

**TRAFFIC AND CAPACITY STATISTICS – September 2007***Summary of the headline figures*

In September 2007, passenger capacity, measured in Available Seat Kilometres, was 0.3 per cent above September 2006. Traffic, measured in Revenue Passenger Kilometres, fell by 0.7 per cent. This resulted in a passenger load factor down 0.8 points versus last year, to 78.3 per cent. The decrease in traffic comprised a 6.6 per cent increase in premium traffic and a 2.0 per cent reduction in non-premium traffic.

Cargo, measured in Cargo Tonne Kilometres, fell by 0.4 per cent.

For the first half of the financial year, ASKs rose by 0.5 per cent, with RPKs down 0.7 per cent. This resulted in passenger load factor down 0.9 points to 78.4 per cent. Premium traffic rose 2.5 per cent with non-premium traffic falling by 1.3 per cent. Cargo Tonne Kilometres fell by 1.5 per cent.

*Market conditions*

Market conditions are broadly unchanged. The outlook for longhaul premium travel continues to be encouraging.

*Strategic Developments*

British Airways ordered 12 Airbus A380 and 24 Boeing 787 aircraft with options for a further seven Airbus A380s and 18 Boeing 787s. Both aircraft types will be powered by Rolls-Royce engines.

The aircraft will be greener, quieter and more fuel efficient with significantly lower carbon dioxide emissions and reduced impact on local air quality.

The new aircraft will replace 34 of the airline's longhaul fleet and will be delivered between 2010 and 2014. The order, including options, will give the airline the ability to grow its capacity by up to four per cent per year and the flexibility to tailor its future capacity growth in line with market conditions.

Terminal 5 was formally handed over to British Airways and this signalled the start of an intensive six month period of operational readiness trials ahead of its opening on March 27, 2008. The trials include familiarisation programmes for staff and over 70 separate proving trials. These activities will run in parallel to the final completions work that includes fit-out, systems integration and finishing works.

The British Airways summer 2008 route network from March next year includes daily flights to Dallas Fort Worth and double daily flights to Houston from Heathrow airport. Frequencies from Heathrow to New York JFK increase from 51 to 55, to Seattle from 10 to 13 and to Washington up from 21 to 24 flights per week. Flights from Gatwick to Orlando also increase from 7 to 10 flights per week. Harare services will be re-routed via Johannesburg with the airline's franchise Comair and services to Detroit will be suspended.

Flights to Algiers will move from Gatwick to Heathrow and Warsaw flights to Gatwick. There will also be a new daily service Gatwick to Genoa in Italy starting on April 4, 2008.

Earlier in the month British Airways flew the England rugby squad to the Rugby World Cup in France. The airline is the official carrier of the team and re-named the aircraft 'Hope and Glory' in their honour.

The airline launched a new brand advertising campaign from British Airways with a new television ad, followed by cinema, radio, press and online.

*October 3, 2007*

**BRITISH AIRWAYS SCHEDULED SERVICES**

	Month of Sept			Financial year April through to Sept		
	2007	2006	(%)	2007	2006/7	(%)
<b>Passengers carried (000)</b>						
UK/Europe	1877	1896	-1.0	11153	11134	+0.2
Americas	636	639	-0.5	3997	4068	-1.7
Asia Pacific	161	166	-2.9	934	965	-3.2
Africa and Middle East	288	285	+1.0	1748	1704	+2.6
Total	2962	2986	-0.8	17833	17872	-0.2
<b>Revenue passenger km (m)</b>						
UK/Europe	1878	1905	-1.4	11155	11142	+0.1
Americas	4287	4316	-0.7	26939	27418	-1.7
Asia Pacific	1662	1701	-2.3	9566	9817	-2.6
Africa and Middle East	1932	1910	+1.1	11632	11331	+2.7
Total	9760	9832	-0.7	59292	59708	-0.7
<b>Available seat km (m)</b>						
UK/Europe	2497	2395	+4.3	15086	14470	+4.3
Americas	5584	5599	-0.3	33763	33824	-0.2
Asia Pacific	1924	2030	-5.2	11830	12344	-4.2
Africa and Middle East	2453	2403	+2.1	14972	14642	+2.3
Total	12458	12426	+0.3	75651	75280	+0.5
<b>Passenger load factor (%)</b>						
UK/Europe	75.2	79.5	-4.3 pts	73.9	77.0	-3.1 pts
Americas	76.8	77.1	-0.3 pts	79.8	81.1	-1.3 pts
Asia Pacific	86.4	83.8	+2.6 pts	80.9	79.5	+1.4 pts
Africa and Middle East	78.8	79.5	-0.7 pts	77.7	77.4	+0.3 pts
Total	78.3	79.1	-0.8 pts	78.4	79.3	-0.9 pts
<b>Revenue tonne km (RTK) (m)</b>						
Cargo tonne km (CTK)	391	392	-0.4	2365	2400	-1.5
Total RTK	1372	1401	-2.1	8336	8453	-1.4
Available tonne km (m)	1898	1916	-0.9	11567	11691	-1.1
<b>Overall load factor (%)</b>	72.3	73.2	-0.9 pts	72.1	72.3	-0.2 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. 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 31 March 2007, which is available on [www.bashareholders.com](http://www.bashareholders.com).