

TRAFFIC AND CAPACITY STATISTICS – April 2006

Summary of the headline figures

In April 2006, passenger capacity, measured in Available Seat Kilometres, was 4.2 per cent above April 2005. Traffic, measured in Revenue Passenger Kilometres, was higher by 9.8 per cent. This resulted in a passenger load factor up 4 points versus last year, to 78.7 per cent. The increase in traffic comprised a 3.8 per cent increase in premium traffic and a 10.9 per cent increase in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, rose by 1.3 per cent. Overall load factor rose by 2.9 points to 71.6 per cent.

As highlighted last month, the timing of Easter this year has reduced premium volumes and benefited non premium volumes in April.

Market conditions

Market conditions remain broadly unchanged as significant promotional activity is required to maintain seat factors.

Strategic Developments

British Airways increased the fuel surcharge on its longhaul flights from Friday April 21, 2006 as a result of further rises in the price of fuel. The longhaul fuel surcharge on tickets sold and issued in the UK increased from £30 per sector to £35 per sector (£70 return trip). The shorthaul fuel surcharge remained unchanged at £8 per sector (£16 a return trip). The annual fuel bill for 2005/2006 is expected to be some £1.6 billion. We estimated previously that this would rise by £400million in 2006/2007 but at these high fuel prices, we would now expect this year's fuel bill to be £600 million higher at £2.2 billion.

The company announced a radical shake-up of its short-haul air fares with one-way all-inclusive tickets starting at £29. All non-changeable economy tickets have been scrapped with air travellers able to change their flights, no matter what they have paid for the ticket, up to midnight the day before departure. The airline increased the flexibility of its lowest priced tickets in response to feedback from its customers who increasingly need to change their flight bookings at short notice due to altering schedules. The move increases the number of changeable tickets on sale by 15 million a year.

In his first major speech on the environment, Willie Walsh, chief executive of British Airways, said the European Commission should keep its plans for aviation emissions trading simple and practical. He urged the Commission not to risk delaying the extension of its carbon trading scheme to airlines by making the arrangements too complicated. Addressing Ireland's National Management Conference in Co Wicklow, he said it was vital to bring the EU scheme into operation to demonstrate the aviation industry's commitment to addressing its impact on global warming. But he warned that the size of aviation's share of global carbon emissions was sometimes overstated. Mr Walsh said the European scheme should apply, initially at least, to flights within the EU only.

The company met with its trade unions to hear their joint response to the proposal to address the £1 billion past deficit in the New Airways Pensions Scheme (NAPS). Further talks were agreed.

British Airways made a £500,000 donation to help rebuild 11 schools devastated in the South Asia earthquake last autumn. The money, which was raised through the British Airways Change for Good Programme, has been given to UNICEF as part of the airline's continuing support of relief efforts across the region.

May 4, 2006

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

Month of April

BRITISH AIRWAYS GROUP SCHEDULED SERVICES	2006	2005	Change (%)
Passengers carried (000)			
UK/Europe	1959	1923	+1.9
Americas	670	622	+7.6
Asia Pacific	160	140	+14.2
Africa and Middle East	280	239	+17.1
Total	3068	2924	+5.0
Revenue passenger km (m)			
UK/Europe	1848	1753	+5.4
Americas	4513	4158	+8.6
Asia Pacific	1606	1443	+11.3
Africa and Middle East	1863	1599	+16.5
Total	9830	8952	+9.8
Available seat km (m)			
UK/Europe	2592	2684	-3.4
Americas	5472	5253	+4.2
Asia Pacific	2017	1929	+4.6
Africa and Middle East	2403	2112	+13.8
Total	12486	11979	+4.2
Passenger load factor (%)			
UK/Europe	71.3	65.3	+6.0pts
Americas	82.5	79.1	+3.4pts
Asia Pacific	79.6	74.8	+4.8pts
Africa and Middle East	77.5	75.7	+1.8pts
Total	78.7	74.7	+4.0pts
Revenue tonne km (RTK) (m)			
Cargo tonne km (CTK)	404	398	+1.3
Total RTK	1380	1287	+7.3
Available tonne km (m)	1928	1873	+3.0
Overall load factor (%)	71.6	68.7	+2.9pts

Certain statements included in this statement may be forward-looking and may involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements include, without limitation, projections relating to results of operations and financial conditions and the company's plans and objectives for future operations, including, without limitation, discussions of the company's business and financing plans, expected future revenues and expenditures and divestments. All forward-looking statements in this report are based upon information known to the company on the date of this report. The company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

It is not reasonably possible to itemise all of the many factors and specific events that could cause the company's forward-looking statements to be incorrect or that could otherwise have a material adverse effect on the future operations or results of an airline operating in the global economy.

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