

Herbert Smith

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Our ref
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Date
3 February 2010

By email and post

Strictly private and confidential and not for publication

Dear Sir

easyJet plc

We are instructed by easyJet plc who have referred us to statements made by you on BBC Breakfast Show on Monday 1st February 2010.

At 07:53, in response to a question about "*the extras, the ancillary revenues*" which can be charged on the cost of a flight, you made the following statements about our client:

"When you fly with British Airways or indeed easyJet, you pay the extras on a compulsory basis"

"High fare airlines such as easyJet and British Airways in particular include these in the compulsory fare"

The ordinary and natural meaning of these statements in the context of the piece as a whole is that:

1. easyJet makes it compulsory for its customers to pay "extra" or ancillary charges as part of a fare.
2. in this way, easyJet's flights are more expensive and/or disadvantageous to those customers who do not wish to use such services.
3. easyJet is a "high fare" airline which, by compulsorily charging its customers extra charges, does not in fact act in accordance with the public image it cultivates and promotes as a low-cost, no-frills airline and it is thereby acting hypocritically and promoting a false

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public image. It is self-evident that viewers of the broadcast would have been aware of easyJet's public image (and of the extensive advertising easyJet has undertaken to promote this).

The words spoken by you are highly defamatory of our client, entirely false and damaging to our client's reputation.

We are instructed that the true position is that our client does not impose charges on its customers for any "extra" elements of its service on a compulsory basis. Its business model and public image are that of a low-cost, no-frills airline and this is how it operates in practice as you well know.

Indeed, in relation to a number of the "extra" charges you referred to, easyJet is in fact considerably cheaper than Ryanair. For example:

1. easyJet does not charge customers to print their boarding pass at the airport whereas Ryanair charges an exorbitant £40 per person to print this single piece of paper.
2. for a family of four travelling with 20kg of checked bag weight per person easyJet charges only £36 each way for baggage versus Ryanair charging £424 for baggage each way.
3. easyJet does not charge for on-line check-in unlike Ryanair who charge £5 per person on most bookings.

In addition or in the alternative to defamation, our client has a claim against you for malicious falsehood on the basis that:

1. the statements made by you are false;
2. you have published such statements either knowing them to be false or recklessly i.e. maliciously; and
3. the publication of your statement to such a wide audience will either cause or be likely to cause our client to suffer financial loss.

In the circumstances, our client is prepared to resolve the matter now on the basis that you provide:

1. a full apology in terms to be agreed; and
2. an undertaking not to repeat the same or any similar allegations.

If the above are provided now, our client will forego its right to damages and payment of its legal costs.

Our client has also instructed us to raise a further matter with you: on 20 January 2010 the enclosed Ryanair advert was published in the Daily Telegraph and The Guardian newspapers amongst others. The advert has been repeated today, 3 February. As you are no doubt aware, Sir Stelios is no longer responsible for the the day to day management of easyJet. Without making comment on any personal cause of action Sir Stelios may have against Ryanair, we would simply point



Herbert Smith

Date
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out that an accusation of lying is a defamatory statement and that all advertisements should comply with the CAP Code, the provisions of which no doubt you are fully aware of. Our client is concerned and disappointed at the accusations made in the advert and requests your confirmation that it will not be repeated.

We await hearing from you by return. In the meantime we reserve all of our client's rights.

Yours faithfully

Herbert Smith LLP

