

Prospectus Supplement

The Prospectus dated August 13, 1996, relating to the offer for resale of up to \$200,650,000 aggregate principal amount of the Continental Airlines, Inc. 6-3/4% Convertible Subordinated Notes due April 15, 2006 is hereby supplemented as follows:

- 1) The Principal Amount of Registered Notes held by "Prudential Securities Inc." is increased to \$10,900,000 as of May 1, 1997.
- 2) The Principal Amount of Registered Notes held by "Merrill Lynch, Pierce, Fenner & Smith Inc." is \$852,000 as of May 7, 1997.
- 3) The Principal Amount of Registered Notes held by "Salomon Brothers Inc" is increased to \$2,752,000 as of May 7, 1997.

The date of this Prospectus Supplement is May 7, 1997.