FRONTIER AIRLINES INC /CO/
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Frontier Airlines Reports Fiscal Second Quarter 2004 Results

DENVER (Oct. 30, 2003) - Frontier Airlines (Nasdaq: FRNT) today reported fiscal second quarter 2004 net income of $2.0 million, or $0.06 per diluted common share for the three months ended September 30, 2003, compared with a net loss of $3.1 million, or $0.10 per common share for the airline's fiscal second quarter last year. Included in the Company's fiscal second quarter 2004 net income were the following special items on a pre-tax basis; write-off of deferred loan costs of $8.7 million associated with the prepayment of all but $11.6 million remaining principal of th government guaranteed loan; a charge for Boeing aircraft and facility lease exit costs of $4.6 million; loss of $1.7 million on the sale of one Airbus aircraft in a sale-leaseback transaction and from the sale of a spare engine; and an unrealized derivative loss of $.3 million. These item net of income taxes and profit sharing, totaled $0.27 per diluted share.

Chief Executive Officer's Comments

Frontier President and CEO Jeff Potter said, "Our fiscal second quarter results provide further evidence that our efforts of the previous year, including our continued shift to an all Airbus fl the launch of a high-impact branding campaign and the simplicity we brought to the market with ou new pricing structure, are now paying consistent dividends. This past summer was notable as we ca a record number of passengers, and achieved a record load factor for the fiscal second quarter 20 Once again our quarterly traffic growth far outpaced our capacity growth, resulting in an industr leading year-over-year increase in passenger revenue per available seat mile (RASM) of 24.5 perce The culmination of each of these trends in our business, allowed us to achieve an operating margi 13.5 percent for the quarter."

Operating Highlights

Total revenues during the airline's fiscal second quarter increased 38.9 percent to $165.8 millio from $119.4 million in the fiscal second quarter of 2003, while operating expenses during the qua only increased 17.0 percent to $143.5 million from $122.6 million from the same period last year.

Passenger revenue increased as revenue passenger miles (RPMs), grew at a rate of 42.8 percent dur its fiscal second quarter, while capacity growth, as measured by available seat miles (ASMs), inc by 10.3 percent, from the same time last year. As a result, the airline's load factor was 76.6 pe for its fiscal second quarter, 17.4 load factor points greater than the airline's load factor of percent during the same time last year. During fiscal second quarter 2004, the airline's breakeve factor increased 13.1 load factor points from 61.7 percent to 74.8 percent, which includes the ef of special items. These items, net of profit sharing, accounted for 6.2 load factor points of the even load factor increase.

During fiscal second quarter 2004, the airline's passenger revenue per available seat mile (RASM) increased 1.82 cents or 24.5 percent to 9.26 cents from 7.44 cents for the same quarter last year increase in RASM was primarily due to a significant increase in load factor but was slightly offs decrease in revenue per passenger mile (yield) of 3.8 percent to 12.09 cents from 12.57 cents for period last year. The decline in yield can be attributed to a 3.2 percent decline in average leng haul as well as Frontier's simplified fare structure, which was implemented in February 2003.

The year-over-year increase in total revenues also reflects contributions from other revenues ass with Frontier's new U.S. mail contracts, LiveTV revenues and the positive operating margin contri from Mesa's JetExpress service.

The airline's cost per available seat mile (CASM) including fuel for the September 2003 quarter i 5.9 percent to 8.32 cents from 7.86 cents for the same quarter last year. Fuel cost per gallon du quarter, including taxes and the cost of delivering fuel into the aircraft, increased 9.8 percent

per gallon, compared to 92.0 cents for the same period last year. CASM excluding fuel increased 5
to 6.82 cents from the same period last year when CASM excluding fuel was 6.49 cents.

Chief Financial Officer Paul Tate discussed the airline's year-over-year quarterly unit cost incr stating, "Our CASM ex-fuel increased .33 cents during the quarter, principally as a result of an in passenger related expenses of .24 cents per ASM caused by a disproportionate increase in the n passengers and U.S. Mail carried compared to the year-over-year quarterly ASM growth. In additio incurred an increase in general and administrative expenses of .15 cents as a result of a profit accrual associated with our return to profitability and an increase in health insurance costs. Th increases were offset by a decrease of .13 cents in maintenance expense, principally as a result reduction in our older Boeing fleet, which continues to be replaced with new Airbus aircraft."

Tate also described Frontier's current cash and short-term investment position, stating, "Our cas position of $203.3 million, which was substantially aided by our secondary offering of 5.05 milli shares of common stock in September 2003, is the highest in the Company's history. A portion of proceeds from the secondary offering were used to decrease our government guaranteed loan by $48. million and enabled us to increase our cash position by $32.5 million."

The airline's fleet in service on September 30, 2003 consisted of 12 owned Airbus A319 and A318 a 12 leased Airbus A319 aircraft and 14 leased Boeing 737 aircraft.

Business developments during the quarter included:

- Signed a Letter of Intent with Airbus for the acquisition of 15 additional Airbus A319 a with purchase rights for up to an additional 23 A319 aircraft. The company also announced i to lease 14 additional A319s to be delivered over the next five years.
- Took delivery of six new aircraft including three Airbus A319 aircraft and three Airbus aircraft, and retired the final two Boeing 737-200s in the Company's fleet. The initial Ai delivered to Frontier was the first in the world to be flown commercially.
- Generated net proceeds of $81.1 million via a secondary offering of 5,050,000 shares of in September 2003.
- Began service to Milwaukee and Orange County, California on August 31, 2003.
- Partnered with a new regional jet provider, Horizon Air, to begin operations as Frontier upon the expiration of the current agreement with Mesa Air, which ends Dec. 31, 2003. The H agreement calls for as many as nine 70-seat Bombardier CRJ-700 aircraft by May 30, 2004.
- Signed exclusive marketing agreements with five major Colorado universities as well as t Avalanche (NHL), the Denver Nuggets (NBA) and the Pepsi Center, Denver's premiere sports and entertainment venue.
- Announced service to four new destinations--St. Louis beginning November 1, 2003; and in Los Cabos beginning November 1, 2003, Puerto Vallarta beginning November 22, 2003, and Ixtap beginning January 31, 2004.
- Expanded our codeshare agreement with Great Lakes Airlines to serve Rapid City, South Da Grand Junction Colorado.
- Significantly enhanced the ease of customer check-in with the launch of "FlexCheck," a F branded online and web-based check-in service, including FlexCheck kiosks at our Denver tick
- Partnered with Vail Resorts for a unique, industry-first ski package that offers unlimit and unlimited flying from any of Frontier's destinations into Denver and Lake Tahoe, NV.

Cash Comparisons

Cash, cash equivalents and short-term investments available for operations and investing activiti September 30, 2003 were $203.3 million compared to $44.6 million available on September 30, 2002. in the Company's cash position is largely attributable to its net income for the period, and incl proceeds of $81.1 million from a secondary offering of common stock, offset by a required pre-pay million on the Company's government guaranteed loan. The airline reported working capital of $118 of September 30, 2003, a substantial increase over the airline's working capital on September 30, airline reported working capital of $6.0 million.

Potter concluded, "We began our fiscal year with several changes, including a simplified fare str the launch of our new branding campaign, and in the second quarter we built upon that momentum an laid the foundation for future earnings growth. The result was record revenues of $165.6 million, months of record load factors including a Company-best 80.1 percent in July and most importantly, what started to become apparent in our first quarter--that we are stimulating air travel by offer a superior product and service at an affordable price. With our road map in place, our dedicated working tirelessly to continually outperform themselves, and our operations achieving greater eff quarter as we continue our Airbus transition. We are eager to expand our service, bringing low fa flight experience to new customers by adding frequency in our current markets as well as new dest future."

Senior leadership will host a conference call to discuss Frontier's quarterly earnings on October at 9:00 a.m. Mountain Daylight Time. The call is available via the World Wide Web on the airline' at WWW.FRONTIERAIRLINES.COM or using the following URL: http://www.vcall.com/CEPage.asp?ID=84961

Currently in its tenth year of operations, Denver-based Frontier Airlines is the second largest j carrier at Denver International Airport with a fleet of 39 aircraft and employing approximately 3 aviation professionals. Frontier, in conjunction with Frontier JetExpress operated by Mesa Air Gr operates routes linking our Denver hub to 38 cities in 23 states spanning the nation from coast-t to two cities in Mexico. Frontier's maintenance and engineering department has received the Feder Administration's highest award, the Diamond Certificate of Excellence, in recognition of 100 perc maintenance and engineering employees completing advanced aircraft maintenance training programs, consecutive years. In August 2003, Frontier ranked as one of the "Top 10 Domestic Airlines" as de readers of Travel & Leisure magazine. Frontier provides capacity information and other operating on its Web site, which may be viewed at WWW.FRONTIERAIRLINES.COM.

Legal Notice Regarding Forward-Looking Statements

Frontier notes that this press release contains forward-looking statements and that certain infor contained in this press release involves risks and uncertainties that could result in actual resu materially from expected results. These statements include, but are not limited to, the ability t financial resources while operating in a highly competitive hub, the ability to increase future r the ability to achieve additional unit cost reductions. Forward-looking statements represent the expectations and beliefs concerning future events, based on information available to the Company date of this press release. Forward-looking statements are inherently subject to risks and uncert many of which cannot be predicted with accuracy and some of which might not even be anticipated. factors that could significantly impact the forward-looking statements in this press release incl not limited to: the uncertainty of leisure travel and corporate travel expenditures as we enter t weak period of post-summer travel; further downward pressure on airfares; unanticipated decreases of passenger traffic due to terrorist acts or additional incidents that could cause the public to safety and/or efficiency of air travel; negative public perceptions associated with increased sec various domestic airports; the ability to secure adequate gate facilities at Denver International other airports where Frontier operates; weather, maintenance or other operational disruptions; ai control-related difficulties; the impact of labor issues; actions of the federal and local govern in the government's policy regarding relief to the airline industry especially as it relates to w and the stability of the U.S. economy and the economic environment of the airline industry. The C no obligation to publicly update or revise any forward-looking statements to reflect events or ci may arise after the date of this press release. Additional information regarding these and other contained in the Company's SEC filings, including without limitation, the Company's form 10-K for ended March 31, 2003, and the Company's Form 10-Q for the quarter ended June 30, 2003 and the Com 8-K filed September 19, 2003.

-Financial Tables To Follow-

FRONTIER AIRLINES, INC.

SELECTED BALANCE SHEET DATA
(In Thousands)
(unaudited)

	September 30, 2003	September 30, 2002
Balance Sheet Data:		
Cash, cash equivalents and short-term investments	$ 203,332	$ 44,566
Current assets	$ 271,959	$ 114,413
Total assets	$ 741,615	$ 427,428
Current liabilities	$ 153,770	$ 108,462
Long-term debt	$ 279,379	$ 133,650
Total liabilities	$ 486,161	$ 259,220
Stockholders' equity	$ 255,453	$ 168,208
Working capital	$ 118,189	$ 5,951

FRONTIER AIRLINES, INC.
STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended		Six Months	
	September 30, 2003	September 30, 2002	September 30, 2003	S
Revenues:				
Passenger	$ 159,964,675	$ 116,709,640	$ 298,855,237	$
Cargo	2,369,222	1,366,251	4,058,247	
Other	3,487,275	1,278,633	5,273,638	
Total revenues	165,821,172	119,354,524	308,187,122	
Operating expenses:				
Flight operations	42,267,994	38,236,779	84,433,315	
Aircraft fuel expense	25,900,551	21,332,131	48,501,320	
Aircraft and traffic servicing	26,077,456	21,274,015	50,074,966	
Maintenance	17,120,004	17,500,920	34,997,976	
Promotion and sales	16,470,511	13,505,113	31,190,508	
General and administrative	9,784,376	6,574,920	18,720,012	
Depreciation and amortization	5,870,300	4,133,227	11,057,498	
Total operating expenses	143,491,192	122,557,105	278,975,595	
Operating income (loss)	22,329,980	(3,202,581)	29,211,527	
Nonoperating income (expense):				
Interest income	524,468	487,798	937,831	
Interest expense	(4,034,387)	(1,895,668)	(7,868,780)	
Emergency Wartime Supplemental Appropriations Act compensation	-	-	15,024,188	
Early extinguishment of debt	(8,742,489)	-	(8,742,489)	
Aircraft lease and facility exit costs	(4,659,058)	-	(5,345,353)	
Loss on sale-leaseback of aircraft	(1,237,718)	-	(1,237,718)	
Other, net	(676,218)	(286,772)	(852,311)	

Total nonoperating income expense, net	(18,825,402)	(1,694,642)	(8,084,632)
Income (loss) before income tax expense (benefit) and cumulative effect of change in method of accounting for maintenance	3,504,578	(4,897,223)	21,126,895
Income tax expense (benefit)	1,506,855	(1,842,729)	8,195,482
Income (loss) before cumulative effect of change in method of accounting for maintenance	1,997,723	(3,054,494)	12,931,413
Cumulative effect of change in method of accounting for maintenance, net of tax	-	-	-
Net income (loss)	$ 1,997,723	$ (3,054,494)	$ 12,931,413

(Continued)

FRONTIER AIRLINES, INC.
Statements of Operations
(Unaudited)

	September 30, 2003	September 30, 2002	September 30, 2003	S
Earnings (loss) per share:				
Basic:				
Income (loss) before cumulative effect of a change in accounting principle	$0.07	($0.10)	$0.43	
Cumulative effect of change in method of accounting for maintenance checks	-	-	-	
Net income (loss)	$0.07	($0.10)	$0.43	
Diluted:				
Income (loss) before cumulative effect of a change in accounting princip	$0.06	($0.10)	$0.40	
Cumulative effect of change in method of accounting for maintenance checks	-	-	-	
Net income (loss)	$0.06	($0.10)	$0.40	
Weighted average shares of common stock outstanding:				
Basic	30,440,589	29,632,898	30,133,571	
Diluted	33,620,352	29,632,898	32,514,599	

FRONTIER AIRLINES, INC.
COMPARATIVE OPERATING STATISTICS

	Three Months Ended Sept. 30 2003	2002	Six Months End 2003
Selected Operating Data:			
Passenger revenue (000s)	$ 159,965	$ 116,710	$ 298,855
Revenue passengers carried (000s)	1,457	987	2,684
Revenue passenger miles (RPMs) (000s)	1,318,020	922,817	2,443,253
Available seat miles (ASMs) (000s)	1,721,397	1,559,879	3,396,447
Passenger load factor	76.6%	59.2%	71.9%
Break-even load factor (1)	74.9%	61.7%	65.0%
Block hours	33,908	30,875	67,035
Departures	15,078	13,583	29,688
Average aircraft stage length	858	870	860
Average passenger length of haul	905	935	910
Average daily fleet block hour utilization	10.0	9.9	10.1
Yield per RPM (cents)	12.09	12.57	12.18
Yield per ASM (cents) (2) (3)	9.26	7.44	8.76
Total yield per ASM (cents) (3)	9.63	7.65	9.07
Cost per ASM (cents)	8.32	7.86	8.23
Fuel cost per ASM (cents)	1.50	1.37	1.43
Cost per ASM excluding fuel (cents) (4)	6.82	6.49	6.80
Average fare	$ 103	$ 109	$ 104
Average aircraft in fleet	37.0	33.8	36.3
Aircraft in fleet at end of period	38.0	35.0	38.0
Average age of aircraft at end of period	4.6	9.3	4.6

1. "Break-even load factor" is the passenger load factor that will result in operating revenues b operating expenses, assuming constant revenue per passenger mile and expenses. The break-even lo the three months ended September 30, 2003 includes the following special items net of profit-shar of deferred loan costs of $8,624,000 associated with the prepayment of the guaranteed loan; a cha aircraft and facility lease exit costs of $4,292,000; loss of $1,586,000 on the sale of one Airbu a sale-leaseback transaction and from the sale of a spare engine; and an unrealized derivative lo The break-even load factor for the six months ended September 30, 2003 includes the following spe profit-sharing; compensation received under the Appropriations Act of $13,842,000; write-off of d costs of $8,624,000 associated with the prepayment of the guaranteed loan; a charge for Boeing ai lease exit costs of $4,924,000; loss of $1,586,000 on the sale of one Airbus aircraft in a sale-l and from the sale of a spare engine; and an unrealized derivative gain of $438,000.

2. "Yield per RPM" is determined by dividing passenger revenues (excluding charter revenue) by re

miles.

3. For purposes of these yield calculations, charter revenue is excluded from passenger revenue. be deemed non-GAAP financial measures under regulations issued by the Securities and Exchange Com that presentation of yield excluding charter revenue is useful to investors because charter fligh in RPMs or ASMs. Furthermore, in preparing operating plans and forecasts, we rely on an analysis of charter revenue. Our presentation of non-GAAP financial measures should not be viewed as a sub financial or statistical results based on GAAP. The calculation of passenger revenue excluding ch follows:

(in thousands)	Three Months Ended Sept. 30,		Six Months Ende
	2003	2002	2003
Passenger revenues, as reported	$159,965	$ 116,710	$ 298,855
Charter revenue	580	721	1,194
Passenger revenues, excluding charter revenue	$159,385	$ 115,989	$ 297,661

4. This may be deemed a non-GAAP financial measure under regulations issued by the Securities a Commission. We believe the presentation of financial information excluding fuel expense is useful because we believe that fuel expense tends to fluctuate more than other operating expenses, it fa comparison of results of operations between current and past periods and enables investors to bet future trends in our operations. Furthermore, in preparing operating plans and forecasts, we rely trends in our historical results of operations excluding fuel expense. However, our presentation financial measures should not be viewed as a substitute for our financial results determine in ac

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