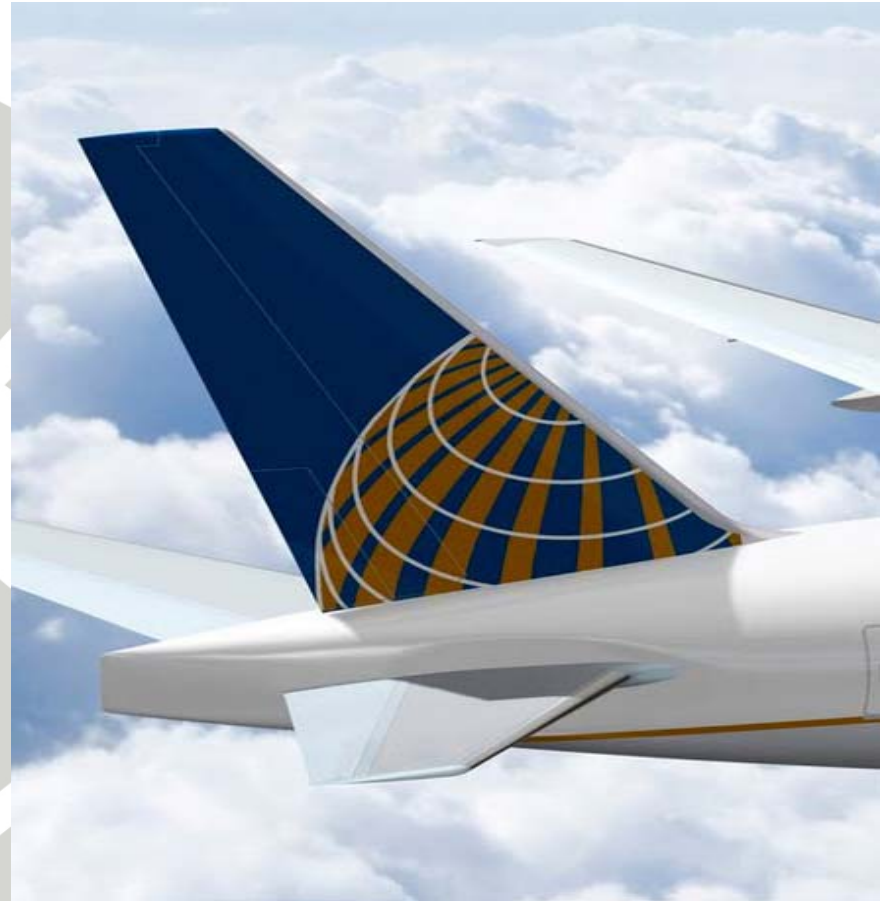


JPMorgan Global High Yield & Leveraged Finance Conference

United Continental Holdings, Inc.

February 29, 2016

Sarah Murphy – Vice President Financial Planning & Analysis



A STAR ALLIANCE MEMBER 

UNITED 

Safe Harbor Statement

Certain statements included in this release are forward-looking and thus reflect our current expectations and beliefs with respect to certain current and future events and financial 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,” “believes,” “forecast,” “guidance,” “outlook,” “goals” 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 comply with the terms of our various financing arrangements; the costs and availability of financing; our ability to maintain adequate liquidity; our ability to execute our operational plans, including optimizing our revenue; our ability to control our costs, including realizing benefits from our resource optimization efforts, cost reduction initiatives and fleet replacement programs; our ability to utilize our net operating losses; our ability to attract and retain customers; demand for transportation in the markets in which we operate; an outbreak of a disease that affects travel demand or travel behavior; demand for travel and the impact that global economic conditions have on customer travel patterns; excessive taxation and the inability to offset future taxable income; 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); our ability to cost-effectively hedge against increases in the price of aircraft fuel; any potential realized or unrealized gains or losses related to fuel or currency hedging programs; the effects of any hostilities, act of war or terrorist attack; 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; the costs and availability of aviation and other insurance; industry consolidation or changes in airline alliances; competitive pressures on pricing and on demand; our capacity decisions and the capacity decisions of our competitors; U.S. or foreign governmental legislation, regulation and other actions (including open skies agreements and environmental regulations); the impact of regulatory, investigative and legal proceedings and legal compliance risks; the impact of any management changes; our CEO’s health prognosis and return to work on a full-time basis; labor costs; our ability to maintain satisfactory labor relations and the results of the collective bargaining agreement process with our union groups; any disruptions to operations due to any potential actions by our labor groups; weather conditions; and other risks and uncertainties set forth under Item 1A., Risk Factors, of UAL’s Annual Report on Form 10-K, as well as other risks and uncertainties set forth from time to time in the reports we file with the SEC.

Improving long-term value

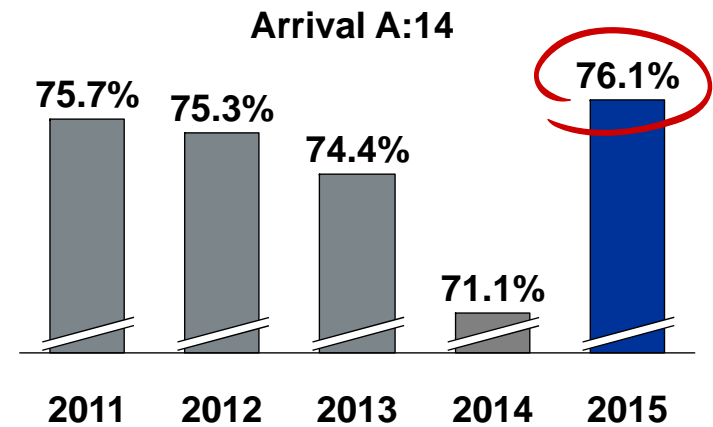
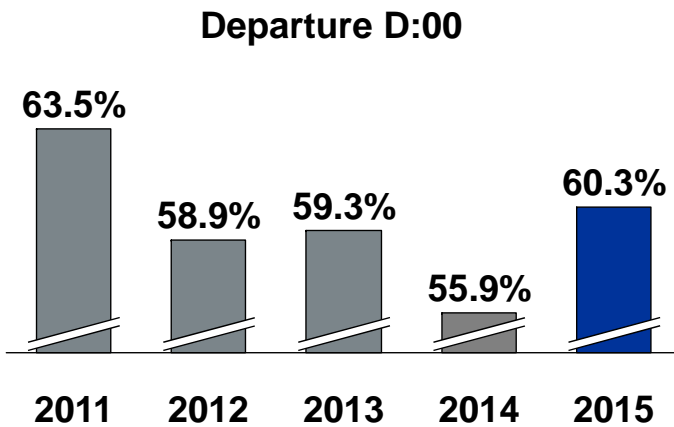
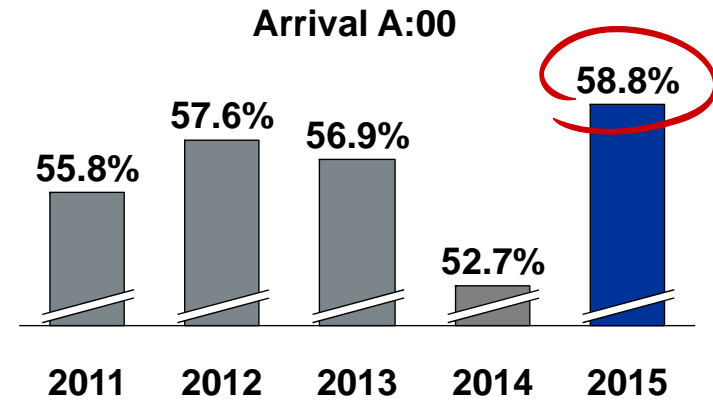
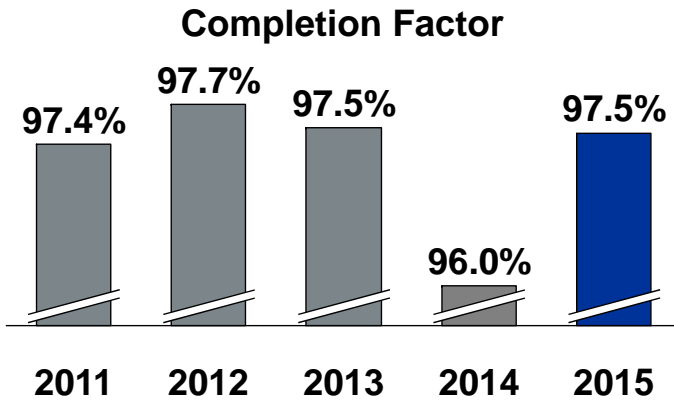
Improve the operation

Execute on revenue and network initiatives

Deliver sensible cost management

Optimize capital allocation

We have delivered significant reliability improvement



Note: Full year consolidated actuals

Improving long-term value

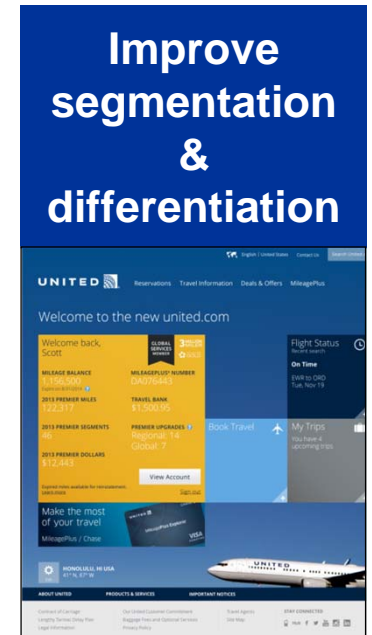
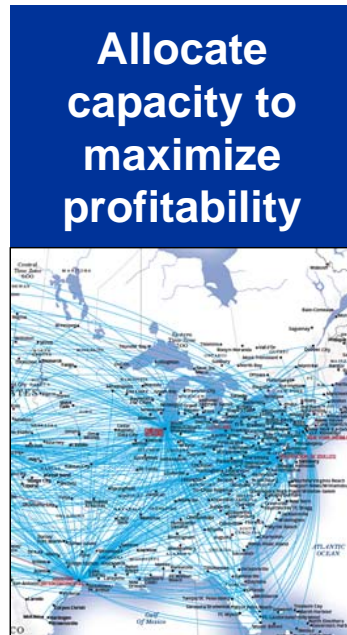
Improve the operation

Execute on revenue and network initiatives

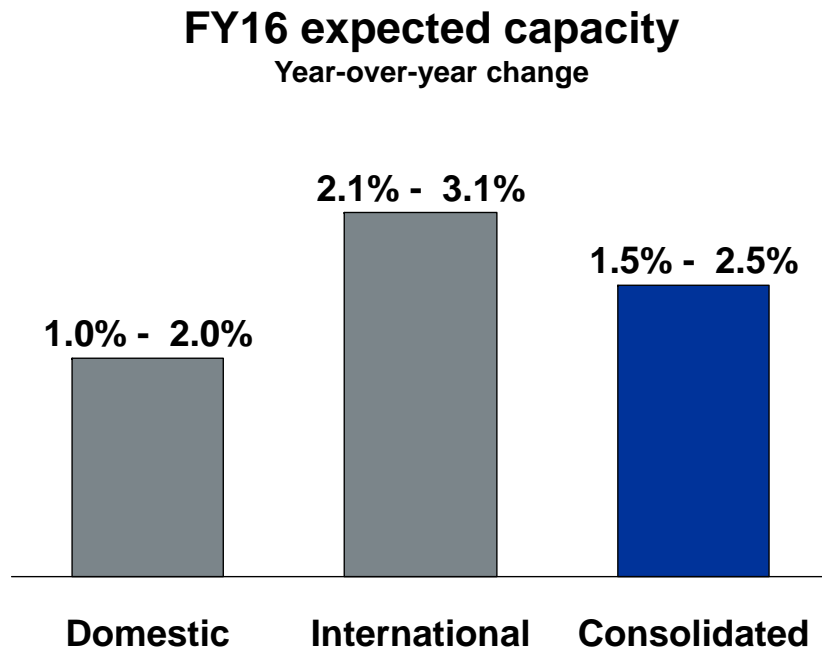
Deliver sensible cost management

Optimize capital allocation

Network and fleet themes support margin improvement



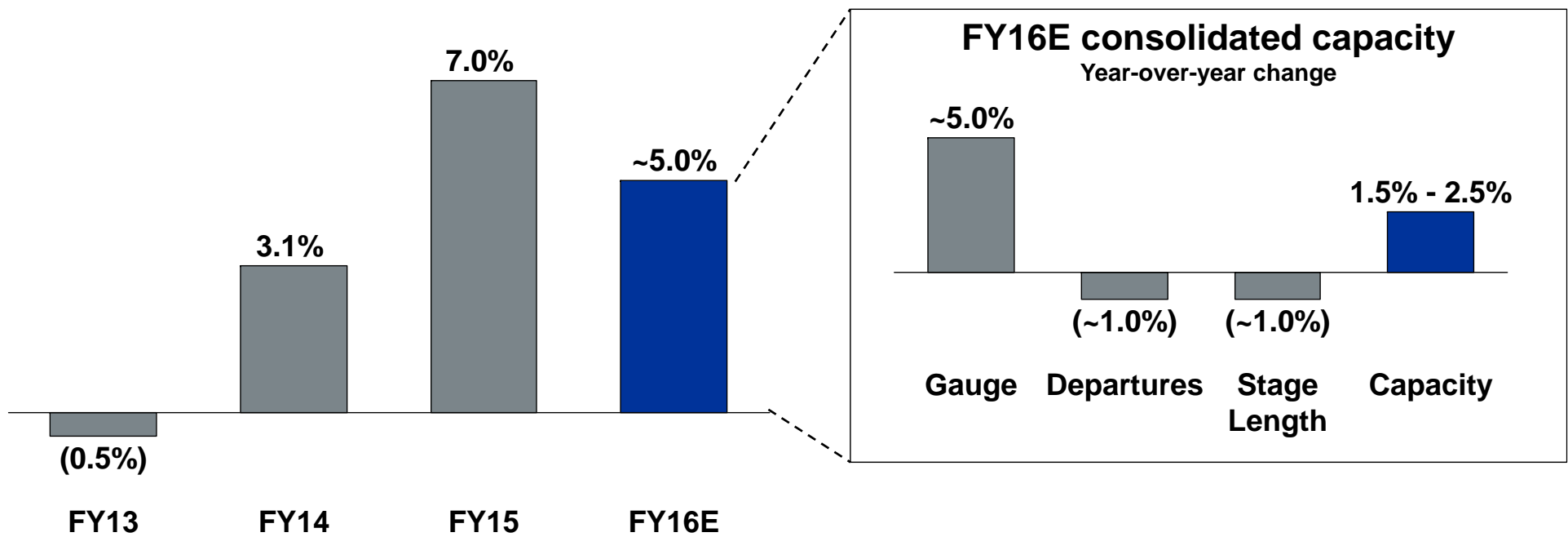
Aligning capacity with demand to maximize revenue



- **Build capacity and network based on demand**
 - Overall capacity growth in line with GDP
- **Shift capacity among markets to maximize profitability**
 - Moving planned growth out of Houston and into Denver and San Francisco
- **Grow domestic hubs**
 - Exit Kennedy and consolidate transcon flying out of Newark
- **Leverage leading international position**
 - New destinations include Auckland, Athens and Singapore

Upgauging fleet to drive margin expansion...

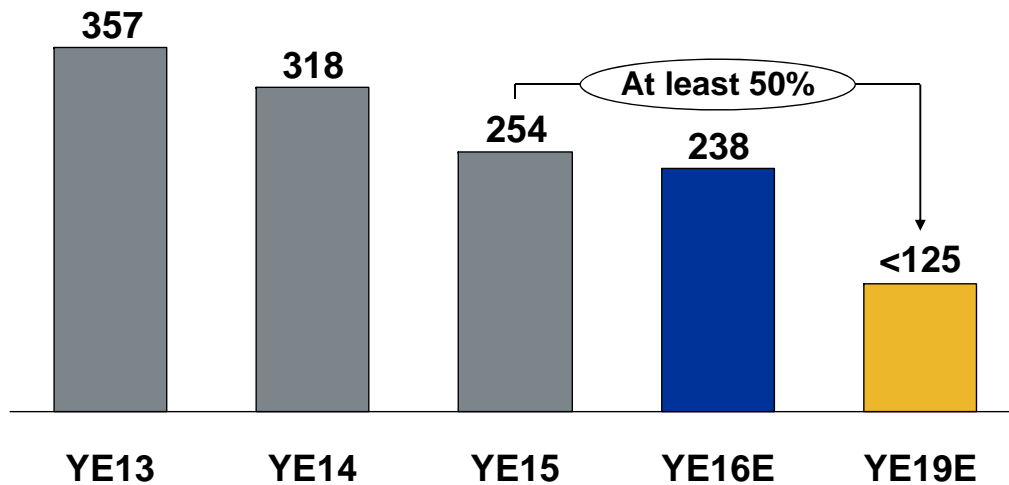
Average seats/departure
Year-over-year change



Source: FY16 capacity as of January 21, 2016 Investor Update.

...including reducing reliance on 50-seat aircraft

50 seat aircraft fleet



- Address regional pilot shortage
- Lower cost per seat
- Improve reliability
- Address customer preference
- Add ancillary revenue opportunities

Recently introduced ancillary bundles, a first step towards further choice and segmentation

Your account may give you access to travel benefits. [Sign in](#) | [Compare benefits](#)

Trip summary

[Edit search](#)

Fri, Feb 26, 2016

	Economy (lowest)	Economy Plus® Essentials	Economy Plus® Enhanced
<p>7:29 pm ✈️ 10:19 pm Nonstop Chicago, IL, US (ORD - O'Hare) San Francisco, CA, US (SFO) 4h 50m total</p> <p>UA 565 Boeing 737-900</p> <p>Revise flight Details Seats</p>	No additional charge	+ \$140	+ \$222

Thu, Mar 03, 2016

<p>12:50 pm ✈️ 7:03 pm Nonstop San Francisco, CA, US (SFO) Chicago, IL, US (ORD - O'Hare) 4h 13m total</p> <p>UA 698 Boeing 757-300</p> <p>Revise flight Details Seats</p>	No additional charge	+ \$136	+ \$221
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[View fare rules and restrictions](#) | Additional baggage charges may apply

Total \$848.20

Award miles shown are the miles that can be earned for this flight. Mileage accrued will vary depending on the terms and conditions of your frequent flyer program. United MileagePlus mileage accrual and other benefits of MileagePlus associated with air travel are subject to the rules of the MileagePlus program.

[Continue](#)

Improving long-term value

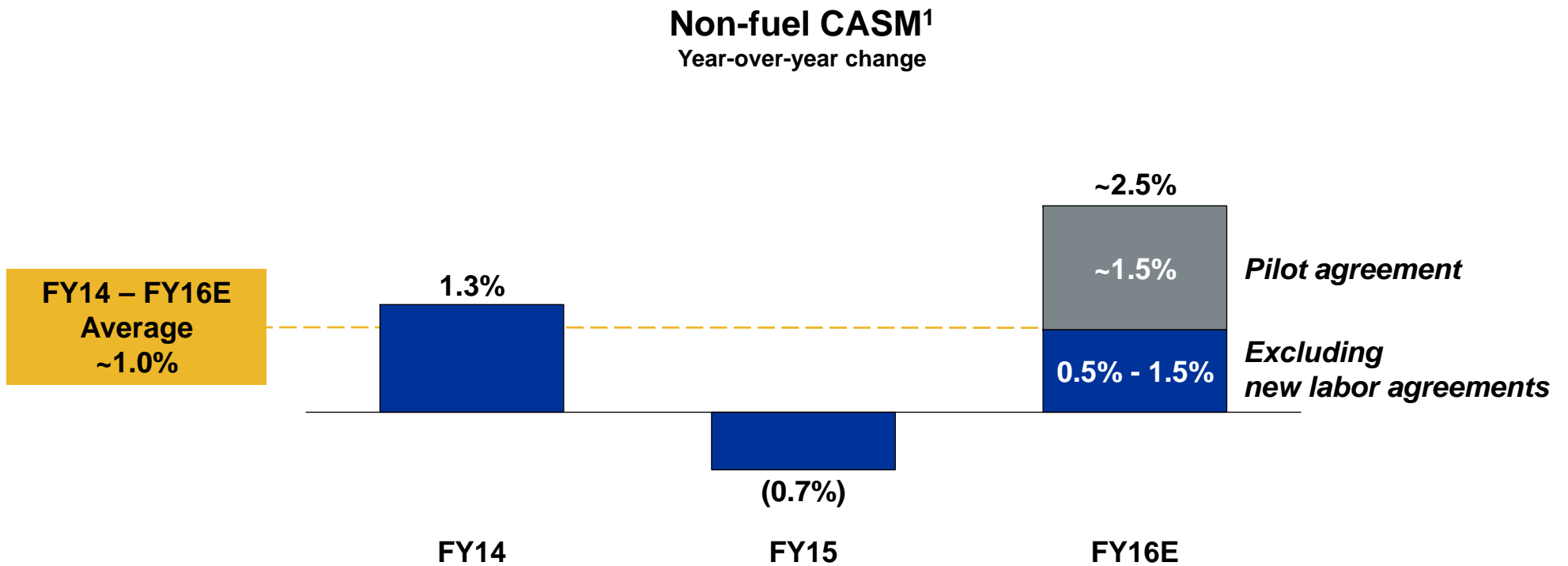
Improve the operation

Execute on revenue and network initiatives

Deliver sensible cost management

Optimize capital allocation

Demonstrating good cost performance through a business cycle



¹Excluding special charges, fuel, third-party business and profit sharing expense. 2016E as of 2015 Annual Report Form 10-K. For a GAAP to Non-GAAP reconciliation, see Appendix A

Improving long-term value

Improve the operation

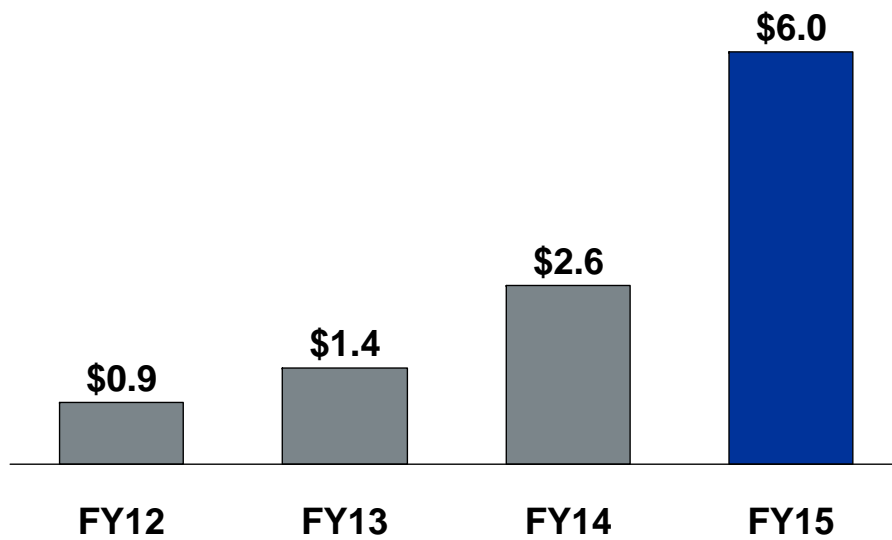
Execute on revenue and network initiatives

Deliver sensible cost management

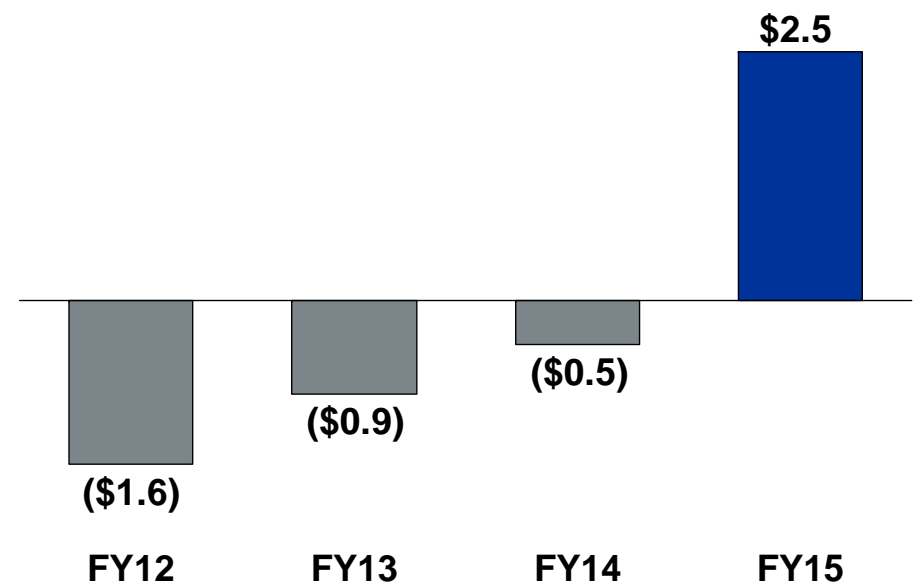
Optimize capital allocation

Generating meaningful cash flow

Operating cash flow (\$B)



Free cash flow (\$B)



Optimize capital allocation

Invest in business

Capital expenditures¹ of \$2.7B - \$2.9B in 2016

Debt reduction

Achieve ~\$15B gross debt target and progress toward investment grade credit metrics

Pension funding

Achieve well-funded pension plan status

Shareholder compensation

On track to complete \$3B share repurchase authorization by the second half of 2016

Maintain unrestricted liquidity balance of \$5B - \$6B, including revolver

¹Gross capital expenditures include net purchase deposits and exclude fully reimbursable capital projects

Investing in the business while maintaining capital discipline

Invest in business

Debt reduction

Pension funding

Shareholder compensation

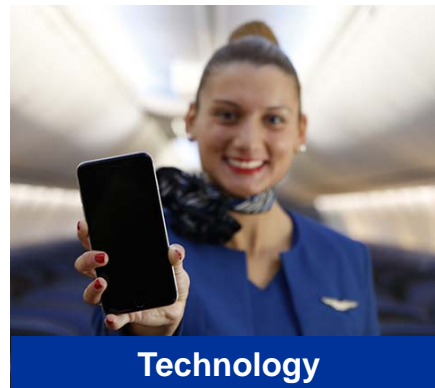
Aircraft acquisition



Aircraft modifications



Technology



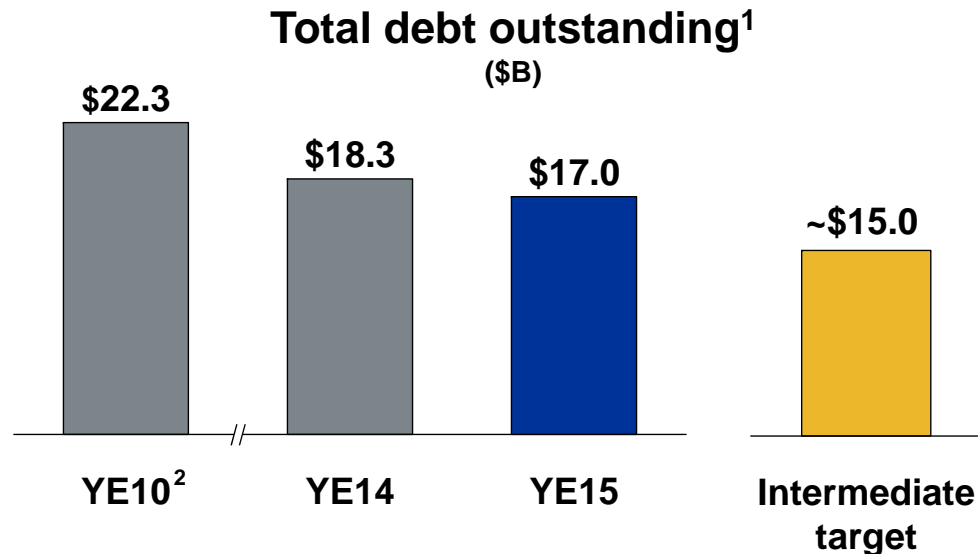
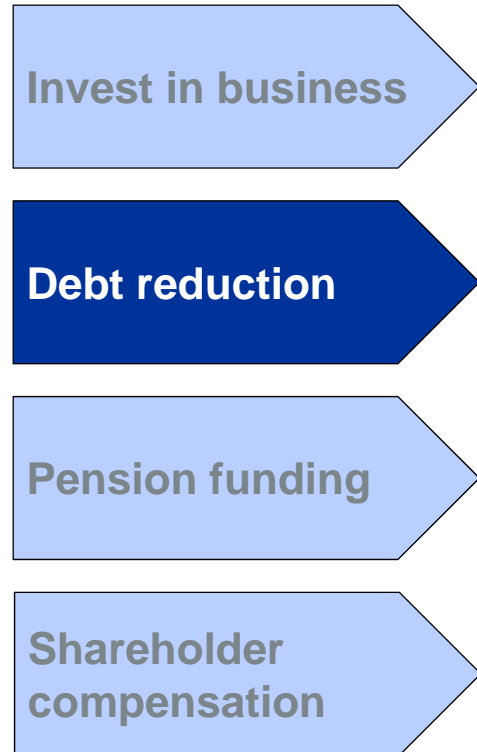
Airport enhancements



Expect to spend ~\$1.7B on aircraft and ~\$1.1B on non-aircraft capital expenditures¹ in 2016

¹Gross capital expenditures include net purchase deposits and exclude fully reimbursable capital projects

Continuing to pay down debt and de-risk the business



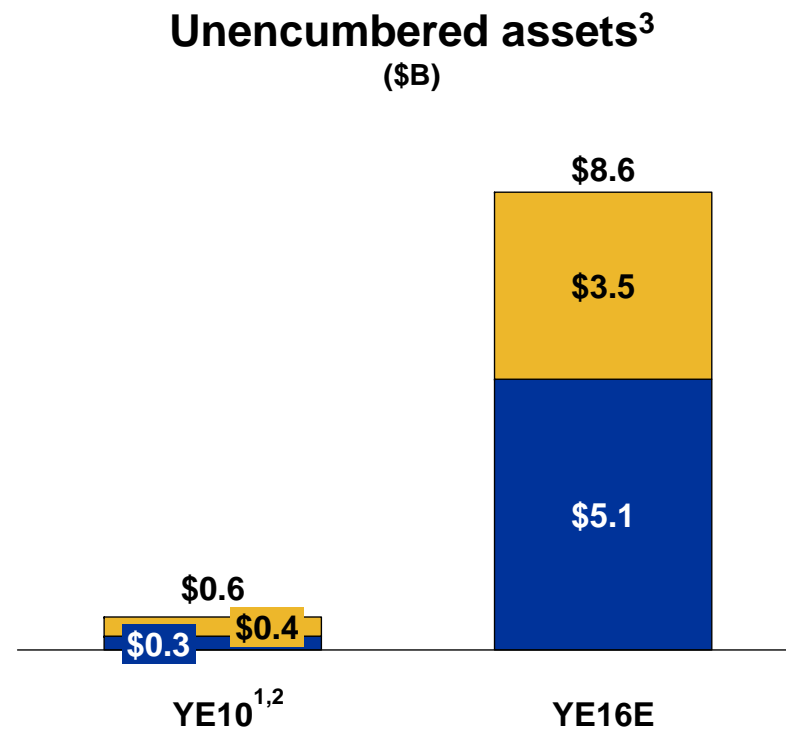
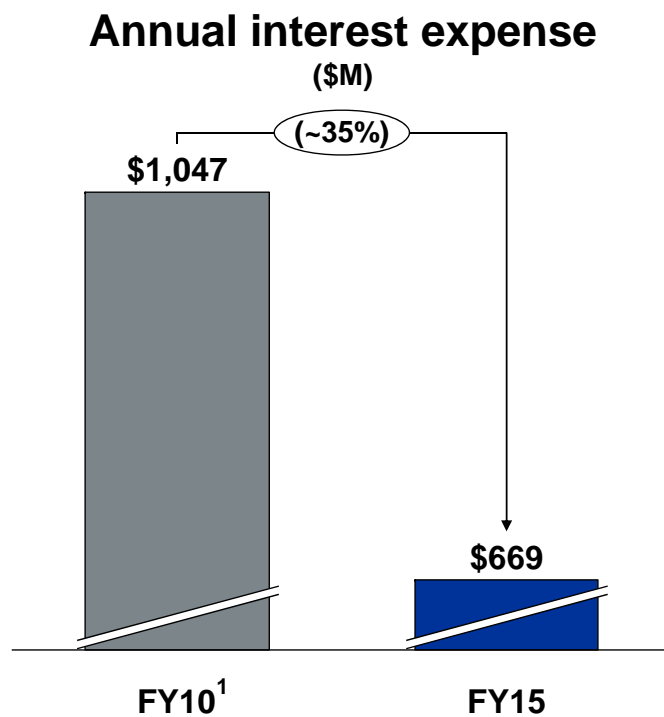
- In 2015, pre-paid approximately \$1.2 billion of debt and eliminated all high interest prepayable debt
- Progressing toward investment grade credit metrics

¹ Includes annualized aircraft rent capitalized at 7x

² 2010 data is pro-forma

Source: SEC filings

Significant progress in lowering interest expense and increasing unencumbered asset base



¹2010 data is pro forma

²Numbers may not sum due to rounding

³Assumes encumbered assets become unencumbered at maturity of related debt financing

⁴Non-aircraft includes spare engines, spare parts, routes, slots, simulators, ground equipment, passenger loading bridges and other property

On track to achieve well-funded pension status

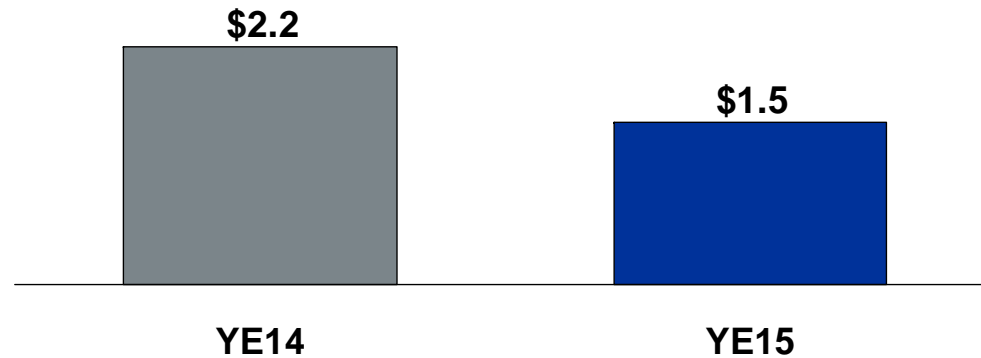
Invest in business

Debt reduction

Pension funding

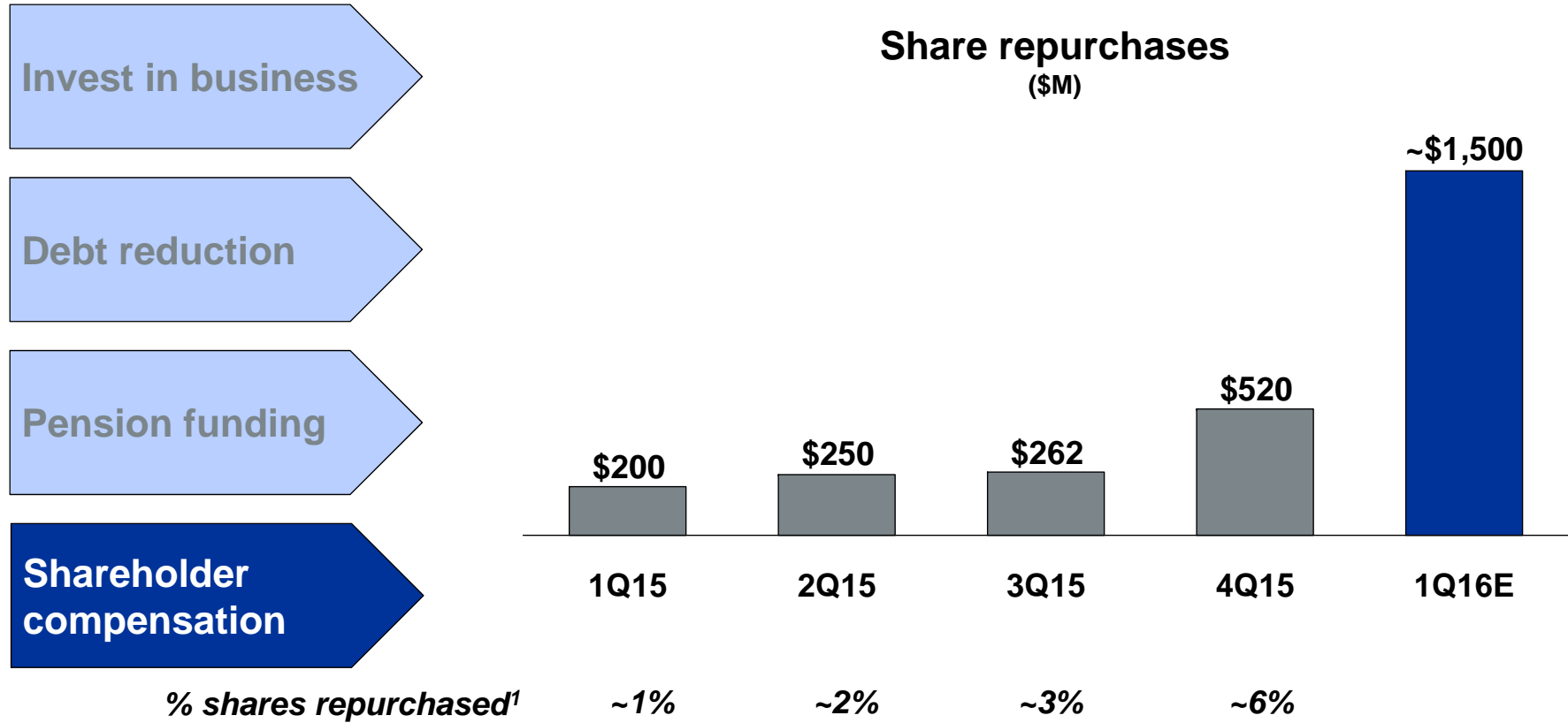
Shareholder compensation

Unfunded pension liability
(\$B)



- Contributed ~\$800M to our pension plans in 2015
- In 2016, expect to contribute ~\$400 million

Have increased the pace of the buyback



¹ Cumulative percent of shares repurchased since end of 4Q14

Improving long-term value

A United Airlines airplane is shown in flight, flying over a scenic landscape that includes a large body of water, a forested area, and a range of mountains in the distance. The sky is clear and blue. The airplane is white with the United Airlines logo and name visible on the fuselage.

Improve the operation

Execute on revenue and network initiatives

Deliver sensible cost management

Optimize capital allocation



Appendix A: reconciliation of GAAP to Non-GAAP financial measures

UAL evaluates its financial performance utilizing various accounting principles generally accepted in the United States of America (GAAP) and Non-GAAP financial measures, including income (loss) before income taxes excluding special items, net income (loss) excluding special items, net earnings (loss) per share excluding special items, and CASM, among others. CASM is a common metric used in the airline industry to measure an airline's cost structure and efficiency. Pursuant to SEC Regulation G, UAL has included the following reconciliation of reported Non-GAAP financial measures to comparable financial measures reported on a GAAP basis. UAL believes that adjusting for special items is useful to investors because special charges are non-recurring charges not indicative of UAL's ongoing performance. In addition, the company believes that adjusting for MTM gains and losses from fuel derivative contracts settling in future periods and prior period gains and losses on fuel derivative contracts settled in the current period is useful because the adjustments allow investors to better understand the cash impact of settled fuel derivative contracts in a given period. UAL also believes that excluding third-party business expenses, such as maintenance, ground handling and catering services for third parties, fuel sales and non-air mileage redemptions, provides more meaningful disclosure because these expenses are not directly related to UAL's core business. UAL also believes that excluding fuel costs from certain measures is useful to investors because it provides an additional measure of management's performance excluding the effects of a significant cost item over which management has limited influence. UAL excludes profit sharing because this exclusion allows investors to better understand and analyze our recurring cost performance and provides a more meaningful comparison of our core operating costs to the airline industry. UAL also believes that adjusting capital expenditures for fully reimbursable projects is useful to investors in order to appropriately reflect the non-reimbursable funds spent on capital expenditures. For additional information related to special items, see Note 17 to the financial statements included in the 2015 Annual Report Form 10-K.

Forward Looking Projections. UAL is unable to reconcile certain forward-looking projections to GAAP as the nature or amount of special items cannot be estimated at this time.

(in millions, except CASM amounts)

Consolidated CASM

	2015	2014	2013
Operating expense	\$32,698	\$36,528	\$37,030
Special charges	326	443	520
Third-party business expenses	291	534	694
Aircraft fuel and related taxes	7,522	11,675	12,345
Profit sharing	698	235	190
Operating expense excluding above items	<u>\$23,861</u>	<u>\$23,641</u>	<u>\$23,281</u>
ASMs – consolidated	250,003	246,021	245,354
CASM (cents)	13.08	14.85	15.09
CASM, excluding special charges	12.95	14.67	14.88
CASM, excluding special charges and third-party business expenses	12.83	14.45	14.60
CASM, excluding special charges, third-party business expenses and fuel	9.82	9.70	9.57
CASM, excluding special charges, third-party business expenses, fuel and profit sharing	9.54	9.61	9.49

Source: Item 6 of UAL's 2014 Form 10-K and January 22, 2015 Earnings Release

NM: not meaningful

Pre-tax margin

	2015	2014	2013	2012
Income (loss) before income taxes	\$4,219	\$1,128	\$539	(\$724)
Add: Special charges	528	517	520	1,323
Add: Economic Hedge Adjustments	(249)	327	(45)	See Note 1
Adjusted income before income taxes	<u>\$4,498</u>	<u>1,972</u>	<u>1,014</u>	<u>599</u>
Operating Revenues	\$37,864	\$38,901	\$38,279	\$37,152
Adjusted pre-tax margin	11.9%	5.1%	2.6%	1.6%

Note 1: United began reporting earnings excluding Economic Hedge Adjustments in 2014 for the years ended 2014 and 2013.

Appendix A: reconciliation of GAAP to Non-GAAP financial measures (continued)

Return on invested capital (ROIC) is a Non-GAAP financial measure that we believe provides useful supplemental information for management and investors by measuring the effectiveness of our operations' use of invested capital to generate profits.

(in millions)	Twelve Months Ended December 31, 2015	Twelve Months Ended December 31, 2014	Twelve Months Ended December 31, 2013 (d)	Twelve Months Ended December 31, 2012
Net Operating Profit After Tax (NOPAT)				
Pre-tax income excluding special items (a)	\$4,498	\$1,972	\$1,059	\$599
NOPAT adjustments (b)	1,100	1,265	1,439	1,453
NOPAT	\$5,598	\$3,237	\$2,498	\$2,052
Effective tax rate	0.4%	0.3%	(2.4%)	1.7%
Invested Capital (five-quarter average)				
Total assets	\$39,210	\$37,568	\$37,198	\$38,083
Invested capital adjustments (c)	12,507	12,495	12,302	12,592
Average invested capital	\$26,703	\$25,073	\$24,896	\$25,491
ROIC	21.0%	12.9%	10.0%	8.0%

Notes:

(a) Non-GAAP Financial Reconciliation

	Twelve Months Ended December 31, 2015	Twelve Months Ended December 31, 2014	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012
Pre-tax income (loss)	\$4,219	\$1,128	\$539	(\$724)
Add: Special items	279	844	520	1,323
Pre-tax income excluding special items	\$4,498	\$1,972	\$1,059	\$599

(b) NOPAT adjustments include: adding back (net of tax shield) interest expense, the interest component of capitalized aircraft rent, and net interest on pension while removing interest tax expense.

(c) Invested capital adjustments include: adding back capital aircraft rent (at 7.0X) and deferred income taxes, less advance ticket sales, frequent flyer deferred revenue, tax valuation allowance, and other non-interest bearing liabilities.

(d) The 2013 ROIC calculation agrees to the amounts presented in the fiscal year 2013 earnings release. In 2014, we modified the ROIC calculation to reflect economic hedge adjustments. If we presented 2013 ROIC using the 2014 methodology, 2013 ROIC would be 9.9%.

Appendix A: reconciliation of GAAP to Non-GAAP financial measures (continued)

	Twelve Months Ended December 31, 2015	Twelve Months Ended December 31, 2014	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012
Capital Expenditures (in millions)				
Capital Expenditures - GAAP	\$2,747	\$2,005	\$2,164	\$2,016
Property and equipment acquired through the issuance of debt	\$866	1,114	229	544
Airport construction financing	\$17	14	40	50
Fully reimbursable projects	(\$124)	(49)	(45)	(35)
Adjusted capital expenditures - Non-GAAP	\$3,506	\$3,084	\$2,388	\$2,575
Free Cash Flow (in millions)				
Net cash provided by operating activities	\$5,992	\$2,634	\$1,444	\$935
Less: adjusted capital expenditures - Non-GAAP	3,506	3,084	2,388	2,575
Free Cash Flow	\$2,486	(\$450)	(\$944)	(\$1,640)