RISK FACTORS

Risks Related to the Company

The Company may not be successful in increasing fares to cover rising business costs. Ryanair operates a low-fares airline. The success of its business model depends on its ability to control costs so as to deliver low-fares while at the same time earning a profit. Ryanair has limited control over its fuel costs and already has comparatively low operating costs. In periods of high fuel costs, if Ryanair is unable to further reduce its other operating costs or generate additional revenues, operating profits are likely to fall. Ryanair cannot offer any assurances regarding its future profitability. Changes in fuel costs and availability could have a material adverse impact on Ryanair's results. See "—Changes in fuel costs and availability affect the Company's results" and "—The Company faces significant price and other pressures in a highly competitive environment".

Changes in fuel costs and availability affect the Company's results. Jet fuel is subject to wide price fluctuations as a result of many economic and political factors and events occurring throughout the world that Ryanair can neither control nor accurately predict, including increases in demand, sudden disruptions in supply and other concerns about global supply, as well as market speculation. Oil prices increased significantly following Russia's invasion of Ukraine in February 2022 and remain volatile in light of the Israel-Hamas conflict. As international prices for jet fuel are denominated in U.S. dollars, Ryanair's fuel costs are also subject to certain exchange rate risks. Substantial price increases, adverse exchange rates, or the unavailability of adequate fuel supplies, including, without limitation, any such events resulting from international terrorism, prolonged hostilities in Central Eastern Europe, the Middle East or other oil-producing regions or the suspension of production by any significant producer, may adversely affect Ryanair's profitability. In the event of a fuel shortage resulting from a disruption of oil imports or otherwise, additional increases in fuel prices or a curtailment of scheduled services could result.

Ryanair enters into hedging arrangements providing for substantial protection against fluctuations in fuel prices, generally through forward swap contracts or fuel call options typically covering periods of up to 12-18 months of anticipated jet fuel requirements. Ryanair is exposed to risks arising from fluctuations in the price of fuel, and movements in the euro/U.S. dollar exchange rate, especially in light of volatility in the relevant currency and commodity markets. Any movements in fuel costs could have a material adverse effect on Ryanair's financial performance. In addition, any strengthening of the U.S. dollar against the euro could have an adverse effect on the cost of buying fuel in euro.

No assurances whatsoever can be given about trends in fuel prices. Average fuel prices for future years may be significantly higher than current prices. There also cannot be any assurance that Ryanair's current or any future arrangements will be adequate to protect Ryanair from increases in the price of fuel or that Ryanair will not incur losses due to high fuel prices, either alone or in combination with other factors. Because of Ryanair's low fares as well as Ryanair's expansion plans, which could have a negative impact on yields, its ability to pass on increased fuel costs to passengers through increased fares or otherwise is somewhat limited. The expansion of Ryanair's fleet has resulted and will likely (in coming years) continue to result in an increase in Ryanair's aggregate fuel consumption.

Additionally, declines in the price of oil and/or capacity declines may expose Ryanair to some risk of hedging losses and hedge ineffectiveness that could lead to negative effects, including income statement volatility on Ryanair's financial condition and/or results of operations.

A majority of Ryanair's aircraft and certain parts are sourced from a single supplier; therefore, Ryanair would be materially and adversely affected if such supplier were unable to provide additional equipment or support. Because Ryanair currently sources the majority of its aircraft and many related aircraft parts from Boeing, if Ryanair were unable to acquire additional aircraft or sufficient spare parts from Boeing, or if Boeing were unable or unwilling to make timely deliveries of aircraft or to provide adequate support for its products, Ryanair’s operations could be materially and adversely affected.

Ryanair is subject to cyber security risks and may incur increasing costs in an effort to minimize those risks. As almost all of Ryanair’s reservations are made through its website and mobile app, security breaches could expose it to a risk of loss or misuse of customer information, litigation and potential liability. Third-party service organizations are used for both the reservation and flight planning processes. These third-party service organizations are also subject to cyber security risks. Ryanair secures its website and follows the recommendations set out in the U.S. National Institute of Standards and Technology’s Cyber Security Framework. Nevertheless, the security measures which have been or will be implemented may not be effective, and Ryanair’s systems may be vulnerable to theft, loss, damage, and interruption from a number of potential sources and events, including unauthorized access or security breaches, cyber-attacks, computer viruses, power loss, or other disruptive events. The methods used to obtain unauthorized access, disable, or degrade service or sabotage systems are constantly evolving and may be difficult to anticipate or to detect for long periods of time. Ryanair may not have the resources or technical sophistication to anticipate or prevent these rapidly evolving types of cyber-attacks. Attacks may be targeted at Ryanair, its customers and suppliers, or others who have entrusted it with information. Moreover, the war in Ukraine has resulted in a heightened risk of cyberattacks against companies like ours that have operations, vendors and/or supply chain providers located around the region of conflict. While Ryanair has experienced, and expects to continue to experience these types of threats and incidents, the Group has not detected any material cyber security events during fiscal year 2024.

Ryanair is subject to increasingly complex data protection laws and regulations. Ryanair’s business involves the processing and storage on a large scale of personal data relating to its customers, employees, business partners and others. Ryanair is subject to the European Union’s General Data Protection Regulation 2016/679 (the “GDPR”) (which became fully applicable on May 25, 2018) as well as relevant national implementing legislation (Irish Data Protection Act 2018), which impose significant obligations upon subject companies. Ensuring compliance with data protection laws is an ongoing commitment which involves substantial costs, and it is possible that, despite Ryanair’s efforts, governmental authorities or third parties will assert that Ryanair’s business practices fail to comply with these laws and regulations. If its operations are found to be in violation of any of such laws and regulations, Ryanair may be subject to significant civil, criminal and administrative damages, penalties and fines, as well as reputational harm, which could have a material adverse effect on its business, financial condition or results of operations.

The Company faces significant price and other pressures in a highly competitive environment. Ryanair operates in a highly competitive marketplace, with a number of low-fare, traditional and charter airlines competing throughout its route network. Airlines compete primarily in respect of fare levels, frequency and dependability of service, name recognition, passenger amenities (such as access to frequent flyer programs), and the availability and convenience of other passenger services. Unlike Ryanair, certain competitors are state-owned or state-controlled flag carriers and in some cases may have greater name recognition and resources and may have received, or may receive in the future, significant amounts of subsidies and other state aid from their respective governments as happened during the Covid-19 pandemic. In addition, the EU-U.S. Open Skies Agreement allows U.S. carriers to offer services in the intra-EU market, which could eventually result in increased competition in the EU market. See “Item 4. Information on the Company—Government Regulation—European Union.”

The airline industry is highly susceptible to price discounting, in part because airlines incur very low marginal costs for providing service to passengers occupying otherwise unsold seats. Both low-fare and traditional airlines sometimes offer low fares in direct competition with Ryanair across a significant proportion of its route network as a result of the liberalization of the EU air transport market and greater public acceptance of the low-fares model.

In addition to traditional competition among airline companies and charter operators who have entered the low-fares market, the industry also faces competition from ground transportation (including high-speed rail systems) and sea transportation alternatives, as businesses and recreational travelers seek substitutes for air travel.

Although Ryanair intends to assert its rights against any predatory pricing or other similar conduct, price competition both among airlines and between airlines and ground and sea transportation alternatives could reduce the level of fares and/or passenger traffic on Ryanair's routes to the point where profitability may not be achievable.

Ryanair has a significant amount of debt and fixed obligations, and insufficient liquidity may have a material adverse effect on the Company's financial condition. Ryanair carries, and will continue to carry for the foreseeable future, a substantial amount of debt. Although the Company has historically been able to generate sufficient cash flow from operations to pay debt and other fixed obligations when they become due, the risks described in this report may limit the Company's ability to do so in the future and may adversely affect its overall liquidity. As a result, the Company has incurred and will continue to seek new financing sources to fund its operations for the unknown duration of any economic recovery period. Volatility and uncertainty in the global markets generally, and the air transportation industry specifically, may make it difficult for Ryanair to raise additional capital on acceptable terms, or at all. Additionally, future debt agreements may contain more restrictive covenants or require security beyond historical market terms, which may restrict Ryanair's ability to successfully access capital.

Ryanair has seasonally grounded aircraft. In prior years, in response to typically lower traffic and yields from November to March (inclusive) ("winter"), higher airport charges and/or taxes and, at times, higher fuel prices, Ryanair adopted a policy of grounding a certain portion of its fleet during the winter months. Ryanair carries out the majority of scheduled heavy maintenance during the winter months which also results in the grounding of aircraft. The Company intends to continue grounding aircraft in fiscal year 2025. Ryanair's policy of seasonally grounding aircraft presents some risks. While Ryanair seeks to implement its seasonal grounding policy in a way that will allow it to reduce the negative impact on operating income by operating flights during periods of high oil prices to high cost airports at low winter yields, there can be no assurance that this strategy will be successful.

While seasonal grounding does reduce Ryanair's variable operating costs, it does not avoid fixed costs such as aircraft ownership costs, and it also decreases Ryanair's potential to earn revenues. Decreasing the number and frequency of flights may also negatively affect Ryanair's labor relations, including its ability to attract flight personnel interested in year-round employment. Such risks could lead to negative effects on Ryanair's financial condition and/or results of operations.

The Company will incur significant costs acquiring new aircraft and any instability in the credit and capital markets could negatively impact Ryanair's ability to obtain financing on acceptable terms. Ryanair's continued growth is dependent upon its ability to acquire additional aircraft to meet additional capacity needs and to replace older aircraft. Ryanair had 584 aircraft in its operating fleet at March 31, 2024 and expects to receive an additional 64 Boeing 737-8200 aircraft before the end of fiscal year 2025, pursuant to a contract with the Boeing Company ("Boeing," and such contract inclusive of subsequent amendments, the "2014 Boeing Contract").

In May 2023 Ryanair announced that it had entered into a purchase agreement with Boeing (the "2023 Boeing Contract") to purchase up to 300 Boeing 737-MAX-10 series aircraft (of which 150 are firm orders and 150 are subject to an option exercisable at Ryanair's discretion) for delivery between 2027 to 2033 (inclusive). This agreement was approved by Company's shareholders at its AGM on September 14, 2023.

Ryanair expects to have approximately 800 narrow-body aircraft in its fleet following delivery of all the Boeing 737-8200 and Boeing 737-MAX-10 aircraft, allowing for expected disposals of older aircraft, including lease returns over the period and Boeing's ability to fulfil both the 2014 and 2023 Boeing Contracts. For additional information on the

Company’s aircraft fleet and expansion plans, see “—A majority of Ryanair’s aircraft and certain parts are sourced from a single supplier; therefore, Ryanair would be materially and adversely affected if such supplier were unable to provide additional equipment or support,” and “Item 4. Information on the Company—Aircraft” and “Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources”. There can be no assurance that this planned expansion will not outpace the growth of passenger traffic on Ryanair’s routes or that traffic growth will not prove to be greater than the expanded fleet can accommodate. In either case, such developments could have a material adverse effect on the Company’s business, results of operations and financial condition.

As a result of the 2014 Boeing Contract and the 2023 Boeing Contract, and other general corporate purposes, Ryanair has raised and expects to continue to raise substantial debt financing. Ryanair’s ability to raise unsecured or secured debt to pay for aircraft is subject to potential volatility in the worldwide financial markets. Additionally, Ryanair’s ability to raise unsecured or secured debt to pay for aircraft as they are delivered is subject to various conditions imposed by the counterparties and debt markets to such loan facilities and related loan guarantees, and any future financing is expected to be subject to similar conditions. Any failure by Ryanair to comply with such conditions and any failure to raise necessary amounts of unsecured or secured debt to pay for aircraft, would have a material adverse effect on its results of operations and financial condition.

Using the debt capital markets to finance the Company requires the Company to retain its investment grade credit ratings (the Company has a BBB+ (stable outlook) credit rating from both S&P and Fitch Ratings). There is a risk that the Group will be unable, or unwilling, to access these markets if it is downgraded or is unable to retain its investment grade credit ratings and this could lead to a higher cost of finance for the Group and a material adverse effect on its results and financial condition.

Ryanair has previously entered into significant derivative transactions intended to hedge some of its aircraft acquisition-related debt obligations. These derivative transactions expose Ryanair to certain risks and could have adverse effects on its results of operations and financial condition. See “Item 11. Quantitative and Qualitative Disclosures About Market Risk.”

Currency fluctuations affect the Company’s results. Although the Company is headquartered in Ireland, a significant portion of its operations are conducted in the UK. Consequently, the Group has significant operating revenues and operating expenses, as well as assets and liabilities, denominated in UK pounds sterling. In addition, fuel, aircraft, insurance, aircraft leases and some maintenance obligations are denominated in U.S. dollars. Ryanair’s operations and financial performance can therefore be significantly affected by fluctuations in the values of the UK pound sterling and the U.S. dollar. Ryanair is particularly vulnerable to direct exchange rate risks between the euro and the U.S. dollar because a significant portion of its operating costs are incurred in U.S. dollars and substantially none of its revenues are denominated in U.S. dollars.

Although the Company engages in foreign currency hedging transactions between the euro and the U.S. dollar and, from time to time, between the euro and the UK pound sterling, hedging activities are not expected to eliminate currency risks. See “Item 11. Quantitative and Qualitative Disclosures About Market Risk.”

Prolonged delays in the Federal Aviation Administration (“FAA”) and/or the European Union Aviation Safety Agency (“EASA”) issuing required certifications or approvals for the Boeing 737-MAX-10 aircraft could materially and adversely affect Ryanair’s business plans, strategy and results of operations. Pursuant to a contract with the Boeing Company, Ryanair has ordered up to 300 new Boeing 737-MAX-10 aircraft (150 firm and 150 options) for delivery between 2027 to 2033 (the “2023 Boeing Contract”). See “Item 10. Additional information – Material Contracts”.

Ryanair expects the phased deliveries of the aircraft between 2027 and 2033 will enable Ryanair to create approximately 10,000 new high-paid jobs for pilots, cabin crew and engineers, to facilitate disciplined traffic growth and support related revenue growth, and to replace a significant portion of Ryanair's older Boeing aircraft, supporting Ryanair's environmental and sustainability goals.

The delivery of the new aircraft under the 2023 Boeing contract is subject to the FAA and EASA issuing the required certifications and approvals to Boeing. Prolonged delays in the FAA and/or EASA issuing the required certifications or approvals for the Boeing 737-MAX-10, or further regulatory actions by the FAA and/or EASA with respect to the Boeing 737-MAX-10 aircraft could also materially and adversely affect Ryanair's business plans, strategy and results of operations, and there can be no assurance that Ryanair will be able to procure and operate other types of aircraft from Boeing or another manufacturer, seller or lessor.

Residual value of the fleet. At March 31, 2024 Ryanair operated 584 aircraft (28 of which are leased), has a purchase contract in place in respect of an additional 64 Boeing 737-8200 "Gamechanger" aircraft pursuant to the 2014 Boeing Contract, and a purchase order in respect of up to 300 Boeing 737-MAX-10 aircraft (of which 150 are firm orders and 150 are subject to an option exercisable at Ryanair's discretion) for delivery between 2027 to 2033 (inclusive). Over the course of the 2023 Boeing Contract order, Ryanair plans to dispose and handback approximately 150 aircraft as part of its ongoing fleet management strategy. Although under the terms of the 2023 Boeing Contract, Ryanair shall purchase the new aircraft at substantial discounts to the basic price for Boeing 737-MAX-10 aircraft, there can be no certainty that there will be demand for the new aircraft capacity or that Ryanair will be able to sell aircraft profitably at the time of disposal. Failure by Ryanair to dispose of an appropriate number of aircraft could have an adverse effect on Ryanair's financial condition.

The Company's growth may expose it to risks. Ryanair's operations have grown rapidly since it pioneered the low-fares operating model in Europe in the early 1990s. Ryanair intends to continue to expand its fleet and add new destinations and additional flights. In September 2021, Ryanair increased its booked passenger target to approximately 225m passengers per annum by fiscal year 2026. Following shareholder approval of the 2023 Boeing Contract at the Company's AGM in September, 2023, this target was increased to approximately 300m passengers per annum by fiscal year 2034. However, no assurance can be given that these targets will be met. If growth in passenger traffic and Ryanair's revenues do not keep pace with the planned expansion of its fleet, Ryanair could suffer from overcapacity and its results of operations and financial condition (including its ability to fund scheduled purchases of the new aircraft and related debt repayments) could be materially adversely affected.

The continued expansion of Ryanair's fleet and operations combined with other factors, may also strain existing management resources and related operational, financial, management information and information technology systems. Expansion will generally require additional skilled personnel, equipment, facilities and systems. An inability to hire skilled personnel or to secure required equipment and facilities efficiently and in a cost-effective manner may have a material adverse effect on Ryanair's ability to achieve its growth plans and sustain or increase its profitability.

Ryanair's new routes and expanded operations may have an adverse financial impact on its results. When Ryanair commences new routes, its load factors and fares tend to be lower than those on its established routes and its advertising and other promotional costs tend to be higher, which may result in initial losses that could have a material negative impact on Ryanair's results of operations as well as require a substantial amount of cash to fund. In addition, there can be no assurance that Ryanair's low-fares service will be accepted on new routes. Ryanair also periodically runs special promotional fare campaigns, in particular in connection with the opening of new routes. Promotional fares may have the effect of increasing load factors and reducing Ryanair's yield and passenger revenues on such routes during the periods that they are in effect. Ryanair has significant cash needs as it expands, including the cash required to fund aircraft purchases or aircraft deposits related to the acquisition of aircraft. There can be no assurance that Ryanair will have sufficient cash to make such expenditures and investments, and to the extent Ryanair is unable to expand its route system successfully, its future revenue and earnings growth will in turn be limited. See"—The Company will incur significant costs acquiring new aircraft and any instability in the credit and capital markets could negatively impact Ryanair's ability to obtain financing on acceptable terms".

Ryanair's continued growth is dependent on access to suitable airports; charges for airport access are subject to increase. Airline traffic at certain European airports is regulated by a system of grandfathered "slot" allocations. Each slot represents authorization to take-off and/or land at the particular airport at a specified time. As part of Ryanair's strategic initiatives, which include flights to primary airports, Ryanair Group airlines are operating to an increasing number of slot-coordinated airports, a number of which have constraints at particular times of the day. There can be no assurance that Ryanair will be able to obtain a sufficient number of slots at slot-coordinated airports that it may wish to serve in the future, at the time it needs them, or on acceptable terms. There can also be no assurance that its non-slot constrained bases, or the other non-slot constrained airports Ryanair serves, will continue to operate without slot allocation restrictions in the future. See "Item 4. Information on the Company—Government Regulation—Slots." Airports may impose other operating restrictions such as curfews, limits on aircraft noise levels, mandatory flight paths, runway restrictions, and limits on the number of average daily departures. Such restrictions may limit the ability of Ryanair to provide service to or increase service at such airports.

Ryanair's future growth also materially depends on its ability to access suitable airports located in its targeted geographic markets at costs that are consistent with Ryanair's strategy. Any condition that denies, limits, or delays Ryanair's access to airports it serves or seeks to serve in the future would constrain Ryanair's ability to grow. A change in the terms of Ryanair's access to these facilities or any increase in the relevant charges paid by Ryanair as a result of the expiration or termination of such arrangements and Ryanair's failure to renegotiate comparable terms or rates could have a material adverse effect on the Company's financial condition and results of operations. For additional information, see "Item 4. Information on the Company—Airport Operations—Airport Charges." See also "—The Company is subject to legal proceedings alleging state aid at certain airports" below.

Labor relations could expose the Company to risk. In December 2017, Ryanair announced its decision to recognize trade unions for collective bargaining purposes. Since then, Ryanair Group airlines have concluded Collective Labor Agreements ("CLAs") with trade unions in most of their major markets. The CLAs concluded to date vary by country but include agreements on recognition, seniority, base transfers, promotions, pay and rostering arrangements. There may be a push for legacy type working conditions which, if acceded to, could decrease the productivity of crew, increase costs and have an adverse effect on profitability.

At the outset of the Covid-19 pandemic, Ryanair and its union partners negotiated agreements to protect crew jobs via temporary pay cuts which were to be gradually restored from 2022 to 2025. In fiscal year 2023, Ryanair Group airlines concluded agreements with their people and unions, in the majority of countries, which accelerated pay restoration with pay fully restored in December 2022. Further negotiations have taken place through fiscal year 2024 with agreements now in place in all major markets to 2026 or 2027 with set annual pay increases. Whilst these agreements set pay and conditions for the coming years, high inflation in the general economy, a global recession and a shift in market conditions could lead to unrealistic expectations by trade unions and excessive pay demands that could lead to labor unrest.

Ryanair intends to retain its low-fare, high people productivity model; however, there may be periods of labor unrest as unions challenge the existing high people productivity model which may have an adverse effect on customer sentiment and profitability.

Ryanair has transitioned from Irish to local contracts of employment in a number of EU countries which has impacted costs, productivity and complexity of the business. Any subsequent decision to switch to lower cost locations could result in redundancies and a consequent deterioration in labor relations.

The Group is dependent on external service providers. Ryanair currently assigns its engine overhauls and "rotable" repairs to outside contractors approved under the terms of Part 145, the European regulatory standard for aircraft maintenance ("Part 145") established by EASA. The Company also assigns its passenger, aircraft, and ground handling services at airports (other than Dublin and certain airports in Poland, Spain and Portugal) to established external service providers. See "Item 4. Information on the Company—Maintenance and Repairs—Heavy Maintenance" and "Item 4. Information on the Company—Airport Operations—Airport Handling Services."

The termination or expiration of any of Ryanair's service contracts or any inability to renew them or negotiate replacement contracts with other service providers at competitive rates could have a material adverse effect on the Group's results of operations. Ryanair will need to enter into airport service agreements in any new markets it enters, and there can be no assurance that it will be able to obtain the necessary facilities and services at competitive rates. In addition, although Ryanair seeks to monitor the performance of external parties that provide passenger and aircraft handling services, the efficiency, timeliness, and quality of contract performance by external providers are largely beyond Ryanair's direct control. Ryanair expects to be dependent on such outsourcing arrangements for the foreseeable future.

The Group is dependent on key personnel. Ryanair's success depends to a significant extent upon the efforts and abilities of its senior management team, including Michael O'Leary, the Group CEO, and key financial, commercial, operating, IT, ESG, HR and maintenance personnel. See "Item 6. Directors, Senior Management and Employees—Compensation of Directors and Executive Officers—Remuneration Agreement with Mr. O'Leary." Ryanair's success also depends on the ability of its Executive Officers and other members of senior management to operate and manage effectively, both independently and as a Group. Although Ryanair's employment agreements with Mr. O'Leary and several of its other Senior Executives contain non-competition and non-disclosure provisions, there can be no assurance that these provisions will be enforceable in whole or in part. Competition for highly qualified personnel is intense, and either the loss of any executive officer, senior manager, or other key employee without adequate replacement or the inability to attract new, qualified personnel could have a material adverse effect upon Ryanair's business, operating results, and financial condition.

Entry into service of the Boeing 737-8200. Ryanair has 210 Boeing 737-8200 aircraft on firm order from Boeing. These aircraft were originally due to commence delivery in April 2019. During fiscal year 2021, the FAA and EASA approved the ungrounding of the MAX and approved Ryanair's variant the Boeing 737-8200. Ryanair received the first aircraft in June 2021. At March 31, 2024 the Ryanair Group had taken delivery of 146 Boeing 737-8200s. The remaining 64 aircraft are scheduled to be delivered before the end of fiscal year 2025.

There can be no assurance that the FAA and/or EASA will not, now or in the future, apply additional maintenance or oversight in relation to the operation of the Boeing 737-8200 aircraft, that will delay delivery of these aircraft and/or materially increase the cost of operating this aircraft type.

The Company faces risks related to its internet reservations operations and its elimination of airport check-in facilities. Ryanair's flight reservations are made through its website, mobile app and Global Distribution Systems including Amadeus, Sabre and Travelport (which operates the Galileo and Worldspan GDS) (collectively, the "GDSs"). Ryanair has established contingency programs which include migrating its website to the cloud and having a back-up booking engine available to support its existing booking platform in the event of a breakdown in this facility. Nonetheless, the process of switching over to the back-up booking engine could take some time and there can be no assurance that Ryanair would not suffer a significant loss of reservations in the event of a major breakdown of its booking engine or other related systems.

All Ryanair passengers are required to use Internet check-in. Internet check-in is part of a package of measures intended to reduce check-in lines and passenger handling costs and pass on these savings by reducing passenger airfares. Ryanair has deployed this system across its network. Any disruptions to the Internet check-in service as a result of a breakdown in the relevant computer systems or otherwise could have a material adverse impact on these service-improvement and cost-reduction efforts. There can be no assurance, however, that this process will continue to be successful or that consumers will not switch to other carriers that provide standard check-in facilities, which would negatively affect Ryanair's results of operations and financial condition.

The Company is subject to legal proceedings alleging state aid at certain airports. Formal investigations by the European Commission are ongoing into Ryanair's agreements with Carcassonne, Girona, Reus, Târgu Mures and Beziers airports, Ryanair's agreements since 2009 with Frankfurt (Hahn) airport, and Ryanair's arrangements with Cagliari airport (even though the Commission in March 2023 withdrew its 2016 finding that Ryanair had received aid through those arrangements). The investigations seek to determine whether the agreements constitute illegal state aid under EU law. The investigations are currently expected to be completed in 2024, with the European Commission's decisions being appealable to the EU General Court. Investigations into Ryanair's agreements with the Bratislava, Tampere, Marseille, Berlin (Schönefeld), Aarhus, Dusseldorf (Weeze), Brussels (Charleroi), Alghero, Stockholm (Västerås), Lübeck, Riga and Paris (Beauvais) airports, and into Ryanair's agreements prior to 2009 with Frankfurt (Hahn), have concluded with findings that these agreements contained no state aid. In parallel, the European Commission has announced findings of state aid to Ryanair in its arrangements with Pau, Nimes, Angouleme, Altenburg, Zweibrücken, Cagliari, Klagenfurt, Montpellier and La Rochelle airports, ordering Ryanair to repay a total of approximately €40m of alleged state aid. Ryanair has appealed these "aid" decisions to the EU General Court, which ruled in favor of Ryanair in the Zweibrücken airport case. In 2023, the European Commission withdrew its "aid" (approximately €12m) decision concerning Ryanair's arrangements with Cagliari airport, following a General Court ruling in a related case, and is currently reviewing the case afresh in light of the guidance received from the Court, with a decision expected in 2024. The EU General Court ruled in favor of the European Commission in the cases of Pau, Nimes, Angouleme, Altenburg, Montpellier and Klagenfurt. The Klagenfurt judgment was subject to an appeal by Ryanair to the European Court of Justice which ruled against Ryanair in 2023. Ryanair's appeal to the European Court of Justice in the Montpellier case is expected to conclude in 2024. In addition to the European Commission investigations, Ryanair is facing an allegation that it has benefited from unlawful state aid in a German court case launched by Lufthansa in 2006 in relation to Ryanair's arrangements with Frankfurt (Hahn). Adverse rulings in the above state aid matters could be used as precedents by competitors to challenge Ryanair's agreements with other publicly owned airports and could cause Ryanair to strongly reconsider its growth strategy in relation to public or state-owned airports across Europe. This could in turn lead to a scaling-back of Ryanair's overall growth strategy due to the smaller number of privately-owned airports available for development.

No assurance can be given as to the outcome of these legal proceedings, nor as to whether any unfavorable outcomes may, individually or in the aggregate, have a material adverse effect on the results of operations or financial condition of Ryanair.

For additional information, please see "Item 8. Financial Information—Other Financial Information—Legal Proceedings."

The Company faces risks related to unauthorized use of information from the Company's website. Screen scraper websites gain unauthorized access to Ryanair's website and booking system, extract flight and pricing information and display it on their own websites for sale to customers at prices which may include hidden intermediary fees on top of Ryanair's fares. Ryanair does not allow any such commercial use of its website and objects to the practice of screen scraping also on the basis of certain legal principles, such as contractual and database rights and copyright protection. In turn, Ryanair has been accused by certain operators of screen scraping websites that its objection to the unauthorized selling by online travel agents (OTAs) to consumers of Ryanair flight tickets is an attempt to restrict competition. Ryanair is currently involved in legal proceedings against the proprietors of screen scraper websites in Germany, Ireland, France, Italy, and the U.S. Ryanair's objective is to prevent any unauthorized use of its website and to prevent consumer harm, and the resultant reputational damage to the Company, that may arise due to the failure by some operators of screen scraper websites to provide Ryanair with the passengers' genuine contact and payment method details.

In November 2023, the Irish High Court found that Flightbox, a screen scraper, was bound by the Terms of Use of the Ryanair website and as such, the court granted Ryanair a permanent injunction prohibiting Flightbox from breaching the binding Terms of Use of the Ryanair website by using bot technology to unlawfully scrape the Ryanair website for OTAs. Following that decision, Ryanair was approached by a number of OTAs who wanted to enter into agreements that respected Ryanair’s exclusive online distribution model. Ryanair entered into the first Direct Distribution Agreement (DDA) with Love Holidays in January 2024 and subsequently into DDAs with several other OTAs. The DDAs fully protect Ryanair’s exclusive online distribution model. Under the DDAs Ryanair grants the OTA partner a licence to use its flight and price data for display purposes *only* on the OTA website. The passenger can select accurately priced Ryanair flights and ancillary products, and is brought to the Ryanair.com website to sign into their myRyanair account and confirm their Ryanair booking. The agreement strictly prohibits any hidden mark-ups being applied to Ryanair flights and/or ancillary products so as not to mislead consumers. It ensures that Ryanair obtains the passenger’s real contact details, allows the passenger to manage their own booking directly with Ryanair, and in the event of cancellation or disruption that the passenger receives a prompt refund.

In January 2024, the Milan Court of Appeal conclusively rejected claims of the OTAs Lastminute and Viaggiare that Ryanair’s exclusive online distribution model constitutes an abuse of a dominant position and confirmed that Ryanair’s exclusive online distribution model was justified and pro-consumer.

Ryanair also allows certain companies who operate fare comparison (i.e., not reselling) websites to access its schedule and fare information for the purposes of price comparison provided they sign a license and use the agreed method to access the data. In addition, Ryanair permits GDS operators Amadeus, Sabre, Travelport (trading as Galileo and Worldspan) and Kyte to provide access to Ryanair’s fares to traditional brick & mortar travel agents and closed corporate travel booking platforms.

Notwithstanding the recent success in the screen scraping litigation, Ryanair has also in the past recorded unfavorable rulings in its actions against screen scrapers. Pending the outcome of outstanding legal proceedings and investigations by competition authorities (including the investigation launched by the Italian Competition Authority in September 2023) and if Ryanair were to be ultimately unsuccessful in them, the activities of screen scraper websites could lead to a reduction in the number of customers who book directly on Ryanair’s website and consequently to a reduction in Ryanair’s ancillary revenue stream. Also, some business may be lost to Ryanair once potential customers are presented by a screen scraper website with a Ryanair fare or a fee for an ancillary product such as priority boarding or checked baggage inflated by the screen scraper’s intermediary fee. This could also adversely affect Ryanair’s reputation as a low-fares airline, which could negatively affect Ryanair’s results of operations and financial conditions.

For additional details, see “Item 8. Financial Information—Other Financial Information—Legal Proceedings—Legal Proceedings Against Internet Ticket Touts.”

The Company is subject to increasingly strict sanctions for non-compliance with consumer protection laws. Despite the Company’s efforts to ensure full compliance with applicable consumer protection laws, there is a risk that government bodies or other entities might claim non-compliance with these laws by Ryanair. Should any non-compliance be established, the Company could face substantial repercussions, including compliance order, fines and damages, as well as negative publicity. Such events could significantly impact Ryanair's business operations, financial condition, and operational results. See also: “Item 4. Information on the Company—Government Regulation—Consumer Protection.”

The Company faces risks related to allegations of non-compliance with competition law. Ryanair is subject to laws and regulations relating to anti-competitive practices in the European Union, individual members states and other countries in which it operates. In December 2022, the Italian Competition Authority (‘AGCM’) formulated an allegation of price collusion against Ryanair and several other airlines on routes between mainland Italy and Sicily during the Christmas travel peak. There was no merit behind this allegation and Ryanair believes that the AGCM was motivated by political pressure rather than any credible indication of existence of a cartel. Consequently, the AGCM dropped its investigation in November 2023. Also in November 2023, the AGCM launched a sector inquiry on pricing algorithms for air passengers on routes to and from Sicily and Sardinia. This inquiry is pending. The AGCM has the power to impose behavioural or structural measures on companies to eliminate distortions of competition or to recommend legislative/regulatory changes to improve the functioning of the markets. In September 2023, the AGCM opened an investigation into a potential abuse of a dominant position by Ryanair in its dealings with OTAs and bricks & mortar travel agents. In the context of this investigation, in April 2024 the AGCM started interim proceedings to determine whether there exists a risk of irreparable damage to competition during the time required for completing the main investigation, unless interim measures are imposed on the Company. The AGCM closed these interim proceedings in late May 2024, concluding that there was no basis for the adoption of precautionary measures pending the outcome of the main investigation. Ryanair believes there is no merit in this investigation and is fully defending its position with reference to, amongst others, case law supporting its current distribution model, including January 2024 rulings of the Court of Appeal of Milan in cases brought by OTAs Lastminute and Viaggiare, which found that Ryanair’s direct distribution model benefited consumers and did not entail an abuse of a dominant position. However, it cannot be guaranteed that the AGCM will reach the same conclusions as the Milan Court of Appeal and the Company may therefore face a finding of an abuse of a dominant position and potentially a fine, which it would appeal in court. As the Company has grown to become the largest airline in Europe by passenger traffic and number of daily flights, these recent investigations may turn out to be the beginning of a trend of competition authorities or other parties (such as suppliers) seeking to build cases based on allegations of breaches of EU and national laws prohibiting cartels and abuses of dominance. Competition authorities have extensive powers to impose structural or behavioural measures as well as fines of up to 10% of global annual turnover. The Company intends to fully defend any such claims, however, no assurance can be given as to the outcome of any such proceedings.

Corporation tax rates are expected to rise. The Company is principally subject to corporation tax on profits across a number of European jurisdictions from which its airlines are managed and controlled (i.e. Ireland, Malta, Poland, and the UK). In December 2022, the Council of the European Union (‘EU’) reached unanimous agreement to adopt the EU Commission’s directive relating to the OECD’s inclusive framework on BEPS Global Anti-Base Erosion Model Rules (referred to as “GloBE” or “Pillar Two”). The directive requires EU member states to enact a minimum global corporate tax rate of 15% for multinational groups. On foot of this directive, Ireland has enacted tax laws that will, as a backstop, apply a ‘top-up tax’ to the Company to ensure that the Group as a whole, meets to the minimum global corporation tax rate standard outlined in the Pillar Two rules. These laws are subject to the continuing development of administrative guidelines by the OECD and contain various transitional reliefs. These rules are expected to increase the overall effective tax rate of the Company from fiscal year 2025 onwards.

Any increase in corporation tax rates to which the Company is exposed or adverse changes in the basis of calculation would result in the Company paying higher corporation taxes and could have an adverse impact on Ryanair’s cash flows, financial position, and results of operations.

Changes in EU regulations in relation to employers and employee social insurance could increase costs. European legislation governs the country in which employees and employers must pay social insurance costs. Under the terms of legislation introduced in 2012, employees and employers must pay social insurance in the country where the employee is based. Prior to June 2012, Ryanair paid employee and employer social insurance in the country under whose laws the employee’s contract of employment was governed, which was either the UK or Ireland. Each country within the EU has different rules and rates in relation to the calculation of employee and employer social insurance contributions and any increase in the rates of contributions will have a material adverse effect on Ryanair’s cash flows, financial position, and results of operations.

Ryanair is subject to tax audits. The Company operates in many jurisdictions and is, from time to time, subject to tax audits, which by their nature are often complex and can require several years to conclude. While the Company is of the view that it is tax compliant in all jurisdictions in which it operates, there can be no guarantee, particularly in the current economic environment, that it will not receive tax assessments following the conclusion of the tax audits. In the event that the Company is unsuccessful in defending its position, it is possible that the effective tax rate, employment and other costs of the Company could materially increase. See "—Corporation tax rates expected to rise" above.

The Company faced legal challenges by regulatory authorities and consumers due to delays in the processing of cash refunds during the Covid-19 pandemic and its policy of offering travel vouchers in lieu of cash refunds in the interim. In the initial stages of the Covid-19 pandemic, and in light of staff shortages due to lockdown restrictions and an unprecedented high rate of flight cancellations, Ryanair offered travel vouchers to passengers who claimed reimbursement. This policy was in line with the requirements of the 'European Commission's Recommendation (EU) 2020/648 of May 13, 2020 on vouchers offered to passengers and travelers as an alternative to reimbursement for cancelled package travel and transport services in the context of the Covid-19 pandemic', in which the Commission recognized airlines' right to offer travel vouchers as long as the offer does not affect passengers' right to opt for a cash refund instead.

National authorities responsible for the enforcement of EU Regulation (EC) No. 261/2004 (the "Regulation") and the European Commission's Consumer Protection Cooperation Network generally recognized Ryanair's efforts and accepted that the seven days' deadline provided for by the Regulation to process refunds was to be interpreted in a reasonable manner in light of the circumstances of the Covid-19 crisis. While some consumer protection enforcement authorities or courts may ultimately find Ryanair's decision to encourage passengers to accept travel vouchers in lieu of a cash refund to amount to a breach of the Regulation and/or an unfair commercial practice, the Company does not consider that such findings would have a material adverse effect on the results of operations or financial condition of Ryanair.

Brexit's effect on Ryanair's business. The UK's exit from the European Union on January 31, 2020 has had a significant impact on the UK and the EU. The UK and the EU announced on December 24, 2020 that they had signed a Trade and Cooperation Agreement (the "EU–UK TCA"). The EU–UK TCA covers a wide range of topics, including trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, and thematic cooperation and participation in EU programs.

The current and future arrangements between the EU and the UK, including the EU–UK TCA, could directly impact Ryanair's business in a number of ways. They include, inter alia, the status of the UK in relation to the EU's open air transport market, freedom of movement between the UK and the EU, and employment, social security, tax and customs rules between the UK and the EU. Adverse changes to any of these arrangements could potentially materially impact on Ryanair's financial condition and results of operations in the UK or other markets Ryanair serves.

As a result of the EU–UK TCA, flights between the UK and the EU can be offered by any of the Company's airline subsidiaries. UK domestic flights and flights between the UK and non-EU destinations can, however, only be offered by the Company's UK subsidiary, Ryanair UK Limited ("Ryanair UK"), which received an Air Operator Certificate and Operating License ("UK AOC") from the UK Civil Aviation Authority ("UK CAA") in December 2018.

Ryanair is exposed to Brexit-related risks and uncertainties, as approximately 22% of revenue in fiscal year 2024 came from operations in the UK, although this was offset somewhat by approximately 15% of Ryanair's non-fuel costs in fiscal year 2024 which were related to operations in the UK.

Brexit could present Ryanair with a number of other potential regulatory challenges. Brexit could lead to potentially divergent laws and regulations as the UK continues to determine which EU laws (including, but not limited to, in respect of aviation safety and security, consumer rights, data protection, public health and the environment) that it initially replicated on its exit from the EU to ultimately amend or abolish. It also requires special efforts to ensure Ryanair's continuing compliance with EU Regulation No. 1008/2008, which requires that air carriers registered in an EU member state be majority-owned and effectively controlled by EU nationals. The Board of Directors has taken action to ensure continuing compliance with EU Regulation No. 1008/2008 after December 31, 2020, i.e., the date following which UK holders of the Company's shares are no longer treated as EU nationals for the purposes of EU regulation No. 1008/2008. For additional information, please see "–Risks Related to Ownership of the Company's Ordinary Shares or ADRs".

Brexit has caused, and may continue to cause, both significant volatility in global stock markets and currency exchange rate fluctuations, as well as create significant uncertainty among UK businesses and investors, mainly due to the resulting legal and regulatory uncertainty, including potentially divergent treaties, laws and regulations applicable to the provision of air transportation services. In particular, to March 31, 2024, the pound sterling had lost approximately 15% and 11% of its value against the U.S. Dollar and the euro respectively since the Brexit referendum in 2016. Further, the Bank of England and other observers have warned of a significant probability of a Brexit-related recession in the UK, which may be further impacted by the long-term negative economic effects of the Covid-19 pandemic, Russia's invasion of Ukraine, increased interest rates and inflation. The Company earns a significant portion of its revenues in pounds sterling, and any significant decline in the value of the pound sterling and/or recession in the UK would materially impact its financial condition and results of operations. For fiscal year 2025, taking account of timing differences between the receipt of sterling denominated revenues and the payment of sterling denominated costs, Ryanair estimates that every 1 pence sterling movement in the €/£ exchange rate will impact net income by approximately €23m. For additional information, please see "–Currency fluctuations affect the Company's results".

Risks associated with the euro. The Company is headquartered in Ireland and its reporting currency is the euro. Generally, fluctuations in foreign currencies, including devaluations, cannot be predicted by us and can significantly affect the value of our assets located or revenues generated outside of the Eurozone. As a result of the UK's Brexit referendum in 2016, the pound sterling increased in volatility against the euro and could become more volatile over the course of the post-transition period.

Ryanair Group airlines predominantly operate to/from countries within the Eurozone and have significant operational and financial exposures to the Eurozone that could result in a reduction in the operating performance of Ryanair or the devaluation of certain assets. Ryanair has taken certain risk management measures to minimize any disruptions; however, these risk management measures may be insufficient. The Company has cash and aircraft assets and debt liabilities that are denominated in euro on its balance sheet. In addition, the positive/negative mark-to-market value of derivative-based transactions are recorded in euro as either assets or liabilities on the Company's balance sheet. Uncertainty regarding the future of the Eurozone could have a materially adverse effect on the value of these assets and liabilities. In addition to the assets and liabilities on Ryanair's balance sheet, the Company has a number of cross-currency risks as a result of the jurisdictions of the operating business including non-euro revenues, fuel costs, certain maintenance costs and insurance costs. A strengthening in the value of the euro, primarily against UK pound sterling and other non-Eurozone currencies such as Polish zloty or a weakening against the U.S. dollar, could have a material adverse impact on the operating results of the Company.

Recession, inflation, austerity, changes in monetary policy and uncertainty in connection with the euro could also mean that Ryanair is unable to grow.

Risks Related to the Airline Industry

The airline industry is particularly sensitive to changes in economic conditions: a continued recessionary environment would negatively impact Ryanair's results of operations. Ryanair's operations and the airline industry in general are sensitive to changes in economic conditions. Unfavorable economic conditions such as government austerity measures, the longer-term impact of Covid-19 (or any future pandemics), the uncertainty relating to the Eurozone and the UK following Brexit, geopolitical tensions, economic instability as a consequence of the conflicts in Ukraine and Israel/Hamas, high unemployment rates, high interest rates, constrained credit markets and continuing inflationary pressures could lead to reduced spending by both leisure and business passengers. Unfavorable economic conditions also tend to impact Ryanair's ability to raise fares to counteract increased fuel and other operating costs. A continued recessionary and/or inflationary environment, combined with austerity measures by European governments, restricted or less accommodative monetary policies, uncertainties resulting from Brexit and uncertainties, sanctions, trade and travel restrictions and fuel and gas shortages resulting from the conflicts in Ukraine and Israel/Hamas, has negatively impacted and will likely continue to negatively impact Ryanair's operating results. It could also restrict the Company's ability to grow passenger volumes, secure new airports and launch new routes and bases, and could have a material adverse effect on its financial results. See "—Geopolitical uncertainties and an increase of trade restrictions and protectionism could have a material adverse effect on Ryanair's business, results of operation and financial condition" below.

The introduction of government/environmental taxes or prohibitions on travel could damage Ryanair's ability to grow and could have a material adverse impact on operations. Travel taxes are levied on a per passenger basis in a number of Ryanair markets. For example, in the UK, Air Passenger Duty (APD) is charged at £13 per adult international passenger. In Germany there is an air passenger tax of €15.53 and similar taxes exist in Netherlands (€29.05), Morocco (MAD100), Sweden (SEK 76), Hungary (€10 on short-haul traffic) and Italy (municipal taxes of €6.50, Rome at €7.50, Venice Marco Polo at €9) amongst others. These taxes are levied as a flat amount per departing passenger and account for a higher percentage when applied to low fares. In Ryanair's experience the imposition of travel taxes reduces the growth potential of a market as fares do not increase by the amount of the tax. In most markets, transfer passengers are exempt from these taxes and as a result they distort the market by giving an unfair subsidy to inefficient high-cost airlines who operate connecting flight networks. For example, in 2022, Belgium introduced a tax on departing passengers with an exemption for transfer passengers.

The introduction of government taxes on travel has had a negative impact on passenger volumes, particularly given the impact of the Covid-19 pandemic within the industry. The introduction of further government taxes on travel across Europe could have a material adverse effect on Ryanair's financial results.

In 2021, a law was passed in France prohibiting domestic flights where an alternative direct train service operates in under 2.5 hours, with an exception made for connecting flights. The European Commission found this distorted competition between point to point carriers and network operators. Consequently, France amended the law to remove this exemption for connecting flights. The new formulation of the law *de facto* means that only 3 routes to Paris Orly airport are affected. The European Commission approved this law in December 2022.

While management believes that any such restriction of airlines' commercial freedom would be incompatible with EU law, it cannot be guaranteed that some form of government intervention in airline ticket prices will not be introduced at a national or European level. This would severely impact the Company's ability to attract the most price sensitive consumers.

In July 2021, the European Commission announced details of the proposed "Fit for 55" legislation. These proposals include the introduction of a jet fuel tax on intra-EU flights through the Energy Taxation Directive. This tax would potentially be fully phased in over a 10-year period to 2033. The proposal remains under discussion within the

European Council. The introduction of this tax on intra-EU flights could have a material adverse effect on Ryanair's financial results.

Environmental Regulation will increase costs. Many aspects of Ryanair's operations are subject to increasingly stringent national and international laws, regulations and levies protecting the environment, including those relating to carbon emissions, clean water, management of hazardous materials and climate change. Compliance with existing and future environmental laws, regulations and levies can require significant expenditures, and violations can lead to significant fines, penalties and reputational damage.

In particular, the EU Emissions Trading System ("ETS"), is a cap-and-trade system for CO_2 emissions to encourage industries to improve their CO_2 efficiency. Under the current legislation, airlines are granted initial CO_2 allowances based on historical performance and a CO_2 efficiency benchmark. Under the "Fit for 55" legislation, the EU ETS allowances will be phased out over the period from 2024 to 2026. Any shortage of allowances has to be purchased in the open market and/or at government auctions. The cost of such allowances increased significantly during the last 4 years. ETS compliance is the most material environmental compliance cost for the Group (see page F-26 for details). There can be no assurance that Ryanair will be able to obtain sufficient carbon credits or that the cost of the credits will not have a material adverse effect on the Company's business, operating results, and financial condition.

Additionally, the European Commission "ReFuel EU" regulation provides for a Sustainable Aviation Fuel ("SAF") blending mandate to be implemented. It sets SAF targets of 2% by 2025 rising to 6% by 2030 and 20% by 2035. There can be no assurance that sufficient SAF will be available in the market for Ryanair to purchase or that the cost of SAF will not have a material adverse effect on Ryanair's financial results.

The Group continues to monitor developments in the setting of UK policies to deliver net zero aviation by 2050 ("Jet Zero") which could potentially include similar measures to the Fit for 55 legislation i.e. SAF blending mandates and removal of free ETS allowances.

Geopolitical uncertainties and an increase of trade restrictions and protectionism could have a material adverse effect on Ryanair's business, results of operation and financial condition. In response to the war in Ukraine launched by Russia in February 2022, the EU, the UK, the U.S., and other countries have introduced extensive sanctions on Russia (as well as Belarus for its role in Russia's invasion) comprised of targeted, restrictive measures on certain individuals and entities, export controls, as well as general restrictions on economic relations, trade and financial transactions relating to Russia and Belarus. In response, Russia has imposed countermeasures against "unfriendly" states and individuals and entities of such states. Such sanctions and countermeasures have had, and are expected to continue to have, a significant disruptive effect on global markets, including oil and gas markets, accessibility of airports and associated travel routes, as well as supply chains, including aircraft components. Geopolitical events, including the escalation or expansion of hostilities in the conflict in Ukraine, may lead to further trade restrictions and instability across Europe and worldwide.

In addition, the imposition of tariffs on certain imported products by the U.S. and subsidies provided to U.S. companies have triggered retaliatory actions or threats of retaliatory actions from certain foreign governments and may trigger retaliatory actions by other foreign governments, potentially resulting in a "trade war". Certain foreign governments have instituted or are considering imposing trade sanctions on certain U.S. goods. Others are considering the imposition of sanctions that will deny U.S. companies access to critical raw materials.

The above geopolitical and trade uncertainty and tensions have resulted in price increases of goods and services globally that may affect Ryanair which has exposure, either directly or indirectly, to the availability and cost of certain raw materials, including steel and titanium used for aircraft and spare parts it purchases and jet fuel. Sanctions, trade wars between certain countries or blocks of countries, or other governmental action, including retaliatory measures, related to tariffs or international trade agreements, could have a material adverse effect on demand for Ryanair’s services, its costs, customers, suppliers and/or the Irish, EU, UK, U.S. or world economy or certain sectors thereof and, in turn, Ryanair’s business and financial results.

Any significant outbreak of any airborne disease or similar public health threat and related governmental, private sector and individual consumer responsive actions, could significantly damage Ryanair’s business, operating results and financial condition. Public health emergencies, epidemics or pandemics such as in relation to the outbreaks of Covid-19, swine flu, MERS, SARS, foot-and-mouth disease or avian flu have had, and could in the future have, an adverse impact on our business, results of operations, financial condition and liquidity. A severe outbreak of new (vaccine-resistant) variants of these, other airborne contagious diseases or another pandemic, may result in European or national authorities imposing or re-imposing restrictions and recommending precautions to mitigate the health crisis. Such constraints could include, but are not limited to, restrictions on travel, quarantine requirements, enhanced aircraft cleaning and additional procedures to limit transmission among personnel and customers which, on an individual or combined basis, could negatively impact Ryanair’s business.

If any such outbreak or other public health threat becomes severe in Europe, its effect on demand for air travel in the markets in which Ryanair operates could be material, and it could therefore have a significantly adverse effect on the Company’s financial performance. Negative publicity regarding such an outbreak or public health threat in Europe and other regions of the world may also have an adverse impact on demand for air travel in the markets in which Ryanair operates. A serious outbreak or other public health threat could therefore severely disrupt Ryanair’s business, resulting in the cancellation or loss of bookings, adversely affecting Ryanair’s financial condition and results of operations.

EU Regulation on passenger compensation could significantly increase related costs. EU Regulation (EC) No. 261/2004 requires airlines to compensate passengers (holding a valid ticket) who have been denied boarding or whose flight has been canceled or delayed more than three hours on arrival. The regulation calls for compensation of €250, €400, or €600 per passenger, depending on the length of the flight and the cause of the cancellation or delay, i.e., whether it is caused by “extraordinary circumstances”. As Ryanair’s average flight length is less than 1,500 KM – the upper limit for short-haul flights – the amount payable is generally €250 per passenger. Passengers subject to flight delays over two hours are also entitled to “assistance”, including meals, drinks, and telephone calls, as well as hotel accommodation if the delay extends overnight. For delays of over five hours, the airline is also required to offer the option of a refund of the cost of the unused ticket. There can be no assurance that the Company will not incur a significant increase in costs in the future due to the impact of this regulation if Ryanair experiences a large number of delays or canceled flights, which could occur as a result of certain types of events beyond its control. Further, courts in several jurisdictions have been narrowing the definition of the term “extraordinary circumstances”, thus allowing increased consumer claims for compensation. In September 2015, the Court of Justice of the EU, in Van der Lans v KLM, held that airlines are required to provide compensation to passengers even in the event of a flight cancellation on account of unforeseen technical defects. Further, in April 2018, the Court of Justice of the EU found in Krusemann v TUIfly that “wildcat” strikes which stem from restructuring measures taken by an air carrier do not constitute extraordinary circumstances. In March 2021, in the Airhelp v SAS proceedings, the Court of Justice of the EU effectively imposed strict liability on airlines to pay compensation where flights are canceled or delayed for three hours or more on arrival due to strikes by airline staff. In addition, in December 2021, in joined cases (including Azurair, Corendon Airlines, Eurowings, Austrian Airlines and Laudamotion), the Court of Justice of the EU found that compensation is also payable for schedule changes made without sufficient notice which result in an earlier departure of one hour or more or a later departure of three hours or more unless due to ‘extraordinary circumstances’. See “—Extreme Weather Events Could Affect the Company and Have a Material Adverse Effect on the Company’s Results of Operations” below.

Under the terms of EU Regulation No. 261/2004, described above, in addition to the payment of compensation, Ryanair has certain duties to passengers whose flights are canceled. In particular, Ryanair is required to reimburse passengers who have had their flights canceled for certain reasonable, documented expenses – primarily for accommodation and food. Passengers must also be given a re-routing option if their flight is delayed over three hours or if it is canceled. Such re-routing options are not limited to Ryanair flights and other carriers must be considered if no suitable Ryanair flight can be sourced. If a passenger elects for a refund, Ryanair's re-routing obligations cease.

Similar passenger rights are provided in the UK under the Air Passenger Rights and Air Travel Organizers' Licensing (Amendment) (EU Exit) Regulations 2019 ("UK261") and in Israel under the Aviation Services Law ("ASL").

The Company is substantially dependent on discretionary air travel. Because a substantial portion of airline travel (both business and personal) is discretionary and because Ryanair is substantially dependent on discretionary air travel, any prolonged general reduction in airline passenger traffic could have a material adverse effect on the Company's profitability or financial condition. Similarly, any significant increase in expenses related to security, insurance or related costs could have a material adverse effect on the Company's profitability or financial condition. As a consequence, any future aircraft safety incidents (particularly involving other low-fare airlines or aircraft models flown by Ryanair), changes in public opinion regarding the environmental impacts of air travel, terrorist attacks in Europe, the U.S. or elsewhere, significant military actions by the United States or EU nations, or any related economic downturn may have a material adverse effect on demand for air travel and thus on Ryanair's business, operating results, and financial condition. See "—The Company is dependent on the continued acceptance of low-fares airlines."

Extreme weather events could affect the Company and have a material adverse effect on the Company's results of operations. In 2010 and 2011, a significant portion of the airspace over northern Europe was closed by authorities as a result of safety concerns presented by emissions of ash from an Icelandic volcano, which resulted in the cancellation of a significant number of flights.

Extreme weather events may happen again and could lead to further significant flight cancellation costs which could have a material adverse impact on the Company's financial condition and results of operations. Furthermore, the occurrence of such events and the resulting cancellations due to the closure of airports could also have a material adverse effect on the Company's financial performance indirectly, as a consequence of changes in the public's willingness to travel within Europe due to the risk of flight disruptions.

The Company is dependent on the continued acceptance of low-fares airlines. In past years, accidents or other safety-related incidents involving certain other low-fares airlines have had a negative impact on the public's acceptance of such airlines. Any adverse event potentially relating to the safety or reliability of low-fares airlines (including accidents or negative reports from regulatory authorities) could adversely impact the public's perception of, and confidence in, low-fares airlines like Ryanair (regardless of Ryanair's own safety record) and could have a material adverse effect on Ryanair's financial condition and results of operations. In particular, an accident or other safety-related incident involving an aircraft operated by another airline of the same model or manufacturer as operated by Ryanair could have a material adverse effect on Ryanair if such accident or other safety-related incident resulted in actions or investigations by global aviation authorities or created a public perception that Ryanair's operations are not safe or reliable or are less safe or reliable than other airlines. Such regulatory actions and/or public perceptions could, in turn, result in adverse publicity for Ryanair, cause harm to Ryanair's brand and reduce travel demand on Ryanair's flights, resulting in a material adverse effect on the Company's financial condition and results of operations. For additional information, see "—Risks Related to the Company—A majority of Ryanair's aircraft and certain parts are sourced from a single supplier; therefore, Ryanair would be materially and adversely affected if such supplier were unable to provide additional equipment or support."

In addition to safety concerns, a significant increase in consumer concern regarding climate change could also lead to a reluctance to fly and could therefore have an adverse effect on Ryanair's financial condition and results of operations.

The Company faces the risk of loss and liability. Ryanair is exposed to potential catastrophic losses that may be incurred in the event of an aircraft accident or terrorist incident. Any such accident or incident could involve costs related to the repair or replacement of a damaged aircraft and its consequent temporary or permanent loss from service. In addition, an accident or incident could result in significant legal claims against the Company from injured passengers and others who experienced injury or property damage as a result of the accident or incident, including ground victims. Ryanair currently maintains passenger liability insurance, employer liability insurance, aircraft insurance for aircraft loss or damage, and other business insurance in amounts per occurrence that are consistent with industry standards.

Ryanair currently believes its insurance coverage is adequate (although not comprehensive). However, there can be no assurance that the amount of insurance coverage will not need to be increased, that insurance premiums will not increase significantly, or that Ryanair will not be forced to bear substantial losses from any accidents not covered by its insurance. Airline insurance costs increased dramatically following the September 2001 terrorist attacks on the United States. See "—The Company is substantially dependent on discretionary air travel" above. Substantial claims resulting from an accident in excess of related insurance coverage could have a material adverse effect on the Company's results of operations and financial condition. Moreover, any aircraft accident, even if fully insured, could lead to the public perception that Ryanair's aircraft were less safe or reliable than those operated by other airlines, which could have a material adverse effect on Ryanair's business.

EU Regulation No. 2027/97, as amended by Regulation No. 889/2002, governs air carrier liability. See "Item 4. Information on the Company—Insurance" for details of this regulation. This regulation increased the potential liability exposure of air carriers such as Ryanair. Although Ryanair has extended its liability insurance to meet the requirements of the regulation, no assurance can be given that other laws, regulations, or policies will not be applied, modified or amended in a manner that has a material adverse effect on Ryanair's business, operating results, and financial condition.

Airline industry margins are subject to significant uncertainty. The airline industry is capital intensive and is characterized by high fixed costs and by revenues that generally exhibit substantially greater elasticity than costs. Although fuel accounted for approximately 45% of total operating expenses in fiscal year 2024 and approximately 43% in fiscal year 2023, management anticipates that these percentages may vary significantly in future years. See "—Changes in fuel costs and availability affect the Company's results" above. The operating costs of each flight do not vary significantly with the number of passengers flown, and therefore, a relatively small change in the number of passengers, fare pricing, or traffic mix could have a disproportionate effect on operating and financial results. Accordingly, a relatively minor shortfall from expected revenue levels could have a material adverse effect on the Company's growth or financial performance. See "Item 5. Operating and Financial Review and Prospects." The very low marginal costs incurred for providing services to passengers occupying otherwise unsold seats are also a factor in the industry's high susceptibility to price discounting. See "—The Company faces significant price and other pressures in a highly competitive environment" above.

Safety-related undertakings could affect the Company's results. Aviation authorities in Europe and the United States periodically require or recommend that airlines implement certain safety-related modifications and/or procedures on their aircraft. In recent years, the FAA, EASA and UK CAA have required a number of such modifications and/or procedures with regard to Boeing 737 aircraft, including aircraft structural inspections requiring specialized equipment and high frequency repeat inspections, an enhanced angle of attack system to be installed on the Boeing 737-8200 aircraft and modifications related to the structure surrounding CFM-56 engines. Ryanair's policy is to implement any required/recommended safety modifications and procedures in accordance with FAA, EASA and UK CAA guidance in close collaboration with Boeing and Airbus and as applicable to our fleet.

In 2019, the FAA and EASA implemented a regular inspection requirement of the aircraft pickle fork for all aircraft above certain mandated cycles and this inspection requirement continues. To date, all such procedures have been conducted as part of Ryanair's standard maintenance program and have not interrupted flight schedules nor required any material increases in Ryanair’s maintenance expenses. However, there can be no assurance that the FAA and EASA or other regulatory authorities will not recommend or require other safety-related undertakings or that such undertakings would not adversely impact Ryanair’s operating results or financial condition.

There also can be no assurance that new regulations will not be implemented in the future that would apply to Ryanair’s aircraft and result in an increase in Ryanair’s cost of maintenance, delays in the delivery of aircraft or other costs beyond management’s current estimates. In addition, should Ryanair’s aircraft cease to be sufficiently reliable or should any public perception develop that Ryanair’s aircraft are less than completely reliable, Ryanair’s business could be materially adversely affected.

State Aid to the Company’s competitors could adversely affect its results. In response to the Covid-19 pandemic, several European governments chose to support their flag carrier airlines with State Aid through recapitalizations, loans, loan guarantees and other measures. As at March 31, 2024, the European Commission has authorized approximately €40bn in such aid to approximately 20 airlines. Ryanair believes that aid that includes a nationality condition is discriminatory and therefore unlawful under EU law and has challenged several of the European Commission’s aid approvals in the General Court. In the early stages of the pandemic, the General Court overturned the European Commission’s approvals in three cases (KLM, Condor and TAP); however, the European Commission promptly re-approved the same or similar quantum of aid to each of these airlines. Subsequently, the General Court upheld the European Commission’s approvals in several other cases, some of which Ryanair appealed to the European Court of Justice. First judgments from the European Court of Justice were received in September 2023, where the court upheld the European Commission’s approvals. In May 2023, the General Court allowed Ryanair’s appeals of State aid through recapitalization to Lufthansa (from Germany) and SAS (from Sweden and Denmark), and an Italian State aid scheme limited to Italian licensed airlines. In December 2023 the General Court allowed Ryanair’s appeals of State aid through recapitalization to Air France (from France), and in February 2024 Ryanair’s appeal of State aid to KLM (from the Netherlands). The European Commission is required to take new decisions in each of these cases and may re-approve the aid. The European Commission, relevant EU Member State, or relevant airline may also appeal the General Court judgments to the European Court of Justice (the Lufthansa General Court judgment of May 2023 and the Air France judgments of December 2023 are under such appeals which are likely to conclude in 2024-2025). Ryanair’s competitors may use the aid to offer below cost prices in the market, which could negatively impact the Company’s business and operations.

Risks Related to Ownership of the Company’s Ordinary Shares or ADRs

EU rules impose restrictions on the ownership of Ryanair Holdings’ Ordinary Shares by Non-EU nationals, and the Company has applied a ban on the purchase of Ordinary Shares by Non-EU nationals (which since January 1, 2021 includes UK nationals) since 2002. EU Regulation No. 1008/2008 requires that, in order to obtain and retain an operating license, an EU air carrier must be majority-owned and effectively controlled by EU nationals. The Board of Directors of Ryanair Holdings is given certain powers under Ryanair Holdings’ articles of association (the “Articles”) to take action to ensure that the number of Ordinary Shares held in Ryanair Holdings by non-EU nationals (“Affected Shares”) does not reach a level that could jeopardize the Company’s entitlement to continue to hold or enjoy the benefit of any license, permit, consent, or privilege which it holds or enjoys and which enables it to carry on business as an air carrier. The Directors, from time to time, set a “Permitted Maximum” on the number of the Company’s Ordinary Shares that may be owned by non-EU nationals at such level as they believe will comply with EU law. The Permitted Maximum is currently set at 49.9%. In addition, under certain circumstances, the Directors can take action to safeguard the Company’s ability to operate by identifying those Ordinary Shares, American Depositary Shares (“ADSs”) or Affected Shares which give rise to the need to take action and treat such Ordinary Shares, the American Depositary Receipts (“ADRs”) evidencing such ADSs or Affected Shares as “Restricted Shares” (within the meaning of the Articles).

The Board of Directors may, under certain circumstances, deprive holders of Restricted Shares of their rights to attend, vote at, or speak at general meetings, and/or require such holders to dispose of their Restricted Shares to an EU national within 21 days (or such longer period as the Directors may consider reasonable). The Directors are also given the power to transfer such Restricted Shares themselves if a holder fails to comply. In 2002, the Company implemented measures to restrict the ability of non-EU nationals to purchase Ordinary Shares, and non-EU nationals are currently effectively barred from purchasing Ordinary Shares and will remain so for as long as these restrictions remain in place. There can be no assurance that these restrictions will ever be lifted. Additionally, these foreign ownership restrictions could result in Ryanair's exclusion from certain stock tracking indices. Any such exclusion may adversely affect the market price of the Ordinary Shares and ADRs. Since April 2012, the Company has had the necessary authorities in place to repurchase ADRs as part of its general authority to repurchase issued share capital in the Company. See "Item 10. Additional Information—Limitations on Share Ownership by Non-EU Nationals" for a detailed discussion of restrictions on share ownership and the current ban on Ordinary Share purchases by non-EU nationals.

As a result of Brexit, with effect from January 1, 2021 UK nationals ceased to qualify as EU nationals. Consequently, as of that date, the 2002 ban on the purchase of Ordinary Shares by non-EU nationals has applied to UK nationals also. In addition, in accordance with the resolutions passed by the Board of the Company on March 8, 2019, all Ordinary Shares and ADSs held by or on behalf of non-EU nationals (including UK nationals) are, as of January 1, 2021, treated as "Restricted Shares". Restricted Share Notices were issued to the registered holder(s) of each Restricted Share specifying that the holder(s) of such shares shall not be entitled to attend, speak at or vote at any general meeting of the Company for so long as those shares are treated as Restricted Shares pursuant to Article 41(J)(i) of the Articles. UK nationals are not required to dispose of Ordinary Shares which they purchased prior to January 1, 2021. These resolutions will remain in place until the Board determines that the ownership and control of the Company is no longer such that there is any risk to the airline licenses held by the Company's subsidiaries pursuant to EU Regulation No. 1008/2008.

Holders of Ordinary Shares are currently unable to convert those shares into ADRs. In an effort to increase the percentage of its share capital held by EU nationals, on June 26, 2001, Ryanair Holdings instructed The Bank of New York Mellon, the depositary for its ADR program (the "Depositary"), to suspend the issuance of new ADRs in exchange for the deposit of Ordinary Shares until further notice. Holders of Ordinary Shares cannot convert their Ordinary Shares into ADRs during this suspension, and there can be no assurance that the suspension will ever be lifted. See also "—EU rules impose restrictions on the ownership of Ryanair Holdings' Ordinary Shares by Non-EU nationals, and the Company has applied a ban on the purchase of Ordinary Shares by Non-EU Nationals (which since January 1, 2021 includes UK nationals) since 2002".

The Company's results of operations may fluctuate significantly. The Company's results of operations have varied significantly from quarter to quarter, and management expects these variations to continue. See "Item 5. Operating and Financial Review and Prospects—Seasonal Fluctuations." Among the factors causing these variations are the airline industry's sensitivity to general economic conditions, the seasonal nature of air travel, and trends in airlines' costs, especially fuel costs. Because a substantial portion of airline travel (both business and personal) is discretionary, the industry tends to experience adverse financial results during general economic downturns. The Company is substantially dependent on discretionary air travel.

The trading price of Ryanair Holdings' Ordinary Shares and ADRs may be subject to wide fluctuations in response to quarterly variations in the Company's operating results and the operating results of other airlines. In addition, the global stock markets from time to time experience extreme price and volume fluctuations that affect the market prices of many airline company stocks. These broad market fluctuations may materially adversely affect the market price of the Ordinary Shares and ADRs.

Ryanair Holdings may or may not pay special dividends. Since its incorporation in 1996, Ryanair Holdings has occasionally declared special dividends on both its Ordinary Shares and ADRs. Ryanair Holdings' ability to pay special dividends in the future will be dependent on the financial performance of the Company and there is no guarantee that any further special dividends will be paid. See "Item 8. Financial Information—Other Financial Information—Dividend Policy". As a holding company, Ryanair Holdings does not have any material assets other than its shares in the Company's operating airlines and in other entities within the Ryanair Holdings group.

Increased costs for possible future ADR and share repurchases. As the ADRs have historically traded on the NASDAQ Stock Market ("NASDAQ") at a premium compared to Ordinary Shares, the inclusion of ADRs in buyback programs may result in increased costs in performing share buybacks. Since fiscal year 2008 the Company has repurchased shares as follows:

Year ended March 31,	**No. of shares (m)**	**Approx. cost (€m)**
2008-2021	407.7	4,525.9
2022	—	—
2023	—	—
2024	—	—
Period through June 24, 2024	11.3	226.4
Total	419.0	4,752.3

On May 20, 2024, the Company announced a €700m ordinary share buyback program (including Ordinary Shares underlying ADRs).

There is no guarantee that the Company's current Central Securities Depository ("CSD") will provide equivalent functionality to the Company's previous CSD, which may adversely impact the Company and/or holders of ADRs and/or interests in Ordinary Shares. Ireland does not have a domestic CSD, and Irish issuers, including Ryanair Holdings, whose shares are traded on Euronext Dublin have historically relied on CREST. CREST is a system which facilitated the recording of ownership and effecting transfers of shares in Irish incorporated companies, operated by Euroclear UK & Ireland ("EUI") and authorized as a CSD in the United Kingdom.

EU issuers are required by EU Regulation 909/2014 ("EU CSD Regulation") to use a CSD authorized in an EU Member State. One of the consequences of Brexit is therefore that the CREST system is no longer authorized to act as a CSD for Irish securities. This is because EUI became a third country CSD following Brexit and is no longer authorized to passport its services into Ireland pursuant to European law.

The Company held an Extraordinary General Meeting at which it was resolved that the Ordinary Shares of Ryanair Holdings would be migrated from the CREST System to the settlement system operated by Euroclear Bank SA/NV ("Euroclear Bank"), the CSD in Belgium, over the course of the weekend commencing March 12, 2021 (the "Migration"). The Migration, involving all Irish companies listed on Euronext Dublin, was successfully completed on March 15, 2021.

The Euroclear Bank model is structurally different to CREST. Euroclear Bank operates an "intermediated" settlement system, where legal title to shares in the issuer is held by a nominee of Euroclear Bank. Participants in Euroclear Bank (e.g., credit institutions, stockbrokers, investment managers) have rights in relation to these shares under Belgian law (Belgium being Euroclear Bank's place of incorporation), and underlying investors hold their interests in the shares through their contractual relationship with a participant, or the direct or indirect counterparty of a participant.

Prior to March 2021, the Company's securities had not been deposited on an "intermediated" settlement basis and it cannot be guaranteed that the Euroclear Bank CSD will be able to continue to support the Company in respect of its continued compliance with EU ownership and control requirements pursuant to EU Regulation 1008/2008.