

EasyJet boss welcomes 'solid' results, but shares slip as sterling weakness hits profit

By Sam Dean

EASYJET warned that the fall in sterling would knock a £105m hole in full-year profits, sending its shares tumbling 9pc.

It came despite the company delivering what its chief executive Dame Carolyn McCall described as "solid" first-quarter results as the number of passengers carried in the three months to December rose 8.2pc against a year ago.

Quarterly revenues rose by 7.2pc to £997m, but revenue per seat – a key industry measure – fell by 8.2pc at constant currency rates, and by 1.2pc on a reported basis to £51.64 per seat.



Dame Carolyn McCall said the results were solid, with an 8pc rise in passenger numbers

The results were swiftly followed by an announcement from easyJet's founder and biggest shareholder, Sir Stelios Haji-Ioannou, that he would be making a protest vote at next month's annual meeting against the airline's plans to expand its fleet by about 9pc

this year in the face of falling revenues per seat. The airline said the revenue per seat was "slightly" better than previously guided, thanks in part to resilient demand across its European markets despite the impact of the Berlin Christmas attack and its competitors boosting their capacity.

The company added that it expected revenue per seat to decline by high single digits in the first half of the financial year, which "reflects Easter moving into the second half of the year" and the lingering impact of that attack in Germany.

The shares fell 95p to 981p.