

Prospectus Supplement

The Prospectus dated August 13, 1996, relating to the offer for resale of up to \$200,650,000 aggregate principal amount of the Continental Airlines, Inc. 6-3/4% Convertible Subordinated Notes due April 15, 2006 is hereby supplemented as follows:

- 1) The Principal Amount of Registered Notes held by "McMahan Securities Co. L.P." is increased to \$1,500,000 as of December 2, 1996.
- 2) "Commonwealth Life Insurance" is added to the table of Selling Holders on page 39 with a Principal Amount of Registered Notes as of December 5, 1996 of \$1,000,000.

The date of this Prospectus Supplement is December 5, 1996.