

2007 easyJet Q1 statistics

Below are easyJet statistics for Q1.

Three months ending	Dec 2006	Dec 2005	Change
Passengers (m) ¹	8.1	7.4	+9.8%
Load factor ²	81.7%	82.2%	-0.5pp
Total revenue ³ (£m)	366.2	318.8	+14.9%
Total revenue per seat ⁴ (£)	36.79	35.38	+4.0%
Average operating aircraft	114	101	+13.1%
ASKs (bn)	9.5	8.3	+13.8%
RPKs (bn)	7.8	6.8	+14.6%
Average sector length (km)	952	923	+3.1%

Note: easyJet does not publish full quarterly results, but issues a trading statement for the first and third quarters as a supplement to its regular monthly passenger statistics (see separate release for January statistics).

The easyJet network continues to grow with five new routes launched in the quarter including the three times daily service between Glasgow and London Gatwick. Total revenue in Q1 was up 15% year on year to £366m. The number of passengers flown grew 10% compared to the same quarter last year, largely due to capacity increases in Italy and Switzerland, while load factors were broadly in line with the prior year. Total revenue per seat grew 4% with passenger revenue up 2.3% per seat and ancillary revenues, which continue to grow significantly ahead of capacity, up 22% per seat versus Q1 last year. Car rental and insurance partner revenues were particularly strong and our "Speedy Boarding" product which gives boarding priority to a limited number of passengers on every flight is now available across the easyJet network.

In December, the treasury announced the doubling of UK Air Passenger Duty (APD) from 1st February 2007. The increase in APD raises over one billion pounds for the Chancellor but is an ineffective environmental tax. APD does not cover freight journeys by air and it does not differentiate between airlines in recognition of their varying efficiency and environmental credentials. For instance, by investing in new aircraft, easyJet has been able to reduce its emissions of CO₂ per passenger kilometre by 18% since 2000, and compared to a typical European airline easyJet is 27% more fuel efficient per passenger ⁵. Airlines generate less than 2% of global greenhouse gas emissions ⁶ and easyJet's fleet is among the most efficient in Europe. easyJet supports measures to bring aviation into the European Emissions Trading System (ETS) which is an international solution to an international problem. easyJet is working with the European Commission to ensure that a well designed emission trading scheme is introduced for the airline industry. We continue to monitor the impact of APD on our business.

Outlook

For Q2 we anticipate a slight increase in passenger revenue per seat compared with the same period last year, with ancillary revenues continuing to grow ahead of capacity.

In spite of the fall in fuel prices from the summer highs, our average fuel cost (after hedging) for this first half will be approximately \$650 per metric tonne, 7% higher year on year (H1 FY06 avg fuel cost \$606/MT). Continued progress on non-fuel costs and revenues mean that we expect a pre-tax margin improvement in the region of 3 to 4 percentage points for the first half.

For the second half, we have 61% of our fuel requirement hedged, 39% using forwards at an average rate of \$659/MT and 22% hedged with collars having a weighted average floor of \$699/MT and ceiling of \$776/MT. For the full year we anticipate unit fuel costs to be slightly down year on year.

Expected capacity growth for the year to September 2007 remains unchanged at 15%. We anticipate pressure on yields in the second half due to high comparatives following a strong summer last year and due to continued competition. However, our focus on controllable costs and growth in ancillary revenues mean that for the full year we anticipate an improvement in profit before tax of between 40% and 50%.

1. Represents the number of earned seats flown. Earned seats include seats that are flown whether or not the passenger turns up because 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 "stage") lengths.
3. Represents statutory revenue (unaudited)
4. Represents total revenue divided by the number of seats flown available for passengers.
5. easyJet 2006 annual report and accounts 'Corporate and social responsibility report' available at www.easyJet.com.
6. The UK's Stern Review estimates that aviation emissions currently account for 1.6% of global greenhouse gas emissions.