
UNITED STATES
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): August 2, 2010

CONTINENTAL AIRLINES, INC.

(Exact Name of Registrant as Specified in Its Charter)

DELAWARE

(State or Other Jurisdiction of Incorporation)

1-10323

(Commission File Number)

74-2099724

(IRS Employer Identification No.)

1600 Smith Street, Dept. HQSEO, Houston, Texas

(Address of Principal Executive Offices)

77002

(Zip Code)

(713) 324-2950

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events.

On August 2, 2010, Continental Airlines, Inc. (“Continental”) issued a press release announcing its proposed offering of senior secured notes. The press release is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

On July 22, 2010, Continental stated in an investor update that it anticipated ending the third quarter of 2010 with an unrestricted cash, cash equivalents and short-term investments balance of approximately \$3.5 billion. This anticipated balance does not include the net proceeds of the proposed offering of senior secured notes.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release for Proposed Offering of Senior Secured Notes

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.

August 2, 2010

By /s/ Gerald Laderman
Gerald Laderman
Senior Vice President and Treasurer

EXHIBIT INDEX

99.1 Press Release for Proposed Offering of Senior Secured Notes

News Release



Contact: Corporate Communications
Houston: 713.324.5080
Email: corpcomm@coair.com
News archive: continental.com/company/news/

Address: P.O. Box 4607, Houston, TX 77210-4607

CONTINENTAL AIRLINES ANNOUNCES PROPOSED SENIOR SECURED NOTES OFFERING

HOUSTON, August 2, 2010 — Continental Airlines, Inc. ("Continental"), (NYSE: CAL), announced today that it proposes to offer, subject to market and other conditions, \$750 million aggregate principal amount of senior secured notes due 2015. The notes will be the senior secured obligations of Continental. Continental's obligations under the notes will be guaranteed on a senior secured basis by its subsidiaries Air Micronesia, Inc. and Continental Micronesia, Inc. The notes will be secured by certain of Continental's routes and airport takeoff and landing slots and airport gate leaseholds utilized in connection with these routes. Certain of the collateral is currently encumbered under Continental's \$350 million secured term loan facility that is due in June 2011 and the remainder is currently pledged as security for the advance purchase of mileage credits under its branded credit and debit card agreements. Continental intends to use approximately \$350 million of the net proceeds from the offering to repay the secured term loan facility and the balance for general corporate purposes.

The notes will be offered and sold only to qualified institutional buyers in accordance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act") and to non-U.S. persons in accordance with Regulation S under the Securities Act. The notes will not be registered under the Securities Act or state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities of Continental and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful. This press release is being issued pursuant to and in accordance with Rule 135c under the Securities Act.

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