

RYANAIR

The World's Favourite Airline!

Full Year Results – 31 March 2011

World's Favourite Airline!

-  **Lowest Fares/Lowest Seat Costs in Europe**
-  **No fuel surcharges....Guaranteed!**
-  **No. 1 Traffic – 75m**
-  **No. 1 Cover – 1,300+ Routes and 44 Bases**
-  **No. 1 Custr Service - Most on time flights**
 - Fewest lost bags**
 - Fewest canx**
-  **27th Year of growth**
-  **No.1 Intl. Sched. airline – “World’s Favourite”**

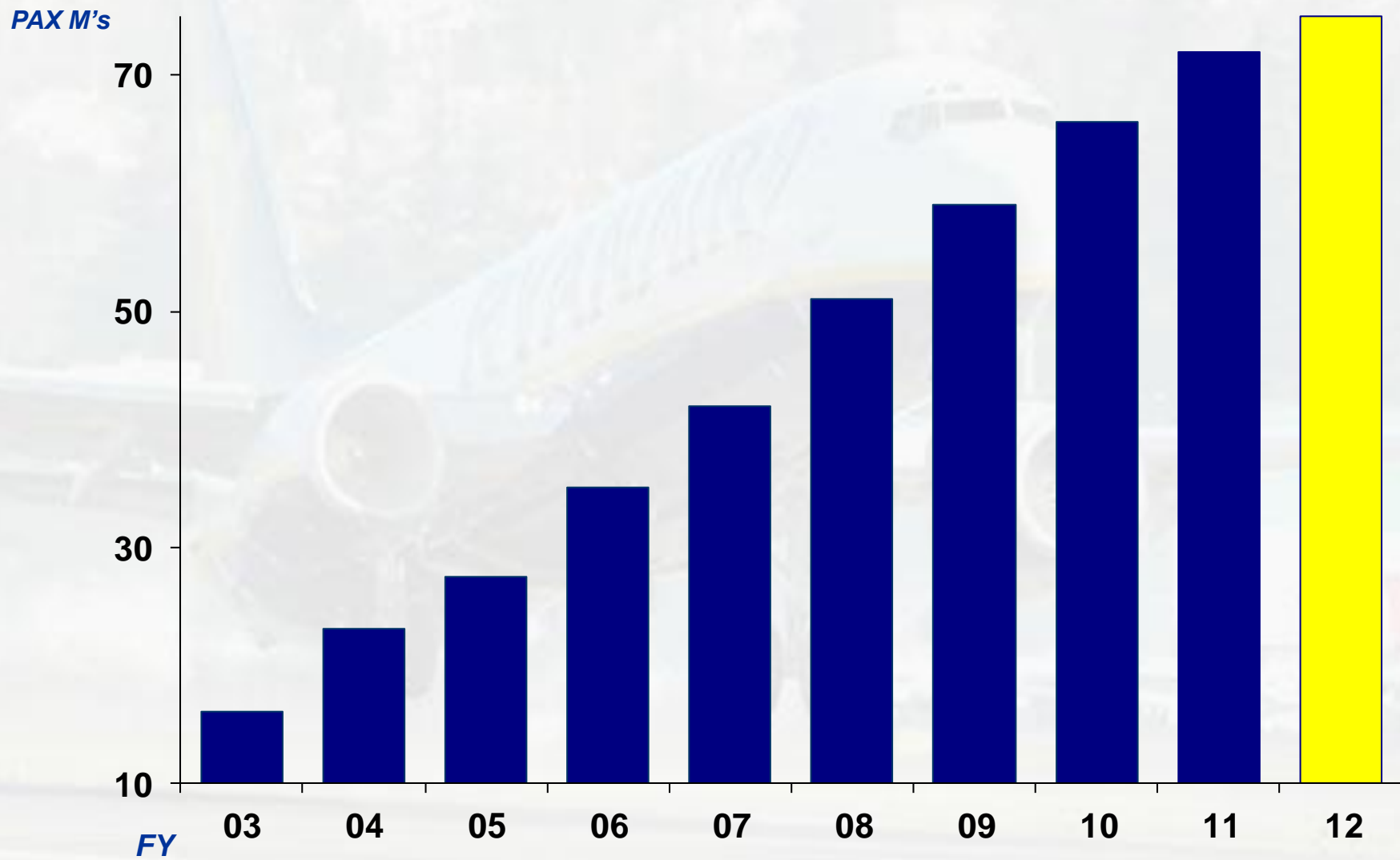
No. 1 for lowest fares

| | | <i>Av. Fare</i> | <i>% > Ryanair</i> |
|-------------|------------------------|--------------------|-----------------------|
| <i>Low</i> | Ryanair | € 39 (+12%) | |
| <i>High</i> | EasyJet | €54 | 38% |
| | Aer Lingus | €86 | 120% |
| | Iberia | €169 | 335% |
| | Lufthansa | €244 | 525% |
| | British Airways | €248 | 535% |
| | Air France | €254 | 550% |

Source: RYA to 31 Mar 2011 & Latest published Company Year end Information

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No. 1 for Traffic Growth



4.2 Top 50 IATA and Non IATA Airlines: Ranked by Traffic

Airlines are ranked in terms of international, domestic and total scheduled passenger numbers and passenger-









International

| Rank | Airline | Thousands |
|------|-----------------|-----------|
| 1 | Ryanair | 75,000 |
| 2 | Lufthansa | 41,515 |
| 3 | easyJet | 34,593 |
| 4 | Air France | 31,256 |
| 5 | British Airways | 27,844 |

Source: IATA published statistics for 2010 compared to forecasted Ryanair traffic for FY12

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No.1 for Coverage



-  **44 bases**
-  **160 airports**
-  **27 countries**
-  **1,300+ routes**
-  **1,500+ daily dep**
-  **272 Boeing 737-800's**
-  **Newest fleet (3yrs)**
-  **75m pax p.a.**



Full Year Financial Highlights

| | <i>Mar 10</i> | <i>Mar 11</i> | <i>Change</i> |
|--|---------------|---------------|---------------|
|  Pax | 66.5m | 72.1m | +8% |
|  Load Factor | 82% | 83% | +1% |
|  Av. Fare (incl. bag) | €35 | €39 | +12% |
|  Rev. Per Pax | €45 | €50 | +12% |
|  Revenues (m) | €2,988 | €3,630 | +21% |
|  Profit after Tax (m) | €319 | €401 | +26% |

Full Year Highlights - Strong Balance Sheet

| | <i>Mar 10</i> €'M | <i>Mar 11</i> €'M | |
|--|----------------------|----------------------|--------------|
|  Aircraft (incl Deposits) | 4,750 | 5,655 | |
| Cash | <u>2,813</u> | <u>2,941</u> | ← After Div |
| Total | <u>7,563</u> | <u>8,596</u> | €500m |
| | | | Sh b/b |
| | | | <u>€346m</u> |
| | | | <u>€846m</u> |
|  Liabilities | 1,758 | 1,993 | |
| Debt | 2,956 | 3,649 | |
| Shareholders Funds | <u>2,849</u> | <u>2,954</u> | |
| Total | <u>7,563</u> | <u>8,596</u> | |

Full Year Highlights

- ✈️ **Profits up 26% to €401m – despite volcano/snow/recession**
- ✈️ **Traffic up 8% to 72m**
- ✈️ **40 net new aircraft – fleet 272 at year end**
- ✈️ **8 New bases ACE,BCN,KUN,LPA,MLA,SVQ,TFS,VLC**
- ✈️ **328 new routes (total 1,300 routes)**
- ✈️ **Unit costs (excl fuel) up 3%; Sector length adj down 7%**
- ✈️ **No.1 on time major airline**
- ✈️ **€500m dividend - €846m returned to s/h in 3 yrs**

Outlook

- EU airline consol/closures continue
- Traffic growth +4% to 75m (H1+10% & H2 -4%)
- Winter capacity cuts due higher oil – cost discipline
- Yield outlook - up +12%
 - new route/base mix, comp. fuel schgs.
 - slower growth
- Fuel costs rise by approx. €350m
- Cost discipline ex fuel – costs up 2% (sect. length adj.)
- FY12 Net profit - flat at €400m – subj to 12% yield growth

EU Consolidation/Closures accelerate

| | Consolidation | Date | Closure |
|------|-------------------------|-------------|------------------------|
| 2008 | ✓ Lufthansa/SN Brussels | 2008 | XL Airways UK |
| 2008 | ✓ AF/KLM/Cityjet—VLM | 2008 | Sterling (Scand) |
| 2008 | ✓ Lufthansa/BMI | 2009 | Centralwings |
| 2008 | ✓ AF/KLM —Alitalia | 2009 | SkyEurope |
| 2009 | ✓ Lufthansa/Austrian | 2009 | Flyglobespan |
| 2010 | ✓ BA – Iberia | 2010 Jan | Blue Wings |
| 2011 | ? BA-TAP | 2010 Mar | Air Slovakia |
| 2011 | ? Luft– SAS | 2010 Oct | Hamburg Int’l Airlines |
| 2011 | ? Luft – LOT | 2010 Oct | Viking |

Fuel Hedges Extended



FY11 avg \$730pmt – FY 12 hdgd (90%) @ \$820pmt (curr \$1,100pmt)

| Cost/Ton | FY 11 | FY 12 | % Mov.* |
|-----------------|--------------|--------------------|----------------|
| Q1 | \$690 | \$770 (90%) | +17% |
| Q2 | \$735 | \$775 (90%) | +9% |
| Q3 | \$730 | \$805 (90%) | +11% |
| Q4 | \$760 | \$970 (90%) | +31% |
| Year | \$730 | \$820 (90%) | +17% |



FY12 – Fuel bill rises by approx €350m @ curr. rates

* Adjusted for contracted FX movement

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Winter Capacity Cuts

| | <i>FY11 Pax</i> | <i>FY12 Pax</i> | |
|----|---------------------|---------------------|------|
| Q1 | 18 | 21 | +18% |
| Q2 | 22 | 23 | +4% |
| Q3 | 17 | 17 | -2% |
| Q4 | 15 | 14 | -5% |
| | <hr/> | <hr/> | |
| | 72 | 75 | +4% |



More profits in H1 due to Vol. & Yield growth



Higher Losses in H2 due to higher fuel costs



Capacity cuts in H2 limits losses, to protect FY profits

Ryanair – Industry cost leader

| | <i>Ryanair*</i> | <i>EasyJet*</i> | <i>Why?</i> |
|--------------------------------------|-----------------|-----------------|---|
| <i>Staff costs</i> | 5.20 | 7.90 → | Higher productivity – 25m t/a Better crew / aircraft ratio Better rosters - No overnights |
| <i>Airport & handling</i> | 6.80 | 18.95 → | Better airport deals Lower handling cost/policies |
| <i>Route charges</i> | 5.70 | 6.00 → | Shorter sector length |
| <i>A/c ownership & maint.</i> | 6.40 | 9.25 → | Bigger a/c Low cost financing |
| <i>Other costs</i> | 2.10 | 6.23 → | Meaner on costs Highly focused fare advertising Low cost media – more free PR |
| Total cost per pax (ex. Fuel) | 26.20 | 48.33 → | Lower costs = Lower fares |

Ryanair – Summary

- ✈ Europe's only lowest cost/lowest fare airline
- ✈ World's No.1 intl sched airline 75m pax
- ✈ Strong growth to 2013 as comps consol, close, make losses
- ✈ New airports and bases ready for +79m pax
- ✈ Return cash to s/holders as capex falls by end of FY13
- ✈ **LOWEST COST ALWAYS WINS**

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Appendix

2012 Network : 44 Bases



OFT Investigation



29% of Aer Lingus acquired in 2006



EC prohibited takeover offer in Jun 2007 – offer withdrawn

“Since Ryanair is not in a position to exert de jure or de facto control over Aer Lingus the Commission is not in a position to require Ryanair to divest its minority shareholding - which is, by the way, not a controlling stake.” (Neelie Kroes, EU Comp Commissioner)



OFT investigation launched in Sep 2010 – 4 years later:

- ***OFT missed 4 month deadline from Jun 2007 to launch investigation***
- ***Investigation suspended since Oct 2010 pending outcome of “out of time” issue***
- ***Comp. Appeal Tribunal to rule whether OFT out of time or not***
 - ***Time-barred = no investigation (OFT / EI appeal likely)***
 - ***Not time-barred = OFT may continue investigation (FR appeal likely)***



No basis for competition concerns:

- ***Ryr has no influence over Aer Lingus – ignored since 2006 (EGMs, AGMs, fuel s’chges)***
- ***Ryr and A.Lingus competition increased since 2006 (Shannon, Belfast, Gatwick)***


Aer Lingus is amongst smallest Ryr competitors

| Competing Summer Capacity (Jul 11) | |
|------------------------------------|-------------------|
| 1 | No Competitor 43% |
| 2 | BA/Iberia 18% |
| 3 | EasyJet 17% |
| 4 | Alitalia 12% |
| 5 | Lufthansa 12% |
| 6 | TUI 10% |
| 7 | Aer Lingus 8% |

| Competing Winter Capacity (Jan 11) | |
|------------------------------------|-------------------|
| 1 | No Competitor 43% |
| 2 | BA/Iberia 23% |
| 3 | EasyJet 16% |
| 4 | Alitalia 15% |
| 5 | Lufthansa 15% |
| 6 | Aer Lingus 9% |
| 7 | Air France 7% |

-  ***A. Lingus competes on less than 10% of Ryr network***
-  ***A. Lingus not even in top 5 Ryr competitors***
-  ***Since 2006 Ryr v A. Ling competit. ↑ with Bfs, Gat, Snn bases***

Ryanair growth of 10% to 2013

 Fleet & Traffic to grow 10% by 2013

| <u>FY Mar</u> | <u>Fleet</u> | | <u>Traffic</u> | |
|---------------|--------------------|-------------|----------------|---------------|
| | <u>Total</u> (net) | <u>Disp</u> | <u>Pax</u> | <u>Growth</u> |
| 2010 | 232 | -3 | 66.5m | +14% |
| 2011 | 272 | -10 | 73.5m | +11% |
| 2012 | 294 | -3* | 75.0m | +4% |
| 2013 | 299 | -10* | 79.0m | +5% |

 Comp. under pressure – cap. cut and losses increase

 Ryanair to increase market share

* 2012 to 2013 – 13a/c disposals (7 Op. leases and 6 a/c sales)

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Fuel Surcharges - Differential rises

 Comp. fuel schrgs rising – fare diff. widens – yield positive

| | <i>S.H Fuel Surcharge</i> | <i>% of FR Fare</i> |
|-----------------|-------------------------------|---------------------|
| Ryanair | 0 | €39 |
| British Airways | €14 | 36% |
| Lufthansa | €28 | 72% |
| Iberia | €28 | 72% |
| Air France | €31 | 80% |
| KLM | €32 | 82% |
| SAS | €32 | 82% |

Certain of the information included in this presentation 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 the 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 and flight interruptions caused by volcanic ash emissions or other atmospheric disruptions.