,332	27,399
Operating lease right-of-use assets	4,937	5,262
Other assets:		
Goodwill	4,523	4,523
Intangibles, less accumulated amortization (2019 — $1,425; 2018 — $1,380)	3,114	3,159
Restricted cash	100	105
Notes receivable, net	529	516
Investments in affiliates and other, net	1,131	966
Total other assets	9,397	9,269
Total assets	$ 52,193	$ 49,018

(continued on next page)

UNITED AIRLINES, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	September 30, 2019	December 31, 2018 (a)
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Advance ticket sales	$ 5,515	$ 4,381
Accounts payable	2,848	2,363
Frequent flyer deferred revenue	2,537	2,286
Accrued salaries and benefits	2,104	2,184
Current maturities of long-term debt	1,243	1,230
Current maturities of finance leases	92	123
Current maturities of operating leases	778	719
Other	579	558
Total current liabilities	15,696	13,844
Long-term debt	12,900	12,215
Long-term obligations under finance leases	186	224
Long-term obligations under operating leases	4,941	5,276
Other liabilities and deferred credits:		
Frequent flyer deferred revenue	2,682	2,719
Postretirement benefit liability	836	1,295
Pension liability	1,087	1,576
Deferred income taxes	1,622	855
Other	980	1,010
Total other liabilities and deferred credits	7,207	7,455
Commitments and contingencies		
Stockholder's equity:		
Common stock at par, $0.01 par value; authorized 1,000 shares; issued and outstanding 1,000 shares at both September 30, 2019 and December 31, 2018	—	—
Additional capital invested	—	598
Retained earnings	11,909	10,319
Accumulated other comprehensive loss	(504)	(803)
Receivable from related parties	(142)	(110)
Total stockholder's equity	11,263	10,004
Total liabilities and stockholder's equity	$ 52,193	$ 49,018

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

UNITED AIRLINES, INC.
CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS (UNAUDITED)
(In millions)

	Nine Months Ended September 30,	
	2019	**2018 (a)**
Cash Flows from Operating Activities:		
Net cash provided by operating activities	$ 5,698	$ 5,018
Cash Flows from Investing Activities:		
Capital expenditures	(3,336)	(2,496)
Purchases of short-term investments and other investments	(2,168)	(1,975)
Proceeds from sale of short-term and other investments	2,282	1,979
Investment in affiliates	(36)	(139)
Proceeds from sale of property and equipment	47	30
Loans made to affiliates	(10)	(10)
Other, net	(10)	104
Net cash used in investing activities	(3,231)	(2,507)
Cash Flows from Financing Activities:		
Proceeds from issuance of long-term debt	1,109	1,241
Payments of long-term debt	(726)	(1,519)
Dividend to UAL	(1,431)	(1,010)
Principal payments under finance leases	(105)	(57)
Capitalized financing costs	(51)	(31)
Other, net	1	—
Net cash used in financing activities	(1,203)	(1,376)
Net increase in cash, cash equivalents and restricted cash	1,264	1,135
Cash, cash equivalents and restricted cash at beginning of the period	1,793	1,585
Cash, cash equivalents and restricted cash at end of the period (b)	$ 3,057	$ 2,720
Investing and Financing Activities Not Affecting Cash:		
Property and equipment acquired through the issuance of debt	$ 306	$ 125
Operating lease conversions to finance lease	36	52
Right-of-use assets acquired through operating leases	344	537
Property and equipment acquired through finance leases	8	—

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

(b) The following table provides a reconciliation of cash, cash equivalents and restricted cash to amounts reported within the consolidated balance sheet:

Cash and cash equivalents	$ 2,953	$ 2,615
Restricted cash (included in Prepaid expenses and other)	4	—
Restricted cash	100	105
Total cash, cash equivalents and restricted cash	$ 3,057	$ 2,720

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES, INC.
STATEMENTS OF CONSOLIDATED STOCKHOLDER'S EQUITY
(In millions)

	Additional Capital Invested	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Receivable from Related Parties, Net	Total
Balance at June 30, 2019	$ —	$ 11,230	$ (807)	$ (141)	$ 10,282
Net income	—	1,024	—	—	1,024
Other comprehensive loss	—	—	303	—	303
Dividend to UAL	(18)	(345)	—	—	(363)
Share-based compensation	18	—	—	—	18
Other	—	—	—	(1)	(1)
Balance at September 30, 2019	$ —	$ 11,909	$ (504)	$ (142)	$ 11,263
Balance at December 31, 2018 (a)	$ 598	$ 10,319	$ (803)	$ (110)	$ 10,004
Net income	—	2,369	—	—	2,369
Other comprehensive loss	—	—	299	—	299
Dividend to UAL	(647)	(779)	—	—	(1,426)
Stock settled share-based compensation	49	—	—	—	49
Other	—	—	—	(32)	(32)
Balance at September 30, 2019	$ —	$ 11,909	$ (504)	$ (142)	$ 11,263
Balance at June 30, 2018 (a)	$ 841	$ 9,022	$ (1,102)	$ (108)	$ 8,653
Net income	—	834	—	—	834
Other comprehensive income	—	—	13	—	13
Dividend to UAL	(34)	—	—	—	(34)
Share-based compensation	16	—	—	—	16
Other	(1)	—	—	(1)	(2)
Balance at September 30, 2018 (a)	$ 822	$ 9,856	$ (1,089)	$ (109)	$ 9,480
Balance at December 31, 2017 (a)	$ 1,787	$ 8,201	$ (1,147)	$ (90)	$ 8,751
Net income (a)	—	1,662	—	—	1,662
Other comprehensive income	—	—	51	—	51
Dividend to UAL	(1,010)	—	—	—	(1,010)
Stock settled share-based compensation	45	—	—	—	45
Other	—	(7)	7	(19)	(19)
Balance at September 30, 2018 (a)	$ 822	$ 9,856	$ (1,089)	$ (109)	$ 9,480

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2016-02, *Leases (Topic 842).* See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

UNITED AIRLINES HOLDINGS, INC. AND UNITED AIRLINES, INC.
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

United Airlines Holdings, Inc. (together with its consolidated subsidiaries, "UAL" or the "Company") is a holding company and its principal, wholly-owned subsidiary is United Airlines, Inc. (together with its consolidated subsidiaries, "United"). This Quarterly Report on Form 10-Q is a combined report of UAL and United, including their respective consolidated financial statements. As UAL consolidates United for financial statement purposes, disclosures that relate to activities of United also apply to UAL, unless otherwise noted. United's operating revenues and operating expenses comprise nearly 100% of UAL's revenues and operating expenses. In addition, United comprises approximately the entire balance of UAL's assets, liabilities and operating cash flows. When appropriate, UAL and United are named specifically for their individual contractual obligations and related disclosures and any significant differences between the operations and results of UAL and United are separately disclosed and explained. We sometimes use the words "we," "our," "us," and the "Company" in this report for disclosures that relate to all of UAL and United.

The UAL and United unaudited condensed consolidated financial statements shown here have been prepared as required by the U.S. Securities and Exchange Commission (the "SEC"). Some information and footnote disclosures normally included in financial statements that comply with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted as permitted by the SEC. The financial statements include all adjustments, including normal recurring adjustments and other adjustments, which are considered necessary for a fair presentation of the Company's financial position and results of operations. The UAL and United financial statements should be read together with the information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018. The Company's quarterly financial data is subject to seasonal fluctuations and historically its second and third quarter financial results, which reflect higher travel demand, are better than its first and fourth quarter financial results.

NOTE 1 - RECENTLY ISSUED ACCOUNTING STANDARDS

The Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 842,*Leases* (the "New Lease Standard"), effective January 1, 2019. The Company used the modified retrospective approach for all leases existing at or commencing after January 1, 2017 and elected the package of transition practical expedients for expired or existing contracts, which does not require reassessment of: (1) whether any of our contracts are or contain leases, (2) lease classification and (3) initial direct costs. The New Lease Standard prescribes that an entity should recognize a right-of-use asset and a lease liability for all leases at the commencement date of each lease and recognize expenses on their income statements similar to the prior FASB Accounting Standards Codification Topic 840, *Leases* ("Topic 840").

The adoption of the New Lease Standard had the same impact on the financial statements of United as it had on the financial statements of UALThe table below presents the impact of the adoption of the New Lease Standard on select accounts and captions of UAL's statement of consolidated operations (in millions, except per share amounts):

	Three Months Ended September 30, 2018			Nine Months Ended September 30, 2018		
	As Reported	**New Lease Standard Adjustments**	**As Adjusted**	**As Reported**	**New Lease Standard Adjustments**	**As Adjusted**
Regional capacity purchase	$ 663	$ 13	$ 676	$ 1,963	$ 36	$ 1,999
Landing fees and other rent	596	22	618	1,757	65	1,822
Depreciation and amortization	564	(19)	545	1,662	(55)	1,607
Interest expense	(187)	15	(172)	(540)	43	(497)
Interest capitalized	18	(2)	16	51	(5)	46
Net income	836	(3)	833	1,667	(6)	1,661
Earnings per share, basic	3.07	(0.01)	3.06	6.02	(0.02)	6.00
Earnings per share, diluted	3.06	(0.01)	3.05	5.99	(0.01)	5.98

The expense for leases under the New Lease Standard will continue to be classified in their historical income statement captions (primarily in Aircraft rent, Landing fees and other rent and Regional capacity purchase in our statements of consolidated operations). The adoption of the New Lease Standard resulted in the recharacterization of certain leases from capital leases under Topic 840 to operating leases under the New Lease Standard. This change resulted in less depreciation and amortization and interest expense associated with capital leases offset by higher lease expense associated with operating leases. The recharacterization is associated with leases of certain airport facilities that were derecognized as part of the build-to-suit transition guidance under the New Lease Standard. The reduction in capitalized interest is also associated with the same airport facilities leases.

The table below presents the impact of the adoption of the New Lease Standard on UAL's balance sheet accounts and captions (in millions):

	December 31, 2018		
	As Reported	New Lease Standard Adjustments	As Adjusted
Receivables, less allowance for doubtful accounts	$ 1,346	$ 80	$ 1,426
Prepaid expenses and other	913	(180)	733
Flight equipment, owned and finance leases (a)	32,636	(37)	32,599
Other property and equipment, owned and finance leases (a)	7,930	(1,041)	6,889
Accumulated depreciation and amortization, owned and finance leases (a)	(13,414)	148	(13,266)
Operating lease right-of-use assets	—	5,262	5,262
Current maturities of finance leases (a)	149	(26)	123
Current maturities of operating leases	—	719	719
Other current liabilities	619	(66)	553
Long-term obligations under finance leases (a)	1,134	(910)	224
Long-term obligations under operating leases	—	5,276	5,276
Deferred income taxes	814	14	828
Other long-term liabilities	1,832	(822)	1,010
Retained earnings	6,668	47	6,715

(a) Finance leases, under the New Lease Standard, are the equivalent of capital leases under Topic 840.

The table below presents the impact of the adoption of the New Lease Standard on select line items of UAL's statement of consolidated cash flows (in millions):

	Nine Months Ended September 30, 2018		
	As Reported	New Lease Standard Adjustments	As Adjusted
Cash Flows from Operating Activities:			
Net cash provided by operating activities	$ 5,080	$ (45)	$ 5,035
Cash Flows from Investing Activities:			
Capital expenditures	(2,592)	96	(2,496)
Cash Flows from Financing Activities:			
Proceeds from issuance of long-term debt	1,332	(91)	1,241
Principal payments under finance leases	(98)	41	(57)

The adoption of the New Lease Standard primarily resulted in the recording of assets and liabilities of our operating leases on our consolidated balance sheets. Certain amounts recorded for prepaid and accrued rent associated with historical operating leases were reclassified to the newly captioned Operating lease right-of-use assets in the consolidated balance sheets. Also, certain leases designated under Topic 840 as owned assets and capital leases are not considered to be assets under the New Lease Standard and have been removed from the consolidated balance sheets, along with the related capital lease liability, due to the leases having variable lease payments.

In June 2016, the FASB issued Accounting Standards Update No. 2016-13,*Financial Instruments—Credit Losses* ("ASU 2016-13"). The main objective is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. The new accounting replaces the incurred loss methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to calculate credit loss estimates. For trade receivables, loans and held-to-maturity debt securities, entities will be required to estimate lifetime expected credit losses. For available-for-sale debt securities, entities will be required to recognize an allowance for credit losses rather than a reduction to the carrying value of the asset. The new accounting is effective for fiscal years and interim periods beginning after December 15, 2019 and early adoption is permitted as of the fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company does not expect the adoption of ASU 2016-13 to have a material impact on its consolidated financial statements.

NOTE 2 - REVENUE

Revenue by Geography. The following table presents operating revenue by geographic region (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Domestic (U.S. and Canada)	$ 7,094	$ 6,762	$ 20,056	$ 18,927
Atlantic	2,103	2,073	5,627	5,427
Pacific	1,280	1,339	3,867	3,855
Latin America	903	829	2,821	2,603
Total	$ 11,380	$ 11,003	$ 32,371	$ 30,812

Advance Ticket Sales. All tickets sold at any given point of time have travel dates extending up to 12 months. The Company defers amounts related to future travel in its Advance ticket sales liability account. As a result, the balance of the Company's Advance ticket sales liability represents activity that will be recognized in the next 12 months. In the three and nine months ended September 30, 2019, the Company recognized approximately $4.1 billion and $3.4 billion, respectively, and in the three and nine months ended September 30, 2018, the Company recognized approximately $4.1 billion and $3.0 billion, respectively, of passenger revenue for tickets that were included in Advance ticket sales at the beginning of those periods.

Ancillary Fees. The Company charges fees, separately from ticket sales, for certain ancillary services that are directly related to passengers' travel, such as ticket change fees, baggage fees, inflight amenities fees, and other ticket-related fees. These ancillary fees are part of the travel performance obligation and, as such, are recognized as passenger revenue when the travel occurs. The Company recorded $645 million and $1.9 billion of ancillary fees within passenger revenue in the three and nine months ended September 30, 2019, respectively. The Company recorded $572 million and $1.6 billion of ancillary fees within passenger revenue in the three and nine months ended September 30, 2018, respectively.

Frequent Flyer Accounting. The table below presents a roll forward of Frequent flyer deferred revenue (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Total Frequent flyer deferred revenue - beginning balance	$ 5,198	$ 4,989	$ 5,005	$ 4,783
Miles awarded	662	616	1,951	1,826
Travel miles redeemed (Passenger revenue)	(607)	(580)	(1,634)	(1,508)
Non-travel miles redeemed (Other operating revenue)	(34)	(38)	(103)	(114)
Total Frequent flyer deferred revenue - ending balance	$ 5,219	$ 4,987	$ 5,219	$ 4,987

In the three and nine months ended September 30, 2019, the Company recognized, in Other operating revenue, $489 million and $1.5 billion, respectively, related to the marketing, advertising, non-travel miles redeemed (net of related costs) and other travel-related benefits of the mileage revenue associated with our various partner agreements including, but not limited to, our Chase co-brand agreement. The Company recognized $480 million and $1.5 billion, respectively, in the three and nine months ended September 30, 2018, related to those revenues. The portion related to the MileagePlus miles awarded of the total amounts received from our various partner agreements is deferred and presented in the table above as an increase to the frequent flyer liability.

NOTE 3 - EARNINGS PER SHARE

The computations of UAL's basic and diluted earnings per share are set forth below (in millions, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Earnings available to common stockholders	$ 1,024	$ 833	$ 2,368	$ 1,661
Basic weighted-average shares outstanding	255.3	272.4	261.0	277.0
Effect of employee stock awards	1.1	1.2	1.0	1.0
Diluted weighted-average shares outstanding	256.4	273.6	262.0	278.0
Earnings per share, basic	$ 4.01	$ 3.06	$ 9.07	$ 6.00
Earnings per share, diluted	$ 3.99	$ 3.05	$ 9.04	$ 5.98

In the three and nine months ended September 30, 2019, UAL repurchased approximately 4.1 million and 16.8 million shares, respectively, of UAL common stock in open market transactions for $0.4 billion and $1.4 billion, respectively. On July 15, 2019, UAL's Board of Directors authorized a new$3.0 billion share repurchase program to acquire UAL's common stock. As of September 30, 2019, the Company had approximately $3.3 billion remaining to purchase shares under its December 2017 and July 2019 share repurchase programs. UAL may repurchase shares through the open market, privately negotiated transactions, block trades or accelerated share repurchase transactions from time to time in accordance with applicable securities laws. UAL will repurchase shares of UAL common stock subject to prevailing market conditions, and may discontinue such repurchases at any time. See Part II, Item 2, Unregistered Sales of Equity Securities and Use of Proceeds of this report for additional information.

NOTE 4 - ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The tables below present the components of the Company's accumulated other comprehensive income (loss), net of tax ("AOCI") (in millions):

UAL	Pension and Other Postretirement Liabilities		Investments and Other	Deferred Taxes	Total
Balance at June 30, 2019	$ (675)		$ 3	$ (135)	$ (807)
Changes in value	394		—	(87)	307
Amounts reclassified to earnings	(4)	(a)	(1)	1	(4)
Balance at September 30, 2019	$ (285)		$ 2	$ (221)	$ (504)
Balance at December 31, 2018	$ (663)		$ (4)	$ (136)	$ (803)
Changes in value	370		7	(83)	294
Amounts reclassified to earnings	8	(a)	(1)	(2)	5
Balance at September 30, 2019	$ (285)		$ 2	$ (221)	$ (504)
Balance at June 30, 2018	$ (1,048)		$ (2)	$ (52)	$ (1,102)
Changes in value	—		1	—	1
Amounts reclassified to earnings	15	(a)	—	(3)	12
Balance at September 30, 2018	$ (1,033)		$ (1)	$ (55)	$ (1,089)
Balance at December 31, 2017	$ (1,102)		$ (6)	$ (39)	$ (1,147)
Changes in value	24		(2)	(6)	16
Amounts reclassified to earnings	45	(a)	—	(10)	35
Amounts reclassified to retained earnings	—		7	—	7
Balance at September 30, 2018	$ (1,033)		$ (1)	$ (55)	$ (1,089)

(a) This AOCI component is included in the computation of net periodic pension and other postretirement costs (See Note 6 to the financial statements included in Part I, Item 1 for additional information).

NOTE 5 - INCOME TAXES

The Company's effective tax rate for thethree and nine months ended September 30, 2019 was 24.1% and 22.9%, respectively. The effective tax rate for thethree and nine months ended September 30, 2018 was 21.3% and 20.7%, respectively. The effective tax rate represents a blend of federal, state and foreign taxes and includes the impact of certain nondeductible items and the impact of a change in the Company's mix of domestic and foreign earnings.

NOTE 6 - EMPLOYEE BENEFIT PLANS

Defined Benefit Pension and Other Postretirement Benefit Plans. The Company's net periodic benefit cost includes the following components for the three months ended September 30 (in millions):

	Pension Benefits		Other Postretirement Benefits		Affected Line Item in the Statements of Consolidated Operations
	2019	2018	2019	2018	
Service cost	$ 46	$ 57	$ 2	$ 3	Salaries and related costs
Interest cost	56	54	10	16	Miscellaneous, net
Expected return on plan assets	(73)	(73)	—	(1)	Miscellaneous, net
Amortization of unrecognized (gain) loss	29	32	(12)	(8)	Miscellaneous, net
Amortization of prior service credit	—	—	(23)	(9)	Miscellaneous, net
Settlement loss	2	—	—	—	Miscellaneous, net
Total	$ 60	$ 70	$ (23)	$ 1	

The Company's net periodic benefit cost includes the following components for thenine months ended September 30 (in millions):

	Pension Benefits		Other Postretirement Benefits		Affected Line Item in the Statements of Consolidated Operations
	2019	2018	2019	2018	
Service cost	$ 138	$ 171	$ 7	$ 9	Salaries and related costs
Interest cost	170	162	39	46	Miscellaneous, net
Expected return on plan assets	(218)	(219)	(1)	(1)	Miscellaneous, net
Amortization of unrecognized (gain) loss	87	97	(42)	(24)	Miscellaneous, net
Amortization of prior service credit	—	—	(42)	(28)	Miscellaneous, net
Settlement loss	5	—		—	Miscellaneous, net
Total	$ 182	$ 211	$ (39)	$ 2	

During the three and nine months ended September 30, 2019, the Company contributed $335 million and $635 million, respectively, to its U.S. domestic tax-qualified defined benefit pension plans.

During the third quarter of 2019, United notified participants of a refresh to the plan options offered under its retiree medical benefit program. Current non-HMO (health maintenance organization) medical plan options for post-Medicare retirees will be converted to fully-insured Medicare Advantage plans. The plan design changes will impact all current and future eligible post-Medicare retirees, through updates in plan design and/or premium rate/contribution setting refinements. Benefit levels have not been reduced as a result of this change, and in many cases the refresh will result in reduced retiree contributions. As a result of this modification to its retiree medical plan options, the Company remeasured retiree medical benefit program liabilities using a discount rate of 3.39%. The projected benefit obligation of the retiree medical benefit program decreased by $421 million with an offset to Accumulated other comprehensive loss ($597 million in prior service credits, partially offset by $176 million in actuarial losses), which will be amortized over the average years of future service to full eligibility for the participants in the retiree medical benefit program (approximately seven years).

Share-Based Compensation. In the nine months ended September 30, 2019, UAL granted share-based compensation awards pursuant to the United Continental Holdings, Inc. 2017 Incentive Compensation Plan. These share-based compensation awards include 1.1 million restricted stock units ("RSUs"), consisting of0.8 million time-vested RSUs and0.3 million performance-based RSUs. The time-vested RSUs vest pro-rata, on February 28th of each year, over a period ofthree years from the date of grant. The amount of performance-based RSUs vest based on the Company's relative improvement in pre-tax margin, as compared to a group of industry peers, for the three years ending December 31, 2021. RSUs are generally equity awards settled in stock for domestic employees and liability awards settled in cash for international employees. The cash payments are based on the 20-day average closing price of UAL common stock immediately prior to the vesting date.

The table below presents information related to share-based compensation (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Share-based compensation expense	$ 33	$ 29	$ 70	$ 73

	September 30, 2019	December 31, 2018
Unrecognized share-based compensation	$ 90	$ 68

NOTE 7 - BRW TERM LOAN

In November 2018, United, as lender, entered into a Term Loan Agreement (the "BRW Loan Agreement") with, among others, BRW Aviation Holding LLC and BRW Aviation LLC ("BRW"), as guarantor and borrower, respectively, affiliates of Synergy Aerospace Corporation ("Synergy"), the majority shareholder of Avianca Holdings S.A. ("AVH"). Pursuant to the BRW Loan Agreement, United provided a $456 million term loan to BRW (the "BRW Term Loan"), secured by a pledge of BRW's equity, as well as BRW's 516 million shares of common stock of AVH (having an implied value equivalent to 64.5 million American Depositary Receipts ("ADRs"), the class of AVH securities that trades on the New York Stock Exchange (the "NYSE")). BRW is currently in default under the BRW Loan Agreement.

On May 13, 2019, S&P Global Ratings downgraded its AVH issuer level credit ratings from B to CCC+, together with accompanying downgrades for AVH's frequent flyer subsidiary LifeMiles Ltd. ("LifeMiles") and for certain outstanding debt of both AVH and LifeMiles. Following these downgrades, and in order to protect the value of its collateral, on May 24, 2019, United began to exercise remedies available to it under the terms of the BRW Loan Agreement and related documents. In connection with the delivery by United of a notice of default to BRW, Kingsland Holdings Limited ("Kingsland"), AVH's largest minority shareholder, was granted, in accordance with the agreements related to the BRW Loan Agreement, independent authority to manage BRW, which remains the majority shareholder of AVH. In addition, Kingsland is pursuing a foreclosure process which is expected to result in a judicially supervised sale of the collateral, following the grant of summary judgment by a NY court on September 26, 2019. United evaluated the $494 million carrying value of the BRW Term Loan as of September 30, 2019 using the fair value of the collateral (and taking into consideration the secured convertible loan commitment disclosed in Note 10) and determined that the value of the collateral is sufficient to recover the carrying value of the loan. As a result, the Company concluded that the BRW Term Loan is not impaired. The carrying value of the BRW Term Loan represents the original loan amount plus accrued and unpaid interest and certain expenses associated with the loan origination.

The fair market value of AVH equity was estimated using an income approach and a market approach with equal weight applied to each approach. Under the income approach, the value was estimated by discounting expected future cash flows at a weighted average cost of capital to a single present value amount. Under the market approach, the value was estimated by reference to multiples of enterprise value to earnings before interest, taxes, depreciation, amortization and rent ("EBITDAR") for a group of publicly-traded market comparable companies, along with AVH's own EBITDAR levels.

NOTE 8 - FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The table below presents disclosures about the financial assets and liabilities measured at fair value on a recurring basis in UAL's financial statements (in millions):

	September 30, 2019				December 31, 2018			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 2,959	$ 2,959	$ —	$ —	$ 1,694	$ 1,694	$ —	$ —
Short-term investments:								
Corporate debt	1,016	—	1,016	—	1,023	—	1,023	—
Asset-backed securities	706	—	706	—	746	—	746	—
U.S. government and agency notes	131	—	131	—	108	—	108	—
Certificates of deposit placed through an account registry service ("CDARS")	42	—	42	—	75	—	75	—
Other fixed-income securities	80	—	80	—	116	—	116	—
Other investments measured at net asset value ("NAV")	192	—	—	—	188	—	—	—
Restricted cash	104	104	—	—	105	105	—	—
Long-term investments:								
Equity securities	322	322	—	—	249	249	—	—
AVH Derivative Assets (defined below)	6	—	—	6	11	—	—	11

Available-for-sale investment maturities - The short-term investments shown in the table above are classified as available-for-sale, with the exception of investments measured at NAV. As of September 30, 2019, asset-backed securities have remaining maturities of less than one year to approximately 15 years, corporate debt securities have remaining maturities of three years or less and CDARS have maturities of less than one year. U.S. government and agency notes have maturities of approximately three years or less and other fixed-income securities have maturities of two years or less.

Restricted cash - Restricted cash primarily includes collateral for letters of credit and collateral associated with facility leases and other insurance-related obligations.

Equity securities - Equity securities represent United's investment in Azul Linhas Aéreas Brasileiras S.A. ("Azul"), consisting of a preferred equity stake of approximately 8% (approximately 2% of the total capital stock of Azul). The Company recognizes changes to the fair market value of its equity investment in Azul in Nonoperating income (expense): Miscellaneous, net in its statements of consolidated operations.

AVH Derivative Assets - As part of the BRW Loan Agreement and related agreements with Kingsland, United obtained AVH share call options, AVH share appreciation rights, and an AVH share-based upside sharing agreement (collectively, the "AVH Derivative Assets"). The AVH Derivative Assets are recorded at fair value as Other assets on the Company's balance sheet and are included in the table above. Changes in the fair value of the AVH Derivative Assets are recorded as part of Nonoperating income (expense): Miscellaneous, net on the Company's statements of consolidated operations.

Investments presented in the table above have the same fair value as their carrying value.The table below presents the carrying values and estimated fair values of financial instruments not presented in the tables above (in millions):

	September 30, 2019					December 31, 2018				
	Carrying Amount	Fair Value				Carrying Amount	Fair Value			
		Total	Level 1	Level 2	Level 3		Total	Level 1	Level 2	Level 3
Long-term debt	$ 14,143	$ 14,832	$ —	$ 11,131	$ 3,701	$ 13,445	$ 13,450	$ —	$ 9,525	$ 3,925

Fair value of the financial instruments included in the tables above was determined as follows:

Description	Fair Value Methodology
Cash and cash equivalents	The carrying amounts approximate fair value because of the short-term maturity of these assets.
Short-term investments, Equity securities and Restricted cash	Fair value is based on (a) the trading prices of the investment or similar instruments, (b) an income approach, which uses valuation techniques to convert future amounts into a single present amount based on current market expectations about those future amounts when observable trading prices are not available, or (c) broker quotes obtained by third-party valuation services.
Other investments measured at NAV	In accordance with the relevant accounting standards, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position. The investments measured using NAV are shares of mutual funds that invest in fixed-income instruments including bonds, debt securities, and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The Company can redeem its shares at any time at NAV subject to a three-day settlement period.
Long-term debt	Fair values were based on either market prices or the discounted amount of future cash flows using our current incremental rate of borrowing for similar liabilities or assets.
AVH Derivative Assets	Fair values are calculated using a Monte Carlo simulation approach. Unobservable inputs include expected volatility, expected dividend yield and control and acquisition premiums.

NOTE 9 - LEASES

United leases aircraft, airport passenger terminal space, aircraft hangars and related maintenance facilities, cargo terminals, other airport facilities, other commercial real estate, office and computer equipment and vehicles, among other items. Certain of these leases include provisions for variable lease payments which are based on several factors, including, but not limited to, relative leased square footage, available seat miles, enplaned passengers, passenger facility charges, terminal equipment usage fees, departures, and airports' annual operating budgets. Due to the variable nature of the rates, these leases are not recorded on our balance sheet as a right-of-use asset and lease liability.

For leases with terms greater than 12 months, we record the related right-of-use asset and lease liability at the present value of lease payments over the lease term. Leases with an initial term of 12 months or less with purchase options or extension options that are not reasonably certain to be exercised are not recorded on the balance sheet; we recognize lease expense for these leases on a straight-line basis over the term of the lease. We combine lease and non-lease components, such as common area maintenance costs, in calculating the right-of-use assets and lease liabilities for all asset groups except for our capacity purchase agreements ("CPAs"), which contain embedded leases for regional aircraft. In addition to the lease component cost for regional aircraft, our CPAs also include non-lease components primarily related to the regional carriers' operating costs incurred in providing regional aircraft services. We allocate consideration for the lease components and non-lease components of each CPA based on their relative standalone values.

Lease Cost. The Company's lease cost for the three and nine months ended September 30 included the following components (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Operating lease cost	$ 255	$ 302	$ 786	$ 940
Variable and short-term lease cost	643	664	1,910	1,944
Amortization of finance lease assets	15	17	51	57
Interest on finance lease liabilities	27	17	86	26
Sublease income	(8)	(9)	(25)	(30)
Total lease cost	$ 932	$ 991	$ 2,808	$ 2,937

Lease terms and commitments. United's leases include aircraft leases for aircraft that are directly leased by United and aircraft that are operated by regional carriers on United's behalf under CPAs (but excluding aircraft owned by United) and non-aircraft leases. Aircraft operating leases relate to leases of 117 mainline and 325 regional aircraft while finance leases relate to leases of 26 mainline and 28 regional aircraft. United's aircraft leases have remaining lease terms of one month to 10 years with expiration dates ranging from 2019 through 2029. Under the terms of most aircraft leases, United has the right to purchase the aircraft at the end of the lease term, in some cases at fair market value, and in others, at a percentage of cost.

Non-aircraft leases have remaining lease terms of one month to 34 years, with expiration dates ranging from 2019 through 2053.

The table below summarizes the Company's scheduled future minimum lease payments under operating and finance leases, recorded on the balance sheet, as of September 30, 2019 (in millions):

	Operating Leases	Finance Leases
Last three months of 2019	$ 195	$ 80
2020	1,004	58
2021	788	54
2022	660	44
2023	647	33
After 2023	4,611	70
Minimum lease payments	7,905	339
Imputed interest	(2,186)	(61)
Present value of minimum lease payments	5,719	278
Less: current maturities of lease obligations	(778)	(92)
Long-term lease obligations	$ 4,941	$ 186

As of September 30, 2019, we have additional leases of approximately $915 million for several mainline aircraft, regional jets under a CPA and a maintenance facility that have not yet commenced. These leases will commence between 2019 and 2020 with lease terms of up to 34 years.

To the extent a lease agreement includes an extension option that is reasonably certain to be exercised, we have recognized those amounts as part of our right-of-use assets and lease liabilities.

Our lease agreements do not provide a readily determinable implicit rate nor is it available to us from our lessors. Instead, we estimate United's incremental borrowing rate based on information available at lease commencement in order to discount lease payments to present value. The table below presents additional information related to our leases as of September 30:

	2019	2018
Weighted-average remaining lease term - operating leases	11 years	11 years
Weighted-average remaining lease term - finance leases	5 years	5 years
Weighted-average discount rate - operating leases	5.3%	5.2%
Weighted-average discount rate - finance leases	44.8% (a)	39.5% (a)

(a) During the third quarter of 2018, United entered into an agreement with the lessor of 54 Embraer ERJ 145 aircraft to purchase those aircraft in 2019. The provisions of these lease agreements resulted in a change in accounting classification of these leases from operating leases to finance leases up until the purchase date. The discount rates used for these leases were adjusted so that the present value of lease payments did not exceed the fair value of the asset being recognized.

The table below presents supplemental cash flow information related to leases during the nine months ended September 30 (in millions):

	2019	2018
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$ 743	$ 842
Operating cash flows for finance leases	63	30
Financing cash flows for finance leases	105	57

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Commitments. As of September 30, 2019, United had firm commitments and options to purchase aircraft from The Boeing Company ("Boeing"), Airbus S.A.S. ("Airbus") and Embraer S.A. ("Embraer") presented in the table below:

		Scheduled Aircraft Deliveries		
Aircraft Type	**Number of Firm Commitments (a)**	**Last Three Months of 2019**	**2020**	**After 2020**
Airbus A350	45	—	—	45
Boeing 737 MAX	171	16	28	127
Boeing 777-300ER	4	2	2	—
Boeing 787	18	2	15	1
Embraer E175	29	9	20	—

(a) United also has options and purchase rights for additional aircraft.

The aircraft listed in the table above are scheduled for delivery through2027. To the extent the Company and the aircraft manufacturers with whom the Company has existing orders for new aircraft agree to modify the contracts governing those orders, the amount and timing of the Company's future capital commitments could change. United also has agreements to purchase 20 used Airbus A319 aircraft with expected delivery dates through 2022 and 20 used Boeing 737-700 aircraft with expected delivery dates in 2019 through 2021.

On March 13, 2019, the Federal Aviation Administration issued an emergency order prohibiting the operation of Boeing 737 MAX series airplanes by U.S. certificated operators (the "FAA Order"). As a result, the Company grounded all 14 Boeing 737 MAX 9 aircraft in its fleet. Prior to the grounding, the Company operated approximately 50 flights a day on these aircraft, and expected, given the anticipated delivery schedule, to operate approximately110 flights a day by the end of the year. The FAA Order also resulted in Boeing suspending delivery of new Boeing 737 MAX series aircraft. The extent of the delay to the scheduled deliveries of the 737 MAX aircraft included in the table above is expected to be impacted by the length of time the FAA Order remains in place, Boeing's production rate and the pace at which Boeing can deliver aircraft following the lifting of the FAA Order, among other factors.

During the third quarter of 2018, United entered into an agreement with the lessor of54 Embraer ERJ 145 aircraft to purchase those aircraft in 2019. As of September 30, 2019, United had purchased 36 of those aircraft.

The table below summarizes United's commitments as of September 30, 2019, which include aircraft and related spare engines, aircraft improvements and all non-aircraft capital commitments (in billions):

Last three months of 2019	$	1.5
2020 (a)		6.1
2021		3.8
2022		2.9
2023		2.3
After 2023		7.0
	$	23.6

(a) Commitments for 2020 are expected to be higher than other years displayed in the table above due to the large number of wide-body aircraft deliveries (17 new aircraft) scheduled in that year. Amounts are not adjusted for any potential changes in the delivery schedule of the Boeing 737 MAX aircraft.

Regional CPAs. The table below summarizes the Company's expected future payments through the end of the terms of our CPAs, excluding aircraft ownership costs and variable pass-through costs such as fuel and landing fees, among others (in billions):

Last three months of 2019	$	0.6
2020		2.2
2021		2.1
2022		1.8
2023		1.1
After 2023		4.5
	$	12.3

Guarantees. As of September 30, 2019, United is the guarantor of approximately $1.9 billion in aggregate principal amount of tax-exempt special facilities revenue bonds and interest thereon. These bonds, issued by various airport municipalities, are payable solely from rentals paid under long-term agreements with the respective governing bodies. The leasing arrangements associated with these obligations are accounted for as operating leases recognized on the Company's balance sheet with the associated expense recorded on a straight-line basis resulting in ratable accrual of the lease obligation over the expected lease term. The obligations associated with these tax-exempt special facilities revenue bonds are included in our lease commitments disclosed in Note 9 of this report. All of these bonds are due between 2020 and 2038.

In connection with funding the BRW Loan Agreement, the Company entered into an agreement with Kingsland, pursuant to which, in return for Kingsland's pledge of its 144.8 million shares of AVH common stock (having an implied value equivalent to 18.1 million ADRs) and its consent to Synergy's pledge of its AVH common stock to United under the BRW Loan Agreement and related agreements, United (1) granted to Kingsland the right to put its shares of AVH common stock to United at market price on the fifth anniversary of the BRW Loan Agreement, and (2) guaranteed Synergy's obligation to pay Kingsland the difference (which amount, if paid by United, will increase United's secured loan to Synergy by such amount) if the market price of AVH common stock on the fifth anniversary is less than $12 per ADR on the NYSE, for an aggregate maximum possible combined put payment and guarantee amount on the fifth anniversary of $217 million. In 2018, the Company recorded a liability of $31 million for the fair value of its guarantee to loan additional funds to Synergy if required. Any such additional loans to Synergy would be collateralized by BRW's shares of AVH stock and other collateral. A completed foreclosure of that collateral, as described in Note 7 of this report, might accelerate the exercise of the put option described above.

On October 4, 2019, United and Kingsland delivered to AVH a commitment to provide AVH at least a $250 million senior secured convertible loan (of which United’s portion would be a maximum of $150 million), which $250 million will become fully binding on United and Kingsland subject to the satisfaction of certain conditions, including the successful completion of AVH's debt restructuring plan.

Increased Cost Provisions. In United's financing transactions that include loans in which United is the borrower, United typically agrees to reimburse lenders for any reduced returns with respect to the loans due to any change in capital requirements and, in the case of loans with respect to which the interest rate is based on the London Interbank Offered Rate, for certain other increased costs that the lenders incur in carrying these loans as a result of any change in law, subject, in most cases, to obligations of the lenders to take certain limited steps to mitigate the requirement for, or the amount of, such increased costs. At September 30, 2019, the Company had $3.4 billion of floating rate debt with remaining terms of up to 11 years that are subject to these increased cost provisions. In several financing transactions involving loans or leases from non-U.S. entities, with remaining terms of up to 11 years and an aggregate balance of $3.1 billion, the Company bears the risk of any change in tax laws that would subject loan or lease payments thereunder to non-U.S. entities to withholding taxes, subject to customary exclusions.

As of September 30, 2019, United is the guarantor of $136 million of aircraft mortgage debt issued by one of United's regional carriers. The aircraft mortgage debt is subject to similar increased cost provisions as described above for the Company's debt, and the Company would potentially be responsible for those costs under the guarantees.

Labor Negotiations. As of September 30, 2019, the Company had approximately 95,000 employees, of whom approximately 84% were represented by various U.S. labor organizations. On February 1, 2019, the collective bargaining agreement with the Air Line Pilots Association ("ALPA"), the labor union representing United's pilots, became amendable. The Company and ALPA are in negotiations for an amended agreement. The Company and UNITE HERE, the labor union representing United's Catering Operations employees, started negotiations for a first collective bargaining agreement in March 2019.

NOTE 11 - DEBT

As of September 30, 2019, United had its entire capacity of $2.0 billion available under the revolving credit facility of the Amended and Restated Credit and Guaranty Agreement. As of September 30, 2019, UAL and United were in compliance with their respective debt covenants.

EETCs. In February and September 2019, United created new enhanced equipment trust certificates ("EETC") pass-through trusts, each of which issued pass-through certificates. The proceeds from the issuance of the pass-through certificates are used to purchase equipment notes issued by United and secured by its aircraft financed with the proceeds of such notes. The Company records the debt obligation upon issuance of the equipment notes rather than upon the initial issuance of the pass-through certificates. The pass-through certificates represent fractional undivided interests in the respective pass-through trusts and are not obligations of United. The payment obligations under the equipment notes are those of United. Proceeds received from the sale of pass-through certificates are initially held by a depositary in escrow for the benefit of the certificate holders until United issues equipment notes to the trust, which purchases such notes with a portion of the escrowed funds. These escrowed funds are not guaranteed by United and are not reported as debt on our consolidated balance sheet because the proceeds held by the depositary are not United's assets. Certain details of the pass-through trusts with proceeds received from issuance of debt in 2019 are as follows (in millions, except stated interest rate):

EETC Issuance Date	Class	Face Amount	Final expected distribution date	Stated interest rate	Total proceeds received from issuance of debt during 2019 and recorded as debt as of September 30, 2019	Remaining proceeds from issuance of certificates to be received in future periods
September 2019	AA	$ 702	May 2032	2.70%	$ 76	$ 626
September 2019	A	287	May 2028	2.90%	31	256
September 2019	B	232	May 2028	3.50%	25	207
February 2019	AA	717	August 2031	4.15%	651	66
February 2019	A	296	August 2031	4.55%	269	27
		$ 2,234			$ 1,052	$ 1,182

Approximately $93 million of the proceeds from the issuance of the February 2019 pass-through certificates (such certificates, the "2019-1 Pass Through Certificates") were expected to be used to purchase equipment notes issued by United and secured by three Boeing 737 MAX aircraft, which aircraft were scheduled for delivery by Boeing in March, April and May of 2019. However, as a result of the FAA Order, United has not yet taken delivery of these three aircraft. If United is not in a position to take delivery of such 737 MAX aircraft on or prior to November 30, 2019, any funds remaining with the depositary in escrow at such time, together with accrued and unpaid interest thereon but without premium, will be distributed to the holders of the 2019-1 Pass Through Certificates.

4.875% Senior Note due 2025. In May 2019, UAL issued $350 million aggregate principal amount of 4.875% Senior Notes due January 15, 2025 (the "4.875% Senior Notes due 2025"), which are fully and unconditionally guaranteed and recorded by United on its balance sheet. The indenture for the 4.875% Senior Notes due 2025 requires that, if certain changes of control of UAL occur, UAL offer to repurchase the 4.875% Senior Notes due 2025 for cash at a purchase price equal to 101% of the principal amount of such notes repurchased plus accrued and unpaid interest.

The table below presents the Company's contractual principal payments (not including debt discount or debt issuance costs) at September 30, 2019 under then-outstanding long-term debt agreements (in millions):

Last three months of 2019	$ 511
2020	1,363
2021	1,355
2022	1,708
2023	758
After 2023	8,629
	$ 14,324

NOTE 12 - SPECIAL CHARGES AND MARK-TO-MARKET ("MTM") ADJUSTMENTS

For the three and nine months ended September 30, special charges and MTM adjustments consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Severance and benefit costs	$ 2	$ 9	$ 14	$ 34
Impairment of assets	—	11	69	145
(Gains) losses on sale of assets and other special charges	25	(3)	33	7
Total operating special charges	27	17	116	186
Nonoperating MTM (gains) losses on financial instruments	(21)	(29)	(72)	61
Total special charges and MTM (gains) losses on financial instruments	6	(12)	44	247
Income tax expense (benefit)	(2)	3	(10)	(55)
Total special charges and MTM (gains) losses on financial instruments, net of income tax	$ 4	$ (9)	$ 34	$ 192

2019

During the three and nine months ended September 30, 2019, the Company recorded management severance of $2 million and $12 million, respectively. During the nine months ended September 30, 2019, the Company recorded $2 million of severance and benefit costs related to a voluntary early-out program for its technicians and related employees represented by the International Brotherhood of Teamsters. In the first quarter of 2017, approximately 1,000 technicians and related employees elected to voluntarily separate from the Company and received a severance payment, with a maximum value of $100,000 per participant, based on years of service, with retirement dates through early 2019.

During the nine months ended September 30, 2019, the Company recorded a $47 million impairment for aircraft engines removed from operations, an $8 million fair value adjustment for aircraft purchased off lease, a $6 million charge for the early termination of several regional aircraft finance leases and $8 million in other miscellaneous impairments.

During the three months ended September 30, 2019, the Company recorded charges of $18 million for the settlement of certain legal matters and $15 million related to a contract termination, along with an $8 million gain primarily related to the sale and disposition of certain assets. During the nine months ended September 30, 2019, the Company recorded $8 million of losses on the sale of assets.

During the three and nine months ended September 30, 2019, the Company recorded gains of $25 million and $77 million, respectively, for the change in market value of certain of its equity investments, primarily Azul. Also, during the three and nine months ended September 30, 2019, the Company recorded losses of $4 million and $5 million, respectively, for the change in fair value of the AVH Derivative Assets.

2018

During the three and nine months ended September 30, 2018, the Company recorded $5 million and $19 million, respectively, of severance and benefit costs related to the early-out program described above and management severance of $4 million and $15 million, respectively.

In May 2018, the Brazil–United States open skies agreement was ratified, which provides air carriers with unrestricted access between the United States and Brazil. The Company determined that the approval of the open skies agreement impaired the entire value of its Brazil route authorities because the agreement removed all limitations or reciprocity requirements for flights between the United States and Brazil. Accordingly, the Company recorded a $105 million special charge to write off the entire value of the intangible asset associated with its Brazil routes. Also, during the three and nine months ended September 30, 2018, the Company recorded $11 million and $40 million, respectively, of fair value adjustments for aircraft purchased off lease, write-off of unexercised aircraft purchase options and other impairments related to certain fleet types and international slots no longer in use.

During the three and nine months ended September 30, 2018, the Company recorded $3 million of gains primarily related to the sale of aircraft engines and $7 million of losses primarily related to contract termination of regional aircraft operations in Guam, respectively.

During the three and nine months ended September 30, 2018, the Company recorded gains of $29 million and losses of $61 million, respectively, for the change in market value of certain of its equity investments.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Overview

United Airlines Holdings, Inc. (together with its consolidated subsidiaries, "UAL" or the "Company") is a holding company and its principal, wholly-owned subsidiary is United Airlines, Inc. (together with its consolidated subsidiaries, "United"). This Quarterly Report on Form 10-Q is a combined report of UAL and United including their respective consolidated financial statements. As UAL consolidates United for financial statement purposes, disclosures that relate to activities of United also apply to UAL, unless otherwise noted. United's operating revenues and operating expenses comprise nearly 100% of UAL's revenues and operating expenses. In addition, United comprises approximately the entire balance of UAL's assets, liabilities and operating cash flows. When appropriate, UAL and United are named specifically for their individual contractual obligations and related disclosures and any significant differences between the operations and results of UAL and United are separately disclosed and explained. We sometimes use the words "we," "our," "us," and the "Company" in this report for disclosures that relate to all of UAL and United.

The Company transports people and cargo through its mainline operations, which utilize jet aircraft with at least 126 seats, and regional operations, which utilize smaller aircraft that are operated under contract by United Express carriers. The Company serves virtually every major market around the world, either directly or through participation in Star Alliance®, the world's largest airline alliance. UAL, through United and its regional carriers, operates approximately 4,900 flights a day to 358 airports across five continents.

Third Quarter Highlights

- Third quarter 2019 net income was $1.0 billion, or $3.99 diluted earnings per share, as compared to net income of $833 million, or diluted earnings per share of $3.05, in the third quarter of 2018.
- Passenger revenue increased 3.6% to $10.5 billion during the third quarter of 2019 as compared to the third quarter of 2018.
- Traffic and capacity increased 1.9% during the third quarter of 2019 as compared to the third quarter of 2018. The Company's passenger load factor for the third quarter of 2019 was 86.1%.

Outlook

Set forth below is a discussion of matters that we believe could impact our financial and operating performance and cause our results of operations in future periods to differ materially from our historical operating results and/or from our anticipated results of operations described in the forward-looking statements in this report. See Part I, Item 1A., Risk Factors, of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (the "2018 Annual Report") and Part II, Item 1A., Risk Factors, of this report for a detailed discussion of the risk factors affecting UAL and United, and the factors described under "Forward-Looking Information" below for additional discussion of these and other factors that could affect us.

Growth Strategy. Our priorities for 2019 are delivering top-tier operational reliability and customer service while continuing to execute on our growth plan by strengthening our domestic network through strategic and efficient growth and investing in our people and product.

Fuel. The price of jet fuel remains volatile. Based on projected fuel consumption in 2019, a one-dollar change in the price of a barrel of crude oil would change the Company's annual fuel expense by approximately $102 million.

RESULTS OF OPERATIONS

The following discussion provides an analysis of our results of operations and reasons for material changes therein for the three months ended September 30, 2019 as compared to the corresponding period in 2018.

Third Quarter 2019 Compared to Third Quarter 2018

The Company recorded net income of $1.0 billion in the third quarter of 2019 as compared to net income of $833 million in the third quarter of 2018. The Company considers a key measure of its performance to be operating income, which was $1.5 billion for the third quarter of 2019, as compared to $1.2 billion for the third quarter of 2018, a $286 million increase year-over-year. Significant components of the Company's operating results for the three months ended September 30 are as follows (in millions, except percentage changes):

	2019	2018	Increase (Decrease)	% Change
Operating revenue	$ 11,380	$ 11,003	$ 377	3.4
Operating expense	9,907	9,816	91	0.9
Operating income	1,473	1,187	286	24.1
Nonoperating income (expense)	(124)	(129)	(5)	(3.9)
Income tax expense	325	225	100	44.4
Net income	$ 1,024	$ 833	$ 191	22.9

Certain consolidated statistical information for the Company's operations for the three months ended September 30 is as follows:

	2019	2018	Increase (Decrease)	% Change
Passengers (thousands) (a)	43,091	42,886	205	0.5
Revenue passenger miles ("RPMs" or "traffic") (millions) (b)	64,629	63,393	1,236	1.9
Available seat miles ("ASMs" or "capacity") (millions) (c)	75,076	73,681	1,395	1.9
Passenger load factor (d)	86.1%	86.0%	0.1 pts.	N/A
Passenger revenue per available seat mile ("PRASM") (cents)	13.96	13.73	0.23	1.7
Average yield per revenue passenger mile ("Yield") (cents) (e)	16.22	15.96	0.26	1.6
Cargo ton miles ("CTM") (millions) (f)	804	851	(47)	(5.5)
Cost per available seat mile ("CASM") (cents)	13.20	13.32	(0.12)	(0.9)
Average price per gallon of fuel, including fuel taxes	$ 2.02	$ 2.32	$ (0.30)	(12.9)
Fuel gallons consumed (millions)	1,134	1,111	23	2.1
Average full-time equivalent employees	90,591	89,022	1,569	1.8

(a) The number of revenue passengers measured by each flight segment flown.

(b) The number of scheduled miles flown by revenue passengers.

(c) The number of seats available for passengers multiplied by the number of scheduled miles those seats are flown.

(d) Revenue passenger miles divided by available seat miles.

(e) The average passenger revenue received for each revenue passenger mile flown.

(f) The number of cargo revenue tons transported multiplied by the number of miles flown.

Operating Revenue. The table below shows year-over-year comparisons by type of operating revenue for the three months ended September 30 (in millions, except for percentage changes):

	2019	2018	Increase (Decrease)	% Change
Passenger revenue	$ 10,481	$ 10,120	$ 361	3.6
Cargo	282	296	(14)	(4.7)
Other operating revenue	617	587	30	5.1
Total operating revenue	$ 11,380	$ 11,003	$ 377	3.4

The table below presents selected third quarter passenger revenue and operating data, broken out by geographic region, expressed as year-over-year changes:

	Increase (decrease) from 2018:				
	Domestic	Atlantic	Pacific	Latin	Total
Average fare per passenger	4.7%	(1.6)%	(8.6)%	9.4 %	3.1%
Passengers	0.1%	3.2 %	5.5 %	(0.2)%	0.5%
RPMs (traffic)	1.5%	2.6 %	3.0 %	1.6 %	1.9%
ASMs (capacity)	1.7%	2.8 %	2.3 %	0.4 %	1.9%
Passenger load factor (points)	(0.1)	(0.2)	0.4	1.0	0.1

Passenger revenue increased $361 million, or 3.6%, in the third quarter of 2019 as compared to the year-ago period primarily due to a 1.9% increase in traffic, a 3.1% increase in average fares, primarily in the Domestic and Latin markets, the continued roll-out of United's Premium Plus product, as well as increases in ancillary fees.

Operating Expenses. The table below includes data related to the Company's operating expenses for the three months ended September 30 (in millions, except for percentage changes):

	2019	2018	Increase (Decrease)	% Change
Salaries and related costs	$ 3,063	$ 2,930	$ 133	4.5
Aircraft fuel	2,296	2,572	(276)	(10.7)
Regional capacity purchase	721	676	45	6.7
Landing fees and other rent	645	618	27	4.4
Depreciation and amortization	575	545	30	5.5
Aircraft maintenance materials and outside repairs	490	455	35	7.7
Distribution expenses	432	427	5	1.2
Aircraft rent	67	109	(42)	(38.5)
Special charges	27	17	10	NM
Other operating expenses	1,591	1,467	124	8.5
Total operating expenses	$ 9,907	$ 9,816	$ 91	0.9

Salaries and related costs increased $133 million, or 4.5%, in the third quarter of 2019 as compared to the year-ago period primarily due to contractually higher pay rates, higher benefit expenses and a 1.8% increase in average full-time equivalent employees.

Aircraft fuel expense decreased by $276 million, or 10.7%, in the third quarter of 2019 as compared to the year-ago period. During the third quarter of 2019, the Company obtained a $35 million state fuel tax refund.

The table below presents the significant changes in aircraft fuel cost per gallon in the three months endedSeptember 30, 2019 as compared to the year-ago period:

	(In millions)			Average price per gallon		
	2019	2018	% Change	2019	2018	% Change
Fuel expense	$ 2,296	$ 2,572	(10.7)%	$ 2.02	$ 2.32	(12.9)%
Total fuel consumption (gallons)	1,134	1,111	2.1 %			

Regional capacity purchase increased $45 million, or 6.7%, in the third quarter of 2019 as compared to the year-ago period primarily due to a 2.6% increase in 50-seat aircraft capacity and rate increases under various capacity purchase agreements with regional carriers.

Depreciation and amortization increased $30 million, or 5.5%, in the third quarter of 2019 as compared to the year-ago period primarily due to additions of new and used aircraft and increases in technology infrastructure.

Aircraft maintenance materials and outside repairs increased $35 million, or 7.7%, in the third quarter of 2019 as compared to the year-ago period primarily due to the timing of regular airframe maintenance checks and component part repairs.

Aircraft rent decreased $42 million, or 38.5%, in the third quarter of 2019 as compared to the year-ago period, primarily due to the purchase of leased aircraft and the conversion of certain operating leases to finance leases.

Details of the Company's special charges include the following for the three months endedSeptember 30 (in millions):

	2019	2018
Severance and benefit costs	$ 2	$ 9
Impairment of assets	—	11
(Gains) losses on sale of assets and other special charges	25	(3)
Special charges	$ 27	$ 17

See Note 12 to the financial statements included in Part I, Item 1 of this report for additional information.

Other operating expenses increased $124 million, or 8.5%, in the third quarter of 2019 as compared to the year-ago period, primarily due to an increase in purchased services related to our airport operations, technology initiatives, facility projects and crew-related expenses.

Nonoperating Income (Expense). The following table illustrates the year-over-year dollar and percentage changes in the Company's nonoperating income (expense) for the three months ended September 30 (in millions, except for percentage changes):

	2019	2018	Increase (Decrease)	% Change
Interest expense	$ (191)	$ (172)	$ 19	11.0
Interest capitalized	22	16	6	37.5
Interest income	36	28	8	28.6
Miscellaneous, net	9	(1)	(10)	NM
Total	$ (124)	$ (129)	$ (5)	(3.9)

Income Taxes. See Note 5 to the financial statements included in Part I, Item 1 of this report for information related to income taxes.

First Nine Months 2019 Compared to First Nine Months 2018

The Company recorded net income of $2.4 billion in the first nine months of 2019 as compared to net income of $1.7 billion in the first nine months of 2018. The Company considers a key measure of its performance to be operating income, which was $3.4 billion for the first nine months of 2019, as compared to $2.6 billion for the first nine months of 2018, an $846 million increase year-over-year. Significant components of the Company's operating results for the nine months ended September 30 are as follows (in millions, except percentage changes):

	2019	2018	Increase (Decrease)	% Change
Operating revenue	$ 32,371	$ 30,812	$ 1,559	5.1
Operating expense	28,931	28,218	713	2.5
Operating income	3,440	2,594	846	32.6
Nonoperating income (expense)	(370)	(499)	(129)	(25.9)
Income tax expense	702	434	268	61.8
Net income	$ 2,368	$ 1,661	$ 707	42.6

Certain consolidated statistical information for the Company's operations for the nine months ended September 30 is as follows:

	2019	2018	Increase (Decrease)	% Change
Passengers (thousands)	122,137	118,439	3,698	3.1
RPMs (millions)	180,727	173,187	7,540	4.4
ASMs (millions)	213,961	206,360	7,601	3.7
Passenger load factor	84.5%	83.9%	0.6 pts.	N/A
PRASM (cents)	13.88	13.64	0.24	1.8
Yield (cents)	16.43	16.25	0.18	1.1
CTM (millions)	2,440	2,523	(83)	(3.3)
CASM (cents)	13.52	13.67	(0.15)	(1.1)
Average price per gallon of fuel, including fuel taxes	$ 2.08	$ 2.23	$ (0.15)	(6.7)
Fuel gallons consumed (millions)	3,221	3,101	120	3.9
Average full-time equivalent employees	90,071	87,112	2,959	3.4

Operating Revenue. The table below shows year-over-year comparisons by type of operating revenue for the nine months ended September 30 (in millions, except for percentage changes):

	2019	2018	Increase (Decrease)	% Change
Passenger revenue	$ 29,692	$ 28,150	$ 1,542	5.5
Cargo	863	903	(40)	(4.4)
Other operating revenue	1,816	1,759	57	3.2
Total operating revenue	$ 32,371	$ 30,812	$ 1,559	5.1

The table below presents selected passenger revenue and operating data, broken out by geographic region, expressed as year-over-year changes for the nine months ended September 30, 2019 compared to the nine months ended September 30, 2018:

	Increase (decrease) from 2018:				
	Domestic	Atlantic	Pacific	Latin	Consolidated
Average fare per passenger	3.2%	(2.1)%	(3.5)%	5.9%	2.3%
Passengers	2.8%	6.4 %	5.0 %	3.1%	3.1%
RPMs (traffic)	4.1%	6.3 %	3.2 %	3.8%	4.4%
ASMs (capacity)	4.2%	5.3 %	0.9 %	2.4%	3.7%
Passenger load factor (points)	—	0.9	1.8	1.0	0.6

Passenger revenue in the first nine months of 2019 increased $1.5 billion, or 5.5%, as compared to the year-ago period primarily due to a 4.4% increase in traffic, a 2.3% increase in average fares, primarily in the Domestic and Latin markets, and the continued roll-out of United's Premium Plus product, as well as increases in ancillary fees.

Operating Expenses. The table below includes data related to the Company's operating expenses for the nine months ended September 30 (in millions, except for percentage changes):

	2019	2018	Increase (Decrease)	% Change
Salaries and related costs	$ 8,993	$ 8,534	$ 459	5.4
Aircraft fuel	6,704	6,927	(223)	(3.2)
Regional capacity purchase	2,124	1,999	125	6.3
Landing fees and other rent	1,893	1,822	71	3.9
Depreciation and amortization	1,682	1,607	75	4.7
Aircraft maintenance materials and outside repairs	1,319	1,333	(14)	(1.1)
Distribution expenses	1,234	1,162	72	6.2
Aircraft rent	221	355	(134)	(37.7)
Special charges	116	186	(70)	NM
Other operating expenses	4,645	4,293	352	8.2
Total operating expenses	$ 28,931	$ 28,218	$ 713	2.5

Salaries and related costs increased $459 million, or 5.4%, in the first nine months of 2019 as compared to the year-ago period primarily due to contractually higher pay rates, higher benefit expenses and a 3.4% increase in average full-time equivalent employees.

Aircraft fuel expense decreased $223 million, or 3.2%, in the first nine months of 2019 as compared to the year-ago period. The table below presents the significant changes in aircraft fuel cost per gallon in the nine months ended September 30, 2019 as compared to the year-ago period:

	(In millions)			Average price per gallon		
	2019	2018	% Change	2019	2018	% Change
Fuel expense	$ 6,704	$ 6,927	(3.2)%	$ 2.08	$ 2.23	(6.7)%
Total fuel consumption (gallons)	3,221	3,101	3.9 %			

Regional capacity purchase increased $125 million, or 6.3%, in the first nine months of 2019 as compared to the year-ago period primarily due to a 4.3% increase in 50-seat aircraft capacity and rate increases under various capacity purchase agreements with regional carriers.

Aircraft rent decreased $134 million, or 37.7%, in the first nine months of 2019 as compared to the year-ago period, primarily due to the purchase of leased aircraft and the conversion of certain operating leases to finance leases.

Details of the Company's special charges include the following for the nine months ended September 30 (in millions):

	2019	2018
Severance and benefit costs	$ 14	$ 34
Impairment of assets	69	145
(Gains) losses on sale of assets and other special charges	33	7
Special charges	$ 116	$ 186

See Note 12 to the financial statements included in Part I, Item 1 of this report for additional information.

Other operating expenses increased $352 million, or 8.2%, in the first nine months of 2019 as compared to the year-ago period primarily due to an increase in purchased services related to our airport operations, technology initiatives, facility projects and crew-related expenses.

Nonoperating Income (Expense). The following table illustrates the year-over-year dollar and percentage changes in the Company's nonoperating income (expense) for the nine months ended September 30 (in millions, except for percentage changes):

	2019	2018	Increase (Decrease)	% Change
Interest expense	$ (570)	$ (497)	$ 73	14.7
Interest capitalized	65	46	19	41.3
Interest income	103	70	33	47.1
Miscellaneous, net	32	(118)	(150)	NM
Total	$ (370)	$ (499)	$ (129)	(25.9)

Interest expense increased $73 million, or 14.7%, in the first nine months of 2019 as compared to the year-ago period, primarily due to the conversion of certain operating leases to finance leases and debt issued for the acquisition of new aircraft.

Miscellaneous, net decreased $150 million in the first nine months of 2019 as compared to the year-ago period, primarily due to fluctuation in the mark-to-market of certain financial instruments.

Income Taxes. See Note 5 to the financial statements included in Part I, Item 1 of this report for information related to income taxes.

LIQUIDITY AND CAPITAL RESOURCES

Current Liquidity

As of September 30, 2019, the Company had $5.1 billion in unrestricted cash, cash equivalents and short-term investments, as compared to $4.0 billion at December 31, 2018. As of September 30, 2019, the Company had its entire commitment capacity of $2.0 billion under the revolving credit facility of the Amended and Restated Credit and Guaranty Agreement available for borrowings. At September 30, 2019, the Company also had $104 million of restricted cash and cash equivalents, which is primarily collateral for letters of credit and collateral associated with facility leases and other insurance-related obligations.

We have a significant amount of fixed obligations, including debt and leases of aircraft, airport and other facilities, and pension funding obligations. As of September 30, 2019, the Company had approximately $14.4 billion of debt and finance lease obligations, including $1.3 billion that will become due in the next 12 months. In addition, we have substantial noncancelable commitments for capital expenditures, including the acquisition of certain new aircraft and related spare engines. As of September 30, 2019, our current liabilities exceeded our current assets by approximately $7.2 billion. However, approximately $8.1 billion of our current liabilities are related to our advance ticket sales and frequent flyer deferred revenue, both of which largely represent revenue to be recognized for travel in the near future and not actual cash outlays. The deficit in working capital does not have an adverse impact to our cash flows, liquidity or operations.

As of September 30, 2019, United had firm commitments and options to purchase aircraft from The Boeing Company ("Boeing"), Airbus S.A.S. ("Airbus") and Embraer S.A. ("Embraer") presented in the table below:

		Scheduled Aircraft Deliveries		
Aircraft Type	**Number of Firm Commitments (a)**	**Last Three Months of 2019**	**2020**	**After 2020**
Airbus A350	45	—	—	45
Boeing 737 MAX	171	16	28	127
Boeing 777-300ER	4	2	2	—
Boeing 787	18	2	15	1
Embraer E175	29	9	20	—

(a) United also has options and purchase rights for additional aircraft.

The aircraft listed in the table above are scheduled for delivery through 2027. To the extent the Company and the aircraft manufacturers with whom the Company has existing orders for new aircraft agree to modify the contracts governing those orders, the amount and timing of the Company's future capital commitments could change. United also has agreements to purchase 20 used Airbus A319 aircraft with expected delivery dates through 2022 and 20 used Boeing 737-700 aircraft with expected delivery dates in 2019 through 2021.

On March 13, 2019, the Federal Aviation Administration issued an emergency order prohibiting the operation of Boeing 737 MAX series airplanes by U.S. certificated operators (the "FAA Order"). As a result, the Company grounded all 14 Boeing 737 MAX 9 aircraft in its fleet. Prior to the grounding, the Company operated approximately 50 flights a day on these aircraft, and expected, given the anticipated delivery schedule, to operate approximately110 flights a day by the end of the year. The FAA Order also resulted in Boeing suspending delivery of new Boeing 737 MAX series aircraft. The extent of the delay to the scheduled deliveries of the 737 MAX aircraft included in the table above is expected to be impacted by the length of time the FAA Order remains in place, Boeing's production rate and the pace at which Boeing can deliver aircraft following the lifting of the FAA Order, among other factors.

As of September 30, 2019, United had $1.2 billion in financing available through enhanced equipment trust certificates ("EETC") transactions that it intends to use for the financing of certain aircraft deliveries scheduled through the first quarter of 2020. Approximately $93 million of the proceeds from the February 2019 pass through certificates (such certificates, the "2019-1 Pass Through Certificates") were expected to be used to purchase equipment notes issued by United and secured by three Boeing 737 MAX aircraft, which aircraft were scheduled for delivery by Boeing in March, April and May of 2019. However, as a result of the FAA Order, United has not yet taken delivery of these three aircraft. If United is not in a position to take delivery of such 737 MAX aircraft on or prior to November 30, 2019, any funds remaining with the depositary in escrow at such time, together with accrued and unpaid interest thereon but without premium, will be distributed to the holders of the 2019-1 Pass Through Certificates. See Note 11 to the financial statements included in Part I, Item 1 of this report for additional information on aircraft financing.

As of September 30, 2019, UAL and United have total capital commitments related to the acquisition of aircraft and related spare engines, aircraft improvements and all non-aircraft capital commitments for approximately $23.6 billion, of which approximately $1.5 billion, $6.1 billion, $3.8 billion, $2.9 billion, $2.3 billion and $7 billion are due in the last three months of 2019 and for the full year for 2020, 2021, 2022, 2023 and thereafter, respectively. Commitments for 2020 are expected to be higher than other years listed above due to the large number of wide-body aircraft deliveries (17 new aircraft) scheduled in that year. Amounts are not adjusted for any potential changes in the delivery schedule of the Boeing 737 MAX aircraft.

Financing may be necessary to satisfy the Company's capital commitments for its firm order aircraft and other related capital expenditures. The Company has backstop financing commitments available from certain of its aircraft manufacturers for a limited number of its future aircraft deliveries, subject to certain customary conditions. See Note 11 to the financial statements included in Part I, Item 1 of this report for additional information on aircraft financing.

As of September 30, 2019, a substantial portion of the Company's assets, principally aircraft, certain route authorities and airport slots, was pledged under various loan and other agreements. We must sustain our profitability and/or access the capital markets to meet our significant long-term debt and finance lease obligations and future commitments for capital expenditures, including the acquisition of aircraft and related spare engines.

Credit Ratings. As of the filing date of this report, UAL and United had the following corporate credit ratings:

	S&P	Moody's	Fitch
UAL	BB	Ba2	BB
United	BB	*	BB

* The credit agency does not issue corporate credit ratings for subsidiary entities.

These credit ratings are below investment grade levels; however, the Company has been able to secure financing with investment grade credit ratings for certain enhanced equipment trust certificates and term loans. Downgrades from current rating levels, among other things, could restrict the availability and/or increase the cost of future financing for the Company.

Sources and Uses of Cash

Operating Activities. Cash flows provided by operations were $5.7 billion for the nine months ended September 30, 2019 compared to $5.0 billion in the same period in 2018. The increase is primarily attributable to an increase in operating income which was $3.4 billion for the first nine months of 2019 as compared to $2.6 billion in the same period in 2018.

Investing Activities. Capital expenditures were approximately $3.3 billion and $2.5 billion in the nine months ended September 30, 2019 and 2018, respectively. Capital expenditures for the nine months ended September 30, 2019 were primarily attributable to additions of new aircraft, aircraft improvements, and increases in facility and information technology assets.

Financing Activities. During the nine months ended September 30, 2019, the Company made debt and finance lease payments of $831 million.

In the nine months ended September 30, 2019, United received and recorded $1.1 billion of proceeds as debt from the EETC pass-through trusts established in February and September 2019. See Note 11 to the financial statements included in Part I, Item 1 of this report for additional information.

In the nine months ended September 30, 2019, United received and recorded $350 million of proceeds from the 4.875% Senior Notes due January 15, 2025.

Share Repurchase Programs. In the three and nine months ended September 30, 2019, UAL repurchased approximately 4.1 million and 16.8 million shares, respectively, of UAL common stock in open market transactions for $0.4 billion and $1.4 billion, respectively. On July 15, 2019, UAL's Board of Directors authorized a new $3.0 billion share repurchase program to acquire UAL's common stock. As of September 30, 2019, the Company had approximately $3.3 billion remaining to purchase shares under its December 2017 and July 2019 share repurchase programs. UAL may repurchase shares through the open market, privately negotiated transactions, block trades or accelerated share repurchase transactions from time to time in accordance with applicable securities laws. UAL will repurchase shares of UAL common stock subject to prevailing market conditions, and may discontinue such repurchases at any time. See Part II, Item 2, Unregistered Sales of Equity Securities and Use of Proceeds of this report for additional information.

Commitments, Contingencies and Liquidity Matters. As described in the 2018 Annual Report, the Company's liquidity may be adversely impacted by a variety of factors, including, but not limited to, pension funding obligations, reserve requirements associated with credit card processing agreements, guarantees, commitments and contingencies.

See the 2018 Annual Report and Notes 6, 7, 8, 9, 10 and 11 to the financial statements contained in Part I, Item 1 of this report for additional information.

CRITICAL ACCOUNTING POLICIES

See "Critical Accounting Policies" in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2018 Annual Report.

FORWARD-LOOKING INFORMATION

Certain statements throughout Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, and elsewhere in this report are forward-looking and thus reflect the Company's current expectations and beliefs with respect to certain current and future events and anticipated financial and operating performance. Such forward-looking statements are and will be subject to many risks and uncertainties relating to the Company's operations and business environment that may cause actual results to differ materially from any future results expressed or implied in such forward-looking statements. Words such as "expects," "will," "plans," "anticipates," "indicates," "believes," "estimates," "forecast," "guidance," "outlook," "goals", "targets" and similar expressions are intended to identify forward-looking statements.

Additionally, forward-looking statements include statements that do not relate solely to historical facts, such as statements which identify uncertainties or trends, 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 us on the date of this report. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except as required by applicable law.

Our actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: our ability to execute our strategic operating plan, including our growth, revenue-generating and cost-control initiatives; general economic conditions (including interest rates, foreign currency exchange rates, investment or credit market conditions, crude oil prices, costs of aircraft fuel and energy refining capacity in relevant markets); risks of doing business globally, including instability and political developments that may impact our operations in certain countries; demand for travel and the impact that global economic and political conditions have on customer travel patterns; our capacity decisions and the capacity decisions of our competitors; competitive pressures on pricing and on demand; changes in aircraft fuel prices; disruptions in our supply of aircraft fuel; our ability to cost-effectively hedge against increases in the price of aircraft fuel, if we decide to do so; the effects of any technology failures or cybersecurity breaches; disruptions to services provided by third-party service providers; potential reputational or other impact from adverse events involving our aircraft or operations, the aircraft or operations of our regional carriers or our code share partners or the aircraft or operations of another airline; our ability to attract and retain customers; the effects of any terrorist attacks, international hostilities or other security events, or the fear of such events; the mandatory grounding of aircraft in our fleet; disruptions to our regional network; the impact of regulatory, investigative and legal proceedings and legal compliance risks; the success of our investments in other airlines, including in other parts of the world; industry consolidation or changes in airline alliances; the ability of other air carriers with whom we have alliances or partnerships to provide the services contemplated by the respective arrangements with such carriers; costs associated with any modification or termination of our aircraft orders; disruptions in the availability of aircraft, parts or support from our suppliers; our ability to maintain satisfactory labor relations and the results of any collective bargaining agreement process with our union groups; any disruptions to operations due to any potential actions by our labor groups; labor costs; an outbreak of a disease that affects travel demand or travel behavior; the impact of any management changes; extended interruptions or disruptions in service at major airports where we operate; U.S. or foreign governmental legislation, regulation and other actions (including Open Skies agreements, environmental regulations and the United Kingdom's withdrawal from the European Union); the seasonality of the airline industry; weather conditions; the costs and availability of aviation and other insurance; the costs and availability of financing; our ability to maintain adequate liquidity; our ability to comply with the terms of our various financing arrangements; our ability to realize the full value of our intangible assets and long-lived assets; and other risks and uncertainties set forth under Part I, Item 1A., Risk Factors, of our 2018 Annual Report, and Part II, Item 1A., Risk Factors, of this report, as well as other risks and uncertainties set forth from time to time in the reports we file with the U.S. Securities and Exchange Commission (the "SEC").

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

There have been no material changes in market risk from the information provided in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in our 2018 Annual Report.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Control and Procedures

UAL and United each maintain controls and procedures that are designed to ensure that information required to be disclosed in the reports filed or submitted by UAL and United to the SEC is recorded, processed, summarized and reported, within the time periods specified by the SEC's rules and forms, and is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The management of UAL and United, including the Chief Executive Officer and Chief Financial Officer, performed an evaluation to conclude with reasonable assurance that UAL's and United's disclosure controls and procedures were designed and operating effectively to report the information each company is required to disclose in the reports they file with the SEC on a timely basis. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer of UAL and United have concluded that as of September 30, 2019, disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting during the Quarter EndedSeptember 30, 2019

During the third quarter of 2019, UAL and United converted to a new revenue accounting software system and established new controls related to the revenue accounting process in connection with the conversion.

Except for the preceding change, during the three months endedSeptember 30, 2019, there were no changes in UAL's or United's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, their internal control over financial reporting (as defined in rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934).

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Part I, Item 3, Legal Proceedings, of the 2018 Annual Report for a description of legal proceedings.

ITEM 1A. RISK FACTORS

See Part I, Item 1A, Risk Factors, of the 2018 Annual Report for a detailed discussion of the risk factors affecting UAL and United, and as set forth below:

The mandatory grounding of our Boeing 737 MAX 9 aircraft may have a material adverse effect on our business, operating results and financial condition.

On March 13, 2019, the Federal Aviation Administration issued an emergency order prohibiting the operation of Boeing 737 MAX series airplanes by U.S. certificated operators (the "FAA Order"). As a result, the Company grounded all 14 Boeing 737 MAX 9 aircraft in its fleet. Prior to the grounding, the Company operated approximately 50 flights a day on these aircraft and expected, given the anticipated delivery schedule, to operate approximately 110 flights a day by the end of the year. The long-term operational and financial impact of this action is uncertain and could negatively affect the Company based on a number of factors, including, among others, the period of time the aircraft are unavailable, the availability of replacement aircraft, to the extent needed, and the circumstances of any reintroduction of the grounded aircraft to service. This grounding has affected the status of the scheduled delivery of the 16 Boeing 737 MAX 9 aircraft that were scheduled for delivery in the second and third quarters of 2019 and is also expected to affect the timing of future Boeing 737 MAX aircraft deliveries. The extent of the delay of future deliveries is expected to be impacted by the length of time the FAA Order remains in place, Boeing's production rate and the pace at which Boeing can deliver aircraft following the lifting of the FAA Order, among other factors.

Our significant investments in other airlines, including in other parts of the world, and the commercial relationships that we have with those carriers may not produce the returns or results we expect.

An important part of our strategy to expand our global network includes making significant investments in airlines in other parts of the world and expanding our commercial relationships with these carriers. For example, in November 2018, United entered into a revenue-sharing joint business agreement ("JBA") with Aerovías del Continente Americano S.A. ("Avianca"), Copa Airlines and several of their respective affiliates, subject to regulatory approval. Concurrently with this transaction, United, as lender, entered into a Term Loan Agreement (the "BRW Loan Agreement") with, among others, BRW Aviation Holding LLC and BRW Aviation LLC ("BRW"), as guarantor and borrower, respectively, affiliates of Synergy Aerospace Corporation, the majority shareholder of Avianca Holdings S.A. ("AVH"). Pursuant to the BRW Loan Agreement, United provided a $456 million term loan to BRW, secured by a pledge of BRW's equity, as well as BRW's 516 million shares of common stock of AVH (having an implied value equivalent to 64.5 million American Depositary Receipts, the class of AVH securities that trades on the New York Stock Exchange). BRW is currently in default under the BRW Loan Agreement. Additionally, on May 13, 2019, S&P Global Ratings downgraded its AVH issuer level credit ratings from B to CCC+, together with accompanying downgrades for AVH's frequent flyer subsidiary, LifeMiles Ltd. ("LifeMiles"), and for certain outstanding debt of both AVH and LifeMiles. Following these downgrades, and in order to protect the value of its collateral, on May 24, 2019, United began to exercise remedies available to it under the terms of the BRW Loan Agreement and related documents. In connection with the delivery by United of a notice of default to BRW, Kingsland Holdings Limited ("Kingsland"), AVH's largest minority shareholder, was granted, in accordance with the agreements related to the BRW Loan Agreement, independent authority to manage BRW, which remains the majority shareholder of AVH. AVH announced a debt restructuring plan in July 2019, which resulted in a credit rating downgrade to RD by Fitch Ratings. On October 4, 2019, United and Kingsland delivered to AVH a commitment to provide AVH at least a $250 million senior secured convertible loan, which $250 million will become fully binding on United and Kingsland subject to the satisfaction of certain conditions, including the successful completion of AVH's debt restructuring plan.

We also have an equity investment in Azul Linhas Aéreas Brasileiras S.A. ("Azul"). See Note 9 to the financial statements included in Part II, Item 8 of the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and Note 7 and Note 8 to the financial statements included in Part I, Item 1 of this report for additional information regarding our investments in Avianca and Azul.

We also have investments in several domestic regional airlines. In January 2019, we completed the acquisition of a 49.9% interest in ManaAir LLC, which, as of immediately following the closing of that investment, owns 100% of the equity interests in ExpressJet Airlines, Inc., a domestic regional airline. We also have minority equity interests in Champlain Enterprises, LLC d/b/a CommutAir and Republic Airways Holdings, Inc. See Note 9 to the financial statements included in Part II, Item 8 of the Company's Annual Report on Form 10-K for the year ended December 31, 2018 for additional information regarding our investments in regional airlines.

We expect to continue exploring similar non-controlling investments in, and entering into JBAs, commercial agreements, loan transactions and strategic alliances with, other carriers as part of our regional and global business strategy. These transactions and relationships involve significant challenges and risks. We are dependent on these other carriers for significant aspects of our network in the regions in which they operate. While we work closely with these carriers, each is a separately certificated commercial air carrier and we do not have control over their operations, strategy, management or business methods. These airlines also are subject to a number of the same risks as our business, which are described in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and Part II, Item 1A, Risk Factors, of this report, including competitive pressures on pricing, demand and capacity; changes in aircraft fuel pricing; and the impact of global and local political and economic conditions on operations and customer travel patterns, among others.

As a result of these and other factors, we may not realize a satisfactory return on our investment, and we may not receive repayment of any invested or loaned funds. Further, these investments may not generate the revenue or operational synergies we expect, and they may distract management focus from our operations or other strategic options. Finally, our reliance on these other carriers in the regions in which they operate may negatively impact our regional and global operations and results if those carriers are impacted by general business risks or perform below our expectations or needs. Any one or more of these events could have a material adverse effect on our operating results or financial condition.

We may also be subject to consequences from any improper behavior of JBA partners, including for failure to comply with anti-corruption laws such as the U.S. Foreign Corrupt Practices Act. Furthermore, our relationships with these carriers may be subject to the laws and regulations of non-U.S. jurisdictions in which these carriers are located or conduct business. Any political or regulatory change in these jurisdictions that negatively impact or prohibit our arrangements with these carriers could have an adverse effect on our operating results or financial condition. To the extent that the operations of any of these carriers are disrupted over an extended period of time or their actions subject us to the consequences of failure to comply with laws and regulations, our operating results may be adversely affected.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

(a) None
(b) None
(c) The following table presents repurchases of UAL common stock made in thethird quarter of fiscal year 2019:

Period	Total number of shares purchased (a) (b)	Average price paid per share (b)(c)	Total number of shares purchased as part of publicly announced plans or programs (a)	Approximate dollar value of shares that may yet be purchased under the plans or programs (in millions) (a)
July 2019	1,535,766	$ 91.76	1,535,766	$ 3,547
August 2019	1,438,718	84.57	1,438,718	3,425
September 2019	1,135,494	88.07	1,135,494	3,325
Total	4,109,978		4,109,978	

(a) In December 2017, UAL's Board of Directors authorized a $3.0 billion share repurchase program to acquire UAL's common stock. On July 15, 2019, UAL's Board of Directors authorized a new $3.0 billion share repurchase program to acquire UAL's common stock. As of September 30, 2019, the Company had approximately $3.3 billion remaining to purchase shares under its repurchase programs. UAL may repurchase shares through the open market, privately negotiated transactions, block trades or accelerated share repurchase transactions from time to time in accordance with applicable securities laws.

(b) The table does not include shares withheld from employees to satisfy certain tax obligations due upon the vesting of restricted stock awards and restricted stock units. The United Continental Holdings, Inc. 2017 Incentive Compensation Plan and the United Continental Holdings, Inc. 2008 Incentive Compensation Plan each provide for the withholding of shares to satisfy tax obligations due upon the vesting of restricted stock. However, these plans do not specify a maximum number of shares that may be withheld for this purpose. A total of 10,977 shares were withheld under these plans in the third quarter of 2019 at an average price per share of $83.97. These shares of common stock withheld to satisfy tax withholding obligations may be deemed to be "issuer purchases" of shares that are required to be disclosed pursuant to this Item.

(c) Average price paid per share is calculated on a settlement basis and excludes commission.

Table of Contents

ITEM 6. EXHIBITS.

EXHIBIT INDEX

Exhibit No.	Registrant	Exhibit
^ 10.1	UAL United	Amendment No. 1, dated as of July 18, 2019, to the Amended and Restated A350-900 Purchase Agreement, dated as of September 1, 2017, between Airbus S.A.S. and United Airlines, Inc.
31.1	UAL	Certification of the Principal Executive Officer of United Airlines Holdings, Inc. Pursuant to 15U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.2	UAL	Certification of the Principal Financial Officer of United Airlines Holdings, Inc. Pursuant to 15U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.3	United	Certification of the Principal Executive Officer of United Airlines, Inc. Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.4	United	Certification of the Principal Financial Officer of United Airlines, Inc. Pursuant to 15 U.S.C. 78m(a) or 78o(d) (Section 302 of the Sarbanes-Oxley Act of 2002)
32.1	UAL	Certification of the Chief Executive Officer and Chief Financial Officer of United Airlines Holdings, Inc. Pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)
32.2	United	Certification of the Chief Executive Officer and Chief Financial Officer of United Airlines, Inc. Pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)
101	UAL United	The following financial statements from the combined Quarterly Report of UAL and United on Form 10-Q for the quarter ended September 30, 2019, formatted in Inline XBRL: (i) Statements of Consolidated Operations, (ii) Statements of Consolidated Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Condensed Statements of Consolidated Cash Flows, (v) Statements of Consolidated Stockholders' Equity and (vi) Combined Notes to Condensed Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	UAL United	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

^ Portions of the referenced exhibit have been omitted pursuant to Item 601(b) of Regulation S-K.

Table of Contents

SIGNATURES

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

United Airlines Holdings, Inc.
(Registrant)

Date:	October 16, 2019	By:	/s/ Gerald Laderman Gerald Laderman Executive Vice President and Chief Financial Officer (Principal Financial Officer)
Date:	October 16, 2019	By:	/s/ Chris Kenny Chris Kenny Vice President and Controller (Principal Accounting Officer)

United Airlines, Inc.
(Registrant)

Date:	October 16, 2019	By:	/s/ Gerald Laderman Gerald Laderman Executive Vice President and Chief Financial Officer (Principal Financial Officer)
Date:	October 16, 2019	By:	/s/ Chris Kenny Chris Kenny Vice President and Controller (Principal Accounting Officer)

Exhibit 10.1

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. OMITTED INFORMATION HAS BEEN REPLACED WITH ASTERISKS.

AMENDMENT NO. 1

TO THE AMENDED AND RESTATED A350-900 PURCHASE AGREEMENT

dated as of September 1, 2017

between

AIRBUS S.A.S.

and

UNITED AIRLINES, INC.

This Amendment No. 1 to the Amended and Restated A350-900 Purchase Agreement between Airbus S.A.S. and United Airlines, Inc. (hereinafter referred to as this "**Amendment No. 1**") is entered into as of July18, 2019 by and between AIRBUS S.A.S., a *société par actions simplifiée*, organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Emile Dewoitine, 31700 Blagnac, France (hereinafter referred to as the "**Seller**"), and UNITED AIRLINES, INC., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal corporate offices located at 233 South Wacker Drive, Chicago, Illinois 60606, U.S.A. (hereinafter referred to as the "**Buyer**").

WITNESSETH:

WHEREAS, the Buyer and the Seller entered into the Amended and Restated A350-900 Purchase Agreement, dated as of September 1, 2017 which, together with all Exhibits, Appendices and Letter Agreements attached thereto and as amended, modified or supplemented from time to time is hereinafter called the "**Agreement**", and

WHEREAS, the Buyer and the Seller have agreed to amend certain terms of the Agreement as set forth herein.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

0. DEFINITIONS

Capitalized terms used herein and not otherwise expressly defined in this Amendment No. 1 shall have the meanings assigned thereto in the Agreement. The terms “herein”, “hereof”, and “hereunder” and words of similar import refer to this Amendment No. 1.

1. DELIVERY SCHEDULE

1.1 Upon the Buyer’s request, the Seller agrees to modify the Scheduled Delivery *** of Aircraft N°1, Aircraft N°2 and Aircraft N°3, from *** respectively (each such Aircraft, a “*** **Aircraft**”).

1.2 The delivery schedule of the Aircraft set out in Clause 9.1 of the Agreement is amended to read the following:

QUOTE

Aircraft number	Aircraft type	Scheduled Delivery ***
Aircraft N°1	A350-900 Aircraft	***
Aircraft N°2	A350-900 Aircraft	***
Aircraft N°3	A350-900 Aircraft	***
Aircraft N°4	A350-900 Aircraft	***
Aircraft N°5	A350-900 Aircraft	***
Aircraft N°6	A350-900 Aircraft	***
Aircraft N°7	A350-900 Aircraft	***
Aircraft N°8	A350-900 Aircraft	***
Aircraft N°9	A350-900 Aircraft	***
Aircraft N°10	A350-900 Aircraft	***
Aircraft N°11	A350-900 Aircraft	***
Aircraft N°12	A350-900 Aircraft	***
Aircraft N°13	A350-900 Aircraft	***
Aircraft N°14	A350-900 Aircraft	***
Aircraft N°15	A350-900 Aircraft	***
Aircraft N°16	A350-900 Aircraft	***
Aircraft N°17	A350-900 Aircraft	***
Aircraft N°18	A350-900 Aircraft	***
Aircraft N°19	A350-900 Aircraft	***
Aircraft N°20	A350-900 Aircraft	***
Aircraft N°21	A350-900 Aircraft	***
Aircraft N°22	A350-900 Aircraft	***

Aircraft N°23	A350-900 Aircraft	***
Aircraft N°24	A350-900 Aircraft	***
Aircraft N°25	A350-900 Aircraft	***
Aircraft N°26	A350-900 Aircraft	***
Aircraft N°27	A350-900 Aircraft	***
Aircraft N°28	A350-900 Aircraft	***
Aircraft N°29	A350-900 Aircraft	***
Aircraft N°30	A350-900 Aircraft	***
Aircraft N°31	A350-900 Aircraft	***
Aircraft N°32	A350-900 Aircraft	***
Aircraft N°33	A350-900 Aircraft	***
Aircraft N°34	A350-900 Aircraft	***
Aircraft N°35	A350-900 Aircraft	***
Aircraft N°36	A350-900 Aircraft	***
Aircraft N°37	A350-900 Aircraft	***
Aircraft N°38	A350-900 Aircraft	***
Aircraft N°39	A350-900 Aircraft	***
Aircraft N°40	A350-900 Aircraft	***
Aircraft N°41	A350-900 Aircraft	***
Aircraft N°42	A350-900 Aircraft	***
Aircraft N°43	A350-900 Aircraft	***
Aircraft N°44	A350-900 Aircraft	***
Aircraft N°45	A350-900 Aircraft	*** 2027

UNQUOTE

2. PREDELIVERY PAYMENTS

***

3. EFFECT OF THE AMENDMENT

The Agreement will be deemed amended to the extent herein provided, and, except as specifically amended hereby, will continue in full force and effect in accordance with its original terms. This Amendment No. 1 supersedes any previous understandings, commitments, or representations whatsoever, whether oral or written, related to the subject matter of this Amendment No. 1.

Both parties agree that this Amendment No. 1 will constitute an integral, non-severable part of the Agreement, that the provisions of the Agreement are hereby incorporated herein by reference, and that this Amendment No. 1 will be governed by the provisions of the Agreement, except that if the Agreement and this Amendment No. 1 have specific provisions that are inconsistent, the specific provisions contained in this Amendment No. 1 will govern.

4. ASSIGNMENT

This Amendment No. 1 and the rights and obligations of the parties will be subject to the provisions of Clause 21 of the Agreement.

5. CONFIDENTIALITY

This Amendment No. 1 is subject to the terms and conditions of Clause 22.10 of the Agreement.

6. GOVERNING LAW

The governing law shall be as set forth in Clause 22.6 of the Agreement.

7. COUNTERPARTS

This Amendment No. 1 may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute one and the same instrument.

IN WITNESS WHEREOF, this Amendment No. 1 was entered into as of the day and year first above written.

UNITED AIRLINES, INC.

By: /s/ Gerald Laderman

Its: Executive Vice President and
Chief Financial Officer

AIRBUS S.A.S.

By: /s/ Benoît de Saint-Exupéry

Its: Senior Vice President,
Contracts

Exhibit 31.1

Certification of the Principal Executive Officer
Pursuant to 15 U.S.C. 78m(a) or 78o(d)
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Oscar Munoz, certify that:

(1) I have reviewed this quarterly report on Form 10-Q for the quarterly period endedSeptember 30, 2019 of United Airlines Holdings, Inc. (the "Company");

(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 Company as of, and for, the periods presented in this report;

(4) The Company's other certifying officer 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company 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 Company, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company'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

(d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

(5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

/s/ Oscar Munoz

Oscar Munoz
Chief Executive Officer

Date: October 16, 2019

Exhibit 31.2

Certification of the Principal Financial Officer
Pursuant to 15 U.S.C. 78m(a) or 78o(d)
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Gerald Laderman, certify that:

(1) I have reviewed this quarterly report on Form 10-Q for the quarterly period endedSeptember 30, 2019 of United Airlines Holdings, Inc. (the "Company");

(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 Company as of, and for, the periods presented in this report;

(4) The Company's other certifying officer 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company 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 Company, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company'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

(d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

(5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

/s/ Gerald Laderman

Gerald Laderman
Executive Vice President and Chief Financial Officer

Date: October 16, 2019

Exhibit 31.3

Certification of the Principal Executive Officer
Pursuant to 15 U.S.C. 78m(a) or 78o(d)
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Oscar Munoz, certify that:

(1) I have reviewed this quarterly report on Form 10-Q for the quarterly period endedSeptember 30, 2019 of United Airlines, Inc. (the "Company");

(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 Company as of, and for, the periods presented in this report;

(4) The Company's other certifying officer 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company 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 Company, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company'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

(d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

(5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

/s/ Oscar Munoz

Oscar Munoz
Chief Executive Officer

Date: October 16, 2019

Exhibit 31.4

Certification of the Principal Financial Officer
Pursuant to 15 U.S.C. 78m(a) or 78o(d)
(Section 302 of the Sarbanes-Oxley Act of 2002)

I, Gerald Laderman, certify that:

(1) I have reviewed this quarterly report on Form 10-Q for the quarterly period endedSeptember 30, 2019 of United Airlines, Inc. (the "Company");

(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 Company as of, and for, the periods presented in this report;

(4) The Company's other certifying officer 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company 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 Company, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Company'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

(d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

(5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

/s/ Gerald Laderman

Gerald Laderman
Executive Vice President and Chief Financial Officer

Date: October 16, 2019

Exhibit 32.1

Certification of United Airlines Holdings, Inc.
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

Each undersigned officer certifies that to the best of his knowledge based on a review of the quarterly report on Form 10-Q for the quarterly period ended September 30, 2019 of United Airlines Holdings, Inc. (the "Report"):

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of United Airlines Holdings, Inc.

Date: October 16, 2019

/s/ Oscar Munoz

Oscar Munoz
Chief Executive Officer

/s/ Gerald Laderman

Gerald Laderman
Executive Vice President and Chief Financial Officer

Exhibit 32.2

Certification of United Airlines, Inc.
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

Each undersigned officer certifies that to the best of his knowledge based on a review of the quarterly report on Form 10-Q for the quarterly period ended September 30, 2019 of United Airlines, Inc. (the "Report"):

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of United Airlines, Inc.

Date: October 16, 2019

/s/ Oscar Munoz

Oscar Munoz
Chief Executive Officer

/s/ Gerald Laderman

Gerald Laderman
Executive Vice President and Chief Financial Officer