

Statement from Stelios on Airbus payments and UK government loans
For release at 7am on the 8th of April, 2020

More information always updated on www.easy.com

“easyGroup is the creator and owner of the easy family of brands and largest shareholder of easyJet PLC, however, I left the board of easyJet in 2010 in order to pursue shareholder activism. I have generally been at odds with the various directors from time to time and the way they are running the company, particularly about them ordering more and more planes from Airbus.

This generally legitimate corporate tension between the paid managers and a shareholder reached an all-time low this week. These are unprecedented times and easyJet has zero revenues as we speak. When was the last time in the history of aviation that one airline went from having GBP6 billion in revenues per year to zero revenues inside one month with no firm date set in the future for returning to carrying fare paying passengers? Why are these directors of easyJet so keen to keep paying Airbus for additional redundant planes?

Today I sent a second request to the directors of easyJet PLC to call a vote of all shareholders to remove two directors from the board. My first request on the 1st of April20 to remove one director was rejected by the Chairman of easyJet, John Barton, using a dirty trick. Never in the last 10 years of disputes and corporate voting (for and against resolutions – like against the Airbus general authority to order in 2013 or the dividend of 2019 on which we abstained) – has any other set of directors ever picked such a cheap point: they said that the request has to be signed by the bank in which the shares are held and not by me.

Only desperate people trying to postpone having to face their own shareholders in a vote would ever resort to such a dirty trick. Having corrected the letter to deal with this dirty trick, we are now asking for the removal of the CFO, Andrew Findlay, in order to stop him from signing any more billion-pound cheques to Airbus every year for new useless aircraft. Unless this vote of all shareholders is called without any further delay, I will request that more directors be removed. If as the directors said “a general meeting would be an unhelpful distraction” they can resign with a vote. Or just terminate the Airbus contract. With all 330 planes on the ground there is no bigger business to deal with than the GBP4.5bn liability to Airbus.

Regarding the UK Taxpayer loan to easyJet announced after my earlier statement was released on the 6th of April 2020 here are my comments:

What is potentially about to happen inside easyJet PLC could be the biggest scandal in British corporate history and UK government support since the bail-out of the UK banks by the UK tax payer in 2008.

People like Andrew Findlay as CFO of easyJet are borrowing GBP600 million from the UK taxpayer that easyJet will have to repay in one year from now, i.e. March 2021. It is not a gift and it is not equity. It is more like you borrowing money on your credit card for one year. It was made available to all companies in the land with the same credit rating as easyJet pre-crisis. It is not specific to easyJet nor to aviation. However, in my mind a government loan for 1 year is not the solution to easyJet's problem of having zero revenues. I did not ask for this government loan myself nor will I see any of the money myself as a shareholder.

The reason Findlay wants to borrow this GBP600m from the UK taxpayer is to pay a Franco-German arms manufacturer GBP2 billion – that is the liability between this year and next year and before the government loan is due for repayment.

This arms manufacturer, also known as Airbus, was on the 31st of January, 2020 convicted by a UK Court for bribing airline executives all over the world. It was fined £3 billion after admitting it had paid huge bribes on an “endemic” basis to land huge new aircraft contracts at inflated prices per aircraft in 20 countries.

The total cost to easyJet having to pay Airbus for the additional redundant planes in the future adds up to GBP4.5 billion and it must be terminated for easyJet to survive. We must stop this river of money from the Bank of England via Luton airport to Toulouse where Airbus is based. This is a misuse of UK taxpayers' money. If the French government wants to spare Airbus from the cost of aircraft order cancellations, so they can keep French people in jobs, then they must give such support as French state aid and not expect a British airline to foot the bill.

If a penny of easyJet's monies goes to this non-UK supplier (Airbus) while easyJet defaults on its other financial obligations in the future (e.g. if it fails to repay the UK government loan in March 2021), I will personally sue those scoundrels involved for breach of their fiduciary duties.

ENDS