



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.

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Item 7.01 Regulation FD Disclosure.

Southwest Airlines Co. (the "Company") is providing revised estimates of its financial and operational trends to reflect the impacts from the devastating hurricanes and earthquakes (the "natural disasters") during third quarter 2017.

The Company has canceled approximately 5,000 flights through September 27, 2017 due to the impacts from the natural disasters. As a result, the Company now expects its third quarter 2017 available seat miles (capacity) to increase approximately three percent, year-over-year.

The Company currently estimates a negative impact to its third quarter 2017 operating revenues of approximately \$100 million as a result of the natural disasters. As a result of this estimated impact and based on the current industry revenue environment driving weakness in revenue passenger yields, the Company now expects its third quarter 2017 operating revenue per available seat mile (RASM) to be flat to down one percent, as compared with third quarter 2016.

The Company now expects its third quarter 2017 operating expense per available seat mile (CASM), excluding fuel and oil expense, special items, and profitsharing expense, to increase in the three to four percent range<sup>1</sup>, year-over-year. The change in guidance is primarily attributable to the impact from the natural disasters.

Based on the Company's fuel derivative contracts and market prices as of September 22, 2017, the Company continues to expect its third quarter 2017 economic fuel costs to be in the \$2.00 to \$2.05 per gallon range<sup>2</sup>.

The information furnished in this Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

<sup>1</sup>Year-over-year projections do not reflect the potential impact of fuel and oil expense, special items, and profitsharing expense in both years because the Company cannot reliably predict or estimate those items or expenses or their impact to its financial statements in future periods, especially considering the significant volatility of the Fuel and oil expense line item. Accordingly, the Company believes a reconciliation of non-GAAP financial measures to the equivalent GAAP financial measures for projected results is not meaningful or available without unreasonable effort.

<sup>2</sup>Economic fuel cost projections do not reflect the potential impact of special items because the Company cannot reliably predict or estimate the hedge accounting impact associated with the volatility of the energy markets or the impact to its financial statements in future periods. Accordingly, the Company believes a reconciliation of non-GAAP financial measures to the equivalent GAAP financial measures for projected results is not meaningful or available without unreasonable effort.

#### Cautionary Statement Regarding Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Specific forward-looking statements include, without limitation, statements related to (i) the Company's capacity plans and expectations; (ii) the Company's financial outlook, expectations, and projected results of operations, including specific factors expected to impact the Company's results of operations; and (iii) the Company's expectations with respect to fuel costs and the management of risk associated with changing jet fuel prices. Forward-looking statements involve risks, uncertainties, assumptions, and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Factors include, among others, (i) changes in demand for the Company's services and other changes in consumer behavior; (ii) the impact of economic conditions, fuel prices, actions of competitors (including, without limitation, pricing, scheduling, capacity, and network decisions, and consolidation and alliance activities), governmental actions, and other factors beyond the Company's control, on the Company's business decisions, plans, and strategies; (iii) the Company's ability to timely and effectively implement, transition, and maintain the necessary information technology systems and infrastructure to support its operations and initiatives; (iv) changes in aircraft fuel prices, the impact of hedge accounting, and any changes to the Company's fuel hedging strategies and positions; (v) the Company's dependence on third parties; (vi) the impact of labor matters on the Company's business decisions, plans, strategies, and costs; and (vii) other factors, as described in the Company's filings with the Securities and Exchange Commission, including the detailed factors discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016. Caution should be taken not to place undue reliance on the Company's forward-looking statements, which represent the Company's views only as of the date this report is filed. The Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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SIGNATURES

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 hereunto duly authorized.

SOUTHWEST AIRLINES CO.

September 27, 2017 By/s/ Tammy Romo

Tammy Romo  
Executive Vice President & Chief Financial Officer  
(Principal Financial and Accounting Officer)