

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):

June 10, 2002

CONTINENTAL AIRLINES, INC.

(Exact name of registrant as specified in its charter)

Delaware

1-10323

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 5. Other Events.

On June 10, 2002, Continental Airlines, Inc. provided a letter to analysts and other parties presenting certain information relating to its financial and operational outlook for 2002, which is filed herewith as Exhibit 99.1 and incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

a. Exhibits

1. Letter to Analysts

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/ Diane Dayhoff _____

Diane Dayhoff

Staff Vice President - Finance

June 10, 2002

EXHIBIT INDEX

1. Letter to Analysts



Diane Dayhoff
Staff Vice President Finance
1600 Smith Street, HSQ11
Houston, Texas 77002

June 10, 2002

Dear Investors and Analysts:

One of our summer highlights is that our Newark Global Gateway project is nearing completion. We have increased the number of available lanes for cars and taxis serving arriving customers at Terminal C from three to five. This summer, upon the completion of a new roadway connecting Terminals B and C, the Port Authority will open three additional lanes for bus traffic bringing the total number of lanes serving arriving customers at Terminal C to eight.

Since our update at the end of April, other newsworthy items include: taking delivery of our last new Boeing aircraft scheduled for delivery through late 2003; extending our cooperative marketing agreement with KLM until May 30, 2003; launching non-stop Houston - Amsterdam service; launching non-stop Houston - Montreal service; and, not surprisingly, our Frequent Flyer program recognized as having the Best Elite Level Program at Inside Flyer's 14th Annual Freddie Awards Competition.

Updated guidance for several operating and financial statistics for second quarter, third quarter and full year 2002 can be found on Attachment A.

Additional information regarding Continental (recent press releases and investor presentations) can always be found on our website at continental.com/corporate. If you should have any questions regarding this information, please do not hesitate to contact us.

Sincerely,

Diane Dayhoff

This letter contains forward-looking statements that are not limited to historical facts, but reflect our current beliefs, expectations or intentions regarding future events. In connection therewith, please see the risk factors set forth in our 2001 10-K and our other SEC filings, which identify important matters such as terrorist attacks and the resulting regulatory developments and costs, our recent operating losses and special charges, our high leverage and significant financing needs, our historical operating results, the significant cost of aircraft fuel, labor costs, certain tax matters, the Japanese economy and currency risk, competition and industry conditions, regulatory matters and the seasonal nature of the airline business, that could cause actual results to differ materially from those in the forward-looking statements.

Continental Airlines' Quarterly Update

2002 Estimated

Year-over-Year Percentage Change

ASMs	<u>2nd Qtr.(E)</u>	<u>3rd Qtr.(E)</u>	<u>Full Year(E)</u>
Domestic	(12)%	(6)%	
Latin America	(4)%	(1)%	
Europe	(6)%	2%	
Pacific	(14)%	(7)%	
System	(10)%	(4)%	(6) - (5)%
Continental Express	9%	16%	16%

2002 Estimate

Load Factor	<u>2nd Qtr.(E)</u>	<u>3rd Qtr.(E)</u>	<u>Full Year(E)</u>
Continental	75 - 76%	78 - 79%	75 - 76%
Continental Express	64 - 65%	68 - 69%	67 - 68%

2002 Estimated Year-over-Year Change

Jet Operating Statistics	<u>2nd Qtr.(E)</u>	<u>3rd Qtr.(E)</u>	<u>Full Year(E)</u>
CASM	(1) - 0%	1 - 2%	0 - 1%
CASM Holding Fuel Price Constant	1 - 2%	1 - 2%	1 - 2%
Fuel Gallons Consumed	(16) - (15)%	(10) - (9)%	(10) - (9)%
Fuel Price (excluding fuel taxes)	69 - 70 cents	73 - 76 cents	68 - 71 cents

2002 Estimated Amounts

Financial	<u>2nd Qtr.(E)</u>	<u>3rd Qtr.(E)</u>	<u>Full Year(E)</u>
Aircraft Rent	\$230 Million	\$230 Million	\$925 Million
Net Interest Expense	\$80 Million	\$80 Million	\$300 Million
Dividends on Preferred Stock of Trust	\$2.4 Million	\$2.4 Million	\$9.6 Million
-	% of Volume Hedged	Wtd. Average Strike Price of Caps	

Fuel Hedges 2002

Second Quarter	75%	\$25.70/Barrel
Third Quarter	50%	\$26.50/Barrel
Fourth Quarter	50%	\$26.50/Barrel
Full Year (Average 2Q - 4Q)	58%	

Cash Capital Expenditures

	<u>2002 Estimated Amounts</u>
Fleet (net of purchase deposits)	\$75 Million
Non-Fleet	\$175 Million

EPS Estimated Share Count

Share count estimates for calculating basic and diluted earnings per share at different income levels for second quarter, third quarter and full year 2002 are as follows:

Second Quarter 2002 (Millions)

Quarterly Earnings Level	Number of Shares		Interest Addback
	Basic	Diluted	
Over \$34.8	63.7	73.0	\$3.5
Between \$16.9 - \$34.8	63.7	68.8	\$1.3
Under \$16.9	63.7	63.7	--

Third Quarter 2002 (Millions)

Quarterly	Number of Shares
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<u>Earnings Level</u>	<u>Basic</u>	<u>Diluted</u>	<u>Interest Addback</u>
Over \$35.1	64.0	73.2	\$3.5
Between \$16.9 - \$35.1	64.0	69.0	\$1.3
Under \$16.9	64.0	64.0	--

Full Year 2002 (Millions)

Year-to-date	Number of Shares		
<u>Earnings Level</u>	<u>Basic</u>	<u>Diluted</u>	<u>Interest Addback</u>
Over \$136.9	63.9	73.1	\$13.8
Between \$66.0 - \$136.9	63.9	68.9	\$5.2
Under \$66.0	63.9	63.9	--

These share count charts are 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.