

TRAFFIC AND CAPACITY STATISTICS – January 2008*Summary of the headline figures*

In January 2008, passenger capacity, measured in Available Seat Kilometres, was 0.6 per cent below January 2007. Traffic, measured in Revenue Passenger Kilometres, fell 1.6 per cent. This resulted in a passenger load factor down 0.7 points versus last year, to 69.2 per cent. Traffic comprised an 8.8 per cent increase in premium traffic and a 3.5 per cent fall in non-premium traffic. Comparatives between January 2007 and 2008 are difficult. In 2007, although a full schedule was operated, bookings were impacted by the threat of industrial action. In 2008, there were a significant number of cancellations. These were caused by the landing incident with BA38 on January 17, which impacted runway operations for several days. In addition, several instances of fog and high winds during the month caused flow rates to be reduced, which led to further cancellations.

Cargo, measured in Cargo Tonne Kilometres, rose by 16.0 per cent.

Market conditions

As reported in Friday's Interim Management Statement, premium traffic remains strong, particularly in the Club World cabin. Longhaul non-premium and shorthaul premium markets continue to show weakness.

Strategic Developments

British Airways said its new EU-US subsidiary airline "OpenSkies" will operate daily flights from Brussels and Paris to New York. The airline will launch in June 2008 with one Boeing 757 aircraft and plans to operate six B757s by the end of 2009.

Following the Government's decision to lift hand baggage restrictions British Airways customers flying through and out of Heathrow are now able to take two pieces of free hand baggage on board. The one bag limit is still in place at Gatwick.

British Airways announced it is to start flights from Heathrow to the Indian city of Hyderabad from October 27, 2008. Hyderabad will be the airline's sixth Indian destination joining Bangalore, Chennai, Delhi, Kolkata and Mumbai on its route network. The new service will be operated by a Boeing 777 with five services per week.

British Airways said it is increasing its service to Buenos Aires with daily flights and non-stop to Rio de Janeiro next winter. The airline is upping its Heathrow to Buenos Aires flights from four per week to a daily service and flying non-stop from Heathrow to Rio instead of via Sao Paulo, cutting more than two hours off the flight time.

The airline unveiled a new carbon offset scheme and backing for deforestation prevention in Brazil. It is also supporting research into the effects of aircraft's non-carbon emissions. The offset scheme uses UN certified emissions reductions to help finance clean energy projects in developing countries. Customers offsetting their flight emissions will be supporting a new windfarm in one of the poorest regions of China, as well as run-of-the-river hydro electric plants in China and Brazil.

British Airways unveiled the latest feature of its new home in Terminal 5 - a luxurious complex of six lounges covering 15,000 square feet, based on the look and feel of a modern boutique hotel. The lounges or 'galleries' complex is the largest and most luxurious in the world for the exclusive use of up to 2,500 British Airways premium passengers and top tier members of the oneworld alliance's frequent flyer schemes.

At the Civil Aviation Authority (CAA) hearing on the BAA airport charges review, British Airways urged the CAA to stop BAA delaying the introduction of improved customer service quality targets at Heathrow by up to two years.

February 5, 2008

BRITISH AIRWAYS SCHEDULED SERVICES

	Month of January			Financial year		
	2008	2007	Change (%)	April to January 2008	2006/07	Change (%)
Passengers carried (000)						
UK/Europe	1325	1326	-0.1	17221	17253	-0.2
Americas	553	542	+2.0	6374	6301	+1.2
Asia Pacific	145	145	-0.3	1531	1556	-1.6
Africa and Middle East	306	333	-8.0	2957	2979	-0.7
Total	2329	2347	-0.8	28083	28089	-0.0
Revenue passenger km (m)						
UK/Europe	1270	1277	-0.5	17030	17097	-0.4
Americas	3750	3686	+1.7	42909	42479	+1.0
Asia Pacific	1510	1499	+0.7	15744	15886	-0.9
Africa and Middle East	2081	2292	-9.2	19815	20062	-1.2
Total	8611	8754	-1.6	95497	95523	-0.0
Available seat km (m)						
UK/Europe	2294	2292	+0.1	24491	23562	+3.9
Americas	5428	5294	+2.5	55437	54712	+1.3
Asia Pacific	1926	1989	-3.1	19535	20162	-3.1
Africa and Middle East	2801	2946	-4.9	25793	25912	-0.5
Total	12449	12521	-0.6	125256	124347	+0.7
Passenger load factor (%)						
UK/Europe	55.4	55.7	-0.3 pts	69.5	72.6	-3.1 pts
Americas	69.1	69.6	-0.5 pts	77.4	77.6	-0.2 pts
Asia Pacific	78.4	75.4	+3.0 pts	80.6	78.8	+1.8 pts
Africa and Middle East	74.3	77.8	-3.5 pts	76.8	77.4	-0.6 pts
Total	69.2	69.9	-0.7 pts	76.2	76.8	-0.6 pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	393	339	+16.0	4059	3978	+2.0
Total RTK	1268	1240	+2.3	13681	13650	+0.2
Available tonne km (m)	1895	1907	-0.6	19185	19276	-0.5
Overall load factor (%)	66.9	65.0	+1.9 pts	71.3	70.8	+0.5 pts

Certain information included in these statements is forward-looking and involves 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 Plan programs, expected future revenues, financing plans and expected 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 itemize 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. Fuller information on some factors which could result in material difference to the results is available in the company's Annual Report for the year ended 31 March 2007, which is available on www.bashareholders.com.