JetBlue Announces Pricing of Convertible Debentures Offering

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NEW YORK--(BUSINESS WIRE)--March 10, 2005--JetBlue Airways Corporation (NASDAQ: JBLU) today announced the pricing of its public offering of $250 million aggregate principal amount of 3.75% Convertible Debentures due 2035. The sale of the debentures is expected to close on March 16, 2005.

The debentures are convertible into JetBlue common stock at a conversion rate of 38.9864 shares per $1,000 principal amount of debentures (equal to a conversion price of approximately $25.65 per share), subject to adjustment.

JetBlue may redeem all or some of the debentures for cash at any time on or after March 20, 2010. Holders may require JetBlue to repurchase the debentures on March 15, 2010, 2015, 2020, 2025 and 2030 or upon the occurrence of certain designated events at a repurchase price equal to the principal amount of the debentures plus accrued and unpaid interest, if any, to the repurchase date.

JetBlue has granted the underwriters of the debentures a 30-day over-allotment option to purchase up to an additional $37.5 million principal amount of the debentures. JetBlue plans to use the net proceeds from the offering, which will be approximately $243.0 million ($279.5 million (net of underwriting commission only) if the underwriters' over-allotment option is exercised in full) for working capital and capital expenditures, including capital expenditures related to the purchase of aircraft and construction of facilities on or near airports.

Morgan Stanley is the sole bookrunning manager for the offering, with Merrill Lynch & Co., UBS Investment Bank and Blaylock & Partners, L.P. acting as co-managers. A copy of the prospectus supplement and accompanying prospectus relating to the offering may be obtained from the offices of Morgan Stanley & Co. Incorporated, 1585 Broadway, New York, NY 10036.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission. This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About JetBlue:

JetBlue is a low-fare, low-cost passenger airline, which provides high-quality customer service. JetBlue operates a fleet of 73 new Airbus A320 aircraft and plans to add 11 additional A320s and 7 Embraer E190s to its fleet in 2005. Based at New York City's John F. Kennedy International Airport, JetBlue currently operates 296 flights a day and serves 29 destinations in 12 states, Puerto Rico, the Dominican Republic and The Bahamas.

This press release contains statements of a forward-looking nature which represent our management's beliefs and assumptions concerning future events. Forward-looking statements involve risks, uncertainties and assumptions and are based on information currently available to us. Actual results may differ materially from those expressed in the forward looking statements due to many factors, including without limitation, our extremely competitive industry, our ability to implement our growth strategy including the integration of the Embraer E190 aircraft into our operations, our significant fixed obligations, our ability to maintain our culture, our reliance on high daily aircraft utilization, increases in maintenance costs, fuel prices, insurance costs and interest rates, our dependence on the New York market, our reliance on automated systems and technology, our reliance on sole suppliers, additional government regulation and future acts of terrorism or the threat of such acts or escalation of U.S. military involvement overseas. 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 2004 Annual Report on Form 10-K. We undertake no obligation to update any forward-looking statements to reflect events or circumstances that may arise after the date of this release.

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