



# UNITED AIRLINES HOLDINGS, INC.

## FORM 8-K

(Current Report Filing)

Filed 05/25/21 for the Period Ending 05/25/21

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Symbol UAL  
SIC Code 4512 - Air Transportation, Scheduled  
Fiscal Year 12/31

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

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

Date of Report (Date of earliest event reported): **May 25, 2021**

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

(Exact name of registrant as specified in its charter)

<b>Delaware</b>	<b>001-06033</b>	<b>36-2675207</b>
<b>Delaware</b>	<b>001-10323</b>	<b>74-2099724</b>
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)
<b>233 S. Wacker Drive,</b>	<b>Chicago, IL</b>	<b>60606</b>
<b>233 S. Wacker Drive,</b>	<b>Chicago, IL</b>	<b>60606</b>
(Address of principal executive offices)		(Zip Code)
	<b>(872) 825-4000</b>	
	<b>(872) 825-4000</b>	

Registrant's telephone number, including area code

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Registrant	Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
United Airlines Holdings, Inc.	Common Stock, \$0.01 par value	UAL	The Nasdaq Stock Market LLC
United Airlines Holdings, Inc.	Preferred Stock Purchase Rights	None	The Nasdaq Stock Market LLC
United Airlines, Inc.	None	None	None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company ☐

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. ☐

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## Item 7.01 Regulation FD Disclosure.

United Airlines, Inc. ("United"), a wholly-owned subsidiary of United Airlines Holdings, Inc. ("UAL" and, together with United, the "Company"), has experienced an acceleration in ticketed yields for the second quarter, ahead of previous expectations. As of the date of this report, consolidated yields on tickets issued since the beginning of May 2021 for travel in the second quarter 2021 have reached levels similar to 2019, with domestic leisure yields exceeding 2019 levels for the same time period. As a result, the Company now expects Total Revenue per Available Seat Mile (TRASM) to be down around 12% for the second quarter 2021 versus the second quarter 2019. This compares to previous guidance of down approximately 20%.

Due to the recent reduction in the Company's flying to India and Israel<sup>1</sup> which the Company expects to continue in the near-term, the Company now expects second quarter 2021 capacity to be down at least 46% compared to second quarter 2019. This compares to previous guidance of down approximately 45%. Second quarter 2021 adjusted operating expenses<sup>2</sup> excluding special charges are expected to decline 33% versus second quarter 2019, as compared to previous guidance of a decline of 32%.

As a result of improved second quarter 2021 yield performance, adjusted EBITDA margin<sup>3</sup> for second quarter 2021 is now expected to be around (11%) as compared to previous guidance of around (20%). Additionally, the Company expects to achieve positive adjusted EBITDA<sup>3</sup> in the month of June 2021.

The Company continues to expect domestic leisure yields for summer travel<sup>4</sup> to exceed 2019 levels. Business demand continues to be significantly depressed, though bookings for business travel are starting to recover. As a result of these trends the Company now expects third quarter 2021 adjusted EBITDA<sup>3</sup> to be positive.

The information in this Item 7.01 is being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, and shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

<sup>1</sup> Flights to Israel resumed on May 21, 2021.

<sup>2</sup> Excludes operating special charges. We are not providing a reconciliation to operating expenses, the most directly comparable GAAP measure, because we are unable to predict certain items contained in the GAAP measure without unreasonable efforts.

<sup>3</sup> Adjusted EBITDA is a non-GAAP financial measure calculated as Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), excluding special charges and unrealized (gains) losses on investments. Adjusted EBITDA margin is a non-GAAP financial measure calculated as Adjusted EBITDA divided by total operating revenue. We are not providing a reconciliation to net income or profit margin (net income/total operating revenue), the most directly comparable GAAP measures, because we are unable to predict certain items contained in the GAAP measures without unreasonable efforts.

<sup>4</sup> Summer travel is defined as travel between June 1 and August 31 in the applicable year.

### Cautionary Statement Regarding Forward-Looking Statements:

Certain statements in this Current Report on Form 8-K are forward-looking and thus reflect the Company's current expectations and beliefs with respect to certain current and future events and anticipated financial and operating performance. Such forward-looking statements are and will be subject to many risks and uncertainties relating to the Company's operations and business environment that may cause actual results to differ materially from any future results expressed or implied in such forward-looking statements. Words such as "expects," "will," "plans," "anticipates," "indicates," "remains," "believes," "estimates," "forecast," "guidance," "outlook," "goals," "targets" and similar expressions are intended to identify forward-looking statements. Additionally, forward-looking statements include statements that do not relate solely to historical facts, such as statements which identify uncertainties or trends, discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. All forward-looking statements in this report are based upon information available to the Company on the date of this report. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except as required by applicable law.

The Company's actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: the adverse impacts of the ongoing COVID-19 global pandemic, and possible outbreaks of another disease or similar public health threat in the future, on the business, operating results, financial condition, liquidity and near-term and long-term strategic operating plan of the Company, including possible additional adverse impacts resulting from the duration and spread of the pandemic; unfavorable economic and political conditions in the United States and globally; the highly competitive nature of the global airline industry and susceptibility of the industry to price discounting and changes in capacity; high and/or volatile fuel prices or significant disruptions in the supply of aircraft fuel; the Company's reliance on

technology and automated systems to operate its business and the impact of any significant failure or disruption of, or failure to effectively integrate and implement, the technology or systems; the Company's reliance on third-party service providers and the impact of any significant failure of these parties to perform as expected, or interruptions in the Company's relationships with these providers or their provision of services; adverse publicity, harm to the Company's brand, reduced travel demand, potential tort liability and voluntary or mandatory operational restrictions as a result of an accident, catastrophe or incident involving the Company, its regional carriers, its codeshare partners, or another airline; terrorist attacks, international hostilities or other security events, or the fear of terrorist attacks or hostilities, even if not made directly on the airline industry; increasing privacy and data security obligations or a significant data breach; disruptions to the Company's regional network and United Express flights provided by third-party regional carriers; the failure of the Company's significant investments in other airlines, equipment manufacturers and other aviation industry participants to produce the returns or results the Company expects; further changes to the airline industry with respect to alliances and joint business arrangements or due to consolidations; changes in the Company's network strategy or other factors outside the Company's control resulting in less economic aircraft orders, costs related to modification or termination of aircraft orders or entry into less favorable aircraft orders, as well as any inability to accept or integrate new aircraft into its fleet as planned; the Company's reliance on single suppliers to source a majority of its aircraft and certain parts, and the impact of any failure to obtain timely deliveries, additional equipment or support from any of these suppliers; the impacts of union disputes, employee strikes or slowdowns, and other labor-related disruptions on the Company's operations; extended interruptions or disruptions in service at major airports where the Company operates; the impacts of seasonality and other factors associated with the airline industry; the Company's failure to realize the full value of its intangible assets or its long-lived assets, causing the Company to record impairments; any damage to the Company's reputation or brand image; the limitation of the Company's ability to use its net operating loss carryforwards and certain other tax attributes to offset future taxable income for U.S. federal income tax purposes; the costs of compliance with extensive government regulation of the airline industry; costs, liabilities and risks associated with environmental regulation and climate change; the impacts of the Company's significant amount of financial leverage from fixed obligations, the possibility the Company may seek material amounts of additional financial liquidity in the short-term and insufficient liquidity on its financial condition and business; failure to comply with the covenants in the MileagePlus financing agreements, resulting in the possible acceleration of the MileagePlus indebtedness, foreclosure upon the collateral securing the MileagePlus indebtedness or the exercise of other remedies; failure to comply with financial and other covenants governing the Company's other debt; changes in, or failure to retain, the Company's senior management team or other key employees; current or future litigation and regulatory actions, or failure to comply with the terms of any settlement, order or arrangement relating to these actions; increases in insurance costs or inadequate insurance coverage; and other risks and uncertainties set forth under Part I, Item 1A., "Risk Factors," of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as well as other risks and uncertainties set forth from time to time in the reports the Company files with the U.S. Securities and Exchange Commission.

### **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

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

By:	<u>/s/ Gerald Laderman</u>
Name:	Gerald Laderman
Title:	Executive Vice President and Chief Financial Officer

Date: May 25, 2021