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The two publicly traded companies that will be analyzed throughout this report are United Airlines and Delta Airlines, two airline companies that are direct competitors with each other. They both service the public with both domestic and international flights across the United States. The most recent annual 10-K filings for both companies was 2021, a year where most airline companies were severely impacted by COVID-19. This means that this year's financials are likely going to be significantly lower than average, and make both companies seem to be a bad investment.

Seeing as both of these companies are direct competitors, the net profit margin is a good indicator of whether or not a company is earning enough profit to support their costs, with a good margin around 20%. Delta had a net profit margin of 0.94%, while United had a 7.97%. United has a far superior net profit margin, as that represents that they are able to control their costs and provide services and still receive a profit. We also measured the current ratio, which is a direct measure of a company's assets and liabilities, typically sitting in the 1.5–3 range. United had a current ratio of 1.19, while Delta had a ratio of 0.76. Both of these ratios are below the average ratio value, but United is the closer of the two. When looking at the return on assets percentage, a measure of how profitable a company is in relation to its total assets, we found that Delta had an ROA of 0.39%, while United had an ROA of 3.08%. United has the better ROA, but yet again these companies are both below the typical 5% average for companies. The debt-to-equity ratio, a measure of how much debt a company is using to finance their equity, is typically around 2 to 2.5, while Delta had a debt-to-equity ratio of 17.64 and United had a ratio of 12.56. This is a sign both of these companies are in financial distress and struggling to pay its debtors. The final ratio we looked at was the return on equity ratio, or the ROE, a measure of the profitability of a company in direct comparison to its equity, typically around 18%. Delta had an ROE of 10.33%, while United had an ROE of 17.87%, extremely close to the industry average.

Based on the information presented above, it is evident that United Airlines is the superior company in direct comparison to Delta, and would ultimately be a better investment option as well. United will not only bring in a greater return for investors, but also has a clear competitive advantage over other airline companies. Though United is the better option, both companies seem to have rather high debt-to-equity ratios. Double digit ratios in this field are likely to repel future investors, as it means that a company has a large amount of debt relative to their stockholders' equity. In order for a company like Delta to substantially outperform United, Delta must have a higher return on assets, as well as a higher net profit margin. By improving both of these areas, Delta will bring in more profit, while also reducing the expenses in any given financial accounting period.

Obviously, neither of these companies look like good investments on paper. Neither of these companies were in the "good" range for any of the ratios we explored. Although this may be true, it is important to note that this was in the tail end of the COVID-19 pandemic, where nearly all airline travel was limited, resulting in some of the hardest years of these companies. Luckily, almost all major airlines are multi billion dollar companies, so they were able to make it through the pandemic regardless of their poor financials for 2020 and 2021. Nevertheless, we still believe that it would be wisest to invest in United Airlines, especially seeing as the pandemic has been on the decline for some time now. This implies that they are likely to resume typical business, meaning now may be the best time to invest.

### Delta Airlines, Inc. (DAL) Ratios:

Current ratio: \$15,940/20,966 = 0.76

Net profit margin:  $($280/29,899) \times 100 = 0.94\%$ 

Return on assets:  $(\$280/72,227.50) \times 100 = 0.39\%$ 

Debt-to-equity ratio: \$68,572/3,887 = 17.64

Return on equity:  $(\$280/2,710.5) \times 100 = 10.33\%$ 

#### Link to Delta:

https://www.sec.gov/ix?doc=/Archives/edgar/data/0000027904/000002790422000003/dal-20211

231.htm#i37f8d64a00d24bce88d1b135486c9e43 145

## United Airlines, Inc. (UAL) Ratios:

Current ratio: \$21,834/18,304 = 1.19

Net profit margin:  $(\$1,964/24,634) \times 100 = 7.97\%$ 

Return on assets:  $(\$1,964/63,861.5) \times 100 = 3.08\%$ 

Debt-to-equity ratio: \$63,146/5,029 = 12.56

Return on equity:  $(\$1,964/10,989) \times 100 = 17.87\%$ 

#### Link to United:

 $\underline{https://www.sec.gov/ix?doc=/Archives/edgar/data/0000319687/000010051722000009/ual-20211}$ 

231.htm

# Delta Airlines Screenshots:

### DELTA AIR LINES, INC. Consolidated Balance Sheets

A SECOND	-	Decem	iber 31,	
(in millions, except share data)		2021		2020
ASSETS				
Current Assets:				
Cash and cash equivalents	5	7,933	S	8,30
Short-term investments		3,386		5,78
Accounts receivable, net of an allowance for uncollectible accounts of \$50 and \$89		2,404		1,39
Fuel inventory		694		37
Expendable parts and supplies inventories, net of an allowance for obsolescence of \$176 and \$188		404		35
Prepaid expenses and other		1,119		1,18
Total current assets	_	15,940	_	17,40
Noncurrent Assets:				
Property and equipment, net of accumulated depreciation and amortization of \$18,671 and \$17,511		28,749		26,52
Operating lease right-of-use assets		7.237		5,73
Goodwill		9,753		9,75
Identifiable intangibles, net of accumulated amortization of \$893 and \$883		6,001		6,01
Cash restricted for airport construction		473		1,55
Equity investments		1,712		1,66
Deferred income taxes, net		1,294		1,98
Other noncurrent assets		1.300		1,35
Total noncurrent assets		56,519		54,59
Total assets	s	72,459	s	71,99
	55		15	
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities:				
Current maturities of debt and finance leases	5	1,782	\$	1,73
Current maturities of operating leases		703		67
Air traffic liability		6,228		4,04
Accounts payable		4,240		2,84
Accrued salaries and related benefits		2,457		2,08
Loyalty program deferred revenue		2,710		1,77
Fuel card obligation		1,100		1,10
Other accrued liabilities Total current liabilities	_	1,746	_	1,67
Total current Habilities	-	20,966	8	15,92
Noncurrent Liabilities:				
Debt and finance leases		25,138		27,42
Noncurrent air traffic liability		130		50
Pension, postretirement and related benefits		6,035		10,63
Loyalty program deferred revenue		4,849		5,40
Noncurrent operating leases		7,056		5,71
Other noncurrent liabilities		4,398		4,86
Total noncurrent liabilities		47,606	12 <u> </u>	54,53
Commitments and Contingencies				
C4-all-ald-and F-anitan				
Stockholders' Equity: Common stock at \$0.0001 par value; 1,500,000,000 shares authorized, 649,720,387 and				
647,352,203 shares issued Additional paid-in capital		11,447		11.25
Accumulated deficit				
Accumulated other comprehensive loss		(148)		(42
Treasury stock, at cost, 9,752,872 and 9,169,683		(7,130) (282)		(9,03
Total stockholders' equity	150	F. A. C. S. C. C.	0	5-57-5
		3,887		1,53

The accompanying notes are an integral part of these Consolidated Financial Statements.

## DELTA AIR LINES, INC. Consolidated Statements of Cash Flows

		Year Ended December 31,			31,	1,		
(in millions)		2021		2020		2019		
Cash Flows From Operating Activities:								
Net income/(loss)	5	280	S	(12,385)	S	4,767		
Adjustments to reconcile net income to net cash provided by operating activities:								
Restructuring charges		5		4,111		_		
Depreciation and amortization		1,998		2,312		2,581		
Deferred income taxes		115		(3,110)		1,473		
Pension, postretirement and postemployment payments less/(greater) than expense		(2,038)		898		(922		
Impairments and equity method losses		337		2,432		62		
Changes in certain assets and liabilities:								
Receivables		(981)		1,168		(775)		
Fuel inventory		(318)		354		(139		
Noncurrent assets		(76)		210		111		
Air traffic liability		1,814		(572)		454		
Loyalty program deferred revenue		376		455		87		
Profit sharing		108		(1,650)		354		
Other payables, deferred revenue and accrued liabilities		1,986		240		144		
Noncurrent liabilities		(399)		1,185		(16)		
Other, net		57		559		244		
Net cash provided by/(used in) operating activities		3,264		(3,793)		8,425		
Cook Flour From Laurette a Asticition								
Cash Flows From Investing Activities:								
Property and equipment additions:								
Flight equipment, including advance payments		(1,596)		(896)		(3,344		
Ground property and equipment, including technology		(1,651)		(1,003)		(1,592		
Proceeds from sale-leaseback transactions		_		46.5		1990		
Purchase of equity investments				(2,099)		(170		
Sale of equity investments		2012		200,000,000		279		
Purchase of short-term investments		(12,655)		(13,400)		-		
Redemption of short-term investments		15,036		7,608		206		
Other, net		(32)	_	87	_	58		
Net cash used in investing activities		(898)		(9,238)		(4,563)		
Cash Flows From Financing Activities:								
Proceeds from short-term obligations		_		3,261		1,750		
Proceeds from long-term obligations		1,902		22,790		2,057		
Proceeds from sale-leaseback transactions		-		2,306		_		
Payments on debt and finance lease obligations		(5,834)		(8,559)		(3,320		
Repurchase of common stock				(344)		(2,027		
Cash dividends		2		(260)		(980		
Fuel card obligation		32		364		(339		
Other, net		80		(202)		(21		
Net cash (used in)/provided by financing activities		(3,852)		19,356		(2,880		
Net (Decrease)/Increase in Cash, Cash Equivalents and Restricted Cash		(1,486)		6,325		982		
Cash, cash equivalents and restricted cash at beginning of period		10,055				2,748		
Cash, cash equivalents and restricted cash at elegining of period	5	8,569	5	3,730 10,055	5	3,730		
Cash, cash equivalents and restricted cash at end of period	-	8,309	-	14,055	_	3,134		
Supplemental Disclosure of Cash Paid for Interest	s	1,506	s	761	S	481		
Non-Cash Transactions:								
Right-of-use assets acquired under operating leases	\$	2,113	S	1,077	S	464		
Flight and ground equipment acquired under finance leases		1,049		381		650		
Other financings				280				
Operating leases converted to finance leases		42				190		

The accompanying notes are an integral part of these Consolidated Financial Statements.

## DELTA AIR LINES, INC. Consolidated Statements of Operations

Cargo         1502         668         3.06         3.20           Other         6.348         3.06         3.20           Total operating revenue         2980         17,05         47,05           Operating Expense:           Salaries and related costs         9,728         9,001         11.           Aircraft fuel and related taxes         5,633         3,176         8.           Ancillary businesses and refinery         3,957         1,785         1.           Contracted services         2,209         1,833         2.           Depreciation and amortization         1,998         2,312         2.           Regional carrier expense         1,766         1,833         2.           Depreciation and amortization and autiside repairs         1,601         82.2         1.           Regional carrier expense         1,766         1,833         2.         2.           Regional carrier expense         1,766         1,833         2.         2.           Regional carrier expense         1,766         1,833         2.         2.         1.           Regional carrier expense         1,816         3,936         4.8         2.         1.         1.         2.         1.		200 man no man na manana -	Ye	ar Ended December 31				
Passenger         \$ 22,519         \$ 12,883         \$ 42,00           Cargo         1,632         6.68         3,604         3,30           Other         6,348         3,604         3,30           Total operating revenue         2,939         1,7095         47           Operating Expense:           Salaries and related costs         5,833         3,136         8           Ancillary businesses and refinery         3,537         1,785         1,185           Contracted services         2,499         1,833         2,22           Landing fees and other rents         2,249         1,833         2,22           Larding fees and other rents         2,919         1,833         2,22           Regional carrier expense         1,786         2,312         2,22           Regional carrier expense         1,786         2,312         2,22           Regional carrier expense         1,786         2,312         2,22           Regional carrier expense         1,833         2,43         2,13         2,22           Regional carrier expense         1,833         2,43         2,13         2,22         2,22         2,22         2,22         2,22         2,22         2,22         2,22 <th></th> <th>2021</th> <th></th> <th>2020</th> <th></th> <th>2019</th>		2021		2020		2019		
Cargo         1.032         688         1.032         Commodity         3.00         3.00         3.00         3.00         3.00         3.00         3.00         3.00         3.00         3.00         3.00         3.00         7.00         8.00         7.00         8.00         1.00         8.00         1.00         8.00         1.00         8.00         1.00         8.00         1.00         8.00         1.00         8.00         1.00         8.00         1.00         8.00         1.00         9.00         1.00         9.00         1.00         9.00         1.00         9.00	Operating Revenue:							
Other         6,348         3,604         3.23           Total operating revenue         29,899         17,095         47,000           Operating Expenses:           Salaries and related costs         9,228         9,001         11,000           Aircraft fuel and related taxes         5,33         3,176         8,85           Ancillary businesses and refinery         3,957         1,785         1,100           Contracted services         2,00         1,953         2,22           Landing fees and other rents         2,00         1,933         2,2           Regional carrier expense         1,76         1,584         2,32         2           Regional carrier expense         1,76         1,584         2,32         2           Regional carrier expense         1,76         1,584         2,32         2         2           Regional carrier expense         1,58         2,312         2	Passenger	\$ 22,5	9	\$ 12,883	S	42,277		
Total operating revenue         29,899         17,095         47,000           Operating Expense:         Salaries and related costs         9,728         9,001         11,000           Aircraft fuel and related taxes         5,633         3,176         8,000           Ancillary businesses and refinery         3,957         1,785         1,100           Contacted services         2,420         1,953         2,22           Landing fees and other rents         2,909         1,833         2,20           Landing fees and other rents         2,909         1,533         2,22           Landing fees and other rents         1,900         2,912         2,22           Landing fees and other rents         1,900         2,912         2,22           Landing fees and other rents         1,900         2,912         2,22           Regional carrier expense         1,736         1,584         2,22           Aircraft maintenance materials and outside repairs         1,900         3,900         4           Passenger commissions and other selling expenses         951         4,900         390         4           Passenger service         7,56         551         1,550         4           Aircraft rent         4,300         390	Cargo	1,0	2	608		753		
Operating Expense:         Salaries and related costs         9,728         9,001         110           Aircraft fuel and related taxes         5,633         3,176         8           Ancillary businesses and refinery         3,957         1,785         1           Contracted services         2,240         1,933         2           Landing fees and other rents         2,019         1,833         2           Depreciation and amortization         1,988         2,312         2           Regional carrier expense         1,736         1,584         2           Aircraft maintenance materials and outside repairs         1,401         822         1           Passenger commissions and other selling expenses         953         643         2           Passenger service         756         551         1           Aircraft rent         430         399         -           Restructuring charges         (19)         8219           Profit sharing         108         -         1           Government grant recognition         (4,512)         (4,94)         4           Other         1,404         1,232         1           Total operating expense         1,88         (12,469)         6	Other	6,3-	8	3,604		3,977		
Salaries and related costs         9,728         9,001         11.           Aircraft fuel and related taxes         5,33         3,176         8.           Ancillary businesses and refinery         3,957         1,785         1.           Contracted services         2,400         1,933         2.           Landing fees and other rents         2,019         1,833         2.           Depreciation and amortization         1,798         2,312         2.           Regional carrier expense         1,736         1,534         2.           Aircraft maintenance materials and outside repairs         1,401         822         1.           Passenger commissions and other selling expenses         953         643         2.           Passenger service         756         551         1.           Aircraft rent         430         309         -1.           Aircraft rent         430         309         -1.           Restructuring charges         19         8,219         -1.           Brooth sharing         1,886         1,212         1,4           Government grant recognition         4,451         3,946         4           Other         1,465         1,222         1,4	Total operating revenue	29,8	9	17,095		47,007		
Aircraft fuel and related taxes	Operating Expense:							
Ancillary businesses and refinery         3.957         1.785         1.           Contacted services         2,420         1.953         2.           Landing fees and other rents         2,019         1.833         2.           Depreciation and amortization         1,736         1,534         2.           Regional carrier expense         1,736         1,534         2.           Aircraft maintenance materials and outside repairs         1,401         822         1.           Passenger commissions and other selling expenses         953         643         2.           Passenger service         756         551         1.           Aircraft rent         430         399            Restructuring charges         (19         8,219            Profit sharing         168          1,0           Government grant recognition         (6,12)         3,946         46           Other         1,405         1,232         1,           Total operating expense         2,801         2,564         46           Operating Income/(Loss)         1,886         (1,249)         6           Non-Operating Expense:         1,232         1,249         6	Salaries and related costs	9,7.	8	9,001		11,601		
Contracted services         2,420         1,953         2,2           Landing fees and other rents         2,019         1,833         2,2           Depreciation and amortization         1,998         2,312         2,2           Regional carrier expense         1,736         1,584         2,2           Aircraft maintenance materials and outside repairs         1,401         822         1,2           Passenger commissions and other selling expenses         953         643         2,2           Passenger service         450         399         -4           Aircraft rent         400         399         -4           Aircraft rent         400         399         -4           Restructuring charges         (19)         8,219         -4           Profit sharing         188         -         1,0         -1         -4         -1	Aircraft fuel and related taxes	5,6	3	3,176		8,519		
Landing fees and other rents         2,019         1,833         2,           Depreciation and amortization         1,998         2,312         2,           Regional carrier expense         1,736         1,584         2,           Aircraft maintenance materials and outside repairs         1,401         822         1,           Passenger commissions and other selling expenses         993         643         2,           Passenger service         756         551         1,           Aircraft rent         430         399         -           Restructuring charges         (19         8,219         -           Profit sharing         108         -         1,0           Government grant recognition         (4,512)         (3,946)         -           Other         1,405         1,232         1,           Total operating expense         1,886         (12,246)         6,           Operating Income/(Loss)         1,886         (12,246)         6,           Non-Operating Expense:         1         (1,279)         (929)         6,           Interest expense, net         (1,279)         (929)         6,           Impairments and equity method losses         (377)         (2,432)         1	Ancillary businesses and refinery	3,9:	7	1,785		1,245		
Depreciation and amortization   1,998   2,312   2,22     Regional carrier expense   1,736   1,584   2,2     Aircraft maintenance materials and outside repairs   1,401   822   1,100     Passenger commissions and other selling expenses   953   643   2,2     Passenger service   756   551   1,2     Aircraft rent   430   399   8,219     Restructuring charges   199   8,219     Profit sharing   108   -   1,0     Government grant recognition   (4,512   3,946     Other   1,405   1,232   1,1     Total operating expense   1,886   1,232   1,1     Total operating expense   1,886   1,249   6,0     Operating Income/(Loss)   1,886   1,249   6,0     Operating Income/(Loss)   1,886   1,249   6,0     Operating Expense   1,279   6,0     Interest expense, net   1,279   6,0     Operating Income/(Loss)   1,386   1,337   1,432     Operating Income/(Loss)   1,386   1,337   1,432     Operating Income/(Loss)   1,386   1,387   1,387     Operating Income/(Loss)   1,386     Operating Income/(Loss)   1,386     Operating Income/	Contracted services	2,4	0	1,953		2,942		
Regional carrier expense         1,736         1,584         2.           Aircraft maintenance materials and outside repairs         1,401         822         1.           Passenger commissions and other selling expenses         953         643         2.           Passenger service         756         551         1.           Aircraft rent         430         399         2.           Restructuring charges         (19)         8,219           Profit sharing         108         —         1.0           Government grant recognition         (4,512)         (3,946)         1.0           Other         1,405         1,232         1.0           Total operating expense         28,013         29,564         40.           Operating Income/(Loss)         1,886         (12,469)         6.           Non-Operating Expense:         1.         1.         6.           Interest expense, net         (1,279)         (929)         0.           Impairments and equity method losses         (337)         (2,432)         2.           Gain/(loss) on investments, net         56         (105)         1.           Loss on extinguishment of debt         (319)         (8)         1.           Pens	Landing fees and other rents	2,0	9	1,833		2,176		
Aircraft maintenance materials and outside repairs       1,401       822       1,102         Passenger commissions and other selling expenses       953       643       2,2         Passenger service       756       551       1,2         Aircraft rent       430       309       2,2         Restructuring charges       (19)       8,219       1,2         Profit sharing       108       —       1,0         Government grant recognition       (4,512)       (3,946)       1,0         Other       1,405       1,232       1,1         Total operating expense       28,013       29,564       40,0         Operating Income/(Loss)       1,886       (12,469)       6,6         Non-Operating Expense:       1,886       (12,469)       6,6         Non-Operating Expense:       1,886       (12,469)       6,6         Interest expense, net       (1,279)       (929)       (6,0         Impairments and equity method losses       (337)       (2,432)         Gain/(loss) on investments, net       (1,279)       (8)         Loss on extinguishment of debt       (319)       (8)         Pension and related benefit/(expense)       451       219         Miscellaneous, net <td>Depreciation and amortization</td> <td>1,9</td> <td>8</td> <td>2,312</td> <td></td> <td>2,581</td>	Depreciation and amortization	1,9	8	2,312		2,581		
Passenger commissions and other selling expenses         953         643         2.           Passenger service         756         551         1.           Aircraft rent         430         399         4           Restructuring charges         (19)         8.219         1.           Profit sharing         108         —         1.           Government grant recognition         (4,512)         (3,946)         1.           Other         1,405         1,232         1.           Total operating expense         28,013         29,564         40.           Operating Income/(Loss)         1,886         (12,469)         6.           Non-Operating Expense:         1         1,886         1,232         1.           Interest expense, net         (1,279)         (929)         (6           Impairments and equity method losses         (337)         (2,432)         (2,432)           Loss on extinguishment of debt         (319)         (8)         (8)           Pension and related benefit/(expense)         451         219         (6           Miscellaneous, net         (60)         137         (6           Total non-operating expense, net         (1,488)         (3,118)         (6	Regional carrier expense	1,7	6	1,584		2,158		
Passenger service         756         551         I.           Aircraft rent         430         399         I.           Restructuring charges         (19)         8,219           Profit sharing         108         —         I.           Government grant recognition         (4,512)         (3,946)         D.           Other         1,405         1,232         1,           Total operating expense         28,013         29,564         40.           Operating Income/(Loss)         1,886         (12,469)         6.           Non-Operating Expense:         Interest expense, net         (1,279)         (929)         6.           Impairments and equity method losses         (337)         (2,432)         1.           Gain/(loss) on investments, net         56         (105)         1.           Loss on extinguishment of debt         (319)         (8)         1.           Pension and related benefit/(expense)         451         219         1.           Miscellaneous, net         (60)         137         (60)           Income/(Loss) Before Income Taxes         398         (15,587)         6.           Income/(Loss) Before Income Taxes         398         (15,587)         6.		1,4	1	822		1,751		
Passenger service         756         551         I.           Aircraft rent         430         399         1           Restructuring charges         (19)         8,219         1           Profit sharing         108         —         1,0           Government grant recognition         (4,512)         (3,946)         1,0           Other         1,405         1,232         1,1           Total operating expense         28,013         29,564         40,0           Operating Income/(Loss)         1,886         (12,469)         6,0           Non-Operating Expense:         (1,279)         (929)         6,0           Impairments and equity method losses         (337)         (2,432)         6,0           Gain/(loss) on investments, net         56         (105)         6,0           Loss on extinguishment of debt         (319)         (8)         6,0           Pension and related benefit/(expense)         451         219         6,0           Miscellaneous, net         (60)         137         (6           Income/(Loss) Before Income Taxes         398         (15,587)         6,0           Income/(Loss) Before Income Taxes         398         (15,587)         6,0	Passenger commissions and other selling expenses	9	3	643		2.211		
Restructuring charges         (19)         8,219           Profit sharing         108         —         1,0           Government grant recognition         (4,512)         (3,946)         1,0           Other         1,465         1,232         1,1           Total operating expense         28,013         29,564         40,           Operating Income/(Loss)         1,886         (12,469)         6,0           Non-Operating Expense:         1         1,279         (929)         6,0           Interest expense, net         (1,279)         (929)         6,0           Impairments and equity method losses         (337)         (2,432)         1           Gain/(loss) on investments, net         56         (105)         1           Loss on extinguishment of debt         (319)         (8)         1           Pension and related benefit/(expense)         451         219         1           Miscellaneous, net         (60)         137         (6           Total non-operating expense, net         (1,488)         (3,118)         (6           Income/(Loss) Before Income Taxes         398         (15,587)         6           Income Tax (Provision)/Benefit         (118)         3,202         (1,488) <td></td> <td>7</td> <td>6</td> <td>551</td> <td></td> <td>1,312</td>		7	6	551		1,312		
Profit sharing         108         —         1.1           Government grant recognition         (4,512)         (3,946)         1.232         1.1           Other         1,405         1,232         1.1           Total operating expense         28,013         29,564         40           Operating Income/(Loss)         1,886         (12,469)         6,3           Non-Operating Expense:         Interest expense, net         (1,279)         (929)         6,0           Impairments and equity method losses         (337)         (2,432)         6           Gain/(loss) on investments, net         56         (105)         6           Loss on extinguishment of debt         (319)         (8)         7           Pension and related benefit/(expense)         451         219         6           Miscellaneous, net         (60)         137         (60)         137         (60)           Total non-operating expense, net         (1,488)         (3,118)         (60)         137         (60)         137         (60)         (60)         137         (60)         (60)         137         (60)         (60)         (60)         (60)         (60)         (60)         (60)         (60)         (60)	Aircraft rent	4	0	399		423		
Government grant recognition         (4,512)         (3,946)           Other         1,405         1,232         1,232           Total operating expense         28,013         29,564         46           Operating Income/(Loss)         1,886         (12,469)         6,9           Non-Operating Expense:           Interest expense, net         (1,279)         (929)         6,0           Impairments and equity method losses         (337)         (2,432)         6,0           Gain/(loss) on investments, net         56         (105)         6,0           Loss on extinguishment of debt         (319)         (8)         8           Pension and related benefit/(expense)         451         219         6,0           Miscellaneous, net         (60)         137         (           Total non-operating expense, net         (1,488)         (3,118)         6,0           Income/(Loss) Before Income Taxes         398         (15,587)         6,0           Income Tax (Provision)/Benefit         (118)         3,202         (1,488)           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4,480           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19,49)         \$ 7,740 </td <td>Restructuring charges</td> <td>0</td> <td>9)</td> <td>8,219</td> <td></td> <td>_</td>	Restructuring charges	0	9)	8,219		_		
Government grant recognition         (4,512)         (3,946)           Other         1,405         1,232         1,232           Total operating expense         28,013         29,564         46           Operating Income/(Loss)         1,886         (12,469)         6,9           Non-Operating Expense:           Interest expense, net         (1,279)         (929)         6,0           Impairments and equity method losses         (337)         (2,432)         6,0           Gain/(loss) on investments, net         56         (105)         6,0           Loss on extinguishment of debt         (319)         (8)         8           Pension and related benefit/(expense)         451         219         6,0           Miscellaneous, net         (60)         137         (           Total non-operating expense, net         (1,488)         (3,118)         6,0           Income/(Loss) Before Income Taxes         398         (15,587)         6,0           Income Tax (Provision)/Benefit         (118)         3,202         (1,488)           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4,480           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19,49)         \$ 7,740 </td <td>Profit sharing</td> <td>1</td> <td>8</td> <td></td> <td></td> <td>1,643</td>	Profit sharing	1	8			1,643		
Other         1,405         1,232         1,232         1,232         1,232         1,232         1,232         1,232         1,232         1,232         1,232         1,232         1,232         1,232         1,232         4,03         6,03         6,03         6,03         6,03         6,03         6,03         6,03         7,03         6,03         7,03<				(3.946)				
Total operating expense         28,013         29,564         40.           Operating Income/(Loss)         1,886         (12,469)         6.0           Non-Operating Expense:						1,827		
Non-Operating Expense:           Interest expense, net         (1,279)         (929)         (2           Impairments and equity method losses         (337)         (2,432)         (2,432)           Gain/(loss) on investments, net         56         (105)           Loss on extinguishment of debt         (319)         (8)           Pension and related benefit/(expense)         451         219           Miscellaneous, net         (60)         137         (           Total non-operating expense, net         (1,488)         (3,118)         (           Income/(Loss) Before Income Taxes         398         (15,587)         6           Income Tax (Provision)/Benefit         (118)         3,202         (1,488)           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4,48           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19,49)         \$ 7	Total operating expense	1000	1000	200000000000000000000000000000000000000		40,389		
Interest expense, net         (1,279)         (929)         (3           Impairments and equity method losses         (337)         (2,432)           Gain/(loss) on investments, net         56         (105)           Loss on extinguishment of debt         (319)         (8)           Pension and related benefit/(expense)         451         219           Miscellaneous, net         (60)         137         (           Total non-operating expense, net         (1,488)         (3,118)         (           Income/(Loss) Before Income Taxes         398         (15,587)         6           Income Tax (Provision)/Benefit         (118)         3,202         (1,           Net Income/(Loss)         \$         280         \$         (12,385)         \$         4,           Basic Earnings/(Loss) Per Share         \$         0.44         \$         (19,49)         \$         7	Operating Income/(Loss)	1,8	6	(12,469)		6,618		
Impairments and equity method losses   (337)   (2,432)     Gain/(loss) on investments, net   56   (105)     Loss on extinguishment of debt   (319)   (8)     Pension and related benefit/(expense)   451   219     Miscellaneous, net   (60)   137   (100)     Total non-operating expense, net   (1,488)   (3,118)   (1,587)   (1,587)     Income/(Loss) Before Income Taxes   398   (15,587)   (1,587)     Income Tax (Provision)/Benefit   (118)   3,202   (1,587)     Net Income/(Loss)   8   280   \$ (12,385)   \$ 4,585     Basic Earnings/(Loss)   9er Share   \$ 0.44   \$ (19,49)   \$ 7,585     Comparison   1,587   1,587   1,587     Comparison   1,587   1,587   1,587     Comparison   1,	Non-Operating Expense:							
Gain/(loss) on investments, net       56       (105)         Loss on extinguishment of debt       (319)       (8)         Pension and related benefit/(expense)       451       219         Miscellaneous, net       (60)       137       (         Total non-operating expense, net       (1,488)       (3,118)       (c         Income/(Loss) Before Income Taxes       398       (15,587)       6.         Income Tax (Provision)/Benefit       (118)       3,202       (1,488)         Net Income/(Loss)       \$       280       \$       (12,385)       \$       4,48         Basic Earnings/(Loss) Per Share       \$       0.44       \$       (19,49)       \$       7	Interest expense, net	(1,2'	9)	(929)		(301)		
Gain/(loss) on investments, net         56         (105)           Loss on extinguishment of debt         (319)         (8)           Pension and related benefit/(expense)         451         219           Miscellaneous, net         (60)         137         (           Total non-operating expense, net         (1,488)         (3,118)         (c           Income/(Loss) Before Income Taxes         398         (15,587)         6.           Income Tax (Provision)/Benefit         (118)         3,202         (1,488)           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4,480           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19,49)         \$ 7				(2,432)		(62)		
Loss on extinguishment of debt         (319)         (8)           Pension and related benefit/(expense)         451         219           Miscellaneous, net         (60)         137         (           Total non-operating expense, net         (1,488)         (3,118)         (           Income/(Loss) Before Income Taxes         398         (15,587)         6.           Income Tax (Provision)/Benefit         (118)         3,202         (1.           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4.           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19,49)         \$ 7						119		
Pension and related benefit/(expense)         451         219           Miscellaneous, net         (60)         137         (60)           Total non-operating expense, net         (1,488)         (3,118)         (60)           Income/(Loss) Before Income Taxes         398         (15,587)         6,           Income Tax (Provision)/Benefit         (118)         3,202         (1,488)           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4,480           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19,49)         \$ 7						333		
Miscellaneous, net         (60)         137         (60)           Total non-operating expense, net         (1,488)         (3,118)         (2           Income/(Loss) Before Income Taxes         398         (15,587)         6           Income Tax (Provision)/Benefit         (118)         3,202         (1,488)           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4,488           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19,49)         \$ 7						(65		
Total non-operating expense, net         (1,488)         (3,118)         (c)           Income/(Loss) Before Income Taxes         398         (15,587)         6,           Income Tax (Provision)/Benefit         (118)         3,202         (1,488)           Net Income/(Loss)         \$         280         \$         (12,385)         \$         4,48           Basic Earnings/(Loss) Per Share         \$         0.44         \$         (19.49)         \$         7			0)	137		(111)		
Income Tax (Provision)/Benefit         (118)         3,202         (1.4)           Net Income/(Loss)         \$ 280         \$ (12,385)         \$ 4,           Basic Earnings/(Loss) Per Share         \$ 0.44         \$ (19.49)         \$ 7	Total non-operating expense, net					(420		
Net Income/(Loss)         \$ 280 \$ (12,385)         \$ 4,           Basic Earnings/(Loss) Per Share         \$ 0.44 \$ (19.49)         \$ 7	Income/(Loss) Before Income Taxes	3	8	(15,587)		6,198		
Basic Earnings/(Loss) Per Share s 0.44 s (19.49) s 7	Income Tax (Provision)/Benefit	(1	8)	3,202		(1,431)		
	Net Income/(Loss)	\$ 2	0	\$ (12,385)	s	4,767		
Diluted Earnings/(Loss) Per Share S 0.44 S (19.49) S	Basic Earnings/(Loss) Per Share	\$ 0.	4	\$ (19.49)	S	7.32		
						7.30		
Cash Dividends Declared Per Share					S	1.51		

The accompanying notes are an integral part of these Consolidated Financial Statements.

# United Airlines Screenshots:

# UNITED AIRLINES HOLDINGS, INC. STATEMENTS OF CONSOLIDATED OPERATIONS

(In millions, except per share amounts)

		31,			
		2021	2020		2019
Operating revenue:					
Passenger revenue	\$	20,197	\$ 11,805	S	39,625
Cargo		2,349	1,648		1,179
Other operating revenue		2,088	1,902		2,455
Total operating revenue	- 202	24,634	15,355	00. 00	43,259
Operating expense:					
Salaries and related costs		9,566	9,522		12,071
Aircraft fuel		5,755	3,153		8,953
Depreciation and amortization		2,485	2,488		2,288
Landing fees and other rent		2,416	2,127		2,543
Regional capacity purchase		2,147	2,039		2,849
Aircraft maintenance materials and outside repairs		1,316	858		1,794
Distribution expenses		677	459		1,651
Aircraft rent		228	198		288
Special charges (credits)		(3,367)	(2,616)		246
Other operating expenses		4,433	3,486		6,275
Total operating expense		25,656	21,714	55.	38,958
Operating income (loss)		(1,022)	(6,359)		4,301
Nonoperating income (expense):					
Interest expense		(1,657)	(1,063)		(731
Interest capitalized		80	71		85
Interest income		36	50		133
Unrealized gains (losses) on investments, net		(34)	(194)		153
Miscellaneous, net		40	(1,327)		(27
Total nonoperating expense, net	7	(1,535)	(2,463)		(387
Income (loss) before income taxes		(2,557)	(8,822)		3,914
Income tax expense (benefit)		(593)	(1,753)		905
Net income (loss)	s	(1,964)	\$ (7,069)	S	3,009
Earnings (loss) per share, basic	s	(6.10)	\$ (25.30)	S	11.63
Earnings (loss) per share, diluted	\$	(6.10)	\$ (25.30)	s	11.58

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

# UNITED AIRLINES HOLDINGS, INC. CONSOLIDATED BALANCE SHEETS

(In millions, except shares)

	101	mber 31,	er 31,		
ASSETS		2021		2020	
Current assets:					
Cash and cash equivalents	s	18,283	s	11,269	
Short-term investments		123		414	
Restricted cash		37		255	
Receivables, less allowance for credit losses (2021—\$28; 2020—\$78)		1,663		1,295	
Aircraft fuel, spare parts and supplies, less obsolescence allowance (2021—\$546 2020—\$478)	;	983		932	
Prepaid expenses and other		745		635	
Total current assets	ij	21,834		14,800	
Operating property and equipment:					
Flight equipment		39,584		38,218	
Other property and equipment		8,764		8,511	
Purchase deposits for flight equipment		2,215		1,166	
Total operating property and equipment	1/2	50,563	-	47,895	
Less—Accumulated depreciation and amortization		(18,489)		(16,429)	
Total operating property and equipment, net		32,074	-	31,466	
Operating lease right-of-use assets		4,645		4,537	
Other assets:					
Goodwill		4,527		4,527	
Intangibles, less accumulated amortization (2021—\$1,544; 2020—\$1,495)		2,803		2,838	
Restricted cash		213		218	
Deferred income taxes		659		131	
Notes receivable, less allowance for credit losses (2021—\$622; 2020—\$522)		76		31	
Investments in affiliates and other, net		1,344		1,000	
Total other assets		9,622	40	8,745	
Total assets	S	68,175	\$	59,548	

(continued on next page)

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

	At Decem			aber 31,		
LIABILITIES AND STOCKHOLDERS' EQUITY	2021			2020		
Current liabilities:						
Accounts payable	S	2,562	\$	1,595		
Accrued salaries and benefits		2,121		1,960		
Advance ticket sales		6,354		4,833		
Frequent flyer deferred revenue		2,239		908		
Current maturities of long-term debt		3,002		1,911		
Current maturities of other financial liabilities		834		18		
Current maturities of operating leases		556		612		
Current maturities of finance leases		76		182		
Other		560		706		
Total current liabilities		18,304		12,725		
Long-term debt		30,361		24,836		
Long-term obligations under operating leases		5,152		4,986		
Long-term obligations under finance leases		219		224		
Other liabilities and deferred credits:						
Frequent flyer deferred revenue		4,043		5,067		
Pension liability		1,920		2,460		
Postretirement benefit liability		1,000		994		
Other financial liabilities		863		1,140		
Other		1,284		1,156		
Total other liabilities and deferred credits	- 1/2	9,110		10,817		
Commitments and contingencies						
Stockholders' equity:						
Preferred stock		_		_		
Common stock at par, \$0.01 par value; authorized 1,000,000,000 shares; outstanding 323,810,825 and 311,845,232 shares at December 31, 2021 and 2020, respectively		4		4		
Additional capital invested		9.156		8,366		
Stock held in treasury, at cost		(3,814)		(3,897		
Retained earnings		625		2,626		
Accumulated other comprehensive loss		(942)		(1,139)		
Total stockholders' equity		5,029	-	5,960		
Total liabilities and stockholders' equity	s	68,175	s	59,548		
Total hadrines and stockholders equity	-	303,112		40,440		

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

#### UNITED AIRLINES HOLDINGS, INC. STATEMENTS OF CONSOLIDATED CASH FLOWS (In millions)

		3	ear E	nded December 3	1,	
		2021		2020		2019
Operating Activities:						
Net income (loss)	S	(1,964)	\$	(7,069)	S	3,009
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities -						
Deferred income tax (benefit)		(583)		(1,741)		882
Depreciation and amortization		2,485		2,488		2,288
Operating and non-operating special charges, non-cash portion		32		1,448		175
Unrealized (gains) losses on investments		34		194		(153)
Other operating activities		393		320		185
Changes in operating assets and liabilities -						
(Increase) decrease in receivables		(448)		135		44
(Increase) decrease in other assets		(292)		484		(252)
Increase in advance ticket sales		1,521		14		438
Increase in frequent flyer deferred revenue		307		699		271
Increase (decrease) in accounts payable		985		(1,079)		324
Decrease in other liabilities		(403)		(26)		(302)
Net cash provided by (used in) operating activities		2,067		(4,133)		6,909
Investing Activities:						
Capital expenditures, net of flight equipment purchase deposit returns		(2,107)		(1,727)		(4,528)
Purchases of short-term and other investments		(68)		(552)		(2,933)
Proceeds from sale of short-term and other investments		397		2,319		2,996
Proceeds from sale of property and equipment		107		6		49
Loans made to others				4.00		(174)
Other, net		(I)		4		30
Net cash provided by (used in) investing activities	-	(1,672)		50		(4,560)
Financing Activities:	-		-		-	3.77
Repurchases of common stock				(353)		(1,645)
Proceeds from issuance of debt, net of discounts and fees		11.096		15,676		1.786
Proceeds from equity issuance		532		2.103		-
Payments of long-term debt, finance leases and other financing liabilities		(5,205)		(4,449)		(1,391)
Other, net		(27)		(20)		(30)
Net cash provided by (used in) financing activities	_	6,396	-	12,957	_	(1,280)
Net increase in cash, cash equivalents and restricted cash		6,791	-	8,874		1,069
Cash, cash equivalents and restricted cash at beginning of year		11,742		2,868		1,799
Cash, cash equivalents and restricted cash at organisming of year	S	18,533	S	11,742	s	2,868
					_	
Investing and Financing Activities Not Affecting Cash:						
Property and equipment acquired through the issuance of debt, finance leases and other	S	814	S	1750.77	S	515
Right-of-use assets acquired through operating leases		771		198		498
Equity interest in Avianca Group International Limited ("AVG") received in consideration for a loan		164		7-		
Notes receivable and warrants received for entering into aircraft and other ancillary business agreements		131				1983
Lease modifications and lease conversions		123		527		(2)
Cash Paid (Refunded) During the Period for:						
Interest	S	1,424	S	874	S	648
Income taxes		- 20		(29)		29
Income taxes				(29)		

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