

**UAL CORPORATION AND SUBSIDIARY COMPANIES**  
**STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)**

(In millions, except per share amounts)

(In accordance with GAAP)	<b>Three Months Ended</b>		<b>%</b>
	<b>December 31,</b>		<b>Increase/ (Decrease)</b>
	<b>2008</b>	<b>2007</b>	
Operating revenues:			
Passenger - United Airlines	\$ 3,413	\$ 3,797	(10.1)
Passenger - Regional Affiliates	752	765	(1.7)
Cargo	180	223	(19.3)
Other operating revenues	202	245	(17.6)
	4,547	5,030	(9.6)
Operating expenses:			
Aircraft fuel (Notes 3 and 5)	1,838	1,432	28.4
Salaries and related costs (Note 5)	1,049	1,112	(5.7)
Regional affiliates (a)	740	765	(3.3)
Purchased services	328	366	(10.4)
Depreciation and amortization (Note 5)	262	231	13.4
Aircraft maintenance materials and outside repairs	228	306	(25.5)
Landing fees and other rent	211	222	(5.0)
Distribution expenses	152	183	(16.9)
Other impairments and special items (Note 5)	125	-	-
Aircraft rent	95	99	(4.0)
Cost of third party sales	68	78	(12.8)
Other operating expenses (Note 5)	263	300	(12.3)
	5,359	5,094	5.2
Loss from operations	(812)	(64)	NM
Other income (expense):			
Interest expense	(131)	(155)	(15.5)
Interest income	12	66	(81.8)
Interest capitalized	4	5	(20.0)
Gain on sale of investment	-	41	(100.0)
Miscellaneous, net (Note 5)	(373)	9	-
	(488)	(34)	NM
Loss before income taxes and equity in earnings of affiliates	(1,300)	(98)	NM
Income tax expense (benefit) (Note 5)	5	(43)	-
Loss before equity in earnings of affiliates	(1,305)	(55)	NM
Equity in earnings of affiliates, net of tax	2	2	-
Net loss	\$ (1,303)	\$ (53)	NM
Loss per share, basic and diluted	\$ (9.91)	\$ (0.47)	
Weighted average shares, basic and diluted	131.6	117.7	

See accompanying notes.

(a) Regional affiliates expense includes regional aircraft rent expense. See Note 2 for more information.

NM Not meaningful.

**UAL CORPORATION AND SUBSIDIARY COMPANIES**  
**STATEMENTS OF CONSOLIDATED OPERATIONS (UNAUDITED)**  
(In millions, except per share amounts)

(In accordance with GAAP)	<b>Twelve Months Ended December 31,</b>		<b>% Increase/ (Decrease)</b>
	<b>2008</b>	<b>2007</b>	
Operating revenues:			
Passenger - United Airlines	\$ 15,337	\$ 15,254	0.5
Passenger - Regional Affiliates	3,098	3,063	1.1
Cargo	854	770	10.9
Special operating items (Note 5)	-	45	(100.0)
Other operating revenues	905	1,011	(10.5)
	20,194	20,143	0.3
Operating expenses:			
Aircraft fuel (Notes 3 and 5)	7,722	5,003	54.3
Salaries and related costs (Note 5)	4,311	4,261	1.2
Regional affiliates (a)	3,248	2,941	10.4
Purchased services (Note 5)	1,375	1,346	2.2
Aircraft maintenance materials and outside repairs	1,096	1,166	(6.0)
Depreciation and amortization (Note 5)	932	925	0.8
Landing fees and other rent	862	876	(1.6)
Distribution expenses	710	779	(8.9)
Aircraft rent	409	406	0.7
Cost of third party sales	272	316	(13.9)
Goodwill impairment (Note 5)	2,277	-	-
Other impairments and special items (Note 5)	339	(44)	-
Other operating expenses (Note 5)	1,079	1,131	(4.6)
	24,632	19,106	28.9
Earnings (loss) from operations	(4,438)	1,037	-
Other income (expense):			
Interest expense	(523)	(661)	(20.9)
Interest income	112	257	(56.4)
Interest capitalized	20	19	5.3
Gain on sale of investment	-	41	(100.0)
Miscellaneous, net (Note 5)	(550)	2	-
	(941)	(342)	175.1
Earnings (loss) before income taxes and equity in earnings of affiliates	(5,379)	695	-
Income tax expense (benefit) (Note 5)	(25)	297	-
Earnings (loss) before equity in earnings of affiliates	(5,354)	398	-
Equity in earnings of affiliates, net of tax	6	5	20.0
Net income (loss)	\$ (5,348)	\$ 403	-
Earnings (loss) per share, basic	\$ (42.21)	\$ 3.34	
Earnings (loss) per share, diluted	\$ (42.21)	\$ 2.79	
Weighted average shares, basic	126.8	117.4	
Weighted average shares, diluted	126.8	153.7	

See accompanying notes.

(a) Regional affiliates expense includes regional aircraft rent expense. See Note 2 for more information.

NM Not meaningful.

**UAL CORPORATION AND SUBSIDIARY COMPANIES**  
**CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS (UNAUDITED)**  
(In millions)

(In accordance with GAAP)	<b>Three Months Ended</b>		<b>%</b>	<b>Twelve Months Ended</b>		<b>%</b>
	<b>December 31,</b>		<b>Increase/</b>	<b>December 31,</b>		<b>Increase/</b>
	<b>2008</b>	<b>2007</b>	<b>(Decrease)</b>	<b>2008</b>	<b>2007</b>	<b>(Decrease)</b>
Cash flows provided (used) by operating activities (a)	\$ (989)	\$ 132	-	\$ (1,239)	\$ 2,134	-
Cash flows provided (used) by investing activities						
Net (purchases) sales of short-term investments	-	604	(100.0)	2,295	(1,983)	-
Additions to property and equipment	(80)	(230)	(65.2)	(415)	(658)	(36.9)
Proceeds from the sale of investment	-	128	(100.0)	-	128	(100.0)
Purchases of EETC securities	-	(20)	(100.0)	-	(96)	(100.0)
(Increase) decrease in restricted cash (b)	(24)	32	-	484	91	431.9
Proceeds from asset sale leaseback	215	-	-	274	-	-
Proceeds from litigation on advance deposits	-	-	-	41	-	-
Proceeds from the sale of property and equipment	51	5	NM	94	19	394.7
Other, net	(17)	(22)	(22.7)	(52)	(61)	(14.8)
	<u>145</u>	<u>497</u>	<u>(70.8)</u>	<u>2,721</u>	<u>(2,560)</u>	<u>-</u>
Cash flows provided (used) by financing activities						
Repayment of Credit Facility	-	(500)	(100.0)	(18)	(1,495)	(98.8)
Repayment of other debt	(128)	(108)	18.5	(666)	(1,257)	(47.0)
Special distribution	-	-	-	(253)	-	-
Principal payments under capital leases	(26)	(117)	(77.8)	(235)	(177)	32.8
Decrease in capital lease deposits	1	80	(98.8)	155	80	93.8
Increase (decrease) in deferred financing costs	(2)	4	-	(120)	(18)	NM
Proceeds from issuance of secured notes	-	-	-	337	694	(51.4)
Proceeds from the sale of stock	107	-	-	107	-	-
Other, net	-	8	(100.0)	(9)	26	-
	<u>(48)</u>	<u>(633)</u>	<u>(92.4)</u>	<u>(702)</u>	<u>(2,147)</u>	<u>(67.3)</u>
Increase (decrease) in cash and cash equivalents during the period	(892)	(4)	NM	780	(2,573)	-
Cash and cash equivalents at beginning of the period	2,931	1,263	132.1	1,259	3,832	(67.1)
Cash and cash equivalents at end of the period	<u>\$ 2,039</u>	<u>\$ 1,259</u>	<u>62.0</u>	<u>\$ 2,039</u>	<u>\$ 1,259</u>	<u>62.0</u>

**Reconciliation of cash and cash equivalents to total cash and cash equivalents, short-term investments and restricted cash:**

	<b>As of</b>		<b>%</b>
	<b>December 31,</b>		<b>Increase/</b>
	<b>2008</b>	<b>2007</b>	<b>(Decrease)</b>
Cash and cash equivalents	\$ 2,039	\$ 1,259	62.0
Short-term investments	-	2,295	(100.0)
Restricted cash (b)	272	756	(64.0)
Total cash and cash equivalents, short-term investments and restricted cash (b)	<u>\$ 2,311</u>	<u>\$ 4,310</u>	<u>(46.4)</u>

(a) See Note 5[h] for the Company's computation of free cash flow

(b) Restricted cash decreased significantly during the year ended December 31, 2008 due to the posting of letters of credit for workers' compensation obligations and an amendment of the Company's largest credit card processing agreement with respect to credit card ticket sales reserves.

NM Not meaningful.

**CONSOLIDATED NOTES (UNAUDITED)**

- (1) UAL Corporation ("UAL" or the "Company") is a holding company whose principal subsidiary is United Air Lines, Inc. ("United"). On December 9, 2002, UAL, United and twenty-six direct and indirect wholly-owned subsidiaries filed Chapter 11 petitions for relief in the U.S. Bankruptcy Court for the Northern District of Illinois. On February 1, 2006 (the "Effective Date"), the Company emerged from Chapter 11. In connection with its emergence from Chapter 11 bankruptcy protection, the Company implemented fresh-start reporting in accordance with American Institute of Certified Public Accountants' Statement of Position 90-7, "Financial Reporting by Entities in Reorganization Under the Bankruptcy Code" on the Effective Date. The application of fresh-start reporting resulted in significant changes to the historical financial statements.
- (2) United has contractual relationships with various regional carriers to provide regional jet and turboprop service branded as United Express. Under these agreements, United pays the regional carriers contractually agreed fees for crew expenses, maintenance expenses and other costs of operating these flights. These costs include aircraft rents of \$104 million and \$105 million for the three months ended December 31, 2008 and 2007, respectively, and \$413 million and \$425 million for the twelve months ended December 31, 2008 and 2007, respectively, which are included in regional affiliate expense in our Statements of Consolidated Operations.
- (3) UAL's results of operations include aircraft fuel expense for both United mainline jet operations and regional affiliates. Aircraft fuel expense incurred as a result of the Company's regional affiliates' operations is reflected in Regional affiliates operating expense. In accordance with UAL's agreement with its regional affiliates, these costs are incurred by the Company. Fuel hedging gains or losses are not allocated to Regional affiliates fuel expense.

Year-Over-Year Impact of Fuel Expense  
United Mainline and Regional Affiliate Operations

(In millions, except per gallon)	Three Months Ended			Twelve Months Ended		
	December 31,		%	December 31,		%
	2008	2007	Change	2008	2007	Change
Total Mainline fuel expense	\$ 1,838	\$ 1,432	28.4	\$ 7,722	\$ 5,003	54.3
Non-cash, net mark-to-market gains (losses) in mainline fuel expense	(449)	7	-	(568)	20	-
Mainline fuel expense excluding non-cash, net mark-to-market gains (losses)	1,389	1,439	(3.5)	7,154	5,023	42.4
Regional affiliates fuel expense	247	262	(5.7)	1,257	915	37.4
United system fuel expense excluding non-cash, net mark-to-market gains (losses)	\$ 1,636	\$ 1,701	(3.8)	\$ 8,411	\$ 5,938	41.6
Mainline fuel consumption (gallons)	491	566	(13.3)	2,182	2,292	(4.8)
Mainline average jet fuel price per gallon (in cents)	374.3	253.0	47.9	353.9	218.3	62.1
Mainline average jet fuel price per gallon excluding non-cash, net mark-to-market gains (losses) (in cents)	282.9	254.2	11.3	327.9	219.2	49.6
Regional affiliates fuel consumption (gallons)	92	93	(1.1)	371	377	(1.6)
Regional affiliates average jet fuel price per gallon (in cents)	268.5	281.7	(4.7)	338.8	242.7	39.6

- (4) The tables below set forth certain operating statistics by geographic region and the Company's mainline, regional affiliates and consolidated operations excluding special revenue items and the impact of Mileage Plus:

(% change from prior year)

Three Months Ended December 31, 2008	Domestic	Pacific	Atlantic	Latin	Mainline	Regional	
						Affiliates	Consolidated
Passenger revenues	(8.6)	(13.9)	2.3	(4.5)	(7.9)	0.8	(6.4)
ASM	(14.4)	(14.7)	2.4	(7.9)	(11.7)	(1.0)	(10.6)
RPM	(12.6)	(17.6)	(1.3)	(14.6)	(12.1)	(0.3)	(10.9)
PRASM	6.7	0.8	(0.2)	3.7	4.4	1.8	4.7
Yield [a]	4.4	5.2	2.8	9.8	4.8	1.1	5.1
Load factor (points)	1.7	(2.7)	(3.0)	(5.6)	(0.3)	0.6	(0.3)
Twelve Months Ended December 31, 2008	Domestic	Pacific	Atlantic	Latin	Mainline	Regional	
Passenger revenues	(0.8)	(1.7)	12.3	7.2	1.3	1.9	1.4
ASM	(7.8)	(4.8)	11.0	(2.8)	(4.2)	(0.8)	(3.9)
RPM	(8.5)	(9.4)	7.9	(5.5)	(6.3)	(3.9)	(6.0)
PRASM	7.6	3.2	1.2	10.3	5.8	2.8	5.5
Yield [a]	8.3	8.5	3.4	14.1	8.0	6.1	7.9
Load factor (points)	(0.6)	(3.9)	(2.3)	(2.2)	(1.7)	(2.4)	(1.8)

[a] Yields for geographic regions exclude charter revenue, industry reduced fares, passenger charges and related revenue passenger miles.

**CONSOLIDATED NOTES (UNAUDITED)**

- (5) The Company incurred significant charges related to tangible and intangible asset impairments, severance and other charges that significantly impacted its results in the three and twelve months ended December 31, 2008. Collectively, these charges are identified as "impairments and other charges" in the Regulation G reconciliations below. These items consist of the following

	Three Months Ended December 31, 2008	Twelve Months Ended December 31, 2008	
Goodwill impairment	\$ -	\$ 2,277	Income Statement Classification Goodwill impairment
Intangible asset impairments:	-	64	
Aircraft and deposit impairments	107	250	
Other impairments	107	314	
Lease termination and special items	18	25	
Total other impairments and special items	125	339	Other impairments and special items
Severance	18	106	Salaries and related costs
Employee benefit charge	29	57	Salaries and related costs
Litigation-related settlement gain	-	(29)	Other operating expenses
Purchased services charges	-	26	Purchased services
Net gain on asset sales	(11)	(3)	Depreciation and amortization
Accelerated depreciation related to aircraft groundings	26	34	Depreciation and amortization
Total other charges	62	191	
Total impairments, special items and other charge:	187	2,807	
Operating non-cash, net mark-to-market losses	449	568	Aircraft fuel
Total operating expense impact	636	3,375	
Non-operating non-cash, mark-to-market losses	117	279	Miscellaneous, net
Pre-tax impairments and other charge:	753	3,654	
Income tax expense (benefit) on intangible asset impairments and asset sales	(5)	(31)	Income tax expense (benefit)
Impairments and other charges, net of tax	\$ 748	\$ 3,623	

(a) Amount relates to additional charges to adjust certain employee benefit obligation

(b) Amount relates to expense for certain projects and transactions that have been terminated or indefinitely postponed by the Company

The Company did not classify any items as special items during the fourth quarter of 2007, but it did have special items for the year ended December 31, 2007, which include the following:

In 2007, the Company recorded a change in estimate of \$59 million for certain liabilities relating to bankruptcy administrative claims. This adjustment resulted directly from the progression of the Company's ongoing efforts to resolve certain bankruptcy pre-confirmation contingencies. The Company classified these changes in estimate as special items in the accompanying financial statements, as they are related directly to the ongoing resolution of bankruptcy administrative claims. This classification is consistent with classification used to report the effects of similar claims resolved in other quarterly periods since exit from bankruptcy. The Company therefore recorded a special operating revenue credit of \$45 million, and a special operating expense credit of \$14 million for these changes in estimate.

The Company also recorded special operating expense credits of \$30 million in the twelve months ended December 31, 2007 related to bankruptcy facility lease secured interest litigation. The Company separately recorded a \$26 million benefit from a change in estimate to certain other contingent liabilities, which was recorded as a credit to mainline passenger revenues of \$22 million, and to regional affiliate revenues of \$4 million. The Company classified this benefit to passenger revenue, since it represents an adjustment to contingent liabilities based largely on changes in underlying facts and circumstances occurring during the year ended December 31, 2007.

See Notes 6 and 7, below, for additional information related to the impacts of accounting for Mileage Plus on the Company's results of operations.

Pursuant to SEC Regulation G, the Company has included the following reconciliation of reported non-GAAP financial measures to comparable financial measures reported on a GAAP basis. The Company believes that excluding fuel costs from certain measures is useful to investors because it provides an additional measure of management's performance excluding the effects of a significant cost item over which management has limited influence. The Company also believes that adjusting for special items, and other items unusual or infrequent in nature, is useful to investors because they are non-recurring items not indicative of the Company's on-going performance. In addition, the Company adjusts for Mileage Plus impacts for better comparison to several of its peers as many still apply the incremental cost method of accounting to their loyalty plans. The Company does not apply hedge accounting. The Company believes that excluding unrealized gains/losses related to the mark-to-market of its fuel hedge positions provides management and investors with a better perspective of its performance and comparison to its peers because the unrealized gains/losses relate to future period fuel purchases and many of our peers apply FAS 133 hedge accounting.

The tables below set forth the reconciliation of GAAP and non-GAAP financial measures for certain operating statistics that are used in determining key indicators such as adjusted passenger revenue per revenue passenger mile ("Yield"), operating revenue per available seat mile ("RASM"), operating margin, net income (loss) and operating expense per available seat mile ("CASM").

	2008	2007	%	2008	2007	%
	2008	2007	Change	2008	2007	Change
<b>[a] Yield (In millions)</b>						
<i>Mainline</i>						
Passenger - United Airline:	\$ 3,413	\$ 3,797	(10.1)	\$ 15,337	\$ 15,254	0.5
Add: Income from special item	-	-	-	-	37	(100.0)
Less: industry reduced fares and passenger charge:	(11)	(11)	-	(46)	(45)	2.2
Mainline adjusted passenger revenue	\$ 3,402	\$ 3,786	(10.1)	\$ 15,291	\$ 15,246	0.3
Mainline revenue passenger miles	24,517	27,890	(12.1)	110,061	117,399	(6.3)
Adjusted mainline yield (in cents)	13.88	13.57	2.3	13.89	12.99	6.9
Passenger - United Airline:	\$ 3,413	\$ 3,797	(10.1)	\$ 15,337	\$ 15,254	0.5
Less: industry reduced fares and passenger charge:	(11)	(11)	-	(46)	(45)	2.2
Mainline adjusted passenger revenue	\$ 3,402	\$ 3,786	(10.1)	\$ 15,291	\$ 15,209	0.5
Adjusted mainline yield (in cents)	13.88	13.57	2.3	13.89	12.95	7.3
Mainline adjusted passenger revenue	\$ 3,402	\$ 3,786	(10.1)	\$ 15,291	\$ 15,209	0.5
Add: Mileage Plus - effect of accounting change	39	50	(22.0)	139	230	(39.6)
Less: Mileage Plus - effect of expiration period change	-	(100)	(100.0)	-	(204)	(100.0)
Mainline adjusted passenger revenue	\$ 3,441	\$ 3,736	(7.9)	\$ 15,430	\$ 15,235	1.3
Adjusted mainline yield (in cents)	14.04	13.40	4.8	14.02	12.98	8.0
<i>Regional Affiliates</i>						
Passenger - United Express	\$ 752	\$ 765	(1.7)	\$ 3,098	\$ 3,063	1.1
Add: Income from special item	-	-	-	-	8	(100.0)
Regional affiliates passenger revenue	\$ 752	\$ 765	(1.7)	\$ 3,098	\$ 3,071	0.9
Regional affiliates revenue passenger miles	3,003	3,013	(0.3)	12,155	12,649	(3.9)
Regional affiliates yield (in cents)	25.04	25.39	(1.4)	25.49	24.28	5.0
Passenger - United Express	\$ 752	\$ 765	(1.7)	\$ 3,098	\$ 3,063	1.1
Add: Mileage Plus - effect of accounting change	9	11	(18.2)	28	47	(40.4)
Less: Mileage Plus - effect of expiration period change	-	(21)	(100.0)	-	(42)	(100.0)
Regional affiliates adjusted passenger revenue	\$ 761	\$ 755	0.8	\$ 3,126	\$ 3,068	1.9
Adjusted regional affiliates yield (in cents)	25.34	25.06	1.1	25.72	24.25	6.1

**CONSOLIDATED NOTES (UNAUDITED)**

	Three Months Ended		% Change	Twelve Months Ended		% Change
	December 31, 2008	2007		December 31, 2008	2007	
<i>Consolidated</i>						
Consolidated passenger revenue	\$ 4,165	\$ 4,562	(8.7)	\$ 18,435	\$ 18,317	0.6
Add: Income from special item	-	-	-	-	45	(100.0)
Less: industry reduced fares and passenger charges	(11)	(11)	-	(46)	(45)	2.2
Consolidated adjusted passenger revenue	<u>\$ 4,154</u>	<u>\$ 4,551</u>	(8.7)	<u>\$ 18,389</u>	<u>\$ 18,317</u>	0.4
Consolidated revenue passenger miles	27,520	30,903	(10.9)	122,216	130,048	(6.0)
Adjusted consolidated yield (in cents)	15.09	14.73	2.4	15.05	14.08	6.9
Consolidated passenger revenue	\$ 4,165	\$ 4,562	(8.7)	\$ 18,435	\$ 18,317	0.6
Less: industry reduced fares and passenger charges	(11)	(11)	-	(46)	(45)	2.2
Consolidated adjusted passenger revenue	<u>\$ 4,154</u>	<u>\$ 4,551</u>	(8.7)	<u>\$ 18,389</u>	<u>\$ 18,272</u>	0.6
Adjusted consolidated yield (in cents)	15.09	14.73	2.4	15.05	14.05	7.1
Consolidated adjusted passenger revenue	\$ 4,154	\$ 4,551	(8.7)	\$ 18,389	\$ 18,272	0.6
Add: Mileage Plus - effect of accounting change	48	61	(21.3)	167	277	(39.7)
Less: Mileage Plus - effect of expiration period change	-	(121)	(100.0)	-	(246)	(100.0)
Consolidated adjusted passenger revenue	<u>\$ 4,202</u>	<u>\$ 4,491</u>	(6.4)	<u>\$ 18,556</u>	<u>\$ 18,303</u>	1.4
Adjusted consolidated yield (in cents)	15.27	14.53	5.1	15.18	14.07	7.9
<b>[b] PRASM (In millions)</b>						
<i>Mainline</i>						
Passenger - United Airlines	\$ 3,413	\$ 3,797	(10.1)	\$ 15,337	\$ 15,254	0.5
Add: Income from special item	-	-	-	-	37	(100.0)
Mainline passenger revenue	<u>\$ 3,413</u>	<u>\$ 3,797</u>	(10.1)	<u>\$ 15,337</u>	<u>\$ 15,291</u>	0.3
Mainline available seat mile	30,857	34,949	(11.7)	135,861	141,890	(4.2)
Mainline PRASM (in cents)	11.06	10.86	1.8	11.29	10.78	4.7
Passenger - United Airlines	\$ 3,413	\$ 3,797	(10.1)	\$ 15,337	\$ 15,254	0.5
Add: Mileage Plus - effect of accounting change	39	50	(22.0)	139	230	(39.6)
Less: Mileage Plus - effect of expiration period change	-	(100)	(100.0)	-	(204)	(100.0)
Mainline adjusted passenger revenue	<u>\$ 3,452</u>	<u>\$ 3,747</u>	(7.9)	<u>\$ 15,476</u>	<u>\$ 15,280</u>	1.3
Adjusted mainline PRASM (in cents)	11.19	10.72	4.4	11.39	10.77	5.8
<i>Regional Affiliates</i>						
Passenger - Regional Affiliates	\$ 752	\$ 765	(1.7)	\$ 3,098	\$ 3,063	1.1
Add: Income from special item	-	-	-	-	8	(100.0)
Regional affiliates passenger revenue	<u>\$ 752</u>	<u>\$ 765</u>	(1.7)	<u>\$ 3,098</u>	<u>\$ 3,071</u>	0.9
Regional affiliates available seat miles	3,959	3,999	(1.0)	16,164	16,301	(0.8)
Regional affiliates PRASM (in cents)	18.99	19.13	(0.7)	19.17	18.84	1.8
Passenger - Regional Affiliates	\$ 752	\$ 765	(1.7)	\$ 3,098	\$ 3,063	1.1
Add: Mileage Plus - effect of accounting change	9	11	(18.2)	28	47	(40.4)
Less: Mileage Plus - effect of expiration period change	-	(21)	(100.0)	-	(42)	(100.0)
Regional affiliates adjusted passenger revenue	<u>\$ 761</u>	<u>\$ 755</u>	0.8	<u>\$ 3,126</u>	<u>\$ 3,068</u>	1.9
Adjusted Regional affiliates PRASM (in cents)	19.22	18.88	1.8	19.34	18.82	2.8
<i>Consolidated</i>						
Consolidated passenger revenues	\$ 4,165	\$ 4,562	(8.7)	\$ 18,435	\$ 18,317	0.6
Add: Income from special item	-	-	-	-	45	(100.0)
Adjusted consolidated passenger revenues	<u>\$ 4,165</u>	<u>\$ 4,562</u>	(8.7)	<u>\$ 18,435</u>	<u>\$ 18,362</u>	0.4
Consolidated available seat mile	34,816	38,948	(10.6)	152,025	158,191	(3.9)
Adjusted consolidated PRASM (in cents)	11.96	11.71	2.1	12.13	11.61	4.5
Consolidated passenger revenues	\$ 4,165	\$ 4,562	(8.7)	\$ 18,435	\$ 18,317	0.6
Add: Mileage Plus - effect of accounting change	48	61	(21.3)	167	277	(39.7)
Less: Mileage Plus - effect of expiration period change	-	(121)	(100.0)	-	(246)	(100.0)
Adjusted consolidated passenger revenues	<u>\$ 4,213</u>	<u>\$ 4,502</u>	(6.4)	<u>\$ 18,602</u>	<u>\$ 18,348</u>	1.4
Adjusted consolidated PRASM (in cents)	12.10	11.56	4.7	12.24	11.60	5.5
<b>[c] RASM (In millions)</b>						
<i>Mainline</i>						
Consolidated operating revenues	\$ 4,547	\$ 5,030	(9.6)	\$ 20,194	\$ 20,143	0.3
Less: Passenger - Regional Affiliates	(752)	(765)	(1.7)	(3,098)	(3,063)	1.1
Less: Regional Affiliates special item	-	-	-	-	(8)	(100.0)
Mainline operating revenues	<u>\$ 3,795</u>	<u>\$ 4,265</u>	(11.0)	<u>\$ 17,096</u>	<u>\$ 17,072</u>	0.1
Mainline available seat mile	30,857	34,949	(11.7)	135,861	141,890	(4.2)
Mainline RASM (in cents)	12.30	12.20	0.8	12.58	12.03	4.6
Mainline operating revenues	\$ 3,795	\$ 4,265	(11.0)	\$ 17,096	\$ 17,072	0.1
Less: income from special item	-	-	-	-	(37)	(100.0)
Adjusted mainline operating revenue	<u>\$ 3,795</u>	<u>\$ 4,265</u>	(11.0)	<u>\$ 17,096</u>	<u>\$ 17,035</u>	0.4
Adjusted mainline RASM (in cents)	12.30	12.20	0.8	12.58	12.01	4.7
Adjusted mainline operating revenue	\$ 3,795	\$ 4,265	(11.0)	\$ 17,096	\$ 17,035	0.4
Add: Mileage Plus - effect of accounting change	39	50	(22.0)	139	230	(39.6)
Less: Mileage Plus - effect of expiration period change	-	(100)	(100.0)	-	(204)	(100.0)
Adjusted mainline operating revenue	<u>\$ 3,834</u>	<u>\$ 4,215</u>	(9.0)	<u>\$ 17,235</u>	<u>\$ 17,061</u>	1.0
Adjusted mainline RASM (in cents)	12.43	12.06	3.1	12.69	12.02	5.6
<i>Consolidated</i>						
Consolidated operating revenues	\$ 4,547	\$ 5,030	(9.6)	\$ 20,194	\$ 20,143	0.3
Less: income from special item	-	-	-	-	(45)	(100.0)
Adjusted consolidated operating revenues	<u>\$ 4,547</u>	<u>\$ 5,030</u>	(9.6)	<u>\$ 20,194</u>	<u>\$ 20,098</u>	0.5
Consolidated available seat mile	34,816	38,948	(10.6)	152,025	158,191	(3.9)
Adjusted consolidated RASM (in cents)	13.06	12.91	1.2	13.28	12.70	4.6
Adjusted consolidated operating revenues	\$ 4,547	\$ 5,030	(9.6)	\$ 20,194	\$ 20,098	0.5
Add: Mileage Plus - effect of accounting change	48	61	(21.3)	167	277	(39.7)
Less: Mileage Plus - effect of expiration period change	-	(121)	(100.0)	-	(246)	(100.0)
Adjusted consolidated operating revenues	<u>\$ 4,595</u>	<u>\$ 4,970</u>	(7.5)	<u>\$ 20,361</u>	<u>\$ 20,129</u>	1.2
Adjusted consolidated RASM (in cents)	13.20	12.76	3.4	13.39	12.72	5.3

**CONSOLIDATED NOTES (UNAUDITED)**

	Three Months Ended			Twelve Months Ended		
	December 31, 2008	2007	% Change	December 31, 2008	2007	% Change
<b>[d] Operating Margin (In millions)</b>						
Consolidated operating earnings (loss)	\$ (812)	\$ (64)	NM	\$ (4,438)	\$ 1,037	-
Less: income from special revenue item	-	-	-	-	(45)	(100.0)
Add (less): non-cash, net mark-to-market (gains) losses	449	(7)	-	568	(20)	-
Add (less): impairments, special items and other charges	187	-	-	2,807	(44)	-
Adjusted operating earnings (loss)	<u>\$ (176)</u>	<u>\$ (71)</u>	147.9	<u>\$ (1,063)</u>	<u>\$ 928</u>	-
Consolidated operating revenues	\$ 4,547	\$ 5,030	(9.6)	\$ 20,194	\$ 20,143	0.3
Operating margin (loss) (percent)	(17.9)	(1.3)	(16.6) pt.	(22.0)	5.1	(27.1) pt.
Adjusted operating margin (loss) (percent)	(3.9)	(1.4)	(2.5) pt.	(5.3)	4.6	(9.9) pt.
<b>[e] Pre-tax income (loss) (In millions)</b>						
Earnings (loss) before income taxes and equity in earnings of affiliates	\$ (1,300)	\$ (98)	NM	\$ (5,379)	\$ 695	-
Less: income from special revenue item	-	-	-	-	(45)	(100.0)
Add (less): non-cash, net mark-to-market (gains) losses	566	(7)	-	847	(20)	-
Add (less): impairments, special items and other charges	187	-	-	2,807	(44)	-
Adjusted pre-tax earnings (loss)	<u>\$ (547)</u>	<u>\$ (105)</u>	421.0	<u>\$ (1,725)</u>	<u>\$ 586</u>	-
Pre-tax earnings (loss) (percent)	(28.6)	(1.9)	(26.7) pt.	(26.6)	3.5	(30.1) pt.
Adjusted pre-tax earnings (loss) (percent)	(12.0)	(2.1)	(9.9) pt.	(8.5)	2.9	(11.4) pt.
<b>[f] Net income (loss) (In millions)</b>						
Net income (loss)	\$ (1,303)	\$ (53)	NM	\$ (5,348)	\$ 403	-
Less: income from special revenue item	-	-	-	-	(45)	(100.0)
Add (less): non-cash, net mark-to-market (gains) losses	566	(7)	-	847	(20)	-
Add (less): impairments, special items and other charges	187	-	-	2,807	(44)	-
Add (less): income tax expense (benefit) (i)	(5)	3	-	(31)	47	-
Adjusted net income (loss)	<u>\$ (555)</u>	<u>\$ (57)</u>	-	<u>\$ (1,725)</u>	<u>\$ 341</u>	-
<b>[g] CASM (In millions)</b>						
<i>Mainline</i>						
Consolidated operating expenses	\$ 5,359	\$ 5,094	5.2	\$ 24,632	\$ 19,106	28.9
Less: Regional affiliates	(740)	(765)	(3.3)	(3,248)	(2,941)	10.4
Mainline operating expenses	<u>\$ 4,619</u>	<u>\$ 4,329</u>	6.7	<u>\$ 21,384</u>	<u>\$ 16,165</u>	32.3
Mainline available seat miles	30,857	34,949	(11.7)	135,861	141,890	(4.2)
Mainline CASM (in cents)	14.97	12.39	20.8	15.74	11.39	38.2
Mainline operating expenses	\$ 4,619	\$ 4,329	6.7	\$ 21,384	\$ 16,165	32.3
Add (less): impairments, special items, other charges and non-cash, net mark-to-market (gains) losses	(636)	7	-	(3,375)	64	-
Adjusted mainline operating expense	<u>\$ 3,983</u>	<u>\$ 4,336</u>	(8.1)	<u>\$ 18,009</u>	<u>\$ 16,229</u>	11.0
Adjusted mainline CASM (in cents)	12.91	12.41	4.0	13.26	11.44	15.9
Adjusted mainline operating expense	\$ 3,983	\$ 4,336	(8.1)	\$ 18,009	\$ 16,229	11.0
Less: mainline fuel expense (excluding non-cash, net mark-to-market (gains) losses)	(1,389)	(1,439)	(3.5)	(7,154)	(5,023)	42.4
Less: cost of third party sales - UAFC (ii)	1	(2)	-	(4)	(36)	(88.9)
Adjusted mainline operating expense	<u>\$ 2,595</u>	<u>\$ 2,895</u>	(10.4)	<u>\$ 10,851</u>	<u>\$ 11,170</u>	(2.9)
Adjusted mainline CASM (in cents)	8.41	8.28	1.6	7.99	7.87	1.5
<i>Consolidated</i>						
Consolidated operating expenses	\$ 5,359	\$ 5,094	5.2	\$ 24,632	\$ 19,106	28.9
Add (less): impairments, special items, other charges and non-cash, net mark-to-market (gains) losses	(636)	7	-	(3,375)	64	-
Adjusted consolidated operating expenses	<u>\$ 4,723</u>	<u>\$ 5,101</u>	(7.4)	<u>\$ 21,257</u>	<u>\$ 19,170</u>	10.9
Consolidated available seat miles	34,816	38,948	(10.6)	152,025	158,191	(3.9)
Adjusted consolidated CASM (in cents)	13.57	13.10	3.6	13.98	12.12	15.3
Adjusted consolidated operating expenses	\$ 4,723	\$ 5,101	(7.4)	\$ 21,257	\$ 19,170	10.9
Less: fuel expense (excluding non-cash, net mark-to-market (gains) losses) and UAFC (ii)	(1,635)	(1,703)	(4.0)	(8,415)	(5,974)	40.9
Adjusted consolidated operating expenses	<u>\$ 3,088</u>	<u>\$ 3,398</u>	(9.1)	<u>\$ 12,842</u>	<u>\$ 13,196</u>	(2.7)
Adjusted consolidated CASM (in cents)	8.87	8.72	1.7	8.45	8.34	1.3
<b>[h] Operating cash flow (In millions)</b>						
Operating cash flow	\$ (989)	\$ 132	-	\$ (1,239)	\$ 2,134	-
Less: capital expenditures	(80)	(230)	(65.2)	(415)	(658)	(36.9)
Add: proceeds from litigation on advance deposits	-	-	-	41	-	-
Free cash flow	<u>\$ (1,069)</u>	<u>\$ (98)</u>	NM	<u>\$ (1,613)</u>	<u>\$ 1,476</u>	-
<b>[i] Loss per share (Basic and diluted)</b>						
Loss per share - GAAP	\$ (9.91)			\$ (42.21)		
Add: non-cash, net mark-to-market losses	4.30			6.68		
Add: impairments, special items and other charges	1.39			21.90		
Loss per share - excluding non-cash, net mark-to-market losses and impairments, special items and other charges	<u>\$ (4.22)</u>			<u>\$ (13.63)</u>		

(i) For the three and twelve months ended December 31, 2007, the income tax adjustment for special items is the difference in the income tax provision on actual net income (loss) and the income tax provision on adjusted net income (loss), computed using an effective tax rate of 43%. The Company did not record a tax benefit on the impairments and special items in the three and twelve months ended December 31, 2008, except for \$(5) million and \$(31) million, respectively, of tax expense (benefits) related to the decreases in indefinite-lived intangible assets, which was calculated using a 37% tax rate.

(ii) Included in UAL's operating expenses are the expenses of United's wholly-owned subsidiary United Aviation Fuels Corporation ("UAFC"). UAFC's expenses are not derived from mainline jet operations; therefore, UAL has excluded these expenses from the above reported GAAP financial measures.

NM - Not meaningful.

**CONSOLIDATED NOTES (UNAUDITED)**

- (6) The table below sets forth the estimated exit-related and fresh-start reporting impacts on the Company's results of operations.

(In millions)	<b>2008 Increase (Decrease)</b>				
	1Q	2Q	3Q	4Q	YTD
	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Revenue impact:</b>					
Mileage Plus revenue	\$ (65)	\$ (42)	\$ (12)	\$ (48)	\$ (167) [a]
<b>Operating expense impact:</b>					
Share-based compensation	11	7	5	8	31 [b]
Mileage Plus marketing expense	5	2	6	3	16 [a]
Postretirement welfare cost	14	14	14	14	56 [c]
Depreciation and amortization	10	10	10	10	40 [d]
Deferred gain	18	18	18	18	72 [e]
Total operating expense impact	58	51	53	53	215
<b>Non-operating expense impact:</b>					
Non-cash and fresh-start interest expense	\$ 4	\$ 4	\$ 4	\$ 5	\$ 17 [f]

- [a] In connection with its emergence from Chapter 11 protection effective February 1, 2006, the Company adopted fresh-start reporting. Accordingly, the Company elected to change its accounting policy from an incremental cost basis to a deferred revenue model to measure the obligation for the Mileage Plus Frequent Flyer program. Adjustments to the obligation are recorded to operating revenues. Historically, adjustments were based upon incremental costs and were recorded in both operating revenues and advertising expense.

The deferred revenue model is more volatile than the incremental cost basis. Because all miles are now accounted for under the deferred revenue model, the amount of revenue recognized is more sensitive to the number of miles earned and redeemed during the period than the incremental cost basis.

- [b] In accordance with the plan of reorganization, the Company implemented stock-based compensation plans for certain management employees and non-employee directors. The Company adopted SFAS 123R effective January 1, 2006 and recorded compensation expense for such plans.
- [c] In accordance with fresh-start reporting, the Company revalued its liabilities effective February 1, 2006 to fair value. As a result, all prior period service credits related to postretirement costs were eliminated.
- [d] In accordance with fresh-start reporting, the Company revalued its assets to fair value effective February 1, 2006. As a result, definite lived intangible asset values increased substantially which results in higher associated amortization expense. In addition, the value of the Company's operating property and equipment was significantly reduced which results in lower depreciation expense. The Company has estimated the net impact of changes in asset values at fresh-start on net depreciation and amortization.
- [e] In accordance with fresh-start reporting, the Company revalued its liabilities effective February 1, 2006 to fair value. As a result, all deferred gains on aircraft sale/leasebacks were eliminated.
- [f] As a result of fresh-start reporting, the Company recognizes certain non-cash interest expenses, including the amortization of mark-to-market discounts on all debt and capital leases.

- (7) The following table presents additional detail on the Mileage Plus impacts summarized in the table above. These items consist of the additional amount of revenue that the Company estimates would have been recognized had we continued to apply the incremental cost method of accounting after exiting bankruptcy and, for 2007, the estimated impact of the change in the expiration period for inactive accounts from 36 months to 18 months. The Company utilizes this adjustment for comparison of its performance to its peers, as certain of our peers currently still apply the incremental cost method of accounting.

(In millions)	<b>2008</b>					<b>2007</b>				
	1Q	2Q	3Q	4Q	YTD	1Q	2Q	3Q	4Q	YTD
<b>Mainline</b>										
Effect of accounting change	\$ (54)	\$ (35)	\$ (11)	\$ (39)	\$ (139)	\$ (113)	\$ (37)	\$ (30)	\$ (50)	\$ (230)
Effect of expiration period change	-	-	-	-	-	23	39	42	100	204
Total Mainline	(54)	(35)	(11)	(39)	(139)	(90)	2	12	50	(26)
<b>Regional Affiliates</b>										
Effect of accounting change	(11)	(7)	(1)	(9)	(28)	(22)	(9)	(5)	(11)	(47)
Effect of expiration period change	-	-	-	-	-	5	8	8	21	42
Total Regional Affiliates	(11)	(7)	(1)	(9)	(28)	(17)	(1)	3	10	(5)
<b>Consolidated</b>										
Effect of accounting change	(65)	(42)	(12)	(48)	(167)	(135)	(46)	(35)	(61)	(277)
Effect of expiration period change	-	-	-	-	-	28	47	50	121	246
Total Consolidated	\$ (65)	\$ (42)	\$ (12)	\$ (48)	\$ (167)	\$ (107)	\$ 1	\$ 15	\$ 60	\$ (31)

**CONSOLIDATED NOTES (UNAUDITED)**

- (8) Pursuant to SEC Regulation G, the Company has included the following reconciliation of reported non-GAAP financial measures to comparable financial measures reported on a GAAP basis. Further, the Company believes that excluding fuel costs from certain measures is useful to investors because it provides an additional measure of management's performance excluding the effects of a significant cost item over which management has limited influence. The Company also believes that adjusting for impairments and other charges is useful to investors because they are non-recurring income and/or charges that are not indicative of the Company's on-going performance.

The forecasted fuel amounts shown below were estimated based on forecasted jet fuel prices, including estimated hedge impacts, of \$1.83 per gallon and \$1.87 per gallon for the first quarter and the full year of 2009, respectively.

Operating expense per ASM - CASM (cents) (i)	Three Months Ending March 31,			YOY % Change		Twelve Months Ending December 31,			YOY % Change	
	2009 Estimate Low	2008 High	2008 Actual			2009 Estimate Low	2008 High	2008 Actual		
Mainline operating expense	-	-	12.67	-	-	-	-	15.74	-	-
Less: profit sharing programs	-	-	-	-	-	-	-	(0.04)	-	-
Mainline excluding profit sharing programs	11.38	11.46	12.67	(10.2)	(9.6)	11.17	11.25	15.70	(28.9)	(28.3)
Less: fuel expense & cost of third party sales - UAFC	(2.97)	(2.97)	(4.57)	(35.0)	(35.0)	(3.02)	(3.02)	(5.68)	(46.8)	(46.8)
Mainline excluding profit sharing, fuel & UAFC	8.41	8.49	8.10	3.8	4.8	8.15	8.23	10.02	(18.7)	(17.9)
Add (less): impairments and other charges and special items	-	-	(0.01)	-	-	-	-	(2.07)	-	-
Mainline excluding profit sharing, fuel, UAFC, impairments and other charges and special items	8.41	8.49	8.09	4.0	5.0	8.15	8.23	7.95	2.5	3.5
Consolidated operating expense	-	-	13.41	-	-	-	-	16.20	-	-
Less: profit sharing programs	-	-	-	-	-	-	-	(0.03)	-	-
Consolidated excluding profit sharing programs	12.04	12.13	13.41	(10.2)	(9.5)	11.84	11.92	16.17	(26.8)	(26.3)
Less: fuel expense & cost of third party sales - UAFC	(3.13)	(3.13)	(4.83)	(35.2)	(35.2)	(3.22)	(3.22)	(5.91)	(45.5)	(45.5)
Consolidated excluding profit sharing, fuel & UAFC	8.91	9.00	8.58	3.8	4.9	8.62	8.70	10.26	(16.0)	(15.2)
Add (less): impairments and other charges and special items	-	-	(0.01)	-	-	-	-	(1.85)	-	-
Consolidated excluding fuel, UAFC, impairments and other charges and special items	8.91	9.00	8.57	4.0	5.0	8.62	8.70	8.41	2.5	3.5

(i) CASM also excludes the impact of future special items and other charges, including profit sharing, as these items are unknown and cannot be predicted with certainty.

- (9) The table below details the Company's hedge positions as of January 16, 2009.

Hedging Instrument	% of Expected Consolidated Consumption (i)	% of Expected Mainline Consumption (i)	Average Price Where Payment Obligations Stop	Average Price Where Payment Obligations Begin	Average Price Where Protection Begins	Average Price Where Protection Ends
<b>1st Quarter 2009</b>						
Calls	18%	21%	N/A	N/A	\$77 bbl (ii)	N/A
Collars	9% (10%)	11% (12%)	N/A	\$109 bbl	\$118 bbl	N/A
3-Way Collars	25% (29%)	30% (35%)	N/A	\$104 bbl	\$118 bbl	\$143 bbl
4-Way Collars	2%	2%	\$63 bbl	\$78 bbl	\$95 bbl	\$135 bbl
1st Quarter 2009 Total	54%	64%	N/A	\$104 bbl	\$104 bbl	N/A
<b>1st Quarter 2009 Purchased Puts to Cap Downside Purchased Puts</b>						
	35%	42%	\$57			
<b>Full Year 2009</b>						
Calls	12%	14%	N/A	N/A	\$76 bbl (iii)	N/A
Collars	5% (6%)	6% (7%)	N/A	\$111 bbl	\$123 bbl	N/A
3-Way Collars	18% (22%)	22% (26%)	N/A	\$102 bbl	\$117 bbl	\$147 bbl
4-Way Collars	1%	2%	\$63 bbl	\$78 bbl	\$95 bbl	\$135 bbl
Full Year 2009 Total	36%	44%	N/A	\$103 bbl	\$104 bbl	N/A
<b>Full Year 2009 Purchased Puts to Cap Downside Purchased Puts</b>						
	17%	20%	\$54			

(i) Percent of expected mainline and consolidated consumption represents the notional amount of purchased calls in the hedge structures. Certain 3-way collars and collars included in the table above have sold puts with twice the notional amount of the purchased calls. The % in parentheses represent the notional amount of sold puts in these hedge structures.

(ii) Call position average includes the following two groupings of positions: 9% of consolidated consumption with protection beginning at \$106 per barrel; and 9% of consolidated consumption beginning at \$50 per barrel.

(iii) Call position average includes the following two groupings of positions: 5% of consolidated consumption with protection beginning at \$106 per barrel; and 7% of consolidated consumption beginning at \$53 per barrel.

- (10) The table below outlines the Company's estimated collateral provisions at various crude oil prices, based on the hedge portfolio as of January 16, 2009.

Price of Crude Oil, in Dollars per Barrel	Approximate Change in Cash Collateral For Each \$5 per Barrel Change in the Price of Crude Oil
Above \$105	No Collateral Required
At or Above \$85, but Below \$105	\$45 million
At or Above \$25, but Below \$85	\$60 million
Below \$25	\$40 million

For example, using the table above, at an illustrative \$35 per barrel the Company's January 16, 2009, required collateral provision to its derivative counterparties would be approximately \$780 million.

**UAL CORPORATION AND SUBSIDIARY COMPANIES**

(Mainline and Regional Affiliates (a))

	Three Months Ended December 31,		% Change
	2008	2007	
Mainline revenue passengers (In thousands)	14,147	16,042	(11.8)
Revenue passenger miles - RPM (In millions)			
Mainline	24,517	27,890	(12.1)
Regional affiliates	3,003	3,013	(0.3)
Consolidated	27,520	30,903	(10.9)
Available seat miles - ASM (In millions)			
Mainline	30,857	34,949	(11.7)
Regional affiliates	3,959	3,999	(1.0)
Consolidated	34,816	38,948	(10.6)
Passenger load factor (percent)			
Mainline	79.5	79.8	(0.3) pt.
Regional affiliates	75.9	75.3	0.6 pt.
Consolidated	79.0	79.3	(0.3) pt.
Consolidated operating breakeven passenger load factor (percent)	94.5	80.5	14.0 pt.
Passenger revenue per passenger mile - Yield (cents) [See Note 5a]			
Mainline adjusted	13.88	13.57	2.3
Mainline adjusted for Mileage Plus	14.04	13.40	4.8
Regional affiliates	25.04	25.39	(1.4)
Regional affiliates adjusted for Mileage Plus	25.34	25.06	1.1
Consolidated adjusted	15.09	14.73	2.4
Consolidated adjusted for Mileage Plus	15.27	14.53	5.1
Passenger revenue per available seat mile - PRASM (cents) [See Note 5b]			
Mainline	11.06	10.86	1.8
Mainline adjusted for Mileage Plus	11.19	10.72	4.4
Regional affiliates	18.99	19.13	(0.7)
Regional affiliates adjusted for Mileage Plus	19.22	18.88	1.8
Consolidated	11.96	11.71	2.1
Consolidated adjusted for Mileage Plus	12.10	11.56	4.7
Operating revenue per available seat mile - RASM (cents) [See Note 5c]			
Mainline	12.30	12.20	0.8
Mainline adjusted for Mileage Plus	12.43	12.06	3.1
Regional affiliates	18.99	19.13	(0.7)
Regional affiliates adjusted for Mileage Plus	19.22	18.88	1.8
Consolidated	13.06	12.91	1.2
Consolidated adjusted for Mileage Plus	13.20	12.76	3.4
Operating expense per available seat mile - CASM (cents) [See Note 5g]			
Mainline	14.97	12.39	20.8
Mainline excluding impairments, special items, other charges and non-cash, net mark-to-market (gains) losses	12.91	12.41	4.0
Mainline excluding impairments, other special items, fuel & UAFC	8.41	8.28	1.6
Regional affiliates	18.69	19.13	(2.3)
Consolidated	15.39	13.08	17.7
Consolidated excluding impairments, special items, other charges and non-cash, net mark-to-market (gains) losses	13.57	13.10	3.6
Consolidated excluding impairments, other special items, fuel & UAFC	8.87	8.72	1.7
Mainline unit earnings (loss) (cents) (b)	(2.67)	(0.19)	NM
Mainline unit earnings excluding impairments, special items and other charges (including non-cash, net mark-to-market (gains) losses), fuel & UAFC (cents) (b)	3.89	3.92	(0.8)
Number of aircraft in operating fleet at end of period			
Mainline	409	460	(11.1)
Regional affiliates	280	279	0.4
Consolidated	689	739	(6.8)
<i>Other Mainline Statistics</i>			
Mainline average price per gallon of jet fuel (cents)	374.3	253.0	47.9
Mainline average price per gallon of jet fuel excluding non-cash, net mark-to-market (gains) losses (cents)	282.9	254.2	11.3
Average full-time equivalent employees (thousands)	45.9	51.7	(11.2)
Mainline ASMs per equivalent employee - productivity (thousands)	672	676	(0.6)
Average stage length (in miles)	1,400	1,381	1.4
Fleet utilization (in hours and minutes)	10:05	10:42	(5.8)

(a) Mainline includes United Air Lines, Inc. scheduled and chartered jet operations. Regional affiliates include operations from regional carriers with whom the Company has entered into capacity purchase agreements to provide jet and turboprop operations branded as United Express.

(b) Unit earnings are calculated as RASM minus CASM.

NM - Not meaningful

**UAL CORPORATION AND SUBSIDIARY COMPANIES**  
(Mainline and Regional Affiliates (a))

	Twelve Months Ended December 31,		% Change
	2008	2007	
Mainline revenue passengers (In thousands)	63,149	68,386	(7.7)
Revenue passenger miles - RPM (In millions)			
Mainline	110,061	117,399	(6.3)
Regional affiliates	12,155	12,649	(3.9)
Consolidated	122,216	130,048	(6.0)
Available seat miles - ASM (In millions)			
Mainline	135,861	141,890	(4.2)
Regional affiliates	16,164	16,301	(0.8)
Consolidated	152,025	158,191	(3.9)
Passenger load factor (percent)			
Mainline	81.0	82.7	(1.7) pt.
Regional affiliates	75.2	77.6	(2.4) pt.
Consolidated	80.4	82.2	(1.8) pt.
Consolidated operating breakeven passenger load factor (percent)	99.8	77.6	22.2 pt.
Passenger revenue per passenger mile - Yield (cents) [See Note 5a]			
Mainline adjusted	13.89	12.99	6.9
Mainline adjusted for special items	13.89	12.95	7.3
Mainline adjusted for special items and Mileage Plus	14.02	12.98	8.0
Regional affiliates	25.49	24.28	5.0
Regional affiliates adjusted for special items	25.49	24.22	5.2
Regional affiliates adjusted for special items and Mileage Plus	25.72	24.25	6.1
Consolidated adjusted	15.05	14.08	6.9
Consolidated adjusted for special items	15.05	14.05	7.1
Consolidated adjusted for special items and Mileage Plus	15.18	14.07	7.9
Passenger revenue per available seat mile - PRASM (cents) [See Note 5b]			
Mainline	11.29	10.78	4.7
Mainline adjusted for special items	11.29	10.75	5.0
Mainline adjusted for special items and Mileage Plus	11.39	10.77	5.8
Regional affiliates	19.17	18.84	1.8
Regional affiliates adjusted for special items	19.17	18.79	2.0
Regional affiliates adjusted for special items and Mileage Plus	19.34	18.82	2.8
Consolidated	12.13	11.61	4.5
Consolidated adjusted for special items	12.13	11.58	4.7
Consolidated adjusted for special items and Mileage Plus	12.24	11.60	5.5
Operating revenue per available seat mile - RASM (cents) [See Note 5c]			
Mainline	12.58	12.03	4.6
Mainline adjusted for special items	12.58	12.01	4.7
Mainline adjusted for special items and Mileage Plus	12.69	12.02	5.6
Regional affiliates	19.17	18.84	1.8
Regional affiliates adjusted for special items	19.17	18.79	2.0
Regional affiliates adjusted for special items and Mileage Plus	19.34	18.82	2.8
Consolidated	13.28	12.73	4.3
Consolidated adjusted for special items	13.28	12.70	4.6
Consolidated adjusted for special items and Mileage Plus	13.39	12.72	5.3
Operating expense per available seat mile - CASM (cents) [See Note 5g]			
Mainline	15.74	11.39	38.2
Mainline excluding impairments, special items, other charges and non-cash, net mark-to-market (gains) losses	13.26	11.44	15.9
Mainline excluding impairments, other special items, fuel & UAFC	7.99	7.87	1.5
Regional affiliates	20.09	18.04	11.4
Consolidated	16.20	12.08	34.1
Consolidated excluding impairments, special items, other charges and non-cash, net mark-to-market (gains) and other special items	13.98	12.12	15.3
Consolidated excluding impairments, other special items, fuel & UAFC	8.45	8.34	1.3
Mainline unit earnings (loss) (cents) (b)	(3.16)	0.64	-
Mainline unit earnings excluding special revenue items, impairments, special items and other charges (including non-cash, net mark-to-market (gains) losses), fuel & UAFC (cents) (b)	4.59	4.14	10.9
Number of aircraft in operating fleet at end of period			
Mainline	409	460	(11.1)
Regional affiliates	280	279	0.4
Consolidated	689	739	(6.8)
<i>Other Mainline Statistics</i>			
Mainline average price per gallon of jet fuel (cents)	353.9	218.3	62.1
Mainline average price per gallon of jet fuel excluding non-cash, net mark-to-market (gains) losses (cents)	327.9	219.2	49.6
Average full-time equivalent employees (thousands)	49.6	51.6	(3.9)
Mainline ASMs per equivalent employee - productivity (thousands)	2,739	2,750	(0.4)
Average stage length (in miles)	1,402	1,371	2.3
Fleet utilization (in hours and minutes)	10:42	11:00	(2.7)

(a) Mainline includes United Air Lines, Inc. scheduled and chartered jet operations. Regional affiliates include operations from regional carriers with whom the Company has entered into capacity purchase agreements to provide jet and turboprop operations branded as United Express.  
(b) Unit earnings are calculated as RASM minus CASM

NM - Not meaningful