

## Continental Airlines Reports June 2008 Operational Performance

2008-07-02

---

Continental Airlines (NYSE:CAL) today reported a June consolidated (mainline plus regional) load factor of 83.6 percent, 2.1 points below the June 2007 consolidated load factor, and a mainline load factor of 84.1 percent, 2.0 points below the June 2007 mainline load factor.

In addition, the carrier reported a domestic mainline June load factor of 85.9 percent, 1.8 points below the June 2007 domestic load factor, and an international mainline load factor of 82.4 percent, 2.0 points below June 2007.

During the month, Continental recorded a U.S. Department of Transportation on-time arrival rate of 67.5 percent and a mainline segment completion factor of 99.2 percent.

In June 2008, Continental flew 8.6 billion consolidated revenue passenger miles (RPMs) and 10.3 billion consolidated available seat miles (ASMs), resulting in a consolidated traffic decrease of 0.1 percent and a capacity increase of 2.5 percent as compared to June 2007. In June 2008, Continental flew 7.7 billion mainline RPMs and 9.2 billion mainline ASMs, resulting in a mainline traffic decrease of 0.9 percent and a mainline capacity increase of 1.4 percent as compared to June 2007. Domestic mainline traffic was 4.0 billion RPMs in June 2008, down 3.9 percent from June 2007, and domestic mainline capacity was 4.6 billion ASMs, down 1.9 percent from June 2007.

For June 2008, consolidated passenger revenue per available seat mile (RASM) is estimated to have increased between 4.0 and 5.0 percent compared to June 2007, while mainline passenger RASM is estimated to have increased between 3.5 and 4.5 percent compared to June 2007. For May 2008, consolidated passenger RASM increased 7.2 percent compared to May 2007, while mainline passenger RASM increased 6.4 percent compared to May 2007.

Continental ended the second quarter of 2008 with unrestricted cash and short-term investments balance of \$3.41 billion. This balance includes net proceeds from the sale of 11 million shares of Continental's Class B Common Stock as well as net proceeds from a term loan facility to finance pre-delivery deposits for new aircraft. The balance excludes all student loan-related auction rate securities.

On July 11, Continental expects to announce special charges recorded for the second quarter of 2008 related to its previously announced capacity reductions planned for later in 2008, including potential non-cash impairments on owned aircraft and related spare parts. Continental also expects to announce on that date other special items recorded during the second quarter relating to gains on the sale of its investment in COPA and on aircraft sold during the quarter and an adjustment to fair value of its investment in student loan-related auction rate securities.

In connection with Continental's previously announced capacity reductions, Continental also anticipates that it will record additional accounting charges in the third quarter of 2008 and beyond relating to future costs of those reductions, including lease costs on grounded aircraft, severance and continuing medical coverage for furloughed employees and other associated costs. Continental is not able at this time to estimate the amount and timing of these future charges.

Continental's regional operations had a June load factor of 79.7 percent, 3.1 points below the June 2007 regional load factor. Regional RPMs were 922.6 million and regional ASMs were 1,158.2 million in June 2008, resulting in a traffic increase of 7.5 percent and a capacity increase of 11.7 percent versus June 2007.

This article comes from Hotel News Resource

<http://www.hotelnewsresource.com>

The URL for this story is:

<http://www.hotelnewsresource.com/article33351.html>

© 1998 - 2008 Nevistas and the author.

Brought to you by Hotel News Resource

*Distribute your news on our Network*

See what all the buzz is about at:

[http://www.hotelnewsresource.com/Info-news\\_account\\_info.html](http://www.hotelnewsresource.com/Info-news_account_info.html)