

Q1 2018

ANALYST & INVESTOR PRESENTATION

23 January 2018

easyJet

STRONG START IN 2018

Network

Strengthening our market positions across the network

Q1 RPS @ CC up 6.6% - positive underlying revenue trend

Cost

Underlying cost performance is strong and in line with full year guidance

Customer

Investment in resilience delivered improvements in On Time Performance

Digital and data

Continuous development of differentiated proposition

New website driving increased conversion and ancillary revenue

Balance Sheet

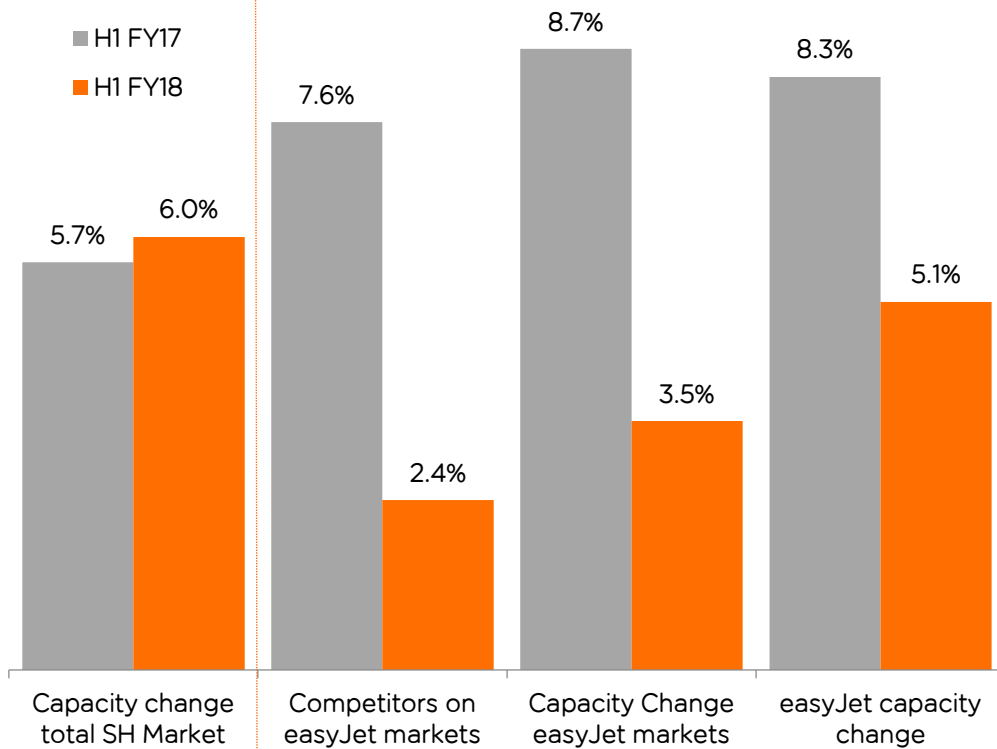
Strong balance sheet maintained - net cash at 31 December £357 million

Q1 - KEY FINANCIAL INFORMATION

	Q1 '18	Q1 '17	CHANGE*
Passengers (m)	18.8	17.4	8.0%
Load factor (%)	92.1	90.0	2.1ppts
Seats flown (m)	20.4	19.3	5.5%
Passenger revenue (£m)	913.8	808.9	13.0%
Ancillary revenue (£m)	226.3	188.0	20.4%
Total revenue (£m)	1,140.1	996.9	14.4%
Total revenue per seat (£)	55.99	51.64	8.4%
Total revenue per seat @ constant currency (£)	55.03	51.64	6.6%
Total headline cost (£m)	1,106.6	1,065.8	(3.8%)
Total headline CPS (£)	54.34	55.21	1.6%
Total headline CPS @ constant currency (£)	53.40	55.21	3.3%
Total headline CPS, ex-fuel @ constant currency (£)	42.53	42.12	(1.0%)

H1 CAPACITY – EXCLUDING TEGEL

Short haul market growth



H2 expectations:

Growth on easyJet markets to be higher than level seen in H1:

- C.50% of Monarch slots at LGW filled by BA
- Ryanair to reinstate decreased capacity

easyJet growth across the network

Location	easyJet growth
UK	4.8%
Switzerland	9.6%
France	6.3%
Amsterdam	5.0%
Venice	11.1%
Lisbon	7.6%
Porto	4.2%

RPS - STRONG START TO 2018

HEADLINE	Q1 2018 REPORTED	Q1 2018 CONSTANT CURRENCY
Passenger revenue per seat	7.1% Increase	5.3% Increase
Ancillary revenue per seat	14.1% Increase	12.3% Increase
Total revenue per seat	8.4% Increase	6.6% Increase

Increases driven by:

- Improved trading environment due to capacity reductions and lower growth in easyJet markets from:
 - Monarch (LGW, LTN, MAN, LPL) and Air Berlin (SXF) bankruptcies
 - Ryanair cancellations (UK Domestic)
- Ancillary revenue increases due to bag proposition, allocated seating and higher load factor

HEADLINE COSTS IN LINE WITH EXPECTATIONS

HEADLINE	Q1 2018 REPORTED	Q1 2018 CONSTANT CURRENCY
Cost per seat <u>including</u> fuel	1.6% Decrease	3.3% Decrease
Cost per seat <u>excluding</u> fuel	1.7% Increase	1.0% Increase

Increases driven by:

- +2.1ppts year on year load
- Adverse weather:
 - De-icing
 - Disruption
- Inflation
 - Regulated airport charges
 - Agreed crew and pilot pay

Offset by:

- Robust management action on costs:
 - Airport deals
 - Up-gauging of fleet
- Navigation charge reductions primarily in France and Germany
- easyJet Lean has delivered £28m in savings for the quarter

STRONG OPERATIONAL PERFORMANCE

Improved operational / customer statistics

	Q1 2018 vs Q1 2017
Total Sectors	+3.4%
Network OTP	+2ppts
LGW OTP	+7ppts

81%

Network OTP

- Investment in resilience delivering returns:
 - Q1 Network OTP - 81%
 - Maintenance response aircraft helping control 3hr delays
- Solid Gatwick operation:
 - Strong improvement in OTP
 - Smooth transition to DHL ground handling services
 - Already delivering results

TEGEL OPERATION – SUCCESSFUL LAUNCH

2018 Tegel operations

First flight

- 5th January 2018

Wet leases

- Operations have begun

Schedule

- Summer schedule released shortly

Expected financial impact

- Previous guidance maintained
 - c. £(60m) headline PBT impact
 - Update to be provided at H1 results when a clearer summer picture is available



Transition to easyJet operation on track

Dry lease aircraft

- Aircraft secured and conversion process has begun

Crew

- First crew have completed training
- Strong recruitment pipeline

Expected financial impact

- Previous guidance maintained
 - Up to £(100m) non-headline PBT impact
 - Update to be provided at H1 results

POSITIVE UNDERLYING TRADING

FY 2018 Headline PBT (as @ FY'17 results)* £505m
(pre Tegel operation)

H1 Net trading improvement
(reflected in updated guidance)

c. +£35m

Includes one off benefits from capacity decreases post Monarch / Air Berlin administration and operational issues at Ryanair

Fuel & FX update

(£5)m

Fuel at \$650 per metric tonne

Consensus post H1 trading upside*

£535m

Headline PBT impact from 2018 Tegel operations

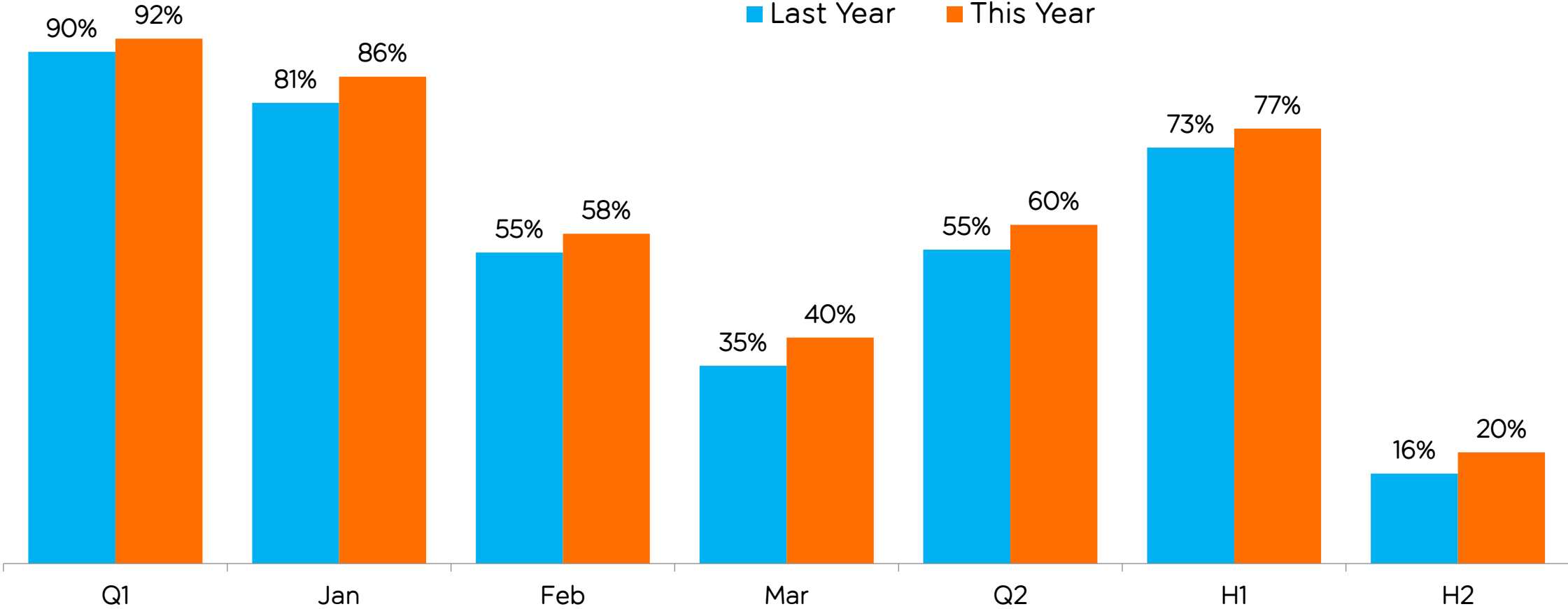
c.(£60m)

No change to previous guidance

Updated Headline PBT consensus
(Including 2018 Tegel operation)

£475m

FORWARD BOOKINGS



FUEL AND FOREIGN EXCHANGE HEDGING

	Fuel requirement	US dollar requirement	Euro Surplus
Six months to 30 March 2018	84% @ \$513/tonne	89% @ \$1.36/£	70% @ €1.24/£
Full year ending 30 September 2018	79% @ \$516/tonne	79% @ \$1.36/£	75% @ €1.24/£
Full year ending 30 September 2019	52% @ \$538/tonne	54% @ \$1.31/£	60% @ €1.13/£

2018 HEADLINE OUTLOOK – EXCLUDING TEGEL

Capacity (seats flown)

- FY 5% - 6% increase

Revenue per seat at constant currency

- H1 2018 revenue per seat: mid to high single digits positive

Cost per seat at constant currency

- FY headline cost per seat excluding fuel: c. 1% increase (assuming normal levels of disruption)
- FY headline cost per seat: down c. 0.5% (assuming normal levels of disruption)

FX / Fuel*

- FY: c.£5 million favourable movement from foreign exchange rates on headline PBT
- FY: unit fuel costs £80 million to £100 million favourable
- Expected total fuel cost £1,120 million

2018 Tegel Operation – Headline PBT impact

- Circa £60 million adverse

SUMMARY

- Leading customer proposition driving loyalty and ancillary revenue
- Positive revenue per seat momentum - easyJet is winning in the market
- Strong cost performance delivered
- Continued focus to improve On Time Performance and CSAT which are delivering results
- Strong balance sheet and cash position
- Smooth launch of operations at Tegel airport
- New role of Chief Data Officer

Q & A

easyJet