

JETBLUE AIRWAYS CORP

Form 424B3

May 27, 2008

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The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to purchase these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus Supplement dated May 27, 2008

## PROSPECTUS SUPPLEMENT

(To prospectus dated June 30, 2006)

38,000,000 Shares

## COMMON STOCK

This is an offering of up to an aggregate of 38,000,000 shares of common stock of JetBlue Airways Corporation, assuming no exercise of the over-allotment option in respect of the convertible debentures offered in the concurrent offering. The shares of our common stock offered hereby are shares that we will loan to Morgan Stanley Capital Services, Inc., an affiliate of Morgan Stanley & Co. Incorporated, the underwriter for this offering, which affiliate we refer to as the “share borrower.” Those shares are referred to in this prospectus supplement as the “borrowed shares.”

We will not receive any proceeds from the sale of the borrowed shares in this offering, but will receive a nominal loan fee from the share borrower for the use of the borrowed shares. The share borrower or its affiliates will receive all the proceeds from the sale of the borrowed shares. We have been advised by the underwriter for this offering that it, or its affiliates, intend to use the short position created by the share loan and the short sales of the borrowed shares to facilitate transactions by which investors in our % convertible debentures due 2038 and our % convertible debentures due 2038, which we refer to collectively as our “convertible debentures” and that are being offered in a concurrent offering pursuant to a separate prospectus supplement and accompanying prospectus, may hedge their investments through short sales or privately negotiated derivatives transactions. The offering of our common stock pursuant to this prospectus supplement and the accompanying prospectus is contingent upon the closing of the convertible debentures offering.



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You should rely only on the information contained in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. This document may be used only where it is legal to sell these securities. You should not assume that the information in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date of this prospectus supplement. Also, you should not assume that there has been no change in the affairs of JetBlue since the date of this prospectus supplement.

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### Special Note About Forward-Looking Statements

Statements in this prospectus supplement and in the accompanying prospectus and other materials filed or to be filed with the Securities and Exchange Commission (or otherwise made by JetBlue or on JetBlue's behalf) contain various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which represent our management's beliefs and assumptions concerning future events. When used in this prospectus supplement and in the accompanying prospectus and in other materials filed or to be filed with the SEC (or otherwise made by JetBlue or on JetBlue's behalf), forward-looking statements include, without limitation, statements regarding financial forecasts or projections, and our expectations, beliefs, intentions or future strategies that are signified by the words "expects," "anticipates," "intends," "believes," "plans" or similar language. These forward-looking statements are to risks, uncertainties and assumptions that could cause our actual results and the timing of certain events to differ materially from those expressed in the forward-looking statements. It is routine for our internal projections and expectations to change as the year or each quarter in the year progresses, and therefore it should be clearly understood that the internal projections, beliefs and assumptions upon which we base our expectations may change prior to the end of each quarter or year. Although these expectations may change, we may not inform you if they do.

You should understand that many important factors, in addition to those discussed or incorporated by reference in this prospectus supplement or in the accompanying prospectus or other public communications, could cause our results to differ materially from those expressed in the forward-looking statements. Potential factors that could affect our results include, in addition to others not described in this prospectus supplement or in the accompanying prospectus or other public communications, are those described in the "Risk Factors" section of this prospectus supplement and the accompanying prospectus. In light of these risks and uncertainties, the forward-looking events discussed in this prospectus supplement or the accompanying prospectus or other public communications might not occur.

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|                          |    |   |   |    |    |    |   |            |     |     |     |   |   |
|--------------------------|----|---|---|----|----|----|---|------------|-----|-----|-----|---|---|
| Revised Firm A320 Orders | 3  | 3 | 5 | 13 | 13 | 12 | 9 | Net Change | (9) | (7) | (5) | 0 | 0 |
|                          | 12 | 9 |   |    |    |    |   |            |     |     |     |   |   |

We believe that these deferrals will help us further moderate our growth rate in 2009 and beyond, and help us enhance liquidity, defer future debt obligations and drive improved profitability.

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In addition, as previously disclosed, we use several credit card processing companies to process ticket sales on credit cards. Our agreements with them provide for deposits or holdbacks from card proceeds in certain circumstances. We have entered into ongoing discussions with one of our primary credit card processors that, while not finalized, we believe will result in a requirement to post, as security for its exposure, a portion of our air traffic liability in an initial amount of approximately \$30-\$35 million either in the form of cash or a letter of credit. We further anticipate, as part of these discussions, that the processor will provide us with financial and other credit criteria currently used to establish its security requirements.

In addition, also as previously disclosed, our business is highly dependent on the price and availability of fuel. Since March 31, 2008, market prices for oil have continued to increase, reaching record levels and driving jet fuel prices higher. Although our hedging activities partially protect us against significant increases in fuel prices, such increases cause our expenses to increase, and, if current levels are sustained, would adversely affect our results and financial condition.

#### Concurrent Transaction

Concurrently with this offering of borrowed shares, we are offering, by means of a separate prospectus supplement and accompanying prospectus, \$80 million aggregate principal amount of our % convertible debentures due 2038 and \$80 million aggregate principal amount of our % convertible debentures due 2038, which we refer to collectively as the convertible debentures, in an offering registered under the Securities Act. We also expect to grant a 30-day option to the underwriters of the convertible debentures to purchase up to an additional 15% of the aggregate principal amount of the convertible debentures of each series solely to cover over-allotments in respect of that series.

We intend to use the net proceeds of the offering of the convertible debentures (after discounts, commissions and expenses, including the funding of related escrow accounts) for general corporate purposes. We have been advised by the underwriter for this offering that it, or its affiliates, intend to use the short position created by the share loan and the short sales of the borrowed shares to facilitate transactions by which investors in our convertible debentures may hedge their investments through short sales or privately negotiated derivatives transactions. The offering of our common stock pursuant to this prospectus supplement and the accompanying prospectus is contingent upon the closing of the convertible debentures offering. We expect to deliver such convertible debentures concurrently with the closing of this offering. See “Share Lending Agreement; Concurrent Offering of Convertible Debentures” and “Underwriting.”

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The Offering

|   |   |
|---|---|
|   | Issuer  |
| JetBlue Airways Corporation   | Nasdaq Global Select Market Symbol JBLU   |
| Common Stock Offered  | Shares of   |
| Up to 38,000,000 shares, assuming no exercise of the over-allotment option in respect of the convertible debentures offered in the concurrent offering. | Shares of Common Stock  |
| Outstanding Following this Offering(1)  | Up to 263,663,658 shares (including up to 38,000,000 shares offered hereby).  |
| Trading Symbol for our Common Stock   | Our common stock is listed on the Nasdaq Global Select Market under the symbol "JBLU".  |
| Use of Proceeds   | The shares of our common stock offered hereby are shares that we have loaned to the share borrower pursuant to a share lending agreement dated as of May , 2008 (which we refer to as the "share lending agreement"). We will not receive any proceeds from the sale of the borrowed shares in this offering, but we will receive a nominal lending fee of \$0.01 per share from the share borrower for the use of the borrowed shares. The share borrower or its affiliates will receive all the proceeds from the sale of the borrowed shares. We have been advised by the underwriter for this offering that it, or its affiliates, intend to use the short position created by the share loan and the short sales of the borrowed shares to facilitate transactions by which investors in our convertible debentures may hedge their investments through short sales or privately negotiated derivatives transactions. See "Share Lending Agreement; Concurrent Offering of Convertible Debentures" and "Underwriting." |
| Risk Factors  | You should carefully consider the information set forth in the "Risk Factors" section of this prospectus supplement and accompanying prospectus as well as the other information included in or incorporated by reference in this prospectus supplement and the accompanying prospectus before deciding whether to invest in our common stock.  |
|   | (1) As of March 31, 2008. Excludes the following at March 31, 2008: • 49,530,837 shares of common stock reserved for issuance under our amended and restated 2002 Stock Option Plan, of which 29,152,415 shares were subject to outstanding options at a weighted average exercise price of \$12.31 per share, and 1,546,025 shares were subject to outstanding restricted stock units as of March 31, 2008. • 25,524,648 shares of common stock reserved for issuance under our crewmembers stock purchase plan as of March 31, 2008.  |

## Summary Financial Data

The following tables set forth our summary consolidated financial information. We derived the statements of operations data and other financial data for the three years ended December 31, 2007 and the three months ended March 31, 2007 and 2008, and balance sheet data as of such dates from our consolidated financial statements incorporated by reference into this prospectus supplement. This information should be read in conjunction with the consolidated financial statements and related notes thereto incorporated by reference into this prospectus supplement.

|                               |           | Three Months Ended March 31, |   |                     | Year Ended December 31,       |   |           | 2008                        | 2007                         | 2007 | 2006                  | 2005          | (in millions, except per share data) |       |       |       |
|-------------------------------|-----------|------------------------------|---|---------------------|-------------------------------|---|-----------|-----------------------------|------------------------------|------|-----------------------|---------------|--------------------------------------|-------|-------|-------|
| Statement of Operations Data: |           |                              |   |                     |                               |   |           |                             |                              |      |                       |               |                                      |       |       |       |
|                               |           |                              |   |                     |                               |   |           |                             |                              |      | Operating revenues    | \$ 816        |                                      |       |       |       |
| \$ 608                        | \$ 2,842  | \$ 2,363                     | \$ 1,701                                  | Operating expenses: |                               |   |           |                             |                              |      |                       | Aircraft fuel | 308                                  | 190   |       |       |
| 929                           | 752       | 488                          | Salaries, wages and benefits              | 178                 | 164                           | 648                                       | 553       | 428                         | Landing fees and other rents |      |                       |               |                                      |       |       |       |
| 51                            | 45        | 180                          | 158                                       | 112                 | Depreciation and amortization | 45  | 42        | 176                         | 151                          | 115  | Aircraft rent         |               |                                      |       |       |       |
| 32                            | 30        | 124                          | 103                                       | 74                  | Sales and marketing           | 39  | 29        | 121                         | 104                          | 81   | Maintenance materials |               |                                      |       |       |       |
| and repairs                   | 33        | 26                           | 106                                       | 87                  | 64                            | Other operating expenses (1)              | 113       | 95                          | 389                          | 328  | 291                   |               |                                      |       |       |       |
| Total operating expenses (2)  | 799       | 621                          | 2,673                                     | 2,236               | 1,653                         | Operating income                          | 17        | (13)                        | 169                          |      |                       |               |                                      |       |       |       |
| 127                           | 48        | Other income (expense)       | (30)                                      | (32)                | (128)                         | (118)                                     | (72)      | Income (loss) before income |                              |      |                       |               |                                      |       |       |       |
| taxes                         | (13)      | (45)                         | 41  | 9                   | (24)                          | Income tax expense (benefit)              | (5)       | (23)                        | 23                           | 10   | (4)                   | Net           |                                      |       |       |       |
| income (loss)                 | \$ (8)    | \$ (22)                      | \$ 18                                     | \$ (1)              | \$ (20)                       | Earnings (loss) per common share:         |           |                             |                              |      |                       |               |                                      |       |       |       |
| Basic                         | \$ (0.04) | \$ (0.12)                    | \$ 0.10                                   | \$ —                | \$ (0.13)                     | Diluted                                   | \$ (0.04) | \$ (0.12)                   | \$ 0.10                      | \$ — | \$ (0.13)             |               |                                      |       |       |       |
| ) Other Financial Data:       |           |                              |   |                     |                               |   |           |                             |                              |      |                       |               |                                      |       |       |       |
|                               |           |                              |   |                     |                               |   |           |                             |                              |      | Operating margin      | 2.2 %         | (2.2)%                               | 6.0 % | 5.4 % | 2.8 % |
| Pre-tax margin                | (1.5)%    | (7.3)%                       | 1.4 %                                     | 0.4 %               | (1.4)%                        | Ratio of earnings to fixed charges (3)    | —         | —                           |                              |      |                       |               |                                      |       |       |       |
| —                             | —         | —                            | Net cash provided by operating activities | \$ 49               | \$ 147                        | \$ 358                                    | \$ 274    | \$ 170                      | Net cash provided            |      |                       |               |                                      |       |       |       |
| by investing activities       | 57        | (330)                        | (734)                                     | (1,307)             | (1,276)                       | Net cash provided by financing activities |           |                             |                              |      |                       |               |                                      |       |       |       |
| 417                           | 229       | 556                          | 1,037                                     | 1,093               |                               |   |           |                             |                              |      |                       |               |                                      |       |       |       |

(1) In 2007, we sold three Airbus A320 aircraft, which resulted in gains of \$7 million. In 2006, we sold five Airbus A320 aircraft, resulting in gains of \$12 million. (2) In 2005, we recorded \$7 million in non-cash stock-based compensation expense related to the acceleration of certain employee stock options and wrote-off \$6 million in development costs relating to a maintenance and inventory tracking system that was not implemented. (3) Earnings were inadequate to cover fixed charges by \$1 million, \$17 million and \$39 million for the years ended December 31, 2007, 2006 and 2005, respectively and \$27 million and \$53 million for the three months ended March 31, 2008 and 2007, respectively.

| March 31,            | December 31, | 2008   | 2007  | 2006  | 2005                             | (in millions) Balance Sheet Data: |       |       |       | Cash   |
|----------------------|--------------|--------|-------|-------|----------------------------------|-----------------------------------|-------|-------|-------|--------|
| and cash equivalents | \$ 713       | \$ 190 | \$ 10 | \$ 6  | Short-term investment securities | 40                                | 644   | 689   | 478   |        |
| Total assets         | 6,050        | 5,598  | 4,843 | 3,892 | Total debt                       | 3,097                             | 3,048 | 2,840 | 2,326 | Common |
| stockholders' equity | 1,329        | 1,036  | 952   | 911   |                                  |                                   |       |       |       |        |

| Three Months Ended March 31,                       |  | Year Ended December 31,                            |                                    | 2008                             | 2007    | 2007                              | 2006              | 2005                      |           |     |
|--|--|--|------------------------------------|----------------------------------|---------|-----------------------------------|-------------------|---------------------------|-----------|-----|
| Operating Statistics (unaudited):                  |  | Revenue passengers (thousands)                     |                                    | 5,518                            | 5,091   |                                   |                   |                           |           |     |
| 21,387   | 18,565   | 14,729   | Revenue passenger miles (millions) | 6,563                            | 5,942   | 25,737                            | 23,320            | 20,200                    |           |     |
| Available seats miles (ASMs)(millions)             |  | 8,395  | 7,370                              | 31,904                           | 28,594  | 23,703                            | Load factor       | 78.2 %                    |           |     |
| 80.6 %   | 80.7 %   | 81.6 %   | 85.2 %                             | Breakeven load factor (4)        | 82.2 %  | 88.1 %                            | 80.7 %            | 81.4 %                    |           |     |
| 86.1 %   | Aircraft utilization (hours per day)             |  | 12.9                               | 12.7                             | 12.8    | 12.7                              | 13.4              | Average fare              | \$ 135.64 | \$  |
| 110.79   | \$ 123.23  | \$ 119.73  | \$ 110.03                          | Yield per passenger mile (cents) | 11.40   | 9.49                              | 10.24             | 9.53                      |           |     |
| 8.02   | Passenger revenue per ASM (cents)                |  | 8.92                               | 7.65                             | 8.26    | 7.77                              | 6.84              | Operating revenue per ASM |           |     |
| (cents)  | 9.72   | 8.25   | 8.91                               | 8.26                             | 7.18    | Operating expense per ASM (cents) | 9.51              | 8.43                      | 8.38      |     |
| 7.82   | 6.98   | Operating expense per ASM, excluding fuel (cents)  |                                    | 5.84                             | 5.85    | 5.47                              | 5.19              | 4.92                      | Airline   |     |
| operating expense per ASM (cents) (4)              |  | 9.37   | 8.36                               | 8.27                             | 7.76    | 6.91                              | Departures        | 52,265                    | 46,574    |     |
| 196,594  | 159,152  | 112,009  | Average stage length (miles)       | 1,131                            | 1,086   | 1,129                             | 1,186             | 1,358                     |           |     |
| Average number of operating aircraft during period |  | 136.3  | 121.5                              | 127.8                            | 106.5   | 77.5                              | Average fuel cost |                           |           |     |
| per gallon   | \$ 2.65  | \$ 1.88  | \$ 2.09                            | \$ 1.99                          | \$ 1.61 | Fuel gallons consumed (millions)  | 117               | 101                       | 444       |     |
| 377  | 303  | Percent of sales through jetblue.com during period |                                    | 76.7 %                           | 76.4 %  | 75.7 %                            | 79.1 %            |                           |           |     |
| 77.5 %   | Full-time equivalent employees at period end (4) |  | 10,165                             | 9,260                            | 9,909   | 9,265                             | 8,326             |                           |           | (4) |

Excludes results of operations and employees of LiveTV, LLC, which are unrelated to our airline operations and are immaterial to our consolidated operating results.

The following terms used in this section and elsewhere in this prospectus supplement have the meanings indicated below:

“Revenue passengers” represents the total number of paying passengers flown on all flight segments.

“Revenue passenger miles” represents the number of miles flown by revenue passengers.

“Available seat miles” represents the number of seats available for passengers multiplied by the number of miles the seats are flown.

“Load factor” represents the percentage of aircraft seating capacity that is actually utilized (revenue passenger miles divided by available seat miles).

“Breakeven load factor” is the passenger load factor that will result in operating revenues being equal to operating expenses, assuming constant revenue per passenger mile and expenses.

“Aircraft utilization” represents the average number of block hours operated per day per aircraft for the total fleet of aircraft.

“Average fare” represents the average one-way fare paid per flight segment by a revenue passenger.

“Yield per passenger mile” represents the average amount one passenger pays to fly one mile.

“Passenger revenue per available seat mile” represents passenger revenue divided by available seat miles.

“Operating revenue per available seat mile” represents operating revenues divided by available seat miles.

“Operating expense per available seat mile” represents operating expenses divided by available seat miles.

“Operating expense per available seat mile, excluding fuel” represents operating expenses, less aircraft fuel, divided by available seat miles.

“Average stage length” represents the average number of miles flown per flight.

“Average fuel cost per gallon” represents total aircraft fuel costs, which excludes fuel taxes, divided by the total number of fuel gallons consumed.

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## RISK FACTORS

An investment in our common stock involves certain risks. You should carefully consider the risks described below, as well as the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus before making an investment decision. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. The market or trading price of our common stock could decline due to any of these risks, and you may lose all or part of your investment. In addition, please read “Special Note About Forward-Looking Statements” in this prospectus supplement where we describe additional uncertainties associated with our business and the forward-looking statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus. Please note that additional risks not presently known to us or that we currently deem immaterial may also impair our business and operations.

### Risks Relating to Our Business

Certain risks relating to us and our business are described under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2007 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2008, which are incorporated by reference into this prospectus supplement, and which you should carefully review and consider.

### Risks Relating to the Offering

The effect of the issuance and sale of our shares of common stock in this offering, which issuance is being made to facilitate transactions by which investors in our convertible debentures may hedge their investments, may be to lower the market price of our common stock.

The underwriter has informed us that it, or its affiliates, intends to short sell up to 38,000,000 borrowed shares concurrently with the offering of our convertible debentures and, to the extent that fewer than that number of shares are sold concurrently with the offering of the convertible debentures, the share borrower may from time to time during a permitted borrowing period borrow additional shares from us for additional offerings. The borrowed shares are being borrowed by the share borrower under the share lending agreement. We will not receive any proceeds from the borrowed shares of common stock, but we will receive a nominal lending fee from the share borrower for the use of those shares. All borrowed shares (or identical shares or, in certain circumstances, the cash value thereof) must be returned to us on or about the maturity date of the convertible debentures or earlier upon demand when our convertible debentures, which are being offered in a concurrent registered offering, are no longer outstanding, or in certain other circumstances. See “Description of Share Lending Agreement; Concurrent Offering of Our Convertible Debentures.”

We have been further advised by the underwriter that it, or its affiliates, intend to use the short position created by the share loan and the short sales of the borrowed shares to facilitate transactions by which investors in our convertible debentures may hedge their investments through short sales or privately negotiated derivatives transactions. The existence of the share lending agreement, the short sales of our common stock effected in connection with the sale of our convertible debentures, and the related derivatives transactions, or any unwind of such short sales or derivatives transactions, could cause the market price of our common stock to be lower over the term of the share lending agreement than it would have been had we not entered into that agreement, due to the effect of the increase in the number of outstanding shares of our common stock or otherwise. For example, in connection with any cash settlement of any such derivative transaction, the underwriter or its affiliates may purchase shares of our common stock and the debenture investors may sell shares of our common stock, which could temporarily increase, temporarily delay a decline in, or temporarily decrease, the market price of our common stock. The market price of our common stock could be further negatively affected by these or other short sales of our common stock, including other sales by the

purchasers of the convertible debentures hedging their investment therein.

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Adjustments by convertible debenture investors of their hedging positions in our common stock and the expectation thereof may have a negative effect on the market price of our common stock.

The 38,000,000 shares of our common stock that may be offered in connection with the share lending agreement are expected to be used by investors in the convertible debentures to establish hedged positions with respect to our common stock through short sale transactions or privately negotiated derivative transactions. The number of shares of our common stock offered hereby may be more or less than the number of shares that will be needed in such hedging transactions. Any buying or selling of shares of our common stock by investors in the convertible debentures to adjust their hedging positions in connection with this offering or in the future may affect the market price of our common stock.

Sales of a significant number of shares of our common stock in the public markets, or the perception of these sales, could depress the market price of our common stock.

Sales of a substantial number of shares of our common stock or other equity-related securities in the public markets, including the issuance of common stock upon conversion of the debentures or the vesting of restricted stock, could depress the market price of our common stock, and impair our ability to raise capital through the sale of additional equity securities. We, our executive officers and directors and Deutsche Lufthansa AG have agreed not to dispose of or hedge any common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus supplement continuing through the date 90 days after the date of this prospectus, subject to certain exceptions including sales by pledgees of such shares under pledge agreements entered into prior to the date of this prospectus to secure margin loans. As of the date hereof, our chief executive officer had pledged approximately 115,000 shares that could be sold pursuant to the pledge agreements. In addition, the underwriters may, in their sole discretion, release the restrictions on any such shares at any time without notice. We cannot predict the effect that future sales of our common stock or other equity-related securities would have on the market price of our common stock.

In addition, the existence of the debentures may also encourage short selling by market participants because the conversion of the debentures could depress our common stock price. The price of our common stock could be affected by possible sales of our common stock by investors who view the debentures as a more attractive means of equity participation in us and by hedging or arbitrage trading activity which we expect to occur involving our common stock. This hedging or arbitrage could, in turn, affect the market price of the debentures.

Changes in the accounting guidelines relating to the borrowed shares could decrease our reported earnings per share and potentially our common stock price.

Because the borrowed shares that are being offered (or identical shares) must be returned to us at the end of the loan availability period under the share lending agreement or earlier in certain circumstances, we believe that under U.S. GAAP, as presently in effect, the borrowed shares will not be considered outstanding for the purpose of computing and reporting our earnings per share. If accounting guidelines were to change in the future, we may become required to treat the borrowed shares as outstanding for purposes of computing earnings per share, our reported earnings per share would be reduced and our common stock price could decrease, possibly significantly.

#### Risks Relating to Our Common Stock

The market price of our common stock may be volatile, which could cause the value of your investment in JetBlue to decline.

Any of the following factors could affect the market price of our common stock:

market, political and economic conditions;

estimates and recommendations by financial analysts;

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- general
- changes in earnings

to meet financial analysts' performance expectations;

- our failure

prices; and

- changes in fuel

- changes in market valuations of other airlines.

In addition, many of the risks that are described elsewhere in this "Risk Factors" section and under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2007 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (which are incorporated by reference into this prospectus supplement) could materially and adversely affect our stock price. The stock markets have experienced price and volume volatility that has affected many companies' stock prices. Stock prices for many companies have experienced wide fluctuations that have often been unrelated to the operating performance of those companies. Fluctuations such as these may affect the market price of our common stock.

Other companies may have difficulty acquiring us due to provisions under our corporate charter, bylaws, option plans, stockholder rights agreement and some of our employment agreements and benefit plans, as well as Delaware law.

Provisions in our amended and restated certificate of incorporation, our amended and restated bylaws, our stockholder rights agreement and under Delaware law could make it more difficult for other companies to acquire us, even if that acquisition would benefit our stockholders. Our amended and restated certificate of incorporation and amended and restated bylaws contain the following provisions, among others, which may inhibit an acquisition of our company by a third party.

- advance

notification procedures for matters to be brought before stockholder meetings;

- a limitation on who

may call stockholder meetings;

- a prohibition on

stockholder action by written consent; and

- the ability of our

board of directors to issue up to 25,000,000 shares of preferred stock without a stockholder vote.

The issuance of stock under our stockholder rights agreement could delay, deter or prevent a takeover attempt that some stockholders might consider in their best interests. We are also subject to provisions of Delaware law that prohibit us from engaging in any business combination with any "interested stockholder," meaning generally that a stockholder who beneficially owns 15% or more of our stock cannot acquire us for a period of three years from the date this person became an interested stockholder, unless various conditions are met, such as approval of the transaction by our board of directors. In addition, under current United States laws and the regulations of the U.S. Department of Transportation, or DOT, United States citizens must effectively control us. As a result, our president and at least two-thirds of our board of directors must be United States citizens and not more than 25% of our voting stock may be owned by non-U.S. citizens (although subject to DOT approval, the percentage of foreign economic ownership may be as high as 49%). Any of these restrictions could have the effect of delaying or preventing a change of control.

Furthermore, our employment agreements with our pilots, technicians and dispatchers, and special severance benefit plans for employees and executive officers, contain change of control provisions, which could discourage a change of control. In the event we are sold to or consolidate with another company, with respect to some classes of employees we must request that the successor company merge these employees onto their seniority lists or place these employees on a preferential hiring list. If such employees are not hired by the successor company, they will be entitled to a

severance payment of up to one year's salary. With respect to other classes of employees, if such employees are involuntarily terminated without cause or in the case of certain subclasses of these employees, when they resign, during the two year period following a change of control, they will be entitled to receive up to two years of salary and certain additional payments.

In addition, all of our currently outstanding options under our amended and restated 2002 Stock Incentive Plan or our 2002 Plan, have a special acceleration feature pursuant to which those options

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will vest in full in the event we are acquired, to the extent such options have not already vested as a result of our prior acceleration in December 2005. The accelerated vesting of our employee stock options may prove to be a deterrent to a potential acquisition of us because (i) the acquiring company may have to implement additional retention programs to assure the continued service of our employees, and (ii) the additional dilution which will result from the accelerated vesting of our outstanding employee stock options will likely reduce the amount which would otherwise be payable to our stockholders in an acquisition.

Our corporate charter and bylaws include provisions limiting voting by non-U.S. citizens.

To comply with restrictions imposed by federal law on foreign ownership of U.S. airlines, our amended and restated certificate of incorporation and amended and restated bylaws restrict voting of shares of our capital stock by non-U.S. citizens. The restrictions imposed by federal law currently require that no more than 25% of our stock be voted, directly or indirectly, by persons who are not U.S. citizens, and that our president and at least two-thirds of the members of our board of directors be U.S. citizens. Our amended and restated bylaws provide that the failure of non-U.S. citizens to register their shares on a separate stock record, which we refer to as the “foreign stock record” would result in a suspension of their voting rights in the event that the aggregate foreign ownership of the outstanding common stock exceeds the foreign ownership restrictions imposed by federal law. Our amended and restated bylaws further provide that no shares of our capital stock will be registered on the foreign stock record if the amount so registered would exceed the foreign ownership restrictions imposed by federal law. Registration on the foreign stock record is made in chronological order based on the date we receive a written request for registration. We are currently in compliance with these ownership restrictions.

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## USE OF PROCEEDS

We will not receive any proceeds from the sale of our common stock offered by this supplemental prospectus, other than a nominal loan fee from the share borrower equal to \$0.01 per share multiplied by the number of shares issued to the borrower. See “Share Lending Agreement; Concurrent Offering of Convertible Debentures.” We expect to use those proceeds for general corporate purposes. This offering is being conducted in connection with the offering of our convertible debentures and is contingent upon the closing of that offering.

## CAPITALIZATION

The following table sets forth our cash and cash equivalents balances and our capitalization as of March 31, 2008:

actual basis; and

- on an
- on an adjusted basis

to reflect (1) the issuance of the convertible debentures and the application of the resulting net proceeds, and (2) the completion of the offering of shares of our common stock, including our receipt of the nominal lending fees in respect of the borrowed shares being offered.

|   |        |             |               |   |          |                   |
|---|--------|-------------|---------------|---|----------|-------------------|
| March 31, 2008  | Actual | As Adjusted | (in millions) | Cash and cash equivalents                               | \$ 713   | \$                |
| Short-term borrowings   | 23     |             |               | Current maturities of long-term debt and capital leases | 377      | \$                |
| debt and capital lease obligations                                | 2,697  |             |               | New % Convertible Senior Notes due 2038                 | —        | New %             |
| Convertible Senior Notes due 2038                                 | —      |             |               | Total debt  | \$ 3,097 | \$                |
| stock, \$.01 par value; 25,000,000 shares authorized, none issued | —      |             |               | Stockholders' equity:                                   |          | Preferred         |
| as adjusted   | 2      |             |               | Common stock; \$.01 par value; 500,000,000              |          |                   |
| Additional paid in capital  | 1,158  |             |               | Retained earnings                                       | 154      | Accumulated other |
| comprehensive income  | 15     |             |               | Total stockholders' equity                              | \$ 1,329 | \$                |
|   |        |             |               | Total capitalization                                    | \$ 5,116 | \$                |

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PRICE RANGE OF COMMON STOCK

Our common stock is traded on the Nasdaq Global Select Market under the symbol JBLU. The table below shows the high and low sales prices for our common stock for the periods indicated.

|                    | High     | Low     | 2006 Quarter Ended |          |
|--------------------|----------|---------|--------------------|----------|
| March 31           | \$ 14.91 | \$ 9.65 | June 30            | 12.92    |
| September 30       | 12.65    | 9.23    | December 31        | 15.60    |
| 2007 Quarter Ended |          |         | March 31           | \$ 17.02 |
| September 30       | 11.33    | 9.72    | June 30            | 12.08    |
| December 31        | 11.99    | 8.53    | 2008 Quarter Ended | March 31 |
| (through May 23)   | \$ 5.99  | \$ 4.20 | September 30       | \$ 7.33  |
|                    |          |         | June 30            | \$ 4.30  |

As of March 31, 2008, there were approximately 600 holders of record of our common stock.

DIVIDEND POLICY

We have not paid cash dividends on our common stock and have no current intention of doing so, in order to retain our earnings to finance the expansion of our business. Any future determination to pay cash dividends will be at the discretion of our Board of Directors, subject to applicable limitations under Delaware law, and will be dependent upon our results of operations, financial condition and other factors deemed relevant by our Board of Directors.

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SHARE LENDING AGREEMENT;  
CONCURRENT OFFERING OF CONVERTIBLE DEBENTURES

Concurrently with this offering of borrowed shares, we are offering, by means of a separate prospectus supplement and accompanying prospectus, \$80 million aggregate principal amount of our% convertible debentures due 2038 and \$80 million aggregate principal amount of our% convertible debentures due 2038 in an offering registered under the Securities Act. We also expect to grant a 30-day option to the underwriters of the convertible debentures to purchase up to an additional 15% of the aggregate principal amount of the convertible debentures of each series solely to cover over-allotments in respect of that series.

We intend to use the net proceeds from the offering of the convertible debentures for general corporate purposes.

To facilitate transactions by which investors in our convertible debentures may hedge their investments, we have entered into a share lending agreement, dated as of the pricing of this offering, with the share borrower, under which we have agreed to loan to the share borrower up to 38,000,000 shares of our common stock for a period beginning on the date of the share lending agreement and ending on or about the maturity date of the convertible debentures, or, if earlier, the date as of which the entire principal amount of our convertible debentures ceases to be outstanding as a result of conversion, repurchase, cancellation or redemption, or earlier in certain circumstances. We refer to this period as the ‘loan availability period.’

We will not receive any proceeds from the shares of common stock being offered and sold by the share borrower using this prospectus supplement and the accompanying prospectus, which are being loaned to the share borrower pursuant to the share lending agreement, which we refer to as the ‘borrowed shares,’ but the share borrower will pay us a nominal lending fee of \$0.01 per share for the use of those shares.

The obligations of the share borrower to us under the share lending agreement will be guaranteed by its parent company, Morgan Stanley, a Delaware corporation.

The delivery of shares of common stock hereunder is contingent upon the closing of the concurrent offering of our convertible debentures, and the closing of the offering of our convertible debentures is contingent upon the delivery by us of the borrowed shares requested by the share borrower pursuant to the share lending agreement.

Share loans under the share lending agreement will terminate and the borrowed shares must be returned to us if the concurrent offering of our convertible debentures is not consummated or upon the termination of the loan availability period, as well as under the following circumstances:

- the share borrower may terminate all or any portion of a loan at any time; and
- we or the share borrower may terminate any or all of the outstanding loans upon a default by the other party under the share lending agreement, including certain breaches by the share borrower of its representations and warranties, covenants or agreements under the share lending agreement, certain breaches by the guarantor of its obligations under the guarantee, or the bankruptcy of us, or the share borrower or the guarantor.

Any shares that we loan to the share borrower will be issued and outstanding for corporate law purposes and, accordingly, the holders of the borrowed shares will have all of the rights of a holder of our outstanding shares, including the right to vote the shares on all matters submitted to a vote of our shareholders and the right to receive any dividends or other distributions that we may pay or make on our outstanding shares of common stock. However, under

the share lending agreement, the share borrower has agreed:

- to pay to us an amount equal to cash dividends, if any, that we pay on the borrowed shares;
- to pay or deliver to us any other distribution, other than in liquidation or a reorganization in bankruptcy, that we make on the borrowed shares; and
- not to vote on the borrowed shares on any matter submitted to a vote of our stockholders, except in certain circumstances where such vote is required for quorum purposes.

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In view of the contractual undertakings of the share borrower in the share lending agreement, which have the effect of substantially eliminating the economic dilution that otherwise would result from the issuance of the borrowed shares, we believe that under U.S. generally accepted accounting principles currently in effect, the borrowed shares will not be considered outstanding for the purpose of computing and reporting our earnings per share.

Morgan Stanley & Co. Incorporated (together with the share borrower, referred to herein collectively as “Morgan Stanley”) has informed us that it, or its affiliates, intend to use the short position created by the share loan and the short sales of the borrowed shares to facilitate transactions by which investors in our convertible debentures may hedge their respective investments through short sales or privately negotiated derivative transactions. Morgan Stanley has informed us that it intends to short sell up to 38,000,000 borrowed shares concurrently with the offering of our convertible debentures and, to the extent that fewer than that number of shares are sold concurrently with the offering of the convertible debentures, the share borrower may from time to time during a permitted borrowing period borrow additional shares from us for additional offerings. We refer to the latter shares as the “supplemental borrowed shares.” The total number of shares that the share borrower can borrow under the share lending agreement is limited to a maximum of 38,000,000 shares, assuming no exercise of the over-allotment option in respect of the convertible debentures offered in the concurrent offering. In connection with the sale of these supplemental borrowed shares, Morgan Stanley may effect such transactions by selling the shares at various prices from time to time to or through dealers, and these dealers may receive compensation in the form of discounts, concessions or commissions from the share borrower and/or from purchasers of shares for whom the dealers may act as agents or to whom they may sell as principals. Over the same period that Morgan Stanley or its affiliate sells these supplemental borrowed shares, it or its affiliate may, in its discretion, purchase at least an equal number of shares of our common stock on the open market. Morgan Stanley may from time to time purchase shares of our common stock in the market and use such shares, including shares purchased in connection with the sale of the supplemental borrowed shares, to facilitate transactions by which investors in our convertible debentures may hedge their investments.

The existence of the share lending agreement and the short sales of our common stock effected in connection with the sale of our convertible debentures being offered concurrently herewith could cause the market price of our common stock to be lower over the term of the share lending agreement than it would have been had we not entered into that agreement. See “Risk Factors — Risks Relating To the Offering — The effect of the issuance and sale of our shares of common stock pursuant to the share lending agreement, which issuance is being made to facilitate transactions by which investors in our convertible debentures may hedge their investments, may be to lower the market price of our common stock.” However, we have determined that the entry into the share lending agreement is in our best interests as a means to facilitate the offer and sale of our convertible debentures pursuant to the related prospectus supplement and accompanying prospectus on terms more favorable to us than we could have otherwise obtained.

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## DESCRIPTION OF CAPITAL STOCK

### Authorized Capitalization

As of the date of this prospectus supplement, our capital structure consists of 500,000,000 authorized shares of common stock, par value \$.01 per share, and 25,000,000 shares of undesignated preferred stock, par value \$.01 per share. As of April 30, 2008, an aggregate of 225,663,658 shares of our common stock were issued and outstanding, and no shares of preferred stock were issued and outstanding.

### Common Stock

The holders of our common stock are entitled to such dividends as our board of directors may declare from time to time from legally available funds subject to the preferential rights of the holders of any shares of our preferred stock that we may issue in the future. The holders of our common stock are entitled to one vote per share on any matter to be voted upon by stockholders, subject to the restrictions described below under the caption “Anti-Takeover Effects of Certain Provisions of Delaware Law and Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws — Limited Voting by Foreign Owners.”

Our amended and restated certificate of incorporation does not provide for cumulative voting in connection with the election of directors. Accordingly, directors will be elected by a plurality of the shares voting once a quorum is present. No holder of our common stock has any preemptive right to subscribe for any shares of capital stock issued in the future.

Upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, the holders of our common stock are entitled to share, on a pro rata basis, all assets remaining after payment to creditors and subject to prior distribution rights of the holders of any shares of preferred stock that we may issue in the future. All of the outstanding shares of common stock are, and the shares of common stock offered by this prospectus supplement as well as the shares issuable upon the conversion of our outstanding convertible debt securities and upon the conversion of any preferred stock or debt securities offered pursuant to this prospectus supplement, when issued and paid for, will be, fully paid and non-assessable.

### Preferred Stock

No shares of our preferred stock are currently outstanding. Under our amended and restated certificate of incorporation, our board of directors, without further action by our stockholders, is authorized to issue up to 25,000,000 shares of preferred stock in one or more classes or series. The board may fix or alter the rights, preferences and privileges of the preferred stock, along with any limitations or restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences of each class or series of preferred stock. The preferred stock could have voting or conversion rights that could adversely affect the voting power or other rights of holders of our common stock. The issuance of preferred stock could also have the effect, under certain circumstances, of delaying, deferring or preventing a change of control of our company.

### Registration Rights

We have entered into an amended and restated registration rights agreement with some of the holders of our common stock, including holders of common stock issued upon the conversion of preferred stock immediately following our initial public offering in April 2002, entitling these holders to registration rights with respect to their shares. Any group of holders of at least 60% of the securities with registration rights can require us to register all or part of their

shares at any time, so long as the thresholds in the amended and restated registration rights agreement are met with respect to the amount of securities to be sold. After we have completed two such registrations we are no longer subject to these demand registration rights. In addition, holders of the securities with registration rights may also require us to include their shares in future registration statements that we

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file, subject to cutback at the option of the underwriters of such an offering. Subject to our eligibility to do so, holders of at least 60% of registrable securities may also require us, twice in any 12 month period and a total of three times, to register their shares with the SEC on Form S-3. Upon any of these registrations, these shares will be freely tradable in the public market without restriction.

As of July 10, 2003 (which was one year and 90 days after the registration statement for our initial public offering was declared effective), those stockholders party to the amended and restated registration rights agreement who, together with their affiliates, held less than two percent of our issued and outstanding shares of common stock, ceased to have any registration rights under the agreement with respect to their shares. They may continue, however, to sell their shares pursuant to Rule 144 under the Securities Act.

Any of the terms and provisions of the amended and restated registration rights agreement may be modified, amended or waived pursuant to a written agreement signed by us, the stockholders party to the agreement holding at least 66 2/3% of the common stock held by all such stockholders and our management stockholders party to the agreement holding at least a majority of the common stock held by all such management stockholders, provided that such amendment, modification or waiver does not disproportionately affect any stockholder that is a party to the agreement. Accordingly, on June 22, 2006, we entered into a waiver and amendment to the amended and restated registration rights agreement pursuant to which the requisite stockholders party to the agreement waived their registration rights in connection with any offering pursuant to the accompanying prospectus and agreed that no registration rights otherwise available to holders under the agreement were exercisable with respect to any such offering.

#### Deutsche Lufthansa AG Registration Rights

On January 22, 2008, we and Deutsche Lufthansa AG entered into a registration rights agreement, which we refer to as the “Lufthansa registration rights agreement,” covering the shares of our common stock sold to Deutsche Lufthansa AG. Pursuant to Lufthansa registration rights agreement, on April 21, 2008, we filed with the SEC a prospectus supplement to our automatic shelf registration statement filed on June 30, 2006 to allow Deutsche Lufthansa AG to resell the shares. Deutsche Lufthansa AG has agreed not to dispose of or hedge any common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus supplement continuing through the date 90 days after the date of this prospectus supplement, subject to certain exceptions. For further information, see “Underwriting.”

Subject to blackout periods that do not exceed 90 trading days in any 365-day period, we are obligated to keep such shelf registration statement continuously effective under the Securities Act until the earlier of (1) the date as of which all of the shares sold to Deutsche Lufthansa AG pursuant to the stock purchase agreement have been sold pursuant to either the registration statement or Rule 144 under the Securities Act and (2) the date as of which all of the shares sold to Deutsche Lufthansa AG pursuant to the stock purchase agreement may be immediately sold to the public without registration pursuant to Rule 144 under the Securities Act.

Under the Lufthansa registration rights agreement, we have agreed to indemnify Deutsche Lufthansa AG and its transferees, and their officers, directors, employees, agents and representatives and controlling persons against certain liabilities, including specified liabilities under the Securities Act, or to contribute with respect to payments which Deutsche Lufthansa AG may be required to make in respect of such liabilities.

Under the terms of the Lufthansa registration rights agreement, we will bear all reasonable costs, fees and expenses in connection with our registration of the resale of our common stock held by Deutsche Lufthansa AG (except for its legal fees and underwriting discounts and commissions).

Anti-Takeover Effects of Certain Provisions of Delaware Law and Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws

Effect of Delaware Anti-Takeover Statute. We are subject to Section 203 of the Delaware General Corporation Law, an anti-takeover law. In general, Section 203 prohibits a Delaware

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corporation from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder, unless

- prior to that date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares of voting stock outstanding (but not the voting stock owned by the interested stockholder) those shares owned by persons who are directors and also officers and by excluding employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or subsequent to that date, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 defines “business combination” to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
  - subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation, or who beneficially owns 15% or more of the outstanding voting stock of the corporation at anytime within a three year period immediately prior to the date of determining whether such person is an interested stockholder, and any entity or person affiliated with or controlling or controlled by any of these entities or persons.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws Provisions. Our amended and restated certificate of incorporation and amended and restated bylaws include provisions that may have the effect of discouraging, delaying or preventing a change in control or an unsolicited acquisition proposal that a stockholder might consider favorable, including a proposal that might result in the payment of a premium over the market price for the shares held by stockholders. These provisions are summarized in the following paragraphs.

Classified Board of Directors. The number of directors of this corporation that shall constitute the whole board shall be determined by resolution of the Board of Directors; provided, however, that no decrease in the number of directors

shall have the effect of shortening the term of an incumbent director. Beginning with the 2009 annual meeting of stockholders, each director who is elected or appointed at or after the 2009 annual meeting of stockholders shall hold office until the next annual meeting of stockholders or until such director's earlier prior death, disability, resignation, retirement, disqualification or removal from office. Directors elected prior to or at the 2009 annual meeting of stockholders, including those elected at the 2008 annual meeting of stockholders, shall continue to hold office until the expiration of the three-year terms for which they were elected, subject to such directors' prior death, disability, resignation, retirement, disqualification or removal from office. Any

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person elected to a newly-created director position or any person elected to fill a vacancy on the Board of Directors shall serve until the next annual meeting of stockholders and until a successor has been elected and qualified, subject to such director's prior death, disability, resignation, retirement, disqualification or removal from office. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

**Authorized but Unissued or Undesignated Capital Stock.** Our authorized capital stock consists of 500,000,000 shares of common stock and 25,000,000 shares of preferred stock. The authorized but unissued (and in the case of preferred stock, undesignated) stock may be issued by the board of directors in one or more transactions. In this regard, our amended and restated certificate of incorporation grants the board of directors broad power to establish the rights and preferences of authorized and unissued preferred stock. The issuance of shares of preferred stock pursuant to the board of director's authority described above could decrease the amount of earnings and assets available for distribution to holders of common stock and adversely affect the rights and powers, including voting rights, of such holders and may have the effect of delaying, deferring or preventing a change in control. The board of directors does not currently intend to seek stockholder approval prior to any issuance of preferred stock, unless otherwise required by law.

**Special Meetings of Stockholders.** Our amended and restated bylaws provide that special meetings of our stockholders may be called only by our board of directors, by our Chairman of the board of directors or by our Chief Executive Officer.

**No Stockholder Action by Written Consent.** Our amended and restated certificate of incorporation and amended and restated bylaws provide that an action required or permitted to be taken at any annual or special meeting of our stockholders may be taken only at a duly called annual or special meeting of stockholders. This provision prevents stockholders from initiating or effecting any action by written consent, and thereby taking actions opposed by the board.

**Notice Procedures.** Our amended and restated bylaws establish advance notice procedures with regard to all stockholder proposals to be brought before meetings of our stockholders, including proposals relating to the nomination of candidates for election as directors, the removal of directors and amendments to our amended and restated certificate of incorporation or amended and restated bylaws. These procedures provide that notice of such stockholder proposals must be timely given in writing to our Secretary prior to the meeting. Generally, to be timely, notice must be received at our principal executive offices not less than 150 days prior to the meeting. The notice must contain certain information specified in the amended and restated bylaws.

**Other Anti-Takeover Provisions.** Our 2002 Plan contains provisions which may have the effect of discouraging, delaying or preventing a change in control or unsolicited acquisition proposals. In the event that we are acquired by a merger, a sale by our stockholders of more than 50% of our outstanding voting stock or a sale of all or substantially all of our assets, each outstanding option under the discretionary option grant program under our 2002 Plan that (i) will not be assumed by the successor corporation or otherwise continued in effect, (ii) will not be replaced with a cash incentive program of a successor corporation of the type described in the 2002 Plan, or (iii) will not otherwise be precluded based on other limitations imposed at the time such option was granted, will automatically accelerate in full, and all unvested shares under the discretionary option grant and stock issuance programs will immediately vest, except to the extent (a) our repurchase rights with respect to those shares are to be assigned to the successor corporation or otherwise continue in effect, or (b) accelerated vesting otherwise is precluded by other limitations imposed at the time of grant. However, our compensation committee will have complete discretion to structure any or all of the options under the discretionary option grant program so those options will immediately vest in the event we are acquired, whether or not those options are assumed by the successor corporation or otherwise continued in effect. Alternatively, our compensation committee may condition such accelerated vesting upon the subsequent termination

of the optionee's service with us or the acquiring entity. The vesting of outstanding shares or share rights under the stock issuance program may also be accelerated upon similar terms and conditions.

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In addition to the above, our 2002 Plan also provides for immediate vesting of various equity grants in the event of a change in control. The phrase “change in control,” as used in the plan, means any of the following: a change in ownership or control of our company effected through a merger, consolidation or other reorganization approved by our stockholders (unless securities representing more than 50% of the total combined voting power of the voting securities of the successor corporation are immediately thereafter beneficially owned, directly or indirectly and in substantially the same proportion, by the persons who beneficially owned our outstanding voting securities immediately prior to such transaction); the sale, transfer or other disposition of all or substantially all of our assets in a liquidation or dissolution; or the acquisition, directly or indirectly by any person or group of persons unaffiliated with us, of beneficial ownership of securities possessing more than 50% of the total combined voting power of our outstanding securities pursuant to a tender or exchange offer made to our stockholders.

Our compensation committee may grant options and structure repurchase rights so that the shares subject to those options or repurchase rights will vest in connection with a hostile takeover, whether accomplished through a tender offer for more than 50% of our outstanding voting stock or a change in the majority of our board through one or more contested elections for board membership. Such accelerated vesting may occur either at the time of such hostile takeover or upon the subsequent termination of the individual’s service. The vesting of outstanding shares or share rights under the stock issuance program may also be accelerated upon similar terms and conditions.

All of the options and unvested shares under our predecessor 1999 Stock Option/Stock Issuance Plan, which were transferred to our 2002 Plan immediately following our initial public offering in April 2002, will immediately vest in the event we are acquired by a merger or a sale of substantially all our assets or more than 50% of our outstanding voting stock.

In addition, should we be acquired by merger or sale of substantially all of our assets or more than 50% of our outstanding voting securities, then all outstanding purchase rights under our crewmember stock purchase plan will be automatically exercised immediately prior to the effective date of the acquisition. The purchase price in effect for each participant will be equal to 85% of the market value per share on the start date of the offering period in which the participant is enrolled at the time the acquisition occurs or, if lower, 85% of the fair market value per share immediately prior to the acquisition.

Furthermore, on June 28, 2007, upon recommendation of the compensation committee, our board approved and adopted the JetBlue Airways Corporation Executive Change in Control Severance Plan, or the Executive Plan. Under the Executive Plan, a “change in control” means: (i) a reorganization, merger, consolidation or other corporate transaction involving us, such that our stockholders immediately prior to the transaction do not, immediately after the transaction, own more than 50% of our combined voting power in substantially the same proportions as their ownership, immediately prior to the business combination, of our voting securities; or (ii) the sale, transfer or other disposition of all or substantially all of our assets, or the consummation of a plan of complete liquidation or our dissolution. The Executive Plan provides severance and welfare benefits to eligible employees who are involuntarily terminated from employment without cause or, in certain circumstances, when they resign during the two-year period following a change in control (a “Qualifying Termination Event”).

Pursuant to the Executive Plan, the eligible employees who incur a Qualifying Termination Event will be entitled to receive two years of salary and two times his or her target bonus for the year in which termination occurs, or one year of salary and one times his or her target bonus for the year in which termination occurs, as the case may be according to the employee’s executive title. In addition, each employee covered by the Executive Plan will be entitled to: (1) payment of his or her accrued but unused paid time off as of the date of termination; (2) a pro rata portion of his or her annual bonus for the year in which termination occurs; and (3) payment for certain unreimbursed relocation expenses incurred by him or her (if any). Pursuant to the terms of the Executive Plan, each employee covered by the plan who

incurs a Qualifying Termination Event will also be entitled to receive reimbursement for all costs incurred in procuring health and dental care coverage for such employee and his or her eligible dependents under COBRA.

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The Executive Plan also contains an excise tax gross-up provision whereby if eligible employees incur any excise tax by reason of his or her receipt of any payment that constitutes an excess parachute payment, as defined in Section 280G of the Code, the employee will be entitled to a gross-up payment in an amount that would place him or her in the same after-tax position he or she would have been in had no excise tax applied.

We may amend or terminate the Executive Plan at any time prior to a change in control. In addition, under the terms of the Executive Plan, our board is required to reconsider the terms of the plan within the 90-day period immediately prior to June 28, 2010 in light of then-current market practices.

On June 28, 2007, also upon recommendation of the compensation committee, our board also approved and adopted a Crewmember Change in Control Plan, or the Crewmember Plan. The Crewmember Plan covers all employees who are not covered by the Executive Plan and have not otherwise entered into an individual employment agreement with us. The Crewmember Plan provides severance and other benefits to eligible employees who are involuntarily terminated from employment without cause during the two-year period following a change in control (a "Termination Event"). An employee covered by the Crewmember Plan who incurs a Termination Event will be entitled to receive three weeks of salary for each year of service (pro rated for partial years), with a minimum amount of severance equal to six weeks of salary and a maximum amount of severance equal to 26 weeks of salary, and certain other benefits as set forth in the Crewmember Plan.

**Limitation of Director Liability.** Our amended and restated certificate of incorporation and amended and restated bylaws limit the liability of our directors (in their capacity as directors but not in their capacity as officers) to us or our stockholders to the fullest extent permitted by Delaware law. Specifically, our amended and restated certificate of incorporation provides that our directors will not be personally liable for monetary damages for breach of a director's fiduciary duty as a director, except for liability:

- for any breach of the directors duty of loyalty to us or our stockholders;
- for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- under Section 174 of the Delaware General Corporation Law, which relates to unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- for any transaction from which the director derived an improper personal benefit.

**Indemnification Arrangements.** Our amended and restated bylaws provide that our directors and officers shall be indemnified and provide for the advancement to them of expenses in connection with actual or threatened proceedings and claims arising out of their status as such to the fullest extent permitted by the Delaware General Corporation Law. We have entered into indemnification agreements with each of our directors and executive officers that provide them with rights to indemnification and expense advancement to the fullest extent permitted under the Delaware General Corporation Law.

**Limited Voting by Foreign Owners.** To comply with restrictions imposed by federal law on foreign ownership of U.S. airlines, our amended and restated certificate of incorporation and amended and restated bylaws restrict voting of shares of our capital stock by non-U.S. citizens. The restrictions imposed by federal law currently require that no more than 25% of our voting stock be owned by persons who are not U.S. citizens. If non-U.S. citizens at any time own more than 25% of our voting stock, the voting rights of the stock in excess of the 25% shall be automatically suspended. Our amended and restated bylaws provide that no shares of our capital stock may be voted by or at the

direction of non-U.S. citizens unless such shares are registered on a separate stock record, which we refer to as the foreign stock record. Our amended and restated bylaws further provide that no shares of our capital stock will be registered on the foreign stock record if the amount so registered would exceed the foreign ownership restrictions imposed by federal law. We are currently in compliance with these ownership restrictions.

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## Stockholder Rights Agreement

On February 11, 2002, our board of directors authorized us to enter into a stockholder rights agreement. On January 17, 2008, we entered into an amendment to the stockholder rights agreement.

Under the stockholder rights agreement, one stockholder right is attached to each share of common stock. The stockholder rights are transferable only with the common stock until they become exercisable, are redeemed or expire.

Each right entitles the holder to purchase one one-thousandth of a share of our Series A participating preferred stock at an exercise price of \$35.55, which gives effect to adjustments for each of our December 2002, November 2003 and December 2005 three-for-two common stock splits, subject to further adjustment. The rights will separate from the common stock upon the earlier of:

- the tenth business day after a person or group has acquired, or obtained the right to acquire, beneficial ownership of 15% or more of the outstanding shares of our common stock, such person or group referred to as an “acquiring person,” or such later date as determined by our board of directors; and
- the tenth business day after a person or group commences or announces its intent to commence a tender or exchange offer, the consummation of which would result in such person or group becoming an acquiring person.

The term “acquiring person” expressly excludes Chase New Air Investors (GC), LLC, Quantum Industrial Partners LDC, and the Weston Presidio funds (although the Western Presidio funds are no longer stockholders of our company) or Deutsche Lufthansa AG and their respective affiliates, unless Chase New Air Investors and the Weston Presidio funds and their respective affiliates beneficially own in the aggregate more than 25% of our outstanding common stock, and in the case of Quantum Industrial Partners LDC, unless Quantum and its affiliates beneficially own in the aggregate more than 30% of our common stock, and in the case of Deutsche Lufthansa AG and its affiliates, unless Deutsche Lufthansa AG and its affiliates beneficially own in the aggregate more than 20% of our common stock.

If any person or group becomes an acquiring person, instead of thousandths of shares of preferred stock, each stockholder right, other than any stockholder rights held by the acquiring person or group, will then represent the right to receive upon exercise an amount of common stock having a market value equal to twice the exercise price, subject to certain exceptions.

If after a person or group becomes an acquiring person, we are acquired in a merger or other business combination or 50% or more of our consolidated assets or earnings power are sold or transferred, each stockholder right will then represent the right to receive upon exercise an amount of common stock of the other party to the merger or other business combination having a value equal to twice the exercise price.

In addition, at any time after any person or group becomes an acquiring person, but before that person or group becomes the beneficial owner of 50% or more of the outstanding common stock, our board of directors may at its option exchange the stockholder rights, in whole or in part, for common stock at an exchange ratio of one share of common stock per right, subject to adjustment as described in the agreement.

The exercise price payable, the number of thousandths of shares of preferred stock and the amount of common stock, cash or securities or assets issuable upon exercise of, or exchange for, stockholder rights and the number of outstanding rights are subject to adjustment to prevent dilution if certain events occur.

Our board of directors may redeem the stockholder rights in whole, but not in part, for one cent (\$.01) per right, as adjusted to reflect any preferred stock split, stock dividend or similar transaction, at any time before the earlier of April 1, 2012 and the tenth business day after the first date of public announcement that a person or group has become an acquiring person. Unless earlier redeemed by us, exercised or exchanged, the stockholder rights will expire on April 1, 2012.

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Our transfer agent, Computershare Investor Services, is the rights agent under the stockholder rights agreement.

The stockholder rights will not prevent a takeover of us. However, the rights may render an unsolicited takeover of us more difficult or less likely to occur, even though such takeover may offer stockholders opportunity to sell their shares at a price above the prevailing market and/or may be favored by a majority of the stockholders.

#### Stock Purchase Agreement between us and Deutsche Lufthansa AG

Deutsche Lufthansa AG purchased shares of our common stock pursuant to a Stock Purchase Agreement, dated as of December 13, 2007, as amended on January 22, 2008, which we refer to as the “stock purchase agreement,” between us and Deutsche Lufthansa AG, an aktiengesellschaft organized under the laws of the Federal Republic of Germany. Pursuant to the stock purchase agreement, we agreed to issue and sell to Deutsche Lufthansa AG 42,589,347 shares of our common stock at a price per share of \$7.27, for an aggregate purchase price of \$309,624,552.

Under the stock purchase agreement, we agreed to appoint one individual designated by Deutsche Lufthansa AG to our board of directors promptly following the consummation of the stock sale, which occurred on January 22, 2008. On February 7, 2008, Christoph Franz, the Chief Executive Officer of Swiss International Air Lines Ltd., was appointed to our board of directors as the Deutsche Lufthansa AG designee. Mr. Franz is a Class II director and will stand for election at the 2008 annual meeting of our stockholders. As long as Deutsche Lufthansa AG owns at least 10% of our outstanding common stock, Deutsche Lufthansa AG shall retain the right to nominate one director for election to our board of directors so that the board of directors always includes one, and only one, individual designated by Deutsche Lufthansa AG. If, at any time after January 22, 2009, Deutsche Lufthansa AG owns shares constituting at least 15% of our outstanding common stock, we shall reasonably consider appointing an additional individual selected by Deutsche Lufthansa AG to our board of directors to fill any vacancy on our board of directors. In no event shall Deutsche Lufthansa AG have more than two of its nominees serving on our board of directors at any time.

The stock purchase agreement prohibits Deutsche Lufthansa AG from taking certain actions with respect to us, including making or participating in the solicitation of “proxies” in opposition to any proposal made by us, making any public announcement or proposal which would require public disclosure by us of any business combination or other extraordinary transaction involving us or any of our subsidiaries or any of our securities or assets, or forming or participating in a “group” (within the meaning of Section 13(d)(3) of the Exchange Act). These prohibitions expire once Deutsche Lufthansa AG beneficially owns less than 10% of our outstanding common stock.

The stock purchase agreement provides to Deutsche Lufthansa AG a right to purchase additional shares of our common stock in any subsequent issuance of our common stock during the twelve months following the consummation of the stock sale, if offered at a price per share less than \$7.27, as may be adjusted, and to maintain its percentage ownership interest (and otherwise subject to applicable laws). We have obtained a waiver from Deutsche Lufthansa AG with respect to its right to purchase additional shares of our common stock in connection with our issuance of common stock in connection with this offering of borrowed shares.

We have a right of first refusal for any sale by Deutsche Lufthansa AG to any one third party, other than sales to certain institutional investors, either directly or indirectly through block sales of an amount of shares greater than 25% of the shares purchased by Deutsche Lufthansa AG pursuant to the stock purchase agreement. This right expires once Deutsche Lufthansa AG owns less than 5% of our outstanding common stock.

Notwithstanding anything contained in the stockholder rights agreement to the contrary, as described in “—Stockholder Rights Agreement,” the consummation of the transactions under the stock purchase agreement (including, without

limitation, the issuance of shares of common stock to Deutsche Lufthansa AG) will not cause the rights under the stockholder rights agreement to be exercisable, and any shares of common stock subsequently purchased by Deutsche Lufthansa AG or

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its affiliates, giving Deutsche Lufthansa AG an ownership percentage of up to 20% of the issued and outstanding common stock, will not be considered for purposes of determining whether Deutsche Lufthansa AG or any of its affiliates is an “acquiring person” pursuant to the stockholder right agreement.

#### Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Investor Services.

The applicable prospectus supplement will specify the transfer agent and registrar for any shares of preferred stock we may offer pursuant to this prospectus.

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## UNDERWRITING

The shares of our common stock offered by this prospectus supplement and the accompanying prospectus are shares that we have agreed to loan to the share borrower pursuant to the share lending agreement. We have entered into an underwriting agreement, to be filed as an exhibit relating to this prospectus supplement, with Morgan Stanley & Co. Incorporated with respect to this offering.

The borrowed shares may be offered for sale in transactions, including block sales, on the Nasdaq Global Select Market, in the over-the-counter market, in negotiated transactions or otherwise. The shares initially borrowed by the share borrower will be offered at \$ per share. Any subsequently borrowed shares will subsequently be sold at prevailing market prices at the time of sale or at negotiated prices.

Morgan Stanley & Co. Incorporated has informed us that it, or its affiliates, intend to use the short position created by the share loan and the concurrent short sale of the borrowed shares to facilitate transactions by which investors in our convertible debentures may hedge their investments through short sales or privately negotiated transactions. See “Description of Share Lending Agreement; Concurrent Offering of Our Convertible Debentures.” Morgan Stanley & Co. Incorporated will determine the offering price of up to approximately 38,000,000 borrowed shares of common stock offered pursuant to this prospectus supplement and the accompanying prospectus by initially soliciting indications of interest from potential purchasers of our common stock and conducting customary negotiations with those potential purchasers during the offering period. The price at which investors in our convertible debentures establish their short positions through Morgan Stanley & Co. Incorporated will be the offering price of the borrowed shares of our common stock offered hereby. During the offering period, Morgan Stanley & Co. Incorporated will negotiate a purchase price with purchasers of our common stock and will solicit indications of interest, based on the purchase price being negotiated with those potential purchasers, from debenture investors seeking to establish a short position in our common stock. Morgan Stanley & Co. Incorporated will establish a “clearing price” for a number of borrowed shares at which both purchasers of our common stock are willing to purchase borrowed shares offered hereby and investors in our convertible debentures are willing to establish short positions. The clearing price will be the offering price hereunder, and may be at a discount to the market price of our common stock at the time the offering is commenced.

In addition, in connection with facilitating such transactions, Morgan Stanley & Co. Incorporated expects to receive customary negotiated fees from investors in our convertible debentures, which may be deemed to be underwriter’s compensation. Morgan Stanley & Co. Incorporated may engage in such transactions at any time and from time to time during the term of the share lending agreement.

To the extent that fewer than 38,000,000 shares are sold concurrently with the offering of the convertible debentures, the share borrower may from time to time during a permitted borrowing period borrow additional shares from us for additional offerings. We refer to these shares as the “supplemental borrowed shares.” The total number of shares that the share borrower can borrow under the share lending agreement is limited to a maximum of 38,000,000 shares, assuming no exercise of the over-allotment option in respect of the convertible debentures offered in the concurrent offering. Following the initial sale of borrowed shares of our common stock pursuant to this offering, the share borrower, or its affiliates, will sell, from time to time, the supplemental borrowed shares in transactions, including block sales, on the Nasdaq Global Select Market, in the over-the-counter market, in negotiated transactions or otherwise. These supplemental borrowed shares will be sold at market prices prevailing at the time of sale or at negotiated prices. In connection with the sale of these supplemental borrowed shares, the share borrower, or its affiliates, may effect such transactions by selling the shares to or through dealers, and these dealers may receive compensation in the form of discounts, concessions or commissions from the share borrower and/or from purchasers of shares for whom the dealers may act as agents or to whom they may sell as principals. Over the same period that

the share borrower, or its affiliates, sells these supplemental borrowed shares, it or its affiliates may, in its discretion, purchase at least an equal number of shares of our common stock on the open market. See “Description of Share Lending Agreement; Concurrent Offering of Our Convertible Debentures” above.

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We will not receive any proceeds from the sale of borrowed shares of our common stock pursuant to this prospectus supplement and accompanying prospectus, but we will receive a nominal lending fee for their use from the share borrower as described below.

Under the share lending agreement, we will receive a fee of \$0.01 per share from the share borrower for the use of the borrowed shares. The expenses of this offering and the concurrent offering of our convertible debentures that are payable by us are estimated to be \$2 million (excluding underwriting discounts and commissions payable in connection with the concurrent offering of our convertible debentures).

From time to time, each of Morgan Stanley & Co. Incorporated and its affiliates has provided and continues to provide investment banking and other services to us, and may do so in the future. The share borrower, an affiliate of Morgan Stanley & Co. Incorporated, has entered into a share lending agreement with us as described above under “Share Lending Agreement; Concurrent Sale of Convertible Debentures.” In addition, Morgan Stanley is serving as financial advisor in connection with our consideration of strategic options for our LiveTV business.

In connection with the convertible debenture offering, we and our directors and officers and Deutsche Lufthansa AG have agreed with the underwriters that, subject to certain exceptions, without the prior written consent of Morgan Stanley & Co. Incorporated, on behalf of the underwriters for that offering, we and they will not, for the period ending 90 days after the closing date of that offering:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or exchangeable for common stock;
- make any demand for or exercise any right with respect to, the registration of, or in our case file any registration statement with the SEC relating to the offering of, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock; or
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our common stock.

whether any such transaction is to be settled by delivery of common stock or such other securities, in cash or otherwise. These restrictions will not apply to certain permitted transactions, including (a) the sale of shares to the underwriters in this offering; (b) the issuance by us of shares of common stock upon the exercise of any option or warrant, the conversion of securities outstanding on the date hereof or upon conversion of the convertible debentures; (c) the issuance by us of any shares or options or other rights to our employees on or after the date hereof pursuant to certain equity incentive plans or our defined contribution plan, and the issuance by us of shares upon the exercise of any such options or the vesting of any such other rights; (d) any securities issued or issuable in connection with our stockholders rights plan; (e) with respect to our directors and officers, the sale of shares pursuant to any securities trading program designed to comply with Rule 10b5-1 under the Exchange Act, as such program is in effect on the date of the final prospectus supplement relating to the offering of the convertible debentures and (f) sales of shares of common stock by pledgees of the shares under pledge agreements entered into prior to the date of this prospectus supplement to secure margin loans in certain circumstances. As of the date hereof, our chief executive officer (Mr. Barger) had pledged approximately 115,000 shares that could be sold pursuant to the pledge agreements.

We and the underwriter have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

Our shares of common stock are listed on The Nasdaq Global Select Market under the symbol “JBLU.”

We cannot assure you that prices at which our shares sell in the public market after this offering will not be lower than the offering price.

Because the share borrower, an affiliate of Morgan Stanley & Co. Incorporated, is receiving all of the proceeds of this offering, this offering is being conducted in accordance with NASD Rule 2710(h)

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of the Financial Industry Regulatory Authority, or FINRA. Because a bona fide independent market exists for our common stock, FINRA does not require that we use a qualified independent underwriter for this offering.

The underwriter may engage in over-allotment, stabilizing transactions, covering transactions and passive market making in accordance with Regulation M under the Exchange Act.

Over-allotment transactions involve sales in excess of the offering size, which creates a syndicate short position. • Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

- Covering transactions involve purchases of shares in the open market after the distribution has been completed in order to cover syndicate short positions.

In passive market making, market makers in the shares who are underwriters or prospective underwriters may, subject to limitations, make bids for or purchase shares until the time, if any, at which a stabilization bid is made.

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## LEGAL MATTERS

The validity of the securities offered by this prospectus supplement will be passed on for us by Shearman & Sterling LLP, New York, New York and for the underwriters by Cleary Gottlieb Steen & Hamilton LLP, New York, New York.

## EXPERTS

The consolidated financial statements of JetBlue Airways Corporation appearing in JetBlue Airways Corporation's Annual Report (Form 10-K) for the year ended December 31, 2007 (including the schedule appearing therein) and the effectiveness of JetBlue Airways Corporation's internal control over financial reporting as of December 31, 2007, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

## WHERE YOU CAN FIND MORE INFORMATION

We file annually, quarterly and current reports, proxy statement and other information with the SEC under the Exchange Act. You may read and copy any documents we file at the SEC's Public Reference Room located at 100 F Street, E, Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330. Our SEC filings also are available from the SEC's Internet site at <http://www.sec.gov>, which contains reports, proxy and information statements, and other information regarding issuers that file electronically.

JetBlue has filed a registration statement (together with all amendments to the registration statement, collectively, the "Registration Statement") with the SEC under the Securities Act, with respect to the securities offered under this prospectus. This prospectus does not contain all of the information included in the Registration Statement and the exhibits and schedules thereto. For further information with respect to JetBlue and our securities, we refer you to the Registration Statement and the exhibits thereto. Statements in this prospectus concerning the provisions of documents are necessarily summaries of such documents, and each such statement is qualified in its entirety by reference to the copy of the applicable document filed with the SEC.

The SEC allows us to "incorporate by reference" into this prospectus supplement the information we file with them, which means that we can disclose important information to you by referring you to those documents. Any statement contained or incorporated by reference in this prospectus supplement shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein, or in any subsequently filed document which also is incorporated by reference herein, modifies or superseded such earlier statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement. We incorporate by reference the documents listed below (other than information that we have furnished on Form 8-K, which information is expressly not incorporated by reference herein):

- Our Annual Report on Form 10-K, as amended, for the fiscal year ended December 31, 2007, filed on February 21, 2008.
- Our Quarterly Report on Form 10-Q for the three-month period ended March 31, 2008, filed on April 25, 2008.
- Our Current Reports on Form 8-K, filed on January 23, 2008, February 12, 2008, February 15, 2008, March 18, 2008, April 9,

2008, May 21, 2008 and May 27, 2008.

All documents we file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus supplement and before all of the debentures offered pursuant to this prospectus supplement are sold are incorporated by reference in this prospect supplement from the date of filing of the documents, except for information furnished under Item 2.02 and item 7.01 of

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Form 8-K, which is not deemed filed and not incorporated by reference herein. Information that we filed with the SEC will automatically update and may replace information in this prospectus supplement and information previously filed with the SEC.

You may obtain any of these incorporated documents from us without charge, excluding any exhibits to these documents unless the exhibit is specifically incorporated by reference in such document, by requesting them from us in writing or by telephone at the following address:

JetBlue Airways Corporation  
118-29 Queens Boulevard  
Forest Hills, New York 11375  
Attention: Legal Department  
(718) 286-7900

Documents may also be available on our website at <http://investor.jetblue.com>. Information contained on our website is not a prospectus and does not constitute part of this prospectus supplement

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## PROSPECTUS

Common Stock  
Preferred Stock  
Debt Securities  
Depositary Shares  
Warrants  
Stock Purchase Contracts  
Stock Purchase Units  
Subscription Rights

JetBlue Airways Corporation may offer and sell the securities listed above from time to time, together or separately, in one or more classes or series, in amounts, at prices and on terms that we will determine at the time of offering. We will provide the specific terms of any securities we actually offer for sale in supplements to this prospectus.

You should read this prospectus and the accompanying prospectus supplement carefully before you purchase any of our securities. **THIS PROSPECTUS MAY NOT BE USED TO SELL SECURITIES UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.**

We may offer and sell the securities directly to you, through agents we select, or through underwriters or dealers we select. If we use agents, underwriters or dealers to sell the securities, we will name them and describe their compensation in a prospectus supplement. The net proceeds we expect to receive from such sales will be set forth in the prospectus supplement.

Our common stock is traded on the Nasdaq National Market under the symbol “JBLU.”

Investing in our securities involves risks. See “Risk Factors” beginning on page 3.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of the prospectus is June 30, 2006.

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## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement we filed with the Securities and Exchange Commission, or SEC, using the “shelf” registration process. Under the shelf registration process, using this prospectus, together with a prospectus supplement, we may sell from time to time any combination of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add to, update or change information contained in this prospectus and, accordingly, to the extent inconsistent, the information in this prospectus is superceded by the information in the prospectus supplement. You should read this prospectus, the applicable prospectus supplement and the additional information incorporated by reference in this prospectus described below under “Where You Can Find More Information” before making an investment in our securities.

The prospectus supplement will describe: the terms of the securities offered, any initial public offering price, the price paid to us for the securities, the net proceeds to us, the manner of distribution and any underwriting compensation, and the other specific material terms related to the offering of these securities. The prospectus supplement may also contain information, where applicable, about material United States federal income tax considerations relating to the securities. For more detail on the terms of the securities, you should read the exhibits filed with or incorporated by reference in our registration statement of which this prospectus forms a part.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of the documents referred to herein have been filed, or will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under “Where You Can Find More Information.”

Because we are a well-known seasoned issuer, as defined in Rule 405 of the Securities Act of 1933, as amended, or the Securities Act, we may add to and offer additional securities, including secondary securities, by filing a prospectus supplement with the SEC at the time of the offer.

You should rely only on the information contained in or incorporated by reference in this prospectus or a prospectus supplement. We have not authorized anyone to provide you with different



information. We are not making an offer to sell these securities in any jurisdiction where the offer or sale of these securities is not permitted. You should not assume that information contained in this prospectus, in any supplement to this prospectus, or in any document incorporated by reference in this prospectus is accurate as of any date other than the date on the front page of the document that contains the information, regardless of when this prospectus is delivered or when any sale of our securities occurs. Our business, financial condition and results of operations may have changed since then.

In this prospectus, we use the terms “JetBlue,” “we,” “us” and “our” to refer to JetBlue Airways Corporation and our consolidated subsidiaries.

JETBLUE and JETBLUE AIRWAYS are registered service marks of JetBlue Airways Corporation in the United States and other countries. This prospectus also contains trademarks and tradenames of other companies.

#### WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended, or the Exchange Act. You may read and copy any document we file at the SEC’s Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330. Our SEC filings also are available from the SEC’s Internet site at <http://www.sec.gov>, which contains reports, proxy and information statements, and other information regarding issuers, like us, who file reports electronically with the SEC.

The SEC allows us to “incorporate by reference” into this prospectus the information we file with them, which means that we can disclose important information to you by referring you to those documents. Any statement contained or incorporated by reference in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein, or in any subsequently filed document which also is incorporated by reference herein, modifies or supersedes such earlier statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus. We incorporate by reference the documents listed below (excluding any portions of such documents that have been “furnished” but not “filed” for purposes of the Exchange Act):

Annual Report on Form 10-K for the fiscal year ended December 31, 2005, filed on February 14, 2006, as amended by Amendment No. 1 on Form 10-K/A filed on May 19, 2006.

Proxy Statement on Schedule 14A filed on April 21, 2006 that are incorporated by reference into Part III of our Annual Report on Form 10-K for the fiscal year ended December 31, 2005.

on Form 8-K, filed on March 24, 2006.

Report on Form 10-Q for the quarter ended March 31, 2006, filed on April 25, 2006.

on Form 8-K, filed on April 25, 2006.

on Form 8-K, filed on May 9, 2006.

- our
- portions of our
- our Current Report
- our Quarterly
- our Current Report
- our Current Report

on Form 8-K, filed on May 12, 2006.

- our Current Report
- the description of our common stock set forth in our registration statement on Form 8-A filed on April 10, 2002 pursuant to Section 12 of the Exchange Act, and any amendment or report filed for the purpose of updating this information.

All documents we file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before all of the securities offered by this prospectus are sold are incorporated by reference in this prospectus from the date of filing of the documents, except for

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information furnished under Item 2.02 and Item 7.01 of Form 8-K, which is not deemed filed and not incorporated by reference herein. Information that we file with the SEC will automatically update and may replace information in this prospectus and information previously filed with the SEC.

You may obtain any of these incorporated documents from us without charge, excluding any exhibits to these documents unless the exhibit is specifically incorporated by reference in such document, by requesting them from us in writing or by telephone at the following address:

JetBlue Airways Corporation  
118-29 Queens Boulevard  
Forest Hills, New York 11375  
Attention: Legal Department  
(718) 286-7900

Documents may also be available on our website at <http://investor.jetblue.com>. Information contained on our website is not a prospectus and does not constitute part of this prospectus.

#### SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS

Statements in this prospectus and in documents incorporated by reference in this prospectus contain various forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, which represent our management's beliefs and assumptions concerning future events. When used in this prospectus and in documents incorporated by reference, forward-looking statements include, without limitation, statements regarding financial forecasts or projections, and our expectations, beliefs, intentions or future strategies that are signified by the words "expects", "anticipates", "intends", "believes", "plans" or similar language. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause our actual results and the timing of certain events to differ materially from those expressed in the forward-looking statements. It is routine for our internal projections and expectations to change as the year or each quarter in the year progresses, and therefore it should be clearly understood that the internal projections, beliefs and assumptions upon which we base our expectations may change prior to the end of each quarter or year. Although these expectations may change, we may not inform you if they do. Our policy is generally to provide our expectations only once per quarter, and not to update that information until the next quarter.

You should understand that many important factors, in addition to those discussed or incorporated by reference in this prospectus, could cause our results to differ materially from those expressed in the forward-looking statements. Potential factors that could affect our results include those described in this prospectus under "Risk Factors." In light of these risks and uncertainties, the forward-looking events discussed or incorporated by reference in this prospectus might not occur.

#### RISK FACTORS

An investment in our securities involves a high degree of risk. You should carefully consider the risks described below, as well as the other information included or incorporated by reference in this prospectus, before making an investment decision. Additional risks, including those that relate to any particular securities that we will offer, as well as updates or changes to the risks described below, will be included in the applicable prospectus supplement. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. The market or trading price of our securities could decline due to any of these risks, and you may lose all or part of your investment. In addition, please read "Special Note About Forward-Looking Statements" in this prospectus, where we

describe additional uncertainties associated with our business and the forward-looking statements included or incorporated by reference in this prospectus. Please note that additional risks not presently known to us or that we currently deem immaterial may also impair our business and operations.

#### Risks Related to JetBlue

We operate in an extremely competitive industry.

The domestic airline industry is characterized by low profit margins, high fixed costs and significant price competition. We currently compete with other airlines on all of our routes and, in the

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future, may face greater competition on our existing as well as our new routes. Many of our competitors are larger and have greater financial resources and name recognition than we do. Following our entry into new markets or expansion of existing markets, some of our competitors have chosen to add service or engage in extensive price competition. Unanticipated shortfalls in expected revenues as a result of price competition or in the number of passengers carried would negatively impact our financial results and harm our business. As we continue to grow, the extremely competitive nature of the airline industry could prevent us from attaining the level of passenger traffic or maintaining the level of fares required to maintain profitable operations in new and existing markets and could impede our growth strategy, which would harm our business.