

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 4, 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 4, 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/ Jeffery A. Smisek  
Jeffery A. Smisek  
Executive Vice President and  
General Counsel

December 4, 1996

Exhibit 99.1

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

CONTINENTAL AIRLINES ANNOUNCES  
PROPOSED SENIOR NOTES ISSUE

HOUSTON, November 21, 1996 -- Continental Airlines, Inc. (NYSE: CAI.B and CAI.A) announced today that it proposes to issue \$250 million of 9 1/2% Senior Notes due December 15, 2001 in a private placement. The proceeds of the offering will be used by the airline for general corporate purposes.

The closing of the offering, which is expected to occur next week, is subject to certain conditions. 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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