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

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended June 30, 1995, Commission File Number 1-6033

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

Delaware	36-2675207
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1200 East Algonquin Road, Elk Grove Township, Illinois 60007
Mailing Address: P. O. Box 66919, Chicago, Illinois 60666
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (708) 952-4000

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.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 31, 1995
Common Stock ($0.01 par value)	12,624,019

UAL Corporation and Subsidiary Companies Report on Form 10-Q
For the Quarter Ended June 30, 1995

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

UAL Corporation and Subsidiary Companies
Condensed Statement of Consolidated Financial Position
(In Millions)

Assets	June 30, 1995 (Unaudited)	December 31, 1994
Current assets:		
Cash and cash equivalents	$ 380	$ 500
Short-term investments	1,566	1,032
Receivables, net	1,040	889
Inventories, net	307	285
Deferred income taxes	141	151
Prepaid expenses and other	260	335
	3,694	3,192
Operating property and equipment:		
Owned	10,723	10,824
Accumulated depreciation and amortization	(4,961)	(4,786)
	5,762	6,038
Capital leases	1,315	1,132
Accumulated amortization	(475)	(447)
	840	685
	6,602	6,723
Other assets:		
Intangibles, net	787	814
Deferred income taxes	450	480
Other	569	555
	1,806	1,849
	$12,102	$11,764

See accompanying notes to consolidated financial statements.

UAL Corporation and Subsidiary Companies
Condensed Statement of Consolidated Financial Position
(In Millions)

June 30,

Liabilities and Stockholders' Equity	1995 (Unaudited)	December 31, 1994
Current liabilities:		
Short-term borrowings	$ -	$ 269
Current portions of long-term debt and capital lease obligations	396	460
Advance ticket sales	1,378	1,020
Accounts payable	628	651
Other	2,569	2,506
	4,971	4,906
Long-term debt	3,120	2,887
Long-term obligations under capital leases	872	730
Other liabilities and deferred credits:		
Deferred pension liability	617	520
Postretirement benefit liability	1,190	1,148
Deferred gains	1,333	1,363
Other	467	477
	3,607	3,508
Minority interest	54	49
Stockholders' equity:		
Preferred stock	-	-
Common stock at par	-	-
Additional capital invested	952	1,287
Retained earnings (deficit)	(1,211)	(1,335)
Unearned ESOP preferred stock	(79)	(83)
Other	(184)	(185)
	(522)	(316)
Commitments and contingent liabilities (See note)		
	$12,102	$11,764

See accompanying notes to consolidated financial statements.

UAL Corporation and Subsidiary Companies
Statement of Consolidated Operations (Unaudited)
(In Millions, Except Per Share)

	Three Months Ended June 30 1995	1994
Operating revenues:		
Passenger	$3,392	$3,102
Cargo	185	168
Other operating revenues	238	232
	3,815	3,502
Operating expenses:		
Salaries and related costs	1,146	1,216
ESOP compensation expense	108	-
Aircraft fuel	412	379
Commissions	364	360
Aircraft rent	261	230
Purchased services	266	236
Depreciation and amortization	174	177
Landing fees and other rent	211	147
Food services	135	123
Aircraft maintenance	95	118
Personnel expenses	70	65
Other operating expenses	271	284
	3,513	3,335
Earnings from operations	302	167
Other income (expense):		
Interest expense	(101)	(83)
Interest capitalized	10	9
Interest income	26	24
Equity in earnings of affiliates	13	8
Miscellaneous, net	1	(18)
	(51)	(60)

Earnings before income taxes	251	107
Provision for income taxes	100	52
Net earnings	$ 151	$ 55
Net earnings per share:		
Primary	$12.00	$ 1.89
Fully-diluted	$10.94	$ 1.89
Average shares:		
Primary	15.4	24.5
Fully-diluted	17.4	24.5

See accompanying notes to consolidated financial statements.

UAL Corporation and Subsidiary Companies
Statement of Consolidated Operations (Unaudited)

(In Millions, Except Per Share)

	Six Months Ended June 30	
	1995	1994
Operating revenues:		
Passenger	$6,312	$5,873
Cargo	360	332
Other operating revenues	477	492
	7,149	6,697
Operating expenses:		
Salaries and related costs	2,259	2,418
ESOP compensation expense	197	-
Aircraft fuel	790	749
Commissions	706	694
Aircraft rent	510	456
Purchased services	505	454
Depreciation and amortization	337	355
Landing fees and other rent	380	299
Food services	254	214
Aircraft maintenance	202	227
Personnel expenses	133	124
Other operating expenses	536	576
	6,809	6,566
Earnings from operations	340	131
Other income (expense):		
Interest expense	(203)	(166)
Interest capitalized	22	19
Interest income	48	41
Equity in earnings of affiliates	27	14
Miscellaneous, net	23	(40)
	(83)	(132)
Earnings (loss) before income taxes and cumulative effect of accounting change	257	(1)
Provision (credit) for income taxes	103	15
Earnings (loss) before cumulative effect of accounting change	154	(16)
Cumulative effect of accounting change, net of tax	-	(26)
Net earnings (loss)	$ 154	$ (42)
Per share, primary:		
Earnings (loss) before cumulative effect of accounting change	$11.74	$(1.43)
Cumulative effect of accounting change	-	(1.05)
Net earnings (loss)	$11.74	$(2.48)
Net earnings (loss) per share, fully-diluted	$11.03	$(2.48)

Average shares:		
Primary	14.9	24.5
Fully-diluted	17.0	24.5

See accompanying notes to consolidated financial statements.

UAL Corporation and Subsidiary Companies
Condensed Statement of Consolidated Cash Flows (Unaudited)
(In Millions)

	Six Months Ended June 30	
	1995	1994
Cash and cash equivalents at beginning of period	$ 500	$ 437
Cash flows from operating activities	1,150	988
Cash flows from investing activities:		
Additions to property and equipment	(330)	(187)
Proceeds on disposition of property and equipment	423	122
Decrease (increase) in short-term investments	(535)	365
Other, net	(20)	14
	(462)	314
Cash flows from financing activities:		
Repayment of long-term debt	(414)	(34)
Principal payments under capital lease obligations	(49)	(63)
Decrease in short-term borrowings	(269)	(46)
Other, net	(76)	(17)
	(808)	(160)
Increase (decrease) in cash and cash equivalents	(120)	1,142
Cash and cash equivalents at end of period	$ 380	$ 1,579
Cash paid during the period for:		
Interest (net of amounts capitalized)	$ 176	$ 140
Income taxes	$ 62	$ 12
Non-cash transactions:		
Capital lease obligations incurred	$ 185	$ -
Long-term debt incurred in connection with additions to equipment	$ 12	$ 12
Long-term debt issued in exchange for Series A preferred stock	$ 546	$ -
Unrealized gain (loss) on investments	$ 4	$ (3)

See accompanying notes to consolidated financial statements.

UAL Corporation and Subsidiary Companies
Notes to Consolidated Financial Statements (Unaudited)

The Company

UAL Corporation ("UAL") is a holding company whose principal subsidiary is United Air Lines, Inc. ("United").

Interim Financial Statements

The consolidated financial statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to or as permitted by such rules and regulations, although UAL believes that the disclosures are adequate to make the information presented not misleading. In management's opinion, all adjustments (which, except for the effects on the 1994 periods of the employee investment transaction, include only normal recurring adjustments) necessary for a fair presentation of the results of operations for the three and six month periods have been made. These financial statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in UAL's Annual Report on Form 10-K for the year 1994.

ESOP Compensation Expense

"ESOP compensation expense" in the 1995 second quarter and six-month period represents the estimated average fair value of ESOP convertible preferred stock committed to be released to employees for the period, net of amounts used to satisfy dividend requirements for previously allocated ESOP convertible preferred shares, under Employee Stock Ownership Plans which were created as a part of the July 1994 employee investment transaction and recapitalization. ESOP compensation expense was credited to additional capital invested during the 1995 periods.

Other Income (Expense) - Miscellaneous

Included in "Miscellaneous, net" in the 1995 six-month period was a $41 million gain on disposition of aircraft owned by Air Wisconsin, Inc. Included in the 1994 second quarter and six-month period were charges of $22 million and $41 million, respectively, for costs incurred in connection with the employee investment transaction and recapitalization. Also included were foreign exchange gains of $10 million in both the 1995 and 1994 second quarters, $2 million in the 1995 six-month period and $9 million in the 1994 six-month period. Charges for minority interests in Apollo Travel Services were $6 million in the 1995 and 1994 second quarters and $12 million in the 1995 and 1994 six-month periods.

Income Taxes

The provisions for income taxes for the 1995 second quarter and six-month period are based on the estimated annual effective tax rate, which differs from the federal statutory rate of 35% principally due to state income taxes and certain nondeductible expenses. The provisions for income taxes for the 1994 second quarter and six-month period were based on the actual effective tax rate for the periods, and include the effects of nondeductible expenses related to the employee investment transaction and recapitalization. Deferred tax assets are recognized based upon UAL's history of operating earnings and expectations for future taxable income.

Accounting Change

UAL adopted Statement of Financial Accounting Standards ("SFAS") No. 112, "Employers' Accounting for Postemployment Benefits," effective January 1, 1994. The effect of adopting SFAS No. 112 was a cumulative charge for recognition of the transition liability of $42 million, before tax benefits of $16 million.

Per Share Amounts

In April 1995, UAL issued convertible subordinated debentures in exchange for Series A preferred stock (See Preferred Stock Transactions). As a result of the exchange, UAL recorded a non-cash increase of $45 million in additional capital invested representing the excess of the carrying value of the preferred stock exchanged over the fair value of the new debentures. In May 1995, UAL repurchased 420 shares of its Series B preferred stock, resulting in a $1.9 million decrease in equity (See Preferred Stock Transactions). These transactions had no effect on earnings; however, their net impact on UAL's equity is included in the computation of earnings per share. The impact on earnings per share for the 1995 periods was as follows:

	Periods Ended June 30, 1995	
	Three Months	Six Months
Per share, primary:		
Net earnings before preferred stock transactions	$ 9.20	$ 8.85
Preferred stock transactions	2.80	2.89

	$12.00	$11.74
Per share, fully-diluted:		
Net earnings before preferred stock transactions	$ 8.46	$ 8.50
Preferred stock transactions	2.48	2.53
	$10.94	$11.03

Per share amounts were calculated after providing for cash dividends on preferred stock of $10 million in the 1995 second quarter, $9 million in the 1994 second quarter, $23 million in the 1995 six-month period and $19 million in the 1994 six-month period.

Primary per share amounts for the 1995 second quarter and six-month period were based on weighted average common shares and common equivalents outstanding, including ESOP shares committed to be released. In addition, fully-diluted per share amounts assume the conversion of convertible debentures and elimination of related interest. Common stock equivalents were not included in the 1994 computations as they did not have a dilutive effect.

In connection with the July 1994 recapitalization, each old common share was exchanged for one half new common share. As required under generally accepted accounting principles for transactions of this type, the historical weighted average shares outstanding have not been restated. Thus, direct comparisons between per share amounts for the 1995 and 1994 periods presented are not meaningful.

Affiliates

United owns 38% of the Galileo International Partnership ("Galileo") through a wholly-owned subsidiary. United's investment in Galileo, which owns the Apollo and Galileo computer reservations systems, is carried on the equity basis. United also owns 77% of the Apollo Travel Services Partnership and its accounts are consolidated.

Under operating agreements with Galileo, United purchases computer reservation services from Galileo and provides marketing, sales and communication services to Galileo. Revenues derived from the sale of services to Galileo amounted to approximately $62 million in the 1995 second quarter, $59 million in the 1994 second quarter, $124 million in the 1995 six-month period and $118 million in the 1994 six-month period. The cost to United of services purchased from Galileo amounted to approximately $27 million in the 1995 second quarter, $25 million in the 1994 second quarter, $52 million in the 1995 six-month period and $46 million in the 1994 six-month period.

Short-term Borrowings

In the second quarter of 1995, United repaid the entire balance of short-term borrowings outstanding, which amounted to $269 million at March 31, 1995. United has the ability to borrow up to $160 million under this facility, which expires in September 1995.

Long-term Debt

In addition to scheduled principal payments in the first six months of 1995, United repaid $150 million in principal amount of debentures and $223 million in principal amount of secured notes, resulting in an insignificant loss.

In May 1995, United issued $246 million of pass through certificates under an effective shelf registration statement UAL and United have on file with the Securities and Exchange Commission. The pass through certificates were issued to finance or refinance certain aircraft under operating leases. At June 30, 1995, up to $789 million of securities could be issued under the shelf registration statement, including secured and unsecured debt, equipment trust and pass through certificates, equity or a combination thereof. UAL's ability to issue equity securities is limited by its certificate of incorporation, which was restated in connection with the recapitalization.

Preferred Stock Transactions

In April 1995, UAL issued $600 million in principal amount of 6 3/8% convertible subordinated debentures due 2025 in exchange for all outstanding shares of its Series A convertible preferred stock. As a result of the difference between the carrying value of the preferred stock exchanged and the fair value of the new debentures, the exchange resulted in a net decrease in additional capital invested of only $546 million. The debentures are convertible into a combination of $541.90 in cash and approximately 3.192 shares of UAL common stock (equivalent to a conversion price of $143.50 per share of common stock) for each $1,000 in principal amount. The debentures are redeemable after May 1, 1996, at UAL's option, initially at a redemption price of 104.375% of the principal amount, declining ratably to 100% of the principal amount over seven years. UAL may only exercise this option if the market value of its common stock exceeds 120% of the conversion price of the debentures for at least 20 of 30 consecutive trading days prior to the redemption, subject to certain conditions. Additionally, UAL has the right to defer the payment of interest on the debentures for up to 20 consecutive quarters. In July 1995, a holder of $3 million in principal amount of debentures notified UAL of its intention to convert.

In May 1995, UAL repurchased 420,000 depositary shares, representing 420 shares of its Series B 12 1/4% preferred stock, at an aggregate cost of $12.4 million to be held in treasury.

Contingencies and Commitments

UAL has certain contingencies resulting from litigation and claims (including environmental issues) incident to the ordinary course of business. Management believes, after considering a number of factors, including (but not limited to) the views of legal counsel, the nature of contingencies to which UAL is subject and its prior experience, that the ultimate disposition of these contingencies is not expected to materially affect UAL's consolidated financial position or results of operations.

At June 30, 1995, commitments for the purchase of property and equipment, principally aircraft, approximated $3.9 billion, after deducting advance payments. An estimated $0.9 billion will be spent during the remainder of 1995, $1.1 billion in 1996, $1.3 billion in 1997, $0.4 billion in 1998 and $0.2 billion in 1999 and therafter. The major commitments are for the purchase of 29 B777 aircraft, two B747 aircraft and four B757 aircraft. The B777s are expected to be delivered between 1995 and 1999 and the B747s and B757s are expected to be delivered in 1996.

In addition to aircraft orders, United has arrangements with Airbus Industrie and International Aero Engines to lease an additional 21 A320 aircraft, which are scheduled for delivery through 1998. At June 30, 1995, United also had options for an additional 150 B737 aircraft, 33 B757 aircraft, 34 B777 aircraft, 43 B747 aircraft, 6 B767 aircraft and 50 A320 aircraft. These option amounts have been reduced to reflect the recent confirmation of two B747 options, the replacement of two B767 options with the B757 orders mentioned above and cancellation of certain options. Under the terms of certain of these remaining options which are exercisable during 1996 and 1997, United would forfeit significant deposits on such options it does not exercise.

Sale of Aircraft

In the first six months of 1995, Air Wisconsin, Inc. sold ten Dash 8 aircraft and related spare parts to Mesa Airlines. The sale resulted in a pre-tax gain of $41 million. In connection with the sale, United agreed to a ten-year extension of its United Express marketing agreement with Mesa Airlines.

Subsequent Event

In July 1995, United gave notice of its intention to retire all $229 million of its outstanding Japanese yen-denominated deferred purchase certificates. The certificates, which will be retired throughout the third and fourth quarters, were scheduled for repayment periodically through 1998. In connection with the Japanese yen-denominated obligations referred to above, United had entered into a foreign currency swap contract to reduce exposure to currency fluctuations. This swap contract, which was designated as a hedge, will be terminated at the same time as the obligations. The retirement, which will result in a net cash outflow of approximately $194 million including accrued interest but net of amounts to be received under the swap contract, will result in an insignificant loss.

At the same time, United also gave notice of its intention to terminate related operating leases for 39 aircraft, by exercising its right to acquire the aircraft. Operating property and equipment will increase by approximately $400 million by December 31, 1995 as a result of this transaction. Termination of these leases will reduce future minimum lease payments, as reported at December 31, 1994, by $130 million in each of 1996 and 1997 and by $166 million in 1998.

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

LIQUIDITY AND CAPITAL RESOURCES

UAL's total of cash and cash equivalents and short-term investments was $1.946 billion at June 30, 1995, compared to $1.532 billion at December 31, 1994. Cash flows from operating activities amounted to $1.150 billion. Investing activities, excluding the increase in short-term investments, resulted in cash flows of $73 million. Financing activities included principal payments under debt and capital lease obligations of $414 million and $49 million, respectively, and the repayment of $269 million of short-term borrowings.

In April 1995, UAL issued $600 million in principal amount of convertible subordinated debentures in exchange for all outstanding shares of its Series A convertible preferred stock. As a result of the exchange, UAL recorded a non-cash increase of $45 million in additional capital invested representing the excess of the carrying value of the preferred stock exchanged over the fair value of the new debentures.

In the first six months of 1995, United took delivery of eight A320 aircraft under operating leases. During the period, United also took delivery of five B777 aircraft, two under capital leases and three which were initially purchased, then sold and leased back under operating leases. Property additions, including the three B777s and aircraft spare parts, amounted to $330 million. Property dispositions, including the sale and leaseback of the three B777s and the sale of Dash 8 aircraft by Air Wisconsin, Inc., resulted in proceeds of $423 million.

In July 1995, United gave notice of its intention to retire all $229 million of its outstanding Japanese yen-denominated deferred purchase certificates during the third and fourth quarters of 1995. At the same time, United gave notice of its intention to terminate related operating leases for 39 aircraft, by exercising its right to acquire the aircraft. The net acquisition cost of such aircraft is expected to aggregate $436 million after making all scheduled rent payments.

At June 30, 1995, commitments for the purchase of property and equipment, principally aircraft, approximated $3.9 billion, after deducting advance payments. An estimated $0.9 billion will be spent during the remainder of 1995, $1.1 billion in 1996, $1.3 billion in 1997, $0.4 billion in 1998 and $0.2 billion in 1999 and thereafter. The major commitments are for the purchase of 29 B777 aircraft, two B747 aircraft and four B757 aircraft. The B777s are expected to be delivered between 1995 and 1999 and the B747s and B757s are expected to be delivered in 1996.

In addition to aircraft orders, United has arrangements with Airbus Industrie and International Aero Engines to lease 21 A320 aircraft, which are scheduled for delivery through 1998. At June 30, 1995, United also had options for an additional 150 B737 aircraft, 33 B757 aircraft, 34 B777 aircraft, 43 B747 aircraft, 6 B767 aircraft and 50 A320 aircraft. Under the terms of certain of these options which are exercisable during 1996 and 1997, United would forfeit significant deposits on such options it does not exercise.

In April 1995, United announced that, under a revised fleet plan, it would use most of the new aircraft to be delivered through 1997 to replace older aircraft in its fleet. As a result, the number of aircraft in United's operating fleet is expected to increase by 19 during that time, compared to an increase of 48 aircraft called for by United's previous fleet plan. Funds necessary to finance aircraft acquisitions are expected to be obtained from internally generated funds, irrevocable external financing arrangements or other external sources.

In May 1995, United issued $246 million of pass through certificates under an effective shelf registration statement UAL and United have on file with the Securities and Exchange Commission. The pass through certificates were issued to finance or refinance certain aircraft under operating leases. At June 30, 1995, up to $789 million of securities could be issued under the shelf registration statement, including secured and unsecured debt, equipment trust and pass through certificates, equity or a combination thereof. UAL's ability to issue equity securities is limited by its certificate of incorporation, which was restated in connection with the recapitalization.

In June 1995, the Indianapolis Airport Authority issued $221 million of special facility bonds, guaranteed by United, related to the maintenance facilities being constructed at its Indianapolis Maintenance Center. In connection with the construction of the Indianapolis Maintenance Center, United agreed to reach an $800 million capital spending target by the year 2001 and employ at least 7,500 individuals by the year 2004. In the event that such targets are not reached, United may be required to make certain additional payments under related agreements.

RESULTS OF OPERATIONS

UAL's results of operations for interim periods are not necessarily indicative of those for an entire year, as a result of seasonal factors to which United is subject. First and fourth quarter results are normally affected by reduced travel demand in the fall and winter and United's operations, particularly at its Chicago and Denver hubs, are adversely affected by winter weather on occasion.

The results of operations in the airline business historically fluctuate significantly in response to general economic conditions. This is because small fluctuations in yield (passenger revenue per revenue passenger mile) and cost per available seat mile can have a significant effect on operating results. UAL anticipates industrywide fare levels, low-cost competition, general economic conditions, fuel costs, international governmental policies and other factors will continue to affect its operating results.

The July 1994 employee investment transaction and recapitalization resulted in wage and benefit reductions and work-rule changes which were designed to reduce cash operating expenses. These cash expense reductions are offset by non-cash compensation charges for stock periodically committed to be released to employees under the ESOPs and additional interest expense on the debentures issued at the time of the recapitalization.

As a result of the recapitalization, UAL's capital structure became more highly leveraged. With the increase in debt and reduction in equity resulting from the recapitalization, UAL's exposure to certain industry risks could be greater than might have been the case prior to the recapitalization. In addition, the transaction resulted in new labor agreements for certain employee groups and a new corporate governance structure, which was designed to achieve balance between the various employee-owner groups and public stockholders. The new labor agreements and governance structure could inhibit management's ability to alter strategy in a volatile, competitive industry by restricting certain operating and financing activities, including the sale of assets and the issuance of equity securities and the ability to furlough employees. UAL's ability to react to competition may be hampered further by the fixed long-term nature of these various agreements. The continued success of the recapitalization will be dependent upon a number of factors, including the state of the competitive environment in the airline industry, competitive responses to United's efforts, United's ability to achieve enduring cost savings through productivity improvements and the renegotiation of labor agreements at the end of the investment period.

United generates revenues and incurs expenses in numerous foreign currencies. These expenses include reservation and ticket office services, customer service, aircraft maintenance, catering, commissions, aircraft leases and personnel costs. Changes in foreign currency exchange rates impact operating income through changes in foreign currency-denominated operating revenues and expenses. Despite the adverse (favorable) effects a strengthening (weakening) foreign currency will have on U.S. originating traffic, a strengthening (weakening) of foreign currencies tends to increase (decrease) reported revenue and operating income because United's foreign currency-denominated operating revenue generally exceeds its foreign currency-denominated operating expense for each currency. United's biggest net exposures are for Japanese yen and Australian dollars. During the first six months of 1995, yen-denominated operating revenue net of yen-denominated operating expense was approximately 19.9 billion yen (approximately $215 million), and Australian dollar-denominated operating revenue net of Australian dollar-denominated operating expense was approximately 84 million Australian dollars (approximately $62 million).

Other non-operating income (expense) is also affected as a result of transaction gains and losses resulting from rate fluctuation. The foreign exchange gains and losses recorded by United result from the impact of exchange rate changes on foreign currency denominated assets and liabilities, primarily yen-denominated balances. To the extent yen-denominated liability balances are predictable, United attempts to minimize transaction gains and losses by investing in yen-denominated time deposits to offset the impact of rate changes. In addition, United entered into a foreign currency swap contract in 1994 to reduce exposure to currency fluctuations in connection with other long-term yen-denominated obligations. Where no significant liability exists to offset, United mitigates its exposure to foreign exchange rate fluctuations by converting excess local currencies generated to U.S. dollars. At June 30, 1995, yen-denominated assets were approximately equal to yen-denominated liabilities.

United expects that it will continue to be affected by the above mentioned factors, but cannot predict how foreign currency exchange rates will move in the future.

The Omnibus Budget Reconciliation Act of 1993 signed into law on August 10, 1993, imposes a 4.3 cent per gallon tax on commercial aviation jet fuel purchased for use in domestic operations. This new fuel tax is scheduled to become effective October 1, 1995, and continue until October 1, 1998. Based on United's 1994 domestic fuel consumption of 1.7 billion gallons, the new fuel tax, when effective, is expected to increase United's operating expenses by approximately $75 million annually. United, through the Air Transportation Association, is actively lobbying for repeal of this tax.

In the first quarter of 1995, United implemented a new travel agency commission payment plan that offers a maximum of $50 for round-trip domestic tickets and a maximum of $25 for one-way domestic tickets. The new commission plan resulted in a reduction of approximately $30 million in United's commission expense for the first six months of 1995; however, United estimates the reduction of commission expense in the second half of 1995 will be between $50 million and $60 million. Litigation challenging this payment plan is pending. A decision on the defendant airlines' motion for summary judgment and the plaintiff travel agencies' motion for preliminary injunction is expected during the third quarter of 1995. (See Part II, Item 1. Legal Proceedings)

Summary of Results and Impact of Recapitalization

UAL's earnings from operations were $340 million in the first six months of 1995, compared to operating earnings of $131 million in the first six months of 1994. UAL's net earnings in the 1995 six-month period were $154 million ($11.74 per share, primary; $11.03 per share, fully diluted), compared to a net loss of $42 million in the same period of 1994 ($2.48 per share). The 1994 loss includes a $26 million after tax charge for the cumulative effect of adopting Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits," which UAL adopted effective January 1, 1994.

In the second quarter of 1995, UAL's earnings from operations were $302 million, compared to $167 million in the second quarter of 1994. UAL's net earnings in the second quarter of 1995 were $151 million ($12.00 per share, primary; $10.94 per share, fully diluted), compared to net earnings of $55 million in the first quarter of 1994 ($1.89 per share).

The 1995 per share amounts above include the effects on equity of the exchange of convertible debentures for Series A convertible preferred stock, which had the effect of increasing additional capital invested by $45 million, and the repurchase of Series B preferred stock, which decreased equity by $2 million. See "Per Share Amounts" in the notes to consolidated financial statements. Excluding the preferred stock transactions, UAL's earnings per share were $9.20, primary, and $8.46, fully diluted, for the 1995 second quarter and $8.85, primary, and $8.50, fully diluted, for the 1995 six-month period.

In connection with the July 1994 recapitalization, each share of old common stock was converted to one half share of new common stock (and cash in lieu of fractional shares) and $84.81 in cash. As a result, the number of outstanding shares was reduced proportionately. Accordingly, the weighted average shares in the earnings per share calculations are based on the number of old common shares outstanding prior to the recapitalization and the reduced number of new common shares outstanding subsequent to the transaction. Thus, direct comparisons between per share amounts for the 1995 and 1994 periods presented are not meaningful.

Management believes that a more complete understanding of UAL's results can be gained by viewing them on a pro forma, "fully distributed" basis. This approach considers all ESOP shares which will ultimately be distributed to employees throughout the ESOP (rather than just the shares committed to be released) to be immediately outstanding and thus fully distributed. Consistent with this method, the ESOP compensation expense is excluded from fully distributed net earnings. On a fully distributed basis, UAL's net earnings for the 1995 second quarter would have been $215 million compared to $151 million as reported under generally accepted accounting principles. On a fully distributed basis, UAL's net earnings for the 1995 six-month period would have been $274 million compared to $154 million as reported under generally accepted accounting principles. Per share amounts would be as follows:

	Three Months Ended June 30, 1995		Six Months Ended June 30, 1995	
	GAAP (Primary)	Fully Distributed	GAAP (Primary)	Fully Distributed
Earnings before preferred stock transactions	$ 9.20	$ 6.51	$ 8.85	$ 8.13
Preferred stock transactions	2.80	1.32	2.89	1.33
	$ 12.00	$ 7.83	$ 11.74	$ 9.46

Specific factors affecting UAL's consolidated operations for the second quarter and first six months of 1995 are described below.

Second Quarter 1995 Compared with Second Quarter 1994.

Operating revenues increased $313 million (9%). United's revenue per available seat mile increased 5% to 9.68 cents. Passenger revenues increased $290 million (9%) due to a 5% increase in yield to 11.97 cents and a 4% increase in revenue passenger miles. Domestic revenue passenger miles increased 5% and Pacific increased 6%. Atlantic revenue passenger miles decreased 1% and Latin America was relatively unchanged. Available seat miles increased 4% systemwide, as increases of 11% and 3% on Pacific and Domestic routes, respectively, were partially offset by a 4% decrease in the Atlantic and a 1% decrease in Latin America. United's system passenger load factor increased 0.3 points to 71.9%.

Cargo revenues increased $17 million (10%), as both freight and mail revenues increased due to higher cargo volumes. Other operating revenues increased $6 million (3%).

Operating expenses increased $178 million (5%); however, United's cost per available seat mile increased only 2% from 8.77 cents to 8.91 cents, including ESOP compensation expense. Without the ESOP compensation expense, United's 1995 second quarter cost per available seat mile would have been 8.64 cents, a decrease of 1% from 1994. ESOP compensation expense of $108 million in the 1995 second quarter represents the estimated average fair value of ESOP stock committed to be released to employees for the quarter, net of amounts used to satisfy dividend requirements for previously allocated ESOP convertible preferred shares. Landing fees and other rent increased $64 million (44%) due to increased facilities rent, particularly due to new facilities at Denver. Aircraft fuel expense increased $33 million (9%) due to a 4% increase in consumption and a 4% increase in the average price per gallon of fuel to 58.9 cents. Aircraft rent increased $31 million (13%) as a result of new aircraft acquired on operating leases. Purchased services increased $30 million (13%) due principally to volume-related increases in computer reservations fees and credit card discounts. Food services increased $12 million (10%) due to the new catering arrangements resulting from the 1994 sale of flight kitchens and increased passenger volumes.

Salaries and related costs decreased $70 million (6%) primarily due to savings resulting from wage and benefit concessions made by employees participating in the ESOPs, partially offset by higher average wage rates for other employee groups. Aircraft maintenance decreased $23 million (19%) due principally to the removal of certain older aircraft from United's operating fleet and the timing of maintenance cycles.

Other expense amounted to $51 million in the second quarter of 1995 compared to $60 million in the second quarter of 1994. Interest expense increased $18 million (22%) due primarily to interest on the debentures issued in connection with the recapitalization. Included in the second quarter of 1994 was a charge of $22 million for costs incurred in connection with the employee investment transaction. In addition, both the 1995 and 1994 periods included foreign exchange gains of $10 million.

Six Months 1995 Compared with Six Months 1994.

Operating revenues increased $452 million (7%). United's revenue per available seat mile increased 2% to 9.27 cents. Passenger revenues increased $439 million (7%) due principally to a 6% increase in revenue passenger miles and a 1% increase in yield to 11.77 cents. Domestic and Pacific revenue passenger miles increased 7% and Latin America increased 1%. Atlantic revenue passenger miles decreased 3%. Available seat miles increased 5% systemwide, as increases of 13% and 4% on Pacific and Domestic routes, respectively, were partially offset by a 4% decrease in the Atlantic. As a result, United's system passenger load factor increased 0.9 points to 69.5%.

Cargo revenues increased $28 million (8%), as both freight and mail revenues increased due to higher cargo volumes. Other operating revenues decreased $15 million (3%) due primarily to a decrease in fuel sales.

Operating expenses increased $243 million (4%); however, United's cost per available seat mile decreased 1% from 8.90 cents to 8.82 cents, including ESOP compensation expense. Without the ESOP compensation expense, United's 1995 six month cost per available seat mile would have been 8.57 cents, a decrease of 4% from 1994. ESOP compensation expense of $197 million in the first six months of 1995 represents the estimated average fair value of ESOP stock committed to be released to employees for the period, net of amounts used to satisfy dividend requirements for previously allocated ESOP convertible preferred shares. Landing fees and other rent increased $81 million (27%) due to increased facilities rent, primarily due to new facilities at Denver, and increased landing fees as the number of departures increased 9%. Aircraft rent increased $54 million (12%) as a result of new A320 and B777 aircraft on operating leases. Purchased services increased $51 million (11%) due principally to volume-related increases in computer reservations fees and credit card discounts. Aircraft fuel expense increased $41 million (5%) as fuel consumption increased 5% and the average price per gallon of fuel remained relatively unchanged at 57.9 cents. Food services increased $40 million (19%) due to the new catering arrangements resulting from the 1994 sale of flight kitchens and increased passenger volumes.

Salaries and related costs decreased $159 million (7%) primarily due to savings resulting from wage and benefit concessions made by employees participating in the ESOPs, partially offset by higher average wage rates for other employee groups. Aircraft maintenance decreased $25 million (11%) due principally to the removal of certain older aircraft from United's operating fleet and the timing of maintenance cycles. Depreciation and amortization expense decreased $18 million (5%), as certain assets, principally B727 aircraft, are now fully depreciated. Other operating expenses decreased $40 million (7%) due mainly to lower fuel sales.

Other expense amounted to $83 million in the first six months of 1995 compared to $132 million in the same period of 1994. Interest expense increased $37 million (22%) due primarily to interest on the debentures issued in connection with the recapitalization and the convertible debentures issued in exchange for the Series A preferred stock. Included in "Miscellaneous, net" in the 1995 six-month period was a $41 million gain on the disposition of ten Dash 8 aircraft and spare parts owned by Air Wisconsin, Inc. Included in the 1994 six-month period was a charge of $41 million for costs incurred in connection with the employee investment transaction. In addition, the 1995 and 1994 periods included foreign exchange gains of $2 million and $9 million, respectively. Charges for minority interests in Apollo Travel Services were $12 million in both the 1995 and 1994 six-month periods.

The income tax provision for the first six months of 1994 was significantly impacted by the nondeductibility of certain recapitalization costs.

Part II
Other Information

Item 1. Legal Proceedings.

In Re Airline Travel Agency Commission Litigation. On February 13, l995 and dates thereafter United Air Lines, Inc. ("United"), a wholly owned subsidiary of UAL Corporation ("UAL"), and six other airlines were sued in various courts around the nation by travel agents and the American Society of Travel Agents claiming as a class action that the carriers acted collusively in violation of federal antitrust laws when they imposed a cap on ticket sales commissions payable to travel agencies by the carriers. As a result of an order by the multi-district panel, the suits are now consolidated before the federal court in Minneapolis. A discovery and motion filing schedule has been established by this court, under which a hearing was held on July 7, 1995 on plaintiffs' motion for a preliminary injunction and the carriers' motion for summary judgment. As relief, the plaintiffs seek an order declaring the carriers' commission cap action to be illegal and the recovery of damages (trebled) to the agencies resulting from that action.

Summers et al. v. State Street Bank and Trust Company et al. On April 14, 1995, plaintiffs filed a class action complaint against State Street Bank and Trust Company ("State Street"), the UAL Corporation Employee Stock Ownership Plan and the UAL Corporation Supplemental Employee Stock Ownership Plan (together, the "Plans") in the United States District Court for the Northern District of Illinois. The complaint is brought on behalf of a putative class of all persons who are, or were as of July 12, 1994, participants or beneficiaries of the Plans. Plaintiffs allege that State Street breached various fiduciary duties under the Employee Retirement Income Security Act of 1974 ("ERISA") in connection with the 1994 purchase of UAL preferred stock by the Plans. The Plans are nominal defendants; no relief is sought from them. The complaint seeks a declaration that State Street violated ERISA, restoration to the Plans by State Street of the amount of an alleged "overpayment" for the stock, and other relief. United is obligated, subject to certain exceptions, to indemnify State Street for part or all of an adverse judgment and State Street's defense costs. On July 12, 1995, the defendants filed a motion to dismiss the complaint in its entirety. A ruling is expected on that motion on or before the September 20, 1995 hearing set by the presiding judge.

Item 4. Submission of Matters to a Vote of Security Holders.

At the annual meeting of the stockholders of UAL Corporation on May 18, 1995, the following matters were voted upon:

Description	Votes
1. Election of Board of Directors	
Public Directors:	
John A. Edwardson	10,963,337 For
	61,973 Withheld
Description	Votes
Gerald Greenwald	10,963,063 For
	62,247 Withheld
John F. McGillicuddy	10,958,961 For
	66,349 Withheld
James J. O'Connor	10,954,344 For
	70,966 Withheld
Paul E. Tierney, Jr.	10,929,222 For
	96,088 Withheld
Independent Directors:	
Duane D. Fitzgerald	4 For
	0 Withheld
Richard D. McCormick	4 For
	0 Withheld
John K. Van de Kamp	4 For
	0 Withheld
Paul A. Volcker	4 For
	0 Withheld

ALPA Director:

Harlow B. Osteboe	1	For
	0	Withheld

IAM Director:

John R. Peterpaul	1	For
	0	Withheld

Salaried/Management Employee Director:

Joseph V. Vittoria	3	For
	0	Withheld

2. Approval of UAL Corporation 1995 Directors Plan	23,884,487	For
	1,628,103	Against
	646,716	Abstain
	0	Broker Non-Votes

Description	Votes	
3. Approval of Charter Amendments - Certain Definitions	24,309,051	For
	1,082,107	Against
	768,148	Abstain
	0	Broker Non-Votes
4. Approval of Charter Amendments - Board Committee Matters	23,952,838	For
	1,447,138	Against
	759,330	Abstain
	0	Broker Non-Votes
5. Appointment of Independent Public Accountants	24,221,239	For
	1,316,834	Against
	621,233	Abstain
	0	Broker Non-Votes

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibit 3.1 - Certificate of Amendment of the Restated Certificate of Incorporation of UAL Corporation (the "Company") as filed in Delaware on May 25, 1995 (filed as Exhibit 3.1 to the Company's Form 8-K dated June 27, 1995 and incorporated herein by reference).

Exhibit 10.1 - UAL Corporation 1995 Directors Plan (filed as Exhibit 10.19 to the Company's Form 10-K/A (Amendment No. 1) for the year ended December 31, 1994 and incorporated herein by reference).

Exhibit 10.2 - Letter Agreement dated April 28, 1995 between UAL Corporation and United Air Lines, Inc. and Joseph R. O'Gorman.

Exhibit 10.3 - UAL Corporation Retirement Plan for Outside Directors, as supplemented March 30, 1995.

Exhibit 10.4 - Side Letter Agreement dated June 8, 1995 to Letter Agreement No. 6-1162-DLJ-1123 to the Agreement dated December 18, 1990 between Boeing and United (and United Worldwide Corporation) for acquisition of 777-200 aircraft (as previously amended and supplemented, the "777-200 Purchase Agreement" (filed as Exhibit 10.7 to the Company's Form 10-K for the year ended December 31, 1990, and incorporated herein by reference; supplements thereto filed as (i) Exhibits 10.1, 10.2 and 10.22 to the Company's Form 10-Q for the quarter ended June 30, 1993, (ii) Exhibit 10.2 to the Company's Form 10-K for the year ended December 31, 1993, (iii) Exhibit 10.14 to the Company's Form 10-Q for the quarter ended June 30, 1994, (iv) Exhibits 10.27 and 10.28 to the Company's Form 10-K for the year ended December 31, 1994, and (v) Exhibits 10.2 and 10.3 to the Company's Form 10-Q for the quarter ended March 31, 1995, and incorporated herein by reference)). (Exhibit 10.4 hereto is filed with a request for confidential treatment of certain portions thereof.)

Exhibit 10.5 - Change Order No. 6 dated February 21, 1995 to the 777-200 Purchase Agreement. (Exhibit 10.5 hereto is filed with a request for confidential treatment of certain portions thereof.)

Exhibit 10.6 - Letter Agreement No. 6-1162-RCN-916 dated May 23, 1995 to the 777-200 Purchase Agreement. (Exhibit 10.6 hereto is filed with a request for confidential treatment of certain portions thereof.)

Exhibit 10.7 - Side Letter Agreement dated June 8, 1995 to Letter Agreement No. 6-1162-DLJ-1124 to the Agreement dated December 18, 1990 between Boeing and United (and United Worldwide Corporation) for acquisition of 747-400 aircraft (as previously amended and supplemented, the "747-400 Purchase Agreement" (filed as Exhibit 10.8 to the Company's Form 10-K for the year ended December 31, 1990, and incorporated herein by reference; supplements thereto filed as (i) Exhibits 10.4 and 10.5 to the Company's Form 10-K for the year ended December 31, 1991, (ii) Exhibits 10.3, 10.4, 10.5, 10.6 and 10.22 to the Company's Form 10-Q for the quarter ended June 30, 1993, (iii) Exhibit 10.3 to the Company's Form 10-K for the year ended December 31, 1993, (iv) Exhibit 10.14 to the Company's Form 10-Q for the quarter ended June 30, 1994, (v) Exhibits 10.29 and 10.30 to the Company's Form 10-K for the year ended December 31, 1994, and (vi) Exhibits 10.4 through 10.8 to the Company's Form 10-Q for the quarter ended March 31, 1995, and incorporated herein by reference)). (Exhibit 10.7 hereto is filed with a request for confidential treatment of certain portions thereof.)

Exhibit 10.8 - Change Order No. 1 to the 747-400 Purchase Agreement. (Exhibit 10.8 hereto is filed with a request for confidential treatment of certain portions thereof.)

Exhibit 10.9 - Amendment No. 3 dated as of March __, 1995 to the Agreement dated August 10, 1992 between AVSA, S.A.R.L., as seller, and United Air Lines, Inc., as buyer, for the acquisition of Airbus Industrie A320-200 model aircraft (as previously amended and supplemented, "A320-200 Purchase Agreement" (filed as Exhibit 10.14 to the Company's Form 10-K for the year ended December 31, 1992, and incorporated herein by reference; supplements thereto filed as (i) Exhibits 10.4 and 10.5 to the Company's Form 10-K for the year ended December 31, 1993, (ii) Exhibits 10.15 and 10.16 to the Company's Form 10-Q for the quarter ended June 30, 1994, and (iii) Exhibit 10.31 to the Company's Form 10-K for the year ended December 31, 1994, and incorporated herein by reference)). (Exhibit 10.9 hereto is filed with a request for confidential treatment of certain portions thereof.)

Exhibit 11 - Calculation of fully diluted net earnings per share.

Exhibit 12.1 - Computation of Ratio of Earnings to Fixed Charges.

Exhibit 12.2 - Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements.

Exhibit 27 - Financial Data Schedule.

(b) Form 8-K dated June 27, 1995 to report UAL Corporation's Certificate of Amendment of the Restated Certificate of Incorporation as filed with the Secretary of State of Delaware on May 25, 1995.

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 thereunto duly authorized.

UAL CORPORATION

By: /s/ Gerald Greenwald
Gerald Greenwald

Chairman and Chief
Executive Officer

By: /s/ Douglas A. Hacker
Douglas A. Hacker
Senior Vice President-Finance
(Principal Financial and
Accounting Officer)

Dated: August 9, 1995

Exhibit Index

Exhibit No.	Description
3.1	Certificate of Amendment of the Restated Certificate of Incorporation of UAL Corporation (the "Company") as filed in Delaware on May 25, 1995 (filed as Exhibit 3.1 to the Company's Form 8-K dated June 27, 1995 and incorporated herein by reference).
10.1	UAL Corporation 1995 Directors Plan (filed as Exhibit 10.19 to the Company's Form 10-K/A (Amendment No. 1) for the year ended December 31, 1994 and incorporated herein by reference).
10.2	Letter Agreement dated April 28, 1995 between UAL Corporation, United Air Lines, Inc. and Joseph R. O'Gorman.
10.3	UAL Corporation Retirement Plan for Outside Directors, as supplemented March 30, 1995.
10.4	Side Letter Agreement dated June 8, 1995 to Letter Agreement No. 6-1162-DLJ-1123 to the Agreement dated December 18, 1990 between Boeing and United (and United Worldwide Corporation) for acquisition of 777-200 aircraft (as previously amended and supplemented, the "777-200 Purchase Agreement" (filed as Exhibit 10.7 to the Company's Form 10-K for the year ended December 31, 1990, and incorporated herein by reference; supplements thereto filed as (i) Exhibits 10.1, 10.2 and 10.22 to the Company's Form 10-Q for the quarter ended June 30, 1993, (ii) Exhibit 10.2 to the Company's Form 10-K for the year ended December 31, 1993, (iii) Exhibit 10.14 to the Company's Form 10-Q for the quarter ended June 30, 1994, (iv) Exhibits 10.27 and 10.28 to the Company's Form 10-K for the year ended December 31, 1994, and (v) Exhibits 10.2 and 10.3 to the Company's Form 10-Q for the quarter ended March 31, 1995, and incorporated herein by reference)). (Exhibit 10.4 hereto is filed with a request for confidential treatment of certain portions thereof.)
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10.8 Change Order No. 1 to the 747-400 Purchase Agreement. (Exhibit 10.8 hereto is filed with a request for confidential treatment of certain portions thereof.)

10.9 Amendment No. 3 dated as of March __, 1995 to the Agreement dated August 10, 1992 between AVSA, S.A.R.L., as seller, and United Air Lines, Inc., as buyer, for the acquisition of Airbus Industrie A320-200 model aircraft (as previously amended and supplemented, "A320-200 Purchase Agreement" (filed as Exhibit 10.14 to the Company's Form 10-K for the year ended December 31, 1992, and incorporated herein by reference; supplements thereto filed as (i) Exhibits 10.4 and 10.5 to the Company's Form 10-K for the year ended December 31, 1993, (ii) Exhibits 10.15 and 10.16 to the Company's Form 10-Q for the quarter ended June 30, 1994, and (iii) Exhibit 10.31 to the Company's Form 10-K for the year ended December 31, 1994, and incorporated herein by reference)). (Exhibit 10.9 hereto is filed with a request for confidential treatment of certain portions thereof.)

11 Calculation of fully diluted net earnings per share.

12.1 Computation of Ratio of Earnings to Fixed Charges.

12.2 Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements.

27 Financial Data Schedule.

Exhibit 10.2

April 28, 1995

Mr. Joseph R. O'Gorman, Jr.
P.O. Box 422
Barrington, Illinois 60011

By letter dated March 30, 1995 (the "Termination Letter"), UAL Corporation (the "Company") notified you that it did not wish to extend beyond its earliest expiration date the term of that certain letter agreement with you dated July 1, 1993, as amended and supplemented, by which you would receive severance benefits under certain conditions if your employment with the Company terminated subsequent to a change in control (the "Severance Agreement"). As the result of the Termination Letter, the Severance Agreement would have expired on August 31, 1997.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company agrees with you that the expiration date of the Severance Agreement is hereby extended to August 1, 1998. The Termination Letter shall be deemed modified as necessary to accomplish this extension.

In addition, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, United Air Lines, Inc. ("United") hereby agrees to amend and restate the agreements set forth in those two letters to you concerning supplemental retirement benefits (1) from United dated February 25, 1991 and (2) from the Company and United dated as of March 25, 1994 (each of which letters is hereby superseded and terminated in its entirety), as follows:

A. United agrees to pay you, in addition to all other benefits to which you may be entitled as United's Executive Vice President - Fleet Operations and Administration, a supplemental retirement benefit computed and paid in accordance with United's Management and Salaried Employee's Retirement Plan and The United Air Lines, Inc. Supplemental Retirement Plan (together, the "Plans") but calculating your accrued benefit (the "Additional Years of Service Credit") as if you had been continuously employed by United from June 27, 1966 to the date of your retirement from United. The amount of this supplemental retirement benefit shall be determined without decrement based on age at the time of retirement, so that such benefit will be determined as if you actually retired at age 65, regardless of the actual age at which you retire. This supplemental retirement benefit shall be offset by the accrued benefit payable to you under the Plans, and shall be paid out of United's general funds pursuant to United's contractual obligation hereunder, but no funds shall be placed in trust or otherwise set aside by United to provide for payments hereunder. Such supplemental retirement benefit shall be payable at the same time and in the same manner as you elect to receive your benefits under the Plans. The Additional Years of Service Credit shall also apply in determining your eligibility for, and the amount of, your other retiree benefits.

B. Section 4(iii)(E) of the Severance Agreement is amended by adding the following new sentence immediately before the last sentence thereof: "For purposes of determining, pursuant to the preceding sentence, whether you could have retired and received retirement benefits, and the amount of benefits you would have been entitled to receive, with respect to one or more of the foregoing insurance benefits, you shall be credited with such additional years of credited service as are credited to you for supplemental pension benefit purposes pursuant to that certain letter agreement entered into between you and United dated as of April 28, 1995 (the

"Letter Agreement")."

C. Section 4(iii)(F) of the Severance Agreement is amended by inserting the following immediately preceding clause (x) in the last sentence thereof: "(w) you shall be credited with, as of the Date of Termination, such additional years of credited service as are credited to you for supplemental pension benefit purposes pursuant to the Letter Agreement."

Please sign and return the enclosed copy of this letter, which will, together with the Termination Letter and the Severance Agreement and subject to the following sentence, constitute our agreement on these subjects. The new obligations of the Company and United under this letter shall be subject in their entirety to the approval of the Compensation Committee of the Board of Directors of the Company, and shall not become effective unless and until the date that such approval, if any, is given.

UAL Corporation

By: /s/ John A. Edwardson
John A. Edwardson
President and Chief
Operating Officer

United Air Lines, Inc.

By: /s/ John A. Edwardson
John A. Edwardson
President and Chief
Operating Officer

Agreed to and Accepted as of April 28, 1995

/s/ Joseph R. O'Gorman
Joseph R. O'Gorman

EXHIBIT 10.3

UAL CORPORATION
Retirement Plan for Outside Directors, as Supplemented March 30, 1995

I. Effective Date

The provisions of this plan shall be effective for any Eligible Director (as defined below) who terminates his/her service with UAL Corporation (the "Corporation") on or after January 1, 1987 (the "Effective Date") thereto. Notwithstanding the foregoing, the provisions of this plan which become operable upon the occurrence of a Change in Control (as hereinafter defined) shall not apply to any participant who first becomes an Outside Director (as hereinafter defined) subsequent to the Change in Control which occurred on July 12, 1994 (the "Recapitalization") and who as of March 30, 1995, has not satisfied the months of service requirement entitling such participant to benefits hereunder (a "Subsequent Director"). With respect to each Subsequent Director, the plan shall be read and interpreted as if the provisions hereof pertaining to a Change in Control were deleted herefrom, and no Subsequent Director shall be entitled to any benefits under, or to enforce any provisions of, this plan that apply to or became operative as a result of a Change in Control.

II. Purpose

This Plan is designed to assist the Corporation in attracting and retaining as directors individuals of superior talent, ability and achievement.

III. Eligibility

An Eligible Director entitled to benefits under this Plan shall be any Outside Director (as defined below) of the Corporation who has served as a director for at least sixty months, and who retires from the Corporation's Board of Directors or otherwise terminates service as a member of such Board of Directors on or after the Effective Date. An Outside Director shall be a director of the Corporation who is not entitled to receive employee pension benefits from the Corporation or from any of its subsidiaries.

IV. Benefits

1. An Eligible Director who retires or otherwise terminates service as a member of the Corporation's Board of Directors at or after age 70, shall receive annually for life a percentage of the annual retainer in effect for directors as of the Effective Date or as of the date of the director's retirement, whichever is greater (the "Applicable Annual Retainer"), in accordance with the following schedule based on his/her months of service as a director:

At least 60 but less than 72 months of service	- 50%
At least 72 but less than 84 months of service	- 60%
At least 84 but less than 96 months of service	- 70%
At least 96 but less than 108 months of service	- 80%
At least 108 but less than 120 months of service	- 90%
120 or more months of service	- 100%

   Notwithstanding the foregoing, with respect to an Eligible Director who is an Outside Director immediately prior to a Change in Control (as defined below) and who thereafter retires or otherwise terminates service as a member of the Corporation's Board of Directors in connection with such Change in Control or at any time thereafter, and regardless of such Eligible Director's age at the time of such retirement or other termination or service, 'Applicable Annual Retainer' shall mean the greatest of (a) the annual retainer in effect for directors on January 1, 1987, (b) the annual retainer in effect or directors immediately prior to the Change in Control and (c) the annual retainer in effect for directors on the date of such retirement or other termination of service.

2. An Eligible Director who retires or otherwise terminates service prior to age 70 shall receive annually for a period equal to the lesser of (a) the number of months of his/her service as a director of the Corporation, or (b) his/her life, the percentage of the Applicable Annual Retainer (determined after giving effect to the last sentence of Section I of Article IV hereof)

determined in accordance with the schedule set forth in Section 1 of Article IV hereof.

3. Benefits under this Plan shall be payable on or about the 5th day of each February, May, August and November (the "Payment Months"). Payments shall commence in the Payment Month immediately after an Eligible Director's retirement.

4. If a retired Eligible Director dies, leaving a surviving spouse, before receiving payments under the Plan for a period ("Minimum Payment Period") equal to the lesser of (a) 120 months, or (b) his/her months of service as a director of the Corporation, his/her surviving spouse shall be entitled to payments hereunder for a period equal to the lesser of (a) the lifetime of the surviving spouse, or (b) the balance of the Minimum Payment Period.

5. For purposes of this Plan, a "Change in Control" shall be deemed to have occurred if (A) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company's then outstanding securities (such percentage ownership to be determined in the manner provided in Rule 13-3(d)(1)(i) under the Exchange Act); or (B) during any period of two consecutive years or portion thereof (not including any period prior to the execution of this Amendment), individuals who at the beginning of such period constitute the Board and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in clause (A) or (C) of this Subsection) whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or (C) the shareholders of the Company approve a merger or consolidation of the Company with any other corporation (or similar transaction), other than a merger or consolidation (or similar transaction) which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 80% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger, consolidation or similar transaction (either alone or in combination with new or additional voting securities held by management of the Company and its subsidiaries) or the shareholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets. For purposes of (I) clause (A) of the preceding sentence, beneficial ownership of securities of United Air Lines, Inc. ("United") representing 25% or more of the combined voting power of United's then outstanding securities shall be deemed to constitute such beneficial ownership of the Company and (II) clause (C) of the preceding sentence, the approval by the shareholders of United of a plan of complete liquidation of United or an agreement for the sale or disposition by United of all or substantially all of United's assets shall be deemed to constitute approval by the shareholders of the Company of such events in respect of the Company.

6. For purposes of this Article IV an Outside Director who is an Outside Director immediately prior to a Change in Control and who retires or otherwise terminates service in connection with such Change in Control or at any time thereafter (a) shall be deemed to have served as a director of the Corporation for a period of months equal to the greater of (i) his or her actual period of service plus 36 or (ii) 60 (and "his/her months of service" (as used in Section 1 above) and phrases of similar import in this Plan shall be calculated by giving effect to such deemed service) and (b) shall be deemed to be 3 years older than his/her actual age at the time of his/her retirement or other termination of service.

V. Administration

The Plan shall be administered by the Corporation's Executive Committee (the "Committee"). The Committee shall have plenary authority in its discretion, but subject to the provisions of the Plan, to interpret the Plan, and to make all determinations deemed advisable for the administration of the Plan. The determinations of the Committee shall be conclusive and binding on all interested parties.

VI. Miscellaneous

1. Amendment and Termination. The Committee may amend, modify, suspend, or terminate the Plan at any time prior to the occurrence of a Change in Control, without the consent of the participants but, in the event of any such amendment, modification, suspension, or termination, benefit payments which have already accrued, are payable in the future, or are being paid, will continue in accordance with the Plan as in effect prior to such amendment, modification, suspension, or termination. Upon or subsequent to the occurrence of a Change in Control, the Committee may amend, modify, suspend or terminate the Plan only with the consent of all participants herein.

2. Rights of Directors. Neither the establishment of the Plan nor any action hereafter taken by the Corporation or the Committee shall be construed as giving to any director any vested right to a benefit from the Plan beyond the terms of the Plan.

3. Liability. Neither the Board of Directors of the Corporation nor any member of the Committee nor any person to whom any of them may delegate any duty or power in connection with administering the Plan shall be personally liable for any action or failure to act with respect to the Plan.

4. Nonassignability. Benefits payable under the Plan shall not be subject in any manner to anticipation, assignment, pledge, alienation, or charge by an Eligible Director or his/her surviving spouse; nor shall any such benefits be in any manner liable for or subject to the debts or any other liabilities of the Eligible Director or his/her surviving spouse; nor shall any interest of any Eligible Director or his/her surviving spouse under the Plan be subject to garnishment, attachment, lien, or levy of any kind.

EXHIBIT 10.4

United Air Lines, Inc.
P.O. Box 66100
Chicago, Illinois 60666

Subject: Side Letter Agreement to Letter Agreement No. 6-1162-DLJ-1123 to Purchase Agreement No. 1663 - [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] ; Termination Of Side Letter

Gentlemen:

Reference is made to Letter Agreement No. 6-1162-DLJ-1123 (the "Letter Agreement") to Purchase Agreement No. 1663 (as previously amended and supplemented, including all previously executed letter agreements, the "Purchase Agreement") among The Boeing Company ("Boeing"), United Air Lines, Inc. ("United") and United Worldwide Corporation ("Worldwide") relating to the sale by Boeing and the purchase by United and Worldwide (collectively the "Buyer") of Model 777 aircraft.

This letter amendment (this "Letter Amendment"), when accepted by Buyer, will become part of the Letter Agreement and part of the Purchase Agreement, and will evidence our further agreement with respect to the matters net forth below.

All terms used herein and in the Letter Agreement, and not defined herein, shall have the same meaning as in the Letter Agreement. If there is any inconsistency between the terms of this Letter Amendment and the Letter Agreement or the Purchase Agreement, the terms of this Letter Amendment will govern.

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3. [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT] United and Boeing hereby agree that the Letter Agreement will be terminated.

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters addressed above, please indicate your acceptance and approval below.

ACCEPTED AND AGREED TO THIS 8th day of June, 1995.

THE BOEING COMPANY	UNITED AIRLINES INC.
By: /s/ R.C. Nelson	By: /s/ D.A. Hacker
Its: Attorney-in-Fact	Its: Senior Vice President & Chief Financial Officer

UNITED WORLDWIDE CORPORATION

By: /S/ R.C. Nelson

Its: Attorney-in-Fact

EXHIBIT 10.5

Enclosure C to
U-7210-9431018

CHANGE ORDER NO. 6

DATED

FEBRUARY 21, 1995
TO

PURCHASE AGREEMENT NO. 1663

BETWEEN

THE BOEING COMPANY

AND

UNITED AIR LINES

Purchase Agreement No. 1663, dated December 18, 1990, between The Boeing Company and United Airlines, is hereby amended in accordance with Article 7.1 thereof as follows:

I. Changes To Detail Specification D019W001-UAL-IA.

The effects of the changes listed below are hereby incorporated into Detail Specification D019W001-UAL-IA under Revision F, dated November 15, 1994.

CHANGE NO./TITLE/AFFECTED AIRCRAFT:

CHANGE REQUESTS

None

MASTER CHANGES

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

MISCELLANEOUS CHANGES

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Cumulative Weight Effect:

The cumulative effect of the foregoing changes, except Rapid Revisions, on the weight of the affected Model 777-222 Aircraft, as reflected in Paragraph 3-60-00 of the Detail Specification is:

Affected Aircraft	MEW lbs.	OEW lbs.

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

II. Effect of Changes on Purchase Agreement No. 1663.

The effects of the foregoing changes, except Rapid Revisions, on the scheduled month of delivery, basic price and advance payment base price of each affected Aircraft, as described in Articles 2 and 3. respectively, of the Purchase Agreement, are set forth below:

Affected Aircraft	Effect On Delivery Month (Art.2)	Effect On Basic Price Per Aircraft (Art.3 1990 Ste $)

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

SIGNED as of the day and year first above written.

THE BOEING COMPANY	UNITED AIR LINES, INC
By: /s/ R.C. Nelson	By: /s/ D.A. Hacker
Title: Attorney-in-Fact	Title: Senior Vice President and Chief Financial Officer

EXHIBIT 10.6

May 23, 1995
6-1162-RCN-916

United Air Lines, Inc.
Executive Offices
P. 0. Box 66100
Chicago, IL 60666-0100

Attention: J. L. Pollock Sr.
Staff Representative
Aircraft Purchasing

Subject: Settlement of Certain Business Matters

Reference: a) Letter Agreement No. 6-1162-DLJ-948; [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

b) Letter No. 6-1162-RCN-830; [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

c) Letter No. 6-1162-RCN-880; [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

d) Letter No. 6-1162-RCN-892; [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Dear Jerry:

This letter is to confirm the settlement reached between Boeing and United with respect to the matters listed below.

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters addressed above, please indicate your acceptance and approval below.

Very truly yours,

THE BOEING COMPANY

By: /s/ R.C. Nelson

Its: Attorney-In-Fact

ACCEPTED AND AGREED TO THIS
Date: June 2, 1995

UNITED AIR LINES, INC.

By: /s/ D.A. Hacker

Its: Senior Vice President and
Chief Financial Officer

EXHIBIT 10.7

United Air Lines, Inc.
P.O. Box 66100
Chicago, Illinois 60666

Subject: Side Letter Agreement to Letter Agreement
No-6-1162-DLJ-1124 to Purchase Agreement
No. 1670 - Assignment; Termination of Side Letter

Gentlemen:

Reference is made to Letter Agreement No. 6-1162-DLJ-1124 (the "Letter Agreement) to Purchase Agreement No. 1670 (as previously amended and supplemented, including all previously executed letter agreements, the "Purchase Agreement") among The Boeing Company ("Boeing"), United Air Lines, Inc. ("United") and United Worldwide Corporation ("Worldwide,,) relating to the sale by Boeing and the purchase by United arid Worldwide (collectively the "Buyer") of Model 747 aircraft.

This letter amendment (this "Letter Amendment"), when accepted by Buyer, will become part of the Letter Agreement and part of the Purchase Agreement, and will evidence our further agreement with respect to the matters set forth below.

All terms used herein and in the Letter Agreement, and not defined herein, shall have the same meaning as in the Letter Agreement. if there is any inconsistency between the terms of this Letter Amendment and the Letter Agreement or the Purchase Agreement, the terms of this Letter Amendment will govern.

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

3. [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT], United and Boeing hereby agree that the Letter Agreement will be terminated.

If the foregoing correctly sets forth your understanding of our agreement with respect to the matters addressed above, please indicate your acceptance and approval below.

ACCEPTED AND AGREED TO THIS 8th day of June, 1995.

THE BOEING COMPANY	UNITED AIR LINES, INC.
By: /s/ R.C. Nelson	By: /s/ D.A. Hacker
Its: Attorney-in-Fact	Its: Senior Vice President & Chief Financial Officer

UNITED WORLDWIDE CORPORATION

By: /s/ D.A. Hacker

Its: Attorney-in-Fact

EXHIBIT 10.8

Enclosure D to
T-7400-930145

CHANGE ORDER NO. 1
TO
PURCHASE AGREEMENT NO. 1670
BETWEEN
THE BOEING COMPANY
AND
UNITED AIR LINES, INC.

Purchase Agreement No. 1670 between The Boeing Company and United Air Lines, Inc. is hereby amended in accordance with Article 7.3 as follows:

I. CHANGES TO DETAIL SPECIFICATION D6-35273UAL

The effects of the changes listed below are hereby incorporated into Detail Specification D6-35273UAL under Revision "All dated August 15, 1993.

A. MASTER CHANGES

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

B. MISCELLANEOUS CHANGES

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

II. CUMULATIVE EFFECT ON AIRCRAFT WEIGHT

The cumulative effects of the foregoing changes on the Model 747-422 airplane weight as reflected in Detail Specification Paragraph 3-60-00 are:

Aircraft	MEW	OEW

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

III. EFFECT ON PURCHASE AGREEMENT NO. 1670

Delivery Schedule: None.

Price of Aircraft: The basic price of each aircraft as set forth in Article 3.1 of Purchase Agreement No. 1670 shall be increased as shown below.

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Signed as of the day and year first above written.

THE BOEING COMPANY

By: /s/ R.C. Nelson

Title: Attorney-in-fact

UNITED AIR LINES, INC.

By: /s/ D.A. Hacker

Title: Senior Vice President and Chief Financial Officer

Enclosure: One advance copy of Detail Specification

D6-35273UAL, Revision A, dated August 15, 1995.

EXHIBIT 10.9

AMENDMENT No. 3

TO THE A320 PURCHASE AGREEMENT
dated as of August 10, 1992

between

AVSA, S.A.R.L.,

and

UNITED AIR LINES, INC.

This Amendment No. 3 (hereinafter referred to as the "Amendment") is entered into as of March _, 1995, by and between AVSA, S.A.R.L., a societe a responsabilite limitee organized and existing under the laws of the Republic of France, having its registered office located at 2, Rond Point Maurice Bellonte, 31700 Blagnac (France) (hereinafter referred to as the "Seller"), and UNITED AIR LINES, 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 1200 East Algonquin Road, Elk Grove Village, Illinois 60007 (hereinafter referred to as the "Buyer").

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into an A320 Purchase Agreement, dated as of August 10, 1992 (which agreement, as previously amended by and supplemented with all Exhibits, Appendices, Letter Agreements, and Amendments attached thereto is hereinafter called the "Agreement"), which Agreement relates to the sale by the Seller and the purchase by the Buyer of certain firmly ordered Airbus Industrie A320-200 model aircraft (the "Aircraft") and certain Airbus Industrie A320-200 model option aircraft (the "Option Aircraft"). Amendment 1 was signed November 24, 1993. Amendment 2 was signed April 22, 1994.

WHEREAS, the Buyer and the Seller agree to amend the Agreement by [*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT].

WHEREAS, capitalized terms used herein and not otherwise defined in this Amendment shall have the meaning assigned to them in the Agreement. The terms "herein," "hereof," and "hereunder" and words of similar import refer to this Amendment.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Option Aircraft No.	Month of Delivery
1	[*CONF.TREAT.REQ.]
2	[*CONF.TREAT.REQ.]
3	[*CONF.TREAT.REQ.]
4	[*CONF.TREAT.REQ.]
5	[*CONF.TREAT.REQ.]
6	[*CONF.TREAT.REQ.]
7	[*CONF.TREAT.REQ.]
8	[*CONF.TREAT.REQ.]
9	[*CONF.TREAT.REQ.]
10	[*CONF.TREAT.REQ.]
11	[*CONF.TREAT.REQ.]
12	[*CONF.TREAT.REQ.]
13	[*CONF.TREAT.REQ.]
14	[*CONF.TREAT.REQ.]
15	[*CONF.TREAT.REQ.]
16	[*CONF.TREAT.REQ.]
17	[*CONF.TREAT.REQ.]
18	[*CONF.TREAT.REQ.]
19	[*CONF.TREAT.REQ.]

20	[*CONF.TREAT.REQ.]
21	[*CONF.TREAT.REQ.]
22	[*CONF.TREAT.REQ.]
23	[*CONF.TREAT.REQ.]

Option Aircraft No.	Month of Delivery
24	[*CONF.TREAT.REQ.]
25	[*CONF.TREAT.REQ.]
26	[*CONF.TREAT.REQ.]
27	[*CONF.TREAT.REQ.]
28	[*CONF.TREAT.REQ.]
29	[*CONF.TREAT.REQ.]
30	[*CONF.TREAT.REQ.]
31	[*CONF.TREAT.REQ.]
32	[*CONF.TREAT.REQ.]
33	[*CONF.TREAT.REQ.]
34	[*CONF.TREAT.REQ.]
35	[*CONF.TREAT.REQ.]
36	[*CONF.TREAT.REQ.]
37	[*CONF.TREAT.REQ.]
38	[*CONF.TREAT.REQ.]
39	[*CONF.TREAT.REQ.]
40	[*CONF.TREAT.REQ.]
41	[*CONF.TREAT.REQ.]
42	[*CONF.TREAT.REQ.]
43	[*CONF.TREAT.REQ.]
44	[*CONF.TREAT.REQ.]
45	[*CONF.TREAT.REQ.]
46	[*CONF.TREAT.REQ.]
47	[*CONF.TREAT.REQ.]
48	[*CONF.TREAT.REQ.]
49	[*CONF.TREAT.REQ.]
50	[*CONF.TREAT.REQ.]

UNQUOTE

3. EFFECT OF AMENDMENT

The Agreement shall be deemed amended to the extent herein provided, and, except as specifically amended hereby, shall continue in full force and effect in accordance with its original terms.

4. CONFIDENTIALITY

Subject to any legal or governmental requirements of disclosure, the parties (which for this purpose shall include their employees, agents and advisors) shall maintain strictly confidential the terms and conditions of this Amendment and any information, reports or other data furnished hereunder or in connection with the negotiation of this Amendment. Without limiting the generality of the foregoing, the Buyer shall use its best efforts to limit the disclosure of the contents of this Amendment to the extent legally permissible in any filing required to be made by the Buyer with any governmental agency and shall make such applications as shall be necessary to implement the foregoing. The Buyer and Seller shall consult with each other prior to the making of any public disclosure or filing permitted hereunder of this Amendment or the terms and conditions hereof. Each party will inform the other of receipt of any legal demand, whether by subpoena, discovery request or otherwise, for disclosure of this Amendment or its contents. The provisions of this paragraph 4 shall survive any termination of this Amendment.

If the foregoing correctly sets forth our understanding, please indicate your acceptance by signing in the space provided below.

Agreed and Accepted,	Yours sincerely,
UNITED AIR LINES, INC.	AVSA, S.A.R.L.
By: /s/ D.A. Hacker	By: /s/ Christophe Mourey
Its: Senior V.P. Finance & CFO	Its: Chief Executive Officer
Date: 4/28/95	Date:

APPENDIX 1

[*CONFIDENTIAL MATERIAL OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT]

Exhibit 11

UAL Corporation and Subsidiary Companies
Calculation of Fully Diluted Net Earnings Per Share
(In Millions, Except Per Share)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994(1)	1995	1994(1)
Earnings or loss:				
Earnings (loss) before preferred stock transactions and cumulative effect of accounting change	$ 151	$ 55	$ 154	$ (16)
Preferred stock dividends	(10)	-	(20)	-
Interest on convertible debentures	6	1	11	1
Earnings (loss) before preferred stock transactions and cumulative effect of accounting change for fully diluted calculation	147	56	145	(15)
Preferred stock transactions	43	-	43	-
Cumulative effect of accounting change	-	-	-	(26)
Net earnings (loss) for fully diluted calculation	$ 190	$ 56	$ 188	$ (41)
Shares:				
Average number of shares of common stock outstanding during the period	12.3	24.5	12.3	24.5
Additional shares assumed issued at the beginning of the period (or at the date of issuance) for conversion of preferred stock	2.6	3.8	2.2	3.8
Additional shares assumed issued at the beginning of the period for conversion of convertible debentures	2.0	0.1	2.0	0.1
Additional shares assumed issued at the beginning of the period (or at the date of issuance) for exercises of dilutive stock options and stock award plans (after deducting shares assumed purchased under the treasury stock method)	0.5	0.2	0.5	0.3
Average number of shares for fully diluted calculation	17.4	28.6	17.0	28.7
Fully diluted per share amounts:				
Earnings (loss) before preferred stock transactions and cumulative effect of accounting change	$ 8.46	$ 1.95	$ 8.50	$ (0.53)
Preferred stock transactions	2.48	-	2.53	-
Cumulative effect of accounting change	-	-	-	(0.90)
Net earnings (loss)	$ 10.94	$ 1.95	$ 11.03	$ (1.43)

(1) This calculation is submitted in accordance with Regulation S-K item 601(b)(11), although it is contrary to paragraph 40 of APB Opinion No. 15 because it produces an antidilutive result.

Exhibit 12.1

UAL Corporation and Subsidiary Companies

Computation of Ratio of Earnings to Fixed Charges

	Six Months Ended June 30	
	1995	1994
	(In Millions)	
Earnings:		
Earnings (loss) before income taxes	$ 257	$ (1)
Fixed charges, from below	587	497
Undistributed earnings of affiliates	(23)	-
Interest capitalized	(22)	(19)
Earnings	$ 799	$ 477
Fixed charges:		
Interest expense	$ 203	$ 166
Portion of rental expense representative of the interest factor	384	331
Fixed charges	$ 587	$ 497
Ratio of earnings to fixed charges	1.36	(a)

(a) Earnings were inadequate to cover fixed charges by $20 million in the first six months of 1994.

Exhibit 12.2

UAL Corporation and Subsidiary Companies

Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements

	Six Months Ended June 30 1995	Six Months Ended June 30 1994
	(In Millions)	
Earnings:		
Earnings (loss) before income taxes	$ 257	$ (1)
Fixed charges, from below	625	525
Undistributed earnings of affiliates	(23)	-
Interest capitalized	(22)	(19)
Earnings	$ 837	$ 505
Fixed charges:		
Interest expense	$ 203	$ 166
Preferred stock dividend requirements	38	28
Portion of rental expense representative of the interest factor	384	331
Fixed charges and preferred stock dividend requirements	$ 625	$ 525
Ratio of earnings to fixed charges and preferred stock dividend requirements	1.34	(a)

(a) Earnings were inadequate to cover fixed charges and preferred stock dividend requirements by $20 million in the first six months of 1994.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM UAL CORPORATION'S STATEMENT OF CONSOLIDATED OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 1995 AND CONDENSED STATEMENT OF CONSOLIDATED FINANCIAL POSITION AS OF JUNE 30, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000,000

DEC-31-1995
JAN-01-1995
JUN-30-1995
6-MOS
380
1,566
1,040
0
307
3,694
12,038
5,436
12,102
4,971
3,992
0
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0
(522)
12,102
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7,149
0
6,809
0
0
203
257
103
154
0
0
0
154
11.74
11.03