

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
March 21, 1997

CONTINENTAL AIRLINES, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	0-09781 (Commission File Number)	74-2099724 (IRS Employer Identification No.)
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2929 Allen Parkway, Suite 2010, Houston, Texas (Address of principal executive offices)	77019 (Zip Code)
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(713) 834-2950
(Registrant's telephone number, including area code)

Item 5. Other Events.

On March 21, 1997, Continental Airlines, Inc. issued a press release, which is filed herewith as Exhibit 99.1 and incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

(c) Exhibits

99.1 Press Release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, Continental Airlines, Inc. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CONTINENTAL AIRLINES, INC.

By /s/ Jeffery A. Smisek
Jeffery A. Smisek
Executive Vice President

March 21, 1997

Exhibit 99.1

CONTINENTAL AIRLINES CLOSES FINANCING OF THIRTY NEW BOEING AIRCRAFT

HOUSTON, March 21, 1997 -- Continental Airlines, Inc. (NYSE:

CAI.B and CAI.A) announced today the completion of a private placement of \$707.3 million of pass through certificates, the net proceeds of which will be used to finance the debt portion of the acquisition cost of up to thirty new Boeing aircraft scheduled to be delivered to Continental between March 1997 and February 1998. Pending the delivery of the aircraft, the net proceeds will be deposited with a financial institution for the benefit of the certificate holders.

The pass through certificates were issued by separate pass through trusts, which will acquire equipment notes to be issued in connection with the financing of the aircraft. The equipment notes will be issued, at Continental's election, either on a non-recourse basis in connection with leveraged lease transactions or on a recourse basis in connection with secured loan transactions.

The pass through certificates consist of \$437.9 million of 7.461% Class A certificates, \$148.3 million of 7.461% Class B certificates, \$111.1 million of 7.420% Class C-I certificates, and \$10 million of 7.420% Class C-II certificates.

Larry Kellner, the airline's chief financial officer, said "This transaction provides attractive debt financing to Continental for thirty of our new Boeing aircraft. We are pleased to be able to lock in this financing at very attractive interest rates."

The pass through certificates have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Continental is the fifth largest airline in the U.S., offering more than 2,000 jet and Express departures daily to 131 U.S. and 58 international destinations.