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Sir Stelios says EasyJet could run out of money in months amid outbreak woe

● Airline's founder renews call to cancel multi-billion-pound order with Airbus

@easyJet

By SCOTT REID

EasyJet founder Sir Stelios Haji-Ioannou has warned that the budget airline will “run out of money by around August”, as he renewed calls to cancel a multi-billion-pound order with Airbus.

The high-profile entrepreneur also called on the carrier to remove chief finance officer Andrew Findlay. The warning

comes days after Sir Stelios, who holds the biggest stake in EasyJet, requisitioned a meeting of the company's shareholders to decide whether to remove another director from the board.

On Friday, EasyJet rejected the founder's request for the meeting aimed at removing director Andreas Bierwirth.

Sir Stelios has now called for Findlay to be sacked, as he said it would be “the best way to stop him writing billion-pound cheques plus to Air-

bus every year”. It comes after the Luton-headquartered airline grounded all of its planes last week as demand for flights collapsed due to the coronavirus pandemic.

Chief executive Johan Lundgren has indicated that the airline would consider accepting UK government bailout loans if needed. But Sir Stelios has said it will not need those financial lifelines if it terminates the contract with Airbus.

He also stressed that he will not invest any further cash into the airline while the £4 billion-plus contract with the European aircraft manufacturer is in place.

In a statement, Sir Stelios



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said: "Terminating the Airbus contract is the only chance current shareholders have to maintain any value in their shares.

"If EasyJet terminates the Airbus contract, then it does not need loans from the UK taxpayer and it has the best chance to survive and thrive in the future with some injection of additional equity provided for by the markets.

"But if EasyJet stumbles along whilst taking UK taxpayers' money as loans only to pass it on to Airbus, it will have to raise fresh equity anyway in the next three to six months – reducing the value of our current shareholdings to close

to zero. For the avoidance of doubt, I will not inject any fresh equity in EasyJet whilst the Airbus liability is in place."

A spokesman for the airline, which expects to have access to cash reserves of some £2.3bn, said: "We remain absolutely focused on short-term liquidity, removing expenditure from the business alongside safeguarding jobs and ensuring the long-term future of the airline.

"We believe that holding a general meeting would be an unhelpful distraction from tackling the many immediate issues our business faces."

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