

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):
April 18, 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 April 18, 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

April 18, 1997

Exhibit 99.1

HOUSTON, April 18, 1997 -- Continental Airlines, Inc. (NYSE: CAI.B and CAI.A) announced today that it has redeemed all outstanding shares of its Series A 12% Cumulative Preferred Stock for \$47.7 million in cash. This redemption was in accordance with the terms of the preferred stock and did not involve any redemption premium. The preferred stock was issued in 1993 to an affiliate of Air Canada as part of Air Canada's initial investment in the Company.