## FORM 4

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

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB Number: 3235-0287 Expires: January 31, 2005 Estimated average burden hours per response. . .0.5

OMB APPROVAL

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

Filed By Romeo and Dye's Section 16 Filer www.section16.net

1. Name and Addres	s of Repor	ting Person*	2. Iss	uer	Name and Ticker or Tr	ading Syn	nbol	6. Relationship of Reporting Person(s)					
				ka A	Air Group, Inc.			to Issuer (Check all applicable)					
Ayer, William S								X Director 10% Owner					
(Last) (First) (Middle)				.S.	Identification Number	4. Stat	ement for	<u>X</u> Officer (give title below) Other (specify below)					
			of Re	of Reporting Person,			/Day/Year						
19300 Pacific Highway South				if an entity (voluntary)			ary 2003	President and CEO Alaska Airlines					
(Street)						5 If A	mendment,	7 Individual or Jaint/Group Fi	ling (Choole A)	mliachla Lina)			
(Street)							f Original	7. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person					
Seattle, WA 98188							h/Day/Year)	Form filed by More than One Reporting Person					
Statut, WA 90100							li Duy I cui)						
(City) (State) (Zip)				Table I — Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned									
1. Title of Security	2. Trans-	2A. Deemed	3. Trans-	-	4. Securities Acquired	(A) or Dis	posed of (D)	5. Amount of	6. Owner-	7. Nature of Indirect			
(Instr. 3)	action	Execution	action Co	ode	(Instr. 3, 4 & 5)			Securities		Beneficial Ownership			
	Date	Date,	(Instr. 8)						Direct (D)	(Instr. 4)			
	Month/ Day/		Code	V	Amount	(A)	Price	Owned Follow-	or Indirect (I)				
1	Year)	(Month/Day/ Year)				or		ing Reported Transactions(s)	(Instr. 4)				
		(ear)				(D)		(Instr. 3 & 4)	ļ				
Common Stock								2488	I	ESOP Trust			
Common Stock								3600	D				

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).

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## FORM 4 (continued) Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2. Conver-	3.	3A.	4	4	5. Number of Derivat	-	6. Date		7 Title an	d Amount	8. Price of	9. Number of	10	11. Nature
Derivative	sion or	-	L .	Trans-	- E	Securities Acquired (	Exercisa	bla						of Indirect	
	1	Trans-							, , ,						
Security	Exercise		Execution		μ	Disposed of (D)	and Exp	iration					L 1	Beneficial	
	Price of	Date	Date,	Code				Date		(Instr. 3 &	: 4)	(Instr. 5)	Beneficially	Form	Ownership
(Instr. 3)	Derivative		ifany		(	Instr. 3, 4 & 5)	(Month/Day/			Owned	of	(Instr. 4)			
Î (	Security	(Month/	(Month/	(Instr.	ľ			Year)		1			Following	Deriv-	Ì Í
	[		Day/	8)									6	ative	
	1	Year)	Year)	Code	7	(A)	(D)	Date	Expira-	Title	Amount or	1	Transaction(s)		
	1			Coue	۲I	(A)	(D)								
	1							Exer-	tion		Number of		(Instr. 4)	Direct	
	1							cisable	Date	1	Shares			(D)	
	1									1				or	
	1									1				Indirect	
	1													(I)	
	1													(Instr. 4)	
Emp Stock	\$18.76	2/11/03		A <sup>(1)</sup>	v	55,000		2/11/04	2/11/13	Common	55,000	\$18.76	55,000	× /	
1 <b>^</b>	\$10.70	2,11/03			'	55,000		<sup>2,11/04</sup>	2,11/13		33,000	\$10.70	35,000		
Opt (Rt to										Stock					
Buy)															

Explanation of Responses:

(1) Grant of employee stock option to buy shares of common stock under the Alaska Air Group 1999 Long Term Incentive Equity Plan in transaction exempt under Rule 16b(3). The option becomes exercisable in four annual installments of 25 percent each, beginning on the first anniversary of the grant.

By: /s/ Shannon Alberts for William Ayer, Attorney in Fact

<u>2/12/03</u> Date

\*\*Signature of Reporting Person

\*\*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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