

# H1 2021

## ANALYST & INVESTOR PRESENTATION

20 May 2021

# STRENGTH IN DIFFICULT TIMES

- > The past year has been the most challenging time the airline industry has had to experience
- > easyJet has been decisive in delivering actions that have strengthened the business through these tough times
- > easyJet is positioned well to lead the post pandemic recovery
- > Our People have been instrumental in getting easyJet into the strong position we are in today



# FINANCIAL REVIEW

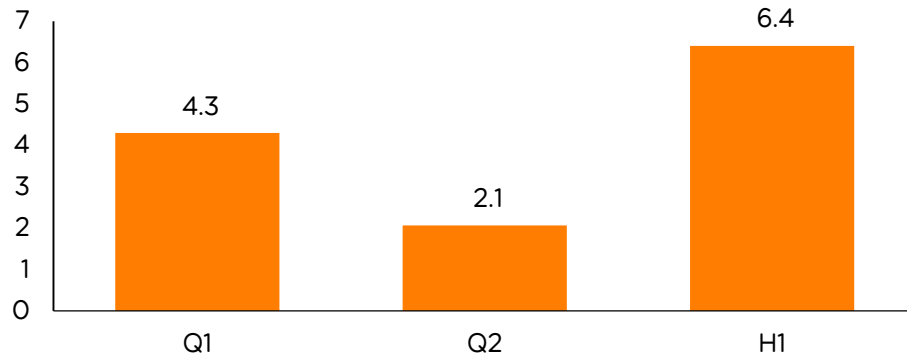
Kenton Jarvis – CFO

# KEY PERFORMANCE INDICATORS

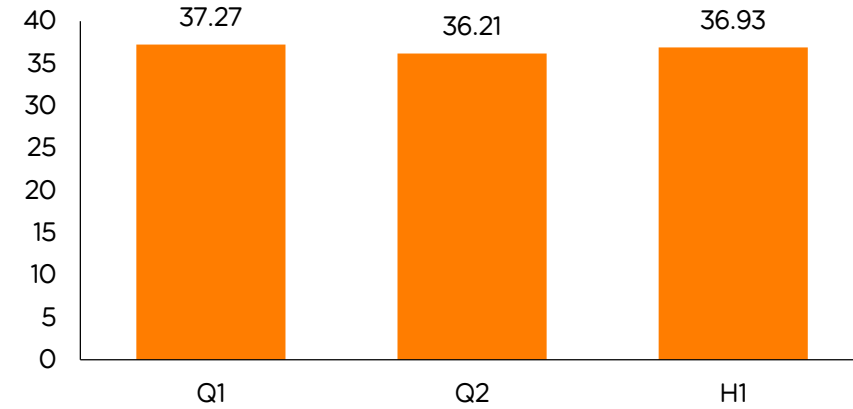
	H1 2021	H1 2020	Change <sup>1</sup>
Seats flown (m)	6.4	42.7	(85.0%)
Passengers (m)	4.1	38.6	(89.4%)
Load factor (%)	63.7%	90.3%	(26.6ppts)
Average sector length (km)	1,261	1,095	15.2%
Airline Revenue per seat <sup>2</sup> - reported currency (£)	36.93	55.60	(33.6%)
Airline Revenue per seat - constant currency (£)	36.00	55.60	(35.3%)
Airline Headline cost per seat incl fuel <sup>3</sup> - reported currency (£)	145.00	59.75	(142.7%)
Airline Headline cost per seat incl fuel - constant currency (£)	148.39	59.75	(148.3%)
Airline Headline cost per seat excl fuel <sup>3</sup> - reported currency (£)	129.92	47.24	(175.0%)
Airline Headline cost per seat excl fuel - constant currency (£)	133.07	47.24	(181.7%)

# QUARTERLY KPIS

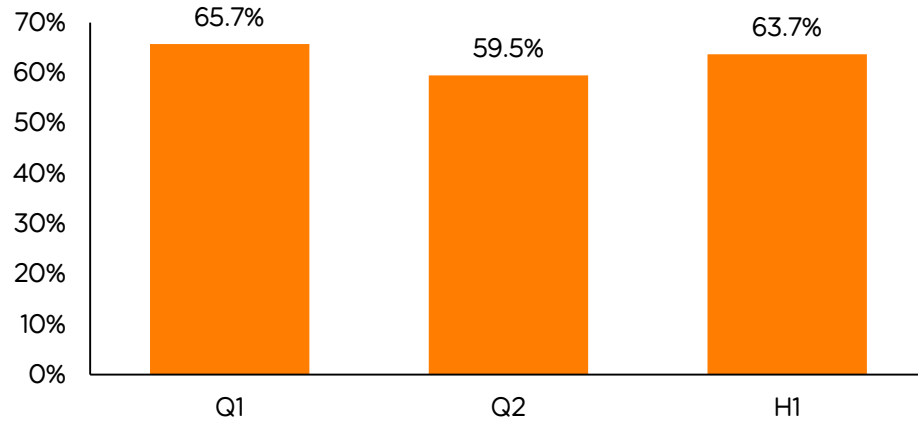
## Seats flown (m)



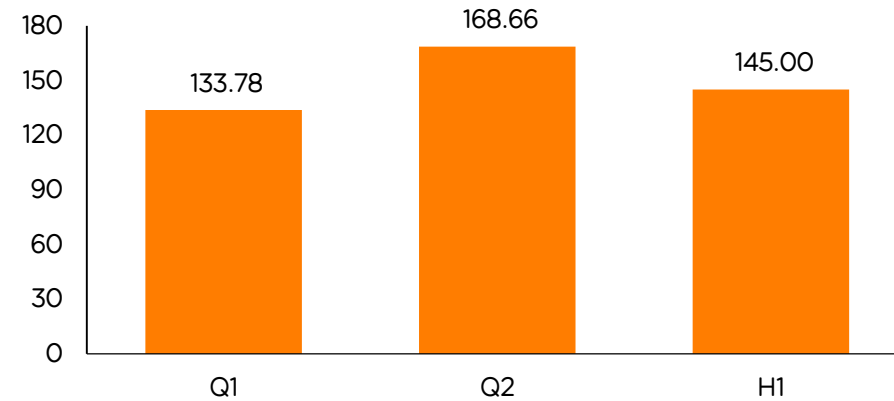
## Airline revenue per seat (£)



## Load factor (%)



## Headline cost per seat (£)



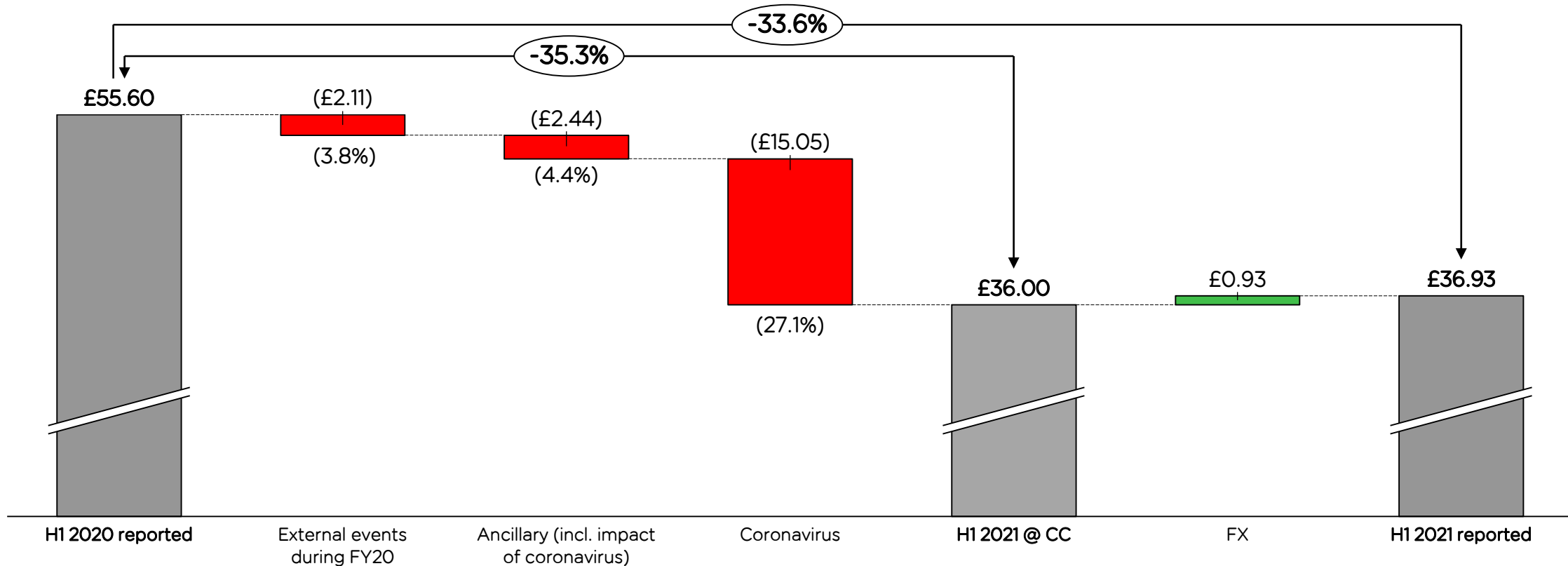
Focus on positive-contribution flying

# FINANCIAL PERFORMANCE

	H1 2021 £ m	H1 2020 £ m	Change* £m
Total revenue	240	2,382	(2,142)
Headline costs:			
Headline costs excluding fuel & balance sheet FX gain	(868)	(2,041)	1,173
Balance sheet foreign exchange gain	24	-	24
Fuel	(97)	(534)	437
<b>Headline loss before tax</b>	<b>(701)</b>	<b>(193)</b>	<b>(508)</b>
<i>Headline loss before tax at constant currency</i>	<i>(729)</i>	<i>(193)</i>	<i>(536)</i>
<i>Non-headline items:</i>			
<i>Sale and leaseback gain</i>	60	1	59
<i>Restructuring</i>	25	-	25
<i>Balance sheet foreign exchange gain</i>	-	3	(3)
<i>Fair value adjustments</i>	(29)	(164)	135
<b>Total loss before tax</b>	<b>(645)</b>	<b>(353)</b>	<b>(292)</b>

# AIRLINE REVENUE PERFORMANCE

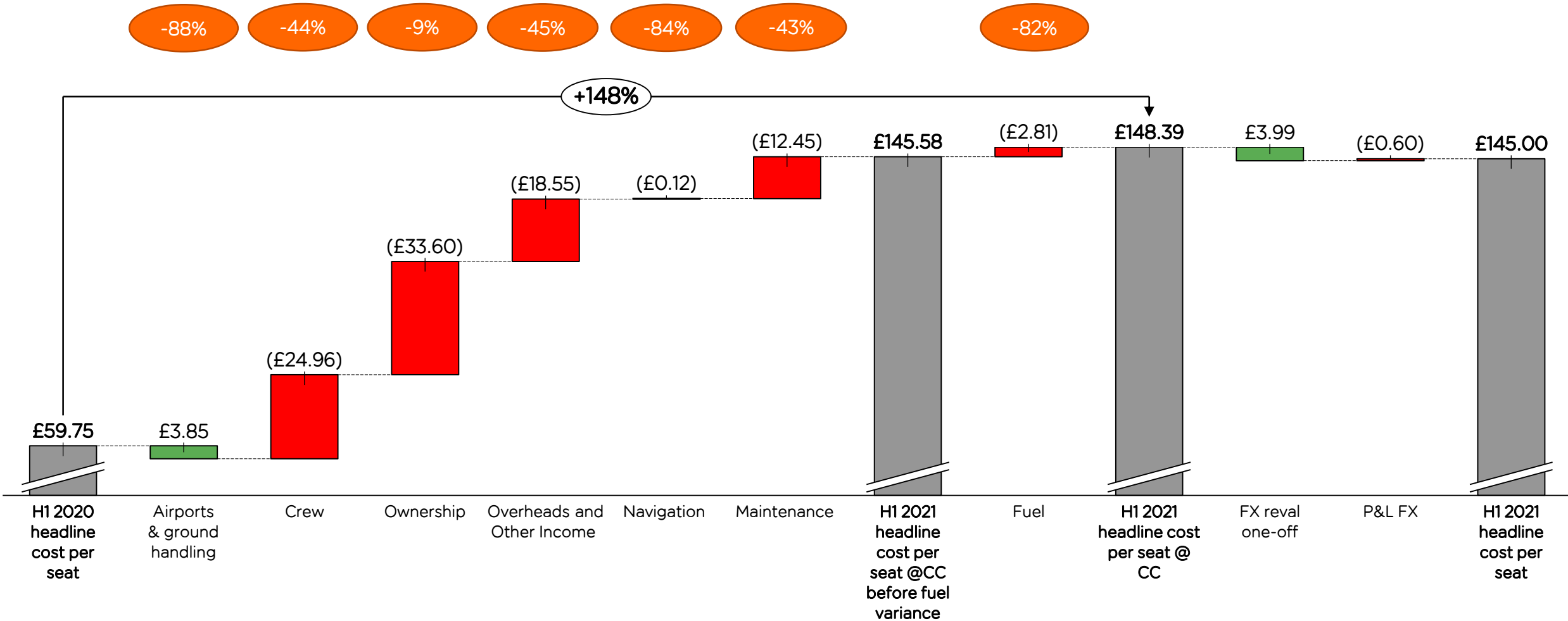
## REVENUE PER SEAT BRIDGE



# AIRLINE COSTS

## HEADLINE COST PER SEAT BRIDGE

Reduction in absolute costs vs prior year



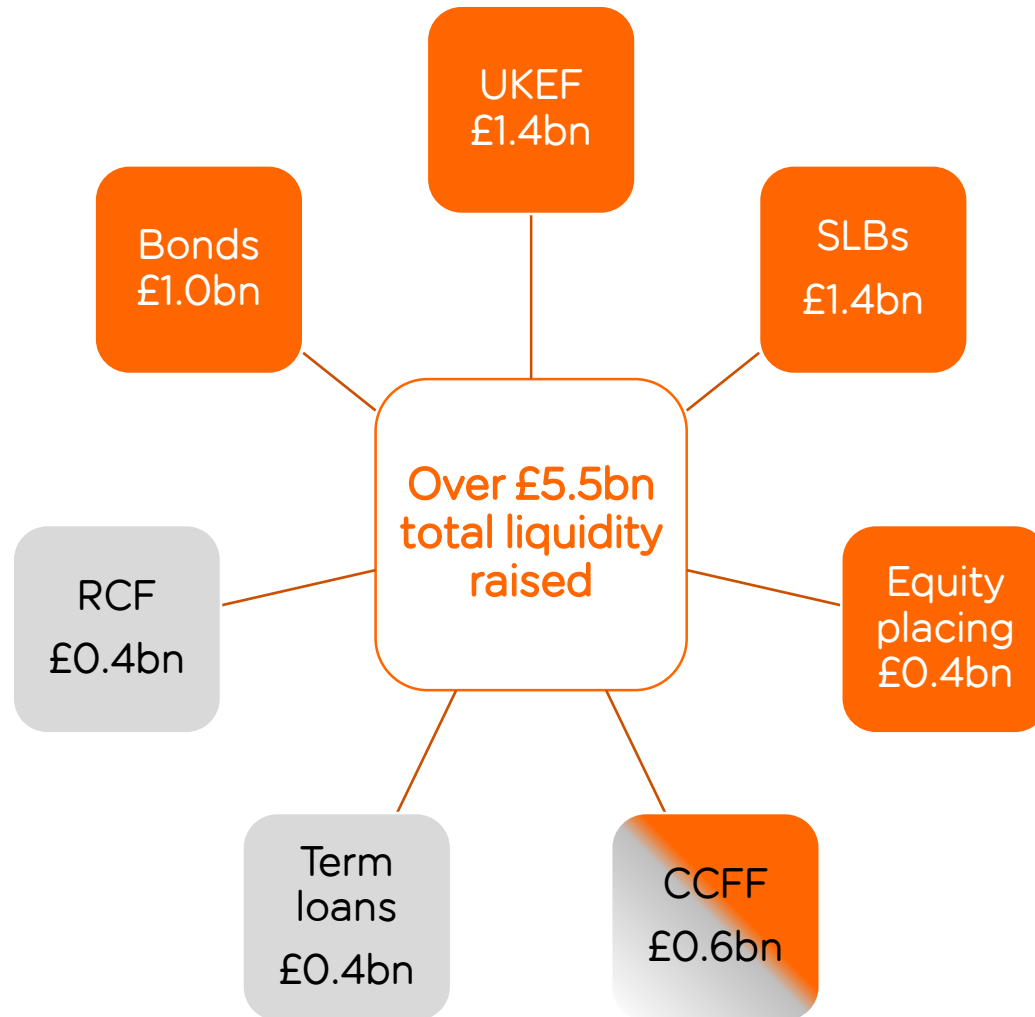


# IMPACT OF FUEL & FOREIGN EXCHANGE

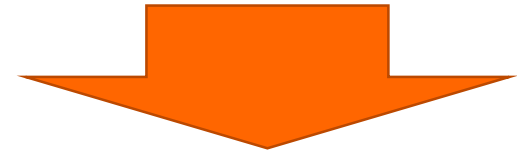
H1 2021 fuel impact	H1 2021	H1 2020	Change*	
			\$	%
<b>Fuel \$ per metric tonne</b>				
Market rate	382	563	181	32.1%
Effective price	688	638	(50)	(7.8%)
<b>US dollar rate</b>				
Market rate	1.33	1.28	(0.05)	(4.0%)
Effective price	1.37	1.34	(0.03)	(2.2%)
Difference between market rate and effective rate	0.04	0.06		
Actual cost of fuel £ per metric tonne	502	476	(26)	

H1 2021 currency impact on headline LBT*	EUR	CHF	USD	Other	Total
<b>£m</b>					
Revenue	4	2	-	-	6
Fuel	(1)	-	2	-	1
Headline costs excluding fuel	(8)	(1)	5	(0)	(4)
Total	(5)	1	7	(0)	3

# DECISIVE FUNDING ACTION UNDERPINS LIQUIDITY

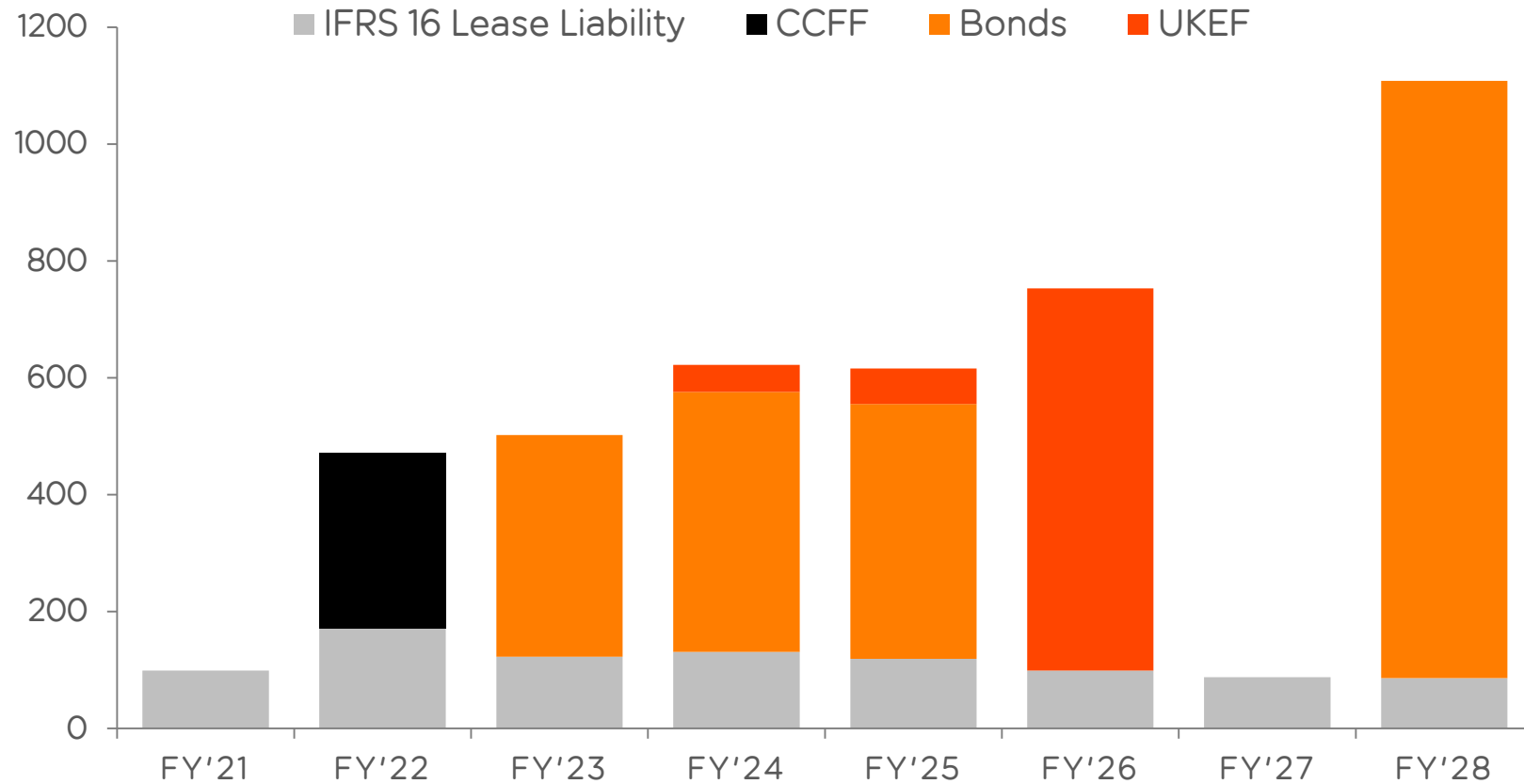


Access to  
**c£2.9bn**  
unrestricted  
liquidity<sup>1</sup>



Investment grade credit  
ratings maintained

# DEBT MATURITY PROFILE

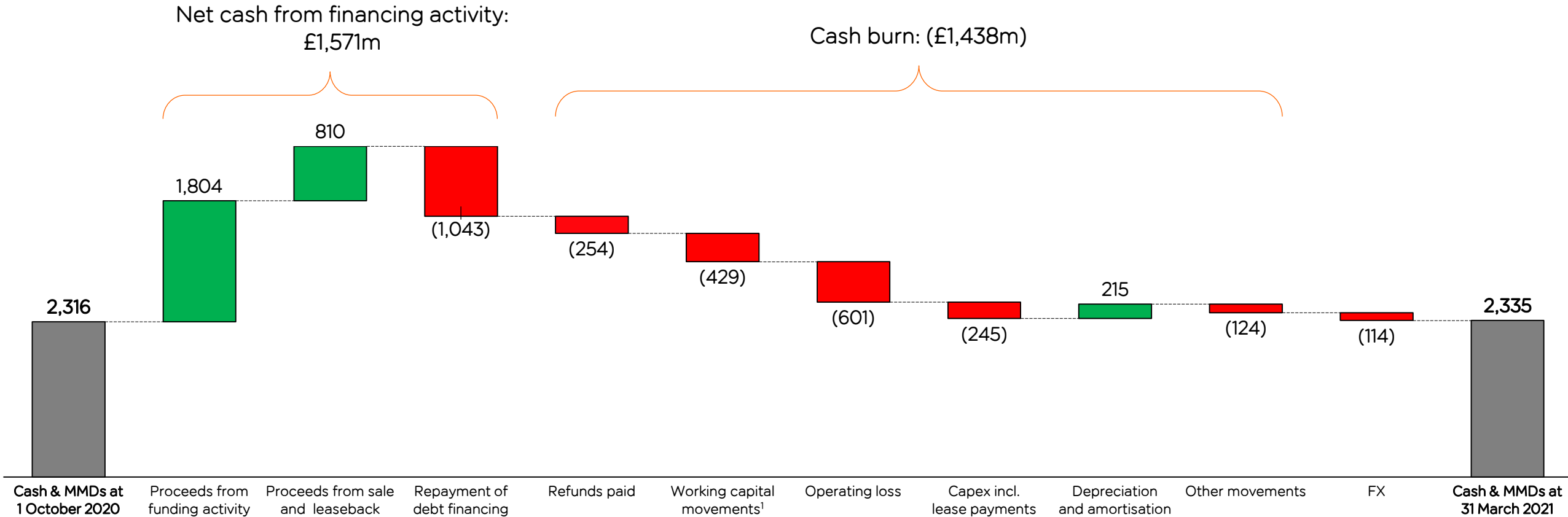


Debt maturity profile optimised, further undrawn liquidity available

# STRONG CASH MANAGEMENT – Q1 / Q2

£m	Q1	Q2	H1
Proceeds from Eurobond and UKEF	-	1,804	1,804
Proceeds from sale and leasebacks	748	62	810
Repayment of debt	-	(1,043)	(1,043)
Net cash from Financing Activity	748	823	1,571
Refunds Paid <sup>1</sup>	(108)	(146)	(254)
Working Capital movements <sup>2</sup>	(405)	(18)	(429)
Operating loss	(348)	(253)	(601)
Capital expenditure including lease payments	(167)	(78)	(245)
Depreciation and amortisation	120	94	215
Other movements	(61)	(63)	(124)
Cash burn	(969)	(469)	(1,438)
FX	(79)	(35)	(114)
Net increase/(decrease) in cash	(300)	319	19
<i>Fixed cost plus capital expenditure per week<sup>3</sup></i>	<i>(39)</i>	<i>(38)</i>	<i>(39)</i>

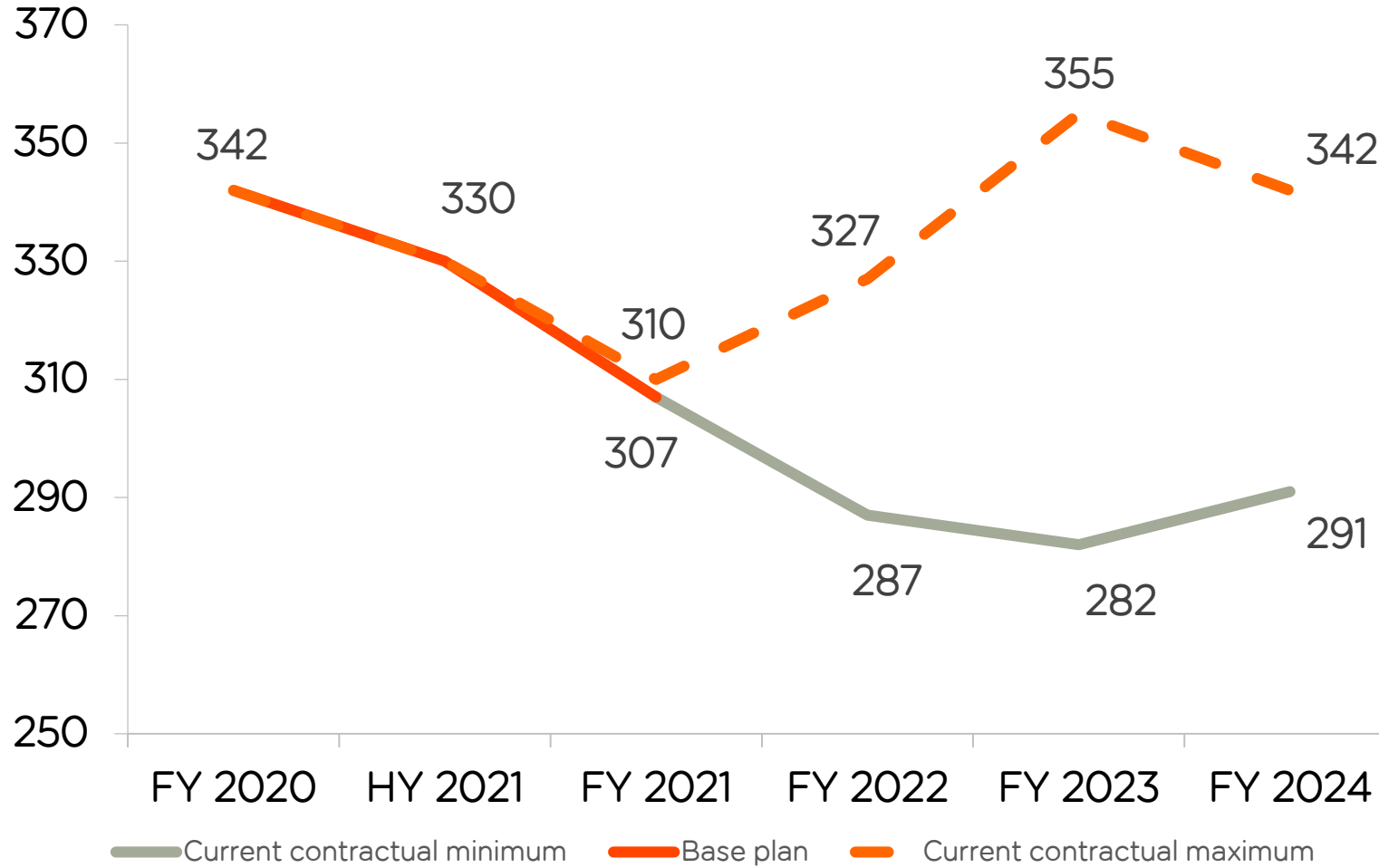
# STRONG CASH MANAGEMENT – H1



# STRONG BALANCE SHEET

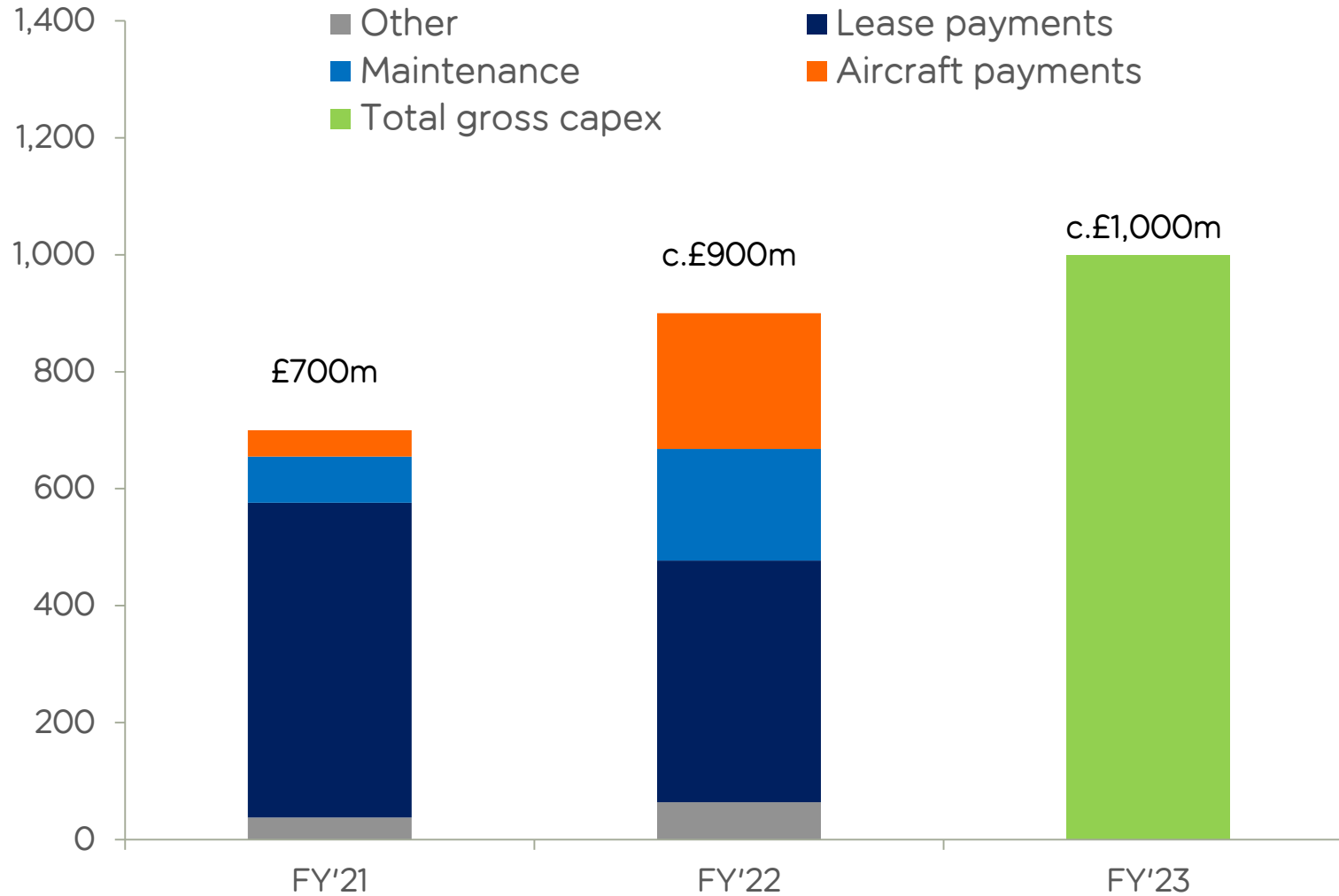
£m	31 March 2021	31 March 2020	30 September 2020
Goodwill and other intangible assets	589	613	597
Property, plant and equipment	3,733	4,823	4,409
Right of use assets	1,078	468	644
Derivative financial instruments	(58)	(554)	(327)
Equity Investments	33	33	33
Other assets (excluding cash and money market deposits)	403	662	364
Unearned revenue	(662)	(974)	(614)
Trade and other payables <sup>1</sup>	(801)	(1,660)	(1,242)
Other liabilities (excluding debt)	(718)	(852)	(840)
Capital employed	3,597	2,559	3,024
Cash and money market deposits <sup>2</sup>	2,335	1,388	2,316
Debt (excluding lease liabilities)	(3,323)	(1,319)	(2,731)
Lease Liabilities	(1,027)	(536)	(710)
<b>Net debt</b>	<b>(2,015)</b>	<b>(467)</b>	<b>(1,125)</b>
Net assets	1,582	2,092	1,899

# UTILISING FLEXIBILITY IN FLEET



- > Fleet size reduced by c.10% in response to Covid-19
- > Current plan allows the flexibility to expand our contract depending on expectations of future demand
- > This plan illustrates current arrangements with Airbus and existing lessors and does not reflect any potential opportunistic fleet additions

# GROSS CAPITAL EXPENDITURE



- > Capex in FY'21 comprised principally of safety/maintenance-related expenditure and lease payments
- > Growth capex resumes from FY'22
- > Capex projections assume:
  - 0 deliveries in FY'21
  - 8 deliveries in FY'22
  - 7 deliveries in FY'23



# FUEL AND FOREIGN EXCHANGE HEDGING

## Hedging and Fair Value Adjustment for Hedge Discontinuation

- > easyJet continues to hedge contractual exposures (such as leases & capex) but has decreased the amount of operational hedging that is taken out for future periods until there is greater clarity over demand
- > H1 2021 net charge of £28m in non-headline items, related to fair value adjustment for hedge discontinuation (H1'20: £163m; FY'20: £311m)
- > There was also a £12m credit to headline items from the fair value movement on discontinued hedges








# OUTLOOK

- > Based on current travel restrictions in the markets in which we operate, easyJet expects to fly c.15% of 2019 capacity levels in Q3, with an expectation that capacity levels will start to increase from June onwards
  - Late announcements of changes to travel restrictions will impact load factors due to late capacity additions/cancellations to meet surges in demand, driving an even later booking behaviour
  - Maintain significant flexibility to ramp capacity up quickly as conditions change. Expect increased variable costs during Q3 as pilots and crew come off furlough
  - Remain focused on cash generative flying
- > Cost-out programme to generate c.£500m of savings in FY'21 to help offset the cost impacts from Covid, driving lower levels of capacity and increased ownership costs
- > At this stage, given the continued level of short-term uncertainty, it would not be appropriate to provide any further financial guidance for the 2021 financial year. Customers are booking closer to departure and visibility remains limited

# CEO UPDATE

Johan Lundgren – CEO

# DRIVING THE BUSINESS FORWARD

	Raising liquidity	<ul style="list-style-type: none"><li>&gt; £5.5bn liquidity raised quickly and efficiently as the COVID19 pandemic hit</li><li>&gt; From various sources, including aircraft sale and lease backs (£1.5bn), highly successful bond issue (£1bn), equity raise (£400m), government CCFF (£600m) and UKEF bond (£1.9bn) to give easyJet the cash it needs to weather the storm of the pandemic</li></ul>
	Cost programme launched	<ul style="list-style-type: none"><li>&gt; Largest ever cost programme launched, to structurally remove cost and remain competitive as we recover from COVID19</li><li>&gt; Significant work done across the business already – FY'21 cost programme to deliver c.£500m savings</li></ul>
	Network restructures	<ul style="list-style-type: none"><li>&gt; Restructured network driving RPS improvement</li><li>&gt; Significant network flexibility demonstrated in the wake of the COVID19 grounding</li><li>&gt; Remained nimble and turned capacity on and off to maximise demand as Europe entered in and out of lockdowns</li></ul>
	Digital vouchers	<ul style="list-style-type: none"><li>&gt; Digital vouchers launched to make redemption of vouchers as a result of COVID19 disruption easier</li><li>&gt; Piece of mind for our customers as their travel plans change amidst the uncertainty</li></ul>
	easyJet Holidays	<ul style="list-style-type: none"><li>&gt; Unique opportunity to scale the growth of the easyJet Holidays brand – offering the best prices and most flexibility in the market</li><li>&gt; easyJet Holidays is now the first tour operator to offset 100% of the carbon emissions associated with our holidays</li></ul>
	Standard Plus fare	<ul style="list-style-type: none"><li>&gt; Successful go-live of our Standard Plus fare bundle, alongside Cabin Bags, which are so far delivering a positive impact on Revenue per seat sold and on premium conversion</li></ul>
	Launching cabin bags	<ul style="list-style-type: none"><li>&gt; Successful launch of Cabin Bags product guaranteeing the use of trolley bags on board to improve customer journey and raise revenue</li></ul>

# SAFETY IS ALWAYS OUR #1 PRIORITY

## Safety for our crew & customers

Have implemented a number of Bio-security measures:

- Daily disinfection process which provides surface protection from viruses that lasts for at least 24 hours
- All passengers and crew required to wear masks onboard at all times
- Agility to comply with Covid paperwork at borders which changes weekly.

easyJet aircraft are already fitted with state of art filtration technology, filters 99.97% of airborne contaminants in the cabin including viruses & bacteria



# SCIENTIFIC DATA SUPPORTS AN EASING OF RESTRICTIONS

## Research by Yale School of Public Health:

- The impact of travel on hospitalisation is very limited
- Quarantine is not required for several key EU destinations
  - Under the UK policy Spain and a number of other countries should also be included in Green countries
- Closing borders is of limited value in low risk countries
- We are absolutely committed to a safe restart and are confident this can happen while protecting both the health system and the success of the vaccine programme.

# WHAT'S HAPPENING IN EUROPE?

Sensible restrictions and positive vaccination momentum across many countries in the EU



Country	Travel Open?	System?	Testing?
Netherlands	Yes	Traffic light system	PCR test only required from an Orange country (not Green or Yellow)
Germany	Yes	Risk area classification	Antigen test only unless fully vaccinated
France	Yes	Risk area classification – only high risk identified	PCR currently. Free of charge in France
Italy	Yes	Risk area classification	Yes (antigen or PCR for higher risk countries). No testing for low risk countries
Spain	Yes	Traffic light system	PCR currently - likely change in the near future. No test required for Green.
Portugal	Yes	Risk area classification	PCR test
Switzerland	Yes	Risk area classification	Antigen with plans to lift restrictions for vaccinated in June

# easyJet - READY TO LEAD RECOVERY

## People want to travel

- 57% of us have saved money to spend on holidays in the sun – on average nearly £5000
- The average Brit has stored up 33 days of annual leave to use in 2021,
- 61% said they will be making their holiday 'extra special' this year and 68% said they are planning to make up for lost time exploring new places

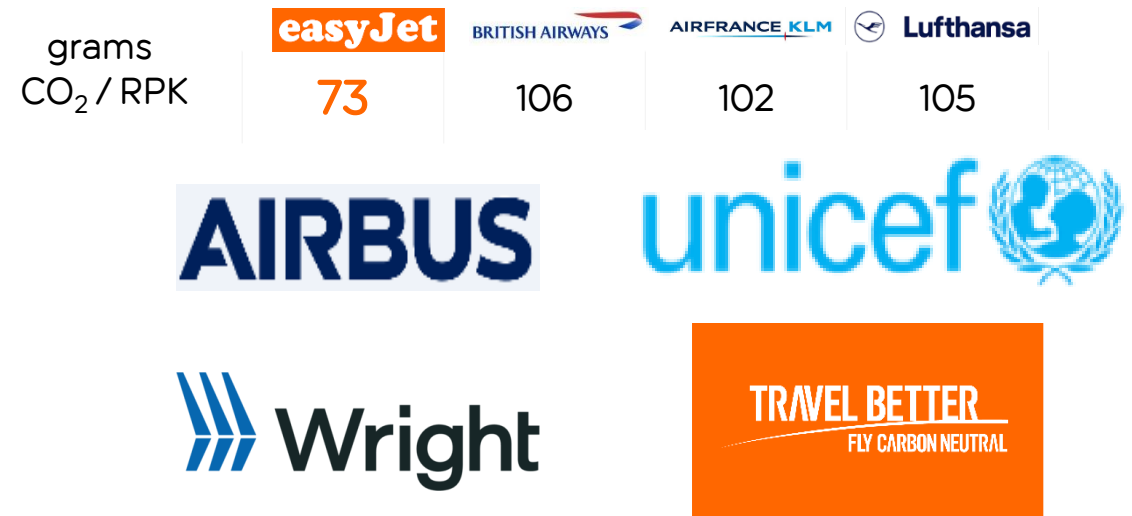
## easyJet is ready to react

- Nimble scheduling operation that can quickly react to any change in conditions
- Added 100,000 extra seats to Portugal within 24hrs of UK green list announcement
- Ability to have c.90% of fleet operating within 3 weeks
- Flexibility to maximise opportunities across Europe

## Competing on value and leading on values

- easyJet's main competitors are legacy carriers who can not compete with the low cost base of easyJet
- Leisure and business customers are likely to source better value when choosing who they travel with

## Carbon neutral flights





# STRATEGY UPDATE

# STRUCTURAL ADVANTAGES



## Network positions

- > Leading positions in key markets and primary airports around Europe: London, Paris, Geneva, Amsterdam, Milan,
- > Seasonal base openings in Faro & Malaga
- > Opportunity to strengthen positions vs main competitors



## Business model

- > Low cost more attractive as the economy recovers
- > Short haul leisure demand will lead the recovery, with easyJet holidays in a strong position
- > Business customers will gravitate towards value



## Our people

- > Strong employer attracting the best people
- > Differentiation from our people driving high CSAT scores
- > CSAT of 80%, an improvement of 2.9ppts vs H1'20



## Trusted brand

- > Value for money
- > First choice LCC brand in UK, France, Germany and Switzerland
- > Flexible booking options
- > Efficient refund process
- > Industry leader in sustainability



## Strong relative cost position

- > Significant cost advantage vs main competitors
- > Cost flexibility meaning more agile pricing during the COVID19 recovery

No better foundation on which to build

# EASYJETS STRATEGIC INITIATIVES



Network  
Strategy



Customer  
Excellence



Product  
Portfolio  
Evolution



easyJet  
Holidays



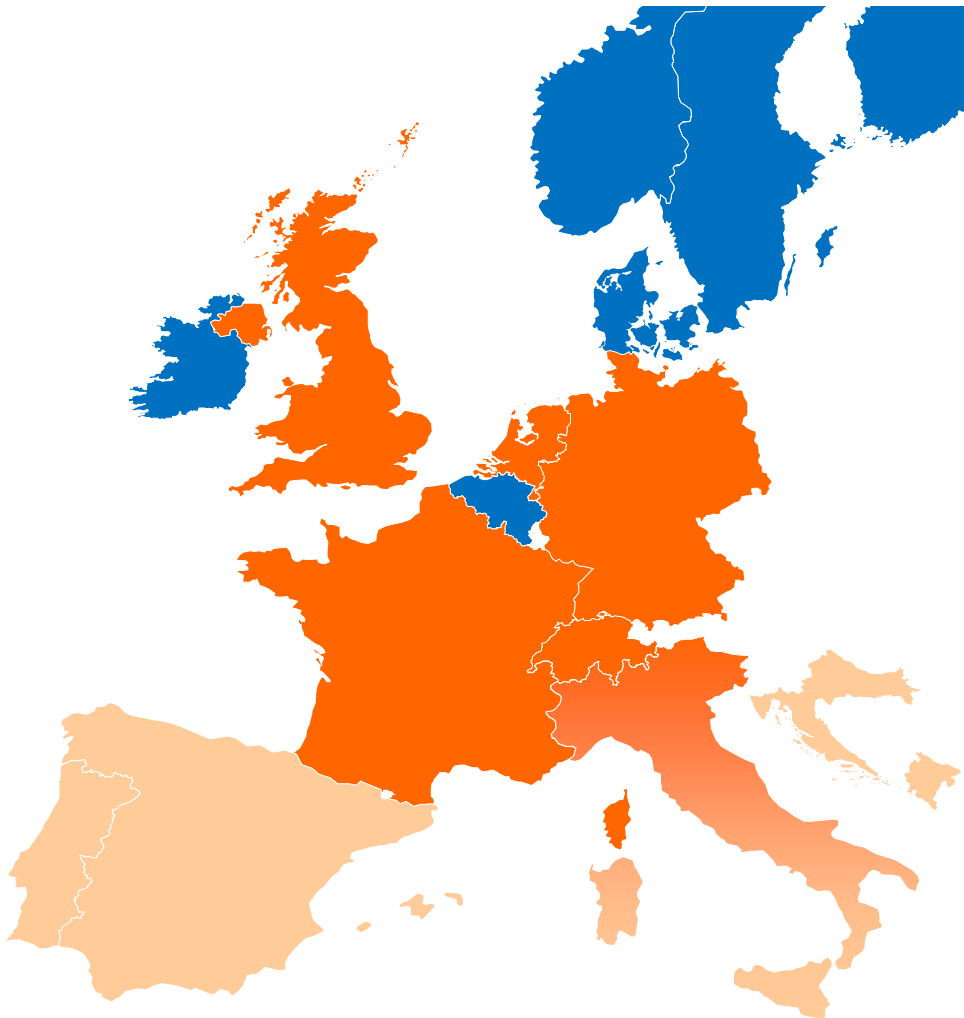
Cost Reduction  
Programme



Sustainability

Underpinned by our People & Operational and Digital Safety

# NETWORK STRATEGY – SIGNIFICANT OPPORTUNITIES



## 1. Lead in our Core Markets

- > Prioritise **#1 & #2**, primary, slot constrained airport positions
- > Preserve **scale and cost leadership**
- > Provide a **balanced network portfolio** across domestic, city and leisure destinations
- > Maintain our focus on **country leadership** in UK, France, Switzerland and **city focus** in Amsterdam, Milan, Berlin

## 2. Accelerate our investment in Destination Leaders

- > Unlock **cost benefits**, manage seasonality and support **Holidays** growth
- > Expand **network breadth and flexibility** in the face of COVID19 and Brexit driven uncertainty
- > Ensure we stay **top of mind** for customers and are seen as the “**local airline**” for government and hoteliers to support Airline and Holidays

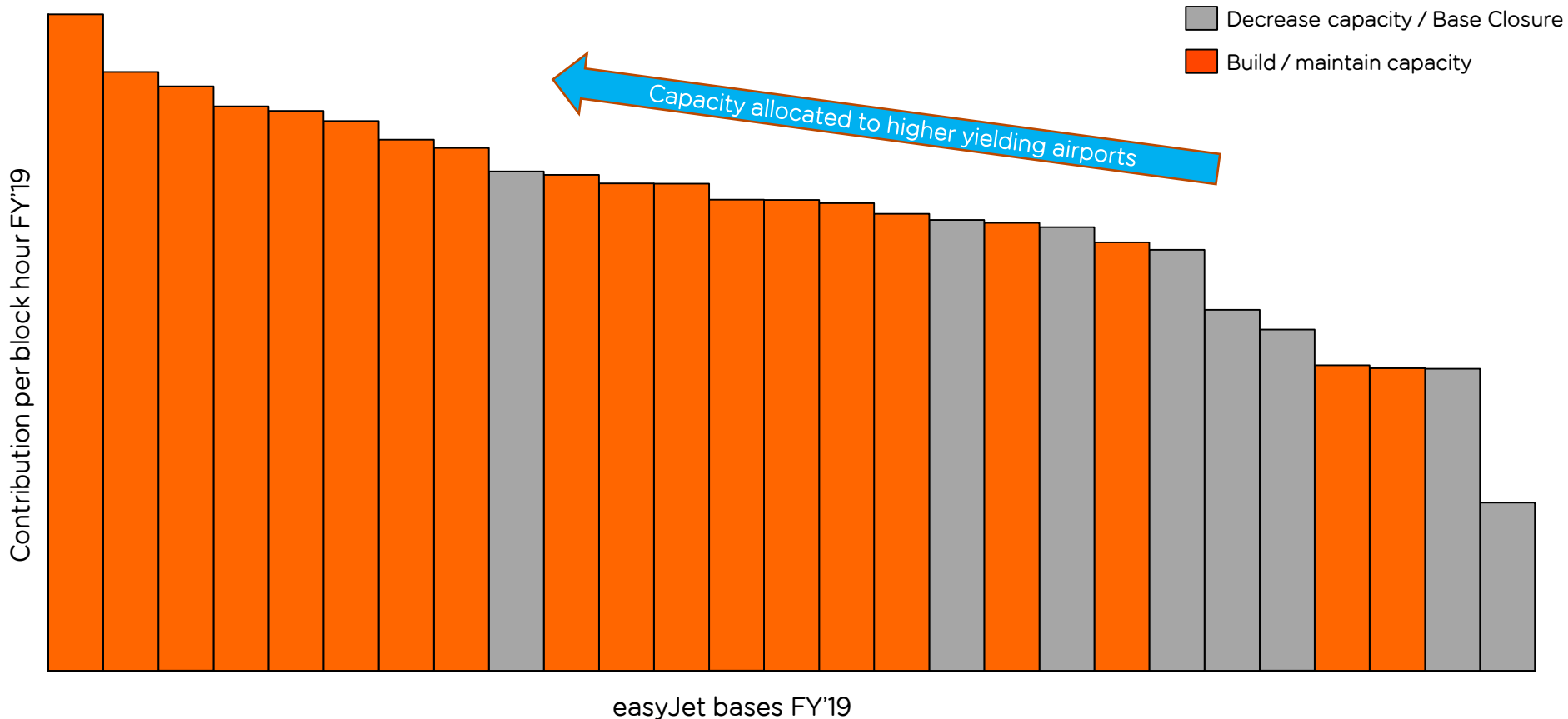
## 3. Build our network of Focus cities

- > Build a network of **key cities**, broadening our presence across Europe
- > **Low risk** way of serving large origin markets
- > **Base assets** in Focus Cities only where it makes sense from a cost perspective



# NETWORK STRATEGY – PRIORITISE STRENGTHS

## PRE-COVID19 PROFITABILITY BY BASE



> Focus on higher yielding bases:

- Process has begun and is highlighted with changes made in FY'20
- Continue to build strength in primary airports:
  - #1 & #2 positions
  - Slot constrained
  - Legacy carriers are key competitors
- Opportunities likely to arise across many primary airports over the coming period

# DYNAMIC NETWORK / SCHEDULE DEVELOPMENT



## Well balanced actions delivered over past 6 months

- > Summer '22 schedule on sale earlier than ever
- > Proactively shifting capacity onto domestics in UK, France & Italy
- > Launching new domestic leisure routes including BFS-INV, GLA-NQY, MAN-NQY & LGW-NQY in the UK, and Bergamo-Olbia in Italy. Additional capacity added from mainland France to Corsica.
- > Expanding BHX as a summer network point to capitalise on expected leisure demand this summer
- > More agile than ever:
  - Responding to demand changes and competitor announcements with additional capacity on sale within 24 hours.

## Areas of future focus

- > Continue to focus on our core markets – e.g. LGW, MXP, PAR & AMS.
  - Capitalise on legacy retrenchment opportunities, enhancing our already strong slot portfolios in these key network points
- > Build destination bases – These network points offer more network agility to respond to changing demand
  - Launched FAO and AGP this summer gives us the opportunity to build on the way we've been able to use PMI to respond to changing demand (e.g. PMI-BER)
- > Expand leisure network to support the growth of the easyJet Holidays
- > Build in structural agility so we can retain short-term network flexibility going forward

# PRODUCT PORTFOLIO EVOLUTION – DRIVING ANCILLARIES



## Standard Plus Fare

- > New fare class
- > Includes Up front seating, Speedy Boarding, cabin bag
- > Launched in January

## Cabin Bags

- > Sold as a bundle with premium seating
- > 42-63 premium seats available per flight
- > Improve boarding efficiency and OTP
- > Dynamically priced
- > Was launched in February and has had a positive impact on revenue



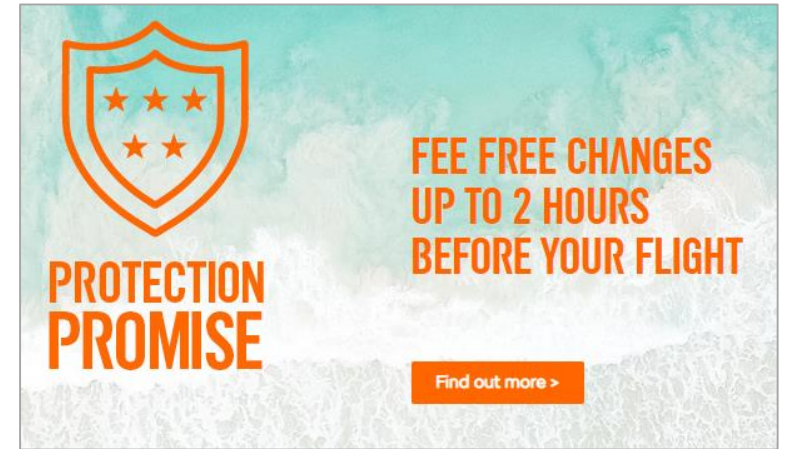
**Significant ancillary revenue opportunities increase margins**

# CUSTOMER EXCELLENCE



## > Book with confidence this summer:

- Covid-19 tests at negotiated rates & Documentation verification
- Market leading Protection Promise:
  - Freedom to Change: Transfer your flight, fee free, up to 2 hours before departure
  - Travel Restriction Protection: If restrictions change, transfer your flight, opt for a voucher or choose a refund
- New Covid-19 Travel Hub on easyjet.com



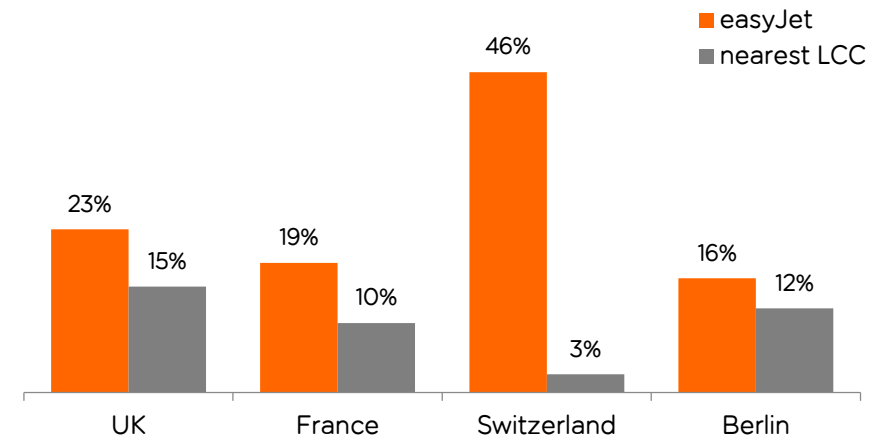
## > Strong Brand with a leading customer proposition

- First choice LCC in UK, France, Switzerland and Berlin
- Best value airline in UK and France
- Best value LCC in Italy, Switzerland and Berlin

## > Loyal customer base

- 78% of seats booked by returning customers
- CSAT of 80%, an improvement of 2.9ppts vs H1'20

easyJet first choice brand vs nearest LCC<sup>1</sup>

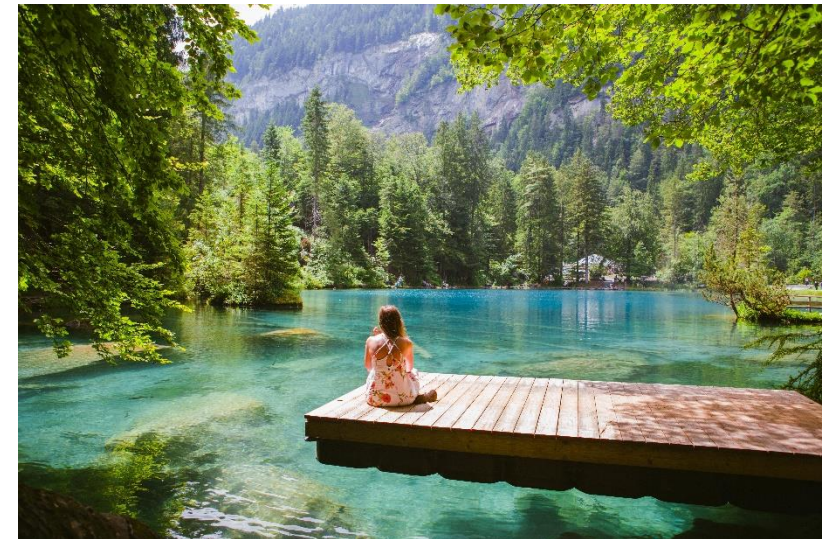




# EASYJET HOLIDAYS – LEADING THE WAY



- > Business model enabling agile response
  - Able to restart and scale rapidly due to low-cost flexible business model
  - Already launched holidays to all European 'green' list destinations
  - Early launch of W21 and S22 significantly ahead of expectations
- > Flexibility and choice
  - Building consumer confidence – recently enhanced industry leading Protection Promise
  - Even more choice – direct connection to global hotel chains, including Hilton, IHG & Accor, with access to 300+ hotels
  - Signed 45 more flagship hotels previously exclusively available via competitors
  - Travel agents re-opened – another growing channel to capture bookings
- > Sustainability first
  - From today we're now the first major tour operator to offset the carbon emissions directly associated with our holidays – the fuel from flights and transfers and the energy from hotel stays





# COST REDUCTION PROGRAMME

## Largest ever Cost Reduction Programme

- ✓ Culture of low cost – £0.05 per pax saving worth £5 million
- ✓ Significant work done across the business already:
  - H1 cost programme delivered savings that were ahead of internal expectations
- ✓ Savings delivered in every cost line
- ✓ Guidance for cash out from fixed cost plus capex was beaten through Q2 and that guidance is held going forward

On target to  
deliver  
c.£500m  
in savings in  
FY'21



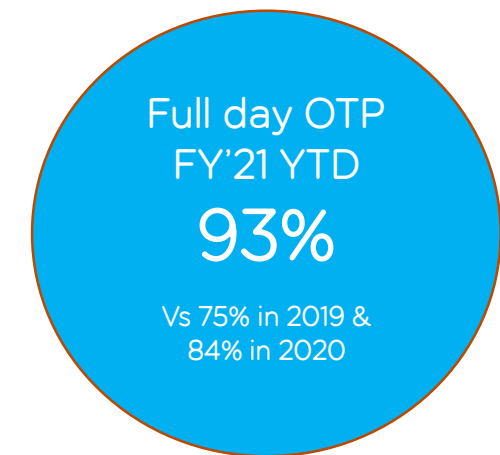
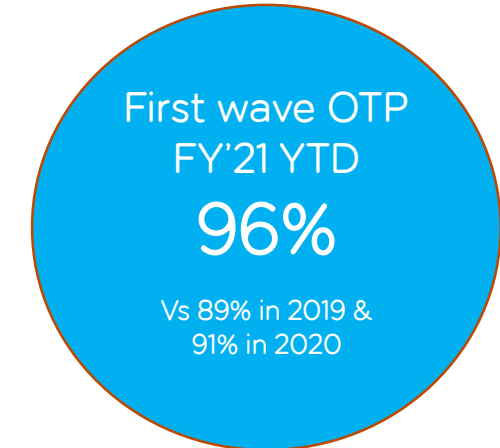
# CREW EFFICIENCY

- ✓ Union agreements up to date everywhere (Italy negotiations start May)
- ✓ 30% reduction in FTE crew (ex. Italy) with 7% reduction in aircraft
- ✓ 20% improvement in productivity with adjusted FTE
- ✓ 16% saving on the FY20 crew budget of £880m
- ✓ Up to 8% pay reductions in some high cost locations with simpler roster rules
- ✓ Minimised redundancy costs with part time working – gives flex to grow back
- ✓ 2 year pay freeze most countries with furlough through FY21
- ✓ New seasonal part time bases and contracts – Faro, Malaga and Palma

# AIRPORTS & GROUND HANDLING



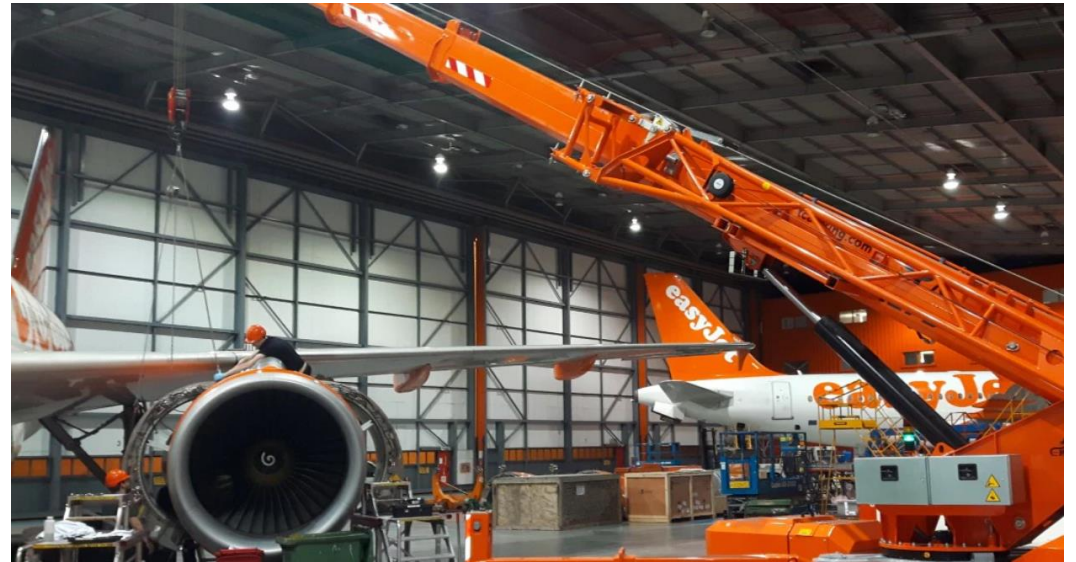
- ✓ Short term airport deals covering 80% traffic
- ✓ 20+ aircraft available to redeploy for 2022 where airports discount
- ✓ Permanent Savings delivered in Ground Ops and contact centres
- ✓ 132 major handling contracts renegotiated with savings through 2025
- ✓ Airport revenue per flight doubled 2021. Onboard bags live.
- ✓ Phase 2 of cabin bags on track for delivery later this year
- ✓ Disruption savings using Upgraded Customer Disruption App
- ✓ Property – buildings and carparks full review and exits





# ENGINEERING AND MAINTENANCE

- ✓ Reducing spare aircraft by 5 = adding 1.7% seat capacity with no capex
- ✓ 100% line maintenance insource for lower cost & better quality at LGW, BER, GLA, EDI, BRS
- ✓ Heavy Maint: Extended Luft. Tech (2025) and SRT Malta (2023) which included cost savings
- ✓ Engine shop: Extended low cost GE deal to 2023
- ✓ Components deal extended to 2027 with cost savings and new Milan parts hub
- ✓ Airbus: More efficient checks on 6-12 years
- ✓ End of lease process: Costs currently on track
- ✓ Negotiating low cost 3-bay hangar in Berlin



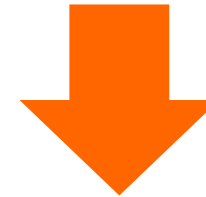


## The world's first major airline to operate carbon neutral flights

- > First major international airline to offset all carbon emissions on behalf of customers
- > On all flights across the network
- > Began in November 2019
- > Offset schemes accredited to highest verification standards – Gold Standard and VCS
- > Reinvent aviation – electric/hybrid, SAFs as become commercially viable
- > Airbus/easyJet Electric Plane Project
- > easyJet Holidays is now the first tour operator to offset 100% of the carbon emissions associated with our holidays

Industry leading

Differentiated position



Increase customer retention and attraction

Enhance the easyJet brand

# SUSTAINABILITY



## Partnerships to pioneer technology for future zero-emissions aircraft



Intention to launch the ZEROe aircraft programme with a full-scale prototype by late 2020s – for service by 2035



Intends to conduct ground tests of its electric motor in 2021 and flight tests in 2023 – and entry of service in 2030/32

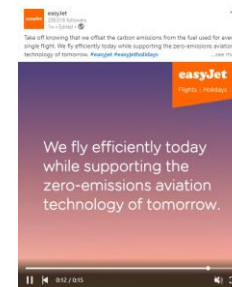


## Engaging customers on carbon offsetting

### WEBSITE

What do our fares include?	Standard	FLEXI
Free carbon offsetting	✓	✓
Flight fare and taxes	✓	✓
Small cabin bag	✓	✓
Large cabin bag	X	✓
Hold luggage	Extra	✓
Seat selection	Extra	✓
Speedy Boarding	X	✓
easyJet Plus bag drop	X	✓
Fast Track Security	X	✓
Unlimited date changes	X	✓
Free route changes	X	✓
No payment fees	✓	✓
FLEXI Bistro voucher (€7.50)	X	✓

### SOCIAL MEDIA



### EMAIL



Since November 2019 we have been offsetting the carbon emissions from the fuel of every single easyJet flight, at no extra charge for any passenger.

We believe flying is important - the opportunity to go abroad, to spend time with family and friends and experience other cultures. But we have to balance this with the effect we know it's having on the planet. This is why we offset the carbon emissions from the fuel used on all our flights.

### PRESS



- 72% of European citizens believe their own behavior makes a difference in tackling climate change\*
- 49% customers aware of our offsetting policy & 45% customers likely to choose easyJet over another airline due to this policy - both figures showing upward yoy trend

# IN A STRONG POSITION & READY TO RAMP UP

- > Strong liquidity position, a cost reduction programme that is delivering, cash burn under control and an investment grade balance sheet
- > Flexibility to react to changes in conditions and adapt to demand movements across the network
  - Able to ramp up to 90% of full fleet operations if demand increases
- > easyJet customers are ready to travel with most having saved money to spend on a summer holiday.
- > easyJet Holidays is ready to respond and has become the first tour operator to offset 100% of the carbon emissions associated with its holidays
- > Competing on value and leading on values
- > Our People continue to be our most valuable asset



# Q&A

# APPENDIX

# LOSS AFTER TAX

£ m	H1 2021	H1 2020	Change <sup>1</sup>
Headline loss before tax	(701)	(193)	(263.2%)
Headline tax credit/(charge)	126	(1)	12,700.0%
Headline loss after tax	(575)	(194)	(196.4%)
Total loss before tax	(645)	(353)	(82.7%)
Total tax credit	96	29	231.0%
Total loss after tax	(549)	(324)	(69.4%)
Total effective tax rate	14.9%	8.3%	6.6ppt

# AIRLINE REVENUE PER SEAT

Total Group reported	H1 2021	H1 2020	Change <sup>1</sup>
Passenger revenue	170	1,833	(91%)
Ancillary revenue	70	549	(87%)
Total revenue	240	2,382	(90%)

Airline revenue per seat, £	Airline		
	H1 2021	H1 2020	Change <sup>1</sup>
Passenger revenue	26.47	42.93	(38%)
Ancillary revenue	10.46	12.67	(17%)
Total revenue	36.93	55.60	(34%)

Airline revenue per seat at constant currency, £	Airline		
	H1 2021	H1 2020	Change <sup>1</sup>
Passenger revenue	25.81	42.93	(40%)
Ancillary revenue	10.19	12.67	(19%)
Total revenue	36.00	55.60	(35%)

# INCREASING PROPORTION OF A320'S

	H1 2021	FY 2020	Change
A319 (Leased)	67	70	(3)
A319 (owned)	45	52	(7)
<b>A319 Total</b>	<b>112</b>	<b>122</b>	<b>(10)</b>
A320 (Leased)	69	50	19
A320 (owned)	135	156	(21)
<b>A320 Total</b>	<b>204</b>	<b>206</b>	<b>(2)</b>
A321 (Leased)	11	7	4
A321 (owned)	3	7	(4)
<b>A321 Total</b>	<b>14</b>	<b>14</b>	<b>0</b>
<b>Total fleet</b>	<b>330</b>	<b>342</b>	<b>(12)</b>
Leased	147	127	20
Number unencumbered	134	165	(31)
Percentage of A320s in fleet	62%	60%	2ppt
Average seats per aircraft	178	177	1

# AIRLINE HEADLINE COST PER SEAT

	Cost per seat £	Variance at constant currency <sup>1</sup> £	Variance at constant currency <sup>1</sup> %	Weighted variance at constant currency <sup>1</sup> %	Drivers
Airports and ground handling	13.14	3.85	23.2%	8.1%	<ul style="list-style-type: none"> <li>• Reduced flying volumes</li> <li>• Structural cost initiatives savings</li> <li>• Missed volume incentives due to lower volumes</li> </ul>
Crew	34.87	(24.96)	(268.0%)	(52.8%)	<ul style="list-style-type: none"> <li>• Reduced volumes resulting in reduced productivity</li> <li>• Reduced payroll costs due to utilisation of furlough schemes</li> </ul>
Ownership <sup>2</sup>	35.83	(33.60)	(510.8%)	(71.1%)	<ul style="list-style-type: none"> <li>• Fixed costs spread over lower capacity</li> <li>• Increased interest costs due to debt funding and higher leased fleet</li> </ul>
Overheads & other income	25.24	(18.55)	(578.1%)	(39.3%)	<ul style="list-style-type: none"> <li>• Favourable impact on discounting FX reserves</li> <li>• Fixed costs spread over lower capacity</li> <li>• Savings from cost out programme</li> </ul>
Navigation	3.84	(0.12)	(3.4%)	(0.3%)	<ul style="list-style-type: none"> <li>• Eurocontrol rate reduction</li> </ul>
Maintenance	17.01	(12.45)	(278.7%)	(26.4%)	<ul style="list-style-type: none"> <li>• Reduced volumes</li> <li>• Favourable movement on maintenance provision catch up</li> <li>• Line maintenance benefit from insourcing and parked fleet</li> </ul>
<b>Total Headline CPS ex. fuel</b>	<b>129.92</b>	<b>(85.83)</b>	<b>(181.7%)</b>	<b>(181.7%)</b>	
Fuel	15.08	(2.81)	(22.5%)		<ul style="list-style-type: none"> <li>• PY remeasurement of EU ETS liability</li> </ul>
<b>Total Headline CPS</b>	<b>145.00</b>	<b>(88.64)</b>	<b>(148.3%)</b>		

# RETURN ON CAPITAL EMPLOYED

	H1 2021	H1 2020
Headline loss before tax	(701)	(193)
Headline loss before interest and tax	(686)	(174)
UK corporation tax rate	19%	19%
Normalised headline operating loss after tax (NOPAT)	(556)	(141)
Average shareholders' equity	1,733	2,539
Average net debt	1,570	397
Average adjusted capital employed	3,303	2,936
Headline Return on capital employed	(16.8%)	(4.8%)

# NON-HEADLINE ITEMS

	H1 2021 £m	H1 2020 £m	Change <sup>1</sup> £m	Description
Sale and leaseback gain	60	1	59	A £60 million gain as a result of the sale and leaseback of 35 aircraft in the period (H1 2020: £1 million gain as a result of the sale and leaseback of 10 aircraft)
Restructuring	25	0	25	A £25 million credit in relation to the restructuring, which was started in H2 2020, as the programme continues to progress (H1 2020: nil charge)
Balance sheet foreign exchange gain	0	3	(3)	Relates to foreign exchange gains or losses arising from the re-translation of monetary assets and liabilities held on the balance sheet, which have been recognised as headline items in H1 2021
Fair value adjustment	(29)	(164)	135	Due to the reduced commercial flying as a result of COVID-19, easyJet was in a significantly over-hedged position from both a jet fuel and FX perspective, with a loss recognised in the period for fair value adjustments related to discontinuation of hedge accounting.
<b>Total non-headline items</b>	<b>56</b>	<b>(160)</b>	<b>216</b>	



# CURRENCY IMPACT

	Revenue		Costs	
	H1 2021	H1 2020	H1 2021	H1 2020
Sterling	30%	42%	67%	33%
Euro	54%	48%	5%	32%
US dollar	0%	1%	22%	28%
Other (principally Swiss franc)	16%	9%	6%	7%