

easyJet

**CAPITAL STRUCTURE
SEMINAR**



KEY MESSAGES

Deploying capital to deliver enhanced returns

- ✓ Maximising returns on existing fleet
- ✓ Investment in new aircraft to deliver >£3 cost per seat savings
- ✓ Owned aircraft net book value expected to increase by c.£4 billion to c.£8 billion in FY28¹
- ✓ Strong investment grade balance sheet to support fleet modernisation, growth and attractive shareholder returns

¹) £4 billion as at 31 March 2024

MEDIUM TERM TARGETS

Group PBT¹ per seat of £7-£10

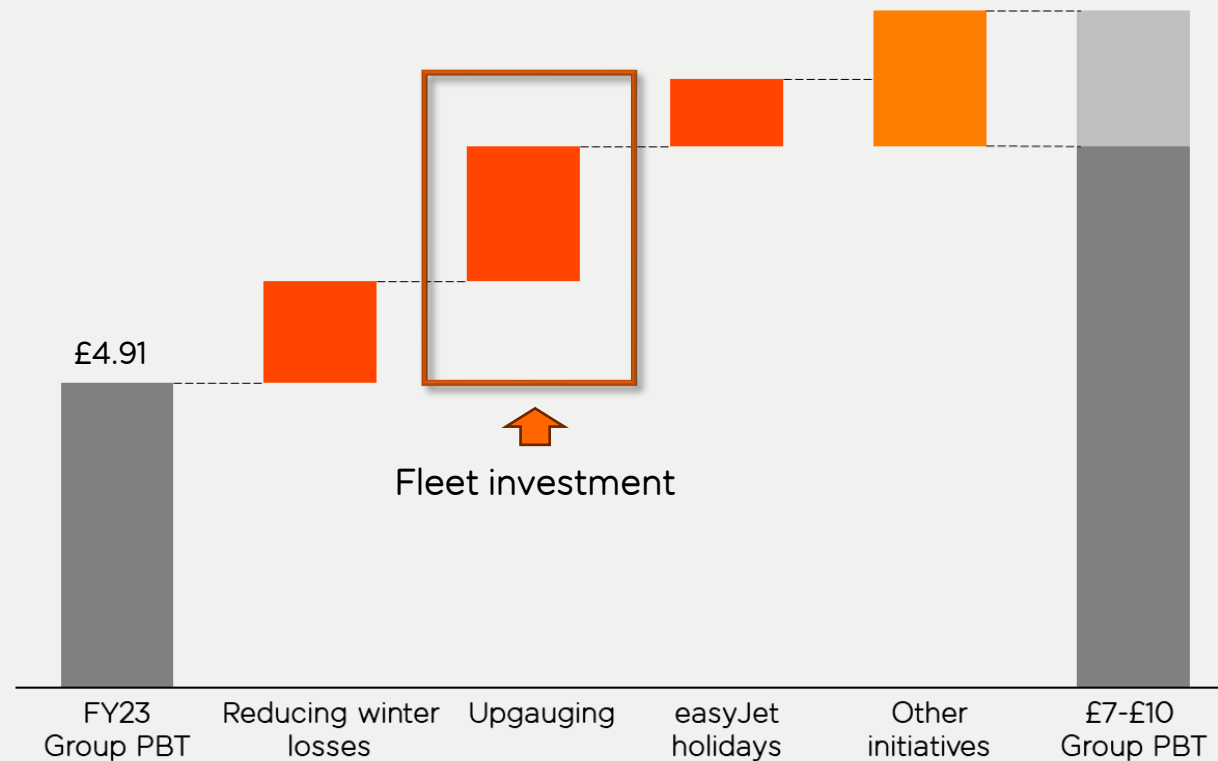
High teen ROCE²

Holidays PBT¹ to >£250m

Disciplined capacity growth c.5% CAGR³

Targeting high teen Airline EBITDAR Margins

- > Reducing winter losses
 - Profitable restoration of winter capacity driving productivity and utilisation gains
- > Upgauging
 - >£3 per seat cost saving from A319s leaving the fleet
- > easyJet holidays
 - Continuing profitable growth adding to market share in the package holiday market
- > Other
 - Continued monetisation of easyJet's primary airport network
 - Cost discipline
 - Inflight retail & other ancillary revenue growth
 - External factors: Inflation, fuel & demand environment



Ambition to deliver >£1bn PBT

1) Headline result before non-headline items 2) ROCE is calculated by taking headline profit/loss before interest and tax, applying tax at the prevailing UK corporation tax rate at the end of the financial year, and dividing by the average capital employed. Capital employed is shareholders equity, excluding the hedging and cost of hedging reserves, plus net debt 3) Capacity growth between 2023 and 2028.

FOCUS ON CAPITAL DISCIPLINE

Maximising returns from our existing assets

- > Reallocation of aircraft into the highest returning bases
- > Revenue growth on existing assets
 - Holidays attachment rate growth
 - Revenue management enhancements
 - Continued ancillary growth
- > Cost discipline

Investing in new assets

- > Enabling growth within our existing network or new routes
- > Upgauging
- > Fuel efficiency
- > Sustainability
- > Reduced ownership cost on new aircraft



CAPITAL ALLOCATION FRAMEWORK

	Objective	Metrics	H1'24 Progress
Capital Structure	<ul style="list-style-type: none">> Maintain robust Balance Sheet> Retain ability to invest in profitable growth opportunities> Maintain sufficient liquidity to manage through industry shocks	<ul style="list-style-type: none">> Strong investment grade credit profile> >75% of NEO fleet in ownership> Maintain liquidity of unearned revenue +£500m	<ul style="list-style-type: none">> BBB (positive)/Baa2 (stable)> 77% NEO aircraft in ownership> £5.0bn liquidity, £1.9bn above liquidity policy

Focused capital allocation & targeted capacity growth

Supported by

Strong balance sheet



Attractive long term shareholder value

FINANCIAL STRENGTH

Retain ability to invest in profitable growth opportunities

- > Building neo aircraft ownership:
 - Currently 77%
 - Expect to grow to 81% at 30 Sep-25 as all FY24 & FY25 aircraft deliveries planned to be taken into ownership
- > Targeted growth – c.5% CAGR to 2028¹
 - Recent profitable growth opportunities taken:
 - Birmingham & Alicante bases launched for Summer 24
 - Porto & Lisbon based aircraft growth
 - Further opportunities identified
 - Southend base opening for summer 25

Balance sheet strength to manage through industry shocks

- > Maintain liquidity of unearned revenue +£500m
 - Currently £1.9bn above liquidity policy- as we prepare for the Capex ramp-up
- > Book value of owned fleet expected to increase to c. £8 billion by FY28 (£4.0bn as at 31 March 24)
- > High level of asset ownership

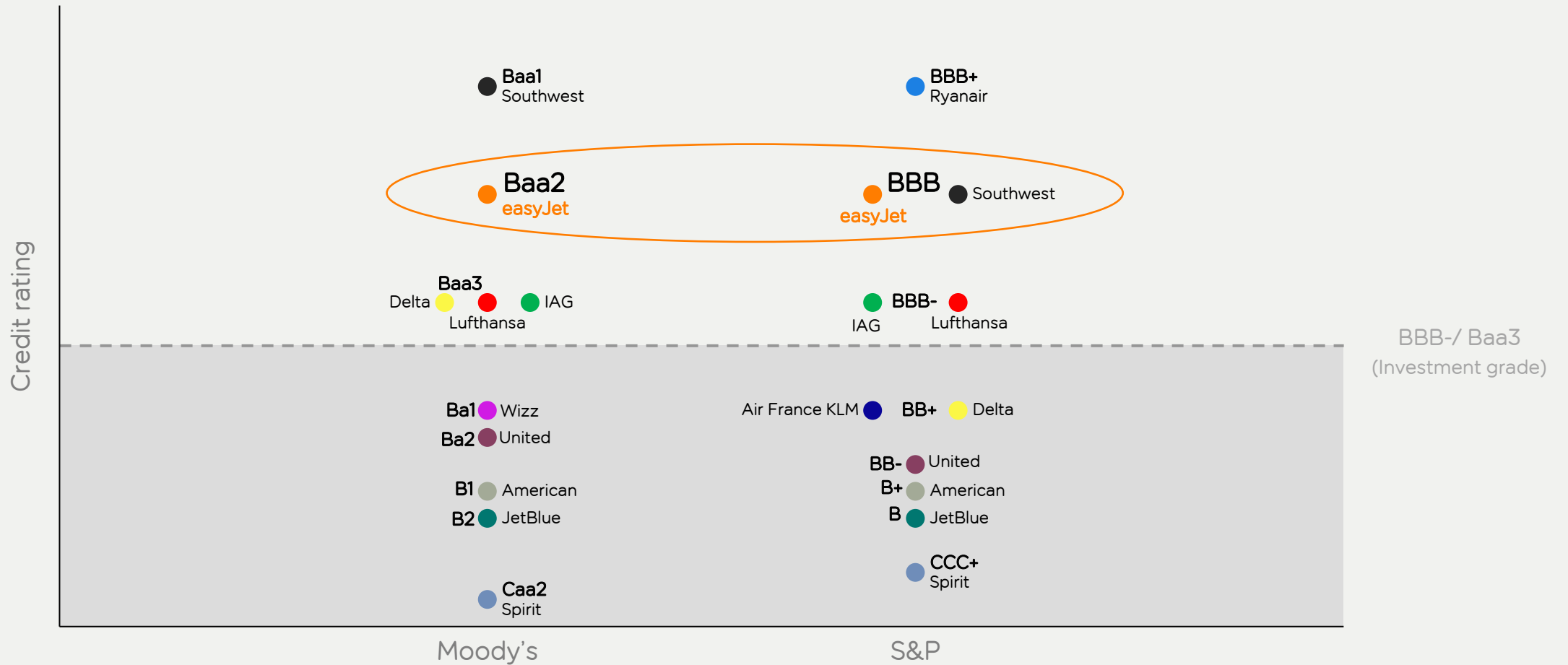
Aircraft Type	Current ownership
A320neo & A321neo	77%
A320ceo	58%
A319	20%

Ability to invest to deliver strong shareholder value alongside maintaining strong liquidity

1) Capacity growth between 2023 and 2028.

MAINTAINING A ROBUST BALANCE SHEET

Strong investment grade balance sheet



LOW RISK OPPORTUNITY TO DELIVER HIGHER RETURNS

Investing in our fleet

> 88 A319s (c.25% of current fleet) materially all retired by FY28



Increased seats

+19%

Reduced fuel burn
CPS

+24%

Greater
productivity

+16%

A&GH, NAV
efficiencies

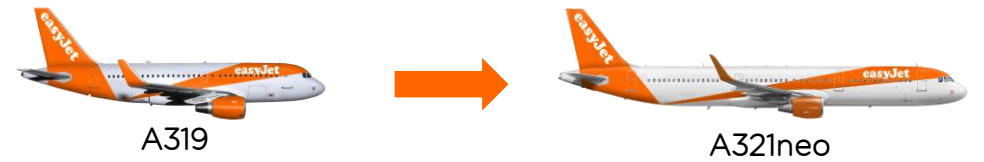
+5%

Other costs
reduction

+16%

Like for like CPS
savings

c.£10¹



Increased seats

+51%

Reduced fuel burn
CPS

+30%

Greater
productivity

+28%

A&GH, NAV
efficiencies

+11%

Other costs
reduction

+32%

Like for like CPS
savings

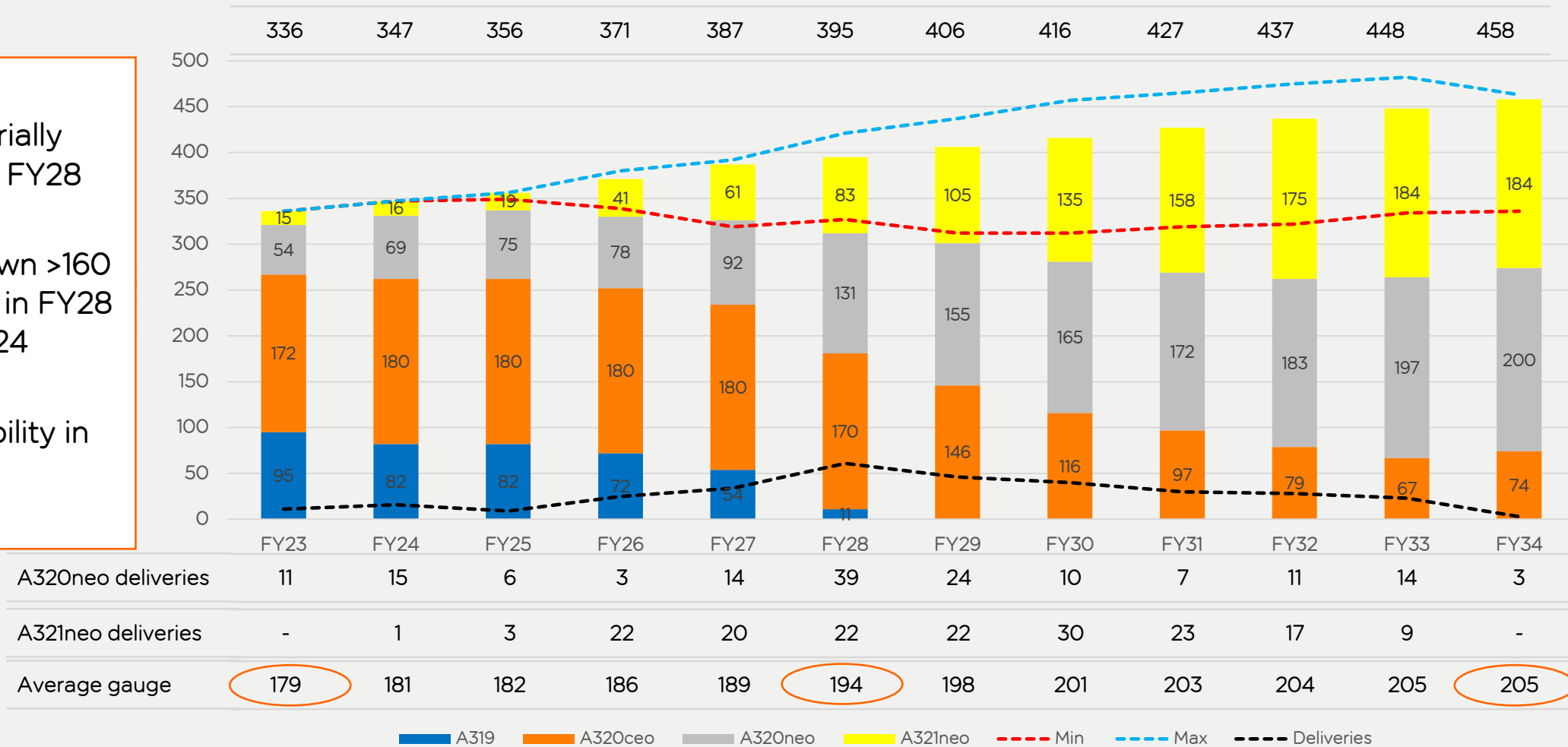
c.£16¹

>£3 unit cost savings to the group

FLEET DELIVERY PROFILE

Current base fleet plan to FY34

- > A319s materially exit fleet by FY28
- > Expect to own >160 neo aircraft in FY28 vs 60 at H1'24
- > Retain flexibility in outer years

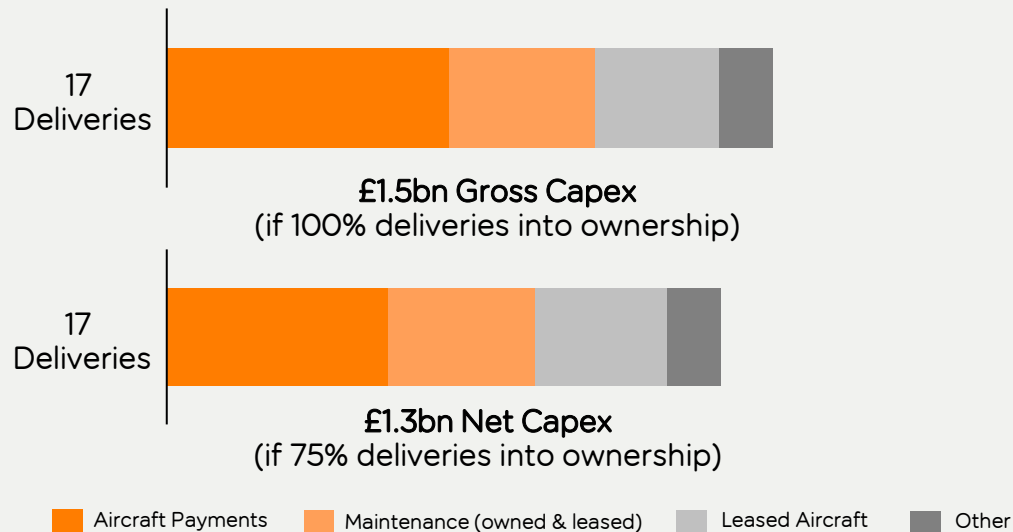


*Minimum and maximum fleet plan excludes 100 aircraft purchase rights

THROUGH CYCLE CASH GENERATION

Steady state capex

- > FY28 – plan for a fleet of 395
- > Neo aircraft useful economic life expected to be 23 years
- > c. 17 Aircraft a year to maintain FY28 fleet



- > £1.6bn cash generation ex Capex in FY23
- > Aim to double earnings & drive cash generation

Excess liquidity

+1.9bn

**Strong investment grade
balance sheet**

BBB/Baa2

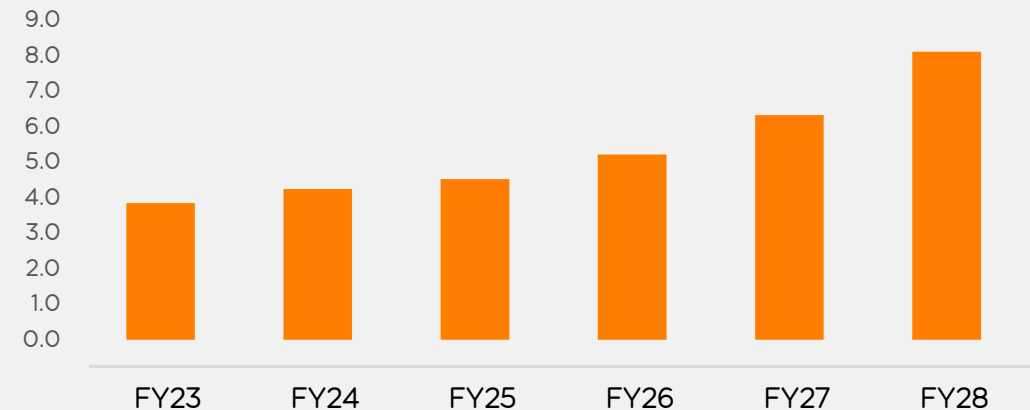
Net cash

£146m

Neo ownership

77%

Book value of owned aircraft



	FY23	FY24	FY25	FY26	FY27	FY28
Gross Capex (£'bn)	1.0	1.3	1.3	1.9	2.4	3.9
Net Capex ¹ (£'bn)	0.9	1.2	1.2	1.6	2.0	3.0
Deliveries	11	16	9	25	34	61

1) Maintains >75% neo aircraft in ownership

SUMMARY

Investment to drive earnings

- > >£3 per seat cost saving from A319s leaving the fleet
- > Book value of owned fleet expected to increase to c.£8 bn in FY28 (£4.0bn as at 31 Mar-24)
- > Balance sheet strength
 - Investment grade credit rating
 - Expect continued value growth of owned assets

Value creation

- > Clear strategy
- > Capital allocation framework
- > Targeted capacity growth
- > Restarted capital returns

Medium term targets

Group PBT per seat of £7-£10

High teen ROCE

Holidays >£250m PBT contribution

Capacity growth c.5% CAGR¹

Positioned to deliver strong shareholder returns

1) Capacity growth between 2023 and 2028 2) On sale capacity

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Q&A





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APPENDIX



CAPITAL ALLOCATION FRAMEWORK

	Objective	Metrics	H1'24 Progress
Capital discipline	<ul style="list-style-type: none"> > High asset efficiency > Maintain fleet flexibility 	<ul style="list-style-type: none"> > Aircraft utilisation >10 hours a day > Capacity growth c.5% CAGR¹ 	<ul style="list-style-type: none"> > Asset utilisation +7% YoY > 12% capacity growth from 5% fleet growth to 343 aircraft
 Capital Structure 	<ul style="list-style-type: none"> > Maintain robust Balance Sheet > Retain ability to invest in profitable growth opportunities > Maintain sufficient liquidity to manage through industry shocks 	<ul style="list-style-type: none"> > Strong investment grade credit profile > >75% of NEO fleet in ownership > Maintain liquidity of unearned revenue +£500m 	<ul style="list-style-type: none"> > BBB (positive)/Baa2 (stable) > 77% NEO aircraft in ownership > £5.0bn liquidity, £1.9bn above liquidity policy
Shareholder Returns	<ul style="list-style-type: none"> > Capital investment > Deliver industry leading returns > Return excess capital to shareholders 	<ul style="list-style-type: none"> > Growth & Aircraft ownership > £7-10 PBT per seat & High teen ROCE > 20% headline PAT dividend on FY24 result 	<ul style="list-style-type: none"> > 77% NEO aircraft in ownership & 12% capacity growth YoY > Evidenced progress toward delivering medium term targets > Ordinary dividend reinstated

Platform to create strong value for our shareholders

¹) Capacity growth between 2023 and 2028

OPERATIONALLY READY TO RAMP UP DELIVERIES

Current fleet (at 31 March 2024)

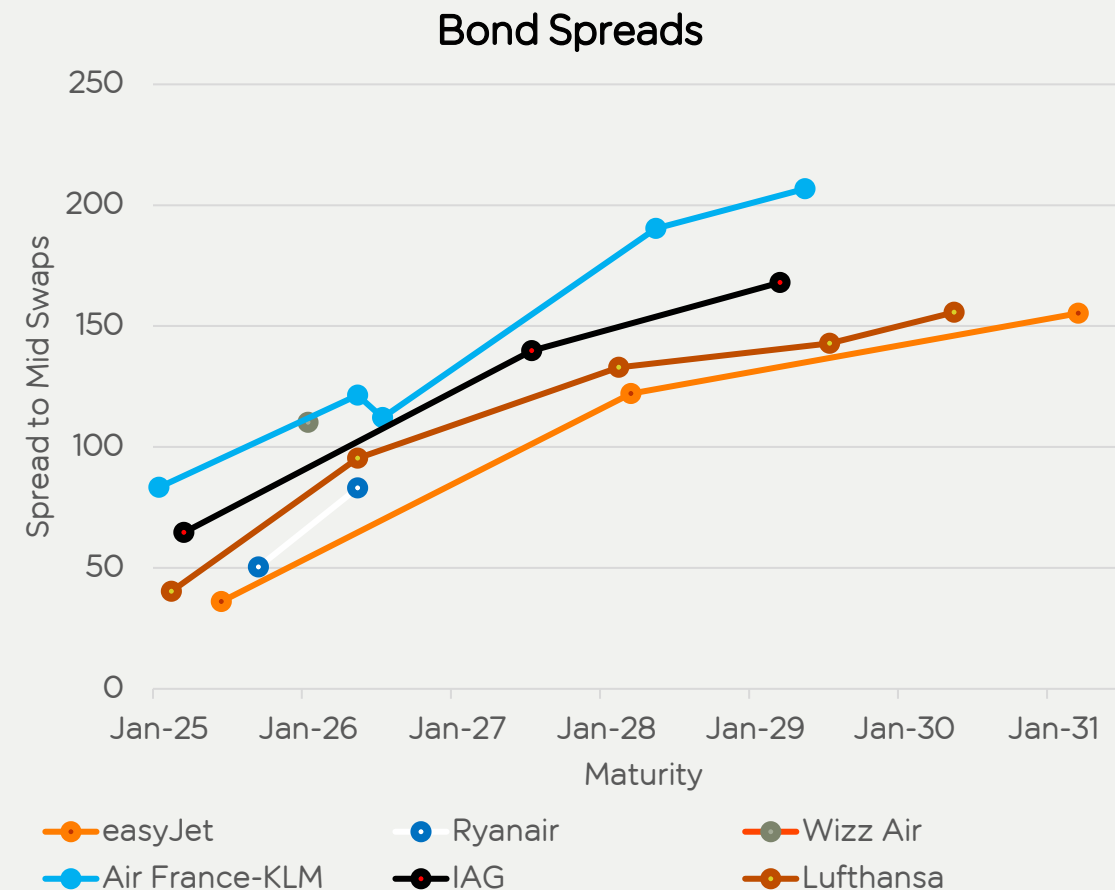
Current Fleet	A319	A320ceo	A320neo	A321neo
Number of seats	156	180/186	186	235
Aircraft (at H1'24)	88	177	63	15
% in ownership	20%	58%	89%	27%
Average age (years)	16	10	4	5
Pilots needed	2 pilots	2 pilots	2 pilots	2 pilots
Cabin crew needed	4 crew	4 crew	4 crew	5 crew

Strong order book to modernise the fleet

- > >300 A320 family aircraft on order between now and FY34
- > All aircraft on order are fully certified & in production
- > New deliveries inducted & flying commercially within a week
- > No additional pilot training required

REDUCED COST OF DEBT

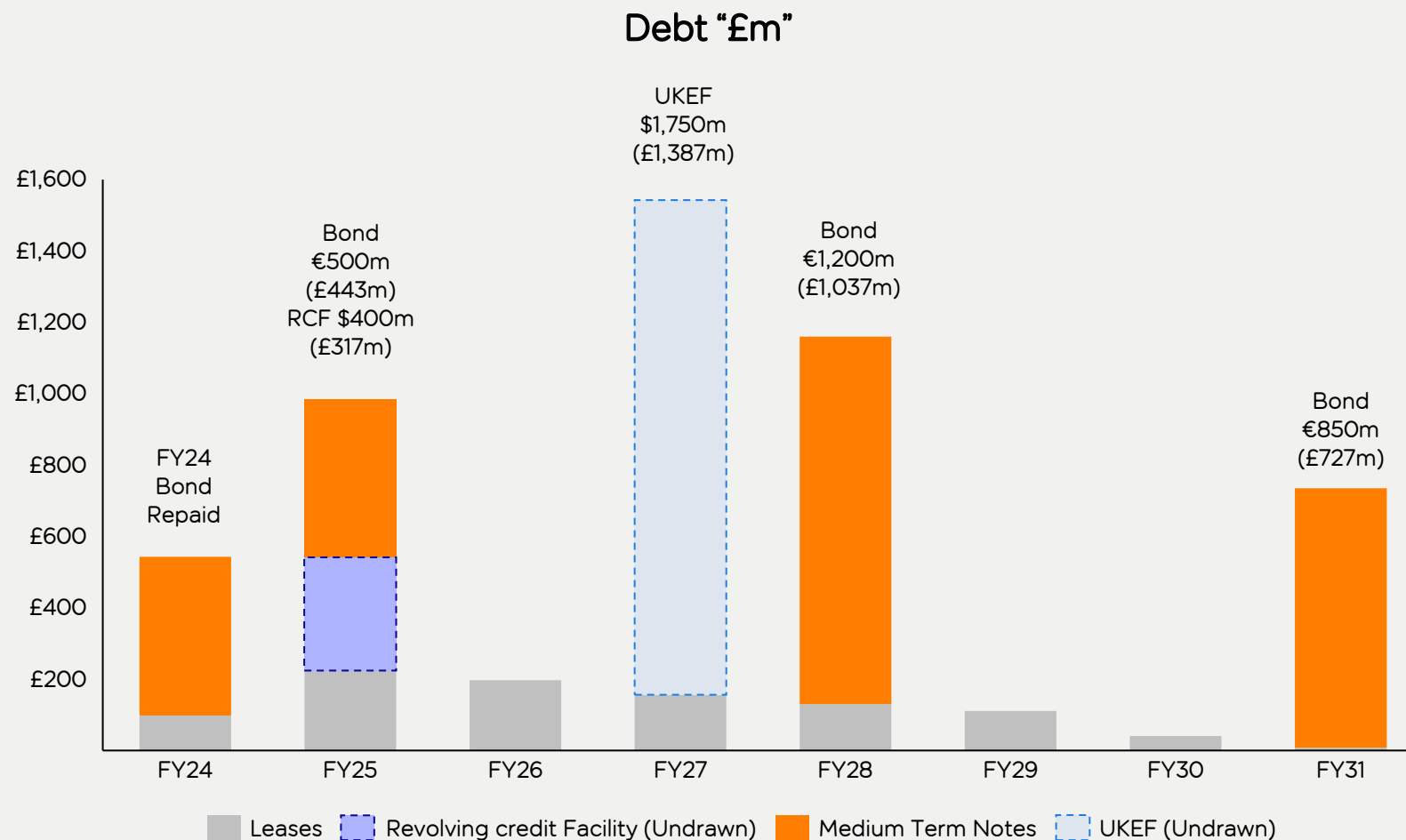
Issue date	Issuer	Amount (EURm)	Ratings (Moody's/S&P)	Coupon	Maturity	Tenor (years)	Current MS Spread ¹
Jun-19	easyJet	500	Baa2 / BBB	0.875	Jun-25	1.0	36
Mar-21		1200		1.875	Mar-28	3.7	122
Mar-24		850		3.750	Mar-31	6.7	155
Sep-20	Ryanair	850	NR / BBB+	2.875	Sep-25	1.2	50
May-21		1200		0.875	May-26	1.9	83
Jan-22	Wizz Air	500	Ba1 / NR	1.000	Jan-26	1.6	110
Jan-20	Air France-KLM	750	NR / BB+	1.875	Jan-25	0.6	83
Jan-23		500		7.250	May-26	1.9	121
Jul-21		500		3.875	Jul-26	2.1	112
Jan-23		500		8.125	May-28	3.9	190
May-24		650		4.625	May-29	4.9	207
Mar-21	IAG	500	Baa3 / BBB-	2.750	Mar-25	0.7	65
Jul-19		500		1.500	Jul-27	3.1	140
Mar-21		700		3.750	Mar-29	4.7	168
Feb-21	Lufthansa	750	Baa3 / BBB-	2.875	Feb-25	0.7	40
Dec-20		1000		3.000	May-26	1.9	95
Feb-21		850		3.750	Feb-28	3.7	133
Jul-21		500		3.500	Jul-29	5.1	143
May-24		750		4.000	May-30	5.9	156



Bloomberg spreads (Jun-24), using straight line interpolation

1) As at 06.06.24

DEBT MATURITY PROFILE



- > Diverse sources of funding through aircraft leases, eurobonds, RCF and UAEF
- > FY24 bond repaid in October 2023
- > Controlled strategy to minimise funding costs and refinancing risks
- > Both undrawn facilities (\$400m RCF and \$1.75bn UAEF) are unsecured unless drawn