

# COFACTS

4<sup>th</sup> QUARTER 2009



Frankfurt, Germany

STAR ALLIANCE  
THE WAY THE EARTH CONNECTS



*A quarterly digest of interesting information from Continental Airlines*

**New daily nonstop service between Houston and Frankfurt begins Nov. 1, 2009**

*Frankfurt is fourth European destination from Houston hub*

**Continental Airlines joins Star Alliance**

*Move enhances travel options and competition*

**Continental Airlines named the top airline by Crain's New York Business**

*List comprised of 50 largest airlines in the New York area & ranked by total passengers*

**New Virtual Expert technology featured at continental.com**

*"Alex" offers customers 24-hour support on the Web for all travel needs*

**Continental now offering 77 channels of live programming from DIRECTV®**

*More live TV channels than any other carrier*

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**Continental Airlines** 

## New and Noteworthy

**July 2009** – Continental now offers DIRECTV®, giving customers the choice of 77 channels of live television programming – more channels than any other carrier – including live sports, news, weather and children's shows. The channel lineup includes CBS, NBC, Fox, USA Network, Discovery Channel, A&E, CNN, ESPN, Animal Planet, The History Channel, Food Network and many other popular channels. The fee for economy-class customers is \$6 per flight.

**July 2009** – Continental announced that Jeff Smisek, Continental's president and chief operating officer and a member of the board of directors, will become chairman and chief executive officer, effective Jan. 1, 2010. Smisek will succeed Larry Kellner.

**July 2009** – Continental launched Virtual Expert technology, a new feature at continental.com, offering customers 24-hour support on the Web for all their travel needs. "Alex," the airline's Virtual Expert, interacts with customers to easily and effectively interpret requests and provide accurate answers to travel needs. Continental is the first network carrier to offer human emulation technology.

**August 2009** – Continental Airlines has been named the top airline by Crain's New York Business in its list of the 50 largest airlines in the New York area, ranked by total passengers. The carrier also tops the list for the most domestic and international passengers. The list used combined data on arrivals and departures flying into and out of John F. Kennedy International, LaGuardia and Newark Liberty International airports for the 12 months ended June 30. Continental, together with its regional partners, carried more than 24 million passengers in the New York area during in the past year, nearly thirty percent more than the next airline group on the list, the Crain's report said.

**October 2009** – Continental Airlines joined Star Alliance – on Oct. 27, 2009. Continental's transition to Star Alliance is a strategic change that will enhance travel options and competition. Continental's network will have a distinct fit in Star Alliance, with Continental's New York hub at Newark Liberty International Airport playing a particularly important role for Star Alliance travelers.

**November 2009** – Continental Airlines begins new non-stop service from its Houston hub to Edmonton International Airport beginning Nov. 1, 2009, subject to government approval. The daily flight is the 11th Canadian destination to be served by Continental and the fourth Canadian destination from the airlines' Houston hub.

**November 2009** – Continental starts new daily non-stop service from its hubs at Houston and Cleveland to Washington Dulles International Airport (IAD). Beginning Nov. 1, 2009, Continental will offer three daily flights from Houston Bush Intercontinental Airport (IAH) to Dulles and two daily flights from Cleveland Hopkins International Airport (CLE) to Dulles.

**November 2009** – Continental Airlines launches daily nonstop service between its Houston hub at Bush Intercontinental Airport and Frankfurt effective Nov. 1, 2009 (eastbound), subject to government approval. The service will be operated by Boeing 767-200 aircraft, seating 25 passengers in BusinessFirst and 149 passengers in economy. Frankfurt joins London, Paris and Amsterdam as the fourth European city served by Continental from Houston. The airline currently operates daily flights to Frankfurt from its New York hub at Newark Liberty International Airport.

**December 2009** – Continental begins new service from its Guam hub and Honolulu to Nadi, Fiji beginning Dec. 18, 2009. The flights will also offer convenient connections from the U.S. mainland, Japan and Continental's Micronesian network to Nadi. The service will be operated by Continental Micronesia using two-cabin Boeing 737-800 aircraft with 155 seats.

## The Go Forward Plan

**F**or the 14th year, Continental is operating under the Go Forward Plan, which is the airline's blueprint for success. This evolving, four-point plan helps the company define and communicate its goals. Since its inception in 1995, the Go Forward Plan has catapulted the company to new heights of service excellence and record financial performance compared to its network competitors.

**Fly to Win** – Achieve above-average profits in a

changed industry environment. Grow the airline to where it can make money and keep improving the business/leisure mix. Maximize distribution channels while reducing distribution costs and eliminating non-value-added costs.



**Fund the Future** – Manage company assets to maximize stockholder value and build for the future. Reduce costs with technology. Generate positive cash flow and improve financial flexibility by increasing its cash balance.

**Make Reliability a Reality** – Deliver an industry-leading product the airline is proud to sell. Rank among the top of the industry in the key DOT measurements: on-time arrivals, baggage handling, complaints and involuntary denied boardings. Keep improving the product.

**Working Together** – Help well-trained employees build careers they enjoy every day. Treat each other with dignity and respect. Focus on safety, make employee programs easy to use and keep improving communication. Keep pay and benefits competitive in a changed industry environment.

## Awards & Accolades

### INTERNATIONAL SERVICE

#### **Best Airline for Flights to Mexico**

*Executive Travel Magazine's 2008 Leading Edge Awards(7/08)*

#### **Best Airline to North America**

*Irish Travel Trade News Awards (2009)*

### BUSINESSFIRST PREMIUM CABIN

#### **Best Executive/Business Class**

*OAG Airline of the Year Awards (2003-2007 – 5 yrs. in a row)*



#### **Best Trans-Atlantic and Trans-Pacific Business Class among U.S. airlines**

*Condé Nast Traveler (10/07 – 10 yrs. in a row)*

### WORKPLACE, MANAGEMENT AND OPERATIONS

#### **Best Airline Based in North America**

*OAG Airline of the Year Awards (2001, 2004-2008)*

#### **No. 1 World's Most Admired Airline**

*FORTUNE magazine (3/09 – 6 yrs. in a row)*

#### **No. 1 America's Most Admired Airline**

*FORTUNE magazine (3/07 – 2 yrs. in a row)*

#### **Most Admired Airline**

*The Beat travel business newsletter (2008)*

#### **Supplier of the Year**

*The Beat travel business newsletter (2008)*

#### **Best Domestic Airline**

*Executive Travel Magazine's 2008 Leading Edge Awards (9/08)*



#### **100 Best Companies to Work For**

*FORTUNE magazine 1998-2004*

#### **Human Rights Campaign Foundation 2010 Corporate Equality Index (CEI)**

*100 % (highest) ranking (9/09)*

#### **2008 Corporate Diversity Honor Roll**

*Latin Business Magazine (9/08)*

### PRODUCT, SERVICE AND MARKETING

#### **Best Domestic Airline**

*TravelAge West (6/09)*

#### **"Best Airline for Customer Service"**

*Executive Travel Magazine's 2008 Leading Edge Awards (9/08)*

#### **Best Airline for Travel Agent Support**

*Recommend Magazine (11/08)*

#### **Houston George Bush Intercontinental Terminal E Presidents Club**

##### **"Lounge of the Year"**

*Priority Pass Lounge of the Year Awards (2005 - 2009)*

#### **Newark Liberty International Terminal C Presidents Club**

*Priority Pass "Lounge of the Year" (2007)*

#### **Best Airport Lounges**

*Global Traveler - GT Tested Awards (2007)*

#### **No. 1 Pet-Friendly Airline**

*Petfinder.com (2009)*

#### **Best Large Domestic Airlines (Premium Seating)**

*Zagat's 2008 Airline Survey (11/08)*

#### **Best Airline: North America**

*Skytrax 2008 World Airline Awards (9/09)*

#### **Best Cabin Staff: North America**

*Skytrax World Airline Awards (9/08, 4/09)*

#### **Top Airline: Domestic**

*Travel Trade Magazine (12/08)*

#### **Best Airline for North American Travel Best Flight Attendants in North America**

*Business Traveler magazine (12/08)*



#### **Best Value for the Money (International)**

*Zagat's 2008 Airline Survey (11/08)*

#### **No. 1 in Annual Airline Survey**

*Business Travel News (11/08)*

#### **Best Trans-Atlantic Airline**

*Scottish Passenger Agents Association (11/08)*

#### **No. 1 Network Carrier**

*Forbes Magazine's list of America's most reliable airlines (10/08)*





# Routes

Three U.S. hubs maximize connections for passenger transfers and offer convenient local flight schedules.

## Scope of Operations

Q4-09	U.S.	Int'l	Total Airports
Continental	13	85	98
Continental Express	39	26	65
CO Connection	22	11	33
Combined Operation	56	10	66
<b>Total</b>	<b>130</b>	<b>132</b>	<b>262</b>

With 262 destinations worldwide, Continental, along with Continental Express and Continental Connection, serves more international destinations than any other US carrier.

	Daily Departures
Continental Airlines	893
Continental Micronesia	30
Continental Express	1,085
Continental Connection	415
<b>Total</b>	<b>2,423</b>

CITY	CO	Typical Daily Departures			Destinations Served Nonstop
		Continental Connection	Continental Express	Total	
IAH	257	43	302	602	163
EWR	178	63	138	379	139
CLE	30	38	101	170	63
GUM	12	6	-	18	16
LAX	20	-	-	20	4
MCO	16	8	1	25	6
LAS	16	-	-	16	3
ORD	15	-	7	22	3
FLL	13	23	-	36	15
TPA	12	15	0	28	9
BOS	12	3	3	18	3
MIA	9	8	1	17	6
DFW	9	-	7	16	3
LGA	9	-	5	15	3
DCA	8	3	8	18	3
ATL	7	-	12	19	3
CLT	4	-	12	16	3
RDU	3	5	7	15	3
MCI	1	-	16	17	3
IND	1	2	12	16	3

High-frequency service is offered on many routes:

### Daily Flights

Busiest Routes	Each Way
Houston-New York	19
Houston-Dallas	16
New York-Washington	16
Houston-Washington	15
Cleveland-New York	13
Houston-New Orleans	11
New York-Boston	10
Houston-San Antonio	10
Houston-Austin	10
Cleveland-Washington	10
Houston-Corpus Christi	10
Houston-Baton Rouge	10
Houston-Los Angeles	9
Houston-Kansas City	9

Busiest Routes	Each Way
Houston-Lafayette	9
New York-Orlando	9
Houston-Atlanta	9
New York-Chicago	8
Houston-Tulsa	8
Houston-Oklahoma City	8
Houston-Mexico City	8



Service reaches five continents: Europe, North America, South America, Asia and Australia.

### Destinations include:

<b>Atlantic/Caribbean</b> Antigua Aruba Bahamas Bermuda Dominican Rep. Grand Cayman Jamaica Neth. Antilles Puerto Rico St. Maarten St. Thomas Trinidad & Tobago	El Salvador Guatemala Honduras Nicaragua Panama  <b>Europe/Mid. East</b> Belgium Denmark England France Greece Germany Ireland/Northern Ireland Israel Italy Netherlands	Norway Portugal Scotland Spain Sweden Switzerland  <b>Micronesia</b> Guam and 9 other Pacific isles  <b>North America</b> U.S., Canada and Mexico  <b>South America</b> Argentina Brazil	Colombia Ecuador Peru Venezuela  <b>Pacific/Asia</b> Australia China Hong Kong India Japan Philippines
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Continental and its regional partners carried approximately 67 million passengers in 2008.

## Aircraft Fleet

Continental employs a Flexible Fleet Plan that provides the ability to adjust the fleet to meet market demands. Continental and its Continental Express carriers operate one of the youngest and most efficient fleets. The airline has reduced the number of fleet types it operates to just three fleet types, while maintaining the flexibility within fleet types to meet various route and market needs.

Continental operates a fleet of 351 mainline jets. (As of 09/30/09)

Aircraft Model	First Class Seats*	Coach Seats	No. in Fleet
777-200ER**	50	235	20
767-400ER**	35	200	16
767-200ER	25	149	10
757-300	24	192	17
757-200	16	159	41
737-900ER	20	153	28
737-900	20	153	12
737-800**	16	141	117
737-700	12	112	36
737-500	8	106	34
737-300	12	112	8

\* BusinessFirst seating on 777s, 767s and 757-200s.  
\*\* Aircraft type has multiple seat configurations.

**Fleet:** Approximately 70 percent of Continental's fleet consists of common-rated Boeing 737 series aircraft, which allows for greater efficiencies in pilot training, crew flexibility, simplified maintenance and savings on spare part inventory costs. Continental has installed winglets on its entire 737-500, 737-700, 737-800, 737-900, 737-900ER, and 757-200 fleets. In addition, Continental has begun installing winglets on its entire 757-300 fleet. Continental was among the first airlines to install winglets on the 737-500, 737-900, 757-200, and 757-300 aircraft. Winglets reduce fuel consumption by up to 5 percent, and in combination with Continental's young, fuel efficient fleet, provide a natural hedge against soaring fuel costs. For more information on Continental's fleet, visit [continental.com](http://continental.com) > Travel Information > During the Flight > Aircraft.

## Financial Results

Continental Airlines reported a second quarter 2009 net loss of \$213 million (\$1.72 diluted loss per share). Excluding \$44 million of previously announced special charges, Continental recorded a net loss of \$169 million (\$1.36 diluted loss per share).

*Following are Continental's financial results for second quarter 2009 vs. 2008:*

	2009	2008
Operating Revenues (mil.)	\$3,126	\$4,044
Operating Income (mil.)	\$(154)	\$(71)
Revenue Pass Miles (000)	20,772	22,017
Available Seat Miles (000)	24,963	26,933
Load Factor (%)	83.2	81.7

## OnePass

OnePass membership rewards customers with everything from seat upgrades to reward travel, mileage earning opportunities, travel bonuses and preferred customer benefits.



OnePass members can earn miles valid for reward travel to destinations worldwide served by Continental, Continental Express, Continental Micronesia, Star Alliance member airlines and other airline partners listed below. OnePass members earn actual flight mileage on most qualifying fares for each segment of their trip for travel on Continental, Continental affiliates, Star Alliance member airlines and most other airline partners\*.

### Star Alliance Member Airlines

Adria Airways	Lufthansa
Air Canada	Scandinavian Airlines
Air China	Shanghai Airlines
Air New Zealand	Singapore Airlines
ANA	South African Airways
Asiana Airlines	Spanair
Austrian	SWISS
Blue1	TAP Portugal
bmi	THAI
Croatia Airlines	Turkish Airlines
EGYPTAIR	United
LOT Polish Airlines	US Airways

### Other Airline Partners

Aero Republica	Hawaiian Airlines
Continental Connection	Qantas Airways+
Copa Airlines	US Helicopter
Emirates	Virgin Atlantic
EVA Air	

\* OnePass members earn a minimum of 500 miles or actual flight miles, whichever is greater, on select airline partners. Visit [continental.com](http://continental.com) for complete mileage earning information by partner.

+ OnePass partnership discontinues effective December 17, 2009.

Special benefits are available to Continental's most frequent flyers, OnePass Elites. The OnePass Elite program offers three levels of membership. Members qualify for Elite levels based on the number of Elite Qualification Miles (EQM) or Elite Qualification Points (EQP) earned in a calendar year by flying on Continental, Continental Express, Continental Micronesia, Continental Connection, Star Alliance member airlines, Aero Republica and Copa Airlines.

OnePass Level	Star Level	Elite Qualification Miles OR Points *
Platinum Elite	Gold	75,000 EQM OR 90 EQP
Gold Elite	Gold	50,000 EQM OR 60 EQP
Silver Elite	Silver	25,000 EQM OR 30 EQP

\*For up-to-date information on Elite earnings on Continental and other airlines, visit [continental.com](http://continental.com)

Platinum Elite members receive a 100-percent mileage bonus in addition to a minimum of 500 miles or actual flight miles earned for qualifying flights on Continental and confirmed upgrades on unrestricted Y and discount full-fare economy B fares at time of ticketing. Gold Elite members receive a 100 percent bonus and confirmed upgrades on unrestricted Y and discount full fare economy B-fares at time of ticketing. Silver Elite members receive a 25 percent bonus and confirmed upgrades on unrestricted Y and discount full-fare economy B fares at time of ticketing.

## EARNING AND USING MILES

**ShopOnePass** ([continental.com](http://continental.com)>Frequent Flyer>Earn Miles>ShopOne Pass) allows OnePass members to shop online at over 50 leading retailers\* while earning OnePass miles for each dollar spent.

\*Including merchants 1-800-CONTACTS, 1-800-Flowers.com, Apple Stores, Toys, Banana Republic, BarnesandNoble.com, Best Buy, Bluenile, Buy.com, Calyx and Corolla, Chadwick's, Dell Home, Dell Small Business, drugstore.com, eBags, Eddie Bauer FTD, Gap, GiftCertificates.com, Godiva, Harry and David, Hickory Farms, The Home Depot, HP Shopping, Jos. A. Bank, Land's End, Macy's, Netflix, Office Depot, OfficeMax, Omaha Steaks, Overstock.com, Petco, Pottery Barn, QVC.com, REI, Sears, Sephora, Shoebuy.com, SkyMall, Snapfish.com, Sun & Ski Sports, The Sports Authority, Staples, Target, Teleflora Flower Club, VistaPrint.com, Walmart.com, Williams & Sonoma, Wine.com.

**OnePass Online Auction** allows OnePass members to use their miles to bid on exclusive sporting events, VIP performing arts experiences, vacation packages from Continental, and much more (<http://auction.continental.com>).

OnePass partners offer expanded opportunities to earn miles:

### Hotels

AmeriSuites, AmeriHost Inn, Baymont Inn & Suites, Best Western, Cambia Suites, Candlewood Suites, Clarion, Comfort Inn, Comfort Suites, Conrad, Courtyard by Marriott, Crowne Plaza, Days Inn, Doubletree, Econo Lodge, Embassy Suites, Fairfield Inn by Marriott, Four Points by Sheraton, Hampton Inn, Hawthorne Suites, Hilton Garden Inn, Hilton Hotels, Holiday Inn, Holiday Inn Express, Homewood Suites, Hotel Indigo, Howard Johnson, Hyatt Hotels, Hyatt Place, InterContinental, J.W. Marriott Hotels & Resorts, Knights Inn, LaQuinta, LeMeridien, The Luxury

Collection, MainStay Suites, Marriott Hotels & Resorts, Marriott Vacation Club, Outrigger Hotels, Park Hyatt, Quality Inn, Radisson, Ramada Worldwide, Renaissance Hotels & Resorts, Residence Inn, Rodeway Inn, Scandic by Hilton, Shangri-La Hotels, Sheraton Hotels & Resorts, Sleep Inn, SpringHill Suites, Staybridge Suites, St. Regis, Suburban Hotels, Summerford Suites, Super 8, TownPlace Suites, Travelodge, Villager, Wingate, W Hotels, Wellesley Inns, Westin Hotels, Wingate Inn, Wyndham Hotels & Resorts.

### Car Rentals

Alamo, Avis, Budget, Dollar, Hertz, National, Sixt, Thrifty.

### Card Programs

- American Express Membership Rewards\*
- Continental Airlines Presidential Plus World MasterCard from Chase – 48 US
- Continental Airlines TravelBank World MasterCard from Chase – US 48
- Continental Airlines World MasterCard Credit Card from Chase – 48 US
- Continental Airlines WorldMasterCard Credit Card for Business from Chase – 48 US
- Chase Continental Airlines Debit Card – 48 US
- Chase Continental Airlines Business Debit Card – 48 US
- Chase Travel Reward Programs – Certificate Program Only
- KeyBank KeyMiles Debit Card – 48 US
- Citibank Rewards Card – Guam\*
- Continental Airlines OnePass Credit Card from First Hawaiian Bank – Guam
- Continental Airlines OnePass Business Credit Card from First Hawaiian Bank–Guam
- Continental OnePass Debit Card from First Hawaiian Bank – Guam
- Continental OnePass Business Debit Card from First Hawaiian Bank – Guam
- Leumi Card - Israel
- Continental Airlines OnePass JCB Card – Japan
- Continental Airlines UJF Card – Japan
- Continental Airlines Banco General Card – Panama
- Continental Airlines HSBC Card – Panama, Costa Rica,

- Continental Airlines Banco Popular Card – Santo Domingo
- Continental Airlines Banco Santander Card – Puerto Rico
- Continental Airlines PacificCard – Ecuador
- OnePass American Express Credit Card from Bancolombia – Colombia

\*Convert points from these programs into OnePass miles

### Lending and Real Estate Partners

Chase Home Equity & Mortgage, Lending Tree, RealEstate.com, Sharebuilder, TD Ameritrade.

### Additional Partners

Amtrak, e-Rewards, Gexa Energy, Direct Energy, Energy Plus, emiles, Guam Cell, IT&E, Mobil gas stations – Guam and Saipan, OnePass Wireless, continental.com cruises, Randall's Supermarkets, ShopRite Supermarkets, SNCF-TGVAir, Thanks Again Network.



## Presidents Club

The Presidents Club is a private membership club that offers a quiet area where travelers can work or relax.

Continental has 25 Presidents Clubs worldwide:

Atlanta	Las Vegas
Austin	Los Angeles
Boston	New York/LGA
Cleveland	Newark Liberty (3)
Dallas/DFW	Panama City
Denver	San Antonio
Ft. Lauderdale	San Francisco
Guam	Seattle/Tacoma
Honolulu	Washington/DCA
Houston (5)	

The President's Club membership also provides access to the Star Alliance lounge network of over 800 lounges worldwide, regardless of travel class. Clubroom privileges are also offered to customers who are traveling in BusinessFirst.

Presidents Club membership privileges include:

- Two guests or spouse and all family members under age 21
- Agent assistance with reservations, seat assignments and eTicketing
- Complimentary beverages, including liquor, wine and beer
- Complimentary wireless Internet access
- Complimentary snacks
- Complimentary local and long distance phone calls
- Complimentary use of copy and fax machines
- Conference rooms (hourly charge applies) in select clubs
- Current periodicals and newspapers

#### Membership fees:

Type	Standard Elite	Silver Elite	Gold Elite	Platinum
Initiation Fee	\$ 50	\$ 50	\$ 50	\$ 50
Annual	425	400	350	325
Annual w/ spouse	650	625	550	500
Three-year	1,100	1,000	900	850
Three-year w/ spouse	1,800	1,700	1,500	1,400
Lifetime (no in. fee)	5,500	5,100	4,500	4,200
Lifetime w/ spouse	9,400	8,500	7,400	6,700
Sr. lifetime (no in. fee)	3,100	2,900	2,600	2,400
Sr. lifetime w/ spouse	5,400	4,800	4,300	4,000
One-Day pass	45	45	45	45
1-5 books of 10	425			
6-10 books of 10	375			
10+ books of 10	325			

For information regarding access to affiliate lounges or questions about the Presidents Club network, visit [www.continental.com/presclub](http://www.continental.com/presclub) or call the Presidents Club Service Center at (800) 322-2640 or (713) 782-0448.



## Other Services

**Self Check-in** – Continental was one of the first carriers to offer customer-driven technology that allows passengers to take control of the check-in process, whether at home or at the airport. Now, more than 85 percent, or over three million domestic customers, use one of our many self-service products to check-in every month. As a result, Continental customers enjoy the shortest line waits of any major airline, and Continental employees are better equipped to offer more personalized service.

More than 66 percent of Continental's domestic customers are completing their check-in prior to airport arrival up to 24 hours in advance of their flight. The Web site offers many of the same services as checking in at an airport kiosk – printing boarding passes and receipts, viewing interactive seat maps, verifying OnePass numbers and, upgrading to first class. Customers can obtain their boarding pass by printing, email, fax, or mobile boarding pass.

Continental was the first US airline to offer mobile boarding passes to customers and now offers this paperless option in more than 25 airports for customers departing both domestically and internationally. Since launch in December 2007, nearly one million customers have taken advantage of this revolutionary boarding pass solution. Additionally, many customers have the ability to be automatically checked-in 24 hours prior to their return flights. Dedicated Bag Drop areas in Houston, Newark and Cleveland are available for online check-in customers, giving them quick and exclusive baggage handling at the airport. Online check-in is available from all destinations served by Continental. For fast, easy self check-in at the airport, Continental offers check-in kiosks in all of its U.S. airports and a growing number of offshore locations for a total of 1,508 kiosks in 171 airports.

**Continental.com** – Continental's Web site gives customers access to popular functions on its home page, including fare search and purchase, OnePass account management, flight check-in and flight status. These services are also available to customers accessing the Web site from a mobile telephone or PDA. The site allows customers to search for and book flights, car rentals, hotels, cruises and vacations. OnePass members can use the site to search and book reward travel, transfer American Express miles and bid on exclusive events, performing arts packages and vacations through the OnePass Online Auction. Continental offers Chinese, English, French, Japanese, Portuguese, Spanish and German language Web sites and the ability to purchase tickets online in all countries that Continental serves.

Continental offers Virtual Expert technology, a new feature at [continental.com](http://continental.com), providing customers in the United States 24-hour support on the



Web for all their travel needs. "Alex," the airline's Virtual Expert, interacts with customers to easily and effectively interpret requests and provide accurate answers to travel needs. Continental is the first network carrier to offer this type of human emulation technology. From booking a flight, to helping customers understand visa requirements for international travel, Alex allows Continental to provide the same high-touch service available within the call center environment, for customers on the Web. Alex emulates not only the look and voice of a human, but also the ability to understand the intent of phrases and dialog, guiding customers to information and making [continental.com](http://continental.com) a one-stop shop for travel planning and information.

**BusinessFirst** – Continental revolutionized the airline industry when it began offering its BusinessFirst cabin service in 1993. The original formula – a

first class product at a business class price – has set the standard for excellence in business travel for the past decade, winning countless awards for its value, amenities, service, seats and food. BusinessFirst is offered on Continental's international routes operated by Boeing 777, 767 and 757 aircraft. Gourmet in flight menus and beverage pairings are specially designed by Continental's Congress of Chefs and Sommeliers.

**BusinessFirst Flat-Bed Seats** – Beginning in the fall of 2009, Continental will begin installation of the new Flat-Bed Seat in the BusinessFirst® cabins of all Continental 777-200 and 757-200 aircraft, with installation in the rest of the wide-body fleet to follow. The new Flat-Bed Seat allows customers to lie completely flat, reclining 180-degrees and providing 6 feet (2 meters) of sleeping space when fully extended. The flat-bed seat is one of the widest business-class seats in the air allowing passengers to sleep more comfortably. Flat-bed seats provide more individual storage space for personal items and include conveniently placed connections for laptop power, headset



and USB plugs. iPod connectivity allows each customer to view their personal videos and enjoy their music, while the iPod is charging.

**BusinessFirst International Concierge Service** – A specially selected and trained corps of more than 300 concierges provide individualized pre- and post-flight services for Business-First customers in all BusinessFirst markets.

**Audio Video On Demand** – All Boeing 777 and 757-200 aircraft feature Audio Video on Demand with hundreds of movies, TV shows, thousands of music tracks, video games and the Berlitz Word Traveler Program. With the AVOD installation, in-seat power systems are available for every row of the aircraft.

**DIRECTV®** – Continental is offering more live, inflight satellite-based television programming than any other airline. DIRECTV® is available to passengers on flights operating within the continental United States. When the aircraft is out of range, eight channels of premium movies and other previously recorded content, such as sitcoms and dramas are offered. Complimentary access to the system is provided to all of Continental's first-class customers and is offered in Economy-class with an access fee of \$6. The system offers more than 85 channels of live television and additional programming including movies and sitcoms. Customers can choose from a variety of channels including CBS, NBC, FOX News, CNN Headline News, ESPN, Animal Planet, The History Channel, Food Network and other popular channels.

**EliteAccess** – A package of special services and benefits for Continental's premium flyers offers qualified customers priority check-in, priority security screening (where available), priority boarding at any time during the boarding process and priority baggage handling. Customers eligible for EliteAccess privileges include BusinessFirst and First Class customers, as well as Elite members of Continental's OnePass program.

**Chelsea Food Services** – Chelsea, a division of Continental, is the third largest catering organization in the United States with kitchens in Cleveland, Denver, Honolulu, Houston, and New York/Newark. Chelsea provides more than 31 million meals each year and is recognized as a premier service provider. Catering and security services are provided to Continental as well as other airlines including Air France, Alaska Airlines, Alitalia, American Airlines, British Airways, China Airlines, Copa Airlines, Delta Air Lines, KLM, Singapore Airlines and World Airways. Continental is the only major U.S. airline that operates its own in-house catering facility, resulting in significant financial and operational benefits to the company.



**Continental Airlines Cargo** – Known globally for its award-winning reputation for quality, Continental Cargo provides a broad range of flight-specific products, including QUICKPAK®, for the most time-sensitive domestic or international express shipments, and CMR (Confirmed Must Ride) for flight-specific domestic and international freight. Domestic general freight may move as second-day 8 a.m., while International General Air Freight serves all of Continental's international destinations. In addition, Global-Link reaches over 200 destinations outside Continental's route system by utilizing partner carriers that have a proven history of offering reliable service.

Continental specializes in the handling of shipments that require extra care. Our ClimateSecure™ service utilizes temperature-controlled containers and specially-trained service teams to move pharmaceuticals and other temperature sensitive goods around the globe. Additionally, our TRUST CO product works directly with funeral homes and mortuary service providers in transporting human remains with the utmost in service and sensitivity.

Building on its strong product portfolio, Cargo is building two important new brands:

**QUICKPAK Heavy** – Continental's highly anticipated express product for large, high-priority shipments flies within the domestic United States and Puerto Rico (excluding Hawaii). Features include 100-percent refundable shipping charges, 90-minute tender time and 90-minute recovery time anywhere Continental has a dedicated cargo facility. The size and weight of a QUICKPAK Heavy shipment is bound only by the aircraft capability and availability. On most narrow-body aircraft, Continental will accept up to 450 lbs per piece. Watch for more details at [cocargo.com](http://cocargo.com).

**COsecure** – This airport-to-airport product brings security, chain-of-custody and around-the-clock monitoring

for high value shipments. COsecure delivers peace of mind for shipments with a declared or invoice value exceeding \$25,000 per airway bill which can include artwork, watches (valued at more than \$1,000 per pound), negotiable instruments, gems and gold.

**PetSafe** – Whether the animals you ship are your livelihood or beloved pets, their safety and health are vitally important to Continental. Careful handling and reliable, on-time delivery are keys to keeping animals healthy, comfortable and secure and are the touchstones of Continental's world-renowned PetSafe program. The PetSafe program features

a dedicated 24-hour Live Animal Desk (1-800-



575-3335 or 1-832-235-1541), a confirmed reservation prior to departure, constantly monitored weather conditions and personal handling in climate-controlled vehicles when necessary for connections over Continental's hubs.

**On-Airport Kennel** – Continental Airlines operates two of the only on-terminal animal kennels in the U.S., at Newark Liberty International Airport and Houston's George Bush Intercontinental Airport. These unique animal hotels offer the ultimate in pet care for animals that have stopovers or overnights. Attentive services include feeding, exercise runs and full grooming facilities.

**GroupWorks and MeetingWorks** – Personalized attention for group and convention travel. Services include same day fare quotes, special check-in areas, priority baggage handling and coordination assistance in the airport areas. Call (800) 525-1700 for information and follow the prompts.

**Senior Citizens** – Travelers at least

age 65 are eligible for published senior citizen fares in select markets.

**Continental Airlines Vacations** – Offers complete vacation packages to more than 250 of the world's most desirable destinations. Visit [continental.com](http://continental.com) > Reservations > Vacation Packages for details and exclusive OnePass offers.

**RewardOne** – A free online program to reward companies when their employees choose Continental for business travel. Company rewards are tracked using employees' OnePass numbers and employees continue to earn their own OnePass miles. For more information and to enroll, visit <http://rewardone.continental.com> and follow the simple prompts. Once enrolled, view your point balance and redeem online anytime.

**Continental Ticket Offices** – Off-airport ticketing facilities are operated at four U.S. locations: Penn Station in New York, Continental's headquarters in Houston, the Izod Center in New Jersey and Ala Moana Center in Honolulu; and at more than 60 locations throughout Latin America and the Caribbean. Continental Ticket Offices provide a wide range of travel services for walk-in customers, including reservations, ticketing, electronic ticketing, group travel, vacation packages and Customer Care services. Exact locations are listed on [continental.com](http://continental.com) under "Contact Us."

## Partners & Subsidiaries



**ExpressJet Airlines and Chautauqua Airlines** both operate regional jet service as Continental Express, serving approximately 130 destinations in the United States, Canada, and Mexico. Continental Express operates from Continental's hubs in Houston, Newark Liberty and Cleveland, offering advance seat assignments and OnePass frequent flyer miles that can be

redeemed on Continental and our partner airlines.

ExpressJet operates the 50-seat ERJ-145 and is one of the world's largest regional airlines. Chautauqua operates 50-seat ERJ-145 and CRJ-200 aircraft. All of Continental Express' regional jets offer jet-bridge loading, fully equipped galleys, spacious lavatories, and carry-on luggage storage.

For more information on these partner airlines, visit [expressjet.com](http://expressjet.com) and [rjet.com](http://rjet.com).

**Continental Connection** – Service provided by Cape Air, serving the Pacific; CommutAir, serving the U.S. Northeast and Midwest regions; Colgan Air, serving the Northeast and Southern U.S.; and Gulfstream International, serving the Northeast U.S., Florida, and the Bahamas.

## Alliances

**Continental Airlines** has partnered with Star Alliance, the world's largest global airline alliance, to provide seamless air travel around the world. Star Alliance member carriers are Adria Airways, Air Canada, Air China, Air New Zealand, ANA, Asiana Airlines, Austrian, Blue1, bmi, Croatia Airlines, EGYPTAIR, LOT Polish Airlines, Lufthansa, Scandinavian Airlines, Shanghai Airlines, Singapore Airlines, South African Airways, Spanair, SWISS, TAP Portugal, THAI, Turkish Airlines, United, and US Airways.

Benefits for travelers include:

- Booking codeshare destinations served by partner airlines with the same convenience as booking with Continental
- Comprehensive global network with over 20 members flying more than 18,900 daily flights to more than 980 destinations.
- One ticket for the entire itinerary
- One-stop check-in including seat assignments and boarding passes for all connecting flights, and baggage checked to final destination
- Star Alliance Connection Centers at key alliance hubs to assist customers with transfers
- More OnePass mileage earnings, earnings towards Elite status and reward opportunities
- Access to more than 800 airport lounges

In addition to Star Alliance, Continental maintains partnerships with other carriers in the United States and in key international markets.

#### U.S. carrier alliances:

- Amtrak (select trains in Northeast U.S.)
- Continental Connection (flights operated by Cape Air, Colgan Air, CommutAir, and Gulfstream International Airlines)
- Continental Express (flights operated by ExpressJet Airlines and Chautauqua Airlines)
- Hawaiian Airlines
- Island Air

#### International carrier alliances:

- Aero República
- Copa Airlines
- Emirates
- EVA Air
- Kingfisher
- SNCF French Rail
- Virgin Atlantic



## The Official Airline

**C**ontinental is closely involved with the communities it serves. In addition to participation by Continental employees in diverse civic activities, the airline takes a direct role in sponsoring specific community organizations in the arts, culture, sports, education, health and medicine.

#### NATIONAL

**Official Airline** of the March of Dimes National Ambassador Program.

**Proud Sponsor** of March of Dimes Walk America.

#### NEW YORK / NEWARK

**Official Airline** Official Airline of the U.S. Open a USTA event, New York Giants, New York City Road Runners Club - ING New York City Marathon and the New Jersey Special Olympics.

**Official Airline** of the American Repertory Ballet Company, Confrerie de la Chaîne des Rotisseurs, Bailliage des Etats-Unis, Live Broadway, Carnegie Hall, Lincoln Center, Inc., New Jersey State Opera, New Jersey Symphony Orchestra, New Jersey Performing Arts Center, New York Foundation for the Arts, The League of American Theatres and Producers, TONY Awards, Joseph Papp Public Theater, Broadway Cares/Equity Fights AIDS, The Premier International Food and Wine Society, State Theatre, George Street Playhouse, Two Rivers Theatre, NJ Theatre Alliance, Liberty Science Center, NJ Jackals, Hambletonian Festival, Somerset Patriots, Association of Indian Americans, American Institute of Food and Wine.

**Proud Sponsor** of Buoniconti Fund to Cure Paralysis, The Actors Fund, Evidence "A Dance Company," Odyssey Media, Council of Fashion Designers of America, NY African Film Festival, United Cerebral Palsy NYC, NYAC-Athletes Fund, TJ Martell Foundation, Committee to Protect Journalists, DIFFA Design Industry Fighting AIDS, La Paule de New York, NJ Governors Conference on Tourism, Cystic Fibrosis, Eden

Foundation, Jorge Posada Foundation, Happy Hearts Fund, Orphaned Starfish Foundation, Gabrielle's Angel Foundation, Joe Namath March of Dimes Celebrity Golf Classic, NJ Patriots Path Council Boy Scouts of America, Joe Torre Safe at Home Foundation, Cancer Vixen.

#### HOUSTON

**Official Airline** of the Houston Astros, Houston Rockets, Houston Texans and the Houston Dynamo.

**Official Airline** of the Alley Theatre, Asia Society of Texas, Contemporary Arts Museum, Children's Museum of Houston, The Cynthia Woods Mitchell Pavilion, Da Camera of Houston, Dominic Walsh Dance Company, Hobby Center for the Performing Arts, Holocaust Museum Houston, Houston Ballet, Houston Center for Contemporary Craft, Houston Downtown Alliance, Houston Symphony Orchestra, Houston Grand Opera, Houston Zoo, Jewish Community Center of Houston, Main Street Theatre, Mercury Baroque, Museum of Fine Arts Houston, Society for the Performing Arts, Stages Theatre and Theatre Under the Stars.

**Proud Sponsor** of the Houston Livestock Show and Rodeo, Careforce, Texas EquuSearch, UTMDACC Children's Art Project, Barbara Bush Celebration of Reading, Boy Scouts of America Sam Houston Council, Center for Hearing and Speech, Make a Wish Foundation - Texas Gulf Coast, Big Brothers Big Sisters of Houston.

#### CLEVELAND

**Official Airline** of the Cleveland Browns, Cleveland Indians, Cleveland Cavaliers and the Greater Cleveland Sports Commission.



**Official Airline** of the Rock and Roll Hall of Fame & Museum, Greater Cleveland Partnership and Positively Cleveland (Convention and Visitors Bureau) of PlayhouseSquare Foundation, Greater Cleveland Film Commission, Cleveland Film Society, International Film Festival, Great Lakes Theatre Festival, City Club of Cleveland, Town Hall of Cleveland, Great Lakes Science Center, Kaleidoscope Magazine, YWCA of Greater Cleveland, Dress for Success Cleveland, United Way of Greater Cleveland, Ronald McDonald House, Providence House, United Black Fund and Women's Community Foundation, Cleveland Metroparks Zoo, Diversity Center of Northeast Ohio, Cleveland Play House, Kidney Foundation-Cleveland, Adoption Network, Opera Cleveland, LGBT Community Center, Cleveland Orchestra.

## the **Continental** Team

**C**ontinental prides itself on a company culture that treats employees with dignity and respect and rewards employees when the airline achieves its goals. Continental is proof that "Working Together" works. Employees are empowered to adapt procedures as necessary in the interest of customer satisfaction.

### Employee Headcount

Airport Agents	11,288
Cargo Agents	1,357
Chelsea	2,345
Continental Micronesia	1,230
Dispatchers	112
Flight Attendants	8,350
International	1,952
Mgmt & Clerical	5,002
Pilots	4,345
Reservations	2,342
Technical Operations	3,887
<b>Total</b>	<b>42,210</b>



## Employee Incentives

**T**he on-time arrival incentive program, developed for employees at the manager level and



below, pays monthly incentives when the airline hits targets for on-time arrivals as scored by the U.S. Department of Transportation. Eligible co-workers receive \$100 when Continental comes in first among the six network carriers in on-time performance. Co-workers receive \$65 when Continental is No. 2 or No. 3 among the six network carriers or when Continental's on-time percentage is 80 or better, even if the company does not finish in the top three.

Continental also began a perfect attendance program in 1996, which is credited for helping the airline achieve one of the lowest absenteeism rates in the industry. Employees with six months of perfect attendance in a given period are entered into a drawing for a new vehicle. The airline has given away 138 new vehicles to employees, including tax, title and license and gift tax paid for by the company.

In February 2008, Continental paid \$158 million of profit sharing to co-workers for 2007, up from \$111 million paid for 2006. Continental's plan, the best in the industry, shares 30 percent of the first \$250 million of pre-tax income, 25 percent of the next \$250 million and 20 percent of amounts over \$500 million.

## Ownership & Stock



**C**ontinental Airlines, Inc. is a publicly held corporation. Its stock is traded on the New York Stock Exchange under the symbol CAL.

## Senior Management Team

- Fred Abbott .....VP - Flight Operations
- Ron Anderson-Lehman .....Sr. VP & Chief Information Officer
- Mark Bergsrud .....Sr. VP - Marketing Programs & Distribution
- Mike Bonds .....Sr. VP - HR & Labor Relations
- Ken Burt .....VP - Technical Services
- Jim Compton .....Executive VP - Marketing
- Rebecca Cox .....Sr. VP - Government Affairs
- Bob Edwards .....VP - Systems Operations
- Jay Ellzey .....VP - Operations Administration
- Mark Erwin, Sr. VP - Corporate Development & Alliances
- Nene Foxhall .....Sr. VP - Global Communications & Public Affairs
- Martin Hand .....VP - Reservations & eCommerce
- Greg Hart .....VP - Network Strategy
- Dave Hilfman .....Sr. VP - Worldwide Sales
- Hershel Kamen .....VP - Regulatory Affairs & Policy
- Larry Kellner .....Chairman & CEO
- Chris Kenny .....VP & Controller
- Leon Kinloch .....Sr. VP - Pricing & Revenue Management
- Gerry Laderman .....Sr. VP - Finance & Treasurer
- Jacques Lapointe .....Sr. VP - Procurement
- Katrina Manning .....VP - Corporate Purchasing & Material Services
- Bill Meehan .....Sr. VP - Airport Services
- Mark Moran .....Executive VP - Operations
- Sandra Pineau .....VP - Food Services
- Debbie Price .....VP - Houston Hub
- John Rainey .....VP - Financial Planning & Analysis
- Sam Risoli .....VP - Inflight
- Jon Roitman .....VP - Newark Hub
- Zane Rowe .....Executive VP & CFO
- Holden Shannon .....Sr. VP - System Operations & Real Estate
- Jeff Smisek .....President & COO
- Jim Summerford .....VP - Europe, Middle East & India
- Nancy Van Duyne .....VP - Congressional Affairs
- Jennifer Vogel .....Sr. VP, General Counsel, Secretary, & Chief Compliance Officer

## History

**C**ontinental is celebrating its 75th anniversary this year. The airline traces its roots to Varney Speed Lines, which began flying from El Paso, Texas, to Pueblo, Colo., in July 1934. In 1937, Varney Speed Lines changed its name to Continental Airlines. Continental relocated its headquarters to Houston, Texas, in October 1982 after merging with Texas International.