

3 October 2014

**easyJet trading update and pre-close statement
for the year to 30 September 2014**

Outlook	As at 24 July 2014 IMS	Revised Outlook
H2 capacity growth	c. +6.4%	c. +6.3%
H2 revenue per seat (constant currency)	c. +1%	c. +2%
H2 cost per seat ex fuel (constant currency)	c. +0.5%	c. +0.7%
H2 unit fuel cost ¹	Up to £5 million adverse	c. £2 million favourable
H2 exchange rate movements	Up to £15 million favourable	c. £15 million favourable
Full year pre-tax profit	£545 million to £570 million	£575 million to £580 million

Revenue per seat at constant currency for the three months to 30 September 2014 is expected to grow by around 1.5% driven by a strong finish to the summer season. Revenue per seat at constant currency for the six months to 30 September 2014 is expected to grow by around 2%.

Cost per seat excluding fuel at constant currency for the six months to 30 September is expected to increase by c.0.7%. This strong performance was driven by the continued delivery of easyJet lean initiatives offset by increases in regulated airport charges, navigation and the costs associated with the increased load factor in the period.

It is expected that easyJet's unit fuel cost in the six months to 30 September 2014 will be approximately £2 million favourable compared to the six months to 30 September 2013; and that the impact of exchange rate movements (including those related to fuel) will be around £15 million favourable compared to the six months to 30 September 2013.

The impact of the Air France pilots' strike in September is expected to increase easyJet's revenue by c.£5 million as Air France passengers switched to easyJet. This combined with the strong finish to the year means that the Board's expectation is for a pre-tax profit for the twelve months ended 30 September 2014 of between £575 million and £580 million compared with the previous guidance of £545 million to £570 million. In line with its revised dividend policy, easyJet expects to declare a dividend in respect of the year ended 30 September 2014 based on a pay-out ratio of 40% of profit after tax.

Hedging and costs

easyJet's current hedging position is set out below:

Percentage of anticipated requirement hedged	Fuel requirement	US Dollar requirement	Euro surplus
Full year ending 30 September 2015	78%	84%	76%
Average rate	\$948 / metric tonne	\$1.59	€1.18
Full year ending 30 September 2016	52%	51%	45%
Average rate	\$928 / metric tonne	\$1.64	€1.20

It is estimated that at current fuel and exchange rates easyJet's unit fuel bill for the first six months of financial year 2015 is likely to decrease by around £20 million⁽²⁾ compared to the six months to 31 March 2014. In addition, exchange rate movements are likely to have around a £10 million⁽²⁾ favourable impact compared to the six months to 31 March 2014.

On a full year basis it is estimated that at current fuel and exchange rates easyJet's unit fuel bill for the 12 months ending 30 September 2015 is likely to decrease by around £50 million⁽²⁾ compared to the 12 months to 30 September 2014. However exchange rate movements are likely to have around a £20 million⁽²⁾ adverse impact compared to the 12 months to 30 September 2014.

Over a quarter of seats for the first half of the year ending 30 September 2015 have now been sold, slightly ahead of the prior year.

easyJet will publish its full year results on 18 November 2014 and will provide further details on its performance in the twelve months to 30 September 2014.

Commenting on the pre-close statement, Carolyn McCall, easyJet's Chief Executive said:

"easyJet has continued to execute its strategy, delivering another strong performance in the second half of the year. This has enabled easyJet to deliver record profits for the fourth year in a row. This will also lead to our largest ever ordinary dividend payment as we are also proposing to increase the proportion of our profits after tax paid in dividends from 33% to 40%.

We finished the year strongly. Our performance demonstrates our continued focus on cost and progress against all our strategic revenue priorities and further emphasises easyJet's structural advantage against both legacy and low-cost competition.

"I would like to thank all of our people who have worked so hard. Everyone at easyJet is aligned behind our strategy of offering our passengers low fares to great destinations with friendly service and a focus on cost control which will ensure that we can continue to deliver sustainable growth and returns for our shareholders."

For further details please contact:

easyJet plc

Investors:

Will MacLaren	+44 (0) 7961 763 879
Michael Barker	+44 (0) 7985 890 939

Media:

Paul Moore	+44 (0) 7860 794 444
Edward Simpkins, Finsbury	+44 (0) 7947 740 551

¹ Unit fuel calculated as the difference between latest estimate of FY'14 fuel costs less FY'13 fuel cost per seat multiplied by FY'14 seat capacity

² Jet cif \$883 per metric tonne, US \$ to £ sterling 1.6186, euro to £ sterling 1.2837. Currency and fuel increases are shown net of hedging impact.