
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

May 4, 2018
(Date of earliest event reported)

ALASKA AIR GROUP, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

1-8957
(Commission File Number)

91-1292054
(IRS Employer Identification No.)

19300 International Boulevard, Seattle, Washington
(Address of Principal Executive Offices)

98188
(Zip Code)

(206) 392-5040
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 7.01. Regulation FD Disclosure

Pursuant to 17 CFR Part 243 (Regulation FD), Alaska Air Group, Inc. (Air Group) is amending the Investor Update furnished in an 8-K dated May 4, 2018, which disclosed the prior year impacts for the new revenue recognition accounting standard and retirement benefits accounting standard, effective for the Company beginning January 1, 2018.

The Non-GAAP Adjusted Net Income and EPS Reconciliation for the three and twelve months ended December 31, 2017 have been updated to reflect corrections to the Special tax benefit associated with the Tax Cuts and Jobs Act resulting from implementation of the new revenue recognition accounting standards. This has been corrected in Exhibit 99.1 in this Form 8-K/A.

In accordance with General Instruction B.2 of Form 8-K, the information under this item Exhibit 99.1 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed an admission as to the materiality of any information required to be disclosed solely to satisfy the requirements of Regulation FD.

ITEM 9.01 Financial Statements and Other Exhibits

[Exhibit 99.1](#) Investor Update dated May 4, 2018 - Corrected

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALASKA AIR GROUP, INC.

Registrant

Date: May 15, 2018

/s/ Christopher M. Berry

Christopher M. Berry

Vice President Finance and Controller

Alaska Air Group

Investor Update - Impact of New Accounting Standards

References in this update to “Air Group,” “Company,” “we,” “us,” and “our” refer to Alaska Air Group, Inc. and its subsidiaries, unless otherwise specified.

For a complete discussion of the new accounting standards, and their impacts on our accounting policies, see our first quarter 2018 Form 10-Q filed on May 4, 2018.

On May 4, 2018 we furnished a Form 8-K which presented, among other information, the Consolidated Statements of Operations and Non-GAAP Adjusted Net Income and EPS as adjusted under the new accounting standards. The presentation of Income tax expense (benefit) in the Consolidated Statements of Operations was accurately presented. However, the reconciliation table between GAAP and Non-GAAP Adjusted Net Income and EPS for the three and twelve months ended December 31, 2017 did not appropriately reflect the impact that the Tax Cuts and Jobs Act had in relation to the changes in our loyalty related liabilities. In short, under the new accounting standards, we would have recorded a \$237M one-time tax benefit on an adjusted basis last year, instead of the \$280M benefit we recorded on an adjusted basis under the old standard. The tables presented below have been corrected to reflect this adjustment.

NON-GAAP ADJUSTED NET INCOME AND EPS RECONCILIATION *(unaudited)*

The following tables, presenting the corrected reconciliation from the company's GAAP net income and earnings per diluted share (diluted EPS), restated for the new accounting standards, to adjusted amounts:

<i>(in millions, except per share amounts)</i>	As Reported on May 4, 2018 on Form 8-K		As corrected	
	Three Months Ended December 31, 2017		Three Months Ended December 31, 2017	
	Dollars As Adjusted	Diluted EPS As Adjusted	Dollars As Adjusted	Diluted EPS As Adjusted
GAAP net income and diluted EPS	\$ 315	\$ 2.55	\$ 315	\$ 2.55
Mark-to-market fuel hedge adjustments	(14)	(0.11)	(14)	(0.11)
Special items—merger-related costs	30	0.24	30	0.24
Income tax effect	(6)	(0.06)	(6)	(0.05)
Special tax (benefit)/expense	(280)	(2.26)	(237)	(1.92)
Non-GAAP adjusted net income and diluted EPS	<u>\$ 45</u>	<u>\$ 0.36</u>	<u>\$ 88</u>	<u>\$ 0.71</u>

<i>(in millions, except per share amounts)</i>	As Reported on May 4, 2018 on Form 8-K		As corrected	
	Twelve Months Ended December 31, 2017		Twelve Months Ended December 31, 2017	
	Dollars As Adjusted	Diluted EPS As Adjusted	Dollars As Adjusted	Diluted EPS As Adjusted
GAAP net income and diluted EPS	\$ 960	\$ 7.75	\$ 960	\$ 7.75
Mark-to-market fuel hedge adjustments	(7)	(0.06)	(7)	(0.06)
Special items—merger-related costs	116	0.94	116	0.94
Income tax effect	(41)	(0.33)	(41)	(0.33)
Special tax (benefit)/expense	(280)	(2.26)	(237)	(1.92)
Non-GAAP adjusted net income and diluted EPS	<u>\$ 748</u>	<u>\$ 6.04</u>	<u>\$ 791</u>	<u>\$ 6.38</u>