

TRAFFIC AND CAPACITY STATISTICS – June 2010*Summary of the headline figures*

The first nine days of the month were affected by industrial activity by the Unite union representing cabin crew. In June 2010 traffic, measured in Revenue Passenger Kilometres, fell by 11.1 per cent. Passenger capacity, measured in Available Seat Kilometres (ASKs), was down 8.6 per cent on June 2009; the industrial activity accounted for some five per cent reduction in capacity. This resulted in a passenger load factor decrease of 2.1 points versus last year, to 77.5 per cent. Traffic comprised a 9.2 per cent decrease in premium traffic and an 11.4 per cent decrease in non-premium traffic.

Cargo, measured in Cargo Tonne Kilometres, rose by 5.4 per cent.

Traffic, and as a result profitability, in the first quarter, has been affected by seven days of volcanic ash in April and 23 days of industrial activity in May and June. Traffic was 14.9 per cent down on quarter one 2009 and capacity, measured in ASKs, was down 11.3 per cent, resulting in a passenger load factor 3.1 points lower than last year. Although the yields over the period have been stronger year-on-year, reflecting the underlying economic improvement, they have not fully offset the impact of lower volumes.

Market conditions

Underlying market conditions continue to show improvement.

Strategic Developments

British Airways announced it will recruit new cabin crew. This will enable the airline to deliver a more competitive and flexible cost base. There will be a separate fleet combining longhaul and shorthaul flying with cabin crew on new terms and conditions. It will operate in addition to existing cabin crew fleets.

The airline made a new offer to its cabin crew union Unite which the union has said it will put to its members. The offer includes changes that are intended to address cabin crew concerns about their future earnings, a proposal to increase staffing levels on some flights has been withdrawn. The offer also includes two years of guaranteed rises in basic salary from February 2011 in addition to annual increment pay increases. Cabin crew who are not members of Unite are being invited to accept the offer on an individual basis.

British Airways' online holiday bookings were up 56 per cent compared to last year. This is due to the introduction of 'dynamic packaging' on ba.com, which allows customers to buy flight and hotel or flight and car packages in one easy booking.

The airline will start flights to Mexico's most important tourist destination with two direct services a week from London Gatwick to Cancun from November 2010.

British Airways has forged a relationship with CitationAir (owned by US aircraft manufacturer Cessna) to provide a new private jet service for British Airways customers who want to fly within the US, southern Canada and the Caribbean. The service allows 'pay-by-the-trip' access to the PrivateConnect network across 85 different private jets. It also means customers can avoid the long-range commitment and hefty up-front fees normally associated with private jet air travel.

This month British Airways welcomed its 50 millionth customer through the doors of Heathrow Terminal 5.

July 5, 2010

Reminder of change of date: British Airways' half-year results will be announced on October 29, 2010.

BRITISH AIRWAYS SCHEDULED SERVICES

	Month of June			Financial year to date		
			Change (%)	April to June		Change (%)
	2010	2009		2010	2009	
Passengers carried (000)						
UK/Europe	1,572	1,811	-13.2	4,269	5,240	-18.5
Americas	634	705	-10.1	1,736	1,978	-12.2
Asia Pacific	112	135	-17.0	301	400	-24.9
Africa and Middle East	247	279	-11.4	717	829	-13.5
Total	2,565	2,930	-12.5	7,022	8,446	-16.9
Revenue passenger km (m)						
UK/Europe	1,676	1,925	-12.9	4,532	5,521	-17.9
Americas	4,344	4,770	-8.9	11,906	13,387	-11.1
Asia Pacific	1,160	1,405	-17.5	3,090	4,146	-25.5
Africa and Middle East	1,647	1,826	-9.8	4,686	5,392	-13.1
Total	8,827	9,926	-11.1	24,214	28,446	-14.9
Available seat km (m)						
UK/Europe	2,233	2,567	-13.0	6,354	7,532	-15.6
Americas	5,337	5,665	-5.8	15,199	16,545	-8.1
Asia Pacific	1,476	1,667	-11.4	4,068	5,097	-20.2
Africa and Middle East	2,348	2,567	-8.6	6,889	7,471	-7.8
Total	11,394	12,466	-8.6	32,510	36,645	-11.3
Passenger load factor (%)						
UK/Europe	75.1	75.0	+0.1 pts	71.3	73.3	-2.0 pts
Americas	81.4	84.2	-2.8 pts	78.3	80.9	-2.6 pts
Asia Pacific	78.6	84.3	-5.7 pts	76.0	81.3	-5.3 pts
Africa and Middle East	70.1	71.1	-1.0 pts	68.0	72.2	-4.2 pts
Total	77.5	79.6	-2.1 pts	74.5	77.6	-3.1 pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	392	372	+5.4	1,118	1,097	+2.0
Total RTK	1,285	1,363	-5.7	3,569	3,931	-9.2
Available tonne km (m)	1,764	1,857	-5.0	5,043	5,476	-7.9
Overall load factor (%)	72.8	73.4	-0.6 pts	70.8	71.8	-1.0 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. Further information on some of the most important risks in this regard is given in the Company's Annual Report and Accounts for the year ended March 31, 2010, which is available on www.bashareholders.com.