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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

**FORM 8-K**

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

**December 16, 2019**  
(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.)

<b>Title of each class</b>	<b>Name of each exchange on which registered</b>	<b>Ticker Symbol</b>
Common stock, \$0.01 par value	New York Stock Exchange	ALK

<b>19300 International Boulevard Seattle Washington</b> (Address of Principal Executive Offices)	<b>98188</b> (Zip Code)
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**(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.

This document is also available on our website at <http://investor.alaskaair.com>.

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**ITEM 7.01. Regulation FD Disclosure**

On December 16, 2019, Alaska Air Group, Inc. (Air Group) provided an investor update related to its financial and operational outlook. The investor update is furnished herein as Exhibit 99.1.

Also on December 16, 2019, Air Group issued a press release announcing its November 2019 operational results. The press release is furnished herein as Exhibit 99.2.

In accordance with General Instruction B.2 of Form 8-K, the information under this item Exhibit 99.1 and Exhibit 99.2 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 December 16, 2019

[Exhibit 99.2](#) November 2019 Traffic Press Release dated December 16, 2019

**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: December 16, 2019

/s/ CHRISTOPHER M. BERRY

Christopher M. Berry

Vice President Finance and Controller

# Alaska Air Group

## Investor Update - December 16, 2019

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

This update includes forecasted operational and financial information for our consolidated operations. Our disclosure of operating cost per available seat mile, excluding fuel and other items, provides us (and may provide investors) with the ability to measure and monitor our performance without these items. The most directly comparable GAAP measure is total operating expenses per available seat mile. However, due to the large fluctuations in fuel prices, we are unable to predict total operating expenses for any future period with any degree of certainty. In addition, we believe the disclosure of fuel expense on an economic basis is useful to investors in evaluating our ongoing operational performance. Please see the cautionary statement under “Forward-Looking Information.”

We are providing information about estimated fuel prices and our hedging program. Management believes it is useful to compare results between periods on an “economic basis.” *Economic fuel expense* is defined as the raw or “into-plane” fuel cost less any cash we receive from hedge counterparties for hedges that settle during the period, offset by the recognition of premiums originally paid for those hedges that settle during the period. Economic fuel expense more closely approximates the net cash outflow associated with purchasing fuel for our operation.

### Forward-Looking Information

This update contains forward-looking statements subject to the safe harbor protection provided by Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These statements relate to future events and involve known and unknown risks and uncertainties that may cause actual outcomes to be materially different from those indicated by any forward-looking statements. For a comprehensive discussion of potential risk factors, see Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2018, as well as in other documents filed by the Company with the SEC after the date thereof. Some of these risks include general economic conditions, increases in operating costs including fuel, competition, labor costs and relations, our indebtedness, inability to meet cost reduction goals, seasonal fluctuations in our financial results, an aircraft accident, changes in laws and regulations, and risks inherent in the achievement of anticipated synergies and the timing thereof in connection with the acquisition of Virgin America. All of the forward-looking statements are qualified in their entirety by reference to the risk factors discussed therein. We operate in a continually changing business environment, and new risk factors emerge from time to time. Management cannot predict such new risk factors, nor can it assess the impact, if any, of such new risk factors on our business or events described in any forward-looking statements. We expressly disclaim any obligation to publicly update or revise any forward-looking statements after the date of this report to conform them to actual results. Over time, our actual results, performance or achievements will likely differ from the anticipated results, performance or achievements that are expressed or implied by our forward-looking statements, and such differences might be significant and materially adverse.

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## AIR GROUP - CONSOLIDATED

### Operating and Financial Statistics

	November 2019	November 2018	% Change
Revenue passengers (in thousands)	3,704	3,676	0.8%
Traffic (RPMs in millions)	4,387	4,440	(1.2)%
Capacity (ASMs in millions)	5,403	5,281	2.3%
Load factor	81.2%	84.1%	(2.9) pts
Economic fuel cost per gallon	\$2.25	\$2.43	(7.4)%

### Forecast Information

	Forecast Full Year 2019	Full Year 2018	% Change	Prior Guidance October 24, 2019
Capacity (ASMs in millions)	66,680 - 66,730	65,335	~ 2.1%	66,680 - 66,730
Cost per ASM excluding fuel and special items (cents)	8.68¢ - 8.70¢	8.50¢	~ 2.2%	8.68¢ - 8.70¢
Fuel gallons (000,000)	862	839	~ 2.7%	865

	Forecast Q4 2019	Q4 2018	% Change	Prior Guidance October 24, 2019
Capacity (ASMs in millions)	16,670 - 16,720	16,079	~ 3.8%	16,670 - 16,720
Revenue per ASM (cents)	13.10¢ - 13.36¢	12.84¢	~ 2.0% - 4.0%	12.97¢ - 13.36¢
Cost per ASM excluding fuel and special items (cents)	8.95¢ - 9.00¢	8.95¢	~ 0.2%	8.97¢ - 9.02¢
Fuel gallons (000,000)	216	208	~ 3.8%	219
Economic fuel cost per gallon <sup>(a)</sup>	\$2.20	\$2.35	~ (6.4)%	\$2.16

(a) Our economic fuel cost per gallon estimate for the fourth quarter includes the following per-gallon assumptions: crude oil cost – \$1.35 (\$57 per barrel); refining margin – 63 cents; cost of settled hedges – 20 cents; with the remaining difference due to taxes and other into-plane costs.

### Nonoperating Expense

We expect that our consolidated nonoperating expense will be approximately \$11 million in the fourth quarter of 2019.

### Cash and Share Count

(in millions)	November 30, 2019	September 30, 2019
Cash and marketable securities	\$ 1,779	\$ 1,619
Common shares outstanding	123.077	123.278

### Share Repurchase

Through November 30, 2019, Air Group had repurchased a total of 1,088,187 shares of its common stock for approximately \$68 million.

# News

## Alaska Air Group

December 16, 2019

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**Investor contact:**

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Director, Investor Relations  
(206) 392-5908

### Alaska Air Group reports November 2019 operational results

SEATTLE — Alaska Air Group, Inc. (NYSE: ALK) today reported November operational results on a consolidated basis, for its mainline operations operated by subsidiary Alaska Airlines, Inc. (Alaska) and for its regional flying operated by subsidiary Horizon Air Industries, Inc. (Horizon) and third-party regional carriers.

#### AIR GROUP

On a combined basis for all operations, Air Group reported a 1.2 percent decrease in traffic on a 2.3 percent increase in capacity compared to November 2018. Load factor decreased 2.9 pts to 81.2 percent.

The following table shows the operational results for November and year-to-date compared to the prior-year periods:

	November			Year-to-Date		
	2019	2018	Change	2019	2018	Change
Revenue passengers (000)	<b>3,704</b>	3,676	0.8%	<b>42,637</b>	42,105	1.3%
Revenue passenger miles RPM (000,000) "traffic"	<b>4,387</b>	4,440	(1.2)%	<b>51,126</b>	50,184	1.9%
Available seat miles ASM (000,000) "capacity"	<b>5,403</b>	5,281	2.3%	<b>60,936</b>	59,874	1.8%
Passenger load factor	<b>81.2%</b>	84.1%	(2.9) pts	<b>83.9%</b>	83.8%	0.1 pts

## MAINLINE

Mainline reported a 1.7 percent decrease in traffic on a 1.9 percent increase in capacity compared to November 2018. Load factor decreased 2.9 pts to 81.5 percent. Mainline also reported 83.5 percent of its flights arrived on time in November 2019, compared to 80.8 percent reported in November 2018.

The following table shows mainline operational results for November and year-to-date compared to the prior-year periods:

	November			Year-to-Date		
	2019	2018	Change	2019	2018	Change
Revenue passengers (000)	<b>2,790</b>	2,813	(0.8)%	<b>32,459</b>	32,808	(1.1)%
RPMs (000,000)	<b>3,943</b>	4,011	(1.7)%	<b>45,998</b>	45,745	0.6%
ASMs (000,000)	<b>4,841</b>	4,752	1.9%	<b>54,588</b>	54,302	0.5%
Passenger load factor	<b>81.5%</b>	84.4%	(2.9) pts	<b>84.3%</b>	84.2%	0.1 pts
On-time arrivals as reported to U.S. DOT	<b>83.5%</b>	80.8%	2.7 pts	<b>80.9%</b>	82.7%	(1.8) pts

## REGIONAL

Regional traffic increased 3.5 percent on a 6.2 percent increase in capacity compared to November 2018. Load factor decreased 2.1 points to 79.0 percent. Alaska's regional partners also reported 84.0 percent of flights arrived on time in November 2019, compared to 78.6 percent in November 2018.

The following table shows regional operational results for November and year-to-date compared to the prior-year periods:

	November			Year-to-Date		
	2019	2018	Change	2019	2018	Change
Revenue passengers (000)	<b>914</b>	863	5.9%	<b>10,178</b>	9,297	9.5%
RPMs (000,000)	<b>444</b>	429	3.5%	<b>5,128</b>	4,439	15.5%
ASMs (000,000)	<b>562</b>	529	6.2%	<b>6,348</b>	5,572	13.9%
Passenger load factor	<b>79.0%</b>	81.1%	(2.1) pts	<b>80.8%</b>	79.7%	1.1 pts
On-time arrivals as reported to U.S. DOT	<b>84.0%</b>	78.6%	5.4 pts	<b>83.9%</b>	83.4%	0.5 pts

Alaska Airlines and its regional partners fly 46 million guests a year to more than 115 destinations with an average of 1,300 daily flights across the United States and to Mexico, Canada and Costa Rica. With Alaska and [Alaska Global Partners](#), guests can earn and redeem miles on flights to more than 800 destinations worldwide. Alaska Airlines ranked "Highest in Customer Satisfaction Among Traditional Carriers in North America" in the J.D. Power North America Airline Satisfaction Study for 12 consecutive years from 2008 to 2019. Learn about Alaska's award-winning service at [newsroom.alaskaair.com](https://newsroom.alaskaair.com) and [blog.alaskaair.com](https://blog.alaskaair.com). Alaska Airlines and Horizon Air are subsidiaries of Alaska Air Group (NYSE: ALK).

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