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NEW YORK, Jul 25, 2002 (BUSINESS WIRE) -- JetBlue Airways Corporation (Nasdaq:JBLU), New York's low-fare airline, today reported its results for the second quarter of 2002:

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    --  Operating revenues for the quarter totaled $149.3 million,
        representing growth of 90.4% over operating revenues of $78.4
        million in the second quarter of 2001.
    --  Operating income was $27.7 million, resulting in an 18.6%
        operating margin, an improvement of $16.7 million, or 4.5
        percentage points, over operating income of $11.0 million and
        a 14.1% operating margin in the second quarter of 2001.
    --  Net income for the quarter was $14.6 million, or $0.33 per
        diluted share, compared to second quarter 2001 net income of
        $10.7 million, or $0.33 per diluted share.
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Net income for the second quarter of 2002 includes income taxes at an effective rate of 41.7%, compared to a zero effective tax rate in the second quarter of 2001 due to the reversal of the Company's deferred tax asset valuation allowance. Additionally, the second quarter 2002 earnings per share reflects an increase in the number of weighted average shares outstanding compared to 2001 as a result of the Company's capital raising efforts, including its initial public offering in April 2002.

"I am very proud of JetBlue's performance in our sixth consecutive profitable quarter," said David Neeleman, chief executive officer. "These strong results demonstrate JetBlue's ability to offer profitably a superior travel experience at low fares. I believe it is our Crewmembers' commitment and dedication that will ensure the continuation of our success."

During the second quarter of 2002, JetBlue achieved a completion factor of 99.9% of scheduled flights compared to 99.5% in 2001 and increased its on-time performance to 85.8% for the second quarter of 2002 compared to 81.2% for the same period in 2001. The Company also attained a record load factor of 84.1%, on a capacity increase of 101.1% over the second quarter of 2001 and a 19.7% capacity increase over the first quarter of this year. Dave Barger, president and chief operating officer, commented, "We continued to raise the bar on our operating performance. JetBlue's accomplishments this quarter are the result of our Crewmembers' ongoing focus on providing top-quality customer service."

Operating revenues increased by $70.9 million over 2001 to $149.3 million. Revenue passenger miles increased 112.1% from the second quarter of 2001 to 1.63 billion. Yield per passenger mile was 8.88 cents, down 10.7% compared to 2001 on a 20% increase in average length of haul. Operating revenue per available seat mile (ASM) decreased 5.3% year-over-year to 7.73 cents. Available seat miles grew 101.1% to 1.93 billion. Operating expenses for the quarter were $121.6 million, up 80.5% from the second quarter of 2001. Operating expense per ASM (CASM) for the second quarter 2002 decreased 10.3% year-over-year to 6.29 cents. This represents JetBlue's lowest quarterly CASM ever, an improvement that is due primarily to a longer average stage length, increased capacity, lower fuel prices and increased operating efficiencies. On a fuel neutral basis, operating expense per ASM for the second quarter 2002 decreased 7.6% over 2001. JetBlue ended the second quarter with $269.3 million in cash and cash equivalents.

JetBlue will conduct a conference call to discuss its quarterly earnings today at 5:00 p.m. Eastern Time. A live broadcast of the conference call will be available via the World Wide Web at http://investor.jetblue.com.

About JetBlue

JetBlue is a low-fare, low-cost passenger airline, which provides high-quality customer service. Since launching operations in February 2000, the airline has served more than seven million passengers. JetBlue currently flies to a total of 19 cities. JetBlue operates a fleet of 28 new Airbus A320 aircraft and is scheduled to take delivery of another eight new A320s by the end of 2002. All JetBlue aircraft are outfitted with roomy all-leather seats each equipped with free live satellite television, offering up to 24 channels of DIRECTV(R) Programming at every seat.(a)

In February, JetBlue won Air Transport World magazine's 2002 "Market Development Award," for its successful first two years of service, and also was named Best Overall Airline by Onboard Services magazine. Last year, the airline ranked first in Conde Nast Traveler's 2001 Business Travel Awards, second in the Best Domestic Airline category in the magazine's 14th Annual Readers' Choice Awards, and number two Best Domestic Airline in the 2001 Zagat Airline Survey. With JetBlue, all seats are assigned, all travel is ticketless, all fares are one-way and a Saturday night stay is never required. The airline is offering $5 each way off all fares booked through its web site, www.jetblue.com, through August 31. For more information, schedules and fares, please visit www.jetblue.com or call JetBlue reservations at 800/JETBLUE (538-2583).

(a) DIRECTV(R) service is not available on flights between New York City and San Juan, Puerto Rico.

This press release contains statements of a forward-looking nature relating to future events or future financial results of JetBlue that are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in the forward-looking statements due to many factors, including without limitation, the continually changing industry and regulatory environment following recent terrorist attacks and threats, our limited operating history, our ability to implement our growth strategy, our fixed obligations, our dependence on the New York market, our ability to renew or replace gate leases, our competitive environment, problems with our aircraft, economic and other conditions in markets in which we operate, governmental regulation, increases in maintenance costs, fuel prices and insurance premiums and cyclical and seasonal fluctuations in our operating results. Additional information concerning these and other factors is contained in the Company's Securities and Exchange Commission filings, including but not limited to, the Company's registration statement on Form S-1, as amended. We undertake no obligation to update any forward-looking statements to reflect events or circumstances that may arise after the date of this release.

JETBLUE AIRWAYS CORPORATION
CONDENSED STATEMENTS OF INCOME
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2002	2001	Percent Change	2002	2001	Percent Change
OPERATING REVENUES						
Passenger	$144,295	$76,156	89.5	$273,386	$138,117	97.9
Other	5,008	2,242	123.4	9,286	4,131	124.8
Total operating revenues	149,303	78,398	90.4	282,672	142,248	98.7
OPERATING EXPENSES						
Salaries, wages and benefits	37,622	18,863	99.4	71,183	34,780	104.7
Aircraft fuel	16,983	10,530	61.3	29,967	19,062	57.2
Aircraft rent	10,298	8,127	26.7	19,789	13,737	44.1
Sales and marketing	11,785	6,408	83.9	21,635	12,099	78.8
Landing fees and other rents	9,681	6,494	49.1	19,620	12,233	60.4
Depreciation and amortization	5,695	2,281	149.7	10,407	4,411	135.9
Maintenance materials and repairs	1,506	803	87.5	3,411	1,497	127.9
Other operating expenses	28,026	13,854	102.3	55,575	25,853	115.0
Total operating expenses	121,596	67,360	80.5	231,587	123,672	87.3
OPERATING INCOME	27,707	11,038	151.0	51,085	18,576	175.0
Operating margin	18.6%	14.1%	4.5pts.	18.1%	13.1%	5.0pts.
OTHER INCOME (EXPENSE)						
Interest expense	(4,725)	(3,376)	40.0	(8,912)	(7,003)	27.3
Capitalized interest	1,435	2,420	(40.7)	2,732	4,483	(39.1)
Interest income and other	617	579	6.6	2,419	1,354	78.7
Total other income (expense)	(2,673)	(377)		(3,761)	(1,166)	
INCOME BEFORE INCOME TAXES	25,034	10,661	134.8	47,324	17,410	171.8
Income tax expense	10,448	-	-	19,734	-	-
NET INCOME	$14,586	$10,661	36.8	$27,590	$17,410	58.5
EARNINGS PER COMMON SHARE:						
Basic	$0.40	$3.36		$1.18	$4.80	
Diluted	$ 0.33	$ 0.33		$ 0.67	$ 0.54	
Weighted average shares outstanding:						

Basic	33,788	1,977		18,385	1,974	
Diluted	44,336	32,801		41,344	32,509	

JETBLUE AIRWAYS CORPORATION
COMPARATIVE OPERATING STATISTICS

	Three Months Ended June 30,			Six Months Ended June 30,		
	2002	2001	Percent Change	2002	2001	Percent Change
Revenue passengers	1,332,906	753,937	76.8	2,513,823	1,398,356	79.8
Revenue passenger miles (000)	1,625,536	766,350	112.1	2,929,811	1,366,693	114.4
Available seat miles (000)	1,932,113	960,744	101.1	3,546,783	1,706,596	107.8
Load factor	84.1%	79.8%	4.3pts.	82.6%	80.1%	2.5pts.
Breakeven load factor	70.9%	70.6%	0.3pts.	70.0%	71.7%	(1.7)pts.
Aircraft utilization (hours per day)	13.3	13.2	1.0	13.0	13.2	(1.1)
Average fare	$108.26	$101.01	7.2	$108.75	$98.77	10.1
Yield per passenger mile (cents)	8.88	9.94	(10.7)	9.33	10.11	(7.7)
Passenger revenue per available seat mile (cents)	7.47	7.93	(5.8)	7.71	8.09	(4.7)
Operating revenue per available seat mile (cents)	7.73	8.16	(5.3)	7.97	8.34	(4.4)
Operating expense per available seat mile (cents)	6.29	7.01	(10.3)	6.53	7.25	(9.9)
Departures	10,090	6,332	59.3	19,529	11,615	68.1
Average stage length (miles)	1,182	937	26.2	1,121	907	23.6
Average number of operating aircraft during period	24.6	13.1	87.8	23.4	11.8	98.3
Average fuel cost per gallon (cents)	68.92	83.24	(17.2)	65.75	84.47	(22.2)
Fuel gallons consumed (000)	24,641	12,649	94.8	45,575	22,566	102.0
Percent of sales through jetblue.com during period	61.3%	39.4%	21.9pts.	58.3%	38.5%	19.8pts.
Full-time equivalent employees at period end				2,864	1,587	80.5

SELECTED BALANCE SHEET DATA
(in thousands)

	June 30, 2002	December 31, 2001
Cash and cash equivalents	$ 269,325	$ 117,522
Total assets	1,058,443	673,773
Total debt	513,053	374,431
Convertible redeemable preferred stock	-	210,441
Common stockholders' equity (deficit)	377,291	(32,167)

SOURCE: JetBlue Airways Corporation

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