Maybe it’s all relative. EasyJet has a “goal of becoming Europe’s most-loved airline”. Can companies flying people from A to B, with cancellations thrown in, really inspire that sort of feeling? And not least a carrier that “prioritises slot-constrained airports” — the popular sort where a single screw-up can cascade into interminable delays.

Rewind a few years and not only was easyJet boss Johan Lundgren having to cut schedules to cope with post-pandemic staff shortages, but tap up shareholders for two refuellings: June 2020’s £419 million at 703p and September 2021’s £1.2 billion at 410p. Just sorting out the loss-making carrier was his key concern. So, perhaps it’s a sign of progress that he’s now got the love bug: a sentiment driven home by the return of a 4.5p dividend, costing £34 million.

For the first time since 2019, the airline is back with a full-year profit: a net £341 million and a headline pre-tax figure of £455 million, reversing the previous year’s loss of £178 million (report, page 47). Two Covid years of £1 billion deficits are becoming a distant memory, with easyJet flying more capacity than in 2019 in every market bar Germany: home of an over-expanded Berlin operation bequeathed by Lundgren’s predecessor, the ITV boss Dame Carolyn McCall, that he’s cut from 34 planes to 11. Aircraft have been diverted to places with more growth — the likes of Lisbon and Malaga.

Lundgren always said that once passengers returned, he’d prove the strength of easyJet’s network: one focused, unlike the cheaper Ryanair, on big airports near the advertised destination. After a record summer, passengers increased by 19 per cent to 82.8 million, with revenue growth outstripping costs. The result? Profit per seat up to £4.91 versus the previous year’s £2.19 loss.

Some of this is down to easyJet’s holidays wing, where profits were up 221 per cent to £122 million: a figure Lundgren plans to more than double by 2028. Given his tour rep background, he could hardly miss that his passengers “were booking hotels with others”, so he fixed his own deals with hoteliers. Better still, profit per seat for holiday customers is “ten times” the rest, so should help him lift the total to his target of at least £7 profit per seat by 2028.

In short, easyJet finds itself on a far more lucrative flight path, with a new Airbus plane order set to expand the fleet from 336 aircraft to 370 by 2026. Still, that’s not to say there aren’t challenges. System goofs and staff shortages from the air traffic controllers at Gatwick, easyJet’s main UK base, caused it to cancel 2,000 flights last year. The Israel/Hamas war took a temporary toll on bookings. And, while Lundgren may think it “good value”, isn’t it time he renegotiated a revenue-based brand licensing deal that paid a vast £21 million last year to Sir Stelios Haji-Ioannou: the founder speaking...
for a 15.3 per cent stake who’s best known nowadays for his easyBully legal assaults on any business using the e-word.

Another issue? The share price: up 4.6 per cent to 424p on the figures but still flying low compared to 2015’s £15.85 peak. Being most-loved is a nice gooey ambition, but investors would like Lundgren more if he simply closed that gap.