

TRAFFIC AND CAPACITY STATISTICS – January 2006*Summary of the headline figures*

In January 2006, passenger capacity, measured in Available Seat Kilometres, was 3 per cent above January 2005. Traffic, measured in Revenue Passenger Kilometres, was higher by 3.3 per cent. This resulted in a passenger load factor up 0.2 points versus last year, to 72.5 per cent. The increase in traffic comprised a 7.8 per cent increase in premium traffic and a 2.6 per cent increase in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, was flat. Overall load factor was also flat at 68.1 per cent.

Market conditions

Some yield improvement is still expected for this financial year. Consequently, revenue is now expected to grow by more than 8%.

Despite the improved revenue outlook, market conditions remain broadly unchanged as significant promotional activity is required to maintain seat factors.

Costs

Underlying costs excluding fuel are now expected to be some 1% higher than the guidance we gave at the beginning of the year, which was flat.

Fuel costs continue to be a challenge for the industry, but our guidance is unchanged with total fuel costs expected to be up by £525 million this year.

Strategic Developments

British Airways' regional subsidiary, British Airways CitiExpress, was relaunched as BA Connect in a major drive to improve profitability and compete more aggressively in the UK regions by offering more choice and lower fares slashed by more than 40 per cent.

The airline announced that it aims to comply fully with new US government Advanced Passenger Information legislation by March 7, 2006. The new legislation requires extra passenger information from all non-US passport holders travelling to the US including their country of residence and a first night destination address as well as data found in their passport.

At a speech at the Wings Club in New York, chairman Martin Broughton called on the United States government to show courage and free the aviation industry from its regulatory straitjacket by scrapping existing foreign ownership rules. He challenged the US administration to create a genuine dialogue with Congress over the potential benefits of allowing overseas companies to take majority stakes in American carriers.

February 3, 2006

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

BRITISH AIRWAYS SCHEDULED SERVICES	Month of January			Financial year April through to Jan		
	2006	2005	Change (%)	2006	2005	Change (%)
Passengers carried (000)						
UK/Europe	1599	1599	+0.0	19601	19934	-1.7
Americas	562	577	-2.6	6243	6120	+2.0
Asia Pacific	166	147	+12.8	1592	1399	+13.8
Africa and Middle East	318	299	+6.1	2612	2585	+1.0
Total	2644	2622	+0.9	30047	30038	+0.0
Revenue passenger km (m)						
UK/Europe	1425	1407	+1.3	18113	17859	+1.4
Americas	3795	3881	-2.2	41925	40940	+2.4
Asia Pacific	1727	1512	+14.2	16407	14391	+14.0
Africa and Middle East	2172	2025	+7.2	17654	17306	+2.0
Total	9119	8825	+3.3	94100	90496	+4.0
Available seat km (m)						
UK/Europe	2532	2545	-0.5	26669	26034	+2.4
Americas	5144	5185	-0.8	52816	52315	+1.0
Asia Pacific	2225	1979	+12.4	21367	19481	+9.7
Africa and Middle East	2670	2497	+6.9	22864	22678	+0.8
Total	12571	12206	+3.0	123715	120508	+2.7
Passenger load factor (%)						
UK/Europe	56.3	55.3	+1.0pts	67.9	68.6	-0.7pts
Americas	73.8	74.8	-1.0pts	79.4	78.3	+1.1pts
Asia Pacific	77.6	76.4	+1.2pts	76.8	73.9	+2.9pts
Africa and Middle East	81.3	81.1	+0.2pts	77.2	76.3	+0.9pts
Total	72.5	72.3	+0.2pts	76.1	75.1	+1.0pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	412	412	+0.0	4100	4148	-1.1
Total RTK	1335	1305	+2.3	13508	13196	+2.4
Available tonne km (m)	1961	1917	+2.3	19326	18865	+2.4
Overall load factor (%)	68.1	68.1	+0.0pts	69.9	69.9	+0.0pts

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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