27 November 2024

easyJet plc

Results for the twelve months ending 30 September 2024

easyJet improves annual profits by 34%, achieving £610 million PBT, following another record summer

- **Strong progress towards medium term targets**
  - FY24 headline profit before tax of £610 million, +£155 million YoY (Reported PBT £602 million)
  - easyJet holidays recorded £190 million profit before tax, +56% YoY
  - ROCE of 16% in FY24, +3ppts YoY, strong progress towards target of high-teen ROCE
  - Group headline PBT per seat +24% YoY, achieving £6.08 per seat, a positive step towards our £7-10 target
- **Record H2 headline profit before tax of £960m, +£94m YoY**
  - H2 Passenger growth +7% YoY
  - H2 RPS +1% YoY, (Q4 RPS +1% in line with guidance)
    - H2 RASK reduced 1% YoY
  - Headline H2 CPS ex fuel increased 2% (in line with guidance) & H2 fuel CPS reduced 2% YoY
    - H2 Headline CASK ex fuel increased 1% YoY, total CASK reduced 1% YoY
  - Holidays H2 profit increased +42% YoY
- **Positive outlook for FY25**
  - Expect FY25 capacity of c.103m seats, an increase of 3%
    - ASK capacity growth of c.8% driven by average sector length increase of c.5%
  - Expect to reduce winter losses with a significant improvement in Q1, with Q2 impacted by the timing of Easter.
    - H1'25 ASK capacity +12% driven by average sector length growth of c.6%
    - Q1'25 RASK expected to be broadly flat
    - H1'25 headline CASK ex fuel expected to slightly reduce YoY
    - H1'25 fuel CASK is expected to reduce by c.10%
  - easyJet holidays customers planned to grow by c.25% in FY25, from a base of 2.6m customers
- **Proposed dividend: 20% of FY24 headline PAT payable in early 2025**
- **Continued confidence in execution of >£1bn PBT in medium-term**

Johan Lundgren, easyJet's CEO, said:

"This strong performance – resulting in a 34% increase in our annual profits - reflects the effectiveness and execution of our strategy as well as continued popularity of our flights and holidays. It also represents a significant step towards our goal of sustainably generating over £1 billion annual profit before tax.

"It has been a privilege to lead easyJet for the past seven years. I am extremely proud of all that has been achieved, which is a result of the hard work of the entire team. I am pleased to be leaving a strong easyJet, the future for the company is bright and I look forward to seeing Kenton delivering his ambitious plans, generating positive shareholder returns while making low-cost travel easy for millions of customers."

Kenton Jarvis, easyJet's CFO and CEO designate, said:

"The outlook for easyJet is positive and travel remains a firm priority with consumers who value our low fares, unrivalled network and friendly service. The airline will continue to grow, particularly on popular longer leisure routes like North Africa and the Canaries and we plan to take 25% more customers away on package holidays, as easyJet holidays continues to thrive. I am looking forward to taking over the controls of this fantastic business in the new year and we still have a lot to go for as we progress towards our ambitious targets."

Overview

The execution of our strategic initiatives has seen easyJet deliver strong earnings growth with headline profit before tax of £610 million, a 34% increase year-on-year. The airline reduced winter losses by £40 million through a combination of productivity and utilisation benefits. 16 new A320neo family aircraft were delivered in the year moving the average gauge from 179 to 181, driving cost efficiencies of c.£25 million. easyJet holidays achieved a PBT of £190 million driven by a growth in customer numbers of 36%. Overall this has resulted in achieving a ROCE of 16% in FY24, a strong improvement from the 13% in FY23. These results represent a positive momentum towards our target to sustainably generate over £1 billion profit before tax.

Shareholder returns

The Board is recommending an ordinary dividend of 12.1 pence per share (2023: 4.5 pence), amounting to £92 million (2023: £34 million) subject to shareholder approval at the upcoming Annual General Meeting. This will be paid on 21 March 2025 to those shareholders on the register at the close of business on 21 February 2025. This represents 20% of the headline profit after tax.

The Board is committed to maintaining regular returns to shareholders through this ordinary dividend. Future returns of excess capital will continue to be assessed, taking into account market conditions, capex requirements and progress towards the Group's medium-term targets. The Board remains focussed on delivering attractive returns on capital employed for shareholders.

ESG

We are the best ESG rated European airline from Sustainalytics (score of 21.4) and MSCI (AA rating). We hold a best in class rating from CDP (A-) and we also retained our position in FTSE4Good for a second year running. The efficiencies which we have ahead of us will only strengthen this position.

Capacity

During Q4 easyJet flew 30.0 million seats, a 5% increase on the same period last year when easyJet flew 28.6 million seats. Load factor was 92% (Q4 FY23: 92%). Passenger numbers in the quarter increased to 27.7 million (Q4 FY23: 26.2 million).

Capacity for the full year increased by 8% to 100.4 million seats. In the year easyJet has flown 6.9 million more passengers than in FY23.

	July 2024	Aug 2024	Sept 2024	Q4 FY24	Q4 FY23	FY24	FY23
Number of flights	55,915	56,265	54,807	166,987	160,445	558,960	519,426
Peak operating aircraft	333	333	333	333	319	333	319
Passengers (thousand)	9,380	9,457	8,842	27,679	26,188	89,684	82,754
Seats flown (thousand)	10,048	10,117	9,842	30,007	28,591	100,448	92,619
Load factor	93.4%	93.5%	89.8%	92.2%	91.6%	89.3%	89.3%

	Q4'24	Q4'23		FY24	FY23	Change favourable/ (adverse)
Passenger revenue (£'m)	2,068	1,970		5,715	5,221	*9%*
Airline ancillary revenue (£'m)	851	786		2,457	2,174	*13%*
Holidays revenue[1] (£'m)	490	366		1,137	776	*47%*
Group revenue (£'m)	**3,409**	**3,122**		**9,309**	**8,171**	*14%*
Fuel costs (£'m)	(684)	(675)		(2,223)	(2,033)	*(9)%*
Airline headline EBITDA costs ex fuel (£'m)	(1,385)	(1,314)		(4,754)	(4,347)	*(9)%*
Holidays EBITDA costs[1] (£'m)	(411)	(306)		(965)	(661)	*(46)%*
Group headline EBITDA costs (£'m)	**(2,480)**	**(2,295)**		**(7,942)**	**(7,041)**	*(13)%*
Group headline EBITDA (£'m)	**929**	**827**		**1,367**	**1,130**	*21%*
Airline depreciation & amortisation (£'m)	(225)	(159)		(762)	(649)	*(17)%*
Holidays depreciation & amortisation (£'m)	(2)	(2)		(8)	(5)	*(60)%*
Group headline EBIT (£'m)	**702**	**666**		**597**	**476**	*25%*
Airline financing costs excluding balance sheet revaluations (£'m)	8	2		(15)	(59)	75%
Holidays financing costs (£'m)	9	5		26	12	*117%*
Airline balance sheet revaluations (£'m)	5	(10)		2	26	*(92)%*
Group headline PBT (£'m)	**724**	**663**		**610**	**455**	*34%*
Airline passenger revenue per seat (£)	68.91	68.90		56.90	56.37	*1%*
Airline ancillary revenue per seat (£)	28.38	27.51		24.45	23.47	*4%*
Total airline revenue per seat (£)	**97.29**	**96.41**		**81.35**	**79.84**	*2%*
Total airline RASK (p)	7.61	*7.67*		6.65	*6.52*	*2%*
Airline headline cost per seat ex fuel (£)	(53.23)	(51.84)		(55.03)	(54.30)	*(1)%*
Airline headline CASK ex fuel (p)	*(4.16)*	*(4.12)*		(4.50)	*(4.44)*	*(1)%*
Airline fuel cost per seat (£)	(22.79)	(23.60)		(22.14)	(21.95)	*(1)%*
Fuel CASK (p)	(1.78)	(1.88)		(1.81)	(1.79)	*(1)%*
Airline headline total cost per seat (£)	**(76.02)**	**(75.44)**		**(77.17)**	**(76.25)**	*(1)%*
Airline headline total CASK (p)	(5.95)	(6.00)		(6.31)	(6.23)	*(1)%*
Available seat kilometres (ASK) (millions)	38,355	35,960		122,885	113,334	8%
Average sector length (km)	1,278	1,258		1,223	1,224	0%
Cash and money market deposits (£'bn)				3.5	2.9	21%
Net cash (£'m)				181	41	341%
ROCE				16%	13%	3ppt
Headline earnings per share (p)				61.3	45.4	35%

Outlook

- **Expect to reduce winter losses with a significant improvement in Q1, with Q2 impacted by the timing of Easter and a prior year release of aged balances.**
  - *Bookings and RASK*
    - Q1'25 is 80% sold, +2ppts year on year and we expect RASK to be broadly flat year-on-year.
    - Q2'25 is 26% sold, +2ppts year on year against headwinds from the timing of Easter (moving into Q3'25) and the prior year release of c.£34m aged balances (these two combined are worth c. 4ppts of RASK reduction YoY)
  - *H1'25 CASK*
    - Headline CASK ex fuel is expected to slightly reduce, due to productivity and utilisation benefits.
    - Fuel CASK is expected to reduce by c. 10% in H1'25
- **Capacity growth expected to be c.3% in FY25.**
  - FY25 ASK capacity growth expected to be c.8%
    - Average sector length expected to increase by c.5%
  - H1'25 is expected to have c.45 million seats, +6% year on year
    - ASK capacity growth expected to be c.12%
    - Average sector length will increase by c.6% as we continue to increase capacity into winter sun destinations such as North Africa and the Canary Islands
  - H2'25 is expected to have c.58 million seats, +1% year-on-year
    - ASK capacity growth expected to be c.5%
    - An increase in average sector length of c. 5% is expected
- **easyJet holidays customers planned to grow by c.25% in FY25, from a base of 2.6m customers**
  - H1'25 is 82% sold

Fuel & FX Hedging

Jet Fuel	H1'25	H2'25	H1'26
Hedged position	80%	59%	24%
Average hedged rate ($/MT)	808	771	761
Current spot ($/MT) at 25.11.24	c.740		

USD	H1'25	H2'25	H1'26
Hedged position	75%	53%	26%
Average hedged rate (USD/GBP)	1.26	1.28	1.29
Current spot (USD/GBP) at 25.11.24	1.26		

- Carbon obligation including free allowances
  - 100% covered for CY24 at €48/MT
  - 96% covered for CY25 at €43/MT
- USD Lease payments hedged for the next three years at 1.26
- Capex hedged for the next 12 months in EUR & USD

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Conference call

There will be an analyst presentation at 09:30am GMT on 27 November 2024 at Nomura, One Angel Lane, London, EC4R 3AB.

Alternatively, a webcast of the presentation will be available both live and for replay (please register on the following link): https://brrmedia.news/EZJ_FY_24

Alternatively dial in details are as follows: +44 (0) 33 0551 0200 quoting 'easyJet FY24' when prompted.

Balance Sheet

easyJet continues to have one of the strongest investment grade balance sheets in European Aviation (Baa2, stable, by Moody's and BBB, positive, by Standard & Poor's). As at 30 September 2024 our net cash position was £181 million (30 September 2023: £41 million). The strength of our balance sheet will support future fleet growth and modernisation which is planned to deliver profitable growth, upgauging and attractive shareholder returns.

During the year easyJet repaid a €500 million Eurobond which matured in October 2023 and then on 20 March 2024 easyJet issued an €850 million bond with a coupon of 3.75%, maturing in 2031.

Revenue

Total revenue increased by 14%, reaching £9,309 million (£8,171 million in 2023). This was primarily due to an increase of 8% in capacity to 100.4 million seats (92.6 million in 2023), the continued growth of easyJet holidays and total per seat pricing strength.

Passenger revenue increased by 9% to £5,715 million, up from £5,221 million in 2023, as we operated with higher capacity compared to the prior financial year. The Passenger Revenue Per Seat (RPS) also slightly increased by 1% since the prior year to £56.90 (£56.37 in 2023). This growth is as a result of easyJet's optimised network at primary airports driving increased yields.

Group ancillary revenue increased by 22% to £3,594 million (2023: £2,950 million) as airline capacity and pricing increased alongside the continued growth of easyJet holidays (customers +36% YoY). Airline ancillary revenue per seat increased by 4% to £24.45 (2023: £23.47) as easyJet's embedded ancillary products continue to see enhanced revenue generation through price optimisation.

Costs

Group headline costs, excluding fuel, rose by 14% to £6,476 million, up from £5,683 million in 2023. This increase is attributed to higher capacity and the continued growth of easyJet holidays.

Headline Airline cost per seat (CPS), excluding fuel, saw a marginal increase of 1% to £55.03 from £54.30 in 2023. Disruption costs were much improved during the year with a significant reduction in events offset by inflationary pressures.

Fuel CPS increased by 1% with rising fuel prices seen in the first half of the year alongside a reduction in free ETS allowances being partially offset by lower fuel costs in the second half.

Financing costs benefitted from a decrease in gross debt and a rise in the interest rate on floating-rate cash deposits. Foreign exchange movements over the period resulted in a non-operational, non-cash FX gain of £2 million from balance sheet revaluations.

Non-Headline Items

Non-headline items are those where, in management's opinion, separate reporting provides an additional understanding to users of the financial statements of easyJet's underlying trading performance, and which are significant by virtue of their size and/or nature. These costs are separately disclosed and further detail can be found in the notes to the financial statements. This year saw a non-headline cost of £8 million (2023: £23 million cost) primarily due to restructuring costs for France and Italy.

Fleet

easyJet's total fleet as at 30 September 2024 comprised 347 aircraft (30 September 2023: 336 aircraft). The increase was driven by:

- Acquisition of 16 new neo family aircraft.
- Delivery of eight mid-life A320 leased aircraft.

Thirteen older leased aircraft exited the fleet at the end of their lease-term (all A319 aircraft), as easyJet continues its journey of retiring older, less efficient aircraft, whilst benefitting from the A320neo family aircraft with their superior fuel efficiency and greater number of seats.

easyJet already has 85 A320neo family aircraft within its fleet. It also has an existing order book with Airbus to FY34 for a further 299 A320neo family aircraft which are still to be delivered alongside 100 purchase rights. This provides easyJet with the ability to complete its fleet replacement programme of A319 aircraft and replace approximately half of the A320ceo aircraft, alongside providing the foundation for disciplined growth.

The average age of the fleet increased to 10.2 years (30 September 2023: 9.9 years). The average gauge of the fleet is currently 181 seats per aircraft (30 September 2023: 179 seats). Fleet as at 30 September 2024;

	Owned	Leased	**Total**	% of fleet	Changes since Sep-23	Firm Orders
A319	18	64	**82**	23%	(13)	-
A320	103	77	**180**	52%	8	-
A320neo	62	7	**69**	20%	15	131[a]
A321neo	5	11	**16**	5%	1	168[a]
	188	**159**	**347**		11	299
Percentage of total fleet	*54%*	*46%*				

a) easyJet retains the option to alter the aircraft type of future deliveries, subject to providing sufficient notification to the OEM

Our flexible fleet plan allows us to expand or contract the size of the fleet depending on the demand outlook. easyJet retains the ability to utilise its existing fleet of A319 aircraft to maintain its base fleet plan despite FY26 – FY28 deliveries being reduced.

Number of aircraft	FY25	FY26	FY27	FY28
Current fleet plan	**356**	**368**	**381**	**395**
Current contractual minimum	356	367	353	344
New aircraft deliveries	9	17	30	43
Gross capital expenditure (£'m)	c.1,200	c.1,700	c.2,300	c.3,300

Capex is comprised of new fleet delivery payments, maintenance related expenditure, lease payments and other capital expenditure such as IT development.

FY25 excludes three wet lease aircraft from the Lufthansa Group. This agreement is part of being the proposed short-haul remedy taker at Linate & Rome Fiumicino.

Strategy

easyJet's purpose is to make low-cost travel easy. Our strategy is built around four key priorities that leverage our structural benefits in the European aviation market. These strategic initiatives guide easyJet towards its goal of becoming Europe's most loved airline, delivering value for our customers, shareholders, and people. The details of our strategic priorities are as follows:

- Building Europe's best network
- Transforming our revenue capability
- Driving our low-cost model
- Delivering ease and reliability

Building Europe's best network

easyJet has a strong network of leading number one and number two positions in primary airports, which has proven to be the most appealing to customers and therefore amongst the highest yielding in the market. This enables us to be efficient with our network choices, with an emphasis on maximising returns.

easyJet continues to optimise its network to ensure capacity is deployed in the markets where we see the strongest demand and returns. During the year we have launched our new Birmingham and Alicante bases which are performing well, delivering profitable returns in their first summer. Our tenth UK base at London Southend will open in Summer 2025, where we are already seeing strong bookings ahead of the network average. We also announced the proposal to close our Toulouse and Venice bases during winter 2025 as we focus on driving an attractive return on capital across the network. We will continue to fly to both cities as destinations.

We seek to further strengthen our position in key markets as the competitive landscape evolves and becomes more constrained. We are pleased to have been proposed as the short-haul remedy taker to operate slots at Milan Linate and Rome Fiumicino, which gives us a one-off opportunity at these high yielding slot-constrained airports and allowing diversification in the EU. These new bases are planned to open in Summer 2025 with a combined 8 aircraft.

easyJet will continue its growth in FY25 with targeted winter growth to drive further winter loss reductions. This will see an increase in sector length of c.6% as we grow frequencies into North Africa and the Canary Islands, serving strong customer demand. New routes for 2025 include winter sun destinations such as Luxor and Cape Verde as well as further expanding our city offering to Tromsø, Salzburg, Oslo and Derry, allowing customers to experience the Northern lights and Christmas markets.

Our focused network strategy can be summarised as follows:

1. Lead in our Core Markets
   easyJet prioritises slot-constrained airports as these are where customers want to fly to and from and as a result have superior demand and yield characteristics. In our core markets, we are able to achieve cost leadership and preserve scale. We provide a balanced network portfolio across domestic, city and leisure destinations. Our scale enables us to provide a market leading network and schedule.

2. Investment in Destination Leaders
   We will build on our existing leading positions in Western Europe's top leisure destinations to provide network breadth and flexibility. This will also unlock cost benefits, enabling us to manage seasonality and support the growth of easyJet holidays. It also ensures that easyJet remains top of mind for customers and is seen as the 'local airline' for governments and hoteliers.

3. Build our network in Focus Cities
   easyJet is building a network of key cities, broadening our presence across Europe. This is a low-risk way of serving large origin markets. We will base assets in Focus Cities where it makes sense from a cost perspective.

Transforming revenue

easyJet recognises that the continued evolution of our product portfolio represents a significant opportunity to better meet our customers preferences and build on spend per passenger and deliver enhanced sustainable returns.

Airline Ancillaries:

Cabin bags and our leisure bundles, amongst other ancillary products, have continued to deliver incremental revenue through the period, benefitting from positive yields achieved by price optimisation. Alongside this, easyJet's inflight retail proposition has seen profit per seat increase by 13% compared to the equivalent period in 2023. This was driven by an increase in spend per head of 12% and increased conversion of 1 percentage point. These initiatives have contributed to the Airline's ancillary RPS being 4% higher than the same period in 2023.

easyJet holidays:

easyJet holidays continued its expansion with 36% customer growth in the year and 56% profit growth to £190 million year on year, taking its UK market share from 5% to 7%, executing strong progress towards the medium-term target of over £250 million PBT. This growth is being delivered through strong customer satisfaction of 84%, with 82% of customers likely to re-book.

As the holidays business grows in scale, targeted investments will be made to strengthen the customer base. Future initiatives are underway to optimise pricing and increase the attachment rate, such as improving the city proposition, alongside enhancing the product offering through dynamic inventory and further ancillary products.

Our multi-currency technology platform enables expansion into other source markets, as demonstrated through the launch of our Swiss, French and German markets.

Moving into FY25, easyJet holidays plans to grow its passenger numbers by c. 25%.

Delivering ease and reliability

easyJet has a loyal customer base, with 75% of seats booked by returning customers. Customer satisfaction of 76% improved by 3 percentage points YoY as our crew provide our customers with the warmest onboard experience.

easyJet aims to deliver a seamless and digitally enabled customer journey at every stage and is continuously working to enhance the customer experience. The focus areas to deliver ease in the customer experience are:

- Communications: providing helpful and timely information flows and creating cohesion across the end-to-end experience. Use of technology and data to improve levels of first time query resolution, productivity and customer satisfaction.
- Airport journey: improving the airport experience by optimising core processes including boarding and bag drop, for example by providing twilight check-in at more airports and the application of technology enhancements such as biometric automation to reduce queuing.
- Inflight offering: creating a more personalised service enabled through the use of connected technology and enhancing the current crew's engagement.
- Disruption management: focusing on improvements to streamline policies, simplify processes and automate solutions, alongside more efficient communications via connected devices.
- Enabled front line staff: ensuring staff have timely operational information to better serve customers.

easyJet also aims to deliver reliable performance through:

- Process oversight: a focus on base driven reporting, with station level ownership and control.
- Prior to departure: optimising planning activities such as standby allocation.
- On the day turn execution: key to delivery, with elements including supply chain, event communications management, hand luggage policies and inventory optimisation.

As a result of easyJet's targeted resilience actions, we have seen OTP improve 3 percentage points year-on-year, despite the worsening ATC environment. We are focused on continuing this performance into next year.

Driving our low-cost model

easyJet has a cost advantage over its major competitors on the primary network that it operates. Alongside cost actions, easyJet is focused on margin through its network optimisation, effective pricing management and ancillaries driving higher yields.

Our focus on increased productivity and utilisation offset inflationary cost pressure in the first half of the 2024 financial year, which resulted in a reduction of £61 million in winter losses. Inflationary cost pressures over the year were materially offset by greater productivity and utilisation, alongside the benefits of upgauging coming through from the 16 new aircraft delivered during the year.

Maintaining our cost discipline is a core focus for the business, with cost benefits to come through the following initiatives:

- Purchase of an established heavy base maintenance facility in Malta: enabling easyJet to have greater control over maintenance, reducing costs incurred and improving the quality of maintenance fulfilled.
    - Expect c.25% of easyJet's heavy maintenance will be carried out here
- Increasing automation of self-service management: increasing digitalisation of customer flows and reducing the need for contact centre support.
    - 68% of customers' queries are now served via live chat, an increase of 46 ppts year on year
- Use of data and automation to drive efficiency: Predictions from SkySYM have allowed flexibility in resilience measures to be built into the schedules for the summer 2025 season.

- Increased productivity and utilisation: Further seat capacity growth and increased sector length in FY25 to drive productivity and cost savings.
- Upgauging of the fleet: efficiency benefits will be unlocked as A319s leave the fleet, being replaced by A320neo family aircraft. This will enable us to unlock efficiency benefits, increasing the average gauge from 181 to the low 190s by FY28 and the low 200s by FY34. The increased mix of NEO aircraft will see additional fuel and airport incentive benefits as easyJet's order book of 299 A320neo family aircraft enter the fleet.

Sustainability

Our net zero roadmap is key to helping us lower the environmental impact of aviation and we are on track to meet our SBTi-validated 'interim' carbon target of 35% intensity reduction by 2035. We remain focused on the three-pronged approach to our net zero roadmap; reduce, replace and remove. We have reduced our emissions intensity by 0.9% year on year. Nearly a quarter of our fleet is comprised of the highly efficient NEO aircraft and we have completed the Descent Profile Optimisation (DPO) retrofit which will save 88,600 tonnes of CO2 each year. Looking forward, to reduce emissions further we have operated IRIS satellite-based datalink technology, a tool to progress modernising air traffic management, and announced our new partnership with JetZero, supporting the development of its ultra-efficient blended wing solution.

Our continued partnership with Rolls-Royce, within the Hydrogen in Aviation Alliance, allows us to progress with hydrogen research to develop jet fuel replacement technologies. Finally in terms of removal and Direct Air Carbon Capture & Storage (DACCS), we were the first airline to sign up to Airbus's carbon removal initiative with 1PointFive.

easyJet holidays is working to maximise the socio-economic benefits of tourism to destination communities, while managing environmental impacts of hotel tourism and we continue to reduce our operational waste. This year, we introduced reusable cups and cutlery for all in-flight crew meals, an initiative that will prevent 10 million single-use items from being wasted every year.

Our People

easyJet continues to have a market leading reputation as an employer of choice, as evidenced by both easyJet and easyJet holidays have been named as a 'best place to work' by Glassdoor and The Sunday Times respectively. Our people are a key source of differentiation, and this helps to deliver excellent customer experience and loyalty. As we journey towards our destination to be Europe's most loved airline, for our people this means being a place to work that is loved, where diversity can thrive, learning is encouraged and you can do your best work, thrive and grow your career.

This year we have invested £8 million into our performance shares which were awarded to all employees, helping to retain talent and ensuring employees are invested in our future.

Footnotes

(1) easyJet holidays numbers include elimination of intercompany airline transactions.

OUR FINANCIAL RESULTS

A strong performance for the year characterised by capacity growth, cost discipline and the continued success of easyJet holidays, delivering reduced winter losses and culminating in a record summer profit.

Total headline profit before tax of £610 million for the year ended 30 September 2024 was an improvement of £155 million (34%) on the year ended 30 September 2023 equivalent profit of £455 million. Total revenue of £9,309 million was £1,138 million (14%) ahead of the prior year and Holidays' profit before tax contribution of £190 million was £68 million ahead. The year was characterised by increased capacity and passenger numbers with cost discipline and operational efficiencies offsetting industry-wide inflationary pressures. easyJet holidays played a key role in the profit growth with a 36% year-on-year increase in customer numbers and continued strong margins.

An expansion in fleet size saw the introduction of new routes and base openings in the year which, together with ongoing strategic network optimisation, enabled easyJet to offer capacity of 100.4 million seats (2023: 92.6 million), an increase of 8% over the prior year. With a load factor of 89% (2023: 89%), this translated into 89.7 million passengers carried (2023: 82.8 million). Improved airline revenue per seat (RPS) performance of £81.35 (2023: £79.84) was 1.9% higher than the prior year in a competitive market, and included contribution from the ongoing success of our airline ancillary options and in-flight retail offer. easyJet holidays had 2.6 million customers in the year (including agent commission customers, 2023: 1.9 million), and surpassed £1 billion incremental revenue contribution, delivering £1,137 million revenue (2023: £776 million) and £190 million headline profit before tax (2023: £122 million). The prior year's cost challenges for the airline continued with industry-wide inflationary pressures again a feature. Whilst we continued to implement resilience measures to minimise the risk and impact of delays and cancellations, disruption and the associated costs continued to run at too high a level, with the main causes being air traffic control (ATC) restrictions, external industrial action and weather events. Nevertheless, with management's focus on cost and fleet efficiency, easyJet's airline headline cost per seat (CPS) excluding fuel of £55.03 was only 1.3% higher than the prior year (2023: £54.30).

The first half of the financial year demonstrated a successful first step on our journey to structurally reducing winter losses, with headline loss before tax of £350 million for the six months ended 31 March 2024 being a reduction of £61 million on the loss of £411 million for the comparative period ended 31 March 2023. This reflected network growth in response to customer demand, fleet utilisation benefits and the continued expansion of easyJet holidays, in addition to some trading benefit due to part of the Easter holidays falling in the first half of the financial year. This was alongside the impact of the outbreak of conflict in the Middle East which resulted in the cancellation of a number of flying routes and the associated costs incurred and revenue forgone. Passenger growth of 11% to 36.7 million passengers (H1 2023: 33.1 million) and RPS growth of 5% led to first-half revenue of £3,268 million (H1 2023: £2,689 million), an increase of 22%. Fuel prices remained volatile throughout H1 with the outbreak of the conflict in the Middle East and, although partially mitigated through easyJet's hedging policy, fuel costs on a CPS basis increased by 6% to £21.60 (H1 2023: £20.43). However, the focus on cost management and efficiency delivered by increased asset utilisation and productivity resulted in easyJet's H1 2024 airline headline CPS excluding fuel of £57.28 being flat to the comparative period (H1 2023: £57.15).

The second half of the financial year delivered a record profit before tax of £960 million (H2 2023: £866 million). Second half trading saw continued capacity growth, a year-on-year 0.7% RPS improvement in a competitive pricing market, and Holidays' increased revenue contribution. This, combined with falling fuel prices, efficiencies from scale and our management cost focus, helped easyJet deliver a record summer result. The delivery was against a backdrop of continued high levels of disruption, with ongoing external industrial action and persistent ATC challenges across congested European airspace in addition to the impact of weather events. Targeted resilience measures and learnings from previous periods of disruption, such as providing for breaks in scheduling at airports subject to frequent ATC disruption and crew timing on first wave flights, improved on-time performance and our response to these challenges. Our 'controllable' disruption events have reduced by c. 40% compared to FY23, reflecting the resilience actions undertaken including an investment in spare parts and standby aircraft, an increased rigour in the timing of aircraft maintenance scheduling, and a focus on ground staff and crew availability. Looking ahead, easyJet will continue to invest in resilience measures to fulfil our purpose of making low-cost travel easy in a challenging external environment.

The airline industry as a whole continued to face significant inflationary cost pressures in the year, although easyJet largely mitigated the impact through a focus on cost management alongside increased capacity and aircraft utilisation contributing to improved productivity. The delivery of 16 new NEO aircraft continued our upgauging journey, and data insight and AI deployment, as well as key procurement initiatives and the benefit of our net cash balance, contributed to our overall management of costs. As a result, airline headline CPS excluding fuel for the year of £55.03 was an increase of only 1.3% on the prior year (2023: £54.30).

Taken together, the strong revenues and cost focus delivered a headline EBITDA achievement for the year of £1,367 million, a 21% improvement on the prior year (2023: £1,130 million), and a statutory profit before tax of £602 million, a prior year improvement of £170 million (2023: £432 million).

During the year, with a robust balance sheet and positive cash position, easyJet repaid a €500 million Eurobond which matured in October 2023, and in March 2024 raised a new €850 million Eurobond with a coupon of 3.75% maturing in 2031. At 30 September 2024, easyJet had a net cash position of £181 million (2023: £41 million). As a result of our strong balance sheet position and EBIT performance the year-end headline ROCE of 16.1% (2023: 12.6%) is a positive step towards our target of delivering sustainable high teen returns on capital employed.

Where amounts are presented at constant currency these values are an alternative performance measure (APM) and are not determined in accordance with International Financial Reporting Standards (IFRS), but provide relevant and comparative reporting for readers of these financial statements. Definitions of APMs and reconciliations to IFRS measures are set out in the glossary in the annual reports and accounts.

Performance summary

£ million (reported)	**2024**	**2023**
Total revenue	**9,309**	8,171
Headline costs excluding fuel, balance sheet FX and ownership costs[1]	**(5,719)**	(5,008)
Fuel	**(2,223)**	(2,033)
Headline EBITDA	**1,367**	1,130
Depreciation and amortisation	**(770)**	(654)
Headline EBIT	**597**	476
Net finance income/(charges)	**9**	(48)
Foreign exchange gain	**4**	27
Total headline profit before tax	**610**	455
Being:		
Airline headline profit before tax	***420***	*333*
Holidays headline profit before tax	***190***	*122*
Total headline profit before tax per seat	**£6.08**	£4.91

£ per seat – Airline only [2]	**2024**	2023
Airline revenue	**81.35**	79.84
Headline costs excluding fuel, balance sheet FX and ownership costs[1]	**(47.32)**	(46.93)
Fuel	**(22.14)**	(21.95)
Headline EBITDA	**11.89**	10.96
Depreciation and amortisation	**(7.58)**	(7.02)
Headline EBIT	**4.31**	3.94
Net finance charges	**(0.15)**	(0.63)
Foreign exchange gain	**0.02**	0.28
Airline headline profit before tax	**4.18**	3.59

1) Ownership costs are defined as depreciation and amortisation plus net finance income/(charges).

2) These per seat metrics are for the airline business only, and correlate to the airline revenue and costs, and the seats flown by the airline. Both airline and easyJet holidays profit is included in the total headline PBT per seat metric, and easyJet holidays' key metrics are included in the key statistics section.

The total number of passengers carried in the financial year increased by 8% to 89.7 million (2023: 82.8 million), supported by an 8% increase in seats flown to 100.4 million seats (2023: 92.6 million seats) with a load factor of 89.3% comparable to the previous year (2023: 89.3%). This reflects the increased capacity from an expanded network offer and a focus on winter flying, and includes the success of new bases opened in the year. As in the prior year, capacity was impacted by disruption events although resilience measures and learnings from previous disruption mitigated some of the impact from external factors with pro-active investment in parts, maintenance scheduling, standby aircraft and staffing reducing the occurrence of controllable disruption events. A number of cancellations were made in response to the conflict in the Middle East, and lines of flying removed. Capacity was redeployed and although the removal of key routes in this region continued into the second half of the year, this did not detract from overall capacity growth.

Total revenue increased by 14% to £9,309 million (2023: £8,171 million) and airline RPS increased by 1.9% to £81.35 (2023: £79.84), 2.1% at constant currency. As noted above, the airline performance was complemented by strong easyJet holidays performance with net revenue (i.e. excluding flight revenue which is reported under airline revenue) of £1,137 million (2023: £776 million).

Total headline costs excluding fuel increased by 14% to £6,476 million (2023: £5,683 million), driven by the volume of flying, the growth of holidays and general industry cost pressures. Costs were also impacted by the disruption seen throughout the year with £187 million of EU261 compensation and welfare costs incurred for airline passengers, although this was lower than the previous year (2023: £211 million). On a CPS basis total airline headline costs excluding fuel increased by only 1% to £55.03 (2023: £54.30), with CPS benefiting from fixed operating costs being spread across greater flying capacity. In addition, management continued to focus on operational cost reduction with a number of projects delivered in the year including the purchase of an established heavy base maintenance facility in Malta to secure future capacity and provide price control. This was alongside further data and AI deployment supporting back office cost projects and increased automation of customer support queries, procurement initiatives across key suppliers, and network planning bringing efficiency and productivity gains.

Total fuel costs increased by 9% to £2,223 million for the year (2023: £2,033 million), which on an airline CPS basis represented just a 1% increase to £22.14 (2023: £21.95), 1% at constant currency. The high price of jet fuel from the previous year continued into H1 2024 with the outbreak of the conflict in the Middle East, but steadied as the year progressed, with price reductions experienced in the second half of the financial year.

Exchange rate movements stabilised in the year, with the impact of the translation of foreign currency denominated revenue and costs on the consolidated income statement notably reduced. Currency movements in the year resulted in a net credit impact of £18 million (2023: £115 million debit) across costs and revenue, with an income statement credit of £4 million (2023: £27 million) from the translation of foreign currency denominated monetary assets and liabilities on the statement of financial position. On a constant currency basis, the increase in headline profit before tax compared to the prior year was £160 million, compared to the £155 million increase per the reported figures.

easyJet's cash position benefited from continued high interest rates in the year and the reprofiling of debt, resulting in a net £9 million finance credit (2023: £48 million net charge).

easyJet holidays contributed £190 million of headline profit before tax (2023: £122 million), an increase of 56%, reflecting the 36% increase in total holiday customers and the strength of the low fixed-cost business model.

Total headline profit before tax per seat was £6.08 (2023: £4.91). The airline's headline profit before tax per seat improved 16% to £4.18 (2023: £3.59), with the improvement in RPS in the year being greater than the headline CPS increases. Fuel CPS was only a 1% increase on the previous year and CPS excluding fuel also saw only a 1% increase, with strong cost management and increased flying and the benefits of upgauging delivering economies of scale to mitigate continued inflationary cost increases in the sector. easyJet holidays contributed £1.90 (2023: £1.32) to the total headline profit before tax per seat, reflecting increased customer numbers.

A non-headline charge of £8 million (2023: £23 million) was recognised in the year, largely as a result of network restructuring activity in France and Italy offset by a release of costs previously provided for severance cases in Germany which were settled in the year. Additionally, there was £1 million profit (£nil million loss) from the sale and leaseback of eleven aircraft (2023: eight aircraft).

Corporate tax has been recognised at an effective rate of 24.9% (2023: 25.1%), resulting in an overall tax charge of £150 million (2023: £108 million). This is a tax charge of £151 million on headline items offset by a £1 million tax credit on the non-headline losses.

Profit per share

	2024	2023	
	Pence per share	Pence per share	Change in pence per share
Basic headline profit per share	**61.3**	45.4	15.9
Basic total profit per share	**60.3**	43.1	17.2

Basic headline profit per share increased by 15.9 pence and basic total profit per share increased by 17.2 pence over the prior financial year as a consequence of the greater profit generated in the current financial year.

Return on capital employed (ROCE)

Reported £ million	**2024**	2023
Headline profit before interest, foreign exchange gain and tax	**597**	476
UK corporation tax rate	**25%**	25%
Normalised headline operating profit after tax (NOPAT)	**448**	357
Average shareholders' equity (excluding the hedging and cost of hedging reserves)	**2,897**	2,517
Average net (cash)/debt	**(111)**	315
Average capital employed	**2,786**	2,832
Headline return on capital employed	**16.1%**	12.6%
Total return on capital employed	**15.9%**	12.0%

ROCE is calculated by taking headline profit before interest, foreign exchange gain and tax, applying tax at the prevailing UK corporation tax rate at the end of the financial year, and dividing by average capital employed. Capital employed is defined as shareholders' equity excluding hedging and cost of hedging reserves less net (cash)/debt.

Headline ROCE for the year of 16.1% is an improvement on the prior year (2023: 12.6%). This reflects the higher headline profit for the year combined with the increase in the net cash position. Total ROCE of 15.9% (2023: 12.0%) is reduced by the non-headline charge in the year, and is greater than the prior year which had a higher non-headline charge.

Summary net cash reconciliation

The below table presents cash flows on a net cash basis. This presentation is different to the presentation of the statement of cash flows in the consolidated financial statements as it includes non-cash movements on debt facilities.

	2024	2023	Change
	£ million	£ million	£ million
Operating profit	**589**	453	136
Net tax paid	**(8)**	(12)	4
Net working capital movement excluding unearned revenue	**(174)**	(19)	(155)
Unearned revenue movement	**240**	458	(218)
Depreciation and amortisation	**770**	673	97
Net capital expenditure	**(929)**	(754)	(175)
Acquisition of subsidiary, net of cash acquired	**(22)**	-	(22)
Net proceeds from sale and leaseback of aircraft	**114**	76	38
Increase in lease liability	**(497)**	(208)	(289)
Purchase of own shares for employee share schemes	**(18)**	(15)	(3)
Ordinary dividends paid	**(34)**	-	(34)
Other (including the effect of exchange rate movements)	**109**	59	50
Net increase in net cash	**140**	711	(571)
Net cash/(debt) at the beginning of the year	**41**	(670)	711
Net cash at the end of the year	**181**	41	140

Net cash as at 30 September 2024 was £181 million (30 September 2023: £41 million) and comprised cash, cash equivalents and other investments of £3,461 million (30 September 2023: £2,925 million), borrowings of £2,106 million (30 September 2023: £1,895 million) and lease liabilities of £1,174 million (30 September 2023: £989 million).

Net working capital outflow, excluding unearned revenue, of £174 million in the year (2023: £19 million) predominantly reflects a decrease in trade payables with more efficient year-end processing, in addition to an increase in trade and other receivables. There was a higher value of receivables due over the year end period including miscellaneous sales ledger items, interest receivable, airport incentive income and supplier credit notes.

The unearned revenue movement of £240 million (2023: £458 million) reflects capacity on sale at the year end, including package holidays which traditionally have a longer booking period. The comparative year saw a greater movement as customer booking behaviour normalised and easyJet delivered a significant increase in capacity and improved yields post-pandemic.

The increase in depreciation and amortisation to £770 million (2023: £673 million) includes additional depreciation from the growth of the fleet and the increase in leased aircraft maintenance costs, recognised through depreciation, with the rise in flying volumes and changes in the profile of leased aircraft assets through the year. Intangible asset amortisation has also increased with additional investment in technology assets.

Net capital expenditure in the year of £929 million (2023: £754 million) reflects the continued investment in fleet renewal and growth in the overall size of the fleet, alongside pre-delivery payments against our future order book. The expenditure is across sixteen new aircraft (2023: ten), maintenance additions, pre-delivery payments and capital expenditure on long life parts, engines and aircraft spares. Additionally, spend on easyJet's digital infrastructure and customer facing platforms continues with significant intangible asset investment.

In the year easyJet plc acquired SR Technics Malta Limited, with a net cash outflow of £22 million.

The sale and leaseback of eleven (2023: eight) aircraft in the year resulted in a net cash inflow of £114 million (2023: £76 million). Lease additions, including the sale and leaseback aircraft and a number of additional property leases for head office and maintenance facilities, as well as significant lease extension undertakings, are the key drivers for the increase in the lease liability of £497 million (which excludes exchange rate impact and lease rental payments).

The net £109 million movement (2023: £59 million) in 'Other' includes movement in net interest, as interest received in this financial year offsets interest paid due to beneficial interest rates on cash, foreign exchange impacts and the increase of costs for share-based employee benefit schemes.

Exchange rates

The proportion of revenue and headline costs denominated in currencies other than sterling is outlined below alongside the exchange rates in the year:

	Revenue		**Headline costs**	
	2024	2023	**2024**	2023
Sterling	**55%**	55%	**34%**	32%
Euro	**35%**	35%	**36%**	35%
US dollar	**1%**[1]	1%	**25%**	27%
Other (principally Swiss franc)	**9%**	9%	**5%**	6%

Average headline exchange rates[2]	**2024**	2023
Euro – revenue	**€1.16**	€1.15
Euro – costs	**€1.17**	€1.15
US dollar	**$1.24**	$1.24
Swiss franc	**CHF 1.10**	CHF 1.14

Closing exchange rates	**2024**	2023
Euro	**€1.20**	€1.15
US dollar	**$1.34**	$1.22
Swiss franc	**CHF 1.13**	CHF 1.12

1) Our customers have the option of paying for flights in US dollars.
2) Exchange rates quoted are post-hedging applied to revenue and headline costs.

Headline exchange rate impact

Favourable/(adverse)	**Euro £ million**	**Swiss franc £ million**	**US dollar £ million**	**Other £ million**	**Total £ million**
Total revenue	(29)	13	(1)	(2)	(19)
Fuel	1	-	-	-	1
Headline costs excluding fuel	41	(1)	(1)	(3)	36
Headline total before tax[1]	**13**	**12**	**(2)**	**(5)**	**18**

1) Excludes the impact of balance sheet translation.

easyJet's Foreign Currency Risk Management policy aims to reduce the impact of fluctuations in exchange rates on future cash flows. Refer to note 26 in the annual reports and accounts for more details.

As a European carrier, easyJet recognises a significant element of revenue, 35%, across its network in euros. Therefore the strengthening of sterling against the euro on average over the year, when compared to the prior year, has reduced the value of the revenue translated into sterling. The opposite effect was true of Swiss franc-denominated revenue where, on average across the year, sterling weakened against the Swiss franc which benefited revenue. The euro exchange rate impact in revenue has been offset by the converse impact on costs, with the stronger average sterling rate to euro compared to the prior year reducing costs translated from euros. With exchange rates being relatively stable in the year, on a net position the movement in average exchange rates between the current and prior years has resulted in a favourable foreign currency impact of £18 million across the consolidated income statement.

For the statement of financial position, in-year movements in closing exchange rates and a focus on natural hedging through foreign currency cash balances, resulted in a net exchange rate impact of only a £4 million gain in the year (2023: £27 million).

FINANCIAL PERFORMANCE

Revenue

£ million	2024	2023
Passenger revenue	**5,715**	5,221
Ancillary revenue	**2,457**	2,174
Holidays incremental revenue [1]	**1,137**	776
Total revenue	**9,309**	8,171

1) easyJet holidays numbers are after the elimination of intercompany airline transactions.

Total revenue increased by 14% to £9,309 million (2023: £8,171 million).

Revenue performance in the year was a combined result of increased customer volumes, a focus on optimising winter yields and summer pricing in a competitive market alongside a continued growth in the ancillary choices we offer customers. Total airline RPS of £81.35 was 1.9% ahead of prior year (2023: £79.84), 2.1% at constant currency, with passenger RPS 0.9% ahead and ancillary RPS 4.2% favourable, 1.0% and 4.7% respectively at constant currency. The total number of passengers carried increased by 8% to 89.7 million (2023: 82.8 million), supported by additional capacity with an 8% increase in seats flown to 100.4 million seats (2023: 92.6 million seats), 158 new routes and growth in key leisure markets in the year.

Airline ancillary revenue of £2,457 million was 13% ahead of the previous financial year (2023: £2,174 million) as a result of both higher passenger numbers and improved yields. Cabin bags and leisure bundles, amongst other ancillary products, continued to deliver incremental revenue through the year, benefitting from positive yields achieved by price optimisation. Our inflight retail offer continues to grow in popularity as menu choices and product selections evolve, resulting in an improved profit per seat of 13% to £0.68 (2023: £0.60), delivering additional revenue of £12 million.

Before adjusting for flight revenue, easyJet holidays customers generated revenue of £1,521 million, a 45% growth on 2023 pre-adjusted revenue of £1,047 million. Net of flight revenue, Holidays incremental revenue of £1,137 million was an increase of £361 million, (2023: £776 million) reflecting the growth in customer volumes and the success in expanding our share of the UK package holiday market.

Similar to the prior year, within revenue there was a £47 million credit (2023: £47 million) arising from the release of aged contract liabilities within other payables, with £31 million recognised in passenger revenue and £16 million in ancillary revenue.

Headline costs excluding fuel

	2024		2023	
	Total £ million	**Airline £ per seat**	Total £ million	Airline £ per seat
Operating costs and income				
Airports and ground handling	**1,989**	**19.80**	1,800	19.44
Crew	**1,074**	**10.69**	941	10.16
Navigation	**463**	**4.61**	422	4.56
Maintenance	**390**	**3.88**	341	3.69
Holidays direct operating costs	**840**	**n/a**	582	n/a
Selling and marketing	**257**	**1.94**	232	2.04
Other costs	**758**	**6.92**	695	7.09
Other income	**(52)**	**(0.52)**	(5)	(0.05)
	5,719	**47.32**	5,008	46.93
Ownership costs				
Depreciation	**727**	**7.23**	625	6.75
Amortisation	**43**	**0.35**	29	0.27
Net interest and other financing income and charges	**(9)**	**0.15**	48	0.63
	761	**7.73**	702	7.65
Foreign exchange gain	**(4)**	**(0.02)**	(27)	(0.28)
	757	**7.71**	675	7.37
Headline costs excluding fuel	**6,476**	**55.03**	5,683	54.30

Headline CPS excluding fuel for the airline increased by 1% to £55.03 (2023: £54.30), and by 1% at constant currency.

Included within the total headline costs excluding fuel of £6,476 million is £947 million (2023: £654 million) related to the holidays business, the cost increase being primarily due to the growth of the business.

Headline operating costs and income

Airports and ground handling operating costs increased by 11% to £1,989 million (2023: £1,800 million), an increase of 2% to £19.80 (2023: £19.44) on an airline CPS basis, 3% at constant currency. With a network of largely slot-constrained and regulated primary airports easyJet is subject to regulatory price increases with labour costs in the general market also contributing to CPS increases.

Crew costs increased by 14% to £1,074 million (2023: £941 million), an increase of 5% to £10.69 (2023: £10.16) on an airline CPS basis, 6% at constant currency, largely representing an industry wide pressure on above inflation pay deals. This has been offset in part by productivity gains in the year and the benefit of allocating the fixed element of crew costs over greater capacity.

Navigation costs increased by 10% to £463 million (2023: £422 million) as a result of both Eurocontrol rate increases and a change in route mix with new routes introduced in the year. This was a rise of 1% to £4.61 (2023: £4.56) on an airline CPS basis, 3% at constant currency.

Maintenance costs increased by 14% to £390 million (2023: £341 million), an airline CPS increase of 5% to £3.88 (2023: £3.69), 5% at constant currency. This CPS increase reflects general cost pressure in this area including the costs of external maintenance and support functions, component costs and internal labour costs.

Selling and marketing costs increased by 11% to £257 million (2023: £232 million). Whilst marketing costs saw an increase to support the growth of the holidays segment, airline marketing costs were comparable to the prior year and, combined with a benefit from commission arrangements, resulted in a lower airline CPS of £1.94 (2023: £2.04), a 5% reduction on the previous year, 4% at constant currency.

Total other costs increased by 9% to £758 million (2023: £695 million), which for the airline was a reduction of 2% to £6.92 (2023: £7.09) on a CPS basis, and 2% reduction at constant currency. Other costs include the impact of the disruption experienced in the year, with net £187 million disruption compensation and welfare costs incurred (2023: £211 million). Whilst disruption continued to be a theme in the year, the number of events were reduced over the previous year. In part this was offset by higher welfare costs, where easyJet has an obligation to support customers impacted by disruption, including those events outside of the airline's control such as ATC performance, external strike action and weather events. The other cost line also includes employee costs and benefits, with central headcount costs increasing and wider employee share scheme offerings and other benefits also contributing. Increases in easyJet holidays' fixed costs reflects growth in the segment. Additionally, IT costs increased year on year with easyJet's continued investment in technology including infrastructure, data management and customer-facing system enhancements.

Other income of £52 million was an increase of £47 million from the prior year (2023: £5 million). Other income includes a variety of non-revenue receipts including supplier and airport compensation and sale of surplus aircraft components.

Headline ownership costs

Depreciation costs increased by 16% to £727 million (2023: £625 million), a 7% increase to £7.23 (2023: £6.75) on a CPS basis, and 7% at constant currency. There has been significant fleet activity in the year with 16 new aircraft delivered alongside a change in the profile of leased aircraft. In addition, the maintenance provision for leased aircraft has significantly increased reflecting higher flying volumes, the increased cost of maintenance events and extended obligations for a number of leased aircraft in order to manage the impact of new aircraft delivery delays.

The increase in amortisation costs of 48% to £43 million (2023: £29 million) reflects easyJet's investment in technology with continued enhancement to customer facing platforms in addition to commercial infrastructure and the evolution of data insight and digital security technology. On an airline CPS basis, the £0.35 measure is a 30% increase on the prior year (2023: £0.27), 30% at constant currency.

Net interest and other financing income and charges were a net £9 million credit (2023: £48 million net charge) reflecting the benefit from high interest rates on cash deposits in the year, and the interest payments forgone following the repayment of the UKEF drawn facility in the previous year.

Foreign exchange gains of £4 million in the year (2023: £27 million) were marginal, being the benefit of the retranslation of foreign currency denominated monetary assets and liabilities arising from currency movements in the year, notably tempered by an increased focus on hedging the statement of financial position.

Fuel

	2024		2023	
	Total £ million	**Airline £ per seat**	Total £ million	Airline £ per seat
Fuel	**2,223**	**22.14**	2,033	21.95

Fuel costs for the year increased by 9% to £2,223 million (2023: £2,033 million), a 1% increase on a CPS basis to £22.14 (2023: £21.95), 1% at constant currency. Fuel prices at the start of the financial year were high reflecting the outbreak of the conflict in the Middle East in October 2023, but settled through the second half as markets acclimatised to the geopolitical events. Whilst overall jet fuel prices reduced in the year, the absolute cost reflects the increased flying volume. On a per seat basis, alongside the reduced fuel prices, the prior year comparatives were supported by a full year benefit of the Descent Profile Optimisation software retrofitted on our aircraft in FY23, the introduction of further fuel-saving Idle Factor Optimisation software, and the increase of the more fuel-efficient NEO aircraft in the fleet. These benefits were partially offset by a reduction in the allocation of no-cost emission trading scheme (ETS) allowances as jurisdictions wind down the 'free' aspects of the scheme with easyJet therefore increasing the proportion of purchased allowances utilised in the year.

easyJet uses jet fuel derivatives to hedge against increases in jet fuel prices in order to mitigate cash and income statement volatility. To manage the risk exposure, jet fuel derivative contracts are used in line with the Board-approved policy to hedge up to 18 months of forecast exposures. During the financial year, the average market price payable for jet fuel reduced by 4% to $864 per tonne from $897 per tonne in FY23. The overall post-hedge fuel price in the year was $842 per tonne (2023: $867), the 3% reduction compared to FY23 being due to the fuel cost at the time the hedges were entered into. Approximately 81% of jet fuel was hedged in FY24.

Profit after tax

£ million (reported)	**2024**	2023
Headline profit before tax	**610**	455
Headline tax charge	**(151)**	(114)
Headline profit after tax	**459**	341
Non-headline items before tax	**(8)**	(23)
Non-headline tax credit	**1**	6
Total profit after tax	**452**	324

Non-headline items

A non-headline charge of £8 million (2023: £23 million) was recognised in the year. This consists of a net £9 million restructuring charge and a £1 million profit on the sale and leaseback of eleven aircraft in the year (2023: £nil million loss on eight aircraft). The restructuring charge consists of a £12 million cost, being an estimate of the potential costs of network restructuring exercises in Italy and France, offset by a £3 million release from the provision for the previously announced Germany restructuring programmes following a number of settlements finalised in the year.

Corporate tax

Corporate tax has been recognised at an effective rate of 24.9% (2023: 25.1%), resulting in an overall tax charge of £150 million (2023: £108 million). This splits into a tax charge of £151 million on the headline profit and a tax credit of £1 million on the non-headline items.

Summary consolidated statement of financial position

	2024	2023	Change
	£ million	£ million	£ million
Goodwill and other non-current intangible assets	**793**	641	152
Property, plant and equipment (excluding right of use assets)	**4,285**	3,936	349
Right of use assets	**1,190**	928	262
Derivative financial instruments	**(290)**	153	(443)
Equity investment	**51**	31	20
Other assets (excluding cash and other investments)	**1,224**	1,159	65
Unearned revenue	**(1,741)**	(1,501)	(240)
Trade and other payables	**(1,656)**	(1,764)	108
Other liabilities (excluding debt)	**(1,064)**	(837)	(227)
Capital employed	**2,792**	2,746	46
Cash, cash equivalents and other investments[1, 2]	**3,461**	2,925	536
Debt (excluding lease liabilities)	**(2,106)**	(1,895)	(211)
Lease liabilities	**(1,174)**	(989)	(185)
Net cash	**181**	41	140
Net assets	**2,973**	2,787	186

1) Excludes restricted cash.

2) Other investments include term deposits, tri-party repos and managed investments.

Since 30 September 2023 net assets have increased by £186 million.

The net book value of goodwill and other non-current intangible assets of £793 million (2023: £641 million) has increased in the year by £152 million. This includes an increase in goodwill of £22 million with the purchase of SR Technics Malta Limited; continued investment in software development and applications in the year of net £60 million, focusing on digital safety and security, optimising commercial platforms and customer applications; and non-current ETS assets of £70 million. The ETS assets are advance purchases of allowances to meet future liabilities thereby providing a level of certainty on the cost of future flying obligations.

Property, plant and equipment (excluding right of use assets) net book value has increased by £349 million to £4,285 million (2023: £3,936 million). The impact of the sale and leaseback of eleven aircraft and the depreciation charge for the year has been offset by the sixteen new owned aircraft brought into the fleet in the year, advanced payments on the order book and increased capitalised parts and maintenance.

At 30 September 2024, right of use assets amounted to £1,190 million (2023: £928 million) with lease liabilities of £1,174 million (2023: £989 million). This reflects the aircraft sale and leaseback transactions in the year as well as a number of new leases and lease extensions and the increase in the leased aircraft maintenance provision.

There has been a £443 million decrease in the net asset value of derivative financial instruments, moving to a net liability position in the year of £290 million (2023: £153 million net asset). The movement is due to a decrease in currency assets, including cross-currency swaps, as a result of the stronger pound against the US dollar and euro in comparison to the rates at 30 September 2023, and a decrease in the price of jet fuel leading to jet fuel hedges being in a liability position compared to 30 September 2023.

Other assets (excluding cash and other investments) of £1,224 million are £65 million higher than the prior year (2023: £1,159 million). The receivables asset as at 30 September 2024 has increased with trading growth and other non-current assets increased following additional mid-life leased aircraft entering the fleet. These increases were partially offset by a reduction in the ETS current asset as prior year assets were surrendered in the year as part of the annual scheme settlement process and replaced by current year assets purchased at a lower cost.

Unearned revenue increased by £240 million to £1,741 million (2023: £1,501 million), reflecting increased capacity on sale and the growth of easyJet holidays.

Trade and other payables reduced to £1,656 million (2023: £1,764 million) reflecting year-end payments and a reduction in aged customer contract liabilities whilst other liabilities of £1,165 million have increased by £328 million (2023: £837 million) with a significant increase in the provision for the maintenance obligation on leased aircraft with the increase in flying over the year, the changing profile of leased aircraft, and increased cost of maintenance activities.

Debt has increased by a net £211 million to £2,106 million (2023: £1,895 million) with the issue of the new €850 million Eurobond offsetting the repayment of a €500 million Eurobond. Nevertheless, easyJet has improved its net cash position over the year, with net cash increasing from £41 million at the start of the year to £181 million at 30 September 2024.

KEY STATISTICS

OPERATING MEASURES

	2024	2023	Increase/ (decrease)
Seats flown (millions)	**100.4**	92.6	8%
Passengers (millions)	**89.7**	82.8	8%
Load factor	**89.3%**	89.3%	-
Available seat kilometres (ASK) (millions)	**122,885**	113,334	8%
Revenue passenger kilometres (RPK) (millions)	**111,615**	102,984	8%
Average sector length (kilometres)	**1,223**	1,224	0%
Sectors (thousands)	**559**	519	8%
Block hours (thousands)	**1,182**	1,094	8%
easyJet holidays customers (thousands) [1]	**2,575**	1,893	36%
Number of aircraft owned/leased at end of year	**347**	336	3%
Average number of aircraft owned/leased during year	**342**	328	4%
Average number of aircraft operated per day during year	**291**	276	5%
Number of routes operated over the year	**1,099**	1,018	8%
Number of airports served at end of year	**160**	155	3%

FINANCIAL MEASURES

	2024	2023	Favourable/ (adverse)
Return on capital employed	**15.9%**	12.0%	3.9ppts
Headline return on capital employed	**16.1%**	12.6%	3.5ppts
Profit before tax per seat (£)	**6.00**	4.67	28%
Headline profit before tax per seat (£)	**6.08**	4.91	24%
Airline profit before tax per seat (£)	**4.10**	3.35	22%
Airline headline profit before tax per seat (£)	**4.18**	3.59	16%
Airline headline profit before tax per ASK (pence)	**0.34**	0.29	17%
easyJet holidays profit before tax (£ millions)	**190**	122	56%
Revenue			
Airline revenue per seat (£)	**81.35**	79.84	1.9%
Airline revenue per seat at constant currency (£)	**81.53**	79.84	2.1%
Airline revenue per ASK (pence)	**6.65**	6.52	2.0%
Airline revenue per ASK at constant currency (pence)	**6.66**	6.52	2.1%
Airline revenue per passenger (£)	**91.11**	89.36	2.0%
Airline revenue per passenger at constant currency (£)	**91.32**	89.36	2.2%
Costs			
Per seat measures			
Airline headline cost per seat (£)	**77.17**	76.25	(1.2)%
Airline headline cost per seat excluding fuel (£)	**55.03**	54.30	(1.3)%
Airline headline cost per seat exc fuel at constant currency (£)	**55.36**	54.58	(1.4)%
Per ASK measures			
Airline headline cost per ASK (pence)	**6.31**	6.23	(1.3)%
Airline headline cost per ASK excluding fuel (pence)	**4.50**	4.44	(1.4)%
Airline headline cost per ASK exc fuel at constant currency (pence)	**4.52**	4.46	(1.3)%

1) easyJet holidays’ customer numbers excluding agency commission customers are 2.3 million (2023: 1.6 million).

Glossary

- Available seat kilometres (ASK) - Seats flown multiplied by the number of kilometres flown.
- Airline cost per ASK (CASK) – Total Airline costs divided by available seat kilometres.
- Airline cost per seat (CPS) - Total Airline costs divided by seats flown.
- Airline cost per seat, excluding fuel (CPS ex fuel)– Total Airline costs adding back fuel costs, divided by seats flown.
- Capital employed - Shareholders' equity excluding the hedging and cost of hedging reserves, plus net cash/debt.
- Load factor - Number of passengers as a percentage of number of seats flown. The load factor is not weighted for the effect of varying sector lengths.
- Headline earnings per share - Total headline profit for the year divided by the weighted average number of shares in issue during the year after adjusting for shares held in employee benefit trusts.
- Headline - measures of underlying performance which is not impacted by non-headline items.
- Headline return on capital employed (ROCE) - Headline profit/loss before interest, exchange gain/(loss) 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.
- Net cash - Total cash less borrowings and lease liabilities; cash includes money market deposits and other cash investments but excludes restricted cash.
- Non-headline items - Non-headline items are those where, in management's opinion, their separate reporting provides an additional understanding to users of the financial statements of easyJet's underlying trading performance, and which are significant by virtue of their size/nature.
- Passengers - Number of earned seats flown. Earned seats comprises seats sold to passengers (including no-shows), seats provided for promotional purposes and seats provided to staff for business travel.
- Profit before tax per seat - Profit before tax divided by seats flown.
- Revenue - The sum of passenger revenue and ancillary revenue, including package holiday revenue.
- Revenue per ASK (RASK) – Airline revenue divided by available seat kilometres.
- Revenue per seat (RPS) – Airline revenue divided by seats flown.
- Seats flown - Seats available for passengers.
- Sector - A one-way revenue flight

Going Concern and Viability Statement

Assessment of prospects

The strategic report in the annual report and accounts sets out easyJet's activities and the factors likely to impact its future development, performance and position. The Finance Review in the annual report and accounts sets out easyJet's financial position for the year ending 30 September 2024, cash flows, liquidity position and borrowing activity. The notes to the financial statements include the objectives, policies and procedures for managing capital, financial risk management objectives, details of financial instruments and hedging activities and exposure to credit risk and liquidity risk.

In accordance with the requirements of the 2018 UK Corporate Governance Code, the Directors have assessed easyJet's long-term prospects, taking into account its current position, the medium-term targets set out in the strategic plan and a range of internal and external factors, including the principal risks. The Directors have determined that a three-year period is an appropriate timeframe for this viability assessment. In concluding on a three-year period, the Directors considered the reliability of forecast information, the current macro-economic and market conditions and longer-term management incentives. However, it is noted that the high-level fleet plan used by easyJet is necessarily over a longer time period to enable the future planning of aircraft deliveries which underpin our plans for fleet modernisation, future growth, cost efficiencies and sustainability improvements. This longer-term planning is evidenced this year by the aircraft purchase transaction which has secured aircraft deliveries for the period FY29–34.

The assessment of the prospects of the Group includes the following factors:

- The strategic plan – which takes into consideration growth expected by way of creating value through the business model, market conditions, future commitments, cash flow, expected impact of key risks, funding requirements and the maturity of existing financing facilities (see table below).

As at September 2024	**Maturity date**	**Available funds (drawn and undrawn)**
Eurobonds	June 2025	€500m
	March 2028	€1,200m
	March 2031	€850m
Revolving credit facility	September 2025[1]	$400m
Undrawn UKEF backed facility	June 2028	$1,750m

1) Option to extend to September 2026 at lender's consent.

- The fleet plan – the plan retains some flexibility to adjust the size of the fleet in response to opportunities or risks.
- Strength of the balance sheet and unencumbered assets – this sustainable strength gives us access to capital markets.
- Risk assessment – see detailed risk assessment in the annual report and accounts.

Stress testing

The corporate risk management framework facilitates the identification, analysis and response to plausible risks, including emerging risks, as our business evolves in an ever changing environment. Through our corporate risk management process, a robust assessment of the principal risks facing the organisation has been performed and the controls and mitigations identified.

Both individually and combined these potential risks are unlikely to require significant additional management actions to support the business to remain viable; however, there could be actions that management would deem necessary to reduce the impact of the risks. The stress testing scenarios identified in the table below show that there remains sufficient liquidity under all scenarios. In the first four scenarios one of the assumptions is that new Eurobonds are issued, whereas in the last scenario no issuance of new Eurobonds is assumed.

Going concern statement

The financial statements have been prepared on a going concern basis. In adopting the going concern basis the Directors have considered easyJet's business activities, together with factors likely to affect its future development and performance, as well as easyJet's principal risks and uncertainties through to June 2026.

As at 30 September 2024, easyJet had a net cash position of £181 million including cash and cash equivalents of £1.3 billion, with access to £5.1 billion of liquidity, and has retained ownership of 54% of the total fleet, all of which are unencumbered.

The Directors have reviewed the financial forecasts and funding requirements with consideration given to the potential impact of severe but plausible risks. easyJet has modelled a base case representing management's best estimation of how the business plans to perform over the period. The future impact of climate change on the business has been incorporated into strategic plans, including the estimated financial impact within the base case cash flow projections of the cost of future fleet renewals, the future estimated price of the Emissions Trading Scheme (ETS) allowances, the phasing out of the free ETS allowances, the expected price and quantity required of Sustainable Aviation Fuel (SAF) and the cost of carbon removal credits and other sustainability initiatives.

The business is exposed to fluctuations in fuel prices and foreign exchange rates. easyJet is currently c.80% hedged for fuel in H1 of FY25 at c.$808 per metric tonne, c.59% hedged for H2 FY25 at c.$771 and c.24% hedged for H1 FY26 at c.$761.

In modelling the impact of severe but plausible downside risks, the Directors have considered demand suppression leading to a reduction in ticket yield of 5% and a reduction in easyJet holidays contribution of 5%. The model also includes the reoccurrence of additional disruption costs (at FY22 levels), an additional $50 per metric tonne on the fuel price, 1.5% additional operating cost inflation and an adverse movement on the US dollar rate. These impacts have been modelled across the whole going concern period. In addition, this downside model also includes a grounding of 25% of the fleet for the duration of the peak trading month of August to cover the range of severe but plausible risks that could result in significant operational disruption. This downside scenario resulted in a significant reduction in liquidity but still maintained sufficient headroom on liquidity requirements.

After reviewing the current liquidity position, committed funding facilities, the base case and the severe but plausible downside financial forecasts incorporating the uncertainties described above, the Directors have a reasonable expectation that the Group has sufficient resources to continue in operation for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis of accounting in preparing the Group's financial statements.

Viability Statement

Based on the assessment performed, the Directors have a reasonable expectation that the Company and the Group will be able to continue in operation and meet all liabilities as they fall due up to September 2027. In making this statement, the Directors have made the following key assumptions:

1. easyJet has access to a variety of funding options including capital markets, aircraft financing and bank or government debt. The stress testing demonstrates that the current funding with both the repayment and new issue of Eurobonds would be sufficient to retain liquidity in both the base and downside scenarios (noting that the new issue of Eurobonds is excluded from the specific lack of funding scenario).

2. In assessing viability, it is assumed that the detailed risk management process as outlined in the annual report and accounts captures all plausible risks, and that in the event that multiple risks occur, all available actions to mitigate the impact to the Group would be taken on a timely basis and have the intended impact.

3. There is no prolonged grounding of a substantial portion of the fleet greater than that included in the downside and alternative downside scenarios. These include a grounding of 25% of the fleet for the duration of the peak trading month of August, to cover the range of severe but plausible risks that could result in significant operational disruption.

The key risks that are most likely to have a significant impact on easyJet's viability have been considered in the stress testing across multiple scenarios and are shown in the table below. These scenarios are applied separately and there remains sufficient liquidity in all cases. The assumptions applied are based on the plausible but severe impacts of the risks, as assessed by our review of the current macro-economic position. The principal risks have continued to be assessed for any changes in the risk environment. The actions in place to mitigate against these risks are included in the Risk section in the annual report and accounts.

Scenario modelled	Description	Assumptions applied	Corporate risk covered
Demand suppression and operational disruption	Downside scenario covering multiple risks that may lead to a reduction in demand, resulting in a prolonged yield reduction over the period. In addition, this scenario combines risks that also would lead to operational disruption and/or short-term grounding of the fleet.	Across the whole period: • reduction in ticket yield of 5% • reduction in Holidays' contribution of 5% • additional disruption costs (based on FY22 levels). One-off: - a grounding of 25% of the fleet for the duration of the peak trading month of August.	Changing legal and regulatory landscape Significant safety or security event Significant digital security event Network and primary airport risks Significant operational disruption
Increase in costs and operational disruption	Scenario covers multiple risks that would result in an increase in costs across the period or a significant spike in costs. In addition, this scenario combines risks that also would lead to operational disruption and/or short-term grounding of the fleet.	Across the whole period: • additional $100 per metric tonne on the fuel price • increased costs (additional inflation assumed on all costs) • additional disruption costs (based on FY22 levels) • an adverse movement on the US dollar rate. One-off: - a grounding of 25% of the fleet for the duration of the peak trading month of August.	Changing legal and regulatory landscape Significant safety or security event Significant operational disruption Significant digital security event Network and primary airport risks Macro-economic conditions

Scenario modelled	Description	Assumptions applied	Corporate risk covered
Climate change	Scenario covers climate-based risks that would result in both a reduction in demand and increased costs. This includes SAF and ETS costs, capex and maintenance costs due to technology changes and additional costs for regulatory and legal challenge.	Across the whole period: • reduction in demand – reduced yields or capacity • increased fuel costs (SAF and ETS) • increased maintenance costs • new taxes.	Climate change transition risks
Failure to deliver on plans	Scenario covers the risks that would result in easyJet being unable to deliver on its plans for the period.	Across the whole period: • reduced initiatives income • increased costs • reduction in ticket yield of 5% • reduction in Holidays' contribution of 5%.	Non-delivery of strategic initiatives Talent and critical skills acquisition
Lack of funding	Scenario covers the risk that would result in no further funding being available to easyJet during the period.	Across the whole period: • uncommitted funding excluded.	Macro-economic conditions

Consolidated income statement

		Year ended 30 September					
		2024			2023		
	Notes	**Headline £ million**	**Non-headline (note 2) £ million**	**Total £ million**	Headline £ million	Non-headline (note 2) £ million	Total £ million
Passenger revenue		**5,715**	**-**	**5,715**	5,221	-	5,221
Ancillary revenue							
Airline ancillary revenue		**2,457**	**-**	**2,457**	2,174	-	2,174
Holidays incremental revenue		**1,137**	**-**	**1,137**	776	-	776
Total ancillary revenue		**3,594**	**-**	**3,594**	2,950	-	2,950
Total revenue	5	**9,309**	**-**	**9,309**	8,171	-	8,171
Fuel		**(2,223)**	**-**	**(2,223)**	(2,033)	-	(2,033)
Airports and ground handling		**(1,989)**	**-**	**(1,989)**	(1,800)	-	(1,800)
Crew		**(1,074)**	**-**	**(1,074)**	(941)	-	(941)
Navigation		**(463)**	**-**	**(463)**	(422)	-	(422)
Maintenance		**(390)**	**-**	**(390)**	(341)	-	(341)
Holidays direct operating costs (excluding flights)		**(840)**	**-**	**(840)**	(582)	-	(582)
Selling and marketing		**(257)**	**-**	**(257)**	(232)	-	(232)
Other costs		**(758)**	**(9)**	**(767)**	(695)	(10)	(705)
Other income		**52**	**1**	**53**	5	6	11
EBITDA		**1,367**	**(8)**	**1,359**	1,130	(4)	1,126
Depreciation	7	**(727)**	**-**	**(727)**	(625)	(19)	(644)
Amortisation of intangible assets		**(43)**	**-**	**(43)**	(29)	-	(29)
Operating profit		**597**	**(8)**	**589**	476	(23)	453
Interest receivable and other financing income		**141**	**-**	**141**	132	-	132
Interest payable and other financing charges		**(132)**	**-**	**(132)**	(180)	-	(180)
Foreign exchange gain		**4**	**-**	**4**	27	-	27
Net finance income/(charges)		**13**	**-**	**13**	(21)	-	(21)
Profit before tax		**610**	**(8)**	**602**	455	(23)	432
Tax charge	3	**(151)**	**1**	**(150)**	(114)	6	(108)
Profit for the year		**459**	**(7)**	**452**	341	(17)	324
Earnings per share, pence							
Basic	4			**60.3**			43.1
Diluted	4			**59.6**			42.7

Consolidated statement of comprehensive income

	Notes	**Year ended 30 September 2024 £ million**	Year ended 30 September 2023 £ million
Profit for the year		**452**	324
Other comprehensive (loss)/income			
Items that may be reclassified to the income statement:			
Cash flow hedges			
Fair value losses in the year		**(358)**	(19)
Losses/(gains) transferred to the income statement		**23**	(51)
Hedge ineffectiveness/discontinuation losses transferred to the income statement		**2**	1
Related deferred tax credit	3	**83**	12
Cost of hedging		**(8)**	(9)
Related deferred tax credit	3	**2**	2
Items that will not be reclassified to the income statement:			
Remeasurement loss of post-employment benefit obligations		**(11)**	(8)
Related deferred tax credit/(charge)	3	**3**	(1)
Fair value gain on equity investment		**20**	-
		(244)	(73)
Total comprehensive income for the year		**208**	251

Consolidated statement of financial position

	Notes	As at 30 September 2024 £ million	As at 30 September 2023 £ million
Non-current assets			
Goodwill		**387**	365
Other intangible assets		**406**	276
Property, plant and equipment	7	**5,475**	4,864
Derivative financial instruments		**2**	35
Equity investment		**51**	31
Restricted cash		**-**	2
Other non-current assets		**169**	138
		6,490	5,711
Current assets			
Trade and other receivables		**483**	343
Current intangible assets		**572**	676
Derivative financial instruments		**29**	186
Other investments		**2,118**	-
Cash and cash equivalents		**1,343**	2,925
		4,545	4,130
Current liabilities			
Trade and other payables		**(1,656)**	(1,764)
Unearned revenue		**(1,737)**	(1,498)
Borrowings	8	**(416)**	(433)
Lease liabilities		**(227)**	(217)
Derivative financial instruments		**(270)**	(54)
Current tax liabilities	3	**(9)**	(3)
Provisions for liabilities and charges	9	**(156)**	(175)
		(4,471)	(4,144)
Net current assets/(liabilities)		**74**	(14)
Non-current liabilities			
Unearned revenue		**(4)**	(3)
Borrowings	8	**(1,690)**	(1,462)
Lease liabilities		**(947)**	(772)
Derivative financial instruments		**(51)**	(14)
Other liabilities		**(6)**	(4)
Post-employment benefit obligations		**(17)**	(7)
Provisions for liabilities and charges	9	**(806)**	(626)
Deferred tax liabilities	3	**(70)**	(22)
		(3,591)	(2,910)
Net assets		**2,973**	2,787
Shareholders' equity			
Share capital		**207**	207
Share premium		**2,166**	2,166
Hedging reserve		**(137)**	113
Cost of hedging reserve		**(8)**	(2)
Translation reserve		**72**	72
Retained earnings		**673**	231
Total equity		**2,973**	2,787

Consolidated statement of changes in equity

	Share capital £ million	Share premium £ million	Hedging reserve £ million	Cost of hedging reserve £ million	Translation reserve £ million	Retained earnings/ (accumulated losses) £ million	Total equity £ million
At 1 October 2023	**207**	**2,166**	**113**	**(2)**	**72**	**231**	**2,787**
Profit for the year	-	-	-	-	-	**452**	**452**
Other comprehensive (loss)/income	**-**	**-**	**(250)**	**(6)**	**-**	**12**	**(244)**
Total comprehensive (loss)/income	**-**	**-**	**(250)**	**(6)**	**-**	**464**	**208**
Dividends paid	**-**	**-**	**-**	**-**	**-**	**(34)**	**(34)**
Share incentive schemes							
Employee share schemes - Value of employee services	-	-	-	-	-	**30**	**30**
Purchase of own shares	-	-	-	-	-	**(18)**	**(18)**
At 30 September 2024	**207**	**2,166**	**(137)**	**(8)**	**72**	**673**	**2,973**

	Share capital £ million	Share premium £ million	Hedging reserve £ million	Cost of hedging reserve £ million	Translation reserve £ million	Retained earnings/ (accumulated losses) £ million	Total equity £ million
At 1 October 2022	207	2,166	170	5	(6)	(9)	2,533
Profit for the year	-	-	-	-	-	324	324
Other comprehensive loss	-	-	(57)	(7)	-	(9)	(73)
Total comprehensive (loss)/income	-	-	(57)	(7)	-	315	251
Share incentive schemes							
Employee share schemes - Value of employee services	-	-	-	-	-	18	18
Purchase of own shares	-	-	-	-	-	(15)	(15)
Currency translation transfer[1]	-	-	-	-	78	(78)	-
At 30 September 2023	207	2,166	113	(2)	72	231	2,787

1) The translation reserves transfer relates to a correction of a historical error in the retranslation of monetary assets and liabilities in overseas subsidiaries on consolidation. The cumulative amount of exchange differences on these balances were previously presented within retained earnings/(accumulated losses) in the consolidated statement of changes in equity and the consolidated statement of financial position. However, these exchange differences should have been presented as part of the translation reserve. This has resulted in a £78 million transfer between retained earnings/(accumulated losses) and the translation reserve to more accurately present the cumulative foreign exchange gains recognised on consolidation. The nature of the error is considered to not constitute a material error on a qualitative basis and therefore the impact was adjusted in the FY23 financial statements, being the year the error was noted. There is no change in brought forward or carried forward total equity from this change and no restatement of the consolidated statement of financial position or consolidated statement of changes in equity has been made.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments relating to highly probable transactions that are forecast to occur after the year end.

At 30 September 2024, amounts in the cost of hedging reserve comprised a £1 million loss related to cross-currency basis (2023: £3 million gain) and a £9 million loss related to the time value of options (2023: £5 million loss).

Consolidated statement of cash flows

	Notes	**Year ended 30 September 2024 £ million**	Year ended 30 September 2023 £ million
Cash flows from operating activities			
Cash generated from operations	10	**1,483**	1,509
Dividends paid	6	**(34)**	-
Interest and other financing charges paid		**(101)**	(162)
Interest and other financing income received		**124**	125
Settlement of derivatives		**1**	91
Tax paid	3	**(8)**	(12)
Net cash generated from operating activities		**1,465**	1,551
Cash flows from investing activities			
Purchase of property, plant and equipment		**(811)**	(677)
Proceeds from sale of property, plant and equipment		**9**	-
Acquisition of subsidiary, net of cash acquired		**(22)**	-
Purchase of non-current other intangible assets		**(118)**	(77)
(Increase)/decrease in other investments	11	**(2,118)**	126
Proceeds from sale and leaseback of aircraft		**114**	76
Net cash used in investing activities		**(2,946)**	(552)
Cash flows from financing activities			
Purchase of own shares for employee share schemes		**(18)**	(15)
Proceeds from debt financing	11	**718**	-
Repayment of bank loans and other borrowings	11	**(434)**	(1,192)
Settlement of derivatives		**(11)**	-
Repayment of capital element of leases	11	**(222)**	(218)
Decrease in restricted cash		**2**	5
Net cash generated from/(used in) financing activities		**35**	(1,420)
Effect of exchange rate movements		**(136)**	(168)
Net decrease in cash and cash equivalents		**(1,582)**	(589)
Cash and cash equivalents at beginning of year		**2,925**	3,514
Cash and cash equivalents at end of year		**1,343**	2,925

Notes to the financial statements

1. Accounting policies, judgements and estimates

Statement of compliance

easyJet plc (the 'Company') and its subsidiaries ('easyJet' or the 'Group' as applicable) is a low-cost airline carrier operating principally in Europe. The Company is a public limited company (company number 03959649), incorporated and domiciled in the United Kingdom, whose shares are listed on the London Stock Exchange under the ticker symbol EZJ. The address of its registered office is Hangar 89, London Luton Airport, Luton, Bedfordshire, LU2 9PF, England.

The consolidated financial statements of easyJet plc have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Basis of preparation

This consolidated financial information has been prepared in accordance with the Listing Rules of the Financial Conduct Authority.

The financial information set out in this document does not constitute statutory financial statements for easyJet plc for the two years ended 30 September 2024 but is extracted from the 2024 Annual Report and Financial statements.

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Directors have considered easyJet's business activities, together with factors likely to affect its future development and performance, as well as easyJet's principal risks and uncertainties through to June 2026.

As at 30 September 2024, easyJet had a net cash position of £181 million including cash and cash equivalents of £1.3 billion, with access to £5.1 billion of liquidity, and has retained ownership of 54% of the total fleet, all of which are unencumbered.

The Directors have reviewed the financial forecasts and funding requirements with consideration given to the potential impact of severe but plausible risks. easyJet has modelled a base case representing management's best estimation of how the business plans to perform over the period. The future impact of climate change on the business has been incorporated into strategic plans, including the estimated financial impact within the base case cash flow projections of the cost of future fleet renewals, the future estimated price of Emissions Trading Scheme (ETS) allowances, the phasing out of the free ETS allowances, the expected price and quantity required of Sustainable Aviation Fuel (SAF) and the cost of carbon removal credits and other sustainability initiatives.

The business is exposed to fluctuations in fuel prices and foreign exchange rates. easyJet is currently c.80% hedged for fuel in H1 of FY25 at c.$808 per metric tonne, c.59% hedged for H2 FY25 at c.$771 and c.24% hedged for H1 FY26 at c.$761.

In modelling the impact of severe but plausible downside risks, the Directors have considered demand suppression leading to a reduction in ticket yield of 5% and a reduction in easyJet holidays' contribution of 5%. The model also includes the reoccurrence of additional disruption costs (at FY22 levels), an additional $50 per metric tonne on the fuel price, 1.5% additional operating cost inflation and an adverse movement on the US dollar rate. These impacts have been modelled across the whole going concern period. In addition, this downside model also includes a grounding of 25% of the fleet for the duration of the peak trading month of August, to cover the range of severe but plausible risks that could result in significant operational disruption. This downside scenario resulted in a significant reduction in liquidity but still maintained sufficient headroom on liquidity requirements.

After reviewing the current liquidity position, committed funding facilities, the base case and the severe but plausible downside financial forecasts incorporating the uncertainties described above, the Directors have a reasonable expectation that the Group has sufficient resources to continue in operation for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis of accounting in preparing the Group's financial statements.

The Annual Report and Financial statements for 2023 has been delivered to the Registrar of Companies.

The Annual Report and Financial statements for 2024 will be delivered to the Registrar of Companies in due course. The auditors' report on those financial statements was unqualified and neither drew attention to any matters by way of emphasis nor contained a statement under either section 498(2) of Companies Act 2006 (accounting records or returns inadequate or financial statements not agreeing with records and returns), or section 498(3) of Companies Act 2006 (failure to obtain necessary information and explanations).

Accounting policies

The accounting policies adopted are consistent with those described in the Annual report and financial statements for the year ended 30 September 2024.

Accounting judgements and estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make judgements as to the application of accounting standards to the recognition and presentation of material transactions, assets and liabilities within the Group, and the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Estimations are based on management's best evaluation of a range of assumptions, however, events or actions may mean that actual results ultimately differ from those estimates, and these differences may be material. The estimates and the underlying assumptions are reviewed regularly.

Critical accounting judgements

The following are the critical judgements, apart from those involving estimation (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and presented in the financial statements.

Classification of income or expenses between headline and non-headline (note 2)

Non-headline items are those where, in management's opinion, their separate reporting provides an additional understanding to users of the financial statements of easyJet's underlying trading performance, and which are significant by virtue of their size and/or nature. In considering the categorisation of an item as non-headline, management's judgement includes, but is not limited to, a consideration of:

- whether the item is outside of the principal activities of the easyJet Group (being to provide point-to-point airline services and package holidays);
- the specific circumstances which have led to the item arising, including, if extinguishing an item from the statement of financial position, whether that item was first generated via headline or non-headline activity. The rebuttable presumption being that when subsequently extinguishing an item from the statement of financial position, any impact on the income statement should be reflected in the same way as that which was used in the initial creation of the item;
- if the item is irregular in nature; and
- whether the item is unusual by virtue of its size.

In accordance with Group policy, non-headline items include expenditure on major restructuring programmes and the gain or loss resulting from the initial recognition of sale and leaseback transactions. They may also include impairments and amounts relating to corporate acquisitions and disposals, depending on the assessment of the above criteria.

Recoverability of deferred tax assets (note 3)

The deferred tax asset balances include £440 million (2023: £442 million) arising on full recognition of the UK trading tax losses accumulated at the statement of financial position date. The Group has concluded that these deferred tax assets will be fully recoverable against the unwind of taxable temporary differences and future taxable income based on the long-term strategic plans of the Group. Where applicable the financial projections used in assessing future taxable income are consistent with those used elsewhere across the business, for example in the assessment of going concern. These assessments include the expected impact of climate change on easyJet, and the future financial impact within cash flow projections, such as the cost of future fleet renewals, the future estimated price of ETS allowances, the phasing out of the free ETS allowances, the expected price and quantity required of SAF, and the cost of carbon removal credits and other sustainability initiatives.

The tax losses for which a deferred tax asset has been recognised are expected to be utilised within the next six years, assessed by considering probable forecast future taxable income. The probable forecast future taxable income includes the impact of the expected unwind of taxable temporary differences as well as the effect of Full Expensing Relief for qualifying capital expenditure. Probable forecast future taxable income includes an incremental and increasing risk weighting to represent higher levels of uncertainty in future periods.

The tax losses can be carried forward indefinitely and have no expiry date.

Consolidation of easyJet Switzerland S.A.

Judgement has been applied in consolidating easyJet Switzerland S.A. as a subsidiary on the basis that the Company exercises control over the undertaking. A non-controlling interest has not been reflected in the consolidated financial statements on the basis that the holders of the remaining 51% of the shares have no entitlement to any dividends from that holding and the Company has an option to acquire those shares for a predetermined minimal consideration.

Critical accounting estimates

The following critical accounting estimates include judgements or complexity and are the major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year.

Aircraft maintenance provisions - £894 million (2023: £753 million) (note 9)

easyJet incurs liabilities for maintenance costs arising during the lease term of leased aircraft. These costs arise from legal and constructive contractual obligations relating to the condition of the aircraft when it is returned to the lessor. To discharge these obligations, it is usual for easyJet to carry out at least one heavy maintenance check on each of the engines and the airframe of the aircraft during the lease term. A material provision representing the estimated cost of this obligation is built up over the course of the lease. The estimates and assumptions used in the calculation of the provision are reviewed at least annually, and when information becomes available that is capable of causing a material change to an estimate, such as the renegotiation of end of lease return conditions, increased or decreased aircraft utilisation, or changes in the cost of heavy maintenance services and the expected uplift in future prices.

A significant portion of the future maintenance costs and cost increases are under contract and provide certainty to the provision. Where cost increases are not under contract, an estimation of the likely future increases are made in the calculation of the provision. Given the significant value of the provision, the provision is sensitive to changes in the future increase of uncontracted costs. An additional 4% cost uplift on uncontracted costs over the future years used in the provision would result in a £32 million increase in the provision. Additionally, with many maintenance costs incurred in US dollars, the provision remains sensitive to changes in the GBP/USD exchange rate. A significant +/- 10 cent change in the GBP/USD exchange rate would impact the provision by -£50 million/+£58 million respectively.

The rates used to discount the provision to arrive at a present value are based on observable market rates as an estimate of the relevant risk free rate.

The provision can also be materially influenced by the maintenance status of aircraft when they enter the easyJet fleet. To give flexibility to the fleet plan easyJet may lease 'mid-life' aircraft. When mid-life aircraft enter the fleet, a 'catch-up' maintenance provision is created to reflect the maintenance obligation for the flying cycles undertaken before the aircraft entered the easyJet fleet. The trigger for the recognition of this addition to the provision is the signing of the lease contract. It is of note that where contractually agreed a mid-life delivery asset is also created when the mid-life leased aircraft enter the fleet, creating a separate related asset on the statement of financial position.

Goodwill and landing rights - £542 million (2023: £520 million)

It is management's judgement that there are two separate CGUs which generate largely independent cash flows, these being easyJet's Airline route network and its Holidays business. The recoverable amount of goodwill and landing rights has been determined based on value in use calculations for the airline route network CGU as they are wholly attributable to it. The value in use is determined by discounting future cash flows to their present value. When applying this method, easyJet relies on a number of key estimates including the ability to meet its strategic plans, future fuel prices and exchange rates, long-term economic growth rates for the principal countries in which it operates, and its pre-tax weighted average cost of capital. Strategic plans include assessments of the future impact of climate change on easyJet to the extent these can be estimated. This includes for example, the cost of future fleet renewals, the future estimated price of ETS allowances, the phasing out of the free ETS allowances, the expected price and quantity required of SAF and the cost of carbon removal credits and other sustainability initiatives. The possible impact of longer-term climate change risks that are not part of the strategic plans have been considered as part of the sensitivity analysis.

Fuel prices and exchange rates continue to be volatile in nature and the ability to pass these changes on to the customer is a critical judgement that requires estimation. In addition, assumptions over customer demand levels could have a significant effect on the impairment assessment performed. Any future events that would lead to extended travel restrictions or fleet grounding may impact future impairment or useful economic life assessments. The sensitivity analysis considered as part of the overall impairment assessment takes into account different assumptions for these key estimates.

Other areas of judgement and accounting estimates

The following are other areas of judgement and accounting estimates that do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements. The recognition and measurement of the following material assets and liabilities of note in that they are based on assumptions and/or are subject to longer term uncertainties.

Owned aircraft carrying values – £4,192 million (2023: £3,846 million) (note 7)

The key estimates used in arriving at aircraft carrying values are the UELs and residual values of the owned aircraft.

Aircraft are depreciated over their UEL to their residual values in line with the Property, Plant and Equipment Accounting Policy. The UEL is based on easyJet's long-term fleet plan and intended utilisation of the current fleet, which include long-term assumptions of market conditions and customer demands, which by their nature are inherently uncertain.

Residual value estimates for aircraft are based on independent aircraft valuations. The valuations are based on an assessment of the current state of the global marketplace for specific aircraft assets. Should the marketplace for an asset class deteriorate unpredictably, there could be a risk that the recoverable amount for some aircraft assets would fall below their current carrying value or that residual values are subject to downward adjustment.

Owned and leased aircraft asset recoverable amounts are included in the Airline CGU and are therefore subject to review for impairment annually or when there is an indication of impairment within the Airline CGU.

Defined benefit pension assumptions - £175 million gross obligation (2023: £152 million gross obligation)

The Swiss pension scheme meets the requirements under IAS 19 to be recognised as a defined benefit pension scheme and the net pension obligation is recognised on the consolidated statement of financial position. The measurement of scheme assets and obligations are calculated by an independent actuary in line with IAS 19. The financial and demographic assumptions used in the calculation are determined by management following consultation with the independent actuary with consideration of external market movements and inputs. The calculation is most sensitive to movements in the discount rate applied, which has been subject to significant volatility.

Liability for compensation payments - £50 million (2023: £62 million)

easyJet incurs liabilities for amounts payable to customers who make claims in respect of flight delays and cancellations, for which claims could be made up to six years after the event, and for reimbursement of reasonable expenses incurred as a result of flight delays and cancellations. The key estimation in the liability is the passenger claim rate for compensation payments. The estimation carries a level of uncertainty as it is based on customer behaviour. The basis of the estimates included in the liability are reviewed at least annually and when information becomes available that may result in a change to the estimate.

New and revised standards and interpretations

A number of amended standards became applicable during the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The amendments that became applicable for annual reporting periods commencing on or after 1 January 2023, and did not have a material impact were:

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform — Pillar Two Model Rules – Amendments to IAS 12

There are no standards that are issued but not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2. Non-headline items

An analysis of the amounts presented as non-headline is given below:

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Sale and leaseback gain	**(1)**	-
Restructuring charge	**9**	1
Loss on disposal of landing rights	**-**	3
Correction of prior year error	**-**	19
Total non-headline charge before tax	**8**	23
Tax credit on non-headline items	**(1)**	(6)
Total non-headline charge after tax	**7**	17

Sale and leaseback gain

During the year, easyJet completed the sale and leaseback of 11 A319 aircraft (2023: eight). The income statement impact of the 11 sale and leasebacks was a £1 million profit on disposal (2023: £nil million profit) recognised in other income.

Restructuring

Following a network review in the financial year, restructuring programmes impacting bases in France and Italy were announced in September 2024. A provision of £12 million has been recognised in the financial statements as a best estimate of the potential costs of the restructuring exercise. This cost has been recognised as non-headline in accordance with our non-headline accounting policy. The cost has been offset by a £3 million release from the provision for the previously announced restructuring programmes in Germany, following a number of settlements finalised in the year. The release has been credited to other costs where the initial expense was recognised.

In the prior year the restructuring charge included a £3 million loss on disposal of landing right 'slots' surrendered at Berlin Brandenburg Airport as a result of the downsizing of operations at the airport, and £1 million representing additional estimated costs arising from the restructuring programmes in Germany.

As at 30 September 2024, there were unpaid amounts of £12 million (2023: £6 million) representing remaining redundancy cases which have not been finalised and settled at the end of the financial year.

Correction of prior year error

In the previous financial year, a £19 million cost was recognised as non-headline for the correction of an error identified in a third-party system. The error related to aircraft lease modifications which occurred in FY21, and impacted the depreciation recognised on a number of right of use assets.

Tax on non-headline items

After the necessary tax adjustments, which principally relate to the sale and leaseback transactions and restructuring provisions, there is a non-headline tax credit of £1 million (2023: £6 million) for the year.

3. Tax charge

Tax on profit on ordinary activities

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Current tax		
Foreign tax	**13**	11
Total current tax charge	**13**	11
Deferred tax		
Temporary differences relating to property, plant and equipment	**145**	76
Other temporary differences	**(4)**	24
Adjustments in respect of prior years	**(4)**	(3)
Total deferred tax charge	**137**	97
Total tax charge	**150**	108
Effective tax rate	**24.9%**	25.1%

Reconciliation of the total tax charge

The tax for the year is lower than (2023: higher than) the standard rate of corporation tax in the UK as set out below:

	2024 £ million	2023 £ million
Profit before tax	**602**	432
Total tax charge at 25.0% (2023: 22.0%)	**151**	95
Income not chargeable for tax purposes:		
Expenses not deductible for tax purposes	**10**	8
Share-based payments	**(5)**	(3)
Adjustments in respect of prior years - overseas current tax	**(1)**	-
Adjustments in respect of prior years - deferred tax	**(4)**	(3)
Difference in applicable rates for current and deferred tax	**-**	12
Attributable to rates other than standard UK rate	**(2)**	(1)
Movement in provisions	**1**	-
Total tax charge	**150**	108

Current tax payable at 30 September 2024 amounted to £9 million (2023: £3 million payable) which is solely related to tax payable in other European jurisdictions.

During the year ended 30 September 2024, net cash tax paid amounted to £8 million (2023: £12 million).

The Group monitors income tax developments in all jurisdictions in which it operates, including the OECD Base Erosion and Profit Shifting (BEPS) initiative (Pillar 2), which may impact the Group's future tax liabilities. The UK has introduced a global minimum corporation tax in line with the OECD Inclusive Framework on BEPS, which requires a minimum corporation tax rate of 15% in each jurisdiction in which the Group operates. The first accounting period to which the new rules will apply to the Group in the UK will be the year ended 30 September 2025.

The Group does not expect its tax liabilities to be materially increased as a result of the UK's implementation of the Pillar 2 rules. The Group is currently assessing their detailed impact and Malta is the only jurisdiction that is likely to be affected. The impact on the Group's total tax charge based on the profits earned in the year ended 30 September 2024 would be less than 1%.

Tax on items recognised directly in other comprehensive income or shareholders' equity:

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Credit/(charge) to other comprehensive income		
Deferred tax on change in fair value of cash flow hedges	**85**	14
Deferred tax on post-employment benefit	**3**	(1)
	88	13
Credit/(charge) directly to equity		
Deferred tax on share-based payments	**1**	-
Total credit to other comprehensive income	**89**	13

Deferred tax

The net deferred tax (asset)/liability in the statement of financial position is as follows:

	Accelerated capital allowances £ million	**Short-term timing differences £ million**	**Fair value losses/(gains) £ million**	**Share-based payments £ million**	**Post-employment benefit obligation £ million**	**Trading loss £ million**	**Total £ million**
At 1 October 2023	414	1	54	(4)	(1)	(442)	22
Charged/(credited) to income statement	141	(1)	-	(5)	-	2	137
Credited to other comprehensive loss	-	-	(85)		(3)	-	(88)
Credited directly to equity	-	-	-	(1)	-	-	(1)
At 30 September 2024	555	-	(31)	(10)	(4)	(440)	70

Deferred tax liabilities expected to be settled:

	£ million
Within 12 months	**-**
After more than 12 months	**70**
At 30 September 2024	**70**

It is estimated that deferred tax assets of approximately £45 million (2023: £ nil million) will reverse during the next financial year.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and it is the intention to settle these on a net basis.

	Accelerated capital allowances	Short-term timing differences	Fair value (gains)/losses	Share-based payments	Post-employment benefit obligation	Trading loss	Total
	£ million	£ million	£ million	£ million	£ million	£ million	£ million
At 1 October 2022	341	(26)	68	(1)	(1)	(443)	(62)
Charged/(credited) to income statement	73	27	-	(3)	(1)	1	97
Charged/(credited) to other comprehensive loss	-	-	(14)	-	1	-	(13)
At 30 September 2023	414	1	54	(4)	(1)	(442)	22

4. Earnings per share

Basic earnings per share has been calculated by dividing the total profit for the year by the weighted average number of shares in issue during the year after adjusting for shares held in employee benefit trusts.

To calculate diluted earnings per share, the weighted average number of ordinary shares in issue has been adjusted to assume conversion of all dilutive potential shares. Share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year are considered to be dilutive potential shares. Where share options are exercisable based on performance criteria and those performance criteria have been met during the year, these options are included in the calculation of dilutive potential shares.

Headline basic and diluted earnings per share are also presented, based on headline profit for the year.

Earnings per share is based on:

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Headline profit for the year	**459**	341
Total profit for the year	**452**	324

	2024 million	2023 million
Weighted average number of ordinary shares used to calculate basic earnings per share	**749**	751
Weighted average number of ordinary shares used to calculate diluted earnings per share	**759**	758

Earnings per share	**2024 pence**	2023 pence
Basic	**60.3**	43.1
Diluted	**59.6**	42.7

Headline earnings per share	**2024 pence**	2023 pence
Basic	**61.3**	45.4
Diluted	**60.5**	45.0

5. Segmental and geographical revenue reporting

Segmental analysis:

	Year ended 30 September 2024			
	Airline	**Holidays**	**Intergroup transactions**	**Group**
	£ million	**£ million**	**£ million**	**£ million**
Passenger revenue	5,715	-	-	5,715
Ancillary revenue	2,457	1,521	(384)	3,594
Total revenue	8,172	1,521	(384)	9,309
Airline operating costs including fuel	(6,139)	-	-	(6,139)
Holidays direct operating costs	-	(1,214)	374	(840)
Selling and marketing	(195)	(62)	-	(257)
Other costs and other income	(643)	(73)	10	(706)
Amortisation and depreciation	(762)	(8)	-	(770)
Net interest (payable)/receivable and other financing income/(charges)	(15)	24	-	9
Foreign exchange gain	2	2	-	4
Headline profit before tax	420	190	-	610
Non-headline items	(8)	-	-	(8)
Total profit before tax	412	190	-	602

	Year ended 30 September 2023			
	Airline	Holidays	Intergroup transactions	Group
	£ million	£ million	£ million	£ million
Passenger revenue	5,221	-	-	5,221
Ancillary revenue	2,174	1,047	(271)	2,950
Total revenue	7,395	1,047	(271)	8,171
Airline operating costs including fuel	(5,537)	-	-	(5,537)
Holidays direct operating costs	-	(842)	260	(582)
Selling and marketing	(189)	(43)	-	(232)
Other costs and other income	(654)	(47)	11	(690)
Amortisation and depreciation	(649)	(5)	-	(654)
Net interest (payable)/receivable and other financing income/(charges)	(59)	11	-	(48)
Foreign exchange gain	26	1	-	27
Headline profit before tax	333	122	-	455
Non-headline items	(23)	-	-	(23)
Total profit before tax	310	122	-	432

Note that airline operating costs including fuel comprises operating costs that relate solely to the Airline segment, and similarly holidays direct operating costs are costs specific to the Holidays segment. All other costs are incurred by both the Airline and Holidays segments.

Airline revenue is recognised at a point in time (when the flight takes place). The Holidays revenue detailed in this note includes both flight revenue, recognised at the time the flight takes place, and remaining ancillary revenue which is recognised over time, aligned to the duration of the holiday. The holidays flight revenue is included in this note within ancillary revenue (with the associated intergroup transaction) aligned to the presentation of revenue to the CODM and plc Board.

The intergroup transactions column represents revenue and cost transactions between Airline and Holidays for the flight element of holiday packages and Group recharges. These intercompany transactions are eliminated on consolidation.

Assets and liabilities are not allocated to individual segments and are not separately reported to, or reviewed by, the CODM, and therefore have not been disclosed.

Geographical revenue:

	2024	2023
	£ million	£ million
United Kingdom	5,077	4,345
France	941	852
Switzerland	877	791
Northern Europe (excluding Switzerland)	641	610
Southern Europe (excluding France)	1,670	1,434
Other	103	139
	9,309	8,171

easyJet has assessed the materiality of geographical revenues and has disclosed revenues by country of origin where such revenues are in excess of 10% of total revenue.

Geographical revenue is allocated according to the location of the first departure airport on each booking.

Southern Europe comprises countries lying wholly or mainly south of the border between Italy and Switzerland.

easyJet holidays' revenue is predominantly from the United Kingdom with additional revenues generated in Europe that are not material for separate disclosure.

easyJet's non-current assets principally comprise its fleet of 188 (2023: 183) owned and 159 (2023: 153) leased aircraft, giving a total fleet of 347 at 30 September 2024 (2023: 336). 30 aircraft (2023: 27) are registered in Switzerland, 134 (2023: 128) are registered in Austria, and the remaining 183 (2023: 181) are registered in the United Kingdom.

6. Dividends

The Company paid an ordinary dividend of 4.5 pence per share, or £34 million (2023: nil) in respect of the year ended 30 September 2023. The dividend was paid on 22 March 2024, with a record date of 23 February 2024.

An ordinary dividend in respect of the year ended 30 September 2024 of 12.1 pence per share, or £92 million, based on 20% headline profit after tax, is to be proposed at the forthcoming Annual General Meeting. These financial statements do not reflect this proposed dividend.

7. Property, plant and equipment

	Owned assets			Right of use assets		Total
	Aircraft and spares £ million	**Land and buildings £ million**	**Other £ million**	**Aircraft £ million**	**Other £ million**	**£ million**
Cost						
At 1 October 2023	**5,396**	**44**	**78**	**2,652**	**48**	**8,218**
Additions	752	-	14	605	62	1,433
Aircraft sold and leased back	(248)	-	-	46	-	(202)
Disposals[1]	(55)	-	(27)	(326)	(7)	(415)
At 30 September 2024	**5,845**	**44**	**65**	**2,977**	**103**	**9,034**
Accumulated depreciation						
At 1 October 2023	**1,550**	**-**	**32**	**1,747**	**25**	**3,354**
Charge for the year	269	-	8	440	10	727
Aircraft sold and leased back	(135)	-	-	-	-	(135)
Disposals[1]	(31)	-	(24)	(326)	(6)	(387)
At 30 September 2024	**1,653**	**-**	**16**	**1,861**	**29**	**3,559**
Net book value						
At 30 September 2024	**4,192**	**44**	**49**	**1,116**	**74**	**5,475**
At 1 October 2023	**3,846**	**44**	**46**	**905**	**23**	**4,864**

	Owned assets			Right of use assets		Total
	Aircraft and spares £ million	Land and buildings £ million	Other £ million	Aircraft £ million	Other £ million	£ million
Cost						
At 1 October 2022	4,988	44	68	2,416	45	7,561
Additions	604	-	14	292	18	928
Aircraft sold and leased back	(165)	-	-	44	-	(121)
Disposals	(31)	-	(4)	(100)	(15)	(150)
At 30 September 2023	5,396	44	78	2,652	48	8,218
Accumulated depreciation						
1 October 2022	1,390	-	28	1,479	35	2,932
Charge for the year	263	-	8	368	5	644
Aircraft sold and leased back	(86)	-	-	-	-	(86)
Disposals	(17)	-	(4)	(100)	(15)	(136)
At 30 September 2023	1,550	-	32	1,747	25	3,354
Net book value						
At 30 September 2023	3,846	44	46	905	23	4,864
At 1 October 2022	3,598	44	40	937	10	4,629

The net book value of aircraft includes £519 million (2023: £569 million) relating to advance payments for future deliveries and life limited parts not yet in use. This amount is not depreciated.

The net book value of aircraft spares is £157 million (2023: £112 million).

The ‘Other’ categories are principally comprised of leasehold improvements, computer hardware, leasehold property, fixtures, fittings and equipment, and work in progress in respect of property, plant and equipment projects. The work in progress as at 30 September 2024 was £15 million (2023: £14 million).

As at 30 September 2024, easyJet was contractually committed to the acquisition of one CFM LEAP engine (2023: two), and 299 (2023: 158) Airbus A320 family aircraft, with a total estimated list price[2] of $36.2 billion (2023: $18.1 billion) before escalations and discounts, for delivery in financial years 2025 (9 aircraft), 2026 and 2027 (59 aircraft) and 2028 to 2034 (231 aircraft). Additionally, easyJet maintains purchase rights for a further 100 aircraft.

At the year-end date easyJet had no commitment (2023: six) for aircraft lease contracts, where the aircraft had not been delivered.

1) Right of use asset disposals includes the transactions to remove the fully depreciated assets from the statement of financial position when the leased assets are returned.

2) As Airbus no longer publishes list prices, the last available list price published in January 2018 has been used for the estimated list price.

8. Borrowings

	Current £ million	**Non-current £ million**	**Total £ million**
At 30 September 2024			
Eurobonds	**416**	**1,690**	**2,106**
	416	**1,690**	**2,106**

	Current £ million	Non-current £ million	Total £ million
At 30 September 2023			
Eurobonds	433	1,462	1,895
	433	1,462	1,895

Amounts above are shown net of issue costs or discounted amounts which are amortised at the effective interest rate over the life of the debt instruments.

The October 2016 €500 million Eurobond with a carrying value of £433 million was repaid in October 2023. In addition, in March 2024, a €850 million Eurobond was issued with a value of £718 million (net of issue costs).

9. Provisions for liabilities and charges

	Maintenance provisions £ million	**Restructuring £ million**	**Other provisions £ million**	**Total provisions £ million**
At 1 October 2023	**753**	**6**	**42**	**801**
Exchange adjustments	(67)	(1)	(1)	(69)
Release of provisions	(2)	(3)	(10)	(15)
Additional provisions recognised	315	12	28	355
Updated discount rates net of unwind of discount	(12)	-	-	(12)
Utilised	(93)	(2)	(3)	(98)
At 30 September 2024	**894**	**12**	**56**	**962**

	Maintenance provisions £ million	Restructuring £ million	Other provisions £ million	Total provisions £ million
At 1 October 2022	636	15	40	691
Exchange adjustments	(44)	-	-	(44)
Release of provisions	-	(5)	(6)	(11)
Additional provisions recognized	257	6	17	280
Updated discount rates net of unwind of discount	(30)	-	-	(30)
Utilised	(66)	(10)	(9)	(85)
At 30 September 2023	753	6	42	801

The maintenance provisions provide for maintenance costs arising from legal and constructive obligations relating to the condition of the aircraft when returned to the lessor. Restructuring and other provisions include amounts in respect of potential liabilities for employee-related matters and litigation which arose in the normal course of business.

	2024 £ million	2023 £ million
Current	**156**	175
Non-current	**806**	626
	962	801

The split of the current/non-current maintenance provision is based on the expected maintenance event timings. If actual aircraft usage varies from expectation the timing of the utilisation of the maintenance provision could result in a material change in the classification between current and non-current. Maintenance provisions are expected to be utilised within seven years.

Within other provisions are provisions for litigation matters. The split of these provisions between current/non-current is based on the dates of expected court judgements. Provisions for restructuring could be fully utilised within one year from 30 September 2024 and therefore are classified as current.

10. Reconciliation of operating profit to cash generated from operations

	2024 £ million	2023 (re-presented) £ million
Operating profit	**589**	453
Adjustments for non-cash items:		
Depreciation	**727**	644
Loss on disposal of property, plant and equipment	**18**	14
(Gain)/loss on sale and leaseback	**(1)**	-
Amortisation of intangible assets	**43**	29
Share-based payments	**30**	18
Loss on disposal of other intangible assets	**1**	3
Changes in working capital and other items of an operating nature:		
Increase in trade and other receivables	**(130)**	(16)
Increase in intangible assets	**(8)**	(179)
(Decrease)/increase in trade and other payables	**(45)**	120
Increase in unearned revenue	**240**	458
Post employment benefit contributions	**(12)**	(2)
Increase/(decrease) in provisions[1]	**31**	(94)
Decrease in other non-current assets[1]	**10**	47
(Decrease)/increase in derivative financial instruments	**(10)**	14
Cash generated from operations	**1,483**	1,509

1) The non-cash element of £87 million within lessor maintenance contributions has been re-presented between provisions and other non-current assets.

11. Reconciliation of net cash flow to movement in net cash/(debt)

	1 October 2023 £ million	Foreign exchange £ million	New debt raised in the year £ million	Repayment of capital £ million	Other[1] £ million	Cash, cash equivalents and other investments movement £ million	**30 September 2024 £ million**
Cash and cash equivalents	2,925	(136)	-	-	-	(1,446)	**1,343**
Other investments	-					2,118	**2,118**
	2,925	(136)	-	-	-	672	**3,461**
Eurobond	(1,895)	77	(718)	434	(4)	-	**(2,106)**
Lease liabilities	(989)	91	(228)	222	(270)	-	**(1,174)**
	(2,884)	168	(946)	656	(274)	-	**(3,280)**
Net cash/(debt)	41	32	(946)	656	(274)	672	**181**

1) Other includes deferred fees, lease extensions and rate changes.

Other investments include term deposits, tri-party repos and managed investments where the original duration of the investment was more than three months.

12. Contingent liabilities and commitments

Contingent liabilities

easyJet previously disclosed an ICO investigation into a cyberattack and data breach that took place in 2020. Whilst the ICO investigation is now closed, an associated group action by a law firm representing a class of customers affected by the data breach arising from the cyberattack remains in place and, as previously highlighted, other claims have been commenced or threatened in certain other courts and jurisdictions. The merit, likely outcome, and potential impact of these actions are subject to significant uncertainties and therefore the Group is unable to assess the likely outcome or quantum of the claims and as such a provision is not included in these financial statements.

The Spanish Ministerio de Consumo (Ministry of Consumer Affairs) has issued easyJet with a €29 million fine for its hand luggage policy and the charges applied to cabin bags. easyJet is appealing this and believes its policy is entirely lawful. On this basis, easyJet does not consider it appropriate to recognise a provision for the charge.

Additionally, there is an ongoing litigation matter in Italy, and a possibility of a claim being made by a third-party supplier, for what would be material recoveries. Management has assessed the likelihood of each case being brought, easyJet's response and likelihood of a successful defence, and at this stage, having taken external legal advice, does not consider it appropriate to provide for either matter.

easyJet is involved in a number of other disputes and litigation cases which arose in the normal course of business. The potential outcome of these disputes and litigations can cover a range of scenarios, and in complex cases reliable estimates of any potential obligation may not be possible.

Contingent commitments

Letters of credit and performance bonds

At 30 September 2024, easyJet had outstanding letters of credit and performance bonds totalling £47 million (2023: £45 million), of which £9 million (2023: £12 million) expires within one year. The fair value of these instruments at each year end was negligible.

No amount is recognised on the statement of financial position in respect of any of these financial instruments as it is not probable that there will be an outflow of resources and the fair value has been assessed to be £nil.

Pathway to net zero

On 26 September 2022, easyJet announced its pathway to net zero. This roadmap references several partnerships with other commercial companies to explore certain technologies which may assist with the overall goal to decarbonise the aviation industry. The majority of these partnerships are in fact agreements to work together on the areas identified and do not involve a financial commitment from easyJet other than the time and effort involved in the collaboration over an agreed period. Where there is a signed agreement requiring a financial commitment from easyJet in the future, any future payments are contingent on project progress or product/service delivery and are therefore not certain, hence no liability has been recognised for these payments.

13. Government grants and assistance

During the year ended 30 September 2024, easyJet Airline Company Limited claimed 'activité partielle longue durée', long-term partial activity (APLD), a scheme implemented by the French Government under which, subject to agreement with trade unions, it is possible to reduce the activity of employees, within the limit of 50% of their legal working time, while maintaining a compensation funded by the Government. The total amount claimed by easyJet companies in the year ended 30 September 2024 amounted to £2 million (2023: £3 million) and is offset within employee costs in the income statement. There are no unfulfilled conditions or contingencies relating to this scheme and easyJet stopped claims at the end of February 2024 under this scheme.

In June 2023 easyJet Airline Company Limited entered into a five-year term loan facility of $1.75 billion (with easyJet plc as guarantor), underwritten by a syndicate of banks and supported by a partial guarantee from UK Export Finance under their Export Development Guarantee scheme. The Export Development Guarantee scheme for commercial loans is available to qualifying UK companies, does not carry preferential rates or require state aid approval, but does contain some restrictive covenants including dividend payments. However, these restrictive covenants are compatible with easyJet's existing policies. Embedded within the facility is a sustainability key performance indicator linked to a reduction in carbon emission intensity in line with easyJet's SBTi validated target, with a margin adjustment mechanism (upward or downward) conditional on the achievement of specific milestones. This term loan facility remains undrawn at 30 September 2024.

14. Related party transactions

The Company licences the easyJet brand from easyGroup Limited ('easyGroup'), a wholly owned subsidiary of easyGroup Holdings Limited, an entity in which easyJet's founder, Sir Stelios Haji-Ioannou, holds a beneficial controlling interest. The Haji-Ioannou family concert party shareholding (being easyGroup Holdings Limited and Polys Holding Limited) holds, in total, approximately 15.27% of the issued share capital of easyJet plc as at 30 September 2024 (2023: 15.27%).

Under the Amended Brand Licence signed in October 2010 and approved by the shareholders of easyJet plc in December 2010, an annual royalty of 0.25% of total revenue is payable by easyJet to easyGroup. The full term of the agreement is 50 years.

easyJet and easyGroup established a fund to meet the annual costs of protecting the 'easy' (and related marks) and the 'easyJet' brands. easyJet contributes up to £1 million per annum to this fund and easyGroup contributes £100,000 per annum. If easyJet contributes more than £1 million per annum, easyGroup will match its contribution in the ratio of 1:10 up to a limit of £5 million contributed by easyJet and £500,000 contributed by easyGroup.

Three side letters have been entered into: (i) a letter dated 29 September 2016 in which easyGroup consented to easyJet acquiring a portion of the equity share capital in Founders Factory Limited; (ii) a letter dated 26 June 2017 in which easyJet's permitted usage of the brand was slightly extended; and (iii) a letter dated 2 February 2018 in which easyGroup agreed that certain affiliates of easyJet have the right to use the brand.

The amounts included in the income statement, within other costs, for these items are as follows:

	2024 **£ million**	2023 £ million
Annual royalty	**23**	20
Brand protection (legal fees paid through easyGroup to third parties)	**1**	1
	24	21

At 30 September 2024, £3 million (2023: £6 million) was payable to easyGroup.

15. Events after the statement of financial position date

After the statement of financial position date of 30 September 2024,

- in October 2024, three A321NEO and one A320NEO aircraft were delivered by Airbus to easyJet.