RYANAIR HOLDINGS PLC
Form 6-K
November 03, 2008

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 November, 2008

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 HALF YEAR PROFIT FALLS 47% TO €215m
FUEL UP 101% AS TRAFFIC GROWS 19% TO 32m

Ryanair, Europe's largest low fares airline, today (Monday, 3rd November 2008) announced half year profits of €215m, 47% down on last years interim profits as half year fuel costs more than doubled from €392.7m to €788.5m. Traffic grew by 19% to 32m, as average fares (incl. bag charges) fell by 4% to €47, while total revenues grew by 16% to €1.8bn. Unit costs excluding fuel fell by 6%, (incl. fuel they rose 21%), despite a 2% increase in average sector length.

Summary Table of Results (IFRS) - in Euro

Half Year Results	**Sept 30, 2007**	**Sept 30, 2008**	**% Increase**
Passengers	26.6m	31.6m	19%
Revenue	€1,554m	€1,811m	16%
Adjusted Profit after Tax (Note 1)	€407.6m	€214.6m	-47%
Adjusted Basic EPS(Euro Cents) (Note 1)	26.61	14.44	-46%

Ryanair's CEO Michael O'Leary said:

"Achieving a half year net profit of €215m in very difficult trading conditions with record oil prices is a testimony to the strength of the Ryanair lowest fare model, which delivered 19% traffic growth, and a 4% yield decline (due to the absence of Easter and falling baggage penetration rates). Ancillary revenues which grew by 28% to €322m account for almost 18% of revenues versus 16% last year. Unit costs including fuel rose by 21%. Fuel accounted for more than 50% of our total operating costs as the cost per barrel doubled from $63 to $125.

"Spot fuel prices have fallen recently to $60 pbl as the worldwide recession has led to a collapse in consumer confidence and consumption. Our fuel hedging position remains unchanged for fiscal 2008/09. We are 80% hedged for Q3 at $124 pbl and totally unhedged in Q4. In recent months a significant disconnect has emerged between spot and forward oil prices resulting in fiscal Q1 and Q2 pricing at a premium of $17 pbl over spot rates. In addition the hedging markets are illiquid which partly explains these high premiums. We have taken advantage of these recent falls in oil prices to hedge 25% of Q1 and Q2 fiscal 2009/10 supply at an average of $77 pbl. This will lock in a substantial saving over the $125 pbl paid in the half year to September 2008. We continue to closely monitor fuel prices and look for opportunities to extend our hedges at these much lower oil prices.

"High oil prices and the global recession has, (as we predicted), caused a string of airline bankruptcies and/or consolidations in Europe. Recent failures include Alitalia, Excel Airways, Futura, LTE, Sterling and Zoom. Many more loss making European airlines will go bust this winter because of unsustainable losses and insufficient cash reserves. Airline consolidation will continue as flag carriers merge into 3 high fare, fuel surcharging groups, led by Air France, BA, and Lufthansa. Ryanair will continue to compete with these high fare mega carriers most of whom stubbornly refuse to reduce their fuel surcharges to reflect the recent 50% fall in oil prices.

"Our new bases at Birmingham, Bologna, Bournemouth, Edinburgh and Reus performed well as consumers flock to Ryanair's guaranteed lowest fares and no fuel surcharges. We have announced 3 new Italian bases for March'09 at Alghero and Cagliari in Sardinia and Trapani in Sicily to capitalise on Alitalia's cutbacks as more airports realise that only Ryanair can deliver rapid sustainable traffic growth. Advance bookings this winter are slightly ahead of target although this is due to repeated price promotions resulting in lower than expected fares.

"The Irish government recently announced plans to introduce a €10 air travel tax which will discriminate against air transport as it is not applied to competing trains or ferries. We have called on the Irish government to replace this regressive flat rate tax with a fairer and more progressive percentage tax of the fare paid. This flat rate tax is grossly inequitable. Why should rich (business) passengers on €3,000 transatlantic airfares only pay the same €10 tax as price sensitive shorthaul passengers who (on many Ryanair flights) pay an airfare of less than €10. This flat rate travel tax has already failed in the UK and Holland where traffic at many airports is in steep decline. It is inevitable that Irish traffic/tourism will suffer a similar decline next year. While this tax will seriously damage our investment in Aer Lingus (who are almost entirely exposed to Irish originating traffic and whose load factors are steadily declining), its impact on Ryanair will be minor since just 15% of our traffic originates in Ireland. However, our base at Shannon (where average airfares are less than €10 all winter long) will be particularly hard hit and we expect to reduce flights and traffic by up to 75% from November 2009 if this penal flat rate tax is implemented as announced.

"In the UK we continue to call for the removal of Mr Harry Bush, the hopeless CAA regulator, as well as the sale of Stansted by the BAA monopoly. Mr Bush has rubber stamped almost all of the BAA's cost increases and capex proposals including their crazy plan to waste £4bn on Terminal 2 despite the unanimous opposition of all Stansted airline users to this gold plated Taj Mahal. He has stood idly by while airlines and passengers suffered lengthy security and passport queues, repeated baggage belt failures and a doubling of passenger charges over the past 18 months. The result of this regulatory failure has been the first decline in Stansted traffic over the last 20 years. The proposed sale of Gatwick is just the latest ruse by the BAA monopoly to avoid the Competition Commission's break-up recommendations. We believe the UK government and the Competition Authority must force the BAA to bring forward the early sale of Stansted and at least one of the Scottish airports. This will lead to real competition and better passenger service. It will also ensure that efficient facilities are built at Stansted which will meet the needs of airlines and consumers rather than inflate the costs and profits of the BAA monopoly.

"We have implemented our plans to ground 15 Stansted aircraft and 4 Dublin aircraft this winter following further unjustified increases in the already high passenger charges at these airports. Despite these reductions, we expect Ryanair's traffic will still grow by 9% this winter, and by 14% to 58m for the full year. The economic recession has caused consumer confidence to collapse. Ryanair's fares are now even more attractive as consumers become more price sensitive and trade down from high fare, fuel surcharging airlines, like Air France, BA and Lufthansa. As more airlines go bust, and the wave of European consolidation continues, the strongest survivors will be those airlines -like Ryanair- who are well financed, have a strong balance sheet, and the lowest cost base.

"The outlook for the remainder of this fiscal year (2008/09) is dependant upon fares and fuel prices. The recession will continue to drive down oil prices and fares this winter. We will continue to respond with lower fares and aggressive price promotions to keep Europe flying and to maintain our market leading load factors. Although we have limited visibility, we now believe that average fares in the second half will fall by between -15% to -20% leading to losses in the 3rd and 4th quarters. Our full year average fare could fall by almost -12% although these lower fares will be largely offset by lower fuel costs (currently $73 pbl in Q4). As a result our previous guidance remains unchanged and we remain confident that we will break even for the full year.

"We expect continuing bankruptcies and consolidations to create even more opportunities for Ryanair to grow. If oil prices remain at approx. $80 pbl next year then our earnings will rebound strongly. We have a significant cost advantage over our competitors many of whom have hedged fuel next year at significantly higher levels than current market prices. This will force competitors to further increase airfares and widen the price gap between them and Ryanair's lowest fares. With one of the strongest balance sheets in the airline industry, €2.1bn in cash and the lowest cost base, Ryanair is strongly positioned to take advantage of the opportunities that will inevitably arise from the financial crisis and economic recession over the coming year".

To celebrate these half year results today we have today launched a 1 million seat sale with €10 inclusive fares on every seat, every flight (Monday to Thursday plus Saturday), across 250 routes for travel in late November, early December 2008 and January. These €10 seats are available for sale this week only on www.ryanair.com

Note 1.

Half Year September 2008, excludes exceptional costs of i) Accelerated Depreciation of €25.7 m on 15 aircraft to be disposed in financial years 2008/09 and 2009/10 and, ii) a €93.6m write down of our stake in Aer Lingus.

Ends. Monday, 3rd November 2008

For further information	Howard Millar	Pauline McAlester
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www.ryanair.com

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 the 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 31 bases and 808 low fare routes across 26 countries. By the end of March 2009 Ryanair will operate a fleet of 195 new Boeing 737-800 aircraft with firm orders for a

further 70 new aircraft (all net of planned disposals), which will be delivered over the next 4 years. Ryanair currently employs a team of more than 6,000 people and expects to carry approximately 58 million scheduled passengers in the current fiscal year.

Ryanair Holdings plc

Unaudited Condensed Consolidated Interim Balance Sheet as at September 30, 2008

	At Sep 30, 200 8 €'000	At Mar 31, 200 8 €'000
Non-current assets		
Property, plant and equipment	**3,620,055**	3,582,126
Intangible assets	**46,841**	46,841
Available for sale financial assets	**226,108**	311,462
Derivative financial instruments	**57,405**	-
Total non-current assets	**3,950,409**	3,940,429
Current assets		
Inventories	**1,449**	1,997
Other assets	**102,536**	169,580
Current tax	**-**	1,585
Trade receivables	**41,317**	34,178
Derivative financial instruments	**23,029**	10,228
Restricted cash	**189 , 853**	292,431
Financial assets: cash > 3months	**133,628**	406,274
Cash and cash equivalents	**1,739,651**	1,470,849
Total current assets	**2,231,463**	2,387,122
Total assets	**6,181,872**	6,327,551
Current liabilities		
Trade payables	**178,478**	129,289
Accrued expenses and other liabilities	**677,058**	919,349
Current maturities of debt	**319,307**	366,801
Derivative financial instruments	**54,004**	141,711
Current tax	**1,124**	-
Total current liabilities	**1,229,971**	1, 557,150
Non-current liabilities		
Provisions	**54,081**	44,810
Derivative financial instruments	**37,090**	75,685
Deferred income tax	**174,669**	148,088
Other creditors	**102,154**	99,930
Non-current maturities of debt	**1,881,835**	1,899,694
Total non-current liabilities	**2,249,829**	2,268,207
Shareholders' equity		
Issued share capital	**9,391**	9,465
Share premium account	**616,408**	615,815
Capital redemption reserve	**453**	378
Retained earnings	**2,062,676**	2,000,422
Other reserves	**13,144**	(123,886)
Shareholders' equity	**2,702,072**	2,502,194
Total liabilities and shareholders' equity	**6,181,872**	6,327,551

Ryanair Holdings plc and Subsidiaries

Unaudited Condensed Consolidated Interim Income Statement for the half-year ended September 30, 2008

	Pre Exceptional Results Sep-30 2008 €'000	Exceptional Items Sep-30 2008 €'000	Total Half-year Ended Sep-30 2008 €'000	Half-year Ended Sep-30 2007 €'000
Operating revenues				
Scheduled revenues	**1,488,446**	-	**1,488,446**	1,301,998
Ancillary revenues	**322,146**	-	**322,146**	252,330
Total operating revenues -continuing operations	**1,810,592**	-	**1,810,592**	1,554,328
Operating expenses				
Staff costs	**160,013**	-	**160,013**	146,285
Depreciation	**96,849**	**25 , 661**	**122,510**	76,063
Fuel & oil	**788,518**	-	**788,518**	392,737
Maintenance, materials & repairs	**30,648**	-	**30,648**	26,940
Marketing & distribution costs	**7,284**	-	**7,284**	14,535
Aircraft rentals	**38,216**	-	**38,216**	36,707
Route charges	**151,011**	-	**151,011**	128,975
Airport & handling charges	**238,263**	-	**238,263**	208,883
Other	**63,398**	-	**63,398**	61,770
Total operating expenses	**1,574,200**	**25,661**	**1,599,861**	1,092,895
Operating profit - continuing operations	**236,392**	**(25,661)**	**210,731**	461,433
Other income/(expenses)				
Loss on impairment of available for sale financial asset	-	**(93,582)**	**(93,582)**	-
Gain on disposal of property, plant & equipment	**184**	-	**184**	-
Finance income	**46,352**	-	**46,352**	41,494
Finance expense	**(58,562)**	**-**	**(58,562)**	(44,865)
Foreign exchange gain	**118**	-	**118**	1,487
Total other income/(expenses)	**(11,908)**	**(93,582)**	**(105,490)**	(1,884)
Profit before tax	**224,484**	**(119,243)**	**105,241**	459,549
Tax on profit on ordinary activities	**(9,925)**	**-**	**(9,925)**	(51,953)
Profit for the period- all attributable to equity holders of parent	**214,559**	**(119,243)**	**95,316**	407,596
Basic earnings per ordinary share euro cent			**6.42**	26.61
Diluted earnings per ordinary share euro cent			**6.41**	26.34
Weighted average number of ordinary shares (in 000's)			**1,485,527**	1,531,512

Weighted average number of diluted shares (in 000's)	**1,487,250**	1,547,162

Ryanair Holdings plc and Subsidiaries

Unaudited Condensed Consolidated Interim Income Statement for the quarter ended September 30, 2008

	Pre Exceptional Results Sep-30 2008 €'000	**Exceptional Items Sep-30 2008 €'000**	**Total Quarter Ended Sep-30 2008 €'000**	**Quarter Ended Sep-30 2007 €'000**
Operating revenues				
Scheduled revenues	**858,335**	-	**858,335**	726,050
Ancillary revenues	**175,378**	-	**175,378**	135,272
Total operating revenues -continuing operations	**1,033,713**	-	**1,033,713**	861,322
Operating expenses				
Staff costs	**79,556**	-	**79,556**	70,358
Depreciation	**49,676**	**7,803**	**57,479**	41,285
Fuel & oil	**421,968**	-	**421,968**	202,348
Maintenance, materials & repairs	**16,341**	-	**16,341**	14,310
Marketing & distribution costs	**4,326**	-	**4,326**	6,221
Aircraft rentals	**19,128**	-	**19,128**	18,525
Route charges	**76,856**	-	**76,856**	65,802
Airport & handling charges	**124,440**	-	**124,440**	107,076
Other	**30,738**	-	**30,738**	31,426
Total operating expenses	**823,029**	**7,803**	**830,832**	557,351
Operating profit - continuing operations	**210,684**	**(7,803)**	**202,881**	303,971
Other income/(expenses)				
Gain on disposal of property, plant & equipment	**85**	-	**85**	-
Finance income	**23,620**	-	**23,620**	21,438
Finance expense	**(28,525)**	**-**	**(28,525)**	(21,941)
Foreign exchange (loss)/gain	**(2,360)**	-	**(2,360)**	121
Total other income/(expenses)	**(7,180)**	**-**	**(7,180)**	(382)
Profit before tax	**203,504**	**(7,803)**	**195,701**	303,589
Tax on profit on ordinary activities	**(9,925)**	**-**	**(9,925)**	(34,907)
Profit for the period- all attributable to equity holders of parent	**193,579**	**(7,803)**	**185,776**	268,682
Basic earnings per ordinary share euro cent			**12.56**	17.72
Diluted earnings per ordinary share euro cent			**12.55**	17.55

Weighted average number of ordinary shares (in 000's)	**1,479,126**	1,515,884
Weighted average number of diluted shares (in 000's)	**1,480,578**	1,530,912

Ryanair Holdings plc and Subsidiaries

Unaudited Consolidated Interim Cashflow Statement for the half-year ended September 30, 2008

	Half-year Ended Sep 30, 2008 €'000	Half-year Ended Sep 30, 200 7 €'000
Operating activities		
Profit before tax	**105,241**	459,549
Adjustments to reconcile profits before tax to net cash provided by operating activities		
Depreciation	**122,510**	76,063
Decrease/(increase) in inventories	**548**	(466)
(Increase) in trade receivables	**(7,139)**	(5,491)
Decrease in other current assets	**68,108**	26,083
Increase in trade payables	**49,189**	2,627
(Decrease) in accrued expenses	**(266,799)**	(103,964)
Increase in other creditors	**2,224**	7,349
Increase in maintenance provisions	**9,271**	6,563
(Gain) on disposal of property, plant and equipment	**(184)**	-
Loss on impairment of available for sale financial asset	**93,582**	-
(Increase) in interest receivable	**(1,064)**	(3,549)
Increase/(decrease) in interest payable	**3**	(1,617)
Retirement costs	**215**	656
Share based payments	**1,522**	9,135
Income tax refunded/(paid)	**518**	(216)
Net cash provided by operating activities	**177,745**	472,722
Investing activities		
Capital expenditure (purchase of property, plant and equipment)	**(260,479)**	(329,926)
Proceeds from sale of property, plant and equipment	**78,794**	-
Purchase of equities classified as available for sale	**(4,661)**	(57,039)
Net reduction in restricted cash		

30 Sep

Figures in MXN millions 2010

Grupo Financiero – Net Income Under Mexican GAAP	1,887
Differences arising from:	
Valuation of pensions and post retirement healthcare benefits W	60
Acquisition costs relating to long-term investment contracts W	(26)
Deferral of fees received and paid on the origination of loans	29
Recognition and provisioning for loan impairments W	1,274
Purchase accounting adjustments W	(15)
Recognition of the present value in-force of long-term insurance contracts W	(11)
Other W	257
Net income under IFRS	3,455
US dollar equivalent (millions)	272
Add back tax expense	877
Profit before tax under IFRS	4,332
US dollar equivalent (millions)	341
Exchange rate used for conversion	12.71

W Net of tax at 30 per cent.

Summary of key differences between Grupo Financiero's results as reported under Mexican GAAP and IFRS

Valuation of pensions and post retirement healthcare benefits
Mexican GAAP
Obligations are recognised in the Income Statement of each year based on actuarial computations of the present value of those obligations using the projected unit credit method and real interest rates.
Unrecognised past service costs are amortised on an estimated service life of the employees.

IFRS
Obligations are recognised in the Income Statement of each year based on actuarial computations of the present value of those obligations using the projected unit credit method.
Actuarial gains and losses are recognised in stockholders equity as they arise.
Unrecognised past service costs are recognised in the Income Statement as they arise.

Acquisition costs of long-term investment contracts
Mexican GAAP
All costs related to the acquisition of long-term investment contracts are expensed as they are incurred.

IFRS
Incremental costs relating to the acquisition of long-term investment contracts are deferred and amortised over the expected life of the contract.

Fees paid and received on origination of loans
Mexican GAAP
All fees received on loan origination are deferred and amortised over the life of the loan using straight line method. However, this policy was introduced 1 January 2007, all fees having previously been recognised up front.

IFRS
Fees and expenses received or paid on origination of a loan that are directly attributable to the origination of that loan are accounted for under the effective interest rate method over the expected life of the loan. This policy has been in effect since 1 January 2005.

Loan impairment charges
Mexican GAAP
Loan impairment charges are calculated following the rules issued by the Mexican Ministry of Finance and the National Banking and Securities Commission. Such rules establish authorised methodologies for determining the amount of provision for each type of loan.

IFRS
Impairment losses on collectively assessed loans are calculated as follows:

- When appropriate empirical information is available, the Bank utilises roll rate methodology. This methodology employs statistical analysis of historical data and experience of delinquency and default to estimate the amount of loans that will eventually be written off as a result of events occurring before the balance sheet date which the Bank is not able to identify on an individual loan basis, and that can be reliably estimated.
- In other cases, loans are grouped together according to their credit risk characteristics for the purpose of calculating an estimated collective loss.

Impairment losses on individually assessed loans are calculated by discounting the expected future cash flows of a loan at its original effective interest rate, and comparing the resultant present value with the loans current carrying value.

Purchase accounting adjustments
Purchase accounting adjustments arose from the valuation of assets and liabilities on acquiring Grupo Financiero Bital in November 2002 under IFRS. Under Mexican GAAP, a different valuation methodology is applied.

Recognition of present value of in-force long-term life insurance contracts
Mexican GAAP
The present value of future earnings is not recognised. Premiums are accounted for on a received basis and reserves are calculated in accordance with guidance as set out by the Insurance Regulator (Comisión Nacional de Seguros y Fianzas).

IFRS
A value is placed on insurance contracts that are classified as long-term insurance business and are in-force at the balance sheet date. The present value of in-force long-term insurance business is determined by discounting future earnings expected to emerge from business currently in force using appropriate assumptions in assessing factors such as recent experience and general economic conditions.

SIGNATURE

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, thereunto duly authorized.

HSBC Holdings plc

By:

Name: P A Stafford

Title: Assistant Group Secretary

Date: 29 October, 2010