Interim results for the 6 months to March 2007

EASYJET IMPROVES MARGIN –
SEASONAL FIRST HALF LOSS SIGNIFICANTLY REDUCED

- Winter margin improved by 4 percentage points to -2.4% from -6.4%.
- Loss before tax, reflecting seasonality of business, down 58% to £17m from £40m.
- Total revenue grew by 14% to £719 million.
- Return on equity for the rolling twelve month period increased to 11.9%, up over 6 percentage points from 5.6% in March 2006.
- Full year guidance maintained: pre-tax profit for the year to September 2007 expected to be 40% to 50% higher than record profits in 2006.
- Passenger numbers up 11% to 16.4 million.
- Unit passenger revenues increased by 0.8% or £0.26 per seat to £31.70 per seat.
- Ancillary revenues improved by 18% or £0.58 per seat to £3.81 per seat with partner revenues from insurance and car hire driving the growth.
- Unit costs excluding fuel reduced by 2.1% or £0.57 per seat from £27.75 to £27.18.
- 16 new routes launched. Network now covers 292 routes and 75 airports in 20 countries.
- Madrid base launched with 4 new Airbus A319s in February 2007. 9 new routes launched doubling the number of routes serving Madrid to 18 including Spanish domestic routes and routes to the UK, France, Italy, Switzerland, Germany and Morocco.
- easyJet's fleet reinforced as one of the most modern and environmentally friendly fleets in Europe. Average age of fleet only 2.3 years following delivery of 10 new Airbus A319s during the period.

Commenting on the results, Andy Harrison, easyJet Chief Executive said:

"The first half of our financial year has seen growth in all areas. Our winning combination of low cost with care and convenience on a network now covering 75 airports in 20 countries on nearly 300 routes continues to attract new customers. In the six months to March 2007, we flew over 16 million passengers, up 11%.

"Our interim results show continued improvements with our margin rising by 4.0 percentage points from minus 6.4% to minus 2.4%. We have grown our total revenue per seat by 84 pence per seat and reduced our costs excluding fuel by 57 pence per seat, allowing us to more than halve our seasonal loss from £40m to £17m.

"We continue to introduce new Airbus aircraft into our fleet, thereby maintaining one of Europe's cleanest and greenest aircraft fleets, and in April we collected our 100th Airbus A319. Through our investment in modern fuel efficient aircraft we have reduced our emissions of CO_2 per passenger kilometre by 18% since 2000.

"Looking forward, our growth measured in available seats will accelerate during the summer months leading to approximately 15% growth for the full year to September 2007. As we stated last winter, we continue to see pressure on yields in the summer against high comparatives from last year and due to continued competition. Low fares underpin our growth and in the second half we have reduced many of our lead-in fares and increased our promotional activity to sustain high load factors in weaker market conditions. Our low fares are supported by maintaining focus on ancillary revenues and our cost base. We anticipate further progress on unit cost reductions, excluding fuel, in the second half and for the full year we anticipate unit fuel costs to be slightly down year on year. Our guidance remains unchanged, for the full year to September 2007 we expect pre-tax profit growth of 40% to 50%."

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There will be an analyst presentation at 9:00 am on 9 May 2007 at ABN AMRO, 3rd floor, 250 Bishopsgate, EC2M 4AA. A live webcast of the presentation will be available at www.easyJet.com.

There will be an analyst and investor conference call at 2:00 pm on 9 May 2007. For further details, contact Katie Millett at Financial Dynamics on 020 7269 7153.

Chairman's and Chief Executive's review

In its eleventh year of growth, easyJet is currently the fourth largest airline within Europe and flew more than 130,000 flights and 16 million passengers in the six months from October 2006 through March 2007. This compares with slightly less than 120,000 flights and 15 million passengers respectively in the first half of last year. This achievement is based on our proven model offering point to point flying, at low cost, with care and convenience, across a growing network of European bases and airports – a model on which we remain focused. In the half year our results are marked by an improved margin. We have more than halved our loss in the winter half, and reduced our loss margin by 4.0 percentage points from 6.4% to 2.4%. In absolute terms, the loss before tax for the period has been reduced from £40m to £17m compared with the same period last year. This improvement results from a continued focus on growth in revenue, particularly ancillary revenues, and on managing the cost base.

Key business highlights for the six months were as follows:

- Winter margin improved by 4 percentage points to -2.4%.
- Loss before tax of £17 million, down 58% from £40 million in 2006.
- Total revenue grew by 14% to £719 million.
- Passenger numbers rose by 11% to 16.4 million.
- Unit passenger revenues increase by 0.8% or £0.26 to £31.70 per seat.
- Ancillary revenues improved with partner revenues continuing to drive growth, rising by 18% or £0.58 per seat.
- Unit costs excluding fuel fell by 2.1% or £0.57 per seat from £27.75 to £27.18.
- Unit fuel costs were largely flat for the period year on year.
- 16 new routes were launched bringing the network to 265 routes and 71 airports in 19 countries.
- Our 17th base was launched in Madrid in February with 4 new Airbus A319 aircraft.
- Fleet grew to 127 aircraft comprising of 97 Airbus A319s and 30 Boeing 737-700s.
- Shareholders approved our order for a further 52 Airbus A319s for delivery during 2008 – 2010.
- Balance sheet remains strong with cash of £905 million and gearing at 21%.
- Return on equity for the rolling 12 month period rose to 11.9% up from 5.6% in March 2006 and 10.1% in September 2006.

Our principal areas of focus remain development of our network, revenue enhancement, cost reduction and development of our people. Key developments in these areas are outlined below.

Network

In February we launched our newest base in Madrid. Over the period we doubled the number of routes serving Madrid from 9 to 18, and now provide direct flights between Madrid and the UK, France, Switzerland, Italy, Morocco and Germany, as well as some domestic Spanish destinations. In the last 12 months we have flown 1.3 million passengers in and out of Madrid, and with our increased capacity there we look forward to flying well over two million in the coming year.

We continued our growth in Switzerland with capacity increases on a number of routes serving our Geneva and Basel bases. In the six months to March, our Swiss capacity increased by 17%. easyJet now flies a total of 28 daily flights between the three London airports (Gatwick, Luton, Stansted) and Geneva and Basel and offers 49 routes in and out of Switzerland connecting with 11 UK airports, 6 Spanish airports, 4 in France and in Italy, and 9 further cities around Europe.

Elsewhere in the network we developed the winter schedule to include growth not only in terms of new routes but also in improved frequencies and schedule quality on certain routes.

Chairman's and Chief Executive's review (continued)

Revenue

Total revenue grew by 14% to £719m up from £630m in the previous year. On a per seat basis, total revenues rose by 2.4% in the first half driven by 18% growth per seat in ancillary revenue and a slight increase of 0.8% in passenger revenue per seat.

The growth in passenger revenues was achieved despite continued competitive pressures and the doubling of Air Passenger Duty ("APD") on all UK departing flights from February 2007. Passenger revenue growth was greatest in continental Europe where revenues from intra-European (non-UK) flying increased by £62m or 48% from £130m to £192m in the half. The growth of our network in Switzerland as well as in our other European bases, in particular Milan Malpensa and Madrid, supported this rise.

Ancillary revenues continued to grow with partner revenues through products such as insurance, car hire and hotels leading the way, as well as innovations such as our speedy boarding product which allows customers to be among the first to board the aircraft for a small fee (between £2.50 and £7.50 per flight).

Environment

The doubling of APD was introduced as an environmental measure but it is a tax on passengers rather than on emissions. At easyJet we support the inclusion of aviation into the European Emissions Trading System ("ETS") and feel this is a more appropriate way of encouraging airlines across Europe to improve their environmental efficiency rather than by levying a national tax unconnected to actual emissions.

easyJet takes its environmental responsibilities seriously and we are actively engaged in monitoring our own performance and seeking effective and responsible measures to minimise our environmental impact in the future. Our model of providing direct point to point services, using a modern fleet of aircraft, configured for a high seat density and flown with load factors averaging over 80%, makes easyJet one of the most environmentally friendly ways to fly. The combination of our seat configuration and high load factors alone means that compared to easyJet, the typical European airline operating an A319 would burn 27% more fuel per passenger. In addition, our continued investment in modern aircraft and engines have helped us to reduce our own unit CO2 emissions (CO2 per passenger kilometre) by 18% since 2000, and to bring over 91% of our fleet to conform with the stringent "Chapter 4" noise standards (from 0% in 2000).

In our 2006 annual report we published our environmental code which outlines our key priorities of being efficient in the air, efficient on the ground, and to lead the way in shaping a greener future for aviation.

Costs and operational performance

In the first half we have seen unit costs excluding fuel fall by 2.1% year on year. This is driven by further improvements in the areas of maintenance and ownership. We returned our last Boeing 737-300s in the period and efficiencies are coming through from a streamlined fleet consisting only of Airbus A319s and Boeing 737-700s, as well as some benefit from a weaker US dollar compared to the same period last year.

We continue to manage our airport costs through mix, effective negotiation with our partners, and by focusing on the related costs of ground handling. In the half year to March we saw airport and handling costs fall slightly with continued benefits coming through from ground handling savings in Spain. Set against this, we continue to operate a large number of aircraft from regulated airports typified by an inflationary environment. Looking to the full year, we face significant increases in charges at Stansted airport from April 2007 as it lifts its pricing up to the regulatory cap.

Chairman's and Chief Executive's review (continued)

Fuel remains the largest single item in our cost base and we have seen continued volatility in prices; nevertheless, unit fuel costs were broadly flat for the six months to March 2007 compared with the same period in the prior year.

Our crew costs have increased ahead of our capacity growth under the joint impacts of the pay deals agreed last year and increased crew numbers as described below.

People

We have recruited extensively for cabin crew and flight crew over the last six months. In the period, we have recruited in excess of 400 pilots and 900 cabin crew. This increase, of both operational and training personnel, should ensure we are adequately resourced over the busy summer months ahead.

In March 2007, we moved over the road in Luton Airport from easyLand to Hangar 89. Hangar 89 provides us with maintenance facilities for our Luton base, our largest Boeing base in the network, with 17 aircraft permanently based there. At the front of the hangar, we have made highly effective use of the office space already in place, turning this into a more permanent and modern low cost office facility for easyJet today. In the short term we retain the core of our old easyLand offices from which our call centre operates. We are in the process of reviewing options on how to take the call centre forward and expect to make a decision in the second half of this year.

In January 2007, Cor Vrieswijk joined easyJet as Operations Director. Cor has over 20 years of aviation experience. Prior to joining easyJet, Cor served as Chief Operating Officer at Transavia.com, a Dutch based airline, from 1997, and prior to that he held a number of positions at Transavia and KLM. Cor brings excellent skills and background to his role at easyJet and we are pleased to have him on board. Cor's appointment completes the management team at Luton, which is well placed to take the company forward.

easyJet's people remain a vital asset for sustaining the delivery of outstanding performance. To all of our people, we extend our thanks and appreciation for their significant contributions to the Company's results.

Outlook

Growth measured in available seats will accelerate during the summer months leading to approximately 15% growth for the full year to September 2007. As we stated last winter, we continue to see pressure on yields in the summer against high comparatives from last year and due to continued competition. Low fares underpin our growth and in the second half we have reduced many of our lead-in fares and increased our promotional activity to sustain high load factors in weaker market conditions. Our low fares are supported by maintaining focus on ancillary revenues and our cost base. We anticipate further progress on unit cost reductions, excluding fuel, in the second half and for the full year we anticipate unit fuel costs to be slightly down year on year. Our guidance remains unchanged, for the full year to September 2007 we expect pre-tax profit growth of 40% to 50%.

Sir Colin Chandler	**Andrew Harrison**
Chairman	**Chief Executive**

8 May 2007

Consolidated financial and operating data

Selected consolidated financial and operating data	Six months ended 31 March		
(unaudited)	**2007**	2006	%
Revenues, £million	**719.0**	629.5	14.2
Operating costs, £million	**(679.5)**	(602.2)	(12.8)
EBITDAR [(i)], £million	**39.5**	27.3	44.5
Finance and ownership costs [(ii)], £million	**(56.6)**	(67.6)	16.3
Loss before tax, £million	**(17.1)**	(40.3)	57.5
Loss after tax, £million	**(12.7)**	(28.9)	56.1
Net assets, £million	**990.5**	856.6	15.6
Loss per share (basic), pence	**(3.06)**	(7.17)	57.4
Key performance indicators			
Return on equity [(iii)]	**(1.3%)**	(3.4%)	2.1pp
Loss before tax per seat, £ [(iv)]	**(0.85)**	(2.22)	61.9
Revenue per seat, £ [(v)]	**35.51**	34.67	2.4
Cost per seat, £ [(vi)]	**36.36**	36.89	(1.4)
Cost per seat excluding fuel, £ [(vii)]	**27.18**	27.75	(2.1)
Seats flown (millions) [(viii)]	**20.2**	18.2	11.5
Output measures			
Passengers (millions)[(ix)]	**16.4**	14.9	10.7
Number of aircraft owned/leased at end of period[(x)]	**127**	114	11.4
Average number of aircraft owned/leased during period[(xi)]	**122.1**	110.5	10.5
Number of aircraft operated at end of period[(xii)]	**125**	107	16.8
Average number of aircraft operated during period[(xiii)]	**115.2**	100.8	14.3
Sectors[(xiv)]	**131,167**	118,782	10.4
Block hours[(xv)]	**233,496**	207,779	12.4
Number of routes operated at end of period	**265**	235	12.8
Number of airports served at end of period	**71**	67	6.0
Other performance measures			
Load factor[(xvi)]	**81.2%**	81.8%	(0.6)pp
Operated aircraft utilisation (hours per day)[(xvii)]	**11.1**	11.3	(1.7)
Owned/leased aircraft utilisation (hours per day)[(xviii)]	**10.4**	10.3	1.7
Available seat kilometres ("ASK") (millions) [(xix)]	**19,108**	16,672	14.6
Revenue passenger kilometres ("RPK")(millions)[(xx)]	**15,790**	13,642	15.7
Average sector length (kilometres)	**944**	918	2.8
Average fare (£)[(xxi)]	**39.03**	38.45	1.5
Revenue per ASK (pence)[(xxii)]	**3.76**	3.78	(0.3)
Cost per ASK (pence)[(xxiii)]	**3.85**	4.02	(4.1)

Footnote references are defined on page 16.

Consolidated income statement (unaudited)

	Notes	Six months ended 31 March 2007 £million	Six months ended 31 March 2006 £million	Year ended 30 September 2006 £million
Passenger revenue		**641.8**	571.0	1,488.4
Ancillary revenue (xxiv)		**77.2**	58.5	131.3
Revenue		**719.0**	**629.5**	**1,619.7**
Ground handling charges		**(76.1)**	(71.2)	(144.1)
Airport charges		**(131.4)**	(115.7)	(258.4)
Fuel		**(185.9)**	(165.9)	(387.8)
Navigation charges		**(61.7)**	(54.6)	(121.2)
Crew costs		**(95.5)**	(75.2)	(160.0)
Maintenance		**(46.8)**	(51.4)	(109.5)
Advertising		**(18.9)**	(17.4)	(38.2)
Merchant fees and incentive pay		**(9.4)**	(8.6)	(17.9)
Aircraft and passenger insurance		**(6.7)**	(8.2)	(15.8)
Other costs (xxv)		**(47.1)**	(34.0)	(88.3)
EBITDAR (i)		**39.5**	**27.3**	**278.5**
Depreciation		**(16.7)**	(10.4)	(27.4)
Amortisation of intangible assets		**(0.4)**	(0.4)	(0.8)
Aircraft dry lease costs		**(45.9)**	(63.5)	(122.9)
Aircraft long-term wet lease costs		**(1.0)**	-	(9.6)
Group operating (loss)/profit		**(24.5)**	**(47.0)**	**117.8**
Interest and other financing income		**23.9**	15.6	35.4
Interest and other financing charges		**(16.6)**	(9.0)	(24.1)
Net financing income		**7.3**	6.6	11.3
Share of profit after tax of associate		**0.1**	0.1	0.1
(Loss)/profit before tax		**(17.1)**	**(40.3)**	**129.2**
Tax	3	**4.4**	11.4	(35.1)
(Loss)/profit after tax		**(12.7)**	**(28.9)**	**94.1**

	Notes	2007	2006	Year 2006
(Loss)/earnings per share (pence)				
Basic	2	**(3.06)**	(7.17)	23.18
Diluted	2	**N/A**	N/A	22.64

Consolidated balance sheet (unaudited)

	Notes	**31 March 2007**	31 March 2006	30 September 2006
		£million	£million	£million
Goodwill		**309.6**	309.6	309.6
Other intangible assets		**0.9**	1.1	1.1
Property, plant and equipment		**808.3**	502.5	695.7
Financial instruments				
Restricted cash		**28.8**	47.6	26.1
Derivative financial instruments		**3.3**	-	0.4
Other non-current assets		**2.7**	6.0	2.9
Investments accounted for using the equity method		**0.2**	0.3	0.3
Deferred tax assets		**0.7**	-	0.3
Non-current assets		**1,154.5**	**867.1**	**1,036.4**
Trade and other receivables		**241.8**	244.8	213.3
Financial instruments				
Restricted cash		**36.3**	-	12.2
Derivative financial instruments		**5.6**	13.0	1.0
Cash and cash equivalents		**904.5**	726.1	860.7
Current assets		**1,188.2**	**983.9**	**1,087.2**
Trade and other payables		**(592.6)**	(493.8)	(414.1)
Borrowings		**(35.9)**	(18.2)	(32.8)
Derivative financial instruments		**(18.8)**	-	(15.3)
Current tax liabilities		**(44.4)**	(39.3)	(46.8)
Provisions		**-**	(10.9)	-
Current liabilities		**(691.7)**	**(562.2)**	**(509.0)**
Net current assets		**496.5**	**421.7**	**578.2**
Borrowings greater than one year		**(456.9)**	(280.5)	(446.9)
Derivative financial instruments		**(5.0)**	-	(4.8)
Other non-current liabilities		**(93.6)**	(79.7)	(74.8)
Provisions		**(79.7)**	(59.3)	(73.2)
Deferred tax liabilities		**(25.3)**	(12.7)	(32.0)
Non-current liabilities		**(660.5)**	**(432.2)**	**(631.7)**
Net assets		**990.5**	**856.6**	**982.9**
Ordinary shares	5	**104.7**	101.6	102.6
Share premium	5	**632.9**	579.2	591.4
Retained earnings	5	**262.3**	170.3	298.4
Other reserves	5	**(9.4)**	5.5	(9.5)
Shareholders' funds - equity		**990.5**	**856.6**	**982.9**

Consolidated statement of cash flows (unaudited)

	Notes	**Six months ended 31 March 2007**	2006	Year ended 30 September 2006
		£million	£million	£million
Cash flows from operating activities				
Cash generated from operations	6	**158.3**	90.6	221.6
Interest received		**23.6**	13.7	32.5
Interest paid		**(18.0)**	(5.4)	(24.4)
Tax paid		**(2.1)**	(0.5)	(4.5)
Net cash from operating activities		**161.8**	**98.4**	**225.2**
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		**27.0**	29.1	87.4
Purchase of property, plant and equipment		**(154.8)**	(143.3)	(408.3)
Proceeds from sale of asset held for resale		**-**	7.1	7.1
Purchase of other intangible assets		**(0.2)**	(0.1)	(0.5)
Dividends received from associate		**0.2**	-	-
Net cash used in investing activities		**(127.8)**	**(107.2)**	**(314.3)**
Cash flows from financing activities				
Net proceeds from issue of ordinary share capital		**15.8**	10.8	17.9
Purchase of shares for employee share schemes		**(4.3)**	(0.1)	(0.6)
Net proceeds from drawdown of new bank loans		**46.7**	24.4	201.2
Net proceeds from sale and finance leasebacks		**-**	74.5	108.6
Repayment of bank loans		**(14.8)**	(21.3)	(30.4)
Repayment of capital elements of finance leases		**(1.3)**	-	(1.0)
Management of liquid resources		**(28.1)**	(19.6)	(11.2)
Net cash generated in financing activities		**14.0**	**68.7**	**284.5**
Effects of exchange rate changes		**(4.2)**	(0.8)	(1.7)
Net increase in cash and cash equivalents		**43.8**	**59.1**	**193.7**
Cash and cash equivalents at beginning of period		**860.7**	667.0	667.0
Cash and cash equivalents at end of period		**904.5**	**726.1**	**860.7**

Consolidated statement of recognised income and expense (unaudited)

	Six months ended 31 March 2007 £million	2006 £million	Year ended 30 September 2006 £million
Cash flow hedges			
Fair value losses in period, net of tax	**(13.9)**	(3.3)	(17.6)
Transfers to net profit	**14.0**	(2.0)	(2.7)
Translation differences on foreign currency net investments	**-**	(0.1)	-
Income and expense recognised directly in equity	**0.1**	**(5.4)**	**(20.3)**
(Loss)/profit for the period	**(12.7)**	(28.9)	94.1
Total recognised income and expense for the period attributable to shareholders of the Company	**(12.6)**	**(34.3)**	**73.8**

Operating and financial review

Half year 2007 compared with half year 2006

Key Performance Indicators

Return on equity

The Board has set return on equity as the key financial measure at easyJet, since it best represents the return attributable to the equity shareholders.

Return on equity for the half year ended 31 March 2007 was (1.3)%, improved from (3.4)% for the half year ended 31 March 2006. This was driven by a significant reduction in the loss for the period partially offset by an increase in other equity components, principally £15.8 million relating to the exercise of employee share options.

Return on equity for the year to 31 March 2007 was 11.9%, improved from 5.6% for the year to 31 March 2006.

Management is incentivised through the Long Term Incentive Plan to deliver increases in return on equity to 15% by 2008.

Loss before tax per seat, revenue per seat and cost per seat

Loss before tax per seat is a measure used internally to allow all our people to understand and focus on the return on equity target, since the measures are closely related. It is the difference between revenue per seat and cost per seat, which are important measures that are used to monitor certain areas of the business. Loss before tax per seat improved in half year 2007 by 61.9% from £2.22 to £0.85 as a result of a 2.4% increase in revenue per seat from £34.67 to £35.51 (explained in more detail in 'Revenue' below), and a decrease in cost per seat of 1.4% from £36.89 to £36.36.

Cost per seat, excluding fuel

Even after the mitigation provided by easyJet's hedging activities, there is significant volatility in fuel costs which is largely dictated by external economic and political factors, we consider that the movement in cost per seat excluding fuel is the best indicator of management's performance in keeping unit costs low.

Cost per seat excluding fuel decreased by 2.1% from £27.75 in half year 2006 to £27.18 in half year 2007. This was mainly a result of direct management action to control overheads, in addition to the benefit from weaker US dollar and Euro foreign exchange rates.

Seats flown

Seats flown is considered by management to be the best measure of output units of production. The number of seats flown in half year 2006 increased by 11.5% from 18.2 million in half year 2006 to 20.2 million in half year 2007, as a result of the introduction of new aircraft into the fleet.

Income statement

Revenue

easyJet's revenue increased 14.2% from £629.5 million to £719.0 million, from half year 2006 to half year 2007. Revenue per seat increased 2.4% from £34.67 to £35.51.

Passenger revenue, the largest component, comprises the price paid for the seat less government taxes, such as Air Passenger Duty and VAT. It increased by 12.4% from £571.0 million to £641.8 million, driven by a 10.7% growth in passenger numbers from 14.9 million to 16.4 million, and a 0.8% increase in passenger revenue per seat. This was despite the effect of the UK Government's decision to double Air Passenger Duty with effect from 1 February 2007, which resulted in additional taxes of £12.4 million. The number of passengers carried reflected a 14.3% increase in the size of the easyJet fleet in operation from an average of 100.8 aircraft to an average of 115.2 aircraft offset by a small decrease in the average load factor achieved from 81.8% to 81.2%.

Growth was particularly strong in continental Europe, with intra-European revenues growing by 47.7%.

Operating and financial review (continued)

Ancillary revenue includes fees and charges (including credit card fees, excess baggage charges, speedy boarding, sporting equipment fees, infant fees, change fees and rescue fees), profit share from in-flight sales (including food, beverages, and boutique items), and commissions received from products and services sold (such as hotel bookings, car hire bookings and travel insurance), less chargebacks from credit cards. In half year 2007, £77.2 million was earned from ancillary revenues, up 32.0% from half year 2006. This has been driven by the 10.7% growth in passengers carried, the positive effect of changes in arrangements for car hire, insurance and in flight catering and increases in rates for change fees and credit card fees. It was also driven by the introduction of speedy boarding as a new product. Ancillary revenue per seat increased by 18.2% from £3.23 to £3.81.

Ground handling charges

easyJet's ground handling charges include the salaries of self handling staff in Spain. These costs increased by 6.8% from £71.2 million to £76.1 million, from half year 2006 to half year 2007. The increase in ground handling charges reflects the 10.4% increase in the number of sectors flown, alongside mix costs as a result of network expansion decisions. Cost savings were achieved as a result of self-handling and renegotiated third-party handling in Spain. As a result, ground handling cost per seat decreased by 4.3% from £3.92 to £3.76.

Airport charges

easyJet's external airport charges increased by 13.6% from £115.7 million to £131.4 million from half year 2006 to half year 2007. This increase was attributable to the growth in passengers carried of 10.7% and inflationary cost increases at regulated airports. On a per seat basis, costs increased by 1.8% from £6.37 to £6.49.

Fuel

easyJet's fuel costs increased by 12.1% from £165.9 million to £185.9 million from half year 2006 to half year 2007. A 2.7% decrease in easyJet's average US dollar fuel cost per tonne (excluding hedging) resulted in reduced costs to easyJet of £4.7 million. The strengthening of the value of sterling against the US dollar, the currency in which fuel prices are denominated, over the course of half year 2007 reduced costs by approximately £17.9 million. The impact of a significant increase in flying and our hedging activities amounted to £42.6 million additional fuel costs. On a per seat basis, costs increased by 0.5% from £9.14 to £9.18.

Navigation charges

easyJet's navigation charges increased by 13.0% from £54.6 million to £61.7 million from half year 2006 to half year 2007. This increase was principally attributable to a 14.6% increase in the ASKs flown in half year 2007. Cost savings were derived from a weaker Euro. On a per seat basis, costs increased by 1.3% from £3.01 to £3.05.

Crew costs

easyJet's crew costs increased by 26.9% from £75.2 million to £95.5 million from half year 2006 to half year 2007. The increase in crew costs resulted from an increase in headcount during the half year 2007 to service the additional sectors and aircraft operated by easyJet during the half year, the increase in salaries, following a new pay deal agreed with our flight crew and cabin crew employees, and the subsequent costs of recruitment and training. In addition, investments in crew have been made to ensure that the crew shortages experienced in summer 2006 are not repeated. Encouragingly, the business has experienced significantly less attrition compared to half year 2006. On a per seat basis, costs increased by 13.8% from £4.14 to £4.71.

Maintenance

Maintenance expenses decreased by 8.8% from £51.4 million to £46.8 million from half year 2006 to half year 2007. easyJet's maintenance expenses consist primarily of the cost of routine maintenance and spare parts and provisions for the estimated future cost of heavy maintenance and engine overhauls on aircraft operated by easyJet pursuant to dry operating leases. The extent of the required annual maintenance reserve charges is determined by reference to the number of flight hours and cycles permitted between each engine shop visit

Operating and financial review (continued)

and heavy maintenance overhaul on aircraft airframes. The decrease in maintenance costs was largely due to the exit of the Boeing 737-300 fleet and the benefits of new contractual arrangements being negotiated with lower prices, offset by the additional cost of a 10.4% increase in the number of sectors flown. On a per seat basis, costs reduced by 18.3% from £2.83 to £2.31.

Advertising

easyJet continues to advertise to consolidate the awareness of the brand and its low fares philosophy. Advertising costs increased by 8.9% from £17.4 million to £18.9 million from half year 2006 to half year 2007. Advertising cost per seat decreased by 2.3% from £0.96 to £0.94.

Merchant fees and incentive pay

Merchant fees and incentive pay increased by 8.8% from £8.6 million to £9.4 million from half year 2006 to half year 2007. Merchant fees and incentive pay includes the costs of processing fees paid for all of easyJet's credit and debit card sales and the per-seat sold/transferred commission paid as incentive pay to easyJet's telesales staff. The increase is reflective of a larger volume of transactions but on a per seat basis, costs have reduced marginally by 2.4% from £0.47 to £0.46.

Aircraft and passenger insurance

Aircraft and passenger insurance costs reduced by 18.4% from £8.2 million in half year 2006 to £6.7 million in half year 2007, despite a 10.7% increase in passenger numbers. This was as a result of lower rates being negotiated and the effect of the strengthening of sterling against the US dollar. On a per seat basis, costs reduced by 26.8% from £0.45 to £0.33.

Other costs

Other costs increased by 38.5% from £34.0 million to £47.1 million from half year 2006 to half year 2007. Items in this cost category include administrative costs and operational costs not included elsewhere including some salary expenses. This cost category also includes compensation paid to passengers and other related disruption costs, the cost of share option schemes and management bonuses. On a per seat basis, costs increased by 24.2% from £1.87 to £2.33.

Depreciation

Depreciation charges increased by 60.5% from £10.4 million to £16.7 million from half year 2006 to half year 2007. The depreciation charge reflects depreciation on owned and finance leased aircraft and capitalised aircraft maintenance charges, and also includes depreciation on computer hardware and other assets. easyJet has owned or leased under a finance lease an average of 47.2 Airbus A319 aircraft during the half year 2007 (half year 2006: 22.3 Airbus A319 aircraft). The increase in depreciation reflects the introduction of new owned Airbus aircraft. On a per seat basis, depreciation increased by 44.6% from £0.57 to £0.82.

Aircraft dry lease costs

easyJet's aircraft dry lease costs comprise the lease payments paid by easyJet in respect of those aircraft in its fleet operated pursuant to dry operating leases and end of operating lease return costs. Aircraft dry lease costs decreased by 27.9% from £63.5 million to £45.9 million from half year 2006 to half year 2007. During the period 2 new Airbus A319 aircraft were added to the fleet on lease agreements, 2 Boeing 737-700s and 3 Boeing 737-300s were retired. The average number of leased aircraft in half year 2007 decreased by 15.1% to 74.9 by comparison to half year 2006. Half year over half year, easyJet has benefited from the strengthening of the value of sterling against the US dollar, the currency in which lease costs are denominated set off against rising dollar interest rates. There was also a reduction in the costs of lease returns. easyJet has seen its average leasing cost per aircraft decrease by around 15.0% half-year on half-year. On a per seat basis aircraft dry lease costs decreased by 35.3% from £3.49 to £2.26.

Operating and financial review (continued)

Aircraft long-term wet lease costs

easyJet's aircraft wet lease costs comprise the lease payments paid by easyJet in respect of aircraft pursuant to wet leases (that is, leases of aircraft plus crew, maintenance, and insurance) of a duration of one month or more. The £1.0 million charge in 2007 relates to the costs incurred of leasing aircraft for the end of the summer 2006 season. Wet leased aircraft are not included in fleet numbers discussed elsewhere in the interim report.

Interest and other finance income

Interest and other finance income represents interest received or receivable by easyJet. Interest and other finance income increased by 52.9% from £15.6 million in half year 2006 to £23.9 million in half year 2007. This reflects an increase in the cash and restricted cash balances from £773.7 million at 31 March 2006 to £969.6 million at 31 March 2007.

Interest and other finance charges

Interest and other finance charges represents interest paid or payable by easyJet offset by the revaluation of financing assets and liabilities. Finance charges relate predominantly to easyJet borrowings through either loans or sale and finance leasebacks. Interest and other finance charges increased by 84.4% from £9.0 million in half year 2006 to £16.6 million in half year 2007. This primarily reflects an increase in borrowings from £298.7 million at 31 March 2006 to £492.8 million at 31 March 2007 due to the financing of new Airbus aircraft. In addition there was an increase in US dollar and sterling interest rates. Foreign exchange revaluations on financing items produced net income of £1.0 million during half year 2007.

Share of profit after tax of The Big Orange Handling Company

The Big Orange Handling Company Limited is a company owned by Menzies Aviation Limited and easyJet. It was set up in January 2004 to provide ground handling services at London Luton airport. During the half year 2007, the share (26%) of the profit after tax attributable to easyJet was £0.1 million (2006: £0.1 million).

Taxation

In half year 2007, easyJet recognised a tax credit of £4.4 million (half year 2006 – tax credit of £11.4 million). The decrease in tax credit recognised is due to the decrease in pre-tax losses.

The net deferred tax liability decreased by £7.1 million from £31.7 million at 30 September 2006 to £24.6 million at 31 March 2007, primarily due to capital allowances taken being in excess of depreciation charges.

Loss after tax

For the reasons described above, easyJet's loss after tax decreased by 56.1% from £28.9 million in half year 2006 to £12.7 million in half year 2007.

Loss per share

The basic loss per share decreased by 57.4% from 7.17 pence in the half year 2006 to 3.06 pence in the half year 2007.

Balance sheet

Goodwill

Goodwill relates to the purchases of TEA Basel and Go Fly.

Property, plant and equipment

Property, plant and equipment comprises principally owned aircraft, spares and deposits paid to Airbus in respect of the delivery of future aircraft which are not to be financed according to sale and leaseback arrangements. The net book amount attributable to property, plant and equipment increased from £695.7 million at 30 September 2006 to £808.3 million at 31 March 2007. The increase is due to capital expenditure of £156.1 million, set out in more detail in 'capital expenditure' below, set off against disposals of £26.8 million and depreciation of £16.7 million.

Operating and financial review (continued)

Other non-current assets

Other non-current assets comprise principally capitalised software and software development costs, restricted cash, deposits paid in respect of Airbus aircraft to be financed by sale and leaseback which deliver in more than one year. The total of other non-current assets has increased from £31.1 million at 30 September 2006 to £36.6 million at 31 March 2007.

Cash and cash equivalents

Cash and cash equivalents, excluding restricted cash, has increased by 5.1% from £860.7 million to £904.5 million.

Other current assets

Other current assets comprise trade and other receivables, restricted cash and derivative financial instruments. Other current assets increased by 25.3% from £226.5 million at 30 September 2006 to £283.7 million at 31 March 2007.

Trade and other receivables comprise principally trade receivables, amounts due from credit card companies in respect of seat sales, supplier and lease deposits and prepayments. Trade and other receivables have increased by 13.4% from £213.3 million at 30 September 2006 to £241.8 million at 31 March 2007, principally due to the growth of the business.

Current liabilities

Current liabilities have increased by 35.9% from £509.0 million at 30 September 2006 to £691.7 million at 30 September 2007, principally due to growth and the cyclicality of the business, which means there are more sales in advance at 31 March compared with 30 September each year.

Non-current borrowings

Non-current borrowings all relate to debt related to owned aircraft and aircraft sold to lessors and leased back under finance leases. The amount increased by 2.2% from £446.9 million at 30 September 2006 to £456.9 million at 31 March 2007, due to the acquisition of more owned aircraft subject to debt finance arrangements, set off against the weakening of the US dollar compared to sterling.

Other non-current liabilities

Other non-current liabilities include provisions for maintenance liabilities, deferred surpluses on the sale and leaseback of aircraft, derivative financial instruments and deferred tax liabilities. The amount increased by 10.2% from £184.8 million at 30 September 2006 to £203.6 million at 31 March 2007. The deferred tax provision decreased by £6.7 million, the deferred surplus on sale and leaseback reduced due to the small number of aircraft taken under sale and leaseback during half year 2007, offset by increases in maintenance provisions and other maintenance liabilities.

Cash flow

Capital expenditure

Group capital expenditure on property, plant and equipment is summarised as follows:

	2007 £million	**2006 £million**
Aircraft	107.2	111.0
Prepayments on account – aircraft deposits	39.5	30.8
Leasehold improvements	4.8	0.8
Fixtures, fittings and equipment	3.3	0.7
Total cash capital expenditure	**154.8**	**143.3**
Aircraft spares received free of charge (non-cash capital expenditure)	1.3	1.9
Total capital expenditure	**156.1**	**145.2**

Operating and financial review (continued)

As a result of a purchase agreement approved by shareholders in March 2003 and the Class 1 circular approved by shareholders in December 2006, the Group is contractually committed to the acquisition of a further 95 new Airbus A319 aircraft with a list price of approximately US$4.2 billion, being approximately £2.1 billion (before escalations, discounts and deposits already paid). In respect of those aircraft deposit payments amounting to US$181.4 million or £97.3 million had been made as at 31 March 2007 (30 September 2006 US$164.3 million, £90.9 million) for commitments for acquisition of Airbus A319 aircraft. It is intended that these aircraft will be financed partly by cash holdings and internal cash flow and partly through external financing including committed facilities arranged prior to delivery. In addition certain of the aircraft will be sold and leased back under operating leases.

Working capital

At 31 March 2007, net current assets were £496.5 million, down £81.7 million from £578.2 million at 30 September 2006. This change principally reflects an increase in cash, an increase in debtors due to increased sales volumes offset by an increase in creditors. The increased sales volumes are due to the cyclicality of the business and growth.

Unearned revenue increased from £179.4 million to £356.0 million due to increased sales volumes.

Cash flow

Net cash inflow from operating activities totalled £161.8 million, an increase of £63.4 million from £98.4 million in half year 2006 primarily due to changes in working capital

Financing arrangements

The following table sets out the movements in financing for the two half years ended 31 March 2007 and 31 March 2006:

	2007 £million	**2006 £million**
Balance at 1 October	479.7	217.3
New loans and finance leases raised	46.7	98.9
Capital repayments of loans and finance leases	(16.1)	(21.3)
Effect of exchange rates	(17.4)	3.8
Effect of deferred financing fees	(0.1)	-
Balance at 31 March	**492.8**	**298.7**

Of the 10 Airbus A319s that were delivered during the period, two were financed through US Dollar or sterling mortgage loans, one was temporarily cash acquired with mortgage finance drawn after year-end, two were sold to lessors and leased back under operating leases, and five were cash acquired.

Share capital

The number of shares allotted, called up and fully paid on 31 March 2007 was 418.8 million (30 September 2006: - 410.5 million). During half year 2007, 8.3 million shares were issued on exercise of options under employee share option schemes (half year 2006: 6.5 million).

Operating and financial review (continued)

Fleet

At the end of March 2007, the fleet comprised 30 Boeing 737s and 97 Airbus A319s, giving a total of 127 aircraft, up from the 35 Boeing 737s and 87 Airbus A319s at the start of the financial year. Details of the fleet at 31 March 2007 are as follows:

	Owned	Under operating lease	Under finance lease	Total	Changes in half year	Future deliveries (including exercised options)	Unexercised options (note 1)
Airbus A319s	46	45	6	97	10	95	123
Boeing 737-700s	-	30	-	30	(2)	-	-
Boeing 737-300s	-	-	-	-	(3)	-	-
	46	**75**	**6**	**127**	**5**	**95**	**123**

Notes:

1. Options may be taken as any Airbus A320 family aircraft and are valid until 2015.

A further 95 Airbus A319 aircraft are planned to be delivered through to December 2010. This will give us a modern fleet of aircraft that will underpin our high levels of asset utilisation and increase our operational efficiency. The average fleet age is currently 2.3 years (30 September 2006: 2.2 years).

Footnotes

i) Earnings before interest, taxes, depreciation, amortisation, share of profits of associates and lease payments (excluding the maintenance reserve component of operating lease payments). Maintenance reserve costs are charged to the cost heading "maintenance".

ii) Represents depreciation, amortisation of intangible assets, aircraft dry lease costs, aircraft long-term wet lease costs, share of profit after tax of associates and net financing income.

iii) Represents the loss after tax divided by the average of opening and closing shareholders' funds

iv) Represents loss before tax divided by the number of flown seats available for passengers

v) Represents total revenues divided by the number of seats flown available for passengers

vi) Represents total revenues less loss before tax, divided by the number of seats flown available for passengers

vii) Represents total revenues less loss before tax plus fuel costs, divided by the number of seats flown available for passengers

viii) Represents the number of seats flown available for passengers

ix) Represents the number of earned seats flown by easyJet. Earned seats include seats that are flown whether or not the passenger turns up, because easyJet is generally 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 easyJet staff for business travel.

x) Represents the number of aircraft owned plus those held on lease arrangements of more than one month's duration at the end of the relevant period.

xi) Represents the average number of aircraft owned plus those held on lease arrangements of more than one month's duration during the relevant period.

xii) Represents the number of owned/leased aircraft in service at the end of the relevant period.

xiii) Represents the average number of owned/leased aircraft in service during the relevant period.

xiv) Represents the number of one-way revenue flights.

xv) Represents the number of hours that aircraft are in actual service, measured from the time that each aircraft leaves the terminal at the departure airport to the time that such aircraft arrives at the terminal at the arrival airport.

xvi) 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.

xvii) Represents the average number of block hours per day per aircraft operated during the relevant period.

xviii) Represents the average number of block hours per day per aircraft owned / leased during the relevant period.

xix) Represents the sum by route of seats available for passengers multiplied by the number of kilometres those seats were flown.

xx) Represents the sum by route of passengers multiplied by the number of kilometres those passengers were flown.

xxi) Represents the passenger revenue divided by the number of passengers carried.

xxii) Represents the total revenue divided by the total number of ASK's.

xxiii) Represents the difference between total revenue and loss before tax, divided by the total number of ASK's.

xxiv) Includes credit card fees, excess baggage charges, extra bag charges, sporting equipment fees, speedy boarding fees, infant fees, changes fees, profit share from in-flight sale of food, beverages and boutique items, commissions received from products and services sold such as hotel bookings, car hire bookings and travel insurance, less chargebacks.

xxv) Includes principally administrative costs and operational costs not included elsewhere, including some salary expenses, compensation paid to passengers and certain other items such as currency exchange gains and losses and the profit or loss on the disposal of fixed assets.

Notes to the financial statements
For the six months ended 31 March 2007 (unaudited)

1. Basis of preparation

The unaudited financial information included in this statement has been prepared in accordance with the FSA listing rules, accounting policies, methods of computation and presentation set out in the Annual Report and Accounts for the year ended 30 September 2006. These accounting policies are in accordance with International Financial Reporting Standards (IFRS).

As permitted under IFRS, easyJet has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing its 2007 interim statement, and therefore this interim financial information is not in full compliance with the presentational and disclosure requirements of IFRS.

The financial information included in this statement does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. The financial information for the year ended 30 September 2006 included in this Interim Report is based upon easyJet's consolidated financial statements for that year. Those financial statements were reported on by easyJet's auditors and have been delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain a statement under section 237 (2) or (3) of the Companies Act 1985.

2. Earnings per share

The earnings per share are based on the following:

	Six months ended 31 March		Year ended 30 September
	2007	2006	2006
(Loss)/profit for the period retained for equity shareholders (£million)	**(12.7)**	(28.9)	94.1
	Number	Number	Number
Weighted average number of ordinary shares in issue during the period used to calculate basic earnings per share (millions)	**414.1**	403.4	405.7
Weighted average number of dilutive share options used to calculate diluted earnings per share (millions)	**N/A**	N/A	9.7

There are no diluted earnings per share for the six months ended 31 March 2006 and 2007 as the impact of share options on the basic earnings per share is antidilutive.

3. Taxation

a) Tax on profit on ordinary activities

The taxation charge is made up as follows:

	Six months ended 31 March		Year ended 30 September
	2007	2006	2006
	£million	£million	£million
Current taxation	**(0.3)**	0.9	17.3
Deferred taxation	**(4.1)**	(12.3)	17.8
Total taxation (credit)/charge	**(4.4)**	(11.4)	35.1
Effective tax rate	**25.7%**	28.2%	27.2%

Notes to the financial statements
For the six months ended 31 March 2007 (unaudited)

3. Taxation (continued)

The charge for deferred taxation has been calculated at a rate of 30% which represents the current UK rate of tax since the timing differences almost exclusively relate to UK capital allowances. In the 2007 budget, the Chancellor announced the rate of UK corporation tax would reduce to 28%. The deferred tax provision will be recalculated on the lower rate once Royal Assent has been achieved for the Finance Act. This is expected to be before September 2007.

The effective tax rate in the six months ended 31 March 2007 is different from the standard rate of tax principally due to overseas profits having been taxed at lower effective tax rates in those countries (2%), and the release of accruals from prior years following agreement of tax computations (2%). Due to the loss making position of the Group, a tax credit has been recognised, as these losses are expected to be more than matched by profits in the second half of the year ending 30 September 2007.

b) Tax on items charged to equity comprises:

	Six months ended 31 March 2007	2006	Year ended 30 September 2006
	£million	£million	£million
Deferred tax credit on share options	**4.7**	1.3	5.9
Deferred tax (charge) / credit on fair value movements of cash flow hedges	**(1.7)**	2.3	8.7
Current tax	**-**	-	4.9
Tax credit reported directly in reserves	**3.0**	**3.6**	**19.5**

4. Dividends

No dividends have been paid or proposed in the period ended 31 March 2007 or during the comparative accounting periods.

5. Consolidated reconciliation of movements in shareholders' funds - equity

	Ordinary shares £million	Share premium £million	Other reserves £million	Retained earnings £million	Total £million
At 1 October 2006	**102.6**	**591.4**	**(9.5)**	**298.4**	**982.9**
Loss for the period	-	-	-	(12.7)	**(12.7)**
Cash flow hedges					
Fair value gains in period, net of deferred tax	-	-	(13.9)	-	**(13.9)**
Transfers to net profit, net of tax	-	-	14.0	-	**14.0**
Share options					
Proceeds from shares issued	2.1	41.5	-	(27.8)	**15.8**
Value of employee services, net of deferred tax	-	-	-	8.7	**8.7**
Employee share schemes – purchase of shares	-	-	-	(4.3)	**(4.3)**
At 31 March 2007	**104.7**	**632.9**	**(9.4)**	**262.3**	**990.5**

Notes to the financial statements
For the six months ended 31 March 2007 (unaudited)

6. Reconciliation of net (loss) / profit to net cash inflow from operating activities

	Six months ended 31 March 2007	2006	Year ended 30 September 2006
	£million	£million	£million
(Loss) / profit after tax	**(12.7)**	(28.9)	94.1
Adjustments for:			
Tax (credit) / charge	**(4.4)**	(11.4)	35.1
Depreciation charge	**16.7**	10.4	27.4
Profit on disposal of property, plant and equipment	**(0.2)**	(0.9)	(1.3)
Amortisation of other intangibles	**0.4**	0.4	0.8
Interest income	**(23.9)**	(15.6)	(35.4)
Interest expense	**17.6**	8.9	22.7
Share based payments	**4.0**	2.3	4.7
Share of results of associate after taxation	**(0.1)**	(0.1)	(0.1)
Financial instruments – time value (gains) / losses	**(3.0)**	0.9	9.8
Foreign exchange (gains) / losses	**(13.7)**	1.1	(17.3)
Changes in working capital:			
Increase in trade and other receivables	**(29.4)**	(33.0)	(6.9)
Increase in payables	**181.5**	147.9	79.0
Increase in provisions	**6.5**	0.2	3.2
(Increase) / decrease in other non-current assets	**(0.3)**	3.5	5.7
Decrease in financial instruments	**0.5**	0.3	0.4
Increase / (decrease) in other non-current liabilities	**18.8**	4.6	(0.3)
Cash generated from operations	**158.3**	**90.6**	**221.6**

7. Contingent liabilities

The Group is involved in a number of disputes or litigation in the normal course of business. Whilst the results of such disputes cannot be predicted with certainty, easyJet believes that the ultimate resolution of these disputes will not have a material effect on the Group's financial position or results.

Independent review report from PricewaterhouseCoopers LLP

Independent review report to easyJet plc

Introduction

We have been instructed by the company to review the financial information for the six months ended 31 March 2007 which comprises consolidated income statement, consolidated balance sheet, consolidated statement of cash flows, consolidated statement of recognised income and expense and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The Listing Rules of the London Stock Exchange require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

This interim report has been prepared in accordance with the basis set out in Note 1.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of easyJet plc management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the disclosed accounting policies have been applied. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Listing Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 March 2007.

PricewaterhouseCoopers LLP
Chartered Accountants
St Albans
8 May 2007

Notes:

(a) The maintenance and integrity of the easyJet plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the web site.