

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 3, 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 3, 2002, Continental Airlines, Inc. issued a press release announcing its May performance and its estimated consolidated breakeven load factor for June 2002. The press release is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

a. Exhibits

1. Press Release

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/ Jennifer L. Vogel_____

Jennifer L. Vogel

Vice President and General Counsel

June 3, 2002

EXHIBIT INDEX

1. Press Release



News Release

Contact: Corporate Communications

Houston: 713.324.5080

Email: corpcomm@coair.com

News archive: continental.com/news/ **Address:** P.O. Box 4607, Houston, TX 77210-4607

CONTINENTAL AIRLINES REPORTS MAY 2002 PERFORMANCE

HOUSTON, June 3, 2002 - Continental Airlines (NYSE: CAL) today reported a May 2002 systemwide jet load factor of 73.5 percent, 1.3 points above last year's load factor. For May 2002, Continental reported a domestic load factor of 75.2 percent and an international load factor of 71.0 percent.

For May 2002, Continental reported an on-time arrival rate of 86.0 percent and a record completion factor of 99.9 percent. The record May completion factor also tied February, March and April 2002 for the company record. Continental also broke another company record with sixteen 100 percent completion days in May. Its previous record was set in February 2002 with fourteen 100 percent completion days.

In May 2002, Continental flew 5.1 billion jet revenue passenger miles (RPMs) systemwide and 7.0 billion jet available seat miles (ASMs), resulting in a traffic decrease of 8.3 percent and a capacity decrease of 9.9 percent as compared to May 2001. Domestic traffic was 3.1 billion RPMs, down 10.5 percent from last year, and domestic capacity was 4.2 billion ASMs, down 12.7 percent from last year.

Lower year-over-year yields, mitigated somewhat by higher load factors, resulted in an estimated decrease in systemwide jet passenger revenue per available seat mile (RASM) of between 6 and 8 percent for May 2002, as compared to May 2001. For April 2002, RASM declined 10.3 percent as compared to April 2001. In order for Continental to be profitable in the second quarter of 2002, based on current cost estimates, June 2002 RASM would have to be approximately 14 percent higher as compared to June 2001. Based upon recent RASM trends and RASM expectations for June 2002, the company does not expect to be profitable in the second quarter of 2002.

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MAY 2002 OPERATIONAL PERFORMANCE/PAGE 2

In order to provide investors and employees a better understanding of company financial performance, Continental has included consolidated breakeven load factor data in the monthly performance release. Consolidated breakeven load factor is being redefined by the company as the consolidated load factor (including Continental Airlines and Continental Express) needed to breakeven on a consolidated net income basis, rather than the more traditional approach (which Continental has previously used in SEC filings) of calculating the load factor required to breakeven on a pre-tax income basis.

Consolidated breakeven load factor for the month of May 2002 is estimated to be 78.7 percent, or 5.7 points higher than the actual consolidated load factor of 73.0 percent. Consolidated breakeven load factor for June 2002 is estimated to be 79.5 percent. Actual consolidated breakeven load factor may vary significantly from these estimates depending on actual passenger revenue yields, fuel price and other factors. Month-to-date consolidated load factor information can be found on Continental's website at continental.com in the Investor Relations-Financial/Traffic Releases section.

ExpressJet Airlines, a subsidiary of Continental Airlines doing business as Continental Express, reported a load factor of 65.7 percent for May 2002, 0.4 points below last year's May load factor. ExpressJet flew 344.0 million

RPMs and 523.9 million ASMs in May 2002, resulting in a traffic increase of 7.7 percent and a capacity increase of 8.4 percent versus May 2001.

This press release contains forward-looking statements that are not limited to historical facts, but reflect the Company's current beliefs, expectations or intentions regarding future events. In connection therewith, please see the risk factors set forth in the Company's 2001 10-K and its other securities filings, which identify important matters such as terrorist attacks, the significant cost of aircraft fuel, labor costs, 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.

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PRELIMINARY TRAFFIC RESULTS

MAY	2002	2001	Change
REVENUE PASSENGER MILES (000)			
Domestic	3,141,964	3,508,890	(10.5) Percent
International	2,004,908	2,101,750	(4.6) Percent
Transatlantic	945,248	1,008,278	(6.3) Percent
Latin America	594,069	641,759	(7.4) Percent
Pacific	465,590	451,714	3.1 Percent
Total Jet	5,146,872	5,610,640	(8.3) Percent
ExpressJet	343,964	319,410	7.7 Percent
AVAILABLE SEAT MILES (000)			
Domestic	4,175,417	4,780,414	(12.7) Percent
International	2,825,662	2,985,942	(5.4) Percent
Transatlantic	1,262,305	1,314,395	(4.0) Percent
Latin America	922,308	953,703	(3.3) Percent
Pacific	641,049	717,844	(10.7) Percent
Total Jet	7,001,079	7,766,356	(9.9) Percent
ExpressJet	523,893	483,481	8.4 Percent
PASSENGER LOAD FACTOR			
Domestic	75.2 Percent	73.4 Percent	1.8 Points
International	71.0 Percent	70.4 Percent	0.6 Points
Transatlantic	74.9 Percent	76.7 Percent	(1.8) Points
Latin America	64.4 Percent	67.3 Percent	(2.9) Points
Pacific	72.6 Percent	62.9 Percent	9.7 Points
Total Jet	73.5 Percent	72.2 Percent	1.3 Points
ExpressJet	65.7 Percent	66.1 Percent	(0.4) Points
CARGO REVENUE TON MILES (000)			
Total	74,635	85,742	(13.0) Percent

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YEAR-TO-DATE	2002	2001	Change
REVENUE PASSENGER MILES (000)			
Domestic	14,805,329	16,273,478	(9.0) Percent
International	9,247,337	9,969,756	(7.2) Percent
Transatlantic	3,852,832	4,299,352	(10.4) Percent
Latin America	3,263,741	3,405,976	(4.2) Percent
Pacific	2,130,764	2,264,428	(5.9) Percent
Total Jet	24,052,666	26,243,234	(8.3) Percent
ExpressJet	1,492,199	1,346,502	10.8 Percent
AVAILABLE SEAT MILES (000)			
Domestic	20,157,515	22,802,537	(11.6) Percent
International	12,428,824	13,875,012	(10.4) Percent
Transatlantic	5,129,026	5,882,387	(12.8) Percent
Latin America	4,472,764	4,759,794	(6.0) Percent
Pacific	2,827,034	3,232,831	(12.6) Percent
Total Jet	32,586,339	36,677,549	(11.2) Percent
ExpressJet	2,447,698	2,230,141	9.8 Percent
PASSENGER LOAD FACTOR			
Domestic	73.4 Percent	71.4 Percent	2.0 Points
International	74.4 Percent	71.9 Percent	2.5 Points
Transatlantic	75.1 Percent	73.1 Percent	2.0 Points
Latin America	73.0 Percent	71.6 Percent	1.4 Points
Pacific	75.4 Percent	70.0 Percent	5.4 Points
Total Jet	73.8 Percent	71.6 Percent	2.2 Points
ExpressJet	61.0 Percent	60.4 Percent	0.6 Points
CARGO REVENUE TON MILES (000)			
Total	355,359	419,453	(15.3) Percent

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PRELIMINARY OPERATIONAL AND FINANCIAL RESULTS

MAY	2002	2001	Change
On-Time Performance ¹	86.0%	86.1%	(0.1) Points
Completion Factor ²	99.9%	99.4%	0.5 Points
YEAR-TO-DATE	2002	2001	Change
On-Time Performance ¹	85.9%	82.1%	3.8 Points
Completion Factor ²	99.9%	99.0%	0.9 Points
May 2002 estimated year-over-year RASM change			(6-8) Percent
May 2002 estimated average price per gallon of fuel, excluding fuel taxes			68 Cents
May 2002 estimated consolidated breakeven load factor ³			78.7 Percent
May 2002 actual consolidated load factor ⁴			73.0 Percent
June 2002 estimated consolidated breakeven load factor ³			79.5 Percent

¹ Department of Transportation Arrivals within 14 minutes² System Mileage Completion Percentage³ Consolidated load factor (including Continental Airlines and Continental Express) needed to breakeven on a consolidated net income basis⁴ Includes Continental Airlines and Continental Express

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