

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 10, 1996

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 December 10, 1996, 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/ Lawrence W. Kellner
Lawrence W. Kellner
Executive Vice President and
Chief Financial Officer

December 10, 1996

Exhibit 99.1

FOR IMMEDIATE RELEASE
CONTACT: CORPORATE COMMUNICATIONS
(713) 834-5080

CONTINENTAL AIRLINES ANNOUNCES
PROPOSED SENIOR NOTES ISSUE

HOUSTON, December 10, 1996 -- Continental Airlines, Inc. (NYSE: CAI.B and CAI.A) announced today that it has closed its previously announced offering of \$250 million of 9-1/2% Senior Notes due December 15, 2001. The net proceeds of the offering will be used by the airline for general corporate purposes.

The securities 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.

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