

SERVICES FOR SHAREHOLDERS

British Airways offers a range of services to its shareholders.

Financial Services

Share dealing services and an Individual Savings Account (ISA) are available in association with Barclays Stockbrokers, who may be contacted on 0845 601 5000 for ISAs and 0845 702 3021 for sharedealing

Computershare Investors Services also offer a share dealing service and can be contacted on 0870 703 0084*.

The Company operates a dividend reinvestment scheme called the Dividend Share Plan details of which may be obtained from the company's Registrars, Computershare Investor Services PLC on 0870 702 0110. Alternatively cash dividends may be mandated to most UK bank and building society accounts using the BACS system.

British Airways has a Company Nominee Service operated in conjunction with the Registrars. This free service, known as British Airways Investor Services (BAIS), is designed to provide shareholders with a way to hold their shares electronically, without the need for certificates. In place of a certificate for which an indemnity fee must be paid in the event of loss, shareholders in BAIS receive regular Statements of Holding. All shareholder benefits are available in this service as if the shares were held directly on the register. For full details call the Registrars on 0870 702 0110.

Flight Discounts

Shareholders in British Airways can also apply for discounts on the airline's flights. This scheme is now in its fourteenth year and shareholders can receive a 10% discount if you book and travel with British Airways.

Eligibility is restricted to private individual shareholders owning a minimum of 200 ordinary shares in British Airways Plc who are on the register on the record date each year; in 2004 this is 08 November. The discount can be used by the shareholder, and up to five additional travel companions, booking and travelling together. The coupon is sent out to shareholders on the register towards the end of November and is bookable from 1 January to 31 December 2005.

The flight coupon can be used to cut 10% off the price of any published British Airways fare, for a journey from or within the UK, for leisure travel only, subject to the normal terms and conditions. The fares include any British Airways class of travel worldwide - from UK domestic, World Traveller plus and Euro Traveller to Club World, Club Europe and First. 'World Offers' fares are also included.

Tickets issued through this scheme are no different from regular tickets- the rules, restrictions and conditions associated with the type of fare or holiday package involved, covering such items as advance purchase requirements, still apply.

Individuals who own shares in British Airways through a Personal Equity Plan, an ISA or in a nominee account (other than BAIS) are not sent the discount card automatically because the shares are not held in the individual's name. The discount may be applied for by your plan manager who should e-mail company.secretary@britishairways.com, confirming that the shareholder meets the eligibility criteria, address details and your portfolio number.

Coupons are redeemable only through British Airways via the Shareholder Reservations Line, a British Airways Travel Shop or on-line at www.bashareholders.com, they cannot be redeemed through travel agents.

Full restrictions, terms and conditions appear on the coupons which are sent out to eligible shareholders towards the end of November with details covering how to book.

**Shareholder Services, British Airways Plc, Waterside (HBA3), Harmondsworth, UB7 OGB
or company.secretary@britishairways.com**

Barclays Stockbrokers Limited and Computershare Investor Services PLC are both members of the London Stock Exchange and regulated by the Financial Services Authority.

* This is not a recommendation to buy, sell or hold shares in British Airways. Shareholders who are unsure of what action to take should contact a financial advisor authorised under the Financial Services and Markets Act 2000. Share values may go down as well as up. In so far as this statement constitutes a financial promotion for the share dealing service provided by Computershare Investor Services it has been approved by Computershare Investor Services PLC for the purpose of Section 21 (2) (b) of the Financial Services and Markets Act 2000 only. Where this has been received in a country where the provision of such a service would be contrary to local laws or regulations, this should be treated as information only.