

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): **December 8, 2005**

**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):

<input type="checkbox"/>	Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
<input type="checkbox"/>	Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 8.01. Other Events.**

On December 8, 2005, the Company issued a press release announcing that the Company has reached an agreement with the International Association of Machinists (IAM), which represents the Company's flight attendants. The press release is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

The collective bargaining agreement with the IAM is subject to a ratification vote by union membership, which is expected in January 2006. The IAM has informed the Company that the flight attendants will also be voting on whether or not to authorize the IAM to call a strike if the agreement is not ratified.

If the agreement is not ratified, after the conclusion of the process required by the Railway Labor Act, including the expiration of the thirty-day cooling off period, the Company will impose pay and benefit reductions, which the Company has stated would have to be larger than what the Company is currently seeking in order to compensate for costs that could arise out of the failure to ratify the agreement, and the flight attendants will be able to strike.

If the flight attendants strike or engage in other labor disruptions as a result of the Company implementing wage and benefit reductions, the Company could be forced to cancel a significant number of flights, which would have a material adverse impact on our results of operations and financial condition.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

99.1 Press Release for Agreement with IAM

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.

December 8, 2005

By /s/ Jennifer L. Vogel

Jennifer L. Vogel

Senior Vice President, General Counsel,  
Secretary and Corporate Compliance Officer

EXHIBIT INDEX

99.1 Press Release for Agreement with IAM



# News Release

**Contact:** Corporate Communications

**Houston:** 713.324.5080

**Email:** corpcomm@coair.com

**News archive:** [continental.com/company/news/](http://continental.com/company/news/) **Address:** P.O. Box 4607, Houston, TX 77210-4607

## **AT FINAL BARGAINING SESSION, CONTINENTAL AIRLINES AND FLIGHT ATTENDANT UNION REACH AGREEMENT ON NEW CONTRACT**

**HOUSTON, Dec. 8, 2005 - Continental Airlines (NYSE: CAL) today issued the following bulletin to update employees about negotiations with its flight attendants' union, the International Association of Machinists (IAM):**

Continental Airlines is pleased to confirm that, as reported by the National Mediation Board (NMB), the company has reached an agreement with the IAM covering the company's flight attendants.

Continental's Chairman and CEO Larry Kellner personally joined the talks today, along with Robert Roach, Jr., the general vice president, transportation of the IAM.

"I want to thank the IAM leadership and its negotiating team for working together with Continental to get this deal done within the deadline set by the National Mediation Board," said Larry Kellner, Continental's chairman and chief executive officer. "Now, we must go forward and get this agreement ratified."

The IAM is preparing detailed communications to its membership explaining the agreement, which is subject to ratification by the flight attendants. The company is not releasing details of the agreement in order to allow the union to communicate directly with its members. Results of the ratification process are expected in January 2006.

Talks between Continental Airlines and the IAM resumed earlier this week at the offices of the NMB in Washington, D.C. The NMB had stated this was a final bargaining session and that failure to get this agreement could have resulted in a release from mediation.

Today's agreement between Continental Airlines and the IAM, along with previously announced pay and benefit reductions for other work groups, concludes the negotiation process with all Continental's domestic employees.

###

CAL05131