

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

September 18, 2024
(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.)

19300 International Boulevard
(Address of Principal Executive Offices)

Seattle

Washington

98188
(Zip Code)

(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))

Securities registered pursuant to Section 12(b) of the Act:

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

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>.

ITEM 1.01 Entry into a Material Definitive Agreement

The information contained in Item 2.03 concerning the direct financial obligations of Alaska Air Group, Inc., a Delaware corporation (“Alaska”) under the Guarantee (as defined below) is incorporated herein by reference.

ITEM 2.01. Completion of Acquisition or Disposition of Assets

As previously disclosed, on December 2, 2023, Alaska entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Hawaiian Holdings, Inc., a Delaware corporation (“Hawaiian”), and Marlin Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of Alaska (“Merger Sub”).

On September 18, 2024, pursuant to the Merger Agreement, Merger Sub merged with and into Hawaiian (the “Merger”), with Hawaiian surviving as a wholly owned subsidiary of Alaska.

Pursuant to the terms of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each share of Hawaiian’s Common Stock, par value \$0.01 per share (the “Common Stock”), Hawaiian’s Series B Special Preferred Stock, par value \$0.01 per share (the “Series B Preferred Stock”), Hawaiian’s Series C Special Preferred Stock, par value \$0.01 per share (the “Series C Preferred Stock”), and Hawaiian’s Series D Special Preferred Stock, par value \$0.01 per share (the “Series D Preferred Stock” and, collectively with the Series B Preferred Stock and the Series C Preferred Stock, the “Preferred Stock”) issued and outstanding immediately prior to the Effective Time, subject to certain customary exceptions specified in the Merger Agreement, was converted into the right to receive \$18.00 per Share, payable to the holder in cash, without interest (the “Merger Consideration”). The Common Stock and the Preferred Stock are referred to collectively as the “Shares”.

Immediately prior to the Effective Time: (i) each outstanding restricted stock unit award granted pursuant to the Hawaiian 2015 Stock Incentive Plan (each, a “RSU”): (A) that was unvested as of immediately prior to the Effective Time, was cancelled and converted into the right to receive an amount in cash equal to the Merger Consideration with respect to each share of Common Stock subject to such RSU (treating for this purpose any performance-based vesting condition as having been achieved on the terms specified in the award agreement for such award and if not expressly specified in the award agreement for such award, then based on target performance); and (B) that was vested (but not settled) as of immediately prior to the Effective Time, was cancelled and converted into the right to receive an amount in cash equal to the Merger Consideration with respect to each share of Common Stock subject to such RSU; and (ii) certain long-term incentive awards granted to certain of Hawaiian’s officers in 2022 that were outstanding immediately prior to the Effective Time were settled in cash at the same time as the RSUs (with performance-based awards treated in the same manner as performance-based RSUs).

In connection with the Merger, the vested portion of all outstanding warrants to purchase Common Stock was exercised or terminated in exchange for a cash payment equal to the excess of the Merger Consideration over the exercise price of the vested portion of the applicable warrants.

The aggregate consideration paid to stockholders and other equity holders of Hawaiian by Alaska was approximately \$1.0 billion, without giving effect to related transaction fees and expenses. Alaska funded the Merger with cash on hand.

The description of the Merger contained in this Item 2.01 does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which is included as Exhibit 2.1 to this Current Report on Form 8-K and incorporated herein by reference.

ITEM 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

In connection with the Merger, Alaska issued a guarantee whereby it fully and unconditionally guaranteed (the “Guarantee”) the payment obligations of Hawaiian Airlines, Inc., a Delaware corporation and a wholly owned subsidiary of Hawaiian (“Hawaiian Airlines”), under the indentures, participation agreements and equipment notes related to Hawaiian Airlines’s financing of certain aircraft under the Note Purchase Agreement, dated May 29, 2013 among Hawaiian Airlines, Inc., Wilmington Trust, National Association, as trustee, Wilmington Trust, National Association, as subordination agent, Wells Fargo Bank Northwest, National Association, as escrow agent, and Wilmington Trust, National Association, as paying agent.

The description of the Guarantee contained in this Item 2.03 does not purport to be complete and is qualified in its entirety by reference to the Guarantee, which will be filed with the Securities and Exchange Commission and incorporated herein by reference.

ITEM 7.01. Regulation FD Disclosure

On September 18, 2024, Alaska issued a press release announcing the closing of the Merger. The press release is attached hereto as Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information under this item and Exhibit 99.1 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, 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 Exhibits

(a) Financial Statements of Businesses Acquired

The financial statements of Hawaiian required by this Item are not included in this Current Report on Form 8-K. Such financial statements will be filed no later than 71 calendar days after the date that this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information

Pro forma financial information relative to the acquired business is not included in this Current Report on Form 8-K. Such pro forma financial information will be filed no later than 71 calendar days after the date that this Current Report on Form 8-K is required to be filed.

(d) Exhibits

[Exhibit 2.1](#) Agreement and Plan of Merger, dated as of December 2, 2023, by and among Alaska Air Group, Inc., Marlin Acquisition Corp. and Hawaiian Holdings, Inc. (incorporated by reference to Exhibit 2.1 to Alaska's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 4, 2023).

[Exhibit 99.1](#) Press Release, issued by Alaska Air Group, Inc., dated September 18, 2024.
104 Cover Page Interactive Data File - embedded within the Inline XBRL Document

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.
Registrant

Date: September 18, 2024

/s/ Kyle B. Levine

Kyle B. Levine

Senior Vice President, Legal, General Counsel and Corporate Secretary

A dark blue banner with a light blue and green wave graphic on the right side. The word "News" is written in white, bold, sans-serif font on the left. The Alaska Airlines logo, featuring the word "Alaska" in a white script font and "AIRLINES" in a white, all-caps, sans-serif font below it, is positioned on the right side of the banner.

News

The Alaska Airlines logo, consisting of the word "Alaska" in a white script font and "AIRLINES" in a white, all-caps, sans-serif font below it, set against a dark blue background with a light blue and green wave graphic on the right side.

Alaska
AIRLINES

Sept. 18, 2024

Contact:

Media Relations

(206) 304-0008

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Alaska Airlines completes acquisition of Hawaiian Airlines, expanding benefits and choice for travelers

- *Enables guests to reach 141 destinations directly, including 29 international markets, and over 1,200 destinations globally through the **oneworld** Alliance and global partners*
- *Maintains the distinct brands of Alaska Airlines and Hawaiian Airlines*
- *Establishes Honolulu as its second largest hub*
- *Beginning soon, provides HawaiianMiles members and Mileage Plan members with the ability to transfer miles between accounts free of charge*
- *Beginning soon, enables guests to purchase Hawaiian Airlines flights at alaskaair.com and Alaska Airlines flights on hawaiianairlines.com*

SEATTLE and HONOLULU – Alaska Air Group, Inc. (NYSE: ALK) today announced it has completed its acquisition of Hawaiian Holdings, Inc. (NASDAQ: HA), a combination that expands guests' access to domestic and international destinations, including through the **oneworld** Alliance and a vast network of global partners, and offers a remarkable guest experience through two strong brands with deep legacies serving local communities.

"This is a historic day for Alaska Airlines as we officially join with Hawaiian Airlines," said Ben Minicucci, CEO of Alaska Air Group. "Alaska and Hawaiian share tremendous pride in connecting communities with award-winning service, and we look forward to inviting more guests on board to experience what makes both brands unique. Among Alaska, Hawaiian and Horizon Air, we have more than 230 years of history flying guests and serving communities. I know we will build on that legacy and become stronger together – providing the excellent operation guests have come to expect, expanding options to seamlessly travel nearly anywhere in the world, and securing the financial stability and value that inspires investment."

Alaska Airlines and Hawaiian Airlines now begin the work to secure a single operating certificate with the Federal Aviation Administration (FAA), which will allow the two airlines to operate as a single carrier with an integrated passenger service system. In the interim, the airlines will continue to operate as separate carriers with no immediate changes to operations and will maintain separate websites, reservation systems and loyalty programs until later in the integration process. Guests can book and travel with confidence knowing their trips will occur as planned with the corresponding airline.

As of today, Alaska Air Group's airlines/subsidiary airlines:

- Fly nearly 1,500 daily flights to 141 destinations including 29 international markets in the Americas, Asia, Australia and the South Pacific. This expanded network feeds the more than 1,200 destinations available through the **oneworld** Alliance;
- Maintain hubs in Seattle, Honolulu, Los Angeles, San Francisco, Portland, San Diego and Anchorage, with Honolulu becoming the second largest behind Seattle;
- Operate a fleet of 350 aircraft, which includes 2 Boeing 787, 24 Airbus A330, 18 Airbus A321neo, 235 Boeing 737, 19 Boeing 717, 44 Embraer E175, and 8 dedicated freighters (3 Boeing 737-700, 2 Boeing 737-800 and 3 Airbus A330); and
- Employ more than 33,000 people across North America, Asia and the Pacific.

Expanded Benefits for Guests

While nothing significant changes to the guest experience immediately, guests can start experiencing meaningful benefits of this combination very soon. Our complementary domestic, international and cargo networks will expand choice for guests and businesses on the West Coast and throughout the Hawaiian Islands. This will mean more destinations, seamless connectivity across the globe through **oneworld** partners and the benefits that come with access to the most generous loyalty program in the industry.

As we work through integration processes, guests can expect these benefits to come online in stages. Here's what you need to know:

Effective today, Sept. 18:

- **Your Mileage Plan and HawaiianMiles retain their full value:** Your hard-earned miles in both loyalty programs are secure and more valuable than ever.
- **Alaska Lounge members get more access:** Alaska Lounge members and guests can enjoy Alaska Lounge locations when flying on Hawaiian.

- **We're celebrating Hawaiian Million Milers:** Hundreds of flyers have accrued more than one million miles or more flying Hawaiian Airlines. We're acknowledging our appreciation for their business with new benefits.

More information about these benefits can be found at alaskaair.com.

In the coming weeks:

- **You'll soon be able to transfer miles between Alaska and Hawaiian loyalty accounts to redeem award travel:** Later this month, you'll be able to seamlessly transfer miles between Mileage Plan and HawaiianMiles at a 1:1 ratio – for no charge. For example, if you have miles in a HawaiianMiles account and you want to redeem for a flight on Alaska or an Alaska global partner, simply transfer the miles to your Mileage Plan account at no charge and book your award travel at alaskaair.com.
- **Buy tickets for flights on both airlines on both websites:** You'll be able to buy tickets for most Hawaiian flights on alaskaair.com and buy tickets for Alaska flights on hawaiianairlines.com starting this month. Soon we'll offer the option to purchase Hawaiian international flights to destinations such as Japan, South Korea and Australia on alaskaair.com.
- **We're introducing a new travel program just for those who live in Hawai'i:** Called Huaka'i by Hawaiian, meaning voyage, it will include unique discounts and benefits exclusively for Hawai'i residents. Huaka'i members will enjoy exclusive benefits when traveling interisland, including 10% off one booking per quarter and a free checked bag. Huaka'i members who are Hawaiian Airlines World Elite Mastercard cardmembers will receive even more, with 20% off one interisland booking per quarter and their existing credit card benefit of two free checked bags. Plus, members will receive access to exclusive, network-wide deals each month. In the coming weeks, Hawai'i residents will receive an email with a link to sign up for a free membership.

In the coming months:

- **Earn miles on both airlines:** You'll be able to accrue Mileage Plan miles or HawaiianMiles when flying either airline.
- **We'll offer expanded redemption opportunities:** In early 2025, you'll be able to redeem your Mileage Plan miles directly on all Hawaiian flights including international destinations. And you'll be able to combine Hawaiian flights with Alaska or partner flights when redeeming your miles.

- **Match your status across programs:** If you're an elite flyer with Alaska or Hawaiian, you'll be able to link your accounts to automatically enjoy equivalent status on the other airline. If you have elite-qualifying miles (EQMs) in both programs, your status will be based on the highest tier you qualify for based on your combined EQM total.

Longer term benefits:

- **Elite Reciprocity:** Mileage Plan and HawaiianMiles elites will enjoy select elite benefits when flying on either airline.
- **A single, industry-leading loyalty program across both brands:** We're working on combining the best of Mileage Plan and HawaiianMiles into a new unified loyalty program for our guests. We'll have more details to share in mid-2025.

Future of the Hawaiian Airlines Brand

Honoring its rich history and deep legacy, Hawaiian Airlines' iconic brand will continue to welcome and delight guests – on aircraft, in airports and onboard, just like it is today. Maintaining both industry-leading Alaska Airlines and Hawaiian Airlines brands will enable guests to continue experiencing the remarkable service and hospitality, operational excellence and premium products for which both airlines have been consistently recognized.

Substantial Benefits to Employees

Alaska Airlines will uphold its commitments to employees by preserving and growing union-represented jobs in Hawai'i and providing opportunities for long-term career advancement. Workforce development initiatives from both airlines will be expanded to support future airline careers in Hawai'i and beyond.

Honolulu will become our second largest hub and a regional headquarters with a strong operations presence and the continuation of pilot, flight attendant and maintenance technician bases.

Unwavering Commitment to Communities

Alaska and Hawaiian both maintain 90+ year legacies providing critical service to communities uniquely reliant upon air travel. This combination only strengthens that connection and investment in local communities. The combined airline will continue to advance regenerative tourism, Hawaiian language, and culture in the Hawaiian Islands by building upon Hawaiian

Airlines' and Alaska Airlines' existing programs. Our commitments will continue to center on how we can best help build a vibrant future for Hawai'i.

"In an island state, where all of Hawai'i's residents are reliant on passenger and cargo air service for our way of life, a healthy local airline committed to sustaining essential connectivity and travel options is a cornerstone of community resilience," said Hawai'i Governor Josh Green, M.D. "I am confident that by the joining of these two airlines, a stronger company will emerge and offer more travel options for Hawai'i residents and local businesses — and will enhance competition across the U.S. airline industry."

As an early testament to this commitment, Alaska Airlines established the Hawai'i Community Advisory Board (HICAB) in January to continue developing Alaska's understanding of Hawai'i's people and culture, and seek feedback and recommendations for how the combined airlines' business can best serve local communities in Hawai'i.

We know caring for the communities we serve also includes caring for the natural environment. Driven by this shared commitment to environmental stewardship and building on our successes with local sourcing and phasing out single-use plastics, the combined airline will immediately work to align ambitious sustainability goals in our effort to achieve net zero carbon emissions.

Combined Organization Leadership

Alaska Air Group CEO Ben Minicucci will lead the combined organization. Joe Sprague, previously Alaska's regional president of Hawai'i/Pacific and president of Horizon Air, will serve as the chief executive officer of Hawaiian Airlines until the FAA grants a single operating certificate. He will be responsible for leading all aspects of Hawaiian Airlines' operations.

"We are truly honored to join forces with Hawaiian Airlines and its 95-year history," said Joe Sprague, CEO of Hawaiian Airlines. "We have much to learn from our new colleagues. I know we will be stronger together as we offer greater access and benefits both to Hawai'i residents and guests visiting the Islands. Each airline brings incredible history, character, and strengths into this combination, with a shared passion for care of our guests, each other, and our communities."

Maximizing Shareholder Value

The acquisition builds on Alaska's long-term strategy and financial objectives by further diversifying our revenue base, expanding growth opportunities, increasing network relevance and positioning the combined organization as a leader in the \$8 billion Hawai'i market.

Our teams have recent integration experience which will be leveraged to deliver at least \$235 million in run-rate synergies. We also expect high single-digit accretion to earnings within the first two years and mid-teens return on invested capital (ROIC) by year three.

The combination of these synergies, the long-term value of acquiring another top 25 U.S. hub, and Alaska's historically strong financial performance positions us well to remain among the top margin producers in the industry. Our focus will remain on disciplined financial management – driven by maintaining one of the industry's strongest balance sheets, and delivering on our goals for long-term margin, returns and free cash flow.

Additional Details

Hawaiian Airlines' stock will be de-listed and cease trading on the NASDAQ on Sept. 18. The combined organization will continue to trade under the ticker ALK on the New York Stock Exchange.

Additional details about the transaction, including multimedia assets, are available at news.alaskaair.com.

About Alaska Air Group

Alaska Air Group, Inc. is based in Seattle and comprised of subsidiaries Alaska Airlines, Hawaiian Holdings, Inc., Horizon Air and McGee Air Services. With our recent acquisition of Hawaiian Airlines, we now serve more than 140 destinations throughout North America, Central America, Asia and across the Pacific. We are committed to safety, remarkable customer care, operational excellence, financial performance and sustainability. Alaska Airlines is a member of the **oneworld** Alliance. With **oneworld** and our additional global partners, our guests have more choices than ever to purchase, earn or redeem on alaskaair.com across 30 airlines and more than 1,000 worldwide destinations. Book travel throughout the Pacific on Hawaiian Airlines at hawaiianairlines.com. Learn more about Alaska Airlines at news.alaskaair.com and Hawaiian Airlines at newsroom.hawaiianairlines.com/blog. Alaska Air Group is traded on the New York Stock Exchange (NYSE) as "ALK."

Forward-Looking Statements

This news release contains forward-looking statements subject to the safe harbor protection provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995, including statements relating to the expected benefits of the combined organization; future performance, products and services of the combined organization; timing of the integration process; receipt of the FAA's single operating certificate; and the combined organization's business strategy, goals and sustainability initiatives. These forward-looking 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 our forward-looking statements, assumptions or beliefs. 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, 2023. Some of these risks include: possible disruption related to the combined organization and integration processes to Alaska Air Group's current plans or operations, including through the loss of customers and employees; the diversion of management time and attention from ongoing business operations and opportunities; the response of competitors to the combined organization; uncertainties regarding Alaska Air Group's ability to successfully integrate the operations of Hawaiian Holdings and Alaska Air Group and the time and cost to do so; the ability to realize anticipated cost savings, synergies or growth in the timeframe expected or at all; legislative, regulatory and economic developments affecting the business of the combined organization; general economic conditions including those associated with pandemic recovery; increases in operating costs including fuel; inability to meet cost reduction, ESG and other strategic goals; seasonal fluctuations in demand and financial results; supply chain risks; events that negatively impact aviation safety and security; and changes in laws and regulations that impact the business. All of the forward-looking statements are qualified in their entirety by reference to the risk factors discussed in our most recent Form 10-K and in our subsequent Securities and Exchange Commission filings. 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 forward-looking statements made today to conform them to actual results. Over time, our actual results, performance or achievements may differ from the anticipated results, performance or achievements that are expressed or implied by our forward-looking statements, assumptions or beliefs and such differences might be significant and materially adverse.