

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported):

March 8, 2001

CONTINENTAL AIRLINES, INC.

(Exact name of registrant as specified in its charter)

Delaware

0-09781

74-2099724

(State or other jurisdiction  
of incorporation)

(Commission File Number)

(IRS Employer  
Identification No.)

1600 Smith Street, Dept. HQSEO, Houston, Texas

77002

(Address of principal executive offices)

(Zip Code)

(713) 324-2950

(Registrant's telephone number, including area code)

Item 7. Financial Statements and Exhibits.

(c) Exhibits

1. Projected Data.

Item 9. Regulation FD Disclosure.

The Company is furnishing herewith a letter being provided to certain investors and financial analysts which contains data regarding its estimated share count for earnings per share calculation purposes and certain other financial and operational data. The letter is attached as Exhibit 99.1 which is included herein.

The information presented contains forward looking statements, and certain assumptions upon which such forward looking statements are in part based. Numerous important factors, including those factors identified as Risk Factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2000 filed with the Securities and Exchange Commission, which factors are incorporated herein by reference, and the fact that the assumptions contained in such information could prove incorrect, could cause actual results to differ materially from those contained in such forward looking statements.

SIGNATURE

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

CONTINENTAL AIRLINES, INC.

By /s/ Chris Kenny

Chris Kenny

Staff Vice President

and Controller

March 8, 2001

EXHIBIT INDEX

1. Projected Data.

**Diane Dayhoff**

Staff Vice President Finance

1600 Smith Street, HSQII

Houston, Texas 77002

March 8, 2001

Dear Investors and Analysts:

Continental marked a milestone on March 1<sup>st</sup> with the departure of a Boeing 777 from Newark to Hong Kong. It is the first time any carrier has served the New York to Hong Kong market with direct air service. This new market represents the longest scheduled non-stop flight by any U.S. airline ever flown out of New York.

With this letter, we are providing revised guidance for certain financial and operational statistics (Attachment A). The late winter storm that hit the Northeast on March 5<sup>th</sup> and 6<sup>th</sup> caused us to cancel 486 mainline and 648 Express flights. The negative revenue impact from this weather event is estimated at approximately \$10-15 million.

On a longer-term focus, Continental's flexible fleet plan has been revised to include the most recent fleet decisions (Attachment B). This presentation has been changed from what we have previously distributed. The top chart is our current Fleet Plan showing deliveries resulting from both firm commitments and planned option exercises through 2002. The bottom chart shows only firm commitments reduced by planned retirements as well as other potential lease expirations through 2005.

Additional information regarding Continental (recent press releases and investor presentations) can always be found on our website at [www.Continental.com](http://www.Continental.com).

Sincerely,

Diane Dayhoff

Staff VP Finance

Attachment A - Page 1 of 2

## Continental Airlines' Mid-Quarter Update

Our current guidance on selected operating and financial statistics is as follows:

Estimated Year-over-Year Change

**Operating Statistics 1Q01E 2001E**

CASM 3.5 - 4.0% 0 - 1.0%

CASM Holding Fuel Price Constant 3.0 - 3.5% 1.5 - 2.0%

Fuel Price 86 - 88 cents 82 - 87 cents

Fuel Gallons Consumed (1.0)% 3.0%

## Estimated Amounts

### **Financial** 1Q01E 2001E

Aircraft Rent \$213 Million \$900 Million

Net Interest Income/(Expense) (\$44) Million (\$174) Million

Dividends on Preferred Stock of Trust \$2.4 Million \$9.4 Million

### **ASMs 2001** Year-over-Year Percentage Change

#### 1Q01E 2Q01E 3Q01E 4Q01E FY01E

Domestic 4% 6% 7% 7% 6%

Latin America 2% 3% 2% 5% 3%

Europe (6)% (2)% (6)% 4% (2)%

Pacific 5% 36% 33% 25% 24%

System 2% 7% 6% 8% 6%

Continental Express 24% 20% 19% 20% 21%

### **Load Factor** 1Q01E 2001E

Continental 70-71% 73-74%

Continental Express 56-57% 62-63%

### **Fuel Hedges**

For the first quarter we are hedged about 50% with jet fuel swaps and fixed price contracts at a price around 86 cents per gallon. We are 40% hedged for the second quarter in jet fuel and heating oil caps at prices around 85 cents per gallon.

### **EPS Estimated Share Count - First Quarter 2001 (Millions)**

Share count used for calculating basic and diluted earnings per share at different income levels for first quarter 2001 is as follows:

Quarterly Number of Shares Diluted

#### Earnings Level Basic Diluted Interest Addback

Over \$28.1 55 61 \$2.1

Between \$0 - \$28.1 55 57 ---

Below \$0 55 55 ---

Please note that this chart is based upon several assumptions including market stock price and number of shares outstanding. The number of shares used in the actual EPS calculation will likely be different from those set forth above.

We anticipate re-commencing our share repurchase program during the beginning of the second quarter. We are currently estimating an average diluted share count of approximately 57 million for the full year 2001.

## Continental Airlines Flexible Jet Fleet Plan

Includes Continental, Continental Micronesia and Continental Express Regional Jets

### March 8, 2001 Fleet Plan

	Total @	Net Inductions and Exits			Total @
Jet	YE 2000	2001E	2002E	2002E	YE 2002E
777-200	16	-	2		18
DC10-30	17	(8)	(4)		5
767-400ER	4	2	10		16
767-200ER	3	7	-		10
757-300	-	2	6		8
757-200	41	-	-		41
737-900	-	10	5		15
737-800	58	15	20		93
MD-80	65	(6)	(13)		46
737-700	36	-	5		41
737-300	65	-	(2)		63
737-500	66	-	-		66
<b>Total Jet</b>	<b>371</b>	<b>22</b>	<b>29</b>		<b>422</b>
<b>Regional Jet</b>					
ERJ-145XR	-	-	6		6
ERJ-145	78	29	33		140
ERJ-135	18	12	12		42
<b>Total Regional Jet</b>	<b>96</b>	<b>41</b>	<b>51</b>		<b>188</b>
<b>Year End Total</b>					
Jet	371	393	422		
Regional Jet	96	137	188		
<b>Total YE Jet Count</b>	<b>467</b>	<b>530</b>	<b>610</b>		

### Firm Commitments Less Planned Retirements and Other Lease Expirations

	Total @	Net Inductions and Exits					Total @
Jet	YE 2000	2001E	2002E	2003E	2004E	2005E	YE 2005E
777-200	16	-	2	-	-	-	18
DC10-30	17	(8)	(4)	(5)	-	-	-
767-400ER	4	2	10	4	2	2	24
767-200ER	3	7	-	-	-	-	10
757-300	-	2	6	7	-	-	15
757-200	41	-	-	-	-	-	41
737-900	-	10	5	-	-	-	15
737-800	58	15	20	-	-	-	93
MD-80	65	(8)	(13)	(13)	(14)	(17)	-
737-700	36	-	-	-	-	-	36
737-300	65	-	(7)	(15)	(12)	-	31
737-500	66	-	(1)	(2)	-	-	63
<b>Total Jet</b>	<b>371</b>	<b>20</b>	<b>18</b>	<b>(24)</b>	<b>(24)</b>	<b>(15)</b>	<b>346</b>
<b>Regional Jet</b>							
ERJ-145XR	-	-	6	31	36	2	75
ERJ-145	78	29	33	9	-	-	149
ERJ-135	18	12	12	8	-	-	50
<b>Total Regional Jet</b>	<b>96</b>	<b>41</b>	<b>51</b>	<b>48</b>	<b>36</b>	<b>2</b>	<b>274</b>
<b>Year End Total</b>							
Jet	371	391	409	385	361	346	
Regional Jet	96	137	188	236	272	274	

Total YE Jet Count	467	528	597	621	633	620	
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