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BUSINESS COMMENTARY *Alistair Osborne*



Wing and a prayer

So much for Dame Carolyn McCall's post-referendum optimism. A day after the Brexit vote, the easyJet boss popped up to tell everyone of the airline's confidence that "it will not have a material impact on its strategy or its ability to deliver long-term sustainable earnings growth".

Looks like she underestimated the falling pound, now putting a £90 million dent in the full-year results, with the shares off another 7 per cent yesterday to 933½p. Unlike rivals Ryanair and IAG, which report in euros, easyJet's accounts come in sterling. Yet many of its costs are in foreign currencies: fuel is in dollars while many airport costs are in euros. And Dame Carolyn has also been unlucky: there's a £125 million hit to profits from the Paris and Brussels terrorist attacks, air traffic control strikes and cancelled flights to Sharm el-Sheikh. And the impact of the Nice atrocity is yet to come.

But Ryanair shareholders do seem to be enjoying a rather smoother flight. And the 8.7 per cent drop in fourth-quarter revenue per seat is not a pretty figure: has easyJet put on too much capacity, up 6.1 per cent in the final quarter? Much more turbulence and Dame Carolyn will be hearing from easyJet's biggest shareholder — the ever reasonable Sir Stelios Haji-ioannou.

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