

TRAFFIC AND CAPACITY STATISTICS – March 2006

Summary of the headline figures

In March 2006, passenger capacity, measured in Available Seat Kilometres, was 2.5 per cent above March 2005. Traffic, measured in Revenue Passenger Kilometres, was higher by 1.8 per cent. This resulted in a passenger load factor down 0.5 points versus last year, to 75.2 per cent. The increase in traffic comprised a 15 per cent increase in premium traffic and a 0.4 per cent decrease in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, rose by 3.5 per cent. Overall load factor fell by 0.2 points to 70.5 per cent.

The timing of Easter this year has benefited premium volumes and reduced non premium volumes in March. This effect will reverse next month

For the January to March quarter, ASKs rose by 2.8 per cent, with RPKs rising by 2.9 per cent. This resulted in an increase in passenger load factor of 0.1 points, to 73.1 per cent. This comprised a 10.1per cent increase in premium traffic and a 1.6 per cent increase in non-premium traffic. CTKs rose by 0.9 per cent.

Market conditions

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

Strategic Developments

The company announced a proposal to clear the £1 billion past service actuarial deficit in its New Airways Pension Scheme (NAPS). The proposal is based on a final salary pension scheme with no changes to past service benefits or staff contribution rates but with changes to members' future benefits. The airline will make a payment of £500 million into NAPS after the changes are accepted.

The airline announced its two year business plan to March 2008 to drive down costs and strengthen customer service. It is targeting a £450 million reduction in costs with £225 to be delivered in each year. It also included investment of nearly £200 million in new products.

BA announced the restructure of parts of its UK direct sales operations with the proposed closure of British Airways' Travel Shops and the airline's Belfast based customer call centre by August 2006. The move comes in response to changing customer behaviour and increased sales on its ba.com website.

The summer 2006 schedule was announced with British Airways' first ever flights to Tirana in Albania and Varna on Bulgaria's Black Sea coast. Four other new destinations from London Gatwick airport include Reykjavik in Iceland, Izmir in Turkey, Kiev in the Ukraine and Athens, Greece.

The airline announced a series of service enhancements to be introduced ahead of its move into Heathrow airport's Terminal 5. The first change will be launched from April 25, when the airline introduces self-service check-in for all customers travelling on UK domestic flights.

Customers planning to visit the United States from March 7 are being urged to input relevant data on ba.com or via their travel agent to comply with the new Advanced Passenger Information (API), introduced for all passengers flying to the US.

April 5, 2006

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

	Month of March			Financial year April through to March		
	2006	2005	Change (%)	2006	2005	Change (%)
BRITISH AIRWAYS SCHEDULED SERVICES						
Passengers carried (000)						
UK/Europe	1871	1935	-3.3	23086	23491	-1.7
Americas	610	615	-0.9	7337	7227	+1.5
Asia Pacific	166	152	+9.5	1906	1683	+13.3
Africa and Middle East	294	280	+5.0	3182	3122	+1.9
Total	2941	2981	-1.3	35511	35523	-0.0
Revenue passenger km (m)						
UK/Europe	1677	1725	-2.8	21212	21010	+1.0
Americas	4115	4127	-0.3	49304	48368	+1.9
Asia Pacific	1702	1582	+7.6	19634	17333	+13.3
Africa and Middle East	2002	1890	+5.9	21554	20938	+2.9
Total	9496	9324	+1.8	111704	107649	+3.8
Available seat km (m)						
UK/Europe	2590	2616	-1.0	31587	30995	+1.9
Americas	5224	5255	-0.6	62674	62227	+0.7
Asia Pacific	2178	1988	+9.5	25545	23261	+9.8
Africa and Middle East	2635	2463	+7.0	27917	27404	+1.9
Total	12627	12323	+2.5	147723	143888	+2.7
Passenger load factor (%)						
UK/Europe	64.8	65.9	-1.1pts	67.2	67.8	-0.6pts
Americas	78.8	78.5	+0.3pts	78.7	77.7	+1.0pts
Asia Pacific	78.2	79.6	-1.4pts	76.9	74.5	+2.4pts
Africa and Middle East	76.0	76.7	-0.7pts	77.2	76.4	+0.8pts
Total	75.2	75.7	-0.5pts	75.6	74.8	+0.8pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	457	442	+3.5	4928	4951	-0.5
Total RTK	1402	1369	+2.4	16086	15704	+2.4
Available tonne km (m)	1989	1935	+2.8	23076	22528	+2.4
Overall load factor (%)	70.5	70.7	-0.2pts	69.7	69.7	+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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