

EMPLOYEE Q AND A ON DL/NW MERGER

1. What does the DL/NW merger mean to CO?

As we have said repeatedly for more than a year and a half, our preference has been to remain independent as long as the competitive landscape remained the same. However, the landscape is changing. We will review our strategic alternatives and make sure we remain a strong long-term competitor. As always, our goal is to do what we determine is best for you, our co-workers, and our shareholders, customers and the communities we serve.

2. Is CO talking with other airlines?

Before today, we have had talks with other airlines, so we could be more prepared if the then-rumored DL/NW transaction were to occur. But before today, we hadn't even signed a confidentiality agreement with another airline, which is usually the first step in formal merger negotiations. As a result of last night's announcement of a DL/NW merger, we will be carefully reviewing all of our strategic options and will proceed on the path that we determine is best for you, our co-workers, and our shareholders, customers and the communities we serve.

3. How long will it be before we hear about CO's response?

We issued an employee bulletin today outlining our immediate reaction to the DL/NW announcement. In light of the changing industry landscape, we will review our strategic alternatives and make sure we remain a strong long-term competitor. As soon as we have something that we can report, we will communicate with you.

4. What should CO employees do to stay informed?

As always, you will get the facts directly from us. We have created a special location on the home page of coair.com or Insidecoair named Industry Consolidation, which will be the primary location for all industry consolidation information from CO, including employee bulletins, news releases and voicemail transcripts.

5. How do I log onto coair.com? What if I can't find my password?

To log on go to coair.com or Insidecoair and enter your Continental employee number and password. If you cannot remember your password, please follow the directions under the link "Forgot Your Password?" located on the main page of the site.

6. Will this merger impact SkyTeam?

At this time, it is business as usual at CO, and our alliance agreements with NW, DL and SkyTeam are still in place.

However, in light of the DL/NW announcement, we are reviewing our continued participation in the alliance with NW, DL and SkyTeam, and we are evaluating what course of action would be best for you, our co-workers, and our shareholders, customers and the communities we serve. We are committed to being an important player in one of the three global alliances, so that we can offer a broad, global network to our customers. We will communicate any changes that result from that review.

7. Will there be any changes to the existing pass policies with DL and/or NW?

Nothing changes for now; it is business as usual. However, in light of the DL/NW announcement, we are reviewing our continued participation in the alliance with NW, DL and SkyTeam, and we are evaluating what course of action would be best for you, our co-workers, and our shareholders, customers and the communities we serve. We will communicate any changes that result from that review.

8. What happens to me? My work group? My location? Will there be furloughs?

Nothing changes for now; it is business as usual. Despite last night's news, and the speculation about our future that it will provoke, we all need to remain focused on what we do best every day: running a clean, safe and reliable airline with the best customer service provided by the best co-workers in the business. When we know more, and how any actions we take will affect CO, we will communicate with you as we have always done: openly, honestly and directly. We are absolutely committed to taking actions that we determine are in the best interests of you, our co-workers, and our shareholders, customers and the communities we serve.

9. What do I say to our customers when I'm asked about this?

Soon we will post answers to some possible customer questions in the Industry Consolidation section on the home page of coair.com or Insidecoair. It is important to note that, for now, nothing changes; it is business as usual.

10. What is NW's "Golden Share" in CO and how is it affected by last night's announcement?

NW holds a special share of stock (often referred to as the "Golden Share") in CO, which effectively prevented CO from engaging in certain types of business combinations without NW's consent. For example, any transaction involving a merger where CO's shareholders would be entitled to vote would have required NW's approval.

NW's "Golden Share" rights generally continued until the expiration of the Alliance Agreement between CO and NW. However, as a result of last night's announcement of a merger agreement between NW and DL, CO can redeem NW's "Golden Share" so that it goes away. We will do so.

11. How will CO remain competitive once DL and NW merge?

CO is an industry-leading airline. We have an enviable position in the New York market, along with established hubs in Houston, Cleveland and Guam. Our newly acquired access to Heathrow improves our standing in the trans-Atlantic sector, and we have a comprehensive Latin America network and a growing portfolio of routes to India and Asia, including the major Japan and China markets. We have the youngest, most fuel-efficient fleet and best new aircraft order book among the major network carriers. And most importantly, we deliver award-winning service to our customers thanks to your great work every day.

As you know, our preference has been to remain independent as long as the competitive landscape remained the same. However, the landscape is changing. We will review our strategic alternatives and make sure we remain a strong long-term competitor. As always, our goal is to do what is best for you, our co-workers, and our shareholders, customers and the communities we serve. A combined DL and NW would make a formidable competitor and could impact us in SkyTeam, and we have to take that into account in our decision making.

12. How will you protect the interests of CO employees if we decide to merge with another airline?

We understand the importance of our co-workers and the culture of CO in delivering outstanding customer service. We are absolutely committed to taking actions that we determine are in the best interests of you, our co-workers, and our shareholders, customers and the communities we serve. If we merge with another airline, our workgroup seniority lists, non-union or union, would be combined in a fair and equitable manner.

13. If CO merges with another airline, will you be offering job protection, stock or other equity in the combined company?

It would be premature for us to comment on what might happen. At this time, it is business as usual for CO. We are carefully evaluating the DL/NW merger and examining all of our strategic options, and will do what we determine is the best course of action to protect our long-term competitiveness and what is best for you, our co-workers, and our shareholders, customers and the communities we serve.

14. If CO merges with another airline, won't there be significant job overlap in certain areas?

It would be premature for us to comment on what might happen. At this time, it is business as usual for us. We are carefully reviewing our options to determine what is best for you, our co-workers, and our shareholders, customers and the communities we serve.

15. Do you have a plan for merging seniority lists if CO merges with another carrier?

If we were to merge, workgroup seniority lists, non-union or union, would be combined in a fair and equitable manner.

16. Does CO believe a DL/NW transaction can pass Department of Justice review?

That decision is up to the Department of Justice. The proposed DL/NW transaction is complex, and will be subject to a lengthy and rigorous regulatory approval process before the transaction could close.

17. Will CO try to fight the government approval of the DL/NW merger?

We are in the process of carefully evaluating the impact of a merger between DL and NW.

18. Can Congress stop the DL/NW merger? Will it?

Airline mergers are largely the purview of the Department of Justice and the Department of Transportation rather than Congress, but we expect Congress to hold hearings on this merger.

19. What does this mean for CO re SkyTeam? If applicable, what's the timing?

We are currently evaluating the impact of a merger between DL and NW, and reviewing our options. We will make decisions that we determine are best for you, our co-workers, and our shareholders, customers and the communities we serve. Under the terms of our alliance agreement with NW, we have a period of time during which we will decide whether we want to terminate or continue our alliance with them. We will also analyze whether we wish to remain in an alliance with DL and SkyTeam. We will communicate any changes that result from that review.

20. Will customers still have access to WorldClubs and Crown Rooms?

Yes, at this time, it is business as usual. Our club and frequent flyer agreements with NW, DL and SkyTeam remain in place. However, we intend to review our continued participation in the alliance with NW, DL and SkyTeam as we evaluate what course of action would be in the best interest of CO. We will communicate any changes that result from this review.

21. Will our customers still be able to earn and burn OnePass miles on NW and DL?

Yes, at this time, it is business as usual. Our club and frequent flyer agreements with NW, DL and SkyTeam remain in place. However, we intend to review our continued participation in the alliance with NW, DL and SkyTeam as we evaluate what course of action would be in the best interest of CO. We will communicate any changes that result from this review.

22. Will NW and DL still recognize our customers' elite status?

Yes, at this time, it is business as usual. Our club and frequent flyer agreements with NW, DL and SkyTeam remain in place. However, we intend to review our continued participation in the alliance with NW, DL and SkyTeam as we evaluate what course of action would be in the best interest of CO. We will communicate any changes that result from this review.

23. If our customers have reward travel booked on NW and/or DL, will they need to rebook on CO or another partner?

No, at this time, it is business as usual.

24. Will NW still provide our customers with free upgrades based on their CO elite status?

Yes, at this time, it is business as usual. Our club and frequent flyer agreements with NW, DL and SkyTeam remain in place. However, we intend to review our continued participation in the alliance with NW, DL and SkyTeam as we evaluate what course of action would be in the best interest of CO. We will communicate any changes that result from that review.

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