THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the course of action to be taken, you are recommended to consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser (being, in the case of Shareholders in Ireland, an organisation or firm authorised or exempted pursuant to the Investment Intermediaries Act, 1995, or the Stock Exchange Act, 1995 of Ireland or, in the case of Shareholders in the United Kingdom, an adviser authorised pursuant to the Financial Services and Markets Act 2000 of the United Kingdom). If you have sold or otherwise transferred your entire holding of Ordinary Shares in Ryanair Holdings plc, please forward this document, together with the enclosed Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee as soon as possible.

The Directors, whose names appear on page 6, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information

RYANAIR

THE LOW FARES AIRLINE

RYANAIR HOLDINGS plc

(INCORPORATED IN IRELAND UNDER THE COMPANIES ACTS, 1963 TO 2001, REGISTERED NUMBER 249885)

Proposed Purchase of up to 150 Boeing "Next Generation" 737-800 Aircraft

Notice of Extraordinary General Meeting

Davy Corporate Finance Limited and Davy Stockbrokers, each of whom are regulated by the Central Bank of Ireland, are acting exclusively for Ryanair as financial adviser and sponsor in connection with the requirements of the Irish Stock Exchange and the UK Listing Authority respectively and for no one else (including the recipient of this document) in relation to the Purchase and will not be responsible to any other person for providing the protections afforded to customers of Davy Corporate Finance Limited or Davy Stockbrokers nor for providing advice in connection with any transaction or arrangement referred to in this document.

A letter from the Chairman of Ryanair Holdings plc is set out on pages 6 to 12 of this document.

Your attention is drawn to the Notice of an Extraordinary General Meeting to be held at Ryanair 's Corporate Head Office, Dublin Airport, Co. Dublin, Ireland on 7 August 2002 at 11 a.m. which is contained at the end of this document. A Form of Proxy for use at the EGM is enclosed which, if you wish to appoint a proxy, should be completed and signed in accordance with the instructions printed thereon, detached and returned by post to the Company's Registrars, Capita Corporate Registrars plc, P.O. Box 7117, Business Reply, Dublin 2 or by hand to Capita Corporate Registrars plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, as soon as possible but in any event so as to be received by the Company's Registrars no later than 11 a.m. on 5 August 2002.

CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	11 a.m. on 5 August 2002
Time and date of Extraordinary General Meeting	11 a.m. on 7 August 2002

DEFINITIONS

In this document and in the Form of Proxy the following expressions have the following meanings, unless the context otherwise requires, or unless it is otherwise specifically provided herein:

“Act”	the Companies Act, 1963 of Ireland (as amended);
“Additional Purchase Rights”	options granted to Ryanair pursuant to the 2002 Boeing Contract to Purchase up to 50 additional Boeing 737-800 aircraft, further details of which are set out in Part 2 of this document;
“Boeing”	the Boeing Company;
“2002 Boeing Contract”	the agreement to purchase up to 150 Boeing 737-800 aircraft, which is described in more detail in Part 2 of this document;
“1998 Boeing Contract”	the agreement to purchase up to 45 Boeing 737-800 aircraft which was entered into in 1998 and which will be superceded by the 2002 Boeing Contract;
“Circular”	this document which comprises a circular to Shareholders;
“Companies Acts”	the Companies Acts, 1963 to 2001, of Ireland;
“CREST”	the relevant system in respect of which CRESTCo is the operator (as defined in the Regulations);
“CRESTCo”	CRESTCo Limited;
“Davy Corporate Finance”	Davy Corporate Finance Limited;
“Davy" or "Davy Stockbrokers”	J&E Davy, trading as Davy Stockbrokers;
“Directors" or “the Board”	the board of directors of the Company whose names are set out on page 6 of this document;
“EXIM”	Export-Import Bank of the United States;
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company convened for 11 a.m. on 7 August 2002 and to be held at Ryanair’s Corporate Head Office, Dublin Airport, Co. Dublin, including any adjournment thereof, and notice of which is set out at the end of this document;
“Form of Proxy”	the Form of proxy for use by Shareholders in connection with the EGM;
“Group”	the Company and its subsidiaries;
“IATA”	the International Air Transport Association;
“Ireland” and “Republic of Ireland”	Ireland, excluding Northern Ireland, and the word “Irish” shall be construed accordingly;
“Irish Stock Exchange”	the Irish Stock Exchange Limited;

“Listing Rules”	the listing rules of the Irish Stock Exchange and/or where appropriate, of the UK Listing Authority for the listing of securities;
“London Stock Exchange”	London Stock Exchange plc;
“Notice”	the notice of Extraordinary General Meeting set out at the end of this document;
“Official Lists”	the official list of the Irish Stock Exchange and/or as appropriate the official list maintained by the UK Listing Authority;
“Option Plans”	the Company’s employee share option plans of 1998 and 2000;
“Options”	Options granted pursuant to the terms of the Option Plans;
“Ordinary Shares”	the issued and fully paid ordinary shares of 1.27c each in the Company;
“Purchase" or "Proposed Purchase”	the proposed purchase of 100 Boeing “Next Generation” 737-800 aircraft over a seven year period from 2002 to 2009 together with Additional Purchase Rights to purchase an additional 50 of such aircraft during such period pursuant to the 2002 Boeing Contract;
“Registrars”	Capita Corporate Registrars plc;
“Regulations”	the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (S.I. No. 68 of 1996);
“Resolution”	the ordinary resolution to approve the Purchase set out in the Notice to be considered and voted on at the EGM;
“Ryanair” or “the Company”	Ryanair Holdings plc;
“Ryanair.com”	the Company’s internet booking facility;
“Ryanair Limited”	Ryanair Limited, a wholly owned subsidiary of the Company;
“Shareholder(s)”	a holder or holders of Ordinary Shares;
“Stock Exchanges”	together the London Stock Exchange and the Irish Stock Exchange;
“subsidiary”	shall be construed in accordance with the Act;
“UK Listing Authority” or “UKLA”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 of the United Kingdom;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“US$”	United States dollar; and
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to the jurisdiction of the United States of America.

Notes:

(i) Unless otherwise stated in this document, all references to statutes or other forms of legislation shall refer to statutes or forms of legislation of Ireland. Any reference to any provision of any legislation shall include any amendment, modification, consolidation, re-enactment or extension thereof.

(ii) Words importing the singular shall include the plural and vice versa, and words importing the masculine shall include the feminine or neutral gender.

(iii) The latest practicable date for publication and posting of this document is 16 July 2002.

(iv) The symbols "€" and "c" refer to euro and euro cent respectively, the lawful currency of Ireland pursuant to the provisions of the Economic & Monetary Union Act 1998.

(v) Unless otherwise stated, amounts under the 2002 Boeing Contract referred to throughout this document have been translated as follows: €1 = US$1.0127, being the exchange rate prevailing on 16 July 2002 (being the latest practicable date prior to the posting of this document).

Certain of the information included in this circular is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially. It is not reasonably possible to itemise all of the many factors and specific events that could affect the outlook and results of an airline operating in the European economy. Among the factors that are subject to change and could significantly impact Ryanair's expected results are the airline pricing environment, fuel costs, competition from new and existing carriers, market prices for replacement aircraft, costs associated with environmental, safety and security measures, actions of the Irish, U.K., European Union ('EU') and other governments and their respective regulatory agencies, fluctuations in currency exchange rates and interest rates, airport access and charges, labour relations, the economic environment of the airline industry, the general economic environment in Ireland, the UK and Continental Europe, the general willingness of passengers to travel and other economic, social and political factors.

RYANAIR HOLDINGS plc

(Registered in the Republic of Ireland No. 249885)

Directors
David Bonderman (Chairman)
Michael O'Leary * (Chief Executive)
Michael Horgan
Raymond MacSharry
Kyran McLaughlin
James R Osborne
Paolo Pietrogrande
Cathal M Ryan
Declan F Ryan
T Anthony Ryan
Richard P Schifter
Jeffrey A Shaw

Head and Registered Office
Corporate Head Office,
Dublin Airport,
County Dublin.

18 July 2002

** denotes executive director*

To the Shareholders of Ryanair Holdings plc and, for information only, to the holders of options under the Option Plans

Proposed Purchase of up to 150 Boeing "Next Generation" 737-800 Aircraft

Notice of Extraordinary General Meeting

Dear Shareholder,

1. INTRODUCTION

On 24 January 2002 the Company announced that it had entered into an agreement with Boeing to purchase 100 new Boeing 737-800 series aircraft over a seven year period from 2002 to 2009 and to acquire Additional Purchase Rights (options) to purchase up to an additional 50 such aircraft during such period. By virtue of the relative size of the 2002 Boeing Contract compared to the size of the Company, the Listing Rules require that completion of the 2002 Boeing Contract be conditional upon shareholder approval which will be sought at an Extraordinary General Meeting of the Company to be held on 7 August 2002.

The principal terms and conditions of the 2002 Boeing Contract are summarised in Part 2 of this document and the benefits expected to accrue to Ryanair as a result of the Purchase are detailed at paragraph 5 of this Part 1 "Impact of the Purchase of the Boeing Aircraft".

The purpose of this document is to provide you with further information on the reasons for, and terms and conditions of, the Purchase and to explain why your Board believe it is in the best interests of Ryanair and why they unanimously recommend you to vote in favour of it at the Extraordinary General Meeting. A notice convening this meeting, at which a resolution will be proposed to approve the 2002 Boeing Contract, is set out at the end of this document.

2. THE 2002 BOEING CONTRACT

Under the terms of the 2002 Boeing Contract, the Company has agreed to purchase 100 new Boeing “Next Generation” 737-800 aircraft and has acquired Additional Purchase Rights to purchase up to an additional 50 such aircraft over a seven year period from 2002 to 2009. As at the date of this document Ryanair’s fleet consists of 21 Boeing 737-200s and 23 Boeing 737-800s. The new Boeing 737-800s will replace Ryanair's 21 older Boeing 737-200 aircraft over the next four years to March 2007 and it is expected that Ryanair’s fleet will consist of a minimum of 128 Boeing 737-800s by March 2009.

Ryanair reached agreement with Boeing in 1998 for the purchase of 25 new Boeing next generation 737-800 aircraft with options over a further 20 aircraft. The first of these new aircraft was delivered in 1999 and, to date, Ryanair has taken delivery of 21 of these “firm” aircraft and 2 of the option aircraft giving a total of 23 aircraft. The Company exercised the first three of its 20 options in September 2000 and as part of this new contract it was agreed that the remaining 17 options should lapse. The remaining 4 “firm” aircraft and the 1 under option will be delivered to Ryanair by January 2003.

The Boeing 737-800s represent the latest generation of Boeing's 737 aircraft. They are larger than the Boeing 737-200s (seating up to 189 passengers versus 130 passengers) and are capable of longer flights. They incorporate more advanced aviation technology with advanced autoland capability, advanced traffic collision avoidance systems and enhanced ground proximity warning systems.

The "basic price" for each of the Boeing 737-800s is approximately US$50,885,100 and the basic price will be increased for certain "buyer-furnished" equipment Ryanair has asked Boeing to purchase and install on each of the aircraft. In addition an "Escalation Factor" will be applied to the basic price to reflect increases in the US Employment Cost and Producer Price Indices between the time the basic price was set and the period six months prior to the delivery of such aircraft.

Boeing has granted the Company certain price concessions as part of the new contract to purchase the Boeing 737-800s. These will take the form of credit memoranda to Ryanair for the amount of such concessions, which Ryanair may apply toward the purchase of goods and services from Boeing or toward certain payments in respect of the purchase of aircraft under the 2002 Boeing Contract. Boeing and CFMI (the manufacturer of the engines to be fitted on the purchased aircraft) have also agreed to provide Ryanair with certain allowances for promotional and other activities, as well as providing certain other goods and services to the Company on concessionary terms. Those credit memoranda and promotional allowances will effectively reduce the price of each aircraft to Ryanair. As a result the effective price of each aircraft will be significantly below the basic price mentioned above.

The new aircraft will be delivered on a phased basis over a 7 year period, the first 5 being delivered in the fiscal year ended 31 March 2003. Ryanair's existing 21 Boeing 737-200s are on average about 20 years old and are planned to be phased out over a four year period to the year ended 31 March 2007, so that Ryanair 's fleet will consist entirely of Boeing 737-800 aircraft. Ryanair’s fleet size is projected to increase to a minimum of 128 by 2009 (assuming that no Additional Purchase Rights are exercised). The following table outlines the projected changes in the fleet size over the period assuming no Additional Purchase Rights are exercised:

	Fiscal Year End						
	31 March 2003	*31 March 2004*	*31 March 2005*	*31 March 2006*	*31 March 2007*	*31 March 2008*	*31March 2009*
Fleet at beginning of fiscal year	41	54	64	72	86	99	118
Aircraft from 1998 contract delivered during fiscal year	8	0	0	0	0	0	0
Aircraft from 2002 contract delivered during fiscal year	5	15	13	19	19	19	10
Disposal of Boeing 737-200 aircraft during fiscal year	(0)	(5)	(5)	(5)	(6)	(0)	(0)
Fleet at end of fiscal year	54	64	72	86	99	118	128

In the event that the 2002 Boeing Contract is not approved by the shareholders, it will terminate and be without further force and effect. Boeing will be required to refund all advance payments made, less the unrefundable deposit paid when the 2002 Boeing Contract was signed. This unrefundable deposit amounted to US$7,500,000.

Further details of the 2002 Boeing Contract are contained in Part 2 of this document.

3. RATIONALE FOR PURCHASE

The Company's turnover has, in the last two years, increased from €370 million in the fiscal year ended 31 March 2000 to €624 million in the fiscal year ended 31 March 2002. Over the same period profit before tax increased from €90 million to €172 million and flown passenger numbers from approximately 5.5 million to approximately 10.2 million. This growth has been generated through a combination of increasing aircraft capacity on existing routes, successfully opening new routes, landing at other airports within the existing route network and establishing new bases. Since 31 March 2000, Ryanair has launched 29 new routes. These new routes include 8 from its first continental European base at Brussels's Charleroi Airport and 8 from its second continental European base at Frankfurt's Hahn Airport (Ryanair announced Frankfurt Hahn as its second base on 22 November 2001 and flights on the new routes began on 14 February 2002).

In the fiscal year ended 31 March 2002 Ryanair carried approximately 10.2 million passengers on its 65 routes serving 12 European countries, making it the seventh largest international scheduled airline in Europe based on number of passengers carried (as reported in IATA member statistics for 2000 as adjusted for carriers no longer operating and including Ryanair actual 2002 figures). In order to be able to support this network, to expand capacity on existing routes and to open new routes, the Directors believe that the Company requires additional aircraft. Ryanair will operate a fleet of 44 Boeing 737s in Summer 2002 and the aircraft acquired under the 2002 Boeing Contract will help provide Ryanair with sufficient capacity to handle up to 40 million passengers per annum by 2010 (based on the number of available seats at current load factors and based on current average number of sectors flown per day).

The Directors wish to secure a supply of aircraft for the Company over the next eight years to enable it to continue to grow, whilst at the same time obtaining favourable purchase terms, phased deliveries and standard configuration of all aircraft. The general global economic downturn, the tragic events of September 11th and the collapse of two major European carriers (Swissair and Sabena) has resulted in a considerable softening of new and second hand aircraft prices and in a large number of existing orders and options being cancelled. In light of these market conditions Ryanair entered into negotiations with both Boeing and Airbus to purchase new aircraft. After intensive negotiations with both Boeing and Airbus, Ryanair selected the Boeing Next Generation 737-800 for the following reasons:

- a competitive offer from Boeing
- more seats (189) on the Boeing 737-800s, than on the A320s (180) or 737-700 (149)
- lower per seat operating costs than A320s or 737-700s
- Ryanair already successfully operates 23 Boeing 737-800s
- streamlined turnarounds, crewing, training, maintenance and spares
- phased deliveries will give Ryanair the capacity to achieve a 25% annual increase in passenger numbers

According to Boeing the digitally redesigned Next-Generation 737-800 is the newest and most technologically advanced aeroplane in the single aisle market. It is outfitted with a new wing design and more powerful engines. In addition the flight deck features the latest liquid crystal flat panel displays and is designed to accommodate new communications and flight management capabilities. The Boeing 737-800 is powered by new CFM 56-7 engines produced by CFMI, a joint venture of General Electric of the United States and Snecma of France. It has advanced autoland capability, traffic collision avoidance systems and enhanced ground proximity warning systems already installed. The engines operate at noise levels well below Chapter 3 limits (under EU Directives governing aircraft noise emissions, all aircraft operated by EU carriers are required to comply with Chapter 3 noise requirements established by the International Civil Aviation Organisation).

The Board believes that spare parts and cockpit crew qualified to fly this type of aircraft are widely available and that its strategy of limiting its aircraft to one type will enable Ryanair to minimise the costs associated with personnel training, maintenance and the purchase and storage of spare parts, as well as affording greater flexibility in the scheduling of both crews and equipment.

The Board believes that this transaction will ensure that Ryanair has sufficient aircraft to implement its long-term growth plan and demonstrate to customers, shareholders and potential investors, the Company's commitment to execute its long-term plan to open new routes and bases throughout Europe with the goal of becoming one of Europe's largest carriers of international scheduled passengers. The Directors consider that the value to the Company justifies the price of the Purchase.

The Purchase will increase the proportion of new aircraft in the Ryanair fleet and will enable the Company to phase out its older Boeing 737-200 aircraft.

4. FINANCING ARRANGEMENTS

On 8 February 2002 Ryanair placed 30,000,000 Ordinary Shares, at a price of €6.25, per ordinary share, with both new and existing institutional shareholders in Ireland, the UK and other EU member states, raising €187,500,000 before commissions, stamp duty and expenses.

As at 31 March 2002 Ryanair had cash and liquid resources of €899 million which, together with the expected EXIM guaranteed loans described below and free cash flow generated from operations, will be used to finance the purchase of the aircraft.

Approximately 85% of the net cost to Ryanair of the first 33 "firm" aircraft to be purchased under the 2002 Boeing Contract is expected to be funded by bank financing supported by a loan guarantee from EXIM with the balance being funded from the Company's own cash resources. Ryanair expects to enter into discussions in late 2003 with EXIM and other providers of finance in relation to funding its purchase of the remaining 67 "firm" aircraft. If Ryanair did not receive the EXIM guarantee for the remaining 67 firm aircraft, the Company would look at alternative funding possibly through a combination of cash and other debt financing.

Ryanair obtained the preliminary commitment from EXIM with regard to the loan guarantee for the first 33 aircraft on 13 June 2002. The Directors believe that the EXIM guarantee will allow the Company to raise finance at a lower cost than if the guarantee were not available. The Company is currently in discussions with a number of financial institutions who have indicated an interest in providing finance on the basis of the EXIM guarantee and the Company intends to select the financial institutions that will provide financing for the aircraft by the end of August 2002. It is likely that the loan will be for 12 years and will be secured by a first priority mortgage on the relevant aircraft in favour of a security trustee on behalf of EXIM.

EXIM's policy on facilities of this type is to only issue a binding final commitment six months prior to delivery of each aircraft being financed. The Directors do not have any reason to believe that the preliminary commitment from EXIM will not become a binding commitment in due course. However, in the unlikely event that the binding commitment was not received the company would look at alternative forms of finance which might include existing cash resources, debt financing and sale and lease back. EXIM's final binding commitment with regard to these aircraft is also expected to be subject to certain conditions to be set forth in the final documentation for the EXIM guarantee. The Directors believe that the principal conditions will be that Ryanair provide satisfactory security interests in the aircraft (and related assets) in favour of EXIM (a first priority mortgage over such aircraft) and the lenders, that the aircraft be registered in Ireland, that the aircraft be covered by adequate insurance and maintained in a manner acceptable to EXIM, and will require Ryanair to pay EXIM fees based on the amount of its commitment.

The Company has already successfully financed 23 Boeing 737-800 aircraft in this manner over the last four years and during the process has built up considerable expertise in financing large aircraft purchases. The Directors anticipate that the next 33 Boeing 737-800s can be successfully financed using the same approach.

Further details of the proposed financing arrangements are also set out in Part 2 of this document.

5. IMPACT OF THE PURCHASE OF THE BOEING AIRCRAFT

The Company currently intends to obtain the necessary finance for the payment of aircraft to be delivered under the 2002 Boeing Contract in the manner described in Paragraph 4 above. Although the Directors are confident that the necessary finance will be available to the Group, there can be no assurance that this will be the case or that the Group will not elect to use alternative finance, including public debt offerings, or that the cost of any such finance will not be higher than anticipated.

Ryanair's current fleet of Boeing 737-200s are expected to be phased out from April 2003 to March 2007 at which point Ryanair's fleet will consist entirely of Boeing 737-800 aircraft. The Boeing 737-800s have more seats and a lower operating cost per seat than competing Airbus 320s or the Boeing 737-200s. The Board believes moving to a single type 737 fleet will simplify turnarounds, operations, training and maintenance, and provide increased cost efficiencies on a per seat basis compared to the existing Boeing 737-200 fleet. Assuming delivery of all of the aircraft covered by the 2002 Boeing Contract, the Directors estimate that by 2009 the fleet will be comprised of a minimum of 128 and a maximum of 178 aircraft (depending on the number of Additional Purchase Rights).

Since the Company already operates 22 of these Boeing 737-800s the addition of the new aircraft is not expected to interfere with the Company's ability to continue to achieve the existing 25 minute turnarounds while continuing to yield economies of scale in operation, maintenance and training. The phased delivery of these aircraft should provide Ryanair with sufficient capacity to allow it to meet management's long term target of continuing to achieve an increase in passenger volumes in the order of 25% per annum by opening new routes and increasing frequency on certain existing routes.

The depreciation charge per aircraft per annum will be based on the net cost to the Company of the aircraft less an amount to be set aside for pre-paid maintenance and a 15% residual value calculated on the original net cost of the aircraft. The resultant value is depreciated on a straight line basis over a 23 year life. This policy is consistent with the existing policy adopted by the Company in relation to the existing Boeing 737-800 fleet and is, in the opinion of the Directors, a conservative accounting policy appropriate for the business.

Whilst the Company has only entered into maintenance contracts for minor repairs to the engines and airframes, the Directors believe that based on past experience the cost of maintenance on these aircraft in the early years should not be substantially different from the cost of the Company's existing fleet on a per seat basis.

The Directors believe that the Company's cost per gallon for fuel is driven by factors which effect the world fuel markets, and the exchange rate between the US$ and the euro. Based on calculations conducted by the Company the Directors believe that the fuel consumption per hour of the Boeing 737-800 on a per seat basis is better than the fuel burn on the Company's existing Boeing 737-200 fleet due to the newer and more fuel efficient engines.

In summary, the Directors anticipate that the new aircraft will provide opportunities to successfully open new routes, land at other airports within the existing route network, establish new bases and increase frequency on certain existing routes. This in turn is expected to enable Ryanair to substantially increase revenues through increased passenger numbers. The key operating costs relating to the new aircraft are fuel, depreciation, salaries and maintenance and the Directors do not expect an increase in these costs on a “per seat” basis compared to the existing Boeing 737-200 fleet.

6. STRATEGY

Ryanair's objective is to firmly establish itself as Europe’s leading low-fares scheduled passenger airline through continued implementation of cost reductions and operating efficiencies and expanded offerings of its low-fares, no-frills service. Ryanair aims to offer low fares that generate increased passenger traffic while maintaining a continuous focus on cost-containment and operating efficiencies. The key elements of Ryanair's strategy are:

- ***Low-fares, No-frills Service.*** Ryanair’s low fares are designed to stimulate demand, particularly from fare-conscious leisure and business travellers who might otherwise have used alternative forms of transportation or would not have travelled at all. Ryanair’s no-frills scheduled service provides essential services such as frequent departures, advance reservations, baggage handling and consistent on-time service while eliminating non-essential “extras” such as advance seat assignments, in-flight meals, multi-class seating, access to a frequent flyer program, complimentary drinks and other amenities.

- ***Frequent Point-to-Point Flights on Short-Haul Routes***. Ryanair provides frequent point-to-point service on short-haul routes to secondary and regional airports in and around major population centres and travel destinations. In the fiscal year ended 31 March 2002, Ryanair flew an average of 4 flights per route per day with an average route length of 442 miles and an average duration of approximately 1.12 hours.

  In choosing its routes, Ryanair favours secondary airports with convenient transportation to major population centres and regional airports. Secondary and regional airports are generally less congested than major airports and, as a result, can be expected to provide higher rates of on-time departures, faster turnaround times, fewer terminal delays and more competitive airport access and handling costs. Faster turnaround times are a key element in Ryanair’s efforts to maximise aircraft utilisation. Ryanair’s average scheduled turnaround time for the fiscal year ended 31 March 2002 was approximately 25 minutes.

- ***Low Operating Costs.*** The success of the low-fare strategy is critically dependent on the maintenance of a low cost base. The Directors believe that Ryanair’s operating costs are among the lowest of any European scheduled passenger airline. Ryanair strives to reduce four of the primary expenses involved in running a major scheduled airline: (i) aircraft equipment costs; (ii) personnel expenses; (iii) customer service costs; and (iv) airport access and handling costs.

- ***Commitment to Safety and Quality Maintenance***. Ryanair’s commitment to safety, demonstrated by its eighteen year record of safety, is the primary priority of the Company and its management. This commitment begins with the hiring and training of Ryanair’s pilots, cabin crews and maintenance personnel and includes a policy of maintaining its aircraft in accordance with the highest European airline industry standards.

- ***Enhancement of Operating Results through Ancillary Services***. Ryanair offers a variety of ancillary, revenue-generating services in conjunction with its core transportation service, including on-board merchandise, beverage and food sales, charter flights, accommodation reservation services, advertising, travel insurance, car rentals and rail tickets. For the fiscal year ended 31 March 2002 ancillary services accounted for 11.7% of Ryanair's total operating revenues, as compared to 11.2% of such revenues in the fiscal year ended 31 March 2001.

- ***Focused Criteria for Growth*** Building on its success in the Ireland-U.K. market and its expansion of service from the UK to continental Europe, Ryanair intends to follow a manageable growth plan targeting specific markets. Ryanair introduced its first routes to continental Europe in the Spring of 1997 and now operates a total of 75 routes across Europe.

- ***Taking Advantage of the Internet.*** Ryanair launched its website Ryanair.com in mid January 2000. This allowed internet users access to Ryanair's host reservation system and to make and pay for confirmed reservations. Thereafter, it began promoting its website heavily through newspaper, radio and television advertising. The result has been that the level of internet bookings has grown rapidly over the last two years and currently accounts for in the order of 90% of all reservations on a daily basis. This has resulted in significant cost savings in marketing and distribution and has enhanced the speed of penetration in new markets.

7. CURRENT TRADING AND PROSPECTS

The Board believes that now is a time of significant opportunity in Europe. Many European airlines have cut back on routes offering more opportunities for Ryanair. It is estimated that low cost airlines currently have 2-3% market share in intra-Continental European traffic offering huge potential for further expansion. As a result Ryanair believes that the prospects for the Company as enlarged by the Purchase for the 2003 financial year are good.

In Frankfurt (Hahn) Ryanair's initial fares were substantially lower than comparable fares of Lufthansa and over 1.2 million passengers are expected in the first year of the base's operation. The launch of the base included the allocation of four aircraft and the operation of over 30 flights on ten routes each day. Three of these ten are existing routes - London Stansted, Shannon and Glasgow (Prestwick) and seven are new and commenced on 14 February 2002. The seven new routes include three new routes to Italy-Milan (Bergamo), Pisa and Pescara; two in France - Perpignan and Montpellier; Oslo (Torp) in Norway and Bournemouth in the UK.

On 31 January 2002, Ryanair announced eight new routes out of London Stansted which commenced between April and June 2002. These new routes include two additional routes to Italy- Rome (Ciampino) and Milan (Bergamo) bringing the total to twelve; two new Austrian routes- Graz and Klagenfurt; one French route - Montpellier; one domestic UK route to Newquay in the west of England and for the first time a route to Eindhoven-Holland.

In total this Summer, Ryanair will fly on 75 routes around Europe compared to 65 routes last year. The potential for further expansion includes:

- continued expansion out of Ireland and the UK
- rapid expansion in continental Europe by opening new routes and bases
- building the route network by linking up existing destinations
- increasing frequency on some existing routes.

On 10 June 2002, the Company announced the financial results for the year ended 31 March 2002. Compared to 31 March 2001 profit after tax increased by 44% to €150 million and total operating revenues grew by 28% to €624 million. Passenger volumes increased by 37% to 10.2million (including no shows, passengers grew by 38% to 11.1 million). Total operating expenses increased by 23.5% to € 461 million due to the increased level of activity and the increased costs, primarily fuel, staff costs, route charges and airport and handling costs associated with the growth of the airline. These cost increases were partly offset by savings in marketing and distribution costs, which declined by 42.6% due mainly to the increase in the level of direct bookings on Ryanair.com, and a decline in depreciation costs arising from the increased number of aircraft fully depreciated.

Operating profits, as a result, increased by 43% to €163 million. Other income increased by 1% to € 9.4 million reflecting higher interest receivable due to the increase in cash and liquid resources being offset by higher interest payable arising from the increased level of debt from the purchase of new aircraft. Corporation tax payable increased by €3.1 to €22 million due to the increased level of profitability offset principally by a decline in the headline rate of corporation tax in Ireland.

Net profit after tax increased by 44% to €150 million reflecting the strong growth in the business and the continued tight control on operating costs. Basic earnings per share increased by 39% to 20.64 cents reflecting the increase in the level profitability offset by the increased number of shares in issue due to the placement in February 2002.

The balance sheet continues to reflect the profitable trading performance and as a result shareholders' funds increased by €332.4 million to €1,002 million. Net assets increased by €612 million to €1,890 million reflecting the capital expenditure of €397 million (including aircraft deposits) and as a result total debt, net of repayments, increased by €148 million to €556 million. Due to the increase in the level of profitability and the proceeds of the February placement, net of debt financing, cash and liquid resources have increased by €273 million to €899 million.

Ryanair has successfully opened new routes from its Stanstead, Brussels and Frankfurt bases. Strong growth in passenger volumes is expected to continue from established bases such as Dublin, London, Glasgow and Shannon. It is anticipated that passenger volumes will increase between 30 to 35% over the next 2 years. This growth is being underpinned by the increased fleet size and the increased gap between Ryanair's airfares and those of our competitors.

8. ACTION TO BE TAKEN

An Extraordinary General Meeting of the Company will be held at Ryanair's Corporate Head Office, Dublin Airport, Co. Dublin, at 11.00 a.m. on 7 August 2002. At the meeting the resolution to approve the 2002 Boeing Contract, set out in the Notice of Extraordinary General Meeting on page 21 of this document, will be proposed as an ordinary resolution. A Form of Proxy for use at the Extraordinary General Meeting is enclosed.

Whether or not you wish to attend the Extraordinary General Meeting, you should complete and sign the Form of Proxy and return it to the Company's Registrars, Capita Corporate Registrars plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland so as to arrive no later than 11.00 a.m. on 5 August 2002. The return of the Form of Proxy will not prevent you from attending the Extraordinary General Meeting and voting in person should you wish to do so.

9. RECOMMENDATION

The Directors believe that the Boeing Contract described above is in the best interests of the Shareholders of the Company as a whole and, accordingly, unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the Extraordinary General Meeting.

The Directors intend to vote in favour of the Resolution at the Extraordinary General Meeting in respect of their own beneficial holdings, which amount, at the date of this circular, in total to 103,009,597 Ordinary Shares representing approximately 13.66% of the issued share capital of the Company.

Yours sincerely,

DAVID BONDERMAN
Chairman

PART 2 - SUMMARY OF THE TERMS AND CONDITIONS OF THE 2002 BOEING CONTRACT AND RELATED FINANCING ARRANGEMENTS

Introduction
On 24 January 2002, the Company entered into the 2002 Boeing Contract pursuant to which the Company will purchase 100 new Boeing 737-800 aircraft, and has Additional Purchase Rights to purchase an additional 50 such aircraft.

Delivery Schedule
The Company is scheduled to take delivery of the first 5 737-800 aircraft in the fiscal year to 31 March 2003 (with the first two aircraft arriving in December 2002), with additional deliveries currently scheduled as follows:

	Fiscal Year End						
	31 March 2003	*31 March 2004*	*31 March 2005*	*31 March 2006*	*31 March 2007*	*31 March 2008*	*31March 2009*
Fleet at beginning of fiscal year	41	54	64	72	86	99	118
Aircraft from 1998 contract delivered during fiscal year	8	0	0	0	0	0	0
Aircraft from 2002 contract delivered during fiscal year	5	15	13	19	19	19	10
Disposal of Boeing 737-200 aircraft during fiscal year	(0)	(5)	(5)	(5)	(6)	(0)	(0)
Fleet at end of fiscal year	54	64	72	86	99	118	128

Price
The "Basic Price" (equivalent to a standard list price for an aircraft of this type) for each of the Boeing 737-800 aircraft (defined as a per aircraft airframe price, including engines, plus the per aircraft price for certain optional features agreed between the parties) is US$ 50,885,100. The "Basic Price" will be increased by (a) an estimated US$900,000 per aircraft for certain "buyer-furnished" equipment the Company has asked Boeing to purchase and install on each of the aircraft, and (b) an "Escalation Factor" designed to increase the Basic Price of any individual aircraft by applying a formula which reflects increases in the published US Employment Cost and Producer Price Indexes between the time the Basic Price was set and the period six months prior to the delivery of such aircraft. The Company is also responsible for the payment of any taxes on the aircraft other than certain US Federal taxes and Washington State taxes imposed upon Boeing. However, the Company does not anticipate any such additional taxes shall arise and no such taxes have been payable on the 23 Boeing 737-800 aircraft already delivered.

Boeing has granted the Company certain price concessions with regard to the 737-800 aircraft. These will take the form of credit memoranda to the Company for the amount of such concessions, which Ryanair may apply toward the purchase of goods and services from Boeing or toward certain payments, other than advance payments, in respect of the purchase of the aircraft under the 2002 Boeing Contract. Boeing and CFMI (the manufacturer of the engines to be fitted on the purchased aircraft) have also agreed to give the Company certain allowances as well as providing other goods and services to the Company on concessionary terms. Those credit memoranda and promotional allowances will effectively reduce the price of each aircraft to Ryanair. As a result the effective price of each aircraft will be significantly below the basic price metioned above.

Payment Terms
The Company was required to pay Boeing 1% of the Basic Price of each of the 100 Boeing 737-800 aircraft at the time of signing the 2002 Boeing Contract and will be required to make periodic advance payments of the purchase price for each aircraft it has agreed to purchase during the course of the two year period preceding the delivery of each aircraft. As a result of these required advance payments, the Company will have paid up to 30% of the Basic Price of each aircraft prior to its delivery (including the addition of an estimated"Escalation Factor" and before deduction of any credit memoranda and other concessions due), with the balance of the net price being due at the time of delivery.

The table on page 16 sets out the delivery dates for the 100 "firm" aircraft, together with the schedule of payments excluding the estimated "Escalation Factor" and the price concessions granted to Ryanair by Boeing.

Principal Conditions
The 2002 Boeing Contract provides that it may be terminated by either party should it not be approved by an ordinary resolution passed at a general meeting of the Company. In such an event, all rights and obligations of Ryanair and Boeing with respect to the 2002 Boeing Contract will terminate and be without further force and effect. Boeing will promptly refund all advance payments made, less the unrefundable deposit paid when the 2002 Boeing Contract was signed.This unrefundable deposit amounted to US$7,500,000.

The delivery of each of the aircraft is dependent upon the satisfaction of the following material conditions:

(a) the Company having made the required advance payments prior to delivery;

(b) the Company securing regulatory licences for the export and operation of each aircraft (licences are required to export aircraft out of the United States of America and to operate as passenger aircraft in the Republic of Ireland); and

(c) Boeing's inclusion as an insured party in certain agreed insurance arrangements for each aircraft.

A breach of the 2002 Boeing Contract by the Company would result in the forfeiture of its deposit and the payment of certain costs and possible legal action against the Company.

Boeing Support
In addition to manufacturing and delivering the aircraft, the 2002 Boeing Contract requires Boeing to provide various ancillary goods and services to the Company both prior to delivery of the aircraft and throughout the period when they are operated by the Company. These ancillary goods and services include operations and field services engineering, technical support and training, spare parts support, training of the Company's flight crews in the operation of aircraft and a complete set of technical manuals, software and other materials (including subsequent revisions) with respect to each aircraft.

Under the 2002 Boeing Contract, Boeing has also provided the Company with an extended warranty on the 737-800 aircraft (including warranties against defects in design, materials or workmanship and a warranty that the aircraft comply with agreed specifications). It also agreed to indemnify the Company against any intellectual property infringement claims that may be brought in respect of the aircraft and any other claims in connection with any demonstration or test flights of the aircraft. The Company has provided Boeing with similar indemnities with respect to equipment furnished by the Company for installation in the aircraft.

Termination and Assignment
The Company and Boeing's respective obligations to buy or sell any individual aircraft may be terminated by either party in the event of a bankruptcy or similar event affecting the other party or if any scheduled delivery of an aircraft is delayed for more than 12 months for a reason other than "excusable delay" (which includes the right of Boeing to terminate any sale if an aircraft is damaged beyond repair before delivery or delivery of an aircraft is delayed due to Boeing's "inability, after due and timely diligence, to procure materials, systems, accessories, equipment or parts"). The 2002 Boeing Contract also generally provides that the rights and obligations of the parties may not (subject to certain stated exceptions) be assigned or transferred to non-affiliated third parties without the consent of the non-transferring party.

Certain Terms of the Additional Purchase Rights
The 2002 Boeing Contract grants the Company Additional Purchase Rights to acquire up to fifty additional Boeing 737-800 aircraft (the "Option Aircraft"). The Company is required to exercise its option with respect to any Option Aircraft no later than 24 months prior to the scheduled delivery date of the relevant Option Aircraft. The determination of the final purchase price of each of the Option Aircraft (including the escalation mechanism and pricing and other concessions) is substantially similar to that for the 100 "firm" 737-800s that the Company has agreed to purchase. The proposed delivery dates for the Option Aircraft are as follows :

Delivery Schedule of Aircraft Available Under Additional Purchase Rights

Delivery Date	Number of Aircraft
September 2004	1
October 2004	1
November 2004	4
December 2004	4
January 2005	1
February 2005	1
March 2005	1
April 2005	4
September 2005	1
October 2005	1
November 2005	1
December 2005	3
January 2006	2
February 2006	2
March 2006	2
April 2006	5
September 2006	2
October 2006	2
November 2006	2
December 2006	4
January 2007	2
February 2007	2
March 2007	2
Total	**50**

Financing of the Aircraft Purchase

As at 31 March 2002 Ryanair had cash and liquid resources of €899 million which, together with the expected EXIM guaranteed loans and free cash flow generated from operations, will be used to finance the purchase of the aircraft.

Approximately 85% of the net cost to Ryanair of the first 33 "firm" aircraft to be purchased under the 2002 Boeing Contract is expected to be funded by bank financing supported by a loan guarantee from EXIM with the balance being funded from the Company's own cash resources. Ryanair expects to enter into discussions in late 2003 with EXIM and other providers of finance in relation to funding its purchase of the remaining 67 "firm" aircraft.

EXIM, the Export-Import Bank of the United States, is a US government-sponsored body rated AAA by Standard & Poor's Rating Services and Aaa by Moody's Investor Services, Inc., whose primary objective is to assist US exports of capital goods. EXIM can guarantee the loan up to a maximum of 85% of the net purchase price of the aircraft, based on gross escalated cost less the amount of any credit memoranda from Boeing and from CFMI.

If an EXIM guarantee is granted it will guarantee either a fixed or floating rate loan for a period of up to 12 years. The EXIM exposure fee for such a guarantee would be 3% of the principal amount of the sum financed in respect of each aircraft payable on delivery. The Directors believe that because of EXIM's AAA credit rating, a guarantee from EXIM, if granted, would allow the Company to raise finance at a lower cost than if such a guarantee were not available. The Company is currently in discussions with a number of financial institutions who have indicated an interest in providing finance on the basis of the EXIM guarantee and the Company intends to select the financial institutions that will provide financing of the aircraft by the end of August 2002. It is likely that the loan will be for 12 years and will be secured by a first priority mortgage on the relevant aircraft in favour of a security trustee on behalf of EXIM.

Ryanair obtained the preliminary commitment from EXIM with regard to the loan guarantee for the first 33 aircraft on 13 June 2002. A preliminary commitment does not bind EXIM, which only issues a binding final commitment six months prior to delivery of each aircraft being financed. The Directors do not have any reason to believe that the preliminary commitment from EXIM will not become a binding commitment in due course. EXIM’s final binding commitment with regard to these aircraft is also expected to be subject to certain conditions to be set forth in the final documentation for the EXIM guarantee. The Directors believe the principal conditions will be that Ryanair provide satisfactory security interests in the aircraft (and related assets) in favour of EXIM (a first priority mortgage over such aircraft) and the lenders, that the aircraft be registered in Ireland, that the aircraft be covered by adequate insurance and maintained in a manner acceptable to EXIM, and that Ryanair pay EXIM fees based on the amount of its commitment.

The following table sets out the delivery dates for the 100 “firm” aircraft, together with the schedule of payments excluding the estimated “Escalation Factor” and the price concessions granted to Ryanair by Boeing:

AIRCRAFT PAYMENT SCHEDULE

Delivery Date per Aircraft	No. of Aircraft	Basic Price	Buyer Furnished Equipment	Total Cost per Aircraft	Total Cost of Aircraft Delivered	Cost for advance Payments	Advance payment per Delivery Month (Amounts Due/Months prior to Delivery) At signing 1%	24 months 4%	21/18/12/9//6 mts 5%	Total Advance Payment 30%	Balance Payment Due at Delivery 70%
		US$	US$	US$	US$	US$	US$	US$	US$	US$	US$
Dec-02	2	50,885,100	900,000	51,785,100	103,570,200	101,770,200	1,017,702	4,070,808	5,088,510	30,531,060	71,239,140
Jan-03	1	50,885,100	900,000	51,785,100	51,785,100	50,885,100	508,851	2,035,404	2,544,255	15,265,530	35,619,570
Feb-03	2	50,885,100	900,000	51,785,100	103,570,200	101,770,200	1,017,702	4,070,808	5,088,510	30,531,060	71,239,140
Sep-03	2	50,885,100	900,000	51,785,100	103,570,200	101,770,200	1,017,702	4,070,808	5,088,510	30,531,060	71,239,140
Oct-03	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Dec-03	1	50,885,100	900,000	51,785,100	51,785,100	50,885,100	508,851	2,035,404	2,544,255	15,265,530	35,619,570
Jan-04	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Feb-04	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Mar-04	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Sep-04	2	50,885,100	900,000	51,785,100	103,570,200	101,770,200	1,017,702	4,070,808	5,088,510	30,531,060	71,239,140
Oct-04	2	50,885,100	900,000	51,785,100	103,570,200	101,770,200	1,017,702	4,070,808	5,088,510	30,531,060	71,239,140
Jan-05	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Feb-05	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Mar-05	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Sep-05	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Oct-05	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Nov-05	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Dec-05	1	50,885,100	900,000	51,785,100	51,785,100	50,885,100	508,851	2,035,404	2,544,255	15,265,530	35,619,570
Jan-06	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Feb-06	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Mar-06	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Sep-06	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Oct-06	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Nov-06	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Dec-06	1	50,885,100	900,000	51,785,100	51,785,100	50,885,100	508,851	2,035,404	2,544,255	15,265,530	35,619,570
Jan-07	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Feb-07	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Mar-07	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Sep-07	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Oct-07	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Nov-07	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Dec-07	1	50,885,100	900,000	51,785,100	51,785,100	50,885,100	508,851	2,035,404	2,544,255	15,265,530	35,619,570
Jan-08	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Feb-08	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Mar-08	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Sep-08	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Oct-08	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Nov-08	3	50,885,100	900,000	51,785,100	155,355,300	152,655,300	1,526,553	6,106,212	7,632,765	45,796,590	106,858,710
Dec-08	1	50,885,100	900,000	51,785,100	51,785,100	50,885,100	508,851	2,035,404	2,544,255	15,265,530	35,619,570
Total	100						50,885,100	203,540,400	254,425,500	1,526,553,000	3,561,957,000

PART 3 – ADDITIONAL INFORMATION

1. The Company

Ryanair was incorporated and registered in Ireland on 5 June 1996 under the Companies Acts, 1963 to 2001, as a private company limited by shares with the name Glyndon Limited and with registered number 249885. On 31 October 1996, Glyndon Limited changed its name to Ryanair Holdings Limited. Ryanair Holdings Limited was re-registered as a public limited company on 16 May 1997 and its name was changed to Ryanair Holdings plc. Ryanair's registered office is at Corporate Head Office, Dublin Airport, County Dublin, Ireland. The principal legislation under which it operates is the Companies Acts.

2. Directors and Other Interests

(i) (a) As at 16 July 2002, being the latest practicable date prior to the publication of this document, the interests (all of which are beneficial unless otherwise stated) of the Directors (including any interests of their spouses or minor children) in the issued share capital of the Company, the existence of which is known to, or could with reasonable due diligence be ascertained by the Directors, whether or not held through another party which is notifiable or required to be disclosed pursuant to sections 53 and 64 of the Companies Act, 1990 or is required to be shown in the register referred to in section 59 of the Companies Act, 1990 and, as far as the Company and the Directors are aware, having made due and proper enquiry, the interests of any persons connected (within the meaning of Section 26 of the Companies Act, 1990) with a Director, were as set out below :

Directors	*Ordinary Shares Of €0.0127 each*	*% of Share Capital held*
David Bonderman	7,056,680	0.93
Michael O'Leary	45,000,008	5.96
Michael Horgan	-	-
Raymond MacSharry	7,280	n/m
Kyran McLaughlin	-	-
James R Osborne	705,128	0.09
Paolo Pietrogrande	-	-
Cathal M Ryan	19,408,273	2.57
Declan F Ryan	19,408,273	2.57
T Anthony Ryan	10,758,535	1.42
Richard P Schifter	664,820	0.09
Jeffrey A Shaw	600	n/m

(b) Share Options

The eleven non executive directors were issued 50,000 share options at an exercise price of €3.70 (the market value at date of grant) in the Company during the year ended 31 March 2001 which are exercisable between June 2005 and June 2007. The consideration paid by each director for the issue was €1.

Save as set out in paragraph 2(a) and 2(b) above, no Director (nor any connected persons) has any interest whether beneficial or non beneficial in the issued share capital of the Company or any of its subsidiaries.

(c) *Directors Interests' in Transactions*

No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or are or were significant to the business of the Group and which were effected by any member of the Group either in the current or immediately preceding financial year or during an earlier financial year and which remain in any respect outstanding or unperformed.

(d) *Directors' Service Contracts*

The following is a summary of the existing Directors' Service Contract :

Employment and Bonus Agreement with Mr. O'Leary: Mr O'Leary's current employment agreement with Ryanair Limited is dated 1 July 2001 and can be terminated by either party upon twelve months notice. Pursuant to the agreement, Mr. O'Leary serves as Chief Executive at an annual gross salary of €378,382, subject to any increases that may be agreed between Ryanair Limited and Mr. O'Leary. Mr. O'Leary is also eligible for annual bonuses as determined by the Directors of Ryanair Limited. The amount of such bonuses paid to Mr. O'Leary in fiscal year 2002 totalled €170,144. Mr. O'Leary is subject to a covenant not to compete with Ryanair within the EU for a period of two years after the termination of his employment with Ryanair. Mr. O'Leary's employment agreement does not contain provisions providing for compensation on its termination.

Save as disclosed in this paragraph 2(i)(d), there are no existing or proposed directors' service contracts (as defined in the Listing Rules) between any of the Directors of the Company and the Company or any of its subsidiaries and there are no equivalent arrangements regulating the terms and conditions of their employment.

(ii) Substantial Interests

As at 16 July 2002, being the latest practicable date prior to the publication of this document, in so far as is known to the Company, the following persons, other than a Director, were directly or indirectly interested in 3% or more of the ordinary share capital of Ryanair:

Name	*Number of Ordinary Shares*	*% of issued Ordinary Share Capital held*
Fidelity Investments	104,408,500	13.8%
Putnam Investment	70,570,400	9.3%
Wellington Management Co	32,954,976	4.4%
Janus	70,548,175	9.3%
Capital Group Companies Inc	37,797,275	5.01%

Save as disclosed in this paragraph 2(ii) and in paragraph 2(i)(a) above (shareholding of Michael O'Leary), the Company is not aware of and has not been notified of any shareholding representing, directly or indirectly, 3% or more of the share capital of Ryanair. The Company is not aware of any person who directly or indirectly, jointly or severally, exercised or could exercise, control over the Company.

3. Working Capital

The Company is of the opinion that following completion of the Purchase and having regard to existing cash resources and available bank and other committed facilities the Group has sufficient working capital for its present requirements that is for at least twelve months from the date of publication of this document.

4. Impact on the Company's longer term funding requirements of the Purchase of the Boeing Aircraft

The Company currently expects that the Group's present requirements for funding (for the period to 31 March 2003) will be approximately €276 million. The Company estimates that, based on the "Basic Price" of each aircraft including certain buyer furnished equipment purchased by Boeing on the Company's behalf but not taking into account any concessions or the "Escalation Factor", an additional amount of up to €1,761 million will be required after 31 March 2003 to meet its funding requirements prior to the completion of the delivery of aircraft under the 2002 Boeing Contract. The Company currently intends to obtain the necessary finance for the payment of aircraft to be delivered under the 2002 Boeing Contract in the manner described in Part 2 under "Financing of the Aircraft Purchase". Although the Directors are confident that the necessary finance will be available to the Group, there can be no assurance that the necessary finance will be available to the Group or that the Group will not elect to use alternative finance, including public debt offerings, or that the cost of any such finance will not be higher than anticipated.

5. Material Contracts

(a) The following is a summary of all material contracts (not being a contract entered into in the ordinary course of business) which have been entered into by members of the Group within the two years immediately preceding the date of this document, or contracts (not being a contract entered into in the ordinary course of business), which contains any provision under which any member of the Group has any obligation or entitlement which is or may be material to the Group at the date of this document:

(i) A placement agreement dated 9 February 2001 (the “2001 Placing Agreement”) between Morgan Stanley & Co International Limited, Davy Stockbrokers and Goldman Sachs International (together the “Placing Agents”) and the Company and certain selling shareholders pursuant to which the Placing Agents agreed to find subscribers for an aggregate of 10,000,000 Ordinary Shares and to sell on behalf of selling shareholders, 3,000,000 Ordinary Shares or failing which to subscribe for or purchase the shares themselves. The Placing Agents were granted an over-allotment option over 2,000,000 Ordinary Shares.

The obligations of the Placing Agents were subject to certain obligations set out in the 2001 Placement Agreement which have since been satisfied. The Company gave representations and warranties, both commensurate with an agreement of this type, to the Placing Agents relating to the Company and its affairs and the shares issued pursuant to the placing. In addition, the Company agreed to indemnify and hold harmless each of the Placing Agents and their agents against all losses, claims, damages and liabilities reasonably incurred by any Placing Agent or their agents in connection with defending or investigating any action caused by any breach of any of the representations, warranties or covenants made by the Company under the agreement.

Each of the Placing Agents agreed severally to indemnify and hold harmless the Company and the selling shareholders, the directors of the Company and others from and against any and all losses, claims, damages and liabilities reasonably incurred in connection with defending or investigating any such action or claim caused by any breach of any of the representations, warranties or covenants made by the Placing Agents under the agreement.

A total of 15,000,000 Ordinary Shares were placed pursuant to the 2001 Placing Agreement.

(ii) A placement agreement dated 7 February 2002 (the “2002 Placing Agreement”) between Morgan Stanley Securities Limited , Davy Stockbrokers and Goldman Sachs International (together the “Placing Agents”) and the Company pursuant to which the Placing Agents agreed to find subscribers for up to 30,000,000 Ordinary Shares or failing which to subscribe for the shares themselves.

The obligations of the Placing Agents were subject to certain obligations set out in the 2002 Placement Agreement which have since been satisfied. The Company gave representations and warranties, both commensurate with an agreement of this type, to the Placing Agents relating to the Company and its affairs and the shares issued pursuant to the placing. In addition, the Company agreed to indemnify and hold harmless each of the Placing Agents and their agents against all losses, claims, damages and liabilities reasonably incurred by any Placing Agents or their agents in connection with defending or investigating any action caused by any breach of any of the representations, warranties or covenants made by the Company under the Placing Agreement.

Each of the Placing Agents agreed severally to indemnify and hold harmless the Company, the directors of the Company and others from and against any and all losses, claims, damages and liabilities reasonably incurred in connection with defending or investigating any such action or claim caused by any breach of any of the representations, warranties or covenants made by the Placing Agent under the agreement.

A total of 30,000,000 Ordinary Shares were placed pursuant to the 2002 Placement Agreement.

(iii) A contract dated 9 March 1998 (“the 1998 Boeing Contract”) between The Boeing Company (“Boeing”) and the Company pursuant to which the Company agreed to purchase twenty-five new Boeing 737-800 “Next Generation” Aircraft and acquired options to purchase up to a further twenty aircraft (which could include 737-700 Aircraft, 737-800 Aircraft or 737-900 Aircraft). The twenty-five aircraft were scheduled to be delivered by January 2003. The twenty aircraft under option could be delivered between 2001 and 2005.

The standard list price for an aircraft of this type (the “Basic Price”) was $45,031,900. The Basic Price was subject to an increase (a) for certain “seller-furnished” equipment the Company asked Boeing to purchase and install on each of the aircraft (approximately US$1.6 million per aircraft) and (b) to take into account an “Escalation Factor” which reflects the changes in the US Employment Cost and Producer Price Indexes. The Basic Price was subject to a decrease to take into account certain concessions granted to the Company by Boeing. These concessions were to take the form of credit memoranda to the Company. Boeing also agreed to give the Company certain allowances for promotional and other activities and to provide other goods and services on concessionary terms. The Company agreed to have paid 30% of the Basic Price of each aircraft prior to its delivery with the balance of the net price being paid on delivery.

The 1998 Boeing Contract required Boeing to provide various ancillary goods and services to the Company prior to delivery and throughout operation of the aircraft. Boeing agreed to provide a 48-month warranty, usual in an agreement of this type, on the 737-800 aircraft. Boeing agreed to indemnify the Company against any intellectual property infringement claims that may be brought in respect of the aircraft and any other claims in relation to demonstration or test flights of the aircraft. The Company provided Boeing with similar indemnities with respect to equipment furnished by the Company for installation in the aircraft.

(iv) The 2002 Boeing Contract summarised in Part 2 of this document.

(b) There have been no contracts entered into in the last two years, otherwise than in the ordinary course of business, in relation to the aircraft the subject of the Purchase which are or may be material to the Group and no member of the Group has entered into any other contracts, otherwise than in the ordinary course of business, relating to the aircraft the subject of the Purchase which contain obligations or entitlements which are material to the Ryanair Group at the date of this document.

6. Significant Change

There has been no significant change in the financial or trading position of the Group since 31 March 2002, the date to which the Company's latest audited results were prepared.

7. Litigation

(a) No member of the Group is or has been engaged in, or (so far as the Company is aware) has pending or threatened by or against it, any legal or arbitration proceedings which may have, or have had during the twelve months preceding the date of this document a significant effect on the Group's financial position.

(b) There have been no legal or arbitration proceedings relating to the aircraft the subject of the Purchase which may have, or have had during the twelve months preceding the date of this document, a significant effect of the Group’s financial position nor are the Directors of Ryanair aware of any such proceedings which are pending or threatened.

8. Consents

(i) Davy Corporate Finance, Davy House, 49 Dawson Street, Dublin 2, has given and has not withdrawn its written consent to the inclusion in this document of its name in the form and context in which it is included.

9. General

(a) There will be no change in the emoluments of the Directors as a result of the Purchase.

(b) For the convenience of the reader, prices have been converted from US dollars to euro at an exchange rate of €1 to US$1.0127 (being the reference rates issued by the Central Bank of Ireland on 16 July 2002). No representation is given that any relevant amount could have been converted at such rate on the relevant date.

10. Documents Available for Inspection

Copies of the documents referred to below will be available for inspection on normal business hours during any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company, Corporate Head Office, Dublin Airport, Co Dublin, Ireland and at Morgan Stanley, 25 Cabot Square, Canary Wharf, London E14 4QA, England from the date of this document up to and including the date of the Extraordinary General Meeting:

(a) the Memorandum and Articles of Association of the Company;
(b) the 2002 Boeing Contract summarised in Part 2 of this document;
(c) the EXIM preliminary commitment described in Part 2 of this document;
(d) the consolidated audited accounts of the Group for the period ended 31 March 2000, 31 March 2001, and 31 March 2002;
(e) the material contracts referred to in paragraph 5 above;
(f) the employment agreement referred to in paragraph 2(i)(d) of this in Part 3;
(g) the consent letter referred to in paragraph 8 above;
(h) the circular published by the Company on 16 June 1998; and
(i) this document.

Dated : 18 July 2002

RYANAIR HOLDINGS plc

(Incorporated in Ireland under the Companies Acts 1963 to 2001, registered number 249885)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Ryanair Holdings plc ("the Company") will be held at Ryanair's Corporate Head Office, Dublin Airport, Co. Dublin, Ireland at 11 a.m. on 7 August 2002, for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

"THAT the 2002 Boeing Contract as described in the Circular to Ordinary Shareholders dated 18 July, 2002 of which this notice forms part, be and is hereby approved and the Directors be and are hereby authorised to waive, amend, vary or extend the terms of the 2002 Boeing Contract and any agreements and arrangements ancillary to it and to do all such things as they consider to be necessary or expedient to complete or give effect to, or otherwise in connection with, the 2002 Boeing Contract and any matters incidental to it, provided that no material amendment shall be made to the terms of the 2002 Boeing Contract without the approval of the Company's Shareholders."

BY ORDER OF THE BOARD

HOWARD MILLAR
Secretary

Registered Office:
Ryanair Corporate Head Office,
Dublin Airport,
Co Dublin.

Dated: 18 July 2002

Notes :

(i) Any member entitled to attend, speak and vote at the above meeting is entitled to appoint one or more proxies to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company.

(ii) Forms of Proxy, together with any Power of Attorney or other authority under which it is executed or notarially certified copy thereof, must be duly completed and to be valid must reach the Registrars of the Company at the address on the Form of Proxy not less than forty-eight hours before the time appointed for the holding of the meeting.

(iii) In the case of a corporation, this Form of Proxy may be either under the common seal or under the hand of an officer or attorney authorised in that behalf.

(iv) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy will be accepted to the exclusion of the votes of the other registered holders(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.

(v) The completing and returning of a Form of Proxy does not preclude a member from attending and voting at the meeting should he/she so wish.

RYANAIR HOLDINGS plc
FORM OF PROXY

For use at the Extraordinary General Meeting

I/We ....
(BLOCK LETTERS)

Of ....

(being a member/members of the above named Company hereby appoint the Chairman of the Meeting (see note (5) below)

Or ....

as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company convened for 11 a.m. on 7 August 2002 at Ryanair Corporate Head Office, Dublin Airport, Co. Dublin, Ireland, and at any adjournment thereof.

Please indicate with an X in the box below how you wish your vote to be cast in respect of the resolution, the details of which are set out in the notice convening the meeting. The Resolution is an ordinary resolution.

If no specific direction as to voting is given the proxy will vote or abstain at his/her discretion.

		For	*Against*
(1)	To approve the Purchase of the aircraft	❑	❑

DATED THIS ....day of..2002

SIGNATURE ....

NOTES:

(1) Only holders of ordinary shares are entitled to attend and vote at the Extraordinary General Meeting of the Company.

(2) A holder of ordinary shares may appoint a proxy or proxies to attend, speak and vote on their behalf. A proxy so appointed need not be a member of the Company.

(3) To be effective, the Form of Proxy duly signed, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of authority, must be deposited with the Company's Registrars, Capita Corporate Registrars plc, Unit 5, Manor Street Business Park, Manor Street, Dublin 7. Ireland not later than forty-eight hours before the time fixed for the Meeting at which the person named in the Form of Proxy is to vote.

(4) If the Form of Proxy is given by a body corporate it must be given under its common seal or under the hand of an attorney or officer duly authorised.

(5) If you desire to appoint a proxy other than the Chairman of the Meeting, please insert the proxy's name in block letters in the space provided and delete the words "the Chairman of the Meeting".

(6) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

(7) The appointment of a proxy does not preclude a shareholder from attending and voting at the Meeting.

(8) If no specific directions as to voting are given, the proxy will vote or abstain from voting at his/her discretion.

FOLD 2

Registrar of Ryanair Holdings plc,
Capita Corporate Registrars plc,
P.O. Box 7117,
Business Reply,
Dublin 2.

FOLD 3
(then turn in)

FOLD 1