RYANAIR RESULTS SIGNIFICANTLY EXCEED EXPECTATIONS FOR HALF YEAR END 30TH SEPT'02

Passengers increase by 37%, profits rise by 71%

Ryanair, Europe's low fares airline today (4 Nov'02) released financial results for the half year ended 30 Sept showing record traffic and profit growth. Passenger traffic for the six months grew by 37% to 7.84m. Load factors increased by 6 points to a new high of 88%. Average fares declined by 2%, however costs per passenger fell at a faster rate with the result that margins increased 6 points to 32% during the half year. After tax profits have risen in the period by 71% to a new record of €150.9m.

Summary Table of Results - in Euro's (Irish GAAP)

Half Year Ended	Sept 30, 2001	Sept 30, 2002	% Increase
Passengers	5.70	7.84	+ 37%
Load Factor	83%	88%	+ 6%
Revenue	€344.2m	€464.6m	+ 35%
Profit after tax	€88.0m	€150.9m	+ 71%
Basic EPS (Euro Cent)	€12.16	€19.99	+ 64%

Announcing these results, Ryanair's CEO, Michael O'Leary commented;

Traffic and Revenue

Traffic and revenue growth has been remarkably strong across all markets. The fleet rose to 44 aircraft, enabling us to operate ten routes from our new Frankfurt Hahn base, as well as seven new routes from London Stansted. Two new routes were added to our Brussels base and one each at Glasgow, Shannon and Dublin. We also increased frequencies on some existing routes which resulted in substantial market share gains. In August for example Ryanair overtook British Airways to become the No.1 airline on London-Brussels one of Europe's most important business travel routes.

At a time when most of our high fare competitors in Europe were reducing capacity and increasing fares, Ryanair was stepping up its growth, and doing so profitably. Our profits for the half year already exceed the total profits for the entire previous year, and this is a remarkable achievement at a time when we are still opening up new routes and driving down air fares.

We expect this growth in traffic and revenues to continue and our recent announcement of four new routes from Frankfurt Hahn (to Barcelona, Bologna, Rome and Stockholm) and our eighth European base in Milan Bergamo (operating 6 routes to London, Paris, Brussels, Frankfurt, Barcelona and Hamburg) ensures that we are continuing to grow our business across Continental Europe, at a time when most other low fare carriers are adding capacity to/from the UK.

Costs continue to decline

The most important feature of these results is our success in continuously driving down air fares and operating costs. Over the past six months Ryanair's average fare has fallen by 2%, but our operating costs have fallen by 11% on a per passenger basis. Ryanair's average fares continue to be over 50% lower than our nearest competitor and up to 80% lower than Lufthansa and British Airways. Our increased profitability at these lower fares gives Ryanair even more capacity to reduce air fares, and further stimulate load factors, traffic and growth.

At the core of our cost reduction programme is the addition of more Boeing 737-800 aircraft. These aircraft have delivered 45% more seats per flight than our existing Boeing 737-200 aircraft, whilst maintaining 25 minute turnarounds. The fact that the maintenance, fuel performance, and technical reliability of the 737-800 has exceeded even Boeing's initial estimates, means that our costs will continue to decline over the coming years as we take delivery of 103 more 737 aircraft.

Our disciplined policy of hedging fuel has also provided certainty and savings over the past six months. The uncertainty in the Middle East has meant that airlines who were buying fuel on the spot market were paying substantial penalties. Ryanair has continued to purchase forward fuel at discounts to current spot rates, and we have 80% of our fuel requirements to the end of Sept'03 fully hedged at a lower cost than we paid over the past year. As ever these costs reductions will be passed on to our customers in the form of lower fares.

Staff productivity continues to improve, much of it as a result of operating the larger 737-800 series aircraft. Ryanair is set to carry more than 9,000 passengers per employee this year, a figure that is more than twice that of Southwest and over ten times greater than our principal competitor British Airways.

Quality and Customer Service

We continue to invest heavily in the quality of our operations. Two new simulators have been ordered at a cost of US$20m to enhance the quality of our initial and recurrent pilot training as we double our traffic and fleet. We have begun construction of our new aircraft maintenance centre at Glasgow Prestwick Airport, which will give us even more control over our maintenance costs, as well as further improving our maintenance quality control. Ryanair will continue to invest heavily in the quality, reliability and serviceability of our fleet and the people who fly and maintain them.

We did suffer a short-term drop in service levels at Stansted Airport in Q.1 as a result of changing handling company from Servisair to Groundstar. Ryanair have worked tirelessly with Groundstar at Stansted, and invested heavily in additional staffing and training to ensure that Groundstar are now operating to a standard that is better than that previously achieved by Servisair.

Ryanair remains committed to providing all of our passengers with the lowest fares at all times, whilst also delivering a programme of continuous improvement in customer service. In August we published the Ryanair Passenger Service Charter which is by some considerable distance the toughest customer service charter applied by any European airline.

This charter commits Ryanair to lower fares, No.1 on-time service, and a response time to complaints that is four times better than the EU Airline Charter. From now on Ryanair will also publish monthly customer service statistics as shown in the table below. Our current rate of on-time departures, customer complaints and mislaid baggage complaints place us among the very best airlines for customer service. Ryanair supports the EU's proposal to publish monthly passenger service statistics for all EU airlines.

PASSENGER SERVICE STATISTICS: SEPTEMBER	***2001***	***2002***
1. ON-TIME FLIGHTS	65%	81%
2. COMPLAINTS (per 1,000 passengers carried)	0.77	0.53
3. BAGGAGE COMPLAINTS (per 1,000 passengers carried)	1.19	1.21
4. COMPLAINTS ANSWERED WITHIN 7 DAYS	N/A	99.7%

We intend to continue to provide customers with the lowest fares, more frequencies than our competitors and the No.1 on-time performance, as we believe that it is this combination of price and customer service that continues to underpin our very strong traffic growth.

Outlook

Advance bookings on our four new routes from Frankfurt Hahn, our new Strasbourg route, and the initial response to our new base at Milan Bergamo bodes well for Ryanair's continued disciplined organic growth. After Christmas we will be announcing more new routes with the possibility of one further base for Summer 2003, although at this time it is unlikely to include Dublin where the airport monopoly continues to apply for planning permission for inefficient and ridiculously expensive facilities instead of working with the airlines to produce efficient, low cost facilities. We have submitted detailed proposals to the Irish Government for the construction of a competing second terminal at Dublin Airport and we urge the Minister to act quickly on these proposals to ensure that a new Terminal 2 facility is available by 2004. As Irish tourism continues to decline in the face of high access costs and third world airport facilities, competition is needed now more than ever to revive tourism.

Over the coming six months we will take delivery of 13 more Boeing 737-800 aircraft. We are in continuing dialogue with Boeing about adding to our existing order of firm and option aircraft. Our experience is that Boeing 737 is by some considerable distance the best aircraft for short-haul, quick turnaround, low fares airlines and the fact that it is the aircraft of choice for both Southwest Airlines in the U.S. and Ryanair in Europe confirms this belief.

Finally, a word of caution. These half year profits have been exceptional, but they will not in my opinion be repeated. Yields have only fallen by 2% during the period which is a lot less than we had expected, particularly on the twenty new routes we operated. We have already given away 870,000 free seats for Q.3, we will launch new routes from Frankfurt Hahn in December and Milan Bergamo in February and we will continue to drive down air fares in all of our existing markets to widen the price gap between Ryanair and all of our competitors. Yields in Q.3 and Q.4 will be significantly lower and as a result profit growth will not be as strong as in the first half, however given our strong performance in the first half, it is appropriate to raise our guidance for the full year from €200m to €230m."

ENDS.

4th November, 2002

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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 8 bases, 89 low fare routes across 14 countries. Ryanair has a fleet of 44 Boeing 737's, and firm orders for up to a further 150 new 737-800's which will be delivered over the next 8 years. Ryanair currently employs a team of 1,700 people and will carry over 15 million scheduled passengers in the current year. All Ryanair's lowest fares are available only at www.RYANAIR.COM which is Europe's largest travel website.

Ryanair Holdings plc and Subsidiaries

Consolidated Profit and Loss Accounts in accordance with UK and Irish GAAP(unaudited)

	Quarter ended Sept 30, 2002 €'000	Quarter ended Sept 30, 2001 €'000	Half year ended Sept 30, 2002 €'000	Half year ended Sept 30, 2001 €'000
Operating Revenues				
Scheduled revenues	238,346	171,947	411,107	306,492
Ancillary revenues	31,981	21,436	53,482	37,735
Total operating revenues -continuing operations	270,327	193,383	464,589	344,227
Operating expenses				
Staff costs	23,307	19,542	46,732	38,373
Depreciation and amortisation	19,490	14,478	37,863	30,150
Other operating expenses				
Fuel & Oil	34,777	27,890	68,422	54,244
Maintenance, materials and repairs	7,694	6,809	17,143	14,109
Marketing and distribution costs	2,622	3,264	8,107	9,410
Aircraft rentals	-	1,006	-	3,879
Route charges	17,259	12,946	33,750	24,456
Airport and Handling charges	28,043	23,170	56,206	44,847
Other	14,995	12,021	28,871	23,741
Total operating expenses	148,187	121,126	297,094	243,209
Operating profit - continuing operations	122,140	72,257	167,495	101,018
Other income/(expenses)				
Interest receivable and similar income	9,003	7,412	16,005	12,623
Interest payable and similar charges	(7,660)	(4,586)	(14,054)	(9,151)
Foreign exchange (losses)/gains	1,860	(643)	(721)	(2,581)
Gain/(loss) on disposal of fixed assets	1	519	(21)	526
Total other income/(expenses)	3,204	2,702	1,209	1,417
Profit on ordinary activities before taxation	125,344	74,959	168,704	102,435
Tax on profit on ordinary activities	(13,362)	(10,138)	(17,758)	(14,397)
Profit for the period	**111,982**	**64,821**	**150,946**	**88,038**
Earnings per ordinary share				
-Basic(Euro cent)	14.83	8.95	19.99	12.16
-Diluted(Euro cent)	14.64	8.83	19.72	11.98
Number of ordinary shares(in 000's)*				
-Basic	755,031	724,283	755,031	724,196
-Diluted	765,016	734,263	765,377	734,627

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

	Sept 30, 2002 €'000 *Unaudited*	March 31, 2002 €'000
Fixed assets		
Tangible assets	1,054,438	951,806
Current Assets		
Cash and liquid resources	1,030,204	899,275
Accounts receivable	12,522	10,331
Other assets	19,014	11,035
Inventories	16,064	17,125
Total current assets	1,077,804	937,766
Total assets	**2,132,242**	**1,889,572**
Current liabilities		
Accounts payable	47,909	46,779
Accrued expenses and other liabilities	250,119	217,108
Current maturities of long term debt	44,479	38,800
Short term borrowings	10,732	5,505
Total current liabilities	353,239	308,192
Other liabilities		
Provisions for liabilities and charges	52,680	49,317
Accounts payable due after one year	5,161	18,086
Long term debt	567,942	511,703
	625,783	579,106
Shareholders' funds - equity		
Called - up share capital	9,587	9,587
Share premium account	553,457	553,457
Profit and loss account	590,176	439,230
Shareholders' funds - equity	1,153,220	1,002,274
Total liabilities and shareholders' funds	**2,132,242**	**1,889,572**

Ryanair Holdings plc and Subsidiaries

Consolidated Cashflow Statements in accordance with UK and Irish GAAP (unaudited)

	Half Year ended Sept 30, 2002 €'000	Half Year ended Sept 30, 2001 €'000
Net cash inflow from operating activities	204,908	153,201
Returns on investments and servicing of finance	1,563	2,442
Taxation	(2,171)	(3,940)
Capital expenditure(including aircraft deposits)	(140,516)	(57,532)
Net cash inflow before financing and use of liquid resources	63,784	94,171
Financing	61,918	(14,875)
(Increase) in liquid resources	(143,576)	(100,034)
(Decrease) in cash	**(17,874)**	**(20,738)**
Analysis of movement in liquid resources		
Liquid resources at beginning of year	816,023	564,782
Increase in period	143,576	100,034
Liquid resources at end of period	959,599	664,816
Analysis of movement in cash		
At beginning of year	77,747	56,860
Net cash outflow	(17,874)	(20,738)
Net cash at end of period	59,873	36,122

Consolidated Statement of Changes in Shareholders' Funds - Equity in accordance with UK and Irish GAAP (unaudited)

	Ordinary shares €'000	Share premium account €'000	Profit and loss account €'000	Total €'000
Balance at April 1, 2002	9,587	553,457	439,230	1,002,274
Profit for the period	-	-	150,946	150,946
Balance at September 30, 2002	**9,587**	**553,457**	**590,176**	**1,153,220**

Ryanair Holdings plc and Subsidiaries

Consolidated Profit and Loss Accounts in accordance with US GAAP (unaudited)

	Quarter ended Sept 30, 2002 €'000	Quarter ended Sept 30, 2001 €'000	Half year ended Sept 30, 2002 €'000	Half year ended Sept 30, 2001 €'000
Operating Revenues				
Scheduled revenues	238,346	171,947	411,107	306,492
Ancillary revenues	31,981	21,436	53,482	37,735
Total operating revenues -continuing operations	270,327	193,383	464,589	344,227
Operating expenses				
Staff costs	23,036	19,341	46,222	37,971
Depreciation and amortisation	19,490	14,478	37,863	30,150
Other operating expenses				
Fuel & Oil	34,777	27,890	68,422	54,244
Maintenance, materials and repairs	7,694	6,809	17,143	14,109
Marketing and distribution costs	2,622	3,264	8,107	9,410
Aircraft rentals	-	1,006	-	3,879
Route charges	17,259	12,946	33,750	24,456
Airport and Handling charges	28,043	23,170	56,206	44,847
Other	14,973	11,999	28,827	23,697
Total operating expenses	147,894	120,903	296,540	242,763
Operating profit - continuing operations	122,433	72,480	168,049	101,464
Other income/(expenses)				
Interest receivable and similar income	9,003	7,412	16,005	12,623
Interest payable and similar charges	(6,527)	(4,586)	(11,914)	(9,151)
Foreign exchange losses	(2,329)	(643)	(4,910)	(2,581)
Gain/(loss) on disposal of fixed assets	1	519	(21)	526
Total other income/(expenses)	148	2,702	(840)	1,417
Profit on ordinary activities before taxation	122,581	75,182	167,209	102,881
Tax on profit on ordinary activities	(12,685)	(10,155)	(17,222)	(14,431)
Net Income	**109,896**	**65,027**	**149,987**	**88,450**
Net Income per ADS *				
-Basic(Euro cent)	72.78	44.89	99.33	61.07
-Diluted(Euro cent)	71.83	44.28	97.98	60.20
Weighted Average number of shares*				
-Basic	755,031	724,283	755,031	724,196
-Diluted	765,016	734,263	765,377	734,627

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(unaudited)

(A) Net income under US GAAP

	<---Quarter ended---->		<----Half year ended------->	
	Sept 30, 2002 €000	**Sept 30, 2001 €000**	**Sept 30, 2002 €'000**	**Sept 30, 2001 €'000**
Profit as reported in the consolidated profit and loss accounts in accordance with UK and Irish GAAP	**111,982**	**64,821**	**150,946**	**88,038**
Adjustments				
Pension	155	85	277	170
Derivative financial instruments	(4,189)	-	(4,189)	-
Employment grants	116	116	233	232
Capitalised interest re aircraft acquisition programme	1,133	-	2,140	-
Darley Investments Limited	22	22	44	44
Tax effect of adjustments	677	(17)	536	(34)
Net income under US GAAP	**109,896**	**65,027**	**149,987**	**88,450**

(B) Consolidated Cashflow Statements in accordance with US GAAP

	<-----Half year ended------>	
	Sept 30, 2002 €'000	**Sept 30, 2001 €'000**
Cash inflow from operating activities	204,300	151,703
Cash (outflow)/inflow from investing activities	(130,741)	18,274
Cash inflow/(outflow) from financial activities	67,145	(12,205)
Increase in cash and cash equivalents	140,704	157,772
Cash and cash equivalents at beginning of year	482,492	389,059
Cash and cash equivalents at end of year	**623,196**	**546,831**
Cash and cash equivalents under US GAAP	623,196	546,831
Deposits with a maturity of between three and six months	407,008	161,855
Cash and liquid resources under UK and Irish GAAP	**1,030,204**	**708,686**

Summary of significant differences between UK, Irish and US generally accepted accounting principles(unaudited)

(C) Shareholders' funds - equity

	Sept 30, 2002 €'000	Sept 30, 2001 €'000
Shareholders' equity as reported in the consolidated balance sheets (UK and Irish GAAP)	1,153,220	758,054
Adjustments:		
Pension	2,691	1,833
Employment grants	(236)	(701)
Capitalised interest re aircraft acquisition programme	7,167	-
Darley Investments Limited	(283)	(371)
Derivative financial instruments(net of tax)	(47,786)	4,628
Tax effect of adjustments	(1,224)	(638)
Shareholders' equity as adjusted to accord with US GAAP	**1,113,549**	**762,805**
Opening shareholders' equity under US GAAP	1,019,607	674,386
Comprehensive Income adjustments		
Investments	-	(588)
Derivative financial instruments(net of tax)	(56,045)	439
	(56,045)	(149)
Net income in accordance with US GAAP	149,987	88,450
Stock issued for cash	-	118
Closing shareholders' equity under US GAAP	**1,113,549**	**762,805**

Ryanair Holdings plc
Management Discussion and Analysis of Results

Summary - Half Year ended September 30,2002

Profit after tax has increased by 71% to €150.9m, compared to €88.0m in the previous half year ended September 30, 2001 driven by continued strong growth in passenger volumes and tight cost control. **Operating margins** have increased by 7 points to 36% which has resulted in **Operating Profit** increasing by €66.5m to €167.5m compared to half year ended September 30, 2001.

Total Operating Revenues grew by 35% to €464.6m whilst passengers numbers have increased by 37% to 7.8m.

Scheduled Passenger revenues increased by 34% to €411.1m due to strong passenger volume growth, offset by a 2% decline in average fares during the period. Passenger growth was particularly strong at our two European bases, Brussels-Charleroi and Frankfurt Hahn.

Ancillary Revenue grew by 42% to €53.5m, which is greater than the growth in passenger volumes and reflects very strong growth in non-flight scheduled revenue and income generated from **Ryanair.com**. Car hire and on board sales also increased whilst Charters continued to lag the growth in passenger numbers due to a reduction in the level of seat capacity allocated to the Charter programme compared to last year.

Total Operating Expenses increased by 22% to €297.1m due to the increased level of activity, and the increased costs, primarily fuel, depreciation and airport & handing costs associated with the growth of the airline. Most of the operating costs are now reflecting the positive reductions in costs arising from the introduction of the 737-800 aircraft to the fleet.

Net margins have as a result of above increased from 26% to 32% whilst **Net Profit** increased by 71% to €150.9m.

Earnings per share has risen by 64% to 19.99 euro cent, which is lower than the growth in net profit due to an increased number of shares in issue post the share offering in February 2002.

Balance Sheet

Cash and Liquid Resources have increased from €899.3m at March 31, 2002 to €1,030.2m at September 30, 2002, reflecting the increased cash flows from the profitable trading performance during the period. An additional three aircraft were delivered in the period which in addition to aircraft deposits accounted for the bulk of the €140.5m incurred in capital expenditure. This was part funded by the draw down of long term debt which increased, net of repayments, by €61.9m during the period. **Shareholders' Funds** at September 30, 2002 have increased to €1,153.2m, compared to €1,002.3m at March 31, 2002.

Detailed Discussion and Analysis - Half Year ended September 30, 2002

Profit after tax has increased by 71% to €150.9m driven by strong growth in passenger volumes and continued tight cost control and as a result **Net margins** have increased by 6 points to 32% from 26% in the comparative period.

Total Operating Revenues increased by 35% to €464.6m whilst passenger volumes increased by 37% to 7.8m.

Scheduled Passenger Revenues increased by 34% to €411.1m primarily due to increased passenger numbers on new and existing routes, partly offset by a 2% decline in average fares.

Ancillary Revenues increased by 42% to €53.5m, which is higher than the growth in passenger volumes, and reflects increases in car hire revenues, other ancillary product revenues, and internet-related revenues, offset by a reduction in Charter revenues due to the continued focus on the scheduled operation.

Total Operating Expenses increased by 22% to €297.1m due to the increased level of activity, and the increased costs primarily staff, depreciation, fuel and airport & handling costs associated with the growth of the airline. Marketing and distribution costs have continued to decline as the level of internet bookings continued to increase during the period.

Staff costs have increased by 22% to €46.7m. This increase reflects a 7% increase in average employee numbers to 1,664. Pilots, who earn a higher than the average salary, accounted for 50% of the increase in employment. The increase in the level of activity has also resulted in an increase in the level of productivity-based pay for both pilots and Inflight crew. Staff costs also rose due to the impact of pay increases granted which were between 3% and 5%.

Depreciation and Amortisation increased by 26% to €37.9m due to an increase in the number of aircraft owned from 36 to 44 and the amortisation of capitalised maintenance costs offset by savings due to the increase in the number of aircraft fully depreciated.
Fuel costs rose by 26% to €68.4m due to a 27% increase in the number of hours flown, and the adverse impact of the strengthening of the US dollar to the Euro offset by a decrease in the average US$ cost per gallon of fuel.

Maintenance costs increased by 22% to €17.1m reflecting an increase in the size of the fleet operated, and an increase in the number of flight hours offset by savings due to improved reliability arising from the higher proportion of 737-800 aircraft as a percentage of the total fleet.

Marketing and Distribution Costs decreased by 14% to €8.1m due to an increase in the level of direct bookings via the internet, partly offset by a higher spend on the promotion of new routes and the launch of new bases at Brussels-Charleroi and Frankfurt-Hahn.

Aircraft Rental Costs declined by €3.9m reflecting the decline in the need to rent additional seat capacity due to the delivery of new aircraft.

Route Charges increased by 38% to €33.8m due to an increase in the number of sectors flown, an increase in the average sector length and an increase in the basic unit cost in some countries.

Airport and Handling Charges increased by 25% to €56.2m due to an increase in the number of passengers flown, 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 22% to €28.9m, which is less than the growth in ancillary revenues due to improved margins on some new and existing products, and cost reductions achieved on other indirect costs.

Operating margins have increased to 36% due to the reasons outlined above and this has resulted in **Operating Profits** increasing by 66% to €167.5m during the period.

Interest Receivable increased by €3.4m to €16.0m reflecting the strong growth in cash resources arising from the profitable trading performance during the period and the receipt of proceeds from the secondary offering in February 2002. **Interest Payable** increased by €4.9m to €14.1m due to the increased level of debt arising from the acquisition of new aircraft.

Foreign exchange losses arose primarily due to the conversion of sterling bank balances to euro at the period end. The losses have declined during the period due to the strengthening of Sterling against the Euro.

Taxation has increased by 23% during the period, less than the growth in pre-tax profits and primarily reflects the continued decline in the headline rate of Corporation Tax in Ireland.

The Company's **Balance Sheet** continues to benefit from the strong growth in profits. Tangible fixed assets increased to €1,054.4m from €951.8m principally as a result of the delivery of three additional aircraft since March 31, 2002 and the payment of deposits for new deliveries. The Company generated cash from operating activities of €204.9m, which funded advance payments on future deliveries whilst the balance is reflected in the higher cash and liquid resources figure of €1,030.2m. **Total Debt** has increased by a further €61.9m, net of repayments, since March 31, 2002 to €612.4m. **Shareholder's Funds** at September 30, 2002 have increased to €1,153.2m compared to €1,002.3m at March 31, 2002.

Detailed Discussion and Analysis - Quarter Ended September 30, 2002

Profit after tax has increased by 73% to €112.0m driven by strong growth in passenger volumes and continued tight cost control. **Operating margins** have, as a result, increased to 45% from 38% in the comparative period. **Operating Profit** increased by 69% to €122.1m compared to the quarter ended September 30, 2001 whilst **Profit before tax** increased by 67%.

Total Operating Revenues increased by 40% to €270.3m whilst passenger volumes increased by 37% to 4.3m.

Scheduled Passenger Revenues increased by 39% to €238.3m, reflecting the increase in passenger volumes arising from the successful launch of new routes and the new base at Frankfurt-Hahn. Revenues were further enhanced by a 1% rise in average fares during the quarter.

Ancillary Revenues increased by 49% to €32.0m, which is higher than the growth in passenger volumes, and reflects strong growth in all areas of ancillary revenues particularly car hire, hotel, travel insurance and internet related activities.

Total Operating Expenses increased by 22% to €148.2m due to the increased level of activity, and the increased costs primarily staff, depreciation, fuel and airport & handling costs associated with the growth of the airline.

Staff costs have increased by 19% to €23.3m. This increase reflects a 7% increase in average employee numbers to 1,676. Pilots, who earn higher than the average salary, accounted for 61% of the increase in employment. The increase in the level of activity has also resulted in an increase in the level of productivity-based pay for both pilots and Inflight crew. Furthermore staff costs rose due to the impact of pay increases granted which were between 3% and 5%.

Depreciation and Amortisation increased by 35% to €19.5m due to an increase in the number of aircraft owned from 36 to 44 and the amortisation of capitalised maintenance costs, offset by savings arising from the increase in the number of fully depreciated aircraft.

Fuel costs rose by 25% to €34.8m due to a 29% increase in the number of hours flown, the adverse impact of the strengthening of the US dollar to the Euro, offset by a lower US$ cost per gallon of fuel and an improvement in the fleet fuel burn rate due to a higher proportion of 737-800 aircraft operated.

Maintenance costs increased by 13% to €7.7m reflecting an increase in the size of the fleet operated, an increase in the number of flight hours, offset by maintenance savings arising from the increase in the number of 737-800 aircraft operated.

Marketing and Distribution Costs decreased by 20% to €2.6m due to an increase in the level of direct bookings via the internet, offset by increased marketing and advertising costs associated with the launch of new routes and bases.

Aircraft Rental Costs did not arise during the period reflecting the reduced requirement to rent additional seat capacity arising from the delivery of the new 737-800 aircraft.

Route Charges increased by 33% to €17.3m due to an increase in the basic unit rate in some countries, and a 29% increase in the number of flight hours flown.

Airport and Handling Charges increased by 21% to €28.0m which is less than the growth in passenger volumes and reflects the lower charges on our new European routes and at our new bases.

Other Expenses increased by 25% to €15.0m, which is less than the growth in ancillary revenues reflecting improved margins on some new and existing products and continued cost control on other indirect costs.

Operating Profits have increased by 69% to €122.1m due to the reasons outlined above.

Interest Receivable increased by €1.6m to €9.0m reflecting the strong growth in cash resources arising from the profitable trading performance. **Interest Payable** increased by €3.1m to €7.7m due to the increased level of debt arising from the acquisition of new aircraft.

Foreign exchange gains of €1.9m arose on the conversion of sterling bank balances at period end rates.

Taxation increased 32% to €13.4m, less than the growth in profits primarily due to the continued decline in the headline rate of Corporation Tax in Ireland.

Notes to the Financial Statements

1. **Accounting Policies**
   The accounting policies followed in the preparation of these consolidated financial statements for the half year ended September 30, 2002 are consistent with those set out in the Annual Report for the year ended March 31, 2002.

2. **Approval of the Financial Statements**

   The Audit Committee approved the consolidated financial statements for the Quarter and Half Year ended September 30, 2002 on October 31, 2002.

3. **Generally Accepted Accounting Policies**

   The Management Discussion and Analysis of Results for the Quarter and Half Year ended September 30, 2002 are based on the results reported under Irish and UK GAAP.

Independent review report by KPMG to Ryanair Holdings plc

Introduction

We have been instructed by the company to review the financial information set out on pages 1 to 7 and we have read the other information contained in the interim report and con#sidered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Irish Stock Exchange which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where they are to be changed in the next annual accounts in which case any changes, and the reasons for them, are to be disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4: *Review of interim financial information* issued by the Auditing Practices Board. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 September 2002

KPMG
Chartered Accountants 31 October 2002