

UNITED STATES
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 7, 2005**

CONTINENTAL AIRLINES, INC.

(Exact Name of Registrant as Specified in Its Charter)

DELAWARE

(State or Other Jurisdiction of Incorporation)

1-10323

(Commission File Number)

74-2099724

(IRS Employer Identification No.)

1600 Smith Street, Dept. HQSEO, Houston, Texas

(Address of Principal Executive Offices)

77002

(Zip Code)

(713) 324-2950

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

| | |
|--------------------------|--|
| <input type="checkbox"/> | Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425) |
| <input type="checkbox"/> | Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12) |
| <input type="checkbox"/> | Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)) |
| <input type="checkbox"/> | Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)) |

Item 7.01. Regulation FD Disclosure.

We are furnishing herewith information being presented by certain of our executive officers on June 8, 2005 at the Merrill Lynch Transportation Conference. The presentation information is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

An audio webcast of their remarks at the Merrill Lynch Transportation Conference and the accompanying graphic presentation will be made available on our website at www.continental.com/company under the Investor Relations - Investor Presentation section beginning June 8, 2005.

The information presented contains forward-looking statements that are not limited to historical facts, but reflect the company's current beliefs, expectations or intentions regarding future events. All forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. For examples of such risks and uncertainties, please see the risk factors set forth in the company's 2004 10-K and its other securities filings, which identify important matters such as the consequences of its significant financial losses and high leverage, terrorist attacks, domestic and international economic conditions, the significant cost of aircraft fuel, labor costs, competition, and industry conditions, including the demand for air travel, the airline pricing environment and industry capacity decisions, regulatory matters and the seasonal nature of the airline business. In addition to the foregoing risks, there can be no assurance that the company will be able to obtain the needed pay and benefit reductions from its flight attendants or that the ratified agreements and the pay and benefit reductions and work rule changes from other work groups will enable the company to achieve the cost reductions expected, which will depend, upon other matters, on timely and effective implementation of new work rules, actual productivity improvement, employee attrition, technology implementation, our level of business activity, relations with employees generally and the ultimate accuracy of certain assumptions on which our cost savings are based. The company undertakes no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this update.

Item 9.01. Financial Statements and Exhibits.

a. Exhibits

99.1 Presentation Information

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.

June 7, 2005

By /s/ Jennifer Vogel


Jennifer L. Vogel

Senior Vice President, General Counsel
and Secretary

EXHIBIT INDEX

99.1 Presentation Information

Continental Airlines



Merrill Lynch
Transportation Conference
June 8, 2005

Please note that the discussion today contains forward-looking statements that are not limited to historical facts, but reflect the company's current beliefs, expectations or intentions regarding future events. Actual results could differ materially from those described in the forward-looking statements. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained in the company's Form 10-K and other securities filings with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this presentation.

Unless otherwise noted, all statistics are for mainline operations, excluding regional jets.

In this presentation we discuss non-GAAP financial measures such as Cost Per Available Seat Mile excluding special items. Comparable GAAP financial measures and a reconciliation of GAAP financial measures to non-GAAP financial measures will be presented at the end of this presentation.



Larry Kellner
Chairman & CEO

Positioned for Success

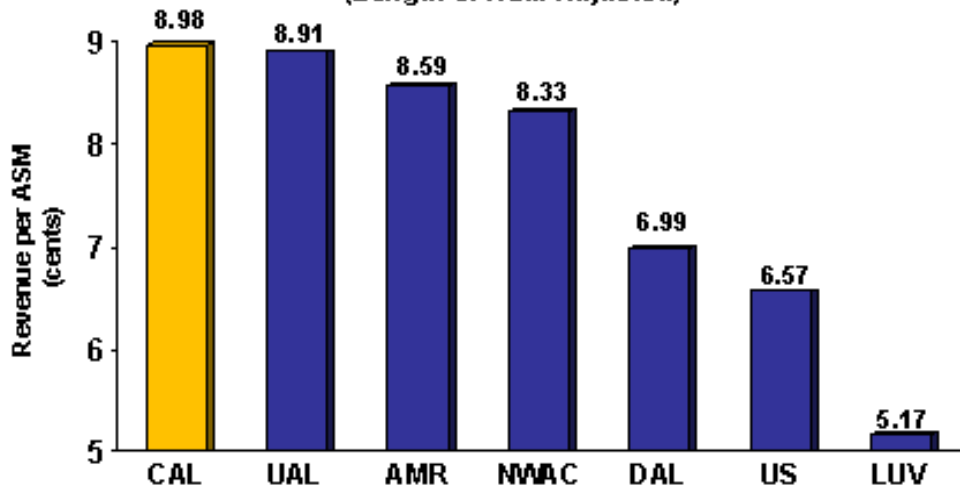
- **Competitively well-positioned**
- **RASM premium with an Industry-Leading Consistently, Reliable Product**
- **Uniquely positioned to leverage international growth from the largest U.S. O&D market**

*More nonstops to more places than any other airline
in the New York area.*

Continental
Airlines 

Best System RASM

First Quarter 2005
(Length of Haul Adjusted)

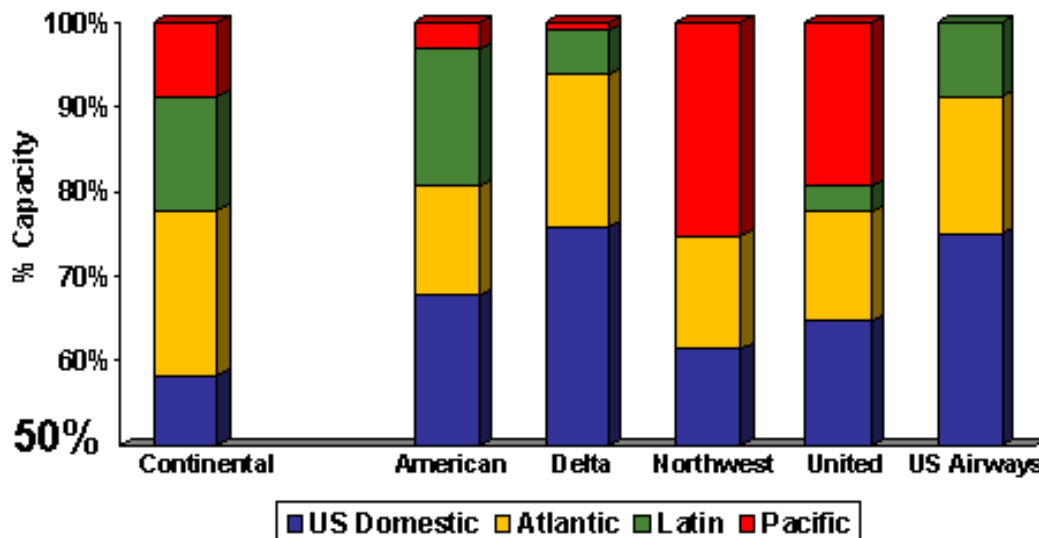


Length of haul adjusted to CAL's 1005 system LOH of 1549
RASM data derived from information disclosed in SEC filings

Named No. 1 Most Admired Global Airline on FORTUNE Magazine's 2005 List of Most Admired Global Companies



Globally Well-Balanced Network Mitigates a Weak Domestic Environment



Source: Company Reports

More destinations Worldwide than any other airline.



Fleet Changes to Fund Growth Strategy

- Ordered ten 787 aircraft for delivery beginning 2009
- Agreed to lease eight 757-300 aircraft for delivery beginning this summer
- Accelerated six 737-800 aircraft for delivery in 2006

More weekly flights with more weekly seats from the New York area than any other carrier.



Increasing our Global Network

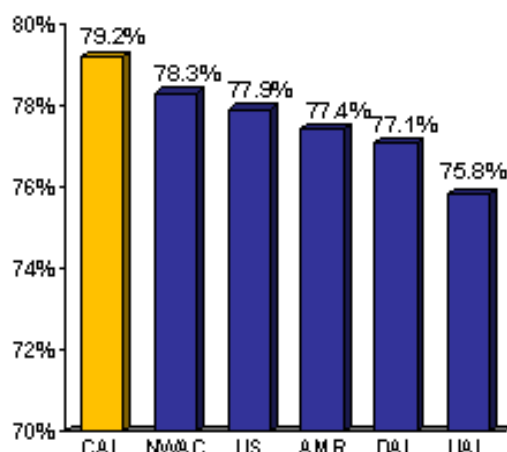
Member of SkyTeam

-Worldwide network gives customers a broad choice of 14,000 daily flights to more than 650 destinations

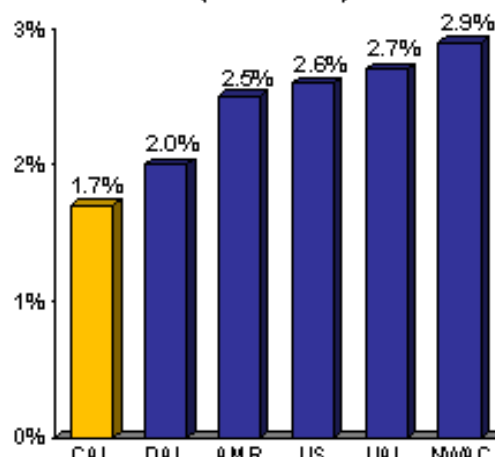


Smooth Running Operations

**10-Year Average
D.O.T. On-time Percentage Rate
(1995-2004)**



**10-Year Average
D.O.T. Cancellation Rate
(1995-2004)**



Derived from D.O.T. Air Traffic Cost and Time Report

It's a crucial business trip. And you're flying who?



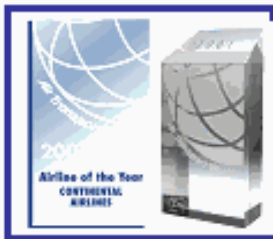
Over 200 Years of Working Together Senior Management Team

| <u>Name</u> | <u>Title</u> | <u>Years at Continental</u> |
|-----------------|---|-----------------------------|
| Larry Kellner | Chairman & CEO | 10 years |
| Jeff Smisek | President | 10 years |
| Jim Compton | EVP, Marketing | 10 years |
| Jeff Misner | EVP & CFO | 10 years |
| Mark Moran | EVP, Operations | 11 years |
| William Brunger | SVP, Network | 19 years |
| Rebecca Cox | SVP, Government Affairs | 16 years |
| Mark Erwin | SVP, Asia/Pacific and Corp. Development | 29 years |
| David Hilfman | SVP, Sales | 18 years |
| Gerry Laderman | SVP, Finance & Treasurer | 16 years |
| Dante Marzette | SVP, Technical Operations and Purchasing | 11 years |
| William Meehan | SVP, Airport Services | 21 years |
| Holden Shannon | SVP, Global Real Estate and Security | 10 years |
| Jennifer Vogel | SVP, General Counsel, Corp. Compliance Officer and Secretary | 10 years |
| Ned Walker | SVP, Worldwide Corp. Communications | 18 years |

*A Power seat to match your Power suit. BusinessFirst.
Rated #1 International Business Class among U.S. airlines by
readers of Conde' Nast Traveler.*



Consistent Customer Satisfaction



OAG Airline of the Year Award
2004 & 2005



1996, 1997, 1998, 1999,
2000, 2001, 2002
Best Elite-Level Program

FORTUNE magazine's list of
Most Admired Global Companies:

- No. 1 Most Admired Global Airline 2005
- No. 1 Most Admired Global Airline 2004
- No. 2 Most Admired Global Airline 2003



Jeff Misner
Executive VP & CFO

Substantial Progress on Cost Savings Initiatives

Revenue Generating/Cost Saving Initiatives

Pre-Tax Net Benefit

- \$400 Million Initiative **Achieved**
- \$500 Million Initiative **Achieved**
- \$200 Million Initiative **Run Rate 2007 E**
- \$500 Million Labor Cost Reductions* **Run Rate 2006 E**

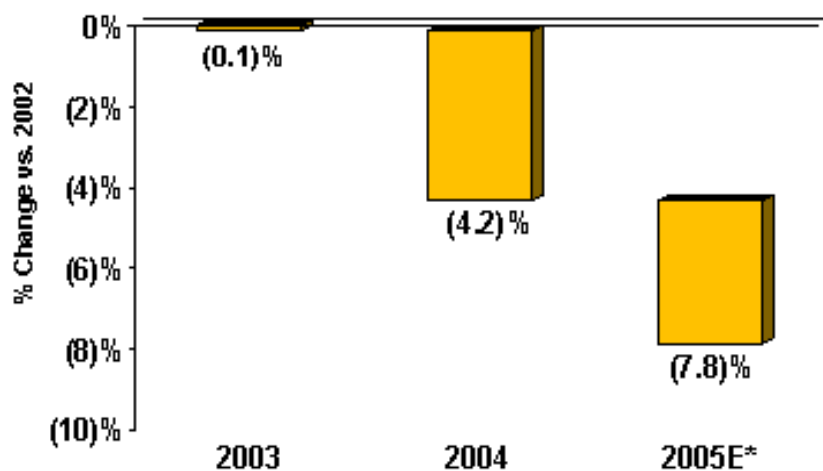
*The agreements reached to date are expected to deliver approximately \$418 million in annual cost savings when fully implemented. There can be no assurance that the company will be able to obtain the needed pay and benefit reductions from its flight attendants or that the ratified agreements will enable the company to achieve the cost reductions expected.

Since 2002, achieved approximately \$1B of cost savings and revenue generating initiatives.



Cost Savings Continue

Cumulative Change in Cost per Available Seat Mile
Holding Fuel Rate Constant at 2002 levels

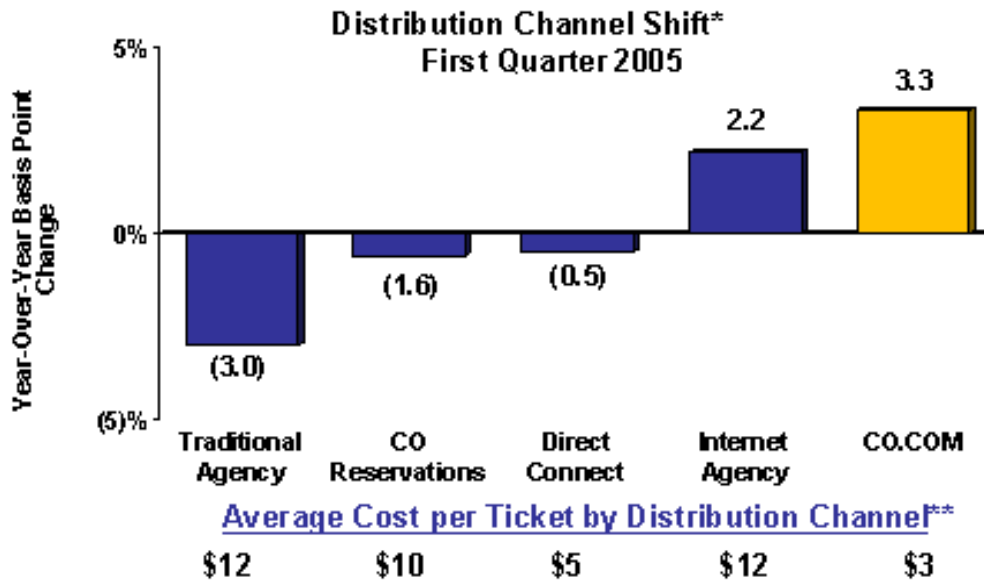


Data excludes special items
*Assumes mid-point to company guidance

*Go Forward Plan: Fly to Win. Fund the Future.
Make Reliability a Reality. Working Together.*



Focused on Low Cost Distribution Channels



*On a one-point basis

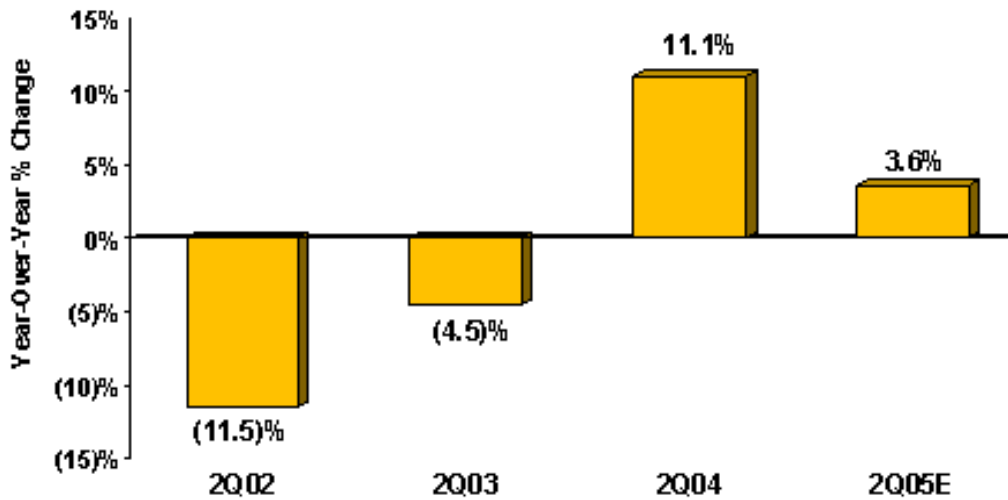
**Excludes performance incentives

*The business traveler's remote control.
Manage all your travel at continental.com*



Aircraft Utilization

Average Daily Aircraft Utilization

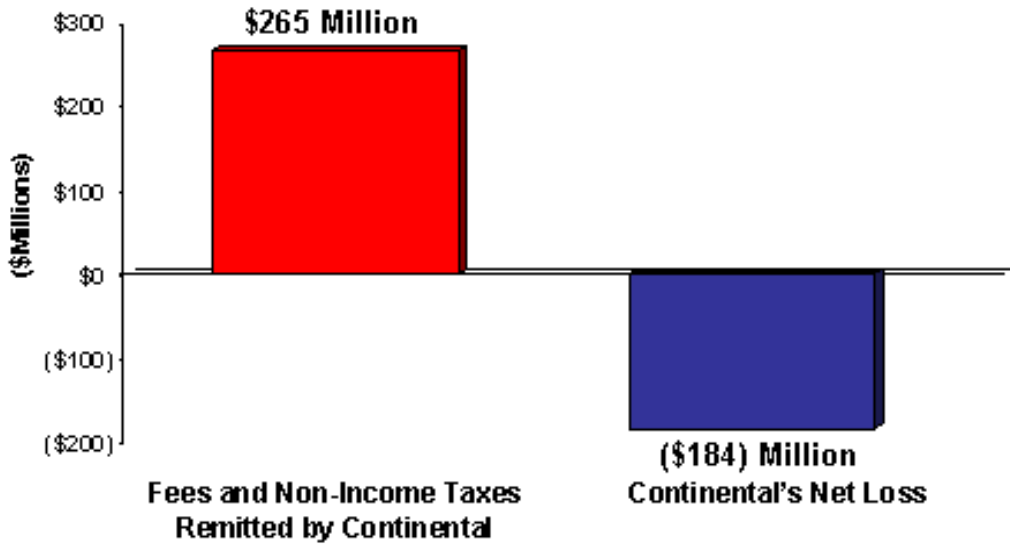


Forget the slow boat. Introducing the only nonstop service from the New York area to Beijing, China.



Excessive Fees & Non-Income Related Taxes Levied on the Airline Industry

First Quarter 2005

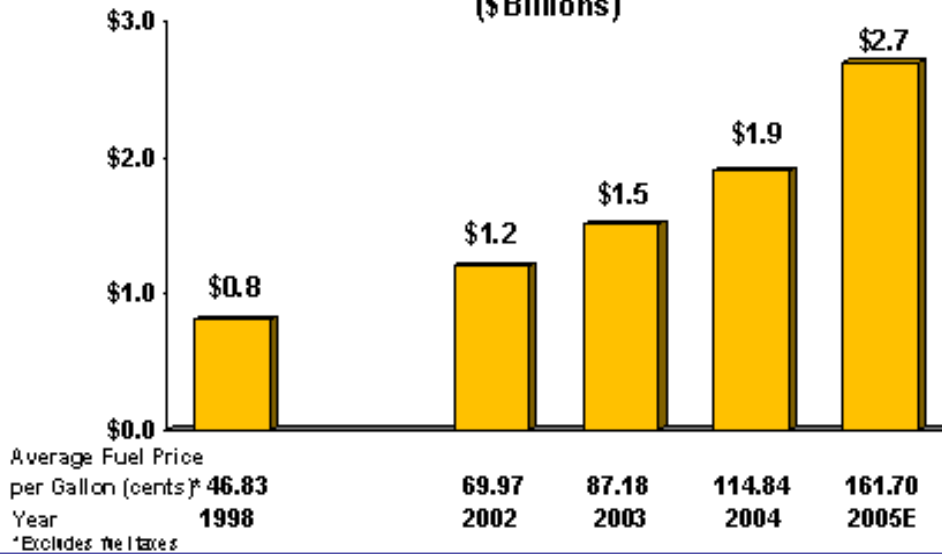


*Few things in life are guaranteed. Here's one of them.
Get our guaranteed lowest fare at continental.com*



Fuel Prices Remain High

2005 Consolidated Fuel Volume at Historical Average Fuel Prices
(\$ Billions)

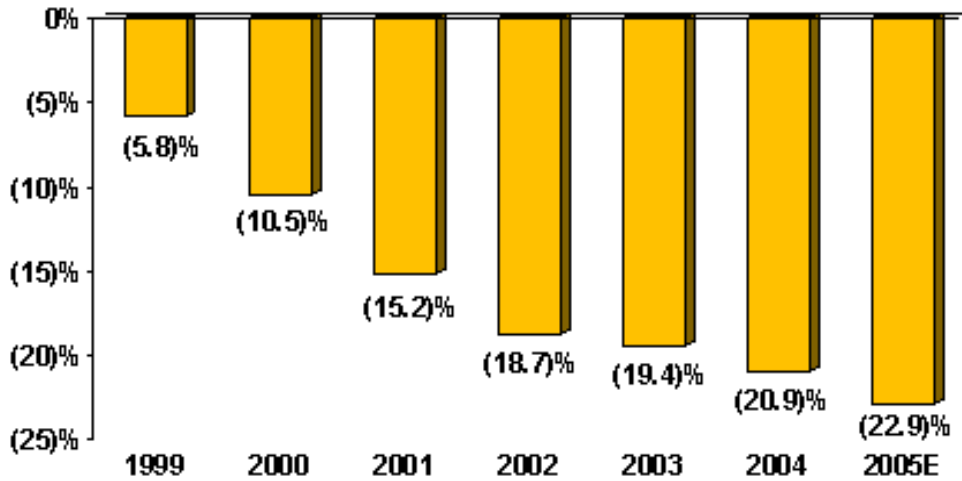


One of the newest jet fleets among major US airlines.



Young Fleet is Fuel Efficient

% Change in Consumption per ASM vs. 1998

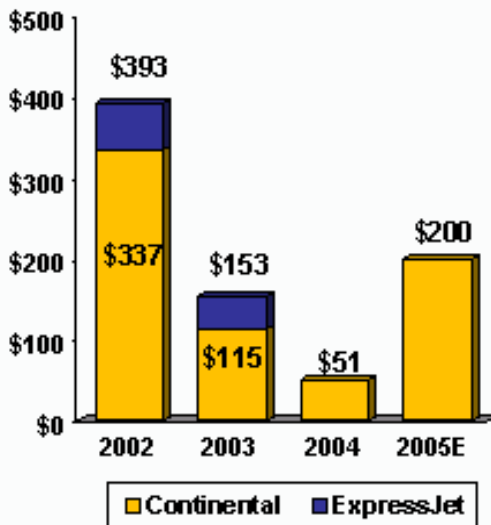


Work Hard. Fly Right.



Long Term Infrastructure Projects Financed

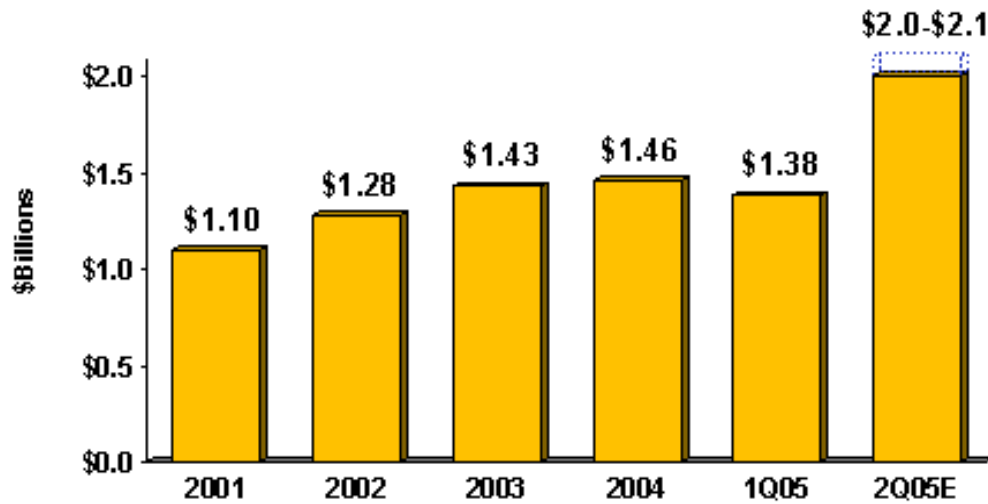
Cash Capital Expenditures



Cash Capex includes fleet tie up release deposits, fleet related, non-fleet items, rotatable parts and capitalized interest

Liquidity

Period End Unrestricted Cash and Short-Term Investments



Data includes cash and short-term investments, excludes restricted cash

*And you fly different airlines why?
More destinations worldwide, more opportunities to earn OnePass miles.*

Continental
Airlines 

**Non-GAAP to GAAP
Reconciliations**

Non-GAAP to GAAP Reconciliation

First Quarter Length of Haul Adjusted Revenue per Available Seat Mile (RASM):

RASM formula: Yield * Load Factor

Length of Haul (LOH) formula: (Revenue Passenger Miles (RPMs) / Enplanements) * 1000.

LOH Adjusted RASM formula: RASM * (Carrier's LOH / CAL's LOH) * 0.5

| | Yield (cents) | Load Factor% | RASM (cents) | RPMs (Millions) | Enplanements (Thousands) | LOH | LOH Adjusted RASM* |
|-------|------------------|-----------------|-----------------|--------------------|-----------------------------|-------|--------------------------|
| CAL | 11.59 | 77.5% | 8.98 | 16,159 | 10,432 | 1,549 | 8.98 |
| UAL | 11.40 | 78.2% | 8.47 | 26,784 | 15,619 | 1,715 | 8.91 |
| AMR | 11.88 | 75.4% | 8.96 | 32,327 | 22,734 | 1,422 | 8.89 |
| NIWAC | 11.20 | 79.8% | 8.94 | 18,168 | 13,502 | 1,346 | 8.33 |
| DAL | 10.82 | 75.4% | 8.16 | 24,485 | 21,570 | 1,135 | 6.99 |
| UAIR | 11.74 | 73.2% | 8.59 | 9,645 | 10,646 | 906 | 6.57 |
| LUV | 12.03 | 65.4% | 7.87 | 13,238 | 19,781 | 669 | 5.17 |

Source: Company reports

*These financial measures provide management and investors the ability to measure and monitor the industry's performance on a comparable basis.

Non-GAAP to GAAP Reconciliation

CASM Holding Fuel Rate Constant to Year 2002 ("CASM HFRC") - Mainline Jet

Operating Cost per ASM, excluding special items and adjusting average fuel price per gallon for the period to equal the average fuel price per gallon for the corresponding period in 2002. Note: All amounts are for the mainline jet segment

| (Millions) | 2002 | 2003 | 2004 | 2005 Range | |
|--|----------|----------|----------|------------|----------|
| Operating Expenses - GAAP | \$ 7,695 | \$ 7,495 | \$ 8,325 | \$ 9,037 | \$ 9,062 |
| Adjustment for Fuel Rate | - | (215) | (600) | (1,255) | (1,255) |
| Operating Expenses HFRC - Non-GAAP | \$ 7,695 | \$ 7,237 | \$ 7,725 | \$ 7,772 | \$ 7,817 |
| Special Items Excluded | (197) | 82 | (138) | (43) | (43) |
| Operating Expenses HFRC Excluding Special Items - Non-GAAP | \$ 7,498 | \$ 7,319 | \$ 7,586 | \$ 7,729 | \$ 7,774 |
| Available Seat Miles (millions) | 80,122 | 78,385 | 84,672 | 89,920 | 89,920 |
| CASM HFRC (cents) - Non-GAAP | | 9.23 | 9.12 | 8.64 | 8.69 |
| CASM HFRC Excluding Special Items (cents) - Non-GAAP* | | 9.34 | 8.96 | 8.60 | 8.65 |
| 2002 CASM Excluding Special Items (cents) - Non-GAAP* | 9.35 | 9.35 | 9.35 | 9.35 | 9.35 |
| % Change vs. 2002 | | (0.1%) | (4.2%) | (8.1%) | (7.5%) |

*These financial measures provide management and investors the ability to measure and monitor Continental's performance on a consistent basis.



Continental Airlines

Positioned for a Successful Future

- Professional, dedicated team of employees
- Competitive industry position
- Consistent, reliable product
- Strategically located modern hub facilities
- Strong Global network
- RASM Premium
- Strong management team

*Named "Airline of the Year" at the 2005 OAG
Airline of the Year Awards*

Continental
Airlines 

