

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): January 18, 2006

Southwest Airlines Co.

(Exact name of registrant as specified in its charter)

Texas	1-7259	74-1563240
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
P. O. Box 36611, Dallas, Texas		75235-1611
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (214) 792-4000

Not Applicable

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:

- ☐ 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))

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Item 2.02 Results of Operations and Financial Condition.

On January 18, 2006, the Registrant issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2005. The press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information furnished in Item 2.02 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.

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.

January 18, 2006

By: /s/ Laura Wright
Name: Laura Wright
Title: Senior Vice President-Finance

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Exhibit Index

Exhibit No.	Description
<S>	<C>
99.1	Registrant's Fourth Quarter and 2005 Year End Earnings Release.

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CONTACT: Investor Relations (214) 792-4415

SOUTHWEST AIRLINES REPORTS FOURTH QUARTER EARNINGS AND
33rd CONSECUTIVE YEAR OF PROFITABILITY

DALLAS, TEXAS - January 18, 2006 - Southwest Airlines (NYSE:LUV) today reported its fourth quarter and full year 2005 results. Net income for fourth quarter 2005 was \$86 million, or \$.10 per diluted share, compared to \$56 million, or \$.07 per diluted share, for fourth quarter 2004. The Company's fourth quarter 2005 and 2004 results included unrealized losses, recorded in "Other gains/losses," associated with derivative instruments that will settle in future accounting periods recorded as a result of Statement of Financial Accounting Standard 133 (SFAS 133), "Accounting for Derivative Instruments and Hedging Activities," as amended. Excluding SFAS 133 items in fourth quarter 2005 and 2004, respectively, net income was \$98 million, or \$.12 per diluted share, compared to \$68 million, or \$.08 per diluted share. See the attached reconciliation for further information on these items.

The Company's fourth quarter 2005 results included \$24 million (before profitsharing and income taxes) in additional 2005 federal airport security expenses due to a retroactive assessment by the Transportation Security Administration (TSA) made, without notice or opportunity to protest, in January 2006. This assessment was completely unexpected, and the Company believes it is improper and plans to vigorously contest it.

For the full year 2005, net income was \$548 million, or \$.67 per diluted share, compared to 2004 net income of \$313 million, or \$.38 per diluted share. Excluding SFAS 133 items in both years, 2005 net income was \$489 million, or \$.60 per diluted share, compared to 2004 net income of \$324 million, or \$.40 per diluted share.

Gary C. Kelly, CEO, stated: "I am pleased to report a significantly improved earnings performance for the fourth quarter and full year 2005, which represented our 33rd consecutive year of profitability. Despite the totally unexpected TSA security fee assessment and the 38.8 percent increase in our hedged fuel costs per gallon, our fourth quarter 2005 earnings were up over 40 percent.

"We continue to be optimistic about our revenue trends and were very pleased with our record fourth quarter 2005 operating revenues of \$1.99 billion. As a result of strong Customer demand, we achieved a record fourth quarter load factor of 69.6 percent at improved yields, which were up 4.2 percent. Unit revenues grew 11.7 percent with only modest fare increases, reaffirming our Low Fare Leadership.

"Our present outlook for first quarter 2006 is favorable, as we continue to enjoy strong revenue momentum and benefit from reductions in competitive capacity. Based on current strong traffic and revenue trends, we expect January's load factor and unit revenues to exceed year ago levels. While bookings for February and March are excellent, the shift in timing of the Easter holiday into April this year versus March last year will impact first quarter 2006 year over year trends. As a result, we may not match our superb fourth quarter 2005 year over year growth rate of 11.7 percent in first quarter 2006.

"Our unit costs were up more than expected, primarily due to the unexpected \$24 million TSA security fee assessment not received until January

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2006. We believe this surprise assessment is inappropriate.

"Our fourth quarter 2005 jet fuel cost per gallon included a \$258 million hedging benefit. Still, the fourth quarter 2005 jet fuel cost increased 38.8 percent to \$1.22 per gallon. For first quarter 2006, we are over 75 percent hedged with prices capped at \$36 per barrel, but presently expect our hedged first quarter 2006 fuel price to approximate \$1.45 per gallon. We are over 70 percent hedged for the remainder of 2006 at \$36 per barrel; over 60 percent in 2007 at \$39 per barrel; over 35 percent in 2008 at \$38 per barrel; and about 30 percent in 2009 at \$39 per barrel.

"Excluding fuel but including the surprise TSA assessment, our fourth quarter 2005 unit costs increased 5.6 percent. While we had cost pressures in fourth quarter 2005 and will continue our intense cost control efforts, I am proud of what our Employees have accomplished on the cost side. As a result of their hard work and productivity improvements, we reduced our full year unit costs, excluding fuel, by 1.5 percent.

"As a reminder, the Company plans to adopt Statement of Financial Accounting Standards (SFAS) No. 123R, Share-Based Payment (stock option expensing), in first quarter 2006. The adoption of SFAS 123R is expected to increase first quarter 2006 salaries, wages, and benefits by a non-cash charge of approximately \$20 million. As a result of the adoption of SFAS 123R, we expect first quarter 2006 unit cost, excluding fuel, to exceed first quarter 2005, but improve from fourth quarter 2005's 6.57 cents.

"We continue to grow our fleet and route system and are pleased with the performance of our two new cities in 2005: Ft. Myers and Pittsburgh. We are excited about our return to the Denver market. On January 3, 2006, we initiated service at Denver International Airport with 13 daily nonstop flights, increasing to 20 daily nonstop flights by March 2006. Initial

Customer response has been excellent.

"We also continue to grow our existing network. Our efforts to rebuild New Orleans continue, and we will be up to 18 daily flights in March. We have increased our capacity at Chicago Midway nearly 60 percent since third quarter 2004 and plan to continue to add service in this market. In December 2005, we completed a transaction with ATA Airlines, Inc. to acquire the leasehold rights to four additional gates at Chicago Midway, in exchange for a \$20 million reduction in our debtor-in-possession loan to ATA. In addition, we enhanced our codeshare arrangement with ATA, subject to certain conditions, including ATA's confirmed Plan of Reorganization, which must be fulfilled by February 28, 2006. We recently expanded our codeshare agreement to include ATA flights from DFW International Airport to Chicago Midway. Based on current codeshare markets, we estimate first quarter 2006 codeshare revenues to be approximately \$10 million.

"After 23 years of serving the state of Missouri, we are thrilled that we were granted permission to initiate new nonstop service to St. Louis and Kansas City from Dallas. The new service, which began December 13, 2005, resulted from the enactment of a 2005 federal transportation appropriations bill containing language, initiated by Missouri Senator Kit Bond, that exempts Missouri from federal flight restrictions placed on Dallas' Love Field airport in 1979.

"We continue to be well-poised to take advantage of growth opportunities and currently plan to add over 30 aircraft in 2006 for an estimated eight percent available seat mile growth. Whether or not we add another new city in 2006 will depend heavily on the service needs of a number of our existing cities. We recently exercised two Boeing 737-700 options for delivery in 2007, bringing our 2007 firm orders and options to 29 and 7, respectively."

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American Small Business Travelers Alliance ranked Southwest as the Best Airline based on the carrier's treatment of small business travelers. Southwest Airlines was also named in the 2006 Hispanic Magazine Corporate 100 for the eighth year in a row.

Southwest will discuss results on a conference call at 11:30 a.m. Eastern Time today. A live broadcast of the conference call will be available at southwest.com .

Operating Results

Total operating revenues for fourth quarter 2005 increased 20.1 percent to \$1.99 billion, compared to \$1.66 billion for fourth quarter 2004. Operating income increased 35.8 percent to \$163 million from \$120 million in fourth quarter 2004. Revenue passenger miles (RPMs) increased 15.3 percent in fourth quarter 2005, as compared to a 7.6 percent increase in available seat miles (ASMs), resulting in a 4.6 point increase in load factor to 69.6 percent, a fourth quarter record for the Company. The passenger revenue yield per RPM increased 4.2 percent to 12.59 cents from 12.08 cents in fourth quarter 2004. Operating revenue yield per ASM (RASM) increased 11.7 percent to 9.14 cents from 8.18 cents in fourth quarter 2004, the highest quarterly year-over-year gain in over 13 years.

Total fourth quarter 2005 operating expenses were \$1.82 billion, an increase of 18.8 percent, compared to \$1.54 billion in fourth quarter 2004. Operating expenses per ASM (CASM) for fourth quarter 2005 increased 10.5 percent to 8.39 cents, compared to 7.59 cents in fourth quarter 2004. Excluding SFAS 133 items, CASM for fourth quarter 2005 increased 11.2 percent to 8.42 cents, compared to 7.57 cents for fourth quarter 2004. CASM, excluding fuel, for fourth quarter 2005 increased 5.6 percent to 6.57 cents, compared to 6.22 cents for fourth quarter 2004, partially due to the \$24 million surprise assessment from the TSA in January 2006.

Net cash provided by operations for 2005 was \$2.23 billion, which included a \$620 million increase in fuel hedge-related collateral deposits. Capital expenditures were \$1.2 billion for 2005. The Company ended 2005 with \$2.5 billion in cash and short-term investments. In addition, the Company had a fully available unsecured revolving credit line of \$600 million. The Company will redeem \$601 million of its debt maturing in 2006.

Operating revenues for the year ended December 31, 2005 increased 16.1 percent to \$7.58 billion, while operating expenses increased 13.2 percent to \$6.76 billion, resulting in operating income of \$820 million.

"Other income" was \$54 million for 2005 versus "other expenses" of \$65 million for 2004. The \$119 million swing in "other income" resulted primarily from SFAS 133 items, recorded in "other gains," for 2005, offset by an \$8 million increase in net interest expense, primarily due to higher interest rates. For 2005, the SFAS 133 items primarily related to unrealized gains of \$86 million recorded on derivative contracts that settle in future periods. 2004 included \$14 million of SFAS 133 unrealized losses on derivative contracts that settle in future periods. See the attached reconciliation for further information on these items.

Operating expenses for the year ended December 31, 2004 included \$41 million (or \$22 million net of profitsharing and income tax effects) for costs associated with the consolidation of the Company's reservation operations; the Company-wide early out offer; and the pay, per diem, and benefit increases retroactive to May 2002 related to the agreement reached with our Flight Attendants.

This news release contains forward-looking statements as defined in the

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Private Securities Litigation Reform Act of 1995. All forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the plans, intentions, and expectations reflected in or suggested by the forward-looking statements. Additional information concerning the factors which could cause actual results to differ materially from the forward-looking statements are contained in the Company's periodic filings with the Securities and Exchange Commission, including without limitation, the Company's Annual Report on Form 10-K for the year ended 2004 and subsequent filings. The Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this press release.

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SOUTHWEST AIRLINES CO.
CONDENSED CONSOLIDATED STATEMENT OF INCOME
(In millions, except per share amounts)
(unaudited)

	Three months ended			Year Ended		
	December 31,			December 31,		
	2005	2004	Percent	2005	2004	Percent
<s>	<c>	<c>	Change	<c>	<c>	Change
<c>	<c>	<c>	<c>	<c>	<c>	<c>
OPERATING REVENUES						
Passenger	\$1,906	\$1,587	20.1	\$7,279	\$6,280	15.9
Freight	35	34	2.9	133	117	13.7
Other	46	34	35.3	172	133	29.3
Total operating revenues	1,987	1,655	20.1	7,584	6,530	16.1
OPERATING EXPENSES:						
Salaries, wages, and						
Benefits	702	619	13.4	2,702	2,443	10.6
Fuel and oil	395	277	42.6	1,342	1,000	34.2
Maintenance materials						

and repairs	112	106	5.7	430	457	(5.9)
Aircraft rentals	42	45	(6.7)	163	179	(8.9)
Landing fees and other						
Rentals	109	102	6.9	454	408	11.3
Depreciation and amortization	121	113	7.1	469	431	8.8
Other operating expenses	343	273	25.6	1,204	1,058	13.8
Total operating expenses	1,824	1,535	18.8	6,764	5,976	13.2
OPERATING INCOME	163	120	35.8	820	554	48.0

OTHER EXPENSES (INCOME):

Interest expense	32	26	23.1	122	88	38.6
Capitalized interest	(11)	(9)	22.2	(39)	(39)	0.0
Interest income	(16)	(7)	128.6	(47)	(21)	123.8
Other (gains) losses, net	22	21	n.a.	(90)	37	n.a.
Total other expenses (income)	27	31	n.a.	(54)	65	n.a.

INCOME BEFORE INCOME TAXES	136	89	52.8	874	489	78.7
PROVISION FOR INCOME TAXES	50	33	51.5	326	176	85.2

NET INCOME	\$86	\$56	53.6	\$548	\$313	75.1
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NET INCOME PER SHARE:

Basic	\$.11	\$.07	57.1	\$.70	\$.40	75.0
Diluted	\$.10	\$.07	42.9	\$.67	\$.38	76.3

WEIGHTED AVERAGE SHARES OUTSTANDING:

Basic	797	782	789	783
Diluted	823	813	814	815

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SOUTHWEST AIRLINES CO

RECONCILIATION OF REPORTED AMOUNTS TO NON-GAAP ITEMS (SEE NOTE)

(unaudited)

(In millions, except per share amounts)	Three Months Ended December 31,			Year Ended December 31,		
	2005	2004	Percent Change	2005	2004	Percent Change
<s>	<c>	<c>	<c>	<c>	<c>	<c>
Mark-to-market (gains) losses on fuel contracts settling in future periods	\$9	\$4		\$(77)	\$7	
Ineffectiveness from fuel hedges settling in future periods	10	13		(9)	7	
Realized fuel contract settlements included in Other (gains) losses	5	(2)		(24)	(1)	
Total impact of fuel contracts included in Other (gains) losses, net	\$24	\$15	n.a.	\$(110)	\$13	n.a.
Other (gains) losses, net, as reported	\$22	\$21		\$(90)	\$37	
Less: impact of fuel Contracts	(24)	(15)		110	(13)	
Other (gains) losses, net - economic fuel basis	\$(2)	\$6	n.a.	\$20	\$24	n.a.
Net income, as reported	\$86	\$56		\$548	\$313	
Less: impact of fuel contracts, net of income taxes	12	12		(59)	11	
Net income - economic fuel basis	\$98	\$68	44.1	\$489	\$324	50.9
Net income per share, diluted, as reported	\$.10	\$.07		\$.67	\$.38	
Less: impact of fuel contracts, net of income taxes	.02	.01		(.07)	.02	
Net income per share, diluted - economic fuel basis	\$.12	\$.08	50.0	\$.60	\$.40	50.0
Fuel and oil expense - - unhedged	\$660	\$451		\$2,234	\$1,455	

Less: fuel hedge gains included in fuel and oil expense	(265)	(174)		(892)	(455)	
GAAP fuel and oil expense	395	277	42.6	1,342	1,000	34.2
Add/(Deduct): losses/(gains) on settled contracts included in Other (gains) losses, net	5	(2)		(24)	(1)	
Add/(Deduct): fuel contract losses/(gains) recognized in earnings in prior periods for contracts settling in the current period	2	(2)		10	(3)	
Fuel and oil expense - economic basis	\$402	\$273	47.3	\$1,328	\$996	33.3

NOTE: The above schedule reconciles the non-GAAP financial measures included in this press release to the most comparable GAAP financial measures. The special items consist primarily of unrealized gains or losses (before income taxes) for derivative instruments that will settle in future accounting periods, recorded as a result of SFAS 133, "Accounting for Derivative Instruments and Hedging Activities", as amended. The majority of these amounts relate to ineffectiveness, as defined, for future period instruments and the change in market value for future period derivatives that no longer qualified for special hedge accounting, as defined in SFAS 133.

In management's view, comparative analysis of results can be enhanced by excluding the impact of these items. The amounts are not indicative of the Company's operating performance for the applicable period, nor should they be considered in developing trend analysis for future periods. In addition, since fuel expense is such a large part of the Company's operating costs and is subject to extreme volatility, the Company believes it is useful to provide investors with the Company's true economic cost of fuel for the periods presented, based on cash settlements from hedging activities, but excluding the unrealized impact of hedges that will settle in future periods or were recognized in prior periods.

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SOUTHWEST AIRLINES CO.
COMPARATIVE CONSOLIDATED OPERATING STATISTICS
(unaudited)

	Three months ended December 31,		
	2005	2004	Change
<S>	<C>	<C>	<C>
Revenue passengers carried	19,485,341	17,709,289	10.0 %
Enplaned passengers	22,225,745	20,144,834	10.3 %
Revenue passenger miles (RPMs) (000s)	15,139,361	13,136,093	15.3 %
Available seat miles (ASMs) (000s)	21,748,689	20,220,077	7.6 %
Load factor	69.6%	65.0%	4.6 pts.
Average length of passenger haul (miles)	777	742	4.7 %
Average aircraft stage length (miles)	615	590	4.2 %
Trips flown	259,377	251,755	3.0 %
Average passenger fare	\$97.83	\$89.59	9.2 %
Passenger revenue yield per RPM (cents)	12.59	12.08	4.2 %
Operating revenue yield per ASM (cents)	9.14	8.18	11.7 %
Operating expenses per ASM (GAAP, in cents)	8.39	7.59	10.5 %
Operating expenses per ASM (economic, in cents)	8.42	7.57	11.2 %
Operating expenses per ASM, excluding fuel (cents)	6.57	6.22	5.6 %
Fuel costs per gallon, excluding fuel tax (unhedged)	\$2.006	\$1.453	38.1 %
Fuel costs per gallon, excluding fuel tax (GAAP)	\$1.195	\$.891	34.1 %
Fuel costs per gallon, excluding fuel tax (economic)	\$1.217	\$.877	38.8 %
Fuel consumed, in gallons (millions)	327	309	5.8 %
Number of Employees at period-end	31,729	31,011	2.3 %
Size of fleet at period-end	445	417	6.7 %

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SOUTHWEST AIRLINES CO.
COMPARATIVE CONSOLIDATED OPERATING STATISTICS
(unaudited)

	Year ended December 31,		
	2005	2004	Change
<S>	<C>	<C>	<C>
Revenue passengers carried	77,693,875	70,902,773	9.6 %
Enplaned passengers	88,379,900	81,066,038	9.0 %

Revenue passenger miles (RPMs) (000s)	60,223,100	53,418,353	12.7 %
Available seat miles (ASMs) (000s)	85,172,795	76,861,296	10.8 %
Load factor	70.7%	69.5%	1.2 pts.
Average length of passenger haul (miles)	775	753	2.9 %
Average aircraft stage length (miles)	607	576	5.4 %
Trips flown	1,028,639	981,591	4.8 %
Average passenger fare	\$93.68	\$88.57	5.8 %
Passenger revenue yield per RPM (cents)	12.09	11.76	2.8 %
Operating revenue yield per ASM (cents)	8.90	8.50	4.7 %
Operating expenses per ASM (GAAP, in cents)	7.94	7.77	2.2 %
Operating expenses per ASM (economic, in cents)	7.93	7.77	2.1 %
Operating expenses per ASM, excluding fuel (cents)	6.37	6.47	(1.5) %
Fuel costs per gallon, excluding fuel tax (unhedged)	\$1.726	\$1.207	43.0 %
Fuel costs per gallon, excluding fuel tax (GAAP)	\$1.033	\$.828	24.8 %
Fuel costs per gallon, excluding fuel tax (economic)	\$1.023	\$.825	24.0 %
Fuel consumed, in gallons (millions)	1,287	1,201	7.2 %
Number of Employees at period-end	31,729	31,011	2.3 %
Size of fleet at period-end	445	417	6.7 %

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SOUTHWEST AIRLINES CO.

CONDENSED CONSOLIDATED BALANCE SHEET

(unaudited)

(in millions)	December 31,	
	2005	2004
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	\$2,280	\$1,048
Short-term investments	251	257
Accounts and other receivables	258	248
Inventories of parts and supplies, at cost	150	137
Fuel hedge contracts	641	428
Prepaid expenses and other current assets	40	54
Total current assets	3,620	2,172
Property and equipment, at cost:		
Flight equipment	10,999	10,037
Ground property and equipment	1,256	1,202
Deposits on flight equipment purchase contracts	660	682
	12,915	11,921
Less allowance for depreciation and amortization	3,488	3,198
	9,427	8,723
Other assets	1,171	442
	\$14,218	\$11,337

LIABILITIES & STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$524	\$420
Accrued liabilities	2,074	1,047
Air traffic liability	649	529
Current maturities of long-term debt	601	146
Total current liabilities	3,848	2,142
Long-term debt less current maturities	1,394	1,700
Deferred income taxes	1,896	1,610
Deferred gains from sale and leaseback of aircraft	136	152
Other deferred liabilities	269	209
Stockholders' equity:		
Common stock	802	790
Capital in excess of par value	424	299
Retained earnings	4,557	4,089
Accumulated other comprehensive income	892	417
Treasury stock, at cost	-	(71)
Total stockholders' equity	6,675	5,524
	\$14,218	\$11,337

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SOUTHWEST AIRLINES CO.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited)

Three months ended

Year ended

(in millions) <s>	December 31,		December 31,	
	2005 <c>	2004 <c>	2005 <c>	2004 <c>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income	\$86	\$56	\$548	\$313
Adjustments to reconcile net income to cash provided by operating activities:				
Depreciation and Amortization	121	113	469	431
Deferred income taxes	(14)	42	257	184
Amortization of deferred gains on sale and leaseback of aircraft	(4)	(4)	(16)	(16)
Amortization of scheduled airframe inspections & repairs	13	12	49	52
Income tax benefit from Employee stock option Exercises	65	35	65	35
Changes in certain assets and liabilities:				
Accounts and other receivables	76	(2)	(9)	(75)
Other current assets	34	(11)	(59)	(44)
Accounts payable and accrued liabilities	(152)	(162)	855	231
Air traffic liability	(126)	(114)	120	68
Other	(26)	(14)	(50)	(22)
Net cash provided by (used in) operating activities	73	(49)	2,229	1,157
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property and equipment, net	(218)	(409)	(1,210)	(1,775)
Change in short-term investments, net	(66)	88	6	124
Payment for assets of ATA Airlines, Inc.	-	(34)	(6)	(34)
Debtor in possession loan to ATA Airlines, Inc.	-	(40)	-	(40)
Other investing activities, net	-	(1)	-	(1)
Net cash used in investing activities	(284)	(396)	(1,210)	(1,726)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Issuance of long-term debt	-	112	300	520
Proceeds from Employee stock plans	74	36	132	88
Payments of long-term debt and capital lease obligations	(12)	(185)	(149)	(207)
Payments of cash dividends	-	-	(14)	(14)
Repurchase of common stock	-	-	(55)	(246)
Other, net	1	(1)	(1)	(8)
Net cash provided by (used in) financing activities	63	(38)	213	133
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(148)	(483)	1,232	(436)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,428	1,531	1,048	1,484
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$2,280	\$1,048	\$2,280	\$1,048

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING ACTIVITIES:

In December 2005, the Company obtained the rights to four of ATA Airlines, Inc. (ATA) leased Chicago Midway Airport gates in exchange for a \$20 million reduction of the Debtor in possession loan to ATA:

Rights to Chicago Midway Gates acquired	\$20
Debtor in possession loan to ATA reduction	\$(20)

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