

24 July 2024

easyJet plc
(‘easyJet’)

easyJet Trading Update for the quarter ended 30 June 2024

easyJet delivers a 16% YoY profit improvement as we progress towards our medium term targets

- **Q3 headline profit before tax £236 million, +£33 million YoY**
 - Passenger growth +8% YoY
 - RPS +1% YoY, in line with guidance
 - easyJet holidays delivers £73 million PBT (Q3’23 £49 million)
 - Headline CPS ex fuel increased 1% YoY, Fuel CPS reduced 1% YoY
 - *Headline CASK ex fuel flat YoY, total CASK reduced 1% YoY*
- **Positive outlook for FY24**
 - Expect FY24 capacity of c.100m seats
 - Q4’24 RPS is expected to continue the trend of Q3’24
 - easyJet holidays is now expected to deliver >£180m PBT (>48% profit growth YoY)
 - Continue to expect H2 headline CPS ex fuel up low single digits YoY
 - H2 fuel CPS expected to be flat YoY

Summary

easyJet’s third quarter profit improved by £33 million year-on-year as demand for easyJet’s primary airport network continues to grow. Airline passenger numbers increased by 8% and RPS increased by 1% year-on-year, with headline CPS ex fuel increasing by 1%. However the 1% increase in average sector length meant that headline CASK ex fuel was flat year-on-year. easyJet holidays continues to perform strongly, growing PBT by 49% to £73 million with passenger growth of 33%.

As at 30 June 2024, our net cash position was £456 million (£146 million as at 31 March 2024). All 16 aircraft, as expected, have been taken into ownership and delivered with the final one received in July.

Bookings for Q4 continue to build, with 69% now sold, +1 ppt year-on-year with 7% more capacity on sale. This means easyJet has currently sold 1.5 million more seats for peak summer compared to the same point in time last year with total yield broadly flat year on year.

Looking to Q1’25, on sale capacity is up c.5% with 20% of the program currently sold, +2 ppts year-on-year.

Johan Lundgren, CEO of easyJet, said:

“Our strong performance in the quarter has been driven by more customers choosing easyJet for our unrivalled network of destinations and value for money. This result was achieved despite Easter falling into March this year, demonstrating the continued importance of travel and this means we remain on track to deliver another record-breaking summer, taking us a step closer to our medium term targets.”

Revenue, Cost and Liquidity

Revenue increased by 11% to £2,631 million predominantly due to an increase in passengers of 8%, growth in ancillary revenue per seat and the continued growth of easyJet holidays.

Airline headline cost per seat ex fuel in the quarter increased 1% as disruption costs were much improved year-on-year (a 33% reduction in events) offset by the 1% increase in average sector length as we increased our proportion of longer leisure routes. easyJet continues to expect its H2'24 CPS ex fuel to increase by low single digits although Q4 is expected to increase slightly more than Q3. This is due to the challenging European ATC environment and a one off benefit following the successful completion of airport negotiations in the prior year.

Financing costs benefitted from a decrease in gross debt and a higher interest rate on floating-rate cash deposits. Foreign exchange movements over the period resulted in a non-operational, non-cash FX gain of £2 million from balance sheet revaluations.

	Q3'24	Q3'23	Variance Favourable / (Adverse)
Passenger revenue (£'m)	1,602	1,501	7%
Airline ancillary revenue (£'m)	693	622	11%
Holidays revenue ³ (£'m)	336	237	42%
Group revenue (£'m)	2,631	2,360	11%
Fuel costs (£'m)	(625)	(585)	(7)%
Airline headline EBITDAR costs ex fuel (£'m)	(1,315)	(1,210)	(9)%
Holidays EBITDAR costs ³ (£'m)	(268)	(193)	(39)%
Group headline EBITDAR costs (£'m)	(2,208)	(1,988)	(11)%
Group headline EBITDAR (£'m)	423	372	14%
Airline depreciation & amortisation (£'m)	(187)	(170)	(10)%
Holidays depreciation & amortisation (£'m)	(2)	(1)	(100)%
Group headline EBIT (£'m)	234	201	16%
Airline financing costs excluding balance sheet revaluations (£'m)	(7)	(14)	50%
Holidays financing income excluding balance sheet revaluations (£'m)	7	6	17%
Balance sheet revaluations (£'m)	2	10	(80)%
Group headline PBT (£'m)	236	203	16%
Airline passenger revenue per seat (£)	56.95	57.33	(1)%
Airline ancillary revenue per seat (£)	24.66	23.75	4%
Total airline revenue per seat (£)	81.61	81.08	1%
<i>Total airline RASK (p)</i>	<i>6.54</i>	<i>6.58</i>	<i>(1)%</i>
Airline headline cost per seat ex fuel (£)	(53.59)	(52.86)	(1)%
<i>Airline headline CASK ex fuel (p)</i>	<i>(4.29)</i>	<i>(4.29)</i>	<i>0%</i>
Airline fuel cost per seat (£)	(22.23)	(22.35)	1%
Airline headline total cost per seat (£)	(75.82)	(75.21)	(1)%
Sector length (km)	1,248	1,233	1%
Cash and money market deposits (£'bn)	3.7	3.1	19%
Net cash/(debt) (£'m)	456	304	50%

Capacity

During Q3 easyJet flew 28.1 million seats, a 7% increase on the same period last year when easyJet flew 26.2 million seats. Load factor was 90% (Q3 FY23: 90%) with load factor increasing to 92% in June.

Passenger¹ numbers in the quarter increased to 25.3 million (Q3 FY23: 23.5 million).

	April 2024	May 2024	June 2024	Q3 FY24	Q3 FY23
Number of flights	49,232	54,071	53,184	156,487	146,816
Peak operating aircraft	297	318	330	330	310
Passengers ¹ (thousand)	7,849	8,717	8,752	25,318	23,454
Seats flown (thousand)	8,843	9,724	9,555	28,122	26,177
Load factor ²	88.8%	89.7%	91.6%	90.0%	89.6%

Fuel & FX Hedging

Jet Fuel	H1'25	H2'25	USD	H1'25	H2'25
Hedged position	65%	31%	Hedged position	65%	34%
Average hedged rate (\$/MT)	830	813	Average hedged rate (USD/GBP)	1.26	1.27
Current spot (\$/MT) at 23.07.24	c. 810		Current spot (USD/GBP) at 23.07.24	c.1.29	

easyJet fuel hedging is via a mix of swaps and options

External Audit Tender Process

The Audit Committee has recently undertaken a competitive audit tender, with PricewaterhouseCoopers LLP (PwC) unable to continue beyond 2025 for reasons of tenure. The Board have selected Deloitte LLP to succeed PwC as auditor. PwC are expected to complete the audit for the year ending 30 September 2025 before Deloitte LLP's appointment is put to the 2026 AGM. Further details will be set out in the 2024 Annual Report.

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A copy of this Trading Statement is available at <http://corporate.easyjet.com/investors>

1) Represents the number of earned seats flown. Earned seats include seats which are flown whether or not the passenger turns up, as easyJet is a no refund airline and once a flight has departed, a no-show customer is generally not entitled to change flights or seek a refund. Earned seats also include seats provided for promotional purposes and to staff for business travel.

2) Represents the number of passengers as a proportion of the number of seats available for passengers. No weighting of the load factor is carried out to recognise the effect of varying flight (or "sector") lengths.

3) Holidays numbers include elimination of intercompany airline transactions

A glossary of acronyms can be found within the FY23 Annual Report on Page 197, available on easyJet's corporate website.

This announcement may contain statements which constitute 'forward-looking statements'. Although easyJet believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements.