

**RYANAIR RESULTS SIGNIFICANTLY EXCEED  
EXPECTATIONS FOR YEAR ENDED 31 MARCH 2002  
TRAFFIC GROWS BY 38%, PROFITS RISE BY 44%**

Ryanair, Europe's largest low fares airline today announced financial results for the year (end Mar 31, 2002) which are significantly better than the consensus of analysts expectations. **After tax profits for the year have risen by 44% to a new record of €150.4m. Passenger traffic grew by 38% to 11.10m and load factors rose to 81%.** Average fares declined (as predicted) during the year by 8%, due to the impact of foot and mouth disease and 11<sup>th</sup> September.

**Summary Table of Results (Irish GAAP) - in Euro**

<b>Year End</b>	<b>Mar 31, 2002</b>	<b>Mar 31, 2001</b>	<b>% Increase</b>
Passengers	11.10m	8.10m	38%
Load Factor	81%	77%	4%
Revenue	€624.10m	€487.40m	28%
Profit after tax	€150.40m	€104.50m	44%
Basic EPS (Euro Cent)	20.64	14.81	39%

In addition to the strong traffic figures, a vigorous performance by ancillary revenues (up 34%) contributed to robust revenue growth of 28% to €624.10m. Unit costs continued to be reduced, particularly marketing and distribution costs which actually declined by 42% (despite 38% traffic growth) thanks to the successful development of RYANAIR.COM, Europe's biggest travel website. Total operating costs increased at a lower rate than revenues despite the launch of 22 new routes and two European bases at Brussels Charleroi and Frankfurt Hahn.

Unlike almost all other carriers during the period, **operating margins actually increased by 3% points from 23% to 26%** whilst **net margins also increased from 21% to 24%**. **Profit after tax has risen dramatically by 44% to €150.4m**, despite the period being one of the worst in aviation history. Earnings per share grew by 39% to 20.64 cent per share.

**Announcing these results in London, Ryanair's CEO, Michael O'Leary said:**

*"This is another set of outstanding financial results from Ryanair, despite the impact on the airline sector of both the foot and mouth outbreak in the UK, and the tragic events of 11 September in the U.S.. These two events adversely impacted all airlines, so our increase in passengers and profits last year is further testimony to the robustness of **Ryanair's - unique low fares formula in Europe**. No other airline in Europe can match Ryanair's low fares, our costs, or our profitability".*

*"During the past year Ryanair took delivery of 10 new Boeing 737-800 aircraft, and successfully opened two new Continental European bases at Brussels Charleroi and Frankfurt Hahn. In addition, we recently launched 8 new routes from London Stansted including one to a new country, Holland, with daily services to Eindhoven. Ryanair's overnight success in the German market has surprised even ourselves. In the first months of operation our*

Frankfurt Hahn base is enjoying load factors of 80%, primarily because our airfares are up to 80% lower than those of Lufthansa and Deutsche BA. Many German consumers are travelling distances of over 200kms just to avail of Ryanair's low fares. We now expect to carry about 2m. passengers on our German routes alone this year. Ryanair's immediate success in Germany highlights yet again the consumer behaviour law already established by Southwest Airlines and Wal-Mart, namely that customers will flock to out of town secondary locations in order to avail of lower prices and avoid congestion. This is as true for airports as it has always been for supermarkets, and just like Southwest and Wal-Mart, **nobody, but nobody beats Ryanair's prices**".

"Many of the so called experts (most of whom seem to work for Lufthansa) who predicted that Ryanair's low fares would not "take off" in Germany, appear to have ignored the tremendous success of low price retailers such as Aldi, Lidl McDonalds and IKEA in the German market. German consumers love a bargain and now that there is a real choice over Lufthansa's high fares, they are flocking in their hundreds of thousands to Ryanair".

" Our rigorous control of costs and the reductions achieved in the aftermath of September 11 enabled Ryanair to further lower air fares by 8% during the year and still deliver an increase in profits by 44% to €150.4m. At the same time net margins were increased by 3% points to an industry leading 24%".

"Our timely order in January for up to 150 new Boeing 737-800 aircraft (100 firm and 50 options) will ensure that Ryanair has the fleet to enable us to deliver strong growth over the next 8 years and become Europe's largest carrier with over 40 million passengers per annum.

" Ryanair has for some time believed that there would be consolidation in the European low fare industry and that one or two very big low fare carriers would emerge. Following the Easyjet acquisition of GO (and possibly DBA) Ryanair will be the only " low fares" European carrier as the following table highlights.

	Easyjet Yr to 31/3/02	GO Yr to 31/3/02	Easyjet Group <sup>(1)</sup> Pro-forma	Ryanair <sup>(2)</sup> Yr to 31/3/02
<b>Passenger Nos.</b>	8.2	4.1	12.3	11.1
<b>Average Fare</b>	£50	£54	£52	£33
<b>Revenues (£m)</b>	408	233	641	381
<b>Profit bef. tax (£m)</b>	51	14	65	105

(1) Easyjet and GO numbers are taken directly from the Easyjet acquisition/rights issue announcement.

(2) Ryanair figures have been restated in £ Sterling for comparative purposes.

**"Easyjet's average fare is almost 60% higher than Ryanair's and yet our margins are more than double theirs. Ryanair's cost base is substantially lower than Easyjet or GO or any other airline in Europe and is continuing to decline on a per seat basis. The cost gap is getting wider and in this consumer service business, whether it is Southwest, Wal-Mart or Ryanair, the lowest cost operator wins. Ryanair is the largest low fares carrier in Europe, whereas the new Easyjet group will be just another high fares airline.**

*“Our successful expansion from our Brussels and Frankfurt bases as well as our continued strong growth at established bases in London, Glasgow and Shannon has resulted in our traffic growth significantly exceeding our 20% -25% target. We envisage this strong growth continuing for the next two years when we expect traffic to grow at a rate of 30% -35% per annum before steadying back at 25% per annum thereafter. This growth is being underpinned by the increasing gap between Ryanair’s airfares and those of all our competitors, and the continuing tendency of our high fare and not so low fare competitors to focus on high cost, inefficient, congested airports which will increase their costs and their fares.*

*Since Ryanair will continue to reduce fares, the price gap between us and all of our competitors is getting wider. As these robust results demonstrate, Ryanair is **and** will continue to be the fastest growing, most profitable, and lowest cost, low fares airline in Europe.*

ENDS.

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**The Company has undertaken to notify the shareholders of the percentage of ordinary shares held by EU nationals. Accordingly the Board is satisfied that on the 31<sup>st</sup> March 2002, not less than 50.1% of the ordinary shares on a fully diluted basis were held by EU nationals. On the 7<sup>th</sup> February 2002 last, the Board announced that all Ryanair ordinary shares acquired by parties who do not certify that they are EU nationals would be designated as “restricted shares” and the acquirer of such shares would be required to dispose of such shares to an acquirer who is an EU national. This measure will further increase the level of EU ownership of Ryanair ordinary shares.**

**Certain of the information included in this release 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 economics, social and political factors.**

Ryanair is Europe’s largest low fares airline with 76 low fare routes across 13 countries. Ryanair has a fleet of 42 Boeing 737’s, and firm orders for up to a further 107 new 737-800’s which will be delivered over the next 8 years. Ryanair currently employs a team of 1,500 people and will carry over 13 million scheduled passengers in the current year. [www.RYANAIR.COM](http://www.RYANAIR.COM) was launched in January 2000 and is already Europe’s largest travel website.

**Ryanair Holdings plc and Subsidiaries**  
*Financial results for the year ended March 31, 2002*

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# Ryanair Holdings plc and Subsidiaries

## *Consolidated Profit and Loss Accounts in accordance with UK and Irish GAAP*

	Year ended March 31, 2002 <u>€'000</u>	Year ended March 31, 2001 <u>€'000</u>
<b>Operating Revenues</b>		
Scheduled revenues	550,991	432,940
Ancillary revenues	<u>73,059</u>	<u>54,465</u>
<b>Total operating revenues</b>		
<b>-continuing operations</b>	624,050	487,405
<b>Operating expenses</b>		
Staff costs	78,240	61,222
Depreciation and amortisation	59,010	59,175
Other operating expenses		
Fuel & Oil	103,918	63,468
Maintenance, materials and repairs	26,373	20,142
Marketing and distribution costs	12,356	21,526
Aircraft rentals	4,021	7,286
Route charges	46,701	35,701
Airport and Handling charges	84,897	66,269
Other	<u>45,601</u>	<u>38,605</u>
<b>Total operating expenses</b>	<u>461,117</u>	<u>373,394</u>
<b>Operating profit - continuing operations</b>	162,933	114,011
<b>Other income/(expenses)</b>		
Interest receivable and similar income	27,548	19,666
Interest payable and similar charges	(19,609)	(11,962)
Foreign exchange gains	975	1,621
Gain on disposal of fixed assets	<u>527</u>	<u>52</u>
<b>Total other income/(expenses)</b>	<u>9,441</u>	<u>9,377</u>
<b>Profit on ordinary activities before taxation</b>	172,374	123,388
Tax on profit on ordinary activities	<u>(21,999)</u>	<u>(18,905)</u>
<b>Profit for the year</b>	<u><u>150,375</u></u>	<u><u>104,483</u></u>
<b>Earnings per ordinary share</b>		
-Basic(Euro cent)	20.64	14.81
-Diluted(Euro cent)	20.32	14.63
<b>Number of ordinary shares(in 000's)*</b>		
-Basic	728,726	705,623
-Diluted	739,961	714,196

*\*The Company implemented a 2:1 share split on December 7th, 2001. Share capital and earnings per share figures have been restated to give effect to the share split.*

# Ryanair Holdings plc and Subsidiaries

## *Consolidated Balance Sheets in accordance with UK and Irish GAAP*

	<b>March 31, 2002 €'000</b>	<b>March 31, 2001 €'000</b>
<b>Fixed assets</b>		
Tangible assets	951,806	613,591
Financial assets	<u>-</u>	<u>36</u>
<b>Total fixed assets</b>	<u>951,806</u>	<u>613,627</u>
<b>Current Assets</b>		
Cash and liquid resources	899,275	626,720
Accounts receivable	10,331	8,695
Other assets	11,035	12,235
Inventories	<u>17,125</u>	<u>15,975</u>
<b>Total current assets</b>	<u>937,766</u>	<u>663,625</u>
<b>Total assets</b>	<u><b>1,889,572</b></u>	<u><b>1,277,252</b></u>
<b>Current liabilities</b>		
Accounts payable	46,779	29,998
Accrued expenses and other liabilities	217,108	139,406
Current maturities of long term debt	38,800	27,994
Short term borrowings	<u>5,505</u>	<u>5,078</u>
<b>Total current liabilities</b>	<u>308,192</u>	<u>202,476</u>
<b>Other liabilities</b>		
Provisions for liabilities and charges	49,317	30,122
Creditors > 1year	18,086	-
Long term debt	<u>511,703</u>	<u>374,756</u>
	<u>579,106</u>	<u>404,878</u>
<b>Shareholders' funds - equity</b>		
Called - up share capital	9,587	9,194
Share premium account	553,457	371,849
Profit and loss account	<u>439,230</u>	<u>288,855</u>
<b>Shareholders' funds - equity</b>	<u>1,002,274</u>	<u>669,898</u>
<b>Total liabilities and shareholders' funds</b>	<u><b>1,889,572</b></u>	<u><b>1,277,252</b></u>

## Ryanair Holdings plc and Subsidiaries

### *Consolidated Cashflow Statements in accordance with UK and Irish GAAP*

	Year ended March 31, 2002 <u>€'000</u>	Year ended March 31, 2001 <u>€'000</u>
<b>Net cash inflow from operating activities</b>	333,749	229,802
Returns on investments and servicing of finance	10,360	5,569
Taxation	(5,071)	(13,813)
Capital expenditure(including aircraft deposits)	<u>(396,662)</u>	<u>(356,213)</u>
<b>Net cash (outflow) before financing and use of liquid resources</b>	<b>(57,624)</b>	<b>(134,655)</b>
Financing	329,752	404,829
(Increase) in liquid resources	<u>(251,241)</u>	<u>(230,633)</u>
<b>Increase in cash</b>	<b><u>20,887</u></b>	<b><u>39,541</u></b>
 <b>Analysis of movement in liquid resources</b>		
Liquid resources at beginning of year	564,782	334,149
Increase in year	<u>251,241</u>	<u>230,633</u>
<b>Liquid resources at end of year</b>	<b><u>816,023</u></b>	<b><u>564,782</u></b>
 <b>Analysis of movement in cash</b>		
At beginning of year	56,860	17,319
Net cash inflow	<u>20,887</u>	<u>39,541</u>
<b>Net cash at end of year</b>	<b><u>77,747</u></b>	<b><u>56,860</u></b>

## Ryanair Holdings plc and Subsidiaries

### *Consolidated Statement of Changes in Shareholders' Funds - Equity in accordance with UK and Irish GAAP*

	Ordinary shares €'000	Share premium account €'000	Profit and loss account €'000	Total €'000
Balance at April 1, 2001	9,194	371,849	288,855	669,898
Issue of ordinary equity shares (net of issue costs)	393	181,608	-	182,001
Profit for the year	-	-	150,375	150,375
<b>Balance at March 31, 2002</b>	<b>9,587</b>	<b>553,457</b>	<b>439,230</b>	<b>1,002,274</b>

# Ryanair Holdings plc and Subsidiaries

## *Consolidated Profit and Loss Accounts in accordance with US GAAP*

	Year ended March 31, 2002 €'000	Year ended March 31, 2001 €'000
<b>Operating Revenues</b>		
Scheduled revenues	550,991	432,940
Ancillary revenues	73,059	54,465
<b>Total operating revenues</b>		
<b>-continuing operations</b>	624,050	487,405
<b>Operating expenses</b>		
Staff costs	77,025	60,081
Depreciation and amortisation	59,010	57,465
Other operating expenses		
Fuel & Oil	103,918	63,468
Maintenance, materials and repairs	26,373	20,142
Marketing and distribution costs	12,356	21,526
Aircraft rentals	4,021	7,286
Route charges	46,701	35,701
Airport and Handling charges	84,897	66,269
Other	45,513	38,517
<b>Total operating expenses</b>	459,814	370,455
<b>Operating profit - continuing operations</b>	164,236	116,950
<b>Other income/(expenses)</b>		
Interest receivable and similar income	27,548	19,666
Interest payable and similar charges	(14,582)	(11,962)
Foreign exchange gains	975	8,424
Gain on disposal of fixed assets	527	52
<b>Total other income/(expenses)</b>	14,468	16,180
<b>Profit on ordinary activities before taxation</b>	178,704	133,130
Tax on profit on ordinary activities	(23,155)	(20,742)
<b>Net Income</b>	<b>155,549</b>	<b>112,388</b>
<b>Net Income per ADS *</b>		
-Basic(Euro cent)	106.73	79.64
-Diluted(Euro cent)	105.11	78.68
<b>Weighted Average number of shares*</b>		
-Basic	728,726	705,623
-Diluted	739,961	714,196

*\*The Company implemented a 2:1 share split on December 7th, 2001. Share capital and earnings per share figures have been restated to give effect to the share split.( Each ADS represents five ordinary shares)*

# Ryanair Holdings plc and Subsidiaries

## *Summary of significant differences between UK, Irish and US generally accepted accounting principles*

### (A) Net income under US GAAP

	<-----Year ended----->	
	March 31, 2002 <u>€'000</u>	March 31, 2001 <u>€'000</u>
<b>Profit as reported in the consolidated profit and loss accounts in accordance with UK and Irish GAAP</b>	<b>150,375</b>	<b>104,483</b>
<b>Adjustments</b>		
Pension	751	740
Unrealised gains on forward exchange contracts	-	6,803
Employment grants	464	401
Capitalised interest re aircraft acquisition programme	5,027	-
Basis of accounting for August 1996 transaction	-	1,531
Basis of accounting for aircraft acquired from Northill Limited	-	179
Darley Investments Limited	88	88
Tax effect of adjustments	<u>(1,156)</u>	<u>(1,837)</u>
<b>Net income under US GAAP</b>	<b><u>155,549</u></b>	<b><u>112,388</u></b>

### (B) Consolidated Cashflow Statements in accordance with US GAAP

	<-----Year ended----->	
	March 31, 2002 <u>€'000</u>	March 31, 2001 <u>€'000</u>
Cash inflow from operating activities	339,038	221,557
Cash (outflow) from investing activities	(575,784)	(360,055)
Cash inflow from financial activities	<u>330,179</u>	<u>406,127</u>
Increase in cash and cash equivalents	93,433	267,629
Cash and cash equivalents at beginning of year	<u>389,059</u>	<u>121,430</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>482,492</u></b>	<b><u>389,059</u></b>
Cash and cash equivalents under US GAAP	482,492	389,059
Deposits with a maturity of between three and six months	<u>416,783</u>	<u>237,661</u>
<b>Cash and liquid resources under UK and Irish GAAP</b>	<b><u>899,275</u></b>	<b><u>626,720</u></b>

# Ryanair Holdings plc and Subsidiaries

## *Summary of significant differences between UK, Irish and US generally accepted accounting principles*

### (C) Shareholders' funds - equity

	March 31, 2002 <u>€'000</u>	March 31, 2001 <u>€'000</u>
<b>Shareholders' equity as reported in the consolidated balance sheets (UK and Irish GAAP)</b>	1,002,274	669,898
<b>Adjustments:</b>		
Pension	2,414	1,663
Unrealised gains on forward exchange contracts	4,189	4,189
Employment grants	(469)	(933)
Capitalised interest re aircraft acquisition programme	5,027	-
Darley Investments Limited	(327)	(415)
Investments	-	588
Unrealised gains on derivative financial instruments	8,259	-
Tax effect of adjustments	<u>(1,760)</u>	<u>(604)</u>
<b>Shareholders' equity as adjusted to accord with US GAAP</b>	<b><u>1,019,607</u></b>	<b><u>674,386</u></b>
Opening shareholders' equity under US GAAP	674,386	439,340
<b>Comprehensive Income adjustments</b>		
Investments	(588)	(1,400)
Unrealised gains on derivative financial instruments	<u>8,259</u>	<u>-</u>
	7,671	(1,400)
Net income in accordance with US GAAP	155,549	112,388
Stock issued for cash	<u>182,001</u>	<u>124,058</u>
<b>Closing shareholders' equity under US GAAP</b>	<b><u>1,019,607</u></b>	<b><u>674,386</u></b>

**Ryanair Holdings plc**  
**Management Discussion and Analysis of Results**

**Year Ended March 31, 2002**

**Summary Consolidated Profit and Loss**

**Profit after tax** has increased by 44% to €150.4m, compared to €104.5m in the previous year ended March 31, 2001. Passenger volumes grew by 38% to 11.1m, whilst **Total Operating Revenues** increased by 28% to €624.1m, reflecting the impact on yields of fare promotions launched in the aftermath of September 11<sup>th</sup>, foot and mouth, and the launch of new routes during the year.

**Total Operating Expenses** increased by 23% to €461.1m, due to the increased level of activity, and the increased costs, primarily fuel, staff, route charges and airport & handling costs associated with the growth of the airline. **Marketing and Distribution** costs have continued to decline due to the increased level of direct bookings on **Ryanair.com** which are currently on average 90% of total bookings. **Operating Margin** has as a result increased by 3% to 26% compared to last year, and in turn **Operating Profit** increased by 43% to €162.9m. **Profit after Tax** has increased by 44% reflecting the strong trading performance and also the impact of the decline in the headline corporation tax rate in Ireland during the year. For the reasons outlined **Net Margin** has increased from 21% to 24% in the fiscal year.

**Earnings per share** has risen by 39% to 20.64 euro cent, lower than the growth in net profit due to an increased number of shares in issue post the share offerings in February 2001.

**Balance Sheet**

**Cash and Liquid Resources** have increased from €626.7m at March 31, 2001 to €899.3m at March 31, 2002, reflecting the increased cash flows from the profitable trading performance, and the receipt of the proceeds of the secondary offering amounting to €182.0m in February 2002. During the year the company incurred capital expenditure of €396.7m part financed by an increase of €147.8m in the level of long-term debt, and the balance was funded from internal cash resources. **Shareholders' Funds** at March 31, 2002 have increased to €1,002.3m, compared to €669.9m at March 31, 2001.

## **Detailed Discussion and Analysis Year Ended March 31, 2002**

**Profit after tax**, increased by 44% to €150.4m driven by strong growth in passenger volumes and continued tight cost control. **Operating margins** as a result have increased by 3% to 26% which has resulted in **Operating Profit** increasing by €48.9m to €162.9m compared to year ended March 31, 2001.

**Total Operating Revenues** increased by 28% to €624.1m whilst passenger volumes increased by 38% to 11.1m.

**Scheduled Passenger Revenues** increased by 27% to €551.0m due to a combination of increased passenger numbers on existing routes, the successful launch of new bases at Brussels-Charleroi and Frankfurt-Hahn, and the commencement of twenty two new routes during the year, primarily offset by a reduction, as expected, in average fares due to the impact of September 11<sup>th</sup> and the outbreak of foot and mouth.

**Ancillary Revenues** increased by 34% to €73.1m, reflecting strong growth in internet related income, car rentals and other ancillary products whilst Charter income remained static due to an increased focus on the scheduled programme which in turn led to a reduction in seat capacity available for charters.

**Total Operating Expenses** increased by 23% to €461.1m due to the increased level of activity, and the increased costs primarily staff, fuel, route charges and airport and handling costs associated with the growth of the fleet and the airline. These increases were partly offset by reductions in Marketing & Distribution costs, Depreciation and Aircraft Rental costs.

**Staff costs** have increased by 28% to €78.2m. Average employment increased by 6% to 1,547 reflecting an increase in pilot and cabin crew numbers offset by a reduction in reservation staff due to increased internet penetration. Pilots, who earn higher than average salaries, combined with the increase in the amount of activity based productivity pay, accounted for a substantial proportion of the increased staff costs. Staff costs also rose due to the impact of pay increases, which were between 3% and 7.5%.

**Depreciation and Amortisation** declined by €0.2m to €59.0m due to an increase in the number of aircraft owned from 36 to 41, and the amortisation of capitalised maintenance costs, largely offset by savings due to the increased number of fully depreciated aircraft.

**Fuel costs** rose by 64% to €103.9m due to a 29% increase in the number of hours flown, an increase in the average US\$ cost per gallon of fuel, and the adverse impact of the strengthening of the US dollar to the Euro.

**Maintenance costs** increased by 31% to €26.4m reflecting an increase in the size of the fleet operated, an increase in the number of hours flown, and the increased line maintenance costs due to the continued expansion of our Stansted base.

**Marketing and Distribution Costs** decreased by 43% to €12.4m due to a combination of an increase in the level of direct bookings via the internet, and savings in commissions due to the cessation of travel agent bookings. This was partly offset by a higher spend on the advertising of new routes and the two new bases launched at Brussels-Charleroi and Frankfurt-Hahn.

**Aircraft Rental Costs** declined by €3.3m to €4.0m reflecting the decline in the need to rent additional seat capacity due to the delivery of new aircraft.

**Route Charges** increased by 31% to €46.7m due to an increase in the number sectors flown, an increase in the average sector length and an increase in the basic unit cost primarily in the UK.

**Airport and Handling Charges** increased by 28% to €84.9m due to an increase in the number of passengers flown, and the impact of increased airport and handling charges on some existing routes, offset by lower charges on our new European routes and at our new bases.

**Other Expenses** increased by 18% to €45.6m, which is less than the growth in ancillary revenues reflecting improved margins on some new and existing products, and cost reductions achieved on other indirect costs.

**Operating Margins** have increased by 3% due to the reasons outlined above which has resulted in **Operating Profits** increasing by 43% to €162.9m during the year.

**Interest Receivable** increased by €7.9m to €27.5m reflecting the strong growth in cash resources arising from the profitable trading performance during the year and the receipt of proceeds from a secondary offering in February 2002. **Interest Payable** increased by €7.6m due to the higher level of debt arising from the acquisition of new aircraft.

**Taxation** increased in the year by €3.1m to €22.0m reflecting the increased profitability in the year whilst the tax rate declined from 15% to 13% primarily reflecting the reduction in the headline rate of Corporation Tax in Ireland.

The Company's **Balance Sheet** continues to strengthen due to the combined benefit of strong growth in profits and receipt of the net proceeds of the secondary offering of €182.0m during February 2002. The Company generated cash from operating activities of €333.7m, which partly funded the acquisition of five 737-800 aircraft and advance payments for future aircraft deliveries. Capital expenditure amounted to €396.7m, primarily consisting of new aircraft additions and advance payments. Long term Debt increased to €550.5m during the same period. Cash and liquid resources at March 31, 2002 were €899.3m compared to €626.7 at March 31, 2001.

**Shareholders' Funds** at March 31, 2002 have increased to €1,002.3m compared to €669.9m at March 31, 2001.

## **Notes to the Financial Statements**

### 1. **Accounting Policies**

During the year the Company adopted FRS 19 “Deferred Tax” which requires full provision for deferred tax. As the Company already provides fully for deferred tax the adoption of this standard has not had any impact on its results.

The remaining accounting policies followed in the preparation of these consolidated financial statements for the year ended March 31, 2002 are consistent with those set out in the Annual Report for the year ended March 31, 2001.

### 2. **Approval of the Financial Statements**

The Board of Directors approved the consolidated financial statements for the Year ended 31 March 2002 on June 7th, 2002.

### 3. **Generally Accepted Accounting Policies**

The Management Discussion and Analysis of Results for the Year ended March 31, 2002 is based on the results reported under Irish and UK GAAP.

### 4. **Nationality Declaration**

The company has undertaken to notify the shareholders twice yearly of the percentage of Ordinary shareholders held by EU Nationals. Accordingly, on March 31, 2002 EU Nationals held not less than 50.1% of the ordinary shares.

