

TRAFFIC AND CAPACITY STATISTICS – March 2007

Summary of the headline figures

In March 2007, passenger capacity, measured in Available Seat Kilometres, was 2.3 per cent above March 2006. Traffic, measured in Revenue Passenger Kilometres, was higher by 3.3 per cent. This resulted in a passenger load factor up 0.7 points versus last year, to 76.3 per cent. The increase in traffic comprised a 3.6 per cent increase in premium traffic and a 3.2 per cent increase in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, decreased by 16.3 per cent.

Market conditions

Underlying market conditions are broadly unchanged.

Strategic Developments

In the light of Iberia's announcement that it had received a bid approach, British Airways appointed UBS to advise on how to use British Airways' 10 per cent holding in Iberia in the best interests of British Airways shareholders. The advice will examine all options, including a disposal of British Airways' holding.

British Airways called on the UK Government to stand by its right of automatic termination of traffic rights granted in the new aviation pact between the EU and US if America stalls on negotiating further liberalisation.

The airline expanded its operations at London City Airport by more than 70 per cent with the launch of its new subsidiary, BA CityFlyer which operates 250 flights a week to six UK and European destinations. New direct routes include Glasgow and Zurich.

British Airways completed the sale of the regional operation of its subsidiary airline BA Connect to Flybe.

British Airways entered into exclusive talks to transfer its ground handling operation at Aberdeen, Edinburgh, Glasgow and Manchester airports to Aviance UK, an independent ground handling company.

The summer schedule includes four new routes from London Gatwick this summer including Port of Spain in Trinidad and Tobago, Dresden in Germany, Sarajevo in Bosnia and Herzegovina and Newquay.

The company announced three year contracts with global distribution systems Galileo, Sabre Travel Network and Worldspan.

At its annual Investor Day British Airways released market guidance for the financial year 2007/8. Revenue is forecast to increase by 5-6 per cent based on capacity measured in available seat kilometers (ASKs) up 1.3 per cent, traffic measured in revenue passenger kilometers (RPKs) up 2.4 per cent and yield measured in pence per RPK up 3.4 per cent. Fuel is forecast to be up by some £100 million for 2007/8. Total costs, excluding fuel are forecast to be up £50 million. This will leave the company on track to achieve a 10 per cent operating margin in the year to March 2008.

April 4, 2007

Note:

Following completion of the sale of the regional business of BA Connect, traffic statistics are now shown on a continuing basis. All comparative data has been restated on the same basis.

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

| BRITISH AIRWAYS SCHEDULED SERVICES | Month of March | | | Financial year April through to Mar | | |
|---------------------------------------|----------------|--------------|----------------|--|---------------|----------------|
| | 2007 | 2006 | Change (%) | 2007 | 2006 | Change (%) |
| Passengers carried (000) | | | | | | |
| UK/Europe | 1695 | 1634 | +3.7 | 20250 | 19636 | +3.1 |
| Americas | 614 | 610 | +0.6 | 7371 | 7644 | -3.6 |
| Asia Pacific | 163 | 167 | -2.3 | 1844 | 1907 | -3.3 |
| Africa and Middle East | 325 | 297 | +9.4 | 3597 | 3214 | +11.9 |
| Total | 2796 | 2708 | +3.3 | 33061 | 32402 | +2.0 |
| Revenue passenger km (m) | | | | | | |
| UK/Europe | 1623 | 1530 | +6.1 | 19966 | 18907 | +5.6 |
| Americas | 4158 | 4116 | +1.0 | 49728 | 49490 | +0.5 |
| Asia Pacific | 1674 | 1708 | -2.0 | 18851 | 19639 | -4.0 |
| Africa and Middle East | 2214 | 2007 | +10.3 | 24296 | 21609 | +12.4 |
| Total | 9669 | 9361 | +3.3 | 112842 | 109645 | +2.9 |
| Available seat km (m) | | | | | | |
| UK/Europe | 2386 | 2322 | +2.8 | 28044 | 27435 | +2.2 |
| Americas | 5408 | 5224 | +3.5 | 64870 | 63060 | +2.9 |
| Asia Pacific | 1996 | 2184 | -8.6 | 23937 | 25551 | -6.3 |
| Africa and Middle East | 2879 | 2650 | +8.7 | 31448 | 28076 | +12.0 |
| Total | 12669 | 12380 | +2.3 | 148299 | 144123 | +2.9 |
| Passenger load factor (%) | | | | | | |
| UK/Europe | 68.0 | 65.9 | +2.1pts | 71.2 | 68.9 | +2.3pts |
| Americas | 76.9 | 78.8 | -1.9pts | 76.7 | 78.5 | -1.8pts |
| Asia Pacific | 83.9 | 78.2 | +5.7pts | 78.8 | 76.9 | +1.9pts |
| Africa and Middle East | 76.9 | 75.8 | +1.1pts | 77.3 | 77.0 | +0.3pts |
| Total | 76.3 | 75.6 | +0.7pts | 76.1 | 76.1 | +0.0pts |
| Revenue tonne km (RTK) (m) | | | | | | |
| Cargo tonne km (CTK) | 383 | 457 | -16.3 | 4693 | 4928 | -4.8 |
| Total RTK | 1362 | 1389 | -1.9 | 16108 | 15902 | +1.3 |
| Available tonne km (m) | 1927 | 1958 | -1.6 | 22874 | 22703 | +0.8 |
| Overall load factor (%) | 70.7 | 70.9 | -0.2pts | 70.2 | 69.7 | +0.5pts |

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. Information on some factors which could result in material difference to the results is available in the Company's SEC filings, including, without limitation the Company's Report on Form 20-F for the year ended March 2006.

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