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Ryanair Holdings plc

(RYAAY-NASDAQ)

Savanthi Syth, CFA, RJA, (727) 567-5274, Savanthi.Syth@RaymondJames.com
Matt Roberts, Res. Assoc., RJA, (727) 567-2099, Matt.Roberts@RaymondJames.com

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Company Comment

Airlines: Low Cost Carriers

Not Immune to Yield Pressure, but Better Positioned; Reiterate Outperform

Recommendation: As discussed in our quick-take note earlier this morning, Ryanair lowered its FY17 (March YE) net profit guidance by ~5% to €1,300-1,350b on expectations of lower average fares partially offset by stronger passenger growth and lower non-fuel costs (**Exhibit 1**). Local shares are up ~2.5% as we believe investors had feared a larger cut. We are lowering our F2Q17E net profit and EPS by ~2% to €904m (+7% y/y) and $3.94 (+15% y/y) and our FY17E net profit and EPS by 2-3% to €1,341m (+8% y/y) and $5.85 (+16% y/y). With believe Ryanair's competitive strengths (substantially lower costs and formidable balance sheet) are most advantageous in a challenging environment (rising fuel costs/industry yield pressure) and, thus, will continue to gain market share. As such, we reiterate our **Outperform** rating.

- **Lower fare outlook:** Ryanair lowered its expectation for 2H (Dec-Q & Mar-Q) average fares from (10)-(12)% to (13)-(15)% reflecting yield pressure and the recent weakening of the sterling (GBP), which has declined ~5% against the euro since Ryanair's August 23 update (on top of the ~12% decline prior to that following the Brexit vote). Similar to its European peers, Ryanair saw broad-based softness in bookings as it exited the peak summer season and has responded with more promotional fares.
- **GBP sensitivity:** As discussed previously, Ryanair is long the GBP vs. the euro (EUR) with ~26% of revenue and only ~18% of costs denominated in GBP. As such, every £0.01 relative decrease has a negative €15m impact on annual net income. Additionally, while the weaker GBP is expected to pressure fares, it accounts for ~1 ppt of the improved non-fuel unit cost outlook which is now expected to decline 3% in FY17 vs. 1% previously.
- **Lowering estimates:** We are lowering our F2Q17E net profit and EPS from €918m to €904m (+7% y/y) and from $4.00 to $3.94 (+15% y/y), with average fares expected to decline 9% y/y (vs. 7% previously) partly offset by lower non-fuel costs and slightly stronger ancillary revenue. Additionally, we are lowering our FY17E net profit and EPS from €1,376m to €1,341m (+8% y/y) and from $6.00 to $5.85 (+16% y/y), with average fares expected to decline 13% y/y (vs. 9% previously) partly offset by lower non-fuel costs, higher load factor, and slightly stronger ancillary revenue. In turn, our FY18E and FY19E EPS are lowered from $6.35 to $6.10 (+4% y/y) and from $6.65 to $6.35 (+4% y/y).

Valuation: Our $88 target price (down from $90) is based on ~14x our CY17E EPS of $6.24. The multiple is below the 16.1x for the S&P 500 (2017E) due to the higher level of economic uncertainty in the euro area. However, Ryanair has lower earnings volatility from fluctuating fuel prices as it has hedged 95% of its FY17 fuel needs at $62/bbl (down from $90/bbl in FY16) and 55% of FY18 at $50/bbl. Additionally, our EPS forecast does not reflect potential share repurchases, which we estimate at ~€500m (over $2/share) each in FY18/19.

Non-GAAP EPS	Q1 Jun	Q2 Sep	Q3 Dec	Q4 Mar	Full Year	**Revenues (mil.)**
2016A	$0.99	$3.44	$0.42	$0.21	$5.06	€6,536
Old 2017E	1.12A	4.00	0.50	0.38	6.00	6,746
New 2017E	**1.12A**	**3.94**	**0.50**	**0.29**	**5.85**	**6,710**
Old 2018E	UR	UR	UR	UR	6.35	7,098
New 2018E	**UR**	**UR**	**UR**	**UR**	**6.10**	**7,041**
Old 2019E	NA	NA	NA	NA	6.65	7,908
New 2019E	**UR**	**UR**	**UR**	**UR**	**6.35**	**7,847**

UR: Under Review. Rows may not add due to rounding. Non-GAAP figures use the average exchange rate for the period and exclude non-recurring charges. Figures are based on ADRs/ADSs. Reported figures are in accordance with International Financial Reporting Standards (IFRS).

Rating
Outperform 2

Current and Target Price

Current Price (Oct-18-16)	$69.63
Target Price: Old: $90.00	New: $88.00
52-Week Range	$89.67 - $66.09
Suitability	Medium Risk/Growth

Market Data

Shares Out. (mil.)	265.8
Market Cap. (mil.)	$18,508
Avg. Daily Vol. (10 day)	521,904
Dividend/Yield	$0.00/0.0%
Book Value (Jun-16)	$16.15
Adj. Net Debt (mil.)/% Cap.	$537/11%

Earnings & Valuation Metrics

	2016A	**2017E**	**2018E**	**2019E**
P/E Ratios (Non-GAAP)	13.8x	11.9x	11.4x	11.0x
	2016E	**2017E**	**2018E**	**2019E**
Non-GAAP EPS (CY)				
Old	$5.83	$6.43	$6.59	NA
New	$5.77	$6.24	$6.32	UR
P/E Ratios (CY Non-GAAP)	12.1x	11.2x	11.0x	NM

Company Description

Ryanair Holdings plc, headquartered in Dublin, Ireland, is Europe's largest low cost carrier, with 81 bases and 1,600 routes across 29 countries. As of March 2016, it had a fleet of over 330 Boeing 737 aircraft and offered approximately 1,800 scheduled short-haul flights per day serving approximately 200 airports primarily in Europe.

Upcoming Catalyst

Ryanair is scheduled to release its F2Q17 (Sep Q) earnings results on November 7, 2016.

Please read domestic and foreign disclosure/risk information beginning on page 4 and Analyst Certification on page 4.

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Exhibit 1: Ryanair Guidance Summary

	Revised Guidance	Previous Guidance	Δ
Ryanair			
F17 Net Income	€1.3-1.5b	€1.375-1.425b	(5)%
F17 Net Income (y/y)	7%	12%	(5) ppts.
F17 CASM ex-fuel	(3)%	(1)%	(2) ppts.
F17 Load Factor	95%	94%	1%
2H F17 Fares	(13)-(15)%	(10)-(12)%	(3) ppts.
1H F17 Fares	(10)%	(9)%	(1) ppts.

Source: Ryanair, Raymond James research.

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Last Updated: 10/18/16

Ryanair Holdings plc

(In Euros and IFRS*)

		Pax Rev (MM)	% Chg	Ancillary Rev	% Chg	Total Rev	% Chg	Op Exp	Op Inc	Op Mgn	Non-Op Inc (Exp)	Pretax Inc	Pretax Mgn	Tax	Net Income	Shrs. Out.	EPS Converted to $USD Prevailing EUR Exch. Rate: EUR FX Rate	Earnings Per ADS	% Chg	ADS Out.	Avail. Seats (MM)	% Chg	Load Factor	P.P. Chg	Pax (MM)	% Chg	Average Fare^	% Chg	Ancillary Rev Per Pax	% Chg	Total Average Fare	% Chg	Cost Per Pax	% Chg	Ex-Fuel Cost Per Pax	% Chg	Fuel Cost Per Pax	% Chg
2008-1Q	June	€ 576	18%	€ 117	53%	€ 693	22%	€ 536	€ 157	23%	(€ 1.5)	€ 156	23%	11%	€ 139	1,525	1.35	$0.61	28%	305.0	15.3	21%	82.6%	(1.8)	12.6	18%	€ 45.71	0%	€ 9.29	29%	€ 55.00	4%	€ 42.51	5%	€ 27.4	11%	€ 15.1	-4%
2008-2Q	Sept.	€ 726	21%	€ 135	54%	€ 861	25%	€ 557	€ 304	35%	(€ 0.4)	€ 304	35%	11%	€ 269	1,493	1.37	$1.23	37%	298.5	15.7	22%	89.0%	(0.4)	14.0	22%	€ 52.04	-1%	€ 9.70	27%	€ 61.73	3%	€ 39.95	4%	€ 25.4	8%	€ 14.5	-2%
2008-3Q	Dec.	€ 459	15%	€ 111	16%	€ 569	16%	€ 525	€ 44	8%	(€ 7.4)	€ 37	6%	5%	€ 35	1,471	1.45	$0.17	-15%	294.2	15.3	21%	80.8%	(0.3)	12.4	21%	€ 37.11	-4%	€ 8.96	-3%	€ 46.07	-4%	€ 42.49	0%	€ 26.9	6%	€ 15.6	-9%
2008-4Q	Mar.	€ 465	21%	€ 125	22%	€ 590	21%	€ 548	€ 42	7%	(€ 9.5)	€ 33	6%	11%	€ 29	1,459	1.50	$0.15	41%	291.7	16.1	20%	74.4%	(1.0)	12.0	19%	€ 38.72	2%	€ 10.41	3%	€ 49.14	2%	€ 45.64	0%	€ 28.5	4%	€ 17.2	-4%
2008-YR		€ 2,226	19%	€ 488	35%	€ 2,714	21%	€ 2,166	€ 548	20%	(€ 18.7)	€ 529	19%	11%	€ 472	1,487	1.42	$2.25	33%	297.4	62.4	21%	81.6%	(0.8)	50.9	20%	€ 43.71	-1%	€ 9.59	13%	€ 53.29	1%	€ 42.54	2%	€ 27.0	7%	€ 15.5	-5%
2009-1Q	June	€ 630	9%	€ 147	25%	€ 777	12%	€ 751	€ 26	3%	(€ 4.8)	€ 21	3%	0%	€ 21	1,451	1.56	$0.11	-82%	290.3	18.5	21%	81.0%	(1.6)	15.0	19%	€ 42.14	-8%	€ 9.82	6%	€ 51.95	-6%	€ 50.23	18%	€ 25.7	-6%	€ 24.5	62%
2009-2Q	Sept.	€ 858	18%	€ 175	30%	€ 1,034	20%	€ 823	€ 211	20%	(€ 7.3)	€ 203	20%	5%	€ 193	1,450	1.51	$1.01	-18%	290.0	19.0	21%	87.7%	(1.3)	16.7	19%	€ 51.49	-1%	€ 10.52	9%	€ 62.01	0%	€ 49.37	24%	€ 24.1	-5%	€ 25.3	75%
2009-3Q	Dec.	€ 473	3%	€ 132	19%	€ 605	6%	€ 696	(€ 92)	-15%	(€ 19.5)	(€ 111)	-18%	9%	(€ 101)	1,437	1.32	($0.47)	NM	287.4	17.3	13%	80.8%	0.0	14.0	14%	€ 33.70	-9%	€ 9.40	5%	€ 43.09	-6%	€ 49.64	17%	€ 26.3	-2%	€ 23.4	50%
2009-4Q	Mar.	€ 383	-18%	€ 144	15%	€ 527	-11%	€ 527	(€ 0)	0%	(€ 19.0)	(€ 19)	-4%	10%	(€ 17)	1,444	1.31	($0.08)	NM	288.8	17.3	7%	74.5%	0.1	12.9	7%	€ 29.66	-23%	€ 11.17	7%	€ 40.83	-17%	€ 40.86	-10%	€ 30.0	5%	€ 10.9	-37%
2009-YR		€ 2,344	5%	€ 598	23%	€ 2,942	8%	€ 2,798	€ 144	5%	(€ 50.6)	€ 94	3%	-2%	€ 96	1,446	1.42	$0.47	-79%	289.1	72.0	15%	81.3%	(0.4)	58.6	15%	€ 40.03	-8%	€ 10.21	7%	€ 50.24	-6%	€ 47.78	12%	€ 26.3	-3%	€ 21.5	38%
2010-1Q	June	€ 609	-3%	€ 165	13%	€ 775	0%	€ 620	€ 155	20%	(€ 10.9)	€ 144	19%	8%	€ 133	1,443	1.36	$0.63	456%	288.7	20.1	9%	82.5%	1.5	16.6	11%	€ 36.71	-13%	€ 9.96	1%	€ 46.67	-10%	€ 37.35	-26%	€ 24.5	-5%	€ 12.9	-47%
2010-2Q	Sept.	€ 811	-6%	€ 181	3%	€ 992	-4%	€ 694	€ 298	30%	(€ 11.1)	€ 287	29%	12%	€ 252	1,444	1.43	$1.25	24%	288.8	22.4	18%	88.4%	0.7	19.8	19%	€ 40.96	-20%	€ 9.14	-13%	€ 50.11	-19%	€ 35.06	-29%	€ 22.7	-6%	€ 12.4	-51%
2010-3Q	Dec.	€ 473	0%	€ 139	6%	€ 612	1%	€ 611	€ 1	0%	(€ 13.9)	(€ 13)	-2%	13%	(€ 11)	1,440	1.48	($0.06)	NM	288.1	19.5	13%	82.1%	1.3	16.0	14%	€ 29.53	-12%	€ 8.71	-7%	€ 38.24	-11%	€ 38.16	-23%	€ 25.2	-4%	€ 12.9	-45%
2010-4Q	Mar.	€ 432	13%	€ 178	23%	€ 609	16%	€ 661	(€ 52)	-9%	(€ 11.7)	(€ 64)	-10%	13%	(€ 55)	1,445	1.38	($0.26)	NM	288.9	18.9	9%	74.7%	0.2	14.1	9%	€ 30.58	3%	€ 12.61	13%	€ 43.19	6%	€ 46.87	15%	€ 30.8	3%	€ 16.1	48%
2010-YR		€ 2,325	-1%	€ 664	11%	€ 2,988	2%	€ 2,586	€ 402	13%	(€ 47.6)	€ 355	12%	10%	€ 319	1,443	1.41	$1.55	230%	288.6	80.9	12%	82.2%	0.9	66.5	14%	€ 34.95	-13%	€ 9.98	-2%	€ 44.93	-11%	€ 38.88	-19%	€ 25.4	-3%	€ 13.4	-37%
2011-1Q	June	€ 693	14%	€ 204	23%	€ 897	16%	€ 727	€ 169	19%	(€ 14.8)	€ 155	17%	10%	€ 138	1,449	1.28	$0.61	-2%	289.9	23.4	16%	76.9%	(5.6)	18.0	8%	€ 38.49	5%	€ 11.33	14%	€ 49.82	7%	€ 40.41	8%	€ 24.5	0%	€ 15.9	23%
2011-2Q	Sept.	€ 1,065	31%	€ 220	21%	€ 1,285	30%	€ 909	€ 376	29%	(€ 16.4)	€ 360	28%	13%	€ 313	1,454	1.29	$1.39	11%	290.7	25.2	13%	87.6%	(0.8)	22.1	12%	€ 48.19	18%	€ 9.95	9%	€ 58.14	16%	€ 41.12	17%	€ 24.2	7%	€ 16.9	36%
2011-3Q	Dec.	€ 579	23%	€ 167	20%	€ 746	22%	€ 747	(€ 0)	0%	(€ 12.4)	(€ 13)	-2%	19%	(€ 10)	1,450	1.43	($0.05)	NM	290.1	20.8	7%	82.2%	0.2	17.1	7%	€ 33.87	15%	€ 9.77	12%	€ 43.64	14%	€ 43.66	14%	€ 27.1	7%	€ 16.6	28%
2011-4Q	Mar.	€ 491	14%	€ 211	18%	€ 702	15%	€ 730	(€ 29)	-4%	(€ 22.0)	(€ 51)	-7%	20%	(€ 41)	1,453	1.37	($0.19)	NM	290.6	19.8	5%	75.4%	0.7	14.9	6%	€ 32.88	8%	€ 14.11	12%	€ 46.99	9%	€ 48.91	4%	€ 30.0	-3%	€ 18.9	18%
2011-YR		€ 2,828	22%	€ 802	21%	€ 3,629	21%	€ 3,113	€ 516	14%	(€ 65.6)	€ 451	12%	11%	€ 401	1,452	1.34	$1.76	13%	290.3	89.2	10%	80.8%	(1.4)	72.1	8%	€ 39.21	12%	€ 11.11	11%	€ 50.32	12%	€ 43.16	11%	€ 26.2	3%	€ 17.0	27%
2012-1Q	June	€ 908	31%	€ 248	21%	€ 1,155	29%	€ 986	€ 170	15%	(€ 13.3)	€ 157	14%	11%	€ 139	1,456	1.44	$0.69	13%	291.2	25.7	10%	82.7%	5.8	21.3	18%	€ 42.66	11%	€ 11.64	3%	€ 54.30	9%	€ 46.31	15%	€ 26.3	7%	€ 20.0	26%
2012-2Q	Sept.	€ 1,318	24%	€ 239	9%	€ 1,557	21%	€ 1,076	€ 481	31%	(€ 17.6)	€ 463	30%	13%	€ 404	1,443	1.42	$1.98	43%	288.6	26.7	6%	87.7%	0.1	23.5	6%	€ 56.18	17%	€ 10.18	2%	€ 66.36	14%	€ 45.87	12%	€ 25.4	5%	€ 20.5	21%
2012-3Q	Dec.	€ 667	15%	€ 177	6%	€ 844	13%	€ 815	€ 29	3%	(€ 13.9)	€ 15	2%	4%	€ 15	1,431	1.35	$0.07	NM	286.1	20.5	-1%	81.4%	(0.8)	16.7	-2%	€ 39.93	18%	€ 10.59	8%	€ 50.51	16%	€ 48.76	12%	€ 28.8	6%	€ 20.0	20%
2012-4Q	Mar.	€ 545	11%	€ 223	6%	€ 768	9%	€ 830	(€ 62)	-8%	(€ 15.8)	(€ 78)	-10%	15%	(€ 66)	1,437	1.31	($0.30)	NM	287.4	19.1	-3%	75.1%	(0.3)	14.4	-4%	€ 37.98	16%	€ 15.51	10%	€ 53.49	14%	€ 57.81	18%	€ 33.2	11%	€ 24.6	30%
2012-YR		€ 3,439	22%	€ 886	11%	€ 4,325	19%	€ 3,707	€ 618	14%	(€ 60.6)	€ 557	13%	11%	€ 492	1,442	1.38	$2.44	39%	288.3	92.1	3%	82.3%	1.4	75.8	5%	€ 45.35	16%	€ 11.69	5%	€ 57.04	13%	€ 48.89	13%	€ 27.9	7%	€ 21.0	24%
2013-1Q	June	€ 998	10%	€ 286	15%	€ 1,284	11%	€ 1,152	€ 132	10%	(€ 19.5)	€ 113	9%	12%	€ 99	1,410	1.29	$0.45	-35%	281.9	27.5	7%	82.0%	(0.7)	22.5	6%	€ 44.27	4%	€ 12.68	9%	€ 56.95	5%	€ 51.10	10%	€ 27.0	3%	€ 24.1	20%
2013-2Q	Sept.	€ 1,524	16%	€ 298	25%	€ 1,822	17%	€ 1,242	€ 581	32%	(€ 13.9)	€ 567	31%	12%	€ 497	1,410	1.25	$2.21	11%	281.9	29.4	10%	86.7%	(1.0)	25.5	9%	€ 59.87	7%	€ 11.70	15%	€ 71.57	8%	€ 48.76	6%	€ 25.9	2%	€ 22.8	11%
2013-3Q	Dec.	€ 749	12%	€ 220	24%	€ 969	15%	€ 934	€ 35	4%	(€ 15.3)	€ 19	2%	6%	€ 18	1,412	1.30	$0.08	18%	282.4	21.3	4%	81.1%	(0.2)	17.3	3%	€ 43.29	8%	€ 12.73	20%	€ 56.02	11%	€ 54.02	11%	€ 30.0	4%	€ 24.0	20%
2013-4Q	Mar.	€ 549	1%	€ 260	17%	€ 809	5%	€ 838	(€ 29)	-3.6%	(€ 18.6)	(€ 48)	-6%	7%	(€ 44)	1,414	1.32	($0.21)	NM	282.8	18.4	-4%	75.8%	0.6	14.0	-3%	€ 39.32	4%	€ 18.65	20%	€ 57.97	8%	€ 60.06	4%	€ 35.3	6%	€ 24.8	1%
2013-YR		€ 3,820	11%	€ 1,064	20%	€ 4,884	13%	€ 4,166	€ 718	15%	(€ 67.3)	€ 651	13%	9%	€ 569	1,411	1.29	$2.53	4%	282.2	96.6	5%	82.1%	(0.2)	79.3	5%	€ 48.20	6%	€ 13.43	15%	€ 61.62	8%	€ 52.56	8%	€ 28.8	3%	€ 23.8	13%
2014-1Q	June	€ 986	-1%	€ 357	25%	€ 1,342	5%	€ 1,239	€ 103	8%	(€ 14.8)	€ 89	7%	12%	€ 78	1,410	1.31	$0.36	-20%	282.1	28.2	3%	82.3%	0.3	23.2	3%	€ 42.44	-4%	€ 15.35	21%	€ 57.79	1%	€ 53.34	4%	€ 28.5	6%	€ 24.8	3%
2014-2Q	Sept.	€ 1,556	2%	€ 356	20%	€ 1,913	5%	€ 1,299	€ 614	32%	(€ 17.0)	€ 597	31%	12%	€ 524	1,394	1.32	$2.49	13%	278.8	29.7	1%	87.4%	0.7	26.0	2%	€ 59.96	0%	€ 13.72	17%	€ 73.68	3%	€ 50.03	3%	€ 26.0	0%	€ 24.1	5%
2014-3Q	Dec.	€ 715	-4%	€ 249	13%	€ 964	0%	€ 987	(€ 23)	-2%	(€ 18.8)	(€ 42)	-4%	16%	(€ 35)	1,372	1.35	($0.17)	NM	274.4	22.3	5%	81.9%	0.7	18.3	6%	€ 39.18	-9%	€ 13.65	7%	€ 52.83	-6%	€ 54.09	0%	€ 29.2	-3%	€ 24.9	4%
2014-4Q	Mar.	€ 532	-3%	€ 285	10%	€ 818	1%	€ 853	(€ 36)	-4%	(€ 16.6)	(€ 52)	-6%	16%	(€ 44)	1,354	1.37	($0.22)	NM	270.9	18.7	1%	76.3%	0.5	14.2	2%	€ 37.40	-5%	€ 20.05	8%	€ 57.45	-1%	€ 59.95	0%	€ 34.9	-1%	€ 25.1	1%
2014-YR		€ 3,790	-1%	€ 1,247	17%	€ 5,037	3%	€ 4,378	€ 659	13%	(€ 67.2)	€ 591	12%	12%	€ 523	1,383	1.34	$2.45	-3%	276.5	98.9	2%	82.6%	0.5	81.7	3%	€ 46.40	-4%	€ 15.27	14%	€ 61.67	0%	€ 53.61	2%	€ 29.0	1%	€ 24.6	4%
2015-1Q	June	€ 1,125	14%	€ 371	4%	€ 1,496	11%	€ 1,264	€ 232	15%	(€ 8.2)	€ 224	15%	12%	€ 197	1,384	1.37	$0.98	170%	276.7	28.3	0%	85.7%	3.3	24.3	4%	€ 46.38	9%	€ 15.28	0%	€ 61.66	7%	€ 52.10	-2%	€ 28.9	1%	€ 23.2	-6%
2015-2Q	Sept.	€ 1,671	7%	€ 371	4%	€ 2,042	7%	€ 1,340	€ 702	34%	(€ 17.7)	€ 684	33%	13%	€ 598	1,388	1.33	$2.86	15%	277.6	29.6	0%	91.4%	4.0	27.1	4%	€ 61.77	3%	€ 13.70	0%	€ 75.46	2%	€ 49.53	-1%	€ 27.1	4%	€ 22.5	-7%
2015-3Q	Dec.	€ 836	17%	€ 296	19%	€ 1,132	17%	€ 1,061	€ 72	6%	(€ 17.3)	€ 54	5%	10%	€ 49	1,389	1.25	$0.22	NM	277.8	23.5	5%	88.6%	6.7	20.8	14%	€ 40.17	3%	€ 14.24	4%	€ 54.41	3%	€ 50.97	-6%	€ 29.3	0%	€ 21.7	-13%
2015-4Q	Mar.	€ 628	18%	€ 356	25%	€ 984	20%	€ 947	€ 38	4%	(€ 17.3)	€ 21	2%	-11%	€ 23	1,390	1.13	$0.09	NM	277.9	21.1	13%	87.5%	11.2	18.5	30%	€ 34.05	-9%	€ 19.30	-4%	€ 53.35	-7%	€ 51.30	-14%	€ 31.3	-10%	€ 20.0	-20%
2015-YR		€ 4,260	12%	€ 1,394	12%	€ 5,654	12%	€ 4,611	€ 1,043	18%	(€ 60.5)	€ 982	17%	12%	€ 867	1,388	1.27	$4.15	69%	277.5	102.5	4%	88.4%	5.7	90.6	11%	€ 47.04	1%	€ 15.39	1%	€ 62.42	1%	€ 50.91	-5%	€ 28.9	0%	€ 22.0	-11%
2016-1Q	June	€ 1,248	11%	€ 405	9%	€ 1,653	10%	€ 1,364	€ 288	17%	(€ 10.6)	€ 278	17%	12%	€ 245	1,376	1.11	$0.99	1%	275.2	30.4	7%	92.0%	6.3	28.0	15%	€ 44.58	-4%	€ 14.45	-5%	€ 59.03	-4%	€ 48.73	-6%	€ 28.7	0%	€ 20.0	-14%
2016-2Q	Sept.	€ 1,992	19%	€ 396	7%	€ 2,387	17%	€ 1,415	€ 972	41%	(€ 10.9)	€ 961	40%	12%	€ 843	1,363	1.11	$3.44	20%	272.6	31.8	7%	94.7%	3.3	30.1	11%	€ 66.20	7%	€ 13.14	-4%	€ 79.34	5%	€ 47.04	-5%	€ 27.2	0%	€ 19.8	-12%
2016-3Q	Dec.	€ 987	18%	€ 342	16%	€ 1,330	17%	€ 1,204	€ 126	9%	(€ 14.9)	€ 111	8%	8%	€ 103	1,337	1.09	$0.42	91%	267.5	26.8	14%	92.8%	4.2	24.9	20%	€ 39.66	-1%	€ 13.76	-3%	€ 53.42	-2%	€ 48.35	-5%	€ 28.9	-1%	€ 19.5	-10%
2016-4Q	Mar.	€ 740	18%	€ 426	20%	€ 1,166	18%	€ 1,093	€ 74	6%	(€ 19.3)	€ 54	5%	7%	€ 51	1,318	1.10	$0.21	130%	263.5	25.5	21%	91.7%	4.2	23.4	27%	€ 31.66	-7%	€ 18.22	-6%	€ 49.88	-7%	€ 46.73	-9%	€ 28.4	-9%	€ 18.4	-8%
2016-YR		€ 4,967	17%	€ 1,569	13%	€ 6,536	16%	€ 5,076	€ 1,460	22%	(€ 55.7)	€ 1,404	21%	12%	€ 1,242	1,348	1.10	$5.06	22%	269.7	114.5	12%	92.9%	4.5	106.4	17%	€ 46.70	-1%	€ 14.75	-4%	€ 61.45	-2%	€ 47.72	-6%	€ 28.2	-2%	€ 19.5	-11%
2017-1Q	June	€ 1,244	0%	€ 443	10%	€ 1,687	2%	€ 1,381	€ 307	18%	(€ 20.3)	€ 287	17%	11%	€ 256	1,284	1.13	$1.12	14%	256.8	33.2	9%	93.9%	1.8	31.2	11%	€ 39.92	-10%	€ 14.23	-2%	€ 54.15	-8%	€ 44.31	-9%	€ 27.7	-4%	€ 16.6	-17%
2017-2QE	Sept.	€ 2,024	2%	€ 447	13%	€ 2,471	4%	€ 1,424	€ 1,047	42%	(€ 19.0)	€ 1,028	42%	12%	€ 904	1,282	1.12	$3.94	15%	256.3	35.1	11%	95.7%	1.0	33.6	12%	€ 60.24	-9%	€ 13.30	1%	€ 73.54	-7%	€ 42.39	-10%	€ 26.5	-3%	€ 15.9	-20%
2017-3QE	Dec.	€ 978	-1%	€ 392	14%	€ 1,370	3%	€ 1,220	€ 150	11%	(€ 19.0)	€ 131	10%	12%	€ 115	1,282	1.11	$0.50	19%	256.3	30.3	13%	93.5%	0.7	28.3	14%	€ 34.50	-13%	€ 13.83	1%	€ 48.33	-10%	€ 43.04	-11%	€ 28.0	-3%	€ 15.0	-23%
2017-4QE	Mar.	€ 708	-4%	€ 474	11%	€ 1,182	1%	€ 1,087	€ 95	8%	(€ 19.0)	€ 76	6%	12%	€ 66	1,282	1.11	$0.29	36%	256.3	27.8	9%	92.5%	0.8	25.7	10%	€ 27.54	-13%	€ 18.43	1%	€ 45.97	-8%	€ 42.30	-9%	€ 27.5	-3%	€ 14.8	-20%
2017-YRE		€ 4,954	0%	€ 1,756	12%	€ 6,710	3%	€ 5,113	€ 1,598	24%	(€ 77.3)	€ 1,521	23%	12%	€ 1,341	1,282	1.12	$5.85	16%	256.5	126.4	10%	94.0%	1.1	118.8	12%	€ 41.70	-11%	€ 14.78	0%	€ 56.48	-8%	€ 43.03	-10%	€ 27.4	-3%	€ 15.7	-20%
2018-YRE		€ 5,168	4%	€ 1,874	7%	€ 7,041	5%	€ 5,370	€ 1,671	24%	(€ 71.0)	€ 1,600	23%	12%	€ 1,408	1,282	1.11	$6.10	4%	256.3	135.3	7%	93.7%	(0.2)	126.8	7%	€ 40.75	-2%	€ 14.78	0%	€ 55.53	-2%	€ 42.35	-2%	€ 27.4	0%	€ 15.0	-4%
2019-YRE		€ 5,783	12%	€ 2,064	10%	€ 7,847	11%	€ 6,117	€ 1,730	22%	(€ 63.0)	€ 1,667	21%	12%	€ 1,467	1,282	1.11	$6.35	4%	256.3	146.1	8%	93.7%	(0.0)	137.0	8%	€ 42.22	4%	€ 15.07	2%	€ 57.30	3%	€ 44.67	5%	€ 27.2	0%	€ 17.4	16%

*F1Q11 excludes volcanic ash related costs of €50 million or $0.20 per ADS (pre-stock split)

CY14	$3.83	55%	**July**	11.8	10%	96.0%	1.0	11.3	11%				
CY15	$4.94	29%	**Aug**	12.0	9%	96.0%	1.0	11.5	11%				
CY16	$5.77	17%	**Sept**	11.4	12%	95.0%	1.0	10.8	13%				
CY17	$6.24	8%	**F2Q17**	35.1	11%	95.7%	1.0	33.6	12%				
CY18	$6.32	1%											

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Outperform (MO2) Expected to appreciate and outperform the S&P 500 over the next 12-18 months. For higher yielding and more conservative equities, such as REITs and certain MLPs, an Outperform rating is used for securities where we are comfortable with the relative safety of the dividend and expect a total return modestly exceeding the dividend yield over the next 12-18 months.
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	Coverage Universe Rating Distribution*				Investment Banking Distribution			
	RJA	RJL	RJ Arg	RJEE/RJFI	RJA	RJL	RJ Arg	RJEE/RJFI
Strong Buy and Outperform (Buy)	54%	68%	56%	53%	17%	42%	11%	0%
Market Perform (Hold)	42%	31%	44%	35%	7%	22%	0%	0%
Underperform (Sell)	4%	1%	0%	12%	5%	0%	0%	0%

* Columns may not add to 100% due to rounding.

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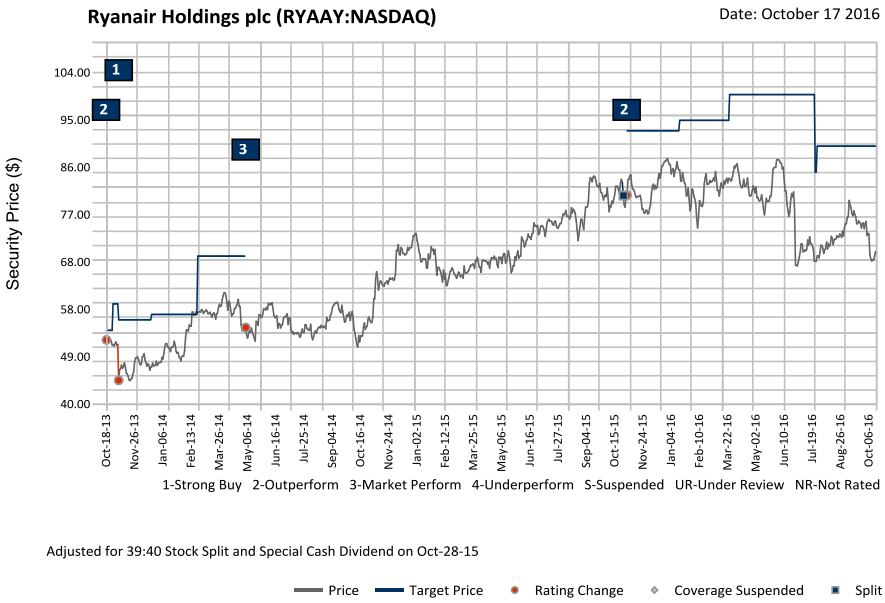
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Company Name	Disclosure
Ryanair Holdings plc	Raymond James & Associates makes a market in shares of RYAAY.

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Target Prices: The information below indicates our target price and rating changes for RYAAY stock over the past three years.



Rating & Target changes

Date	Curr.	Price	Target	Rating
Jul-25-16	$	68.78	90.00	2
Jul-22-16	$	67.73	85.00	2
Mar-24-16	$	83.75	100.00	2
Jan-15-16	$	85.42	95.00	2
Nov-03-15	$	80.54	93.00	2
May-05-14	$	54.90	NM	3
Feb-24-14	$	57.82	68.72	1
Dec-20-13	$	47.26	57.44	1
Nov-04-13	$	44.68	56.41	1
Oct-28-13	$	51.56	59.49	2
Oct-18-13	$	52.51	54.36	2

Valuation Methodology: To estimate the value of Ryanair's ADSs, we utilize its price-to-earnings, or P/E ratio, comparison, which is based on our long-range earnings model that is available upon request.

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Moreover, Airlines are subject to various federal, state, local, and foreign laws and regulations and, as a result, are highly exposed to the impacts of new regulation. Greater U.S. government scrutiny on ancillary revenue and the European Union's recently enacted carbon emissions tax are examples of recent concerns faced by the industry.

Company-Specific Risk Factors for Ryanair Holdings plc

Currency Mismatch

Majority of Ryanair's costs are in U.S. dollars (USD) while a majority of its revenue is in British pounds (GBP) and euros (EUR). Moreover, 28% of Ryanair's revenue and 21% of its non-fuel costs (which accounts for ~64% of total) are denominated in GBP, making it net long the GBP.

Regarding its USD costs, Ryanair has hedged 100% of its aircraft purchase costs through FY19 at ~1.31 USD/EUR. Moreover, it has hedged ~95% of its FY17 (March year-end) and ~45% of its FY18 fuel purchases (most of the USD cost) at an exchange rate of 1.18 and 1.12 USD/EUR, respectively. Therefore, the strengthening of the USD against the euro is unlikely to have a material negative impact on its earnings through YE CY17. However, while the USD strength does not impact earnings, it has a material impact in the translation to EPS (per ADR share).

Brexit Vote Uncertainty

The recent vote by the U.K. to leave the European Union creates substantial uncertainty not only in terms of economic growth and currency exchange rates, but also on whether the U.K. will remain part of the European Common Aviation Area (CAA). If the U.K. is required to leave the CAA, it will need to negotiate bilateral agreements with the EU and other countries, which may require Ryanair to discontinue intra-U.K. service (~1.5% of total seats) or to set up a U.K. subsidiary.

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