

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL

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☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*			2. Issuer Name and Ticker or Trading Symbol			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
SPRAGUE JOSEPH A			ALASKA AIR GROUP, INC. [ALK]			Director 10% Owner		
(Last) (First) (Middle)			3. Date of Earliest Transaction (Month/Day/Year)			X Officer (give title below) Other (specify below)		
19300 INTERNATIONAL BLVD			02/24/2016			SR VP/COMM & EXT RELATIONS		
(Street)			4. If Amendment, Date of Original Filed (Month/Day/Year)			6. Individual or Joint/Group Filing (Check Applicable Line)		
SEATTLE WA 98188						X Form filed by One Reporting Person		
(City) (State) (Zip)						Form filed by More than One Reporting Person		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
COMMON STOCK 401(K) ⁽¹⁾								7,049	I	ESOP TRUST
RESTRICTED STOCK UNIT ⁽²⁾								6,620	D	
COMMON STOCK	02/24/2016		J ⁽³⁾		2,026	A	\$0	32,151	D	
COMMON STOCK	02/24/2016		F ⁽⁴⁾		850	D	\$73.6	31,301	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date					
						(A) (D)			Amount or Number of Shares				

Explanation of Responses:

- COMMON SHARES HELD IN THE ALASKA AIR GROUP INC. EMPLOYEE STOCK OWNERSHIP 401(K) PLAN TRUST, AS OF 12/31/15.
- STOCK UNITS AWARDED UNDER ALASKA AIR GROUP'S 2008 PERFORMANCE INCENTIVE PLAN; SUBJECT TO FORFEITURE.
- ALK COMMON SHARES ISSUED UPON ATTAINING PERFORMANCE GOALS SET FOR A THREE-YEAR PERIOD ENDING 12/31/2015, IN ACCORDANCE WITH THE TERMS OF PERFORMANCE STOCK UNITS GRANTED ON 02/11/2013 UNDER THE ISSUER'S 2008 PERFORMANCE INCENTIVE PLAN. UPON SUBSEQUENT REVIEW OF THE PERFORMANCE RESULTS, THE COMPENSATION COMMITTEE DETERMINED THAT A GREATER NUMBER OF UNITS HAD VESTED UNDER THE TERMS OF THE AWARD THAN ORIGINALLY DETERMINED ON 02/20/2016. THIS REPORT REFLECTS THE ADDITIONAL VESTED UNITS AS APPROVED BY THE COMMITTEE ON 02/24/2016.
- COMMON SHARES FORFEITED TO COVER PAYROLL TAXES UPON VESTING OF PERFORMANCE STOCK UNITS ON 02/24/2016. AMOUNT PROVIDED IN COLUMN 4 REPRESENTS THE FMV OF THE SHARES ON THE DATE OF FORFEITURE.

/S/ JEANNE E GAMMON,
ATTORNEY-IN-FACT FOR 02/26/2016
JOSEPH A. SPRAGUE

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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