

A Message From Oscar Munoz and Scott Kirby
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CHICAGO, March 15, 2020 /PRNewswire/ -- Oscar Munoz, Chief Executive Officer, and J. Scott Kirby, President, today issued the following message to nearly 100,000 United Airlines (NASDAQ: UAL) employees:

To our United family:

In the message we sent to you last Thursday, we promised to stay in close touch about the impact of the coronavirus on our business and the steps that we're taking to aggressively manage it.

In just the last few days, the impact of the coronavirus has really hit home and disrupted the daily routines of hundreds of millions of people in the United States and around the world. State and local governments continue to close schools, encourage people to avoid bars and restaurants and cancel more large gatherings. This weekend, President Trump announced new travel restrictions for the United Kingdom and Ireland. Watching this unfold, you won't be surprised to hear that the impact of the coronavirus on our business has also gotten quite a bit worse.

As the leaders of the 100,000 people of United, we feel a deep obligation to each of you to run our company in a way that protects you -- and your ability to provide for your family at home. We also owe it to you, especially in a crisis, to be open with you about important decisions we face.

We want to share some numbers to help you understand just how bad the impact of the coronavirus has been on our business. As you know, March is typically our busiest month of the year. But this year, in just the first two weeks of March, we have welcomed more than one million fewer customers on board our aircraft than the same period last year. We're also currently projecting that revenue in March will be \$1.5 billion lower than last March.

The bad news is that it's getting worse. We expect both the number of customers and revenue to decline sharply in the days and weeks ahead.

Since late January, we have taken steps to aggressively manage this crisis and to keep you informed every step of the way - sharply reducing schedules, imposing a hiring freeze, introducing a voluntary leave program, dramatically reducing discretionary spending, cutting CEO base salary 100% and deferring a salary increase. Our competitors have started to follow suit: on Friday, Delta announced a 40% schedule reduction and a 100% salary cut for their CEO and over the weekend, American said it will reduce its international capacity by 75%.

We took early, aggressive action because we have been determined to do everything possible to avoid painful steps that affect your paycheck. But, based on the severity of the situation, that no longer appears realistic.

This weekend, we began conversations with our union leadership about how to reduce our payroll expense in a way that minimizes what we know will be painful for all of us. Earlier this evening, we convened a call with Corporate Officers to update them on the severity of the situation and let them know we will be cutting their salary by 50%.

Let us be clear: these are not the only next steps. Tomorrow, we will announce an approximately 50% cut in capacity for April and May. We also now expect these deep cuts to extend into the summer travel period. Even with those cuts, we're expecting load factors to drop into the 20-30% range -- and that's if things don't get worse.

Together, we're facing an unprecedented challenge. When medical experts say that our health and safety depends on people staying home and practicing social distancing, it's nearly impossible to run a business whose shared purpose is "Connecting people. Uniting the world."

We both hate to have to write a note like this, but we have made a commitment to be honest and transparent with you. While it's now clear that this is going to be painful for our people, we promise that you are

at the very top of our priority list. We are working night and day on support and ideas to keep as much pay as we possibly can flowing to you -- even if gets worse from here and demand temporarily plummets to zero.

This crisis is moving really quickly. It's having an impact on nearly every aspect of our lives, and it may feel to you like everything is changing. But, the most important thing about our business hasn't changed: you've shown us that even in these difficult times, we're still United and focused on caring for our customers and each other together. That's always been the essential ingredient to our success. It's what will get us through this crisis in the near term, and it's also what will allow us to fulfill United's incredible potential in the long-term.

We'll continue to communicate frequently and transparently in the days ahead.

With resolve,

Oscar and Scott

About United

United's shared purpose is "Connecting People. Uniting the World." We are more focused than ever on our commitment to customers through a series of innovations and improvements designed to help build a great experience: Every customer. Every flight. Every day. Together, United and United Express operate approximately 4,900 flights a day to 362 airports across six continents. In 2019, United and United Express operated more than 1.7 million flights carrying more than 162 million customers. United is proud to have the world's most comprehensive route network, including U.S. mainland hubs in Chicago, Denver, Houston, Los Angeles, New York/Newark, San Francisco and Washington, D.C. United operates 791 mainline aircraft and the airline's United Express partners operate 581 regional aircraft. United is a founding member of Star Alliance, which provides service to 195 countries via 26 member airlines. For more information, visit united.com, follow @United on Twitter and Instagram or connect on Facebook. The common stock of United's parent, United Airlines Holdings, Inc., is traded on the Nasdaq under the symbol "UAL".

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Certain statements in this release 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 release are based upon information available to the Company on the date of this release. 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 Company's ability to execute its strategic operating plan, including its growth, revenue-generating and cost-control initiatives; general economic conditions (including interest rates, foreign currency exchange rates, investment or credit market conditions, crude oil prices, costs of aircraft fuel and energy refining capacity in relevant markets); risks of doing business globally, including instability and political developments that may impact its operations in certain countries; demand for travel and the impact that global economic and political conditions have on customer travel patterns; the Company's capacity decisions and the capacity decisions of its competitors; competitive pressures on pricing and on demand; changes in aircraft fuel prices; disruptions in the Company's supply of aircraft fuel; the Company's ability to cost-effectively hedge against increases in the price of aircraft fuel, if it decides to do so; the effects of any technology failures, cybersecurity or significant data breaches; disruptions to services provided by third-party service providers; potential reputational or other impact from adverse events involving the Company's aircraft or operations, the aircraft or operations of its regional carriers or its code share partners or the aircraft or operations of another airline; the Company's ability to attract and retain customers; the effects of any terrorist attacks, international hostilities or other security

events, or the fear of such events; the mandatory grounding of aircraft in the Company's fleet; disruptions to the Company's regional network; the impact of regulatory, investigative and legal proceedings and legal compliance risks; the success of the Company's investments in other airlines, including in other parts of the world; industry consolidation or changes in airline alliances; the ability of other air carriers with whom the Company has alliances or partnerships to provide the services contemplated by the respective arrangements with such carriers; costs associated with any modification or termination of the Company's aircraft orders; disruptions in the availability of aircraft, parts or support from its suppliers; the Company's ability to maintain satisfactory labor relations and the results of any collective bargaining agreement process with its union groups; any disruptions to operations due to any potential actions by the Company's labor groups; labor costs; the existing outbreak of coronavirus and the outbreak of any other disease or similar public health threat that affects travel demand or travel behavior, such as the existing threat of COVID-19; the impact of any management changes; extended interruptions or disruptions in service at major airports where the Company operates; U.S. or foreign governmental legislation, regulation and other actions (including Open Skies agreements, environmental regulations and the United Kingdom's withdrawal from the European Union); the seasonality of the airline industry; weather conditions; the costs and availability of aviation and other insurance; the costs and availability of financing; the Company's ability to maintain adequate liquidity; the Company's ability to comply with the terms of its various financing arrangements; the Company's ability to realize the full value of its intangible assets and long-lived assets; any impact to the Company's reputation or brand image 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, 2019 as well as other risks and uncertainties set forth from time to time in the reports it files with the SEC.

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Contacts: United Airlines Worldwide Media Relations, +1-872-825-8640, media.relations@united.com

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