

FRONTIER AIRLINES INC /CO/
Form 10-Q
January 30, 2006

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 2005
- TRANSITION REPORT UNDER SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Commission file number: 1-12805

FRONTIER AIRLINES, INC.

(Exact name of registrant as specified in its charter)

Colorado
(State or other jurisdiction of incorporated or
organization)

84-1256945
(I.R.S. Employer Identification No.)

7001 Tower Road, Denver, CO
(Address of principal executive offices)

80249
(Zip Code)

Issuer's telephone number including area code: (720) 374-4200

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer or large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

The number of shares of the Company's Common Stock outstanding as of January 25, 2006 was 36,189,705.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

	<u>Page</u>
<u>Item 1. Financial Information</u>	
<u>Balance Sheets (unaudited) at December 31, 2005 and March 31, 2005</u>	3
<u>Statements of Operations (unaudited) for the three and nine months ended December 31, 2005 and 2004</u>	4
<u>Statements of Cash Flows (unaudited) for the nine months ended December 31, 2005 and 2004</u>	5
<u>Notes to Financial Statements (unaudited)</u>	6
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	13
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u>	37
<u>Item 4. Controls and Procedures</u>	38

PART II. OTHER INFORMATION

<u>Item 6. Exhibits</u>	39
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PART I. FINANCIAL INFORMATION**FRONTIER AIRLINES, INC.****Balance Sheets****(Unaudited)**

	December 31, 2005	March 31, 2005
Assets		
Current assets:		
Cash and cash equivalents	\$ 222,680,115	\$ 171,794,772
Short-term investments	-	3,000,000
Restricted investments	39,917,028	28,011,395
Receivables, net of allowance for doubtful accounts of \$1,239,000 and \$927,000 at December 31, 2005 and March 31, 2005, respectively	46,168,251	37,748,785
Security and other deposits	-	1,900,250
Prepaid expenses and other assets	19,904,842	18,740,220
Inventories, net of allowance of \$373,000 and \$3,973,000 at December 31, 2005 and March 31, 2005, respectively	6,714,950	7,564,342
Assets held for sale (note 11)	4,069,131	1,317,334
Deferred tax assets	6,696,449	5,472,643
Total current assets	346,150,766	275,549,741
Property and equipment, net (note 4)	512,855,619	455,813,682
Security and other deposits	18,466,495	18,662,421
Aircraft pre-delivery payments	27,530,507	22,976,090
Restricted investments	3,689,465	11,126,307
Deferred loan expenses and other assets	8,293,048	7,882,430
Total assets	\$ 916,985,900	\$ 792,010,671
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 33,523,049	\$ 37,240,376
Air traffic liability	109,744,065	112,688,811
Other accrued expenses (note 6)	56,527,372	55,337,203
Current portion of long-term debt (note 7)	21,984,429	18,222,539
Short-term borrowings	-	5,000,000
Deferred revenue and other current liabilities (note 5)	10,459,415	5,361,422
Total current liabilities	232,238,330	233,850,351
Long-term debt related to aircraft (note 7)	318,866,303	282,792,222
Long-term debt - Convertible Notes (note 7)	92,000,000	-
Deferred tax liability	15,859,690	17,331,125
Deferred revenue and other liabilities (note 5)	22,104,797	20,116,667
Total liabilities	681,069,120	554,090,365
Stockholders' equity:		
Preferred stock, no par value, authorized 1,000,000 shares; none issued	-	-

Common stock, no par value, stated value of

\$.001 per share,

100,000,000 shares authorized; 36,189,705 and 35,995,342 issued and

outstanding at December 31, 2005 and March 31,

2005, respectively	36,190	35,995
Additional paid-in capital	190,100,752	188,165,820
Unearned ESOP shares	-	(2,270,652)
Other comprehensive income (note 8)	180,578	271,267
Retained earnings	45,599,260	51,717,876
Total stockholders' equity	235,916,780	237,920,306
Total liabilities and stockholders' equity	\$ 916,985,900	\$ 792,010,671

See accompanying notes to financial statements.

**FRONTIER AIRLINES,
INC.**

Statements of Operations

For the three and nine months ended December 31, 2005 and 2004

(Unaudited)

	Three Months Ended		Nine Months Ended	
	December 31, 2005	December 31, 2004	December 31, 2005	December 31, 2004
Revenues:				
Passenger - mainline	\$ 217,812,040	\$ 182,360,545	\$ 655,276,441	\$ 539,971,428
Passenger - regional partner	23,489,827			