

EasyJet CEO to step down next year

- A Monitor Desk Report

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London: Johan Lundgren is to step down as chief executive of Britain's biggest budget airline, easyJet, within a year after seven years at the helm.

He will be replaced by chief financial officer Kenton Jarvis, the carrier said, as it announced reduced half-year losses.

Mr Lundgren, a former tour guide who joined from Tui, ran easyJet as it endured its most turbulent times since launching in 1995: the consequences of Brexit, followed by the Covid pandemic.

He said: "I congratulate Kenton on being nominated my successor. It is fully deserved, and I will work closely with him and the whole executive team to achieve this year's goals and hand over responsibilities smoothly at the end of the year.

"There are important things still to accomplish over the balance of the

year, but when the time comes, I will leave easyJet with a great sense of loyalty and of pride at the progress made and the potential the company has for the future.”

The chair of easyJet, Sir Stephen Hester, praised Mr Lundgren for “steering the company through the immense challenges of the Covid period”, as well as “setting up a clear strategy and strong execution plan towards its ambition of ‘being Europe’s most-loved airline’”.

Mr Jarvis said: “I am a huge believer in the future for our airline, which is powered by the talents and enthusiasm of our frontline staff.”

Ryanair, easyJet’s biggest rival, has been led by chief executive Michael O’Leary for 30 years.

News of Mr Lundgren’s departure accompanied easyJet’s half-year results for 2024. The airline lost £350m in the six months between October 2023 and March 2024 – about £9.50 for each of the 36.7 million passengers flown.

Winter losses are normal for budget airlines, and the figure represents a £61m improvement on a year earlier, with 12 per cent more capacity.

For the key three months of summer 2024 – July, August and September – sales and fares are ahead of 2023 levels.

Mr Lundgren said: “We are now absolutely focused on another record summer which is expected to deliver strong [full-year] earnings growth and are on track to achieve our medium-term targets.”

The airline will reopen its base at Southend airport at the start of the aviation summer season in March 2025.

The Essex base was closed, along with Stansted and Newcastle, in August 2020. John Upton, chief executive of London Southend Airport, said: “This move is indicative of the demand from people in the east of London, Essex and the wider East Anglia region.

“Our dedicated onsite rail station is less than one hour from central London; only 43 minutes from Stratford, London, with connections to the Elizabeth line; and only 100 paces from the terminal door.”

Aviation analyst Sean Moulton said: “The return of an easyJet base to

London Southend, five years since its closure, will boost the viability of the airport.

“With limited direct competition, easyJet will have a near-monopoly on flights from London Southend – which is similar to 2012 when the airline first launched.”

The airline will serve a range of European and North African destinations from Southend, including Marrakech in Morocco and Enfidha in Tunisia.

In particular, easyJet has been boosted by its holiday package business, which launched in 2019 and accounted for more than a quarter of group profits last year on the back of a post-Covid shift in demand towards more leisure travel.

Although its shares dipped on Thursday’s announcement, it has risen up the stock market over the past year, outpacing the global airline index and rejoining the FTSE 100.

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