Jet2 plc

Preliminary Results 2024

Jet2 plc

PRELIMINARY UNAUDITED RESULTS FOR YEAR ENDED 31 MARCH 2024

Jet2 plc, the **Leisure Travel** group (the “Group" or the “Company”), announces its preliminary results for the year ended 31 March 2024.

Group financial highlights	**2024 Unaudited**	2023	*Change*
Revenue	£6,255.3m	£5,033.5m	*24%*
Operating profit	£428.2m	£394.0m	*9%*
Profit before FX revaluation and taxation†	£520.1m	£390.8m	*33%*
Profit before taxation	£529.5m	£371.0m	*43%*
Profit after taxation	£399.2m	£290.8m	*37%*
Basic earnings per share	185.9p	135.4p	*37%*
Final dividend per share	10.7p	8.0p	*34%*

† Further information on the calculation of this measure can be found in Note 2.

- Further progress made against our growth strategy as the Group **delivered record passenger numbers, revenues and profitability** and further strengthened its balance sheet.
- The popularity of our holiday products contributed to **Group profit before FX revaluation and taxation increasing by 33% to £520.1m† (2023: £390.8m†)**.
- Total flown passengers grew 9% to 17.72m (2023: 16.22m); higher margin per passenger package holiday customers rose 15% to 6.08m (2023: 5.29m), representing 68.3% of total flown passengers (2023: 64.9%).
- Year-end total cash increased 21% to £3,184.7m (2023: £2,624.7m). **'Own Cash'† (excluding advance customer deposits), was £1,331.4m (2023: £1,127.1m)**, providing financial resilience and flexibility.
- In view of the positive financial performance and in keeping with its capital allocation principles, the Board has resolved to pay a final dividend of 10.7p per share (2023: 8.0p), an increase of 34%.
- Underlining our future confidence, **the Group exercised its remaining Airbus order purchase rights** and now has a delivery stream of 146 firm ordered A321neo aircraft delivering through to 2035.
- Our new **Liverpool airport** base is proving successful and operations from our 12th UK base at **Bournemouth Airport** will commence from February 2025.
- Summer 2024 on sale seat capacity is currently 12.3% higher than Summer 2023 at 17.16m seats. Booked to date Package Holiday customers are up 7%, representing 72% of overall flown passengers, with Flight-Only passengers increasing by 16%. Consequently average load factor is currently 73.4% (2023: 75.2%).
- Passengers are currently booking much closer to departure and therefore, pricing for our flight-only and package holiday products must remain attractive. Summer 2024 pricing to date for both products is showing a modest increase, helping to offset in part previously announced input cost increases.
- As ever, we remain mindful of the current macro-economic and geo-political environments and how these may influence future consumer spending patterns. However, **we continue to believe that the end-to-end package holiday is a resilient and popular product which remains high on the priority list for our Customers, even during uncertain economic times.**
- Year to date the business is trading in line with management's expectations. Given the late booking profile and the peak summer months of July, August and September not yet complete, plus the majority of Winter 2024/2025 seat capacity still to sell, **it remains premature, as is always the case at this time of year, to provide definitive guidance as to Group profitability for the financial year ending 31 March 2025**.
- For the long term, our strategy remains consistent - **To be the UK’s Leading and Best Leisure Travel business** - with *‘People, Service, Profits’* serving as our guiding principles. With our differentiated and attractive end-to-end product, breadth of hotel choice and flexibility of duration, plus our consistently high-quality Customer First approach, we are confident that customers will continue to travel with us from our Rainy Island to the sun spots of the Mediterranean, the Canary Islands and to European Leisure Cities.

Analyst and Investor call

The management team will host an investor and analyst conference call at 9.00am UK time, on Thursday, 11th July 2024. For dial-in details for the conference call, please contact Burson Buchanan in advance to register: *Jet2@buchanan.uk.com*.

Investor Presentation

The Investor Presentation will be available shortly on the Company's website: www.jet2plc.com/en/company-reports

For further information please contact:

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OUR CHAIRMAN'S STATEMENT

This is my first report as Chairman of ***Jet2 plc*** since Philip Meeson stepped down last September. Having served on the Board since April 2020, this was a position I felt privileged and delighted to take up. I would like to pay tribute to Philip who oversaw remarkable growth as he carefully evolved and nurtured the Company over four decades into what is a truly fantastic people-orientated, customer-focused and financially sound business. As his successor, I know we are all extremely appreciative that he continues to offer the wealth of his experience and wisdom in his new role as Founder & Adviser.

Strategic performance

Our strategy remains consistent: **To be the UK's Leading and Best Leisure Travel business.** It was a challenging year for UK consumers with rising inflation and elevated interest rates putting pressure on disposable income levels. However, against this backdrop we made further progress on our growth strategy, delivering record passenger numbers, revenues and profitability and strengthening our balance sheet to underpin future growth and provide financial resilience and flexibility.

Having successfully launched operations from Liverpool John Lennon Airport in March 2024, we were delighted to announce another new base at Bournemouth Airport where flying operations will commence from February 2025. This means that more holidaymakers across the South of England will benefit from our multi-award winning leisure flights and ATOL protected package holidays.

Our well capitalised balance sheet enabled the Group to continue to invest for long-term growth, including the integration of a further six new Airbus A321neo into our aircraft fleet, plus the launch of our Retail Operations Centre ("ROC") in October 2023, the first of its kind in the UK aviation industry – both will bring notable improvements to our *Customer First* proposition.

In August 2023, we relaunched ***MyJet2***, offering members tailored browsing, exclusive discounts and rewards, a streamlined booking process, easy access to key information, and excellent in-resort support via the app. ***MyJet2*** enables us to combine customer data points across sessions and devices, thus providing members with their own personalised experience.

In the past year we welcomed over 5,000 new Colleagues to our business and expanded our apprenticeship programme to include over 150 individuals who we hope, in time, will become the bedrock of our future business.

Finally, we recently updated our Sustainability Strategy, with a series of bold, clear and pragmatic actions on route to net zero by 2050, outlining an emissions reduction pathway which will bring our 2035 carbon intensity in line with the Science Based Targets initiative (SBTi) guidance. Importantly, the strategy focuses on existing technologies and tangible actions that can be taken currently, with a commitment to understanding and investing in emerging technologies as appropriate.

Colleagues

Our most valuable assets at ***Jet2*** are our Colleagues who embody our culture. Personally, and on behalf of the Board, I would like to sincerely thank our talented and dedicated teams who have supported the business through another year of remarkable growth - every Colleague across the business has contributed to our success. Their commitment to continually delivering an exceptional customer experience is reflective of our *People, Service, Profits* guiding principles, which I firmly believe underpin the continuing success of our Leisure Travel business. Their tremendous efforts have resulted in our Net Promoter Scores remaining in the high 60s and have also culminated in ***Jet2.com*** and ***Jet2holidays*** being **recognised as Which? Travel Brand of the Year for the third consecutive year**, an achievement we are immensely proud of.

Board

The Board continues to evolve to ensure it provides the appropriate skills and experience to both support and challenge the executive management team. In addition to Philip stepping down from the Board, in March 2024, Mark Laurence retired following 14 years of loyal service. I would like to thank Mark for his invaluable contribution and wish him well for the future. We also welcomed three new independent Non-Executive Directors – Simon Breakwell, who has become Chair of our Remuneration Committee; Angela Luger, who is our Designated Non-Executive Director for Workforce Engagement; and Rachel Kentleton, who is taking up the position of Chair of the Audit & Risk Committee following the conclusion of the 2024 audit process. Their breadth of experience will be invaluable in supporting the business through the next phases of its development.

Financial Results

Group Revenue increased by 24% to £6,255.3m (2023: £5,033.5m). Group profit before FX revaluation and taxation increased by 33% to £520.1m† (2023: £390.8m†) and **Group profit before taxation increased by 43% to £529.5m (2023: £371.0m)**.

A strong balance sheet and ample liquidity are important attributes in this industry, given its nature and capital intensity. As at 31 March 2024, our cash and money market deposits† totalled £3,184.7m (2023: £2,624.7m) with our 'Own Cash'† balance increasing to £1,331.4m (2023: £1,127.1m). Net cash, stated after borrowings and lease liabilities increased by 38% to £1,729.3m (2023: £1,249.7m). This financial capacity not only prepares us for increasing gross capital expenditure (which is expected to approach £5.0bn over the coming six years) and debt repayment commitments, but also provides a solid foundation for those opportunities and challenges that the current and future macro-economic environments may present.

Basic earnings per share increased 37% to 185.9p (2023: 135.4p).

Dividend

In view of the financial performance, our financial strength and continued confidence in the Group's prospects, in line with its capital allocation principles, the Board has resolved to pay a final dividend of 10.7p per share (2023: 8.0p), representing an increase of 34%. This final dividend is subject to shareholders' approval at the Company's Annual General Meeting on 5 September 2024 and will be payable on 23 October 2024 to shareholders on the register at the close of business on 20 September 2024, with the ex-dividend date being 19 September 2024.

Looking Ahead

I am extremely pleased with how our Leisure Travel business has performed in the two years since the pandemic. **Not only have we capitalised on the growth opportunities presented, with the business having nearly doubled its pre-Covid revenue**, we have also remained true to our values of carefully investing to secure our long-term growth aspirations, whilst ensuring we maintain financial stability and flexibility.

With this in mind, and demonstrating our confidence in our future growth plans, **we recently exercised the remaining 36 purchase rights of our Airbus aircraft order originally announced in late 2021, meaning we now have a firm delivery stream of 146 A321neo aircraft through to 2035**. This valuable long-term order provides favourable operating cost efficiencies and enables us to confidently plan for the long-term as we continue to expand our footprint and the range of new and exciting destinations, ensuring we can continue to delight our Customers for years to come. In addition, our *People, Service, Profits* philosophy is timeless and actively guides our engagement with our most valuable asset, our Colleagues. Combined, these qualities provide a strong foundation to continue on our exciting journey in delivering on our long-term strategy, **To be the UK's Leading and Best Leisure Travel business.**

Robin Terrell
Non-Executive Chairman

11 July 2024

† Further information on the calculation of these measures can be found in Note 2.

OUR CEO'S STATEMENT

Results for the financial year

We are very pleased to have been able to report another year of strong financial results as our Leisure Travel business **delivered an improvement in Group Revenue of 24% to £6,255.3m (2023: £5,033.5m) and an increase in Group profit before FX revaluation and taxation of 33% to £520.1m† (2023: £390.8m†).**

These results underlined the popularity, resilience and flexibility of our holiday products and also our leading brand position, as despite the continuing inflationary pressures, millions of UK customers still chose to prioritise their disposable income for a rejuvenating and relaxing ***Jet2*** holiday!

For the reporting period, seat capacity increased 10% to 19.73m. Although customer bookings were closer to departure, the business achieved a healthy average load factor of 89.8% (2023: 90.5%) with growth in average pricing for both our leisure travel products robust. Higher margin per passenger Package Holiday customers grew 15% to 6.08m (2023: 5.29m) and were a materially higher mix of total departing passengers at 68.3% (2023: 64.9%), with Flight-only passengers reducing by 1% to 5.61m (2023: 5.69m).

The Group commits considerable investment in order to be well prepared for its summer operations and Summer 2023 was no different, as we welcomed over 2,500 new Colleagues bringing the total number to over 15,000 at peak summer flying activity.

Although the widespread aviation sector disruption experienced in Summer 2022 was not repeated, as always, we anticipated that there would be unpredictable challenges posed by the external operating environment. As a *Customer First* organisation, this means investing to embed sufficient resilience into our operations, including but not limited to, standby aircraft and crews, generous amounts of in-resort customer helpers, plus responsive 'go teams' in the event of unforeseen developments. This proactive approach enabled us to effectively navigate Summer 2023 events such as Rhodes (wildfires) and Skiathos (flooding), the technological systems failure at NATS, together with the record number of air traffic control strikes across Europe and mitigate the impact on our Customers.

† Further information on the calculation of this measure can be found in Note 2.

Our Strategy

To be the UK's Leading and Best Leisure Travel business

A holiday for most UK consumers is an experience that is eagerly anticipated and, if provided in the right way, fondly remembered. Consequently, we are passionate about end-to-end customer service and our investment decisions focus primarily on how we can enrich our Customers' holiday experiences, whether embarking on a ***Real Package Holiday from Jet2holidays®***, or simply enjoying a leisure flight with ***Jet2.com.***

We know how much our Customers value their holidays as a stress-free and refreshing break – a time to be looked after and to unwind with family and friends, creating countless unforgettable positive memories. Consequently, our unwavering commitment to a *Customer First* approach focuses on delivering award-winning levels of service, where everybody is treated as a VIP. It is this philosophy which has driven ***Jet2holidays*** to be the UK's largest package holiday provider and ***Jet2.com*** to be the UK's 3rd largest airline by number of passengers flown; underpins our high levels of repeat bookings and high Net Promoter scores; and has seen both ***Jet2.com*** and ***Jet2holidays*** recently awarded the coveted Which? **Travel Brand of the Year** for the third consecutive year.

Our long-term ambition remains as relevant today as it has always been: **To be the UK's Leading and Best Leisure Travel business,** which demands **a clear strategic vision and an unfaltering customer focus, accompanied by consistent, and often material, investment**.

Our Commitment to Sustainability

Economically, socially and culturally, travel is a force for good and we are extremely proud of our positive effect in the UK and in communities around the world. However, it is also essential to recognise and act upon the environmental impact associated with travel.

Our updated Sustainability Strategy published in May 2024 details how we are taking bold, tangible actions on the journey to our ***Jet2 Net Zero 2050*** commitment. It also reinforces our determination to embed sustainability throughout our business (**In the Air**; **On the Ground**; and **In Resort**) and ensure that ***Jet2 plc*** remains at the forefront of change in our industry.

We endeavour to operate in the most efficient manner possible, focusing on minimising both emissions and carbon intensity (grammes of CO_2 emissions per revenue passenger kilometre (gCO_2/RPK)). It is pleasing to report that the Group has continued to reduce its fuel burn gCO_2/RPK from 65.9g in 2023 to 65.7g in the year ended 31 March 2024, representing positive progress towards our 2035 carbon intensity reduction target.

Pleasingly, ***Jet2.com*** was also recognised with a platinum rating for airline sustainability in the Centre for Aviation (CAPA) 2023 sustainability benchmark report. This accolade saw us included in the top 10 airlines globally for sustainability performance and ranked 4th out of 100 airlines for gCO_2/RPK.

The Group has made further progress on its goal to embed the use of Sustainable Aviation Fuel (SAF) into its operations. In 2024, ***Jet2.com*** will use a 1% blend of SAF at London Stansted, Bristol and Malaga airports, purchasing approximately 1,200 tonnes almost a year ahead of the UK and EU governments' SAF mandates which are due to be introduced from January 2025. We maintain our belief that SAF remains one of the most effective solutions for reducing carbon emissions and is key to achieving net-zero status by 2050.

We took delivery of a further six new Airbus A321neo aircraft during the year bringing the total to seven with all being powered by CFM Leap engines. In addition, we recently exercised our remaining purchase rights with Airbus and now have firm orders in place for an additional 139 A321neo aircraft, thereby enabling ***Jet2.com*** and ***Jet2holidays*** to grow more sustainably over the next ten years. These aircraft are already demonstrating their efficiency through a 20% per seat reduction in fuel and carbon emissions, plus a 50% reduction in noise footprint compared to the previous generation of narrow-body aircraft. In addition, we have invested in aerodynamic split scimitar winglets for our Boeing 737-800NG aircraft which we anticipate will reduce average fuel burn by up to 1.8%.

Our actions **on the ground** mean over 50% of our ***Jet2.com***-owned Ground Support Equipment is now electrified, whilst **in the air** we have achieved an 83% reduction in single-use plastics on our aircraft as compared to 2019.

Furthermore, **in-resort *Jet2holidays*** has implemented a Global Sustainable Tourism Council accredited hotel sustainability labelling scheme with over 950 hotel partners engaged thus far, giving our Customers the ability to make more sustainable accommodation choices.

In order for the industry to achieve Net Zero, we need a number of parties to play their part, including aircraft and engine manufacturers, fuel producers and, of course, the UK Government. Consequently, our specific asks from the UK Government are to:

- Upscale the UK Government's investment in SAF;
- Ring-fence annual UK Emissions Trading Scheme revenues for decarbonisation projects;
- Work multilaterally with governments across Europe to implement Air Traffic Management reforms; and
- Support airport operators and remove obstacles around upgrades to electrical infrastructure.

More detailed information on the Group's Sustainability Strategy can be found at **www.jet2plc.com/sustainability**.

Operational Highlights

Retail Operations Centre

In October 2023, we were delighted to officially open our Retail Operations Centre (ROC), the first of its kind in the UK aviation industry, which will set new standards for *Customer First* service, efficiency and security. This 150,000 square foot facility, located in Middlewich, Cheshire, acts as a centre to stock, manage and distribute millions of in-flight retail products for customers to enjoy on their well-deserved leisure flights. The products being managed include drinks and ambient food that can either be pre-ordered or which feature in our in-flight menu, as well as products that can be bought from our onboard shop, such as fragrances, beauty products, gifts and duty-free.

The ROC facility employs cutting-edge x-ray scanners and security measures and given the nature of the operation, it has undergone thorough examination to ensure it complies with relevant regulations and has been approved by the UK Civil Aviation Authority.

Since becoming fully operational in January 2024, ***Jet2.com***'s on-board stock availability has improved materially on the levels achieved in previous years, averaging over 98%, which in turn has improved customer satisfaction. It is also pleasing that in a relatively short timeframe we have already realised revenue benefits through increased spend per head. The Group has now commenced the second phase of this initiative and in time expects to further optimise its inflight revenue potential, combining leading edge automation with customer data intelligence to create an improved, bespoke onboard retail experience.

New Engineering Hangar

With our long-term aircraft delivery stream in mind, the Group acquired additional premises at Manchester Airport to build a second aircraft maintenance facility which is expected to be operational from late 2025. This property, which is located next to our existing facility, gives us the opportunity to further build our base maintenance capability and support our growing aircraft fleet over the coming decade.

New UK Bases

Recognising the significant demand from both consumers and independent travel agents across Liverpool, Merseyside and the wider region, we were pleased to commence flying from Liverpool John Lennon Airport on 28 March 2024 with over 550,000 summer seats on sale. Our careful preparation ensured a seamless launch, so that from day one we were able to provide customers with the same award-winning service which has delighted millions of others across the UK for so many years!

In addition, in late March 2024, we announced the launch of our award-winning flights and holidays from **Bournemouth Airport,** our 12th UK base, providing greater geographical reach across the South of England and reflecting our long-term strategy to grow our successful business. Flights will commence from February 2025 to many of our most popular destinations across the sun spots of the Mediterranean and Canary Islands.

New Destinations

As always, we listen carefully to what our Customers tell us. Consequently, we added Symi and Athens Coast to our Summer 2024 programme, the latter giving customers access to eight popular resorts across the region, plus Portugal's biggest city, Porto, steeped in history and combining vibrant city life with beautiful coastal beaches.

We were also excited to announce that from Winter 2024/25 we have added Morocco to our destinations, offering year-round sun-drenched holidays, city breaks and flights to Marrakech and Agadir, plus the launch of a new Christmas market destination – Gdansk.

Finally, for Summer 2025 we unveiled Pula on the Istrian Coast in Croatia, offering holidaymakers everything from architectural gems and historic monuments through to Blue Flag beaches, plus Costa de la Luz, a stunning, authentic and untouched slice of Spain. Each of these new destinations provide our Customers with an even greater choice of memory-making holiday opportunities.

Our Stakeholders

Our Customers

For many families, booking a holiday is the most important purchase of the year and a smooth customer journey from start to finish is paramount. We know that each customer's purchasing habits are unique and consequently we continue to offer four distinct booking channels through our website, mobile app, contact centre and independent travel agents.

Human interaction remains important for many customers when making such an important purchase, to ensure their individual needs are catered for. Currently 9% of our Package Holiday customers book through our contact centre, aided by friendly and informative homeworking sales colleagues who have an intimate knowledge of our products. Once a booking has been made, our pre-travel services team takes over, answering queries and ensuring that customers are updated with post booking information, or provided with any further pre-travel assistance as required.

Sales through travel agents remains an important distribution channel for the business, and our package holidays can be booked through all major independent travel agent chains, homeworker companies and independent agents.

Technology and how customers interact with it is perpetually evolving and our websites and mobile app are continuously developed and refined to ensure that the search and booking experience is as effortless and efficient as possible.

We have committed considerable resources to the growth of our digital channels in order to provide customers with a best-in-class ***Jet2*** mobile app experience. This has resulted in a marked increase in the percentage of package holiday customers now booking via the app of 21ppts since 2020 to 24%. We also took the opportunity to relaunch our ***MyJet2*** account, which already has over 4.0m members. Having an account enables a seamless one-click access for customers to proactively manage their bookings in one place; engagement through competitions such as *'Bid for a Break'*; and a personalised experience to optimise booking conversion via exclusive discounts on both flights and package holidays.

As it has grown, our Leisure Travel business has benefitted from its breadth and quality of hotel choices, its family-focused approach and its *Customer First* strategy, all of which are constantly refined to ensure our Customers continue to enjoy memorable and relaxing holiday experiences. The agile nature of our business model means we can adapt our offering to meet emerging consumer trends such as increased demand for 'bucket list' style holidays to natural wonders and unique cultures, which are perfectly suited to our experiential *'Discover More'* ***Jet2CityBreaks®*** and our ***Jet2holidays*** product.

It is immensely satisfying that the considerable investment made in our industry-leading levels of customer care continues to be independently recognised through a multitude of awards received for all our brands from Which? and Feefo, together with our pre-eminent ranking on the UK Customer Satisfaction Index. In addition, we were rated the best short-haul UK airline for punctuality during 2023, according to analysis of Civil Aviation Authority (CAA) data by the PA news agency. Our repeat customer booking rate for package holidays of over 60% and net promoter scores in the high 60s for both ***Jet2.com*** and ***Jet2holidays*** products are further clear indicators that customers truly appreciate the quality of our product and our award-winning VIP customer service.

As a result, we remain confident that our laser sharp focus on customer service will continue to distinguish a holiday with ***Jet2*** as an unparalleled and market leading experience that customers choose time and again.

Our Colleagues

Our guiding principles of *People, Service, Profits* continue to influence the way we engage and motivate our Colleagues - we firmly believe this underpins our *Customer First* ethos.

Whether in the UK or Overseas, the ability of colleagues to continuously demonstrate the Company's ***'Take Me There'*** values (***Be Present; Create Memories; Take Responsibility;*** and ***Work As One Team***), is of paramount importance. It is this approach which has set us apart and enabled us to be consistently recognised as an industry leader for outstanding customer service – great and attentive customer service is where we aim to excel.

Throughout the year, our Colleagues worked tirelessly, responding admirably to help navigate the many complex and unpredictable operational demands posed and the Board **is hugely appreciative of their tremendous support and efforts.** It is they who enable ***Jet2.com*** and ***Jet2holidays*** to fulfil the dreams of so many customers, taking them on their well-deserved and eagerly anticipated holidays.

We pride ourselves on doing the right thing for our Colleagues and to recognise their invaluable contribution, we were pleased to award a pay increase of 9% for the year ended 31 March 2024. We firmly believe that happy and well-paid Colleagues are fundamental to our future success and, with this and the pressures of elevated inflation levels in mind, we have awarded a further generous increase of 5.5% for the year ending 31 March 2025, representing a compound increase of over 24% since the end of the pandemic.

Having colleagues who are passionate about our business and able to share in its success is a powerful quality. We were therefore pleased to build on the success of our first ShareSave scheme, which had a take-up rate in excess of 60%, through a second offering in September 2023, again at a 20% discount to the prevailing share price at inception, with a third offering imminent.

Furthermore, we are very pleased to be able to award both our **Discretionary Colleague Profit Share Scheme** for non-management Colleagues and our **Discretionary Bonus Scheme** for management Colleagues following the successful operational and financial performance of the Group for the year ended 31 March 2024.

We recognise that achieving our future growth ambitions and maintaining our industry-leading levels of customer care will not be possible without appropriately skilled and experienced managerial colleagues who are empowered to ***Take Responsibility*** for key decisions and to lead, support and inspire their teams. Consequently, we have recently launched a new performance management process - *Maximising Business Performance through our People* - to directly link the contribution of each manager to their bonus reward for the year ending 31 March 2025.

To further enhance the open channels of communication between our Colleagues and the Board and ensure that their views can contribute towards our future success, Angela Luger was appointed our Designated Non-Executive Director for Workforce Engagement in April 2024.

The success of the Group, proven through the many customer satisfaction accolades won, being awarded Best Large Company to work for at the Best Workplaces in Travel awards, plus the long-term financial performance achieved, demonstrates that our *People, Service, Profits* guiding principles are bearing tangible benefits. Consequently, commensurate investment in our Colleagues remains an enduring commitment of the Board.

Suppliers

We maintain constructive relationships with our suppliers through frequent dialogue, coupled with our annual supplier conference which focuses on how we and our supplier partners can work together effectively to forge mutually beneficial long-term relationships. These strong partnerships are proving crucial as we enter our peak Summer 2024 flying operation.

We also acknowledge the importance of timely and full payment to our suppliers, including of course our hotel partners, to underpin their financial well-being. In accordance with the *'Duty to report on payment practices and performance'* legislation, the average invoice payment period during the year was again commendable, being 22.7 days (2023: 20.2 days) for ***Jet2.com*** Limited and 24.6 days (2023: 22.7 days) for ***Jet2holidays*** Limited.

Shareholders

We maintain open lines of communication with our shareholders and institutional investors, engaging with them appropriately through regular interactions at Preliminary and Interim results meetings, individual investor meetings, broker/institutional conferences and at our Annual General Meeting.

UK Government and the Civil Aviation Authority

The Executive Directors and certain senior managers within the organisation regularly engage with senior representatives of the UK government and regulatory bodies. In the past year, discussions have focused on the future of sustainable air travel, together with the investigation into the disruption created from the NATS failure in August 2023. Furthermore, I actively engage with government, business and tourism bodies in the UK and in our destination countries, fostering relationships at both national and regional levels.

In addition, our Group Chief Financial Officer has frequent dialogue with the UK Civil Aviation Authority on the financial performance of the Group and our Accountable Manager, the Managing Director of ***Jet2.com***, meets regularly with his respective counterparts.

Outlook

Summer 2024 on sale seat capacity is currently 12.3% higher than Summer 2023 at 17.16m seats. Booked to date Package Holiday customers are up by 7%, representing 72% of overall flown passengers, with Flight-Only passengers increasing by 16%. Consequently average load factor is currently 73.4% (2023: 75.2%).

Passengers are currently booking much closer to departure and therefore, pricing for our flight-only and package holiday products must remain attractive. Summer 2024 pricing to date for both products is showing a modest increase, helping to offset in part previously announced input cost increases. As ever, we remain mindful of the current macro-economic and geo-political environments and how these may influence future consumer spending patterns. However, **we continue to believe that the end-to-end package holiday is a resilient and popular product which remains high on the priority list for our Customers, even during uncertain economic times**.

Year to date the business is trading in line with management's expectations. Given the late booking profile and the peak summer months of July, August and September not yet complete, plus the majority of Winter 2024/2025 seat capacity still to sell, it remains premature, as is always the case at this time of year, to provide definitive guidance as to Group profitability for the financial year ending 31 March 2025.

For the long term, our strategy remains consistent - **To be the UK's Leading and Best Leisure Travel business** - with *People, Service, Profits* serving as our guiding principles. With our differentiated and attractive end-to-end product, breadth of hotel choice and flexibility of duration, plus our consistently high quality *Customer First* approach, we are confident that customers will continue to travel with us from our Rainy Island to the sun spots of the Mediterranean, the Canary Islands and to European Leisure Cities.

Steve Heapy
Chief Executive Officer
11 July 2024

BUSINESS & FINANCIAL REVIEW

The Group's financial performance for the year ended 31 March 2024 is reported in accordance with UK-adopted international accounting standards and applicable law.

Summary Income Statement	**2024 £m Unaudited**	2023 £m	*Change*
Revenue	**6,255.3**	5,033.5	*24%*
Operating expenses	**(5,827.1)**	(4,639.5)	*(26%)*
Operating profit	**428.2**	394.0	*9%*
Net financing income / (expense) (excluding Net FX revaluation gains / (losses))	**88.6**	(5.8)	*1,628%*
Profit on disposal of property, plant and equipment	**3.3**	2.6	*27%*
Profit before FX revaluation and taxation	**520.1**	390.8	*33%*
Net FX revaluation gains / (losses)	**9.4**	(19.8)	*147%*
Profit before taxation	**529.5**	371.0	*43%*
Net financing (income) / expense (including Net FX revaluation (gains) / losses)	**(98.0)**	25.6	*483%*
Depreciation	**248.8**	185.2	*(34%)*
EBITDA*	**680.3**	581.8	*17%*

* EBITDA is included as an alternative performance measure in order to aid users in understanding the underlying operating performance of the Group. Further information can be found in Note 2.

Customer Demand & Revenue

Our Leisure Travel business benefitted from consistent demand for ***Real package holidays from Jet2holidays®*** and scheduled holiday flights from ***Jet2.com*** throughout Summer 2023, although the latter months saw a more pronounced late booking profile. In addition, we were pleased with the progress made in Winter 2023/24 as flown passengers increased 17.8% to 3.9m.

Having increased overall seat capacity for the year by 10% to 19.73m (2023: 17.93m), ***Jet2.com***'s average load factors remained healthy at 89.8% (2023: 90.5%).

The proportion of customers choosing our higher margin per passenger end-to-end package holiday product increased 3.4ppts to 68.3% (2023: 64.9%), underlining the appreciation of our industry-leading levels of *Customer First* care together with the security that an ATOL licensed package holiday provides. However, our flight-only product remains very important, offering considerable flexibility as booking trends evolve and we were pleased that flight-only passengers remained relatively steady at 5.61m (2023: 5.69m).

With little change in holiday booking trends and customer demand steady although later, pricing for both products was robust which helped to cover the many inflationary increases in our cost base. Flight-only net ticket yield per passenger sector increased 14% to £114.23 (2023: £100.28) and the average price of a ***Jet2holidays*** package holiday increased by 11% to £830 (2023: £750)*.

Non-Ticket revenue per passenger sector increased by 1% to £26.34 (2023: £25.99), driven by improved inflight retail spend from better product mix and stock availability as compared to the supply issues suffered during Summer 2022. This was partially offset by lower flight-only hold baggage income due to the increased package holiday mix (where hold bags are included in the holiday price).

As a result, overall **Group Revenue increased by 24% to £6,255.3m (2023: £5,033.5m),** equating to an increase of 14% in revenue per flown passenger to £353 (2023: £310).

* The prior year average price of a package holiday has been restated and is now net of government taxes. Further information on this can be found in Note 3.

Operating Expenses

Hotel accommodation costs increased 25% to £2,465.0m (2023: £1,973.6m) primarily due to the growth in package holiday customers. However, supply-led inflation, in particular on wages, food and energy costs which was partially offset by the impact of slightly shorter duration holidays (averaging 7.6 days versus 7.8 days last year) accounted for approximately 9% of the increase.

Despite our well established, proven hedging policy remaining consistent, fuel and carbon costs combined increased by 34% to £803.7m (2023: £598.1m). This rise was materially above the growth in flying activity, as geo-political factors meant pricing in both commodity markets remained stubbornly high, with the average cost of fuel and carbon allowances 24% and 19% higher respectively than the prior year. In addition, from 1 January 2024, the EU Emissions Trading Scheme exemption for return flights from the Canary Islands to the UK was removed, which added a further 1% to the overall cost.

Landing, navigation and third-party handling increased 18% to £474.9m (2023: £403.4m), outstripping flying activity growth due to average rate increases of approximately 8% across UK and European bases, including increased charges for new security systems, passengers with reduced mobility services and also Eurocontrol flying fees.

Travel agents commission of £166.9m (2023: £142.0m) largely moved in line with the increased volume of package holiday customers and the increase in average package holiday price.

Maintenance costs rose by 44% to £152.0m (2023: £105.2m) as we operated eight additional leased aircraft in Summer 2023, bringing total leased aircraft, which have a higher maintenance rate per flying hour than owned aircraft, to thirty. The balance was a function of higher costs associated with the maintenance of ***Jet2.com***'s older aircraft which are nearing retirement, plus the effect of a 6% strengthening of USD in the year.

Other direct operating costs increased 15% to £218.7m (2023: £190.1m), as in-resort agents fees and ATOL costs increased primarily as a result of package holiday volume growth but also due to supplier inflationary cost increases, in particular on fuel for the provision of in-resort transfers to and from hotels. These increases were offset by a significant reduction in EU261 compensation on the prior year, as the wider aviation infrastructure returned to stable operations.

Staff costs of £744.1m (2023: £590.4m) increased as a result of a 9% pay award supporting the retention of happy and motivated colleagues amidst a challenging inflationary environment. In addition, we implemented our **Lifestyle 2023** initiative for flight crew, an investment of approximately £15m, aimed at improving roster stability and supporting a more balanced lifestyle – pleasingly, feedback from our operational colleagues has been positive. Finally, we incurred the full year effect of new starters from the prior year and also invested in colleague recruitment and training to be operationally resilient for the Summer 2024 season where seat capacity growth is over 12%.

Brand and direct marketing investment was 26% higher than the previous year at £264.2m (2023: £210.2m). Booked passengers increased 13%, higher than flown passenger growth, as we pulled forward Summer 2024 customer bookings to optimise load factor, with the remainder being partly inflation and partly mix driven.

Other operating expenses increased 44% to £148.8m (2023: £103.5m), in particular due to increased energy costs across our property infrastructure; professional costs associated with strategic IT projects; upgrades of older IT equipment, together with the indirect impact of increased headcount.

Total operating expenses increased by 26% to £5,827.1m (2023: £4,639.5m), representing an increase of 15% in operating cost per flown passenger to £329 (2023: £286).

Operating profit

Overall Group operating profit increased 9% to £428.2m (2023: £394.0m), which included approximately £14.0m of lost profitability from the broader disruption caused by the NATS failure, Rhodes wildfires and flooding in Skiathos as was widely reported. Consequently, operating profit per flown passenger was flat at £24.

Net Financing Income

Net financing income (excluding Net FX revaluation gains) increased by £94.4m to £88.6m (2023: £5.8m expense), primarily due to £159.5m (2023: £58.7m) of finance income driven by higher levels of cash deposits coupled with increases to bank interest rates made over the course of the financial year. Finance expenses of £70.9m (2023: £64.5m) increased chiefly due to additional interest incurred on lease liabilities as a result of aircraft acquired to support capacity growth.

In addition, a net FX revaluation gain of £9.4m (2023: £19.8m loss) resulted from the year end revaluation of foreign currency denominated monetary balances.

Statutory Profit for the Year

As a result, **Group statutory profit before taxation was £529.5m (2023: £371.0m), an increase of 43%** with profit per flown passenger increasing 30% to £30 (2023: £23).

Taxation

The Group tax charge of £130.3m (2023: £80.2m) is made at an effective tax rate of 25% (2023: 22%).

Statutory Net Profit for the year and Earnings Per Share

Consequently, **Group statutory profit after taxation increased 37% to £399.2m** (2023: £290.8m) and basic earnings per share was 185.9p (2023: 135.4p).

Other Comprehensive Income and Expense

The Group had Other comprehensive income of £2.7m (2023: £179.0m expense), with the expense in the prior year primarily driven by the transfer to the consolidated income statement of hedged gains from in-the-money fuel derivatives as at 31 March 2022.

Cash Flows and Financial Position

The following table sets out condensed cash flow data and the Group's cash and cash equivalents and money market deposits:

Summary of Cash Flows	**2024 £m Unaudited**	2023 £m	*Change*
EBITDA	**680.3**	581.8	*17%*
Other Income Statement adjustments	**11.4**	7.8	*46%*
Operating cash flows before movements in working capital	**691.7**	589.6	*17%*
Movements in working capital	**362.8**	362.6	-
Interest and taxes	**39.0**	(0.1)	-
Net cash generated from operating activities	**1,093.5**	952.1	*15%*
Purchase of property, plant and equipment, right-of-use assets and equity investments	**(410.0)**	(196.6)	*(109%)*
Movement on borrowings	**17.7**	(287.7)	*106%*
Movement on lease liabilities	**(116.5)**	(76.2)	*(53%)*
Dividends paid in the year	**(25.8)**	(6.4)	*(303%)*
Other items	**1.1**	11.0	*(90%)*
Net increase in cash and money market deposits [(a)]	**560.0**	396.2	*41%*

(a) Cash flows are reported including the movement on money market deposits (cash deposits with maturity of more than three months from point of placement) to give readers an understanding of total cash generation. The Consolidated Statement of Cash Flows reports net cash flow excluding these movements. Further information on these balances as at the year-end can be found in Note 2.

Net Cash Generated From Operating Activities

The Group generated operating cash inflows before working capital movements of £691.7m (2023: £589.6m) primarily driven by the strong trading performance which resulted in EBITDA improving to £680.3m (2023: £581.8m).

Movements in working capital, in particular on advance customer cash receipts and supplier payments, resulted in cash inflows of £362.8m (2023: £362.6m). The higher interest rate environment combined with higher average cash balances resulted in an increase in net finance income received to £84.2m (2023: £15.1m). After having utilised a proportion of the deferred tax asset in respect of losses incurred during the Covid pandemic, Corporation tax payments were £45.2m (2023: £15.2m). Overall, the Group generated £1,093.5m of cash from its operating activities (2023: £952.1m), an increase of 15%.

Net Cash Used In Investing Activities

Total capital expenditure amounted to £408.0m (2023: £196.6m) primarily representing balance payments for six Airbus A321neo aircraft delivered during the year, together with pre-delivery payments for future arrivals. Additionally, we continued to invest in the ongoing maintenance of our existing aircraft fleet, ensuring its long-term reliability and performance. This investment included a programme to upgrade winglets to split scimitars on our Boeing 737-800NG fleet, aiding a reduction in both fuel and carbon emissions.

Furthermore, we invested in our new ROC to take full control of ***Jet2.com***'s inflight logistics operation. The facility, which is fully operational, provides inflight ambient products for ten of our eleven UK bases. The Group has now commenced the second phase of this initiative, investing in world leading automation equipment which will offer further benefits from 2025 and beyond.

Purchase of equity investments of £2.0m represented our initial investment in the Fulcrum NorthPoint facility, being developed by Fulcrum BioEnergy Ltd, securing ***Jet2.com***'s access to sustainable aviation fuel which is planned to be produced by this facility from 2028.

Net Cash Used In Financing Activities

Net cash used in financing activities amounted to £124.6m (2023: £370.3m) including repayments of borrowings and lease liabilities of £289.5m (2023: £363.9m), offset by loans advanced of £190.7m (2023: £nil) for new aircraft deliveries in the period.

Dividend payments of £25.8m (2023: £6.4m) reflected the resumption of a final dividend payment of 8.0p per share for the previous year's financial performance, together with the payment of an interim dividend of 4.0p per share (2023: 3.0p).

Other items totalling an inflow of £1.1m (2023: £11.0m) include £3.3m of proceeds from retired aircraft and engine sales (2023: £2.7m) offset by the effect of foreign exchange rate changes on the Group's cash and money market deposit balances which totalled a £2.2m loss (2023: £8.3m gain).

Overall, this resulted in a net cash inflow of £560.0m (2023: £396.2m) and a year-end total cash and money market deposits position† of £3,184.7m (2023: £2,624.7m). Net cash, stated after borrowings and lease liabilities increased by 38% to £1,729.3m (2023: £1,249.7m).

At the reporting date, the Group had received payments in advance of travel from customers amounting to £1,853.3m (2023: £1,497.6m) and had increased its 'Own Cash'† balance to £1,331.4m (2023: £1,127.1m).

† Further information on the calculation of this measure can be found in Note 2.

Liquidity

The Group maintains a robust financial position, characterised by a strong balance sheet offering ample liquidity to pursue our growth aspirations at a healthy return on capital, to refresh certain of our less efficient aircraft fleet and to comfortably repay our debt obligations. These resources also provide financial resilience and flexibility to navigate potential challenges should they arise.

Consequently, we were able to purchase a number of the A321neo aircraft delivered during the year through our Own Cash reserves. In addition, we repaid the final instalments of debt acquired during the pandemic of £82.2m which was secured against twelve Boeing 737-800NG midlife aircraft. We also took the opportunity to prepay remaining debt obligations secured against three Boeing 737-800NG aircraft of £41.2m, this debt having been acquired between 2016 and 2019 at a higher funding cost than the Group can currently access in aircraft financing markets.

In October 2023, the Group successfully extended its sustainability-linked Revolving Credit Facility (RCF) by a further year through to 19 October 2027, on the same commercial terms with its four supportive relationship banks: Barclays Bank plc; HSBC UK Bank plc; Lloyds Bank plc; and National Westminster Bank plc.

Summary Statement of Financial Position	**2024 £m Unaudited**	2023 £m	*Change*
Non-current assets [(a)]	**1,858.4**	1,519.8	*22%*
Net liabilities [(b)]	**(101.6)**	(115.0)	*12%*
Cash and money market deposits	**3,184.7**	2,624.7	*21%*
Deferred revenue	**(1,926.6)**	(1,563.6)	*(23%)*
Borrowings	**(755.8)**	(729.2)	*(4%)*
Lease liabilities	**(699.6)**	(645.8)	*(8%)*
Deferred taxation	**(110.1)**	(36.7)	*(200%)*
Derivative financial instruments	**(40.5)**	(41.8)	*3%*
Total shareholders' equity	**1,408.9**	1,012.4	*39%*

(a) Stated excluding derivative financial instruments and trade and other receivables.

(b) Stated excluding cash and cash equivalents, money market deposits, deferred revenue, borrowings, lease liabilities and derivative financial instruments.

Total shareholders' equity increased by £396.5m (2023: £115.8m) which included profit after taxation of £399.2m (2023: £290.8m) which was partially offset by dividends paid of £25.8m (2023: £6.4m).

In any sector, being recognisably differentiated is an important quality – in a sector that is providing an experiential consumer product this is vital. Consequently, we recognise that a well-capitalised balance sheet allowing sustained levels of investment to stay ahead of the competition is paramount. This investment in aircraft, product, brand and customer service excellence, plus the delivery of a differentiated and attractive end-to-end product which pleases customers from start to finish, engenders loyalty and repeat bookings – meaning a better quality of recurring revenue and profitability – a great platform in our aim **To be the UK's Leading and Best Leisure Travel business**.

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Gary Brown
Group Chief Financial Officer
11 July 2024

Leisure Travel Key Performance Indicators	**2024 Unaudited**	2023	*Change*
Seat capacity	**19.73m**	17.93m	*10%*
Flown passengers	**17.72m**	16.22m	*9%*
Load factor	**89.8%**	90.5%	*(0.7 ppts)*
Flight-only passengers	**5.61m**	5.69m	*(1%)*
Package holiday customers	**6.08m**	5.29m	*15%*
Package holiday customers % of total flown passengers	**68.3%**	64.9%	*3.4ppts*
Flight-only ticket yield per passenger sector (excl. taxes)	**£114.23**	£100.28	*14%*
Average Package holiday price*	**£830**	£750	*11%*
Non-ticket revenue per passenger sector	**£26.34**	£25.99	*1%*
Fuel requirement hedged – next 12 months	**81.7%**	81.8%	*(0.1 ppts)*
Advance sales made as at 31 March	**£3,720.0m**	£3,028.2m	*23%*

* The prior year price of a package holiday has been restated and is now net of government taxes. Further information on this can be found in Note 3.

Certain information contained in this announcement would have been deemed inside information as stipulated under the UK version of the EU Market Abuse Regulation (2014/596) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time, until the release of this announcement.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

for the year ended 31 March 2024

	Note	**Results for the year ended 31 March 2024 £m**	Results for the year ended 31 March 2023 £m
Revenue	3	**6,255.3**	5,033.5
Operating expenses	4	**(5,827.1)**	(4,639.5)
Operating profit		**428.2**	394.0
Finance income		**159.5**	58.7
Finance expense		**(70.9)**	(64.5)
Net FX revaluation gains / (losses)		**9.4**	(19.8)
Net financing income / (expense)		**98.0**	(25.6)
Profit on disposal of property, plant and equipment		**3.3**	2.6
Profit before taxation		**529.5**	371.0
Taxation		**(130.3)**	(80.2)
Profit for the year *(all attributable to equity shareholders of the Parent)*		**399.2**	290.8

Earnings per share			
- basic	5	185.9p	135.4p
- diluted	5	170.4p	126.6p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

for the year ended 31 March 2024

	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Profit for the year	**399.2**	290.8
Other comprehensive income / (expense)		
Items that are or may be reclassified subsequently to profit or loss:		
Cash flow hedges:		
Fair value losses	**(53.9)**	(49.4)
Net amount transferred to Consolidated Income Statement	**65.3**	(164.1)
Cost of hedging reserve movement	**(5.3)**	(17.0)
Related taxation (charge) / credit	**(1.5)**	47.6
Revaluation of foreign operations	**(1.9)**	3.9
	2.7	(179.0)
Total comprehensive income for the year *(all attributable to equity shareholders of the Parent)*	**401.9**	111.8

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

at 31 March 2024

	2024 £m	2023 £m
Non-current assets		
Intangible assets	**26.8**	26.8
Property, plant and equipment	**1,193.2**	927.7
Right-of-use assets	**636.4**	565.3
Trade and other receivables	**21.2**	-
Derivative financial instruments	**17.3**	14.3
Other equity investment	**2.0**	-
	1,896.9	1,534.1
Current assets		
Inventories	**124.8**	40.2
Trade and other receivables	**332.8**	281.3
Derivative financial instruments	**30.8**	45.8
Money market deposits	**1,745.1**	1,669.5
Cash and cash equivalents	**1,439.6**	955.2
	3,673.1	2,992.0
Total assets	**5,570.0**	4,526.1
Current liabilities		
Trade and other payables	**477.4**	339.1
Deferred revenue	**1,903.9**	1,547.2
Borrowings	**44.6**	125.9
Lease liabilities	**131.0**	101.8
Provisions	**63.2**	57.4
Derivative financial instruments	**83.0**	85.1
	2,703.1	2,256.5
Non-current liabilities		
Deferred revenue	**22.7**	16.4
Borrowings	**711.2**	603.3
Lease liabilities	**568.6**	544.0
Provisions	**39.8**	40.0
Derivative financial instruments	**5.6**	16.8
Deferred taxation	**110.1**	36.7
	1,458.0	1,257.2
Total liabilities	**4,161.1**	3,513.7
Net assets	**1,408.9**	1,012.4
Shareholders' equity		
Share capital	**2.7**	2.7
Share premium	**19.8**	19.8
Cash flow hedging reserve	**(6.7)**	(15.3)
Cost of hedging reserve	**(21.9)**	(17.9)
Other reserves	**53.3**	55.2
Retained earnings	**1,361.7**	967.9
Total shareholders' equity	**1,408.9**	1,012.4

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

for the year ended 31 March 2024

	2024 £m	2023 £m
Profit before taxation	**529.5**	371.0
Net financing (income) / expense (including Net FX revaluation (gains) / losses)	**(98.0)**	25.6
Depreciation	**248.8**	185.2
Profit on disposal of property, plant and equipment	**(3.3)**	(2.6)
Equity settled share-based payments	**14.7**	10.4
Operating cash flows before movements in working capital	**691.7**	589.6
Increase in inventories	**(84.6)**	(31.7)
Increase in trade and other receivables	**(55.7)**	(117.5)
Increase in trade and other payables	**134.5**	118.7
Increase in deferred revenue	**363.0**	374.5
Increase in provisions	**5.6**	18.6
Cash generated from operations	**1,054.5**	952.2
Interest received	**139.7**	58.7
Interest paid	**(55.5)**	(43.6)
Income taxes paid	**(45.2)**	(15.2)
Net cash generated from operating activities	**1,093.5**	952.1
Cash used in investing activities		
Purchase of property, plant and equipment	**(403.9)**	(193.9)
Purchase of right-of-use assets	**(4.1)**	(2.7)
Purchase of equity investment	**(2.0)**	-
Proceeds from sale of property, plant and equipment	**3.3**	2.7
Net increase in money market deposits	**(75.6)**	(481.9)
Net cash used in investing activities	**(482.3)**	(675.8)
Cash used in financing activities		
Repayment of borrowings	**(173.0)**	(287.7)
New loans advanced	**190.7**	-
Payment of lease liabilities	**(116.5)**	(76.2)
Dividends paid in the year	**(25.8)**	(6.4)
Net cash used in financing activities	**(124.6)**	(370.3)
Net increase / (decrease) in cash in the year	**486.6**	(94.0)
Cash and cash equivalents at beginning of year	**955.2**	1,047.5
Effect of foreign exchange rate changes	**(2.2)**	1.7
Cash and cash equivalents at end of year	**1,439.6**	955.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

for the year ended 31 March 2024

	Share capital £m	Share premium £m	Cash flow hedging reserve £m	Cost of hedging reserve £m	Other reserves £m	Retained earnings £m	**Total shareholders' equity £m**
Balance at 31 March 2022	**2.7**	**19.8**	**155.2**	**(5.5)**	**51.3**	**673.1**	**896.6**
Total comprehensive income	-	-	(170.5)	(12.4)	3.9	290.8	**111.8**
Share-based payments	-	-	-	-	-	10.4	10.4
Dividends paid in the year	-	-	-	-	-	(6.4)	(6.4)
Balance at 31 March 2023	**2.7**	**19.8**	**(15.3)**	**(17.9)**	**55.2**	**967.9**	**1,012.4**
Total comprehensive income	-	-	8.6	(4.0)	(1.9)	399.2	401.9
Share-based payments	-	-	-	-	-	14.7	14.7
Deferred tax on share-based payments	-	-	-	-	-	5.7	5.7
Dividends paid in the year	-	-	-	-	-	(25.8)	(25.8)
Balance at 31 March 2024	**2.7**	**19.8**	**(6.7)**	**(21.9)**	**53.3**	**1,361.7**	**1,408.9**

[1] In June 2021, senior unsecured convertible bonds were issued generating gross proceeds of £387.4m. The equity component of these bonds was valued at £51.4m and recognised in other reserves. The remaining balance held in other reserves relates to foreign exchange translation differences arising on revaluation of non-sterling functional currency subsidiaries of the Group, which totalled £1.9m at 31 March 2024 (2023: £3.8m).

NOTES TO THE UNAUDITED PRELIMINARY ANNOUNCEMENT
for the year ended 31 March 2024

1. Accounting policies and general information

General information

Jet2 plc is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on AIM. The address of its registered office is Low Fare Finder House, Leeds Bradford Airport, Leeds, LS19 7TU.

The Group's preliminary announcement consolidates the financial statements of ***Jet2 plc*** and its subsidiaries.

Basis of preparation

The financial information in this preliminary announcement has been prepared and approved by the Board of Directors in accordance with UK-adopted international accounting standards and applicable law ("UK-adopted IAS").

Whilst the information included in this preliminary announcement has been prepared in accordance with UK-adopted IAS, the financial information for the years ended 31 March 2024 and 31 March 2023 does not itself contain sufficient information to comply with UK-adopted IAS, nor does it comprise statutory financial statements within the meaning of section 434 of the Companies Act 2006.

The financial information for 2023 is derived from the financial statements for the year ended 31 March 2023, which have been delivered to the Registrar of Companies. The Auditor has reported on the year ended 31 March 2023 financial statements; their report:

i. was unqualified;
ii. did not include a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying their report; and
iii. did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The financial statements for the year ended 31 March 2024 will be finalised on the basis of the financial information presented by the Board of Directors in this preliminary announcement and will be delivered to the Registrar of Companies in due course.

The 2024 Annual Report & Accounts (including the Auditor's Report) will be made available to shareholders during the week commencing 5 August 2024. The ***Jet2 plc*** Annual General Meeting will be held on 5 September 2024.

The financial information has been prepared under the historical cost convention except for all derivative financial instruments and other equity investments, which have been measured at fair value. The accounting policies adopted are consistent with those described in the Annual Report & Accounts for the year ended 31 March 2023.

The Group's financial information is presented in pounds sterling and all values are rounded to the nearest £100,000 except where indicated otherwise.

1. Accounting policies and general information (continued)

Going concern

The Directors have prepared financial forecasts for the Group, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2027.

For the purpose of assessing the appropriateness of the preparation of the Group's financial statements on a going concern basis, two financial forecast scenarios have been prepared for the 12-month period following approval of these financial statements:

- A base case which assumes a full unhindered flying programme utilising an aircraft fleet of 127 at load factors above 90% against a 13% increase in seat capacity; and
- A downside scenario with load factors reduced to 80% from August 2024 to reflect a material reduction in demand or the occurrence of operationally disruptive events and a lack of available funding for new aircraft during this period.

The forecasts consider the current cash position and an assessment of the principal areas of risk and uncertainty as described in more detail in the Group's Annual Report & Accounts.

In addition to forecasting the cost base of the Group, the base case scenario incorporates the funding of future aircraft deliveries with our well-established aircraft financing partners and both scenarios reflect no mitigating actions taken to defer uncommitted capital expenditure during the forecast period.

The Directors concluded that, given the combination of a closing total cash and money market deposits balance of £3,184.7m at 31 March 2024 together with the forecast monthly cash utilisation, under both scenarios the Group would have sufficient liquidity throughout a period of 12 months from the date of approval of the financial statements at the end of July 2024. In addition, the Group is forecast to meet its RCF covenants at 30 September 2024 and 31 March 2025 under both scenarios with significant headroom.

As a result, the Directors have a reasonable expectation that the Group as a whole has adequate resources to continue in operational existence for a period of 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2024.

2. Alternative performance measures

The Group's alternative performance measures are not defined by IFRS and therefore may not be directly comparable with other companies' alternative performance measures. These measures are not intended to be a substitute for, or superior to, IFRS measurements.

Profit before FX revaluation and taxation

Profit before FX revaluation and taxation is included as an alternative performance measure in order to aid users in understanding the underlying operating performance of the Group excluding the impact of foreign exchange volatility.

EBITDA

Earnings before interest, tax, depreciation and amortisation (EBITDA) is included as an alternative performance measure in order to aid users in understanding the underlying operating performance of the Group.

These can be reconciled to the IFRS measure of profit before taxation as below:

	2024 **£m** **Unaudited**	2023 £m
Profit before taxation	**529.5**	371.0
Net FX revaluation (gains) / losses	**(9.4)**	19.8
Profit before FX revaluation and taxation	**520.1**	390.8
Net financing (income) / expense (excluding Net FX revaluation (gains) / losses)	**(88.6)**	5.8
Depreciation of property, plant and equipment	**135.8**	118.9
Depreciation of right-of-use assets	**113.0**	66.3
EBITDA	**680.3**	581.8

'Own Cash'

'Own Cash' comprises cash and cash equivalents and money market deposits and excludes advance customer deposits. It is included as an alternative measure in order to aid users in understanding the liquidity of the Group.

	2024 **£m** **Unaudited**	2023 £m
Cash and cash equivalents	**1,439.6**	955.2
Money market deposits	**1,745.1**	1,669.5
Cash and money market deposits	**3,184.7**	2,624.7
Deferred revenue	**(1,926.6)**	(1,563.6)
Trade and other receivables	**73.3**	66.0
'Own Cash'	**1,331.4**	1,127.1

Trade and other receivables relates to invoicing of amounts due from travel agents in respect of package holiday deposits and balance payments.

3. Segmental reporting

IFRS 8 – *Operating segments* requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM").

The CODM is responsible for the overall resource allocation and performance assessment of the Group. The Board of Directors approves major capital expenditure, assesses the performance of the Group and also determines key financing decisions. Consequently, the Board of Directors is considered to be the CODM.

The information presented to the CODM for the purpose of resource allocation and assessment of the Group's performance relates to its Leisure Travel segment as shown in the Consolidated Income Statement.

The Leisure Travel business specialises in offering package holidays by its ATOL licensed provider, ***Jet2holidays***, to leisure destinations in the Mediterranean, the Canary Islands and to European Leisure Cities, and scheduled holiday flights by its airline, ***Jet2.com***. Resource allocation decisions are based on the entire route network and the deployment of its entire aircraft fleet. All ***Jet2holidays*** customers fly on ***Jet2.com*** flights, and therefore these segments are inextricably linked and represent the only segment within the Group.

Revenue is principally generated from within the UK, the Group's country of domicile. No customer represents more than 10% of the Group's revenue. Segment revenue reported below represents revenue generated from external customers.

Revenues for the Group can be further disaggregated by their nature as follows:

	2024 **£m** **Unaudited**	2023 £m Restated
Package holidays	**5,046.4**	3,969.7
Flight-only ticket revenue	**634.9**	556.7
Non-ticket revenue	**466.8**	421.5
Other Leisure Travel	**107.2**	85.6
Total revenue	**6,255.3**	5,033.5

The comparative disaggregation of revenue has been restated to disclose Package holidays revenue net of £59.2m government taxes (consistent with the measurement of that revenue) and to disclose Flight-only ticket revenue after deducting compensation payments (up to the full value of the related ticket price) of £13.6m. Previously these amounts were deducted from Other Leisure Travel revenue. Comparative Package holidays revenue has reduced from £4,028.9m to £3,969.7m, Flight-only ticket revenue has reduced from £570.3m to £556.7m and Other Leisure Travel revenue has increased from £12.8m to £85.6m. There is no change to the total revenue reported.

4. Operating expenses

	2024 £m Unaudited	2023 £m
Direct operating costs:		
Accommodation	**2,465.0**	1,973.6
Fuel	**697.4**	521.4
Landing, navigation and third-party handling	**474.9**	403.4
Agent commission	**166.9**	142.0
Maintenance	**152.0**	105.2
Carbon	**106.3**	76.7
In-flight cost of sales	**92.6**	76.7
Aircraft rentals (less than 12 months)	**47.4**	61.1
Other direct operating costs	**218.7**	190.1
Staff costs including agency staff	**744.1**	590.4
Marketing costs	**264.2**	210.2
Depreciation of property, plant and equipment	**135.8**	118.9
Depreciation of right-of-use assets	**113.0**	66.3
Other operating expenses	**148.8**	103.5
Total operating expenses	**5,827.1**	4,639.5

5. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the equity owners of the Parent Company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing the profit attributable to the equity owners of the Parent Company by the weighted average number of ordinary shares in issue during the year, adjusted for the effects of potentially dilutive share options and deferred awards, along with the potential conversion of the convertible bonds to ordinary shares at maturity in June 2026.

	2024 Unaudited			2023		
	Earnings £m	**Weighted average number of shares millions**	**EPS pence**	Earnings £m	Weighted average number of shares millions	EPS pence
Basic EPS						
Profit attributable to ordinary shareholders	**399.2**	**214.7**	**185.9**	290.8	214.7	135.4
Effect of dilutive instruments						
Share options and deferred awards	**-**	**5.7**	**(4.8)**	-	4.6	(2.8)
Convertible bond	**13.4**	**21.7**	**(10.7)**	14.0	21.5	(6.0)
Diluted EPS	**412.6**	**242.1**	**170.4**	304.8	240.8	126.6

6. Notes to Consolidated Statement of Cash Flows

Changes in cash and financing liabilities	Cash and cash equivalents	Money market deposits	Borrowings	Lease liabilities	Total Net cash / (debt)
	£m	£m	£m	£m	£m
At 1 April 2023	**955.2**	**1,669.5**	**(729.2)**	**(645.8)**	**1,249.7**
Repayment of borrowings	-	-	173.0	-	**173.0**
New loans advanced	-	-	(190.7)	-	**(190.7)**
Payment of lease liabilities	-	-	-	116.5	**116.5**
Total changes from financing cash flows	**-**	**-**	**(17.7)**	**116.5**	**98.8**
Other cash flows	562.2	-	-	-	**562.2**
Deposit placements	(2,157.1)	2,157.1	-	-	**-**
Deposit receipts	2,081.5	(2,081.5)	-	-	**-**
Exchange differences	(2.2)	-	3.4	9.7	**10.9**
Unwind of interest[1]	-	-	(12.3)	-	**(12.3)**
Lease movements[2]	-	-	-	(180.0)	**(180.0)**
At 31 March 2024	**1,439.6**	**1,745.1**	**(755.8)**	**(699.6)**	**1,729.3**

[1] *Unwind of interest relates to the discount rates applied on receipt of the convertible bond and amortisation of transaction costs associated with Borrowings and Lease liabilities.*

[2] *Lease movements include new leases and lease term amendments.*

7. Post Balance Sheet Events

On 19 April 2024, ***Jet2 plc*** opted to repay £87.9m in respect of balances owed on finance secured against six Boeing 737-800NG aircraft ahead of their maturity date using the Group's Own Cash reserves.

In June 2024, the Group exercised the remaining 36 purchase rights of its aircraft order with Airbus, an order which was originally announced in late 2021, meaning that the Group now has 146 firm ordered A321neo aircraft of which seven had been delivered as at 31 March 2024.