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): **January 18, 2010**

CONTINENTAL AIRLINES, INC.
(Exact Name of Registrant as Specified in Its Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation)

1-10323	**74-2099724**
(Commission File Number)	(IRS Employer Identification No.)
1600 Smith Street, Dept. HQSEO, Houston, Texas	**77002**
(Address of Principal Executive Offices)	(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))

Item 2.02. Results of Operations and Financial Condition.

On January 18, 2010, Continental Airlines, Inc. (the “Company”) issued a press release detailing certain fourth quarter and full year 2009 special items. This press release is furnished herewith as Exhibit 99.1 and incorporated in this Item 2.02 by reference.

On January 21, 2010, the Company issued a press release announcing its financial results for the fourth quarter and full year 2009. The press release contains certain non-GAAP financial information. The reconciliation of such non-GAAP financial information to GAAP financial measures is included in the press release and the schedules thereto. Further, the press release contains statements intended as “forward-looking statements,” all of which are subject to the cautionary statement about forward-looking statements set forth therein. This press release is furnished herewith as Exhibit 99.2 and is incorporated herein by reference.

In accordance with general instruction B.2 of Form 8−K, the information contained in this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 2.05. Costs Associated with Exit or Disposal Activities.

On June 5, 2008, the Company announced capacity reductions and related initiatives to respond to unprecedented high fuel costs and other challenges facing the airline industry. In connection with the capacity reductions, the Company announced that it expected to record accounting charges, including severance and other employee termination costs, contract termination costs and other associated costs in the second and third quarters of 2008 and beyond.

For the quarter ended December 31, 2009, the Company expects to record $77 million of special charges, which includes $23 million of non-cash charges on owned Boeing 737-300 and 737-500 aircraft and related assets. These charges relate to the Company’s decision in June 2008 to retire all of its Boeing 737-300 aircraft and a significant portion of its Boeing 737-500 aircraft in connection with the capacity reductions referenced above. The Company recorded previous impairment charges in the second quarters of 2008 and 2009 for each of these fleet types. The additional write down in the fourth quarter of 2009 reflects further reduction in the fair value of these fleet types primarily as a result of additional 737 aircraft being grounded by other airlines in the current economic environment.

The Company may incur additional accounting charges in future quarters associated with the 737-300 and 737-500 fleet types discussed above, as well as the thirty EMB 135 aircraft that the Company temporarily grounded in 2008, five of which the Company subleased to a third party in the third quarter of 2009. The Company is not able at this time to estimate the amount and timing of these future charges.

Item 7.01. Regulation FD Disclosure.

On January 21, 2010, we will provide an update for investors presenting information relating to certain operational results for the fourth quarter 2009 and our outlook for the first quarter and full year 2010, as well as other information. This update is furnished herewith as Exhibit 99.3 and is incorporated herein by reference.

In accordance with general instruction B.2 of Form 8−K, the information contained in this Item 7.01, including Exhibit 99.3, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1	Press Release dated January 18, 2010
99.2	Fourth Quarter and Full Year 2009 Financial Results Press Release dated January 21, 2010
99.3	Investor Update

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.

January 21, 2010

By /s/ Chris Kenny

Chris Kenny
Vice President and Controller

EXHIBIT INDEX

99.1	Press Release dated January 18, 2010
99.2	Fourth Quarter and Full Year 2009 Financial Results Press Release dated January 21, 2010
99.3	Investor Update

News Release

Exhibit 99.1

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 SPECIAL ITEMS FOR FOURTH QUARTER AND FULL YEAR 2009

HOUSTON, Jan. 18, 2010 -- Continental Airlines (NYSE: CAL) expects to record $77 million of special charges during the fourth quarter of 2009 ($145 million for the full year 2009). Continental also expects to record a non-cash income tax benefit during the fourth quarter of 2009 and for the year ended Dec. 31, 2009. Special items for the three months ending Dec. 31, 2009 and for full year 2009 are as follows in millions:

	Three Months Ended Dec. 31, 2009	Year Ended Dec. 31, 2009
Aircraft-related charges	$ 36	$ 89
Pension plan settlement charges	29	29
Severance	-	5
Route impairment and other	12	22
Total special charges	$77	$145
Income tax benefit	*	*

* – amount to be announced as part of our fourth quarter results.

Aircraft-related charges. The aircraft-related charges in the fourth quarter of 2009 consist of a $23 million non-cash charge to write down to fair value certain 737-300 and 737-500 aircraft and spare parts and a $13 million loss on the sublease of eight EMB-145 aircraft. In June 2008, Continental announced its decision to retire all of its Boeing 737-300 aircraft and a significant portion of its Boeing 737-500 aircraft by the end of 2009. As of Dec. 31, 2009, the company had removed a majority of its 737-300 fleet from service. The 737-300 and 737-500 aircraft fleets and spare parts, a portion of which was being sold on consignment, experienced further declines in fair values during the fourth quarter of 2009 primarily as a result of additional 737s being grounded by other airlines. The $13 million loss on the sublease of eight EMB-145 aircraft was based on the difference between the sublease rental income and the contracted rental payments on those aircraft during the two and one-half year average initial term of the related sublease agreement.

For the full year 2009, the $89 million in aircraft-related special charges consists of $31 million of non-cash impairments of owned 737-300 and 737-500 aircraft and related assets, $39 million of other charges related to the grounding and sale of 737-300 and 737-500 aircraft and the write-off of certain obsolete spare parts, and $19 million of losses related to subleasing regional jets.

Pension plan settlement charges. The pension plan settlement charges relate to lump-sum distributions from Continental's pilot-only frozen defined benefit plan. Accounting rules require the use of settlement accounting if, for a given year, lump sum distributions exceed the total of the service cost and interest cost components of the current year's pension expense for the plan. Under settlement accounting, unrecognized plan gains or losses must be recognized in the current period in proportion to the percentage reduction of the plan's projected benefit obligation from these lump sum distributions. Continental will recognize $29 million of unrecognized plan losses for the fourth quarter and full year 2009.

Severance. Continental incurred $5 million in costs for severance and continuing medical coverage benefits for employees accepting company-offered leaves of absence during 2009.

Route impairment and other. During the fourth quarter of 2009, the company recorded a $12 million non-cash charge to write off several intangible route assets. In September 2006, the Financial Accounting Standards Board issued guidance that defines fair value and establishes a framework for measuring fair value. This guidance was effective Jan. 1, 2009 for all non-financial assets. Application of the new rules affected Continental's annual impairment testing of international routes, which the company performs as of Oct. 1 of each year. International routes, which are indefinite-lived intangible assets, represent the right to fly between cities in the United States and foreign countries. In prior years, Continental determined the fair value of each route by modeling the expected future discounted cash flows associated with such routes. With the adoption of new accounting rules, fair value is now determined based on the price that would be received by a seller of the route in an orderly transaction between market participants based on the highest and best use of the asset. The special charge of $12 million in the fourth quarter of 2009 represents the write-off of the net book value associated with certain routes to countries that are subject to "open skies" agreements and where there were no significant barriers to the ability of new entrants to serve the international destination, such as airport slot restrictions or gate availability.

Prior to the fourth quarter of 2009, Continental recorded an additional $10 million of other special charges that related primarily to an adjustment to the company's reserve for unused facilities due to reductions in expected sublease income for a maintenance hangar in Denver.

Income taxes. The company will record a non-cash income tax benefit from continuing operations during the fourth quarter of 2009. Under current accounting rules, the company is required to consider all items (including items recorded in other comprehensive income) in determining the amount of tax benefit that results from a loss from continuing operations and that should be allocated to continuing operations. As a result, the company will record a tax benefit on the loss from continuing operations for the year, which will be exactly offset by income tax expense on other comprehensive income. However, while the income tax benefit from continuing operations is reported on the income statement, the income tax expense on other comprehensive income is recorded directly to other comprehensive income, which is a component of stockholders' equity. Because the income tax expense on other comprehensive income is equal to the income tax benefit from continuing operations, the company's year-end net deferred tax position is not impacted by this tax allocation.

Corporate Background

Continental Airlines is the world's fifth largest airline. Continental, together with Continental Express and Continental Connection, has more than 2,400 daily departures throughout the Americas, Europe and Asia, serving 130 domestic and 132 international destinations. Continental is a member of Star Alliance, which overall offers 19,700 daily flights to 1,077 airports in 175 countries through its 26 member airlines. With more than 41,000 employees, Continental has hubs serving New York, Houston, Cleveland and Guam, and together with Continental Express, carries approximately 63 million passengers per year. Continental consistently earns awards and critical acclaim for both its operation and its corporate culture. For more company information, visit continental.com.

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CAL10007

A STAR ALLIANCE MEMBER

News Release

Exhibit 99.2

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
2009 FULL-YEAR AND FOURTH-QUARTER RESULTS

Weak economic environment continued to impact results

HOUSTON, Jan. 21, 2010 – Continental Airlines (NYSE: CAL) today announced a 2009 full-year net loss of $282 million ($2.18 diluted loss per share). Excluding $145 million of previously announced special charges, and a $158 million non-cash income tax benefit, Continental recorded a net loss of $295 million ($2.28 diluted loss per share) for the year.

For the fourth quarter of 2009, Continental reported a fourth quarter net income of $85 million ($0.60 diluted earnings per share). Excluding $77 million of previously announced special charges, and a $158 million non-cash income tax benefit, Continental recorded a fourth quarter net income of $4 million ($0.03 diluted earnings per share).

Full-year 2009 and fourth-quarter results continued to be adversely affected by declines in high yield traffic due to the global recession.

"My co-workers have done a superb job working through enormous challenges in 2009, while providing the best customer service and product in the business," said Jeff Smisek, Continental's chairman, president and chief executive officer. "While we are seeing some business traffic increasing, we likely have a long and slow road to recovery. We remain focused on achieving and maintaining profitability."

Fourth Quarter Revenue and Capacity

Total revenue for the fourth quarter of 2009 was $3.2 billion, a decrease of 8.3 percent compared to the same period in 2008. Passenger revenue for the fourth quarter fell 9.5 percent ($296 million) compared to the same period in 2008 due to lower yields.

Consolidated revenue passenger miles (RPMs) for the fourth quarter of 2009 increased 3.5 percent on a capacity (available seat mile, ASM) decrease of 0.6 percent year-over-year.

Consolidated load factor was a fourth quarter record 82.0 percent, 3.3 points higher than the fourth quarter of 2008. Consolidated yield for the quarter decreased 12.6 percent year-over-year. As a result, fourth quarter 2009 consolidated passenger revenue per available seat mile (RASM) decreased 9.0 percent year-over-year.

Mainline RPMs in the fourth quarter of 2009 increased 3.7 percent on a mainline capacity decrease of 0.5 percent year-over-year.

Mainline load factor of 82.6 percent was also a fourth quarter record, up 3.3 points year-over-year. Continental's mainline yield decreased 13.6 percent in the fourth quarter over the same period in 2008. As a result, fourth quarter 2009 mainline RASM was down 9.9 percent compared to the fourth quarter of 2008.

Passenger revenue for the fourth quarter of 2009 and period-to-period comparisons of related statistics by geographic region for the company's mainline operations and regional operations are as follows:

	Passenger Revenue (in millions)	Percentage Increase (Decrease) in Fourth Quarter 2009 vs. Fourth Quarter 2008			
		Passenger Revenue	ASMs	RASM	Yield
	$1,166	(9.8)%	0.4 %	(10.2)%	(12.3)%
Trans-Atlantic	548	(16.3)%	(11.0)%	(6.0)%	(14.8)%
Latin America	357	(8.1)%	5.5 %	(12.9)%	(14.6)%
Pacific	234	(1.2)%	16.1 %	(14.9)%	(16.5)%
Total Mainline	$2,305	(10.4)%	(0.5)%	(9.9)%	(13.6)%
Regional	$ 502	(5.4)%	(1.4)%	(4.0)%	(7.5)%
Consolidated	$2,807	(9.5)%	(0.6)%	(9.0)%	(12.6)%

Cargo revenue in the fourth quarter of 2009 decreased 6.1 percent ($7 million) compared to the same period in 2008, principally due to lower year-over-year fuel surcharges. Other revenue during the fourth quarter of 2009 was $14 million higher than the prior year due primarily to higher bag fee revenue.

Fourth Quarter Operations

Continental's employees earned a total of $3 million in cash incentives for on-time performance during the quarter. The company recorded a U.S. Department of Transportation (DOT) on-time arrival rate of 77.2 percent and a systemwide mainline segment completion factor of 99.4 percent during the quarter.

Global Reach with Star Alliance

Continental Airlines joined Star Alliance in the fourth quarter of 2009, providing significantly improved benefits to customers including access to the world's largest airline network and reciprocal frequent flier and airport lounge benefits with Star Alliance's 25 other member airlines around the world.

"Thanks to the focus and hard work of my co-workers, we successfully transitioned to Star Alliance," said Jim Compton, Continental's executive vice president and chief marketing officer. "Our hubs are a perfect fit for Star Alliance and our customers now enjoy a network second to none."

To enhance connectivity with Star Alliance member carriers, Continental launched nonstop service between Houston and Frankfurt, Germany on Nov. 1, 2009 and announced that it will launch daily nonstop service between its New York hub at Newark Liberty International Airport and Munich beginning March 27, 2010. Also in connection with joining Star Alliance, the company began service to several new destinations during the quarter, including nonstop service between Houston and Edmonton, Canada, and daily nonstop service from Houston and Cleveland to Washington Dulles International Airport. In addition, Continental began new service from Guam and Honolulu to Nadi, Fiji on Dec. 18, 2009.

To facilitate easy connections between Continental's flights and those of other Star Alliance airlines, Continental successfully relocated its operations at several key airports, including Chicago, Frankfurt, Narita, Honolulu and Beijing.

Continental, United and All Nippon Airways (ANA) filed an application with the DOT for antitrust immunity to enable the three carriers to create a more efficient and comprehensive trans-Pacific network, generating substantial service and pricing benefits for consumers. The trans-Pacific joint venture – the first of its kind between the U.S. and Asia – will also enable Continental, United and ANA to compete more effectively with other global alliances, each of which has a significant presence in Tokyo.

Notable Product Enhancements

Continental's first aircraft with new flat-bed BusinessFirst seats took to the skies in the fourth quarter of 2009, with installation complete on three aircraft; two Boeing 777s and a 757-200. Flat-bed seats are being installed on Continental's entire fleet of Boeing 777, 757-200, 767-200 and substantially all of its 767-400 aircraft, and on its Boeing 787 fleet as the aircraft are delivered to Continental.

Continental continued to install DIRECTV® on its aircraft during the quarter, with the new service now offered on 53 aircraft. DIRECTV® offers customers the choice of more than 100 channels of live television and previously recorded programming. The company has completed installation of DIRECTV® on its Boeing 737-900ER fleet and expects to complete installation of DIRECTV® on its entire fleet of Boeing 737 Next-Generation aircraft by the end of 2010.

Continental announced that this summer, it will begin installing Gogo Inflight Internet service on its fleet of 21 Boeing 757-300 aircraft.

Cashless cabin was introduced to Continental's customers in the fourth quarter of 2009. Flight crews now accept credit and debit cards exclusively for on-board purchases (except duty-free) on Continental flights.

Continental was recognized many times for its product and services during the fourth quarter of 2009. The company was named the Best Large Domestic Airline for Premium Class and Best Value for the Money (International) among all airlines in Zagat's 2009 Airline Survey. Continental won top honors in two categories in the 2009 OAG Airline Industry Awards, "Best Executive/Business Class" and "Best Airline Based in North America" and Continental outranked its U.S. network competitors to take top honors in Business Travel News' Annual Airline Survey for the second consecutive year.

Fourth Quarter Costs

Due primarily to significantly lower jet fuel costs, Continental's mainline cost per available seat mile (CASM) decreased 8.6 percent in the fourth quarter compared to the same period last year. The average mainline price of a gallon of fuel dropped 31.7 percent year-over-year and mainline fuel consumption fell by 1.5 percent. Holding fuel rate constant and excluding special charges, fourth quarter 2009 mainline CASM increased 1.4 percent compared to the fourth quarter of 2008, on a mainline ASM decline of 0.5 percent.

"Our entire team has done an excellent job holding the line on costs and working more efficiently," said Zane Rowe, Continental's executive vice president and chief financial officer. "As you see with our new aircraft, flat-bed seats, DIRECTV® and audio video on demand, we will continue to invest in our product where it makes sense."

Fuel expense for the quarter declined $388 million (32.4 percent) compared to the same period in 2008 as a result of a decrease in fuel prices and lower volumes.

Fleet Changes Continue to Improve Efficiency

Continental continued to improve fuel efficiency during the quarter by retiring older aircraft and adding modern, fuel-efficient aircraft to its fleet. During the quarter, the company took delivery of one new Boeing 737-900ER and three leased Boeing 757-300 aircraft. In addition, Continental removed from service four older Boeing 737-300 aircraft. Continental's young, fuel-efficient fleet continues to provide a natural hedge against the cost of jet fuel.

Continental continued to install winglets on its fleet of Boeing 757-300 aircraft. All of the company's 737-500s, 700s, 800s, 900s and 757-200s have winglets. The company expects to complete installation of winglets on its entire narrowbody fleet by the end of the second quarter of 2010.

Continental is scheduled to take delivery of 12 Boeing 737 aircraft and two Boeing 777 aircraft in 2010, and expects to take delivery of one leased Boeing 757-300 aircraft in the first quarter of 2010. By the end of the first quarter of 2010, the company expects to remove from service its last three Boeing 737-300 aircraft.

Cash and Liquidity

Continental ended the fourth quarter with $2.86 billion in unrestricted cash and short-term investments.

During the fourth quarter, Continental completed the sale of $644 million of enhanced equipment trust certificates to be secured by a total of 19 owned aircraft. A portion of the proceeds from the sale of the certificates will be used to finance the company's purchase of nine new Boeing 737-800 and two Boeing 777 aircraft and the remainder of the proceeds will be used for general corporate purposes. The funds are expected to be received in the first half of 2010.

Also in the fourth quarter, the company issued $230 million of 4.5% convertible debt. The notes mature on Jan. 15, 2015, and are convertible into Continental's common stock at an initial conversion price of approximately $19.87 per share.

2009 in Review

During 2009, Continental took a number of steps to strengthen its cash balance and competitive position, and continued to distinguish itself from competitors. Continental:

- Raised approximately $1.7 billion through the issuance of enhanced equipment trust certificates, other new secured borrowings, convertible debt and common stock.
- Inaugurated daily nonstop service between New York and Shanghai, linking the world's leading financial center and top business and tourism destination with China's center for finance and trade. In addition, Continental began daily nonstop service between its Houston hub and Frankfurt and between Houston and Rio de Janeiro.
- Took delivery of 13 Boeing 737-900ER and three leased Boeing 757-300 aircraft. In addition, the company removed from service 20 Boeing 737-300 aircraft and eight Boeing 737-500 aircraft.
- Delivered solid operational performance, operating 101 days without a single mainline flight cancellation. The company recorded a DOT mainline segment completion factor of 99.5 percent and a systemwide on-time arrival rate of 78.8 percent for the year.
- Rated as the top airline on FORTUNE magazine's World's Most Admired Airline on its 2009 list of World's Most Admired Companies for the sixth consecutive year.
- Became the first commercial carrier to successfully demonstrate the use of sustainable biofuel to power an aircraft in North America.
- Paid employees $25 million ($595 per employee) in cash incentive payments for monthly on-time performance.
- Contributed $176 million to its defined benefit pension plans. In addition, the company contributed $34 million to its defined benefit pension plans in January 2010. Since the beginning of 2002, Continental has contributed approximately $1.8 billion to its defined benefit pension plans.
- Provided scholarships to 210 employees and dependents through the Continental Scholarship Fund, which is the largest number of awards ever made by the fund. Since 2002, the scholarship fund has assisted 1,235 employees or their dependents. Scholarship funds are donated by employees and raised by the Continental Management Association.
- Donated nearly $1 million through Continental's WE CARE Employee Fund, which assisted 437 employees in times of need.

Corporate Background

Continental Airlines is the world's fifth largest airline. Continental, together with Continental Express and Continental Connection, has more than 2,500 dai departures throughout the Americas, Europe and Asia, serving 133 domestic and 135 international destinations. Continental is a member of Star Alliance, which ove offers 19,700 daily flights to 1,077 airports in 175 countries through its 26 member airlines. With more than 41,000 employees, Continental has hubs serving New Y Houston, Cleveland and Guam, and together with its regional partners, carries approximately 63 million passengers per year.

Continental Airlines will conduct a regular quarterly telephone briefing today to discuss these results and the company's financial and operating outlook wit financial community and news media at 9:30 a.m. CT/10:30 a.m. ET. To listen to a live broadcast of this briefing, go to continental.com/About Continental /Investor Relations.

This press release contains forward-looking statements that are not limited to historical facts, but reflect the company's current beliefs, expectations or intentions regarding future events. All forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. For examples of such risks and uncertainties, please see the risk factors set forth in the company's 2008 Form 10-K and its other securities filings, including any amendments thereto, which identify important matters such as the significant volatility in the cost of aircraft fuel, the company's transition to a new global alliance, the consequences of its high leverage and other significant capital commitments, its high labor and pension costs, delays in scheduled aircraft deliveries, service interruptions at one of its hub airports, disruptions to the operations of its regional operators, disruptions in its computer systems, and industry conditions, including the recession in the U.S. and global economies, the airline pricing environment, terrorist attacks, regulatory matters, excessive taxation, industry consolidation, the availability and cost of insurance, public health threats and the seasonal nature of the airline business. The company undertakes no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this press release, except as required by applicable law.

-tables attached-

CONTINENTAL AIRLINES, INC. AND SUBSIDIARIES

STATEMENTS OF OPERATIONS (A)
(In millions, except per share data) (Unaudited)

	Three Months Ended December 31,		% Increase (Decrease)	Year Ended December 31,		% Increase (Decrease)
	2009	2008		2009	2008	
Operating Revenue:						
Passenger (excluding fees and taxes of $355, $345, $1,476 and $1,531)	$2,807	$3,103	(9.5)%	$11,138	$13,737	(18.9)%
Cargo	107	114	(6.1)%	366	497	(26.4)%
Other	268	254	5.5 %	1,082	1,007	7.4 %
	3,182	3,471	(8.3)%	12,586	15,241	(17.4)%
Operating Expenses:						
Aircraft fuel and related taxes (B)	809	1,197	(32.4)%	3,317	5,919	(44.0)%
Wages, salaries and related costs	779	760	2.5 %	3,137	2,957	6.1 %
Aircraft rentals	229	240	(4.6)%	934	976	(4.3)%
Regional capacity purchase, net (B)	206	221	(6.8)%	848	1,059	(19.9)%
Landing fees and other rentals	194	210	(7.6)%	841	853	(1.4)%
Distribution costs	157	159	(1.3)%	624	717	(13.0)%
Maintenance, materials and repairs	144	135	6.7 %	617	612	0.8 %
Depreciation and amortization	141	111	27.0 %	494	438	12.8 %
Passenger services	91	91	-	373	406	(8.1)%
Special charges (C)	77	40	NM	145	181	NM
Other	354	332	6.6 %	1,402	1,437	(2.4)%
	3,181	3,496	(9.0)%	12,732	15,555	(18.1)%
Operating Income (Loss)	1	(25)	NM	(146)	(314)	(53.5)%
Nonoperating Income (Expense):						
Interest expense	(93)	(97)	(4.1)%	(367)	(376)	(2.4)%
Interest capitalized	8	8	-	33	33	-
Interest income	2	8	(75.0)%	12	65	(81.5)%
Other, net	10	(161)	NM	29	(103)	NM
	(73)	(242)	(69.8)%	(293)	(381)	(23.1)%
Loss before Income Taxes	(72)	(267)	(73.0)%	(439)	(695)	(36.8)%
Income Tax Benefit (Expense) (D)	157	(2)	NM	157	109	44.0 %
Net Income (Loss)	$ 85	$ (269)	NM	$ (282)	$ (586)	(51.9)%
Earnings (Loss) per Share:						
Basic	$ 0.61	$ (2.35)	NM	$ (2.18)	$ (5.54)	(60.6)%
Diluted	$ 0.60	$ (2.35)	NM	$ (2.18)	$ (5.54)	(60.6)%
Shares used for Computation:						
Basic	138	114	21.1 %	129	106	21.7 %
Diluted	142	114	24.6 %	129	106	21.7 %

(A) On January 1, 2009, Continental adopted the Cash Conversion Subsections of the Financial Accounting Standards Board's Accounting Standards Codification Subtopic 470-20, "Debt with Conversion and Other Options – Cash Conversion," which clarify the accounting for convertible debt instruments that may be settled in cash (including partial cash settlement) upon conversion. The financial statements for the three months and year ended December 31, 2008, have been adjusted to reflect the company's adoption of this standard.

(B) Expense related to fuel and related taxes on flights operated for us by other operators under capacity purchase agreements is now included in aircraft fuel and related taxes, whereas it was previously reported in regional capacity purchase, net. Reclassifications have been made in these financial statements to conform to the company's current presentation. These reclassifications do not affect operating loss or net loss for any period.

(C) Operating Expenses: Special Charges. Includes the following (in millions):

	Three Months Ended December 31,		Year Ended December 31,	
	2009	2008	2009	2008
Aircraft-related charges	$36	$ (5)	$ 89	$ 40
Pension settlement charges	29	44	29	52
Severance	-	1	5	34
Route impairment and other	12	-	22	55
Special charges	$77	$ 40	$145	$ 181

(D) Income taxes. The company recorded a $158 million non-cash income tax benefit from continuing operations during the fourth quarter of 2009. Under current accounting rules, the company is required to consider all items (including items recorded in other comprehensive income) in determining the amount of tax benefit that results from a loss from continuing operations and that should be allocated to continuing operations. As a result, the Company will record a tax benefit on the loss from continuing operations for the year, which will be exactly offset by income tax expense on other comprehensive income. However, while the income tax benefit from continuing operations is reported on the income statement, the income tax expense on other comprehensive income is recorded directly to other comprehensive income, which is a component of stockholders' equity. Because the income tax expense on other comprehensive income is equal to the income tax benefit from continuing operations, the company's year-end net deferred tax position is not impacted by this tax allocation. The company also recorded $1 million of tax expense related to state and foreign tax expense.

CONTINENTAL AIRLINES, INC. AND SUBSIDIARIES

STATISTICS

	Three Months Ended December 31, 2009	Three Months Ended December 31, 2008	% Increase (Decrease)	Year Ended December 31, 2009	Year Ended December 31, 2008	% Increase (Decrease)
Mainline Operations:						
Passengers (thousands)	10,954	10,968	(0.1)%	45,573	48,682	(6.4)%
Revenue passenger miles (millions)	19,235	18,548	3.7 %	79,824	82,806	(3.6)%
Available seat miles (millions)	23,288	23,402	(0.5)%	97,407	102,527	(5.0)%
Cargo ton miles (millions)	284	236	20.3 %	948	1,005	(5.7)%
Passenger load factor:						
Mainline	82.6%	79.3%	3.3 pts.	81.9%	80.8%	1.1 pts.
Domestic	84.6%	82.6%	2.0 pts.	84.8%	83.3%	1.5 pts.
International	80.5%	75.8%	4.7 pts.	79.2%	78.2%	1.0 pts.
Passenger revenue per available seat mile (cents)	9.90	10.99	(9.9)%	9.49	11.10	(14.5)%
Total revenue per available seat mile (cents)	11.44	12.51	(8.6)%	10.92	12.51	(12.7)%
Average yield per revenue passenger mile (cents)	11.98	13.87	(13.6)%	11.58	13.75	(15.8)%
Average fare per revenue passenger	$212.04	$236.87	(10.5)%	$204.89	$236.26	(13.3)%
Cost per available seat mile (CASM) (cents) (A)	11.22	12.27	(8.6)%	10.75	12.44	(13.6)%
Special charges per available seat mile (cents)	0.28	0.17	NM	0.13	0.15	NM
CASM, holding fuel rate constant and excluding special charges (cents)	12.27	12.10	1.4 %	12.48	12.29	1.5 %
Average price per gallon of fuel, including fuel taxes	$2.00	$2.93	(31.7)%	$1.98	$3.27	(39.4)%
Fuel gallons consumed (millions)	334	339	(1.5)%	1,395	1,498	(6.9)%
Aircraft in fleet at end of period (B)	337	350	(3.7)%	337	350	(3.7)%
Average length of aircraft flight (miles)	1,552	1,489	4.2 %	1,550	1,494	3.7 %
Average daily utilization of each aircraft (hours)	10:12	10:14	(0.5)%	10:37	11:06	(4.4)%
Regional Operations:						
Passengers (thousands)	4,304	4,215	2.1 %	17,236	18,010	(4.3)%
Revenue passenger miles (millions)	2,327	2,277	2.2 %	9,312	9,880	(5.7)%
Available seat miles (millions)	3,002	3,046	(1.4)%	12,147	12,984	(6.4)%
Passenger load factor	77.5%	74.7%	2.8 pts.	76.7%	76.1%	0.6 pts.
Passenger revenue per available seat mile (cents)	16.74	17.44	(4.0)%	15.59	18.14	(14.1)%
Average yield per revenue passenger mile (cents)	21.59	23.33	(7.5)%	20.34	23.83	(14.6)%
Aircraft in fleet at end of period (C)	264	282	(6.4)%	264	282	(6.4)%
Consolidated Operations (Mainline and Regional):						
Passengers (thousands)	15,258	15,183	0.5 %	62,809	66,692	(5.8)%
Revenue passenger miles (millions)	21,562	20,825	3.5 %	89,136	92,686	(3.8)%
Available seat miles (millions)	26,290	26,448	(0.6)%	109,554	115,511	(5.2)%
Passenger load factor	82.0%	78.7%	3.3 pts.	81.4%	80.2%	1.2 pts.
Passenger revenue per available seat mile (cents)	10.68	11.73	(9.0)%	10.17	11.89	(14.5)%
Average yield per revenue passenger mile (cents)	13.02	14.90	(12.6)%	12.50	14.82	(15.7)%
Average price per gallon of fuel including fuel taxes	$2.00	$2.91	(31.3)%	$1.97	$3.27	(39.8)%
Fuel gallons consumed (millions)	405	411	(1.5)%	1,681	1,809	(7.1)%

(A) Includes impact of special charges.

(B) Excludes ten grounded Boeing 737-300 aircraft, seven grounded Boeing 737-500 aircraft and two leased Boeing 757-300 aircraft delivered but not yet placed in service at December 31, 2009.

(C) Consists of aircraft operated under capacity purchase agreements with Continental's regional carriers ExpressJet, Colgan, Chautauqua and CommutAir. Excludes 25 EMB-135 that are temporarily grounded aircraft and 32 ERJ-145 aircraft and five EMB-135 aircraft subleased to other operators but are not operated on the company’s behalf at December 31, 2009.

CONTINENTAL AIRLINES, INC. AND SUBSIDIARIES

NON-GAAP FINANCIAL MEASURES

Net Income (Loss) (in millions)	Three Months Ended December 31, 2009	Year Ended December 31, 2009
Net income (loss)	$ 85	$(282)
Special items:		
Special charges (net of tax of $0)	77	145
Income tax benefit	(158)	(158)
Net income (loss), excluding special items (A)	$ 4	$(295)

Earnings (Loss) per Share	Three Months Ended December 31, 2009	Year Ended December 31, 2009
Diluted earnings (loss) per share	$ 0.60	$(2.18)
Special items:		
Special charges	0.54	1.12
Income tax benefit	(1.11)	(1.22)
Diluted earnings (loss) per share, excluding special items (A)	$ 0.03	$(2.28)

	2009	2008		2009	2008	
Cost per available seat mile (CASM)	11.22	12.27	(8.6)%	10.75	12.44	(13.6)%
Less: Special charges	(0.28)	(0.17)	NM	(0.13)	(0.15)	NM
CASM, excluding special charges (A)	10.94	12.10	(9.6)%	10.62	12.29	(13.6)%
Less: Current year fuel cost per available seat mile (B)	(2.86)	-	NM	(2.83)	-	NM
Add: Current year fuel cost at prior year fuel price per available seat mile (B)	4.19	-	NM	4.69	-	NM
CASM, holding fuel rate constant and excluding special charges (A)	12.27	12.10	1.4 %	12.48	12.29	1.5 %

(A) These financial measures provide management and investors the ability to measure and monitor Continental's performance on a consistent basis.

(B) Both the cost and availability of fuel are subject to many economic and political factors and are therefore beyond the company's control.

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A STAR ALLIANCE MEMBER

Continental Airlines

Exhibit 99.3
DeAnne Gabel
Director - Investor Relations

Investor Update **Issue Date: January 21, 2010**

This investor update provides information on Continental's guidance for the first quarter and full year 2010, as well as certain historical information pertaining to the fourth quarter of 2009.

Advanced Booked Seat Factor (Percentage of Available Seats that are Sold)
Compared to the same period last year, for the next six weeks, mainline domestic advanced booked seat factor is running down 1 to 2 points, mainline Latin advanced booked seat factor is running flat to up 1 point, Transatlantic advanced booked seat factor is running 10 to 11 points higher, Pacific advanced booked seat factor is up 2 to 3 points, and regional advanced booked seat factor is running 1 to 2 points lower.

Last year at this time, due to declining business mix and weakness in yields, the Company made the decision to make more domestic leisure inventory available for sale earlier in the booking curve. This year the Company has seen a modest improvement in business demand and therefore has returned to a more normal management of the domestic booking curve.

For the first quarter of 2010, the Company expects both its consolidated and mainline load factors to be up approximately 3.0 points year-over-year (“yoy”) compared to the same period in 2009.

Unrestricted Cash, Cash Equivalents and Short Term Investments Balance
The Company anticipates ending the first quarter of 2010 with an unrestricted cash, cash equivalents and short-term investments balance of between $2.9 and $3.0 billion.

Cargo, Mail, and Other Revenue
The Company's Cargo, Mail, and Other Revenue for the first quarter of 2010 is expected to be between $355 and $365 million.

Available Seat Miles (ASMs)	2010 Estimate Year-over-Year % Change
	1st Qtr.
Mainline	
Domestic	(0.6%)
Latin America	5.2%
Transatlantic	(4.4%)
Pacific	16.3%
Total Mainline	1.0%
Regional	(0.2%)
Consolidated	
Domestic	(0.3%)
International	2.2%
Total Consolidated	0.9%

For the full year 2010, Continental expects its consolidated capacity to be up 1% to 2% yoy. The Company expects its mainline capacity to be up 1.5% to 2.5% yoy, with its mainline domestic capacity about flat yoy and its mainline international capacity up 4% to 5% yoy. The international increase is primarily due to the run-rate of international routes added in 2009 and the restoration of the Company's full schedule to Mexico following its capacity pulldown last year related to H1N1.

Load Factor	1st Qtr. 2010 (E)	Full Year 2010 (E)
Domestic	79% - 80%	83% - 84%
Latin America	79% - 80%	80% - 81%
Transatlantic	76% - 77%	79% - 80%
Pacific	76% - 77%	76% - 77%
Total Mainline	78% - 79%	81% - 82%
Regional	72% - 73%	76% - 77%
Consolidated	78% - 79%	80% - 81%

Continental's month-to-date consolidated load factor is updated daily and can be found on continental.com on the Investor Relations page under the About Continental menu.

CASM Mainline Operating Statistics	2010 Estimate (cents)	
	1st Qtr.	Full Year
CASM	11.11 - 11.16	11.08 - 11.13
Special Items per ASM	0.00	0.00
CASM Less Special Items (a)	11.11 - 11.16	11.08 - 11.13
Aircraft Fuel & Related Taxes per ASM	(2.99)	(3.21)
CASM Less Special Items and Aircraft Fuel & Related Taxes (b)	8.12 - 8.17	7.87 - 7.92
CASM Consolidated Operating Statistics		
CASM	12.00 - 12.05	11.96 - 12.01
Special Items per ASM	0.00	0.00
CASM Less Special Items (a)	12.00 - 12.05	11.96 - 12.01
Aircraft Fuel & Related Taxes per ASM	(3.21)	(3.43)
CASM Less Special Items and Aircraft Fuel & Related Taxes (b)	8.79 - 8.84	8.53 - 8.58

(a) Cost per available seat mile less special items is computed by dividing operating expenses excluding special items by available seat miles. These financial measures provide management and investors the ability to measure and monitor Continental's performance on a consistent basis.
(b) Cost per available seat mile less special items and aircraft fuel and related taxes is computed by dividing operating expenses excluding special charges and aircraft fuel and related taxes by available seat miles. This statistic provides management and investors the ability to measure and monitor Continental's cost performance absent special items and fuel price volatility. Both the cost and availability of fuel are subject to many economic and political factors beyond Continental's control.

Variable Compensation

Continental has granted profit based restricted stock unit ("RSU") awards pursuant to its Long-Term Incentive and RSU Program. Expense for these awards is recognized ratably over the required service period, with changes in the price of the Company's common stock and the payment percentage (which is tied to varying levels of cumulative profit sharing) resulting in a corresponding increase or decrease in "Wages, Salaries, and Related Costs" in the Company's consolidated statements of operations. The closing stock price of $17.92 on December 31, 2009 was used in estimating the expense impact of the awards for the Company's 2010 cost estimates included herein. Based on the Company's current assumptions regarding payment percentages and the cumulative profit sharing targets to be achieved pursuant to the awards, the Company estimates that a $1 increase or decrease in the price of its common stock from December 31, 2009 will result in an increase or decrease of approximately $1 million in Wages, Salaries, and Related Costs attributable to the awards to be recognized in the first quarter 2010. For more information regarding these awards, including performance periods and how the Company accrues for the awards, see the Company's 2008 Form 10-K.

Fuel Requirements (Gallons)	2010 Estimate	
	1st Qtr.	Full Year
Mainline	330 million	1,423 million
Regional	70 million	283 million
Consolidated Fuel Price per Gallon (including fuel taxes and impact of hedges)	$2.13	$2.25

Fuel Hedges - As of January 20, 2010

As of January 20, 2010, the Company's projected consolidated fuel requirements were hedged as follows:

	Maximum Price		Minimum Price	
	% of Expected Consumption	Weighted Average Price (per gallon)	% of Expected Consumption	Weighted Average Price (per gallon)
First Quarter 2010				
Gulf Coast jet fuel swaps	5%	$1.94	5%	$1.94
WTI crude oil swaps	11%	$1.86	11%	$1.86
WTI crude call options	4%	$2.11	n/a	n/a
Total	20%		16%	
Second Quarter 2010				
WTI crude oil swaps	1%	$1.95	1%	$1.95
WTI crude call options	9%	$2.20	n/a	n/a
Total	10%		1%	
Third Quarter 2010				
WTI crude call options	7%	$2.25	n/a	n/a
Total	7%			
Fourth Quarter 2010				
WTI crude call options	7%	$2.31	n/a	n/a
Total	7%			
Full Year 2010				
Gulf Coast jet fuel swaps	1%	$1.94	1%	$1.94
WTI crude oil swaps	3%	$1.87	3%	$1.87
WTI crude call options	7%	$2.23	n/a	n/a
Total	11%		4%	

Selected Expense Amounts (Consolidated Expense)	2010 Estimate Amounts (millions)	
	1st Qtr.	Full Year
Aircraft Rent	$231	$924
Depreciation & Amortization	$120	$495
Net Interest Expense*	$85	$338

*Net Interest Expense includes interest expense, capitalized interest and interest income.

Fourth Quarter 2009 Domestic Performance on a Hub-by-Hub Basis

Continental’s fourth quarter 2009 consolidated domestic capacity at its New York Liberty hub was down 2.5%, with traffic up 1.6%, resulting in a load factor increase of 3.3 pts, compared to the fourth quarter of 2008. Transcon capacity, which is a subset of New York Liberty capacity, was up 4.3% yoy in the fourth quarter while traffic was up 7.0%, resulting in a load factor increase of 2.2 pts, compared to the same period in 2008. Consolidated domestic capacity at its Houston hub was up 2.2% yoy, with traffic up 3.8%, resulting in a load factor increase of 1.3 pts, compared to the fourth quarter of 2008. Consolidated domestic capacity at its Cleveland hub was down 2.5% yoy, with traffic up 0.6%, resulting in a fourth quarter load factor increase of 2.5 pt, compared to the same period in 2008.

Pension Expense and Contributions

Earlier this month, the Company contributed $34 million to its defined benefit pension plans. The Company estimates its remaining minimum funding requirements for calendar year 2010 are approximately $85 million.

The Company estimates that its non-cash pension expense will be approximately $215 million for 2010. This amount excludes non-cash settlement charges related to lump-sum distributions. Settlement charges are possible during 2010, but the Company is not able at this time to estimate the amount of these charges.

Continental Airlines, Inc. Tax Computation

Generally, the Company's ability to record a tax benefit on net losses is limited by its net deferred tax position. The Company previously recorded the maximum available deferred tax benefit permitted by its prior net deferred tax liability position. Subsequent losses will generally not be benefitted until the Company reestablishes a net deferred tax liability. Subsequent pretax income, when considered along with subsequent other comprehensive income, will generally not carry tax expense until the Company exhausts its beginning unbenefitted net deferred tax assets via release of valuation allowance.

An exception to this general rule exists in the event the Company generates a loss from continuing operations while generating other comprehensive income. Under this circumstance, accounting rules require the Company to record a tax benefit on the loss from continuing operations and a tax expense on other comprehensive income. The tax benefit is non-cash and is reported on the income statement while the tax expense non-cash and is recorded directly to other comprehensive income, which is a component of stockholders' equity. Items of other comprehensive income broadly include changes in the fair value of the Company's hedging instruments and changes in the Company's pension liability resulting from, among other things, changes in actuarial assumptions and the fair value of the pension plan assets. Because these items are generally not known until late in the year, this exception would only likely be recorded during the fourth quarter.

Debt and Capital Leases

Continental's total Debt and Capital Leases balance at year end 2009 was $6.3 billion of which $6.1 billion was debt.

As of January 21, 2010, scheduled debt and capital lease payments for the full year 2010 are $975 million, with approximately $135 million, $459 million, $77 million and $304 million scheduled in the first, second, third and fourth quarters of 2010, respectively.

Cash Capital Expenditures ($Millions)	2010 Estimate
Fleet Related	$265
Non-Fleet	140
Net Capital Expenditures*	$405
Net Purchase Deposits Paid/(Refunded)	25
Total Cash Expenditures	$430

*Includes rotable parts and capitalized interest.

<u>EPS Estimated Share Count</u>

Share count estimates for calculating basic and diluted earnings per share at different income levels are as follows:

First Quarter 2010 (Millions)

Quarterly Earnings Level		Number of Shares Basic	Diluted	Interest addback (net of applicable profit sharing and income taxes impact)
Over $138		139	165	$12
Between $92 - $138	161	139		$8
Between $35 - $92		139	152	$3
Under $35		139	141	--
Net Loss		139	139	--

Full Year 2010 (Millions)

Year-to-date Earnings Level	Number of Shares Basic	Diluted	Interest addback (net of applicable profit sharing and income taxes impact)
Over $465	140	162	$31
Between $289 - $465	140	158	$18
Between $118 - $289	140	153	$10
Under $118	140	142	--
Net Loss	140	140	--

These share count charts are based upon several assumptions including market stock price and number of shares outstanding. Share counts also assume that the Company's $175 million 5% convertible notes that are puttable in June 2010 are paid in cash. The number of shares used in the actual EPS calculation will likely be different than those set forth above.

This update contains forward-looking statements that are not limited to historical facts, but reflect the Company's current beliefs, expectations or intentions regarding future events. All forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. For examples of such risks and uncertainties, please see the risk factors set forth in the Company's 2008 Form 10-K and its other securities filings, including any amendments thereto, which identify important matters such as the significant volatility in the cost of aircraft fuel, its transition to a new global alliance, the consequences of its high leverage and other significant capital commitments, its high labor and pension costs, delays in scheduled aircraft deliveries, service interruptions at one of its hub airports, disruptions to the operations of its regional operators, disruptions in its computer systems, and industry conditions, including the recession in the U.S. and global economies, the airline pricing environment, terrorist attacks, regulatory matters, excessive taxation, industry consolidation, the availability and cost of insurance, public health threats and the seasonal nature of the airline business. The Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this update, except as required by applicable law.

Continental Airlines Fleet Plan

Includes Aircraft Operated by the Company or Operated on the Company's Behalf Under a Capacity Purchase Agreement

January 21, 2010

	Total Year End 2009	1Q10E	Net Inductions and Exits 2Q10E	3Q10E	4Q10E	Total Year End 2010E
Mainline						
777-200ER	**20**	-	2	-	-	**22**
767-400ER	**16**	-	-	-	-	**16**
767-200ER	**10**	-	-	-	-	**10**
757-300	**18**	3	-	-	-	**21**
757-200	**41**	-	-	-	-	**41**
737-900ER	**30**	-	-	-	2	**32**
737-900	**12**	-	-	-	-	**12**
737-800*	**117**	-	8	1	-	**126**
737-700	**36**	-	-	-	-	**36**
737-300	**3**	(3)	-	-	-	-
737-500	**34**	(3)	-	-	-	**31**
Total	**337**	**(3)**	**10**	**1**	**2**	**347**
Regional						
ERJ-145	**227**	(4)	(2)	-	-	**221**
ERJ-135	-	-	-	-	-	-
CRJ200LR	**7**	(7)	-	-	-	-
Q400	**14**	-	-	1	5	**20**
Q200	**16**	-	-	-	-	**16**
Total	**264**	**(11)**	**(2)**	**1**	**5**	**257**
Total Count	**601**	**(14)**	**8**	**2**	**7**	**604**

*Excludes one aircraft scheduled for delivery in December 2010 that is expected to enter service in 2011

The following aircraft are currently scheduled for delivery from Boeing in 2011:
- Six 787-8s (four in 3Q11 and two in 4Q11)
- Four 737-900ERs (four in 2Q11)
- Three 737-800s (two in 1Q11, one in 3Q11)

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