

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):
March 3, 1998

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 March 3, 1998, Continental Airlines, Inc. issued a press release, which is filed herewith as Exhibit 99.2 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

March 3, 1998

EXHIBIT INDEX

99.1 Press release, dated March 3, 1998.

CONTINENTAL AIRLINES
AUTHORIZES STOCK REPURCHASE PROGRAM

HOUSTON, March 3, 1998-- Continental Airlines (NYSE: CAI.B and CAI.A) announced today that its Board of Directors has authorized the expenditure of up to \$100 million to repurchase the company's common stock or convertible securities. Continental currently has outstanding approximately 51 million Class B shares and 8.4 million Class A shares, and convertible securities (8.5% Convertible Trust Originated Preferred Securities and 6-3/4% Convertible Subordinated Notes) convertible into an aggregate of approximately 17.9 million Class B shares. The repurchases may be effected from time to time in accordance with applicable securities laws, through solicited or unsolicited transactions in the market or in privately negotiated transactions. No time limit was placed on the duration of the repurchase program. Subject to applicable securities laws, such purchases will be at times and in amounts as the company deems appropriate.

In announcing the repurchase program, Larry Kellner, Continental's Chief Financial Officer, said "This program, which is designed to hold the number of diluted shares relatively constant for earnings per share purposes, reflects our confidence in the value of Continental's common stock."

Continental is the fifth largest airline in the U.S., offering more than 2,000 departures daily to 125 domestic and 67 international destinations. Operating major hubs in Newark, Houston, Cleveland and Guam, Continental is strategically positioned for to Latin America and Europe via its Houston and Newark gateways.