

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

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 23, 2020

**UNITED AIRLINES HOLDINGS, INC.  
UNITED AIRLINES, INC.**  
(Exact name of registrant as specified in its charter)

Delaware  
Delaware  
(State or other jurisdiction  
of incorporation)

001-06033  
001-10323  
(Commission  
File Number)

36-2675207  
74-2099724  
(IRS Employer  
Identification Number)

233 S. Wacker Drive, Chicago, IL  
233 S. Wacker Drive, Chicago, IL  
(Address of principal executive offices)

60606  
60606  
(Zip Code)

(872) 825-4000  
(872) 825-4000

Registrant's telephone number, including area code

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Registrant	Title of Each Class	Trading Symbol	Name of 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 is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company o

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. o

**Item 8.01 Other Events**

On June 23, 2020, United Airlines, Inc. (“United”) issued a press release announcing a private offering of \$3.0 billion in aggregate principal amount of senior secured notes by Mileage Plus Holdings, LLC (“MPH”), a direct wholly-owned subsidiary of United, and Mileage Plus Intellectual Property Assets, Ltd., an indirect wholly-owned subsidiary of MPH. The press release is filed as Exhibit 99.1 to this Form 8-K.

On June 15, 2020, in connection with commencing discussions with potential investors regarding the proposed MileagePlus financing, the registrants made available an investor presentation and attached it as Exhibit 99.1 to the Current Report on Form 8-K filed on the date thereof. Attached as Exhibit 99.2 hereto are three pages from the presentation with corrected financial information.

**Item 9.01 Financial Statements and Exhibits**

Exhibit No.	Description
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release issued by United Airlines, Inc. dated June 23, 2020</u></a>
<a href="#"><u>99.2</u></a>	<a href="#"><u>Excerpts from Investor Presentation regarding Mileage Plus Holdings, LLC and the MileagePlus financing</u></a>
101	Cover Page Interactive Data—the cover page XBRL tags are embedded within the Inline XBRL document.
104	Cover Page Interactive Data File (embedded with the Inline XBRL document)

---

## SIGNATURES

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

**UNITED AIRLINES HOLDINGS, INC.**  
**UNITED AIRLINES, INC.**

By: /s/ Gerald Laderman

Name: Gerald Laderman

Title: Executive Vice President and Chief Financial Officer

Date: June 23, 2020

---

## News Release

United Airlines  
Worldwide Media Relations  
872.825.8640  
media.relations@united.com



**United Announces Proposed  
Senior Secured Notes Offering by  
MileagePlus Subsidiaries**

**CHICAGO, June 23, 2020** – Today, United Airlines, Inc. (“United”) announced that Mileage Plus Holdings, LLC, a direct wholly-owned subsidiary of United that operates the MileagePlus program (“MPH”), and Mileage Plus Intellectual Property Assets, Ltd., an indirect wholly-owned subsidiary of MPH (“MIPA” and, together with MPH, the “MileagePlus Subsidiaries”) intend to commence a private offering to eligible purchasers of \$3.0 billion in aggregate principal amount of senior secured notes due 2027 (the “Notes”), subject to market and other conditions. The Notes will be guaranteed by each subsidiary of MPH (collectively, the “MPH Subsidiary Guarantors”), United, United’s parent company, United Airlines Holdings, Inc. (“UAL”, and, together with United, the “Company”), and certain subsidiaries of UAL.

The MileagePlus Subsidiaries intend to lend the net proceeds from the offering of the Notes to United, after depositing a portion of such proceeds in a reserve account. The final terms and amounts of the Notes are subject to market and other conditions and may be materially different than expectations.

This press release is neither an offer to sell nor the solicitation of an offer to buy the Notes or any other securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering, solicitation or sale would be unlawful. The Notes are being offered only to qualified institutional buyers in an offering exempt from registration in reliance on Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and outside the United States in reliance on Regulation S under the Securities Act. The Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements of the Securities Act or any applicable state securities laws.

**About United**

United’s shared purpose is “Connecting People. Uniting the World.” For more information, visit [united.com](http://united.com), follow @United on Twitter and Instagram or connect on Facebook. The common stock of United’s parent, United Airlines Holdings, Inc., is traded on the Nasdaq under the symbol “UAL”.

---

**Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:** Certain statements in this release 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," "remains," "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 release are based upon information available to the Company on the date of this release. The Company undertakes 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. The Company's actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: the duration and spread of the ongoing global COVID-19 pandemic and the outbreak of any other disease or similar public health threat and the impact on the business, results of operations and financial condition of the Company; the risk that the MileagePlus financing is not completed; the lenders' ability to accelerate the MileagePlus indebtedness, foreclose upon the collateral securing the MileagePlus indebtedness or exercise other remedies if the Company is not able to comply with the covenants in the MileagePlus financing agreement; the final terms of borrowing pursuant to the Loan Program under the CARES Act, if any, and the effects of the grant and promissory note through the Payroll Support Program under the CARES Act; the costs and availability of financing; the Company's significant amount of financial leverage from fixed obligations and ability to seek additional liquidity and maintain adequate liquidity; the Company's ability to comply with the terms of its various financing arrangements; the material disruption of the Company's strategic operating plan as a result of the COVID-19 pandemic and the Company's ability to execute its strategic operating plans in the long term; 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 its operations in certain countries; demand for travel and the impact that global economic and political conditions have on customer travel patterns; the Company's capacity decisions and the capacity decisions of its competitors; competitive pressures on pricing and on demand; changes in aircraft fuel prices; disruptions in the Company's supply of aircraft fuel; the Company's ability to cost-effectively hedge against increases in the price of aircraft fuel, if it decides to do so; the effects of any technology failures, cybersecurity or significant data breaches; disruptions to services provided by third-party service providers; potential reputational or other impact from adverse events involving the Company's aircraft or operations, the aircraft or operations of its regional carriers or its code share partners or the aircraft or operations of another airline; the Company's 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 the Company's fleet; disruptions to the Company's regional network as a result of the COVID-19 pandemic or otherwise; the impact of regulatory, investigative and legal proceedings and legal compliance risks; the success of the Company's investments in other airlines, including in other parts of the world, which involve significant challenges and risks, particularly given the impact of the COVID-19 pandemic; industry consolidation or changes in airline alliances; the ability of other air carriers with whom the Company has alliances or partnerships to provide the services contemplated by the respective arrangements with such carriers; costs associated with any modification or termination of the Company's aircraft orders; disruptions in the availability of aircraft, parts or support from its suppliers; the Company's ability to maintain satisfactory labor relations and the results of any collective bargaining agreement process with its union groups; any disruptions to operations due to any potential actions by the Company's labor groups; labor costs; the impact of any management changes; extended interruptions or disruptions in service at major airports where the Company operates; 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 Company's ability to realize the full value of its intangible assets and long-lived assets; any impact to the Company's reputation or brand image and other risks and uncertainties set forth under Part I, Item 1A., "Risk Factors," of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as updated by the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and the Company's Current Report on Form 8-K filed June 15, 2020, as well as other risks and uncertainties set forth from time to time in the reports it files with the SEC.

---

# Excerpts from the MileagePlus Investor Presentation

June 23, 2020

UNITED   
MileagePlus

---

# Safe Harbor Statement

Certain statements in this presentation are forward-looking and thus reflect our 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 our 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," "remains," "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 presentation. 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: the duration and spread of the ongoing global COVID-19 pandemic and the outbreak of any other disease or similar public health threat and the impact on our business, results of operations and financial condition; the risk that the MileagePlus Financing is not completed; the lenders' ability to accelerate the MileagePlus indebtedness, foreclose upon the collateral securing the MileagePlus indebtedness or exercise other remedies if we are not able to comply with the covenants in the MileagePlus Financing agreement; the final terms of borrowing pursuant to the Loan Program under the CARES Act, if any, and the effects of the grant and promissory note through the Payroll Support Program under the CARES Act; the costs and availability of financing; our significant amount of financial leverage from fixed obligations and ability to seek additional liquidity and maintain adequate liquidity; our ability to comply with the terms of its various financing arrangements; the material disruption of our strategic operating plan as a result of the COVID-19 pandemic and our ability to execute our strategic operating plans in the long term; 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, cybersecurity or significant data 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 as a result of the COVID-19 pandemic or otherwise; 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, which involve significant challenges and risks, particularly given the impact of the COVID-19 pandemic; 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; 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; our ability to realize the full value of our intangible assets and long-lived assets; any impact to our reputation or brand image and other risks and uncertainties set forth under Part I, Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as updated by our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2020, and our Current Report on Form 8-K filed on June 15, 2020, 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.



---

#### Certain Limitations

The contents of this presentation are not to be construed as legal, regulatory, business, tax or accounting advice. You should consult your own attorney, business advisor, tax advisor and accountant as to legal, regulatory, business, tax and accounting advice. Under no circumstances is this presentation or the information contained herein to be construed as a prospectus, offering memorandum or advertisement. This presentation is not, and is not intended to be, an offer to sell, or a solicitation of an offer to purchase, any securities or other interest in United Airlines Holdings, Inc. or any of its subsidiaries (the "Company").

This presentation and information contained herein constitutes confidential information and is provided to you on the condition that you will hold it in strict confidence and not reproduce, disclose, forward or distribute it in whole or in part without our prior written consent. The notes described in this presentation have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any other jurisdiction. Any offer of the notes described in this presentation will be made only by means of a private offering memorandum to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the Securities Act and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act.

The Company and its affiliates, officers, directors, employees, professional advisors and agents do not accept responsibility or liability for this presentation or its contents (except to the extent that such liability cannot be excluded by law).

The distribution of this presentation in certain jurisdictions may be restricted by law.

#### Non-GAAP Financial Measures

United Airlines Holdings, Inc. ("UAL") and MileagePlus Holdings, LLC ("MPH"), evaluate their financial performance utilizing various accounting principles generally accepted in the United States of America (GAAP) and non-GAAP financial measures. UAL provides non-GAAP financial metrics, including (i) earnings before interest, taxes, depreciation and amortization and aircraft rent (EBITDAR), (ii) Adjusted EBITDAR, which is EBITDAR excluding unrealized (gains) losses on investments and special charges that management believes are not indicative of UAL's ongoing performance, (iii) earnings before interest, taxes depreciation and amortization (EBITDA), (iv) Adjusted EBITDA, which is EBITDA excluding special charges, non-operating credit losses and unrealized (gains) losses on investments, and (v) adjusted debt. MPH provides non-GAAP financial metrics including EBITDA.

We believe these non-GAAP financial metrics provide useful supplemental information for management and investors. For additional information relating to special charges, see Note 14 to the financial statements contained in Part II, Item 8 of UAL's Form 10-K filed with the U.S. Securities and Exchange Commission (the "SEC") on February 25, 2020 and Note 11 to the financial statements contained in Part I, Item 1 of UAL's Form 10-Q filed with the SEC on May 4, 2020.

Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the financial statements presented herein and the annex hereto, as applicable.



# United liquidity and capitalization

Pro Forma Liquidity Statistics		Capitalization Table			
(\$ in millions)		At March 31, 2020		As Further	
	Liquidity	Actual	As Adjusted	?	Adjusted
As of 3/31/2020					
Cash, Cash Equivalents & Short-Term Investments	\$ 5,327	\$ 3,442	\$ 10,264	\$ 4,500	\$ 14,764
Revolving Credit Facility	2,000	1,779	1,779		1,779
<b>Total Liquidity at 3/31/2020</b>	<b>\$ 7,327</b>	<b>106</b>	<b>106</b>		<b>106</b>
Pro Forma For Transaction and Financings to Date					
Common equity issuance proceeds	1,114				
70% of CARES Act Grant	2,459				
CARES Act PSP Unsecured Notes	1,000				
Senior Secured Term Loan (Spare Engine Bridge)	250				
New MPH Secured Term Loan	2,000				
Other MPH Secured Debt	3,000				
<b>Total Liquidity Post-Transaction</b>	<b>\$ 17,150</b>				
Pro Forma For Remaining CARES Act Liquidity					
CARES Act Secured Loan	\$ 4,483				
Additional CARES Act PSP Unsecured Notes	500				
Remaining 30% of CARES Act Grant	1,041				
<b>Total Liquidity Post-Transaction and CARES Act</b>	<b>\$ 23,174</b>				
Unrestricted cash and cash equivalents		\$ 3,442	\$ 10,264	\$ 4,500	\$ 14,764
Short-term investments		1,779	1,779		1,779
Restricted cash		106	106		106
<b>Total Cash &amp; Equivalents</b>		<b>\$ 5,327</b>	<b>\$ 12,149</b>		<b>\$ 16,649</b>
Revolving Credit Facility		-	-		-
Bridge Facility		-	500	(500)	-
Senior Secured Term Loan (Used Aircraft Facility) due 2021		2,000	2,000		2,000
Senior Secured Term Loan (Spare Parts Facility) due 2021		500	500		500
Senior Secured Term Loan (Spare Engine Bridge) due 2021		-	250		250
Credit Facility due 2024		1,455	1,455		1,455
Other secured debt		11,802	11,802		11,802
Finance Leases		423	423		423
New MPH Secured Term Loan		-	-	2,000	2,000
Other MPH Secured Debt		-	-	3,000	3,000
Unamortized Discount, Deferred Fees and Adjustments		(164)	(164)		(164)
<b>Total Secured Debt</b>		<b>\$ 16,016</b>	<b>\$ 16,766</b>		<b>\$ 21,266</b>
Senior Unsecured Notes		\$ 1,350	\$ 1,350		1,350
CARES Act PSP Notes		-	1,500		1,500
Other		348	348		348
Unamortized Discount, Deferred Fees and Adjustments		(33)	(33)		(33)
<b>Total Unsecured Debt</b>		<b>\$ 1,665</b>	<b>\$ 3,165</b>		<b>\$ 3,165</b>
Operating Lease Liabilities		\$ 7,745	\$ 7,745		\$ 7,745
<b>Total Debt</b>		<b>\$ 17,681</b>	<b>\$ 19,931</b>		<b>\$ 24,431</b>
<b>Total Debt Inclusive of Operating Leases</b>		<b>23,429</b>	<b>25,679</b>		<b>30,179</b>
LTM Adj. EBITDA		\$ 5,460	\$ 5,460		\$ 5,460
LTM Adj. EBITDAR		5,717	5,717		5,717
<b>Credit Statistics</b>					
Total Debt and Leases / Adj. EBITDAR		4.1 x	4.5 x		5.3 x
Net Total Debt and Leases / Adj. EBITDAR		3.2	2.4		2.4
Total Adj. Debt / Adj. EBITDAR		4.5	4.9		5.7

Note: Common equity issuance, CARES Act items and Spare Engine Bridge were done after 3/31/2020; Revolving Credit Facility was undrawn as of 3/31/2020

<sup>1</sup> Represents proceeds from equity issuance completed in April 2020. <sup>2</sup> Adjusted total debt is a non-GAAP measure that includes current and long-term debt, operating lease obligations and finance lease obligations and noncurrent pension and postretirement obligations; adjusted EBITDAR is a non-GAAP measure that measures adjusted earnings before interest, income taxes, depreciation, amortization, aircraft rent and excluding special charges, and unrealized (gains) losses impact of investments. For a GAAP to non-GAAP reconciliation, see Appendix C.

# MileagePlus financials

				12-Mo. Ended	
				3-Mo. Ended 31-Mar	31-Mar
(U \$S in millions, unless otherwise noted)	2017¹	2018	2019	2019	2020
Selected Data					
Total Miles Issued Year over Year ("YoY") Change (%)²	2.9 %	7.7 %	6.2 %	9.1 %	(8.8)%
United	1.4 %	11.0 %	9.3 %	9.9 %	(19.3)%
Third Parties	3.8 %	5.6 %	4.2 %	8.7 %	(2.2)%
Cash Flow Statement					
Historical amounts, as reported					
Cash flow from sales					
Cash flow from sales to UAL	\$ 1,241	\$ 1,368	\$ 1,527	\$ 341	\$ 280
Cash flow from sales to third parties	2,383	3,704	3,803	976	1,067
Total cash flow from sales	3,624	5,072	5,330	1,317	1,347
Cash flow provided by operations before income taxes paid to UAL	\$ 839	\$ 2,231	\$ 2,330	\$ 506	\$ 944
Income taxes paid to UAL	587	377	615	615	517
Cash flow provided by operations (used in), net	\$ 252	\$ 1,854	\$ 1,715	\$ (109)	\$ 427
Income Statement (millions)					
Revenue, net of redemptions	\$ 1,874	\$ 2,002	\$ 1,938	\$ 466	\$ 517
Operating expense excluding depreciation and amortization	150	122	110	29	26
Earnings before interest, income taxes, depreciation and amortization ("EBITDA")	\$ 1,724	\$ 1,880	\$ 1,828	\$ 437	\$ 491
Depreciation and amortization	8	7	6	2	2
Interest income (expense) and other non-op	71	208	211	44	59
Income tax expense	1,416	456	455	107	122
Net Income	\$ 371	\$ 1,625	\$ 1,578	\$ 372	\$ 426
Balance Sheet (millions)					
Total assets	\$ 8,826	\$ 10,783	\$ 12,563	\$ 10,598	\$ 12,944
Frequent flyer deferred revenue	5,558	5,832	6,151	5,818	6,444
Total other liabilities	440	678	581	155	243
Total stockholders' equity	2,828	4,253	5,831	4,625	6,257

<sup>1</sup> 2017 cash flow from sales to third-parties are impacted by the utilization of a \$865 million prepayment of miles sold in earlier years. <sup>2</sup> Represents the change in the MileagePlus miles sold (in total and separately to United and third parties) for the period presented to the corresponding period in the prior year.

## COVID-19's impact on MPH cash flows

(millions)	Apr. and May (cumulative) 2019	Apr. and May (cumulative) 2020	YOY %	
Cash collections	~\$870	~\$455	~(50%)	<b>Impact to airline demand has been severe, but strong third-party relationships ensure miles are still issued</b> <ul style="list-style-type: none"> <li>Miles earned on United are down ~97% for April and May combined, which negatively impacts cash inflows for MPH                             <ul style="list-style-type: none"> <li>However, members are still engaging with United's third parties</li> </ul> </li> </ul>
Actual Miles redeemed			~(135%)	<b>As demand for redemptions has decreased, miles returned to customers' accounts for cancelled flights are exceeding new bookings</b> <ul style="list-style-type: none"> <li>~83% decline in miles redeemed, lowering MPH's cash outflows</li> <li>~126% increase in miles returned due to cancellations, resulting in cash flowing back to MPH from United</li> <li>Importantly, miles returned were nearly 3x greater than miles redeemed</li> </ul>
Less: redemption cost	~\$515	~(\$165)	~(130%)	
Less: Operating expenses (Excl. D&A)	~\$20	~\$10	~(50%)	<b>Managed operating expenses to reflect reduced demand</b>
<b>Net cash flow<sup>1</sup></b>	<b>~\$330</b>	<b>~\$590</b>	<b>~80%</b>	<b>Higher net cash flows for MPH over this period</b>

<sup>1</sup> Net cash flow represents net cash flow provided by operations before income taxes paid to UAL.