

28 July 2014



**Q1 Results**



# Europe's Favourite Airline

- ✈ Europe's Lowest Fares/Lowest Unit Costs
- ✈ Europe's No 1, Traffic – 86m (No.1 or 2 in most markets)
- ✈ Europe's No 1, Coverage – 69 Bases
- ✈ Europe's No 1, C'mer Service – Low Fares/On-time/Bags/Canx
  - Always Getting Better/Digital rollout
- ✈ Fwd bookings & Ld factors rising since Sept 13
- ✈ Aircraft order rises to 180 to deliver over 110mpa (+40%) by FY19
- ✈ Unblemished 30 year Safety Record
- ✈ World's highest rated airline, BBB+ (Stable) S&P, Fitch



# Europe's Lowest Fares

		Avg. Fare	% > Ryanair
<b>LOW</b>	Ryanair	€46 (-4%)	
<b>MEDIUM</b>	Norwegian	€83	+ 80%
	easyJet	€84	+ 83%
	Aer Lingus (s/h)	€93	+ 102%
	Air Berlin	€121	+ 163%
<b>HIGH</b>	Alitalia	€148	+ 222%
	Lufthansa	€235	+ 411%
	IAG	€242	+ 426%
	AF-KLM	€300	+ 552%
	Ave .Fare	€163	

Source: Latest Annual Reports



# Europe's Lowest Unit Cost (Ex Fuel)

	<b>RYA</b>	<b>EZY</b>	<b>NOR</b>	<b>AB1</b>	<b>LUV</b>	<b>Spirit</b>
Staff	<b>€6</b>	€9	€15	€17	€35	€19
Airport & hand	<b>€8</b>	€21	€14	€27	€8	€6
Route charges	<b>€6</b>	€6	€8	€8	€0	€0
Own'ship & maint.	<b>€7</b>	€9	€21	€29	€16	€19
S & M + other	<b>€2</b>	€7	€4	€26	€15	€15
<b>Total</b>	<b>€29</b>	<b>€52</b>	<b>€62</b>	<b>€107</b>	<b>€74</b>	<b>€59</b>
% > Ryanair		+ 79%	+114%	+269%	+155%	+103%

Source: Latest Annual Reports



# No 1 For Coverage

- 69 bases
- 186 airports
- 30 countries
- 1,600+ routes
- 86m c'mers p.a.
- 297 a/c – all 737-800's
- Newest fleet (< 5 Yrs)
- 180 a/c order



**RYANAIR**  
LOW FARES. MADE SIMPLE.



# 1<sup>st</sup> Quarter Results

	Jun 13	Jun 14	
✈ Traffic	23.2m	24.3m	+4%
✈ Load Factor	82%	86%	+4%
✈ Avg. Fare (incl. bag)	€42	€46	+9%
✈ Rev. Per Pax	€58	€62	+7%
✈ Revenue	€1,342m	€1,496m	+11%
✈ Profit after Tax	€78m	€197m	+152%



# Strong Balance Sheet

	Mar 14	Jun 14	
✈ Aircraft (inc. dep.)	€5,570m	€5,622m	
Cash	€3,242m	€4,483m	
Total	€8,812m	€10,105m	
✈ Liabilities	€2,442m	€2,742m	
Debt	€3,084m	€3,840m	
S/H Funds	€3,286m	€3,523m	
Total	€8,812m	€10,105m	

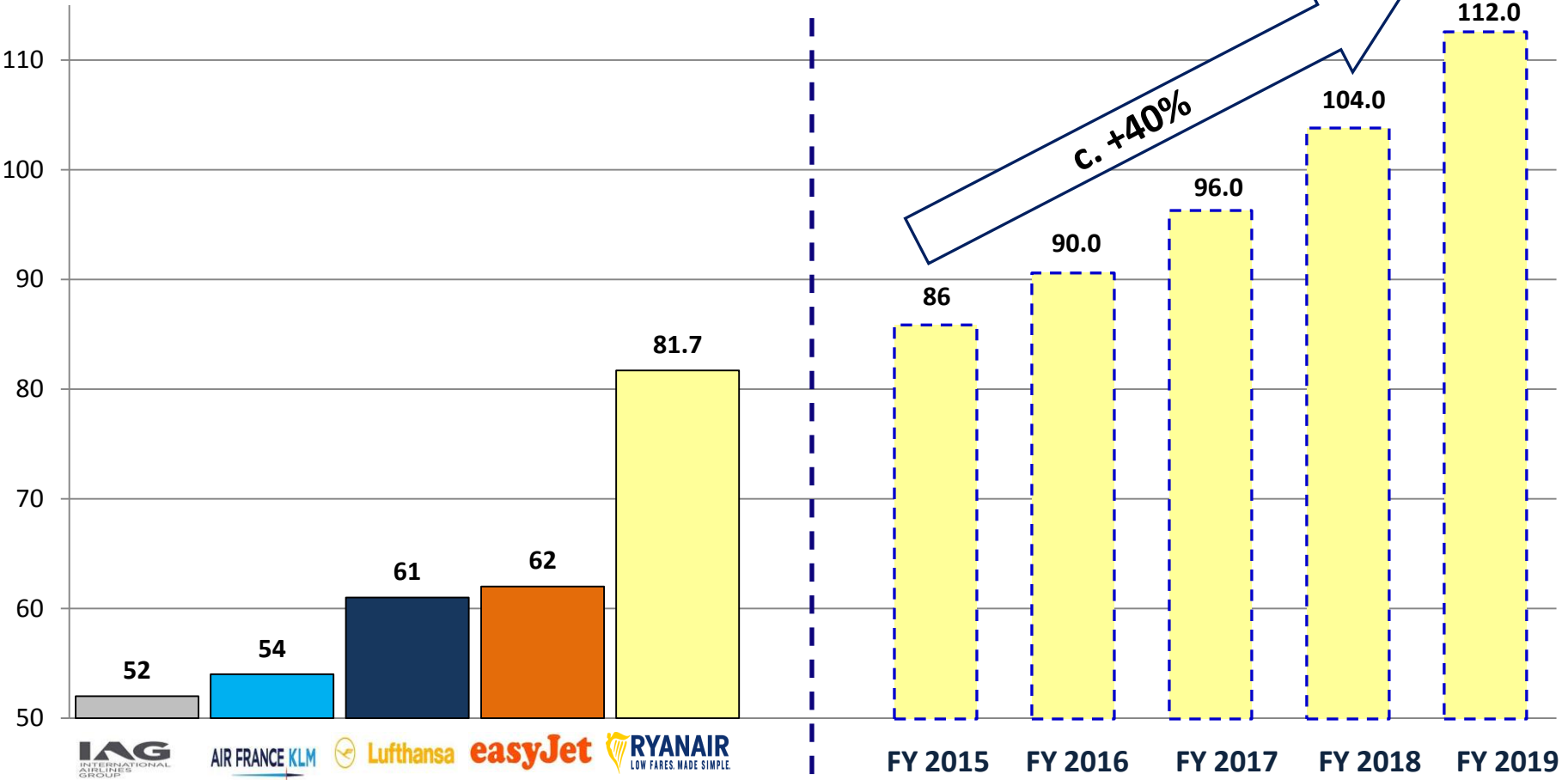
Net Cash  
€158m

Net Cash  
€643m



# No 1 For Traffic

C'mers (m's)



FY 2014

Ryanair Growth

Source: Latest traffic stats for 12 mths to Mar14 and company forecasts.



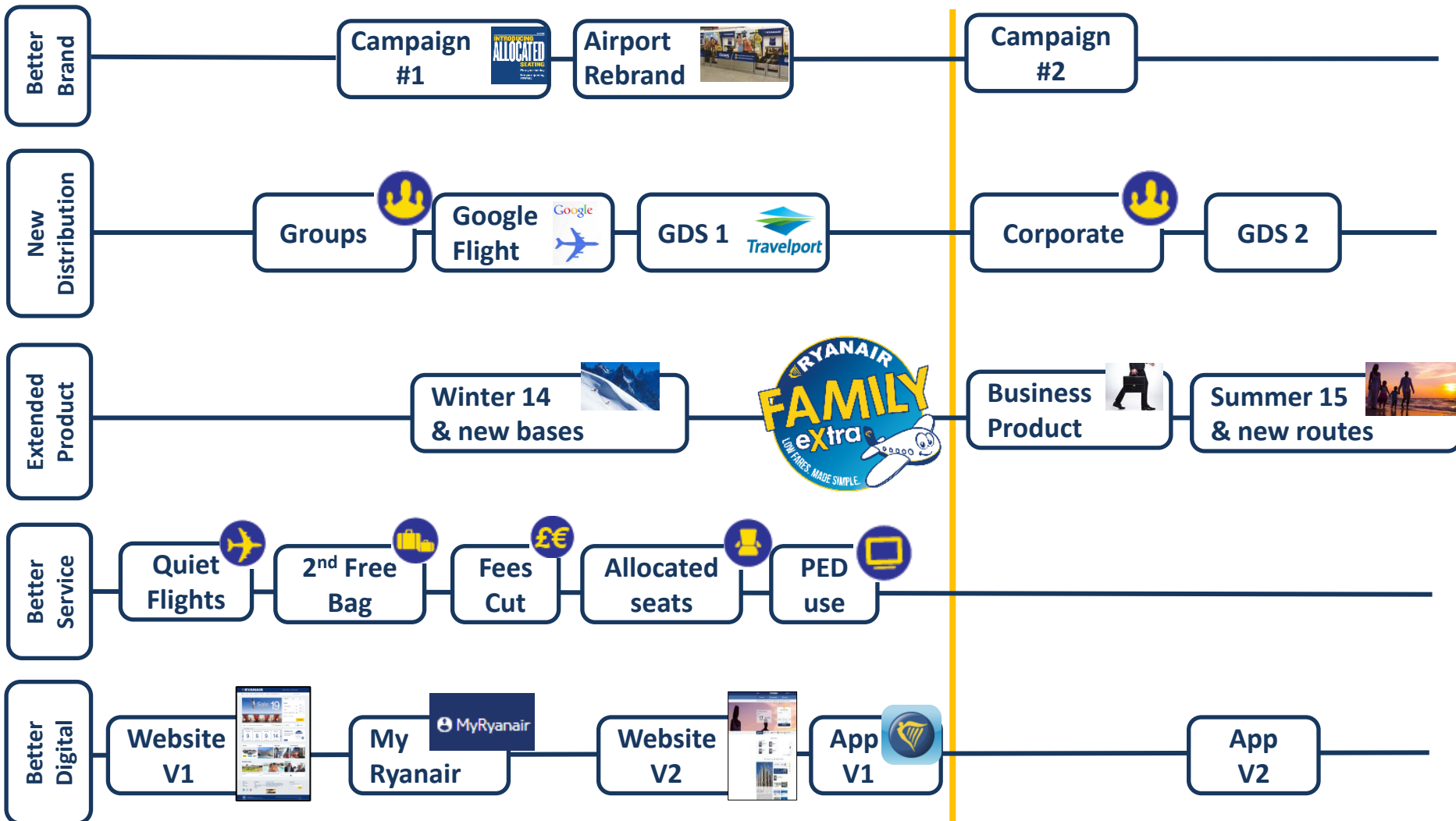


Country (Cap m's)	No. 1	No. 2	No. 3	RYA Share
UK (115)	easyjet	IAG	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	13%
Germany (112)	Luft	Air Berlin	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	4%
Spain (103)	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	IAG	Vueling	18%
Italy (84)	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	Alitalia	easyJet	21%
France (73)	AF- KLM	easyJet	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	6%
Portugal (20)	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	TAP	easyJet	13%
Belgium (17)	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	SN Brussels	Jetairfly	21%
Ireland (16)	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	Aer Lingus	AF-KLM	40%
Poland (14)	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	LOT	Wizz	27%
Morocco (11)	RAM	 <b>RYANAIR</b> LOW FARES. MADE SIMPLE.	easyJet	13%

Source: 2013 Dep. Seats per Capstats & Diio Mii. Mkt positions adj. for 2014 schedules.



# CMO Update



Nov 13 ←————→ Dec 14



- ➔ No. 1 efficiency, on-time/bags/canx
- ➔ On-time perf - Q1, RYA vs EZY

	2013		2014	
	RYA	EZY	RYA	EZY
APR	93%	91%	91%	88%
MAY	94%	90%	89%	84%
JUN	92%	86%	87%	79%

- ➔ SITA (world tracer stats) confirm RYA No.1 for fewest lost bags
- ➔ Allocated seating – no punctuality impact
- ➔ French ATC strike (4<sup>th</sup> in 12 mnths) – outlaw strike weapon like US
- ➔ Temp move from BGY to MXP completed
- ➔ 8 wet leases integrated, 7 (May/June – Sept) + 1 July (STN a/c damaged)
- ➔ Eng/crew in place for new deliveries



## Challenges

- ➔ Recruitment
  - pilots, crew & engineers
- ➔ Source tech skills
  - RYA Labs
- ➔ Protect employment model
  - Flexibility/productivity
  - Direct dealing/self fund training
- ➔ Maintain culture
  - Mgmt succession
  - Retain staff steeped in RYA values
- ➔ Improve c'mer service skills
  - “Always Getting Better”

## Opportunities

- ➔ “Always Getting Better”
  - Improved perception as employer
- ➔ Growth = opportunity
  - Promotion/relocation, key motivator
  - 4 yr crew pay/roster deals (all bases)
  - Rolling pilot pay/roster deals, (87%)
  - New labour sources, diverse w'force
- ➔ Flexibility to exploit opportunities
  - Tech. advances
  - Anc. rev. initiatives



# Legal & Regulatory Update

## ✈ State aid

- Pressure on EU – less aid to flag carriers (Malev, Spanair, Cyprus, Alitalia)
- CRL – EC ‘aid’ decision 2004 (overturned in 2008)
- BTS, TMP, MRS, SXF, AAR, NRN – EC ‘no aid’ decisions (MEIP)
- FNI, PUF, ANG – appealing EC ‘aid’ decisions
- 14 pending investigations – decisions mid-late 2014

## ✈ Airport monopolies (DUB, BRU, ATH, FCO, LIS, MAD, BCN, ...)

- Comp. law, apt charges directive, economic regulation
- BAA break up – STN/MAG deal

## ✈ Safety defamation

- Anon. internet publications + sensational reporting
- Zero tolerance policy
- Apologies/corrections: Sun Times, Daily Mail, Belf Tel, etc.
- Anon. internet trolls uncovered

- ✈️ BBB+ corporate rating from S&P & Fitch
  - Stable outlooks
  - “a-” anchor (S&P), notched due to pos. CAPEX & s’holder returns
  - Industry leading liquidity, cost base & cash generation
- ✈️ Low cost capital market access
  - €850m debut issuance, 7yr, 1.875% fixed coupon
  - 7 x oversubscribed
  - Scalable source of Euro unsecured debt
- ✈️ Supplements existing financing options
  - Ex-Im, JOLCO, Leasing & Other DCM - low cost alternatives



- ✈ Q1 Load factor up 4%
- ✈ FY'15 unit costs flat - ex fuel up 4% (apt's & hdlg, S&M, leases & wint o'ship)
  - Fuel 90% hedged, €50m saving (less de-icing)
- ✈ Improving c'mer service & digital experience driving demand
- ✈ Yield inc. 2% to €47
  - Q1 traffic up 4%, fares up 9% (Easter effect)
  - Q2 traffic up 3%, fares up 3%
  - H2 traffic up 8% (Q3 7%, Q4 10%) fares down 6 - 8% (cap. & comp.)
- ✈ Guidance raised to €620m - €650m (from €580m - €620m)
- ✈ 3<sup>rd</sup> spec. div Q4, €0.375 (€520m)



# Summary

- ✈ Lowest fare, lowest cost in Europe
- ✈ 180 a/c order drives growth
- ✈ Distribution, product & business schd's open new markets
- ✈ Strong fwd bookings & higher load factors
- ✈ Strong H1 but uncertain H2 yields as growth ramps up
- ✈ Full year guidance raised, €620m - €650m
- ✈ €520m spec. div Q4 – subj. to s'holder approval
- ✈ “Always Getting Better” delivers for customers, people & shareholders

28 July 2014



**Appendices**



# Hedging Position

✈ FY'15 Fuel 90% hedged - \$950pmt. USD 1.34 (approx. €50m saving)

Cost/Tonne	FY14	FY15	Change
Q1	\$965 (Act)	\$947 (Act)	-2%
Q2	\$965 (Act)	\$944 (90%)	-2%
Q3	\$990 (Act)	\$960 (90%)	-3%
Q4	\$985 (Act)	\$959 (90%)	-3%

✈ H1'16 Fuel 55% hedged - \$950 pmt. USD 1.37 (approx. 2%/c'mer)

Cost/Tonne	FY15	FY16	Change
Q1	\$947 (Act)	\$955 (60%)	+1%
Q2	\$944 (90%)	\$947 (50%)	0%
Q3	\$960 (90%)	-	-
Q4	\$959 (90%)	-	-



# 69 Base Network – Platform For Growth



	Summer Peak A/C	FY C'mers (m's)	C'mer Growth
<b>S 13</b>	303	81.7	+ 3%
<b>S 14</b>	304	86.0	+ 5%
<b>S 15</b>	318	90.0	+ 5%
<b>S 16</b>	349	96.0	+ 7%
<b>S 17</b>	388	104.0	+ 8%
<b>S 18</b>	426	112.0	+ 8%

BBB+ (Stable) rating from S&P & Fitch assists low cost a/c financing



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