

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report: January 29, 1996
(Date of earliest event reported)

UAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-6033 (Commission File Number)	36-2675207 (I.R.S. Employer Identification No.)
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1200 Algonquin Road, Elk Grove Township, Illinois (Address of principal executive offices)	60007 (Zip Code)
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Registrant's telephone number, including area code (708) 952-4000

Not Applicable
(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.

UAL Corporation (the "Company") is filing herewith a press release issued today by the Company as Exhibit 99.1 which is incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

Exhibit No.	Description
99.1	Press Release

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.

UAL CORPORATION

By: /s/ Douglas A. Hacker
Name: Douglas A. Hacker
Title: Senior Vice President -
Finance

Dated: January 24, 1996

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release

Corporate Communications Contacts:

Connie Huff (847) 952-5501
 Tony Molinaro (847) 952-4971
 Night/Weekend (847) 952-4088

Investor Relations Contact:

Mark Reiser (847) 952-7501

UAL CORPORATION COMPLETES MORE THAN \$2.6 BILLION IN
 CREDIT IMPROVEMENT INITIATIVES SINCE EMPLOYEE OWNERSHIP

CHICAGO, Jan 29, 1996 -- UAL Corporation, parent company of United Airlines, continues in its effort to strengthen its balance sheet and improve its debt rating with the implementation of more than \$2.6 billion in debt retirement and credit improvement initiatives since employees became majority owners.

Cost reduction achievements in the fourth quarter of 1995 included completion of a program to retire all of its outstanding Japanese yen-denominated deferred purchase certificates. UAL Corporation (UAL) also has terminated operating leases for 39 aircraft related to the deferred purchase certificates. These actions reduce the company's previously disclosed minimum lease payment obligations over the next three years by a total of \$426 million.

In addition, during the fourth quarter of 1995, the company repurchased approximately \$179 million of additional debt securities and approximately \$96 million of preferred stock.

During the 18 months from the employee ownership transaction on July 12, 1994, through year-end 1995, UAL has completed the following credit improvement initiatives:

- \$426 million	Termination of operating lease on, and subsequent acquisition of 39 aircraft
- \$195 million	Prepayment of deferred purchase certificates (principal amount)
- \$327 million	Repurchase of unsecured debt (principal amount)
- \$190 million	Repurchase of Series B preferred stock (liquidation preference)
- \$426 million	Prepayment of aircraft mortgages (principal amount)
- \$269 million	Repayment of outstanding commercial paper
- \$777 million	Pension plan finding
- <u>\$2.610 billion</u>	Total

UAL also is weighing the possibility of redeeming its 6 3/8 percent convertible subordinated debentures on or after May 1, 1996, as part of its debt-reduction program.

The decision to redeem the debentures will depend on financial

markets and other conditions, including the last sale price of its common stock exceeding \$172.20 for 20 trading days within a period of 30 consecutive trading days, including the last trading day. On January 26, 1996, the last sale price of UAL common stock was \$156 5/8. Should UAL redeem such debentures prior to May 1, 1997, holders would receive \$1,043.75 in cash for every \$1,000 in principal amount of debentures redeemed, plus accrued and unpaid interest, if any, up to but excluding the redemption date.

If UAL issues a notice of redemption, holders may still convert their debentures through the business day preceding the redemption date. Upon conversion, holders will receive \$541.90 in cash and approximately 3.192 shares of common stock for every \$1,000 principal amount of debentures. If the redemption date is on or after an interest payment date and prior to the next interest payment record date, holders who convert will not be entitled to any interest on the debentures.