RYANAIR FULL YEAR PROFIT RISES 43% TO €1,242M

News / Airlines, Finance

Ryanair, Europe's No.1 airline, today (May 23) reported full year profits of €1,242m, a 43% increase on the prior year. Traffic grew 18% to 106m as load factor jumped 5% points to 93%. Ave. fare dropped 1% to €46 as unit costs fell 6% (ex-fuel down 2%) in Year 2 of its Always Getting Better ("AGB") programme.

Ryanair's Michael O'Leary, said:
"FY16 was a year in which we delivered significant traffic and profit growth in all 4 quarters (despite an ave. oil price of $90bbl as a consequence of hedges put in place in 2014) as our AGB service programme is attracting millions of new customers to our lowest fare/lowest cost model. Highlights of the past year include:

- AGB Year 2 delivered and Year 3 announced
- Ave. fares cut 1% to €46.67
- Traffic up 18% to 106.4m (LF up 5% to 93%)
- Unit costs fell 6% (ex-fuel down 2%)
- Net profit up 43% to €1,242m
- First airline to carry over 100m intl. customers in a calendar year
- New website and mobile app launched in Oct.

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- 5 year pay and conditions deals agreed with all 84 pilot and cabin crew bases
- Aer Lingus proceeds (€398m) distributed to shareholders in Nov.
- 4th share buyback (€800m) launched in Feb.

New Routes and Bases:
Delivery of 41 new B737 aircraft last year facilitated the expansion of our low fare/low cost services into more primary airports and routes. We launched 7 new bases in Belfast, Berlin, Corfu, Gothenburg, Ibiza, Milan (Malpensa) and Santiago over the last 12 months. We opened more than 100 new routes as we became the first airline ever to carry over 100m international customers in a calendar year.

This year we take delivery of 52 new B737 aircraft which will grow our fleet to 380 (net of handbacks) by year end. We have announced 7 more bases (Bucharest, Hamburg, Nuremberg, Prague, Sofia, Timisoara and Vilnius) as part of our winter FY17 schedule.

Improving “AGB” customer experience:
The success of Ryanair’s AGB programme is reflected in our record traffic and load factors. Over the past 2 years we have seen load factors improve from 83% to 93% as our traffic has grown from 80m to over 106m p.a. We improved schedules and customer choice as we grew in more primary airports. We’ve enhanced the in-flight experience with slim line seats, more leg room and Boeing Sky Interiors on our new aircraft, and our cabin crew helped design and deliver new uniforms.

Ryanair Labs launched our new, dynamic website and mobile app in Oct. These improved digital platforms have performed well with a rapid take up by our customers.

While AGB Years 1 & 2 were about fixing things that our customers disliked and improving our offering, Year 3 will be about digital acceleration and innovation, particularly through Ryanair Labs. This year’s initiatives will include a new Leisure Plus service, improved Business Plus, a “One-Flick” payment facility on our mobile app, auto check-in for “My Ryanair” customers and lower checked bag fees.

Ryanair continues to offer customers the lowest fares and best on-time performance. In FY16, despite record load factors, unjustified French ATC strikes, the fire closure of T3 in Rome (FCO) last summer and Brussels Zaventem in March and repeated ATC delays following the introduction of a French ATC computer system, we maintained our industry leading 90% on-time performance, as follows:

We again call on the European Commission to take action to prevent the skies over Europe being closed this summer due to unjustified strikes by ATC unions. The European courts should also reverse previous unjust rulings that EU airlines should compensate passengers during ATC strikes when airlines have no control over these and cannot under law recover costs from protected ATCunions.

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