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RYANAIR HOLDINGS PLC  
Form 6-K  
August 02, 2005

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934

For the month of August, 2005

RYANAIR HOLDINGS PLC  
(Translation of registrant's name into English)

c/o Ryanair Ltd Corporate Head Office  
Dublin Airport  
County Dublin Ireland  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F..X.. Form 40-F.....

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ..... No ..X..

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- \_\_\_\_\_

RYANAIR ANNOUNCE RECORD Q1 RESULTS  
NET PROFIT RISES 21% TO EUR64.4m - TRAFFIC GROWS 30% TO 8.5M

Ryanair, Europe's No.1 low fares airline, today (2 August 2005) announced record profits of EUR64.4m for the Quarter ended 30 June 2005. Traffic grew by 30% to 8.5m passengers, yields increased by 3% and, as a result, total revenues rose by 35% to EUR404.6m. Unit costs increased by 6% (excluding fuel they fell by 9%) as fuel costs rose by 112% to EUR109.9m. As a result, Ryanair's adjusted after tax margin for the Quarter fell by 2 points to 16% as Adjusted Net Profit increased by 21% to EUR64.4m.

Summary Table of Results (IFRS) - in Euro

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| Quarter Ended                   | June 30, 2004 | June 30, 2005 | % Increase |
|---------------------------------|---------------|---------------|------------|
| Passengers                      | 6.6m          | 8.5m          | +30%       |
| Revenue                         | EUR299.6m     | EUR404.6m     | +35%       |
| Profit after tax (Note 1)       | EUR53.1m      | EUR64.4m      | +21%       |
| Basic EPS (Euro Cents) (Note 1) | 6.99c         | 8.47c         | +21%       |

Note 1: Adjusted profit after tax and EPS during the Quarter ended 30 June 2005 excludes a receipt, net of tax, of EUR5.2m arising from the settlement of an insurance claim for the scrapping of 6 Boeing 737-200 aircraft.

Announcing these results Ryanair's Chief Executive, Michael O'Leary, said:

"These record quarterly results reflect the disciplined and successful roll-out of Ryanair's low fares model across Europe. The increased profits during the Quarter - despite the fact that Easter fell in the prior Quarter - underlines the fundamental strength of the Ryanair low fares model, which delivers profitable growth even during periods of intense competition and significantly higher oil prices.

"Yields were 3% higher than last year - slightly better than anticipated - despite a 30% increase in seat capacity. These higher yields were primarily due to the multiple fuel surcharges imposed by the European flag carriers on their short haul passengers, with the latest round of increases imposed in June. These surcharges continue to widen the gap between their high fares and Ryanair's low fares. Both Ryanair's traffic growth (+30%) and yields (+3%) have significantly benefited from our commitment not to impose fuel surcharges on our passengers.

"Bookings were down for a number of days in the immediate aftermath of each of the two terrorist attacks in London on the 7th and 21st of July. If there are no further such attacks in London then we expect that our forward bookings will not be materially impacted. However, if there are further incidents in London, both bookings and yields could be adversely impacted.

"During the Quarter fuel costs rose by 112% to EUR109.9m. Fuel prices continue to be high and the market remains volatile. We are unhedged for August but have hedged 90% of our September volumes at \$57 per barrel. Thereafter, we are 90% hedged for the Winter period (October 2005 to March 2006) at rates equivalent to \$49 per barrel and we continue to closely monitor forward prices with a view to hedging some or all of our requirements for the early part of Summer 2006.

"Our new routes and bases have developed well over the Summer. Both our Luton and Liverpool bases are performing strongly and traffic at our Shannon base is running ahead of expectations, although yields continue to be slightly lower than expected. We recently announced our 14th European base at Pisa in Italy. We will initially locate 2 aircraft there and have launched a further 3 new routes from Pisa to Alghero, Dublin and Eindhoven bringing the total routes operated to /from Pisa to 10. Our growth continues in the UK with 2 new routes from London Stansted to Toulon in France and Krakow in Poland. We will add a fifth aircraft to our Liverpool base from the end of September and will launch 4 new routes to Oslo in Norway, Riga in Latvia, and Bergerac and Carcassone in France. From our Shannon base, we have recently announced 2 new routes to Bristol in the UK and Nantes in France.

"During the Quarter we exercised 5 Boeing 737-800 options for delivery in 2007, 1 in February, 1 in March, 1 in April and 2 in May as we continue to see many more growth opportunities across Europe. The Boeing 737-800 offers Ryanair the

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lowest unit operating cost per seat, as well as the technical reliability to maintain our number 1 on-time performance of any major airline in Europe.

"In Ireland, passengers at Dublin Airport continue to endure third world facilities. Despite this, the ineffective Regulator is proposing to allow airport charges to rise by up to 40%. The Regulator has consistently failed to address the 50% efficiency gap he identified at Dublin Airport 4 years ago, and is bizarrely proposing to approve capital expenditure for facilities, which do not have the support of the airline users at the airport. These expenditure proposals include the construction of a second runway, which is not required until Dublin's traffic reaches 35m passengers per year (currently at 17m). The Government has also nominated the inefficient Dublin Airport Authority to build a second terminal despite the unanimous support of airlines and passengers for an independent competing terminal. Ryanair has initiated legal proceedings to force the Government to honour a commitment to open up this inefficient airport monopoly to competition.

"Our outlook for the remainder of the year is cautious as we continue to budget for higher oil prices but anticipate that these will be partly offset by a combination of other cost reductions and the current benign yield environment. Our competitors imposition of further fuel surcharges (up to four in the case of BA) on their passengers and their removal of capacity from markets is positive for yields, and we still plan to grow traffic by approximately 27% to 35m passengers this year. However, further terrorist attacks in London could have a downward impact on passenger volumes and yields, although, at this early stage we see no reason to revise our guidance. We anticipate there will be continued intense competition and that there will be fewer low fare carriers in the European market as higher fuel prices force loss making carriers out of the industry. Ryanair's unique combination of the lowest costs, the lowest fares, and industry leading customer service will, we believe, ensure that Ryanair continues to grow profitability to the benefit of all our European passengers, our people and our shareholders".

Dublin 02.08.05  
ENDS.

For results and further information

|                 |                      |                    |
|-----------------|----------------------|--------------------|
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| www.Ryanair.com | Tel: 353-1-8121212   | Tel: 353-1-4980300 |

Certain of the information included in this release is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially. It is not reasonably possible to itemise all of the many factors and specific events that could affect the outlook and results of an airline operating in the European economy. Among the factors that are subject to change and could significantly impact Ryanair's expected results are the airline pricing environment, fuel costs, competition from new and existing carriers, market prices for replacement aircraft, costs associated with environmental, safety and security measures, actions of the Irish, U.K., European Union ("EU") and other governments and their respective regulatory agencies, fluctuations in currency exchange rates and interest rates, airport access and charges, labour relations, the economic environment of the airline industry, the general economic environment in Ireland, the UK and Continental Europe, the general willingness of passengers to travel and other economics, social and political factors.

Ryanair is Europe's largest low fares airline with 14 bases and 250 low fare routes across 21 countries. By the end of 2005 Ryanair will operate an entire fleet of 96 new Boeing 737-800 aircraft with firm orders for a further 134 new aircraft, which will be delivered over the next 7 years. Ryanair currently employs a team of 2,700 people and expect to carry approximately 35 million

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scheduled passengers in the current year.

Ryanair Holdings plc and Subsidiaries  
Consolidated Income Statement in accordance with IFRS (unaudited)

|   | Quarter<br>ended<br>June 30, 2005<br>EUR'000 | Quarter<br>ended<br>June 30, 2004<br>EUR'000 |
|---|--|--|
| Operating revenues                                  |  |  |
| Scheduled revenues                                  | 346,286                                      | 259,059                                      |
| Ancillary revenues                                  | 58,352                                       | 40,531                                       |
| Total operating revenues -<br>continuing operations | 404,638                                      | 299,590                                      |
| Operating expenses                                  |  |  |
| Staff costs   | 42,152                                       | 34,122                                       |
| Depreciation and amortisation                       | 26,977                                       | 23,571                                       |
| Other operating expenses                            |  |  |
| Fuel & Oil  | 109,906                                      | 51,842                                       |
| Maintenance, materials<br>and repairs               | 13,838                                       | 14,073                                       |
| Marketing and distribution<br>costs                 | 5,342  | 7,266  |
| Aircraft rentals                                    | 10,058                                       | 8,084  |
| Route charges                                       | 41,370                                       | 33,205                                       |
| Airport and Handling charges                        | 54,574                                       | 44,270                                       |
| Other   | 20,537                                       | 18,416                                       |
| Total operating expenses                            | 324,754                                      | 234,849                                      |
| Operating profit before exceptional items           | 79,884                                       | 64,741                                       |
| Aircraft insurance claim                            | 5,939  | -  |
| Operating profit after exceptional items            | 85,823                                       | 64,741                                       |
| Other (expenses)/income                             |  |  |
| Foreign exchange gains                              | 944  | 120  |
| Gain on disposal of fixed assets                    | -  | 6  |
| Interest receivable and similar income              | 8,610  | 6,059  |
| Interest payable and similar charges                | (18,435)                                     | (12,662)                                     |
| Total other (expenses)/income                       | (8,881)                                      | (6,477)                                      |
| Profit before taxation                              | 76,942                                       | 58,264                                       |
| Tax on profit on ordinary activities                | (7,301)                                      | (5,188)                                      |
| Profit for the period                               | 69,641                                       | 53,076                                       |
| Earnings per ordinary share                         |  |  |
| -Basic (Euro cent)                                  | 9.16   | 6.99   |
| -Diluted (Euro cent)                                | 9.12   | 6.96   |
| Adjusted earnings per ordinary share*               |  |  |
| -Basic (Euro cent)                                  | 8.47   | 6.99   |

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|                                      |         |         |
|--------------------------------------|---------|---------|
| -Diluted (Euro cent)                 | 8.44    | 6.96    |
| Number of ordinary shares (in 000's) |         |         |
| -Basic                               | 760,519 | 759,280 |
| -Diluted                             | 763,554 | 762,162 |

\* Calculated on profit for the period before exceptional items (net of tax).

Ryanair Holdings plc and Subsidiaries  
Consolidated Balance Sheets in accordance with IFRS (unaudited)

|   | June 30, 2005    | March 31, 2005   |
|---|------------------|------------------|
|   | EUR'000          | EUR'000          |
| Non-current assets  |                  |                  |
| Intangible assets   | 46,841           | 46,841           |
| Tangible assets   | 2,078,724        | 2,092,283        |
| Deferred tax  | 23,283           | 1,328            |
| <b>Total non-current assets</b>                           | <b>2,148,848</b> | <b>2,140,452</b> |
| Current assets  |                  |                  |
| Inventories   | 29,667           | 28,069           |
| Other assets  | 24,135           | 24,612           |
| Accounts receivable                                       | 19,414           | 20,644           |
| Derivative financial instruments                          | 68,358           | -                |
| Restricted cash   | 204,040          | 204,040          |
| Financial assets:cash on deposit for greater than 3months | 431,611          | 529,407          |
| Cash and cash equivalents                                 | 1,150,804        | 872,258          |
| <b>Total current assets</b>                               | <b>1,928,029</b> | <b>1,679,030</b> |
| <b>Total assets</b>                                       | <b>4,076,877</b> | <b>3,819,482</b> |
| Current liabilities                                       |                  |                  |
| Accounts payable  | 67,047           | 92,118           |
| Accrued expenses and other liabilities                    | 528,963          | 414,997          |
| Current maturities of long term debt                      | 118,664          | 120,997          |
| Current tax   | 19,760           | 21,190           |
| <b>Total current liabilities</b>                          | <b>734,434</b>   | <b>649,302</b>   |
| Other liabilities   |                  |                  |
| Provisions for liabilities and charges                    | 9,608            | 7,236            |
| Derivative financial instruments                          | 175,640          | -                |
| Deferred tax  | 117,965          | 105,509          |
| Other creditors   | 72,753           | 29,072           |
| Long term debt  | 1,267,457        | 1,293,860        |
| <b>Total other liabilities</b>                            | <b>1,643,423</b> | <b>1,435,677</b> |
| Shareholders' funds - equity                              |                  |                  |
| Called - up share capital                                 | 9,730            | 9,675            |
| Share premium account                                     | 574,889          | 565,756          |
| Profit and loss account                                   | 1,228,225        | 1,158,584        |

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|   |           |           |
|---|-----------|-----------|
| Other reserves                            | (113,824) | 488       |
| Shareholders' funds - equity              | 1,699,020 | 1,734,503 |
| Total liabilities and shareholders' funds | 4,076,877 | 3,819,482 |

Ryanair Holdings plc and Subsidiaries  
Consolidated Cashflow Statement in accordance with IFRS (Unaudited)

|   | Quarter<br>June 30,<br>2005<br>EUR '000 | Quarter<br>June 30,<br>2004<br>EUR '000 |
|---|---|---|
| Operating activities  |   |   |
| Profit before taxation  | 76,942                                  | 58,264                                  |
| Adjustments to reconcile profits before tax<br>to net cash provided by operating activities |   |   |
| Depreciation  | 26,977                                  | 23,571                                  |
| (Increase) in inventories   | (1,598)                                 | (676)                                   |
| Decrease in accounts receivable   | 1,230                                   | 930                                     |
| Decrease/(increase) in other current assets   | 4,626                                   | (192)                                   |
| (Decrease)/increase in accounts payable   | (25,071)                                | 11,405                                  |
| Increase in accrued expenses  | 112,833                                 | 53,851                                  |
| Increase/(decrease) in other creditors  | 19,988                                  | (518)                                   |
| Increase in maintenance provisions  | 2,372                                   | 1,486                                   |
| Interest receivable   | (4,149)                                 | 175                                     |
| Interest payable  | 994                                     | (156)                                   |
| Salary costs  | 139                                     | 47                                      |
| Share based payment   | 293                                     | -                                       |
| Income tax  | (1,860)                                 | -                                       |
| Net cash provided by operating activities   | 213,716                                 | 148,187                                 |
| Investing activities  |   |   |
| Capital expenditure   | (13,418)                                | (60,457)                                |
| Financial assets: cash > 3months  | 97,796                                  | 155,318                                 |
|   | 84,378                                  | 94,861                                  |
| Financing activities  |   |   |
| Net proceeds from shares issued   | 9,188                                   | 154                                     |
| Repayment of long debt  | (28,736)                                | (19,514)                                |
| Net cash used in financing activities   | (19,548)                                | (19,360)                                |
| Increase in cash and cash equivalents   | 278,546                                 | 223,688                                 |
| Cash and cash equivalents at beginning of period  | 872,258                                 | 744,260                                 |
| Cash and cash equivalents at end of period  | 1,150,804                               | 967,948                                 |

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Ryanair Holdings plc and Subsidiaries  
 Consolidated Statement of Changes in Shareholders' Funds - Equity  
 in accordance with IFRS (unaudited)

|                                    | Ordinary<br>shares<br>EUR'000 | Share<br>premium<br>account<br>EUR'000 | Profit<br>and loss<br>account<br>EUR'000 | Other<br>reserves<br>EUR'000 | Total<br>EUR'000 |
|------------------------------------|-------------------------------|--|--|------------------------------|------------------|
| Balance at April 1,2005            | 9,675                         | 565,756                                | 1,158,584                                | 488                          | 1,734,503        |
| Issue of ordinary<br>equity shares | 55                            | 9,133                                  | -  | -                            | 9,188            |
| Movement in reserves               | -                             | -                                      | -  | (114,312)                    | (114,312)        |
| Profit for the period              | -                             | -                                      | 69,641                                   | -                            | 69,641           |
| Balance at<br>June 30,2005         | 9,730                         | 574,889                                | 1,228,225                                | (113,824)                    | 1,699,020        |

Reconciliation of adjusted earnings per share  
 (unaudited)

|                                      | Quarter<br>ended<br>June 30,<br>2005<br>EUR'000 | Quarter<br>ended<br>June 30,<br>2004<br>EUR'000 |
|--------------------------------------|---|---|
| Profit for the quarter under IFRS    | 69,641  | 53,076  |
| Adjustments                          |   |   |
| Aircraft Insurance Claim             | (5,939)   | -   |
| Taxation adjustment for above        | 742   | -   |
| Adjusted profit under IFRS           | 64,444  | 53,076  |
| Number of ordinary shares (in 000's) |   |   |
| -Basic                               | 760,519   | 759,280   |
| -Diluted                             | 763,554   | 762,162   |
| Adjusted earnings per ordinary share |   |   |
| -Basic (EURcent)                     | 8.47  | 6.99  |
| -Diluted (EURcent)                   | 8.44  | 6.96  |

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Ryanair Holdings plc and Subsidiaries  
 Consolidated Income Statement in accordance with US GAAP (unaudited)

|  | Quarter<br>ended<br>June 30, 2005<br>EUR'000 | Quarter<br>ended<br>June 30, 2004<br>EUR'000 |
|--|--|--|
| Operating revenues                             |  |  |
| Scheduled revenues                             | 346,286                                      | 259,059                                      |
| Ancillary revenues                             | 58,352                                       | 40,531                                       |
| Total operating revenues-continuing operations | 404,638                                      | 299,590                                      |
| Operating expenses                             |  |  |
| Staff costs                                    | 41,776                                       | 34,082                                       |
| Depreciation and amortisation                  | 27,269                                       | 23,571                                       |
| Other operating expenses                       |  |  |
| Fuel & Oil                                     | 109,906                                      | 51,842                                       |
| Maintenance, materials and repairs             | 13,838                                       | 14,073                                       |
| Marketing and distribution costs               | 5,342  | 7,266  |
| Aircraft rentals                               | 10,058                                       | 8,084  |
| Route charges                                  | 41,370                                       | 33,205                                       |
| Airport and Handling charges                   | 54,574                                       | 44,270                                       |
| Other  | 20,515                                       | 18,394                                       |
| Total operating expenses                       | 324,648                                      | 234,787                                      |
| Operating profit before exceptional items      | 79,990                                       | 64,803                                       |
| Aircraft insurance claim                       | 5,939  | -  |
| Operating profit after exceptional items       | 85,929                                       | 64,803                                       |
| Other (expenses)/income                        |  |  |
| Foreign exchange gains                         | 944  | 120  |
| Gain on disposal of fixed assets               | -  | 6  |
| Interest receivable and similar income         | 8,610  | 6,059  |
| Interest payable and similar charges           | (16,902)                                     | (10,762)                                     |
| Total other (expenses)/income                  | (7,348)                                      | (4,577)                                      |
| Income before taxation                         | 78,581                                       | 60,226                                       |
| Taxation                                       | (7,540)                                      | (5,430)                                      |
| Net income                                     | 71,041                                       | 54,796                                       |
| Net income per ADS                             |  |  |
| -Basic (Euro cent)                             | 46.71  | 36.08  |
| -Diluted (Euro cent)                           | 46.52  | 35.95  |
| Adjusted net income per ADS *                  |  |  |
| -Basic (Euro cent)                             | 43.29  | 36.08  |
| -Diluted (Euro cent)                           | 43.12  | 35.95  |
| Weighted Average number of shares              |  |  |
| -Basic   | 760,519                                      | 759,280                                      |
| -Diluted                                       | 763,554                                      | 762,162                                      |



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\* Calculated on net income before non-recurring items (net of tax).  
(5 ordinary shares equal 1 ADR)

Ryanair Holdings plc and Subsidiaries  
Summary of significant differences between IFRS and US generally  
accepted accounting principles (unaudited)

(A) Net income under US GAAP

|  | Quarter ended               |                             |
|--|-----------------------------|-----------------------------|
|  | June 30,<br>2005<br>EUR'000 | June 30,<br>2004<br>EUR'000 |
| Net income in accordance with IFRS   | 69,641                      | 53,076                      |
| Adjustments  |                             |                             |
| Pension  | 83                          | 40                          |
| Share based payments   | 293                         | -                           |
| Capitalised interest (net of amortisation)<br>regarding aircraft acquisition programme | 1,241                       | 1,900                       |
| Darley Investments Limited   | 22                          | 22                          |
| Taxation - effect of above adjustments   | (239)                       | (242)                       |
| Net income under US GAAP   | 71,041                      | 54,796                      |

(B) Consolidated Cashflow Statements in accordance with US GAAP

|   | June 30,<br>2005<br>EUR'000 | June 30,<br>2004<br>EUR'000 |
|---|-----------------------------|-----------------------------|
| Cash inflow from operating activities             | 213,716                     | 148,187                     |
| Cash inflow from investing activities             | 84,378                      | 94,861                      |
| Cash (outflow) from financing activities          | (19,548)                    | (19,360)                    |
| Increase in cash and cash equivalents             | 278,546                     | 223,688                     |
| Cash and cash equivalents at beginning<br>of year | 872,258                     | 744,260                     |
| Cash and cash equivalents at<br>end of period     | 1,150,804                   | 967,948                     |
| Cash and cash equivalents under US GAAP           | 1,150,804                   | 967,948                     |
| Restricted cash                                   | 204,040                     | 200,000                     |

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|   |           |           |
|---|-----------|-----------|
| Deposits with a maturity of<br>between three and six months | 431,611   | 157,427   |
| Cash and liquid resources under IFRS                        | 1,786,455 | 1,325,375 |

Ryanair Holdings plc and Subsidiaries  
Summary of significant differences between IFRS and US generally  
accepted accounting principles (unaudited)

(C) Shareholders' funds - equity

|  | June 30,<br>2005<br>EUR'000 | June 30,<br>2004<br>EUR'000 |
|--|-----------------------------|-----------------------------|
| Shareholders' equity as reported in the<br>consolidated balance sheets (IFRS)          | 1,699,020                   | 1,505,370                   |
| Adjustments:   |                             |                             |
| Pension  | 11,788                      | 8,730                       |
| Share Based payments   | 293                         | -                           |
| Capitalised interest (net of amortisation)<br>regarding aircraft acquisition programme | 24,188                      | 19,402                      |
| Darley Investments Limited   | (41)                        | (129)                       |
| Minimum pension liability (net of tax)   | (6,496)                     | (2,631)                     |
| Unrealised losses on derivative financial<br>instruments (net of tax)                  | -                           | (91,730)                    |
| Tax effect of adjustments<br>(excluding pension & derivative adjustments)              | (5,235)                     | (2,830)                     |
| Shareholders' equity as adjusted to accord with<br>US GAAP                             | 1,723,517                   | 1,436,182                   |
| Opening shareholders' equity under US GAAP   | 1,629,819                   | 1,356,281                   |
| Comprehensive Income   |                             |                             |
| Unrealised gains on derivative financial<br>instruments (net of tax)                   | 13,469                      | 24,951                      |
| Net income in accordance with US GAAP  | 71,041                      | 54,796                      |
| Total Comprehensive Income   | 84,510                      | 79,747                      |
| Stock issued for cash  | 9,188                       | 154                         |
| Closing shareholders' equity under US GAAP   | 1,723,517                   | 1,436,182                   |

Ryanair Holdings plc  
Management Discussion and Analysis of Results

Introduction

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For the purposes of the MD&A all figures and comments are by reference to the adjusted income statement excluding exceptional items referred to below.

Exceptional items for quarter ended June 30, 2005 consisted of a receipt of EUR5.2m (net of tax) arising from the settlement of an insurance claim for the scribbling of 6 Boeing 737-200 aircraft.

Profit after tax increased by 31% to EUR69.6m compared to EUR53.1m in the previous quarter ended June 30, 2004. The adjusted profit for the quarter, excluding exceptional items, increased by 21% to EUR64.4m.

The results for the quarter and comparative year have been prepared in accordance with International Financial Reporting Standards ("IFRS") accounting policies expected to be adopted in the annual financial statements for the year ended 31 March 2006, and a detailed explanation of the financial impact of the adoption of these policies is set out in a separate document issued with these quarterly financial results for the period to 30 June 2005. A reconciliation between the Net Income and Shareholders equity under IFRS and Irish/UK GAAP is attached in Note 2 to this Management Discussion & Analysis.

### Summary Quarter ended June 30, 2005

Profit after tax increased by 21% to EUR64.4m, compared to EUR53.1m in the previous quarter ended June 30, 2004. Total operating revenues increased by 35% to EUR404.6m, which was faster than the 30% growth in passenger volumes, as average fares rose by 3% and ancillary revenues grew by 44% to EUR58.4m. Total revenue per passenger as a result increased by 4% whilst load factors remained at 83%.

Total operating expenses increased by 38% to EUR324.8m, due to the increased level of activity, and the increased costs, primarily fuel, route charges and airport & handling costs associated with the growth of the airline. Fuel, our largest cost item, increased by 112% to EUR109.9m due to substantial increases in the US\$ cost per gallon, partially offset by the strengthening of the Euro to the US\$.

Due to the significantly higher fuel costs, Operating margins declined by 2 points to 20%, which in turn resulted in Operating profit increasing by 23% to EUR79.9m.

Profit before tax increased by 22%, less than the increase in operating profit due to the higher net interest charges arising from the increased level of debt, partially offset by foreign exchange gains which arose from the translation of foreign currency bank balances to Euro at the quarter end exchange rates. Total unit costs increased by 6% driven by the 112% increase in fuel costs to EUR109.9m. Excluding fuel costs, total unit costs fell by 9%.

Net Margins declined by 2 points to 16% for the reasons outlined above and Adjusted basic earnings per share increased by 21% to 8.47 cent for the Quarter.

### Balance Sheet

The Company's increase in profitability continues to generate strong cashflows from operations, which for the quarter ended June 30, 2005 amounted to EUR213.7m. This cashflow funded additional aircraft deposits whilst the balance is reflected in the EUR180.8m increase in Total Cash since March 31, 2005 to EUR1,786.5m. The Company had no material capital expenditure during the quarter whilst Long Term Debt, net of repayments, reduced by EUR28.7m. Shareholders' Funds at June 30, 2005 have reduced by EUR35.5m to EUR1,699.0m, compared to March 31, 2005 reflecting the increase in profitability during the quarter of EUR64.4m offset by a reduction of EUR114.6m resulting from changes in the

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accounting treatment for derivative financial instruments following the adoption of IFRS.

Detailed Discussion and Analysis Quarter ended June 30, 2005

Profit after tax increased by 21% to EUR64.4m due to a 3% increase in average fares and strong ancillary revenue growth, which was more than offset by fuel costs increasing by 112% to EUR109.9m reflecting the higher US\$ cost per gallon. Operating margins, as a result, fell by 2 points to 20%, which in turn resulted in Operating profit increasing by 23% to EUR79.9m compared to the previous quarter.

Total operating revenues increased by 35% to EUR404.6m whilst passenger volumes increased by 30% to 8.5m. Total revenue per passenger increased by 4% in the quarter due to a combination of higher average fares and strong ancillary revenue growth.

Scheduled passenger revenues increased by 34% to EUR346.3m due to a combination of a 3% improvement in average fares, increased passenger volumes on existing routes, and the successful launch of new routes and the new bases at Shannon, Liverpool and Luton. Load factors remained at 83% for the quarter.

Ancillary revenues increased by 44% to EUR58.4m, significantly faster than the growth in passenger volumes reflecting a strong performance in non-flight scheduled revenues, car hire and other ancillary products. Ancillary revenues now account for 14.4% of total revenues in the quarter compared to 13.5% in the previous quarter.

Total operating expenses increased by 38% to EUR324.8m due to the increased level of activity and increased costs, primarily fuel, aircraft rentals, route charges, and airport and handling costs associated with the growth of the airline. Total operating costs were also adversely impacted by an 8% increase in the average sector length to 570 miles whilst higher US\$ fuel prices were partly offset by the strength of the Euro exchange rate against the US\$.

Staff costs increased by 24% to EUR42.2m, primarily due to a 12% increase in average employee numbers to 2,764, the impact of pay increases granted of 3% during the quarter, and the increase in the proportion of pilots recruited who earn a higher than average salary. Pilots accounted for 42% of the increase in employment during the quarter.

Depreciation and amortisation increased by 14% to EUR27.0m. Depreciation charges increased due to the increase in the size of the 'owned' fleet from 56 to 74, offset by lower amortisation charges due to the retirement of 737-200 and the positive impact of a new engine maintenance agreement on the cost of amortisation of 737-800 aircraft. The strengthening of the Euro to US\$ also had a positive impact on the depreciation and amortisation charge relating to new aircraft deliveries.

Fuel costs rose by 112% to EUR109.9m due to an increase in the number of sectors flown, an 8% increase in the average sector length, and a significantly higher average US\$ cost per gallon of fuel partially offset by the positive impact of the strengthening of the Euro to the US\$ during the period.

Maintenance costs decreased by 2% to EUR13.8m reflecting the improved reliability arising from the higher proportion of 737's operated, the lower level of maintenance costs incurred due to the return of six leased 737-300's and the positive impact of the strengthening of the Euro exchange rates against Sterling and US\$.

Marketing and distribution costs decreased by 26% to EUR5.3m due to the reduction in the level of marketing activity and related expenditure compared to

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the previous year.

Aircraft rental costs increased by 24% to EUR10.1m reflecting an additional 7 aircraft on lease during the quarter offset by the savings arising from the return of 6 737-300's to ILFC.

Route charges increased by 25% to EUR41.4m due to an increase in the number of sectors flown and an increase in the average sector length to 570 miles, offset by a reduction in enroute charges in certain EU countries.

Airport and handling charges increased by 23% to EUR54.6m, which was slower than the growth in passenger volumes and reflects the impact of increased costs at certain existing airports offset by lower costs at new airports and bases. Other expenses increased by 12% to EUR20.5m, which is less than the growth in ancillary revenues and reflects improved margins on some existing products and cost reductions achieved on indirect costs.

Operating margins have declined by 2 points to 20% due to the reasons outlined above whilst operating profits have increased by 23% to EUR79.9m during the quarter.

Interest receivable has increased by EUR2.6m to EUR8.6m for the quarter due to the combined impact of higher levels of cash and cash equivalents and increases in average deposit rates earned.

Interest payable increased by EUR5.8m due to the drawdown of debt to part fund the purchase of new aircraft.

Foreign exchange gains increased during the quarter to EUR0.9m due to the positive impact of changes in the Sterling exchange rate against the Euro compared to the year end.

The Company's Balance Sheet continues to strengthen due to the growth in profits during the quarter. The Company generated cash from operating activities of EUR213.7m. Long Term Debt, net of repayments, reduced by EUR13.4m. Total Cash continued to reflect the strong trading performance of the Company during the year and at June 30, 2005 and stood at EUR1,786.5m compared to EUR1,605.7m at March 31, 2005.

Shareholders' Funds at June 30, 2005 have reduced by EUR35.5m to EUR1,699.0m, compared to March 31, 2005 reflecting the increase in profitability during the quarter of EUR64.4m offset by a reduction of EUR114.6m resulting from changes in the accounting treatment for derivative financial instruments following the adoption of IFRS.

### Notes to the Financial Statements

#### 1. Accounting Policies

This quarterly financial information has been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards ("IFRS") in issue that either are adopted by the EU and effective (or available for early adoption) at 31 March 2006 or are expected to be adopted and effective (or available for early adoption) at 31 March 2006, the Group's first annual reporting date at which it is required to use accounting standards adopted by the EU. Based on these recognition and measurement requirements, management has made assumptions about the accounting policies expected to be applied, which are as set out below, when the first annual financial statements are prepared in accordance with

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accounting standards adopted by the EU for the financial year ending 31 March 2006. The preliminary accounting policies are set out in the document titled "Explanation of the financial impact following adoption of IFRS" published today.

### 2. Summary Reconciliation from IFRS to Irish/UK GAAP for the Quarter ended 30 June, 2005

|   | Quarter Ended<br>30 Jun 05<br>EUR'000 | Quarter Ended<br>30 Jun 04<br>EUR'000 |
|---|---------------------------------------|---------------------------------------|
| Net Income (after tax) under IFRS             | 69,641                                | 53,076                                |
| EPS - IFRS                                    | 9.16c                                 | 6.99c                                 |
| Diluted Earnings Per Share - IFRS             | 9.12c                                 | 6.96c                                 |
| Retirement Benefits                           | 199                                   | 65                                    |
| Business Combinations                         | (423)                                 | (586)                                 |
| Share Based Payments                          | 293                                   | -                                     |
| Net Income (after tax)<br>Irish/UK GAAP       | 69,710                                | 52,555                                |
| Earnings per Share -<br>Irish/UK GAAP         | 9.16c                                 | 6.92c                                 |
| Diluted Earning per Share -<br>Irish/ UK GAAP | 9.12c                                 | 6.90c                                 |
| % Variance from accounting changes            | 0.01%                                 | -1%                                   |

|  | Quarter Ended<br>30 Jun 05<br>EUR'000 | Full Year Ended<br>30 Mar 05<br>EUR'000 |
|--|---------------------------------------|---|
| Shareholders equity under IFRS             | 1,699,020                             | 1,734,503                               |
| Retirement Benefits                        | 9,499                                 | 9,300                                   |
| Business Combinations                      | (16,815)                              | (16,392)                                |
| Derivative Financial Instruments           | 114,605                               | -                                       |
| Shareholders equity under<br>Irish/UK GAAP | 1,806,309                             | 1,727,411                               |
| % Variance from accounting changes         | 6.3%                                  | 0.4%                                    |

### 3. Approval of the Preliminary Announcement

The Audit Committee approved the consolidated financial statements for the Quarter ended June 30, 2005 on July 31, 2005.

### 4. Generally Accepted Accounting Policies

The Management Discussion and Analysis of Results for the Quarter ended June 30, 2005 and the comparative Quarter are based on the results reported under

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IFRS accounting policies, as adjusted for exceptional income.

### 5. Ancillary Products and Services

In order to more accurately reflect the structure of certain ancillary contracts and to provide more meaningful information to users the Group has taken the opportunity to reclassify certain ancillary revenues and costs (primarily car hire and travel insurance). This has resulted in a reduction in revenues of EUR8.2 million with a corresponding reduction in costs in the quarter ended 30 June 2005 (30 June 2004: EUR3.2 million). This has resulted in an increase in net margin of 0.4% to 15.9% in the quarter ended 30 June 2005 (30 June 2004 0.2% to 17.7%). Going forward the Group intends to report ancillary revenues and costs on a basis consistent with the treatment described herein."

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

RYANAIR HOLDINGS PLC

Date: 2 August 2005

By:\_\_\_/s/ Howard Millar\_\_\_

H Millar  
Company Secretary & Finance Director