



Corporate Information

ATTACHMENT 2

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Northwest Reaches Alliance Agreement with Continental, Purchases Air Partners Stake

MINNEAPOLIS/ST. PAUL - (Jan. 26) - Northwest Airlines Corporation (NASDAQ: NWAC) today announced that it has entered into a strategic global alliance with Continental Airlines (NYSE: CALA and CALB). Northwest also announced that it has reached an agreement to acquire the Continental common stock held by Air Partners, LP, a limited partnership managed by David Bonderman and James Coulter.

The alliance agreement, when fully implemented, will connect the two carriers' networks and will include code-sharing, frequent flyer program reciprocity, cooperation between Continental and KLM Royal Dutch Airlines, Northwest's transatlantic partner, and other cooperative activities as well as offer consumers the benefits of greater scope, ease of ticketing, check-in and luggage handling. Certain aspects of the alliance agreement are contingent on the successful conclusion of negotiations with Northwest's pilots' union. The two airlines have no plans to merge their operations and will retain separate boards, managements and headquarters. No layoffs, mergers of workforces, transfers of flying or assets, or closures of facilities are planned.

"Northwest's board of directors is unanimous in support of this alliance," said Gary Wilson, Northwest chairman of the board. "This is an important move to insure Northwest's continued success as a global carrier built on permanent, strategic alliances."

"The management team at Northwest has concluded that a long-term alliance will greatly benefit our airline," said John Dasburg, Northwest president and CEO. "Recent developments in the airline industry, particularly the concessionary bilateral talks between the U.S. and Japan, have convinced Northwest of the need to increase our

scope by means of a long-term alliance. We have the highest respect and admiration for the people of Continental and look forward to a successful and productive relationship."

"Continental and Northwest have complementary route structures that offer travelers greater scope of service throughout the world," said Gordon Bethune, Continental chairman and CEO. "Working together, we will create more choices, easier connections and increased customer benefits. We are delighted at the prospect of partnering with Northwest."

Air Partners and its affiliates own 8,535,868 shares of Continental's Class A Common Stock which represents approximately 14 percent of Continental's common stock equity and approximately 51 percent of its outstanding common stock voting power. As part of a corporate governance agreement with Continental, Northwest has agreed to limitations on its rights as a stockholder in order to guarantee the independence of the Continental board and its management. The acquisition is subject to review by the U.S. Departments of Justice and Transportation.

The Air Partners transaction is valued at \$519 million and consists of \$311 million in cash and 4,124,190 shares of newly issued Northwest common stock. After the transaction is completed, and assuming the completion of the KLM stock repurchase, approximately 4.6 percent of Northwest's outstanding stock will be held by the Bonderman/Coulter investment group.

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