

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

In May 2006, passenger capacity, measured in Available Seat Kilometres, was 5.1 per cent above May 2005. Traffic, measured in Revenue Passenger Kilometres, was higher by 6.9 per cent. This resulted in a passenger load factor up 1.3 points versus last year, to 74.5 per cent. The increase in traffic comprised a 13.9 per cent increase in premium traffic and a 5.7 per cent increase in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, increased by 2.3 per cent. Overall load factor increased by 0.7 points to 68.4 per cent.

Market conditions

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

Strategic Developments

British Airways announced a pre-tax profit of £620 million for the year to March 31, 2006 (2005: £513 million profit). The pre-tax profit for the fourth quarter was £91 million (2005: £6 million loss). Operating profit for the year was £705 million (2005: £556 million profit) and £93 million for the quarter (2005: £46 million profit).

The company's accounting valuation of its main pension scheme, the New Airways Pension Scheme (NAPS), showed a deficit of £2,070 million at March 31, 2006, up £101 million on the previous year. The accounting deficit reflects low long-term interest rates and has gone up despite the company's increased contributions and strong equity markets.

British Airways welcomed the statement from the Civil Aviation Authority (CAA) that it will protect customers at BAA airports from being overcharged to fund payments to the airport operator's shareholders during its current bid battle. The CAA is currently consulting on the level of user charges at Heathrow, Gatwick and Stansted airports for a five year period from April 2008 in its role as economic regulator.

The airline launched a promotion offering savings of up to £1,250 on Club World return fares to 58 long haul destinations this summer including New York, Singapore and all Caribbean destinations.

June 5, 2006

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

BRITISH AIRWAYS SCHEDULED SERVICES	Month of May			Financial year April through to May		
	2006	2005	Change (%)	2006	2005	Change (%)
Passengers carried (000)						
UK/Europe	2050	2030	+1.0	4009	3953	+1.4
Americas	668	635	+5.2	1338	1258	+6.4
Asia Pacific	144	133	+8.9	304	273	+11.6
Africa and Middle East	267	225	+18.5	546	464	+17.8
Total	3129	3023	+3.5	6198	5947	+4.2
Revenue passenger km (m)						
UK/Europe	1931	1903	+1.5	3779	3656	+3.4
Americas	4499	4247	+6.0	9012	8405	+7.2
Asia Pacific	1455	1374	+5.9	3061	2817	+8.6
Africa and Middle East	1777	1513	+17.4	3640	3112	+17.0
Total	9662	9037	+6.9	19493	17991	+8.4
Available seat km (m)						
UK/Europe	2727	2796	-2.5	5319	5481	-3.0
Americas	5673	5393	+5.2	11146	10648	+4.7
Asia Pacific	2078	1994	+4.2	4095	3923	+4.4
Africa and Middle East	2494	2160	+15.4	4897	4272	+14.6
Total	12972	12344	+5.1	25457	24324	+4.7
Passenger load factor (%)						
UK/Europe	70.8	68.0	+2.8pts	71.0	66.7	+4.3pts
Americas	79.3	78.7	+0.6pts	80.9	78.9	+2.0pts
Asia Pacific	70.0	68.9	+1.1pts	74.7	71.8	+2.9pts
Africa and Middle East	71.3	70.0	+1.3pts	74.3	72.8	+1.5pts
Total	74.5	73.2	+1.3pts	76.6	74.0	+2.6pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	411	401	+2.3	820	795	+3.2
Total RTK	1374	1303	+5.5	2760	2585	+6.8
Available tonne km (m)	2009	1925	+4.4	3954	3799	+4.1
Overall load factor (%)	68.4	67.7	+0.7pts	69.8	68.1	+1.7pts

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.

Investor Relations
Waterside (HCB3)
PO Box 365
Harmondsworth
UB7 OGB
Tel: +44 (0) 20 8738 6947
Fax: +44 (0) 20 8738 9602