

---

---

**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): July 11, 2016**

---

**UNITED CONTINENTAL 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))
- 
-

---

**Item 2.02 Results of Operations and Financial Condition.**

On July 11, 2016, United Continental Holdings, Inc. (“UAL”), the holding company whose primary subsidiary is United Airlines, Inc. (“United,” and together with UAL, the “Company”), will provide an investor update related to the preliminary financial and operational results for the Company for second quarter 2016. The investor update is attached as Exhibit 99.1 and is incorporated by reference.

The information in this Item 2.02, including Exhibit 99.1, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section and shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended (the “Securities Act”), except as shall be expressly set forth by specific reference in such filing.

**Item 7.01 Regulation FD Disclosure.**

On July 11, 2016, United issued a press release reporting its June 2016 operational results. The press release is attached as Exhibit 99.2 and is incorporated herein by reference.

The information in this Item 7.01, including Exhibit 99.2, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, as amended, or otherwise subject to the liabilities of that Section and shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act, as amended, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1*	United Continental Holdings, Inc. Investor Update dated July 11, 2016
99.2*	Press Release issued by United Airlines, Inc. dated July 11, 2016

\* Furnished herewith electronically.

---

**SIGNATURES**

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

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

By: /s/ Chris Kenny  
Name: Chris Kenny  
Title: Vice President and Controller

Date: July 11, 2016

---

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1*	United Continental Holdings, Inc. Investor Update dated July 11, 2016
99.2*	Press Release issued by United Airlines, Inc. dated July 11, 2016

\* Furnished herewith electronically.



A STAR ALLIANCE MEMBER

## Investor Update

Issue Date: July 11, 2016

This investor update provides guidance and certain forward-looking statements about United Continental Holdings, Inc. (the “Company” or “UAL”). The information in this investor update contains the preliminary financial and operational outlook for the Company for second quarter 2016 and forward-looking statements for other periods.

		<b>Estimated 2Q 2016</b>	
<b>Second Quarter 2016 Financial Update</b>			
<b>Consolidated Capacity Year-Over-Year Change Higher/(Lower)</b>		0.1%	
<b>Pre-Tax Margin<sup>1</sup></b>	14.0%	—	14.5%
<b>Revenue</b>			
Consolidated PRASM (¢/ASM)	12.50	—	12.54
Year-Over-Year Change Higher/(Lower)	(6.75%)	—	(6.50%)
Cargo Revenue (\$M)	\$ 195	—	\$ 215
Other Revenue (\$M)	\$1,075	—	\$1,095
<b>Non-Fuel Operating Expense</b>			
Consolidated CASM Excluding Profit Sharing, Fuel & Third-Party Business Expense <sup>1</sup> (¢/ASM)	9.53	—	9.62
Year-Over-Year Change Higher/(Lower)	2.0%	—	3.0%
Third-Party Business Expense <sup>2</sup> (\$M)		\$ 60	
Aircraft Rent (\$M)		\$ 175	
Depreciation and Amortization (\$M)		\$ 490	
Profit Sharing	\$ 200	—	\$ 220
<b>Consolidated Fuel Expense</b>			
Fuel Consumption (Million Gallons)		1,000	
Fuel Price Including Operating Cash-Settled Hedges (Price/Gallon) <sup>3,4</sup>		\$ 1.44	
Operating Cash-Settled Hedge Loss (Price/Gallon)		(\$ 0.03)	
Fuel Price Excluding Hedges (Price/Gallon) <sup>3</sup>		\$ 1.41	
Fuel Price Including Operating Cash-Settled Hedges (Price/Gallon) <sup>3,4</sup>		\$ 1.44	
Non-Operating Cash-Settled Hedge Loss (Price/Gallon) <sup>5</sup>		\$ 0.00	
Fuel Price Including All Cash-Settled Hedges (Price/Gallon) <sup>3,6</sup>		\$ 1.44	
<b>Non-Operating Expense<sup>1, 7</sup> (\$M)</b>	\$ 125	—	\$ 145
<b>Effective Income Tax Rate</b>		~37%	
<b>Gross Capital Expenditures<sup>8</sup> (\$M)</b>	\$ 760	—	\$ 780
<b>Debt and Capital Lease Payments (\$M)</b>		\$ 260	
<b>Diluted Share Count<sup>9</sup> (M)</b>		331	
<b>Quarter End Liquidity (\$B)</b>			
Unrestricted Cash, Cash Equivalents and Short-Term Investments (\$B)		\$ 4.7	
Undrawn Commitments Under Revolving Credit Facility (\$B)		\$ 1.35	

1. Excludes special charges, the nature and amount of which are not determinable at this time
2. Third-party business revenue associated with third-party business expense is recorded in other revenue
3. Fuel price including taxes and fees
4. This price per gallon corresponds to the fuel expense line of the income statement
5. This price per gallon corresponds to the impact of non-operating hedges that appear in the non-operating line of the income statement
6. This price per gallon corresponds to the total economic cost of the Company’s fuel consumption including all cash-settled hedges but does not directly correspond to the fuel expense line of the income statement
7. The Company excludes the non-cash impact of fuel hedges from its non-operating expense guidance and Non-GAAP earnings
8. Capital expenditures include net purchase deposits and exclude fully reimbursable capital projects and operating leases converted to capital leases
9. Diluted share count is approximately equal to basic share count

(more)

**Passenger Revenue:** The Company now expects second quarter 2016 consolidated passenger unit revenue to decline 6.50 to 6.75 percent compared to the second quarter of 2015. The year-over-year performance was primarily impacted by a strong U.S. dollar, lower surcharges, travel reductions from customers impacted by declining oil prices, competitive actions and passenger demand not growing at the same pace as industry capacity. The Company's consolidated passenger unit revenue result was near the top end of the initial guidance range due to better international yields than originally expected and an increase in business travel in the final week of June, likely associated with the timing of the Fourth of July holiday.

**Non-Fuel Expense:** The Company's second quarter 2016 non-fuel unit cost includes approximately 1.5 points of impact from the ratified labor agreements with the pilots, IAM-represented employees and dispatchers. United's non-fuel unit cost performance was at the lower end of original guidance largely due to better than anticipated cost growth and timing of certain expense items.

**Profit Sharing:** For 2016, the Company expects to pay approximately 9.4% of total adjusted earnings as profit sharing to employees for adjusted earnings up to a 6.9% adjusted pre-tax margin and approximately 14.5% for any adjusted earnings above that amount. Adjusted earnings for the purposes of profit sharing are calculated from GAAP pre-tax earnings, excluding special items, profit sharing expense and share-based compensation program expense. These estimates are consistent with the current labor agreements. Share-based compensation expense for the purposes of the profit sharing calculation is estimated to be \$13 million year-to-date through the second quarter of 2016.

**Fuel Expense:** United expects a total second quarter 2016 hedge loss of approximately \$0.03 per gallon, or approximately \$30 million in total, which is comprised of operating cash-settled hedge loss included in fuel expense.

**Capital Expenditures:** Second quarter capital expenditures are lower than previous guidance due to timing of certain non-aircraft projects shifting to later in the year.

**Taxes:** The Company expects a tax rate of approximately 37% for the second quarter 2016. However, the Company expects that there will be no material cash taxes due to United's net operating loss carryforwards (NOLs), which were approximately \$8 billion as of year-end 2015. These NOLs are projected to offset (or minimize) cash income taxes for several years.

(more)

**Second Quarter 2016 Capacity**

	Estimated 2Q 2016	Year-Over-Year % Change Higher/(Lower)
<b>Capacity (Million ASMs)</b>		
Mainline Capacity		
Domestic	28,221	0.9%
Atlantic	13,026	2.7%
Pacific	10,225	(1.1%)
Latin America	5,980	(1.5%)
<b>Total Mainline Capacity</b>	<b>57,452</b>	<b>0.7%</b>
<b>Regional<sup>1</sup></b>		
Consolidated Capacity		
Domestic System	35,178	(0.3%)
International System	29,547	0.5%
<b>Total Consolidated Capacity</b>	<b>64,725</b>	<b>0.1%</b>
<b>Traffic (Million RPMs)</b>		
Mainline Traffic		
Domestic	24,484	1.1%
Atlantic	9,820	(3.2%)
Pacific	8,501	(0.7%)
Latin America	5,037	2.0%
<b>Total Mainline Traffic</b>	<b>47,842</b>	<b>0.0%</b>
<b>Regional Traffic<sup>1</sup></b>		
Consolidated Traffic		
Domestic System	30,436	0.0%
International System	23,581	(1.2%)
<b>Total Consolidated Traffic</b>	<b>54,017</b>	<b>(0.5%)</b>
<b>Load Factor</b>		
Mainline Load Factor		
Domestic	86.8%	0.2 pts.
Atlantic	75.4%	(4.6) pts.
Pacific	83.1%	0.3 pts.
Latin America	84.2%	2.8 pts.
<b>Total Mainline Load Factor</b>	<b>83.3%</b>	<b>(0.6) pts.</b>
<b>Regional Load Factor<sup>1</sup></b>		
Consolidated Load Factor		
Domestic System	86.5%	0.3 pts.
International System	79.8%	(1.4) pts.
<b>Total Consolidated Load Factor</b>	<b>83.5%</b>	<b>(0.4) pts.</b>

<sup>1</sup> Regional results reflect flights operated under capacity purchase agreements

Note: See Part II, Item 6 Selected Financial Data of the Company's Annual Report on Form 10-K for the year ended December 31, 2015 for the definition of these statistics

(more)

### GAAP to Non-GAAP Reconciliations

UAL evaluates its financial performance utilizing various accounting principles generally accepted in the United States of America (“GAAP”) and Non-GAAP financial measures, including net income/loss, net earnings/loss per share and cost per available seat mile (“CASM”), among others. CASM is a common metric used in the airline industry to measure an airline’s cost structure and efficiency. UAL reports CASM excluding profit sharing, third-party business expense, fuel and special charges. Non-GAAP financial measures are presented because they provide management and investors the ability to measure and monitor UAL’s performance on a consistent basis. 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 excluding profit sharing 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 believes that adjusting for special charges is useful to investors because they are non-recurring charges not indicative of UAL’s ongoing performance. 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 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. In addition, UAL believes that excluding non-cash (gains)/losses on fuel derivative contracts from non-operating expense is useful because it allows investors to better understand the impact of settled hedges on a given period’s results.

	Estimated 2Q 2016		
<b>Consolidated Unit Cost (¢/ASM)</b>			
Consolidated CASM Excluding Profit Sharing & Special Charges (a) (b)	11.84	—	11.93
Less: Third-Party Business Expenses	0.09	—	0.09
Consolidated CASM Excluding Profit Sharing, Third-Party Business Expenses & Special Charges (b)	11.75	—	11.84
Less: Fuel Expense (c)	2.22	—	2.22
Consolidated CASM Excluding Profit Sharing, Third-Party Business Expenses, Fuel & Special Charges (b)	9.53	—	9.62
	Estimated 2Q 2016		
<b>Non-Operating Expense (\$M)</b>			
Non-operating expense	\$119	—	\$139
Exclude: hedge program adjustments (d)	3	—	3
Exclude: other special items	(9)	—	(9)
Non-operating expense, adjusted (b)	\$125	—	\$145

- (a) Operating expense per ASM – CASM excludes profit sharing and special charges, the impact of certain primarily non-cash impairment, severance and other similar accounting charges. While the Company anticipates that it will record such special charges throughout the year and may record profit sharing, at this time the Company is unable to provide an estimate of these charges with reasonable certainty.
- (b) These financial measures provide management and investors the ability to measure and monitor the Company’s performance on a consistent basis.
- (c) Both the cost and availability of fuel are subject to many economic and political factors and are therefore beyond the Company’s control.
- (d) Hedge program adjustments consist of excluding MTM gains and losses from fuel derivative contracts settling in future periods and adding back prior period gains and losses on fuel contracts settled in the current period. The purpose of hedge program adjustments is to adjust GAAP fuel derivative contract gains (losses) to a cash-settled amount.

### Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

Certain statements included in this investor update 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” 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 investor update are based upon information available to us on the date of this investor update. 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; 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 for the fiscal year ended December 31, 2015, 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.

For further questions, contact Investor Relations at (872) 825-8610 or [investorrelations@united.com](mailto:investorrelations@united.com).

####

## News Release

United Airlines  
Worldwide Media Relations

872.825.8640  
media.relations@united.com



## **United Reports June 2016 Operational Performance**

**CHICAGO, July 11, 2016** – United Airlines (UAL) today reported June 2016 operational results.

UAL's June 2016 consolidated traffic (revenue passenger miles) increased 1.4 percent and consolidated capacity (available seat miles) increased 0.5 percent versus June 2015. UAL's June 2016 consolidated load factor increased 0.8 points compared to June 2015.

The company now expects second quarter 2016 consolidated passenger unit revenue to decline 6.50 to 6.75 percent compared to the second quarter of 2015. The year-over-year performance was primarily impacted by a strong U.S. dollar, lower surcharges, travel reductions from customers impacted by declining oil prices, competitive actions and passenger demand not growing at the same pace as industry capacity. The company's consolidated passenger unit revenue result was near the top end of the initial guidance range due to better international yields than originally expected and an increase in business travel in the final week of June, likely associated with the timing of the Fourth of July holiday.

### **About United**

United Airlines and United Express operate an average of 5,000 flights a day to 336 airports across six continents. In 2015, United and United Express operated more than 1.5 million flights carrying more than 140 million customers. United is proud to have the world's most comprehensive route network, including U.S. mainland hubs in Chicago, Denver, Houston, Los Angeles, New York/Newark, San Francisco and Washington, D.C. United operates more than 715 mainline aircraft, and this year, the airline anticipates taking delivery of 21 new Boeing aircraft, including 737 NGs, 787s and 777s. The airline is a founding member of Star Alliance, which provides service to 192 countries via 28 member airlines. Approximately 86,000 United employees reside in every U.S. state and in countries around the world. For more information, visit [united.com](http://united.com), follow @United on Twitter or connect on Facebook. The common stock of United's parent, United Continental Holdings, Inc., is traded on the NYSE under the symbol UAL.

- more -

## Preliminary Operational Results

	June			Year-to-Date		
	2016	2015	Change	2016	2015	Change
<b>REVENUE PASSENGER MILES (000)</b>						
<b>Domestic</b>	<b>8,771,888</b>	<b>8,674,038</b>	<b>1.1%</b>	<b>45,134,623</b>	<b>44,546,061</b>	<b>1.3%</b>
<b>International</b>	<b>8,709,007</b>	<b>8,517,275</b>	<b>2.3%</b>	<b>43,562,918</b>	<b>43,972,855</b>	<b>(0.9%)</b>
Atlantic	3,859,530	3,876,735	(0.4%)	16,398,779	17,312,053	(5.3%)
Pacific	3,061,851	2,983,679	2.6%	16,376,906	16,634,213	(1.5%)
Latin	1,787,626	1,656,861	7.9%	10,787,233	10,026,589	7.6%
<b>Mainline</b>	<b>17,480,895</b>	<b>17,191,313</b>	<b>1.7%</b>	<b>88,697,541</b>	<b>88,518,916</b>	<b>0.2%</b>
<b>Regional</b>	<b>2,141,783</b>	<b>2,168,354</b>	<b>(1.2%)</b>	<b>11,901,136</b>	<b>12,214,565</b>	<b>(2.6%)</b>
<b>Consolidated</b>	<b>19,622,678</b>	<b>19,359,667</b>	<b>1.4%</b>	<b>100,598,677</b>	<b>100,733,481</b>	<b>(0.1%)</b>
<b>AVAILABLE SEAT MILES (000)</b>						
<b>Domestic</b>	<b>9,834,371</b>	<b>9,918,862</b>	<b>(0.9%)</b>	<b>52,987,862</b>	<b>52,047,925</b>	<b>1.8%</b>
<b>International</b>	<b>10,240,492</b>	<b>9,982,798</b>	<b>2.6%</b>	<b>55,629,122</b>	<b>55,125,401</b>	<b>0.9%</b>
Atlantic	4,736,497	4,545,330	4.2%	22,573,993	22,557,571	0.1%
Pacific	3,445,398	3,470,264	(0.7%)	20,057,194	20,246,409	(0.9%)
Latin	2,058,597	1,967,204	4.6%	12,997,935	12,321,421	5.5%
<b>Mainline</b>	<b>20,074,863</b>	<b>19,901,660</b>	<b>0.9%</b>	<b>108,616,984</b>	<b>107,173,326</b>	<b>1.3%</b>
<b>Regional</b>	<b>2,465,105</b>	<b>2,536,352</b>	<b>(2.8%)</b>	<b>14,381,277</b>	<b>14,780,346</b>	<b>(2.7%)</b>
<b>Consolidated</b>	<b>22,539,968</b>	<b>22,438,012</b>	<b>0.5%</b>	<b>122,998,261</b>	<b>121,953,672</b>	<b>0.9%</b>
<b>PASSENGER LOAD FACTOR</b>						
<b>Domestic</b>	<b>89.2%</b>	<b>87.4%</b>	<b>1.8 pts</b>	<b>85.2%</b>	<b>85.6%</b>	<b>(0.4) pts</b>
<b>International</b>	<b>85.0%</b>	<b>85.3%</b>	<b>(0.3) pts</b>	<b>78.3%</b>	<b>79.8%</b>	<b>(1.5) pts</b>
Atlantic	81.5%	85.3%	(3.8) pts	72.6%	76.7%	(4.1) pts
Pacific	88.9%	86.0%	2.9 pts	81.7%	82.2%	(0.5) pts
Latin	86.8%	84.2%	2.6 pts	83.0%	81.4%	1.6 pts
<b>Mainline</b>	<b>87.1%</b>	<b>86.4%</b>	<b>0.7 pts</b>	<b>81.7%</b>	<b>82.6%</b>	<b>(0.9) pts</b>
<b>Regional</b>	<b>86.9%</b>	<b>85.5%</b>	<b>1.4 pts</b>	<b>82.8%</b>	<b>82.6%</b>	<b>0.2 pts</b>
<b>Consolidated</b>	<b>87.1%</b>	<b>86.3%</b>	<b>0.8 pts</b>	<b>81.8%</b>	<b>82.6%</b>	<b>(0.8) pts</b>
<b>ONBOARD PASSENGERS (000)</b>						
<b>Mainline</b>	<b>9,203</b>	<b>8,795</b>	<b>4.6%</b>	<b>47,916</b>	<b>46,236</b>	<b>3.6%</b>
<b>Regional</b>	<b>3,765</b>	<b>3,848</b>	<b>(2.2%)</b>	<b>20,587</b>	<b>21,517</b>	<b>(4.3%)</b>
<b>Consolidated</b>	<b>12,968</b>	<b>12,643</b>	<b>2.6%</b>	<b>68,503</b>	<b>67,753</b>	<b>1.1%</b>
<b>CARGO REVENUE TON MILES (000)</b>						
<b>Total</b>	<b>229,021</b>	<b>209,431</b>	<b>9.4%</b>	<b>1,301,211</b>	<b>1,295,178</b>	<b>0.5%</b>

**Note:** See Part II, Item 6 Selected Financial Data of the company's Annual Report on Form 10-K for the year ended December 31, 2015 for the definition of these statistics

- more -

### Second Quarter Preliminary Fuel Costs Per Gallon

Estimated average price per gallon of fuel, including operating cash-settled hedges <sup>1</sup>	\$ 1.44
Operating cash-settled hedge loss price per gallon	(\$0.03)
Estimated average price per gallon of fuel, excluding hedges	\$ 1.41
Estimated average price per gallon of fuel, including operating cash-settled hedges <sup>1</sup>	\$ 1.44
Non-operating cash-settled hedge loss price per gallon <sup>2</sup>	\$ 0.00
Estimated average price per gallon of fuel, including all cash-settled hedges <sup>3</sup>	\$ 1.44

1 This price per gallon corresponds to fuel expense in UAL's income statement

2 This price per gallon corresponds to the impact of non-operating hedges that appear in non-operating expense in the income statement

3 This price per gallon corresponds to the total economic cost of the company's fuel consumption including all cash-settled hedges but does not directly correspond to fuel expense in UAL's income statement

### Preliminary Operational Results

	2016	2015	Change
June On-Time Performance <sup>4</sup>	65.0%	49.8%	15.2 pts
June Completion Factor <sup>5</sup>	98.0%	96.5%	1.5 pts

4 Based on consolidated scheduled flights arriving on or before scheduled arrival time

5 Consolidated completion percentage

### Safe Harbor Statement

**Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:** Certain statements included in this investor update 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” 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 investor update are based upon information available to us on the date of this investor update. 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; 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 for the fiscal year ended December 31, 2015, 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.

###

A STAR ALLIANCE MEMBER 