

**TRAFFIC AND CAPACITY STATISTICS – June 2007***Summary of the headline figures*

In June 2007, passenger capacity, measured in Available Seat Kilometres, was 0.4 per cent above June 2006. Traffic, measured in Revenue Passenger Kilometres, was lower by 1.4 per cent. This resulted in a passenger load factor down 1.4 points versus last year, to 80.5 per cent. The decrease in traffic comprised a 1.4 per cent increase in premium traffic and a 1.9 per cent decrease in non-premium traffic.

Cargo, measured in Cargo Tonne Kilometres, fell by 1.5 per cent. Overall load factor rose 0.4 points to 73.8 per cent.

Premium traffic volumes remained strong, showing a 1.4% increase on a base up 11.7% in the previous year. Non-premium traffic continued to show some comparative weakness on the North Atlantic and in shorthaul domestic, with overall volumes down 1.9% against a 5.7% increase in the previous year.

For the April to June quarter, ASKs rose by 0.3 per cent, with RPKs down by 1.9 per cent. This resulted in a decrease in passenger load factor of 1.8 points, to 76.8 per cent. This comprised a 0.1 per cent increase in premium traffic and a 2.3 per cent decrease in non-premium traffic. CTKs fell by 2.9 per cent.

*Market conditions*

Market conditions are broadly unchanged. However, it is too early to assess the impact of the latest security measures at UK airports on forward bookings.

*Revenue and costs*

The US dollar to Sterling exchange rate is some nine per cent weaker in quarter one this year versus last year. Whilst this is not helpful to revenue, it is having a positive impact on costs.

*Strategic Developments*

British Airways joined the new cross industry environmental lobby group called Flying Matters. The group will seek to rebalance the debate about aviation's impact on climate change.

Credit rating agency, Standard and Poor's upgraded British Airways corporate credit rating to investment grade. The company was downgraded to sub-investment grade or junk status in July 2003 following the events of September 11, 2001 and the war in Iraq. During that period the company has reduced its net debt from £6.6bn to £990m and steadily increased its operating margin.

British Airways has confirmed that its flights to Dallas Fort Worth and Houston will move from Gatwick to Heathrow from March 30, 2008 when the "Open Skies" aviation agreement starts. There will be a daily flight to Dallas Fort Worth and two flights each day to Houston, all of which will be operated on Boeing 777s.

*July 4, 2007*

**BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS**

<b>BRITISH AIRWAYS SCHEDULED SERVICES</b>	<b>Month of June</b>			<b>Financial year April through to June</b>		
	<b>2007</b>	<i>2006</i>	<b>Change (%)</b>	<b>2007</b>	<i>2006</i>	<b>Change (%)</b>
<b>Passengers carried (000)</b>						
UK/Europe	<b>1858</b>	<i>1918</i>	<i>-3.1</i>	<b>5382</b>	<i>5420</i>	<i>-0.7</i>
Americas	<b>702</b>	<i>724</i>	<i>-3.1</i>	<b>1980</b>	<i>2063</i>	<i>-4.0</i>
Asia Pacific	<b>154</b>	<i>158</i>	<i>-2.6</i>	<b>447</b>	<i>463</i>	<i>-3.3</i>
Africa and Middle East	<b>287</b>	<i>276</i>	<i>+4.0</i>	<b>840</b>	<i>823</i>	<i>+2.1</i>
<b>Total</b>	<b>3002</b>	<i>3077</i>	<i>-2.5</i>	<b>8649</b>	<i>8769</i>	<i>-1.4</i>
<b>Revenue passenger km (m)</b>						
UK/Europe	<b>1846</b>	<i>1898</i>	<i>-2.8</i>	<b>5330</b>	<i>5361</i>	<i>-0.6</i>
Americas	<b>4732</b>	<i>4870</i>	<i>-2.8</i>	<b>13333</b>	<i>13888</i>	<i>-4.0</i>
Asia Pacific	<b>1579</b>	<i>1611</i>	<i>-2.0</i>	<b>4560</b>	<i>4670</i>	<i>-2.4</i>
Africa and Middle East	<b>1921</b>	<i>1838</i>	<i>+4.5</i>	<b>5619</b>	<i>5478</i>	<i>+2.6</i>
<b>Total</b>	<b>10078</b>	<i>10217</i>	<i>-1.4</i>	<b>28842</b>	<i>29397</i>	<i>-1.9</i>
<b>Available seat km (m)</b>						
UK/Europe	<b>2455</b>	<i>2407</i>	<i>+2.0</i>	<b>7435</b>	<i>7214</i>	<i>+3.1</i>
Americas	<b>5635</b>	<i>5633</i>	<i>+0.0</i>	<b>16672</b>	<i>16779</i>	<i>-0.6</i>
Asia Pacific	<b>1947</b>	<i>2023</i>	<i>-3.8</i>	<b>5930</b>	<i>6119</i>	<i>-3.1</i>
Africa and Middle East	<b>2478</b>	<i>2406</i>	<i>+3.0</i>	<b>7505</b>	<i>7303</i>	<i>+2.8</i>
<b>Total</b>	<b>12514</b>	<i>12468</i>	<i>+0.4</i>	<b>37542</b>	<i>37414</i>	<i>+0.3</i>
<b>Passenger load factor (%)</b>						
UK/Europe	<b>75.2</b>	<i>78.9</i>	<i>-3.7 pts</i>	<b>71.7</b>	<i>74.3</i>	<i>-2.6 pts</i>
Americas	<b>84.0</b>	<i>86.5</i>	<i>-2.5 pts</i>	<b>80.0</b>	<i>82.8</i>	<i>-2.8 pts</i>
Asia Pacific	<b>81.1</b>	<i>79.6</i>	<i>+1.5 pts</i>	<b>76.9</b>	<i>76.3</i>	<i>+0.6 pts</i>
Africa and Middle East	<b>77.5</b>	<i>76.4</i>	<i>+1.1 pts</i>	<b>74.9</b>	<i>75.0</i>	<i>-0.1 pts</i>
<b>Total</b>	<b>80.5</b>	<i>81.9</i>	<i>-1.4 pts</i>	<b>76.8</b>	<i>78.6</i>	<i>-1.8 pts</i>
<b>Revenue tonne km (RTK) (m)</b>						
Cargo tonne km (CTK)	<b>398</b>	<i>405</i>	<i>-1.5</i>	<b>1188</b>	<i>1224</i>	<i>-2.9</i>
Total RTK	<b>1413</b>	<i>1440</i>	<i>-1.8</i>	<b>4091</b>	<i>4200</i>	<i>-2.6</i>
Available tonne km (m)	<b>1916</b>	<i>1961</i>	<i>-2.3</i>	<b>5747</b>	<i>5914</i>	<i>-2.8</i>
<b>Overall load factor (%)</b>	<b>73.8</b>	<i>73.4</i>	<i>+0.4 pts</i>	<b>71.2</b>	<i>71.0</i>	<i>+0.2 pts</i>

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](http://www.bashareholders.com).