United Continental Holdings, Inc.
Form 10-Q
July 18, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM
10-Q
(Mark One)
x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2018
OR
o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number	Exact Name of Registrant as Specified in its Charter, Principal Executive Office Address and Telephone Number	State of Incorporation	I.R.S. Employer Identification No.
001-06033	United Continental Holdings, Inc. 233 South Wacker Drive, Chicago, Illinois 60606 (872) 825-4000	Delaware	36-2675207
001-10323	United Airlines, Inc. 233 South Wacker Drive, Chicago, Illinois 60606 (872) 825-4000	Delaware	74-2099724

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.
United Continental Holdings, Inc. Yes x No o United Airlines, Inc. Yes x No o
Indicate by check mark whether the registrant has submitted every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
United Continental Holdings, Inc. Yes x No o United Airlines, Inc. Yes x No o
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

United Continental Holdings, Inc.	Large accelerated filer x	Accelerated filer o	Non-accelerated filer o	Smaller reporting company o	Emerging growth company o
United Airlines, Inc.	Large accelerated filer o	Accelerated filer o	Non-accelerated filer x	Smaller reporting company o	Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

United Continental Holdings, Inc.	o
United Airlines, Inc.	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

United Continental Holdings, Inc.	Yes o	No x
United Airlines, Inc.	Yes o	No x

The number of shares outstanding of each of the issuer's classes of common stock as of July 13, 2018 is shown below:

United Continental Holdings, Inc.	272,603,972 shares of common stock ($0.01 par value)
United Airlines, Inc.	1,000 shares of common stock ($0.01 par value) (100% owned by United Continental Holdings, Inc.)

OMISSION OF CERTAIN INFORMATION

This combined Quarterly Report on Form 10-Q is separately filed by United Continental Holdings, Inc. and United Airlines, Inc. United Airlines, Inc. meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this form with the reduced disclosure format allowed under that General Instruction.

United Continental Holdings, Inc.
United Airlines, Inc.
Quarterly Report on Form 10-Q
For the Quarterly Period Ended June 30, 2018

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

UNITED CONTINENTAL HOLDINGS, INC.
STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)
(In millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017 (a)	2018	2017 (a)
Operating revenue:				
Passenger revenue	$9,880	$9,151	$18,030	$16,804
Cargo	314	273	607	511
Other operating revenue	583	584	1,172	1,119
Total operating revenue	10,777	10,008	19,809	18,434
Operating expense:				
Salaries and related costs	2,878	2,842	5,604	5,478
Aircraft fuel	2,390	1,669	4,355	3,229
Regional capacity purchase	681	549	1,300	1,085
Landing fees and other rent	603	541	1,161	1,085
Depreciation and amortization	557	536	1,098	1,054
Aircraft maintenance materials and outside repairs	438	472	878	926
Distribution expenses	393	385	735	704
Aircraft rent	119	152	246	331
Special charges (Note 10)	129	44	169	95
Other operating expenses	1,428	1,381	2,826	2,690
Total operating expenses	9,616	8,571	18,372	16,677
Operating income	1,161	1,437	1,437	1,757
Nonoperating income (expense):				
Interest expense	(177)	(167)	(353)	(329)
Interest capitalized	14	21	33	44
Interest income	25	13	42	24
Miscellaneous, net	(166)	(27)	(118)	(69)
Total nonoperating expense, net	(304)	(160)	(396)	(330)
Income before income taxes	857	1,277	1,041	1,427
Income tax expense	173	456	210	507
Net income	$684	$821	$831	$920
Earnings per share, basic	$2.49	$2.67	$2.97	$2.96
Earnings per share, diluted	$2.48	$2.67	$2.96	$2.96

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606) and Accounting Standards Update No. 2017-07, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

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UNITED CONTINENTAL HOLDINGS, INC.
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(In millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017 (a)	2018	2017 (a)
Net income	$684	$821	$831	$920
Other comprehensive income (loss), net change related to:				
Employee benefit plans, net of taxes	12	4	42	(4)
Investments and other, net of taxes	—	(12)	3	(11)
Total other comprehensive income (loss), net	12	(8)	45	(15)
Total comprehensive income, net	$696	$813	$876	$905

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606) and Accounting Standards Update No. 2017-07, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.
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UNITED CONTINENTAL HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	June 30, 2018	December 31, 2017 (a)
ASSETS		
Current assets:		
Cash and cash equivalents	$2,884	$1,482
Short-term investments	2,187	2,316
Receivables, less allowance for doubtful accounts (2018 — $7; 2017 — $7)	1,840	1,340
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2018 — $380; 2017 — $354)	942	924
Prepaid expenses and other	1,028	1,071
Total current assets	8,881	7,133
Operating property and equipment:		
Owned—		
Flight equipment	30,143	28,692
Other property and equipment	7,481	6,946
Total owned property and equipment	37,624	35,638
Less — Accumulated depreciation and amortization	(11,974)	(11,159)
Total owned property and equipment, net	25,650	24,479
Purchase deposits for flight equipment	894	1,344
Capital leases—		
Flight equipment	1,224	1,151
Other property and equipment	11	11
Total capital leases	1,235	1,162
Less — Accumulated amortization	(833)	(777)
Total capital leases, net	402	385
Total operating property and equipment, net	26,946	26,208
Other assets:		
Goodwill	4,523	4,523
Intangibles, less accumulated amortization (2018 — $1,346; 2017 — $1,313)	3,399	3,539
Restricted cash	94	91
Investments in affiliates and other, net	848	852
Total other assets	8,864	9,005
Total assets	$44,691	$42,346

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UNITED CONTINENTAL HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	June 30, 2018	December 31, 2017 (a)
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Advance ticket sales	$5,826	$3,940
Accounts payable	2,703	2,196
Frequent flyer deferred revenue	2,206	2,192
Accrued salaries and benefits	1,782	2,166
Current maturities of long-term debt	887	1,565
Current maturities of capital leases	117	128
Other	571	576
Total current liabilities	14,092	12,763
Long-term debt	12,460	11,703
Long-term obligations under capital leases	1,039	996
Other liabilities and deferred credits:		
Frequent flyer deferred revenue	2,783	2,591
Postretirement benefit liability	1,585	1,602
Pension liability	1,815	1,921
Deferred income taxes	419	204
Lease fair value adjustment, net	155	198
Other	1,704	1,634
Total other liabilities and deferred credits	8,461	8,150
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	—	—
Common stock at par, $0.01 par value; authorized 1,000,000,000 shares; outstanding 273,017,840 and 286,973,195 shares at June 30, 2018 and December 31, 2017, respectively	3	3
Additional capital invested	6,091	6,098
Retained earnings	5,367	4,549
Stock held in treasury, at cost	(1,720)	(769)
Accumulated other comprehensive loss	(1,102)	(1,147)
Total stockholders' equity	8,639	8,734
Total liabilities and stockholders' equity	$44,691	$42,346

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606). See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

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UNITED CONTINENTAL HOLDINGS, INC.
CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS (UNAUDITED)
(In millions)

	Six Months Ended June 30, 2018	2017
Cash Flows from Operating Activities:		
Net cash provided by operating activities	$4,175	$2,108
Cash Flows from Investing Activities:		
Capital expenditures	(1,734)	(1,780)
Purchases of short-term and other investments	(1,326)	(1,587)
Proceeds from sale of short-term and other investments	1,455	1,561
Investment in affiliates	(139)	—
Proceeds from sale of property and equipment	20	5
Other, net	7	123
Net cash used in investing activities	(1,717)	(1,678)
Cash Flows from Financing Activities:		
Proceeds from issuance of long-term debt and airport construction financing	1,308	1,139
Repurchases of common stock	(969)	(712)
Payments of long-term debt	(1,294)	(525)
Principal payments under capital leases	(62)	(59)
Other, net	(41)	(75)
Net cash used in financing activities	(1,058)	(232)
Net increase in cash, cash equivalents and restricted cash	1,400	198
Cash, cash equivalents and restricted cash at beginning of the period	1,591	2,303
Cash, cash equivalents and restricted cash at end of the period (a)	$2,991	$2,501
Investing and Financing Activities Not Affecting Cash:		
Property and equipment acquired through the issuance of debt and capital leases	$139	$907
Airport construction financing	12	32

(a) The following table provides a reconciliation of cash, cash equivalents and restricted cash to amounts reported within the consolidated balance sheet:

Reconciliation of cash, cash equivalents and restricted cash:		
Current assets:		
Cash and cash equivalents	$2,884	$2,371
Restricted cash included in Prepaid expenses and other	13	15
Other assets:		
Restricted cash	94	115
Total cash, cash equivalents and restricted cash	$2,991	$2,501

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

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UNITED AIRLINES, INC.
STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)
(In millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017 (a)	2018	2017 (a)
Operating revenue:				
Passenger revenue	$9,880	$9,151	$18,030	$16,804
Cargo	314	273	607	511
Other operating revenue	583	584	1,172	1,119
Total operating revenue	10,777	10,008	19,809	18,434
Operating expense:				
Salaries and related costs	2,878	2,842	5,604	5,478
Aircraft fuel	2,390	1,669	4,355	3,229
Regional capacity purchase	681	549	1,300	1,085
Landing fees and other rent	603	541	1,161	1,085
Depreciation and amortization	557	536	1,098	1,054
Aircraft maintenance materials and outside repairs	438	472	878	926
Distribution expenses	393	385	735	704
Aircraft rent	119	152	246	331
Special charges (Note 10)	129	44	169	95
Other operating expenses	1,428	1,380	2,825	2,689
Total operating expense	9,616	8,570	18,371	16,676
Operating income	1,161	1,438	1,438	1,758
Nonoperating income (expense):				
Interest expense	(177)	(167)	(353)	(329)
Interest capitalized	14	21	33	44
Interest income	25	13	42	24
Miscellaneous, net	(167)	(28)	(119)	(69)
Total nonoperating expense, net	(305)	(161)	(397)	(330)
Income before income taxes	856	1,277	1,041	1,428
Income tax expense	172	457	210	508
Net income	$684	$820	$831	$920

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606) and Accounting Standards Update No. 2017-07, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.
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UNITED AIRLINES, INC.
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(In millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017 (a)	2018	2017 (a)
Net income	$684	$820	$831	$920
Other comprehensive income (loss), net change related to:				
Employee benefit plans, net of taxes	12	4	42	(4)
Investments and other, net of taxes	—	(12)	3	(11)
Total other comprehensive income (loss), net	12	(8)	45	(15)
Total comprehensive income, net	$696	$812	$876	$905

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606) and Accounting Standards Update No. 2017-07, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.
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UNITED AIRLINES, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	June 30, 2018	December 31, 2017 (a)
ASSETS		
Current assets:		
Cash and cash equivalents	$2,878	$1,476
Short-term investments	2,187	2,316
Receivables, less allowance for doubtful accounts (2018 — $7; 2017 — $7)	1,840	1,340
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2018 — $380; 2017 — $354)	942	924
Prepaid expenses and other	1,028	1,071
Total current assets	8,875	7,127
Operating property and equipment:		
Owned—		
Flight equipment	30,143	28,692
Other property and equipment	7,481	6,946
Total owned property and equipment	37,624	35,638
Less — Accumulated depreciation and amortization	(11,974)	(11,159)
Total owned property and equipment, net	25,650	24,479
Purchase deposits for flight equipment	894	1,344
Capital leases—		
Flight equipment	1,224	1,151
Other property and equipment	11	11
Total capital leases	1,235	1,162
Less — Accumulated amortization	(833)	(777)
Total capital leases, net	402	385
Total operating property and equipment, net	26,946	26,208
Other assets:		
Goodwill	4,523	4,523
Intangibles, less accumulated amortization (2018 — $1,346; 2017 — $1,313)	3,399	3,539
Restricted cash	94	91
Investments in affiliates and other, net	848	852
Total other assets	8,864	9,005
Total assets	$44,685	$42,340

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UNITED AIRLINES, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In millions, except shares)

	June 30, 2018	December 31, 2017 (a)
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Advance ticket sales	$5,826	$3,940
Accounts payable	2,703	2,196
Frequent flyer deferred revenue	2,206	2,192
Accrued salaries and benefits	1,782	2,166
Current maturities of long-term debt	887	1,565
Current maturities of capital leases	117	128
Other	575	581
Total current liabilities	14,096	12,768
Long-term debt	12,460	11,703
Long-term obligations under capital leases	1,039	996
Other liabilities and deferred credits:		
Frequent flyer deferred revenue	2,783	2,591
Postretirement benefit liability	1,585	1,602
Pension liability	1,815	1,921
Deferred income taxes	446	231
Lease fair value adjustment, net	155	198
Other	1,704	1,634
Total other liabilities and deferred credits	8,488	8,177
Commitments and contingencies		
Stockholder's equity:		
Common stock at par, $0.01 par value; authorized 1,000 shares; issued and outstanding 1,000 shares at both June 30, 2018 and December 31, 2017	—	—
Additional capital invested	841	1,787
Retained earnings	8,971	8,146
Accumulated other comprehensive loss	(1,102)	(1,147)
Receivable from related parties	(108)	(90)
Total stockholder's equity	8,602	8,696
Total liabilities and stockholder's equity	$44,685	$42,340

(a) Amounts adjusted due to the adoption of Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606). See Note 1 to the financial statements contained in Part I, Item 1 of this report for additional information.
The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

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UNITED AIRLINES, INC.
CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS (UNAUDITED)
(In millions)

	Six Months Ended June 30,	
	2018	2017
Cash Flows from Operating Activities:		
Net cash provided by operating activities	$4,158	$2,095
Cash Flows from Investing Activities:		
Capital expenditures	(1,734)	(1,780)
Purchases of short-term investments and other investments	(1,326)	(1,587)
Proceeds from sale of short-term and other investments	1,455	1,561
Investment in affiliates	(139)	—
Proceeds from sale of property and equipment	20	5
Other, net	7	123
Net cash used in investing activities	(1,717)	(1,678)
Cash Flows from Financing Activities:		
Proceeds from issuance of long-term debt and airport construction financing	1,308	1,139
Dividend to UAL	(969)	(712)
Payments of long-term debt	(1,294)	(525)
Principal payments under capital leases	(62)	(59)
Other, net	(24)	(62)
Net cash used in financing activities	(1,041)	(219)
Net increase in cash, cash equivalents and restricted cash	1,400	198
Cash, cash equivalents and restricted cash at beginning of the period	1,585	2,297
Cash, cash equivalents and restricted cash at end of the period (a)	$2,985	$2,495
Investing and Financing Activities Not Affecting Cash:		
Property and equipment acquired through the issuance of debt and capital leases	$139	$907
Airport construction financing	12	32

(a) The following table provides a reconciliation of cash, cash equivalents and restricted cash to amounts reported within the consolidated balance sheet:

Reconciliation of cash, cash equivalents and restricted cash:		
Current assets:		
Cash and cash equivalents	$2,878	$2,365
Restricted cash included in Prepaid expenses and other	13	15
Other assets:		
Restricted cash	94	115
Total cash, cash equivalents and restricted cash	$2,985	$2,495

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

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UNITED CONTINENTAL HOLDINGS, INC. AND UNITED AIRLINES, INC.
COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

United Continental Holdings, Inc. (together with its consolidated subsidiaries, "UAL" or the "Company") is a holding company and its principal, wholly-owned subsidiary is United Airlines, Inc. (together with its consolidated subsidiaries, "United"). This Quarterly Report on Form 10-Q is a combined report of UAL and United, including their respective consolidated financial statements. As UAL consolidates United for financial statement purposes, disclosures that relate to activities of United also apply to UAL, unless otherwise noted. United's operating revenues and operating expenses comprise nearly 100% of UAL's revenues and operating expenses. In addition, United comprises approximately the entire balance of UAL's assets, liabilities and operating cash flows. When appropriate, UAL and United are named specifically for their individual contractual obligations and related disclosures and any significant differences between the operations and results of UAL and United are separately disclosed and explained. We sometimes use the words "we," "our," "us," and the "Company" in this report for disclosures that relate to all of UAL and United.

The UAL and United unaudited condensed consolidated financial statements shown here have been prepared as required by the U.S. Securities and Exchange Commission (the "SEC"). Some information and footnote disclosures normally included in financial statements that comply with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted as permitted by the SEC. The financial statements include all adjustments, including normal recurring adjustments and other adjustments, which are considered necessary for a fair presentation of the Company's financial position and results of operations. The UAL and United financial statements should be read together with the information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017. The Company's quarterly financial data is subject to seasonal fluctuations and historically its second and third quarter financial results, which reflect higher travel demand, are better than its first and fourth quarter financial results.

NOTE 1 - RECENTLY ISSUED ACCOUNTING STANDARDS

The Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 606, Revenue from Contracts with Customers (the "New Revenue Standard"), effective January 1, 2018 using the full-retrospective method. Topic 606 prescribes that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. For the Company, the most significant impact of the standard is the reclassification of certain ancillary fees from other operating revenue into passenger revenue on the statement of consolidated operations. These ancillary fees are directly related to passenger travel, such as ticket change fees and baggage fees, and are no longer considered distinct performance obligations separate from the passenger travel component. In addition, the ticket change fees, which were previously recognized when received, are now recognized when transportation is provided. Adoption of the standard had no impact on the Company's consolidated cash flows statements.

The Company adopted Accounting Standards Update No. 2017-07, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost (the "New Retirement Standard"), effective January 1, 2018 using the full-retrospective method. The New Retirement Standard requires employers to present the service cost component of the net periodic benefit cost in the same income statement line item as other employee compensation costs arising from services rendered during the period. The other components of net benefit cost, including interest cost, expected return on plan assets, amortization of prior service cost/credit and actuarial gain/loss, and settlement and curtailment effects, are to be presented outside of any subtotal of operating income. The Company elected to apply the practical expedient and use the amounts disclosed in Note 5 to the financial statements included in Part I, Item 1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2017 as the estimation basis for applying the retrospective presentation requirements of the standard.

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The new standards had the same impact on the financial statements of United as they had on the financial statements of UAL. The table below presents the impact of the adoption of the New Revenue Standard and the New Retirement Standard on select accounts and captions of the statement of consolidated operations for the three months ended June 30, 2017 (in millions, except per share amounts):

	Three Months Ended June 30, 2017			
	As Previously Reported	New Revenue Standard Adjustments	New Retirement Standard Adjustments	As Adjusted
Passenger revenue	$8,622	$ 529	$ —	$ 9,151
Cargo	254	19	—	273
Other operating revenue	1,124	(540)	—	584
Total operating revenue	10,000	8	—	10,008
Salaries and related costs	2,868	—	(26)	2,842
Distribution expenses	362	23	—	385
Other operating expenses	1,408	(27)	—	1,381
Total operating expenses	8,601	(4)	(26)	8,571
Operating income	1,399	12	26	1,437
Interest expense	(158)	(9)	—	(167)
Miscellaneous, net	(1)	—	(26)	(27)
Total nonoperating expense, net	(125)	(9)	(26)	(160)
Income before income taxes	1,274	3	—	1,277
Income tax expense	456	—	—	456
Net income	818	3	—	821
Earnings per share, basic	2.67	—	—	2.67
Earnings per share, diluted	2.66	0.01	—	2.67

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The table below presents the impact of the adoption of the New Revenue Standard and the New Retirement Standard on select accounts and captions of the statement of consolidated operations for the six months ended June 30, 2017 (in millions, except per share amounts):

	Six Months Ended June 30, 2017			
	As Previously Reported	New Revenue Standard Adjustments	New Retirement Standard Adjustments	As Adjusted
Passenger revenue	$15,796	$ 1,008	$ —	$16,804
Cargo	474	37	—	511
Other operating revenue	2,150	(1,031)	—	1,119
Total operating revenue	18,420	14	—	18,434
Salaries and related costs	5,529	—	(51)	5,478
Distribution expenses	669	35	—	704
Other operating expenses	2,740	(50)	—	2,690
Total operating expenses	16,743	(15)	(51)	16,677
Operating income	1,677	29	51	1,757
Interest expense	(308)	(21)	—	(329)
Miscellaneous, net	(18)	—	(51)	(69)
Total nonoperating expense, net	(258)	(21)	(51)	(330)
Income before income taxes	1,419	8	—	1,427
Income tax expense	505	2	—	507
Net income	914	6	—	920
Earnings per share, basic	2.95	0.01	—	2.96
Earnings per share, diluted	2.94	0.02	—	2.96

The table below presents the impact of the adoption of the New Revenue Standard on UAL's balance sheet accounts and captions as of December 31, 2017 (in millions):

	At December 31, 2017		
	As Previously Reported	New Revenue Standard Adjustments	As Adjusted
Prepaid expenses and other	$1,051	$ 20	$ 1,071
Total current assets	7,113	20	7,133
Total assets	42,326	20	42,346
Advance ticket sales	3,876	64	3,940
Frequent flyer deferred revenue	2,176	16	2,192
Other	569	7	576
Total current liabilities	12,676	87	12,763
Frequent flyer deferred revenue - long-term	2,565	26	2,591
Deferred income taxes	225	(21)	204
Total other liabilities and deferred credits	8,145	5	8,150

Retained earnings	4,621	(72)	4,549
Total stockholders' equity	8,806	(72)	8,734
Total liabilities and stockholders' equity	42,326	20	42,346

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The Company adopted Accounting Standards Update No. 2016-01, Financial Instruments—Overall (Subtopic 825-10) effective January 1, 2018. This standard makes several changes, including the elimination of the available-for-sale classification of equity investments, and requires equity investments with readily determinable fair values to be measured at fair value with changes in fair value recognized in earnings. The Company reclassified to retained earnings $7 million of unrealized loss on the Company's investment in Azul, S.A. ("Azul") which was previously classified as an available-for-sale security. See Notes 4 and 7 to the financial statements included in this Part I, Item 1 for additional information.

Accounting for Leases. In February 2016, the FASB amended the FASB Accounting Standards Codification and created a new Topic 842, Leases. The guidance requires lessees to recognize a right-of-use asset and a lease liability for all leases (with the exception of short-term leases) at the commencement date and recognize expenses on their income statements similar to the current Topic 840, Leases. The new lease standard is effective for fiscal years and interim periods beginning after December 15, 2018, and early adoption is permitted. Lessees and lessors are required to adopt the new lease standard using a modified retrospective approach for all leases existing at or commencing after the date of initial application with an option to use certain practical expedients. We have not finalized our assessment but believe this standard will have a significant impact on our consolidated balance sheets. The standard is not expected to have a material impact on the Company's results of operations or cash flows. The primary effect of adopting the new standard will be to record assets and obligations for our operating leases.

NOTE 2 - REVENUE

The Company presents Passenger revenue, Cargo revenue and Other operating revenue on its income statement. Passenger revenue is recognized when transportation is provided and Cargo revenue is recognized when shipments are delivered. Other operating revenue is recognized as the related performance obligations are satisfied.

The Company sells passenger ticket and related ancillary services for mainline and regional flights primarily via credit cards with payments collected by the Company in advance of the performance of related services. The Company initially records ticket sales in its Advance ticket sales liability, deferring revenue recognition until the travel occurs. For travel that has more than one flight segment, the Company deems each segment as a separate performance obligation and recognizes revenue for each segment as travel occurs. Tickets sold by other airlines where the Company provides the transportation are recognized as passenger revenue at the estimated value to be billed to the other airline when travel is provided. Differences between amounts billed and the actual amounts may be rejected and rebilled or written off if the amount recorded was different from the original estimate. When necessary, the Company records a reserve against its billings and payables with other airlines based on historical experience.

The Company sells certain tickets with connecting flights with one or more segments operated by its other airline partners. For segments operated by its other airline partners, the Company has determined that it is acting as an agent on behalf of the other airlines as they are responsible for their portion of the contract (i.e. transportation of the passenger). The Company, as the agent, recognizes revenue within Other operating revenue at the time of the travel for the net amount representing commission to be retained by the Company for any segments flown by other airlines.

Refundable tickets expire after one year from the date of issuance. Non-refundable tickets generally expire on the date of the intended travel, unless the date is extended by notification from the customer on or before the intended travel date.

The Company records breakage revenue on the travel date for its estimate of tickets that will expire unused. To determine breakage, the Company uses its historical experience with refundable and nonrefundable expired tickets and other facts, such as recent aging trends, program changes and modifications that could affect the ultimate expiration patterns of tickets. Fees charged in association with changes or extensions to non-refundable tickets are considered part of the Company's passenger travel obligation. As such, those fees are deferred at the time of collection and recognized at the time the travel is provided.

United initially capitalizes the costs of selling airline travel tickets and then recognizes those costs as Distribution expense at the time of travel. Passenger ticket costs include credit card fees, travel agency and other commissions paid, as well as global distribution systems booking fees.

Ticket Taxes. Certain governmental taxes are imposed on the Company's ticket sales through a fee included in ticket prices. The Company collects these fees and remits them to the appropriate government agency. These fees are recorded on a net basis and, as a result, are excluded from revenue.

Accounts Receivable. Accounts receivable primarily consist of amounts due from credit card companies, non-airline partners, and cargo transportation customers. We provide an allowance for uncollectible accounts equal to the estimated losses expected to be incurred based on historical write-offs and other specific analyses. Bad debt expense and write-offs were not material for the three and six months ended June 30, 2018 and 2017.

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Advance Ticket Sales. Advance ticket sales represent the Company's liability to provide air transportation in the future. In the three and six months ended June 30, 2018, the Company recognized approximately $2.7 billion and $2.2 billion, respectively, and in the three and six months ended June 30, 2017, the Company recognized approximately $2.6 billion and $2.2 billion respectively, of passenger revenue for tickets that were included in Advance ticket sales at the beginning of those periods. All tickets sold at any given point of time have travel dates extending up to twelve months. As a result, the balance of the Company's Advance ticket sales liability represents activity that will be recognized in the next twelve months.

Frequent Flyer Accounting. United's MileagePlus program builds customer loyalty by offering awards, benefits and services to program participants. Members in this program earn miles for travel on United, United Express, Star Alliance members and certain other airlines that participate in the program. Members can also earn miles by purchasing the goods and services of our network of non-airline partners. We have contracts to sell miles to these partners with the terms extending from one to eight years. These partners include domestic and international credit card issuers, retail merchants, hotels, car rental companies and our participating airline partners. Miles can be redeemed for free (other than taxes and government imposed fees), discounted or upgraded air travel and non-travel awards. Miles expire after 18 months of member account inactivity.

Miles Earned in Conjunction with Travel. When frequent flyers earn miles for flights, the Company recognizes a portion of the ticket sales as revenue when the travel occurs and defers a portion of the ticket sale representing the value of the related miles as a separate performance obligation. The Company determines the estimated selling price of travel and miles as if each element is sold on a separate basis. The total consideration from each ticket sale is then allocated to each of these elements, individually, on a pro rata basis. At the time of travel, the Company records the portion allocated to the miles to Frequent flyer deferred revenue on the Company's consolidated balance sheet and subsequently recognizes it into revenue when miles are redeemed for air travel and non-air travel awards.

The Company's estimated selling price of miles is based on an equivalent ticket value less breakage, which incorporates the expected redemption of miles, as the best estimate of selling price for these miles. The equivalent ticket value is based on the prior 12 months' weighted average equivalent ticket value of similar fares as those used to settle award redemptions while taking into consideration such factors as redemption pattern, cabin class, loyalty status and geographic region. The estimated selling price of miles is adjusted by breakage that considers a number of factors, including redemption patterns of various customer groups. The Company reviews its breakage estimates annually based upon the latest available information regarding redemption and expiration patterns. The Company's estimate of the expected expiration of miles requires significant management judgment. Current and future changes to expiration assumptions or to the expiration policy, or to program rules and program redemption opportunities, may result in material changes to the deferred revenue balance as well as recognized revenues from the program. For the portion of the outstanding miles that we estimate will not be redeemed, we recognize the associated value proportionally as the remaining miles are redeemed.

Co-Brand Agreement. United has a significant contract to sell MileagePlus miles to its co-branded credit card partner Chase Bank USA, N.A. ("Chase"). Chase awards miles to MileagePlus members based on their credit card activity. United identified the following significant separately identifiable performance obligations in the co-brand agreement:

- MileagePlus miles awarded - United has a performance obligation to provide MileagePlus cardholders with miles to be used for air travel and non-travel award redemptions. The Company records Passenger revenue related to the travel awards when the transportation is provided and records Other revenue related to the non-travel awards when the goods or services are delivered. The Company records the cost associated with non-travel awards in Other operating revenue.
- Marketing - United's performance obligation is to provide Chase access to its customer list and the use of its brand. United determined access to its customer list and use of the United brand constitute a single performance obligation

by virtue of being highly interdependent and interrelated. Marketing revenue is recorded to Other operating revenue over the term of the co-brand agreement based on customers' use of the MileagePlus credit card.

- Advertising - United has a performance obligation to provide advertising in support of the MileagePlus card in various customer contact points such as United's website, email promotions, direct mail campaigns, airport advertising and in-flight advertising. Advertising revenue is recorded to Other operating revenue as advertising is provided over the term of the co-brand agreement in accordance with customers' use of the MileagePlus credit card.
- Other travel-related benefits - United's performance obligations are comprised of various items such as waived bag fees, seat upgrades, and lounge passes. Lounge passes are recorded to Other operating revenue as customers use the lounge passes. Bag fees and seat upgrades are recorded to Passenger revenue at the time of the associated travel.

The fair value of the separately identifiable performance obligations is determined using management's estimated selling price of each component. The objective of using the estimated selling price based methodology is to determine the price at which we

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would transact a sale if the product or service were sold on a stand-alone basis. Accordingly, we determine our best estimate of selling price by considering multiple inputs and methods including, but not limited to, discounted cash flows, brand value, volume discounts, published selling prices, number of miles awarded and number of miles redeemed. The Company estimated the selling prices and volumes over the term of the co-brand agreement in order to determine the allocation of proceeds to each of the components to be delivered. We also evaluate volumes on an annual basis, which may result in a change in the allocation of the estimated consideration from the co-brand agreement on a prospective basis.

Frequent flyer deferred revenue. Miles in MileagePlus members' accounts are combined into one homogeneous pool and are thus not separately identifiable, for award redemption purposes, between miles earned in the current period and those in their beginning balance. Of the miles expected to be redeemed, the Company expects the majority of these miles to be redeemed within two years. The table below presents a roll forward of Frequent flyer deferred revenue (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Total Frequent flyer deferred revenue - beginning balance	$4,937	$4,940	$4,783	$4,889
Total miles awarded	607	531	1,210	1,019
Travel miles redeemed (Passenger revenue)	(519)	(535)	(928)	(933)
Non-travel miles redeemed (Other operating revenue)	(36)	(45)	(76)	(84)
Total Frequent flyer deferred revenue - ending balance	$4,989	$4,891	$4,989	$4,891

In the three and six months ended June 30, 2018, the Company recognized, in Other operating revenue, $480 million and $974 million, respectively, related to the marketing, advertising, non-travel miles redeemed (net of related costs) and other travel-related benefits of the mileage revenue associated with our various partner agreements including, but not limited to, our Chase co-brand agreement. The portion related to the MileagePlus miles awarded of the total amounts received is deferred and presented in the table above as an increase to the frequent flyer liability. The Company recognized $459 million and $873 million, respectively, in the three and six months ended June 30, 2017, related to those revenues.

Passenger Revenue by Geography. The Company further disaggregates passenger revenue by geographic regions and by mainline versus regional. The following table presents passenger revenue by geographic region and by mainline versus regional for the three and six months ended June 30 (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Mainline	$4,395	$4,043	$7,881	$7,315
Regional	1,786	1,615	3,269	2,994
Domestic	6,181	5,658	11,150	10,309
Atlantic	1,824	1,615	3,076	2,732
Pacific	1,103	1,064	2,172	2,117
Latin America	772	814	1,632	1,646
International	3,699	3,493	6,880	6,495
Consolidated	$9,880	$9,151	$18,030	$16,804
Mainline	8,045	7,492	14,661	13,719
Regional	1,835	1,659	3,369	3,085

Consolidated	$9,880	$9,151	$18,030	$16,804

Ancillary Fees. The Company charges fees, separately from ticket sales, for certain ancillary services that are directly related to passengers' travel, such as ticket change fees, baggage fees, inflight amenities fees, and other ticket-related fees. These ancillary fees are part of the travel performance obligation and, as such, are recognized as passenger revenue when the travel occurs. The Company recorded $555 million and $1,052 million of ancillary fees within passenger revenue in the three and six months

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ended June 30, 2018, respectively, and recorded $524 million and $1,002 million of such fees in the three and six months ended June 30, 2017, respectively.

NOTE 3 - EARNINGS PER SHARE

The computations of UAL's basic and diluted earnings per share are set forth below (in millions, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Earnings available to common stockholders	$684	$821	$831	$920
Basic weighted-average shares outstanding	274.7	306.9	279.3	310.3
Effect of employee stock awards	0.9	0.8	0.9	0.8
Diluted weighted-average shares outstanding	275.6	307.7	280.2	311.1
Earnings per share, basic	$2.49	$2.67	$2.97	$2.96
Earnings per share, diluted	$2.48	$2.67	$2.96	$2.96

The number of potentially dilutive securities excluded from the computation of diluted earnings per share amounts was not material.

In the three and six months ended June 30, 2018, UAL repurchased approximately 5.9 million and 14.3 million shares, respectively, of UAL common stock in open market transactions for $0.4 billion and $1.0 billion, respectively. As of June 30, 2018, the Company had approximately $2.0 billion remaining to purchase shares under its share repurchase program. UAL may repurchase shares through the open market, privately negotiated transactions, block trades or accelerated share repurchase transactions from time to time in accordance with applicable securities laws. UAL will repurchase shares of UAL common stock subject to prevailing market conditions, and may discontinue such repurchases at any time. See Part II, Item 2, Unregistered Sales of Equity Securities and Use of Proceeds of this report for additional information.

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NOTE 4 - ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The tables below present the components of the Company's accumulated other comprehensive income (loss), net of tax ("AOCI") (in millions):

UAL	Pension and Other Postretirement Liabilities	Investments and Other	Income Taxes	Total
Balance at March 31, 2018	$ (1,063)	$ (3)	$ (48)	$ (1,114)
Changes in value	1	1	—	2
Amounts reclassified to earnings	14	—	(4)	10
Net change	15	1	(4)	12
Balance at June 30, 2018	$ (1,048)	$ (2)	$ (52)	$ (1,102)
Balance at December 31, 2017	$ (1,102)	$ (6)	$ (39)	$ (1,147)
Changes in value	24	(3)	(6)	15
Amounts reclassified to earnings	30	—	(7)	23
Amounts reclassified to retained earnings	—	7	—	7
Net change	54	4	(13)	45
Balance at June 30, 2018	$ (1,048)	$ (2)	$ (52)	$ (1,102)
Balance at March 31, 2017	$ (867)	$ 1	$ 30	$ (836)
Changes in value	(7)	(17)	8	(16)
Amounts reclassified to earnings	14	—	(6)	8
Net change	7	(17)	2	(8)
Balance at June 30, 2017	$ (860)	$ (16)	$ 32	$ (844)
Balance at December 31, 2016	$ (854)	$ (1)	$ 26	$ (829)
Changes in value	(33)	(17)	18	(32)
Amounts reclassified to earnings	27	2	(12)	17
Net change	(6)	(15)	6	(15)
Balance at June 30, 2017	$ (860)	$ (16)	$ 32	$ (844)

Details for AOCI Components Reclassified to Income	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017	Affected Line Item in the Statements of Consolidated Operations
Pension and other postretirement liabilities					
Amortization of unrecognized losses and prior service cost (a)	$ 14	$ 14	$ 30	$ 27	Miscellaneous, net
Investments and Other					
Reclassifications of losses into earnings related to fuel derivative contracts	—	—	—	2	Aircraft fuel

(a) This AOCI component is included in the computation of net periodic pension and other postretirement costs (see Note 6 to the financial statements included in this Part I, Item 1 for additional information).

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NOTE 5 - INCOME TAXES

The Company's effective tax rate for the three and six months ended June 30, 2018 was 20.2%, and the effective tax rate for the three and six months ended June 30, 2017 was 35.7% and 35.5%, respectively. The effective tax rate represents a blend of federal, state and foreign taxes and included the impact of certain nondeductible items. The effective tax rate for the three and six months ended June 30, 2018 also reflects the reduced federal corporate income tax rate as a result of the enactment of the Tax Cuts and Jobs Act (the "Tax Act") in December 2017 and the impact of a change in the Company's mix of domestic and foreign earnings. We continue to analyze the different aspects of the Tax Act which could potentially affect the provisional estimates that were recorded at December 31, 2017.

NOTE 6 - EMPLOYEE BENEFIT PLANS

Defined Benefit Pension and Other Postretirement Benefit Plans. The Company's net periodic benefit cost includes the following components for the three months ended June 30 (in millions):

	Pension Benefits		Other Postretirement Benefits		Affected Line Item in the Statements of Consolidated Operations
	2018	2017	2018	2017	
Service cost	$57	$49	$ 3	$ 4	Salaries and related costs
Interest cost	54	55	15	17	Miscellaneous, net
Expected return on plan assets	(73)	(61)	—	(1)	Miscellaneous, net
Amortization of unrecognized (gain) loss and prior service cost (credit)	32	32	(18)	(18)	Miscellaneous, net
Settlement loss	—	1	—	—	Miscellaneous, net
Total	$70	$76	$ —	$ 2	

The Company's net periodic benefit cost includes the following components for the six months ended June 30 (in millions):

	Pension Benefits		Other Postretirement Benefits		Affected Line Item in the Statements of Consolidated Operations
	2018	2017	2018	2017	
Service cost	$114	$98	$ 6	$ 6	Salaries and related costs
Interest cost	108	110	30	34	Miscellaneous, net
Expected return on plan assets	(146)	(121)	—	(1)	Miscellaneous, net
Amortization of unrecognized (gain) loss and prior service cost (credit)	65	63	(35)	(36)	Miscellaneous, net
Settlement loss	—	2	—	—	Miscellaneous, net
Total	$141	$152	$ 1	$ 3	

During the three and six months ended June 30, 2018, the Company contributed $47 million and $160 million to its U.S. domestic tax-qualified defined benefit pension plans, respectively.

Share-Based Compensation. In the six months ended June 30, 2018, UAL granted share-based compensation awards pursuant to the United Continental Holdings, Inc. 2017 Incentive Compensation Plan. These share-based compensation awards include 1.8 million RSUs consisting of 1.1 million time-vested RSUs and 0.7 million performance-based RSUs. The time-vested RSUs vest pro-rata, on February 28th of each year, over a three-year period from the date of grant. These RSUs are generally equity awards settled in stock for domestic employees and liability awards settled in cash for international employees. The cash payments are based on the 20-day average closing price of UAL common stock immediately prior to the vesting date. The performance-based RSUs vest based on the Company's relative improvement in pre-tax margin, as compared to a group of industry peers, for the three years ending December 31, 2020. If this performance condition is achieved, cash payments will be made after the end of the performance period based on the 20-day average closing price of UAL common stock immediately prior to the vesting date. The Company accounts for the performance-based RSUs as liability awards.

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The table below presents information related to share-based compensation (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Share-based compensation expense	$27	$ 33	$44	$ 56

	June 30,	December 31,
	2018	2017
Unrecognized share-based compensation	$86	$ 53

NOTE 7 - FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The table below presents disclosures about the financial assets and liabilities measured at fair value on a recurring basis in UAL's financial statements (in millions):

	June 30, 2018				December 31, 2017			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$2,884	$2,884	$ —	$ —	$1,482	$1,482	$ —	$ —
Short-term investments:								
Corporate debt	958	—	958	—	958	—	958	—
Asset-backed securities	722	—	722	—	753	—	753	—
U.S. government and agency notes	102	—	102	—	113	—	113	—
Certificates of deposit placed through an account registry service ("CDARS")	49	—	49	—	120	—	120	—
Other fixed-income securities	170	—	170	—	188	—	188	—
Other investments measured at net asset value ("NAV")	186	—	—	—	184	—	—	—
Restricted cash	107	107	—	—	109	109	—	—
Long-term investments:								
Equity securities	147	147	—	—	99	99	—	—
Enhanced equipment trust certificates ("EETC")	19	—	—	19	22	—	—	22

Available-for-sale investment maturities - The short-term investments shown in the table above are classified as available-for-sale, with the exception of investments measured at NAV. As of June 30, 2018, asset-backed securities have remaining maturities of less than one year to approximately 16 years, corporate debt securities have remaining maturities of less than one year to approximately three years and CDARS have maturities of less than one year. U.S. government and other securities have maturities of less than one year to approximately 13 years. The EETC securities mature in 2019.

Restricted cash - Restricted cash primarily includes collateral for letters of credit and collateral associated with obligations for facility leases and workers' compensation.

Equity securities - Equity securities represent United's investment in Azul. In April 2018, through a wholly-owned subsidiary, the Company invested $138 million in Azul thus increasing its preferred equity stake to approximately 8% (approximately 2% of the total capital stock of Azul). The Company recognizes changes to the fair market value of its equity investment in Azul in Miscellaneous, net in its statements of consolidated operations.

Investments presented in the table above have the same fair value as their carrying value. The table below presents the carrying values and estimated fair values of financial instruments not presented in the tables above (in millions):

Fair Value of Debt by Fair Value Hierarchy Level

	June 30, 2018					December 31, 2017				
	Carrying Amount	Fair Value				Carrying Amount	Fair Value			
		Total	Level 1	Level 2	Level 3		Total	Level 1	Level 2	Level 3
Long-term debt	$13,347	$13,443	$ —	$9,879	$3,564	$13,268	$13,787	$ —	$10,115	$3,672

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Fair value of the financial instruments included in the tables above was determined as follows:

Description	Fair Value Methodology
Cash and cash equivalents	The carrying amounts approximate fair value because of the short-term maturity of these assets.
Short-term investments, Equity securities, EETC and Restricted cash	Fair value is based on (a) the trading prices of the investment or similar instruments, (b) an income approach, which uses valuation techniques to convert future amounts into a single present amount based on current market expectations about those future amounts when observable trading prices are not available, or (c) broker quotes obtained by third-party valuation services.
Other investments measured at NAV	In accordance with the relevant accounting standards, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position. The investments measured using NAV are shares of mutual funds that invest in fixed-income instruments including bonds, debt securities, and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The Company can redeem its shares at any time at NAV subject to a three-day settlement period.
Long-term debt	Fair values were based on either market prices or the discounted amount of future cash flows using our current incremental rate of borrowing for similar liabilities.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Commitments. As of June 30, 2018, United had firm commitments and options to purchase aircraft from The Boeing Company ("Boeing") and Airbus S.A.S. ("Airbus") presented in the table below:

Aircraft Type	Number of Firm Commitments (a)
Airbus A350	45
Boeing 737 MAX	155
Boeing 777-300ER	1