

CONTINENTAL AIRLINES INC /DE/

Form 424B2

September 20, 2012

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CALCULATION OF REGISTRATION FEE

Title of each class of securities offered	Maximum aggregate offering price	Amount of registration fee
Pass Through Certificates, Series 2012-2	\$843,888,000	\$96,709.56 (1)

(1) The filing fee of \$96,709.56 is calculated in accordance with Rule 457(r) of the Securities Act of 1933.

**Filed Pursuant to Rule 424(b)(2)
Registration No. 333-181014-01**

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PROSPECTUS SUPPLEMENT TO PROSPECTUS, DATED APRIL 27, 2012

\$843,888,000

**2012-2 PASS THROUGH TRUSTS
PASS THROUGH CERTIFICATES, SERIES 2012-2**

Two classes of the Continental Airlines Pass Through Certificates, Series 2012-2, are being offered under this prospectus supplement: Class A and B. A separate trust will be established for each class of certificates. The proceeds from the sale of certificates will initially be held in escrow, and interest on the escrowed funds will be payable semiannually on April 29 and October 29, commencing April 29, 2013. The trusts will use the escrowed funds to acquire equipment notes. The equipment notes will be issued by Continental Airlines, Inc. and will be secured by 21 new Boeing aircraft scheduled for delivery from November 2012 to September 2013. Payments on the equipment notes held in each trust will be passed through to the holders of certificates of such trust.

Interest on the equipment notes will be payable semiannually on each April 29 and October 29 after issuance (but not before April 29, 2013). Principal payments on the equipment notes are scheduled on April 29 and October 29 in certain years, beginning on April 29, 2014.

The Class A certificates will rank senior to the Class B certificates.

Natixis S.A., acting through its New York Branch, will provide the initial liquidity facility for the Class A and B certificates, in each case in an amount sufficient to make three semiannual interest payments.

The certificates will not be listed on any national securities exchange.

Investing in the certificates involves risks. See Risk Factors beginning on page S-18.

Pass Through Certificates	Face Amount	Interest Rate	Final Expected Distribution Date	Price to Public(1)
Class A	\$711,622,000	4.000%	October 29, 2024	100%
Class B	\$132,266,000	5.500%	October 29, 2020	100%

(1) Plus accrued interest, if any, from the date of issuance.

The underwriters will purchase all of the certificates if any are purchased. The aggregate proceeds from the sale of the certificates will be \$843,888,000. Continental will pay the underwriters a commission of \$10,548,600. Delivery of the certificates in book-entry form only will be made on or about October 3, 2012.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Structuring Agents and Lead Bookrunners

Credit Suisse

MORGAN STANLEY

Bookrunners

Citigroup

Deutsche Bank Securities

Goldman, Sachs & Co.

Jefferies

Manager

Natixis

The date of this prospectus supplement is September 19, 2012.

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PRESENTATION OF INFORMATION

These offering materials consist of two documents: (a) this Prospectus Supplement, which describes the terms of the certificates that we are currently offering, and (b) the accompanying Prospectus, which provides general information about our pass through certificates, some of which may not apply to the certificates that we are currently offering. The information in this Prospectus Supplement replaces any inconsistent information included in the accompanying Prospectus.

We have given certain capitalized terms specific meanings for purposes of this Prospectus Supplement. The Index of Terms attached as Appendix I to this Prospectus Supplement lists the page in this Prospectus Supplement on which we have defined each such term.

At various places in this Prospectus Supplement and the Prospectus, we refer you to other sections of such documents for additional information by indicating the caption heading of such other sections. The page on which each principal caption included in this Prospectus Supplement and the Prospectus can be found is listed in the Table of Contents below. All such cross references in this Prospectus Supplement are to captions contained in this Prospectus Supplement and not in the Prospectus, unless otherwise stated.

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You should rely only on the information contained in this document or to which this document refers you. We have not authorized anyone to provide you with information that is different. This document may be used only where it is legal to sell these securities. The information in this document may be accurate only on the date of this document.

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*This summary highlights selected information from this Prospectus Supplement and the accompanying Prospectus and may not contain all of the information that is important to you. For more complete information about the Certificates and Continental, you should read this entire Prospectus Supplement and the accompanying Prospectus, as well as the materials filed with the Securities and Exchange Commission that are considered to be part of this Prospectus Supplement and the Prospectus. See *Incorporation of Certain Documents by Reference* in this Prospectus Supplement and the Prospectus.*

Summary of Terms of Certificates

	Class A Certificates	Class B Certificates
Aggregate Face Amount	\$711,622,000	\$132,266,000
Interest Rate	4.000%	5.500%
Initial Loan to Aircraft Value (cumulative)(1)	55.0%	65.2%
Highest Loan to Aircraft Value (cumulative)(2)	55.0%	65.2%
Expected Principal Distribution Window (in years)	1.6 - 12.1	1.6 - 8.1
Initial Average Life (in years from Issuance Date)	9.2	6.0
Regular Distribution Dates	April 29 and October 29	April 29 and October 29
Final Expected Distribution Date	October 29, 2024	October 29, 2020
Final Maturity Date	April 29, 2026	April 29, 2022
Minimum Denomination	\$1,000	\$1,000
Section 1110 Protection	Yes	Yes
Liquidity Facility Coverage	3 semiannual interest payments	3 semiannual interest payments

- (1) These percentages are determined as of October 29, 2013, the first Regular Distribution Date after all Aircraft are expected to have been financed pursuant to the Offering. In calculating these percentages, we have assumed that the financings of all Aircraft hereunder are completed prior to October 29, 2013 and that the aggregate appraised value of such Aircraft is \$1,294,426,758 as of such date. The appraised value is only an estimate and reflects certain assumptions. See *Description of the Aircraft and the Appraisals* The Appraisals .
- (2) See *Loan to Aircraft Value Ratios* .

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The 21 Aircraft to be financed pursuant to this Offering will consist of 18 Boeing 737-924ER aircraft and three Boeing 787-8 aircraft scheduled for delivery between November 2012 and September 2013. The Boeing 787-8 aircraft will be selected by Continental from among four Boeing 787-8 aircraft. See Description of the Aircraft and the Appraisals The Appraisals for a description of the 22 aircraft from which Continental will select the 21 aircraft that may be financed with the proceeds of this Offering. Set forth below is certain information about the Equipment Notes expected to be held in the Trusts and the aircraft expected to secure such Equipment Notes (assuming for the purposes of the chart below that all of the Boeing 737-924ER aircraft and the first three Boeing 787-8 aircraft of the four Boeing 787-8 aircraft from which Continental may choose are financed hereunder):

Aircraft Type(1)	Registration Number	Manufacturer's Serial Number	Delivery Month	Principal Amount of Equipment Notes	Appraised Value(2)	Latest Equipment Note Maturity Date
Boeing 737-924ER	N39461	37207	November 2012	\$ 33,337,000	\$ 52,252,778	October 29, 2024
Boeing 737-924ER	N37462	37201	November 2012	33,337,000	52,252,778	October 29, 2024
Boeing 737-924ER	N39463	37208	December 2012	33,374,000	52,311,389	October 29, 2024
Boeing 737-924ER	N37464	41745	December 2012	33,374,000	52,311,389	October 29, 2024
Boeing 737-924ER	N37465	36599	January 2013	33,465,000	52,453,333	October 29, 2024
Boeing 737-924ER	N37466	31644	January 2013	33,465,000	52,453,333	October 29, 2024
Boeing 737-924ER	N38467	33537	February 2013	33,501,000	52,509,167	October 29, 2024
Boeing 737-924ER	N37468	32836	February 2013	33,501,000	52,509,167	October 29, 2024
Boeing 737-924ER	N36469	36600	March 2013	33,538,000	52,568,333	October 29, 2024
Boeing 737-924ER	N37470	37099	March 2013	33,538,000	52,568,333	October 29, 2024
Boeing 737-924ER	N37471	37102	April 2013	33,629,000	52,710,833	October 29, 2024
Boeing 737-924ER	N36472	31653	April 2013	33,629,000	52,710,833	October 29, 2024
Boeing 737-924ER	N38473	38702	May 2013	33,667,000	52,770,000	October 29, 2024
Boeing 737-924ER	N37474	31648	May 2013	33,667,000	52,770,000	October 29, 2024
Boeing 737-924ER	N39475	38703	June 2013	33,705,000	52,829,167	October 29, 2024
Boeing 737-924ER	N36476	37100	June 2013	33,705,000	52,829,167	October 29, 2024
Boeing 737-924ER	N27477	31647	July 2013	33,796,000	52,971,667	October 29, 2024
Boeing 737-924ER	N38479	31649	July 2013	33,796,000	52,971,667	October 29, 2024
Boeing 787-8	N27901	34821	December 2012	79,646,000	124,840,000	October 29, 2024
Boeing 787-8	N27903	34823	December 2012	79,646,000	124,840,000	October 29, 2024
Boeing 787-8	N29907	34830	July 2013	80,572,000	126,290,000	October 29, 2024

- (1) The indicated registration number, manufacturer's serial number and delivery month for each aircraft reflect our current expectations, although these may differ for the actual aircraft financed hereunder. The deadline for purposes of financing an Aircraft pursuant to this Offering is December 31, 2013 (or later under certain circumstances). The financing pursuant to this Offering of each Aircraft is expected to be effected at delivery of such Aircraft by Boeing to Continental. The actual delivery date for any aircraft may be subject to delay or acceleration. See Description of the Aircraft and the Appraisals Timing of Financing the Aircraft . Continental has certain rights to substitute other aircraft if the scheduled delivery date of any Aircraft is delayed for more than 30 days after the month scheduled for delivery. See Description of the Aircraft and the Appraisals Substitute Aircraft .
- (2) The appraised value of each Aircraft set forth above is the lesser of the average and median values of such Aircraft as appraised by three independent appraisal and consulting firms. Such appraisals indicate appraised base value, projected as of the scheduled delivery month of the applicable Aircraft. These appraisals are based upon varying assumptions and methodologies. An appraisal is only an estimate of value and should not be relied upon as a measure of realizable value. See Risk Factors Risk Factors Relating to the Certificates and the Offering The Appraisals are only estimates of Aircraft value .

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The following table sets forth loan to Aircraft value ratios (LTVs) for each Class of Certificates as of October 29, 2013, the first Regular Distribution Date after all Aircraft are expected to have been financed pursuant to the Offering, and each Regular Distribution Date thereafter. The LTVs for any Class of Certificates for the period prior to October 29, 2013, are not meaningful, since during such period all of the Equipment Notes expected to be acquired by the Trusts and the related Aircraft will not be included in the calculation. The table should not be considered a forecast or prediction of expected or likely LTVs but simply a mathematical calculation based on one set of assumptions. See Risk Factors Risk Factors Relating to the Certificates and the Offering The Appraisals are only estimates of Aircraft value .

Regular Distribution Date	Assumed Aggregate Aircraft Value(1)	Outstanding Balance(2)		LTV(3)	
		Class A Certificates	Class B Certificates	Class A Certificates	Class B Certificates
October 29, 2013	\$ 1,294,426,758	\$ 711,622,000	\$ 132,266,000	55.0%	65.2%
April 29, 2014	1,274,585,908	691,439,171	125,798,368	54.2%	64.1%
October 29, 2014	1,254,745,058	673,726,731	119,830,542	53.7%	63.2%