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If you have sold or otherwise transferred your entire holding of Ordinary Shares in Ryanair Holdings plc, please forward this Circular, together with the enclosed Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee as soon as possible.

Ryanair and the Directors, whose names appear on page 4, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

RYANAIR HOLDINGS plc

(Incorporated and registered in Ireland under the Companies Acts 1963 to 2012, registered number 249885)

Proposed Purchase of 175 Boeing 737-800 Aircraft Notice of Extraordinary General Meeting

Davy, which is regulated in Ireland by the Central Bank of Ireland, is acting exclusively for Ryanair as sole sponsor to Ryanair in connection with the requirements of the Irish Stock Exchange relating to the Purchase and other matters referred to in this Circular and for no one else (including the recipient of this Circular) in relation to the Purchase and other matters referred to in this Circular and will not be responsible to any other person for providing the protections afforded to customers of Davy nor for providing advice in connection with any transaction or arrangement referred to in this Circular. Apart from the responsibilities and liabilities, if any, which may be imposed on Davy by the Central Bank or the regulatory regime established thereunder, Davy does not accept any responsibility whatsoever and makes no representation or warranty, express or implied, for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by Davy, the Company or any other person, in connection with the Company or any other matter described in this document and nothing in this document shall be relied upon as a promise or a representation in this respect, whether as to the past or the future. Davy accordingly disclaims all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such statement.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such representations must not be relied on as having been so authorised. The delivery of this document shall not, under any circumstances, create any implication that there has been no change to the affairs of the Company since the date of this document or that the information is correct as of any subsequent time.

A letter from the Chairman of Ryanair Holdings plc is set out on pages 4 to 10 of this Circular.

Your attention is drawn to the Notice of an Extraordinary General Meeting to be held at The Radisson Blu Hotel, Dublin Airport, Co. Dublin, Ireland at 9.00 a.m. on 18 June 2013 which is contained at the end of this Circular. A Form of Proxy for use at the EGM is enclosed and, whether or not you intend to attend the EGM in person, please complete, sign and return the Form of Proxy to the Company's Registrars, Capita Registrars (Ireland) Limited, PO Box 7117, Dublin 2, Ireland (by post) or to Capita Registrars (Ireland) Limited, 2 Grand Canal Square, Dublin 2, Ireland (by hand) as soon as possible but in any event so as to be received by the Company's Registrars no later than 9.00 a.m. on 16 June 2013. Completion and return of a Form of Proxy will not prevent Shareholders from attending and voting in person at the EGM or any adjournment thereof, should they wish to do so.

Electronic proxy appointment is available for the Extraordinary General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the registrars, Capita Registrars (Ireland) Limited: www.capitaregistrars.ie. Shareholders should select "Shareholder Portal" and follow the instructions given. Alternatively, for those who hold Shares in CREST, a Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars (CREST participant ID 7RA08), in each case so that it is received by no later than 9.00 a.m. on 16 June 2013. The completion and return of either an electronic proxy appointment notification or a CREST Proxy Instruction (as the case may be) will not prevent the Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should the Shareholder wish to do so.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	9.00 a.m. on 16 June 2013
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Time and date of Extraordinary General Meeting	9.00 a.m. on 18 June 2013
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Notes:

- (i) References to times and dates in this Circular are references to times and dates in Dublin, Ireland;
- (ii) The dates and times set forth above are subject to Ryanair's rights to extend or amend them if necessary.

RYANAIR HOLDINGS plc

(Incorporated and registered in Ireland under the Companies Acts 1963 to 2012, registered number 249885)

Directors

David Bonderman (Chairman)
Michael Horgan
Charles McCreevey
Declan McKeon
Kyran McLaughlin
Michael O'Leary * (Chief Executive)
Julie O'Neill
James Osborne
Louise Phelan

** denotes executive director*

Head and Registered Office

Corporate Headquarters,
Dublin Airport,
County Dublin.

27 May 2013

To the Shareholders of Ryanair Holdings plc and, for information only, to the Option Holders.

Proposed Purchase of 175 Boeing 737-800 Aircraft

Notice of Extraordinary General Meeting

Dear Shareholder,

1. INTRODUCTION

On 19 March 2013 Ryanair announced that it had entered into an agreement with Boeing to purchase 175 Boeing 737-800 series aircraft over a 5 year period from calendar 2014 to 2018. By virtue of the relative size of the 2013 Boeing Contract compared to the size of the Company, the Listing Rules require that completion of the 2013 Boeing Contract be conditional upon shareholder approval which will be sought at an extraordinary general meeting of the Company to be held on 18 June 2013.

The principal terms and conditions of the 2013 Boeing Contract are summarised in Part 2 of this Circular and the benefits expected to accrue to Ryanair as a result of the Purchase are detailed at paragraph 5 of this Part 1 headed "*Impact of the Purchase of the Boeing Aircraft*".

The purpose of this Circular is to provide you with further information on the reasons for, and terms and conditions of, the Purchase and to explain why your Board believe it is in the best interests of Ryanair and why they unanimously recommend you to vote in favour of it at the Extraordinary General Meeting. A notice convening this meeting, at which a resolution will be proposed to approve the 2013 Boeing Contract, is set out on pages 31 and 32.

2. THE 2013 BOEING CONTRACT

Under the terms of the 2013 Boeing Contract, the Purchaser has agreed to purchase the New Aircraft over a 5 year period from calendar 2014 to 2018. The New Aircraft to be delivered from September 2014 under the 2013 Boeing Contract will benefit from a net effective price not dissimilar to that under the 2005 Boeing Contract which was approved by Shareholders in 2005. As at the date of this Circular, Ryanair's fleet consists of 303 Boeing 737-800 aircraft. The New Aircraft will be used on new and existing routes to grow Ryanair's business.

The Boeing 737-800 represents the current generation of Boeing's 737 aircraft. It is a short-to-medium range aircraft and seats 189 passengers. The Basic Price (equivalent to a standard list price for an aircraft of this type) for each of the Boeing 737-800 series aircraft is approximately US\$78 million and

the Basic Price will be increased for certain “buyer-furnished” equipment, amounting to approximately US\$2.9 million per New Aircraft, which Ryanair has asked Boeing to purchase and install on each of the New Aircraft. In addition an “Escalation Factor” will be applied to the basic price to reflect increases in the Employment Cost Index and Producer Price Index between the time the basic price was set in the 2013 Boeing Contract and the period 18 to 24 months prior to the delivery of any such New Aircraft.

Boeing has granted Ryanair certain price concessions as part of the 2013 Boeing Contract. These will take the form of credit memoranda to Ryanair for the amount of such concessions, which Ryanair may apply toward the purchase of goods and services from Boeing or toward certain payments, other than advance payments, in respect of the New Aircraft. Boeing and CFMI (the manufacturer of the engines to be fitted on the New Aircraft) have also agreed to provide Ryanair with certain allowances for promotional and other activities, as well as providing certain other goods and services to Ryanair on concessionary terms. Those credit memoranda and promotional allowances will effectively reduce the price of each New Aircraft payable by Ryanair. As a result, the “effective price” (the purchase price of the New Aircraft net of discounts received from Boeing) of each New Aircraft will be significantly below the basic price mentioned above. The effective price applies to all New Aircraft due for delivery from September 2014.

The New Aircraft will be delivered on a phased basis over a 5 year period with the first 11 being delivered in the fiscal year ended 31 March 2015. Ryanair’s fleet size is projected to increase to a minimum of 375 aircraft by 2018 (assuming 105 lease returns or disposals of older aircraft over the period). The following table outlines the projected changes in the fleet size over the period:

Fiscal Year End	31-Mar 2014	31-Mar 2015	31-Mar 2016	31-Mar 2017	31-Mar 2018	31-Mar 2019	Summary
Opening Fleet	305	290	298	323	343	367	305
Aircraft delivered	0	11	35	50	50	29	175
Planned returns or disposals	-15	-3	-10	-30	-26	-21	-105
Closing Fleet	<u>290</u>	<u>298</u>	<u>323</u>	<u>343</u>	<u>367</u>	<u>375</u>	<u>375</u>

In the event that the 2013 Boeing Contract is not approved by Shareholders, it will terminate without penalty and be without further force and effect. Boeing will be required to refund all advance payments made by Ryanair under the terms of the 2013 Boeing Contract.

3. RATIONALE FOR PURCHASE

In the fiscal year ended 31 March 2013 Ryanair carried more than 79 million passengers on over 1,500 routes serving 29 European countries and 180 airports, making it the largest international scheduled airline in the world per IATA European airline passenger statistics. Ryanair has one of the newest fleet of aircraft in Europe. The current average aircraft age of Ryanair’s Boeing 737-800 fleet is under 5 years and no aircraft is older than 11 years. In order to be able to support this network, to expand on existing routes and to open new routes, the Directors believe that Ryanair requires additional aircraft. Ryanair will operate a fleet of 303 Boeing 737-800 series in Summer 2013 and the New Aircraft acquired under the 2013 Boeing Contract will help provide Ryanair with sufficient capacity to carry approximately 100 million passengers per annum by 31 March 2019 (based on the number of available seats at an assumed 82% load factor). Ryanair expects to carry approximately 81.5 million passengers in the fiscal year to March 2014.

The Directors wish to secure a controlled supply of aircraft for the airline over the next 6 years to enable Ryanair to continue to grow, whilst at the same time obtaining favourable purchase terms, phased deliveries and standard configuration of all aircraft. After intensive negotiations Ryanair again selected the Boeing 737-800 for the following reasons:

- a very safe, reliable and efficient aircraft
- a competitive offer from Boeing
- more seats (189) on the Boeing 737-800 series, than on the comparable Airbus 320 series (180 seats)

- lower per seat operating costs than Airbus 320 series
- Ryanair already successfully operates a fleet of 303 Boeing 737-800 series aircraft
- streamlined turnarounds, crewing, training, maintenance and spares
- phased deliveries will give Ryanair the capacity to grow passenger traffic in a controlled manner to approximately 100 million passengers per annum by 31 March 2019.

The Board believes that spare parts and cockpit crew qualified to fly this type of aircraft are widely available and that its strategy of limiting its aircraft to one type will enable Ryanair to minimise the costs associated with personnel training, maintenance and the purchase and storage of spare parts, as well as affording greater flexibility in the scheduling of both crews and equipment.

The Board believes that the Transaction will ensure that Ryanair has sufficient aircraft to implement its long-term growth plan and demonstrates to customers, shareholders and potential investors, Ryanair's commitment to execute its long-term plan to open new routes and bases throughout Europe with the goal of growing Ryanair traffic by approximately 25% to approximately 100 million passengers per annum by 30 March 2019. The Directors believe that the expected value to accrue to Ryanair justifies the cost of the Purchase.

4. FINANCING ARRANGEMENTS

Subject to Shareholder approval of the Purchase, Ryanair expects its first delivery of the New Aircraft in September 2014. Ryanair expects to finance the aircraft purchases using a variety of financing options closer to the time of their delivery date.

Ryanair has a track record in securing finance for similar sized aircraft purchases. The 1998, 2002, 2003 and 2005 Boeing Contracts totalling 348 aircraft were financed with approximately 66% US Ex-Im Bank loan guarantees and capital markets (with 85% loan to value) financing, 24% through sale and operating leaseback financing, and 10% through Japanese operating leases with call options ("JOLCOs").

Under the new Aviation Sector Understanding which came into effect from 1 January 2013, the fees payable to Ex-Im Bank for the provision of loan guarantees has significantly increased, thereby making it more expensive than more traditional forms of financing. As a result, Ryanair intends to finance the New Aircraft through a combination of internally generated cash flows, debt financing from commercial banks, debt financing through the capital markets in a secured and unsecured manner, commercial debt through JOLCOs and sale and operating leasebacks. These forms of financing are generally accepted in the aviation industry and are currently widely available for companies who have the credit quality of Ryanair. Ryanair may periodically use Ex-Im Bank loan guarantees when appropriate. Ryanair intends to finance pre-delivery payments ("Aircraft Deposits") to Boeing in respect of the New Aircraft via internally generated cash flows similar to all previous Aircraft Deposit payments.

Using the debt capital markets to finance the 2013 Boeing Contract may require the Company to obtain a credit rating or potentially to obtain a credit rating for specific debt transactions, for example using an Enhanced Equipment Trust Certificate ("EETC"), a structured product that is widely used in the US to finance aircraft deliveries. The requirement for a credit rating depends amongst other things on whether Ryanair finances via secured funding or through general corporate purposes. Other financing listed above will not require the Company to provide a credit rating and these sources are widely used in the aviation industry.

5. IMPACT OF THE PURCHASE OF THE BOEING AIRCRAFT

Ryanair currently intends to obtain the necessary finance for the payment for New Aircraft to be delivered under the 2013 Boeing Contract in the manner described in paragraph 4 of this Part 1 and in Part 2 of this Circular under "*Financing of the Aircraft Purchase*". Further information on the impact of the purchase of the New Aircraft, in particular on Ryanair's long term funding requirements, is set out in paragraph 5 of Part 4 of this Circular. Although the Directors are confident that the necessary finance will be available to Ryanair, there can be no assurance that this will be the case or that Ryanair will not elect to use alternative financing, including equity offerings, or that the cost of any such finance will not be higher than currently anticipated.

Ryanair's current fleet consists of 303 Boeing 737-800 series aircraft. The Boeing 737-800 series aircraft have more seats and a lower operating cost per seat than on the comparable Airbus 320 series. Ryanair has demonstrated that a single type Boeing 737-800 series fleet simplifies turnarounds, operations, training and maintenance, and provides increased cost efficiencies on a per seat basis compared to competitors. Assuming delivery of all of the New Aircraft under the 2013 Boeing Contract, the Directors estimate that by 31 March 2019, Ryanair's fleet will be comprised of at least 375 aircraft (depending on the number of lease returns and disposals of older aircraft). The phased delivery of the New Aircraft should provide Ryanair with sufficient capacity to achieve an increase in passenger volumes to approximately 100 million passengers per annum by 31 March 2019.

The depreciation charge per New Aircraft per annum will be based on the net cost to Ryanair of the New Aircraft less an amount to be set aside for pre-paid maintenance and a 15% residual value calculated on the market value of the New Aircraft. The resultant value is depreciated on a straight line basis over a 23 year life. This policy is consistent with the existing policy adopted by Ryanair in relation to the existing Boeing 737-800 fleet.

In summary the Directors anticipate that the New Aircraft will provide opportunities to successfully open new routes, establish new bases and increase frequency on certain existing routes. This in turn is expected to enable Ryanair to substantially increase revenues through increased passenger numbers. The key operating costs relating to the New Aircraft are fuel, salaries and maintenance and the Directors do not expect a material increase in these costs on a "per seat" basis compared to the existing fleet.

6. STRATEGY

Ryanair's objective is to maintain itself as Europe's ultra low cost carrier through continued implementation of cost reductions and operating efficiencies and expanded offerings of its low-fares service. Ryanair aims to offer low-fares that generate increased passenger traffic while maintaining a continuous focus on cost-containment and operating efficiencies. The key elements of Ryanair's strategy include the following:

- **Low-fares**

Ryanair's low fares are designed to stimulate demand, particularly from price conscious leisure and business travellers who might otherwise have used alternative forms of transportation or would not have travelled at all. Ryanair provides essential services such as frequent departures, advance reservations, baggage handling and consistently on-time flights while eliminating non-essential "extras" such as, free meals, multi-class seating, access to a frequent flyer programme, business lounges, complimentary drinks and other amenities.

- **Frequent Point-to-Point Flights on Short-Haul Routes**

Ryanair provides frequent point-to-point service on short-haul routes to 180 airports in and around major population centres and travel destinations. In choosing its routes, Ryanair favours uncongested secondary airports with convenient transportation to major population centres. Ryanair airports are generally less congested than major hub airports and, as a result, can be expected to provide higher rates of on-time departures, faster turnaround times, fewer terminal delays and lost bags, and more competitive airport access and handling costs. Faster turnaround times are a key element in Ryanair's efforts to maximise aircraft utilisation. Ryanair's average scheduled turnaround time for the fiscal year ended 31 March, 2013 was approximately 25 minutes.

- **Low Operating Costs**

The success of Ryanair's low-fare strategy is critically dependent on the maintenance of an ultra low cost base. Ryanair's operating costs per passenger are the lowest of any European scheduled passenger airline. Ryanair strives to reduce or control five of the primary expenses involved in running a major scheduled airline: (i) aircraft ownership costs; (ii) personnel productivity and expenses; (iii) customer service costs; (iv) airport access and handling costs and (v) sales and marketing costs.

- **Commitment to Safety and Quality Maintenance**

Ryanair has an unblemished 29 year safety record. Ryanair's commitment to safety is a primary priority of the Company and its management. This commitment begins with the hiring and training of Ryanair's pilots, cabin crew and maintenance personnel and includes a policy of purchasing new aircraft and maintaining its aircraft in accordance with the highest European airline industry standards. Ryanair's exemplary safety standards were publicly recognised by the IAA in September 2012 when they confirmed "Ryanair safety is on a par with the safest airlines in Europe".

- **Enhancement of Operating Results through Ancillary Services**

Ryanair offers a variety of ancillary, revenue services in conjunction with its core transportation service, including optional on-board merchandise, beverage and food sales, accommodation reservation services, advertising, travel insurance, car rentals, rail and bus tickets, priority boarding and reserved seating. Per the financial statements for the 12 months ended 31 March 2013, ancillary services accounted for 22% of Ryanair's total operating revenues, as compared to 20% of such revenues for the 12 month period ended 31 March 2012.

- **Controlled, Focused Growth**

Building on its successful expansion of service to continental Europe (currently 15% market share excluding certain primary airports which Ryanair does not envisage operating out of), Ryanair intends to follow a controlled organic growth plan targeting 25% growth to approximately 100 million passengers per annum over the next 6 years to 31 March 2019. Ryanair currently has 57 base airports and operates to 180 airports throughout Europe and North Africa. Ryanair plans to increase passenger volumes via a combination of new routes and bases and increased capacity on existing routes and bases.

- **Taking Advantage of the Internet**

Ryanair was one of the pioneers of internet distribution and check-in. Almost 100% of all reservations and flight check-ins are made on Ryanair.com. This has resulted in significant cost savings in marketing and distribution and has enhanced the speed of penetration in new markets while significantly reducing passenger dwell times and delays at airports.

7. CURRENT TRADING AND PROSPECTS

On 20 May 2013, the Company announced the financial results for the twelve month period ended 31 March 2013. Profit after tax increased by 2% to €569.3m primarily due to a 6% increase in average fares and strong ancillary revenues. Total operating revenues increased by 11% to €4,884.0m and ancillary revenues grew by 20%, to €1,064.2m. Total revenue per passenger, as a result, increased by 8%. Total operating expenses increased by 12% to €4,165.8m, primarily due to an 18% increase in fuel costs to €1,885.6m due to the higher price per gallon paid and increased activity in the period. Unit costs excluding fuel increased by 3% and unit costs including fuel rose by 8%.

The Company forecasts an increase in net profit after tax of between €570 million and €600 million for the fiscal year ended 31 March 2014 subject to winter yield outturn. This forecast is based on the assumptions set out below which are subject to the influence and actions of Ryanair management. It is presented on a basis consistent with the accounting policies as adopted by Ryanair.

- *Traffic Growth*

A net 9 new aircraft in Summer 2013 compared to Summer 2012, and reduced winter groundings will result in traffic numbers of approximately 81.5 million, for the fiscal year ending 31 March 2014, a 3% increase on the year to 31 March 2013.

- *Revenues*

Modest traffic growth in the summer (Q2) will be positive for yields although this will be partially offset by increased winter capacity which will have a downward impact on yields. The combination of modest passenger and yield growth will lead to total revenues increasing by approximately 6%.

Ancillary revenues are expected to grow by approximately 9% which is faster than the pace of passenger traffic growth. Therefore total revenue per passenger will be higher for the full year to 31 March 2014.

- **Costs**

Unit costs are expected to rise approximately 5% driven primarily by higher fuel and Eurocontrol charges. The Company has hedged 90% of its fuel requirements at approximately US\$98 per barrel which will result in an increase in cost of approximately €200 million compared to the year ended 31 March 2013. Costs will also be impacted by a 3% rise in sector length and a companywide pay increase of 2%.

The Board believes that now is a time of significant opportunity in Europe. The majority of European airlines have reduced capacity as they consolidate or restructure, offering increased opportunities for Ryanair to grow. Management estimate that Ryanair's 80 million p.a. passengers currently represent approximately 15% of the addressable European market (excluding those major hub airports which Ryanair does not envisage serving). Management have targeted 25% growth to approximately 100 million passengers per annum over the next 6 years to 31 March 2019 based on the following rationale:

- EU airline competitors are going through a period of consolidation, restructuring and capacity cuts which present significant opportunities for Ryanair to grow market share throughout Europe.
- There is potential to grow market share to 20% as Southwest in the US can be used as a reasonable comparator and currently serves over 20% of the US market despite higher fares, a higher cost base and a less favourable competitive landscape where struggling competitors are able to seek chapter 11 bankruptcy protection rather than discontinue business.
- There is also significant opportunity to grow the existing addressable market as Ryanair's lower cost base has enabled it to stimulate traffic on previously unserved or underserved routes by providing ultra low fares. Passengers currently fly most frequently in those markets where Ryanair's low fares have been available for the longest time, for example the UK, Spain and Italy. By continuing to stimulate demand via low fares throughout Europe we believe the total addressable market could grow.
- As a result, Ryanair believes that the prospects for the Company under the terms of the 2013 Boeing Contract are positive.

8. ACTION TO BE TAKEN

An Extraordinary General Meeting of the Company will be held at The Radisson Blu Hotel, Dublin Airport, Co. Dublin on 18 June 2013. At the meeting, the resolution to approve the 2013 Boeing Contract set out in the Notice of Extraordinary General Meeting on pages 31 and 32 of this Circular will be proposed as an ordinary resolution. A Form of Proxy for use at the Extraordinary General Meeting is attached.

Whether or not you wish to attend the Extraordinary General Meeting, you should complete and sign the Form of Proxy in accordance with the instructions printed on it and return it to the Company's Registrars, Capita Registrars (Ireland) Limited, PO Box 7117, Dublin 2, Ireland (by post) or to Capita Registrars (Ireland) Limited, 2 Grand Canal Square, Dublin 2, Ireland (by hand) no later than 9.00 a.m. on 16 June 2013. The return of the Form of Proxy will not prevent you from attending the Extraordinary General Meeting and voting in person should you wish to do so.

Electronic proxy appointment is available for the Extraordinary General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the registrars, Capita Registrars (Ireland) Limited: www.capitaregistrars.ie. Shareholders should select "Shareholder Portal" and follow the instructions given. Alternatively, for those who hold Shares in CREST, a Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars (CREST participant ID 7RA08), in each case so that it is received by no later than 9.00 a.m. on 16 June 2013. The completion and return of either an electronic proxy appointment notification or a CREST Proxy Instruction (as the case may be) will not prevent the Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should the Shareholder wish to do so.

If the Form of Proxy is not returned or the electronic proxy appointment notification or CREST Proxy Instruction is not submitted by 9.00 a.m. on 16 June 2013, your vote will not count unless you attend in person at the Extraordinary General Meeting.

9. RECOMMENDATION

The Board believes that the Purchase under the 2013 Boeing Contract described herein is in the best interests of the Company and its Shareholders as a whole and, accordingly, unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting.

The Directors intend to vote in favour of the Resolution at the Extraordinary General Meeting in respect of their own beneficial holdings, which amount, at the date of this Circular, to in total Ordinary Shares representing approximately 4.2% of the existing issued share capital of the Company.

Yours sincerely,

DAVID BONDERMAN
Chairman

PART 2 – SUMMARY OF THE TERMS AND CONDITIONS OF THE 2013 BOEING CONTRACT AND RELATED FINANCING ARRANGEMENTS

1. INTRODUCTION

Under the terms of the 2013 Boeing Contract, Ryanair has agreed to purchase an additional 175 Boeing 737-800 series aircraft in the period from calendar 2014 to 2018. As at the date of this Circular, Ryanair's fleet consists of 303 Boeing 737-800 series aircraft. Under the previous Boeing contracts (1998, 2002, 2003 and 2005), Ryanair has purchased a total of 348 aircraft. The New Aircraft will be used on new and existing routes.

Summary of Boeing Contracts

	<u>No. of Aircraft purchased</u>
1998	28
2002	102
2003	78
2005	140
Total	<u>348</u>

2. DELIVERY SCHEDULE

Ryanair is scheduled to take delivery of the first eleven of the New Aircraft in the fiscal year to 31 March, 2015 (with the first New Aircraft arriving in September 2014). Deliveries of New Aircraft are currently projected as follows:

<u>Fiscal Year End</u>	<u>31-Mar 2014</u>	<u>31-Mar 2015</u>	<u>31-Mar 2016</u>	<u>31-Mar 2017</u>	<u>31-Mar 2018</u>	<u>31-Mar 2019</u>	<u>Summary</u>
Opening Fleet	305	290	298	323	343	367	305
Aircraft delivered	0	11	35	50	50	29	175
Planned returns or disposals	-15	-3	-10	-30	-26	-21	-105
Closing Fleet	<u>290</u>	<u>298</u>	<u>323</u>	<u>343</u>	<u>367</u>	<u>375</u>	<u>375</u>

3. PRICE

The Basic Price (equivalent to a standard list price for an aircraft of this type) for each of the New Aircraft (defined as a per aircraft airframe price, including engines, plus the per aircraft price for certain optional features agreed between the parties) is approximately US\$78 million. The Basic Price will be increased by (a) an estimated US\$2.9m per New Aircraft for certain "buyer-furnished" equipment Ryanair has asked Boeing to purchase and install on each of the New Aircraft, and (b) an "Escalation Factor" designed to increase the Basic Price of any individual New Aircraft by applying a formula which reflects increases in the published US Employment Cost Index and Consumer Price Indexes between the time the Basic Price was set and the period six months prior to the delivery of such New Aircraft. Ryanair is also responsible for the payment of any taxes on the New Aircraft other than certain US Federal taxes and Washington State taxes imposed upon Boeing. However, Ryanair does not anticipate that any such additional taxes shall arise and no such taxes have been payable on the 348 Boeing 737-800 aircraft already delivered under the 1998, 2002, 2003 and 2005 Boeing Contracts.

Boeing has granted Ryanair certain price concessions with regard to the New Aircraft. These will take the form of credit memoranda to Ryanair for the amount of such concessions, which Ryanair may apply toward the purchase of goods and services from Boeing or toward certain payments, other than advance payments, in respect of the purchase of the New Aircraft under the 2013 Boeing Contract. Boeing and CFMI (the manufacturer of the engines to be fitted on the New Aircraft) have also agreed to give Ryanair certain allowances for promotional and other activities as well as providing other goods and services to Ryanair on concessionary terms. Those credit memoranda and promotional allowances will reduce the effective price of each New Aircraft to Ryanair significantly below the Basic Price mentioned and is not dissimilar to the net price agreed for the aircraft delivered under the 2005 Boeing Contract.

4. PAYMENT TERMS

Ryanair was required to pay Boeing 1% of the Basic Price of each of the New Aircraft on 2 April, 2013 and will be required to make periodic advance payments of the purchase price for each New Aircraft it has agreed to purchase during the course of the two year period preceding the delivery of each New Aircraft. In the event that the 2013 Boeing Contract is not approved by Shareholders, it will terminate without penalty and be without further force and effect. Boeing will be required to refund all advance payments made.

As a result of these required advance payments, Ryanair will have paid up to 30% of the Basic Price of each New Aircraft prior to its delivery (including the addition of an estimated "Escalation Factor" and before deduction of any credit memoranda and other concessions due), with the balance of the net price being due at the time of delivery. The table on page 14 sets out the delivery dates for the 175 New Aircraft, together with the schedule of payments excluding the estimated "Escalation Factor" and the price concessions granted to Ryanair by Boeing.

5. PRINCIPAL CONDITIONS

The 2013 Boeing Contract provides that it may be terminated by either party should it not be approved by an ordinary resolution passed at a general meeting of the Company. In such an event, all rights and obligations of Ryanair and Boeing with respect to the 2013 Boeing Contract will terminate and be without further force and effect. Boeing will promptly refund all advance payments made, including the deposit paid by Ryanair when the 2013 Boeing Contract was signed as described in paragraph 4 above.

The delivery of each of the New Aircraft is dependent upon the satisfaction of the following material conditions:

- (a) Ryanair having made the required advance payments prior to delivery;
- (b) Ryanair securing regulatory licences for the export and operation of each of the New Aircraft (licences are required to export aircraft out of the United States of America and to operate as passenger aircraft in the Republic of Ireland); and
- (c) Boeing's inclusion as an insured party in certain agreed insurance arrangements for each of the New Aircraft.

A breach of the 2013 Boeing Contract by Ryanair would result in the forfeiture of its deposit and the payment of certain costs and possible legal action against Ryanair.

6. BOEING SUPPORT

In addition to manufacturing and delivering the New Aircraft, the 2013 Boeing Contract requires Boeing to provide various ancillary goods and services to Ryanair throughout the period when the New Aircraft are operated by Ryanair. These ancillary goods and services include, spare parts supports, maintenance software and certain other equipment concessions with respect to each New Aircraft.

Under the 2013 Boeing Contract, Boeing has also provided Ryanair with an extended warranty on the New Aircraft (including customary warranties against defects in design, materials or workmanship and a warranty that the New Aircraft comply with agreed specifications). It also agreed to indemnify Ryanair against any intellectual property infringement claims that may be brought in respect of the New Aircraft and any other claims in connection with any demonstration or test flights of the New Aircraft. Ryanair has provided Boeing with similar indemnities with respect to equipment furnished by Ryanair for installation in the New Aircraft.

As part of the agreement with Boeing, Ryanair has procured that winglets will be incorporated on all of the New Aircraft. The cost of these winglets will be included in the net price of the New Aircraft.

7. TERMINATION AND ASSIGNMENT

Ryanair and Boeing's respective obligations to buy or sell any individual New Aircraft may be terminated by either party in the event of a bankruptcy or similar event affecting the other party or if

any scheduled delivery of an individual New Aircraft is delayed for more than 12 months for a reason other than “excusable delay” (which includes the right of Boeing to terminate any sale if a New Aircraft is damaged beyond repair before delivery or delivery of a New Aircraft is delayed due to Boeing’s “inability, after due and timely diligence, to procure materials, systems, accessories, equipment or parts”). The 2013 Boeing Contract also generally provides that the rights and obligations of the parties may not (subject to certain stated exceptions) be assigned or transferred to non-affiliated third parties without the consent of the non-transferring party.

Under the terms of the 2013 Boeing Contract Ryanair agreed an escalation cap providing pricing certainty for each aircraft purchased. Should forecasted cumulative annual movements in inflation (which drives escalation) exceed an agreed threshold, which is significantly higher than the escalation cap, for any aircraft, Boeing has the right to increase the price of the impacted aircraft to the new escalated price above the threshold. In the event that Boeing exercises this right, Ryanair has the option to either a) terminate the contract for the impacted aircraft and receive a refund of all advance payments or b) accept the price increase.

8. FINANCING OF THE AIRCRAFT PURCHASE

As set out in the financial results for the twelve month period ended 31 March 2013 the Company had cash and liquid resources of €3.6 billion which, together with free cash flow generated from operations, will be used to part finance the purchase of the New Aircraft.

Subject to Shareholder approval of the Purchase, Ryanair expects its first delivery of New Aircraft pursuant to the 2013 Boeing Contract in September 2014. Ryanair expects to finance the aircraft purchases using a variety of financing options closer to the time of their delivery date. Ryanair has a track record of securing finance for similar sized transactions. The 1998, 2002, 2003 and 2005 Boeing Contracts totalling 348 aircraft were financed via approximately 66% US Ex-Im Bank loan guarantees and capital markets financing, 24% through sale and operating leaseback financing and 10% through Japanese operating leases with call options (“JOLCOs”).

Under the new Aviation Sector Understanding which came into effect from 1 January 2013, the fees payable to Ex-Im Bank for the provision of loan guarantees have significantly increased thereby making it more expensive than traditional forms of financing. As a result, Ryanair intends to finance the New Aircraft through a combination of internally generated cash flows, debt financing from commercial banks, debt financing through the capital markets in a secured and unsecured manner, commercial debt through JOLCOs and sale and operating leasebacks. These forms of financing are generally accepted in the aviation industry and are currently widely available for companies who have the credit quality of Ryanair. Ryanair may periodically use US Ex-Im Bank loan guarantees when appropriate. Ryanair intends to finance pre-delivery payments (“Aircraft Deposit”) to Boeing in respect of New Aircraft via internally generated cash flows similar to all previous Aircraft Deposit payments.

Using the debt capital markets to finance the 2013 Boeing Contract may require the Company to obtain a credit rating or potentially require the Company to obtain a credit rating for specific debt transactions, for example using an Enhanced Equipment Trust Certificate (“EETC”), a structured product that is widely used in the US to finance aircraft deliveries. The requirement for a credit rating depends amongst other things on whether Ryanair finances via secured funding or through general corporate purposes. All other forms of financing listed above will not require the Company to provide a credit rating and are widely used in the aviation industry. Further information on the impact of the purchase of the New Aircraft, in particular on Ryanair’s long term funding requirements, is set out in paragraph 5 of Part 4 of this Circular.

The following table sets out the delivery dates for the 175 New Aircraft, together with the schedule of payments excluding the estimated “Escalation Factor” and excluding the price concessions (which are commercially sensitive and confidential) granted to Ryanair by Boeing:

AIRCRAFT PAYMENT SCHEDULE

Delivery Date	No. of Aircraft	Basic * Price	Buyer Furnished Equipment	Total Cost Per Aircraft	Total Cost	Total Cost Subject To Deposits	Advance Payment Prior to Delivery:				Total Advances 30%	Balance At Delivery 70%
							At Signing 1%	24 Mnths 4%	21/18/12/9/6 Mnths 5%			
Sep-14	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Oct-14	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Nov-14	1	78,489,700	2,870,000	81,359,700	81,359,700	78,489,700	78,489,700	3,139,588	3,924,485	23,546,910	54,942,790	
Jan-15	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Feb-15	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Mar-15	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Apr-15	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
May-15	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Jun-15	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Sep-15	2	78,489,700	2,870,000	81,359,700	162,719,400	156,979,400	1,569,794	6,279,176	7,848,970	47,093,820	109,885,580	
Oct-15	3	78,489,700	2,870,000	81,359,700	244,079,100	235,469,100	2,354,691	9,418,764	11,773,455	70,640,730	164,828,370	
Nov-15	3	78,489,700	2,870,000	81,359,700	244,079,100	235,469,100	2,354,691	9,418,764	11,773,455	70,640,730	164,828,370	
Jan-16	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Feb-16	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Mar-16	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Apr-16	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
May-16	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Sep-16	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Oct-16	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Nov-16	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Jan-17	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Feb-17	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Mar-17	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Apr-17	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
May-17	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Sep-17	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Oct-17	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Nov-17	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Jan-18	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Feb-18	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Mar-18	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Apr-18	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
May-18	7	78,489,700	2,870,000	81,359,700	569,517,900	549,427,900	5,494,279	21,977,116	27,471,395	164,828,370	384,599,530	
Sep-18	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Oct-18	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Nov-18	5	78,489,700	2,870,000	81,359,700	406,798,500	392,448,500	3,924,485	15,697,940	19,622,425	117,734,550	274,713,950	
Total:	175						137,356,975	549,427,900	686,784,875	4,120,709,250	9,614,988,250	

* the “effective price” (the purchase price of the aircraft net of discounts received from Boeing) of each New Aircraft will be significantly below the basic price due to certain price concessions that Boeing has granted Ryanair.

Figure 1

PART 3 – RISK FACTORS

The business of Ryanair is subject to a number of common sectoral and company specific risks. The Transaction is itself also subject to a number of risks. Accordingly, Shareholders should consider carefully all of the information set out in this Circular, including, in particular, the risks described below, prior to making any decisions on whether or not to vote in favour of the Resolution. Additional risks and uncertainties not currently known to the Directors, or that the Directors currently consider to be immaterial, may also have an adverse effect on the Ryanair Group.

The business, financial condition or results of operations of the Ryanair Group could be materially and adversely affected by any of the risks described below. In such a case, the market price of the Ordinary Shares may decline due to any of these risks and Shareholders may lose all or part of their investment.

1. RISKS RELATING TO THE TRANSACTION

(i) Availability of Financing

Ryanair has traditionally financed the previous fleet orders through a combination of Ex-Im Bank supported debt, JOLCOs and sale and operating leasebacks. Under the new Aviation Sector Understanding which came into effect from 1 January 2013, the fees payable to Ex-Im Bank for the provision of loan guarantees has significantly increased thereby making it more expensive than more traditional forms of financing. As a result, Ryanair intends to finance the transaction through a combination of internally generated cashflows, commercial bank debt, secured and unsecured issuances in the capital markets, JOLCOs and sale and operating leasebacks. Ryanair may periodically use Ex-Im Bank loan guarantees when appropriate. There is no certainty that the above mentioned financing will still be available at the time of funding each New Aircraft delivery.

An inability of Ryanair to obtain financing for the New Aircraft on reasonable terms could have a material adverse effect on its business, results of operations, and financial condition. In addition, the financing of new and existing Boeing 737-800 series aircraft has already, and will continue to, significantly increase the total amount of Ryanair's outstanding debt and the payments it is obliged to make to service such debt. Ryanair's ability to draw down funds under its existing bank-loan facilities to pay for New Aircraft as they are delivered is subject to various conditions imposed by the counterparties to such bank loan facilities and related loan guarantees, and any future financing is expected to be subject to similar conditions.

(ii) Deployment of the New Aircraft is dependent on access to suitable airports.

Ryanair currently has 57 base airports and operates to 180 airports throughout the European Union and the Common Aviation Area of the European Union. Ryanair plans to increase passenger volumes via a combination of launching new routes and bases and by deploying increased capacity on existing routes and bases. There can be no certainty that the New Aircraft can be deployed across the European Union and the Common Aviation Area of the European Union.

Recession, austerity and a financial crisis including the possible breakup of the Euro could mean that capacity is unable to grow. The current recession and governmental austerity measures in place across Europe mean that Ryanair may be unable to expand its operations due to lack of demand for air travel. Furthermore the possible breakup of the Euro and resulting financial crisis could also lead to a dampening of demand for air travel.

Airline traffic at certain European airports is regulated by a system of grandfathered "slot" allocations. Each slot represents authorization to take-off and land at the particular airport during a specified time period. Although the majority of Ryanair's bases currently have no slot allocations, traffic at a minority of the airports Ryanair serves, including its primary bases, is currently regulated through slot allocations. There can be no assurance that Ryanair will be able to obtain a sufficient number of slots at slot-controlled airports that it may wish to serve in the future, at the time it needs them, or on acceptable terms. There can also be no assurance that its non-slot constrained bases, or the other non-slot constrained airports Ryanair serves, will continue to operate without slot allocation

restrictions in the future. Airports may impose other operating restrictions such as curfews, limits on aircraft noise levels, mandatory flight paths, runway restrictions, and limits on the number of average daily departures. Such restrictions may limit the ability of Ryanair to provide service to, or increase service at, such airports.

Ryanair's future growth also materially depends on its ability to access suitable airports located in its targeted geographic markets at costs that are consistent with Ryanair's ultra-low cost strategy. Any condition that denies, limits, or delays Ryanair's access to airports it serves or seeks to serve in the future would constrain Ryanair's ability to grow. A change in the terms of Ryanair's access to these facilities or any increase in the relevant charges paid by Ryanair as a result of the expiration or termination of such arrangements and Ryanair's failure to renegotiate comparable terms or rates could have a material adverse effect on Ryanair's financial condition and results of operations.

(iii) Residual Value on the fleet.

Ryanair currently owns 246 aircraft and intends to purchase an additional 175 Boeing 737-800 aircraft over the period from calendar 2014 to 2018. Over the course of the order, Ryanair plans to dispose of between 25 and 50 aircraft. Although under the terms of the 2013 Boeing Contract, Ryanair shall (subject to obtaining Shareholder consent) purchase the New Aircraft at substantial discounts to the Base Price for Boeing 737-800 aircraft, there can be no certainty that there will be demand for the New Aircraft or that Ryanair will be able to sell the New Aircraft profitably at the time of disposal. Failure by Ryanair to dispose of an appropriate number of New Aircraft could have an adverse effect on Ryanair's financial condition.

(iv) Growth Aspect of Ryanair will be reduced if the Purchase is not approved.

Ryanair plans to grow passenger volume to approximately 100 million passengers per annum over the next 6 years from 79 million passengers in the year to 31 March 2013. This order for New Aircraft provides Ryanair with sufficient aircraft capacity to facilitate growth to approximately 100 million passengers per annum throughout the period to 31 March 2019. If the 2013 Boeing Contract is not approved by Shareholders at the EGM, the Board believes that Ryanair will be unable to grow passenger volumes to these levels.

2. RISKS RELATING TO RYANAIR

(i) Ryanair's growth may expose it to risks

Ryanair's operations have grown rapidly since it pioneered the low-fares operating model in Europe in the early 1990s, although it only plans to grow by between 3%-5% per annum in fiscal 2014 to 2019. Ryanair intends to continue to expand its fleet and add new destinations and additional flights, which are expected to increase Ryanair's booked passenger volumes to approximately 100 million passengers per annum by 31 March 2019, an increase of 27% from the approximately 79 million passengers booked in the 2013 fiscal year. However, no assurance can be given that this target will in fact be met. If growth in passenger traffic and Ryanair's revenues do not keep pace with the planned expansion of its fleet, Ryanair could suffer from overcapacity and its results of operations and financial condition (including its ability to fund scheduled New Aircraft purchases and related debt) could be materially adversely affected.

The expansion of Ryanair's fleet and operations, although somewhat slower than in previous years, in addition to other factors, may also strain existing management resources and related operational, financial, management information and information technology systems. Expansion will generally require additional skilled personnel, equipment, facilities and systems. An inability to hire skilled personnel or to secure required equipment and facilities efficiently and in a cost-effective manner may adversely affect Ryanair's ability to achieve growth plans and sustain or increase its profitability.

(ii) New routes and expanded operations may have an adverse impact on results.

Currently, a substantial number of carriers operate routes that compete with Ryanair's, and Ryanair expects to face further intense competition. When Ryanair commences new routes, its load factors and fares tend to be lower than those on its established routes and its advertising and other promotional costs tend to be higher, which may result in initial losses

that could have a material negative impact on Ryanair's results of operations as well as require a substantial amount of cash to fund. In addition, there can be no assurance that Ryanair's low-fares service will be accepted on new routes. Ryanair also periodically runs special promotional fare campaigns, in particular in connection with the opening of new routes. Promotional fares may have the effect of increasing load factors and reducing Ryanair's yield and passenger revenues on such routes during the periods that they are in effect. Ryanair has other significant cash needs as it expands, including as regards the cash required to fund aircraft purchases or aircraft deposits related to the acquisition of additional Boeing 737-800 series aircraft. There can be no assurance that Ryanair will have sufficient cash to make such expenditures and investments, and to the extent Ryanair is unable to expand its route system successfully, its future revenue and earnings growth will in turn be limited. Further volcanic ash emissions, similar to those experienced in April and May 2010, could make consumers less willing and/or able to travel and impact the launch of new routes or bases.

(iii) Currency fluctuations.

Although the Company is headquartered in Ireland, a significant portion of its operations are conducted in the U.K. Consequently, the Company has significant operating revenues and operating expenses, as well as assets and liabilities, denominated in U.K. Pounds Sterling. In addition, fuel, aircraft, insurance, and some maintenance obligations are denominated in U.S. Dollars. The Company's operations and financial performance can therefore be significantly affected by fluctuations in the values of the U.K. Pound Sterling and the U.S. Dollar. Ryanair is particularly vulnerable to direct exchange rate risks between the Euro and the U.S. Dollar because a significant portion of its operating costs are incurred in U.S. Dollars and none of its revenues are denominated in U.S. Dollars. Although the Company engages in foreign currency hedging transactions between the Euro and the U.S. Dollar, between the Euro and the U.K. Pound Sterling, and between the U.K. Pound Sterling and the U.S. Dollar, hedging activities cannot be expected to eliminate all currency risk.

(iv) Changes in fuel pricing.

Jet fuel costs are subject to wide fluctuations as a result of many economic and political factors and events occurring throughout the world that Ryanair can neither control nor accurately predict, including increases in demand, sudden disruptions in supply and other concerns about global supply, as well as market speculation. For example, although they declined in the 2010 fiscal year, oil prices increased substantially in fiscal years 2011, 2012 and 2013 and remain at elevated levels. As international prices for jet fuel are denominated in U.S. Dollars, Ryanair's fuel costs are also subject to certain exchange rate risks. Substantial price increases, adverse exchange rates, or the unavailability of adequate fuel supplies, including, without limitation, any such events resulting from international terrorism, prolonged hostilities in the Middle East or other oil-producing regions or the suspension of production by any significant producer, may adversely affect Ryanair's profitability. In the event of a fuel shortage resulting from a disruption of oil imports or otherwise, additional increases in fuel prices or a curtailment of scheduled services could result.

Ryanair is exposed to risks arising from fluctuations in the price of fuel, and movements in the Euro/U.S. Dollar exchange rate, especially in light of the recent volatility in the relevant currency and commodity markets. Any further increase in fuel costs could have a material adverse effect on Ryanair's financial performance. In addition, any strengthening of the U.S. Dollar against the Euro could have an adverse effect on the cost of buying fuel in Euro. As of the Latest Practicable Date, Ryanair had hedged 90% of its forecasted fuel-related Dollar purchases against the Euro at a rate of approximately \$1.31 per Euro for the fiscal year ending 31 March 2014 and 26% of its forecasted fuel related dollar purchases against the Euro at a rate of approximately \$1.31 per Euro for the first 6 months of the fiscal year ending 31 March 2015.

No assurances whatsoever can be given about trends in fuel prices, and average fuel prices for future years may be significantly higher than current prices. Management estimates that every \$10 movement in the price of a metric ton of jet fuel will impact Ryanair's costs by approximately €1.5 million, taking into account Ryanair's hedging programme for the 2014 fiscal year. There can be no assurance, however, in this regard, and the impact of fuel prices on Ryanair's operating results may be more pronounced. There also cannot be any assurance that Ryanair's current or any future arrangements will

be adequate to protect Ryanair from increases in the price of fuel or that Ryanair will not incur losses due to high fuel prices, either alone or in combination with other factors. Because of Ryanair's low fares and its no-fuel-surcharges policy, as well as Ryanair's expansion plans, which could have a negative impact on yields, its ability to pass on increased fuel costs to passengers through increased fares or otherwise is somewhat limited. Moreover, the anticipated expansion of Ryanair's fleet from September 2014 onwards will result in an increase, in absolute terms, in Ryanair's aggregate fuel costs.

(v) Seasonally grounding aircraft.

In recent years, in response to an operating environment characterized by high fuel prices, typically lower winter yields and higher airport charges and/or taxes, Ryanair has adopted a policy of grounding a certain portion of its fleet during the winter months (from November to March). In the winter of fiscal year 2013, Ryanair grounded approximately 80 aircraft. Ryanair's adoption of the policy of seasonally grounding aircraft presents some risks. While Ryanair seeks to implement its seasonal grounding policy in a way that will allow it to reduce losses by operating flights during periods of high oil prices to high cost airports at low winter yields, there can be no assurance that this strategy will be successful. Additionally, Ryanair's growth has been largely dependent on increasing summer capacity, and decreasing winter capacity may affect the overall future growth of Ryanair. Further, while seasonal grounding does reduce Ryanair's variable operating costs, it does not avoid fixed costs such as aircraft ownership costs and some staff costs, and it also decreases Ryanair's potential to earn ancillary revenues. Decreasing the number and frequency of flights may also negatively affect Ryanair's labour relations, including its ability to attract flight personnel only interested in full-time employment. Such risks could lead to negative effects on Ryanair's financial condition and/or results of operations.

(vi) Risks associated with the Euro.

The Company is headquartered in Ireland and its reporting currency is the Euro. As a result of the ongoing uncertainty arising from the Eurozone debt crisis, there has been widespread speculation that some member states could exit the Eurozone or that there may be a potential break-up of the Eurozone currency union, including with regard to Ireland, the country in which the Company is headquartered. If a Eurozone participating member state were to leave the Eurozone, there is a risk of contagion spreading to the remaining members. Ryanair predominantly operates to/from countries within the Eurozone and has significant operational and financial exposures to the Eurozone that could result in a reduction in the operating performance of Ryanair or the devaluation of certain assets. Ryanair has taken certain risk management measures to minimise any disruptions, however these risk management measures may fail to address the potential fall-out from a break-up of the Euro or an exit by one of the Eurozone members. The Company has cash and aircraft assets and debt liabilities that are denominated in Euro on its balance sheet. In addition the positive/negative mark-to-market on derivative based transactions are recorded in Euro as either assets or liabilities on Ryanair's balance sheet. A potential exit of a member state or the break-up of the Eurozone could have a materially adverse effect on the value of these assets and liabilities. In addition to the assets and liabilities on the Ryanair's balance sheet, the Company has a number of cross currency risks as a result of the jurisdictions of the operating business including non-Euro revenues, fuel costs, certain maintenance costs and insurance costs. A weakening in the value of the Euro primarily against U.K. Pound Sterling and U.S. Dollar but also against other non-Eurozone European currencies and Moroccan Dirhams, could negatively impact the operating results of the Company.

(vii) Ryanair may not be successful in increasing fares and revenues to offset higher costs.

Ryanair operates a low-fares airline. The success of its business model depends on its ability to control costs so as to deliver low fares while at the same time earning a profit. Ryanair has limited control over its fuel costs and already has comparatively low operating costs. In periods of high fuel costs, if Ryanair is unable to further reduce its other operating costs or generate additional revenues, operating profits are likely to fall. Ryanair cannot offer any assurances regarding its future profitability. Changes in fuel costs and fuel availability could have a material adverse impact on Ryanair's results and could also increase the likelihood that Ryanair may incur losses.

- (viii) Ryanair faces significant price and other pressures in a highly competitive environment.

Ryanair operates in a highly competitive marketplace, with a number of low-fare, traditional and charter airlines competing throughout its route network. Airlines compete primarily in respect of fare levels, frequency and dependability of service, name recognition, passenger amenities (such as access to frequent flyer programmes), and the availability and convenience of other passenger services. Unlike Ryanair, certain competitors are state-owned or state-controlled flag carriers and in some cases may have greater name recognition and resources and may have received, or may receive in the future, significant amounts of subsidies and other state aid from their respective governments. In addition, the EU-U.S. Open Skies Agreement, which came into effect in March 2008, allows U.S. carriers to offer services in the intra-EU market, which should eventually result in increased competition in the EU market.

The airline industry is highly susceptible to price discounting, in part because airlines incur very low marginal costs for providing service to passengers occupying otherwise unsold seats. Both low-fare and traditional airlines sometimes offer low fares in direct competition with Ryanair across a significant proportion of its route network as a result of the liberalization of the EU air transport market and greater public acceptance of the low-fares model. Although Ryanair's average booked passenger fare increased in the 2011 and 2012 fiscal years and in the first 9 months of the 2013 fiscal year, it decreased in the 2010 fiscal year, and there can be no assurance that it will not decrease in future periods.

Although Ryanair intends to compete vigorously and to assert its rights against any predatory pricing or other similar conduct, price competition among airlines could reduce the level of fares and/or passenger traffic on Ryanair's routes to the point where profitability may not be achievable.

In addition to traditional competition among airline companies and charter operators who have entered the low-fares market, the industry also faces competition from ground transportation (including high-speed rail systems) and sea transportation alternatives, as businesses and recreational travellers seek substitutes for air travel.

Recession, austerity and the possible breakup of the Euro could also mean that Ryanair is unable to grow. The current European recession and austerity measures introduced within Europe all mean that Ryanair may be unable to expand its operations due to lack of demand for air travel. Furthermore the possible breakup of the Euro and resulting financial crisis could also lead to a dampening of demand for air travel.

- (ix) Ryanair's Acquisition of 29.8% of Aer Lingus and subsequent failure to conclude a complete acquisition of Aer Lingus could expose Ryanair to risk.

During the 2007 fiscal year, Ryanair acquired 25.2% of Aer Lingus. Ryanair increased its interest to 29.3% during the 2008 fiscal year, and to 29.8% during the 2009 fiscal year at a total aggregate cost of €407.2 million. Following the acquisition of its initial stake and upon the approval of Ryanair's shareholders, management proposed to effect a tender offer to acquire the entire share capital of Aer Lingus. This 2006 offer was, however, prohibited by the European Commission on competition grounds in June 2007. Ryanair's 2012 offer for Aer Lingus was also prohibited by the European Commission on competition grounds, in February 2013.

In October 2007, the European Commission reached a formal decision that it would not force Ryanair to sell its shares in Aer Lingus. This decision has been affirmed on appeal in July 2010. However, EU legislation may change in the future to require such a forced disposition. If eventually forced to dispose of its stake in Aer Lingus, Ryanair could suffer significant losses due to the negative impact on market prices of the forced sale of such a significant portion of Aer Lingus shares.

Between September 2010 and June 2012 the U.K. Office of Fair Trading (OFT) investigated Ryanair's 6 year old minority stake in Aer Lingus, and on 15 June 2012 the OFT referred the matter for further investigation to the U.K. Competition Commission (the Competition Commission). Ryanair welcomed the OFT's decision as it believes that the Competition Commission should find that since Ryanair exerts no influence over Aer Lingus through its minority stake, it should not be forced to sell down its minority stake. In addition, no such forced sale should properly take place in light of the European Commission's ruling, in

February 2013, that competition between Ryanair and Aer Lingus has intensified since 2007. However, the Competition Commission could order Ryanair to divest some or all of its shares in Aer Lingus, as a result of which Ryanair could suffer losses due to the negative impact on market prices of the forced sale of such a significant portion of Aer Lingus shares.

All impairment losses as a result of a change in the available for sale financial assets are required to be recognized in Ryanair's income statement and are not subsequently reversed, while gains are recognized through other comprehensive income. Deteriorations in conditions in the airline industry affect Ryanair not only directly, but also indirectly, because the value of its stake in Aer Lingus fluctuates with the share price. However, as the value of Ryanair's stake in Aer Lingus has already been written down to just €79.7 million (the equivalent of €0.50 per share as of June 30, 2009), the potential for future write-downs of that asset is currently limited to that amount.

(x) Labour Relations could expose Ryanair to risk.

A variety of factors, including, but not limited to, Ryanair's profitability and its seasonal grounding policy may make it difficult for Ryanair to avoid increases to salary levels and productivity payments. Consequently, there can be no assurance that Ryanair's existing employee compensation arrangements may not be subject to change or modification at any time. These steps may lead to deterioration in labour relations in Ryanair and could impact Ryanair's business or results. Ryanair also operates in certain jurisdictions with above average payroll taxes and employee-related social insurance costs, which could have an impact on the availability and cost of employees in these jurisdictions. Ryanair's crew in continental Europe operate on Irish contracts of employment on the basis that those crew work on Irish Territory, (i.e. on board Irish Registered Aircraft). A number of challenges have been initiated by government agencies in a number of countries to the applicability of Irish labour law to these contracts, and if Ryanair were forced to concede that Irish jurisdiction did not apply to those crew who operate from continental Europe then it could lead to increased salary, social insurance and pension costs and a potential loss of flexibility. In relation to social insurance costs, the European Parliament implemented amendments to Regulation (EC) 883/2004 which may impose substantial social insurance contribution increases for either or both Ryanair and the individual employees. While this change to social insurance contributions relates primarily to new employees, its effect in the long term may materially increase Company or employee social insurance contributions and could affect Ryanair's decision to operate from those high cost locations, resulting in redundancies and a consequent deterioration in labour relations.

Ryanair currently conducts collective bargaining negotiations with groups of employees, including its pilots and cabin crew, regarding pay, work practices, and conditions of employment, through collective-bargaining units called "Employee Representation". In the U.K., BALPA (the U.K pilots union) unsuccessfully sought to represent Ryanair's U.K.-based pilots in their negotiations with Ryanair in 2001, at which time an overwhelming majority of those polled rejected BALPA's claim to represent them. On 19 June 2009, BALPA made a request for voluntary recognition under applicable U.K. legislation, which Ryanair rejected. BALPA had the option of applying to the U.K.'s Central Arbitration Committee (CAC) to organize a vote on union recognition by Ryanair's pilots in relevant bargaining units, as determined by the CAC, but BALPA decided not to proceed with an application at that time. The option to apply for a ballot remains open to BALPA and if it were to seek and be successful in such a ballot, it would be able to represent the U.K. pilots in negotiations over salaries and working conditions. Limitations on Ryanair's flexibility in dealing with its employees or the altering of the public's perception of Ryanair generally could have a material adverse effect on Ryanair's business, operating results, and financial condition.

(xi) Ryanair is subject to legal proceedings alleging state aid at certain airports.

Formal investigations are ongoing by the European Commission into Ryanair's agreements with the Lübeck, Berlin (Schönefeld), Alghero, Pau, Aarhus, Frankfurt (Hahn), Dusseldorf (Weeze), Zweibrücken, Altenburg, Klagenfurt, Stockholm (Vasteras), Paris (Beauvais), La Rochelle, Carcassonne, Nîmes, Angoulême, Marseille, Brussels (Charleroi) and Cagliari airports. The investigations seek to determine whether the arrangements constitute illegal state aid under EU law. The investigations are expected to be completed in late 2013/early

2014, with the European Commission's decisions being appealable to the EU General Court. Investigations into Ryanair's agreements with the Bratislava and Tampere airports concluded respectively in 2010 and 2012 with findings that these agreements contained no state aid. In addition to the European Commission investigations, Ryanair is facing allegations that it has benefited from unlawful state aid in a number of court cases, including in relation to its arrangements with Frankfurt (Hahn) and Lübeck airports. Adverse rulings in these matters could be used as precedents by competitors to challenge Ryanair's agreements with other publicly owned airports and could cause Ryanair to strongly reconsider its growth strategy in relation to public or state-owned airports across Europe. This could in turn lead to a scaling-back of Ryanair's overall growth strategy due to the smaller number of privately owned airports available for development. No assurance can be given as to the outcome of these legal proceedings, nor as to whether any unfavourable outcomes may, individually or in the aggregate, have an adverse effect on the results of operation or financial condition of Ryanair.

- (xii) EU Regulations changes in relation to employers and employee social insurance could increase costs.

The European Parliament passed legislation governing the payment of employee and employer social insurance costs in May 2012. The legislation was introduced in late June 2012. The legislation governs the country in which employees and employers must pay social insurance costs. Presently, Ryanair pays employee and employer social insurance in the country under whose laws the employee's contract of employment is governed, which is at this time either the UK or Ireland. Under the terms of this new legislation, employees and employers must pay social insurance in the country where the employee is based. The legislation includes grandfathering rights which means that existing employees should be exempt. However, both new and existing employees who transfer from their present base location to a new base in another EU country will be impacted by the new rules in relation to employee and employer contributions. Each country within the EU has different rules and rates in relation to the calculation of employee and employer social insurance contributions. Ryanair estimates that the change in legislation will not have any initial material impact on salary costs although it could have an adverse impact over time.

- (xiii) Ryanair is dependent on external service providers.

Ryanair currently assigns its engine overhauls and "rotable" repairs to outside contractors approved under the terms of Part 145, the European regulatory standard for aircraft maintenance established by the European Aviation Safety Agency. Ryanair also assigns its passenger, aircraft and ground handling services at airports other than Dublin and certain airports in Spain and the Canary Islands to established external service providers.

The termination or expiration of any of Ryanair's service contracts or any inability to renew them or negotiate replacement contracts with other service providers at comparable rates could have a material adverse effect on Ryanair's results of operations. Ryanair will need to enter into airport service agreements in any new markets it enters, and there can be no assurance that it will be able to obtain the necessary facilities and services at competitive rates. In addition, although Ryanair seeks to monitor the performance of external parties that provide passenger and aircraft handling services, the efficiency, timeliness, and quality of contract performance by external providers are largely beyond Ryanair's direct control. Ryanair expects to be dependent on such outsourcing arrangements for the foreseeable future.

- (xiv) Ryanair is dependent on key personnel.

Ryanair's success depends to a significant extent upon the efforts and abilities of its senior management team, including Michael O'Leary, the Chief Executive Officer, and key financial, commercial, operating and maintenance personnel. Mr. O'Leary's current contract may be terminated by either party upon 12 months notice. Ryanair's success also depends on the ability of its executive officers and other members of senior management to operate and manage effectively, both independently and as a group. Although Ryanair's employment agreements with Mr. O'Leary and some of its other senior executives contain non-competition and non-disclosure provisions, there can be no assurance that these provisions will be enforceable in whole or in part. Competition for highly qualified personnel

is intense, and either the loss of any executive officer, senior manager, or other key employee without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect upon Ryanair's business, operating results, and financial condition.

(xv) Risks related to internet reservations operations and elimination of airport check-in facilities.

Approximately 100% of Ryanair's flight reservations are made through its website. Although Ryanair has established a contingency programme whereby the website is hosted in three separate locations, each of these locations accesses the same booking engine, located at a single centre, in order to make reservations.

A back-up booking engine is available to Ryanair to support its existing platform in the event of a breakdown in this facility. Nonetheless, the process of switching over to the back-up engine could take some time and there can be no assurance that Ryanair would not suffer a significant loss of reservations in the event of a major breakdown of its booking engine or other related systems, which, in turn, could have a material adverse effect on Ryanair's operating results or financial condition.

Since 1 October 2009, all passengers have been required to use Internet check-in. Internet check-in is part of a package of measures intended to reduce check-in lines and passenger handling costs and pass on these savings by reducing passenger fares. Ryanair has deployed this system across its network. Any disruptions to the Internet check-in service as a result of a breakdown in the relevant computer systems or otherwise could have a material adverse impact on these service-improvement and cost-reduction efforts. The result of this requirement is that Ryanair has reduced airport and handling costs, due to the need to have fewer check-in personnel and rented check-in desks. There can be no assurance, however, that this process will continue to be successful or that consumers will not switch to other carriers that provide standard check-in facilities, which would negatively affect Ryanair's results of operations and financial condition.

(xvi) Risks related to unauthorized use of information from Ryanair's website.

Screenscraper websites gain unauthorized access to Ryanair's website and booking system, extract flight and pricing information and display it on their own websites for sale to customers at prices which include intermediary fees on top of Ryanair's fares. Ryanair does not allow any such commercial use of its website and objects to the practice of screenscraping also on the basis of certain legal principles, such as database rights, copyright protection, etc. In November 2011, Ryanair introduced Captcha, a Google product which requires passengers who wish to book flights to enter a screen code to complete their bookings. This has had a positive impact and reduced the level of screenscraping. Ryanair is also involved in a number of legal proceedings against the proprietors of screenscraper websites in Ireland, Germany, the Netherlands, France, Spain, Italy and Switzerland. Ryanair's objective is to prevent any unauthorized use of its website, however Ryanair does allow certain companies who operate fare comparison websites to access the website provided they sign a license and use the agreed method to access the data. Ryanair has received favourable rulings in Ireland, Germany and The Netherlands in its actions against screenscrapers. However, pending the outcome of these legal proceedings and if Ryanair were to be unsuccessful in them, the activities of screenscraper websites could lead to a reduction in the number of customers who book directly on Ryanair's website and consequently to a reduction in Ryanair's ancillary revenue stream. Also, some customers may be lost to Ryanair once they are presented by a screenscraper website with a Ryanair fare inflated by the screenscraper's intermediary fee. This could also adversely affect Ryanair's reputation as a low-fares airline, which could negatively affect Ryanair's results of operations and financial condition.

(xvii) Taxes.

The majority of Ryanair's profits are subject to Irish corporation tax at a statutory rate of 12.5%. Due to the size and scale of the Irish government's budgetary deficit and the "bailout" of the Irish government by a combination of loans from the International Monetary Fund and the European Union, there is a risk that the Irish government could increase Irish corporation tax rates above 12.5% in order to repay current or future loans or to increase tax revenues.

At 12.5%, the rate of Irish corporation tax is lower than that applied by most of the other European Union member states, and has periodically been subject to critical comment by the governments of other EU member states. Although the Irish government has repeatedly publicly stated that it will not increase corporation tax rates, there can be no assurance that such an increase in corporation tax rates will not occur.

In the event that the Irish government increases corporation tax rates or changes the basis of calculation of corporation tax from the present basis, any such changes would result in the Company paying higher corporate taxes and would have an adverse impact on our cash flows, financial position and results of operations.

Ryanair operates in many jurisdictions and is, from time to time, subject to tax audits, which by their nature are often complex and can require several years to conclude. While Ryanair endeavours to be tax compliant in the various jurisdictions in which it operates, there can be no guarantee, particularly in the current economic environment, that it will not receive tax assessments following the conclusion of the tax audits. If assessed, Ryanair will robustly defend its position. In the event that Ryanair is unsuccessful in defending its position, it is possible that the effective tax rate, employment and other costs of Ryanair could materially increase.

(xviii) Ryanair is dependent on the continued acceptance of low-fares airlines.

In past years, accidents or other safety-related incidents involving certain low-fares airlines have had a negative impact on the public's acceptance of such airlines. Any adverse event potentially relating to the safety or reliability of low-fares airlines (including accidents or negative reports from regulatory authorities) could adversely impact the public's perception of, and confidence in, low-fares airlines like Ryanair, and could have a material adverse effect on Ryanair's financial condition and results of operations.

(xix) Safety-Related Undertakings Could Affect Ryanair's Results.

Aviation authorities in Europe and the United States periodically require or suggest that airlines implement certain safety-related procedures on their aircraft. In recent years, the U.S. Federal Aviation Administration (the FAA) has required a number of such procedures with regard to Boeing 737-800 aircraft, including checks of rear pressure bulkheads and flight control modules, redesign of the rudder control system, and limitations on certain operating procedures. Ryanair's policy is to implement any such required procedures in accordance with FAA guidance and to perform such procedures in close collaboration with Boeing. To date, all such procedures have been conducted as part of Ryanair's standard maintenance programme and have not interrupted flight schedules nor required any material increases in Ryanair's maintenance expenses. However, there can be no assurance that the FAA or other regulatory authorities will not recommend or require other safety-related undertakings or that such undertakings would not adversely impact Ryanair's operating results or financial condition.

There also can be no assurance that new regulations will not be implemented in the future that would apply to Ryanair's aircraft and result in an increase in Ryanair's cost of maintenance or other costs beyond management's current estimates. In addition, should Ryanair's aircraft cease to be sufficiently reliable or should any public perception develop that Ryanair's aircraft are less than completely reliable, the Ryanair's business could be materially adversely affected.

PART 4 – ADDITIONAL INFORMATION

1. THE COMPANY

Ryanair Holdings plc was incorporated and registered in Ireland on 5 June 1996 under the Companies Acts, 1963 to 2012, as a private company limited by shares with the name Glyndon Limited and with registered number 249885. On 31 October 1996, Glyndon Limited changed its name to Ryanair Holdings Limited. Ryanair Holdings Limited was re-registered as a public limited company on 16 May 1997 and its name was changed to Ryanair Holdings plc. Ryanair's registered office is at Corporate Headquarters, Dublin Airport, County Dublin, Ireland and operates under the registered brand name of 'Ryanair'. The telephone number of the Company's registered office is +353 (0)1 812 1212. The principal legislation under which the Company operates are the Companies Acts, 1963 to 2012.

2. RESPONSIBILITY

The Company and the Directors, whose names are set out in section 3(i)(a) below, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of Ryanair and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

3. DIRECTORS AND OTHER INTERESTS

- (i) (a) As at the Latest Practicable Date, the interests (all of which are beneficial unless otherwise stated) of the Directors (including any interests of their spouses or minor children) in the issued share capital of the Company, the existence of which is known to, or could with reasonable due diligence be ascertained by the Directors, whether or not held through another party which is notifiable or required to be disclosed pursuant to sections 53 and 64 of the Companies Act, 1990 or is required to be shown in the register referred to in section 59 of the Companies Act, 1990 and, as far as the Company and the Directors are aware, having made due and proper enquiry, the interests of any persons connected (within the meaning of Section 26 of the Companies Act, 1990) with a Director, were as set out below:

<u>Directors</u>	<u>Ordinary Shares Of 0.635 cent each</u>	<u>% of issued Ordinary Share Capital held</u>
David Bonderman	9,230,671	0.64
Michael Horgan	50,000	n/c
Charles McCreedy	—	—
Declan McKeon	—	—
Kyran McLaughlin	200,000	0.01
Michael O'Leary	51,081,256	3.53
Julie O'Neill	—	—
James R Osborne	310,256	0.02
Louise Phelan	—	—

- (b) *Share Options*

<u>Directors</u>	<u>Options for Ordinary Shares</u>
David Bonderman *	25,000
Michael Horgan *	25,000
Charles McCreedy	—
Declan McKeon	—
Kyran McLaughlin *	25,000
Michael O'Leary	—
Julie O'Neill	—
James R Osborne *	25,000
Louise Phelan	—

- * These options were granted to these Directors at an exercise price of €4.96 (the market value at the date of grant) during the 2008 fiscal year and are exercisable between June 2012 and June 2014.

Save as set out in paragraph 3(i)(a) and 3(i)(b) above, no Director (nor any connected persons) has any interest whether beneficial or non-beneficial in the issued share capital of the Company or any of its subsidiaries.

(c) *Directors' Interests' in transactions*

No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or are or were significant to the business of Ryanair and which were effected by any member of Ryanair either in the current or immediately preceding fiscal year or during an earlier fiscal year and which remain in any respect outstanding or unperformed.

(d) *Directors' Service Contracts*

The following is a summary of the existing Directors Service Contract:

Employment and Bonus Agreement with Mr. O'Leary: Mr O'Leary's current employment agreement with Ryanair Limited is dated 1 July, 2002 and can be terminated by either party upon twelve months notice. Pursuant to the agreement, Mr. O'Leary serves as Chief Executive at an annual gross salary of €768,000, subject to any increases that may be agreed between Ryanair Limited and Mr. O'Leary. Mr. O'Leary is also eligible for annual bonuses as determined by the directors of Ryanair Limited. The amount of such bonuses to be paid to Mr. O'Leary for fiscal year 2013 totalled €504,000. Mr. O'Leary is subject to a covenant not to compete with Ryanair within the EU for a period of two years after the termination of his employment with Ryanair. Mr. O'Leary's employment agreement does not contain provisions providing for compensation on its termination.

Save as disclosed in this paragraph 3(i)(d), there are no existing or proposed directors' service contracts (as defined in the Listing Rules) between any of the Directors of the Company and the Company or any of its subsidiaries and there are no equivalent arrangements regulating the terms and conditions of their employment.

(ii) *Substantial Interests*

As at the Latest Practicable Date, in so far as is known to the Company, the following persons, other than a Director, were directly or indirectly interested in 3% or more of the issued ordinary share capital of Ryanair:

<u>Name</u>	<u>Number of Ordinary Shares</u>	<u>% of issued Ordinary Share Capital held</u>
Capital Group Companies Inc	201,538,960	13.99
BlackRock, Inc	72,484,151	5.00
Baillie Gifford & Co	59,006,968	4.08
Manning & Napier Advisors, LLC	11,537,682	3.99

Save as disclosed in this paragraph 3(ii) and in paragraph 3(i)(a) above (shareholding of Michael O'Leary), the Company is not aware of and has not been notified of any shareholding representing, directly or indirectly, 3% or more of the share capital of Ryanair. The Company is not aware of any person who directly or indirectly, jointly or severally, exercises or could exercise, control over the Company.

4. **WORKING CAPITAL**

The Company is of the opinion that following Completion, and having regard to existing cash resources and available bank and other committed facilities, Ryanair has sufficient working capital for its present requirements for at least twelve months from the date of publication of this Circular.

5. **IMPACT OF THE PURCHASE OF THE NEW AIRCRAFT ON RYANAIR'S LONGER TERM FUNDING REQUIREMENTS**

Ryanair currently expects that its gross capital expenditure requirements for the period to 31 March, 2014 including advance payments required per the "Aircraft Payment Schedule" outlined in figure 1 in Part 2 will be approximately €500 million and it anticipates these funds will be generated from internal cash flows. Ryanair estimates that, based on the "Basic Price" of each New Aircraft including certain buyer furnished equipment purchased by Boeing on Ryanair's behalf but not taking into account any

concessions or the “Escalation Factor”, per the “*Aircraft Payment Schedule*” outlined in figure 1 in Part 2, an amount of up to \$13.7bn which equates to approximately €10.6bn based on an FX rate of 1.296 will be required to meet its New Aircraft funding requirements prior to the completion of the delivery of all New Aircraft under the 2013 Boeing Contract. Ryanair currently intends to obtain the necessary finance for the payment of New Aircraft to be delivered under the 2013 Boeing Contract in the manner described in Part 2 under “*Financing of the Aircraft Purchase*”. Although the Directors are confident that the necessary finance will be available to Ryanair, there can be no assurance that the necessary finance will be available to Ryanair at all or on satisfactory terms or that Ryanair will not elect to use alternative finance, or that the cost of any such finance will not be higher than currently anticipated.

6. MATERIAL CONTRACTS

- (a) The 2013 Boeing Contract summarised in Part 2 of this Circular is the only material contract (not being a contract entered into in the ordinary course of business), which has been entered into by a member of Ryanair within the two years immediately preceding the date of this Circular, or contract (not being a contract entered into in the ordinary course of business), which contains any provision under which Ryanair has any obligation or entitlement which is or may be material to Ryanair at the date of this Circular:

7. SIGNIFICANT CHANGE

There has been no significant change in the financial or trading position of Ryanair since 31 March 2013 (the date to which the latest audited financial information of Ryanair’s was prepared).

8. LITIGATION

- (a) Ryanair is not or has not been engaged in, or (so far as Ryanair is aware) has pending or threatened by or against it, during the twelve months preceding the date of this Circular, any legal or arbitration proceedings which may have, or have had, a significant effect on Ryanair’s financial position.
- (b) There is no nor have been any legal or arbitration proceedings relating to the New Aircraft the subject of the Transaction which may have, or have had during the twelve months preceding the date of this Circular, a significant effect on Ryanair’s financial position, nor are the Directors of Ryanair aware of any such proceedings which are pending or threatened.

9. CONSENT

Davy, Davy House, 49 Dawson Street, Dublin 2 which is regulated in Ireland by the Central Bank of Ireland has given and has not withdrawn its written consent to the inclusion in this Circular of its name and references thereto in the form and context in which it appears.

10. RELATED PARTY TRANSACTIONS

Save as set out below, no related party transactions were entered into by Ryanair during the three financial years ended 31 March, 2012, 2011 and 2010 or in the period since 31 March, 2012 to the Latest Practicable Date.

Senior Key Management

The remuneration paid to senior key management (defined as the executive team reporting to the Board of Directors) during the years ended 31 March 2013, 2012 and 2011 was as follows:

	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
Basic salary and bonus	6.0	5.9	3.9
Pension contributions	0.1	0.1	0.9
Share-based compensation expense *	<u>1.0</u>	<u>(1.0)</u>	<u>1.7</u>
	<u>7.1</u>	<u>5.0</u>	<u>6.5</u>

- * The net credit to the income statement in the year comprises a reversal of previously recognised share-based compensation expense for awards that did not vest, offset by a charge for the fair value of various share options granted in prior periods, which are being recognised within the income statement in accordance with employee services rendered.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the documents referred to below will be available for inspection during normal business hours during any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company, Corporate Headquarters, Dublin Airport, Co Dublin, Ireland from the date of this Circular up to and including the date of the Extraordinary General Meeting:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the 2013 Boeing Contract summarised in Part 2 of this Circular;
- (c) the consolidated audited accounts of Ryanair for the years ended 31 March, 2010, 31 March, 2011, and 31 March, 2012;
- (d) the material contracts referred to in paragraph 5 above;
- (e) the employment agreement referred to in paragraph 2(i)(d) of this Part 4;
- (f) the consent letter referred to in paragraph 8 above; and
- (i) this Circular.

Dated: 27 May 2013

DEFINITIONS

In this Circular and in the Form of Proxy the following expressions have the following meanings, unless the context otherwise requires, or unless it is otherwise specifically provided herein:

“1998 Boeing Contract”	the agreement to purchase up to 45 Boeing 737-800 aircraft which was entered into in 1998 and which was superseded by the 2002 Boeing Contract;
“2002 Boeing Contract”	the agreement to purchase of up to 150 Boeing 737-800 aircraft, which was entered into in 2002 and which was superseded by the 2003 Boeing Contract;
“2003 Boeing Contract”	the agreement to purchase up to 250 Boeing 737-800 aircraft, which was entered into in 2003 and which was superseded by the 2005 Boeing Contract;
“2005 Boeing Contract”	the agreement to purchase up to 140 Boeing 737-800 aircraft, including additional purchase rights which was entered into in 2005 and which will be superseded by the 2013 Boeing Contract;
“2013 Boeing Contract”	the agreement to purchase the New Aircraft, which is described in more detail in Part 2 of this Circular;
“Aircraft Deposits”	the pre-deliver payments to Boeing by Ryanair in respect of the New Aircraft under the terms of the 2013 Boeing Contract;
“Aviation Sector Understanding”	the agreement between certain countries that manufacture aircraft regarding the terms governing export credit financing;
“Basic Price”	has the meaning given to it in paragraph 2 of Part 2 of this Circular;
“Boeing”	the Boeing Company;
“CFMI”	an aircraft engine manufacturing joint venture between General Electric of the United States and Snecma of France;
“Circular”	this document which comprises a circular to Shareholders;
“Companies Acts” or “Acts”	the Companies Acts, 1963 to 2012 of Ireland;
“Completion”	the confirmation to Boeing of the approval of the Purchase by Shareholders at the EGM, which is the final condition to completion of the 2013 Boeing Contract;
“Company”	Ryanair Holdings plc;
“Davy Corporate Finance”	Davy Corporate Finance;
“Davy”	J&E Davy, trading as Davy;
“Directors” or “the Board”	the board of directors of the Company whose names are set out on page 4 of this Circular;
“EETC”	an enhanced equipment trust certificate is a form of secured debt financing. Trust certificates are sold to investors to finance the aircraft purchase by a trust who lease the aircraft to

	Ryanair. The trustee forwards payments to investors and upon maturity, Ryanair receives title to the aircraft. There are different classes of certificates. The more senior certificates have a higher credit rating and lower interest rates while they also have higher payment priorities and asset security;
“Employment Cost Index”	the Employment Cost index for NAICS Manufacturing – Total Compensation a quarterly report from the United States Department of Labor, Bureau of Labor Statistics, that measures the growth of employee compensation in the United States;
“Ex-Im Bank”	Export-Import Bank of the United States;
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company convened for 9.00 a.m. on 18 June 2013 and to be held at The Radisson Blu Hotel, Dublin Airport, Co. Dublin, including any adjournment thereof, and notice of which is set out at the end of this Circular;
“Form of Proxy”	the Form of proxy for use by Shareholders in connection with the EGM;
“IATA”	the International Air Transport Association;
“Ireland” and “Republic of Ireland”	Ireland, excluding Northern Ireland, and the word “Irish” shall be construed accordingly;
“Irish Stock Exchange”	the Irish Stock Exchange Limited;
“JOLCOs”	Japanese Operating Leases with Call Option are a form of finance lease;
“Latest Practicable Date”	24 May 2013, the latest practicable date prior to the publication of this Circular;
“Listing Rules”	the listing rules of the Irish Stock Exchange and/or where appropriate, of the UK Listing Authority for the listing of securities;
“New Aircraft”	the 175 Boeing 737-800 series aircraft proposed to be purchased under the 2013 Boeing Contract, or any one of them (as the context requires);
“Notice”	the notice of Extraordinary General Meeting set out at the end of this Circular;
“Options”	share options granted pursuant to the terms of the Option Plans;
“Option Holders”	the holders of options under the Option Plans;
“Option Plans”	Ryanair’s employee share option plans of 2000 and 2003;
“Ordinary Shares” or “Ordinary Share Capital”	the issued and fully paid ordinary shares of 0.635 cent each in the Company;
“Consumer Price Index”	the Consumer Price index for NAICS Manufacturing – All Urban Consumers, a quarterly report from the United States Department of Labor, Bureau of Labor Statistics,

“Purchase” or “Transaction”	the proposed purchase of 175 Boeing 737-800 aircraft over a 5 year period from calendar 2014 to 2018 pursuant to the 2013 Boeing Contract;
“Purchaser”	Aviation Finance and Leasing S.à.r.l., a wholly owned subsidiary of Ryanair Limited;
“Registrars”	Capita Registrars (Ireland) Limited;
“Resolution”	the ordinary resolution to approve the Purchase set out in the Notice to be considered and voted on at the EGM;
“Ryanair”	Ryanair Holdings plc and any wholly owned subsidiary of Ryanair Holdings plc;
“Ryanair.com”	Ryanair’s internet booking facility;
“Ryanair Limited”	Ryanair Limited, limited liability company incorporated in Ireland with company number 104547, and a wholly owned subsidiary of the Company;
“Shareholder(s)”	a holder or holders of Ordinary Shares;
“subsidiary”	shall be construed in accordance with the Acts;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland; and
“US” or United States”	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to the jurisdiction of the United States of America.

Notes:

- (i) Unless otherwise stated in this Circular, all references to statutes or other forms of legislation shall refer to statutes or forms of legislation of Ireland. Any reference to any provision of any legislation shall include any amendment, modification, consolidation, re-enactment or extension thereof.
- (ii) Words importing the singular shall include the plural and vice versa, and words importing the masculine shall include the feminine or neutral gender.
- (iii) The symbols “€” and “c” refer to Euro and Euro cent respectively, the lawful currency of Ireland pursuant to the provisions of the Economic & Monetary Union Act 1998.
- (iv) Unless otherwise stated, amounts under the 2013 Boeing Contract referred to throughout this Circular have been translated as follows: US\$1 = €1.296, being the exchange rate prevailing on the Latest Practicable Date.

Forward Looking Statements

Certain of the information included in this Circular is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur. It is not reasonably possible to itemise all of the many factors and specific events that could affect the outlook and results of an airline operating in the European economy. Among the factors that are subject to change and could significantly impact Ryanair’s expected results are the airline pricing environment, fuel costs, competition from new and existing carriers, market prices for the replacement aircraft, costs associated with environmental, safety and security measures, actions of the Irish, U.K., European Union (“EU”) and other governments and their respective regulatory agencies, fluctuations in currency exchange rates and interest rates, airport access and charges, labour relations, the economic environment of the airline industry, the general economic environment in Ireland, the UK and Continental Europe, the general willingness of passengers to travel, other economic, social and political factors and flight interruptions caused by volcanic ash emissions or other atmospheric disruptions.

RYANAIR HOLDINGS plc

(Incorporated and registered in Ireland under the Companies Acts 1963 to 2012, registered number 249885)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Ryanair Holdings plc (“the Company”) will be held at The Radisson Blu Hotel, Dublin Airport, Co. Dublin, Ireland at 9.00 a.m. on 18 June 2013, for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

“THAT the Purchase under the 2013 Boeing Contract as described in the Circular to Shareholders dated 27 May 2013 of which this notice forms part, be and is hereby approved and the Directors be and are hereby authorised to waive, amend, vary or extend the terms of the 2013 Boeing Contract and any agreements and arrangements ancillary to it and to do all such things as they consider to be necessary or expedient to complete or give effect to, or otherwise in connection with, the 2013 Boeing Contract and any matters incidental to it, provided that no material amendment shall be made to the terms of the 2013 Boeing Contract without the approval of Shareholders.”

BY ORDER OF THE BOARD

JULIUSZ KOMOREK
Secretary

Registered Office:
Ryanair Corporate Headquarters
Dublin Airport
Co Dublin

Dated: 27 May 2013

Notes:

1. Only persons registered in the Register of Members of the Company (or their duly appointed proxies or representatives), at 9.00 a.m. on 16 June 2013 or, if the Extraordinary General Meeting (“EGM”) is adjourned, 48 hours before the time appointed for the adjournment (the “record date”), shall be entitled to attend, speak, ask questions and vote at the EGM in respect of the number of shares registered in their name at the record date. Changes to the Register after the record date shall be disregarded in determining the right of any person to attend and/or vote at the EGM or any adjournment thereof.
2. Any member of the Company attending the EGM has the right to ask questions related to items on the agenda of the EGM and to have these questions answered by the Company subject to any reasonable measures the Company may take to ensure the proper identification of the member and provided: (i) answering the question does not unduly interfere with preparation for the EGM or the confidentiality and business interests of the Company; or (ii) the question has not already been answered on the company’s website in a questions and answers format; or (iii) the Chairman of the EGM is satisfied that answering the question will not interfere with the good order of the EGM.
3. A member entitled to attend, speak and vote at the EGM is entitled to appoint a proxy as an alternate to attend, speak and vote instead of him/her and may appoint more than one proxy to attend on the same occasion in respect of shares held in different securities accounts. A proxy need not be a member of the Company. The deposit of an instrument of proxy will not preclude a member from attending and voting in person at the meeting or at any adjournment thereof.
4. A form of proxy is enclosed with this Notice of EGM. To be effective, the form of proxy duly completed and signed together with any authority under which it is executed or a copy of such authority certified notarially must be deposited at the offices of the Company’s Registrar, Capita Registrars (Ireland) Limited, 2 Grand Canal Square, Dublin 2, Ireland, or by post to PO Box 7117, Dublin 2, Ireland, in either case not less than 48 hours before the time appointed for the EGM or any adjournment thereof.

5. In addition to note 4 above and subject to the Articles of Association of the Company and provided it is received not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof the appointment of a proxy form may also:
- (i) be submitted by fax to +353 (1) 224 0700, provided it is received in legible form; or
 - (ii) be submitted electronically, via the internet by accessing the Company's Registrar's website www.capitaregistrars.ie, selecting "Shareholder Portal", and following the instructions given; or
 - (iii) be submitted through CREST in the case of CREST members, CREST sponsored members or CREST members who have appointed voting service providers. Submissions through CREST must be completed in accordance with the procedures specified in the CREST Manual and received by the Registrar under CREST Participant ID 7RA08.
- (i) The Form of Proxy for corporations must be executed under its common seal, signed on its behalf by a duly authorized officer or attorney and submitted in accordance with either note 4 or note 5 above.
 - (ii) Any member(s), holding at least 3% of the Company's issued share capital, representing at least 3% of the voting rights, may table a resolution in relation to an item on the agenda of the EGM provided that the full text of the draft resolution proposed to be adopted at the EGM shall be received by the company secretary in hardcopy form or in electronic form at least 14 days before the EGM.
 - (iii) Where shares are jointly held, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other registered holder(s) of the share(s) and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.
 - (iv) Where a poll is taken at an EGM any shareholder, present or by proxy, holding more than one share is not obliged to cast all his/her votes in the same way.
 - (v) Information regarding the EGM, including information required by section 133A(4) of the Companies Act 1963 (as amended) is available on the Company's website, www.ryanair.com.