Not for release, publication or distribution, in whole or in part, in or into or from Australia, Canada, Japan, South Africa or the United States or any other jurisdiction where it would be unlawful to do so.

Cash Offer

by

Coinside Limited

a wholly owned subsidiary

of

Ryanair Holdings plc

for

Aer Lingus Group plc

Summary

The Board of Ryanair Holdings plc today announces its intention to make an all cash offer of €1.30 per share for the entire issued and to be issued share capital of Aer Lingus Group plc, valuing the current issued share capital of Aer Lingus at approximately €694m. Ryanair intends to make this Offer through its wholly-owned subsidiary, Coinside Limited (**Coinside**). Ryanair already owns 29.82 percent of Aer Lingus, a stake which it largely acquired over five years ago in late 2006 and early 2007. This cash offer represents:

- a premium of 38.3 percent over the Closing Price of an Aer Lingus Share of €0.94 on 19 June 2012, the last day prior to this announcement; and

- a premium of 46.7 percent over the average Closing Price of an Aer Lingus Share for the 6 months to 19 June 2012.

The Offer Price of €1.30 is in addition to the dividend for each Aer Lingus share of approximately €0.03 declared by Aer Lingus on 4 May 2012 and payable on 31 July 2012.

Timing of this Offer

Ryanair believes that as the air transport market in Europe inexorably consolidates into five large airlines/groups led by Air France, British Airways (**BA**), Easyjet, Lufthansa and Ryanair, the long term future of Aer Lingus, its brand and its growth prospects can best be secured within one strong Irish airline group, led by Ryanair, under which Aer Lingus' fares and unit cost can be reduced and its recent traffic decline (from 10.4m in 2009 to 9.5m in 2011) can be reversed. If this Offer is successful, Ryanair intends that Aer Lingus will be put on a growth trajectory which will allow Aer Lingus to provide more competition and consumer choice at a number of Europe's primary airports where currently Aer Lingus flies but where Ryanair does not wish to operate.

Ryanair also believes that circumstances have changed materially since its first unsuccessful bid for Aer Lingus in late 2006 and that there are compelling reasons why Ryanair's new all Cash Offer should be accepted by a majority of Aer Lingus shareholders, and should also be approved by the EU competition authorities in light of these changed circumstances which include:

1. <u>Europe's flag carriers are consolidating</u>

   Since 2006, Europe's flag carrier airlines have continued to consolidate. Air France, which owns KLM, acquired a 25 percent stake in Alitalia. BA merged with Iberia to create IAG and then acquired British Midland (**BMI**). Lufthansa acquired Swiss Air and Austrian Air, as well as taking significant minority stakes in SN Brussels and SAS. Each of these transactions has been approved by the competition authorities.

The most significant of these consolidations is the recent IAG (BA and Iberia) takeover of BMI, where the No.1 airline at Heathrow was allowed to acquire the No.2. This transaction was approved despite the fact that Heathrow is one of Europe's most congested airports and where there is little, if any, opportunity for new entrants or increased competition to develop.

The Polish and Portuguese Governments have also confirmed their intention to sell their national airlines, LOT and TAP, respectively. Contrary to these trends, Aer Lingus has since 2006 failed to find a consolidation partner and Ryanair believes that as a consequence, Aer Lingus remains a sub-scale, peripheral EU carrier which has no long term independent future.

2. Dublin Airport is now operating at approx 50 percent capacity

When Ryanair first bid for Aer Lingus in late 2006, Dublin Airport was suffering significant congestion, with the runway and terminal building operating at, or close to, full capacity during peak periods, which rendered it difficult for new entrants to offer services or competition to/from Dublin. However, since 2007 traffic at Dublin Airport has fallen by 20 percent from 23.3m passengers per annum (**MPPA**) to 18.7 MPPA in 2011, while capacity at the airport has increased to 35 MPPA following the November 2010 opening of Terminal 2. As a result, Dublin Airport is now operating at approximately 50 percent capacity, which creates significant availability throughout the day, thereby removing this barrier to any new entrants to Dublin Airport.

3. The Irish Government has decided to sell its 25 percent stake in Aer Lingus

Since the 2006 Offer, the Irish Government policy towards its 25 percent shareholding in Aer Lingus has changed. When Aer Lingus floated in October 2006, the Irish Government retained a 25 percent shareholding for "strategic" purposes. As recently as 9 May 2012, the Irish Government confirmed that it ***"has decided that the State's remaining shareholding in Aer Lingus will be sold at an appropriate time, but only when market conditions are favourable and at an acceptable price to be agreed by Government"***. The Minister for Transport has previously indicated that the Government will not dispose of its stake for less than €1 per share.

Ryanair's new Offer does not require acceptance by the Irish Government in order to be successful, although Ryanair believes that this Offer represents the only means by which the Irish Government can ensure that Aer Lingus will continue to be owned and managed in, as well as focused upon, Ireland. Accordingly, Ryanair hopes that the Irish Government will accept and support this Offer.

4. The Irish Government has committed to the Troika to pursue an early sale of its Aer Lingus stake

Ryanair understands that the Irish Government has committed to the Troika (of the European Union, the European Central Bank and the International Monetary Fund), to raise funds from the sale of State assets. One of these assets is the 25 percent stake in Aer Lingus, and Ryanair believes it is likely that the Irish Government will seek to dispose of this stake in early 2013. Since the Government's stake in Aer Lingus will now be sold, the important policy issue is whether it will be sold to a successful Irish based company which will support growing Aer Lingus' traffic, lowering its unit costs and creating new jobs, or whether it will be sold to a non Irish investor which will, Ryanair believes, lead to the inevitable break-up of Aer Lingus. The timing of this Offer is designed to allow the European Commission sufficient time to complete its competition review prior to the end of Q1 2013 at the latest.

5. The ESOT no longer controls 15 percent of Aer Lingus

At the time of Ryanair's unsuccessful 2006 Offer for Aer Lingus, the ESOT controlled 15 percent of Aer Lingus. However, since the ESOT has been disbanded since December 2010, and the shares distributed to individual members, Ryanair's new Offer is clearly capable of reaching over 50 percent acceptances either with or without the acceptance of this Offer by the Irish Government.

6. Etihad recently bought approx 3 percent of Aer Lingus and is reported to have a "strong interest" in acquiring the Government's stake

   Aer Lingus has argued that Ryanair's minority stake would deter other airlines or investors from investing in Aer Lingus. This claim has been disproven by the recent (1 May 2012) confirmation that Etihad had acquired a 2.99 percent shareholding in Aer Lingus, and is reported as having a *"strong interest in buying the Government's 25 percent stake when it is put up for sale".*

   Ryanair believes that its new Offer for Aer Lingus now provides Etihad or any other party with the opportunity to bid for the Government's 25 percent stake, should they wish to do so. It also enables the Irish Government to maximise the proceeds from any disposal by not excluding Ryanair from bidding and ensures that the Government can achieve a significant premium to Aer Lingus' recent share price of less than €1.

   Ryanair has confirmed that should Etihad (or any other investor) acquire the Government's stake, then Ryanair would be willing to work with that party to grow Aer Lingus successfully, or alternatively Ryanair would be willing to enter into discussions with that party with a view to disposing of Ryanair's shareholding subject to agreement on price.

7. Ryanair is willing to offer appropriate remedies to allay any competition concerns

   In the light of the above significant changes in circumstances, Ryanair is confident that its new Offer for Aer Lingus should be accepted by over 50 percent of Aer Lingus' shareholders and should also be approved by the European Commission. Ryanair believes that any competition concerns which the European Commission may have can be addressed by Ryanair making appropriate remedies prior to the completion of this Offer and by significant synergies and cost efficiencies resulting from this combination.

8. Ryanair's growth and Aer Lingus' decline means this Offer no longer requires Ryanair shareholder approval

   At the time of the 2006 Offer, Aer Lingus represented in excess of 25 percent of Ryanair's gross assets and, accordingly, the transaction would have required Ryanair shareholder approval. Since 2006, Ryanair has increased in size, while the market value of Aer Lingus has declined, and accordingly this Offer is not a "significant transaction" under the Listing Rules and will not require Ryanair shareholder approval.

Speaking about this Offer, Ryanair's CEO, Michael O'Leary said:

"This Offer represents a significant opportunity to combine Aer Lingus with Ryanair, to form one strong Irish airline group capable of competing with Europe's other major airline groups led by Air France, British Airways and Lufthansa. Since the European Commission recently approved BA's takeover of British Midland (being the latest in a series of EU airline consolidations), and Etihad recently invested in Aer Lingus and there are reports that it has a "strong interest" to acquire the Government's stake, and since the Irish Government has decided to sell this stake, we believe now is the time to focus on the right long-term strategic partner for Aer Lingus.

This Offer is, we believe, the best way for Aer Lingus to continue to be owned, controlled and managed from Ireland for the benefit of Irish citizens and visitors. With Ryanair's help, we believe that Aer Lingus can grow its traffic from a current figure of 9.5m passengers (8.4% fewer than its 2009 figure of 10.4m) to over 14m passengers over a five year period post completion, by growing Aer Lingus' short-haul fleet to offer more competition at some of Europe's major airports where currently Aer Lingus operates and Ryanair has no desire to fly.

Ryanair also believes that Aer Lingus' transatlantic operations from Ireland, which have been reduced in recent years (by closing the Shannon transatlantic services in winter and transferring one aircraft to operate for United on the Washington-Madrid route), will benefit from investment to grow materially over the same period.

In six years as a public company, Aer Lingus has failed to deliver value for shareholders. Its traffic of 8.6m in 2006 grew to 10.4m in 2009 only to fall to 9.5m in 2011. Operating profits pre exceptionals have lurched from €32m in 2006, to a loss of €81m in 2009, to a profit of €49m in 2011. Over the past 6 years, Aer Lingus' cumulative operating profits pre exceptionals of €111m have been dwarfed by their cumulative exceptional costs of over €353m. As a result, Aer Lingus shareholders have seen the value of their shares fall from a high of €3.35 in mid 2007, to just €0.94 on Tuesday 19 June 2012, a decline of approximately 72%.

By contrast, during this period Ryanair has grown its traffic from 51m in FY March 2008 to 76m in FY March 2012. Ryanair's annual profit after tax has risen to just over €500m, and Ryanair is returning some €1.5 billion to shareholders via two special dividends and four share buybacks.

We believe this Offer, if successful, will create value for Ryanair shareholders. We believe that by lowering Aer Lingus' unit costs and fares, growing its business at some of Europe's major airports, and competing with high fare incumbents, Ryanair can significantly increase Aer Lingus' profitability thereby earning superior returns for Ryanair's shareholders.

We believe that Ryanair's Offer of €1.30 now offers Aer Lingus' long suffering shareholders a real and meaningful return which represents a 38.3% premium to its closing price of €0.94 on Tuesday 19 June 2012. It allows the Irish Government to deliver the first of its assets sale obligations to the Troika, and it enables Aer Lingus to secure a financially strong, Irish based, airline partner committed to keeping Aer Lingus as a separate airline while developing the Aer Lingus brand and business. Ryanair believes this Offer will ensure that Ireland will have two separate airlines in one strong airline group, with combined traffic of almost 90m passengers p.a., capable of growing Aer Lingus' traffic and creating new jobs for pilots, cabin crew and engineers within a dynamic and expanding airline".

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Davy Corporate Finance, which is regulated in Ireland by the Central Bank, is acting exclusively for Ryanair and Coinside and no one else in connection with the Offer and will not be responsible to anyone other than Ryanair and Coinside for providing the protections afforded to clients of Davy Corporate Finance nor for providing advice in relation to the Offer, the contents of this announcement or any transaction or arrangement referred to in this announcement.

Morgan Stanley is acting exclusively for Ryanair and Coinside and no one else in connection with the Offer and will not be responsible to anyone other than Ryanair and Coinside for providing the protections afforded to clients of Morgan Stanley nor for providing advice in relation to the Offer, the contents of this announcement or any transaction or arrangement referred to in this announcement.

The availability of the Offer to persons outside Ireland may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves about and observe any applicable requirements. The Offer will not be made, directly or indirectly, in or into Australia, Canada, Japan, South Africa, the United States or any other jurisdiction where it would be unlawful to do so, or by use of the mails, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or by any facility of a national securities exchange of any jurisdiction where it would be unlawful to do so, and the Offer will not be capable of acceptance by any such means, instrumentality or facility from or within Australia, Canada, Japan, South Africa, the United States or any other jurisdiction where it would be unlawful to do so. Accordingly, copies of this announcement and all other documents relating to the Offer are not being, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from Australia, Canada, Japan, South Africa, the United States or any other jurisdiction where it would be unlawful to do so. Persons receiving such documents (including, without limitation, nominees, trustees and custodians) should observe these restrictions. Failure to do so may invalidate any related purported acceptance of the Offer. Notwithstanding the foregoing restrictions, Ryanair reserves the right to permit the Offer to be accepted if, in its sole discretion, it is satisfied that the transaction in question is exempt from or not subject to the legislation or regulation giving rise to the restrictions in question.

Appendix I of the attached announcement sets out the conditions and principal further terms of the Cash Offer. Appendix II of the attached announcement contains source notes relating to certain information contained in this announcement. Certain terms used in this summary and the following announcement are defined in Appendix III of the attached announcement.

The directors of Ryanair and Coinside accept responsibility for the information contained in this announcement, save that the only responsibility accepted by the directors of Ryanair and Coinside in respect of the information in this announcement relating to Aer Lingus, the Aer Lingus Group, the directors of Aer Lingus and persons connected with them, which has been compiled from published sources, has been to ensure that such information has been correctly and fairly reproduced or presented (and no steps have been taken by the directors of Ryanair or Coinside to verify this information). To the best of the knowledge and belief of the directors of Ryanair and Coinside (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

This announcement does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of an offer to purchase or subscribe for any securities. Any response in relation to the Offer should be made only on the basis of the information contained in the Offer Document or any document by which the Offer is made.

This announcement includes certain 'forward looking statements' with respect to the business, strategy and plans of Ryanair and Aer Lingus and their respective expectations relating to the Cash Offer and their future financial condition and performance. Statements that are not historical facts, including statements about Ryanair or Aer Lingus or Ryanair's management's beliefs and expectations, are forward looking statements. Words such as 'believes', 'anticipates', 'estimates', 'expects', 'intends', 'aims', 'potential', 'will', 'would', 'could', 'considered', 'likely', 'estimate' and variations of these words and similar future or conditional expressions are intended to identify forward looking statements but are not the exclusive means of identifying such statements. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur.

Examples of such forward looking statements include, but are not limited to, statements about expected benefits and risks associated with the Cash Offer, projections or expectations of profit attributable to shareholders, anticipated provisions or write-downs, economic profit, dividends, capital structure or any other financial items or ratios; statements of plans, objectives or goals of

Ryanair or the combined business following the Cash Offer; statements about the future trends in interest rates, liquidity, foreign exchange rates, stock market levels and demographic trends and any impact that those matters may have on Ryanair or the combined group following the Cash Offer; statements concerning any future Irish, UK, US or other economic environment or performance; statements about strategic goals, competition, regulation, regulatory approvals, dispositions and consolidation or technological developments in the financial services industry; and statements of assumptions underlying such statements.

Factors that could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements made by Ryanair or Aer Lingus or on their behalf include, but are not limited to, general economic conditions in Ireland, the United Kingdom, the United States or elsewhere; regulatory scrutiny, legal proceedings or complaints; changes in competition and pricing environments; the inability to hedge certain risks economically; the adequacy of loss reserves; the ability to secure new customers and develop more business from existing customers; the Cash Offer not being completed or not being completed as currently envisaged; additional unanticipated costs associated with the Cash Offer or the operating of the combined group; or an inability to implement the strategy of the combined group or achieve the Cash Offer benefits set out in this announcement. Additional factors that could cause actual results to differ materially from forward looking statements are set out in the most recent annual reports and accounts of Ryanair and Aer Lingus, including Ryanair's most recent annual report on Form 20-F filed with the SEC.

Forward-looking statements only speak as of the date on which they are made, and the events discussed in this announcement may not occur. Subject to compliance with applicable law and regulation, neither Ryanair nor Coinside undertakes any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise.

Under the provisions of Rule 8.3 of the Irish Takeover Panel Act, 1997, Takeover Rules 2007, as amended (the "Irish Takeover Rules"), if any person is, or becomes, 'interested' (directly or indirectly) in, 1 percent, or more of any class of 'relevant securities' of Aer Lingus or Ryanair, all 'dealings' in any 'relevant securities' of Aer Lingus or Ryanair (including by means of an option in respect of, or a derivative referenced to, any such 'relevant securities') must be publicly disclosed by not later than 3:30 pm (Dublin time) on the business day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes effective or on which the 'Offer period' otherwise ends. If two or more persons co-operate on the basis of any agreement, either express or tacit, either oral or written, to acquire an 'interest' in 'relevant securities' of Aer Lingus or Ryanair, they will be deemed to be a single person for the purpose of Rule 8.3 of the Irish Takeover Rules.

Under the provisions of Rule 8.1 of the Irish Takeover Rules, all 'dealings' in 'relevant securities' of Aer Lingus by Ryanair or 'relevant securities' of Ryanair by Aer Lingus, or by any of their respective 'associates' must also be disclosed by no later than 12 noon (Dublin time) on the business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose 'relevant securities' 'dealings' should be disclosed can be found on the Panel's website at www.irishtakeoverpanel.ie.

'Interests in securities' arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Irish Takeover Rules, which can also be found on the Irish Takeover Panel's website. If you are in any doubt as to whether or not you are required to disclose a dealing under Rule 8, please consult the Panel's website at www.irishtakeoverpanel.ie or contact the Panel on telephone number +353 1 678 9020; fax number +353 1 678 9289.

This announcement is made pursuant to Rule 2.5 of the Takeover Rules. This announcement also contains the Class 2 disclosures required under the Irish Listing Rules. This announcement should be read in its entirety including its appendices.

Pursuant to Rule 2.6(c) of the Takeover Rules, this announcement will be available to Ryanair employees on Ryanair's website (www.ryanair.com).

19 June 2012

For Immediate Release

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Cash Offer

by

Coinside Limited

a wholly owned subsidiary

of

Ryanair Holdings plc

for

Aer Lingus Group plc

1. Introduction

The Board of Ryanair today announces the terms of a Cash Offer for 100 percent of the entire issued and to be issued share capital of Aer Lingus. Ryanair intends to make this Offer through its wholly-owned subsidiary, Coinside. The Ryanair Group owns approximately 29.82 percent of the current issued share capital of Aer Lingus and expects to accept the Cash Offer in respect of these shares. The making of the Cash Offer is subject to certain conditions set out in Appendix I, including amongst other conditions, the acceptance by Aer Lingus Shareholders holding more than 50 percent of the issued and to be issued share capital of Aer Lingus, and Ryanair obtaining European Commission clearance or (as the case may be) Irish and other applicable EU member state competition law clearance for the combination of Ryanair and Aer Lingus.

2. The Cash Offer

Coinside will offer to acquire all of the issued and to be issued share capital of Aer Lingus, subject to the conditions and on the terms set out in Appendix I to this announcement and the full terms and conditions which well be set out in the Offer Document and the related Form of Acceptance, on the following basis:

€1.30 in cash for every Aer Lingus Share

The Cash Offer values the entire issued ordinary share capital of Aer Lingus at approximately €694m. The key features of the Offer are:

- It is an all Cash Offer;
- It represents a premium of 38.3 percent over the Closing Price (€0.94) of an Aer Lingus Share on 19 June 2012 (being the last day prior to the date of this announcement); and
- It represents a premium of 46.7 percent over the average Closing Price (€0.89) of an Aer Lingus share for the six months to 19 June 2012.

Ryanair believes that the Cash Offer represents very attractive and certain value to Aer Lingus Shareholders. If it accepts the Cash Offer, and the Offer is successful, the Irish Government will realise, with certainty, €174m from the sale of its Aer Lingus Shares in addition to the approximate €4m which it will receive by way of the (already declared) Aer Lingus dividend. This is clearly beneficial in the context of the current recessionary environment and will make a valuable contribution towards budget spending in such important areas as health and education.

In addition, the combination will establish for Ireland one of Europe's "Big Five" airline groups which will be financially strong, Irish managed and headquartered; a key objective of all stakeholders. This new airline group will have the cleanest, most fuel efficient fleet of Europe's "Big Five" airline groups.

In contrast, Ryanair believes that the Aer Lingus shareholders and other stakeholders in Aer Lingus continue to face significant uncertainty with regard to the long term future operating, financial and share price performance of Aer Lingus as an independent airline. The airline sector remains under pressure from the global economic recession and high oil prices. More carriers have failed in 2012 to date (including Malev, Spanair, Skyways and Cimber Sterling). A sub-scale peripheral EU flag carrier like Aer Lingus which is overly dependent on a deteriorating Irish economy is, we believe, significantly exposed to the global recession. In addition, we believe that Aer Lingus has few realistic third-party alternatives.

The Offer will extend to all Aer Lingus Shares unconditionally issued on the date of the Offer, together with any further such shares which are unconditionally issued while the Offer remains open for acceptance or until such earlier date as, subject to the Takeover Rules, Ryanair may determine.

The Aer Lingus Shares are to be acquired fully paid or credited as fully paid and free from all liens, charges, equitable interests and encumbrances, rights of pre-emption and any other rights or interests of any nature whatsoever and together with all rights now and hereafter attaching thereto including voting rights and the right to receive and retain all dividends and other distributions (if any) declared, made or paid thereafter. For the avoidance of doubt, the Aer Lingus dividend declared on 4 May 2012 is scheduled to be paid on 31 July 2012, and will be received by Aer Lingus Shareholders in addition to any consideration received under the Offer.

The Offer shall be made by Coinside, a wholly owned subsidiary of Ryanair.

3. Information on Aer Lingus

Aer Lingus is an Irish registered public limited company which has been quoted on the Irish Stock Exchange and the London Stock Exchange since 2 October 2006.

Aer Lingus is an Irish airline primarily providing passenger services on its short haul network from Dublin, Cork, Shannon and Belfast to destinations in the United Kingdom and Continental Europe. Aer Lingus operates a long haul network from Shannon and Dublin, to 4 destinations in the United States. Aer Lingus also provides cargo services on its long haul routes, as well as a range of ancillary services to its passengers. Aer Lingus operates a fleet of Airbus A320, A321 and A330 aircraft.

Aer Lingus had a turnover of €1,288.3m and profits before tax of €84.4m (and operating profit pre exceptionals of €49.1m) for the year ended 31 December 2011. Gross assets of Aer Lingus at 31 December 2011 were €1,827m.

Ryanair believes, based on the disclosure by Aer Lingus in the Aer Lingus Annual Report, that its key personnel are Christoph Mueller (CEO) and Andrew Macfarlane (CFO).

4. Information on Ryanair and Coinside

Ryanair operates a low fares airline operating short haul, point-to-point routes from its 51 bases across Europe. In operation since 1985, Ryanair pioneered the low fares model in Europe. As of June 2012, the Company offers over 1,500 daily flights serving some 170 airports across Europe, with a fleet of 294 Boeing 737-800 aircraft.

For the year ended 31 March 2012, Ryanair's turnover was €4,325m and its profit after tax was €503m.

Coinside is a wholly owned non-operating subsidiary of Ryanair. Coinside has not traded except for entering into transactions relating to Aer Lingus Shares.

Davy Corporate Finance and Morgan Stanley are acting as financial advisers to Ryanair and Coinside.

5. Reasons for the Offer and Ryanair's Strategy for Aer Lingus

Ryanair proposes to operate the two airlines separately within one strong Irish airline group under common ownership. Similar to previous European airline consolidations such as Air France/KLM/Alitalia, Lufthansa/Swiss/Austrian and BA/Iberia, both airlines will maintain separate distinctive brands, thereby preserving the best features of both, including Ryanair's low fare, high punctuality flights, and Aer Lingus' high frequency services to major city airports and its transatlantic operations.

Ryanair believes that Aer Lingus is a sub-scale peripheral EU flag carrier which has been bypassed by ongoing EU wide flag carrier consolidation and that Aer Lingus needs to find a strong airline partner to secure its long term future. Over the past two years, the trading environment and competitive landscape for all European airlines has deteriorated dramatically with high oil prices and the global recession. This has triggered another wave of EU airline closures and failures. In response, EU airline consolidation has accelerated as Europe sees the emergence of five large airline groups, led by Air France, British Airways, Easyjet, Lufthansa and Ryanair, Europe's largest low fares airline.

Ryanair believes that the harsh economic downturn, coupled with accelerating industry consolidation, leaves Aer Lingus exposed as a small and uncompetitive airline. Ryanair believes that this Offer provides Aer Lingus with a financially strong partner within one Irish airline group where Aer Lingus can develop its separate brand, expand its fleet, while improving its competitiveness by lowering unit costs and fares.

As an island nation, with an economy in recession, it is critical that Ireland continues to benefit from strong and secure low fare airline services in order to sustain and support tourism, jobs and economic growth. Ryanair believes that the Offer may help to combat recent Irish traffic and tourism declines. Against this background, Ryanair looks forward to obtaining European Commission clearance for this pro-consumer combination.

As outlined above, Ryanair envisages that the two airlines will be run as separate competing subsidiaries of Ryanair Holdings plc. Both airlines will be expected to grow and expand following the completion of this Offer. Ryanair believes that this Offer, if successful, will create value for Ryanair shareholders. Ryanair believes that by lowering Aer Lingus' unit costs and fares, growing its fleet and traffic at some of Europe's major airports, and competing with high fare incumbents, Ryanair can significantly increase Aer Lingus' profitability thereby earning superior returns for Ryanair shareholders.

6. Financing

The Offer will be financed from the cash reserves of Ryanair.

Davy Corporate Finance and Morgan Stanley confirm they are satisfied that resources are available to Ryanair sufficient to satisfy full acceptance of the Offer.

7. Employees

Following the Cash Offer becoming or being declared unconditional in all respects, the existing employment rights of the management and employees of the Aer Lingus Group will be safeguarded in accordance with statutory requirements.

8. Ryanair Shareholder Approval

At the time of the 2006 Offer, Aer Lingus represented in excess of 25 percent of Ryanair's gross assets and, accordingly, the transaction would have required Ryanair shareholder approval. Since 2006, Ryanair has increased in size, while the market value of Aer Lingus has declined, and accordingly this Offer is not a "significant transaction" under the Irish Listing Rules and will not require Ryanair shareholder approval.

9. Offer Document

The Offer Document, containing the full terms and conditions of the Offer, will be posted as soon as practicable to Aer Lingus Shareholders.

10. Disclosure of Interests in Aer Lingus

As at the close of business on 19 June 2012, being the latest practicable day prior to the date of this announcement, Ryanair owned 159,231,025 Aer Lingus Shares representing approximately 29.82 percent of the existing issued ordinary share capital of Aer Lingus. As at the close of business on 18 June 2012, being the latest practicable day for this purpose, parties acting in concert with Ryanair owned 1,093,033 Aer Lingus Shares representing 0.2 percent of the existing issued ordinary share capital of Aer Lingus, of which 578,033 Aer Lingus Shares were held by an affiliate of Davy Corporate Finance on own account and on behalf of a number of discretionary clients and of which Morgan Stanley Securities Limited held 515,000 Aer Lingus Shares on own account.

Save for these interests, neither Ryanair, Coinside, nor the directors of Ryanair or Coinside, nor any party acting in concert with Ryanair or Coinside, owns or controls any Aer Lingus Shares or holds any options to acquire or subscribe for any Aer Lingus Shares or any derivative referenced to Aer Lingus Shares.

Neither Ryanair, Coinside nor any persons acting in concert with Ryanair or Coinside has any arrangement in relation to Aer Lingus Shares, or any securities convertible or exchangeable into Aer Lingus Shares or options (including traded options) in respect of, or derivatives referenced to, Aer Lingus Shares. For these purposes, 'arrangement' includes an indemnity or option arrangement, any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which is, or may be, an inducement to deal or refrain from dealing in such securities.

11. Regulatory Issues

As discussed above, Ryanair looks forward to obtaining European Commission approval for the transaction and implementing its proposed pro-consumer combination.

12. Settlement, Compulsory Acquisition, De-listing and Re-registration

The consideration will, in relation to Aer Lingus Shareholders who validly accept the Cash Offer up to the time the Cash Offer becomes or is declared unconditional in all respects, be despatched not later than 14 days after the Cash Offer becomes or is declared unconditional in all respects, or thereafter within 14 days of receipt of acceptance of the Cash Offer.

If Coinside receives acceptances of the Cash Offer in respect of, and/or otherwise acquires, 90 percent or more of the Aer Lingus Shares to which the Cash Offer relates (and in the case where the Aer Lingus Shares to which the Cash Offer relates are voting shares, not less than 90 percent of the voting rights carried by those Aer Lingus Shares) and assuming all other conditions of the Cash Offer have been satisfied or waived (if they are capable of being waived), Coinside intends to exercise its rights pursuant to the provisions of Regulation 23 of the Takeover Regulations to acquire the remaining Aer Lingus Shares to which the Cash Offer relates on the same terms as the Cash Offer.

If Coinside receives acceptances of the Cash Offer in respect of, and/or otherwise acquires 75 percent or more of the Aer Lingus Shares to which the Cash Offer relates it intends, as soon as it is appropriate and possible to do so and, subject to the Offer becoming or being declared unconditional in all respects, and to any applicable requirements of the Irish Stock Exchange, the London Stock Exchange or the UK Listing Authority, to seek the making of an application by directors of Aer Lingus at that time for the cancellation of the listing of the Aer Lingus Shares on the Irish Stock Exchange and the UK Official List and for the cancellation of admission to trading of Aer Lingus Shares on the markets of the Irish Stock Exchange and the London Stock Exchange and it intends to propose a resolution, provided that Aer Lingus has less than one hundred shareholders, to re-register Aer Lingus as a private company under the relevant provisions of the Companies (Amendment) Act, 1983.

If Coinside receives acceptances of the Cash Offer in respect of, and/or otherwise acquires more than 50 percent but less than 75 percent of the Aer Lingus shares to which the Cash Offer relates it intends (if necessary) to propose a resolution to cancel the listing of the Aer Lingus Shares on the Irish Stock Exchange and the UK Official List and, subject to such resolution being approved (which, under the Irish and UK Listing Rules, would require 75 percent approval), to seek the making of an application by directors of Aer Lingus at that time for the cancellation of the listing of the Aer Lingus Shares on the Irish Stock Exchange and the UK Official List and for the cancellation of admission to trading of Aer Lingus Shares on the markets of the Irish Stock Exchange and the London Stock Exchange and it intends to propose a resolution, provided that Aer Lingus has less than one hundred shareholders, to re-register Aer Lingus as a private company under the relevant provisions of the Companies (Amendment) Act, 1983.

If this de-listing and cancellation occurs, it will significantly reduce the liquidity and marketability of any Aer Lingus Shares not assented to the Cash Offer. It is anticipated that the cancellations would take effect no earlier than 20 Business Days from either the date Coinside has acquired 75 percent of the voting rights in Aer Lingus or on the first date of issue of compulsory acquisition notices by Coinside pursuant to Regulation 23 of the Takeover Regulations or, in the case of a resolution being required, no earlier than 20 Business Days from the date of passing of the resolution.

13. General

This announcement does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of an offer to purchase or subscribe for any securities. Any response in relation to the Offer should be made only on the basis of the information contained in the Offer Document or any other document by which the Offer is made.

This announcement is made pursuant to Rule 2.5 of the Takeover Rules. This announcement also contains the Class 2 disclosures required under the Irish Listing Rules.

Ryanair intends to make appropriate proposals to holders of any Aer Lingus share options. Optionholders will be informed of the proposals as soon as is practicable.

Davy Corporate Finance, which is regulated in Ireland by the Central Bank, is acting exclusively for Ryanair and Coinside and no one else in connection with the Offer and will not be responsible to anyone other than Ryanair or Coinside for providing the protections afforded to clients of Davy Corporate Finance nor for providing advice in relation to the Offer, the contents of this announcement or any transaction or arrangement referred to in this announcement.

Morgan Stanley is acting exclusively for Ryanair and Coinside and no one else in connection with the Offer and will not be responsible to anyone other than Ryanair or Coinside for providing the protections afforded to clients of Morgan Stanley nor for providing advice in relation to the Offer, the contents of this announcement or any transaction or arrangement referred to in this announcement.

The availability of the Offer to persons outside Ireland may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves about and observe any applicable requirements. The Offer will not be made, directly or indirectly, in or into Australia, Canada, Japan, South Africa, the United States or any other jurisdiction where it would be unlawful to do so, or by use of the mails, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or by any facility of a national securities exchange of any jurisdiction where it would be unlawful to do so, and the Offer will not be capable of acceptance by any such means, instrumentality or facility from or within Australia, Canada, Japan, South Africa, the United States or any other jurisdiction where it would be unlawful to do so. Accordingly, copies of this announcement and all other documents relating to the Offer are not being, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from Australia, Canada, Japan, South Africa, the United States or any other jurisdiction where it would be unlawful to do so. Persons receiving such documents (including, without limitation, nominees, trustees and custodians) should observe these restrictions. Failure to do so may invalidate any related purported acceptance of the Offer. Notwithstanding the foregoing restrictions, Ryanair reserves the right to permit the Offer to be accepted if, in its sole discretion, it is satisfied that the transaction in question is exempt from or not subject to the legislation or regulation giving rise to the restrictions in question.

The Offer will be governed by Irish law. The Offer will be subject to the applicable requirements of the Takeover Rules, the Panel, the Irish Stock Exchange, the London Stock Exchange, the UK Listing Authority and all applicable laws.

Appendix I of this attached announcement sets out the conditions and principal further terms of the Cash Offer. Appendix II of this announcement contains source notes relating to certain information contained in this announcement. Certain terms used in this announcement are defined in Appendix III of the attached announcement.

The directors of Ryanair and Coinside accept responsibility for the information contained in this announcement, save that the only responsibility accepted by the directors of Ryanair and Coinside in respect of the information in this announcement relating to Aer Lingus, the Aer Lingus Group, the directors of Aer Lingus and persons connected with them, which has been compiled from published sources, has been to ensure that such information has been correctly and fairly reproduced or presented (and no steps have been taken by the directors of Ryanair or Coinside to verify this information). To the best of the knowledge and belief of the directors of Ryanair and Coinside (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

This announcement does not constitute an offer to sell or an invitation to purchase or the solicitation of an offer to subscribe for any securities. Any response in relation to the Offer should only be made on the basis of the information contained in the Offer Document or any document by which the Offer is made.

This announcement, including information included or incorporated by reference in this announcement, may contain 'forward-looking statements' concerning the Cash Offer, Ryanair, and Aer Lingus. Generally, the words 'will', 'may', 'should', 'could', 'would', 'can', 'continue', 'opportunity', 'believes', 'expects', 'intends', 'anticipates', 'estimates' or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the Ryanair and Coinside's abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements. Neither Ryanair nor Coinside assumes any obligation in respect of, nor intends to update these forward-looking statements, except as required pursuant to applicable law.

Under the provisions of Rule 8.3 of the Irish Takeover Panel Act, 1997, Takeover Rules 2007, as amended (the "Irish Takeover Rules"), if any person is, or becomes, 'interested' (directly or indirectly) in, 1 percent or more of any class of 'relevant securities' of Aer Lingus or Ryanair, all 'dealings' in any 'relevant securities' of Aer Lingus or Ryanair (including by means of an option in respect of, or a derivative referenced to, any such 'relevant securities') must be publicly disclosed by not later than 3:30 pm (Dublin time) on the business day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes effective or on which the 'Offer period' otherwise ends. If two or more persons co-operate on the basis of any agreement, either express or tacit, either oral or written, to acquire an 'interest' in 'relevant securities' of Aer Lingus or Ryanair, they will be deemed to be a single person for the purpose of Rule 8.3 of the Irish Takeover Rules.

Under the provisions of Rule 8.1 of the Irish Takeover Rules, all 'dealings' in 'relevant securities' of Aer Lingus by Ryanair or 'relevant securities' of Ryanair by Aer Lingus, or by any of their respective 'associates' must also be disclosed by no later than 12 noon (Dublin time) on the business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose 'relevant securities' 'dealings' should be disclosed can be found on the Panel's website at www.irishtakeoverpanel.ie.

'Interests in securities' arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Irish Takeover Rules, which can also be found on the Irish Takeover Panel's website. If you are in any doubt as to whether or not you are required to disclose a dealing under Rule 8, please consult the Panel's website at www.irishtakeoverpanel.ie or contact the Panel on telephone number +353 1 678 9020; fax number +353 1 678 9289.

Pursuant to Rule 2.6(c) of the Takeover Rules, this announcement will be available to Ryanair employees on Ryanair's website (www.ryanair.com).

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Appendix I

Conditions to and certain further terms of the Offer

The Offer will be made by Coinside, a wholly-owned subsidiary of Ryanair, and will comply with the Takeover Rules and the respective rules and regulations of the Irish Stock Exchange, the London Stock Exchange and the UK Listing Authority and will be subject to the terms and conditions set out below and to be set out in the Offer Document and the related Form of Acceptance. The Offer and any acceptances thereunder will be governed by Irish law and be subject to the exclusive jurisdiction of the courts of Ireland which exclusivity shall not limit the right to seek provisional or protective relief in the courts of another jurisdiction, during or after any substantive proceedings have been instituted in Ireland, nor shall it limit the right to bring enforcement proceedings in another jurisdiction on foot of an Irish judgement.

The Offer will be subject to the following conditions:

a) valid acceptances being received (and not, where permitted, withdrawn) by not later than 3.00 p.m. on the Initial Closing Date (or such later time(s) and/or date(s) as Ryanair may determine, subject always to the Takeover Rules) in respect of more than 50 percent in nominal value of the Aer Lingus Shares Affected, and, where the Aer Lingus Shares Affected are voting shares, more than 50 percent of the voting rights carried by those Aer Lingus Shares Affected, provided that this condition shall not be satisfied unless Ryanair shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise) Aer Lingus Shares carrying in aggregate more than 50 percent of the voting rights then exercisable at a general meeting of Aer Lingus.

   For the purposes of this condition:

   i. any Aer Lingus Shares Affected which have been unconditionally allotted shall be deemed to carry the voting rights they will carry upon their being entered in the register of members of Aer Lingus; and

   ii. the expression "Aer Lingus Shares Affected" shall:

      A. mean Aer Lingus Shares issued or allotted on or before the date the Offer is made; and

      B. mean Aer Lingus Shares issued or allotted after that date but before the time at which the Offer closes, or such earlier date as Ryanair may determine, subject always to the Takeover Rules (not being earlier than the date on which the Offer becomes unconditional as to acceptances or, if later, the Initial Closing Date).

b) to the extent that the Offer or its implementation constitutes a concentration within the scope of Council Regulation (EC) No 139/2004 (the **Regulation**) or is otherwise a concentration that is subject to the Regulation, the European Commission deciding that it does not intend to initiate proceedings under Article 6(1)(c) of the Regulation in respect of the Offer or to refer the Offer (or any aspect of the Offer) to a competent authority of an EEA member state under Article 9(1) of the Regulation or otherwise deciding that the Offer is compatible with the common market pursuant to Article 6(1)(b) of the Regulation before the first closing date of the Offer or the date when the Offer becomes or is declared unconditional as to acceptances (whichever is the later) and the terms or conditions to which any such decision is or may be subject being acceptable to Ryanair in its sole discretion;

c) to the extent that Part 3 of the Competition Act is applicable:

   i) the Competition Authority, in accordance with Section 21(2)(a) of the Competition Act, having informed Ryanair that the Offer may be put into effect; or

   ii) the period specified in Section 21(2) of the Competition Act having elapsed without the Competition Authority having informed Ryanair of the determination (if any) which it has made under Section 21(2) the Competition Act; or

   iii) the Competition Authority, in accordance with Section 22(4)(a) of the Competition Act, having furnished to Ryanair a copy of its determination (if any), in accordance with Section 22(3)(a) of the Competition Act, that the Offer may be put into effect; or

   iv) the Competition Authority, in accordance with Section 22(4)(a) of the Competition Act, having furnished to Ryanair a copy of its determination (if any), in accordance with Section 22(3)(c) the Competition Act, that the Offer may be put into effect subject to conditions specified by the Competition Authority being complied with and such conditions being acceptable to Ryanair; or

v) the period of four months after the appropriate date (as defined in Section 19(6) of the Competition Act) having elapsed without the Competition Authority having made a determination under Section 22(3) the Competition Act in relation to the Offer;

d) all filings, where necessary, having been made and all applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, of the United States and the regulations thereunder having been terminated or having expired, in each case in connection with the Offer;

e) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, including any national anti-trust or merger control authorities, regulatory or licensing authority, court, tribunal, trade agency, professional association, environmental body, any analogous body whatsoever or tribunal in any jurisdiction or any person including, without limitation, the Company (each a "Third Party") having decided to take, institute or implement any action, proceeding, suit, investigation, enquiry or reference or having made, proposed or enacted any statute, regulation or order or having done or decided to do anything which would or would reasonably be expected to:

i) make the Offer or its implementation, or the acquisition or the proposed acquisition by Ryanair of any shares in, or control of, Aer Lingus, or any of the assets of the Aer Lingus Group void, illegal or unenforceable under the laws of any jurisdiction or otherwise, directly or indirectly, restrain, revoke, prohibit, materially restrict or materially delay the same or impose additional or different conditions or obligations with respect thereto (except for conditions or obligations that would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole), or otherwise challenge or interfere therewith (except where the result of such challenge or interference would not have, or would not reasonably be expected to have, a material adverse effect on the Wider Aer Lingus Group taken as a whole);

ii) result in a material delay in the ability of Ryanair, or render any member of the Ryanair Group unable, to acquire some or all of the Aer Lingus Shares or require a divestiture by Ryanair of any shares in Aer Lingus;

iii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) require, prevent or delay the divestiture by Ryanair or by any member of the Wider Aer Lingus Group of all or any portion of their respective businesses, assets (including, without limitation, the shares or securities of any other member of the Wider Aer Lingus Group) or property or (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) impose any material limitation on the ability of any of them to conduct their respective businesses (or any of them) or own their respective assets or properties or any part thereof;

iv) impose any material limitation on, or result in a material delay in, the ability of Ryanair to acquire, or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership of shares (or the equivalent) in, or to exercise voting or management control over, Aer Lingus or (to the extent Aer Lingus has such rights) any member of the Wider Aer Lingus Group which is material in the context of the Wider Aer Lingus Group taken as a whole or (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) on the ability of any member of the Wider Aer Lingus Group to hold or exercise effectively, directly or indirectly, rights of ownership of shares (or the equivalent) in, or to exercise rights of voting or management control over, any member of the Wider Aer Lingus Group;

v) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole), require Ryanair or any member of the Wider Aer Lingus Group to acquire or offer to acquire any shares or other securities (or the equivalent) in, or any interest in any asset owned by any third party;

vi) cause any member of the Wider Aer Lingus Group to cease to be entitled to any Authorisation (as defined in paragraph (f) below) used by it in the carrying on of its business (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

vii) otherwise adversely affect the business, profits, assets, liabilities, financial or trading position of any member of the Wider Aer Lingus Group (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

viii) impose any limitation on the ability of any member of the Wider Aer Lingus Group to integrate or co-ordinate its business, or any part of it, with the businesses of any member of the Wider Aer Lingus Group (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Aer Lingus Group taken as a whole); or

ix) result in any member of the Wider Aer Lingus Group ceasing to be able to carry on business under any name, or in any jurisdiction, under, or in, which it currently does so (except where the consequences would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group as a whole);

f) all necessary notifications and filings having been made, all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction in which Aer Lingus or any subsidiary or subsidiary undertaking of Aer Lingus which is material in the context of the Wider Aer Lingus Group taken as a whole (a "Material Subsidiary") is incorporated or carries on a business which is material in the context of the Wider Aer Lingus Group taken as a whole, having expired, lapsed or having been terminated (as appropriate) (save to an extent which would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) and all statutory or regulatory obligations in any jurisdiction in which Aer Lingus or a Material Subsidiary shall be incorporated or carry on any business which is material in the context of the Wider Aer Lingus Group taken as a whole having been complied with (save to an extent which would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole), in each case, in connection with the Offer or its implementation and all authorisations, orders, recognitions, grants, consents, clearances, confirmations, licences, permissions and approvals in any jurisdiction ("Authorisations") reasonably deemed necessary or appropriate by Ryanair for or in respect of the Offer having been obtained on terms and in a form reasonably satisfactory to Ryanair from all appropriate Third Parties (except where the consequence of the absence of any such Authorisation would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole), all such Authorisations remaining in full force and effect, there being no notified intention to revoke or vary or not to renew the same at the time at which the Offer becomes otherwise unconditional and all necessary statutory or regulatory obligations in any such jurisdiction having been complied with (except where the consequence thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

g) all applicable waiting periods and any other time periods during which any Third Party could, in respect of the Offer or the acquisition or proposed acquisition of any shares or other securities (or the equivalent) in, or control of, Aer Lingus or any member of the

Wider Aer Lingus Group by Ryanair, institute or implement any action, proceedings, suit, investigation, enquiry or reference under the laws of any jurisdiction which would be reasonably expected adversely to affect (to an extent which would be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) any member of the Wider Aer Lingus Group, having expired, lapsed or been terminated;

h) except as publicly disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, facility, lease or other instrument to which any member of the Wider Aer Lingus Group is a party or by or to which any such member or any of its respective assets may be bound, entitled or be subject and which, in consequence of the Offer or the acquisition or proposed acquisition by Ryanair of any shares or other securities (or the equivalent) in or control of, Aer Lingus or any member of the Wider Aer Lingus Group or because of a change in the control or management of Aer Lingus or otherwise, would or would be reasonably expected to result (except where, in any of the following cases, the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as whole) in:

   i) any monies borrowed by, or any indebtedness or liability (actual or contingent) of, or any grant available to any member of the Wider Aer Lingus Group becoming, or becoming capable of being declared, repayable immediately or prior to their or its stated maturity, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited under any existing facility or loan agreement;

   ii) the creation or enforcement of any mortgage, charge or other security interest wherever existing or having arisen over the whole or any part of the business, property or assets of any member of the Wider Aer Lingus Group or any such mortgage, charge or other security interest becoming enforceable;

   iii) any such arrangement, agreement, licence, permit, franchise, facility, lease or other instrument or the rights, liabilities, obligations or interests of any member of the Wider Aer Lingus Group thereunder, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated or adversely modified or any adverse action being taken or any obligation or liability arising thereunder;

   iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Aer Lingus Group being or falling to be disposed of or charged, or ceasing to be available to any member of the Wider Aer Lingus Group or any right arising under which any such asset or interest would be required to be disposed of or charged or would cease to be available to any member of the Wider Aer Lingus Group otherwise than in the ordinary course of business;

   v) any member of the Wider Aer Lingus Group ceasing to be able to carry on business under any name under which it currently does so;

   vi) the value of, or financial or trading position of any member of the Wider Aer Lingus Group being prejudiced or adversely affected; or

   vii) the creation of any liability or liabilities (actual or contingent) by any member of the Wider Aer Lingus Group;

unless, if any such provision exists, such provision shall have been waived, modified or amended on terms satisfactory to Ryanair;

i) save as publicly announced (by the delivery of an announcement to the Irish Stock Exchange and the London Stock Exchange or otherwise publicly disclosed by the Aer

Lingus Group) on or prior to 19 June 2012, no member of the Aer Lingus Group having, since 31 December 2011:

i) issued or agreed to issue additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible or exchangeable securities (except for issues to Aer Lingus or wholly-owned subsidiaries of Aer Lingus);

ii) recommended, declared, paid or made any bonus, dividend or other distribution other than bonuses, dividends or other distributions (other than bonus issues) lawfully paid or made or issued to another member of the Wider Aer Lingus Group;

iii) (save for transactions between two or more members of the Wider Aer Lingus Group ("intra-Aer Lingus Group transactions")) made or authorised, proposed or announced any change in its loan capital (save in respect of loan capital which is not material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

iv) save for intra-Aer Lingus Group transactions, implemented, authorised, proposed or announced its intention to propose any merger, demerger, reconstruction, amalgamation, scheme or (except in the ordinary and usual course of trading) acquisition or disposal of (or of any interest in) assets or shares (or the equivalent thereof) in any undertaking or undertakings (except in any such case where the consequences of any such merger, demerger, reconstruction, amalgamation, scheme, acquisition or disposal would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

v) except in the ordinary and usual course of business, entered into or materially improved, or made any offer (which remains open for acceptance) to enter into or improve, the terms of the employment contract with any director of Aer Lingus or any person occupying one of the senior executive positions in the Wider Aer Lingus Group;

vi) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group, taken as a whole) issued or agreed to issue any loan capital or (save in the ordinary course of business and save for intra-Aer Lingus Group transactions) debentures or incurred any indebtedness or contingent liability;

vii) purchased, redeemed or repaid or announced any offer to purchase, redeem or repay any of its own shares or other securities (or the equivalent) or reduced or made any other change to any part of its share capital;

viii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) (A) merged with any body corporate, partnership or business, or (B) and save for intra-Aer Lingus Group transactions acquired or disposed of, transferred, mortgaged or encumbered any assets or any right, title or interest in any asset (including shares and trade investments);

ix) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole), entered into or varied any contract, transaction, arrangement or commitment or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or could be materially restrictive on the business of any member of the Wider Aer Lingus Group;

x) waived or compromised any claim which would be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole;

xi) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group, taken as a whole) been unable, or having admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) ceased or threatened to cease to carry on all or a substantial part of any business;

xii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) and save for voluntary solvent liquidations, taken any corporate action or had any legal proceedings instituted against it in respect of its winding-up, dissolution, examination or reorganisation or for the appointment of a receiver, examiner, administrator, administrative receiver, trustee or similar officer of all or any part of its assets or revenues, or (A) any analogous proceedings in any jurisdiction, or (B) appointed any analogous person in any jurisdiction in which a member of the Wider Aer Lingus Group shall be incorporated or carry on any business which is material in the context of the Wider Aer Lingus Group taken as a whole;

xiii) (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole) made or agreed or consented to any significant change to the terms of the trust deeds constituting the pension schemes established for its directors and/or employees and/or their dependants or to the benefits which accrue, or to the pensions which are payable thereunder, or to the basis on which qualification for or accrual or entitlement to such benefits or pensions are calculated or determined, or made, or agreed or consented to any change to the trustees involving the appointment of a trust corporation;

xiv) entered into any agreement, contract or commitment or passed any resolution or made any offer or announcement with respect to, or to effect any of the transactions, matters or events set out in this condition; or

xv) except in the case of Aer Lingus subsidiaries, for amendments which are not material, amended its memorandum or articles of association;

j) except as publicly disclosed and/or save as publicly announced (by the delivery of an announcement to the Irish Stock Exchange and the London Stock Exchange or otherwise publicly disclosed by the Aer Lingus Group) on or prior to 19 June 2012 since 31 December 2011:

i) there not having arisen any adverse change or deterioration in the business, assets, financial or trading position or profits of Aer Lingus or any member of the Wider Aer Lingus Group (save to an extent which would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Aer Lingus Group is or would reasonably be expected to become a party (whether as plaintiff or defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider Aer Lingus Group having been instituted or remaining outstanding by, against or in respect of any member of the Wider Aer Lingus Group (save where the consequences of such litigation, arbitration proceedings, prosecution or other legal proceedings or investigation are not or would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

iii) no contingent or other liability existing or having arisen or become apparent to Ryanair which would reasonably be expected to affect adversely any member of the Wider Aer Lingus Group (save where such liability is not or would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole); and

iv) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence, consent, permit or authorisation held by any member of the Wider Aer Lingus Group which is necessary for the proper carrying on of its business and which is material in the context of the Wider Aer Lingus Group;

k) except as publicly disclosed, Ryanair not having discovered that any financial, business or other information concerning the Wider Aer Lingus Group which is material in the context of the Wider Aer Lingus Group taken as a whole and which has been publicly disclosed, is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make the information contained therein not misleading (save where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

l) except as publicly disclosed and/or save as publicly announced (by the delivery of an announcement to the Irish Stock Exchange and the London Stock Exchange or otherwise publicly disclosed by the Aer Lingus Group) on or prior to 19 June 2012, Ryanair not having discovered:

i) that any member of the Wider Aer Lingus Group or any partnership, company or other entity in which any member of the Wider Aer Lingus Group has an interest and which is not a subsidiary undertaking of Aer Lingus is subject to any liability, contingent or otherwise (save where such liability is not or would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as whole);

ii) in relation to any release, emission, discharge, disposal or other fact or circumstance which has caused or might impair the environment or harm human health, that any past or present member of the Wider Aer Lingus Group has acted in material violation of any laws, statutes, regulations, notices or other legal or regulatory requirements of any Third Party (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group, taken as a whole);

iii) that there is, or is likely to be, any liability, whether actual or contingent, to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Wider Aer Lingus Group or any other property or any controlled waters under any environmental legislation, regulation, notice, circular, order or other lawful requirement of any relevant Authority (whether by formal notice or order or not) or Third Party or otherwise (save where such liability is not or would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole); and

iv) that circumstances exist which are likely to result in any actual or contingent liability to any member of the Wider Aer Lingus Group under any applicable legislation referred to in sub-paragraph (iii) above to improve or modify existing or install new plant, machinery or equipment or to carry out any changes in the processes currently carried out (save where such liability is not or would not be material (in value terms or otherwise) in the context of the Wider Aer Lingus Group taken as a whole);

m) for the purposes of the conditions set out above:

i. "Aer Lingus Group" means Aer Lingus and its subsidiaries and subsidiary undertakings including its associated undertakings and any entities in which any member holds a substantial interest;

ii. "Wider Aer Lingus Group" means Aer Lingus or any of its subsidiaries or subsidiary undertakings or associated companies (including any joint venture, partnership, firm or company or undertaking in which any member of the Aer Lingus Group (aggregating their interests) is interested) or any company in which any such member has a substantial interest;

iii. "initial Offer period" means the period from the date of the Offer Document to and including the Initial Closing Date;

iv. "parent undertaking", "subsidiary undertaking", "associated undertaking" and "undertaking" have the meanings given by the European Communities (Companies: Group Accounts) Regulations, 1992; and

v. "substantial interest" means an interest in 20 percent or more of the voting equity capital of an undertaking.

Subject to the requirements of the Panel, Ryanair reserves the right (but shall be under no obligation) to waive, in whole or in part, all or any of the above conditions apart from conditions (a), (b), (c) and (d).

The Offer will lapse unless all of the conditions set out above have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by Ryanair to be or to remain satisfied on the day which is 21 days after the later of the Initial Closing Date, the date on which condition (a) is fulfilled or such later date as Ryanair may, with the consent of the Panel (to the extent required) decide. Except for condition (a), Ryanair shall not be obliged to waive (if capable of waiver) or treat as satisfied any condition by a date earlier than the latest day for the fulfilment of all conditions referred to in the previous sentence, notwithstanding that any other condition of the Offer may at such earlier date have been waived or fulfilled or that there are at such earlier dates no circumstances indicating that the relevant condition may not be capable of fulfilment.

To the extent that the Offer would give rise to a concentration with a Community dimension within the scope the Regulation, the Offer shall lapse if the European Commission initiates proceedings in respect of that concentration under Article 6(1)(c) of the Regulation or refers the concentration to a competent authority of an EU member state under Article 9(1) of the Regulation before the first closing date of the Offer or the date when the Offer becomes or is declared unconditional as to acceptances, whichever is the later.

If the Offer lapses, it will cease to be capable of further acceptance. Aer Lingus Shareholders who have already accepted the Offer shall then cease to be bound by the acceptances delivered on or before the date on which the Offer lapses.

Appendix II

Bases and Sources

A. Third Party Sources

Ryanair and Coinside confirm that the information in this announcement obtained from third party sources has been correctly and fairly reproduced. So far as Ryanair and Coinside are aware and have been able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Neither Ryanair nor Coinside have access to the facts and assumptions underlying the data extracted from publicly available sources. As a result, neither Ryanair nor Coinside are able to verify such.

B. Rounding
Percentages in certain tables and statements in this announcement have been rounded and accordingly may not add up to 100 percent. Certain financial data has also been rounded. As a result of this rounding, the totals of the data presented in this announcement may vary slightly from the actual arithmetic totals of such data.

C. Page References
The relevant bases of calculation and sources of information are set out below in the order in which the relevant information appears in this announcement. Where any such information is repeated, the underlying bases and sources are not.

Page 1
(a) Ryanair's 29.82% holding sourced from Aer Lingus website (http://corporate.aerlingus.com/investorrelations/shareregister/) and Ryanair information.
(b) Closing prices of Aer Lingus shares sourced from Irish Stock Exchange ("ISE") website.
(c) Reference to Aer Lingus' traffic in 2009 (10.4 million) and 2011 (9.5 million) sourced from Aer Lingus Annual Reports 2009 and 2011 respectively.

Page 2
(a) Reference to Air France-KLM's acquisition of a 25% interest in Alitalia is sourced from Air France-KLM's announcement on 25 March 2009 confirming the completion of the acquisition through the subscription to a reserved capital increase.
(b) References to airline consolidations sourced from various media reports and companies' own websites.
(c) Reference to British Midland being the No. 2 carrier at London Heathrow is based on OAG Aviation Solutions schedules database of Heathrow Airport in 2011 (based on number of scheduled flights).
(d) Reference to Dublin Airport traffic sourced from DAA Annual Reports 2007 and 2011 and airport capacity sourced from DAA website.
(e) The Irish Government statement regarding the sale of its 25 percent stake in Aer Lingus is referenced from written answers provided in respect of the Sale of State Assets debate in the Dáil Éireann on 9 May 2012 (Vol. 764 No. 4).

Page 3
(a) Reference to ESOT shares distribution to individual members is based on note 31 of Aer Lingus Annual Report 2011, referencing the Company transfer of 66.4m shares (12.5%) held by the ESOT to the direct ownership of current and former employees. As of 31 December 2011, ESOT held 0.05% of the issued share capital of the Company. In addition, the ESOT is also a trustee of the Aer Lingus Approved Profit Sharing Scheme and, at 31 December 2011, held 8.3m shares (1.55%) in the Company on behalf of beneficiaries (9,004,676 shares (1.69%) at 31 December 2010). The shares held by the Approved Profit Sharing Scheme transferred to beneficiaries in early 2012.
(b) Reference to Etihad acquisition of a 2.99% shareholding sourced from Aer Lingus announcement dated 1 May 2012 and the statements are based on the news reports published by the media upon the release of the announcement.
(c) Reference to gross assets test in 2006 based on balance sheet data as at 30-June-2006 from Aer Lingus IPO prospectus and from Ryanair's Q1 2007 announcement.
(d) Reference to offer not being a "significant transaction" based on balance sheet data as at 31-December-2011 for Aer Lingus as per 2011 Annual Report and as at 31-March-2012 for Ryanair as per 2012 results announcement.

Page 4
(a) Reference to Aer Lingus' traffic in 2006 (8.6 million) sourced from Aer Lingus Annual Report 2006

(b) Reference to Aer Lingus' operating profits before exceptionals in 2006, 2009 and 2011 as well as the cumulative operating profit before exceptionals and exceptional costs over the past 6 years sourced from Aer Lingus Annual Reports

(c) Reference to Aer Lingus' share price high of €3.35 represents the intra day high on 26 March 2007 as recorded by Bloomberg

(d) Reference to Ryanair traffic in 2008 (51 million) and in 2012 (76 million) sourced from Ryanair Annual Report 2008 and 2012 results announcement respectively

(e) Reference to Ryanair profit after tax and share buyback and dividends sourced from Ryanair 2012 results announcement

Page 8

(a) Reference to value of Aer Lingus' issued ordinary share capital of 534,040,090 sourced from ISE website.

(b) Reference to Irish government realizing €174.3 million is based on a shareholding of 25.1% sourced from Aer Lingus website (http://corporate.aerlingus.com/investorrelations/shareregister/) and €4.0 million received through a dividend payment of approximately €0.03 per share

Page 9

(a) Reference to Malev, Spanair, Skyways and Cimber Sterling sourced from companies' announcements

(b) Information on Aer Lingus is sourced from its website and Annual Report 2011.

(c) Information on Ryanair is sourced from its website and 2012 results announcement

Appendix III

Definitions

“2006 Offer”	Ryanair’s Cash Offer of €2.80 per Aer Lingus share made on 23 October 2006;
“2008 Offer”	Ryanair’s Cash Offer of €1.40 per Aer Lingus share made on 15 December 2008;
"Aer Lingus"	Aer Lingus Group plc, a public limited company incorporated in Ireland;
“Aer Lingus Annual Report”	the annual report of Aer Lingus in respect of year ended 31 December 2011;
"Aer Lingus Group"	Aer Lingus and its subsidiary undertakings and associated undertakings;
"Aer Lingus Share" or "Aer Lingus Shares"	the existing issued fully paid ordinary shares of €0.05 each in the capital of Aer Lingus and any further such shares which are unconditionally allotted or issued after the date hereof and before the Offer closes (or before such other time as the Offeror may, subject to the Takeover Rules, decide in accordance with the terms and conditions of the Offer);
"Aer Lingus Shareholders"	the holders of Aer Lingus Shares (excluding where the context so admits Ryanair or any member of the Ryanair Group);
"Australia"	the Commonwealth of Australia, its states, territories and possessions and all areas subject to its jurisdiction or any sub-division thereof;
"Business Day"	any day on which banks are open for business in Dublin not being a Saturday, Sunday or public holiday;
"Board"	the board of directors of Ryanair or Coinside or the board of directors of Aer Lingus, as the context so requires;
"Canada"	Canada, its provinces, territories and all areas subject to its jurisdiction and any political sub-division thereof;
"Cash Offer" or “Offer”	the cash offer of €1.30 per Aer Lingus Share to be made by the Offeror for the entire issued and to be issued share capital of Aer Lingus on the terms and subject to the conditions set out in this announcement and to be set out in the Offer Document and the Forms of Acceptance, and where the context so permits or requires, any subsequent revision, variation, extension or renewal thereof;
"Central Bank"	the Central Bank of Ireland;
"Coinside"	Coinside Limited, a private limited company, incorporated in Ireland;
"Company"	Ryanair;
"Competition Act"	the Competition Act 2002 (as amended);
"Competition Authority"	the Irish Competition Authority established under the Competition Act;
"Continental Europe"	the continent of Europe excluding Ireland and the UK;
"Closing Price"	the official closing price or the middle market quotation of a Aer Lingus Share, as appropriate, as derived from the Official List;
"Davy Corporate Finance"	Davy Corporate Finance, a wholly owned subsidiary of J&E Davy, trading as Davy;
"ESOT"	the Aer Lingus Employee Share Ownership Trust which was disbanded in December 2010;
"Euro" or "€"	the single currency of member states of the European Union that adopt or have adopted the Euro as their currency in accordance with legislation of the European Union relating to European Economic and Monetary Union;
"Form of Acceptance"	the form of acceptance or other acceptance documents

	which will accompany the Offer Document;
"Initial Closing Date"	3.00 p.m. (Dublin time) on the date fixed by Ryanair as the first closing date of the Offer, unless and until Ryanair in its discretion shall have extended the initial Offer period, in which case the term "Initial Closing Date" shall mean the latest time and date at which the initial Offer period, as so extended by Ryanair, will expire or, if earlier, the date on which the Offer becomes or is declared unconditional in all respects;
"Ireland"	Ireland, excluding Northern Ireland and the word Irish shall be construed accordingly;
“Irish Listing Rules”	the Listing Rules of the Irish Stock Exchange;
"Irish Stock Exchange"	the Irish Stock Exchange Limited;
"issued share capital of Aer Lingus"	the entire issued ordinary share capital of Aer Lingus being 534,040,090 Aer Lingus Shares as at 19 June 2012, the last Business Day prior to the date of this announcement;
"Japan"	Japan, its cities, prefectures, territories and possessions and all areas subject to its jurisdiction or any sub-division thereof;
"London Stock Exchange"	London Stock Exchange plc;
"Morgan Stanley"	Morgan Stanley & Co. Limited;
"Offer Document"	the document to be sent to Aer Lingus Shareholders containing the terms and conditions of the Offer;
"Offer Period"	the period commencing on the date of this announcement;
“Offer Price”	€1.30 per Aer Lingus Share;
"Offeror"	Coinside;
"Offeror Group"	Ryanair and its subsidiary undertakings, including Coinside;
"Official List"	the Official List of the Irish Stock Exchange and/or the Official List of the UK Listing Authority, as the context so requires;
"Panel"	the Irish Takeover Panel established under the Irish Takeover Panel Act 1997;
"Ryanair"	Ryanair Holdings plc, a public limited company incorporated in Ireland or, where the context so admits, any wholly owned subsidiary of Ryanair Holdings plc;
"Ryanair Group"	Ryanair and its subsidiary undertakings and associated undertakings;
"SEC"	the Securities and Exchange Commission of the United States;
"South Africa"	the Republic of South Africa, its provinces, possessions and territories, and all areas subject to its jurisdiction and any political sub-division thereof;
"Takeover Regulations"	the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006;
"Takeover Rules"	the Irish Takeover Panel Act, 1997, Takeover Rules 2007, (as amended);
"UK Listing Authority"	the Financial Services Authority of the United Kingdom acting in its capacity as competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000;
“UK Listing Rules”	the Listing Rules of the UK Listing Authority;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	the United States of America its territories and possessions, any state of the United States and the District of Columbia and all other areas subject to the jurisdiction of the United States of America;

All amounts contained within this announcement referred to by "€" and "c" refer to the Euro and cent.

Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Any references to a "**subsidiary undertaking**", "**associated undertaking**" and "**undertaking**" have the meaning given by the European Communities (Companies: Group Accounts) Regulations 1992.

Any reference to a subsidiary has the meaning given to it by section 155 of the Companies Act 1963.

Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine or neutral gender.

All times referred to are to Dublin time unless otherwise stated.