

CONTINENTAL AIRLINES INC /DE/

Form FWP

March 27, 2007

Issuer Free Writing Prospectus
Filed pursuant to Rule 433(d)
Registration No. 333-133187
March 27, 2007

Continental Airlines, Inc. (Continental)
(NYSE Symbol: CAL)

Continental is increasing the size of the 2007-1 EETC transaction in order to finance more aircraft. This free writing prospectus sets forth the corresponding material changes to Continental's Preliminary Prospectus Supplement dated March 27, 2007 (the Supplement), relating to the Certificates referred to below, and should be read together with the Supplement and the accompanying Prospectus dated April 10, 2006. The information herein supersedes any inconsistent information set forth in the Supplement.

Aircraft to be Financed: 30 total Aircraft, consisting of 12 Boeing 737-824 and 18 Boeing 737-924ER aircraft, to be selected by Continental from the 39 aircraft described in the Supplement.

Aggregate Appraised Aircraft Value (1): \$1,568,874,300

Aggregate Face Amount: \$1,146,810,000

Initial Amount of Deposits: \$1,146,810,000

Securities:

| | Class A Pass Through Certificates, Series 2007-1 (Class A Certificates) | Class B Pass Through Certificates, Series 2007-1 (Class B Certificates) | Class C Pass Through Certificates, Series 2007-1 (Class C Certificates and, together with the Class A Certificates and the Class B Certificates, the Certificates) |
|--|--|---|---|
| Face Amount: | \$756,762,000 | \$221,850,000 | \$168,198,000 |
| Initial LTV (cumulative) (1): | 48.2% | 62.4% | 73.1% |
| Highest LTV (cumulative) (2): | 48.9% | 63.3% | 73.9% |

(1) Determined as of April 19, 2009, the first Regular Distribution Date after all aircraft expected to be financed pursuant to the offering are scheduled to have been

delivered.

- (2) See Loan to Value Ratios below.
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Equipment Notes and the Aircraft

The 30 Boeing aircraft to be financed pursuant to this offering will consist of 12 Boeing 737-824 aircraft and 18 Boeing 737-924ER aircraft. Such Boeing 737-824 and 737-924ER aircraft will be selected by Continental from among 15 Boeing 737-824 aircraft and 24 Boeing 737-924ER aircraft, respectively, which are scheduled for delivery from January 2008 to March 2009. See Description of the Aircraft and the Appraisals The Appraisals in the Supplement for a description of the 39 aircraft from which Continental may select the 30 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 purposes of the chart below that the first 12 Boeing 737-824 aircraft of the 15 Boeing 737-824 aircraft and the first 18 Boeing 737-924ER aircraft of the 24 Boeing 737-924ER aircraft from which Continental may choose are financed hereunder):

| Aircraft Type | Expected Registration Number | Expected Manufacturer's Serial Number | Scheduled Delivery Month | Principal Amount of Equipment Notes | Appraised Base Value (1) |
|------------------|------------------------------------|--|-----------------------------|---|-----------------------------|
| Boeing 737-824 | N87507 | 31637 | January 2008 | \$35,296,000 | \$48,900,000 |
| Boeing 737-824 | N76508 | 31638 | February 2008 | 35,296,000 | 49,000,000 |
| Boeing 737-824 | N78509 | 31639 | February 2008 | 35,296,000 | 49,000,000 |
| Boeing 737-824 | N77510 | 32828 | April 2008 | 35,296,000 | 49,200,000 |
| Boeing 737-824 | N78511 | 33458 | May 2008 | 35,296,000 | 49,300,000 |
| Boeing 737-824 | N87512 | 33459 | May 2008 | 35,296,000 | 49,300,000 |
| Boeing 737-824 | N87513 | 31621 | June 2008 | 35,296,000 | 49,400,000 |
| Boeing 737-824 | N76514 | 31626 | July 2008 | 35,296,000 | 49,500,000 |
| Boeing 737-824 | N76515 | 37096 | August 2008 | 35,296,000 | 49,600,000 |
| Boeing 737-824 | N76516 | 31623 | August 2008 | 35,296,000 | 49,600,000 |
| Boeing 737-824 | N76517 | 31628 | September 2008 | 35,296,000 | 49,700,000 |
| Boeing 737-824 | N77518 | 31605 | November 2008 | 35,296,000 | 49,900,000 |
| Boeing 737-924ER | N37413 | 31664 | January 2008 | 40,181,000 | 55,810,000 |
| Boeing 737-924ER | N47414 | 32827 | January 2008 | 40,181,000 | 55,810,000 |
| Boeing 737-924ER | N39415 | 32826 | February 2008 | 40,181,000 | 55,909,000 |
| Boeing 737-924ER | N39416 | 37093 | February 2008 | 40,181,000 | 55,909,000 |
| Boeing 737-924ER | N38417 | 31665 | March 2008 | 40,181,000 | 56,000,000 |
| Boeing 737-924ER | N39418 | 31666 | March 2008 | 40,181,000 | 56,000,000 |
| Boeing 737-924ER | N37419 | 33456 | March 2008 | 40,181,000 | 56,000,000 |
| Boeing 737-924ER | N37420 | 33457 | April 2008 | 40,181,000 | 56,092,000 |
| Boeing 737-924ER | N27421 | 37094 | April 2008 | 40,181,000 | 56,092,000 |
| Boeing 737-924ER | N37422 | 31620 | May 2008 | 40,181,000 | 56,184,000 |
| Boeing 737-924ER | N39423 | 32829 | June 2008 | 40,181,000 | 56,273,000 |
| Boeing 737-924ER | N38424 | 33460 | June 2008 | 40,181,000 | 56,273,000 |
| Boeing 737-924ER | N75425 | 37095 | June 2008 | 40,181,000 | 56,273,000 |
| Boeing 737-924ER | N75426 | 31622 | July 2008 | 40,181,000 | 56,365,000 |
| Boeing 737-924ER | N37427 | 37097 | September 2008 | 40,181,000 | 56,550,000 |
| Boeing 737-924ER | N75428 | 30130 | October 2008 | 40,181,000 | 56,642,000 |
| Boeing 737-924ER | N75429 | 31633 | December 2008 | 40,181,000 | 56,825,000 |

| | | | | | |
|------------------|--------|-------|---------------|------------|------------|
| Boeing 737-924ER | N77430 | 37098 | December 2008 | 40,181,000 | 56,825,000 |
|------------------|--------|-------|---------------|------------|------------|

- (1) The appraised base 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, projected as of the scheduled delivery month of each 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 in the Supplement. The appraised value of each of the other Boeing 737-824 and 737-924ER aircraft that Continental may

choose to
finance pursuant
to this offering
is equal to or
higher than the
appraised value
of each of the
Aircraft of the
same model
listed above.
See Description
of the Aircraft
and the
Appraisals The
Appraisals in
the Supplement.

Loan to Aircraft Value Ratios

The following table sets forth loan to Aircraft value ratios (LTVs) for each Class of Certificates as of April 19, 2009 (the first Regular Distribution Date that occurs after all Aircraft assumed to be financed in this Offering are scheduled to have been delivered) and each Regular Distribution Date thereafter. The LTVs for any Class of Certificates for the period prior to April 19, 2009 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 Appraisals and Realizable Value of Aircraft in the Supplement.

| Regular Distribution Date | Assumed Aggregate Aircraft Value(1) | Outstanding Balance (2) | | | LTV(3) | | |
|------------------------------|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | Class A Certificates | Class B Certificates | Class C Certificates | Class A Certificates | Class B Certificates | Class C Certificates |
| April 19, 2009 | \$1,568,874,300 | \$756,762,000 | \$221,850,000 | \$168,198,000 | 48.2% | 62.4% | 73.1% |
| October 19, 2009 | 1,551,289,440 | 756,762,000 | 221,850,000 | 168,198,000 | 48.8 | 63.1 | 73.9 |
| April 19, 2010 | 1,520,747,340 | 743,360,009 | 219,920,115 | 148,867,500 | 48.9 | 63.3 | 73.1 |
| October 19, 2010 | 1,503,162,480 | 729,988,736 | 217,919,896 | 129,737,849 | 48.6 | 63.1 | 71.7 |
| April 19, 2011 | 1,472,620,380 | 716,666,409 | 215,870,732 | 110,793,416 | 48.7 | 63.3 | 70.8 |
| October 19, 2011 | 1,455,035,520 | 703,393,027 | 213,772,623 | 92,010,996 | 48.3 | 63.0 | 69.4 |
| April 19, 2012 | 1,424,493,420 | 690,168,590 | 211,625,569 | 73,372,415 | 48.5 | 63.3 | 68.5 |
| October 19, 2012 | 1,406,908,560 | 676,993,099 | 209,429,569 | 54,863,067 | 48.1 | 63.0 | 66.9 |
| April 19, 2013 | 1,376,366,460 | 663,866,552 | 207,184,625 | 36,470,967 | 48.2 | 63.3 | 65.9 |
| October 19, 2013 | 1,358,781,600 | 650,788,951 | 204,890,735 | 18,186,105 | 47.9 | 63.0 | 64.3 |
| April 19, 2014 | 1,328,239,500 | 637,760,295 | 202,547,899 | 0 | 48.0 | 63.3 | N/A |
| October 19, 2014 | 1,310,654,640 | 624,780,585 | 200,156,119 | 0 | 47.7 | 62.9 | N/A |
| April 19, 2015 | 1,280,112,540 | 611,849,820 | 197,715,393 | 0 | 47.8 | 63.2 | N/A |
| October 19, 2015 | 1,262,527,680 | 598,131,283 | 162,055,583 | 0 | 47.4 | 60.2 | N/A |
| April 19, 2016 | 1,231,985,580 | 584,494,081 | 133,176,207 | 0 | 47.4 | 58.3 | N/A |
| October 19, 2016 | 1,214,400,720 | 570,938,213 | 109,511,844 | 0 | 47.0 | 56.0 | N/A |
| April 19, 2017 | 1,183,858,620 | 557,463,679 | 89,915,632 | 0 | 47.1 | 54.7 | N/A |
| October 19, 2017 | 1,166,273,760 | 544,070,480 | 73,533,539 | 0 | 46.7 | 53.0 | N/A |
| April 19, 2018 | 1,135,731,660 | 530,758,614 | 59,720,179 | 0 | 46.7 | 52.0 | N/A |
| October 19, 2018 | 1,118,146,800 | 517,528,083 | 47,981,302 | 0 | 46.3 | 50.6 | N/A |
| April 19, 2019 | 1,087,604,700 | 504,378,887 | 37,933,787 | 0 | 46.4 | 49.9 | N/A |
| October 19, 2019 | 1,070,019,840 | 489,783,518 | 29,277,349 | 0 | 45.8 | 48.5 | N/A |
| April 19, 2020 | 1,039,477,740 | 459,459,463 | 21,774,225 | 0 | 44.2 | 46.3 | N/A |
| October 19, 2020 | 1,021,892,880 | 392,590,109 | 15,234,387 | 0 | 38.4 | 39.9 | N/A |
| April 19, 2021 | 991,350,780 | 271,590,366 | 9,504,638 | 0 | 27.4 | 28.4 | N/A |
| October 19, 2021 | 973,765,920 | 113,669,889 | 4,460,485 | 0 | 11.7 | 12.1 | N/A |
| April 19, 2022 | 943,223,820 | 0 | 0 | 0 | N/A | N/A | N/A |

(1) We have assumed that the initial appraised value of each Aircraft, determined as

described under

Equipment
Notes and the
Aircraft above,
declines by
approximately
3% per year
after the
delivery of such
Aircraft. Other
rates or methods
of depreciation
may result in
materially
different LTVs.
We cannot
assure you that
the depreciation
rate and method
used for
purposes of the
table will occur
or predict the
actual future
value of any
Aircraft. See
Risk
Factors Risk
Factors Relating
to the
Certificates and
the Offering The
Appraisals Are
Only Estimates
of Aircraft
Value in the
Supplement.

- (2) In calculating
the outstanding
balances of each
Class of
Certificates, we
have assumed
that the Trusts
will acquire the
Equipment
Notes for all
Aircraft.
Outstanding
balances as of

each
Distribution
Date are shown
after giving
effect to
distributions
expected to be
made on such
distribution
date.

- (3) The LTVs for each Class of Certificates were obtained for each Regular Distribution Date by dividing (i) the expected outstanding balance of such Class together with the expected outstanding balance of each other Class senior in right of payment to such Class after giving effect to the distributions expected to be made on such date, by (ii) the assumed value of all of the Aircraft on such date based on the assumptions described above. For the purposes of these calculations it has been assumed that the first 12 Boeing 737-824 aircraft of the 15 Boeing

737-824 aircraft
and the first 18
Boeing
737-924ER
aircraft of the 24
Boeing
737-924ER
aircraft from
which
Continental may
choose are
financed
hereunder. The
outstanding
balances and
LTVs of each
Class of
Certificates will
change if the
Trusts do not
acquire
Equipment
Notes with
respect to all the
Aircraft. The
LTVs will
change if the
Trusts acquire
Equipment
Notes with
respect to the
other aircraft
from which
Continental may
choose.

Assumed Amortization Schedule and resulting Pool Factors:

The following table sets forth the expected aggregate principal amortization schedule for the Equipment Notes held in each Trust (the Assumed Amortization Schedule) and resulting Pool Factors with respect to such Trust. The scheduled distribution of principal payments for any Trust would be affected if Equipment Notes with respect to any Aircraft are not acquired by such Trust, if any Equipment Notes held in such Trust are redeemed or purchased or if a default in payment on such Equipment Notes occurs. Accordingly, the aggregate principal amortization schedule applicable to a Trust and the resulting Pool Factors may differ from those set forth in the following table.

| Date | Class A | | Class B | | Class C | |
|------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|
| | Scheduled Principal Payments | Expected Pool Factor | Scheduled Principal Payments | Expected Pool Factor | Scheduled Principal Payments | Expected Pool Factor |
| Issuance Date | \$ 0.00 | 1.0000000 | \$ 0.00 | 1.0000000 | \$ 0.00 | 1.0000000 |
| October 19, 2007 | 0.00 | 1.0000000 | 0.00 | 1.0000000 | 0.00 | 1.0000000 |
| April 19, 2008 | 0.00 | 1.0000000 | 0.00 | 1.0000000 | 0.00 | 1.0000000 |
| October 19, 2008 | 0.00 | 1.0000000 | 0.00 | 1.0000000 | 0.00 | 1.0000000 |
| April 19, 2009 | 0.00 | 1.0000000 | 0.00 | 1.0000000 | 0.00 | 1.0000000 |
| October 19, 2009 | 0.00 | 1.0000000 | 0.00 | 1.0000000 | 0.00 | 1.0000000 |
| April 19, 2010 | 13,401,991.20 | 0.9822903 | 1,929,885.06 | 0.9913009 | 19,330,499.86 | 0.8850730 |
| October 19, 2010 | 13,371,272.52 | 0.9646213 | 2,000,218.62 | 0.9822849 | 19,129,651.62 | 0.7713400 |
| April 19, 2011 | 13,322,327.28 | 0.9470169 | 2,049,163.86 | 0.9730482 | 18,944,432.59 | 0.6587083 |
| October 19, 2011 | 13,273,382.04 | 0.9294772 | 2,098,109.10 | 0.9635908 | 18,782,420.28 | 0.5470398 |
| April 19, 2012 | 13,224,436.68 | 0.9120022 | 2,147,054.34 | 0.9539129 | 18,638,581.14 | 0.4362264 |
| October 19, 2012 | 13,175,491.56 | 0.8945918 | 2,195,999.58 | 0.9440143 | 18,509,347.26 | 0.3261814 |
| April 19, 2013 | 13,126,546.32 | 0.8772462 | 2,244,944.82 | 0.9338951 | 18,392,100.35 | 0.2168335 |
| October 19, 2013 | 13,077,601.08 | 0.8599652 | 2,293,890.06 | 0.9235553 | 18,284,862.24 | 0.1081232 |
| April 19, 2014 | 13,028,655.84 | 0.8427488 | 2,342,835.30 | 0.9129948 | 18,186,104.66 | 0.0000000 |
| October 19, 2014 | 12,979,710.60 | 0.8255972 | 2,391,780.54 | 0.9022137 | 0.00 | 0.0000000 |
| April 19, 2015 | 12,930,765.36 | 0.8085102 | 2,440,725.78 | 0.8912120 | 0.00 | 0.0000000 |
| October 19, 2015 | 13,718,536.50 | 0.7903823 | 35,659,809.66 | 0.7304737 | 0.00 | 0.0000000 |
| April 19, 2016 | 13,637,202.24 | 0.7723618 | 28,879,376.22 | 0.6002984 | 0.00 | 0.0000000 |
| October 19, 2016 | 13,555,867.98 | 0.7544488 | 23,664,362.88 | 0.4936301 | 0.00 | 0.0000000 |
| April 19, 2017 | 13,474,533.72 | 0.7366433 | 19,596,212.16 | 0.4052992 | 0.00 | 0.0000000 |
| October 19, 2017 | 13,393,199.46 | 0.7189453 | 16,382,093.22 | 0.3314561 | 0.00 | 0.0000000 |
| April 19, 2018 | 13,311,865.20 | 0.7013547 | 13,813,360.26 | 0.2691917 | 0.00 | 0.0000000 |
| October 19, 2018 | 13,230,530.94 | 0.6838717 | 11,738,876.94 | 0.2162781 | 0.00 | 0.0000000 |

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|---------------------|----------------|-----------|---------------|-----------|------|-----------|
| April 19, 2019 | 13,149,196.68 | 0.6664961 | 10,047,514.62 | 0.1709884 | 0.00 | 0.0000000 |
| October 19, 2019 | 14,595,369.06 | 0.6472094 | 8,656,437.54 | 0.1319691 | 0.00 | 0.0000000 |
| April 19, 2020 | 30,324,055.14 | 0.6071387 | 7,503,123.96 | 0.0981484 | 0.00 | 0.0000000 |
| October 19, 2020 | 66,869,353.62 | 0.5187762 | 6,539,838.78 | 0.0686698 | 0.00 | 0.0000000 |
| April 19, 2021 | 120,999,742.86 | 0.3588848 | 5,729,748.84 | 0.0428426 | 0.00 | 0.0000000 |
| October 19, 2021 | 157,920,477.48 | 0.1502056 | 5,044,153.02 | 0.0201059 | 0.00 | 0.0000000 |
| April 19, 2022 | 113,669,888.64 | 0.0000000 | 4,460,484.84 | 0.0000000 | 0.00 | 0.0000000 |

Additional Information

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Morgan Stanley toll-free 1-866-718-1649 (institutional investors)