

**JETBLUE AIRWAYS CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In millions, except per share amounts)

|  | <b>Year Ended December 31,</b> |              |                |
|--|--------------------------------|--------------|----------------|
|  | <b>2010</b>                    | <b>2009</b>  | <b>2008</b>    |
| <b>OPERATING REVENUES</b>  |                                |              |                |
| Passenger . . . . .  | \$3,412                        | \$2,934      | \$3,060        |
| Other . . . . .  | <u>367</u>                     | <u>358</u>   | <u>332</u>     |
| Total operating revenues . . . . .   | 3,779                          | 3,292        | 3,392          |
| <b>OPERATING EXPENSES</b>  |                                |              |                |
| Aircraft fuel and related taxes (\$39, \$34, and \$45 in 2010, 2009, and 2008, respectively) . . . . . | 1,115                          | 945          | 1,397          |
| Salaries, wages and benefits . . . . .   | 891                            | 776          | 694            |
| Landing fees and other rents . . . . .   | 228                            | 213          | 199            |
| Depreciation and amortization . . . . .  | 220                            | 228          | 205            |
| Aircraft rent . . . . .  | 126                            | 126          | 129            |
| Sales and marketing . . . . .  | 179                            | 151          | 151            |
| Maintenance materials and repairs . . . . .  | 172                            | 149          | 127            |
| Other operating expenses . . . . .   | <u>515</u>                     | <u>419</u>   | <u>377</u>     |
| Total operating expenses . . . . .   | <u>3,446</u>                   | <u>3,007</u> | <u>3,279</u>   |
| <b>OPERATING INCOME</b> . . . . .  | 333                            | 285          | 113            |
| <b>OTHER INCOME (EXPENSE)</b>  |                                |              |                |
| Interest expense . . . . .   | (180)                          | (198)        | (245)          |
| Capitalized interest . . . . .   | 4                              | 7            | 48             |
| Interest income and other . . . . .  | <u>4</u>                       | <u>10</u>    | <u>(5)</u>     |
| Total other income (expense) . . . . .   | <u>(172)</u>                   | <u>(181)</u> | <u>(202)</u>   |
| <b>INCOME (LOSS) BEFORE INCOME TAXES</b> . . . . .   | 161                            | 104          | (89)           |
| Income tax expense (benefit) . . . . .   | <u>64</u>                      | <u>43</u>    | <u>(5)</u>     |
| <b>NET INCOME (LOSS)</b> . . . . .   | <u>\$ 97</u>                   | <u>\$ 61</u> | <u>\$ (84)</u> |

**JETBLUE AIRWAYS CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(In millions, except share data)

|  | <b>December 31,</b> |                |
|--|---------------------|----------------|
|  | <b>2010</b>         | <b>2009</b>    |
| <b>ASSETS</b>  |                     |                |
| <b>CURRENT ASSETS</b>                                  |                     |                |
| Cash and cash equivalents .....                        | \$ 465              | \$ 896         |
| Investment securities .....                            | 495                 | 240            |
| Receivables, less allowance (2010-\$6; 2009-\$6;)..... | 84                  | 81             |
| Inventories, less allowance (2010-\$4; 2009-\$3).....  | 49                  | 40             |
| Restricted cash .....                                  | 3                   | 13             |
| Prepaid expenses .....                                 | 148                 | 147            |
| Other .....  | 27                  | 43             |
| Deferred income taxes .....                            | 89                  | 74             |
| Total current assets .....                             | 1,360               | 1,534          |
| <b>PROPERTY AND EQUIPMENT</b>                          |                     |                |
| Flight equipment .....                                 | 4,320               | 4,170          |
| Predelivery deposits for flight equipment .....        | 178                 | 139            |
|  | 4,498               | 4,309          |
| Less accumulated depreciation .....                    | 679                 | 540            |
|  | 3,819               | 3,769          |
| Other property and equipment .....                     | 491                 | 515            |
| Less accumulated depreciation .....                    | 178                 | 169            |
|  | 313                 | 346            |
| Assets constructed for others .....                    | 558                 | 549            |
| Less accumulated amortization .....                    | 49                  | 26             |
|  | 509                 | 523            |
| Total property and equipment .....                     | 4,641               | 4,638          |
| <b>OTHER ASSETS</b>                                    |                     |                |
| Investment securities .....                            | 133                 | 6              |
| Restricted cash .....                                  | 65                  | 64             |
| Other .....  | 394                 | 307            |
| Total other assets .....                               | 592                 | 377            |
| <b>TOTAL ASSETS</b> .....                              | <b>\$6,593</b>      | <b>\$6,549</b> |

**JETBLUE AIRWAYS CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(In millions, except share data)

|   | <b>December 31,</b> |                |
|---|---------------------|----------------|
|   | <b>2010</b>         | <b>2009</b>    |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>   |                     |                |
| <b>CURRENT LIABILITIES</b>  |                     |                |
| Accounts payable . . . . .  | \$ 104              | \$ 93          |
| Air traffic liability . . . . .   | 514                 | 443            |
| Accrued salaries, wages and benefits . . . . .  | 147                 | 121            |
| Other accrued liabilities . . . . .   | 137                 | 116            |
| Current maturities of long-term debt and capital leases . . . . .   | 183                 | 384            |
| Total current liabilities . . . . .   | 1,085               | 1,157          |
| <b>LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS . . . . .</b>   | <b>2,850</b>        | <b>2,920</b>   |
| <b>CONSTRUCTION OBLIGATION . . . . .</b>  | <b>533</b>          | <b>529</b>     |
| <b>DEFERRED TAXES AND OTHER LIABILITIES</b>   |                     |                |
| Deferred income taxes . . . . .   | 327                 | 259            |
| Other . . . . .   | 144                 | 138            |
|   | 471                 | 397            |
| <b>COMMITMENTS AND CONTINGENCIES</b>  |                     |                |
| <b>STOCKHOLDERS' EQUITY</b>   |                     |                |
| Preferred stock, \$.01 par value; 25,000,000 shares authorized, none issued . . . . .   | —                   | —              |
| Common stock, \$.01 par value; 900,000,000 and 500,000,000 shares authorized, 322,272,207 and 318,592,283 shares issued and 294,687,308 and 291,490,758 shares outstanding in 2010 and 2009, respectively . . . . . | 3                   | 3              |
| Treasury stock, at cost; 27,585,367 and 27,102,136 shares in 2010 and 2009, respectively . . . . .  | (4)                 | (2)            |
| Additional paid-in capital . . . . .  | 1,446               | 1,422          |
| Retained earnings . . . . .   | 219                 | 122            |
| Accumulated other comprehensive income (loss), net of taxes . . . . .   | (10)                | 1              |
| Total stockholders' equity . . . . .  | 1,654               | 1,546          |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY . . . . .</b>   | <b>\$6,593</b>      | <b>\$6,549</b> |

**JETBLUE AIRWAYS CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In millions)

|  | <b>Year Ended<br/>December 31,</b> |               |               |
|--|------------------------------------|---------------|---------------|
|  | <b>2010</b>                        | <b>2009</b>   | <b>2008</b>   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                                    |               |               |
| Net income (loss) . . . . .  | \$ 97                              | \$ 61         | \$ (84)       |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: |                                    |               |               |
| Deferred income taxes . . . . .  | 62                                 | 42            | (6)           |
| Depreciation . . . . .   | 194                                | 190           | 189           |
| Amortization . . . . .   | 36                                 | 44            | 21            |
| Stock-based compensation . . . . .   | 17                                 | 16            | 16            |
| Gains on sale of flight equipment and extinguishment of debt . . . . .                             | —                                  | (3)           | (45)          |
| Collateral returned (deposits) for derivative instruments . . . . .                                | (13)                               | 132           | (149)         |
| Auction rate securities impairment, net . . . . .  | —                                  | —             | 53            |
| Restricted cash returned by (paid for) business partners . . . . .                                 | 5                                  | 65            | (70)          |
| Changes in certain operating assets and liabilities:   |                                    |               |               |
| Decrease (Increase) in receivables . . . . .   | (4)                                | 3             | 4             |
| Decrease (Increase) in inventories, prepaid and other . . . . .                                    | (4)                                | (43)          | (10)          |
| Increase in air traffic liability . . . . .  | 70                                 | 4             | 15            |
| Increase (Decrease) in accounts payable and other accrued liabilities . . . . .                    | 27                                 | (66)          | 15            |
| Other, net . . . . .   | 36                                 | 41            | 34            |
| Net cash provided by (used in) operating activities . . . . .                                      | <u>523</u>                         | <u>486</u>    | <u>(17)</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                                    |               |               |
| Capital expenditures . . . . .   | (249)                              | (434)         | (654)         |
| Predelivery deposits for flight equipment . . . . .  | (50)                               | (32)          | (49)          |
| Refund of predelivery deposits for flight equipment . . . . .                                      | —                                  | 5             | —             |
| Proceeds from sale of flight equipment . . . . .   | —                                  | 58            | 299           |
| Assets constructed for others . . . . .  | (14)                               | (47)          | (142)         |
| Purchase of held-to-maturity investments . . . . .   | (866)                              | (22)          | —             |
| Proceeds from maturities of held-to-maturity investments . . . . .                                 | 414                                | —             | —             |
| Purchase of available-for-sale securities . . . . .  | (1,069)                            | (636)         | (69)          |
| Sale of available-for-sale securities . . . . .  | 1,052                              | 486           | —             |
| Sale of auction rate securities . . . . .  | 85                                 | 175           | 397           |
| Return of (deposits for) security deposits . . . . .   | 1                                  | (10)          | 1             |
| Increase in restricted cash and other assets, net . . . . .  | —                                  | —             | (30)          |
| Net cash used in investing activities . . . . .  | <u>(696)</u>                       | <u>(457)</u>  | <u>(247)</u>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                                    |               |               |
| Proceeds from:   |                                    |               |               |
| Issuance of common stock . . . . .   | 9                                  | 120           | 320           |
| Issuance of long-term debt . . . . .   | 116                                | 446           | 716           |
| Aircraft sale and leaseback transactions . . . . .   | —                                  | —             | 26            |
| Short-term borrowings . . . . .  | —                                  | 10            | 17            |
| Borrowings collateralized by ARS . . . . .   | 20                                 | 3             | 163           |
| Construction obligation . . . . .  | 15                                 | 49            | 138           |
| Repayment of:  |                                    |               |               |
| Long-term debt and capital lease obligations . . . . .   | (333)                              | (180)         | (673)         |
| Short-term borrowings . . . . .  | —                                  | (20)          | (52)          |
| Borrowings collateralized by ARS . . . . .   | (76)                               | (110)         | —             |
| Construction obligation . . . . .  | (5)                                | —             | —             |
| Other, net . . . . .   | (4)                                | (12)          | (20)          |
| Net cash provided by (used in) financing activities . . . . .                                      | <u>(258)</u>                       | <u>306</u>    | <u>635</u>    |
| <b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS . . . . .</b>                                  | <b>(431)</b>                       | <b>335</b>    | <b>371</b>    |
| Cash and cash equivalents at beginning of period . . . . .   | <u>896</u>                         | <u>561</u>    | <u>190</u>    |
| Cash and cash equivalents at end of period . . . . .   | <u>\$ 465</u>                      | <u>\$ 896</u> | <u>\$ 561</u> |