

TRAFFIC AND CAPACITY STATISTICS – June 2009*Summary of the headline figures*

In June 2009, passenger capacity, measured in Available Seat Kilometres, was 1.7 per cent below June 2008. Traffic, measured in Revenue Passenger Kilometres, fell by 3.8 per cent. This resulted in a passenger load factor decrease of 1.8 points versus last year, to 79.6 per cent. Traffic comprised a 14.9 per cent decrease in premium traffic and a 1.3 per cent fall in non-premium traffic.

Cargo, measured in Cargo Tonne Kilometres, fell by 9.8 per cent.

Market conditions

Market conditions continue to be very challenging with trading at levels well below last year. However on an underlying basis both premium and non-premium volumes and seat factors have now been stable for more than three months.

Business Update

In response to the challenging economic conditions British Airways has reviewed its business plan. Capacity for the current summer period (April to October) is now expected to be down 3.5 per cent (previously 2.5 per cent), with capacity in the winter down 5 per cent (previously 4 per cent). The remaining three mainline Boeing 757 aircraft will be grounded in summer 2010 and a further three Boeing 747-400s in winter 2010. The delivery schedule for the first six Airbus A380 aircraft has been extended by an average of five months with the first delivery still due in 2012. The schedule for the remaining six A380s has been extended by an average of two years with the final aircraft arriving in 2016. Forecast capital expenditure has been reduced from £725m to £580m for 2009/10 and is likely to remain at that level in 2010/11. As previously indicated Manpower Equivalents (MPE) are targeted to be reduced by some 3,700 in 2009/10 – this is in addition to the reduction of around 2,500 achieved between June 2008 and March 2009.

Strategic Developments

Some 7,000 British Airways employees have volunteered for schemes in support of the airline's cost reduction programme. Their actions will save the company up to £10 million.

British Airways announced that its new business class service from London City airport to New York will launch on September 29, 2009. Tickets for the twice-daily flights on a specially configured 32-seat Airbus A318 are now on sale.

This winter, British Airways will launch extra flights from Gatwick to Bermuda, Barbados, St Lucia and Port of Spain. Gibraltar, Malaga and Pisa flights will move from Gatwick to Heathrow and flights from Gatwick to Alicante, Barcelona, Krakow, Madrid, Malta and Palma will be suspended.

July 3, 2009

BRITISH AIRWAYS SCHEDULED SERVICES

	Month of June			Financial year to date		
			Change (%)	April to June		Change (%)
	2009	2008		2009	2008	
Passengers carried (000)						
UK/Europe	1,811	1,923	-5.8	5,240	5,475	-4.3
Americas	705	721	-2.3	1,978	2,002	-1.2
Asia Pacific	135	162	-16.8	400	471	-15.0
Africa and Middle East	279	277	+0.9	829	834	-0.6
Total	2,930	3,082	-4.9	8,446	8,781	-3.8
Revenue passenger km (m)						
UK/Europe	1,925	1,991	-3.3	5,521	5,655	-2.4
Americas	4,770	4,857	-1.8	13,387	13,493	-0.8
Asia Pacific	1,405	1,655	-15.1	4,146	4,768	-13.0
Africa and Middle East	1,826	1,812	+0.8	5,392	5,468	-1.4
Total	9,926	10,314	-3.8	28,446	29,384	-3.2
Available seat km (m)						
UK/Europe	2,567	2,620	-2.0	7,532	7,822	-3.7
Americas	5,665	5,753	-1.5	16,545	16,873	-1.9
Asia Pacific	1,667	1,938	-14.0	5,097	5,895	-13.5
Africa and Middle East	2,567	2,367	+8.5	7,471	7,238	+3.2
Total	12,466	12,678	-1.7	36,645	37,829	-3.1
Passenger load factor (%)						
UK/Europe	75.0	76.0	-1.0pts	73.3	72.3	+1.0pts
Americas	84.2	84.4	-0.2pts	80.9	80.0	+0.9pts
Asia Pacific	84.3	85.4	-1.1pts	81.3	80.9	+0.4pts
Africa and Middle East	71.1	76.5	-5.4pts	72.2	75.5	-3.3pts
Total	79.6	81.4	-1.8pts	77.6	77.7	-0.1pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	372	412	-9.8	1,097	1,235	-11.2
Total RTK	1,363	1,439	-5.3	3,931	4,153	-5.3
Available tonne km (m)	1,857	1,904	-2.5	5,476	5,693	-3.8
Overall load factor (%)	73.4	75.6	-2.2pts	71.8	72.9	-1.1pts

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 March 31, 2009, which is available on www.bashareholders.com.