PRELIMINARY RESULTS ANNOUNCEMENT

Year April 1, 2008 – March 31, 2009

RESULTS REFLECT BLEAK TRADING ENVIRONMENT

British Airways today (May 22) presented its preliminary results for the 12 months ended March 31, 2009.

Period highlights:

- Operating loss of £220 million, including restructuring costs of £78 million (2008: £878 million profit - restated)
- Loss before tax of £401 million (2008: £922 million profit - restated)
- Revenue £8,992 million (2008: £8,758 million – restated)
- Full year fuel costs near to £3 billion
- Significantly better operational performance, particularly punctuality

British Airways' chief executive Willie Walsh, said:

"Reduced passenger and cargo demand and high fuel prices last summer contributed to our £220 million operating loss as our total fuel bill reached almost £3 billion. The prolonged nature of the global downturn makes this the harshest trading environment we have ever faced and, with no immediate improvement visible, market conditions remain challenging. It is vital, therefore, that we remain absolutely committed to our plans to establish British Airways as a high-performing, market-focused, global premium airline.

"On revenue, we changed our focus during Q4 from driving yields to securing volume as customers became more price sensitive. We continue to actively manage the balance between yield and volume to ensure that we respond effectively to changing external conditions. Despite the fall in premium travel, our market share is growing currently and we must maintain this momentum.

"We are taking action to mitigate the impact of the economic crisis on our business. Next winter we will continue to reduce capacity by taking out 4 per cent of flying compared to last year, parking up to 16 aircraft.

"We are taking action on non-fuel costs too. In addition to reducing external spend and not paying management bonuses, there are no base pay increases planned and we are offering staff the option of unpaid leave and temporary or permanent part time working. We are also in talks with our trade unions about pay and productivity changes. The results for the year include £78 million of redundancy related costs. Since last summer, our overall manpower has fallen by more than 2,500.

"While we focus on the immediate situation by reducing costs, investing in improved customer service is vital. With increasing competition and more consumer choice, we need to guarantee our future competitiveness by ensuring that we offer customers excellent service throughout their journey.

"We start from a good point. We ended the year with record customer ratings with 77 per cent of customers either extremely or very satisfied with their journey - a 13 point improvement over last year. More than 24 million passengers have flown through Terminal 5 and they love the improved punctuality, speedy baggage retrieval and lack of check-in queues. We have won numerous awards this year including the Daily Telegraph Ultratravel awards for best first class cabin, business class airline and shorthaul airline.

"We are committed to being the leading global premium airline. This year we will complete our Club World cabin upgrade and introduce a brand new First cabin while investing in premium cabin crew training to ensure that we can deliver service standards to match those experienced in the most prestigious hotels and restaurants.

"Both the US Department of Transportation and EU continue to assess our application for anti-trust immunity to operate a transatlantic joint business with American Airlines and Iberia and nearly 3,400 letters have been sent to the US Department of Transportation supporting our application. We are optimistic that anti-trust immunity will be approved in the next six months so that in early 2010 we can start to bring benefits to our customers, employees and shareholders, and enjoy a level playing field for **one**world with the two other global airline alliances.

"Finally, the UK Government's recent decision to double Air Passenger Duty from 2010 will undoubtedly disadvantage the UK's competitive position within the airline industry."

British Airways' chairman Martin Broughton said:

"In the last twelve months we have gone from a record profit to a record loss due to the current tough economic environment. That only serves to underline the extremely difficult trading conditions that we are facing, despite our best ever operational performance, and any recovery is likely to take longer than initially envisaged.

"The revenue outlook continues to be weak during the current financial year but we expect lower fuel prices to reduce our fuel costs by approximately £400 million.

"In light of this, the board is unable to recommend a dividend this year."

Financial review

Group revenue in quarter 4 was down 8.4 per cent to £1.9 billion on operating costs up 13.3 per cent, resulting in an operating loss of £309 million. Excluding fuel costs and the impact of exchange, operating costs were down 5.5 per cent in the quarter. Quarter 4 loss before tax was £331 million. Passenger revenue for quarter 4 was down 8.0 per cent. Yields were down 2.5 per cent, down 16.0 per cent excluding exchange.

Full year revenue was up 2.7 per cent to just under £9.0 billion (including £109 million arising from a change in estimation basis for unused tickets). Excluding year on year exchange effects, underlying revenue was down 3.7 per cent.

Passenger revenue rose 3.1 per cent to £7.8 billion, on capacity down 0.7 per cent. Seat factor was down 2.1 points to 77.0 per cent. Yields, however, rose 6.7 per cent as a result of currency impacts. At constant exchange, passenger yields were broadly flat.

The economic downturn led to a significant fall in global demand for premium travel, with IATA premium traffic down around 14 per cent (our premium traffic was down 13 per cent), in the second half of the year. Our premium traffic volume, which started to see some weakness back in August, has steadily declined in the second half in response to the economic slowdown. Significant pricing actions were required to stimulate non-premium traffic volumes, which were broadly unchanged year on year.

Total traffic, measured in revenue passenger kilometres, was down 3.4 per cent. Total passengers carried fell by 4.3 per cent to 33.1 million.

The economic downturn had a marked impact on the worldwide demand for airfreight, which saw a significant reduction in the second half of the year. Full year cargo revenue rose 9.4 per cent, despite the fall in demand in the second half. Cargo volumes, measured in cargo tonne kilometres, fell 5.2 per cent. Despite the favourable impact of exchange, yields also came under pressure in the second half, driven primarily by lower levels of fuel surcharges as the oil price fell.

Our cost performance for the year was dominated by our fuel costs, which were up 44.5 per cent, as a result of a combination of fuel price increases and sterling weakness. Our non fuel costs rose 7.2 per cent. Excluding the impact of exchange, these costs rose by just 0.3 per cent.

Employee costs, excluding £78 million of restructuring related costs, rose by 1.3 per cent. Engineering costs, which were impacted by increased volumes from CityFlyer and OpenSkies together with significant exchange effects, were up 13.1 per cent. Landing fees and en route charges were up 14.2 per cent, due primarily to the much higher charges levied by BAA at both Heathrow and Gatwick.

Our cash balance at the end of March 2009 was just under £1.4 billion, down £483 million on the previous year. Our net debt was £2.4 billion, up £1.1 billion on March 2008, including £554 million due to retranslation of foreign debt and £122 million due to the reclassification of 10 Airbus A319s from operating to finance leases.

The retranslation of foreign debt and the marked-to-market movement on fuel and currency hedges have reduced reserves by £988 million. This reflects the weakness of sterling and lower fuel prices at March 31, 2009.

Capital expenditure, at £571 million, was £58 million lower than last year following a management review earlier in the year.

Business review

Upgraded customer experience

We have finalised the design and certification of our new First cabin and will start installing it on our longhaul fleet later this year.

All 57 of our Boeing 747s and 33 of our 43 Boeing 777s are fitted with our multi-award winning Club World cabin. The embodiment schedule for the remainder of the fleet is on track for completion by the end of this year.

We will launch the first ever longhaul flights from London City this autumn with our new business class service to New York. Customers will be able to send texts, emails and access the internet onboard – the first time this has been done on transatlantic flights. Customers on the new service will also be able to clear US customs and immigration at Shannon Airport allowing them to bypass the normal arrivals checks when they land at JFK.

Capacity

In response to trading conditions, capacity was reduced by 3.1 per cent in winter 2008 and 2.5 per cent in summer 2009 compared to the previous year. We will continue to reduce capacity by taking out around a further 4.0 per cent in winter 2009.

We have ordered six Boeing 777-300ER aircraft for delivery between 2010-12, and placed options for four more, to give us greater flexibility in our longhaul fleet following delays to our Boeing 787 deliveries. In addition, 11 Embraer aircraft have been ordered for our subsidiary CityFlyer to replace its current AVRO RJ100 and RJ85 fleet.

Our 11 mainline Boeing 757 aircraft have been sold for cargo conversion. The 757s will leave the fleet between 2010–2012 and be replaced by Airbus A320 family aircraft.

Among the new routes launched this year are Heathrow to Hyderabad and Gatwick to St Kitts. Services from Heathrow to Jeddah and Riyadh resume in late May and Heathrow to Las Vegas flights start in October. Flights from Heathrow to Dhaka, Islamabad and Kolkata, from Gatwick to Dresden, Dublin, Newquay, Poznan, Sarajevo and Zurich and from London City to Dublin and Warsaw were suspended.

Competitive cost base

We continue to review all areas of our cost base and capital expenditure and are working with our suppliers to examine ways that we can work together to reduce our costs.

Our overall manpower has fallen by more than 2,500 compared with last summer. The manpower savings have come from natural attrition combined with voluntary redundancy, overtime reductions, part time working and unpaid leave.

In each part of our business, we have launched a major drive to improve productivity and competitiveness and have begun formal discussions with the trade unions.

Corporate responsibility

We have recently launched our BAcking Britain campaign to help British businesses beat the recession. In conjunction with UK Trade & Investment (UKTI) and BritishAmerican Business (BAB), we will offer 5,000 return flights worth up to £15 million to help UK small and medium enterprises win new business abroad. More than 1,200 applications have been received so far and the first successful small business has already flown.

We announced a new environmental target of halving our net C02 emissions by 2050. This ambitious target means that we will reduce our net carbon output from 16 million tonnes in 2005 to eight million by mid century.

In a bid to enable budding British talent to realise their dreams, we launched the BA Great Britons Programme with a £500,000 travel fund.

We won several environment awards this year including the ITM ICARUS Environmental Award for the aviation sector.

Our partnership with UNICEF Change for Good celebrated another fundraising milestone with £25 million raised.

Principal risks and uncertainties

The principal risks and uncertainties affecting the Group remain those detailed in our March 31, 2008 Annual Report and Accounts, with the exception of the following additional items:

Currency fluctuations

As we operate globally we are exposed to currency fluctuations on our revenue, expenditure and foreign currency debt. This can have a material impact on our operating results.

Fuel supply

The infrastructure that provides jet fuel to Heathrow is critical to the operation. Any breakdown in this infrastructure and/or contamination of the supply will have a significant operational impact.

Government intervention

The UK Government’s recent decision to double Air Passenger Duty from 2010, and the European Union’s Emissions Trading Scheme will distort our competitive position in the industry. These taxes may have an adverse impact upon demand for air travel and/or reduce profit margins and may also advantage our competitors by reducing the relative cost of doing business from their hubs.

Key suppliers

We are dependent on suppliers for some principal business processes. In the current economic environment our suppliers are at increased risk of business failure, potentially causing significant disruption to our operation.

Pensions

If the financial markets deteriorate further, our pension deficit may increase, impacting balance sheet liabilities, which may in turn affect our ability to raise additional funds.

Related parties

Related party disclosures are given in Note 17 to the condensed consolidated financial information.

Trading Outlook

The industry continues to face very difficult trading conditions, with considerable uncertainty over the likely timeframe of the global economic downturn.

Current levels of traffic volume and yield have not improved over the last quarter of last year. We have decided not to issue any new guidance for the half year or the full year because of the difficulty in forecasting revenues.

We anticipate that there will be some additional offset from fuel costs and we will deliver further cost reductions from capacity and other cost saving measures to mitigate the revenue deterioration.

ends

May 22, 2009

Note to Editors:

There will be a webcast of the analyst slide presentation at 9am (BST) available through our website www.bashares.com.

expected expenditure 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. Further information on some of the most important risks in this regard is given in the Company's Annual Report and Accounts, which will be available at our website www.bashares.com from June 8, 2009.

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FINANCIAL RESULTS 2008-2009

OPERATING AND FINANCIAL STATISTICS (Note 1)

		Year ended March 31 **2009**	*2008* Restated (Note 3)	Better/ (Worse)
Revenue	£m	**8,992**	*8,758*	2.7 %
Operating (loss)/profit before restructuring	£m	**(142)**	*879*	nm
Operating (loss)/profit	£m	**(220)**	*878*	nm
(Loss)/profit before tax	£m	**(401)**	*922*	nm
(Loss)/profit after tax	£m	**(358)**	*726*	nm
Loss from discontinued operations (after tax)	£m	**-**	*(2)*	nm
Basic earnings/(loss) per share on continuing operations	p	**(32.6)**	*62.1*	nm

	Year ended March 31 **2009**	*2008* Restated	Better/ (Worse)
TOTAL GROUP OPERATIONS			
TRAFFIC AND CAPACITY			
Revenue passenger kilometres (RPK) (m)	**114,346**	*118,395*	(3.4)%
Available seat kilometres (ASK) (m)	**148,504**	*149,576*	(0.7)%
Passenger load factor (%)	**77.0**	*79.1*	(2.1)pts
Cargo tonne kilometres (CTK) (m)	**4,638**	*4,892*	(5.2)%
Revenue tonne kilometres (RTK) (m)	**16,054**	*16,797*	(4.4)%
Actual tonne kilometres (ATK) (m)	**22,293**	*22,872*	(2.5)%
Overall load factor (%)	**72.0**	*73.4*	(1.4)pts
Passengers carried (000)	**33,117**	*34,613*	(4.3)%
Tonnes of cargo carried (000)	**777**	*805*	(3.5)%
FINANCIAL			
Operating margin (%)	**(2.4)**	*10.0*	(12.4)pts
Passenger revenue per RPK (p)	**6.85**	*6.42*	6.7 %
Passenger revenue per ASK (p)	**5.28**	*5.08*	3.9 %
Cargo revenue per CTK (p)	**14.51**	*12.57*	15.4 %
Total traffic revenue per RTK (p)	**53.00**	*48.91*	8.4 %
Total traffic revenue per ATK (p)	**38.17**	*35.92*	6.3 %
Total expenditure on operations per RTK (p)	**57.38**	*46.91*	(22.3)%
Total expenditure on operations per ATK (p)	**41.32**	*34.45*	(19.9)%
Average fuel price before fuel hedging (US cents/US gallon)	**284.06**	*245.26*	(15.8)%
TOTAL AIRLINE OPERATIONS (Note 2)			
OPERATIONS			
Average Manpower Equivalent (MPE)	**41,473**	*41,745*	0.7 %
ATKs per MPE (000)	**537.5**	*547.9*	(1.9)%
Aircraft in service at period end	**245**	*245*	

nm: Not meaningful

Note 1: Statistics relate to continuing operations unless otherwise stated.
Note 2: Excludes non-airline activity companies, principally Airmiles Travel Promotions Limited, BA Holidays Limited and Speedbird Insurance Company Limited.
Note 3: Restatement due to the adoption of IFRIC 13, 14 and inclusion of frequent flyer passengers.

CONSOLIDATED INCOME STATEMENT

£ million	2009	*2008* Restated	Better/ (Worse)
	Year ended March 31		
Traffic revenue			
Passenger	**7,836**	*7,600*	3.1 %
Cargo	**673**	*615*	9.4 %
	8,509	*8,215*	3.6 %
Other revenue	**483**	*543*	(11.0)%
REVENUE	**8,992**	*8,758*	2.7 %
Employee costs (excluding restructuring)	**2,193**	*2,165*	(1.3)%
Restructuring	**78**	*1*	nm
Depreciation, amortisation and impairment	**694**	*692*	(0.3)%
Aircraft operating lease costs	**73**	*68*	(7.4)%
Fuel and oil costs	**2,969**	*2,055*	(44.5)%
Engineering and other aircraft costs	**510**	*451*	(13.1)%
Landing fees and en route charges	**603**	*528*	(14.2)%
Handling charges, catering and other operating costs	**1,021**	*977*	(4.5)%
Selling costs	**369**	*361*	(2.2)%
Currency differences	**117**	*6*	nm
Accommodation, ground equipment and IT costs	**585**	*576*	(1.6)%
TOTAL EXPENDITURE ON OPERATIONS	**9,212**	*7,880*	(16.9)%
OPERATING (LOSS)/PROFIT	**(220)**	*878*	nm
Fuel derivative (losses)/gains	**(18)**	*12*	nm
Finance costs	**(182)**	*(175)*	(4.0)%
Finance income	**95**	*111*	(14.4)%
Net financing (expense)/income relating to pensions	**(17)**	*70*	nm
Retranslation charges on currency borrowings	**(59)**	*(11)*	nm
Profit on sale of property, plant and equipment and investments	**8**	*14*	(42.9)%
Share of post-tax profits in associates accounted for using the equity method	**4**	*26*	(84.6)%
Net charge relating to available-for-sale financial assets	**(12)**	*(3)*	nm
(LOSS)/PROFIT BEFORE TAX	**(401)**	*922*	nm
Tax	**43**	*(194)*	nm
(LOSS)/PROFIT AFTER TAX FROM CONTINUING OPERATIONS	**(358)**	*728*	nm
Loss from discontinued operations (after tax)	**-**	*(2)*	nm
(LOSS)/PROFIT AFTER TAX	**(358)**	*726*	nm
Attributable to:			
Equity holders of the parent	**(375)**	*712*	nm
Minority interest	**17**	*14*	21.4 %
	(358)	*726*	nm
EARNINGS/(LOSS) PER SHARE			
Continuing operations:			
Basic	**(32.6)p**	*62.1p*	nm
Diluted	**(32.6)p**	*61.6p*	nm
Discontinued operations:			
Basic		*(0.2)p*	nm
Diluted		*(0.2)p*	nm
Total:			
Basic	**(32.6)p**	*61.9p*	nm
Diluted	**(32.6)p**	*61.4p*	nm

nm: Not meaningful

CONSOLIDATED BALANCE SHEET

£ million	**March 31 2009**	*March 31 2008 Restated*
NON-CURRENT ASSETS		
Property, plant and equipment		
Fleet	**5,996**	*5,976*
Property	**971**	*977*
Equipment	**266**	*310*
	7,233	*7,263*
Intangible assets		
Goodwill	**40**	*40*
Landing rights	**205**	*159*
Software	**22**	*22*
	267	*221*
Investments in associates	**209**	*227*
Available-for-sale financial assets	**65**	*80*
Employee benefit assets	**340**	*320*
Derivative financial instruments	**3**	*51*
Prepayments and accrued income	**25**	*19*
TOTAL NON-CURRENT ASSETS	**8,142**	*8,181*
CURRENT ASSETS AND RECEIVABLES		
Inventories	**127**	*112*
Trade receivables	**530**	*586*
Other current assets	**268**	*308*
Derivative financial instruments	**40**	*241*
Other current interest-bearing deposits	**979**	*1,181*
Cash and cash equivalents	**402**	*683*
	1,381	*1,864*
TOTAL CURRENT ASSETS AND RECEIVABLES	**2,346**	*3,111*
TOTAL ASSETS	**10,488**	*11,292*
SHAREHOLDERS' EQUITY		
Issued share capital	**288**	*288*
Share premium	**937**	*937*
Investment in own shares	**(9)**	*(10)*
Other reserves	**430**	*1,847*
TOTAL SHAREHOLDERS' EQUITY	**1,646**	*3,062*
MINORITY INTEREST	**200**	*200*
TOTAL EQUITY	**1,846**	*3,262*
NON-CURRENT LIABILITIES		
Interest-bearing long-term borrowings	**3,074**	*2,751*
Employee benefit obligations	**191**	*330*
Provisions for deferred tax	**652**	*1,075*
Other provisions	**256**	*210*
Derivative financial instruments	**123**	*4*
Other long-term liabilities	**204**	*168*
TOTAL NON-CURRENT LIABILITIES	**4,500**	*4,538*
CURRENT LIABILITIES		
Current portion of long-term borrowings	**689**	*423*
Trade and other payables	**2,796**	*2,875*
Derivative financial instruments	**471**	*20*
Current tax payable	**4**	*4*
Short-term provisions	**182**	*170*
TOTAL CURRENT LIABILITIES	**4,142**	*3,492*
TOTAL EQUITY AND LIABILITIES	**10,488**	*11,292*

CONSOLIDATED CASH FLOW STATEMENT

£ million	2009	2008 *Restated* (Year ended March 31)	Better/ (Worse)
CASH FLOW FROM OPERATING ACTIVITIES			
Operating (loss)/profit	**(220)**	*878*	(1,098)
Operating loss from discontinued operations		*(2)*	2
Depreciation, amortisation and impairment	**694**	*692*	2
Operating cash flow before working capital changes	**474**	*1,568*	(1,094)
Movement in inventories, trade and other receivables	**32**	*96*	(64)
Movement in trade and other payables and provisions	**(136)**	*(325)*	189
Payments in respect of restructuring	**(64)**	*(32)*	(32)
Cash payment to NAPS pension scheme		*(610)*	610
Payment to DOJ in settlement of competition investigation		*(149)*	149
Other non-cash movement	**1**	*3*	(2)
Cash generated from operations	**307**	**551**	(244)
Interest paid	**(177)**	*(182)*	5
Taxation	**3**	*(66)*	69
NET CASH FLOW FROM OPERATING ACTIVITIES	**133**	**303**	(170)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	**(547)**	*(596)*	49
Purchase of intangible assets	**(24)**	*(33)*	9
Purchase of shares in associated undertakings		*(54)*	54
Proceeds from sale of other investments	**7**		7
Proceeds from sale of property, plant and equipment	**5**	*11*	(6)
Insurance recoveries for write-off of Boeing 777 aircraft	**12**	*51*	(39)
Purchase of subsidiary (net of cash acquired)	**(34)**		(34)
Cash inflow from disposal of subsidiary company		*1*	(1)
Interest received	**105**	*117*	(12)
Dividends received	**17**	*3*	14
Decrease in other current interest-bearing deposits	**202**	*458*	(256)
NET CASH USED IN INVESTING ACTIVITIES	**(257)**	*(42)*	(215)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings	**377**	*172*	205
Repayments of borrowings	**(66)**	*(68)*	2
Payment of finance lease liabilities	**(402)**	*(356)*	(46)
Exercise of share options	**1**	*4*	(3)
Dividends paid	**(58)**		(58)
Distributions made to holders of perpetual securities	**(17)**	*(14)*	(3)
NET CASH USED IN FINANCING ACTIVITIES	**(165)**	*(262)*	97
Net decrease in cash and cash equivalents	**(289)**	*(1)*	(288)
Net foreign exchange differences	**8**	*(29)*	37
Cash and cash equivalents at April 1	**683**	*713*	(30)
CASH AND CASH EQUIVALENTS AT MARCH 31	**402**	*683*	(281)

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2009

£ million	Issued capital	Share premium	Invest-ment in own shares	Other reserves	**Total share-holders' equity**	Minority interest	**Total equity**
At April 1, 2008	288	937	(10)	1,818	3,033	200	3,233
Adoption of IFRIC 13				(206)	(206)		(206)
Adoption of IFRIC 14				235	235		235
At April 1, 2008 (restated)	288	937	(10)	1,847	3,062	200	3,262
Loss for the year				(375)	(375)	17	(358)
Exchange differences and other movements				38	38		38
Net movement on cash flow hedges				(988)	(988)		(988)
Exercise of share options			2	(2)			
Cost of share-based payment				1	1		1
Purchase of own shares			(1)		(1)		(1)
Share of other movements in reserves of associates				(26)	(26)		(26)
Held-to-maturity investments marked-to-market				(5)	(5)		(5)
Available-for-sale financial assets - gains recycled to the income statement				(4)	(4)		(4)
Total income and expense for the period			1	(1,361)	(1,360)	17	(1,343)
Net dividends (note 10)				(56)	(56)		(56)
Distributions made to holders of perpetual securities						(17)	(17)
At March 31, 2009	288	937	(9)	430	1,646	200	1,846

For the year ended March 31, 2008

£ million	*Issued capital*	*Share premium*	*Invest-ment in own shares*	*Other reserves*	*Total share-holders' equity*	*Minority interest*	*Total equity*
At April 1, 2007	*288*	*933*	*(10)*	*1,000*	*2,211*	*200*	*2,411*
Adoption of IFRIC 13				*(202)*	*(202)*		*(202)*
Adoption of IFRIC 14				*199*	*199*		*199*
At April 1, 2007 (restated)	*288*	*933*	*(10)*	*997*	*2,208*	*200*	*2,408*
Profit for the year				*712*	*712*	*14*	*726*
Exchange differences and other movements				*24*	*24*		*24*
Net movement on cash flow hedges				*119*	*119*		*119*
Cost of share-based payment				*3*	*3*		*3*
Tax effect of share-based payment				*(7)*	*(7)*		*(7)*
Deferred tax - rate change adjustment				*6*	*6*		*6*
Share of other movements in reserves of associates				*(2)*	*(2)*		*(2)*
Net fair value adjustment on available-for-sale financial assets				*(5)*	*(5)*		*(5)*
Total income and expense for the period				*850*	*850*	*14*	*864*
Issue of shares		*4*			*4*		*4*
Distributions made to holders of perpetual securities						*(14)*	*(14)*
At March 31, 2008 (restated)	*288*	*937*	*(10)*	*1,847*	*3,062*	*200*	*3,262*

NOTES TO THE ACCOUNTS
For the year ended March 31, 2009

1. CORPORATE INFORMATION

The Group's summary consolidated financial statements for the year ended March 31, 2009 were authorised for issue by the Board of Directors on May 21, 2009. British Airways Plc (the Company) is a public limited company incorporated and domiciled in England and Wales. The Group’s auditors issued an unqualified audit report on the Group’s annual financial statements on May 21, 2009. The annual financial statements have not been lodged with the Registrar as at May 21, 2009. The Company's ordinary shares are traded on the London Stock Exchange.

2. BASIS OF PREPARATION

The basis of preparation and accounting policies set out in the Annual Report and Accounts for the year ended March 31, 2009 have been applied in the preparation of these summary consolidated financial statements. These are in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRSs)* as adopted by the European Union (EU) and with those of the Standing Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the International Accounting Standards Board (IASB). References to 'IFRS' hereafter should be construed as references to IFRSs as adopted by the EU.

Changes in composition of the Group
In July 2008, the Group acquired the entire issued share capital of the French business class airline L’Avion (note 19).

* For the purposes of these statements IFRS also includes International Accounting Standards.

3. ACCOUNTING POLICIES

The accounting policies and methods of calculation adopted are consistent with those of the annual financial statements for the year ended March 31, 2008, as described in those annual financial statements, except as discussed below.

The Group adopted IFRIC 13, ‘Customer Loyalty Programmes’, on April 1, 2008. IFRIC 13 addresses accounting by entities that operate or otherwise participate in customer loyalty programmes for their customers. IFRIC 13 applies to sales transactions in which the entities grant their customers award credits that, subject to meeting any further qualifying conditions, the customers can redeem in the future for free or discounted goods or services. The interpretation requires that an entity recognise credits that it awards to customers as a separately identifiable component of revenue, which would be deferred at the date of the initial sale.

The results for the year ended March 31, 2008 have been restated accordingly. The net impact on the income statement for the year ended March 31, 2008 is a £5 million increase in total revenue, a £2 million increase in expenditure on operations and a £7 million increase to the taxation charge for the year. The net impact to the balance sheet as at March 31, 2008 is a £206 million decrease in shareholders’ equity, a £285 million increase in trade and other payables and a £79 million decrease in the provision for deferred tax.

IFRIC 14 ‘Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction’ is effective for periods beginning on or after January 1, 2008, and provides guidance on assessing the limit in IAS 19 ‘Employee Benefits’, on the amount of the surplus that can be recognised as an asset. It also provides guidance on how the pension asset or liability may be affected by a statutory or contractual minimum-funding requirement. The results for the year ended March 31, 2008 have been restated accordingly. The net impact on the income statement for the year ended March 31, 2008 is a £36 million increase in finance income. The net impact on the balance sheet as at March 31, 2008 is a £235 million increase to shareholders’ equity and a £235 million increase in employee benefit assets.

IFRS 8 'Operating segments' is effective for annual periods beginning on or after January 1, 2009. IFRS 8 requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group has chosen to early adopt IFRS 8. All disclosures relating to segment information, including all comparative information, have been updated to reflect the new requirements. The composition of the Group’s business segments have not changed as a result of the adoption of IFRS 8.

See the Annual Report and Accounts for the year ended March 31, 2009 for disclosure of new standards, amendments and interpretations not yet effective.

Changes in accounting estimates

During the current year, changes in estimates regarding the timing of revenue recognition primarily for unused flexible tickets were made, resulting in increased revenue in the current year of £109 million.

3. ACCOUNTING POLICIES continued

During the prior year, changes in estimates regarding the timing of revenue recognition for unused restricted tickets were made, resulting in increased revenue in the prior year of £36 million.

Both the above changes reflected more accurate and timely data obtained through the increased use of electronic tickets.

As a result of regulation changes in the EU regarding the tradeability of landing rights, the Group revised the economic life for landing rights acquired within the EU to that of an indefinite economic life. The net impact to the income statement for the year ended March 31, 2009 is a £4.5 million decrease in the amortisation charge on landing rights.

The economic lives of the Boeing 737-400 aircraft were reviewed and extended during the year in accordance with the planned usage of the aircraft. The net impact on the income statement is a £1 million decrease to the depreciation charge for the year ended March 31, 2009.

In the current year, the Group's provision for the settlement of competition investigations was increased by £41 million due to foreign currency exchange adjustments and £12 million as a result of legal fees accrued, offset by a £22 million reduction in the provision due to a change in the net present value of the provision due to amendments to the expected payment profile.

NOTES TO THE ACCOUNTS continued
For the year ended March 31, 2009

4. SEGMENT INFORMATION

a. Business segments

The Group's network passenger and cargo operations are managed as a single business unit. The Management Board makes resource allocation decisions based on route profitability, which considers aircraft type and route economics, with only limited reference to the strength of the cargo business. The objective in making resource allocation decisions is to optimise consolidated financial results. While the operations of BA European Limited (OpenSkies) and BA Cityflyer Limited (CityFlyer) are considered to be separate operating segments, their activities are considered to be sufficiently similar in nature to aggregate the two segments and report them together with the network passenger and cargo operations. Therefore, based on the way the Group treats the network passenger and cargo operations, and the manner in which resource allocation decisions are made, the Group has only one reportable operating segment for financial reporting purposes, reported as the 'airline business'.

Financial results from other operating segments are below the quantitative threshold for determining reportable operating segments and consist primarily of Airmiles Travel Promotions Limited, British Airways Holidays Limited and Speedbird Insurance Company Limited.

For the year ended March 31, 2009

£ million	Airline business	All other segments	Unallocated	**Total**
Revenue				
Sales to external customers	8,840	152		**8,992**
Inter-segment sales	18			**18**
Segment revenue	8,858	152		**9,010**
Segment result	(240)	20		**(220)**
Other non-operating expense	(30)			**(30)**
(Loss)/profit before tax and finance costs	(270)	20		**(250)**
Net finance costs	78	(59)	(182)	**(163)**
Profit on sale of assets	8			**8**
Share of associates' profit	4			**4**
Tax			43	**43**
Loss after tax	(180)	(39)	(139)	**(358)**
Assets and liabilities				
Segment assets	10,164	115		**10,279**
Investment in associates	209			**209**
Total assets	10,373	115		**10,488**
Segment liabilities	3,842	381		**4,223**
Unallocated liabilities *			4,419	**4,419**
Total liabilities	3,842	381	4,419	**8,642**
Other segment information				
Property, plant and equipment - additions (note 11)	643	2		**645**
Intangible assets - additions (excluding L'Avion)	21			**21**
Purchase of subsidiary (net of cash acquired - 19c)	34			**34**
Depreciation, amortisation and impairment	693	1		**694**
Impairment of available-for-sale financial asset - Flybe (note 20)	13			**13**
Exceptional items (note 5):				
Restructuring	78			**78**
Unused tickets	109			**109**
Impairment of OpenSkies goodwill	5			**5**

* Unallocated liabilities primarily include deferred taxes of £652 million and borrowings of £3,763 million which are managed on a Group basis.

NOTES TO THE ACCOUNTS continued
For the year ended March 31, 2009

4. SEGMENT INFORMATION continued

a. Business segments continued

For the year ended March 31, 2008
Restated

£ million	Continuing operations: Airline business	All other segments	Unallocated	Total	Dis-continued operations*	**Total**
Revenue						
Sales to external customers	*8,570*	*188*		*8,758*		*8,758*
Inter-segment sales	*31*			*31*		*31*
Segment revenue	*8,601*	*188*		*8,789*		*8,789*
Segment result	*857*	*21*		*878*	*(2)*	*876*
Other non-operating income	*9*			*9*		*9*
Profit/(loss) before tax and finance costs	*866*	*21*		*887*	*(2)*	*885*
Net finance income/(costs)	*181*	*(11)*	*(175)*	*(5)*		*(5)*
Profit/(loss) on sale of assets	*16*	*(2)*		*14*		*14*
Share of associates' profit	*26*			*26*		*26*
Tax			*(194)*	*(194)*		*(194)*
Profit/(loss) after tax	*1,089*	*8*	*(369)*	*728*	*(2)*	*726*
Assets and liabilities						
Segment assets	*10,966*	*99*		*11,065*		*11,065*
Investment in associates	*227*			*227*		*227*
Total assets	*11,193*	*99*		*11,292*		*11,292*
Segment liabilities	*3,479*	*298*		*3,777*		*3,777*
Unallocated liabilities **			*4,253*	*4,253*		*4,253*
Total liabilities	*3,479*	*298*	*4,253*	*8,030*		*8,030*
Other segment information						
Property, plant and equipment - additions (note 11)	*636*	*1*		*637*		*637*
Intangible assets - additions	*40*			*40*		*40*
Depreciation, amortisation and impairment	*690*	*2*		*692*		*692*
Impairment of available-for-sale financial asset - Flybe (note 20)	*6*			*6*		*6*
Exceptional items (note 5)						
Restructuring	*1*			*1*		*1*
Unused tickets	*36*			*36*		*36*

* As disclosed in note 20, BA Connect, which previously comprised the majority of the 'Regional airline business' segment, was disposed of in March 2007.

** Unallocated liabilities primarily include deferred taxes of £1,075 million and borrowings of £3,174 million which are managed on a Group basis.

NOTES TO THE ACCOUNTS continued
For the year ended March 31, 2009

4. SEGMENT INFORMATION continued

b. Geographical segments – by area of original sale

£ million	**2009**	*2008*
	Year ended March 31	
		Restated
Europe:	**5,617**	*5,581*
United Kingdom	**4,197**	*4,362*
Continental Europe	**1,420**	*1,219*
The Americas	**1,719**	*1,697*
Africa, Middle East and Indian sub-continent	**875**	*821*
Far East and Australasia	**781**	*659*
Revenue	**8,992**	*8,758*

Total of non-current assets excluding available-for-sale financial assets, employee benefit assets, derivative financial instruments and prepayments and accrued income located in the United Kingdom is £7,337 million (2008: £7,336 million) and the total of these non-current assets located in other countries is £372 million (2008: £375 million).

5. OPERATING (LOSS)/PROFIT

The operating result includes restructuring charges relating to severance of £78 million (2008: £1 million), the impact arising from a change in estimation basis for unused tickets of £109 million (2008: £36 million) and an impairment charge of £5 million (2008: £nil) relating to the goodwill that arose on the acquisition of L'Avion (note 19).

6. FINANCE COSTS AND INCOME

£ million	**2009**	*2008*
	Year ended March 31	
		Restated
Finance costs:		
Interest payable on bank and other loans and finance charges payable under finance leases and hire purchase contracts	**169**	*176*
Unwinding of discounting on provisions*	**12**	*10*
Capitalised interest	**(4)**	*(15)*
Change in fair value of cross currency swaps	**5**	*4*
Total finance costs	**182**	*175*
Finance income:		
Bank interest receivable (total interest income for financial assets not at fair value through the income statement)	**95**	*111*
Total finance income	**95**	*111*
Net financing (expense)/income relating to pensions	**(34)**	*70*
Amortisation of actuarial gains on pensions	**17**	
Total financing (expense)/income relating to pensions	**(17)**	*70*
Retranslation charges on currency borrowings	**59**	*11*

* Unwinding of discount on the competition investigation provision and restoration and handback provisions.

7. PROFIT ON SALE OF PROPERTY, PLANT, EQUIPMENT AND INVESTMENTS

£ million	**2009**	*2008*
	Year ended March 31	
Net profit on sale of property, plant and equipment	2	*12*
Write-off of Boeing 777 aircraft		*(60)*
Insurance recoveries on Boeing 777 aircraft		*63*
Net profit/(loss) on the disposal of investments	6	*(1)*
Profit on sale of property, plant and equipment and investments	8	*14*

8. TAX

The Group tax credit for the year ended March 31, 2009 is £43 million. This consists of a current tax credit of £9 million and a deferred tax credit of £34 million. The deferred tax credit includes a one-off charge of £79 million arising from the abolition of industrial buildings allowances legislation, which was substantively enacted in July 2008. Excluding the one-off cost of the industrial buildings allowances abolition and prior year credits totalling £10 million, the tax rate for the period would have been 28 per cent.

9. EARNINGS PER SHARE

Basic earnings per share for the period ended March 31, 2009 are calculated on a weighted average of 1,151,230,000 ordinary shares (2008: 1,150,537,000) and adjusted for shares held for the purposes of employee share ownership plans including the Long Term Incentive Plan. Diluted earnings per share for the period ended March 31, 2009 are calculated on a weighted average of 1,153,932,000 ordinary shares (2008: 1,158,630,000).

The number of shares in issue at March 31, 2009 was 1,153,628,000 (2008: 1,153,105,000) ordinary shares of 25 pence each.

10. DIVIDENDS

The directors recommended not to declare a dividend for the year ended March 31, 2009. The Company declared a dividend of 5 pence per share (totalling £58 million) for the year ended March 31, 2008. The dividend was paid in July 2008 and was accounted for as a reduction in shareholders' equity for the year ended March 31, 2009.

The Group reversed £2 million of previously declared dividends, relating to historic unclaimed dividends that are no longer expected to be collected.

11. PROPERTY, PLANT, EQUIPMENT AND INVESTMENTS

During the year ended March 31, 2009, the Group acquired property, plant, equipment and investments with a cost of £651 million (2008: £694 million); including £6 million of additions arising from the acquisition of L'Avion (note 19). Included in the acquisition of these assets is £122 million relating to the reclassification of 10 Airbus A319s from operating leases to finance leases, where the Group waived the right to return the aircraft to the lessor.

Property, plant and equipment with a net book value of £3 million was disposed of by the Group during the year ended March 31, 2009 (2008: £70 million) resulting in a net gain on disposal of £2 million (2008: £15 million). Disposal of investments resulted in a net gain on disposal of £6 million (2008: net loss on disposal of £1 million).

12. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

£ million	Year ended March 31 **2009**	*2008 Restated*
Decrease in cash and cash equivalents during the period	**(289)**	*(1)*
Net cash outflow from decrease in debt and lease financing	**468**	*424*
Decrease in other current interest-bearing deposits	**(202)**	*(458)*
New loans and finance leases taken out and hire purchase arrangements made	**(377)**	*(172)*
Increase in net debt resulting from cash flow	**(400)**	*(207)*
Exchange movements and other non-cash movements	**(672)**	*(112)*
Increase in net debt during the period	**(1,072)**	*(319)*
Net debt at April 1	**(1,310)**	*(991)*
Net debt at March 31	**(2,382)**	*(1,310)*

Net debt comprises the current and non-current portions of long-term borrowings less cash and cash equivalents and other current interest-bearing deposits.

13. LONG-TERM BORROWINGS

£ million	Year ended March 31 2009	2008
a Current		
Loans, finance leases and hire purchase arrangements:		
Bank and other loans	**69**	*113*
Finance leases	**103**	*64*
Hire purchase arrangements	**517**	*246*
At March 31	**689**	*423*
b Non-current		
Loans, finance leases and hire purchase arrangements:		
Bank and other loans	**779**	*764*
Finance leases	**1,979**	*1,376*
Hire purchase arrangements	**316**	*611*
At March 31	**3,074**	*2,751*

14. SHARE OPTIONS

During the year, the Group awarded a new performance share plan for its senior executives, under which 2,572,505 options over shares were awarded. No payment is due upon exercise of the options. The fair value of equity-settled share options granted is estimated as at the date of grant using the Monte-Carlo model, taking into account the terms and conditions upon which the options were granted. The following are the inputs to the model for the options granted during the year:

Expected share price volatility 24%
Historical volatility 35%
Expected life 3 years
Weighted average share price £1.88

15. PROVISIONS FOR LIABILITIES AND CHARGES

Litigation
There are ongoing investigations into the Group's passenger and cargo surcharges by the European Commission and other jurisdictions. These investigations are likely to continue for some time. The Company is also subject to related class action claims. The final amount required to pay the remaining claims and fines is subject to uncertainty. A detailed breakdown of the remaining provision is not presented as it may seriously prejudice the position of the Company in these regulatory investigations and potential litigation.

16. CONTINGENT LIABILITIES

There were contingent liabilities at March 31, 2009 in respect of guarantees and indemnities entered into as part of the ordinary course of the Group’s business. No material losses are likely to arise from such contingent liabilities. A number of other lawsuits and regulatory proceedings are pending, the outcome of which in the aggregate is not expected to have a material effect on the Group's financial position or results of operations.

The Group has guaranteed certain borrowings, liabilities and commitments, which at March 31, 2009 amounted to £185 million (2008: £173 million).

17. RELATED PARTIES

The Group has had transactions in the ordinary course of business, during the year under review, with related parties.

£ million	Year ended March 31 2009	2008
Associates:		
Sales to associates	**41**	*43*
Purchases from associates	**53**	*54*

£ million	Year ended March 31 2009	2008
Amounts owed by associates	**1**	*4*
Amounts owed to associates	**2**	

Associates
Iberia, Lineas Aéreas de España, S.A. (Iberia)
The Group has a 13.15 per cent investment in Iberia. Areas of opportunity for cooperation have been identified and work continues to pursue and implement these. Sales and purchases between related parties are made at normal market prices and outstanding balances are unsecured and interest free. Cash settlement is expected within the standard settlement terms specified by the IATA Clearing House.

As at March 31, 2009 the net trading balance owed to Iberia by the Group amounted to £1 million (2008: £3 million owed by Iberia).

Other associates
The remaining net trading balance of £1 million as at March 31, 2008 was due to transactions between the Group and Dunwoody Airline Services (Holdings) Limited.

Directors' and officers' loans and transactions
No loans or credit transactions were outstanding with directors or officers of the Company at March 31, 2009 or arose during the year that need to be disclosed in accordance with the requirements of Schedule 6 to the Companies Act 1985.

In addition to the above, the Group also has transactions with related parties that are conducted in the normal course of airline business. These include the provision of airline and related services.

The Group has not provided or benefited from any guarantees for any related party receivables or payables. During the year ended March 31, 2009 the Group has not made any provision for doubtful debts relating to amounts owed by related parties (2008: £nil).

18. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for but not provided for in the accounts amounts to £4,805 million for the Group commitments (2008: £3,306 million) and £4,617 million for the Company commitments (2008: £3,301 million). The majority of capital expenditure commitments are denominated in US dollars, as such the commitments are subject to exchange movements.

The outstanding commitments include £4,793 million for the acquisition of five Boeing 777s (from 2009 to 2012), 24 Boeing 787s (from 2012 to 2016), two Airbus A318s (2009), 10 Airbus A320s (from 2009 to 2012), 12 Airbus A380s (from 2012 to 2014) and 11 Embraer E-jets (from 2009 to 2010).

19. BUSINESS COMBINATIONS

Acquisition of L'Avion

In July 2008, the Group subsidiary, OpenSkies, acquired the entire issued share capital of the French airline L'Avion, for a cash consideration of €68 million (£54 million). Additional consideration of €10 million (£9 million, retranslated as at March 31, 2009) is payable in July 2009, based on the terms of the Purchase Agreement. The retranslation difference of £1 million has been charged to currency differences in the income statement. L'Avion was a privately owned business class airline that operated two Boeing 757s between Paris (Orly) and New York (Newark) airports. The operations of OpenSkies and L'Avion were merged in April 2009.

Details of the fair value of the net assets acquired and goodwill arising on the acquisition of L'Avion are as follows:

a. Purchase consideration:

£ million	
Cash consideration	54
Transaction costs directly associated with the acquisition	2
Contingent consideration	8
Total purchase consideration	64
Fair value of net assets acquired	59
Goodwill arising on acquisition	5

The goodwill is attributable to the workforce of the acquired business and synergies expected to arise after the OpenSkies' acquisition of L'Avion. As a result of the goodwill impairment review performed as at March 31, 2009, goodwill associated with the acquisition was considered to be impaired, and accordingly an impairment charge of £5 million has been recognised in the consolidated income statement.

b. The assets and liabilities arising from the acquisition are as follows:

£ million	Carrying Amount	Fair Value
Property, plant and equipment	6	6
Landing rights		35
Prepayments and accrued income	3	3
Other current assets	4	4
Cash and cash equivalents	22	22
Trade and other payables	(11)	(11)
Net assets acquired	24	59

c. Net cash flow in respect of the acquisition comprises:

£ million	
Cash consideration	54
Transaction costs directly associated with the acquisition	2
Cash and cash equivalents in subsidiary acquired	(22)
Cash outflow on acquisition included in cash flow statement	34

d. Contribution to Group results:

The acquired airline contributed revenues of £23 million and a net loss of £7 million to the Group for the period from the date of acquisition to March 31, 2009. Had the acquisition occurred on April 1, 2008, Group revenues would have been £9,012 million and loss after tax would have been £363 million. These amounts have been calculated using the Group's accounting policies and by adjusting the results of the airline to reflect the additional amortisation that would have been charged assuming the fair value adjustment to intangible assets had been applied from April 1, 2008, together with the consequential tax effects. The amounts calculated are not affected by the Group's decision to change the economic life of landing rights acquired within the EU to that of an indefinite economic life as this prospective change took place in the post-acquisition period, on September 30, 2008.

20. DISCONTINUED OPERATIONS

On November 3, 2006 the Group announced that it had reached an agreement in principle to sell the regional operation of its subsidiary airline BA Connect to the Flybe Group Limited (Flybe). The acquisition of BA Connect by Flybe excluded the London City airport routes and the BA Connect-operated service from Manchester to New York. The disposal was completed on March 5, 2007. The business sold comprised the majority of the 'Regional airline business' segment as disclosed in the financial statements for the year ended March 31, 2006.

The £2 million loss from discontinued operations for the year ended March 31, 2008 is attributed to the resolution of uncertainties that arose from the terms of the disposal transaction, primarily adjustments to the restructuring provision previously reported within discontinued operations.

21. OTHER EVENTS

Merger with Iberia
In July 2008, the Group announced that the Company and Iberia were in talks with a view to an all-share merger between the two companies.

Both airlines would keep their own brands and identities, each with day-to-day responsibility for the running of their own operations. It is anticipated that a new Company would be formed to hold the shares in both airlines.

Management anticipates that the talks with Iberia will take several months to conclude.

Joint Business Agreement with American Airlines and Iberia
In August 2008, the Company agreed to seek regulatory approval for a new venture to join forces with American Airlines and Iberia on flights between North America and Europe. The joint business agreement will cover flights between the United States, Mexico and Canada, and the European Union, Switzerland and Norway. It will also expand the Company's codeshare arrangements on flights within and beyond the European Union and the United States, significantly increasing the number of destinations the Company will offer to customers.

The Company is seeking regulatory approval for the agreement, which involves applying for anti-trust immunity from the United States Department of Transportation and the European Commission.

Impairment of investment in Flybe
In the prior year, the Group performed a review of its investment in Flybe and due to an expected significant and prolonged decline in fair value associated with fuel price increases, the Group recognised a £6 million impairment of the investment. The impairment charge was reflected in the income statement within amounts relating to available-for-sale financial assets.

The Group performed a review of its investment in Flybe at March 31, 2009. Despite a growth in Flybe's revenue and an expected reporting of profits for the year ended March 31, 2009, the review showed a further decline in fair value, associated with a lower rate of forecast revenue and earnings growth than previously expected. Accordingly, the Group recognised a £13 million impairment of the investment. The impairment charge has been recognised in the income statement relating to available-for-sale financial assets. The investment is now valued at £30 million.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8.

The Directors of British Airways Plc are listed in the Group's Annual Report and Accounts for the year ended March 31, 2009.

By order of the Board

Willie Walsh
Chief Executive

Keith Williams
Chief Financial Officer

May 21, 2009

AIRCRAFT FLEET

Number in service with Group companies at March 31, 2009

	On Balance Sheet Fixed Assets	Off Balance Sheet Operating Leases	Total March 2009	Total March 2008	Changes Since March 2008	Future deliveries (note 11)	Options (note 12)
AIRLINE OPERATIONS (note 1)							
Airbus A318						2	
Airbus A319	31	2	33	33			
Airbus A320 (Note 2)	19	16	35	25	10	10	31
Airbus A321	11		11	11			
Airbus A380						12	7
Avro RJ85 (note 3)		2	2		2		
Avro RJ100 (Note 4)		9	9	10	(1)		
Boeing 737-300 (Note 5)		1	1	5	(4)		
Boeing 737-400	19		19	19			
Boeing 737-500 (Note 6)		2	2	9	(7)		
Boeing 747-400 (Note 7)	55		55	57	(2)		
Boeing 757-200 (Note 8)	13	2	15	13	2		
Boeing 767-300	21		21	21			
Boeing 777-200 (Note 9)	39	3	42	42		3	
Boeing 777-300						6	4
Boeing 787						24	28
Embraer E170						6	
Embraer E190						5	18
GROUP TOTAL (note 10)	208	37	245	245	-	68	88

Note:

1. Includes those operated by British Airways Plc, CityFlyer and OpenSkies.
2. Includes one additional Airbus A320 aircraft operating leased in during the period. Certain future Airbus deliveries and options include reserved delivery positions, and may be taken as any A320 family aircraft.
3. Two Avro RJ85s added to expand the London City route network, until the new generation E-jets are delivered.
4. One Avro RJ100 out of service due to heavy landing incident at London City Airport in February 2009. Excludes six Avro RJ100 aircraft sub-leased to Swiss.
5. Excludes four Boeing 737-300 aircraft stood down pending return to lessor.
6. Excludes six Boeing 737-500 aircraft returned to lessor and one Boeing 737-500 aircraft stood down pending return to lessor.
7. Excludes two Boeing 747 aircraft temporarily stood down out of service.
8. Includes two Boeing 757 operating leased aircraft as part of the acquisition of L’Avion by Openskies.
9. Excludes one Boeing 777-200 aircraft delivered, not yet in service.
10. Excludes one Jetstream 41 sub-leased to Eastern Airways.
11. Future year deliveries have increased by two Airbus A318 aircraft reserved for the new London City to New York service to be launched during 2009, six Boeing 777-300ER aircraft, six Embraer E170 aircraft and five Embraer E190 aircraft, offset by nine Airbus A320 aircraft and one Boeing 777-200 aircraft delivered during 2008/09.
12. Future year options have increased by four Boeing 777-300ER aircraft and 18 Embraer E190 aircraft.