



## Frontier Oil's Third Quarter Earnings More Than Triple Prior Year

HOUSTON, Nov. 5 /PRNewswire/ -- Frontier Oil Corporation (NYSE: FTO) announced record quarterly net income for the three months ended September 30, 2001 of \$34.7 million, or \$1.27 per share, compared to \$10.1 million, or \$0.36 per share, in the third quarter of 2000. For the nine months ended September 30, 2001, net income was \$118.1 million, or \$4.32 per share, compared to \$35.9 million, or \$1.29 per share, in 2000. The impact of inventory accounting used by Frontier on quarterly earnings was approximately \$2.5 million, or \$0.09 per share on a FIFO basis. The year-to-date inventory impact was approximately negative \$11.5 million, or \$0.42 per share. Commenting on the Company's strong performance, Jim Gibbs, Frontier's Chairman, President & CEO said, "We are proud to achieve yet another record quarter. After weak product margins in July, our markets strengthened until the tragic events of September 11th, after which margins deteriorated slightly. We achieved record run rates at both our Cheyenne and El Dorado refineries, allowing us to capture the benefits of the product markets. Importantly, our strong earnings and cash generation of the past six months enabled us to reduce our debt at a much quicker pace than anticipated while building our equity account, positioning us to take advantage of potential growth opportunities."

Total debt outstanding at September 30, 2001 was \$211.8 million, down from \$220.5 million at June 30 and from \$262.6 million at December 31, 2000. Shareholders' equity grew to \$182.0 million at September 30, 2001 (after accounting for the acquisition of 600,400 shares during the quarter under the current share repurchase program), up from \$156.2 million at June 30 and from \$81.4 million at year-end 2000. The Company's cash balance increased to \$134.9 million at September 30, 2001, up from \$84.0 million at June 30 and from \$64.4 million at year-end 2000, resulting in net debt (debt less cash) to book capitalization of 29.7% at September 30.

Frontier's Cheyenne refinery recently received a permit from the Cheyenne Department of Environmental Quality allowing the capacity to be increased to 46,000 barrels per day (bpd) of crude, up from 41,000 bpd. In the next few months, upon the completion of minor equipment upgrades, the Company intends to run at the newly permitted capacity. Frontier is also in the process of applying to increase permitted crude capacity at its El Dorado refinery to 121,000 bpd, up from the current 110,000 bpd capacity.

A conference call is scheduled for this afternoon, November 5, 2001 at 4 pm EST, to discuss third quarter results and the business outlook. To access the call, please dial (888) 869-0374. For those outside the U.S., please call (904) 779-4767. A replay may be heard through November 19 by dialing (800) 252-6030 and entering the passcode 10185241. To access the call or the replay via the Internet, go to <http://www.frontieroil.com> and register on the Investor Relations page.

Frontier operates a 110,000 barrel-per-day refinery located in El Dorado, Kansas, and a 46,000 barrel-per-day refinery located in Cheyenne, Wyoming, and markets its refined products principally along the eastern slope of the Rocky Mountains and in other neighboring plains states.

## FRONTIER OIL CORPORATION

	Nine Months Ended September 30		Three Months Ended September 30	
	2001	2000	2001	2000
<b>INCOME STATEMENT DATA</b>				
(\$000's except per share)				
Revenues	\$1,522,841	\$1,512,581	\$ 538,049	\$ 536,179
Refining operating costs	1,315,641	1,423,061	464,810	508,241
Selling and general expenses	13,034	9,578	4,431	3,648
Operating income before depreciation (EBITDA)	194,166	79,942	68,808	24,290
Depreciation	18,619	17,113	6,335	5,755
Operating income	175,547	62,829	62,473	18,535
Interest expense, net	21,943	24,411	6,590	7,666
Provision for income taxes	35,529	2,486	21,221	758
Net income (loss)	\$ 118,075	\$35,932	\$34,662	\$10,111
Net income per diluted share	\$4.32	\$1.29	\$1.27	\$0.36
Diluted average shares outstanding (000's)	27,331	27,905	27,337	28,165
<b>OTHER FINANCIAL DATA</b>				
(\$000's)				
Cash flow before changes in working capital	\$ 150,815	\$54,088	\$50,094	\$16,116
Working capital changes	(1,413)	(31,427)	23,718	(26,712)
Net cash provided (used) by operating activities	149,402	22,661	73,812	(10,596)
Net cash provided (used) by investing activities	(14,239)	(5,966)	(5,272)	(2,621)
Net cash provided (used) by financing activities	(64,674)	10,812	(17,639)	35,388
<b>BALANCE SHEET DATA</b>				
(\$000's)				
Cash, including cash equivalents	\$ 134,935	\$65,852		
Working capital	137,861	54,941		
Short-term and current debt	---	45,800		
Total long-term debt	211,825	246,525		
Shareholders' equity	182,005	84,684		
<b>OPERATIONS</b>				
Cheyenne Refinery Operations (bpd)				
Total charges	43,048	43,884	47,738	45,028
Gasoline yields	16,774	17,573	17,300	17,170
Diesel yields	12,825	12,215	12,826	11,713
Total sales	44,869	46,680	49,310	47,213
<b>Operating Margins (\$ per bbl)</b>				
Revenues	\$35.07	\$33.35	\$33.14	\$36.80
Raw material, freight and other costs	25.70	28.13	25.03	31.51
Refined product margin	9.37	5.22	8.11	5.29
Operating costs excluding depreciation	3.16	2.66	2.73	2.56
Margin before depreciation	6.21	2.56	5.38	2.73
Depreciation	0.83	0.72	0.75	0.71
Net margin	\$5.38	\$1.84	\$4.63	\$2.02
Light/Heavy crude spread (\$ per bbl)	\$7.39	\$3.83	\$6.42	\$4.16
	Nine Months Ended September 30		Three Months Ended September 30	

	2001	2000	2001	2000
El Dorado Refinery Operations (bpd)				
Total charges	116,491	114,211	122,141	117,744
Gasoline yields	59,942	59,499	66,206	60,067
Diesel and jet fuel yields	39,024	38,462	41,752	38,728
Total sales	112,788	112,536	124,971	110,558
Operating Margins (\$ per bbl)				
Revenues	\$35.58	\$35.07	\$33.75	\$36.69
Raw material, freight and other costs	27.80	30.26	26.60	31.98
Refined product margin	7.78	4.81	7.15	4.71
Operating costs excluding depreciation	3.44	3.11	2.88	3.44
Margin before depreciation	4.34	1.70	4.27	1.27
Depreciation	0.27	0.25	0.25	0.26
Net margin	\$4.07	\$1.45	\$4.02	\$1.01

The primary purpose of this news release is to present the results of the quarter just ended. This news release may contain forward-looking statements concerning the Company, including statements of plans or objectives for future operations, statements about future economic performance or assumptions or estimates. The accuracy of these forward-looking statements is subject to a wide range of business risks and changes in circumstances that are described in our reports that are filed from time to time with the Securities and Exchange Commission. Actual results and outcomes often differ from expectations.