

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 Transactions(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 | 11/29/02 | | M(1) | V | 561.21 | A | 17.99 |
| | | | | | 661.21 | | |
| Common Stock | | | | | | | ESOP TRUST |

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

[illegible]

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

[illegible]

Explanation of Responses:

(1) Purchase of common stock under the Alaska Air Group, Inc. Employee Stock Purchase Plan.

/s/ Shannon K. Alberts, Attorney in fact for
John F. Kelly

12/2/02

**Signature of Reporting Person

Date _____

** 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.