RYANAIR HOLDINGS PLC
Form 20-F
July 26, 2016
Table of Contents

As filed with the United States Securities and Exchange Commission on July 26, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g)
OF THE SECURITIES EXCHANGE ACT OF 1934
OR
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended: March 31, 2016
OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
OR
SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
Date of event requiring this shell company report:___________
For the transition period from _________ to _________

Commission file number: 000-29304

Ryanair Holdings plc

(Exact name of registrant as specified in its charter)

Ryanair Holdings plc

(Translation of registrant's name into English)

Republic of Ireland

(Jurisdiction of incorporation or organization)

c/o Ryanair Limited
Dublin Office
Airside Business Park, Swords
County Dublin, K67 NY94, Ireland

(Address of principal executive offices)

Please see "Item 4. Information on the Company" herein.

(Name, telephone, e-mail and/or facsimile number and address of company contact person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Name of each exchange on which registered
American Depositary Shares, each representing five Ordinary Shares	The NASDAQ Stock Market LLC
Ordinary Shares, par value 0.6 euro cent per share	The NASDAQ Stock Market LLC (not for trading but only in connection with the registration of the American Depositary Shares)

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Table of Contents

1,290,739,865 Ordinary Shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement Item the registrant has elected to follow

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

Presentation of Financial and Certain Other Information

As used herein, the term “Ryanair Holdings” refers to Ryanair Holdings plc. The term the “Company” refers to Ryanair Holdings or Ryanair Holdings together with its consolidated subsidiaries, as the context requires. The term “Ryanair” refers to Ryanair Limited, a wholly owned subsidiary of Ryanair Holdings, together with its consolidated subsidiaries, unless the context requires otherwise. The term “fiscal year” refers to the 12-month period ended on March 31 of the quoted year. The term “Ordinary Shares” refers to the outstanding par value 0.600 euro cent per share common stock of the Company. All references to “Ireland” herein are references to the Republic of Ireland. All references to the “U.K.” herein are references to the United Kingdom and all references to the “United States” or “U.S.” herein are references to the United States of America. References to “U.S. dollars,” “dollars,” “$” or “U.S. cents” are to the currency of the United States, references to “U.K. pound sterling,” “U.K. £” and “£” are to the currency of the U.K. and references to “€,” “euro,” “euros” an cent” are to the euro, the common currency of nineteen member states of the European Union (the “EU”), including Ireland. Various amounts and percentages set out in this annual report on Form 20-F have been rounded and accordingly may not total.

The Company owns or otherwise has rights to the trademark Ryanair® in certain jurisdictions. See “Item 4. Information on the Company—Trademarks.” This report also makes reference to trade names and trademarks of companies other than the Company.

The Company publishes its annual and interim consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”). Additionally, in accordance with its legal obligation to comply with the International Accounting Standards Regulation (EC 1606 (2002)), which applies throughout the EU, the consolidated financial statements of the Company must comply with International Financial Reporting Standards as adopted by the EU. Accordingly, the Company’s consolidated financial statements and the selected financial data included herein comply with International Financial Reporting Standards as issued by the IASB and also International Financial Reporting Standards as adopted by the EU, in each case as in effect for the year ended and as of March 31, 2016 (collectively referred to as “IFRS” throughout).

The Company publishes its consolidated financial statements in euro. Solely for the convenience of the reader, this report contains translations of certain euro amounts into U.S. dollars at specified rates. These translations should not be construed as representations that the converted amounts actually represent such U.S. dollar amounts or could be converted into U.S. dollars at the rates indicated or at any other rate. Unless otherwise indicated, such U.S. dollar amounts have been translated from euro at a rate of €1.00 = $1.1390, or $1.00 = €0.8780, the official rate published by the U.S. Federal Reserve Board in its weekly “H.10” release (the “Federal Reserve Rate”) on March 31, 2016. The Federal Reserve Rate for euro on July 21, 2016 was €1.00 = $1.1016 or $1.00 = €0.9078. See “Item 3. Key Information—Exchange Rates” for information regarding historical rates of exchange relevant to the Company, and “Item 5. Operating and Financial Review and Prospects” and “Item 11. Quantitative and Qualitative Disclosures About Market Risk” for a discussion of the effects of changes in exchange rates on the Company.

Table of Contents

Cautionary Statement Regarding Forward-Looking Information

Except for the historical statements and discussions contained herein, statements contained in this report constitute "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements may include words such as "expect," "estimate," "project," "anticipate," "should," "intend," and similar expressions or variations on such expressions. Any filing made by the Company with the U.S. Securities and Exchange Commission (the "SEC") may include forward-looking statements. In addition, other written or oral statements which constitute forward-looking statements have been made and may in the future be made by or on behalf of the Company, including statements concerning its future operating and financial performance, the Company's share of new and existing markets, general industry and economic trends and the Company's performance relative thereto and the Company's expectations as to requirements for capital expenditures and regulatory matters. The Company's business is to provide a low-fares airline service in Europe, and its outlook is predominately based on its interpretation of what it considers to be the key economic factors affecting that business and the European economy. Forward-looking statements with regard to the Company's business rely on a number of assumptions concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the Company's control, that could cause actual results to differ materially from such statements. It is not reasonably possible to itemize all of the many factors and specific events that could affect the outlook and results of an airline operating in the European economy. Among the factors that are subject to change and could significantly impact Ryanair's expected results are the airline pricing environment, fuel costs, competition from new and existing carriers, market prices for replacement aircraft and aircraft maintenance services, aircraft availability, "Brexit" (as defined below), costs associated with environmental, safety and security measures, significant outbreaks of airborne disease, terrorist attacks, actions of the Irish, U.K., EU and other governments and their respective regulatory agencies, fluctuations in currency exchange rates and interest rates, changes to the structure of the European Community and the euro, airport handling and access charges, litigation, labor relations, the economic environment of the airline industry, the general economic environment in Ireland, the U.K. and elsewhere in Europe, the general willingness of passengers to travel, and flight interruptions caused by volcanic ash emissions or other atmospheric disruptions. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Contents

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

THE COMPANY

Ryanair operates an ultra-low fare, scheduled airline serving short-haul, point-to-point routes largely in Europe from 84 bases to airports across Europe, which together are referred to as "Ryanair's bases." For a list of these bases, see "Item 4. Information on the Company—Route System, Scheduling and Fares." Ryanair pioneered the low-fares air travel model in Europe in the early 1990s. As of June 30, 2016, the Company offered over 2,000 short-haul flights per day serving over 200 airports largely across Europe, with a fleet of more than 350 Boeing 737-800 aircraft. A detailed description of the Company's business can be found in "Item 4. Information on the Company."

Table of Contents

SELECTED FINANCIAL DATA

The following tables set forth certain of the Company's selected consolidated financial information as of and for the periods indicated. Financial information presented in euro in the table below has been derived from the consolidated financial statements that are prepared in accordance with IFRS. The financial information for fiscal 2016 has been translated from euro to US$ using the Federal Reserve Rate on March 31, 2016. This information should be read in conjunction with: (i) the audited consolidated financial statements of the Company and related notes thereto included in Item 18 and (ii) "Item 5. Operating and Financial Review and Prospects."

Income Statement Data:

	Fiscal year ended March 31,					
	2016(a)	2016	2015	2014	2013	2012
	(in millions, except per-Ordinary Share data)					
Total operating revenues	$ 7,444.3	€6,535.8	€5,654.0	€ 5,036.7	€4,884.0	€ 4,390.2
Total operating expenses	$ (5,781.2)	€(5,075.7)	€(4,611.1)	€ (4,378.1)	€(4,165.8)	€ (3,707.0)
Operating income	$ 1,663.1	€1,460.1	€1,042.9	€ 658.6	€718.2	€ 683.2
Net interest (expense)	$ (60.6)	€(53.2)	€(56.3)	€ (66.7)	€(71.9)	€ (64.9)
Other non-operating (expense) income	$ 358.8	€315.0	€(4.2)	€ (0.5)	€4.6	€ 14.7
Profit before taxation	$ 1,961.3	€1,721.9	€982.4	€ 591.4	€650.9	€ 633.0
Tax expense on profit on ordinary activities	$ (185.4)	€(162.8)	€(115.7)	€ (68.6)	€(81.6)	€ (72.6)
Profit after taxation	$ 1,775.9	€1,559.1	€866.7	€ 522.8	€569.3	€ 560.4
Ryanair Holdings basic earnings per Ordinary Share (U.S. cents)/(euro cent)	$ 132.42	€116.26	€62.59	€ 36.96	€39.45	€ 38.03
Ryanair Holdings diluted earnings per Ordinary Share (U.S. cents)/(euro cent)	$ 131.70	€115.63	€62.46	€ 36.86	€39.33	€ 37.94
Ryanair Holdings dividend paid per Ordinary Share (U.S. cents)/(euro cent)	$ 33.49	€29.40	€37.50	n/a	€34.00	n/a

Balance Sheet Data:

As of March 31,

	2016(a)	2016	2015	2014	2013	2012
	(in millions)					
Cash and cash equivalents	$ 1,434.2	€1,259.2	€1,184.6	€ 1,730.1	€ 1,240.9	€ 2,708.3
Total assets	$ 12,777.6	€11,218.3	€12,185.4	€ 8,812.1	€ 8,943.0	€ 9,001.0
Current and long-term debt, including capital lease obligations	$ 4,582.2	€4,023.0	€4,431.6	€ 3,083.6	€ 3,498.3	€ 3,625.2
Shareholders' equity	$ 4,096.8	€3,596.8	€4,035.1	€ 3,285.8	€ 3,272.6	€ 3,306.7
Issued share capital	$ 8.8	€7.7	€8.7	€ 8.8	€ 9.2	€ 9.3
Weighted Average Number of Ordinary Shares	1,341.0	1,341.0	1,384.7	1,414.6	1,443.1	1,473.7

Table of Contents

Cash Flow Statement Data:

	Fiscal year ended March 31, 2016(a)	2016	2015	2014	2013	2012
	(in millions)					
Net cash inflow from operating activities	$ 2,102.9	€1,846.3	€1,689.4	€1,044.6	€1,023.5	€1,020.3
Net cash (outflow)/inflow from investing activities	$ (323.0)	€(283.6)	€(2,888.2)	€300.7	€(1,821.5)	€(185.4)
Net cash (outflow)/inflow from financing activities	$ (1,694.9)	€(1,488.1)	€653.3	€(856.1)	€(669.4)	€(154.9)
Increase/(decrease) in cash and cash equivalents	$ 85.0	€74.6	€(545.5)	€489.2	€(1,467.4)	€680.0

(a) Dollar amounts are initially measured in euro in accordance with IFRS and then translated to U.S.$ solely for convenience at the Federal Reserve Rate on March 31, 2016 of €1.00 = $1.1390 or $1.00 = €0.8780

Table of Contents

EXCHANGE RATES

The following table sets forth, for the periods indicated, certain information concerning the exchange rate between: (i) the U.S. dollar and the euro; (ii) the U.K. pound sterling and the euro; and (iii) the U.K. pound sterling and the U.S. dollar. Such rates are provided solely for the convenience of the reader and are not necessarily the rates used by the Company in the preparation of its consolidated financial statements included in Item 18. No representation is made that any of such currencies could have been, or could be, converted into any other of such currencies at such rates or at any other rate.

U.S. dollars per €1.00(a)

Year ended December 31,	End of Period	Average (b)	Low	High
2011	1.296	1.392	—	—
2012	1.319	1.291	—	—
2013	1.378	1.328	—	—
2014	1.210	1.330	—	—
2015	1.086	1.103	—	—
Month ended				
January 31, 2016	—	—	1.074	1.096
February 29, 2016	—	—	1.087	1.136
March 31, 2016	—	—	1.085	1.139
April 30, 2016	—	—	1.124	1.144
May 31, 2016	—	—	1.114	1.152
June 30, 2016	—	—	1.102	1.140
Period ended July 21, 2016	—	—	1.101	1.115

U.K. pounds sterling per €1.00(c)

Year ended December 31,	End of Period	Average (b)	Low	High
2011	0.836	0.868	—	—
2012	0.811	0.811	—	—
2013	0.830	0.849	—	—
2014	0.776	0.806	—	—

2015	0.737	0.723	—	—
Month ended				
January 31, 2016	—	—	0.732	0.771
February 29, 2016	—	—	0.754	0.791
March 31, 2016	—	—	0.772	0.792
April 30, 2016	—	—	0.774	0.809
May 31, 2016	—	—	0.759	0.792
June 30, 2016	—	—	0.765	0.834
Period ended July 21, 2016	—	—	0.833	0.858

Table of Contents

U.K. pounds sterling per U.S.$1.00(d)

Year ended December 31,	End of Period	Average (b)	Low	High
2011	0.645	0.624	—	—
2012	0.615	0.628	—	—
2013	0.603	0.639	—	—
2014	0.642	0.607	—	—
2015	0.678	0.656	—	—
Month ended				
January 31, 2016	—	—	0.681	0.706
February 29, 2016	—	—	0.686	0.721
March 31, 2016	—	—	0.689	0.717
April 30, 2016	—	—	0.684	0.710
May 31, 2016	—	—	0.681	0.696
June 30, 2016	—	—	0.676	0.757
Period ended July 21, 2016	—	—	0.750	0.774

(a) Based on the Federal Reserve Rate for euro.
(b) The average of the relevant exchange rates on the last business day of each month during the relevant period.
(c) Based on the composite exchange rate as quoted at 5 p.m., New York time, by Bloomberg/Reuters.
(d) Based on the Federal Reserve Rate for U.K. pound sterling.

As of July 21, 2016, the exchange rate between the U.S. dollar and the euro was €1.00 = $1.102, or $1.00 = €0.908; the exchange rate between the U.K. pound sterling and the euro was U.K. £1.00 = €1.200, or €1.00 = U.K. £0.833; and the exchange rate between the U.K. pound sterling and the U.S. dollar was U.K. £1.00 = $1.322, or $1.00 = U.K. £0.757. For a discussion of the impact of exchange rate fluctuations on the Company's results of operations, see "Item 11. Quantitative and Qualitative Disclosures About Market Risk."

Table of Contents

SELECTED OPERATING AND OTHER DATA

The following tables set forth certain operating data of Ryanair for each of the fiscal years shown. Such data are derived from the Company's consolidated financial statements prepared in accordance with IFRS and from certain other data, and are not audited. For definitions of the terms used in this table, see the Glossary in Appendix A.

	Fiscal Year Ended March 31,				
Operating Data:	2016	2015	2014	2013	2012
Operating Margin	22 %	18 %	13 %	15 %	14 %
Break-even Load Factor	72 %	72 %	72 %	70 %	70 %
Avg. Booked Passenger Fare (€)	46.67	47.05	46.40	48.20	45.36
Ancillary Rev. per Booked Passenger (€)	14.74	15.39	15.27	13.43	11.69
Cost Per Booked Passenger (€)	47.69	50.92	53.61	52.56	48.90
Avg. Fuel Cost per U.S. Gallon (€)	2.21	2.34	2.45	2.38	2.07

	Fiscal Year Ended March 31,				
Other Data:	2016	2015	2014	2013	2012
Revenue Passengers Booked	106,431,130	90,555,521	81,668,285	79,256,253	75,814,551
Booked Passenger Load Factor	93 %	88 %	83 %	82 %	82 %
Average Sector Length (miles)	762	776	788	754	771
Sectors Flown	609,501	545,034	524,765	512,765	489,759
Number of Airports Served at Period End	200	189	186	167	159
Average Daily Flight Hour Utilization (hours)	9.36	9.03	8.81	8.24	8.47
Staff at Period End	11,458	9,394	8,992	9,137	8,388
Staff per Aircraft at Period End	34	31	30	30	30
Booked Passengers per Staff at Period End	9,289	9,640	9,082	8,674	9,038

Table of Contents

RISK FACTORS

Risks Related to the Company

Changes in Fuel Costs and Availability Affect the Company's Results. Jet fuel costs are subject to wide 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. While oil prices increased substantially in fiscal years 2012, 2013 and 2014, they declined significantly in the second half of fiscal 2015 and in fiscal 2016 remained at lower levels. 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 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 has historically entered into arrangements providing for substantial protection against fluctuations in fuel prices, generally through forward contracts covering periods of up to 18 months of anticipated jet fuel requirements. As of July 21, 2016, Ryanair had entered into forward jet fuel (jet kerosene) contracts covering approximately 95% of its estimated requirements for the fiscal year ending March 31, 2017 at prices equivalent to approximately $622 per metric ton. In addition, as of July 21, 2016, Ryanair had entered into forward jet fuel (jet kerosene) contracts covering approximately 55% of its estimated requirements for the fiscal year ending March 31, 2018 at prices equivalent to approximately $496 per metric ton. Ryanair is exposed to risks arising from fluctuations in the price of fuel, and movements in the euro/U.S. dollar exchange rate because of the limited nature of its hedging program, especially in light of the recent volatility in the relevant currency and commodity markets. Any further movements in fuel costs could have a material adverse effect on Ryanair's financial performance. In addition, any further strengthening of the U.S. dollar against the euro could have an adverse effect on the cost of buying fuel in euro. As of July 21, 2016, Ryanair had hedged approximately 95% of its forecasted fuel-related dollar purchases against the euro at a rate of approximately $1.18 per euro for the fiscal year ending March 31, 2017 and approximately 77% of its forecasted fuel related dollar purchases against the euro at a rate of approximately $1.12 per euro for the fiscal year ending March 31, 2018.

No assurances whatsoever can be given about trends in fuel prices. Average fuel prices for future years may be significantly higher than current prices. As of July 21, 2016, management estimated that every $10 movement in the price of a metric ton of jet fuel will impact Ryanair's costs by approximately €1.4 million, taking into account Ryanair's hedging program for the 2017 fiscal year. However, there can be no assurance in this regard, and the impact of fuel prices on Ryanair's operating results may be more or less pronounced. 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 and its no-fuel-surcharges policy, 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 from September 2014 onwards has resulted and will likely continue to result in an increase in Ryanair's aggregate fuel consumption.

Additionally, ongoing declines in the price of oil may expose Ryanair to some risk of hedging losses that could lead to negative effects on Ryanair's financial condition and/or results of operations. Also, a rapid decline in the projected price of fuel at a time when we have fuel hedging contracts in place could adversely impact Ryanair's short-term liquidity, because hedge counterparties could require that we post collateral in the form of cash or letters of credit.

Ryanair Has Seasonally Grounded Aircraft. In recent years, in response to high fuel prices, typically lower winter traffic and yields and higher airport charges and/or taxes, Ryanair has adopted a policy of grounding a certain portion of its fleet during the winter months (from November to March). In the winter of fiscal year 2016, Ryanair grounded approximately 40 aircraft (compared to 50 in fiscal 2015) and the Company intends to again ground a similar number of aircraft in fiscal 2017. 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.

Table of Contents

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 ancillary revenues. Decreasing the number and frequency of flights may also negatively affect Ryanair's labor relations, including its ability to attract flight personnel only interested in year round employment. Such risks could lead to negative effects on Ryanair's financial condition and/or results of operations.

Ryanair May Not Achieve All of the Expected Benefits of its Recent Strategic Initiatives. Ryanair is in the process of implementing a series of strategic initiatives under its "Always Getting Better" ("AGB") customer experience program that are expected to have a significant impact on its business. Among other things, these initiatives include scheduling more flights to primary airports, selling flights via corporate travel agents on global distribution systems ("GDS"), a higher marketing spend, and adjusting the airline's yield management strategy with the goal of increasing load factors. In fiscal years 2014, 2015 and 2016, Ryanair announced a series of customer-experience related initiatives under its "AGB" customer experience program, including a new easier-to-navigate website with a fare finder facility, a mobile app, reduced penalty fees, more customer-friendly baggage allowances, 24 hour grace periods to correct minor booking errors, the introduction of allocated seating for all passengers, family, business traveler and group booking facilities, new crew uniforms, new cabin interiors, an improved inflight menu, and the introduction of additional routes. For additional information on these initiatives, see "Item 4. Information on the Company —Strategy". Although customer reaction to the measures has so far been positive and management expects these initiatives to be accretive to the Company's results over time, no assurance can be given that the financial impact of the initiatives will be positive, particularly in the short to medium term. In particular, certain of the strategic initiatives may have the effect of increasing certain of the Company's costs (including airport fees and marketing expenses) while reducing ancillary revenues previously earned from website sales and from various penalty fees and charges. Although the Company expects that revenues from allocated seating will offset the reduction in ancillary revenues, there can be no assurance that this will occur. Factors beyond Ryanair's control, including but not limited to customer acceptance, competitive reactions, market and economic conditions and other challenges described in this report could limit Ryanair's ability to achieve some or all of the expected benefits of these initiatives. A relatively minor shortfall from expected revenue levels (or increase in expected costs) could have a material adverse effect on the Company's growth or financial performance.

Currency Fluctuations Affect the Company's Results. Although the Company is headquartered in Ireland, a significant portion of its operations are conducted in the U.K. Consequently, the Company has significant operating revenues and operating expenses, as well as assets and liabilities, denominated in U.K. pounds sterling. In addition, fuel, aircraft, insurance, and some maintenance obligations are denominated in U.S. dollars. The Company's operations and financial performance can therefore be significantly affected by fluctuations in the values of the U.K. 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, between the euro and the U.K. pound sterling, hedging activities cannot be expected to eliminate currency risks. See "Item 11. Quantitative and Qualitative Disclosures About Market Risk."

The "Brexit" Referendum and the resulting uncertainty about the status of the U.K. could adversely affect our business. In a referendum held on June 23, 2016 in the U.K. (the "Referendum"), a majority voted in favor of the U.K. leaving the EU ("Brexit"). The Referendum was non-binding and the U.K. government has yet to make the declaration required by Article 50 of the Lisbon Treaty necessary in order to begin the process by which the U.K. would leave the EU. If such a notification is made, negotiations would commence to determine the future terms of the U.K.'s relationship with the EU. This would include the renegotiation, either during a transitional period or more permanently, of a number of arrangements between the EU and the U.K. that directly impact our business. These arrangements include, inter alia, freedom of movement between the U.K. and the EU, employment rules governing the relationship between the U.K. and the EU, the status of the U.K. in relation to the EU's open aviation market and the tax status of EU member state entities operating in the U.K. Adverse changes to any of these arrangements, and even uncertainty over potential changes during any period of negotiation, could potentially materially impact on Ryanair's financial condition and results of operations in the U.K. or other markets Ryanair serves.

Ryanair is exposed to Brexit-related risks and uncertainties, as approximately 28% of revenue in fiscal 2016 came from operations in the U.K., although this was offset somewhat by 21% of our non-fuel costs in fiscal 2016 which were related to operations in the U.K.

Table of Contents

Brexit could also present Ryanair with a number of potential regulatory challenges. Brexit could lead to potentially divergent national laws and regulations as the U.K. determines which EU laws to replace or replicate. It could also require special efforts to ensure our continuing compliance with EU Regulation No. 1008/2008, which requires that air carriers registered in EU member states be majority-owned and effectively controlled by EU nationals. If U.K. holders of the Company's shares are no longer designated as EU nationals, the Board of Directors may have to take action to ensure continuing compliance with EU Regulation No. 1008/2008. For additional information, please see "Item 3 – Risks Related to Ownership of the Company's Ordinary Shares or ADRs".

The Referendum has also caused, and Brexit may continue to cause, both significant volatility in global stock markets and currency exchange rate fluctuations, as well as creating significant uncertainty among U.K. businesses and investors. In particular, the pound sterling has lost approximately over 10% of its value against the U.S. Dollar and the euro since the Referendum, and The Bank of England and other observers have warned of a significant probability of a Brexit-related recession in the U.K. We earn a significant portion of our revenues in pounds sterling, and any significant decline in the value of the pound and/or recession in the U.K. would materially impact our financial condition and results of operations. For the remainder of fiscal 2017, 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 EUR/GBP exchange rate will impact income by approximately €8 million. For additional information, please see "Item 3 – Currency Fluctuations Affect the Company's Results".

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. Furthermore, as part of its change in marketing and airport strategy, the Company will expect increased marketing and advertising costs along with higher airport charges due to the increasing number of primary airports to which it operates. 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 "—The Company Faces Significant Price and Other Pressures in a Highly Competitive Environment" below and "—Changes in Fuel Costs and Availability Affect the Company's Results" above.

The Company is Subject to Legal Proceedings Alleging State Aid at Certain Airports. Formal investigations are ongoing by the European Commission into Ryanair's agreements with the Lübeck, Klagenfurt, Paris (Beauvais), La Rochelle, Carcassonne, Cagliari, Girona and Reus and Târgu Mures airports. The investigations seek to determine whether the agreements constitute illegal state aid under EU law. The investigations are expected to be completed in late 2016, with the European Commission's decisions being appealable to the EU General Court. Between 2010 and 2014, investigations into Ryanair's agreements with the Bratislava, Tampere, Marseille, Berlin (Schönefeld), Aarhus, Dusseldorf (Weeze), Brussels (Charleroi), Frankfurt (Hahn), Alghero and Stockholm (Västerås) airports concluded with findings that these agreements contained no state aid. In 2014, the European Commission announced findings of state aid to Ryanair in its arrangements with Pau, Nimes, Angouleme, Altenburg and Zweibrücken airports, ordering Ryanair to repay a total of approximately €10.4 million of alleged state aid. Ryanair has appealed to the EU General Court these five "aid" decisions. These appeal proceedings are expected to take between two and four years. In addition to the European Commission investigations, Ryanair is facing allegations that it has benefited from unlawful state aid in national court cases in relation to its arrangements with Frankfurt (Hahn) and Lübeck airports. 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.

On July 25, 2012, the European Commission decided that Ryanair, along with Aer Lingus Group plc ("Aer Lingus") and Aer Arann, had been in receipt of unlawful state aid from the Irish government as a result of being an identified beneficiary of the two-tier air travel tax in place for flights departing from Irish airports between March 2009 and March 2011. Ryanair was the original complainant to the European Commission, alleging that the air travel tax favored Aer Arann and Aer Lingus. Ryanair appealed the decision of the European Commission to the EU General Court on November 14, 2012. On February 5, 2015, the EU General Court partially annulled the European Commission's 2012 decision and held that the actual quantum of aid depended on the extent of pass-through of the "tax reduction" to passengers. Both Ryanair and the Commission have appealed the EU General Court's decision to the European Court of Justice. In addition, Ryanair has submitted a response to the European Commission's appeal, in support of certain findings of the EU General Court. The European Court of Justice will issue its judgment in late 2016. On the basis of the European Commission's 2012 decision, the Irish State was obliged to recover the alleged unlawful state aid from Ryanair before the Irish courts, and initiated its claim in April 2013. The Irish State was seeking approximately €12 million plus interest from Ryanair in those proceedings. Following the EU General Court's partial annulment of the European Commission's decision, Ryanair applied for the Government's claim to be struck out. In April 2015, both the Irish State's case and Ryanair's application to have it struck out were stayed pending the outcome of the appeal to the European Court of Justice. Ryanair's proceedings, initiated in July 2012, before the Irish courts (for recovery of the entire amount of the air travel tax paid during the period March 2009 – March 2011 on the basis of the two-tier nature of the tax being unlawful under EU law) are pending.

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 an 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 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. In addition, the EU-U.S. Open Skies Agreement, which came into effect in March 2008, 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—Liberalization of the EU Air Transportation Market."

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. The recent decrease in fuel prices may enable weaker, unhedged, airlines to pass through fuel savings via lower fares. While Ryanair is hedged at levels that are expected to deliver unit cost savings over the next two fiscal years, it is hedged at prices that are above the current spot prices. There is no guarantee that lower fuel prices will not lead to greater price competition and encourage new entrants to the market in the short to medium term.

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

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.

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 over 350 aircraft in its principal fleet by June 30, 2016 and has ordered an additional 315 new aircraft (a mix of new Boeing 737-800 next generation aircraft and 737-MAX-200 aircraft, of which 100 are firm orders and 100 are subject to option) for delivery post June 30, 2016 to fiscal 2024 pursuant to contracts with the Boeing Company (the “2013 Boeing Contract” and “2014 Boeing Contract”). Ryanair expects to have approximately 546 operating aircraft in its fleet by March 31, 2024, depending on the level of lease returns/disposals. For additional information on the Company’s aircraft fleet and expansion plans, see “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 2013 Boeing Contract and 2014 Boeing Contract, the Company has raised and expects to continue to raise substantial debt financing to cover all of the expected aircraft deliveries over the period from September 2014 to November 2023, including Ryanair's issuance of €850.0 million in 1.875% unsecured Eurobonds with a 7 year tenor in June 2014 and issuance of €850.0 million in 1.125% unsecured Eurobonds with an 8 year tenor in March 2015 that are both guaranteed by Ryanair Holdings. Furthermore, 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 would have a material adverse effect on its operations and financial condition. Additionally, Ryanair's ability to raise unsecured or secured debt to pay for aircraft is subject to potential volatility in the worldwide financial markets.

Using the debt capital markets to finance the Company and the 2013 and 2014 Boeing Contracts requires the Company to retain its investment grade credit ratings (the Company has a BBB+ (stable) credit rating from S&P and a BBB+ (stable) credit rating from Fitch Ratings). There is a risk that the Company 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 Ryanair.

Ryanair has also entered into significant derivative transactions intended to hedge its current 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."

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, with the goal of increasing Ryanair's booked passenger volumes to approximately 180.0 million passengers per annum by March 31, 2024, an increase of approximately 69% from the approximately 106.4 million passengers booked in the 2016 fiscal year. However, no assurance can be given that this target 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 adversely affect 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. Currently, a substantial number of carriers operate routes that compete with Ryanair, and the Company expects to face further intense competition.

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 other significant cash needs as it expands, including the cash required to fund aircraft purchases or aircraft deposits related to the acquisition of additional Boeing 737-800 and Boeing 737-MAX-200 series 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" above.

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 land at the particular airport at a specified time. As part

Table of Contents

of Ryanair's recent strategic initiatives, which include more flights to primary airports, Ryanair is 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 example, in July 2012, the Spanish government increased airport taxes at the two largest airports, Barcelona and Madrid, by over 100%, while smaller increases were implemented at other Spanish airports. As a result, Ryanair cancelled routes and reduced capacity on remaining routes from Madrid and Barcelona in response to the Spanish government's decision to double airport taxes at the two airports. The Italian government has recently increased the municipal taxes in Italy by €2.50. As a result, Ryanair was forced to close two Italian bases. From June 2016, the Norwegian government introduced a passenger travel tax of NOK80 (approximately €8.50) which resulted in Ryanair announcing the closure of its Oslo Rygge base with effect from late October 2016. 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".

Labor Relations Could Expose the Company to Risk. A variety of factors, including, but not limited to, Ryanair's profitability and its seasonal grounding policy, may make it difficult for Ryanair to avoid increases to salary levels and productivity payments. Consequently, there can be no assurance that Ryanair's existing employee compensation arrangements will not be subject to change or modification at any time. These steps may lead to deterioration in labor relations in Ryanair and could impact Ryanair's business or results. Ryanair also operates in certain jurisdictions with above average payroll taxes and employee-related social insurance costs, which could have an impact on the availability and cost of employees in these jurisdictions. Ryanair's crew in continental Europe (with the exception of the U.K.) generally operate on Irish contracts of employment as they are required to do so under Irish tax law on the basis that those crew work mainly on Irish Territory, (i.e., on-board Irish Registered Aircraft). A number of challenges have been initiated by government agencies in a number of countries to the applicability of Irish labor law to these contracts, and if Ryanair were forced to concede that Irish jurisdiction did not apply to those crew who operate from continental Europe then it could lead to increased salary, social insurance and pension costs and a potential loss of flexibility. In relation to social insurance costs, the European Parliament implemented amendments to Regulation (EC) 883/2004 which, in the majority of jurisdictions, imposes substantial social insurance contribution increases for either or both Ryanair and the individual employees. While this change to social insurance contributions relates primarily to new employees, its effect in the long term may materially increase Company or employee social insurance contributions and could affect Ryanair's decision to operate from those high cost locations, resulting in redundancies and a consequent deterioration in labor relations. For additional details see — "Change in EU Regulations in Relation to Employers and Employee Social Insurance Could Increase Costs" below.

Ryanair currently conducts collective bargaining negotiations with groups of employees, including its pilots and cabin crew, regarding pay, work practices, and conditions of employment, through collective-bargaining units called Employee Representative Committees ("ERC"). Following negotiations through this ERC system, pilots at all of Ryanair's 84 bases are covered by four, five or six year collective agreements on pay, allowances and rosters which fall due for negotiation at various dates between 2017 and 2021. Cabin crew at all of Ryanair's bases are also party to long term collective agreements on pay, allowances and rosters, which expire in March 2021. Limitations on Ryanair's flexibility in dealing with its employees or the altering of the public's perception of Ryanair generally could have a material adverse effect on Ryanair's business, operating results, and financial condition. For additional details, see "Item 6. Directors, Senior Management and Employees—Staff and Labor Relations."

The Company 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 established by the European Aviation Safety Agency ("Part 145"). The Company also assigns its passenger, aircraft and ground handling services at airports other than Dublin and certain airports in Spain (including the Canary Islands) 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 comparable rates could have a material adverse effect on the Company’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 Company 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 CEO, and key financial, commercial, operating, IT and maintenance personnel. In October 2014, Mr. O’Leary signed a five year contract with the Company. This contract can be terminated by either party giving twelve months’ notice. See “Item 6. Directors, Senior Management and Employees—Compensation of Directors and Executive Officers—Employment and Bonus 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.

The Company Faces Risks Related to its Internet Reservations Operations and its Announced Elimination of Airport Check-in Facilities. Ryanair’s flight reservations are made through its website, mobile app and GDSs. Ryanair has established contingency programs which include hosting its website in three separate locations 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 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, which, in turn, could have a material adverse effect on Ryanair’s operating results or financial condition.

Since October 1, 2009, all Ryanair passengers have been 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 Faces Risks Related to Unauthorized Use of Information from the Company's Website. Screenscraper 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 screenscraping also on the basis of certain legal principles, such as database rights, copyright protection, etc. Ryanair is currently involved in a number of legal proceedings against the proprietors of screenscraper websites in Ireland, Germany, The Netherlands, France, Spain, Italy and Switzerland. Ryanair's objective is to prevent any unauthorized use of its website. Ryanair does allow 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. Ryanair also permits Travelport (trading as Galileo and Worldspan), Amadeus and Sabre, GDS operators, to provide access to Ryanair's fares to traditional and corporate travel agencies. Ryanair has received favorable rulings in Ireland and The Netherlands, and unfavorable rulings in Germany, Spain, France and Italy, in its actions against screenscrapers. However, pending the outcome of these legal proceedings and if Ryanair were to be ultimately unsuccessful in them, the activities of screenscraper 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 customers may be lost to Ryanair once they are presented by a screenscraper website with a Ryanair fare inflated by the screenscraper'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 condition.

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

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, security breaches could expose it to a risk of loss or misuse of customer information, litigation and potential liability. Although Ryanair takes steps to secure its website and management information systems, the security measures it has implemented may not be effective, and its 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. Ryanair may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber attacks. Attacks may be targeted at Ryanair, its customers and suppliers, or others who have entrusted it with information.

In addition, data and security breaches can also occur as a result of non-technical issues, including breaches by Ryanair or by persons with whom it has commercial relationships that result in the unauthorized release of personal or confidential information. Any such cyber attack or other security issue could result in a significant loss of reservations and customer confidence in the website and its business which, in turn, could have a material adverse effect on Ryanair's operating results or financial condition and potentially entail its incurring significant litigation or other costs.

The Irish Corporation Tax Rate Could Rise. The majority of Ryanair's profits are subject to Irish corporation tax at a statutory rate of 12.5%. There remains a risk that the Irish government could increase Irish corporation tax rates above 12.5% in order to repay current or future loans or to increase tax revenues.

At 12.5%, the rate of Irish corporation tax is lower than that applied by most of the other European Union member states, and has periodically been subject to critical comment by the governments of other EU member states. Although the Irish government has repeatedly publicly stated that it will not increase corporation tax rates, there can be no assurance that such an increase in corporation tax rates will not occur.

In the event that the Irish government increases corporation tax rates or changes the basis of calculation of corporation tax from the present basis, any such changes would result in the Company paying higher corporate taxes and would have an adverse impact on our cash flows, financial position and results of operations.

Change in EU Regulations in Relation to Employers and Employee Social Insurance Could Increase Costs. The European Parliament passed legislation governing the payment of employee and employer social insurance costs in May 2012. The legislation was introduced in late June 2012. The legislation governs the country in which employees and employers must pay social insurance costs. Prior to June 2012, Ryanair paid employee and employer social insurance in the country under whose laws the employee's contract of employment is governed, which is either the U.K. or Ireland. Under the terms of this new legislation, employees and employers must pay social insurance in the country where the employee is based. The legislation includes grandfathering rights which means that existing employees (i.e. those employed prior to the introduction of the new legislation in June 2012) should be exempt from the effects of this legislation for a period of 10 years up until 2022. However, both new and existing employees who transfer from their present base location to a new base in another EU country may be impacted by the new rules in relation to employee and employer contributions. Each country within the EU has different rules and rates in relation to the calculation of employee and employer social insurance contributions. Ryanair estimates that the change in legislation will have an adverse impact over time in the majority of jurisdictions in which Ryanair currently operates from.

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 the various 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. If assessed, the Company will robustly defend its position. 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 "—The Irish Corporation Tax Rate Could Rise" above.

Table of Contents

Risks Associated with the euro. The Company is headquartered in Ireland and its reporting currency is the euro. As a result of the ongoing uncertainty arising from the Eurozone debt crisis, in 2012 there was widespread speculation regarding the future of the Eurozone, including with regard to Ireland. To date, there have been no exits from the Eurozone. Although the economic environment in Ireland has considerably improved, there is still a risk of contagion spreading to the weaker Eurozone members. Greece in particular is a potential risk as negotiations around the final restructuring of their existing debt program continue. As many international banks no longer have material exposure to Greek bonds or Greek banks, the risk of contagion in the banking system as a result of Greek default is now considered to be low but should not be totally discounted. In addition, following a Referendum on June 23, 2016, a majority of the U.K. population voted to leave the EU. The immediate impact of the vote was that the U.K. pound sterling weakened significantly against the euro. Ryanair predominantly operates to/from countries within the Eurozone and has 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 weakening in the value of the euro primarily against U.K. pound sterling and U.S. dollar, but also against other non-Eurozone European currencies and Moroccan Dirhams, could negatively impact the operating results of the Company.

Recession, austerity and uncertainty in connection with the euro could also mean that Ryanair is unable to grow. The recent European recession, austerity measures still in effect in several European countries and social and political instability associated with the influx of refugees related to the wars in Syria and Afghanistan could mean that Ryanair may be unable to expand its operations due to lack of demand for air travel.

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 Result 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 uncertainty relating to the Eurozone and in the U.K. following Brexit, high unemployment rates, constrained credit markets and increased business operating costs could lead to reduced spending by both leisure and business passengers. Unfavorable economic conditions, such as the conditions persisting as of the date hereof, also tend to impact Ryanair's ability to raise fares to counteract increased fuel and other operating costs. A continued recessionary environment, combined with austerity measures by European governments and increased Brexit-related uncertainty in the U.K., will likely 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 impact on its financial results.

Brexit and the resulting uncertainty could adversely affect our business. In a referendum held on June 23, 2016 in the U.K. (the "Referendum"), a majority voted in favor of the U.K. leaving the EU ("Brexit"). The Referendum was non-binding and the U.K. government has yet to make the declaration required by Article 50 of the Lisbon Treaty necessary in order to begin the process by which the U.K. would leave the EU. If such a notification is made, negotiations would commence to determine the future terms of the U.K.'s relationship with the EU. This would include the renegotiation, either during a transitional period or more permanently, of a number of arrangements between the EU and the U.K. that directly impact our business. These arrangements include, inter alia, freedom of movement between the U.K. and the EU, employment rules governing the relationship between the U.K. and the EU, the status of the U.K. in relation to the EU's open aviation market and the tax status of EU member state entities operating in the U.K. Adverse changes to any of these arrangements, and even uncertainty over potential changes during any period of negotiation, could potentially materially impact on Ryanair's financial condition and results of operations in the U.K. or other markets Ryanair serves.

Ryanair is exposed to Brexit-related risks and uncertainties, as approximately 28% of revenue in fiscal 2016 came from operations in the U.K. although this was offset somewhat by 21% of our non-fuel costs in fiscal 2016 which were related to operations in the U.K.

Table of Contents

Brexit could also present Ryanair with a number of potential regulatory challenges. Brexit could lead to potentially divergent national laws and regulations as the U.K. determines which EU laws to replace or replicate. It could also require special efforts to ensure our continuing compliance with EU Regulation No. 1008/2008, which requires that air carriers registered in EU member states be majority-owned and effectively controlled by EU nationals. If U.K. holders of the Company's shares are no longer designated as EU nationals, the Board of Directors may have to take action to ensure continuing compliance with EU Regulation No. 1008/2008. For additional information, please see "Item 3 – Risks Related to Ownership of the Company's Ordinary Shares or ADRs".

The Referendum has also caused, and Brexit may continue to cause, both significant volatility in global stock markets and currency exchange rate fluctuations, as well as creating significant uncertainty among U.K. businesses and investors. In particular, the pound sterling has lost approximately over 10% of its value against the U.S. Dollar and the euro since the Referendum, and The Bank of England and other observers have warned of a significant probability of a Brexit-related recession in the U.K. We earn a significant portion of our revenues in pounds sterling, and any significant decline in the value of the pound and/or recession in the U.K. would materially impact our financial condition and results of operations. For the remainder of fiscal 2017, 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 EUR/GBP exchange rate will impact income by approximately €8 million. For additional information, please see "Item 3 – Currency Fluctuations Affect the Company's Results".

The Introduction of Government Taxes on Travel Could Damage Ryanair's Ability to Grow and Could Have a Material Adverse Impact on Operations. The U.K. government levies an Air Passenger Duty ("APD") of £13 per passenger. The tax was previously set at £5 per passenger, but it was increased to £10 per passenger in 2007, £11 in 2009, £12 in 2010 and subsequently to £13 in April 2012. The increase in this tax has had a negative impact on Ryanair's operating performance, both in terms of average fares paid and growth in passenger volumes. On December 3, 2014, the U.K. government announced that it was reducing APD for children under the age of 12 years from May 1, 2015. It was also announced that this reduction of APD would be extended to persons under the age of 16 years from March 1, 2016. In 2008, the Dutch government introduced a travel tax ranging from €11 on short-haul flights to €45 on long-haul flights (withdrawn with effect from July 1, 2009). On March 30, 2009, the Irish government also introduced a €10 Air Travel Tax on all passengers departing from Irish airports on routes longer than 300 kilometers but subsequently reduced it to €3 on March 30, 2011. On April 1, 2014 the tax imposed by the Irish government was abolished. In Germany, the government introduced an air passenger tax of €8 in January 2011 which was subsequently reduced to €7.50 in January 2012. In Austria, the government also introduced an ecological air travel levy of €8 in January 2011. The Moroccan government has also introduced a similar tax (equivalent to approximately €9) from April 2014. The Italian government has recently increased the municipal taxes in Italy by €2.50 to €9 (€10 at Rome). From June 2016, the Norwegian government introduced a passenger travel tax of NOK80 (equivalent to approximately €8.50) which resulted in Ryanair announcing the closure of its Oslo Rygge base with effect from late October 2016.

Other governments also have introduced or may introduce similar taxes. See "Item 4. Information on the Company—Airport Operations—Airport Charges." The introduction of government taxes on travel has had a negative impact on passenger volumes, particularly given the current period of decreased economic activity. The introduction of further government taxes on travel across Europe could have a material negative impact on Ryanair's results.

Terrorism in Europe, the United States or Elsewhere Could Have a Material Detrimental Effect on the Company. As 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. As a consequence, future terrorist attacks in Europe, the U.S. or elsewhere, any 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.

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 cancelled or delayed more than 3 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 for 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

Table of Contents

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 cancelled flights, which could occur as a result of certain types of events beyond its control. Further, recently courts in several jurisdictions have been broadening the definition of the term "extraordinary circumstances" thus allowing increased consumer claims for compensation. In September 2015, the European Court of Justice, 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. See "—Risks Related to the Airline Industry—Volcanic Ash Emissions Could Affect the Company and Have a Material Adverse Effect on the Company's Results of Operations" below.

EU Regulation of Emissions Trading Will Increase Costs. On November 19, 2008, the European Council of Ministers adopted legislation to add aviation to the EU Emissions Trading Scheme ("ETS") with effect from 2012. This scheme, which had until then applied mainly to industrial companies, is a cap-and-trade system for CO_2 emissions to encourage industries to improve their CO_2 efficiency. Under the legislation, airlines are granted initial CO_2 allowances based on historical performance and a CO_2 efficiency benchmark. Any shortage of allowances has to be purchased in the open market and/or at government auctions. The cost of such allowances in the context of the Company's energy costs are not material at current market prices. 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.

Volcanic Ash Emissions Could Affect the Company and Have a Material Adverse Effect on the Company's Results of Operations. Between April 15 and April 20, 2010 and May 4 and May 17, 2010, 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. This closure forced Ryanair to cancel 9,490 flights. In May 2011, there were further periodic closures of parts of the European airspace due to emissions of ash from another Icelandic volcano, which resulted in the cancellation of 96 flights.

Under the terms of Regulation (EC) No. 261/2004, described above, in addition to the payment of compensation, Ryanair has certain duties to passengers whose flights are cancelled. In particular, Ryanair is required to reimburse passengers who have had their flights cancelled 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 cancelled. 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 reimbursement and re-routing obligations cease.

Volcanic emissions 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, volcanic emissions (whether from current or new sources) or similar atmospheric disturbances and 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.

Any Significant Outbreak of any Airborne Disease Could Significantly Damage Ryanair’s Business. Worldwide, there has, from time to time, been substantial publicity in recent years regarding certain potent influenza viruses and other disease epidemics. Publicity of this type may have a negative impact on demand for air travel in Europe. Past outbreaks of MERS, SARS, foot-and-mouth disease, avian flu and swine flu have adversely impacted the travel industries, including aviation, in certain regions of the world, including Europe. If it spreads to Europe, the present outbreak of the Zika Virus may have similar consequences. The Company believes that if any influenza or other pandemic 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 impact on the Company. A severe outbreak of swine flu, MERS, SARS, foot-and-mouth disease, avian flu or another pandemic or livestock-related disease also may result in European or national authorities imposing restrictions on travel, further damaging Ryanair’s business. A serious pandemic could therefore severely disrupt Ryanair’s business, resulting in the cancellation or loss of bookings, and adversely affecting Ryanair’s financial condition and results of operations.

The Company is Dependent on the Continued Acceptance of Low-fares Airlines. Ryanair has an excellent 31 year safety record. In past years, however, 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, and could have a material adverse effect on Ryanair's financial condition and results of operations.

The Company Faces the Risk of Loss and Liability. Ryanair has an excellent 31 year safety record; however, it 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 "Terrorism in Europe, the United States or Elsewhere Could Have a Material Detrimental Effect on the Company." 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 41% of total operating expenses in the 2016 fiscal year, management anticipates that this percentage 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 "Risks Related to the Company—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 suggest that airlines implement certain safety-related procedures on their aircraft. In recent years, the U.S. Federal Aviation Administration (the "FAA") has required a number of such procedures with regard to Boeing 737-800 aircraft, including major modifications to implement changes to the take-off configuration warning lights, cabin pressurization system, pitot system heating, fuel tank boost pump electrical arcing protection, and the European Commission's Datalink mandate. Ryanair's policy is to implement any such required procedures in accordance with FAA guidance and to perform such procedures in close collaboration with Boeing. 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 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 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.

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 Instituted a Ban on the Purchase of Ordinary Shares by Non-EU Nationals. 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 regulation does not specify what level of share ownership will confer effective control on a holder or holders of Ordinary Shares. 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."

The Board of Directors may, under certain circumstances, deprive holders of Restricted Shares of their rights to attend, vote at, and speak at general meetings, and/or require such holders to dispose of their Restricted Shares to an EU national within as little as 21 days. 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. On April 19, 2012, the Company obtained shareholder approval to repurchase ADRs as part of its general authority to repurchase up to 5% of the 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 share purchases by non-EU nationals.

As of June 30, 2016, EU nationals owned at least 53.6% of Ryanair Holdings' Ordinary Shares (assuming conversion of all outstanding ADRs into Ordinary Shares).

Holders of Ordinary Shares are Currently Unable to Convert those Shares into American Depositary Receipts. 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 Instituted a Ban on the Purchase of Ordinary Shares by Non-EU Nationals" above.

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 adversely affect the market price of the Ordinary Shares and ADRs.

Ryanair Holdings May or May Not Pay Dividends. Since its incorporation as the holding company for Ryanair in 1996, Ryanair Holdings has only occasionally declared special dividends on both its Ordinary Shares and ADRs. The directors of the Company declared on May 21, 2012 that Ryanair Holdings intended to pay a special dividend of €0.34 per ordinary share (approximately €492 million) and following shareholder approval at the annual general meeting on September 21, 2012 this special dividend was paid on November 30, 2012. In June 2013, the Company detailed plans to return up to €1 billion to shareholders over the following next two years. The Company completed €481.7 million in share buy-backs in the fiscal year 2014 (including just over 6.0 million ADR buy-backs) and €112.0 million in share buy-backs in the fiscal year 2015. The Company had indicated on May 19, 2014 that it planned to pay a special dividend of up to approximately €520 million in the fourth quarter of fiscal year 2015, and following shareholder approval at its annual general meeting on September 25, 2014, this special dividend was paid on February 27, 2015. In February 2015, Ryanair commenced a €400 million ordinary share buy-back program which was completed between February and August 2015. In September, 2015 the Company announced a B share scheme of €398 million to return the proceeds from the sale of its shares in Aer Lingus to shareholders. Additionally, the Company announced an €800 million share buy-back program (including an ADR buy-back) in February 2016. At March 31, 2016 the Company had bought back approximately €418.1 million under this program. Following the June 23, 2016 Referendum vote by the U.K. to leave the EU, Ryanair announced that it had increased the size of its buy-back program to the 5% buy-back limit approved by the shareholders at the Company's 2015 Annual General Meeting. Under this increased share buy-back program, the Company purchased just over 65 million shares at a total cost of approximately €886 million. On July 1, 2016, the Board confirmed that it will hold an Extraordinary General Meeting ("EGM") on July 27, 2016 to seek approval from shareholders to grant the Board of the Company the discretion to engage in further share buy-backs, should they decide that it is in the best interests of shareholders, over the next fifteen months. While there is no plan to engage in further planned buy-backs (i.e. a VWAP program) during the remainder of 2016, the Board is seeking the flexibility and discretion to do so, if there is further market volatility such as that witnessed in the aftermath of the U.K. referendum vote. See "Item 8. Financial Information—Other Financial Information—Dividend Policy." As a holding company, Ryanair Holdings does not have any material assets other than the shares of Ryanair.

Increased Costs for Possible Future ADR and Share Repurchases. In April 2012, the Company held an EGM to authorize the directors to repurchase Ordinary Shares and ADRs for up to 5% of the issued share capital of the Company traded on the NASDAQ Stock Market ("NASDAQ"). Up until April 2012, shareholders had only authorized the directors to repurchase Ordinary Shares. As the ADRs have historically traded at a premium of 15% to 20% compared to Ordinary Shares, this may result in increased costs in performing share buy-backs in the future. In fiscal 2016, the Company bought back 53.7 million Ordinary Shares for cancellation, as part of its overall share buy-back. On June 20, 2013, the Company detailed plans to return up to €1 billion to shareholders over the following two years. The Company completed €481.7 million in share buy-backs in the fiscal year 2014 and €112.0 million in fiscal year 2015. On May 19, 2014, the Company had indicated that it planned to pay a special dividend of up to approximately €520 million in the fourth quarter of fiscal year 2015, and following shareholder approval at its annual general meeting on September 25, 2014, this special dividend was paid on February 27, 2015. In February 2015, Ryanair commenced a €400 million ordinary share buy-back program, which was completed between February and August 2015. Additionally, the Company announced an €800 million share buy-back program (including an ADR buy-back) in February 2016. At March 31, 2016 the Company had bought back approximately €418.1 million under this program. Following the June 23, 2016 Referendum vote by the U.K. to leave the EU, Ryanair announced that it had increased the size of its buy-back program to the 5% buy-back limit approved by the shareholders at the Company's 2015 Annual General Meeting. Under this increased share buy-back program, the Company purchased just over 65 million shares at a total cost of approximately €886 million. On July 1, 2016, the Board confirmed that it will hold an EGM on July 27, 2016 to seek approval from shareholders to grant the Board of the Company the discretion to engage in further share buy-backs, should they decide that it is in the best interests of shareholders, over the next fifteen months. While there is no plan to engage in in further planned buy-backs (i.e. a VWAP program) during the remainder of 2016, the Board is seeking the flexibility and discretion to do so, if there is further market volatility such as was witnessed in the aftermath of the U.K. Referendum vote.

Item 4. Information on the Company

INTRODUCTION

Ryanair Holdings was incorporated in 1996 as a holding company for Ryanair Limited. The latter operates an ultra-low fare, scheduled-passenger airline serving short-haul, point-to-point routes between Ireland, the U.K., Continental Europe, Morocco and Israel. Incorporated on November 28, 1984, Ryanair Limited began to introduce a low-fares operating model in Europe under a new management team in the early 1990s. See “Item 5. Operating and

Table of Contents

Financial Review and Prospects History." As of June 30, 2016, Ryanair had a principal fleet of over 350 Boeing 737-800 aircraft and offered over 2,000 scheduled short-haul flights per day serving approximately 200 airports largely throughout Europe. See " Route System, Scheduling and Fares Route System and Scheduling" for more details of Ryanair's route network. See "Item 5. Operating and Financial Review and Prospects Seasonal Fluctuations" for information about the seasonality of Ryanair's business.

Ryanair recorded a profit on ordinary activities after taxation of €1,559.1 million in the 2016 fiscal year, as compared to a profit on ordinary activities after taxation of €866.7 million in the 2015 fiscal year. This increase of approximately 80% was primarily attributable to an increase in revenues of approximately 16% from €5,654.0 million to €6,535.8 million partially offset by an approximately 10% increase in operating expenses from €4,611.1 million to €5,075.7 million. Also, the Company disposed of its 29.8% shareholding in Aer Lingus for €2.50 per share resulting in a gain of €317.5 million primarily due to the reclassification of unrealised gains from other comprehensive income and reserves to the income statement. Ryanair generated an average booked passenger load factor of approximately 93% in fiscal 2016, compared to 88% in fiscal 2015, and average booked passenger fare of €46.67 per passenger in the 2016 fiscal year, down from €47.05 in the prior fiscal year. The Company has focused on maintaining low operating costs (€47.69 per passenger in the 2016 fiscal year, a decrease from €50.92 in fiscal 2015).

The market's acceptance of Ryanair's low-fares service is reflected in the "Ryanair Effect" – Ryanair's history of stimulating significant annual passenger traffic growth on the routes on which it has commenced service since 1991. For example, the number of scheduled airline passengers traveling on Ryanair routes increased from 0.7 million passengers in 1991 to 106.4 million passengers in fiscal 2016. Most international routes Ryanair has begun serving since 1991 have recorded significant traffic growth in the period following Ryanair's commencement of service, with Ryanair capturing the largest portion of such growth on each route. A variety of factors contributed to this increase in air passenger traffic, including the relative strength of the Irish, U.K., and European economies in past years. However, management believes that the most significant factors driving such growth across all its European routes have been Ryanair's low-fares policy and its superiority to its competitors in terms of flight punctuality, levels of lost baggage, and rates of flight cancellations.

The address of Ryanair Holdings' registered office is: c/o Ryanair Limited, Dublin Office, Airside Business Park, Swords, County Dublin, K67 NY94, Ireland. The Company's contact person regarding this Annual Report on Form 20-F is: Neil Sorahan, Chief Financial Officer (same address as above). The telephone number is +353-1-945-1212. Under its current Articles, Ryanair Holdings has an unlimited corporate duration.

STRATEGY

Ryanair's objective is to firmly establish itself as Europe's biggest scheduled passenger airline, through continued improvements and expanded offerings of its low-fares service. In the highly challenging current operating environment, Ryanair seeks to offer low fares that generate increased passenger traffic while maintaining a continuous focus on cost-containment and operating efficiencies. The key elements of Ryanair's long-term strategy are:

Low Fares. Ryanair's low fares are designed to stimulate demand, particularly from fare-conscious leisure and business travelers who might otherwise use alternative forms of transportation or choose not to travel at all. Ryanair sells seats on a one-way basis, thus eliminating minimum stay requirements from all travel on Ryanair scheduled services. Ryanair sets fares on the basis of the demand for particular flights and by reference to the period remaining to the date of departure of the flight, with higher fares typically charged on flights with higher levels of demand and for bookings made nearer to the date of departure. Ryanair also periodically runs special promotional fare campaigns. See "—Route System, Scheduling and Fares—Low and Widely Available Fares" below.

Customer Service. Ryanair's strategy is to deliver the best customer service performance in its peer group. According to the data available from the Association of European Airlines ("AEA") and airlines' own published statistics, Ryanair has achieved better punctuality, fewer lost bags, and fewer cancellations than its peer group in Europe. Ryanair achieves this by focusing strongly on the execution of these services and by primarily operating from un-congested airports. Ryanair conducts a daily conference call with airport personnel at each of its base airports, during which the reasons for each "first wave" flight delay and baggage short-shipment are discussed in detail and logged to ensure that the root cause is identified and rectified. Subsequent (consequential) delays and short shipments are investigated by Ryanair ground operations personnel. Customer satisfaction is also measured by regular online, mystery-passenger and by passenger surveys.

Table of Contents

Ryanair is implementing a series of strategic initiatives that are expected to have a significant impact on its customer service offering. Ryanair has also announced and introduced a series of customer-service related initiatives under the AGB customer experience program, including a new, easier-to-navigate website with a fare finder facility, a mobile app, reduced penalty fees, allocated seating and more customer-friendly baggage allowances and change policies. Ryanair has also introduced several important products that improve its offer to customers. Family EXTRA offers families travelling with Ryanair a set of bundled ancillary discounts and 20% off a third booking. Business PLUS offers business travelers a flexible ticket, airport fast track and priority boarding. Leisure PLUS gives customers a discounted bundle of ancillaries including a 20kg bag, priority boarding and a reserved seat. Ryanair Groups is a dedicated booking service designed for groups travelling together and this year Ryanair launched a new bonded travel service for school travel. Furthermore, these customer-service related initiatives include scheduling more flights to primary airports, selling flights via travel agents on GDS, marketing spending to support these initiatives, and adjusting the airline's yield management strategy with the goal of increasing load factors and yield.

Frequent Point-to-Point Flights on Short-Haul Routes. Ryanair provides frequent point-to-point service on short-haul routes to primary, secondary and regional airports in and around major population centers and travel destinations. In the 2016 fiscal year, Ryanair flew an average route length of 762 miles and an average flight duration of approximately 1.8 hours. Short-haul routes allow Ryanair to offer its low fares and frequent service, while eliminating the need to provide unnecessary "frills," like free in-flight meals and movies, otherwise expected by customers on longer flights. Point-to-point flying (as opposed to hub-and-spoke service) allows Ryanair to offer direct, non-stop routes and avoid the costs of providing "through service," for connecting passengers, including baggage transfer and transit passenger assistance.

Low Operating Costs. Management believes that Ryanair's operating costs are among the lowest of any European scheduled-passenger airline. Ryanair strives to reduce or control four of the primary expenses involved in running a major scheduled airline: (i) aircraft equipment costs; (ii) personnel costs; (iii) customer service costs; and (iv) airport access and handling costs:

Aircraft Equipment Costs. Ryanair's primary strategy for controlling aircraft acquisition costs is focused on operating a single aircraft type. Ryanair currently operates only "next generation" Boeing 737-800s. Ryanair's continuous acquisition of new Boeing 737-800s has already and is expected, through the end of fiscal 2019, to increase the size of its fleet and thus increase its aircraft equipment and related costs (on an aggregate basis). In fiscal 2019, when the Boeing 737-800 is scheduled to go out of production, Ryanair will become the launch customer for the new Boeing 737-MAX-200 aircraft, which is designed to replace the Boeing 737-800, and will purchase up to 200 of such aircraft through the end of fiscal 2024 (an agreement is in place with Boeing to purchase 100 aircraft with an option to purchase a further 100 aircraft). The purchase of aircraft from a single manufacturer enables Ryanair to limit the costs associated with personnel training, maintenance, and the purchase and storage of spare parts while also affording the Company greater flexibility in the scheduling of crews and equipment. Management also believes that the terms of Ryanair's contracts with Boeing are very favorable to Ryanair. See " Aircraft" below for additional information on Ryanair's fleet.

Personnel Costs. Ryanair endeavors to control its labor costs by seeking to continually improve the productivity of its already highly productive work force. Compensation for personnel emphasizes productivity-based pay incentives. These incentives include sales bonus payments for onboard sales of products for flight attendants and payments based on the number of hours or sectors flown by pilots and flight attendants within limits set by industry standards or regulations fixing maximum working hours.

Customer Service Costs. Ryanair has entered into agreements on competitive terms with external contractors at certain airports for ticketing, passenger and aircraft handling, and other services that management believes can be more cost-efficiently provided by third parties. Management attempts to obtain competitive rates for such services by negotiating fixed-price, multi-year contracts. The development of its own Internet booking facility has allowed Ryanair to eliminate travel agent commissions. As part of its strategic initiatives, and the “AGB” customer experience program, the Company has broadened its distribution base by making Ryanair’s fares available to Travelport (Galileo and Worldspan), Amadeus and Sabre at nominal cost to the Company. Direct sales via the Ryanair website and mobile app continues to be the prime generator of scheduled passenger revenues.

Airport Access and Handling Costs. Ryanair attempts to control airport access and service charges by focusing on airports that offer competitive prices. Management believes that Ryanair’s record of delivering a consistently high volume of passenger traffic growth at many airports has allowed it to negotiate favorable contracts with such airports for access to their facilities, although the recent change in strategy by the Company may see it access more primary airports, which typically have higher airport charges and greater competition along with slot limitations. Secondary and regional airports also generally do not have slot requirements or other operating restrictions that can increase operating expenses and limit the number of allowed take-offs and landings. Ryanair further endeavors to reduce its airport charges by opting, when practicable, for less expensive gate locations as well as outdoor boarding stairs, rather than jetways, which are more expensive and operationally less efficient to use. In addition, since October 2009, Ryanair has required all passengers to check-in on the Internet. This requirement was instituted to reduce waiting times at airports and speed a passenger's journey from arrival at the airport to boarding, as well as significantly reduce airport handling costs. Ryanair has also introduced a checked-bag fee, which is payable on the Internet at the time of booking or post booking and is aimed at reducing the number of bags carried by passengers in order to further reduce handling costs. See "Item 3. Risk Factors—Risks Related to the Company—The Company Faces Risks Related to its Internet Reservations Operations and its Announced Elimination of Airport Check-in Facilities."

Taking Advantage of the Internet. In 2000, Ryanair converted its host reservation system to a new system, which it operates under a hosting agreement with Navitaire that was extended in 2011 and will terminate in November 2019. As part of the implementation of the reservation system, Navitaire developed an Internet booking facility. The Ryanair system allows Internet users to access its host reservation system and to make and pay for confirmed reservations in real time through the Ryanair.com website. After the launch of the Internet reservation system, Ryanair heavily promoted its website through newspaper, radio and television advertising. As a result, Internet bookings grew rapidly, and have accounted for the vast majority of reservations over the past several years. In May 2012, Ryanair further upgraded the reservation system to offer more flexibility for future system enhancements and to accommodate the future growth of Ryanair. In November 2013, Ryanair re-launched its website in a new, easier to use, format that reduced the number of "clicks" to make a booking. Various other initiatives were also introduced, including a fare finder facility which enables customers to easily find the lowest fares. The new "My Ryanair" registration services, which allows customers to securely store their personal and payment details, has also significantly quickened the booking process and made it easier for customers to book a flight. The Company also launched a new mobile app in July 2014, which made it simpler and easier for customers to book Ryanair flights. In May 2015, an upgraded mobile app, which is native to both Android and IOS, was launched. This upgraded app is faster, more reliable and stable than previous versions of the app and enhances the experience for customers accessing its website via mobile. The new app also offers customers the ability to add additional ancillary products on day of travel e.g. bags, priority boarding and fast track. We launched a new version of the website in October 2015 with the key features being personalization, a new myRyanair, easier booking flow, more content, faster, intuitive and fully responsive for mobile devices. Ryanair, as part of the "AGB" customer experience program, will endeavor to improve its website and mobile app through a series of ongoing upgrades.

Commitment to Safety and Quality Maintenance. Safety is the primary priority of Ryanair and its management. This commitment begins with the hiring and training of Ryanair's pilots, flight attendants, and maintenance personnel and includes a policy of maintaining its aircraft in accordance with the highest European airline industry standards. Ryanair has not had a single passenger or flight crew fatality as a result of an accident with one of its aircraft in its 31-year operating history. Although Ryanair seeks to maintain its fleet in a cost-effective manner, management does not seek to extend Ryanair's low-cost operating strategy to the areas of safety, maintenance, training or quality assurance. Routine aircraft maintenance and repair services are performed primarily by Ryanair, at Ryanair's main bases, but are also performed at other base airports by maintenance contractors approved under the terms of a European Aviation Safety Agency ("EASA") Part 145 approval. Ryanair currently performs heavy airframe maintenance, but contracts with other parties who perform engine overhaul services and rotable repairs. These contractors also provide similar services to a number of other airlines, including Southwest Airlines, British Airways, Air France and Alitalia.

Enhancement of Operating Results through Ancillary Services. Ryanair distributes accommodation services and travel insurance primarily through its website. For accommodation (hotels, villas, apartments, hostels etc.) services, Ryanair currently has a contract with Booking.com to market hotels during and after the booking process. The accommodation business went out to tender in July 2016, and a new multi-supplier solution is under development for quarter 3 fiscal 2017. Ryanair also offers airport transfers and car park services through its website and onboard its aircraft. Ryanair offers car hire services via a contract with CarTrawler, which replaced previous supplier Hertz in September 2015. Ancillary services accounted for approximately 24% of Ryanair's total operating revenues in the 2016 fiscal year and approximately 25% of Ryanair's total operating revenues in the 2015 fiscal year See "—Ancillary

Table of Contents

Services" below and "Item 5. Operating and Financial Review and Prospects—Results of Operations—Fiscal Year 2016 Compared with Fiscal Year 2015—Ancillary Revenues" for additional information.

Focused Criteria for Growth. Building on its success in the Ireland-U.K. market and its expansion of service to continental Europe, Morocco and Israel, Ryanair intends to follow a manageable growth plan targeting specific markets. Ryanair believes it will have opportunities for continued growth by: (i) using aggressive fare promotions to increase load factors; (ii) initiating additional routes in the EU; (iii) initiating additional routes in countries party to a European Common Aviation Agreement with the EU that are currently served by higher-cost, higher-fare carriers; (iv) increasing the frequency of service on its existing routes; (v) starting new domestic routes within individual EU countries; (vi) considering acquisition opportunities that may become available in the future; (vii) connecting airports within its existing route network ("triangulation"); (viii) establishing new bases; and (ix) initiating new routes not currently served by any carrier.

Responding to Market Challenges. In recent periods, and with increased effect in the 2012, 2013 and 2014 fiscal years, Ryanair's low-fares business model faced substantial pressure due to significantly increased fuel costs and reduced economic growth (or economic contraction) in some of the economies in which it operates. The Company has aimed to meet these challenges by: (i) grounding approximately 40 in fiscal 2016, 50 in fiscal 2015, 70 in fiscal 2014 and 80 in fiscal 2013) aircraft during the winter season; (ii) disposing of aircraft (lease hand backs totaled eight in fiscal 2014, none in fiscal 2015 and eleven in fiscal 2016); (iii) controlling labor and other costs, including through wage freezes for non-flight crew personnel in fiscal 2011 and fiscal 2013, selective redundancies and the introduction of Internet check-in in fiscal 2010; and (iv) renegotiating contracts with existing suppliers, airports and handling companies. There can be no assurance that the Company will be successful in achieving all of the foregoing or taking other similar measures, or that doing so will allow the Company to earn profits in any period. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—Changes in Fuel Costs and Availability Affect the Company's Results" and "—The Company May Not Be Successful in Increasing Fares and Revenues to Cover Rising Business Costs."

In recent years, in response to an operating environment characterized by high fuel prices, typically lower seasonal yields and higher airport charges and/or taxes, Ryanair has adopted a policy of grounding a certain portion of its fleet during the winter months (from November to March inclusive). In the winter months of fiscal 2014, fiscal 2015, and fiscal 2016 Ryanair grounded approximately 70 aircraft, 50 aircraft, and 40 respectively. While seasonal grounding does reduce the Company's operating costs, it also decreases Ryanair's potential to record both flight and non-flight revenues. Decreasing the number and frequency of flights may also negatively affect the Company's labor relations, including its ability to attract flight personnel interested in full-time employment. See "Item 3. Key Information—Risk Factors—Ryanair has Seasonally Grounded Aircraft."

Table of Contents

ROUTE SYSTEM, SCHEDULING AND FARES

Route System and Scheduling

As of July 21, 2016, the Company offered over 2,000 scheduled short-haul flights per day serving approximately 200 airports largely throughout Europe. The following table lists Ryanair's operating bases:

Operating Bases

Alghero	East Midlands	Milan (Bergamo)
Alicante	Edinburgh	Milan (Malpensa)
Athens	Eindhoven	Nuremburg
Baden-Baden	Faro	Palermo
Barcelona (Girona)	Fez	Palma Mallorca
Barcelona (El Prat)	Frankfurt (Hahn)	Paphos
Bari	Gdansk	Pescara
Belfast	Glasgow (Prestwick)	Pisa
Berlin	Glasgow International	Ponta Delgada
Bologna	Gothenburg	Porto
Bournemouth	Gran Canaria	Prague
Birmingham	Hamburg	Oslo (Rygge)
Bratislava	Ibiza	Rome (Ciampino)
Bremen	Kaunas	Rome (Fiumicino)
Brindisi	Krakow	Santiago
Bristol	Lamezia	Seville
Brussels (Charleroi)	Lanzarote	Shannon
Brussels (Zaventem)	Leeds Bradford	Sofia
Bucharest	Lisbon	Stockholm (Skavsta)
Budapest	Liverpool	Tenerife South
Cagliari	London (Luton)	Thessaloniki
Catania	London (Stansted)	Timisoara
Chania	Madrid	Trapani
Cologne	Malaga	Valencia
Corfu	Malta	Vilnius
Cork	Manchester	Warsaw (Modlin)
Dublin	Marrakech	Wroclaw
Dusseldorf (Weeze)	Marseilles	Zadar

See Note 17, "Analysis of operating revenues and segmental analysis," to the consolidated financial statements included in Item 18 for more information regarding the geographical sources of the Company's revenue.

Management's objective is to schedule a sufficient number of flights per day on each of Ryanair's routes to satisfy demand for Ryanair's low-fares service. Ryanair schedules departures on its most popular routes at frequent intervals; normally between approximately 6:00 a.m. and 11:30 p.m. Management regularly reviews the need for adjustments in the number of flights on all of its routes.

As part of Ryanair's "AGB" customer experience program Ryanair has focused on high frequency and business friendly timings between Europe's main business centers.

During the 2016 fiscal year, Ryanair opened over 100 new routes across its network. See "Item 3. Risk Factors—Risks Related to the Company—Ryanair's New Routes and Expanded Operations May Have an Adverse Financial Impact on Its Results."

Low and Widely Available Fares

Ryanair offers low fares, with prices generally varying on the basis of advance booking, seat availability and demand. Ryanair sells seats on a one-way basis, thus removing minimum stay requirements from all travel on Ryanair scheduled services. All tickets can be changed, subject to certain conditions, including fee payment and applicable upgrade charges. However, tickets are generally non-cancelable and non-refundable and must be paid for at the time of reservation.

Ryanair's discounted fares are "capacity controlled" in that Ryanair allocates a specific number of seats on each flight to each fare category to accommodate projected demand for seats at each fare level leading up to flight time. Ryanair generally makes its lowest fares widely available by allocating a majority of its seat inventory to its lowest fare categories. Management believes that its unrestricted fares as well as its advance-purchase fares are attractive to both business and leisure travelers.

When launching a new route, Ryanair's policy is to price the new route at its lowest fare so that it will be significantly lower than other carriers' lowest fares, but still provide a satisfactory operating margin.

Ryanair also periodically runs special promotional fare campaigns, in particular in connection with the opening of new routes, and endeavors to always offer the lowest fare on any route it serves. Promotional fares may have the effect of increasing load factors and reducing Ryanair's yield and passenger revenues on the relevant routes during the periods they are in effect. Ryanair expects to continue to offer significant fare promotions to stimulate demand in periods of lower activity or during off-peak times for the foreseeable future.

MARKETING AND ADVERTISING

Ryanair's primary marketing strategy is to emphasize its widely available low fares, route choice and great service which has recently been enhanced by Ryanair's "AGB" customer experience program. In doing so, Ryanair primarily advertises its services in national and regional media across Europe. In addition, Ryanair uses topical advertising, social media, press conferences and publicity stunts. Other marketing activities include the distribution of advertising and promotional material and cooperative advertising campaigns with other travel-related entities, including local tourist boards. Ryanair also regularly contacts people registered in its database to inform them about promotions and special offers.

RESERVATIONS ON RYANAIR.COM

Passenger airlines generally rely on travel agents (whether traditional or online) for a significant portion of their ticket sales and pay travel agents commissions for their services, as well as reimbursing them for the fees charged by reservation systems providers. In contrast, Ryanair requires passengers to make reservations and purchase tickets directly through the Company. The vast majority of such reservations and purchases are made through the website Ryanair.com. Ryanair is therefore not reliant on travel agents. See "—Strategy—Taking Advantage of the Internet" above for additional information.

In May 2012, Ryanair further upgraded its reservation system in order to facilitate the continued expansion of the airline. The upgraded system gives the Company the ability to offer more enhancements to passengers, as the new platform is far more flexible in terms of future development. Under the agreement with the system provider, Navitaire, the system serves as Ryanair's core seating inventory and booking system. In return for access to these system functions, Ryanair pays transaction fees that are generally based on the number of passenger seat journeys booked through the system. Navitaire also retains a back-up booking engine to support operations in the event of a breakdown in the main system. Over the last several years, Ryanair has introduced a number of Internet-based customer service enhancements such as Internet check-in, security fast-track, priority boarding service and limited reserved seating since January 2012 (with fully allocated seating introduced in February 2014 as part of the "AGB" customer experience program). Since October 2009, Ryanair has required Internet check-in for all passengers. These enhancements and changes have been made to reduce waiting time at airports and speed a passenger's journey from arrival at the airport to boarding, as well as significantly reduce airport handling costs. Ryanair has also introduced a checked-bag fee, which is payable on the Internet and is aimed at reducing the number of bags carried by passengers in order to further reduce handling costs. In April 2014, the Company entered into an agreement with Travelport which operates the Galileo and Worldspan GDS. In October 2014, the Company entered into an agreement with Amadeus and an agreement was also concluded with Sabre in May 2015 (collectively "GDSs"). The Company's fares (except for the three lowest fare categories) will be distributed on the GDSs systems. Ryanair has negotiated an attractive per segment price and expects to sell tickets via travel agents at no commission to a mix of largely business/corporate travelers. See Item 3. Key Information—Risk Factors—Risks Related to the Company—Ryanair Faces Risks Related to Unauthorized Use of Information from the Company's Website."

Table of Contents

AIRCRAFT

Aircraft

As of June 30, 2016, Ryanair had a principal fleet of over 350 Boeing 737-800 aircraft. The principal fleet was composed of Boeing 737-800 “next generation” aircraft, each having 189 seats. Ryanair’s fleet totaled 341 Boeing 737-800s at March 31, 2016. The Company expects to have an operating fleet comprising approximately 546 Boeing 737s at March 31, 2024 depending on the level of lease returns/disposals. This operating fleet will comprise a mix of Boeing 737-800s and Boeing 737-MAX-200 aircraft. The 737-MAX-200 aircraft, which will start being delivered during fiscal 2020, will have 197 seats.

Between March 1999 and March 2016, Ryanair took delivery of 400 new Boeing 737-800 “next generation” aircraft under its contracts with Boeing and disposed of 60 such aircraft, including 34 lease handbacks.

Under the terms of the 2013 Boeing Contract, Ryanair has agreed to purchase the 183 new Boeing 737-800 aircraft over a five year period from fiscal 2015 to 2019, with delivery beginning in September 2014. The new aircraft will benefit from a net effective price not dissimilar to that under the 2005 Boeing Contract which was approved by shareholders in 2005. Under the terms of the 2014 Boeing Contract, Ryanair has agreed to purchase up to 200 new Boeing 737-MAX-200 aircraft (100 firm orders and 100 aircraft subject to option) over a five year period from fiscal 2020 to 2024, with delivery beginning in August 2019. The new aircraft will be used on new and existing routes to grow Ryanair’s business.

The Boeing 737-800 represents the current generation of Boeing’s 737 aircraft. It is a short-to-medium range aircraft and seats 189 passengers. The basic price (equivalent to a standard list price for an aircraft of this type) for each of the Boeing 737-800 series aircraft is approximately US$78.5 million and the basic price will be increased for certain “buyer-furnished” equipment, amounting to approximately US$2.9 million per new aircraft, which Ryanair has asked Boeing to purchase and install on each of the new aircraft. In addition, an “Escalation Factor” will be applied to the basic price to reflect increases in the Employment Cost Index and Producer Price Index between the time the basic price was set in the 2013 Boeing Contract and the period 18 to 24 months prior to the delivery of any such new aircraft.

Boeing has granted Ryanair certain price concessions as part of the 2013 Boeing Contract. These will take the form of credit memoranda to Ryanair for the amount of such concessions, which Ryanair may apply toward the purchase of goods and services from Boeing or toward certain payments, other than advance payments, in respect of the new aircraft. Boeing and CFMI (the manufacturer of the engines to be fitted on the new aircraft) have also agreed to provide Ryanair with certain allowances for promotional and other activities, as well as providing certain other goods and services to Ryanair on concessionary terms. Those credit memoranda and promotional allowances will effectively reduce the price of each new aircraft payable by Ryanair. As a result, the “effective price” (the purchase price of the new aircraft net of discounts received from Boeing) of each new aircraft will be significantly below the basic price mentioned above. The effective price applies to all new aircraft due for delivery from September 2014.

The Boeing 737-MAX-200 represents the newest generation of Boeing's 737 aircraft. It is a short-to-medium range aircraft and seats 197 passengers (eight more than Ryanair’s existing 189 seat fleet). The basic price (equivalent to a standard list price for an aircraft of this type) for each of the Boeing 737-MAX-200 series aircraft is approximately US$102 million and the basic price will be increased for certain "buyer-furnished" equipment, amounting to approximately US$1.6 million per new aircraft, which Ryanair has asked Boeing to purchase and install on each of the new aircraft. In addition, an “Escalation Factor” will be applied to the basic price to reflect increases in the Employment Cost Index and Producer Price Index between the time the basic price was set in the 2014 Boeing Contract and the planned month of delivery of any such new aircraft.

Boeing has granted Ryanair certain price concessions as part of the 2014 Boeing Contract. These will take the form of credit memoranda to Ryanair for the amount of such concessions, which Ryanair may apply toward the purchase of goods and services from Boeing or toward certain payments, other than advance payments, in respect of the new aircraft. Boeing and CFMI (the manufacturer of the engines to be fitted on the New Aircraft) have also agreed to provide Ryanair with certain allowances for promotional and other activities, as well as providing certain other goods and services to Ryanair on concessionary terms. Those credit memoranda and promotional allowances will effectively reduce the price of each new aircraft payable by Ryanair. As a result, the "effective price" (the purchase price of the New Aircraft net of discounts received from Boeing) of each new aircraft will be significantly below the basic price mentioned above. The effective price applies to all new aircraft due for delivery from August 2019.

Table of Contents

For additional details on the Boeing contracts, scheduled aircraft deliveries and related expenditures and their financing, as well as the terms of the arrangements under which Ryanair currently leases 43 of the aircraft in its operating fleet, see "Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources."

The Boeing 737 is the world's most widely used commercial aircraft and exists in a number of generations, the Boeing 737-800s being the most recent in current production, with the 737-MAX-200 not expected to enter the market until 2019.

Management believes that its strategy, to date, of having reduced its fleet to two generations of an aircraft type enables Ryanair to limit the costs associated with personnel training, the purchase and storage of spare parts, and maintenance. Furthermore, this strategy affords Ryanair greater flexibility in the scheduling of crews and equipment.

The Boeing 737-800s are fitted with CFM 56-7B engines and have advanced CAT III Autoland capability, advanced traffic collision avoidance systems, and enhanced ground-proximity warning systems. The Boeing 737-MAX-200 CFM LEAP-1B engines which, combined with the Advanced Technology winglet and other aerodynamic improvements, will reduce fuel consumption by up to approximately 16% on a per seat basis compared to the Boeing 737-800s in Ryanair's configuration and reduce operational noise emissions by approximately 40%.

The Boeing 737-MAX-200 aircraft could impact the Company insofar as the residual value of its Boeing 737-800 aircraft could be reduced when it enters production, currently expected to be in August 2019.

At March 31, 2016, the average aircraft age of the Company's Boeing 737-800 fleet was 6 years.

Training and Regulatory Compliance

Ryanair currently owns and operates eight Boeing 737-800 full flight simulators for pilot training, the first of which was delivered in 2002. The simulators were purchased from CAE Electronics Ltd. of Quebec, Canada ("CAE"). The second simulator was delivered in 2004, while the third and fourth simulators were delivered in the 2008 fiscal year. In September 2006, Ryanair entered into a new contract with CAE to purchase B737NG Level B flight simulators. Two such simulators were delivered in the 2009 fiscal year. In December 2014, Ryanair entered into a new contract with CAE to purchase B737NG Level D flight simulators, two of which were delivered in fiscal 2016. Ryanair has also purchased 3 new state of the art fixed base simulators from Multi Pilot Simulations ("MPS") which will be used for pilot assessments and pilot training.

Management believes that Ryanair is currently in compliance with all applicable regulations and EU directives concerning its fleet of Boeing 737-800 aircraft and will comply with any regulations or EU directives that may come into effect in the future. However, there can be no assurance that the FAA or other regulatory authorities will not recommend or require other safety-related undertakings that could adversely impact the Company's results of operations or financial condition. See "Item 3. Key Information—Risk Factors—Risks Related to the Airline Industry—Safety-Related Undertakings Could Affect the Company's Results."

ANCILLARY SERVICES

Ryanair provides various ancillary services and engages in other activities connected with its core air passenger service, including non-flight scheduled services, Internet-related services, and the in-flight sale of beverages, food, and merchandise. See "Item 5. Operating and Financial Review and Prospects—Results of Operations—Fiscal Year 2016 Compared with Fiscal Year 2015—Ancillary Revenues" for additional information.

As part of its non-flight scheduled and Internet-related services, Ryanair incentivizes ground service providers at many of the airports it serves to levy correct excess baggage charges for any baggage that exceeds Ryanair's published baggage allowances and to collect these charges in accordance with Ryanair's standard terms and conditions. Excess baggage charges are recorded as non-flight scheduled revenue.

Ryanair primarily markets accommodation services and travel insurance through its website. For hotel and accommodation services, Ryanair currently has a contract with Booking.com to market hotels during and after the booking process and Ryanair receives a commission on these sales. The accommodation business went out to tender in July 2016, and a new multi-supplier solution is under development for quarter 3, fiscal 2017. Ryanair offers car hire services via a contract with CarTrawler, which replaced previous supplier Hertz in September 2015.

Table of Contents

Ryanair also sells some bus and rail tickets onboard its aircraft and through its website. In addition, Ryanair markets car parking, attractions and activities on its website, with the latter having gone on sale in-flight in spring 2012.

Ryanair sells gift vouchers on its website, which are redeemable online. In May 2009, Ryanair started to offer its passengers the possibility of receiving an SMS (text message) when booking, at a modest fee, to inform them of their flight confirmation details.

In fiscal year 2012, Ryanair rolled out handheld Electronic Point of Sale ("EPOS") devices across its route network. These EPOS devices replaced manual and paper based systems on-board the aircraft. The EPOS device enables cabin crew to sell and record their on-board sales transactions more efficiently and generate vastly improved management sales reporting. The EPOS device also issues bus and rail tickets and tickets for tourist attractions. A new version of the EPOS device was rolled out in the summer of 2015.

In fiscal year 2011, Ryanair began offering reserved seating in eighteen extra legroom seats on each aircraft for a fee on certain routes and this feature was rolled out to all routes in fiscal year 2012. In February 2014, Ryanair introduced fully allocated seating on each of its flights. Passengers can, for a modest premium, reserve seats at the front of the aircraft and at the overwing exits. All other seats can be reserved for a lower fee. In the event a passenger does not wish to purchase an allocated seat, a random seat will be allocated during the booking process.

In November 2013, the Company launched a new website which reduced the number of clicks to make a booking. At the same time, the Company reduced the exposure of certain other ancillary products during the booking process on the website which had a negative impact on sales along with a reduction of certain penalty fees and charges at airports. The Company anticipates that the reduction in revenues arising from these changes will be offset by the increased revenues arising from allocated seating and, over time, enhanced selling opportunities that will arise from the digital personalization of offers to our customers via the new website and mobile app launched in October 2015, such as through the introduction of fast-track and priority boarding. See "Item 3 Key Information—Risk Factors—Risks related to the Company—Ryanair May Not Achieve All of the Expected Benefits of its Recent Strategic Initiatives".

MAINTENANCE AND REPAIRS

General

As part of its commitment to safety, Ryanair endeavors to hire qualified maintenance personnel, provide proper training to such personnel, and maintain its aircraft in accordance with EASA Regulations and European industry standards. While Ryanair seeks to maintain its fleet in a cost-effective manner, management does not seek to extend Ryanair's low-cost operating strategy to the areas of maintenance, training or quality control.

Ryanair's quality assurance department deals with oversight of all maintenance activities in accordance with EASA Part 145. EASA, which established Part 145, came into being on September 28, 2003; through the adoption of Regulation (EC) No. 1592/2002 of the European Parliament, and its standards superseded the previous Joint Aviation Authority ("JAA") requirements. See " Government Regulation Regulatory Authorities" below.

Ryanair is itself an EASA Part 145-approved maintenance organization and provides its own routine aircraft maintenance and repair services. Ryanair also performs certain checks on its aircraft, including pre-flight and daily checks at some of its bases, as well as A-checks at its Dublin, London (Stansted), Glasgow (Prestwick), Bremen, Kaunas and Frankfurt (Hahn) facilities. Since December 2003, Ryanair has operated a hangar facility at its base at Glasgow (Prestwick) in Scotland, where both A-checks and C-checks are performed on the fleet of Boeing 737-800 aircraft. The facility performs up to four C-checks per week and Ryanair opened a new C-check hangar facility in Kaunas, Lithuania in January 2013 where it carries out between one and two light C-checks per week, enabling Ryanair to perform all of the heavy maintenance that is currently required on its Boeing 737-800 fleet in-house. In January 2014, Ryanair opened another single bay hangar facility in Kaunas.

Ryanair opened a five-bay hangar and stores facility at its London (Stansted) airport base in October 2008 to allow Ryanair to carry out additional line maintenance on its expanding fleet. This facility also incorporates four flight simulator devices, together with a cabin crew trainer and associated training rooms. Ryanair has completed the building of a separate training facility adjacent to the hangar to accommodate a full size 737NG training aircraft to allow for

Table of Contents

cabin crew and engineering training. Ryanair carries out A-checks and line maintenance in its single-bay aircraft hangar facility in Bremen. Ryanair has also entered into a 30-year sole-tenancy agreement with Frankfurt (Hahn) airport and has taken acceptance of a two-bay hangar and stores facility that also incorporates a two-bay simulator-training center. This facility was completed in January 2011 and allows Ryanair to carry out additional line maintenance including A-checks. Ryanair completed the construction of a single bay hangar in Bergamo, Italy in June 2016 which will be used for line maintenance activities and A-checks.

Maintenance and repair services that may become necessary while an aircraft is located at some of the other airports served by Ryanair are provided by other EASA Part 145-approved contract maintenance providers. Aircraft return each evening to Ryanair's bases, where they are examined by either Ryanair's approved personnel or by local EASA Part 145-approved companies.

Heavy Maintenance

As noted above, Ryanair currently has sufficient capacity to be able to carry out all of the routine maintenance work required on its Boeing 737-800 fleet itself. Ryanair opened a new three-bay maintenance hangar at Glasgow (Prestwick) airport in winter 2010 to accommodate the additional maintenance requirements arising from its expanding and aging fleet and opened a new C-check facility in Kaunas in January 2013 to handle the increased C-check requirements driven by fleet expansion.

Ryanair contracts out engine overhaul service for its Boeing 737-800 aircraft to General Electric Engine Services pursuant to a 10-year agreement with an option for a 10-year extension, which was signed in 2004 and subsequently extended for three years to November 30, 2017. This comprehensive maintenance contract provides for the repair and overhaul of the CFM56-7B series engines fitted to the first 155 of Ryanair's Boeing 737-800 aircraft, the repair of parts and general technical support for the fleet of engines. On June 30, 2008, the Company finalized a contract for a similar level of coverage and support for the engines on all of its aircraft that have been or were scheduled to be delivered over the period through November 2012. Due to the fact that engines on recently delivered aircraft will not require a scheduled engine overhaul prior to the expiry of the current contract with GE, Ryanair has decided, at this time, not to take up its option to have engines delivered with aircraft after October 2010 covered by this contract. General Electric Engine Services mainly uses its EASA Part 145-approved repair facility in Cardiff, Wales for this work, but also uses its EASA Part 145-approved facility in Celma, Brazil. By contracting with experienced EASA Part 145-approved maintenance providers, management believes it is better able to ensure the quality of its aircraft and engine maintenance. Ryanair assigns a EASA Part 145-certified mechanic to oversee all heavy maintenance and to authorize all engine overhauls performed by third parties. Maintenance providers are also monitored closely by the national authorities under EASA and national regulations.

Ryanair expects to be dependent on external service contractors, particularly for engine and component maintenance, for the foreseeable future, notwithstanding the additional capabilities provided by its maintenance facilities at Dublin, Glasgow (Prestwick), London (Stansted), Frankfurt (Hahn), Kaunas, Bremen and Bergamo. See "Item 3. Key

Information—Risk Factors—Risks Related to the Company—The Company Is Dependent on External Service Providers.”

SAFETY RECORD

Ryanair has not had a single passenger or flight crew fatality in its 31-year operating history. Ryanair demonstrates its commitment to safe operations through its safety training procedures, its investment in safety-related equipment, and its adoption of an internal open and confidential reporting system for safety issues. The Company’s Board of Directors also has a safety committee to review and discuss air safety and related issues. Mike O’Brien, a Company director, is the joint chairman of this committee, (along with the Airlines Accountable Manager for Safety, Neil Sorahan), and reports to the Board of Directors.

Ryanair’s flight crew training is oriented towards accident prevention and integrates with the Safety Management System to cover all aspects of flight operations. Threat and Error Management (TEM) is at the core of all flight crew training programs. Ryanair maintains full control of the content and delivery of all of its flight crew training, including initial, recurrent, and upgrade phases. All training programs are approved by the Irish Aviation Authority (the “IAA”), which regularly audits operation control standards and flight crew training standards for compliance with EU legislation.

Table of Contents

All of the Boeing 737-800s that Ryanair has bought or committed to buy are certified for Category IIIA landings (automatic landings with minimum horizontal visibility of 200 meters and a 50 feet decision height). The Boeing 737-MAX-200, scheduled for delivery in 2019, will include flight deck enhancements derived from Ryanair's experience with the Boeing 737-200 and Boeing 737-800 fleets.

Ryanair has a comprehensive and documented Safety Management System. Management encourages flight crews to report any safety-related issues through the Air Safety Report (ASR) reporting program, which is available online through Ryanair’s Crewdock system. Also available to crew is Ryanair’s Confidential Reporting System (RCRS) which affords personnel the opportunity to report directly to the Flight Safety Officer any event, error, or discrepancy in operations that they do not wish to report through standard reporting channels. RCRS is designed to increase management’s awareness of problems that may be encountered by personnel in their day-to-day operations. Management uses the de-identified information reported through all reporting systems to modify operating procedures and improve flight operation standards. Additionally, Ryanair promotes the use of CHIRP, a confidential reporting system that is endorsed by the U.K. CAA as an alternative confidential reporting channel.

Ryanair has installed an automatic data capturing system on each of its Boeing 737-800 aircraft which captures and downloads aircraft performance information for use as part of Operational Flight Data Monitoring (OFDM) which automatically provides a confidential report on exceedances from normal operating limitations detected during the course of each flight. The purpose of this system is to monitor operational trends and inform management of any instance of an operational limit being exceeded. By analyzing these reports, management is able to identify undesirable trends and potential areas of operational risk, so as to take steps to rectify such deviations, thereby ensuring adherence to Ryanair’s flight safety standards.

In November 2008, a Ryanair aircraft suffered a multiple bird strike during its final approach to Rome (Ciampino) airport. This incident caused substantial damage to the aircraft, which resulted in an insurance claim being filed in respect of this aircraft. The damage that it suffered was such that the aircraft was not repaired, although Ryanair has retained ownership of it for certain parts and for training purposes.

AIRPORT OPERATIONS

Airport Handling Services

Ryanair provides its own aircraft and passenger handling and ticketing services at Dublin Airport. Third parties provide these services to Ryanair at most other airports it serves. Swissport Limited provides Ryanair’s ticketing, passenger and aircraft handling, and ground handling services at many of these airports in Ireland and the U.K., while similar services in continental Europe are generally provided by the local airport authorities, either directly through sub-contractors, or partners in self-handling at airports in Spain (including the Canary Islands) and Portugal.

Management attempts to obtain competitive rates for such services by negotiating multi-year contracts at fixed prices. These contracts are generally scheduled to expire in one to five years, unless renewed, and certain of them may be terminated by either party before their expiry upon prior notice. Ryanair will need to enter into similar agreements in any new markets it may enter. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—The Company Is Dependent on External Service Providers."

Airport Charges

As with other airlines, Ryanair must pay airport charges each time it lands and accesses facilities at the airports it serves. Depending on the policy of the individual airport, such charges can include landing fees, passenger loading fees, security fees and parking fees. Ryanair attempts to negotiate discounted fees by delivering annual increases in passenger traffic and/or access to new destinations, and opts, when practicable, for less expensive facilities, such as less convenient gates and the use of outdoor boarding stairs rather than more expensive jetways. Nevertheless, there can be no assurance that the airports Ryanair uses will not impose higher airport charges in the future and that any such increases would not adversely affect the Company's operations.

As a result of rising airport charges and the introduction of an Air Travel Tax of €10 on passengers departing from Irish airports on routes longer than 300 kilometers from Dublin Airport (€2 on shorter routes), Ryanair reduced its fleet at Dublin airport to 13 during winter 2010 (down from 22 in summer 2008 and 20 in winter 2008). The introduction of the aforementioned €10 tax likely had a negative impact on the number of passengers traveling to and from Ireland. The Dublin Airport Authority ("DAA") reported that passenger volumes declined by 25% from 30 million in 2007 to 23 million in 2012. Ryanair believes that this was partly reflective of the negative impact of the tax

Table of Contents

on Irish travel. Ryanair called for the elimination of the tax to stimulate tourism during the recession. Ryanair also complained to the European Commission about the unlawful differentiation in the level of the Irish Air Travel tax between routes within the EU. From April 2011, a single rate (€3) of the Air Travel Tax was introduced on all routes. In May 2011, the Irish Government announced that it would abolish the Air Travel Tax, and the tax was ultimately abolished on April 1, 2014. No assurance can be given that the tax will not be reintroduced in the future at similar levels or higher levels, which could have a negative impact on demand for air travel.

The Greek government planned to introduce similar taxes; however, it has now cancelled plans to introduce these taxes. The German government introduced an €8 passenger tax on January 1, 2011 for all departing domestic or short-haul passengers and a passenger tax of €25 for all departing passengers on flights bound for southern Europe and northern Africa. The €8 tax was reduced to €7.50 in January 2012. In addition, the Austrian government introduced an ecological air travel levy of €8 effective January 1, 2011. In July 2013, the regional Walloon Government in Belgium announced a €3 passenger travel tax from January 2014. However, the plan to introduce this tax was later abandoned. The Moroccan government has also introduced a similar tax (equivalent to approximately €9) from April 2014. The Italian government has recently increased the municipal taxes in Italy by €2.50. As a result, Ryanair was forced to close two Italian bases. From June 2016, the Norwegian government introduced a passenger travel tax of NOK80 (approximately €8.50) which resulted in Ryanair announcing the closure of its Oslo Rygge base with effect from late October 2016.

In March 2007, the discount arrangement formerly in place at London (Stansted) airport terminated, subjecting Ryanair to an average increase in charges of approximately 100%. The increase in these charges, which was passed on in the form of higher ticket prices, had a negative impact on yields and passenger volumes in the winter, resulting in Ryanair’s decision to ground seven aircraft. Ryanair responded to the increases by filing complaints with the OFT and the Competition Commission, calling for the break-up of the British Airports Authority plc (“BAA”) monopoly and the introduction of competition in the London airports market. The OFT referred the matter to the Competition Commission, which found that the common ownership by BAA of the three main airports in London negatively affected competition and that a “light touch” approach to regulating BAA by the Civil Aviation Authority adversely impacted competition. In March 2009, the Competition Commission ordered the break-up of BAA. In October 2009, London (Gatwick) was sold to Global Infrastructure Partners for £1.5 billion. Following a delay caused by various appeals by the BAA, the BAA proceeded to sell Edinburgh Airport in April 2012, and London (Stansted) airport to Manchester Airports Group plc in March 2013. Following the December 2003 publication of the U.K. government’s White Paper on Airport Capacity in the Southeast of England, the BAA in 2004 announced plans to spend up to £4 billion on a multi-year project to construct a second runway and additional terminal facilities at London (Stansted) airport with a target opening date of 2013. Ryanair and other airlines using London (Stansted) support the principle of a second runway at London (Stansted), but are opposed to this development because they believe that the financing of what they consider to be an overblown project will lead to airport costs approximately doubling from current levels. In May 2010, the BAA announced that it would not proceed with this £4 billion program. On January 10, 2014, the U.K. Civil Aviation Authority completed its regulatory investigation into market power determination for passenger airlines in relation to London (Stansted). It found that London (Stansted) did not enjoy substantial market power in the market for the provision of airport operation services to passenger airlines, and as such declined to continue to regulate the airport. On September 16, 2013, Ryanair announced that it had agreed a 10 year growth agreement with Manchester Airports Group plc, the owners of London (Stansted), in relation to an expansion of capacity at London (Stansted) in return for significant airport charge reductions for the incremental passenger volumes delivered. Once this 10 year growth deal expires, Ryanair may be subject to increased airport charges at London (Stansted) as the airport is no longer subject to regulation.

See “Item 3. Risk Factors Risks Related to the Company Ryanair’s Continued Growth is Dependent on Access to Suitable Airports; Charges for Airport Access are Subject to Increase.” See also “Item 8. Financial Information Other Financial Information Legal Proceedings EU State Aid-Related Proceedings” for information regarding legal proceedings in which Ryanair’s economic arrangements with several publicly owned airports are being contested.

FUEL

The cost of jet fuel accounted for approximately 41% and 43% of Ryanair’s total operating expenses in the fiscal years ended March 31, 2016 and 2015, respectively. In each case, this accounts for costs after giving effect to the Company’s fuel hedging activities but excludes de-icing costs, which accounted for approximately 0.3% and 0.5% of total fuel costs in the fiscal years ended March 31, 2016 and 2015, respectively. The future availability and cost of

Table of Contents

jet fuel cannot be predicted with any degree of certainty, and Ryanair's low-fares policy limits its ability to pass on increased fuel costs to passengers through increased fares. Jet fuel prices are dependent on crude oil prices, which are quoted in U.S. dollars. If the value of the U.S. dollar continues to strengthen against the euro, Ryanair's fuel costs, expressed in euro, may increase even absent any increase in the U.S. dollar price of jet fuel. Ryanair has also entered into foreign currency forward contracts to hedge against some currency fluctuations. See "Item 11. Quantitative and Qualitative Disclosures About Market Risk—Foreign Currency Exposure and Hedging."

Ryanair has historically entered into arrangements providing for substantial protection against fluctuations in fuel prices, generally through forward contracts covering periods of up to 18 months of anticipated jet fuel requirements. As of July 21, 2016, Ryanair had entered into forward jet fuel (jet kerosene) contracts covering approximately 95% of its estimated requirements for fiscal 2017 at prices equivalent to approximately $622 per metric ton. In addition, as of July 21, 2016, Ryanair had entered into forward jet fuel (jet kerosene) contracts covering approximately 55% of its estimated requirements for fiscal 2018 at prices equivalent to approximately $496 per metric ton, and had not entered into any jet fuel hedging contracts with respect to its expected fuel purchases beyond that period. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—Changes in Fuel Costs and Availability Affect the Company's Results" and "Item 11. Quantitative and Qualitative Disclosures About Market Risk—Fuel Price Exposure and Hedging" for additional information on recent trends in fuel costs and the Company's related hedging activities, as well as certain associated risks. See also "Item 5. Operating and Financial Review and Prospects—Fiscal Year 2016 Compared with Fiscal Year 2015—Fuel and Oil."

INSURANCE

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 maintains aviation third-party liability insurance, passenger liability insurance, employer liability insurance, directors and officers liability insurance, aircraft insurance for aircraft loss or damage, and other business insurance in amounts per occurrence consistent with industry standards. Ryanair believes its insurance coverage is adequate, although not comprehensive. There can be no assurance that the amount of such 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 accidents. Ryanair's insurance does not cover claims for losses incurred when, due to unforeseen events, airspace is closed and aircraft are grounded, such as the airspace closures described in "Item 3. Risk Factors – Risks Related to the Airline Industry – Volcanic Ash Emissions Could Affect the Company and Have a Material Adverse Impact on the Company's Results of Operation", which resulted from volcanic ash in the northern European airspace during April and May 2010.

The cost of insurance coverage for certain third-party liabilities arising from "acts of war" or terrorism increased dramatically as a result of the September 11, 2001 terrorist attacks. In the immediate aftermath, aircraft liability war indemnities for amounts above $50 million were, in the absence of any alternative coverage, provided by the Irish Government at pre-September 11, 2001 levels of coverage on the basis of a per-passenger surcharge. In March 2002, once such coverage was again commercially available, Ryanair arranged coverage to replace that provided by the government indemnity. The replacement insurance coverage operated on the basis of a per-passenger surcharge with an additional surcharge based on hull values. Ryanair's insurers have indicated that the scope of the Company's current war-related insurance coverage may exclude certain types of catastrophic incidents, which may result in the Company seeking alternative coverage.

During the 2006 fiscal year, Ryanair established Aviation Insurance (IOM) Limited ("AIL"), a wholly owned insurance company subsidiary, to provide the Company with self-insurance as part of its ongoing risk-management strategy. AIL underwrites a portion of the Company's aviation insurance program, which covers not only the Company's aircraft but also its liability to passengers and to third parties. AIL reinsures virtually all of the aviation insurance risk it underwrites with recognized third parties in the aviation reinsurance market, with the amount of AIL's maximum aggregate exposure not currently subject to such reinsurance agreements being equal to approximately $16.1 million. In addition to aviation insurance, AIL has underwritten most of the single trip travel insurance policies sold on Ryanair.com since February 1, 2011.

Table of Contents

Council Regulation (EC) No. 2027/97, as amended by Council Regulation (EC) No. 889/2002, governs air carrier liability. This legislation provides for unlimited liability of an air carrier in the event of death or bodily injuries suffered by passengers, implementing the Warsaw Convention of 1929 for the Unification of Certain Rules Relating to Transportation by Air, as amended by the Montreal Convention of 1999. Ryanair has extended its liability insurance to meet the appropriate requirements of the legislation. See "Item 3. Key Information—Risk Factors—Risks Related to the Airline Industry—The Company Faces the Risk of Loss and Liability" for information on the Company's risks of loss and liability.

FACILITIES

The following are the principal properties owned or leased by the Company:

Location	Site Area (Sq. Meters)	Floor Space (Sq. Meters)	Tenure	Activity
Dublin Airport	1,370	1,649	Leasehold	Rental Property
Airside Business Park, Swords, Dublin	12,286	9,443	Freehold	Dublin Office
Dublin Airport (Hangar No. 1)	1,620	1,620	Leasehold	Aircraft Maintenance
Dublin Airport (Hangar No. 2)	5,200	5,000	Leasehold	Aircraft Maintenance
Phoenix House, Conyngham Road, Dublin	2,566	3,899	Freehold	Rental Property
Enterprise House, Stansted	516	516	Leasehold	Administrative Offices
Satellite 3, Stansted Airport	605	605	Leasehold	Operations Center
Stansted Airport (Hangar)	12,161	10,301	Leasehold	Aircraft Maintenance Hangar and Simulator Training Center
Stansted Airport	375	375	Leasehold	Training Centre
Stansted Storage Facilities	378	531	Leasehold	Aircraft Maintenance
East Midlands Airport	3,890	2,801	Freehold	Simulator and Training Center
East Midlands Airport	2,045	634	Leasehold	Training Center
Bremen Airport	5,952	5,874	Leasehold	Terminal and Aircraft Maintenance Hangar
Skavsta Airport (Hangar)	1,936	1,936	Leasehold	Aircraft Maintenance
Prestwick Airport (Hangar)	10,052	10,052	Leasehold	Aircraft Maintenance
	5,064	5,064	Leasehold	

Frankfurt (Hahn) Airport (Hangar)				Aircraft Maintenance Hangar and Simulator Training Center
Kaunas Airport (Hangar)	4,500	4,500	Leasehold	Aircraft Maintenance
Rygge Airport (Hangar)	1,700	1,700	Leasehold	Aircraft Maintenance
Bergamo (Hangar)	4,125	2,200	Freehold	Aircraft Maintenance
Travel Labs Poland	850	850	Leasehold	Administrative Offices

Ryanair has agreements with the DAA, the Irish government authority charged with operating Dublin Airport, to lease check-in counters and other space at the passenger and cargo terminal facilities at Dublin Airport. The airport office facilities used by Ryanair at London (Stansted) are leased from the airport authority; similar facilities at each of the other airports Ryanair serves are provided by Swissport Limited or other service providers.

Table of Contents

TRADEMARKS

Ryanair's logo and the slogans "Ryanair.com The Low Fares Website" and "Ryanair The Low Fares Airline" have been registered as European Union Trade Marks ("EUTMs"). Ryanair has also registered the EUTM for the word "Ryanairhotels.com." Ryanair filed an application for registration of the slogan "Low Fares. Made Simple" in late 2014. The trademark was partially registered. An EUTM allows a trademark owner to obtain a single registration of its trademark, which registration affords uniform protection for that trademark in all EU member states. The registration gives Ryanair an exclusive monopoly over the use of its trade name with regard to similar services and the right to sue for trademark infringement should another party use an identical or confusingly similar trademark in relation to identical, or similar services.

Ryanair has not registered either its name or its logo as a trademark in Ireland, as EUTM-registration provides all of the protection available from an Irish registration, and management believes there are therefore no advantages in making a separate Irish application.

Ryanair's trademarks include:

- European Union (Word) Trade Mark registration number 004168721 comprised of the word "Ryanair" in classes 16, 28, 35, 36, 37, 38, 39 and 42 (Nice Classification);

- European Union (Figurative) Trade Mark registration number 001493329 comprising the following graphic representation:

in classes 16, 35, 36, 37, 38, 39 and 42 (Nice Classification) and class 27.5.1 (Vienna classification);

- European Union (Figurative) Trade Mark registration number 00446559 comprising the following graphic representation:

in classes 16, 35, 36, 37, 38, 39 and 42 (Nice Classification) and class 22.1.16 (Vienna classification);

· European Union (Figurative) Trade Mark registration number 000338301

comprising the following graphic representation:

in classes 16, 35, 36, 37, 38, 39 and 42 (Nice Classification) and class 22.1.16 (Vienna classification)

GOVERNMENT REGULATION

Liberalization of the EU Air Transportation Market

Ryanair began its flight operations in 1985, during a decade in which the governments of Ireland and the U.K. liberalized the bilateral arrangements for the operation of air services between the two countries. In 1992, the Council of Ministers of the EU adopted a package of measures intended to liberalize the internal market for air transportation in the EU. The liberalization included measures that allow EU air carriers substantial freedom to set air fares, provided EU air carriers greatly enhanced access to routes within the EU, and also introduced a licensing procedure for EU air carriers. Beginning in April 1997, EU air carriers have generally been able to provide passenger services on domestic routes within any EU member state outside their home country of operations without restriction.

Regulatory Authorities

Ryanair is subject to Irish and EU regulation, which is implemented primarily by the Department of Transport, Tourism and Sport (“DTTAS”), the Irish Aviation Authority (“IAA”), the European Commission, and the EASA. Management believes that the present regulatory environment in Ireland and the EU is characterized by high sensitivity to safety and security issues, which is demonstrated by intensive reviews of safety-related procedures, training, and equipment by the national and EU regulatory authorities.

Commission for Aviation Regulation “CAR”. The CAR is currently primarily responsible for deciding maximum airport charges only at Dublin Airport. See “ Airport Operations Airport Charges” above.

The CAR also has responsibility for licensing Irish airlines, subject to the requirements of EU law. It issues operating licenses under the provisions of EU Regulation 1008/2008 (formerly 2407/92). An operating license is an authorization permitting the holder to transport passengers, mail and/or cargo by air. The criteria for granting an operating license include, inter alia, an air carrier’s financial fitness, the adequacy of its insurance, and the fitness of the persons who will manage the air carrier. In addition, in order to obtain and maintain an operating license, Irish and EU regulations require that (i) the air carrier must be owned and continue to be owned directly or through majority ownership by EU member states and/or nationals of EU member states and (ii) the air carrier must at all times be effectively controlled by such EU member states or EU nationals. The CAR has broad authority to revoke an operating license. See “Item 10. Additional Information—Limitations on Share Ownership by Non-EU Nationals.” See also “Item 3. Risk Factors—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 Instituted a Ban on the Purchase of Ordinary Shares by Non-EU Nationals” above.

Ryanair’s current operating license became effective on December 1, 1993, and is subject to periodic review. The Flight Operations Department is also subject to ongoing review by the IAA, which reviews the department’s audits, including flight audits, training audits, returned flight document (RFD) audits, and quality audits. Ryanair’s current Air Operator Certificate (“AOC”) No IE 7/94 was issued on October 28, 2014. There is no expiration date on the AOC.

Irish Aviation Authority. The IAA is primarily responsible for the operational and regulatory function and services relating to the safety, security and technical aspects of aviation in Ireland. To operate in Ireland and the EU, an Irish air carrier is required to hold an AOC granted by the IAA attesting to the air carrier’s operational and technical competence to conduct airline services with specified types of aircraft. The IAA has broad authority to amend or revoke an AOC, with Ryanair’s ability to continue to hold its AOC being subject to ongoing compliance with applicable statutes, rules and regulations pertaining to the airline industry, including any new rules and regulations that may be adopted in the future.

The IAA is also responsible for overseeing and regulating the operations of Irish air carriers. Matters within the scope of the IAA's regulatory authority include: air safety; aircraft certification; personnel licensing and training; maintenance, manufacture, repair, airworthiness, and operation of aircraft; implementation of EU legislation; aircraft noise; aviation security and ground services. Each of the Company's aircraft is required to have a Certificate of Airworthiness, which is issued by the IAA. The validity of Certificates of Airworthiness is subject to the review by the IAA. Each certificate is generally valid for a 12-month period. In March 2009, Ryanair received "Sub-Part (I) approval" from the IAA, which gives Ryanair the authority to extend the validity of its certificates, subject to certain record checks and physical aircraft inspections being performed by Ryanair's quality department. The Company's flight personnel, flight and emergency procedures, aircraft, and maintenance facilities are subject to periodic inspections by the IAA. The IAA has broad regulatory and enforcement powers, including the authority to require reports; inspect the books, records, premises, and aircraft of a carrier; and investigate and institute enforcement proceedings. Failure to comply with IAA regulations can result in revocation of the AOC.

In July 1999, the IAA awarded Ryanair a JAR Ops 1 AOC. In 2008, the IAA awarded Ryanair an EU Ops AOC. In 2014, the IAA awarded Ryanair an Air Ops AOC. This AOC remains in force subject to Ryanair demonstrating continuing compliance with applicable EASA regulations. The requirements of Air Ops have been incorporated into European law as prescribed in Regulation EC 965/2012 and were applied in full on October 28,

Table of Contents

2014. All current regulatory requirements are addressed in the Ryanair Operations Manual Part A (as amended). The current Manual, Issue 1 Revision 1, was approved by the IAA on June 27, 2016.

Department of Transport, Tourism and Sport. The Department of Transport, Tourism and Sport ("DTTAS") is responsible for implementation of certain EU and Irish legislation and international standards relating to air transport.

In June 2005, the Irish Minister for Transport enacted legislation strengthening rights for air passengers following the enactment of EU legislation requiring compensation of airline passengers who have been denied boarding on a flight for which they hold a valid ticket (Regulation (EC) No. 261/2004), which came into force on February 17, 2005. See "Item 3. Risk Factors—Risks Related to the Airline Industry—EU Regulation on Passenger Compensation Could Significantly Increase Related Costs."

The European Aviation Safety Agency. EASA is an agency of the EU that has been given specific regulatory and executive tasks in the field of aviation safety. EASA was established through Regulation (EC) No. 1592/2002 of the European Parliament and the Council of July 15, 2002, repealed by Basic Regulation (EC) 216-2008. The purpose of EASA is to draw-up common standards to ensure the highest levels of safety, oversee their uniform application across Europe and promote them at the global level. The EASA formally started its work on September 28, 2003, taking over the responsibility for regulating airworthiness, maintenance and air crew issues within the EU member states.

Eurocontrol. The European Organization for the Safety of Air Navigation ("Eurocontrol") is an autonomous European organization established under the Eurocontrol Convention of December 13, 1960. Eurocontrol is responsible for, inter alia, the safety of air navigation and the collection of route charges for en route air navigation facilities and services throughout Europe. Ireland is a party to several international agreements concerning Eurocontrol. These agreements have been implemented in Irish law, which provides for the payment of charges to Eurocontrol in respect of air navigation services for aircraft in airspace under the control of Eurocontrol. The relevant legislation imposes liability for the payment of any charges upon the operators of the aircraft in respect of which services are provided and upon the owners of such aircraft or the managers of airports used by such aircraft. Ryanair, as an aircraft operator, is primarily responsible for the payment to Eurocontrol of charges incurred in relation to its aircraft.

The legislation authorizes the detention of aircraft in the case of default in the payment of any charge for air navigation services by the aircraft operator or the aircraft owner, as the case may be. This power of detention extends to any equipment, stores or documents, which may be onboard the aircraft when it is detained, and may result in the possible sale of the aircraft.

European Commission. The European Commission is in the process of introducing an updated legislative package to its "single European sky policy," called "SES2+", which would lead to changes to air traffic management and control within the EU. The "single European sky policy" currently consists of the Framework Regulation (Reg. (EC) No.

549/2004) plus three technical regulations on the provision of air navigation services, organization and use of the airspace and the inter-operability of the European air traffic management network. These regulations were amended by the so-called “Single European Sky II” regulation (EU Regulation 1070/09), which focused on air traffic control (“ATC”) performance and extended the authority of EASA to include Airports and Air Traffic Management. The objective of the policy is to enhance safety standards and the overall efficiency of air traffic in Europe, as well as to reduce the cost of air traffic control services.

On September 6, 2005, the European Commission announced new guidelines on the financing of airports and start-up aid to airlines by regional airports based on its February 2004 finding in the Charleroi case, a decision that the EU Court of First Instance (“CFI”) has since annulled in December 2008. The guidelines only applied to publicly owned regional airports, and placed restrictions on the incentives that these airports can offer airlines to deliver traffic. Ryanair argued that the CFI’s annulment of the Charleroi decision severely undermined these guidelines. In April 2014, the European Commission published final revised guidelines that better reflect the commercial reality of the liberalized air transport market, but still place restrictions on the incentives public airports can offer to airlines delivering traffic, when compared with the commercial freedom available to private airports.

The European Union also adopted legislation on airport charges (EU Directive 2009/12), which was originally intended to address abusive pricing at monopoly airports. However, the legislation includes all European airports with over five million passengers per year. Management believes that this will likely increase the administrative burdens on smaller airports and may lead to higher airport charges, while the scope that exists within this Directive to address abuses of their dominant positions by Europe’s larger airports is very limited. See “Item 8. Financial Information Other Financial Information Legal Proceedings EU State Aid-Related Proceedings.”

The European Union also passed legislation calling for increased transparency in airline fares, which requires the inclusion of all mandatory taxes, fees, and charges in advertised prices. Ryanair currently includes this information in its advertised fares in all markets where it operates. However, certain regulatory authorities have alleged that some fees applied by airlines, including Ryanair, on an avoidable basis are in fact mandatory. Ryanair amended its website to include information on fees in June 2012 and incorporated further changes to meet these requirements on its website in August 2012 and December 2012.

Registration of Aircraft

Pursuant to the Irish Aviation Authority (Nationality and Registration of Aircraft) Order 2002 (the “Order”), the IAA regulates the registration of aircraft in Ireland. In order to be registered or continue to be registered in Ireland, an aircraft must be wholly owned by either (i) a citizen of Ireland or a citizen of another member state of the EU having a place of residence or business in Ireland or (ii) a company registered in and having a place of business in Ireland and having its principal place of business in Ireland or another member state of the EU and not less than two-thirds of the directors of which are citizens of Ireland or of another member state of the EU. As of the date of this report, eleven of the twelve directors of Ryanair Holdings are citizens of Ireland or of another member state of the EU. An aircraft will also fulfill these conditions if it is wholly owned by such citizens or companies in combination. Notwithstanding the fact that these particular conditions may not be met, the IAA retains discretion to register an aircraft in Ireland so long as it is in compliance with the other conditions for registration under the Order. Any such registration may, however, be made subject to certain conditions. In order to be registered, an aircraft must also continue to comply with any applicable provisions of Irish law. The registration of any aircraft can be cancelled if it is found that it is not in compliance with the requirements for registration under the Order and, in particular: (i) if the ownership requirements are not met; (ii) if the aircraft has failed to comply with any applicable safety requirements specified by the IAA in relation to the aircraft or aircraft of a similar type; or (iii) if the IAA decides in any case that it is not in the public interest for the aircraft to remain registered in Ireland.

Regulation of Competition

Competition/Antitrust Law. It is a general principle of EU competition law that no agreement may be concluded between two or more separate economic undertakings that prevents, restricts or distorts competition in the common market or any part of the common market. Such an arrangement may nevertheless be exempted by the European Commission, on either an individual or category basis. The second general principle of EU competition law is that any business or businesses having a dominant position in the EU common market or any substantial part of the common market may not abuse such dominant position. Similar competition laws apply at national level in EU member states. Ryanair is subject to the application of the general rules of EU competition law as well as specific rules on competition in the airline sector.

An aggrieved person may sue for breach of EU competition law in the courts of a member state and/or petition the European Commission for an order to put an end to the breach of competition law. The European Commission also may impose fines and daily penalties on businesses and the courts of the member states may award damages and other remedies (such as injunctions) in appropriate circumstances.

Competition law in Ireland is primarily embodied in the Competition Act 2002. This Act is modeled on the EU competition law system. The Irish rules generally prohibit anti-competitive arrangements among businesses and prohibit the abuse of a dominant position. These rules are enforced either by public enforcement (primarily by the Competition Authority) through both criminal and civil sanctions or by private action in the courts. These rules apply to the airline sector, but are subject to EU rules that override any contrary provisions of Irish competition law. Ryanair has been subject to an abuse-of-dominance investigation by the Irish Competition Authority in relation to service between Dublin and Cork. The Competition Authority closed its investigation in July 2009 with a finding in favor of Ryanair.

State Aid. The EU rules control aid granted by member states to businesses on a selective or discriminatory basis. The EU Treaty prevents member states from granting such aid unless approved in advance by the EU. Any such grant of state aid to an airline is subject to challenge before the EU or, in certain circumstances, national courts. If aid is held to have been unlawfully granted it may have to be repaid by the airline to the granting member state, together

Table of Contents

with interest thereon. See “Item 3. Key Information Risk Factors Risks Related to the Company—The Company Is Subject to Legal Proceedings Alleging State Aid at Certain Airports” and “Item 8. Financial Information Other Financial Information Legal Proceedings.”

Environmental Regulation

Aircraft Noise Regulations. Ryanair is subject to international, national and, in some cases, local noise regulation standards. EU and Irish regulations have required that all aircraft operated by Ryanair comply with Stage 3 noise requirements since April 1, 2002. All of Ryanair’s aircraft currently comply with these regulations. Certain airports in the U.K. (including London Stansted and London Gatwick) and continental Europe have established local noise restrictions, including limits on the number of hourly or daily operations or the time of such operations.

Company Facilities. Environmental controls are generally imposed under Irish law through property planning legislation, specifically the Local Government (Planning and Development) Acts of 1963 to 1999, the Planning and Development Act 2000 and regulations made there under. At Dublin Airport, Ryanair operates on land controlled by the DAA. Planning permission for its facilities has been granted in accordance with both the zoning and planning requirements of Dublin Airport. There is also specific Irish environmental legislation implementing applicable EU directives and regulations, to which Ryanair adheres. From time to time, noxious or potentially toxic substances are held on a temporary basis within Ryanair’s engineering facilities at Dublin Airport, Glasgow (Prestwick), London (Stansted), Frankfurt (Hahn), Stockholm (Skavsta), Oslo (Rygge) and Kaunas. However, at all times Ryanair’s storage and handling of these substances complies with the relevant regulatory requirements. At Ryanair’s Glasgow (Prestwick) and London (Stansted) maintenance facilities, all normal waste is removed in accordance with the Environmental Protection Act of 1996 and Duty of Care Waste Regulations. For special waste removal, Ryanair operates under the Special Waste Regulations 1998. At all other facilities Ryanair adheres to all local and EU regulations.

Ryanair’s Policy on Noise and Emissions. Ryanair is committed to reducing emissions and noise through investments in “next generation” aircraft and engine technologies and the implementation of certain operational and commercial decisions to minimize the environmental impact of its operations. According to the Air Travel Carbon and Energy Efficiency Report published by Brighter Planet, Ryanair is the industry leader in terms of environmental efficiency, and the Company is constantly working towards improving its performance.

In December 2005, Ryanair completed the fleet replacement program it commenced in 1999. All of Ryanair’s older Boeing 737-200A aircraft were replaced with Boeing 737-800 “next generation” aircraft, and Ryanair now operates a single-aircraft-type fleet of Boeing 737-800 “next generation” aircraft with an average age of 6 years. The design of the new aircraft is aimed at minimizing drag, thereby reducing the rate of fuel burn and noise levels. The engines are also quieter and more fuel-efficient. Furthermore, by moving to an all Boeing 737-800 “next generation” fleet, Ryanair reduced the unit emissions per passenger due to the inherent capacity increase in the Boeing 737-800 aircraft. The Boeing 737-800 “next generation” aircraft have a significantly superior fuel-burn to passenger-kilometer ratio than

Ryanair's former fleet of Boeing 737-200A aircraft. In September 2014, Ryanair entered into an agreement with Boeing to purchase up to 200 Boeing 737-MAX-200 aircraft (including 100 firm orders and 100 aircraft subject to option). The Boeing 737-MAX-200 aircraft will deliver between fiscal 2020 and fiscal 2024. They have 197 seats and are fitted with CFM-LEAP-1B engines which, combined with the Advanced Technology winglet and other aerodynamic improvements, will reduce fuel consumption by up to approximately 16% on a per seat basis compared to the Boeing 737-800s in Ryanair's configuration and reduce operational noise emissions by approximately 40%. See "—Aircraft" above for details on Ryanair's fleet plan.

Ryanair has also installed winglets on all of its existing aircraft and all future aircraft will also be fitted with winglets. Winglets reduce both the rate of fuel burn and carbon dioxide emissions by approximately 4% and also reduce noise emissions.

In addition, Ryanair has distinctive operational characteristics that management believes are helpful to the general environment. In particular, Ryanair:

· operates with a high-seat density of 189 seats (which will increase to 197 when the Boeing 737-MAX-200 starts being delivered in fiscal 2020) and an all-economy configuration, as opposed to the 162 seats and two-class configuration of the Boeing 737-800 aircraft used by traditional network airlines, reducing fuel burn and emissions per seat-kilometer flown;

Table of Contents

· has reduced per-passenger emissions through higher load factors (93% in fiscal 2016);

· better utilizes existing infrastructure by operating out of underutilized secondary and regional airports throughout Europe, which limits the use of holding patterns and taxiing times, thus reducing fuel burn and emissions and reducing the need for new airport infrastructure;

· provides direct services as opposed to connecting flights, in order to limit the need for passengers to transfer at main hubs and thus reduces the number of take-offs and landings per journey from four to two, reducing fuel burn and emissions per journey; and

· has no late-night departures of aircraft, reducing the impact of noise emissions.

Emissions Trading. On November 19, 2008, the European Council of Ministers adopted legislation to add aviation to the EU Emissions Trading Scheme as of 2012. This scheme, which has thus far applied mainly to energy producers, is a cap-and-trade system for CO_2 emissions to encourage industries to improve their CO_2 efficiency. Under the legislation, airlines were granted initial CO_2 allowances based on historical "revenue ton kilometers" and a CO_2 efficiency benchmark. Any shortage of allowances has to be purchased in the open market and/or at government auctions. Management believes that this legislation is likely to have a negative impact on the European airline industry. Ryanair takes its environmental responsibilities seriously and intends to continue to improve its environmental efficiency and to minimize emissions. Under Regulation 7 of The U.K. Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, Ryanair is obliged to state its annual quantity of emissions in tons of carbon dioxide equivalent. Ryanair's EU Emissions Trading Scheme monitoring, reporting and allowance surrender obligations are mandated on a calendar year basis. During calendar year 2015, Ryanair emitted 8,638,838 tCO2 (Calendar 2014: 7,756,156), which equates to 0.085 tCO2 (Calendar 2014: 0.090) per passenger.

Aviation Taxes. Ryanair is fundamentally opposed to the introduction of any aviation taxes, including any environmental taxes, fuel taxes or emissions levies. Ryanair has, and continues to offer, the lowest fares in Europe, to make passenger air travel affordable and accessible to European consumers. Ryanair believes that the imposition of additional taxes on airlines will not only increase airfares, but will discourage new entrants into the market, resulting in less choice for consumers. Ryanair believes this would ultimately have adverse effects on the European economy in general. There is in particular no justification for any environmental taxes on aviation following the introduction of the Emissions Trading Scheme for airlines.

As a company, Ryanair believes in free market competition and that the imposition of aviation taxation would favor the less efficient flag carriers – which generally have smaller and older aircraft, lower load factors, and a much higher fuel burn per passenger, and which operate primarily into congested airports – and reduce competition. Furthermore, the introduction of a tax at a European level only would distort competition between airlines operating solely within Europe and those operating also outside of Europe. We believe that the introduction of such a tax would also be incompatible with international law.

Airport charges

The EU Airport Charges Directive of March 2009 sets forth general principles that are to be followed by airports with more than five million passengers per annum, and to the airport with the highest passenger movement in each Member State, when setting airport charges, and provides for an appeals procedure for airlines in the event that they are not satisfied with the level of charges. However, Ryanair does not believe that this procedure is effective or that it constrains those airports that are currently abusing their dominant position, in part because the legislation was transposed improperly in certain countries, such as Ireland and Spain, thereby depriving airlines of even the basic safeguards provided for in the Directive. This legislation may in fact lead to higher airport charges, depending on how its provisions are applied by EU member states and subsequently by the courts.

Slots

Currently, the majority of Ryanair's bases of operations have no "slot" allocation restrictions; however, traffic at a substantial number of the airports Ryanair serves, including its primary bases are regulated by means of "slot" allocations, which represent authorizations to take off or land at a particular airport within a specified time period. In addition, EU law currently regulates the acquisition, transfer, and loss of slots. Applicable EU regulations currently prohibit the buying or selling of slots for cash. The European Commission adopted a regulation in April 2004 (Regulation (EC) No. 793/2004) that made some minor amendments to the current allocation system, allowing for limited transfers of, but not trading in, slots. Slots may be transferred from one route to another by the same carrier, transferred within a group or as part of a change of control of a carrier, or swapped between carriers. In April 2008, the European Commission issued a communication on the application of the slot allocation regulation, signaling the acceptance of secondary trading of airport slots between airlines. This is expected to allow more flexibility and mobility in the use of slots and will further enhance possibilities for market entry at slot constrained airports. Any future legislation that might create an official secondary market for slots could create a potential source of revenue for certain of Ryanair's current and potential competitors, many of which have many more slots allocated at primary airports at present than Ryanair. The European Commission proposed a revision to the slots legislation reflecting the principle of secondary trading. This revision has been negotiated by the EU institutions since 2014 and is currently stalled. Slot values depend on several factors, including the airport, time of day covered, the availability of slots and the class of aircraft. Ryanair's ability to gain access to and develop its operations at slot-controlled airports will be affected by the availability of slots for takeoffs and landings at these specific airports. New entrants to an airport are currently given certain privileges in terms of obtaining slots, but such privileges are subject to the grandfathered rights of existing operators that are utilizing their slots. There is no assurance that Ryanair will be able to obtain a sufficient number of slots at the slot-controlled airports that it desires to serve in the future at the time it needs them or on acceptable terms.

Other

Health and occupational safety issues relating to the Company are largely addressed in Ireland by the Safety, Health and Welfare at Work Act, 2005 and other regulations under that act. Although licenses or permits are not issued under such legislation, compliance is monitored by the Health and Safety Authority (the "Authority"), which is the regulating body in this area. The Authority periodically reviews Ryanair's health and safety record and when appropriate, issues improvement notices or prohibition notices. Ryanair has responded to all such notices to the satisfaction of the Authority. Other safety issues are covered by the Irish Aviation Orders, which may vary from time to time.

The Company's operations are subject to the general laws of Ireland and, insofar as they are applicable in Ireland, the laws of the EU. The Company may also become subject to additional regulatory requirements in the future. The Company is also subject to local laws and regulations at locations where it operates and the regulations of various local authorities that operate the airports it serves.

DESCRIPTION OF PROPERTY

For certain information about each of the Company's key facilities, see "—Facilities" above. Management believes that the Company's facilities are suitable for its needs and are well maintained.

Item 4A. Unresolved Staff Comments

There are no unresolved staff comments.

Item 5. Operating and Financial Review and Prospects

The following discussion should be read in conjunction with the audited consolidated financial statements of the Company and the notes thereto included in Item 18. Those consolidated financial statements have been prepared in accordance with IFRS.

HISTORY

Ryanair's current business strategy dates to the early 1990s, when a new management team, including the current chief executive, commenced the restructuring of Ryanair's operations to become a low-fares airline based on the low-cost operating model pioneered by Southwest Airlines Co. in the United States. During the period between 1992 and 1994, Ryanair expanded its route network to include scheduled passenger services between Dublin and Birmingham, Manchester and Glasgow (Prestwick). In 1994, Ryanair began standardizing its fleet by purchasing used Boeing 737-200A aircraft to replace substantially all of its leased aircraft. Beginning in 1996, Ryanair continued to expand its service from Dublin to new provincial destinations in the U.K. In August 1996, Irish Air, L.P., an investment vehicle led by David Bonderman and certain of his associates at the Texas Pacific Group, acquired a minority interest in the Company. Ryanair Holdings completed its initial public offering in June 1997.

From 1997 through June 30, 2016, Ryanair launched service on more than 2,000 routes throughout Europe and also increased the frequency of service on a number of its principal routes. During that period, Ryanair established 84 airports as bases of operations, including Dublin. See “Item 4. Information on the Company—Route System, Scheduling and Fares” for a list of these bases. Ryanair has increased the number of booked passengers from approximately 4.9 million in the 1999 fiscal year to approximately 106.4 million in the 2016 fiscal year. As of June 30, 2016, Ryanair had a principal fleet of over 350 Boeing 737-800 aircraft and now serves approximately 200 airports.

Ryanair expects to have approximately 546 aircraft in its operating fleet by March 31, 2024. This is subject to lease handbacks and disposals over the period to March 31, 2024 meeting current expectations. See “ Liquidity and Capital Resources” and “Item 4. Information on the Company Aircraft” for additional details.

BUSINESS OVERVIEW

Since Ryanair pioneered its low cost operating model in Europe in the early 1990s, its passenger volumes and scheduled passenger revenues have increased significantly because the Company has substantially increased capacity and demand has been sufficient to match the increased capacity. Ryanair’s annual booked passenger volume has grown from approximately 0.9 million passengers in the calendar year 1992 to approximately 106.4 million passengers in the 2016 fiscal year.

Ryanair’s revenue passenger miles (“RPMs”) increased approximately 15% from 70,331 million in the 2015 fiscal year to 81,146 million in the 2016 fiscal year due partly to an increase of approximately 10% in scheduled available seat miles (“ASMs”) from 79,690 million in the 2015 fiscal year to 87,451 million in the 2016 fiscal year. Scheduled passenger revenues increased approximately 17% from €4,260.3 million in the 2015 fiscal year to €4,967.2 million in the 2016 fiscal year. Average booked passenger fare decreased from €47.05 in the 2015 fiscal year to €46.67 in the 2016 fiscal year.

Expanding passenger volumes and capacity, high load factors and aggressive cost containment have enabled Ryanair to continue to generate operating profits despite increasing price competition and increases in certain costs. Ryanair’s total break-even load factor was 72% in both the 2015 and 2016 fiscal years. Cost per passenger was €50.92 in the 2015 fiscal year and €47.69 in the 2016 fiscal year, with the decrease primarily reflecting the lower fuel cost per passenger of €19.46 in the 2016 fiscal year as compared to €22.00 in the 2015 fiscal year. Ryanair recorded operating profits of €1,042.9 million in the 2015 fiscal year and €1,460.1 million in the 2016 fiscal year. The Company recorded a profit after taxation of €866.7 million in the 2015 fiscal year and €1,559.1 million in the 2016 fiscal year. Ryanair took delivery of 41 Boeing 737-800 aircraft in the 2016 fiscal year. The Company will take delivery of a further 52 Boeing

737-800 aircraft in the 2017 fiscal year and expects that these deliveries, net of lease handbacks, will allow for an approximately 10% increase in fiscal 2017 traffic. See "Item 3. Key Information—Risk Factors—Risks Related to the Company— Ryanair Has Seasonally Grounded Aircraft."

Investment in Aer Lingus and Subsequent Sale of this Investment in Fiscal 2016

During the 2007 fiscal year, the Company acquired 25.2% of Aer Lingus. The Company increased its interest to 29.3% during the 2008 fiscal year, and to 29.8% during the 2009 fiscal year at a total aggregate cost of €407.2 million.

In 2006 and 2012, Ryanair made offers to acquire the entire share capital of Aer Lingus, but both of these offers were prohibited by the European Commission on competition grounds. In addition, from 2010 to 2013 the U.K. competition authority investigated Ryanair's minority stake in Aer Lingus. On August 28, 2013, it issued its decision in which it found that Ryanair's shareholding "gave it the ability to exercise material influence over Aer Lingus" and "had led or may be expected to lead to a substantial lessening of competition in the markets for air passenger services between Great Britain and Ireland", and ordered Ryanair to reduce its shareholding in Aer Lingus to no more than five percent of Aer Lingus' issued ordinary shares. Ryanair appealed this decision on procedural and substantive grounds, but withdrew the appeal in September 28, 2015, following the sale of its stake in Aer Lingus in July 2015.

On June 19, 2015, IAG issued a formal offer for Aer Lingus Group plc. The offer, which was recommended by the Board of Aer Lingus Group plc, consisted of cash consideration of €2.50 per ordinary share plus a €0.05

ordinary dividend (already paid in May 2015). On July 10, 2015, Ryanair confirmed that the Board of Ryanair Holdings voted unanimously to accept the IAG offer for Ryanair's 29.8% shareholding in Aer Lingus Group plc, subject to that offer receiving merger clearance from the European Commission, which was subsequently granted on July 14, 2015. On September 1, 2015 Ryanair received total consideration of €398.1 million for the sale of its stake in Aer Lingus.

Historical Results Are Not Predictive of Future Results

The historical results of operations discussed herein may not be indicative of Ryanair's future operating performance. Ryanair's future results of operations will be affected by, among other things, overall passenger traffic volume; the availability of new airports for expansion; fuel prices; the airline pricing environment in a period of increased competition; the ability of Ryanair to finance its planned acquisition of aircraft and to discharge the resulting debt service obligations; economic and political conditions in Ireland, the U.K. and the EU; terrorist threats or attacks within the EU; seasonal variations in travel; developments in government regulations, litigation and labor relations; foreign currency fluctuations, the impact of the banking crisis and potential break-up of the Eurozone; Brexit; competition and the public's perception regarding the safety of low-fares airlines; changes in aircraft acquisition, leasing, and other operating costs; flight interruptions caused by volcanic ash emissions or other atmospheric disruptions; flight disruptions caused by periodic and prolonged air traffic controller strikes in Europe; the rates of income and corporate taxes paid, and the impact of the financial and Eurozone crisis. Ryanair expects its depreciation, staff and fuel charges to increase as additional aircraft and related flight equipment are acquired. Future fuel costs may also increase as a result of the depletion of petroleum reserves, the shortage of fuel production capacity and/or production restrictions imposed by fuel oil producers. Maintenance expenses may also increase as a result of Ryanair's fleet expansion and replacement program. In addition, the financing of new Boeing 737-800 aircraft and Boeing 737-MAX-200 will increase the total amount of the Company's outstanding debt and the payments it is obliged to make to service such debt. The cost of insurance coverage for certain third-party liabilities arising from "acts of war" or terrorism increased dramatically following the September 11, 2001 terrorist attacks. Although Ryanair currently passes on increased insurance costs to passengers by means of a special "insurance levy" on each ticket, there can be no assurance that it will continue to be successful in doing so. See "Item 3. Key Information—Risk Factors—Risks related to the Airline Industry— Terrorism in Europe, the United States or Elsewhere Could Have a Material Detrimental Effect on the Company."

RECENT OPERATING RESULTS

The Company's profit after tax for the quarter ended June 30, 2016 (the first quarter of the Company's 2017 fiscal year) was €255.5 million, as compared to €245.1 million for the corresponding period of the previous year. The Company recorded an increase in operating profit, from €288.4 million in the first quarter of the 2016 fiscal year to €306.8 million in the recently completed quarter. Total operating revenues increased from €1,652.7 million in the first quarter of fiscal 2016 to €1,687.4 million in the first quarter of fiscal 2017. The increase in operating profit was primarily due to an 11% increase in traffic and a stronger load factor (up 2 points to 94%). Operating expenses increased from €1,364.3 million in the first quarter of fiscal 2016 to €1,380.6 million in the first quarter of fiscal 2017, due primarily to the increased costs associated with the growth of the airline. The Company's cash and cash equivalents, restricted cash and financial assets with terms of less than three months amounted to €4,103.8 million at June 30, 2016 as compared with €4,881.2 million at June 30, 2015.

CRITICAL ACCOUNTING POLICIES

The following discussion and analysis of Ryanair's financial condition and results of operations is based on its consolidated financial statements, which are included in Item 18 and prepared in accordance with IFRS.

The preparation of the Company's financial statements requires the use of estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. Actual results may differ from these estimates.

The Company believes that its critical accounting policies, which are those that require management's most difficult, subjective and complex judgments, are those described in this section. These critical accounting policies, the judgments and other uncertainties affecting application of these policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered in reviewing the consolidated financial statements

Table of Contents

included in Item 18 and the discussion and analysis below. For additional detail on these policies, see Note 1, "Basis of preparation and significant accounting policies," to the consolidated financial statements included in Item 18.

Long-lived Assets

As of March 31, 2016, Ryanair had €6.3 billion of long-lived assets, virtually all of which were aircraft. In accounting for long-lived assets, Ryanair must make estimates about the expected useful lives of the assets, the expected residual values of the assets, and the potential for impairment based on the fair value of the assets and the cash flows they generate.

In estimating the lives and expected residual values of its aircraft, Ryanair has primarily relied on its own and industry experience, recommendations from Boeing, the manufacturer of all of the Company's aircraft, valuations from appraisers and other available marketplace information. Subsequent revisions to these estimates, which can be significant, could be caused by changes to Ryanair's maintenance program, changes in utilization of the aircraft, governmental regulations on aging of aircraft, changes in new aircraft technology, changes in governmental and environmental taxes, changes in new aircraft fuel efficiency and changing market prices for new and used aircraft of the same or similar types. Ryanair evaluates its estimates and assumptions in each reporting period, and, when warranted, adjusts these assumptions. Generally, these adjustments are accounted for on a prospective basis, through depreciation expense.

Ryanair periodically evaluates its long-lived assets for impairment. Factors that would indicate potential impairment would include, but are not limited to, significant decreases in the market value of an aircraft, a significant change in an aircraft's physical condition and operating or cash flow losses associated with the use of the aircraft. While the airline industry as a whole has experienced many of these factors from time to time, Ryanair has not yet been seriously impacted and continues to record positive cash flows from these long-lived assets. Consequently, Ryanair has not yet identified any impairments related to its existing aircraft fleet. The Company will continue to monitor its long-lived assets and the general airline operating environment.

The Company's estimate of the recoverable amount of aircraft residual values is 15% of current market value of new aircraft, determined periodically, based on independent valuations and actual aircraft disposals during prior periods. Aircraft are depreciated over a useful life of 23 years from the date of manufacture to residual value.

Heavy Maintenance

An element of the cost of an acquired aircraft is attributed, on acquisition, to its service potential, reflecting the maintenance condition of the engines and airframe.

For aircraft held under operating lease agreements, Ryanair is contractually committed to either return the aircraft in a certain condition or to compensate the lessor based on the actual condition of the airframe, engines and life-limited parts upon return. In order to fulfill such conditions of the lease, maintenance, in the form of major airframe overhaul, engine maintenance checks, and restitution of major life-limited parts, is required to be performed during the period of the lease and upon return of the aircraft to the lessor. The estimated airframe and engine maintenance costs and the costs associated with the restitution of major life-limited parts, are accrued and charged to profit or loss over the lease term for this contractual obligation, based on the present value of the estimated future cost of the major airframe overhaul, engine maintenance checks and restitution of major life-limited parts, calculated by reference to the number of hours flown or cycles operated during the year.

Ryanair's aircraft operating lease agreements typically have a term of seven years, which closely correlates with the timing of heavy maintenance checks. The contractual obligation to maintain and replenish aircraft held under operating lease exists independently of any future actions within the control of Ryanair. While Ryanair may, in very limited circumstances, sub-lease its aircraft, it remains fully liable to perform all of its contractual obligations under the 'head lease' notwithstanding any such sub-leasing.

Both of these elements of accounting policies involve the use of estimates in determining the quantum of both the initial maintenance asset and/or the amount of provisions to be recorded and the respective periods over which such amounts are charged to income. In making such estimates, Ryanair has primarily relied on its own and industry experience, industry regulations and recommendations from Boeing; however, these estimates can be subject to revision, depending on a number of factors, such as the timing of the planned maintenance, the ultimate utilization of the aircraft, changes to government regulations and increases or decreases in estimated costs. Ryanair evaluates its

Table of Contents

estimates and assumptions in each reporting period and, when warranted, adjusts its assumptions, which generally impact maintenance and depreciation expense in the income statement on a prospective basis.

Tax Audits

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax payable on taxable profits is recognized as an expense in the period in which the profits arise using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax is provided in full, using the balance sheet liability method on temporary differences arising from the tax basis of assets and liabilities and their carrying amount in the consolidated financial statements.

Social insurance, passenger taxes and sales taxes are recorded as a liability based on laws enacted in the jurisdictions to which they relate. Liabilities are recorded when an obligation has been incurred.

Ryanair reviews its tax obligations by jurisdiction regularly. There are many complexities and judgments in determining tax obligations due to the inherent complexity of tax law, the manner in which airline businesses are carried out whereby operations can begin and end in different jurisdictions and assumptions made about the timing and amount of individual balances to be included in financial statements and tax returns.

Ryanair has an internal tax group and takes professional advice on more complex matters in estimating its tax liabilities. Ryanair also deals extensively with revenue authorities in each jurisdiction in which it operates. Tax liabilities are based on the best estimate of the likely obligation at each reporting period. These estimates are subject to revision based on the outcome of tax audits and discussions with revenue authorities that can take several years to conclude.

RESULTS OF OPERATIONS

The following table sets forth certain income statement data (calculated under IFRS) for Ryanair expressed as a percentage of Ryanair's total revenues for each of the periods indicated:

	Fiscal Year Ended March 31,

	2016	2015	2014
Total revenues	100 %	100 %	100 %
Scheduled revenues	76.0	75.4	75.2
Ancillary revenues	24.0	24.6	24.8
Total operating expenses	77.7	81.5	86.9
Fuel and oil	31.7	35.2	40.0
Airport and handling charges	12.7	12.6	12.2
Route charges	9.5	9.7	10.4
Staff costs	9.0	8.9	9.2
Depreciation	6.5	6.7	7.0
Marketing, distribution and other	4.5	4.1	3.8
Maintenance, materials and repairs	2.0	2.4	2.3
Aircraft rentals	1.8	1.9	2.0
Operating profit	22.3	18.5	13.1
Net interest expense	(0.8)	(1.0)	(1.3)
Other income	4.9	(0.1)	—
Profit before taxation	26.4	17.4	11.8
Taxation	(2.5)	(2.0)	(1.4)
Profit after taxation	23.9	15.4	10.4

FISCAL YEAR 2016 COMPARED WITH FISCAL YEAR 2015

Profit after taxation. Ryanair recorded a profit on ordinary activities after taxation of €1,559.1 million in the 2016 fiscal year, as compared with a profit of €866.7 million in the 2015 fiscal year. This 79.9% increase was primarily attributable to a 15.6% increase in revenues due to a 17.5% increase in traffic, a stronger load factor (up 5 points to 92.8%), 11.5% fuel savings per passenger and a one off gain of €317.5 million on the sale of the Company’s 29.8% shareholding in Aer Lingus.

Table of Contents

Scheduled revenues. Ryanair's scheduled passenger revenues increased 16.6%, from €4,260.3 million in the 2015 fiscal year to €4,967.2 million in the 2016 fiscal year, primarily reflecting a 17.7% increase in the number of passengers booked from 90.6 million to 106.4 million reflecting increased passenger volumes on existing routes and the successful launch of new bases in Belfast, Berlin, Corfu, Gothenburg, Ibiza, Milan (Malpensa) and Santiago in the 2016 fiscal year. Booked passenger load factors increased to 92.8% in fiscal 2016 compared with 88.2% in fiscal 2015.

Passenger capacity during the 2016 fiscal year increased by 11.8% due to an increase in the average number of aircraft in the fleet. Scheduled passenger revenues accounted for 76.0% of Ryanair's total revenues for the 2016 fiscal year, compared with 75.4% of total revenues in the 2015 fiscal year.

Ancillary revenues. Ryanair's ancillary revenues, which comprise revenues from non-flight scheduled operations, in-flight sales and Internet-related services, increased 12.5%, from €1,393.7 million in the 2015 fiscal year to €1,568.6 million in the 2016 fiscal year, while ancillary revenues per booked passenger decreased to €14.74 from €15.39. Revenues from non-flight scheduled operations, including revenues from excess baggage charges, administration/credit card fees, sales of rail and bus tickets, priority boarding, reserved seating, accommodation, travel insurance and car rental increased 14.2% to €1,329.6 million from €1,164.4 million in the 2015 fiscal year. Revenues from in-flight sales increased 19.8%, to €153.4 million from €128.1 million in the 2015 fiscal year. Revenues from Internet-related services, primarily commissions received from products sold on Ryanair.com or linked websites, decreased 15.4%, from €101.2 million in the 2015 fiscal year to €85.6 million in the 2016 fiscal year. The overall increase in ancillary revenues reflects the solid performance of on-board sales and reserved seating offset by reduced travel insurance, a one-time benefit in the prior year comparative arising from the earlier loading of the schedules and the impact of being without a car hire provider for much of quarter 2, fiscal 2016.

The following table sets forth the components of ancillary revenues earned by Ryanair and each component expressed as a percentage of total ancillary revenues for each of the periods indicated:

	Fiscal Year Ended March 31,					
	2016			2015		
	(in millions of euro, except percentage data)					
Non-flight Scheduled	1,329.6	84.8	%	1,164.4	83.5	%
In-flight Sales	153.4	9.8	%	128.1	9.2	%
Internet-related	85.6	5.4	%	101.2	7.3	%
Total	1,568.6	100.0	%	1,393.7	100.0	%

Operating expenses. As a percentage of total revenues, Ryanair's operating expenses decreased from 81.5% in the 2015 fiscal year to 77.7% in the 2016 fiscal year. Total revenues increased by 15.6%, faster than the 10.1% increase in operating expenses. In absolute terms, total operating expenses increased 10.1%, from €4,611.1 million in the 2015 fiscal year to €5,075.7 million in the 2016 fiscal year, principally as a result of increased costs associated with the growth of the airline. Fuel and oil expenses, route charges, depreciation, maintenance, materials and repairs and aircraft rentals decreased as a percentage of total revenues, while airport and handling charges, staff costs and marketing, distribution and other costs increased. Total operating cost per passenger decreased 6.3%, with the decrease reflecting, principally, an 11.5% reduction in per passenger fuel costs and ex-fuel costs decreasing by 2.4%.

The Company's decision to ground aircraft during the winter months did not have a material impact on the results of the Company for the year ended March 31, 2016 and, at present, is not anticipated to have a material impact on future operations. The Company anticipates that any revenues which could have been generated had the Company operated the grounded aircraft would have been lower than the operating costs associated with operating these aircraft, including fuel costs, airport charges and taxes. The Company does not anticipate that any material staff costs will be incurred during future periods of the grounding of aircraft, as the relevant crews can be furloughed under the terms of their contracts without compensation and the maintenance costs associated with the grounded aircraft will be minimal. However, the Company will still incur aircraft ownership costs comprised of depreciation and amortization costs, lease rentals costs and financing costs.

The following table sets forth the amounts in euro cent of, and percentage changes in, Ryanair's operating expenses (on a per-passenger basis) for the fiscal years ended March 31, 2016 and March 31, 2015 under IFRS. These

Table of Contents

data are calculated by dividing the relevant expense amount (as shown in the consolidated financial statements) by the number of booked passengers in the relevant year as shown in the table of "Selected Operating and Other Data" in Item 3 and rounding to the nearest euro cent; the percentage change is calculated on the basis of the relevant figures before rounding.

	Fiscal Year Ended March 31, 2016	Fiscal Year Ended March 31, 2015	% Change
	€	€	
Fuel and oil	19.47	22.00	(11.5%)
Airport and handling charges	7.80	7.87	(0.9%)
Route charges	5.85	6.05	(3.2%)
Staff costs	5.50	5.55	(1.0%)
Depreciation	4.02	4.17	(3.7%)
Marketing, distribution and other	2.75	2.58	6.5%
Maintenance, materials and repairs	1.22	1.49	(17.8%)
Aircraft rentals	1.08	1.21	(10.5%)
Total operating expenses	47.69	50.92	(6.3%)

Fuel and oil. Ryanair's fuel and oil costs per passenger decreased by 11.5%, while in absolute terms, these costs increased by 4.0% from €1,992.1 million in the 2015 fiscal year to €2,071.4 million in the 2016 fiscal year, in each case after giving effect to the Company's fuel hedging activities. The 4.0% increase reflected a 10.9% increase in hours flown and higher fuel burn due to the higher load factor. Fuel and oil costs include the direct cost of fuel, the cost of delivering fuel to the aircraft, aircraft de-icing and EU emissions trading costs. The average fuel price paid by Ryanair (calculated by dividing total fuel costs by the number of U.S. gallons of fuel consumed) decreased 5.6% from €2.34 per U.S. gallon in the 2015 fiscal year to €2.21 per U.S. gallon in the 2016 fiscal year, in each case after giving effect to the Company's fuel hedging activities.

Airport and handling charges. Ryanair's airport and handling charges per passenger decreased 0.9% in the 2016 fiscal year, while route charges per passenger decreased 3.2%. In absolute terms, airport and handling charges increased 16.5%, from €712.8 million in the 2015 fiscal year to €830.6 million in the 2016 fiscal year, reflecting the addition of more primary airports to the network and stronger U.K. pound sterling against the euro.

Route charges. Ryanair's route charges per passenger decreased by 3.2%. In absolute terms, route charges increased 13.8%, from €547.4 million in the 2015 fiscal year, to €622.9 million in the 2016 fiscal year, primarily as a result of an increase in the sectors flown and Eurocontrol price increases in France, Germany and the U.K.

Staff costs. Ryanair's staff costs, which consist primarily of salaries, wages and benefits, decreased 1.0% on a per-passenger basis, while in absolute terms, these costs increased 16.4%, from €502.9 million in the 2015 fiscal year to €585.4 million in the 2016 fiscal year. The increase in absolute terms was primarily attributable to increased sectors and less grounded aircraft in the winter of fiscal 2016, the impact of a 2% pay increase in April and adverse U.K. pound sterling.

Depreciation. Ryanair's depreciation per passenger decreased by 3.7%, while in absolute terms these costs increased 13.1% from €377.7 million in the 2015 fiscal year to €427.3 million in the 2016 fiscal year. The increase was primarily attributable to 41 additional owned aircraft in the fleet, the purchase of 3 spare engines and higher levels of heavy maintenance activity. See "—Critical Accounting Policies—Long-lived Assets" above.

Marketing, distribution and other expenses. Ryanair's marketing, distribution and other operating expenses, including those applicable to the generation of ancillary revenues, increased 6.5% on a per-passenger basis in the 2016 fiscal year, while in absolute terms, these costs increased 25.1%, from €233.9 million in the 2015 fiscal year to €292.7 million in the 2016 fiscal year, with the overall increase primarily reflecting the increased distribution costs related to higher on-board sales, disruption costs related to the French ATC strikes and the Brussels terrorist attacks and higher passenger compensation costs following an ECJ ruling on passenger compensation in September 2015.

Maintenance, materials and repairs. Ryanair's maintenance, materials and repair expenses, which consist primarily of the cost of routine maintenance provision for leased aircraft and the overhaul of spare parts, decreased

Table of Contents

17.8% on a per-passenger basis, while in absolute terms these expenses decreased by 3.4% from €134.9 million in the 2015 fiscal year to €130.3 million in the 2016 fiscal year. The decrease in absolute terms during the fiscal year was due to lower unscheduled maintenance than fiscal 2015 and a lower maintenance provision due to lease handbacks in the winter of fiscal 2016.

Aircraft rentals. Aircraft rental expenses amounted to €115.1 million in the 2016 fiscal year, a 5.2% increase from the €109.4 million reported in the 2015 fiscal year, reflecting the longer duration of short-term summer leases, offset by lease handbacks in the winter.

Operating profit. As a result of the factors outlined above, operating profit increased 19.1% on a per-passenger basis in the 2016 fiscal year, and also increased in absolute terms, from €1,042.9 million in the 2015 fiscal year to €1,460.1 million in the 2016 fiscal year.

Other income. Other income consists primarily of the gain of €317.5 million on the sale of Ryanair's stake in Aer Lingus.

Finance expense. Ryanair's interest and similar charges decreased 4.2%, from €74.2 million in the 2015 fiscal year to €71.1 million in the 2016 fiscal year, primarily due to lower interest rates.

Finance income. Ryanair's interest and similar income remained flat at €17.9 million in the 2016 fiscal year as lower interest rates were offset by higher average cash balances and a 25% increase in the Aer Lingus dividend compared to fiscal 2015.

Foreign exchange gains/losses. Ryanair recorded foreign exchange losses of €2.5 million in the 2016 fiscal year, as compared with foreign exchange losses of €4.2 million in the 2015 fiscal year, with the different result being primarily due to the impact of changes in the euro exchange rate against the U.S. dollar and U.K. pound sterling.

Taxation. The effective tax rate for the 2016 fiscal year was 11.6%, as compared to an effective tax rate of 11.8% in the 2015 fiscal year. The effective tax rate reflects the statutory rate of Irish corporation tax of 12.5%. Ryanair recorded an income tax provision of €162.8 million in the 2016 fiscal year, compared with a tax provision of €115.7 million in the 2015 fiscal year, with the increase primarily reflecting higher pre-tax profits. The determination regarding the recoverability of the deferred tax asset was based on future income forecasts, which demonstrated that it was more likely than not that future profits would be available in order to utilize the deferred tax asset. A deferred tax asset's recoverability is not dependent on material improvements over historical levels of pre-tax income, material changes in the present relationship between income reported for financial and tax purposes, or material asset sales or other non-routine transactions.

FISCAL YEAR 2015 COMPARED WITH FISCAL YEAR 2014

Profit after taxation. Ryanair recorded a profit on ordinary activities after taxation of €866.7 million in the 2015 fiscal year, as compared with a profit of €522.8 million in the 2014 fiscal year. This 65.8% increase was primarily attributable to a 1.4% increase in average fares, a 10.9% increase in traffic, a stronger load factor (up 5 points to 88.2%), and 10.8% fuel savings per passenger.

Scheduled revenues. Ryanair's scheduled passenger revenues increased 12.4%, from €3,789.5 million in the 2014 fiscal year to €4,260.3 million in the 2015 fiscal year, primarily reflecting an increase of 1.4% in average fares. The number of passengers booked increased 10.9%, from 81.7 million to 90.6 million, reflecting increased passenger volumes on existing routes and the successful opening of new bases at Athens, Lisbon, Thessaloniki, Warsaw, Cologne, Glasgow International, Gdansk and Bratislava in the 2015 fiscal year. Booked passenger load factors increased to 88.2% in fiscal 2015 compared with 83% in fiscal 2014.

Passenger capacity during the 2015 fiscal year increased by 3.8% due to an increase in the average number of aircraft in the fleet. Scheduled passenger revenues accounted for 75.4% of Ryanair's total revenues for the 2015 fiscal year, compared with 75.2% of total revenues in the 2014 fiscal year.

Ancillary revenues. Ryanair's ancillary revenues, which comprise revenues from non-flight scheduled operations, in-flight sales and Internet-related services, increased 11.7%, from €1,247.2 million in the 2014 fiscal year to €1,393.7 million in the 2015 fiscal year, while ancillary revenues per booked passenger increased to €15.39 from €15.27. Revenues from non-flight scheduled operations, including revenues from excess baggage charges,

Table of Contents

administration/credit card fees, sales of rail and bus tickets, priority boarding, reserved seating, accommodation, travel insurance and car rental increased 15.0% to €1,164.4 million from €1,012.4 million in the 2014 fiscal year. Revenues from in-flight sales increased 9.2%, to €128.1 million from €117.3 million in the 2014 fiscal year. Revenues from Internet-related services, primarily commissions received from products sold on Ryanair.com or linked websites, decreased 13.9%, from €117.5 million in the 2014 fiscal year to €101.2 million in the 2015 fiscal year, reflecting a combination of factors including an improved product mix and the implementation of fully reserved seating across the network. The rate of increase in ancillary revenues exceeded that of the increase in overall passengers booked.

The following table sets forth the components of ancillary revenues earned by Ryanair and each component expressed as a percentage of total ancillary revenues for each of the periods indicated:

	Fiscal Year Ended March 31,					
	2015			2014		
	(in millions of euro, except percentage data)					
Non-flight Scheduled	1,164.4	83.5	%	1,012.4	81.2	%
In-flight Sales	128.1	9.2	%	117.3	9.4	%
Internet-related	101.2	7.3	%	117.5	9.4	%
Total	1,393.7	100.0	%	1,247.2	100.0	%

Operating expenses. As a percentage of total revenues, Ryanair's operating expenses decreased from 86.9% in the 2014 fiscal year to 81.6% in the 2015 fiscal year. Total revenues increased by 12.3%, faster than the 5.3% increase in operating expenses. In absolute terms, total operating expenses increased 5.3%, from €4,378.1 million in the 2014 fiscal year to €4,611.1 million in the 2015 fiscal year, principally as a result of increased costs associated with the growth of the airline offset by a 1.0% reduction in fuel and oil costs from €2,013.1 million in the 2014 fiscal year to €1,992.1 million in the 2015 fiscal year. Fuel and oil expenses, route charges, staff costs, depreciation and aircraft rentals decreased as a percentage of total revenues, while airport and handling charges, marketing, distribution and other costs and maintenance, materials and repairs increased. Total operating expenses per passenger decreased by 5.0%, with the decrease reflecting, principally, a 10.8% reduction in per passenger fuel costs and ex-fuel costs remaining flat per passenger during the 2015 fiscal year.

The Company's decision to ground aircraft did not have a material impact on the results of the Company for the year ended March 31, 2015 and, at present, is not anticipated to have a material impact on future operations. The Company anticipates that any revenues which could have been generated had the Company operated the grounded aircraft would have been lower than the operating costs associated with operating these aircraft, including fuel costs, airport charges and taxes. The Company does not anticipate that any material staff costs will be incurred during future periods of the grounding of aircraft, as the relevant staff can be furloughed under the terms of their contracts without compensation and the maintenance costs associated with the grounded aircraft will be minimal. However, the Company will still incur aircraft ownership costs comprised of depreciation and amortization costs, lease rentals costs and financing costs.

The following table sets forth the amounts in euro cent of, and percentage changes in, Ryanair's operating expenses (on a per-passenger basis) for the fiscal years ended March 31, 2015 and March 31, 2014 under IFRS. These data are calculated by dividing the relevant expense amount (as shown in the consolidated financial statements) by the number of booked passengers in the relevant year as shown in the table of "Selected Operating and Other Data" in Item 3 and rounding to the nearest euro cent; the percentage change is calculated on the basis of the relevant figures before rounding.

	Fiscal Year Ended March 31, 2015	Fiscal Year Ended March 31, 2014	% Change
	€	€	
Fuel and oil	22.00	24.65	(10.8%)
Airport and handling charges	7.87	7.56	(4.1%)
Route charges	6.05	6.39	(5.3%)
Staff costs	5.55	5.68	(2.3%)
Depreciation	4.17	4.31	(3.2%)
Marketing, distribution and other	2.58	2.36	9.3%
Maintenance, materials and repairs	1.49	1.42	4.9%
Aircraft rentals	1.21	1.24	(2.4%)
Total operating expenses	50.92	53.61	(5.0%)

Fuel and oil. Ryanair's fuel and oil costs per passenger decreased by 10.8%, while in absolute terms, these costs decreased by 1.0% from €2,013.1 million in the 2014 fiscal year to €1,992.1 million in the 2015 fiscal year, in each case after giving effect to the Company's fuel hedging activities. The 1.4% decrease reflected a 4.6% decrease in average fuel prices paid and the impact of a 2.5% increase in the number of hours flown, and a slight increase in fuel burn across the fleet due to the higher load factor. Fuel and oil costs include the direct cost of fuel, the cost of delivering fuel to the aircraft, aircraft de-icing and EU emissions trading costs. The average fuel price paid by Ryanair (calculated by dividing total fuel costs by the number of U.S. gallons of fuel consumed) decreased 4.6% from €2.45 per U.S. gallon in the 2014 fiscal year to €2.34 per U.S. gallon in the 2015 fiscal year, in each case after giving effect to the Company's fuel hedging activities.

Airport and handling charges. Ryanair's airport and handling charges per passenger increased 4.1% in the 2015 fiscal year, while route charges per passenger decreased 5.3%. In absolute terms, airport and handling charges increased 15.5%, from €617.2 million in the 2014 fiscal year to €712.8 million in the 2015 fiscal year, reflecting the overall growth in passenger volumes, the mix of new routes and bases launched at primary airports and the strengthening of U.K. pound sterling against the euro.

Route charges. In absolute terms, route charges increased 4.9%, from €522.0 million in the 2014 fiscal year, to €547.4 million in the 2015 fiscal year, primarily as a result of the 3.9% increase in sectors flown and price increases in Germany, France and the U.K.

Staff costs. Ryanair's staff costs, which consist primarily of salaries, wages and benefits, decreased 2.3% on a per-passenger basis, while in absolute terms, these costs increased 8.5%, from €463.6 million in the 2014 fiscal year to €502.9 million in the 2015 fiscal year. The increase in absolute terms was primarily attributable to the increased level of activity, a pay increase of 2.0% granted in fiscal 2015 and the strength of U.K. pound sterling against the euro.

Depreciation. Ryanair's depreciation per passenger decreased by 3.2%, while in absolute terms these costs increased 7.4% from €351.8 million in the 2014 fiscal year to €377.7 million in the 2015 fiscal year. The increase was primarily attributable to the increase in the average number of owned aircraft in the fleet in the 2015 fiscal year (250) compared to the 2014 fiscal year (246) and spare engines purchased during the year. See "—Critical Accounting Policies—Long-lived Assets" above.

Marketing, distribution and other expenses. Ryanair's marketing, distribution and other operating expenses, including those applicable to the generation of ancillary revenues, increased 9.3% on a per-passenger basis in the 2015 fiscal year, while in absolute terms, these costs increased 21.3%, from €192.8 million in the 2014 fiscal year to €233.9 million in the 2015 fiscal year, with the overall increase primarily reflecting the higher marketing spend to support Ryanair's "AGB" customer experience program and the launch of new routes and bases.

Maintenance, materials and repairs. Ryanair's maintenance, materials and repair expenses, which consist primarily of the cost of routine maintenance, provision for leased aircraft and the overhaul of spare parts, increased 4.9% on a per-passenger basis, while in absolute terms these expenses increased by 16.2% from €116.1 million in the 2014 fiscal year to €134.9 million in the 2015 fiscal year. The increase in absolute terms during the fiscal year was partly due to the inclusion in the prior year of a one off credit of €3.7 million arising from the renegotiation of certain maintenance contracts. The remainder of the increase was primarily due to line maintenance costs resulting from the launch of new bases, unscheduled maintenance costs and the strength of U.K. pound sterling to the euro.

Aircraft rentals. Aircraft rental expenses amounted to €109.4 million in the 2015 fiscal year, a 7.9% increase from the €101.5 million reported in the 2014 fiscal year, reflecting short term leases over the summer, offset by the lower average number of leased aircraft in the 2015 fiscal year (51) compared to the 2014 fiscal year (55).

Operating profit. As a result of the factors outlined above, operating profit increased 42.8% on a per-passenger basis in the 2015 fiscal year, and also increased in absolute terms, from €658.6 million in the 2014 fiscal year to €1,042.9 million in the 2015 fiscal year.

Finance expense. Ryanair's interest and similar charges decreased 10.8%, from €83.2 million in the 2014 fiscal year to €74.2 million in the 2015 fiscal year, primarily due to lower interest rates in the 2015 fiscal year compared to the 2014 fiscal year. These costs are expected to increase in future periods as Ryanair further expands its fleet.

Finance income. Ryanair's interest and similar income increased 8.5%, from €16.5 million in the 2014 fiscal year to €17.9 million in the 2015 fiscal year, reflecting higher cash balances in the 2015 fiscal year.

Foreign exchange gains/losses. Ryanair recorded foreign exchange losses of €4.2 million in the 2015 fiscal year, as compared with foreign exchange losses of €0.5 million in the 2014 fiscal year, with the different result being primarily due to the negative impact of changes in the euro exchange rate against the U.S. dollar.

Taxation. The effective tax rate for the 2015 fiscal year was 11.8%, as compared to an effective tax rate of 11.6% in the 2014 fiscal year. The effective tax rate reflects the statutory rate of Irish corporation tax of 12.5%. Ryanair recorded an income tax provision of €115.7 million in the 2015 fiscal year, compared with a tax provision of €68.6 million in the 2014 fiscal year, with the increase primarily reflecting higher pre-tax profits. The determination regarding the recoverability of the deferred tax asset was based on future income forecasts, which demonstrated that it was more likely than not that future profits would be available in order to utilize the deferred tax asset. A deferred tax asset's recoverability is not dependent on material improvements over historical levels of pre-tax income, material changes in the present relationship between income reported for financial and tax purposes, or material asset sales or other non-routine transactions.

SEASONAL FLUCTUATIONS

The Company's results of operations have varied significantly from quarter to quarter, and management expects these variations to continue. Among the factors causing these variations are the airline industry's sensitivity to general economic conditions and the seasonal nature of air travel. Ryanair typically records higher revenues and income in the first half of each fiscal year ended March 31 than the second half of such year.

RECENTLY ISSUED ACCOUNTING STANDARDS

Please see Note 1 to the consolidated financial statements included in Item 18 for information on recently issued accounting standards that are material to the Company.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity. The Company finances its working capital requirements through a combination of cash generated from operations, debt capital market issuances and bank loans for the acquisition of aircraft. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—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" for more information about risks relating to liquidity and capital resources. The Company had cash and liquid resources at March 31, 2016 and 2015 of €4,321.5 million and €4,789.2 million, respectively. The decrease at March 31, 2016 primarily reflects net capital expenditure of €1,217.7 million, shareholder returns of €1,104.0 million (including a €398 million return via a B share scheme following the sale of Aer Lingus) and debt repayments of €384.9 million while the sale of the 29.8% shareholding in Aer Lingus generated €398.1 million in cash.

The Company's net cash inflows from operating activities in the 2016 and 2015 fiscal years amounted to €1,846.3 million and €1,689.4 million, respectively. The €156.9 million increase in net cash flows from operating activities for fiscal year 2016 compared to fiscal year 2015 was principally due to an increase in profit after tax of €692.4 million offset by the gain on disposal of available for sale financial asset of €317.5 million and a lower increase in accrued expenses compared to the prior year. The movement which primarily relates to cash received in advance for flights, receipts for other receivables and increases in other payables balances, generated €135.6 million in cash in 2016 compared with €407.0 million in 2015. The decrease in net cash generated from working capital of €271.4 million, or approximately 67%, was primarily due to a one-time benefit in the prior year comparative arising from the earlier loading of schedules.

During the last two fiscal years, Ryanair's primary cash requirements have been for operating expenses, additional aircraft, including advance payments in respect of new Boeing 737 aircraft and related flight equipment, payments on related indebtedness and payments of corporation tax, as well as share buy-backs of €706.1 million and a return of €398 million to shareholders via a B share scheme. Cash generated from operations and the issuance of €850.0 million in 1.875% unsecured Eurobonds with a 7 year tenor in June 2014 and €850.0 million in 1.125% unsecured Eurobonds with an 8 year tenor in March 2015 have been the principal source for these cash requirements.

The Company's net cash inflows from operating activities in the 2015 and 2014 fiscal years amounted to €1,689.4 million and €1,044.6 million, respectively. The €644.8 million increase in net cash flows from operating activities for fiscal year 2015 compared to fiscal year 2014 was principally due to an increase in profit after tax of €343.9 million and an increase in accrued expenses of €364.4 million. This movement, which primarily relates to cash received in advance for flights, and receipt of other receivables and increases in other payables balances, generated €407.0 million in cash in 2015, compared with €133.9 million in 2014. This increase in net cash generated from working capital of €273.1 million, or approximately 204%, was primarily due to an increase in cash receipts from advance bookings.

The Company's net cash used in investing activities in fiscal year 2016 totaled €283.6 million, primarily reflecting the Company's capital expenditures, the disposal of the available for sale asset and the decreased investment in cash with maturities of greater than three months, as described in more detail below.

The Company's net cash from investing activities in fiscal year 2015 totaled €2,888.2 million, primarily reflecting, as compared to fiscal year 2014, the Company's higher profitability and increased investment of cash within maturities of greater than 3 months.

Net cash used in financing activities totaled €1,488.1 million in the 2016 fiscal year, largely reflecting shareholder returns of €1,104.0 million (including a €398 million return via a B share scheme following the sale of the 29.8% stake in Aer Lingus) and repayments of long term borrowings of €384.9 million.

Net cash from financing activities totaled €653.3 million in the 2015 fiscal year, largely reflecting the issuance of €850.0 million unsecured Eurobonds in both June 2014 and March 2015 offset by a special dividend of €520.3 million, repayments of long-term borrowings of €419.7 million and shares purchased under a share buy-back program of €112.0 million.

Net cash used in finance activities totaled €856.1 million in the 2014 fiscal year, largely reflecting the repayments of long-term borrowings of €390.8 million and shares purchased under a share buy-back program of €481.7 million, offset in part by shares issued of €16.4 million.

Capital Expenditures. The Company's net cash outflows for capital expenditures in fiscal years 2016 and 2015 were €1,217.7 million and €788.5 million respectively. Ryanair has funded a significant portion of its acquisition of new Boeing 737-800 aircraft and related equipment through borrowings under facilities provided by international financial institutions on the basis of guarantees issued by the Export-Import Bank of the United States ("Ex-Im Bank"). At March 31, 2016, Ryanair had a fleet of 341 Boeing 737-800 aircraft, 194 of which were funded by Ex-Im Bank-guaranteed financing. Other sources of on-balance-sheet aircraft financing utilized by Ryanair are Japanese Operating Leases with Call Options ("JOLCOs"), which are treated as finance leases (26 of the aircraft in the fleet as of March 31, 2016) and commercial debt financing (6 of the aircraft in the fleet as of March 31, 2016). Of Ryanair's total fleet of 341 Boeing 737-800 aircraft at March 31, 2016 there were 43 aircraft which were financed through operating lease arrangements, 52 aircraft were financed from Ryanair's own resources on an unsecured basis and the remaining 20 aircraft have no outstanding debt remaining. Ryanair has generally been able to generate sufficient funds from operations to meet its non-aircraft acquisition-related working capital requirements. Management believes that the working capital available to the Company is sufficient for its present requirements and will be sufficient to meet its anticipated requirements for capital expenditures and other cash requirements for the 2017 fiscal year.

Table of Contents

The following table sets forth the dates on which and the number of aircraft that will be delivered to the Company pursuant to the 2013 and 2014 Boeing Contracts:

Fiscal Year End	Mar 31, 2017	Mar 31, 2018	Mar 31, 2019	Mar 31, 2020	Mar 31, 2021	Mar 31, 2022	Mar 31, 2023	Mar 31, 2024	Total
Opening Fleet	341	380	401	419	450	472	507	535	341
Deliveries under 2013 Boeing Contract	52	50	29	—	—	—	—	—	131
Firm deliveries under 2014 Boeing Contract	—	—	—	31	17	21	20	11	100
Option Aircraft under 2014 Boeing Contract	—	—	—	8	25	28	25	14	100
Planned returns or disposals	(13)	(29)	(11)	(8)	(20)	(14)	(17)	(14)	(126)
Closing Fleet	380	401	419	450	472	507	535	546	546

Capital Resources. Ryanair’s long-term debt (including current maturities) totaled €4,023.0 million at March 31, 2016 and €4,431.6 million at March 31, 2015, with the change being primarily attributable to debt repayments. Please see the table “Obligations Due by Period” below for more information on Ryanair’s long-term debt (including current maturities) and finance leases as of March 31, 2016. See also Note 11 to the consolidated financial statements included in Item 18 for further information on the maturity profile of the interest rate structure and other information on the Company’s borrowings.

At March 31, 2016, 194 of the aircraft in Ryanair’s fleet had been financed through loan facilities with various financial institutions active in the structured export finance sector and supported by a loan guarantee from Ex-Im Bank. Each of these facilities takes essentially the same form and is based on the documentation developed by Ryanair and Ex-Im Bank, which follows standard market forms for this type of financing. In November 2010, Ryanair financed seven aircraft through a U.S. dollar-denominated Ex-Im Bank Capital Markets Product (“Eximbond”). The Eximbond has essentially the same characteristics as all previous Ex-Im Bank guaranteed financings with no additional obligations on Ryanair. On the basis of an Ex-Im Bank guarantee with regard to the financing of up to 85% of the eligible U.S. and foreign content represented in the net purchase price of the relevant aircraft, the financial institution investor enters into a commitment letter with the Company to provide financing for a specified number of aircraft benefiting from such guarantee; loans are then drawn down as the aircraft are delivered and payments to Boeing become due. Each of the loans under the facilities are on substantially similar terms, having a maturity of 12 years from the drawdown date and being secured by a first priority mortgage in favor of a security trustee on behalf of Ex-Im Bank.

Through the use of interest rate swaps or cross currency interest rate swaps, Ryanair has effectively converted a portion of its floating-rate debt under its financing facilities into fixed-rate debt. Approximately 32% of the loans for the aircraft acquired under the above facilities are not covered by such swaps and have therefore remained at floating rates linked to EURIBOR, with the interest rate exposure from these loans largely hedged by placing a similar amount of cash on deposit at floating interest rates. The net result is that Ryanair has effectively swapped or drawn down fixed-rate euro-denominated debt with maturities of between seven and twelve years in respect of approximately 68% of its outstanding aircraft debt financing at March 31, 2016 and approximately 18% of total debt was floating rate at that date.

The table below illustrates the effect of swap transactions (each of which is with an established international financial counterparty) on the profile of Ryanair's total outstanding debt at March 31, 2016. See "Item 11. Quantitative

Table of Contents

and Qualitative Disclosures About Market Risk—Interest Rate Exposure and Hedging" for additional details on the Company's hedging transactions.

At March 31, 2016	EUR Fixed	EUR Floating
	(in millions of euro)	
Borrowing profile before swap transactions	2,459.5	1,563.5
Interest rate swaps – Debt swapped from floating to fixed	827.0	(827.0)
Borrowing profile after swap transactions	3,286.5	736.5

The weighted-average interest rate on the cumulative borrowings under these facilities of €4,023.0 million at March 31, 2016 was 1.97%. Ryanair's ability to obtain additional loans pursuant to each of the facilities to finance the price of future Boeing 737-800 and Boeing 737-MAX-200 aircraft purchases is subject to the issuance of further bank commitments and the satisfaction of various contractual conditions. These conditions include, among other things, the execution of satisfactory documentation, the requirement that Ryanair perform all of its obligations under the Boeing agreements and provide satisfactory security interests in the aircraft (and related assets) in favor of the lenders and Ex-Im Bank, and that Ryanair not suffer a material adverse change in its conditions or prospects (financial or otherwise). In addition, as a result of the Company obtaining a BBB+ (stable) credit rating from Standard & Poor's and Fitch Ratings and following Ryanair's issuance of €850.0 million in 1.875% unsecured Eurobonds with a 7 year tenor in June 2014 and issuance of €850.0 million in 1.125% unsecured Eurobonds with an 8 year tenor in March 2015 under its EMTN program, the Company may decide in the future to issue additional debt from capital markets to finance future aircraft deliveries. As part of its Ex-Im Bank guarantee-based financing of the Boeing 737-800s, Ryanair has entered into certain lease agreements and related arrangements. Pursuant to these arrangements, legal title to the 194 aircraft delivered and remaining in the fleet as of March 31, 2016 rests with a number of United States special purpose vehicles (the "SPVs"). The SPVs are the borrowers of record under the loans made or to be made under the facilities, with all of their obligations under the loans being guaranteed by Ryanair Holdings.

These Aircraft are financed using a standard Ex-Im Bank "orphan" ownership structure. The shares of the SPVs (which are owned by an unrelated charitable association and not by Ryanair) are in turn pledged to a security trustee in favor of Ex-Im Bank and the lenders. Ryanair operates each of the aircraft pursuant to a finance lease it has entered into with the SPVs, the terms of which mirror those of the relevant loans under the facilities. Ryanair has the right to purchase the aircraft upon termination of the lease for a nominal amount. Pursuant to this arrangement, Ryanair is considered to own the aircraft for accounting purposes under IFRS. Ryanair does not use special purpose entities for off-balance sheet financing or any other purpose which results in assets or liabilities not being reflected in Ryanair's consolidated financial statements. In addition to its purchase option under the finance lease, Ryanair is entitled to receive the balance of any proceeds received in respect of the aircraft that remain after Ex-Im Bank and the lenders are paid what they are owed under the loan guarantees.

Ryanair has a track record in securing finance for similar sized aircraft purchases. The 1998, 2002, 2003 and 2005 Boeing Contracts totaling 348 aircraft were financed with approximately 66% U.S. Ex-Im Bank loan guarantees and capital markets (with 85% loan to value) financing, 24% through sale and operating leaseback financing, and 10%

through Japanese operating leases with call options (“JOLCOs”). See “Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources.”

Under the Aviation Sector Understanding which came into effect from January 1, 2013, the fees payable to Ex-Im Bank for the provision of loan guarantees have significantly increased, thereby making it more expensive than more traditional forms of financing. As a result, Ryanair intends to finance the New Aircraft obtained under the 2013 and 2014 Boeing Contracts through a combination of internally generated cash flows, debt financing from commercial banks, debt financing through the capital markets in a secured and unsecured manner, JOLCOs and sale and operating leasebacks. These forms of financing are generally accepted in the aviation industry and are currently widely available for companies who have the credit quality of Ryanair. Ryanair may periodically use Ex-Im Bank loan guarantees when appropriate. Ryanair intends to finance pre-delivery payments (“Aircraft Deposits”) to Boeing in respect of the New Aircraft via internally generated cash flows similar to all previous Aircraft Deposit payments.

At March 31, 2016, Ryanair had 43 operating lease aircraft in the fleet. As a result, Ryanair operates, but does not own, these aircraft, which were leased to provide flexibility for the aircraft delivery program. Ryanair has no right or obligation to acquire these aircraft at the end of the relevant lease terms. 9 leases are denominated in euro and require Ryanair to make fixed rental payments over the term of the lease. The remaining 34 operating leases are U.S.

Table of Contents

dollar-denominated and require Ryanair to make fixed rental payments. The Company has an option to extend the initial period of seven years on 23 of the 43 remaining operating lease aircraft as at March 31, 2016 on pre-determined terms. In addition to the above, the Company financed 30 of the Boeing 737-800 aircraft delivered between March 2005 and March 2014 with 13-year euro-denominated JOLCOs. 26 of these JOLCO arrangements are still outstanding as of March 31, 2016. These structures are accounted for as finance leases and are initially recorded at fair value on the Company's balance sheet. Under each of these contracts, Ryanair has a call option to purchase the aircraft at a pre-determined price after a period of 10.5 years, which it may exercise. Ryanair exercised this option for four of these aircraft in fiscal year 2015. Six aircraft have been financed through euro-denominated 12-year amortizing commercial debt transactions.

Since, under each of the Company's operating leases, the Company has a commitment to maintain the relevant aircraft, an accounting provision is made during the lease term for this obligation based on estimated future costs of major airframe, engine maintenance checks and restitution of major life limited parts by making appropriate charges to the income statement calculated by reference to the number of hours or cycles operated during the year. Under IFRS, the accounting treatment for these costs with respect to leased aircraft differs from that for aircraft owned by the Company, for which such costs are capitalized and amortized.

Ryanair currently has corporate ratings of BBB+ (stable) from both Standard & Poor's and Fitch Ratings and a €3 billion EMTN program. Ryanair issued €850.0 million in unsecured Eurobonds with a 7 year tenor at a coupon of 1.875% in June 2014 and €850.0 million in unsecured Eurobonds an 8 year tenor at a coupon of 1.125% in March 2015 under this program that are guaranteed by Ryanair Holdings. The Company used the proceeds from these issuances for general corporate purposes.

Contractual Obligations. The table below sets forth the contractual obligations and commercial commitments of the Company with definitive payment terms, which will require significant cash outlays in the future, as of March 31, 2016. These obligations primarily relate to Ryanair's aircraft purchase and related financing obligations, which are described in more detail above, and do not reflect the Eurobond issuances in June 2014 and March 2015. For additional information on the Company's contractual obligations and commercial commitments, see Note 23 to the consolidated financial statements included in Item 18.

The amounts listed under "Finance Lease Obligations" reflect the Company's obligations under its JOLCOs. See "Item 5. Operating and Financial Review and Prospects Liquidity and Capital Resources."

The amounts listed under "Purchase Obligations" in the table reflect obligations for aircraft purchases and are calculated by multiplying the number of aircraft the Company is obligated to purchase under its current agreements with Boeing during the relevant period by the Basic Price for each aircraft pursuant to the relevant contract, with the dollar-denominated Basic Price being converted into euro at an exchange rate of $1.1385 = €1.00 (based on the European Central Bank Rate on March 31, 2016). The relevant amounts therefore exclude the effect of the price concessions granted to Ryanair by Boeing and CFM, as well as any application of the Escalation Factor described below. As a result, Ryanair's actual expenditures for aircraft during the relevant periods will be lower than the amounts listed under "Purchase Obligations" in the table.

With respect to purchase obligations under the terms of the 2013 Boeing Contract and 2014 Boeing Contract, the Company was required to pay Boeing 1.0% of the Basic Price of each of the 283 firm-order Boeing 737 aircraft at the time the contracts were signed (such deposit being fully refundable if the Company had not received the shareholder approval at the EGMs on June 18, 2013 and November 28, 2014), and will be required to make periodic advance payments of the purchase price for each aircraft it has agreed to purchase during the course of the two-year period preceding the delivery of each aircraft. As a result of these required advance payments, the Company will have paid up to 30% of the Basic Price of each aircraft prior to its delivery (including the addition of an estimated "Escalation Factor" but before deduction of any credit memoranda and other concessions); the balance of the net price is due at the time of delivery. Similar terms applied under the 2005 Boeing contract, with the first payment due when the contract was signed in February 2005.

The amounts listed under "Operating Lease Obligations" reflect the Company's obligations under its aircraft operating lease arrangements.

Table of Contents

Obligations Due by Period

Contractual Obligations	Total	Less than 1 year	1-2 years	2-5 years	After 5 years
	(in millions of euro)				
Long-term Debt (a)	3,457.8	341.2	316.8	786.2	2,013.7
Finance Lease Obligations	565.2	108.7	133.2	323.3	—
Purchase Obligations (b)	18,034.2	3,585.0	5,446.3	2,790.9	6,212.0
Operating Lease Obligations	278.8	93.5	77.1	107.6	0.5
Future Interest Payments (c)	280.0	70.0	50.6	115.2	44.2
Total Contractual Obligations	€22,616.0	€ 4,198.4	€6,024.0	€4,123.2	€ 8,270.4

(a) For additional information on Ryanair's long-term debt obligations, see Note 11 and Note 23 to the consolidated financial statements included in Item 18.
(b) These are noted at a non-discounted "list" price.
(c) In determining an appropriate methodology to estimate future interest payments we have applied either the applicable fixed rate or currently applicable variable rate where appropriate. These interest rates are subject to change and amounts actually due may be higher or lower than noted in the table above.

OFF-BALANCE SHEET TRANSACTIONS

Ryanair uses certain off-balance sheet arrangements in the ordinary course of business, including financial guarantees and operating lease commitments. Details of each of these arrangements that have or are reasonably likely to have a current or future material effect on the Company's financial condition, results of operations, liquidity or capital resources are discussed below.

Operating Lease Commitments. The Company has entered into a number of sale-and-leaseback transactions in connection with the financing of a number of aircraft in its fleet. See "—Liquidity and Capital Resources—Capital Resources" above for additional information on these transactions.

Guarantees. Ryanair Holdings has provided an aggregate of €5,274.6 million in letters of guarantee to secure obligations of certain of its subsidiaries in respect of loans, capital market transactions and bank advances, including those relating to aircraft financing and related hedging transactions. This amount excludes guarantees given in relation to the 2013 Boeing Contract which total approximately $14.4 billion at list prices and which became effective following Ryanair Holdings shareholder approval at an EGM on June 18, 2013 and guarantees given in relation to the 2014 Boeing contract which total approximately $20.5 billion at list prices and which became effective following Ryanair Holdings shareholder approval at an EGM on November 28, 2014.

TREND INFORMATION

For information concerning the principal trends and uncertainties affecting the Company's results of operations and financial condition, see "Item 3. Key Information—Risk Factors," "Item 5. Operating and Financial Review and Prospects—Business Overview," "—Results of Operations," "—Liquidity and Capital Resources" and "Item 4. Information on Company—Strategy—Responding to Current Challenges" above.

INFLATION

Inflation did not have a significant effect on the Company's results of operations and financial condition during the three fiscal years ended March 31, 2016.

Table of Contents

Item 6. Directors, Senior Management and Employees

Ryanair Holdings was established in 1996 as a holding company for Ryanair. The management of Ryanair Holdings and Ryanair are integrated, with the two companies having the same directors and executive officers.

DIRECTORS

The following table sets forth certain information concerning the directors of Ryanair Holdings and Ryanair as of July 21, 2016:

Name	Age	Positions
David Bonderman (a)(b)	73	Chairman and Director
Michael Cawley (b)	62	Director
Charles McCreevy (c)	66	Director
Declan McKeon (c)	65	Director
Kyran McLaughlin (a)	72	Director
Howard Millar (e)	55	Director
Dick Milliken (c)	65	Director
Mike O'Brien (d)	72	Director
Michael O'Leary (a)	55	Director and CEO
Julie O'Neill (e)	61	Director
James Osborne (a)(e)	67	Director
Louise Phelan (b)	49	Director

(a) Executive Committee Member.
(b) Nomination Committee Member.
(c) Audit Committee Member.
(d) Safety Committee Member.
(e) Remuneration Committee Member.
(f) Mr. O'Leary is the CEO of both Ryanair Holdings and Ryanair. No other director is an executive officer of Ryanair Holdings or Ryanair.

David Bonderman (Chairman). David Bonderman has served as a director since August 1996 and as Chairman of the Board since December 1996. Mr. Bonderman also serves on the Boards of the following public companies: Caesars Entertainment Corporation, Pace Holdings Corp., and Kite Pharma, Inc. In addition, he serves on the Boards of The Wilderness Society, the Grand Canyon Trust, and the American Himalayan Foundation. He is a U.S. citizen.

Michael Cawley has served as a director since August 2014. Mr. Cawley previously worked with Ryanair for 17 years prior to his retirement and contributed enormously to Ryanair's growth and success until he retired in March 2014. He served as Ryanair's Deputy CEO and Chief Operating Officer. Mr. Cawley's other non-executive directorships include Paddy Power plc, Kingspan Group plc and he is also Chairman of Failte Ireland, the Irish tourism authority. He is an Irish citizen.

Charles McCreevy has served as a director since May 2010. Mr. McCreevy has previously served as EU Commissioner for Internal Markets and Services (2004-2010) and has held positions in several Irish Government Ministerial Offices, including Minister for Finance (1997-2004), Minister for Tourism and Trade (1993-1994) and Minister for Social Welfare (1992-1993). He is an Irish citizen.

Declan McKeon has served as a director since May 2010. Mr. McKeon is a former audit partner of PricewaterhouseCoopers. He is currently a director, chairman of the Audit Committee, a member of the Nomination Committee and Senior Independent Director of Icon plc. Mr. McKeon is the Chairman of the Company's Audit Committee. He is also a director and Chairman of the Audit Committee of GC Aesthetics. He is an Irish citizen.

Kyran McLaughlin has served as a director since January 2001, and is also Deputy Chairman and Head of Capital Markets at Davy Stockbrokers. Mr. McLaughlin advised Ryanair during its initial flotation on the Dublin and NASDAQ stock markets in 1997. Mr. McLaughlin is a non-executive director of Malin Corporation plc and also serves as a director of a number of other Irish private companies. He is an Irish citizen.

Table of Contents

Howard Millar was appointed as a director of Ryanair in August 2015. Mr. Millar had served as Deputy Chief Executive Officer and Chief Financial Officer from 2003 to December 2014 and before that as Ryanair's Director of Finance from 1993 and Financial Controller in 1992. Howard is Chairman of BDO Ireland, Chief Executive Officer of Stellwagen Capital, Chief Operating Officer of the Stellwagen Group and a member of Irelandia Aviation's advisory board. He is also a non-executive director of Applegreen plc, and ASL Aviation Airlines Group Ltd. Howard is a graduate of Trinity College, Dublin and is a fellow of Chartered Certified Accountants. He is an Irish citizen.

R.A. (Dick) Milliken has served as a director since July 2013. Mr. Milliken is a former CFO of the Almac Group and former CEO of Lamont plc. A qualified Chartered Accountant, Mr. Milliken serves as a director of Bank of Ireland Mortgage Bank and Chairman of Bank of Ireland Mortgage Bank Audit Committee. Mr. Milliken is also Chairman of Northern Ireland Science Park and a director of a number of private companies. Mr. Milliken is a graduate of Queens University Belfast, a Fellow of the Institute of Chartered Accountants in Ireland and former Council member. He is a British citizen.

Mike O'Brien was appointed as a director of Ryanair in May 2016. Capt. O'Brien has a long and distinguished career in the aviation industry having just retired as Head of Flight Operations with the Maltese Civil Aviation Authority whom he joined in 2001, having previously served for 10 years as the Head of Operations Standards with the Irish Aviation Authority. Capt. O'Brien also served 4 years as the Chief Pilot and Flight Operations Manager of Ryanair from 1987 to 1991. He is an Irish citizen.

Michael O'Leary has served as a director of Ryanair Ltd. since 1988 and as CEO since 1994. Mr. O'Leary has served as a director of Ryanair Holdings since July 1996. He is an Irish citizen.

Julie O'Neill has served as a director since December 2012. Ms. O'Neill served as Secretary General of the Department of Transport, Ireland from 2002 to 2009 and, in a career that spanned 37 years in the Irish public service, worked in strategic policy development and implementation in eight Government Departments. She chairs the Sustainable Energy Authority of Ireland and the Audit Committee of Trinity College Dublin. She is a Senior Independent Director of Permanent tsb plc and a director of AXA Life Europe. She is an Irish citizen.

James Osborne has served as a director of Ryanair Holdings since August 1996, and has been a director of Ryanair Ltd. since April 1995. Mr. Osborne is a former managing partner of A & L Goodbody Solicitors. He is Chairman of OneView Healthcare plc and a director of James Hardie Industries plc. He also serves as a director of a number of Irish private companies. He is an Irish citizen.

Louise Phelan has served as a director since December 2012. Ms. Phelan is Vice President for PayPal Global Operations Europe Middle East and Africa (EMEA), and leads over 2,700 people in Dublin, Dundalk and Berlin. Ms. Phelan is a member of the Board of Voxpro since January 2016. She is an Irish citizen.

The Board of Directors has established a number of committees, including the following:

Executive Committee. The Board of Directors established the Executive Committee in August 1996. The Executive Committee can exercise the powers exercisable by the full Board of Directors in circumstances in which action by the Board of Directors is required but it is impracticable to convene a meeting of the full Board of Directors. Messrs. Bonderman, McLaughlin, O'Leary and Osborne are the members of the Executive Committee.

Remuneration Committee. The Board of Directors established the Remuneration Committee in September 1996. This committee has authority to determine the remuneration of senior executives of the Company and to administer the stock option plans described below. Senior Management remuneration is comprised of a fixed basic pay and performance related bonuses which are awarded based on a combination of budget and non-budget performance criteria. The Board of Directors as a whole determines the remuneration and bonuses of the CEO, who is the only executive director. Mr. Osborne, Mr. Millar and Ms. O'Neill are the members of the Remuneration Committee.

Audit Committee. The Board of Directors established the Audit Committee in September 1996 to make recommendations concerning the engagement of independent external auditors; to review with the auditors the plans for and scope of each annual audit, the audit procedures to be utilized and the results of the audit; to approve the professional services provided by the auditors; to review the independence of the auditors; and to review the adequacy and effectiveness of the Company's internal accounting controls. Messrs. McKeon, McCreevy and Milliken are the members of the Audit Committee. In accordance with the recommendations of the Irish Combined Code of Corporate Governance (the "Combined Code"), a senior independent non-executive director, Mr. McKeon, is the chairman of the Audit Committee. All members of the Audit Committee are independent for purposes of the listing rules of the NASDAQ and the U.S. federal securities laws.

Nomination Committee. The Board of Directors established the Nomination Committee in May 1999 to make recommendations and proposals to the full Board of Directors concerning the selection of individuals to serve as executive and non-executive directors. The Board of Directors as a whole then makes appropriate determinations regarding such matters after considering such recommendations and proposals. Messrs. Bonderman, Cawley and Ms. Phelan are the members of the Nomination Committee.

Safety Committee. The Board of Directors established the Safety Committee in March 1997 to review and discuss air safety and related issues. The Safety Committee reports to the full Board of Directors each quarter. The Safety Committee is composed of Mr. O'Brien and Mr. Sorahan, Chief Financial Officer and Accountable Manager for Safety (who both act as co-chairman), as well as the following executive officers of Ryanair: Messrs. Hickey, Wilson, the Chief Pilot, Captain Ray Conway and the Director of Safety and Security, Ms. Carol Sharkey. A number of other managers are invited to attend, as required, from time to time.

Powers of, and Action by, the Board of Directors

The Board of Directors is empowered by the Articles to carry on the business of Ryanair Holdings, subject to the Articles, provisions of general law and the right of stockholders to give directions to the directors by way of ordinary resolutions. Every director who is present at a meeting of the Board of Directors of Ryanair Holdings has one vote. In the case of a tie on a vote, the chairman of the Board of Directors has a second or tie-breaking vote. A director may designate an alternate director to attend any Board of Directors meeting, and such alternate director shall have all the rights of a director at such meeting.

The quorum for a meeting of the Board of Directors, unless another number is fixed by the directors, consists of three directors, a majority of whom must be EU nationals. The Articles require the vote of a majority of the directors (or alternates) present at a duly convened meeting for the approval of any action by the Board of Directors.

Composition and Term of Office

The Articles provide that the Board of Directors shall consist of no fewer than three and no more than 15 directors, unless otherwise determined by the stockholders. There is no maximum age for a director and no director is required to own any shares of Ryanair Holdings.

Directors are elected (or have their appointments confirmed) at the annual general meetings of stockholders. Capt. Mike O'Brien joined the Board as a Non-Executive Director on May 20, 2016 with oversight of Air Safety as John Leahy indicated his intention not to stand for re-election at the next Annual General Meeting which is scheduled to be held on September 14, 2016.

Exemptions from NASDAQ Corporate Governance Rules

The Company relies on certain exemptions from the NASDAQ corporate governance rules. These exemptions, and the practices the Company adheres to, are as follows:

· The Company is exempt from NASDAQ's quorum requirements applicable to meetings of shareholders, which require a minimum quorum of 33% for any meeting of the holders of common stock, which in the Company's case are its Ordinary Shares. In keeping with Irish generally accepted business practice, the Articles provide for a quorum for general meetings of shareholders of three shareholders, regardless of the level of their aggregate share ownership.

· The Company is exempt from NASDAQ's requirement with respect to audit committee approval of related-party transactions, as well as its requirement that shareholders approve certain stock or asset purchases when a director, officer or substantial shareholder has an interest. The Company is subject to extensive provisions under the Listing Rules of the Irish Stock Exchange (the "Irish Listing Rules") governing transactions with related parties, as defined therein, and the Irish Companies Act also restricts

Table of Contents

the extent to which Irish companies may enter into related-party transactions. In addition, the Articles contain provisions regarding disclosure of interests by the directors and restrictions on their votes in circumstances involving conflicts of interest. The concept of a related party for purposes of NASDAQ's audit committee and shareholder approval rules differs in certain respects from the definition of a transaction with a related party under the Irish Listing Rules.

· NASDAQ requires shareholder approval for certain transactions involving the sale or issuance by a listed company of common stock other than in a public offering. Under the NASDAQ rules, whether shareholder approval is required for such transactions depends, among other things, on the number of shares to be issued or sold in connection with a transaction, while the Irish Listing Rules require shareholder approval when the value of a transaction, as measured under any one or more of four class tests, exceeds a certain percentage of the size of the listed company undertaking the transaction as measured for the purposes of same tests.

· NASDAQ requires that each issuer solicit proxies and provide proxy statements for all meetings of shareholders and provide copies of such proxy solicitation to NASDAQ. The Company is exempt from this requirement as the solicitation of holders of ADSs is not required under the Irish Listing Rules or the Irish Companies Act. Details of our annual general meetings and other shareholder meetings, together with the requirements for admission, voting or the appointment of a proxy are available on the website of the Company in accordance with the Irish Companies Act and the Company's Articles of Association. ADS holders may provide instructions to The Bank of New York, as depositary, as to the voting of the underlying Ordinary Shares represented by such ADSs. Alternatively, ADS holders may convert their holding to Ordinary Shares, subject to compliance with the nationality ownership rules, in order to be eligible to attend our annual general meetings or other shareholder meetings.

· NASDAQ requires that all members of a listed company's Nominating Committee be independent directors, unless the Company, as a foreign private issuer, provides an attestation of non-conforming practice based upon home country practice and then discloses such non-conforming practice annually in its Form 20-F.

The Company also follows certain other practices under the U.K. Corporate Governance Code in lieu of those set forth in the NASDAQ corporate governance rules, as expressly permitted thereby. Most significantly:

Independence. NASDAQ requires that a majority of an issuer's Board of Directors be "independent" under the standards set forth in the NASDAQ rules and that directors deemed independent be identified in the Company's annual report on Form 20-F. The Board of Directors has determined that each of the Company's eleven non-executive directors is "independent" under the standards set forth in the U.K. Corporate Governance Code (the "Code").

Under the Code, there is no bright-line test establishing set criteria for independence, as there is under NASDAQ Rule 5605(a)(12). Instead, the Board of Directors determines whether the director is "independent in character and judgment," and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the director's judgment. Under the Code, the Board of Directors may determine that a director is independent notwithstanding the existence of relationships or circumstances which may appear relevant to its determination, but it should state its reasons if it makes such a determination. The Code specifies that relationships or circumstances that may be relevant include whether the director: (i) has been an employee of the relevant company or group within the last five years; (ii) has had within the last three years a direct or indirect material business relationship with such company; (iii) has received payments from such company, subject to certain exceptions; (iv) has close family ties with any of the company’s advisers, directors or senior employees; (v) holds cross-directorships or other significant links with other directors; (vi) represents a significant shareholder; or (vii) has served on the Board of Directors for more than nine years.

In determining that each of the eleven non-executive directors is independent under the Code standard, the Ryanair Holdings Board of Directors identified such relevant factors with respect to non-executive directors Messrs. Bonderman, McLaughlin, Osborne, Cawley, Millar and Ms. Phelan. The Board has considered Kyran McLaughlin's independence given his role as Deputy Chairman and Head of Capital Markets at Davy Stockbrokers. Davy Stockbrokers are one of Ryanair's corporate brokers and provide corporate advisory services to Ryanair from time to time. The Board has considered the fees paid to Davy Stockbrokers for these services and believe that they are immaterial to both Ryanair and Davy Stockbrokers given the size of each organization's business operations and financial results. Having considered this

Table of Contents

relationship, the Board has concluded that Kyran McLaughlin continues to be an independent non-executive director within the spirit and meaning of the Code Rules.

The Board has also considered the independence of David Bonderman given his shareholding in Ryanair Holdings plc. As at March 31, 2016, David Bonderman had a beneficial shareholding in the Company of 7,535,454 ordinary shares, equivalent to 0.58% of the issued share capital. Having considered this shareholding in light of the number of issued shares in Ryanair Holdings plc and the financial interest of the director, the Board has concluded that the interest is not so material as to breach the spirit of the independence rule contained in the Code.

The Board has also considered the independence of Louise Phelan given her role as Vice President Global Operations at PayPal. PayPal is one of Ryanair’s payment service providers. The Board has considered the services provided by PayPal and have concluded that Louise Phelan is an independent non-executive director within the spirit and meaning of the Code Rules.

The Board has considered Michael Cawley’s independence given that he served as Deputy Chief Executive Officer and Chief Operating Officer of Ryanair from 2003 to March 2014 and before that as Ryanair’s Chief Financial Officer and Commercial Director from 1997. The Board has considered Michael’s employment and has concluded that Michael Cawley is an independent non-executive director within the spirit and meaning of the Code Rules.

The Board has considered Howard Millar’s independence given that he was Ryanair’s Deputy Chief Executive up to December 31, 2014, and Chief Financial Officer up to September 30, 2014. The Board has considered Howard’s employment and has concluded that Howard Millar is an independent non-executive director within the spirit and meaning of the Code Rules.

The Board has considered Mike O’Brien’s independence given that he served as Chief Pilot and Flight Operations Manager of Ryanair from 1987 to 1991. The Board has considered Mike’s employment and has concluded that Mike O’Brien is an independent non-executive director within the spirit and meaning of the Code Rules.

The Board has further considered the independence of Messrs. David Bonderman, James Osborne and Kyran McLaughlin as they have each served more than nine years on the Board. The Board considers that each of these directors is independent in character and judgment as they either have other significant commercial and professional commitments and/or brings his own level of senior experience gained in their fields of international business and professional practice. When arriving at this decision, the Board has taken into account the comments made by the Financial Reporting Council in their report dated December 2009 on their review of the impact and effectiveness of the Code, in particular their comment that independence is not the primary consideration when assessing the composition of the Board, and that the over-riding consideration should be that the Board is fit for purpose.

The NASDAQ independence criteria specifically state that an individual may not be considered independent if, within the last three years, such individual or a member of his or her immediate family has had certain specified relationships with the company, its parent, any consolidated subsidiary, its internal or external auditors, or any company that has significant business relationships with the company, its parent or any consolidated subsidiary. Neither ownership of a significant amount of stock nor length of service on the Board is a per se bar to independence under the NASDAQ rules.

Table of Contents

EXECUTIVE OFFICERS

The following table sets forth certain information concerning the executive officers of Ryanair at July 21, 2016:

Name	Age	Position
Michael Hickey	53	Chief Operations Officer
John Hurley	41	Chief Technology Officer
Kenny Jacobs	42	Chief Marketing Officer
Juliusz Komorek	38	Chief Legal and Regulatory Officer; Company Secretary
David O'Brien	52	Chief Commercial Officer
Michael O'Leary	55	Chief Executive Officer
Neil Sorahan	44	Chief Financial Officer
Edward Wilson	52	Chief People Officer

Michael Hickey (Chief Operations Officer). Michael was appointed as Chief Operations Officer in January 2014 having held the position of Director of Engineering since January 2000. Michael who has an MSC in Air Safety Management from City University in London is a licensed aircraft engineer and holds an EASA private pilot's license. He has held a wide range of senior positions within the Engineering Department since he joined Ryanair in 1988 and was Deputy Director of Engineering between 1992 and January 2000. Prior to joining Ryanair, Michael worked as an aircraft engineer with Fields Aircraft Services and McAlpine Aviation, working primarily on executive aircraft.

John Hurley (Chief Technology Officer). John was appointed Chief Technology Officer in September 2014. He joined Ryanair from Houghton Mifflin Harcourt, where he was Vice-President of Engineering and Product Operations, Director of Platform Development and Software Development Program Manager. He was previously Production Manager at both Intuition Publishing Ltd and Education Multimedia Group and has 17 years of experience in the IT industry.

Kenny Jacobs (Chief Marketing Officer). Kenny was appointed Chief Marketing Officer in January 2014. He is responsible for sales, marketing and customer service at Ryanair. Previously Kenny was CMO for Moneysupermarket plc. which has a set of digital brands saving consumers money on insurance, finance, energy and travel. Kenny has spent most of his career in retail with Tesco PLC as marketing director in Tesco Ireland and brand director for Tesco U.K. Prior to that he worked for German retailer Metro Group GmbH in various roles in marketing and IT in Europe and Asia.

Juliusz Komorek (Chief Legal and Regulatory Officer; Company Secretary). Juliusz was appointed Chief Legal and Regulatory Officer; Company Secretary in June 2015, having served as Company Secretary and Director of Legal and Regulatory Affairs since May 2009, and Deputy Director of Legal and Regulatory Affairs since 2007. Prior to joining the Company in 2004, Juliusz had gained relevant experience in the European Commission's Directorate General for Competition and in the Polish Embassy to the EU in Brussels, as well as in the private sector in Poland and the Netherlands. Juliusz is a lawyer, holding degrees from the universities of Warsaw and Amsterdam.

David O'Brien (Chief Commercial Officer). David was appointed Chief Commercial Officer in January 2014 having previously served as Ryanair's Director of Flight and Ground Operations from December 2002. A graduate of the Irish Military College, David followed a military career with positions in the airport sector and agribusiness in the Middle East, Russia and Asia.

Michael O'Leary (Chief Executive Officer). Michael has served as a director of Ryanair Limited since 1988 and a director of Ryanair Holdings since 1996. Michael was appointed CEO of Ryanair in 1994, having previously served as CFO since 1988.

Neil Sorahan (Chief Financial Officer). Neil was appointed Chief Financial Officer in October 2014, having previously served as Ryanair's Finance Director since June 2006. Prior to that he was Group Treasurer from January 2003. Before joining Ryanair, Neil held various finance and treasury roles at CRH plc., the international building materials group.

Table of Contents

Edward Wilson (Chief People Officer). Eddie was appointed Chief People Officer in December 2002, prior to which he served as Head of Personnel since joining Ryanair in December 1997. Prior to joining Ryanair, he served as Human Resources Manager for Gateway 2000 and held a number of other human resources-related positions in the Irish financial services sector.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Compensation

The aggregate amount of compensation paid by Ryanair Holdings and its subsidiaries to its non-executive directors and eight executive officers named above in the 2016 fiscal year was €10.3 million. For details of Mr. O'Leary's compensation in such fiscal year, see "—Employment and Bonus Agreement with Mr. O'Leary" below

Each of Ryanair Holdings' eleven non-executive directors is entitled to receive €35,000 plus expenses per annum, as remuneration for their services to Ryanair Holdings. The Chairman of the Board receives a fee of €100,000 per annum. Prior to the 2014 fiscal year, Mr. Bonderman had waived his entitlement to receive remuneration. The additional remuneration paid to all Committee members for service on that committee is €15,000 per annum.

For further details of stock options that have been granted to the Company's employees, including the executive officers, see "Item 10. Additional Information—Options to Purchase Securities from Registrant or Subsidiaries," as well as Note 15 to the consolidated financial statements included herein. The Chairman of the Safety Committee is entitled to receive €40,000 per annum in connection with the additional duties in relation to that committee.

Employment and Bonus Agreement with Mr. O'Leary

In October 2014, Michael O'Leary (Chief Executive Officer) signed a five year contract which commits him to the Company until September 2019. This contract replaces a rolling 12 month arrangement under which Mr. O'Leary has worked as Chief Executive of the airline since 1994. Pursuant to the agreement, Mr. O'Leary serves as Chief Executive Officer at a current annual gross salary of approximately €1 million, subject to any increases that may be agreed between the Company and Mr. O'Leary. Mr. O'Leary is also eligible for annual bonuses as determined by the Board of Directors of the Company, which are subject to the achievement of both budget and personal performance criteria; the amount of such bonuses paid to Mr. O'Leary in the 2016 fiscal year totaled approximately €0.9 million. Mr. O'Leary is subject to a covenant not to compete with the Company within the EU for a period of two years after the termination of his employment with the Company. Mr. O'Leary's employment agreement does not contain provisions providing for compensation on its termination.

STAFF AND LABOR RELATIONS

The following table sets forth the details of Ryanair’s team at each of March 31, 2016, 2015 and 2014:

	Number of Staff at March 31,		
Classification	2016	2015	2014
Management	112	110	105
Administrative	485	334	290
Maintenance	148	143	139
Ground Operations	356	286	220
Pilots	3,424	2,804	2,665
Flight Attendants	6,933	5,716	5,573
Total	11,458	9,393	8,992

Ryanair’s pilots, flight attendants and maintenance and ground operations personnel undergo training, both initial and recurrent. A substantial portion of the initial training for Ryanair’s flight attendants is devoted to safety procedures, and cabin crew are required to undergo annual evacuation and fire drill training during their tenure with the airline. Ryanair also provides salary increases to its engineers who complete advanced training in certain fields of aircraft maintenance. Ryanair utilizes its own Boeing 737-800 aircraft simulators for pilot training.

Table of Contents

IAA regulations require pilots to be licensed as commercial pilots with specific ratings for each aircraft to be flown. In addition, IAA regulations require all commercial pilots to be medically certified as physically fit. At March 31, 2016, the average age of Ryanair's pilots was 34 years and their average period of employment with Ryanair was 4.5 years. Licenses and medical certification are subject to periodic re-evaluation and require recurrent training and recent flying experience in order to be maintained. Maintenance engineers must be licensed and qualified for specific aircraft types. Flight attendants must undergo initial and periodic competency training. Training programs are subject to approval and monitoring by the IAA. In addition, the appointment of senior management personnel directly involved in the supervision of flight operations, training, maintenance and aircraft inspection must be satisfactory to the IAA. Based on its experience in managing the airline's growth to date, management believes that there is a sufficient pool of qualified and licensed pilots, engineers and mechanics within the EU to satisfy Ryanair's anticipated future needs in the areas of flight operations, maintenance and quality control and that Ryanair will not face significant difficulty in hiring and continuing to employ the required personnel. Ryanair has also been able to satisfy its needs for additional pilots and flight attendants through the use of contract agencies. These contract pilots and flight attendants are included in the table above.

Ryanair has a licensed approved organization in The Netherlands to operate pilot training courses using Ryanair's syllabus, in order to grant Boeing 737 type-ratings. Each trainee pilot must pay for his or her own training and, based on his or her performance, he or she may be offered a position operating on Ryanair aircraft. This program enables Ryanair to secure a continuous stream of type-rated co-pilots.

Ryanair's crews earn productivity-based incentive payments, including a sales bonus for onboard sales for flight attendants and payments based on the number of hours or sectors flown by pilots and flight attendants (within limits set by industry standards or regulations governing maximum working hours). During the 2016 fiscal year, such productivity-based incentive payments accounted for approximately 41% of an average flight attendant's total earnings and approximately 32% of the typical pilot's compensation. Pilots at all of Ryanair's 84 bases are covered by four, five or six year collective agreements on pay, allowances and rosters which fall due for negotiation at various dates between 2017 and 2021. Cabin crew at all Ryanair bases are also party to long term collective agreements on pay, allowances and rosters which expire in March 2021. In April 2016, Ryanair agreed to increase the pay of pilots and cabin crew in accordance with the terms of individual base collective agreements. Ryanair's pilots are currently subject to IAA-approved limits of 100 flight-hours per 28-day cycle and 900 flight-hours per fiscal year. For the 2016 fiscal year, the average flight-hours for Ryanair's pilots amounted to approximately 69 hours per month and approximately 826 hours for the complete year, a 4% decrease on the previous fiscal year. If more stringent regulations on flight hours were to be adopted, Ryanair's flight personnel could experience a reduction in their total pay due to lower compensation for the number of hours or sectors flown and Ryanair could be required to hire additional flight personnel.

Ryanair considers its relations with its employees to be good. Ryanair currently negotiates with groups of employees, including its pilots, through "Employee Representation Committees" ("ERCs") regarding pay, work practices and conditions of employment, including conducting formal negotiations with these internal collective bargaining units. Ryanair's senior management meets regularly with the different ERCs to consult and discuss all aspects of the business and those issues that specifically relate to each relevant employee group and where necessary to negotiate with these collective bargaining units. Following negotiations through this ERC system, pilots and cabin crew at all Ryanair bases are covered by long term collective agreements which provide certainty on cost, pay and conditions.

Ryanair Holdings' shareholders have approved a number of share option plans for employees and directors. Ryanair Holdings has also issued share options to several of its senior managers. For details of all outstanding share options, see "Item 10. Additional Information—Options to Purchase Securities from Registrant or Subsidiaries."

Item 7. Major Shareholders and Related Party Transactions

As of June 30, 2016, there were 1,254,473,074 Ordinary Shares outstanding. As of that date, 104,747,412 ADRs, representing 523,737,060 Ordinary Shares, were held of record in the United States by 50 holders, and represented in the aggregate 41.7% of the number of Ordinary Shares then outstanding. See "Item 10. Additional Information Articles of Association" and " Limitations on Share Ownership by Non-EU Nationals."

Table of Contents

MAJOR SHAREHOLDERS

Based on information available to Ryanair Holdings, the following table summarizes the holdings of those shareholders holding 3% or more of the Ordinary Shares as of June 30, 2016, June 30, 2015 and June 30, 2014, the latest practicable date prior to the Company's publication of its statutory annual report in each of the relevant years.

	As of June 30, 2016			As of June 30, 2015			As of June 30, 2014		
	No. of Shares	% of Class		No. of Shares	% of Class		No. of Shares	% of Class	
Capital	170,097,046	13.5	%	189,452,050	13.9	%	230,832,565	16.7	%
HSBC Holdings PLC	67,327,570	5.3	%	79,131,376	5.8	%	85,009,314	6.1	%
Baillie Gifford	74,577,765	5.9	%	84,944,353	6.2	%	79,001,583	5.7	%
BlackRock Inc.	—	—		—	—		70,993,234	5.1	%
Fidelity	81,631,505	6.5	%	68,232,108	5.0	%	—	—	
Michael O'Leary	50,096,725	3.9	%	51,381,256	3.8	%	51,381,256	3.7	%

As of June 30, 2016, the directors and executive officers of Ryanair Holdings as a group owned 59,322,452 Ordinary Shares, representing 4.7% of Ryanair Holdings' outstanding Ordinary Shares as of such date. See also Note 19(d) to the consolidated financial statements included herein. Each of our shareholders has identical voting rights with respect to its Ordinary Shares.

As of March 31, 2016, there were 1,290,739,865 Ordinary Shares outstanding.

Based on information available to Ryanair Holdings plc, the following table summarizes shareholdings in excess of 3% or more of the Ordinary Shares as of March 31, 2016, March 31 2015 and March 31, 2014.

	As of March 31, 2016			As of March 31, 2015			As of March 31, 2014		
	No. of Shares	% of Class		No. of Shares	% of Class		No. of Shares	% of Class	
Capital	164,067,874	12.7	%	212,605,935	15.4	%	230,917,315	16.7	%
HSBC Holdings PLC	71,373,074	5.5	%	85,975,817	6.2	%	81,509,308	5.9	%
Baillie Gifford	74,971,675	5.8	%	83,045,080	6.0	%	77,578,902	5.6	%
BlackRock Inc.	—	—		—	—		75,178,344	5.4	%
Fidelity	81,631,505	6.3	%	57,401,554	4.2	%	—	—	
Michael O'Leary	50,096,725	3.8	%	51,381,256	3.7	%	51,081,256	3.7	%

Standard Life	—	—	43,215,170	3.1 %	44,213,767	3.2 %

RELATED PARTY TRANSACTIONS

The Company has not entered into any "related party transactions" (except for remuneration paid by Ryanair to members of senior management and the Board of directors as disclosed in Note 27 to the consolidated financial statements) as defined in Item 7.B. of Form 20-F in the three fiscal years ending March 31, 2016 or in the period from March 31, 2016 to the date hereof.

Item 8. Financial Information

CONSOLIDATED FINANCIAL STATEMENTS

Please refer to "Item 18. Financial Statements."

OTHER FINANCIAL INFORMATION

Legal Proceedings

The Company is engaged in litigation arising in the ordinary course of its business. Although no assurance can be given as to the outcome of any current or pending litigation, management does not believe that any such litigation will, individually or in the aggregate, have a material adverse effect on the results of operations or financial condition of the Company, except as described below.

EU State Aid-Related Proceedings. On December 11, 2002, the European Commission announced the launch of an investigation into the 2001 agreement among Ryanair, the Brussels (Charleroi) airport and the government of the Walloon Region of Belgium, the owner of the airport, which enabled the Company to launch new routes and base up to four aircraft at Brussels (Charleroi). The European Commission's investigation was based on an anonymous complaint alleging that Ryanair's arrangements with Brussels (Charleroi) constituted illegal state aid.

The European Commission issued its decision on February 12, 2004. As regards to the majority of the arrangements between Ryanair, the airport and the region, the European Commission found that although they constituted state aid, they were nevertheless compatible with the EC Treaty provisions and therefore did not require repayment. However, the European Commission also found that certain other arrangements did constitute illegal state aid and therefore ordered Ryanair to repay the amount of the benefit received in connection with those arrangements. On April 20, 2004, the Walloon Region wrote to Ryanair re