Financial Statements

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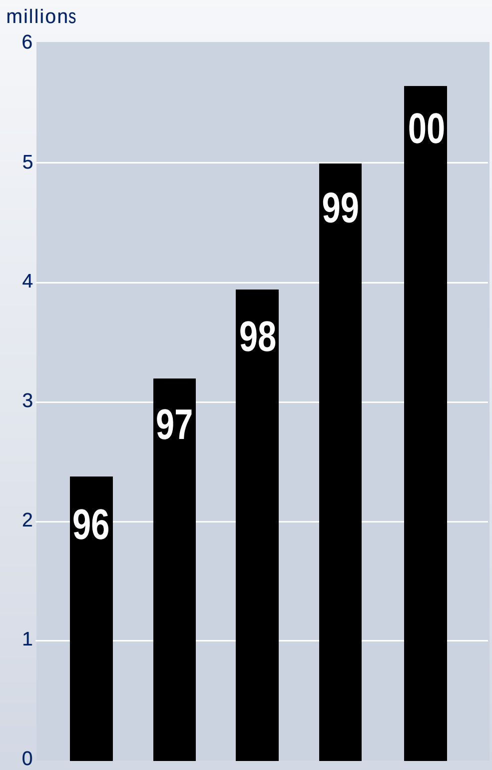
Financial Highlights
at 31 March 2000

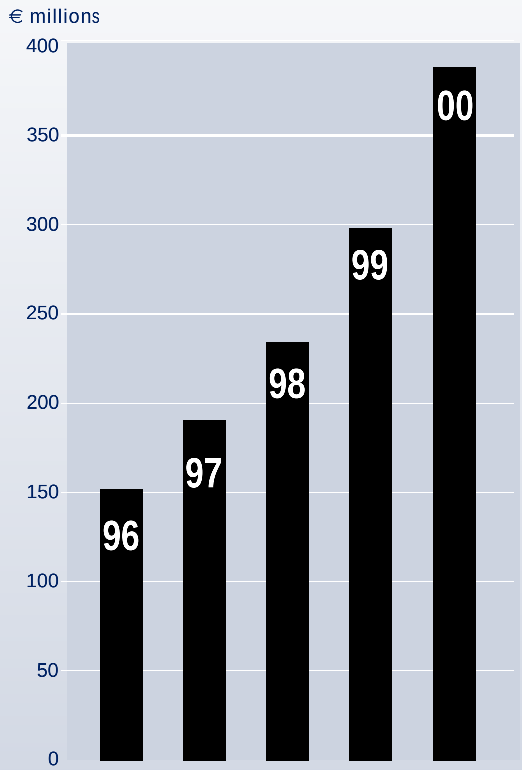
Summarised Consolidated Profit & Loss account (under Irish & UK GAAP)	2000 €m	1999 €m	% Change
Operating revenue	370.1	295.8	25%
Net profit	72.5	57.5	26%
EPS (in Euro cents)*	21.62	17.44	24%

* adjusted for 2:1 share split on February 28th, 2000

PASSENGERS 1996 -2000



REVENUE 1996 -2000

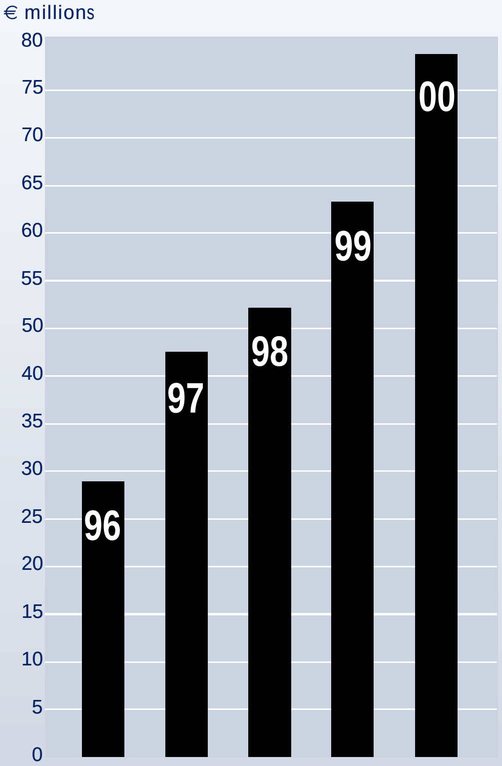


Financial Highlights

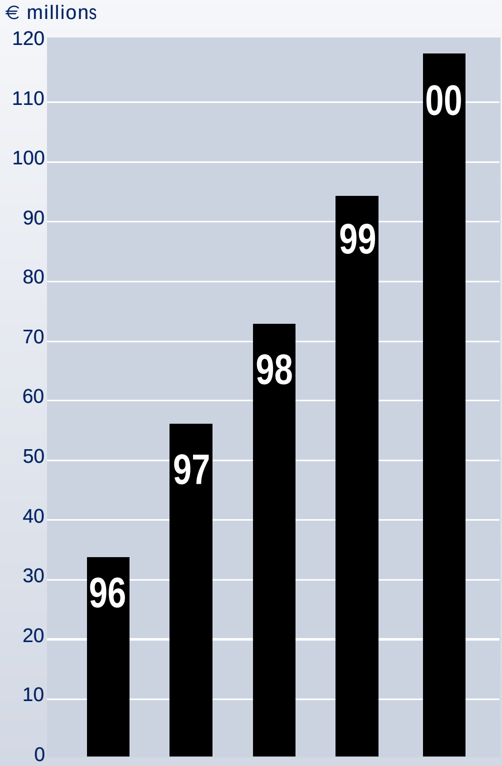
at 31 March 2000

Key Statistics	2000	1999	% Change
Passengers carried	5.6m	4.9m	+13%
Number of aircraft operated at period end	26	21	+24%
Number of employees at period end	1,388	1,203	+15%
Passengers per employee at period end	3,963	4,035	-2%

NET PROFIT* 1996 -2000



CASH EARNINGS** 1996 -2000



NOTE: This data refers to the financial year ending 31 March of the relevant years (Irish GAAP)

** Adjusted for non-recurring staff bonuses*
*** Net profit after tax adjusted for non-recurring staff bonuses, plus depreciation and amortisation*

Chairman's Statement

To our shareholders:

I am pleased to report to you that Ryanair has delivered its 10th consecutive year of increased profitability. The net profit for the financial year rose by 26% to €72.5m., which led to a 24% increase in earnings per share to 21.62€cents. Shareholders who supported Ryanair during its flotation in 1997 or in subsequent offerings have continued to enjoy substantial increases in the value of their stock as our profits and traffic have grown. I am particularly pleased that our people have shared directly in the increase in value of Ryanair through their participation both in the flotation in 1997, and in the subsequent company wide share option scheme.

These results cover a period of enormous change, both within the European aviation industry, and within Ryanair. During this year we took delivery of the first five of our new, next generation Boeing 737-800 series aircraft. With this substantial increase in capacity, Ryanair launched 8 new routes, including our first destination in the German (Frankfurt Hahn), Danish (Aarhus) and Northern Ireland (City of Derry) markets. Further frequencies were also added on existing routes, as demand for Ryanair's low fares continued to grow.

As Herb Kelleher and his team at Southwest Airlines in the U.S. have proven repeatedly over the past 29 years, success in the low fares airline market requires more than just low fares. Long-term success in this high growth area depends on one's ability to maintain low cost and efficient operating practices, establishing a long term record of sustained profitability, and above all maintaining a disciplined and controlled rate of annual growth. It is this combination of features which has enabled Ryanair to uniquely replicate the Southwest model successfully in Europe.

Along the way Ryanair has faced many challenges, including over the past year the ending of intra European Union duty free. Many commentators predicted this would have a negative effect on Ryanair's performance. Not so. Yet again the management and people of Ryanair have risen to this challenge in an innovative way, by adapting and enhancing the range of our inflight services and expanding our ancillary businesses, with the result that our profitability has been enhanced.

Similarly, following our entry into the German market in 1999, the company faced aggressive competition from Lufthansa, the dominant airline in Germany. Again Ryanair responded with lower costs and lower air fares, to successfully establish ourselves on the London-Frankfurt market, so that just 12 months later, we are now offering ten flights daily to and from Frankfurt Hahn Airport to three international destinations in London, Scotland and Ireland. The airport itself has responded by developing a new terminal building, all within 12 months of our arrival. I can think of no better demonstration of the "Ryanair effect".

Chairman's Statement
(Continued)

The launch of RYANAIR.com in January 2000 has seen Ryanair use the internet to our benefit in a typically radical and focused way. By incentivising our passengers to book directly on our internet site, we make very significant savings in sales and distribution costs, which in turn are passed on to those customers in the form of even more, lower air fares, which stimulates more of them to fly, and more often. This virtuous cycle is good for our customers and good for our growth. RYANAIR.com is also helping us to penetrate new markets even faster by communicating directly with potential passengers, and is stimulating increased sales via our "internet only" seat sales.

What has given me most pleasure over the past 12 months has been the creation of another 200 jobs in Ryanair, and our total employment is now almost 1,400. In addition we have promoted 160 of our people to new and challenging positions. We continue to encourage all of our people to take on new responsibilities by promoting from within. It is, I believe, this feature which most of all enables Ryanair to maintain our growth whilst still responding quickly to the many changes in the airline industry.

On a sad note it is with great regret that we record the untimely death of both Arthur J. Walls and Brian Taylor during the past year. Arthur joined Ryanair as Director and Chairman of the Board in 1986, whilst Brian joined us as our Director of Engineering in 1991. Ryanair owes an enormous debt to both Arthur and Brian, both of whom made an immense contribution to the success that Ryanair is today. We will sorely miss them both.

In the past four years since Ryanair floated, the capitalisation of our company has increased from €392m to €3,185m at August 2, 2000. The prospects for continuing growth in the low fares market in Europe remain strong. As Ryanair is the clear leader in this sector I believe our future remains bright, and I am happy to report a positive outlook in all our markets in the current year.

David Bonderman
Chairman

Chief Executive's Message

The past year (1999/2000) was a significant year for Ryanair with traffic, revenues, net profit and earnings per share all at record levels. This success was achieved in a turbulent year in the airline industry which saw the ending of intra European Union duty free, substantial increases in world fuel prices, interest rate rises and intense competition in the European airline market. We have recorded our 10th year of increased profitability, whilst almost all other European airlines recorded losses or big downturns in profits.

As ever, bringing value to our customers was our key goal. Over the past year our passengers have again enjoyed massive savings over the more expensive fares being charged by our principal competitors. We in turn delivered them market leading on-time reliability, increased frequencies, eight new routes, and our award winning service.

We have been delighted with the performance of our first five, next generation, Boeing 737-800 series aircraft. The technical reliability, and fuel performance was even better than Boeing had predicted. Since the year end we have taken delivery of five more and the fleet now includes ten new 737-800 series aircraft.

As these results show, the superior operating performance of these aircraft, combined with our keen pricing, and low cost financing package has enabled Ryanair to maintain our rate of growth and profitability. In so doing we have overcome the challenge of transitioning to operating with new aircraft, whilst still increasing our profitability. Looking forward we expect to maintain a mix of new and good value second-hand aircraft. Our share offering in March 2000 partially enabled us to finance our aircraft deliveries in 2000, but will also allow us to exploit good value second-hand aircraft opportunities as they arise over the next year or two.

Ireland

Against the background of dramatic growth in low fare air travel throughout Europe, and particularly for Ryanair, Ireland, our home base (but no longer our most important destination) remains a depressing black spot. Despite all our efforts, the Government continues to protect its high cost airport monopoly at the expense of competition and lower prices. Unlike most of our other European airports, the Irish Government permitted the airport monopoly to substantially increase fees and charges to airlines over the past year to "compensate" for the loss of duty free. If we had a competitive environment, the Irish airports would have been forced to reduce costs, improve services and stimulate growth to make up for this loss, in much the same way that other European airports and airlines have.

The outcome of this policy failure in 2000 is depressing. After ten years of record growth, air traffic to and from the UK in the first six months of 2000 has stalled, and so has Irish tourism growth. There has been a dearth of new routes and new airlines offering services to Ireland. The small residue of growth in traffic to/from Ireland this year largely comprises outbound holiday makers who do nothing for Irish tourism and employment. Unless we promote low cost access to Ireland from a wide range of UK and continental European destinations, then the prospects for Irish tourism and our economy will be constrained by the barrier of high cost access. Ryanair's proposed development for a low cost terminal at Dublin Airport, will lead to new routes, lower fares and low access costs for consumers using the airport, and the resumption of traffic and tourism growth.

Chief Executive's Message

(Continued)

Britain

The continuing dramatic growth of both Ryanair and Stansted Airport contrasts markedly with the stagnation at Dublin. It is no surprise either that the four fastest growing airports in the UK last year were London Stansted, Luton, Glasgow Prestwick and Liverpool, all of whom have been encouraging low fare airlines to expand by offering low costs and efficient facilities. The travelling public have responded in their millions with Stansted Airport alone growing from 7 million to 9.5 million passengers in just one year. Ryanair is now the largest carrier at London Stansted.

We have over the past year faced intense competition from British Airways, and newer start up low fare carriers. In all cases we have maintained our policy of offering lower fares than all of our competitors, and whereas these others and British Airways have either lost money or recorded a downturn in profits in the past year, we have continued to maintain our growth in traffic and profitability.

Europe

Our performance in Europe last year was tremendous. In addition to entering three new country markets, Germany, Denmark and Northern Ireland, we also opened up new routes in Scandinavia, France and Italy. In all cases we launched with fares which ranged from 50% to 75% lower than those being offered by the incumbent airlines and we competed head to head with some of the most dominant and entrenched airlines in Europe including Lufthansa, SAS, Alitalia, Air France and British Airways. In all cases we have proven that the "Ryanair effect" of low fares stimulating substantial traffic growth crosses all national boundaries and cultural divides throughout Europe.

For many years now, the European consumer has been faced with a choice of either paying high air fares, or using time consuming ground transportation, or not travelling at all. Ryanair's low fares are now giving the European consumer the freedom and the choice to travel by air, at prices they never believed were possible, and they are responding in their millions by travelling either for the first time, and more frequently.

Summary

We remain convinced that Ryanair has only scratched the surface of the demand for low fare air travel in Europe. I believe we can continue to maintain our traffic growth rate of 25% per annum, whilst still pursuing cost savings and efficiencies wherever we can, and passing these on to our customers in the form of lower air fares. The current year has started well, our new routes are all performing to expectations, and we believe that our target of 7 million passengers in the current year is achievable. These are exciting times for Ryanair, and we look forward to a favourable 2000/2001 and another year of controlled, disciplined and profitable growth for the benefit of our passengers, our people and our shareholders.

Michael O'Leary
Chief Executive

Operating & Financial Review
for the year ending 31 March 2000

Consolidated profit and loss in accordance with UK and Irish GAAP	2000 €000	1999 €000
Operating revenues		
Scheduled revenues	330,571	258,873
Ancillary revenues	39,566	36,886
Total operating revenues		
- continuing operations	370,137	295,759
Operating expenses		
Staff costs	48,533	39,834
Depreciation & Amortisation	44,052	36,209
Other operating expenses		
Fuel & oil	41,676	36,554
Maintenance, materials and repairs	16,886	11,961
Marketing and distribution costs	32,123	24,602
Aircraft rentals	2,097	2,909
Route charges	26,301	20,806
Airport & handling charges	43,095	29,036
Other	31,319	25,987
Total operating expenses	286,082	227,898
Operating profit - continuing operations	84,055	67,861
Operating income / (expenses)		
Interest receivable and similar charges	7,498	6,610
Interest payable and similar charges	(3,781)	(237)
Foreign exchange gains	1,358	389
Gain on disposal of fixed assets	964	1,187
Total other income / (expenses)	6,039	7,949
Profit on ordinary activities before tax	90,094	75,810
Tax on profit on ordinary activities	(17,576)	(18,339)
Profit for the financial year	72,518	57,471
Earnings per ordinary share (€ Cents)*		
- Basic	21.62	17.44
- Diluted	21.48	17.38
Number of ordinary shares(in 000's)*		
- Basic	335,478	329,520
- Diluted	337,681	330,644

* The company implemented a 2:1 share split on February 28th, 2000. The number of ordinary shares and earnings per share figures have been restated to give effect to the share split.

Operating & Financial Review
(Continued)

Profit for the Year
Profit after tax for the year ended March 31, 2000 increased by 26% to €72.5m, compared to €57.5m in the Financial Year Ended March 31, 1999. Operating profits have increased by 24% to €84.1m. The increase in profitability reflects the positive impact of the growth in passenger volumes due to the increase in seat capacity on existing routes, and the launch of a further eight new European routes during the year.

Operating Revenues
Total Operating Revenues grew by 25% to €370.1m, whilst total passenger numbers increased by 13% to 5.6m. Scheduled passenger revenues increased by 28% to €330.6m due to a combination of a 13% increase in passenger volumes and an increase in the average fare per passenger during the year. Ancillary revenues, comprising primarily of Charter Sales, car hire, on board sales of food & beverages, and non-flight scheduled services, increased by 7% to €39.6m. This was lower than the growth in passenger volumes due to a combination of a reduction in the average spend per passenger post the cessation of Duty Free on July 1, 1999 offset by strong growth in revenues from other ancillary activities.

Operating Expenses
Total Operating Expenses rose by 26% to €286.1m due to the increase in the level of activity, and the increased costs, primarily Depreciation, Staff, and Airport & Handling Charges, associated with the growth of the airline.

Staff Costs increased by 22% to €48.5m. The increase in staff costs reflects the 15% increase in average employment by 168 to 1,262. Pilots, who earn higher than average salaries, accounted for 24% of the increase in employment. Staff costs also rose due to the pay increases granted which, at 3%, was ahead of the level set by the national wage agreement.

Depreciation & Amortisation increased by 22% to €44.1m reflecting the impact of the increase in the fleet size from 21 to 26 aircraft, and the amortisation of capitalised maintenance costs.

Fuel and Oil Costs rose by 14% to €41.7m due to a 15% increase in the number of sectors flown, and an increase in the average sector length, offset by a reduction in average fuel prices.

Maintenance Costs increased by 41% to €16.9m due to the increase in the size of the fleet operated, an increase in the number of sectors flown, and the increase in line maintenance costs associated with the expansion of our London-Stansted base.

Marketing and Distribution Costs increased by 31% to €32.1m, due to a combination of, an increase in passenger volumes, and the increased marketing and advertising costs associated with the launch of eight new routes.

Aircraft Rental Costs declined by €0.8m to €2.1m due to the increase in the number of owned aircraft, and the resultant decline in the need to rent additional seat capacity.

Route Charges increased by 26% to €26.3m due to a 15% increase in the number of sectors flown, and an increase in the average sector length due to the launch of the longer European routes.

Airport and Handling Charges increased by 48% to €43.1m, due to an increase in the number of passengers flown, the impact of increased airport & handling charges primarily at Dublin Airport and Stansted Airport following the removal of intra European Duty Free, and the adverse impact of the strength of sterling to the Euro, off-set by, lower charges on the new routes to Europe.

Other Expenses which includes those costs related to ancillary revenues increased by 21% to €31.3m. The increase primarily reflects the increased product costs arising from the change in product mix post the cessation of Duty free.

Other Income
Interest Receivable rose by 13% to €7.5m reflecting the increase in cash and liquid resources arising from the profitable trading performance during the year. Interest Payable

Operating & Financial Review
(Continued)

increased by €3.5m to €3.8m due to an increase in the level of aircraft related debt. Foreign Exchange gains increased by €1.0m during the year reflecting the positive impact of currency movements on non-Euro bank deposits.

Taxation
The effective tax rate for the year was 20% compared to 24% for the previous year. The decline in the effective tax rate reflects the impact of the continuing decline in the headline rate of corporation tax in Ireland.

Earning per Share (EPS)
EPS increased by 24% to 21.62 cents and is based on 335,478,395 shares which represents the weighted average number of ordinary shares outstanding during the year. On February 28, 2000 the company implemented a 2 for 1 share split and on March 16, 2000 the company had a secondary offering of 15,300,000 shares. Earnings per share calculations have been restated to give effect to the share split and the increased number of shares issued.

Balance Sheet
The company's Balance Sheet continues to strengthen due to the positive impact of strong growth in profits and receipt of the net proceeds of the secondary offering amounting to €117.9m during March 2000. The company generated cash from operating activities of €149.6m which partly funded the acquisition of four Boeing 737 - 800 next generation aircraft and additional aircraft deposits. Capital expenditure net of acquired debt, increased by €57.7m during the year.

Review of Cash Flow
Cash generated from operating activities grew by €25.2m to €149.6m. This arose due to the increased profitability of the group and the addition of non-cash items, primarily depreciation. Continued strong cash flows generated from trading operations combined with the proceeds of the March 2000 offering, and the receipt of debt financing for the four Boeing 737-800 next generation aircraft delivered, has allowed the group to increase its cash & liquid resources by €196.7m to €355.2m. The strength of the performance is highlighted by the fact that the group's Cash & liquid resources is equivalent to 96% of total annual revenues.

Capital Expenditure
During the year the group's aircraft related capital expenditure was €153.5m. This primarily reflects the purchase of four Boeing 737-800 next generation aircraft and aircraft deposits relating to the future acquisition of 24 new Boeing 737-800's. Furthermore, the group spent €1.6m, mainly on fixtures and fittings and the upgrading of our computer systems primarily at Ryanair.com Limited(previously Ryanair Direct Limited).

Capital Structure
The capital structure of the company changed during the year for two reasons. Firstly, on February 28, 2000 the company implemented a 2 for 1 share split, the objective of which was to increase the liquidity and marketability of the stock. Following the share split the issued Ordinary Share Capital remained at €8,503,426, but the number of Ordinary Shares increased to 334,849,628 Ordinary Shares of €2.54 cents each.

Secondly, on March 16, 2000 the company completed a secondary offering of 15,300,000 Ordinary Shares bringing the total issued Ordinary Shares to 350,149,628, and the company received €117.9m net of expenses. The proceeds of the offering will be used to fund the aquisition of 10 new Boeing 737-800 next generation aircraft to be purchased over the next 12 months, and may also be used to exploit opportunities over the next two years to purchase good value second-hand aircraft.

Recruitment and Promotion
During the year an extra 185 people were recruited. In the Flight and Cabin Crew Department 114 people were recruited, whilst in all other areas of the group a further 71 people were recruited mainly in the reservations area at Ryanair.com Limited. Another 160 people were promoted from within the group.

Operating & Financial Review

(Continued)

The group launched in 1998 its employee share option scheme. Under the terms of the 1998 Option Plan up to 5% of the Issued Ordinary Share Capital of the company can be granted as options, to purchase Ordinary Shares at certain future dates at the market price then prevailing. The options were granted to some 632 employees in 1998, to 761 employees in 1999 and 728 employees in 2000. The share option scheme forms a central part of Ryanair's policy commitment to reward employees for achieving the targets as set out in the scheme, and thus share in the prosperity of the group.

Safety

Safety in the airline remains an absolute priority. This is Ryanair's 16th year of safe operations. Ryanair has put in place extensive safety training programmes to ensure the recruitment of suitably qualified pilots and maintenance personnel. In addition, the company operates and maintains all of its aircraft in accordance with the highest European Aviation Industry Standards which are closely monitored by the Irish Aviation Authority.

At each Board Meeting a report prepared by the Air Safety Committee is presented and reviewed by the Board. The safety committee which comprises a main Board Director, the Head of Operations, Head of Flight Operations, and the Head of Engineering meets on a quarterly basis and reports directly to the Board of Directors. Furthermore, the Flight Safety Officer is responsible for monitoring and controlling all aircraft related safety issues. The group also has a Health and Safety Officer who is responsible for overseeing safety in all other areas. The group continues to operate extensive training and safety programmes to ensure the health and safety of all its passengers and employees.

Fuel, Currency and Interest Rate Risk Management

The main risks arising from the groups financial operations are, commodity price, foreign exchange and interest rate risks. It is the group policy that no trading in financial instruments shall take place. The steps taken by the group to manage these risks are set out below.

The group's fuel risk management policy is to hedge between 70% to 90% of the forecasted rolling annual gallons required to ensure that the future cost per gallon of fuel is locked in. This policy has been adopted to prevent the group being exposed in the short term, to adverse movements in world jet fuel prices.

Foreign Currency Risk in relation to the groups trading operations largely arises in relation to non-euro currencies primarily sterling and the dollar. The exposure is managed by the group by matching the groups sterling revenues against sterling costs. Any unmatched sterling revenues are primarily used to fund forward exchange contracts to hedge US$ currency exposures which arise in relation to fuel, maintenance, aviation insurance, and capital expenditure costs, including advance deposit payments to Boeing.

Furthermore, in accordance with the group's risk management strategy, the company has entered into a series of sterling/euro forward exchange contracts to hedge unmatched sterling revenues.

In order to manage the foreign currency and interest rate risk in relation to the financing of the 25 new Boeing 737-800 next generation aircraft the group has entered into a series of cross currency and interest rate swap agreements. The objective of these swap agreements is to hedge the group's exposure to movements in U.S. dollar and Euro currency exchange and interest rates in relation to the fixed rate dollar denominated debt.

Euro Implementation

The groups has successfully implemented its programme in relation to the introduction of the Euro. The group plans to changeover its primary financial system to the Euro in April 2001 to smooth the transition when the Euro replaces the Punt on January 1, 2002.

Year 2000

The company successfully completed its year 2000 programme and during the period the company's systems continued to operate normally.

Directors' Report

The directors present their report together with the audited consolidated financial statements of the group for the year ended 31 March 2000.

Review of Business Activities and Future Developments in the Business

The group operates an international airline business and plans to continue to develop this activity by replicating its successful low fares formula on new and existing routes. A review of the groups operations for the year is set out on pages 8 to 11.

Results for the year

Profit for the financial year amounted to €72.5m. Details of the results are set out in the consolidated Profit and Loss Account on page 25 and in the related notes.

Share Capital

The number of shares in issue at 31 March 2000 was 350,149,628. On March 16, 2000 the company issued 15,300,000 shares and recieved €117.5m net of expenses principally to fund future aircraft acquisations. On February 28, 2000 the company implemented a 2 for 1 share split. Earnings per share calculations have been restated to give effect to the share split.

Accounting Policies

The Accounting Policies followed in the preparation of these consolidated financial statements for the year ending March 31, 2000 are consistent with those followed in the previous annual report.

Substantial Interests in the Share Capital

The directors are aware that on July 10, 2000 that the following shareholders (excluding directors*) have an interest of more than 3% in the issued share capital.

Name	Shares held	% of Issued Share Capital
Guilder Gagnon	40,093,610	8.8%
Putnam	28,025,900	8.0%
Fidelity	24,361,600	7.0%
Wellington	23,809,337	6.8%
Shane Ryan	13,930,338	4.0%
Henderson	12,468,000	3.6%

*see note 22(d) in the financial statements.

Staff

At 31 March 2000, the Group employed 1,388 people. This compares to 1,203 staff at 31 March 1999. The increase in staff levels arose due to the continued growth of the group.

Air Safety

Commitment to air safety is a priority of the group. The company has designed and implemented a safety policy which operated throughout the year. The group operates continuous staff training programmes, has designated a senior pilot as full time Air Safety Officer and has an Air Safety Committee comprising of a director of the Board and senior management.

Health and Safety

The well being of the group's employees is safeguarded through the strict adherence to health and safety standards. The Safety, Health and Welfare at Work Act 1989 imposes certain requirements on employers and the group has taken the necessary action to ensure compliance with the Act. Ryanair has implemented safety statements and has a designated Health and Safety Officer.

Corporate Governance

Corporate Governance is concerned with how Companies are directed and controlled and in particular with the role of the Board of Directors and the need to ensure a framework of effective accountability.

Combined Code

In November 1998, the Irish Stock Exchange published the Principles of Good Governance and Code of Best Practice ("the Combined Code") which embraces the work of the Cadbury, Greenbury and Hampel Committees and which became effective in respect of accounting periods ending on or after 31 December 1998. This Statement together with the Directors Remuneration report, set out on page 18 and in note 22 to the financial statements explains how Ryanair has applied the principles set out in Section 1 of the Combined Code.

Directors' Report
(Continued)

Code Principles
Ryanair's board are committed to governing the Company in accordance with best practice, and support the principles of good governance contained in the Combined Code in relation to;

- Directors and the Board,
- Directors Remuneration,
- Relations with Shareholders, and
- Accountability and Audit.

Directors and the Board
The Board of Ryanair comprises 8 non-executive directors and 1 executive director. Each director has extensive business experience which they bring to bear in governing the company. The company has a chairman with an extensive background in this industry, and significant public company experience. Historically, the company has always separated the roles of chairman and chief executive. The Chairman is primarily responsible for the working of the Board, and the Chief Executive for the running of the business and implementation of the Board's strategy and policy.

The Board meets at least on a quarterly basis and full attendance is usual. In the year to 31 March 2000 the Board met on 4 occasions. Detailed Board papers are circulated in advance so that Board members have adequate time and adequate information to be able to participate fully at the meeting. The Board's focus is on strategy formulation, policy and control. The Board also has a schedule of matters reserved for its attention, including matters such as appointment of senior management, approval of the annual budget, capital expenditure in excess of €635,000, and key strategic decisions such as new routes etc. The holding of detailed regular Board meetings and the fact that many matters require Board approval, indicate that the running of the Company is firmly in the hands of the Board.

The Board regard the majority of directors as independent and that no one individual or one grouping exerts an undue influence on others. All directors have access to the advice and services of the Company Secretary and the Board has established a procedure whereby directors, wishing to obtain advice in the furtherance of their duties, may take independent professional advice at the Company's expense.

New non-executive directors will be encouraged to meet the executive director and senior management for briefing on the company's developments and plans. No non-executive directors were appointed in the current year although following the untimely death of Mr. Arthur Walls, another non-executive director may be appointed. Additional directors can only be appointed following selection by the Nomination Committee.

Ryanair's Articles of Incorporation have been ammended to ensure that all of the directors retire and become eligible after re-election within a three year period.

In accordance with the recommendations of the Combined Code a senior non executive director, James Osborne has been appointed as Chairman of both the Audit Committee and the Remuneration Committee.

Board Committees
The following committees have been established as sub-committees of the Board;

The Audit Committee
The Audit Committee meets regularly and has clear terms of reference in relation to its authority and duties. Further information is detailed below under "Accountability and Audit." Its members are Mr. James Osborne, Mr. Ray MacSharry, and Mr. Jeff Shaw.

The Executive Committee
The Executive Committee can exercise the powers exercisable by the full Board of Directors in specific circumstances delegated by the Board when action by the Board of Directors is required and it is impracticable to convene a meeting of the full Board of Directors. Its members are Mr David Bonderman, Mr Michael O'Leary, and Mr Declan Ryan.

The Remuneration Committee
The members of the Remuneration Committee are Mr James Osborne, Mr Ray MacSharry and

Directors' Report
(Continued)

Mr Jeff Shaw. The Remuneration Committee determines the remuneration of senior executives of Ryanair and administers the company's share option plans. The Committee makes recommendations to the Board on the Company's policy framework for executive director remuneration.

The Nomination Committee
The members of the Nomination Committee are Mr James Osborne, Mr Declan Ryan and Mr Jeff Shaw. The Committee carries out the process of selecting executive and non executive directors to the Board and makes proposals to the Board. However the appointment of directors will be a matter for the Board as a whole.

The Air Safety Committee
The Air Safety Committee comprises of a director and senior management, comprising of the head of operations, head of flight operations and head of engineering. The Air Safety Committee meets regularly to discuss relevant issues and reports to the Board on a quarterly basis.

Directors' Remuneration
The Chief Executive of the Company is the only executive director on the Board. In addition to his base salary he is eligible for annual bonuses as determined by the Board of directors which may not in any event exceed 50% of his base salary. It is considered that the shareholding of the Chief Executive acts to align his interests with those of shareholders and gives him a keen incentive to perform at the highest levels.

The Directors' Report on Remuneration is contained on page 18.

Relations with Shareholders
Ryanair communicates with institutional shareholders following the release of quarterly and annual results directly via roadshows and/or by conference calls. The Chief Executive, senior financial and commercial management participate in these events. During the year ended March 31, 2000 the Company held discussions with a substantial number of institutional investors. All private shareholders are given adequate notice of the AGM at which the Chairman presents a review of the results and comments on current business activity.
Ryanair will continue to propose a separate resolution at the AGM on each substantially separate issue, including a separate resolution relating to the Directors Report and Accounts. In order to comply with the Combined Code, proxy votes will be announced at the AGM, following each vote on a show of hands, except in the event of a poll being called. The Board Chairman and the Chairman of the Audit, Remuneration and Nomination Committees are available to answer questions from all shareholders.

Accountability and Audit
The Directors have set out their responsibility for the preparation of the financial statements on page 19. They also considered the Going Concern of the group and their observation is set out on page 15. The Board have established an Audit Committee whose principal tasks are to consider financial reporting and internal control issues. The Audit Committee, which consists exclusively of independent non executive directors, meet at least quarterly to review the financial statements of the Company, to consider internal control procedures and to liaise with internal and external auditors. In the year ended March 31 2000 the Audit Committee met on 5 occasions. On an annual basis the Audit Committee receive an extensive report from the Internal Auditor detailing the reviews performed in the year, and a risk assessment of the company. This report is used by the Committee and the Board, as a basis for determining the effectiveness of internal financial control. The Audit Committee regularly considers the performance of internal audit and how best financial reporting and internal financial control principles should be applied.

Internal Control
The Combined Code has introduced a new requirement that the directors review the effectiveness of the group's system of internal controls. This expands the existing requirement in respect of internal financial controls to cover all controls including

Directors' Report
(Continued)

- financial
- operational
- compliance and
- risk management

While the Board is ultimately responsible for the group's system of internal controls and for monitoring its effectiveness, the formal guidance on Internal Control, has only recently been published in final form and is known as the "Turnbull Guidance". The directors have established those procedures necessary to implement the Turnbull Guidance and it is expected that the Group will achieve full compliance with it in the year ending March 31, 2001. The Group will report on the matter of its full compliance in its Annual Report for the accounting period ending March 31, 2001.

However, the directors have continued to follow existing guidance and have reviewed the effectiveness of the group's internal financial control system during the financial year ended March 31, 2000 in relation to the criteria for assessing effectiveness described in Internal Control and Financial Reporting issued by the Working Group on Internal Control in December 1994.

Internal financial control

The directors acknowledge their responsibility for the system of internal financial control which is designed to provide reasonable, but not absolute, assurance regarding;

- the safeguarding of assets against unauthorised use or disposition; and
- the maintenance of proper accounting records and the reliability of financial information used within the business or for publication.

The key procedures that have been established to provide effective internal financial control include:

- a strong and independent board which meets 4 times a year and has separate Chief Executive and Chairman roles;
- a clearly defined organisational structure along functional lines and a clear division of responsibility and authority in the company;
- a very comprehensive system of internal financial reporting which includes preparation of detailed monthly management accounts, providing key performance indicators and financial results for each major function within the company;
- weekly management committee meetings, comprising of heads of departments, which review the performance and activities of each department in the company;
- detailed budgetary process which includes identifying risks and opportunities and which is ultimately approved at board level;
- Board approved capital expenditure and treasury policy which clearly defines authorisation limits and procedures;
- an internal audit function which reviews key financial / business processes and controls, and which has full and unrestricted access to the audit committee; and
- an Audit Committee which approves audit plans and considers significant control matters raised by management and the internal and external auditors

On behalf of the Board, the Audit Committee has reviewed the effectiveness of the company's system of internal financial control.

Going Concern

After making enquiries the Directors consider that the Company has adequate resources to continue operating for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the accounts.

Statement of Compliance

The Group has complied throughout the year with the Combined Code other than those new provisions relating to the directors' review of the effectiveness of the Group's system of internal control which is discussed more fully above and where transitional arrangements have been implemented."Internal Control: Guidance for Directors on the combined code which was published in September 1999 (The Turnbull Guidance)."

Directors' Report
(Continued)

The group has complied throughout the year with the Combined Code other than these new provisions relating to the "Turnbull Guidance" on Internal Control as outlined above and disclosures regarding directors' remuneration which have been drawn up on an aggregate basis, in accordance with the listing rules of the Irish Stock Exchange.

Subsidiary Companies
Notes on subsidiary undertakings are detailed on page 49 of the financial statements.

Directors and their interests
A list of the directors who held office in the period is set out on page 59. One third (rounded up to the next whole number if it is a fractional number) of the directors (being the directors who have been longest in office) will retire by rotation and be eligible for re-election at every Annual General Meeting. Until after the third Annual General Meeting following the adoption of the Articles (adopted 12 May 1997), the retirement or removal of any director will not affect the order in which directors on the board at the date of adoption of the Articles will retire by rotation, whether or not such director is replaced on the board of directors, so that none of David Bonderman, Richard Schifter or Jeff Shaw will be required to retire until, at the earliest, the third annual general meeting following the adoption of the Articles.The directors who held office at March 31, 2000 had no interests other than those outlined in note 22 in the shares of the company or group companies.

Dividend Policy
Due to the capital intensive nature of the business and the company's projected growth, the directors do not intend to recommend the payment of any dividend for the foreseeable future.

Political Contributions
During the financial year ended March 31, 2000 the company made contributions to the Fianna Fáil party amounting to €5,574 which require disclosure under the electoral Act, 1997.

Post balance sheet events
There were no significant post balance sheet events other than as disclosed in notes to the financial statements.

Format of financial statements
The financial statements have been prepared in accordance with the reporting and presentation requirements of the Companies (Amendment) Act, 1986. The directors consider that the format adopted in these financial statements is the most suitable for the group's purposes.

Auditors
In accordance with Section 160(2) of the Companies Act 1963, the auditors KPMG, Chartered Accountants, will continue in office.

Annual General Meeting
The Annual General Meeting will be held on September 22, 2000 at 11am in the Alexander Hotel, Fenian Street, Dublin 2.

On behalf of the Board

D. Bonderman
Chairman

M. O' Leary
Chief Executive

June 19, 2000

Directors

David Bonderman
Chairman

Has served as a Director of Ryanair Holdings since August 23, 1996 and Chairman of the Board since December 1996. He also serves as a director of Continental Airlines,Inc., Beringer Wine Estates Inc., Ducati Motorcycles S.p.A., Aerfi Group plc, and is a Principal of Texas Pacific Group.

Michael O'Leary
Chief Executive

Has served as Director of Ryanair Holdings since July 2, 1996 and as a Director of Ryanair Ltd. since November 25, 1988. Mr. O'Leary was appointed Chief Executive on January 1, 1994.

Raymond MacSharry
Director

Has served as a Director of Ryanair Holdings since August 23, 1996, and as Director of Ryanair Ltd. since February 11, 1993. From 1993 to 1995 he served as Chairman of Ryanair Limited. He also serves as a director of Jefferson Smurfit Group plc, Bank of Ireland, and as non-Executive Chairman of eircom plc, London City Airport Ltd., Green Property plc. and Coillte Teoranta. He previously served as the European Commissioner for Agriculture(1989-1993) and was the Minister for Finance of Ireland in 1982 and from 1987 to 1988.

James R. Osborne
Director

Has served as a Director of Ryanair Holdings since August 23, 1996, and as Director of Ryanair Ltd. since April 12, 1995. Mr. Osborne is a former managing partner of A & L Goodbody Solicitors. He also serves as a director of Golden Vale plc and Adare Printing Group plc.

Cathal M. Ryan
Director

Has served as a Director of Ryanair Holdings since August 23, 1996 and as a Director of Ryanair Ltd. since January 29, 1985. He was also employed by Ryanair as a pilot between 1991 and 1998.

Declan F .Ryan
Director

Has served as a Director of Ryanair Holdings since August 23, 1996 and as a Director of Ryanair Limited since January 29, 1985. He currently operates a private investment company, Irelandia Investments Ltd.

T. Anthony Ryan
Director

Has served as a Director of Ryanair Holdings since July 2, 1996 and as a Director of Ryanair Ltd. since April 2, 1995. Dr. Ryan served as Chairman of the Board of Ryanair Ltd. from 1996 and Ryanair Holdings from August to December 1996. Dr. Ryan served as chairman of GPA Group plc from 1983 to 1996.

Richard P. Schifter
Director

Has served as a Director of Ryanair Holdings since August 23, 1996 and is a director of America West Holdings Corp. and a Principal of Texas Pacific Group.

Jeffrey A.Shaw
Director

Has served as a Director of Ryanair Holdings since August 23, 1996 and is a director of Del Monte Foods and a Principal of Texas Pacific Group.

Report of the Remuneration & Compensation Commitee to the Board

Throughout the year, Ryanair Holdings plc had procedures in place which met with the best practice provisions as set out in Section A of the Irish Stock Exchange's Listing Rules requirements on Directors' remuneration. In forming remuneration policy full consideration has been given to Section B of these provisions which is annexed to the Listing Rules.

The Remuneration and Compensation Committee

The Remuneration and Compensation Committee comprises Mr James Osborne, Mr Ray MacSharry and Mr Jeff Shaw, all of whom are non executive directors. The Committee determines the remuneration of senior executives of Ryanair and administers the company's Stock Option Plan. The board determines the remuneration and bonuses of the Chief Executive who is the only executive director.

Remuneration Policy

The Group's policy on senior executive remuneration is to reward its executives competitively, having regard to the comparative marketplace in Ireland and the United Kingdom, in order to ensure that they are properly motivated to perform in the best interest of the shareholders.

Non-Executive Directors

Non-Executive Directors are remunerated by way of Directors' fees and where applicable consultancy fees, full details of both of which are disclosed in note 22(b) on page 40 of the financial statements.

Executive Director Remuneration

The elements of the remuneration package for the Executive Director are basic salary, performance bonus and pension. Full details of the executive director's remuneration is set out in note 22(a) on page 40 of the financial statements.

Executive Director's Service Contract

Ryanair entered into an employment agreement with the only executive director of the Board, Mr. Michael O'Leary on October 1, 1998 and which expires on June 30, 2001. Thereafter, the agreement may be terminated by either party with one month's notice. Mr. O'Leary's employment agreement does not contain provisions providing for compensation on its termination.

Share Options

A Senior Management Option Scheme (involving 7 members of senior management) was established in May 1997 and a Staff Share Option Plan was approved by the shareholders at the Annual General Meeting held on 29th of September, 1998. See note 12 for details on option schemes.

Statement of Directors' Responsibilities

The directors are responsible for preparing financial statements which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 1990 and all Regulations to be construed as one with those Acts. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

On behalf of the Board

D. Bonderman
Chairman

M. O' Leary
Chief Executive

June 19, 2000

Auditors Report to the Members of Ryanair Holdings plc

We have audited the financial statements on pages 21 to 58.

Respective responsibilities of directors and auditors in relation to the Annual Report

The directors are responsible for preparing the Annual Report including the financial statements as described on page 19. Our responsibilities, as independent auditors, are established in Ireland by statute, the Auditing Practices Board, the Listing Rules of the Irish Stock Exchange and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts. As also required by the Acts, we state whether we have obtained all the information and explanations we require for our audit, whether the financial statements agree with the books of account, and report to you our opinion as to whether

- the company has kept proper books of account;
- the directors' report is consistent with the financial statements;
- at the balance sheet date a financial situation existed that may require the company to hold an extraordinary general meeting, on the grounds that the net assets of the company, as shown in the financial statements, are less than half of its share capital.

We also report to you if, in our opinion, information specified by law or the Listing Rules regarding directors' remuneration and transactions with the company is not disclosed.

Auditors Report to the Members of Ryanair Holdings plc
(Continued)

We review whether the statement on pages 15 and 16 reflects the company's compliance with the paragraphs of the Code of Best Practice on corporate governance specified for our review by the Irish Stock Exchange, and we report if it does not. We are not required to form an opinion on the effectiveness of the company's corporate governance procedures or its internal controls.

We read the other information contained in the Annual Report and financial statements, including the corporate governance statement, and consider whether it is consistent with audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion, the financial statements give a true and fair view of the state of affairs of the company and of the group at 31 March 2000 and the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 1999 and all Regulations to be construed as one with those Acts.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The balance sheet of the company at 31 March 2000 is in agreement with the books of account. We have obtained all the information and explanat In our opinion, the information given in the directors' report on pages 12 to 16 is consistent with the financial statements.

The net assets of the company as stated on the balance sheet on page 28, are more than half of the amount of its called up share capital, and, in our opinion, on that basis, there did not exist at March 31, 2000 a financial situation which, under Section 40(1) of the Companies (Amendment) Act 1983, would require the convening of an extraordinary general meeting of the company.

KPMG

Chartered Accountants
Registered Auditors

June 19, 2000

Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements. These financial statements are prepared in accordance with generally accepted accounting principles (GAAP) in the UK and Ireland, under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland. Where possible, however, financial information has been presented in accordance with the presentation and terminology of United States (US) GAAP except where such presentation is not consistent with Irish GAAP. A summary of the differences between Irish GAAP and US GAAP as applicable to the group is set out in Note 32.

Basis of preparation

The preparation of the financial statements in conformity with generally accepted accounting principles in the UK and Ireland and the United States requires the use of management estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ from these estimates.

The consolidated financial statements are prepared in Euros.

Basis of consolidation

The group's consolidated financial statements comprise the financial statements of Ryanair Holdings plc and its subsidiary undertakings for the years ended 31 March 1999 and 31 March 2000.

The results of subsidiary undertakings acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal. Upon the acquisition of a business fair values are attributed to the separable net assets acquired. Goodwill arising on acquisitions prior to 31 March 1998, representing the excess of the fair value of the consideration given over the fair value of the net tangible assets and identifiable intangible assets when they were acquired, was written off against retained earnings on acquisition.

Any excess of the aggregate of the fair value of the separable net assets acquired over the fair value of the consideration given (negative goodwill) was credited directly to reserves.

Following the adoption of Financial Reporting Standard (FRS) 10, goodwill arising on acquisitions post 31 March 1998 is capitalised and amortised to the profit and loss account over its estimated useful economic life. The transitional arrangements of FRS 10 do not require the provisions of the new standard to be adopted retroactively.

In the company's financial statements, investments in subsidiary undertakings are stated at cost less any amounts written off.

A separate profit and loss account for the company is not presented, as provided by Section 3(2) of the Companies (Amendment) Act 1986. The retained profit for the year attributable to the company was €Nil (1999:€Nil).

Operating revenues

Operating revenues comprise the invoiced value of airline and other services, net of passenger taxes. Revenue from the sale of flight seats is recognised in the period in which the service is provided. Unearned revenue represents flight seats sold but not yet flown and is included in accrued expenses and other liabilities.

Statement of Accounting Policies
(Continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost, less estimated residual value, of assets, other than land, on a straight line basis over their expected useful lives at the following annual rates:

Plant and equipment	20% - 33.3%
Fixtures and fittings	20%
Motor vehicles	33.3%
Buildings	5%

Aircraft are depreciated over the estimated useful lives to estimated residual values.

The current estimates of useful lives and residual values are:

Aircraft Type	Useful Life	Residual Value
Boeing 737-200's	20 years from date of manufacture	US$1 million
Boeing 737-800's	23 years from date of manufacture	15% of original cost

An element of the cost of an acquired aircraft is attributed on acquisition to its service potential reflecting the maintenance condition of its engines and airframe. This cost is amortised over the shorter of the period to the next check or the remaining life of the aircraft.

The costs of subsequent major airframe and engine maintenance checks are capitalised and amortised over the shorter of the period to the next check or the remaining life of the aircraft.

Advance payments and option payments made in respect of aircraft purchase commitments and options to acquire aircraft are recorded at cost and separately disclosed. On acquisition of the related aircraft these payments are included as part of the cost of aircraft and are depreciated from that date.

Financial fixed assets

Financial fixed assets are shown at cost less provisions for permanent diminutions in value.

Inventories

Inventories, principally representing rotable aircraft spares, are stated at the lower of cost and net realisable value. Cost is based on invoiced price on an average basis for all stock categories. Net realisable value is calculated as estimated selling price net of estimated selling costs.

Foreign currency

Transactions arising in foreign currencies are translated into Irish pounds at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are generally stated at the rates of exchange prevailing at the year end and all exchange gains or losses are accounted for through the profit and loss account. Foreign currency liabilities that are hedged using forward foreign exchange contracts are translated at the rate specified in the contract.

Derivative financial instruments

Gains and losses on derivative financial instruments are recognised in the profit and loss account when realised as an offset to the related income or expense, as the group does not enter into any such transactions for speculative purposes.

Statement of Accounting Policies

(Continued)

Taxation

The charge for taxation is based on the profit for the period. Deferred taxation is accounted for in respect of timing differences between profit as computed for taxation purposes and profit as stated in the financial statements to the extent that such differences are expected to reverse in the foreseeable future.

Net deferred tax assets are not recognised except to the extent that they are expected to be recoverable without replacement by equivalent asset balances.

Leases

Assets held under finance leases are capitalised in the balance sheet and are depreciated over their estimated useful lives. The present values of the future lease payments are recorded as obligations under finance leases and the interest element of the lease obligation is charged to the profit and loss account over the period of the lease in proportion to the balances outstanding.

Expenditure arising under operating leases is charged to the profit and loss account as incurred.

Aircraft maintenance costs

The cost of providing major airframe and engine maintenance checks is described in the accounting policy for tangible fixed assets and depreciation.

All other maintenance costs are expensed as incurred.

Pension costs

The cost of providing pensions to employees is charged to the profit and loss account on a systematic basis over the service lives of those employees. Pension costs are determined by an actuary by reference to a funding plan and funding assumptions. The regular pension cost is expressed as a substantially level proportion of current and expected future pensionable payroll. Variations from regular cost are spread over the remaining service lives of the current employees.

To the extent that the pension cost is different from the cash contribution to the pension scheme, a provision or prepayment is recognised in the balance sheet.

Statement of cash flows

Cash represents cash held at bank available on demand, offset by bank overdrafts.

Liquid resources comprise bank fixed deposits with maturities of greater than one day. These deposits are readily convertible into known amounts of cash.

Government grants

Capital government grants received are shown as deferred income and credited to the profit and loss account on a basis consistent with the depreciation policy of the relevant assets.

Revenue grants are credited to the profit and loss account as received.

Consolidated Balance Sheet
at 31 March 2000

	Note	2000 €000	1999 €000
Fixed assets			
Tangible assets	1	315,032	203,493
Financial assets	2	36	53
		315,068	203,546
Current assets			
Cash and liquid resources		355,248	158,595
Accounts receivable	3	21,974	18,475
Other assets	4	6,478	6,306
Inventories	5	13,933	12,917
Total current assets		397,633	196,293
Total assets		712,701	399,839
Current liabilities			
Accounts payable	6	22,861	30,764
Accrued expenses and other liabilities	7	107,445	77,972
Current maturities of long term debt	8	9,567	1,765
Short term borrowings	9	3,780	3,893
Total current liabilities		143,653	114,394
Other liabilities			
Provisions for liabilities and charges	11	15,279	11,277
Long term debt	8	112,412	23,204
		127,691	34,481
Shareholders' funds - equity			
Called-up share capital	12	8,892	8,503
Share premium account	12	248,093	130,607
Profit and loss account		184,372	111,854
Shareholders' funds - equity		441,357	250,964
Total liabilities and shareholders' funds		712,701	399,839

On behalf of the Board

M. O' Leary
Director

D. Bonderman
Director

Consolidated Profit & Loss Account
at 31 March 2000

	Note	2000 €000	1999 €000
Operating revenues			
Scheduled revenues		330,571	258,873
Ancillary revenues		39,566	36,886
Total operating revenues			
- continuing operations	19	370,137	295,759
Operating expenses			
Staff costs	20	(48,533)	(39,834)
Depreciation & Amortisation		(44,052)	(36,209)
Other operating expenses	21	(193,497)	(151,855)
Total operating expenses		(286,082)	(227,898)
Operating profit			
- continuing operations		84,055	67,861
Other income/(expenses)			
Interest receivable and similar income		7,498	6,610
Interest payable and similar charges	23	(3,781)	(237)
Foreign exchange gains		1,358	389
Gains on disposal of fixed assets		964	1,187
Total other income/(expenses)		6,039	7,949
Profit on ordinary activities before tax	22	90,094	75,810
Tax on profit on ordinary activities	24	(17,576)	(18,339)
Profit for the financial year		72,518	57,471
Profit and loss account at beginning of year		111,854	54,383
Profit and loss account at end of year		184,372	111,854
Earnings per ordinary share (€ Cents)*			
- Basic	26	21.62	17.44
- Diluted	26	21.48	17.38
Number of ordinary shares(in 000's)*			
- Basic	26	335,478	329,520
- Diluted	26	337,681	330,644

* The company implemented a 2:1 share split on February 28th, 2000. The number of ordinary shares and earnings per share figures have been restated to give effect to the share split.

The company had no recognised gains and losses in the financial year or preceding financial year other than those dealt within the profit and loss account and accordingly, no statement of recognised gains and losses is presented.

On behalf of the Board

M. O' Leary
Director

D. Bonderman
Director

Consolidated Cash Flow Statement

at 31 March 2000

	Note	2000 €000	1999 €000
Net cash inflow from operating activities	28(a)	149,575	124,411
Returns on investments and servicing of finance			
Interest received		5,266	6,270
Interest paid		(3,229)	(189)
Interest paid on finance leases		(84)	(38)
Net cash inflow from returns on investments and servicing of finance		1,953	6,043
Taxation			
Corporation tax paid		(15,545)	(11,125)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(155,099)	(108,452)
Sales of tangible fixed assets		1,020	1,329
Net cash (outflow) from capital expenditure		(154,079)	(107,123)
Net cash (outflow) / inflow before financing and use of liquid resources		(18,096)	12,206
Financing and use of liquid resources			
Increase in loans		97,470	20,237
Issue of share capital		122,470	63,487
Share issue costs		(4,595)	(3,466)
Capital element of finance leases		(483)	(442)
Financing		214,862	79,816
(Increase) in liquid resources	28(c)	(196,110)	(79,382)
Net cash inflow from financing and use of liquid resources		18,752	434
Increase in cash	28(d)	656	12,640

Consolidated Statement of Changes in Shareholders' Funds-equity

at 31 March 2000

	Called-up share capital €000	Share premium account €000	Profit and loss account €000	Total €000
Balance at 1 April 1999	8,503	130,607	111,854	250,964
Issue of ordinary equity shares (net of issue costs) (note 12)	389	117,486	-	117,875
Profit for the financial year	-	-	72,518	72,518
Balance at 31 March 2000	8,892	248,093	184,372	441,357

Company Balance Sheet
at 31 March 2000

	Note	2000 €000	1999 €000
Fixed assets			
Financial assets	2	71,994	71,994
Current assets			
Cash and liquid resources		-	50
Other assets	4	220,858	102,894
Total current assets		220,858	102,944
Total assets		292,852	174,938
Current liabilities			
Accrued expenses and other liabilities		63	24
Other liabilities			
Amounts due to group companies	10	35,172	35,172
Shareholders' funds - equity			
Called-up share capital	12	8,892	8,503
Share premium account	12	248,093	130,607
Profit and loss account		632	632
Shareholders' funds - equity		257,617	139,742
Total liabilities and shareholders' funds		292,852	174,938

On behalf of the Board

M.O'Leary
Director

D. Bonderman
Director

Notes
forming part of the consolidated financial statements

1 Tangible fixed assets

GROUP	Aircraft €000	Land & Buildings €000	Plant & Equipment €000	Fixtures & Fittings €000	Motor Vehicles €000	Total €000
Cost						
At beginning of year	260,323	5,154	1,530	5,535	772	273,314
Additions in year	153,528	-	502	974	117	155,121
Disposals in year	-	-	(2)	(1)	(113)	(116)
At end of year	413,851	5,154	2,030	6,508	776	428,319
Depreciation						
At beginning of year	66,459	902	660	1,570	230	69,821
Charge for year	41,463	334	309	1,152	286	43,544
Disposals in year	-	-	(2)	(1)	(75)	(78)
At end of year	107,922	1,236	967	2,721	441	113,287
Net book value						
At 31 March 2000	305,929	3,918	1,063	3,787	335	315,032
At 31 March 1999	193,864	4,252	870	3,965	542	203,493

Lenders hold a first legal charge over premises at Conyngham Road with a net book value of €2,189,489 at 31 March 2000 (1999: €2,332,509).

At 31 March 2000, aircraft with a net book value of €126,483,592 (1999: €27,951,443) were mortgaged to lenders as security for loans. Under the security arrangements for the company's new 737-800 "next generation" aircraft, the group does not hold legal title to those aircraft while loan amounts remain outstanding.

At 31 March 2000, the net book value of fixed assets held under finance leases was €585,748 (1999: €1,048,504). Depreciation on these assets for the year ended 31 March 2000 amounted to €485,756 (1999: €411,424).

At 31 March 2000, the cost and net book value of aircraft includes €87,463,400 (1999:€64,317,312) in respect of advance payments on aircraft. This amount is not depreciated.

Notes
Continued

2 Financial fixed assets

	GROUP		COMPANY	
	2000 €000	1999 €000	2000 €000	1999 €000
Investment in subsidiary undertakings	-	-	71,994	71,994
Listed investments (all of which are listed on the New York Stock Exchange)	36	53	-	-

The market value of the listed investments included above was €2,024,000 at 31 March 2000(1999:€2,355,000). Equity shares listed on a recognised stock exchange are held as financial fixed assets. In the year ended 31 March 2000, the group disposed of equity shares with a book value of €17,000 (1999: €32,000). The profit on this disposal of €962,000 is included in gains on disposal of fixed assets.

3 Accounts receivable

GROUP	2000 €000	1999 €000
Trade receivables	22,406	18,903
Provision for doubtful debts	(432)	(428)
	21,974	18,475

All amounts fall due within one year.

4 Other assets

	GROUP		COMPANY	
	2000 €000	1999 €000	2000 €000	1999 €000
Prepayments	5,155	4,515	-	-
Value Added Tax recoverable	1,322	676	-	-
Other receivables	1	1,115		
Due from Ryanair Limited	-	-	220,858	102,894
	6,478	6,306	220,858	102,894

Notes
Continued

5 Inventories

	2000 €000	1999 €000
Aircraft spares	13,322	12,465
Duty free and other inventories	611	452
	13,933	12,917

There are no material differences between the replacement cost of inventories and the balance sheet amounts.The above figures are net of €507,895 re the amortisation of the fair value adjustment to stock on Aug. 24th 1996.

6 Accounts payable

Accounts payable represents trade creditors payable within one year.

7 Accrued expenses and other liabilities

GROUP	2000 €000	1999 €000
Current		
Accruals	20,789	13,943
Taxation	40,243	33,558
Unearned revenue	46,413	30,471
	107,445	77,972

Taxation above comprises		
PAYE (payroll taxes)	2,326	1,722
Corporation tax	18,581	20,553
Other tax (including foreign travel duty)	19,336	11,283
	40,243	33,558

Notes
Continued

8 Maturity analysis of long term debt

GROUP	2000 €000	1999 €000
Due within one year:		
Secured debt	9,247	1,319
Obligations under finance leases	320	446
	9,567	1,765
Due between one and two years:		
Secured debt	9,556	1,728
Obligations under finance leases	51	306
Due between two and five years:		
Secured debt	31,250	4962
Obligations under finance leases	23	102
Due after five years:		
Secured debt	71,532	16,106
	112,412	23,204
Total	121,979	24,969

Notes on long term debt other than finance leases.

(i) June 1996 property facility
At 31 March 2000, Ryanair Limited had borrowings of €476,000 (1999: €794,000) arranged through a term loan with Allied Irish Banks plc to finance the purchase of property. The term loan is secured with a first legal charge over the property at Conyngham Road, Dublin 8. The loan was originally drawn down in June 1996. The loan bears interest at 7.61% per annum and is repayable in quarterly instalments over five years.

(ii) ABN Amro N.V. 2000 aircraft facility
At 31 March 2000, the Group had US dollar borrowings equivalent to €121,108,551 (1999:€23,323,298) in respect of a partial drawdown of a loan facility provided by ABN Amro Bank N.V. on the basis of a guarantee provided by the Export -Import Bank of United States to finance the acquisition of five 737-800 “next generation” aircraft delivered between March and September 1999. The guarantee was secured with a first fixed mortgage on the delivered aircraft.

Details of interest rate and debt swap arrangements are described in note 16.

Notes
Continued

(iii) Maturity of long term debt other than finance leases

The following table sets out the maturities of the loans described above, analysed by year of repayment:		31 March 2000 €000
Years ending 31 March	2001	9,247
	2002	9,556
	2003	31,250
	2004 - 2011	71,532
		121,585

9 Short term borrowings

GROUP	2000 €000	1999 €000
Bank overdrafts (represented by unpresented cheques)	3,780	3,893

10 Amounts due to group companies

COMPANY	2000 €000	1999 €000
Due to Ryanair Limited	35,172	35,172

At 31 March 2000, Ryanair Holdings plc had borrowings of €35,171,745 (1999:€35,171,745) from Ryanair Limited. The loan is interest free.

11 Provisions for liabilities and charges

GROUP	2000 €000	1999 €000
Deferred taxation: (see Note 24)		
At beginning of year	11,277	13,280
Charge / (Credit) for year	4,002	(2,003)
At end of year	15,279	11,277

Notes
Continued

12 Share capital and share premium account

GROUP AND COMPANY	2000 €000	1999 €000
Authorised		
420,000,000 ordinary equity shares of €2.54 cents each	10,666	10,666
Allotted, called up and fully paid		
350,149,628 ordinary equity shares of €2.54 cents each at 31 March 2000		
and 334,849,628 ordinary shares of €2.54 cents each at 31 March 1999	8,892	8,503

As part of the group's 1998 public offering, 9,090,909 (18,181,818 following the share split) ordinary shares of IR4 pence (now €2.54 cents) each were issued for cash on July 10 1998 at €6.98 (post the share split equivalant to €3.49 per share). The proceeds of the issue before costs amounted to €63,486,903 and are being used by the company to partially finance its aircraft fleet purchase programme.On February 28, 2000 the company implemented a sub-division of the companys ordinary shares of IR4p into ordinary shares of IR2p/€2.54 cents (the "stock split"). Both the share capital and earnings per share have been restated to give effect to the share split. In March 2000, €122,469,633 was raised, before the deduction of issue costs, from the issue of an additional 15,300,000 shares.

SHARE PREMIUM ACCOUNT	2000 €000	1999 €000
At begining of year	130,607	71,048
Share premium arising on issue of 18,181,818 ordinary shares of 2.54 cents each	-	63,025
Share premium arising on issue of 15,300,000 ordinary shares of 2.54 cents each	122,081	-
Cost of share issue	(4,595)	(3,466)
At end of year	248,093	130,607

Share options and share purchase arrangements

On 21 May 1997 the company granted to seven senior managers options over ordinary shares with an equivalent value of IR£200,000 (€253,948) each at the Initial Public Offering (the "IPO") strike price of IR£1.95 (€2.48) less a discount of 10% resulting in the issue of 717,948 options. None of the individuals were permitted to exercise the options until after May 2000. However, the options must be exercised within seven years of the date of their grant.

In addition, the company adopted a stock option plan (the "stock option plan") following shareholders approval in 1998. Under the stock option plan, current or future employees or executive directors of the company may be granted options to purchase an aggregate of up to approximately 5% (when aggregated with other ordinary shares over which options are granted which have not been exercised) of the outstanding ordinary shares of the company at an exercise price equal to the market price of the ordinary shares at the time options are granted. The options can be granted each year between 1998 and 2002 if the company has achieved certain earnings performance criteria. The terms of the stock option plan, and the number of ordinary shares subject to options granted under the stock option plan, may be changed from time to time. At 31 March 2000, 5,027,000 options (after taking account of the share split) had been issued under this plan which will become exercisable after June 2003.

The mid market price of Ryanair Holdings plc ordinary shares on the Irish Stock Exchange at 31 March 2000 was €9.10

Notes
Continued

13 Loans and Finance Leases

(a) Total loans, and finance leases

LOANS		2000 €000	1999 €000
Bank	Euro	476	794
	Dollar - US$ 141,395	121,109	-
	Dollar - US$ 27,227	-	23,321
		121,585	24,115
Finance Leases		394	854
		121,979	24,969
Comprising:			
Bank Loans			
Repayable wholly within five years		50,053	8,009
Repayable in whole or part after five years		71,532	16,106
		121,585	24,115
Finance Leases			
Repayable wholly within five years		394	854
		121,979	24,969

Bank loans are repayable up to the year 2011.

(b) Analysis of type of borrowing

	Weighted Average Years for which Rate is fixed	Weighted Average Interest Rate	Total €000
Euro	1.5	7.6%	476
Dollar	12	5.0%	121,109
			121,585

All borrowings are fixed rate borrowing

(c) Incidence of repayments

	Bank Loans €000	Finance Leases €000	Total 2000 €000	Total 1999 €000
Instalments falling due:				
Within one year	9,247	320	9,567	1,765
Between one and two years	9,556	51	9,607	2,034
Between two and five years	31,250	23	31,273	5,064
In five years or more	71,532	-	71,532	16,106
	121,585	394	121,979	24,969

Notes
Continued

14 Analysis of changes in borrowings during the year

	Bank Loans €000	Finance Leases €000	Total 2000 €000	Total 1999 €000
Opening balance April 1	24,115	854	24,969	4,951
Loans raised to finance aircraft purchases	101,851	-	101,851	23,323
Finance lease for equipment	-	23	23	223
Repayments of amounts borrowed	(4,381)	(483)	(4,864)	(3,528)
Closing balance March 31	121,585	394	121,979	24,969

15 Forward Transactions

	In Currency		Euro Equivalent	
Maturing within one year	2000 000	1999 000	2000 €000	1999 €000
- to cover future aircraft deposits in US Dollars	38,619	50,660	38,822	44,782
- to hedge future sterling revenues against the Euro	70,000	33,000	109,267	48,002
- to hedge future operating payments in US Dollar	9,416	8,325	9,465	7,359
- to hedge future fuel costs in US Dollars	33,702	28,745	33,879	25,410

All forward transactions mature within one year.

16 Interest and Currency Exchange rate arrangements

To reduce interest and currency exchange rate risk on the company's fixed rate US dollar denominated debt the company has entered into Dollar to Euro Cross Currency Interest Rate Swap arrangements. To hedge the interest rate risk on its future aircraft deliveries the company has entered into a series of Forward Starting Interest Rate Swap Agreements.

Interest Rate Swaps	Principal Balance $000	Euro Equivalent €000	Termination Dates	Fixed Interest Rate Payable
Euro at March 31 2000		491,649	2000-2003	4.44% to 5.03%
Euro at March 31 1999		491,649	2000-2003	4.44% to 5.03%
US Dollar at March 31 1999	134,000	114,775	1999	5.46% to 5.50%

Cross Currency Interest Rate Swaps	Principal Balance $000	Euro Equivalent €000	Termination Dates	Fixed Interest Rate Payable
Euro/US Dollar at March 31 2000	127,646	124,414	2011	4.89% to 5.54%
Euro/US Dollar at March 31 1999	134,000	114,775	1999	4.05% to 4.07%

Notes
Continued

17 Fair values of financial instruments

(a) Primary financial instruments held to finance the group's operations

	Carrying Amount 2000 €000	Fair Value 2000 €000	Carrying Amount 1999 €000	Fair Value 1999 €000
Cash on hand	17,319	17,319	16,663	16,663
Liquid Resources	334,149	334,149	138,039	138,039
Bank Borrowings	121,585	122,235	24,115	24,115
Finance Leases	394	394	854	854

The fair value of all other assets and liabilities is deemed to be equal to their carrying value unless stated otherwise in the relevant note to the accounts.

(b) Derivative financial instruments held to manage fuel, interest and currency exchange rate risk of the group

	Fair Value 2000 €000	Fair Value 1999 €000
Cross Currency Interest Rate Swaps	7,700	4,150
Forward Starting Interest Rate Swaps	27,430	4,353
Forward Currency Transactions	(4,652)	2,293
Fuel Derivatives	27,509	(3,378)

Included within forward currency transactions are derivative financial instruments held to hedge the currency exposure on expected future sales.

The following methods and assumptions were used by the group in estimating its fair value disclosures for financial instruments:

Re: Bank Loans and Finance Leases carrying fixed rates of interest
- the repayments which the group is committed to make have been discounted at the relevant interest rates applicable at March 31, 2000

Re: Off Balance Sheet Cross Currency Interest Rate Swaps and Interest Rate Swaps
- discounted cash flow analysis has been used to determine the estimated amount the group would receive or pay to terminate the agreements. Discounted cash flow analyses are based on estimated future interest rates. These have also been used to calculate the hedging disclosures.

Re: Off Balance Sheet Forward Currency Transactions
- difference between marked-to-market value and forward rate

Re: Off Balance Sheet Fuel Derivatives
- difference between market value and future commitment value

(c) Hedges

At March 31, 2000 there were unrecognised gains of €66.1 million and unrecognised losses of €8.1 million. The instruments used to hedge future exposures are cross currency interest rate swaps, interest rate swaps, forward currency contracts and fuel derivatives.

At March 31, 1999 there were unrecognised gains of €17.6 million and unrecognised losses of €10.2 million relating to hedges of future exposures.

Notes
Continued

18 Concentrations of credit risk

The group's revenues derive principally from airline travel on scheduled and chartered services, car hire, inflight and related sales. Revenue is wholly derived from European routes. No individual customer accounts for a significant portion of total revenue.

19 Analysis of operating revenues

All revenues derive from the group's principal activity as an airline and include scheduled and chartered services, car hire, inflight and related sales.

Revenue is analysed by geographical area (by country of origin) as follows:	2000 €000	1999 €000
Ireland	82,780	71,109
United Kingdom	217,991	163,198
Other European countries	69,366	61,452
	370,137	295,759

Ancillary revenues included in total revenue above comprise:	2000 €000	1999 €000
Car hire	7,885	4,604
Inflight	13,624	20,208
Non flight scheduled	8,779	5,633
Charter	9,278	6,441
	39,566	36,886

All of the group's operating profit arises from airline related activities. The major revenue earning assets of the group are comprised of its aircraft fleet, all of which are registered in Ireland and therefore all profits accrue in Ireland. Since the group's aircraft fleet is employed flexibly across its route network, there is no suitable basis of allocating such assets and related liabilities to geographical segments.

Notes
Continued

20 Staff numbers and costs

The average weekly number of employees, including the executive director, during the year, analysed by category, was as follows:	2000	1999
Flight and cabin crew	528	424
Sales, Operations and Administration	734	670
	1,262	1,094

The aggregate payroll costs of these persons were as follows:	2000 €000	1999 €000
Wages, salaries and related costs	44,124	36,353
Social welfare costs	3,683	2,904
Other pension costs	726	577
	48,533	39,834

21 Other operating expenses

	2000 €000	1999 €000
Fuel and oil	41,676	36,554
Maintenance, materials and repairs	16,886	11,961
Marketing and distribution costs	32,123	24,602
Aircraft rentals	2,097	2,909
Route charges	26,301	20,806
Airport & Handling charges	43,095	29,036
Other costs	31,319	25,987
	193,497	151,855

Ancillary costs
Other costs include certain direct costs of providing inflight service, car hire costs and other non flight scheduled costs. These costs which are collectively described as non-charter ancillary costs amounted to €19,106,000 (1999: €16,345,000).

Fuel and oil
Fuel and oil costs include fuel costs for scheduled services of €40,746,074 (1999: €35,697,000).

Notes
Continued

22 Statutory and other information

	2000 €000	1999 €000
Fees	96	96
Other emoluments, including consultancy fees, bonus and pension contributions	650	603
Depreciation of tangible fixed assets	43,544	36,209
Auditors' remuneration (including expenses)	114	114
Operating lease charges - aircraft (note 27)	2,097	2,909
Government grants credited to profit and loss account (note 27(e))	841	-

DIRECTORS EMOLUMENTS

(a) Fees and emoluments - Executive Directors

	2000 €000	1999 €000
Basic salary	378	315
Performance related bonus	170	136
Pension contributions	27	13
	575	464

During the year ended 31 March 2000 Michael O'Leary was the only executive director.

(b) Fees and emoluments - Non Executive Directors

	2000				1999			
	Salary €000	Directors Fees €000	Consulting Fees €000	Total €000	Salary €000	Directors Fees €000	Consulting Fees €000	Total €000
Cathal Ryan	0	0	0	0	46	0	0	46
Arthur Walls	0	32	0	32	0	32	0	32
Ray MacSharry	0	32	63	95	0	32	63	95
James Osborne	0	32	12	44	0	32	30	62
	0	96	75	171	46	96	93	235

During the year ended 31 March 2000 there were nine non-executive directors. Non executive directors not referred to above received no fees or emoluments during the year.

Notes
Continued

(c) Pension benefits

Pension benefits are not provided for non-executive directors. At 31 March 2000 the accumulated accrued benefit of the executive directors' pension amounted to €107,491 (1999:€74,327). The transfer value of this pension, which is not a sum paid or due to the director concerned but the amount that the pension scheme would transfer to another pension scheme in the event of the member leaving service, was €107,491 (1999 €74,327). The increase in accrued benefit during the year was €29,764 (1999:€21,655). These pension benefits have been computed in accordance with Section 12.43(x) of the Listing Rules of the Irish Stock Exchange. The pension contribution shown in note 22(a) above represents payments made by the group to a defined benefit plan.

(d) Shares and share options

(i) Shares

The company listed on the Irish Stock Exchange on 29 May 1997.
The beneficial interests of the directors and of their spouses and minor children are as follows:

	31 March 2000 Number of shares	31 March 1999 Number of shares
David Bonderman*	4,838,720	21,073,270
Raymond MacSharry	3,640	3,640
Michael O'Leary	30,000,000	41,164,276
James R. Osborne	352,564	852,564
Cathal M. Ryan	13,930,336	24,473,198
Declan F. Ryan	13,930,336	24,473,198
T. Anthony Ryan	8,436,434	18,979,292
Richard P. Schifter*	4,838,720	21,073,220
Jeffrey A. Shaw*	4,838,720	21,073,220
Arthur J. Walls	15,896	15,896

*Messrs. Bonderman, Schifter and Shaw are interested in the ordinary shares opposite their names through their interest in Irish Air GenPar, L.P., the holder of those shares.
All figures have been adjusted for 2:1 share split on February 28th, 2000.

(ii) Share options

None of the directors hold any share options in the company as at 31 March 2000 or any earlier date.

Notes
Continued

23 Interest payable and similar charges

	2000 €000	1999 €000
Interest payable on bank loans, overdrafts and other loans wholly repayable within five years	97	167
Interest payable on bank loans repayable after five years	3,601	32
Finance lease and hire purchase charges	83	38
	3,781	237

24 Taxation

The components of the corporation tax expense were as follows:	2000 €000	1999 €000
Irish corporation tax	13,574	20,342
Deferred tax charge/(credit) (see Note 11)	4,002	(2,003)
	17,576	18,339

The following table reconciles the statutory rate of Irish corporation tax to the group's effective tax rate:	2000 %	1999 %
Statutory rate of Irish corporation tax	27	31
Benefit of effective 10% corporation tax rate applicable to profits on activities in Ryanair.com Limited (see note below)	(5)	(7)
Benefit of reducing taxation rate on deferred tax provision	(2)	
Effective rate of taxation	20	24

At 31 March 2000, the group had no unused net operating loss carry forwards.

Ryanair.com Limited is engaged in international data processing and reservation services and, as detailed in Note 27(e), has received employment grants from Forbairt, an Irish Government Agency, in relation to the establishment and maintenance of such services. In these circumstances, Ryanair.com Limited is entitled to claim an effective 10% corporation tax rate on profits derived from qualifying activities. The relevant legislation provides for the continuation of the 10% effective corporation tax rate until 2010. Ryanair.com Limited(previously Ryanair Direct Limited) was incorporated in October 1996 and completed its first full year of trading in the year ended 31 March 1998.

Notes
Continued

24 Taxation (continued)

The principal components of deferred tax liabilities were as follows:	2000 €000	1999 €000
Aircraft including maintenance provisions, property, fixtures and fittings	15,025	11,023
Other reversing timing differences principally in relation to unearned revenue and foreign exchange adjustments	254	254
	15,279	11,277

At 31 March 2000, the group had fully provided for deferred tax liabilities at 24% which is the current standard corporation tax rate in Ireland. As explained above, profits from certain qualifying activities are levied at an effective 10% rate in Ireland until 2010.

25 Pensions

Pensions for certain employees are funded through a defined benefit pension scheme, the assets of which are vested in independent trustees for the benefit of the employees and their dependants. The contributions are based on the advice of an independent professionally qualified actuary obtained at three yearly intervals. The latest actuarial valuation of the scheme was at 31 December 1997 and used the attained age method.

The principal actuarial assumptions used were as follows:	
Rate of long term investment returns will exceed the rate of pensionable increases by	2%
Rate of long term investment returns will exceed the rate of post retirement pension increases by	7%

The actuarial report showed that at the valuation date the market value of the scheme's assets was €5.78 million which was sufficient to cover more than 100% of the accrued liabilities, based on current earnings. This was calculated after allowing for expected future increases in earnings and the actuarial value of total scheme assets was sufficient to cover all of the benefits that had accrued to the members of the scheme. The pension charge for the group, for the year to 31 March 2000 was €726,000 (1999: €577,000). While the actuarial report is not available for public inspection, the results are advised to members of the scheme. For the purposes of disclosure requirements under US GAAP, the pension cost of the group's retirement plan has been restated in the following tables, which are presented in accordance with the requirements of SFAS No. 87.

Notes
Continued

25 Pensions (continued)

For the purposes of disclosure requirements under U.S. GAAP, the pension cost of the group's retirement plan has been restated in the following tables, which are presented in accordance with the requirements of SFAS No.87.

Change in Benefit Obligations	2000 €000	1999 €000
Projected benefit obligation at beginning of year	6,351	5,185
Service cost	616	561
Interest cost	383	357
Employee contributions	451	457
Actual (gain)	(587)	(48)
Benefits paid	(421)	(161)
Projected benefit obligation at end of year	6,177	6,351
Change in plan assets		
Fair value of Scheme assets at beginning of year	7,641	5,783
Actual return on assets	1,487	749
Employer contributions paid	532	813
Employee contributions paid	451	457
Benefits paid	(421)	(161)
Fair value of Scheme assets at end of year	9,690	7,641

The funded status of the group's retirement plan under SFAS No. 87 is as follows:	2000 €000	1999 €000
Actuarial present value of vested benefit obligations	4,316	4,185
Accumulated benefit obligations	4,316	4,185
Projected benefit obligations	(6,177)	(6,351)
Plan assets at fair value	9,690	7,641
Plan assets in excess of benefit obligations	3,513	1,290
Unrecognised net (gain)	(2,043)	(682)
Unrecognised net obligation on implementation	298	329
Prepaid pension cost	1,768	937

Plan assets consist primarily of investments in Irish and overseas equity and fixed interest securities.

Notes
Continued

25 Pensions (continued)

The principal assumptions used in the plan for SFAS No. 87 purposes were as follows:	2000 %	1999 %
Discount rate	6.25	7.00
Rate of increase in remuneration	4.25	5.00
Expected long term rate of return on assets	9.00	9.00

The net periodic pension cost under SFAS No. 87 for the year ended 31 March 2000 comprised:	2000 €000	1999 €000
Service cost - present value of benefits earned during the year	616	561
Interest cost on projected benefit obligations	383	357
Actual (return) on assets	(1,487)	(658)
Deferrals and amortisation	851	202
Net periodic pension cost	363	462

26 Earnings per share and adjusted earnings per share

Earnings per ordinary share (EPS) for Ryanair Holdings plc for the years ended 31 March 1999 and 31 March 2000 has been computed by dividing the profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

Fully diluted earnings per share, which takes account solely of the potential future exercise of share options granted under the group's share option schemes, is based on weighted average number of shares in issue of 337,680,643 (1999:330,643,536), including share options assumed to be converted of 1,123,920 and 2,202,248 at March 31, 1999 and 2000 respectively.

As set out in note 12, Ryanair Holdings plc granted options to seven members of senior management and to all staff under the 1997 share option plan.

27 Commitments and contingencies

Commitments

(a) Under the terms of an aircraft purchase contract dated 9 March 1998 with Boeing "the Boeing Contract", Ryanair Holdings plc will purchase 25 new 737-800 aircraft and has options to purchase up to an additional 20 such aircraft.
The gross price for each aircraft will be US$46,631,900 including certain equipment purchased and fitted by Boeing on Ryanair Holdings plc's behalf, subject to increase to take into account an "Escalation Factor" reflecting the changes in the US Employment Cost and Producer Price Indexes and to decrease to take into account certain concessions granted to Ryanair Holdings plc by Boeing. The total amount to be paid by Ryanair Holdings plc over the period to January 2003 in respect of the 25 new aircraft, not taking into account any such increases or decreases, will be approximately US$1.2 billion. In addition, Ryanair Holdings plc has paid to Boeing an aggregate deposit of US$2 million in respect of the aircraft under option.

Notes
Continued

27 Commitments and contingencies (continued)

The group took delivery of the first five 737-800 aircraft in 1999 and a further five were recieved before the end of June 2000. Additional deliveries are currently scheduled as follows:
three further aircraft in 2000, five aircraft in each of 2001 and 2002 and the final two aircraft in January 2003.
The additional 737's under option to the group may be delivered between 2002 and 2005.

(b) The group incurred expenses of €2,097,425 in respect of operating lease rentals for the year ended 31 March 2000 (1999: €2,908,970) which are included in the profit and loss account. Such expenses consisted entirely of short term leases of aircraft.

(c) Commitments resulting from the use of derivative financial instruments by the group are described in Note 17.

Contingencies

(d) The group is engaged in litigation arising in the ordinary course of its business. Management does not believe that any such litigation will individually or in aggregate have a material adverse effect on the financial condition of the group. Should the group be unsuccessful in these litigation actions, management believes the possible liabilities then arising cannot be determined but are not expected to materially adversely affect the group's results of operations or financial position.

(e) During the year ended 31 March 2000, a subsidiary undertaking, Ryanair.com Limited claimed employment grants totalling €840,563 from Forbairt, an Irish Government industrial development agency. Under the terms of the grant agreement with Forbairt dated 9 December 1996, the grants received or part thereof may be repayable in certain circumstances.

In addition, the agreement dated 9 December 1996, provides that if the shareholders in Ryanair Holdings plc at any date cease to control more than 50% of the share capital, or if Ryanair Limited or Ryanair.com Limited cease to be subsidiaries of Ryanair Holdings plc or if Irish Air L.P. acquires more than 50% of the share capital of Ryanair Holdings plc, then Forbairt has an option to acquire 5% of the share capital in Ryanair.com Limited without making any further payments (other than nominal amounts). Since November 1998, when Irish Air, L.P. dissolved and distributed all of the Ordinary shares held by its partners, Forbairt's option has become exercisable. Forbairt has not yet exercised its options or indicated when it may do so. If Forbairt exercises its option then effectively under the terms of the agreement, Ryanair.com Limited is immediately required to redeem or purchase the 5% shareholding for specified amounts decreasing over time through to 2003 from 30% to 25% of the cumulative grants received. Such repurchase amount was approximately €594,000 as at 31 March 2000 (1999: €403,000). Ryanair.com Limited had an option to cancel the Forbairt option for €977,698 at any time up to 31 March 2000 and for €698,350 in the period from 1 April 2000 to 31 March 2003. Management does not believe that the settlement of this contingency will have a material impact on its results.

(f) In order to avail of the exemption under Section 17 of the Companies (Amendment) Act, 1986 the holding company has guaranteed the liabilities of its subsidiary undertakings registered in Ireland. As a result the subsidiary undertakings have been exempted from the provisions of Section 7 of the Companies (Amendment) Act, 1986.

Notes
Continued

28 Notes to cash flow statements

(a) Reconciliation of operating profit to net cash inflow from operating activities	2000 €000	1999 €000
Operating profit	84,055	67,861
Foreign exchange gains	1,358	389
Depreciation of tangible fixed assets	43,544	36,209
(Increase) in inventories	(1,016)	(5,252)
(Increase) in accounts receivable	(3,499)	(6,331)
Decrease/(Increase) in other assets	2,058	(2,226)
(Decrease)/Increase in accounts payable	(7,903)	15,980
Increase in accrued expenses and other liabilities	30,978	17,781
Net cash inflow from operating activities	149,575	124,411

(b) Analysis of cash and liquid resources balances	2000 €000	1999 €000
Cash at bank, available on demand	21,099	20,556
Liquid resources	334,149	138,039
Total cash and liquid resources	355,248	158,595

Liquid resources comprise bank fixed deposits with maturities of greater than one day.

(c) Analysis of movements in liquid resources	2000 €000	1999 €000
Liquid resources at beginning of year	138,039	58,657
Increase in year	196,110	79,382
Liquid resources at end of year	334,149	138,039

(d) Analysis of movements in cash	Cash at bank €000	Bank overdraft €000	Total €000
At beginning of year	20,556	(3,893)	16,663
Net cash inflow during the year	543	113	656
At end of year	21,099	(3,780)	17,319

Notes
Continued

28 Notes to cash flow statements (continued)

(e) Reconciliation of net cash flow to movement in net debt	2000 €000	1999 €000
Increase in cash in the year	656	12,640
Movement in liquid resources	196,110	79,382
Cash flow from (increase) in debt	(97,470)	(20,237)
Movement in net funds resulting from cash flows	99,296	71,785
Movement in finance leases	460	218
Movement in net funds in year	99,756	72,003
Net funds at beginning of year	129,733	57,730
Net funds at end of year	229,489	129,733

Net funds arise when cash and liquid resources exceed debt.

29 Post balance sheet events

There were no significant post balance sheet events.

30 Related Party Transactions

Since 1992, Ryanair Limited has rented its corporate headquarters at Dublin Airport from Darley Investments Limited ("Darley") at an annual rental of €253,948 per annum. Darley developed the site at Dublin Airport under a 30 year licence on land from Ireland's Minister for Transport, Energy and Communications. Ryanair Limited provided loan facilities to Darley to develop the site. From the period of its incorporation (1988) to 31 March 1996 the share capital of Darley was held by CDS Trust, a trust established by T.A. Ryan for the benefit of C.M. Ryan, D.F. Ryan, S.T. Ryan and their children. Darley became a wholly owned subsidiary of Ryanair Limited with effect from 31 March 1996 (see Note 28). The building is included in fixed assets in the consolidated balance sheet at a net book value of €1,060,000 at 31 March 2000 (1999: €1,216,000). The annual rental payable by the group to the Minister is €243,790 but payment of the rent is suspended for the first 12 years of the agreement and Darley will receive a 50% rebate on the rent for six years thereafter.

The aggregate amounts of directors' remuneration during the period including directors fees and consultancy fees, are set out in Note 22.

Notes
Continued

31 Subsidiary undertakings

The following are wholly owned subsidiary undertakings of Ryanair Holdings plc:

Name	Effective date of acquisition/incorporation	Registered Office	Nature of Business
Ryanair Limited	23 August 1996 (acquisition)	Corporate Headquarters Dublin Airport Co Dublin	Airline operator
Darley Investments Limited *	23 August 1996 (acquisition)	Corporate Headquarters Dublin Airport Co Dublin	Investment holding company
Ryanair.com Limited *	23 August 1996 (acquisition)	Corporate Headquarters Dublin Airport Co Dublin	International data processing services
Ryanair UK Limited *	23 August 1996 (acquisition)	Terminal Building London-Stansted Airport Essex United Kingdom	Airline activities
Visby Limited*	13 June 1997 (incorporation)	Heritage Court 41 Athol Street Douglas Isle of Man	Aircraft trading and leasing
Desnovora Limited	11 September 1997 (incorporation)	10 Mnasiadou Street Elma House 1065 Nicosia Cyprus	Aircraft trading and leasing
Airport Marketing Services Limited*	12 February 1998 (incorporation)	Corporate Headquarters Dublin Airport Co Dublin	Marketing and promotional activities

* These subsidiaries are wholly owned by Ryanair Limited which in turn is wholly owned by Ryanair Holdings plc.

Desnovora Limited is a wholly owned subsidiary of Visby Limited.

In accordance with the basis of consolidation policy in the statement of Accounting Policies the subsidiary undertakings referred to above have been consolidated in the financial statements of Ryanair Holdings plc for the year ended March 31, 2000.

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles

(a) Significant differences

The financial statements of Ryanair Limited and Ryanair Holdings plc are prepared in accordance with generally accepted accounting principles ("GAAP") applicable in Ireland and the United Kingdom (UK) which differ significantly in certain respects from those generally accepted in the United States (US). These significant differences are described below:

(i) Deferred tax

Under UK and Irish GAAP, Ryanair Limited and Ryanair Holdings plc provide for deferred taxation using the liability method on all material timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future. Net deferred tax assets are not recognised except to the extent that they are expected to be recoverable without replacement by equivalent asset balances. Under US GAAP, as set out in Statement of Financial Accounting Standards (SFAS) No. 109 'Accounting for Income Taxes' deferred taxation is provided on all temporary differences between the financial statement carrying value of assets and liabilities and the tax value of such assets and liabilities on a full provision basis. Deferred tax assets are recognised if their realisation is considered to be more likely than not.

(ii) Forward exchange contracts

Certain outstanding foreign currency forward exchange contracts which hedge anticipated future transactions and qualify for hedge contracts treatment under UK and Irish GAAP would not qualify as hedges under US GAAP. Such contracts would be recorded at fair value at each balance sheet date based on the forward rates of exchange ruling at that date and the corresponding unrealised gain or loss would be included in the determination of net income.

(iii) August 1996 transaction

Under US GAAP, acquisition accounting does not apply in respect of the August 1996 transaction by which Ryanair Holdings plc acquired the entire issued share capital of Ryanair Limited because there has been no change in control. Accordingly, under US GAAP, Ryanair Holdings plc presents their assets and liabilities using the historical predecessor cost basis in Ryanair Limited.

Under UK and Irish GAAP, the August 1996 transaction is accounted for as an acquisition by Ryanair Holdings plc of Ryanair Limited and the assets and liabilities are recorded at their fair values on that date. As the fair value of the aircraft was higher than its cost basis in Ryanair Limited, the depreciation charge in the period subsequent to August 1996 is higher under UK and Irish GAAP than US GAAP.

Under UK and Irish GAAP, the difference between the fair value of the acquired assets and liabilities and the consideration is recorded as goodwill and written off directly against reserves. Under US GAAP the consideration paid in connection with the transaction is recorded as a reduction in shareholders' equity.

(iv) Darley Investments Limited

Under UK and Irish GAAP, the acquisition of Darley Investments Limited ("Darley") at 31 March 1996 has been treated as an acquisition and the acquired assets and liabilities have been recorded in the consolidated financial statements of Ryanair Limited ("Ryanair") at their fair value. Under UK and Irish GAAP, the assets acquired were recorded at their fair value and a fair value adjustment of €844,915 arose on the headquarters building. Under US GAAP, the assets are presented at their historical cost and consequently, additional depreciation on the fair value adjustment on the headquarters building is not recorded for US GAAP.

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles (continued)

(v) Acquisition of certain aircraft

Under UK and Irish GAAP, the aggregate consideration of US$25 million paid by Ryanair Limited to Northill Limited in August 1994 in respect of the acquisition of four aircraft is included in fixed assets as aircraft cost.

Under US GAAP, as Northill Limited was controlled by T.A. Ryan, a connected person with the controlling shareholders of Ryanair Limited, the cost of the aircraft is recorded based on their cost to Northill Limited of US$22 million and the difference between that cost and the amount paid by Ryanair Limited to Northill Limited is treated as a reduction of shareholders' equity.

(vi) Pensions

Under UK and Irish GAAP, Ryanair Holdings plc accounts for pension costs under SSAP 24, 'Accounting for pension costs'. Its objectives and principles are broadly in line with those set out in the US accounting standard for pensions, SFAS 87 "Employers accounting for pensions'. However, SSAP 24 is less prescriptive in its provisions and allows the use of different measurement principles. Note 25 to the financial statements gives the group pension disclosures under both UK, US and Irish GAAP.

(vii) Employment grants

Under UK and Irish GAAP, employment grants paid by an Irish government agency are recognised in the profit and loss account on receipt and a contingent liability is disclosed for amounts which may become repayable in certain predefined circumstances. Under US GAAP, these revenues are recognised in the profit and loss account over the period for which minimum employment levels apply under the terms of the agreement and the unamortised balance is treated as deferred income.

(viii) Share option compensation expense

Under US GAAP, any excess of the fair market value of a company's stock over the exercise price under a share option plan is recognised as compensation expense over the vesting period of the option. Under UK and Irish GAAP, in effect, in May 1997, when these share options were granted, compensation was not recognised for stock issued at a price less than market price.

The group applies Accounting Principles Board Opinion No. 25 (APB 25) in accounting for its plans and, accordingly, no compensation cost has been recognised for its stock options in the financial statements. Had Ryanair Holdings plc determined compensation cost based on the fair value at the grant date for its stock options under Statement of Financial Accounting Standards No. 123 (SFAS 123), its US GAAP net income would have been reduced by €2,280,000 and €590,143 for the year's ended 31 March 2000 and 1999 respectively, with a corresponding effect on earnings per share.

The weighted average fair value of the individual options granted during the year ended 31 March 2000 is estimated at €2.00 on the date of grant of the June options. The fair value for these options was estimated using the Black-Scholes option pricing model with the following weighed average assumptions for the year ended 31 March 2000: dividend yield of nil; expected volatility of 46%; risk free interest rate of 4.15% ; and expected useful life of 6 years.

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles (continued)

(ix) Amortisation of airframe and engine maintenance checks

Under UK and Irish GAAP the Company changed the way in which it accounted for airframe and engine maintenance checks to comply with the provisions of FRS 12 “Provision, Contingent Liabilities and Contingent Assets” and FRS 15 “ Tangible Fixed Assets” as explained in note 1. Maintenance is no longer provided for by accruing for the future costs of checks but is capitalised as incurred and amortised. An element of the cost of a newly acquired aircraft is also attributed to the condition of its airframe and engines and amortised over the periods which benefit.

Under UK and Irish GAAP prior periods are restated for changes in accounting policies. However under US GAAP, a change in accounting policy results in a cumulative adjustment to income in the year of change. Prior year results are not restated.

(x) Investments

The group holds one investment in a publicly quoted company. Under Irish GAAP this investment which is held for the long term and not traded, is recorded in the group’s balance sheet at cost. Profits or losses arising on disposal are booked in the profit and loss account when the shares are sold and represents the difference between sales proceeds and cost of purchase. Under US GAAP equity securities must be designated as trading or available for sale securities. Ryanair investments are available for sale securities and are marked to market with gains or losses arising taken to the Statement of Shareholders Equity.

(b) Net income under US GAAP	2000 €000	1999 €000
Profit for the financial year as reported in the consolidated profit and loss accounts and in accordance with UK and Irish GAAP	72,518	57,471
Adjustments		
Pensions	363	115
Unrealised (loss)/gain on forward exchange contracts	(3,755)	3,018
Employment grants	(664)	414
Basis of accounting for August 1996 transaction	1,996	1,238
Basis of accounting for aircraft acquired from Northill Limited	442	442
Darley Investments Limited	86	86
Share option compensation expense	(56)	(61)
Taxation - effect of above adjustments	936	(952)
Net income as adjusted to accord with US GAAP before cumulative effect of accounting change	71,866	61,771
Cumulative effect of accounting change (net of tax expense of €11,067,000)	-	23,122
Net income accordance with U.S. GAAP	71,866	84,893

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles (continued)

(c) Shareholders' equity	2000 €000	1999 €000
Shareholders' equity as reported in the consolidated balance sheets (UK and Irish GAAP)	441,357	250,964
Adjustments		
Pension	923	560
Unrealised (loss)/gain on forward exchange contracts	(2,614)	1,141
Employment grants	(1,334)	(670)
Basis of accounting for August 1996 transaction	(1,531)	(3,527)
Basis of accounting for aircraft acquired from Northill Limited	(179)	(621)
Darley Investments Limited	(503)	(589)
Share option compensation expense	-	56
Investments	1,988	2,302
Tax effect of adjustments	1,233	297
Shareholders' equity as adjusted to accord with US GAAP	439,340	249,913

Opening shareholders' equity under US GAAP	249,913	102,697
Investments	(314)	2,302
Net income in accordance with US GAAP	71,866	61,771
Stock issued for cash	117,875	60,021
Cumulative effect of accounting change	-	23,122
Closing shareholders' equity under US GAAP	439,340	249,913

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles (continued)

(d) Total assets	2000 €000	1999 €000
Total assets as reported in the consolidated balance sheets (UK and Irish GAAP)	712,701	399,839
Adjustments		
Pension	923	560
Basis of accounting for August 1996 transaction	(1,531)	(3,527)
Basis of accounting for aircraft acquired from Northill Limited	(179)	(621)
Darley Investments Limited	(503)	(589)
Investments	1,988	2,302
Total assets as adjusted to accord with US GAAP	713,399	397,964

(e) Cash flows

In accordance with UK and Irish GAAP, the group complies with Financial Reporting Standard No. 1 - "Cash flow statements" (FRS 1). Its objective and principles are similar to those set out in SFAS No. 95 "Statement of Cash Flows". The principal difference between the standards is in respect of classification. Under FRS 1, the group presents its cash flows for (a) operating activities; (b) returns on investments and servicing of finance; (c) taxation; (d) capital expenditure; (e) acquisitions and disposals; and (f) financing activities. SFAS No. 95 requires only three categories of cash flow activity (a) operating; (b) investing; and (c) financing.

Cash flows arising from taxation and returns on investments and servicing of finance under FRS 1 are included as operating activities under SFAS No .95. In addition, under FRS 1, cash and liquid resources include short term borrowings repayable on demand. SFAS No. 95 requires movements in such borrowings to be included in financing activities.

Disclosure of accounting policy

For the purposes of cash flows under US GAAP, the group considers all highly liquid deposits with a maturity of three months or less to be cash equivalents. Under UK and Irish GAAP, cash represents cash held at bank available on demand offset by bank overdrafts and liquid resources comprise bank fixed deposits with maturities of greater than one day.

Under UK, Irish and US GAAP, transactions that are undertaken to hedge another transaction are reported under the same classification as the underlying transaction that is the subject of the hedge.

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles (continued)

A summarised consolidated cash flow under US GAAP is as follows:	2000 €000	1999 €000
Cash inflow from operating activities	135,983	119,330
Cash (outflow) from investing activities	(327,006)	(158,664)
Cash inflow from financing activities	214,749	81,671
Increase in cash and cash equivalents	23,726	42,337
Cash and cash equivalents at beginning of year	97,704	55,367
Cash and cash equivalents at end of year	121,430	97,704

The following table reconciles cash and cash equivalents as presented under US GAAP with cash and liquid resources as presented under UK and Irish GAAP:	2000 €000	1999 €000
Cash and cash equivalents under US GAAP	121,430	97,704
Deposits with a maturity between three and six months	233,818	60,891
Cash and liquid resources under UK and Irish GAAP	355,248	158,595

Supplemental schedule of non cash investing and financing activities

The group entered into capital leases for new fixtures and fittings, plant and equipment and motor vehicles of €23,000 (1999: €223,000). Principal payments under these lease obligations totalled €482,500 (1999: €442,000).

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles (continued)

(f) Profit and loss account as restated per US GAAP	2000 €000	1999 €000
Operating revenues		
Scheduled revenues	330,571	258,873
Ancillary revenues	39,566	36,886
Total operating revenues		
- continuing operations	370,137	295,759
Operating expenses		
Staff costs	48,890	39,364
Depreciation & Amortisation	41,614	34,531
Other operating expenses	193,411	151,769
Total operating expenses	283,915	225,664
Operating income		
- continuing operations	86,222	70,095
Other income/(expenses)		
Interest receivable and similar income	7,498	6,610
Interest payable and similar charges	(3,781)	(237)
Foreign exchange (losses)/gains	(2,397)	3,407
Gain on disposal of fixed assets	964	1,187
Total other income/(expenses)	2,284	10,967
Income before taxation	88,506	81,062
Taxation	(16,640)	(19,291)
Net income before cumulative effect of accounting changes	71,866	61,771
Cumulative effect of accounting change (net of tax expense of €11,067,000)	-	23,122
Net income	71,866	84,893

Notes
Continued

32 Summary of differences between United Kingdom, Irish and United States generally accepted accounting principles (continued)

(f) Profit and loss account as restated per US GAAP (continued)	2000 €000	1999 €000
Earnings per ordinary share		
-Basic (€cents)	21.42	18.75
-Diluted (€cents)	21.28	18.68
Shares used in computing net income per share		
-Basic	335,478,395	329,519,616
-Diluted	337,680,643	330,643,536

(g) Earnings per share under US GAAP

Net income per ordinary share, as set out in Note 32(f) is computed using the weighted average number of ordinary and equivalent shares outstanding at the end of the period after giving effect to the share split in Note 12. As set out in Note 32(a)(iii), under US GAAP, acquisition accounting does not apply in respect of the August 1996 transaction by which Ryanair Holdings acquired the entire issued share capital of Ryanair Limited. Accordingly, net income per share has been presented under US GAAP for the equivalent number of shares in Ryanair Holdings plc for all periods.

The group adopted the provisions of Statement of Financial Accounting Standards No 128 “Earnings Per Share” (”SFAS 128”) on 31 December 1998 and all periods have been presented in accordance with the provisions of that standard. SFAS 128 requires dual presentation of basic and diluted EPS for net income on the face of the profit and loss account and a separate reconciliation of both EPS amounts. Basic EPS is calculated by dividing income or loss by the weighted average number of ordinary shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue ordinary shares were exercised or converted into shares at the beginning of the period presented.

Notes
Continued

33 New accounting pronouncements

(a) New US accounting pronouncements

(i) Comprehensive Income: Statement of Financial Accounting Standard No 130 ("SFAS 130"), "Reporting Comprehensive Income", was issued in June 1997. SFAS 130 established standards for reporting and display of comprehensive income and its components in a full set of general purpose financial statements. This statement requires that all items that are required to be recognised under Accounting Standards as components of comprehensive income be reported in an annual financial statement that is displayed with the same prominence as other financial statements. This standard is effective for periods beginning after 15 December 1997.

Ryanair Holdings plc has comprehensive income for the year ended 31 March 2000 of€71.6million(1999:€87.2million) consisting of reported profits of €71.9million(1999:€84.9million) after including the cumulative effect of changes in accounting policies of €nil (1999:€23.1million) and a (loss)/gain on available for sale securities of €(0.3million) (1999:€2.3million).

(ii) Segmental Information: Statement of Financial Accounting Standard No 131 ("SFAS No 131"), "Disclosure about Segments of an Enterprise and Related Information" was issued in June 1997 and establishes standards for the way public companies report information about operating segments in annual financial statements and requires that those companies report selected information about operating segments in interim financial reports issued to shareholders. It also establishes standards for related disclosures about products and services, geographic areas and major customers. This standard is effective for periods beginning after 15 December 1997 and has been applied by the group. The group operates in one segment only.

(iii) In February 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 132 "Employers' Disclosure About Pensions and Other Post Retirement Benefits" ("SFAS No. 132"). SFAS No. 132 revises disclosure requirements about employers pensions and other post retirement benefit plans. SFAS No. 132 is effective for fiscal years beginning after 15 December 1997. The group has adopted the provisions of SFAS No.132.

(iv) In June 1998, the Financial Standards Board issued Statement of Financial Accounting Standards No. 133 (SFAS 133), "Accounting for Derivative Instruments and Hedging Activities" which is required to be adopted by the Company beginning after April 1, 2000. This Standard requires all derivatives to be recognised in the balance sheet as either assets or liabilities and measured at fair value. To implement this Standard, all hedging relationships must be reassessed. The group has not yet evaluated the likely impact of this Standard on its financial statements.

34 Date of approval

The financial statements were approved by the Board on June 19, 2000.

Directors & other information

Directors*	D. Bonderman(United States)	Chairman
	M. O'Leary	Chief Executive
	R. MacSharry	
	J. Osborne	
	C.M. Ryan	
	D.F. Ryan	
	T.A. Ryan	
	J.Shaw (United States)	
	R. Schifter (United States)	
	A.J.Walls	
Registered office	Corporate Headquarters Dublin Airport Co.Dublin	
Secretary	H. Millar	
Auditors	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2	
Bankers	Bank of Ireland Dublin Airport Co. Dublin	
	Barclays Bank plc Hanover Square London	
Solicitors & Attorneys at Law	A & L Goodbody Solicitors Earlsfort Terrace Dublin 2	
	Cleary, Gottlieb, Steen & Hamilton New York	
	Linnells Greyfriars Court Paradise Square Oxford United Kingdom	

* Directors who held office during the financial year ended 31 March, 2000