

# **RYANAIR**









***The Worlds Favourite Airline!***

***Roadshow Presentation***

***Half Year Results - 30 Sep 2006***

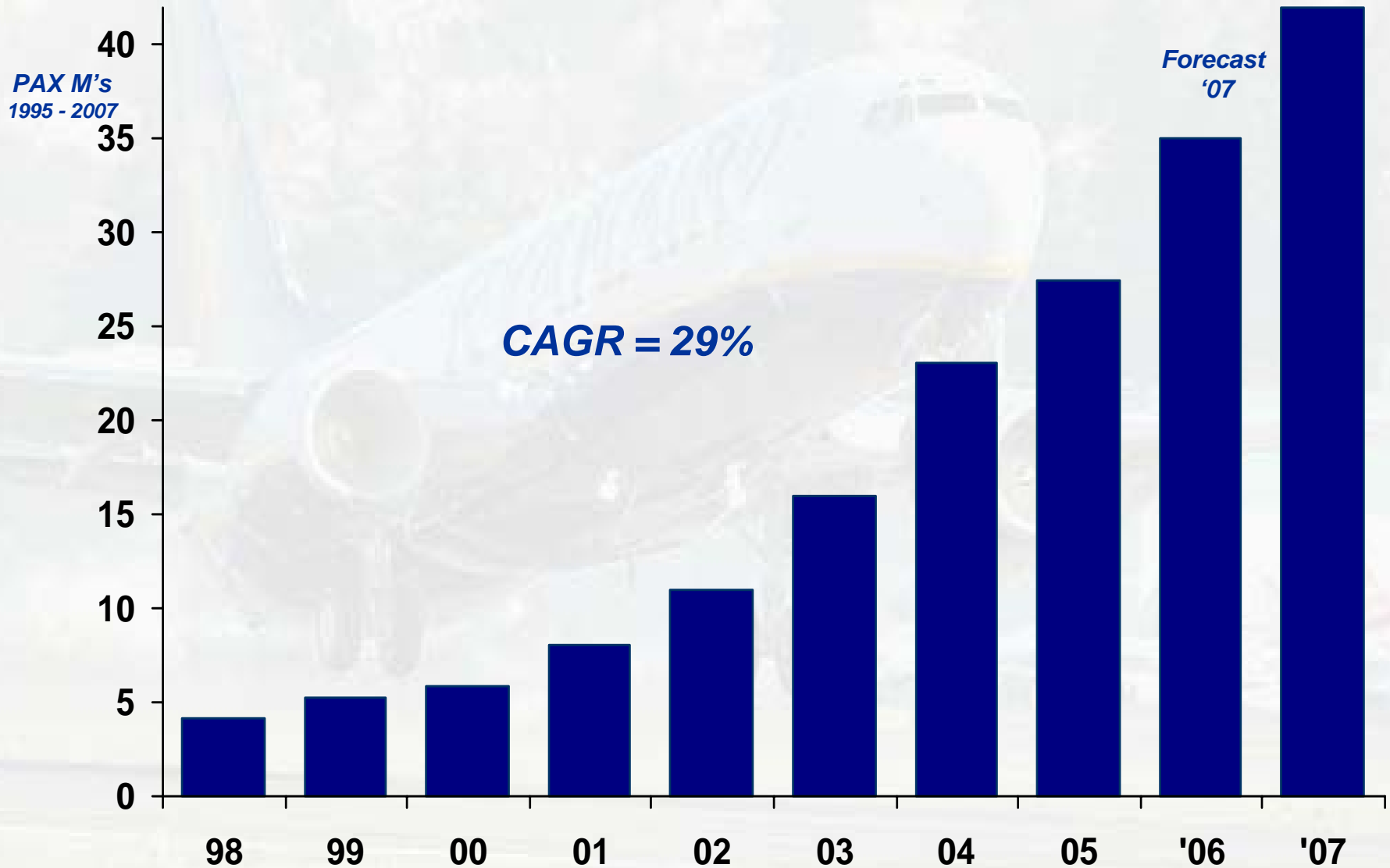
# ***The World's Favourite Airline!***

Half Year Results Presentation – 30 September 2006

-  **Lowest Fares and Lowest Seat Cost in Europe**
-  **No. 1 for Traffic 42.5m**
-  **No. 1 for Pax Growth (+22%)**
-  **No. 1 for Coverage – Routes (437) and Bases (18)**
-  **No. 1 for Customer Service delivery**
  -  **Lowest Price, Highest Punctuality**
  -  **Fewest cancellations and lost bags**
-  **23<sup>rd</sup> year of strong growth at record profits**

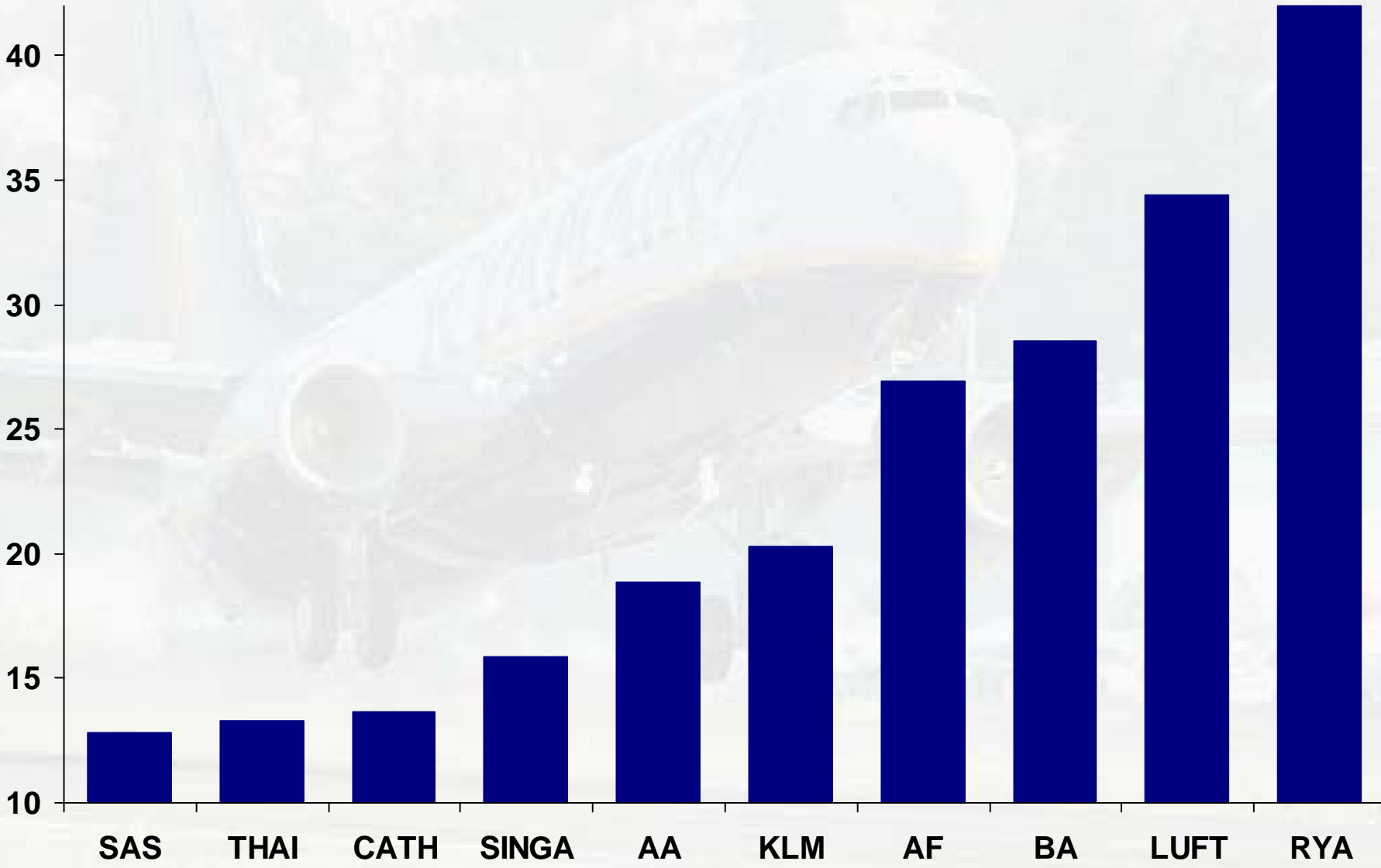
# Ryanair's Traffic Growth

Half Year Results Presentation – 30 September 2006



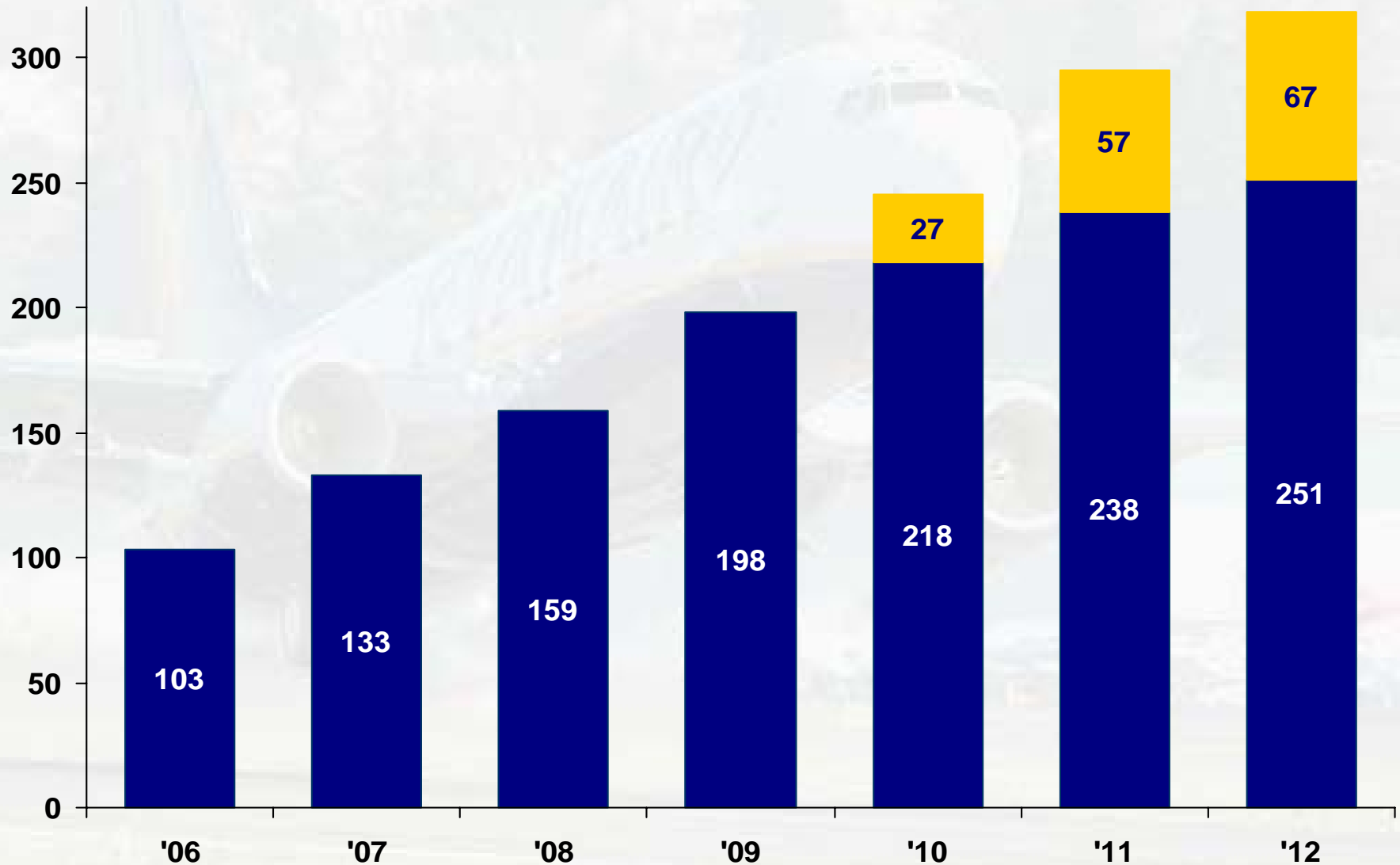
# World's Largest International Scheduled Airlines

Half Year Results Presentation – 30 September 2006



# Ryanair – Fleet Growth to 2012

Half Year Results Presentation – 30 September 2006

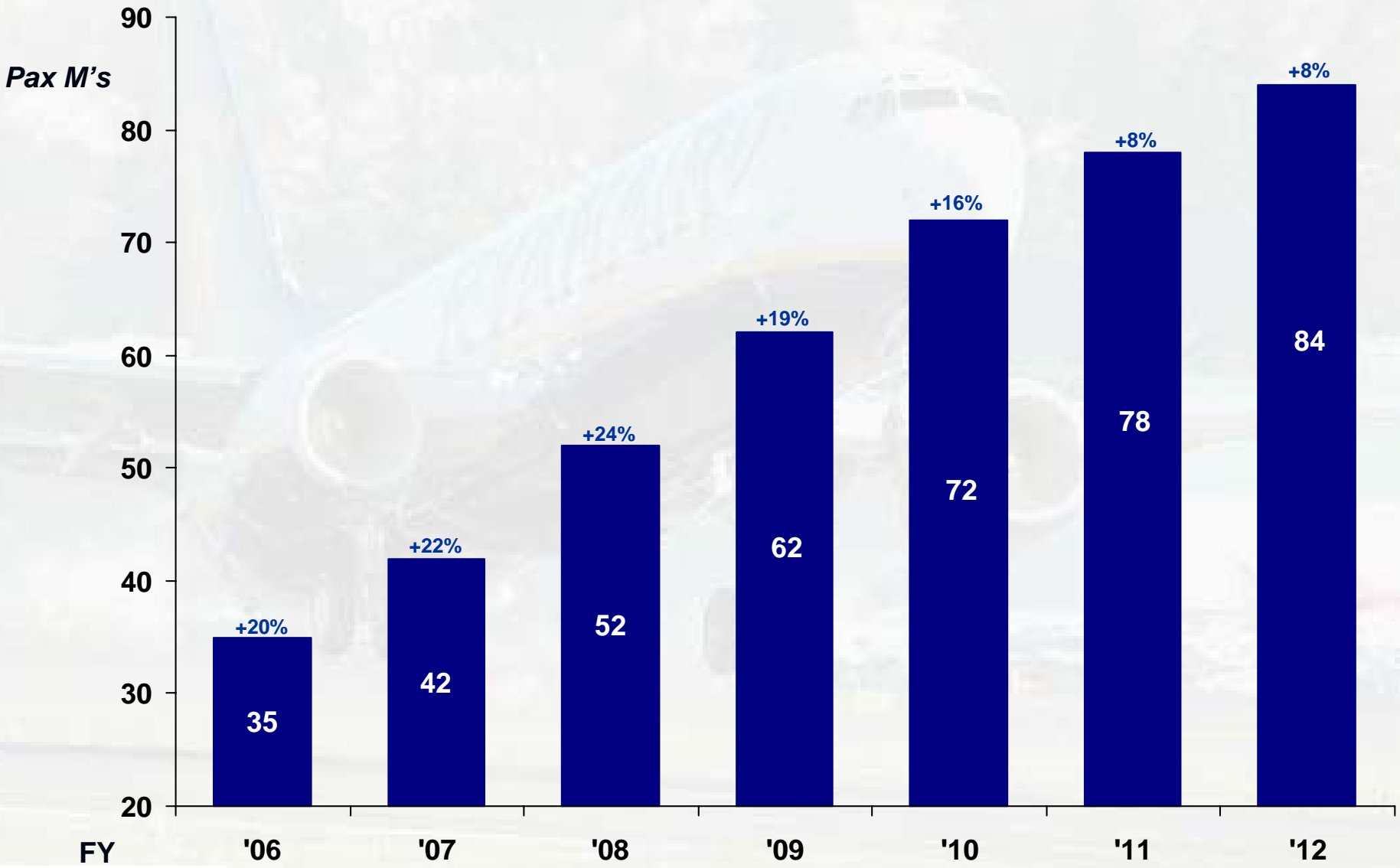


\*\*\*Aircraft numbers adjusted for sale of 10 aircraft per year '07/'08/'09

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# Ryanair – Traffic Growth to 2012 (Firm Only)








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\*\*\*Aircraft numbers adjusted for sale of 10 aircraft per year 2008 - 2010  
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# Financial Highlights – Half Year Sept '06

Half Year Results Presentation – 30 September 2006



<i>'Ms (IFRS)</i>	<i>Sep 05</i>	<i>Sep 06</i>	<i>Change</i>
 Passenger Numbers	18.0m	22.1m	+23%
 Load Factor	86%	87%	+1pt
 Av. Fare (Summer)	€45	€49	+9%
 Revenue Per Pax	€52	€57	+8%
 Revenues	€946m	€1,256m	+33%
 Profit after Tax*	€237m	€329m	+39%
 Net Margin*	25%	26%	+1pt

\* Profit after tax and net margin at 30 June 2005 is before an aircraft insurance gain of €5.2m net of tax

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# Financial Highlights – Strong Balance Sheet

Half Year Results Presentation – 30 September 2006

	<i>Mar 06</i> €'M	<i>Sep 06</i> €'M
 Aircraft (incl Deposits)	2,662.2	2,863.5
Cash	<u>1,972.0</u>	<u>2,093.0</u>
<b>Total</b>	<b><u>4,634.2</u></b>	<b><u>4,956.5</u></b>
	<b>Net Cash €294m</b>	<b>Net Cash €458m</b>
 Liabilities	964.5	1,024.8
Debt	<u>1,677.7</u>	<u>1,634.9</u>
Shareholders Funds	<u>1,992.0</u>	<u>2,296.8</u>
<b>Total</b>	<b><u>4,634.2</u></b>	<b><u>4,956.5</u></b>

# Financial Highlights – Consistent Margins

Half Year Results Presentation – 30 September 2006

*Year Ended\*\**      *Mar '98*   *Mar '00*   *Mar'02*   *Mar'04*   *Mar'06*

<b>Net Margin</b>	<b>20%</b>	<b>20%</b>	<b>24%</b>	<b>21%</b>	<b>18%</b>
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<b>EBITDAR</b>	<b>31%</b>	<b>35%</b>	<b>36%</b>	<b>36%</b>	<b>31%</b>
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<b>Cash Earnings*</b>	<b>25%</b>	<b>32%</b>	<b>34%</b>	<b>30%</b>	<b>25%</b>
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\* Cash Earnings defined as Net Income plus non-cash items

\*\*March 1998 to March 2004 presented under Irish GAAP; Mar 2006 presented under IFRS

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# Ryanair – Industry Leading Margins

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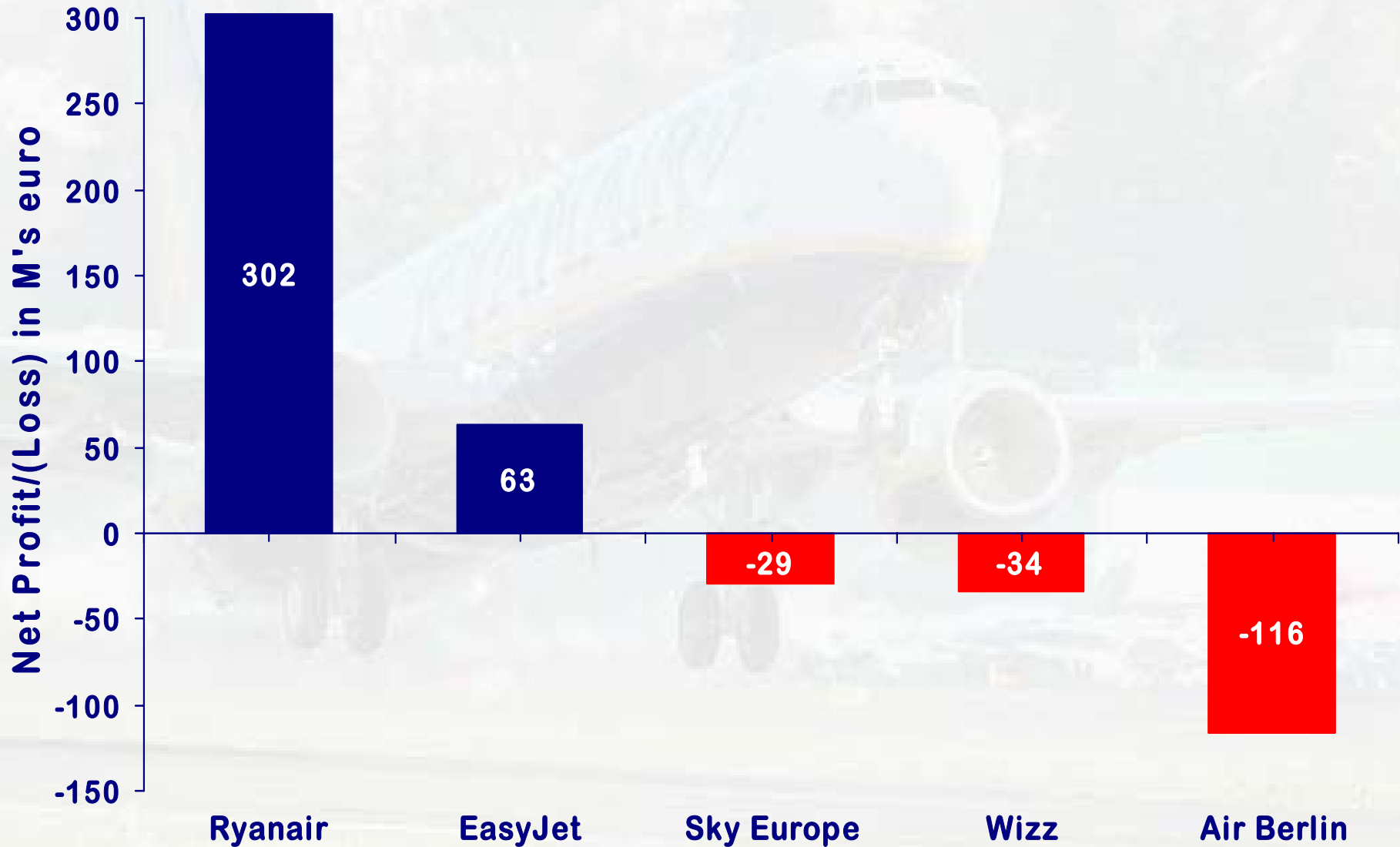
	<i>Rev. per pax</i>	<i>Cost per pax</i>	<i>Net Margin</i>
Ryanair	49	40	18%
Aer Lingus	125	114	9%
<i>Short Haul</i>	88		
<i>Long Haul</i>	262		
Southwest	72	66	7%
British Airways	351	332	6%
Air France	306	293	4%
Lufthansa	352	341	3%
easyJet	67	65	3%

Source: RYA to 31 March 2006 & Latest published Company Information

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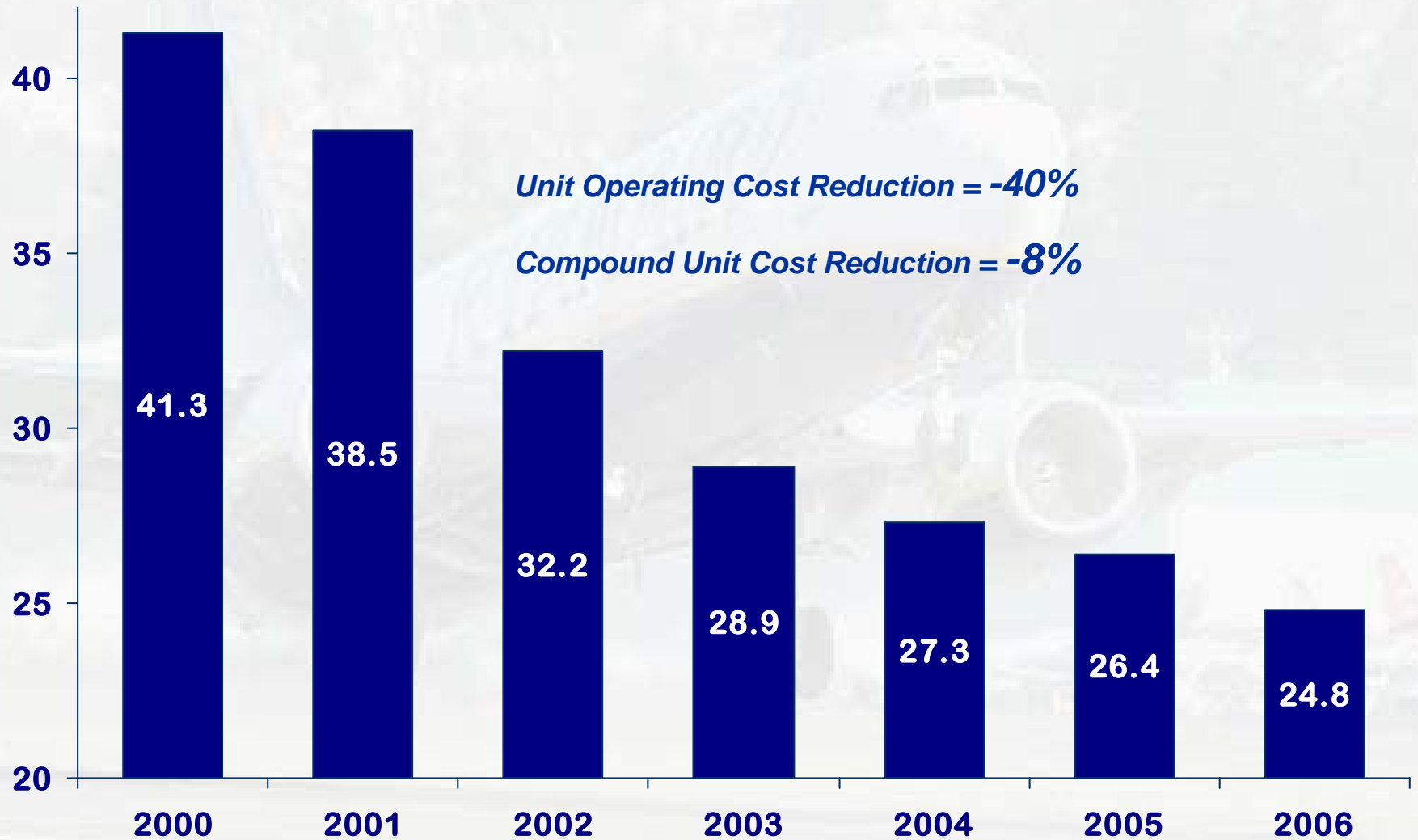
# Ryanair Effect – Lowest Fares, Highest Profitability

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# Ryanair Effect – Low Cost Focus (Ex Fuel)

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# Recent Developments (1)

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-  **3 New Bases Launched (MRS/MAD/BRE)**
-  **20 new routes from Dublin 2007**
-  **113 new routes for summer 2007**
-  **Fuel hedged @ \$73 to Mar '07 (\$1 < budget)**
-  **Web check-in/priority board launched Nov '06**
-  **Web gambling launched Nov. '06**
-  **Hotel partner terminates – no effect on revenues**
-  **Guidance raised +16% to €350m**

# Recent Developments (2)

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-  Acquired 19.2% of A. Lingus @ €2.48 (€254m)
-  Launched offer @ €2.80 (27% premium to IPO price)
-  Form one strong Irish airline group
-  Committed to
  - lowering AL costs*
  - lowering AL s/h fares (2 ½ PA)*
  - improve service delivery*
  - retain brand & LHR slots*
-  EU Comp. review due end Dec '06
-  Unlikely to proceed if Esot rejects offer
-  Will not distract from RYA growth plan

# Outlook for FY'07

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- ✈ Traffic growth +22% to 42.5m
- ✈ Benign yield environment – Q3 = *Slightly up (+2% to +3%)*  
– Q4 = *Slightly down (0% to -5%)*
- ✈ Competitors fuel surcharges maintain fare differentials
- ✈ Unit Costs ex-Fuel & staff down 3%
- ✈ Hedged at 90% for H2 at \$73
- ✈ Hedged 50% of Q3 2008 (10% saving on Q3'07)
- ✈ Will extend hedges when the opportunity arises
- ✈ Dollar weakness benefits cost base (Aircraft, fuel, maint.)

# Air Transport Emissions – The Facts

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- ✈ Air transport generates just 2% of GHG\* emissions
- ✈ In the EU\*\* aviation
  - 2% of CO2 emissions
  - road traffic - 18%
  - power generation - 26%
- ✈ Air transport heavily taxed, pays for all infrastructure
- ✈ Taxing air travel won't reduce emissions (SUVs)
- ✈ Promote new aircraft - 50% less emissions per seat
  - 45% lower fuel burn
  - 45% less noise
- ✈ Penalise old aircraft, low load factors, connecting travel

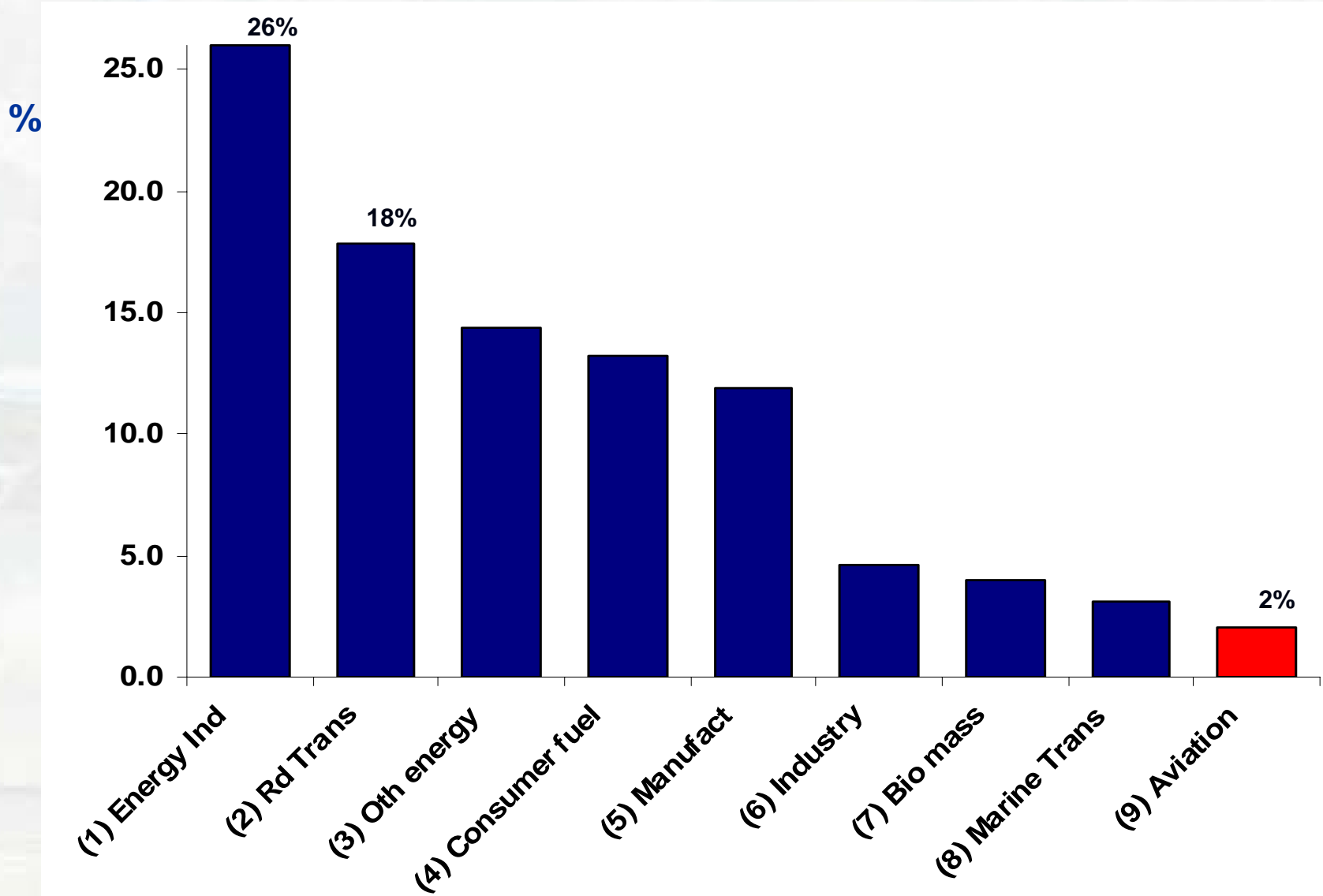
•Source: Airline Business Jan 05

\*\*Source: European Environment Agency

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# EU CO2 Emissions – Aviation Just 2%!!!

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# Ryanair - Summary

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- ✈ Europe's lowest cost carrier – lowest cost wins
- ✈ Lowest fares, record margins continue
- ✈ Industry leading customer service delivery
- ✈ Plan to double traffic and profits by 2012
- ✈ New airports and bases ready
- ✈ 167 new aircraft facilitates growth to 80m+ pax
- ✈ Lowest costs & stable yields delivers sustained profit growth

# ***RYANAIR***

***The Worlds Favourite Airline!***

***Appendix***

# Appendix 1: Competitor Fuel Surcharges

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	<i><b>Fuel Surcharge Charge</b></i>
<b>Air Berlin</b>	<b>Up to €23</b>
<b>Lufthansa</b>	<b>€12 to €52</b>
<b>British Airways</b>	<b>€12 to €52</b>
<b>Air France</b>	<b>€10 to €50</b>
<b>Iberia</b>	<b>€10 to €35</b>
<b>SAS</b>	<b>€10 to €20</b>
<b>Aer Lingus</b>	<b>Up to €45</b>

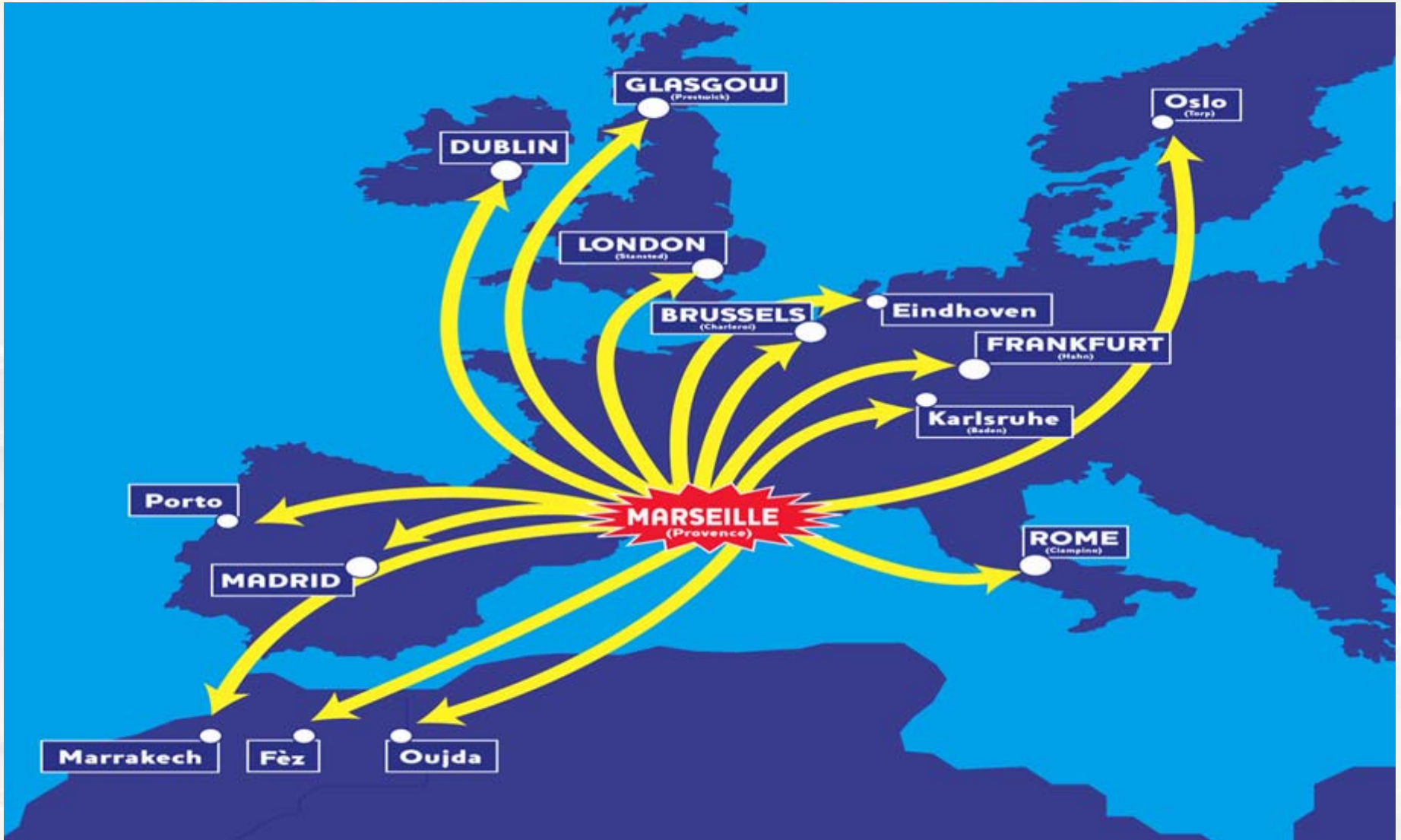
# Appendix 2: Base Network

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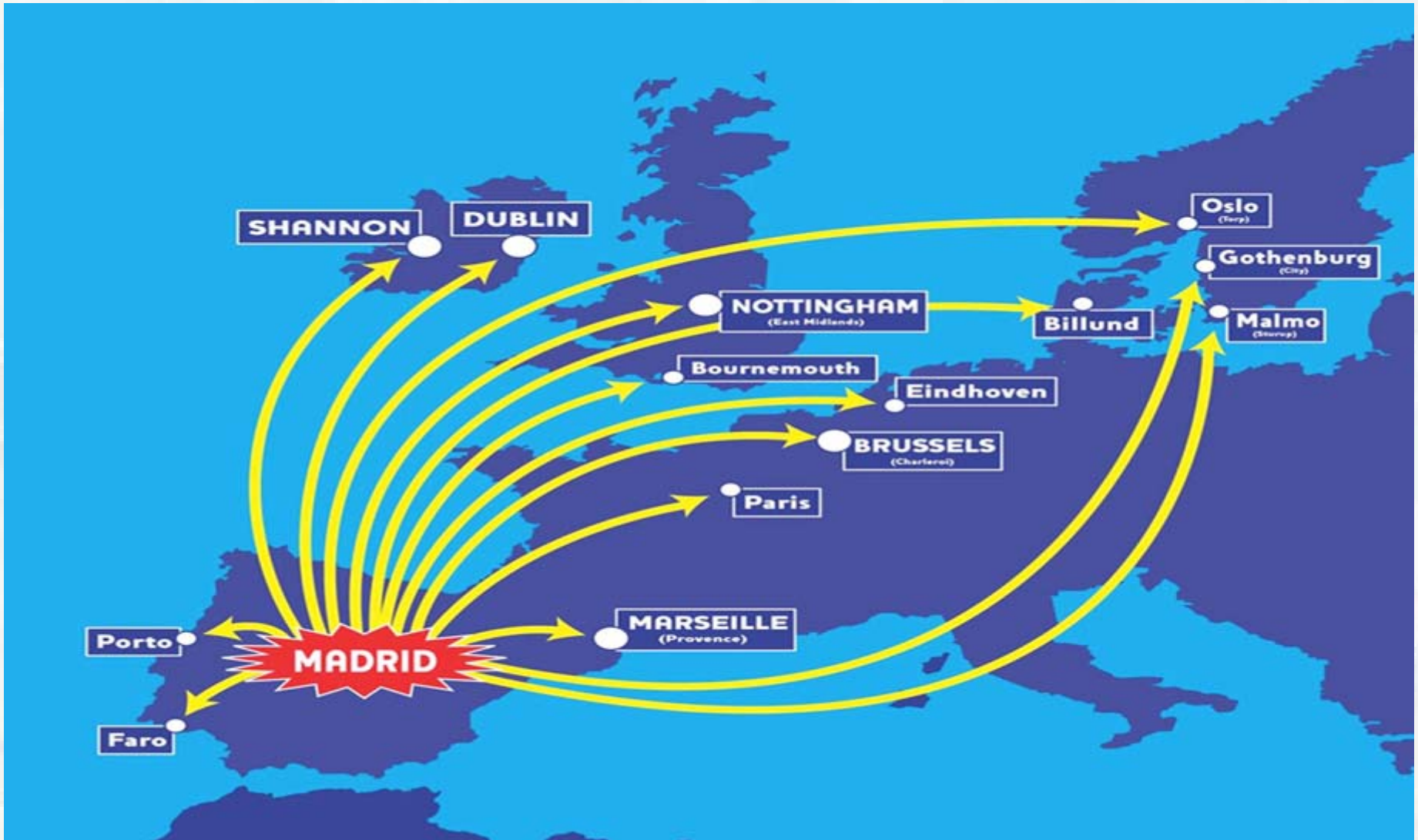
# Appendix 3: Marseilles

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# Appendix 4: Madrid

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# Appendix 5: Bremen

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