

**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

**May 15, 2003**  
(Date of Report)

**ALASKA AIR GROUP, INC.**

(Exact name of registrant as specified in its charter)  
Commission file number 1-8957

**Delaware**  
(State or other jurisdiction of incorporation or organization)

**91-1292054**  
(I.R.S. Employer Identification No.)

**19300 Pacific Highway South, Seattle, Washington 98188**  
(Address of principal executive offices)

**(206) 431-7040**  
(Registrant's telephone number)

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## **ITEM 9. Regulation FD Disclosure**

In accordance with General Instruction B.2 of Form 8-K, the following information 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.

### **FORWARD-LOOKING INFORMATION**

This report may contain forward-looking statements that are based on the best information currently available to management. These forward-looking statements are intended to be subject to the safe harbor protection provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are indicated by phrases such as "will," "should," "the Company believes," "we expect" or any other language indicating a prediction of future events. There can be no assurance that actual developments will be those anticipated by the Company. Actual results could differ materially from those projected as a result of a number of factors, some of which the Company cannot predict or control. For a discussion of these factors, please see Item 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2002. The Company expressly disclaims any duty to update these projections, and makes no representation as to their continued accuracy in the event it does not provide such updates.

## Second Quarter 2003

	Forecast Q2	Change Yr/Yr
<b>Alaska Airlines</b>		
Capacity (ASMs in millions)	5,192	5.3%
Fuel gallons (000,000)	85.8	4.3%
Cost per ASM excluding fuel (cents)	8.4	0.0%

Alaska Airlines' April traffic increased 4.0% to 1.123 billion revenue passenger miles (RPMs) from 1.080 billion flown a year earlier. Capacity during April was 1.636 billion available seat miles (ASMs), 3.2% higher than the 1.586 billion in April 2002.

The passenger load factor (the percentage of available seats occupied by fare paying passengers) for the month was 68.6%, compared to 68.1% in April 2002. The airline carried 1,159,800 passengers compared to 1,150,000 in April 2002.

For April 2003, revenue per available seat mile (RASM) increased by 2.1% as compared to April 2002. This increase in RASM is due principally to an increase in load factor.

<b>Horizon Air</b>		
Capacity (ASMs in millions)	633	4.3%
Fuel gallons (000,000)	13.4	(2.2)%
Cost per ASM excluding fuel (cents)	16.0	0.6%

Horizon Air's April traffic increased 8.0% to 120.0 million RPMs from 111.1 million flown a year earlier. Capacity for April was 204.2 million ASMs, 6.4% higher than the 191.9 million in April 2002.

The passenger load factor for the month was 58.7%, compared to 57.9% last April. The airline carried 361,500 passengers compared to 365,800 in April 2002.

For April 2003, RASM increased by 0.4% as compared to April 2002. This increase in RASM is due to slight increases in yield and load factor.

### Capacity Estimates for 2003

Provided below are capacity (ASMs in millions) for the full year of 2003:

Alaska Airlines capacity	20,704	6.9%
Horizon Air capacity	2,581	6.3%

**Other Financial Information***Cash and Short-Term Investments*

Cash and short-term investments amounted to approximately \$648 million on April 30, 2003 as compared to \$615 million at March 31, 2003. The increase of \$33 million is principally due to cash generated from operations.

*Fuel Cost per Gallon (including realized hedging gains)*

	Cost per Gallon	% Change from Prior Year
<b>Alaska:</b>		
April	88.5 cents	11.7%
<b>Horizon:</b>		
April	91.8 cents	11.3%

Current fuel hedge positions for Alaska and Horizon are as follows:

	Approximate % of Expected Fuel Requirements	Approximate Crude Oil Price per Barrel
April – December 2003	35%	\$ 22

**Operating Fleet Plan**

Provided below are estimated changes in the Alaska and Horizon fleets for 2003:

	Seats	On Hand YE 2002	Estimated Change During 2003
<b>Alaska Airlines</b>			
B737-200C	111	9	
B737-400	138	40	
B737-700	120	16	6
B737-900	172	6	5
MD-80	140	31	(4)
Total		102	7
<b>Horizon Air</b>			
Dash 8-100/200	37	28	
Dash 8-400	70	15	
F-28	69	4	(4)
CRJ 700	70	16	2
Total		63	(2)

**Signature**

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.

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Registrant

Date: May 15, 2003

/s/ Terri K. Maupin

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Terri K. Maupin  
Staff Vice President/Finance and Controller

/s/ Bradley D. Tilden

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Bradley D. Tilden  
Executive Vice President/Finance and Chief Financial Officer